

**Parkwood Village Homeowner's Association (PVHA)  
Approved 2025 Budget**

**Introduction**

The 2025 Budget covers maintenance, services and insurance for the Common Areas in PVHA as specified in their Declaration and provides funding for future major replacement projects. The monthly assessments presented in this budget include the \$21 per month Special Assessment for Bulk Fiber Internet Service which was approved at the PVHA Special Membership Meeting on August 15, 2022.

A Zoom Budget Hearing was held on Monday, October 28, to allow Homeowners the chance to discuss and ask questions about the budget. The 2025 Budget was approved by the membership at the Thursday, November 14, 2024, PVHA Annual Business Meeting.

**Total 2025 Assessment Amounts**

**This Budget proposes a 5.0% increase in the total assessment payment for 2025.**

Based on the proposed budget, the monthly assessments will increase from:

- **\$341 to \$358 (+\$17)**  
*for units identified as paying 1.008% of the budget amount\**
- **\$356 to \$374 (+\$18)**  
*for units identified as paying 1.057% of the budget amount\**

**This increase would go into effect on January 1, 2025.**

*\*as shown on Schedule B of the PVHA Restated Declaration.*

**Operating Budget Highlights**

The 2025 Budget increase is being driven by increases in Property Insurance and the City Water & Sewer. All remaining expenses are being held at or very close to their current 2024 amounts.

The Operating Budget is presented on Pages 1 & 2 and footnotes appear at the bottom of each page.

- **The proposed increase in the 2025 Operating Assessment is \$14,976 (5.7%).  
This is an average of \$13 per month per unit.**
- Operating expenses are projected to increase by **\$15,184 (5.2%)** in 2025.
- The 2025 Total Operating Income does not completely cover the past deficit budget amount from this year leaving a projected **(\$1,00)** Net (Loss) in the 2025 Budget (see Page 2).
- At **\$57,106** the City Water & Sewer utility remains the largest single line item in the PVHA Budget accounting for **14% (\$50)** of the monthly operating assessment.

### **Contributors to 2025 Operating Expenses**

With an **\$11,000** increase from the 2024 budget amount property and liability insurance accounts for a majority of the increase in Operating expenses (**\$10/month**). Quotes were solicited from two major insurance agencies (M3 and Tricor) as well as American Family, Rural Mutual and State Farm. In the current insurance market, none of the carriers were willing to quote on Parkwood's insurance. This problem is being faced by many multi-dwelling, wood frame properties built prior to 1980. Travelers was willing to renew the coverage at a 33% increase.

<b>Water &amp; Sewer</b> - Based information from the City Water and Engineering Departments the Water & Sewer utility bill is projected to increase by 6.5% from its 2024 Budget amount.	<b>+\$3,506</b> (\$3/month)
<b>Trash Collection</b> - An inflation driven increase in trash collection this year results in a 5.4% increase from the 2024 budget figure. The trash collection contract is then projected to increase by 3% on 10/1/2025.	<b>+\$1,063</b>
<b>Pool Chemicals</b> - Increase in the cost based on 2024 actual.	<b>+\$250.</b>

### **Reserve/Capital Improvements and Funding**

Reserve Advisors conducted a tour of the PVHA homes and common areas in October of 2020. Based on review of the specific sections in the report by management and Patrick Eagan (Structural Engineer), Reserve Advisors provided an updated report on August 24, 2021. Copies of this report can be viewed on the PVHA website. Reserve Advisors is currently in the process of updating Parkwood's reserve study and funding plan.

The funding plan and projected expenditures in this budget are based largely on the Reserve Advisors report. The report estimates total thirty-year projected reserve expenditures of \$4.2 million. Asphalt, siding and roofing replacement comprise nearly two-thirds (\$2.6 million) of projected reserve expenditures. The funding goal is to maintain reserves above an adequate, but not excessive level, during one or more years of significant expenditures. The updated thirty-year plan recognizes a critical funding threshold in 2043. This can be seen by the orange shaded figure on page 4. The far-right column represents the projected reserve balances from the Reserve Advisors report while the adjacent column to the left shows the projected balances based on the Revised Funding Plan, actual 2023 and projected 2024 reserve income and expenses.

The 2025 Reserve income and expenditures are presented on page 3. The Reserve Funding Plan assumes a **3.75% annual rate of return** (decreased from 5.0%) on invested reserves and a 2.0% future Inflation Rate for estimating Future Replacement Costs.

**Based on the updated and revised reserve report, the recommended funding plan calls for a \$4.50 increase in the monthly Reserve Assessment each year from 2025 to 2043.** The Reserve Fund Balance from 2023 through 2053 is depicted in the graph at the bottom of budget Page 4.

### **2025 Assessment Breakdown**

To help answer the question, "Where does my monthly assessment go?", a pie chart and breakdown are provided on Page 5.

**Parkwood Village Homeowners Association, Inc.**  
**2025 Operating Budget**

		2023	2024	2024	Foot	2025	% Change
		Actual	Estimated	Budget	Note	Budget	from '24
<b>Operating Income</b>							
4000	Monthly Assessment	253,324	265,036	265,036	1	280,012	5.7%
4050	TDS Fiber Sp. Assessment	24,312	24,195	24,192		24,192	0.0%
4100	Late Fee/Other Assess.	768	360	600		600	0.0%
4150	Bad Debt Operating	(214)	(218)	(1,380)	2	(729)	-47.2%
4200	Miscellaneous Income	622	375	300		300	0.0%
<b>Total Operating Income</b>		<b>278,812</b>	<b>289,748</b>	<b>288,748</b>		<b>304,375</b>	<b>5.4%</b>

**Operating Expenses****Administrative Expenses**

5000	Monthly Management Fee	21,398	21,773	21,773		21,773	0.0%
5100	TDS Bulk Fiber	23,971	24,192	24,192		24,192	0.0%
5400	Insurance Expense	30,574	34,450	32,500	3	43,500	33.8%
5500	Legal Fees	939	900	1,000	4	1,000	0.0%
5600	Banking Fees & Supplies	385	390	420		420	0.0%
5700	Postage, Copies, Directory	124	225	300		300	0.0%
5800	Meeting Expense	445	450	250		250	0.0%
5950	Other Expenses	2,050	1,600	2,000	5	2,000	0.0%
<b>Total Administrative Expenses</b>		<b>79,886</b>	<b>83,980</b>	<b>82,435</b>		<b>93,435</b>	<b>13.3%</b>

**Utilities Expense**

6300	Unit Security Lights	683	750	985		800	-18.8%
6400	Water & Sewer	52,522	55,443	53,600	6	\$57,106	6.5%
<b>Total Utilities Expenses</b>		<b>53,205</b>	<b>56,193</b>	<b>54,585</b>		<b>57,906</b>	<b>6.1%</b>

**Repairs & Maintenance Expenses**

6500	Repairs & Maintenance-General	18,117	17,600	18,000	7	18,000	0.0%
6600	Gutter Repair & Maintenance	3,155	2,900	3,300	7	3,300	0.0%
6800	Light Bulbs, Fixtures & Repairs	2,249	2,500	2,600	7	2,600	0.0%
6900	Maintenance Supplies	2,159	1,900	2,000	8	2,000	0.0%
<b>Total Repairs &amp; Maintenance</b>		<b>25,680</b>	<b>24,900</b>	<b>25,900</b>		<b>25,900</b>	<b>0.0%</b>

- 1 **Proposed \$13.00 (5.7%) increase in the 2025 Operating Assessment.**
- 2 Bad debt loss is based on **3 months** lost income.
- 3 Insurance **+34%** Based on Travelers renewal **(+\$11,000)**
- 4 Legal fees - covers 8 hours for consult and opinion on rules, collection, other...
- 5 Other Expenses - \$2,000 covers common area plumbing contractors, unexpected expenses, partial insurance deduct
- 6 2025 based on est 2024 + **rate increase information from City Water & Engineering (+\$3,506)**
- 7 Based on 2023-24. Labor for 6500, 6600 & 6800 allows for an average of approx 12 hrs/week from 3/1-12/31 @ \$36/hr (\$21,560) plus \$4,900 for any contract work.
- 8 For shop supplies, fence repairs, bldg/conc repair, g-door weath strip, trim coil...

		2023	2024	2024	Foot	2025	% Change
		Actual	Estimated	Budget	Note	Budget	from '24
<b>Lawn Care Expense</b>							
7000	Landscape Non-Contract	9,023	8,800	8,900	1	8,900	0.0%
7100	Landscape Contract	15,516	15,450	15,400	2	15,400	0.0%
	<b>Total Lawn Care</b>	<b>24,539</b>	<b>24,250</b>	<b>24,300</b>		<b>24,300</b>	<b>0.0%</b>
<b>Snow Care Expenses</b>							
7300	Snow Plowing Contract	10,904	10,560	13,500	3	13,500	0.0%
7400	Snow Shoveling Contract	10,281	8,976	10,000	3	10,000	0.0%
7500	Non-Contracted Snow Removal	4,493	5,940	4,000		4,000	0.0%
7600	Ice Dam Removal	621	1,100	1,800		1,800	0.0%
7610	Salt & De-Icer	15,375	12,936	15,200	3	15,200	0.0%
	<b>Total Snow Care</b>	<b>41,674</b>	<b>39,512</b>	<b>44,500</b>	<b>3</b>	<b>44,500</b>	<b>0.0%</b>
<b>Other Grounds Care</b>							
7710	Tree Care, Removal/Replace	7,405	12,155	8,000	4	8,000	0.0%
7720	Shrub Care, Removal/Replace	4,848	4,700	5,000	5	5,000	0.0%
7800	Gutter Cleaning	2,545	2,700	2,700		2,700	0.0%
7900	Pest Control	2,692	2,900	2,900	6	2,900	0.0%
7910	Trash Removal	19,265	20,252	19,756	7	20,819	5.4%
	<b>Total Other Grounds Care</b>	<b>36,755</b>	<b>42,707</b>	<b>38,356</b>		<b>39,419</b>	<b>2.8%</b>
<b>Pool &amp; Community Room Expenses</b>							
8000	Pool Maint & Repairs	9,473	8,700	9,500		9,000	-5.3%
8100	Pool Chemicals	3,683	3,750	3,500	8	3,750	7.1%
8110	Pool Supplies-Equipment	659	600	650		650	0.0%
8200	Pool Licenses & Fines	723	775	725		775	6.9%
8400	Pool -Telephone	320	275	240		240	0.0%
8600	Pool/Community Rm. - Utilities	3,936	4,200	4,500	9	4,500	0.0%
8700	Community Rm. Repairs/Events	894	850	1,000	9	1,000	0.0%
	<b>Total Pool &amp; Community Room</b>	<b>19,688</b>	<b>19,150</b>	<b>20,115</b>		<b>19,915</b>	<b>-1.0%</b>
	<b>Total Operating Expense</b>	<b>281,427</b>	<b>290,692</b>	<b>290,191</b>	10	<b>305,375</b>	<b>5.2%</b>
	<b>Net Operating Income/(Loss)</b>	<b>(2,615)</b>	<b>(\$944)</b>	<b>(1,443)</b>	11	<b>(1,000)</b>	
	Transfer (To)/From Reserves	0	0	0		0	
	<b>Operating Fund Balance</b>	<b>\$47,665</b>	<b>\$46,721</b>	<b>\$43,150</b>	11	<b>\$45,721</b>	

- 1 Lbr+mat. For weeding/seeding/mulching (20 yds); Incl. \$1,000 for "No Mow" or Rain Garden
- 2 2023-2025 Grounds Contract. No increase for 2025.
- 3 2023-2025 Snow Removal Contract (7300, 7400 & 7610). No increase in 2025
- 4 Plant 4 new trees, remove 1 ash tree, and maintenance pruning of approx 12 large trees/year
- 5 \$3,700 for annual pruning plus \$1,300 to remove and replace 6-8 shrubs/perennials per year
- 6 2025 based on monthly contract with Professional Pest Control + \$300 xtra for CM treated bees/other
- 7 Budget based on Waste Mangt contract (+3%/yr).
- 8 For opening/closing, daily checks, any parts/repair of mechanicals. 2025 Budget based on 16 weeks.  
16 week season allows for 2 weeks past Labor Day). Pool Chems budget increased by \$250.
- 9 Based on 2023-'24 exp. For furnace inspection, cleaning, and minor community room repairs.
- 10 Increase/(Decrease) from 2024      \$15,184      5.2%

Goal for Operating Fund is two months income: \$46,669

- 11 Budgeted 2025 net operating income/(loss)      (\$1,000)      will reduce Operating Fund to: \$45,721

**Parkwood Village Homeowners Association, Inc.**  
**2025 Capital/Reserve Budget**

		2023 Actual	2024 Estimated	2024 Budget	Foot Note	2025 Budget	% Change from '24
<b>Reserve Income</b>							
4500	Reserve Assessments	110,406	115,996	115,996	1	121,180	4.5%
4600	Reserve Account Interest	4,396	9,900	13,154	2	11,872	
495	Bad Debt Reserve	(92)	(98)	(604)		(316)	-47.8%
	<b>Total Reserve Income</b>	<b><u>114,710</u></b>	<b><u>125,798</u></b>	<b><u>128,546</u></b>		<b><u>132,736</u></b>	<b>3.3%</b>
<b>Reserve/Capital Expenses</b>							
1.000	Ext. Building Elements	23,462	21,940	19,902	3	19,902	
4.000	Property Site Elements	26,116	15,375	21,000	4	31,000	
5.000	Community Bldg. Elements	0	4,600	10,000		0	
6.000	Pool Elements	2,404	6,325	5,000	5	1,200	
7.000	Income Tax/Reserve Rpt Update	277	5,187	7,316	6	3,532	
	<b>Total Reserve/Capital Expense:</b>	<b><u>\$52,259</u></b>	<b><u>\$53,427</u></b>	<b><u>\$63,218</u></b>		<b><u>\$55,634</u></b>	
	Net Reserve Income/(Loss)	<u>\$62,451</u>	<u>\$72,371</u>	<u>\$65,328</u>		<u>\$77,103</u>	
	Transfer To/(From) Reserves	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>	
	<b>Reserve Fund Balance</b>	<b><u>\$232,283</u></b>	<b><u>\$304,654</u></b>	<b><u>\$300,050</u></b>	<b>7</b>	<b><u>\$381,757</u></b>	

- 1 Reserve Assessment is set to meet long range funding needs based on a 30 year long range budget.  
**Funding increase remains at \$4.50/mo/yr) for 2025-2042.**
- 2 **Reserve Acct. Interest Rate decreases** from 5.0% to **3.75%** based on current CD Rates.
- 3 **Ext. Building Elements** - repair/paint 3 balcony rails \$3,900; Allowance for foundation piers, foundation crack repairs and/or work related to settling \$16,000
- 4 **Property Site Elements - Fences:** 6634, 230 (front) repl. \$7,2000; repl rot 4x4s \$2,200, stain 3 - \$1,500, paint 2 - \$600, repair/stain lg Grand Canyon fence \$3,400; **Concrete:** repl 18 18 walk sect, 2 front porch, conc around 2 storm drains \$13,100; allow for ext. water main \$1,500 repl Fire Lane, No Pkg, Speed Limit signs over 2 yrs.(\$1,500 ea. year).
- 5 **Pool Elements** - caulk/repair conc deck joints \$1,200
- 6 **Reserve Rpt. Update** - Updated Reserve Report every four years; Income Tax \$3,500
- 7 Projected Fund Balance at 2024 Year End: **\$304,654**  
 Projected Fund Balance at **2025 Year End:** **\$381,757**



# Parkwood Village Thirty Year Recommended

## Reserve Funding Table and Graph

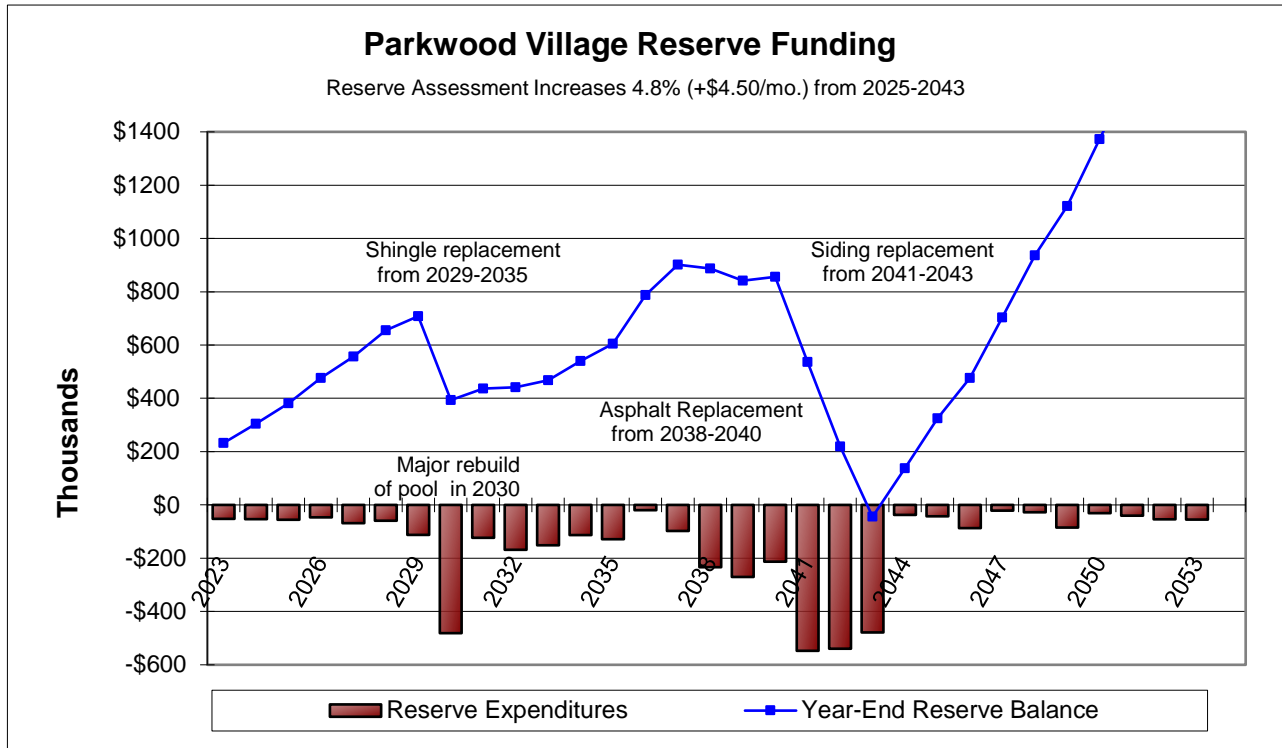
**Assumptions:** A long term inflation rate of 2.0% and interest on investments of **3.75% per year**.

All amounts in the table are in thousands (\$)

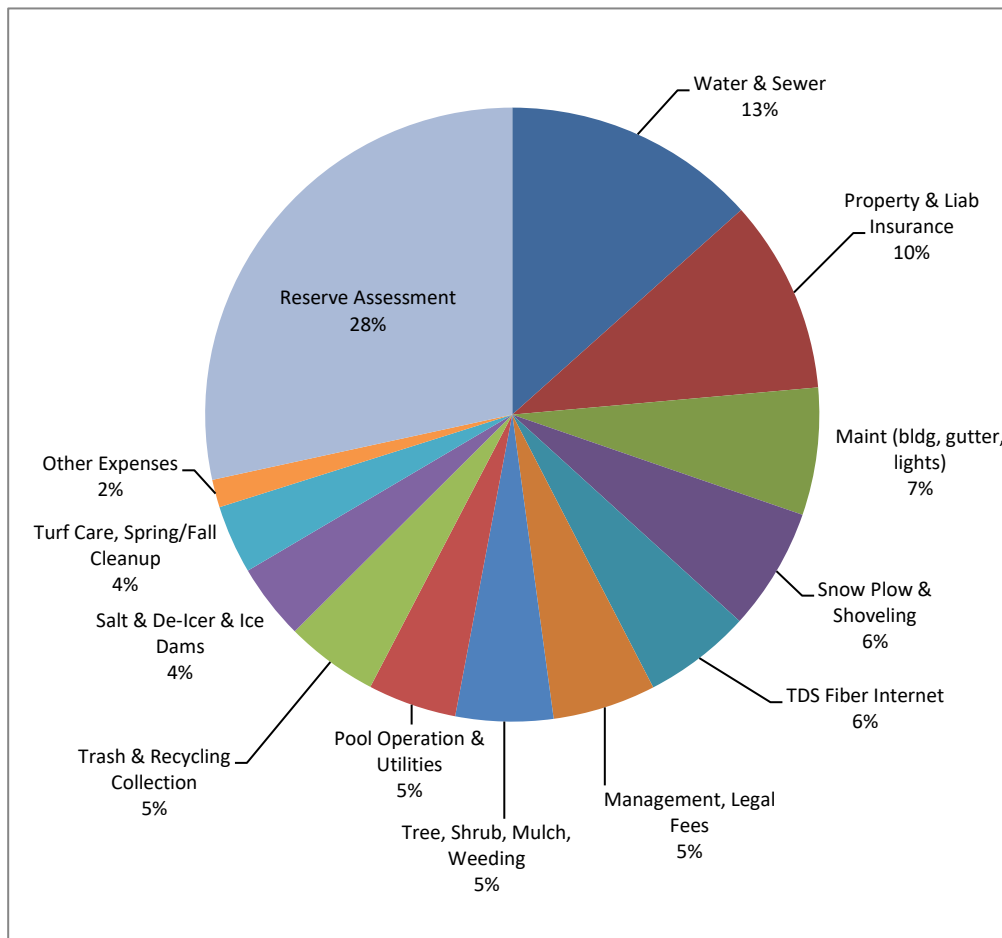
Year	Budgeted* Reserve Assessment	Projected Reserve Expense	PVHA Projected Reserve Balance	Reserve Advisors Projected Balance	Year	Budgeted* Reserve Assessment	Projected Reserve Expense	PVHA Projected Reserve Balance	Reserve Advisors Projected Balance
2023	110	52	232	253	2039	194	270	841	87
2024	116	53	305	341	2040	199	213	856	61
2025	121	56	382	454	2041	204	547	537	166
2026	126	47	476	596	2042	209	540	220	290
2027	132	68	557	702	2043	214	479	-44	442
2028	137	59	656	492	2044	218	37	138	564
2029	142	112	709	493	2045	221	43	325	707
2030	147	481	394	514	2046	225	87	476	813
2031	152	123	437	643	2047	228	21	703	957
2032	157	168	441	692	2048	232	28	936	992
2033	163	151	468	474	2049	235	85	1122	1,156
2034	168	113	540	281	2050	239	31	1373	1,317
2035	173	129	604	57	2051	242	40	1626	-
2036	178	20	787	117	2052	246	54	1878	-
2037	183	98	902	218	2053	249	55	2142	-
2038	189	234	888	143					

Critical Year  
 2029-2035 - Replace shingles - \$639,000  
 2030 - Rebuild Pool - \$315,000

2038-2040 - Replace asphalt - \$542,000  
 2041-2043 - Replace siding - \$1.4 million  
 \*Reserve assessment does not include interest income



**Parkwood Village  
2025 Assessment Breakdown**



Category	Annual	Monthly	%
Water & Sewer	57,106	\$50	13%
Property & Liab Insurance	43,500	\$38	10%
Maint (bldg, gutter, lights)	28,600	\$25	7%
Snow Plow & Shoveling	27,500	\$24	6%
TDS Fiber Internet	24,192	\$21	6%
Management, Legal Fees	23,193	\$20	5%
Tree, Shrub, Mulch, Weedir	21,900	\$19	5%
Pool Operation & Utilities	19,915	\$17	5%
Trash & Recycling Collectio	20,819	\$18	5%
Salt & De-Icer & Ice Dams	17,000	\$15	4%
Turf Care, Spring/Fall Clear	15,400	\$13	4%
Other Expenses	6,250	\$5	1%
Reserve Assessment	121,180	\$105	28%