

# Re: Emailing: LEGACY COVE CONDO ASSOCIATION 2013 EXPENSES



Kathy Rasing [Add to contacts](#) 4/01/14

To: Davon, Laura SJ Construction, Cindy Tabb, Nancy Ho

I do believe the word is "responsibility".

We must keep up with the expenses and we just have to have a reserve for large expenses. This winter is a good example. Also we could have had to pay the deductible for the hail damage which was \$36000.

I believe we need to raise the monthly rate plus have a special assessment. The roofing expense and the harsh winter should be fresh in everyone's mind. If we did the special assessment we would probably need to do monthly payments ie. \$250/\$50 a month for 5 months. But can we ask them to do this starting in June and then raise the monthly condo fee July 1? Roger and I can do that but we should realize that some can't. On the other hand, can we be concerned with their personal budgets? They may have to make some personal choices.

We must keep focused on our responsibility.

Kathy R

**From:** [Davon](#)

**Sent:** Monday, March 31, 2014 3:59 PM

**To:** [Kathy Rasing](#) ; [Laura SJ Construction](#) ; [Cindy Tabb](#) ; [Nancy Howland](#) ; [Erna Koupal](#) ; [Kathy Barfels](#) ; [RudyMarilyn Kohagen](#)

**Subject:** RE: Emailing: LEGACY COVE CONDO ASSOCIATION 2013 EXPENSES

Thank you to Kathy R. for sending the important information contained in the expense breakdown.

After briefly reviewing the numbers, it is again difficult to imagine how the association fees were set at the rate that they were the last few years. A little simple math reveals that the bills could not be paid with the annual revenue generated:

40 units at 100 dollars=4000/mo. X 12 mo. = 48,000

plus

32 units at 75 dollars=2400/mo. X 12 mo. = 28800

equals

**76800** dollars in total revenue

With annual expense totals increasing to more than ninety grand, the budget simply could not be balanced. Therefore, the fee rates absolutely had to increase last year. 8-plex residents saw a 33%+ increase and all other units rose 25% in 2013.

Given the current LCCA HOA monthly fee collection rate, we should now be pulling in about 98,400 dollars/mo. gross, if the following calculation is correct:  $[40 \times 125 + 32 \times 100(12 \text{ mo.})] = 98400$  When factoring in the harsh 2013/2014 winter weather season, plus additional unforeseen expenses, it's easy to understand how almost all of us have concluded that the current monthly rates assessed are not quite covering all necessary costs.