

It's hard to believe summer is here already! The end of April and beginning of May, the temperature cooled down unusually for a couple weeks in SunBird with strong winds. Temperatures over 100 degrees will be arriving soon. Monsoon season typically begins in July and continues through August. Now is a good time to start preparing your landscape and homes for these potential monsoon storms with strong winds, dirt and heavy downpours of rain.

In May, SunBird department managers (Facility Maintenance, Food and Beverage, Common Area Landscape, Post Office, Activities, Patrol and Administration) met with the Board of Directors to report on the status of operations of their respective areas this past and current year. Potential areas of improvement, change of services or additional items for the future that are necessary for operations were also discussed. This meeting was for the purpose of preparing for the 2018 operational budget. With this information, management can begin developing a draft budget for the upcoming year. The budget is developed from many resources to consider; historical expenses, department input, Board and Committee input, trends, concerns and new ideas. The first draft budget will be presented to the Finance Committee this August. After review and comment from the Finance Committee, a second draft will be presented to the Board of Directors at the September meeting for review and discussion. After Board review, a final draft will be completed for approval at the October business meeting.

The reserve fund budget is also in the process of being updated for major assets, equipment, road replacement and major maintenance projects. The reserve fund balance has over \$545,000 as of the end of April of this year. It is funded primarily by a portion, \$100 annually from the \$920 homeowner dues paid by each home in SunBird. A portion is also funded \$800 from the capital improvement fee (\$2,000) collected from each home sale in SunBird. The budgeted annual funding of this account for 2017 is \$251,000. The reserve fund schedule outlines the year and the cost of future replacement items has been a very important planning and financial tool in keeping SunBird facilities updated. The funds saved for these major expenses minimize the chance of financial surprises.

The preparation of this year's large capital improvement project of the expansion of the Horizon room kitchen is beginning the week of June 5th. The funds for this project primarily come from the savings and current collection capital improvement fees from home sales. As of the end of April the Capital Improvement Fund will have approximately \$110,000 for this project. This year, a portion, \$1,000, of the fees collected from each home sale in SunBird is transferred into this account. This year as of the end of April, SunBird has had 42 home sales including 16 in the month of April. Last year, SunBird had 136 home sales. During this kitchen expansion project, the food and beverage services will be operating, as normal from the ballroom. Breakfast, lunch, beverages, Tuesday dinners, Friday fish fries and Sunday breakfast buffet will still be offered from the Ballroom. We look forward to seeing there!

This past month, the Board of Directors took an annual field trip to three other similar to SunBird active-adult communities in the Mesa area. The purpose of this trip was to meet with management and boards of these other communities to learn of their successes, challenges or trends they have experienced or seen. Further, the buildings and recreational facilities were toured to see what is new or different that may be of benefit to consider for SunBird for possible future improvements. We were very appreciative of the communities to allow time for us to meet with them. The Board and Management look forward to discussing this information and ideas to keep SunBird a great place to live today and in the future!

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