

Mabury Ranch Homeowners Association

2023 Budget

Each November, the Board of the Mabury Ranch Homeowners Association reviews the Association's financial status and develops a new operating budget for the upcoming year. After careful deliberation, the Board determined it will be necessary to raise the monthly assessment from \$70 to \$77.

The Board of Directors recognizes that all of our budgets are impacted by these challenging times. The Board remains committed to exploring options to ensure a more sustainable fiscal plan to preserve our neighborhood.

The 2023 Budget is based on actual expenses with adjustments for known and projected rate changes associated with current economic conditions. We continue to experience inflationary pressures due to the increased wages our landscape and maintenance contractors are required to pay their employees. Higher fuel and material costs, together with increasing water, electricity and insurance rates also contribute to the fiscal challenge.

To maintain the standards of safety, appearance and values of the Mabury Ranch community, an increase in income is needed to cover the projected rise in costs.

The total budget of the MRHOA for 2023 will be \$356,320. Of that amount:

- 68% of the budget is allocated to landscaping, tree maintenance, and repair costs. This expenditure was 66% of the prior year's budget.
- 22% of the budget is allocated to property management and administrative costs. This expenditure was 22% of the prior year's budget.
- 9% of the budget is allocated to the required contribution to our reserve account. This expenditure was 10% of the prior year's budget.
- The remaining 1% of the budget is allocated to committee expenses such as social and community relations.

Should you have any questions regarding our 2023 Budget, please feel free to reach out to any of us or Morgan Bomboy, our community manager, at morgan@tpms.net.

Mabury Ranch is a great community with unique amenities and features. We look forward to another great year.

Tom Broz President	Nathan Swanek Vice President	Cathy Clark Treasurer	Nancy Edwards Secretary	Pat Wheelock BOD Member
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Sue Reilly Finance Committee	Tammy Morita Finance Committee
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Mabury Ranch Homeowners Association
C/o Tritz Professional Management Services, Inc.
1525 East 17th Street, Suite A
Santa Ana, CA 92705
Phone 714-557-5900 - Fax 714-619-6738

November 21, 2022

To: All Homeowners
From: Board of Directors
Re: **Annual Budget Report**

Dear Homeowner:

In accordance with the requirements set forth in CA Civil Code and the Association's Governing Documents, the following information is being provided for you:

Pro Forma Operating Budget

Civil Code §5300(b)(1)

Please see the attached Pro Forma Operating Budget for the upcoming fiscal year. Please review the enclosed budget for the 2023 fiscal year. **The dues will increase to \$77.00, per unit, per month effective January 1, 2023.**

Reserve Summary & Reserve Funding Plan Summary

*Civil Code §§5300(b)(2), 5565,
Civil Code §5300(b)(3), 555(0)(5)*

Please see the attached Reserve Summary. Please note that the full Reserve Funding Plan is available upon request, members may contact TPMS Inc. to request a full copy.

Major Component Repair Statement

Civil Code §5300(b)(4)

The Association's Board has determined it necessary to defer certain repairs of some major component with a remaining life of thirty (30) years or less, due to budgetary constrictions. The Association will continue to fund the Reserve Account in order to fund these repairs in the future.

Anticipated Special Assessment Statement

Civil Code §5300(b)(5)

The Association does not know if any Special Assessments will be required within the next thirty (30) years, however there is no Special Assessment anticipated for this upcoming fiscal year.

Reserve Funding Mechanism Statement

Civil Code §5300(b)(6)

The Association's Board will continue to fund Reserves to repair or replace major components by continuing to fund the Reserve Account to the best of its ability per month per the Reserve Study Recommendations.

Procedures for Calculating Reserves Statement Civil Code §§5300(b)(7), 5570(b)(4)

The Reserve Calculations are made by a credentialed Reserve Specialist in accordance with Accepted Accounting Policies. Please see attached Executive Summary for further details regarding how the reserve funding percentages are calculated.

Outstanding Loan Statement Civil Code §5300(b)(8)

The Association does not have any outstanding loans at this time.

Insurance Summary Civil Code §5300(b)(9)

"This summary of the association's policies of insurance provides only certain information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage."

Assessment and Reserve Funding Disclosure Summary Form Civil Code §§5300(e), 5570

Mabury Ranch Homeowners Association
January 1, 2023-December 31, 2023 Adopted Operating Budget

Acct	Description	2022	2023	2023
		Yearly Budget	Adopted Yearly Budget	Adopted Monthly Budget
MONTHLY DUES		\$70.00	\$77.00	\$77.00
REVENUE				
4000	ASSESSMENTS	\$322,556.14	\$354,820.23	\$29,568.35
4015	LATE CHARGES	\$1,000.00	\$1,000.00	\$83.33
4020	RESERVE INTEREST	\$500.00	\$500.00	\$41.67
	TOTAL REVENUE	\$324,056.14	\$356,320.23	\$29,693.35
EXPENSES				
5225	ELECTRICITY	\$2,000.00	\$2,200.00	\$183.33
5245	WATER	\$37,000.00	\$37,000.00	\$3,083.33
6300	WEST GREENBELT MAINTENANCE	\$8,800.00	\$9,300.00	\$775.00
7210	LANDSCAPE CONTRACT	\$123,840.00	\$135,600.00	\$11,300.00
7215	LANDSCAPE EXTRAS/OVERSEED	\$6,850.00	\$8,300.00	\$691.67
7220	PLANT MATERIAL	\$3,000.00	\$3,000.00	\$250.00
7225	IRRIGATION REPAIR	\$9,000.00	\$9,000.00	\$750.00
7230	TREE TRIMMING/REMOVALS/REPLACEMENT	\$20,700.00	\$36,850.00	\$3,070.83
7240	BACK FLOW TESTING	\$350.00	\$350.00	\$29.17
7505	COMMON AREA REPAIR	\$500.00	\$500.00	\$41.67
7525	PEST/RODENT CONTROL	\$500.00	\$0.00	\$0.00
7725	ELECTRICAL SUPPLIES / REPAIR	\$200.00	\$0.00	\$0.00
8210	TAXES - FEDERAL	\$300.00	\$150.00	\$12.50
8213	TAXES - PROPERTY	\$50.00	\$25.00	\$2.08
8215	TAXES - STATE	\$150.00	\$150.00	\$12.50
8220	AUDIT, TAX, & 1099 PREP	\$1,300.00	\$1,300.00	\$108.33
8365	LEGAL	\$10,000.00	\$10,000.00	\$833.33
8368	BAD DEBT WRITE OFFS	\$100.00	\$0.00	\$0.00
8375	RESERVE STUDY	\$595.00	\$0.00	\$0.00
8410	INSURANCE	\$7,400.00	\$8,000.00	\$666.67
8411	WORKERS COMP	\$600.00	\$615.00	\$51.25
8440	MANAGEMENT CONTRACT	\$38,832.00	\$42,708.00	\$3,559.00
8450	PRINTING, MAILING, & SUPPLIES	\$5,000.00	\$5,000.00	\$416.67
8451	ANNUAL ELECTIONS	\$2,500.00	\$2,500.00	\$208.33
8452	MONTHLY BOARD MEETINGS	\$1,739.14	\$2,201.87	\$183.49
8453	ENVIRONMENTAL COMMITTEE	\$0.00	\$0.00	\$0.00
8454	STORAGE	\$3,500.00	\$3,804.00	\$317.00
8455	WEBSITE	\$1,000.00	\$1,000.00	\$83.33
8459	SOCIAL COMMITTEE	\$5,000.00	\$4,000.00	\$333.33
8465	BANK CHARGES	\$50.00	\$0.00	\$0.00
8495	MISCELLANEOUS	\$200.00	\$0.00	\$0.00
9000	RESERVE CONTRIBUTION	\$33,000.00	\$32,766.36	\$2,730.53
	TOTAL EXPENSES	\$324,056.14	\$356,320.23	\$29,693.35

Mabury Ranch Homeowners Association
Distribution of Accumulated Reserves

REPORT DATE: November 11, 2022
VERSION: 019
ACCOUNT NUMBER: 3278

DESCRIPTION	REM LIFE	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Fencing - Split Rail, 2004	0	4,469.00	4,469.00
Flood Channel - Sediment Removal	0	10,000.00	10,000.00
Landscape - Refurbishment, 2023	0	100,000.00	100,000.00
Paint - Wrought Iron, Unfunded	0	0.00	0.00
Pet Waste Stations - Replace	0	1,750.00	1,750.00
Railroad Ties - Repair/Replacement	0	5,000.00	5,000.00
Sign - Lights, Serrano	0	1,200.00	1,200.00
Signs - Common Area	0	2,400.00	2,400.00
Walking Path - Unfunded	0	0.00	0.00
Fencing - Wrought Iron, Unfunded	3	0.00	0.00
Community Stage Area - Refurbish	4	3,680.00	3,680.00
Electric Meter - Boxes	4	42,852.91	42,852.91
Greenbelt - Bridges, Refurbish	5	6,057.69	6,057.69
Sign - Monument Serrano, 2009	6	1,383.90	1,383.90
Irrigation - Backflow Devices,	7	6,239.60	6,239.60
Irrigation - Controllers, 2015	7	10,728.10	10,728.10
Sign - Monument Cannon Street, 1995	7	1,174.40	1,174.40
Paint/Patch - Block/Concrete Walls	8	0.00	0.00
Greenbelt - Refurbishment	10	16,666.67	15,389.64
Irrigation - Enclosures	10	14,637.12	0.00
Pet Waste Stations - Replace, 2013	10	1,750.00	0.00
Irrigation - Controllers, 2021	13	160.00	0.00
Irrigation - Controllers, 2022	14	26.67	0.00
Fencing - Split Rail, 1998	15	31,422.50	0.00
Pet Waste Stations - Replace, 2019	16	350.00	0.00
Pet Waste Stations - Replace, 2021	18	175.00	0.00

Mabury Ranch Homeowners Association
Distribution of Accumulated Reserves

DESCRIPTION	REM LIFE	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Total Asset Summary:		262,123.56	212,325.24
Contingency @ 3.00%:		7,863.71	6,369.76
Grand Total:		269,987.27	218,695.00
Excess Reserves Not Used:			0.00
Percent Fully Funded:	81%		

Mabury Ranch Homeowners Association
Funding Status Report

REPORT DATE: November 11, 2022
VERSION: 019
ACCOUNT NUMBER: 3278

DESCRIPTION	USE LIFE	+/-	REM LIFE	CURRENT COST	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Fencing - Wrought Iron, Unfunded	20	+9	3	0	0	0
Paint - Wrought Iron, Unfunded	4	0	0	0	0	0
Paint/Patch - Block/Concrete Walls	8	0	8	50,007	0	0
*** CATEGORY SUMMARY:				50,007	0	0
Fencing - Split Rail, 1998	40	0	15	50,276	31,423	0
Fencing - Split Rail, 2004	40	-22	0	4,469	4,469	4,469
*** CATEGORY SUMMARY:				54,745	35,892	4,469
Greenbelt - Bridges, Refurbish	20	+6	5	7,500	6,058	6,058
Greenbelt - Refurbishment	30	0	10	25,000	16,667	15,390
*** CATEGORY SUMMARY:				32,500	22,724	21,447
Community Stage Area - Refurbish	20	0	4	4,600	3,680	3,680
Flood Channel - Sediment Removal	5	0	0	10,000	10,000	10,000
Landscape - Refurbishment, 2023	20	0	0	100,000	100,000	100,000
*** CATEGORY SUMMARY:				114,600	113,680	113,680
Electric Meter - Boxes	40	+10	4	46,648	42,853	42,853
*** CATEGORY SUMMARY:				46,648	42,853	42,853
Irrigation - Backflow Devices,	30	0	7	8,210	6,240	6,240
Irrigation - Controllers, 2015	15	0	7	20,418	10,728	10,728
Irrigation - Controllers, 2021	15	0	13	1,200	160	0
Irrigation - Controllers, 2022	15	0	14	400	27	0
Irrigation - Enclosures	25	0	10	24,674	14,637	0
*** CATEGORY SUMMARY:				54,902	31,791	16,968
Railroad Ties - Repair/Replacement	8	0	0	5,000	5,000	5,000
Sign - Lights, Serrano	10	0	0	1,200	1,200	1,200
Sign - Monument Cannon Street, 1995	35	0	7	1,468	1,174	1,174
Sign - Monument Serrano, 2009	20	0	6	1,977	1,384	1,384
Signs - Common Area	8	0	0	2,400	2,400	2,400
*** CATEGORY SUMMARY:				12,045	11,158	11,158
Walking Path - Unfunded	24	+21	0	0	0	0
*** CATEGORY SUMMARY:				0	0	0
Pet Waste Stations - Replace	20	-14	0	1,750	1,750	1,750
Pet Waste Stations - Replace, 2013	20	0	10	3,500	1,750	0
Pet Waste Stations - Replace, 2019	20	0	16	1,750	350	0
Pet Waste Stations - Replace, 2021	20	0	18	1,750	175	0
*** CATEGORY SUMMARY:				8,750	4,025	1,750

Mabury Ranch Homeowners Association
Funding Status Report

DESCRIPTION	USE +/- REM LIFE LIFE	CURRENT COST	FULLY FUNDED RESERVES	ASSIGNED RESERVES
TOTAL ASSET SUMMARY:		374,197	262,124	212,325
CONTINGENCY @ 3.00%:			7,864	6,370
GRAND TOTAL:			269,987	218,695

Percent Fully Funded: 81%

Mabury Ranch Homeowners Association
Asset Listing - Summary by Category

REPORT DATE: November 11, 2022
 VERSION: 019
 ACCOUNT NUMBER: 3278

DESCRIPTION	REM LIFE	CURRENT COST	MONTHLY CONTRIBUTION	NET MONTHLY ALLOCATION
Fencing - Wrought Iron, Unfunded	3	0	0.00	0.00
Paint - Wrought Iron, Unfunded	0	0	0.00	0.00
Paint/Patch - Block/Concrete Walls	8	50,007	577.98	579.84
*** CATEGORY SUMMARY:		50,007	577.98	579.84
Fencing - Split Rail, 1998	15	50,276	334.24	335.31
Fencing - Split Rail, 2004	0	4,469	14.35	14.40
*** CATEGORY SUMMARY:		54,745	348.59	349.71
Greenbelt - Bridges, Refurbish	5	7,500	37.37	41.04
Greenbelt - Refurbishment	10	25,000	120.19	129.58
*** CATEGORY SUMMARY:		32,500	157.56	170.62
Community Stage Area - Refurbish	4	4,600	27.37	29.61
Flood Channel - Sediment Removal	0	10,000	178.92	179.50
Landscape - Refurbishment, 2023	0	100,000	525.59	527.28
*** CATEGORY SUMMARY:		114,600	731.88	736.39
Electric Meter - Boxes	4	46,648	165.73	191.34
*** CATEGORY SUMMARY:		46,648	165.73	191.34
Irrigation - Backflow Devices,	7	8,210	37.65	41.42
Irrigation - Controllers, 2015	7	20,418	147.08	153.83
Irrigation - Controllers, 2021	13	1,200	9.01	9.04
Irrigation - Controllers, 2022	14	400	2.82	2.83
Irrigation - Enclosures	10	24,674	233.17	233.92
*** CATEGORY SUMMARY:		54,902	429.73	441.04
Railroad Ties - Repair/Replacement	0	5,000	57.79	57.98
Sign - Lights, Serrano	0	1,200	11.34	11.38
Sign - Monument Cannon Street, 1995	7	1,468	6.08	6.79
Sign - Monument Serrano, 2009	6	1,977	11.58	12.43
Signs - Common Area	0	2,400	27.74	27.83
*** CATEGORY SUMMARY:		12,045	114.53	116.41
Walking Path - Unfunded	0	0	0.00	0.00
*** CATEGORY SUMMARY:		0	0.00	0.00
Pet Waste Stations - Replace	0	1,750	9.20	9.23
Pet Waste Stations - Replace, 2013	10	3,500	33.08	33.19
Pet Waste Stations - Replace, 2019	16	1,750	11.02	11.06
Pet Waste Stations - Replace, 2021	18	1,750	10.01	10.04
*** CATEGORY SUMMARY:		8,750	63.31	63.52

Mabury Ranch Homeowners Association
Asset Listing - Summary by Category

DESCRIPTION	REM LIFE	CURRENT COST	MONTHLY CONTRIBUTION	NET MONTHLY ALLOCATION
TOTAL ASSET SUMMARY:		374,197	2,589.31	2,648.87
CONTINGENCY @ 3.00%:			77.68	81.66
GRAND TOTAL:			2,666.99	2,730.53

Mabury Ranch Homeowners Association
RDA Standard Projections

REPORT DATE: November 11, 2022
VERSION: 019
ACCOUNT NUMBER: 3278

Beginning Accumulated Reserves: \$218,695

YEAR	CURRENT REPLACEMENT COST	ANNUAL CONTRBTN	ANNUAL INTEREST CONTRBTN	ANNUAL EXPENDTRS	PROJECTED ENDING RESERVES	FULLY FUNDED RESERVES	PERCENT FULLY FUNDED
'23	374,197	32,004	762	124,819	126,642	168,284	75%
'24	385,422	32,044	992	0	159,678	196,629	81%
'25	396,985	32,927	1,227	0	193,833	226,523	86%
'26	408,895	33,833	1,470	0	229,136	258,034	89%
'27	421,161	34,401	1,314	57,680	207,171	230,298	90%
'28	433,796	35,141	1,425	20,287	223,451	242,278	92%
'29	446,810	36,169	1,669	2,361	258,928	274,434	94%
'30	460,215	36,832	1,677	37,014	260,422	271,572	96%
'31	474,021	36,978	1,437	72,721	226,116	231,588	98%
'32	488,242	38,161	1,711	0	265,988	268,425	99%
'33	502,889	38,612	1,384	86,513	219,471	215,457	102%
'34	517,975	39,003	1,667	0	260,140	253,606	103%
'35	533,515	39,351	1,953	0	301,445	293,849	103%
'36	549,520	39,368	2,231	1,762	341,282	334,410	102%
'37	566,006	38,823	2,517	605	382,017	378,423	101%
'38	582,986	41,954	2,158	93,908	332,221	325,810	102%
'39	600,476	44,598	1,810	94,929	283,700	271,605	104%
'40	618,490	43,944	2,133	0	329,777	317,587	104%
'41	637,045	43,761	2,436	2,979	372,995	362,922	103%
'42	656,156	41,612	2,753	0	417,360	413,947	101%
'43	675,840	49,776	1,658	204,000	264,794	251,283	105%
'44	696,116	47,261	2,011	0	314,066	301,403	104%
'45	716,999	48,778	2,088	39,123	325,809	312,798	104%
'46	738,509	44,116	2,430	0	372,355	367,357	101%
'47	760,664	52,929	1,900	126,046	301,138	291,185	103%
'48	783,484	57,918	2,044	36,641	324,459	308,974	105%
'49	806,989	58,132	2,435	4,264	380,763	363,084	105%
'50	831,199	58,666	2,863	0	442,291	424,821	104%
'51	856,135	59,786	3,279	2,746	502,610	487,023	103%
'52	881,819	60,502	3,718	943	565,888	554,575	102%

NOTE: In some cases, the projected ending reserves may exceed the fully funded reserves during years following high expenditures. This is a result of the provision for a contingency in the report, which in the projections, is never expended. The contingency is continually adjusted according to present needs and any excess is redistributed among all assets considered.

2022 – 2023 Insurance Disclosure Statement

(As required by California Civil Code Section 5300)

MABURY RANCH HOA

The California Civil Code Section 5300 requires that the Association send insurance disclosure statement to each of its members. Accordingly, we are providing you the following information in compliance with the Civil Code.

The following is a summary of the association's insurance coverage for policy period 2022 – 2023:

Coverage for Items 1, 2, 5, 6, & 8 below are provided by: **Prendiville Insurance Agency**

Phone: (949) 487-9696 / fax: (949) 487-9626

1. Property Insurance: Policy # 60664-84-36

(A) Insurance carrier: Truck Insurance Exchange

(B) The type of insurance: Property

(C) The policy limits of the insurance: \$144,068

(D) The amount of deductible, if any: \$2,500

(E) The policy term is: 02/01/2022 – 02/01/2023

2. Liability Insurance: Policy # 60664-84-36

(A) Insurance carrier: Truck Insurance Exchange

(B) The type of insurance: Commercial General Liability

(C) The policy limits of the insurance: \$3,000,000 Per Occurrence
\$6,000,000 Annual Aggregate

(D) The amount of deductible, if any: N/A

(E) The policy term is: 02/01/2022 – 02/01/2023

3. Earthquake Insurance: Policy # N/A

(A) Insurance carrier: N/A

(B) The type of insurance: Earthquake Coverage

(C) The policy limits of the insurance: N/A

(D) The amount of deductible, if any: N/A

(E) The policy term is: N/A

4. Flood Insurance: Policy # N/A

(A) Insurance carrier: N/A

(B) The type of insurance: Flood Coverage

(C) The policy limits of the insurance: N/A

(D) The amount of deductible, if any: N/A

(E) The policy term is: N/A

5. Fidelity Insurance (Fidelity Bond/Employee Dishonesty) Coverage: Policy # 60664-84-36

- (A) Insurance carrier: Truck Insurance Exchange
- (B) The type of insurance: Crime
- (C) The policy limits of the insurance: \$300,000
- (D) The amount of deductible, if any: \$2,500
- (E) The policy term is: 02/01/2022 – 02/01/2023

6. Directors & Officers Liability Insurance Coverage: Policy # 60664-84-36

- (A) Insurance carrier: Truck Insurance Exchange
- (B) The type of insurance: D&O Liability
- (C) The policy limits of the insurance: \$2,000,000 Per Occurrence
\$2,000,000 Annual Aggregate
- (D) The amount of deductible, if any: \$1,000
- (E) The policy term is: 02/01/2022 – 02/01/2023

7. Umbrella Liability Insurance Coverage: Policy # N/A

- (A) Insurance carrier: N/A
- (B) The type of insurance: Umbrella Liability
- (C) The policy limits of the insurance: N/A
N/A
- (D) The amount of deductible, if any: N/A
- (E) The policy term is: N/A

8. Workers' Compensation Insurance Coverage: Policy # A0949-39-02

- (A) Insurance carrier: Mid-Century Insurance Company
- (B) The type of insurance: Workers' Compensation Insurance
- (C) The policy limits of the insurance: \$1,000,000
- (D) The amount of deductible, if any: N/A
- (E) The policy term is: 02/01/2022 – 02/01/2023

This summary of the Association's policies of insurance provides only certain information, as required by subdivision (b)(9) of Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any Association member may, upon request and provision of reasonable notice, review the Association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the Association maintains the policies of insurance specified in this summary, the Association's policies of insurance may not cover your property, including personal property, or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.

Mabury Ranch Homeowners Association

Assessment and Reserve Funding Disclosure Summary

For the Fiscal Year January 1, 2023 through December 31, 2023

- (1) The regular assessment per ownership interest is \$77.00 per month. *Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ___ of the attached summary.*
- (2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date assessment will be due:	Amount per ownership interest per month or year (If assessments are variable, See note immediately below):	Purpose of the assessment:
N/A		
	Total:	

Note: If assessments vary by the size of the type of ownership interest, the assessment applicable to this ownership interest may be found on page ___ of the attached report.

- (3) Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? **Yes**
- (4) If the answer to (3) is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board or the members?

Approximate date assessment will be due:	Amount per ownership interest per month or year:
N/A	
	Total \$

- (5) All major components are included in the reserve study and are included in its calculations.
- (6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$269,987 based in whole or in part on the last reserve study or update prepared by Reserve Data Analysis California, LLC as of November 11, 2022. The projected reserve fund cash balance at the end of the current fiscal year is \$218,695 resulting in reserves being 81 percent funded at this date. If an alternate, but generally accepted, method of calculation is also used, the required reserve amount is \$N/A. The current deficiency in reserve funding is \$134.
- (7) Based on the method of calculation in paragraph (4) of subdivision (b) of section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is (b), and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is (a), leaving the reserve at (c) percent funding. *(See recommendation below)*

Year Ending	Projected Reserve Balance (a)	Estimated Amount Required in Reserves (b)	Percent Fully Funded (c)
2023	126,642	168,284	75 %
2024	159,678	196,629	81 %
2025	193,833	226,523	86 %
2026	229,136	258,034	89 %
2027	207,171	230,298	90 %

If the reserve funding plan approved by the association is implemented, the projected reserve fund cash balance in each of those years will be (a), leaving the reserve at (b) percent funding. *(See approved budget below)*

Year Ending	Projected Reserve Balance (a)	Percent Fully Funded (b)
	Same as above	

At the time this summary was prepared, the assumed long-term before tax interest rate earned on reserve funds was 1% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3% per year.

Note: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. The preparer of this form will be indemnified and held harmless against all losses, claims, actions, damages, expenses or liabilities, including reasonable attorney's fees, to which may become subject in connection of this engagement, because of any false, misleading or incomplete information which has been relied upon by others, or which may result from any improper use or reliance on the disclosure by you or any third party.