

EAGLES NEST PROPERTY HOMEOWNERS ASSOCIATION AND DESIGN REVIEW COMMITTEE

2024 BUDGET NARRATIVE COMPARED TO 2023

2024 Annual Budget

We had another successful year ending in December 2023 in a positive financial position with a recovery of some past due HOA dues and some lower maintenance expenses.

Several noted highlights:

- Provided sub association grants of \$5,779
- Fire mitigation (Two Cabins project) was discontinued
- Xeriscaping and irrigation systems replacements are on tap for 2024 from reserves

The Board of Directors approved the 2024 budgets for Eagles Nest Property Homeowners Association (ENPHA) and the Design Review Committee (DRC) at their monthly meeting on November 16, 2023. The 2024 budget information is made available to all owners on the ENPHA website along with all Director reports.

The ENPHA budget provides for the general operations of the association including common property maintenance and general and administrative expenses. The DRC budget provides for design review for both new construction as well as modifications to existing homes.

Budget highlights include:

- ENPHA Budgeted Revenue for 2024 totals \$226,494 and includes the new Fish Hawk community
- Dues remain at \$200 per property per year with no increase since 2015.
 - \$170 of the dues are allocated for operations
 - \$30 for Capital and deferred maintenance
- Revenue also includes Verizon cell tower rental, the Noxious Weed Control Program, Community Center rental, and recovery of unpaid dues and fees.
- The 2024 budget for Property Expenses is \$131,437 which is slightly higher than the 2023 budget due to an inflation increase in landscaping, maintenance, legal and utility costs.

The 2024 budget for General and Administrative Expenses is \$88,840 which is 6% higher also due to inflation costs.

The Reserve fund balance at the beginning of 2023 was \$288,136. The purpose of the Reserve fund is to protect against fluctuations in revenue or expenses and to assure ENPHA has sufficient resources to maintain and enhance our assets and common areas. The allocation of the Reserve fund includes:

- \$157,384 for Capital and Deferred Maintenance
- \$76,035 for legal contingencies
- \$1,774 to cover expenses over revenue from the Noxious Weed Control Program
- \$12,500 to cover the insurance deductible
- an operating contingency of \$40,443 per our budget philosophy, which targets 10% to 25% of annual revenue to fund any annual cash deficit.

In 2023 we did not tap the reserve funds.