

Deerwood Avalon HOA 2025 Budget Narrative

The annual dues for 2025 are set at **\$75 per residence**, maintaining the same rate as the 2022-2024 dues. The Board has budgeted total dues revenue of **\$41,000**, assuming a conservative collection rate of 85%. While efforts to collect on past due balances will continue, these amounts have not been included in the current budget to ensure a prudent approach to planning for 2025 expenses. Dues will be assessed in January 2025 for the period of **January through December 2025** and may be paid online via **PayHOA.com** or by check mailed to the HOA's PO Box. Invoices will be emailed to all property owners with electronic communication on file. Residents without completed **PayHOA.com** profiles will receive a mailed invoice to their home address.

Water and Electrical Expenses

Water expenses are projected to remain low as the Board does not plan to activate the sprinklers at the entrances. The entrances have been planted with drought-resistant plants, and the HOA will contract with our lawn service provider to water these areas on an as-needed basis. Electrical costs for the lighted entrance signs are expected to remain consistent with last year, with a modest **5% increase** budgeted to account for inflation.

Office Supplies and Software

Office and software expenses include essential fees such as:

- Website subscription: **\$589 annually**
- Website domain fee: **\$49 biennially**
- Business email registration: **\$60 annually**
- Business phone registration: **\$127 annually**
- PayHOA subscription: **\$1,821 annually**

These fees are typically paid in the fall, and the Board has budgeted conservatively for slight increases in 2025. These tools are necessary for the HOA's operations, especially as they remain self-managed.

Bank Service Charges and Postage

Bank service charges are expected to be minimal in 2025. Credit card processing fees for online dues payments will continue to be passed through to property owners. To avoid these fees, residents may pay dues by check via mail. Additionally, with the transition to PayHOA payment processing in the prior year, postage expenses are expected to continue decreasing.

Community Events

The HOA Board remains committed to supporting neighborhood events that foster a stronger sense of community. For 2025, **\$1,000** has been budgeted to collaborate with groups like the Neighborhood Watch Team or to plan HOA-sponsored events. In 2023, the HOA contributed filled eggs for the Easter egg hunt and provided beverages for the Neighborhood Watch BBQ.

We would love to continue these traditions while exploring new opportunities to bring the neighborhood together—such as a **4th of July celebration**. Please share any event ideas you have; we welcome your input and look forward to creating more memorable experiences!

Tree and Lawn Maintenance

Tree and lawn maintenance, as well as trash cleanup, will continue to be provided by our contracted lawn company. The Board has budgeted for a **5% increase** to account for inflation. Additional funds have also been allocated to enhance holiday light displays at the entrances and cover watering of entrances and roundabouts as needed.

Park Equipment Maintenance and Repairs

Significant renovations are planned for 2025 at both neighborhood parks:

- **Girard Park (108th Avenue and Girard):** The HOA plans to convert this space into a **dog park** with a fenced area. The current size of the park has proven to be underutilized for children's activities, and this conversion aims to better serve homeowners without children while enhancing community amenities.
- **Sheffield Park (107th Street and Sheffield):** Budget allocations include general park equipment repairs and maintenance.

It is important to note that the large park at **114th and Potter** falls under the responsibility of the SID. Projects like these are made possible by the HOA's decision to remain self-managed, which allows for significant renovations while keeping annual dues affordable.

Property Management Fees

Property management expenses are budgeted to increase by **\$2,000** to accommodate rising costs associated with filing liens.

The Deerwood Avalon HOA Board remains committed to maintaining the community's amenities, enhancing the neighborhood experience, and keeping costs manageable. We appreciate your continued support and look forward to a bright and productive 2025.

Warm regards,

The Deerwood Avalon HOA Board

**Deerwood Avalon HOA Budget
2025 Calendar Year**

| | |
|--|-----------------|
| Current Bank Balance | 60,000.00 |
| | 2025 |
| Ordinary Income/Expense | Budget |
| Income | |
| 4100 - Income | |
| 4110 - Dues | 40,000.00 |
| 4155 - Finance Charges | <u>1,000.00</u> |
| Total 4100 - Income | 41,000.00 |
| Gross Profit | 41,000.00 |
| Expense | |
| 6060 - Utilities | |
| 6065 - Water | 600.00 |
| 6070 - Electricity | <u>1,000.00</u> |
| Total 6060 - Utilities | 1,600.00 |
| 6090 - Office Supplies/Software | 2,529.46 |
| 6150 - Bank Service Charges | 50.00 |
| 6160 - Filing Fees | - |
| 6240 - Postage and Delivery | 600.00 |
| 6300 - Miscellaneous Expense | 1,000.00 |
| 6330 - Professional Fees | |
| 6335 - Legal Fees | 1,000.00 |
| 6340 - Accounting | 5,680.00 |
| 6345 - Management Fees | <u>3,600.00</u> |
| Total 6330 - Professional Fees | 10,280.00 |
| 6530 - Insurance | |
| 6536 - Liability Insurance | <u>4,000.00</u> |
| Total 6530 - Insurance | 4,000.00 |
| 6560 - Repairs / Maintenance-Other | |
| 6570 - Sprinkler Maintenance | - |
| 6575 - Landscaping Maintenance | 7,500.00 |
| 6576 - Tree Maintenance | - |
| 6580 - Lawn Maintenance | 10,000.00 |
| 6585 - Electrical Maintenance | 1,000.00 |
| 6595 - Trash Cleanup | - |
| 6625 - Park Equipment Maintenance | 24,000.00 |
| 6560 - Repairs / Maintenance-Other - Other | <u>1,000.00</u> |
| Total 6560 - Repairs / Maintenance-Other | 43,500.00 |
| 6900 - Taxes | |
| 6940 - Property Taxes | <u>500.00</u> |
| Total 6900 - Taxes | 500.00 |
| Total Expense | 64,059.46 |
| Net Ordinary Income | (23,059.46) |
| Net Income | (23,059.46) |
| anticipated 12/31/2025 cash balance | 36,940.54 |