

Budget Summary Report
Pebble Creek
2020 Approved Budget; \$180 per quarter

	2020 Budget
Assessment Income	
4000 - Residential Assessments	504,000.00
4002 - Recreation Fees	22,400.00
Total Assessment Income	526,400.00
User Fee Income	
4250 - Pool Fees	18,500.00
Total User Fee Income	18,500.00
Rental Income	
4400 - Clubhouse Rental	30,000.00
Total Rental Income	30,000.00
Collections Income	
4710 - Late Fees & Interest	6,500.00
Total Collections Income	6,500.00
Other Income	
4835 - Miscellaneous Income	500.00
Total Other Income	500.00
Investment Income	
4900 - Interest Earned - Operating Accounts	8,550.00
Total Investment Income	8,550.00
Total Operating Income	590,450.00
Administrative	
5000 - Other Administrative	2,500.00
5010 - Bad Debt	3,400.00
5015 - Loan Repayment	80,372.00
5025 - Collection Charges	5,000.00
5060 - Interest Incurred	11,060.00
5115 - Web Site Maintenance	250.00
5195 - Other Administrative Services	3,000.00
5205 - Social	10,000.00
5210 - Printing & Copying	2,500.00
5215 - Postage	2,500.00
5320 - Welcome Committee	100.00
6770 - Neighborhood Watch	0.00
Total Administrative	120,682.00
Insurance	
5400 - Insurance Premiums	10,710.00
Total Insurance	10,710.00
Utilities	
6000 - Electric Service	30,750.00
6005 - Clubhouse Gas	321.00
6025 - Water Service	19,425.00
6050 - Telephone Service	5,220.00
Total Utilities	55,716.00
Landscaping	
6100 - Grounds & Landscaping - Contract	50,000.00

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Landscaping	
6110 - Landscape Repair & Maintenance	13,187.00
Total Landscaping	63,187.00
Irrigation	
6200 - Irrigation Repair & Maintenance	4,000.00
Total Irrigation	4,000.00
Operations	
6300 - Corporate Fees	165.00
Total Operations	165.00
Contracted Services	
6035 - Trash and Recycling Service	1,500.00
6438 - Pool Management	69,800.00
Total Contracted Services	71,300.00
Repair & Maintenance	
6515 - Building Repair & Maintenance	14,000.00
6585 - Fountain/Pond/Lake Repair & Maintenance	10,475.00
6635 - Janitorial Supplies & Maintenance	12,000.00
6700 - Pool Supplies/Repair & Maintenance	8,000.00
6705 - Power Washing Services & Supplies	1,500.00
Total Repair & Maintenance	45,975.00
Professional Services	
7015 - Accounting / Audit	3,200.00
7020 - Legal Services	2,500.00
7040 - Management Fees	118,641.00
Total Professional Services	124,341.00
Reserve Expenses	
9818 - General Reserve Allocation	79,327.00
9834 - Contingency Expenses	15,047.00
Total Reserve Expenses	94,374.00
Total Operating Expense	590,450.00
Total Association Net Income / (Loss)	0.00

Pebble Creek Property Owners Association 2020 Budget Narrative

Income:

Residential Assessments: Quarterly assessments paid by the homeowners. The annual assessment is \$720 per year, \$180 quarterly.

Recreation Fees: \$800 contribution fee paid by all new homeowners.

Pool Fees: Outside pool memberships to families who do not live in Pebble Creek and income collected at the pool from visiting guests of members.

Clubhouse Rental: Income from the rental of the Clubhouse to owners and outside parties.

Late Fees & Interest: Income earned from assessments paid after 30th of the month in which they are due.

Miscellaneous Income: Income from items such as vending income, or the purchase of additional/replacement key fobs to the Clubhouse.

Interest Earned: Interest earned on the Association's investments.

Expenses:

Other Administrative: This account is used to pay for certified mailings and other miscellaneous administrative charges.

Bad Debt: Write off amounts from foreclosures and bankruptcies as directed by statute.

Loan repayment: The amount of the recreational facility loan that is applied to the principle

Collection Charges: Covers the cost to administer late notices to past-due accounts and remanding delinquent accounts to an attorney for collection.

Interest Incurred: The interest portion of the monthly payments on the association loan.

Website Maintenance: Costs associated with website maintenance and website programming for the association.

Other Administrative Services: Covers the cost of office supplies, professional membership fees and other administrative costs.

Social: Covers social functions planned throughout the year by the social committee.

Printing & Copying: Printing of notices, annual meeting notices, assessment coupon books, general correspondence, etc.

Postage: Covers the cost of mailing invoices, annual meeting notices, assessment coupon payment books, general correspondence, etc.

Welcome Committee: Provides for gift baskets, etc. for new homeowners.

Neighborhood Watch: Covers committee functions and National Night Out.

Insurance Premiums: Covers General Liability Insurance for the common areas and building coverage for the recreational facilities, as well as Director's and Officer's, Workers Compensation and Fidelity Bond Insurance.

Electric Service: This account pays for the entrance lights, streetlights and usage at the Clubhouse and pool.

Clubhouse Gas: Covers the gas usage at the Clubhouse.

Water Service: Covers the water costs for the irrigation system, clubhouse and pool.

Telephone Service: Pays for the community telephone accounts and internet service for the Site Manager.

Grounds & Landscape - Contract: The association has a contract which provides for mowing and edging of grass in the common area during the growing season; turf, shrub and tree fertilizations; lime application; seeding and aerating; weed control; trimming and pruning of shrubs; mulching of the common area mulch beds; leaf removals; and weekly policing for trash.

Landscape Repair & Maintenance: Additional miscellaneous landscaping items not covered under the grounds contract.

Irrigation Repair & Maintenance: Includes starting up and shutting down the irrigation systems as well as performing any needed repairs to the system.

Corporate Fees: covers the cost of the Association's yearly registration with the State Corporation Commission and the Virginia Real Estate Board.

Trash & Recycling Maintenance: Dumpster pick-up at the clubhouse twice per week.

Pool Management: The contracted cost to operate the pool during the pool season.

Building Repair & Maintenance: All repairs not plumbing-related to the clubhouse and other site amenities.

Fountain/Pond/Lake Repair & Maintenance: Separate funding to pay for our pond maintenance contract.

Janitorial Service: Provides for weekly cleaning of the Clubhouse, occasional cleaning of the Clubhouse carpets, and special party cleaning.

Plumbing Supplies/Repairs & Maintenance: This account pays for any repairs to the Clubhouse and bathroom plumbing.

Pool Supplies Repair & Maintenance: This account pays for maintenance to the pool; the equipment, miscellaneous supplies, and plumbing repairs to the pool bathrooms.

Power Washing Services & Supplies: Power washing of the Clubhouse and fencing in the community.

Accounting/Audit: Annual fee for an accounting firm to produce Federal and State tax returns and perform a balance sheet audit.

Legal Services: This account primarily covers the cost of an attorney for legal opinions and services and any other professional consultations required by the Association.

Management Fees: Management services include handling administrative association functions, correspondence with the Board of Directors, overseeing the site office and contractors, developing bid specifications, providing supervision and support to the site office, participating at Board and Annual Homeowner meetings, and providing counsel for the Board of Directors. Provides for on-site administrators to assist in day-to-day operations. The job entails facilitating the pool season passes, communication with architectural concerns, communicating with the residents, handling concerns about the building, grounds, and lots. Provides for the site staff payroll, Federal, FICA, and State taxes, as well as an administrative payroll overhead fee for such tasks as site-office staff supervision, training and coordinating payroll. Provides for collection and processing of assessment payments; coordinating collection of past due accounts; management and reconciliation of cash accounts; supervising and disbursing accounts payable; preparation of complete quarterly financial statements; preparation of an annual budget; coordinating the annual financial review and tax return.

Building Reserves/: A reserve to fund the long-term repair and replacement of the assets in the community including but not limited to the pool, tennis courts, parking areas, the Via Club, signage, etc.

Contingency Reserves: A reserve fund to help provide for any shortfalls or large unexpected expenses not provided for in the budget.

The procedures used for estimation and accumulation of cash reserves by the Association include reviewing the reserve study, which estimates the reserve amounts needed and the annual contributions to be made to the cash reserves, considering the expenditures made for the repair, replacement, and restoration of capital components by the Association since the reserve study was completed, considering recommendations, if any, from vendors for upcoming repairs, replacements, or restorations of capital components, reviewing the current balance of the cash reserves, and, based on that information, evaluating whether the Association should follow the reserve study's recommendations for annual reserve contributions or whether it should budget for an increased or decreased annual reserve contribution.

The Association's reserve study recommends a balance of \$792,052 as of (date of December 31, 2019). The amount of cash allocated to reserves as of that date is \$827,720.