

2015

Understanding the ACC & HOA 2015 Budgets



anthem community council

budget-in-brief

Anthem, Arizona

Important changes to assessment payment process

ACC & HOA Budgets inside



EXECUTIVE BUDGET LETTER



ACC Board of Directors

Tim Fyke, President
Roger Willis, Vice President
John Balzer, Treasurer
John Birdseye, Secretary
Ryan Halleran, Director
Robert Linder, Director
Holly Matson, Director

ACC Fiscal & Resource Management Committee

Terry Mullarkey, Chair
Steve Champion
Chuck Hafner
Glenn Klinksiek
Loren Linscott
Bob McKenzie Jr.

ACC Budget Team

Jenna Kollings, CEO
Neal Shearer, COO
Doug Greenstein, CFO

Department Directors

Natalie Beryozkin, Controller
Michele DeMichele, Special Events
Jim Metcalf, Parks & Facilities
Maintenance
Kristi Northcutt, Communications
& Public Affairs
Kevin Shaffer, Community Center



Honorable President, Board of Directors and Anthem Property Owners:

We are pleased to present the 2015 Anthem Community Council (ACC) Operating Budget. The budget is balanced, with no increase in assessments, and continues the organization's mission to provide high quality services and programs to the residents and businesses of Anthem.

The ACC is in sound financial condition, allowing us to save for the future; replace and repair assets to maintain safety and functionality; maintain critical services and programs; continue to offer amenities that drive and define Anthem; and move forward projects that will add to Anthem's quality of life. As stewards of the public's money, we remain steadfast in our commitment to compile and implement the budget in a thoughtful and thorough manner. The Budget, which includes revenues and expenditures for all ACC operations, is community-oriented, conservative, results-driven and focuses on the following:

- A commitment to the mission and values of the ACC as defined in the governing documents.
- High quality customer service, programs and amenities, and excellence in provision of core services.

The 2015 Budget includes expenditures which enhance the quality of community life, foster civic engagement and a sense of community, enhance property values, emphasize business development through economic development and marketing, refurbish the community's infrastructure and strengthen public safety. Explore this document and our website OnlineAtAnthem.com for details.

We look forward to working with the ACC Board, staff, and community to implement the services and programs included in the 2015 Budget.

Respectfully Submitted,

Jenna R. Kollings,
Community
Executive Officer

Doug Greenstein,
Community
Finance &
Administration
Officer

Neal Shearer,
Community
Operations Officer



Preserving, Protecting and Enhancing a Genuine Sense of Community

The Anthem Community Council (ACC) serves as a unifying entity for the overall Anthem community. Our mission is to establish and maintain a governing structure that will preserve, protect and enhance the plans, policies, infrastructure and resources needed to support a genuine sense of community, facilitate sound economic development and promote quality of life for all Anthem residents.

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ACC DEPARTMENTS

Administration

Includes Finance/Accounting, Human Resources, Office Management, Commercial Code Compliance and the offices of the Community Executive Officer, Community Operations Officer and Community Finance Officer. Its mission is to create an organizational culture that promotes integrity, teamwork and customer service.

Anthem Civic Building

Provides space for Board and community meetings; the Maricopa County Sheriff's Office; a business center; arts & crafts and other programs; welcome center; community administration and HOA services; fitness studio; leased use by local non-profits; and meeting/event rental space for residents, organizations and businesses. Its mission is to provide welcoming and useful space to the community-at-large.

Communications & Public Affairs

Provides overall direction, management, and implementation of the ACC's public affairs, media relations, internal/external communications, website/social media and event publicity. This department oversees the design and production of the Resource Guide, Activity Guide and Budget-in-Brief. Its mission is to provide effective and efficient avenues of communication, and further increase and strengthen the awareness of the ACC and its programs and services.

Community Center

Provides resident services including facility rentals, contracted vending and retail sales, and oversees operations including facility management, personnel administration and contract administration. Its mission is to provide the highest level of customer service and ensure that residents' needs are being met through programming and the consistent operation of the Community Center complex.

Community Center Maintenance

Responsible for cleanliness and maintenance of the two-story, 43,000 sq. ft. complex, including lap pool and dive well, water park, tennis courts, rock wall, multi-purpose

rooms, gym, fitness floor, group exercise studio, teen room, locker rooms and lobby. Its mission is to maintain top-notch condition of the facilities, strive for the highest level of safety and cleanliness, and maintain a cost-effective, environmentally-sound approach to operations.

Community Center Programs

Offers a full complement of programs, including children's programs, camps, youth and adult sports leagues, tennis, fitness and wellness, dance and gymnastics, teen programs, specialty classes, and swimming and diving. The mission of the department is to provide and maintain programs and activities for residents that promote learning and healthy living.

Parks & Facilities Maintenance

Responsible for the maintenance/upkeep of ACC Community Park, Liberty Bell Park & Splash Pad, Adventure Playground & Splash Pad, facilities and common areas not maintained by HOAs, along with oversight of 15 miles of walking and biking trails; 1,400 acres of open space; 8 miles of barbed wire fence; 4.4 million sq. ft. of common wall and view fence; 20,000 trees; 64 acres of turf; and 300 acres of landscaped area. Its mission is to maintain Council-owned assets to the highest quality; conserve resources while maintaining appeal; and provide a clean and safe environment for residents and guests.

Paseo

The ACC oversees maintenance and upkeep in the Paseo subdivision. Paseo residents cover these additional costs through a benefitted assessment.

Special Events

Provides overall direction, management, planning and implementation of ACC-sponsored special events and serves as liaison to community groups and independent organizations using ACC Community Park. Staff coordinates event logistics, license, insurance, and permitting requirements; and oversees policies. Its mission is to create a community environment whereby residents experience a lifestyle where traditions and memories are made.

2015 Budget Revenues by Department

3240 - Council Administration

3242 - Community Center Programs & Fees

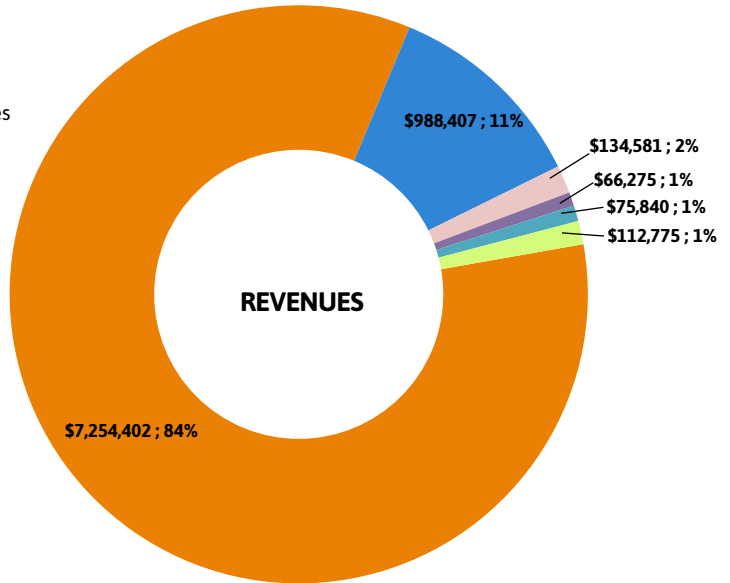
3243 - Community Center Administration

3244 - Anthem Civic Building

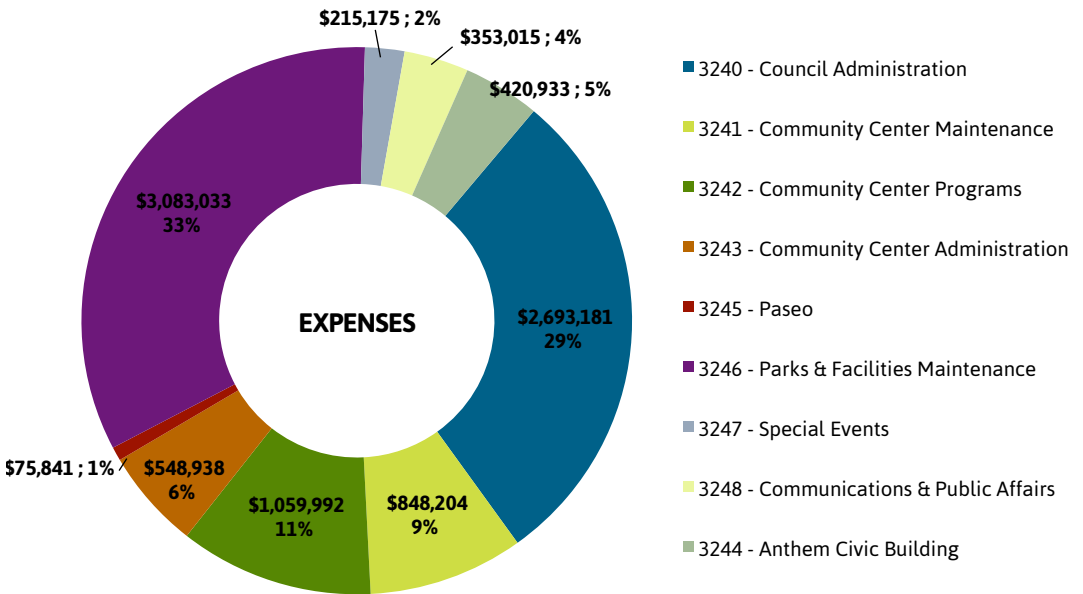
3245 - Paseo

3247 - Special Events

The following departments do not generate revenue:
 3241 - Community Center Maintenance
 3246 - Parks & Facilities Maintenance
 3248 - Communications & Public Affairs



2015 Operating Expenses by Department



Assessments are collected in 3240 - Council Administration - and used to offset program and service costs across all departments.



ACC BUDGET HIGHLIGHTS

ACC Fund Explanation

The ACC has three major funds: the Enhancement Fund, Reserve Fund and Operating Fund. While this document focuses on the Operating Fund, the other two funds and their relationship to the Operating Fund are also described below:

- The **Enhancement Fund**, established through the governing documents, is based on 1/4 of 1% of the sale price of each resold property. The fund is designated for major new projects and amenities that benefit Anthem, including proposed amenities as identified within the Facilities Master Plan. For 2015, the ACC estimates that this fund will generate \$575,220, a slight increase from the 2014 Budget. Expenditures from this fund in 2015 will be focused on the design and development of Opportunity Way Park.
- In 2015, \$1,860,000 will be transferred to the **Reserve Fund**. From 2011 through 2014, in addition to the budgeted transfers, the ACC moved approximately \$1,100,000 (resulting from savings opportunities) from the Operating Fund to the Reserve Fund. This action lessened the burden of increasing reserve assessments in the future and allows the ACC to keep the transfer amount stable. Planned expenditures from the Reserve Fund in 2015 are approximately \$974,100 and include painting of common walls, wrought iron fencing and more.
- The **Operating Fund** is funded through homeowner and commercial assessments and program fee revenues and supports the services and operations provided by the ACC.

ACC Operating Budget

The 2015 ACC Operating Budget brings many benefits to Anthem. It sustains community programs, events and services that promote Anthem as a desirable place to live and work. It endeavors to positively impact property values through continual investments in maintenance, infrastructure and economic development. It facilitates communication with property

owners, reflects responsive leadership and fosters transparency. It preserves and protects amenities that showcase Anthem as an award-winning Master Planned Community. Some highlights of the 2015 Budget include:

- **Cost Savings and Efficiencies.** The Budget includes measures and programs that are intended to improve efficiencies, saving dollars in the long run. For example, the ACC will begin a multi-year process to replace outdated irrigation controllers with “smart controllers” that conserve irrigation water, adjust applications based on weather and save manpower through remote operation. It also considers the impact of the ACC’s 501(c) (4) application to the IRS, which has positive tax implications.
- **Landscaping.** The 2015 Budget reflects stability in the cost of the contract with ValleyCrest Landscape Maintenance and includes additional funding for granite replacement on roadsides and medians maintained by the ACC.
- **Maintenance.** Critical maintenance projects include restoration and repair to the train, improvements to the ACC Community Park lake system and entrance waterfalls.
- **Reserve Projects.** Adventure Playground renovations are complete and the new playground reopened Oct. 25, 2014. A major Reserve Fund project in 2015 will include renovation of the smaller play structure near the train tunnel in ACC Community Park.
- **Enhancement Fund – Master Plan Project.** Expected groundbreaking for Opportunity Way Park is Fall 2015 following completion of design work and plan reviews. This future eight-acre park located north of Opportunity Way and west of 46th Lane will open in mid-2016 with two multi-use sports fields, playground equipment, a ramada and other amenities.
- **Recreational Programs.** As the Anthem business community continues to expand and new businesses emerge, the ACC Board and staff review the current ACC Community Center programs to supplement local offerings. As in previous years, the ACC will

trim programs that demonstrate reduced interest and reinvest in core programs that residents continue to enjoy and support. Favorites, such as swim team, youth sports, and summer and after-school camps will continue.

- **Community Partner Support.** The ACC Budget includes support for funding selected HOA related services, including office space, website support, communications, and general office services. Additionally, the ACC provides landscaping services to select parcels of land along Anthem Way owned by Anthem Parkside Community Association (APCA) and Anthem Country Club Community Association (ACCCA), which result in a more efficient use of overall resident assessment dollars. The ACC and HOAs work collaboratively to efficiently utilize assessments for services such as auditing, insurance, collections, and reserve studies with the intent to obtain the best prices and services for the overall community.
- **Salaries and Benefits.** An increase of 3.4% is reflected across the organization for salaries and benefits. This can be attributed to bringing financial services in-house, a full year of operations at the Anthem Civic Building and related personnel costs, increased security patrols and medical benefit increases. New financial positions are fully offset by the elimination of third-party management fees.
- **Transition Project.** The Budget reflects both savings and expenses related to completion of the transfer of financial services from an outside management company to in-house.
- **Safety and Security.** The ACC strives to offer safe, secure facilities and amenities for residents and invests in a number of security measures. These include security cameras, park patrol by staff and off-duty sheriff's deputies and other measures. The contract for the North Valley Posse, which supports the ACC at special events, crossing guard assistance, and general community patrol, is budgeted to continue. The Budget also includes funds for installation of security gates at ACC Community Park entrances to prevent vehicles from entering after hours.
- **Anthem Civic Building.** The building opened Jan. 25, 2014 to positive community response. The first full year of operations is fully budgeted. It recognizes that space is available to Anthem residents, organizations and businesses at reduced rates; high use of the facility and the associated operating costs; and programs such as the monthly concert series.

It includes limited "new" expenses, such as equipping a handicap accessible entrance.

- **Special Programs.** The Budget continues to support special programs such as Anthem Neighborhood Watch and the drug prevention program. Funds are included for the new Anthem Youth Advisory Council, as well as for the volunteer program.
- **Legal Fees.** Legal fees continue to decline due to diligent management by the ACC Board. However, the total shows an increase due to funds budgeted to represent the community in an anticipated wastewater rate case.
- **Business Services.** Economic Development efforts, including development of a commercial property database and other programs are included.

Through the leadership of elected officials, guidance and commitment from many volunteer community members, and the professionalism and expertise of staff, Anthem continues to be a fiscally strong and well-maintained community.

More details OnlineAtAnthem.com/finance

STRATEGIC PRIORITIES 2015

Opportunity Way Park. Implement the Opportunity Way Park project, and explore and implement creative funding options to cover operating and maintenance costs.

Service Transition and Financing. Continually evaluate and modify programs and services to ensure that they are provided in the most cost-effective and efficient manner; and pursue creative financing and funding opportunities to keep operating costs and assessments stable.

Economic Development and Business Support. Devote resources to support, develop and implement programs in the local business economy, foster economic development and further establish Anthem as a business-friendly community.

Civic Engagement. Community input is invaluable; it is imperative that Anthem leadership explores ways to increase attendance at meetings and enhance the involvement of the community.

Public Safety. Focus on community safety by advocating for appropriate law enforcement coverage and public safety services, and maintaining a safe environment at all ACC facilities and amenities.

ACC COMPARATIVE BUDGET

ANTHEM COMMUNITY COUNCIL CONSOLIDATED SUMMARY COMPARATIVE BUDGET

	HISTORICAL			BUDGET
	2014 Original Budget	2013 Actual Results	2012 Actual Results	2015 Approved Budget
Assessments	8,109,852	7,414,420	7,372,311	8,135,334
Assessments - Commercial	280,357	310,647	317,499	320,880
Assessments - Residential	117,382	107,100	107,100	117,180
Assessments - Apartments	198,424	181,050	181,050	198,084
Benefited Assessment	75,840	75,840	66,076	75,840
Community Center Programs	842,206	820,112	982,377	833,391
Special Events Revenue	91,835	125,652	118,662	112,775
Legal Fee Reimbursement	190,000	145,179	286,993	172,600
Enhancement Fees	519,675	745,432	576,273	575,220
Transfers to Enhancement Fund	(519,675)	(745,432)	(576,273)	(575,220)
Transfers to Reserve Fund	(1,860,000)	(1,388,772)	(1,041,612)	(1,860,000)
All Other Incomes	579,864	984,518	665,824	511,196
TOTAL ASSESSMENTS & INCOME	8,625,760	8,775,746	9,056,280	8,617,280
Salaries & Wages - Programs	508,148	507,779	554,592	546,244
Payroll Taxes - Programs	74,784	90,508	87,741	72,270
Direct Programs Expenses	398,253	379,995	394,198	367,210
Special Events Expenses	183,560	107,960	110,518	133,293
TOTAL PROGRAM COSTS	1,164,745	1,086,242	1,147,049	1,119,018
TOTAL - COMMUNITY INVOLVEMENT	164,074	140,629	295,728	178,678
TOTAL UTILITIES	973,406	1,009,264	840,172	1,013,446
TOTAL HUMAN RESOURCES	72,534	42,590	55,123	81,857
Salaries & Payroll	525,726	427,207	541,598	552,451
Taxes, Social Costs & Benefits	125,953	140,835	214,258	144,951
Repairs and Maintenance	621,704	325,135	331,315	589,382
Supplies, Tools & Chemicals	99,000	98,857	83,965	101,900
Tree & Plant Replacement	67,400	85,704	21,387	51,500
Other Maintenance Costs	29,200	20,954	47,380	22,200
TOTAL REPAIRS & MAINTENANCE	1,468,983	1,098,692	1,239,903	1,462,383
Legal	269,700	191,727	478,082	280,680
CPA, Consulting & Professional	183,370	104,049	47,379	156,500
TOTAL PROFESSIONAL	453,070	295,776	525,461	437,180
Insurances	365,392	317,134	308,791	342,756
Bad Debt Expense	200,000	(17,519)	395,950	150,000
All Other Financial Expenses	49,415	128,090	57,706	46,835
TOTAL FINANCIAL EXPENSES	614,807	427,705	762,447	539,591
Landscape Contract	1,144,000	1,086,974	1,097,214	1,145,400
Management Contract	85,200	84,204	105,224	6,997
Janitorial Contract	342,276	285,412	231,352	362,780
All Other Service Contracts	379,659	215,803	194,379	402,875
TOTAL CONTRACT SERVICES	1,951,135	1,672,393	1,628,169	1,918,052
Salaries & Wages	1,450,870	1,141,444	1,054,569	1,689,823
Payroll Taxes & All Benefits	421,945	264,071	235,667	476,065
Office Space Lease	-	-	91,960	-
Postage, Copies & Office Expense	148,167	126,704	163,688	124,834
Other General & Administrative	138,685	104,105	123,245	149,059
TOTAL GENERAL & ADMIN	2,159,668	1,636,324	1,669,129	2,439,781
TOTAL OPERATING COSTS	9,022,422	7,409,615	8,163,181	9,189,986
GROSS SURPLUS (DEFICIT)	(396,662)	1,366,131	893,098	(572,706)
Depreciation Expense	1,201,538	1,193,599	1,173,348	1,007,088
Interest Income, Expenses & Taxes	66,000	66,841	(1,596)	168,807
NET BOOK SURPLUS / (DEFICIT)	(1,664,200)	105,691	(278,654)	(1,748,601)
Capital Expenditures	195,800	138,426		111,400
SURPLUS / (DEFICIT) - (Cash Adj)	(1,860,000)	(32,735)	(278,654)	(1,860,000)
RESULTS AFTER RESERVE PAYMENT				0

2015 approved budget

ANTHEM COMMUNITY COUNCIL 2015 APPROVED BUDGET

	TOTAL BUDGET	3240 - ACC Admin	3241 - Community Center Maintenance	3242 - Community Center Programs	3243 - Community Center Admin	3244 - Anthem Civic Building	3245 - Paseo Benefitted Expenses	3246 - Parks & Facilities	3247 - Special Events	3248 - Communications & Public Affairs
Revenues From Assessments	8,847,318	8,771,478					75,840			
Revenues from Community Center Programs	833,391			833,391						
Revenues from Other Sources	1,389,311	935,664	-	155,016	119,581	66,275	75,840	-	112,775	-
TOTAL REVENUES (sources of funds)	11,070,020	9,707,142	-	988,407	119,581	66,275	75,840	-	112,775	-
Operating Costs	9,298,312	2,693,180	848,204	1,059,992	548,938	420,933	75,842	3,063,033	215,175	353,015
Planned Capital Expenses for 2015	111,400	13,900			42,500	10,100		44,900		
Transfers to Enhancement Fund	575,220	575,220								
Non-Cash Depreciation	1,007,088	1,007,088								
Estimated Income Taxes	78,000	78,000								
TOTAL EXPENSES (uses of funds)	11,070,020	4,367,388	848,204	1,059,992	591,438	431,033	75,842	3,127,933	215,175	353,015
NET SURPLUS / (DEFICIT)	-	5,339,754	(848,204)	(71,585)	(471,857)	(364,758)	(2)	(3,127,933)	(102,400)	(353,015)
Transfers of Assessments to Reserve Fund	1,860,000	1,860,000								

The above Budget includes the Anthem Community Council and Paseo expenses. These DO NOT include Budgets for Anthem Country Club Community Association, Anthem Parkside Community Association or The Village.

2015 ASSESSMENT FEES PAYABLE TO ANTHEM COMMUNITY COUNCIL

	Payable Quarterly in Advance on Jan 1 / April 1 / July 1 / Oct 1									
	Parkside Owners	Parkside PASCO Owners	Parkside LANDINGS Owners	Village Condominium Owners	Country Club Owners	Commercial & Non-Residential Owners				
Your Quarterly Assessment to the Anthem Community Council >>>	\$ 205.50	\$ 205.50	\$ 205.50	\$ 139.50	\$ 205.50	\$ -				
Your Semi-Annual Assessment to the Anthem Community Council (Jan 1 & July 1) >>>	\$ 48.45	\$ 48.45	\$ 48.45	\$ 746.00	\$ 240.00	\$ -				
Your Quarterly Assessment to Your Homeowners Association >>>	\$ -	\$ -	\$ 59.40	\$ -	\$ -	\$ -				
Quarterly Benefitted Assessment to Parkside for THE LANDINGS Community >>>	\$ -	\$ -	\$ 118.50	\$ -	\$ -	\$ -				
Quarterly Benefitted Assessment to Anthem Community Council for PASEO Community >>>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Your TOTAL Quarterly Assessment >>>	\$ 253.95	\$ 372.45	\$ 313.35	\$ 885.50	\$ 445.50	No Change				

IMPORTANT NOTE: The above Budget represents your obligations to the Anthem Community Council's operating expenses. When you make quarterly payments, your TOTAL PAYMENT includes your obligations for the HOA community you live in (Parkside, Paseo, The Landings, Country Club or The Village). Your TOTAL payment will be combined into one quarterly invoice that is mailed to you approx. 30 days prior to due date.

Please include your payment coupon with payment and write the account number on your check. Thank you!
Payments should be made to the lockbox address on the Payment Coupon. You may also make your payment to the ACC at Attn: Accounting, 3701 W. Anthem Way, Ste. #201, Anthem, AZ 85086

NEW PAYMENT PROCESS

Changes are on the way

The Anthem Community Council (ACC) and HOAs (Country Club, Parkside and Village) are transitioning assessment billing and collection functions and systems to “in-house” effective mid-December to help reduce costs. This will impact all Anthem property owners, even those who currently use auto-bill-pay or direct debit. However, only a new account number, which you’ll write on your check, along with a different mailing address for the lockbox, have changed. If you have questions, please contact the ACC at accounting@anthemcouncil.com.

Residents who use electronic banking

If you use electronic auto-pay banking (where your bank automatically sends a paper check to the ACC lockbox) do the following immediately upon receiving your invoice in December:

- First, **DELETE** your existing bill-pay record showing the previous mailing address and account number;
- Second, **ADD** a new bill-pay record in the system showing the new mailing address; and
- Add the new account number.

SurePay (Direct Debit) users

SurePay users who have paid assessments monthly or quarterly through a direct debit charge to your checking account will be canceled after the December payment is made. Complete information to sign up with the new bank for monthly direct debit, effective for 2015 assessments in January, will be included in the invoice mailed in early December. There is no cost for this service.

Residents who mail a personal check

The first quarter 2015 invoice for assessments will be mailed in early December. Both the invoice and the return-mailing envelope will

show a NEW mailing address for the ACC’s lockbox. Please write the new account number on your check.

Homeowners with a third-party manager

Many part-time Anthem residents use a third party “property oversight” company to pay assessment charges. They should be notified to change their payment systems in December to reflect the new lockbox and account numbers for your properties.

NEW options: eCheck and credit card

Starting April 2015, Anthem property owners can pay assessments and open account balances by either eCheck or credit card in addition to personal check, direct debit, ACH and EFT. The ACC will offer **FREE** eCheck paying. Payment by credit card will have a fee charged. Information on eCheck and credit card will be mailed to you with your first quarter 2015 invoice in early December.

Reminder: pay assessments on time

As a reminder, ACC and HOA assessments are due on the first day of each quarter (Jan/April/July/Oct). Late charges apply if payment is not received by the 15th of the month due. Additional collection charges apply if not received by the 30th of the month due.

“Opt-in” for electronic (email) invoicing

The ACC will have email invoicing available as an option starting in mid-2015. To switch from US Mail, send your name, property street address, and up to two (2) email addresses to accounting@anthemcouncil.com and indicate your preference to either “Opt-in” or “Opt-out.”

Where to mail assessment payments starting in December

The ACC has changed banks as part of a cost savings program. Starting in mid-December, there are two (2) locations to which future quarterly assessments can be mailed.

NEW lockbox address

Anthem Community Council
P.O. Box 65464
Phoenix, AZ 85082-5464

Or, mail/drop off assessment payments to the ACC office:

Anthem Community Council
Attn: Accounting
3701 W. Anthem Way, Ste. #201
Anthem, AZ 85086



THE VILLAGE (VACCC)

2015 Budget Message

The Village at Anthem Condominium Council of Co-Owners (VACCC) Board of Directors is pleased to present the 2015 Budget with no change in the quarterly assessment, remaining at \$746 per quarter per property owner. The total quarterly obligation to be paid will be \$885.50, inclusive of the Anthem Community Council (ACC) assessments.

Since Nov. 1, 2013, the Village Board has engaged RealManage, Inc. to professionally manage the community. The Board will continue to oversee the well-being of the properties and amenities of The Village, whereas RealManage facilitates the Board's plans and directions through on-site personnel and a local management team.

The ACC will change its accounting systems effective Jan. 1, 2015 and continue to be responsible for all Village invoicing, collections and accounts receivable functions. Village homeowners who have utilized "SurePay" in the past or who currently use automated bill-pay with their banks will need to change their systems to accommodate the ACC's change of lockbox address and the new account number that will be assigned to each property. Full information on this will accompany your Q1 2015 invoice mailed in early December (and is also included on page 10).

For daily operations, CC&R violations and/or facility maintenance issues contact RealManage at 1-866-473-2573; this service is available 24 hours/day to assist Village members.

For on-site questions regarding gate remotes, pool cards and overnight guest parking passes, contact Adam Crane at 623-262-5049.

For questions specific to assessment invoices, payments or any type of accounts receivable issue, contact the ACC at 623-742-6050 or at accounting@anthemcouncil.com.

2015 BUDGET

	Budget 2014 (Last Year)	Budget 2015
Assessments	626,640	626,640
CC&R Violations & Fees	1,200	1,000
Transfers to Reserve Fund	(105,000)	(105,000)
Bad Debt	(12,000)	see below
Gate/Key Income	2,400	1,673
TOTAL ASSESSMENTS & INCOME	513,240	524,313
Salaries/Payroll Tax & Benefits	31,200	50,350
Temp Support for Groundskeeper	1,200	-
Payroll Tax & Benefits	8,424	included above
Postage & Copies	400	-
CPA Services	750	750
Legal Fees (General) & Collection	3,600	2,836
Insurances	30,825	29,664
Income Taxes	50	495
Taxes, Pool Permits, Licenses & Fees	610	160
TOTAL ADMINISTRATIVE EXPENSES	77,059	84,255
Electricity	35,100	35,820
Gas	9,360	9,828
Water - Recreation Center	3,600	3,708
Water - Landscaping	19,200	18,000
Water & Sewer - Residential Use	262,980	268,000
Telephone (maintenance man)	984	924
Telephone for Gates (Bullseye system)	540	540
TOTAL UTILITIES EXPENSES	331,764	336,820
Common Area Maintenance	2,400	9,500
Facility Supplies	2,400	600
Building Plumbing repairs	-	4,000
Pest Control	750	3,310
Building Repairs/Maintenance & Roof Repair	3,000	6,580
Plant Replacement	900	2,000
Tree Pruning	3,000	2,000
Sprinkler Repairs	750	1,000
Pool/Spa Supplies/Chemicals/Furniture	4,200	3,500
Pool/Spa Maintenance/R7M fitness equip.	2,200	1,300
Streets & Sidewalk Repairs	-	1,000
Gate Repairs	600	600
TOTAL REPAIR & MAINTENANCE	20,200	35,390
TV/Fitness Center (Cox)	1,440	1,884
Gate Maintenance Contract	2,580	1,500
Exterminating Contract (termite only)	6,160	3,100
Trash Collection Contract	15,600	12,000
Landscape Contract	30,900	28,800
Management/Admin Contract	15,000	13,464
Security Fire Inspection & Repairs	2,637	4,100
Bad Debt	9,900	3,000
TOTAL CONTRACTED SERVICES	84,217	67,848
TOTAL OPERATING COSTS	513,240	524,313
SURPLUS / (DEFICIT)	-	-
ASSESSMENT Per Unit Per Quarter	746	746

BOARD OF DIRECTORS

Ed McCabe, President
 Emily Wrinkle, Vice-President
 Denny Leach, Treasurer
 Don Crane, Secretary
 Dan Brown, Director

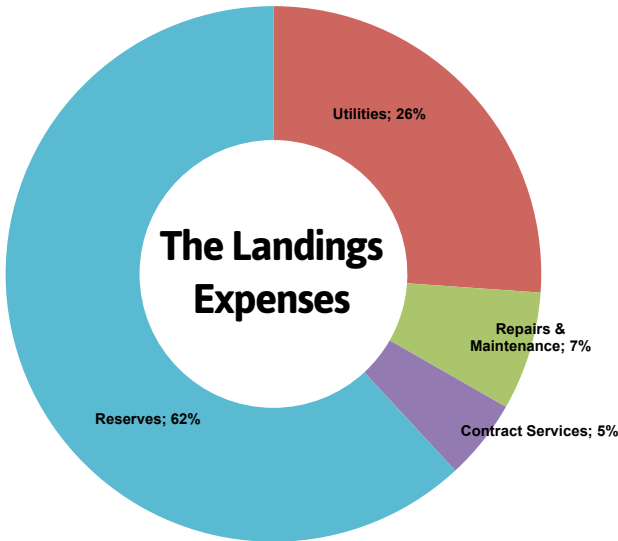
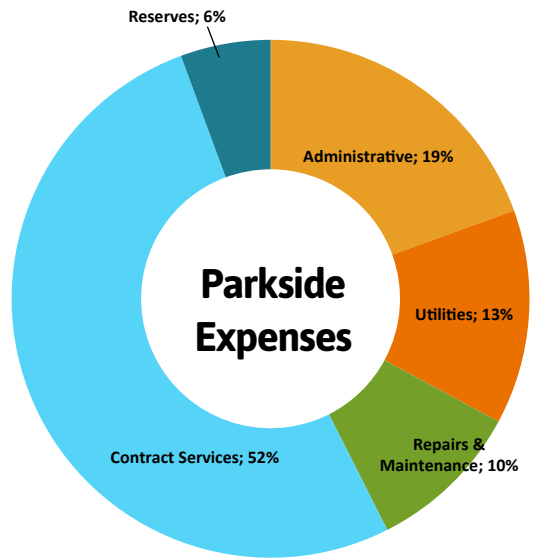


PARKSIDE (APCA)

2015 Budget Message

The Anthem Parkside Community Association (APCA) Budget was approved unanimously by the Board of Directors at the regular monthly meeting on Oct. 16. The 2015 Budget is streamlined, structurally balanced and includes no increase in assessments. Assessments shall remain the same per household at \$48.45 per quarter.

This budget brings many benefits to the community including maintaining neighborhood parks, landscaping and compliance. It provides for continued high-quality services which makes Parkside a highly desirable place to live.



The Landings Benefited Assessment

The Landings benefited assessment incurred no increase and will stay the same per unit at \$59.40 per quarter. This assessment will continue to cover the regular maintenance of The Landings gates and streets.

Scheduled Projects for 2015

The Neighborhood Parks Committee is diligently working on projects scheduled for 2015 to enhance neighborhood parks throughout Parkside. Examples of park projects include: addition of new play equipment, new trash receptacles and doggie waste stations, installation of new basketball court/hoop, tot turf replacement, and replacement of picnic tables and benches.

Parkside Improvements Enhance Community

With the completion of several landscape enhancement projects to make Parkside even more beautiful, several new trees and tons of granite now line various streets. ValleyCrest Landscape Maintenance implemented the following improvements in 2014, which helped to increase property values and improve the quality of life:

- **Spring and Fall overseeding of all Parkside turf areas:** Twice a year, all Parkside turf areas (common areas and neighborhood parks) are overseeded in order to grow healthy, lush lawns.
- **Retro-fit irrigation system in The Landings neighborhood:** Due to an issue with low water pressure, ValleyCrest added another 1 ½" valve and additional hunter sprinkler heads to provide better distribution of coverage over the turf. There are now six sprinkler heads per valve instead of 10, resulting in an increase in water pressure and additional head-to-head coverage.
- **Installed 12 new doggie stations in Parkside neighborhood parks:** Vandalized doggie stations were replaced and additional stations installed.
- **Installed 130 tons of granite on the West side:** Old granite was replaced with larger rock to provide better resistance to erosion and fill in areas where previous granite had already eroded over time.
- **2012 storm tree replacement program:** 50 new trees were planted and numerous tree stumps removed throughout Parkside areas.
- **Meridian Rd. and Summit Walk Rd. erosion repair:** ValleyCrest built channels 5' to 8' wide to establish better wash channels, help prevent future erosion issues, protect irrigation infrastructure and protect residential fence lines. Eroded areas were backfilled with dirt and topped with 3" to 6" river rock to hold in place.

BOARD OF DIRECTORS

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FINANCIAL ADVISORY COMMITTEE

Bill Bobbitt, Chair
Tracy Gutterud
Millie LaFave
Aaron Reed
Doug Sutherland

FOR MORE INFORMATION:

Annette McCarthy
Parkside Community Manager
623-742-6004
amccarthy@aamaz.com

- **Repaired broken blocks to retaining wall:** Damaged blocks due to vandalism in Arcadia Neighborhood Park were replaced with new block and mortar.
- **Installed an irrigation controller:** A 15 year old irrigation controller was replaced due to normal wear and tear over time.
- **Numerous irrigation repairs due to normal wear and tear:** Main line breaks, sprinkler head replacements, and numerous 1" scrubber valves (10-15 years old) were leaking and generating water waste, which increased water cost. Older leaking components were replaced to minimize water waste and save the APCA money on water bills.

Parkside residents are encouraged to contact the APCA with any questions regarding the 2015 Parkside and Landings Budgets.

To view 2015 Budgets and resolutions:
OnlineAtAnthem.com/parkside-documents-forms.





COUNTRY CLUB (ACCCA)

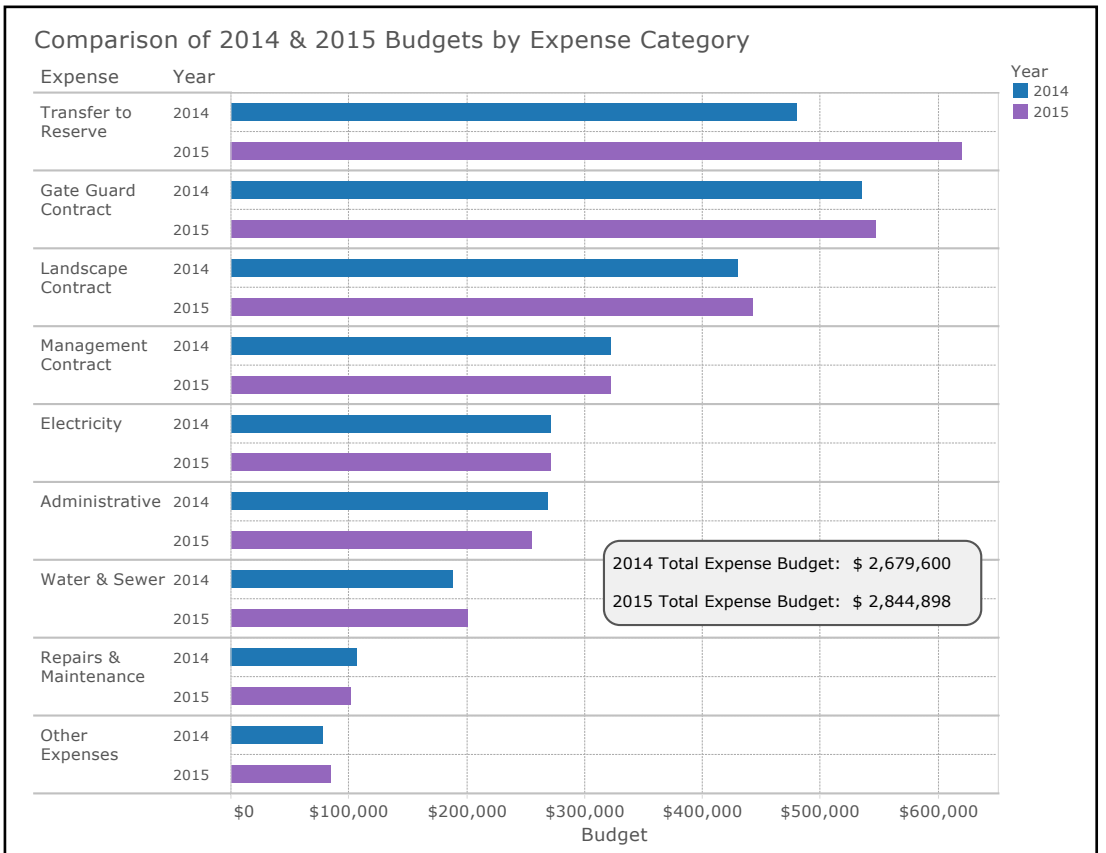
2015 Budget Message

The 2015 Budget for the Anthem Country Club Community Association (ACCCA) was approved at the Oct. 23, 2014 Board of Directors meeting. The Budget includes a 6.7% increase in quarterly assessments paid by homeowners to the ACCCA. This is the first increase in ACCCA assessments since January 2007, and is necessitated by the need for the repaving of a large section of roadway in 2015. The estimated cost for the roadwork is nearly twice the usual annual budget for road repairs in recent years. Over its history, the ACCCA has followed a methodical, planned program of annual road maintenance designed to minimize long-term costs by resealing and repairing a portion of the roads every year.

Expenses for road maintenance are paid from the Reserve Fund. The graph "Comparison of 2014 and 2015 Budgets by Expense Category"

illustrates the dollar amounts in the budgeted expenses for these two years. Note that in the Consolidated Budget, the budget for operating expenses (which excludes contributions to the Reserve Fund) in 2015 is an increase of 1.1% over 2014 (\$2,224,678 vs. \$2,199,600).

Beginning January 1, Country Club homeowners will pay \$240 per quarter for ACCCA assessments. This supports the operation and maintenance of the infrastructure for the Country Club community. This assessment excludes what the Anthem Community Council (ACC) bills each quarter. Additional details about specific budget items along with a breakdown of what each entity oversees may be found on the ACCCA section of OnlineAtAnthem.com. Printed copies of the budget may also be obtained at the ACCCA office located on the second floor of the Anthem Civic Building.



2015 Consolidated Budget

INCOME

Assessments	\$2,750,400
CC&R Violation Fees	\$36,000
Legal Fee Reimbursement	\$12,000
Transponder Income	\$45,000
Interest Income	\$1,498
Assessments & Income	\$2,844,898
Transfer to Reserve Fund	\$(620,220)
Total Assessments & Income	\$2,224,678

OPERATING EXPENSES

Administrative Expenses

Meeting & Community	\$10,700
Bad Debt Expense-Assessments	\$42,631
Bad Debt Expense-Legal & Collections	\$4,800
Bad Debt Expense-Late Fees/Violations	\$7,200
Collection Agency	\$1,200
Licenses & Permits	\$11,400
Printing & Forms	\$1,000
Depreciation Expense	\$23,160
Insurance Claim Expense	\$20,000
Postage & Copies	\$9,000
Entertainment Costs	\$400
Office Expense	\$3,600
Transponder Expense	\$36,000
Mileage Reimbursement	\$3,300
Reserve Study	\$700
CPA Services	\$7,400
Equipment Purchases	\$1,200
Legal Fees-Collections	\$9,000
Legal Fees-General	\$18,000
Insurance	\$11,984
D & O Insurance	\$8,240
Income Taxes - Federal	\$18,000
Income Taxes - State	\$4,000
Property Taxes	\$125
Signs	\$1,200
Taxes, Licenses & Fees	\$410
Total Administrative Expense	\$254,650

BOARD OF DIRECTORS

Steve Champion, President/Treasurer
 Chuck Durrant, Vice President
 Ed Varney, Secretary
 Chris Ensign, Director
 Rick Kesselman, Director



ACCCA

For more information contact Jody Cote, Community Manager, Jcote@aamaz.com, 623-742-4561.

Utilities

Electricity	\$270,942
Water & Sewer	\$200,500
Telephone	\$16,800
Utility Audit Inc.	\$4,200
Total Utility Expense	\$492,442

Repairs & Maintenance

Common Area Maintenance	\$36,000
Security Gates Maintenance/Repair	\$14,400
Water Feature Repairs	\$1,800
Building Maintenance/Repair	\$2,400
Plant Replacement	\$10,000
Tree Pruning	\$20,000
Sprinkler Repairs	\$15,000
Lighting/Light Bulbs	\$2,400
Total Repairs & Maintenance Expense	\$102,000

Contract Services

Water Feature Contract	\$5,880
Self Help	\$380
Gate Guard Contract	\$547,304
Gate Maintenance Contract	\$11,424
Exterminating Contract	\$480
Janitorial Contract	\$3,264
Landscape Contract	\$442,624
Management Contract	\$322,000
Street Sweeping Contract	\$9,180
Misc Contracts	\$20,250
Resident Communications	\$12,800
Total Contract Services	\$1,375,586

TOTAL OPERATING EXPENSES \$2,224,678

NET INCOME \$0

Anthem Golf & Country Club Social Dues

Homeowners in the Country Club are obligated to pay assessments to the ACCCA and the Anthem Community Council (ACC), along with mandatory social dues to the Anthem Golf & Country Club (AG&CC). The AG&CC is an independent third-party organization that has no legal relationship with the ACCCA or the ACC. They own and operate the two clubhouses and golf courses (Persimmon and Ironwood). Social dues are paid directly to the AG&CC and not the homeowner's association. Additional information regarding the AG&CC social dues can be obtained by calling 623-742-6000.



anthem
community council

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