



TO: All Homeowners, The Grove at Huntley Meadows Homeowners Association, Inc.

FROM: Victoria Garner, CMCA®, AMS®, PCAM®  
Senior Portfolio Manager & Vice President, Business Development

DATE: November 10, 2016

SUBJECT: 2017 Annual Assessment Notice

Dear The Grove at Huntley Meadows Homeowner(s):

I am writing to you on behalf of the Board of Directors for The Grove at Huntley Meadows Homeowners Association, Inc. Enclosed you will find a copy of the 2017 approved operating budget as passed by the Board of Directors. The Board has voted not to increase the assessments for 2017. The annual assessment for the townhomes will remain \$1,368.00 with monthly installments of \$114.00. The annual assessment for the single family homes will remain \$1,116.00 with monthly installments of \$93.00. A copy of the budget narrative is available at [www.gathm.com](http://www.gathm.com).

Payment coupons will be mailed to you during the month of December. If you do not receive your coupon booklet by December 29, 2016, please contact Cardinal Management Group, Inc., at (703) 569-5797. Enclosed you will find an enrollment form for direct debit for your convenience. If you are already enrolled in direct debit with Cardinal Management Group, Inc., you do not need to take any further action and will not receive payment coupons. As a reminder, we offer online assessment payments using a credit card or e-check. To make a payment online, please log onto [www.cardinalmanagementgroup.com](http://www.cardinalmanagementgroup.com) and click "Make Payments." This service is available for a nominal fee and rates are subject to change without further notice.

The Board of Directors and Cardinal Management Group, Inc., would like to thank you for your continued support and participation in the community. We wish you a wonderful holiday season and a prosperous New Year. Please join us at our regular monthly meetings on the third Thursday of each month at 7:00 p.m., located at the Mount Vernon Government Center. Please remember to attend the Annual Meeting on December 6, 2016. If you have any questions or concerns, you may reach me at [v.garner@cardinalmanagementgroup.com](mailto:v.garner@cardinalmanagementgroup.com) or (703) 565-5016.

Sincerely,

THE GROVE AT HUNTLEY MEADOWS HOMEOWNERS ASSOCIATION, INC.

Victoria Garner, CMCA®, AMS®, PCAM®  
Senior Portfolio Manager & Vice President, Business Development  
Cardinal Management Group, Inc.  
Agents for The Grove at Huntley Meadows Homeowners Association, Inc.

Enclosures

**Cardinal Management Group, Inc., Agent**  
**4330 Prince William Parkway, Suite 201**  
**Woodbridge, VA 22192-5361**  
**Phone (703) 569-5797 Fax (703) 866-3156**

**The Grove at Huntley Meadows Homeowners Association, Inc.  
2017 Approved Budget**

		<b>2016</b>		<b>2017</b>
<b>GL #</b>	<b>INCOME</b>	<b>Approved</b>		<b>Approved</b>
		<b>Budget</b>		<b>Budget</b>
30108	Assessment Income-Single Family	\$ 78,120		\$ 78,120
30107	Assessment Income-Townhomes	\$ 294,120		\$ 294,120
30171	Late Fees	1,500		1,000
30260	Miscellaneous	500		-
	<b>Total Income</b>	<b>\$ 374,240</b>		<b>\$ 373,240</b>
	<b>EXPENSES</b>			
	<b>Administrative</b>			
50400	Bad Debt	\$ 1,000		\$ 3,000
51020	Postage	3,500		3,500
51030	Office Expense	4,000		4,000
51080	Memberships/Licenses	800		800
51090	Legal	17,000		17,000
51092	Legal Reimbursement	(1,000)		(1,000)
51110	Audit/Accounting/Tax Prep	3,600		3,700
51120	Management	45,880		47,024
51125	Management Reimbursements	7,300		7,300
51250	Entertainment & Social	9,000		9,000
51310	Newsletter	4,500		4,500
	<b>Total Administrative</b>	<b>\$ 95,580</b>		<b>\$ 98,824</b>
	<b>Maintenance</b>			
61089	Pet Waste Station Maintenance	\$ 2,000		\$ 1,600
61180	Grounds Contract	27,840		30,668
61200	Property Repairs	6,000		6,000
61250	Trash Removal Contract (SFH)	26,505		27,565
61255	Ground Cleaning Contract	2,400		2,400
61560	Landscape Improvements	8,500		6,000
	<b>Total Maintenance</b>	<b>\$ 73,245</b>		<b>\$ 74,233</b>
	<b>Recreation/Facilities</b>			
51000	Telephone	\$ 400		\$ 400
61053	Cleaning Services and Supplies	\$ 2,010		\$ 2,000
61141	Pool Building Repairs	3,000		2,000
61145	Pool Repair & Maintenance	5,500		4,500
61150	Pool Management	31,900		31,900
71010	Water & Sewer	1,750		1,500
71030	Electric (Pool House)	3,400		1,500
90034	Reserve Contribution-Recreational	14,251		11,036
	<b>Total Recreation/Facilities</b>	<b>\$ 62,211</b>		<b>\$ 54,836</b>
	<b>Other</b>			
71050	Insurance	\$ 5,440		5,680
71140	Income Taxes	2,000		2,000
	<b>Total Other</b>	<b>\$ 7,440</b>		<b>\$ 7,680</b>
	<b>Townhome Expenses</b>			
61250	Trash Removal (TH Portion)	\$ 54,240		56,410
61581	Snow Removal	10,292		17,073
62002	Townhome Lawn Mowing Contract	34,513		34,320
71030	Electric (Lights)	5,000		5,300
90000	Reserve Contribution-Townhome	\$ 31,719		\$ 24,564
	<b>Total Townhome Expenses</b>	<b>\$ 135,764</b>		<b>\$ 137,667</b>
	<b>Total Expenses &amp; Reserves</b>	<b>\$ 374,240</b>		<b>\$ 373,240</b>
	<b>Surplus / (Deficit)</b>	<b>\$ -</b>		<b>\$ -</b>

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GL #	INCOME		
<b>30108</b>	<b><u>Assessment Income - Single Family</u></b>	\$	<b>78,120</b>
	Estimated income derived from monthly assessments without an increase from 2016; \$93.00 per single family home per month.		
<b>30107</b>	<b><u>Assessment Income - Townhome</u></b>	\$	<b>294,120</b>
	Estimated income derived from monthly assessments without an increase from 2016; \$114.00 per townhome per month.		
<b>30171</b>	<b><u>Late Fees</u></b>	\$	<b>1,000</b>
	Estimate for late fees of \$10.00 per occurrence; this is based on historical averages of the regular monthly assessment.		
<b>30260</b>	<b><u>Miscellaneous</u></b>	\$	<b>-</b>
	Consists of anticipated funds received for additional guest pool passes, violation assessments and newsletter advertising. Figure based on historical information.		
	<b>Total Income</b>	<b>\$</b>	<b>373,240</b>
<b>EXPENSES</b>			
<b>Administrative</b>			
<b>50400</b>	<b><u>Bad Debt</u></b>	\$	<b>3,000</b>
	Estimated expense to write off bad debt and uncollected assessments. This number equals less than 1% of the annual assessments based on recommendations Management received from the Association's auditor and evaluation of delinquency reports, foreclosure notices and recommendations from the Association's collections attorney. Association auditors recommend budgeting for 3-5% of the annual assessments to be uncollectible.		
<b>51020</b>	<b><u>Postage</u></b>	\$	<b>3,500</b>
	This category includes actual postage for newsletters, routine correspondence and Association mailings. Estimate based on historical averages.		
<b>51030</b>	<b><u>Office Expense</u></b>	\$	<b>4,000</b>
	This category includes community stationery, bank fees, event notices, etc. It is an estimated cost based on year end projections for 2016 and historical averages.		
<b>51080</b>	<b><u>Memberships/Licenses</u></b>	\$	<b>800</b>
	This category represents the estimated cost for the CIC Board membership (.02% of annual assessments) plus the \$50.00 SCC charge, CAI Membership and education.		
<b>51090</b>	<b><u>Legal</u></b>	\$	<b>17,000</b>
	The estimate for this category is based on prior experience and represents funds returned/credited to the Association by delinquent unit owners who have incurred legal fees. This number was developed based on current trends.		
<b>51092</b>	<b><u>Legal Reimbursement</u></b>	\$	<b>(1,000)</b>
	The estimate for this category is based on prior experience and represents funds returned/credited to the Association by delinquent unit owners who have incurred legal		
<b>51110</b>	<b><u>Audit/Accounting/Tax Prep</u></b>	\$	<b>3,700</b>
	This number was developed based on actual fee for fiscal year audit and tax preparation by The Goldklang Group.		
<b>51120</b>	<b><u>Management</u></b>	\$	<b>47,024</b>
	Fees for professional full-service management as per the current agreement with Cardinal Management Group, Inc. This line item takes into account an estimated 3% increase at the time of renewal (January 2017).		

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<b>51125</b>	<b><u>Management Reimbursements</u></b>	<b>\$ 7,300</b>
	Estimated cost of management expenses, outside the scope of the contract, including property inspections, overtime Board of Directors Meetings, community mailings, work order processing, payment coupons and more.	
<b>51250</b>	<b><u>Entertainment &amp; Social</u></b>	<b>\$ 9,000</b>
	Funds available for community events such as ice-cream socials, block parties, yard sales etc. Based on the desires of the community and historical averages.	
<b>51310</b>	<b><u>Newsletter</u></b>	<b>\$ 4,500</b>
	Estimated expense for preparation, reproduction and processing of newsletters and postcard mailings.	
	<b>Total Administrative</b>	<b>\$ 98,824</b>
 <b>Maintenance</b>		
<b>61089</b>	<b><u>Pet Waste Station Maintenance</u></b>	<b>\$ 1,600</b>
	Actual cost for two (2) pet stations to be maintained weekly by Doody Calls.	
<b>61180</b>	<b><u>Grounds Contract</u></b>	<b>\$ 30,668</b>
	Actual cost of the Palmer's Property Maintenance ground contract. This includes the cost of turf maintenance, sidewalk edging, leaf removal, shrub trimming, basic tree pruning	
<b>61200</b>	<b><u>Property Repairs</u></b>	<b>\$ 6,000</b>
	Estimated funds needed to make repairs to the common area including signage, pet stations, trash cans, tot lots and other minor repairs to the community grounds.	
<b>61250</b>	<b><u>Trash Removal</u></b>	<b>\$ 27,565</b>
	Estimated expense for the single family homes trash removal contract with American Disposal Services based on an estimated 4% increase to include any landfill and county dump fee pass throughs.	
<b>61255</b>	<b><u>Grounds Cleaning Service</u></b>	<b>\$ 2,400</b>
	Estimated expense for common area litter and debris removal services as performed by Carlos General Maintenance. This includes the maintenance of common area trash cans.	
<b>61560</b>	<b><u>Landscape Improvements</u></b>	<b>\$ 6,000</b>
	Estimated funds to be spent on grounds items outside the scope of the Palmer's Property Maintenance contract including items such as turf renovation, turf and landscape watering and other desired improvements to the common areas.	
	<b>Total Maintenance</b>	<b>\$ 74,233</b>
 <b>Recreation/Facilities</b>		
<b>51000</b>	<b><u>Telephone</u></b>	<b>\$ 400</b>
	This category includes the estimated cost based on projected year end numbers for the pool house phone.	
<b>61053</b>	<b><u>Cleaning Services and Supplies</u></b>	<b>\$ 2,000</b>
	Estimated expense for cleaning contract with Clean Advantage for the pool house during the pool operating season. The 2017 contract had not yet been received at the time the budget was prepared.	
<b>61141</b>	<b><u>Pool Building Repairs</u></b>	<b>\$ 2,000</b>
	Estimated funds required to support minor repairs, permits and modifications to the pool house based on historical data and perceived needs of management.	
<b>61145</b>	<b><u>Pool Repair &amp; Maintenance</u></b>	<b>\$ 4,500</b>
	This category includes pool chemicals, supplies, pool repairs, permits, inspections and modifications.	

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<b>61150</b>	<b><u>Pool Management</u></b>	<b>\$</b>	<b>31,900</b>
	Actual cost of the High Sierra pool management contract for the 2017 season.		
<b>71010</b>	<b><u>Water/Sewer</u></b>	<b>\$</b>	<b>1,500</b>
	Estimated cost of water and sewer for the pool and pool house based on projected year end numbers.		
<b>71030</b>	<b><u>Electric (Pool House)</u></b>	<b>\$</b>	<b>1,500</b>
	Estimated expense of electricity with Dominion Power for the pool house and pool.		
<b>90034</b>	<b><u>Reserve Contribution- Recreational</u></b>	<b>\$</b>	<b>11,036</b>
	Projected reserve contribution for common areas based on recommendations of the reserve study performed by Reserve Advisors in 2013. This figure includes any differences in interest estimated vs. earned.		
	<b>Total Recreation/Facilities</b>	<b>\$</b>	<b>54,836</b>
	<b>Other</b>		
<b>71050</b>	<b><u>Insurance</u></b>	<b>\$</b>	<b>5,680</b>
	Includes premiums for all insurance coverage for the Association (D&O, General Liability, Fidelity) provided by Nationwide Insurance.		
<b>71140</b>	<b><u>Income Taxes</u></b>	<b>\$</b>	<b>2,000</b>
	This tax is paid only on the income of the Association excluding assessments (e.g., interest received from our invested funds). This is an estimated number based on historical averages and compiled by the Association auditor.		
	<b>Total Other</b>	<b>\$</b>	<b>7,680</b>
	<b>Townhome Expenses</b>		
<b>61250</b>	<b><u>Trash Removal (TH Portion)</u></b>	<b>\$</b>	<b>56,410</b>
	Portion of trash removal contract with American Disposal Services for the townhomes		
<b>61581</b>	<b><u>Snow Removal</u></b>	<b>\$</b>	<b>17,073</b>
	Estimated cost for snow plowing services.		
<b>62002</b>	<b><u>Townhome Lawn Mowing Contract</u></b>	<b>\$</b>	<b>34,320</b>
	Actual cost of contract with Palmer's Property Maintenance for the mowing, edging and clipping removal of the townhome front lawns. A proposal has been requested to include turf and bed maintenance.		
<b>71030</b>	<b><u>Electric (Lights)</u></b>	<b>\$</b>	<b>5,300</b>
	Estimated cost of electric expense for common area lighting.		
<b>90000</b>	<b><u>Reserve Contribution - Townhome</u></b>	<b>\$</b>	<b>24,564</b>
	Projected reserve contribution for the pool and pool house based on recommendations of the reserve study performed by Reserve Advisors in 2013, plus the difference in projected reserve interest.		
	<b>Total Townhome Expenses</b>	<b>\$</b>	<b>137,667</b>
	<b>Total Expenses &amp; Reserves</b>	<b>\$</b>	<b>373,240</b>
	<b>Surplus / (Deficit)</b>	<b>\$</b>	<b>-</b>