

**From:** Thayer, Scott  
**To:** [Peter Kampa](#)  
**Cc:** [Sue Russ](#)  
**Subject:** Saddle Creek CSD Special Tax Rate  
**Date:** Friday, January 6, 2017 10:18:47 AM  
**Attachments:** [Memo\\_Saddle Creek CSD 1-5-17.pdf](#)

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Pete,

Thanks for allowing us the time to have our team perform a quick review of the proposed Special Tax Rate Structure prepared by NBS dated December 16, 2016. We understand that funds need to be raised in order to maintain the District's improvements to a standard expected of its members, and that the District's Board has chosen to raise these funds through the use of Special Tax Rates. I've attached our consultant's evaluation of NBS' December 16<sup>th</sup> letter for yours and the Board's review. Please note that we believe the Sports Facility shouldn't be included in the Special Tax Rate since all properties using the Sports Facility are already subject to the CSD fee, including the Bungalow owners whose guests or renters are allow to use the sports facility just the same as any other owner's guests or residents. With regards to the Golf Facility, our records show that the Golf Facility benefit should be closer to 40% and not 75% as shown in NBS's analysis to account for non-member use. We also think that the only area the Golf Facility should contribute to is its share of the area a non-member would use to get to the golf facility – the area between the gate and the golf facility, not a share in the entire District.

In the Special Tax Rate proposal NBS prepared, they estimated expenditures of \$716,030 in 2017, \$1,132,541 in 2018, \$1,174,773 in 2019, \$1,222,148 in 2020, \$1,272,421 in 2021, and \$1,322,316 in 2022. From 2017 to 2018, operational expenses increased \$130,464, personnel expenses went up \$97,997, road improvements increased \$113,500, and \$65,008 was added to reserves. Is the reason the operational expenses increased \$130,464 the result of the District absorbing the subsidy we were providing? And, why are personnel expenses increasing almost \$97,997? If the Board can find areas of the budget to trim, would the Board consider charging a lesser rate to the members?

Please consider the information we've provided as well as our questions pertaining to the budget. In the event you have any questions or concerns, please don't hesitate to contact me. Thanks again for allowing us the opportunity to have input in this process.

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