

Orchard Villas 2025 Budget Summary

Our 2025 dues will increase significantly (11.3%) because of large increases in several expenses from our 2024 budget.

- * The 2024 Reserve Study recommended increasing our yearly reserve contribution to a 12% contribution, increasing our budget by \$14,722. This increase is primarily due to the unexpected increase in cost of building materials and the need to replace roofs in 2034.
- * The Storm Water Pond transfer from the original builders to the Tri-Party Agreement is progressing slowly. However, the Town on Apex is applying pressure to all Tri-Party members to get this completed and so we need to plan for the transfer to happen near the beginning of the year, adding \$5,960 to the budget for our 80% share of pond management and maintenance expenses.
- * Legal fees for the Storm Water Pond have exceed expectations. Although we took steps to reduce legal fees by preparing documents and using lawyers for review, legal fees were also incurred as our lawyers communicate with the Town of Apex on our behalf. We budgeted \$1,500 for legal fees but, because our 2024 legal expenses have already been \$5,758, we have increased the budget to \$3,000 for 2025 legal fees.
- * Insurance costs continue to increase at a higher than historical pace. Although we budgeted for a 10% increase, premiums increased by 19.5%. After doing a risk-benefit analysis for each category of coverage, we modified our deductible from \$10,000 to \$25,000. After adding some extra coverage based on industry practices, we kept our 2024 premium close to our budgeted \$41,175. We are planning for another 10% premium increase in 2025.
- * Building maintenance costs are increasing and so we increased our budget for these expenses by \$4,000.
- * Several other items have also increased: black flow testing, gutter cleaning, taxes, HOA management fees and utilities.

Please understand that these increases would be even higher without our all-volunteer committee members who work to keep our costs lower by volunteering their time.

Orchard Villas

2025 Board Approved Budget - October 9, 2024

	2024 Budget	2025 Budget
Ordinary Income/Expense		
Income		
Assessment Income		
Dues	343,512.00	382,476.00
Special Assessments	0.00	0.00
Total Assessment Income	343,512.00	382,476.00
Other Income		
Clubhouse Rentals	250.00	300.00
Late Fees	0.00	0.00
Total Other Income	250.00	300.00
Total Income	343,762.00	382,776.00
Expense		
Grounds		
BMP Pond Maintenance	6,560.00	12,520.00
Irrigation Repairs	10,000.00	10,000.00
Mulch	11,000.00	11,000.00
Snow & Tree Removal	1,000.00	1,000.00
Yard Contract Maintenance	59,946.00	59,940.00
Yard Improvements	3,000.00	3,000.00
Yard Other Maintenance	200.00	200.00
Total Grounds	91,706.00	97,660.00
Maintenance		
Backflow Inspections	4,000.00	5,680.00
Building Maintenance	6,000.00	10,000.00
Building Washing	4,000.00	4,000.00
Gutter Cleaning	3,500.00	4,000.00
Termite Contract	3,569.00	3,569.00
Total Maintenance	21,069.00	27,249.00
Miscellaneous		
Contingency	716.00	555.00
Postage & Printing	175.00	200.00
Total Miscellaneous	891.00	755.00
Professional Fees		
Annual Tax Payments	3,915.00	6,484.00
Accounting & Tax Prep	1,750.00	1,750.00
HOA Contract Management	15,000.00	15,600.00
Insurance	41,175.00	46,042.00
Legal Fees	1,500.00	3,000.00
Other Fees	0.00	0.00
Total Professional Fees	63,340.00	72,876.00

	2024 Budget	2025 Budget
Recreation		
Clubhouse Maintenance	6,334.00	6,880.00
Pool Maintenance	13,879.00	13,091.00
Total Recreation	20,213.00	19,971.00
Utilities		
Electric, Sewer & Water	23,000.00	26,000.00
Gas	350.00	350.00
Phone & Cable TV	513.00	513.00
Total Utilities	23,863.00	26,863.00
Total Expense	221,082.00	245,374.00
Net Ordinary Income	122,680.00	137,402.00
Other Income/Expense		
Other Income		
Capital Contributions		
Reserve Interest	20,989.00	24,181.13
Reserve Withdrawals	17,019.00	85,310.00
Total Capital Contributions	38,008.00	109,491.13
Total Other Income	38,008.00	109,491.13
Other Expense		
Capital Expenses		
Capital Maintenance	12,019.00	85,310.00
PY Reserve Contributions	0.00	0.00
Reserve Contributions	122,680.00	137,402.00
Reserve Interest Reinvestment	20,989.00	24,181.13
Reserve Study Expenses	5,000.00	0.00
Total Capital Expenses	160,688.00	246,893.13
Total Other Expense	160,688.00	246,893.13
Net Other Income	--122,680.00	--137,402.00
Net Income	0.00	0.00

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Dues Increase of 11.3% for 2025

	2024 Monthly Dues	2025 Monthly Dues	2025 Yearly Dues
Abby	323	360	4,320
Canterbury	352	392	4,704
Chateau	298	332	3,984
Colonade	312	347	4,164
Ducal	352	392	4,704
Villa	270	300	3,600
Windsor	298	332	3,984

