



December 11, 2020

Re: Glenmont Commons HOA 2021 Budget/Maintenance Fee Increase

Dear Neighbors and Association Members:

The Glenmont Commons Board and Cedarcrest Property Management have spent the past 4 months working on the Association's operating budget for 2021. Our operating budget includes money for our normal monthly operating expenses, such as landscaping services, irrigation maintenance and operation, and the Capital Reserve Replacement Fund, typically used for Association common area replacements following the Association's Capital Reserve Study. As a Board, we have balanced our operating expenses and maintenance needs for many years with a conservative approach while ensuring the highest standards and quality of services for all our Homeowners. As such, we have been able to keep our monthly maintenance fees lower than any comparable HOA in Morris, Essex & Somerset Counties the past 15+ years.

Our monthly operating expenses include everything from management fees, postage and office expenses, to landscape, lawn and tree maintenance and supplies, pool and clubhouse maintenance and supplies, lifeguard salaries, maintaining and repairing our lawn sprinklers, and property taxes, water/sewer, gas and electric costs. Mulching the entire complex every 2 years – a huge expense – is also included in these expenses. In 2020, we negotiated and re-signed additional 5-year long contracts with our largest and long-time vendors for Landscaping and Association Management, with no increase from the previous 5-year contract rates. We have also secured a 4 year zero-interest payment plan with our Landscaping Provider to replace the numerous diseased common area shrubs that have died/are dying, expected cost of the entire project is estimated to be over \$80k. Our prioritization of the beautification and upkeep of the community and quality of service over less critical items such as the pool pizza party will result in higher property values for all Glenmont Commons Homeowners.

Unfortunately, factors beyond our control have negatively impacted our 2020 expenses and will continue through 2021 and beyond. As you may already be aware, the Township of Parsippany Troy-Hills proposed and approved a 39% increase in water/sewer rates effective 3<sup>rd</sup> quarter 2020. Water/sewer fees are a significant part of our budget, with the primary usage being our irrigation system, as such this resulted in a significant hit to our 2020 expenses and our 2021 and beyond budgets. Additionally, if we can safely open and operate the pool following State mandated COVID protocols in 2021, we must plan for an expected 25% increase in pool related expenses per many Association industry expert's advice.

Recognizing the fact that times are tough for all of us right now and what a hardship 2020 has been for everyone, we have worked very hard to balance the due diligence of the Association to fund our reserves while trying to mitigate the financial impact to all our Homeowners.

91 Clinton Road, Suite 2D  
Fairfield, NJ 07004  
P(973)228-5477  
F(973)228-5422



Beginning on January 1, 2021 the monthly fee will be raised by \$5 to \$120 per month in order to ensure we meet our fiduciary responsibilities while enjoying and maintaining our beautiful community. At \$120 per month our community still enjoys one of the lowest monthly HOA maintenance fees in Morris, Essex, and Somerset County.

Also included in this mailer is information on our new Association Bank, CIT. We highly recommend creating an account with CIT Bank and scheduling automatic payments through their secure web portal (revised payment instructions have been included). The service is easy to use and free of charge to the Association and Homeowners who are paying through the CIT portal or by direct debit from a checking or savings account (credit card payments will be assessed a 2.95% processing fee.) By scheduling automatic payments this also benefits the Association for cash-flow purposes, and reduces delinquency rates.

We hope that this letter has helped you understand our fiscal obligations as an Association and the need for the small increase in our monthly dues. Your 2021 maintenance fee coupon booklets included with this notice reflect the new monthly maintenance fee. Please feel free to contact Cedarcrest Property Management if you have any questions or concerns.

Please stay healthy and safe and have a wonderful Holiday Season!

Sincerely,

The Glenmont Commons Board of Directors