

Montevelle of Scotts Valley, Inc.

552 Bean Creek Road
Scotts Valley, CA 95066
Phone: 831.438.1309; Fax: 831.438.4238

July 1, 2024

To: Members of Montevelle of Scotts Valley, Inc.

Subject: Annual Budget Disclosure for Fiscal Year 2024/2025

Enclosed please find the annual budget disclosures for Montevelle of Scotts Valley, Inc, fiscal year 2024/2025.

This year our community manager worked closely with our CPA Allison and the Reserve Study Group to determine what budget value will be required to maintain Montevelle in the next fiscal year. After careful review of the operating and reserves expenses, we will have an increase to the monthly assessment of \$33.00. The new monthly assessment will be **\$518.00** and will start on August 1, 2024 through July 31, 2025. If you have an automatic payment, please contact the bank to make the change.

Sincerely,

Rachaell Milroy
Community Manager

Carolee Curtin
Board Treasurer

Table of Contents

Monteville of Scotts Valley, Inc.

Annual Budget Report - 2024

Section 1: Pro Forma Operating Budget 2

Section 2: Summary of Association Reserves 2

Section 3: Reserve Funding Plan 2

Section 4: Major Component Repairs 3

Section 5: Special Assessments 3

Section 6: Reserve Funding Mechanism 3

Section 7: Procedures for the Calculation of Reserves 3

Section 8: Outstanding Loans 3

Section 9: Insurance Summary 3

Exhibit A: Pro Forma Budget

Exhibit B: Summary of Reserves and Reserve Funding Plan

Exhibit C: Insurance Summary

Note: A complete copy of the reports summarized or referred to herein may be requested by you and will be provided to you without cost. Please provide your written request to

**Monteville of Scotts Valley, Inc.
552 Bean Creek Road
Scotts Valley, CA 95066**

July 2024

Dear Homeowner,

Living in a common interest development offers many advantages. An attractive appearance of the units, harmonious relations with your neighbors, and property values are all important qualities needed in your community. In this regard, the Association is operated pursuant to the governing documents, which include the Declaration of Covenants, Conditions and Restrictions, Bylaws, Rules and Regulations, and policies of the Association as adopted from time to time by the Board of Directors to implement these goals and restrictions.

Pursuant to the California Civil Code and other applicable law, the following notices and disclosures are provided:

1. Pro Forma Operating Budget. Civil Code Section 5300(b)(1).

a. A pro forma operating budget, showing the estimated revenue and expenses on an accrual basis.

This disclosure statement is being distributed to you together with a copy of the pro forma operating budget which is attached as Exhibit "A". The pro forma operating budget includes an estimate of the revenue and expenses of the Association on an accrual basis.

2. Summary of Association Reserves. Civil Code Section 5300(b)(2).

A summary of the association's reserves, prepared pursuant to Section 5565 is attached as Exhibit "B". It is based upon the most recent review or study concerning the major components, which the Association is obligated to repair, replace, restore or maintain.

The Association's most recent reserve study was completed with a site visit in 2021.

3. Reserve Funding Plan. Civil Code Section 5300(b)(3).

A summary of the reserve funding plan adopted by the board, as specified in paragraph (5) of subdivision (b) of Section 5550 is included in Exhibit "B". The full reserve study plan is available upon request, and the Association shall provide the full reserve plan to any member upon request. Please see cover sheet for instructions.

The reserve account funding is reviewed on an annual basis by the Board of Directors and is adjusted by the rate of inflation, construction cost variations, and updated evaluations of the life expectancy for repair or replacement of each major component. For the current year, the Board has elected to analyze the reserve account requirements on a "pooled cash flow" method. The reserve funding process involves estimates of component maintenance, repair and replacement

costs and estimates of the remaining life of the components.

Reserve funding requirements can change over time based upon revised estimated and evaluations.

4. Major Component Repairs. Civil Code Section 5300(b)(4).

The Board has determined the need for repair or replacement of the sewer system.

5. Special Assessment. Civil Code Section 5300(b)(5).

The Board does not anticipate the need to levy one or more special assessments for required repairs, replacement, or restoration of the above listed major components, instead will be funding a project each year.

6. Reserve Funding Mechanism. Civil Code Section 5300(b)(6).

At this time, the Board plans to fund reserves to repair or replace major components from assessments only, not by borrowing, use of other assets, deferral of selected replacements or repairs, or alternative mechanisms.

7. Procedures for Calculation of Reserves. Civil Code Section 5300(b)(7).

The reserve account funding is reviewed on an annual basis by the Board of Directors and is adjusted by the rate of inflation; construction cost variations, and updated evaluations of the life expectancy for repair or replacement of each major component. For the current year, the Board has elected to analyze the reserve account requirements on a "cash flow" method. The reserve funding process involves estimates of component maintenance, repair and replacement costs and estimates of the remaining life of the components. Reserve funding requirements can change over time based upon revised estimates and evaluations.

Please See Exhibit "B".

8. Outstanding Loans. Civil Code Section 5300(b)(8).

The Association has no outstanding loans at this time.

9. Insurance Summary. Civil Code Section 5300(b)(9).

A summary of the Association's property, general liability, earthquake, flood, and fidelity insurance policies is attached as Exhibit "C".

"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."

Montevalle of Scotts Valley, Inc.

2023-2024 PROJECTIONS AND 2024-2025 BUDGET DRAFT

	2023-24 Approved Budget	Aug 23- Jul 24 Projected	2024-25 Proposed Budget	Budget Notes
Ordinary Income/Expense				
4000 · Assessments				
4401 · Genl Assmnt	1,280,400	1,280,400	1,367,520	220 units for 24/25 - \$518/unit/mo. Increase of \$33/unit/mo - \$3 for reserve increase, ~\$24 for insurance increases, ~ \$2 payroll, remainder of \$4 other misc increases (utilites etc) - ~7% increase
Total 4000 · Assessments	1,280,400	1,280,400	1,367,520	
4050 · Interest Received				
4053 · Interest on Arrears	-			
4050 · Interest Received - Other	200			
Total 4050 · Interest Received	200			
4200 · Other Receipts				
4208 · Lodge	500	500	500	
4209 · Lodge Bedrooms	5,000	5,000	5,000	
4210 · Mill	1,210	1,200	1,200	
4213 · Other Income				
42138 · Collection Income	-	6,760	6,760	
42136 · Utility Access (comcast)	16,200	18,015	18,600	
42132 · Miscellaneous	1,300	550	800	
42135 · IRS Tax Refund	-	605	605	
Total 4213 · Other Income	17,500	25,930	26,765	

**Montevelle of Scotts Valley, Inc.
2023-2024 PROJECTIONS AND 2024-2025 BUDGET DRAFT**

	2023-24 Approved Budget	Aug 23- Jul 24 Projected	2024-25 Proposed Budget	Budget Notes
4217 · HOA Transfer Fee	4,600	6,000	6,000	
49910 · Returned Check Charges	-	62	62	
Total 4200 · Other Receipts	28,810	38,692	39,527	
Total Income	1,309,410	1,319,092	1,407,047	
Gross Profit	1,309,410	1,319,092	1,407,047	
Expense				
67214 · Bank charges	-	12	12	
6100 · Personnel				
Total 6110 · Wages & Seasonal Help	269,333	326,000	335,665	
6114A · Landscape Contract Service	72,000	31,500		
6114B · Seasonal Temp-Landscape	13,200	738	9,240	
Total 6120 · Payroll Taxes - Employer	21,757	27,170	27,910	
6130 · Mileage Allowance	1,500	1,000	1,000	
6135 · Medical Expense - Stipends	2,628	3,289	2,640	
6136 · Medical Expenses-Group Plan	14,184	17,660	25,524	
6137 · Medical Expense - Other	250	250	250	
6140 · Worker's Comp. Ins.	13,200	15,000	15,000	
Total 6100 · Personnel	408,052	422,607	417,229	
6200 · Administrative/Office				
6295.1 · Annual Governing Doc Review	500	1,242	500	
6201 · Bad Debt Expense		440	-	
6210 · Bank Service Charges	230	100	220	
6220 · Computer	2,500	2,500	2,500	

Montevalle of Scotts Valley, Inc.

2023-2024 PROJECTIONS AND 2024-2025 BUDGET DRAFT

	2023-24 Approved Budget	Aug 23- Jul 24 Projected	2024-25 Proposed Budget	Budget Notes
6230 · Copier	6,510	9,500	8,000	
6235 · Equipment Deprn.	-			
6236 · Depreciation Expense	8,500	8,500	8,300	
Total 6235 · Equipment Deprn.	8,500	8,500	8,300	
6240 · Dues, Classes & Subscriptions	4,300	2,300	2,500	
6250 · Fees & Penalties				
6252 · Finance Charges		-	-	
Total 6250 · Fees & Penalties	-	-	-	
6260 · Licenses and Fees	55	55	55	
6265 · Miscellaneous	648			
6270 · Office Supplies	2,100	2,100	2,500	
6275 · Office Equipment	1,200	800	800	
6285 · Postage and Delivery	500	500	500	
6288 · Printing & Reproduction	50			
6290 · Accounting & Legal	-			
6291 · Bookkeeping	1,500	1,500	1,500	
6291.5 · Bookkeeping Supplies	1,200	3,000	1,200	
6292 · Audit/Review Cost	4,000	4,100	14,000	Audit in 24/25
6293 · Reserve Study	750	1,500	750	
Total 6295 · Legal Fees - Board	12,000	12,000	12,000	
Total 6290 · Accounting & Legal	19,450	22,100	29,450	
Total 6200 · Administrative/Office	46,543	58,637	63,625	
6300 · Taxes				
6301 · Income Taxes	5,500	5,500	6,000	

Montevalle of Scotts Valley, Inc.
2023-2024 PROJECTIONS AND 2024-2025 BUDGET DRAFT

	2023-24 Approved Budget	Aug 23- Jul 24 Projected	2024-25 Proposed Budget	Budget Notes
Total 6300 . Taxes	5,500	5,500	6,000	
6400 . Insurance				
6420 . Earthquake	12,000	12,174	13,800	13221.45 period 4/24-3/25 est increase for next period
6430 . Genl Liab Prop	17,000	30,514	57,898	55,398 period 4/24-3/25 est increase for next period
6440 . Umbrella	2,200	1,813	1,813	premium 1337 -period 4/24-3/25
6460 . Fire Insurance		6,683	21,548	new policy premium \$20,048 period 4/24-3/25 est increase for next period
Total 6400 . Insurance	31,200	51,184	95,059	Ins. 23/24 \$20k over budget
6500 . Maintenance and Repair				\$24/unit/mo
6510 . Buildings	4,885	4,885	4,885	
6512 . Audio	500	500	500	
6515 . Services & Supplies	5,090	5,000	5,000	
6516 . Utility Carts	1,000	1,000	1,000	
6520 . Equip Buy/Rental	6,800	3,600	6,800	
6530 . Parks Service - Grounds	3,000	3,000	3,000	
6531 . Trees	3,000	3,750	3,000	
6532 . Lake Maintenance	2,000	1,000	1,000	
6550 . Landscape Supplies & Equipment	1,500	1,500	1,500	
6552 . Landscape Planting	2,000	1,700	1,700	
6553 . Landscape Irrigation	1,000	1,200	1,000	
6554 . Landscape Maintenance	427	1,500	1,400	
6557 . Well Maintenance	269	-	-	
6570 . Small Projects	577	-	-	

Monteville of Scotts Valley, Inc.

2023-2024 PROJECTIONS AND 2024-2025 BUDGET DRAFT

	2023-24 Approved Budget	Aug 23- Jul 24 Projected	2024-25 Proposed Budget	Budget Notes
6580 · Pools	-			
6581 · North Pool	742	742	742	
6582 · South Pool	1,801	1,801	1,801	
6583 · Pool Maintenance	7,700	7,700	8,000	
Total 6580 · Pools	10,243	10,243	10,543	
6590 · Streets and Sewers				
6591 · Streets	10,500	10,500	10,500	
6592 · Sewers	1,000	250	1,000	
Total 6590 · Streets and Sewers	11,500	10,750	11,500	
6745 · Janitorial Service Contract				
6745a · Annual Steam Clean/Other Misc	2,000	1,000	1,000	
6745 · Janitorial Service Contract - Other	24,300	24,300	21,300	
Total 6745 · Janitorial Service Contract	26,300	25,300	22,300	
Total 6500 · Maintenance and Repair	80,091	74,928	75,128	
6600 · Utilities				
Total 6610 · Gas	30,475	32,000	35,500	
Total 6620 · Electric	33,600	33,600	35,460	
6650 · Other Utilities				
6651 · Cable	2,300	3,315	3,500	
6652 · Sewer	1,100	1,465	1,500	
6653 · Street Light Reimbursement	550			
6654 · Telephone	4,050	4,305	4,500	
6655 · Trash	6,075	5,819	6,110	
6656 · Water	8,500	6,300	7,000	
Total 6650 · Other Utilities	22,576	21,204	22,610	

Monteville of Scotts Valley, Inc.

2023-2024 PROJECTIONS AND 2024-2025 BUDGET DRAFT

	2023-24 Approved Budget	Aug 23- Jul 24 Projected	2024-25 Proposed Budget	Budget Notes
Total 6600 · Utilities	86,651	86,804	93,570	
6700 · Committees				
6715 · Board Discretionary	2,500	2,500	2,500	
6717 · Budget & Finance	150	150	150	
6720 Bylaws	360	360	360	
6730 Directory	50	50	50	
6732 · Emergency Preparedness Com				
6731 · Covid 19	-	-	-	
6732 · Emergency Preparedness Com - Other	-	500	500	
Total 6732 · Emergency Preparedness Com	-	500	500	
6735 · Election	360	650	300	
6740 · Housekeeping Supplies	1,500	1,000	1,500	
6742 · Housekeeping Committee	500	500	500	
6755 · Mirror	150			
6760 · Personnel	500	500	500	
6770 · Recreation	400	400	400	
6776 · Social	5,000	2,500	2,500	
	100			
Total 6700 · Committees	11,570	8,550	8,700	
6850 · Reserve /pmt.	639,804	639,804	647,724	Required annual increase of \$7920.00 to \$53,977 per mo- total \$ 647,724.00 (per unit/mo is \$245.35 was \$242.35 - \$3/unit/mo increase)
Total Expense	1,309,410	1,348,026	1,407,047	

Montevelle of Scotts Valley, Inc.

2023-2024 PROJECTIONS AND 2024-2025 BUDGET DRAFT

	2023-24 Approved Budget	Aug 23- Jul 24 Projected	2024-25 Proposed Budget	Budget Notes
Net Ordinary Income	(0)	(28,933)	0	

Summary MONTEVALLE

ASSOCIATION

Association name MONTEVALLE
 Address 552 Bear Creek Rd., Scotts Valley, CA 95066
 Association Type Mobile Homes
 Number of Units 220
 Year Built 1959

FINANCIAL

Fiscal year begins August 01
 Starting fiscal year 2024/2025
 Current Monthly dues \$518.00
 23/24 End of year Projected reserve balance \$ 602,000
 24/25 Annual reserve contribution \$ 647,724
 Reserve account interest rate % 1.50

ASSUMPTIONS

Inflation rate % 3.00
 Tax rate % 25.00
 Minimum reserve balance \$0
 Unplanned project fund % 5.00

FUNDING PLAN SIX YEAR SUMMARY

Year	2024	2025	2026	2027	2028	2029
Special assessments	\$0	\$0	\$0	\$0	\$0	\$0
Annual Reserve contribution	\$647,226	\$654,734	\$662,328	\$670,011	\$677,784	\$685,646
Contribution per unit/month	\$245.16	\$248.01	\$250.88	\$253.79	\$256.74	\$259.71
Contribution increase on the year before	\$2.81	\$2.84	\$2.88	\$2.91	\$2.94	\$2.98
Contribution increase %	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
Annual expenses	\$838,476	\$774,409	\$116,599	\$110,248	\$348,831	\$2,014,252
End of year balance	\$421,163	\$309,909	\$862,851	\$1,436,090	\$1,785,011	\$480,343
Accrued liability	\$3,001,564	\$2,683,786	\$3,025,282	\$3,394,701	\$3,548,287	\$2,053,077
Percent funded year end	14.03%	11.55%	28.52%	42.30%	50.31%	23.40%
Deficiency/Surplus per unit	\$11,729	\$10,790	\$9,829	\$8,903	\$8,015	\$7,149

ASSESSMENT AND RESERVE FUNDING DISCLOSURE SUMMARY

MONTEVALLE OF SCOTTS VALLEY, INC. May 23, 2024, For the Fiscal Year Ending July 31, 2024

- (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 \$3,382,738, based in whole or in part on the last reserve study or update prepared by Reserve Study Specialists as of May 23, 2024. The projected reserve fund cash balance at the end of current fiscal year is \$602,000, resulting in reserves being 17.80% percent funded at this date. If an alternate, but generally accepted, method of calculation is also used, the required reserve amount is \$602,000. (See attached explanation)
- (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 (SEE ATTACHED 30 YEAR FUNDING PLAN) and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is (SEE ATTACHED 30 YEAR FUNDING PLAN) leaving the reserve at (SEE ATTACHED 30 YEAR FUNDING PLAN) percent funding. If the Reserve Funding Plan approved by the association is implemented, the projected reserve fund cash balance in each of those years will be (SEE ATTACHED 30 YEAR FUNDING PLAN), leaving the reserve at (SEE ATTACHED 30 YEAR FUNDING PLAN) percent funding.

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. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 1.50 percent per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3.00 percent per year.

- (1) "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement.
- (2) "Major component" has the meaning used in Section 55530 [sic; s/b 5550]. Components with an estimated remaining useful life of more than 30 years may be included in a study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary.

[Civil Code Section 5570 (b)(4) referred to paragraphs (6) and (7) provides : "For the purpose of the report and summary, the amount of reserves needed to be accumulated for a component at a given time shall be computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component. This shall not be construed to require the Board to fund in accordance with this calculation."]

DISCLAIMER: The information contained in this disclosure is a **PROJECTION ONLY**. Because the reserve study is a projection, the estimated lives and costs of components will likely change over time depending on a variety of factors such as (i) future inflation rates, (ii) levels of maintenance applied by future boards, unknown defects in materials that may lead to premature failures, etc. As a result, some components may experience longer lives while others will experience premature failures. Some components may cost less at the time of replacement while others may cost more.

30 YEAR RESERVE FUNDING PLAN (WITH NO INCREASE IN CONTRIBUTION)

MONTVILLE

Calendar Year	Starting Reserve Balance	Total Annual Expenditure	Annual Reserve Contribution	Reserve Contribution			Special Assessment	Interest Received	Tax on Interest	End of Year Balance	Fully Funded		Deficiency Surplus () Per Unit
				Per Unit	Increase	Per Month					Balance	Percent Funded	
2024	\$602,000	\$838,476	\$639,804	\$242.35	0.00	\$0	\$0	\$13,829	\$3,457	\$413,699	\$3,001,564	13.78%	\$11,763
2025	\$413,699	\$774,409	\$639,804	\$242.35	0.00	\$0	\$0	\$11,004	\$2,751	\$287,348	\$2,683,786	10.71%	\$10,893
2026	\$287,348	\$716,599	\$639,804	\$242.35	0.00	\$0	\$0	\$9,109	\$2,277	\$817,385	\$3,025,282	27.02%	\$10,036
2027	\$817,385	\$110,248	\$639,804	\$242.35	0.00	\$0	\$0	\$17,059	\$4,265	\$1,359,735	\$3,394,701	40.05%	\$9,250
2028	\$1,359,735	\$348,831	\$639,804	\$242.35	0.00	\$0	\$0	\$25,195	\$6,299	\$1,669,604	\$3,548,287	47.05%	\$8,539
2029	\$1,669,604	\$2,014,252	\$639,804	\$242.35	0.00	\$0	\$0	\$29,843	\$7,461	\$317,538	\$2,053,077	15.47%	\$7,889
2030	\$317,538	\$204,287	\$639,804	\$242.35	0.00	\$0	\$0	\$9,562	\$2,390	\$760,226	\$2,335,353	32.55%	\$7,160
2031	\$760,226	\$132,953	\$639,804	\$242.35	0.00	\$0	\$0	\$16,202	\$4,050	\$1,279,229	\$2,710,180	47.20%	\$6,504
2032	\$1,279,229	\$127,025	\$639,804	\$242.35	0.00	\$0	\$0	\$23,987	\$5,997	\$1,809,998	\$3,115,312	58.10%	\$5,933
2033	\$1,809,998	\$335,192	\$639,804	\$242.35	0.00	\$0	\$0	\$31,948	\$7,987	\$2,138,571	\$3,337,956	64.07%	\$5,452
2034	\$2,138,571	\$304,607	\$639,804	\$242.35	0.00	\$0	\$0	\$36,877	\$9,219	\$2,501,426	\$3,611,735	69.26%	\$5,047
2035	\$2,501,426	\$350,316	\$639,804	\$242.35	0.00	\$0	\$0	\$42,320	\$10,580	\$2,822,655	\$3,862,363	73.08%	\$4,726
2036	\$2,822,655	\$345,405	\$639,804	\$242.35	0.00	\$0	\$0	\$47,138	\$11,785	\$3,152,407	\$4,140,195	76.14%	\$4,490
2037	\$3,152,407	\$248,752	\$639,804	\$242.35	0.00	\$0	\$0	\$52,085	\$13,021	\$3,582,523	\$4,538,233	78.94%	\$4,344
2038	\$3,582,523	\$194,285	\$639,804	\$242.35	0.00	\$0	\$0	\$58,536	\$14,634	\$4,071,944	\$5,018,354	81.14%	\$4,302
2039	\$4,071,944	\$141,099	\$639,804	\$242.35	0.00	\$0	\$0	\$65,878	\$16,469	\$4,620,056	\$5,582,209	82.76%	\$4,373
2040	\$4,620,056	\$186,283	\$639,804	\$242.35	0.00	\$0	\$0	\$74,099	\$18,525	\$5,129,152	\$6,134,498	83.61%	\$4,570
2041	\$5,129,152	\$488,095	\$639,804	\$242.35	0.00	\$0	\$0	\$81,736	\$20,434	\$5,342,163	\$6,418,673	83.23%	\$4,893
2042	\$5,342,163	\$381,483	\$639,804	\$242.35	0.00	\$0	\$0	\$84,931	\$21,233	\$5,664,182	\$6,835,628	82.86%	\$5,325
2043	\$5,664,182	\$316,818	\$639,804	\$242.35	0.00	\$0	\$0	\$89,761	\$22,440	\$6,054,490	\$7,347,927	81.91%	\$6,512
2044	\$6,054,490	\$278,680	\$639,804	\$242.35	0.00	\$0	\$0	\$95,616	\$23,904	\$6,487,325	\$7,919,899	81.06%	\$7,339
2045	\$6,487,325	\$293,076	\$639,804	\$242.35	0.00	\$0	\$0	\$102,108	\$25,527	\$6,910,634	\$8,525,209	79.93%	\$9,116
2046	\$6,910,634	\$345,386	\$639,804	\$242.35	0.00	\$0	\$0	\$108,458	\$27,115	\$7,286,396	\$9,116,188	78.36%	\$9,450
2047	\$7,286,396	\$484,220	\$639,804	\$242.35	0.00	\$0	\$0	\$114,094	\$28,524	\$7,527,550	\$9,606,476	76.57%	\$10,732
2048	\$7,527,550	\$537,482	\$639,804	\$242.35	0.00	\$0	\$0	\$117,712	\$29,428	\$7,718,157	\$10,079,237	74.25%	\$12,168
2049	\$7,718,157	\$729,090	\$639,804	\$242.35	0.00	\$0	\$0	\$120,571	\$30,143	\$7,719,299	\$10,396,230	72.53%	\$13,748
2050	\$7,719,299	\$463,593	\$639,804	\$242.35	0.00	\$0	\$0	\$120,588	\$30,147	\$7,985,951	\$11,010,537	71.41%	\$15,503
2051	\$7,985,951	\$198,945	\$639,804	\$242.35	0.00	\$0	\$0	\$124,588	\$31,147	\$8,520,251	\$11,930,897	69.85%	\$17,464
2052	\$8,520,251	\$357,855	\$639,804	\$242.35	0.00	\$0	\$0	\$132,602	\$33,151	\$8,901,652	\$12,743,623	66.28%	\$19,626
2053	\$8,901,652	\$1,156,989	\$639,804	\$242.35	0.00	\$0	\$0	\$138,323	\$34,581	\$8,488,209	\$12,805,973		

30 YEAR RESERVE FUNDING PLAN (RECOMMENDED)

MONTEVALLE

Calendar Year	Starting Reserve Balance	Total Annual Expenditure	Annual Reserve Contribution	Reserve Contribution Increase		Special Assessment	Interest Received	Tax on Interest	End of Year Balance	Fully Funded Balance	Percent Funded	Deficiency Surplus () Per Unit
				Per Unit	%							
2024	\$602,000	\$838,476	\$647,226	\$245.16	1.16	\$2.81	\$13,884	\$3,471	\$421,163	\$3,001,564	14.03%	\$11,729
2025	\$421,163	\$774,409	\$654,734	\$248.01	1.16	\$2.84	\$11,228	\$2,807	\$309,909	\$2,683,786	11.55%	\$10,790
2026	\$309,909	\$116,599	\$662,328	\$250.88	1.16	\$2.88	\$9,616	\$2,404	\$862,851	\$3,025,282	28.52%	\$9,829
2027	\$862,851	\$110,248	\$670,011	\$253.79	1.16	\$2.91	\$17,968	\$4,492	\$1,436,090	\$3,394,701	42.30%	\$8,903
2028	\$1,436,090	\$348,831	\$677,784	\$256.74	1.16	\$2.94	\$26,625	\$6,656	\$1,785,011	\$3,548,287	50.31%	\$8,015
2029	\$1,785,011	\$2,014,252	\$685,646	\$259.71	1.16	\$2.98	\$31,918	\$7,979	\$480,343	\$2,053,077	23.40%	\$7,149
2030	\$480,343	\$204,287	\$693,599	\$262.73	1.16	\$3.01	\$12,407	\$3,102	\$978,961	\$2,335,353	41.92%	\$6,165
2031	\$978,961	\$132,953	\$701,645	\$265.77	1.16	\$3.05	\$19,947	\$4,987	\$1,562,613	\$2,710,180	57.66%	\$5,216
2032	\$1,562,613	\$127,025	\$709,784	\$268.86	1.16	\$3.08	\$28,763	\$7,191	\$2,166,944	\$3,115,312	69.56%	\$4,311
2033	\$2,166,944	\$335,192	\$718,018	\$271.98	1.16	\$3.12	\$37,889	\$9,472	\$2,578,187	\$3,337,956	77.24%	\$3,453
2034	\$2,578,187	\$304,607	\$726,347	\$275.13	1.16	\$3.15	\$44,120	\$11,030	\$3,033,017	\$3,611,735	83.98%	\$2,631
2035	\$3,033,017	\$350,316	\$734,772	\$278.32	1.16	\$3.19	\$51,006	\$12,752	\$3,455,728	\$3,862,363	89.47%	\$1,848
2036	\$3,455,728	\$345,405	\$743,296	\$281.55	1.16	\$3.23	\$57,411	\$14,353	\$3,896,677	\$4,140,195	94.12%	\$1,107
2037	\$3,896,677	\$248,752	\$751,918	\$284.82	1.16	\$3.27	\$64,090	\$16,022	\$4,447,910	\$4,538,233	98.01%	\$411
2038	\$4,447,910	\$194,285	\$760,640	\$288.12	1.16	\$3.30	\$72,423	\$18,106	\$5,068,582	\$5,018,354	101.00%	(\$228)
2039	\$5,068,582	\$141,099	\$769,464	\$291.46	1.16	\$3.34	\$81,800	\$20,450	\$5,758,296	\$5,582,209	103.15%	(\$800)
2040	\$5,758,296	\$186,283	\$778,389	\$294.84	1.16	\$3.38	\$92,212	\$23,053	\$6,419,562	\$6,134,498	104.65%	(\$1,296)
2041	\$6,419,562	\$488,095	\$787,419	\$298.26	1.16	\$3.42	\$102,199	\$25,550	\$6,795,535	\$6,418,673	105.87%	(\$1,713)
2042	\$6,795,535	\$381,483	\$796,553	\$301.72	1.16	\$3.46	\$107,907	\$26,977	\$7,291,535	\$6,835,628	106.67%	(\$2,072)
2043	\$7,291,535	\$316,818	\$805,793	\$305.22	1.16	\$3.50	\$115,416	\$28,854	\$7,867,073	\$7,347,927	107.07%	(\$2,360)
2044	\$7,867,073	\$278,680	\$815,140	\$308.77	1.16	\$3.54	\$124,120	\$31,030	\$8,496,622	\$7,919,899	107.28%	(\$2,621)
2045	\$8,496,622	\$293,076	\$824,596	\$312.35	1.16	\$3.58	\$133,634	\$33,408	\$9,128,367	\$8,525,209	107.07%	(\$2,742)
2046	\$9,128,367	\$345,386	\$834,161	\$315.97	1.16	\$3.62	\$143,182	\$35,795	\$9,724,528	\$9,116,188	106.67%	(\$2,765)
2047	\$9,724,528	\$484,220	\$843,837	\$319.64	1.16	\$3.67	\$152,197	\$38,049	\$10,198,293	\$9,606,476	106.16%	(\$2,690)
2048	\$10,198,293	\$537,482	\$853,626	\$323.34	1.16	\$3.71	\$159,377	\$39,844	\$10,633,969	\$10,079,237	105.50%	(\$2,522)
2049	\$10,633,969	\$729,090	\$863,528	\$327.09	1.16	\$3.75	\$165,986	\$41,496	\$10,892,896	\$10,396,230	104.78%	(\$2,258)
2050	\$10,892,896	\$463,593	\$873,545	\$330.89	1.16	\$3.79	\$169,945	\$42,486	\$11,430,307	\$11,010,537	103.81%	(\$1,908)
2051	\$11,430,307	\$198,945	\$883,678	\$334.73	1.16	\$3.84	\$178,082	\$44,521	\$12,248,601	\$11,930,897	102.66%	(\$1,444)
2052	\$12,248,601	\$357,855	\$893,928	\$338.61	1.16	\$3.88	\$190,433	\$47,608	\$12,927,500	\$12,743,623	101.44%	(\$836)
2053	\$12,927,500	\$1,156,989	\$904,298	\$342.54	1.16	\$3.93	\$200,695	\$50,174	\$12,825,330	\$12,805,973	100.15%	(\$88)

Montevalle of Scotts Valley Inc.

To all Montevalle owners:

California Civil Code Section 5300 requires that your Association provide annual notice of the following information regarding the Association's insurance coverage, as well as the disclosure below:

General Liability 04/05/2024 to 04/05/2025

Insurance Company: Admiral Insurance Group

Policy Limits: \$1,000,000 Per Occurrence \$2,000,000 Aggregate

Property 04/20/2024 to 04/20/2025

Insurance Company: CA Fair Plan

Policy Limits: 4,770,000

Deductible: \$5,000 for property

Fidelity (Crime) Coverage 04/04/2024 to 04/01/2025

Insurance Company: The Hartford

Policy Limits: \$800,000

Deductible: \$2,500

Directors and Officers Liability 04/04/2024 to 04/01/2025

Insurance Company: Philadelphia Indemnity

Policy Limits: \$2,000,000

Retention: \$1,000

Earthquake Insurance 04/04/2024 to 04/01/2025

Insurance Company: QBE Specialty

Policy Limits: \$6,143,700

Retention: 10%, 50,000 Min

Umbrella Liability NO COVERAGE

Flood Insurance NO COVERAGE

"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."

ALLANSON INSURANCE AGENCY, License #0620908

9500 Soquel Drive, Aptos, CA 95003