

**Parkwood Village Homeowner's Association (PVHA)  
Approved 2026 Budget**

**Introduction**

The 2026 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 27. This informational meeting allowed Homeowners to discuss and ask questions about the budget.

This 2026 Budget was approved by the membership at the PVHA Annual Business Meeting on Thursday, November 13 at Schwoegler's Entertainment Center.

**Total 2026 Assessment Amounts**

**This Budget proposes a 3.2% increase in the total assessment payment for 2026.**

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

- \$358 to **\$369 (+\$11)**  
*for units identified as paying 1.008% of the budget amount\**
- \$374 to **\$386 (+\$12)**  
*for units identified as paying 1.057% of the budget amount\**

**This increase would go into effect on January 1, 2026.**

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

**Operating Budget Highlights**

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

- **The increase in the 2026 Operating Assessment is \$3,456 (1.2%).  
This is an average of \$3 per month per unit.**
- Operating expenses are projected to increase by **\$3,230 (1.1%)** in 2026.
- The 2026 Total Operating Income does not completely cover the past deficit budget amount from this year leaving a projected **(\$783)** Net (Loss) in the 2026 Budget (see Page 2).
- At **\$61,338** the City Water & Sewer utility remains the largest single line item in the PVHA Budget accounting for **20% (\$53)** of the monthly operating assessment.

The smaller than expected increase in the 2026 Operating Budget (1.2%) is the result of the decrease in the property & liability insurance premium. The renewal premium from Travelers was \$50,400 which would have added \$16/month to operating assessments. Competing quotes were sought, and the TRICOR Agency came in with a policy quote of \$36,500 from Community Association Underwriters (CAU). The 2026 Budget figure is slightly more than this amount as the policy renewal date is 10/1/26 and will likely increase for the last quarter of 2026.

The most notable budget increase is in the City Water & Sewer expense (+\$4,200). Increases in the grounds, snow removal and trash collection contracts along with material cost increases combine to add \$4,300 in 2026 budgeted expenses. Two significant material cost increases are plus \$1,000 for mulch. The cost for mulch has doubled from 2021 thru 2025 and the budget was not adjusted over this four-year period. Pool chemicals also increased by \$750 just in the past year. A few smaller increases were made based on actual 2024 and projected 2025 expenditures.

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

Reserve Advisors (RA) conducted a tour of the PVHA homes and common areas in November of 2024. Based on review of the specific sections in the report by management and Patrick Eagan (Structural Engineer), Reserve Advisors provided a revised report on June 23, 2025. Copies of this report can be viewed on the PVHA website. Based on this report total projected thirty-year expenditures increased from \$4.2 million in the 2020 RA Report to \$6.6 million. Asphalt, siding and roofing replacement comprise nearly two-thirds (\$4.1 million) of projected reserve expenditures. The RA Report assumes a 2.7% annual rate of return on invested reserves and a 3.3% future Inflation Rate for estimating Future Replacement Costs.

**Recommended Reserve Funding:** Reserve Advisors recommend the following in order to achieve a stable and equitable Cash Flow Methodology Funding Plan:

- Phased increases of \$22,500 (+\$19.50/month) each year, from 2026 through 2031
- Inflationary increases (\$8,000) from 2032 through 2036
- Decrease to \$192,000 in 2037 due to fully funding for replacement of the vinyl siding

**Keep Siding Replacement in 2041:** The recent RA report moved the starting year for siding replacement from 2041 to 2033. This is what causes the significant increase (+19.50/year) for six years (2026-2031). The siding was replaced in 1999-2000 and its useful life can be stretched until 2041. **Using 2041 as the start for siding replacement results in the following funding plan:**

- Phased increases of \$9,200 (+\$8.00/month) each year, from 2026 through 2045
- Decrease to \$192,000 in 2046 due to fully funding replacement of the vinyl siding

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 2044. This can be seen by the orange shaded figure on page 4. The far-right column represents the projected reserve balances based on the Reserve Advisors report using the revised siding replacement start date.

The 2026 Reserve income and expenditures are presented on page 3. The Reserve Funding Plan assumes a **3.0% net annual rate of return** (decreased from 3.75%) on invested reserves and a 3.3% Inflation Rate used for estimating Future Replacement Costs.

**Based on the updated and revised reserve report, the recommended funding plan calls for a \$8.00 (6.7%) increase in the monthly Reserve Assessment each year from 2026 to 2045.** The Reserve Fund Balance from 2024 through 2054 is depicted in the graph at the bottom of budget Page 4.

### **2026 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.  
2026 Operating Budget**

|   | 2024                            | 2025           | 2025           | Foot           | 2026   | % Change            |
|---|---------------------------------|----------------|----------------|----------------|--------|---------------------|
|   | Actual                          | Estimated      | Budget         | Note           | Budget | from '25            |
| <b>Operating Income</b>                   |                                 |                |                |                |        |                     |
| 4000                                      | Monthly Assessment              | 265,036        | 280,012        | 280,012        | 1      | 283,468 1.2%        |
| 4050                                      | TDS Fiber Sp. Assessment        | 24,213         | 24,192         | 24,192         |        | 24,192 0.0%         |
| 4100                                      | Late Fee/Other Assess.          | 365            | 370            | 600            |        | 600 0.0%            |
| 4150                                      | Bad Debt Operating              | (399)          | (400)          | (729)          | 2      | (738) 1.2%          |
| 4200                                      | Miscellaneous Income            | 594            | 480            | 300            |        | 300 0.0%            |
| <b>Total Operating Income</b>             |                                 | <b>289,809</b> | <b>304,654</b> | <b>304,375</b> |        | <b>307,822 1.1%</b> |
| <b>Operating Expenses</b>                 |                                 |                |                |                |        |                     |
| <b>Administrative Expenses</b>            |                                 |                |                |                |        |                     |
| 5000                                      | Monthly Management Fee          | 21,744         | 21,773         | 21,773         |        | 21,773 0.0%         |
| 5100                                      | TDS Bulk Fiber                  | 23,940         | 24,192         | 24,192         |        | 24,192 0.0%         |
| 5400                                      | Insurance Expense               | 35,285         | 42,400         | 43,500         | 3      | 37,827 -13.0%       |
| 5500                                      | Legal Fees                      | 157            | 900            | 1,000          | 4      | 1,000 0.0%          |
| 5600                                      | Banking Fees & Supplies         | 349            | 390            | 420            |        | 420 0.0%            |
| 5700                                      | Postage, Copies, Notices        | 138            | 270            | 300            |        | 300 0.0%            |
| 5800                                      | Meeting Expense                 | 501            | 500            | 250            |        | 500 100.0%          |
| 5950                                      | Other Expenses                  | 2,090          | 4,300          | 2,000          | 5      | 2,000 0.0%          |
| <b>Total Administrative Expenses</b>      |                                 | <b>84,204</b>  | <b>94,725</b>  | <b>93,435</b>  |        | <b>88,012 -5.8%</b> |
| <b>Utilities Expense</b>                  |                                 |                |                |                |        |                     |
| 6300                                      | Unit Security Lights            | 732            | 800            | 800            |        | 820 2.5%            |
| 6400                                      | Water & Sewer                   | 57,168         | 59,207         | 57,106         | 6      | \$61,338 7.4%       |
| <b>Total Utilities Expenses</b>           |                                 | <b>57,900</b>  | <b>60,007</b>  | <b>57,906</b>  |        | <b>62,158 7.3%</b>  |
| <b>Repairs &amp; Maintenance Expenses</b> |                                 |                |                |                |        |                     |
| 6500                                      | Repairs & Maintenance-General   | 16,193         | 16,800         | 18,000         | 7      | 17,000 -5.6%        |
| 6600                                      | Gutter Repair & Maintenance     | 3,006          | 2,800          | 3,300          | 7      | 3,300 0.0%          |
| 6800                                      | Light Bulbs, Fixtures & Repairs | 2,422          | 2,500          | 2,600          | 7      | 2,600 0.0%          |
| 6900                                      | Maintenance Supplies            | 1,835          | 1,900          | 2,000          | 8      | 2,000 0.0%          |
| <b>Total Repairs &amp; Maintenance</b>    |                                 | <b>23,456</b>  | <b>24,000</b>  | <b>25,900</b>  |        | <b>24,900 -3.9%</b> |

- 1 **Proposed \$3.00 (1.2%) increase in the 2026 Operating Assessment.**
- 2 Bad debt loss is based on **3 months** lost income.
- 3 Insurance decrease by **13%** based on coverage switch to Tricor/CAU **(-\$5,700)**
- 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 2026 based on est 2025 + **rate increase information from City Water & Engineering (+\$4,230)**
- 7 Based on 2024-'25. Labor for 6500, 6600 & 6800 allows for an average of approx **11 hrs/week** from 3/1-12/31 @ \$36/hr (\$17,424) plus \$4,900 for any contract work.
- 8 For shop supplies, fence repairs, bldg/conc repair, g-door weath strip, trim coil....

|   | 2024                                   | 2025            | 2025            | Foot            | 2026      | % Change        |              |
|---|--|-----------------|-----------------|-----------------|-----------|-----------------|--------------|
|   | Actual                                 | Estimated       | Budget          | Note            | Budget    | from '25        |              |
| <b>Lawn Care Expense</b>                  |  |                 |                 |                 |           |                 |              |
| 7000                                      | Landscape Non-Contract                 | 10,486          | 11,650          | 8,900           | 1         | 10,800          | 21.3%        |
| 7100                                      | Landscape Contract                     | 15,472          | 15,450          | 15,400          | 2         | 16,521          | 7.3%         |
|   | <b>Total Lawn Care</b>                 | <b>25,958</b>   | <b>27,100</b>   | <b>24,300</b>   |           | <b>27,321</b>   | <b>12.4%</b> |
| <b>Snow Care Expenses</b>                 |  |                 |                 |                 |           |                 |              |
| 7300                                      | Snow Plowing Contract                  | 8,980           | 7,920           | 13,500          | 3         | 13,500          | 0.0%         |
| 7400                                      | Snow Shoveling Contract                | 7,309           | 7,656           | 10,000          | 3         | 10,000          | 0.0%         |
| 7500                                      | Non-Contracted Snow Removal            | 4,713           | 4,488           | 4,000           |           | 4,000           | 0.0%         |
| 7600                                      | Ice Dam Removal                        | 715             | 1,100           | 1,800           |           | 1,800           | 0.0%         |
| 7610                                      | Salt & De-Icer                         | 13,091          | 13,068          | 15,200          | 3         | 15,200          | 0.0%         |
|   | <b>Total Snow Care</b>                 | <b>34,808</b>   | <b>34,232</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             | 12,154          | 9,100           | 8,000           | 4         | 8,500           | 6.3%         |
| 7720                                      | Shrub Care, Removal/Replace            | 4,989           | 6,350           | 5,000           | 5         | 5,500           | 10.0%        |
| 7800                                      | Gutter Cleaning                        | 2,475           | 2,700           | 2,700           |           | 2,700           | 0.0%         |
| 7900                                      | Pest Control                           | 2,798           | 2,900           | 2,900           | 6         | 2,900           | 0.0%         |
| 7910                                      | Trash Removal                          | 20,252          | 20,800          | 20,819          | 7         | 21,424          | 2.9%         |
|   | <b>Total Other Grounds Care</b>        | <b>42,668</b>   | <b>41,850</b>   | <b>39,419</b>   |           | <b>41,024</b>   | <b>4.1%</b>  |
| <b>Pool &amp; Community Room Expenses</b> |  |                 |                 |                 |           |                 |              |
| 8000                                      | Pool Maint & Repairs                   | 8,738           | 8,900           | 9,000           | 8         | 9,000           | 0.0%         |
| 8100                                      | Pool Chemicals                         | 3,770           | 4,600           | 3,750           | 8         | 4,500           | 20.0%        |
| 8110                                      | Pool Supplies-Equipment                | 521             | 640             | 650             |           | 650             | 0.0%         |
| 8200                                      | Pool Licenses & Fines                  | 773             | 775             | 775             |           | 775             | 0.0%         |
| 8400                                      | Pool -Telephone                        | 258             | 265             | 240             |           | 265             | 10.4%        |
| 8600                                      | Pool/Community Rm. - Utilities         | 3,949           | 4,200           | 4,500           | 9         | 4,500           | 0.0%         |
| 8700                                      | Community Rm. Repairs/Events           | 645             | 950             | 1,000           | 9         | 1,000           | 0.0%         |
|   | <b>Total Pool &amp; Community Room</b> | <b>18,654</b>   | <b>20,330</b>   | <b>19,915</b>   |           | <b>20,690</b>   | <b>3.9%</b>  |
|   | <b>Total Operating Expense</b>         | <b>287,648</b>  | <b>302,244</b>  | <b>305,375</b>  | <b>10</b> | <b>308,605</b>  | <b>1.1%</b>  |
|   | <b>Net Operating Income/(Loss)</b>     | <b>2,161</b>    | <b>\$2,411</b>  | <b>(1,000)</b>  | <b>11</b> | <b>(783)</b>    |              |
|   | Transfer (To)/From Reserves            | 0               | 0               | 0               |           | 0               |              |
|   | <b>Operating Fund Balance</b>          | <b>\$48,917</b> | <b>\$51,328</b> | <b>\$43,150</b> | <b>11</b> | <b>\$50,545</b> |              |

- 1 Common beds-weed/seed/mulch (24 yds); **Incr based on 24/25-mulch +\$1,000, CM Lbr +\$900**
- 2 2026-2027 Grounds Contract. **\$1,100 increases in 2026**; No increase for 2027.
- 3 2026/27 Snow Remv Contr. (7300/7400/7610). **No increase in '26, Will adj to new rates in 2027**
- 4 Plant 4 new trees, remove 1 ash tree, and maintenance pruning of approx 12 large trees/year
- 5 \$3,800 for annual pruning plus \$1,700 to remove and replace 6-8 shrubs/perennials per year
- 6 2026 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. 2026 Budget based on 16 weeks. 16 week season allows for 2 weeks past Labor Day). **Pool Chems budget increased by \$750.**
- 9 Based on 2024-'25 exp. For furnace inspection, cleaning, and minor community room repairs.
- 10 Increase/(Decrease) from 2025 **\$3,230 1.1%**

11 **Budgeted 2026 net operating income/(loss)** **(\$783)** **Goal for Operating Fund is two months income: \$47,245** will reduce Operating Fund to: **\$50,545**

**Parkwood Village Homeowners Association, Inc.  
2026 Capital/Reserve Budget**

|                                 |                                       | 2024<br>Actual          | 2025<br>Estimated       | 2025<br>Budget          | Foot<br>Note | 2026<br>Budget          | % Change<br>from '25 |
|---------------------------------|---------------------------------------|-------------------------|-------------------------|-------------------------|--------------|-------------------------|----------------------|
| <b>Reserve Income</b>           |                                       |                         |                         |                         |              |                         |                      |
| 4500                            | Reserve Assessments                   | 115,996                 | 121,180                 | 121,180                 | 1            | 130,380                 | 7.6%                 |
| 4600                            | Reserve Account Interest              | 11,443                  | 11,750                  | 11,872                  | 2            | 11,050                  |                      |
| 495                             | Bad Debt Reserve                      | (144)                   | (147)                   | (316)                   |              | (326)                   | 3.2%                 |
|                                 | <b>Total Reserve Income</b>           | <b><u>127,295</u></b>   | <b><u>132,783</u></b>   | <b><u>132,736</u></b>   |              | <b><u>141,104</u></b>   | <b>6.3%</b>          |
| <b>Reserve/Capital Expenses</b> |                                       |                         |                         |                         |              |                         |                      |
| 1.000                           | Ext. Building Elements                | 21,696                  | 11,014                  | 19,902                  | 3            | 26,000                  |                      |
| 4.000                           | Property Site Elements                | 16,488                  | 39,850                  | 31,000                  | 4            | 34,600                  |                      |
| 5.000                           | Community Bldg. Elements              | 3,693                   | 7,552                   | 7,500                   | 5            | 1,200                   |                      |
| 6.000                           | Pool Elements                         | 5,077                   | 1,387                   | 1,200                   | 6            | 2,550                   |                      |
| 7.000                           | Income Tax/Reserve Rpt Update         | 4,142                   | 3,342                   | 3,532                   | 7            | 3,400                   |                      |
|                                 | <b>Total Reserve/Capital Expenses</b> | <b><u>\$51,096</u></b>  | <b><u>\$63,145</u></b>  | <b><u>\$63,134</u></b>  |              | <b><u>\$67,750</u></b>  |                      |
|                                 | Net Reserve Income/(Loss)             | <b><u>\$76,199</u></b>  | <b><u>\$69,638</u></b>  | <b><u>\$69,602</u></b>  |              | <b><u>\$73,354</u></b>  |                      |
|                                 | Transfer To/(From) Reserves           | <u>0</u>                | <u>0</u>                | <u>0</u>                |              | <u>0</u>                |                      |
|                                 | <b>Reserve Fund Balance</b>           | <b><u>\$308,487</u></b> | <b><u>\$378,125</u></b> | <b><u>\$381,757</u></b> | 8            | <b><u>\$451,479</u></b> |                      |

- 1 Reserve Assessment is set to meet long range funding needs based on a 30 year long range budget.  
**Funding increase to \$8.00/mo/yr (6.7%) from 2025-2045.**
- 2 **Reserve Acct. Interest Rate decreases** from 5.0% to **3.3%** based on RA Report/**drop in CD rates**
- 3 **Ext. Building Elements** - repair/paint 8 balcony rails \$12,000, paint 18 g-doors white \$5,000  
Allowance for foundation piers, crack repairs and/or work related to settling \$9,000
- 4 **Property Site Elements - Asphalt - crack seal & 2 catch basins \$7,500: Fences** based on RA Rpt  
repl 4 fences \$12,200, stain 6-8 per yr \$7,400; plus allow for rot 4x4 post repl \$2,000; **Concrete:**  
repl a few walk sect & 1 front porch \$2,500 ; **UG Water** allow for  
ext. water main repair \$1,500; repl Fire Ln, No Pkg, Spd Limit signs over 2 yrs.(\$1,500 ea. year).
- 5 **Community Bldg.** - repl shelves, blinds, outlets, possible small TV for events \$1,200
- 6 **Pool Elements** - caulk/repair conc deck joints & two repl lounge chairs \$1,00
- 7 **Reserve Rpt. Update** - Updated Reserve Report every four years; Income Tax \$3,400
- 8 Projected Fund Balance at 2025 Year End: **\$378,125**  
Projected Fund Balance at **2026 Year End:** **\$451,479**



# Parkwood Village Thirty Year Recommended

## Reserve Funding Table and Graph

**Assumptions:** A long term inflation rate of 3.3% and interest on investments of **3.0% net per year**.

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

| Year        | Budgeted* Reserve Assessment | Projected Reserve Expense | PVHA Projected Reserve Balance | Year | Budgeted* Reserve Assessment | Projected Reserve Expense | PVHA Projected Reserve Balance |
|-------------|------------------------------|---------------------------|--------------------------------|------|------------------------------|---------------------------|--------------------------------|
| 2025        | 121                          | 63                        | 378                            | 2040 | 259                          | 294                       | 1018                           |
| <b>2026</b> | <b>130</b>                   | <b>68</b>                 | <b>451</b>                     | 2041 | 268                          | 487                       | 824                            |
| 2027        | 140                          | 201                       | 401                            | 2042 | 278                          | 498                       | 623                            |
| 2028        | 149                          | 201                       | 360                            | 2043 | 287                          | 594                       | 329                            |
| 2029        | 158                          | 149                       | 379                            | 2044 | 296                          | 595                       | <b>35</b>                      |
| 2030        | 167                          | 150                       | 406                            | 2045 | 305                          | 40                        | 304                            |
| 2031        | 176                          | 176                       | 418                            | 2046 | 190                          | 101                       | 403                            |
| 2032        | 186                          | 135                       | 481                            | 2047 | 196                          | 75                        | 536                            |
| 2033        | 195                          | 54                        | 636                            | 2048 | 203                          | 67                        | 688                            |
| 2034        | 204                          | 496                       | 358                            | 2049 | 209                          | 114                       | 803                            |
| 2035        | 213                          | 62                        | 521                            | 2050 | 216                          | 63                        | 980                            |
| 2036        | 222                          | 36                        | 724                            | 2051 | 223                          | 119                       | 1113                           |
| 2037        | 232                          | 62                        | 915                            | 2052 | 231                          | 482                       | 888                            |
| 2038        | 241                          | 201                       | 980                            | 2053 | 238                          | 376                       | 772                            |
| 2039        | 250                          | 231                       | 1025                           | 2054 | 246                          | 412                       | 626                            |

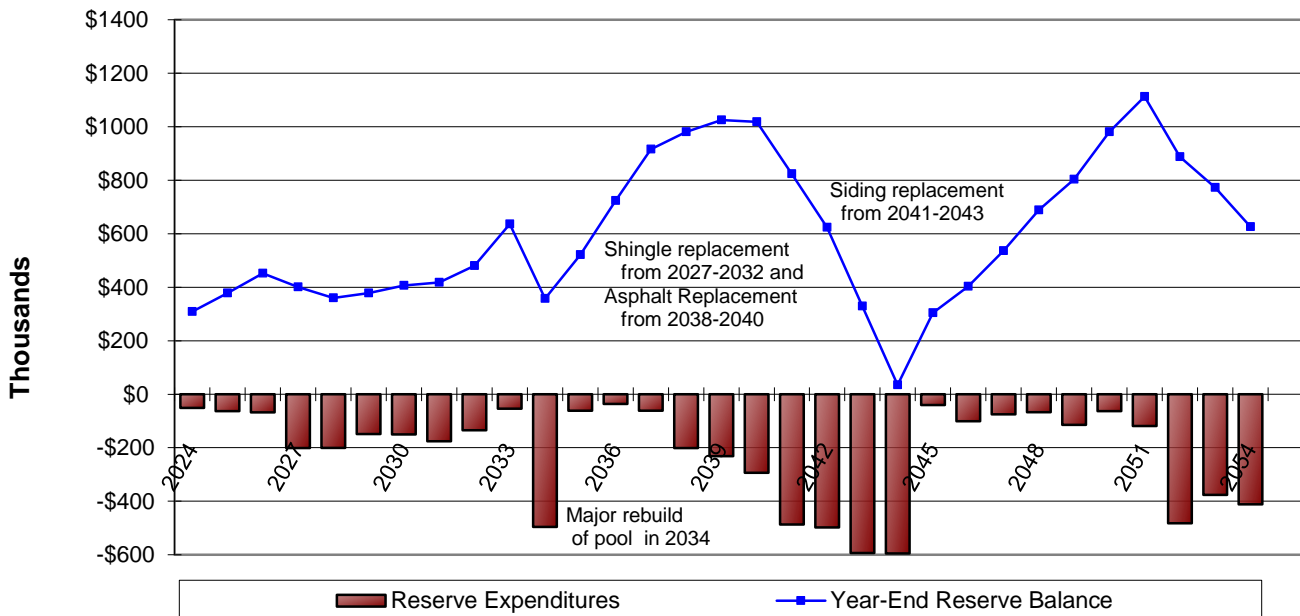
Critical Year - 2044  
 2027-2032 - Replace shingles - \$735,000  
 2034 - Rebuild Pool - \$415,000

2038-2040 - Replace asphalt - \$550,000  
 2041-2044 - Replace siding - \$1.7 million

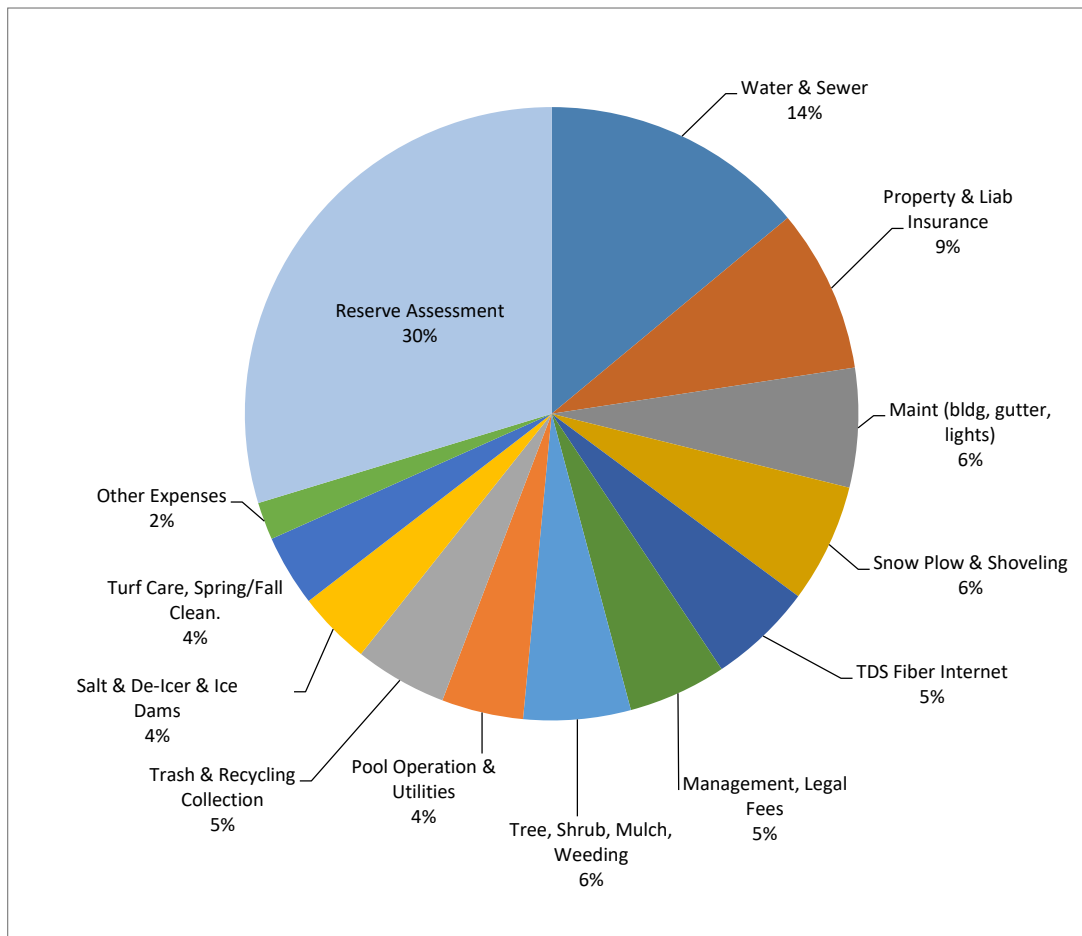
\*Reserve assessment does not include interest income

### Parkwood Village Reserve Funding

Reserve Assessment Increases 6.7% (+\$8.00/mo.) from 2025-2045



**Parkwood Village  
2026 Assessment Breakdown**



| Category                      | Annual         | Monthly      | %          |
|-------------------------------|----------------|--------------|------------|
| <b>Water &amp; Sewer</b>      | <b>61,338</b>  | <b>\$53</b>  | <b>14%</b> |
| Property & Liab Insurance     | 37,827         | \$33         | 9%         |
| Maint (bldg, gutter, lights)  | 27,600         | \$24         | 6%         |
| Snow Plow & Shoveling         | 27,500         | \$24         | 6%         |
| TDS Fiber Internet            | 24,192         | \$21         | 6%         |
| Management, Legal Fees        | 22,773         | \$20         | 5%         |
| Tree, Shrub, Mulch, Weeding   | 24,800         | \$22         | 6%         |
| Pool Operation & Utilities    | 18,915         | \$16         | 4%         |
| Trash & Recycling Collection  | 21,424         | \$19         | 5%         |
| Salt & De-Icer & Ice Dams     | 17,000         | \$15         | 4%         |
| Turf Care, Spring/Fall Clean. | 16,521         | \$14         | 4%         |
| Other Expenses                | 8,710          | \$8          | 2%         |
| <b>Reserve Assessment</b>     | <b>130,380</b> | <b>\$113</b> | <b>30%</b> |