

Whittier Community Association, Inc.

c/o Vanguard Management Associates, Inc.
P.O. Box 39 • Germantown, Maryland 20875-0039
301-540-8600 x3053

www.whittieronline.org

November 2020

Dear Whittier Community Association Homeowner,

The Board of Directors for the Whittier Community Association has approved an operating budget for the fiscal year beginning January 1, 2021. The assessments for 2021 will remain as follows:

	General	Neighborhood	Total
Condominium Homes	\$338.00	N/A	\$338.00
Single Family Homes	\$338.00	\$20.00	\$358.00
Townhomes	\$338.00	\$263.00	\$601.00

To assist you in making your 2021 annual payment(s), condominium and single family unit owners will receive a coupon for payment due February 1, 2021 and townhouse unit owners will receive two coupons, one due February 1, 2021 and a second coupon for payment due March 1, 2021. You are reminded that the assessment payments are **due no later than the date shown on each coupon.** Your payment will be considered late if not **received** by the due date. **All accounts will be charged a late fee of ten percent (10%) of the assessment amount if payment is not received within 30 days of the due date.**

All payments should be mailed to the address on the coupon which is the “lockbox” address for Whittier Community Association where your check is deposited when received.

***** IMPORTANT INFORMATION REGARDING YOUR ASSESSMENT PAYMENT *****

Please be advised of the following banking information for your association:

- **The address for payment only is: P.O. BOX 93687
Las Vegas NV 89193-3687**
- Please make sure to use the coupon and envelopes that are sent to you when you are mailing your payment.
- ***If you use an online bill pay service, please update the account number and payment amount, and verify the mailing address before making a payment.***
- Payments should not be mailed, or hand delivered to the Vanguard Management office. Checks mailed to the office will be returned to the sender.
- You may also pay your assessment at your community association bank website, Alliance Association Bank (AAB), by credit card or one-time electronic payment. You must have your coupon with you in order to complete this process. Please log on to www.vanguardmgt.com and click on “Resident Resources” to link to AAB to make payments by credit card or electronic payment. Please allow 4 business days for processing. Credit card payments are subject to a convenience fee charged by the bank. (The Management ID, Association ID and Unit Number are all at the bottom of the coupon. There is an example online to assist you in setting up online payment using a coupon.)

PLEASE MAKE ALL CHECKS PAYABLE TO:
“Whittier Community Association”
AND REFERENCE THE ACCOUNT NUMBER ON YOUR CHECK

Please also note that the Whittier Community Association has its own extension number at Vanguard Management. You can conduct most business, reach the accounting department or reach the community manager by calling (301)540-8600 and dialing extension **3053**. There will be several menu selections that will facilitate your business with the Association. All written correspondence should be sent to the address shown at the top of this letter and questions about your account should be directed to (301)540-8600 x3303. You may also communicate with Vanguard Management by visiting Vanguard's web site at www.vanguardmgt.com, click on "Community Contact Info" and then "Whittier Community Association".

Please check the Whittier Association website regularly for community news and updates. The 2021 approved budget and the 2021 Board meeting dates will be posted on the website at www.whittieronline.org.

Sincerely,
For the Board of Directors
Whittier Community Association, Inc.

A handwritten signature in black ink, appearing to read "Nancy", followed by a horizontal line extending to the right.

Nancy Keen CMCA®, AMS®
Community Manager
nkeen@vanguardmgt.com

WHITTIER COMMUNITY ASSOCIATION, INC.
2021 OPERATING BUDGET
JANUARY 1, 2021 through DECEMBER 31, 2021
GENERAL ASSOCIATION (All Homes) BUDGET SUMMARY

Annual Assessment:	\$338.00	0.0% Increase over 2020
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	2021 TOTAL:	2020 Total	\$ Change
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INCOME:

Residential Assessments:	\$537,420.00	\$537,420.00	\$0.00
Lakefront Center Assessment	\$1,731.68	\$1,665.07	\$66.60
Late Fee Income	\$10,000.00	\$10,000.00	\$0.00
Outside Pool Memberships	\$26,950.00	\$26,950.00	\$0.00
Misc. Income - Pool Passes	\$0.00	\$0.00	\$0.00
Misc. Income - Newsletter	\$300.00	\$300.00	\$0.00
Interest Income	\$1,118.36	\$1,118.36	\$0.00
ADJUSTED INCOME:	\$577,520.04	\$577,453.44	\$66.60

EXPENSES:**Reserve Contributions:** Contribution is based on 2017 Reserve Study.

Gross Contribution	\$103,796.00	\$96,687.00	\$7,109.00
<i>Sub-Total:</i>	\$103,796.00	\$96,687.00	\$7,109.00
<i>One Time Cash Contribution to Reserves</i>	(\$21,415.29)	\$0.00	(\$21,415.29)
<i>Less: Reserve Interest:</i>	(\$14,390.57)	(\$13,555.27)	(\$835.30)
Net Reserve Contribution:	\$67,990.14	\$83,131.73	(\$15,141.59)

General & Administrative:

Management, Audit, Legal, Professional & Banking Fees	\$117,810.12	\$114,626.44	\$3,183.69
Postage, Printing, Newsletter, Coupons	\$24,940.10	\$24,940.10	\$0.00
Insurance & Taxes	\$29,584.34	\$29,459.04	\$125.30
Bad Debt Expense	\$9,870.00	\$9,870.00	\$0.00
Record Storage, Miscellaneous, Recording Secretary	\$6,955.00	\$6,262.20	\$692.80
Electricity	\$384.00	\$384.00	\$0.00
Social & Recreation	\$6,000.00	\$6,000.00	\$0.00
<i>Sub-Total:</i>	\$195,543.57	\$191,541.78	\$4,001.78

Pool Operation:

Management, Pool Pass Admin.	\$179,684.00	\$168,649.00	\$11,035.00
Repairs, Supplies, Miscellaneous	\$22,420.00	\$22,420.00	\$0.00
Utilities: Telephone; Electric; Water & Sewer	\$25,129.00	\$25,021.00	\$108.00
<i>Sub-Total:</i>	\$227,233.00	\$216,090.00	\$11,143.00

Site Improvement:

Landscaping Improvements	\$20,160.00	\$23,160.00	(\$3,000.00)
Capitol Improvements	\$2,500.00	\$2,500.00	\$0.00
<i>Sub-Total:</i>	\$22,660.00	\$25,660.00	(\$3,000.00)

General Maintenance:

Site Maintenance & Repair	\$6,950.00	\$6,950.00	\$0.00
<i>Sub-Total:</i>	\$6,950.00	\$6,950.00	\$0.00

Contract Maintenance:

Grounds Maintenance	\$51,170.00	\$48,097.03	\$3,072.97
Snow Clearing	\$5,975.00	\$5,975.00	\$0.00
<i>Sub-Total:</i>	\$57,145.00	\$54,072.03	\$3,072.97

Operating Contingency

	\$0.00	\$0.00	\$0.00
TOTAL EXPENSES:	\$577,521.70	\$577,445.54	\$76.16

NET INCOME/(LOSS)	(\$1.66)	\$7.90	(\$9.56)
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WHITTIER COMMUNITY ASSOCIATION, INC.
2021 OPERATING BUDGET
JANUARY 1, 2021 through DECEMBER 31, 2021
SUPPLEMENTAL TOWNHOUSE BUDGET (Townhomes Only)

Annual Assessment:	\$263.00	0.0% Increase over 2020
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2021	2020	\$
TOTAL:	Total	Change

INCOME:

Residential Assessments:	\$144,124.00	\$144,124.00	\$0.00
ADJUSTED INCOME:	\$144,124.00	\$144,124.00	\$0.00

EXPENSES:**Reserve Contributions: Contribution is based on 2017 Reserve Study.**

Gross Contribution	\$33,423.00	\$32,568.00	\$855.00
<i>Sub-Total:</i>	\$33,423.00	\$32,568.00	\$855.00
Less: Reserve Interest:	(\$5,430.47)	(\$5,122.38)	(\$308.10)
Net Reserve Contribution:	\$27,992.53	\$27,445.62	\$546.90

Administrative Expense:

Bad Debt Expense	\$12,000.00	\$12,000.00	\$0.00
Annual Property Inspection	\$6,836.00	\$6,836.00	\$0.00
<i>Sub-Total:</i>	\$18,836.00	\$18,836.00	\$0.00

General Maintenance:

Grounds Maintenance	\$68,387.00	\$68,607.83	(\$220.83)
Landscaping Improvements	\$12,625.00	\$12,950.00	(\$325.00)
Snow Clearing	\$16,285.00	\$16,285.00	\$0.00
<i>Sub-Total:</i>	\$97,297.00	\$97,842.83	(\$545.83)

TOTAL EXPENSES:

	\$144,125.53	\$144,124.45	\$1.07
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NET INCOME/(LOSS)

	(\$1.53)	(\$0.45)	(\$1.07)
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WHITTIER COMMUNITY ASSOCIATION, INC. 2021 OPERATING BUDGET JANUARY 1, 2021 through DECEMBER 31, 2021 SUPPLEMENTAL SINGLE FAMILY HOMES BUDGET
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Annual Assessment:	\$20.00	0.0% Increase over 2020
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	2021	2020	\$
TOTAL:	Total	Total	Change

INCOME:

Residential Assessments:	\$7,040.00	\$7,040.00	\$0.00
ADJUSTED INCOME:	\$7,040.00	\$7,040.00	\$0.00

EXPENSES:

General Maintenance:

Annual Property Inspections	\$3,364.00	\$3,364.00	\$0.00
Grounds Maintenance	\$2,400.00	\$2,400.00	\$0.00
Snow Clearing	\$1,276.00	\$1,276.00	\$0.00
<i>Sub-Total:</i>	\$7,040.00	\$7,040.00	\$0.00

TOTAL EXPENSES:	\$7,040.00	\$7,040.00	\$0.00
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NET INCOME/(LOSS)	\$0.00	\$0.00	\$0.00
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Whittier Community Association

OPERATING SUMMARY BUDGET NOTES

GENERAL ASSOCIATION

January 1, 2021 to December 31, 2021

I. INCOME:

- A. Residential Assessments: The total income generated from the annual assessment charged to all homeowners pursuant to Article V of the Declaration of Covenants, Conditions and Restrictions.
- B. Lakefront Center Assessment: The total income generated from the annual assessment charged to the commercial property located within Whittier.
- C. Late Fee Income: Estimated funds collected from homeowners as a result of late payment of monthly assessments pursuant to the Declaration of Covenants, Conditions, and Restrictions and the collection policy for the Association.
- D. Outside Pool Memberships: Income from the sale of outside pool memberships and the sale of guest passes during the season.
- E. Misc. Income - Website: Income from advertisements on the website.
- F. Interest Income: Estimated income earned from excess operating funds placed in demand deposits.

II. EXPENSES:

- A. Reserve Contributions: The calculations of the reserve contributions are based upon the Reserve Study which was completed in 2017.
1. Gross Reserve Contribution: The total gross reserve contribution necessary to meet the funding goals established through the comprehensive reserve study which has estimated the expected useful life and replacement cost of each community asset.
 2. Less: Reserve Interest: Allocation of the interest income earned by the deposit of reserve funds to secure investment vehicles such as money market and certificate of deposit accounts. The earned interest thereby reduces the annual cash deposit required to meet the funding goals established through the reserve analysis.
 3. Net Reserve Contribution: The actual cash outlay for deposit into reserve accounts which is necessary to meet the established funding goals as previously discussed.
- B. General & Administrative Expenses:
1. Management, Audit, Legal, Professional & Banking Fees: The projected expense for professional community management services for property management, financial accounting and consultation services. Expense for the services of a Certified Public Accountant (CPA) for the preparation of all annual tax returns and the conduct of an annual audit of the Association books and records. Allowance for retaining general legal counsel for such matters as legal document interpretation, collection assistance, violation enforcement and other legal assistance as may be required. Expenses related to bank account fees and the printing of checks and deposit slips.
 2. Postage, Printing, Newsletter, and Coupons: Allowance for miscellaneous postage needs of the Association as well as several community-wide mailings to members for such items as the annual budget and annual meeting notices. Allowance for the printing requirements associated with the budgeted postage needs as described above. Allowance for the operation of the website. Funds associated with printing of assessment coupons.
 3. Insurance and Taxes: The estimated expense for providing all appropriate insurance coverage for the Association including:
 - a. All-Risk/General Liability Coverage in the amount of \$1,000,000.00;
 - b. Directors's & Officer's Liability Coverage in the amount of \$1,000,000.00;
 - c. Fidelity Bond of Officers and Directors in an amount sufficient to cover the amount in the Association's bank accounts.
 - d. Umbrella coverage in the amount of 15 million.Allocation for payment of quarterly estimated income taxes as determined by the independent auditor.
 4. Bad Debt Expense: Allowance for uncollectible accounts due to homeowner bankruptcies and/or mortgage company foreclosures.
 5. Record Storage, Miscellaneous, Meetings: Hard costs that Vanguard Management is charged that is passed on to the Association for monthly storage of community archive records. Allowance for miscellaneous general & administrative Board expenses. The cost for a recording secretary to take the minutes at the monthly Board meetings.
 6. Front Entrance Electricity: Allowance for the monthly expenses of the entrance lights.
 7. Social & Recreation: Allowance for the Lakeside Festival/National Night Out Event.

OWNERS ARE REMINDED THAT BUDGETS REFLECT AN ESTIMATED PROJECTION OF ANTICIPATED EXPENSES AND REVENUES AND, AS SUCH, ARE SUBJECT TO CHANGE BASED UPON ACTUAL CIRCUMSTANCES.

- C. Pool Operation: The expenses necessary to operate the Cobblestone, Wetherburne and Greenleaf pools.
1. Management, Pool Pass Administration: Allowance for the expense of a professional, full service pool management company to provide staff and supplies for the operation of the swimming pool facilities. Allowance for the handling and distribution of pool passes including the printing costs for the applications, rules, and passes.
 2. Repairs, Supplies, Miscellaneous: Allowance for the preseason preparation of the swimming pool and bathhouse facilities including such repairs as skimmer replacement, minor caulking, minor plumbing repairs as well as other miscellaneous repairs to the facilities during the season. Funds allocated for the purchase of supplies necessary for the operation of the facilities. Allowance for costs of possible extra events (currently unplanned) at pools as well as other miscellaneous needs.
 3. Telephone, Electric and Water & Sewer: Allocation of funding for a public coin operated telephone at the pool facilities which is required by local codes. The telephone is on discounted rates during the off season. Funding allocated for the electrical consumption of the electric pump motors and the filtration system, lighting and other electricity needs as may be needed for the safe operation of the facility. The allocation of the necessary funding for the water needs for the facilities including the spring "fill-up", maintenance of the pool water level during the season and bathhouse needs for showers and toilets.
- D. Site Improvement:
1. Landscaping: Allowance of funding for the planting of annual flowers at the entry features and other locations within the community during the spring and fall planting seasons as well as other landscaping improvements and maintenance, such as lake management, which may be determined by the Board of Directors.
 2. Capitol Improvements: Allocation of funds for future capitol improvement projects.
- E. General Maintenance Expense:
1. Site Maintenance & Repair: Allocation of funding necessary for miscellaneous maintenance needs throughout the community such as minor tot lot repair, trash clean-up, and other miscellaneous grounds repairs.
- F. Contract Maintenance:
1. Grounds Maintenance: Funds allocated for the regular maintenance of the common areas including mowing, trimming, edging of common sidewalks, mulching of common area trees and shrubs and a complete chemical application package including fertilization and weed control as well as other maintenance needs in the community, such as school grounds maintenance, and lake maintenance that may be determined by the Board of Directors.
 2. Snow Clearing: Allocation of funds for clearing and sanding of all Association owned sidewalks, and public sidewalks that are not adjacent to homes. This does not include the City streets.

Whittier Community Association

OPERATING SUMMARY BUDGET NOTES

Jan 1, 2021 to Dec 31, 2021

SUPPLEMENTAL TOWNHOUSE BUDGET

(Townhomes Only)

I. INCOME:

A. Residential Assessments: The total income generated from the annual assessment charged to all homeowners pursuant to Article IV of the Declaration of Covenants, Conditions and Restrictions. The supplemental assessment intended to pay those costs attributable to the townhouse homes within the Whittier community.

II. EXPENSES:

A. Reserve Contributions: The calculations of the reserve contributions are based upon the Reserve Study which was completed in 2017.

1. Gross Reserve Contribution: The total gross reserve contribution necessary to meet the funding goals established through the comprehensive reserve study which has estimated the expected useful life and replacement cost of each community asset.

2. Less: Reserve Interest: Allocation of the interest income earned by the deposit of reserve funds to secure investment vehicles such as money market and certificate of deposit accounts. The earned interest thereby reduces the annual cash deposit required to meet the funding goals established through the reserve analysis.

3. Net Reserve Contribution: The actual cash outlay for deposit into reserve accounts which is necessary to meet the established funding goals as previously discussed.

B. Administrative Expenses:

1. Bad Debt: Allowance for uncollectible accounts due to homeowner bankruptcies or mortgage foreclosures.

2. Annual Property Inspections: Allowance for annual maintenance inspection of each home.

C. General Maintenance:

1. Lawn Maintenance: Funds allocated for regular maintenance services such as lawn mowing, trimming, and edging of all common areas within the townhouse sections of the community.

2. Landscaping Improvement: Funding for projects associated with enhancing the overall townhouse section of the community.

3. Snow Clearing: Funding has been allocated during the winter season for the clearing and sanding of the Association owned sidewalks, mail box pads and public sidewalks that are not adjacent to homes.

Whittier Community Association
OPERATING BUDGET NOTES
Jan 1, 2021 to Dec 31, 2021
SUPPLEMENTAL "SINGLE FAMILY" BUDGET

I. INCOME:

A. Residential Assessments: The total income generated from the annual supplemental assessment charged to all home owners pursuant to Article VI of the Declaration of Covenants, Conditions and Restrictions (Declaration) and the Supplemental Declaration. The supplemental assessment intended to pay those costs attributable to the single family homes within the Whittier community.

II. EXPENSES:

A. General Maintenance:

1. Annual Property Inspection: Allocation for annual property inspections of private property dwellings and yards when applicable.
2. Lawn Maintenance: Funds allocated for regular maintenance services such as lawn mowing, trimming, and edging of all common areas within the single family sections of the community.
3. Snow Clearing: Funding has been allocated during the winter season for the clearing and sanding of the Association owned sidewalks, and mail box pads.