

Pebble Creek Property Owners Association, Inc.
3901 Westerre Parkway, Suite 100
Richmond, VA 23233
Telephone: (804) 270-1800/ Fax: (804) 346-8640

November 19, 2022

Re: 2022 Budget

Dear Pebble Creek Homeowner:

The Board of Directors of Pebble Creek requested that I update the owners on financial activities in the community. Enclosed is a copy of the approved 2022 budget for the Pebble Creek Property Owners Association. The quarterly fee for 2022 will increase to \$185.00 per home per quarter. The members of the Board of Directors are homeowners and very conscientious when budgeting. The Board does their best to keep costs down for the community. A line item description of the budget is also enclosed for your information.

The 2017 Replacement Reserve Study a part of the budget this year. The purpose of the study is to determine necessary funding replacements of your long term assets including, but not limited to, the pool, tennis courts, fitness center, parking areas, signage, and the Via Clubhouse. The goal of allocating a part of the assessments to the replacement reserves is to have funds available to maintain the association assets without requiring special assessments. The study is slated to be updated in 2022.

If you have any questions about your assessment booklet or need information corrected in the database, please contact Community Group at (804) 270-1800, and follow the prompts.

The Board thanks all owners for making Pebble Creek a great place to call home and looks forward to a successful 2022.

Sincerely,

Kimberly Holmstrom

Kimberly Holmstrom, CPM, PCAM
Community Manager

Enclosures

Pebble Creek Property Owners Association 2022 Budget Narrative

Income:

Residential Assessments: Quarterly assessments paid by the homeowners. The annual assessment is \$740 per year, \$185 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. Note the assessments are due on the 1st of each quarter and they are officially late on the 2nd. A late fee of \$50 is not charged until after the 30th. Due to this very generous grace period, late fees are rarely waived.

Prior Year Income/Deficit Fund: Funds from Contingency Reserves to avoid a higher increase awaiting the payoff of the loan.

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. This will be paid off in 2022.

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/Internet/Cable: Pays for the community telephone accounts and internet service for the office.

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.

Budget Summary Report
Pebble Creek
2022 Budget \$185 per quarter

	2022 Budget
Assessment Income	
4000 - Residential Assessments	518,000.00
4002 - Recreation Fees	22,400.00
Total Assessment Income	540,400.00
User Fee Income	
4250 - Pool Fees	15,000.00
Total User Fee Income	15,000.00
Rental Income	
4400 - Clubhouse Rental	15,000.00
Total Rental Income	15,000.00
Collections Income	
4710 - Late Fees & Interest	7,500.00
Total Collections Income	7,500.00
Other Income	
4815 - Prior Year income/Deficit Fundins	8,400.00
4835 - Miscellaneous Income	1,200.00
Total Other Income	9,600.00
Investment Income	
4900 - Interest Earned - Operating Accounts	4,000.00
Total Investment Income	4,000.00
Total Operating Income	591,500.00
Administrative	
5000 - Other Administrative	5,500.00
5010 - Bad Debt	2,500.00
5015 - Loan Repayment	61,356.00
5025 - Collection Charges	6,500.00
5060 - Interest Incurred	1,323.00
5115 - Web Site Maintenance	250.00
5195 - Other Administrative Services	0.00
5205 - Social	10,000.00
5210 - Printing & Copying	2,900.00
5215 - Postage	3,000.00
5320 - Welcome Committee	0.00
Total Administrative	93,329.00
Insurance	
5400 - Insurance Premiums	11,766.00
Total Insurance	11,766.00
Utilities	
6000 - Electric Service	32,109.00
6005 - Clubhouse Gas	350.00
6025 - Water Service	20,908.00
6050 - Telephone /Internet/Cable	5,500.00
Total Utilities	58,867.00
Landscaping	
6100 - Grounds & Landscaping - Contract	46,396.00

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	2022 Budget
Landscaping	
6110 - Landscape Repair & Maintenance	12,020.00
Total Landscaping	58,416.00
Irrigation	
6200 - Irrigation Repair & Maintenance	4,000.00
Total Irrigation	4,000.00
Operations	
6300 - Corporate Fees	285.00
Total Operations	285.00
Contracted Services	
6035 - Trash and Recycling Service	1,900.00
6438 - Pool Management	90,000.00
Total Contracted Services	91,900.00
Repair & Maintenance	
6515 - Building Repair & Maintenance	18,000.00
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	49,975.00
Professional Services	
7015 - Accounting / Audit	2,900.00
7020 - Legal Services	3,500.00
7040 - Management Fees	122,235.00
Total Professional Services	128,635.00
Reserve Expenses	
9818 - General Reserve Allocation	79,327.00
9834 - Contingency Expenses	15,000.00
Total Reserve Expenses	94,327.00
Total Operating Expense	591,500.00
Total Association Net Income / (Loss)	0.00