



Cypress Home Owners Association

www.cypresshoa.org

January 2009

Around the Block

Betsy-Ann Toffler, Secretary

As all of us have noted in the 2009 budget (mailed at the end of November), the CHOA monthly assessment will increase to \$275 in January.

The budget, discussed at Board meetings since September, represents the best forecast of the upcoming fiscal year's operating expenses, based on a combination of past history, current expenses, and the needs of the CHOA in order to properly maintain our property values.

The reserve study summary we also received detailed a number of CHOA's assets that are currently at or beyond the end of their useful life. The Board began action last year to ensure that the homes in which we all have chosen to live and the beautiful green areas that surround our homes do not decay and lose value.

In 2008, Pool # 1 and the wader were replastered and brought up to code, carports were repainted, buildings were reroofed, pool fences

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Accell Property Management

Silvia Gutierrez, Property Manager
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Maintenance requests/service

Contact Customer Service
949-581-4988
accell@cypresshoa.org

Billing and monthly statements

Contact Accounting
949-581-4988
accounting@cypresshoa.org

Board Meetings

Clubhouse #2

Tues., Jan. 6, 2009
Election of Board
Registration and Balloting
7:15pm
Annual Meeting
8:00pm

Thurs., January 29, 7:15pm

Christmas Tree Recycling

December 29 - January 9

Consolidated Disposal will pick up Christmas trees for recycling on the dates listed above. Please remove all tree stands, lights, ornaments and garlands, and place the tree in the recycle trash areas, but NOT in the dumpsters. Thank you!

Around the Block. . . Cont'd

were repaired, and unsafe playground equipment was removed.

In 2009, the Board plans to continue the reroofing, replaster Pool # 3, replace the trash enclosure gates, and finally begin to phase in repainting the buildings (last painted in 1994).

Yes, these are difficult economic times, but the overall damage to our already lowered property values will be far more costly if we don't continue to rebuild our reserve funds and to do the long overdue work on our infrastructure that must be done.

Homeowner Insurance

Ramona Acosta, CCAM, PCAM

Have you purchased insurance for your home? As you may be aware, CHOA purchases insurance to cover the costs of damages to the common areas. However, this insurance does not always cover the costs of interior damage to the individual units or personal property.

Homeowners should be aware of the coverages available under CHOA's master insurance policy and may want to obtain supplemental insurance, such as a condominium unit owner's policy or HO-6 insurance policy, to cover items that the master policy does not. This type of policy provides coverage on the unit owner's contents, personal liability, loss of use (if you are required to vacate the unit for repairs). It also includes loss assessment and coverage to comply with the owner's insurable interest in the building.

Loss assessment coverage is a type of insurance that covers certain special assessments resulting from an insured loss, such as a fire.

A condominium unit owner's or HO-6 policy would cover the items not insured by the master policy, including the deductible.

For example, if the master policy has a deductible of \$5,000.00 and a homeowner has a loss resulting from a burst icemaker line at the refrigerator, CHOA's insurance would cover the structural damages to the building.

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October 2008

Year-to-date Income Statement

Modified accrual basis. CHOA will switch to a complete accrual basis in Jan. 2009.

	10 Months	Budget	Variance
Income:			
Assessments	586,780.00	587,500.00	(720.00)
Special Assessment	62,426.00	0.00	62,426.00
Damage Assessment	345.00	0.00	345.00
Fines	1,939.00	0.00	1,939.00
Late Charges	5,030.00	2,700.00	2,330.00
Collection Fees	5,590.00	0.00	5,590.00
Keys	505.00	416.70	88.30
Reserve Interest	4,929.34	11,078.30	(6,148.96)
Misc. Income	0.00	0.00	0.00
Total Income	667,544.34	601,695.00	65,849.34
Expense & Allocation:			
Utilities	103,461.05	104,520.80	1,059.75
Landscaping	89,200.92	73,556.60	(15,644.32)
Buildings & Grounds	109,218.02	46,335.00	(62,883.02)
Pool Maint.	19,115.27	10,000.00	(9,115.27)
Administration	224,207.87	228,064.90	3,857.03
Total Expense	545,203.13	464,477.30	(82,725.83)
Reserve Allocations:			
Non-capital	59,654.23	54,734.20	(4,920.30)
Capital	91,983.40	84,483.40	(7,500.00)
Total Fund & Res. Alloc.	151,637.63	139,217.60	(12,420.03)
Total Expense & Alloc.	696,840.76	601,694.90	(95,145.86)
Net Surplus/(Deficit)	(29,296.42)	0.10	(29,296.52)

Cash on Hand:

Operating Account – \$77,465.67 Reserve Account - \$189,119.83

From Don Moreau, Vice-President

To follow up on Betsy-Ann Toffler's comments on the front, I would like homeowners to understand that any HOA Board of Directors must decide what will maintain property values and quality of life. With the mortgage crisis in full swing and lending companies tightening the purse strings, HOA finances are coming under increased scrutiny. Lenders are refusing to finance homes in HOAs where the reserve funds are too low to maintain the infrastructure.

Lenders are also turning down people who want to buy in HOAs with relatively high reserve funds, but with monthly assessments too artificially low to maintain their reserves, because the lenders cannot be assured that the value of their investment will be preserved.

I would be glad to talk with homeowners about the budget process and how the CHOA hopes to slowly rebuild the reserves and complete major projects. Please contact me at 714-252-9021 or email don@cypresshoa.org. I look forward to living here for many years to come and to watching my daughter grow up in our great community.

Homeowner's Insurance Cont'd.

However, the homeowner would be responsible for payment of the \$5,000.00 deductible, because the damage was caused by an owner-maintained item, i.e. the refrigerator. The homeowner's policy would cover the \$5,000.00 deductible, so that the homeowner is only required to pay the deductible for the individual policy at a fraction of the cost (typically \$250-\$500).

CHOA's insurance coverage is provided by Prendiville Insurance Agency, 949-487-9696. If you do not already have an individual homeowner's policy, it is highly recommended that you contact your insurance agent to look into purchasing one to provide extra protection for your property.

Let's Clean Up!

Trash, dog feces, and used condoms have been found around the play area by Pool #1. Many young children play in this area. Let's keep our playground areas safe and clean for our children.

Loose trash and large items in many of the dumpster areas are ongoing problems that cost everyone money through increased disposal pickups, powerwashing, and cockroach extermination costs.

Board of Directors

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