

Assessment and Reserve Funding Disclosure Summary

The Reserve Study Plan takes into consideration the age and condition of the various components of the development, the amounts required as a reserve considering such factors as the useful lives of the components, inflation, and discount rates. The full Reserve Study Plan is available on request, and the Association shall provide a copy of the full Reserve Study Plan to any member upon request.

The Board of Directors, consistent with the reserve funding plan adopted under Civil Code §5560, does not anticipate levying one or more special assessments in 2022 to fund required repairs, maintenance, replacement or restoration of major components of the development for which the Association is responsible, or to adequately fund capital replacement reserves.

PROPERTY INFORMATION

PROPERTY NAME: The Glen of Pacific Grove HOA
 STREET ADDRESS: 1 Glen Lake Drive
 CITY, STATE, ZIP: Pacific Grove, CA 93950
 GOVERNING ENTITY: Board of Directors
 YEAR CONSTRUCTED: 1983 NUMBER OF CONSTRUCTION PHASES: 1
 NUMBER OF UNITS: 60 NUMBER OF RESIDENTIAL BUILDINGS: 60

CONTACT INFORMATION

CURRENT PROPERTY CONTACT: Ms. Liane Cunningham
 Regency Management Group Inc.
 24571 Silver Cloud Court #101
 Monterey, CA 93940
 Phone: (831) 647-2442 Email: lcunningham@regencymg.com

RESERVE STUDY INFORMATION

TYPE OF STUDY: New Site Inspection Study 2022
 BEGINNING YEAR OF STUDY: 2022
 YEAR OF LAST PHYSICAL INSPECTION: 2021
 YEAR OF NEXT PHYSICAL INSPECTION: 2024 (as required by the Davis-Stirling Act)
 RESERVE STUDY PREPARER: Reserve Analysis Consulting, L.L.C.
 1750 Bridgeway, Suite B106 • Sausalito, CA 94965
 Sausalito, California 94965
 Office Phone: (415) 332-7800 FAX: (415) 332-7801
 PERFORMED BY: Casey O'Neill
 Direct Phone: (415) 289-7443
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RESERVE FUND FINANCIAL INFORMATION

BUDGET YEAR ENDING DATE:	12/31	2021	2022
ANNUAL RESERVE CONTRIBUTION:		\$83,532	\$89,582
MONTHLY RESERVE CONTRIBUTION:		\$6,961	\$7,465
PER UNIT MONTHLY (AVG.) CONTRIBUTION:		\$116.02	\$124.42
TOTAL SPECIAL ASSESSMENT:		N/A	N/A
PER UNIT (AVG.) SPECIAL ASSESSMENT:		N/A	N/A
PROPOSED RESERVE FUND EXPENDITURES:			(\$134,776)
ESTIMATED YEAR ENDING BALANCE:		\$572,767	\$534,030
REQUESTED MINIMUM "THRESHOLD" FUTURE BALANCE:			N/A

RESERVE PERCENT FUNDED CALCULATION

AMOUNT NEEDED TO BE 100% FUNDED:	\$1,084,314	\$1,100,745
THEORETICAL PER UNIT UNDERFUNDED:	\$8,526	\$9,445
CALCULATED PERCENT FUNDED:	52.82%	48.52%

RESERVE PROJECTED INTEREST & INFLATION

"ASSUMED LONG-TERM INTEREST RATE":	2.00%
"ASSUMED LONG-TERM INFLATION RATE":	3.00%

DAVIS-STIRLING ACT PROCEDURES & REQUIREMENTS

Current Davis-Stirling statutes 5300 & 5550 ((old 1365 & 1365.5)) require the Association to Review the Reserve Study on an annual basis and implement any necessary adjustments regarding component performance, replacement and/or deferral; as well as recalculation of financial figures based on that review and current financial data. Additionally, Statute 5550 ((old 1365.5)) continues to require a Site Inspection based Update of the complete Study at a minimum every three years. The Reserve Study is to include:

Identification of the major components.

Establishment of reasonable life expectancies and remaining life of all components.

Projected estimated cost of all repair and replacements.

Development of a 30 year Funding Plan which identifies date and amount of regular and special assessments.

Calculation of Percent Funded and amount of per unit deficiency.

Statement of methodology.

Additionally, calculation of 5570 ((old 1365.2.5)) Reserve Summary and Disclosure Document.

SCOPE OF STUDY

The time frame covered by this analysis is from 2022 through 2051. These are the beginning and ending points for all repairs and replacements included in the 30 Year Funding Plan included in this study.

STATEMENT OF RESERVE STUDY METHODOLOGY

The components included in this analysis were identified by age, quantity, and type. Upon completion of the component list and the Reserve Fund Requirement Analysis, the report was presented to the Homeowners Association's Board for approval.

The following sources were used, when applicable, to make our determinations:

Original plans and specifications

Original contractors, current contractors and vendors

Association maintenance staff

Association management

Association Board of Directors

While gathering this information there were some assumptions made regarding existing conditions, future conditions and additional circumstances that may occur that would affect the cost of repairs. Some of these assumptions may come true and others may not; therefore, the cost of repairs and life of certain components could vary substantially. Life expectancies of all components were based on industry standard experiences, and on the components being in reasonable and ordinary condition.

All component conditions were based on visual inspection. There was no disassembly of components or demolition involved. This report does not address any factory or product defects or any damage due to improper maintenance, system design, or installation. It's also assumed all components will receive reasonable maintenance for their remaining life.

Only components that met the following criteria were included in this report:

The component maintenance is the responsibility of the Association.

The component is not covered by the Association's Annual Operating Budget.

The component's useful life is greater than one year, except in the case of variable ongoing repair of a major component

The component has an identifiable expected cost and replacement cost.

Inclusion in the Funding plan requires the component's remaining estimated useful life is less than 30 years.

The Reserve Study includes a 30 year component expenditure projection from which a Funding Plan was developed which proposes a "schedule of the date and amount of any change in regular or special assessments that would be needed to sufficiently fund the Reserve Funding Plan." The premise of this replacement cost projection is to ensure a positive cash balance in the Reserve Fund Account that will enable the Association to fulfill its "obligation for the repair and replacement of all major components with an expected remaining life of 30 years or less." It is equally important that a positive cash fund be maintained without relying on Special Assessments or overfunding of Reserves. The cost projections in this report are inflated based on an "assumed long-term inflation rate" based on a 30 year average and adjusted for local economies. The Funding Plan in this report includes an "assumed long-term interest rate" which is not to exceed "2% above the discount rate published by the Federal Reserve Bank of San Francisco." Both rates were reviewed in the Preliminary Draft and approved by the Board of Directors.

3.00 RESERVE STUDY COMPONENT SCHEDULE & PERCENT FUNDED CALCULATION

Code #	Component Description	2021 End Req'd in Bank	Year New	Usefl Life	Rmng. (2022)	Current Cost	Annual Allocation	2022 End Req'd in Bank
1.00	SITE COMPONENTS							
2.00	ASPHALT & CONCRETE							
2.01	Asphalt Sealing (includes fire access road)	\$14,425	2022	5	5	\$18,031	\$3,606	\$0
2.02	Striping & Designations - Inventory in Note	\$1,043	2022	5	5	\$1,304	\$261	\$0
2.03	Asphalt Repair/Replacement Allowance ~ 5% of Total	\$10,417	2022	6	6	\$12,500	\$2,083	\$0
2.04	Asphalt Major Repair/Replacement/Overlay	\$77,760	2012	30	20	\$259,199	\$8,640	\$86,400
2.05	Concrete Repair/Replacement Allowance	\$1,000	2020	5	3	\$5,000	\$1,000	\$2,000
	Category Sub-Total	\$104,644				\$296,034	\$15,590	\$88,400
3.00	ENTRY AREA							
3.01	Vehicle Entry Gates - Metal ~14' (swing)	\$800	2019	25	22	\$10,000	\$400	\$1,200
3.02	Vehicle Entry Gate - Loops/Safety Upgrades	\$1,000	2019	5	2	\$2,500	\$500	\$1,500
3.03	Gate Hardware Repair/Replacement Allowance	\$1,000	2019	5	2	\$2,500	\$500	\$1,500
3.04	Vehicle Gate Operators - 'Liftmaster'	\$7,200	2013	10	1	\$9,000	\$900	\$8,100
3.05	Entry Intercom - 'Door King'	\$900	2019	10	7	\$4,500	\$450	\$1,350
3.06	Light - Fluorescent Fixture @ Entry Intercom	\$190	1983	40	1	\$200	\$5	\$195
3.07	Entry Intercom - Metal Structure - Repair / Replace Allow.	\$1,140	1983	50	11	\$1,500	\$30	\$1,170
3.08	Pedestrian Gate	\$200	2019	25	22	\$2,500	\$100	\$300
3.09	Stone Faced Columns @ Entry - Repair Allowance	\$1,375	2010	20	8	\$2,500	\$125	\$1,500
3.10	Entry Monument Plaque 'The Glen of Pacific Grove'	\$2,850	1983	100	61	\$7,500	\$75	\$2,925
3.11	Bulletin Board / Cabinet - Repair / Replacement	\$1,650	2010	25	13	\$3,750	\$150	\$1,800
	Category Sub-Total	\$18,305				\$46,450	\$3,235	\$21,540
4.00	LIGHTING, MAILBOXES, SIGNAGE & MISC.							
4.01	Street Light Pole w/ Lantern Fixture ~12'	\$43,320	1983	50	11	\$57,000	\$1,140	\$44,460
4.02	Street Light Pole w/ 2 Lantern Fixture ~12' @ Main Entry	\$5,320	1983	50	11	\$7,000	\$140	\$5,460
4.03	Mailboxes - 16 Box Cluster w/ 2 Parcel Boxes	\$476	2020	25	23	\$11,910	\$476	\$953
4.04	Lattice ~6' @ Mailboxes - Repair Allowance	\$150	2015	20	13	\$500	\$25	\$175
4.05	Signage - HOA / MISC. Replacement Allowance	\$3,000	2020	5	3	\$15,000	\$3,000	\$6,000
4.06	Benches - Replacement (Metal / Wood / Masonry)	\$1,467	2010	30	18	\$4,000	\$133	\$1,600
	Category Sub-Total	\$53,733				\$95,410	\$4,915	\$58,648
5.00	LAKE / CREEK & BRIDGE COMPONENTS							
5.01	Lake / Creek - Repair / Replace Allowance	\$3,000	2021	1	0	\$3,000	\$3,000	\$3,000
5.02	Dredging Allowance	\$8,377	2020	2	0	\$16,753	\$8,377	\$0
5.03	Bank & Base - Investigation / Repair Allowance	\$9,000	2015	10	3	\$15,000	\$1,500	\$10,500
5.04	Water Drain Valve / Pipe Repair / Replace Allowance	\$4,750	1983	40	1	\$5,000	\$125	\$4,875
5.05	Pump - Motor / Impeller Replacement Allowance	\$4,000	2009	15	2	\$5,000	\$333	\$4,333
5.06	Pump Electronics - Repair / Replace Allowance	\$2,000	2009	15	2	\$2,500	\$167	\$2,167
5.07	Bridge Trex Decking - Resurface / Replacement	\$1,584	2010	25	13	\$3,600	\$144	\$1,728
5.08	Bridge Railing - Wood ~4'	\$1,672	2010	25	13	\$3,800	\$152	\$1,824
5.09	Bridge Structure - Repair Allowance	\$15,833	1983	60	21	\$25,000	\$417	\$16,250
5.10	Vault Hatch - Wood - Pond Equipment	\$1,320	2010	25	13	\$3,000	\$120	\$1,440
	Category Sub-Total	\$51,536				\$82,653	\$14,334	\$46,117
6.00	FENCING & RETAINING WALLS							
6.01	Fence - Cyclone (black) @ Property Perimeter ~6'	\$1,968	2015	30	23	\$9,840	\$328	\$2,296
6.02	Fence - Metal ~5' @ Entrance	\$6,509	2010	40	28	\$23,670	\$592	\$7,101
6.03	Pedestrian Gate - Metal @ Property Perimeter	\$1,382	1983	55	16	\$2,000	\$36	\$1,418
6.04	Pedestrian Gate - Cyclone @ Property Perimeter	\$518	1983	55	16	\$750	\$14	\$532
6.05	Retaining Wall - Stone Faced Masonry - Main Entry ~2-3'	\$5,429	1983	70	31	\$10,000	\$143	\$5,571
6.06	Retaining Wall - Stone Faced Masonry - Entry / #19 ~1.5'	\$4,316	1983	70	31	\$7,950	\$114	\$4,429
	Category Sub-Total	\$20,122				\$54,210	\$1,226	\$21,348
7.00	IRRIGATION, LANDSCAPING, TREES & DRAINAGE							
7.01	Irrigation Equipment - Replacement Allowance - Minor	\$5,000	2021	1	0	\$5,000	\$5,000	\$5,000
7.02	Irrigation Equipment - Replacement Allowance - Major	\$12,000	2022	5	5	\$15,000	\$3,000	\$0
7.03	Irrigation Backflow Preventers	\$8,444	1983	45	6	\$10,000	\$222	\$8,667
7.04	Landscaping - Replacement Allowance - Minor	\$5,000	2021	1	0	\$5,000	\$5,000	\$5,000
7.05	Landscaping - Replacement Allowance - Major	\$12,000	2022	5	5	\$15,000	\$3,000	\$0
7.06	Tree Removal & Replacement Allowance - Minor	\$5,000	2021	1	0	\$5,000	\$5,000	\$5,000
7.07	Tree Removal & Replacement Allowance - Major	\$12,000	2022	5	5	\$15,000	\$3,000	\$0
7.08	Slope Drainage - Investigation & Mitigation Allowance	\$0	2021	5	4	\$15,000	\$3,000	\$3,000

3.00 RESERVE STUDY COMPONENT SCHEDULE & PERCENT FUNDED CALCULATION

Code #	Component Description	2021 End Req'd in Bank	Year New	Usefl Life	Rmng. (2022)	Current Cost	Annual Allocation	2022 End Req'd in Bank
Category Sub-Total		\$59,444				\$85,000	\$27,222	\$26,667
8.00	TENNIS COURT AREA							
8.01	Tennis Court Re-Surface/Repair	\$2,319	2020	5	3	\$11,596	\$2,319	\$4,638
8.02	Tennis Court Major Repair/Replacement	\$52,615	1983	52	13	\$72,000	\$1,385	\$54,000
8.03	Cyclone Fence @ Tennis Court ~10'	\$1,934	2010	30	18	\$5,275	\$176	\$2,110
8.04	Pedestrian Gates - Cyclone	\$550	2010	30	18	\$1,500	\$50	\$600
8.05	Windscreen	\$1,623	2010	12	0	\$1,770	\$148	\$0
8.06	Tennis Court Net	\$65	2020	5	3	\$325	\$65	\$130
8.07	Net Post Replacement	\$367	2010	30	18	\$1,000	\$33	\$400
8.08	Storage Building - Replacement	\$1,313	2000	40	18	\$2,500	\$63	\$1,375
Category Sub-Total		\$60,785				\$95,966	\$4,238	\$63,253
9.00	BUILDING - EXTERIORS							
9.01	Roof - Inspection & Repair Allowance	\$4,000	2017	5	0	\$5,000	\$1,000	\$0
9.02	Roof - Composition Shingle	\$307,340	2008	25	11	\$591,038	\$23,642	\$330,982
9.03	Roof - Gutters	\$45,908	2008	25	11	\$88,284	\$3,531	\$49,439
9.04	Roof - Downspouts	\$12,542	2008	25	11	\$24,120	\$965	\$13,507
9.05	Roof - Chimney Caps	\$14,040	2008	25	11	\$27,000	\$1,080	\$15,120
9.06	Roof - Spark Arrestors	\$14,040	2008	25	11	\$27,000	\$1,080	\$15,120
9.07	Utility Boxes - Wood	\$25,333	1983	45	6	\$30,000	\$667	\$26,000
9.08	Entry Railing - Iron ~4'	\$7,433	1983	50	11	\$9,780	\$196	\$7,628
9.09	Wood Lattice @ Buildings Replace Allowance	\$8,000	2022	5	5	\$10,000	\$2,000	\$0
9.10	Vehicle Entry Doors - OWNERS' RESPONSIBILITY	\$0	1983	0	0	\$0	\$0	\$0
9.11	Doors - Unit Entry - OWNERS' RESPONSIBILITY	\$0	1983	0	0	\$0	\$0	\$0
9.12	Light Fixtures - OWNERS' RESPONSIBILITY	\$0	1983	0	0	\$0	\$0	\$0
9.13	Windows - OWNERS' RESPONSIBILITY	\$0	1983	0	0	\$0	\$0	\$0
Category Sub-Total		\$438,636				\$812,222	\$34,160	\$457,796
10.00	GARAGES							
10.01	Roof - Composition Shingle	\$25,160	2008	25	11	\$48,384	\$1,935	\$27,095
10.02	Roof - Gutters - Garages	\$6,739	2008	25	11	\$12,960	\$518	\$7,258
10.03	Roof - Downspouts - Garages	\$899	2008	25	11	\$1,728	\$69	\$968
10.04	Vehicle Entry Doors	\$0	1983	0	0	\$0	\$0	\$0
Category Sub-Total		\$32,797				\$63,072	\$2,523	\$35,320
11.00	PAINTING & SIDING/TRIM REPAIR ALLOWANCES							
11.01	Paint Building & Garage Exteriors - Inventory in Note	\$171,514	2014	10	2	\$245,020	\$24,502	\$196,016
11.02	Siding / Trim - Repair/Replacement Allowance ~5%	\$62,592	2014	10	2	\$89,418	\$8,942	\$71,534
11.03	Paint Site Components - Inventory in Note	\$3,154	2014	10	2	\$4,506	\$451	\$3,605
11.04	Maintenance Shed - Repair Allowance	\$1,050	2014	10	2	\$1,500	\$150	\$1,200
Category Sub-Total		\$238,311				\$340,444	\$34,044	\$272,355
12.00	MISCELLANEOUS ALLOWANCES							
12.01	Property Survey / Professional Fees - Allowance	\$0	2021	10	9	\$13,019	\$1,302	\$1,302
12.02	Plumbing Investigation & Repair Allowance	\$6,000	2018	5	1	\$10,000	\$2,000	\$8,000
Category Sub-Total		\$6,000				\$23,019	\$3,302	\$9,302
Total Value of Components:						\$1,994,480		
Annual Straight-Line Allocation:							\$144,790	
		2021 End						2022 End
Total Dollars Necessary to be 100% Funded:		\$1,084,314						\$1,100,745
Actual Dollars In Reserve Fund:		\$572,767						\$534,030
Current Fund Deficiency:		\$511,547						\$566,715
Current Per Unit Deficiency:		\$8,526						\$9,445
Percent Funded:		52.82%						48.52%
(Actual dollars/Total Dollars Necessary)								

STEPS FOR DETERMINING PERCENT FUNDED:

Step 1: Calculate for each component a required contribution on a "straight-line" funding methodology.

3.00 RESERVE STUDY COMPONENT SCHEDULE & PERCENT FUNDED CALCULATION

Code #	Component Description	2021 End Req'd in Bank	Year New	Usefl Life	Rmng. (2022)	Current Cost	Annual Allocation	2022 End Req'd in Bank
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(total component cost divided by the life expectancy of the component)

Step 2: Calculate the required dollars in Reserves for each component.

(required annual contribution multiplied by the component's life in service)

Step 3: Total the required dollars for each component to arrive at "required dollars in bank".

Step 4: Divide actual dollars in bank by required dollars in bank to arrive at percent funded calculation.

This report includes, but is not limited to*, reserve calculations made using the formula described in section 5570(b)(4) ((old 1365.2.5(b)(4)) of the Davis-Stirling Act:

(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.

* The future funding levels developed in the Funding Plan of this Reserve Study are derived through cash flow funding calculations.

PROPERTY DESCRIPTION & COMPONENT INCLUSION:

The Glen of Pacific Grove HOA is a 60-member association located in Pacific Grove, CA. The Association is responsible for 60 residential buildings that were originally built in 1 phase in 1983. The Association is responsible for all components as the Board of Directors has interpreted the CC&Rs. For specific component inclusion based on that interpretation please refer to the Component Data or Schedule Sections.

5300(b)(4) - COMPONENT CONDITION:

The property is composed of a variety of components that are in a range of conditions due to their various ages and expected lives. The projections in this Reserve Study intend to maintain these components at an appropriate condition in the future; however, it is the Board's responsibility to investigate and cause the actual maintenance, repair and replacement projects at the appropriate time(s).

Per Davis-Stirling Section 5500 ((old 1365.5)), on a quarterly basis the Board will review actual reserve expenses compared to the year's proposed reserve expenses. Depending on each component's condition and available information at that time, the Board will determine to undertake repair and replacement projects as appropriate. Please refer to the Sections of Component Data and/or Component Schedule for specific details on component ages, expected lives, and remaining lives. A component with a negative remaining life does not necessarily mean the component is being deferred, but rather signifies that the component is past its statistically average life and will be reviewed annually until it is appropriate for replacement. If the Board has specifically determined to defer or not undertake a component's repair or replacement, that decision and its justification is required to be in meeting minutes and disclosed separately in the Annual Budget Report.

5300(b)(3,5,6,7,8) - FUNDING PLAN ANALYSIS & CALCULATIONS:

5300(b)(3) - "the association shall provide the full reserve study plan upon request."

Specific Details regarding the following statements can be viewed in the "30 YEAR FUNDING PLAN" (included with this Reserve Summary).

5300(b)(5) - If applicable, the amount and commencement date of Board determined or anticipated special assessments will be shown and if a vote of the membership is required.

5300(b)(6) - The mechanism(s) by which the board will fund the reserves, including assessments, borrowing, and/or use of other assets. Refer to 5300(b)(4) above for deferral/selected repair/replacements.

5300(b)(7) - Procedures & methodology used for these calculations can be found in section "Procedures & Methodologies" (included with this Reserve Summary).

5300(b)(8) - If applicable, details regarding outstanding loans can be found in the 5570 "Reserve Summary and Disclosure" (included with this summary) and/or separately in the Annual Budget Report.

The Reserve Study is a SERIES OF PROJECTIONS, and consequently the estimated lives and costs of components will likely CHANGE OVER TIME depending on a variety of factors such as future inflation rates, the level of preventative maintenance completed by future boards, unknown material defects, changes in technology, efficiency, and/or government regulations.

The Reserve Study is an evolving document that represents a moment in time covering a 30 year period. As required by The Davis-Stirling Act, we recommend that the Association review and update this Reserve Analysis on an annual basis to make adjustments for component expenditures and fluctuations in annual revenue, interest, and inflation.

2021 Average unit per month reserve contribution *1 = \$116.02

2021 Total annual reserve contribution *1 = \$83,532

* All future numbers are PROPOSED and/or PROJECTED.

DESCRIPTION - 1ST 10 YEARS	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Projected Beginning Fund Balance *1	\$572,767	\$534,030	\$598,649	\$288,740	\$354,785	\$458,208	\$526,273	\$613,564	\$813,913	\$986,980
Contribution % increase over previous yr.	7.24%	15.00%	15.00%	15.00%	15.00%	15.00%	12.00%	12.00%	12.00%	12.00%
Contribution avg. unit/month \$ increase	\$8.40	\$18.66	\$21.46	\$24.68	\$28.38	\$32.64	\$30.03	\$33.63	\$37.67	\$42.19
Contribution avg. per unit/month	\$124.42	\$143.08	\$164.54	\$189.23	\$217.61	\$250.25	\$280.28	\$313.92	\$351.59	\$393.78
Reserve Contribution - Annual	\$89,582	\$103,019	\$118,472	\$136,243	\$156,679	\$180,181	\$201,803	\$226,020	\$253,142	\$283,519
Does increase require membership vote?										
Proposed avg. special assess per unit										
Special Assessment - Total Proposed										
Does special assessment require vote?										
Income from other sources										
Total Reserve Fund Available	\$662,349	\$637,050	\$717,121	\$424,983	\$511,465	\$638,389	\$728,076	\$839,583	\$1,067,055	\$1,270,499
Projected Expenditures - inflated	-\$134,776	-\$45,639	-\$431,873	-\$74,488	-\$58,797	-\$118,480	-\$121,931	-\$35,513	-\$92,009	-\$63,047
Balance after expenditures	\$527,573	\$591,410	\$285,249	\$350,495	\$452,667	\$519,909	\$606,145	\$804,071	\$975,046	\$1,207,453
Interest on balance after tax	\$6,457	\$7,239	\$3,491	\$4,290	\$5,541	\$6,364	\$7,419	\$9,842	\$11,935	\$14,779
Minimum requested balance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent funded (if implemented) *2	48.52%	48.30%	28.34%	31.21%	35.86%	38.38%	41.77%	49.11%	54.74%	61.55%
Projected Year Ending Balance *3	\$534,030	\$598,649	\$288,740	\$354,785	\$458,208	\$526,273	\$613,564	\$813,913	\$986,980	\$1,222,232

* All future numbers are PROPOSED and/or PROJECTED.

DESCRIPTION - 2ND 10 YEARS	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Projected Beginning Fund Balance *1	\$1,222,232	\$1,375,569	\$336,451	\$75,031	\$71,930	\$232,359	\$320,748	\$497,777	\$704,130	\$813,258
Contribution % increase over previous yr.	5.00%	5.00%	5.00%	-30.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Contribution avg. unit/month \$ increase	\$19.69	\$20.67	\$21.71	(\$136.75)	\$9.57	\$9.86	\$10.16	\$10.46	\$10.77	\$11.10
Contribution avg. per unit/month	\$413.47	\$434.14	\$455.85	\$319.09	\$328.66	\$338.52	\$348.68	\$359.14	\$369.91	\$381.01
Reserve Contribution - Annual	\$297,695	\$312,580	\$328,209	\$229,746	\$236,638	\$243,738	\$251,050	\$258,581	\$266,339	\$274,329
Does increase require membership vote?										
Proposed avg. special assess per unit										
Special Assessment - Total Proposed										
Does special assessment require vote?										
Income from other sources										
Total Reserve Fund Available	\$1,519,927	\$1,688,148	\$664,659	\$304,777	\$308,568	\$476,097	\$571,798	\$756,358	\$970,469	\$1,087,587
Projected Expenditures - inflated	-\$160,991	-\$1,355,766	-\$590,536	-\$233,716	-\$79,019	-\$159,227	-\$80,040	-\$60,742	-\$167,045	-\$84,729
Balance after expenditures	\$1,358,935	\$332,382	\$74,123	\$71,060	\$229,550	\$316,870	\$491,758	\$695,616	\$803,424	\$1,002,857
Interest on balance after tax	\$16,633	\$4,068	\$907	\$870	\$2,810	\$3,878	\$6,019	\$8,514	\$9,834	\$12,275
Minimum requested balance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent funded (if implemented) *2	65.92%	31.79%	10.22%	9.64%	25.46%	31.64%	41.47%	49.66%	52.54%	57.44%
Projected Year Ending Balance *3	\$1,375,569	\$336,451	\$75,031	\$71,930	\$232,359	\$320,748	\$497,777	\$704,130	\$813,258	\$1,015,132

* All future numbers are PROPOSED and/or PROJECTED.

DESCRIPTION - 3RD 10 YEARS	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051
Projected Beginning Fund Balance *1	\$1,015,132	\$597,003	\$776,320	\$289,517	\$423,796	\$612,573	\$735,035	\$982,971	\$1,281,843	\$1,434,080
Contribution % increase over previous yr.	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Contribution avg. unit/month \$ increase	\$11.43	\$11.77	\$12.13	\$12.49	\$12.86	\$13.25	\$13.65	\$14.06	\$14.48	\$14.91
Contribution avg. per unit/month	\$392.44	\$404.22	\$416.34	\$428.83	\$441.70	\$454.95	\$468.60	\$482.65	\$497.13	\$512.05
Reserve Contribution - Annual	\$282,559	\$291,035	\$299,766	\$308,759	\$318,022	\$327,563	\$337,390	\$347,511	\$357,937	\$368,675
Does increase require membership vote?										
Proposed avg. special assess per unit										
Special Assessment - Total Proposed										
Does special assessment require vote?										
Income from other sources										
Total Reserve Fund Available	\$1,297,691	\$888,038	\$1,076,086	\$598,277	\$741,818	\$940,135	\$1,072,425	\$1,330,483	\$1,639,780	\$1,802,754
Projected Expenditures - inflated	-\$707,907	-\$121,105	-\$790,070	-\$179,605	-\$136,653	-\$213,988	-\$101,340	-\$64,140	-\$223,041	-\$113,869
Balance after expenditures	\$589,784	\$766,933	\$286,016	\$418,671	\$605,165	\$726,147	\$971,085	\$1,266,343	\$1,416,739	\$1,688,885
Interest on balance after tax	\$7,219	\$9,387	\$3,501	\$5,125	\$7,407	\$8,888	\$11,886	\$15,500	\$17,341	\$20,672
Minimum requested balance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent funded (if implemented) *2	42.41%	48.40%	24.60%	31.93%	40.01%	43.85%	50.61%	56.69%	58.58%	62.07%
Projected Year Ending Balance *3	\$597,003	\$776,320	\$289,517	\$423,796	\$612,573	\$735,035	\$982,971	\$1,281,843	\$1,434,080	\$1,709,557

**ASSESSMENT and RESERVE FUNDING DISCLOSURE SUMMARY
For the Budget Year 2022 ending 12/31/22**

Per Davis-Stirling Statute 5570 ((old 1365.2.5)) Disclosure Form

(1) The 2021 budgeted regular assessment per ownership interest is avg. \$ 350.00 per month.
The 2022 budgeted assessment per ownership interest can be found in the Annual Budget Report.
Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found in the attached Annual Budget Report.

(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 year:	Purpose of assessment
N/A	N/A	N/A
_____	_____	_____
_____	_____	_____
TOTAL	_____	_____

NOTE: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found in the attached Annual Budget Report. These assessments might be for purposes outside the scope of the current Reserve Study and have been included by the party preparing the Association's Annual Budget 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 year:** _____

(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 ((old 1365.2.5)), the estimated amount required in the reserve fund at the end of the 2021 fiscal year is \$ **1,084,314** based in whole or in part on the last reserve study or update prepared by **Reserve Analysis Consulting, LLC** as of **November, 2021**. The projected reserve fund cash balance at the end of the current fiscal year is \$ **572,767** , resulting in reserves being **52.82%** funded at this date. If an alternate, but generally accepted, method of calculation is also used, the required reserve amount is \$ N/A.

The Glen of Pacific Grove HOA

(7.a.) 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 \$*1 See 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 \$*2 See Below, leaving the reserve at *3 See Below percent funding.

Budget Year	2022	2023	2024	2025	2026
*1 Estimated Amount Req'd in Fund to be 100%	\$1,100,745	\$1,239,435	\$1,018,918	\$1,136,760	\$1,277,828
*2 Reserve Balance (w/PREV. APPROVED Assessments ONLY)	\$527,906	\$572,724	\$227,130	\$239,065	\$267,028
*3 Estimated Percent Funded	47.96%	46.21%	22.29%	21.03%	20.90%

(7.b.) **If the Reserve Funding Plan approved by the Association is implemented**, the projected reserve fund cash balance in each of those years will be \$*4 See Below leaving the reserve at *5 See Below percent funding.

Budget Year	2022	2023	2024	2025	2026
*1 Estimated Amount Req'd in Fund to be 100%	\$1,100,745	\$1,239,435	\$1,018,918	\$1,136,760	\$1,277,828
*4 Reserve Balance (IF FUND PLAN IMPLEMENTED)	\$534,030	\$598,649	\$288,740	\$354,785	\$458,208
*5 Estimated Percent Funded	48.52%	48.30%	28.34%	31.21%	35.86%

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 2 percent per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3 percent per year.**

(b) 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 ((old 1365.5)): 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 5570 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 5570 (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.

Further Notes: Please read the Requirements & Methodology in Section 2.00 and the Narrative Statements in Section 4.00 of this Financial Summary for important details concerning this Reserve Study's development.