



A Condominium

6402 ARLINGTON BOULEVARD, SUITE 700
FALLS CHURCH, VIRGINIA 22042
(703) 532-5005

To: Water's Edge Condominium Unit Owners
From: Kelly Lang, Community Manager
Date: December 9, 2020
Re: 2021 Approved Operating Budget

The Board of Directors has approved a budget that they feel meets the needs of the community while also fulfilling their responsibility to maintain a solid financial position through the continued funding of the reserve account. Attached is the approved budget for Fiscal Year 2021 for your records. Please note that the Board was able to hold off any increase in assessments in 2021.

Coupon books for 2021 will be sent out shortly. (You will not receive coupons if you are enrolled in the direct debit program). For those who participate in our direct payment program, this service will continue automatically. If you wish to enroll in the program now, included in this mailing is a form that will allow you to have your monthly condominium fee automatically deducted from your checking account. This program guarantees that your payments will never be late. If you wish to pay on-line, go to www.hoabankservices.com and select *Pay Assessments*; choose either credit card or e-check.

If you have any suggestions or concerns, please contact me at (703) 532-5005 or by email at klang@kpamgmt.com. On behalf of the Water's Edge Board of Directors and KPA Management, may you all have a safe and happy holiday season!!

Sincerely,

Kelly Lang
Senior Community Manager
KPA Management

**WATER'S EDGE CONDOMINIUM
2021 APPROVED OPERATING BUDGET**

| Acct. # | Income: | 2019 Audited Financials | 2020 Approved Budget | 2021 Approved Budget |
|--------------------------------|-------------------------------------|----------------------------|-------------------------|-------------------------|
| 4010 | Assessment Income | 838,236 | 849,660 | 849,660 |
| 4030 | Late Fee Income | 0 | 400 | 200 |
| 4060 | Interest Income | 19,513 | 12,000 | 25,000 |
| 4090 | Miscellaneous Income | 881 | 750 | 0 |
| 4596 | Total Income | \$ 858,630 | \$ 862,810 | \$ 874,860 |
| Operating Expense: | | | | |
| 4610 | Administrative Sch I | 89,434 | 76,980 | 79,407 |
| 4620 | Pool Sch II | 35,157 | 31,720 | 32,000 |
| 4630 | Maintenance Sch III | 228,322 | 220,463 | 217,432 |
| 4635 | Utility Sch IV | 85,041 | 81,642 | 81,400 |
| 4640 | Fixed Sch V | 81,947 | 106,200 | 105,816 |
| 4650 | Replacement Res Sch VI | 328,611 | 345,805 | 358,805 |
| 4643 | Total Operating Expense | \$ 848,512 | \$ 862,810 | \$ 874,860 |
| 4710 | Net Surplus (Deficit) | \$ 10,118 | \$ 0 | \$ - |
| Administrative Expense: | | | | |
| 5010 | Telephone | 2,177 | 2,200 | 2,000 |
| 5020 | Office Expense | 10,004 | 10,000 | 8,000 |
| 5035 | Planning & Engineering/Other Pr | 5,000 | 0 | |
| 5040 | Legal Fees General | 21,026 | 17,000 | 15,000 |
| 5045 | Audit & Accounting | 3,500 | 3,500 | 3,600 |
| 5050 | Management Fees | 46,405 | 43,280 | 47,307 |
| 5055 | Bad Debt | 0 | 0 | 2,500 |
| 5065 | Social Programs & Events | 1,322 | 1,000 | 1,000 |
| 5396 | Total Administrative Expense | \$ 89,434 | \$ 76,980 | \$ 79,407 |
| Swimming Pool Expense: | | | | |
| 5510 | Pool Contract | 23,100 | 24,720 | 25,000 |
| 5580 | Pool Supplies & Repairs | 12,057 | 7,000 | 7,000 |
| 5596 | Total Swimming Pool Expense | \$ 35,157 | \$ 31,720 | \$ 32,000 |
| Maintenance Expense: | | | | |
| 6024 | Plumbing Repairs | 41,097 | 15,000 | 15,000 |
| 6045 | Grounds Upkeep Contract | 36,039 | 33,000 | 34,032 |
| 6046 | Landscape Rprs/Improvements | 7,795 | 6,000 | 5,000 |
| 6050 | Common Area Repairs | 257 | 5,000 | 5,000 |
| 6055 | Tree Removal & Replacement | 6,790 | 5,000 | 5,000 |
| 6060 | Building Repairs | 17,308 | 20,000 | 18,000 |
| 6063 | Lake Contract | 7,102 | 7,200 | 6,900 |
| 6065 | Lake Maintenance | 395 | 1,000 | 1,000 |
| 6070 | Exterminating | 400 | 5,500 | 5,500 |
| 6075 | Trash Service | 28,619 | 30,000 | 28,000 |
| 6080 | Maintenance Payroll | 58,829 | 58,083 | 60,000 |
| 6085 | Maintenance Payroll Taxes | 4,677 | 4,680 | 4,000 |
| 6095 | Snow Removal Service | 3,079 | 15,000 | 15,000 |

WATER'S EDGE CONDOMINIUM
2021 APPROVED OPERATING BUDGET

| | 2019 Audited Financials | 2020 Approved Budget | 2021 Approved Budget |
|---------------------------------------|----------------------------|-------------------------|-------------------------|
| 6100 Roofing and Gutters | 15,934 | 15,000 | 15,000 |
| 6296 Total Maintenance Expense | \$ 228,322 | \$ 220,463 | \$ 217,432 |
| Utility Expense: | | | |
| 6310 Water & Sewer | 78,913 | 75,000 | 75,000 |
| 6330 Electric | 6,128 | 6,642 | 6,400 |
| 6336 Total Utility Expense | \$ 85,041 | \$ 81,642 | \$ 81,400 |
| Fixed Expense: | | | |
| 6340 Insurance | 70,021 | 70,000 | 74,216 |
| 6341 Insurance Deductible | 1,595 | 25,000 | 20,000 |
| 6350 Group Insurance | 9,327 | 10,000 | 10,000 |
| 6365 Income Taxes | 1,004 | 1,200 | 1,600 |
| 6596 Total Fixed Expense | \$ 81,947 | \$ 106,200 | \$ 105,816 |
| Replacement Reserve: | | | |
| 6900 Replacement Reserve Funding | 309,148 | 333,805 | 333,805 |
| 3200 Interest Income Contribution | 19,463 | 12,000 | 25,000 |
| Total Replacement Reserve | \$ 328,611 | \$ 345,805 | \$ 358,805 |

| Assessments | 2019 | 2020 |
|-------------|-------------|-------|
| | \$587 | \$595 |
| | <hr/> | |
| | <u>2021</u> | |
| | \$595 | |

AUTHORIZATION AGREEMENT FOR PREAUTHORIZED PAYMENTS

COMPANY NAME: WATER'S EDGE CONDOMINIUM

COMPANY ID NUMBER: 54-1281294

I (We) hereby authorize Water's Edge Condominium hereinafter called COMPANY, to initiate debit entries to my (our) checking account indicated below, and bank depository named below, hereinafter called DEPOSITORY, to debit the same to such account.

(1) BANK NAME _____ BRANCH _____ CITY _____

(2) ROUTING # _____ (3) ACCT. # _____
(Contact your bank for this number)

This authority is to remain in full force and effect until COMPANY has received written notification from me (or either of us) of its termination in such time and in such manner as to afford COMPANY a reasonable opportunity to act upon the request. I further understand that payments will be deducted on the first of the month in which the assessment is due.

NAME(S) _____

ON-SITE ADDRESS (BS) _____

MAILING ADDRESS _____

Please See Direct Debit Rules before signing this agreement!

DATE _____ SIGNATURE _____

DATE _____ SIGNATURE _____, _____, _____ -«-

***** PLEASE ATTACH A VOIDED CHECK *****

◆◆Deduction begins the first of the month (about four (4) weeks) after receipt of this authorization. You will receive a confirmation letter the week prior to the effective date.** Continue to mail in your payments until you receive the letter of confirmation I

**Any items not completed may result in the return of your request.

**You may call (703)532-5005, Ext. 135 with any questions.

◆◆Please fill in your current phone numbers:

Phone#: _____ Email: _____

◆◆Return to: Direct Debit Administrator o/o KPA
Management Inc. 6402 Arlington
Boulevard, Suite 700 Falls Church,
Virginia 22042

Rules for Direct Debit Program

By signing this form, you are agreeing to the rules of this program.

1. Please continue to mail in your payments until you receive a letter or email confirming the activation of your electronic program.
2. Forms must be received at KPA Management by the 10th of the month to be processed for a start date beginning the first of the following month.
3. You must attach a voided check from a checking account in order to participate in the program.
4. If you elect for the payment to be taken from a savings account, a letter from your Financial Institution providing the Routing and Transit number and Account Number must be submitted.
5. If payment is returned two times for any reason in succession, or, three times in any given calendar year, your enrollment in the Direct Debit Program may be terminated.
6. KPA Management must be notified in writing, 10 business days prior to the end of the month to discontinue the electronic payment from your account. This request may be faxed to (703)-532-5098, Attn: Direct Debit Administrator, or emailed to rblackwell@kpamgmt.com.
7. If you would like to change the authorized Bank Account on file, you will need to complete a new enrollment form, going through the process described in item 1-3 above. Requests received at Klingbeil, Powell & Alrutz, Inc. on or before the 10th of the month will be reflected the next month.
8. KPA Management will only deduct the amount of your Association Assessment(s).
9. There must be a zero balance on your account before the program can take effect.