



Saddle Creek

December 15, 2016

Dear Co-owner:

The Board has approved the 2017 operating budget, which is enclosed for your review. This budget is the result of long hours of analysis and discussion to keep it as reasonable as possible and meets our obligation to maintain and improve our Community. The Board has reviewed both the short term and long term expenditures and responsibilities for maintenance and improvement of the Community. As a result of this analysis, the Board has decided that the Association fee will increase to \$100/mo for 2017.

Attached for your review is a copy of the budget. In previous years Saddle Creek was able to function with lower than average assessments due to a shortfall coverage form our developer, Lombardo Homes, due to the stage in development Saddle Creek is now at that shortfall does not cover what is needed to maintain our community according our bylaws.

We will be monitoring our expenses very carefully and will make every effort to stay within our budget guidelines. We thank you for your continued cooperation as we go through the year. Please remember that your monthly fees are due the first of each month. **All payments received after the 10th of the month will be assessed a late charge of \$25.00.**

If you are not currently signed up for automatic withdrawal of your monthly Association fees, a 2017 monthly statement will be arriving in the coming weeks. Please check the coupons for the correct address and fee information. If you find any errors or if you do not receive your coupon booklet by December 23rd, please contact Customer Service at 248-888-4700.

Automatic Transfer is an easy way for you to make your Association payment and avoids the potential for a late payment. If you wish to enroll in the Automatic Transfer program, please contact Customer Service for the enrollment form.

There are also other payment options available to you at this time. Payments can be made by check or credit card on www.kramertriad.com; click **Account Login** to sign in. If you haven't previously registered, you will need to register using the account number from your coupons to create a username and password. If you are on automatic withdrawal and don't receive a coupon book, please contact Customer Service for your account number so you can log into Associa Access to view your account balance, work orders and violations. **PLEASE NOTE:** Convenience fees apply for the online payment option.

40000 Grand River Ave., Suite 100 • Novi MI 48375
248.888.4700 800.301.0121 Fax 248.888.4721 www.kramertriad.com

AAMC
ASSOCIATION MANAGEMENT
COMMUNITY CONNECTION



Saddle Creek

If you have any questions please put your concerns in writing to the Board of Directors, C/o Kramer-Triad Management Group, L.L.C., 40000 Grand River, Suite 100, Novi, MI 48375.

Sincerely,

Board of Directors
Saddle Creek Board of Directors

Enclosures

40000 Grand River Ave., Suite 100 • Novi MI 48375
248.888.4700 800.301.0121 Fax 248.888.4721 www.kramertriad.com



Saddle Creek Community Annual Budget

	Dues \$550/year 125 Homes			Dues \$700/year 125 Homes			Dues \$1200/year 136 Homes		
	2015			2016			2017		
	Budget	Actual	Difference	Budget	Actual	Difference	Budget	Actual	Difference
Assessment Income									
Residential Assessments	\$ 68,750.00	\$ 58,677.86	\$ (10,072.14)	\$ 87,500.00	\$ 89,827.00	\$ 2,327.00	\$ 163,200.00		
Reserve Assessments	\$ -	\$ 4,500.00	\$ 4,500.00	\$ -	\$ 3,750.00	\$ 3,750.00			
Initial Contributions	\$ -	\$ 5,300.00	\$ 5,300.00	\$ -	\$ 1,500.00	\$ 1,500.00			
Developer Contributions	\$ 60,890.00	\$ 91,678.83	\$ 30,788.83	\$ 61,000.00	\$ 49,040.00	\$ (11,960.00)	\$ -		
	<u>\$ 129,640.00</u>	<u>\$ 160,156.69</u>	<u>\$ 30,516.69</u>	<u>\$ 148,500.00</u>	<u>\$ 144,117.00</u>	<u>\$ (4,383.00)</u>	<u>\$ 163,200.00</u>		
User Fee Income									
Key Fees	\$ -	\$ -	\$ -	\$ -	\$ 40.00	\$ 40.00	\$ -		
Other User Income	\$ -	\$ -	\$ -	\$ -	\$ 3,500.00	\$ 3,500.00	\$ -		
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,540.00</u>	<u>\$ 3,540.00</u>	<u>\$ -</u>		
Collections Income									
NSF Service Fees	\$ -	\$ 50.00	\$ 50.00	\$ -	\$ -	\$ -	\$ -		
Late Fees & Interest	\$ -	\$ 1,525.00	\$ 1,525.00	\$ -	\$ 2,139.00	\$ 2,139.00	\$ -		
Legal Reimbursements	\$ -	\$ 85.00	\$ 85.00	\$ -	\$ 1,863.00	\$ 1,863.00	\$ -		
	<u>\$ -</u>	<u>\$ 1,660.00</u>	<u>\$ 1,660.00</u>	<u>\$ -</u>	<u>\$ 4,002.00</u>	<u>\$ 4,002.00</u>	<u>\$ -</u>		
Other Income									
Interest									
Mailbox Income	\$ 12,000.00	\$ 9,000.00	\$ (3,000.00)	\$ 12,000.00	\$ 4,000.00	\$ (8,000.00)			
	<u>\$ 12,000.00</u>	<u>\$ 9,000.00</u>	<u>\$ (3,000.00)</u>	<u>\$ 12,000.00</u>	<u>\$ 4,000.00</u>	<u>\$ (8,000.00)</u>			
Total Income	<u>\$ 141,640.00</u>	<u>\$ 170,816.69</u>	<u>\$ 29,176.69</u>	<u>\$ 160,500.00</u>	<u>\$ 155,659.00</u>	<u>\$ (4,841.00)</u>	<u>\$ 163,200.00</u>	<u>\$ -</u>	
Administrative									
Collection Charges	\$ -	\$ -	\$ -	\$ -	\$ 825.00	\$ (825.00)	\$ -		
Coupon Costs	\$ -	\$ 55.00	\$ (55.00)	\$ -	\$ 616.00	\$ (616.00)	\$ 1,000.00		
Office Supplies	\$ 200.00	\$ 103.11	\$ 96.89	\$ 100.00	\$ 468.00	\$ (368.00)	\$ 200.00		
Reserve Study	\$ -	\$ -	\$ -	\$ -	\$ 126.00	\$ (126.00)	\$ 1,700.00		
Other Admin Services	\$ 980.00	\$ 1,177.50	\$ (197.50)	\$ 800.00	\$ 314.00	\$ 486.00	\$ 400.00		
	<u>\$ 1,180.00</u>	<u>\$ 1,335.61</u>	<u>\$ (155.61)</u>	<u>\$ 900.00</u>	<u>\$ 2,349.00</u>	<u>\$ (1,449.00)</u>	<u>\$ 3,300.00</u>		
Communications									
Printing & Copying	\$ 500.00	\$ 422.20	\$ 77.80	\$ 500.00	\$ 841.00	\$ (341.00)	\$ 500.00		
Postage	\$ 300.00	\$ 238.87	\$ 61.13	\$ 300.00	\$ 851.00	\$ (551.00)	\$ 750.00		
	<u>\$ 800.00</u>	<u>\$ 661.07</u>	<u>\$ 138.93</u>	<u>\$ 800.00</u>	<u>\$ 1,692.00</u>	<u>\$ (892.00)</u>	<u>\$ 1,250.00</u>		
Payroll & Benefits									
Maintenance Salaries	\$ 2,500.00	\$ 5,570.22	\$ (3,070.22)	\$ 2,500.00	\$ 2,962.00	\$ (462.00)	\$ 2,500.00		
	<u>\$ 2,500.00</u>	<u>\$ 5,570.22</u>	<u>\$ (3,070.22)</u>	<u>\$ 2,500.00</u>	<u>\$ 2,962.00</u>	<u>\$ (462.00)</u>	<u>\$ 2,500.00</u>		
Insurance									
Property Insurance	\$ 3,400.00	\$ 2,034.37	\$ 1,365.63	\$ 2,500.00	\$ 2,332.00	\$ 168.00	\$ 3,400.00		
	<u>\$ 3,400.00</u>	<u>\$ 2,034.37</u>	<u>\$ 1,365.63</u>	<u>\$ 2,500.00</u>	<u>\$ 2,332.00</u>	<u>\$ 168.00</u>	<u>\$ 3,400.00</u>		
Utilities									
Electric	\$ 5,500.00	\$ 15,499.43	\$ (9,999.43)	\$ 11,500.00	\$ 4,729.00	\$ 6,771.00	\$ 6,000.00		
Gas	\$ 2,000.00	\$ 1,667.49	\$ 332.51	\$ 2,000.00	\$ 279.00	\$ 1,721.00	\$ 2,000.00		
Water	\$ 3,000.00	\$ 1,195.00	\$ 1,805.00	\$ 2,000.00	\$ 1,209.00	\$ 791.00	\$ 2,000.00		
Trash	\$ 19,500.00	\$ 23,874.29	\$ (4,374.29)	\$ 30,000.00	\$ 26,671.00	\$ 3,329.00	\$ 28,832.00		
Telephone	\$ 800.00	\$ 741.15	\$ 58.85	\$ 500.00	\$ -	\$ 500.00	\$ 500.00		
	<u>\$ 30,800.00</u>	<u>\$ 42,977.36</u>	<u>\$ (12,177.36)</u>	<u>\$ 46,000.00</u>	<u>\$ 32,888.00</u>	<u>\$ 13,112.00</u>	<u>\$ 39,332.00</u>		
Landscaping									
Grounds & Landscaping	\$ 14,240.00	\$ 19,522.50	\$ (5,282.50)	\$ 20,000.00	\$ 19,471.00	\$ 529.00	\$ 23,955.00		
Landscape Repairs & Main.	\$ 5,998.00	\$ 4,885.00	\$ 1,113.00	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -		
Chemical/Fertilizations	\$ 2,000.00	\$ 2,612.50	\$ (612.50)	\$ 3,000.00	\$ 2,902.00	\$ 98.00	\$ 4,220.00		
Mulch	\$ 10,000.00	\$ 1,800.00	\$ 8,200.00	\$ 6,325.00	\$ -	\$ 6,325.00	\$ 6,600.00		
Seasonal Color/Plantings	\$ 500.00	\$ 1,000.00	\$ (500.00)	\$ 2,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,400.00		
Landscape Other	\$ -	\$ 9,622.00	\$ (9,622.00)	\$ -	\$ 5.00	\$ (5.00)	\$ -		
	<u>\$ 32,738.00</u>	<u>\$ 39,442.00</u>	<u>\$ (6,704.00)</u>	<u>\$ 32,325.00</u>	<u>\$ 23,378.00</u>	<u>\$ 8,947.00</u>	<u>\$ 36,175.00</u>		
Irrigation									
Irrigation Repairs & Main	\$ 1,000.00	\$ 1,795.12	\$ (795.12)	\$ 2,300.00	\$ 2,418.00	\$ (118.00)	\$ 2,000.00		
	<u>\$ 1,000.00</u>	<u>\$ 1,795.12</u>	<u>\$ (795.12)</u>	<u>\$ 2,300.00</u>	<u>\$ 2,418.00</u>	<u>\$ (118.00)</u>	<u>\$ 2,000.00</u>		
Operations									
Permits & Licenses	\$ 500.00	\$ 152.00	\$ 348.00	\$ 300.00	\$ 86.00	\$ 214.00	\$ 300.00		
	<u>\$ 500.00</u>	<u>\$ 152.00</u>	<u>\$ 348.00</u>	<u>\$ 300.00</u>	<u>\$ 86.00</u>	<u>\$ 214.00</u>	<u>\$ 300.00</u>		
Repairs & Maintenance									
Building Repair & Main	\$ 1,000.00	\$ 249.86	\$ 750.14	\$ 5,500.00	\$ 689.00	\$ 4,811.00	\$ 5,500.00		
Fountain/Pond/Lake Repair	\$ 500.00	\$ -	\$ 500.00	\$ 1,999.00	\$ -	\$ 1,999.00	\$ 500.00		
Lighting Supplies/Repairs	\$ 1,000.00	\$ 2,054.13	\$ (1,054.13)	\$ 2,000.00	\$ 687.00	\$ 1,313.00	\$ 1,000.00		
Mailbox Insulation	\$ 10,320.00	\$ 187.89	\$ 10,132.11	\$ 5,000.00	\$ 7,933.00	\$ (2,933.00)	\$ -		
Mailbox Repairs & Main	\$ 2,499.00	\$ (65.00)	\$ 2,564.00	\$ 500.00	\$ 90.00	\$ 410.00	\$ 500.00		
Pool Supplies/Repairs	\$ 14,994.00	\$ 21,537.89	\$ (6,543.89)	\$ 16,000.00	\$ 20,123.00	\$ (4,123.00)	\$ 16,000.00		
Security System R&M	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 500.00	\$ -	\$ 500.00	\$ 500.00		
Snow Removal & Supplies	\$ 11,500.00	\$ 17,540.00	\$ (6,040.00)	\$ 15,500.00	\$ 15,890.00	\$ (390.00)	\$ 15,939.00		
	<u>\$ 42,813.00</u>	<u>\$ 41,504.77</u>	<u>\$ 1,308.23</u>	<u>\$ 46,999.00</u>	<u>\$ 45,412.00</u>	<u>\$ 1,587.00</u>	<u>\$ 39,939.00</u>		
Professional Services									
Audit & Tax Services	\$ 1,800.00	\$ 1,725.00	\$ 75.00	\$ 900.00	\$ 500.00	\$ 400.00	\$ 1,000.00		
Legal Services	\$ 1,000.00	\$ 516.80	\$ 483.20	\$ 500.00	\$ 1,771.00	\$ (1,271.00)	\$ 500.00		
Management Fees	\$ 11,400.00	\$ 11,495.00	\$ (95.00)	\$ 12,275.00	\$ 12,030.00	\$ 245.00	\$ 15,504.00		
	<u>\$ 14,200.00</u>	<u>\$ 13,736.80</u>	<u>\$ 463.20</u>	<u>\$ 13,675.00</u>	<u>\$ 14,301.00</u>	<u>\$ (626.00)</u>	<u>\$ 17,004.00</u>	<u>\$ -</u>	<u>\$ -</u>
Other Expenses									
Reserve Contributions	\$ 11,700.00	\$ 11,700.00	\$ -	\$ 12,200.00	\$ 10,169.00	\$ 2,031.00	\$ 18,000.00		
	<u>\$ 11,700.00</u>	<u>\$ 11,700.00</u>	<u>\$ -</u>	<u>\$ 12,200.00</u>	<u>\$ 10,169.00</u>	<u>\$ 2,031.00</u>	<u>\$ 18,000.00</u>		
Total Expenses	<u>\$ 141,631.00</u>	<u>\$ 160,909.32</u>	<u>\$ (19,278.32)</u>	<u>\$ 160,499.00</u>	<u>\$ 137,987.00</u>	<u>\$ 22,512.00</u>	<u>\$ 163,200.00</u>		
Total Operating Net Income / (Loss)	<u>\$ 9.00</u>	<u>\$ 9,907.37</u>		<u>\$ 1.00</u>	<u>\$ 17,672.00</u>		<u>\$ -</u>	<u>\$ -</u>	