

NOTICE AND INVITATION TO SPECIAL MEMBERS MEETING TO DISCUSS BUDGET- SEP 7 @ 7PM

August 28, 2028

Dear Sierra Crest Members,

This is a notice and invitation to a Special Members Meeting with the purpose of discussing the 2026 Budget. This is in response to the Order of the Court issued on Friday August 28, 2026.

WHAT: Special Members Meeting to Discuss 2026 Budget

WHEN: Monday September 7, 2026

TIME: 7:00pm MST

WHERE: Zoom

REGISTRATION: <https://us06web.zoom.us/meeting/register/nBjnlqGtR32ac3Cs3i3wpA>

Meeting ID: 849 6653 0599

Passcode: 261633

AGENDA

- 1.) Establish Quorum and Call Meeting to Order – 30% Needed
- 2.) 2026 Budget Discussion
- 3.) Q&A
- 4.) Adjourn.

2026 BUDGET DISCUSSION

The Board was supposed to present a budget for 2026 at the 2025 Annual Meeting in December 13, 2025. Members were supposed to vote and approve the 2025 Budget. As you know, the 2025 Annual Meeting was cancelled when the Court decided to place the Association into Receivership on December 5, 2025. As a result, the Association does not have an official budget for this year. The new Board was duly elected on May 15, 2026.

The Board is inviting you to a discussion on the 2026 budget so that members at this meeting can ask questions and propose alternatives. Due to the cost of the receiver and litigation expense, the Association is projected to be in a deficit.

Our Declaration and Bylaws state that we must abide by a Balanced Budget which means we should not run a deficit.

We believe the deficit for 2026 is projected to be approximately \$30,000.

The Board has recommended two ways to address it:

1. Take \$30,000 out of reserves.
2. Charge a special assessment of \$30,000 or \$300/member to avoid depleting the reserves.

We are presenting both options below.

A No Vote will be the 3rd Option that will be added to the ballot.

The members will have at least 30 days to review the 3 budget options and vote on them.

Voting will take place from October 9-16 and will conclude on October 16 at 5:00pm MST.

Voting will take place electronically on the TownSq voting system provided by Associa Canyon Gate our new property manager. You need to register on this system when the instructions come out next week how to do so.

Associa will identify a neutral third party to serve as the Inspection of Elections who will certify the results of the vote.

Thank you,

Sierra Crest Board

OPTION 1 – Cover Deficit Using Reserves

Sierra Crest HOA							Estimated
INCOME STATEMENT							Budget
	2021	2022	2023	2024	2025		2026E
REVENUES							
REGULAR REVENUES	\$ 249,785.01	\$ 264,998.80	\$ 308,393.88	\$ 334,364.01	\$ 330,827.92	\$ 337,843.60	
One Time Income							
Special Assessment						\$ -	
TOTAL REVENUES	\$ 249,785.01	\$ 264,998.80	\$ 319,636.38	\$ 339,364.01	\$ 330,827.92	\$ 337,843.60	
EXPENSES							
SECURITY GUARDS	\$ 135,718.02	\$ 149,632.75	\$ 151,192.62	\$ 153,968.79	\$ 165,343.16	\$ 157,431.75	
Security Guard Service	\$ 128,655.47	\$ 145,905.66	\$ 148,005.22	\$ 148,215.49	\$ 153,072.79	\$ 151,633.07	
Telephone	\$ 2,614.80	\$ 339.89	\$ 362.70	\$ 439.89	\$ 479.97	\$ 603.30	
Guardhouse Repairs	\$ 2,260.66	\$ 35.18	\$ 185.00	\$ 616.83	\$ 86.59	\$ 833.53	
Guardhouse Supplies	\$ 422.86	\$ 137.81	\$ 1,174.88	\$ 2,053.71	\$ 1,496.21	\$ 1,921.52	
Gate Repairs	\$ 670.50	\$ 1,896.59	\$ -	\$ -	\$ -	\$ -	
Electricity	\$ 1,093.73	\$ 1,317.62	\$ 1,464.82	\$ 1,542.87	\$ 1,534.52	\$ 1,240.33	
Guard Bonuses				\$ 1,100.00	\$ -	\$ 1,200.00	
Security Cameras					\$ 8,673.08	\$ -	
LANDSCAPING	\$ 123,854.23	\$ 114,905.68	\$ 123,428.27	\$ 116,847.05	\$ 116,116.28	\$ 113,993.42	
Water	\$ 59,641.61	\$ 64,879.10	\$ 69,204.17	\$ 58,929.22	\$ 67,072.72	\$ 77,338.24	
Landscape Service	\$ 37,196.24	\$ 42,213.09	\$ 44,201.13	\$ 49,224.44	\$ 43,200.00	\$ 29,944.00	
Landscape Maintenance	\$ 4,000.92	\$ -	\$ 5,123.30	\$ 5,928.76	\$ 4,278.33	\$ 2,785.43	
Sprinkler Repair	\$ 2,165.46	\$ 2,185.54	\$ 1,323.32	\$ 188.28	\$ 1,315.23	\$ 2,145.75	
Fertilization/Pesticides	\$ -	\$ 2,557.95	\$ 2,576.35	\$ 2,576.35	\$ 250.00	\$ -	
Gardener Bonuses	\$ -	\$ 1,317.62	\$ 1,464.82	\$ 1,542.87	\$ -	\$ -	
Park Improvements	\$ -	\$ 2,450.00	\$ -	\$ -	\$ -	\$ -	
Rock Wall Repairs	\$ 20,410.00	\$ 620.00	\$ -	\$ -	\$ -	\$ 1,500.00	
Street Maintenance	\$ 440.00	\$ -	\$ -	\$ -	\$ -	\$ -	
Signs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 280.00	
ADMINISTRATION	\$ 17,763.74	\$ 28,706.74	\$ 39,214.91	\$ 33,749.15	\$ 27,842.56	\$ 96,219.65	
Management Contract	\$ 7,200.00	\$ 7,200.00	\$ 8,070.00	\$ 7,800.00	\$ 7,800.00	\$ 7,125.05	
Legal Fees	\$ 2,541.90	\$ 6,076.86	\$ 15,768.37	\$ 7,397.85	\$ 6,287.00	\$ 5,000.00	
Litigation						\$ 42,000.00	
Receiver Expense						\$ 29,308.18	
Insurance	\$ 3,587.00	\$ 7,464.00	\$ 1,143.57	\$ 7,316.78	\$ 7,927.55	\$ 7,731.53	
Property Taxes	\$ -	\$ -	\$ 8,530.60	\$ 3,428.82	\$ 1,938.62	\$ 2,005.86	
Office Supplies	\$ 2,167.58	\$ 1,398.44	\$ 1,357.12	\$ 4,041.70	\$ 339.85	\$ 559.99	
Accounting (Audit)	\$ -	\$ 5,600.00	\$ -	\$ -	\$ -	\$ -	
Postage	\$ 671.26	\$ 559.44	\$ 1,933.30	\$ 1,962.95	\$ 1,742.54	\$ 873.33	
Annual Meeting Expense	\$ -	\$ -	\$ 1,890.04	\$ 1,256.20	\$ 69.27	\$ 898.37	
Internet & Website			\$ 221.91	\$ 244.85	\$ 1,052.73	\$ 717.34	
Accounting Software	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ -	
Credit Bureau Reporting	\$ 1,296.00	\$ 108.00	\$ -	\$ -	\$ -	\$ -	
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ 385.00	\$ -	
TOTAL EXPENSES	\$ 277,335.99	\$ 293,245.17	\$ 313,835.80	\$ 304,564.99	\$ 309,302.00	\$ 367,644.82	
NET INCOME / (LOSS)	\$ (27,550.98)	\$ (28,246.37)	\$ 5,800.58	\$ 34,799.02	\$ 21,525.92	\$ (29,801.22)	

OPTION 2 – Cover Deficit by Charging Special Assessment of \$300

Sierra Crest HOA							Estimated
INCOME STATEMENT							Budget
	2021	2022	2023	2024	2025		2026E
REVENUES							
REGULAR REVENUES	\$ 249,785.01	\$ 264,998.80	\$ 308,393.88	\$ 334,364.01	\$ 330,827.92	\$	337,843.60
One Time Income							
Special Assessment						\$	30,000.00
TOTAL REVENUES	\$ 249,785.01	\$ 264,998.80	\$ 319,636.38	\$ 339,364.01	\$ 330,827.92	\$	367,843.60
EXPENSES							
SECURITY GUARDS	\$ 135,718.02	\$ 149,632.75	\$ 151,192.62	\$ 153,968.79	\$ 165,343.16	\$	157,431.75
Security Guard Service	\$ 128,655.47	\$ 145,905.66	\$ 148,005.22	\$ 148,215.49	\$ 153,072.79	\$	151,633.07
Telephone	\$ 2,614.80	\$ 339.89	\$ 362.70	\$ 439.89	\$ 479.97	\$	603.30
Guardhouse Repairs	\$ 2,260.66	\$ 35.18	\$ 185.00	\$ 616.83	\$ 86.59	\$	833.53
Guardhouse Supplies	\$ 422.86	\$ 137.81	\$ 1,174.88	\$ 2,053.71	\$ 1,496.21	\$	1,921.52
Gate Repairs	\$ 670.50	\$ 1,896.59	\$ -	\$ -	\$ -	\$	-
Electricity	\$ 1,093.73	\$ 1,317.62	\$ 1,464.82	\$ 1,542.87	\$ 1,534.52	\$	1,240.33
Guard Bonuses				\$ 1,100.00	\$ -	\$	1,200.00
Security Cameras					\$ 8,673.08	\$	-
LANDSCAPING	\$ 123,854.23	\$ 114,905.68	\$ 123,428.27	\$ 116,847.05	\$ 116,116.28	\$	113,993.42
Water	\$ 59,641.61	\$ 64,879.10	\$ 69,204.17	\$ 58,929.22	\$ 67,072.72	\$	77,338.24
Landscape Service	\$ 37,196.24	\$ 42,213.09	\$ 44,201.13	\$ 49,224.44	\$ 43,200.00	\$	29,944.00
Landscape Maintenance	\$ 4,000.92	\$ -	\$ 5,123.30	\$ 5,928.76	\$ 4,278.33	\$	2,785.43
Sprinkler Repair	\$ 2,165.46	\$ 2,185.54	\$ 1,323.32	\$ 188.28	\$ 1,315.23	\$	2,145.75
Fertilization/Pesticides	\$ -	\$ 2,557.95	\$ 2,576.35	\$ 2,576.35	\$ 250.00	\$	-
Gardener Bonuses	\$ -	\$ 1,317.62	\$ 1,464.82	\$ 1,542.87	\$ -	\$	-
Park Improvements	\$ -	\$ 2,450.00	\$ -	\$ -	\$ -	\$	-
Rock Wall Repairs	\$ 20,410.00	\$ 620.00	\$ -	\$ -	\$ -	\$	1,500.00
Street Maintenance	\$ 440.00	\$ -	\$ -	\$ -	\$ -	\$	-
Signs	\$ -	\$ -	\$ -	\$ -	\$ -	\$	280.00
ADMINISTRATION	\$ 17,763.74	\$ 28,706.74	\$ 39,214.91	\$ 33,749.15	\$ 27,842.56	\$	96,219.65
Management Contract	\$ 7,200.00	\$ 7,200.00	\$ 8,070.00	\$ 7,800.00	\$ 7,800.00	\$	7,125.05
Legal Fees	\$ 2,541.90	\$ 6,076.86	\$ 15,768.37	\$ 7,397.85	\$ 6,287.00	\$	5,000.00
Litigation						\$	42,000.00
Receiver Expense						\$	29,308.18
Insurance	\$ 3,587.00	\$ 7,464.00	\$ 1,143.57	\$ 7,316.78	\$ 7,927.55	\$	7,731.53
Property Taxes	\$ -	\$ -	\$ 8,530.60	\$ 3,428.82	\$ 1,938.62	\$	2,005.86
Office Supplies	\$ 2,167.58	\$ 1,398.44	\$ 1,357.12	\$ 4,041.70	\$ 339.85	\$	559.99
Accounting (Audit)	\$ -	\$ 5,600.00	\$ -	\$ -	\$ -	\$	-
Postage	\$ 671.26	\$ 559.44	\$ 1,933.30	\$ 1,962.95	\$ 1,742.54	\$	873.33
Annual Meeting Expense	\$ -	\$ -	\$ 1,890.04	\$ 1,256.20	\$ 69.27	\$	898.37
Internet & Website			\$ 221.91	\$ 244.85	\$ 1,052.73	\$	717.34
Accounting Software	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$	-
Credit Bureau Reporting	\$ 1,296.00	\$ 108.00	\$ -	\$ -	\$ -	\$	-
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ 385.00	\$	-
TOTAL EXPENSES	\$ 277,335.99	\$ 293,245.17	\$ 313,835.80	\$ 304,564.99	\$ 309,302.00	\$	367,644.82
NET INCOME / (LOSS)	\$ (27,550.98)	\$ (28,246.37)	\$ 5,800.58	\$ 34,799.02	\$ 21,525.92	\$	198.78

BALLOT WILL READ AS FOLLOWS:

I Approve the Budget – Option 1

I Approve the Budget – Option 2

I do NOT Approve the Budget – Option 3