PROVIDENCE CROSSING HOMEOWNERS ASSOCIATION

2026 Budget Meeting Agenda

BUDGET MEETING	ANNUAL ASSESSMENT	QUORUM REQUIRED
Oct. 8, 2026 - 7:00 PM	$295 per home	124 homeowners

Meeting Agenda

1. Call to Order
2. **Confirm Quorum - 124 homeowners required**
3. Purpose of Meeting
4. **Annual Assessment - Remains $295 per household**
5. 2026 Proposed Budget Overview
6. Homeowner Budget Questions
7. **2026 Budget Vote**
8. Announce Vote Results
9. Adjournment

Thank you for reviewing the proposed budget in advance and for participating in the community.

PROVIDENCE CROSSING HOMEOWNERS ASSOCIATION

2026 Proposed Budget Overview

ANNUAL ASSESSMENT	PROPOSED BUDGET	BUDGET MEETING
$295 per home	$125,375	**Oct. 8, 2026 - 7:00 PM**

Dear Providence Crossing Homeowners,

The Executive Board is providing the proposed 2026 budget in advance of the October 8 budget meeting so homeowners have time to review the numbers before the vote. This overview highlights the major expenses, explains several changes and administrative items, and identifies the questions the Board expects homeowners may have.

The most important point: the annual assessment remains $295

The proposed annual assessment remains $295 per home. The Board has worked within that amount by reallocating funds based on the Association's current needs rather than proposing an increase in the annual assessment. The proposed budget totals $125,375 for operating expenses and reserve-related contributions.

Where the largest portions of the budget go

Major Budget Item	2026 Amount	What it supports
Landscaping Services	$40,000	Routine maintenance of common areas, including grass, tree trimming, mulch and playground-related maintenance.
Pond Maintenance	$18,000	Ongoing maintenance needs associated with the community pond.
Buffer Maintenance	$15,000	Maintenance of community buffer areas.
Lawyer Fees	$12,000	Legal consultation, support for delinquent assessments, demand letters, collections and covenant/violation enforcement.
Excavation (Sinkholes)	$6,000	Funds designated for sinkhole related work.
Flood Zone Repair	$4,000	Funds designated for anticipated flood zone repair needs.
Community Activities	$3,000	Community events and activities.
USPS - Stamps/Postcards	$2,400	Association notices, invoices and other required mailings.
AppFolio	$1,800	Software for homeowner accounts, dues collection, communication and violation tracking.

Why the legal budget is $12,000

One of the most noticeable changes is the legal allocation. The Board consulted with legal counsel about delinquent HOA assessments and covenant violations. Counsel recommended a formal process that is applied consistently rather than pursuing only selected accounts. The purpose of this allocation is to give

the Association the resources to address money owed to the community and enforce the governing documents in a fair and consistent manner.

Why AppFolio is included

The proposed budget includes $1,800 for AppFolio. The Board is implementing the system to improve dues collection, homeowner account records, neighborhood-wide communication and violation tracking. The goal is to reduce manual processes, improve documentation and make future HOA administration more efficient. Homeowners who are not comfortable with electronic systems will receive assistance.

Other items you may notice

PMI - $7,200	This amount remains listed in the proposed budget during the Association's transition in management and financial processes.
Reserves - $5,178	The proposed budget includes $5,178 in the reserve line. This amount allows funds for future unexpected Association needs.
Postage - $2,400	This supports Association mailings and notices. For important legal packets, the Board discussed reducing certified-mail costs by offering an in-person pickup opportunity first and mailing uncollected packets with tracking.

What homeowners are being asked to do

- Review the attached proposed 2026 budget before the meeting.
- Attend the budget meeting on Thursday, October 8, 2026 at 7:00 PM.
- Bring questions that relate specifically to the proposed budget so they can be addressed before the vote.
- Participate in the vote. A quorum of 124 homeowners is required for the October 8 meeting.

MEETING FORMAT

Because the full budget and this overview are being provided in advance, the Board will give a brief introduction, address budget-related questions, and then proceed to the vote. The purpose of the October 8 meeting is the proposed budget.

PROVIDENCE CROSSING HOMEOWNERS ASSOCIATION

2026 Proposed Budget

425 Lots | Annual Assessment: $295 per Home

Budget Item	Total Cost	Cost Per Home
Fixed Costs		
Insurance	$5,000.00	$11.76
Delaware State Taxes	$25.00	$0.06
Website Domain Renewal	$100.00	$0.24
Town of Clayton Taxes	$500.00	$1.18
Kent County Property Tax	$1,000.00	$2.35
Total Fixed Costs	**$6,625.00**	**$15.59**
Operating Costs		
Landscaping Services	$40,000.00	$94.12
Buffer Maintenance	$15,000.00	$35.29
PO Box 314	$72.00	$0.17
Pond Maintenance	$18,000.00	$42.35
Lawyer Fees	$12,000.00	$28.24
Community Activities	$3,000.00	$7.06
Excavation (Sinkholes)	$6,000.00	$14.12
Printing	$2,000.00	$4.71
USPS (Stamps and Postcards)	$2,400.00	$5.65
Community Meeting Rental Fees	$600.00	$1.41
Flood Zone Repair	$4,000.00	$9.41
Google Suite	$500.00	$1.18
Website Maintenance	$700.00	$1.65
Bank Costs	$300.00	$0.71
AppFolio	$1,800.00	$4.24
Total Operating Costs	**$106,372.00**	**$250.29**
Reserves	$5,178.00	$12.18
PMI	$7,200.00	$16.94
TOTAL OPERATING EXPENSES AND RESERVE CONTRIBUTION	**$125,375.00**	**$295.00**

Total annual assessments: 425 homes x $295 = $125,375