

CROWN COLONY

HOMEOWNERS ASSOCIATION

379 IMPERIAL WAY, DALY CITY, CA 94015-2503 • (650)756-8220 • FAX: (650)756-4323

May 6, 2011

Dear Crown Colony Homeowner,

Earlier this year, the Budget Committee and management staff met several times to prepare the 2011/12 budget for adoption by the Board. The Committee also met with John D. Beatty, who was hired to do the annual update of the Reserve Funding Schedule. Each budget item was reviewed and changed if needed. During this review, it became apparent that turning the gas to the fireplaces back on would significantly raise the gas cost and substantially increase the dues. Therefore, the gas to the fireplaces will remain off. This decision will continue to be reviewed by the Board on a quarterly basis.

At its April 20, 2011 meeting, the Board approved the 2011/12 Budget. The budget reflects a decrease of 0.56%. Pursuant to the requirements of Civil Code Section 1365 the following are enclosed:

- 2011/12 Operating Budget;
- Reserve Funding Schedule ;
- Assessment and Reserve Funding Disclosure Summary;
- Alternative Dispute Resolution Summary (Civil Code Section 1369.510-1369.590) prepared by Crown Colony's legal counsel Berding & Weil;
- Association Assessment Collection Policy;
- Notice of Collection Rights and Obligations;
- Insurance Coverage Summary prepared by Crown Colony's agent Uhl, Palmer & Associates; and
- Architectural Guidelines and Procedures

The Board feels it has provided you a complete information package to help you understand how your monthly dues are spent. Crown Colony's 2011/12 Annual Budget shows where your money will be spent during the next fiscal year. The Reserve Funding Schedule shows where your money has been spent and where it will be spent over the next several years for replacement of and repairs to major components. It is imperative we have a properly-funded plan in place to allow us to continue these replacements and repairs. The enclosed reserves schedule reflects expenditures through 2017-2018. If you would like a copy of the expenditures through year 2037-2038, you may obtain a copy from the HOA office. The funding plan includes funding through year 2037-2038. If you have any questions, please feel free to call the Association Office. Staff will either help you when you call or research the answer to your question and get back to you with the information you require.

Members may obtain minutes of a Board meeting from the Association Office 30 days after the meeting's date. The fine policy is printed in the Crown Colony Rules, Regulations & Information booklet, which is given to all residents when they move in. Additional copies may be obtained from the CCHOA Office during regular business hours or may be found on the website: crowncolonyhoa.com.

I want to thank the members of the 2011/12 Budget Committee: Kathy Carry, Anita Green, Jamil Jahangir, John Macdonald, Emily Newell, Mary Slade, Patrick Sorensen and Pat Valente as well as staff members Rita Nicolas and Monaca Smith Onstad. They performed a most difficult task in developing an accurate and comprehensive budget. Their commitment to our community is greatly appreciated.

Very truly yours,



Rick Crump, President
Crown Colony Homeowners Association

Copies mailed to all Owners of Record as of May 5, 2011

2011/2012 C.C.H.O.A. BUDGET

AFCT#	CATEGORY	/UNIT /MONTH	MONTHLY TOTAL	TOTAL	AFCT#	CATEGORY	/UNIT /MONTH	MONTHLY TOTAL	ANNUAL TOTAL			
ADMINISTRATIVE												
5001	Accounting	3.80	3,492	41,900	5300	Cleaning Supplies	0.63	583	7,000			
5002	Audit & Tax Prep.	0.44	404	4,850	5315	Damage Repairs	5.89	5,417	65,000			
5020	Insurance	24.91	22,917	275,000	5325	Electrical Repairs	0.54	500	6,000			
5025	Legal Expense	1.81	1,667	20,000	5335	Fire Equipment	0.54	500	6,000			
5030	Management Fees	16.26	14,956	179,472	5360	Lightbulbs, Fixtures	1.09	1,000	12,000			
5035	Newsletter Expense	0.30	275	3,300	5365	Boiler Maintenance	0.59	542	6,500			
5040	Office Expense	1.00	917	11,000	5370	Misc. Maintenance	4.08	3,750	45,000			
5050	Permits & Fees	0.91	833	10,000	5371	Locksmith	0.63	583	7,000			
5055	Postage	0.45	417	5,000	5375	Bus Maintenance	0.91	833	10,000			
5060	Printing	0.63	583	7,000	5380	Painting Supplies	0.50	458	5,500			
5061	Recruitment	0.03	25	300	5385	Plumbing	2.26	2,083	25,000			
5080	Telephone	2.17	2,000	24,000	5390	Drainage	0.63	583	7,000			
	<u>Total Administrative</u>	52.70	48,485	581,822	5391	Recreation Expense	0.50	458	5,500			
					5394	Vehicle Maintenance	0.82	750	9,000			
OP EXP CONTRACTS												
5100	Burglar Alarm	0.03	25	300	<u>Total Other Expenses</u>					19.61	18,042	216,500
5110	Elevator	1.46	1,340	16,080	UTILITIES							
5115	Elevator Extras	2.72	2,500	30,000	5400	Electricity	16.30	15,000	180,000			
5120	Fire Alarm	0.75	690	8,280	5410	Gas	19.02	17,500	210,000			
5130	Heating & A/C	0.19	175	2,100	5420	Refuse & Trash	24.23	22,292	267,500			
5140	Landscaping	7.72	7,100	85,200	5430	Water	24.91	22,917	275,000			
5145	Landscape Extras	1.27	1,167	14,000	<u>Total Utilities</u>					84.47	77,708	932,500
5150	Office Machines	0.07	63	750	RESTRICTED FUNDS							
5160	Pest Control	0.54	500	6,000	9340	Reserves	100.59	92,539	1,110,467			
5170	Pools & Spas	0.17	155	1,860	9450	Contingency	3.62	3,333	40,000			
5175	Pool/Spa Extras	1.45	1,333	16,000	<u>Total Restricted</u>					104.21	95,872	1,150,467
5180	Window Washing	0.34	314	3,765	TOTAL EXPENSES					358.35	329,682	3,956,178
5190	Carpet Cleaning	1.72	1,583	19,000	INCOME							
5191	Security	28.10	25,849	310,190	4210	Interest	0.45	417	5,000			
5192	Custodial	13.48	12,400	148,800	4220	HOA Late Fees/Interest	0.82	750	9,000			
5195	HydroFlush/Jettering	1.01	933	11,200	4230	Laundry	12.56	11,552	138,624			
	<u>Total Op. Expenses</u>	61.01	56,127	673,525	4240	Other Income	0.91	833	10,000			
SALARIES												
5210	Groundskeepers	7.90	7,265	87,164	4250	Recreation	0.01	13	150			
5220	Maintenance	22.16	20,385	244,624	4260	Resale Office	0.14	125	1,500			
5240	Recreation	6.30	5,796	69,556	4270	Transfer/Demand Fees	0.14	125	1,500			
	<u>Total Salaries</u>	36.36	33,447	401,364	4280	Move-In Fees	0.82	750	9,000			
<u>Total Income</u>										15.83	14,565	174,774
									TOTAL BUDGET	342.52	315,117	3,781,404

Dues

CROWN COLONY HOMEOWNERS' ASSOCIATION

Schedule of Individual Assessments

July 1, 2011 through June 30, 2012

Unit Name	Unit Type	Sq. Ft.	Previous Dues	Incr/(Decr)	NEW DUES
A- Bristol	Studio	483	\$310.00	\$3.11	\$313.11
B- Collingwood	1Bd /1Ba	717	\$332.25	\$1.29	\$333.54
C- Essex	1Bd /1Ba - Townhome	788	\$339.01	\$0.73	\$339.74
D- Monarch	1Bd /1Ba/Den	817	\$341.76	\$0.51	\$342.27
Dc-Vanguard	2Bd/2Ba	847	\$344.62	\$0.27	\$344.89
E- Devonshire	2Bd/1 1/2Ba - Townhome	1049	\$363.83	(\$1.31)	\$362.52
F- Argyle	2Bd/2Ba	1065	\$365.35	(\$1.43)	\$363.92
Fc-Sapphire	2Bd/2Ba	1150	\$373.43	(\$2.09)	\$371.34
G- Commonwealth	2Bd/2Ba/Den	1131	\$371.62	(\$1.94)	\$369.68
Gc-Trafalgar	2Bd/2Ba/Den	1128	\$371.34	(\$1.92)	\$369.42
H- Penthouse	3Bd/2Ba	2415	\$493.73	(\$11.95)	\$481.78

Adjustments to budget include increases/decreases which affect all units equally as well as certain costs which are based on square footage. These variable items include insurance, natural gas, and replacement reserves for painting and roofs.

The dues reflect a 0.56% decrease over last year's budget.

Approved at the April 20, 2011 Board of Directors' Meeting.