

Crestwood Village Co-op, Inc.

92 FAIRWAY LANE, WHITING, NEW JERSEY 08759

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Attached you will find our Estimated Budget for fiscal year July 1, 2021 – June 30, 2022. As always, this is just our best estimate. In a community of this size, the unexpected always arises throughout the year.

Our biggest unexpected for the prior year ending June 30, 2021 was the Real Estate Tax. Manchester Township does not have a final budget until the end of August and our rate is always an estimate. We had a shortfall of \$125,000 due to the tax rate being substantially higher than we anticipated. Fortunately, we had enough of a cushion in that account to pay the Township without charging our Residents a special assessment. This years increase in Real Estate tax we hope covers the Townships increase. Our estimated Real Estate tax increase ranges from \$4.00 - \$14.00 based on your unit's model.

Unfortunately, we had a major fire in January, 2021. This has caused an \$85,000 increase in our premium. This alone is a \$7.00 common charge increase to our Residents. We have in the past shopped around and would find a slightly lower rate which would only triple the following year. We then went back to State Farm. Our history with State Farm has been phenomenal. Although the underwriters wanted to cancel us, our Agent fought for us and won the battle!

We have increased our Reserve funding which comes out to a \$2.00 common charge increase. We follow our reserve study but the unexpected still comes up. This coming year our primary focus for Capital improvements will be roofs and crawlspace issues. The cost of lumber has increased more than 250% causing our roof replacements to sky rocket. We will continue to work with our Sub Contractors for the best pricing on these issues.

This years Maintenance Budget has a \$6.00 common charge increase. There are several factors that make up this increase.

Tree work in our Village seems to be never ending. A lot of these trees are over 50 years old. We anticipate an increase to our budget for tree work.

We have just learned that the Township will no longer maintain sewer lines from the meter to the street. They have maintained this since the inception of the Village. This is a brand new expense for us and we have put in place a \$20,000 budget for this item. Until we go through a budget year with this expense, we are hoping for the best with this amount.

Another new line item in the maintenance budget is dehumidifier/sump pumps credits of \$5,000. Several buildings in our Village are encapsulated and require either a dehumidifier or a sump pump, sometimes both. We hook in to a unit owners electric and supply a credit for the usage.

The last new line item is Dryer Vent Cleaning with a budget of \$30,000. We started installing the new dryer vents in 2014. We have been finding these are in need of cleaning. Obviously, this is very important to prevent any fires. This line item will result in a quarter of the Village's dryer vents being cleaned.

The remaining \$1.00 increase in common charges is a result of regular cost of living increases in office supplies, postage, utilities, cleaning supplies, etc.

We, the Board of Trustees work hard to keep costs down to a minimum. Last fiscal year, we managed to have no increase in the common charges. With costs of everything going up, we have no choice but to increase common charges this fiscal year to keep our Village #1.

I would like to thank my fellow Board members along with Nancy and Chris for their hard work putting this budget together. I would also like to thank the members of the Finance Committee for their time and input on this budget.

Carl Hart
Treasurer

CRESTWOOD VILLAGE CO-OP, INC.
ESTIMATED BUDGET FOR 2021-2022
AND PREVIOUS YEAR COMPARISON

	<u>2020-2021</u>	<u>2021-2022</u>	<u>increase/(decrease)</u>
INSURANCE	230,000	315,000	85,000
STREET LIGHTING	20,000	20,000	0
LEGAL EXPENSE	16,000	16,000	0
AUDITING EXPENSE	11,650	11,650	0
CLUBHOUSE	68,200	56,200	(12,000)
OFFICE & ADMIN	277,070	294,270	17,200
RESERVE/DEPRECIATION	676,880	701,264	24,384
MAINTENANCE	1,306,089	1,379,330	73,241
SUB-TOTAL:	2,605,889	2,793,714	187,825
REAL ESTATE TAX	910,098	999,248	89,150
TOTAL	3,515,987	3,792,962	276,975

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The following is a breakdown of the monthly payments:

<u>Model</u>	<u>Common Charges</u>			<u>Real Estate Tax</u>		
	<u>2020-21</u>	<u>2021-22</u>	<u>inc/(dec)</u>	<u>2020-21</u>	<u>2021-22</u>	<u>inc/(dec)</u>
Edgewood I	213	229	\$ 16	52	56	\$ 4
Edgewood II	213	229	\$ 16	60	66	\$ 6
Westwood	213	229	\$ 16	59	64	\$ 5
Oakwood I	213	229	\$ 16	86	94	\$ 8
Oakwood II	213	229	\$ 16	91	99	\$ 8
Sherwood	213	229	\$ 16	112	122	\$ 10
Lakewood	213	229	\$ 16	144	158	\$ 14

Common Charges - all members pay equally for: Clubhouse and recreational facilities, garbage removal, street lighting, office and administration, legal and auditing fees, bus service, miscellaneous expenses, general reserve, insurance and maintenance.

Based on an Revised tax rate of **\$ 2.25** and an ESTIMATED budget of **\$2,793,714** the monthly payments for the 2021-2022 fiscal year are as follows:

<u>Model</u>	<u>2020-21</u>	<u>2021-22</u>	<u>inc/(dec)</u>
Edgewood I	265	285	\$ 20
Edgewood II	273	295	\$ 22
Westwood	272	293	\$ 21
Oakwood I	299	323	\$ 24
Oakwood II	304	328	\$ 24
Sherwood	325	351	\$ 26
Lakewood	357	387	\$ 30

Real Estate Tax -
effective January 1, 2020

Value per unit as determined by Manchester Township

<u>Model</u>	<u>Old Value (7/13)</u>	<u>Current Value (1/2020)</u>	<u>Increase</u>
Edgewood I	\$ 17,000	\$ 30,000	\$ 13,000
Edgewood II	18,000	35,000	\$ 17,000
Westwood	19,900	34,000	\$ 14,100
Oakwood I	27,000	50,000	\$ 23,000
Oakwood II	35,500	53,000	\$ 17,500
Sherwood	52,000	65,000	\$ 13,000
Lakewood	56,000	84,000	\$ 28,000

This budget has been approved by the Board of Trustees