



The Clarion

Crown Harbor Community Newsletter

November / December 2013

Board Meeting: December 11th at 7pm

The Sheppard's, 1305 Crown Drive.

November & December Meetings Combined:

Keeping with policy and to accommodate the Holiday Season, the Board voted to combine the November and December meetings. The combined meeting will be held on December 11th.

Board meetings are open to all homeowners.

Board Meeting Agendas are available on our website at least 7 days prior to the meeting. Click here to view:

<http://crownharbor.org/events/agenda.pdf>

Save the Date for the Crown Harbor Holiday Party – Saturday, December 13, 2013, 5-9PM

It's a great time to meet old and new neighbors. We hope you will join us as we continue this Crown Harbor tradition! If you would like to be one of our Host Homes or volunteer to help out in one of the homes, please contact either:

Carol Ansley – carola49@comcast.net

Ellen Marshall - bblewett@aol.com

Monthly Dues Increase in 2014

As hard as they tried, our Treasurer and Board were not able to avoid a dues increase for 2014. An increase in Earthquake Insurance is the big driver. A note with details is included later in this edition. For now, here are the numbers:

A Units increase to **\$389.30**;

B Units increase to **\$455.62**;

C Units increase to **\$465.23**;

D Units increase to **\$466.09**;

E Units increase to **\$387.40**.

The increase is effective for the January 2014 payment.

Special Roof Assessment Reminder

The second of 5 annual payments is due by December 31st of 2013. You will be receiving your statement for the Special Roof Assessment in the next month. The statement will give you the balance due on your account and the payment due date (Dec 31st). Use this statement and envelope to send in your payment. **The Special Assessment payment is IN ADDITION TO your monthly dues.** It goes to a different account so please DO NOT include it with your regular monthly dues. Your account will be credited and the next statement will show that credit and the new balance. If you choose to make one lump sum payment, you can disregard the monthly statement until the end of the year and send the one payment in December. As long as the required total is received by the due date, the account will be current. Details of the Special Assessments, like regular assessments (monthly dues) are covered in Article 5 of the CC&Rs. Late assessment payments, like late dues, will be treated according to section 5.5.

Holiday Lights and decorations are approved

on Common grounds from 1 December to 18 January.

Roof Coating Delays: Some of our residents received a notice from our Contractor, A-I Roofing & Construction saying they would be coating your 'walk-out roof' or second floor patio. However, the workers never showed up. Here's why. When the crew arrived at the first work site, they discovered the new coating they were trying to install would not stick to the coating currently on the roofs. Obviously this is not a good thing. The contractor and our Project Manager are reviewing options and selecting a new coating system for these roofs. When the right coating is identified, the residents will receive a new notice and the work will be re-scheduled.

2014 Dues Increase – Why and How

As most of you are aware, we've not had a dues increase since 2011. We reduced, cut back and put off as much as is comfortable and we now have little choice but to raise the monthly dues (monthly assessments). In the review process, we started with the Reserve Budget. If we assume the special assessment covers the roof replacement and remove that from the budget, we notice our budget forecast goes negative in 2018. This is due to fairly large expenditures in 2017 - 2019 for siding replacement. To clear this deficit, we need to raise the contribution to reserve by 4.5%, from \$146,172.00 to \$152,749.74 annually. This added \$6,578 goes into the Operating Budget as an expense. In talking with our providers, we're advised to expect our Insurance to go up by \$36,000 (mostly Earthquake) to \$133,000 and our Landscaping contract goes up by 6% to \$44,774. All told, this an increase of \$45,108.00 in annual expenses. By trimming about \$25,000 from other items, we managed to reduce the overall increase to only \$18,960.00, a raise of about 5% over the 2013 budget. Considering it's the first dues increase since January 2011, a 5% increase over 3 years is not bad in this economy.

Why is the raise in some units higher than others? Our CC&Rs identify certain expenses in the budget as variable costs as opposed to fixed costs. Variable costs are distributed to the various units based on the size of the unit in square feet. Since our largest increase is insurance and it is one of those variable costs, the larger units bear a bigger percentage of the increase than the smaller units. The Board members approved the 2014 budget at the October meeting. It is posted on the web site with the calculations if you care to look it over. You can also get a copy from any Board member. If you have any questions, ask Gene McDermott.

Nominations for the Board of Directors

The mission of the Board is to carry out the business affairs and decision making of the association. Some of the current directors have served for 5+ terms and have "done their time". We expect to have several open positions.

All of us are financially vested in the community so it makes sense you'd want to be part of the decision making as well. Here's your chance! Nominations will start in January.

Crown Harbor Contacts:

Community Manager – Waqar Fazlani, CMCA
510-869-2639 email: wfazlani@massingham.com

For after-hours emergencies: 1 866-673-5415

Crown Harbor Board of Directors:

David Eck - President,

Gene McDermott - Treasurer

Scott Sheppard - Secretary

Roseanne Disandro – Director

Sean McDermott - Director

email: board@crownharbor.org



Safe and Happy Holidays to all!