

President's Newsletter, December 9, 2025: 2026 Budget and Dues Increase

Fellow Cedar Cove Homeowners,

2025 Financial Summary:

Year to date summary through month ending November 2025:

Total Income: \$158,400.00

Utilities: \$20,926.45

Maintenance Expense: \$123,337.13

Repairs: \$6,810.00

Insurance: \$703.00

Management Fee: \$8,780.31

Miscellaneous: \$1,685.18

Total Year to Date Expenses: \$162,242.07

Year to Date Loss: -\$3,842.07

Net Cash, End of November 2025: \$39,584.40

2025 Expense Summary:

The 2025 expenses through November are shown above. 2025 expenses through November have exceeded income by -\$3,842.07. The number of December snowfall events will determine whether we end the year with a loss or a small profit. We have already had two snow events this season which exceeds our 2025 budget forecast. Major expense items are shown below.

Lawn Care: We had a lawn care budget of \$81,470. The budget is an estimate established from a quote from Duncan Enterprises. Actual lawn care cost is \$77,495.88. We will finish the year \$3,974.12 under budget.

Lawn Sprinkler Maintenance: The budget was \$7,400. Again, this budget is an estimate established from a quote from Duncan Enterprises. Actual cost was \$6,810 which is \$590 under budget.

Trash Removal: The budget for trash removal was \$32,400. The trash contractor is under a contract that extends through July 2026 so we will be exactly on budget at the end of the year.

Lawn Sprinkler Water: The budget for lawn sprinkler water was \$20,650. This amount is an estimate based on previous years actual costs. Actual water cost is \$19,051.31 which is under budget by \$1,598.69.

Snow Removal: The snow removal budget was \$17,150. This is an estimate based on a quote from Duncan Enterprises and average monthly snowfall amounts in Lincoln over the last 40 years. The actual snow removal cost from January through March 2025 was \$12,891.25. We have already had two snow events by December 1st at cost of \$6,100. This puts us over budget by \$1,841.25. Any additional snow events in December will put us further over budget.

2025 Overall: Total income was forecast at \$172,800 based on 120 units and \$120 per month HOA dues. Total 2025 expenses were forecast at \$175,561 for a forecast loss of -\$2,761. Any additional snow events in December will determine if we end the year at a very small profit or pretty close to the forecast loss of -\$2,761.

2026 Budget Forecast:

A Board meeting was held on December 1 to review our 2025 expenses through October and to prepare a budget forecast for 2026. Total expenses for 2026 are forecast at \$188,279. This is an increase of about \$12,718 over 2025 expenses.

Lawn Care: The 2026 lawn care costs are based on a quotation from Duncan Enterprises. Costs are included for mowing 30 times, five applications of fertilizer/weed control, one application of broadleaf weed control in the commons area, one application of grub control, and aerating one time. Total estimated budget for lawn control is \$84,985.

Lawn Sprinkler Maintenance: This cost is based on a quote from Duncan Enterprises for startup and shutdown of the system. Duncan's quote includes all labor for repairs. We have estimated material costs for sprinkler heads, valves, etc. The estimated budget is \$8,580.

Trash Removal: The estimate for 2026 is based on the current contract which runs through July 2026. A slight increase is estimated starting in August. Total estimated budget for trash removal is \$32,550.

Lawn Sprinkler Water: Lawn sprinkler water usage is dependent upon the amount of rainfall we receive. The more rain we get, the less watering we will need to do. The budget is an estimate by the Board based on prior years actual costs. The budget for 2026 is the same as 2025 and is \$20,650. Actual rainfall will determine our final water cost.

Snow Removal: Snow removal costs are determined by the number of snow events over 2 inches in depth. Removal of snow from snowfalls of less than 2 inches is the responsibility of the homeowner. The HOA is responsible for removing snow if more than 2 inches is received in a single snow event.

The budget amount is estimated using a quote from Duncan Enterprises and the average snowfall amounts by month for Lincoln. The final cost is totally dependent on Mother Nature. The more snow events over 2 inches that we have, the more the cost will increase. The estimated budget for snow removal is \$24,400.

As stated above, total 2026 expenses are forecast to be \$188,279. Income based on our current monthly dues of \$120 per month would only be \$172,800 resulting in a loss of -\$15,479.

As a result, we will need to increase our dues by \$15 to \$135 per month effective January 1, 2026. This will ensure we maintain our cash reserve needed to carry us through the summer months when expenses exceed income. Raising dues to \$135 per month will yield a forecast net profit of \$6,121 by the end of 2026. The Board feels it is necessary to forecast a profit as some long range weather forecasts are calling for above average snowfall this winter season. The 2026 Budget Forecast will be posted on the HOA website for your review.

Submitted by Dan Nissen, HOA President, January 9, 2024