

anthem

community council

Meeting of the Board of Directors
July 27, 2016
Anthem Civic Building
3701 W. Anthem Way
Community Room

6:30 p.m.
Open Session

ANNOTATED AGENDA

1. **CALL TO ORDER**
2. **ESTABLISH QUORUM**
3. **ADOPT AGENDA** Adopted with Revisions, add EPCOR Presentation
4. **PRESENTATIONS/AWARDS/ANNOUNCEMENTS**
 - A. EPCOR Wastewater Consolidation Presentation
 - B. 2015 Audit Presentation
5. **STAFF REPORTS/FINANCIALS**
 - A. Report on Tot Lot Playground Renovation
6. **CLOSED SESSION REPORT**
7. **OPEN DISCUSSION**

(Persons interested in speaking or submitting a question or comment to the Board, are asked to complete a Question/Comment form and submit to the Recording Secretary.)
8. **APPROVE MEETING MINUTES**
 - A. June 22, 2016 Work Session Approved
 - B. June 22, 2016 Open Session Approved with Revisions
 - C. July 6, 2016 Approved
9. **CONSENT AGENDA/APPROVAL**

All items listed under Consent Agenda are considered to be routine by the Board and may be approved/accepted by one motion with a voice vote.

 - A. **APPROVE ANTHEM COUNTRY CLUB COMMUNITY ASSOCIATION DESIGN GUIDELINES CHANGES** Approved
10. **DISCUSSION OF ITEMS REMOVED FROM THE CONSENT AGENDA**
11. **COMMITTEE UPDATES AND ACTION ITEMS**
 - A. Consider Community Planning and Development Committee Appointment Approved
12. **OLD BUSINESS**
 - A. Consider Request from Pulte to Endorse the Amended and Restated Tract Declaration for Lot 28 of Anthem Commerce Park 33.2 Approved
13. **NEW BUSINESS**
 - A. Consider Approval of the County Right-of-Way Maintenance Agreement Approved
 - B. Consider Approving Paseo Irrigation Water Conversion Approved
 - C. Consider Adoption of the ACC Board's 2016-2017 Strategic Priorities Approved
 - D. Consider Authorizing CEO to Serve as Advisor to the Friends of Daisy Mountain Trail Group Approved
14. **ADJOURNMENT**

ANTHEM COMMUNITY COUNCIL, INC.
COMMUNICATION TO THE BOARD OF DIRECTORS
DECEMBER 31, 2015



To the Board of Directors of:

ANTHEM COMMUNITY COUNCIL, INC.

Anthem, Arizona

We have audited the financial statements of Anthem Community Council, Inc. (the Council) as of and for the year ended December 31, 2015, and have issued our report thereon dated June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated October 29, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Anthem Community Council, Inc. are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2015. We noted no transactions entered into by the Council during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the useful lives of land, building, and equipment is based on reserve study and historical data.
- Management's estimate of the allowance for doubtful accounts is based on Management's review of the accounts receivable aging schedules, collectability of current accounts, and historical bad debt write offs.

We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Audit Adjustments

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements, which are included in the attached schedule of audit adjustments.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 30, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Council's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Council's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information about future repairs and replacements accompanying the financial statements, we have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

This information is intended solely for the information and use of the Board of Directors, management, and owners who pay assessments to Anthem Community Council, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

As always, we will be happy to discuss these or any other topics at your convenience. We would like to take this opportunity to express our appreciation to Jenna Kollings, Neal Shearer, Doug Greenstein, Natalie Beryozkin, and their staff for the fine cooperation we received during the course of the audit. We look forward to many years of continued service to Anthem Community Council, Inc.

Monaperger Patterson & McMullin, PLLC

Tempe, Arizona
June 30, 2016

Client: **ANTHC - Anthem Community Council, Inc.**
 Engagement: **ANTHC - 2015 HOA Audit Binder**
 Period Ending: **12/31/2015**
 Trial Balance: **2505 - Trial Balance**
 Workpaper: **2530 - Anthem Community Council Adjusting Journal Entries**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 11		TB		
To adjust beginning retained earnings for prior year entries				
3501-01	Equity - Retained Earnings		4,052,416.00	
5906-99	G&A - Other		10,739.00	
3501-02	Equity - Reserve Equity			2,037,088.00
3503	Enhancement Members' Equity-Prior Years			2,026,067.00
Total			4,063,155.00	4,063,155.00
Adjusting Journal Entries JE # 13		4501		
COE - To adjust JPM Investment account to statement balance				
1100-03	RF - JPM Chase Invest		1,682.00	
8010-01	RF - Bank Charges			1,682.00
Total			1,682.00	1,682.00
Adjusting Journal Entries JE # 15		PY		
To record PY adjustment to interfund account to balance reserve fund and operating				
1230-01	AR - Due OF From RF		90,418.00	
2001-97	AP - Due To OF From RF			90,418.00
Total			90,418.00	90,418.00
Adjusting Journal Entries JE # 16				
To record PY adjustment to interfund account to balance enhancement fund and operating				
2001-95	AP - Due To OF From EF		122,179.00	
1230-02	AR - Due OF From EF			122,179.00
Total			122,179.00	122,179.00
Adjusting Journal Entries JE # 17		5303		
To adjust proceeds due to Country Club and Parkside for 2014 Prepaid Assessments and final intercompany variance				
5604-04	Bad Debt - Other		16,488.00	
5604-04	Bad Debt - Other		26,488.00	
2001-91	AP - Due to ACCCA			26,488.00
2001-92	AP - Due to APCA			16,488.00
Total			42,976.00	42,976.00
Adjusting Journal Entries JE # 18		5303		
To adjust proceeds for final intercompany variance				
2001-92	AP - Due to APCA		900.00	
5604-04	Bad Debt - Other		8,301.00	
2001-91	AP - Due to ACCCA			8,301.00
5604-04	Bad Debt - Other			900.00
Total			9,201.00	9,201.00

ANTHEM COMMUNITY COUNCIL, INC.

COMMUNICATION TO THE BOARD OF DIRECTORS OF NO MATERIAL WEAKNESSES

DECEMBER 31, 2015



**Mansperger
Patterson
& McMullin, PLC**
CERTIFIED PUBLIC ACCOUNTANTS

Jeffrey C. McMullin
James A. Wraith
Bradley W. Enos
Diane R. Hayes
Stephen G. Hale
LaDawn Setser
Josh Swartzendruber

To the Board of Directors of:

ANTHEM COMMUNITY COUNCIL, INC.

Anthem, Arizona

In planning and performing our audit of the financial statements of Anthem Community Council, Inc. (the Council) as of and for the year ended December 31, 2015 in accordance with auditing standards generally accepted in the United States of America, we considered the Council's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

This communication is intended solely for the information and use of the Board of Directors, management, and homeowners of Anthem Community Council, Inc. and is not intended to be, and should not be, used by anyone other than those specified parties.

Mansperger Patterson & McMullin, PLC

Tempe, Arizona
June 30, 2016

ANTHEM COMMUNITY COUNCIL, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

TABLE OF CONTENTS

	Page No.
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Balance Sheets	2
Statements of Revenues, Expenses and Changes in Fund Balances	3
Statements of Cash Flows	4
Notes to the Financial Statements	5
SUPPLEMENTARY INFORMATION	
Independent Auditors' Report on Supplementary Information.....	14
Supplementary Information on Future Major Repairs and Replacements (Schedule I)	15



Jeffrey C. McMullin
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of:

ANTHEM COMMUNITY COUNCIL, INC.

Anthem, Arizona

We have audited the accompanying financial statements of Anthem Community Council, Inc., which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of revenues, expenses and changes in fund balances and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Anthem Community Council, Inc. as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Mansperger Patterson & McMullin, PLC

Tempe, Arizona
June 30, 2016

ANTHEM COMMUNITY COUNCIL, INC
BALANCE SHEETS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015				2014			
	OPERATING FUND	RESERVE FUND	ENHANCEMENT FUND	TOTAL	OPERATING FUND	RESERVE FUND	ENHANCEMENT FUND	TOTAL
<u>ASSETS</u>								
Cash and cash equivalents	\$ 2,712,295	\$ 3,375,508	\$ 441,145	\$ 6,528,948	\$ 826,414	\$ 2,554,100	\$ 359,906	\$ 3,740,420
Investments	1,039,944	8,400,803	2,204,068	11,644,815	1,032,811	7,941,051	1,939,577	10,913,439
Accounts and other receivables, net of allowance of \$822,505 and \$920,349, respectively	28,300	-	-	28,300	276,930	-	-	276,930
Interfund balances	40,738	(5,555)	(35,183)	-	498,700	(220,043)	(278,657)	-
Accrued interest receivable	-	37,853	2,841	40,694	-	40,461	5,241	45,702
Prepaid expenses and other assets	130,868	-	-	130,868	176,919	-	-	176,919
Property and equipment, net	13,827,069	-	-	13,827,069	14,198,755	-	-	14,198,755
	<u>17,779,214</u>	<u>11,808,609</u>	<u>2,612,871</u>	<u>32,200,694</u>	<u>17,010,529</u>	<u>10,315,569</u>	<u>2,026,067</u>	<u>29,352,165</u>
<u>LIABILITIES AND FUND BALANCES</u>								
LIABILITIES								
Accounts payable	345,117	-	-	345,117	217,068	-	-	217,068
Accrued expenses	280,046	-	-	280,046	382,461	-	-	382,461
Due to related party	638,943	-	-	638,943	93,713	-	-	93,713
Prepaid assessments	999,644	-	-	999,644	443,890	-	-	443,890
Deferred revenues	60,131	-	-	60,131	32,803	-	-	32,803
	<u>2,323,881</u>	<u>-</u>	<u>-</u>	<u>2,323,881</u>	<u>1,169,935</u>	<u>-</u>	<u>-</u>	<u>1,169,935</u>
FUND BALANCES	<u>15,455,333</u>	<u>11,808,609</u>	<u>2,612,871</u>	<u>29,876,813</u>	<u>15,840,594</u>	<u>10,315,569</u>	<u>2,026,067</u>	<u>28,182,230</u>
	15,455,333	11,808,609	2,612,871	29,876,813	15,840,594	10,315,569	2,026,067	28,182,230
	<u>\$ 17,779,214</u>	<u>\$ 11,808,609</u>	<u>\$ 2,612,871</u>	<u>\$ 32,200,694</u>	<u>\$ 17,010,529</u>	<u>\$ 10,315,569</u>	<u>\$ 2,026,067</u>	<u>\$ 29,352,165</u>

ANTHEM COMMUNITY COUNCIL, INC
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015				2014			
	OPERATING FUND	RESERVE FUND	ENHANCEMENT FUND	TOTAL	OPERATING FUND	RESERVE FUND	ENHANCEMENT FUND	TOTAL
REVENUES								
Ownership assessments	\$ 7,004,651	\$ 1,860,000	\$ -	\$ 8,864,651	\$ 6,978,191	\$ 1,860,000	\$ -	\$ 8,838,191
Community enhancement fees	-	-	693,658	693,658	-	-	596,333	596,333
Other fees and income	530,615	-	-	530,615	664,354	-	-	664,354
Classes, programs, and events revenues	1,285,805	-	-	1,285,805	1,335,951	-	-	1,335,951
Investment income (loss)	22,648	76,654	19,034	118,336	19,368	146,423	62,045	227,836
	<u>8,843,719</u>	<u>1,936,654</u>	<u>712,692</u>	<u>11,493,065</u>	<u>8,997,864</u>	<u>2,006,423</u>	<u>658,378</u>	<u>11,662,665</u>
EXPENSES								
Administrative	4,459,396	-	-	4,459,396	4,490,625	-	-	4,490,625
Utilities	1,142,813	-	-	1,142,813	1,065,238	-	-	1,065,238
Contract services	1,702,945	-	-	1,702,945	1,782,651	-	-	1,782,651
Repairs and maintenance	891,165	-	-	891,165	648,268	-	-	648,268
Depreciation expense	600,807	-	-	600,807	883,163	-	-	883,163
Major repairs and replacements	-	918,614	-	918,614	-	1,769,813	-	1,769,813
Enhancement fee expenses	-	-	4,692	4,692	-	-	-	-
Income tax provision	78,050	-	-	78,050	50,484	-	-	50,484
	<u>8,875,176</u>	<u>918,614</u>	<u>4,692</u>	<u>9,798,482</u>	<u>8,920,429</u>	<u>1,769,813</u>	<u>-</u>	<u>10,690,242</u>
CHANGE IN FUND BALANCES	(31,457)	1,018,040	708,000	1,694,583	77,435	236,610	658,378	972,423
FUND BALANCES, beginning of year	15,840,594	10,315,569	2,026,067	28,182,230	15,821,420	9,678,959	1,709,428	27,209,807
Interfund transfers - Building renovation	-	-	-	-	222,971	-	(222,971)	-
Interfund transfers - Park construction	121,196	-	(121,196)	-	118,768	-	(118,768)	-
Interfund transfers - Additional reserve contribution	(475,000)	475,000	-	-	(400,000)	400,000	-	-
FUND BALANCES, end of year	<u>\$ 15,455,333</u>	<u>\$ 11,808,609</u>	<u>\$ 2,612,871</u>	<u>\$ 29,876,813</u>	<u>\$ 15,840,594</u>	<u>\$ 10,315,569</u>	<u>\$ 2,026,067</u>	<u>\$ 28,182,230</u>

The Accompanying Notes are an Integral Part
of These Financial Statements.

ANTHEM COMMUNITY COUNCIL, INC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015				2014			
	OPERATING FUND	RESERVE FUND	ENHANCEMENT FUND	TOTAL	OPERATING FUND	RESERVE FUND	ENHANCEMENT FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:								
Change in fund balances	\$ (31,457)	\$ 1,018,040	\$ 708,000	\$ 1,694,583	\$ 77,435	\$ 236,610	\$ 658,378	\$ 972,423
Adjustments to reconcile change in fund balances to net cash provided by operating activities:								
Depreciation	600,807	-	-	600,807	883,163	-	-	883,163
Bad debt expense	(99,002)	-	-	(99,002)	31,486	-	-	31,486
Unrealized (gain) loss on investments		84,938	18,530	103,468	-	925	(19,518)	(18,593)
(Increase) decrease in								
Accounts receivable, net	347,632	-	-	347,632	(221,996)	-	-	(221,996)
Accrued interest receivable		2,608	2,400	5,008	-	1,471	2,600	4,071
Change in interfund balances	457,962	(214,488)	(243,474)	-	314,060	150,359	(464,419)	-
Prepaid expenses and other assets	46,051			46,051	(13,119)	-	-	(13,119)
Increase (decrease) in								
Accounts payable	128,049	-	-	128,049	(473,383)	-	-	(473,383)
Accrued expenses	(102,415)	-	-	(102,415)	50,493	-	-	50,493
Due to related party	494,853	-	-	494,853	(100,028)	-	-	(100,028)
Prepaid assessments	555,754	-	-	555,754	(534,603)	-	-	(534,603)
Deferred revenues	27,328	-	-	27,328	(59)	-	-	(59)
Net cash provided by operating activities	<u>2,425,562</u>	<u>891,098</u>	<u>485,456</u>	<u>3,802,116</u>	<u>13,449</u>	<u>389,365</u>	<u>177,041</u>	<u>579,855</u>
CASH FLOWS FROM INVESTING ACTIVITIES:								
Purchase of investments	(7,133)	(2,695,734)	(941,450)	(3,644,317)	(40,467)	(3,353,590)	(259,026)	(3,653,083)
Proceeds from sale of investments	-	2,151,044	658,429	2,809,473	-	2,988,005	637,260	3,625,265
Purchases of property and equipment	(229,121)	-	-	(229,121)	(462,329)	-	-	(462,329)
Net cash (used in) provided by investing activities	<u>(236,254)</u>	<u>(544,690)</u>	<u>(283,021)</u>	<u>(1,063,965)</u>	<u>(502,796)</u>	<u>(365,585)</u>	<u>378,234</u>	<u>(490,147)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:								
Transfer to reserve fund	(475,000)	475,000	-	-	(400,000)	400,000	-	-
Transfer from enhancement fund	121,196	-	(121,196)	-	341,739	-	(341,739)	-
Net cash (used in) provided by financing activities	<u>(353,804)</u>	<u>475,000</u>	<u>(121,196)</u>	<u>-</u>	<u>(58,261)</u>	<u>400,000</u>	<u>(341,739)</u>	<u>-</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	<u>1,835,504</u>	<u>821,408</u>	<u>81,239</u>	<u>2,738,151</u>	<u>(547,608)</u>	<u>423,780</u>	<u>213,536</u>	<u>89,708</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>826,414</u>	<u>2,554,100</u>	<u>359,906</u>	<u>3,740,420</u>	<u>1,374,022</u>	<u>2,130,320</u>	<u>146,370</u>	<u>3,650,712</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,661,918</u>	<u>\$ 3,375,508</u>	<u>\$ 441,145</u>	<u>\$ 6,478,571</u>	<u>\$ 826,414</u>	<u>\$ 2,554,100</u>	<u>\$ 359,906</u>	<u>\$ 3,740,420</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION								
Cash paid for income taxes	\$ 50,611	\$ -	\$ -	\$ 50,611	\$ 39,513	\$ -	\$ -	\$ 39,513

ANTHEM COMMUNITY COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Anthem Community Council, Inc. (the Council) was incorporated on January 8, 1999 under the general non-profit laws of the State of Arizona. The Council was organized to serve the common good and general welfare of the Anthem Community and it is the responsibility of the Council to preserve and maintain the common property. The property is located in Anthem, Arizona.

Basis of Accounting

The Council utilized the accrual basis of accounting.

Fund Accounting

The Council's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Council maintains its accounts using separate funds. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund

This fund is used to account for financial resources available to the general operations of the Council.

Reserve Fund

This fund is used to accumulate financial resources designated for future major repairs and replacements.

Enhancement Fund

This fund is used to accumulate financial resources collected at the close of escrow on the transfer of title to a residential or non-residential Lot. The Council Board shall have sole discretion to specify the amount and method of determining the Community Enhancement Fee, provided the Community Enhancement Fee shall not exceed ¼% (one quarter of one percent) of the gross selling price of the residential property. Enhancement fees for non-residential properties are based on a tiered amount determined by the selling price of the property. The purpose of the Community Enhancement Fees shall be used for purposes which the Council Board deems beneficial to the general good and welfare of Anthem.

Cash and Cash Equivalents

The Council maintains cash at various financial institutions, which may at times exceed federally insured amounts. The Council considers all highly liquid investments with original maturities of less than three months, to be cash equivalents.

Investment Securities

Investments, consisting primarily of certificates of deposit, U.S. Government Agency Securities, corporate bonds, municipal bonds, and mutual funds with readily determinable market values are measured at fair value, as of period-end in the financial statements. Investment income or loss (including realized gains and losses on investments, interest, and dividends) and unrealized gains and losses on investments are recognized in the statement of activities.

ANTHEM COMMUNITY COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS, (CONTINUED)
DECEMBER 31, 2015 AND 2014

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Accounts Receivable

The annual budget and owner assessments are approved by the Board of Directors. Owners of property within the boundaries of Anthem are subject to quarterly assessments to provide funds for the Council's operating expenses, future capital acquisitions, and major repairs and replacements. Assessments receivable at the balance sheet date represent fees due from property owners.

The Council has an established policy regarding billing and collection procedures as described in the Declaration of Covenants, Conditions, and Restrictions. Assessments are deemed delinquent after 15 days from the due date. A late fee currently equal to \$15 is charged to homeowners at that time. If payment continues to be delinquent after 30 days from the due date, a "First Collections Letter" is sent by the Council and a fee currently equal to \$30 will be charged to the homeowner's account. If the assessment is not paid after 60 days from the due date, the Council may, but is not required to send a "Demand Lien Letter" for immediate payment of unpaid assessments and will begin the process of filing a Notice of Claim Lien inclusive of a fee for 2015 which was equal to \$100, charged to the homeowner's account, which will cover the cost of filing the lien and its eventual removal through payment of all open balances. Any delinquency beyond 70 days from the original due date can be referred to the Council's legal counsel and/or collection agent. Receivables are reviewed regularly and the Council establishes an allowance for doubtful accounts on receivables based on an estimate of accounts which may not be fully collected.

The Council acts as the billing agent for assessments and other fees on behalf of Anthem Parkside Community Association, Inc. (Parkside), Anthem Country Club Community Association, Inc. (Country Club), and The Village at Anthem Condominium Council of Co-Owners, Inc. (the Village) (collectively referred to as the Associations) which are considered to be related parties through common ownership. The Associations record assessments receivable and other fees levied by the Associations and related bad debts in the respective financial statements of each Association. Receivables are secured by the real property assessed and every reasonable effort is applied in attempting to collect receivables.

Prepaid Assessments and Revenue Recognition

The annual budget and assessments are approved by the Board of Directors. The Council receives assessments from owners to provide funds for operating expenses, future capital acquisitions and major repairs and replacements. The Council, at times, collects assessments in advance. Assessments are billed either monthly, quarterly, or semi-annually, based on the type of property and payment arrangements, and recognized as income earned, over the term of the assessment.

Common and Personal Property

The Council recognizes (a) common personal property and (b) real property to which it has title or other evidence of ownership and either:

- (1) based on the recommendations of management, can dispose of the property, at the discretion of its Board of Directors, for cash or claims to cash and it can retain the proceeds

or

- (2) the property is used to generate significant cash flows from owners on the basis of usage or from nonowners

ANTHEM COMMUNITY COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS, (CONTINUED)
DECEMBER 31, 2015 AND 2014

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

The Council capitalizes all personal property expenditures with a cost basis of \$1,000 or more and an estimated useful life equal to or greater than three years. Purchased property and equipment is recorded at cost and depreciated utilizing the straight-line method over the estimated useful lives of the property. Major repairs and replacement expenditures are accounted for as expenses as incurred. The Council capitalizes personal property assets at cost. Depreciation on capitalized assets is computed using the straight-line method over the estimated useful lives of the assets.

The Council reviews its property and equipment whenever events indicate that the carrying amount of the asset may not be recoverable. An impairment loss is recorded when the sum of the future cash flows is materially less than the carrying amount of the asset. An impairment loss is measured as the amount by which the carrying amount of the asset exceeds its fair value. No impairment loss is recorded at December 31, 2015 and 2014.

Income Taxes

The Association has self-declared as an exempt organization for the years ended December 31, 2015 and 2014, and is applying for an exemption from federal income taxes under section 501 (c) (4) of the Internal Revenue Code. A provision is made in the financial statements for income tax expense on unrelated trade or business income earned, when required. The Association files Form 990-T, which has graduated effective tax rates of 15% to 39% that are applied to net taxable income. The state tax rate that is applied to net taxable income is 6.0%. As of December 31, 2015, Federal and State income tax returns for years subsequent to 2011 are subject to examination.

The Association accounts for uncertain tax positions, if any, in accordance with FASB Accounting Standards Codification Section 740. In accordance with these professional standards, the Association recognizes tax positions only to the extent that Management believes it is “more likely than not” that its tax positions will be sustained upon IRS examination. Management believes that it has no uncertain tax position for the year ending December 31, 2015.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Marketing and Advertising

The Council expenses marketing and advertising costs as they are incurred. Marketing and advertising expenses for the years ended December 31, 2015 and 2014 was \$-0-.

Presentation of Sales Tax

The state and county impose a sales tax on the Council's sales to non-exempt customers. The Council collects the sales tax from customers and remits the entire amount to the respective state and county. The Council's accounting policy is to include the tax collected and remitted in revenue and cost of revenue.

ANTHEM COMMUNITY COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS, (CONTINUED)
DECEMBER 31, 2015 AND 2014

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Comparative Data and Reclassifications

Certain amounts presented for prior year financial information have been reclassified in order to be consistent with the current year's presentation.

Subsequent Event

Management has evaluated subsequent events through June 30, 2016, the date the financial statements were available to be issued.

Effective January 1, 2015, the Council has terminated the PSA with AAM, LLC, to become fully self-managed (See Note 14).

NOTE 2 - OWNER ASSESSMENTS

Residential lot owners in Anthem Country Club and Anthem Parkside pay quarterly owner assessments which equaled \$205.50 per lot, per qualifier in 2015 and 2014. Condominium owners within The Village at Anthem Condominium Council of Co-Owners, Inc. pay quarterly owner assessments which equaled \$139.50 and per unit in 2015 and 2014. The Non-Residential owners of the Council pay semi-annual nonresidential lot assessments which equaled \$616.50 per acre in 2015 and 2014. Lot owners within Anthem Unit 101 (Paseo) additionally pay quarterly benefitted assessments which equaled \$118.50 per lot in 2015 and 2014. Bela Rosa Apartments are billed monthly assessments of \$16,507.50 in 2015 and 2014. Other assessments include third party builder assessments which are billed at 25% of the residential rate per lot in 2015 and 2014.

A community enhancement fee equal to .25% of gross selling price is charged at close of escrow on subsequent transfers of title of residential lots. Community enhancement fees varying from \$1,000 to \$5,000 are charged on the sale of non-residential lots based on gross selling price. For the years ended December 31, 2015 and 2014, enhancement fees totaled \$693,658 and \$596,333.

Total amounts billed on owner assessments and Council fees equaled \$8,864,651 and \$8,838,191 for the years ended December 31, 2015 and 2014, respectively. No special assessments were levied during the years ended December 31, 2015 and 2014. The annual budget and assessments to owners are determined and approved by the Board of Directors. It is the Council's policy to retain excess operating funds, if any, at the end of the operating year for use in future operating periods.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at December 31:

	<u>2015</u>	<u>2014</u>
Assessments receivable	\$ 850,805	\$ 1,197,279
Less: Allowance for doubtful accounts	<u>(822,505)</u>	<u>(920,349)</u>
	<u>\$ 28,300</u>	<u>\$ 276,930</u>

ANTHEM COMMUNITY COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS, (CONTINUED)
DECEMBER 31, 2015 AND 2014

NOTE 4 - CONCENTRATIONS

The Council's annual assessment revenue and related receivables are subject to a significant concentration of credit risk given that the revenue is received primarily from owners located within a small geographical area that can be adversely impacted by similar economic conditions. The financial instruments that potentially subject the Council to credit risk consist of assessments receivable from individual unit owners, the majority of which contain provisions for recovery by placing liens on real property and through legal judgments. In the event that the owners do not comply with the terms of the Covenants, Conditions, and Restrictions and collection efforts by the Council are unsuccessful, the Council could incur a loss equal to the amount due.

NOTE 5 – INVESTMENT SECURITIES

Investment in securities consisted of the following at December 31:

	<u>2015</u>	<u>2014</u>
Certificates of Deposit	\$ 858,688	\$ 857,103
U.S. Government agency securities	5,788,147	4,862,306
Corporate and municipal bonds	3,285,865	2,728,523
Mutual funds	1,712,115	2,465,507
	<u>\$ 11,644,815</u>	<u>\$ 10,913,439</u>

The investment income recognized consisted of the following at December 31:

	<u>2015</u>	<u>2014</u>
Interest and dividends	\$ 227,669	\$ 202,065
Net of realized and unrealized gain (loss) on investments, bond premium amortization, and brokerage account fees	(103,468)	18,593
	<u>\$ 124,201</u>	<u>\$ 220,658</u>

The Fair Value Measurements Topic of the FASB Accounting Standards Codification establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are briefly described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

ANTHEM COMMUNITY COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS, (CONTINUED)
DECEMBER 31, 2015 AND 2014

NOTE 5 – INVESTMENT SECURITIES, (CONTINUED)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. At December 31, 2015 and 2014, all investments are classified as Level 1 within the fair value hierarchy.

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	<u>2015</u>	<u>2014</u>
Land improvements	\$ 10,161,587	\$ 10,161,587
Buildings	19,125,228	19,106,452
Equipment	789,714	720,877
Furniture and fixtures	120,887	113,338
Vehicles	178,528	165,774
Fitness equipment held under capital lease	-	33,430
	<u>30,375,944</u>	<u>30,301,458</u>
Accumulated depreciation	<u>(16,999,695)</u>	<u>(16,432,319)</u>
	13,376,249	13,869,139
Land	210,848	210,848
Construction in progress	<u>239,972</u>	<u>118,768</u>
	<u>\$ 13,827,069</u>	<u>\$ 14,198,755</u>

Depreciation expense for the years ended December 31, 2015 and 2014 was \$600,807 and \$883,163, respectively.

Common property not included as assets in the financial statements in accordance with the accounting policy and consists primarily of landscape, landscape rights-of-way, fencing, and certain common area land parcels.

Construction in progress includes design and development of Opportunity Way Park. The Park is an additional space that will provide sports fields and recreational amenities for the community.

NOTE 7 - RELATED PARTY TRANSACTIONS

In April 2008, the affairs of the Council were transitioned to a resident owner controlled Board of Directors in accordance with governing documents.

The Council will often pay for certain expenses on behalf of Anthem Parkside Community Association, Inc., Anthem Country Club Community Association, Inc., and The Village at Anthem Condominium Council of Co-Owners, Inc. (the Associations) which the Associations are obligated to repay. The Associations will also pay for certain expenses on behalf of the Council which the Council is obligated to repay. At December 31, 2015 and 2014, all interassociation receivables and payables are netted within the amounts owed by the Council to the Associations.

ANTHEM COMMUNITY COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS, (CONTINUED)
DECEMBER 31, 2015 AND 2014

NOTE 7 - RELATED PARTY TRANSACTIONS, (CONTINUED)

As described in Note 1, the Council collects assessments on behalf of the Associations and subsequently pays the assessments to each Association. As a result of the accounting policy described in Note 1, each Association records prepaid assessments when funded from the Council and records accounts receivable and related bad debts in their respective financial statements. At December 31, 2015, the Council owed Anthem Parkside Community Association, Anthem Country Club Association, and The Village at Anthem Condominium Council of Co-Owners \$199,278, \$337,986, and \$101,679, respectively. At December 31, 2014, the Council owed Anthem Parkside Community Association, Anthem Country Club Association, and The Village at Anthem Condominium Council of Co-Owners \$27,962, \$59,783, and \$5,968 respectively.

NOTE 8 – PROFESSIONAL SERVICES AGREEMENT

Under the terms of the Professional Services Agreement (PSA) entered into between the Council and AAM, LLC (the Professional Services Agent), the Professional Services Agent will provide certain professional services, as defined in the PSA. Fees incurred by the Council for the years ended December 31, 2015 and 2014 was \$-0-.

Effective January 1, 2015, the Council has terminated the PSA with AAM, LLC, to become fully self-managed (See Note 14).

NOTE 9 – LEASE COMMITMENTS

Capital Leases

The Council was the lessee of certain fitness equipment for the Community Center under capital leases which expired in 2012. The assets and liabilities under capital lease are recorded at the lower of the present value of the minimum lease payments or fair value of the asset. The Council's assets and liabilities are recorded at fair value. During the year ended December 31, 2015, the Council disposed of all assets held under capital leases.

Operating Leases

The Council leased office equipment and maintenance equipment under operating leases that expired during 2015. Total operating lease expense was \$14,728 and \$12,402, respectively, for the years ended December 31, 2015 and 2014.

ANTHEM COMMUNITY COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS, (CONTINUED)
DECEMBER 31, 2015 AND 2014

NOTE 10 – CONTINGENCIES

The Council is involved in various claims and legal proceedings arising in the ordinary course of business. In the opinion of management, based on consultation with legal counsel, the Council's potential exposure under pending legal proceedings is adequately provided for in the accompanying financial statements.

NOTE 11 – 401(k) PLAN

The Council participates in and sponsors a 401(k) plan that covers substantially all full-time employees. All full time employees are eligible for participation in the plan when three months of service is completed and the employee has reached the age of 21. The Council matches 100% on the first 4% of employee contributions. During the years ended December 31, 2015 and 2014, contributions to the plan charged to operations were \$44,655 and \$40,047, respectively.

NOTE 12 – THE ANTHEM WAY FOUNDATION AND VETERANS MEMORIAL

During 2010, the Council began collecting donations for the construction of a Veterans Memorial. In April 2011, the Board of Directors committed a maximum of \$94,000 from the enhancement fund for the project, to be reduced by any future donations. The Council collected approximately \$175,000 in donations to the Veterans Memorial and construction for the Veterans Memorial was completed in 2011, at a final cost of approximately \$230,000. The net project contribution by the Council for the construction of the Veterans Memorial for the year ended December 31, 2011 was \$55,000. All activity related to the construction of the Veterans Memorial is included in Enhancement Fund.

During 2011 the Council created the Anthem Way Foundation for the purposes of maintaining the Anthem Veterans Memorial and raising funds for charitable, scientific, literary, and education purposes. The Anthem Way Foundation applied for and received tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

During 2014 the Council did not make any transfers to the Foundation. As of December 31, 2014, there are no funds due to the Foundation.

During 2015 the Council did not make any transfers to the Foundation. As of December 31, 2015, there are no funds due to the Foundation.

NOTE 13 – FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Council's governing documents require funds to be accumulated for future major repairs and replacements. As of December 31, 2015 and 2014, respectively, accumulated funds of \$11,808,609 and \$10,315,569 were held in separate accounts and were generally not available for operating purposes.

In 2014, the Council's board of directors engaged Reserve Data Analysis, Inc. (RDA), an independent firm, to conduct a study to estimate the remaining useful lives and replacement costs of the common property components. The table included in the unaudited supplementary information on Future Major Repairs and Replacements is based on the 2014 study. The Council has set aside \$11,808,609 as restricted funds to be used exclusively for this purpose.

ANTHEM COMMUNITY COUNCIL, INC.
NOTES TO THE FINANCIAL STATEMENTS, (CONTINUED)
DECEMBER 31, 2015 AND 2014

NOTE 13 – FUTURE MAJOR REPAIRS AND REPLACEMENTS, (CONTINUED)

The Board, in its discretion, shall fund the Reserve fund when in its business judgment, deems it appropriate. The Board is funding for major repairs and replacements over the remaining useful lives of the components based on the study's estimates of future replacement costs and considering amounts previously accumulated in the reserve fund. The Board budgeted for and made transfers of \$1,860,000 and \$1,860,000 for the years ended December 31, 2015 and 2014, respectively, to the reserve fund. The Board also made an additional transfer of \$475,000 and \$400,000 for the years ended December 31, 2015 and 2014, respectively.

Funds are being accumulated in the reserve fund based on estimated future replacement costs for repairs and replacements of common property components. Actual expenditures and investment income may vary from the estimated amounts, and the variations may be material. Therefore, amounts accumulated in the reserve fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Council has the right, subject to ownership approval under certain conditions, to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

NOTE 14 – SELF-MANAGEMENT

Effective January 1, 2015, the PSA between the Council and the Professional Services Agent, AAM, LLC, has been terminated; thus transitioning the Council to become fully self-managed. To facilitate the transition, the Council entered into an agreement and purchased financial software from Caliber Software after an extensive analysis of qualified vendors. The transition to a fully self-managed environment will not only save the Council money on the funds typically disbursed to AAM, LLC, but will also allow the Council to gain efficiencies by bringing processes in-house.



Jeffrey C. McMullin
James A. Wraith
Bradley W. Enos
Diane R. Hayes
Stephen G. Hale
LaDawn Setser
Josh Swartzendruber

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors of:

ANTHEM COMMUNITY COUNCIL, INC.

Anthem, Arizona

Accounting principles generally accepted in the United States of America require that supplementary information about future repairs and replacements on page 15 be presented supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Mansperger Patterson & McMullin, PLC

Tempe, Arizona
June 30, 2016

ANTHEM COMMUNITY COUNCIL, INC
SUPPLEMENTARY INFORMATION
ON FUTURE MAJOR REPAIRS AND REPLACEMENTS (UNAUDITED)
DECEMBER 31, 2015

FUTURE MAJOR REPAIRS AND REPLACEMENTS

Reserve Data Analysis, Inc. conducted a study in 2013, issued on January 23, 2014 to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were based on current estimated replacement costs at the date of the study. Estimated current replacement costs and estimated remaining useful lives have not been revised since that date and do not take into account the effects of inflation between the date of the study and the date that the components will require repair or replacement.

The following information is based on the study and presents significant information about the components of common property.

<u>Components</u>	<u>Estimated Remaining Useful Lives</u>	<u>Estimated Current Replacement Cost</u>	<u>Replacement Fund Balance</u>
Common area fences, walls, painting, and mailbox clusters	0-24	\$ 11,097,830	
Community center	0-19	2,335,605	
Pools and equipment	0-21	1,382,758	
Tennis courts	1-28	118,175	
Grounds	0-15	757,041	
Parks	0-24	1,720,112	
Recreational courts and fields	0-15	529,474	
Maintenance	0-16	395,150	
Administration	0-15	<u>1,547,131</u>	
		<u>\$ 19,883,276</u>	<u>\$ 11,808,609</u>

anthem

community council

COMMUNICATION BRIEFING

July 27, 2016

MARK YOUR CALENDARS *Board presence requested.

- Through Aug. 4: Teen Summer Sampler; T-Th, 1-3 p.m., Civic Building
- *Aug. 2: Anthem Way Value Awards Ceremony, 11:30 a.m., Civic Building
- Aug. 12: Representative Town Hall, 9 a.m., Civic Building
- Aug. 17: Senior Cinema Wednesday, 2 p.m., Anthem Civic Building
- Aug. 26: Parents Night Out, 6-10 p.m., Community Center
- Aug. 24: Alzheimer's Awareness, 10 a.m., Civic Building
- *Aug. 24: ACC Board of Directors meeting, 6:30 p.m., Civic Building

CEO/COO/CFO OUTREACH AND GENERAL INFORMATION

- Staff has been focused on site plan and vendor selection for the tot lot playground renovation; supporting the Anthem Veterans Memorial Support Team's planning efforts for the 5th Anniversary Veterans Day ceremony; preparing for the 2017 budget process; completing final reviews of the revamped employee policies and procedures handbook; working with the New River Desert Hills Community Association (NRDHCA) to plan the September candidates' night; preparing reports for and supporting the Board's strategic planning exercise; onboarding new committee members and conducting the new volunteer orientation; working with Anthem Neighborhood Watch on their 2017 budget planning; overseeing punch list and other items related to Opportunity Way Park; carrying out and conducting post-event analysis of the Independence Day celebration; supporting staff planning for the 2016 Anthem Values Awards ceremony (over 100 nominations were submitted); addressing personnel matters including assessing vacant management positions at the Community Center now that Kevin Shaffer is staying on as the Director and interviewing candidates for the Communications Specialist position; working with the CPDC and their staff liaison Meghann Hill on the master plan education campaign; finalizing negotiations on the County Maintenance Agreement for presentation to the Board and assisting residents and other constituents.
- The CEO and Utilities Panel Chair Roger Willis met with Residential Utilities Consumer Office (RUCO) representatives in their downtown offices to meet their new director and discuss the pending wastewater rate case.
- Taylor McCulley and Jamie Flores are the new CEO appointments to the Anthem Youth Advisory Council (AYAC) Advisory Team; they will bring much energy and creativity to this group. AYAC will hold their first team building event (a scavenger hunt) on Saturday, July 23.
- CEO Kohl and Management Analyst Meghann Hill are working with the Sonoran Arts League and the public arts working group to put together the Call to Artists for the fall launch of the public art program. This involves putting together and releasing the prospectus; meeting with a curator and planning for the selection and installation of art; and putting together details for the November launch party. The "jury" who will select the family

friendly art will consist of two Sonoran Arts League representatives, an independent curator, Jenna Kohl, and Meghann Hill. Stay tuned for more details on the fall art reception.

- Alan Muller of the NRDHCA has been convening meetings of area leaders to discuss the concept of a performing arts venue for the north valley. CEO Kohl attends these meetings as time allows, as does Kristi Northcutt. The most recent meeting involved representatives from the City, County, ProMusicaAZ, ACC, and the school district to explore the potential of raising funds to contribute to an expansion of a performing arts center that the district plans to construct in the north valley (along I-17) in a few years.

COMMUNICATIONS

- **Park and Rec Month:** The National Recreation and Park Association (NRPA) campaign to recognize those who work in parks and recreation has been positively received in Anthem this month. In the first two weeks of the campaign, the ACC's posts about ACC employees and the roles they play in the community reached more than 23K people with over 1.1K reactions (shares, comments, likes). The features will continue through July.
- **Resource Guide:** The next guide will be distributed the beginning of September, and will focus on the opening of Opportunity Way Park, the public art program, fall programs, the Facilities Master Plan process, AVM 5th anniversary and more.
- **Wastewater Rate Case:** Staff has assisted EPCOR with communicating the new rate case timeline and options to the public, including updating content at OnlineAtAnthem.com/water-wastewater and sending a special eNews covering the public meeting, displaying literature at the Civic Building and Community Center, and more.
- **Staff Support:** Independence Day Celebration, Public Art program, park signs project, HOAs, Facilities Master Plan educational campaign, AVM 5th anniversary, Special Needs accommodations, Community Center and Civic Building programming, Teen Summer Sampler, Anthem Way Value Awards Ceremony, website updates, new resident packets, etc.

MEDIA COVERAGE (6/10/16-7/15/16)

7/14/16	In & Out	Anthem's big new park is almost ready, Another park gets a makeover
6/30/16	In & Out	Anthem celebrates Independence Day
6/22/16	FH Focus	Civic Building roofing project starts this week, Fireworks and Fun
7/7/16	FH Focus	Tot Lot closed for renovation
7/13/16	FH Focus	Anthem lifeguards earn five stars, Learn heroes' stories at AVM
July issue	85086	Independence Day, Parent's night out, Photo feature on Memorial Day

Other coverage

6/15/16	ABC15	2016 Fourth of July in Phoenix – 27 events you should attend
6/19/16	AZ Central	Fourth of July Celebrations around Phoenix
6/20/16	Visit Phoenix	Independence Day festivals and fireworks not to miss
6/28/16	Visit Arizona	Anthem Celebrates 17 th annual Independence Day event

Social media analytics:

Facebook: 48 new followers; most active posts were our Park and Rec spotlights – Lifeguards topped the charts at 5.4K and others following between 1.1K-2.9K, Independence Day (1.3K), Civic Building roof (1.4K), NRPA calendar (1.5K)

Twitter: 11 new followers; 13.5K impressions; most active posts were #SuperJuly Lifeguards (1.5K impressions), 11 mentions, top follower is NRPA

eNews: Community Center (1), Business (1), ACC (5); HOAs (7).

OnlineAtAnthem.com: (articles posted): Community Center (2); Events & Programs (2); Features (2); HOAs (8); ACC (4); Area Agencies (3); Business (1).

ECONOMIC DEVELOPMENT

- **Business Roundtable:** The next Business Roundtable is Sept. 21 and will focus on “Best Practices.” A focus group of the EDC is working on details for this event.
- **Commercial Property Database:** Staff and the committee are mid-way through the vetting process to embed the commercial property database on the website. This should be completed by August and will be demonstrated at the Roundtable in September.

COMMUNITY CENTER

- **Big Splash Water Park:** We started opening the Big Splash Water Park an hour early one day a week beginning Thursday, July 7, for use by residents with special needs and their families. The times and dates for this pilot program will be 9-10 a.m. on Thursdays through Aug. 4 – the last Thursday that the Water Park is open for the summer. We are glad that we could implement this pilot program for the balance of the summer and will use this experience and participation levels to plan the pool and lifeguard schedules for next summer.
- **Aquatics Staff:** The ACC Community Center's aquatics staff sure likes to make a splash. Members of the staff participated in the Ultimate Lifeguard Challenge 2016 at the Kiwanis Recreation Center in Tempe on June 26, earning a five-star rating. The co-ed team, comprised of Brittney Clark, Claire Ballam, Nate Wieland and Jake Bulat, earned sixteenth place overall. The men's team, comprised of Dakota Rubie, Brendan Sauer, Luke Weber and Gabe Liete, took fifth place overall. The women's team, comprised of Krista Kolkebeck, Alexa Kolkebeck, Maddy Taft and Meredyth Rubie, took fourth place overall. Individual award winners included:

- ✚ Krista Kolkebeck, first place in submerged object recovery
- ✚ Alexa Kolkebeck, second place in distressed swimmer rescue
- ✚ Dakota Rubie, second place in passive victim rescue

“Our lifeguards did an outstanding job representing the Community Center and Anthem,” said Aquatics Manager Desi Valdivia. “Anthem residents are so lucky to have this team watching out for their safety and well-being this summer.”

- **Swim Lessons:** Parents always wonder if *now* is the right time to introduce their young children to the joys of swimming. The staff of Anthem Swim University help make the decision a little easier, as they offer top-notch instruction to children 1 yr. and older. Courses provide a confidence-building, fun, water experience. Children progress at individual rates through core skills and strokes. The program curriculum is developed from Starfish Swimming, a nationally recognized program of the Starfish Aquatics Institute. Numerous swim lesson sessions will be hosted through the summer months, and private lessons are also available. Contact Desi Valdivia at dvaldivia@anthemcouncil.com with questions.
- **The Community Center** continues to host many fun activities this summer like Ballet/Jazz, Hip Hop Dance, Lego classes, themed canvas painting, Kung Fu, Tai Chi, tennis camps and more. For more information or to see all the program offerings at the Community Center; visit OnlineAtAnthem.com/AG.

ANTHEM CIVIC BUILDING

- **Summer 2016:** Despite summer being in full swing, the building continues to be very busy, with an average of 45 meetings/events per week.
- **Teen Summer Sampler:** 41 teens are registered and attendance continues to grow each week. The teens continue to build friendships, learn valuable lessons and stay active in a positive environment.



- **Senior Cinema Wednesday** - Cost is \$5 and covers snacks/beverages. Ages 50+. Pay at the door; no registration required. Closed captioning provided.
 - **Aug. 17** – "Star Wars - The Force Awakens"
 - **Sept. 21** – "The Great Gatsby"
 - **Oct. 19** – "The Help"
 - **Dec. 14** – "Elf"
- **Alzheimer's Awareness Series** - Presented by the Alzheimer's Association Desert Southwest Chapter. This series offers five sessions on an array of topic related to Alzheimer's disease, and caring for or supporting someone with a diagnosis. Choose any or all sessions that are most relevant. OnlineAtAnthem.com/ACB-programs
 - **Aug. 24, 10-11 a.m.:** Healthy Living for the Brain and Body. Learn the latest research in the areas of diet and nutrition, exercise, cognitive activity and social engagement, using hands-on tools to help you incorporate these into a plan for healthy aging.
 - **Sept. 20, 10-11 a.m.:** Memory Loss, Dementia and Alzheimer's Disease. Alzheimer's disease is not a normal part of aging. If you or someone you know is affected by Alzheimer's disease or dementia, it's time to learn the facts. This program provides information on detection, causes and risk factors, stages of the disease, treatment and much more.
 - **Dual Workshop, Oct. 5, 5-7 p.m.:** Effective Communication Strategies and Understanding and Responding to Dementia-related Behavior. Explore how communication takes place when someone has Alzheimer's, learn to decode the verbal and behavioral messages delivered by someone with dementia, and identify

strategies to help connect and communicate at each stage of the disease.

Then, learn how behavior is a powerful form of communication, especially as the ability to use language is lost. Learn to decode behavioral messages, identify common behavior triggers, and learn strategies to help intervene with some of the most common behavioral challenges of Alzheimer's disease.

- **Anthem Mind Quest, Fall 2016:** Think Ted Talks, Anthem-style. This monthly fall program starting Oct. 6 will feature high-caliber, university-style speakers on diverse topics including cybercrime, international relations, genetics, virtual reality, artificial intelligence, etc. Any topic someone is an “expert” in will be considered for the series. Apply to be a speaker: OnlineAtAnthem.com/acb-programs.
- **Love and Logic Parenting – Early Childhood, Sept. 15, 22 and 29, 5:30-8 p.m.:** Love & Logic returns for a new round of helping parents develop strategies for raising their children in today's fast-paced and high-tech society. Through five sessions, held over three weeks, participants will learn about a variety of topics, from handling misbehavior to teaching listening skills, avoiding power struggles to creating a happy environment, and what to do when kids leave their elders speechless. The course aims to empower parents, grandparents, aunts and uncles, or anyone else raising children to enable children to make good choices and experience happy lives, while also showing love and respect to their heads of household. Registration includes two adults and workbook per household. Children may not attend; no on-site childcare. Cost is \$80. Register in person at the Anthem Civic Building.
- **Mind & Body Series:** Presented by the Kadampa Meditation Center of Phoenix. This wellness series offers instruction in meditation, mindfulness and healthy living. Ages 12 yrs. and older. \$65 registration fee includes all classes; \$12 drop-in fee. Register at the Anthem Civic Building.
 - **Oct. 19, 6-7:30 p.m.: Ancient Wisdom, Modern Life:** These teachings are universal and timeless; they improve the quality of every aspect of life and are perfectly suited to a modern-day lifestyle.
 - **Nov. 3, 6-7:30 p.m.: The Art of Meditation:** Learn the basics of meditation, correct posture, why we should meditate, how to meditate, and tips for starting a daily practice.
 - **Nov. 10, 6-7:30 p.m.: Positive Mindfulness in Daily Life:** This practice enables people to bring peace, love, and wisdom into each moment of the day.
 - **Nov. 17, 6-7:30 p.m.: Limitless Mind:** Be guided to an understanding of the limitless potential of the mind and through meditation, learn to experience the nature and power of the mind.
 - **Dec. 7, 6-7:30 p.m.: Dealing with Anger & Frustration:** Learn to recognize these reoccurring minds, acknowledge how they harm ourselves and others, then apply practical methods to reduce and prevent them.
 - **Dec. 14, 6-7:30 p.m.: Love, Attachment & Desire:** If we can learn how to distinguish between these minds, we can remain peaceful, and our relationships will be enjoyable, stable and fulfilling.
- **Public Art Program:** “Art in Public Places” will debut at the Anthem Civic Building this fall as a partnership between the Anthem Community Council and the Sonoran Arts League. The juried exhibit of art will be selected from submissions received beginning Aug. 1 and displayed beginning Oct. 2. The family-friendly exhibit will coincide with the special release of an Anthem Veterans Memorial art piece by local artist Renee Palmer-Jones, which will be auctioned for the Memorial's fifth anniversary this fall. OnlineAtAnthem.com/public-art.

PARKS & FACILITIES

- **Tot Lot:** The demolition has begun at the Tot Lot. All playground equipment, sand and the rubber surface has been removed.
- **Opportunity Way Park:** Park Benches, dog stations, trash cans and new grills have been installed at OWP by Parks & Facilities staff, and utility boxes have been painted. The sod has been installed over the EPCOR recharge facility and the stolons continue to grow.
- **Liberty Bell:** The Ramada at Liberty Bell has been repainted and two new grills and two new picnic tables have been added. The Bermuda turf has been re-seeded and is showing signs of improvement.
- **Community Park:** The grass in Community Park is going through the winter to Bermuda grass transition period which results in brown patches, as compared to the vibrant green outfield areas for the softball and baseball fields that are not overseeded.
- **District Little League Tournament:** The District Little League Tournament was recently played at the baseball fields and attendees were highly complimentary about the quality of the ACC's fields.
- **Civic Building Roof Project:** This extensive project is substantially complete.
- **Little League Field 3 Renovation:** This Board-approved project began on July 20 and will be reopened on or around August 15.
- **Water Valve Screen at Opportunity Way Park:** The following is a good example of what Parks and Facilities does to address aesthetic issues at OWP. This will screen the already-painted main water valve west of the OWP parking lot. It will be painted to match the other colors and should take away the attraction to mess with the valves. We are growing our in-house skill sets, which is helping to add special touches and save on contractors. It also gives the Parks and Facilities employees a variety of things to do.



SPECIAL EVENTS

- **Anthem Sprint Triathlon:** This event, hosted by 4 Peaks Racing, will take place on Aug. 27 starting and ending at the Community Center. Participants will arrive at 5 a.m. for check-in; race starts at 6:30 a.m. Please note there will be heavy pedestrian traffic and road restrictions in the area of the Community Center, Community Park, and along Gavilan Peak Parkway. Race is expected to conclude by 11:30 a.m.
- **Autumnfest Arts & Crafts Fair, Oct.22-23:** Registration materials are available for craft vendors and non-profit organizations. We are accepting sponsorships through Sept. 2. Please note that the Apple Pie Baking Contest has been discontinued.

Financial Summary of Operations – 2016 June

Summary:

- Anthem Council financial performance for June 2016 is trending both favorable to budget and favorable vs. 2015 after six months of operations.
- **Financial Statement Review:**
 - Net of cash balances due to our HOA partners, the ACC has \$3.5million in operating cash.
 - Our adjusted Reserve Fund balances at \$13.0 million continue to remain in excess of 110% fully funded against our 2013 independent Reserve Study. 2016 spending is estimated at \$775,000 which includes approximately \$230,000 carried over from 2015 to complete selected reserve projects. The majority of this reserve spend will be accomplished within the next three months.
 - Collections and Accounts Receivable balances continue to trend positively. As of the close of June, total community open receivables are at \$1.37million, which is \$525,000 below June, 2015. Presently, 2,100 owners have signed up for the ACH Direct Debit program. Owners with delinquencies of at least one calendar quarter were 437, a decline of 36% vs. June 2015.
 - YTD Enhancement funding is \$23,000 above comparable 2015 with 483 properties transitioned YTD. Average selling prices for Parkside and Village properties have increased, while average selling prices for CountryClub properties have declined.
 - The Opportunity Way Park Project continues to be on budget, with approx. \$1.9 million spent to-date.
 - Comparing actual 2016 results vs. budgeted 2016 amounts:
 - Revenues are positive by 3% as Resale revenues and community rentals (Civic Building and Community Park) have exceeded budget.
 - Expenses incurred for Community Center Programs, Marketing, Utilities, Repairs and Maintenance, Professional Fees, Financial Costs, Contract Services, and General & Administrative expenses are all showing positive savings and variances against budget. Overall, total community expenses are \$165,000 below YTD June, 2015 levels.
 - The ACC certified audit has recently concluded, and documents will be presented to the Board of Directors for acceptance and approval at the July Open Meeting. The auditors found no material modifications to the ACC draft numbers. Additionally, the auditors found no material weaknesses in the ACC's internal controls and had no recommended changes.
 - Utilities are performing 3% better than budget and 1% better than 2015. Our Parks & Facilities team is implementing an irrigation conversion project in Paseo which will significantly reduce overall water costs in the Paseo community.
 - All other expense categories are performing at or better than budget and consistent with 2015 YTD comparisons.
- As always, our full disclosure financial statements are posted to the OnlineAtAnthem website as part of the documents supporting this open meeting. We encourage all property owners to take the time to become familiar with our financial standing and results. Please send us your questions at our email address Accounting@AnthemCouncil.com



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CONSOLIDATED BALANCE SHEET 2016

NOT FOR COMMERCIAL USE - USE BY ANTHEM PROPERTY OWNERS ONLY

Printed: 6/30/2016

6 MONTH OF: JUNE

	December UNAUDITED 2015	January 2016 Actual	February 2016 Actual	March 2016 Actual	April 2016 Actual	May 2016 Actual	June 2016 Actual	July 2016 Actual	August 2016 Actual	September 2016 Actual	October 2016 Actual	November 2016 Actual	December 2016 Preliminary
Current Assets													
Operating Cash	3,752,422	4,386,611	3,791,834	4,249,418	3,841,086	3,081,735	4,158,375						
Reserve Funds	11,897,099	11,915,327	11,926,971	12,360,214	12,615,668	12,613,801	13,019,407						
Enhancement Funds	2,563,007	2,573,041	2,310,497	2,388,148	1,310,650	1,291,467	1,060,122						
Veterans Memorial													
Earned Interest Receivables													
TOTAL Cash & Equivalents	18,212,528	18,874,979	18,029,302	18,997,779	17,767,404	16,987,003	18,237,905	0	0	0	0	0	0
Receivables - Assessments	838,770	1,040,294	874,913	798,966	952,218	800,495	720,756						
Receivables - Other	9,563	17,526	32,740	22,474	10,421	1,452	27,349						
Net Due To/From- Reserves Fund													
Net Due To/From- Enhancement Fund													
Net Due To/From-AnthemWayFoundation													
Net Due To/From-Anthem HOAs	809	1,300	1,162	1,000	2,256	1,239	1,212						
Receivables - Allowance for Bad Debts ()	(822,505)	(832,505)	(832,505)	(787,505)	(777,869)	(785,509)	(714,294)						
TOTAL Net Receivables	26,637	226,615	76,309	34,935	187,025	17,677	35,023	0	0	0	0	0	0
Prepaid Expenses	130,533	138,506	116,379	93,914	83,255	57,423	297,916						
Security Deposits													
Deferred Tax Assets													
Inventory	334	334	334	334	330	449	350						
Accrued Revenues													
TOTAL Other Current Assets	130,867	138,840	116,713	94,248	83,585	57,872	298,266	0	0	0	0	0	0
TOTAL CURRENT ASSETS	18,370,032	19,240,434	18,222,323	19,126,961	18,038,014	17,062,552	18,571,194	0	0	0	0	0	0
Fixed & Non-Current Assets													
Investment In Subsidiary (Anthem Way Foundation)													
Land & Land Improvements	10,372,435	10,372,435	10,372,435	10,372,435	10,372,435	10,372,435	10,372,435						
Facilities & Improvements	19,125,227	19,125,227	19,125,227	19,125,227	19,125,227	19,193,209	19,193,209						
Equipment, Furniture, Fixtures & Other	1,089,128	1,089,128	1,100,780	1,102,498	1,104,067	1,038,286	1,038,286						
Construction In Progress	239,972	239,972	239,972	590,286	1,674,399	1,693,541	2,164,549						
Less: Accumulated Book Depreciation	(16,999,591)	(17,049,824)	(17,099,838)	(17,149,668)	(17,199,548)	(17,249,191)	(17,298,792)						
TOTAL Fixed & Non-Current Assets	13,827,169	13,776,936	13,738,577	14,040,778	15,076,580	15,048,280	15,469,686	0	0	0	0	0	0
TOTAL ASSETS	32,197,201	33,017,370	31,960,900	33,167,739	33,114,594	32,110,832	34,040,881	0	0	0	0	0	0
Current Liabilities													
Trade & Supplier Payables	338,524	117,154	358,882	176,007	845,227	215,554	162,018						
Payroll & Benefits	143,230	197,443	207,896	225,960	253,190	267,330	331,338						
Accrued - Trade & Supplier Obligations	37,851	44,314	47,596	56,135	42,219	50,289	73,846						
Accrued - Other													
Prepaid Assessments	999,589	289,109	397,794	1,474,850	321,882	502,938	1,724,423						
Deferred Assessments & Other Deferred Items	59,481	1,332,705	808,151	284,672	1,342,036	784,171	103,600						
Deposits	8,548	10,448	47,097	15,247	6,121	7,797	29,474						
Funds Due Partner HOAs	584,441	682,230	163,329	144,427	327,194	174,787	184,295						
Other Current & Deferred Liabilities	101,930	119,853	126,351	123,862	128,162	134,662	129,991						
Total Current Liabilities	2,273,394	2,793,255	2,166,895	2,501,161	3,266,032	2,117,528	2,738,985	0	0	0	0	0	0
Non-Current Liabilities													
Capital Lease Obligations (LongTerm)	-	-	-	-	-	-	-						
Other Non-Current Liabilities	-	-	-	-	-	-	-						
Total Non-Current Liabilities	-	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL LIABILITIES	2,273,394	2,793,255	2,166,895	2,501,161	3,266,032	2,117,528	2,738,985	0	0	0	0	0	0
Equity													
Members Equity - Prior Years	19,893,010	21,518,492	21,519,455	21,519,455	21,519,455	21,519,455	21,470,760						
Members RESERVE Equity - Prior Years	8,278,481	8,406,050	8,406,050	8,406,050	8,406,050	8,406,050	8,406,050						
Segregated Operating Funds													
Current Year Surplus (Deficit)	1,752,316	299,573	(121,500)	741,073	(76,943)	67,799	1,425,086						
TOTAL EQUITY	29,923,807	30,224,115	29,804,005	30,666,578	29,848,562	29,993,304	31,301,896	0	0	0	0	0	0
TOTAL LIABILITIES & EQUITY	32,197,201	33,017,370	31,960,900	33,167,739	33,114,594	32,110,832	34,040,881	0	0	0	0	0	0

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Printed: 6/30/2016
MONTH OF: JUNE

CONSOLIDATED 2016 - JUNE

	6	7	8	9	10	16	17	18	19	20	21	22	23	24	25	26	27
	YTD RESULTS					January	February	March	April	May	June	July	August	September	October	November	December
	\$\$	% of	Rev	% of		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Pre-audit
FINANCIAL																	
Bank Charges	12,644	0.3%		0.3%		1,299	1,821	2,870	2,712	1,936	2,004	-	-	-	-	-	-
Insurances	123,143	2.7%		3.0%		20,455	20,455	20,455	20,455	20,455	20,867	-	-	-	-	-	-
Collection Fees	774	0.0%		0.0%		-	-	-	580	95	99	-	-	-	-	-	-
Bad Debts - Assessments	-	0.0%		0.0%		-	-	-	-	-	-	-	-	-	-	-	-
Bad Debts - Soft & Hard Costs	(79,103)	-1.8%		-2.0%		10,412	23,541	(40,132)	(8,537)	11,984	(76,351)	-	-	-	-	-	-
Property Taxes	-	0.0%		0.0%		-	-	-	-	-	-	-	-	-	-	-	-
Licenses, Permits & Fees	16,336	0.4%		0.4%		2,645	3,029	2,845	1,997	2,608	3,212	-	-	-	-	-	-
Other Financial Expenditures	-	0.0%		0.0%		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL FINANCIAL	73,794	1.6%		1.8%		34,811	48,847	(13,961)	17,207	37,058	(50,168)	-	-	-	-	-	-
CONTRACT SERVICES																	
Landscaping	561,135	12.5%		13.9%		92,816	92,816	97,055	92,816	92,816	92,816	-	-	-	-	-	-
Management	-	0.0%		0.0%		-	-	-	-	-	-	-	-	-	-	-	-
Janitorial & Sanitation	176,807	3.9%		4.4%		29,060	29,263	29,900	29,204	28,520	30,860	-	-	-	-	-	-
Security Monitoring	47,171	1.0%		1.2%		8,085	7,307	7,817	8,354	8,151	7,458	-	-	-	-	-	-
Maintenance & Services	14,912	0.3%		0.4%		1,974	1,974	2,599	2,534	2,214	3,617	-	-	-	-	-	-
Equipment & Professional Services	2,653	0.1%		0.1%		-	-	1,327	-	-	1,327	-	-	-	-	-	-
Other Contracted Services	29,336	0.7%		0.7%		4,889	4,889	4,889	4,889	4,889	4,889	-	-	-	-	-	-
TOTAL CONTRACT SERVICES	832,014	18.5%		20.6%		136,824	136,249	143,587	137,798	136,590	140,966	-	-	-	-	-	-
HUMAN RESOURCES																	
Recruitment	5,599	0.1%		0.1%		-	379	123	1,204	2,568	1,326	-	-	-	-	-	-
Training & Education	6,438	0.1%		0.2%		-	610	787	14	2,598	2,429	-	-	-	-	-	-
Payroll Processing	14,345	0.3%		0.4%		1,987	3,203	1,740	2,531	2,397	2,507	-	-	-	-	-	-
Community Incentives	3,450	0.1%		0.1%		575	575	575	575	575	575	-	-	-	-	-	-
Employee Events	7,200	0.2%		0.2%		1,200	1,200	1,200	1,200	1,200	1,200	-	-	-	-	-	-
Uniforms and Other	2,460	0.1%		0.1%		193	187	42	601	636	800	-	-	-	-	-	-
TOTAL HR	39,492	0.9%		1.0%		3,935	6,154	4,467	6,125	9,974	8,837	-	-	-	-	-	-
GENERAL & ADMIN																	
Salaries & Payroll	766,766	17.1%		19.0%		156,361	116,590	136,414	125,723	112,342	119,337	-	-	-	-	-	-
Medical, Benefits & Taxes	153,416	3.4%		3.8%		27,565	23,378	26,409	25,815	25,619	24,630	-	-	-	-	-	-
401K Programs & Administration	22,831	0.5%		0.6%		3,732	3,733	4,368	3,677	3,666	3,656	-	-	-	-	-	-
Office Consumables	11,777	0.3%		0.3%		2,183	1,526	2,445	1,881	1,772	1,971	-	-	-	-	-	-
Postage & Copies	26,297	0.6%		0.7%		1,221	1,407	9,660	3,508	4,100	6,400	-	-	-	-	-	-
Office Equipment	5,676	0.1%		0.1%		-	905	992	1,776	937	1,066	-	-	-	-	-	-
Reimbursements	1,884	0.0%		0.0%		120	292	434	198	684	155	-	-	-	-	-	-
Dues & Subscriptions	11,256	0.3%		0.3%		7,338	699	395	1,452	747	625	-	-	-	-	-	-
Minor Equipment	-	0.0%		0.0%		-	-	-	-	-	-	-	-	-	-	-	-
Equipment Lease & Rentals	3,551	0.1%		0.1%		128	651	-	912	1,667	194	-	-	-	-	-	-
Voice, Cell & Data Services	38,980	0.9%		1.0%		6,320	6,358	6,525	6,541	6,409	6,826	-	-	-	-	-	-
Election Oversight / Mailings / Support	-	0.0%		0.0%		-	-	-	-	-	-	-	-	-	-	-	-
IT Services	27,227	0.6%		0.7%		3,264	4,008	4,072	3,264	8,555	4,064	-	-	-	-	-	-
Signs	3,004	0.1%		0.1%		12	259	540	1,324	6	863	-	-	-	-	-	-
Other General & Administrative	(21,877)	-0.5%		-0.5%		-	(2,252)	(11,693)	5	1,159	(9,096)	-	-	-	-	-	-
TOTAL GENERAL & ADMIN	1,050,787	23.4%		26.0%		208,244	157,553	180,561	176,076	167,664	160,689	-	-	-	-	-	-
TOTAL OPERATING COSTS	4,041,192	89.9%		100.0%		623,532	634,878	691,174	639,972	686,513	765,122	-	-	-	-	-	-
GROSS SURPLUS (DEFICIT)	453,984	10.1%				128,116	50,435	88,928	120,673	45,922	19,910	-	-	-	-	-	-
Depreciation	299,096	6.7%		7.4%		50,128	50,014	49,830	49,880	49,643	49,600	-	-	-	-	-	-
Interest Income	11,172	0.2%		0.3%		468	2,162	2,114	2,248	2,202	1,977	-	-	-	-	-	-
Interest Expense & Reserve Reimburse	-																

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CONSOLIDATED YEAR OVER YEAR ANALYSIS

Printed: 6/30/2016
MONTH OF: JUNE

6 # #	43 44 45			47 48 49 # #			52 53		54 55	
	CURRENT MONTH			YEAR - TO - DATE			VARIANCE vs BUDGET		VARIANCE vs LAST YEAR	
	This YR Actual	This Yr Budget	Last Year Actual	This YR Actual	This Yr Budget	Last Year Actual	Month	Y T D	Month	Y T D
ASSESSMENTS & INCOMES										
Assessments - ACC	677,341	677,670	676,558	4,065,677	4,066,023	4,066,693	(329)	(346)	784	(1,017)
Assessments - Non-Residential	28,902	26,740	28,558	174,738	160,440	167,119	2,162	14,296	344	7,618
Assessments - Apartments & MultiUnit	26,301	16,507	26,301	157,805	99,042	157,805	9,794	58,783	-	-
Assessments - Benefitted & Builder	6,320	16,085	6,320	37,920	96,510	37,920	(9,765)	(58,590)	-	-
Community Programs Revenues	122,554	146,454	155,746	419,898	462,803	455,226	(23,900)	(42,705)	(33,192)	(35,327)
Special Events Revenues	181	-	-	68,915	61,600	65,344	181	7,315	181	3,571
Other "Hard" Revenues	-	-	-	-	-	-	-	-	-	-
Other "Soft" Revenues	(828)	-	(460)	92,387	16,500	22,732	(828)	75,887	(368)	69,655
Reimbursements - Legal	-	7,500	-	-	65,500	-	(7,500)	(65,500)	-	-
Reimbursements - Other	(3,889)	-	(180)	17,656	-	(2,066)	(3,889)	17,656	(3,709)	19,722
Revenues - Website & Advertising	-	-	120	-	-	360	-	-	(120)	(360)
Revenues - Rentals	41,269	38,955	34,611	221,470	171,117	196,832	2,314	50,353	6,659	24,638
Revenues - Resale & Disclosures	37,975	25,350	41,620	180,390	103,650	153,260	12,825	76,740	(3,645)	27,130
Enhancement Fees	81,467	69,000	87,751	376,846	255,300	354,062	12,467	121,546	(6,284)	22,784
Transfers to Enhancement Fund	(81,467)	(69,000)	(87,751)	(376,846)	(255,300)	(354,062)	(12,467)	(121,546)	6,284	(22,784)
Transfers to Reserve Fund	(167,500)	(167,500)	(155,000)	(1,005,000)	(1,005,000)	(930,000)	(0)	(0)	(12,500)	(75,000)
Offsets to HOAs	-	-	-	-	-	-	-	-	-	-
Other Non-Classified Incomes	16,406	9,492	18,731	63,322	52,790	55,416	6,913	10,533	(2,325)	7,906
TOTAL ASSESSMENTS & INCOME	785,032	797,254	832,924	4,495,176	4,350,775	4,446,641	(12,222)	144,401	(47,892)	48,535
PROGRAMS										
Salaries & Payroll	123,562	99,310	113,593	282,845	294,405	264,060	(24,252)	11,560	(9,969)	(18,788)
Medical, Benefits & Taxes	14,986	5,922	11,730	44,810	35,535	42,714	(9,063)	(9,275)	(3,256)	(2,099)
Direct CC Program Expenses	36,822	33,367	29,921	182,625	202,440	188,261	(3,454)	19,815	(6,901)	5,636
Direct Special Events Expenses	806	137	453	54,657	57,535	52,474	(668)	2,878	(353)	(2,183)
TOTAL PROGRAM COSTS	176,175	138,737	155,697	564,937	589,915	547,508	(37,438)	24,977	(20,478)	(17,429)
COMMUNITY INVOLVEMENT										
Resident Relations	2,067	1,508	1,023	10,257	18,626	7,919	(559)	8,372	(1,045)	(2,338)
Committee & Volunteer Support	-	1,250	-	1,660	2,500	-	1,250	840	-	(1,660)
Meeting & Community	227	840	180	1,450	5,240	1,102	613	3,790	(47)	(348)
Newsletter & Activity Guide	-	-	-	24,455	28,783	23,649	-	4,328	-	(806)
Website Expense	25	33	25	256	200	215	8	(56)	-	(41)
Economic Development	6,597	875	-	9,674	7,750	2,459	(5,722)	(1,924)	(6,597)	(7,215)
Marketing & Other	650	3,042	4,448	7,302	18,250	19,841	2,391	10,948	3,797	12,539
TOTAL - COMMUNITY INVOLVEMENT	9,566	7,548	5,675	55,053	81,351	55,184	(2,018)	26,298	(3,891)	131
UTILITIES										
Electric	40,821	48,888	46,860	203,381	236,656	228,777	8,067	33,275	6,038	25,395
Gas	2,237	2,070	2,531	31,923	37,212	31,420	(167)	5,289	294	(503)
Water	67,353	40,374	45,680	233,064	206,085	215,596	(26,980)	(26,979)	(21,673)	(17,468)
TOTAL UTILITIES	110,412	91,332	95,071	468,368	479,953	475,793	(19,080)	11,585	(15,341)	7,425
REPAIRS & MAINT										
Salaries & Payroll	44,907	45,600	33,695	249,173	272,022	227,636	693	22,849	(11,212)	(21,536)
Medical, Benefits & Taxes	12,243	13,846	11,177	75,385	83,076	72,797	1,603	7,690	(1,066)	(2,588)
Common Area Maintenance	36,124	6,153	284	68,526	139,352	92,290	(29,970)	70,826	(35,840)	23,763
Parks - Repair & Maintenance	-	2,917	6,522	2,672	17,500	20,515	2,917	14,828	6,522	17,843
Community Center Maintenance	467	1,000	3,409	9,397	17,825	12,767	533	8,428	2,941	3,370
HVAC & Plumbing	882	3,448	723	17,398	22,523	18,867	2,566	5,125	(159)	1,469
Pools, Spas & Water Features	11,156	7,990	11,642	51,331	36,850	42,131	(3,168)	(14,481)	486	(9,200)
Irrigation	12,167	4,167	4,101	44,791	25,600	34,288	(8,000)	(19,191)	(8,066)	(10,503)
Tools, Janitorial Supplies, Other	8,021	5,128	6,774	53,883	33,176	26,051	(2,893)	(20,707)	(1,247)	(27,832)
R&M - Facilities & Equipment	46,781	9,984	4,794	71,837	70,902	50,316	(36,797)	(935)	(41,986)	(21,521)
R&M - Grounds & Other	5,273	667	67,441	116,087	25,000	228,914	(4,607)	(91,087)	62,167	112,827
Repair, Replace & Maint - All Other	1,355	3,500	2,816	14,626	19,668	18,514	2,144	5,042	1,461	3,867
TOTAL REPAIRS & MAINTENANCE	179,375	104,398	153,378	775,107	763,494	845,086	(74,977)	(11,613)	(25,997)	69,979
PROFESSIONAL										
Legal - General	3,213	4,500	1,903	20,026	31,000	15,280	1,287	10,974	(1,310)	(4,746)
Legal - Collection	6,855	7,500	7,380	81,499	65,500	33,587	645	(15,999)	525	(47,911)
Legal - Water	-	5,000	-	-	20,000	-	5,000	20,000	-	-
Audit & Accounting & Tax	10,075	-	15,000	20,075	22,000	15,000	(10,075)	1,925	4,925	(5,075)
Consultancy	1,898	-	(2,200)	24,400	15,400	13,458	(1,898)	(9,000)	(4,098)	(10,942)
Other Professional Services	7,230	11,100	7,275	35,640	29,650	40,017	3,870	(5,990)	45	4,377
TOTAL PROFESSIONAL/CONSULTING	29,271	28,100	29,358	181,640	183,550	117,342	(1,171)	1,910	87	(64,298)

ANTHEM COMMUNITY COUNCIL

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CONSOLIDATED YEAR OVER YEAR ANALYSIS

Printed: 6/30/2016
MONTH OF: JUNE

	43			44			45			47			48			49			6		53		54		55	
	CURRENT MONTH									YEAR - TO - DATE									VARIANCE vs BUDGET		VARIANCE vs LAST YEAR					
	This YR Actual	This Yr Budget	Last Year Actual	This YR Actual	This Yr Budget	Last Year Actual	This YR Actual	This Yr Budget	Last Year Actual	Month	Y T D	Month	Y T D	Month	Y T D	Month	Y T D	Month	Y T D	Month	Y T D	Month	Y T D	Month	Y T D	
FINANCIAL																										
Bank Charges	2,004	1,917	2,580	12,644	18,770	12,012	(88)	6,126	575	(631)																
Insurances	20,867	35,526	22,392	123,143	173,476	143,180	14,659	50,333	1,525	20,037																
Collection Fees	99	-	-	774	-	-	(99)	(774)	(99)	(774)																
Bad Debts - Assessments	-	-	-	-	-	134	-	-	-	134																
Bad Debts - Soft & Hard Costs	(76,351)	(5,000)	67,987	(79,103)	95,000	87,819	71,351	174,103	144,338	166,922																
Property Taxes	-	-	-	-	-	-	-	-	-	-																
Licenses, Permits & Fees	3,212	6,175	2,281	16,336	29,941	14,369	2,963	13,605	(931)	(1,968)																
Other Financial Expenditures	-	-	-	-	-	-	-	-	-	-																
TOTAL FINANCIAL	(50,168)	38,618	95,240	73,794	317,187	257,513	88,786	243,393	145,408	183,720																
CONTRACT SERVICES																										
Landscaping	92,816	96,817	92,816	561,135	623,300	556,896	4,001	62,165	-	(4,239)																
Management	-	-	-	-	-	-	-	-	-	-																
Janitorial & Sanitation	30,860	26,930	28,720	176,807	162,080	172,546	(3,930)	(14,727)	(2,140)	(4,261)																
Security Monitoring	7,458	8,927	7,638	47,171	50,814	45,908	1,469	3,643	180	(1,263)																
Maintenance & Services	3,617	4,770	4,951	14,912	20,320	18,679	1,154	5,409	1,335	3,767																
Equipment & Professional Services	1,327	4,575	1,282	2,653	27,450	2,565	3,248	24,797	(44)	(89)																
Other Contracted Services	4,889	3,853	4,889	29,336	45,828	29,148	(1,036)	16,492	-	(188)																
TOTAL CONTRACT SERVICES	140,966	145,872	140,296	832,014	929,792	825,741	4,906	97,778	(670)	(6,273)																
HUMAN RESOURCES																										
Recruitment	1,326	825	609	5,599	5,248	5,532	(501)	(350)	(717)	(66)																
Training & Education	2,429	4,308	168	6,438	14,875	1,179	1,879	8,437	(2,261)	(5,260)																
Payroll Processing	2,507	3,169	2,164	14,345	15,837	10,571	662	1,492	(343)	(3,774)																
Community Incentives	575	575	500	3,450	3,450	3,000	(0)	(0)	(75)	(450)																
Employee Events	1,200	1,200	1,200	7,200	7,200	7,200	(0)	(0)	-	-																
Uniforms and Other	800	300	876	2,460	3,647	2,777	(500)	1,187	76	317																
TOTAL HR	8,837	10,377	5,517	39,492	50,258	30,259	1,540	10,766	(3,320)	(9,233)																
GENERAL & ADMIN																										
Salaries & Payroll	119,337	137,662	123,826	766,766	828,924	742,282	18,325	62,157	4,489	(24,484)																
Medical, Benefits & Taxes	24,630	37,338	26,223	153,416	229,030	144,547	12,709	75,614	1,594	(8,869)																
401K Programs & Administration	3,656	3,550	3,391	22,831	21,300	20,924	(106)	(1,531)	(264)	(1,907)																
Office Consumables	1,971	3,587	2,903	11,777	21,925	13,642	1,617	10,148	932	1,865																
Postage & Copies	6,400	4,367	3,020	26,297	43,149	32,362	(2,033)	16,852	(3,380)	6,065																
Office Equipment	1,066	900	783	5,676	13,425	3,692	(166)	7,749	(283)	(1,984)																
Reimbursements	155	816	1,111	1,884	6,070	4,116	661	4,186	956	2,232																
Dues & Subscriptions	625	2,010	625	11,256	16,813	14,109	1,385	5,557	0	2,853																
Minor Equipment	-	-	-	-	-	-	-	-	-	-																
Equipment Lease & Rentals	194	-	1,967	3,551	11,900	7,704	(194)	8,349	1,773	4,154																
Voice, Cell & Data Services	6,826	3,477	6,170	38,980	21,712	37,447	(3,349)	(17,268)	(656)	(1,533)																
Election Oversight / Mailings / Support	-	-	-	-	4,000	-	-	4,000	-	-																
IT Services	4,064	3,500	2,664	27,227	21,000	20,944	(564)	(6,227)	(1,400)	(6,282)																
Signs	863	333	2,747	3,004	28,600	8,174	(529)	25,596	1,884	5,169																
Other General & Administrative	(9,096)	55	7,212	(21,877)	7,532	1,922	9,151	29,409	16,308	23,799																
TOTAL GENERAL & ADMIN	160,689	197,597	182,641	1,050,787	1,275,380	1,051,865	36,908	224,592	21,953	1,078																
TOTAL OPERATING COSTS	765,122	762,579	862,873	4,041,192	4,670,879	4,206,291	(2,543)	629,687	97,751	165,099																
GROSS SURPLUS (DEFICIT)	19,910	34,675	(29,949)	453,984	(320,104)	240,350	(14,765)	774,088	49,859	213,634																
Depreciation	49,600	77,600	50,079	299,096	465,600	300,869	28,000	166,504	478	1,773																
Interest Income	1,977	1,460	1,825	11,172	8,760	7,618	517	2,412	152	3,553																
Interest Expense & Reserve Reimburse	-	-	-	-	-	-	-	-	-	-																
Taxes on Income	6,500	6,500	6,500	39,000	39,000	39,758	-	-	-	758																
OPERATING FUND SURPLUS / (DEFICIT)	(34,213)	(47,965)	(84,703)	127,060	(815,944)	(92,658)	13,752	943,004	50,490	219,718																
CUMULATIVE SURPLUS / (DEFICIT)																										
CHANGE IN EQUITY POSITION																										
Impact of OPERATING FUND																										
Impact of ENHANCEMENT FUND																										
Impact of RESERVE FUND																										
MONTHLY EQUITY CHANGE																										
ANNUALIZED EQUITY CHANGE																										



ANTHEM COMMUNITY COUNCIL

CASH ANALYSIS

2016

RESTRICTED VIEWING & USE DOCUMENT

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CASH INFLOWS

	THIS MONTH Actual	NEXT Month Projected	2 MONTHS Projected
Opening Operating Cash Balance	3,081,735	4,158,375	3,270,080
Collections of HOA's Cash	534,295	136,000	140,000
Collection of ACC Assessments & Fees	1,446,533	400,000	280,000
Programs & Other Cash Received	122,553	27,500	35,000
Other Cash Inflows (Net)			
TOTAL CASH INFLOWS	5,185,116	4,721,875	3,725,080

CASH OUTFLOWS

	THIS MONTH Actual	NEXT Month Projected	2 MONTHS Projected
Business Payables & Business Payments Out	355,225	375,000	360,000
Payroll, Benefits & Social Taxes	329,230	375,000	295,000
Transfers to Reserve Fund	167,500	167,500	167,500
Transfers to HOAs for Their Collected Cash	174,786	534,295	136,000
Specialty Outflows			
Other Cash Out			
TOTAL CASH OUTFLOWS	1,026,741	1,451,795	958,500

CASH BALANCE (per Balance Sheet)	4,158,375	3,270,080	2,766,580
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Less: This Month's HOA Cash Collected	534,295	136,000	140,000
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Less: Outflows to Reserve or Enh Fund	81,626	48,000	40,000
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Less: Additional Planned Reserve Contributions			
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NET ADJUSTED CASH BALANCE	3,542,454	3,086,080	2,586,580
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<i>Times Outflow Coverage of Ending Balance</i>	<i>4.18</i>	<i>3.64</i>	<i>3.05</i>
<i>Target Coverage Ratio</i>	<i>2.00</i>	<i>2.00</i>	<i>2.00</i>

INVESTMENT YIELD SUMMARY

Institution	\$\$ Amount Invested	Interest or Blended %	Institution	\$\$ Amount Invested	Interest or Blended %	Institution	\$\$ Amount Invested	Interest or Blended %
OPERATING FUND TOTAL			RESERVE FUND TOTAL			ENHANCEMENT FUND TOTAL		
BlackRock Portfolio	1,087,320	1.098%	BlackRock Portfolio	6,932,937	1.092%	BlackRock Portfolio	1,204,700	1.102%
Deer Valley Credit Union	233,041	0.050%	JP Morgan Portfolio	1,083,222	1.088%			
Mid-First Bank	985	0.250%	TAB Bank	245,388	1.210%			
			MidFirst Bank	251,453	0.300%			
JPMChase - Operating	1,142	0.200%	CalFirst Bank	245,000	1.000%			
JPMChase - Investment	1,076,725	1.097%	Synchrony Bank	253,794	1.250%			
Cash In Transit	334,273	0.000%	EverBank	246,080	1.230%			
Petty Cash	1,975	0.000%	GIANT Bank	245,550	1.220%			
Cash Due to HOAs	184,295	0.000%	Alliance - Paseo Reserves	50,362	0.200%	Due to Operating Fund	(273,371)	0.000%
Free Cash in Alliance Bank	921,330	0.300%	Alliance Bank	3,061,883	0.300%	Alliance Bank	379,321	0.300%



ANTHEM COMMUNITY COUNCIL

Y-T-D PROFIT & LOSS BY DEPARTMENT - OPERATING FUND ONLY 2016 - JUNE

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Printed: 6/30/2016
6 MONTH OF: JUNE

	YEAR TO DATE ACTIVITY - OPERATING FUND										FULL BUDGET		Y-T-D VARIANCES		
	TOTAL	Admin	CC Maint	CC Program	CC Admin	Civic Bldg	Paseo	Park & Fac	Events	Mktg	YTD THRU	FULL	YTD THRU		PCT %
	Consolidated	4 0	4 1	4 2	4 3	4 4	4 5	4 6	4 7	4 8	JUNE	YEAR	JUNE		
ASSESSMENTS & INCOMES															
Assessments - Member	4,065,677	4,065,677	-	-	-	-	-	-	-	-	4,066,023	8,132,046	(346)		0.0%
Assessments - Commercial	174,736	174,736	-	-	-	-	-	-	-	-	160,440	320,880	14,296		8.9%
Assessments - Residential & Apartments	157,805	157,805	-	-	-	-	-	-	-	-	99,042	198,084	58,763		59.3%
Assessments - Benefitted & Builder	37,920	-	-	-	-	-	-	-	-	-	96,510	193,020	(58,590)		-60.7%
Community Programs Revenues	419,898	-	-	419,898	-	-	-	-	-	-	462,603	848,837	(42,705)		-9.2%
Special Events Revenues	68,915	-	-	-	-	-	-	-	68,915	-	61,600	115,300	7,315		11.9%
Other "Hard" Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-		0.0%
Other "Soft" Revenues	92,387	92,387	-	-	-	-	-	-	-	-	16,500	33,000	75,887		459.9%
Reimbursements - Legal	-	-	-	-	-	-	-	-	-	-	65,500	130,500	(65,500)		-100.0%
Reimbursements - Other	17,656	17,656	-	-	-	-	-	-	-	-	-	-	17,656		0.0%
Revenues - Website	-	-	-	-	-	-	-	-	-	-	-	-	-		0.0%
Revenues - Advertising	221,470	47,232	-	34,374	87,456	52,408	-	-	-	-	171,117	339,167	50,353		29.4%
Revenues - Rentals	180,390	180,390	-	-	-	-	-	-	-	-	103,650	211,275	76,740		74.0%
Enhancement Fees	376,846	376,846	-	-	-	-	-	-	-	-	255,300	524,400	121,546		47.6%
Transfers to Enhancement Fund	(376,846)	(376,846)	-	-	-	-	-	-	-	-	(255,300)	(524,400)	(121,546)		47.6%
Transfers to Reserve Fund	(1,005,000)	(1,005,000)	-	-	-	-	-	-	-	-	(1,005,000)	(2,170,000)	-		-
Offsets to HOAs	-	-	-	-	-	-	-	-	-	-	-	-	-		0.0%
Other Non-Classified Incomes	63,322	5,056	-	54,608	3,658	-	-	-	-	-	52,790	103,400	10,533		20.0%
TOTAL ASSESSMENTS & INCOME	4,495,176	3,735,940	-	508,880	91,114	52,408	37,920	-	68,915	-	4,350,775	8,455,509	144,401	-	3.3%
OPERATIONS & EXPENSES															
PROGRAMS															
Salaries & Payroll	282,845	-	-	282,845	-	-	-	-	-	-	294,405	581,753	11,560		3.9%
Taxes & Social Costs	44,810	-	-	44,810	-	-	-	-	-	-	35,535	71,070	(9,275)		-26.1%
Medical & Other Provided Benefits	182,625	-	-	182,625	-	-	-	-	-	-	202,440	373,727	19,815		9.8%
Direct Program Expenses	54,657	-	-	-	-	-	-	-	54,314	343	57,535	146,453	2,878		5.0%
TOTAL PROGRAM COSTS	564,937	-	-	510,280	-	-	-	-	54,314	343	589,915	1,173,003	24,977	-	4.2%
COMMUNITY INVOLVEMENT															
Resident Relations	10,257	3,344	-	-	1,430	4,074	-	-	-	1,408	18,628	32,440	8,372		44.9%
Committee & Volunteer Support	1,680	1,680	-	-	-	-	-	-	-	-	2,500	5,000	840		33.6%
Meeting & Community	1,450	1,450	-	-	-	-	-	-	-	-	5,240	10,280	3,790		72.3%
Newsletter & Activity Guide	24,455	-	-	4,930	-	-	-	-	-	19,525	28,783	57,400	4,328		15.0%
Website Expense	256	-	-	-	-	-	-	-	-	256	200	850	(56)		-27.9%
Economic Development	9,674	-	-	-	-	-	-	-	-	9,674	7,750	18,250	(1,924)		-24.8%
Marketing & Other	7,302	-	-	-	-	-	-	-	-	7,302	18,250	36,500	10,948		60.0%
TOTAL - COMMUNITY INVOLVEMENT	55,053	6,455	-	4,930	1,430	4,074	-	-	-	38,165	81,351	160,720	26,298	-	32.3%
UTILITIES															
Electric	203,381	-	55,103	-	-	29,324	1,804	117,151	-	-	236,656	503,108	33,275		14.1%
Gas	31,923	-	30,256	-	-	756	-	910	-	-	37,212	66,031	5,289		14.2%
Water	233,064	-	44,938	-	-	4,073	29,859	154,194	-	-	206,085	477,713	(26,979)		-13.1%
TOTAL UTILITIES	468,368	-	130,297	-	-	34,153	31,663	272,255	-	-	479,953	1,046,852	11,585	-	2.4%
REPAIRS & MAINT															
Salaries & Payroll	249,173	-	46,691	-	-	-	-	202,482	-	-	272,022	557,281	22,849		8.4%
Medical, Benefits & Taxes	75,385	-	13,829	-	-	-	-	61,557	-	-	83,076	166,151	7,690		9.3%
Common Area Maintenance	68,526	-	-	-	-	291	1,443	66,792	-	-	139,352	216,675	70,826		50.8%
Parks - Repair & Maintenance	2,672	-	-	-	-	-	-	2,672	-	-	17,500	35,000	14,828		84.7%
Community Center Maintenance	9,397	-	9,397	-	-	-	-	-	-	-	17,825	24,825	8,428		47.3%
HVAC & Plumbing	17,398	-	6,821	-	-	8,678	-	1,900	-	-	22,523	45,047	5,125		22.8%
Pools, Spas & Water Features	51,331	-	36,016	-	-	-	-	15,315	-	-	36,850	80,150	(14,481)		-39.3%
Irrigation	44,791	-	-	-	-	-	835	43,956	-	-	25,600	51,200	(19,191)		-75.0%
Tools, Janitorial Supplies, Other	53,883	-	10,774	-	-	1,487	-	41,622	-	-	33,176	66,336	(20,707)		-62.4%
R&M - Facilities & Equipment	71,837	-	12,111	-	-	40,559	-	19,168	-	-	70,902	140,404	-		-
R&M - Grounds & Other	116,087	-	42	-	-	-	-	116,045	-	-	25,000	50,000	(91,087)		-364.3%
Repair, Replace & Maint - All Other	14,626	-	645	-	-	-	-	13,981	-	-	19,668	35,506	5,042		25.6%
TOTAL REPAIRS & MAINTENANCE	775,107	-	136,324	-	-	51,015	2,278	585,490	-	-	763,494	1,468,576	(10,678)	-	-1.4%
PROFESSIONAL															
Legal - General	20,026	20,026	-	-	-	-	-	-	-	-	31,000	58,200	10,974		35.4%
Legal - Collection	81,499	81,499	-	-	-	-	-	-	-	-	65,500	130,500	(15,999)		-24.4%
Legal - Transition & Water	-	-	-	-	-	-	-	-	-	-	20,000	50,000	20,000		100.0%
Audit & Accounting & Tax	20,075	20,075	-	-	-	-	-	-	-	-	22,000	37,000	1,925		8.8%
Consultancy	24,400	24,400	-	-	-	-	-	-	-	-	15,400	29,900	(9,000)		-58.4%
Other Professional Services	35,640	35,640	-	-	-	-	-	-	-	-	29,650	57,500	(5,990)		-20.2%
TOTAL PROFESSIONAL/CONSULTING	181,640	181,640	-	-	-	-	-	-	-	-	183,550	363,100	1,910	-	1.0%



ANTHEM COMMUNITY COUNCIL

Y-T-D PROFIT & LOSS BY DEPARTMENT - OPERATING FUND ONLY 2016 - JUNE

RESTRICTED VIEWING & USE DOCUMENT

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Printed: 6/30/2016
6 MONTH OF: JUNE

	YEAR TO DATE ACTIVITY - OPERATING FUND										FULL BUDGET		Y-T-D VARIANCES		
	TOTAL	Admin	CC Maint	CC Program	CC Admin	Civic Bldg	Paseo	Park & Fac	Events	Mktg	YTD THRU	FULL	YTD THRU		PCT %
	Consolidated	40	41	42	43	44	45	46	47	48	JUNE	YEAR	JUNE		
FINANCIAL															
Bank Charges	12,644	400	-	12,244	-	-	-	-	-	-	18,770	37,540	6,126		32.6%
Insurances	123,143	107,178	-	10,500	-	3,665	1,800	-	-	-	173,476	346,630	50,333		29.0%
Collection Fees	774	774	-	-	-	-	-	-	-	-	-	-	(774)		0.0%
Bad Debts - Assessments	-	-	-	-	-	-	-	-	-	-	-	-	-		0.0%
Bad Debts - Soft & Hard Costs	(79,103)	(79,103)	-	-	-	-	-	-	-	-	95,000	190,000	174,103		183.3%
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-		0.0%
Taxes, Licenses, Permits & Fees	16,336	8,832	1,385	-	2,348	230	-	3,541	-	-	29,941	42,881	13,605		45.4%
Other Financial Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-		0.0%
TOTAL FINANCIAL	73,794	38,081	1,385	22,744	2,348	3,895	1,800	3,541	-	-	317,187	617,051	243,393	-	76.7%
CONTRACT SERVICES															
Landscaping	561,135	-	-	-	-	-	11,739	549,396	-	-	623,300	1,204,200	62,165		10.0%
Management	-	-	-	-	-	-	-	-	-	-	-	-	-		0.0%
Janitorial & Sanitation	176,807	-	84,329	-	-	15,330	-	77,148	-	-	162,080	323,660	(14,727)		-9.1%
Security Monitoring	47,171	-	1,949	-	-	1,671	-	43,551	-	-	50,814	101,628	3,643		7.2%
Maintenance & Services	14,912	-	6,924	-	-	1,250	-	6,738	-	-	20,320	40,612	5,409		26.6%
Equipment & Professional Services	2,653	-	1,426	-	-	1,227	-	-	-	-	27,450	54,900	24,797		90.3%
Other Contracted Services	29,336	27,500	528	-	-	408	-	900	-	-	45,828	91,656	16,492		36.0%
TOTAL CONTRACT SERVICES	832,014	27,500	95,157	-	-	19,885	11,739	677,733	-	-	929,792	1,816,656	97,778	-	10.5%
HUMAN RESOURCES															
Recruitment	5,599	5,599	-	-	-	-	-	-	-	-	5,248	10,197	(350)		-6.7%
Training & Education	6,438	5,678	-	-	-	-	-	-	-	760	14,875	26,555	8,437		56.7%
Payroll Processing	14,345	14,345	-	-	-	-	-	-	-	-	15,837	31,675	1,492		9.4%
Community Incentives	3,450	3,450	-	-	-	-	-	-	-	-	3,450	6,900	(0)		0.0%
Employee Events	7,200	7,200	-	-	-	-	-	-	-	-	7,200	14,400	(0)		0.0%
Uniforms and Other	2,460	193	-	-	1,529	88	-	601	48	-	3,647	8,920	1,187		32.5%
TOTAL HR	39,492	36,466	-	-	1,529	88	-	601	48	760	50,258	98,647	10,766	-	21.4%
GENERAL & ADMIN															
Salaries & Payroll	766,766	448,647	-	-	151,361	55,564	-	-	37,016	74,178	828,924	1,659,213	62,157		7.5%
Medical, Benefits & Taxes	153,416	99,547	-	-	23,211	5,780	-	-	11,120	13,758	229,030	458,080	75,614		33.0%
401K Programs & Administration	22,831	13,142	-	-	1,945	237	-	4,772	1,293	1,443	21,300	42,600	(1,531)		-7.2%
Office Consumables	11,777	5,796	-	-	3,385	627	-	1,405	137	427	21,925	43,850	10,148		46.3%
Postage & Copies	26,297	22,457	-	-	1,696	37	-	771	38	1,298	43,149	97,296	16,852		39.1%
Office Equipment	5,676	336	-	-	3,257	349	-	584	-	1,149	13,425	20,750	7,749		57.7%
Reimbursements	1,884	1,382	-	-	101	62	-	74	265	-	6,070	14,494	4,186		69.0%
Dues & Subscriptions	11,256	1,233	-	-	595	-	-	-	-	9,428	16,813	23,396	5,557		33.1%
Minor Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-		0.0%
Equipment Lease & Rentals	3,551	255	122	-	-	-	-	3,173	-	-	11,900	21,600	8,349		70.2%
Voice, Cell & Data Services	38,980	21,901	-	-	12,903	1,026	-	1,258	600	1,293	21,712	46,224	(17,268)		-79.5%
Election Oversight / Mailings / Support	-	-	-	-	-	-	-	-	-	-	4,000	4,000	4,000		100.0%
IT Services	27,227	27,227	-	-	-	-	-	-	-	-	21,000	42,000	(6,227)		-29.7%
Signs	3,004	-	310	-	89	282	-	1,907	-	416	28,600	31,600	25,596		89.5%
Other General & Administrative	(21,877)	(22,013)	-	-	136	-	-	-	-	-	7,532	7,640	29,409		390.4%
Other General & Administrative	-	-	-	-	-	-	-	-	-	-	-	-	-		0.0%
TOTAL GENERAL & ADMIN	1,050,787	619,910	432	-	198,678	63,964	-	13,944	50,470	103,388	1,275,380	2,512,723	224,592	-	17.6%
TOTAL OPERATING COSTS	4,041,192	910,052	363,595	537,953	203,985	177,074	47,480	1,553,565	104,832	142,656	4,670,879	9,257,327	630,622	-	13.5%
GROSS SURPLUS (DEFICIT)	453,984	2,825,888	(363,595)	(29,073)	(112,872)	(124,666)	(9,560)	(1,553,565)	(35,918)	(142,656)	(320,104)	(801,818)	774,088	-	-241.8%
Depreciation	299,096	299,096	-	-	-	-	-	-	-	-	465,600	931,200	166,504		35.8%
Interest Income	11,172	11,172	-	-	-	-	-	-	-	-	8,760	17,520	(2,412)		-27.5%
Interest Expense	-	-	-	-	-	-	-	-	-	-	-	-	-		0.0%
Taxes on Income	39,000	39,000	-	-	-	-	-	-	-	-	39,000	78,000	-		0.0%
NET BOOK SURPLUS / (DEFICIT)	127,060	2,498,964	(363,595)	(29,073)	(112,872)	(124,666)	(9,560)	(1,553,565)	(35,918)	(142,656)	(815,944)	(1,793,498)	943,004	-	



ANTHEM COMMUNITY COUNCIL

TOTAL ANTHEM - ACCOUNTS RECEIVABLE ANALYSIS

2016 JUNE

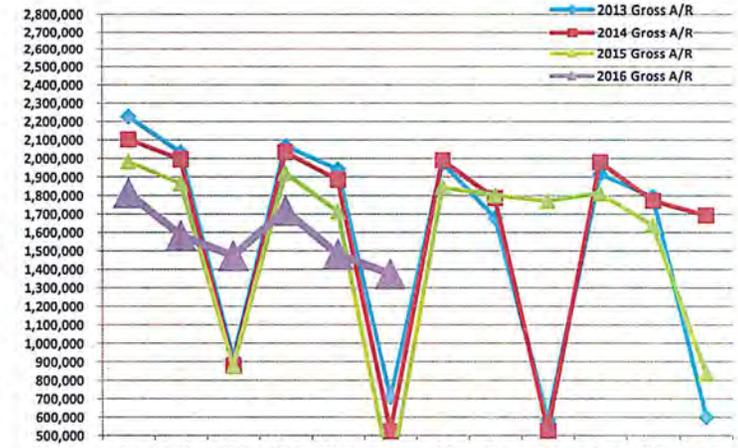
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TOTAL ALL RECEIVABLES	TOTAL	Due Now	31 - 60	61 - 90	91 - 180	181 - 360	361+
Country Club	87,830	11,331	1,181	13,036	6,936	14,611	40,734
Non-Residential & ACC	720,693	11,943	5,778	67,521	41,696	91,500	502,256
Parkside	529,582	31,686	5,983	32,774	42,428	67,409	349,301
The Village	38,070	249	249	2,861	-	4,434	30,278
TOTAL	1,376,175	55,209	13,191	116,192	91,061	177,954	922,570
		4.0%	1.0%	8.4%	6.6%	12.9%	67.0%

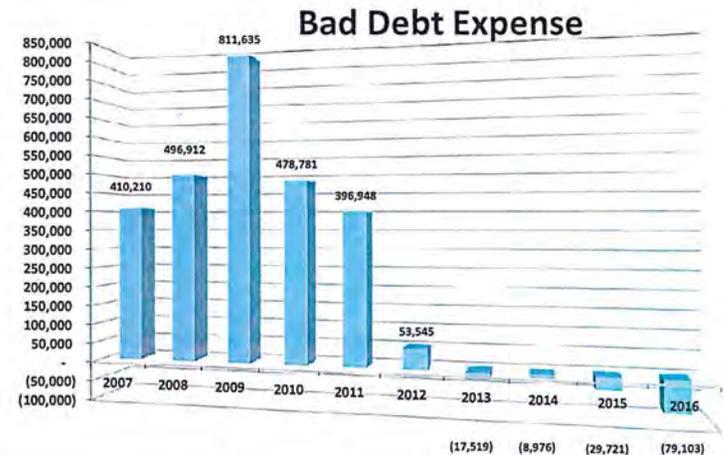
COMPOSITION OF ENTIRE COMMUNITY'S GROSS A/R	TOTAL DUE	Owner Type	
		Current	Previous
Country Club	87,830	70,649	17,181
Non-Residential & ACC	720,693	347,944	372,749
Parkside	529,582	397,477	132,105
The Village	38,070	12,097	25,973
TOTAL	1,376,175	828,168	548,008

TYPE OF RECEIVABLE OUTSTANDING			
Assessmnt	Legal Fees	CC&Rs	Other
45,122	905	40,957	845
328,501	384,927	-	7,265
95,754	92,864	340,690	275
38,070	-	-	-
507,447	478,696	381,647	8,385



YEAR-OVER YEAR TOTAL ANTHEM A / R COMPARISON	Total A/R	DUE NOW	Overdue				
			31 - 60	61 - 90	91 - 180	181 - 360	> 1 Year
This Month - This Year	1,376,175	55,209	13,191	116,192	91,061	177,954	922,570
This Month - Last Year	1,919,147	22,208	27,730	134,530	306,698	221,526	1,206,455
This Month - 2 Yrs Ago	1,957,233	12,405	72,991	145,488	115,164	286,934	1,324,251
Change [()=Improvement]	(542,972)	33,001	(14,539)	(18,338)	(215,637)	(43,572)	(283,885)

DELINQUENCY ANALYSIS BASED ON AMOUNT DUE	Total Properties	Delinquencies		CURRENT Owners Whose Account Balance Is				
		Current Owners	Prior Owners	Club	Village	Parkside	ACC	Other
Balance Due < \$100	497	495	2	88	4	402	1	
Balance Due < \$200	118	103	15	19	2	81	1	
Balance Due < \$500	274	178	96	42	1	134	1	
Balance Due < \$1,000	197	108	89	15	1	92	-	
Balance Due > \$1,000	293	151	142	19	3	129	-	
	1,379	1,035	344	183	11	838	3	
		10.1%		6.4%	5.2%	11.9%	1.5%	



	Total Properties	Delinquent		
		Total Delinquent	Current Owners	Prior Owners
Country Club	2,866	242	183	59
The Village	210	20	11	9
Parkside	7,027	1,114	838	276
Non-Residential & ACC	198	3	3	-
TOTAL	10,301	1,379	1,035	344

ASSESSMENT PAYMENTS ONLY	CURRENT PROPERTY OWNERS ONLY			
	Club	Village	Parkside	ACC
Properties That Have an Assessment Obligation	2,866	210	7,027	198
Properties Paying <u>Current</u> Quarterly Assessments PRIOR to Due Date	1,352	106	3,214	136
Properties Paying <u>Current</u> Obligations the Month Due	1,188	76	2,555	38
Properties Paying <u>Current</u> Obligations 1 Month Late	90	6	176	12
Properties Paying <u>Current</u> Obligations 2 Months Late	53	11	244	9
Properties Remaining Delinquent on Obligations	183	11	838	3
Percentage Delinquency on <u>Current</u> Quarter Assessments	6.4%	5.2%	11.9%	1.5%

This Table is for ASSESSMENT Obligations ONLY (not other charges)



ANTHEM COMMUNITY COUNCIL

ENHANCEMENT FUND & RESALE FEES ANALYSIS

2016

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	Monthly Enhancement Fund - Revenues Received					Increase 2016 > 2015
	2016	2015	2014	2013	2012	
January	51,073	28,727	59,013	89,579	31,612	22,346
February	40,913	42,027	34,161	30,650	28,998	(1,114)
March	61,836	56,336	57,772	30,413	46,568	5,500
April	65,899	72,221	46,544	107,162	47,361	(6,322)
May	75,659	67,000	50,276	82,644	77,768	8,659
June	81,467	87,751	52,016	82,249	73,343	(6,284)
July		79,938	69,927	69,722	69,800	
August		62,578	41,631	83,425	64,552	
September		53,416	50,568	46,493	52,230	
October		43,492	40,402	49,882	50,235	
November		64,508	33,595	35,402	32,246	
December		36,157	52,034	34,788	6,069	
TOTAL	376,846	694,151	587,939	742,409	580,782	22,784

2016 TOTAL	Monthly Resale & Disclosures - Properties Sold / Closed			
	Club	Parkside	Village	ACC
58	20	36	1	1
56	14	37	4	1
84	23	58	2	1
89	26	59	4	-
97	29	66	1	1
99	28	68	1	2
-				
-				
-				
-				
-				
-				
-				
-				
-				
483	140	324	13	6

2015 TOTAL	Monthly Resale & Disclosures - Properties Sold / Closed			
	Club	Parkside	Village	ACC
35	5	27	1	2
63	15	48	-	-
60	16	39	5	-
102	36	64	1	1
88	29	54	3	2
114	28	85	-	1
101	22	77	2	-
81	18	58	2	3
69	28	38	2	1
61	16	43	2	-
77	17	54	4	2
45	16	26	1	2
896	246	613	23	14

Average Per Property Enhancement Fee Generated Y T D >>>

\$ 936 \$ 706 \$ 384 \$ 2,000

\$ 1,028 \$ 631 \$ 351 \$ 1,750

Y T D Gross Resale Fees Distributed to the Anthem HOAs >>>

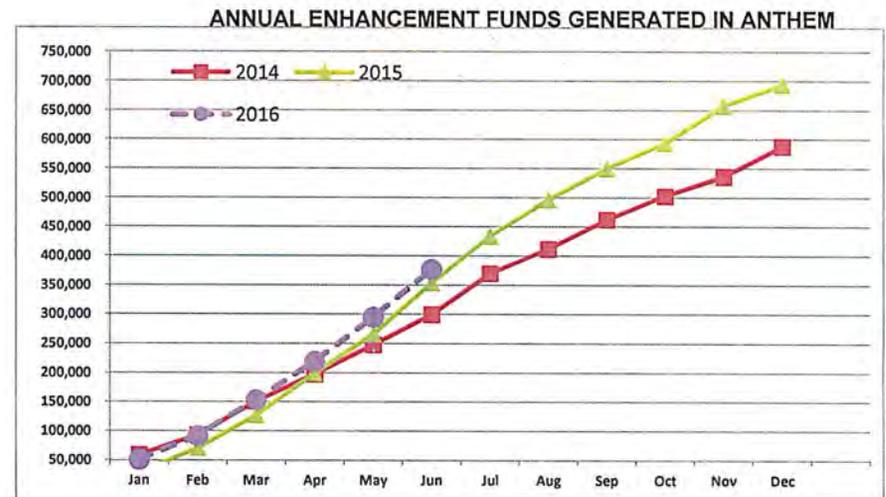
\$ 6,075 \$ 14,100 \$ 825

- - - -

Current Backlog of Properties Awaiting Close of Escrow >>>

141

FUND MOVEMENT in 2016			
	Inflows	Outflows	Fund Balance
January	51,073	8,861	2,573,041
February	40,913	303,457	2,310,497
March	61,835	(15,816)	2,388,148
April	65,899	1,084,112	1,369,935
May	75,659	154,127	1,291,467
June	81,467	312,812	1,060,122
July			-
August			-
September			-
October			-
November			-
December			-
TOTAL	376,846	1,847,553	(1,470,707)





ANTHEM COMMUNITY COUNCIL

SUPPLEMENTAL INFORMATION

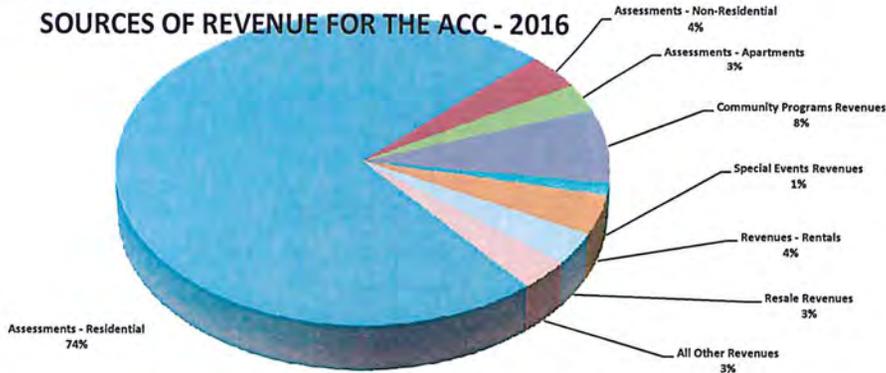
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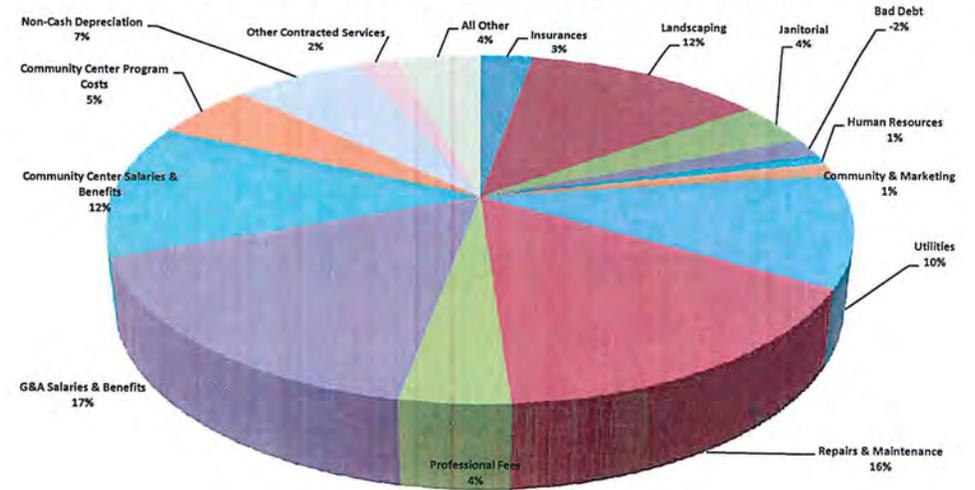
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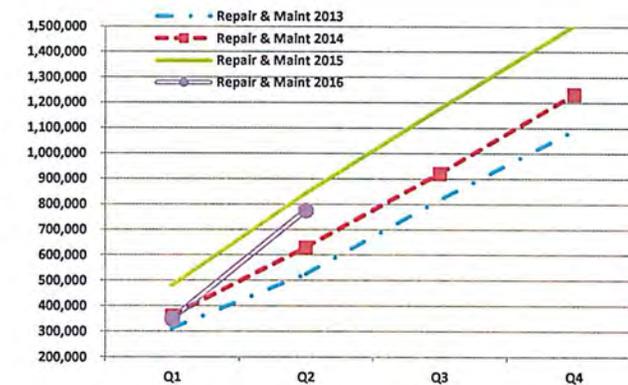
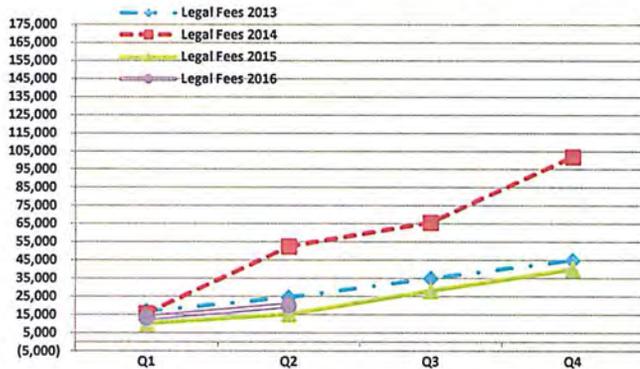
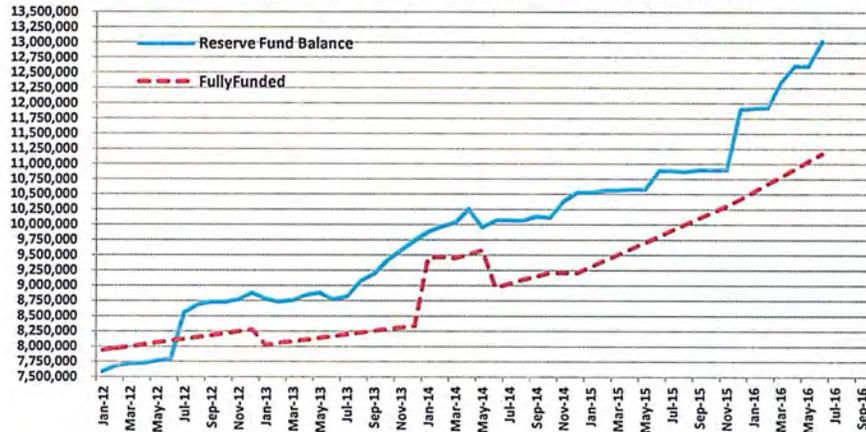
SOURCES OF REVENUE FOR THE ACC - 2016



HOW YOUR ASSESSMENT DOLLARS ARE SPENT - 2016



COMPARISON OF RESERVE FUND BALANCE vs. FULLY FUNDED RESERVE



COMPARISON OF GENERAL LEGAL FEES - YEAR OVER YEAR

COMPARISON OF REPAIR & MAINT FEES - YEAR OVER YEAR

ANTHEM COMMUNITY COUNCIL

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PROGRAMS ANALYSIS

2016 Activity (Month & YTD) and Comparison to Budget and Prior Year

6

Printed: 6/30/2016

MONTH OF: JUNE

	This Month	YTD This Year	YTD Budget	PYTD 2015	This Month	YTD This Year	YTD Budget	PYTD 2015	This Month	YTD This Year	YTD Budget	PYTD 2015
TENNIS												
REVENUES	5,875	35,294	44,936	48,877								
Salaries & Wages												
Payroll Taxes & Benefits												
Direct Program Costs	7,545	30,008	37,153	36,837								
Other Program Costs												
Total Program Costs	7,545	30,008	37,153	36,837								
SURPLUS (DEFICIT) on PROGRAM	(1,670)	5,286	7,783	12,040								
YOUTH LEAGUE												
REVENUES	21,074	88,025	94,245	79,900								
Salaries & Wages	2,928	27,081	28,302	23,154								
Payroll Taxes & Benefits	716	5,320	7,725	5,116								
Direct Program Costs	3,079	18,787	19,033	15,952								
Other Program Costs												
Total Program Costs	6,723	51,187	55,060	44,223								
SURPLUS (DEFICIT) on PROGRAM	14,351	36,838	39,185	35,677								
ADULT LEAGUE												
REVENUES	475	10,555	33,500	13,900								
Salaries & Wages	1,349	10,365	14,062	9,518								
Payroll Taxes & Benefits	290	1,989	-	1,756								
Direct Program Costs	755	6,946	12,659	6,505								
Other Program Costs												
Total Program Costs	2,393	19,300	26,721	17,780								
SURPLUS (DEFICIT) on PROGRAM	(1,918)	(8,745)	6,779	(3,880)								
YOUTH CAMPS												
REVENUES	39,858	45,620	56,919	58,863								
Salaries & Wages	20,607	31,204	34,862	28,377								
Payroll Taxes & Benefits	1,873	2,848	-	3,681								
Direct Program Costs	5,008	9,117	8,432	2,704								
Other Program Costs												
Total Program Costs	27,488	43,169	43,294	34,762								
SURPLUS (DEFICIT) on PROGRAM	12,370	2,451	13,625	24,101								
ADVENTURE CLUB												
REVENUES	3,404	11,132	11,250	10,374								
Salaries & Wages	3,503	15,784	19,512	10,464								
Payroll Taxes & Benefits	317	1,397	-	924								
Direct Program Costs	-	374	1,300	595								
Other Program Costs												
Total Program Costs	3,819	17,554	20,812	11,983								
SURPLUS (DEFICIT) on PROGRAM	(415)	(6,422)	(9,562)	(1,609)								
CARE PROGRAMS												
REVENUES	1,080	19,800	19,320	17,941								
Salaries & Wages	1,397	16,118	18,842	17,127								
Payroll Taxes & Benefits	137	1,485	-	2,661								
Direct Program Costs	14	1,153	2,380	1,556								
Other Program Costs												
Total Program Costs	1,548	18,756	21,222	21,344								
SURPLUS (DEFICIT) on PROGRAM	(468)	1,044	(1,902)	(3,403)								
CHILDREN'S PROGRAMS												
REVENUES	1,863	8,070	9,895	7,662								
Salaries & Wages	(306)	1,430	1,766	8,493								
Payroll Taxes & Benefits	339	1,196	7,725	2,294								
Direct Program Costs	706	3,851	3,541	5,065								
Other Program Costs												
Total Program Costs	739	6,477	13,032	15,853								
SURPLUS (DEFICIT) on PROGRAM	1,124	1,593	(3,137)	(8,191)								
FITNESS / WELLNESS												
REVENUES	10,421	63,692	70,254	76,935								
Salaries & Wages	3,800	10,924	11,970	8,726								
Payroll Taxes & Benefits	380	1,131	-	975								
Direct Program Costs	9,555	58,150	69,387	66,747								
Other Program Costs												
Total Program Costs	13,735	70,205	81,357	76,447								
SURPLUS (DEFICIT) on PROGRAM	(3,314)	(6,514)	(11,102)	488								
DANCE / GYMNASTICS												
REVENUES	-	-	-	5,158								
Salaries & Wages												
Payroll Taxes & Benefits												
Direct Program Costs	-	-	-	1,687								
Other Program Costs												
Total Program Costs	-	-	-	1,687								
SURPLUS (DEFICIT) on PROGRAM	-	-	-	3,471								
SWIM TEAM												
REVENUES	22,360	94,114	90,814	88,459								
Salaries & Wages	12,611	53,927	63,627	49,144								
Payroll Taxes & Benefits	1,791	8,686	4,635	7,459								
Direct Program Costs	6,490	28,298	22,275	27,261								
Other Program Costs												
Total Program Costs	20,891	90,911	90,537	83,864								
SURPLUS (DEFICIT) on PROGRAM	1,468	3,203	277	4,595								
SWIM LESSONS												
REVENUES	12,449	20,520	15,315	28,712								
Salaries & Wages	4,298	13,332	12,825	19,199								
Payroll Taxes & Benefits	1,031	4,991	-	4,415								
Direct Program Costs	-	-	3,000	-								
Other Program Costs												
Total Program Costs	5,329	18,323	15,825	23,614								
SURPLUS (DEFICIT) on PROGRAM	7,119	2,196	(510)	5,098								
AQUATICS & POOL												
REVENUES	2,586	19,306	11,235	13,683								
Salaries & Wages	72,806	98,500	83,732	85,874								
Payroll Taxes & Benefits	8,063	15,381	15,450	13,087								
Direct Program Costs	3,671	25,940	23,280	23,351								
Other Program Costs												
Total Program Costs	84,540	139,821	122,462	122,311								
SURPLUS (DEFICIT) on PROGRAM	(81,954)	(120,515)	(111,227)	(108,628)								
ROCK WALL												
REVENUES	1,110	3,773	4,920	4,197								
Salaries & Wages	570	4,179	4,907	3,983								
Payroll Taxes & Benefits	49	384	-	346								
Direct Program Costs	-	-	-	-								
Other Program Costs												
Total Program Costs	619	4,563	4,907	4,329								
SURPLUS (DEFICIT) on PROGRAM	491	(791)	13	(132)								
TEEN PROGRAMS												
REVENUES	-	-	-	-								
Salaries & Wages	-	-	-	-								
Payroll Taxes & Benefits	-	-	-	-								
Direct Program Costs	-	-	-	-								
Other Program Costs												
Total Program Costs	-	-	-	-								
SURPLUS (DEFICIT) on PROGRAM	-	-	-	-								
SPECIALITY & OTHER												
REVENUES	-	-	-	565								
Salaries & Wages												
Payroll Taxes & Benefits												
Direct Program Costs	-	-	-	-								
Other Program Costs												
Total Program Costs	-	-	-	-								
SURPLUS (DEFICIT) on PROGRAM	-	-	-	565								
TOTAL ALL PROGRAMS												
REVENUES	122,554	419,899	462,603	455,226								
Salaries & Wages	123,562	282,844	294,405	264,060								
Payroll Taxes & Benefits	14,986	44,808	35,535	42,714								
Direct Program Costs	36,822	182,623	202,440	188,261								
Other Program Costs	-	-	-	-								
Total Program Costs	175,369	510,275	532,380	495,034								
SURPLUS (DEFICIT) on PROGRAM	(52,816)	(90,375)	(69,777)	(39,809)								

ANTHEM COMMUNITY COUNCIL

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PROGRAMS ANALYSIS

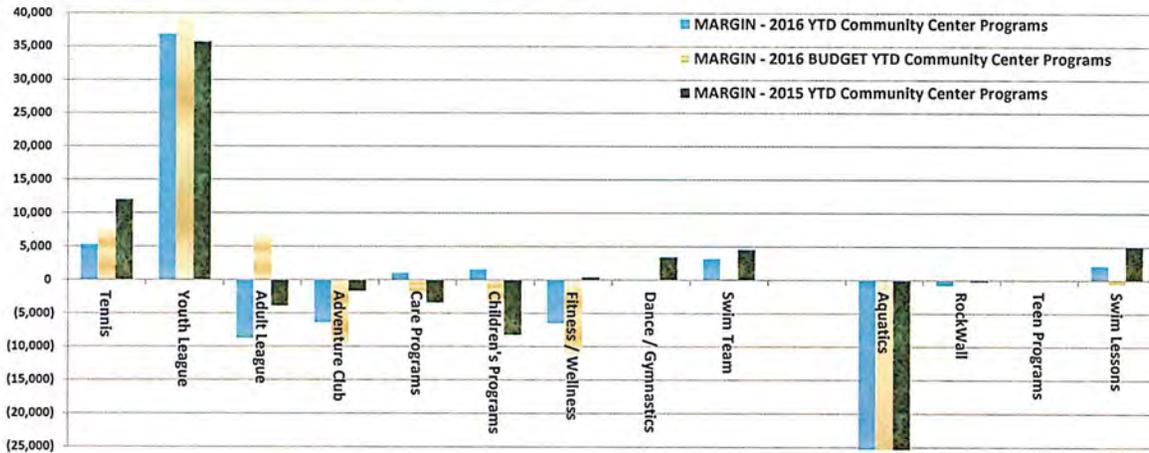
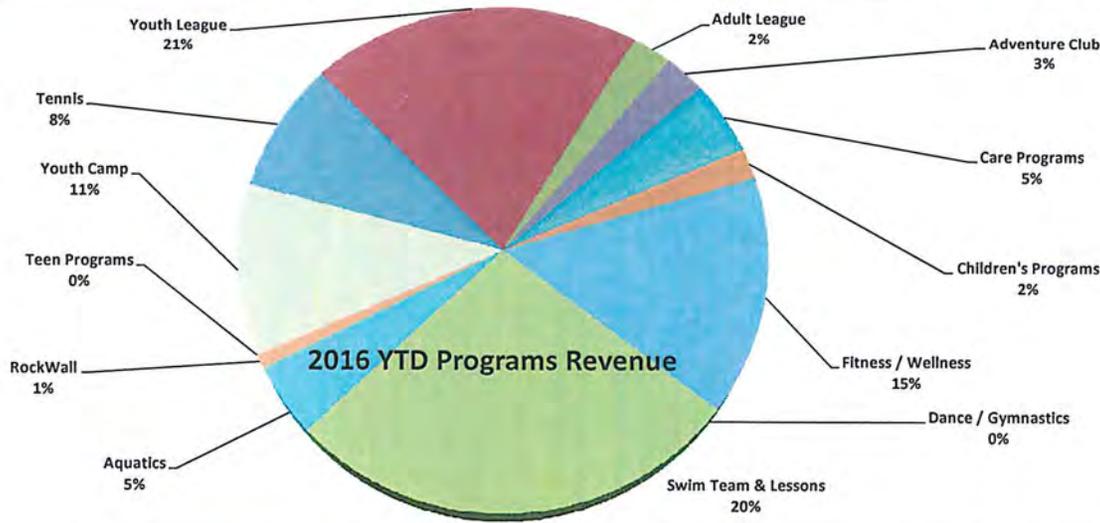
2016 Activity (Month & YTD) and Comparison to Budget and Prior Year

6

Printed: 6/30/2016

MONTH OF: JUNE

	This Month	YTD This Year	YTD Budget	PYTD 2015	This Month	YTD This Year	YTD Budget	PYTD 2015	This Month	YTD This Year	YTD Budget	PYTD 2015
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ANTHEM COMMUNITY COUNCIL

RESTRICTED VIEWING & USE DOCUMENT

ENHANCEMENT FUND P&L and RESERVE FUND P&L 2016 - JUNE

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 Printed: 6/30/2016
 6 MONTH OF: JUNE

	YTD RESULTS
	\$\$

January	February	March	April	May	June	July	August	September	October	November	December
Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual

ENHANCEMENT FUND ACTIVITY

Enhancement Fees	376,846
Enhancement Interest	17,790
Enhancement Gain / Loss	29,400
	-
TOTAL ENHANCEMENT INFLOWS	424,036
Enhancement - Opportunity Way Park	-
Enhancement - General Expenses	-
Enhancement - Bank Charges	2,345
	-
	-
ProForma Adjustment to Construction In Progr	-
TOTAL ENHANCEMENT OUTFLOWS	2,345
ENHANCEMENT FUND SURPLUS / (DEFICIT)	421,692
CUMULATIVE SURPLUS / (DEFICIT)	

51,073	40,913	61,836	65,899	75,659	81,487	-	-	-	-	-	-
2,718	3,012	2,333	3,157	3,644	2,926	-	-	-	-	-	-
8,486	1,629	4,625	4,632	(3,682)	13,711	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
62,277	45,554	68,793	73,688	75,620	98,104	-	-	-	-	-	-
4,321	303,457	(307,777)	1,084,112	19,144	(1,103,256)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
1,170	-	-	1,175	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
5,490	303,457	(307,777)	1,085,287	19,144	(1,103,256)	-	-	-	-	-	-
56,787	(257,903)	376,571	(1,011,599)	56,476	1,201,360	-	-	-	-	-	-
56,787	(201,116)	175,454	(836,144)	(779,668)	421,692	-	-	-	-	-	-

From: Holly Matson Fwd
Sent: Friday, July 8, 2016 4:05 PM
To: Jenna Kohl <JKohl@anthemcouncil.com>
Subject: Design Guideline Change

A very minor change to residential design guidelines below. ACCCA has approved. I would like to request ACC approval.

Reason: ACCCA has taken away the option of “cedar” when painting/staining gates. The color fades to a reddish orange tone which is prohibited. This topic came from resident complaints about the “orange color”.

Courtyard Gates

- o Gates on courtyard walls must be in proportion to the adjoining walls.
- o Wood slats are to be painted/stained brown, ~~cedar~~ or natural wood and must be a flat or low gloss finish. Red tints are prohibited.

Return Wall Gates. Return walls are the block walls that extend from the home to the side walls.

- o Return wall gates must be constructed of wood or composite material made to look like wood and may not include excessive ornamentation.
 - o Wood slats are to be either painted, stained or powder coated brown, ~~cedar~~ or natural wood. The finish must be flat or low gloss.
 - o A picture of the requested gate and its color must be provided with the Exterior Change Application.
 - o Metal framing is to be painted Country Club Brown.
 - o Double gates for side yard entrance are permitted, but only to a total maximum width of 8 feet.
- Vehicle, boat, ATV parking in the rear and side yard is prohibited. A landscaping plan and architectural drawing that includes the side-yard gate, adjoining walkway and driveway must be submitted with the Exterior Change Application

anthem

community council

APPOINTMENTS

Following is a list of all members of various appointed commissions, committees and boards of the Anthem Community Council.

* Recommended Appointee Jim Cronk for Board Consideration as highlighted below

FISCAL AND RESOURCE MANAGEMENT	(7 MEMBERS)	TERM OF APPOINTMENT	
Richard Yennerell	Chair (1 yr. term)	6/30/2016-6/30/2018	CC
Chuck Hafner	Member	6/30/2015-6/30/2017	PS
Bob Hebert	Member	6/30/2015-6/30/2017	PS
Mark Senn	Member	4/1/2016-6/30/2017	CC
Loren Linscott (as available)	Member	6/25/2016-6/30/2018	PS
Glenn Klinksiek	Member	6/25/2016-6/30/2018	CC
<i>Bob McKenzie</i>	<i>Board Liaison</i>		

ECONOMIC DEVELOPMENT	(9 MEMBERS)	TERM OF APPOINTMENT	
Justin Simons	Chair (1 yr. term)	6/30/2016-6/30/2017	CC
Scott Zychowski	Member	6/30/2015-6/30/2017	PS
Eric Twohey	Member	6/30/2015-6/30/2017	CC
Nannette Miller	Member	6/30/2015-6/30/2017	PS
Aaron Williams	Member	6/30/2015-6/30/2017	PS
Don Trefry	Member	6/30/2016-6/30/2018	PS
Enza Ciolino	Member	6/30/2016-6/30/2018	CC
Richard Digilio	Member	6/30/2016-6/30/2018	PS
Debi Ecker	Member	6/30/2016-6/30/2018	CC

COMMUNITY PLANNING AND DEVELOPMENT	(7 MEMBERS)	TERM OF APPOINTMENT	
Vacant, to be determined	Chair		
Ed Varney	Member	6/30/2015-6/30/2017	CC
Ron French	Member	6/30/2015-6/30/2017	CC
Jim Cronk*	Member	08/01/2016-6/30/2017	PS
Mike Spinelli	Member	6/30/2016-6/30/2018	CC
Max Sommacampagna	Member	6/30/2016-6/30/2018	PS
Nate Storjohann	Member	6/30/2016-6/30/2018	PS

ANTHEM NEIGHBORHOOD WATCH	AFFILIATE	TERM OF APPOINTMENT	
Loyd Nygaard	Chair	12/1/2015-6/30/2017	PS

COMMERCIAL DESIGN REVIEW ADVISORY	TERM OF APPOINTMENT		
Tim Fyke	Chair	6/30/2016-6/30/2017	PS
Craig Boates	Business Owner	6/30/2016-6/30/2017	PS

UTILITIES PANEL	TERM OF APPOINTMENT		
Roger Willis	Chair	6/30/2016-6/30/2017	CC

ANTHEM VETERANS MEMORIAL SUPPORT TEAM	TERM OF APPOINTMENT		
Ron Tucker	Chair	6/30/2016-6/30/2017	CC

anthem community council

Memorandum

To: President and Board of Directors
From: Jenna Kohl, Community Executive Officer
Date: July 20, 2016
Re: *Request to Support Amendment to Supplemental Declarations for Commerce Park Parcel*

Recommendation

Phil Turner of Pulte/DelWebb has requested that the ACC Board take action to formally endorse an amendment to the supplemental declarations for Lot 28 of Anthem Commerce Park 33.2.

Background

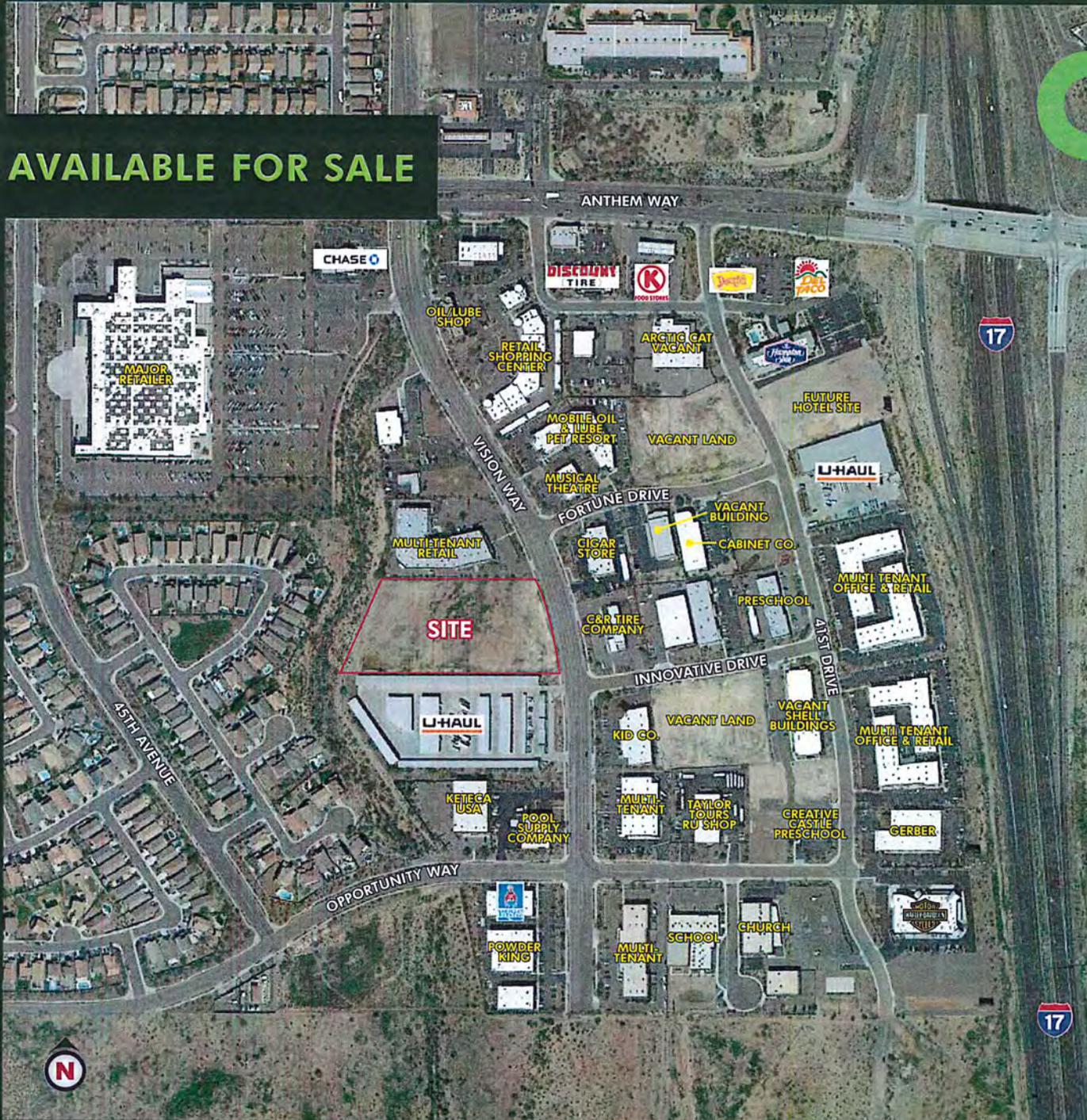
Last November, the ACC Board was approached by Home Run Properties, the owner of the parcel in question (PIQ), who desired to sell the property to U-Haul for development as RV/boat storage. This would be an expansion of U-Haul's facility on the adjacent property. (See attached map, designating the PIQ). This property, however, has a deed restriction that limits development on the parcel to a bowling center and related uses. Therefore, Home Run Properties (the current property owner) and U-Haul (pending purchaser) are requesting that Pulte amend the supplementals to lift the deed restriction and allow for boat and RV storage. Pulte is seeking formal ACC Board feedback on this request. Last fall, the Board did not take a formal vote, but advised that they would not object if the parties wanted to pursue this transaction. Pulte is now requesting formal Board action on this item. Staff suggests that, should the Board support this request, that the change in the supplementals not be effective unless and until the sale of the property from Home Run to U-Haul has taken place.

Attachments:

Map of PIQ

Draft Proposed Amended Declarations

AVAILABLE FOR SALE



42202 NORTH VISION WAY

PHOENIX, AZ 85086

PROPERTY FEATURES

- :: ±4.09 Acres
- :: Asking Price: \$5.00-6.00 PSF
- :: Zoning: CP/GCP
- :: Fee Simple Land
- :: Easy Access to I-17

FOR MORE INFORMATION PLEASE CONTACT:

James Bayless

Senior Vice President

602.735.1794

james.bayless@cbre.com

Jenny Aust

Sales Assistant

602.735.5262

jenny.aust@cbre.com

CBRE

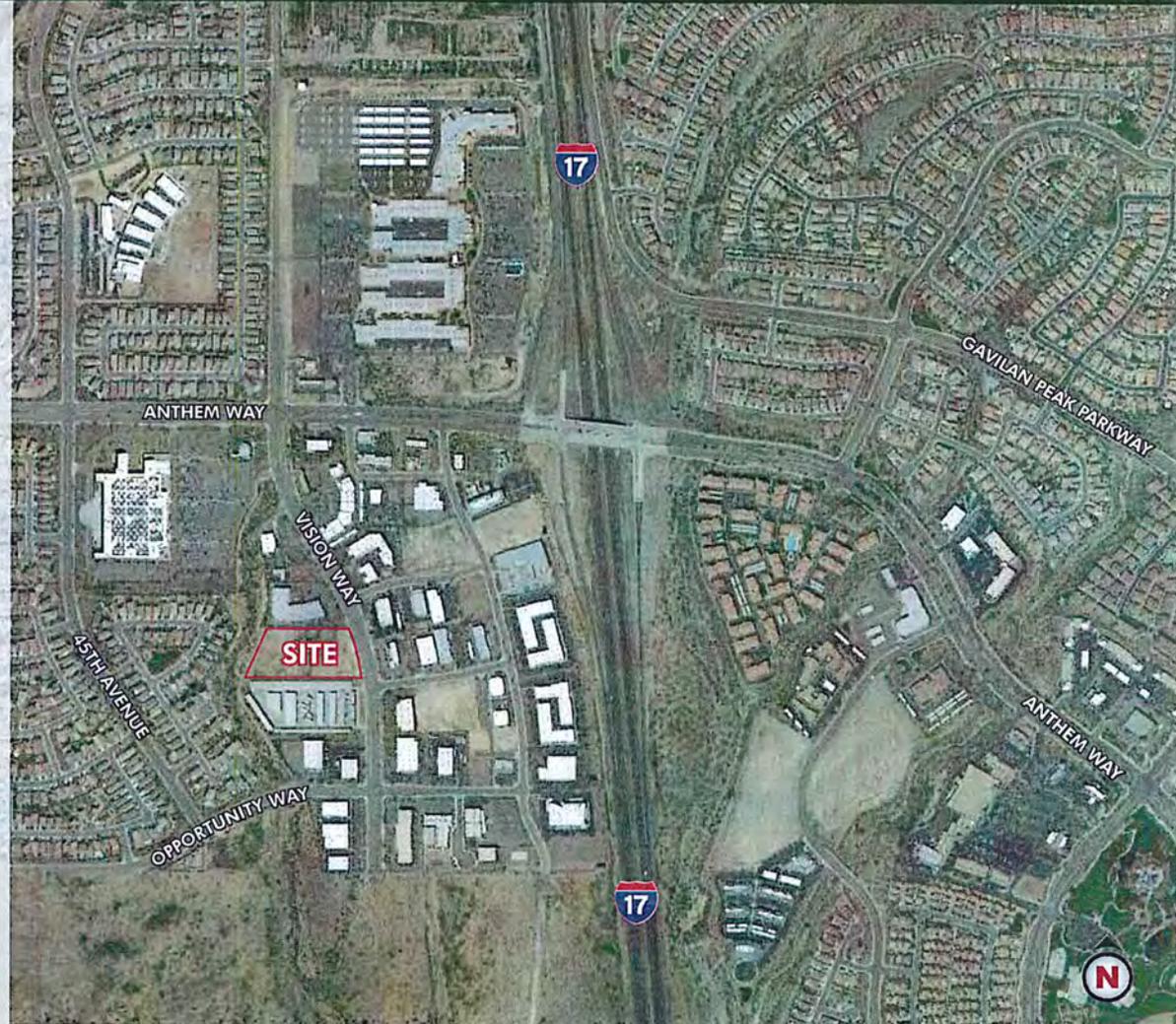
AVAILABLE
FOR SALE

42202 NORTH VISION WAY PHOENIX, ARIZONA 85086

DEMOGRAPHICS

	1 Mile Radius	3 Mile Radius	5 Mile Radius
POPULATION			
2013 Estimated Population	6,076	26,901	43,306
2018 Projected Population	7,046	30,784	49,546
2010 Census Population	5,411	24,291	39,090
2000 Census Population	279	3,998	7,530
Growth 2010-2013	12.28%	10.74%	10.79%
Growth 2013-2018	15.98%	14.43%	14.41%
2013 Estimated Median Age	30.97	36.12	37.38
2013 Estimated Average Age	30.90	34.71	35.73
HOUSEHOLDS			
2013 Estimated Households	1,836	8,347	14,216
2018 Projected Households	2,101	9,451	16,080
2010 Census Households	1,709	7,824	13,265
2000 Census Households	72	1,040	2,417
Growth 2010-2013	7.43%	6.68%	7.17%
Growth 2013-2018	14.41%	13.22%	13.11%
INCOME			
2013 Est. Average Household Size	3.29	3.08	2.97
2013 Est. Median Household Income	\$59,747	\$67,723	\$69,191
2018 Prj. Median Household Income	\$54,913	\$60,743	\$61,490
2000 Cen. Median Household Income	\$54,128	\$57,419	\$59,592
HOUSING			
2013 Est. Average Household Income	\$74,356	\$86,281	\$87,315
2013 Estimated Per Capita Income	\$22,470	\$26,771	\$28,663
2013 Estimated Housing Units	2,132	9,831	16,572
2013 Estimated Occupied Units	1,836	8,347	14,216
2013 Estimated Vacant Units	296	1,484	2,356
2013 Est. Owner Occupied Units	1,314	6,516	11,180
2013 Est. Renter Occupied Units	523	1,832	3,036
2013 Est. Median Housing Value	\$181,218	\$220,305	\$233,250
2013 Est. Average Housing Value	\$211,115	\$257,563	\$270,168

SOURCE: Claritas



FOR MORE
INFORMATION
PLEASE
CONTACT

James Bayless
Senior Vice President
602.735.1794
james.bayless@cbre.com

Jenny Aust
Sales Assistant
602.735.5262
jenny.aust@cbre.com

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When recorded, return to:

**AMENDED AND RESTATED TRACT DECLARATION FOR
LOT 28 OF ANTHEM COMMERCE PARK 33.2**

THIS AMENDED AND RESTATED TRACT DECLARATION is made as of _____, 2016, by ANTHEM ARIZONA L.L.C., an Arizona limited liability company (hereinafter referred to as "Declarant").

RECITALS

A. Declarant executed that certain Declaration of Covenants and Easements for Anthem and caused said document to be recorded on January 15, 1999, as Document No. 99-0042710, as amended (the "Community Covenant").

B. Pursuant to Section 2.2 of the Community Covenant, Declarant caused to be Recorded the Supplemental Declaration of Covenants, Conditions, Restrictions and Easements for Anthem Commerce Park on December 30, 1999, as Document No. 99-1166150 (the "Supplemental Declaration") and annexed and subjected to the Community Covenant the land described on Exhibit "A" attached to the Supplemental Declaration (the "Commerce Park").

C. The Supplemental Declaration contemplates that Tract Declarations for lots located within the Commerce Park will be executed and recorded periodically as determined by Declarant as development of the Commerce Park proceeds.

D. Declarant caused to be Recorded in Book 537 of Maps, Page 26, that certain final plat entitled "ANTHEM COMMERCE PARK 33.2" as approved by the City (the "33.2 Final Plat") which plat includes Lot 28 as described in Exhibit "A" to this Amended and Restated Tract Declaration (the "Lot" or "Lot 28").

E. Declarant previously subjected the Lot to that certain "Tract Declaration for Lot 28 of Anthem Commerce Park 33.2," which Tract Declaration was recorded on March 31, 2003, as Document No. 2003-0393392 (the "Tract Declaration").

F. Declarant now wishes to amend and restate the Tract Declaration in its entirety.

AGREEMENT

NOW, THEREFORE, Declarant hereby declares, covenants and agrees as follows:

1. Definitions. Except as herein specifically set forth, capitalized terms used in this Tract Declaration shall have the meaning set forth for such terms in the Community Covenant and the Supplemental Declaration,

2. Amendment and Restatement; Incorporation of Declaration.

(a) The Tract Declaration is hereby amended and restated in its entirety. All references to a "Tract Declaration" for Lot 28 contained in this Amended and Restated Tract Declaration, the Community Covenant and the Supplemental Declaration shall mean and include this Amended and Restated Tract Declaration.

(b) All the terms, provisions and covenants of the Community Covenant and the Supplemental Declaration are incorporated herein by this reference. In the event of any conflict between the terms of the Community Covenant and the terms of this Tract Declaration, or in the event of any conflict between the terms of the Supplemental Declaration and the terms of this Tract Declaration, the terms of the Community Covenant or Supplemental Declaration, as applicable, shall control. Notwithstanding the foregoing, to the extent that this Tract Declaration imposes greater obligations or more restrictive restrictions than the Community Covenant or the Supplemental Declaration, then such provisions contained herein shall control, and neither the Community Covenant nor the Supplemental Declaration shall diminish the obligations of any Owner under this Tract Declaration.

3. Assessment Units. The Lot is a Non-Residential Lot which contains 4.09 acres (rounded to the nearest 1/100) and, as such, pursuant to the provisions of the Community Covenant, the Lot shall be allocated a total of 6.135 Assessment Units.

4. Additional Covenants, Conditions, Restrictions and Easements Applicable to the Lot. The following covenants, conditions and restrictions shall apply to all real property located within the Lot:

(a) Permitted Uses. Without the written consent of Declarant, the Lot shall be developed and used only for purposes of an outdoor boat and recreational vehicle storage yard with mini-storage facilities and for no other purposes.

(b) Storage, Maintenance and Loading Areas. Storage, maintenance and loading areas, if any, shall be constructed, maintained and used in accordance with the following conditions:

(i) Except in regard to, or in conjunction with, on-site construction activity, no materials, supplies or equipment, shall be stored upon the Lot except inside a closed building or behind visual barriers which substantially screen such materials, supplies or vehicles. Storage in this context shall mean parking or location of materials, supplies or equipment upon the Lot for a period in excess of forty-eight (48) consecutive hours.

(ii) Provision shall be made on the Lot for any necessary vehicle loading and unloading facilities; no on-street vehicle loading or unloading shall be permitted

upon the Lot. Loading areas shall be screened by visual barriers so as not to be Visible From Neighboring Property. "Visible From Neighboring Property" shall mean, with respect to any given object, that such object is or would be visible to a person six feet tall, standing at ground level on any part of any Lot or other area which adjoins the Lot on which such object is located.

(c) Mechanical Equipment. All heating, air conditioning, ventilation and other mechanical and/or electrical equipment and similar items shall be screened by visual barriers so as not to be Visible From Neighboring Property. The visual barriers screening such equipment shall be designed so as not to have an unreasonable adverse visual impact upon any pedestrian walkways constructed adjacent thereto.

(d) Design Review. All development on the Lot shall be subject to the provisions of the Design Guidelines, as amended from time to time, and as administered by the Commercial Review Committee in accordance therewith. The Commercial Review Committee shall have the right to charge one or more review or other fees in connection with its review of all submittals required to be made to the Commercial Review Committee.

(e) No Encroachment on Easement Areas. No Building or other Improvements (other than paving or landscaping) of any kind shall be erected, placed, installed or maintained on any portion of any public utility easement areas, landscape easement areas or access easement areas reflected on any plat Recorded by Declarant which in anyway might interfere with or impede the utilization of the particular easement for its intended purpose.

(f) Floor Area Limitations. Subject to such limitations as are imposed upon the Lot by virtue of the Community Covenant and the Design Guidelines, the Owner may develop and construct on the Lot one or more Buildings or other Improvements provided, however, that in no event shall the Gross Building Floor Area, as hereinafter defined, be greater than Twenty-Three Thousand Six Hundred (23,600) square feet ("Maximum Floor Area"). For purposes of this Tract Declaration, the term "Gross Building Floor Area" shall mean the total floor space for all Buildings or other Improvements on the Lot whether below grade, at grade, or above grade, including mezzanine space and multiple floors. The Gross Building Floor Area, for purposes of this definition, shall be deemed not to include areas devoted exclusively to parking. If Owner requests, and Declarant, in its sole and absolute discretion permits, the construction, installation or maintenance of Gross Building Floor Area on the Lot in excess of the Maximum Floor Area, Declarant may require payment to Declarant of additional consideration, as determined by Declarant, as a condition to granting such permission.

(g) Easements.

(i) Public Utilities. Declarant hereby imposes declares, establishes and grants a non-exclusive perpetual easement upon, over, above, under and across and through that portion of the Lot depicted as being within the 10' P.U.E. on the 33.2 Final Plat (collectively, the Utility Easement Area") for the propose of constructing, using, maintaining, repairing and replacing underground public utility lines and facilities of any sort, including, without limitation, sanitary sewer facilities, water and gas lines and mains, electric, telephone, CATV and other communication lines, cables and related equipment for the transmission of electricity and

telecommunications, and appurtenant above-ground facilities and structures (collectively, "Utility Improvements") as approved by the City and the Commercial Review Committee,

a. Upon completion of any installation, construction, maintenance, replacement or repair of any Utility Improvements within the Utility Easement Area, the person or entity installing such Improvements shall promptly repair and restore, at its sole cost and expense, to a condition at least as good as existed prior to the event causing the damage, any and all damage to the Utility Easement Area (including, but not limited to, any and all Improvements situated within the Utility Easement Area) and to any portion of the Lot, including but not limited to, landscaping caused by, resulting from, or arising in connection with such construction, repair or maintenance activities with respect to any Utility Improvements within the Utility Easement Area, or at any time caused by, resulting from, or arising in connection with, the use of the Utility Easement Area.

b. All work in the Utility Easement Area shall be conducted and completed in a diligent, good and workmanlike manner and in accordance with any and all applicable municipal or governmental requirements, and with as little interference as reasonably possible to the activities being conducted on the Lot and surrounding property.

c. No Building or other Improvements of any kind shall be erected, placed, installed or maintained on any portion of the Utility Easement Area which in anyway might interfere with or impede the utilization of the Utility Easement Area for its intended purposes.

d. The rights and obligations granted herein shall be deemed to run with the land, and the subsequent sale of all or any portion of the Lot shall not affect such rights and obligations.

e. Nothing contained herein shall be deemed to be a gift or a dedication of any portion of the Utility Easement Area to or for the benefit of the general public. Declarant, its successors and assigns, reserves the right to utilize and enjoy, and grants to all Permittees the right to utilize and enjoy, the Utility Easement Area, and Declarant further reserves the right to grant others the right to use and enjoy the Utility Easement Area, provided that none of such uses interferes with the use of the easement granted hereunder, and subject to the limitations imposed on placement of Improvements upon the Utility Easement Area set forth herein.

5. Reservation of Excess Development Rights. Declarant hereby excepts and reserves to itself, its successors and assigns, all Excess Development Rights with respect to the Lot, together with the right to use or assign the right to use such Excess Development Rights on any property within Anthem. "Excess Development Rights" shall mean the right to construct, install or maintain Gross Building Floor Area on the Lot in excess of the Maximum Floor Area as defined above. Owner, for itself, its successors and assigns, covenants and agrees to cooperate and execute any further instruments which may hereafter be necessary or desirable to permit the use of the Excess Development Rights on other property or properties within Anthem. Nothing contained in the foregoing shall permit Declarant to enter upon and develop any portion of the

Lot pursuant to the exercise of such reserved Excess Development Rights; all such rights must be utilized in connection with the development of other land.

6. Site Plan Approval. In accordance with the following, Owner shall pursue obtaining site plan approval for the Lot with the City. Owner shall provide to Declarant for review and comment all items required to be provided to the City to obtain City approval of Owner's site plan for the Lot, including, without limitation, the proposed site plan, building elevations, architectural renderings, color and material samples, grading and drainage plans, landscaping plans, and signage plans (collectively, "Site Plan Materials"). Owner shall not submit any Site Plan Materials to the City for review and approval without first submitting same to Declarant and obtaining Declarant's approval thereof. Declarant shall review the Site Plan Materials and notify Owner in writing of Declarant's approval or disapproval of Owner's Site Plan Materials no later than thirty (30) days after Declarant's receipt thereof. Declarant shall not unreasonably withhold Declarant's approval of the Site Plan Materials. If Declarant disapproves of any Site Plan Materials, Declarant shall specify in writing the reason or reasons for such disapproval. If Declarant disapproves any Site Plan Materials, Owner shall, within twenty (20) days after the date of Declarant's notice of disapproval, modify and resubmit all modified Site Plan Materials to Declarant. Declarant shall review Owner's modified Site Plan Materials and provide notice of its approval or disapproval thereof to Owner and Escrow Agent within ten (10) days following receipt of such modified materials. The foregoing review, notice and modification procedure shall continue until Declarant has approved all of Owner's Site Plan Materials. If Declarant fails to approve or disapprove of any submittal provided to it by Owner within the time periods provided in this Paragraph, Owner shall provide written notice of such failure to Declarant and if Declarant fails to provide a written response within five (5) business days following its receipt of such notice, the items submitted to Declarant for review and approval shall be deemed approved. Once Declarant has approved Owner's Site Plan Materials, Owner shall not make any subsequent changes thereto unless such changes are first approved in writing by Declarant. Owner shall keep Declarant apprised of the status of its progress in pursuing site plan approval, and shall provide to Declarant notice of any and all meetings to be held with the City, or any department thereof; it being understood that Declarant reserves the right, as the owner of the Commerce Park, to attend any and all such meetings. Owner shall provide to Declarant copies of all applications, receipts paid in connection with any applications, and any other pertinent information associated with Owner seeking site plan approval from the City.

The foregoing covenants, conditions and restrictions shall be for the benefit of, and enforceable by, Declarant, its successors and any party to whom the benefits and rights of enforcement have been specifically assigned by Declarant as evidenced in a recorded instrument. Declarant, its successors and assigns, shall be entitled to specific performance to enforce compliance with the foregoing covenants, conditions and restrictions or an injunction to prevent violations thereof. Declarant shall be entitled to damages for the breach of or non-compliance with any of the foregoing covenants, conditions and restrictions or declaratory relief to determine the enforceability of any of such covenants, conditions and restrictions.

7. Enforcement. The foregoing covenants, conditions and restrictions shall be for the benefit of, and enforceable by, the Council, Declarant, and their respective successors and any party to whom the benefits and rights of enforcement have been specifically assigned by

Declarant as evidenced in a Recorded instrument. The Council, Declarant, and their respective successors and assigns, shall be entitled to specific performance to enforce compliance with the foregoing covenants, conditions and restrictions or an injunction to prevent violations thereof. The Council and/or Declarant shall be entitled to damages for the breach of or non-compliance with any of the foregoing covenants, conditions and restrictions or declaratory relief to determine the enforceability of any of such covenants, conditions and restrictions. The Council and/or Declarant shall have the right, but not the obligation, to enforce the provisions of this Tract Declaration and to take corrective action in the event of a breach hereof. Any reasonable costs or expenses incurred by the Council and/or Declarant in enforcing any provision of this Tract Declaration shall be reimbursed to the Council and/or Declarant by the Owner of the Lot or that portion of the Lot with respect to which any breach occurred, and the Council and/or Declarant shall be entitled to recover the amount of such costs or expenses as a Benefited Assessment from such Owner. Nothing contained in the foregoing is intended to impair any rights of enforcement granted to others as described in Paragraph 4 above.

8. Amendment. Amendment of this Tract Declaration shall be accomplished in accordance with the amendment requirements and procedures set forth in the Supplemental Declaration and Declarant shall specifically have the right to amend this Tract Declaration by Recordation of an amendment to this Tract Declaration executed by Declarant and, to the extent applicable, the Owner of the Lot in accordance with the provisions of Section 12.3 of the Supplemental Declaration.

9. Interpretation. This Tract Declaration shall run with the Lot, shall be binding on all parties having or acquiring any right, title or interest in the Lot or any part thereof, their heirs, successors and assigns, and shall be enforceable in accordance with and as a part of the Supplemental Declaration.

IN WITNESS WHEREOF, Declarant has caused this Amended and Restated Tract Declaration to be executed as of the date first above written.

ANTHEM ARIZONA L.L.C., an Arizona limited liability company

By: _____

Its: _____

STATE OF ARIZONA)
)ss:
County of Maricopa)

The foregoing instrument was acknowledged before me this ____ day of _____, 2016, by _____, the _____ of ANTHEM ARIZONA L.L.C., an Arizona limited liability company, for and on behalf thereof.

Notary Public

My Commission Expires:

Exhibit "A"
to
Amended and Restated Tract Declaration

Lot 28, of ANTHEM COMMERCE PARK 33.2, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, recorded in Book 537 of Maps, Page 26.

anthem[®]

Community Council, Inc.

Memorandum

To: President and Board of Directors
From: Neal Shearer, Community Operations Officer
Date: July 20, 2016
Re: County Right-of-Way Maintenance Agreement
CC: Jenna Kohl, Community Executive Officer

Recommendation

It is recommended that the Board approve a new agreement with Maricopa County that delineates maintenance responsibilities within the County's right-of-way in the unincorporated areas of Anthem.

Background

When Anthem was developed as a master planned community, an agreement was executed with Maricopa County in 2000 (attached) to delineate maintenance responsibilities for various infrastructure features and landscaping within the County's right-of-way. Because Anthem's major roadways, medians, bridge railings and landscaping were built to higher aesthetic standards than the County's requirements, maintenance responsibilities for these amenities within the County's right-of-way were assigned to the Anthem Community Council.

The original maintenance agreement expired in 2005 and since that time, the County and the ACC have operated in good faith without an active maintenance agreement. Over the past several months, both parties have worked together to negotiate a new agreement (attached) that clearly delineates maintenance responsibilities and reflects current statutory requirements and regulations. For example, the proposed agreement incorporates County regulations that restrict the height of landscaping and other amenities to avoid obstructing visibility at intersections within the "site triangles."

The proposed agreement removes the ACC from maintenance responsibility for sidewalks and driveways in the County's right-of-way, an obligation that was part of the original agreement.

The proposed agreement is for a period of five years but may be amended if agreed to by both parties or terminated by either party with at least 60 days notice. The agreement was reviewed by ACC's legal counsel, including the mutual indemnification language.

The new agreement will further the positive relationship that the ACC has with MCDOT and keep right-of-ways safe and well maintained without materially increasing the operating budgets of either party.

Attachments: Proposed Agreement and Original/Expired Agreement

AGREEMENT
BETWEEN MARICOPA COUNTY AND
THE ANTHEM COMMUNITY COUNCIL
FOR MAINTENANCE RESPONSIBILITIES WITHIN
MARICOPA COUNTY RIGHT-OF-WAY

(C-64- - -M-00)

This Intergovernmental Agreement ("**Agreement**") is between the County of Maricopa, a political subdivision of the State of Arizona ("**County**"), and the Anthem Community Council, Inc., an Arizona corporation ("**Council**"). The County and Council are collectively referred to as the **Parties** or individually as a **Party**.

STATUTORY AUTHORIZATION

1. A.R.S. Section 11-251 and Sections 28-6701 *et. seq.* authorizes the County to lay out, maintain, control and manage public roads within the County.

BACKGROUND

2. In March 2000, the Parties entered into an Agreement (C-64-00-170-2) (2000 Agreement) to identify the responsibilities of the County and the Council regarding maintenance tasks formerly performed by Del Webb. The 2000 Agreement has expired.

PURPOSE OF THE AGREEMENT

3. The purpose of this Intergovernmental Agreement is to identify the maintenance responsibilities to be performed by the County and the Council within the County right-of-way in the unincorporated area of Anthem.

TERMS OF THE AGREEMENT

4. **Responsibilities of the County.** No items outside of County right-of-way will be maintained by the County. The County shall assume maintenance responsibilities for the following items within County right-of-way:
 - 4.1 Pavement, curbs, gutters, driveways ramps, sidewalks and roadways.
 - 4.2 Intersection pedestrian sidewalk ramps.
 - 4.3 Drainage and flood control facilities including: storm drain culverts, swales, riprap channels, box culverts, catch basins, and scuppers that are integral to the roadway; including debris removal specific to these facilities.
 - 4.4 Any traffic control devices, including official street name signs.
 - 4.5 Traffic signal devices and power and control systems for traffic signal devices.

5. **Responsibilities of the Council.** The Council shall assume maintenance responsibility for the following items within the County right-of-way:
 - 5.1 Landscaping, including: trees and plants, decorative landscape rock, irrigation systems, landscaping irrigation power and control systems, landscape lighting, and landscape lighting power and control systems. Installation or replacement of any of the above features within the sight triangles at all intersections and that exceed twenty-four (24) inches in height shall be determined in collaboration with the County. The dimensions of the sight triangles are to be determined in compliance with the procedures identified in Chapter 9 of the Maricopa County Department of Transportation Roadway Design Manual on landscaping, and as shall be provided by the County.
 - 5.2 Graffiti removal on box culvert walls that are painted by the County with a paint color and type specified by the Council.
 - 5.3 Decorative column monuments including concrete masonry unit (CMU) columns, steel railing, steel grating, light fixtures, electrical power and control, and decorative tops.
 - 5.4 Decorative feature site walls including CMU walls and flagstone cladding.
 - 5.5 Decorative bridge railings, columns and tops.

- 5.6 Directional and amenity signs installed by the Council by permit from the County, including CMU signs and features, and the corresponding electrical power and control systems.
- 5.7 Decorative street name signs installed by the Council by permit that do not adhere to County standards.
- 5.8 Water for landscaping.
- 5.9 Weed control.

GENERAL TERMS AND CONDITIONS

6. In fulfilling the terms of this Agreement, both Parties agree to communicate and cooperate in good faith, and the County agrees to provide the Council with at least ten (10) days advanced notice prior to trimming or removing trees that are not in compliance with County roadway safety standards, in order to allow the Council the opportunity to perform this work.
7. By entering into this Agreement, the Parties agree that to the extent permitted by law, each Party will indemnify, defend and save the other Parties harmless, including any of the Parties' departments, agencies, officers, employees, elected officials or agents, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the negligent performance or nonperformance by the indemnifying Party of any of the provisions of this Agreement. By entering into this Agreement, each Party indemnifies the other against all liability, losses and damages of any nature for or on account of any injuries or death of persons or damages to or destruction of property arising out of or in any way connected with the performance or nonperformance of this Agreement, except such injury or damage as shall have been caused or contributed to by the negligence of that other Party. The damages which are the subject of this indemnity shall include but not be limited to the damages incurred by any Party, its departments, agencies, officers, employees, elected officials or agents. In the event of an action, the damages which are the subject of this indemnity shall include costs, expenses of litigation and reasonable attorney's fees. County shall name Council as an additional insured on all relevant insurance policies. The Council understands that Maricopa County is self-insured as authorized by A.R.S. Section 12-981 and accepts said self-insurance program as full compliance with the insurance requirements set forth in this Agreement.
8. This Agreement shall become effective as of the date it is approved by the Maricopa County Board of Supervisors and remain in full force and effect for five (5) years. Any Party may terminate this Agreement upon furnishing the other Party with a written notice at least sixty (60) days prior to the effective termination date.

9. This Agreement shall be subject to the provisions of A.R.S. Section 38-511.
10. The Parties warrant that they are in compliance with A.R.S. Section 41-4401 and further acknowledge that:
 - 10.1 Any contractor or subcontractor who is contracted by a Party to perform work on the Project shall warrant their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. Section 23-214(A), and shall keep a record of the verification for the duration of the employee's employment or at least three (3) years, whichever is longer.
 - 10.2 Any breach of the warranty, shall be deemed a material breach of the contract that is subject to penalties up to and including termination of the contract.
 - 10.3 The Parties retain the legal right to inspect the papers of any contractor or subcontractor employee who works on the Project to ensure that the contractor or subcontractor is complying with the warranty above and that the contractor agrees to make all papers and employment records of said employee available during normal working hours in order to facilitate such an inspection.
 - 10.4 Nothing in this Agreement shall make any contractor or subcontractor an agent or employee of the Parties to this Agreement.
11. Each Party to this Agreement warrants that neither it nor any contractor or vendor under contract with the Party to provide goods or services toward the accomplishment of the objectives of this Agreement is suspended or debarred by any federal agency which has provided funding that will be used in the Project described in this Agreement.
12. All notices required under this agreement to be given in writing shall be sent to:

Maricopa County Department of Transportation
Intergovernmental Relations
2901 West Durango Street
Phoenix, Arizona 85009

Anthem Community Council
Community Operations Officer
3701 West Anthem Way, Suite #201
Anthem, Arizona 85086

All notices required or permitted by this Agreement or applicable law shall be in writing and may be delivered in person (by hand or courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, and shall be deemed sufficiently given if served in a manner

specified in this paragraph. Either Party may by written notice to the other specify a different address for notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail, the notice shall be deemed given 72 hours after the notice is addressed as required in this paragraph and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery of the notice to the Postal Service or courier. As an alternative to providing notices in writing under this Paragraph, notices may be provided from and to electronic mail addresses provided by Maricopa County Department of Transportation Intergovernmental Relations and the Anthem Community Council Community Operations Officer.

13. This Agreement does not imply authority to perform any tasks, or accept any responsibility, not expressly stated in this Agreement.
14. This Agreement does not create a duty or responsibility unless the intention to do so is clearly and unambiguously stated in this Agreement.
15. This Agreement does not grant authority to control the subject roadway, except to the extent necessary to perform the tasks expressly undertaken pursuant to this Agreement.
16. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assignees. Neither Party shall assign its interest in this Agreement without the prior written consent of the other Party.
17. This Agreement and all Exhibits attached to this Agreement set forth all of the covenants, promises, agreements, conditions and understandings between the Parties to this Agreement, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between the Parties other than as set forth in this Agreement, and those agreements which are executed contemporaneously with this Agreement. This Agreement shall be construed as a whole and in accordance with its fair meaning and without regard to any presumption or other rule requiring construction against the party drafting this Agreement. This Agreement cannot be modified or changed except by a written instrument executed by all of the Parties hereto. Each Party has reviewed this Agreement and has had the opportunity to have it reviewed by legal counsel.
18. The waiver by any Party of any right granted to it under this Agreement is not a waiver of any other right granted under this Agreement, nor may any waiver be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived.

19. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision shall be invalid or prohibited under the law, such provision shall be ineffective to the extent of such prohibition or invalidation but shall not invalidate the remainder of such provision or the remaining provisions.
20. Except as otherwise provided in this Agreement, all covenants, agreements, representations and warranties set forth in this Agreement or in any certificate or instrument executed or delivered pursuant to this Agreement shall survive the expiration or earlier termination of this Agreement for a period of one (1) year.
21. Nothing contained in this Agreement shall create any partnership, joint venture or other agreement between the Parties hereto. Except as expressly provided in this Agreement, no term or provision of this Agreement is intended or shall be for the benefit of any person or entity not a party to this Agreement, and no such other person or entity shall have any right or cause of action under this Agreement.
22. Time is of the essence concerning this Agreement. Unless otherwise specified in this Agreement, the term "day" as used in this Agreement means calendar day. If the date for performance of any obligation under this Agreement or the last day of any time period provided in this Agreement falls on a Saturday, Sunday or legal holiday, then the date for performance or time period shall expire at the close of business on the first day thereafter which is not a Saturday, Sunday or legal holiday.
23. Sections and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
24. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument. Faxed, copied and scanned signatures are acceptable as original signatures.
25. The Parties agree to execute and/or deliver to each other such other instruments and documents as may be reasonably necessary to fulfill the covenants and obligations to be performed by such Party pursuant to this Agreement.
26. The Parties hereby agree that the venue for any claim arising out of or in any way related to this Agreement shall be Maricopa County, Arizona.
27. This Agreement shall be governed by the laws of the State of Arizona.

End of Agreement - Signature Page Follows

IN WITNESS WHEREOF, the Parties have executed this Agreement.

MARICOPA COUNTY

ANTHEM COMMUNITY COUNCIL

Recommended by:

Recommended by:

 7.20.10
Reid H. Spaulding
Deputy County Manager

Jenna Kohl
Community Executive Officer

Approved and Accepted by:

Approved and Accepted by:

Clint Hickman, Chairman
Board of Supervisors

Ryan Halleran
President

Attest by:

Attest by:

Clerk of the Board

John Balzer
Secretary

APPROVAL OF DEPUTY COUNTY ATTORNEY

I hereby state that I have reviewed the proposed Intergovernmental Agreement and declare the Agreement to be in proper form and within the powers and authority granted to the Parties by their respective governing bodies under the laws of the State of Arizona.

Deputy County Attorney

Date

**AGREEMENT BETWEEN MARICOPA COUNTY AND
ANTHEM COMMUNITY COUNCIL
FOR SERVICES PROVIDED WITHIN THE ANTHEM COMMUNITY**

C-64-00-170-2 WO#80417

This Agreement is between Maricopa County hereinafter referred to as "COUNTY" and the Anthem Community Council, Inc., an Arizona Corporation hereinafter referred to as "COUNCIL", and concerns the Anthem Community, a master planned development within Maricopa County, Az. This Agreement shall become effective as of the date it is signed and approved by the Maricopa County Board of Supervisors. The County and the Council will view this Agreement as a mutually beneficial relationship.

Purpose of the Agreement:

The purpose of this Agreement is to identify and define the level of services that the County will assume and maintain within the Anthem Community, after completion and acceptance by MCDOT of the development by Anthem Arizona, L.L.C., an Arizona Limited Liability Corporation hereinafter referred to as "Anthem". The Agreement's sole purpose is to identify whether the County or the Council will undertake and assume responsibilities of tasks formerly performed by Del Webb.

Effective Date:

After approval by the Maricopa County Board of Supervisors and the said streets/roadways have been accepted into the County Roadway System.

Terms of the Agreement:

This Agreement will be set for a term of not longer than five (5) years whereupon the parties can renew, modify or terminate this agreement. In the event of annexation or incorporation of the Anthem Community, the agreement is terminated.

1. **The County** agrees to assume maintenance responsibilities for the following items within County right-of-way. No items outside County right-of-way will be maintained by the County.
 - 1.1 Pavement, curbs, and gutters excluding driveways and private roadways located within the right-of-way, except for center islands located at:
 - a. Whittman Drive & Independence Way

- b. Spirit Drive & Prosperity Way
- c. Spirit Drive & Union Trail
- d. Independence Way & Territory Trail

1.2 Intersection Pedestrian Sidewalk Ramps

1.3 Drainage and flood control facilities including: storm drain culverts, swales, riprap channels, box culverts, catch basins, and scuppers that are integral to the roadway and located within the right-of-way, including debris removal.

1.4 Regulatory signs located within the right-of-way.

1.5 Pavement striping and markings located within the right-of-way.

1.6 Permanent barricades located within the right-of-way.

1.7 Traffic signal devices, power and control systems for traffic signal devices located within the right-of-way.

1.8 Street name signs located within the right-of-way that adhere to County standards.

5. **The Council** agrees to assume maintenance responsibility for the following:

2.1 All driveways and sidewalks located within the right-of-way.

2.2 Landscaping including maintenance and replacement of plants, decorative landscape rock, irrigation systems, landscaping irrigation power and control systems, landscape lighting, and landscape lighting power and control systems.

2.3 Box culvert decorative CMU (concrete masonry unit) retaining walls located within the right-of-way.

2.4 Decorative column monuments including CMU columns, steel railing, curb, light fixtures, electrical power and control, and copper hats located within the right-of-way.

2.5 Decorative feature column monuments including CMU columns, steel grating, light fixtures, electrical power and control, copper hats, and sandstone cladding located within the right-of-way.

- 2.6 Decorative feature site walls including CMU walls and sandstone cladding located within the right-of-way.
- 2.7 Decorative feature landscape headers including concrete footing and sandstone cladding located within the right-of-way.
- 2.8 Decorative feature paving strips including granite pavers and exposed concrete aggregate enclosure border located within the right-of-way.
- 2.9 Directional and amenity signs including CMU sign, sign lettering, copper hats, and electrical power and control systems located within the right-of-way.
- 2.10 Decorative street name signs located within the right-of-way that do not adhere to County standards.
- 2.11 Electrical power for landscape irrigation controls, landscape lighting, directional sign lighting, and decorative column lighting located within the right-of-way.
- 2.12 Water for landscaping within the right-of-way.
- 2.13 Weed control of unimproved areas located within the right-of-way.

GENERAL TERMS AND CONDITIONS

6. The County and the Council mutually agree to an annual meeting to discuss current operations, providing both parties with the opportunity to modify or amend the existing agreement by consent of both parties.
7. Both parties mutually agree to address and discuss in good faith items not currently addressed within this agreement.
8. Both parties agree to give prior notification of not less than 30 days before either party initiates any major changes to the current level of services being provided and approved by both parties.
9. Governing Law. This Agreement is entered into in Arizona and shall be construed and interpreted under the laws of the State of Arizona.
10. Severability. If any provision of this Agreement is declared invalid, illegal or unenforceable, that provision shall be severed from the Agreement, and the remaining provisions shall otherwise remain in full force and effect.

11. **Hold Harmless Clause.** Wherein the County and the Council agree to hold each other harmless for any damage or injury to personnel performing services under this Agreement, excepting any damages or injuries arising out of such parties negligence.
12. Both parties mutually agree that the approval of this agreement does not create a partnership, joint venture or association with the other party.
13. The Council shall delegate its duties under this Agreement through the hiring of subcontractors for any work within the paved roadway or medians.
14. **Termination Clause:** The County or the Council reserves the right to terminate this agreement with ninety (90) days prior written notice.
15. Council will obtain a no cost permit issued by Maricopa County for all maintenance or repairs for items 2.1 through 2.13 prior to performing any work.
16. The County will issue an annual permit to the Council for maintenance or repairs for items 2.1 through 2.13.
17. The current Bond issued by Anthem Arizona, L.L.C, an Arizona Limited Liability Corporation will be utilized to cover continuous assurance of maintenance tasks listed under sections 2.1 through 2.13.

IN WITNESS WHEREOF, the Parties have executed this Agreement

this 1st day of March, ²⁰⁰⁰1999.

Maricopa County
A Political Subdivision

Anthem Community Council, Inc.
An Arizona Corporation

By:
Chairman, Board of Supervisors

By:
President, Board of Directors

ATTEST:

Fran McCarroll, Clerk of the Board

Assistant Secretary

ATTORNEY CERTIFICATION

The undersigned attorneys for the respective Parties hereto each certify that they have reviewed this Agreement and find that it is in proper form and within the Power and Authority granted their respective clients under the laws of the State of Arizona.

Deputy County Attorney

Attorney for Anthem Community Council,
Inc. Scott B. Carpenter

2/17/00
Date

1/24/2000
Date

anthem[®]

Community Council, Inc.

Memorandum

To: President and Board of Directors

From: Neal Shearer, Community Operations Officer
Jim Metcalf, Parks and Facilities Maintenance Director

Date: July 21, 2016

Re: Paseo Irrigation Water Conversion Project

CC: Jenna Kohl, Community Executive Officer

Recommendation

It is recommended that the Board authorize staff to proceed with plans to convert the potable irrigation water system for the ACC owned common areas within the Paseo townhomes neighborhood to reclaimed irrigation water and to authorize the ACC to pay the upfront conversion costs and to be repaid from the savings in subsequent water bills.

Background

The ACC owns and maintains the common landscaped areas within the Paseo townhomes neighborhood, pursuant to governing documents. When the developer built Paseo, the irrigation system for the common areas was connected to potable water lines. As the cost of potable water has increased, the cost to irrigate Paseo's common areas has increased significantly. These irrigation costs are budgeted by the ACC each year and charged to Paseo property owners as a benefitted assessment, along with other common area maintenance costs.

Paseo irrigation water costs have exceeded the Paseo water budget in recent years, causing the overall Paseo budget to run at a deficit. The 2016 budget for Paseo irrigation water is \$40,500 (an increase of \$10,500 over the 2015 budget), yet the actual water bills for 2016 are forecasted to total approximately \$60,000. This figure is consistent with actual water bills for the 12 month period from May 2015 to April 2016 which totaled \$60,917. For comparison purposes, if the same amount of potable irrigation water used during this 12 month period was charged at the substantially reduced reclaimed water rate of 77 cents per 1,000 gallons, the total water bill for this same period would have been less than \$10,000.

After months of researching the irrigation system in Paseo for possible leaks and the proximity of nearby reclaimed water lines, ACC staff, in conjunction with BrightView and EPCOR, has devised a plan to convert the Paseo's irrigation system from potable water to reclaimed water—the same water that is used to irrigate the Community Park and the Anthem Civic Building. This plan would involve connecting the loop irrigation system to the reclaimed water line located along Venture Drive. The new reclaimed line would run from the northwest corner of Venture Drive and Parker Lane to the southwest corner of Parker

Lane and W. Turtle Hill Drive (see attached aerial). This plan requires minimal excavation and interruption to irrigation system operations; however, it would require a very short interruption to the potable water service to Paseo homes that would require advance notifications to each home owner.

Fiscal Impacts

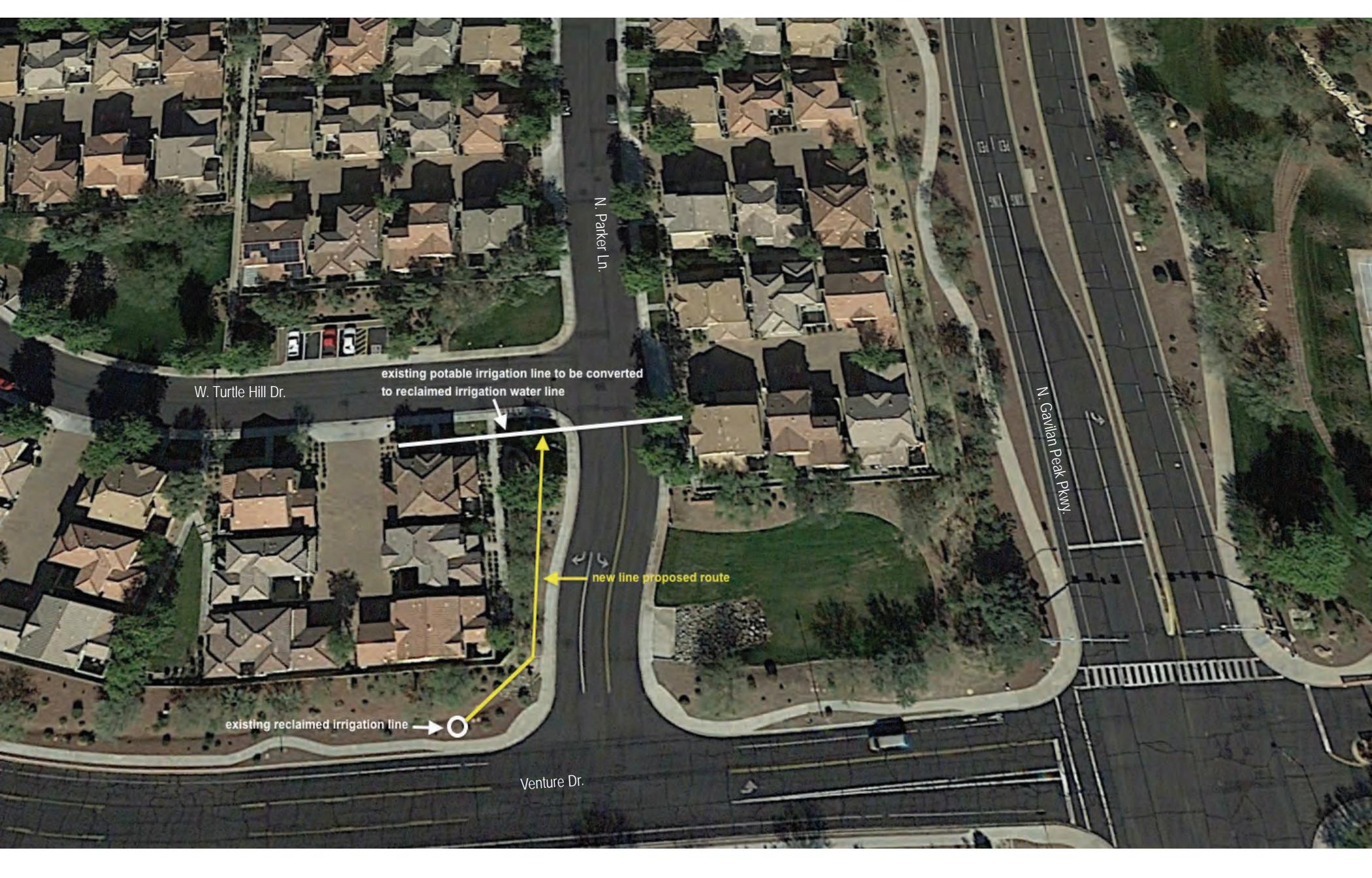
The total cost of this irrigation water conversion project is estimated at less than \$16,000. An original estimate came in at \$39,000, but staff worked with the contractor to come up with a much less expensive alternative plan that did not involve trenching in the road. The contractor is an EPCOR preferred contractor. Under the proposed plan, the ACC will pay this cost and then be repaid from the savings that will accrue from reduced irrigation bills in the first few months after installation. First year savings in water costs, including the cost of the irrigation system conversion, is estimated to range from \$30,000 to \$40,000.

Savings from this project should negate the need for an increase in the Paseo benefitted assessment for 2017 to cover the deficit from past water costs. However, these details will become clearer when the irrigation conversion project is completed and ACC staff develops the 2017 Paseo budget, which will be considered by the ACC Board in October 2016.

Next Steps

If the Board approves this project to move forward, staff will work with the qualified contractor who routinely performs this type of work in coordination with EPCOR to schedule and complete this project by the end of August 2016. Additional advance communication will be sent to Paseo residents, including details about the project schedule and the specific time and duration of any service disruptions.

Attachment: Aerial view of reclaimed irrigation line connection



W. Turtle Hill Dr.

N. Parker Ln.

N. Gavilan Peak Pkwy.

Venture Dr.

existing potable irrigation line to be converted to reclaimed irrigation water line

new line proposed route

existing reclaimed irrigation line



Memorandum

To: President and Board of Directors
From: Jenna Kohl, Community Executive Officer
Date: July 20, 2016
Re: ACC Board Strategic Priorities 2016-2017

Recommendation

It is recommended that the Board adopt the attached Board-developed strategic priorities for the Anthem Community Council for 2016-2017.

Background

The ACC Board meets on an annual basis to review, modify, and update identified strategic priorities that guide the Board and staff in serving the Anthem community. The 2016 priorities established by the Board are outlined in the attached document for your consideration and adoption at the July 27 Board meeting. This is, of course, not a comprehensive list of the ACC's priorities and responsibilities by any means, but does define where resources and attention will be devoted for the coming year in terms of large-scale initiatives. It serves as a guide for developing the budget, and sets the stage for how resources and focus will be allocated moving forward.

A report on efforts and accomplishments related to the 2015-2016 priorities is also attached for your information.

ANTHEM COMMUNITY COUNCIL BOARD OF DIRECTORS

STRATEGIC PRIORITIES 2016-2017

ESTABLISHED July 2016

This Strategic Plan was developed by the Anthem Community Council (ACC) Board (Board) in July 2016 to identify and advance the top level, on-going priorities of the Board on behalf of the Anthem community. It recognizes that a robust north valley is beneficial to all of its inhabitants, and to this end Anthem wishes to support positive but inevitable growth in this region and to represent the interests of the community collectively with specific agencies and organizations that provide services in this area. Many of these priorities will take multiple years to address, and progress and achievement is evaluated on a regular basis.

Points of emphasis:

- The ACC's top priority is to ensure that **core services** are being provided in the highest quality, most cost efficient manner.
- Secondary to the focus on core services but still important is addition of **new initiatives** (programs, services, and amenities) that are considered and evaluated to meet the changing needs of the community and to enhance what is existing. In the budget and in reports, the ACC will differentiate between core services and future benefits.
- When appropriate, ACC will track and report on progress tied to project goals, timeframes, and budgeting/financials.
- The Board recognizes the need to support staff when staff is carrying out Board objectives, directives, and priorities.

Title and Description	Action Steps
Structure of Governance. In order to ensure that Anthem is best structured to serve its residents, the ACC will review and modify its governing documents, policies and procedures and revise if needed to ensure that rules and policies are up to date and relevant.	<ul style="list-style-type: none">• Explore ways to foster leadership development to prepare residents for serving their community on a committee or the ACC Board.• Engage in succession planning for leadership and officer positions on the Board as well as on a staff/personnel level.• Dialogue with Anthem's developer to establish more formal means of communication and decision making on behalf of the community, in accordance with the governing documents.• On a case by case basis, review the bylaws, Board Policy Manual, and other documents governing structure to make modifications and/or improvements as necessary.
Master Plan Update. With completion of the Civic Building and pending opening of Opportunity Way Park, the next step is to revisit and update the master plan. This	<ul style="list-style-type: none">• Undertake the Master Plan update project (already underway), with an estimated review of projects in Spring 2017. This will follow the Board-approved timeframe and process involving an education campaign, public input opportunities, project review and analysis, and final proposal and presentation to the ACC Board in 2nd quarter 2017 when the Board

<p>will be a comprehensive overview with significant opportunities for resident feedback and input.</p>	<p>can establish the final plan and determine next steps.</p> <ul style="list-style-type: none"> • Develop strategies and philosophies related to the master plan, specifically relating to financing options if any, maintaining a balance in the Enhancement Fund, etc.
<p>Evaluate Services and Programs. Continually evaluate and modify programs and services to ensure that they are provided in the most cost effective and efficient manner; pursue creative financing and funding opportunities to keep operating costs and assessments stable.</p>	<ul style="list-style-type: none"> • Invest in technology upgrades, per the reserve fund and as approved in the budget, to streamline operations and enhance customer service. • Investigate utility saving measures (such as solar) and implement if fiscally reasonable in order to realize cost savings and operational efficiencies. • Conduct an insurance risk analysis to evaluate amenities and infrastructure. • Evaluate contracts to ensure ideal terms for the Anthem community (ongoing). • Explore grants and other financing arrangements for both capital projects and operating programs and services. • Review the events and services related to the Veterans Memorial, establish expectations and objectives going forward, and determine and allocate resources to meet those objectives.
<p>Business Services. Devote resources to supporting, developing, and implementing programs to support the local business economy and economic development and establish Anthem as a business-friendly community. Take steps to strengthen the ACC’s relationship with the business community to encourage a positive business climate.</p>	<ul style="list-style-type: none"> • Interact with local businesses and organizations such as the chamber to hold roundtable discussions on relevant topics (in place; ongoing). • Work with local businesses to help them capitalize on event-generated traffic. • Work with the Economic Development Committee to assess progress and determine goals, objectives, and action items for moving forward. • Reach out to local real estate brokers that specialize in business property to promote Anthem as a place to do business. • Pursue early interaction with new businesses to foster partnerships and provide support services and information (in place; ongoing). • Expand use of data for economic development purposes such as business recruitment.
<p>Strengthen Relationships with Community Partners in the Best Interest of Anthem. Foster and practice a spirit of cooperation and cohesiveness in our joint mission to serve the community and its residents. Maintain strong and effective relationships with community and regional partners. Facilitate those partnerships to advance the positions and strategies of the Board and community.</p>	<ul style="list-style-type: none"> • Establish a working relationship with County representatives, and address issues with the City of Phoenix on an as needed basis. This includes elected officials as well as City and County staff. • Meet regularly with HOA partner boards to discuss issues of mutual interest, including resident services, joint efforts, and shared projects (audit, insurance, etc.) (in place; ongoing). • Continue to explore ways to maximize partnerships and agreements to result in cost savings and increased efficiencies, streamline services. • Work with ACC Committees, homeowners’ associations, and other entities as appropriate to foster these relationships and advance identified priorities.

<p>Public Safety. Focus on community safety by advocating for appropriate law enforcement coverage and public safety services and maintaining a safe environment at all ACC facilities and amenities.</p>	<ul style="list-style-type: none">• Through continued efforts of the Public Safety Roundtable and other avenues, work effectively with partners to identify issues/needs and advocate for sufficient law enforcement representation in Anthem.• Partner with law enforcement agencies to address day-to-day public safety issues, including; visibility, vandalism, response time, etc.• Support efforts of emergency planning agencies to develop policies for Anthem.
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ANTHEM COMMUNITY COUNCIL BOARD OF DIRECTORS

STRATEGIC PRIORITIES 2015-2016

Status Report July 1, 2016

ESTABLISHED JUNE 2015

This Strategic Plan was developed by the Anthem Community Council (ACC) Board (Board) in June 2015 to identify and advance the top level, on-going priorities of the Board on behalf of the Anthem community. It recognizes that a robust north valley is beneficial to all of its inhabitants, and to this end Anthem wishes to support positive growth in this region and to represent the interests of the community collectively with specific agencies and organizations that provide services in this area; many of these priorities will take multiple years to address, and progress and achievement is evaluated on a regular basis; and that our primary efforts are to focus on our core services and ensure that those are being provided in the highest quality, most cost efficient manner.

<u>Title and Description</u>	<u>Action Steps</u>
<p>Master Plan – Opportunity Way Park Project. Implement the Opportunity Way park project, and implement creative funding options to cover operating and maintenance costs. Other master plan projects will be considered after completion of this project.</p>	<ul style="list-style-type: none"> • Complete Opportunity Way Park construction in 2016, and effectively manage resources to fund initial park operating costs without an assessment increase. Opportunity Way Park project is on time and at budget, with an anticipated ribbon cutting on September 10 or 17, 2016. Staff is currently preparing for park security, maintenance, janitorial, reservations, etc. We anticipate providing this operational support to the park within current 2016 budget, although additional operational dollars will be needed to fund park operations going forward. • An approved action plan to complete the Master Plan reassessment process is underway.
<p>Evaluate Services and Programs. Continually evaluate and modify programs and services to ensure that they are provided in the most cost effective and efficient manner; pursue creative financing and funding opportunities to keep operating costs and assessments stable.</p>	<ul style="list-style-type: none"> • Conduct an insurance risk analysis to evaluate amenities and infrastructure. We still plan to conduct this analysis with support from the FaRMC. • Evaluate contracts to ensure ideal terms for the Anthem community. Ongoing. This effort has resulted in significant cost savings for the ACC, including annual BrightView credits, no cost solid waste services, and discounted playground equipment, as well as unchanged legal fees for four years and unchanged audit rates through 2018. • Explore grants and other financing arrangements for both capital projects and operating programs and services. Ongoing; this will be an area of focus as we move forward with the master planning process.
<p>Business Services. Devote resources to supporting, developing, and implementing programs to support the local business economy and economic development and establish Anthem as a business-friendly community. Take steps to strengthen the ACC’s relationship with the business community to encourage a positive business climate.</p>	<ul style="list-style-type: none"> • Complete review and implementation of Commercial Architectural Design and Sign Guidelines and revision of the architectural design review process. Complete and implemented! • Continue implementation of approved Economic Development strategies. This is the focus of the EDC. We are planning a joint EDC/ACC Board work session for later this summer to revisit and confirm and/or change the strategies. • Reach out to local real estate brokers that specialize in business property to promote Anthem as a place to do business. We have added a commercial real estate agent to the EDC. We are also completing the on-line property database, which will be a source for real estate brokers to get info on available properties and buildings in Anthem. • Interact with local businesses and organizations such as the chamber to hold roundtable discussions on relevant topics. The Economic Development Committee has held very successful,

	<p>well received roundtables and plans to continue this program. Tony Smith has made significant inroads in building positive relationships with local businesses.</p> <ul style="list-style-type: none"> • Pursue early interaction with new businesses to foster partnerships and provide support services and information. The EDC, ACC Staff, and Chamber have welcomed all new businesses, announced their arrival in ACC publications, and attended ribbon cuttings. • Expand use of data for economic development purposes such as business recruitment. Staff is currently updating the Community Profile. We have also connected with MAG (Maricopa Association of Governments) and have begun to tap into their vast database of statistics.
<p>Strengthen Relationships with Community Partners in the Best Interest of Anthem. Foster and practice a spirit of cooperation and cohesiveness in our joint mission to serve the community and its residents. Maintain strong and effective relationships with community and regional partners. Facilitate those partnerships to advance the positions and strategies of the Board and community.</p>	<ul style="list-style-type: none"> • Meet regularly with HOA partner boards to discuss issues of mutual interest, including resident services, property ownership, joint efforts (such as Opportunity Way Park), and shared projects (audit, insurance, etc.). • Continue to explore ways to maximize partnerships and agreements to result in cost savings and increased efficiencies, streamline services. • Work with ACC Committees, homeowner’s associations, and other entities as appropriate to foster these relationships and advance identified priorities. • We have made great progress in this area under the Board’s leadership – resolving the Anthem Way and property transfer issues (almost complete); development of OWP and sharing playground and cleanup costs with APCA; partnering on audit and insurance quotes to jointly realize cost savings; etc. One target area of focus for the future is to develop a positive working relationship with the City of Phoenix; this has been a challenge thus far but deserves additional effort, particularly as we incorporate Circle Mountain Ranch into the community, look to develop the Commerce Park, and desire additional services such as street maintenance on the west side of Anthem.
<p>Public Safety. Focus on community safety by advocating for appropriate law enforcement coverage and public safety services and maintaining a safe environment at all ACC facilities and amenities.</p>	<ul style="list-style-type: none"> • Through continued efforts of the Public Safety Roundtable and other avenues, work effectively with partners to identify issues/needs and advocate for sufficient law enforcement representation in Anthem. Ongoing. • Partner with law enforcement agencies to address day-to-day public safety issues, including; visibility, vandalism, response time, etc. Ongoing. Also, AYAC is developing an anti-vandalism campaign which they will launch next year. We’ve also added “no trespassing signs” in problem areas, and initiated an information campaign to educate residents on proper use and access with off-road vehicles. • Support the efforts of, and encourage resident participation in and leadership of, Anthem Neighborhood Watch. We have stabilized a positive relationship with Anthem Neighborhood Watch under their new structure. • Support efforts of emergency planning agencies to develop policies for Anthem. This effort by the fire district, county, and other agencies has begun but is slow moving; we will continue to encourage these entities to focus on emergency planning and response in the Anthem area. We have emergency services to Anthem; we desire to make the district, county, and city’s plans more comprehensive and transparent to Anthem and its residents. We will also connect with the County later this year to finalize the Point of Distribution program that the Board authorized.



Memorandum

To: President and Board of Directors
From: Jenna Kohl, Community Executive Officer
Date: July 20, 2016
Re: Friends of Daisy Mountain Trails Group

Recommendation

That the ACC Board authorize the CEO to serve as an advisor to the Friends of Daisy Mountain Trails group.

Background

The effort to preserve and protect Daisy Mountain from development is longstanding. The North Country Conservancy was a group of local volunteers that focused on efforts to do so at the inception of Anthem up until a few years ago when the group disbanded. The Desert Foothills Land Trust expanded its scope at that time and brought the effort under their charter with the creation of a Save Daisy Mountain Committee. The Committee determined that the best use of resources was to focus on acquiring easements for trails on the mountain as the cost of acquisition of the land was unattainable, at least in the near future. Since the DFLT emphasizes conservation, not trails, the committee determined that the best course of action was to reinvent the group as an independent 501C3, the Friends of Daisy Mountain Trails group (FDMT).

The group consists of seven directors that represent the area surrounding Daisy Mountain. There are also two individuals from New River who are serving as advisors to the FDMT board. The directors and advisors have been very active, meeting regularly to establish goals, objectives, and action steps; establishing partnerships with the County, DFLT, NRDHCA, and other entities to advance their cause on behalf of the residents of Anthem, New River, Desert Hills and beyond; engaging with State Land to initiate the process to request trail easements; etc. I have been attending their meetings on behalf of the ACC and Anthem residents as my schedule allows. The group has asked that I serve as an advisor, which means that I would attend meetings and stay engaged in their process and efforts. I am seeking the Board's support to allocate resources (CEO time) to this role as time permits.

Director Roger Willis is President of FDMT, and Director Kesselman is also on the Board; they can provide more information as needed.