



**WW Board
Update
SEPT 20, 2023**

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FINANCIALS, EMAILED SEPARATELY

VIOLATIONS, EMAILED SEPARATELY



Wildwood HOA
Board Meeting Agenda
September 20, 2023

Call to order: Time:

Attendees:

Open forum Rules

During open forum, each attendee may address the board for up to 3 minutes.

A director or manager may briefly respond to statements made or questions posed.

Speakers must observe rules of decorum and not engage in obscene gestures, shouting, profanity, or other disruptive behavior. If a speaker is in the middle of a sentence when time is called, he/she may finish their thought before sitting down. The time guidelines ensure that others have an opportunity to speak. Speakers may not allot their time to others. All persons must follow Meeting Rules "Roberts Rules".

Possible meet and confers are allowed 5 minutes each to present their case.

- Approval of minutes

M
S
C

- Treasurer's report*

M
S
C

- Manager's report

M
S
C

- Liens

M
S
C

- Adjournment of open meeting



Board Meeting Minutes
July 26, 2023
Meeting Time: 3:00 P.M

Call to order @3:04pm

Present: Patrick, Tania, Fred, David, Diana

The Board resolved to approve the meeting minutes. *

M- Patrick

S- Fred

All in favor

The Board resolved to accept the financials as presented.

M- Patrick

S- Fred

All in favor

The Board resolved to accept the Managers report as presented. **

Manager's report

M- Tania

S- Fred

All in favor

Motion to close the meeting

M- Fred

All in favor

Closed the open session at 3:50pm

Open executive session and 3:50pm

Present: all members

Motion for closing

M- David

All in favor

Closed at 3:52pm

Diana Pop, Secretary

- Report posted online @ lisafrancoa.com within 30 days of the meeting.
- ** Report posted online @ lisafrancoa.com within 30 days of the meeting.

KEY:
M= MOTION
S= SECOND
C= CARRIED
A=ABSTAIN

Patrick Bohner - President

Tanya Hicks - Vice President

Diana Pop - Secretary

Fred Dozsa - Treasurer

Patrick Bohner Tania Hicks Fred Dozsa – Terms end 2025

Diana Pop up for re-election in 2023

Upcoming Elections need planning

Insurance Proposal needs discussion



CURRENTLY IN OR GOING TO FORECLOSURE STATUS

AMOUNT OWED DOES NOT INCLUDE INTEREST, LATE FEES, COLLECTION FEES

APN: 049-0310-020-0000

\$8634.50 **GOING TO TRUSTEE SEPT 2023**

APN: 049-0320-037-0000

\$7910.00 NEEDS NOD APPROVAL

APN: 049-0310-010-0000

\$13460.00 **GOING TO TRUSTEE SEPT 2023**

APN: 049-0320-017-0000

FAILED PMT PLAN WILL BE RETURNED TO LIEN ENFORCEMENT

APN: 049-0310-004-0000

\$9108.62 NEEDS NOD APPROVAL

PROJECTS:

ROCK GARDENS AND DRIP SYSTEMS CONTINUE

FRONT DOOR ROOFS

ONGOING

DRYROT/PAINT

NONE AT THIS TIME

CAMERAS

CONTINUE INSTALLING ANTENNAS FOR WIRELESS TRANSMISSION AND TO ELIMINATE COMCAST ACCOUNTS.

WILL ULTIMATELY ELIMINATE 4 COMCAST ACCOUNTS

LANDSCAPE

HAD THE MULCH FROM REMOVING THE 3 REDWOODS GRINDED FINER BY THE ARBORIST

DIGGING UP OLD GRASS AND ADDING TOPSOIL TIL SPRING IN MANY AREAS UTILIZING AN ACTUAL BOBCAT SUPPLIED BY RA HAULING WHO ALSO IS PART OF THE TEAM WHO KEEPS OUR STREETS CLEAN!

ADDED OR REPLACED 8 COURTESY LIGHTS

INSURANCE



RUSO

GET TO KNOW US ~ BEFORE YOU NEED US
— INSURANCE AND FINANCIAL SERVICES —

18 September 2023

The Weymouth Company
C/o Lisa Lindsay
4540 Florin Road, Suite 253
Sacramento, CA 95823

RE: *Insurance Renewal –Wildwood Homeowners Association*

Dear Lisa and Board Members,

On behalf of Russo Insurance Agency, I would like to express our sincere appreciation for the opportunity to service your insurance needs. Enclosed is the renewal proposal for your association which renews on October 08, 2023. The renewal has been offered with Farmers Insurance which is a preferred company. A.M. Best has rated Farmers Insurance at A XV, an Excellent rating with a financial size of \$2 billion or greater.

Farmers Insurance's includes coverage for full replacement of the buildings and residential units, including permanently installed fixtures, appliances and betterments and improvements! Most insurance companies limit interior coverage to the drywall or to the original builder specifications. Providing full replacement cost coverage saves every owner \$100's of dollars every year on their individual insurance premium and is the most cost effective and efficient way to insure the property. Furthermore, this renewal offer includes a 150% Extended Replacement Cost Endorsement. This extended replacement cost endorsement is unprecedented in the commercial insurance marketplace. And let's not forget our exceptional claims service with in-house, highly trained, claim professionals (no third-party claims adjusters!).

These are just a few of the primary reasons Farmers Insurance continues to be the leading commercial insurer in California and has been for the past 25 years.

I have also included some *Optional Coverage* for your consideration. Please review this coverage carefully and select the option box for acceptance or simply leave blank for declination. Please evaluate these guidelines and your limit of coverage carefully.

In looking over the review, ***please feel free to contact our office with any questions or inquiries.*** To avoid a lapse in coverage, please complete and return the last page of the Renewal Review and premium to our office no later than **10/08**. I have provided the Annual Invoice and Annual Insurance Disclosure for your convenience.

Thank you for the continued opportunity to handle your insurance needs!

Sincerely,

Kevin Hughes
Commercial Account Manager / Producer
kevin@rickrussoinsurance.com



Important notice regarding Insurance for: Wildwood Homeowners Association

The purpose of this document is to:

1. Inform you regarding California law affecting insurance coverage for Wildwood Homeowners Association as well as you as an Owner.
2. **Notify you that should a covered loss occur to your home you may be personally responsible for the first \$20,000. This amount is in relationship to the deductible on the Association's Master policy.**
3. Provide you with information that will assist you in securing personal insurance. Doing so can lessen the financial impact you will face for damage to your home [See Exhibit 1].
4. Address basic coverage and exclusion provisions common in most insurance contracts.
5. Address loss prevention practices.
6. Provide information to assist you in ordering evidence of insurance for personal or mortgage company use.
7. Provide instructions on claim procedures and protocol.

1. Application Limits of Association's Insurance Coverage

- 1.1. Applies to Association and unit owner policies and supersedes anything to the contrary written in the CC&Rs (Covenants Conditions and Restrictions).
- 1.2. The Association's policy includes coverage for: "any fixtures, improvements, or betterments installed by a unit owner, or floor coverings, cabinets, heating and plumbing fixtures, paint, wall coverings, windows, and any item permanently attached to a unit."
- 1.3. When a covered cause of loss occurs the Association's policy of property insurance shall provide **primary coverage**. **The unit owner's insurance policy may be primary for the portion of the loss equal to the deductible amount on the Association's policy.**
- 1.4. If two or more owners suffer a loss in a single event, they may each be responsible for payment of a portion of the Association's deductible based on the percentage of loss they each suffered.
- 1.5. If an owner does not pay his/her share of the loss within 30 days after substantial completion, the Association may levy an assessment against the owner and place a lien on the unit.
- 1.6. If the unit owner has no insurance for a covered cause of loss, he/she may be personally responsible for the loss to the amount of the Association's policy deductible.

2. **The Association has a property deductible of \$20,000 for each water related occurrence and \$10,000 for all other perils. Payment for the deductible may become your responsibility when a covered cause of loss affecting your unit occurs. Payment of the deductible can and should be included with your insurance policy. Consult your insurance advisor regarding your coverage.**

IMPORTANT: The information contained herein is intended to be used solely for informational reference and as a general guideline. It confers no rights nor affirmatively or negatively amends, extends or alters coverage afforded by the policies referred to.



3. Personal Insurance:

Homeowners should maintain personal insurance coverage. We recommend a comprehensive review of your insurance with your licensed insurance advisor. **Exhibit 1** of this document provides a checklist of items that should be reviewed at that time.

4. Basic coverage and exclusion provisions in the Association's Master Insurance policy:

4.1 The Association's policy includes "special form" property coverage for perils such as fire, lightning, windstorm, hail, explosion, riot, aircraft and vehicle damage, smoke, vandalism, falling objects, weight of ice and snow, collapse, sudden and accidental discharge of water or overflow from plumbing or appliances, and frozen pipes inside a unit.

4.2 Common exclusions: Many insurance companies will not cover water damage resulting from a frozen pipe if adequate heating is not maintained in the unit. Therefore, it is imperative that heat is maintained or that pipes are drained when a unit is unoccupied for an extended period. If your home has fire protection provided by a residential sprinkler system the insurance policy can deny a claim if the sprinkler system is not active at the time a fire occurs. Notify the insurance company any time impairment occurs or for maintenance that lasts over 48 hours.

4.2.1 No coverage is provided for: earthquake, earth movement, landslide, wear and tear, deterioration, or flood, (flood is often defined as water penetrating the building envelope from an outside source). This can include items such as a sprinkling system or other water lines located outside the physical building structure. Damage by insects or animals, mold/fungus, removal of asbestos, settling or cracking of foundations, walls or pipes may also be excluded. **There is no coverage for damage caused by continuous or repeated seepage or leakage of water occurring over a period, usually defined as 14 days. This includes appliances, plumbing and leaking around shower, bathtub, toilet or sink.** The insurance contract contains full details on coverage, limitations, and exclusions. Consult with your advisor regarding unique perils that may impact your property.

5. Loss Prevention:

To reduce the likelihood of damage to your home and possible damage to a neighbor's home the following are a few "loss prevention" measures that should be followed:

When your home will be **unoccupied** for more than a few days:

- Turn off the water to the inside of your home and drain the lines by opening faucets.
- Turn your water heater to "vacation" setting if you have one.
- Leave the heat on to 55 degrees in the winter to avoid freezing. In Summer months leave air-conditioning on to 80 degrees to avoid melting, warping, etc.

Routine Considerations:

- ✓ Washing machine water supply should be turned off after each use.
- ✓ Have clothes dryer vents checked and cleaned on an annual basis. Always remove lint from the filter after each use.
- ✓ Keep smoke alarms in good working condition.
- ✓ Make certain that downspouts are moving water away from the structure rather than toward it.
- ✓ Watch for sprinkler heads or water lines in the landscape area that are broken or not functioning properly. Repair or correction should immediately be brought to the attention of a board member or the community manager.
- ✓ Consult with a professional when unable to remedy unusual persistent odor, or when events occur that seem to suggest appliances or other home equipment are near the end of their lifespan.
- ✓ Have a trusted neighbor or family member periodically check your home while you are away.

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6. Information to assist you ordering evidence of insurance:

6.1 To obtain a certificate of insurance, please visit www.eoidirect.com. After creating an account, click on "Evidence of Insurance" to search for the association and make the order. Those without internet access may also contact the help desk at (877) 456-3643 to make their order over the phone with a representative, available from 7AM-6PM (MT), Monday to Friday.

7. Claim protocol:

7.1 **Claims** for a covered cause of loss, within the following amounts, should be handled as follows:

7.2. **\$0 to \$20,000 for water losses and \$10,000 for all other perils may be the unit owner's sole responsibility.** Cost of cleanup and repair would be paid out of pocket or from personal insurance coverage. Claims under \$20,000 for water losses and \$10,000 for all other perils will not be filed against the Association policy unless circumstance dictates otherwise.

7.3 Claims over \$20,000 for water losses and \$10,000 for all other perils should be submitted to the Association's policy.

7.4 When a loss Occurs:

1. Take action to prevent further damage to your home. For example, it may be necessary to call an emergency restoration company to start water extraction if water damage has occurred inside your home. The next step contact:

2. Contact your own insurance company and report the damage to your home.

3. Contact a Board member or the Community Manager regarding the damage.

4. If individuals above are not available contact a member of our staff 916.791.1901.

Please note that we will only submit claims to the insurance company after approval from the Board or the Community Manager has been received. Only in rare situations will we do otherwise.

A loss that involves your personal property, extra living expenses, personal liability, loss assessment, etc. should be submitted to your insurance carrier. Neither the Association nor the Association's insurer is responsible for these items.

Payment for claims made on the Association's Insurance policy will be payable to the Association not to an individual homeowner.

Please note that the coverage and procedures outlined in this letter apply to your current insurance program, prepared by Russo Insurance Agency. If the association changes agents we recommended that these procedures be reevaluated.

We recommend that you take time to review this information and audit your insurance coverage for compliance. We **strongly** suggest reviewing these documents with your insurance representative to facilitate securing the appropriate insurance coverage for your specific situation.

If you feel your current insurance coverage needs to be reviewed, you may contact our office and ask for a member of our personal insurance team to assist you.

When corresponding with us, please reference **Wildwood Homeowners Association** as the community you live in.

Personal Regards,

A handwritten signature in black ink, appearing to read 'Rick Russo'.

IMPORTANT: The information contained herein is intended to be used solely for informational reference and as a general guideline. It confers no rights nor affirmatively or negatively amends, extends or alters coverage afforded by the policies referred to.



Exhibit 1. – Personal insurance checklist

1.	Policy type - HO-6 form (commonly referred to as a condominium owners policy). Not an HO-3 homeowner policy or an HO-4 renter's policy.
2.	Coverage A (Dwelling coverage) We recommend a limit of *\$25,000 to account for claims that are less than the Association's deductible.
3.	Personal Property Coverage - Consult with your insurance advisor.
4.	Personal Liability - Consult with your personal insurance advisor. You may want to inquire regarding umbrella liability coverage.
5.	Loss of Use Coverage & Additional Living Expenses (In the event your unit is uninhabitable due to a covered loss).
6.	Loss Assessment – Consider a minimum of \$20,000 or higher.
7.	Loss of Rents – Is your unit a rental? If so, this coverage should be purchased. Note that form numbers will change, i.e., DP-6 rather than HO-6. Form # and name varies by company.
8.	Any other riders such as Valuable Articles , i.e., jewelry, art, collectibles, etc. Consult your insurance advisor.
9.	Other Endorsements your insurance advisor may recommend.
10.	Earthquake coverage for your dwelling & contents, earthquake loss assessment, etc. NO EARTHQUAKE INSURANCE HAS BEEN OBTAINED BY THE ASSOCIATION. Consult your insurance advisor. CommunityQuake.com is a resource that we provide for those who may have difficulty securing EQ coverage on their home.
11.	Flood Insurance to cover against outside water penetrating the building envelope. NO FLOOD INSURANCE HAS BEEN OBTAINED BY THE ASSOCIATION. Consult your insurance advisor.
12.	Inventory – When a loss occurs you are responsible for proving your loss. For example, if you have a television destroyed in a fire you will need to show documentation proving the kind and quality. You won't get a 60" inch big screen unless you have evidence the TV was 60" not 26". The same applies with the types of finishes in your home. You won't be given granite if the home was originally built with laminate countertops and you have no proof of an upgrade. Consult with your personal insurance advisor for recommendations on handling this based on your personal situation.

Please note that we strongly advise the deductible amount on your personal policy be low enough that you can comfortably pay this should a covered loss occur. Deductible amounts for an HO6 policy can be as low as \$250, the most common being \$500 to \$1,000. A higher deductible will lower your insurance cost but it also increases your out-of-pocket expense when a claim occurs. Take time now and on an annual basis to review your personal insurance with a trusted insurance advisor. He/she will be able to provide counsel concerning what insurance coverage and deductible amounts are right for you.

IMPORTANT: The information contained herein is intended to be used solely for informational reference and as a general guideline. It confers no rights nor affirmatively or negatively amends, extends or alters coverage afforded by the policies referred to.



R U S S O

GET TO KNOW US ~ BEFORE YOU NEED US
— INSURANCE AND FINANCIAL SERVICES —

WILDWOOD HOMEOWNERS ASSOCIATION

INSURANCE RENEWAL PROPOSAL

Effective Date: October 8, 2023 – October 8, 2024



Kevin Hughes – Lic.# OK52031

951 Reserve Drive, Suite 160

Roseville, CA 95678

916.791.1901 Ext. 105

kevin@rickrussoinsurance.com



EXECUTIVE COVERAGE PROPOSAL:

BUILDING COVERAGE: \$43,521,200.

➤ **150% EXTENDED REPLACEMENT COST LIMIT: \$65,281,800.**

Special Form, Blanket Limit, and 150% Extended Replacement Cost on buildings/structures. **In addition to the above:** \$150,000 Specified Property, \$50,000 Outdoor Property (\$25,000 Per-Tree Limit), and \$50,000 Outdoor Signs (\$25,000 Per-Sign Limit).

- Water Deductible: \$20,000 AOP Deductible: \$10,000.
- Building Ordinance B (*Demolition*): \$1,088,000.
- Building Ordinance C (*Increased Cost of Construction Due to Building Code Upgrades*): \$1,087,980.
- Back-Up of Sewer and Drain: \$50,000.
- Loss of Assessments/Extra Expense: \$100,000.
- Earthquake Sprinkler Leakage: EXCLUDED – no fire sprinklers

GENERAL LIABILITY COVERAGE:

Broad Form Liability, Personal and Advertising Injury, Non-Owned and Hired Auto Liability, Host Liquor Liability.

- Limit: \$1,000,000. Per Occurrence / Aggregate Limit: \$2,000,000. / No Deductible
- Fire Legal Liability: \$75,000. / No Deductible
- Premises Medical Expense Limit: \$5,000. / No Deductible
- Cyber Liability and Data Breach Expense: \$50,000. / \$2,500. Deductible.

EMPLOYEE DISHONESTY COVERAGE:

Civil Code 5806: Unless the governing documents require greater coverage amounts, the association shall maintain coverage in an amount that is equal to or more than the combined amount of the reserves of the association and total assessments for three months.

- Limit: \$150,000. / Deductible: \$500.

DIRECTORS AND OFFICERS LIABILITY COVERAGE:

- Limit: \$1,000,000. Per Occurrence / Aggregate \$1,000,000.
- Deductible: \$1,000.

INCIDENTAL WORKERS COMPENSATION COVERAGE:

- Limit: \$1,000,000. / \$1,000,000. / \$1,000,000.

UMBRELLA LIABILITY COVERAGE: INCLUDES D&O, GENERAL LIABILITY, AND WORK COMP/EMPLOYERS LIABILITY:

- Limit: \$5,000,000.
- Self-Insured Retention: \$0.



Fidelity Bond Coverage:

A fidelity bond is a form of insurance protection that covers policyholders for losses that they incur as a result of fraudulent acts by specified individuals. It usually insures a business for losses caused by the dishonest acts of its employees, board members, committee members or managers.

WHAT LIMIT DOES OUR ASSOCIATION NEED?

Civil Code 5806 states that unless the governing documents require greater coverage amounts, the association shall maintain fidelity bond coverage for its directors, officers and employees in an amount that is equal to or more than the combined amount of the reserves of the association and total assessments for three months. The association's fidelity bond shall also include computer fraud and funds transfer fraud. If the association uses a managing agent or management company, the association's fidelity bond coverage shall additionally include dishonest acts by that person or entity and its employees.

* Please confirm that your association is in compliance with the Civil Code listed above.*



R U S S O

GET TO KNOW US - BEFORE YOU NEED US
— INSURANCE AND FINANCIAL SERVICES —

Wildwood Homeowners Association

Directors & Officers Coverage:

Covers the legal liability in defense of the association officers and directors acting in their fiduciary capacity as association officials.

WHAT LIMIT DOES OUR ASSOCIATION NEED?

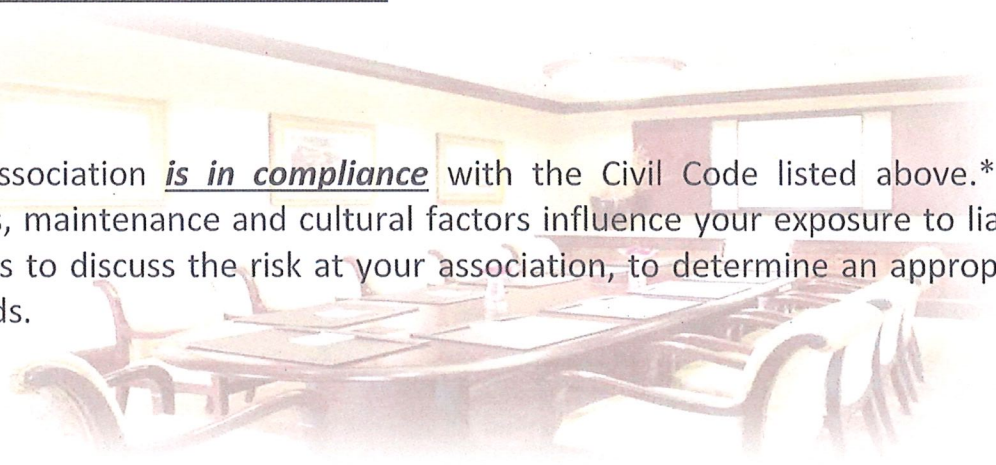
The Civil Code 5800 states that a volunteer officer or volunteer director of an association that manages a common interest development that is exclusively residential, shall not be personally liable in excess of the coverage of insurance specified in paragraph (4) to any person who suffers injury, including, but not limited to, bodily injury, emotional distress, wrongful death, or property damage or loss as a result of the tortuous act or omission of the volunteer officer or volunteer director if all of the following criteria are met:

(4) The association maintained and had in effect at the time the act or omission occurred and at the time a claim is made one or more policies of insurance that shall include coverage for (A) general liability of the association and (B) individual liability of officers and directors of the association for negligent acts or omissions in that capacity; provided that both types of coverage are in the following minimum amounts:

(A) At least five hundred thousand dollars (\$500,000) if the common interest development consists of 100 or fewer separate interests.

(B) At least one million dollars (\$1,000,000) if the common interest development consists of more than 100 separate interests.

* Your association **is in compliance** with the Civil Code listed above.* Recreational amenities, maintenance and cultural factors influence your exposure to liability. Please contact us to discuss the risk at your association, to determine an appropriate limit for your needs.





Umbrella/Excess Liability Coverage:

Pays on behalf of the insured in the event that the primary underlying coverage is exhausted, but there is still outstanding financial obligation. It may also be used as a primary policy, in the event that the underlying coverage does not cover said event. The Umbrella Policy also extends over the Directors & Officers Liability and Workers Compensation Employer Liability.

WHAT LIMIT DOES OUR ASSOCIATION NEED?

The Civil Code 5805 states that it is the intent of the Legislature to offer civil liability protection to owners of the separate interest in a common interest development that have common areas owned in tenancy-in-common if the association carries a certain level of prescribed insurance that cover a cause of action in tort. Any action in tort to a common interest development shall be brought only against the association and **not** against the individual owners of the separate interest if both of the following insurance requirements are met:

1. The association maintained and has in effect for this cause of action, one or more policies of insurance which include coverage for general liability of the association
2. The coverage described in paragraph (1) is in the following minimum amounts
 - a. At least two million (\$2,000,000) if the common interest development consists of 100 or fewer separate interest.
 - b. At least three million (\$3,000,000) if the common interest development consists of more than 100 separate interests.

* Your association ***is in compliance*** with the Civil Code listed above.* Recreational amenities, maintenance and cultural factors influence your exposure to liability. Please contact us to discuss the risk at your association, to determine an appropriate limit for your needs.



Workers Compensation Coverage:

EVERY ASSOCIATION, EMPLOYEES OR NOT, FACES THE FOLLOWING EXPOSURES:

1. An employee of an uninsured contractor is injured at the association and the employer has not provided proper coverage. The association may be required by the local Labor/Industrial authorities to step in as the 'employer' as it relates to benefits owed that injured employee;
2. A volunteer working on behalf of the association is injured during the course of their duties. The association should (and ultimately may be required to) treat that injury as 'work-related' thereby requiring benefits owed under the labor code.

COVERAGE CONSIDERATIONS...

1. While the **General Liability** policy does provide coverage for 'bodily injury', it **EXCLUDES** 'bodily injury to an employee'. A serious injury to a volunteer could easily be viewed as an injury to an 'employee' by your General Liability carrier.
2. An "If-Any" Workers' Compensation Policy can include a Voluntary Compensation Endorsement will respond to each of these exposures as evidenced in the losses outlined below.

RISK STATE TOTAL PAID DESCRIPTION

- | | | |
|------|-----------|--|
| • CA | \$19,264 | Volunteer injured back while lifting stove in clubhouse |
| • GA | \$15,710 | Maintenance worker fell while picking up trash |
| • NL | \$11,677 | Manager developed hernia while pushing dumpster |
| • CA | \$24,500 | Volunteer fell and landed on head |
| • FL | \$252,931 | Volunteer Board Member fell while hanging picture – broke ribs |
| • IL | \$24,000 | Maintenance Worker fell from ladder – broke both ankles |



BIND REQUEST & OPTIONAL COVERAGE:

Signing below binds this coverage as of the 10/08/23 renewal date and accepts the coverage and/or changes requested.

Bind All Coverages (Page 2).....Premium: \$60,388.

Optional Coverage

- Quote Earthquake/DIC Insurance Coverage – not currently covered
- Quote Flood Insurance Coverage – not currently covered

Signature: _____ Date: _____

Print Name: _____ Title: _____

Fax or Email your acceptance to: (916) 797-3388 or kevin@rickrussoinsurance.com

- ✓ Please sign and return prior to renewal date to avoid any lapse in coverage.
- ✓ We can NOT Bind coverage prior to receipt of this offer.

THIS PAGE MUST BE RETURNED

Disclaimer: This renewal offer is an executive summary review and not the actual insurance policies. It only provides a brief description of coverages and premiums for the risks insured. Premiums are based on information received through the insured or management representative, document review, on-site agent inspection, loss control inspections and underwriting investigation.

Annual Insurance Disclosure 2023-24

In accordance with the requirements set forth under California Civil Code 5300 (b)(9), associations must provide the following insurance summary annually. This disclosure will list the insurance your association carries through our agency.

Wildwood Homeowners Association

Effective: October 08, 2023 to 2024

- **Building/Property Insurance Coverage**

Insurer: Farmers Insurance Group of Companies
Policy Limits: \$43,521,200. / Water Deductible: \$20,000.
AOP Deductible: \$10,000

- **General Liability Insurance Coverage**

Insurer: Farmers Insurance Group of Companies
Policy Limits: \$1,000,000. Occurrence / Aggregate: \$2,000,000.

- **Crime/Employee Dishonesty/Fidelity Bond Coverage**

Insurer: Farmers Insurance Group of Companies
Policy Limits: \$150,000. / Deductible: \$500.

- **Directors and Officers Coverage:** \$1,000,000. / Deductible: \$1,000.
- **Excess Liability/Umbrella Coverage:** \$5,000,000. / SIR: \$0.
- **Workers Compensation Coverage:** \$1,000,000. / \$1,000,000. / \$1,000,000.
- **Flood Insurance Coverage: Clubhouse:** N/A Residential: N/A



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



RUSO

GET TO KNOW US - BEFORE YOU NEED US
INSURANCE AND FINANCIAL SERVICES

INVOICE

Customer		Misc	
Name	Wildwood Homeowners Association	Date	9/05/2023
		Order No.	2023
		Rep	Hughes
		FOB	

Qty	Description	Unit Price	TOTAL
1	POLICY PERIOD: 10/08/2023 to 10/08/2024 Master Policy-Billed Monthly From Farmers Directors & Officers Policy 5M Umbrella Policy Work Comp Policy- Billed Directly From Farmers	\$ 53,927.00	\$ 3,096.00
	Total Annual Premium: \$60,388	\$ 3,365.00	
*Premiums not received on/before the renewal date are subject to a \$20 per policy late fee			

SubTotal	
Shipping	
TOTAL	\$ 3,096.00

Payment

Name Lisa Lindsay

Expires 10/15/2023

Please Make Check Payable to **RUSO INSURANCE AGENCY**

Premium is Due UPON RECEIPT. Premiums not received on/before the renewal date are subject to a \$20 per policy late fee

CPA AUDIT

WILDWOOD HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS
AND INDEPENDENT ACCOUNTANT'S REVIEW REPORT
YEAR ENDED DECEMBER 31, 2022

LEVY, ERLANGER & COMPANY LLP
Certified Public Accountants
San Francisco, California

WILDWOOD HOMEOWNERS ASSOCIATION

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LEVY, ERLANGER & COMPANY LLP
Certified Public Accountants

100 Montgomery Street, Suite 715
San Francisco, CA 94104

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board Of Directors
Wildwood Homeowners Association
Sacramento, California

We have reviewed the accompanying financial statements of **Wildwood Homeowners Association** (the Association) which comprise the balance sheet as of December 31, 2022 and the related statements of revenues, expenses and changes in fund balances, and cash flows, for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Association management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of **Wildwood Homeowners Association** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Future Major Repairs and Replacements

As further discussed in the notes to the financial statements, the Association has completed a study of its common area major components sufficient to assist the Board in planning for future major repairs and replacements. The reasonableness of the resulting replacement reserve funding plan is a function of the completeness of the major component list and the accuracy of the estimated quantity, useful and remaining lives, and replacement costs of those components.

Funds are being accumulated in the replacement fund based on estimated future costs for repair and replacement of common area property. Actual expenditures and investment income may vary from the estimated amounts, and the variations may be material. Therefore, amounts accumulated in the replacement fund may or may not be adequate to meet all future component repair and replacement costs. The ability of the Association to fund its future requirements is dependent upon annual increases in that portion of the assessment which is allocated to the replacement fund, and/or special assessments. In the event that funds are not available when needed, the Board may, subject to the constraints of California law and the Association's governing documents, increase regular assessments, levy special assessments, and/or delay repair and replacement of common area major components until sufficient funds are available.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information about future major repairs and replacements of common property be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed or compiled the required supplementary information, and we do not express an opinion, a conclusion, nor provide any assurance on it.

Levy Elmer & Company LLP

August 22, 2023

WILDWOOD HOMEOWNERS ASSOCIATION

**BALANCE SHEET
DECEMBER 31, 2022**

	<u>2022</u>		
	<u>Operations</u>	<u>Replacement</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
ASSETS			
Cash and cash equivalents (Note 2)	\$ 9,263	\$ 22	\$ 9,285
Assessments receivable, less allowance for doubtful accounts of \$204,000 (Note 2)	57,533		57,533
Prepaid insurance	1,971		1,971
Other assets	18,546		18,546
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 87,313</u>	<u>\$ 22</u>	<u>\$ 87,335</u>
LIABILITIES			
Accounts payable	\$ 1,225	\$ -	\$ 1,225
Assessments paid in advance	59,872		59,872
Due to/from MCE	114		114
Deposits	2,810		2,810
Due to (due from) other fund	(46,931)	46,931	
Contract liabilities - replacement reserve assessments paid in advance (Notes 2 and 4)		(46,909)	(46,909)
Future major repairs and replacements (Note 3)	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>17,090</u>	<u>22</u>	<u>17,112</u>
COMMITMENTS (NOTE 5)			
	-	-	-
FUND BALANCE (DEFICIT)			
	<u>70,223</u>	<u>-</u>	<u>70,223</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 87,313</u>	<u>\$ 22</u>	<u>\$ 87,335</u>

See independent accountant's review report and accompanying notes.

WILDWOOD HOMEOWNERS ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDED DECEMBER 31, 2022

	2022		
	Operations Fund	Replacement Fund	Total Funds
REVENUES			
Assessments (Notes 2 and 4)	\$ 460,280	\$ 5,325	\$ 465,605
Bad debt recovery (expense)	(49,708)		(49,708)
Other refund	15,000		15,000
Late charges and other income	21,133		21,133
Total revenues	<u>446,705</u>	<u>5,325</u>	<u>452,030</u>
EXPENSES			
<u>Administration</u>			
Insurance	57,162	-	57,162
Legal and accounting	14,945		14,945
Management	135,851		135,851
Office, printing and postage	68,999		68,999
Reserve study	650		650
Office rent	14,778		14,778
	<u>292,385</u>	<u>-</u>	<u>292,385</u>
<u>Maintenance and operations</u>			
Construction	37,332	-	37,332
Landscape maintenance	34,692		34,692
Lighting and light bulbs	369		369
Payroll, payroll taxes and benefits	1,978		1,978
Painting	3,500		3,500
Pool and spa maintenance	14,166		14,166
Security services	16,317		16,317
Other maintenance and operations	28,130		28,130
	<u>136,484</u>	<u>-</u>	<u>136,484</u>
<u>Utilities</u>			
Garbage collection	12,100	-	12,100
Gas and electricity	8,895		8,895
Telephone	13,252		13,252
Water and sewer	2,683		2,683
	<u>36,930</u>	<u>-</u>	<u>36,930</u>

See independent accountant's review report and accompanying notes.

WILDWOOD HOMEOWNERS ASSOCIATION

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2022**

	<u>2022</u>		
	<u>Operations</u>	<u>Replacement</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
EXPENSES (CONTINUED)			
<u>Major repairs and replacements</u>			
Plumbing and hot water system	\$ -	\$ 3,425	\$ 3,425
Pool and spa		1,900	1,900
	<u>-</u>	<u>5,325</u>	<u>5,325</u>
Total expenses	<u>465,799</u>	<u>5,325</u>	<u>471,124</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(19,094)	-	(19,094)
BOARD-APPROVED INTERFUND RECLASSIFICATIONS AND TRANSFERS	52,542	-	52,542
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	<u>36,775</u>	<u>-</u>	<u>36,775</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 70,223</u>	<u>\$ -</u>	<u>\$ 70,223</u>

See independent accountant's review report and accompanying notes.

WILDWOOD HOMEOWNERS ASSOCIATION

**STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022**

	2022		
	Operations Fund	Replacement Fund	Total Funds
OPERATING ACTIVITIES			
Excess (deficiency) of revenues over expenses	\$ (19,094)	\$ -	\$ (19,094)
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided by operating activities:			
Bad debt (recovery) expense	49,708	-	49,708
Decrease (increase) in assets:			
Assessments receivable	33,862		33,862
Prepaid insurance	1,556		1,556
Other assets	(1,100)		(1,100)
Increase (decrease) in liabilities:			
Accounts payable	(12,775)	(84)	(12,859)
Due to /from MCE	(35,322)		(35,322)
Assessments paid in advance	17,419		17,419
Deposits			
Contract liabilities - replacement reserve assessments paid in advance		(46,867)	(46,867)
Due to (due from) other fund	(46,931)	46,931	
Total adjustments	6,417	(20.0)	6,397
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(12,677)	(20)	(12,697)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(12,677)	(20)	(12,697)
BOARD-APPROVED INTERFUND RECLASSIFICATIONS AND TRANSFERS	52,542	-	52,542
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	(30,602)	42	(30,560)
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 9,263	\$ 22	\$ 9,285

See independent accountant's review report and accompanying notes.

WILDWOOD HOMEOWNERS ASSOCIATION

**STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022**

	2022		
	<u>Operations Fund</u>	<u>Replacement Fund</u>	<u>Total Funds</u>
<u>Supplemental Disclosures</u>			
Interest paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent accountant's review report and accompanying notes.

WILDWOOD HOMEOWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2022

1. THE ASSOCIATION

Wildwood Homeowners Association (the Association) is a common interest development located in Sacramento, California which consists of 136 residential units and certain common area property. The Association was organized as a nonprofit mutual-benefit corporation in January 1979 to provide for management, maintenance and architectural control of the individual units and the common area property. The Association is governed by a member-elected Board of Directors which is responsible for enforcing provisions of the governing documents, which include covenants, conditions and restrictions (CC&Rs), by laws, and rules and regulations. Major decisions, as determined by the CC&Rs, are referred to the Association owners as a whole.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Assessments. Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligations related to its operating assessments are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund assessments are satisfied when these funds are expended for their designated purpose. The Association's policy is to account for reserve fund expenditures using reserve fund assessments before reserve fund interest income.

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of owners whose assessments are delinquent. The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association's control. The estimate of allowance for doubtful accounts, if any, is based, generally on amounts past due greater than 90 to 120 days.

Basis of presentation. The accompanying financial statements, and the Association's corporate income tax returns, have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America, whereby revenues are recognized when earned and expenses are recognized when incurred.

See independent accountant's review report.

WILDWOOD HOMEOWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents. For purposes of the statement of cash flows, the Association considers all short-term investments with a maturity at date of purchase of three months or less to be cash equivalents. Cash equivalents are classified with cash in the balance sheet.

Concentrations of credit risk. Financial instruments which potentially subject the Association to concentrations of credit risk consist principally of cash, cash equivalents and investments. The Association maintains its financial instruments with what management believes to be high credit quality financial institutions and limits the amount of credit exposure to any one particular institution. Cash, cash equivalents and investments in excess of federal deposit insurance (FDIC) coverage limits as of December 31, 2022 totaled approximately \$-0-.

Contract liabilities - replacement reserve assessments paid in advance. The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability - replacement reserve assessments paid in advance is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments.

Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and the differences could be material.

Fund accounting. The Association's governing documents provide certain guidelines for governing its financial activities. To ensure the observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in two funds established according to their nature and purpose. The operations fund is used to account for the financial resources available for the general day-to-day operations of the Association. The replacement fund is used to accumulate financial resources designated for future major repairs and replacements.

See independent accountant's review report.

WILDWOOD HOMEOWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes are paid on income from sources which are not related to the nonprofit, membership purposes of the Association. Nonmembership income, less related nonmembership expenses, subject to federal and California income taxes includes interest earned on cash and cash equivalents, and investments.

For federal purposes, the Association may elect to be taxed as either a regular corporation or as a homeowners association. In the former instance, it is taxed at a flat 21% rate on net nonmember income; in the latter case it is taxed at a flat 30% rate on net nonexempt function income (which is generally similar to net nonmember income). California income tax approximates 9% of net nonmember income.

The Association's tax filings are subject to audit by various taxing authorities: federal income tax returns for the previous three years remain open to examination by the Internal Revenue Service and California income tax returns for the previous four years remain open to examination by the Franchise Tax Board. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

Interest earned on operations and replacement funds, net of related income taxes, is retained in said respective funds. With the implementation of FASB ASC 606 new accounting guidance, reported replacement reserve interest income may be less than earned.

Membership in the Association is mandatory by virtue of unit ownership.

Real and personal common property acquired by the original owners from the developer is not recognized in the Association's financial statements, in accordance with prevalent industry practice, because it is commonly owned by the individual Association members and its disposition by the Board Of Directors is restricted. Similarly, major repairs, replacements and improvements to real and personal property are not recognized.

See independent accountant's review report.

WILDWOOD HOMEOWNERS ASSOCIATION

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

3. FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents, and California state law (Civil Code Section 5300), require that the Board Of Directors provide for the repair and replacement of Association common area major components. Accordingly, funds which comprise the replacement fund are not generally available for the payment of day-to-day operating expenses.

The Association has completed a study of its common area major components sufficient to assist the Board in planning for future major repairs and replacements. The reasonableness of the resulting reserve funding plan is a function of the completeness of the major component list, the accuracy of the estimated quantity, useful and remaining lives and current replacement costs of those components, and the reasonableness of significant funding assumptions, including but not limited to the projected major component cost increases (aka inflation) and interest earning rate(s) on replacement fund cash balances.

Funds are being accumulated in the replacement fund based on estimated future costs for repair and replacement of common area property. Actual expenditures and investment income may vary from the estimated amounts, and the variations may be material.

Therefore, amounts accumulated in the replacement fund may or may not be adequate to meet all future component repair and replacement costs. The ability of the Association to fund its future requirements is dependent upon annual increases in that portion of the assessment which is allocated to the replacement fund, and/or special assessments. In the event that funds are not available when needed, the Board may, subject to the constraints of California law and the Association's governing documents, increase regular assessments, levy special assessments, and/or delay repair and replacement of common area major components until funds are available.

Additional information about future major repairs and replacements may be found in the annually-distributed pro forma operating budget and related assessment and reserve funding disclosure summary (pursuant to California Civil Code Section 5300).

See independent accountant's review report.

WILDWOOD HOMEOWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2022

4. FASB ASC 606 NEW ACCOUNTING GUIDANCE IMPLEMENTATION

The Financial Accounting Standards Board (FASB) has issued new guidance that created Accounting Standards Codification (ASC) Topic 606. This new guidance supercedes the revenue recognition requirements in FASB ASC 972-605, Real Estate - Common Interest Realty Associations (CIRAs), Revenue Recognition, and now requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which a CIRA expects to be entitled in exchange for those goods or services (i.e. the accumulation of unspent replacement reserve cash and investments from assessment payments over time which are eventually to be used for common area major repairs and replacements).

The Association has adopted the new guidance as of January 1, 2019, using the modified retrospective method of transition, which requires that the cumulative effect of the changes related to the adoption be charged to beginning fund balance. The Association applied the new guidance using the practical expedient provided in Topic 606 that allows the guidance to be applied only to contracts that were not complete as of January 1, 2019. Adoption of the new guidance resulted in changes to our accounting policies for assessment revenues and contract liabilities - replacement reserve assessments paid in advance.

<u>2022 Assessment Revenues Reconciliation</u>	Operations Fund	Replacement Fund	Total Funds
Assessment revenues <u>per budget</u>	\$ 460,280	\$ 11,000	\$ 471,280
Effects of applying <u>new guidance</u>			
Reclassify <u>interfund transfers</u>	-	(52,542)	(52,542)
Adjust <u>revenues to equal expenses</u>	-	46,867	46,867
Total effects of new guidance	-	(5,675)	(5,675)
Assessment revenues <u>per financial statements</u>	<u>\$ 460,280</u>	<u>\$ 5,325</u>	<u>\$ 465,605</u>

See independent accountant's review report.

WILDWOOD HOMEOWNERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2022

5. COMMITMENTS

The Association enters into contracts for management and/or maintenance services in the normal course of its business operations. These contracts are generally cancelable on thirty to ninety days' advance notice.

6. COVID-19

In December 2019 a novel strain of coronavirus surfaced and has spread around the world, resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization in January 2020. The effect of this virus on the financial position and/or results of operations of the Association is unknown at this time.

7. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through August 22, 2023, the date that the financial statements were available to be issued.

See independent accountant's review report.

WILDWOOD HOMEOWNERS ASSOCIATION

**SUPPLEMENTARY INFORMATION ON FUTURE
MAJOR REPAIRS AND REPLACEMENTS
DECEMBER 31, 2022
(UNAUDITED)**

The following information on common area major components was compiled by Browning Reserve Group of Sacramento, California **as of February 2022** and has served as the basis for the current estimates of replacement reserve funding:

<i>Reserve Component</i>	<i>Current Repl. Cost</i>	<i>Useful Life</i>	<i>Remaining Life</i>	<i>2021 Fully Funded Balance</i>
12000 - Pool				
700 - Equipment: Replacement Pool (50%)	3,500	5	1	2,800
18000 - Landscaping				
100 - Irrigation: Controllers 53 Common Area (9%)	675	1	1	338
200 - Irrigation: Valves 136 Common Area (5%)	1,260	2	2	420
201 - Irrigation: Valves Common Area (2021 Only)[nr:1]	2,000	1	0	2,000
400 - Turf Renovation 40,000 sf Common Area	17,200	20	18	1,720
500 - Tree Maintenance Common Area	6,000	5	0	6,000
19000 - Fencing				
230 - Tubular Steel 360 lf Pool	18,000	30	13	10,200
990 - Wood: 6' 4,095 lf Brookfield & Carports (25%)	29,689	5	2	17,813
20000 - Lighting				
100 - Exterior: Misc. Fixtures 25 Buildings (28%)	7,000	5	1	5,600
21000 - Signage				
900 - Miscellaneous Monument & Misc	2,700	10	6	1,080
24600 - Safety / Access				
550 - Video Monitoring System Camera System	6,500	20	15	1,625
551 - Video Monitoring System Camera System (2021 Only)[nr:1]	37,793	1	0	37,793
30000 - Miscellaneous				
220 - Mailbox Clusters 8 Kiosk Mailboxes	17,200	20	8	10,320
				[A]
Totals	1,791,411			1,441,880
				[EndBal]
				[A]
Percent Funded				0.0%

See independent accountant's review report and accompanying notes.

WILDWOOD HOMEOWNERS ASSOCIATION

**SUPPLEMENTARY INFORMATION ON FUTURE
MAJOR REPAIRS AND REPLACEMENTS
DECEMBER 31, 2022
(UNAUDITED)**

The Association has conducted a study to estimate the useful and remaining lives and current replacement costs of common property major components. Funding requirements consider an estimated **before-tax interest rate** of **1-1/2%** on replacement fund cash balances and an annual **inflation rate** of **2-1/2%** on major component replacement costs. The replacement fund **cash** and investment balances at December 31, 2022 totaled **\$22**. The estimated **liability** for major repairs and replacements at December 31, 2021 totaled approximately **\$1,442,000** but has not been updated since this date. The portion of **2023** regular **assessments** budgeted to be allocated to the replacement fund totals **\$85,000**.

See independent accountant's review report and accompanying notes.

LEVY, ERLANGER & COMPANY LLP
Certified Public Accountants

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September 12, 2023

Board Of Directors
Wildwood Homeowners Association
c/o Lisa Lindsay
4550 Florin Road Suite E253
Sacramento, CA 95823

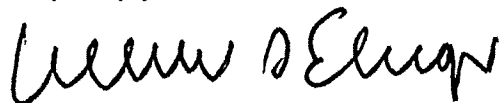
Board Of Directors:

Enclosed find the following items:

- (1) **Reviewed financial statements** of the Association for the year ended December 31, 2022. These financial statements should be considered **FINAL** and are authorized for distribution pending your final review.
- (2) **Trial balance and journal entries**. Previously sent.

If you have any questions, please do not hesitate to call.

Very truly yours,



William S. Erlanger
Certified Public Accountant

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