



2023 Budget (enclosed) & Notice of Assessment Increase

November 18, 2022

Dear Montrose Homeowner(s):

As the season changes, it's time again to finalize the Association's financial plan for the year ahead. With support from Rockwood Property Management (RPM), your elected Directors have adopted and enclosed the 2023 Budget for your consideration.

Like most consumers, the Association is experiencing the financial impact of recent market fluctuations and interruptions. To continue the current level of service, an assessment increase is necessary to cover rising costs primarily in landscaping and snow removal. The Association renegotiated its service contracts, but a limited local labor force is driving up rates considerably. It's never an easy decision to raise dues but as a not-for-profit corporation, there's little room to negotiate lower rates without sacrificing services. A detailed account of the anticipated yearend totals and the 2023 Budget are included to demonstrate the anticipated increased expense for common area maintenance.

Beginning January 1, 2023, the semi-annual assessment will increase to \$135.00, levied January 1 and July 1. Assessments are due on the 1st and considered delinquent if still unpaid by the last day of the following month. To avoid late penalties, please update your automatic payment (if any) to the new amount and remit on or before the due date. Before yearend, an assessment payment coupon book will be sent to all homeowners *except those enrolled in Auto Pay through the Portal*. Aside from the forthcoming payment coupon book, no additional notice will be sent regarding the 2023 assessment increase. To avoid an underpayment, please make arrangements now to remit the new amount in January. Please refer to the enclosed document titled "Assessment Payment Methods" for remittance instructions.

* * If you are enrolled in Portal AutoPay, nothing further is required from you. The assessment debit amount will be adjusted on your behalf beginning in January 2023.

As always, we thank you for your continued faith and partnership in maintaining a high quality of life in Montrose Master Association. We look forward to continued community success and wish you the very best in the New Year.

In partnership,

Montrose Master Association

c/o Rockwood Property Management

PHONE: (509) 321-5921

EMAIL: montrosehoa@rockwoodpm.com

Montrose Master Association

ASSESSMENT PAYMENT METHODS



For the remittance of assessments, your HOA accepts the payment methods detailed below. To ensure your payment is received as intended, please review the instructions for your preferred payment method carefully prior to remitting payment.

Helpful Links:

Your HOA's homepage: www.montrosehoa.com

Your HOA's website is updated regularly with relevant information and important links.

[Owner Access Portal](#) (also linked to your HOA website)

The Portal is our new online platform where owners may login to view their assessment account balance, review enforcement actions and pay assessments using a variety of online payment methods including FREE recurring ACH. If you don't have a login, please request an invite via the HOA's website homepage (see above link).

ONLINE PAYMENTS: Through the Portal, we offer FREE recurring ACH payments ("AutoPay") for the remittance of HOA assessments. Visa, MasterCard and one-time ACH payments are offered for a nominal fee as follows:

- AutoPay – FREE Recurring ACH payments (must enroll before assessment due date)
- One-time ACH payments are \$2.95 each
- Visa and MasterCard transactions are \$2.95 + 3.5% each

To enroll in AutoPay, you must first register for the Portal. Visit your HOA's homepage to complete the form "*Request an Invite to the Owner Access Portal*". Once registered, login to your Portal account then follow the prompts to create a payment method then enroll in AutoPay.

Please read prior to AutoPay enrollment:

- ❖ Once enrolled, your first AutoPay payment will be debited from your checking account on the next assessment due date. You must be enrolled BEFORE the assessment due date in order to pay by AutoPay.
- ❖ The Portal does not take into account any outstanding balances or credits remaining on your account with the HOA at the time of AutoPay enrollment. This means that an outstanding balance (if any) must be paid another way, either a check sent by mail or one-time Portal payment.
- ❖ Conversely, any credits that exist on your account with the HOA will not be taken into account when the AutoPay is debited on the next assessment due date; the exact assessment amount will be debited from your checking account regardless of the balance due or lack thereof. Please take this into consideration when enrolling in AutoPay.
- ❖ Once enrolled in AutoPay, the rate will be automatically updated if/when assessments change from year to year. The exact assessment amount will be debited on each due date until the homeowner cancels or amends their AutoPay enrollment via the Portal.

Montrose Master Association

ASSESSMENT PAYMENT METHODS



US MAIL PAYMENTS:

1. Payment remittance coupons for the following year are distributed to all owners (except those enrolled in Portal AutoPay) prior to January 1st. To ensure your payment is applied to the correct account, please include a payment remittance coupon with each check and mail using the windowed envelopes provided.

Include the following information on each payment to ensure proper application:

- a. Your Management Company ID: **7794**
- b. Association ID, which is: **MON**
- c. Your Property Account Number has not changed and can be found on your remittance coupons or the Portal.

Example: **7794 – MON – MON123123**

2. Please mail all payments to the following remittance address:

Montrose Master Association
c/o Rockwood Property Management
P.O. Box 94804
Las Vegas, NV 89193-4804

3. If you are paying for multiple properties, please send a separate coupon and check for each property.

BANK BILL PAY SERVICES: If you currently utilize or want to pay through the bill payment service provided by your bank, please do the following:

1. **VERY IMPORTANT:** Delete any existing payment profile and create a new one. Enter the payee and mailing address as follows:

Payee: Montrose Master Association
Address Line 1: c/o Rockwood Property Management
Address Line 2: P.O. Box 94804
City, State, Zip: Las Vegas, NV 89193-4804

2. Make payable to Montrose Master Association and include the Management Company ID, Association ID and your account number on the check memo line. See above for an example. ***This must be included on each payment to ensure proper application.***

Montrose Master Association
2023 Operating Budget

| INCOME: | | 2022 Budget | 2022 Actuals* | 2023 Budget |
|----------------|---------------------------------------|--------------------|----------------------|--------------------|
| 5010 | Assessments - Homes | \$ 172,200.00 | \$ 174,498.43 | \$ 216,810.00 |
| 5011 | Assessments - Apartments | \$ 9,124.80 | \$ 9,124.80 | \$ 10,800.00 |
| | <i>Projected % of Delinquent Dues</i> | \$ (6,888.00) | | \$ (4,336.20) |
| 5012 | Dues - Builder | \$ 5,814.00 | \$ 6,669.00 | \$ 7,087.50 |
| | Projected closings | | | |

Total Assessments: \$ 180,250.80 \$ 190,292.23 \$ 230,361.30

| | | | | |
|------|-----------------|-------------|-------------|-------------|
| 5014 | Transfer Fee | \$ - | \$ (400.00) | \$ - |
| 5020 | Late Charges | \$ 4,000.00 | \$ 6,221.27 | \$ 5,400.00 |
| 5021 | Late Interest | \$ 240.00 | \$ 432.30 | \$ 360.00 |
| 5026 | Fine Income | \$ 850.00 | \$ 900.00 | \$ 850.00 |
| 5032 | Lien Income | \$ 250.00 | \$ 1,140.00 | \$ - |
| 5045 | Initiation Fees | \$ - | \$ (300.00) | \$ - |
| 5050 | Interest Income | \$ - | \$ 62.39 | \$ 66.00 |
| 5100 | Misc. Income | \$ - | \$ 195.23 | \$ - |

Total Income: \$ 185,590.80 \$ 198,543.42 \$ 237,037.30

| Landscaping Expenses | | 2022 Budget | 2022 Actuals* | 2023 Budget |
|-----------------------------|---|--------------------|----------------------|--------------------|
| 6615 | Snow Removal | \$ 6,800.00 | \$ 8,175.00 | \$ 9,000.00 |
| 6810 | Mowing - Commons/Fall Leaf | \$ 52,132.00 | \$ 61,877.00 | \$ 72,500.00 |
| 6820 | Fertilize - Commons | \$ 9,059.00 | \$ 9,000.00 | \$ 10,700.00 |
| 6830 | Turf Spray - Commons | \$ 8,017.88 | \$ 10,032.08 | \$ 11,380.00 |
| 6843 | Master Tree Program | \$ 15,000.00 | \$ 18,913.10 | \$ 18,500.00 |
| 6850 | Flowers (Planting, Maintenance, & Fall Cleanup) | \$ 1,650.00 | \$ 1,206.95 | \$ 1,650.00 |
| 6860 | Sprinkler Turn On & Blow Out | \$ 3,100.00 | \$ 2,808.00 | \$ 3,070.25 |
| 6880 | Landscape labor (Irrigation Maintenance) | \$ 14,200.00 | \$ 10,731.45 | \$ 14,200.00 |
| 6890 | Misc. Landscape (Planter Beds/Play Ground) | \$ 2,029.00 | \$ 1,777.10 | \$ 2,998.50 |

Total Landscaping Expenses: \$ 111,987.88 \$ 124,520.68 \$ 143,998.75

| Other Expenses | | 2022 Budget | 2022 Actuals* | 2023 Budget |
|-----------------------|---|--------------------|----------------------|--------------------|
| 6120 | Community Events | \$ 7,100.00 | \$ 10,825.46 | \$ 11,100.00 |
| 6135 | Board & Annual Meetings | \$ 50.00 | \$ 73.17 | \$ 80.00 |
| 6305 | Accounting | \$ 400.00 | \$ 400.00 | \$ 450.00 |
| 6306 | Legal | \$ 250.00 | \$ 2,207.50 | \$ - |
| 6308 | Lien Filing Fees | | \$ 750.00 | |
| 6310 | Insurance Expense | \$ 2,730.00 | \$ 2,661.00 | \$ 2,770.00 |
| 6330 | Bank Charges | \$ 300.00 | \$ 125.43 | \$ - |
| 6415 | Electricity- Common Areas | \$ 1,488.00 | \$ 1,363.97 | \$ 1,668.00 |
| 6420 | Water | \$ 3,600.00 | \$ 3,530.00 | \$ 3,900.00 |
| 6626 | Postage | \$ 4,740.00 | \$ 5,359.61 | \$ 6,625.00 |
| 6630 | Repairs & Maintenance (Hardscape-Dogi Pots) | \$ 2,646.00 | \$ 5,409.46 | \$ 6,400.00 |
| 6631 | Fence Repair & Maintenance | \$ 1,800.00 | \$ 1,295.02 | \$ - |
| 6900 | Web Fees | \$ 157.00 | \$ 176.49 | \$ 177.00 |
| 7505 | Management Fee | \$ 45,164.00 | \$ 45,854.00 | \$ 52,827.50 |
| 7508 | Property Taxes | \$ 900.00 | \$ 712.54 | \$ 850.00 |
| 7515 | Income Taxes | \$ - | \$ 30.00 | \$ 33.40 |

Total Other: \$ 71,325.00 \$ 80,773.65 \$ 86,880.90

Reserve Account: \$ 2,000.00 \$ 2,000.00 \$ 4,000.00

TOTAL EXPENSES: \$ 185,312.88 \$ 207,294.33 \$ 234,879.65

NET CASH FLOW: \$ 277.92 \$ (8,750.91) \$ 2,157.65

Capital Improvements: \$ - \$ 15,000.00

BEGINNING CASH BALANCE: \$ 231,888.67 \$ 231,888.67 \$ 227,136.71

ENDING CASH BALANCE INCLUDING RESERVE: \$ 232,166.59 \$ 227,136.71 \$ 218,294.36

* The column titled "2022 Actuals" represents the actual income or expense incurred through 9/30/22 plus the remaining budget for the given line item.

Montrose Master Association
2023 Capital Expense Budget

| INCOME: | | 2022 Budget | 2022 Actuals* | 2023 Budget |
|----------------------|-------------------------------------|------------------------|----------------------|------------------------|
| | Operating-Building Replacement Res. | \$ 2,000.00 | \$ 2,000.00 | \$ 2,000.00 |
| 5045 | Initiation Fees | \$ 1,200.00 | \$ 1,950.00 | \$ 1,550.00 |
| 5050 | Interest | \$ 20.00 | \$ 48.95 | \$ 50.40 |
| Total Income: | | \$ 3,220.00 | \$ 3,998.95 | \$ 3,600.40 |

| EXPENSE: | | 2022 Budget | 2022 Actuals* | 2023 Budget |
|------------------------|--|------------------------|----------------------|------------------------|
| 6621-900 | Swale maintenance | \$ 5,000.00 | \$ - | \$ 5,000.00 |
| 6621-900 | Asphalt Sealing: Bike Paths Private Alleys | \$ 10,000.00 | | \$ 10,000.00 |
| 6621-900 | | | | |
| 6621-900 | | | | |
| Total Expenses: | | \$ 15,000.00 | \$ - | \$ 15,000.00 |
| Net Cash Flow | | \$ (11,780.00) | \$ 3,998.95 | \$ (11,399.60) |

* The column titled "2022 Actuals" represents the actual income or expense incurred through 9/30/22 plus the remaining budget for the given line item.