

NEWPORT HILLS COMMUNITY ASSOCIATION

1900 PORT CARLOW PLACE • NEWPORT BEACH • CALIFORNIA • 92660

PHONE (949) 721-1929

DATE: APRIL 29, 2019

TO: All Homeowners
Newport Hills Community Association

FROM: The Board of Directors
Newport Hills Community Association

SUBJECT: Frequently Asked Questions regarding the Proposed Amendments to the CC&R's for Newport Hills

Dear Homeowners,

On April 1, 2019 a ballot was mailed to all owners for a member vote on a Proposed Amendment to the CC&R's for the Newport Hills Community Association, to specifically authorize the Association to take steps in furtherance of the goal of identifying persons and/or vehicles that damage the common areas, deter trespassers from the Newport Hills community, deter criminal activity, and assist law enforcement officials should a crime occur in the Newport Hills Community.

Since then, the Board of Directors has received several phone calls and e-mails from owners seeking additional information about the ballot. Therefore, the Board has come up with some frequently asked questions and answers that they believe will help owners with their decision and completion of their ballot.

- 1) What does a "Yes" vote mean?

Answer: A "Yes" vote will give the Board of Directors the authority to authorize the Association to take steps in furtherance of the goal of identifying persons and/or vehicles that damage the common areas, deter trespassers from the Newport Hills community, deter criminal activity, and assist law enforcement officials should a crime occur in the Newport Hills Community.

- 2) How much will owners be charged relating to the surveillance services?

Answer: The Board of Directors does not anticipate a special assessment for services being considered. If a special assessment is needed the Board would be required to obtain approval from the membership for a special assessment, by way of a vote. The Board of Directors does, however, anticipate an increase in the semi-annual assessment if the ballot is approved. It is important to note that the California Civil Code does not allow for more

than a 20% increase in dues in any one fiscal year without a vote of the membership. Accordingly, the maximum amount the dues would be increased in 2020 would be \$21.80 per month or \$261.60 annually.

3) Is the Board of Directors committed to keeping any increase to a minimum?

Answer: Yes, the Board of Directors is committed to keeping the increase to a minimum. Without knowing what type of services would be implemented, if any, the Board will continue to keep the budget in line and costs down to the greatest extent possible. It is a fiduciary duty of the Board of Directors to continue to manage the Association finances and keep costs reasonable. In fact over the last 10 years, the Association has been able to maintain dues at a reasonable level with little movement.

Assessment Trends in last 10 years

Fiscal Year	Amount of Annual Assessment	Increase/Decrease %
2009	\$1,190.00	0%
2010	\$1,190.00	0%
2011	\$1,190.00	0%
2012	\$1,190.00	0%
2013	\$1,190.00	0%
2014	\$1,190.00	0%
2015	\$1,190.00	0%
2016	\$1,190.00	0%
2017	\$1,309.00	10%
2018	\$1,308.00	-.075%
2019	\$1,308.00	0%

4) What specific measures does the board foresee implementing?

Answer: The Board of Directors has discussed installing cameras at both entries along San Miguel. There would potentially be two cameras at each entrance to capture vehicles and license plates as vehicles enter and exit the entries. Cameras can only be installed at the San Miguel entries if the Harbor View Community Association ballot passes. The Board of Directors will continue to work with the Harbor View Community Association to create a plan for patrol service in the neighborhood, if it is deemed necessary once all votes are in.

The Board of Directors appreciates your time and consideration of this important issue. If you have not already done so, please complete your ballot and mail it back to the Association office. All ballots are required to be received by the Association office no later than 4:00 p.m. on Monday, May 20, 2019. If you did not receive a ballot or have misplaced it, please contact the office so another one may be mailed to you. Should you have any additional questions, please do not hesitate to contact the Association office at (949) 721-1929, thank you.

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