

<i>Income</i>	<i>Approved for 2025</i>	<i>Estimated end 2025</i>	<i>Proposed for 2026</i>
Initial Balance from previous year (1)	\$ 2,456.06	\$ 2,481.18	\$ 3,750.67
Pending Income (Nov-Dec) State Farm (3)	\$ -	\$ 250.00	\$ -
Annual Assessment (2)	\$ 3,000.00	\$ 2,940.00	\$ 3,000.00
Late Assessment Penalties	\$ -	\$ 25.00	\$ -
Total Income	\$ 5,456.06	\$ 5,696.18	\$ 6,750.67
<i>Expenses</i>	<i>Approved for 2025</i>	<i>Projected end 2025</i>	<i>Proposed for 2026</i>
Post Office Box Rental	\$ 200.00	\$ 210.00	\$ 220.00
Liability Insurance (3)	\$ 976.00	\$ 244.00	\$ 980.00
Monument electricity	\$ 975.00	\$ 972.00	\$ 975.00
Admin and Web Services	\$ 170.00	\$ 219.51	\$ 150.00
Secretary State Fee	\$ 25.00	\$ 50.00	\$ 25.00
Annual Neighborhood Event	\$ 200.00	\$ 250.00	\$ 250.00
Total Expenses	\$ 2,546.00	\$ 1,945.51	\$ 2,600.00
General Reserve (4)	\$ 3,000.00	\$ 3,000.00	\$ 4,000.00
Total Liabilities	\$ 5,546.00	\$ 4,945.51	\$ 6,600.00
Overage or Underage	\$ (89.94)	\$ 750.67	\$ 150.67

2025 Notes

Assessment history: 2024: \$40/yr --- 2025 : \$60/yr --- 2026: \$60/year --- 2027: \$50-60/yr? ...

(1) Audit notes for checkbook to budget tracking: 2025 assessments prepaid in 2024 of \$840. 2026 total initial balance is inflated by the 2025 Insurance Liability Premium payment "saved" being shifted from Dec25 to Jan26.

(2) Assessments: One homeowner failed to pay 2025 HOA assessment. Working to resolve.

(3) Liability Insurance: Black Forest experiencing extreme volatility in insurance costs/premiums. Policy premium increased mid-year 2025 from initial quote of \$976/yr to \$1,220/year. Local agent mitigating w/\$250 refund.

2nd year in a row the HOA has needed to shop for coverage to minimize increasing cost.

Shifting to Legacy Insurance in 2026. Anticipate initial quote at \$980/yr. New policy premium due in Jan 2026 for coverage Jan26 - Jan27 thus simplifying accounting. End of year overage of \$750 is a "false savings" as due date shifts from Dec25 to Jan26.

12 month premiums: 2024 = \$400 ... 2025 = \$1,220 (\$976 + \$244) ... 2026 = \$980 ... 2027 =?

(4) General Reserve: Recommend HOA General Reserve increase to \$4,000 because of the extreme volatility of insurance and inflation of services. Just the cost of replacing one of our two double cluster mailboxes would be \$5,200 + any labor. Maintaining Assessments at \$60 for another year is believed prudent.