

**Hidden Valley Village Owners
Association, Inc.**

**Forecasted Statement of Revenues
and Expenses for the Year
Ending December 31, 2024**

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**Assessment and Reserve Funding
Disclosures and Insurance
Disclosure as of September 19, 2023**

Hidden Valley Village Owners Association, Inc.
Forecasted Statement of Revenues and Expenses
For the Year Ending December 31, 2024

	Operating Fund	Contingency Fund	Replacement Fund	Total
Revenues:				
Common Area Assessments	\$399,650	\$	\$190,437	\$590,087
Late Charges	500			500
Interest Income	0	19,500		19,500
Miscellaneous Income	2,000			2,000
Vending Machine Income	100			100
Total Revenues	402,250	19,500	190,437	612,187
Administrative Expenses:				
Accounting Services	12,500			12,500
Board & Meeting Expenses	200			200
Insurance	31,000			31,000
Legal Services	2,000			2,000
Management Fee	150,000			150,000
Office Supplies & Postage	1,500			1,500
Taxes	50			50
Telephone	5,000			5,000
Total Administrative Expenses	202,250	0	0	202,250
Maintenance & Supplies:				
Truck Expense	8,500			8,500
Buildings	16,000			16,000
Landscaping	5,000			5,000
Pool, Jacuzzi & Sauna	5,000			5,000
Tools & Equipment	500			500
Total Maintenance & Supplies	35,000	0	0	35,000
Utilities:				
Snow Removal	30,000			30,000
Electricity	29,500			29,500
Propane	40,000			40,000
Trash Removal	22,500			22,500
Water & Sewer	43,000			43,000
Total Utilities	165,000	0	0	165,000
Major Projects/Replacements:				
Roof Preventative Maintenance			2,652	2,652
Chimney Chase Repair			15,914	15,914
Painting w/Doors #A,B,G,H,I,K			102,907	102,907
Painting w/Doors #C,D,E,F,J, Office/Pool			98,664	98,664
Painting Annual Touch Up			5,305	5,305
Asphalt Seal Coat/Parking Lot			8,487	8,487
Spa Heater			5,100	5,100
Spa Filters			3,914	3,914
Pool Wood Fence Enclosure			11,405	11,405
Residence Front Doors- Phased			15,914	15,914
Water Heaters			1,030	1,030
Asst Mgr Unit Renovation			11,925	11,925
Miscellaneous Unscheduled Exp			10,609	10,609
Total Major Projects/Replacements	0	0	293,826	293,826
Total Expenses	402,250	0	293,826	696,076
Excess Revenues Over Expenses	0	19,500	(103,389)	(83,889)
Forecasted Fund Balance at Start of Year	150,000	6,000	800,000	956,000
Forecasted Fund Balance at End of Year	150,000	25,500	696,611	872,111

Hidden Valley Village Owners Association, Inc.
Notes To Forecasted Statement of Revenues and Expenses

SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS

This financial forecast presents, to the best of the Board of Directors knowledge and belief, the Association's expected results of operations and changes in operating and replacement fund balances for the forecast period. Accordingly, the forecast reflects the Board's judgement as of September 19, 2023, the date of this forecast, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that the Board believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

A. Income and Owner Assessments

Owner assessments for the year ending December 31, 2024, will increase by approximately 12% effective January 1, 2024.

Owner assessments are the major source of Association income. In the event that actual expenses are significantly higher than those forecasted, it may be necessary to increase assessments or levy a special assessment during the forecast period.

Interest income is assumed to be earned at approximately 5% based on the current investments in T-Bills.

B. Expenses

Insurance and on-site management are two of the most significant expenses of the Association. The Board anticipates an increase in the insurance cost of approximately \$2,500, and a 3% increase for management expense in June 2024.

Snow removal expense is difficult to forecast. The budget for snow removal has been increased to \$30,000 effective with this forecast and it is anticipated to cover the loader service. This does not include any roof shoveling costs. An unusually severe winter could necessitate a special assessment to pay for snow removal.

Replacements and or major repairs to the common area components are based on the Board's plans for these items during the forecast period.

Other expenses are based on prior year's actual costs adjusted for minimal anticipated changes.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial forecast has been prepared on the basis of the generally accepted accounting principles expected to be used in the financial statements covering the forecast period as described below.

A. Accounting Method

The Association uses fund accounting, which requires that funds, such as operating funds and funds designated for future repairs and replacements, be classified separately for accounting and reporting purposes.

Disbursements from the operating fund are generally at the discretion of the Board of Directors and the property manager. Disbursements from the replacement fund and the contingency fund are designated by the Board of Directors only.

Hidden Valley Village Owners Association, Inc.
Notes To Forecasted Statement of Revenues and Expenses

B. Operating Fund

The Board's policy is to allocate to the operating fund all income tax expense, and all delinquent or uncollectible receivables.

C. Contingency Fund

Effective with this forecast, the Board's policy is to allocate all interest earned to the contingency fund.

D. Recognition of Assets and Depreciation Policy

Real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statement because those properties are owned by the individual unit owners in common and not by the Association. Any real or personal property purchased by the Association to which the Association holds title, and which could be disposed of for cash or claims to cash is capitalized at cost and depreciated over its estimated useful life using the straight-line method of depreciation. Personal property purchased for the replacement fund is expensed in the year of acquisition. The association also maintains an inventory of major property.

**Hidden Valley Village Owners Association, Inc.
Assessment and Reserve Funding Disclosures
As of September 19, 2023**

A. Current Assessments

As mentioned on Page 2, the monthly common area assessments will increase by approximately 12% effective January 1, 2024.

Unit Type	Monthly Amount
Studio	\$548.00
Studio & Loft	\$584.00
One Bedroom	\$585.00
Two Bedroom	\$612.00
One Bedroom & Loft	\$628.00

There are no other additional, special or emergency assessments that have already been scheduled to be imposed and/or that have been approved by the Board and/or members at this time.

B. Reserve Study

The Board of Directors commissioned a study of the major components of the common areas in September 2021. The study was performed by Stone Mountain Corporation, a firm that specializes in reserve studies. The list of major components, estimated replacement cost of each component and total and remaining useful life of each component data which appear on pages 6 and 7 is based on that study and updated information based on experience. A copy of the full study is available to any owner upon request. A new study will be commissioned in 2024 as required by law.

C. Projected Reserve Account Balances and Funding Policies

Based upon the most recent reserve study, projected reserve account balances will be sufficient at the end of each year to meet the association's obligation to repair and/or replace the major components of the common areas without additional assessments. The Board will continue to review the recommended funding, the need to raise common area fees and possible transfers of surplus funds from the operating fund each year to avoid special assessments.

D. Replacement Fund Components

The major components of the common areas which have been identified for funding through the replacement fund are listed on pages 6 and 7. The replacement costs of the major components are increased approximately 3% annually to reflect increases in construction and materials costs.

There are no components which have been identified, that are not included in the funding data listed above. There may be components of the common areas which were not included in the reserve study because no replacement or major repair of the item is contemplated in the next thirty years.

At this time, the Board does not plan to defer the repair or replacement of any major components that are in need of replacement.

**Hidden Valley Village Owners Association, Inc.
Assessment and Reserve Funding Disclosures
As of September 19, 2023**

E. Current Funding Levels

As of December 31, 2023 the projected replacement fund balance is \$800,000. As of the same date, the balance required in these funds to be 100% funded would be \$2,680,695. Therefore, the replacement fund is 30% funded ($\$800,000/\$2,680,695$). The unfunded liability per unit is approximately \$22,389.

The estimated percent funded for the next five years is listed below and assumes an increase in annual funding of 3% per year.

Fiscal Year Ending:	2024	2025	2026	2027	2028
Estimated Amount to be 100% Funded	\$2,663,898	\$2,847,778	\$3,149,278	\$3,450,338	\$3,769,601
Projected Replacement Fund Cash	\$696,611	\$892,761	\$1,094,795	\$1,302,891	\$1,517,229
Projected Percent Funded Estimate	26%	31%	35%	38%	40%

This information should not be construed to require the Board to fund reserves to any specific level.

F. Outstanding Loans

As of the above date, the association does not have any outstanding third party loans.

Notes:

- A. "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement.
- B. The data included herein contains projected costs thirty years into the future. There will be differences between these projected costs and actual costs because circumstances do not always occur as expected.
- C. For the purposes of this report, the amount of reserves needed to be accumulated for a component at a given time is computed as the future 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.

Hidden Valley Village Owners Association, Inc.
Forecasted Replacement Fund Activity
For The Year Ending December 31, 2024

Component (Year in Service)	Useful Life (Yrs.)	Remaining Life (Yrs.)	Replacement Cost	Annual Expense	Replacement Liability	Replacement Fund Cash	Unfunded Liability	Per Unit Unfunded Liability	Percent Funded
Roofs: #A,B,C Bldgs (2013)	30	20	100,786	3,360	33,595				
Roofs: #D,E Bldgs (2012)	30	19	68,959	2,299	25,285				
Roofs: #F Bldg (2010)	30	17	33,949	1,132	14,711				
Roofs: #G,H,I,J,K, Office (2005)	30	12	227,033	7,568	136,220				
Roofs: Pool Bldg (2014)	20	10	15,277	764	7,638				
Roof Preventative Maintenance (2018)	1	0	2,652	2,652	2,652				
*Chimney Chase Rebuild (6/year)	1	0	15,914	15,914	15,914				
Chimney Caps/Spark Arresters	30	8	28,963	965	21,239				
Painting w/doors #A,B,G,H,I,K	6	0	102,907	17,151	102,907				
Painting w/doors #C,D,E,F,J,Off,Pool	6	0	98,664	16,444	98,664				
Annual Paint Touch-Up	1	0	5,305	5,305	5,305				
Asphalt Sealcoat (May 2020)	2	0	8,487	4,244	8,487				
Asphalt Patch (Partial Areas)	22	7	23,658	1,075	16,131				
Asphalt Re-Pave (2015/16)	25	17	511,354	20,454	163,633				
Asphalt Paths - Repave (2016)	25	17	3,819	153	1,222				
Pool Resurface & Re-Tile (2018)	16	10	34,267	2,142	12,850				
Pool Heater (2021)	12	9	5,411	451	1,353				
Pool Filter (2018)	12	6	2,016	168	1,008				
Upper Spa Resurface (2018)	10	4	13,049	1,305	7,829				
Lower Fiberglass Spa Replace (2004)	22	21	31,827	1,447	1,447				
Concrete Pool/Spa Decks (2)	30	29	47,895	1,597	1,597				
Spa Heaters (2) (1 every 4 years)	4	0	5,100	1,275	5,100				
Spa Filter (2) (2013, 2014)	12	0	3,914	326	3,914				
Pool & Spa Pumps (Phased Repl)	2	1	3,607	1,804	1,804				
Pool & Spa Skimmers - Replace	30	27	6,578	219	658				
Pool Wood Deck - Replace	25	16	24,613	985	8,861				
Iron Lower Spa Area Fence	25	16	9,654	386	3,476				
Pool Wood Fence Enclosure	20	0	11,405	570	11,405				
Saunas Refurbish (2014)	20	10	26,947	1,347	13,473				
Pool Bldg Int/Ext Refurbish (2014)	20	10	68,959	3,448	34,479				
Lower Spa Area Refurbish (2014)	20	10	153,831	7,692	76,915				
Pool Furniture (2019)	10	5	2,758	276	1,379				
Balconies: "A" Building (2012)	45	33	85,933	1,910	22,915				
Balconies: "B,H" Buildings (2011)	45	32	163,379	3,631	47,198				
Balconies: "CDFI" Building (2010)	45	31	374,498	8,322	116,510				
Balconies: "E,G" Building (2009)	45	30	160,196	3,560	53,399				
Balconies: "J,K" Building (2008)	45	29	196,267	4,361	69,784				
Balcony/Stairway Inspection Req.	9	9	23,948	2,661	-				
Walkways/Entries: (2012 Group)	45	33	113,516	2,523	30,271				
Walkways/Entries: (2011 Group)	45	32	597,287	13,273	172,549				
Walkways/Entries: (2010 Group)	45	31	541,059	12,024	168,329				
Walkways/Entries: (2009 Group)	45	30	602,591	13,391	200,864				
Walkways/Entries: (2008 Group)	45	29	96,542	2,145	34,326				
Walkways/Entries: (2006/7 Group)	45	28	416,934	9,265	157,508				

Hidden Valley Village Owners Association, Inc.
Forecasted Replacement Fund Activity
For The Year Ending December 31, 2024

Component (Year in Service)	Useful Life (Yrs.)	Remaining Life (Yrs.)	Replacement Cost	Annual Expense	Replacement Liability	Replacement Fund Cash	Unfunded Liability	Per Unit Unfunded Liability	Percent Funded
Front Doors: Replace 10/year	1	0	15,914	15,914	15,914				
Siding: Progressive Replace	5	1	74,263	14,853	59,410				
Water Heaters Replace (1 ev 3 yrs)	3	0	1,030	343	1,030				
Building Electrical Panels #G-K	45	5	47,741	1,061	42,436				
Office & Poll Electrical Panels	45	5	10,609	236	9,430				
Manager's Unit - Carpet	15	10	2,652	177	884				
Manager's Unit - Appliances	12	7	3,713	309	1,547				
Manager's Unit - Interior Paint	10	5	3,183	318	1,591				
Manager's Unit - Renovate	25	20	33,949	1,358	6,790				
Asst Mgr's Unit - Carpet	15	10	1,485	99	495				
Asst Mgr's Unit - Appliances	12	7	3,713	309	1,547				
Asst Mgr's Unit - Interior Paint	10	5	1,591	159	796				
Asst Manager's Unit - Renovate	25	0	11,925	477	11,925				
Residential/Common Light Fixtures	25	21	27,159	1,086	4,345				
Snowblowers (2019)	6	1	7,002	1,167	5,835				
Snowplow - Replace (Nov 2013)	15	4	11,246	750	8,247				
2005 Chevy 3/4 Ton Pickup (used)	15	3	26,523	1,768	21,218				
Copper Plumbing - "ABCDEF, Pool"	50	30	287,504	5,750	115,002				
Copper Plumbing - "GHIJK, Office"	50	6	305,539	6,111	268,874				
Water Main - Replace (2005)	40	21	360,706	9,018	171,335				
Sewer Line Cleanout (2011)	2	2	5,150	2,575	-				
Custom "Hidden Valley" Sign 2013	22	11	13,261	603	6,631				
Unscheduled Capital Expense	1	0	10,609	10,609	10,609				
Forecasted Balance at 12/31/23					2,680,695	800,000	1,880,695	22,389	30%
Annual Wear & Tear				277,029	277,029	-	277,029		
Budgeted Additions During Year:					-	190,437	(190,437)		
Budgeted Reductions During Year:						-	-		
Roof Preventative Maintenance					(2,652)	(2,652)	-		
Chimney Chase Repair					(15,914)	(15,914)	-		
Painting w/Doors #A,B,G,H,I,K					(102,907)	(102,907)	-		
Painting w/Doors #C,D,E,F,J, Office/Pool					(98,664)	(98,664)	-		
Painting Annual Touch Up					(5,305)	(5,305)	-		
Asphalt Seal Coat/Parking Lot					(8,487)	(8,487)	-		
Spa Heater					(5,100)	(5,100)	-		
Spa Filters					(3,914)	(3,914)	-		
Pool Wood Fence Enclosure					(11,405)	(11,405)	-		
Residence Front Doors- Phased					(15,914)	(15,914)	-		
Water Heaters					(1,030)	(1,030)	-		
Asst Mgr Unit Renovation					(11,925)	(11,925)	-		
Miscellaneous Unscheduled Exp					(10,609)	(10,609)	-		
Forecasted Balance at 12/31/24					2,663,898	696,611	1,967,287	23,420	26%

**Hidden Valley Village Owners
Association, Inc.**

Insurance Disclosure

Hidden Valley Village Owners Association, Inc.

November 2023

Dear Owner:

Attached are summaries of the association's insurance policies.

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 their individual insurance broker or agent for appropriate additional coverage.

STATE FARM INSURANCE DISCLOSURE
DAVE EASTERY, AGENT
P.O. BOX 2369 / 625 OLD MAMMOTH RD STE 7
MAMMOTH LAKES, CA. 93546
(760) 934-7575

State Farm



HIDDEN VALLEY HOA

The following policies are held with State Farm Insurance:

Building Property

Policy #90-NT-7404-4

Policy Limits

\$15,320,000.00

Plus \$3,830,000.00 **25% Building Ord/Law**
Plus \$3,064,000.00 **20% Extra Replacement Cost**
\$22,214,000.00 **Total Blanket Coverage**

Deductable

\$5,000.00

Year Issued

1981

Policy Period

JUNE 18, 2023- JUNE 18, 2024

General Liability

Policy #90-NT-7404-4

Policy Limits

\$1,000,000.00 per Occurrence/ \$2,000,000.00 per Aggregate

Deductable

NONE

Year Issued

1981

Policy Period

JUNE 18, 2023- JUNE 18, 2024

Directors & Officers Liability

Policy #90-NT-7404-4

Policy Limits

\$2,000,000.00 Per Occurrence

Deductable

NONE

Year Issued

1981

Policy Period

JUNE 18, 2023- JUNE 18, 2024

\$28,154.00 Total Annual Premium

Commercial Liability Umbrella **Policy # 90-NT-5392-5**

Policy Limits

\$1,000,000.00 Per Occurrence

Year Issued

1995

Policy Period

JAN 23, 2023- JAN 23, 2024

Annual Premium

\$332.00

STATE FARM INSURANCE DISCLOSURE
DAVE EASTERY, AGENT
P.O. BOX 2369 / 625 OLD MAMMOTH RD STE 7
MAMMOTH LAKES, CA. 93546
(760) 934-7575

StateFarm



HIDDEN VALLEY HOA

Fidelity Coverage

Policy # 90-36-8401-4

Policy Limits

\$399,000.00

Year Issued

1987

Policy Period

SEP. 25, 2023- SEP. 25, 2024

Annual Premium

\$578.00

Auto Coverage

Policy # L16-6683-E25-55E

Auto

2005 Chevrolet K2500 Pickup

Policy Limits

Liability: 500/500/100

Policy Period

May. 25, 2023-Nov.25,2023

Premium

\$407.32

In accordance with Section 5300 of the Civil Code:

"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 term 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."

Sincerely,

Dave Easterby

Agent, Lic # 0H65719

**Hidden Valley Village Owners Assoc., Inc.
Post Office Box 5038
Mammoth Lakes, CA 93546**

November 2023

Certification by the Federal Housing Administration may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development is a condominium project. The association of this common interest development is not certified by the Federal Housing Administration.

Certification by the federal Department of Veterans Affairs may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development is a condominium project. The association of this common interest development is not certified by the federal Department of Veterans Affairs.

Note: Due to the lack of full time, owner occupied units in Mammoth, there are currently no FHA or VA approved condominium projects in Mammoth.