

## Section 202 Annexation Information

Van Metre has requested annexation approval of 261 townhome and condominium units in section 202 on Demott Drive between the boardwalk and Waxpool Road. Van Metre does not require the approval of Broadlands in order to annex the units in, but desires to work with the HOA on this project. There will be a LCPS school site immediately adjacent to the boardwalk. The approval or denial of the rezoning plan and construction of these units is up to the Loudoun County Board of Supervisors and not the HOA. The question is whether to support the annexation into Broadlands Association.

### Assessment Impact

- General Assessment Estimated Income: \$184,788 Annually (based on 2019 General Assessment rate of \$59/unit/month) plus \$2,200 in legal and late fee income
- General Expense Estimated Increase: \$53,000
- Townhome Assessment Income: \$106,488 (based on 2019 TH Assessment rate of \$34/unit/month to cover trash, landscaping, and road maintenance)
- Townhome Estimated Annual Expense - \$106,488 (based on current unit pricing per 2015 reserve study, plus inflation). Likely a high number since the condominium units will require half the asphalt of a traditional townhouse.

***Potential Net Revenue: \$133,988 annually***

### Annexation Fee Impact

Van Metre has proposed a \$3,000/unit annexation fee, totaling \$783,000. These funds are untaxed and can be used for whatever purpose the Board of Directors deems fit such as facility upgrades, capital improvement projects, reserve contributions, and/or to offset assessments.

### Staffing Impact

We do not anticipate the need to hire additional employees to accommodate the additional residents. The condominiums will be unable to do any exterior changes, therefore there will be no Exterior Modification Applications to process. We expect townhome modifications to be minimal. We requested the developer minimize landscaping thereby reducing the need for constant oversight. We would establish this unit type as HOA lawn maintained similar to the Courtyard Homes and Villas (which eliminates landscaping violation letters). We anticipate some trash violations. Residents would have access to the pools and fitness center.

### Dispensations Requested by the HOA, Approved by Van Metre

- Installation of \$175,975 (2018 cost) fiberglass bridge connecting Fieldthorn Terrace and Demott Drive so walkers can get to HT shopping center. Fiberglass is low maintenance with a long lifespan, meaning minimal ongoing expenses for the HOA.
- Installation of walking path on Demott Drive and \$165,000 (2018 cost) LED path lights.
- Increased the number of county-required parking spaces in section 202 to provide 200 surface parking spaces for the units, an addition to their garage and driveway spaces.

**Broadlands Association, Inc.**  
**Section 202 Annexation Budget Impact**  
**Based on 2019 Budget Numbers**

**INCOME**

	Current	Additional Unit Impact	
Common Expense Assessments	\$2,190,552	\$184,788.00	Shared by all homeowners
Townhouse Assessments	\$494,088	\$106,488.00	Shared by town home owners
Single Family Detached Trash Assessments	\$451,920	\$0.00	N/A
Single Family Detached/Private Street Assessments	\$89,040	\$0.00	N/A
Courtyard Home Assessments	\$155,316	\$0.00	N/A
Class E (Multi-Family Rental) Assessments	\$265,517	\$0.00	N/A
Villa Home Assessments	\$5,616	\$0.00	N/A
Condominium Assessments	\$55,224	\$0.00	N/A
Interest	\$83,343	\$0.00	N/A
Miscellaneous	\$4,000	\$0.00	N/A
Newsletter Advertising	\$84,000	\$0.00	N/A
Recreation Income	\$99,125	\$0.00	N/A
Community Center Rental	\$19,200	\$0.00	N/A
Violation and Mowing Fees	\$5,880	\$0.00	N/A
Nature Center Activity Fee Income	\$5,000	\$0.00	N/A
Late/Demand Fees	\$21,240	\$1,500.00	Payment for late fees
Legal Fee Reimbursement	\$9,600	\$700.00	Payment for legal fees
Resale Packet /PUD Questionnaire Fees	\$19,470	\$0.00	N/A

**GRAND TOTAL INCOME** **\$4,058,131** **\$293,476**

**COMMON EXPENSES**

**Administrative**

Financial Management Contract	\$76,500	\$6,000.00	Increase in financial managemet contract
Collection Costs	\$17,100	\$1,000.00	Allowance for delinquencies
Insurance Policy	\$43,984	\$300.00	Agent estimates a few hundres dollar increase
Audit/Tax Return Preparation	\$8,650	\$200.00	Allowance for increase in audit prep
Federal Income Taxes	\$10,400	\$0.00	No anciticapted changes
State Income Taxes	\$3,950	\$0.00	No anciticapted changes
Legal Fees General	\$4,000	\$300.00	Allowance for legal questions
Legal Fees Collection Activity	\$26,400	\$2,000.00	Allowance for delinquencies
Printing & Copying	\$8,740	\$700.00	Allowance to print violation notices, welcome packets, etc
Mobile App	\$2,000	\$0.00	No anciticapted changes
Postage & Delivery	\$9,200	\$700.00	Allowance for postage of violation letters, welcome packets
Office Supplies/Equipment/Furniture	\$8,000	\$0.00	No anciticapted changes
Computer Maintenance	\$23,050	\$0.00	No anciticapted changes
Violations Architectural Software/Phone	\$5,500	\$0.00	No anciticapted changes
Voting Software	\$6,250	\$200.00	Allowance to add units to TIE Vote
Copier & Postage Machine Lease	\$7,000	\$0.00	No anciticapted changes
Coupons	\$7,350	\$1,000.00	Allowance for coupons for those not enrolling in auto pay
Bad Debt	\$5,000	\$400.00	Allowance for non payment of assessments
Board Meeting Minutes	\$2,600	\$0.00	No anciticapted changes
Vehicle Expenses	\$2,200	\$0.00	No anciticapted changes
Miscellaneous Administrative	\$5,830	\$0.00	No anciticapted changes

**Total Administrative Expenses** **\$283,704** **\$12,800**

**Committees and Community Programs**

Events Committee	\$48,000	\$0.00	No anciticapted changes
Broadlands Live Concert Series	\$16,000	\$0.00	No anciticapted changes
Community Outreach	\$6,000	\$0.00	No anciticapted changes
Newsletter Printing, Mailing, Software	\$88,625	\$6,200.00	Annual cost of 261 monthly newsletters
Modification Subcommittee	\$3,200	\$0.00	No anciticapted changes
Board Expenses	\$10,290	\$0.00	No anciticapted changes
Security Service	\$38,175	\$0.00	No anciticapted changes
Technology Committee	\$6,850	\$0.00	No anciticapted changes
Conservation Landscaping Committee	\$3,215	\$0.00	No anciticapted changes
Animal Care	\$7,000	\$0.00	No anciticapted changes
Youth Naturalist Programs	\$4,000	\$0.00	No anciticapted changes

Nature Center Activities	\$7,000	\$0.00	No anticipated changes
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**Total Committee and Community Programs**

**\$238,355**

**\$6,200**

**Personnel**

Salaries	\$450,112	\$0.00	No anticipated changes to staffing
Newsletter Preparation	\$44,220	\$0.00	No anticipated changes
Payroll Taxes	\$38,380	\$0.00	No anticipated changes
Employee Insurance	\$21,895	\$0.00	No anticipated changes
Retirement Program	\$14,080	\$0.00	No anticipated changes
Staff Membership Fees, Education & Training	\$13,338	\$0.00	No anticipated changes
Mileage/Cell Reimbursement	\$1,200	\$0.00	No anticipated changes
Payroll Processing Fee	\$3,005	\$0.00	No anticipated changes

**Total Personnel**

**\$586,230**

**\$0**

**TOTAL ADMIN, PROGRAMS & PERSONNEL**

**\$1,108,289**

**\$19,000**

**OPERATING EXPENSES**

**Community Buildings**

Community Center Gas	\$2,000	\$0.00	No anticipated changes to operating community buildings
Community Center Electric	\$2,300	\$0.00	No anticipated changes
Community Center Water & Sewer	\$800	\$0.00	No anticipated changes
Community Center Cable	\$3,525	\$0.00	No anticipated changes
Community Center Cleaning	\$8,720	\$0.00	No anticipated changes
Community Center Maintenance & Repair	\$2,500	\$0.00	No anticipated changes
Community Center Snow Plowing & Sidewalk Clearing	\$5,000	\$0.00	No anticipated changes
Nature Center Phones	\$8,280	\$0.00	No anticipated changes
Nature Center Internet Service	\$1,620	\$0.00	No anticipated changes
Nature Center Repairs & Maintenance	\$4,000	\$0.00	No anticipated changes
Nature Center Cleaning	\$7,990	\$0.00	No anticipated changes
Nature Center Security, Monitoring, Fire Alarm Maint, Extinguishers	\$2,582	\$0.00	No anticipated changes
Nature Center Gas	\$3,000	\$0.00	No anticipated changes
Nature Center Electricity	\$7,500	\$0.00	No anticipated changes
Nature Center Water & Sewer	\$1,300	\$0.00	No anticipated changes
Nature Center Snow Plowing & Sidewalk Clearing	\$5,000	\$0.00	No anticipated changes
Nature Center Improvements	\$7,200	\$0.00	No anticipated changes
Clubhouse Gas	\$850	\$0.00	No anticipated changes
Clubhouse Electric	\$4,000	\$0.00	No anticipated changes
Clubhouse Cable/Phone	\$3,720	\$0.00	No anticipated changes
Clubhouse Water & Sewer	\$560	\$0.00	No anticipated changes
Clubhouse Cleaning	\$7,720	\$0.00	No anticipated changes
Clubhouse Maintenance & Repair	\$2,000	\$0.00	No anticipated changes
Clubhouse Snow Plowing & Sidewalk Clearing	\$2,500	\$0.00	No anticipated changes
Clubhouse Fire /Sprinkler Alarm System Monitoring and Inspection	\$2,443	\$0.00	No anticipated changes

**Total Community Buildings**

**\$97,110**

**\$0**

**Common Area**

Grounds Maintenance Common Area Contract	\$461,568	\$0.00	No anticipated changes
Grounds Maintenance Common Area Non Contract	\$80,130	\$6,000.00	Allowance for annuals and some enhancements
Watering Services	\$40,000	\$3,000.00	Allowance for watering, though plant material will be developers responsibility until turnover
Sidewalk/Trail/Stone House Snow Clearing	\$30,000	\$5,000.00	Allowance for trail clearing both sides of Demott
Common Area Electricity	\$30,000	\$3,000.00	Allowance for path lighting
Lighting Maintenance	\$65,250	\$3,000.00	Newly installed lights will already be LED
Tree Pruning & Removal	\$120,000	\$3,000.00	New plant material should not require much maintenance
Mutt Mitt Supplies & Installation	\$13,980	\$500.00	Assumes installation of 2 Mutt Mitt stations
Pond Maintenance	\$15,750	\$0.00	No anticipated changes
Pond Electricity	\$2,520	\$0.00	No anticipated changes
Security Cameras	\$5,769	\$0.00	No anticipated changes
General Maintenance/Casual Labor	\$14,000	\$500.00	Allowance
Common Area Reserves	\$443,110	\$10,000.00	Assumes addition of bridge and paths to common area reserves

**Total Common Area** **\$1,322,078** **\$34,000**

**Recreation**

Pool Management	\$202,000	\$0.00	No anticipated changes for Pool Operations
Pool Electricity	\$20,000	\$0.00	No anticipated changes
Pool Water & Sewer	\$20,000	\$0.00	No anticipated changes
Pool Phones/Internet	\$3,440	\$0.00	No anticipated changes
Pool Supplies & Chemicals	\$10,000	\$0.00	No anticipated changes
Pool Fire Sprinkler System Maintenance & Repair	\$4,000	\$0.00	No anticipated changes
Pool and Fitness Cards/Passes	\$5,000	\$0.00	No anticipated changes
Fitness Equipment Service	\$7,600	\$0.00	No anticipated changes
Pool Parties	\$3,400	\$0.00	No anticipated changes
Pool Repair	\$35,000	\$0.00	No anticipated changes
Bridge/Tot Lot/Multi Purpose Court Repair & Maintenance	\$20,000	\$0.00	Bridge is fiberglass, should not require annual maintenance
Tennis Court Repair & Maintenance	\$4,235	\$0.00	No anticipated changes

**Total Recreation** **\$334,675** **\$0**

**TOTAL OPERATING EXPENSES** **\$1,753,862** **\$34,000**

**GRAND TOTAL COMMON EXPENSES** **\$2,862,151** **\$53,000**

**LIMITED COMMON AREA EXPENSES**

**Townhouse Expense**

Townhouse Trash Removal	\$201,341	\$43,393.86	Cost for trash collection
Townhouse Grounds Maintenance	\$122,200	\$26,337.08	Likely a high number, will be offset by income. If private yard maintenance is included, a separate assessment type will be established and income will offset the expense
Townhouse Snow Plowing	\$37,792	\$8,145.19	Additional allowance for snow plowing streets and common sidewalks
Townhouse Private Street Reserves	\$132,755	\$28,611.88	Likely a high number, will be lumped into other town home private road reserves. More than likely, the additional income from these units may wind up reducing the cost for the existing townhomes
<b>Sub-Total</b>	<b>\$494,088</b>	<b>\$106,488</b>	

**Single Family Detached Expense**

Single Family Trash Removal	\$451,920	\$0.00	N/A
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**Single Family Private Street Expense**

Single Family Private Streets Snow Plowing	\$23,653	\$0.00	N/A
Single Family Private Street Reserves	\$65,387	\$0.00	N/A
<b>Sub-Total</b>	<b>\$89,040</b>	<b>\$0</b>	

**Courtyard Home Expense**

Courtyard Homes Grounds Maintenance	\$155,316	\$0.00	N/A
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**Villa Home Expense**

Villa Homes Grounds Maintenance	\$5,616	\$0.00	N/A
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**GRAND TOTAL LIMITED COMMON AREA EXPENSES** **\$1,195,980** **\$106,488**

**GRAND TOTAL ALL EXPENSES** **\$4,058,131** **\$159,488**

**GRAND TOTAL INCOME** **\$4,058,131** **\$293,476**

**NET INCOME (LOSS)** **\$0** **\$133,988** Projected Net Income