

Revenue & Expense Budget For Fiscal Year 2022-2023

Projected Balances for Restricted Use Funds For Fiscal Year 2022-2023

2022-2023 Board of Directors

2022-2023 Budget Summary & General Information

A Message from Your Board President Ronna Heinig

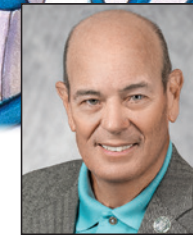
Revenues:	
Annual Homeowner Fees (55%)	\$5,585,560
Golf Revenues (22%)	2,282,365
Restaurant Revenues (19%)	1,924,000
Activities Programs (2%)	178,900
Other Income (2%)	<u>209,400</u>
Total Revenues	<u>\$10,180,225</u>
Expenses:	
Payroll & Benefits (48%)	4,876,921
Utilities (12%)	1,243,451
Repair & Maintenance (1%)	126,740
Supplies & Expenses (27%)	<u>2,715,770</u>
Total Expenses	<u>\$8,962,882</u>
Excess Revenues	<u>\$1,217,343</u>
Capital Funding:	
Contribution to Asset Reserve (2%)	215,000
Contribution to Capital Fund (10%)	<u>1,000,000</u>
Total Capital Funding	<u>\$1,215,000</u>
Results of Operations	<u>\$2,343</u>

	<u>Asset Reserve Fund</u>	<u>Capital Fund</u>	<u>Contingency Fund</u>
Projected Balance June 30, 2022	\$4,755,810	\$1,252,682	\$235,346
Membership Dues	\$215,000	\$1,000,000	
Capital Contrib. Fees*	\$53,880	\$484,920	
AT&T Lease Revenue		\$43,927	
Excess Revenues from Operations		\$345,780	
Interest Revenue	\$11,761	\$16,478	\$720
Comcast Preferred Provider		\$136,500	
Other Revenue			\$9,000
Capital Expenditures**	<u>(\$1,104,419)</u>	<u>(\$1,220,965)</u>	
Projected Balance June 30, 2023	<u>\$3,932,032</u>	<u>\$2,059,322</u>	<u>\$245,066</u>

*160 resales @ \$3,367.50; 10% to Asset Reserve Fund
** Capital Fund Expenditures projected for the Activity Center Renovation



Ronna Heinig
President



Mike LaBarbera
Vice President



Elaine Deeter
Secretary



Rocky Gedrose
Treasurer



Tim Kelley
Director



Allan Mashburn
Director



Terry McFadden
Director



I toured my first Sun City development while I was living in Las Vegas. I thought the concept was great. It had a wide variety of clubs, crafts, sports, and social activities. It was better than summer camp when I was a kid!

When it was time to consider a retirement home, we chose Sun City Oro Valley because it had all the amenities that one could think of and the desert here in southern Arizona is one of the most beautiful that I have ever seen. You need but to step outside to enjoy the magnificent cliffs of Pusch Ridge or, if you are lucky enough to have that view from your living room windows, so much the better.

Items that I did not consider in the excitement of buying here were, the amount of Association dues, the financial stability of the Association, the quality of the Association management, or how Residents participate in the Association decision making. All I thought about was that I loved the house and that we were going to have a lot of fun!

Fortunately, without knowing it, we really hit the jackpot with our home purchase in SCOV. Association dues,

when compared with other like communities are the lowest in the area. The Association's finances are professionally managed, with ample reserves for asset replacement, building renovations and new capital projects. Our Management here is friendly and responsive, and over two hundred Residents volunteer on various committees and task forces that advise and support our community.

Volunteering does not stop at SCOV's boarders. Residents and clubs, along with the SCOV Foundation continue to provide support for various charities and other worthwhile causes in our broader community.

The absolute best part of living here in Sun City Oro Valley is the community! Friends we may not have met yet, smile, and wave at us, and welcome us to get together in our neighborhood.

If you have just purchased a home here, WELCOME! If you are contemplating a purchase, I can tell you that, after 9 years, we could not have made a better choice! Whatever your hobby, sport or passion, there are others here with whom you can share your enthusiasm.

Like the marketing slogan states: Sun City Oro Valley, it's more than living, it's a lifestyle! Have fun!



1565 E. Rancho Vistoso Blvd., Oro Valley, AZ 85755
520-825-3711
www.scovaz.com

General Manager's Update



Mark Wade

CMCA, AMS, PCAM, LSM, CAAM

The 2021-2022 fiscal year has been very successful, productive and challenging. We have seen a major project, the Activity Center renovation, approved and begun.

The Views Restaurant has seen changes in management and is doing well.

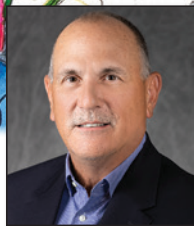
Financially, the Association continues to be in excellent condition. Thanks in part to The Views Restaurant and The Views Golf Course successes. We were able to keep the annual fee increase to a minimum. We are seeing homes selling quickly once placed on the market. The capital contribution collected from these home sales provides funds for future construction projects. The reserve fund is adequately funded, and the staff are dedicated to serving and providing customer service for the residents, while maintaining the facilities in a manner that shows pride in the community.

All our facilities are now open with the exception of the Activity Center renovation which is anticipated to reopen the end of October 2022. Our lifestyles are trying to get back to pre-pandemic levels. Our new reality resembles much of our previous reality. Theodore Roosevelt said, "It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actu-

ally in the arena, whose face is marred by dust and sweat and blood, who strives valiantly. . . ." We look out the window of an uncertain future with this pandemic. Is it here to stay, will it be like a common flu? Will mask mandates be back? Will we have to close down facilities again? Out of unforeseen circumstances we have all been thrust into the arena of this pandemic. As a community, let us be valiant and although our faces may become marred by dust and sweat and even perhaps some blood, we will make it through if we all do our part to take every precaution to protect not only ourselves but those around us. The pandemic appears to be slowing down. Let's not give in just as we stand on the eve of victory.

I just passed my fifth anniversary of service here at Sun City Oro Valley. I'm excited to be a part of a community and work for a Board that shows great character and integrity while dealing with many controversial issues. In addition, the Board supports our staff. I'm proud to be part of a community that displays pride in ownership by taking diligent care of their own properties and allowing staff to keep the existing facilities in top notch condition. The volunteerism that is selflessly given is an example to other HOAs around the country. Please keep up the great community spirit and support. Be safe and be well.

Treasurer Looks Ahead



Rocky Gedrose

Treasurer

The 2022-2023 budget has been approved by the Board. Dues for the coming year have been increased by 5.2%. This increase is related to wage increases and inflation. The wage increases are necessary to keep up with market demand in order to attract and retain necessary employees. Dues for 2022-2023 are \$2,245, a \$110 increase over last year.

There is a \$63 increase in Administration, and a \$26 increase in common area maintenance. Both are related to wages and inflation. Golf and restaurant are both reduced by \$4 and \$3 respectively. The Asset Reserve Fund has reached a percent funded level exceeding the board determined upper limit. As a result, the dues contribution to Asset Reserve, which was scheduled to be \$488, has decreased to \$86, with the balance of \$402 being redirected to the Capital Fund. This is needed to accumulate funds toward the cost of future projects.

The continued positive performance of the golf course and the improved performance of the restaurant are reflected in reduced contributions to each.

The annual dues breakdown is as follows:

Category	'22-'23	'21-'22	'20-'21	'19-'20
Administration	\$554	\$491	\$446	\$435
Activities Programs	\$238	\$221	\$215	\$203
Building Maintenance	\$341	\$355	\$355	\$331
Common Area Maintenance	\$276	\$250	\$235	\$218
Golf	\$87	\$91	\$118	\$135
Restaurant	\$94	\$97	\$102	\$77
Asset Reserve	\$86	\$470	\$470	\$450
New Capital Items	\$20	\$20	\$0	\$16
Capital Fund	\$402	\$0	\$0	\$0
Contingency Fund	\$0	\$0	\$0	\$0
Wash Fund	\$0	\$0	\$0	\$0
Single Carrier Trash	\$147	\$140	\$134	n/a
Total	\$2,245	\$2,135	\$2,075	\$1,875



Statement of Financial Position March 31, 2022 (unaudited)

ASSETS

Current Assets:

Cash & Cash Equivalents	\$ 6,776,682
Investments in CDs/Treasuries	4,576,385
Receivables	28,320
Inventories	149,700
Prepays & Deposits	<u>217,172</u>
Total Current Assets	<u>11,748,259</u>

Fixed Assets:

Land, Buildings & Equipment	34,595,329
Accumulated Depreciation	<u>(20,057,662)</u>
Total Fixed Assets	14,537,667

Total Assets \$26,285,926

LIABILITIES & FUNDS

Current Liabilities:

Accounts Payable & Accruals	\$ 837,682
Deferred Revenues	1,281,315
Deferred Restricted Fund Revenues	<u>8,642,388</u>
Total Liabilities	10,761,385

Fund Balances:

Operations	595,533
Restricted Use Funds	<u>14,929,008</u>
Total Funds	15,524,541

Total Liabilities & Funds \$26,285,926

The table below shows how the dues of SCOV compare with other HOAs.

Association	2022	2021	2020	2019
Saddlebrooke Ranch *	\$2,937	\$2,714	\$2,710	\$2,700
Saddlebrooke HOA 1	\$2,560	\$2,483	\$2,483	\$2,433
Saddlebrooke HOA 2	\$2,869	\$2,732	\$2,484	\$2,160
Highlands at Dove Mountain	\$2,724	\$2,592	\$2,520	\$2,448
Quail Creek *	\$2,676	\$2,676	\$2,676	\$2,556
Sun City Oro Valley #	\$2,245	\$2,135	\$2,075	\$1,875

Notes:

* Developer Controlled HOA

Includes trash services (\$147 for SCOV in 2022)

Homeowner Dues 2022-2023

