

PALOMINO LAKES PROPERTY OWNERS ASSOCIATION ANNUAL BUDGET REPORT TO THE MEMBERS

Proforma Budget

The fiscal 2021 – 2022 budget is attached.

Reserve Summary

The Reserve Summary for the fiscal year ended March 31, 2020, is attached.

Reserve Funding Plan

John D. Beatty & Company prepared a reserve study, dated 09/22/20, for the Palomino Lakes Owners Association, which included actual capital expenditures, through March 31, 2020, and projected cash balances, through March 31, 2050. The results of that study were discussed at a meeting of the Board of Directors on April 22, 2021.

During the fiscal year ended March 31, 2021, \$0 was spent on asphalt repairs and \$0 was spent on drainage repairs. Total actual expenditures for the year ended March 31, 2021 were \$24,915 less than those forecasted by the reserve study.

The Board has voted to move the repairs to Palomino Road forward to fiscal year 2021_2022. The reserve study anticipates these repairs occurring in fiscal year 2023_2024.

A complete copy of the latest reserve study is available to a member, upon written request to the Board.

Deferred Maintenance of Major Component

The Board does not anticipate deferring or not undertaking repairs or replacement of any major component.

Anticipated Special Assessments

As noted above, the Board voted to move repairs to Palomino Road forward to fiscal year 2021_2022. The reserve study anticipates these repairs occurring in fiscal year 2023_2024. The Board voted to increase quarterly Association dues from \$198 to \$220, to maintain adequate reserve balances. The Board does not anticipate the need for a special assessment, at this time.

Reserve Funding Mechanism

The Board anticipates that funding of the reserve account for repairs and replacement of major components will be made primarily through regular assessments to the members.

Procedures for Calculating Reserves

The reserve funding plan does not anticipate material income from interest and/or dividends. Regular member assessments will be periodically increased to ensure adequate funding of the reserve account.

Outstanding Loans

The Association has no outstanding Loans.

Insurance Summary

Please see the attached insurance summary from George Petersen Insurance Agency.

Assessment & Reserve Form

Please see the attached Assessment & Reserve Form, prepared by John D Beatty & Company.

Palomino Lakes Property Owners Association - Budget
April 01, 2021 - March 31, 2022

	Paying Lots	110	110	110
	Quarterly Dues	220	198	198
		2021/2022 Annual Budget	2020/2021 Actual	2020/2021 Annual Budget
Income				
	Monthly Assessments	\$ 94,380.00	\$ 87,120.00	\$ 87,120.00
	Late Fees			
	Misc		\$ 766.52	
	Total Income	\$ 94,380.00	\$ 87,886.52	\$ 87,120.00
Maintenance Expenses				
	Ditch & Culvert Work	\$ 2,500.00	\$ 3,060.00	\$ 2,400.00
	Landscaping	\$ 5,000.00		\$ 5,000.00
	Tree Trimming and Removal & Chipping	\$ 5,000.00	\$ 5,200.00	\$ 5,000.00
	Utilities	\$ 200.00	\$ 90.98	\$ 175.00
	Total Maintenance Expenses	\$ 12,700.00	\$ 8,350.98	\$ 12,575.00
General & Admin Expenses				
	Website/Internet	\$ -	\$ 800.00	\$ 3,000.00
	Insurance	\$ 4,200.00	\$ 6,499.00	\$ 4,200.00
	Office Supplies	\$ 600.00	\$ 619.43	\$ 450.00
	PO Box/Rental	\$ 50.00		\$ 50.00
	Property Tax	\$ -	\$ 2,838.22	\$ -
	Property Management	\$ -	\$ -	\$ 13,500.00
	Postage/Mailing	\$ 700.00	\$ 217.25	\$ 700.00
	Professional/Accounting	\$ 5,000.00	\$ 5,108.75	\$ 3,500.00
	Legal/Other	\$ 8,000.00	\$ 697.41	\$ 5,000.00
	Total General & Admin	\$ 18,550.00	\$ 16,780.06	\$ 30,400.00
Net Revenue		\$ 63,130.00	\$ 62,755.48	\$ 44,145.00
Capital Expenditures - Use of Reserves				
	Beginning Reserve Balance Beginning Balance	\$ 275,000.00	\$ 154,863.00	
	Transfers from Operating	\$ 50,000.00	\$ 120,137.00	
	Other Capital Expenditures	\$ (5,000.00)		
	Paving & Road Repairs	\$(266,000.00)		
	Ending Reserve Balance	<u>\$ 54,000.00</u>	<u>\$ 275,000.00</u>	
	Ending Operating Account Balance	<u>\$ 30,381.01</u>	<u>\$ 17,251.01</u>	

RESERVE STUDY SUMMARY

Update with No Site-Visit/Off-Site Review

Palomino Lakes

OWNERS ASSOCIATION

Prepared

September 22, 2020

for

Fiscal Year 2020-2021



John D. Beatty & Company

14850 Highway 4, Suite A #210 Discovery Bay, CA 94505 (925) 831-1803 Fax (925) 831-2493

Reserve Study Summary

This report documents the results of an Update with No Site-Visit/Off-Site Review performed by John D. Beatty & Company for the following Single Family Home Community:

Palomino Lakes Owners Associaton

Cloverdale, California

It provides an analysis of the repair and replacement requirements for the association's major components and recommends a funding plan to meet those obligations. This study was performed in compliance with California Civil Code sections 4178, 5300, 5550, 5560 & 5565. The intent of this legislation is to insure that the association maintains a plan to meet all future obligations for major component maintenance. The essential elements of this legislation are:

- 1 . Identification of the major components which the association is obligated to maintain
- 2 . Current estimate of the useful life of each component
- 3 . Current estimate of the remaining life of each component
- 4 . Current estimate of the replacement cost of each component
- 5 . Current estimate of the total annual contribution necessary to maintain the major components
- 6 . Current estimate of the amount of cash reserves necessary to maintain the major components
- 7 . Disclosure of the current amount of accumulated cash reserves actually funded
- 8 . Disclosure of the percentage of reserves actually funded
- 9 . Disclosure of any determined or anticipated special assessments
- 10 . A general statement of methodology

SCOPE

This study is aligned with the association's fiscal year and establishes April 1, 2020 through March 31, 2030 as the period of time for which reserve expenditures and reserve fund balances are projected.

METHODOLOGY

A cash flow methodology was used to determine the annual reserve contribution. The underlying premise of this reserve funding approach is to establish a contribution level that will allow the association to maintain a positive balance in the reserve fund while meeting all anticipated maintenance obligations. The cash flow method allows the association to achieve this goal without the unnecessary overfunding of reserves. Also, as the interest earned on the reserve fund will not totally offset inflation, projections were made using the current inflation factor and an average interest rate on fully insured certificates of deposit.

In preparing this study, a comprehensive list of major components was developed and information was compiled on the type, number, age and cost of each of these components. In gathering this data, certain assumptions were made about costs, conditions, and future events and circumstances that may occur. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this report. Therefore, the actual replacement costs and remaining lives may vary from this report and the variations could be material. All life expectancies were based on reasonable industry experience for equipment and material and, unless specifically noted, all components were in a reasonable and ordinary condition.

No inspection was conducted of the major components. Information utilized to update the reserve study was obtained from management and the association's records. Prior quantities delineated on the previous reserve study with inspection are assumed to be accurate. The condition of components in the previous reserve study with inspection was based on a reasonable sample. It is assumed that all components are to be reasonably maintained for the remainder of their life expectancy.

For a component to be included in this study, the following criteria must be met:

- 1 . The maintenance of the component is the responsibility of the association;
- 2 . The maintenance of the component is not included in the annual operating budget;
- 3 . The estimated useful life of the component is greater than one year; and
- 4 . The estimated remaining life of the component is less than 30 years.

This study is intended to reflect the estimated replacement cost of the components and is not intended to project the actual cost of the work when performed. This limitation is necessary, as it is virtually impossible to predict with any degree of certainty the myriad factors that will impact costs at a future date. Because of this qualification, it is necessary for the results of this study to be reviewed annually to reflect any meaningful changes in use or significant increases in labor and/or materials costs.

The funding for this study has a threshold margin of 10%. This means that the projected ending balance for each fiscal year is at least 10% of the projected expenditures for the same year. This margin provides a contingency for any unforeseen or out of the ordinary repair or replacement expense. Additionally, it can be used in subsequent years as a source of funds for reallocation of the life cycles should the aging of any components be abnormally accelerated.

FINDINGS

The findings of this study indicate that it will be necessary to adjust the annual reserve contribution as indicated on pages 5-7 of this report in order to meet projected expenditures and keep pace with inflation. These findings are based on the following:

- | | | | |
|-----|---|----|---------|
| 1 . | Projected reserve fund balance as of April 1, 2020 | \$ | 202,000 |
| 2 . | Reserve contribution for fiscal year 2019-2020..... | \$ | 35,000 |
| 3 . | Reserve contribution for fiscal year 2020-2021..... | \$ | 35,000 |
| 4 . | Assumed annual inflation rate | | 3.0% |
| 5 . | All "after tax" interest earned on reserve fund investments will be retained in the reserve fund. | | |

DISCLOSURES

John D. Beatty & Company (JDB) verifies herein that any financial or other interests, whether adverse or otherwise, which consultant may have or propose to have in any company, organization, individual, asset or activity has no bearing on the subject matter of this reserve study. Except for the compensation payable to JDB neither JDB nor any of JDB's agents, employees or affiliates shall benefit from our preparation of this reserve study.

This plan provides adequate funds to meet projected expenditures without relying on a special assessments or increases in regular assessments that require a vote of the membership. Based on the assumption that the association will fund reserves in accordance with this plan, which includes those increases indicated above, the percent funded was calculated in the following manner:

<u>Accumulated Cash Reserves (Numerator)</u>		
Projected reserve fund balance as of April 1, 2020	\$ 202,000	
<u>Accrued Liability (Denominator)</u>		
Estimate of the amount of cash necessary to repair, replace, restore or maintain the association's major components as of April 1, 2020	\$ 393,120	
Percent Funded	<table border="1"><tr><td>51%</td></tr></table>	51%
51%		

This Reserve Study was reviewed and approved by the Association's Board of Directors.

Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

	Repair	Current	Estimated		Fiscal Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	%	Repr/Repl	Usfl	Rmng	Apr 1	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
RESERVE COMPONENTS		Cost	Life	Life	Mar 31	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
LANDSCAPING:															
1 - Backflow Device Replace		3,819	20	1		3,819									
2 - Irrigation Repr/Repl		530	5	2			546					633			
3 - Plant Maintenance		1,061	10	1		1,061									
4 - Solar Fixture Replace		690	10	3					732						
5 - Tree Maintenance					NOTE: Funding is addressed via the association's operating budget.										
LIGHTING:															
6 - Uplight Replace (Monument)		265	20	3				281							
7 - Uplight Replace (Monument)		133	20	1		133									
PAVED SURFACES - Palomino Road:															
8 - Asphalt Overlay 3"		302,328	20	4					330,362						
9 - Asphalt Repair / Replace	2%	6,047	10	9										7,660	
10 - Asphalt Sealcoat		19,448	5	4					21,251					24,636	
11 - Asphalt Berm Repr/Repl		1,097	5	4					1,199					1,390	
PAVED SURFACES - Cedar Lane:															
12 - Asphalt Overlay 3"		36,888	20	16											
13 - Asphalt Repair / Replace	2%	738	10	6							855				
14 - Asphalt Sealcoat		2,481	5	1		2,481					2,876				
PAVED SURFACES - Oak Knoll Terrace:															
15 - Asphalt Overlay 3"		81,478	20	11											
16 - Asphalt Repair / Replace	2%	1,630	10	1		1,630									
17 - Asphalt Sealcoat		5,480	5	1		5,480					6,352				
PAVED SURFACES - Mt. Pine Road:															
18 - Asphalt Overlay 3"		155,952	20	16											
19 - Asphalt Repair / Replace	2%	3,119	10	6							3,616				
20 - Asphalt Sealcoat		10,032	5	4					10,962					12,708	
PAVED SURFACES - Willow Terrace:															
21 - Asphalt Overlay 3"		28,988	20	10											37,823
22 - Asphalt Repair / Replace	2%	580	10	1		580									
23 - Asphalt Sealcoat		1,949	5	1		1,949					2,260				
PAVED SURFACES - Walnut Lane:															
24 - Asphalt Overlay 3"		18,468	20	11											
25 - Asphalt Repair / Replace	2%	369	10	1		369									
26 - Asphalt Sealcoat		1,242	5	1		1,242					1,440				
PAVED SURFACES - Madrone Drive:															
27 - Asphalt Overlay 3"		41,963	20	16											
28 - Asphalt Repair / Replace	2%	839	10	6							973				
29 - Asphalt Sealcoat		2,822	5	1		2,822					3,272				
PAVED SURFACES - Toyon Lane:															
30 - Asphalt Overlay 3"		30,014	20	16											
31 - Asphalt Repair / Replace	2%	600	10	6							696				
32 - Asphalt Sealcoat		2,018	5	1		2,018					2,340				
33 - Asphalt Gutter Repr/Repl		1,061	5	1		1,061					1,230				

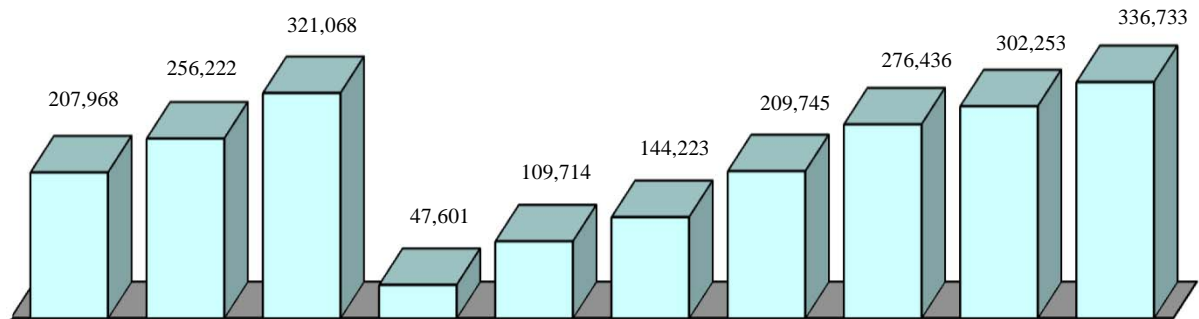
Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

		Current	Estimated	Fiscal Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
	Repair	Repr/Repl	Usfl	Rmng	Apr 1	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
RESERVE COMPONENTS	%	Cost	Life	Life	Mar 31	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
PAVED SURFACES - Little River Road:															
34 - Asphalt Overlay 3"		34,410	20	18											
35 - Asphalt Repair / Replace	2%	636	10	8									782		
36 - Asphalt Sealcoat		2,139	5	3				2,269					2,631		
OTHER:															
37 - Drainage Repair/Replace		4,874	7	6						5,650					
38 - Street Sign Replace		271	20	1		271									
39 - Street Sign Replace		271	20	2			279								
40 - Street Sign Replace		361	20	3				383							
41 - Rock Wall Repr/Repl	10%	210	10	5						236					
42 - Wood Entry Sign Replace		1,591	20	5						1,791					
43 - Reserve Study Update		796	1	1		796	820	844	869	896	922	950	979	1,008	1,038
44 - Reserve Study Update Inspection		1,591	3	1		1,591			1,739			1,900			2,076
UNSCHEDULED.....	5%	1,750	1	1		1,750	2,625	3,649	4,889	3,423	3,525	3,631	3,740	3,852	3,968
TOTAL EXPENDITURES		813,029				29,052	4,270	8,158	371,272	6,346	36,007	7,115	8,132	51,254	44,905

Funding Plan

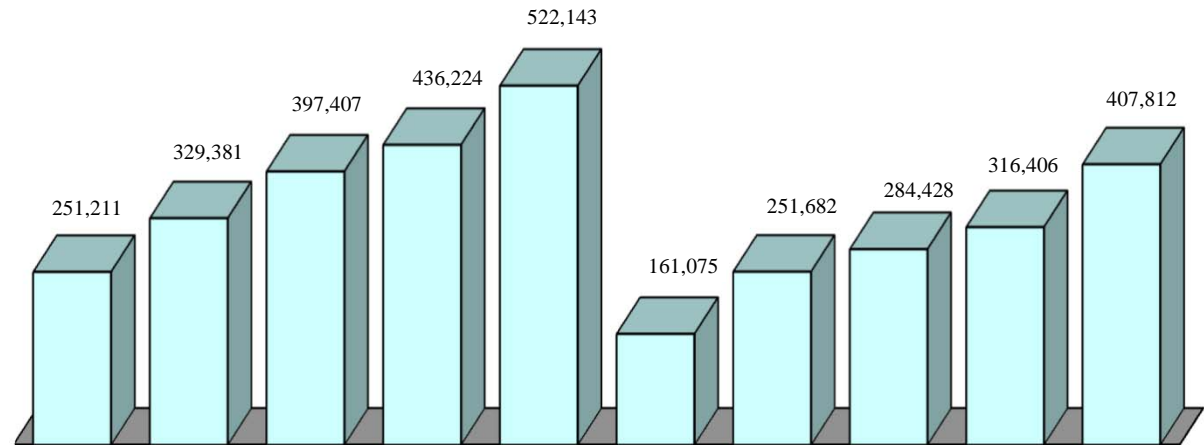
Projected Cash Balance



	Fiscal Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Apr 1	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	Mar 31	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
BEGINNING BALANCE		202,000	207,968	256,222	321,068	47,601	109,714	144,223	209,745	276,436	302,253
EXPENDITURES (inflated \$)	3.0%	29,052	4,270	8,158	371,272	6,346	36,007	7,115	8,132	51,254	44,905
RESERVE CONTRIBUTION		35,000	52,500	72,975	97,787	68,451	70,504	72,619	74,798	77,042	79,353
Per Unit Per Month (108 units)		27.01	40.51	56.31	75.45	52.82	54.40	56.03	57.71	59.45	61.23
Percentage Increase to Reserves		0.0	50.0	39.0	34.0	(30.0)	3.0	3.0	3.0	3.0	3.0
SPECIAL ASSESSMENT(S) or LOAN		0	0	0	0	0	0	0	0	0	0
INTEREST	0.0%	20	23	29	18	8	13	18	24	29	32
ENDING BALANCE		207,968	256,222	321,068	47,601	109,714	144,223	209,745	276,436	302,253	336,733

Funding Plan

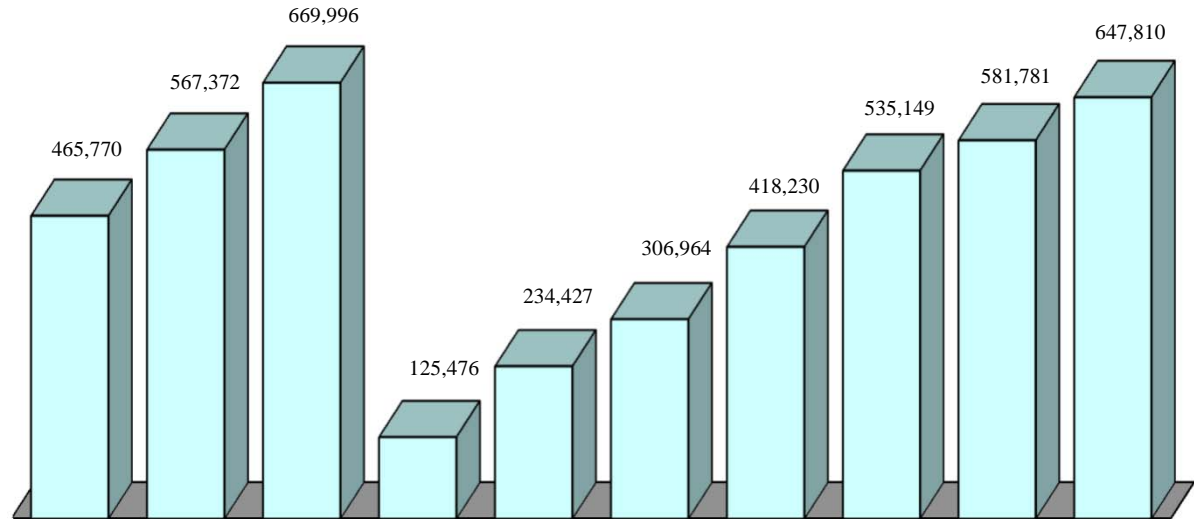
Projected Cash Balance



	Fiscal Year	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
	Apr 1	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
	Mar 31	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
BEGINNING BALANCE		336,733	251,211	329,381	397,407	436,224	522,143	161,075	251,682	284,428	316,406
EXPENDITURES (inflated \$)	3.0%	167,285	6,045	18,721	50,538	6,121	455,853	7,008	67,803	71,590	15,274
RESERVE CONTRIBUTION		81,734	84,186	86,711	89,312	91,992	94,752	97,594	100,522	103,538	106,644
Per Unit Per Month (108 units)		63.07	64.96	66.91	68.91	70.98	73.11	75.30	77.56	79.89	82.29
Percentage Increase to Reserves		3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
SPECIAL ASSESSMENT(S) or LOAN		0	0	0	0	0	0	0	0	0	0
INTEREST	0.0%	29	29	36	42	48	34	21	27	30	36
ENDING BALANCE		251,211	329,381	397,407	436,224	522,143	161,075	251,682	284,428	316,406	407,812

Funding Plan

Projected Cash Balance



	Fiscal Year	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
	Apr 1	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
	Mar 31	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
BEGINNING BALANCE		407,812	465,770	567,372	669,996	125,476	234,427	306,964	418,230	535,149	581,781
EXPENDITURES (inflated \$)	3.0%	51,929	11,588	13,970	664,589	14,696	54,828	19,929	18,221	92,570	77,353
RESERVE CONTRIBUTION		109,843	113,138	116,532	120,028	123,629	127,338	131,158	135,093	139,146	143,320
Per Unit Per Month (108 units)		84.76	87.30	89.92	92.61	95.39	98.25	101.20	104.24	107.37	110.59
Percentage Increase to Reserves		3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
SPECIAL ASSESSMENT(S) or LOAN		0	0	0	0	0	0	0	0	0	0
INTEREST	0.0%	44	52	62	40	18	27	36	48	56	61
ENDING BALANCE		465,770	567,372	669,996	125,476	234,427	306,964	418,230	535,149	581,781	647,810

Assessment and Reserve Funding Disclosure Summary

For Fiscal Year April 1, 2020 - March 31, 2021

This Summary contains information about the Association's assessments and the status of the reserve fund. The Association may periodically update or supplement the information in this Summary. Please contact the Association to determine if a more recently prepared Summary or supplement is available.

- (1) The current **regular** assessment per ownership interest is \$ **66.00** per month.

NOTE: If assessments vary by the size or type of ownership interest, the assessment applicable to this unit may be found on the Variable Assessment Report (provided by an association representative.)

- (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 (if assessments are variable, see note immediately below):	Purpose of the assessment:

NOTE: If assessments vary by the size or type of ownership interest, the assessment applicable to this unit may be found on the Variable Assessment Report (provided by an association representative.)

- (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 ☒ If the Special Assessment in Note (2) is collected No ☐

- (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:
	\$
	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) or subdivision (b) of Section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is **\$416,412**, based in whole or in part on the the last reserve study or update, prepared by John D. Beatty & Company. The projected reserve fund cash balance at the end of the current fiscal year is **\$207,968**, resulting in reserves being **50%** funded at this date (and an average per-unit deficit of **\$1,930** .) If an alternate, but generally accepted, method of calculation is also used, the required reserve amount is **\$207,968** (which is based on the projected ending balance figure(s) provided by the association representative. See "Methodology" on Page 1.)

- (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 **(listed in the table below)**, and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is **(listed in the table below)**, leaving the reserve at **(listed in the table below)** 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 **(listed in the table below)**, leaving the reserves at **(listed in the table below)** percent funded.

Assessment and Reserve Funding Disclosure Summary

For Fiscal Year April 1, 2020 - March 31, 2021

Year	Estimated amount required in the reserve fund	Projected reserve fund cash balance	Percent Funded
2	\$ 466,057	\$ 256,222	55%
3	\$ 513,431	\$ 321,068	63%
4	\$ 199,357	\$ 47,601	24%
5	\$ 251,925	\$ 109,714	44%
6	\$ 276,599	\$ 144,223	52%

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 per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs per year are shown on the

This Summary was authorized by the Association based on the information available in the Association's most recent reserve study or annual update dated as of **September 22, 2020**. This summary supercedes all earlier issued versions.

NOTE: The remainder of Civil Code Section 5570 is not part of the required Assessment and Reserve Funding Disclosure Summary Form, but is included here because the information is needed to properly complete the form.



John D. Beatty
President

For the purposes of preparing a summary pursuant to this section:

- (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 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.
- (3) The form set out in subdivision (a) shall accompany each annual budget report or summary thereof that is delivered pursuant to Section 5300. The form may be supplemented or modified to clarify the information delivered, so long as the minimum information set out in subdivision (a) is provided.
- (4) 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 reserves in accordance with this calculation.

4/1/2021 to 4/1/2022

As of 3/17/2021

To the Owners at:

Palomino Lakes Property Owners Association Insurance Disclosure Pursuant to California Civil Code, Section 5300

Palomino Lakes Property Owners Association has purchased its master insurance policy from the Insurance Companies referenced below. The agent is Ms. Rachel Adams with George Petersen Insurance Agency, 175 W. College Avenue, Santa Rosa, CA 95401, telephone 707-525-4186, email radams@gpins.com The following is a summary of the policy coverages:

Commercial General Liability – Effective 4/1/2021 - 4/1/2022

- Name of Insurer: Philadelphia Indemnity Insurance Company
- Policy Number: PHPK2233813
- Limits of Liability: \$2,000,000 Per Occurrence / \$4,000,000 Annual Aggregate / \$0 Deductible

Property – Effective 4/1/2021 - 4/1/2022

- Name of Insurer: Philadelphia Indemnity Insurance Company
- Policy Number: PHPK2233813
- Blanket Building Limit: \$65,000 / Deductible: \$1,000

Commercial Excess/Umbrella Liability – Effective 4/1/2021 - 4/1/2022

- Name of Insurer: Philadelphia Indemnity Insurance Company
- Policy Number: PHUB755355
- Limits of Liability: \$1,000,000 / Deductible: \$10,000

Directors & Officers Liability – Effective: 4/1/2021 - 4/1/2022

- Name of Insurer: Philadelphia Indemnity Insurance Company
- Policy Number: PCAP001777-0418
- Limits of Liability: \$1,000,000 Annual Aggregate / Retention \$1,000

Fidelity Bond or Employee Dishonesty – Effective: 4/1/2021 - 4/1/2022

- Name of Insurer: Philadelphia Indemnity Insurance Company
- Policy Number: PHPK2233813
- Limit: \$200,000 / Deductible: \$2,500

Workers' Compensation -

- None

Earthquake -

- None

Flood -

- None

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.