



# Oak Creek Club Homeowners Association

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DRAFT 2026 PROPOSED DRAFT BUDGET

OCTOBER 6, 2025

# Oak Creek Club Proposed 2026 Draft Budget Package Discussion

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Budget & Finance Committee

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2026 Highlights

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2026 Repair and Replacement Reserve Expenditures

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Total Expenses by Category

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2026 B&F Committee Recommendation

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Oak Creek Club Homeowner Association (HOA) Assessments

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Next Steps

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Questions



# Budget and Finance Committee Members

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Marisa Reid: Chair

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Will Abdul: Co-Chair

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Kristen Stierwalt-Huff

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Michael McFarlane

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Danielle Telesford



## 2026 Highlights

### Oak Creek Club

- Completely built out.
- \$3.5M budget to fund all operations and maintenance for the community.

### Budget Preparation

- Held 4-6 budget preparation Committee working sessions open to the community.
- Analyzed income, expenses, reserve study and committee budget requests.

### Future Considerations

- Adding a contingency for unanticipated expenses.
- Aligning the budget with strategic community priorities.
- Refining the budget preparation process and timeline.

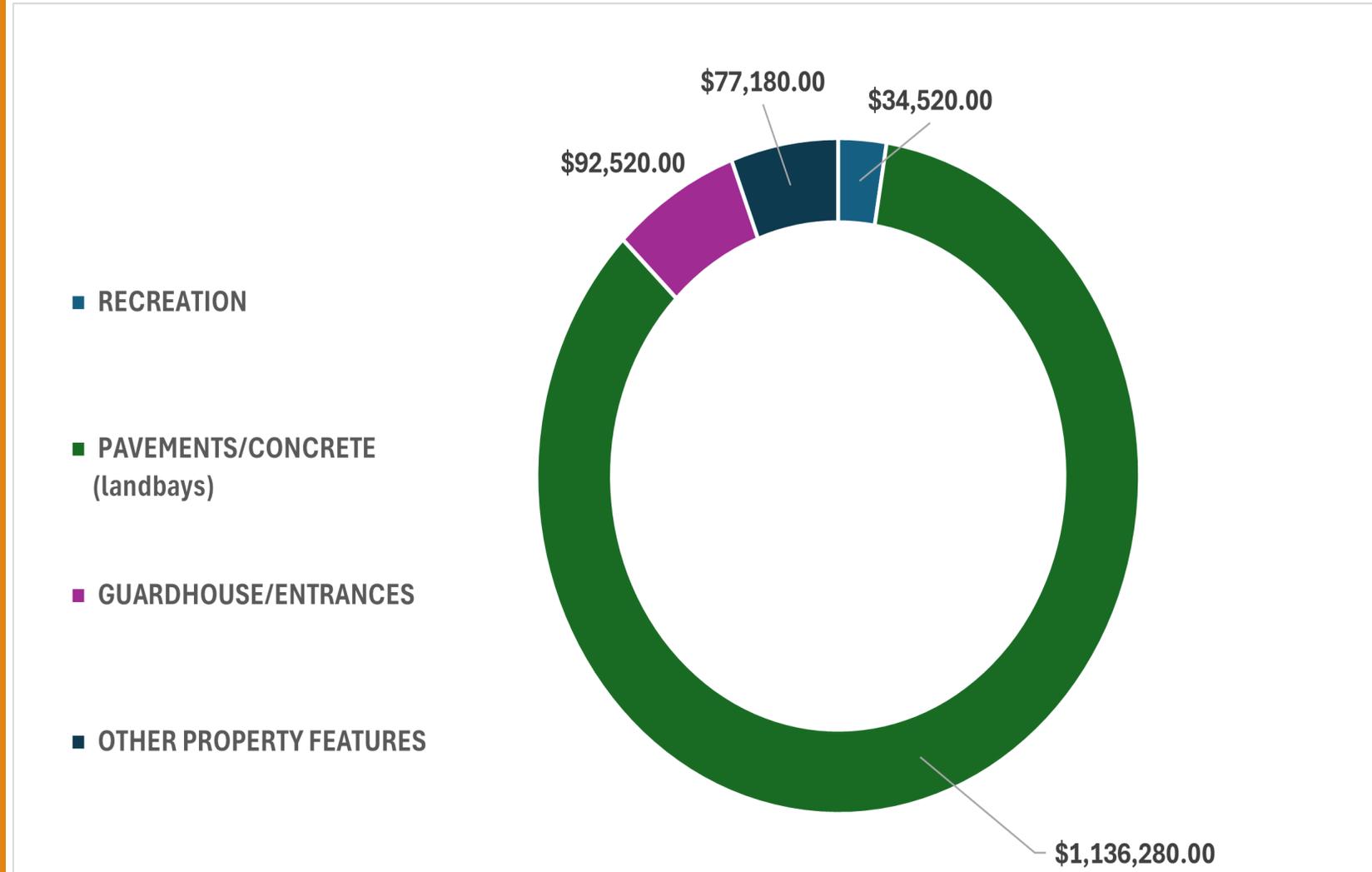
# 2026 Repair & Replacement Reserves(R&R) Expenditures

Refer to the

Oak Creek Club, Level I Full Reserve Study, dated June 7, 2023 (Appendix A)

## Summary

**2026 Total R&R Budget = \$1,340,500**



# 2026 New Budget Requests by Committee

## Committee Requests Not Recommended for Approval

| Committee | Description                               | Capital Expense  | Operating Expense | Type of Activity | Comments  |
|-----------|---|------------------|-------------------|------------------|---|
| Access    | Magnets for Bifold Gates                  | \$41,000         |                   | Enhancement      | Given current priorities to replace failing equipment and improve reliability, this upgrade can be deferred to a future phase.    |
| Access    | Fox Turn Guardhouse                       | \$200,000        |                   | Major            | Further consideration should follow completion of a comprehensive cost-benefit analysis.  |
| Grounds   | Mailbox                                   | \$800            |                   | Enhancement      | A comprehensive assessment of all cluster mailboxes within the community should be completed prior to consideration for approval. |
|           | <b>Total Not Recommended for Approval</b> | <b>\$241,800</b> |                   |                  |   |

## Committee Requests Recommended for Approval

|            |  |                  |                 |             |  |
|------------|--|------------------|-----------------|-------------|--|
| Access     | Maintenance Agreement                            |                  | \$14,000        | Major       | A maintenance agreement provides preventative service, timely repairs resulting in more reliable gate operations.  |
| Access     | Replace broken & failing gate equipment          | \$140,000        |                 | Major       | Replacement of failing gate equipment is critical to reliable access control and community safety. It is necessary to determine whether this expense may be allocated to R&R, in whole or part.  |
| Facilities | Cabanas  | \$12,000         |                 | Investment  | Adding cabanas will create a resort-style pool experience while generating new rental revenue. This smart investment enhances Oak Creek's appeal and delivers lasting value to the community. Approval should be subject to receipt and review of cost benefit analysis and implementation plan. |
| Facilities | Funding needed to support full-week pool opening |                  | \$7,000         | Enhancement | Opening the pool seven days a week delivers full value to homeowners and fairness for all residents. This enhancement supports resident satisfaction, community equity, and property value..   |
| Grounds    | Yard of the month                                | \$250            |                 | Enhancement | This program celebrates homeowners who take extra pride in their properties, inspiring others to do the same and bolter community spirit.  |
| Grounds    | Sangerville Circle                               | \$10,000         |                 | Major       | Based on the safety concerns expressed we recommend full consideration subject to receipt and review of the implementation plan.   |
|            | <b>Total Recommended for approval</b>            | <b>\$162,250</b> | <b>\$21,000</b> |             |  |

# 2026 Budget Summary

| Income                         | 2025 Budget        | 2026 Draft Budget  | Change           |
|--------------------------------|--------------------|--------------------|------------------|
| Regular Assessments            | \$3,212,064        | \$3,578,352        | \$366,288        |
| Transfer from Surplus          | \$147,924          | \$0                | (\$147,924)      |
| Other Income                   | \$173,888          | \$179,800          | \$5,912          |
| Bad Debt Allocation            | (\$70,692)         | (\$120,600)        | (\$49,908)       |
| Reserve Contribution           | (\$710,440)        | (\$745,960)        | (\$35,520)       |
| <b>Net Income</b>              | <b>\$2,752,744</b> | <b>\$2,891,592</b> | <b>\$138,848</b> |
| Expense                        | 2025 Budget        | 2026 Budget        | Change           |
| Utilities                      | \$266,440          | \$308,188          | \$41,748         |
| Landscape Maintenance          | \$286,556          | \$284,079          | (\$2,477)        |
| Pool Expenses                  | \$77,000           | \$84,900           | \$7,900          |
| General Repair & Maintenance   | \$198,644          | \$180,530          | (\$18,114)       |
| Access Patrol Services         | \$789,000          | \$859,000          | \$70,000         |
| Other Operating Expenses       | \$268,628          | \$272,830          | \$4,202          |
| Professional Fees              | \$41,775           | \$72,800           | \$31,025         |
| Collection Expense             | \$14,400           | \$10,000           | (\$4,400)        |
| Homeowner Activities           | \$201,777          | \$193,640          | (\$8,137)        |
| Insurance/ Real Property Taxes | \$72,668           | \$87,500           | \$14,832         |
| Management Fee                 | \$386,376          | \$388,625          | \$2,249          |
| Administration                 | \$120,155          | \$123,500          | \$3,345          |
| Other Expense                  | \$29,325           | \$26,000           | (\$3,325)        |
| <b>Total Expenses</b>          | <b>\$2,752,744</b> | <b>\$2,891,592</b> | <b>\$138,848</b> |
| <b>Net Surplus/Deficit</b>     | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>       |

## Budget Highlights

To offset the projected budget shortfall of \$368,288 an increase in Homeowner Assessment is required.

## Key Factors

### Income

Non-Assessment income declined \$227,400:

- Bad debt allocation increase of \$49,908
- Reserve contribution increase of \$35,520
- Transfer from Operating Surplus, YoY reduction, \$147,924

### Expenses

Overall expenses increased \$138,848

- Utilities increased \$41,748
- Access control increased \$70,000
- Professional fees increased \$31,025

### Note

*Operating budget includes new committee requests totaling \$21,000 that requires Board approval. Also includes \$120,00 for Social Committee.*

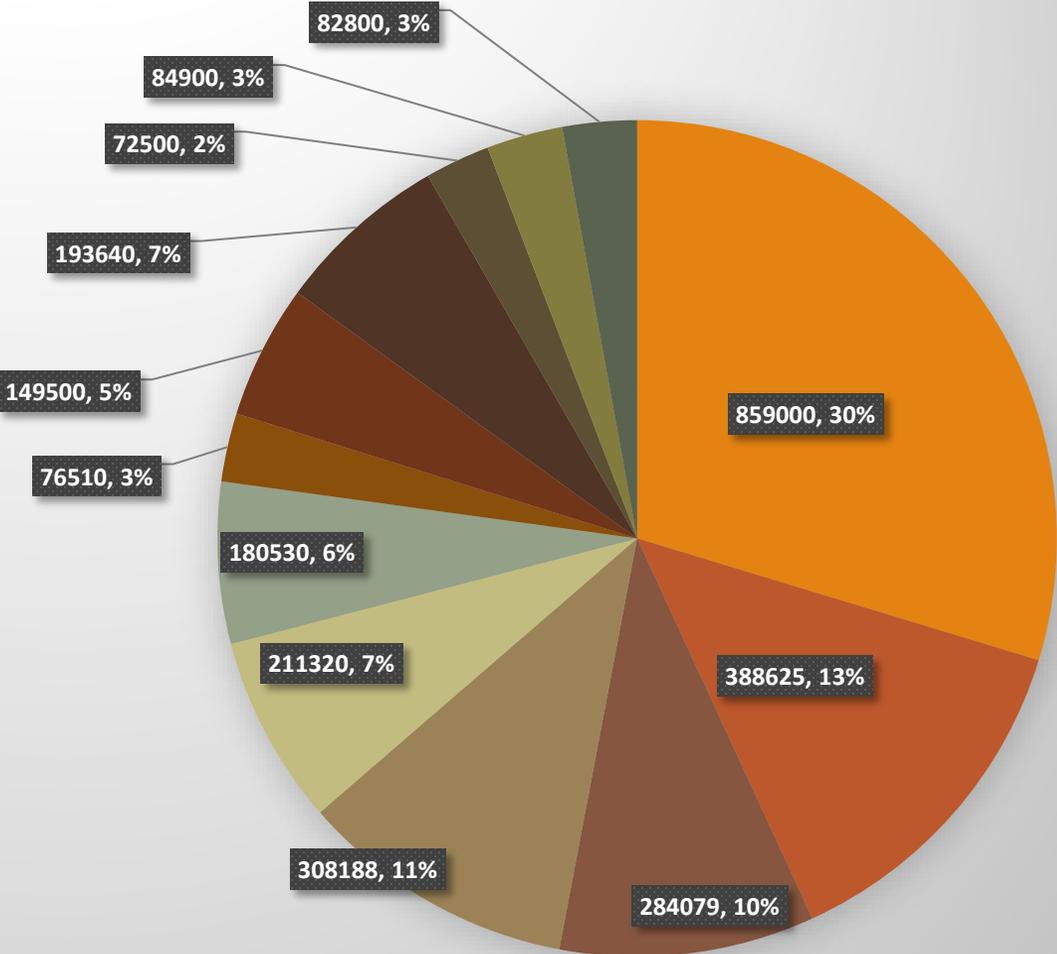
# 2026 Budget - Total Expenses by Category

- Access Control
- Management Fees/Staffing
- Landscape Maintenance
- Utilities
- Golf Assessment
- Repairs
- Other S&T Operating
- General Admin
- Homeowner Activities & Holiday Deco
- Insurance
- Pool Expense
- Professional Fees

**2026 Budget income of \$2.89 M:** comprised of \$3.6M Assessment Income less \$746k allocation to Replacement Reserve. \$165k Other Income (Interest income, late fees/penalties, capital contribution, etc.)

**\$2.69m or 93% of total expenses are non-discretionary:** Access/Security comprise the largest share of the budget – 30% of total expenses – with projected 2026 expenditures of \$959K inclusive .

Homeowner Activities comprise 7% of total expenses. This includes Social Events, Holiday Decorations, Board Meetings, Web Site & Communications.



# B&F Committee Recommendations to Balance the Budget and Fund Capital Needs

| Budget Category  | 2026 Budget Shortfall/ Capital Expenditures | Proposed funding    | Projected 2025 Year End Surplus Balance | Resulting Balance | Monthly Assessment Increase | Current Monthly Assessment | 2026 Monthly Assessment | % Increase |
|------------------|---|---------------------|---|-------------------|-----------------------------|----------------------------|-------------------------|------------|
| Operating Budget | \$366,288                                   | Assessment Increase | N/A                                     | N/A               | \$26                        | \$228                      | \$254                   | 11.40%     |
| Capital Expenses | \$162,250                                   | Operating Surplus   | \$873-855                               | \$711,605         | N/A                         | N/A                        | N/A                     | N/A        |

## Rationale

- In 2024 and 2025, budget shortfalls of \$90,564 and \$147,924, respectively were covered by transfers from the Operating Fund Surplus.
- The Operating Fund Surplus is projected to decline 39% at Year End 2025, from \$1,424,977 to \$873,855, driven by:
  - *2025 Budget Shortfall: \$147,924*
  - *Repair & Replacement Shortfall: \$329,419*
  - *Balance Due for Cell Gate: \$73,779*

## Key Concerns:

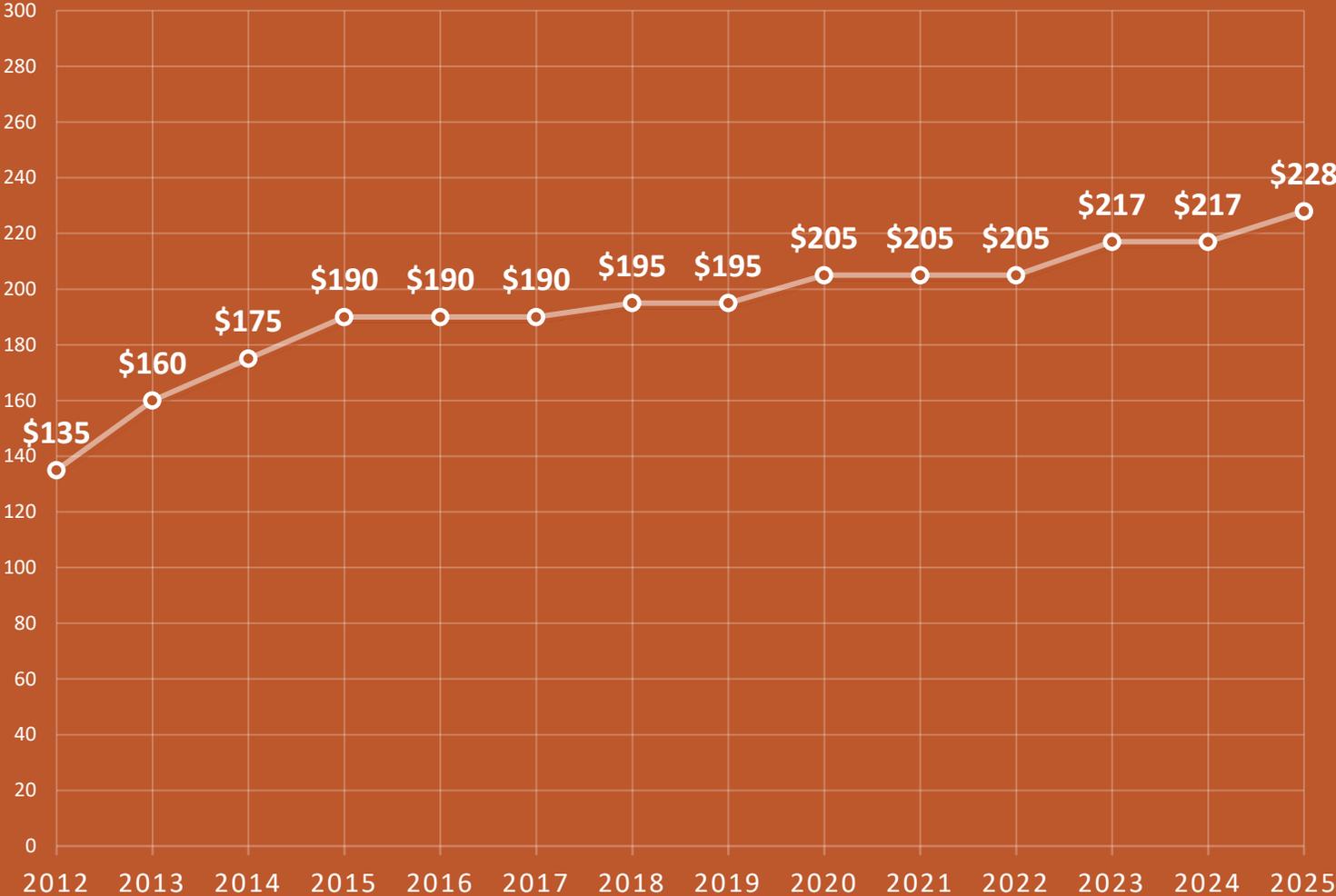
Continued reliance on the Operating Fund Surplus to cover operating deficits is not sustainable. This approach could lead to:

- *Significant depletion of the Operating Fund Surplus*
- *Larger annual increases in monthly assessments in future years*
- *Potential special assessments to fund projects or unforeseen expenses*

## Conclusion:

It is more prudent to address rising expenses through incremental annual assessment increases, while reserving Operating Fund Surplus to cover capital expenditures or unforeseen expenses.

# OAK CREEK CLUB ASSESSMENT (2012 - 2025)



# Oak Creek Club HOA Assessment History

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# Next Steps and Timeline

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- Board members have received the 2026 draft budget for review.
- The Committee budget requests have been reviewed by the Budget & Finance Committee and provided to the Board members for their review and approval.
- The 2026 draft budget and presentation will be provided to the community for a 30-day review.
- The 2026 budget will be reviewed, approved and finalized by the HOA Board during the upcoming Board meeting in November.

# Appendix

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# 2026 Repair and Replacement Reserve (R&R)

Below are detailed projected expenses by category to be funded in 2026

**Total 2026 projected budget \$1,340,500**

|  |               |
|--|---------------|
| <b>COMMUNITY CENTER</b>                      |               |
| FURNISHINGS/OFFICE/KITCHEN EQ.               | 1,580         |
| RENOVATION - BATHROOMS MISC                  | 31,610        |
| MECHANICAL/PLUMBING/ELECTRICAL/FIRE/SECURITY | 1,330         |
| SWIMMING POOL                                |               |
| <b>TOTAL RECREATION</b>                      | <b>34,520</b> |
| <b>GUARDHOUSE/ENTRANCES</b>                  |               |
| FURNISHINGS/OFFICE EQUIPMENT ALLOWANCE       | 1,330         |
| GATE REPAIR/REPLACEMENT ALLOWANCE            | 91,190        |
| <b>TOTAL GUARDHOUSE/ENTRANCES</b>            | <b>92,520</b> |
| <b>OTHER PROPERTY FEATURES</b>               |               |
| TREES/SHRUBBERY-DISEASED/DEAD REPLACEMENT    | 9,870         |
| MASONRY RETAINING WALLS/COLUMNS              | 1,950         |
| STORM WATER RUN OFF                          | 53,090        |
| IRRIGATION SYSTEM UPKEEP                     | 4,380         |
| SITE ITEMS                                   | 7,890         |
| <b>TOTAL OTHER PROPERTY FEATURES</b>         | <b>77,180</b> |

|  |                  |
|--|------------------|
| <b>PAVEMENTS/CONCRETE (LANDBAYS)</b>       |                  |
| <b>EAST SIDE</b>                           |                  |
| DEER RUN ESTATES                           |                  |
| PREVENTIVE MAINTENANCE                     | 32,870           |
| DEER RUN                                   |                  |
| PREVENTIVE MAINTENANCE                     | 36,990           |
| DEER RIDGE                                 |                  |
| PAVEMENT OVERLAY                           | 272,000          |
| BASE/SUB-BASE/REPAIRS                      | 27,200           |
| CLUBHOUSE TERRACE SECTION                  |                  |
| PAVEMENT OVERLAY                           | 151,590          |
| BASE/SUB-BASE/REPAIRS                      | 15,160           |
| CLUBHOUSE SQUARE SECTION                   |                  |
| PAVEMENT OVERLAY                           | 106,710          |
| BASE/SUB-BASE/REPAIRS                      | 10,670           |
| MARY BOWIE FROM GATE TO POPLAR TURN        |                  |
| PAVEMENT OVERLAY                           | 170,490          |
| BASE/SUB-BASE/REPAIRS                      | 17,050           |
| <b>WEST SIDE</b>                           |                  |
| MARY BOWIE FROM GATE TO PANORA WAY         |                  |
| PAVEMENT OVERLAY                           | 168,970          |
| BASE/SUB-BASE/REPAIRS                      | 16,890           |
| PINE VALLEY SECTION                        |                  |
| PREVENTIVE MAINTENANCE                     | 22,470           |
| OAK HILL SECTION                           |                  |
| PREVENTIVE MAINTENANCE                     | 13,710           |
| PALASADES SECTION                          |                  |
| CONCRETE/PAVERS                            |                  |
| SIDEWALKS/CURBS/GUTTERS OTHER CONCRETE     | 63,480           |
| BRICK PAVER REPAIRS                        | 10,030           |
| <b>TOTAL PAVEMENTS/CONCRETE (LANDBAYS)</b> | <b>1,136,280</b> |