

# WINTER NEWSLETTER

INCLUDING 2026 BUDGET

By the Community Association of Bernardo Heights



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## ABOUT US

The Community Association of Bernardo Heights was built in the 1980s to early 1990s. The community features the Bernardo Heights Clubhouse and Lucido Park. Lucido Park is a private park with 4 tennis courts, a walking trail, and a playground. The clubhouse is also within walking distance to The Heights Golf Club with an 18-hole par 72 golf course running through the neighborhood.

# PRESIDENT'S MESSAGE

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Seasons Greeting fellow  
Bernardo Heights Residents,

**IF YOU DON'T READ THE REST OF MY LETTER, AT LEAST PLEASE PAY ATTENTION TO THIS:** WE ARE TRYING TO OBTAIN EVERYONE'S EMAIL AND/OR CELL PHONE TO ENABLE US TO SEND EMAIL BLASTS TO OUR MEMBERS. THIS OF COURSE WILL SAVE US A great DEAL OF MONEY BY NOT HAVING TO DO MAILERS. WE WILL NEVER SHARE OR SELL YOUR INFORMATION WITH ANYONE. THIS IS STRICTLY FOR YOU, OUR MEMBER, TO GET ALERTS ABOUT YOUR CLUB. PLEASE TAKE THE TIME TO COMPLETE AND RETURN THE COLORED PAGE IN THIS PACKET.

2025 has been another good year. We were able to control our spending and keep within budget. 2026 will only need a cost-of-living increase of approx. .3%. Again, I want to give a shout out to our Finance committee of Debbie Kurth and Walt Mueller.

Our social committee members have now retired. On behalf of the entire community, we want to thank Shem Clow and her amazing social committee team. For the past 20 years or so, they have been putting together numerous special events for our members.

A new group has taken on the role led by our staff of Simone and Gloraena. Anyone interested in participating, please talk to them.

More good news is that the overall maintenance of the property, both our facilities and the 175 acres of landscape we maintain and over 5000 trees, are all looking good. We have a very desirable community and property values continue to rise. We thank our vendors and staff for another year of maintaining a high standard of care.

PCM/Associa continues to be very responsive to our needs. Our on-site manager Mr. Frank Squires has settled nicely into his role. His door is always open so stop in anytime with your questions and concerns. The front office staff, led by Simone, have also done a fantastic job of helping our members.

Our improvements in facilities this past year have been adding a second pickleball court, adding new furniture to the clubhouse, replacing the old half-court basketball area with a new full-court basketball court, added a new piece of gym equipment, and several areas of turf removal and replacing it with drought-tolerant landscape.

In 2026 we will be replacing our 25 yr. old playground equipment at Lucido Park with a new state-of-the-art playground. Your board hopes to continue making improvements and adding activities as requested by our members. If you would like to see us incorporate an activity or program that interests you and your friends, please make your thoughts known to our manager and staff. Together we will continue to maintain Bernardo Heights as one of the premiere residential neighborhoods in the county.

Happy holidays,

*Nick Anastasopoulos*

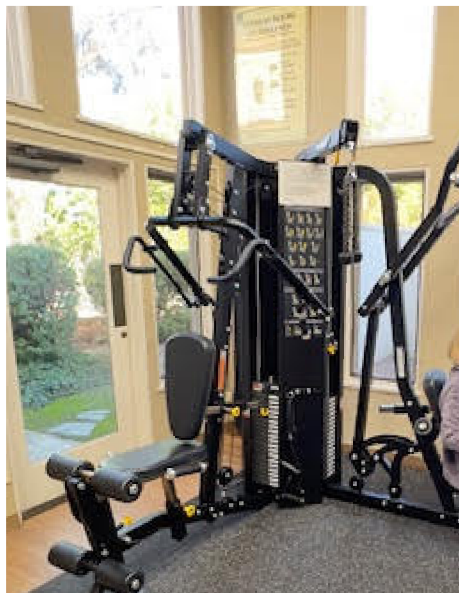
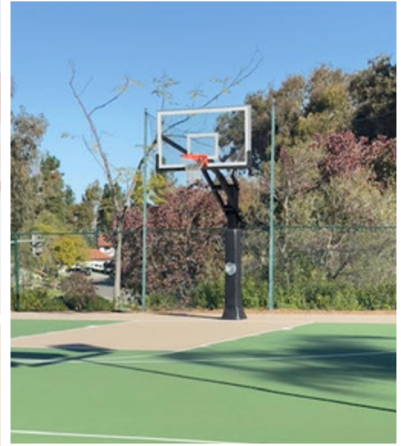




## CLUBHOUSE NEWS

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We've upgraded our look! Check out our new furniture and upgraded basketball court, gym equipment, and pickleball court!



## HOLIDAY HOURS

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Christmas Eve, December 24th	7:30-12:00 PM
Christmas Day, December 25th	CLOSED
Day After Christmas, December 26th	7:30-9:00 PM
New Years Eve, December 31st	7:30-12:00 PM
New Years, January 1st	CLOSED
Day After New Years, January 2nd	7:30-9:00 PM

## Regular Meetings

### CABH Board Meetings

The Board meets at **5:30 PM on the 4th Wednesday of each month** in the Mesa/Vista Rooms at the Clubhouse. The CABH Board Agenda is posted on our bulletin board prior to each meeting and emailed to HOA Presidents.

### Architectural Committee

Architectural (ARC) meetings will be held **via Email the 2nd and 4th Monday of each month**. If requested by a member, the ARC meeting will be held via Zoom. To find the ARC application, please visit our website [bernardoheights.org](http://bernardoheights.org) or visit the Clubhouse for a physical copy. After filling out the required information and providing all details via photos or other media, please submit your application to your sub-HOA for 1st stage approval. Then please provide us the **approved application the Thursday prior to the meeting date to ensure it will be included in the meeting**.

\*Please note that there will be only 1 meeting conducted in the months November and December due to the holiday season.

### Landscape Committee

The committee meets at **8 AM on the 2nd thursday of each month**.

### Board of Directors

#### President

Nick Anastasopoulos

#### Vice President

Walt Mueller

#### Treasurer

Debbie Kurth

#### Secretary

Carole Graziano

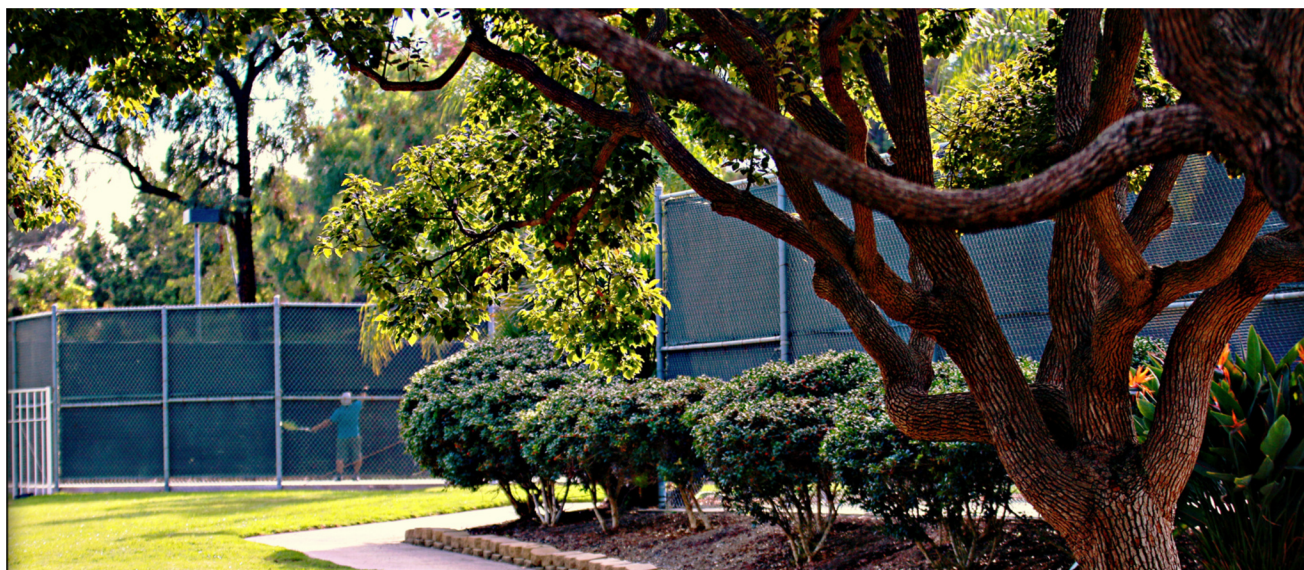
#### Directors

Victoria Touchstone

Cynthia Haas

Kevin Messer





## Clubhouse Rules

Membership rules help ensure the Clubhouse is a fun and safe place for all members.

### Membership Rules:

- **Persons under 14 years of age** must be supervised by a valid member 18 years or older when using the community facilities.
- **Persons 14 and 15 years old** with a valid membership may use the facilities but may not bring in guests.
- **Persons 16 and 17 years old** may bring their siblings with signed parental consent and are also allowed to bring up to 3 guests per household per visit.
- **Persons 18 years and older** may bring up to 6 guests per household per visit.

### Notices:

- We have noticed that some children have been left unattended. We do not allow drop offs, they must be accompanied by a registered guardian, that is a member, **at all times.**
- Children under 14 years old are not allowed into the Fitness and Weight rooms. This applies *even under adult supervision*. See membership rules to the left about when children can become a member.

Please notice membership to CABH for persons under the age of 18 will need valid proof of age (government issued) upon registering.

## Room Reservations

**The Bernardo Heights Clubhouse is proud to offer rooms for rent to host resident's events.**

Events must only be for private use.

**Events such as fundraisers, commercial events or religious events are not permitted.** Please come to the clubhouse to make reservations in person. To check an available date, give us a call at the Front Desk at (858) 451-3580.

Reserving Rooms are **only available for members** of Bernardo Heights Clubhouse. Please note that members must also be present for the full duration of your event and two checks in the member's name is required to save your date.

For more information, you can also visit our website at [bernardoheights.org](http://bernardoheights.org). We hope you take advantage of all the amenities that the Bernardo Heights Clubhouse has to offer.

## Sign Policy

This is a reminder that signs are not permitted on CABH owned and maintained property including traffic medians.

These streets include **Avenida Venusto, Bernardo Heights Parkway, and Paseo Lucido**. Postings on light posts or traffic lights are also prohibited.

Residents holding a garage or estate sale must procure approved signs from the clubhouse for a deposit of **\$10 per sign**.

Realtors holding an open house must procure approved signs from the clubhouse for a deposit of **\$20 per sign**.

In regards to signs within a neighborhood, please contact the neighborhood's management company. Thank you in advance for your cooperation.

## Reminders for Dog Owners

As a courtesy to all visitors and residents of Bernardo Heights, please pick up after your dogs and dispose of properly to keep the community beautiful and maintained. Please remember to bring doggie bags with you whenever you walk with your pets and do not leave these bags on sidewalks.

**Dogs are prohibited at Lucido Park to ensure the safety of others.** Our goal is to keep our community safe, clean and welcoming for our residents.





## Court & Pool Reminders

Please help us the facilities in good condition in order to ensure that the pool areas can be enjoyed by everyone in the community

### **Court Rules:**

Guests must wait until their members are here before they can head out to courts. If you are expecting guests, please inform them of this.

To ensure equal access and use of the facilities for all members, please make sure to cancel your reservation if you cannot make it.

As a reminder, members are able to make reservations 2 days in advance starting at 7:30 AM.

No food is allowed on the courts, and all beverages must be in sealed, unbreakable containers. Please remember, no music is allowed on the courts.

### **Pool Rules:**

Food and drink, other than water, are not allowed near any body of water unless the Upper Pool area has been reserved. In addition no glass containers are allowed.

Due to their fragility, please avoid hanging on the lap lane dividers in the main pool. If damaged, you will be responsible for replacement.

Please carefully watch your children around any body of water. If any damage is done to the pool, you will be responsible.



## Gym Reminders

Please remember that the gym is only available to members 14 years and up. In addition, no guests are allowed to use the gym due to a liability waiver. Keeping this in mind, please be respectful and aware of how your presence may affect others. As a courtesy please remember to wipe down all equipment after use. In addition, the clubhouse would greatly appreciate if members brought their own towels to reduce the use of paper towels as a financial and environmental cost. Thank you!

## Issues

### Irrigation Issues:

For water leaks and other irrigation issues that occur after hours, call O'Connell Landscape at (800) 399-1106. Otherwise, call the front desk at (858) 451-3580. Please be prepared to provide your telephone number and the exact location of the problem.

### Non-Emergency Police:

Call (619) 531-2000

## CLUBS

### Mahjong

Mary Nelson  
858-592-9872

Wednesdays  
1:00-4:00 PM

### Poker

Charles Marsh  
858-542-6950

Mondays  
12:30-3:30 PM

### Rummikub

Julie Brickman-  
Negrette

Thursdays  
2:00-4:00 PM

## Contact Us

(858) 451-3580  
Bernardo.heights@associa.us  
bernardoheights.org

## Current Hours

Mon. - Sat      7:30 AM - 9:00 PM  
Sunday          7:30 AM - 6:00 PM

**Community Association of Bernardo Heights**

**2026 Budget**

		<b>2025</b>	<b>2026</b>	<b>2026</b>
	<b>INCOME</b>	<b>Budget</b>	<b>Annual</b>	<b>Monthly</b>
4000	Residential Assessments	2,332,617.89	2,381,128.18	198,427.35
4205	Application Fees	-	-	-
4220	Gate & Access Fees	1,000.00	-	-
4225	Key Fees	1,500.00	1,800.00	150.00
4265	Transfer Fees	20,000.00	22,000.00	1,833.33
4275	Social/Recreation/Activity Fees	20,000.00	-	-
4400	Room Rental Fees	10,000.00	15,000.00	1,250.00
4405	Tennis Rentals	-	480.00	40.00
4700	Collection Processing Fees	262.50	100.00	8.33
4710	Late Fees & Interest	250.00	100.00	8.33
4800	Antenna Income	64,791.12	67,480.80	5,623.40
4810	Compliance Fines	250.00	-	-
4835	Miscellaneous Income	12,000.00	18,000.00	1,500.00
4900	Interest Earned - Operating Accounts	1,500.00	28,000.00	2,333.33
4910	Interest Earned - Reserve Accounts	-	-	-
	<b>TOTAL INCOME</b>	<b>2,464,171.51</b>	<b>2,534,088.98</b>	<b>211,174.08</b>
	<b>EXPENSES</b>			
	<b>Administrative</b>			
5000	General Administrative	8,000.00	15,000.00	1,250.00
5005	Application/Processing	-	100.00	8.33
5010	Bad Debt	300.00	-	-
5025	Collection Charges	500.00	-	-
5045	Dues & Subscriptions	1,000.00	1,000.00	83.33
5090	Office Supplies	5,000.00	5,000.00	416.67
5100	Records Storage	500.00	500.00	41.67
5105	Reserve Studies	950.00	2,800.00	233.33
5115	Education	600.00	600.00	50.00
5195	Other Administrative Services	500.00	1,000.00	83.33
5196	Miscellaneous Admin Expenses	1,500.00	1,500.00	125.00
5198	Contingency	20,000.00	16,789.66	1,399.14
	<b>Communications</b>			
5200	Community Events	14,500.00	20,000.00	1,666.67
5210	Printing & Copying	10,000.00	10,000.00	833.33
5215	Postage	3,500.00	3,500.00	291.67
5225	Newsletter Services	-	500.00	41.67
	<b>Payroll &amp; Benefits</b>			
5302	Administrative Salaries	138,460.00	182,529.00	15,210.75
5304	Maintenance Salaries	58,240.00	61,400.00	5,116.67
5308	Recreation Salaries	162,000.00	103,000.00	8,583.33
5330	Health Benefits	18,000.00	22,815.00	1,901.25
5340	Payroll Taxes	37,000.00	38,110.00	3,175.83
5390	Workers Compensation	20,000.00	18,000.00	1,500.00
5399	Payroll Expense Other	28,500.00	29,355.00	2,446.25

**Community Association of Bernardo Heights**

**2026 Budget**

		<b>2025</b>	<b>2026</b>	<b>2026</b>
	<b>EXPENSES</b>	<b>Budget</b>	<b>Annual</b>	<b>Monthly</b>
	<b>Insurance</b>			
5400	Insurance Premiums	22,684.00	28,588.05	2,382.34
5445	General Liability Insurance Premiums	52,321.00	53,576.00	4,464.67
5469	Workers Comp Insurance Premiums	378.00	372.00	31.00
	<b>Utilities</b>			
6000	Electric Service	65,000.00	67,000.00	5,583.33
6005	Gas Service	35,000.00	36,000.00	3,000.00
6025	Water Service	450,000.00	654,537.32	54,544.78
6035	Trash and Recycling Service	7,332.00	7,920.00	660.00
6045	Cable Service	3,000.00	-	-
6050	Telephone/Cable Service	1,250.00	3,300.00	275.00
	<b>Landscaping</b>			
6100	Grounds & Landscaping - Contract	556,802.16	576,290.28	48,024.19
6110	Landscape Repair & Maintenance	3,500.00	3,500.00	291.67
6160	Tree Maintenance	96,162.00	97,849.68	8,154.14
6165	Tree Removal	6,000.00	13,000.00	1,083.33
6199	Landscape Other	-	-	-
6200	Irrigation Repair & Maintenance	15,000.00	15,000.00	1,250.00
6299	Irrigation Other	10,000.00	12,500.00	1,041.67
6310	Backflow Device Inspection	7,000.00	5,000.00	416.67
	<b>Property &amp; Protection</b>			
6440	Safety & Security	9,000.00	9,000.00	750.00
6730	Security System Repair & Maintenance	1,500.00	1,000.00	83.33
	<b>Operations</b>			
6300	Permits & Licenses	1,600.00	1,700.00	141.67
6315	Uniforms	500.00	500.00	41.67
	<b>Contracted Services</b>			
6430	Janitorial Services	44,204.77	44,204.77	3,683.73
6434	Pest Control	1,200.00	840.00	70.00
6438	Pool Management	21,630.00	22,200.00	1,850.00
	<b>Repair &amp; Maintenance</b>			
6545	Electrical Supplies/Repair & Maintenance	500.00	500.00	41.67
6555	Equipment Rental/Repair & Maintenance	2,500.00	2,500.00	208.33
6570	Fitness Equipment Repair & Maintenance	3,000.00	3,000.00	250.00
6600	General Repair & Maintenance	25,000.00	20,000.00	1,666.67
6625	HVAC Supplies/Repair & Maintenance	3,000.00	1,500.00	125.00
6635	Janitorial Supplies & Maintenance	15,000.00	15,000.00	1,250.00
6700	Pool Supplies/Repair & Maintenance	30,000.00	30,000.00	2,500.00
6710	Recreation Supplies/Repair & Maintenance	2,500.00	1,500.00	125.00
6765	Tennis Court Repair & Maintenance	4,000.00	2,500.00	208.33
6795	Other Supplies/Repair & Maintenance	3,000.00	1,000.00	83.33
	<b>Professional Services</b>			
7000	Audit & Tax Services	2,100.00	2,200.00	183.33
7020	Legal Services	15,000.00	16,500.00	1,375.00
7040	Management Fees	29,664.00	30,552.00	2,546.00
7095	Other Professional Services	1,267.14	1,280.00	106.67
	<b>Taxes</b>			
9000	Federal Income Tax	25,000.00	25,000.00	2,083.33
9005	State Income Tax	10,000.00	15,000.00	1,250.00



## Community Association of Bernardo Heights

## 2026 Budget

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# COMMUNITY ASSOCIATION OF BERNARDO HEIGHTS

## 2026 BUDGET SUMMARY

Fiscal Year January 1, 2026 through December 31, 2026

The financial responsibility of CABH is to maintain and improve the Community Center facilities, slopes, parkways, and parks, as well as manage a wide range of recreation programs within the Bernardo Heights community. The planned costs for 2026 and the corresponding income are recorded in the enclosed 2026 operating budget. The budget also includes funding to maintain adequate reserves to repair and replace all assets of CABH, as required by law. Our reserve study is updated annually with an on-site inspection every three years. The financial package includes the latest summary of our current reserve study.

It is our pleasure to report that our financial situation continues to be sound, and we are able to present a budget that will allow us to meet our objectives to maintain our facilities and properties, while keeping expenses and assessments as low as possible.

Our largest annual expense is maintaining the community slopes and parkways. The cost of landscape and tree maintenance, water & electricity, irrigation maintenance, and landscaping replenishment represents about 50% of the total operating budget. The anticipated water rate increase for 2026 is 14.7%. However, we continue to replace high volume water plants with more drought tolerant plants, in conjunction with changing regular sprinklers to a drip irrigation system. This greatly decreases our water usage. To date, we have received a total of \$308,032 in rebates from SoCal for turf replacement. Our goal is to reduce water usage wherever possible yet maintain an attractive community. We continue to work with our current landscape maintenance firms to ensure a competitive rate without affecting the quality of the work being performed.

For the past several years, we have been fortunate to have a full-time maintenance worker. This allows us to do more preventative maintenance and save money on many repairs that normally would have been contracted out. Our insurance rates have increased, but we strive to keep our facility premiums at a manageable rate. We continue to rely on competitive bidding for operational and reserve expenses, which has helped us to contain costs while securing quality contractors.

Our cell tower agreement with Vertical Bridge/Eco-Site is still in place and we are receiving monthly payments. The annual income for the Association is currently \$65,292.

We have made every effort to maintain costs, whenever possible. As a result, our Reserve Account contribution will decrease slightly this coming year. However, due to rising costs, the total assessment amount will increase about 2.9%. The actual dollar amount in fees depends on your sub association's acreage and number of units. The Board will continue to be diligent in the management of the CABH assets and keep costs down whenever possible.

We continue to work with Associa – PCM, our management company. Also, our on-site management team remains the same.

For specific details, the full budget can be viewed or downloaded from our CABH website, <http://bernardoheights.org>. Once on the site, you will see a banner directing you on how to view the budget. Please be assured that our Management team, your elected Board members, and Committee volunteers continually strive to keep our Bernardo Heights community a place of pride and value for all residents.

On behalf of the Board of Directors  
Debbie Kurth, CABH Treasurer

# Reserve Summary

(As required by California Civil Code Section 5565)

## COMMUNITY ASSOCIATION OF BERNARDO HEIGHTS

SCT Reserve Consultants, Inc. is pleased to provide this Level III Reserve Study (Financial Update Report). In order to comply with the California Civil Code, specifically the Davis-Stirling Common Interest Development Act, Section 5565, we are providing the following information to the Homeowners within COMMUNITY ASSOCIATION OF BERNARDO HEIGHTS.

The following study has been prepared with several assumed factors taken into account: a 3.00% inflation rate; a 2.00% return on investment (interest earned); taxes on interest earned is paid for through the operating fund; an estimated remaining life of each reserve component; and an estimated current replacement cost of each reserve component.

As of December 31, 2025, the estimated ending reserve fund balance is \$1,701,750 and the estimated current replacement cost is \$4,356,654 for the portfolio of reserve components. The projected future replacement cost of the portfolio is \$6,622,900, calculated at an annually compounded inflation rate of 3.00%. The Association's level of funding which is based upon the estimated ending reserve fund balance divided by the reserve components' fully funded amount is 63.22%. This is referred to as Percent Funded. The Association would be 100.00% funded if there were \$2,691,771.15 in the reserve fund.

The current deficiency (or surplus if the number is in parenthesis) in reserve funding expressed on a per unit basis is \$283.84. This is calculated by subtracting the ending balance (\$1,701,750) from the 100% funded figure (\$2,691,771.15), then divided by the number of ownership interests (3488). There is currently no requirement to be fully funded.

Our original analysis of the cash flow for this association indicated future inadequate funding if there were no annual increases to the Reserves. It is our understanding the Board of Directors will allocate a monthly amount of \$14,890.02 starting in 2026 (\$4.27 per unit per month for each of the 3488 ownership interests) towards the reserve fund. To offset the over/under cash results of the report, we recommend and have included changes of 30.00% starting in 2027 for 3 years, 11.00% starting in 2030 for 1 year and 3.00% starting in 2031 for 25 years. The change is scheduled to take effect in the year 2027. The Board of Directors may change the amount; however, it will impact the level of funding on reserves. These numbers, by themselves, are not a clear indicator of financial strength and could indicate underfunding, overfunding, or adequate funding.

The following table represents additionally required information pursuant to the Davis-Stirling Common Interest Development Act, Section 5565.

Fiscal Year: January 1, 2026 through December 31, 2026

Category	Range of Full Useful Life	Range of Remaining Useful Life	Current Replacement Cost	Fund Balance on Jan 01, 2026	Reserve Allocation	Additional Revenue	Interest
Community Center, Clubhouse	4 to 50	0 to 22	\$698,415	\$227,787	\$23,917	\$0	\$3,666
Community Center, Courts	10 to 50	0 to 49	\$135,999	\$25,634	\$2,691	\$0	\$413
Community Center, Pools/Spa/Wader	4 to 40	0 to 19	\$690,248	\$282,361	\$29,647	\$0	\$4,544
Community Center, Site	1 to 50	0 to 47	\$1,355,807	\$539,946	\$56,693	\$0	\$8,690
Lucido Park	2 to 50	0 to 31	\$326,961	\$143,321	\$15,048	\$0	\$2,307
Site, Irrigation	1 to 30	0 to 13	\$517,100	\$272,387	\$28,600	\$0	\$4,384
Site, Landscape	1 to 20	0 to 18	\$254,935	\$86,685	\$9,102	\$0	\$1,395
Site, Signage	10 to 50	2 to 42	\$335,750	\$117,686	\$12,357	\$0	\$1,894
Utilities (SB900)	50 to 65	10 to 20	\$0	\$0	\$0	\$0	\$0
View Point Park	4 to 28	2 to 23	\$41,439	\$5,942	\$624	\$0	\$96
<b>Totals:</b>			<b>\$4,356,654</b>	<b>\$1,701,750</b>	<b>\$178,680</b>	<b>\$0</b>	<b>\$27,389</b>

The complete reserve study is available by request from the Association.





# Assessment and Reserve Funding Disclosure Summary For the Fiscal Year Ending December 31, 2026

(As illustrated by California Civil Code Section 5570(a))

(1) The regular assessment per ownership interest is \$\_\_\_\_\_ per month, of which approximately \$4.27 is allocated to reserves, monthly.

*Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on the following page of the attached summary. **NOT APPLICABLE***

(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: **SEE ANSWER BELOW TO QUESTION #4 WHICH SUGGESTS THERE WILL BE INCREASES IN REGULAR ASSESSMENTS FOR RESERVE FUNDING.**

Date assessment will be due:	Amount per ownership interest per month for one year:	Purpose of the assessment:
<i>(Intentionally left blank)</i>	<i>(Intentionally left blank)</i>	<i>(Intentionally left blank)</i>

*Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on the following page of the attached summary. **NOT APPLICABLE***

(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   X   No   X  

**Yes**, if the Association follows the recommended future reserve contribution increases as outlined in the reserve study and disclosed in the table of question (4) with consideration to the note below\*.

**No**, if the Association does not follow the recommended future reserve contribution increases as outlined in the reserve study and disclosed in the table of question (4) with consideration to the note below\*.

*\*Note: The information contained within the reserve study includes estimates of replacement value and life expectancies of the components and includes assumptions regarding future events based on information provided by and supplied to the Association's Board of Directors and/or management. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the data of this disclosure summary. Therefore, the actual replacement cost and remaining life may vary from the reserve study and the variation may be significant. Additionally, inflation and other economic events may impact the reserve study, particularly over a thirty (30) year period of time which could impact the accuracy of the reserve study and the funds available to meet the association's obligation for repair and/or replacement of major components during the next thirty (30) years. Furthermore, the occurrence of vandalism, severe weather conditions, earthquakes, floods or other acts of God cannot be accounted for and are excluded when assessing life expectancy of the components. The reserve study only includes items that the Association has a clear and express responsibility to maintain, pursuant to the Association's CC&Rs.*

(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(s) will be due (see <b>Funding Plan</b> column, next page):	Amount per ownership interest per month:
<b>30.00% starting in 2027 for 3 years, 11.00% starting in 2030 for 1 year and 3.00% starting in 2031 for 25 years</b>	<b>(Current amount) X (the increases)</b>

(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 5550, the estimated amount required in the reserve fund at the end of the current fiscal year is **\$2,632,730.08**, as of **December 31, 2026**, based in whole or in part on the last reserve study or update prepared by **SCT RESERVE CONSULTANTS, INC.** The projected reserve fund cash balance at the end of the current fiscal year is **\$1,454,899.50**, resulting in reserves being **55.26%** percent funded at this date. If an alternate, but generally accepted, method of calculation is also used, the required amount is **\$452,919**. (See explanation below).

**Explanation:** *Cash Flow Methodology - a method of developing a reserve funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.*



# Assessment and Reserve Funding Disclosure Summary

## For the Fiscal Year Ending December 31, 2026

(continued)

7) See below: 30-Year Reserve Funding Plan Table...Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5550 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is \$(see "100% Funded" column 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 \$(see "Cash Flow" column below), leaving the reserve at (see "Percent Funded" column 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 \$(see "Cash Flow" column below), leaving the reserve at (see "Percent Funded" column below) percent funding. 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 2.00% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3.00% per year.

**30-Year Reserve Funding Plan Table**

Year	End of Year			Revenue			Expenditures
	100% Funded	Cash Flow	Percent Funded	Contribution, Interest	Contribution Unit/Month	Funding Plan	Components, Taxes, Deferred Exp
2025	\$2,691,771	\$1,701,750	63.22%				
2026	\$2,632,730	\$1,454,900	55.26%	\$206,069	\$4.27	0.00%	\$452,919
2027	\$2,608,441	\$1,283,655	49.21%	\$255,731	\$5.55	30.00%	\$426,976
2028	\$2,488,698	\$1,075,605	43.22%	\$320,693	\$7.21	30.00%	\$528,743
2029	\$2,686,154	\$1,262,036	46.98%	\$413,823	\$9.38	30.00%	\$227,391
2030	\$2,880,633	\$1,476,440	51.25%	\$460,834	\$10.41	11.00%	\$246,430
2031	\$3,077,128	\$1,693,678	55.04%	\$478,086	\$10.72	3.00%	\$260,848
2032	\$3,255,495	\$1,893,882	58.17%	\$495,407	\$11.04	3.00%	\$295,203
2033	\$3,162,083	\$1,826,292	57.76%	\$508,033	\$11.38	3.00%	\$575,623
2034	\$3,205,928	\$1,898,445	59.22%	\$523,500	\$11.72	3.00%	\$451,348
2035	\$3,339,899	\$2,062,519	61.75%	\$541,252	\$12.07	3.00%	\$377,177
2036	\$3,157,988	\$1,915,967	60.67%	\$553,625	\$12.43	3.00%	\$700,177
2037	\$3,268,050	\$2,063,537	63.14%	\$571,769	\$12.80	3.00%	\$424,199
2038	\$3,370,663	\$2,206,259	65.45%	\$590,530	\$13.19	3.00%	\$447,809
2039	\$3,580,216	\$2,457,543	68.64%	\$611,824	\$13.58	3.00%	\$360,540
2040	\$3,519,835	\$2,443,523	69.42%	\$628,669	\$13.99	3.00%	\$642,689
2041	\$3,361,446	\$2,337,092	69.53%	\$644,046	\$14.41	3.00%	\$750,478
2042	\$3,608,941	\$2,638,061	73.10%	\$667,597	\$14.84	3.00%	\$366,627
2043	\$3,949,000	\$3,032,623	76.79%	\$693,800	\$15.29	3.00%	\$299,238
2044	\$3,902,773	\$3,046,124	78.05%	\$713,407	\$15.75	3.00%	\$699,906
2045	\$4,119,810	\$3,325,267	80.71%	\$738,307	\$16.22	3.00%	\$459,164
2046	\$4,041,864	\$3,315,233	82.02%	\$758,529	\$16.71	3.00%	\$768,563
2047	\$4,191,807	\$3,536,510	84.37%	\$783,505	\$17.21	3.00%	\$562,227
2048	\$4,060,391	\$3,483,134	85.78%	\$804,086	\$17.72	3.00%	\$857,462
2049	\$4,528,619	\$4,029,912	88.99%	\$836,466	\$18.25	3.00%	\$289,688
2050	\$4,920,069	\$4,501,850	91.50%	\$868,587	\$18.80	3.00%	\$396,649
2051	\$4,845,380	\$4,514,509	93.17%	\$892,615	\$19.37	3.00%	\$879,956
2052	\$5,025,247	\$4,785,814	95.24%	\$921,869	\$19.95	3.00%	\$650,564
2053	\$5,316,454	\$5,171,824	97.28%	\$954,237	\$20.55	3.00%	\$568,226
2054	\$5,516,615	\$5,471,388	99.18%	\$985,805	\$21.16	3.00%	\$686,241
2055	\$5,865,485	\$5,922,874	100.98%	\$1,020,950	\$21.80	3.00%	\$569,464
<b>30-Year Sum:</b>				<b>\$19,443,650</b>			<b>\$15,222,526</b>



## **Resident Information Sheet**

Dear Bernardo Heights Resident

To keep everyone more informed about the activities associated with our clubhouse as well as important alerts that may have to do with safety, we are requesting that each household member provide us with their email address so that we can send out email blasts when appropriate.

This list will not be distributed to anyone, it will not be used for any other purpose other than to inform you, the resident of Bernardo Heights, of a newsworthy issue or item.

The email list will be designed so that at any time you may opt out.

To join our list please provide the following information for each household member interested in receiving these notices:

Email completed form to: [frank.squires@associa.us](mailto:frank.squires@associa.us)

Use the subject line to say: My CABH contact info.

In the message portion please type in the info below:

Name \_\_\_\_\_ Email

Name \_\_\_\_\_ Email \_\_\_\_\_

(add more if necessary)

Household address: \_\_\_\_\_