



**Bartlein
& Company, Inc.**

Managers of Real Property

ESCROW INFORMATION

**FORTE RANCH HOMES ASSOCIATION
OWNERS' ASSOCIATION**

Reference
Or Escrow #: **FR-76G**

Please be advised that our firm manages the above association. All inquiries and correspondence should be directed to the association at our address below. All payments to the association should be payable to "BART TRUST" at our address. **PLEASE MAKE SURE YOU COMPLY WITH THE ITEMS NOTED BELOW.** Thank you.

Location: **4676 GERONA WAY**

Unit: **N/AN/A**

Insurance: **SEE INSURANCE DISCLOSURE IN ASSOCIATION BUDGET**

Agent: **GOLDEN ALLIANCE INSURANCE**

Phone: **(818) 584-8044**

FEE STATUS: Monthly Assessment (Fee): \$ **581.00**

Late Charge: \$ **58.10**

If Fees are UnPaid on the
15th of the Month When Due

DEMAND: Fees Now Due and Unpaid: **\$639.10 ***

(If the Above Amount Exceeds \$10.00 it Includes a Late Charge For Current Month)

* Payment of the above amount will bring fees current thru **9/30/24** Amount is void
in the event checks received on this account do not clear maker's bank.

OTHER: 88 +/- OWNERS, 49 +/- TENANTS

Information Current As of: **9/10/24**

By: Torste Andersen Manager

Verified By: [Signature] **9/13/24**

OTHER REQUIREMENTS: (ESCROW / LOAN OFFICER--Please comply with items Checked)

- ☒ Invoice Must Be Paid Unless Waived
- ☒ If Sale--Please Provide Us With a Copy of the Grant Deed (Copy of Unrecorded Deed is Acceptable)
- ☒ "Owner Information" Form Must be Completed and Returned by **ESCROW**
- ☒ Other:

ENCLOSURES: (Items Checked are Enclosed)

☒ Invoice

Bylaws

☒ Articles of Incorporation

☒ Association Rules & Regulations

☒ Budget & Financial Statement

☒ Association Information Form

☒ Owner Information Form

☒ Automatic Fee Payment Form

Other: **NONE**

NOTE: CC&R's are recorded. Please obtain current copy from County Recorder. Escrow Information-SB.7/20

INVOICE / DEMAND FOR PAYMENT

Invoice # FR-76G

Date: 9/6/24

TO: FIRST AMERICAN TITLE

Reference
Or Escrow #: FR-76G

PLEASE PAY THE FOLLOWING WHICH IS NOW DUE:

CHARGE

FINANCING PACKAGE: Includes Lender's Questionnaire, Current Budget / Financial, and Insurance Information.	\$125.00	\$.00
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RESPONSES TO "FAQ's" (Frequently Asked Questions): A summary of common questions about an Association	95.00	.00
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ESCROW PACKAGE: Includes Certification of Assessments Owing, Insurance Information, Current Budget / Financial, Copy of Articles of Incorporation (if any), Copy of Association Rules & Regulations (if any), and New Owner Forms	325.00	325.00
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OTHER ITEMS AVAILABLE:

Copy of Association Bylaws	50.00	50.00
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Copy of Management Agreement	20.00	.00
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Copy of Other Documents	\$12.00 + 75 Cents Per Page	31.50
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FAX Transmission of Any of the Above	\$1.00 per Page	.00
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Postage	50 Cents + Actual Postage	.00
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Other: 12 MONTHS MINUTES		.00
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SUBTOTAL		\$ 406.50
Less: Payment Received		.00

TOTAL DUE		\$ 406.50
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If the Association Declaration of Covenants, Conditions & Restrictions (CC&R's) are desired, they should be obtained from the County Recorder's Office.

Prepared by: D. PERALTA

NOTE: INVOICE ☒ WILL ☐ WILL NOT ☐ BE WAIVED IF TRANSACTION DOES NOT CLOSE. Please notify us if transaction does not close.

PLEASE MAKE YOUR CHECK PAYABLE TO:

 **Bartlein
& Company, Inc.**

Escrow Invoice-SB.Docx 2021

3944 State Street, 2nd Floor ♦ Santa Barbara, CA 93105-3170 ♦ (805)569-1121



First American Title™

First American Title Company
3780 State Street, Ste A
Santa Barbara, CA 93105
Phn - (805)569-6154
Fax - (866)397-7090

Forte Ranch Homeowners Association
Bartlein and Company, Incorporated
3944 State Street, Suite 200
Santa Barbara, CA 93105

September 05, 2024
File No.: 4206-7159130 (AH)

Attn:

Re:

Property: 4676 Gerona Way, Santa Barbara, CA 93110
Unit: 58Lot: 1, Tract: 13966
Projected Closing Date: October 21, 2024
Current Owner: Stephanie A. Neumann
New Owner:

We are currently handling a transaction involving the property described above. On the attached page, please complete the information which is applicable to this property; sign the form where indicated and return it to us at your earliest convenience. Also, please send us copies of the documents indicated below.

PLEASE INFORM US IF THERE ARE ADDITIONAL HOMEOWNER'S ASSOCIATIONS ON THIS PROPERTY.

☒ [X] Statement of Account <i>incl</i>	☒ [X] Owner Occupancy Ratio <i>incl</i>
☒ [X] By-Laws <i>incl</i>	☒ [X] Fidelity Bond <i>contact agent</i>
☒ [X] Rules & Regulations <i>incl</i>	☒ [X] Letter regarding pending litigation (if any) <i>unaware</i>
☒ [X] Articles of Incorporation <i>incl</i>	☒ [X] 12 Months of Minutes <i>incl</i>
☒ [X] Current Budget/Reserve Statement <i>incl</i>	☐ [] Other <i>at Any</i>
☒ [X] Operating Rules <i>incl</i>	

Should you have any questions or need assistance please contact the undersigned.

Sincerely,

Bridget Foss / Kathleen Mayer
Title Officer
CentralCoastTitleTeam@firstam.com
bfkm/aw

Please Complete and Return to:
First American Title Company
3780 State Street, Ste A
Santa Barbara, CA 93105
Attn: Bridget Foss / Kathleen Mayer

File No. 4206-7159130(bfkm)
Fax No. (866)397-7090

Current Owner: Stephanie A. Neumann
Property Address: 4676 Gerona Way, Santa Barbara, CA 93110

1. Amount of Dues/Assessment? \$ _____ ☐ Monthly ☐ Quarterly ☐ Semi-Annually ☐ Annually
Amount of Late Fee \$ _____ Effective date of L.F. _____

2. Are Dues/Assessment current? ☐ Yes ☐ No If not, delinquent amount due \$ _____
Delinquent amount covers what period? _____ to _____

3. Next Payment of Dues/Assessment due on _____ Covering _____ to _____ \$ _____
Any Special Assessments? _____

4. Is hazard insurance included in assessment fee? ☐ Yes ☐ No
If yes, please provide the following information:
Name of Co/Agent _____ Phone # _____
Policy No.: _____ Premium \$ _____ Paid thru _____

Is the policy a common area policy or a master fire insurance policy? _____

5. Transfer fee? ☐ Yes ☐ No
If yes, payable to _____ Amount Due \$ _____

6. Statement fee? ☐ Yes ☐ No
If yes, payable to _____ Amount Due \$ _____

7. Disclosure fee? ☐ Yes ☐ No
If yes, payable to _____ Amount Due \$ _____

8. Inspection fee? ☐ Yes ☐ No
If yes, payable to _____ Amount Due \$ _____

9. Impound account? ☐ Yes ☐ No
If yes, payable to _____ Amount Due \$ _____

10. Who pays taxes? _____

11a. Are there any violations of restrictions on Seller's property? ☐ Yes ☐ No
11b. Are there any violations of restrictions affecting the HOA? ☐ Yes ☐ No
If yes on either question, state violation: _____
Penalty/fine due to violation: \$ _____

TOTAL AMOUNT DUE AS OF THE DATE OF THIS STATEMENT \$ _____

12. Approval Required? ☐ Yes ☐ No If yes, approval from whom:
Name _____ How do we contact? _____

13. Copy of Deed at closing? ☐ Yes ☐ No

14. Name of Planned Unit Development: _____
Association President/Contact: _____ How do we contact? _____

Bartlein and Company, Incorporated Phone No: _____

By: ☒ Date: _____

Mailing Address: _____ City: _____ State: _____ Zip: _____



**Bartlein
& Company, Inc.**
Managers of Real Property

ASSOCIATION INFORMATION

TO ESCROW AGENT: Please make sure the buyer of an association unit receives this form. Thank You.

"ASSOCIATION OWNER INFORMATION" FORM: Please make sure **YOUR ESCROW** agent completes and returns the information form at the close of escrow. This will insure that you receive the monthly newsletter and other important information. If your address, phone number, or other information changes, please notify us as soon as possible.

FEE PAYMENTS: Association Assessments (Fees) are payable to:

**BART TRUST
3944 STATE STREET, SUITE 200
SANTA BARBARA, CA 93105-3701**

PLEASE MAKE SURE YOUR NAME AND UNIT ADDRESS ARE ON YOUR CHECK

AUTOMATIC PAYMENTS: If you would like to have your monthly fees automatically paid from your checking account, please complete and return the "Automatic Fee Payment" application form. If you do not have the form or have questions, please contact our office.

EMERGENCIES: We are on call 24 hours per day in the event of an emergency. For routine business, please call the number below between 8:30 AM and 5:00 PM, Monday through Friday.

IN THE EVENT OF AN EMERGENCY, CALL 569-1121. The phone is answered 24 hours every day, BUT PLEASE USE THIS NUMBER ONLY FOR EMERGENCIES.

CHANGES: If the occupants of your unit change or you change mailing addresses or change phone numbers, please let us know.

CC&R'S - BYLAWS - RULES: Please read your association documents. It is important that you understand them.

KEYS: Please obtain all keys from the seller of the unit. The Association has no keys to individual mail boxes or doors. Keys or passes to common area facilities belong to the owner of the unit and replacements may not be available except at a high cost.

Good luck with your new property. Please feel free to call if you have questions.

Associnf.Doc 5/97

PLEASE COMPLETE & RETURN

FORTE RANCH HOMES

ASSOCIATION OWNER INFORMATION

Enter Address

You Own: _____

Unit #

(If Any): _____

PLEASE PRINT

Please complete the following and return. A response is required by Civil Code Section 4041.

Formal Name of

Owner(s) (Per Deed Or Title): _____

(Owner may be a trust, a corporation, one or more individuals, an estate, etc.)

DATE OF PURCHASE

(OR CHANGE IN OWNERSHIP): _____

Month

Day

Year

The Unit/Home Is/Will Be: ☐ Owner Occupied ☐ Second Home ☐ Rental

☐ Other: _____

CONTACT

PERSON(S): _____

Phone #'s:

Home: (____) _____ Mobile: (____) _____

Work: (____) _____ (Whose? _____)

Other: (____) _____ (What? _____)

Check All
That Apply:

Owner(s) ☐

Co-Owner(s) ☐

Trustee(s) ☐

Corp. Officer(s) ☐

Represent Estate ☐

Other: ☐

ADDRESS TO USE

FOR NOTICES: _____

City _____ State _____ Zip _____

Alternate or Secondary Address: _____

City _____ State _____ Zip _____

1st E-Mail Address: _____ (Whose? _____)

2nd E-Mail Address: _____ (Whose? _____)

If offered, would you prefer that newsletters and other correspondence be e-mailed or mailed regular U.S. Mail? ☐ E-Mail ☐ Regular U.S. Mail

~~FORTE~~

OCCUPANTS: If you do not occupy your property, please give us the name, email, and phone number of the occupants:

NAME(S): _____
Phone #'s: _____
Home: (____) _____ Mobile: (____) _____ Status: _____
Work: (____) _____ (Whose? _____) Renter(s) ☐
Other: (____) _____ (What? _____) Relative(s) ☐
Email: _____ (Whose? _____) Other: ☐

EMERGENCIES: Please give us the name, address and phone number of someone, *who does not live with you*, whom we may contact in an emergency or your extended absence.

NAME: _____ Relationship: _____
Phone #'s: _____ Email Address: _____
Home: (____) _____ Work: (____) _____ Cell: (____) _____
Address: _____
City: _____ State: _____ Zip: _____

ASSOCIATION ROSTER

From time to time, the Association may distribute a roster of owners and residents. Please indicate if your information should be included or excluded:

- ☐ **YES** — Permission is hereby given to include names, addresses, and phone numbers on an Association Roster.
- ☐ **NO** -- Permission to include names, addresses, and phone numbers on an Association Roster is hereby denied.

Comments: _____

Signature of Person _____
Completing Form: _____ Date: ____/____/____

Please Print Name of Signer

Thank you for your help. Please return this form to us at the address below or scan & email to your Bartlein & Company, Inc. manager. Please feel free to call if you have questions.

 **Bartlein
& Company, Inc.**

3944 State Street, Suite 200
Santa Barbara, CA 93105
(805) 569-1121
Fax: (805) 682-4341

AUTHORIZATION TO RELEASE INFORMATION

FORTE RANCH HOMES ASSOCIATION

Each member of the Association may request a list of owners and their mailing addresses subject to certain conditions. The request must be in writing and must set forth the purpose for which the list is requested, which purpose must be reasonably related to the requester's interests as a member of the Association. Section 5220 of the California Civil Code gives each member the option to "opt out" of the disclosure of information.

Please indicate below your preference on the disclosure of your information:

☐ I (We) choose to "Opt Out" – None of My (Our) Information Should be Disclosed

If you wish to authorize the disclosure of your information, please check the oval(s) below next to the information you "WISH TO DISCLOSE":

Name(s) of the Owner(s) of Association Unit

☐ Name(s) : _____

Address of Association Unit Owned

☐ Address: _____

Mailing Address of Owner

☐ Street Address: _____

City: _____ State: _____ Zip: _____

Telephone Number(s)

☐ H: (____) _____ W: (____) _____ C: (____) _____

Email Address(es):

☐ _____

Your authorization will remain in effect until further written notice from you.

Date: ____/____/____

Address Of Association Unit Owned: _____

Signed: _____

Print Name of Signer(s): _____

Disclosure Authorization 1/2020

The Mailing Address for The Association is In Care Of:

 **Bartlein
& Company, Inc.**

EMAIL AUTHORIZATION

The Association sends out newsletters, financial statements, meeting agenda, budgets, and other correspondence to its members. If you agree to receiving these documents by Email, you would:

1. Save the Association money which could reduce the need for fee increases.
2. Receive notifications more timely.
3. Reduce the impact on our natural resources by eliminating much of the paper required.
4. Reduce the waste going into landfills.
5. Be able to use multiple Email addresses if desired.

While not all Email communications require your authorization, some do. By completing and returning this authorization, you are consenting to receive all Association communications by Email.

AUTHORIZATION

The undersigned member(s) of **Forte Ranch Homes Association** ("Association") hereby request(s) and authorize(s) the Association and its management company to Email (in lieu of mailing by U.S. Postal Service) all notices, communications, financial statements, and other information about or concerning the Association. This authorization shall include, but not be limited to, those notices required by the Association's governing documents or by law. The undersigned is (are) authorized to accept Email notifications on behalf of all owners of the unit indicated and Emails sent to the email address(es) below shall be deemed to be an Email to all owners of the unit. This authorization may be withdrawn at anytime, but is effective until changed in writing and delivered to the Association's management company.

If this form is sent by fax or emailed, the reproduced signatures below shall have the same effect as if manually signed.

Address of
Unit(s) Owned: _____ **Date:** _____

1st Email Address: _____

Owner's
Name: _____ **Signature:** _____
Please Print

2nd Email Address (If Desired): _____

Owner's
Name: _____ **Signature:** _____
Please Print

Please mail to the address below or you may scan and email to DorteD@Bartlein.com

The Mailing Address for The Association is In Care Of:



**Bartlein
& Company, Inc.**

3944 State Street, Suite 200 ♦ Santa Barbara, CA 93105-3170 ♦ (805) 569-1121 ♦ Fax: (805) 682-4341



Bartlein
& Company, Inc.

AUTOMATIC FEE PAYMENTS
(ACH Authorization)

Available from Bartlein & Company, Inc. is an automatic fee payment plan. Under this plan, your bank account is automatically debited for your association fee (assessment).

This eliminates the need to write a check, address an envelope, pay for postage, and remembering to make a payment. You will not have to worry about a check "lost in the mail" or missing a payment if you are on vacation.

The Association fee is transferred from your account on the 5th day of each month (if fees are due quarterly, the transfer is made on the 5th day of the first month of the quarter). There are no extra charges for this service. You can stop it at any time with just a note to us or to your bank.

If you wish to start the automatic plan, please complete the form below, and send it to us. **We must have your request before the 15th day of the month in order to start the service for the following month.**

PLEASE ATTACH A VOIDED CHECK TO THE FORM

Please Return Signed Form and Voided Check To: **BARTLEIN & COMPANY, INC.**
3944 STATE STREET, SUITE 200
SANTA BARBARA, CA 93105

Feel free to call (805) 569-1121 if you have questions.

(Cut or Tear on the Dotted Line)

I, _____ authorize my bank to permit ACH withdrawals for
(Please Print Your Name)

fee payments from my account. I understand that I am in full control of my payment, and if at any time I decide to discontinue, I will simply call or write.

CHECKING ACCOUNT # _____ **"A VOIDED CHECK
MUST BE ATTACHED"**

BANK NAME: _____

BANK

ADDRESS: _____

CITY/

STATE/ZIP: _____

TODAYS DATE: ____/____/____ SIGNATURE: _____

UNIT

DAY

ADDRESS: _____ PHONE: (____) _____

(For Office Use Only -- Unit Code: _____ Amount: \$ _____)

SBfeeaut.Doc. 7/21



FORTE RANCH

Home Owners' Association
Residents CC & R Information
New Owner Welcome Information

Welcome to **FORTE RANCH**, one of the finest planned unit developments in Santa Barbara. Living at Forte Ranch is like living at a luxury resort. The board and your neighbors hope you enjoy living at the Ranch and we look forward to meeting you. If you have not lived in a planned unit development (Condo) before, you will notice some differences from living in a single family home neighborhood. To keep Forte Ranch a safe and desirable place for all residents, there are some rules and regulations we ask you to observe. The information that follows is a condensed version of the Forte Ranch CC&R's and rules. To review a full set of the CC&R's please contact the County Recorder's office. Once again "WELCOME" and please feel free to contact Bartlein, the Forte Ranch Management Company, if you have any questions.



Parking and Garages

Article XI Section 16

There are a limited number of off street parking spaces available on the Ranch. Please observe the Association's parking rules. For units with a garage, your garage is your primary parking. If your garage is temporarily unavailable due to storage, the driveway directly in front of the garage is your primary parking. Garages are not to be used for a living space. If your home has an assigned carport, please use the assigned space for parking only. Residents, please do not park in the marked guest parking spaces. Other parking spaces have a 72 hr. maximum. **There is no overnight parking on the streets at Forte Ranch.** Only standard passenger vehicles, pick up trucks and motorcycles shall be parked within the Ranch. Vans, trailers, campers, boats, RVs, watercraft, work trucks and inoperable and unlicensed vehicles shall not be parked in the complex. No repairs, oil changes, etc. may be made to any vehicle while parked in any area of the Ranch, except in an emergency.



Swimming Pool and Jacuzzis

The pool is the community meeting place and many residents have become friends around the pool. When using the pool please observe the following safety regulations.

1. Pool Hours: 7 AM to 9 PM. Note the hours can change during the winter months.
2. The pool is for use by residents and guests only. Guests must be accompanied by the resident.
3. Children under 14 years of age should be accompanied by an adult. Children under 3 are not allowed in the Jacuzzi. Children in diapers must wear tight fitting plastic leak proof pants swimming suits (SB County Health and Safety Code).
4. **Please no bottles or glassware in the pool enclosure.**
5. **Thank you for not smoking in the pool enclosure.**
6. No resident may have more than six guests at one time at the pool. **Arrangements for larger groups must be made in advance with Bartlein.** The pool can be reserved for a maximum of three hours, but not on Holidays.
7. **No pets are allowed in the pool enclosure.**
8. **The Jacuzzis are closed after 9 pm. Please replace the cover.**



Trash and Recycle Pick Up

Trash pick up at Forte Ranch occurs every Monday. Recycling is voluntary; pick up is every other Monday. Only approved trash containers provided by Marborg are to be used for trash and recycles. The containers should be put next to the curb in front of your home with the wheels facing the curb.

Please do not put your trash containers out sooner than the night before pick up and please return the containers to your garage or storage area as soon as possible after they have been emptied. When not out for pick up trash and recycle containers must be stored out of view from the street in your garage or designated storage area.

Be Courteous to Your Neighbors

Many household activities create noise which may be annoying to your neighbors. Please do not use your garbage disposal, vacuum cleaner, dishwasher and laundry machines before 8 am and after 10 pm. Also please turn down the volume on stereos and TV's after 10 pm. Amplified music, radios etc. are not allowed on decks and patios.

Forte Ranch HOA CC&R's Page 2



Pets

Article XI Section 6

Everyone loves pets, but not everyone loves your pets. So please observe the following guidelines for keeping pets at Forte Ranch.

1. Home owners and renters are allowed a maximum of two (2) ordinary household family pets.
2. **Dogs must be kept on a leash whenever out in the complex.**
3. **Please be a good neighbor and clean up after your pet.** Your neighbors and the gardening crew will appreciate it.
4. No animals, livestock, or poultry of any kind shall be raised, bred, or kept within a home or anywhere within the complex.
5. **Please, no pets within the pool areas.**
6. It is recommended if you have a cat that they are kept inside the home. Coyotes are known to roam the area and some cats have gone missing. If your cat is an indoor/outdoor cat please keep a litter box in the house to help limit their use of the outside common areas. Having a collar with info is best.

Forte Ranch Property Management
Company

Bartlein and Company:
3944 State Street Suite 200
Santa Barbara CA. 93105
805 569-1121



Landscaping & Architectural Article XII

Residents and home owners are reminded that any changes to the landscaping requires prior approval by the Board of directors and the landscaping committee. That includes adding stepping stones, enlarging patios, creating personal areas (patios) within the commons, and removing or replacing plants. Altering the landscaping in anyway can change the drainage of rain and irrigation water, potentially causing damage to the complex.

If you wish to request a landscape change, please do so in writing to the Board, in care of Bartlein and Company. Not all change requests will be approved and owners making changes without prior approval may be required to return the area to the original state at their own expense. Landscape "Change Request Forms" are available from Bartlein.

Homeowners and residents are also reminded that no structural changes, repairs or alterations to the outside of the buildings, including painting, adding awnings etc. are permitted without approval by the BOD. Changes to the inside of a unit that will change the structural integrity of the buildings and installing wood floors in upstairs units are prohibited. Garages can not be converted into additional living space, office or a commercial work shop. Owners are responsible for maintaining their patio, decks and driveways in a clean and sanitary condition. If you see a problem with the landscaping or a sprinkler system, please report it to the BOD or Bartlein.

Misc. Notes Etc.

- Please obey the "do not enter" traffic sign on Granada Place.
- Please heed the stop signs and low speed limit within the Ranch. Children and pets may be present.
- **Skateboarding is not allowed on the Ranch.**
- Please do not hang towels, bathing suits, etc. on patio or deck handrails or chairs. Outside clothes drying is prohibited.
- Window coverings should be a white or off white color. Please do not cover windows with aluminum foil or paper. No outside window blinds are permitted.
- Only gas barbecues are permitted on the Ranch. No charcoal barbecues or smokers, please.
- No antennae's (TV or Radio) are permitted. A satellite dish less than 39" in diameter may be installed if not attached to the wall or in the common area or visible from other units.
- Insurance: Contrary to popular belief, the condo association is not responsible for all building and in home problems that may arise at Forte Ranch. It is highly recommended that each home owner have individual homeowners (condo) insurance. Please contact your insurance agent for more information about condo insurance.

A number of changes such as resurfacing decks, front steps, adding air conditioning, adding a screen door or a deck awning have been approved. For more information on approved changes please contact Bartlein. All changes, even types approved previously, require prior notification to the BOD.

FORTE RANCH POOL RULES AND REGULATIONS

Pool and Spa hours are from 7 a.m. to 9 p.m. daily.

- No life guard on duty.
- No bottles or glassware are permitted in the pool enclosure.
- No pets or animals are permitted in the pool enclosure (S.B. County Health & Safety Code)
- Smoking is not permitted inside the pool enclosure.
- Running, pushing and horse-play is not permitted in the pool enclosure. Loud noises, disturbances, loud music and other activity which creates a nuisance is not permitted
- All litter and refuse must be properly disposed of in trash receptacles. When you leave, please leave the pool area at least as clean as when you arrived.
- Persons under the influence of drugs or alcohol may not use the pool or spa.
- Bicycles, tricycles, skateboards, rollerblades, roller skates, and metal toys are not permitted in the pool enclosure. Inflatable toys and other items which may interfere with the use of the pool by others are not allowed.
- Association Members and Residents are responsible for the conduct of their guests and are responsible for any damage done by their guests.
- The Forte Ranch pool and spa are restricted in use to Members and Residents of the Association and their guests.
- Children (14 years and younger) should be accompanied by an adult 18 years or older.
- Children 3 years and under may not use the spa (S.B. County Health & Safety)
- Daytime guests may use the pool or spa only when accompanied by an Association Member or Resident. However, overnight guests may use the pool or spa unaccompanied if they have read the Rules and Regulations.
- No Association Member or Resident may have more than six guests at one time at the pool. Arrangements for larger groups must be made with the Association in advance by contacting Bartlein & Company, Inc. at (805) 569-1121 ext. 150
- Proper swimming attire is required at all times. Children in diapers must wear tight fitting plastic leak proof pants or leak proof swimming suits.
- All persons must shower before using the pool or spa (S.B. County Health & Safety)
- Life saving equipment is to be used for emergencies only.
- No one shall walk or lay on the pool cover or use the pool while covered
- The pool gate must be latched at all times.
- Please stay to one side of the pool if others are swimming laps.

**RULES AND REGULATIONS
FOR THE
FORTE RANCH HOMES ASSOCIATION**

As of January 2021

Article XI of the CC&R's

Use and Occupancy of Units and Common Area

Section 1. Single family use. Each condominium shall be used as a residence for a single family and for no other purposes whatsoever. Individual condominiums may not be subdivided nor may parts thereof be sold. Except for occupations and businesses which do not interfere with the residential nature or character of the Project or the quiet enjoyment of other Owners and which comply with all laws and governmental regulations, no part of any Unit shall ever be used or allowed to be used directly or indirectly for any business, commercial, manufacturing or mercantile or other non-residential use. Also see section 29 below.

Section 2. Rental of unit. Unit owners may lease or rent their condominium upon appropriate written notice to the Board of such intent; provided, however, that no Unit Owner shall be permitted to lease their condominium for transient or hotel purposes and no such lease or rental shall be for a period of less than thirty (30) days. Any such lease or rental shall be in writing, shall be in such form as approved by the Board and shall require the tenant thereof to comply in all respects with the Declaration, the By-laws and all rules and regulations adopted by the Association and any failure by the tenant to so comply shall be a default under said lease or rental.

Section 3. Common Area. Except as otherwise permitted herein, there shall be no obstruction of any portion of the Common Area nor shall anything be stored in the Common Area, even on a temporary basis, without the prior written consent of the Board unless the same be in Owner's Exclusive Use Common Area and in accordance with the provisions hereof.

There shall be no use or occupancy of any part of the Common Area, except by the Unit Owner, their family, tenants, and guests.

Nothing shall be done or kept in or upon any Unit or in the Common Area, which will increase the rate of insurance, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept on or within his Unit or in the Common Area, which will result in the cancellation of insurance on the building or which would be in violation of any governmental statute, ordinance, rule or regulation.

No waste shall be committed in the Common Area and nothing shall be altered, installed, or constructed in the Common Area without the consent of the Board.

Section 4. Signs. No sign of any kind shall be displayed on the Common Area without the prior written consent of the Board. No political signs are permitted on the property.

An Owner shall be permitted to display a sign from their Unit which is of reasonable dimensions and design and is in compliance with all governmental regulations, which advertises

that the Unit is for sale, lease or exchange, directions to the Owner's Unit, the Owner's or his agent's name and the Owner's or his agent's address and telephone number.

Section 5. External Items (satellite dishes). No antennae (television, radio, or of any sort), poles, wires, (excluding telephone wiring), or other external items shall be located on or outside of any Unit, or in the Common Area, except with the written consent of the Board of Directors. No exterior video or television antenna (including satellite dish) that has a diameter or diagonal measurement of more than thirty-nine (39) inches shall be used or installed at Forte Ranch. A video or television antenna (including satellite dish) that has a diameter or diagonal measurement of thirty-nine (39) inches or less may be used and installed by an Owner in his or her unit; provided that the antenna or satellite dish is not attached to, or located upon, the Common Area or Common Facilities. The antenna or satellite dish shall be screened from view from the other units and the Common Areas and painted to blend in with the building; provided that such screening and/or painting does not unreasonably interfere with signal strength or cost an unreasonable amount of money. (FCC regulation)

Section 6. Pets. No animals, livestock, or poultry of any kind shall be raised, bred, or kept in or upon any Unit or in the Common Area, except that a Unit Owner shall be allowed to maintain not more than two (2) ordinary household family pets, so long as a pet does not annoy, molest, or inconvenience any other Unit Owners, guests or other pets and provided that such pet or pets shall, if and when declared be a nuisance by the Board, forthwith be removed from the Project. Dogs must be "curbed" and kept on a leash at all times while in the Common Area. Each Owner of a pet shall have the responsibility of removing his pet's waste matter from the Common Area. Any inconvenience, damage or injury caused by such household pet or pets shall be the sole responsibility of the respective owner thereof and said owner does hereby indemnify the Association, its Board of Directors, officers and the Manager and its staff and agrees to hold each of them harmless from and against any and all loss, cost, liability and expense of any kind and nature arising out of having pets within the Project.

Section 7. Offensive Activities. No obnoxious, offensive, or illegal activity shall be carried on in any Unit or in the Common Area, nor shall anything be done therein which may be or become an annoyance or nuisance. No obnoxious or noxious odors shall be permitted anywhere on the Property. An occupant of a Unit may not cause the level of noise or sound from the Unit to interfere with the quiet enjoyment of an occupant of another Unit (i.e., loud voices, loud music, or television). The Board shall have the right to determine if any action, odor, noise, or other conduct constitutes a nuisance and to take action necessary to abate the same.

Section 8. Exterior Clothes Drying Facilities. Outside clothes lines or other outside drying or airing facilities shall not be maintained unless hidden from view from the street and from any other Unit in the Project. Do not hang towels or bathing suits on deck handrails.

Section 9. Rubbish, Refuse Containers and Disposal. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Unit, and no odors shall be permitted to arise therefrom so as to render any Unit or portion thereof unsanitary, unsightly,

offensive, or detrimental to any Unit or to the occupants thereof. Rubbish, garbage, trash, and all other refuse shall be stored in sanitary, non-metallic containers, or such other containers as may be provided by the Board. Such containers may be visible for collection but only for the shortest time necessary to affect such collection. Such containers shall be situated as to be readily accessible for collection and if, at any time, provides a container storage area for an owner, the storage area provided by the Board must be used unless otherwise determined by the Board. For units with garages the trash containers must be stored in the garage. All other have a designated storage area.

Section 10. Structural Changes. Nothing shall be done in any Unit or in or on, or to the Common Area which will impair the structural or aesthetic integrity of the buildings or which would structurally alter the buildings, except as is otherwise provided herein. See Appendix A for examples of previously approved projects.

Section 11. Mineral Exploration. No drilling, oil development, operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Unit or the Common Area or within 500 feet below the surface of the property.

Section 12. Development of Air Space. No development shall be made of the air space above the exterior of any structure or any Unit or in the Common Area except upon the written consent of the Board.

Section 13. Violation of Rules and Laws. There shall be no violation of the rules or regulations for the Use and Occupancy of Units or the Common Area as set forth herein or as may be adopted by the Board. There shall be no violation or failure to comply with applicable laws, orders, or directives of any lawful authority.

Section 14. Owner Liability. Each Owner shall be liable to the Association as such liability may be determined pursuant to the laws of the State of California, for any damage to any portion of the Common Area or the equipment, facilities or negligence or willful misconduct of said Owner or of their family, relatives, guests, invitees, or tenants, both minor and adult. In the case of joint ownership, the liability of such Owners shall be joint and several. In the event of personal injury or property damage sustained by any person while physically within the Unit of any Owner, and in the future event that any other owner shall be sued, or a claim made against them for said injury or damage, the Owner or Owners of the Unit in which said injury or damage occurs, shall fully indemnify and hold harmless any such other Owners against whom such claim shall be made, and shall further defend any such other Owners at his or her own expense in the event of litigation of such claim; provided, however, that such protection shall not extend to any other Owner whose own negligence may have caused or contributed to the cause of any such injury or damage.

Section 15. Exemption of Payment of Maintenance Fee. No Unit Owners may exempt themselves from liability for their contribution to the maintenance fund by any waiver of the use or enjoyment of the Common Area, or by the abandonment of his condominium.

Section 16. Parking and Parking Spaces. No parking space may be sold or assigned to, or retained in the ownership of, any person not a Unit Owner and no parking space may be rented or leased to a non-Unit Owner except in connection with a lease of a condominium.

- A. No vehicle other than standard passenger automobiles, pick-up trucks and motorcycles shall be permitted to be parked upon any area within the Project. Unit Owners, their tenants and guests, may park permitted vehicles only in parking spaces which have been assigned to them or as may be otherwise permitted by the Board.
- B. Busses, trailers, campers, boats, recreational vehicles, mobile homes, watercraft, inoperable vehicles, and the like shall not be permitted to remain upon any area within the Project.
- C. No repairs shall be made to any vehicle while parked in any area in the Project, except in the case of strict emergency.
- D. An Owner may not park in guest parking spaces without the consent of the Board.
- E. The Board may establish rules and regulations regarding parking, including the establishment of "parking", and "no parking" and "guest parking" areas.
- F. Garage doors, if any, must be kept closed at all times except when entering or exiting or except as may be temporarily necessary.
- G. An Owner shall keep the concrete area of his parking spaces clean and free of debris, oil, and grease.
- H. All applicable provisions of the California Vehicle Code will be enforced on any private streets within the Project.
- I. Notwithstanding the foregoing, Owners of Units No. 21 through 80, inclusive, may utilize the driveway leading to their enclosed garage to park vehicles so long as the vehicles are operative unless the same is otherwise prohibited or restricted by rules and regulations adopted by the Board of Directors and approved by a majority of Owners.
- J. The Association, in compliance with California Vehicle Code Section 22658, shall have the authority to tow away any vehicle or similar equipment parked in violation of the above restrictions or in violation of the California Vehicle Code, whether the same shall belong to any Owner or a member of the family or to any relative, guest, or invitee of any Owner. Charges for such towing shall be the sole responsibility of the vehicle owner.

Section 17. Electronic Equipment. No electronic transmitting equipment other than electronic garage door opening devices, if any, and other electronic transmitting equipment and devices approved by the Board of Directors shall be installed, maintained, or used within the Project.

Section 21. Window Coverings. Windows may be covered only by drapes, shades, curtains, or shutters and cannot be painted or covered by foil, cardboard, or similar materials. All

window coverings visible from the outside of any Condominium Building must be white or off-white in color.

Section 23. Patios, Decks and Balconies.

- A. No item may be stored on any patio, deck or balcony that is visible from any other Unit or from the exterior of the Condominium Building in which the Unit is located.
- B. No patio furniture or plants shall be permitted to be maintained on any patio, balcony or deck without the prior consent of the Board of Directors.
- C. No plants or other objects shall be hung from the ceiling of any patio or balcony nor may any plant or other object be maintained on the railing or wall of any patio, balcony or deck without the consent of the Board of Directors.
- D. An Owner may not paint, alter, remodel, or enclose any patio, balcony or deck without the prior consent of the Board of Directors. See Appendix A for examples of previously approved projects.
- E. An Owner must maintain the patio, balcony, or deck of their Unit in a clean and sanitary condition.

Section 27. Floor Coverings. No floor covering installed by developer or previous owner may be changed without consent of the Board of Directors. Changes from carpet to hard surface flooring must be approved by the Board of Directors or the Architectural Committee. See Appendix A for examples of previously approved projects.

Section 28. Outdoor Cooking. Gas fueled barbecues only are permitted for use in the community. Charcoal, wood or pellet type barbeques or smokers are not permitted.

Section 29. Restriction on Occupancy. No more than four (4) occupants may reside in a two (2) bedroom Unit and no more than six (6) occupants may reside in a three (3) bedroom Unit.

APPENDIX A

Forte Ranch Approved Projects

The changes and upgrades listed below have been approved by the Forte Ranch Board of Directors and Architectural Committee. Although these changes and additions have been approved in the past, any homeowner wishing to make similar changes must still needs to submit a written request to the Board. The request must be approved prior to proceeding with these or any other changes to a unit. For more information on any of these previous changes and to receive a change request application form, please contact Bartlein It may also be a good idea to walk around the complex and look at units that have made similar changes. Board members can direct you to homeowners that you can talk with about these changes.

1. **Resurfacing front stairs and porch:** The upstairs triplex units may resurface the outside staircase and front porch to look like tile as shown in the photo below. Light and dark colors are available. It is the responsibility of the homeowner to keep their staircase and porch in good condition and it is recommended that they be resealed every 3 to 5 years. The resealing or resurfacing work must be done by a Board approved licensed & insured contractor of the homeowner's choice.

Real ceramic or Mexican Stiletto type tile on the stairs and porch are not approved.

Painting the staircase with an epoxy color or other types of paint is not approved.

Installing paver stones on top of the concrete patio decks of downstairs units is not permitted.

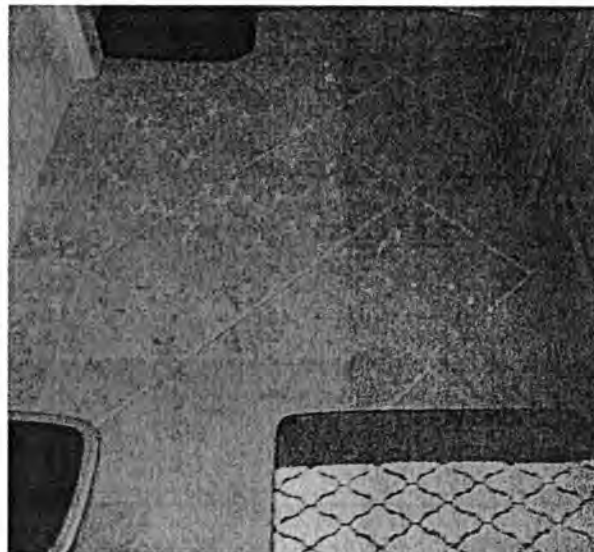


2. **Resurfacing decks:** The upstairs triplex units and units in the multi-unit buildings may resurface decks to look like flag stone as shown in picture below, light, and darker colors are available. It is the responsibility of the homeowner to keep decks in good order and it is recommended that they be resealed every 3 to 5 years. The resealing or resurfacing work must be done by a licensed & insured contractor of the homeowners chose.

(Real flag stone paver stones or tile on the deck is not permitted).

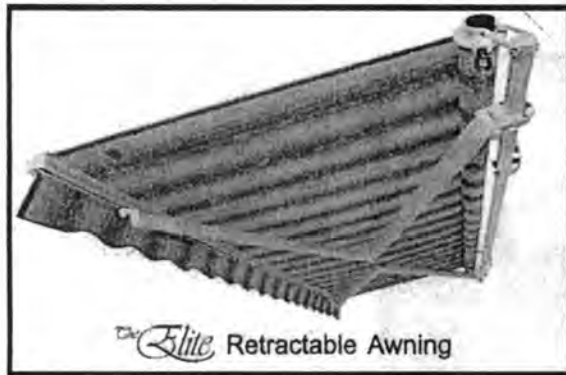


3. **Tile Bathroom Floors:** All units, including upstairs in the tri-plex units may replace the carpeted floor in bathrooms with tile floors. The work must be completed by a licensed & insured contractor. Type and size of tile is the owner's choice.



4. **Awnings on Decks:** Upstairs units may install a retractable awning over the deck that is attached to the building. Awnings are to be installed by a licensed & insured contractor of the homeowner's choice.

For more detailed information contact Bartlein.



5. **Screen Door:** Security Screen doors for the front entry doors can be installed. Please submit you door type and design to Bartlein for approval prior to installation

Approved Vendor: Homeowners choice Approved

Design: Sentry or similar.



Unique Home Designs Sunfire
Copperclad Surface Mount Security Door
with Desert Sand Perforated Aluminum
Screen

★★★★☆ (12) Model# 152001EL2CCP3A



Unique Home Designs Solstice
Outswing Security Door with Insect
Screen and Oil Rubbed Bronze Hardware

★★★★☆ (13) Model# 10R31000352155



Examples:

Home Depot

SB Screen and Shade

- 6. Patio Extensions using Paving Stones:** Downstairs units can extend the concrete patio (under the above deck only) and install walkways from the front of the unit using approved paver stones. Units may also install paver stones alongside the driveways to provide a walkway. Installation of the pavers must be done by a licensed & insured contractor of the homeowner's choice.

Approved Pavers: 8.26" x 5.51" Cream/Terra Cotta/Brown and Sandstone/Mocha.

Available from: Home Depot, Santa Barbara Stone, or other stone providers.

Chosen installers should also be able to provide the stones.



- 7. Replacing Windows:** If unit windows need to be replaced there is an approved window type that installs over the old frames and does not require the stucco to be disturbed. The windows must be installed by a licensed & insured contractor of the homeowner's choice. Colors must match the existing windows.

Approved Type: Milgard, Tuscan Series, single hung

Vinyl w/standard Z-Bar Fin or Anlin Window Systems

Available from: Quality Windows. Mike Brown 564-7600

Available from: CJ Windows Ventura 654-0198



8. **Replacing Sliding Glass Door:** Sliding glass door assemblies can be replaced if required. The homeowner is responsible for all repairs to any stucco damaged or removed during the installation of the door frame. The stucco must also be painted to match the existing stucco. The door frame color must match existing door and window frame colors. The door assembly must be installed by a licensed & insured contractor of the homeowner's choice.

Approved type: Milgard Bronze, Tuscany Series (Zbar) (Vinyl) 8621T
Available from: Bella View Windows: 805 683 4838

9. **Conversion of Heater System in Phase 1 Units:** Phase 1 units may convert the existing heater systems to gas forced air. The conversion must be done by a licensed & insured contractor of the Homeowner's choice. Contact Bartlein for more information.
Bartlein: (805) 569-1121 Ext 107

10. **Air Conditioner Unit Installation:**

Phase 1 triplex units may install Air Conditioning: Installation must be completed by a licensed and insured AC Contractor. Each installation must be individually approved. A separate set of requirements are available.
Contact Bartlein for more information.
Bartlein: (805) 569-1121 Ext 107

Note" At this time the installation of AC systems in Phase 1 is suspended until we can settle the permitting problems with the county.

11. **Installation of Hard surface flooring material:**

Both ground floor and upstairs units can install hard surface (hardwood) flooring materials if certain requirements are met. Each installation must be individually approved. Installation must be completed by a licensed and insured flooring contractor. A separate set of requirements are available.
Contact Bartlein for more information.
Bartlein: (805) 569-1121 Ext 107

FORTE RANCH HOMES ASSOCIATION

ANNUAL BUDGET REPORT & ANNUAL POLICY STATEMENT

	2024 BUDGET	2023 ACTUAL	2022 ACTUAL	2021 ACTUAL	2020 ACTUAL
-- REVENUES --					
OWNER ASSESSMENTS	\$876,956.00	\$808,776.90	\$756,841.00	\$725,868.70	\$664,485.45
OTHER INCOME	0.00	396.20	300.00	0.00	1,307.10
TOTAL REVENUE	\$876,956.00	\$809,173.10	\$757,141.00	\$725,868.70	\$665,792.55
-- EXPENDITURES --					
CLEANING	\$8,300.00	\$6,340.00	\$5,545.00	\$7,176.00	\$7,306.00
ELECTRIC	11,200.00	10,200.14	8,701.01	7,486.19	7,011.76
LANDSCAPING	131,500.00	126,376.84	116,621.16	115,196.16	115,196.16
LANDSCAPE SUPPLIES/EXTRAS	27,000.00	22,784.86	28,301.86	22,206.43	24,377.62
MANAGEMENT	36,972.00	35,376.00	33,372.00	32,088.00	31,452.00
PAINTING	500.00	217.95	1,496.47	0.00	152.00
POOL MAINT-SUPPLY	13,000.00	12,723.18	13,347.17	11,276.32	11,546.47
POOL HEATING (GAS)	10,000.00	8,659.57	7,515.38	7,526.20	5,360.63
REPAIRS & MAINT	28,000.00	14,316.49	14,957.83	16,585.87	16,335.47
SUPPLIES	2,000.00	1,201.77	2,352.26	471.09	1,907.14
WATER & SEWER	57,000.00	61,383.47	72,926.62	69,052.63	56,401.19
INSURANCE	280,000.00	173,189.16	148,903.75	114,970.50	123,774.84
PEST CONTROL	500.00	0.00	1,400.00	4,435.00	8,675.00
LEGAL, ACCTING, PROFESS.	1,800.00	6,906.50	1,690.00	1,620.00	(2,389.99)
MISCELLANEOUS	500.00	875.16	2.71	288.42	18.00
TOTAL OPERATING EXPENSES	\$608,272.00	\$480,551.09	\$457,133.22	\$410,378.81	\$407,124.29
Plus: Amount Added to Reserve	268,684.00	328,622.01	300,007.78	315,489.89	258,668.26
TOTAL FUNDS NEEDED	\$876,956.00	\$809,173.10	\$757,141.00	\$725,868.70	\$665,792.55
CHANGE IN RESERVE:					
Total Funding	\$876,956.00	\$809,173.10	\$757,141.00	\$725,868.70	\$665,792.55
Plus: Interest Income	52,000.00	59,713.43	7,049.50	7,674.75	20,742.93
Less: Operating Expenses	(608,272.00)	(480,551.09)	(457,133.22)	(410,378.81)	(407,124.29)
Income Taxes	(12,000.00)	(792.00)	0.00	(6,842.00)	(9,871.00)
Reserve Expenditures	(504,700.00)	(36,272.54)	(679,838.66)	(86,705.93)	(103,419.43)
NET RESERVE Increase (Decrease)	(\$196,016.00)	\$351,270.90	(\$372,781.38)	\$229,616.71	\$166,120.76

Item #1: **MONTHLY FEES:** In order to meet this budget, monthly fees (assessments) will be:

137 Units

SEE SCHEDULE ON PAGE 5

EFFECTIVE SEPTEMBER 1, 2024

Item #2: **SPECIAL ASSESSMENT:** No special assessment is anticipated in 2024.

Item #3: FUNDS AVAILABLE:

12/31/23	Community West Bank	\$250,416.07		
	Treasury Bills	1,380,313.87		
	Operating Account	5,000.00	TOTAL	\$1,635,729.94

Item #4: MAJOR REPAIRS AND REPLACEMENTS:

The following cost estimates and reserve analysis is based on a reserve study which is reviewed by the Board of Directors each year to account for inflation and planning changes:

ITEM-Expected Life	EXPECTED		RECOMMENDED		BALANCE NEEDED	2024 ADDITIONS	PROJ. BAL. 12/31/24
	LIFE	DATE DUE	EXPECTED COST	IN RESERVE 12/31/23			
Common Deck Seal (P1)	6	2024	5,000	5,000	0	(4,167)	833
Update Governing Docs	25	2024	9,500	9,500	0	(9,120)	380
Common Deck Seal (P2)	6	2024	6,300	6,300	0	(5,250)	1,050
Stucco Repair	5	2024	10,500	10,500	0	(8,400)	2,100
Major Structural Repair	10	2024	120,000	120,000	0	(108,000)	12,000
Stair Repairs	5	2024	7,900	7,900	0	(6,320)	1,580
Planter Wall Repairs	10	2024	12,600	12,600	0	(11,340)	1,260
Paint Trim (P2)	6	2024	41,000	41,000	0	(34,167)	6,833
Paint Trim (P1)	6	2024	57,300	57,300	0	(47,750)	9,550
Tree Maintenance	2	2024	57,800	57,800	0	(28,900)	28,900
Arbor Replacement (25)	20	2024	63,000	63,000	0	(59,850)	3,150
Spa Heater (P2)	10	2024	4,000	4,000	0	(3,600)	400
Backflow Devices (Rep)	4	2024	26,300	26,300	0	(19,725)	6,575
Mail Boxes(P2)	18	2024	10,500	10,500	0	(9,917)	583
Asphalt Seal/Patch (P1)	4	2024	23,200	23,200	0	(17,400)	5,800
Asphalt Seal/Patch (P2)	4	2024	25,900	25,900	0	(19,425)	6,475
Termite Treatment	4	2024	28,400	28,400	0	(21,300)	7,100
Balcony Inspections	9	2024	115,500	115,500	0	(102,667)	12,833
Patio Furniture (P1)	3	2025	5,300	3,533	1,767	1,767	5,300
Pool Heater	12	2025	4,800	4,400	400	400	4,800
Tot Lot Equipment (P2)	10	2025	17,900	16,110	1,790	1,790	17,900
Stair/Balcony Rails(P1)	28	2025	94,500	91,125	3,375	3,375	94,500
Paint Stucco (P1)	18	2025	184,800	174,533	10,267	10,267	184,800
Pool Cover/Motor	6	2025	8,400	7,000	1,400	1,400	8,400
Spa Pumps (P2)	8	2026	4,700	3,525	1,175	588	4,113
Pool Refiberglass	18	2026	22,700	20,178	2,522	1,261	21,439
Pool/Spa Pumps (P1)	8	2026	7,900	5,925	1,975	988	6,913
Spa Fiberglass (P2)	18	2026	7,400	6,578	822	411	6,989
Sub-totals			983,100	957,607	25,493	(495,051)	462,556

MAJOR REPAIRS & REPLACEMENTS (Cont):

Sub-total (Prev Page):			983,100	957,607	25,493	(495,051)	462,556
Spa Fiberglass (P1)	18	2026	7,400	6,578	822	411	6,989
Concrete Repair (P2)	10	2027	14,700	10,290	4,410	1,470	11,760
Spa Heater (P1)	10	2027	4,000	2,800	1,200	400	3,200
Fire Sprinkler Testing	5	2027	14,400	5,760	8,640	2,880	8,640
Pool Fence Repairs	10	2027	7,400	5,180	2,220	740	5,920
Concrete Repair (P1)	10	2027	14,700	10,290	4,410	1,470	11,760
Baths Remodel	28	2027	18,900	16,875	2,025	675	17,550
Pool Deck - Concrete	30	2027	25,200	22,680	2,520	840	23,520
Asphalt-Overlay (P1)	30	2027	178,500	160,650	17,850	5,950	166,600
Paint Curb-Address (P1)	10	2028	2,300	1,380	920	230	1,610
Paint Curb-Address (P2)	10	2028	2,300	1,380	920	230	1,610
Spa Filter (P2)	12	2028	2,300	1,533	767	192	1,725
Com Deck Resurface (P1)	30	2028	8,800	7,627	1,173	293	7,920
Com Deck Resurface (P2)	30	2028	9,500	8,233	1,267	317	8,550
Spa House Remodel (P2)	28	2029	6,300	5,175	1,125	225	5,400
Irrigation - Refurbish	15	2029	75,600	50,400	25,200	5,040	55,440
Stair/Balcony Rails(P2)	28	2029	80,300	65,961	14,339	2,868	68,829
Landscape Renovation	15	2029	92,400	61,600	30,800	6,160	67,760
Paint Stucco (P2)	18	2029	151,200	109,200	42,000	8,400	117,600
Pool Filter	12	2031	5,700	2,375	3,325	475	2,850
Roofs-Flat (P1)	15	2031	151,200	80,640	70,560	10,080	90,720
Asphalt-Overlay (P2)	30	2031	199,500	152,950	46,550	6,650	159,600
Roofs-Carport (P1)	35	2032	46,200	35,640	10,560	1,320	36,960
Gutters/Downspouts (P1)	35	2032	85,100	65,649	19,451	2,431	68,080
Roofs-Flat (P2)	15	2032	105,800	49,373	56,427	7,053	56,427
Spa Filter (P1)	12	2034	2,300	383	1,917	192	575
Solar Filters	12	2034	2,800	467	2,333	233	700
Mail Boxes(P1)	18	2034	13,100	5,822	7,278	728	6,550
Roofs-Carport (P2)	35	2034	13,900	9,929	3,971	397	10,326
Gutters/Downspouts (P2)	35	2034	54,800	39,143	15,657	1,566	40,709
Pool Solar Heat Syst	15	2036	8,400	1,680	6,720	560	2,240
Roof Tile Underlay (P2)	35	2036	683,800	449,354	234,446	19,537	468,891
Water Heater (at Pool)	15	2037	1,900	253	1,647	127	380
Spa Fence	25	2038	8,200	3,608	4,592	328	3,936
Arbor Replacement (33)	20	2039	83,200	20,800	62,400	4,160	24,960
Street Lighting (P1 & P2)	22	2040	31,200	8,509	22,691	1,418	9,927
Roof Tile Underlay (P1)	35	2057	785,400	44,880	740,520	22,440	67,320
Reserve Surplus (Shortage)				(846,924)	846,924	180,549	(666,375)

TOTALS	\$3,981,800	\$1,635,730	\$2,346,070	(\$196,016)	\$1,439,714
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Item #5: Ratio of actual cash reserves on hand to estimated		Projected Ratio
cash reserves currently required	65.9%	at Year-End 68.4%
	=====	=====

Item #6: Average Reserve Shortage per unit:	(\$6,181.93)	(\$4,864.05)
	=====	=====

Item #7: Reserve Projections at year-end for next five years:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Estimated Required in Reserve	\$2,106,089	\$2,023,829	\$2,203,055	\$2,163,543	\$2,374,655
Based on Current Funding:					
Net Change In Reserves	(196,016)	(7,016)	258,584	30,884	283,484
Projected Reserve Balance	1,439,714	1,432,698	1,691,282	1,722,166	2,005,650
Projected Percentage Funded	68.4%	70.8%	76.8%	79.6%	84.5%
Based on Plan Being Implemented:					
Net Change In Reserves Per Plan	(196,016)	(7,016)	258,584	30,884	283,484
Projected Balance Per Plan	1,439,714	1,432,698	1,691,282	1,722,166	2,005,650
Projected Percentage Per Plan	68.4%	70.8%	76.8%	79.6%	84.5%

Item #8: Reserve Funding Plan: The Board of Directors has adopted a plan to fully fund the reserves with increases in assessments and/or special assessments as needed. In the event of a surplus, the Board will reduce assessments as needed to eliminate the surplus in an orderly fashion. Increases or decreases in assessments shall be effective annually on January 1st in an amount adequate to meet increased operating costs and to fund the reserves. A full reserve study plan is available upon request, and the Association shall provide the full reserve plan to any member upon request.

Item #8a: The last reserve study was prepared by J.D. Brooks (July, 2022) as of January 1, 2023.

Item #8b: Estimated Annual Interest Rate Earned on Reserve Funds: 3.0%

Estimated Annual Rate of Inflation: 5.0%

Item #8c: The Association has no loans outstanding as of the date hereof.

MONTHLY FEES (Assessments) - Calculations:

Some Expenses are allocated based on square footage of a unit and the balance are shared equally.

**Expenses Allocated Based on
Square Footage of the Unit:**

Insurance	\$280,000.00
Reserves: Roofing	59,110.48
Painting	35,050.00
Total:	\$374,160.48

Note: Roofing Reserves Do Not Include Carports for Allocation Purposes

Gross Assessments:	\$941,700.00	Annualized
Less: Expenses Based on Unit Size	(374,160.48)	
Total Assessments Shared Equally	\$567,539.52	

MONTHLY FEES (Assessments):

EFFECTIVE SEPTEMBER 1, 2024

<u>Addresses</u>	# Of <u>Units</u>	Monthly Share <u>Of Allocated</u>	Monthly <u>Equal Share</u>	Total Annual <u>Assessment</u>	MONTHLY ASSESSMENT
Designated (A) Below	12	\$433.00	\$345.00	\$112,032.00	778.00
Designated (B) Below	16	168.00	345.00	98,496.00	513.00
Designated (C) Below	22	127.00	345.00	124,608.00	472.00
Designated (D) Below	87	236.00	345.00	606,564.00	581.00
TOTALS	137			\$941,700.00	

The Following are the Addresses For Each Assessment Amount:

(A) Duplexes- 3000 Sq Ft (12): **GRANADA WAY:** 4682, 4686, 4690 & 4694; **GREENWAY ROAD:** 4706 & 4710
GATE WAY: 4680, 4684, 4683, 4687, 4693 & 4697

(B) 1,150 & 1,190 Sq Ft Units (16): **GRANADA CIRCLE:** 4601, 4603, 4605, & 4607
GRENOBLE ROAD: 305, 309, 321, 325, 353, 357, 367, 373, 379, 383, 395 & 399

(C) 820 & 900 Sq Ft Units (22): **GRANADA PLACE:** 4620, 4622, 4624, 4626, 4628, 4630, 4632, 4634, 4636, 4638, 4640, 4642, 4644, 4646, 4648, & 4650 **GRENOBLE ROAD:** 313, 317, 361, 365, 387 & 391

(D) All Other Units - 1600 & 1700 Sq Ft Triplexes (87): All units not listed above.

Item #9: INSURANCE: California Civil Code Section 5300 requires an annual insurance disclosure of the Association's insurance as follows:

GENERAL LIABILITY INSURANCE:

Company: Farmers Insurance Company

Coverage: \$1,000,000 Per Occurrence \$2,000,000 Aggregate

Umbrella Company: Farmers Insurance Company

Umbrella Coverage: \$5,000,000

Anniversary Date: June 10th

Deductible: None

Anniversary Date: June 10th

PROPERTY INSURANCE: Coverage: \$72,639,530

Company: Farmers Insurance Company

Anniversary Date: June 10th

Deductible: \$10,000

FIDELITY INSURANCE: Coverage: \$1,700,000

Company: Philadelphia Indemnity Insurance Company

Anniversary Date: June 10th

Deductible: \$10,000

EARTHQUAKE INSURANCE: Coverage: \$30,000,000

Company: Ascot Speciality/Transverse Speciality/General Security

Anniversary Date: February 26th

Deductible: 10% of Total Insurable Value

FLOOD INSURANCE: Included with earthquake insurance--same limits.

Note: The "Deductibles" shown generally apply, but deductibles may vary for specific types of losses or coverages. Please review the actual policies for details.

This summary of the association's policies of insurance provides only certain information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property, or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate coverage.

-- NOTES --

IN 2019:

	<u>Approx Amount</u>
1. Replace & paint arbors 4979, 4667, 4670, 4672 Gerona Way (Rx)	\$8,700
2. Replace pool cover (Rx)	\$6,300
3. Replace pool cover motor (Rx)	\$1,000
4. Upgrade Grenoble open space (Rx)	\$6,800
5. Replace pool filters (2) (Rx)	\$5,000
6. Paint pool gates, entry sign, 4623 Gerona chimney (Rx)	\$3,000

7. Roof replaced 4655 & 4643 / 4645 Malaga (Rx)	\$37,000
8. Roof repaired 4645, 4663, 4665 Malaga, 4623 & 4666 Gerona, 367 Grenoble , 4715 Greenway (Rx)	\$9,700
9. Replacement plants & mulch around complex	\$18,100
10. Trim 35 Palm trees (Rx)	\$2,400
11. Trim various trees in complex (Rx)	\$11,300
12. Backflow Test	\$2,040
13. Reserve Study by JD Brooks (Amt is Exact).	\$1,980
14. Floor insulation sound test performed at 4672 Gerona	\$3,400
15. The budget was amended effective August 1, 2020 to reflect an approx \$30,000 increase in insurance costs	
IN 2020:	<u>Approx Amount</u>
1. Roof repaired 4663 & 4665 Malaga, 4640 Granda Pl, 4637 Gerona, 4657 Malaga (RX)	\$4,600
2. Roof repair & replace skylight 4641 Gerona (RX)	\$6,900
3. Various painting in complex (RX)	\$1,600
4. Tree trimming thru out complex (RX)	\$26,000
5. Street repair & seal coat (RX)	\$43,000
6. Replaced 3 pool gate locks (RX)	\$6,000
7. Replaced leaking fire suppression & backflow device (RX)	\$6,100
8. Irrigation assessment & report (RX)	\$2,200
9. Replace arbors 4656, 4659, 4661, 4676 Gerona Way (RX)	\$8,000
10. Replace plants, add mulch	\$1,300
11. Repair irrigation & dump fees	\$3,800
12. Replace bad section (roots) of main sewer line near 4667, 4669, 4671 Malaga	\$1,400
13. Legal opinion on hardwood floors	\$1,300
14. Legal costs to collect delinquent assessments are being re-paid by owner.	\$7,900
15. Plants and mulch installed at 4661 Gerona, 381 Greendale, & 305 Grenoble	\$2,300
16. Plants, irrigation, & bender board installed at 399 Grenoble.	\$2,800
17. Mulch installed around complex	\$1,100
18. Plants, mulch, rabbit fence, gopher baskets installed in front and back of 4645 Malaga	\$5,200
19. Lighting replaced at entry sign with LED	\$1,100
20. Annual sprinkler test performed	\$2,000
22. Arbors painted at 4656, 4659, 4661, & 4676 Gerona Way (Rx)	\$1,100
IN 2021:	<u>Approx Amount</u>
1. Install plants & mulch at 4666 & 4668 Malaga, 4605 & 4651 Gerona, 4601-4607 Granada 4687, 4697 & 4711 Gate Way	\$13,700
2. Reroofed at 4666 Malaga, 4637 & 4653 Gerona - Phase 1 (RX)	\$45,400
3. Removed various trees in complex that were damaging concrete (Rx)	\$16,500
4. Repaired gutters at 4666 Malaga (RX)	\$1,500
5. Replace solar system to pool (RX)	\$7,100
6. Grind concrete trip hazard at 4687 Gate Way & misc areas around property (RX)	\$1,300
7. Replace spa pump (P2) (Rx)	\$1,200
8. Remove & stump 3 pepper trees on Gate Way & remove & stump 1 tree on Granada Place (Rx)	\$2,600
9. Spot treat termites at 4659 Malaga & 4653 Gerona (Rx)	\$900
10. Apply waterproofing to stucco at 4637 Gerona	\$1,200
11. Remove large root ball in water line & install 2 way clean out at 4642 Granada Place	\$5,400
12. Replace arbors at 385 Greendale, 4668 Gerona, 4625 Granada (RX)	\$7,000

13. Paint arbors at 385 Greendale, 4668 Gerona, 4625 Granada (Rx)	\$1,100
14. There were extra expenses incurred for cleaning during the Covid pandemic.	
15. Install 2 way clean out at 4706 Greenway	\$1,200
16. Replaced pool pump (Rx)	\$2,100
IN 2022:	<u>Approx Amount</u>
1. Landscape improvements thru out complex	\$15,300
2. Termite treatment 4653 & 4657 Malaga (Rx)	\$600
3. Trim trees around complex (Rx)	\$2,400
4. Repair roof 4632 Granada Place (Rx)	\$700
5. Replace roofs and skylights in Phase 1 (Rx)	\$640,000
6. Concrete replacement 4649 Gerona Way (Rx)	\$1,700
7. Grind concrete trip hazards (Rx)	\$1,400
8. Repair arbors in pool area (Rx)	\$800
9. Repair and paint garage trim at 4625 Gerona (Rx)	\$200
10. Replace 65 feet of concrete and rebuild block wall (Rx)	\$13,800
11. Replace pool furniture (Rx)	\$1,700
12. Reserve Study done by JD Brooks (Amount is Exact)	\$2,380
13. Water heater at pool house replaced (Rx)	\$2,500
14. Arbors replaceed - 4645 Malaga, 4660 Gerona, 339 Grenoble (Rx)	\$10,600
15. Paint touch-up on various arbors (Rx)	\$300
16. Rebuilt retaining wall at 4644 Gerona (Rx)	\$3,500
IN 2023:	<u>Approx Amount</u>
1. Speed bump added at the corner of Gerona Way and Granada Place (Rx)	\$900
2. Roof leak repairs performed at 4687& 4683 Gate Way, 367 Grenoble, 360 Greendale Ct 4623 & 4660 Gerona Way (Rx)	\$3,210
3. Various trees trimmed thru out community (Rx)	\$25,025
4. Palm trees trimmed thru out community (Rx)	\$2,800
5. Reserve Study performed in 2022 and paid in 2023 (Amount is Exact)	\$2,380
6. Operating Expenses exceeded budget. The Board voted to borrow \$10,000 from the reserves to pay the excess expenses and will repay the reserves with increased assessments in 2024.	
7. Settlement with 308 Grenoble regarding water leak	\$4,791
8. Legal review of proposed CC&R amendments	\$1,255
9. The pool sand filter was replaced (Rx)	\$3,442
10. Spot treatment for termites for 4638 Granada Place (Rx)	\$895

REQUIRED DISCLOSURES:

ASSESSMENT AND RESERVE FUNDING DISCLOSURE SUMMARY FOR CURRENT BUDGET YEAR (Required by Civil Code Sections 5300 & 5570)

Item #'s are found on the first few pages.

1) The regular assessment per ownership interest is as per Item #1. Note: If assessments vary by the size or type of ownership, the assessment applicable to the ownership interest may be found on the page of the attached summary as per Item #1.

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 are as per Item #2. Note: If assessments vary by the size or type of ownership interest, the assessment applicable to the ownership interest may be found as per Item #2.

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?

Subject to the information available as of the date of preparation hereof:

If the ratio as per Item #5 is equal to or exceeds 100%, the answer is "Yes" for the years shown.

If the ratio is less than 100%, the answer is "No".

If the ratios as per Item #7 are equal to or exceed 100% over the next 5 years, the answer is "Yes".

If the ratios are less than 100%, the answer is "No".

4) If the answer to (3) is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board or the members?

An assessment averaging the "Reserve Shortage" (if any) per unit would be necessary as per Item #6.

5) The board has reasonably determined that all major components are included in the reserve study and are included in its calculation.

6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the California Civil Code, the estimated amount required in the reserve fund at the end of the current budget year is as per Item #4, based in whole or in part on the last reserve study or update prepared as per Item #8a. The projected reserve fund cash balance at the end of the current budget year is as per Item #4, resulting in the percentage of reserve funding being as per Item #4. If an alternate, but generally accepted, method of calculation is also used, the required reserve amount is explained as per Item #4.

7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the California Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is as per Item #7 and the projected reserve fund cash balance in each taking into account only assessments already approved and other known revenues, is as per Item #7, leaving the reserve at the percent funding as per Item #7. If the reserve funding plan approved by the association is implemented, the projected reserve fund cash balance in each of those years and the percent funding will be as per Item #7.

8) Loans outstanding, if any, due from the Association are detailed as per Item #8c.

9) Insurance carried by the Association is summarized as per Item #9.

NOTE: The financial representations set forth in this summary are based on the best estimates of the preparer as of the date of preparation. 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 as per **Item #8b**, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was as per **Item #8b**.

For the purposes of preparing this Summary Section 5570 (b) of the Civil Code states:

(1) "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement.

(2) "Major component" has the meaning used in Section 5550. Components with an estimated remaining useful life of more than 30 years may be included in a study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary.

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

(4) For the purpose of the report and summary, the amount of reserves needed to be accumulated for a component at a given time shall be computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component. This shall not be construed to require the board to fund reserves in accordance with this calculation.

Note: The information contained in this disclosure is a PROJECTION ONLY. Because the reserve study is a projection, the estimated lives and costs of components will likely change over time depending on a variety of factors such as (i) future inflation rates, (ii) levels of maintenance applied by future boards, unknown defects in materials that may lead to premature failures, etc. As a result, some components may experience longer lives while others will experience premature failures. Some components may cost less at the time of replacement while others may cost more.

ANNUAL POLICY STATEMENT

1. PERSON DESIGNATED TO RECEIVE OFFICE COMMUNICATIONS TO ASSOCIATION:

Association Manager
c/o Bartlein & Company, Inc.
3944 State Street, Suite 200
Santa Barbara, CA 93105

2. NOTICE REGARDING SECONDARY ADDRESSES: Members have the right to submit to the Association a secondary address for purposes of delivering annual reports, annual policy notices and collection notices pursuant to Civil Code Section 4040(b).

3. LOCATION FOR POSTING OF GENERAL NOTICES: General notices will be mailed (or Emailed if authorized). If notices are to be posted, members will be notified as to the location prior to posting.

4. NOTICE OF MEMBER'S OPTION TO RECEIVE GENERAL NOTICES BY INDIVIDUAL DELIVERY: Pursuant to Civil Code Section 4045(b), a member has the right to request to receive general notices by individual delivery. The term "individual delivery" means delivery by one of the following methods: (a) First-class mail, postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service carrier. The document shall be addressed to the recipient at the address last shown on the books of the Association or (b) E-mail, facsimile, or other electronic means, if the recipient has consented, in writing, to that method of delivery.

5. MINUTES & NAMES AVAILABLE: In accordance with Civil Code Section 4950(b), each year the Association is required to disclose that minutes for all Association or Directors' meetings, other than meetings in executive session, are available to all members. The cost, if any, of providing copies of the minutes is to be paid by the requester.

ANNUAL POLICY STATEMENT (Cont):

6. STATEMENT OF ASSESSMENT COLLECTION POLICIES (Required by Civil Code Section 5730):

NOTICE: ASSESSMENTS AND FORECLOSURE

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND FORECLOSURE

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

The association must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 5675 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code)

ANNUAL POLICY STATEMENT (Cont):

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws

PAYMENTS

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code)

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 5685 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share interest may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exists. (Section 5665 of the Civil Code)

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code)"

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

This common interest development **IS** a condominium project. The Association of this common interest development **IS NOT** certified by the Federal Housing Administration. It is not anticipated that the Association will seek FHA certification.

8. ASSOCIATION DISCIPLINE POLICY: The Association may take any and all disciplinary actions authorized by the Association's governing documents including, but not limited to, levying monetary penalties ("fines"). If a schedule of fines has been adopted it may be found at the end of this Policy Statement.

ANNUAL POLICY STATEMENT (Cont):

9. DELINQUENCY & LIEN POLICY: Unless otherwise stated all fees and assessments (including special assessments) are due on the first day of each month, in advance, and shall be delinquent 15 days after the due date. A late charge of 10% of the delinquent fee or assessment will be charged and added to the amount due. If fees, assessments, and/or late charges are unpaid at the end of any given month, a lien will be filed against the delinquent unit for the full amount due plus applicable interest, attorney fees, lien filing costs and other costs of collection. If the balance due is not paid within thirty (30) days after the lien is filed, the Association may take any and all actions permitted by law including, but not limited to, filing suit and/or foreclosing the lien.

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

This common interest development **IS** a condominium project. The association of this common interest development **IS NOT** certified by the federal Department of Veterans Affairs. It is not anticipated that the Association will seek VA certification.

11. DISPUTE RESOLUTION PROCEDURES: In accordance with Civil Code Section 5900 et seq., the Association has adopted the following internal dispute resolution process to be followed by the Association and owners:

INTERNAL DISPUTE RESOLUTION PROCESS: The Association has adopted the procedures as per Section 5915 of the Civil Code.

ALTERNATIVE DISPUTE RESOLUTION ("ADR"): Each year the association is required to disclose that before an association or member files a lawsuit to enforce the governing documents, (other than for the collection of assessments), the parties must attempt to resolve the dispute by use of Alternative Dispute Resolution. "Failure of any member of the Association to comply with the alternative dispute resolution requirements of Section 5930 of the Civil Code may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law."

12: MODIFICATIONS REQUIRE PRIOR APPROVAL: Each year the Association is required by Section 4765 of the Civil Code to disclose that all modifications or alterations which alter the common area or the exterior appearance of any structure in any way, require prior written approval of the Board of Directors or a designated committee of the Board. In addition, any alterations to the structure of any unit or building or alterations which may impact another owner in any way also require prior written approval.

Written requests must be submitted to the Board or designated committee for approval which shall approve, conditionally approve, or reject the request in writing within a reasonable time, but in no event later than ninety days from date of receipt of the request. If denied, the requestor shall be given the opportunity to appeal the decision or ask for reconsideration of the Board at the Board's next regularly scheduled meeting.

ANNUAL POLICY STATEMENT (Cont):

13. MAILING ADDRESS FOR OVERNIGHT PAYMENT OF ASSESSMENTS: The mailing address for overnight payment of assessments is:

c/o Bartlein & Company, Inc.
3944 State Street, Suite 200
Santa Barbara, CA 93105

14. MEMBERSHIP LIST: Subject to the provisions of Civil Code Sections 5200-5240, a list of members is available to all members. The cost, if any, of providing copies of the members' list is to be paid by the requester.

15. ANNUAL INFORMATION TO BE PROVIDED BY OWNERS: Section 4041 (a) of the Civil Code says:

4041 (a) An owner of a separate interest shall, on an annual basis, provide written notice to the association of all of the following:

- 1) The address or addresses to which notices from the association are to be delivered.
 - 2) An alternate or secondary address to which notices from the association are to be delivered.
 - 3) The name and address of his or her legal representative, if any, including any person with power of attorney or other person who can be contacted in the event of the owner's extended absence from the separate interest.
 - 4) Whether the separate interest is owner-occupied, is rented out, if the parcel is developed but vacant, or if the parcel is undeveloped land.
- (b) The association shall solicit these annual notices of each owner and, at least 30 days prior to making its own required disclosure under Section 5300, shall enter the data into its books and records.
- (c) If an owner fails to provide the notices set forth in paragraphs (1) and (2) of subdivision (a), the property address shall be deemed to be the address to which notices are to be delivered.

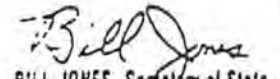
16. SCHEDULE OF FINES: The Association currently does not levy fines and therefore has no fine schedule.

ARTICLES OF INCORPORATION
OF

OCT 10 1995

FORTE RANCH HOMES ASSOCIATION

I


BILL JONES, Secretary of State

The name of this corporation shall be FORTE RANCH HOMES ASSOCIATION.

II

A. This corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

B. The specific purpose of this corporation is to manage a common interest development under the Davis-Stirling Common Interest Development Act and in connection therewith to provide for the maintenance, preservation, protection, management and architectural control of the condominium project commonly known as Forte Ranch Homes located in the County of Santa Barbara, State of California, and to promote the health, safety and welfare of the residents within the above described property, all according to that certain Declaration of Covenants, Conditions and Restrictions, as the same may be amended from time to time (hereinafter the "Declaration") recorded, or to be recorded, with respect to said property in the Office of the Santa Barbara County Recorder.

C. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

D. Notwithstanding any other provision of these Articles, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purpose of this corporation.

III

The authorized number and qualifications of members of the Association, the different classes of membership, if any, the property, voting and other rights and privileges of members and their liability for dues and assessments and the method of collection thereof, shall be as set forth in the By-Laws.

IV

A. If a one class voting structure is in effect, these Articles of Incorporation may be amended only with the vote or written consent of (i) members of the Association holding fifty-one percent (51%) of the voting power of the Association; and (ii) members of the Association holding fifty-one percent (51%) of the voting power held by members other than the Declarant; and (iii) the vote or written consent of a majority of the Board of Directors.

B. If a two class voting structure is still in effect in the Association, these Articles of Incorporation may be amended only with (i) the vote or written consent of members of the Association entitled to cast at least fifty-one percent (51%) of the voting power of each class of membership in the Association and (ii) the vote or written consent of a majority of the Board of Directors.

V

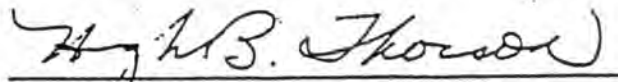
The name and address in the State of California of the corporation's initial agent for service of process is:

Hugh Thorson
4425 Shadow Hills Blvd.
Santa Barbara, Calif. 93105

VI

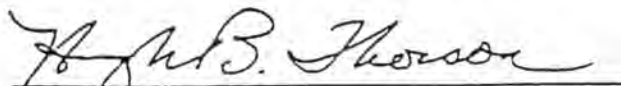
The common interest development is located on San Antonio Rd. and its nearest cross street is State Street and the Zip Code for the location of the development is 93110.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation this 5th day of OCTOBER, 1995.



Hugh Thorson

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.



Hugh Thorson

Section 4225 of the California Civil Code provides that governing documents of an association may be amended if they contain restrictive covenants which are discriminatory. The following disclosure is required:

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income (as defined in subdivision (p) of Section 12955 of the Government Code), or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

BY-LAWS
OF
FORTE RANCH HOMES ASSOCIATION

ARTICLE I

General Provisions

Section 1. Name. The name of the association is Forte Ranch Homes Association ("Association"). The principal office of the Association shall be at such place in the County of Santa Barbara as the Board of Directors may designate from time to time.

Section 2. Purpose. The Association has been formed for the purpose of performing the powers and duties of the Association as set forth in these By-Laws, the Articles of Incorporation of the Association as amended from time to time ("Articles") and that certain Declaration of Covenants, Conditions and Restrictions establishing a plan for condominium ownership, as amended from time to time ("Declaration") recorded in the office of the Santa Barbara County Recorder, established in connection with that certain condominium project ("Project") described as Tract 13966 in the County of Santa Barbara, State of California, together with such additional properties as may be annexed to the Project and brought within the jurisdiction of the Association.

Section 3. Personal Application. All present or future owners, tenants, future tenants, or their employees, or any other persons who own or use the facilities of the Project in any manner, are subject to the regulations set forth in these By-Laws, the Articles and the Declaration. The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a unit shall constitute an acceptance of the provisions of the Articles, these By-Laws, and the Declaration and an agreement to comply therewith.

ARTICLE II

Unit Owners

Section 1. Annual Meetings. The first organization meeting of the Unit Owners shall be held within forty-five (45) days after the consummation of the sale of the condominium in the

first phase of the Project which represents the 51st percentile of all condominiums under the first public report for the Project, provided that the first public report authorizes the sale of fifty condominiums or more in the Project. However, in no event shall the first meeting be held later than six (6) months from the transfer and conveyance of the first condominium in the Project without regard to the number of condominiums authorized for sale in the first public report. Thereafter, annual meetings of such Owners shall be held on or near the same day of each year as determined by the Board of Directors. At the annual meetings there shall be elected by ballot of the Owners a Board of Directors consisting of five (5) persons. The Owners may also transact such other business of the Association as may properly come before the meeting.

Section 2. Regular Meetings. Regular meetings of the Board shall be held monthly at such time and place within the Project as may be fixed from time to time by resolution of the Board, provided that if the business to be transacted by the Board does not require monthly meetings, regular meetings may be held less frequently but no less than one regular meeting shall be held every three (3) months.

Section 3. Special Meetings. It shall be the duty of the president to call a special meeting of the Owners if so directed by a majority of the Board of Directors, or upon written request by Owners holding at least five percent (5%) of the total voting power of the Association. The notice of the special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of Owners holding at least fifty-one percent (51%) of the voting power of each class of members present at such meeting.

Section 4. Notice of Meetings. Written notice of each annual, special, or adjourned meeting of the Owners shall be given by or at the direction of, the secretary by mailing a copy of such notice, postage prepaid, to each of said Owners. Said notice shall be given not less than ten (10) days, nor more than ninety (90) days prior to the fixed date for said meeting. The notice shall specify the place, day and hour of the meeting and the matters the Board intends to present for action by the members. Except as otherwise provided by law, any proper matter may be resented at the meeting for action. The mailing of a notice in the manner provided in this Section shall be considered service of notice.

Section 5. Adjourned Meetings. If any meeting of Owners cannot be held because a quorum is not present, a majority

of the Owners who are present, either in person or by proxy, may adjourn the meeting but may not transact any other business. The meeting may be adjourned to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called. The presence in person or by proxy of Owners of at least twenty-five percent (25%) of the total voting power of the Association shall constitute a quorum at such adjourned meeting.

If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to Owners in the manner prescribed for regular meetings.

Section 6. Place of Meetings. Meetings of the Association shall be held within the Project or at a meeting place as close thereto as possible. Unless unusual conditions exist, meetings shall not be held outside the County in which the Project is situated.

Section 7. Voting Owners. Each Unit Owner shall designate one (1) voting Owner. There shall be only one voting Owner for each condominium. The voting Owner shall be designated by the record owner or owners of each condominium by written notice to the Board of Directors or the manager. Said designation of a voting Owner shall be revocable at any time by actual notice to the Board of Directors or the manager of the death or judicially declared incompetence of any record Owner or by written instrument delivered to the Board of Directors or the manager by any record owner. Where no designation is made or where a designation has been made but is revoked and no new designation made, the voting Owner of each condominium shall be the group composed of its record Owners. If the joint Owners are unable to agree as to how their vote shall be cast, they shall forfeit the vote on the matter in question. If any Owner exercises the voting rights of a particular condominium, it will be conclusively presumed for all purposes that he was acting with the authority and consent of all other Owners of the same condominium. If more than one (1) person exercises the voting rights for a particular condominium, their votes shall not be counted and shall be deemed void.

Section 8. Voting Rights. The Association shall have two classes of voting membership according to the following provisions:

Class A. Each Owner of a Unit other than Declarant shall be a Class A member and shall be entitled to one vote for each Unit owned.

Class B. Declarant shall be a Class B member. Class B membership entitles the holder to three (3) votes for each Unit owned. Class B membership shall be irreversibly converted to Class A membership on the first to occur of the following:

A. Two (2) years from the date of the first conveyance of a condominium in the most recent phase of the Project.

B. Four (4) years from the date of the first conveyance of a condominium in the first phase of the Project.

Any provision in the governing instruments calling for membership approval of action taken by the Association, except provisions with respect to the action to enforce the obligations of Declarant under any completion bond, shall expressly require the vote or written assent of the prescribed percentage of each class of membership during the time that there are two (2) outstanding classes of membership. Except with respect to the action to enforce the obligations of Declarant under any completion bond, any requirement in the governing instruments that the vote of Declarant shall be excluded in any such determination, shall be applicable only if there has been a conversion of Class B members to Class A members, and the same shall be read as requiring the prescribed percentage of Class A members and the prescribed percentage of Class A members other than Declarant.

Section 9. Majority of Owners. As used in these By-Laws, the term "majority of owners" shall mean those Unit Owners holding more than fifty percent (50%) of the voting power of the Project.

Section 10. Quorum. Except as otherwise provided in these By-Laws, or in the Declaration, the presence in person or by proxy of Owners holding more than fifty percent (50%) of the voting power of the condominiums shall constitute a quorum at all meetings of Unit Owners. Unless otherwise expressly provided herein, or in the Declaration, any action may be taken at any regular or special meeting of the Owners upon the affirmative vote of Owners holding at least fifty-one percent (51%) of the voting power of members present at such meeting.

Section 11. Action Without a Meeting. Any action which may be taken by the vote of Owners at a regular or special meeting, except the election of Directors where cumulative voting is a requirement, may be taken without a meeting if done in compliance with the provisions of Section 7513 of the California Corporations Code.

Section 12. Consent of Absentees. The transaction of any business at any meeting of the Association, whether an annual or special meeting, shall be valid whether or not such meeting is held after regular call and notice thereof if: (i) a quorum is present either in person or by proxy and (ii) if before or after such meeting, each Owner entitled to vote if he had been present in person or by proxy at such meeting signs a written waiver of notice or a consent to the holding of such meeting or approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the records of the Association and made a part of the minutes of the meeting.

Section 13. Proxies. At all meetings each Owner may vote in person or by proxy. All proxies shall be in writing and filed with the secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Owner of his condominium.

Any form of proxy or written ballot distributed by any person to the Owners shall afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted upon, except it shall not be mandatory that a candidate for election to the governing body be named in the proxy or written ballot. The proxy or written ballot shall provide that, where the Owner specifies a choice, the vote shall be cast in accordance with that choice. The proxy shall also identify the person or persons authorized to exercise the proxy and the length of time it will be valid.

Section 14. Order of Business. The order of business at all meetings of the Owners of Units shall be as follows:

- A. Roll call;
- B. Proof of notice of meeting;
- C. Reading of minutes of preceding meeting, unless waived;
- D. Reports of officers;
- E. Reports of committees;
- F. Election of inspectors of election (when so required);

- G. Election of members of the Board of Directors (when so required);
- H. Unfinished business; and
- I. New business.

Section 15. Procedure for Meetings. Meetings of the membership of the Association shall be conducted in accordance with a recognized system of parliamentary procedure or such parliamentary procedures as the Association may adopt. Notwithstanding any other provision of law, notice of meetings of the members shall specify those matters the Board intends to present for action by the members, but, except as otherwise provided by law, any proper matter may be presented at the meeting for action. Members of the Association shall have access to Association records in accordance with Article 3 (commencing with Section 8330) of Chapter 13 of Part 3 of Division 2 of Title 1 of the California Corporations Code.

ARTICLE III

Board of Directors

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of five (5) persons, who need not be Owners of condominiums in the Project until conversion of Class B membership to Class A, after which time all Directors must be Owners of condominiums in the Project or the nominee of any corporate or partnership Unit Owner. The number of Directors may be increased or decreased from time to time (but in no event shall be less than three) by an amendment to these By-Laws.

Nomination for election to the Board of Directors shall be made by a Nomination Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman who shall be a member of the Board and two or more members of the Association. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the Owners and such Committee shall make as many nominations for election to the Board as it shall determine, but not less than the number of vacancies that are to be filled.

Section 2. Powers and Duties. Subject to the limitations of the Articles, these By-Laws and the Declaration as to action required to be taken, authorized, or approved by the members of the Association, or a portion or percentage thereof, all Association powers and duties including those set forth in the Declaration shall be exercised by, or under the authority of,

the Board of Directors and the business and affairs of the Association shall be controlled by the Board. Without limiting the generality of the foregoing, the Board shall:

A. Exercise for the Association all powers, duties and authority vested in or delegated to the Board or the Association whether by these By-Laws, the Articles, the Declaration or otherwise.

B. Cause the common area within the Project and the improvements, facilities, structures and landscaping thereon to be operated, protected, repaired and maintained and procure and pay for the liability and hazard insurance, together with such other insurance as may be required by the Declaration.

C. Have the power to adopt and amend uniform rules and regulations governing the units and the use of the common area and the facilities owned or controlled by the Association and the personal conduct of members and their guests, servants, tenants, invitees, and family members thereon in the manner provided for by the Declaration.

D. Establish, levy, assess and collect the assessments or charges referred to in the Declaration in the manner set forth in the Declaration, send out required notices thereof, prepare and issue certificates setting forth whether assessments have been paid as required by the Declaration, and enforce timely payment of such assessments in the manner set forth in the Declaration. The maintenance of the common area and the performance by the Board of Directors of all of its duties and powers shall be paid for out of the assessments so made and collected.

E. The Board may employ a manager, independent contractors and such other employees as it deems necessary and prescribe their duties, and enter into contracts and agreements for the purpose of providing for the performance of its powers and duties. The Board may further delegate any of its powers to such persons or entities as the Directors may determine and may establish such committees as it may deem necessary.

F. Cause to be kept a complete record of all of its acts and corporate affairs and present a statement thereof to the members at the annual meeting of the members or at any duly called special meeting of the members.

G. Supervise all officers, agents and employees of the Association, and see that their duties are properly performed.

H. Appoint and remove at its pleasure, committees and all officers, agents and employees of the Association, prescribe their duties and fix their compensation, subject to the limitations on compensation to Directors. The Board shall obtain and pay the premiums for fidelity bonds as required by the Declaration. The Board shall also obtain Directors and Officers Liability Insurance.

I. Prepare budgets and financial statements for the Association as prescribed herein.

J. Initiate and carry out disciplinary proceedings against members of the Association for violations of provisions of the governing instruments of the Association in accordance with procedures set forth therein.

K. Have the authority to control the structural and landscaping architecture and design within the Project.

L. The Board is hereby precluded from taking any of the following actions except with the vote or written assent of a majority of the voting power of the Association residing in members other than Declarant:

(i) Entering into a contract with a third person where the third person will furnish goods or services for the common area or the Association for a term longer than one (1) year, with the following exceptions:

(a) A management contract, the terms of which have been approved by the Federal Housing Administration or the Department of Veterans Affairs.

(b) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, that the term of the contract shall not exceed the shortest term, for which the supplier will contract at the regulated rate.

(c) Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration provided that the policy permits for short rate cancelation by the insured.

(d) Lease agreements for laundry room fixtures and equipment of not to exceed five (5) years duration provided that the lessor under the agreement is not an entity in which Declarant has a direct or indirect ownership interest of ten percent (10%) or more.

(e) Agreements for cable television services and equipment or satellite dish television services and equipment not to exceed five (5) years duration provided that the supplier is not an entity in which the Declarant has a direct or indirect ownership interest of ten percent (10%) or more.

(f) Agreements for sale or lease of burglar alarm and fire alarm equipment, installation and services of not to exceed five (5) years duration provided that the supplier or suppliers are not entities in which Declarant has a direct or indirect ownership interest of ten percent (10%), or more.

(g) Such other contracts which may from time to time be permitted by the regulations of the Real Estate Commissioner of the State of California.

Notwithstanding the foregoing, any agreement for professional management of the Project, or any other contract providing for services by the Declarant, Sponsor or Builder, may not exceed three (3) years and must provide for termination by either party, without cause, and without payment of a termination fee on ninety (90) days, or less, written notice.

(ii) Incurring aggregate expenditures for capital improvements to the common area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

(iii) Selling, during any fiscal year, property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

(iv) Paying compensation to members of the Board of Directors or to officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board of Directors may cause a member or officer to be reimbursed for expenses incurred in carrying on the business of the Association.

M. To borrow and to incur indebtedness for the benefit of the Association and to cause execution and delivery in the Association's name, of promissory notes, bonds, debentures, deeds of trust, mortgages, pledges or other evidence of indebtedness or security therefor.

Section 3. Election and Term of Office. At the first meeting of the owners, five (5) persons shall be elected to the Board to serve until the first annual meeting of the owners and at each annual meeting thereafter, unit owners shall elect Directors for a term of one (1) year. Directors shall hold office until their successors have been elected by the unit owners.

Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the owners shall be filled by vote of a majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

Section 5. Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors may be removed from office by a vote of a majority of the owners, subject to the provisions of cumulative voting as hereinafter provided.

Any Director who has been absent from three (3) consecutive regular meetings of the Board may be removed as a Director by the majority vote of the other Board members and if so removed, the vacancy may be filled by the remaining members of the Board for the balance of the term of such Director.

The term of any Director who becomes more than thirty (30) days delinquent in the payment of any assessments due to the Association shall automatically be terminated and the remaining Directors shall appoint his successor for the balance of his term.

Section 6. Organization Meeting. The first meeting of the newly elected Board of Directors shall be held within three (3) days of their election at the organization meeting of the owners at such place as shall be fixed by the Directors. Notice shall be given to the newly elected Directors in order legally to constitute such meeting.

Section 7. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least one such meeting shall be held every three (3) months. The meeting place shall ordinarily be within the Project unless, in the judgment of the Board of Directors, a larger meeting room is required than exists within the Project, in which case the meeting room selected shall be as close as possible to the Project. Notice of the time and place of the regular meetings of the Board of Directors, shall be posted at a prominent place or places within the common area and shall be given to each Director personally or by mail, telephone, or telegraph at least four (4) days prior to the date named for such meeting unless the time and place of meetings is fixed by these By-Laws; provided, however, that notice of a meeting need not be given to any governing body member who has signed a waiver of notice or a written consent to holding of the meeting. If the common area of the Project consists only of an easement or is otherwise unsuitable for posting of such notice, the Board shall communicate the notice of the time and place of such meeting by any means it deems appropriate.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by written notice signed by the President or by any two (2) Directors other than the president by three (3) days notice to each Director, given personally or by mail, telephone, or telegraph, which notice shall state the time, place (as hereinabove provided), and the purpose of the meeting; provided, however, notice of the meeting need not be given to any Director who signed a waiver of notice or a written consent to the holding of the meeting. Notice of the meeting shall be posted or communicated in the manner prescribed for notice of regular meetings.

Section 9. Owners Attendance at Meetings.

A. Regular and special meetings of the Board of Directors shall be open to all members of the Association; provided, however, that the Association members who are not on the governing body may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board of Directors.

B. The Board of Directors may, with the approval of a majority of its members present at a meeting at which a quorum for the transaction of business has been established, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, matters that relate to

the formation of contracts with third parties and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session and generally noted in the minutes of the Board. Any matter discussed in executive session shall be generally noted in the minutes of the Board.

C. In any matter relating to the discipline of an Association member, the Board shall meet in executive session if requested by that member, and the member shall be entitled to attend the executive session.

D. Whenever two or more associations have consolidated any of their functions under a joint neighborhood association or similar organization, members of each participating association shall be entitled to attend all meetings of the joint association other than executive sessions, shall be given reasonable opportunity for participation in those meetings and shall be entitled to the same access to the joint association's records as they are to the participating association's records.

Section 10. Minutes of Meetings. The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any meeting of the Board of the Association, other than an executive session, shall be available to members within thirty (30) days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any member of the Association upon request and upon reimbursement of the Association's costs in making that distribution.

Members of the Association shall be notified in writing at the time that the proforma budget required in Section 1365 of the California Civil Code is distributed or at the time of any general mailing to the entire membership of the Association of their right to have copies of the minutes of meetings of the Board and how and where those minutes may be obtained.

Section 11. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned

meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 12. Fidelity Bonds. The Board shall obtain fidelity bond coverage on behalf of the Association for any person or entity handling funds of the Association, including, but not limited to, officers, directors, trustees, employees and agents of the Association and employees of the professional managing agent of the Association, whether or not such persons are compensated for their services, in an amount equal to the maximum of funds including reserves in the custody of the Association or a management agent at any given time during the term of the Fidelity Bond but in no event less than an amount equal to three (3) months of assessments for the entire Project, including reserves.

Section 13. Financial Statements. The following financial information shall be regularly prepared and distributed by the governing body to all members regardless of the number of members or the amount of assets of the Association:

A. A proforma operating budget for the immediately ensuing fiscal year consisting of at least the following information shall be distributed not less than forty-five (45) days and not more than sixty (60) days prior to the beginning of the fiscal year:

(i) Estimated revenue and expenses on an accrual basis.

(ii) A summary of the Association's reserves based upon the most recent review or study conducted pursuant to Section 1365.5 of the California Civil Code, which shall be printed in bold type and include all of the following:

(a) The current estimated replacement cost, estimated remaining life and estimated useful life of each major component.

(b) As of the end of the fiscal year for which the study is prepared:

(1) The current estimate of the amount of cash reserves necessary to repair, replace, restore or maintain the major components.

(2) The current amount of accumulated cash reserves actually set aside to repair, replace, restore or maintain major components.

(c) The percentage that the amount determined for purposes of Clause A(ii)(b)(2) is of the amount determined for purposes of Clause A(ii)(b)(1).

(iii) A statement as to whether the Board of Directors of the Association has determined or anticipates that the levy of one or more special assessments will be required to repair, replace or restore any major component or to provide adequate reserves therefor.

(iv) A general statement setting forth the procedures used by the Board of Directors in the calculation and establishment of reserves to defray costs of future repair, replacement or additions to those major components which the Association is obligated to maintain.

The summary of the Association's reserves disclosed pursuant to subparagraph (ii) above shall not be admissible in evidence to show improper financial management of an Association, provided that other relevant and competent evidence of the financial condition of the Association is not made inadmissible by this provision.

B. A balance sheet as of an accounting date which is the last day of the month closest in time to six (6) months from the date of closing of the first sale of a condominium in the Project and an operating statement for the period from the date of the first closing to the said accounting date shall be distributed within sixty (60) days after the accounting date. This operating statement shall include a schedule of assessments received and receivable identified by the number of the subdivision interest and the name of the entity assessed.

C. A report consisting of the following shall be distributed within one hundred twenty (120) days after the close of the fiscal year:

(i) A balance sheet as of the end of the fiscal year.

(ii) An operating (income) statement for the fiscal year.

(iii) A statement of changes in financial position for the fiscal year.

(iv) For any fiscal year in which the gross income to the Association exceeds \$75,000, a copy of the review of the annual report which shall be prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy.

If the report referred to in subparagraph C. above is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association that the statement was prepared from the books and records of the Association without independent audit or review.

D. In lieu of the distribution of the proforma operating budget required by Paragraph A, the Board may elect to distribute a summary of the items described in Paragraph A(i)(ii)(iii) and (iv) above to all members of the Association with a written notice that the budget is available at the business office of the Association or at another suitable location within the boundaries of the Project and that copies will be provided upon request and at the expense of the Association. If any member requests copies of the proforma operating budget, including the items described in Paragraph A(i)(ii)(iii) and (iv) above, to be mailed to the member, the Association shall provide such copies to the member by first class United States mail at the expense of the Association and mailed within five (5) days. The written notice that is distributed to each of the Association members shall be in at least 10 point bold type on the front page of the summary of the financial statements.

E. In addition to financial statements, the Board of Directors shall annually distribute, within sixty (60) days prior to the beginning of the fiscal year, a statement of the Association's policies and practices in enforcing its remedies against members for defaults in the payment of regular and special assessments including the recording and foreclosing of liens against members' subdivision interests.

F. In all cases where the Project consists of fifty (50) or more Units, the Association must provide an audited financial statement for the preceding fiscal year if the holder, insurer or guarantor, of any first mortgage that is secured by a Unit in the Project submits a written request for the same. If the Project consists of fewer than fifty (50) Units, and there is no audited financial statement available, any mortgage holder shall have the right to have an

audited financial statement prepared provided that the same shall be at its sole cost and expense.

Section 14. Review of Operating Accounts, Reserve Accounts, Etc.

A. The Board of Directors shall:

(i) Review a current reconciliation of the Association's operating accounts on at least a quarterly basis.

(ii) Review a current reconciliation of the Association's reserve accounts on at least a quarterly basis.

(iii) Review, on at least a quarterly basis, the current year's actual reserve revenues and expenses compared to the current year's budget.

(iv) Review the latest account statements prepared by the financial institutions where the Association has its operating and reserve accounts.

(v) Review an income and expense statement for the Association's operating and reserve accounts on at least a quarterly basis.

B. At least once every three (3) years, the Board shall cause a study of the reserve account requirements of the Project to be conducted if the current replacement value of the major components which the Association is obligated to repair, replace, restore or maintain is equal to, or greater than, one-half of the gross budget of the Association for any fiscal year. The Board shall review this study annually and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of that review.

The study required by this Subparagraph B shall at a minimum include:

(i) Identification of the major components which the Association is obligated to repair, replace, restore or maintain which, as of the date of the study, have a remaining useful life of less than thirty (30) years.

(ii) Identification of the probable remaining useful life of the components identified in subparagraph (i) above as of the date of the study.

(iii) An estimate of the cost of repair, replacement, restoration or maintenance of each major component identified in subparagraph (i) above during and at the end of its useful life.

(iv) An estimate of the total annual contribution necessary to defray the cost to repair, replace, restore, or maintain each major component during and at the end of its useful life, after subtracting total reserve funds as of the date of the study.

C. The signatures of at least two (2) persons, who shall be members of the Board of Directors or, one (1) officer who is not a member of the Board of Directors and a member of the Board of Directors, shall be required for the withdrawal of monies from the Association's reserve accounts.

As used in this Section 14 "reserve accounts" means monies that the Board of Directors has identified from its annual budget for use to defray the future repair or replacement of, or additions to, those major components which the Association is obligated to maintain.

Section 15. Liability of Board of Directors. The members of the Board of Directors shall not be liable to the unit owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless each member of the Board of Directors against all liabilities, claims, expenses, actions and obligations of any kind or nature; provided, however, that the Association shall have the power to do so as provided in California Corporations Code Section 7237 (or any successor statute thereto).

Section 16. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board shall consent in writing to the action to be taken. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors and such action by written consent shall have the same force and effect as the unanimous vote of such Directors.

If the Board of Directors resolves by unanimous written consent to take action without a meeting, an

explanation of the action taken shall be posted at a prominent place or places within the common area of the Project within three (3) days after the written consent of all members of the Board of Directors have been obtained. If the common area consists only of an easement or is otherwise unsuitable for posting the explanation of the action taken, the Board of Directors shall communicate such explanation by any means it deems appropriate.

ARTICLE IV

Cumulative Voting

An owner shall be entitled to cumulate his or her votes for one or more candidates for the Board of Directors if the candidate's name or candidates' names have been placed in nomination prior to the voting and if an owner has given notice at the meeting prior to the voting of his or her intention to cumulate votes. If any one owner has given such notice, all members may cumulate their votes for candidates in nomination. The candidates receiving the highest number of votes up to the number of Directors to be elected, shall be deemed elected.

The entire Board of Directors or any individual Director may be removed by a vote of the voting owners holding a majority of the voting power in the Project. Unless the entire Board of Directors is removed from office, no individual Director shall be removed prior to the expiration of the term of his office if the votes cast against removal, or not consenting in writing to such removal, would be sufficient to elect such Director if voted cumulatively at an election at which the same total number of votes were cast and the entire number of Directors authorized at the time of the most recent election of Directors were then being elected. If any Director is removed in the manner authorized above, a new Director may be elected at the same meeting.

All voting shall be by secret written ballot.

Notwithstanding anything to the contrary contained herein or in the Declaration or in the Articles of Incorporation: (a) from the first election of the Board of Directors and thereafter for so long as a majority of the voting power of the Association resides in Declarant, or so long as there are two (2) classes of membership in the Association, twenty percent (20%) but not less than one (1) of the incumbents on the Board of Directors shall be elected solely by the votes of owners other than Declarant; and (b) except as herein otherwise provided in Section 5, Article III, a Director who has been elected to office

solely by the votes of owners other than Declarant may be removed from office prior to the expiration of his term only by the vote of a majority of the voting power residing in owners other than Declarant.

ARTICLE V

Officers

Section 1. Designation. The principal officers of the Association shall be a president and a vice-president (both of whom shall at all times be members of the Board), a secretary and a chief financial officer and such other officers as the Board may create from time to time by resolution.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and each officer shall hold office for one (1) year unless he shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 3. Resignation and Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular or special meeting of the Board of Directors.

Section 4. President. The president shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the president of an Association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice-President. The vice-president shall take the place of the president and perform his duties whenever the president shall be absent or unable to act. If neither the president nor the vice-president is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The vice-president shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such

books and papers as the Board of Directors may direct; and he shall, in general, perform all of the duties incident to the office of secretary.

Section 7. Chief Financial Officer. The chief financial officer shall have responsibility for Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE VI

Inspection of Books and Records

Section 1. Rights of Members. The membership register including mailing addresses and telephone numbers, books of account and minutes of meetings of the members of the Association, of the Board of Directors and of committees of the Board of Directors of the Association shall be made available for inspection and copying by any member of the Association or by his duly appointed representative, at any reasonable time and for a purpose reasonably related to his interest as a member, at the office of the Association or at such other place within the Project as the Board of Directors shall prescribe.

Section 2. Adoption of Rules. The Board of Directors shall establish reasonable rules with respect to: (i) Notice to be given to the custodian of the records by a member desiring to make the inspection; (ii) hours and days of the week when such an inspection may be made; and (iii) payment of the cost of reproducing copies of documents requested by a member.

Section 3. Rights of Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts or copies of documents.

Section 4. Copies of Project Documents. The Association shall make available to Owners, eligible insurers, or guarantors and eligible mortgage holders, current copies of the Declaration, By-Laws, Articles or other rules concerning the Project and the books, records and financial statements of the Association. The term "available" means available for inspection and copying, upon request, during normal business hours or under

other reasonable circumstances. Financial statements shall be provided to Owners, eligible insurers or guarantors and eligible mortgage holders free of charge.

ARTICLE VII

Amendments to By-Laws and Articles of Incorporation

Section 1. Two Class Voting Structure in Effect. If a two class voting structure is still in effect in the Association: (i) the By-Laws may be amended only with the vote or written consent of members entitled to cast at least fifty-one percent (51%) of the voting power of each class of membership in the Association; and (ii) the Articles may be amended only with (a) the vote or written consent of members entitled to cast at least fifty-one percent (51%) of the voting power of each class of membership in the Association and (b) the vote or written consent of a majority of the Board of Directors.

Section 2. One Class Voting Structure in Effect. If a two class voting structure is no longer in effect in the Association because of the conversion of Class B membership to Class A membership as provided herein and in the Declaration: (i) the Articles of Incorporation may be amended only with the vote or written consent of (a) members holding fifty-one percent (51%) of the voting power of the Association; and (b) members holding fifty-one percent (51%) of the voting power held by members other than Declarant; and (c) the vote or written consent of a majority of the Board of Directors; and (ii) the By-Laws may be amended only with the vote or written consent of (a) members holding fifty-one percent (51%) of the voting power of the Association; and (b) members holding fifty-one percent (51%) of the voting power held by members other than Declarant.

Section 3. Percentage. Notwithstanding Sections 1 and 2 of this Article VII, the percentage of the voting power of the Association or of members other than Declarant necessary to amend a specific Article, clause, or provision of these By-Laws and/or the Articles of Incorporation shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that Article, clause, or provision.

ARTICLE VIII

Disciplinary Proceedings

Section 1. Notice and Hearing.

A. No discipline shall be imposed upon an Owner for failure to comply with any terms and provisions of the management documents of the Association until a hearing has been held by the Board. Written notice of the hearing shall be served on the Owner not less than fifteen (15) days and not more than thirty (30) days prior to the date of such hearing. The notice shall specify the grounds of complaint against the Owner, the action proposed to be taken against the Owner and the time, date and place the hearing will be held. The notice shall further inform the Owner that he will have the right to be heard in his own defense and that after the hearing, the Board will determine whether any discipline should be imposed and, if so, the extent of the discipline.

B. Notice of the hearing may be given personally or by first class or registered mail, sent to the Owner at the last address of the Owner shown on the books of the Association.

C. Any action challenging the expulsion, suspension or termination of membership, including any claim alleging defective notice, must be commenced within one (1) year after the date of the expulsion, suspension or termination. In the event such an action is successful, the court may order any relief, including reinstatement, it finds equitable under the circumstances, but no vote of the members or of the Board may be set aside solely because the Owner was at the time of the vote wrongfully excluded by virtue of the challenged expulsion, suspension or termination, unless the court finds further that the wrongful expulsion, suspension or termination was in bad faith and for the purpose, and with the effect, of wrongfully excluding the Owner from the vote or from the meeting at which the vote took place, so as to affect the outcome of the vote.

D. The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which reasonable persons ordinarily rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Irrelevant and unduly repetitious evidence shall be excluded.

E. The Owner shall have the right to testify in his own behalf, to call and examine witnesses, to introduce exhibits, and to rebut the evidence against him.

Section 2. Remedies of the Association. If, after a hearing held in accordance with the provisions of Section 1 of this Article VIII, the Board finds that the Owner has failed to comply with the Management Documents, the Board may, but need not, impose the following discipline:

A. For an Owner's first infraction, the Board may suspend the Owner's voting rights for a period of not more than one (1) month.

B. For each succeeding infraction, the Board may suspend the Owner's voting rights for up to a total period of time equal to one (1) month plus one (1) month for each prior infraction that the Owner has committed.

C. If the Board finds that the Owner has engaged in flagrant and/or repeated violation of the Management Documents, the Board may permanently suspend the Owner's voting rights.

D. The Board may, in addition to or in lieu of the suspensions provided for above, impose a fine for an Owner's first or any subsequent violation of the Management Documents. The maximum amount of fine that may be imposed shall be fixed from time to time by the Board and included in the Association's Rules. Such fine may vary depending on the number of prior infractions by an Owner and/or the severity of the infraction for which the fine is imposed.

The Board shall inform the Owner by written notice of its decision and the discipline imposed, if any, within ten (10) days after the date of the hearing.

ARTICLE IX

Conflicts

These By-Laws are intended to comply with the requirements of the Civil Code of the State of California commencing at Section 1350. In case any of these By-Laws, the Articles, or the Declaration conflict with the provisions of said statutes, the provisions of such statutes shall control. In the event of any conflict between these By-Laws and the Articles, the Articles shall control and in the event of any conflict between

these By-Laws or the Articles and the Declaration, the Declaration shall control.

ARTICLE X

Evidence of Membership, Seal

Section 1. Evidence of Membership. The Board shall have the power, but not the obligation, to cause the issuance of evidence of the membership in the Association to the members thereof in such form as the Board shall determine.

Section 2. Seal. The Association shall have a seal in circular form having within its circumference the name of the Association, its date of incorporation and such other matters as may be required by the laws of the State of California.

ARTICLE XI

Miscellaneous

Section 1. Checks, Drafts, Etc. Unless the Board authorizes more stringent requirements, any check or other negotiable instrument issued by the Association shall require the joint signatures of any two of the following officers: the President, the Chief Financial Officer, and the Secretary, provided that under all circumstances the withdrawal of any money from the Association's reserve accounts shall require the signatures of at least two (2) people who shall either be members of the Board or one (1) member of the Board and one (1) officer who is not a member of the Board. For all purposes herein, "reserve accounts" shall mean money that the Association's Board has identified from its annual budgets for use to defray the future repair of, replacement of, or additions to those major components that the Association is obligated to maintain.

Section 2. Contracts, Etc., How Executed. The Board, except as in the By-Laws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Association by contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 3. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the

CERTIFICATE

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of
FORTE RANCH HOMES ASSOCIATION and that the foregoing By-Laws
constitute the original By-Laws of said Association as duly
adopted at a meeting of the Board of Directors held on the
____ day of _____, 19____.

IN WITNESS WHEREOF, I have subscribed my name this ____
day of _____, 19____.

Secretary

validity, enforceability, or effect of the remainder of these By-Laws.

Section 4. Captions. The captions herein are inserted as a matter of convenience and for reference and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision thereof.

Section 5. Waiver. No restriction, condition, obligation, or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may have occurred.

Section 6. Definitions. Unless separately defined herein or the context otherwise requires, the names, words and phrases used herein shall have the same meaning as set forth in the Declaration and the definitions therein contained are incorporated herein by this reference.

Section 7. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of each year, except that the first fiscal year shall begin on the date of incorporation.

DATED:

JUNE 17, 1986

Angela B. Thow

CERTIFICATE

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of
FORTE RANCH HOMES ASSOCIATION and that the foregoing By-Laws
constitute the original By-Laws of said Association as duly
adopted at a meeting of the Board of Directors held on the
17 day of JUNE, 1926.

IN WITNESS WHEREOF, I have subscribed my name this 17th
day of JUNE, 1926.

H. B. Thowen
Secretary

Forte Ranch Homeowners Association Regular Meeting Minutes

Meeting Date: July 22nd, 2024

Meeting Location: Bartlein Offices

Board In Attendance			Bartlein Personnel Attending	
President:	Tom Elliott	Present	Dorte Andersen	Present
Vice-President:	Graham Rose	Present	Bob Bartlein	Present
Secretary:	David Levasheff	Present		
Treasurer:	Von Jansma	Present		
Member at large:	Dr. Bernard Roth	Present		

I. Meeting Called to Order: At 5:30 pm.

II. Requests by Homeowners in Attendance –

1. None

III. Approval of Prior Meeting Minutes –

1. Regular meeting minutes of June 24, 2024. Bernie made a motion to approve the meeting minutes as submitted. Graham seconded the motion. The motion passed with 4 yes votes and one abstention.

IV. Officer Reports:

1. Treasurer's Report

As of June 30, 2024					Balance Sheet	
	Current Month	% of Budget	Year-to-Date	% of Budget	Assets	
Beginning Balance	\$2,678.10		\$5,000.00		Operating Account	\$1,083.92
Total Income	\$71,539.01	8.5%	\$419,277.61	49.6%	Savings/Reserves	\$1,565,859.97
					Receivables	
Operating Expense:	\$103,273.86	19.5%	\$345,384.54	65.4%	Due from unit owners	\$300.20
Reserve Expenses	\$143,576.38	28.4%	\$156,193.38	30.9%	Total Assets	\$1,567,244.09
Total Expenses	\$246,850.24	23.9%	\$501,577.92	48.6%	Liabilities	
					Accounts Payable	\$0.00
Cash Flow	(\$175,311.23)		(\$82,300.31)		Prepaid Assessments	\$11,181.50
					Total Liabilities	\$11,181.50
Ending Balance	\$1,083.92		\$2,678.10		Fund Balance	\$1,556,062.59

Von mentioned: Landscape extras is understated due to taking out plantings cost out of reserves.

The Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has approved all transfers of funds to and from the Association's bank accounts and has approved any two authorized signers on the Association's bank accounts to transfer funds from reserves in an amount necessary to pay for expenditures as described in the Association's budget or otherwise approved by the Board.

David made a motion to accept the treasurer's report as per the statement above. Graham seconded

Forte Ranch Homeowners Association Regular Meeting Minutes

the motion. The motion passed with unanimous approval.

2. **Landscape committee report** – Palm trees first to be trimmed beginning in September. Others later in the fall. Plan to plant Australian "xmas" trees across from entrance mailboxes.
3. **Presidents Report** – There was a large leak from a landscaping valve, master valve had to be located to turn. Master valves need to be added to the Forte Ranch map, the 379 Grenoble sidewalk needs replacing due to sloping so water flows to the front door. Pool cover needs fixing.

V. Old Business

1. **Possible raising of monthly fees** – The budget needs to be revised. Major Structural Repairs line item needs to be added to reserves. To revise the budget the following needs to be given to Bartlein tonight.
 - How much to put in the Major Structural Repairs reserve line item.
 - How much to put in the Insurance Budget.
 - By what percentage to increase the monthly assessments.

The board decided the following:

- Set the amount in Major Structural Repairs reserve line item at \$120,000 with a 10-year life.
- Revise the Insurance budget to \$280,000 (was \$200,000).
- Increase assessments by an average of 12%

The new budget prepared by Bob during the meeting resulted in new assessments of

A units at \$778/mo.
B units at \$513/mo.
C units at \$472/mo.
D units at \$581/mo.

Tom made a motion to accept the new budget as submitted by Bob Bartlein with the above new monthly assessments. Von seconded the motion. The motion passed with unanimous approval.

2. **Report on deck inspections - Decks to be repaired** – letters need to be sent to 6 units that need repair. There are no repairs that the HOA is responsible for. We need to inform all unit owners that the decks need to be sealed every 5 years.
3. **Status of 305 Grenoble leak – Carpet v LVT flooring** – Phase one is complete. Phase two is starting.
4. **Grenoble Open Space between 304 & 305 Grenoble** – Table.
5. **Tot Lot Upgrades** – Swing set got painted - table.
6. **Upgrades to irrigation controllers** – Enviroscaping has said they will manually take care of the controllers for the near future, so we do not have to have upgrades or pay monthly a fee for automation.
7. **Surveillance Cameras for the pools** – No one wants to be responsible for the cameras - Remove.

VI. New Business

1. **New parking sign – No assigned spaces** – This item was moved to executive session.
2. **Request 4623 Gerona Way – Hard flooring** – Flooring specs meet Forte Ranch Standards. Von made a motion to approve the hard surface floor at 4623 Gerona Way. Graham seconded the motion. The motion passed with unanimous approval.

**Forte Ranch Homeowners Association
Regular Meeting Minutes**

3. **Request 384 Greendale Ct – Hard flooring** – Flooring specs meet Forte Ranch Standards. Tom made a motion to approve the hard surface floor at 384 Greendale Ct. Von seconded the motion. The motion passed with unanimous approval.
 4. **Bid for stucco repairs around complex total \$2,760** – Various small jobs completed by Jesse. Tom made a motion to approve the stucco repairs and other small projects by Jesse. David seconded the motion. The motion passed with unanimous approval.
 5. **Ratify approved paid invoices** – Tom made a motion to approve the itemized invoices below. David seconded the motion. The motion passed with unanimous approval of 4 present board members.
 - a. **Focused Group** - \$45,150, paid by reserves
 - b. **Action Roofing** - \$1,400, paid by P1 roofing
 - c. **Action Roofing** - 3,300, paid by P2 roofing
 - d. **Gonzales Backflow** - \$2,310
 - e. **Beachside** – \$22,040 310, paid by Major Structural Repair reserves
 - f. **Beachside** - \$8,890, paid by Arbor Replacement reserves
 - g. **Enviroscaping** - \$5785, paid by Landscape extras
 - h. **Enviroscaping** - \$4,000, paid by Landscape extras
 - i. **Enviroscaping** - \$1590, paid by Landscape extras
 6. **Agenda items for next meeting** –
- VII. Schedule Next Board Meeting** – 5:30 pm August 26, 2024, in the Rincon room at the Leta Hotel.
- VIII.Meeting Adjournment** – Tom made a motion to adjourn the meeting at 7:04. David seconded the motion. The motion passed with unanimous approval.

**Forte Ranch Homeowners Association
Regular Meeting Minutes**

Meeting Date: June 24th, 2024

Meeting Location: Bartlein Offices

Board In Attendance			Bartlein Personnel Attending	
President:	Tom Elliott	Present	Dorte Andersen	Present
Vice-President:	Graham Rose	Present	Bob Bartlein	Not Present
Secretary:	David Levasheff	Present		
Treasurer:	Von Jansma	Excused		
Member at large:	Dr. Bernard Roth	Late		

I. Meeting Called to Order: At 5:30 pm.

II. Count Ballots - Debbie Gross is present and beginning the count. Final count 94 yes votes and 12 no votes. The measure passes.

III. Requests by Homeowners in Attendance –

1. Garage doors are being left open. Bartlein will send letters.
2. Olenaders are becoming scraggly. Enviroscaping will be notified
3. Irrigation water in some areas does not seem to be working. Bartlein will let Enviroscaping know.

IV. Approval of Prior Meeting Minutes –

1. Regular meeting minutes of May 22, 2024. Tom made a motion to approve the meeting minutes as submitted. Graham seconded the motion. The motion passed with unanimous approval of the 3 present board members.
2. Special meeting minutes of June 05, 2024. Tom made a motion to approve the meeting minutes as submitted. Graham seconded the motion. The motion passed with unanimous approval of 3 present board members.
3. Executive meeting minutes of June 05, 2024. Tom made a motion to approve the meeting minutes with a couple of spelling corrections. Graham seconded the motion. The motion passed with unanimous approval of 3 present board members.

Forte Ranch Homeowners Association Regular Meeting Minutes

V. Officer Reports:

1. Treasurer's Report

As of MAY 31, 2024					Balance Sheet	
	Current Month	% of Budget	Year-to-Date	% of Budget	Assets	
Beginning Balance	\$4,536.92		\$5,000.00		Operating Account	\$2,678.10
Total Income	\$72,553.10	8.6%	\$347,738.60	41.2%	Savings/Reserves	\$1,732,897.93
					Receivables	
Operating Expense	\$28,052.59	5.3%	\$242,110.68	45.8%	Due from unit owners	\$4,968.51
Reserve Expenses	\$1,150.00	0.2%	\$12,617.00	2.5%	Total Assets	\$1,740,544.54
Total Expenses	\$29,202.59	2.8%	\$254,727.68	24.7%	Liabilities	
					Accounts Payable	\$26,000.00
Cash Flow	\$43,350.51		\$93,010.92		Prepaid Assessments	\$14,666.00
					Total Liabilities	\$40,666.00
Ending Balance	\$2,678.10		\$2,678.10		Fund Balance	\$1,699,878.54

An accounting adjustment from pool maintenance & supplies to reserves of about \$2000 will be made for the cost of the pump which was replaced. Fire suppression bills: 19 bills for 10 hydrants. Bartlein will ask Goleta Water District about status and location of meters. One meter had 9 units of water used this month, need to know where it was used. Are we pay for meters/hydrants on the property of the three large residences which are not part of Forte Ranch?

The Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has approved all transfers of funds to and from the Association's bank accounts and has approved any two authorized signers on the Association's bank accounts to transfer funds from reserves in an amount necessary to pay for expenditures as described in the Association's budget or otherwise approved by the Board.

David made a motion to accept the treasurer's report as per the statement above. Bernie seconded the motion. The motion passed with unanimous approval of 4 present board members.

2. **Landscape committee report** – Brownie on travel. Fruit tree moved from a front yard to the garden is dying.
- 3.

VI. Old Business

1. **Report on deck inspections (none received yet)** – Report received today. Tabled.
2. **Status of 305 Grenoble leak** – Stucco done, wallboard up and primed. Project is moving right along.
3. **Grenoble Open Space between** – tabled until after repair work is finished.
4. **Tot Lot upgrades** – Email from A. Ramirez. Tabled
5. **Upgrades to irrigation controllers** – Have not heard back from the landscaper. Tabled

**Forte Ranch Homeowners Association
Regular Meeting Minutes**

6. **Bid to repair roof at 4623 Gerona** – Bernie's roof. Three bids, very different. Bernie needs to figure out which company is best to use. He was not present when Astor Roofing came out to make their inspection and bid. Bernie made a motion to approve the Astor Roofing Bid of \$1800 contingent on their clear explanation to him that they understand the problem. Tom Seconded the motion. The motion passed with unanimous approval of 4 present board members.
7. **Possible mid-year increase to pay insurance coverage and repairs** – move to executive session in July.
 - a. **Surveillance Cameras for the Pools** – There have been complaints and inquiries as to why there is not a surveillance camera at the pool. Issues involved: 1) Someone needs to monitor the camera, 2) Camera needs connectivity, either WiFi or Cellular. Table
8. **Increasing the number of board members or create committee** – Need to inform community that new board members will be needed in 2025. Tom will write a letter. Remove
9. **Report on meeting with developer of MTD property** – Tom had phone call with Con AM who are working with MTD on development. 330-360 units, some 3 stories. The County is mandating that the ingress/egress must be on San Antonio Road. Con Am is pushing for a right turn in, right turn out on Calle Real as well. Our emergency exit will be preserved. Con Am hopes to put in their first request to the county in the next couple of months. It will take 18 to 24 months for approval. Then they can submit plans for approval which will take another 18 to 24 months for approval. No ground breaking for at least 3-4 years.

VII. New Business

1. **Request 4632 Granada Pl – Hard flooring** – Upstairs, uses floor muffler according to our specs. Tom made a motion to approve the request with our normal stipulation that any complaints be mitigated by the owners. Bernie seconded the motion. The motion passed with unanimous approval of 4 present board members.
2. **Request 4668 Gerona Way – Hard flooring** – The bid uses an underlayment that has the same specs as Floor Muffler according to Tom. Tom made a motion to approve the request. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.
3. **Request 4639 Gerona Way – Hard flooring** – Using Floor Muffler. Tom made a motion to approve the request. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.
4. **Ratify approved paid invoices** – David made a motion to approve the itemized invoices below. Tom seconded the motion. The motion passed with unanimous approval of 4 present board members.
 - a. **Hermosa paint – Arbor painting** - \$1150 paint trim reserves
 - b. **Locks repair –New lock at Grenoble Jacuzzi** \$1681 pool fence reserves
 - c. **Al's roofing** – \$52,652 Phase 2 roofing reserves
 - d. **Beachside** – 3 new arbors \$8,890 Arbor reserves
 - e. **Beachside** – 305 Grenoble Repairs \$22,040, Borrow from reserves.
5. **Agenda items for next meeting** –

VII. Schedule Next Board Meeting – 5:30 pm July 22, 2024, at Bartlein offices.

**Forte Ranch Homeowners Association
Regular Meeting Minutes**

VIII.Meeting Adjournment – Tom made a motion to adjourn the meeting at 6:37. David seconded the motion. The motion passed with unanimous approval of 4 present board members.

Forte Ranch Homeowners Association Regular Meeting Minutes

Meeting Date: May 22th, 2024

Meeting Location: Bartlein Offices

Board In Attendance			Bartlein Personnel Attending	
President:	Tom Elliott	Present	Dorte Andersen	Present
Vice-President:	Graham Rose	Present	Bob Bartlein	Not Present
Secretary:	David Levasheff	Present		
Treasurer:	Von Jansma	Present		
Member at large:	Dr. Bernard Roth	Late		

I. Meeting Called to Order: At 5:31 pm.

II. Requests by Homeowners in Attendance –

1. none

III. Approval of Prior Meeting Minutes –

1. Regular meeting minutes of April 22, 2024. Von made a motion to approve the meeting minutes as submitted. Graham seconded the motion. The motion passed with unanimous approval of the 4 present board members.
2. Executive meeting minutes of April 22, 2024. Von made a motion to approve the meeting minutes as submitted. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.
3. Executive meeting minutes of May 8, 2024. Von made a motion to approve the meeting minutes with a couple of spelling corrections. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.

IV. Officer Reports:

1. Treasurer's Report

As of April 30, 2024					Balance Sheet	
	Current Month	% of Budget	Year-to-Date	% of Budget	Assets	
Beginning Balance	\$2,409.14		\$5,000.00		Operating Account	\$4,536.92
Total Income	\$69,556.00	8.2%	\$275,185.50	32.6%	Savings/Reserves	\$1,678,714.04
					Receivables	
Operating Expenses	\$21,405.89	4.1%	\$214,058.09	40.5%	Due from unit owners	\$5,824.61
Reserve Expenses	\$1,688.00	0.3%	\$11,467.00	2.3%	Total Assets	\$1,689,075.57
Total Expenses	\$23,093.89	2.8%	\$225,525.09	19.6%	Liabilities	
					Accounts Payable	\$46,000.00
Cash Flow	\$46,462.11		\$49,660.41		Prepaid Assessments	\$13,438.00
					Total Liabilities	\$59,438.00
Ending Balance	\$4,536.92		\$4,536.92		Fund Balance	\$1,629,637.57

Von commented that Water & Sewer is all meter charges. Now seeing effects from rain in the early year. Fire and Liability insurance premium has not come in yet.

Forte Ranch Homeowners Association Regular Meeting Minutes

The Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has approved all transfers of funds to and from the Association's bank accounts and has approved any two authorized signers on the Association's bank accounts to transfer funds from reserves in an amount necessary to pay for expenditures as described in the Association's budget or otherwise approved by the Board.

David made a motion to accept the treasurer's report as per the statement above. Graham seconded the motion. The motion passed with unanimous approval.

2. **Landscape committee report** – needs to know when to trim palm trees.

V. Old Business

1. **Status of Ballot – count or extend date** – Tabled.
2. **Update on Backflow Reporting** – Gonzles will start later this week.
3. **Report on deck inspections** – Inspections are done. Will receive report 8 weeks after inspection completed. Tom moved to approve al progress payment \$45,150 to Focus Group. Von seconded. The motion passed with unanimous approval. Paid from reserves
4. **Status of 305 Grenoble leak** – Work to begin 7/3. The windows are to be delivered on 7/2. The owner can stay in the unit and Castro's is ready to start work on the inside when given the go ahead.
5. **Status of roof replacement 383-395 Grenoble** – Done. Al's Roofing is requesting a progress payment of \$35,764.40. Tom made a motion to pay the requested progress payment. Bernie seconded the motion. The motion passed with unanimous approval. To be paid by Roofing phase 2 reserves. Workmanship seems to be better than with Tower roofing. The underlayment found on the unit was indeed two layers.

VI. New Business

1. **Tot Lot Upgrades** – Phil could rototiller and compact seating area. - Table
2. **Upgrades to irrigation Controllers** – Table
3. **Grenoble Open Space between 304 & 305 Grenoble** – Table.
4. **Resolution to Borrow from Reserves** – Table
5. **Bid to clean staircases and landings on multi-unit phase 2** - \$810. Tom made a motion to accept Clean Janitorial bid for the 6 multi-unit buildings. David seconded the motion. The motion passed with unanimous approval.
6. **Schedule Annual meeting** – 8/26/2024. Venue is TBD.
4. **Ratify approved paid invoices** –
 - a. None.
5. **Agenda items for next meeting** –

**Forte Ranch Homeowners Association
Regular Meeting Minutes**

VII. Schedule Next Board Meeting – 5:30 pm June 24, 2024, at Bartlein offices.

VIII. Meeting Adjournment – David made a motion to adjourn the meeting at 6:49. Von seconded the motion. The motion passed with unanimous approval.

Forte Ranch Homeowners Association Regular Meeting Minutes

Meeting Date: April 22nd, 2024

Meeting Location: Bartlein Offices

Board In Attendance			Bartlein Personnel Attending	
President:	Tom Elliott	Present	Dorte Andersen	Present
Vice-President:	Graham Rose	Present	Bob Bartlein	Not Present
Secretary:	David Levasheff	Present		
Treasurer:	Von Jansma	Present		
Member at large:	Dr. Bernard Roth	Present		

I. Meeting Called to Order: At 5:30 pm.

II. Requests by Homeowners in Attendance –

1. none

III. Approval of Prior Meeting Minutes –

1. Regular meeting minutes of March 25, 2024, Von made a motion to approve the meeting minutes as submitted. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members, one member was late.
2. Executive meeting minutes of March 25, 2024, Von made a motion to approve the meeting minutes as submitted. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members, one member was late.
3. Emergency Executive meeting minutes of April 1, 2024, Tom made a motion to approve the meeting minutes as submitted. David seconded the motion. The motion passed with 3 yes votes, 1 abstention, one member was late.

IV. Officer Reports:

1. Treasurer's Report

As of March 31, 2024					Balance Sheet	
	Current Month	% of Budget	Year-to-Date	% of Budget	Assets	
Beginning Balance	\$1,122.61		\$5,000.00		Operating Account	\$2,409.14
Total Income	\$67,710.00	8.0%	\$205,629.50	24.3%	Savings/Reserves	\$1,627,882.75
					Receivables	
Operating Expenses	\$23,064.14	4.4%	\$192,652.20	36.5%	Due from unit owners	\$4,470.41
Reserve Expenses	\$5,875.00	1.2%	\$9,779.00	1.9%	Total Assets	\$1,634,762.30
Total Expenses	\$28,939.14	2.8%	\$202,431.20	19.6%	Liabilities	
					Accounts Payable	\$66,000.00
Cash Flow	\$38,770.86		\$3,198.30		Prepaid Assessments	\$13,242.00
					Total Liabilities	\$79,242.00
Ending Balance	\$2,409.14		\$2,409.14		Fund Balance	\$1,555,520.30

Von commented that we are starting to see in water and sewer the effects of all the rain we had. Insurance has still kept the operating expenses high.

Forte Ranch Homeowners Association Regular Meeting Minutes

The Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has approved all transfers of funds to and from the Association's bank accounts and has approved any two authorized signers on the Association's bank accounts to transfer funds from reserves in an amount necessary to pay for expenditures as described in the Association's budget or otherwise approved by the Board.

David made a motion to accept the treasurer's report as per the statement above. Bernie seconded the motion. The motion passed with unanimous approval.

2. **Landscape committee report** – 25% of budget is spent. An unapproved planting of a peach tree planted on a unit's grounds. The unit owners need to place the in a pot and water it themselves.
3. **President's Report** – Some new pool furniture purchased. Some chairs need to be purchased.

V. Old Business

1. **Status of Ballot – count or extend date** – 86 have been sent in, one more than last month. Neighborhood will need to be walked. Tabled
2. **Update on Backflow Reporting** – No new input. Tabled.

VI. New Business

1. **379 Grenoble – Electrical Panel** – Panel “burned out” wires show heat damage on neutral wires at the neutral bar. The owner had it repaired by an electrician. Board needs to know what prompted the owner to look inside the breaker box which led to seeing the problem and an assessment by the electrician of what was wrong. Table
2. **383, 387 Grenoble - Bids to re-roof building** – Tower bid due later this week. Al's Roofing bid – \$51,000. Action Roofing bid was around \$62,000 last month. All four upstairs units called in leaks. The board recommends to have the whole building reroofed. David moved to accept Al's bid. Tom second the motion. The motion passed with unanimous approval.
3. **Leak from ceiling – 4623 Gerona** – Problem turned out to be the units AC drain was leaking. Remove.
4. **Ratify approved paid invoices** –
 - a. None.
5. **Agenda items for next meeting** – Tot lot.

VII. Schedule Next Board Meeting – 5:30 pm May 29, 2024, at Bartlein offices.

VIII. Meeting Adjournment – David made a motion to adjourn the meeting at 6:19. Graham seconded the motion. The motion passed with unanimous approval.

Forte Ranch Homeowners Association Regular Meeting Minutes

Meeting Date: March 25th, 2024

Meeting Location: Bartlein Offices

Board In Attendance			Bartlein Personnel Attending	
President:	Tom Elliott	Present	Dorte Andersen	Present
Vice-President:	Graham Rose	Present	Bob Bartlein	Not Present
Secretary:	David Levasheff	Present		
Treasurer:	Von Jansma	Present		
Member at large:	Dr. Bernard Roth	Excused		

I. Meeting Called to Order: At 5:30 pm.

II. Requests by Homeowners in Attendance –

1. Tot lot needs some maintenance & improvements

III. Approval of Prior Meeting Minutes –

1. Regular meeting minutes of February 26, 2024. Von made a motion to approve the meeting minutes as submitted. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.

IV. Officer Reports:

1. Treasurer's Report

As of February 29, 2024					Balance Sheet	
	Current Month	% of Budget	Year-to-Date	% of Budget	Assets	
Beginning Balance	\$5,000.00		\$5,000.00		Operating Account	\$1,122.61
Total Income	\$68,789.50	8.1%	\$137,919.50	12.8%	Savings/Reserves	\$1,584,178.67
					Receivables	
Operating Expense	\$145,335.32	27.5%	\$169,588.06	32.1%	Due from unit owners	\$2,778.71
Reserve Expenses	\$3,904.00	0.8%	\$3,904.00	0.8%	Total Assets	\$1,588,079.99
Total Expenses	\$149,239.32	14.4%	\$173,492.06	16.8%	Liabilities	
					Accounts Payable	\$83,000.00
Cash Flow	(\$80,449.82)		(\$35,572.56)		Prepaid Assessments	\$14,421.00
					Total Liabilities	\$97,421.00
Ending Balance	\$1,122.61		\$1,122.61		Fund Balance	\$1,490,658.99

Von commented Flood and Earthquake up \$11,000. Farmers has initially no renewal.

The Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has approved all transfers of funds to and from the Association's bank accounts and has approved any two authorized signers on the Association's bank accounts to transfer funds from reserves in an amount necessary to pay for expenditures as described in the Association's budget or otherwise approved by the Board.

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David made a motion to accept the treasurer's report as per the statement above. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.

2. **Landscape committee report** – Planting of Oleanders next to MTD property and between units on Gerona. Cost \$5,785 landscaping. Tom made a motion to proceed with the landscape improvements. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.
3. **President's Report** – nothing.

V. Old Business

1. **Arbor Replacement Bid** – \$8,890 for three. Approximately \$1,500 in painting is extra to be paid by paint trim reserves. Von made a motion to accept the Beachside bid of \$8,890 for arbor replacement. David seconded the motion. The motion passed with unanimous approval of 4 present board members.
2. **Update on Backflow Reporting** – Tabled
3. **305 Grenoble – Bids to repair wall leak** – History from 2017 is that owner wanted her preferred contractor to do the repairs to the dry wall. When Beachside went to do water testing, they found the wall had been sealed back up prior to repairing the problem. The water testing could not be done. Beachside then could only put a Aquafin sealant on the exterior but stated that it was not a permanent fix. Now in this year's rains the leaks have come back. The leak needs to be found. The Owner does not want Beachside to do work. If the owner calls out her own vendor she should pay the bill. If the board uses their own vendor, then the association will pay. Wall board must come off to do water test. JR Construction has given a bid of \$2,800 to do a water test. Association will pay to find source of leak and repair the leak. Damage to the interior of the unit must be paid by the unit owner. Castro gave bid of \$7,800 to do work plus testing for mold etc. Three rooms and windows are affected. Need to get a rebid from JR Construction to remove drywall all around windows and water test. – Table.

VI. New Business

1. **383, 387 Grenoble – Bids to re-roof or repair** – Bid is twice from two years ago. Need more bids. Table
2. **4645 Malaga bid to repair roof** – same as above. Table
4. **Ratify approved paid invoices** –
 - a. **Escalera** - \$5,500 paid from termite reserves.
 - b. **Durbiano** - \$3,000 – paid by repairs & maintenance.
 - c. **Enviroscaping** - \$4,350 – paid by Landscape Extras.

David made a motion to ratify the invoices. Tom seconded the motion. The motion passed with unanimous approval of 4 present board members.

5. **Agenda items for next meeting** –

VII. Schedule Next Board Meeting – 5:30 pm April 22, 2024, at Bartlein offices.

VIII. Meeting Adjournment – David made a motion to adjourn the meeting at 6:36. Tom seconded the

**Forte Ranch Homeowners Association
Regular Meeting Minutes**

motion. The motion passed with unanimous approval of 4 present board members.

Forte Ranch Homeowners Association Regular Meeting Minutes

Meeting Date: February 26th, 2024

Meeting Location: Bartlein Offices

Board In Attendance			Bartlein Personnel Attending	
President:	Tom Elliott	Present	Dorte Andersen	Present
Vice-President:	Graham Rose	Present	Bob Bartlein	Not Present
Secretary:	David Levasheff	Present		
Treasurer:	Von Jansma	Present		
Member at large:	Dr. Bernard Roth	Excused		

I. Meeting Called to Order: At 5:30 pm.

II. Requests by Homeowners in Attendance –

1. None

III. Approval of Prior Meeting Minutes –

- David noted the year is incorrect on the meeting date and the next meeting. He will correct and resubmit the minutes.
- Regular meeting minutes of January 22, 2024. Tom made a motion to accept the minutes as submitted in 1 above. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.

IV. Officer Reports:

1. Treasurer's Report

	Current Month	% of Budget	Year-to-Date	% of Budget	Assets	
Beginning Balance	\$5,000.00		\$5,000.00		Operating Account	\$5,000.00
Total Income	\$69,130.00	8.2%	\$69,130.00	8.2%	Savings/Reserves	\$1,681,416.01
					Receivables	
Operating Expense:	\$24,252.74	4.6%	\$24,252.74	4.6%	Due from unit owners	\$1,873.51
Reserve Expenses	\$0.00	0.0%	\$0.00	0.0%	Total Assets	\$1,688,289.52
Total Expenses	\$24,252.74	2.3%	\$24,252.74	2.3%	Liabilities	
					Accounts Payable	\$0.00
Cash Flow	\$44,877.26		\$44,877.26		Prepaid Assessments	\$15,207.00
					Total Liabilities	\$15,207.00
Ending Balance	\$5,000.00		\$5,000.00		Fund Balance	\$1,673,082.52

Von commented that Water bills from December finally showed up. Unit owner is in arrears because she passed away.

The Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has approved all transfers of funds to and from the Association's bank accounts and has approved any two authorized signers on the Association's bank accounts to transfer funds from reserves in an amount

Forte Ranch Homeowners Association Regular Meeting Minutes

necessary to pay for expenditures as described in the Association's budget or otherwise approved by the Board.

David made a motion to accept the treasurer's report as per the statement above. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.

2. **Landscape committee report** – nothing

3. **President's Report** –

a. F

V. Old Business

1. **Balcony inspection Update- Focused Group, Bill Leys** - Focus Group made a zoom presentation to the meeting to go over their bid and explain the CA law and how it applies to Forte Ranch. Tom had given them some photos and counts of the different structure types we have. Because of this input Focus group was able to significantly lower their bid. There were two options put forward 1) to inspect 30% of each structure type with the potential of having to add more if damage is found in many units or 2) to inspect 100% of each structure type.
Cost for option 1 - 30% inspected will be \$24,750 with addition costs if more inspections required.
Cost for option 2 – 100% inspected will be \$52,950 & if approved this evening only \$49,950.

Discussion consensus by the board agreed that for first year inspection a 100% inspection would provide a useful basis of the quality and useful life of each deck.

Tom moved to accept Focus Group Option 2 at \$49,950 for 100% inspection. Von seconded the motion. The motion passed with unanimous approval of 4 present board members.

2. **Status of lower jacuzzi monitor & gate lock** – New Lock installed. Pump has been replaced.
3. **Ratify Debbie Gross as Inspector of Elections** – 43 ballots have been returned. Tom made a motion to ratify Debbie Gross as inspection of elections. Von seconded the motion. The motion passed with unanimous approval of 4 present board members.

VI. New Business

1. **Date to start heating the pool** – Monday March 11, 2024 after Day Light savings starts
2. **Letter from Krivis CPA regarding taxes** – Tom signed the letter.
3. **Review of 2024 reserve items – paint, asphalt, roofs, gutters, stairs, etc** – Start thinking about. Will address next month. Table.
- a. **Common Deck Seal (P1)** – \$5,000 wait for deck inspections
 - b. **Update Governing Docs** – \$9,500 as needed
 - c. **Common Deck Seal (P2)** – \$6,300 wait for deck inspections
 - d. **Stucco Repair**– \$10,500 – As needed.
 - e. **Stair Repairs**– \$7,900 To be performed as needed
 - f. **Planter Wall Repairs**– \$12,600 To be performed as needed

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- g. **Paint Trim (P2)** – \$41,000 – Arbor paint
- h. **Paint Trim (P1)** – \$57,300 – Arbor paint
- i. **Tree Maintenance**– \$57,800 To be performed as needed
- j. **Arbor Replacement (25)** – \$63,000 - \$8,890 bid to replace 3 this year
- k. **Spa Heater (P2)** – \$4,000 - will most likely need to
- l. **Backflow Devices (rep)** – \$26,300 To be repaired as needed
- m. **Mail Boxes (P2)** – \$10,000 probably not
- n. **Ashphalt Seal/Patch (P1)** – \$23,300 Open for discussion later
- o. **Asphalt Seal/Patch (P2)** – \$25,900 Open for discussion
- p. **Termite Treatment**– \$28,400 To be performed as needed
- q. **Balcony Inspections**– \$115,500 yes \$49,950

4. Ratify approved paid invoices –

- a. **Hermosa Paint** - \$1,600 paid from paint trim reserves
- b. **Poolmasters** - \$1,893 – paid by Reserves for pump
- c. **Enviroscaping** - \$4,350 – paid by Landscape Extras

David made a motion to ratify the invoices. Von seconded the motion. The motion passed with unanimous approval of 4 present board members.

2. Agenda items for next meeting –

- II. **Schedule Next Board Meeting** – 5:30 pm March 25, 2024, at Bartlein offices.
- III. **Meeting Adjournment** – David made a motion to adjourn the meeting at 6:53. tom seconded the motion. The motion passed with unanimous approval of 4 present board members.

Forte Ranch Homeowners Association Regular Meeting Minutes

Meeting Date: January 22nd, 2024

Meeting Location: Bartlein Offices

Board In Attendance			Bartlein Personnel Attending	
President:	Tom Elliott	Present	Dorte Andersen	Present
Vice-President:	Graham Rose	Present	Bob Bartlein	Not Present
Secretary:	David Levasheff	Present		
Treasurer:	Von Jansma	Present		
Member at large:	Dr. Bernard Roth	Excused		

I. Meeting Called to Order: At 5:30 pm.

II. Requests by Homeowners in Attendance –

1. None

III. Approval of Prior Meeting Minutes –

- Regular meeting minutes of November 13, 2023. Von made a motion to accept the minutes as submitted. Tom seconded the motion. The motion passed with unanimous approval of 4 present board members.

IV. Officer Reports:

1. Treasurer's Report

As of December 31, 2023					Balance Sheet	
	Current Month	% of Budget	Year-to-Date	% of Budget	Assets	
Beginning Balance	\$5,000.00		\$5,000.00		Operating Account	\$5,000.00
Total Income	\$78,552.00	9.8%	\$809,173.10	100.5%	Savings/Reserves	\$1,630,729.94
					Receivables	
Operating Expense:	\$61,641.56	12.7%	\$480,551.09	99.4%	Due from unit owners	\$3,238.51
Reserve Expenses	\$895.00	0.3%	\$36,272.54	13.9%	Total Assets	\$1,638,968.45
Total Expenses	\$62,536.56	8.4%	\$516,823.63	69.4%	Liabilities	
					Accounts Payable	\$0.00
Cash Flow	\$16,015.44		\$292,349.47		Prepaid Assessments	\$17,876.00
					Total Liabilities	\$17,876.00
Ending Balance	\$5,000.00		\$5,000.00		Fund Balance	\$1,621,092.45

Von commented that all of our funds except for the money market account are investment in T-Bills and are all earning at least 5.4%. Operating expenses turned out to be only slightly less than the budget. Some items were over budget, some items were under budget, so we came out within budget on operating expenses. One item of note is that we only got one bill from Goleta Water, they did not get all the December bills to us so the water & sewer line item for December is \$5,000-\$7,000 lower than it should have been. These late bills will have to be paid in 2024.

The Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has

Forte Ranch Homeowners Association Regular Meeting Minutes

approved all transfers of funds to and from the Association's bank accounts and has approved any two authorized signers on the Association's bank accounts to transfer funds from reserves in an amount necessary to pay for expenditures as described in the Association's budget or otherwise approved by the Board.

David made a motion to accept the treasurer's report as per the statement above. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.

2. Landscape committee report – nothing

3. President's Report –

- a. Fire sprinkler alarm went off on Grenoble road. There was no fire so Tom disconnected the electricity from the alarm. Next day when service personnel investigated they found that the interior of the mechanism was completely corroded and had become flooded with water and shorted. The entire mechanism was replaced.
- b. Someone (driving under the influence?) drove through the landscaping divider separating the driveways on Gerona. No irrigation was damaged, Enviroscaping will repair planting damage.
- c. Tom has had to chase of a person sleeping in their car at the top of Gate Way.
- d. There has been reports of someone sleeping at the lower Jacuzzi.

V. Old Business

1. **Balcony inspection Update- Focused Group, Bill Leys** - Vendors have not been spoken to yet. A third vendor is now potentially available. Tom will talk with vendors.
2. **Draft Ballot Summary – Patio extensions & walkways** – Ballot information sheet was presented to the board. The board decided some wording modifications were needed. David said he would word smith the document and get it back to Bartlein. Table.

VI. New Business

1. **New Pool Deck Furniture** – Pool furniture is in a bad way. Tom will begin to look for furniture possibilities and bring it to the next meeting. Table.
2. **Late night use Grenoble jacuzzi problems** – There is trouble with late night use of the jacuzzi. This problem ebbs and flows. Security companies are very expensive as are security camera solutions. Perhaps we can have Grenoble volunteers form a monitor team (and get more homeowners to be involved with the board). Tom will write up some draft proposals along those lines. They would turn off the pump and Tom will also look into the feasibility of having water turned off to the shower.
3. **Request to waive late fees – 4739 Greenway** – The unit owner (not a person, but a church entity) was late with about 6 assessment payments in 2023. Late fees are \$42 per month. They state that their policy does not allow them to pay a bill without an invoice. They have owned the unit for around 20 years without this being a problem. Bartlein does not invoice any units and Article VI of the Forte Ranch CC&Rs stipulates that assessment fees "shall be due and payable in advance on the first day of each month, without notice". The board asked Bartlein to inform the unit owner that their request is denied.
4. **Bid - Clean gutters and downspouts** – Bid is \$12,300 to clean all the gutters in the complex (a rate of \$300 per building). The funds needed will have to come out of repairs and maintenance. Tom has a list of buildings and will check it with physical buildings to determine which buildings are in most need

Forte Ranch Homeowners Association Regular Meeting Minutes

of gutter cleaning. Von made a motion to have partial cleaning of the rain gutters based on Tom's assessment not to exceed \$7,500. David seconded the motion. The motion passed with unanimous approval of 4 present board members.

5. **Parking Violations – towing of vehicles** – Most vehicles have complied with notices. The question was asked as to why we care if a vehicle is up to date with registration. Main reason is so vehicles can not be stored on the property.
6. **Review of 2024 reserve items – paint, asphalt, roofs, gutters, stairs, etc** – Start thinking about 2024 reserve items. We will address them next month. Table.
7. **Statement of Information Bartlein & Co, Inc** – Bartlein provided to the board its Statement of Information at this board meeting.
8. **Ratify approved paid invoices** –
 - a. **Tower Roofing** - \$350 & \$350 – paid by Reserves.

Von made a motion to ratify the invoices. Tom seconded the motion. The motion passed with unanimous approval of 4 present board members.

2. **Agenda items for next meeting** – Arbors.
- II. **Schedule Next Board Meeting** – 5:30 pm February 26, 2024, at Bartlein offices.
 - III. **Meeting Adjournment** – David made a motion to adjourn the meeting at 6:36. Von seconded the motion. The motion passed with unanimous approval of 4 present board members.

Forte Ranch Homeowners Association Regular Meeting Minutes

Meeting Date: November 13th, 2023

Meeting Location: Bartlein Offices

Board In Attendance			Bartlein Personnel Attending	
President:	Tom Elliott	Present	Dorte Andersen	Present
Vice-President:	Graham Rose	Present	Bob Bartlein	Not Present
Secretary:	David Levasheff	Present		
Treasurer:	Von Jansma	Present		
Member at large:	Dr. Bernard Roth	Present - late		

I. Meeting Called to Order: At 5:31 pm.

II. Requests by Homeowners in Attendance –

1. None

III. Approval of Prior Meeting Minutes –

1. Regular meeting minutes of October 02, 2023. Von made a motion to accept the minutes as submitted. Graham seconded the motion. The motion passed with unanimous approval of 4 present board members.

IV. Officer Reports:

1. Treasurer's Report

As of October 31, 2023					Balance Sheet	
	Current Month	% of Budget	Year-to-Date	% of Budget	Assets	
Beginning Balance	\$5,000.00		\$5,000.00		Operating Account	\$5,000.00
Total Income	\$64,074.70	8.0%	\$665,909.10	82.7%	Savings/Reserves	\$1,552,997.82
					Receivables	
Operating Expense:	\$45,040.87	9.3%	\$394,417.56	81.6%	Due from unit owners	\$1,138.50
Reserve Expenses	\$11,775.00	4.5%	\$31,935.00	8.2%	Total Assets	\$1,559,136.32
Total Expenses	\$56,815.87	7.6%	\$426,352.56	57.2%	Liabilities	
					Accounts Payable	\$0.00
Cash Flow	\$7,258.83		\$239,556.54		Prepaid Assessments	\$6,886.90
					Total Liabilities	\$6,886.90
Ending Balance	\$5,000.00		\$5,000.00		Fund Balance	\$1,552,249.42

Von commented that big liability & fire Insurance coming in December. Investment in T-Bills are all earning at least 5% and many are close to 5.5%.

The Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has approved all transfers of funds to and from the Association's bank accounts and has approved any two authorized signers on the Association's bank accounts to transfer funds from reserves in an amount necessary to pay for expenditures as described in the Association's budget or otherwise approved by the Board.

Forte Ranch Homeowners Association Regular Meeting Minutes

Graham made a motion to accept the treasurer's report as per the statement above. David seconded the motion. The motion passed with unanimous approval of 4 present board members.

2. **Landscape committee report** – No new plantings planned for the year. Should be right on budget.
3. **President's Report** – Request Bartlein to get bids for cleaning some vs all rain gutters.

V. Old Business

1. **388 Greendale Ct – Additional request for 42" fence** – Owner would like a more "traditional" Fence. The board decided she should stick with original approved plan.
2. **Balcony inspection Update-** Focused Group, Bill Leys. No action has occurred, table.
3. **Draft Ballot Summary – Patio extensions & walkways** – Draft ballot not created yet. tabled
4. **Pool Heat – Identify turn off date** – heater to be turned off no later than 11/27. Tom will decide.

VI. New Business

1. **Pest Control Reports – 4638 Granada Pl & 4675 Greenhill Way** – Greenhill needs tenting, notice to owners planned for after the holidays. 4638 requires 8 families displaced, Spot treat for now.
2. **Hard Surface flooring request – 4638 Granada Pl** – New owner (escrow closes next week) wants to install new floor over the existing approved hard flooring. David made a motion to give Tom the authority to make a decision on the floor after he talks to the contractor after escrow closes. Graham seconded the motion. The motion passed with unanimous approval.
3. **Irrigation Evaluation** – remove
4. **Ratify approved paid invoices** –
 - a. **Enviroscaping** – \$2,495 – paid by landscape extras.
 - b. **SB Tree Care** – \$10,725 – paid by tree trimming reserves.
 - c. **Tower Roofing** - \$1,050 – paid by Reserves.
 - d. **Poolmasters** - \$3442.54 – paid by Reserves.

DAVID made a motion to ratify the invoices. GRAHAM seconded the motion. The motion passed with unanimous approval.

2. **Agenda items for next meeting** – .

II. **Schedule Next Board Meeting** – 5:30 pm January 22, 2023, at Bartlein offices.

III. **Meeting Adjournment** – David made a motion to adjourn the meeting at 6:26. Bernie seconded the motion. The motion passed with unanimous approval.

Forte Ranch Homeowners Association Regular Meeting Minutes

Meeting Date: October 02nd, 2023

Meeting Location: Bartlein Offices

Board In Attendance			Bartlein Personnel Attending	
President:	Tom Elliott	Present	Dorte Andersen	Present
Vice-President:	Graham Rose	Present	Bob Bartlein	Present
Secretary:	David Levasheff	Present		
Treasurer:	Von Jansma	Present		
Member at large:	Dr. Bernard Roth	Present		

I. Meeting Called to Order: At 5:31 pm.

II. Requests by Homeowners in Attendance –

1. None

III. Approval of Prior Meeting Minutes –

1. Regular meeting minutes of August 23, 2023. Tom made a motion to accept the minutes as submitted. Graham seconded the motion. The motion passed with unanimous approval.

IV. Officer Reports:

1. Treasurer's Report

As of August 31, 2023					Balance Sheet	
	Current Month	% of Budget	Year-to-Date	% of Budget	Assets	
Beginning Balance	\$5,000.00		\$5,000.00		Operating Account	\$5,000.00
Total Income	\$65,149.70	8.1%	\$536,621.70	66.6%	Savings/Reserves	\$1,492,737.78
					Receivables	
Operating Expenses	\$27,667.37	5.7%	\$325,819.94	67.4%	Due from unit owner	\$706.00
Reserve Expenses	\$1,255.50	0.5%	\$21,415.50	8.2%	Total Assets	\$1,498,443.78
Total Expenses	\$28,922.87	390.0%	\$347,235.44	46.6%	Liabilities	
					Accounts Payable	\$0.00
Cash Flow	\$36,226.83		\$189,386.26		Prepaid Assessments	\$11,506.50
					Total Liabilities	\$11,506.50
Ending Balance	\$5,000.00		\$5,000.00		Fund Balance	\$1,486,937.28

Von commented that electric Usage now in line, it increased due to increase in rates. Insurance bill due in December will take us about \$13,000 over budget. Other line items are looking to soften the overrun expected for this year.

The Board has reviewed all financial information each month as required by Civil Code Section 5500 including, but not limited to, the Association's check register, monthly general ledger, and delinquent assessment receivable reports. Furthermore, as required by Civil Code Section 5380, the Board has approved all transfers of funds to and from the Association's bank accounts and has approved any two authorized signers on the Association's bank accounts to transfer funds from reserves in an amount necessary to pay for expenditures as described in the Association's budget or otherwise approved by the Board.

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Tom made a motion to accept the treasurer's report as per the statement above. Bernie seconded the motion. The motion passed with unanimous approval.

2. **Landscape committee report** – nothing to report.

3. **President's Report** – Solar heater in operation. Pool furniture will be needed next season. Main pool heater will need to be replaced after the end of the season.

V. Old Business

1. **Balcony inspection Update-** The two bids are like comparing apples & oranges. need more information and clarification, Table.

2. **Update on patio extensions and walkways Ballot** – The proposed CC&R change was presented. Bartlein will create the ballot and wording of explanation to accompany the ballot. David made a motion to accept the CC&R amendment as presented and to give Tom the authority to approve the wording that will go along with the ballot. Tom seconded the motion. The motion passed with 4 approvals and one abstention.

3. **Bid for roof replacements** – A second bid was submitted for repair of the roof rather than a replacement of the roof. Tom made a motion to accept the bid by Action Roofing for \$9,800. David seconded the motion. The motion passed with unanimous approval.

VI. New Business

1. **388 Greendale Ct. – Request for paver stones** - Tom reviewed the proposal with the owner. The proposal includes removing concrete pads around the unit and replacing them with paver stones. Tom Graham seconded the motion. The motion passed with unanimous approval.

2. **Swimming pool heat turn off date** - An extended forecast will be reviewed at the end of October and a decision will be made. Remove

3. **Proposal tax preparation and review – Krivis & Co** – Von made a motion to accept the proposal by Krivis & Co. David seconded the motion. The motion passed with unanimous approval.

4. **Draft 2024 Budget** – Proposed budget from Bartlein kept dues amounts for all units except "A" units nearly unchanged at the expense of allocating less than this year to the reserves.

The board requested Bartlein to run a new budget with a 5% increase to help with expected inflation increases. The new budget will increase monthly assessments for "A" units to \$675, "B" units to \$467, "C" units to \$435, & "D" units to \$520. It would also add \$317,312 to the reserves which is inline with the increase this year and would keep us just under the 70% funded rate which we expect for this year. There will also have to be a footnote added to the approved budget that approximately \$10,000 was borrowed from the reserves to cover the shortfall in the 2023 expenses for the year which will have to be repaid with a special assessment or increase in assessments or through savings in 2024 expenses.

The Tax budget item was moved to reserves since interest rates have increased significantly this year. Interest income goes into reserves so the taxes should be paid out of reserves.

Tom made a motion to approve the proposed budget with 4 changes: 1) Set the gross assessments to \$884,584, 2) the owners assessments will be increased by approximately 5%, 2) the cleaning

**Forte Ranch Homeowners Association
Regular Meeting Minutes**

budget be increased from \$7,300 to \$8,300, 3) a footnote will be added about borrowing from reserves for the 2023 shortfall. Von seconded the motion. The motion passed with unanimous approval.

5. Ratify approved paid invoices –

a. Enviroscaping – \$1,836 & 1,038.62 –

b. Bernie made a motion to ratify the invoice. David seconded the motion. The motion passed with unanimous approval.

2. Agenda items for next meeting – Irrigation system evaluation. Gutter Cleaning.

II. Schedule Next Board Meeting – 5:30 pm November 13, 2023, at Bartlein offices.

III. Meeting Adjournment – David made a motion to adjourn the meeting at 7:02. Tom seconded the motion. The motion passed with unanimous approval.