SIENNA RESIDENTIAL ASSOCIATION · BUDGET GUIDE

Your SRA Budget, Explained

Three separate funds. Where the money comes from, and what it pays for.

1 Operating Budget
Day-to-day costs of running the community. Pages 1–2

2 Reserve Fund
Major repairs and replacements of Association assets. Page 3

3 Catastrophic Fund
Major weather events and other catastrophic losses. Page 3

1 Operating Budget

The day-to-day cost of running the community, funded mainly by your annual assessment.

⊕ MONEY IN

Assessment Income
This year's assessments on every residential property in the association.

Management Fees
SRA pays all Association staff. Because that staff serves every Sienna entity, the others pay SRA a management fee to offset the cost.

Other Income

- Investment interest
- Late fees
- Payment plan fees
- Interest on unpaid balances
- Resale certificates
- Transfer fees on home sales

Program & Recreation Income

- Program registrations
- Leagues
- Leisure classes
- Facility rentals

Community Standards Income

- Property modification applications
- Certificate of Compliance inspections

Good to know: Everything except assessment income helps cover expenses, which keeps the assessment lower for everyone.

1 Operating Budget (continued)

What the operating assessment pays for.

MONEY OUT

Common Areas

Property maintenance · Landscaping · Pools & buildings · Parks & lakes · Maintenance staff & equipment · Holiday decorations · Pest control · Sheriff's supplemental patrol · Sport courts

General & Administrative

Legal · CPA · Technology · Reserve reports · Management staff · Office building · Supplies · Member communications · Insurance · Property taxes

Recreation

All programming costs, Lifestyle staff, and the Shared Amenity fee to SCA, which lets every resident use every facility no matter which association owns it.

Community Standards

Enforcing deed restrictions and architectural controls:

Staff · Vehicle expenses · Self-help property work & related reimbursements

SPOA Assessment

Sienna Property Owners Association (SPOA) is the master association. It maintains the Sienna Parkway and Sienna Ranch Road common areas (landscaping, signs, etc.) and enforces commercial deed restrictions and architectural compliance. Under the governing documents, SRA pays SPOA a set amount per unit each year.

Reserve & Catastrophic Fund Contributions

The part of your operating assessment transferred into the Reserve Fund and the Catastrophic Fund. See page 3.

Why no community event costs? SRA's budget has no Community Event expenses. Those costs are fully covered by the Sienna Community Services Foundation and SCA's Community Enhancement Fees.

2 Reserve Fund

Saved for major repair and replacement of the Association's assets.

MONEY IN

- Contribution from the assessment
- Reserve Cap Fees at each home sale
- Interest on reserve funds

MONEY OUT · MAJOR REPAIRS & REPLACEMENTS

- Fence repair & replacement
- Pool replastering
- Pool equipment
- Park equipment
- Computers
- Racquet court resurfacing
- Roofs, windows & other building components

3 Catastrophic Fund

A relatively new fund that protects SRA against major, uninsured losses.

MONEY IN

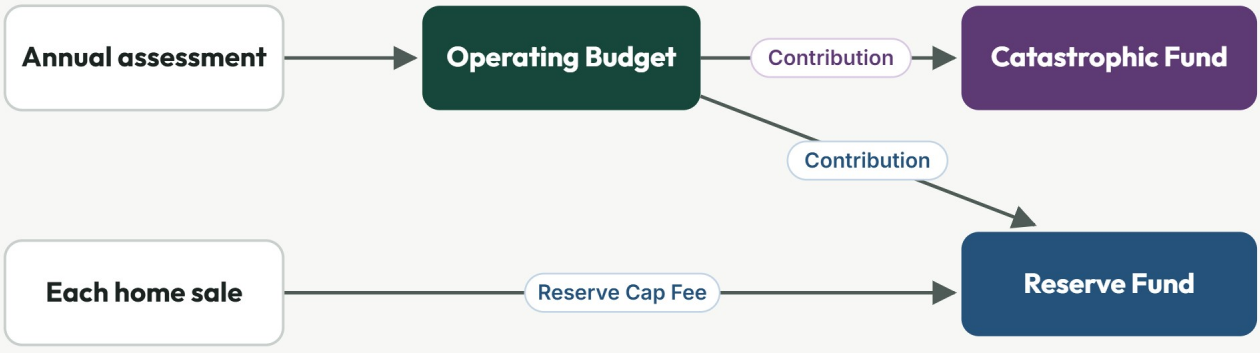
- Allocation from the annual operating assessment

In the future, the SRA Board may identify other sources of income for this fund.

MONEY OUT

- **Purpose:** significant damage from a major weather event or other catastrophic loss that insurance doesn't cover
- **Most likely use:** landscaping
- **Safeguard:** every expense requires specific Board approval

How money moves into each fund



The Reserve Fund also earns interest on its balance.