

**Somerset Estates Homeowners Association
2025 YEAR-END TOTALS AND 2026 PROPOSED BUDGET
COMBINED OPERATING AND CAPITAL EXPENSES**

| | 2025 Year Totals ACTUALS | 2025 Annual BUDGET | 2025 Better (Worse) VARIANCE | Proposed 2026 BUDGET | GL | % increase over 2025 Actuals | NOTES |
|---|--------------------------------|--------------------------|------------------------------------|----------------------------|---------|---------------------------------|--|
| OPERATING REVENUE | | | | | | | |
| HOA Dues - Regular | \$ 310,631 | \$ 313,725 | \$ (3,094) | \$ 340,425 | 4010 | 9.6% | Increase of \$75/qr per lot starting Q2 = 8.3% increase of quarterly rate (\$975 v. \$900) |
| HOA Dues - Late Collections | | | | \$ 4,000 | 4010 | | |
| Other Revenue (Late fees, fines, misc, special assessment, etc) | \$ 3,523 | \$ 2,000 | \$ 1,523 | \$ - | Various | | GL 4135, 4145, 4155, 4160, 4165, 4175 |
| Interest Income | \$ 11,883 | \$ 10,000 | \$ 1,883 | \$ 6,000 | 8005 | | Treasurer estimate |
| TOTAL OPERATING REVENUE | \$ 326,036 | \$ 325,725 | \$ 311 | \$ 350,425 | | | |
| OPERATING EXPENSES | | | | | | | |
| Administrative | | | | | | | |
| Accounting Fees | \$ 488 | \$ 500 | \$ 13 | \$ 500 | 6005 | | |
| Bank Charges & Fees | \$ 97 | \$ 140 | \$ 43 | \$ 100 | 6015 | | |
| Business Filing Fees | \$ - | \$ 50 | \$ 50 | \$ 70 | 6025 | | |
| Insurance | \$ 10,187 | \$ 11,000 | \$ 813 | \$ 11,000 | 6070 | | |
| Legal | \$ 8,130 | \$ 10,000 | \$ 1,870 | \$ 10,000 | 6085 | | |
| Legal - other (water) | \$ - | \$ - | \$ - | \$ 5,000 | 6086 | | |
| Meeting Expense | \$ 296 | \$ 100 | \$ (196) | \$ 300 | 6100 | | |
| Miscellaneous | \$ 111 | \$ 300 | \$ 189 | \$ 250 | 6105 | | |
| Office Expense & Supplies | \$ 77 | \$ 100 | \$ 23 | \$ 100 | 6110 | | |
| Postage & Delivery | \$ 929 | \$ 650 | \$ (279) | \$ 1,000 | 6125 | | |
| Printing & Reproduction | \$ 1,553 | \$ 800 | \$ (753) | \$ 750 | 6130 | | |
| Professional Fees | \$ 7,085 | \$ 7,510 | \$ 425 | \$ 5,000 | 6135 | | Aspen Reserve (\$2,085), and Flock (\$5,000) in 2025; Flock \$5,000 in 2026 |
| Property Manager Fees | \$ 17,100 | \$ 17,100 | \$ - | \$ 17,952 | 6140 | | Need new contract with Trio |
| Property Transfer Fee | \$ 1,050 | \$ - | \$ (1,050) | \$ - | 6145 | | Offset by income; not budgeted |
| Storage | \$ 1,463 | \$ 1,500 | \$ 37 | \$ 1,600 | 6165 | | Split 50% with SHOA |
| Taxes | \$ 2,951 | \$ 3,440 | \$ 489 | \$ 3,200 | 6170 | | Based on observed history 2024/2025 |
| Web-site Hosting/Domain/Cloud Storage | \$ 4,056 | \$ 3,400 | \$ (656) | \$ 4,200 | 6185 | | GoDaddy and Box |
| Total Administrative | \$ 55,572 | \$ 56,590 | \$ 1,018 | \$ 61,022 | | 9.8% | |
| Landscape Maintenance | | | | | | | |
| Aeration | \$ 680 | \$ 680 | \$ - | \$ 680 | 6835 | | 2025 RSL contract (no increase in 2026) |
| Clean-up Spring/Fall | \$ 3,790 | \$ 3,790 | \$ - | \$ 3,790 | 6850 | | 2025 RSL contract (no increase in 2026) |
| Holiday Decoration | \$ 2,445 | \$ 2,500 | \$ 55 | \$ 7,500 | 6870 | | \$2,500 for base decoration install/take down + \$5,000 for new decorations for Hwy 52 entrance etc. |
| Lawn Fertilization/Weed Control | \$ 11,160 | \$ 11,300 | \$ 140 | \$ 11,717 | 6890 | | New rate from Save-a-Tree; includes prepayment discount plus misc extra. |
| Miscellaneous Landscape | \$ - | \$ 2,000 | \$ 2,000 | \$ 1,000 | 6895 | | Catch all account |
| Mowing - Irrigated | \$ 23,826 | \$ 21,400 | \$ (2,426) | \$ 23,826 | 6900 | | \$722 / mow @ 33 mows |
| Mowing - Non-irrigated | \$ 2,430 | \$ 2,430 | \$ - | \$ 2,430 | 6915 | | 2025 RSL contract (no increase in 2026) |
| Shrub Pruning | \$ 75 | \$ 2,000 | \$ 1,925 | \$ 2,000 | 6930 | | Elevated v 2025 due to planned shrub removal at main waterfall |
| Snow Removal | \$ 4,810 | \$ 6,400 | \$ 1,590 | \$ 6,400 | 6935 | | Elevated in case of severe snow |
| Trash Removal & Dump Fees | \$ 2,181 | \$ 3,100 | \$ 919 | \$ 3,100 | 6950 | | Increased refuse with refurbishment of ponds 2/3 |
| Tree Maintenance (Fertilizer & Bug Control) | \$ 620 | \$ 800 | \$ 180 | \$ 700 | 6955 | | |
| Tree Trimming and Removal | \$ 5,738 | \$ 10,000 | \$ 4,262 | \$ 10,000 | 6960 | | Approx average over 5 years |
| Gardens/Flowers | \$ 5,800 | \$ 5,000 | \$ (800) | \$ 6,000 | 6979 | | |
| Weeding Gardens | \$ 3,872 | \$ 3,000 | \$ (872) | \$ 4,000 | 6980 | | RSL contract for weeding gardens and pre-emergent in rock beds plus some T&M |
| Total Landscape Maintenance | \$ 67,427 | \$ 74,400 | \$ 6,973 | \$ 83,143 | | 23.3% | |
| Water Infrastructure Maintenance | | | | | | | |
| Irrigation Maintenance and Repair | \$ 42,958 | \$ 40,000 | \$ (2,958) | \$ 43,000 | 6880 | | Approximately equal to 2025 expenditures |
| Pond and Waterfall Maintenance | \$ 19,316 | \$ 15,000 | \$ (4,316) | \$ 15,000 | 7160 | | \$5,152 to Solitude for pond chemicals, \$180 for Hydrologix cellular time, remainder to GTL for other miscellaneous activities. |
| Waterfall Cleanup and Inspection | \$ - | \$ - | \$ - | \$ 11,800 | 7160 | | GTL bid Jan 20, 2026 |
| Pump Maintenance | \$ 840 | \$ 1,000 | \$ 160 | \$ 1,000 | 7165 | | |
| Total Water Infrastructure Maintenance | \$ 63,114 | \$ 56,000 | \$ (7,114) | \$ 70,800 | | 12.2% | |
| Other Infrastructure Maintenance | | | | | | | |
| Electrical/Light Maintenance | \$ - | \$ 2,000 | \$ 2,000 | \$ 1,500 | 7120 | | |
| Fence Maintenance | \$ 1,150 | \$ 1,000 | \$ (150) | \$ 2,500 | 7130 | | |
| Lighting Maintenance | \$ 820 | \$ - | \$ - | \$ 1,000 | 7135 | | |
| Miscellaneous Maintenance | \$ 750 | \$ 2,000 | \$ 1,250 | \$ 1,000 | 7140 | | |
| Path/Sidewalk Maintenance | \$ 8,250 | \$ 3,000 | \$ (5,250) | \$ 2,340 | 7150 | | 2025: \$5,520 for sidewalk repairs; \$2,535 to Duty Free Pets (13 months); 2026: \$2,340 to Duty Free Pets |
| Utility Locating | \$ 2,711 | \$ 1,100 | \$ (1,611) | \$ 2,750 | 7175 | | |
| Total Other Infrastructure Maintenance | \$ 13,681 | \$ 9,100 | \$ (3,761) | \$ 11,090 | | -18.9% | |
| Electricity and Water Fees | | | | | | | |
| Electricity | \$ 19,419 | \$ 16,500 | \$ (2,919) | \$ 20,000 | 7810 | | 2026 based on 2025 actuals |
| Water - Ditch fees and Leased | \$ 2,753 | \$ 3,000 | \$ 247 | \$ 3,000 | 7925 | | Represents water unit leasing expense |
| Total Electricity and Water Fees | \$ 22,172 | \$ 19,500 | \$ (2,672) | \$ 23,000 | | 3.7% | |

**Somerset Estates Homeowners Association
2025 YEAR-END TOTALS AND 2026 PROPOSED BUDGET
COMBINED OPERATING AND CAPITAL EXPENSES**

| | 2025 Year Totals ACTUALS | 2025 Annual BUDGET | 2025 Better (Worse) VARIANCE | Proposed 2026 BUDGET | GL | % increase over 2025 Actuals | NOTES |
|---|--------------------------------|--------------------------|------------------------------------|----------------------------|------|---------------------------------|--|
| TOTAL OPERATING EXPENSES | \$ 221,967 | \$ 215,590 | \$ (5,557) | \$ 249,055 | | 12.2% | |
| EXCESS (DEFICIENCY) OF REVENUE OVER OPERATING EXPENSES | \$ 104,069 | \$ 110,135 | \$ 5,869 | \$ 101,370 | | | |
| CAPITAL EXPENSES - BASE BUDGET | | | | | | | |
| Water Infrastructure and Features Capital Projects | | | | | | | |
| Upgrades to ditches and meters from ditches | \$ - | \$ 2,000 | \$ 2,000 | \$ - | 6430 | | |
| Pond liner replacement - Pond 1 | \$ - | \$ 1,500 | \$ 1,500 | \$ - | 6480 | | |
| Outlot D Pond Rebuilds | \$ 10,202 | \$ 126,720 | \$ 116,518 | \$ - | 6480 | | |
| Pond liner repairs | \$ - | \$ 20,000 | \$ 20,000 | \$ - | 6480 | | Other ponds besides pond 2/3 |
| Pump replacement | \$ - | \$ 35,000 | \$ 35,000 | \$ 15,000 | 6490 | | New waterfall pump, includes electrical |
| Total Water Infrastructure Capital Projects | \$ 10,202 | \$ 185,220 | \$ 175,018 | \$ 15,000 | | | |
| Hardscape Capital Projects (Fences, Paths, Monuments, Lighting) | | | | | | | |
| Fence repairs | \$ - | \$ - | \$ - | \$ 20,000 | 6395 | | Guestimate for fence retaining requirements in 2026 |
| Path Replacement | \$ - | \$ 2,800 | \$ 2,800 | \$ - | 6395 | | |
| Major repairs of street monuments | \$ - | \$ 3,000 | \$ 3,000 | \$ - | 6455 | | |
| Modifications of entrance monuments | \$ (2,060) | \$ - | \$ 2,060 | \$ - | 6455 | | |
| Lighting at Hwy 52 plus other lighting | \$ 11,272 | \$ 12,000 | \$ 728 | \$ - | 6445 | | |
| Total Hardscape Capital Projects | \$ 9,212 | \$ 17,800 | \$ 8,588 | \$ 20,000 | | | |
| Softscape Capital Projects (Design, Trees, Vegetation) | | | | | | | |
| Specific Location Landscape Plan | \$ - | \$ 9,000 | \$ 9,000 | \$ - | 6435 | | |
| Landscape Architect for Outlot D | \$ - | \$ 31,900 | \$ 31,900 | \$ - | 6435 | | |
| Landscape at Hwy 52 | \$ 39,060 | \$ 50,000 | \$ 10,940 | \$ - | 6435 | | |
| Cyclical Landscape Refurbishment | \$ - | \$ 5,000 | \$ 5,000 | \$ 5,000 | 6440 | | |
| Total Softscape Capital Projects | \$ 39,060 | \$ 95,900 | \$ 56,840 | \$ 5,000 | | | |
| TOTAL CAPITAL EXPENSES - BASE BUDGET | \$ 58,475 | \$ 298,920 | \$ 240,445 | \$ 40,000 | | | |
| TOTAL REVENUE | \$ 326,036 | \$ 325,725 | \$ 311 | \$ 350,425 | | | |
| TOTAL EXPENSE | \$ 280,442 | \$ 514,510 | \$ 234,888 | \$ 289,055 | | | |
| NET INCOME (LOSS) - BASE BUDGET | \$ 45,595 | \$ (188,785) | \$ (234,380) | \$ 61,370 | | | |
| POND 2/3 PROJECT - CONTINGENT ON SOURCING ADEQUATE FINANCING | | | | | | | |
| TBD Project Financing Source (Special Assessment, Loan Proceeds, etc.) | | | | \$ 489,500 | | | |
| Total Income - TBD Project Financing Source | | | | \$ 489,500 | TBD | | Assumes theoretical SA at \$5,500 per lot, which is the approximate cost of Pond 2/3 rebuild (including landscaping costs that will drift into 2027. |
| Pond 2/3 Project Costs: | | | | | | | |
| Engineering Costs / Project Management | | | | \$ 30,000 | 6435 | | Includes Lamp Rynearson Scope of Services 1-9-26 (\$19.9k) |
| Other general engineering costs | | | | \$ 13,200 | 6480 | | Per Steve Flannery |
| Earthwork | | | | \$ 115,500 | 6480 | | Per Steve Flannery |
| Pond Liners | | | | \$ 149,230 | 6480 | | Per Steve Flannery |
| Purchase and placement of cobble / boulders | | | | \$ 27,800 | 6480 | | Per Steve Flannery |
| Other ancillary construction costs | | | | \$ 38,000 | 6480 | | Per Steve Flannery |
| Irrigation repairs/additions | | | | \$ 8,000 | 6430 | | Per Steve Flannery |
| Replace sidewalk at \$12/sf | | | | \$ 15,000 | 6480 | | Per Steve Flannery |
| Landscape Architect for Outlot D | | | | \$ 10,000 | 6480 | | Per Astrid K |
| Fill Pond | | | | \$ 2,500 | 6480 | | Per Steve Flannery |
| Contingency Buffer | | | | \$ 45,423 | 6480 | | Per Steve Flannery |
| Pond 2/3 Project Costs | | | | \$ 454,653 | | | |
| NET INCOME (LOSS) - CONTINGENT ON SOURCING ADEQUATE FINANCING | | | | \$ 34,847 | | | |

Somerset Estates Homeowners Association
 2025 YEAR-END TOTALS AND 2026 PROPOSED BUDGET
 COMBINED OPERATING AND CAPITAL EXPENSES

| | 2025 Year Totals ACTUALS | 2025 Annual BUDGET | 2025 Better (Worse) VARIANCE | Proposed 2026 BUDGET | GL | % increase over 2025 Actuals | NOTES |
|---|--------------------------------|--------------------------|------------------------------------|----------------------------|----|---------------------------------|-------|
| LIQUIDITY FORECAST | | | | | | | |
| Sources of Funds | | | | | | | |
| Operating Fund (12/31/25) | | | | \$ 42,277 | | | |
| Liquid Assets (12/31/25) | | | | \$ 107,904 | | | |
| CD (12/31/25) | | | | \$ 317,334 | | | |
| Total Cash on Hand (12/31/25) | | | | \$ 467,515 | | | |
| Plus: Net Income - Base Budget | | | | \$ 61,370 | | | |
| Total Cash on Hand (12/31/25) - Base Budget | | | | \$ 528,885 | | | |
| Plus: TBD Project Financing Source (Special Assessment, Loan Proceeds, etc.) | | | | \$ 489,500 | | | |
| Less: Pond 2/3 Project Costs | | | | \$ (454,653) | | | |
| Total Cash on Hand (12/31/25) - Contingent on Sourcing Adequate Financing for Pond 2/3 Project | | | | \$ 563,732 | | | |