# MONTEVALLE OF SCOTTS VALLEY PROPOSED BUDGET

## Fiscal year 2026-2027

**June 9, 2026**

**Revised June 22, 2026**

# Proposed Assessment Fiscal Year 2026-2027

- The homeowner assessment for new fiscal year (August 1through July 31) will remain the same at $518.00 per month.

| Reserves | Operating | Total Assessment |
|---|---|---|
| | | |
| $245.35 | $272.65 | $518 |

# Montevalle Proposed Budget FY25-26: Income

| | 2025-2026 Approved Budget | 2026-2027 FINAL Budget | Budget Notes |
|---|---|---|---|
| Income | | | |
| 4000 · Assessments | | | |
| 4401 · Genl Assmnt | **1,367,520** | **1,367,520** | No Increase in Dues |
| Total 4000 · Assessments | 1,367,520 | 1,367,520 | 220 units; for 26/27 - $518/unit/mo. No increase in reserves |
| 4200 · Other Receipts | | | |
| 4208 · Lodge | 1,000 | 1,000 | |
| 4209 · Lodge Bedrooms | 6,000 | 7,000 | |
| 4210 · Mill | 2,800 | 2,000 | |
| 4213 · Other Income | | - | |
| 42138 · Collection Income | 6,760 | - | Don't anticipate any fines |
| 42136 · Utility Access (comcast) | 18,720 | 13,000 | Fewer residents have comcast |
| 42132 · MIscellaneous | 800 | 600 | |
| Total 4213 · Other Income | 26,280 | 13,600 | |
| 4217 · HOA Transfer Fee | 6,000 | 4,000 | |
| Total 4200 · Other Receipts | 42,080 | 27,600 | |
| Total Income | 1,409,600 | 1,395,120 | |

# Expense Personnel

| | 2025-2026 Approved Budget | 2026-2027 FINAL Budget | Budget Notes |
|---|---|---|---|
| 6100 · Personnel | | | |
| Total 6110 · Wages & Seasonal Help | 320,629 | 311,168 | Decrease is due to hiring a part-time Community Manager |
| 6114A · Landscape Contract Service | 14,000 | 20,000 | Increase services 2x mo. For 8 mo. |
| 6114B · Seasonal Temp-Landscape | - | - | |
| 6291 · Bookkeeping | 28,000 | 31,350 | Cost of the BK & CPA. Both had slight increases in their hourly rates. |
| Total 6120 · Payroll Taxes - Employer | 27,020 | 24,738 | Based on 7.95% Wages |
| 6130 · Mileage Allowance | 800 | 800 | |
| 6135 · Medical Expense - Stipends | 5,270 | 5,280 | |
| 6136 · Medical Expenses-Group Plan | 20,710 | 40,169 | Increased to $3,347.40 per month 2 emp. |
| 6137 · Medical Expense - Other | 250 | 250 | |
| 6140 · Worker's Comp. Ins. | $ 14,500 | $ 13,000 | Decrease is due to Community Manager being part-time |
| **Total 6100 · Personnel** | 431,179 | 446,755 | |

# Expense: Administrative/Office

| | 2025-2026 Approved Budget | 2026-2027 FINAL Budget | Budget Notes |
|---|---|---|---|
| 6200 · Administrative/Office | | | |
| 6210 · Bank Service Charges | 220 | 100 | |
| 6220 · Computer | 2,785 | 2,160 | Used historical cost model |
| 6230 · Copier | 9,000 | 6,948 | Signed a new agreement |
| 6235 · Equipment Deprn. | | | |
| 6236 · Depreciation Expense | 16,600 | 7,000 | Est based off prior year tax |
| Total 6235 · Equipment Deprn. | 16,600 | 7,000 | |
| 6240 · Dues, Classes & Subscriptions | 1,500 | 2,000 | Echo, Cal Chambers, Adobe |
| 6270 · Office Supplies | 2,500 | 2,500 | |
| 6291.5 · Bookkeeping Supplies | 850 | 845 | |
| 6275 · Office Equipment | 800 | 800 | |
| 6285 · Postage and Delivery | 500 | 500 | |
| 6290 · Accounting & Legal | | | |
| 6292 · Audit/Review Cost | 5,000 | 4,250 | Audit was in 24/25, Review in 25/26 and 26/27 |
| 6293 · Reserve Study | 750 | 750 | |
| Total 6295 · Legal Fees - Board | 9,000 | 15,000 | Increase in legal support |
| Total 6290 · Accounting & Legal | 14,750 | 20,000 | |
| Total 6200 · Administrative/Office | 49,505 | 42,853 | |

# Expense: Taxes and Insurance

| | 2025-2026 Approved Budget | 2026-2027 FINAL Budget | Budget Notes |
|---|---|---|---|
| 6300 · Taxes | | | |
| 6302 · Penalties | | | |
| 6301 · Income Taxes | 9,000 | 7,500 | Est based on prior year tax return |
| Total 6300 · Taxes | 9,000 | 7,500 | |
| 6400 · Insurance | | | |
| 6420 · Earthquake | 13,800 | 11,586 | |
| 6430 · Genl Liab Prop | 15,650 | 17,539 | 25/26 was audited resulting increase over budget; 26/27 is a fixed rate |
| 6440 · Umbrella | 1,337 | 1,337 | |
| 6460 · Fire Insurance | 18,575 | 18,575 | CA fair plan paid 3/16 |
| Total 6400 · Insurance | 49,362 | 49,037 | |

# Expense: Maintenance and Repair

| | 2025-2026 Approved Budget | 2026-2027 FINAL Budget | Budget Notes |
|---|---|---|---|
| 6500 - Maintenance and Repair | | | |
| 6510 - Buildings | 4,500 | 4,500 | |
| 6512 - Audio | 500 | 500 | |
| 6515 - Services & Supplies | 4,500 | 4,500 | |
| 6516 - Utility Carts | 1,000 | 1,000 | |
| 6520 - Equip Buy/Rental | 5,000 | 5,000 | |
| 6530 - Parks Service – Grounds | 3,000 | 3,000 | |
| 6531 - Trees | 3,000 | 3,000 | |
| 6532 - Lake Maintenance | 1,250 | 1,400 | |
| 6550 - Landscape Supplies & Equipment | 1,500 | 1,300 | |
| 6552 - Landscape Planting | 1,700 | 1,700 | |
| 6553 - Landscape Irrigation | 1,000 | 1,000 | |
| 6554 - Landscape Maintenance | 1,400 | 1,400 | |
| 6557 - Well Maintenance | 250 | 250 | |
| 6570 - Small Projects | 400 | 400 | |
| 6580 - Pools | | | |
| 6581 - North Pool | 760 | 803 | |
| 6582 - South Pool | 1,875 | 1,948 | |
| 6583 - Pool Maintenance | 8,000 | 6,500 | |
| Total 6580 - Pools | 10,635 | 9,251 | Based on pool chemicals |
| 6590 - Streets and Sewers | | | |
| 6591 - Streets | 14,000 | 14,000 | |
| 6592 - Sewers | 1,000 | | |
| Total 6590 - Streets and Sewers | 15,000 | 14,000 | |
| 6745 - Janitorial Service Contract | | | |
| 6745a - Annual Steam Clean/Other Misc | 1,000 | 1,500 | |
| 6745 - Janitorial Service Contract – Other | 27,000 | 27,625 | |
| Total 6745 - Janitorial Service Contract | 28,000 | 29,125 | |
| Total 6500 - Maintenance and Repair | 82,635 | 81,326 | |

# Expense: Utilities

| | 2025-2026 Approved Budget | 2026-2027 FINAL Budget | Budget Notes |
|---|---|---|---|
| 6600 · Utilities | | | |
| Total 6610 · Gas | 37,000 | 40,500 | Rising costs |
| Total 6620 · Electric | 40,000 | 48,500 | Rising costs |
| 6650 · Other Utilities | | | |
| 6651 · Cable | 3,780 | 3,600 | |
| 6652 · Sewer | 1,000 | 1,000 | |
| 6653 · Street Light Reimbursement | | - | |
| 6654 · Telephone | 4,500 | 4,500 | Monthly phone stipends ($45 per mo. per phone) and Ring Central |
| 6655 · Trash | 6,400 | 6,125 | |
| 6656 · Water | 7,800 | 7,800 | |
| Total 6650 · Other Utilities | 23,480 | 23,025 | |
| Total 6600 · Utilities | 100,480 | 112,025 | |

# Expense: Committees

| | 2025-2026 Approved Budget | 2026-2027 FINAL Budget | Budget Notes |
|---|---|---|---|
| 6700 · Committees | | | |
| 6715 · Board Discretionary | 2,500 | 2,500 | |
| 6717 · Budget & Finance | - | | |
| 6720 Bylaws | - | - | |
| 6730 Directory | - | - | |
| 6732 · Emergency Preparedness Com | - | - | |
| 6735 · Election | - | - | |
| 6740 · Housekeeping Supplies | 1,500 | 1,500 | |
| 6742 · Housekeeping Committee | 500 | 500 | |
| 6755 · Mirror | | | |
| 6760 · Personnel | 500 | 500 | 25/26 high due to ads for hiring |
| 6770 · Recreation | 400 | 400 | |
| 6776 · Social | 2,500 | 2,500 | |
| 6780 · Senior Resource | - | - | |
| Total 6700 · Committees | 7,900 | 7,900 | |

# Reserve Payment and Total Budget

| | 2025-2026 Approved Budget | 2026-2027 FINAL Budget | Budget Notes |
|---|---|---|---|
| 6850 · Reserve /pmt. | 647,724 | 647,724 | Reserves payment for 26/27 fiscal year ($245.35 per unit/mo; $53,977 per mo; $647,724.00 per yr.) |
| FUND OPERATING WITH EXCESS | 31,815 | - | Per IRS ruling 70-604 and with a show of hands from the residents attending the budget meeting, these dollars will roll over and be absorbed into the overall 26/27 budget. |
| Total Expense | 1,409,600 | 1,395,120 | |

# RESERVE BUDGET

Projected benchmark current year end fully funded target: $3,748,618

Current end of year projected reserves: $1,806,452 / Percentage funded: 48.19%. **(last fiscal year was 35.21%) – Goal is 67%**

Planned Reserve Expense for New Fiscal Year:  $568,777

**Reserves Budget Percent Funded amount will change as projects are complete.**

**Everyone will get the full operating and reserve packet with your annual Disclosure no later than July 1st**

# Reserve Projects for 2026/2027

**Concrete Repairs:**

Concrete Curbs and Gutters: $32,782.

Concrete Repairs: $5,464.

Wells: Clean & Repair: $5,829.

Wells: Well pump: $5,464.

**Mechanical & Electrical:**

Security Cameras & Recording: $5,464.

Electrical Inspection: $ 7,649.

**Landscaping:**

Minor Softscape: $3,551.

Trees $12,751.

**Recreation Area:**

Shuffleboard Area: $2,186

Golf Cart replacement: $2,186.

Golf Net: $5,464.

**Fences:**

Metal Rails $ 27,319.

Chain link fence: $3,551

Retaining Walls: $ 7,103.

Masonry Walls: $7,103.

**Structural & Decks:**

Gardeners Shed $21,855.

Bridge, Lakeview Drive $9,289.

Foot Bridge: $3,824.

**Fountains, Lakes & Ponds:**

Fountain aeration & Lights $3,824.

Pump: $1,367.

Flume: $18,576.

Lake Chems: $5,150.

Pump Housing: $4,371.

Power conditioning building: $4,371.

# Reserve Projects for 2026/2027 cont.

**Old Mill, Exterior:**

Water Wheel Repair: $38,246.

**Old Mill Interior:**

Kitchen Oven: $5,737.

Kitchen Dish Washer: $5,737.

Gym Exercise Machine: $13,113.

Old Mill Equipment:

Water heater: $ 1,639.

**Mill Electrical**

Exterior lights $5,464.

Electrical repair: $ 5,464.

**Lodge Interior**:

Restroom Part 1-Remodel $10,927.

Hardwood Floor replace: $22,660.

**Lodge, Electrical**

Lodge water Heater $4,326.

Lodge Plumbing $8,196.

Electrical repair: $5,464.

**South Pool and Spa:**

Spa Pump $2,186.

South Pool Furniture $2,122

South Pool Pump 1 $2,186.

South Pool Pump 2 $2,186.

**North Pool Building:**

Spa Pump: $4,371.

Sewer System:

Sewer Line major repair: $185,658.

**Other:**

HVAC Maintain $2,060.

Reserve Study Update $796.

Reserve study Site Inspection: $820.

Unplanned Projects $18,175

Total Reserve Expense Projected for 2026/2027 $568,777.