

EXTRA! EXTRA!

A special publication of the Lake Monticello Owners' Association

December 15, 2011

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2012 Budget Summary



The extensive development process came to its conclusion when the Board approved the 2012 budget at a special open session meeting on December 8. The Board of Directors is confident that this budget, based on current available financial information, is a good plan that will meet the community's needs for the coming year.

The draft 2012 budget, just under \$5,500,000, was developed by the Finance Committee, an LMOA advisory committee made up of members from diverse backgrounds. After consulting with staff, other committees and directors, the Committee began putting together the budget's complex and disparate parts. A series of budget work sessions were held, during which the operations budget was weighed against income, new initiatives were weighed against need and major repairs and replacements were weighed against available reserve funds and the need for attention to the infrastructure and operational elements. Most of the parts eventually came together, and the Committee presented its recommended line-by-line budget to the Board of Directors in November.

The Board held work sessions throughout November and into December, with a public hearing on December 1. With continued assistance of the Finance Committee and input from staff, committees and the members, the Board worked through differences between the draft and its vision of what the budget should be and do.

The final budget is an appropriate balance between keeping dues and fees as low as reasonably possible and meeting the ongoing requirements of operating and properly maintaining the community and providing reasonable member services. It provides for 2012 operations of departments and amenities; maintains services to members; takes proper care of LMOA property and assets; and ensures funds are set aside for 2012 and subsequent year major maintenance and repair. The budget is tightly balanced, with a \$10,000 surplus after \$5.5 million comes in and goes back out again.

Following are highlights that should help members understand the budget and how it will affect them in 2012:

- ◆ **ANNUAL MEMBER DUES:** Increased annual member dues and tenant fee by 3%, as allowed by the Bylaws to \$634.41 per lot and Marina Point unit. The increase will result in \$85,589 revenue.
- ◆ **IMPROVED PROPERTY FEE,** the annual fee (for trash/ recycling, snow removal, storm recovery), will remain at \$175. The semi-annual clean-up dumpster program will be reduced; use will be monitored closely to prevent abuse. \$25,000 has been allocated to clear the Tufton Lake disposal site of accumulated leaves.
- ◆ **COLLECTIONS:** An allowance for uncollectible dues/fees is budgeted; however, an additional allocation for legal fees has been included in the budget so LMOA can more vigorously pursue collection of delinquent accounts.
- ◆ **NEW INITIATIVES** include three projects: Tasers for LM Police officers at a cost of \$8,800 to be funded from the Security operating budget; canoe and kayak racks for \$3,000 and Ashlawn tennis backboards for \$2,000 from the property transfer fund.
- ◆ **MAJOR REPAIR AND REPLACEMENTS (MR&R)** funds of just under \$1 million have been allocated for much needed repairs and replacements for 2012 and those deferred from 2011 and prior years. The funds are available and should be used to maintain the community as it should be.
- ◆ **LAKE HEATH AND STORM WATER MANAGEMENT FUND:** \$253,000 is budgeted for three major storm water management projects, a significant increase in activity. Property transfer funds of \$113,000 will be used to pay off the dredging equipment loan, thus, eliminating the \$65,000 annual payment of loan and finance charges and freeing up those funds for lake health activities.
- ◆ **COMMON PROPERTY COST CENTER (CPCC),** a new department for bookkeeping purposes, will better portray the income and costs of property that benefits all LMOA members. As a result, the profit and loss results of departments and amenities will better portray their revenues and operating costs. Maintenance will incur labor and other costs and "charge" the CPCC for services it provides to departments and amenities. Revenue from food service leases, cable and 75% of boat registration fees will fund the CPCC, as the assets generating these revenues belong to all LMOA members.
- ◆ **DEPARTMENT BUDGETS** are based on current staffing, mid-range compensation levels and current benefit rates.
- ◆ **ADMINISTRATION:** The costs of software and legal fees are up \$17,000 each. The annual donation to the Lake Monticello Fire & Rescue was increased by \$5,000 to \$25,000.
- ◆ **GOLF:** Most golf green fees remain at 2011 levels with the exception of the annual family plans, which were lowered, and the VSGA daily green fee, which was increased. A loss of \$150,000 is anticipated for 2012. Although there has been extensive discussion about outsourcing golf course maintenance, no decision has been made. Any contract for outsourcing will require comprehensive negotiations and a vote by the Board of Directors.
- ◆ **MARINA AND BEACHES:** Boat registration fees will increase for powered boats by 4 to 10% and decline from \$30 to \$25 for unpowered boats, with insignificant change in revenue. Slip rental fees have increased, depending on size, to roughly reflect the cost of LMOA ownership and maintenance of the slips. Funds have been allocated for canoe and kayak racks at the Marina, all five beaches and Tufton Lake. The Marina is budgeted to show a \$22,000 profit.
- ◆ **POOL:** Pool fees are unchanged for 2012; a \$15,000 operating loss is expected. There is money in the MR&R budget to replace the diving board if needed. The deck coating and pool surface will be evaluated for replacement and funded if needed.
- ◆ **SECURITY -- BARCODE FEES:** A new annual barcode fee of \$10 per barcode for residential users will eliminate the charge for new or replacement barcodes. Recently purchased barcodes will be "grandfathered" for up to four years. For more information about this change, see the article on the back of this flyer. The current charges for commercial and guest barcodes remain unchanged for 2012.
- ◆ **TENNIS:** Fees are unchanged; a profit of \$2,000 is budgeted. Funds have been allocated for backboards at the Ashlawn Courts.

Final budget documents will be posted to LMOA's websites at www.LMOAVoice.org and www.LMOA.org.

Introducing LMOAVoice.org



LMOAVoice.org, LMOA's new interactive website, is now "live," offering a variety of new and improved services to members. Construction on this new communications tool has been underway since early Fall and continues to be a work in progress. We appreciate your patience while the site evolves into a multi-leveled resource for members and a valuable member services tool for LMOA. In the meantime, if you are unable to find a document on the new site, please check www.LMOA.org, which will remain active through January.

LMOAVoice.org will provide access to Association resources, including news and information, publications and reports, minutes, forms and more. LMOA will be able to send mass emails (to the members who have registered through the new website), post alerts, send bills and receive member payments electronically. Members will be able to build their own profiles, access their LMOA accounts, pay online, view event calendars, register amenity memberships, register guests, request use of meeting space, submit classified ads, share ideas and much more. Although not all these features are available immediately, LMOA will announce new additions as they go live.

LMOA members may begin immediately to sign in and gain access to all the resources and services currently available. Here's how simple it can be to get started:

- Log in to www.LMOAVoice.org on your internet browser.
- When the LMOA sign-in page appears, fill in the required data for member access.
- Once you sign up you can navigate through the various options for up to date information.
- You may update personal information by editing "my profile" in the top right-hand corner of the page.
- You have the option to select the portions of your profile you wish to make available to other community members.
- Once you initially have signed up, the next time you enter the site, just double click on the sign-in at the very top right side of the page to access the site. Do not use the "search" button to try and sign in.

If you have questions or need further direction on how to sign in or how to access information on the new website, please email marlenebower@comcast.net.

Members: New Barcode Program Coming Soon!

Lake Monticello personnel have worked hard to develop a barcode program to ensure that we have a safe and secure environment. Changes will be initiated in 2012 to allow for better control and safeguarding of our barcodes. Currently there is no process in place that ensures that barcodes are deactivated when cars are sold. Therefore, we have many unauthorized cars with direct access to LMOA facilities. This is unacceptable!

The new program will completely eliminate the \$40 fee for a barcode. Barcodes will be free when you add a new vehicle to your household or replace a damaged barcode. Instead, each year, starting in 2012, a \$10 fee will be allocated for each barcode you wish to remain activated. You will be asked to verify ownership of vehicles with barcodes. **No action is needed presently**, but in January you will receive a letter and forms detailing the procedure for this change.

Vehicles purchased according to the following schedule will not begin paying the \$10 annual fee until the year shown:

- Vehicles with barcodes purchased in 2008 or before will begin paying \$10.00 per barcode per year in 2012.
- Vehicle barcodes purchased in 2009 will pay \$10.00 per barcode per year beginning in 2013.
- Vehicle barcodes purchased in 2010 will pay \$10.00 per barcode per year beginning in 2014.
- Vehicle barcodes purchased in 2011 will pay \$10.00 per barcode per year beginning in 2015.
- By 2015, all vehicles with a barcode will pay a \$10.00 per year fee.

PLEASE NOTE: If you sell your vehicle or dispose of it in any way, please remove the decal and call the Administration Office to notify staff so the barcode can be deactivated. This will prevent unauthorized persons accessing the community. Please remember that as long as a barcode acquired in your name is active, you are responsible for those who use it. Keep yourself and the community safe by letting LMOA know that you are no longer in possession of the barcode – call (434) 589-8263.

LMOA Takes Action on Delinquent Accounts

The Board is aggressively addressing delinquent accounts from members who are not current with their dues and fees. LMOA has 125 members who have not paid their Association dues and fees; most are in arrears for three or more years. As of December 1, 2011, LMOA began the process of filing judgments against delinquent account holders. By January 17, 2012, LMOA will have filed 50 warrants for judgments in General District Court. Twenty-five warrants per week will be filed until all 125 members are filed. Once the warrants are filed, they are docketed in the Circuit Court as judgments against the person for 20 years or until the judgment is satisfied. Once the judgment is satisfied, it is taken off the docket. We have several members who have paid their past dues in full, and others have set up payment plans.

If you are a member who is in arrears with Association dues and fees, please call the LMOA business office at (434) 589-8263 to make payment in full or to set up a payment plan.

Extra! Extra! is a special communications tool of the Lake Monticello Owners' Association, published as needed to communicate matters of immediate interest and importance to the community. For information about *Extra! Extra!* contact the Communications Manager at (434) 589-8263, ext. 111, or palexander@lmoa.org.

LAKE MONTICELLO OWNERS' ASSOCIATION

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