Lafayette Village Community Association

2026 BUDGET BOARD APPROVED

The Finance Committee has prepared and the Board of Directors has recommended the following budget for the fiscal year starting January 1, 2026. This budget proposes a 2% incease in HOA fees. **The new amounts will be $413 per quarter for town homes and $211 per quarter for detached homes on Merrimac Trail.** This budget includes a Replacement Reserve Fund contribution of $131,284, $122k recommended by the 2021 Reserve Study, plus an additional contribution of $8.3k to account for increased replacement costs. The percentages provided in this budget refer to the variance between the 2025 budget and the 2026 budget.

LINE ITEM	2024 Budget	2024 Actuals	2025 YTD Jul 31	2025 Budget	2026 BUDGET		
					Budget Amount	% increase	Difference vs. 2025
Revenue							
Single Family Assessments	$ 17,052	$ 17,052	$ 13,041	$ 17,388	$ 17,724	1.9%	$ 336
Townhome Assessments	$ 466,872	$ 466,872	$ 357,210	$ 476,280	$ 485,688	2.0%	$ 9,408
Late Fees	$ 500	$ 1,950	$ 648	$ 500	$ 500	0.0%	$ -
Interest-Reserves	$ 22,000	$ 37,514	$ 23,206	$ 40,000	$ 43,000	7.5%	$ 3,000
Legal Fee Reimbursements	$ -	$ -	$ 1,795	$ -	$ -	N/A	$ -
Grants	$ -	$ -	$ -	$ -	$ -	N/A	$ -
Miscellaneous Income	$ 500	$ 81,790	$ 390	$ 500	$ 500	0.0%	$ -
Garden Plot Income	$ 800	$ 720	$ 720	$ 800	$ 800	0.0%	$ -
Total Revenue	**$ 507,724**	**$ 605,898**	**$ 397,010**	**$ 535,468**	**$ 548,212**	**2.4%**	**$ 12,744**
Administrative Expenses							
Miscellaneous Administrative	$ 2,500	$ 2,483	$ 646	$ 2,200	$ 2,200	0.0%	$ -
Community Events	$ 1,200	$ 1,299	$ 270	$ 2,000	$ 2,500	25.0%	$ 500
Management Fees	$ 51,328	$ 51,328	$ 30,690	$ 52,611	$ 53,926	2.5%	$ 1,315
Website/Newsletter	$ 3,000	$ 4,416	$ 48	$ 500	$ 500	0.0%	$ -
Legal Fees	$ 9,000	$ 9,657	$ 6,624	$ 9,000	$ 9,000	0.0%	$ -
Audit/Tax Preparation	$ 5,000	$ 5,738	$ 5,040	$ 5,500	$ 5,500	0.0%	$ -
Reserve Study/Professional Fees	$ -	$ -	$ 1,600	$ 3,500	$ -	-100.0%	$ (3,500)
Bad Debts	$ 100	$ 4,345	$ -	$ 100	$ 100	0.0%	$ -
Neighborhood Watch	$ -	$ -	$ -	$ -	$ -	N/A	$ -
Meeting Support	$ 2,400	$ 2,100	$ 1,365	$ 2,400	$ 2,400	0.0%	$ -
Total Administrative Expenses	**$ 74,528**	**$ 81,366**	**$ 46,283**	**$ 77,811**	**$ 76,126**	**-2.2%**	**$ (1,685)**
Contract & Maintenance Expenses							
Trash Removal Contract	$ 82,000	$ 81,475	$ 49,832	$ 88,000	$ 102,000	15.9%	$ 14,000
Grounds Maintenance & Repair	$ 10,000	$ 18,354	$ 709	$ 10,000	$ 10,000	0.0%	$ -
Landscaping Contract	$ 86,284	$ 86,501	$ 51,566	$ 89,032	$ 91,703	3.0%	$ 2,671
Tree Maintenance	$ 7,000	$ 8,682	$ 9,686	$ 7,000	$ 10,000	42.9%	$ 3,000
Emergency Tree Fund	$ 5,000	$ 2,500	$ 1,900	$ 5,000	$ 5,000	0.0%	$ -
Snow Removal	$ 10,000	$ 8,313	$ 17,531	$ 10,000	$ 10,000	0.0%	$ -
Garden Expense	$ 800	$ -	$ 640	$ 800	$ 800	0.0%	$ -
Tot Lot Maintenance	$ 850	$ 550	$ -	$ 1,600	$ 1,600	0.0%	$ -
General Maintenance	$ 8,000	$ 9,881	$ 7,637	$ 9,000	$ 9,000	0.0%	$ -
Total Contract & Maintenance Expenses	**$ 209,934**	**$ 216,254**	**$ 139,501**	**$ 220,432**	**$ 240,103**	**8.9%**	**$ 19,671**

LINE ITEM	2024 Budget	2024 Actuals	2025 YTD Jul 31	2025 Budget	2026 BUDGET		
					Budget Amount	% increase	Difference vs. 2025
Pool Expenses							
Pool Contract	$ 47,895	$ 47,895	$ 50,191	$ 49,332	$ 51,799	5.0%	$ 2,467
Pool Telephone	$ 660	$ 626	$ 404	$ 700	$ 700	0.0%	$ -
Pool Electricity	$ 4,000	$ 3,378	$ 1,612	$ 3,500	$ 3,500	0.0%	$ -
Pool Water	$ 5,000	$ 4,799	$ 1,351	$ 6,000	$ 6,000	0.0%	$ -
Pool Gas	$ 200	$ 184	$ 110	$ 200	$ 200	0.0%	$ -
Pool Supplies & Maintenance	$ 9,000	$ 12,264	$ 6,881	$ 10,000	$ 10,000	0.0%	$ -
Total Pool Expenses	**$ 66,755**	**$ 69,146**	**$ 60,550**	**$ 69,732**	**$ 72,199**	**3.5%**	**$ 2,467**
Utility Expenses							
Street Light Electricity	$ 4,000	$ 3,221	$ 2,437	$ 3,200	$ 3,500	9.4%	$ 300
Total Utility Expenses	**$ 4,000**	**$ 3,221**	**$ 2,437**	**$ 3,200**	**$ 3,500**	**9.4%**	**$ 300**
Fixed Expenses							
Taxes & Licenses	$ 8,000	$ 12,946	$ 6,980	$ 9,000	$ 9,000	0.0%	**$ -**
Insurance	$ 14,000	$ 14,473	$ 8,700	$ 15,000	$ 16,000	6.7%	**$ 1,000**
Total Fixed Expenses	**$ 22,000**	**$ 27,419**	**$ 15,680**	**$ 24,000**	**$ 25,000**	**4.2%**	**$ 1,000**
Replacement Reserve Contributions							
Replacement Reserve Contribution^	$ 130,493	$ 130,493	$ 81,838	$ 140,293	$ 131,284	-6.4%	$ (9,009)
Total Replacement Reserve Contributions	**$ 130,493**	**$ 130,493**	**$ 81,838**	**$ 140,293**	**$ 131,284**	**-6.4%**	**$ (9,009)**
Total Operating Expenses	**$ 507,710**	**$ 527,899**	**$ 346,288**	**$ 535,468**	**$ 548,212**	**2.4%**	**$ 12,744**
Operating Surplus / (Deficit)	**$ 14**	**$ 77,999**	**$ 50,722**	**$ -**	**$ 0**		
Transfer to Reserves from Unappropriated Members Equity				**$ 46,081**			
Income after transfers				**$ (46,081)**			

LINE ITEM	2024 Budget	2024 Actuals	2025 YTD Jul 31	2025 Budget	2026 BUDGET		
					Budget Amount	% increase	Difference vs. 2025
CAPITAL RESERVE BUDGET							
Reserve Fund Balance							
Replacement Reserve Balance	$ 892,408	$ 905,393	$ 955,088	$ 955,088	$ 888,957		
Transfer from Members Equity	$ -	$ -	$ 46,801	$ 46,801	$ -		
Reserve Fund Balance (Jan 1 of budget year)	$ 892,408	$ 905,393	$ 1,001,889	$ 1,001,889	**$ 888,957**		
Planned Reserve Fund Projects (Per Study)							
Property Site Elements							
Replacement Private Parking signs							
Asphalt Seal Coat / Rejuvenation	*$ 46,000*		$ -	~~$ 52,000~~	$ 75,000		
Tree Management	$ 10,000	$ 12,473	$ 10,000	$ 10,000	$ 10,000		
Invasive Plant Removal					$ 10,000		
Basketball Sport Coating and Line Painting		$ 1,500					
Erosion Repairs		$ 5,306	$ 1,794				
Retaining Walls, replacement	$ 75,000	$ 49,108	$ 57,578	$ 75,000	$ 50,000		
Appraisals		$ 2,000					
New poles and lamps (6)	*$ 36,000*		$ 20,956	$ 36,000			
Playground / Tot Lot		$ 4,042	$ 101,940	$ 46,545			
Community Garden Fence					$ 5,000		
Sidewalk Repair and Replace	$ 18,000			~~$ 50,000~~	$ 50,000		
Pool Elements	$ 7,000						
Repairs		$ 6,369		$ 15,000	$ 15,000		
Resurfacing			$ 60,957				
Tile Replacement, Partial							
Pool Cover-Wading Pool	$ 2,000						
Total Planned Projects	**$ 194,000**	**$ 80,798**	**$ 253,225**	**$ 167,545**	**$ 215,000**		
Annual Reserve Contribution	$ 130,493	$ 130,493	$ 81,838	$ 140,293	$ 131,284		
Reserve Fund Balance (Projected as of Dec. 31)	**$ 828,901**	**$ 955,088**	**$ 783,700**	**$ 974,637**	**$ 805,241**		
Reserve Study Recommendation	$ 846,040	$ 846,040		$ 788,357	$ 897,508		
Surplus / (Deficit) ^	$ (17,139)	$ 109,048		$ 186,280	$ (92,267)		

^ Capital Expenditures in 2025 will be more than budgeted due to the cost of providing like-for-like playground equipment, and the unexpected need to resurface the pool. These two projects in particular are reponsible for the 2026 year-end deficit balance versus the Reserve Study. A new Reserve Study is required every five years. A new Study has been commissioned and will be received this Winter, which will result in new recommended yearly balances and spending.

Budget Assumptions and Considerations: CPI in January 2026 will be 3%. Prioritizing retaining wall replacement; Asphalt rejuvenation every 4-5 years will extend life past 20 years; Pool facilities are satisfactory.

The Replacement Reserve Fund is managed in accordance with the Reserve Study published in January 2021. The Study recommends annual contributions from the operating budget to sustain the infrastructure and capital property in the community. The projects outlined above are in line with recommended improvements and maintenance within the study, and the board has adopted this capital reserve budget as a part of the annual budget process.