

Dear Homeowner:

Pursuant to Section 8.1 of the Covenants for Tralee, the Tralee Community Association (TCA) Board of Directors has prepared and proposed the attached budget for TCA for the 2018 calendar year. The proposed TCA budget provides for the levy of a Base Assessment in the amount of \$792.00 per Unit, as allowed by Section 8.6 of the Covenants for Tralee. The Base Assessment has increased by \$3.00 per month over the rate charged last year. This letter is the notice of that Base Assessment required by the Covenants.

In preparing the proposed TCA budget, the TCA Board of Directors took into account the following TCA income and expense items:

Bronze membership Fee: pursuant to Section 13.1 of the Covenants, TCA has procured from FSC I, LLC, as Owner of the Club, a Bronze Membership in the Club for each Owner that has not chosen to opt out, and the cost to TCA of that Bronze Membership for the 2018 calendar year will remain at \$58.00 per unit, per month.

Common Area Maintenance Fee: remains at \$5.00 per unit, per month.

Management Fee: remains at \$7.50 per unit, per month.

In accordance with the *North Carolina Planned Community Act, Section 47F3103* and *Article VIII, Section 1 of the Declaration of Covenants, Conditions and Restrictions For Tralee*, this letter will serve as notice to you there will be a meeting on Tuesday December 5, 2017 at 7:30p.m. at the LionsGate Gym to consider ratification of the attached Cash Flow Budget. Pursuant to Section 8.1 of the Covenants for Tralee, the proposed TCA budget and Base Assessment will become effective unless disapproved at a meeting by at least 75% of the total Class "A" vote in the Association and by the Class "B" member, if one exists.

Please take note that your annual Assessment must be paid in full by January 15, 2018. If you want to pay your Base Assessment on a monthly basis (\$66.00 per month), you must follow the separate instructions included with this letter. If you have chosen to opt out of club membership, your annual opt out Assessment for next year will be \$516.00. If you want to pay your opt out Assessment on a monthly basis (\$43.00 per month), you must follow the separate instructions included with this letter. **In a continuing effort to protect your privacy, you must follow the instructions included with this letter and be enrolled in a monthly automated draft, in order to pay the assessment monthly rather than annually.** If you fail to properly follow the instructions included with this letter or fail to pay the full annual assessment by January 15, 2018, your option to pay the assessment on a monthly basis will be waived.

Thank you for your participation and assistance in making the Tralee Community such a wonderful place to live!

Tralee Community Association, Inc.

Board of Directors

Tralee Community Association
2018 Cash Flow Budget

	ANNUAL
Base Assessment (\$66)	127,908.00
Specific Assessment-Club Upgrade	-
Opt Out Fees (\$43)	20,124.00
Administrative Charge Income	4,165.00
Violation Income	200.00
Late Fee/NSF Income	3,600.00
Attorneys Fees/Court Costs	-
Capital Contribution	2,400.00
Interest Income	-
TOTAL INCOME	<u>158,397.00</u>
Amenities Fee	112,404.00
Amenities Upgrade Fee	-
Administrative Fee Expense	765.00
Management Services Contract (\$7.50/unit)	18,045.00
Common Area Maintenance Contract (\$5/unit)	12,030.00
Social Events	1,700.00
Utility Expense	7,139.88
Community Repairs	2,400.00
Professional Fees-accounting	400.00
Professional Fees-legal	400.00
CC discount Fees	-
Liability/D&O Insurance	1,974.00
Postage	200.00
Bad Debt Expense	-
TOTAL EXPENSE	<u>157,457.88</u>
NET CASH	<u><u>\$ 939.12</u></u>