

HERON BAY MASTER ASSOCIATION

Notice of 2026 Budget and Association Fees

Pursuant to the Declaration of the Heron Bay Master Association, your Board of Directors has established a budget for the calendar year 2026.

The Board has a fiduciary duty to operate the Association in accordance with sound fiscal practices. The goal of the Board of Directors is to ensure that operating needs are adequately funded and that reserve funds continue to be built to minimize the impact of any special assessment in future years when capital expenditure becomes necessary.

The annual Association Assessment will remain at \$2,000 per lot in 2026.

This marks the 15th consecutive year that the Annual Assessment has remained at this level.

The Assessment is due quarterly in the amount of \$500.00 each quarter and is due on or before the first day of these months; January, April, July and October. Late fees are applied effective the 11th of each month at \$25.00.

Harbor Point owners pay their Master Association fees monthly as part of their Harbor Point assessment. The fees are combined and then transferred to Heron Bay monthly.

If you have any questions about the budget, please notify Brook at Brookkohl@towneproperties.com

Also, if you have not yet provided your email and/or phone number, or need to update your contact information, please do so by sending it to Brook at the above email address.

By Order of the Board of Directors,
Heron Bay Master Association

EXPLANATION OF 2026 ADOPTED BUDGET

There are two budgets, the OPERATING BUDGET, and the RESERVES BUDGET.

The OPERATING BUDGET provides funding for routine, operational requirements that occur annually.

The RESERVES BUDGET is designed to accumulate and fund CAPITAL REPLACEMENTS. These are "big ticket" items such as road resurfacing and boardwalk replacement. A 30-yr Reserve Study is performed periodically to update the Capital Replacement Schedule.

The Reserve Study recommends that a portion of your annual assessment be paid as a Reserve Contribution to fund the total reserve account. It also recommends annual capital replacement items as Anticipated Expenditures to be paid out of the reserve account. The contribution less expenses will either increase, or decrease, the Anticipated Reserves held by the Association at year end.

Experience has shown that the Reserve Contribution, Reserve Expenses, and Anticipated Reserves provide excellent guidance in maintaining the integrity of our capital assets. However, due to changing priorities, coupled with inaccuracies in the amount, and timing, of Reserve Study estimates, the board must exercise discretion in the capital items selected and the amount to be spent. This variability in Reserve Expenses is a major reason why the Reserve Study is updated periodically.

OPERATING REVENUE - \$358,250

Association Assessments; \$316,000: - The primary funding source for the Association. Every lot owner in Beacon Point, The Landings, Vista Point, and The Estates communities pays quarterly Association assessments to fund the Association as prescribed in the Declaration of Association.

Harbor Point Condominium Assessments: \$38,000 – There are three condominiums per lot, 19 lots, therefore each condominium owner pays 1/3 of the amount that a stand-alone homeowner pays.

Late Charges: \$2,500 - The Association assesses a late charge to those owners who do not pay their assessments by the date due, which is the 10th of any billing month.

ARB Review Fees: \$1,750 – The amount the Association collects from review of Architectural applications,

OPERATING EXPENSES - \$358,250

Administrative Expenses \$4,900 - This contains an allowance for postage, copies, office supplies, 1099 processing, Zoom Account, direct debit and storage fees.

Amenity Expense: \$8,000 – Expenses to maintain the Pavilion and other amenities such as the bocce court.

Common Area and Grounds Maintenance: \$68,819 – Primarily related to mowing, trimming, fertilization, weed control, wetland and prairie management, dandelion control, pruning, flag circle and , entrance maintenance, mulching, tree removal and materials to maintain the common areas.

Geese Control: \$13,860 - Allowance for services provided for geese control.

Insurance: \$9,860 - The primary coverage purchased by the Association is all risk, replacement cost property coverage on the common areas and liability coverage for the Association, as well as fidelity coverage and directors' and officers' coverage for those who serve the Association.

Legal & Accounting: \$14,500 - This is the cost for collecting unpaid Association assessments. An allowance has been set for accounting services for an annual audit of the Association's financial statements as well as tax preparation and legal services.

Management Fees: \$15,120 - This is the agreed contract amount for the professional services provided by Towne Properties

Pool Maintenance: \$29,000 - The cost of pool area operations including: season opening and closing, daily cleaning, mechanical, maintenance, chemicals, emergency phone service, trash removal, water, and gas.

Snow Removal: \$7,000 – Allowance for keeping roads clear of snow and ice.

Social Committee: \$1,791 - Allocation to support the operations of this committee for Association Social Functions.

Taxes - \$9,000 - Property taxes paid to Perry County for land owned by the Association. Also allowance for taxes paid to IRS.

Utilities – \$19,400 - Allowance for electricity, gas, water, internet and security camera cloud storage.

Reserve Contribution: \$156,000 – As recommended by the Reserve Study, a portion of Association annual assessments goes to replenish the reserve fund for future needs.

RESERVE INCOME - \$164,000

Reserve Contribution: \$156,000 – From Operations

Reserve Interest Income: \$8,000 - Amount earned on Association reserve monies in the bank.

ANTICIPATED RESERVE EXPENSES - \$98,500

Playground Equipment: \$10,000 – New playground

Pool Painting: \$3,500 – Paint pool.

Asphalt Overlay/Streets: \$60,000 – Crack repair, sealcoat, new asphalt.

Catch Basin Improvements: \$25,000 – Environmental and aesthetic improvements to the large catch basin

***Per the Reserve Study with modifications based on addition/deletions based on priority and increases/decreases based on more recent estimates of anticipated expense items.**

HERON BAY MASTER ASSOCIATION

2026 Adopted Budget

Operating Revenue	
Association Assessments	\$ 316,000
Harbor Point Assessments	\$ 38,000
Late Fees	\$ 2,500
ARB Review Fees	\$ 1,750
Total Operating Revenue	\$ 358,250
Operating Expenses	
Administrative Expenses	\$ 4,900
Amenity Maintenance	\$ 8,000
Common Area and Grounds Maintenance	\$ 69,819
Geese Control	\$ 13,860
Insurance	\$ 9,860
Legal & Accounting	\$ 14,500
Management Fees	\$ 15,120
Pool Maintenance	\$ 29,000
Snow Removal	\$ 7,000
Social Committee	\$ 1,791
Taxes	\$ 9,000
Utilities	\$ 19,400
Capital Reserve Contribution	\$ 156,000
Total Operating Expenses	\$ 358,250
Reserve Expenses	
Playground Equipment	\$ 10,000
Pool Painting	\$ 3,500
Asphalt Overlay/Streets	\$ 60,000
Catch Basin Improvements	\$ 25,000
Total Reserve Expenses	\$ 98,500