

Huntington Pines Homeowners Association 2025 Financial Review and Reserve Fund Update

- The Association has two accounting funds – the Operating Fund for the routine maintenance and administration, and the Reserve Fund for capital repairs and improvements.
- 2025 dues were \$162 per month for each of the 44 homes in the community. Total dues revenue was \$85,536, of which \$54,336 was retained in the Operating Fund and \$31,200 was added to the Reserve Fund.
- The 2025 Operating Fund budgeted \$53,600 for expenses. Actual expenditures for the year totaled \$54,526. The largest expenses were for landscape maintenance, sprinkler system repairs, and irrigation water. Snow removal expense was significantly below normal in 2025. The Operating Fund started the year with a cash balance of \$10,219 and ended the year with a cash balance of \$5,041. The Association Treasurer, Chris Todd, is paid \$200 per month for financial and administrative services. At some point in the future the Association will need to find an alternative source for these services, the cost of which will be significantly higher.
- The Board of Directors has approved raising the dues level for 2026 at \$182 per month per home, an increase of \$20 from the \$162 for 2025. \$58,896 is budgeted for the Operating Fund and \$37,200 will be appropriated to the Reserve Fund. Budgeted expenditures from the Operating Fund for 2026 are projected total \$58,480. Please refer to the accompanying summary for budget and historical details. The annual budget is approved by the Board of Directors and does not need to be approved by the members; however, the members have the right to vote to reject the approved budget at the annual meeting and require the Directors to approve a new budget.
- A total of \$14,300 was expended from the Reserve Fund in 2025 for a new entry gate keypad, painting of the metal entry gate fence, and removal of dead pine trees. Projected expenditures from the Reserve Fund during 2026 include \$6,000 for removal of dead pine trees. The Reserve Fund started the year with a cash balance of \$64,111 and ended the year with a cash balance of \$82,211. The majority of Reserve Fund cash is invested in Certificates of Deposit at 1st Bank.
- The Association long term financing plan was updated at the end of 2025. Assuming a 2% annual inflation in operating and construction costs, over the next 29 years Operating costs are projected to total \$2,568,222 and Reserve expenditures are projected to total \$1,115,538. Total expenditures are projected to be \$3,683,760, or \$241/residence/per month for the 29 year period. In order to fund future requirements, the plan projects a need to increase the dues from \$162 per month to \$182 per month in 2026 with the need for additional increases in the future. The Reserve Funding Plan will be updated annually to reflect changes in projected operating costs and expenditures for asset repairs and replacements. Please refer to the accompanying graphic representation of the plan.
- Association financial and administrative records are available for examination by homeowners or their representatives. Please contact Chris Todd, Treasurer, to arrange for a review and to have any financial or administrative questions answered. Association documents can be viewed by accessing the web site www.huntingtonpines.com.