

1. EXHIBIT P Tara2025BudgetLetter

November 1, 2024

To: Tara Condominiums Association Owners

From: Tara Condominiums Association Board of Directors

Re: 2025 Tara Condominiums Budget

We recommend an increase of \$50 per month per unit to cover the major increase in our master insurance policy, increase in sewer charges, and ongoing legal fees.

1. Insurance - increasing from \$1,200 to \$4,700 per month
2. Sewer - increasing from \$2,000 to \$2,400 per month
3. Legal - increasing from \$0 to \$300 per month

All of you have heard or read about the costs of insurances that have increased in almost all segments of the industry; Home owners, auto, fire coverage, health insurance, truck liability, business owner's coverage. The reasons why are many: fires, floods, storms, Covid, rising home costs, and many others. Sadly our Tara community has not been spared.

Our insurance for the buildings and property was \$1200.00 a month, now raised to \$4700.00 a month! WOW hard to believe but true. The Tara Board launched into gaining quotes, chatting with other associations, contacting insurance brokers and insurance companies. Of the 6 companies and 4 brokers we approached not one of them would quote! If you have not heard in the news, State Farm Insurance, the nation's largest insurance company will no longer offer new home owners insurance in parts of California in addition to Sun City.

Sadly, this is happening across the country.

The Tara Board is continuing to work with brokers to find quality insurance alternatives going forward.

To cover this insurance increase, we must increase the monthly assessment by \$50. We will also be implementing a one-time assessment of \$900 in the early spring to replace the reserves we used to pay the July insurance bill.

If you have any questions about the attached proposed budget, do not hesitate to contact any board member. It is a break-even budget with enough funding to keep our condos well maintained, well insured, and with enough reserves to cover both planned projects and emergencies.