

Good Day Residents,

The Budget Committee has completed the preparation and review of the 2026 Budget. Please see the information below (and attached) regarding next year's dues. The committee has made every effort to keep dues as close to the current rate as possible while maintaining the financial health of our community.

For the upcoming year, we will be fully funding the Roads and Roofs accounts, and therefore, a vote will not be required. Additionally, we have decided to conduct back-to-back financial audits. Please note that under the updated state requirements, communities that meet the state threshold must undergo an audit unless residents vote otherwise—and votes on audits are now only permitted every other year.

We will also be using prior-year adjustments to fund our reserve accounts, ensuring that reserves continue to receive contributions without interruption.

Unfortunately, there will be a slight increase in dues; however, we have worked diligently to minimize this impact despite ongoing vendor price increases.

A community meeting will be scheduled soon to review the budget in detail and provide an opportunity for residents to ask questions or share any concerns, prior to the Board voting.

Thank you for your understanding and continued support.

Sincerely,

The Budget Committee

<u>PALLADIUM HOA BUDGET</u>	<u>Year 2024</u>	<u>Year 2025</u>	<u>Year 2026</u>
UTILITIES			
ELECTRICITY	\$31,500	\$31,000	\$33,000
WATER TENNIS/CLUBHOUSE	\$3,300	\$5,000	\$6,000
PHONE GATE/CLUBHOUSE & <u>WIFI GH</u>	\$3,150	\$3,500	\$4,100
CABLE TV includes internet 2022	\$137,077	\$142,761	\$151,000
WEB SITE / Google	\$1,200	\$1,570	\$2,000
ELECTRONIC VOTING	\$800	\$1,600	\$2,000
TOTAL UTILITIES	\$177,027	\$185,431	\$198,100
ADMINISTRATIVE EXPENSE			
ACCOUNTING FEE	\$250	\$250	\$250
AUDIT OF BOOKS	\$0	\$5,000	\$5,000
LEGAL FEE	\$5,000	\$9,000	\$5,000
MANAGEMENT FEE	\$42,028	\$43,289	\$44,588
HANDYMAN	\$27,750	\$27,456	\$30,202
ADMINISTRATIVE EXPENSE	\$6,500	\$5,000	\$11,800
INSURANCE PROPERTY/LIABILITY	\$25,180	\$25,136	\$27,657
LICENSE FEES, PERMITS	\$2,800	\$3,032	\$3,457
CONTINGENCY EXPENSE	\$4,853	\$3,000	\$3,000
BAD DEBT	\$4,347	\$2,957	\$3,000
NEWSLETTER EXPENSE	\$300	\$0	\$0
TOTAL ADMIN EXPENSE	\$119,008	\$124,120	\$133,953
SERVICES/SUPPLY/MAINTENANCE			
ALARM Monitoring	\$19,500	\$18,800	\$19,740
LANDSCAPE MAINTENANCE	\$201,200	\$171,472	\$157,866
FITNESS EQPT REPAIR	\$800	\$800	\$800
WHITE FLY TREATMENTS	\$0	\$5,750	\$5,750
PEST CONTROL	\$1,500	\$1,500	\$1,650
IGUANA CONTROL	\$2,500	\$3,000	\$3,000
LANDSCAPE IMPROVEMENT & REPAIR	\$12,000	\$8,000	\$5,000
ADDITIONAL TREE SERVICES	\$19,600	\$5,400	\$24,000
POOL SERVICE	\$7,115	\$7,827	\$8,500
SPRINKLER IRRIGATION SERVICE	\$10,000	\$5,000	\$5,000
AIR COND SERVICE	\$2,000	\$2,000	\$1,000
LAKE MAINTENANCE	\$4,300	\$3,600	\$3,600
HOLIDAY LIGHTS	\$2,200	\$5,000	\$6,000
MAINTENANCE SUPPLIES	\$4,000	\$3,000	\$3,000
POOL SUPPLIES/REPAIRS	\$6,000	\$5,000	\$2,000
SOCIAL COMMITTEE	\$1,900	\$1,900	\$1,900
GATE Stickers	\$500	\$650	\$300
REPAIRS AND MAINTENANCE	\$2,000	\$2,000	\$5,000
HEATER REPAIR POOL	\$0	\$0	
GATE REPAIR	\$3,000	\$2,000	\$3,000
PLUMBING REPAIR	\$500	\$500	\$500
CLUBHOUSE MAINTENANCE	\$3,500	\$3,000	\$3,000
CLUB HOUSE CAMERA	\$200	\$1,000	\$1,000
TENNIS COURT MAINTENANCE	\$10,500	\$12,000	\$12,000
TENNIS COURT REPAIRS / Media	\$3,800	\$3,800	\$3,500
ERM Cleanup	\$4,000	\$2,812	\$5,000
TOTAL SERVICES/SUPPLIES/MAINTENANCE	\$322,615	\$275,811	\$282,106
TOTAL OPERATING EXPENSES	\$618,650	\$585,362	\$614,159

PALLADIUM HOA RESERVE BUDGET	<u>Year 2024</u>	<u>Year 2025</u>	<u>Year 2026</u>	<u>Reserve Balance as of Aug31st</u>
CONTINGENCY	\$0	\$1,200	\$0	\$5,979.75
PAINTING	\$2,500	\$3,000	\$0	\$5,771.80
POOL / EQUIPMENT	\$3,000	\$3,000	\$0	\$13,932.46
CLUBHOUSE	\$2,000	\$2,000	\$0	\$8,542.13
CLUBHOUSE A/C	\$1,500	\$1,500	\$0	\$23,551.71
ENTRANCE GATE	\$1,000	\$0	\$0	-\$990.45
EXERCISE EQPT	\$800	\$0	\$0	\$6,673.68
TREE/SHRUB	\$1,500	\$0	\$0	\$11,943.76
PAVING / ROADS	\$20,782	\$22,623	\$23,227	\$18,316.31
ROOFS GUARD AND CLUBHOUSE	\$10,226	\$12,377	\$12,570	\$26,126.81
STORM DEDUCTABLE & DRAINAGE	\$0	\$0	\$0	\$21,930.31
TOTAL RESERVE	\$43,308	\$45,700	\$35,797	Note Reserve interest \$20,147.07

CREDITS	<u>Year 2024</u>	<u>Year 2025</u>	<u>Year 2026</u>
PRIOR YEAR SURPLUS	n/a		n/a
INTEREST	(500)	(500)	(100)
APPLICATION FEE	(600)	(450)	(450)
MISC. INCOME	(700)	(700)	(200)
LATE FEES	(1,000)	(1,000)	(1,000)
REMOTE/Key card OFFSET	(750)	(400)	-
SOCIAL COMMITTEE OFFSET	(1,300)	(1,900)	(1,900)
TOTAL	(4,850)	(4,950)	(3,650)

	<u>Year 2024</u>	<u>Year 2025</u>	<u>Year 2026</u>
ANNUAL ASSESSMENT	\$626,100	\$626,112	\$646,306.68
ANNUAL PER LOT	\$4,348	\$4,348	\$4,488.24
QUARTERLY ASSESSMENT	\$1,087	\$1,087	\$1,122.06

Quarterly	1,087	1,087	1,122
Prior	978	1,087	1,087
Quarterly Increase	108.98	0.0	35.06
Annual Increase			140.24