

FALLBROOK HOA

2025 Financial Report & Community Update

January 20, 2026

Board Members

- Randy Rhodes: President
- Sherry Lawton : Vice President
- Lisa Lien: Treasurer
- Jennifer Smith : Secretary
- Derek Busch - NEBCO
- Ryan Burger
- Brian Nehe

What is the Fallbrook Homeowner's Association?

- The Association is made up of all of us, the Fallbrook Homeowners.
- The Association is represented and managed by a volunteer Board, made up of Fallbrook residents.
 - NEBCO, the Fallbrook developer, is represented on the Board.
- The only purposes of the Association are to:
 - Maintain neighborhood commons areas
 - Ensure compliance with the Codes, Covenants, and Restrictions (CCR).
 - Facilitate community events
- The Association is not involved in
 - Undeveloped lots, barking dogs, loud music, traffic issues, street improvements, etc.

Other Entities

- NEBCO - Developer
- Business Park Association
- Town Home Association

2026 Objectives

- Invoicing for dues out on February 1st to prevent negative cash flow
- Build cash reserves
- Develop formal CCR compliance program
- Enhance commons areas while reducing maintenance costs
- Focus on plan for alley improvements within New Urbanism.

2025 Financial Report

- Estimating ability to transfer \$13,850 to reserves
- Dues were paid timely. <1% delinquent are being collected and notice of lien filed on dues unpaid at end of year.
- Dues will increase 5 -8% annually in line with rising costs, aging initial infrastructure and growth in homeownership.
- First phase of New Urbanism alley repairs completed.

2025 Estimated YE & 2026 Budget

- We experienced consistent increase in costs including water, electricity, pet waste, sprinkler repair and yard maintenance.
- Our sprinkler system is 20 years old and will need to be replaced as the manufacturer stopped making parts for our current system. Budget remained consistent year over year due to repairs needed for the system. 2026 last Stonebrook loan payment and will evaluate potential larger investment for replacement in 2027.
- Although our number of lots are growing, especially with Fallbrook West opening up so do our expenses associated with the additional labor costs.
- Dues for 2026 will be \$625 and \$135 for New Urbanism dues.

RESERVE GOALS:

\$250,000 HOA

\$110,000 NEW URBANISM



- \$67,500: 10% Tree Replacement
- \$45,000: Pump replacement
- \$12,000: Holiday lights replaced
- \$35,000: Retaining Wall
- \$100,000: Alley Replacement
- \$10,000: Large snowfall
- \$\$\$ TBD: Sprinkler System repair

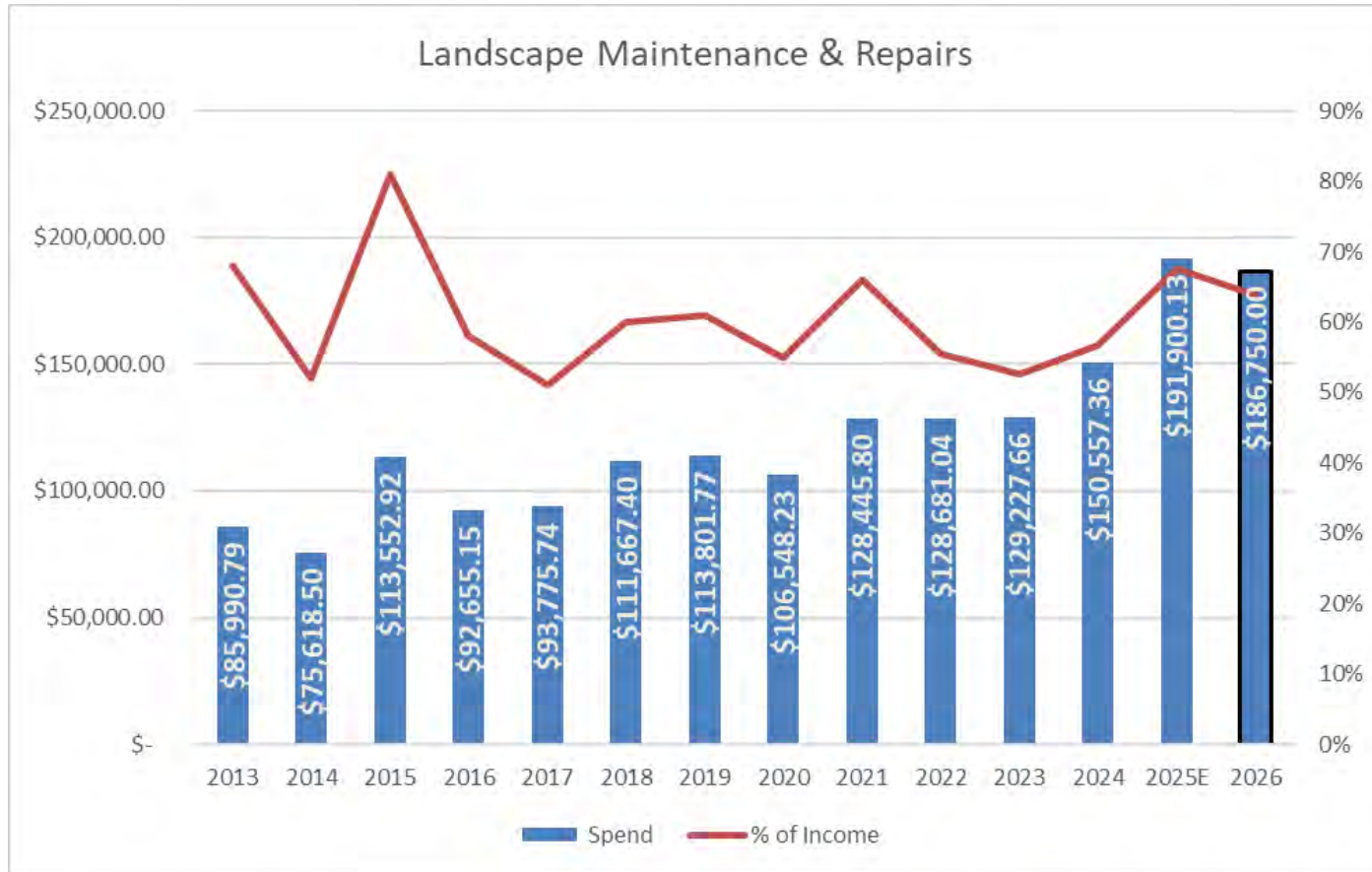
2016: Dues increase to be able to start establishing reserve transfers

2018: Loan down payment in lieu of reserve transfer

2019: Stonebrook re-seeding

2022 - 2026: Annual dues increase for rising maintenance costs and building reserves – pump replacement; sprinkler repairs

Maintenance and Repairs



Budget Summary

	2024 Actual	2025 Budget	2025 Actual + Forecast	2024 - 25 Increase	2026 Budget	2025 - 26 Increase	
<i>Dues</i>	\$ 545.00		\$ 575.00		\$ 625.00		
<i>New Urbanism Dues</i>	\$ 125.00		\$ 135.00		\$ 115.00		
Income: Dues + Events	\$ 265,448	\$ 280,895	\$ 283,651	6.9%	\$ 292,528	4.1%	2026 Annual Dues: \$625 for association dues \$135 for new urbanism dues
Expenses:							
Security	\$ -	\$ -	\$ -		\$ -		Discontinued Security in Q1-2016
Professional Fees	\$ 14,482	\$ 15,319	\$ 14,512	5%	\$ 15,319	5%	6% NEBCO Insurance and Management Fee
Utilities	\$ 49,372	\$ 54,490	\$ 47,429	17%	\$ 47,500	16%	0% sprinklers, pet waste, mowing, mulch, snow removal, repairs, tree replacement
Maintenance	\$ 146,395	\$ 148,180	\$ 174,166	61%	\$ 173,500	59%	0% New Urbanism specific Items
Snow Removal / Alley Repair	\$ 4,163	\$ 15,810	\$ 17,735		\$ 13,250		-25% holiday lights; common area exp, summer festival sponsorship
Holiday Lights / Misc	\$ 13,837	\$ 23,180	\$ 12,490	4%	\$ 18,250	6%	46% negative cash flow from Prior Year
Prior Year Carry-Over	\$ -	\$ -	\$ (15,144)	-5%	\$ -	0%	
Operating Net Income	\$ 37,199	\$ 23,915	\$ 32,463		\$ 24,708		
<i>Notes Payable</i>	\$ 22,055	\$ 22,055	\$ 22,055	8%	\$ 22,055	8%	Stonebrook Pkwy Loan
Operating Cash	\$ 15,144	\$ 1,860	\$ 10,408		\$ 2,653		Used for Reserve Transfer
BOY Reserve Balance	\$ 85,189	\$ 85,189	\$ 85,189		\$ 107,589		
<i>Transfers In</i>	\$ 6,450	\$ 1,850	\$ 13,850	5%	\$ 2,500	1%	-82%
<i>Transfers Out</i>	\$ -	\$ -	\$ -		\$ -		
EOY Reserve Balance	\$ 85,189	\$ 83,339	\$ 107,589		\$ 110,089		2.3%
SubLedger: New Urbanism	\$ 53,928	\$ 48,928	\$ 59,603		\$ 59,603		0%
SubLedger: Repairs	\$ 31,261	\$ 34,411	\$ 47,986		\$ 50,486		5%

2025: Rather than transfer, paid \$12,200 for Alley Repair (in Maintenance above); net of under-run of Snow Removal

Budget Detail

INCOME STATEMENT	2026 BUDGET		2025 BUDGET		2025 EST	
INCOME						
DUES						
Homeowner Dues	\$ 293,927.50	4.12%	282,295		\$ 283,651.04	6.86%
<u>\$ 625.00</u> Dues - Association	\$ 280,562.50	8.7%	268,525	\$ 575	\$ 270,016.04	\$ 575
<u>\$ 135.00</u> Dues - NU Lots	\$ 13,365.00	0.0%	13,770	\$ 135	\$ 13,635.00	\$ 135
Other Income	\$ -		-		\$ -	
Est. Unpaid Dues	\$ (1,400.00)		(1,400)		\$ -	
Total Income	\$ 292,527.50		280,895		\$ 283,651.04	
EXPENSES						
Professional Fees	\$ 37,374.35	13%	37,374	14%	\$ 36,566.99	13%
Management Fee	\$ 14,044.75	5%	14,045	5%	\$ 13,272.39	5%
Legal/Acct/Ins.	\$ 1,275.00	0%	1,275		\$ 1,240.00	0%
Loan Payment	\$ 22,054.60	8%	22,055		\$ 22,055	8%
Security	\$ -		-			
Other	\$ -		-			
Utilities	\$ 47,500.00	16%	54,490	22%	\$ 47,429.07	17%
Electricity	\$ 5,000.00	2%	5,119		\$ 4,408.96	2%
Natural Gas	\$ -		-			
Water	\$ 42,500.00	15%	49,372		\$ 43,020.11	16%
Total R&M	\$ 186,750.00	64%	163,990	49%	\$ 191,900.13	70%
Sprinkler Repair	\$ 45,000.00	16%	42,000		\$ 46,328.94	17%
Pet Waste	\$ 3,500.00	1%	3,500		\$ 3,276.29	1%
Maintenance - Yard	\$ 115,000.00	40%	97,680		\$ 124,137.90	45%
Other Maint. - Repairs	\$ 10,000.00	3%	5,000		\$ 422.50	0%
Other Maint. - NU	\$ 7,250.00	3%	9,810		\$ 12,272.00	4%
Snow Removal	\$ 6,000.00	2%	6,000		\$ 5,462.50	2%
General/Admin	\$ 18,250.00	6%	23,180	8.6%	\$ (2,653.45)	-1%
Loss from Prior Year	\$ -	0%	-		\$ (15,143.94)	-6%
Internet Expense	\$ -	0%	-			0%
Finance Charges	\$ 750.00	0%	(1,100)		\$ (724.10)	0%
Holiday Lighting	\$ 2,000.00	1%	6,300		\$ -	0%
Common Area Expense Alloc	\$ 13,000.00	4%	16,480		\$ 12,170.45	4%
Event Expense	\$ 2,000.00	1%	1,000		\$ 1,000.00	0%
Miscellaneous	\$ 500.00	0%	500		\$ 44.14	0%
Total Operating Expenses	\$ 289,874.35	100%	279,035	94%	\$ 273,242.74	100%
Operating Profit (Loss)	\$ 2,653.15	1%	1,860	6%	\$ 10,408.30	4%

Codes, Covenants, Restrictions (CCR)

A link for the CCR is on the Fallbrook website.

As the neighborhood continues to evolve with new residences either by new construction or sales of existing homes one objective of the board is to make sure all residents have a copy of and are aware of the CCR.

Be on the lookout for more information pertaining to the CCR in the coming year.

New Commerical Tenants



- Blown Blowout Bar—
575 Fallbrook
- RMV Construction –
575 Fallbrook
- NU Foundation – Q1
2027. 475 Fallbrook

We still need a restaurant.
Connections?

Fallbrook Improvement Projects

- Fallbrook Pond Improvement



OUTFALL STRUCTURE



TURF LANDSCAPE



STONEBROOK CHANNEL

Fallbrook Improvement Projects

- N 1st St Sidewalk Connection and Landscaping Enhancement
- Connect sidewalk from Bittersweet to Alvo.
- New berms and landscaping
- Detention cell cleanup and improvements



Questions?

THANK YOU FOR
ATTENDING!
