2027 Operating Expenses	Proposed
Utilities	$1,330
Mowing	$2,600
Snow Removal	$425
Theft Insurance	$235
D&O Insurance	$1,495
Liability Insurance	$300
Office Supplies	$300
HEPOA meeting	$175
Entrance landscaping	$1,300
Repay loan from Reserves over 10 years at 3%.	$909
Replenish contingency	$1,000
Total	**$10,069**

Annual Depreciation Calculations

First repair	Item to Maintain	Cost ($)	life years	Annual Share of Depreciation Costs ($)
[2030]	Gazebo: Pressure wash and stain	$350	5	$70
[2030]	Gazebo: Replace Boards	$200	5	$40
[2055]	Replace Gazebo roof	$1,632	30	$54
2033	Gazebo Road: Gravel	$1,000	8	$125
2016	Supplement Mailboxes	$1,172	25	$47
2016	Concrete for Mailbox installation	$90	20	$5
2026	Trim encroaching foliage on ROW	$4,500	10	$450
2017	Repaint HEPOA Entrance Sign	$515	9	$57
2025	Guard Rail: Replace rotten parts	$400	5	$80
2025	Culvert Repair and Cleaning	$200	10	$20
[2030]	Gazebo: Paint	$112	5	$22
2027	Heritage River patch & Autumn Run pothole repair	$8,876	16	$555
2033	Road surface - Heritage River Road	$39,128	25	$1,565
2034	Road surface - River Sound	$99,130	26	$3,813
2034	Road surface - Autumn Run	$69,903	32	$2,184
2035	Road surface - Deerfield	$19,636	33	$595
2035	Road surface - Timbersong	$18,902	33	$573
2025	Past Depreciation Adjustment	$44,535	10	$4,453
	Total			**$14,708**

Due to increased operating costs and addition of front entrance maintenance costs, the proposed 2027 operating costs of $10,069 plus annual depreciation costs of $14,708 distributed across 54 lots comes to an annual assessment of **$459** per lot, an increase of $34, or 8.0%, over the previous $425.

Per § 47F-3-103, notice must be given that the budget may be ratified without a quorum. The budget is ratified at the meeting unless a majority of all the lot owners in the association *or any larger vote specified in the declaration* rejects the budget.