



Memo

From: BCA Board Treasure Richard Levy, CPA

Date: May 21, 2018

Subject: 2018-19 Bell Canyon Association Budget

Dear Owners,

Another year has rushed by and budget time is here again. The Board reviewed the Association's expenses, the new Reserve Fund Study, anticipated cost increases, plans and projects for the coming year, and with those in mind, developed the July 1, 2018 - June 30, 2019 BCA Budget, which is attached. In addition to the budget, last year's actual figures are shown as well, for comparison purposes.

Costs for goods and services typically increase over time – inflation – and is considered normal. A dollar today doesn't buy as much as a dollar 10 years ago. Because of this and new community amenities which must be maintained, the 2018-19 budget result was a \$6.00 per month increase in owners' assessments. Assessments have not gone up for the past eight years, and this 2% increase is necessary now to maintain and improve the standards of our community.

The new assessment amount will go into effect July 1. **Your July assessment statement (electronic or mail) will reflect the \$265 monthly assessment.** For those who pay their monthly assessments automatically through an e-pay system, you will need to increase the amount to \$265 in time for your July payment. For those enrolled in auto-debit through Seabreeze, you do not need to do anything. Your assessment amount will be increased to the \$265 amount beginning with the July debit. For those who write checks, just remember the change in July.

Recently completed projects, like the median landscape, Bell Canyon and Hackamore crosswalks, and major improvements at the Equestrian Center, were undertaken after serious consideration by the Board of Directors, as well as operational developments, such as improving and expanding BCA events and the new signage throughout the Canyon. The budget is a tool that helps with planning and timing of improvements as well as on-going work.

During the coming fiscal year, the Board of Directors will be considering further enhancements and major reserve fund work for the community. The planning phase for the Community Center redevelopment is beginning and the unpaved roadways, all 26+ miles of them, are being refurbished, and concrete portions of Bell Canyon's streets are being repaired.

The Board is focused on using owner assessments as effectively as possible now and during the coming fiscal year. We understand that no one wants an increase, even a small one, but I hope I've explained the necessity and uses for the money. Please review the budget for the details on where your money is going and thank you for your understanding and support.



**BELL CANYON ASSOCIATION
30 HACKAMORE LANE, SUITE #8
BELL CANYON CA 91307**

The 2018-19 BCA Annual Budget Report

The Budget Report includes the following documents, attached for your review, as well as a summary of the Annual Policy Statement.

- 2018-19 Operating, Replacement Fund, and Capital Improvements Budgets for BCA – these are our best estimates of revenue and expenses for the coming year.
- 2018-19 Operating Budgets of the Association’s subsidiaries, BCCC and BCEC.
- 2018 BCA Reserve Funding Disclosure Summary and Reserve Study Executive Summary. Reserve Studies guide the Board to set aside sufficient money over time so that when a component must be replaced, the funds are available to pay for that purchase or work. They also include reserve funding mechanism statements which explain how the Boards will fund the reserves and what procedures were used for the calculation and establishment of the reserves to defray the repairs and replacements.
- Major Component Repair Statements – statements as to whether the Boards have determined to defer or not undertake repairs or replacement of any major component on the reserve study. *This is not the case for the BCA, but a Budget Report Statement saying that is provided.*
- Special Assessment Statement – a statement by the Board if it has or has not determined or anticipates a special assessment during the coming year. *This is not the case for BCA, but a Budget Report Statement saying that is provided.*
- Outstanding Loan Statement - a statement from the Association as to whether it has any outstanding loans with a term longer than one year and if so, the details about the loan. *This is not the case for BCA, but a Budget Report Statement saying that is provided.*
- Insurance Summary – a summary of the Association’s property, general liability, earthquake, and fidelity coverages, including the insurance company name, policy limit, and deductible amount.
- Budget Report Statements.

IN CASE OF EMERGENCY, FILL OUT FORM

In 2016, the BCA began building a database of emergency information to help our first responders and volunteers in case of a natural disaster. Since the project’s beginning, the office has received information from 383 of the 798 properties in Bell Canyon—a great start, but not enough to build an effective emergency alert system.

We are asking owners to please fill out one of our Owner/Resident information sheets, available online (bellcanyon.com) or in the office, or by e-mail, and return it to us by mail, email, or drop-off as soon as possible. If you’ve already done this but have had significant changes in household or emergency contacts, please take a moment to update us on the changes.

We want you to know that this information is for the confidential use of the BCA only. In case of an emergency, certain facts, like pets in a household, residents who would like a translator, or residents who may need extra help with mobility will be released to the CERT volunteers on an as-needed basis.

The BCA does not sell, license, or otherwise distribute owner and resident information.

Those with concerns about privacy, who wish to have their information withheld when a fellow resident requests access to the mailing list, can fill out the opt-out form available in the office or by emailed request.

Bell Canyon Association
2018-19 Budget

	2016-17 Actual	2018-19 Budget
Operating Income		
ASSESSMENTS - OWNERS - 788	\$ 2,453,766	\$ 2,509,008
INTEREST INCOME-OPERATING	\$ 60	\$ 50
HOLIDAY BONUS FUND	\$ 18,896	\$ 19,000
NON-REFUNDABLE AC DEPOSITS & FEES	\$ 26,990	\$ 60,000
ESCROW/TRANSFER FEES	\$ 14,205	\$ 12,000
CSD	\$ 2,106	\$ 750
FINES	\$ 250	\$ 500
TENNIS COURTS	\$ 140	\$ 300
MISC.	\$ 5,415	\$ 1,200
LATE FEES	\$ 10,717	\$ 9,000
TOTAL OPERATING INCOME	\$ 2,532,545	\$ 2,611,808
Operating Expenses		
ADMINISTRATION		
MANAGEMENT		
STAFF		
PAYROLL	\$ 243,152	\$ 271,365
PAYROLL TAXES	\$ 21,069	\$ 22,425
PAYROLL PROCESSING	\$ 8,092	\$ 8,425
EMPLOYEE BENEFITS	\$ 51,680	\$ 16,900
EMPLOYEE RECOGNITION	\$ 3,222	\$ 3,000
CAI AND EDUCATION	\$ 1,043	\$ 2,000
WORKERS COMP INSURANCE	\$ 2,776	\$ 1,497
CONTRACT SERVICES	\$ 250	\$ -
TOTAL STAFF	\$ 331,284	\$ 325,613
BUSINESS		
SUPPLIES & EQUIPMENT - TOTAL	\$ 22,417	\$ 12,800
POSTAGE & SHIPPING	\$ 8,481	\$ 4,275
BLUEPRINTS	\$ 25	\$ 100
COPIER AND COPIES	\$ 14,143	\$ 3,020
ACCOUNTING - SEABREEZE	\$ 41,559	\$ 37,650
IT SUPPORT	\$ 11,138	\$ 6,000
UTILITIES - TOTAL	\$ 8,098	\$ 8,120
TOTAL BUSINESS	\$ 105,861	\$ 71,965
GENERAL		
PROPERTY/FED/STATE TAXES/FILINGS	\$ 2,231	\$ 2,100
INSURANCE	\$ 148,746	\$ 162,000
PATROL SERVICES	\$ -	\$ 48,000
BANK, CREDIT, AND FINANCE FEES	\$ -	\$ 250
CSD	\$ 45	\$ 50
MISC	\$ 918	\$ 1,500
VEHICLE	\$ 1,661	\$ 2,880

Bell Canyon Association
2018-19 Budget

	2016-17 Actual	2018-19 Budget
SHAREHOLDER FUNCTIONS	\$ 2,782	\$ 3,400
<i>TOTAL GENERAL</i>	\$ 156,383	\$ 220,180
<i>TOTAL MANAGEMENT EXPENSES</i>	\$ 159,140	\$ 617,758
<i>BCCC</i>		
OFFICE LEASE	\$ 41,236	\$ 40,524
ROOM LEASES	\$ -	\$ 5,508
GYM/YOGA ROOM LEASE	\$ 28,873	\$ 24,000
<i>TOTAL BCCC</i>	\$ 70,109	\$ 70,032
<i>ARCHITECTURAL COMMITTEE</i>		
PRINTING/ SUPPLIES	\$ 46	\$ 800
MISC	\$ 131	\$ 350
CONSULTING FEES	\$ 59,523	\$ 52,000
SCANNING OF BLUEPRINTS	\$ 126	\$ 1,000
PAYROLL	\$ 28,681	\$ 25,640
PAYROLL TAXES	\$ 2,444	\$ 2,199
EMPLOYEE BENEFITS - TOTAL	\$ 3,418	\$ 3,012
WORKERS COMP INS	\$ 356	\$ 156
<i>TOTAL ARCHITECTURAL COMMITTEE</i>	\$ 94,725	\$ 85,158
<i>PROFESSIONAL FEES</i>		
LEGAL FEES	\$ 438,422	\$ 314,450
CONSULTANTS	\$ 32,118	\$ 7,000
AUDIT COSTS	\$ 13,850	\$ 15,000
SSFL - EXPERT CONSULTANTS	\$ 2,927	\$ 7,000
<i>TOTAL PROFESSIONAL FEES</i>	\$ 487,317	\$ 343,450
<i>TOTAL ADMINISTRATION EXPENSES</i>	\$ 1,248,436	\$ 1,116,398
<i>OPERATIONS</i>		
<i>ENTRY ACCESS</i>		
<i>STAFF</i>		
ACO PAYROLL	\$ 328,352	\$ 341,540
PAYROLL TAXES	\$ 30,270	\$ 31,840
WORKERS COMP INS	\$ 17,755	\$ 21,449
EMPLOYEE BENEFITS TOTAL	\$ 30,381	\$ 46,110
EDUCATION/RENEWALS	\$ 140	\$ 150
UNIFORMS	\$ 104	\$ 2,000
<i>TOTAL STAFF</i>	\$ 407,002	\$ 443,089
UTILITIES - TOTAL	\$ 16,999	\$ 19,930
ACCESS SYSTEM MAINTENANCE	\$ 11,723	\$ 1,000
SURVEILLANCE SYSTEM MAINTENANCE	\$ 3,258	\$ 800
FOUNTAIN MAINTENANCE	\$ 1,570	\$ 2,000

Bell Canyon Association
2018-19 Budget

	2016-17 Actual	2018-19 Budget
RADIOS	\$ 806	\$ 200
MISC	\$ 3,446	\$ 500
HOLIDAY DECORATIONS	\$ -	\$ 1,200
VEHICLE	\$ 5,496	\$ 6,000
SUPPLIES - TOTAL	\$ 4,823	\$ 3,300
TOTAL ENTRY SERVICES	\$ 455,123	\$ 446,389
MAINTENANCE		
Staff		
PAYROLL	\$ 300,899	\$ 336,196
PAYROLL TAXES	\$ 26,877	\$ 29,527
EMPLOYEE BENEFITS - TOTAL	\$ 24,795	\$ 34,935
WORKERS COMP INSURANCE	\$ 26,051	\$ 21,113
TRAINING/EDUCATION	\$ -	\$ 500
CONTRACT SERVICES	\$ 1,813	\$ 1,000
Kit		
EQUIPMENT, TOOLS AND SUPPLIES - TOTAL	\$ 23,502	\$ 19,100
UNIFORMS	\$ 5,123	\$ 5,000
MISC.	\$ 255	\$ 600
TRUCKS	\$ 17,903	\$ 20,700
Categories		
UTILITIES - TOTAL	\$ 16,018	\$ 20,650
STREET CLEANING	\$ 7,131	\$ 15,000
WEED CONTROL	\$ 2,064	\$ 2,500
PEST CONTROL	\$ 1,702	\$ 2,500
OFFICE	\$ 1,808	\$ 800
ENTRY	\$ 4,991	\$ 3,000
BCCC	\$ 2,658	\$ 3,600
BCEC	\$ 32,284	\$ 25,000
GYM	\$ -	\$ 1,500
MAINTENANCE YARD	\$ 5,160	\$ 3,600
PARK	\$ 3,086	\$ 1,000
SIGNS	\$ 4,271	\$ 3,000
LIGHTING AND ELECTRICAL	\$ 16,305	\$ 2,000
LANDSCAPING - TOTAL	\$ 10,068	\$ 13,800
TENNIS COURTS	\$ 1,325	\$ 1,600
WASTE DISPOSAL	\$ 824	\$ 3,500
FENCES	\$ 5,290	\$ 5,000
ROADWAYS	\$ 2,438	\$ 10,000
OTHER	\$ 2,970	\$ 3,000
TOTAL MAINTENANCE	\$ 547,611	\$ 589,721
DISASTER RESPONSE		
	\$ 1,280	\$ 2,500
COMMUNITY EVENTS - TOTAL		
	\$ 24,083	\$ 33,900

Bell Canyon Association
2018-19 Budget

	2016-17 Actual	2018-19 Budget
COMMITTEES AND CLUBS		
COMMUNITY PLANNING	\$ 6,942	\$ 500
BELL CANYON BROADWAY	\$ 10,771	\$ -
KIDS COMMITTEE	\$ 23,262	\$ 33,900
GARDEN CLUB	\$ 4,114	\$ 1,500
TOTAL COMMITTEES AND CLUBS	\$ 45,089	\$ 35,900
TOTAL OPERATIONS EXPENSES		
	\$ 1,073,186	\$ 1,108,410
CONTINGENCY FUND		
	\$ -	\$ 22,248
TOTAL OPERATING EXPENSES		
	\$ 2,321,622	\$ 2,224,808
Contributions		
RESERVE FUND CONTRIBUTION		
ASSESSMENT CONTRIBUTION	\$ 500,000	\$ 298,000
NON-REFUNDABLE DEPOSITS	\$ 63,258	50,000
ASSESSMENT CONTRIBUTION TO BCCC	\$ 38,400	\$ 39,000
INTEREST INCOME-RESERVES	\$ 10,708	\$ 11,000
TOTAL RESERVES CONTRIBUTION	\$ 612,366	\$ 398,000
CAPITAL IMPROVEMENTS CONTRIB.		
ASSESSMENT CONTRIBUTION	\$ 3,400	\$ -
INTEREST INCOME	\$ 8,480	\$ 2,000
TOTAL CAP. IMPROVE. CONTRIBUTION	\$ 11,880	\$ 2,000
TOTAL ANNUAL EXPENDITURES	\$ 2,945,868	\$ 2,611,808
DEPRECIATION	\$ -	\$ 25,000
NET INCOME/(LOSS)	\$ (413,323)	\$ (25,000)

**BELL CANYON ASSOCIATION BUDGET
REPLACEMENT FUND
2018-19**

	2016-17 ACTUAL	2018-19 BUDGET
REPLACEMENT FUND INCOME		
ANNUAL CONTRIBUTION-BCA	\$ 500,000	\$ 298,000
NON-REFUNDABLE DEPOSITS		\$ 50,000
ANNUAL CONTRIBUTION-BCCC	\$ 38,400	\$ 39,000
INTEREST INCOME-BCA	\$ 22,300	\$ 10,000
TOTAL INCOME	\$ 560,700	\$ 397,000
REPLACEMENT FUND EXPENSES		
ROAD RENOVATION-ASPHALT	\$ 843,875	\$ -
CONCRETE STREETS & CHANNELS - REPAIR	\$ -	\$ 100,000
STORM DRAINS-REPAIR	\$ 343	\$ 1,250
MAINT. VEHICLES	\$ -	\$ 34,000
UNPAVED ROADWAY		\$ 7,500
MEDIAN LANDSCAPE & IRRIG.		\$ -
MAINTENANCE EQUIP -REPLACE	\$ -	\$ 2,500
TOTAL REPLACEMENT FUND EXPENSES	\$ 844,218	\$ 145,250

**BELL CANYON ASSOCIATION BUDGET
CAPITAL IMPROVEMENT FUND
2018-19**

	2016-17 ACTUAL	2018-19 BUDGET
<i>CAPITAL IMPROVEMENT FUND</i>		
ASSESSMENT CONTRIBUTION	3,400	\$ -
INTEREST INCOME	\$ 8,480	\$ 2,000
TOTAL INCOME	\$ 11,880	\$ 2,000
<i>CAPITAL IMPROVEMENT EXPENSES</i>		
ENTRY	\$ 46,531	\$ -
UPPER BUS STOP	\$ 5,672	\$ -
ACCESS ROAD AND SIDE OF ENTRY LANDSCAPE, IRRIGATION AND LIGHTING	\$ -	\$ -
BCCC REDEVELOPMENT	\$ (2,303)	\$ 800,000
BCEC REFURBISHMENT	\$ -	\$ 50,000
TOTAL EXPENDITURES	\$ 49,900	\$ 850,000

Bell Canyon Community Center
2018-19 Budget

	Actual	Budget
	2016-17	2018-19
Income		
Rental Income	\$ 77,676	\$ 90,000
Rental Income-Social Hall	\$ 20,715	\$ 16,100
Gym Access Income	\$ 3,740	\$ 2,000
Late Fees and Interest	\$ 215	\$ 100
Interest Income	\$ 1	\$ -
Miscellaneous Income	\$ 1,310	\$ 500
Total Income	\$ 103,657	\$ 108,700
Expenses		
General & Administrative		
Cleaning	\$ 63	\$ 1,800
Depreciation	\$ 37,498	\$ 37,500
Access Equipment	\$ 1,314	\$ 1,800
Gym Equipment Rental	\$ 33,884	\$ 43,200
Insurance	\$ 12,000	\$ 12,000
Miscellaneous	\$ 98	\$ 400
Equipment	\$ -	\$ 500
Supplies	\$ 1,858	\$ 1,000
Licenses / Fees	\$ 2,253	\$ 500
Property Taxes	\$ 14,305	\$ 15,100
Total General & Administrative	\$ 103,273	\$ 113,800
Maintenance - Repairs		
Electrical / Lighting	\$ -	\$ 500
HVAC	\$ 3,463	\$ 2,000
Plumbing	\$ 64	\$ 200
Appliances	\$ 250	\$ 500
Social Hall	\$ 92	\$ 500
Restrooms		\$ 200
Other	\$ 190	\$ 300
Total Maintenance & Repairs	\$ 4,059	\$ 4,200
Utilities		
Gym cable & phone service	\$ 1,934	\$ 1,920
Electricity	\$ 17,696	\$ 20,000
Gas	\$ 729	\$ 1,000
Water / Sewer	\$ 1,434	\$ 2,400
Total Utilities	\$ 21,793	\$ 25,320
Total BCCC-Expenses	\$ 129,125	\$ 143,320
Total BCCC Net Income (Loss)	\$ (25,468)	\$ (34,620)

Bell Canyon Equestrian Center Budget

July 1, 2018 - June 30, 2019

	Actual	Budget
	2016-17	2018-19
Income		
Box stalls	\$ 246,880	\$ 181,800
Dry barn and stalls (includes offices & storage)	\$ 50,000	\$ 143,825
Mare Motel	\$ 99,502	\$ 70,800
Temp. boarding	\$ 700	\$ 500
Extra feed	\$ 36,270	\$ 32,400
Extra shavings	\$ 1,851	\$ -
Academy lessons	4765	\$ 48,000
Academy camps	\$ 375	\$ 5,800
Care services	\$ 1,950	\$ 2,800
Apartment rental	\$ 9,050	\$ 6,000
Trailer storage	\$ 3,550	\$ 3,500
Misc. Income	\$ 5,987	\$ 2,000
Late Fees and Interest	\$ 1,719	\$ 1,200
Total Income	\$ 462,599	\$ 498,625
Expenses		
OPERATIONS		
Payroll	\$ 160,628	\$ 127,500
Payroll taxes	\$ 15,852	\$ 12,700
Workers Comp	\$ 5,025	\$ 19,600
Employee Benefits	\$ 11,209	\$ 26,655
Misc.	\$ -	\$ 1,000
Hay and Feed	\$ 89,840	\$ 96,000
Shavings	\$ 50,602	\$ 43,400
Academy trainers	\$ -	\$ 14,200
Academy horse expenses	\$ -	\$ 10,000
Academy misc. expenses	\$ 4,824	\$ 4,500
Care services expenses	\$ -	\$ -
Manure hauling	\$ 26,493	\$ 50,000
Pest control	\$ 11,253	\$ 8,500
TOTAL OPERATIONS	\$ 375,726	\$ 414,055
ADMINISTRATION		
Insurance	\$ 4,979	\$ 7,800
Property taxes	\$ 7,279	\$ 8,300
Taxes/Licenses	\$ 1,794	\$ 400
Communications/Outreach	\$ 2,395	\$ 500
Office supplies	\$ 1,325	\$ 100

Bell Canyon Equestrian Center Budget

July 1, 2018 - June 30, 2019

	Actual	Budget
	2016-17	2018-19
Repay loans to BCA		\$ 6,000
Misc.	\$ 268	\$ 500
TOTAL ADMINISTRATION	\$ 18,040	\$ 23,600
EQUIPMENT		
Equipment maintenance & repairs	\$ 2,040	\$ 3,000
New equipment	\$ 3,721	\$ 1,500
Tractor/Equip. fuel	\$ 991	\$ 2,400
Tractor/E-cart maint. and repairs	\$ 3,090	\$ 3,000
Kubota payments	\$ -	\$ 5,545
TOTAL EQUIPMENT	\$ 9,842	\$ 15,445
UTILITIES		
Electricity	\$ 10,073	\$ 10,000
Phone and internet	\$ 1,607	\$ 1,000
Water + Sewer	\$ 8,646	\$ 12,000
Refuse disposal	\$ 706	\$ -
TOTAL UTILITIES	\$ 21,032	\$ 23,000
FACILITIES		
Janitorial/Restrooms	\$ 1,239	\$ 1,300
Barn maintenance and repairs	\$ 513	\$ 5,000
Sand and footing	\$ -	\$ 2,500
D.G.	\$ -	\$ -
Maintenance supplies	\$ 3,776	\$ 2,000
Fencing	\$ -	\$ -
Lighting and electrical	\$ -	\$ 800
Arena/Sunpen maint. and repairs	\$ 53,769	\$ 3,000
Apartment maintenance & repairs	\$ -	\$ 600
Office maintenance and repairs	\$ -	\$ 100
Misc.	\$ -	\$ 500
TOTAL FACILITIES	\$ 59,297	\$ 15,800
Total Expenses	\$ 483,937	\$ 491,900
CONTRIBUTIONS		
Boarding deposit make-up	\$ -	\$ -
Reserve contribution	\$ -	\$ 6,000
TOTAL CONTRIBUTIONS	\$ -	\$ 6,000
Total Net Income (Loss)*	\$ (21,338)	\$ 725

Assessment and Reserve Funding Disclosure Summary

Bell Canyon Association, Bell Canyon

For Fiscal Year Beginning: 7/1/2018

of units: 778

1) Budgeted Amounts:	Total	Average Per Unit*	
Reserve Contributions:	\$29,000.00	\$37.28	
Total Assessment Income:	\$209,084.00	\$268.75	per: Month

2) Additional 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:

Year	Total Amount Per Unit*	Purpose
Total: \$0.00		

3) Based on the most recent Reserve Study and other information available to the Board of Directors, at this point in time does it appear that currently projected Reserve account balances will 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/loans to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Average Total Amount Per Unit*

Total: \$0.00

5) All major components appropriate for Reserve Funding (components that are a common area maintenance responsibility with a limited life expectancy and predictable remaining useful life, above a minimum threshold cost of significance) are included in this Reserve Funding Plan: **Yes**

6) All computations/disclosures are based on the fiscal year start date of:	7/1/2018
Fully Funded Balance (based on formula defined in 5570(b)4):	\$2,632,642
Projected Reserve Fund Balance:	\$3,102,022
Percent Funded:	117.8 %
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$-603

From the 4/6/2018 Reserve Study by Association Reserves and any minor changes since that date.

* If assessments vary by the size or type of unit, allocate per unit per the attached.

7) See attached 30-yr Summary Table, showing the projected Reserve Funding Plan, Reserve Balance, Percent Funded, and assumptions for interest and inflation.

Prepared by: Aaron Dowler

Date: 5/16/2018

The financial representations at the time of preparation are based on the Reserve Study for the fiscal year shown at the top of this page and the best estimates of the preparer. These estimates should be expected to change from year to year. Some information on this form has been provided to Association Reserves, and has not been independently verified.

Fiscal Year Start: 7/1/2018	Interest: 1.00 %	Inflation: 3.00 %
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)	Projected Reserve Balance Changes	

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Increase		Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
					In Annual Reserve Contribs.	%				
2018	\$3,102,022	\$2,632,642	117.8 %	Low	33.84 %		\$348,000	\$0	\$32,721	\$37,750
2019	\$3,444,994	\$2,980,474	115.6 %	Low	3.50 %		\$360,180	\$0	\$36,095	\$64,118
2020	\$3,777,152	\$3,320,816	113.7 %	Low	3.00 %		\$370,985	\$0	\$39,506	\$60,206
2021	\$4,127,437	\$3,684,905	112.0 %	Low	3.00 %		\$382,115	\$0	\$39,345	\$803,974
2022	\$3,744,923	\$3,303,630	113.4 %	Low	3.00 %		\$393,578	\$0	\$38,124	\$293,476
2023	\$3,883,149	\$3,446,818	112.7 %	Low	3.00 %		\$405,386	\$0	\$37,158	\$774,105
2024	\$3,551,588	\$3,109,645	114.2 %	Low	3.00 %		\$417,547	\$0	\$34,662	\$620,012
2025	\$3,383,786	\$2,931,775	115.4 %	Low	3.00 %		\$430,074	\$0	\$34,425	\$344,057
2026	\$3,504,227	\$3,043,825	115.1 %	Low	3.00 %		\$442,976	\$0	\$36,916	\$101,912
2027	\$3,882,208	\$3,420,002	113.5 %	Low	3.00 %		\$456,265	\$0	\$40,704	\$117,103
2028	\$4,262,074	\$3,803,511	112.1 %	Low	3.00 %		\$469,953	\$0	\$41,088	\$814,077
2029	\$3,959,038	\$3,492,688	113.4 %	Low	3.00 %		\$484,052	\$0	\$41,448	\$150,535
2030	\$4,334,002	\$3,868,396	112.0 %	Low	3.00 %		\$498,573	\$0	\$45,752	\$58,100
2031	\$4,820,227	\$4,363,363	110.5 %	Low	3.00 %		\$513,531	\$0	\$49,726	\$254,277
2032	\$5,129,207	\$4,684,279	109.5 %	Low	3.00 %		\$528,936	\$0	\$53,765	\$83,571
2033	\$5,628,338	\$5,204,208	108.1 %	Low	3.00 %		\$544,805	\$0	\$58,662	\$122,690
2034	\$6,109,115	\$5,713,406	106.9 %	Low	3.00 %		\$561,149	\$0	\$64,108	\$16,448
2035	\$6,717,924	\$6,361,693	105.6 %	Low	3.00 %		\$577,983	\$0	\$68,969	\$283,215
2036	\$7,081,660	\$6,769,472	104.6 %	Low	3.00 %		\$595,323	\$0	\$72,919	\$241,660
2037	\$7,508,241	\$7,247,546	103.6 %	Low	3.00 %		\$613,182	\$0	\$73,362	\$1,024,486
2038	\$7,170,299	\$6,949,369	103.2 %	Low	3.00 %		\$631,578	\$0	\$71,597	\$718,381
2039	\$7,155,092	\$6,973,723	102.6 %	Low	3.00 %		\$650,525	\$0	\$70,492	\$926,892
2040	\$6,949,217	\$6,800,716	102.2 %	Low	3.00 %		\$670,041	\$0	\$67,814	\$1,067,749
2041	\$6,619,323	\$6,494,610	101.9 %	Low	3.00 %		\$690,142	\$0	\$60,152	\$1,953,357
2042	\$5,416,261	\$5,284,834	102.5 %	Low	3.00 %		\$710,846	\$0	\$57,158	\$164,148
2043	\$6,020,117	\$5,899,870	102.0 %	Low	3.00 %		\$732,172	\$0	\$63,201	\$190,010
2044	\$6,625,479	\$6,525,487	101.5 %	Low	3.00 %		\$754,137	\$0	\$69,841	\$100,821
2045	\$7,348,636	\$7,281,067	100.9 %	Low	3.00 %		\$776,761	\$0	\$75,899	\$363,736
2046	\$7,837,560	\$7,808,421	100.4 %	Low	3.00 %		\$800,064	\$0	\$72,248	\$2,091,623
2047	\$6,618,249	\$6,592,379	100.4 %	Low	3.00 %		\$824,066	\$0	\$66,320	\$857,201

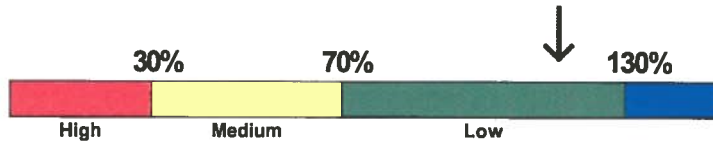
3- Minute Executive Summary

Association: Bell Canyon Association **Assoc. #: 2610-10**
Location: Bell Canyon, CA **# of Units:778**
Report Period: July 1, 2018 through June 30, 2019

Findings/Recommendations as-of: July 1, 2018

Starting Reserve Balance	\$3,102,022
Currently Fully Funded Reserve Balance	\$2,632,642
Average Reserve Deficit (Surplus) Per Unit	(\$603)
Percent Funded	117.8 %
Recommended 2018/2019 Monthly "Full Funding" Contributions	\$29,000
Most Recent Reserve Contribution Rate	\$21,667

Reserves % Funded: 117.8%



Special Assessment Risk:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves1.00 %
Annual Inflation Rate3.00 %

This is an Update "With-Site-Visit" Reserve Study, based on a prior Reserve Study prepared by Association Reserves for your 2017/2018 Fiscal Year. We performed the site inspection on 2/23/2018.

This Reserve Study was prepared by a credentialed Reserve Specialist (RS #297).

Because your Reserve Fund is at 117.8 % Funded, this represents a Fully Funded Reserve position. Associations in this range have a Low risk of Reserve cash-flow problems (such as special assessments and/or deferred maintenance) in the near future.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions.

Your multi-year Funding Plan is designed to provide for timely execution of Reserve projects and to keep your association at or above the "Fully Funded" (100%) level.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Streets & Drainage				
103	Crosswalks - Repair/Replace	25	24	\$47,000
201	Asphalt - Overlay (1996)	25	3	\$545,000
201	Asphalt - Overlay (1997)	25	4	\$190,000
201	Asphalt - Overlay (1998)	25	5	\$415,000
201	Asphalt - Overlay (1999)	25	6	\$367,500
201	Asphalt - Overlay (2003)	25	10	\$530,000
201	Asphalt - Overlay (2012) (A)	25	19	\$272,000
201	Asphalt - Overlay (2012) (B)	25	19	\$141,500
201	Asphalt - Overlay (2013)	25	20	\$315,000
201	Asphalt - Overlay (2014)	25	21	\$327,000
201	Asphalt - Overlay (2015)	25	22	\$410,000
201	Asphalt - Overlay (2016)	25	23	\$894,000
202	Asphalt - Slurry Coat (2012)	8	2	\$43,000
202	Asphalt - Slurry Coat (2013)	8	3	\$105,000
202	Asphalt - Slurry Coat (2014)	8	4	\$37,000
202	Asphalt - Slurry Coat (2015)	8	5	\$104,000
202	Asphalt - Slurry Coat (2016)	8	6	\$21,500
203	Unpaved Roadway - Renovate	5	4	\$30,000
204	Angelus Pavers - Replace	30	28	\$183,000
205	Concrete Streets - Seal/Repair	8	7	\$75,000
206	Concrete Channels/Culverts - Repair	4	1	\$6,000
207	Asphalt Channels - Repair	4	1	\$26,000
208	Storm Drains - Repair	1	0	\$1,250
413	Flag Pole - Replace	30	28	\$2,100
506	Trail Fences - Replace (A)	30	5	\$78,000
506	Trail Fences - Replace (B)	30	6	\$78,000
506	Trail Fences - Replace (C)	30	7	\$78,000
1004	Median Landscaping - Replace	10	10	\$10,000
Guard House/Administrative Assets				
303	Split System AC Units - Replace	10	8	\$8,000
305	Security Camera System - Modernize	12	10	\$7,000
700	Vehicle Gates - Replace	30	28	\$33,250
705	Gate Operators - Replace	10	8	\$13,000
706	Vehicle Barrier Arms - Replace	10	8	\$7,600
904	Office Refrigerator - Replace	10	8	\$1,100
909	Bathroom - Refurbish	15	13	\$2,500
910	Office - Remodel	30	22	\$35,000
1110	Guardhouse Interiors - Remodel	10	8	\$4,000
1115	Guardhouse Exteriors-Repair/Repaint	10	8	\$7,500
1702	Fountain Equipment - Replace	10	8	\$4,000
1703	Fountains - Repair/Resurface	15	13	\$9,900
1814	Radio System - Upgrade/Replace	12	10	\$12,000
Recreational Assets				
323	Tennis Court Lights - Replace	30	17	\$33,600
405	Bell Creek Park Equipment - Replace	20	7	\$30,000

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
1604	Tennis Courts - Resurface	8	1	\$16,000
1605	Windscreen - Replace	8	1	\$4,000
1616	Tennis Chain Link Fence - Replace	32	17	\$13,000
Vehicles & Equipment				
1003	Irrigation Equipment - Replace	15	3	\$50,000
1817	Toyota Tacoma (2007) - Replace	17	6	\$17,000
1818	Millerbilt Flatbed Trailer- Replace	20	9	\$4,000
1819	Chevy 4500 (2006) - Replace	20	8	\$25,000
1820	Toyota Tacoma (2004) - Replace	17	3	\$17,000
1821	Chevy Silverado (2004) - Replace	17	3	\$15,000
1822	Water Tank Truck - Replace	20	19	\$32,000
1823	Chevy Kodiak (2003) - Replace	20	5	\$35,000
1824	Toyota Tundra (2001) - Replace	17	0	\$17,000
1825	Toyota 4x2 (1999) - Replace	17	0	\$17,000
1826	Magnum MWT-500 Trailer - Replace	20	8	\$6,500
1827	Service Equipment - Replace	1	0	\$2,500
1828	Kubota RTV-900 - Replace	15	6	\$12,000
1829	Tractor/Scraper - Replace	15	7	\$33,000
1830	Takuchi Mini Excavator - Replace	15	7	\$35,000
1831	Utility Carts - Replace	15	2	\$10,000
1832	Magnum MLT-3080 - Replace	15	6	\$9,500
1833	Wacker Roller - Replace	15	6	\$10,000
1834	Electric Street Sweeper - Replace	15	13	\$21,000
1835	Yamaha Kodiak ATV - Replace	15	1	\$6,500
1836	Toyota Prius - Replace	10	7	\$25,000
67 Total Funded Components				

Note 1: Yellow highlighted line items are expected to require attention in this initial year.



**BELL CANYON ASSOCIATION
30 HACKAMORE LANE, SUITE #8
BELL CANYON CA 91307**

2018-2019 ANNUAL BUDGET REPORT STATEMENTS (Civil Code 5300)

The Board has determined to follow the funding and replacement recommendations from the 2018-2019 Reserve Study.

The Board has determined that no special assessment is required to meet the Reserve Study funding and spending plan.

The Board will fund the reserves in accordance with the 2018-2019 BCA budget through a monthly contribution from the owners' monthly assessments.

The Association has no outstanding loans.

Bell Canyon Association
SCHEDULE OF INSURANCE
2018 to 2019



TYPE OF COVERAGE	Insurer	LIMITS	DEDUCTIBLE	Policy Period	Premium	POLICY NUMBER
Director's & Officers	Ironshore Specialty Insurance Company	\$1,000,000	\$75,000/ Claim	2/1/2018 2/1/2019	\$32,429.57 (Includes Taxes & fees)	3047801 Agency Bill by USI
Business Property/ Building	Lloyd's of London	\$7,344,574	\$5,000 per occurrence	2/1/2018 2/1/2019	\$26,162.19 (Includes Taxes & Fees)	W21E63180101 Agency Bill by USI
Equipment Floater	Stonington Insurance Company	\$250,000 80% Coinsurance	\$500	2/1/2018 2/1/2020	\$5,503.00	QIM0865255 Agency Bill by USI
General Liability	Philadelphia Indemnity Ins. Co.	\$1,000,000/ Occurrence \$2,000,000/ Aggregate	None	11/9/2017 2/1/2019	\$14,463.00	PHPK1748321 Direct Bill by Philadelphia
Business Auto	Philadelphia Indemnity Ins. Co.	\$1,000,000	\$1,000 Coll \$1,000 Comp	2/1/2018 2/1/2019	\$8,210.36	PHPK1748321 Direct Bill by Philadelphia
Umbrella \$15M	Greenwich Insurance Company	\$15,000,000	None	2/1/2018 2/1/2019	\$10,934.70 (Includes PPP Membership Fee)	PPP7441745 Agency Bill by USI
Crime	Travelers Casualty Insurance Company of America	\$3,800,000	\$38,000	2/1/2018 2/1/2019	\$3,127.00	105888121 Agency Bill by USI
Earthquake - Difference in Conditions	Lloyd's	\$15,632,424	5%	9/12/2017 9/12/2018	\$29,250.00	EQP-001036-01

Bell Canyon Equestrian Center

Equestrian Center General Liability	American Reliable Insurance Company	\$1,000,000/ Occurrence	\$250	4/28/2018 4/28/2019	\$4,264.00	AML103884 01 Direct Bill by American Reliable
Equestrian Center Care Custody & Control		\$2,000,000/ Aggregate \$25,000/ Horse \$250,000/Occurrence	\$250			
Equestrian Center Umbrella	American Reliable Insurance Company	\$5,000,000	N/A	4/28/2018 4/28/2019	\$1,626.00	AEX100680 01 Direct Bill by American Reliable

This Coverage Summary is merely a descriptive summary of coverage provided by the insurance contracts and should be used for reference purposes only. It neither amends nor alters the insurance contract(s). Specific questions on all policy terms and conditions should be referred to your USI Insurance representative, and the policy itself should be reviewed.
Please refer to the policy contract for specific terms, conditions, limitations, and exclusions.
Coverage Summary dated 5/18/2018. Prepared for Bell Canyon Association.
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**BELL CANYON ASSOCIATION
30 HACKAMORE LANE, SUITE #8
BELL CANYON CA 91307**

The 2018-19 BCA Annual Policy Statement Summary

Members may obtain all the documents listed below on the bellcanyon.com website or by requesting an electronic copy be sent to them by e-mailing, jenni@bellcanyon.com.

- Association's designated recipient – the name and address of the person designated to receive communications for the Association.
- Requirement that owners provide address(es) where notices from the Association are to be delivered, legal representative's contact information, and whether residence is rented out.
- General notice location – a description of the location designated for the posting of general notices.
- Right to receive general notice by individual delivery – notice of a member's right to receive general notices by individual delivery, upon written request.
- Right to receive Board minutes – notice of a member's right to receive copies of Board meeting minutes and of how and where to do so.
- Assessment collection and delinquent assessment enforcement policy – explains how and when the Association will record and foreclose upon assessment liens, describes late charges, and owners' and Association's rights during the collection process.
- Overnight payment mailing Address – the address for overnight payment of assessments.
- Governing document enforcement and fine policy – the Association's discipline policy, including schedule of penalties for violations of the governing documents.
- Dispute resolution procedure summary – a summary of dispute resolution procedures.
- Architectural guidelines and procedures – explanation of requirements for Association approval of physical changes to property. It describes the types of changes that require Association approval and the procedure used to review and approve or disapprove a proposed change. The schedule of fines for violations of the architectural requirements is included.
- Opt-out election – owners' right to exclude their name and address from membership lists provided to other members upon request.