



June 1, 2016

Dear Homeowner,

The Association's Board of Directors has approved the Fiscal Year 2017 Operating Budget (7/1/16-6/30/17). Enclosed with this letter, please find the approved budget for your information.

The Association is projecting a net income loss for Fiscal Year 2016. The primary reason for the loss was, once again, due to snow removal. Although the board approved an additional \$30,000 for snow removal in the 2016 budget over the previous year, the total snow expenses this past winter were \$103,000. Another factor in our annual losses are delinquent dues. We would not have an operating loss if all residents paid their assessments on time.

You should be aware that currently all other areas of expense are trending under budget for the year. In addition we have a number of contracts for services -- trash, landscape maintenance, insurance, and pool -- that will have marginal increases (estimated at around 3%) in the next fiscal year. Also included in the Fiscal Year 2017 budget is a line item for "Special Projects." These dollars may be used for snow removal if that budget is exhausted again next winter. Funds from this line item may also be used at the board's discretion for special projects (which have not yet been approved).

In addition, the Board has negotiated with the Lake Manassas Association (LMA) -- the Master Association -- that strict percentage adherence will be used going forward to determine our Master Association contribution. On a percentage basis our actual expense contribution will be going down in the years ahead. The yearly/monthly Reserve contributions are not being increased and are being forecasted to remain the same for the immediate future according to our new Reserve Study.

The first payment of the new Fiscal Year will be due as soon as you receive your 2016-2017 assessment coupon book for the Lake Manassas Residential Owners Association (LMROA) in the mail. Please do not send payments in until you receive the coupon book. Persons paying by Direct Debit will continue to have their LMROA payments deducted from their checking account without interruption.

As a reminder, membership in the LMROA is mandatory and automatic with ownership of a lot within the community. Assessments paid to this Association cover the expenses of this Association.

With the adoption of the budget, the monthly assessments for FY2017 will be:

Single Family Homes: \$197 per month

Single Family Homes on Pipe Stems: \$208 per month
(\$197 monthly assessment plus an \$11 per month maintenance fee)

Townhomes: \$283 per month
(\$197 monthly assessment plus an \$86 per month maintenance fee)

If you have any questions or concerns please contact Michelle Wingo, Community Manager, at the Lake Manassas site office at 703.753.7745, mwingo@cmc-management.com, Adrienne Harper, Portfolio Manager at the CMC Corporate office at 703.631.7200, aharper@cmc-management.com or the Board of Directors by email at lmroaconcerns@gmail.com

Sincerely,

Gary Border

Gary Border, President

Lake Manassas ROA Board of Directors

Spread Report
Lake Manassas ROA
FY 2017 Budget - Final

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Assessment Income													
970 - 4001 -- Residential Assessments	109,335	109,335	109,335	109,335	109,335	109,335	109,335	109,335	109,335	109,335	109,335	109,335	1,312,020
970 - 4014 -- Townhome Assessments	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	25,800
970 - 4016 -- Capital Contribution	0	0	192	192	192	192	192	192	192	192	192	192	1,920
970 - 4080 -- Pipe Stem Assessment	715	715	715	715	715	715	715	715	715	715	715	715	8,580
970 - 4125 -- Developer Assessments	0	6,667	0	6,666	0	6,667	0	0	0	0	0	0	20,000
Total Assessment Income	112,200	118,867	112,392	119,058	112,392	119,059	112,392	112,392	112,392	112,392	112,392	112,392	1,368,320
Other Income													
970 - 4205 -- Application Fees	273	272	273	273	273	0	272	273	273	273	272	273	3,000
970 - 4220 -- Gate & Access Fees	346	346	346	345	346	346	346	346	346	345	346	346	4,150
970 - 4710 -- Late Fees & Interest	334	333	334	334	333	334	334	333	334	334	333	334	4,000
970 - 4720 -- Legal Reimbursements	334	333	334	334	333	334	334	333	334	334	333	334	4,000
970 - 4805 -- Violation Charges	84	83	84	84	83	84	84	83	84	84	83	84	1,000
970 - 4910 -- Interest Earned - Reserve Accounts	584	583	584	584	583	584	584	583	584	584	583	584	7,000
Total Other Income	1,953	1,950	1,953	1,952	1,951	1,680	1,952	1,951	1,953	1,952	1,950	1,953	23,150
Total Income	114,153	120,817	114,345	121,010	114,343	120,739	114,344	114,343	114,345	114,344	114,342	114,345	1,391,470
Administrative													
970 - 5010 -- Bad Debt	0	0	0	17,000	0	0	0	0	0	0	0	0	17,000
970 - 5015 -- Bank Charges	17	17	17	17	17	17	17	17	17	17	17	17	200
970 - 5020 -- Board Expenses/Minutes	0	0	625	0	0	625	0	0	625	0	0	625	2,500
970 - 5030 -- Coupon Costs	259	258	259	259	258	259	259	258	259	259	258	259	3,100
970 - 5035 -- Architectural	84	83	84	84	83	84	84	83	84	84	83	84	1,000
970 - 5040 -- Computer Other-C3	250	250	250	250	250	250	250	250	250	250	250	250	3,000
970 - 5065 -- Committee Expenses	0	0	0	0	0	0	250	0	0	0	250	0	500
970 - 5090 -- Office Supplies	667	667	667	667	667	667	667	667	667	667	667	667	8,000
970 - 5095 -- Transponders	0	0	0	0	0	0	2,250	0	0	0	2,250	0	4,500
970 - 5100 -- Storage Rental	214	214	214	214	214	214	214	214	214	214	214	214	2,562
970 - 5115 -- Web Site Maintenance	40	40	40	40	40	40	40	40	40	40	40	40	480
970 - 5195 -- Miscellaneous Expenses	0	0	0	0	0	0	1,562	1,561	1,562	0	0	0	4,684
970 - 5210 -- Printing & Copying	167	167	167	167	167	167	167	167	167	167	167	167	2,000
970 - 5215 -- Postage	417	417	417	417	417	417	417	417	417	417	417	417	5,000
970 - 5225 -- Newsletter Services	0	0	400	0	0	400	0	0	400	0	0	400	1,600
970 - 6300 -- Permits & Licenses	109	108	109	109	108	109	109	108	109	109	108	109	1,300
970 - 6325 -- New Construction Committee	250	250	250	250	250	250	250	250	250	250	250	250	3,000

**Spread Report
Lake Manassas ROA
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	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Administrative													
970 - 8150 -- LMA Expenses	17,062	17,062	17,062	17,061	17,062	17,062	17,062	17,062	17,062	17,061	17,062	17,062	204,737
Total Administrative	19,532	19,532	20,557	36,531	19,532	20,557	23,593	21,093	22,118	19,531	22,032	20,557	265,163
Payroll & Benefits													
970 - 5300 -- Management Payroll Reimbursement	8,450	8,449	8,450	8,450	8,449	8,450	8,450	8,449	8,450	8,450	8,449	8,450	101,392
970 - 5312 -- Security Contract- Western Gatehouse	12,422	12,422	12,423	12,422	12,422	12,422	12,422	12,422	12,423	12,422	12,422	12,422	149,065
970 - 5316 -- Off Duty Police Patrol	834	833	834	834	833	834	834	833	834	834	833	834	10,000
Total Payroll & Benefits	21,705	21,704	21,706	21,705	21,704	21,705	21,705	21,704	21,706	21,705	21,704	21,705	260,457
Insurance													
970 - 5445 -- General Liability Insurance Premiums	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	14,000
Total Insurance	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	14,000
Utilities													
970 - 6000 -- Electric Service	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
970 - 6025 -- Water Service	833	834	833	833	834	833	833	834	833	833	834	833	10,000
970 - 6040 -- Telephone/Internet	917	916	917	917	916	917	917	916	917	917	916	917	11,000
Total Utilities	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	33,000
Landscaping													
970 - 6100 -- Grounds & Landscaping - Contract	7,084	7,083	7,084	7,084	7,083	7,084	7,084	7,083	7,084	7,084	7,083	7,084	85,000
970 - 6150 -- Seasonal Color/Plantings	0	0	0	5,500	0	0	0	0	0	0	5,500	0	11,000
970 - 6299 -- Irrigation System Contract	900	0	900	900	900	0	0	0	900	900	900	900	7,200
Total Landscaping	7,984	7,083	7,984	13,484	7,983	7,084	7,084	7,083	7,984	7,984	13,483	7,984	103,200
Contracted Services													
970 - 6035 -- Trash and Recycling Service	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	84,058
970 - 6434 -- Pest Control	100	100	100	100	100	100	100	100	100	100	100	100	1,200
970 - 6442 -- Snow Removal Services	0	0	0	0	20,000	20,000	20,000	20,000	0	0	0	0	80,000
Total Contracted Services	7,105	7,105	7,105	7,105	27,105	27,105	27,105	27,105	7,105	7,105	7,105	7,105	165,258
Repair & Maintenance													
970 - 6530 -- Common Areas Repair & Maintenance	2,084	2,083	2,084	2,084	2,083	2,084	2,084	2,083	2,084	2,084	2,083	2,084	25,000
970 - 9814 -- Special Projects	2,437	2,437	2,437	2,437	2,437	2,437	2,437	2,437	2,437	2,437	2,437	2,437	29,239
Total Repair & Maintenance	4,520	4,520	4,521	4,520	4,520	4,520	4,520	4,520	4,521	4,520	4,520	4,520	54,239
Pool/Community Center Expenses													
970 - 6438 -- Pool Management	7,372	7,372	7,372	0	0	0	0	0	7,372	7,372	7,372	7,372	51,603

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	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Pool/Community Center Expenses													
970 - 6710 -- Pool Supplies	1,500	1,500	0	0	0	0	0	0	0	0	1,500	1,500	6,000
970 - 9918 -- Pool/Tennis Center Electricity	834	833	834	834	833	834	834	833	834	834	833	834	10,000
Total Pool/Community Center Expenses	9,706	9,705	8,206	834	833	834	834	833	8,206	8,206	9,705	9,706	67,603
Professional Services													
970 - 7000 -- Audit & Tax Services	0	0	0	6,200	0	0	0	0	0	400	0	0	6,600
970 - 7015 -- Management Reimbursements	84	83	84	84	83	84	84	83	84	84	83	84	1,000
970 - 7025 -- Legal Services - Collections	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	15,500
970 - 7030 -- Legal Services - General Counsel	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	1,167	14,000
970 - 7035 -- Other Collection Cost	542	542	542	542	542	542	542	542	542	542	542	542	6,500
970 - 7040 -- Management Fees	5,535	5,535	5,535	5,535	5,535	5,535	5,535	5,535	5,535	5,535	5,535	5,535	66,420
Total Professional Services	8,618	8,619	8,618	14,818	8,619	8,618	8,618	8,619	8,618	9,018	8,619	8,618	110,020
Taxes													
970 - 9000 -- Federal Income Tax	0	0	0	1,000	0	0	0	0	0	0	0	0	1,000
970 - 9005 -- State Income Tax	0	0	0	400	0	0	0	0	0	0	0	0	400
970 - 9015 -- Property/Real Estate Tax	0	0	0	0	150	0	0	0	0	0	0	0	150
Total Taxes	0	0	0	1,400	150	0	0	0	0	0	0	0	1,550
Other Expenses													
970 - 9908 -- Misc Expenses	800	0	0	0	0	0	0	0	0	0	0	0	800
Total Other Expenses	800	0	0	0	0	0	0	0	0	0	0	0	800
Reserve Contributions													
970 - 9800 -- Repair & Replacement Expenses	26,349	26,348	26,349	26,349	26,348	26,349	26,349	26,348	26,349	26,349	26,348	26,349	316,180
Total Reserve Contributions	26,349	26,348	26,349	26,349	26,348	26,349	26,349	26,348	26,349	26,349	26,348	26,349	316,180
Total Expense	110,234	108,532	108,960	130,661	120,710	120,687	123,723	121,221	110,521	108,333	117,432	110,459	1,391,470
Net Income / (Loss):	3,920	12,286	5,386	(9,651)	(6,367)	53	(9,379)	(6,878)	3,824	6,011	(3,090)	3,887	0