

## **Renaissance Budget Summary for Fiscal Year 2023-2024**

April 6, 2023

Cash flow issues exist for Area 1 (Renaissance) and are now critical. The contractors and the management company have both provided notice of rising costs for services. Considering an increase in assessment rates to afford routine maintenance has become necessary.

### **Recent cost of service increases:**

1. Phone plan for the landline serving the front gate call box
2. Street sweeping
3. Landscape maintenance service
4. Insurance costs
5. Management costs
6. City Administration costs
7. PG&E

If the assessment increase is not approved by Renaissance property owners, the current level of service offered in Renaissance will need to be decreased.

### **Capital Improvement Projects requiring additional funding:**

1. Lockbox replacement at the back gate: reduces need for callbacks to the gate maintenance contractor resulting from being left in the open position by First Responders.
2. Upgrade front gate callbox: long-term savings with landline replacement and more cost-effective cellular plan.
3. Sidewalk repair: addresses trip hazards and improves neighborhood aesthetics.
4. Street Maintenance in 10-15 years: keeps the neighborhood streets in good condition to provide safe ingress/egress and maintain neighborhood aesthetics. Accumulating funds for this project now is expected to reduce future assessment rate increases.

### **Summary of Area 1 (Renaissance) annual assessment rates:**

- **2007** - \$557
- **2021** - \$647
- **2023** - \$866 (*an annual increase of \$219; equivalent to a monthly increase of \$18.25*)

### **City Council Dates and Actions:**

- **March 15, 2023:** In-person public meeting at the City of Clovis Council Chambers; virtual meeting via WebEx.
- **May 1, 2023:** City Council meeting: staff to request approval to conduct Proposition 218 vote to adjust the assessment rates in Area 1 (Renaissance); Updated web content will be provided the week of.
  - Notices and ballots will be mailed out following this meeting to all homeowners if proceeding with Proposition 218 vote is approved by Council.
- **June 19, 2023:** Council Meeting; Deadline for ballot submissions prior to the close of the Public Hearing
  - Ballot tabulation results are to be announced during the Council meeting.
  - FY 2023-24 assessment rates and engineer's report will be approved based on ballot results.

<b>Area 1 (Renaissance) Projects for Fiscal Year 2023-2024</b>	
<b>Assessment Rate Adjustment NOT Approved</b>	<b>Assessment Rate Adjustment Approved</b>
1. Limited street and street lighting maintenance	1. Routine street, street lighting, and landscape maintenance at the current levels plus flowers planted twice per year and trimming of crepe myrtle at the entrance gate.
2. Landscape maintenance services decreased	2. Minor incidental projects as needed
3. No upgrade to the front gate callbox	3. Upgraded call box at front gate during the 2024 calendar year.
4. No sidewalk repairs will be performed	4. Sidewalk repairs during the 2025 calendar year
5. No allowance or reserve for future street repairs	5. Begin fund collection for future street maintenance project in 10-15 years
6. No available money to address unforeseen issues	

BUDGET TABLE FOR FY 2023-24 BENEFIT AREA I (RENAISSANCE) - PROPOSED \$219/YEAR INCREASE	
Projected Beginning Balance as of July 1, 2023 <sup>1</sup> :	(\$3,000)
<b>Revenue</b>	
Annual Assessments (\$866 per Home)	\$38,970
<b>Total Estimated Revenue for FY 2023-24:</b>	<b>\$35,970</b>
<b>Annual Expenditures</b>	
Office Supplies and Miscellaneous Maintenance	(\$600)
Telephone	(\$1,500)
Electronic Gate Maintenance	(\$1,500)
Street Sweeping	(\$650)
Landscape Maintenance & Irrigation Repairs	(\$9,600)
Electrical Power for Gate and Streetlights	(\$2,200)
City Administration Costs	(\$2,000)
County Collection Fees	(\$8)
District Administrator	(\$9,840)
Assessment Engineering	(\$1,518)
Insurance	(\$950)
Annual Expenditures Subtotal:	(\$30,366)
<b>Capital Improvement Projects</b>	
Gate Callbox and Firebox Replacement	(\$4,525)
Capital Improvement Projects Subtotal:	(\$4,525)
<b>Total Estimated Expenses for FY 2023-24:</b>	<b>(\$34,891)</b>
<b>Estimated FY 2023-24 Reserve Collection<sup>2</sup>:</b>	<b>\$4,079</b>
<b>Projected Ending Balance as of June 30, 2024:</b>	<b>\$1,079</b>

<sup>1</sup>Deficit beginning fund balance primarily due to street slurry seal performed in 2022 and recent cost increases due to inflation.

<sup>2</sup>If assessment increase is approved, \$10,500 in recommended neighborhood sidewalk repairs can be performed in 2025 and City can begin accumulating funds for next street slurry seal.

## SUMMARY OF HOA DUES FOR NEIGHBORING GATED COMMUNITIES NEAR BLACKHORSE ESTATES

COMMUNITY NAME	# OF LOTS	DUES PER MONTH	CROSS STREETS
European Village	182	\$70/mo	Minnewawa/Teague
European Quarter	172	\$75/mo	Willow/Teague
Morgan Run	71	\$101/mo	Peach/Teague
Sky Meadows	90	\$95/mo	Barstow/Leonard

### Notes:

- All of the above communities are located within the City of Clovis. Each of the above gated communities is an HOA with same common area shared amenities such as gates, street lights, road repairs, sidewalk repairs, tree trimming, landscape front entrance gates, insurance, management fees, reserve deposits, accounting/CPA expenses, etc.
- All communities are HOA's and receive additional income through fines, violations, NSF Fees, parking tags, collection fees, etc.