

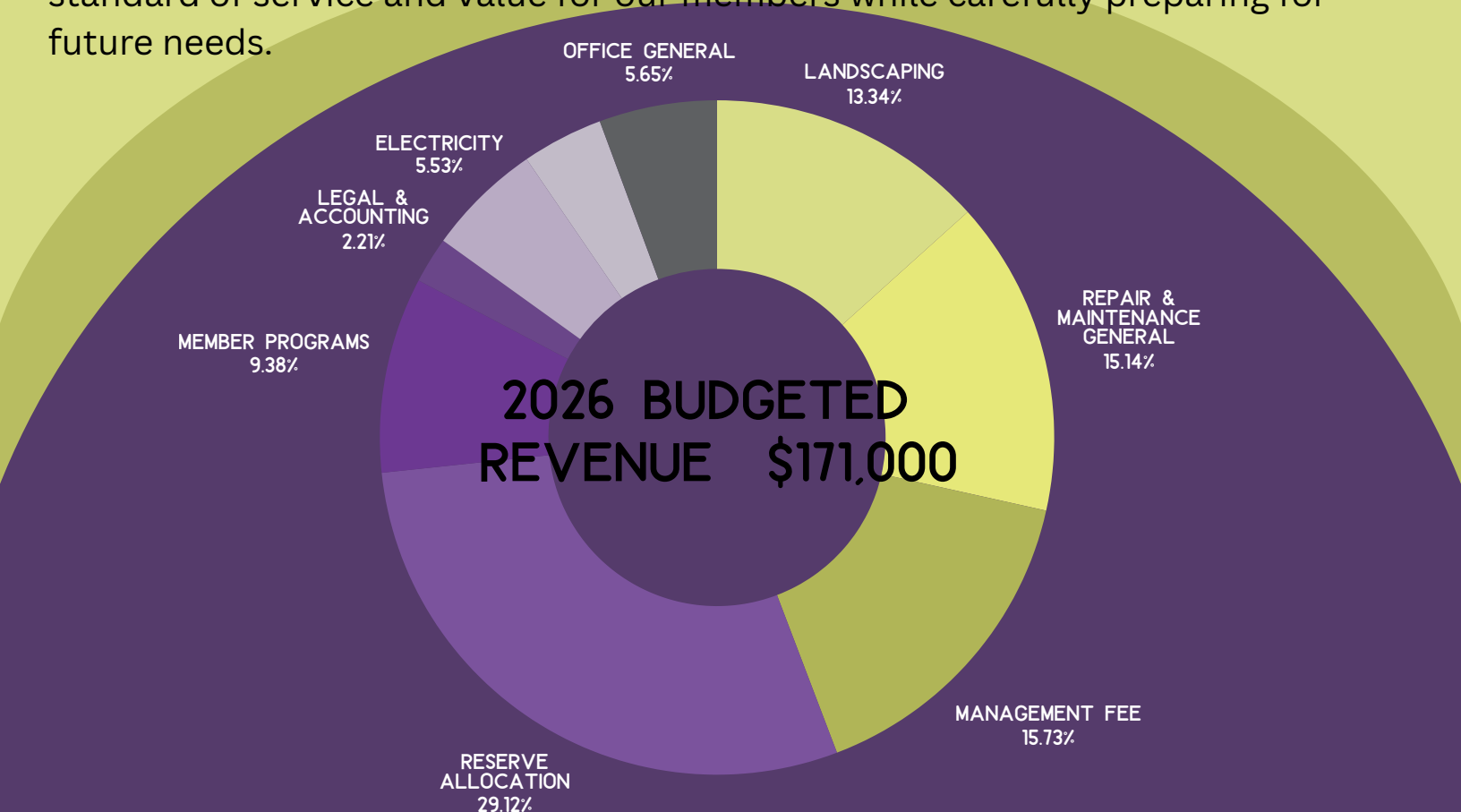
King's Heights

The HOA Board has proposed an operating budget of \$171,000 for 2026, with no increase in member fees compared to 2025. Budget Highlights:

Five primary categories account for over 80% of our expenses:

- Reserve Fund (29%) - Increased this year to address anticipated major fence repairs and to ensure our community remains well-maintained for years to come.
- Management Fees (16%) - Professional management services to keep operations running smoothly.
- Common Areas Repair & Maintenance (15%): Ongoing upkeep to preserve property values and ensure safe, attractive shared spaces.
- Landscaping (13%): Funding for grounds care and enhancements throughout the community.
- Member Programs (9%): Activities and initiatives that foster community engagement.

The remaining 18% of the budget covers utilities, insurance, administration, and other necessary expenses. The Board remains committed to maintaining a high standard of service and value for our members while carefully preparing for future needs.



King's Heights

KINGS HEIGHTS HOMEOWNERS ASSOCIATION

	2026 Budget	2025 Actuals	2025 Budget	2024 Actuals	2023 Actuals	2022 Actuals
REVENUE						
Association Fees	164,000	163,738	163,000	163,619	153,274	160,021
OTHER REVENUE						
Interest on Bank Accounts	7,000	-	7,500	25,154	22,575	5,602
TOTAL REVENUE	171,000	163,738	170,500	188,773	175,849	165,623
DIRECT EXPENSES						
Repair & Maintenance General	26,000	944	28,000	71,983	41,499	4,901
Landscaping	22,900	22,805	36,100	21,210	23,100	18,900
Management Fee	27,000	26,950	26,400	25,806	25,761	18,400
Insurance	6,700	6,659	6,000	4,829	8,361	5,227
Electricity	9,500	9,477	10,000	8,032	10,287	8,074
TOTAL DIRECT EXPENSE	92,100	66,835	106,500	131,860	109,008	55,502
GENERAL & ADMINISTRATIVE						
Office General	9,000	4,504	5,000	5,274	6,387	26,512
Member Programs	16,100	16,092	17,500	10,755	7,457	7,400
Advertising & Promotion						
Legal & Accounting	3,800	3,410	15,000	53,680	13,616	5,669
Bank Charges	-	7	1,500			
TOTAL G&A EXPENSES	28,900	24,014	39,000	69,709	27,460	39,581
Reserve Allocation	50,000	25,000	25,000			
TOTAL EXPENSES	171,000	115,849	170,500	201,569	136,468	95,083
NET INCOME	-	47,890	-	(12,796)	39,381	70,540

The actual expenditures for 2025 were \$54,651 below budget, mainly because of reduced costs in Common Area Repairs and Maintenance, Legal Fees, and Landscaping. Please note that the 2025 figures are preliminary and unaudited. The interest on reserve accounts is currently being finalized and will be reflected in the audited statements.

In 2026, Office General expenses are set to rise to cover the planned mailing of fee notices, a response to member feedback regarding electronic notifications and neighborhood message boards. The surplus from the 2025 budget will be directed to the reserve fund to meet future community requirements.