

PROFORMA OPERATING BUDGET

RESERVE DOCUMENTS

AND

RELATED DISCLOSURES

Fiscal Year 2011 – 2012

FOR

**MONTEREY DUNES COLONY
ASSOCIATION**

AND

**MONTEREY DUNES COLONY
MUTUAL WATER ASSOCIATION**

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MONTEREY DUNES COLONY

May 23, 2011

Dear Homeowners,

Enclosed please find your copy of the 2011-2012 proforma budget that contains, next years operating budget, reserve schedule and mandatory disclosures for your review. The enclosed documents, listed below, satisfy this year's Civil Code disclosure requirements and are intended to keep you informed of changes in laws governing Homeowner Associations. Please retain them for future reference.

- 2011-2012 Monterey Dunes Colony Association Operating Budget [§1365].
- 2011-2012 Monterey Dunes Colony Mutual Water Association Operating Budget.
- Monterey Dunes Colony Association Assessment Collection Summary and Policy [§1365(d)], [§1367.1(a)].
- Assessments and Foreclosure Information [§1365.1, §1366, §1367].
- Notice of Right to Submit Secondary Addresses for Collection Notices [§1367.1(k)].
- Notice of Right to Minutes of Board Meetings, [§1363.05(e)].
- Summary of Alternative Dispute Resolution, [§1369.590].
- Meet and Confer Program, [§1363.850].
- Monterey Dunes Colony Association Voting and Election Rules [§1363.03(a)].
- Notice of Annual Reserve Assessment, 7-1-2011 [§1366(d)].
- Monterey Dunes Colony Association Assessment and Reserve Funding Disclosure [§1365.2.5].
- Monterey Dunes Colony Association Reserve Study, (Funding Plan), 7-1-2011 [§1365.5].
- Monterey Dunes Colony Mutual Water Association Assessment and Reserve Funding Disclosure [Information].
- Monterey Dunes Colony Mutual Water Association Reserve Study, (Funding Plan), 7-1-2011, [Information].
- Monterey Dunes Colony Association Rules and Schedule of Fines, 3-22-2008 [§1363(g)].
- Insurance Disclosures/Information and Policy Coverage's [§1365(e)].
- Environmental Control Committee Policy, (Architectural Guidelines and Procedures) [§1378].

In accordance with a resolution by the Board of Directors on March 26, 2011, monthly assessments for fiscal year 2011-2012 (July 1, 2011 through June 30, 2012), increase from \$825.00 per unit, per month to \$831.00 per unit, per month (a 0.7% increase). Association insurance premiums, coastal issues, storm damage, and bad debt were contributing factors in this modest increase.

The new monthly operating/reserve split is: \$663.75 Association Operating - \$20.20 Water Company Operating - \$11.05 Water Company Reserves, with the remaining \$136.00 to the Association Reserve Account.

Our reserve fund is projected to end the 2010-2011 fiscal year, (June 30, 2011) at \$1,158,981. This positive cash balance is due to some scheduled reserve work being deferred as well as cost savings in completed reserve projects. On November 20, 2010, the Board re-affirmed the \$5,000.00 per unit annual reserve assessment. This year's assessment will be billed on June 1, 2011 and due July 1, 2011. Add our reserve balance of \$1,158,981.00 to this annual reserve assessment of \$600,000.00 and our reserve fund will start the new fiscal year at an estimated \$1,758,981.00. Given the total value of our Reserve Component List at \$13,663,609.00, with a fully funded reserve (today), being \$5,506,854.00, our Reserve Analyst has determined that our reserves are approximately 21% funded as of June 30, 2011. It is the goal of the Board to attain a reserve funding level of approximately 40% of our "fully funded reserve" by June 30, 2021.

The General Manager has forecast that we will complete the majority of our annual programmed replacements this fiscal year with some shortfalls in our window, door and cedar sidewall shingle replacements. We have deferred a few projected replacements to next year's reserve schedule along with any associated reserve funds.

Our equipment in the Water Company continues to age and deteriorate at an accelerated rate due to harsh coastal weather conditions and chlorides carried inland with fog. The equipment is well maintained with accelerated preventive maintenance schedules, however, in reality, we can expect shortened life spans for equipment located this close to the ocean. During the past fiscal year, we have repaired several leaks and noted advanced deterioration in the 220,000 gallon water storage tank. Specialists have evaluated the current condition of the tank and consequently our Reserve Specialist has moved this component up on the reserve schedule for either major repair or replacement within the next few years.

The Finance Committee recently studied our roof replacement plan originally scheduled to start in 2016. After considerable research, the committee recommended replacing the roofs of our buildings over a period of 10 years, starting in 2018 with in-house labor as opposed to outsourcing the project. While this planning is for a project starting 7 years from now, the schedule and process of doing the work will be reviewed and adjusted annually, right up to the start of the project. The Reserve Study is full of many high value funding challenges which the committee and board will have to address with the focus of ensuring these projects are scheduled and funded according to on-going evaluations and hands-on inspections. Examples of high value projects, and when these project might become due are detailed in the Reserve Study included in this disclosure packet.

At a directors meeting on 9-11-10, the Wave Run-up Committee recommended suspending the geotube wave run-up project permitted by the coastal commission in lieu of an alternative plan to abate wave and debris run-up during the storm season. The board accepted the committee's recommendation to purchase 300 polyurethane barriers to deploy and fill with water when an emergency situation is triggered by high tides and storm surges. The committee has painstakingly worked through the bureaucratic process of educating the Coastal Commission and State Parks and has successfully solicited their acceptance of this emergency back-up plan for protecting lives and property. This alternative plan initially cost about \$70K, approximately \$250K less than the recommended geotube barriers approved by the Coastal Commission.

The Board has recently been made aware that the U.S. Department of Fish and Wildlife (DFWS), has proposed revising the critical habitat (beach and wetlands) for the Western Snowy Plover. Newly proposed restricted areas include the beach west of the colony (CA22). If the Federal Register is changed to reflect the wishes of the DFWS, it is very likely that our beach will become more restrictive of recreational activities. The Board of Directors has made this proposed rule change an agenda item for the May directors meeting and is actively pursuing our rights and options as both neighbors and property owners. Interested homeowners can view the proposed rule at:

http://www.fws.gov/arcata/es/birds/WSP/documents/WSPCH_March2011/FWS_FRDOC_0001-0558.pdf

Management will keep the homeowners abreast of any changes they become aware of, as well as any meetings or hearings that may occur concerning the proposed changes.

In conclusion, this is my fourth year on the Board of Directors and my third year as its president. I feel very fortunate to be a part of this association and look forward to working with my fellow directors, committees, homeowners and staff to continue to manage our assets in order to maintain and enhance our investments, as well as preserve our unique and beautiful beachfront community.

Sincerely,

George E Maciag

George E. Maciag, President
Monterey Dunes Colony Board of Directors

Monterey Dunes Colony Association

Operating Budget

July 1, 2011 through June 30, 2012

Fiscal Year 2011 – 2012

March 26, 2011

MONTEREY DUNES COLONY ASSOCIATION
2011 - 2012 HISTORICAL COMPARISON BUDGET - Approved 3-26-11

Dues Increased to
831.00 month.

	Unit/Mo Proposed 2011-2012	Annual Proposed 2011-2012	Unit/Mo Forecast 2010-2011	Annual Forecast 2010-2011	Unit/Mo Budget 2010-2011	Annual Budget 2010-2011	Unit/Mo Actual 2009-2010	Annual Actual 2009-2010	Unit/Mo Actual 2008-2009	Annual Actual 2008-2009	Unit/Mo Actual 2007-2008	Annual Actual 2007-2008	Unit/Mo Actual 2006-2007	Annual Actual 2006-2007
% Increase/Decrease over Previous Year	0.73% ←				→ 3.77%		4.61%		2.70%		4.96%		6.02%	
Revenue														
Dues 5010	831	1,196,640	795	1,144,800	825	1,188,000	795	1,144,800	760	1,094,400	740	1,065,600	705	1,015,200
Misc Income 5099	3	4,000	3	4,100	2	2,500	6	8,884	3	3,982	2	2,886	2	3,000
Interest Income 5080	0	150	0	75	0	150	0	76	0	140	0	259	0	200
Total Revenue	834	1,200,790	798	1,148,975	827	1,190,650	801	1,153,761	763	1,098,522	742	1,068,745	707	1,018,400
Less Allocation to Reserves	136	195,840	136	195,840	136	195,840	136	195,840	136	195,840	136	195,840	136	195,840
Operating Revenue	698	1,004,950	662	953,135	691	994,810	665	957,921	627	902,682	606	872,905	571	822,560
Operating Expenses														
Clubhouse Area Expense	29	42,400	30	42,921	29	41,100	32	45,622	28	39,632	27	39,560	26	37,853
General Repair Expense	44	64,055	41	59,679	45	65,355	27	38,588	39	56,412	37	53,271	38	54,283
Administrative Expenses	203	291,805	203	292,033	209	301,352	232	333,943	196	282,538	174	250,608	163	234,162
Personnel Expense	389	560,654	372	536,328	377	542,325	365	525,882	342	492,156	315	453,790	311	447,277
Water Company Charges	31	45,000	31	45,000	31	45,000	31	45,000	31	45,044	31	44,855	31	45,145
Water Sys Reimbursable														
Storm Damage / Repairs														
Water Meter Project														
TOTAL EXPENSE	697	1003914	678	975,961	691	995,132	687	989,035	636	915,782	585	842,084	569	818,720
Net Operating	1	1,036	(16)	(22,826)	(0)	(322)	(22)	(31,114)	(9)	(13,100)	21	30,821	3	3,840

MONTEREY DUNES COLONY ASSOCIATION
2011 - 2012 HISTORICAL COMPARISON BUDGET - Approved 3-26-11

Dues Increased to \$831.00 month.
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Proposed 2011-2012	Forecast 2010-2011	Budget 2010-2011	Actual 2009-2010	Actual 2008-2009	Actual 2007-2008	Actual 2006-2007	Actual 2005-2006	Actual 2004-2005	Actual 2003-2004	Actual 2002-2003
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Summary of Revenues and Expenditures

Operating Revenue

Dues 5010	1,196,640	1,144,800	1,188,000	1,144,800	1,094,400	1,065,600	1,015,200	957,600	957,600	915,840	885,600
Misc Income 5060	4,000	4,100	2,500	8,884	3,982	2,886	3,266	3,178	4,315	3,527	3,463
Interest Income 5080	150	75	150	76	140	259	238	296	174	78	299
Total Revenue	1,200,790	1,148,975	1,190,650	1,153,761	1,098,522	1,068,745	1,018,703	961,074	962,089	919,445	889,362
Less Allocation to Reserves	195,840	195,840	195,840	195,840	195,840	195,840	195,840	195,840	195,840	195,840	195,840
Operating Revenue	1,004,950	953,135	994,810	957,921	902,682	872,905	822,863	765,234	766,249	723,605	693,522

Operating Expenses

Clubhouse Area Expense	42,400	42,921	41,100	45,622	39,632	39,560	37,853	93,200	35,039	32,670	30,603
General Repair Expense	64,055	59,679	65,355	38,588	56,412	53,271	54,283	58,512	62,830	53,273	54,584
Administrative Expenses	291,805	292,033	301,352	333,943	282,538	250,608	234,162	168,472	163,700	163,856	154,770
Personnel Expense	560,654	536,328	542,325	525,882	492,156	453,790	447,277	455,731	427,067	398,076	386,210
Water Company Charges	45,000	45,000	45,000	45,000	45,044	44,855	45,145	45,000	44,990	42,926	39,802
Water Sys Reimbursable										599	
Loss on Asset Disposal											788
Water Meter Project											31,542
TOTAL OPERATING EXPENSE	1,003,914	975,961	995,132	989,035	915,782	842,084	818,720	820,915	733,627	691,400	665,969
Net Operating	1,036	(22,826)	(322)	(31,114)	(13,100)	30,821	4,143	(55,681)	32,622	32,205	(4,777)

Monterey Dunes Colony

Mutual Water Association

Operating Budget

July 1, 2011 through June 30, 2012

Fiscal Year 2011 – 2012

March 26, 2011

MONTEREY DUNES COLONY MUTUAL WATER ASSOCIATION

2011 - 2012 Budget, Approved 3-26-11

Summary of Revenues and Expenditures

Line Items	2011-2012 Proposed	2010-2011 Forecast	2010-2011 Budget	2009-2010 Actual	2008-2009 Actual	2007-2008 Actual	2006-2007 Actual	2005-2006 Actual	2004-2005 Actual	2003-2004 Actual
Income										
MDCA Water Fees	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$43,370
Miscellaneous Water Fees	\$3,500	\$3,500	\$5,000	\$3,048	\$5,260	\$0	\$0	\$0	\$0	\$0
Interest Earned	\$20	\$10	\$20	\$15	\$24	\$27	\$38	\$36	\$455	\$667
Less Income Taxes Paid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$48,520	\$48,510	\$50,020	\$48,063	\$50,283	\$45,027	\$45,038	\$45,036	\$45,455	\$44,037
Less Allocation to Reserves	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912
Operating Revenue	\$32,608	\$32,598	\$34,108	\$32,151	\$34,371	\$29,115	\$29,126	\$29,124	\$29,543	\$28,125
Operating Expenses										
Year End Audit and Tax Returns	\$3,850	\$3,840	\$3,805	\$3,750	\$3,750	\$3,849	\$3,479	\$3,798	\$3,678	\$3,161
Monthly Bookkeeping Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal	\$100	\$75	\$300	\$106	\$100	\$124	\$124	\$103	\$118	\$0
Licensed Operator	\$8,688	\$8,688	\$8,688	\$8,476	\$7,938	\$7,530	\$7,200	\$7,200	\$6,513	\$5,620
Franchise Fees	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$0
Licenses, Permits, Fees, Taxes	\$5,600	\$5,000	\$5,600	\$4,696	\$4,629	\$4,085	\$3,601	\$3,283	\$2,370	\$3,322
Maintenance and Repairs	\$4,000	\$4,500	\$4,250	\$3,202	\$5,558	\$2,090	\$9,952	\$3,388	\$7,043	\$3,552
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$367	\$99	\$0
Water Testing	\$3,800	\$3,800	\$3,800	\$1,608	\$3,118	\$2,477	\$2,294	\$2,478	\$2,224	\$2,071
Utilities and Chemicals	\$4,500	\$4,400	\$4,900	\$3,351	\$3,294	\$3,359	\$4,095	\$4,261	\$3,371	\$3,512
Contingency	\$500	\$250	\$500	\$109	\$90	\$500	\$530	\$381	\$1,074	\$617
Taxes penalties and interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Conservation Program	\$100	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Income Tax					\$31	\$56				\$16
Total Operating Expenses	\$31,238	\$30,653	\$32,043	\$25,398	\$28,609	\$24,170	\$31,375	\$25,359	\$26,588	\$21,870
Reserve Accruals	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912
Total Operating Expense & Reserve	\$47,150	\$46,565	\$47,955	\$41,310	\$44,521	\$40,082	\$47,287	\$41,271	\$42,500	\$37,782
Net MDCMWA Reserve Fund Account	\$1,370	\$1,945	\$2,065	\$6,754	\$5,763	\$4,946	(\$2,249)	\$3,765	\$2,955	\$5,599

Monthly Charge to Association = \$3,750.00

Monthly Water Charge to each Residence (included in monthly dues) = \$31.25 (Tier 1 charges) for 200 GPD service

NOTES AND ASSUMPTIONS

THE ASSOCIATION

THE MONTEREY DUNES COLONY ASSOCIATION was organized to maintain and protect real property and common areas within the confines of the development. The Association derives its authority and responsibilities from its governing documents, which include its Articles of Incorporation, Declaration of Covenants, Conditions and Restrictions (CC&Rs) and Corporate Bylaws.

The Association, organized in December 1974, provides essential and desired services to the community such as exterior building maintenance, capital repair and replacement projects (reserves), operation and care of common areas (operating), swimming pool, jacuzzi, saunas, tennis courts, the operation and maintenance of the Association Mutual Water Company, its distribution system, emergency backup water and fire pump system, backup power generator support, septic waste water disposal systems and water system testing. The Association staff hosts a 24-hour a day, seven day a week on-call system for support. Office Staff are available during normal business hours, 8 AM to 4:30 PM Monday through Friday. Janitorial and maintenance staff are available on Saturday and Sunday from 8 AM to 4:30 PM. Security is on duty between 4:30 PM and 12:30 AM, 7 days a week and emergency response after 12:30 AM by the appropriate support agency and/or the General Manager. Effectively, the cost to run the daily operation of the Association, the Mutual Water Company, and to fund future major reserve repairs and replacements is paid for exclusively and equally by the owners of the 120 units.

The Board of Directors, in accordance with specific provisions of the governing documents, establishes all policy and directs the operations of the Association through the General Manager and several committees. However, most major issues and any changes in the way we do business must be approved by the general membership of the Association.

Revenue

The total monthly assessment charged to the individual unit owners is not prorated or proportional. In accordance with the Association's governing documents, operating and reserve budget revenue and projected reserve fund special assessments are assessed equally to each unit.

Short Term Loans from the Reserve Fund to be use by the Operating Fund

Operating assessments are collected monthly, and reserve assessments both monthly and annually. Therefore, cash flow is continuous throughout the fiscal year. Some operating expenses can exceed the monthly cash flow provided by the dues. Usually this happens in months when large insurance premiums are due. The Association maintains that it is prudent to borrow money from the reserves and not incur interest expense from a bank.

From time to time, the Association will make short term loans from the Reserve Fund to the Operating fund in order to correct short term cash flow problems or vice versa. In each case, the temporary transfer of funds will be structured in accordance with civil code 1365.5c(2).

NOTICE TO MEMBERS

IN ACCORDANCE WITH CIVIL CODE SECTION 1363.05 (e), ASSOCIATION MEMBERS ARE ADVISED OF THEIR RIGHT TO RECEIVE MINUTES OF DIRECTOR'S MEETINGS WITHIN 30 DAYS FOLLOWING THE MEETING. MINUTES ARE SENT TO MEMBERS IN THE FOLLOWING FORMAT:

- 1. U.S. MAIL.**
- 2. PERSONAL ELECTRONIC MAIL, (When selected by the Member).**
- 3. POSTED ON THE ASSOCIATION PROTECTED WEBSITE.**

SECURITY STATEMENT

Please be advised that the Association provides onsite security 8-hours a day, 7-days a week.

The purpose of onsite security is to service the common area, assist homeowners and their guests with common area issues, and to act as a liaison to the General Manager from 4:30 PM to 12:30 AM.

The colony does not have onsite security from 12:30 AM to 8:00 AM, 7-days a week and relies on an answering service to contact the General Manager in the event on an emergency.

Homeowners are advised to remain security conscious at all times. We are a gated community but remain vulnerable to the professional criminal. Please be sure to secure your unit when not at home and take any other security precaution necessary to protect yourself and your personal property.

Homeowners may want to consider installing professional security devices to ensure the safety of their home when away for extended periods of time.

NOTICE

Homeowners are advised to turn off your water supply when leaving your home for extended periods. Shutoff valves are located on the exteriors of each unit near the water supply meter.

NOTICE

The association inspects and tests unit smoke alarms each year for serviceability. All batteries are replaced regardless of age for each detector that has a DC volt function. Reports of this inspection are sent to individual owners with a bill for the cost of the battery(s) and for the service call.

Monterey Dunes Colony Association

NOTICE OF COLLECTION RIGHTS AND OBLIGATIONS

The following Notice is provided in accordance with California Civil Code section 1365.1, amended effective January 1, 2006.

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. The failure to pay association assessments may result in the loss of your 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 or after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce a 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 Section 1367.4 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 1366, 1367.1, and 1367.4 of the Civil Code)

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 areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 1366 and 1367.1 of the Civil Code)

The association must comply with the requirements of Section 1367.1 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 1367.1 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 1367.1 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 1367.1 of the Civil Code)

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, he or she 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 1367.1 of the Civil Code)

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 5 (commencing with Section 1368.810) of Chapter 4 of Title 6 of Division 2 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 2 (commencing with Section 1369.510) of Chapter 7 of Title 6 of Division 2 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 1367.1 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner may request the association consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exist. (Section 1367.1 of the Civil Code)

The board of the directors 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 1367.1 of the Civil Code)

Monterey Dunes Colony Association Assessment Collection Policy

1. Regular assessments are due, in advance, on the first (1st) day of each month and are delinquent if not received, in full, by the Association within fifteen (15) days after the due date. Special assessments or any installments thereof shall be due on the date(s) specified by the Board and are delinquent if not received as directed by the Board fifteen (15) days after the assessment or installment becomes due.
2. Delinquent assessments shall incur a late charge of ten percent (10%) of the assessment. Homeowners shall be notified by first class mail of accounts that remain unpaid fifteen (15) days after the due date.
3. At the option of the Association, interest shall be imposed on all amounts that are due but unpaid, commencing thirty (30) days after the due date of any such amounts, at the rate of twelve percent (12%) per annum. Amounts subject to interest include all delinquent assessments, collection fees and costs, attorneys' fees, and late charges as prescribed by law.
4. If any assessment remains unpaid thirty (30) days after its original due date, a "Letter of Intent" to file a Notice of Delinquent Assessment ("Lien") will be prepared and sent by certified mail to the record owner(s) of the Lot. The Letter of Intent shall include a general statement of the Association's collection and lien enforcement procedures, an itemized statement of the amounts owed as of the date of the Letter, and other disclosures required by law.
5. Upon the decision of the Board at an open Board meeting and as reflected in the minutes of that meeting, a Lien shall be recorded against the delinquent owner's property without further notice to the owner if the owner fails to pay all amounts owed within thirty (30) days after the Letter of Intent is issued. All collection fees and costs, including reasonable attorneys' fees, will be added to the total delinquent amount.
6. Upon the recording of the Lien, the Association may declare due and payable the entire balance of all sums then due or to become due from the owner, including the balance of the annual assessment and any special assessment. This total sum may be included in any foreclosure proceeding or collection action.
7. After the lien is recorded and at least 30 days have elapsed, foreclosure proceedings may commence when assessment principal either exceeds the amount, or remains unpaid for the time period, specified in state law. The Board's decision to initiate foreclosure will be made in executive session and reflected in the minutes of the Board's next open meeting.

IMPORTANT NOTICE:

IF AN OWNER'S LOT IS PLACED IN FORECLOSURE BECAUSE THE OWNER IS BEHIND IN PAYMENT OF ASSESSMENTS, THE LOT MAY BE SOLD WITHOUT COURT ACTION.

8. All payments received by the Association, regardless of the amount paid, will be applied to the oldest assessment balances first, until all outstanding assessment balances are paid, and then to late charges, interest and costs of collection.

9. The Association shall not be obligated to accept partial payments on an assessment account. The Board may, in its sole discretion, enter into a written payment agreement with an owner for periodic partial payments on the balance of the assessment account, in amounts and on a payment schedule agreed to by the Board. The agreement shall include payment of accruing assessments but may not include late charges so long as the owner is complying with the terms of the payment agreement. The Association has no obligation to enter into such an agreement, and any agreement entered into with the owner shall be reasonable, as determined by the Board in its sole discretion, and for the sole purpose of serving the best interests of the Association. The agreement shall be in writing and shall specify that failure to meet any term of the agreement shall give the Board the right to immediately continue the collection process without further notice to the owner. The agreement shall not impede the Association's ability to record a lien on the owner's Lot to secure payment of delinquent assessments.

10. A Release of Lien shall not be recorded until the entire balance of the owner's account is paid. All charges incurred in recording the Release, including reasonable attorneys' fees, shall be charged to the owner's account. Upon satisfaction in full of the entire balance owing, the Association shall within 21 days record or cause to be recorded a Release of Lien.

11. An owner may dispute the amount demanded by the Association by submitting to the Board a written explanation of the reasons for disputing the amount. State law also permits owners with assessment disputes to request participation in the Association's "meet and confer" program or alternative dispute resolution, depending on the stage of the collection. The owner should provide the following information regarding an assessment dispute:

- a. The owner's name, mailing address, and account number.
- b. The exact dollar amount claimed to be in dispute or in error.
- c. For each charge or payment in dispute, an explanation of the reasons the owner believes there is an error, with sufficient detail such as dates, names and check numbers, so that the dispute may be investigated

efficiently and effectively. If the owner does not know how the error was made, that statement may be made.

- d. Copies of checks, letters or other documents referred to or claimed should accompany the written explanation.

12. The Association reserves the right to avail itself of any other remedy permitted by law and the Association's governing documents to collect assessments and related costs and charges, including but not limited to bringing an action in Small Claims or Superior Court. Such remedies may be taken in addition to or in lieu of any action already taken, and commencement of one action shall not preclude the Association from electing at a later date to pursue another remedy.

13. Owners may submit a secondary address to the Association for purposes of collection notices. Such information must be submitted in writing, signed by the Owner, and mailed to the Association in a manner that confirms the Association has received it. After an Owner identifies a secondary address, the Association will send copies of any collection notices to the secondary address provided, in addition to the Owner's primary address shown in the Association's records. An Owner may identify or change a secondary address at any time. If a secondary address is identified or changed during any collection process, the Association will only be required to send notices to the designated secondary address from the point that the Association receives the request.

14. The Association shall mail notices to the address of the record owners of each Lot, at the last mailing address provided in writing to the Association by such owners and to secondary addresses, if any. The Association's mailing address for overnight payment of assessments is 195 Monterey Dunes Way, Castroville, California, 95012, the same as that for routine assessment payments, unless otherwise noted in the "Letter of Intent" or subsequent correspondence from the Association or its agent.

15. If the Association or its agent receives a check dishonored by the bank for any reason, a "returned check charge" of twenty-five dollars (\$25.00) shall be imposed. The Association may also seek damages in accordance with California Civil Code section 1719.

16. The Board of Directors of the Association may revise this policy, from time to time.

**Adopted by Resolution of the Board of Directors, Monterey Dunes Colony Association on March 18, 2006*

SUMMARY OF CALIFORNIA CIVIL CODE SECTION 1369.520
ENFORCEMENT OF GOVERNING DOCUMENTS AND
SPECIFIED STATE LAWS FOR COMMUNITY ASSOCIATIONS
THROUGH ALTERNATIVE DISPUTE RESOLUTION

PLEASE TAKE NOTICE: *California Civil Code section 1369.520 addresses your rights to sue the Association or another member of the Association regarding the enforcement of the governing documents and/or specified state laws. The following is a summary of Civil Code section 1369.520.*

In general, Civil Code §1369.520 provides that an association or an owner may not file a lawsuit to enforce the governing documents or to enforce certain laws that govern community associations, unless the parties *first* try to submit their dispute to alternative dispute resolution (“ADR”). Recognized forms of ADR include conciliation, mediation, or arbitration. The ADR law for common interest developments applies to enforcement of most provisions of the governing documents as well as to provisions of the Davis-Stirling Common Interest Development Act (Civil Code §§ 1350 through 1378) and the Nonprofit Mutual Benefit Corporation Law (Corporations Code §§ 7110 et seq.).

The intent of the ADR law is to promote speedy and cost-effective resolution of disputes, to better preserve community cohesiveness, and to channel CC&R and compliance disputes away from our state’s court system.

The form of alternative dispute resolution may be binding or non-binding, and costs will be borne as agreed to by the parties involved. The ADR law does not generally apply to assessment disputes or to disputes that can be resolved in small claims court.

Any party to a covered dispute may initiate the ADR process by serving a Request for Resolution on another party to the dispute. A Request for Resolution must contain (1) a brief description of the nature of the dispute, (2) a request for ADR, and (3) a notice that the party receiving the Request for Resolution is required to respond within 30 days of receipt or the Request will be deemed rejected.

If the Request is accepted, the ADR must be completed within 90 days of receipt of the acceptance, unless otherwise agreed by the parties. Any Request for Resolution sent to an owner must include a copy of the ADR law in its entirety. If an applicable statute of limitations will expire, serving the Request will extend the statutory period for 30 days and, if ADR is accepted, also for the 90-day period of time allowed to complete the process and any agreed-upon extension of time.

Failure of a member of the association to comply with the alternative dispute resolution requirements of Section 1369.520 of the Civil Code may result in the loss of your right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law.

Should the Association or an individual member wish to file a lawsuit for enforcement of the governing documents or a specified statute, the law requires the Association or the individual to file a certificate with the court *prior* to the filing of the suit, stating: (1) that ADR has been completed, (2) that one of the other parties did not accept the terms offered for ADR, or (3) that urgent orders of the court were necessary. Failure to file this certificate can be grounds for dismissing the lawsuit.

In any lawsuit to enforce the governing documents, Civil Code section 1354 provides that the prevailing party shall be awarded attorneys’ fees and costs. Section 1369.580 provides that if any party has refused to participate in ADR prior to the lawsuit being filed, the court may consider whether that refusal was reasonable when it determines how large or small the award should be.

“MEET AND CONFER” PROGRAM
(CIVIL CODE § 1363.820)

PLEASE TAKE NOTICE: Pursuant to California Civil Code section 1363.820, the Association provides an informal, internal dispute resolution program whose goal is to reach early resolution of disputes over enforcement of the governing documents and/or specified state laws. The Association’s “meet and confer” program supplements and does not replace the requirement for more formal alternative dispute resolution (ADR) prior to filing an enforcement lawsuit.

California law requires community associations to establish a fast, fair and reasonable internal program for early resolution of disputes that sometimes arise between associations and their members over compliance with the governing documents or applicable state law. This internal program is intended to be an informal meeting process, one that supplements and does not replace more formal mediation or arbitration procedures or litigation but that hopefully makes such steps unnecessary.

Monterey Dunes Colony offers a “meet and confer” program by which members who have disputes with the Association involving their rights, duties, or liabilities under the governing documents or specified provisions of state law can explain their positions to the board or to a board representative and attempt to resolve their concerns informally. The “meet and confer” program also applies when the board has a dispute with an owner and would like to talk it over. Here’s how it works:

- Either party can ask the other to participate in this program. If the member asks the Association, the Association is required to participate. If the Association asks the owner, the owner may choose whether or not to attend.
- Either party can initiate the program by sending the other a written request. Such requests may be personally delivered, mailed, faxed or sent by electronic transmission.
- Any costs associated with the program will be borne by the Association.
- The Association may be represented at the meeting by the board or by one or more representatives of the board, including the general manager. Either party may ask other persons to attend, if doing so is reasonably likely to aid in explaining or resolving the dispute. For example, if the issue involves architectural control, the board may ask a member of the Environmental Control Committee to join the meeting. If the issue involves assessment collection, the board may ask the Association’s treasurer to attend.
- Although not precluded, attorney participation in the meeting is discouraged, in order to foster direct discussions between the parties and to maintain the goal of speedy and inexpensive early resolution. If either party wishes his/her/its attorney to attend the meeting, that party shall give the other at least five (5) business days’ notice.
- The parties shall meet at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.
- If the Association initiates the “meet and confer” program and its dispute with the owner member, if left unresolved, is such that the board could consider discipline against the member, the request to the owner shall additionally indicate whether the board intends to consider such discipline following the conclusion of the meeting and, if so, what discipline might be considered. Only meetings attended by at least a majority of the board may result in disciplinary action.

The Association’s “meet and confer” program is intended to resolve differences informally, in a fast, fair, and reasonable manner. However, where the circumstances of a dispute reasonably call for the assistance of a neutral third party, the program makes maximum use of local dispute resolution services, including low-cost mediation services such as those listed on the Internet Web sites of the Department of Consumer Affairs and the United States Department of Housing and Urban Development. If such services are used, they are paid for entirely by the Association.

Monterey Dunes Colony Association

Voting and Election Rules

These Voting and Election Rules were adopted by the board at an open meeting on Wednesday April 26, 2006 and are intended to comply with the requirements of Civil Code section 1363.03(a). These Rules shall be effective as of July 1, 2006, shall supersede any other voting rules of the association, and shall remain in effect until modified by the board.

Article 1 **MEDIA**

1.1 Access to Association Media – Candidates for the Board. The board may but is not required to make association media (i.e., posting on the association’s official bulletin board/notice board/kiosk, official website, publication in association newsletter or newspaper, or other notices mailed or delivered by the association to the owners or the Units/Lots) available to qualified candidates running for election to the board for purposes that are reasonably related to the election in which that candidate is running. If the board allows any candidate access to association media, then all qualified candidates shall be allowed equal access to the same media.

1.2 Access to Association Media – Other Matters. If the board utilizes association media to advocate a point of view on any matter (other than election of directors) that requires member approval, or allows any member access to association media for that purpose, then all members advocating a different point view shall be allowed equal access to the same media. The board shall not be required to allow access to more than one member advocating the same point of view.

1.3 “Equal Access”. “Equal access” shall mean publication of written statements not to exceed a predetermined number of words. The board shall not edit or redact any statement, but shall not be required to publish any statement that exceeds the predetermined length restrictions

1.4 Responsibility for Content. All statements published in association media pursuant to the “equal access” rules must identify the author or proponent. No anonymous statements will be permitted. The author and/or proponent of any statement or point of view shall be solely responsible and liable for the content of their statements. The association shall not be responsible or liable for the content of any statement published pursuant to the “equal access” rules. Statements on behalf of candidates for election to the board shall be limited to personal statements by the candidate concerning the candidate’s qualifications to serve on the board.

Article 2 **MEETING SPACE**

2.1 Access to Common Area Meeting Space – Campaigning by Candidates for the Board. The board shall ensure that during a campaign all qualified candidates for election to the board are given access to common area meeting space, at no cost, for purposes reasonably related to their campaigns.

2.2 Access to Common Area Meeting Space – Other Matters. Whenever the board places a matter before the members which requires member approval, the board shall ensure that members advocating a point of view on the matter are given access to common area meeting space, at no cost, for purposes reasonably related to advocating their point of view, whether or not they agree with the point of view advocated by the board on the matter at issue.

Article 3 **VOTING BY SECRET BALLOTS**

All voting by the members shall be conducted by secret ballot using a “double envelope system” as described in Civil Code section 1363.03(e). The ballot and envelopes shall be mailed or delivered to the members entitled to vote in the vote or election.

Article 4 **INSPECTORS OF ELECTION**

4.1 Appointment of Inspectors. Whenever there is a membership vote or election, the board shall appoint one or three inspectors of election.

4.2 Qualification of Inspectors of Election. Inspectors may be any persons the board reasonably believes to be independent with respect to the matter or matters being voted on and may include the association’s accountant, or legal counsel or members of the association, but may not be a member of the board or a candidate for election to the board or a family member of a current member of the board or of a candidate.

4.3 Indemnification of Inspectors; Liability Insurance. Inspectors of election shall be deemed to be agents of the association for purposes of Corporations Code section 7237 and shall be entitled to indemnification by the association to the fullest extent provided by law. As provided in Corporations Code section 7237(i), the association shall have the power to purchase and maintain insurance on behalf of any agent of the association against any liability asserted against or incurred by the agent in his or her capacity as an agent of the association or arising out of the agent’s status as such, whether or not the association would have the power to indemnify the agent against such liability under the provisions of Corporations Code section 7237.

Article 5

CANDIDATES FOR THE BOARD

5.1 Qualification of Candidates. Candidates for the board must be members in good standing (Bylaws Section 5.2) who have not been declared of unsound mind by a final order of court or been convicted of a felony (Corporations Code section 7221(a)). Co-owners of one or more lots / units may not serve on the board at the same time. “Member” means a person who holds legal title to the property (i.e., is named in the deed for the property).

5.2 Nominations. The board shall publish or post a notice recruiting candidates for the board and stating the deadline for receipt of nominations. Any member who satisfies the qualifications may place his or her name in nomination for the board by giving written notice to the board before the published deadline for receiving nominations. In addition, the board may appoint a nominating committee to nominate qualified candidates.

Article 6 **MEMBER VOTING RIGHTS**

6.1 Qualification for Voting. Only members in good standing shall be allowed to vote. A member shall be deemed to be in good standing unless, after notice to the member and an opportunity for hearing, the board has found the member to be not in good standing and has so notified the member in accordance with Civil Code section 1363(h). As long as any co-owner of a lot or unit is not in good standing, no vote shall be permitted for the lot or unit.

6.2 Voting Power of Each Membership. Only one vote shall be cast for each lot or unit. Once a ballot is received by the inspector of election, it may not be rescinded. Cumulative voting is not permitted in the election of directors.

6.3 Election by Acclamation. If, as of the published deadline for receiving nominations, the number of qualified candidates for election to the board is not more than the number of directors to be elected, then the qualified candidates shall be declared elected and written notice of the election shall be given to the members.

6.4 Proxies. As defined in Corporations Code section 5069, “proxy” means a written authorization signed by a member or the member’s attorney-in-fact giving another person or persons power to vote on behalf of such member. In any election or vote of the members conducted by the association, only official ballots issued by the association shall be counted as votes. Proxies are not ballots and are not valid as votes in any election or vote conducted by the association.

Ratified by a majority vote of the Board of Directors on April 26, 2005

Original Signed

Original Signed

Ellen Michaels, President

Thomas J. Bugary, Secretary

RESERVE SUMMARY

The reserve component list and the estimate costs for replacing these components are contained in our Reserve Summary and were validated by the Barrera and Company Reserve Specialists in April 2011 for implementation in fiscal year 2011-2012, (July 1, 2011 to June 30, 2012). This study is considered a baseline for determining replacement schedules, future reserve assessments and investment strategies used to increase the percent-funded level of our reserves. Current funding strategies allow the association to meet projected expenditures using a combination of monthly reserve contributions and annual reserve assessments. You will find that with the imposition of the annual reserve assessment by the board on November 20, 2010, the association is fully funded for budget year 2011-2012. This annual reserve assessment is reoccurring each year in order to adequately fund the reserves and to increase the percentage of reserve cash on hand. The Association is constantly reassessing it's reserve posture and investing association reserves in secure accounts to maximize earned interest.

FUNDING PLAN

Since 1999, the Board of Directors has contracted with the Barrera and Company Reserve Specialists to complete tri-annual reserve studies with annual updates for both the Monterey Dunes Colony Association and the Mutual Water Association. The purpose for these studies and funding plans is to identify reserve components for replacement and to establish and update schedules for the replacement of these components. This study is updated in accordance with California Law, and funding plans are adjusted annually as reserve components are repaired or replaced. The attached Reserve Study Update outlines our current funding plan, and offers two other general funding plans used in the industry. These funding plans allow us to compare our plan against other strategies.

The essential elements of reserve studies are:

1. Identification of the major components, which the association is obligated to maintain.
2. Current estimate of the useful life of each component.
3. Current estimate of the remaining life of each component.
4. Current estimate of the replacement cost of each component.
5. Current estimate of the total annual contribution necessary to maintain the major components.
6. Current estimate of the amount of cash reserves necessary to maintain the major components.
7. Disclosure of the current amount of accumulated cash reserves actually funded.
8. Disclosure of the percentage of reserves actually funded.
9. Disclosure of any determined or anticipated special assessments.
10. A general statement of methodology.

SCOPE

This year's Reserve Study is aligned with the Association's fiscal year and establishes July 1, 2011, through June 30, 2041 as the 30-year period for which reserve expenditures and reserve fund balances are projected.

METHODOLOGY

An adjusted Threshold Funding Option was used to determine the annual reserve contribution both through monthly contributions as well as an annual reserve assessment. The underlying premise of this reserve funding approach is to meet all anticipated maintenance obligations in each budget year and to assess a level of reserve contributions that allows the Association to increase the balance of the reserve fund with a stated goal of reaching a 40 percent level of funding by the 2020-2021 budget cycle.

In developing our funding study, a list of major component items was developed by the Reserve Study Specialist. This included determining the average life expectancy of the component, the estimated remaining life of the component, the estimated replacement cost of the item and other contributing data to support a reasonable cost basis and timeline for replacement, and/or repair. In processing this information, certain assumptions have been made concerning costs, conditions, future events and circumstances, all of which may occur subsequent to the date of this report. All component life expectancies were initially based on industry experience and standards taking into account the effects of our harsh coastal environmental on materials and equipment. You will find, however, that many component items have adjusted replacement periods to allow for extended use before scheduled replacement. In most cases, these extended dates are well beyond the lifecycle estimates of the reserve study analyst and are identified as Board of Director/management adjustments to the original reserve study document. It is assumed that all components will be reasonably maintained for the remainder of their life expectancy. For a component to be included in this Study, the following criteria must be met:

1. The maintenance of the component is the responsibility of the Association.
2. The maintenance of the component is not included in the annual operating budget.
3. The estimated useful life of the component is greater than one year.
4. The estimated remaining life of the component is less than 30 years.

The Reserve Study is intended to reflect the estimated replacement cost of the components and related labor when performed. Costs will vary from year to year as it is virtually impossible to predict, with any degree of certainty, the myriad of factors that can, and will impact costs at any future date in time. Because of this qualification, it is necessary for the results of this study to be reviewed annually to reflect any meaningful changes in use, or significant increases in labor and/or material costs.

RESERVE SUMMARY INFORMATION

The following is a summary of the most recent Reserve Study from the Barrera and Company Reserve Specialists. This report describes our projected reserve schedule from July 1, 2011 through June 30, 2012 and shows a snapshot of funds either accrued, or otherwise available as of the last day of the fiscal year, June 30, 2011. This report does not take into account any reserve funds outside of those physically allocated to the reserve account, effective the last day of the report for fiscal year 2010-2011.

Consequently, the Barrera and Company Reserve Summary assigns a Percent Funding level of 21 percent to our reserve account. This funding level is derived by taking the total estimated cash on hand as of June 30, 2011, (\$1,158,981), and dividing it by the funds which would have been in the reserve account, as of the date of the report, (June 30, 2011) had we accumulated the reserve to represent 100% of the cost to repair or replace components as they became due, (\$5,506,854).

Assigning a 21 percent funding level to our reserve posture satisfies Civil Code disclosure requirements, but does not clearly communicate where the Association stands financially, outside of that one-year reporting period.

The Reserve Summary quotes an estimated figure of \$1,158,981 available in current reserves as of June 30, 2011. Each year we will be at a different level of percent-funded, using funds on hand and dividing it by the amount of dollars we would have accumulated, given we were 100% funding our reserves.

In November, 2010, the board elected to assess a \$5,000 annual reserve assessment each year where, along with monthly reserve contributions, our annual reserve needs are covered while simultaneously increasing our reserve posture. It is the goal of the Board to attain a reserve funding level of 40 percent of a "fully funded reserve" by June 30, 2021. In order to be at the 40% funding level as of June 30, 2011, the reserve account would have had to be funded at \$2,202,634 as opposed to its estimated \$1,158,981 on June 30, 2011.

In addition to the attention given to the percent-funded of our reserves, we will continue to adjust our reserve requirements each year, always reassessing our posture and subsequently our repair and/or replacement schedules. The process of adjusting, and readjusting reserve schedules is not a precise science. One component may last longer than estimated and, at the same time, another component may require replacement earlier than originally scheduled. The business of estimating reserve requirements demands frequent inspection and quick adjustment to the schedule in order to realize the most from reserve dollars, especially given our corrosive coastal environment.

The following pages represent the results of this year's Reserve Study. It contains a component list and supporting data that identifies those repairs and replacements funded by our reserve account. It also shows the financial standing of our reserves and gives an estimate of the cost of those component items that must be replaced over the next 30 years.

Assessment and Reserve Funding Disclosure



Monterey Dunes Colony Association
 Castroville, CA
 Compliance CC1365.2.5

Date: 20-Apr-2011
 Units: 120
 Fiscal Year End: 30-Jun-2011
 Report Start Date: 01-Jul-2011

1. The current average regular assessment per ownership interest is: \$1,241.67 Per Month

Note: if Assessments vary by the size or type of unit, the assessment applicable to this unit may be found on attached pages to be provided by Board or Management.

2. Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date Assessment is Due	Average Amount Per Unit Per Month	Purpose Of Assessment
------------------------	-----------------------------------	-----------------------

Note: if Assessments vary by the size or type of unit, the assessment applicable to this unit may be found on attached pages, to be provided by Board or Management.

3. Based on the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years?

Yes: * 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?

Approximate date assessment will be due:	Amount of Assessment	Amount Per Unit Per Month
2032	\$2,593,500	\$1,801

Question #4 Note: Indicates the first year of a deficit based on the Current Reserve Funding Plan. The additional assessment amount indicates what will be required in that year to assure the reserve balance for the remaining years of the report will be above zero. Actual assessments may vary from year to year.

5. All major components are included in the reserve study and are included in its calculations (Note below the status of components with a 30+ yr. remaining life).

Component Name	Status
Building Foundations	Life of Project
Decks - Phase 1	Included in Reserve Calculations
Decks - Phase 10	Included in Reserve Calculations
Decks - Phase 11	Included in Reserve Calculations
Decks - Phase 2	Included in Reserve Calculations
Decks - Phase 3	Included in Reserve Calculations
Decks - Phase 4	Included in Reserve Calculations
Decks - Phase 5	Included in Reserve Calculations
Decks - Phase 6	Included in Reserve Calculations
Decks - Phase 7	Included in Reserve Calculations
Decks - Phase 8	Included in Reserve Calculations
Decks - Phase 9	Included in Reserve Calculations
Electrical Outlets - (1-Time Expense)	Life of Project
Leach Field Replacement	Life of Project
Meters & Enclosures - (1-Time Expense)	Life of Project
Septic Tanks	Life of Project
Sport Court #4	To be Determined
Windows/Sliding Doors (1-Time)	Life of Project

6. Based on the method of calculation in paragraph (4) of subdivision (b) of section 1365.2.5, the estimated amount required in the reserve fund at the end of the current fiscal year is \$5,506,854, based in whole or in part on the last reserve study or update prepared by Barrera & Company, Inc. as of June 30, 2011. The projected reserve fund cash Balance at the end of the current fiscal year is \$1,158,981, resulting in reserves being 21 % at this date. If an alternate, but generally accepted, method of calculation is also used, the required reserve amount is \$ N/A.



Monterey Dunes Colony Association
 Castroville, CA
 Compliance CC1365.2.5

Date: 20-Apr-2011
 Units: 120
 Fiscal Year End: 30-Jun-2011
 Report Start Date: 01-Jul-2011

7. Based on the method of calculation in paragraph (4) of subdivision (b) of Section 1365.2.5 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next 5 budget years is \$ (column E), and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is \$ (column D), leaving the reserve at (column F) percent funding. Please see the projected five year funding plan below that has been implemented and approved by the association.

	Allocation A	Per Unit Per Month B	Disbursements C	Year-End Balance D	Fully Funded \$ E	Percentage Funded F
Year 1	\$795,840	\$552.67	\$753,509	\$1,219,014	\$5,569,440	22%
Year 2	\$795,840	\$552.67	\$643,708	\$1,390,573	\$5,767,203	24%
Year 3	\$795,840	\$552.67	\$488,781	\$1,720,793	\$6,151,285	28%
Year 4	\$795,840	\$552.67	\$243,711	\$2,302,875	\$6,820,746	34%
Year 5	\$795,840	\$552.67	\$176,036	\$2,961,870	\$7,602,075	39%

NOTE: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 1.5% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3% per year

The preparer of this form will be indemnified and held harmless against all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which has been relied upon by others, or which may result from any improper use or reliance on the disclosure by you or a third party.

The reserve study report completed and reviewed for the purposes of completing the enclosed summary was finalized based on approval from the Board of Directors. Therefore, the final decisions for implementation, updating or revising the information obtained in this report, for any changes in assumptions, is the sole right and responsibility of the Board of Directors. This report and the numbers generated herein are for use only for the year it was developed. The preparer of this form is not responsible for the use of the Assessment and Reserve Disclosure Summary in any subsequent year, or in updating the summary in any subsequent year, or in updating the summary for events and circumstances occurring after the date of this report.



RESERVE STUDY - FINANCIAL REPORT

Monterey Dunes Colony Association

April-2011

Report Start Date:01-Jul-2011

**Monterey Dunes Colony
Association**
Castroville, CADate: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

PROJECT INFORMATION

Name of Association:	Monterey Dunes Colony Association
City and State:	Castroville, CA
Type of Project:	Condominium
Number of Units:	120
Age of Project:	37 Years
Fiscal Year End:	30-Jun-2011
Level of Reserve Study:	Level 2: Update (with site visit)
Date of Inspection: (if applicable)	17-Mar-2011

Descriptions of Levels**Level 1: (Full, On-site Review)**

Component Inventory, b) Condition assessment (based on on-site visual observations, c) Life and valuation estimates, d) Fund status, e) Funding plan(s).

Level 2: (Update, With-Site-Visit/On-site Review)

Includes: a) Component Inventory (verification only, not quantification), b) Condition assessment (based on on-site visual observations), c) Life and valuation estimates, d) Fund status, e) Funding plan(s).

Level 3: (Update, No-Site-Visit/Off-site Review)

Includes: a) Life and valuation estimates, b) Fund status, c) Funding plan(s).

MANAGEMENT COMPANY

Monterey Dunes Colony Association
Thomas Bugary
195 Monterey Dunes Way

Castroville CA 95012
831-633-4000
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PREPARED BY

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**BARRERA AND
COMPANY**
RESERVE SPECIALISTS

**Monterey Dunes Colony
Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

RESERVE STUDY INFORMATION

Reserve Study (Definition): A budget planning tool which identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major capital expenditures. The Reserve Study consists of two parts: the Physical Analysis and the Financial Analysis.

Included in the Reserve Study:

- **Component Worksheet Report:** Includes the quantity, estimated current replacement cost, projected future cost, service life and the projected remaining life of each major component.
- **Percentage Funded Report:** Includes the total replacement cost, current reserve balance, fully funded reserve balance (to be 100%) and the percentage to which the association is fully funded
- **Funding Plans:** One or more of the following plans may be included in the Reserve Analysis:
 - **Current Funding:** The funding level equal to the Association's current assessments for reserve assets.
 - **100% Funding (Reserve Analysis-Year Plan):** Funding level designed to reduce the current deficit and reach the fully funded (100%) within a fiveyear period.
 - **Threshold Funding:** Funding Plan designed to meet all projected disbursement requirements as they occur while always maintaining threshold level of funds in the reserve account.
 - **Reserve Analysis 50% - Compliance Funding (Hawaii Only):** Funding Plan designed to meet all projected disbursement requirements as they occur over the projected 20 years while also maintaining a minimum percentage funded rate of 50%.
- **Executive Summary**
- **Reserve Funding Disclosure Summary** -California State Statute 1365.2.5 – Assessment and Reserve Funding Disclosure. 2. Reserve Analysis (California Only)

The purpose of this report is to provide information about the existing condition, life expectancy and estimated cost for maintenance and replacement of the physical elements that the Association is responsible for maintaining. This evaluation is designed to comply with all current state requirements.

A level-1 or 2 report is based on a diligent visual inspection of the reserve components and may rely on information supplied by the management company, Board of Directors, associated vendors, contractors and published replacement guides modified for local conditions related to reconstruction. A level-3 reserve study report does not include an on-site visual evaluation but is updated accordingly based on a previous years on-site evaluation.

Future-cost figures include an annual inflationary factor (see inflation rate), which should be updated and reincorporated into the reserve budget when deemed appropriate. Funding and disbursement projections presented have been computed with a Time Value of Money approach. An annual inflation rate and average interest rate were assumed. Inflation was applied to the projected disbursements, and interest to the ending cash balance values. A straight-line method of calculation was employed for both time value rates.

Adjustments to the component service lives and listed costs should be made whenever the rate of deterioration has changed or when there have been significant changes in the cost of materials and/or labor. Some assumptions have been made about costs, conditions, and future events and circumstances that may occur. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this report. Therefore, the actual replacement costs and remaining lives may vary from this report and the variations could be material.

It is imperative that these assets be reviewed annually to consider the impact of changing conditions. The findings in the following report are applicable as of the study's completion date, and those items, which are not expected to undergo major repair or replacement within a thirty-year time frame, have been defined as 'life of the project' and may not be included. The report is to be used only for the purpose stated herein, any use or reliance for any other purpose is invalid.

The contents of the Reserve Study Report are based on estimates of the most probable reserve component replacement costs and remaining useful lives. Accordingly, the funding plans reflect consultant judgments based on circumstances at the time of inspection of the most likely costs, regular maintenance, service and remaining lives. The Association may elect to implement any of the funding plans presented, or may implement some variation developed from this information. An annual increase (based on listed inflation %) has been assumed in the funding plans provided (for future projections).

Because the compilation of the reserve funding plans and related projections is limited as described above, no conclusion or any other form of assurance on the funding options or projections is provided. No responsibility to update this report for events and circumstances occurring after the date of this report is assumed.

Inflation Rate: 3% Interest Rate: 1.5% Funding Rate: 0%



**BARRERA AND
COMPANY**
RESERVE SPECIALISTS

**Monterey Dunes Colony
Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

TERMS AND DEFINITIONS

Cash Flow Method: A method of developing a Reserve Funding Plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Component: The individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) association or cooperative responsibility, 2) with limited useful life expectancies, 3) predictable remaining useful life expectancies, 4) above a minimum threshold cost, and Reserve Analysis) as required by local codes.

Component Method: A method of developing a Reserve Funding Plan where the total contribution is based on the sum of contributions for individual components. See "cash flow method."

Current Replacement Cost: The cost of replacing, repairing, or restoring a reserve component to its original functional condition. The current replacement cost would be the cost to replace, repair, or restore the component during that particular year.

Deficit: An actual (or projected) reserve balance less than the fully funded balance. The opposite would be a surplus.

Effective Age: The difference between useful life and remaining useful life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

Financial Analysis: The portion of a Reserve Study where current status of the reserves (measured as cash or percent funded) and a recommended reserve contribution rate (Reserve Funding Plan) are derived, and the projected reserve income and expense over time is presented. The Financial Analysis is one of the two parts of a Reserve Study.

Fully Funded: When the actual (or projected) reserve balance is equal to the fully funded balance.

Full Funded Balance (FFB): Total accrued depreciation. An indicator against which actual (or projected) reserve balance can be compared. The reserve balance that is in direct proportion to the fraction of life "used up" of the current repair or replacement cost. This number is calculated for each component, then summed together for an association total. $FFB = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$

Fund Status: The status of the reserve fund as compared to an established benchmark such as percent funding.

Funding Goals: Independent of methodology utilized, the following represent the basic categories of Funding Plan goals:

1. Baseline Funding: Establishing a reserve funding goal of keeping the reserve cash balance above zero.
2. Fully Funding: Setting a reserve funding goal of attaining and maintaining reserves at or near 100% funded.
3. Statutory Funding: Establishing a reserve funding goal of setting aside the specific minimum or regulatory amount of reserves required by local statutes or financing agencies.
4. Threshold Funding: Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount. Depending on the threshold, this may be more or less conservative than "fully funding."

Funding Plan: An association or cooperative's plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

Funding Principles: A) Sufficient funds when required; B) Fiscally responsible; C) Stable contribution rate.

Life and Valuation Estimates: The task of estimating useful life, remaining useful life, and repair or replacement costs for the reserve components.

Percent Funded: The ratio, at a particular point of time (typically the beginning of the fiscal year), of the actual (or projected) reserve balance to the fully funded balance, expressed as a percentage.

Remaining Useful Life (RUL): Also referred to as "remaining life" (RL). The estimated time, in years, that a reserve component can be expected to continue to serve its intended function. Projects anticipated to occur in the initial year have "zero" remaining useful life.

Reserve Balance: Actual or projected funds as of a particular point in time that the association or cooperative has identified for use to defray the future repair or replacement of those major components which the association or cooperative is obligated to maintain. Also known as reserves, reserve accounts and cash reserves. Based upon information provided and not audited.

Reserve Provider: An individual that prepares Reserve Studies.

Special Assessment: An assessment levied on the members of an association or cooperative in addition to regular assessments. Governing documents or local statutes may regulate special assessments.

Surplus: An actual (or projected) reserve balance greater than the fully funded balance. See "Deficit."

Useful Life (UL): Total useful life or depreciable life. The estimated time, in years that a reserve component can be expected to serve its intended function if properly constructed in its present application or installation.

Inflation Rate: 3% Interest Rate: 1.5% Funding Rate: 0%

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Percent Funded: 21 %

Component	Service Life (a)	Remaining Life (b)	Years in Service (c)	Current Replacement Cost (d)	Projected Reserve Balance (e)	Required Reserve Funding (f)	Projected Fully Funded Reserves (g)	Deficit / Surplus of Fully Funded Reserves (h)	Per Unit Deficit / Surplus of Fully Funded Reserves (i)
Asphalt & Concrete Surfaces									
Asphalt - Chip & Seal	12	5	7	\$126,072	\$15,478	\$10,506	\$73,542	(\$58,064)	(\$483.87)
Asphalt - Overlay	40	11	29	\$682,200	\$104,093	\$17,055	\$494,595	(\$390,502)	(\$3,254.18)
Asphalt - Repairs	6	6	0	\$36,050	\$0	\$6,008	\$0	\$0	\$0.00
Boardwalks									
Boardwalk (LS) - 1	20	20	0	\$110,889	\$0	\$5,544	\$0	\$0	\$0.00
Boardwalk (LS) - 2	20	0	20	\$100,425	\$21,136	\$5,021	\$100,425	(\$79,289)	(\$660.74)
Boardwalk (LS) - 3	20	1	19	\$100,425	\$20,079	\$5,021	\$95,404	(\$75,325)	(\$627.71)
Boardwalk (LS) - 4	20	2	18	\$100,425	\$19,022	\$5,021	\$90,383	(\$71,360)	(\$594.67)
Boardwalk (OS)	25	14	11	\$135,960	\$12,590	\$5,438	\$59,822	(\$47,232)	(\$393.60)
Boardwalk (OS)	25	15	10	\$231,853	\$19,518	\$9,274	\$92,741	(\$73,223)	(\$610.19)
Boardwalks - Repairs	10	5	5	\$9,975	\$1,050	\$998	\$4,988	(\$3,938)	(\$32.82)
Clubhouse									
Appliances	12	1	11	\$6,865	\$1,324	\$572	\$6,293	(\$4,968)	(\$41.40)
Carpeting	12	0	12	\$8,500	\$1,789	\$708	\$8,500	(\$6,711)	(\$55.93)
Copier	10	7	3	\$6,025	\$380	\$603	\$1,808	(\$1,427)	(\$11.89)
Furniture	12	6	6	\$13,647	\$1,436	\$1,137	\$6,824	(\$5,387)	(\$44.90)
Office Furniture	12	6	6	\$6,798	\$715	\$567	\$3,399	(\$2,684)	(\$22.36)
Rest Rooms (Refurbish)	20	14	6	\$13,184	\$832	\$659	\$3,955	(\$3,123)	(\$26.02)
Saunas (Refurbish)	8	2	6	\$2,646	\$418	\$331	\$1,985	(\$1,567)	(\$13.06)
Saunas - Heaters (2)	5	1	4	\$4,552	\$766	\$910	\$3,642	(\$2,875)	(\$23.96)
Window Coverings	12	6	6	\$5,958	\$627	\$497	\$2,979	(\$2,352)	(\$19.60)
Decks									
Decks - Phase 1	40	30	10	\$144,200	\$7,587	\$3,605	\$36,050	(\$28,463)	(\$237.19)
Decks - Phase 10	40	39	1	\$144,200	\$759	\$3,605	\$3,605	(\$2,846)	(\$23.72)
Decks - Phase 11	40	40	0	\$154,500	\$0	\$3,863	\$0	\$0	\$0.00
Decks - Phase 12	40	0	40	\$103,000	\$21,678	\$2,575	\$103,000	(\$81,322)	(\$677.69)
Decks - Phase 2	40	31	9	\$144,200	\$6,828	\$3,605	\$32,445	(\$25,617)	(\$213.47)
Decks - Phase 3	40	32	8	\$144,200	\$6,070	\$3,605	\$28,840	(\$22,770)	(\$189.75)
Decks - Phase 4	40	33	7	\$144,200	\$5,311	\$3,605	\$25,235	(\$19,924)	(\$166.03)
Decks - Phase 5	40	34	6	\$144,200	\$4,552	\$3,605	\$21,630	(\$17,078)	(\$142.31)
Decks - Phase 6	40	35	5	\$144,200	\$3,794	\$3,605	\$18,025	(\$14,231)	(\$118.60)
Decks - Phase 7	40	36	4	\$144,200	\$3,035	\$3,605	\$14,420	(\$11,385)	(\$94.88)
Decks - Phase 8	40	37	3	\$144,200	\$2,276	\$3,605	\$10,815	(\$8,539)	(\$71.16)
Decks - Phase 9	40	38	2	\$144,200	\$1,517	\$3,605	\$7,210	(\$5,693)	(\$47.44)
Electrical & Lighting									
Electrical Fixtures (LS) - Annual	1	0	1	\$1,133	\$238	\$1,133	\$1,133	(\$895)	(\$7.45)
Electrical Fixtures (OS) - Annual	1	0	1	\$978	\$206	\$978	\$978	(\$772)	(\$6.43)
Electrical Parking Posts - Ph. 1	25	14	11	\$9,570	\$886	\$383	\$4,211	(\$3,325)	(\$27.70)
Electrical Parking Posts -									

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Percent Funded: 21 %

Component	Service Life (a)	Remaining Life (b)	Years in Service (c)	Current Replacement Cost (d)	Projected Reserve Balance (e)	Required Reserve Funding (f)	Projected Fully Funded Reserves (g)	Deficit / Surplus of Fully Funded Reserves (h)	Per Unit Deficit / Surplus of Fully Funded Reserves (i)
Ph. 2	25	16	9	\$7,830	\$593	\$313	\$2,819	(\$2,226)	(\$18.55)
Electrical Parking Posts - Ph. 3	25	17	8	\$8,700	\$586	\$348	\$2,784	(\$2,198)	(\$18.32)
Electrical Parking Posts - Ph. 4	25	19	6	\$10,440	\$527	\$418	\$2,506	(\$1,978)	(\$16.49)
Electrical Parking Posts - Ph. 5	25	23	2	\$6,960	\$117	\$278	\$557	(\$440)	(\$3.66)
Meters & Enclosures - Ph. 1	20	0	20	\$57,396	\$12,080	\$2,870	\$57,396	(\$45,316)	(\$377.64)
Meters & Enclosures - Ph. 2	20	1	19	\$57,396	\$11,476	\$2,870	\$54,526	(\$43,051)	(\$358.75)
Meters & Enclosures - Ph. 3	20	2	18	\$57,396	\$10,872	\$2,870	\$51,656	(\$40,785)	(\$339.87)
Meters & Enclosures - Ph. 4	20	8	12	\$57,396	\$7,248	\$2,870	\$34,438	(\$27,190)	(\$226.58)
Meters & Enclosures - Ph. 5	20	9	11	\$57,396	\$6,644	\$2,870	\$31,568	(\$24,924)	(\$207.70)
Meters & Enclosures - Ph. 6	20	10	10	\$57,396	\$6,040	\$2,870	\$28,698	(\$22,658)	(\$188.82)
Fencing, Gates & Walls									
Chain Link - Tennis Courts	15	3	12	\$83,578	\$14,072	\$5,572	\$66,862	(\$52,790)	(\$439.92)
Retaining Walls	15	9	6	\$6,854	\$577	\$457	\$2,742	(\$2,165)	(\$18.04)
Wood Fencing, Gates & Posts - 1	20	20	0	\$77,250	\$0	\$3,863	\$0	\$0	\$0.00
Wood Fencing, Gates & Posts - 2	20	0	20	\$77,250	\$16,258	\$3,863	\$77,250	(\$60,992)	(\$508.27)
Wood Fencing, Gates & Posts - 3	20	1	19	\$77,250	\$15,445	\$3,863	\$73,388	(\$57,942)	(\$482.85)
Wood Fencing, Gates & Posts - 4	20	2	18	\$77,250	\$14,632	\$3,863	\$69,525	(\$54,893)	(\$457.44)
Miscellaneous									
Company Truck	9	8	1	\$18,952	\$443	\$2,106	\$2,106	(\$1,663)	(\$13.85)
Contingency Reserve - Annual	1	0	1	\$30,900	\$6,503	\$30,900	\$30,900	(\$24,397)	(\$203.31)
Fumigation	17	5	12	\$105,060	\$15,608	\$6,180	\$74,160	(\$58,552)	(\$487.93)
John Deere (Truck) - New	8	7	1	\$15,450	\$406	\$1,931	\$1,931	(\$1,525)	(\$12.71)
Mailbox Clusters - Ph. 1	25	16	9	\$3,634	\$275	\$145	\$1,308	(\$1,033)	(\$8.61)
Mailbox Clusters - Ph. 2	25	20	5	\$3,634	\$153	\$145	\$727	(\$574)	(\$4.78)
Mailbox Clusters - Ph. 3	25	21	4	\$3,634	\$122	\$145	\$581	(\$459)	(\$3.83)
Mailbox Clusters - Ph. 4	25	23	2	\$7,268	\$122	\$291	\$581	(\$459)	(\$3.83)
Mailbox Clusters - Ph. 5	25	24	1	\$1,817	\$15	\$73	\$73	(\$57)	(\$0.48)
Maintenance Trailer #1	6	4	2	\$2,008	\$141	\$335	\$669	(\$528)	(\$4.40)
Maintenance Trailer #2	6	5	1	\$2,008	\$70	\$335	\$335	(\$264)	(\$2.20)
Organization Signs &									

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Percent Funded: 21 %

Component	Service Life (a)	Remaining Life (b)	Years in Service (c)	Current Replacement Cost (d)	Projected Reserve Balance (e)	Required Reserve Funding (f)	Projected Fully Funded Reserves (g)	Deficit / Surplus of Fully Funded Reserves (h)	Per Unit Deficit / Surplus of Fully Funded Reserves (i)
Entry Fixt.	20	1	19	\$9,970	\$1,993	\$499	\$9,472	(\$7,478)	(\$62.32)
Patio Lattice Repairs - Annual	1	0	1	\$2,060	\$434	\$2,060	\$2,060	(\$1,626)	(\$13.55)
Power Tools & Equip. - Annual	1	0	1	\$6,386	\$1,344	\$6,386	\$6,386	(\$5,042)	(\$42.02)
Reserve Study	3	2	1	\$2,369	\$166	\$790	\$790	(\$623)	(\$5.20)
Unit Entrance Cluster Signs	20	19	1	\$7,210	\$76	\$361	\$361	(\$285)	(\$2.37)
Water Barriers - Annual	1	0	1	\$1,236	\$260	\$1,236	\$1,236	(\$976)	(\$8.13)
Wood Trim Replace - Annual	1	0	1	\$15,450	\$3,252	\$15,450	\$15,450	(\$12,198)	(\$101.65)
Painting									
Wood Trim - Ph. 1	5	3	2	\$44,106	\$3,713	\$8,821	\$17,642	(\$13,929)	(\$116.08)
Wood Trim - Ph. 2	5	0	5	\$22,025	\$4,635	\$4,405	\$22,025	(\$17,390)	(\$144.91)
Wood Trim - Ph. 3	5	2	3	\$10,409	\$1,314	\$2,082	\$6,245	(\$4,931)	(\$41.09)
Pool & Spa									
Pool - Chlorinator	6	2	4	\$453	\$64	\$76	\$302	(\$238)	(\$1.99)
Pool - Cover	4	0	4	\$2,781	\$585	\$695	\$2,781	(\$2,196)	(\$18.30)
Pool - Filter	12	4	8	\$1,802	\$253	\$150	\$1,201	(\$948)	(\$7.90)
Pool - Heater	4	3	1	\$3,796	\$200	\$949	\$949	(\$749)	(\$6.24)
Pool - Pump / Motor	4	0	4	\$704	\$148	\$176	\$704	(\$556)	(\$4.63)
Pool - Resurface	15	6	9	\$27,863	\$3,518	\$1,858	\$16,718	(\$13,199)	(\$109.99)
Pool - Tile	15	4	11	\$6,964	\$1,075	\$464	\$5,107	(\$4,032)	(\$33.60)
Spa - Chlorinator	6	4	2	\$453	\$32	\$76	\$151	(\$119)	(\$0.99)
Spa - Filter	10	6	4	\$1,336	\$112	\$134	\$534	(\$422)	(\$3.52)
Spa - Heater	4	4	0	\$3,000	\$0	\$750	\$0	\$0	\$0.00
Spa - Pumps / Motors	2	1	1	\$1,254	\$132	\$627	\$627	(\$495)	(\$4.13)
Spa - Re-Tile	20	14	6	\$5,706	\$360	\$285	\$1,712	(\$1,352)	(\$11.26)
Recreation Areas									
Bocce Ball Court	30	26	4	\$3,038	\$85	\$101	\$405	(\$320)	(\$2.67)
Mini Driving Range - Equipment	5	1	4	\$1,179	\$199	\$236	\$943	(\$745)	(\$6.21)
Mini Driving Range - Resurface	10	6	4	\$11,252	\$947	\$1,125	\$4,501	(\$3,554)	(\$29.61)
Mult-use Sport Court - Equipment	5	1	4	\$3,939	\$663	\$788	\$3,151	(\$2,488)	(\$20.73)
Mult-use Sport Court - Replace	20	16	4	\$65,559	\$2,760	\$3,278	\$13,112	(\$10,352)	(\$86.27)
Mult-use Sport Court - Resurface/Stripe	5	1	4	\$3,386	\$570	\$677	\$2,709	(\$2,139)	(\$17.82)
Putting Green	10	6	4	\$16,881	\$1,421	\$1,688	\$6,752	(\$5,331)	(\$44.43)
Sport Court #3	10	1	9	\$30,739	\$5,822	\$3,074	\$27,665	(\$21,843)	(\$182.02)
Tennis Courts #1 -									

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

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Component	Service Life (a)	Remaining Life (b)	Years in Service (c)	Current Replacement Cost (d)	Projected Reserve Balance (e)	Required Reserve Funding (f)	Projected Fully Funded Reserves (g)	Deficit / Surplus of Fully Funded Reserves (h)	Per Unit Deficit / Surplus of Fully Funded Reserves (i)
Resurface	5	1	4	\$3,288	\$554	\$658	\$2,630	(\$2,077)	(\$17.31)
Tennis Courts #2 - Resurface	5	1	4	\$3,288	\$554	\$658	\$2,630	(\$2,077)	(\$17.31)
Tennis Courts (1 & 2) Rebuild	20	15	5	\$200,654	\$10,557	\$10,033	\$50,164	(\$39,606)	(\$330.05)
Windscreens - Tennis Courts	10	2	8	\$5,474	\$922	\$547	\$4,379	(\$3,458)	(\$28.81)
Roofing									
Built-Up Roofing - Ph. 1	20	9	11	\$75,370	\$8,724	\$3,769	\$41,454	(\$32,729)	(\$272.74)
Built-Up Roofing - Ph. 2	20	19	1	\$61,872	\$651	\$3,094	\$3,094	(\$2,443)	(\$20.35)
Built-Up Roofing - Ph. 3	20	20	0	\$44,923	\$0	\$2,246	\$0	\$0	\$0.00
Built-Up Roofing - Ph. 4	20	0	20	\$123,749	\$26,044	\$6,187	\$123,749	(\$97,705)	(\$814.20)
Built-Up Roofing - Ph. 5	20	1	19	\$123,749	\$24,742	\$6,187	\$117,562	(\$92,819)	(\$773.49)
Chimney Chase Caps - Annual	1	0	1	\$4,676	\$984	\$4,676	\$4,676	(\$3,692)	(\$30.77)
Skylights (Flat)	25	9	16	\$20,558	\$2,769	\$822	\$13,157	(\$10,388)	(\$86.57)
Skylights (Sloped) - Ph. 1	20	7	13	\$54,960	\$7,519	\$2,748	\$35,724	(\$28,205)	(\$235.05)
Skylights (Sloped) - Ph. 2	20	10	10	\$54,960	\$5,783	\$2,748	\$27,480	(\$21,697)	(\$180.80)
Skylights (Sloped) - Ph. 3	20	13	7	\$54,960	\$4,048	\$2,748	\$19,236	(\$15,188)	(\$126.56)
Skylights - Large (Phase 1)	25	3	22	\$10,258	\$1,900	\$410	\$9,027	(\$7,127)	(\$59.39)
Skylights - Large (Phase 2)	25	4	21	\$30,781	\$5,442	\$1,231	\$25,856	(\$20,414)	(\$170.12)
Wood Shake - Ph. 1	24	7	17	\$195,288	\$29,113	\$8,137	\$138,329	(\$109,216)	(\$910.13)
Wood Shake - Ph. 10	24	16	8	\$195,288	\$13,700	\$8,137	\$65,096	(\$51,396)	(\$428.30)
Wood Shake - Ph. 11	24	17	7	\$30,900	\$1,897	\$1,288	\$9,013	(\$7,116)	(\$59.30)
Wood Shake - Ph. 2	24	8	16	\$195,288	\$27,400	\$8,137	\$130,192	(\$102,792)	(\$856.60)
Wood Shake - Ph. 3	24	9	15	\$195,288	\$25,688	\$8,137	\$122,055	(\$96,367)	(\$803.06)
Wood Shake - Ph. 4	24	10	14	\$195,288	\$23,975	\$8,137	\$113,918	(\$89,943)	(\$749.52)
Wood Shake - Ph. 5	24	11	13	\$195,288	\$22,263	\$8,137	\$105,781	(\$83,518)	(\$695.98)
Wood Shake - Ph. 6	24	12	12	\$195,288	\$20,550	\$8,137	\$97,644	(\$77,094)	(\$642.45)
Wood Shake - Ph. 7	24	13	11	\$195,288	\$18,838	\$8,137	\$89,507	(\$70,669)	(\$588.91)
Wood Shake - Ph. 8	24	14	10	\$195,288	\$17,125	\$8,137	\$81,370	(\$64,245)	(\$535.37)
Wood Shake - Ph. 9	24	15	9	\$195,288	\$15,413	\$8,137	\$73,233	(\$57,820)	(\$481.84)
Security Systems									
Gate Card Entry System	8	4	4	\$6,303	\$663	\$788	\$3,152	(\$2,488)	(\$20.74)
Gate Telephone System	8	4	4	\$5,871	\$618	\$734	\$2,936	(\$2,318)	(\$19.31)
Vehicle Gate Motors	12	3	9	\$9,784	\$1,544	\$815	\$7,338	(\$5,794)	(\$48.28)
Vehicle Gates	12	2	10	\$6,622	\$1,161	\$552	\$5,518	(\$4,357)	(\$36.31)
Windows & Doors									
Exterior Entry Doors - Annual	1	0	1	\$4,860	\$1,023	\$4,860	\$4,860	(\$3,837)	(\$31.98)
Garage Doors - Annual	1	0	1	\$2,575	\$542	\$2,575	\$2,575	(\$2,033)	(\$16.94)

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Percent Funded: 21 %

Component	Service Life (a)	Remaining Life (b)	Years in Service (c)	Current Replacement Cost (d)	Projected Reserve Balance (e)	Required Reserve Funding (f)	Projected Fully Funded Reserves (g)	Deficit / Surplus of Fully Funded Reserves (h)	Per Unit Deficit / Surplus of Fully Funded Reserves (i)
Windows/SGD - Ph. 1	25	14	11	\$370,382	\$34,299	\$14,815	\$162,968	(\$128,670)	(\$1,072.25)
Windows/SGD - Ph. 10	25	24	1	\$256,549	\$2,160	\$10,262	\$10,262	(\$8,102)	(\$67.52)
Windows/SGD - Ph. 11	25	25	0	\$127,425	\$0	\$5,097	\$0	\$0	\$0.00
Windows/SGD - Ph. 12	25	0	25	\$127,425	\$26,818	\$5,097	\$127,425	(\$100,607)	(\$838.39)
Windows/SGD - Ph. 13	25	1	24	\$127,425	\$25,745	\$5,097	\$122,328	(\$96,583)	(\$804.86)
Windows/SGD - Ph. 14	25	2	23	\$127,425	\$24,673	\$5,097	\$117,231	(\$92,558)	(\$771.32)
Windows/SGD - Ph. 2	25	15	10	\$370,382	\$31,180	\$14,815	\$148,153	(\$116,972)	(\$974.77)
Windows/SGD - Ph. 3	25	16	9	\$370,382	\$28,062	\$14,815	\$133,338	(\$105,275)	(\$877.29)
Windows/SGD - Ph. 4	25	17	8	\$370,382	\$24,944	\$14,815	\$118,522	(\$93,578)	(\$779.82)
Windows/SGD - Ph. 5	25	18	7	\$370,382	\$21,826	\$14,815	\$103,707	(\$81,881)	(\$682.34)
Windows/SGD - Ph. 6	25	19	6	\$246,355	\$12,444	\$9,854	\$59,125	(\$46,682)	(\$389.01)
Windows/SGD - Ph. 7	25	20	5	\$246,355	\$10,370	\$9,854	\$49,271	(\$38,901)	(\$324.18)
Windows/SGD - Ph. 8	25	22	3	\$203,880	\$5,149	\$8,155	\$24,466	(\$19,317)	(\$160.97)
Windows/SGD - Ph. 9	25	23	2	\$258,248	\$4,348	\$10,330	\$20,660	(\$16,312)	(\$135.93)
Windows/SGD Alum. - Ph. 1	15	4	11	\$25,485	\$3,933	\$1,699	\$18,689	(\$14,756)	(\$122.96)
Windows/SGD Alum. - Ph. 2	15	5	10	\$25,485	\$3,576	\$1,699	\$16,990	(\$13,414)	(\$111.79)
Windows/SGD Alum. - Ph. 3	15	6	9	\$25,485	\$3,218	\$1,699	\$15,291	(\$12,073)	(\$100.61)
Windows/SGD Alum. - Ph. 4	15	7	8	\$25,485	\$2,861	\$1,699	\$13,592	(\$10,731)	(\$89.43)
Windows/SGD Alum. - Ph. 5	15	8	7	\$25,485	\$2,503	\$1,699	\$11,893	(\$9,390)	(\$78.25)
Windows/SGD Alum. - Ph. 6	15	9	6	\$25,485	\$2,145	\$1,699	\$10,194	(\$8,049)	(\$67.07)
Windows/SGD Alum. - Ph. 7	15	10	5	\$25,485	\$1,788	\$1,699	\$8,495	(\$6,707)	(\$55.89)
Windows/SGD Alum. - Ph. 8	15	11	4	\$25,485	\$1,430	\$1,699	\$6,796	(\$5,366)	(\$44.71)
Windows/SGD Alum. - Ph. 9	15	12	3	\$25,485	\$1,073	\$1,699	\$5,097	(\$4,024)	(\$33.54)
Wood Siding									
Wood Siding (S.) - Repairs - 1	20	12	8	\$12,663	\$1,066	\$633	\$5,065	(\$3,999)	(\$33.33)
Wood Siding (S.) - Repairs - 2	20	13	7	\$12,663	\$933	\$633	\$4,432	(\$3,499)	(\$29.16)
Wood Siding (S.) - Repairs - 3	20	14	6	\$12,633	\$798	\$632	\$3,790	(\$2,992)	(\$24.94)
Wood Siding - Ph. 1	25	16	9	\$146,054	\$11,066	\$5,842	\$52,579	(\$41,513)	(\$345.95)
Wood Siding - Ph. 2	25	17	8	\$282,625	\$19,034	\$11,305	\$90,440	(\$71,406)	(\$595.05)
Wood Siding - Ph. 3	25	18	7	\$298,777	\$17,607	\$11,951	\$83,658	(\$66,051)	(\$550.42)
Wood Siding - Ph. 3 (a)	25	19	6	\$192,467	\$9,722	\$7,699	\$46,192	(\$36,470)	(\$303.92)
Wood Siding - Ph. 4	25	20	5	\$299,838	\$12,621	\$11,994	\$59,968	(\$47,347)	(\$394.56)
Wood Siding - Ph. 5	25	22	3	\$209,911	\$5,301	\$8,396	\$25,189	(\$19,888)	(\$165.73)



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Percent Funded: 21 %

Component	Service Life (a)	Remaining Life (b)	Years in Service (c)	Current Replacement Cost (d)	Projected Reserve Balance (e)	Required Reserve Funding (f)	Projected Fully Funded Reserves (g)	Deficit / Surplus of Fully Funded Reserves (h)	Per Unit Deficit / Surplus of Fully Funded Reserves (i)
Wood Siding - Ph. 6	25	23	2	\$308,831	\$5,200	\$12,353	\$24,706	(\$19,507)	(\$162.56)
Wood Siding - Ph. 7	25	24	1	\$308,831	\$2,600	\$12,353	\$12,353	(\$9,753)	(\$81.28)
Wood Siding - Ph. 8	25	25	0	\$123,600	\$0	\$4,944	\$0	\$0	\$0.00
Wood Siding - Ph. 9	25	0	25	\$60,000	\$12,628	\$2,400	\$60,000	(\$47,372)	(\$394.77)



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Percent Funded: 21 %

	Current Replacement Cost (d)	Projected Reserve Balance (e)	Required Reserve Funding (f)	Projected Fully Funded Reserves (g)	Deficit / Surplus of Fully Funded Reserves (h)	Per Unit Deficit / Surplus of Fully Funded Reserves (i)
Totals	\$13,663,609	\$1,158,981	\$653,878	\$5,506,854	(\$4,347,873)	(\$36,232.28)

PERCENTAGE FUNDED & DEFINITIONS

Based on the estimated total current replacement cost of \$13,663,609 and estimated service lives and remaining useful lives for the individual reserve components, the annual (day 1) reserve funding for the Monterey Dunes Colony Association is \$653,878 and the Fully Funded Reserve as of fiscal year-end 30-Jun-2011 is \$5,506,854. As of this date, the Association has projected \$1,158,981 to be in savings available for reserves. This will be a deficit of \$4,347,873 under the Fully Funded Reserve. Based on these numbers, the Monterey Dunes Colony Association will be 21 % funded as of 30-Jun-2011.

This Percent Funded value presented in the data summary sheet is calculated by dividing the current (or projected) cash reserve savings by the Fully Funded reserve amount.

DEFINITION OF TERMS

(For Percentage Funded Page Calculations)

Column a - Service Life: Normal time period the association reserve component can be expected to remain in functional or useful condition.

Column b - Remaining Life (B): An estimate of years remaining before repair, replacement or refurbishment will be necessary.

Column c - Calculated Years in Service (C): A calculation derived by subtracting Remaining Life from Service Life. (Note: Years in service is a calculated value, not necessarily the actual age of the component.) Calculation: (A) - (B) = (C).

Column d - Current Replacement Cost (D): The current cost of repairing, replacing or refurbishing a component.

Column e - Current Actual Reserve Funds (E): Current amount of reserve funds available for each component. This is calculated by: (individual component Fully Funded Reserve) / (the total Fully Funded Reserve for all components) x (the Total Current Actual Reserve Balance for all reserve components) Calculation $G/G (Total) \times E (Total) = (E) \text{ Individual Component Current Actual Reserve Balance}$.

Column f - Day 1 Reserve Funding (Annual) (F): The annual amount of reserve funding required as of the Fiscal Year End which, when Fully Funded from the first year of service for all components will achieve full funding. This annualized value is calculated by dividing Current Replacement Cost by the Useful Life. This funding level makes no adjustment to eliminate any current reserve deficits. Calculation: $(D) / (A) = (F)$.

Column g - Fully Funded Reserve (G): This value is calculated by multiplying the Calculated Years in Service by the Day 1 Reserve Funding Amount. If an association is 100% funded, this number will be equal or less than the Current Allocated Reserve Fund Balance for each component. Calculation: $(C) \times (F) = (G)$.

Column h - Deficit/Surplus to the Fully Funded Reserve (H): The shortage or surplus of reserve funding with respect to the Fully Funded Reserve as of the reported Current Actual Reserve Balance (E). The deficit is calculated by subtracting the Current Actual Reserve Balance from the Fully Funded Reserve: $(G) - (E) = (H)$.

Column i - Per Unit Deficit/Surplus of Fully Funded Reserves (I): The per unit breakdown of the shortage or surplus of reserve funding with respect to the Fully Funded Reserve. Calculated by dividing the current Deficit/Surplus of the Fully Funded Reserve by the number of units.



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
2011				
Boardwalks	Boardwalk (LS) - 2	20	\$100,425	\$100,425
Clubhouse	Carpeting	12	\$8,500	\$8,500
Decks	Decks - Phase 12	40	\$103,000	\$103,000
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,133
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$978
Electrical & Lighting	Meters & Enclosures - Ph. 1	20	\$57,396	\$57,396
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 2	20	\$77,250	\$77,250
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$30,900
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,060
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$6,386
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,236
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$15,450
Painting	Wood Trim - Ph. 2	5	\$22,025	\$22,025
Pool & Spa	Pool - Cover	4	\$2,781	\$2,781
Pool & Spa	Pool - Pump / Motor	4	\$704	\$704
Roofing	Built-Up Roofing - Ph. 4	20	\$123,749	\$123,749
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$4,676
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$4,860
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$2,575
Windows & Doors	Windows/SGD - Ph. 12	25	\$127,425	\$127,425
Wood Siding	Wood Siding - Ph. 9	25	\$60,000	\$60,000
			Total for 2011:	\$753,509
2012				
Boardwalks	Boardwalk (LS) - 3	20	\$100,425	\$103,438
Clubhouse	Appliances	12	\$6,865	\$7,071
Clubhouse	Saunas - Heaters (2)	5	\$4,552	\$4,689
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,167
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,007
Electrical & Lighting	Meters & Enclosures - Ph. 2	20	\$57,396	\$59,118
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 3	20	\$77,250	\$79,568
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$31,827
Miscellaneous	Organization Signs & Entry Fixt.	20	\$9,970	\$10,269
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,122
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$6,578
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,273
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$15,914
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$1,292
Recreation Areas	Mini Driving Range - Equipment	5	\$1,179	\$1,214
Recreation Areas	Multit-use Sport Court - Equipment	5	\$3,939	\$4,057
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,386	\$3,488
Recreation Areas	Sport Court #3	10	\$30,739	\$31,661
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,288	\$3,387
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,288	\$3,387



Monterey Dunes Colony Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Roofing	Built-Up Roofing - Ph. 5	20	\$123,749	\$127,461
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$4,816
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$5,006
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$2,652
Windows & Doors	Windows/SGD - Ph. 13	25	\$127,425	\$131,248
			Total for 2012:	\$643,708
2013				
Boardwalks	Boardwalk (LS) - 4	20	\$100,425	\$106,541
Clubhouse	Saunas (Refurbish)	8	\$2,646	\$2,807
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,202
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,038
Electrical & Lighting	Meters & Enclosures - Ph. 3	20	\$57,396	\$60,891
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 4	20	\$77,250	\$81,955
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$32,782
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,185
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$6,775
Miscellaneous	Reserve Study	3	\$2,369	\$2,513
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,311
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$16,391
Painting	Wood Trim - Ph. 3	5	\$10,409	\$11,043
Pool & Spa	Pool - Chlorinator	6	\$453	\$481
Recreation Areas	Windscreens - Tennis Courts	10	\$5,474	\$5,807
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$4,961
Security Systems	Vehicle Gates	12	\$6,622	\$7,025
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$5,156
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$2,732
Windows & Doors	Windows/SGD - Ph. 14	25	\$127,425	\$135,185
			Total for 2013:	\$488,781
2014				
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,238
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,069
Fencing, Gates & Walls	Chain Link - Tennis Courts	15	\$83,578	\$91,328
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$33,765
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,251
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$6,978
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,351
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$16,883
Painting	Wood Trim - Ph. 1	5	\$44,106	\$48,196
Pool & Spa	Pool - Heater	4	\$3,796	\$4,148
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$1,370
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$5,110
Roofing	Skylights - Large (Phase 1)	25	\$10,258	\$11,209
Security Systems	Vehicle Gate Motors	12	\$9,784	\$10,691
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$5,311
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$2,814

Disbursement Report



**Monterey Dunes Colony
Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
			Total for 2014:	\$243,711
2015				
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,275
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,101
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$34,778
Miscellaneous	Maintenance Trailer #1	6	\$2,008	\$2,260
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,319
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$7,187
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,391
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$17,389
Pool & Spa	Pool - Cover	4	\$2,781	\$3,130
Pool & Spa	Pool - Filter	12	\$1,802	\$2,028
Pool & Spa	Pool - Pump / Motor	4	\$704	\$792
Pool & Spa	Pool - Tile	15	\$6,964	\$7,838
Pool & Spa	Spa - Chlorinator	6	\$453	\$510
Pool & Spa	Spa - Heater	4	\$3,000	\$3,377
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$5,263
Roofing	Skylights - Large (Phase 2)	25	\$30,781	\$34,644
Security Systems	Gate Card Entry System	8	\$6,303	\$7,094
Security Systems	Gate Telephone System	8	\$5,871	\$6,608
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$5,470
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$2,898
Windows & Doors	Windows/SGD Alum. - Ph. 1	15	\$25,485	\$28,684
			Total for 2015:	\$176,036
2016				
Asphalt & Concrete Surfaces	Asphalt - Chip & Seal	12	\$126,072	\$146,152
Boardwalks	Boardwalks - Repairs	10	\$9,975	\$11,564
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,313
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,134
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$35,822
Miscellaneous	Fumigation	17	\$105,060	\$121,793
Miscellaneous	Maintenance Trailer #2	6	\$2,008	\$2,328
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,388
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$7,403
Miscellaneous	Reserve Study	3	\$2,369	\$2,746
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,433
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$17,911
Painting	Wood Trim - Ph. 2	5	\$22,025	\$25,533
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$1,454
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$5,421
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$5,634
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$2,985
Windows & Doors	Windows/SGD Alum. - Ph. 2	15	\$25,485	\$29,544
			Total for 2016:	\$422,558
2017				



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$36,050	\$43,046
Clubhouse	Furniture	12	\$13,647	\$16,295
Clubhouse	Office Furniture	12	\$6,798	\$8,117
Clubhouse	Saunas - Heaters (2)	5	\$4,552	\$5,435
Clubhouse	Window Coverings	12	\$5,958	\$7,114
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,353
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,168
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$36,896
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,460
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$7,625
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,476
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$18,448
Pool & Spa	Pool - Resurface	15	\$27,863	\$33,270
Pool & Spa	Spa - Filter	10	\$1,336	\$1,595
Recreation Areas	Mini Driving Range - Equipment	5	\$1,179	\$1,408
Recreation Areas	Mini Driving Range - Resurface	10	\$11,252	\$13,435
Recreation Areas	Multit-use Sport Court - Equipment	5	\$3,939	\$4,703
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,386	\$4,043
Recreation Areas	Putting Green	10	\$16,881	\$20,157
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,288	\$3,926
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,288	\$3,926
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$5,583
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$5,803
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$3,075
Windows & Doors	Windows/SGD Alum. - Ph. 3	15	\$25,485	\$30,430
			Total for 2017:	\$280,789
2018				
Clubhouse	Copier	10	\$6,025	\$7,410
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,393
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,203
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$38,003
Miscellaneous	John Deere (Truck) - New	8	\$15,450	\$19,002
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,534
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$7,854
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,520
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$19,002
Painting	Wood Trim - Ph. 3	5	\$10,409	\$12,802
Pool & Spa	Pool - Heater	4	\$3,796	\$4,669
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$1,542
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$5,751
Roofing	Skylights (Sloped) - Ph. 1	20	\$54,960	\$67,594
Roofing	Wood Shake - Ph. 1	24	\$195,288	\$240,180
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$5,977
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$3,167



Monterey Dunes Colony Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Windows & Doors	Windows/SGD Alum. - Ph. 4	15	\$25,485	\$31,343
			Total for 2018:	\$470,945
2019				
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,435
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,239
Electrical & Lighting	Meters & Enclosures - Ph. 4	20	\$57,396	\$72,708
Miscellaneous	Company Truck	9	\$18,952	\$24,008
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$39,143
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,610
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$8,090
Miscellaneous	Reserve Study	3	\$2,369	\$3,001
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,566
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$19,572
Painting	Wood Trim - Ph. 1	5	\$44,106	\$55,872
Pool & Spa	Pool - Chlorinator	6	\$453	\$574
Pool & Spa	Pool - Cover	4	\$2,781	\$3,523
Pool & Spa	Pool - Pump / Motor	4	\$704	\$892
Pool & Spa	Spa - Heater	4	\$3,000	\$3,800
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$5,923
Roofing	Wood Shake - Ph. 2	24	\$195,288	\$247,385
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$6,157
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$3,262
Windows & Doors	Windows/SGD Alum. - Ph. 5	15	\$25,485	\$32,284
			Total for 2019:	\$533,042
2020				
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,478
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,276
Electrical & Lighting	Meters & Enclosures - Ph. 5	20	\$57,396	\$74,889
Fencing, Gates & Walls	Retaining Walls	15	\$6,854	\$8,943
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$40,317
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,688
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$8,332
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,613
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$20,159
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$1,636
Roofing	Built-Up Roofing - Ph. 1	20	\$75,370	\$98,341
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$6,101
Roofing	Skylights (Flat)	25	\$20,558	\$26,824
Roofing	Wood Shake - Ph. 3	24	\$195,288	\$254,807
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$6,341
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$3,360
Windows & Doors	Windows/SGD Alum. - Ph. 6	15	\$25,485	\$33,252
			Total for 2020:	\$590,356
2021				
Clubhouse	Saunas (Refurbish)	8	\$2,646	\$3,556



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Category	Component	Service Life	Replacement Cost	Projected Cost
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,523
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,314
Electrical & Lighting	Meters & Enclosures - Ph. 6	20	\$57,396	\$77,135
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$41,527
Miscellaneous	Maintenance Trailer #1	6	\$2,008	\$2,699
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,768
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$8,582
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,661
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$20,764
Painting	Wood Trim - Ph. 2	5	\$22,025	\$29,600
Pool & Spa	Spa - Chlorinator	6	\$453	\$609
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$6,284
Roofing	Skylights (Sloped) - Ph. 2	20	\$54,960	\$73,862
Roofing	Wood Shake - Ph. 4	24	\$195,288	\$262,451
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$6,531
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$3,461
Windows & Doors	Windows/SGD Alum. - Ph. 7	15	\$25,485	\$34,250
			Total for 2021:	\$578,576
2022				
Asphalt & Concrete Surfaces	Asphalt - Overlay	40	\$682,200	\$944,324
Clubhouse	Saunas - Heaters (2)	5	\$4,552	\$6,301
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,568
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,354
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$42,773
Miscellaneous	Maintenance Trailer #2	6	\$2,008	\$2,780
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,852
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$8,840
Miscellaneous	Reserve Study	3	\$2,369	\$3,279
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,711
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$21,386
Pool & Spa	Pool - Heater	4	\$3,796	\$5,255
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$1,736
Recreation Areas	Mini Driving Range - Equipment	5	\$1,179	\$1,632
Recreation Areas	Multit-use Sport Court - Equipment	5	\$3,939	\$5,452
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,386	\$4,687
Recreation Areas	Sport Court #3	10	\$30,739	\$42,550
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,288	\$4,551
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,288	\$4,551
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$6,473
Roofing	Wood Shake - Ph. 5	24	\$195,288	\$270,324
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$6,727
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$3,564
Windows & Doors	Windows/SGD Alum. - Ph. 8	15	\$25,485	\$35,277
			Total for 2022:	\$1,429,948



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Category	Component	Service Life	Replacement Cost	Projected Cost
2023				
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$36,050	\$51,399
Clubhouse	Carpeting	12	\$8,500	\$12,119
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,615
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,394
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$44,056
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$2,937
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$9,105
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,762
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$22,028
Painting	Wood Trim - Ph. 3	5	\$10,409	\$14,841
Pool & Spa	Pool - Cover	4	\$2,781	\$3,965
Pool & Spa	Pool - Pump / Motor	4	\$704	\$1,004
Pool & Spa	Spa - Heater	4	\$3,000	\$4,277
Recreation Areas	Windscreens - Tennis Courts	10	\$5,474	\$7,805
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$6,667
Roofing	Wood Shake - Ph. 6	24	\$195,288	\$278,434
Security Systems	Gate Card Entry System	8	\$6,303	\$8,987
Security Systems	Gate Telephone System	8	\$5,871	\$8,371
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$6,929
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$3,671
Windows & Doors	Windows/SGD Alum. - Ph. 9	15	\$25,485	\$36,336
Wood Siding	Wood Siding (S.) - Repairs - 1	20	\$12,663	\$18,054
			Total for 2023:	\$545,756
2024				
Clubhouse	Appliances	12	\$6,865	\$10,081
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,664
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,436
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$45,378
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$3,025
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$9,378
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,815
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$22,689
Painting	Wood Trim - Ph. 1	5	\$44,106	\$64,771
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$1,842
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$6,867
Roofing	Skylights (Sloped) - Ph. 3	20	\$54,960	\$80,711
Roofing	Wood Shake - Ph. 7	24	\$195,288	\$286,787
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$7,137
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$3,781
Wood Siding	Wood Siding (S.) - Repairs - 2	20	\$12,663	\$18,596
			Total for 2024:	\$565,958
2025				
Boardwalks	Boardwalk (OS)	25	\$135,960	\$205,652
Clubhouse	Rest Rooms (Refurbish)	20	\$13,184	\$19,942



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Category	Component	Service Life	Replacement Cost	Projected Cost
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,714
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,479
Electrical & Lighting	Electrical Parking Posts - Ph. 1	25	\$9,570	\$14,475
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$46,739
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$3,116
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$9,659
Miscellaneous	Reserve Study	3	\$2,369	\$3,583
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,870
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$23,370
Pool & Spa	Pool - Chlorinator	6	\$453	\$685
Pool & Spa	Spa - Re-Tile	20	\$5,706	\$8,631
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$7,073
Roofing	Wood Shake - Ph. 8	24	\$195,288	\$295,391
Security Systems	Vehicle Gates	12	\$6,622	\$10,016
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$7,351
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$3,895
Windows & Doors	Windows/SGD - Ph. 1	25	\$370,382	\$560,236
Wood Siding	Wood Siding (S.) - Repairs - 3	20	\$12,633	\$19,109
			Total for 2025:	\$1,243,986
2026				
Boardwalks	Boardwalk (OS)	25	\$231,853	\$361,219
Boardwalks	Boardwalks - Repairs	10	\$9,975	\$15,541
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,765
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,524
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$48,141
Miscellaneous	John Deere (Truck) - New	8	\$15,450	\$24,071
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$3,209
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$9,949
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,926
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$24,071
Painting	Wood Trim - Ph. 2	5	\$22,025	\$34,314
Pool & Spa	Pool - Heater	4	\$3,796	\$5,914
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$1,954
Recreation Areas	Tennis Courts (1 & 2) Rebuild	20	\$200,654	\$312,612
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$7,285
Roofing	Wood Shake - Ph. 9	24	\$195,288	\$304,252
Security Systems	Vehicle Gate Motors	12	\$9,784	\$15,243
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$7,572
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$4,012
Windows & Doors	Windows/SGD - Ph. 2	25	\$370,382	\$577,043
			Total for 2026:	\$1,761,617
2027				
Clubhouse	Saunas - Heaters (2)	5	\$4,552	\$7,305
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,818
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,569



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Category	Component	Service Life	Replacement Cost	Projected Cost
Electrical & Lighting	Electrical Parking Posts - Ph. 2	25	\$7,830	\$12,565
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$49,585
Miscellaneous	Mailbox Clusters - Ph. 1	25	\$3,634	\$5,832
Miscellaneous	Maintenance Trailer #1	6	\$2,008	\$3,222
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$3,306
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$10,248
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$1,983
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$24,793
Pool & Spa	Pool - Cover	4	\$2,781	\$4,463
Pool & Spa	Pool - Filter	12	\$1,802	\$2,892
Pool & Spa	Pool - Pump / Motor	4	\$704	\$1,130
Pool & Spa	Spa - Chlorinator	6	\$453	\$727
Pool & Spa	Spa - Filter	10	\$1,336	\$2,144
Pool & Spa	Spa - Heater	4	\$3,000	\$4,814
Recreation Areas	Mini Driving Range - Equipment	5	\$1,179	\$1,892
Recreation Areas	Mini Driving Range - Resurface	10	\$11,252	\$18,056
Recreation Areas	Multit-use Sport Court - Equipment	5	\$3,939	\$6,321
Recreation Areas	Multit-use Sport Court - Replace	20	\$65,559	\$105,203
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,386	\$5,434
Recreation Areas	Putting Green	10	\$16,881	\$27,089
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,288	\$5,276
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,288	\$5,276
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$7,504
Roofing	Wood Shake - Ph. 10	24	\$195,288	\$313,380
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$7,799
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$4,132
Windows & Doors	Windows/SGD - Ph. 3	25	\$370,382	\$594,354
Wood Siding	Wood Siding - Ph. 1	25	\$146,054	\$234,374
			Total for 2027:	\$1,474,485

2028

Asphalt & Concrete Surfaces	Asphalt - Chip & Seal	12	\$126,072	\$208,378
Clubhouse	Copier	10	\$6,025	\$9,958
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,873
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,616
Electrical & Lighting	Electrical Parking Posts - Ph. 3	25	\$8,700	\$14,380
Miscellaneous	Company Truck	9	\$18,952	\$31,325
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$51,073
Miscellaneous	Maintenance Trailer #2	6	\$2,008	\$3,319
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$3,405
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$10,555
Miscellaneous	Reserve Study	3	\$2,369	\$3,916
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,043
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$25,536
Painting	Wood Trim - Ph. 3	5	\$10,409	\$17,204



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Category	Component	Service Life	Replacement Cost	Projected Cost
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$2,073
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$7,729
Roofing	Wood Shake - Ph. 11	24	\$30,900	\$51,073
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$8,033
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$4,256
Windows & Doors	Windows/SGD - Ph. 4	25	\$370,382	\$612,185
Wood Siding	Wood Siding - Ph. 2	25	\$282,625	\$467,136
			Total for 2028:	\$1,537,066
2029				
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$36,050	\$61,373
Clubhouse	Furniture	12	\$13,647	\$23,233
Clubhouse	Office Furniture	12	\$6,798	\$11,573
Clubhouse	Saunas (Refurbish)	8	\$2,646	\$4,505
Clubhouse	Window Coverings	12	\$5,958	\$10,143
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,929
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,665
Fencing, Gates & Walls	Chain Link - Tennis Courts	15	\$83,578	\$142,286
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$52,605
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$3,507
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$10,872
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,104
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$26,303
Painting	Wood Trim - Ph. 1	5	\$44,106	\$75,088
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$7,961
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$8,274
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$4,384
Windows & Doors	Windows/SGD - Ph. 5	25	\$370,382	\$630,551
Wood Siding	Wood Siding - Ph. 3	25	\$298,777	\$508,648
			Total for 2029:	\$1,587,001
2030				
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$1,987
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,715
Electrical & Lighting	Electrical Parking Posts - Ph. 4	25	\$10,440	\$18,307
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$54,183
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$3,612
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$11,198
Miscellaneous	Unit Entrance Cluster Signs	20	\$7,210	\$12,643
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,167
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$27,092
Pool & Spa	Pool - Heater	4	\$3,796	\$6,656
Pool & Spa	Pool - Tile	15	\$6,964	\$12,211
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$2,199
Roofing	Built-Up Roofing - Ph. 2	20	\$61,872	\$108,493
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$8,199
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$8,522



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Category	Component	Service Life	Replacement Cost	Projected Cost
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$4,515
Windows & Doors	Windows/SGD - Ph. 6	25	\$246,355	\$431,985
Windows & Doors	Windows/SGD Alum. - Ph. 1	15	\$25,485	\$44,688
Wood Siding	Wood Siding - Ph. 3 (a)	25	\$192,467	\$337,492
			Total for 2030:	\$1,097,865
2031				
Boardwalks	Boardwalk (LS) - 1	20	\$110,889	\$200,278
Boardwalks	Boardwalk (LS) - 2	20	\$100,425	\$181,379
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$2,046
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,766
Electrical & Lighting	Meters & Enclosures - Ph. 1	20	\$57,396	\$103,664
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 1	20	\$77,250	\$139,522
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 2	20	\$77,250	\$139,522
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$55,809
Miscellaneous	Mailbox Clusters - Ph. 2	25	\$3,634	\$6,563
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$3,721
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$11,534
Miscellaneous	Reserve Study	3	\$2,369	\$4,279
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,232
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$27,904
Painting	Wood Trim - Ph. 2	5	\$22,025	\$39,780
Pool & Spa	Pool - Chlorinator	6	\$453	\$818
Pool & Spa	Pool - Cover	4	\$2,781	\$5,023
Pool & Spa	Pool - Pump / Motor	4	\$704	\$1,272
Pool & Spa	Spa - Heater	4	\$3,000	\$5,418
Roofing	Built-Up Roofing - Ph. 3	20	\$44,923	\$81,136
Roofing	Built-Up Roofing - Ph. 4	20	\$123,749	\$223,504
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$8,445
Security Systems	Gate Card Entry System	8	\$6,303	\$11,384
Security Systems	Gate Telephone System	8	\$5,871	\$10,604
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$8,778
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$4,651
Windows & Doors	Windows/SGD - Ph. 7	25	\$246,355	\$444,945
Windows & Doors	Windows/SGD Alum. - Ph. 2	15	\$25,485	\$46,029
Wood Siding	Wood Siding - Ph. 4	25	\$299,838	\$541,541
			Total for 2031:	\$2,313,545
2032				
Boardwalks	Boardwalk (LS) - 3	20	\$100,425	\$186,820
Clubhouse	Saunas - Heaters (2)	5	\$4,552	\$8,468
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$2,108
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,819
Electrical & Lighting	Meters & Enclosures - Ph. 2	20	\$57,396	\$106,773
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 3	20	\$77,250	\$143,708
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$57,483
Miscellaneous	Mailbox Clusters - Ph. 3	25	\$3,634	\$6,760



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Category	Component	Service Life	Replacement Cost	Projected Cost
Miscellaneous	Organization Signs & Entry Fixt.	20	\$9,970	\$18,547
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$3,832
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$11,880
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,299
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$28,742
Pool & Spa	Pool - Resurface	15	\$27,863	\$51,833
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$2,333
Recreation Areas	Mini Driving Range - Equipment	5	\$1,179	\$2,193
Recreation Areas	Multit-use Sport Court - Equipment	5	\$3,939	\$7,328
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,386	\$6,299
Recreation Areas	Sport Court #3	10	\$30,739	\$57,184
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,288	\$6,117
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,288	\$6,117
Roofing	Built-Up Roofing - Ph. 5	20	\$123,749	\$230,210
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$8,699
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$9,041
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$4,790
Windows & Doors	Windows/SGD Alum. - Ph. 3	15	\$25,485	\$47,410
			Total for 2032:	\$1,018,792

2033

Boardwalks	Boardwalk (LS) - 4	20	\$100,425	\$192,425
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$2,171
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,874
Electrical & Lighting	Meters & Enclosures - Ph. 3	20	\$57,396	\$109,977
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 4	20	\$77,250	\$148,019
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$59,208
Miscellaneous	Fumigation	17	\$105,060	\$201,306
Miscellaneous	Maintenance Trailer #1	6	\$2,008	\$3,848
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$3,947
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$12,236
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,368
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$29,604
Painting	Wood Trim - Ph. 3	5	\$10,409	\$19,945
Pool & Spa	Spa - Chlorinator	6	\$453	\$868
Recreation Areas	Windscreens - Tennis Courts	10	\$5,474	\$10,489
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$8,960
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$9,312
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$4,934
Windows & Doors	Windows/SGD - Ph. 8	25	\$203,880	\$390,655
Windows & Doors	Windows/SGD Alum. - Ph. 4	15	\$25,485	\$48,832
Wood Siding	Wood Siding - Ph. 5	25	\$209,911	\$402,211
			Total for 2033:	\$1,663,187

2034

Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$2,236
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Monterey Dunes Colony Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,930
Electrical & Lighting	Electrical Parking Posts - Ph. 5	25	\$6,960	\$13,736
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$60,984
Miscellaneous	John Deere (Truck) - New	8	\$15,450	\$30,492
Miscellaneous	Mailbox Clusters - Ph. 4	25	\$7,268	\$14,344
Miscellaneous	Maintenance Trailer #2	6	\$2,008	\$3,963
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$4,066
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$12,603
Miscellaneous	Reserve Study	3	\$2,369	\$4,675
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,439
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$30,492
Painting	Wood Trim - Ph. 1	5	\$44,106	\$87,047
Pool & Spa	Pool - Heater	4	\$3,796	\$7,492
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$2,475
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$9,228
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$9,592
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$5,082
Windows & Doors	Windows/SGD - Ph. 9	25	\$258,248	\$509,675
Windows & Doors	Windows/SGD Alum. - Ph. 5	15	\$25,485	\$50,297
Wood Siding	Wood Siding - Ph. 6	25	\$308,831	\$609,505
			Total for 2034:	\$1,472,353
2035				
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$36,050	\$73,282
Clubhouse	Carpeting	12	\$8,500	\$17,279
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$2,303
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$1,988
Fencing, Gates & Walls	Retaining Walls	15	\$6,854	\$13,933
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$62,813
Miscellaneous	Mailbox Clusters - Ph. 5	25	\$1,817	\$3,694
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$4,188
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$12,981
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,513
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$31,407
Pool & Spa	Pool - Cover	4	\$2,781	\$5,653
Pool & Spa	Pool - Pump / Motor	4	\$704	\$1,431
Pool & Spa	Spa - Heater	4	\$3,000	\$6,098
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$9,505
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$9,879
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$5,234
Windows & Doors	Windows/SGD - Ph. 10	25	\$256,549	\$521,511
Windows & Doors	Windows/SGD Alum. - Ph. 6	15	\$25,485	\$51,806
Wood Siding	Wood Siding - Ph. 7	25	\$308,831	\$627,790
			Total for 2035:	\$1,465,289
2036				
Boardwalks	Boardwalks - Repairs	10	\$9,975	\$20,885



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Clubhouse	Appliances	12	\$6,865	\$14,374
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$2,372
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$2,048
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$64,698
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$4,313
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$13,371
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,588
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$32,349
Painting	Wood Trim - Ph. 2	5	\$22,025	\$46,115
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$2,626
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$9,791
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$10,176
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$5,391
Windows & Doors	Windows/SGD - Ph. 11	25	\$127,425	\$266,800
Windows & Doors	Windows/SGD - Ph. 12	25	\$127,425	\$266,800
Windows & Doors	Windows/SGD Alum. - Ph. 7	15	\$25,485	\$53,360
Wood Siding	Wood Siding - Ph. 8	25	\$123,600	\$258,791
Wood Siding	Wood Siding - Ph. 9	25	\$60,000	\$125,627
			Total for 2036:	\$1,202,473
2037				
Clubhouse	Saunas - Heaters (2)	5	\$4,552	\$9,817
Clubhouse	Saunas (Refurbish)	8	\$2,646	\$5,706
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$2,443
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$2,109
Miscellaneous	Company Truck	9	\$18,952	\$40,872
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$66,639
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$4,443
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$13,772
Miscellaneous	Reserve Study	3	\$2,369	\$5,109
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,666
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$33,319
Pool & Spa	Pool - Chlorinator	6	\$453	\$977
Pool & Spa	Spa - Filter	10	\$1,336	\$2,881
Recreation Areas	Bocce Ball Court	30	\$3,038	\$6,552
Recreation Areas	Mini Driving Range - Equipment	5	\$1,179	\$2,543
Recreation Areas	Mini Driving Range - Resurface	10	\$11,252	\$24,266
Recreation Areas	Multit-use Sport Court - Equipment	5	\$3,939	\$8,495
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,386	\$7,302
Recreation Areas	Putting Green	10	\$16,881	\$36,405
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,288	\$7,091
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,288	\$7,091
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$10,084
Security Systems	Vehicle Gates	12	\$6,622	\$14,281
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$10,481



Monterey Dunes Colony Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$5,553
Windows & Doors	Windows/SGD - Ph. 13	25	\$127,425	\$274,804
Windows & Doors	Windows/SGD Alum. - Ph. 8	15	\$25,485	\$54,961
			Total for 2037:	\$660,661
2038				
Clubhouse	Copier	10	\$6,025	\$13,383
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$2,517
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$2,172
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$68,638
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$4,576
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$14,185
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,746
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$34,319
Painting	Wood Trim - Ph. 3	5	\$10,409	\$23,121
Pool & Spa	Pool - Heater	4	\$3,796	\$8,432
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$2,785
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$10,387
Roofing	Skylights (Sloped) - Ph. 1	20	\$54,960	\$122,082
Security Systems	Vehicle Gate Motors	12	\$9,784	\$21,733
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$10,795
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$5,720
Windows & Doors	Windows/SGD - Ph. 14	25	\$127,425	\$283,048
Windows & Doors	Windows/SGD Alum. - Ph. 9	15	\$25,485	\$56,610
			Total for 2038:	\$687,249
2039				
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$2,592
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$2,238
Electrical & Lighting	Meters & Enclosures - Ph. 4	20	\$57,396	\$131,318
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$70,697
Miscellaneous	Maintenance Trailer #1	6	\$2,008	\$4,594
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$4,713
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$14,611
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,828
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$35,348
Painting	Wood Trim - Ph. 1	5	\$44,106	\$100,911
Pool & Spa	Pool - Cover	4	\$2,781	\$6,363
Pool & Spa	Pool - Filter	12	\$1,802	\$4,123
Pool & Spa	Pool - Pump / Motor	4	\$704	\$1,611
Pool & Spa	Spa - Chlorinator	6	\$453	\$1,036
Pool & Spa	Spa - Heater	4	\$3,000	\$6,864
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$10,698
Roofing	Skylights - Large (Phase 1)	25	\$10,258	\$23,470
Security Systems	Gate Card Entry System	8	\$6,303	\$14,421
Security Systems	Gate Telephone System	8	\$5,871	\$13,432
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$11,119



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$5,891
			Total for 2039:	\$468,879
2040				
Asphalt & Concrete Surfaces	Asphalt - Chip & Seal	12	\$126,072	\$297,097
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,133	\$2,670
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$978	\$2,305
Electrical & Lighting	Meters & Enclosures - Ph. 5	20	\$57,396	\$135,257
Miscellaneous	Contingency Reserve - Annual	1	\$30,900	\$72,818
Miscellaneous	Maintenance Trailer #2	6	\$2,008	\$4,732
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,060	\$4,855
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,386	\$15,049
Miscellaneous	Reserve Study	3	\$2,369	\$5,583
Miscellaneous	Water Barriers - Annual	1	\$1,236	\$2,913
Miscellaneous	Wood Trim Replace - Annual	1	\$15,450	\$36,409
Pool & Spa	Spa - Pumps / Motors	2	\$1,254	\$2,955
Roofing	Built-Up Roofing - Ph. 1	20	\$75,370	\$177,614
Roofing	Chimney Chase Caps - Annual	1	\$4,676	\$11,019
Roofing	Skylights - Large (Phase 2)	25	\$30,781	\$72,537
Windows & Doors	Exterior Entry Doors - Annual	1	\$4,860	\$11,453
Windows & Doors	Garage Doors - Annual	1	\$2,575	\$6,068
			Total for 2040:	\$861,334



Monterey Dunes Colony Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Current Funding: This option projects the Reserve Fund over the next 30 years based on a funding level equal to the Association's current assessments for reserve assets. If continued, this option should be reviewed annually and adjusted accordingly to ensure all future funding requirements will be met.

Year	Annual Funding Amount	Average Monthly Fee Per Unit	Beginning Cash	Annual Interest	Reserve Funds	Annual Disbursements	End Balance	Surplus / Deficit of Fully Funded Reserves	Projected % Funded Year End
2011	\$795,840	\$552.67	\$1,158,981	\$17,702	\$1,972,523	\$753,509	\$1,219,014	(\$4,350,425)	22%
2012	\$795,840	\$552.67	\$1,219,014	\$19,426	\$2,034,280	\$643,708	\$1,390,573	(\$4,376,630)	24%
2013	\$795,840	\$552.67	\$1,390,573	\$23,162	\$2,209,574	\$488,781	\$1,720,793	(\$4,430,492)	28%
2014	\$795,840	\$552.67	\$1,720,793	\$29,953	\$2,546,586	\$243,711	\$2,302,875	(\$4,517,871)	34%
2015	\$795,840	\$552.67	\$2,302,875	\$39,192	\$3,137,907	\$176,036	\$2,961,870	(\$4,640,205)	39%
2016	\$795,840	\$552.67	\$2,961,870	\$47,228	\$3,804,938	\$422,558	\$3,382,380	(\$4,793,287)	41%
2017	\$795,840	\$552.67	\$3,382,380	\$54,599	\$4,232,819	\$280,789	\$3,952,030	(\$4,983,882)	44%
2018	\$795,840	\$552.67	\$3,952,030	\$61,717	\$4,809,588	\$470,945	\$4,338,643	(\$5,208,587)	45%
2019	\$795,840	\$552.67	\$4,338,643	\$67,051	\$5,201,534	\$533,042	\$4,668,492	(\$5,469,285)	46%
2020	\$795,840	\$552.67	\$4,668,492	\$71,569	\$5,535,901	\$590,356	\$4,945,544	(\$5,767,056)	46%
2021	\$795,840	\$552.67	\$4,945,544	\$75,813	\$5,817,197	\$578,576	\$5,238,621	(\$6,104,544)	46%
2022	\$795,840	\$552.67	\$5,238,621	\$73,823	\$6,108,284	\$1,429,948	\$4,678,336	(\$6,464,551)	42%
2023	\$795,840	\$552.67	\$4,678,336	\$72,051	\$5,546,227	\$545,756	\$5,000,471	(\$6,874,816)	42%
2024	\$795,840	\$552.67	\$5,000,471	\$76,731	\$5,873,042	\$565,958	\$5,307,084	(\$7,330,573)	42%
2025	\$795,840	\$552.67	\$5,307,084	\$76,245	\$6,179,169	\$1,243,986	\$4,935,184	(\$7,819,019)	39%
2026	\$795,840	\$552.67	\$4,935,184	\$66,784	\$5,797,808	\$1,761,617	\$4,036,191	(\$8,335,454)	33%
2027	\$795,840	\$552.67	\$4,036,191	\$55,453	\$4,887,484	\$1,474,485	\$3,412,999	(\$8,891,837)	28%
2028	\$795,840	\$552.67	\$3,412,999	\$45,636	\$4,254,475	\$1,537,066	\$2,717,410	(\$9,486,577)	22%
2029	\$795,840	\$552.67	\$2,717,410	\$34,827	\$3,548,077	\$1,587,001	\$1,961,076	(\$10,120,998)	16%
2030	\$795,840	\$552.67	\$1,961,076	\$27,151	\$2,784,067	\$1,097,865	\$1,686,202	(\$10,808,510)	13%
2031	\$795,840	\$552.67	\$1,686,202	\$13,910	\$2,495,952	\$2,313,545	\$182,407	(\$11,520,600)	2%
2032	\$795,840	\$552.67	\$182,407	\$1,064	\$979,311	\$1,018,792	(\$39,482)	(\$12,297,121)	0%
2033	\$795,840	\$552.67	(\$39,482)	\$0	\$756,358	\$1,663,187	(\$906,829)	(\$13,109,599)	0%
2034	\$795,840	\$552.67	(\$906,829)	\$0	(\$110,989)	\$1,472,353	(\$1,583,342)	(\$13,964,871)	0%
2035	\$795,840	\$552.67	(\$1,583,342)	\$0	(\$787,502)	\$1,465,289	(\$2,252,791)	(\$14,865,593)	0%
2036	\$795,840	\$552.67	(\$2,252,791)	\$0	(\$1,456,951)	\$1,202,473	(\$2,659,424)	(\$15,822,210)	0%
2037	\$795,840	\$552.67	(\$2,659,424)	\$0	(\$1,863,584)	\$660,661	(\$2,524,245)	(\$16,853,886)	0%
2038	\$795,840	\$552.67	(\$2,524,245)	\$0	(\$1,728,405)	\$687,249	(\$2,415,654)	(\$17,963,343)	0%
2039	\$795,840	\$552.67	(\$2,415,654)	\$0	(\$1,619,814)	\$468,879	(\$2,088,693)	(\$19,160,774)	0%
2040	\$795,840	\$552.67	(\$2,088,693)	\$0	(\$1,292,853)	\$861,334	(\$2,154,187)	(\$20,438,390)	0%

Inflation Rate: 3% Interest Rate: 1.5% Funding Rate: 0%



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

For Homeowner Distribution

Number of Units: 120
Budget Year Start: July 01, 2011
Budget Year End: June 30, 2012
Location: Castroville, CA

As of 30-Jun-2011

Projected Reserve Fund Balance \$1,158,981
Projected Fully Funded Reserve: \$5,506,854
Deficit Below Fully Funded Reserve: (\$4,347,873) or (\$36,232.28) Per unit
Percentage Funded: 21%
Current Replacement Cost: \$13,663,609

Current Funding - Five Year Summary

	Allocation	Per Unit Per Month	Disbursements	Year-End Balance	Fully Funded \$	Percentage Funded
Year 1	\$795,840	\$552.67	\$753,509	\$1,219,014	\$5,569,440	22%
Year 2	\$795,840	\$552.67	\$643,708	\$1,390,573	\$5,767,203	24%
Year 3	\$795,840	\$552.67	\$488,781	\$1,720,793	\$6,151,285	28%
Year 4	\$795,840	\$552.67	\$243,711	\$2,302,875	\$6,820,746	34%
Year 5	\$795,840	\$552.67	\$176,036	\$2,961,870	\$7,602,075	39%

Inflation Rate: 3% Interest Rate: 1.5% Funding Rate: 0%



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

RESERVE COMPONENT WORKSHEET DEFINITIONS:

- Component:** Identifies the item to be included for reserve funding.
- Service Life:** The estimated total life of a reserve component using published information and professional experience. For components in which the useful life should equal that of the project, no life expectancy has been projected (i.e. plumbing, framing, etc...)
- Remaining Life:** An estimate of expected remaining longevity of that component based on information provided, maintenance, visual inspection, and assumptions of probability. Projects anticipated to occur in the initial year have "zero" remaining useful life.
- Cost Per Unit:** The approximate amount of money it will take to replace the reserve component, per the measurement it is defined by (i.e. sf = Square Foot).
- Approximate Quantity:** The approximate total amount of the reserve component as it has been defined under Cost Per Unit.
- Current Replacement Cost:** This indicates the approximate cost of replacing the reserve component at the present time.
- Future Cost:** This indicates the estimated expenditure by the Association when the component is in need of repair or replacement. The future cost has been calculated on a 3.00 % yearly inflation factor. It is assumed that any repairs or replacement of any reserve component below \$1,000 in any given year will be replaced from the operating account.
- Source Code:** The means by which the information for the reserve component has been obtained. Source is as follows:

1 - Architect/Engineer	11 - Inspector
2 - Awaiting Information	12 - Maintenance Manual
3 - Bid	13 - Management
4 - Board of Directors	14 - Manufacturer
5 - Builder/Developer	15 - On File
6 - Contract	16 - Previous Study
7 - Contractor	17 - Special Assessment
8 - Cost Estimating Manual	18 - Specialist/Expert
9 - DRE Budget	19 - Vendor
10 - Industry Standard	

Percentage Funded and Parameters

- Percentage Funded:** This percent funded value presented in the data summary sheet is calculated by dividing the current (or projected) cash reserve savings by the Fully Funded reserve amount. The maximum reported percentage is 100%, and indicates an association is currently fully funded.
- Inflation/Interest:** Funding and disbursement projections presented have been computed with a Time Value of Money approach. Inflation was applied to the projected disbursements, and average interest to the ending cash balance values.

Assumed Annual Inflation Rate:	3.00 %
Assumed Average Interest Rate:	1.50 %

Inflation Rate: 3% Interest Rate: 1.5% Funding Rate: 0%



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Current Replacement Cost Total: \$13,663,609

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Asphalt & Concrete Surfaces							
Asphalt - Chip & Seal	12	5	\$126,072.00 / Total	1	\$126,072	\$146,152	Management
Asphalt - Overlay	40	11	\$1.80 / Square Feet	379,000	\$682,200	\$944,324	Management
Asphalt - Repairs	6	6	\$36,050.00 / Total	1	\$36,050	\$43,046	Management
* Projected to be completed in May.							
Concrete Surfaces - Repairs			Maintenance / Operating				Management
* Repairs and/or replacements to be completed on an "as needed" basis and funded from the operating budget.							
Totals					\$844,322	\$1,133,522	
Boardwalks							
Boardwalk (LS) - 1	20	20	\$110,889.00 / Total	1	\$110,889	\$200,278	Management
Boardwalk (LS) - 2	20	0	\$100,425.00 / Total	1	\$100,425	\$100,425	Management
Boardwalk (LS) - 3	20	1	\$100,425.00 / Total	1	\$100,425	\$103,438	Management
Boardwalk (LS) - 4	20	2	\$100,425.00 / Total	1	\$100,425	\$106,541	Management
Boardwalk (OS)	25	14	\$135,960.00 / Total	1	\$135,960	\$205,652	On File
Boardwalk (OS)	25	15	\$231,853.00 / Total	1	\$231,853	\$361,219	On File
Boardwalks - Repairs	10	5	\$9,975.00 / Total	1	\$9,975	\$11,564	On File
Totals					\$789,952	\$1,089,116	
Clubhouse							
2-Way Radio			Maintenance / Operating				On File
* Repairs and/or replacements to be completed on an "as needed" basis and funded from the operating budget.							
Appliances	12	1	\$6,865.00 / Total	1	\$6,865	\$7,071	On File
Carpeting	12	0	\$8,500.00 / Total	1	\$8,500	\$8,500	On File
Copier	10	7	\$6,025.00 / Each	1	\$6,025	\$7,410	On File
Furniture	12	6	\$13,647.00 / Total	1	\$13,647	\$16,295	On File
Office Furniture	12	6	\$6,798.00 / Total	1	\$6,798	\$8,117	On File
Rest Rooms (Refurbish)	20	14	\$6,592.00 / Each	2	\$13,184	\$19,942	On File
Saunas (Refurbish)	8	2	\$1,323.00 / Each	2	\$2,646	\$2,807	On File
Saunas - Heaters (2)	5	1	\$2,276.00 / Each	2	\$4,552	\$4,689	On File
Window Coverings	12	6	\$5,958.00 / Total	1	\$5,958	\$7,114	On File
Totals					\$68,175	\$81,945	
Decks							
Decking - Annual Repairs			Maintenance / Operating				Awaiting Information
* Annual Repairs to be completed on an as needed basis and funded from the operating budget. Possible inclusion into the reserve analysis in 2019.							
Decks - Phase 1	40	30	\$10,300.00 / Each	14	\$144,200	\$350,011	On File
Decks - Phase 10	40	39	\$10,300.00 / Each	14	\$144,200	\$456,685	Management
Decks - Phase 11	40	40	\$10,300.00 / Each	15	\$154,500	\$503,985	On File
Decks - Phase 12	40	0	\$10,300.00 / Each	10	\$103,000	\$103,000	On File
Decks - Phase 2	40	31	\$10,300.00 / Each	14	\$144,200	\$360,512	On File
Decks - Phase 3	40	32	\$10,300.00 / Each	14	\$144,200	\$371,327	On File
Decks - Phase 4	40	33	\$10,300.00 / Each	14	\$144,200	\$382,467	On File
Decks - Phase 5	40	34	\$10,300.00 / Each	14	\$144,200	\$393,941	On File
Decks - Phase 6	40	35	\$10,300.00 / Each	14	\$144,200	\$405,759	On File
Decks - Phase 7	40	36	\$10,300.00 / Each	14	\$144,200	\$417,932	On File



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Current Replacement Cost Total: \$13,663,609

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Decks - Phase 8	40	37	\$10,300.00 / Each	14	\$144,200	\$430,470	On File
Decks - Phase 9	40	38	\$10,300.00 / Each	14	\$144,200	\$443,384	On File
Totals					\$1,699,500	\$4,619,472	
Electrical & Lighting							
Electrical Fixtures (LS) - Annual	1	0	\$1,133.00 / Total	1	\$1,133	\$1,133	On File
* Annual reserve contingency. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							
Electrical Fixtures (OS) - Annual	1	0	\$978.00 / Total	1	\$978	\$978	On File
* Annual reserve contingency. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							
Electrical Outlets - (1-Time Expense)		Life of Project					On File
* Component considered to be a 1-time expense and is not incorporated into the current reserve plan. Projected remaining life to exceed 40 years.							
Electrical Outlets - Repairs		Maintenance / Operating					On File
* Repairs and/or replacements to be completed on an "as needed" basis and funded from the operating budget.							
Electrical Parking Posts - Ph. 1	25	14	\$870.00 / Each	11	\$9,570	\$14,475	On File
Electrical Parking Posts - Ph. 2	25	16	\$870.00 / Each	9	\$7,830	\$12,565	On File
Electrical Parking Posts - Ph. 3	25	17	\$870.00 / Each	10	\$8,700	\$14,380	On File
Electrical Parking Posts - Ph. 4	25	19	\$870.00 / Each	12	\$10,440	\$18,307	On File
Electrical Parking Posts - Ph. 5	25	23	\$870.00 / Each	8	\$6,960	\$13,736	On File
Meters & Enclosures - (1-Time Expense)		Life of Project					On File
* Component considered to be a 1-time expense and is not incorporated into the current reserve plan. Projected remaining life to exceed 40 years.							
Meters & Enclosures - Ph. 1	20	0	\$57,396.00 / Total	1	\$57,396	\$57,396	On File
Meters & Enclosures - Ph. 2	20	1	\$57,396.00 / Total	1	\$57,396	\$59,118	On File
Meters & Enclosures - Ph. 3	20	2	\$57,396.00 / Total	1	\$57,396	\$60,891	On File
Meters & Enclosures - Ph. 4	20	8	\$57,396.00 / Total	1	\$57,396	\$72,708	On File
Meters & Enclosures - Ph. 5	20	9	\$57,396.00 / Total	1	\$57,396	\$74,889	On File
Meters & Enclosures - Ph. 6	20	10	\$57,396.00 / Total	1	\$57,396	\$77,135	On File
Unit Number Lights		Maintenance / Operating					On File
* Repairs and/or replacements to be completed on an "as needed" basis and funded from the operating budget.							
Totals					\$389,987	\$477,711	
Fencing, Gates & Walls							
Chain Link - Tennis Courts	15	3	\$83,578.00 / Total	1	\$83,578	\$91,328	On File
Retaining Walls	15	9	\$6,854.00 / Total	1	\$6,854	\$8,943	On File
Wood Fencing, Gates & Posts - 1	20	20	\$77,250.00 / Total	1	\$77,250	\$139,522	Management
* Upon completion of the listed (4) phases of fencing the life cycles and replacement costs are to be re-evaluated and adjusted as needed.							
Wood Fencing, Gates & Posts - 2	20	0	\$77,250.00 / Total	1	\$77,250	\$77,250	Management
Wood Fencing, Gates & Posts - 3	20	1	\$77,250.00 / Total	1	\$77,250	\$79,568	Management
Wood Fencing, Gates & Posts - 4	20	2	\$77,250.00 / Total	1	\$77,250	\$81,955	Management
Totals					\$399,432	\$478,565	
Landscaping							
Irrigation - Materials & Equipment		Maintenance / Operating					On File
* Repairs and/or replacements to be completed on an "as needed" basis and funded from the operating budget.							
Landscaping - Materials & Equipment		Maintenance / Operating					On File



Monterey Dunes Colony Association
Castroville, CA

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Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
* Repairs and/or replacements to be completed on an "as needed" basis and funded from the operating budget.							
				Totals	\$0	\$0	
Miscellaneous							
Building Foundations		Life of Project					On File
* Component considered to be a 1-time expense and is not incorporated into the current reserve plan. Projected remaining life to exceed 40 years.							
Company Truck	9	8	\$18,952.00 / Total	1	\$18,952	\$24,008	Management
Contingency Reserve - Annual	1	0	\$30,900.00 / Total	1	\$30,900	\$30,900	On File
* Annual reserve contingency. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							
Fumigation	17	5	\$105,060.00 / Total	1	\$105,060	\$121,793	On File
John Deere (Truck) - New	8	7	\$15,450.00 / Total	1	\$15,450	\$19,002	Management
Leach Field Replacement		Life of Project					On File
* Component considered to be a 1-time expense and is not incorporated into the current reserve plan. Projected remaining life to exceed 40 years.							
Mailbox Clusters - Ph. 1	25	16	\$1,817.00 / Each	2	\$3,634	\$5,832	On File
Mailbox Clusters - Ph. 2	25	20	\$1,817.00 / Each	2	\$3,634	\$6,563	On File
Mailbox Clusters - Ph. 3	25	21	\$1,817.00 / Each	2	\$3,634	\$6,760	On File
Mailbox Clusters - Ph. 4	25	23	\$1,817.00 / Each	4	\$7,268	\$14,344	On File
Mailbox Clusters - Ph. 5	25	24	\$1,817.00 / Each	1	\$1,817	\$3,694	Management
Maintenance Trailer #1	6	4	\$2,008.00 / Total	1	\$2,008	\$2,260	On File
Maintenance Trailer #2	6	5	\$2,008.00 / Total	1	\$2,008	\$2,328	Management
Organization Signs & Entry Fixt.	20	1	\$9,970.00 / Total	1	\$9,970	\$10,269	On File
Patio Lattice Repairs - Annual	1	0	\$2,060.00 / Total	1	\$2,060	\$2,060	On File
* Annual reserve contingency. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							
Power Tools & Equip. - Annual	1	0	\$6,386.00 / Total	1	\$6,386	\$6,386	On File
* Annual reserve contingency. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							
Reserve Study	3	2	\$2,369.00 / Total	1	\$2,369	\$2,513	On File
Septic Tanks		Life of Project					On File
* Component considered to be a 1-time expense and is not incorporated into the current reserve plan. Projected remaining life to exceed 40 years.							
Unit Entrance Cluster Signs	20	19	\$7,210.00 / Total	1	\$7,210	\$12,643	Management
Water Barriers - Annual	1	0	\$412.00 / Each	3	\$1,236	\$1,236	Management
* Annual contingency for replacement of the water barrier units (3 per year). Amount and cycle to be reviewed and adjusted as needed to assure all funding requirements will be met.							
Wood Trim Replace - Annual	1	0	\$15,450.00 / Total	1	\$15,450	\$15,450	On File
* Annual reserve contingency. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							
				Totals	\$239,046	\$288,041	
Painting							
Interior Surfaces		Maintenance / Operating					On File
* Interior painting is to be completed on an "as needed" basis and funded from the operating budget.							
Wood Trim - Ph. 1	5	3	\$44,106.00 / Total	1	\$44,106	\$48,196	On File
Wood Trim - Ph. 2	5	0	\$22,025.00 / Total	1	\$22,025	\$22,025	On File
Wood Trim - Ph. 3	5	2	\$10,409.00 / Total	1	\$10,409	\$11,043	On File
				Totals	\$76,540	\$81,264	
Pool & Spa							
Pool - Chlorinator	6	2	\$453.00 / Each	1	\$453	\$481	On File
Pool - Cover	4	0	\$2,781.00 / Each	1	\$2,781	\$2,781	On File



Monterey Dunes Colony Association
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Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Pool - Filter	12	4	\$1,802.00 / Each	1	\$1,802	\$2,028	Management
Pool - Heater	4	3	\$3,796.00 / Each	1	\$3,796	\$4,148	On File
Pool - Pump / Motor	4	0	\$704.00 / Each	1	\$704	\$704	On File
Pool - Resurface	15	6	\$27,863.00 / Total	1	\$27,863	\$33,270	On File
Pool - Tile	15	4	\$6,964.00 / Total	1	\$6,964	\$7,838	On File
Spa - Chlorinator	6	4	\$453.00 / Each	1	\$453	\$510	On File
Spa - Filter	10	6	\$1,336.00 / Each	1	\$1,336	\$1,595	On File
Spa - Heater	4	4	\$3,000.00 / Each	1	\$3,000	\$3,377	On File
Spa - Pumps / Motors	2	1	\$627.00 / Each	2	\$1,254	\$1,292	Management
Spa - Re-Tile	20	14	\$5,706.00 / Total	1	\$5,706	\$8,631	On File
Totals					\$56,112	\$66,654	
Recreation Areas							
Bocce Ball Court	30	26	\$3,038.00 / Total	1	\$3,038	\$6,552	On File
Mini Driving Range - Equipment	5	1	\$1,179.00 / Total	1	\$1,179	\$1,214	On File
Mini Driving Range - Resurface	10	6	\$11,252.00 / Total	1	\$11,252	\$13,435	On File
Mult-use Sport Court - Equipment	5	1	\$3,939.00 / Total	1	\$3,939	\$4,057	On File
Mult-use Sport Court - Replace	20	16	\$65,559.00 / Total	1	\$65,559	\$105,203	On File
Mult-use Sport Court - Resurface/Stripe	5	1	\$3,386.00 / Total	1	\$3,386	\$3,488	On File
Putting Green	10	6	\$16,881.00 / Total	1	\$16,881	\$20,157	On File
Sport Court #3	10	1	\$30,739.00 / Each	1	\$30,739	\$31,661	On File
Sport Court #4		To be Determined					Management
* Status of the Sport Court #4 is to be determined.							
Tennis Courts #1 - Resurface	5	1	\$3,288.00 / Each	1	\$3,288	\$3,387	On File
Tennis Courts #2 - Resurface	5	1	\$3,288.00 / Each	1	\$3,288	\$3,387	On File
Tennis Courts (1 & 2) Rebuild	20	15	\$100,327.00 / Each	2	\$200,654	\$312,612	On File
Windscreens - Tennis Courts	10	2	\$5,474.00 / Total	1	\$5,474	\$5,807	On File
Totals					\$348,677	\$510,960	
Roofing							
Built-Up Roofing - Ph. 1	20	9	\$75,370.00 / Total	1	\$75,370	\$98,341	On File
Built-Up Roofing - Ph. 2	20	19	\$61,872.00 / Total	1	\$61,872	\$108,493	Management
Built-Up Roofing - Ph. 3	20	20	\$44,923.00 / Total	1	\$44,923	\$81,136	On File
Built-Up Roofing - Ph. 4	20	0	\$123,749.00 / Total	1	\$123,749	\$123,749	On File
Built-Up Roofing - Ph. 5	20	1	\$123,749.00 / Total	1	\$123,749	\$127,461	On File
Chimney Chase Caps - Annual	1	0	\$1,169.00 / Each	4	\$4,676	\$4,676	On File
* Contingency incorporates 4 chimneys to be completed each year. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							
Skylights (Flat)	25	9	\$20,558.00 / Total	1	\$20,558	\$26,824	On File
Skylights (Sloped) - Ph. 1	20	7	\$54,960.00 / Total	1	\$54,960	\$67,594	On File
Skylights (Sloped) - Ph. 2	20	10	\$54,960.00 / Total	1	\$54,960	\$73,862	On File
Skylights (Sloped) - Ph. 3	20	13	\$54,960.00 / Total	1	\$54,960	\$80,711	On File
Skylights - Large (Phase 1)	25	3	\$10,258.00 / Total	1	\$10,258	\$11,209	On File
Skylights - Large (Phase 2)	25	4	\$30,781.00 / Total	1	\$30,781	\$34,644	On File
Wood Shake - Ph. 1	24	7	\$16,274.00 / Unit(s)	12	\$195,288	\$240,180	Management



Monterey Dunes Colony Association Castroville, CA

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Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Wood Shake - Ph. 10	24	16	\$16,274.00 / Unit(s)	12	\$195,288	\$313,380	Management
Wood Shake - Ph. 11	24	17	\$30,900.00 / Total	1	\$30,900	\$51,073	Management
* Commercial buildings.							
Wood Shake - Ph. 2	24	8	\$16,274.00 / Unit(s)	12	\$195,288	\$247,385	Management
Wood Shake - Ph. 3	24	9	\$16,274.00 / Unit(s)	12	\$195,288	\$254,807	Management
Wood Shake - Ph. 4	24	10	\$16,274.00 / Unit(s)	12	\$195,288	\$262,451	Management
Wood Shake - Ph. 5	24	11	\$16,274.00 / Unit(s)	12	\$195,288	\$270,324	Management
Wood Shake - Ph. 6	24	12	\$16,274.00 / Unit(s)	12	\$195,288	\$278,434	Management
Wood Shake - Ph. 7	24	13	\$16,274.00 / Unit(s)	12	\$195,288	\$286,787	Management
Wood Shake - Ph. 8	24	14	\$16,274.00 / Unit(s)	12	\$195,288	\$295,391	Management
Wood Shake - Ph. 9	24	15	\$16,274.00 / Unit(s)	12	\$195,288	\$304,252	Management
Totals					\$2,644,596	\$3,643,162	
Security Systems							
Gate Card Entry System	8	4	\$6,303.00 / Each	1	\$6,303	\$7,094	On File
Gate Telephone System	8	4	\$5,871.00 / Each	1	\$5,871	\$6,608	On File
Vehicle Gate Motors	12	3	\$4,892.00 / Each	2	\$9,784	\$10,691	On File
Vehicle Gates	12	2	\$3,311.00 / Each	2	\$6,622	\$7,025	On File
Totals					\$28,580	\$31,418	
Windows & Doors							
Exterior Entry Doors - Annual	1	0	\$324.00 / Each	15	\$4,860	\$4,860	On File
* Annual reserve contingency. Incorporates 15 entry doors per year. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							
Garage Doors - Annual	1	0	\$2,575.00 / Total	1	\$2,575	\$2,575	On File
* Annual reserve contingency. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							
Windows/SGD - Ph. 1	25	14	\$1,699.00 / Each	218	\$370,382	\$560,236	On File
Windows/SGD - Ph. 10	25	24	\$1,699.00 / Each	151	\$256,549	\$521,511	Management
Windows/SGD - Ph. 11	25	25	\$1,699.00 / Each	75	\$127,425	\$266,800	Management
Windows/SGD - Ph. 12	25	0	\$1,699.00 / Each	75	\$127,425	\$127,425	Management
Windows/SGD - Ph. 13	25	1	\$1,699.00 / Each	75	\$127,425	\$131,248	Management
Windows/SGD - Ph. 14	25	2	\$1,699.00 / Each	75	\$127,425	\$135,185	Management
Windows/SGD - Ph. 2	25	15	\$1,699.00 / Each	218	\$370,382	\$577,043	On File
Windows/SGD - Ph. 3	25	16	\$1,699.00 / Each	218	\$370,382	\$594,354	On File
Windows/SGD - Ph. 4	25	17	\$1,699.00 / Each	218	\$370,382	\$612,185	On File
Windows/SGD - Ph. 5	25	18	\$1,699.00 / Each	218	\$370,382	\$630,551	On File
Windows/SGD - Ph. 6	25	19	\$1,699.00 / Each	145	\$246,355	\$431,985	On File
Windows/SGD - Ph. 7	25	20	\$1,699.00 / Each	145	\$246,355	\$444,945	On File
Windows/SGD - Ph. 8	25	22	\$1,699.00 / Each	120	\$203,880	\$390,655	On File
Windows/SGD - Ph. 9	25	23	\$1,699.00 / Each	152	\$258,248	\$509,675	On File
Windows/SGD Alum. - Ph. 1	15	4	\$1,699.00 / Each	15	\$25,485	\$28,684	On File
Windows/SGD Alum. - Ph. 2	15	5	\$1,699.00 / Each	15	\$25,485	\$29,544	On File
Windows/SGD Alum. - Ph. 3	15	6	\$1,699.00 / Each	15	\$25,485	\$30,430	On File
Windows/SGD Alum. - Ph. 4	15	7	\$1,699.00 / Each	15	\$25,485	\$31,343	On File
Windows/SGD Alum. - Ph. 5	15	8	\$1,699.00 / Each	15	\$25,485	\$32,284	On File
Windows/SGD Alum. - Ph. 6	15	9	\$1,699.00 / Each	15	\$25,485	\$33,252	On File



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Windows/SGD Alum. - Ph. 7	15	10	\$1,699.00 / Each	15	\$25,485	\$34,250	On File
Windows/SGD Alum. - Ph. 8	15	11	\$1,699.00 / Each	15	\$25,485	\$35,277	On File
Windows/SGD Alum. - Ph. 9	15	12	\$1,699.00 / Each	15	\$25,485	\$36,336	On File
Windows/Sliding Doors (1-Time)		Life of Project					On File

* Component considered to be a 1-time expense and is not incorporated into the current reserve plan. Projected remaining life to exceed 40 years.

Totals \$3,809,797 \$6,232,632

Wood Siding

Wood Siding (S.) - Repairs - 1	20	12	\$12,663.00 / Total	1	\$12,663	\$18,054	On File
Wood Siding (S.) - Repairs - 2	20	13	\$12,663.00 / Total	1	\$12,663	\$18,596	On File
Wood Siding (S.) - Repairs - 3	20	14	\$12,633.00 / Total	1	\$12,633	\$19,109	On File
Wood Siding - Ph. 1	25	16	\$146,054.00 / Total	1	\$146,054	\$234,374	On File
* Includes cedar material only.							
Wood Siding - Ph. 2	25	17	\$282,625.00 / Total	1	\$282,625	\$467,136	On File
Wood Siding - Ph. 3	25	18	\$298,777.00 / Total	1	\$298,777	\$508,648	On File
Wood Siding - Ph. 3 (a)	25	19	\$192,467.00 / Total	1	\$192,467	\$337,492	On File
Wood Siding - Ph. 4	25	20	\$299,838.00 / Total	1	\$299,838	\$541,541	On File
Wood Siding - Ph. 5	25	22	\$209,911.00 / Total	1	\$209,911	\$402,211	On File
Wood Siding - Ph. 6	25	23	\$308,831.00 / Total	1	\$308,831	\$609,505	On File
Wood Siding - Ph. 7	25	24	\$308,831.00 / Total	1	\$308,831	\$627,790	Management
Wood Siding - Ph. 8	25	25	\$123,600.00 / Total	1	\$123,600	\$258,791	Management
Wood Siding - Ph. 9	25	0	\$60,000.00 / Total	1	\$60,000	\$60,000	Management

Totals \$2,268,893 \$4,103,246



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Report Start Date: 01-Jul-2011

DISCLAIMER

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END OF REPORT

Assessment and Reserve Funding Disclosure



**Monterey Dunes Colony
Water Association**
Castroville, CA
Compliance CC1365.2.5

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

1. The current average regular assessment per ownership interest is: Per

Note: if Assessments vary by the size or type of unit, the assessment applicable to this unit may be found on attached pages to be provided by Board or Management.

2. Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date Assessment is Due	Average Amount Per Unit Per Month	Purpose Of Assessment
------------------------	-----------------------------------	-----------------------

Note: if Assessments vary by the size or type of unit, the assessment applicable to this unit may be found on attached pages, to be provided by Board or Management.

3. Based on the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years?

Yes: * 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?

Approximate date assessment will be due:	Amount of Assessment	Amount Per Unit Per Month
2015	\$524,000	\$364

Question #4 Note: Indicates the first year of a deficit based on the Current Reserve Funding Plan. The additional assessment amount indicates what will be required in that year to assure the reserve balance for the remaining years of the report will be above zero. Actual assessments may vary from year to year.

5. All major components are included in the reserve study and are included in its calculations (Note below the status of components with a 30+ yr. remaining life).

Component Name	Status
Water Distribution System	Life of Project
Water Feed System (Old N. Well)	Life of Project
Water Feed System (Wells to Storage)	Life of Project
Wells - Replace	Life of Project

6. Based on the method of calculation in paragraph (4) of subdivision (b) of section 1365.2.5, the estimated amount required in the reserve fund at the end of the current fiscal year is \$240,725, based in whole or in part on the last reserve study or update prepared by Barrera & Company, Inc. as of June 30, 2011. The projected reserve fund cash Balance at the end of the current fiscal year is \$104,862, resulting in reserves being 44 % at this date. If an alternate, but generally accepted, method of calculation is also used, the required reserve amount is \$ N/A.

Assessment and Reserve Funding Disclosure



**Monterey Dunes Colony
Water Association**
Castroville, CA
Compliance CC1365.2.5

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

7. Based on the method of calculation in paragraph (4) of subdivision (b) of Section 1365.2.5 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next 5 budget years is \$ (column E), and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is \$ (column D) , leaving the reserve at (column F) percent funding. Please see the projected five year funding plan below that has been implemented and approved by the association.

	Allocation A	Per Unit Per Month B	Disbursements C	Year-End Balance D	Fully Funded \$ E	Percentage Funded F
Year 1	\$15,912	\$11.05	\$30,515	\$91,722	\$250,366	37%
Year 2	\$16,389	\$11.38	\$13,633	\$95,875	\$278,700	34%
Year 3	\$16,881	\$11.72	\$44,366	\$69,622	\$277,275	25%
Year 4	\$17,387	\$12.07	\$23,844	\$64,161	\$298,022	22%
Year 5	\$17,909	\$12.44	\$160,295	(\$78,224)	\$179,957	0%

NOTE: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 1.5% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3% per year

The preparer of this form will be indemnified and held harmless against all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which has been relied upon by others, or which may result from any improper use or reliance on the disclosure by you or a third party.

The reserve study report completed and reviewed for the purposes of completing the enclosed summary was finalized based on approval from the Board of Directors. Therefore, the final decisions for implementation, updating or revising the information obtained in this report, for any changes in assumptions, is the sole right and responsibility of the Board of Directors. This report and the numbers generated herein are for use only for the year it was developed. The preparer of this form is not responsible for the use of the Assessment and Reserve Disclosure Summary in any subsequent year, or in updating the summary in any subsequent year, or in updating the summary for events and circumstances occurring after the date of this report.



RESERVE STUDY - FINANCIAL REPORT

Monterey Dunes Colony Water Association

April-2011

Report Start Date:01-Jul-2011



**Monterey Dunes Colony
Water Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

PROJECT INFORMATION

Name of Association:	Monterey Dunes Colony Water Association
City and State:	Castroville, CA
Type of Project:	Planned Development (PD)
Number of Units:	120
Age of Project:	37 Years
Fiscal Year End:	30-Jun-2011
Level of Reserve Study:	Level 2: Update (with site visit)
Date of Inspection: (if applicable)	23-Mar-2011

Descriptions of Levels

Level 1: (Full, On-site Review)

Component Inventory, b) Condition assessment (based on on-site visual observations, c) Life and valuation estimates, d) Fund status, e) Funding plan(s).

Level 2: (Update, With-Site-Visit/On-site Review)

Includes: a) Component Inventory (verification only, not quantification), b) Condition assessment (based on on-site visual observations), c) Life and valuation estimates, d) Fund status, e) Funding plan(s).

Level 3: (Update, No-Site-Visit/Off-site Review)

Includes: a) Life and valuation estimates, b) Fund status, c) Funding plan(s).

MANAGEMENT COMPANY

Monterey Dunes Colony Association
Thomas Bugary
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831-633-4000
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PREPARED BY

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Chris Sanders
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RESERVE STUDY INFORMATION

Reserve Study (Definition): A budget planning tool which identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major capital expenditures. The Reserve Study consists of two parts: the Physical Analysis and the Financial Analysis.

Included in the Reserve Study:

- **Component Worksheet Report:** Includes the quantity, estimated current replacement cost, projected future cost, service life and the projected remaining life of each major component.
- **Percentage Funded Report:** Includes the total replacement cost, current reserve balance, fully funded reserve balance (to be 100%) and the percentage to which the association is fully funded
- **Funding Plans:** One or more of the following plans may be included in the Reserve Analysis:
 - **Current Funding:** The funding level equal to the Association's current assessments for reserve assets.
 - **100% Funding (Reserve Analysis-Year Plan):** Funding level designed to reduce the current deficit and reach the fully funded (100%) within a five-year period.
 - **Threshold Funding:** Funding Plan designed to meet all projected disbursement requirements as they occur while always maintaining threshold level of funds in the reserve account.
 - **Reserve Analysis 50% - Compliance Funding (Hawaii Only):** Funding Plan designed to meet all projected disbursement requirements as they occur over the projected 20 years while also maintaining a minimum percentage funded rate of 50%.
- **Executive Summary**
- **Reserve Funding Disclosure Summary** -California State Statute 1365.2.5 – Assessment and Reserve Funding Disclosure. 2. Reserve Analysis (California Only)

The purpose of this report is to provide information about the existing condition, life expectancy and estimated cost for maintenance and replacement of the physical elements that the Association is responsible for maintaining. This evaluation is designed to comply with all current state requirements.

A level-1 or 2 report is based on a diligent visual inspection of the reserve components and may rely on information supplied by the management company, Board of Directors, associated vendors, contractors and published replacement guides modified for local conditions related to reconstruction. A level-3 reserve study report does not include an on-site visual evaluation but is updated accordingly based on a previous years on-site evaluation.

Future-cost figures include an annual inflationary factor (see inflation rate), which should be updated and reincorporated into the reserve budget when deemed appropriate. Funding and disbursement projections presented have been computed with a Time Value of Money approach. An annual inflation rate and average interest rate were assumed. Inflation was applied to the projected disbursements, and interest to the ending cash balance values. A straight-line method of calculation was employed for both time value rates.

Adjustments to the component service lives and listed costs should be made whenever the rate of deterioration has changed or when there have been significant changes in the cost of materials and/or labor. Some assumptions have been made about costs, conditions, and future events and circumstances that may occur. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this report. Therefore, the actual replacement costs and remaining lives may vary from this report and the variations could be material.

It is imperative that these assets be reviewed annually to consider the impact of changing conditions. The findings in the following report are applicable as of the study's completion date, and those items, which are not expected to undergo major repair or replacement within a thirty-year time frame, have been defined as 'life of the project' and may not be included. The report is to be used only for the purpose stated herein, any use or reliance for any other purpose is invalid.

The contents of the Reserve Study Report are based on estimates of the most probable reserve component replacement costs and remaining useful lives. Accordingly, the funding plans reflect consultant judgments based on circumstances at the time of inspection of the most likely costs, regular maintenance, service and remaining lives. The Association may elect to implement any of the funding plans presented, or may implement some variation developed from this information. An annual increase (based on listed inflation %) has been assumed in the funding plans provided (for future projections).

Because the compilation of the reserve funding plans and related projections is limited as described above, no conclusion or any other form of assurance on the funding options or projections is provided. No responsibility to update this report for events and circumstances occurring after the date of this report is assumed.



**BARRERA AND
COMPANY**
RESERVE SPECIALISTS

**Monterey Dunes Colony
Water Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

TERMS AND DEFINITIONS

Cash Flow Method: A method of developing a Reserve Funding Plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Component: The individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) association or cooperative responsibility, 2) with limited useful life expectancies, 3) predictable remaining useful life expectancies, 4) above a minimum threshold cost, and Reserve Analysis) as required by local codes.

Component Method: A method of developing a Reserve Funding Plan where the total contribution is based on the sum of contributions for individual components. See "cash flow method."

Current Replacement Cost: The cost of replacing, repairing, or restoring a reserve component to its original functional condition. The current replacement cost would be the cost to replace, repair, or restore the component during that particular year.

Deficit: An actual (or projected) reserve balance less than the fully funded balance. The opposite would be a surplus.

Effective Age: The difference between useful life and remaining useful life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

Financial Analysis: The portion of a Reserve Study where current status of the reserves (measured as cash or percent funded) and a recommended reserve contribution rate (Reserve Funding Plan) are derived, and the projected reserve income and expense over time is presented. The Financial Analysis is one of the two parts of a Reserve Study.

Fully Funded: When the actual (or projected) reserve balance is equal to the fully funded balance.

Full Funded Balance (FFB): Total accrued depreciation. An indicator against which actual (or projected) reserve balance can be compared. The reserve balance that is in direct proportion to the fraction of life "used up" of the current repair or replacement cost. This number is calculated for each component, then summed together for an association total. $FFB = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$

Fund Status: The status of the reserve fund as compared to an established benchmark such as percent funding.

Funding Goals: Independent of methodology utilized, the following represent the basic categories of Funding Plan goals:

1. Baseline Funding: Establishing a reserve funding goal of keeping the reserve cash balance above zero.
2. Fully Funding: Setting a reserve funding goal of attaining and maintaining reserves at or near 100% funded.
3. Statutory Funding: Establishing a reserve funding goal of setting aside the specific minimum or regulatory amount of reserves required by local statutes or financing agencies.
4. Threshold Funding: Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount. Depending on the threshold, this may be more or less conservative than "fully funding."

Funding Plan: An association or cooperative's plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

Funding Principles: A) Sufficient funds when required; B) Fiscally responsible; C) Stable contribution rate.

Life and Valuation Estimates: The task of estimating useful life, remaining useful life, and repair or replacement costs for the reserve components.

Percent Funded: The ratio, at a particular point of time (typically the beginning of the fiscal year), of the actual (or projected) reserve balance to the fully funded balance, expressed as a percentage.

Remaining Useful Life (RUL): Also referred to as "remaining life" (RL). The estimated time, in years, that a reserve component can be expected to continue to serve its intended function. Projects anticipated to occur in the initial year have "zero" remaining useful life.

Reserve Balance: Actual or projected funds as of a particular point in time that the association or cooperative has identified for use to defray the future repair or replacement of those major components which the association or cooperative is obligated to maintain. Also known as reserves, reserve accounts and cash reserves. Based upon information provided and not audited.

Reserve Provider: An individual that prepares Reserve Studies.

Special Assessment: An assessment levied on the members of an association or cooperative in addition to regular assessments. Governing documents or local statutes may regulate special assessments.

Surplus: An actual (or projected) reserve balance greater than the fully funded balance. See "Deficit."

Useful Life (UL): Total useful life or depreciable life. The estimated time, in years that a reserve component can be expected to serve its intended function if properly constructed in its present application or installation.

Inflation Rate: 3% Interest Rate: 1.5% Funding Rate: 3%



**Monterey Dunes Colony
Water Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Percent Funded: 44 %

Component	Service Life (a)	Remaining Life (b)	Years in Service (c)	Current Replacement Cost (d)	Projected Reserve Balance (e)	Required Reserve Funding (f)	Projected Fully Funded Reserves (g)	Deficit / Surplus of Fully Funded Reserves (h)	Per Unit Deficit / Surplus of Fully Funded Reserves (i)
Water Company Components									
50 KW Generator (Overhaul)	3	0	3	\$3,277	\$1,427	\$1,092	\$3,277	(\$1,850)	(\$15.41)
50 KW Generator (Rebuild/Replace)	30	11	19	\$35,000	\$9,656	\$1,167	\$22,167	(\$12,511)	(\$104.26)
Annual Contingency	1	0	1	\$6,528	\$2,844	\$6,528	\$6,528	(\$3,684)	(\$30.70)
CL2 Pumps	3	1	2	\$1,682	\$488	\$561	\$1,121	(\$633)	(\$5.27)
Dist Water System Valves	25	15	10	\$27,317	\$4,760	\$1,093	\$10,927	(\$6,167)	(\$51.39)
Paint Compression Water Tank	5	2	3	\$4,042	\$1,056	\$808	\$2,425	(\$1,369)	(\$11.41)
Paint Storage Tank (Exterior)	5	2	3	\$16,391	\$4,284	\$3,278	\$9,835	(\$5,551)	(\$46.25)
Pressure Tank Compressor	2	0	2	\$2,184	\$951	\$1,092	\$2,184	(\$1,233)	(\$10.27)
Pump #1 - 10 HP Booster	30	11	19	\$3,824	\$1,055	\$127	\$2,422	(\$1,367)	(\$11.39)
Pump #2 - 10 HP Booster	30	11	19	\$3,824	\$1,055	\$127	\$2,422	(\$1,367)	(\$11.39)
Pumps (Annual Maintenance)	1	0	1	\$5,026	\$2,189	\$5,026	\$5,026	(\$2,837)	(\$23.64)
Water Storage Tank (220,000 Gal.)	30	4	26	\$127,000	\$47,946	\$4,233	\$110,067	(\$62,121)	(\$517.67)
Water System Control Panel	30	13	17	\$34,420	\$8,496	\$1,147	\$19,505	(\$11,008)	(\$91.74)
Water System Fire Pump	30	11	19	\$38,244	\$10,551	\$1,275	\$24,221	(\$13,670)	(\$113.92)
Water System Fire Pump (Overhaul)	3	3	0	\$3,713	\$0	\$1,238	\$0	\$0	\$0.00
Water Tank - Eval./Maintenance	3	0	3	\$3,277	\$1,427	\$1,092	\$3,277	(\$1,850)	(\$15.41)
Well #3 (Pump & Motor)	6	2	4	\$7,648	\$2,221	\$1,275	\$5,099	(\$2,878)	(\$23.98)
Well #4 (Pump & Motor)	6	0	6	\$10,223	\$4,453	\$1,704	\$10,223	(\$5,770)	(\$48.08)



Monterey Dunes Colony Water Association
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Percent Funded: 44 %

	Current Replacement Cost (d)	Projected Reserve Balance (e)	Required Reserve Funding (f)	Projected Fully Funded Reserves (g)	Deficit / Surplus of Fully Funded Reserves (h)	Per Unit Deficit / Surplus of Fully Funded Reserves (i)
Totals	\$333,620	\$104,862	\$32,864	\$240,725	(\$135,863)	(\$1,132.19)

PERCENTAGE FUNDED & DEFINITIONS

Based on the estimated total current replacement cost of \$333,620 and estimated service lives and remaining useful lives for the individual reserve components, the annual (day 1) reserve funding for the Monterey Dunes Colony Water Association is \$32,864 and the Fully Funded Reserve as of fiscal year-end 30-Jun-2011 is \$240,725. As of this date, the Association has projected \$104,862 to be in savings available for reserves. This will be a deficit of \$135,863 under the Fully Funded Reserve. Based on these numbers, the Monterey Dunes Colony Water Association will be 44 % funded as of 30-Jun-2011.

This Percent Funded value presented in the data summary sheet is calculated by dividing the current (or projected) cash reserve savings by the Fully Funded reserve amount.

DEFINITION OF TERMS

(For Percentage Funded Page Calculations)

Column a - Service Life: Normal time period the association reserve component can be expected to remain in functional or useful condition.

Column b - Remaining Life (B): An estimate of years remaining before repair, replacement or refurbishment will be necessary.

Column c - Calculated Years in Service (C): A calculation derived by subtracting Remaining Life from Service Life. (Note: Years in service is a calculated value, not necessarily the actual age of the component.) Calculation: (A) - (B) = (C).

Column d - Current Replacement Cost (D): The current cost of repairing, replacing or refurbishing a component.

Column e - Current Actual Reserve Funds (E): Current amount of reserve funds available for each component. This is calculated by: (individual component Fully Funded Reserve) / (the total Fully Funded Reserve for all components) x (the Total Current Actual Reserve Balance for all reserve components) Calculation $G/G (Total) \times E (Total) = (E) \text{ Individual Component Current Actual Reserve Balance}$.

Column f - Day 1 Reserve Funding (Annual) (F): The annual amount of reserve funding required as of the Fiscal Year End which, when Fully Funded from the first year of service for all components will achieve full funding. This annualized value is calculated by dividing Current Replacement Cost by the Useful Life. This funding level makes no adjustment to eliminate any current reserve deficits. Calculation: $(D) / (A) = (F)$.

Column g - Fully Funded Reserve (G): This value is calculated by multiplying the Calculated Years in Service by the Day 1 Reserve Funding Amount. If an association is 100% funded, this number will be equal or less than the Current Allocated Reserve Fund Balance for each component. Calculation: $(C) \times (F) = (G)$.

Column h - Deficit/Surplus to the Fully Funded Reserve (H): The shortage or surplus of reserve funding with respect to the Fully Funded Reserve as of the reported Current Actual Reserve Balance (E). The deficit is calculated by subtracting the Current Actual Reserve Balance from the Fully Funded Reserve: $(G) - (E) = (H)$.

Column i - Per Unit Deficit/Surplus of Fully Funded Reserves (I): The per unit breakdown of the shortage or surplus of reserve funding with respect to the Fully Funded Reserve. Calculated by dividing the current Deficit/Surplus of the Fully Funded Reserve by the number of units.



Monterey Dunes Colony Water Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
2011				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,277	\$3,277
Water Company Components	Annual Contingency	1	\$6,528	\$6,528
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$2,184
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$5,026
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,277	\$3,277
Water Company Components	Well #4 (Pump & Motor)	6	\$10,223	\$10,223
			Total for 2011:	\$30,515
2012				
Water Company Components	Annual Contingency	1	\$6,528	\$6,724
Water Company Components	CL2 Pumps	3	\$1,682	\$1,732
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$5,177
			Total for 2012:	\$13,633
2013				
Water Company Components	Annual Contingency	1	\$6,528	\$6,926
Water Company Components	Paint Compression Water Tank	5	\$4,042	\$4,288
Water Company Components	Paint Storage Tank (Exterior)	5	\$16,391	\$17,389
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$2,317
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$5,332
Water Company Components	Well #3 (Pump & Motor)	6	\$7,648	\$8,114
			Total for 2013:	\$44,366
2014				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,277	\$3,581
Water Company Components	Annual Contingency	1	\$6,528	\$7,133
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$5,492
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,713	\$4,057
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,277	\$3,581
			Total for 2014:	\$23,844
2015				
Water Company Components	Annual Contingency	1	\$6,528	\$7,347
Water Company Components	CL2 Pumps	3	\$1,682	\$1,893
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$2,458
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$5,657
Water Company Components	Water Storage Tank (220,000 Gal.)	30	\$127,000	\$142,940
			Total for 2015:	\$160,295
2016				
Water Company Components	Annual Contingency	1	\$6,528	\$7,568
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$5,827
			Total for 2016:	\$13,394
2017				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,277	\$3,913
Water Company Components	Annual Contingency	1	\$6,528	\$7,795
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$2,608
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$6,001
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,713	\$4,434



Monterey Dunes Colony Water Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,277	\$3,913
Water Company Components	Well #4 (Pump & Motor)	6	\$10,223	\$12,207
			Total for 2017:	\$40,870
2018				
Water Company Components	Annual Contingency	1	\$6,528	\$8,029
Water Company Components	CL2 Pumps	3	\$1,682	\$2,069
Water Company Components	Paint Compression Water Tank	5	\$4,042	\$4,971
Water Company Components	Paint Storage Tank (Exterior)	5	\$16,391	\$20,159
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$6,181
			Total for 2018:	\$41,409
2019				
Water Company Components	Annual Contingency	1	\$6,528	\$8,269
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$2,767
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$6,367
Water Company Components	Well #3 (Pump & Motor)	6	\$7,648	\$9,688
			Total for 2019:	\$27,091
2020				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,277	\$4,276
Water Company Components	Annual Contingency	1	\$6,528	\$8,518
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$6,558
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,713	\$4,845
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,277	\$4,276
			Total for 2020:	\$28,471
2021				
Water Company Components	Annual Contingency	1	\$6,528	\$8,773
Water Company Components	CL2 Pumps	3	\$1,682	\$2,260
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$2,935
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$6,755
			Total for 2021:	\$20,723
2022				
Water Company Components	50 KW Generator (Rebuild/Replace)	30	\$35,000	\$48,448
Water Company Components	Annual Contingency	1	\$6,528	\$9,036
Water Company Components	Pump #1 - 10 HP Booster	30	\$3,824	\$5,293
Water Company Components	Pump #2 - 10 HP Booster	30	\$3,824	\$5,293
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$6,957
Water Company Components	Water System Fire Pump	30	\$38,244	\$52,939
			Total for 2022:	\$127,967
2023				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,277	\$4,672
Water Company Components	Annual Contingency	1	\$6,528	\$9,307
Water Company Components	Paint Compression Water Tank	5	\$4,042	\$5,763
Water Company Components	Paint Storage Tank (Exterior)	5	\$16,391	\$23,370
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$3,114
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$7,166
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,713	\$5,294



**Monterey Dunes Colony
Water Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,277	\$4,672
Water Company Components	Well #4 (Pump & Motor)	6	\$10,223	\$14,576
			Total for 2023:	\$77,934
2024				
Water Company Components	Annual Contingency	1	\$6,528	\$9,587
Water Company Components	CL2 Pumps	3	\$1,682	\$2,470
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$7,381
Water Company Components	Water System Control Panel	30	\$34,420	\$50,547
			Total for 2024:	\$69,984
2025				
Water Company Components	Annual Contingency	1	\$6,528	\$9,874
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$3,303
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$7,602
Water Company Components	Well #3 (Pump & Motor)	6	\$7,648	\$11,568
			Total for 2025:	\$32,348
2026				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,277	\$5,105
Water Company Components	Annual Contingency	1	\$6,528	\$10,170
Water Company Components	Dist Water System Valves	25	\$27,317	\$42,559
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$7,830
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,713	\$5,785
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,277	\$5,105
			Total for 2026:	\$76,555
2027				
Water Company Components	Annual Contingency	1	\$6,528	\$10,476
Water Company Components	CL2 Pumps	3	\$1,682	\$2,699
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$3,505
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$8,065
			Total for 2027:	\$24,745
2028				
Water Company Components	Annual Contingency	1	\$6,528	\$10,790
Water Company Components	Paint Compression Water Tank	5	\$4,042	\$6,681
Water Company Components	Paint Storage Tank (Exterior)	5	\$16,391	\$27,092
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$8,307
			Total for 2028:	\$52,870
2029				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,277	\$5,579
Water Company Components	Annual Contingency	1	\$6,528	\$11,113
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$3,718
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$8,556
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,713	\$6,321
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,277	\$5,579
Water Company Components	Well #4 (Pump & Motor)	6	\$10,223	\$17,404
			Total for 2029:	\$58,271
2030				



Monterey Dunes Colony Water Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Water Company Components	Annual Contingency	1	\$6,528	\$11,447
Water Company Components	CL2 Pumps	3	\$1,682	\$2,949
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$8,813
			Total for 2030:	\$23,209
2031				
Water Company Components	Annual Contingency	1	\$6,528	\$11,790
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$3,945
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$9,078
Water Company Components	Well #3 (Pump & Motor)	6	\$7,648	\$13,813
			Total for 2031:	\$38,625
2032				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,277	\$6,096
Water Company Components	Annual Contingency	1	\$6,528	\$12,144
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$9,350
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,713	\$6,907
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,277	\$6,096
			Total for 2032:	\$40,593
2033				
Water Company Components	Annual Contingency	1	\$6,528	\$12,508
Water Company Components	CL2 Pumps	3	\$1,682	\$3,223
Water Company Components	Paint Compression Water Tank	5	\$4,042	\$7,745
Water Company Components	Paint Storage Tank (Exterior)	5	\$16,391	\$31,407
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$4,185
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$9,630
			Total for 2033:	\$68,698
2034				
Water Company Components	Annual Contingency	1	\$6,528	\$12,884
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$9,919
			Total for 2034:	\$22,803
2035				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,277	\$6,661
Water Company Components	Annual Contingency	1	\$6,528	\$13,270
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$4,440
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$10,217
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,713	\$7,548
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,277	\$6,661
Water Company Components	Well #4 (Pump & Motor)	6	\$10,223	\$20,781
			Total for 2035:	\$69,578
2036				
Water Company Components	Annual Contingency	1	\$6,528	\$13,668
Water Company Components	CL2 Pumps	3	\$1,682	\$3,522
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$10,523
			Total for 2036:	\$27,713
2037				
Water Company Components	Annual Contingency	1	\$6,528	\$14,078



**Monterey Dunes Colony
Water Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Category	Component	Service Life	Replacement Cost	Projected Cost
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$4,710
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$10,839
Water Company Components	Well #3 (Pump & Motor)	6	\$7,648	\$16,494
			Total for 2037:	\$46,121
2038				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,277	\$7,279
Water Company Components	Annual Contingency	1	\$6,528	\$14,501
Water Company Components	Paint Compression Water Tank	5	\$4,042	\$8,978
Water Company Components	Paint Storage Tank (Exterior)	5	\$16,391	\$36,409
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$11,164
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,713	\$8,248
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,277	\$7,279
			Total for 2038:	\$93,858
2039				
Water Company Components	Annual Contingency	1	\$6,528	\$14,936
Water Company Components	CL2 Pumps	3	\$1,682	\$3,848
Water Company Components	Pressure Tank Compressor	2	\$2,184	\$4,997
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$11,499
			Total for 2039:	\$35,280
2040				
Water Company Components	Annual Contingency	1	\$6,528	\$15,384
Water Company Components	Pumps (Annual Maintenance)	1	\$5,026	\$11,844
			Total for 2040:	\$27,228



Monterey Dunes Colony Water Association Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Current Funding: This option projects the Reserve Fund over the next 30 years based on a funding level equal to the Association's current assessments for reserve assets. If continued, this option should be reviewed annually and adjusted accordingly to ensure all future funding requirements will be met.

Year	Annual Funding Amount	Average Monthly Fee Per Unit	Beginning Cash	Annual Interest	Reserve Funds	Annual Disbursements	End Balance	Surplus / Deficit of Fully Funded Reserves	Projected % Funded Year End
2011	\$15,912	\$11.05	\$104,862	\$1,463	\$122,237	\$30,515	\$91,722	(\$158,643)	37%
2012	\$16,389	\$11.38	\$91,722	\$1,397	\$109,508	\$13,633	\$95,875	(\$182,825)	34%
2013	\$16,881	\$11.72	\$95,875	\$1,232	\$113,988	\$44,366	\$69,622	(\$207,653)	25%
2014	\$17,387	\$12.07	\$69,622	\$996	\$88,006	\$23,844	\$64,161	(\$233,861)	22%
2015	\$17,909	\$12.44	\$64,161	\$0	\$82,071	\$160,295	(\$78,224)	(\$258,182)	0%
2016	\$18,446	\$12.81	(\$78,224)	\$0	(\$59,778)	\$13,394	(\$73,172)	(\$283,973)	0%
2017	\$19,000	\$13.19	(\$73,172)	\$0	(\$54,173)	\$40,870	(\$95,043)	(\$310,490)	0%
2018	\$19,570	\$13.59	(\$95,043)	\$0	(\$75,473)	\$41,409	(\$116,881)	(\$337,772)	0%
2019	\$20,157	\$14.00	(\$116,881)	\$0	(\$96,725)	\$27,091	(\$123,816)	(\$366,309)	0%
2020	\$20,762	\$14.42	(\$123,816)	\$0	(\$103,054)	\$28,471	(\$131,526)	(\$396,135)	0%
2021	\$21,384	\$14.85	(\$131,526)	\$0	(\$110,141)	\$20,723	(\$130,864)	(\$427,558)	0%
2022	\$22,026	\$15.30	(\$130,864)	\$0	(\$108,839)	\$127,967	(\$236,805)	(\$457,450)	0%
2023	\$22,687	\$15.75	(\$236,805)	\$0	(\$214,119)	\$77,934	(\$292,052)	(\$487,306)	0%
2024	\$23,367	\$16.23	(\$292,052)	\$0	(\$268,685)	\$69,984	(\$338,669)	(\$517,407)	0%
2025	\$24,068	\$16.71	(\$338,669)	\$0	(\$314,601)	\$32,348	(\$346,949)	(\$548,931)	0%
2026	\$24,790	\$17.22	(\$346,949)	\$0	(\$322,159)	\$76,555	(\$398,714)	(\$580,640)	0%
2027	\$25,534	\$17.73	(\$398,714)	\$0	(\$373,180)	\$24,745	(\$397,925)	(\$614,140)	0%
2028	\$26,300	\$18.26	(\$397,925)	\$0	(\$371,625)	\$52,870	(\$424,494)	(\$648,689)	0%
2029	\$27,089	\$18.81	(\$424,494)	\$0	(\$397,405)	\$58,271	(\$455,676)	(\$684,205)	0%
2030	\$27,902	\$19.38	(\$455,676)	\$0	(\$427,774)	\$23,209	(\$450,984)	(\$721,818)	0%
2031	\$28,739	\$19.96	(\$450,984)	\$0	(\$422,245)	\$38,625	(\$460,870)	(\$761,182)	0%
2032	\$29,601	\$20.56	(\$460,870)	\$0	(\$431,269)	\$40,593	(\$471,863)	(\$802,343)	0%
2033	\$30,489	\$21.17	(\$471,863)	\$0	(\$441,374)	\$68,698	(\$510,072)	(\$844,567)	0%
2034	\$31,404	\$21.81	(\$510,072)	\$0	(\$478,668)	\$22,803	(\$501,471)	(\$889,320)	0%
2035	\$32,346	\$22.46	(\$501,471)	\$0	(\$469,125)	\$69,578	(\$538,704)	(\$935,332)	0%
2036	\$33,316	\$23.14	(\$538,704)	\$0	(\$505,387)	\$27,713	(\$533,101)	(\$983,957)	0%
2037	\$34,316	\$23.83	(\$533,101)	\$0	(\$498,785)	\$46,121	(\$544,906)	(\$1,034,783)	0%
2038	\$35,345	\$24.55	(\$544,906)	\$0	(\$509,561)	\$93,858	(\$603,419)	(\$1,086,509)	0%
2039	\$36,406	\$25.28	(\$603,419)	\$0	(\$567,014)	\$35,280	(\$602,293)	(\$1,140,983)	0%
2040	\$37,498	\$26.04	(\$602,293)	\$0	(\$564,796)	\$27,228	(\$592,023)	(\$1,198,599)	0%

Inflation Rate: 3% Interest Rate: 1.5% Funding Rate: 3%



**Monterey Dunes Colony
Water Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

For Homeowner Distribution

Number of Units: 120
Budget Year Start: July 01, 2011
Budget Year End: June 30, 2012
Location: Castroville, CA

As of 30-Jun-2011

Projected Reserve Fund Balance \$104,862
Projected Fully Funded Reserve: \$240,725
Deficit Below Fully Funded Reserve: (\$135,863) or (\$1,132.19) Per unit
Percentage Funded: 44%
Current Replacement Cost: \$333,620

Current Funding - Five Year Summary

	Allocation	Per Unit Per Month	Disbursements	Year-End Balance	Fully Funded \$	Percentage Funded
Year 1	\$15,912	\$11.05	\$30,515	\$91,722	\$250,366	37%
Year 2	\$16,389	\$11.38	\$13,633	\$95,875	\$278,700	34%
Year 3	\$16,881	\$11.72	\$44,366	\$69,622	\$277,275	25%
Year 4	\$17,387	\$12.07	\$23,844	\$64,161	\$298,022	22%
Year 5	\$17,909	\$12.44	\$160,295	(\$78,224)	\$179,957	0%

Inflation Rate: 3% Interest Rate: 1.5% Funding Rate: 3%



**Monterey Dunes Colony
Water Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
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RESERVE COMPONENT WORKSHEET DEFINITIONS:

- Component:** Identifies the item to be included for reserve funding.
- Service Life:** The estimated total life of a reserve component using published information and professional experience. For components in which the useful life should equal that of the project, no life expectancy has been projected (i.e. plumbing, framing, etc...)
- Remaining Life:** An estimate of expected remaining longevity of that component based on information provided, maintenance, visual inspection, and assumptions of probability. Projects anticipated to occur in the initial year have "zero" remaining useful life.
- Cost Per Unit:** The approximate amount of money it will take to replace the reserve component, per the measurement it is defined by (i.e. sf = Square Foot).
- Approximate Quantity:** The approximate total amount of the reserve component as it has been defined under Cost Per Unit.
- Current Replacement Cost:** This indicates the approximate cost of replacing the reserve component at the present time.
- Future Cost:** This indicates the estimated expenditure by the Association when the component is in need of repair or replacement. The future cost has been calculated on a 3.00 % yearly inflation factor. It is assumed that any repairs or replacement of any reserve component below \$1,000 in any given year will be replaced from the operating account.
- Source Code:** The means by which the information for the reserve component has been obtained. Source is as follows:

1 - Architect/Engineer	11 - Inspector
2 - Awaiting Information	12 - Maintenance Manual
3 - Bid	13 - Management
4 - Board of Directors	14 - Manufacturer
5 - Builder/Developer	15 - On File
6 - Contract	16 - Previous Study
7 - Contractor	17 - Special Assessment
8 - Cost Estimating Manual	18 - Specialist/Expert
9 - DRE Budget	19 - Vendor
10 - Industry Standard	

Percentage Funded and Parameters

- Percentage Funded:** This percent funded value presented in the data summary sheet is calculated by dividing the current (or projected) cash reserve savings by the Fully Funded reserve amount. The maximum reported percentage is 100%, and indicates an association is currently fully funded.
- Inflation/Interest:** Funding and disbursement projections presented have been computed with a Time Value of Money approach. Inflation was applied to the projected disbursements, and average interest to the ending cash balance values.

Assumed Annual Inflation Rate: 3.00 %
 Assumed Average Interest Rate: 1.50 %

Inflation Rate: 3% Interest Rate: 1.5% Funding Rate: 3%



**Monterey Dunes Colony
Water Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

Current Replacement Cost Total: \$333,620

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Water Company Components							
50 KW Generator (Overhaul)	3	0	\$3,277.00 / Each	1	\$3,277	\$3,277	On File
50 KW Generator (Rebuild/Replace)	30	11	\$35,000.00 / Each	1	\$35,000	\$48,448	On File
Annual Contingency	1	0	\$6,528.00 / Total	1	\$6,528	\$6,528	Management
CL2 Pumps	3	1	\$1,682.00 / Each	1	\$1,682	\$1,732	On File
Compression Water Tank			Maintenance / Operating				Management
Dist Water System Valves	25	15	\$27,317.00 / Total	1	\$27,317	\$42,559	On File
Paint Compression Water Tank	5	2	\$4,042.00 / Each	1	\$4,042	\$4,288	On File
Paint Storage Tank (Exterior)	5	2	\$16,391.00 / Each	1	\$16,391	\$17,389	On File
Pressure Tank Compressor	2	0	\$2,184.00 / Each	1	\$2,184	\$2,184	On File
Pump #1 - 10 HP Booster	30	11	\$3,824.00 / Each	1	\$3,824	\$5,293	On File
Pump #2 - 10 HP Booster	30	11	\$3,824.00 / Each	1	\$3,824	\$5,293	On File
Pumps (Annual Maintenance)	1	0	\$5,026.00 / Total	1	\$5,026	\$5,026	On File
Roofing (Maint. Bldgs.)			Maintenance / Operating				Management
* To be completed in house and funded from the operating budget.							
Tank Cut-Off Valves			Maintenance / Operating				Management
Water Distribution System			Life of Project				Management
Water Feed System (Old N. Well)			Life of Project				Management
Water Feed System (Wells to Storage)			Life of Project				Management
Water Storage Tank (220,000 Gal.)	30	4	\$127,000.00 / Each	1	\$127,000	\$142,940	Bid
Water System Control Panel	30	13	\$34,420.00 / Total	1	\$34,420	\$50,547	On File
Water System Fire Pump	30	11	\$38,244.00 / Each	1	\$38,244	\$52,939	On File
Water System Fire Pump (Overhaul)	3	3	\$3,713.00 / Each	1	\$3,713	\$4,057	On File
Water Tank - Eval./Maintenance	3	0	\$3,277.00 / Total	1	\$3,277	\$3,277	Awaiting Information
Water Wells			Maintenance / Operating				Management
Well #3 (Pump & Motor)	6	2	\$7,648.00 / Total	1	\$7,648	\$8,114	On File
Well #4 (Pump & Motor)	6	0	\$10,223.00 / Total	1	\$10,223	\$10,223	On File
Wells - Replace			Life of Project				Management
Totals					\$333,620	\$414,115	



**Monterey Dunes Colony
Water Association**
Castroville, CA

Date: 20-Apr-2011
Units: 120
Fiscal Year End: 30-Jun-2011
Report Start Date: 01-Jul-2011

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END OF REPORT



Monterey Dunes Colony Association

**Rules and Schedule of Fines
for
Violations to Ground Rules**

Approved by the Board of Directors on

July 21, 2001

Effective
September 1, 2001

Revised

March 22, 2008

WHEREAS, the Monterey Dunes Colony Association Declaration of Covenants and Restrictions, (Dated June 8, 2004 and recorded in Monterey County, California on June 8, 2004 as Document Number 2004059159, Article V, Paragraph 5.5, provides guidance for establishing Ground Rules, and a Schedule of Fines for infractions to these Ground Rules.

WHEREAS, the Monterey Dunes Colony Association intends to enforce certain violations of published Ground Rules as stated in the Monterey Dunes Colony Association Rules and Schedule of Fines, by means of monetary fines and/or the loss of membership rights and privileges.

WHEREAS, it is the desire of the Board of Directors of the Monterey Dunes Colony Association to periodically revise existing Ground Rules and enforce a schedule of fines and penalties for infractions to these Ground Rules.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Monterey Dunes Colony Association do hereby revise the Monterey Dunes Colony Association Rules and Schedule of Fines, last revised on September 1, 2007 as follows:

Date: March 22, 2008

BY: 
Ellen Michaels, President

BY: 
Frank B. Williams, Vice President



MONTEREY DUNES COLONY ASSOCIATION RULES AND SCHEDULE OF FINES

Effective September 1, 2001

Last Revised March 22, 2008

THE SAND DUNES AND BEACH

1. Walking anywhere out on the Sand Dunes is prohibited. Homeowners and guests will restrict themselves to boardwalks and sand pathways that have been constructed by the Association for access to and from the homes to the beach or parking facilities. Homeowners are responsible for the strict compliance of their relatives and guests in adhering to this ground rule.

A fine of \$50.00 per incident may be assessed against a homeowner for violation of this ground rule.

2. The Sand Dunes are a sanctuary with many indigenous eco-systems all supporting a natural coastal dune environment. The Monterey Dunes Colony has invested much time and money in ensuring the survival of this natural environment for all to enjoy. Homeowners or their guests are restricted from removing any plant, driftwood, or other naturally deposited item from Monterey Dunes Colony common property without the direct written permission of the Association.

A fine of \$100.00 per incident may be assessed against a homeowner for violation of this ground rule.

3. Skateboards, skates and all forms of bicycles or scooters are prohibited on all boardwalks. Boardwalks are for foot traffic only.

A fine of \$50.00 per incident may be assessed against a homeowner for violation of this ground rule.

4. It is against California State Law to light fires on our beach. Authority: State of California Public Resources Code Section 5003 and 5008(a). Reference: California Code of Regulations, Title 14, Section 4301(i), 4326(a), and 4311 (a) and (b).

Specifically, no person shall light, build, use, or maintain a fire on Salinas River State Beach in front of Monterey Dunes Colony from the south Salinas River State Beach access parking lot to the Salinas River mouth.

The Association staff is instructed to immediately call 911 in the event there is a fire on the beach.

CLUBHOUSE

1. The Clubhouse is open daily from 8:00 a.m. to 5:00 p.m. for general use as common area. For use at times other than above, a homeowner must formally request the exclusive use of the clubhouse by filling out a Request Form, and subsequently have this request approved by a vote of the Board of Directors. These forms can be obtained at the Association administrative office.
2. Any homeowner who reserves the Clubhouse must be present during the function.
3. The privilege of reserving the clubhouse by members of the Association is non-transferable and non-cumulative, and is limited to two (2) reservations per unit per calendar year. There is a \$50 cleaning fee payable at the time of reservation.
5. If food or drink is provided and or served by any individual person, catering organization, DBA, corporation or company for a fee at any event held in the clubhouse, the name and license number of the person, organization or corporation must be included on the request form. The Monterey Dunes Colony Association will only permit licensed catering services to operate at the clubhouse.
6. The maximum number of persons in attendance at private functions in the Clubhouse is not to exceed 40.
7. The removal of kitchen equipment from Clubhouse is prohibited.
8. The Clubhouse furniture is not to be removed. Two card tables and twelve folding chairs are available on a sign-out basis.
9. No pets are allowed on the Clubhouse premises.
10. Sound equipment is not allowed on the clubhouse premises.

JACUZZI, SAUNA & POOL

1. The Jacuzzi is open from 10:00 A.M. to 10:00 P.M. 7-days a week. Saunas are open to homeowners and their immediate families from 10:00 AM to 10:00 P.M. 7-days a week. Any homeowner or members of their immediate family, (over the age of 18 years old), may request access to the Saunas from on-duty association staff by calling the office (831-633-4000), or security (831-633-3187), phone numbers and requesting access, or by visiting the association office and coordinating access to the saunas. At no time are children under the age of 18 years old allowed in the saunas without the presence of an adult sponsor. Homeowners who are using the saunas for the first time, or who may need instructions on how to operate the facility can receive this written information from the on-duty association staff. The pool is open from Easter week to

mid October depending on weather. The pool opens at 10:00 A.M. and closes at 7:00 P.M. There is no lifeguard on duty. Homeowners and their guests swim at their own risk. Parents are responsible for the safety of their children.

2. Children under 14 years of age must be accompanied by an adult (over the age of 18 years old) at all times when using the pool or Jacuzzi. The Jacuzzi holds a maximum of eight persons at any one time.

3. State Law dictates the maximum number of people who can use the Jacuzzi at any one time. The maximum number is based on the capacity of the Jacuzzi in gallons of water. Exceeding this number of people will overwork the chemical feeding equipment and the treated water's ability to maintain a sanitary state. For these reasons, homeowners and their guests are warned not to exceed the Jacuzzi's capacity of eight (8) persons at one time.

4. Eating or smoking in the area of the pool, saunas or Jacuzzi is prohibited. In addition, glass or metal containers of any type are strictly prohibited while using any of these three facilities. Beverages are permitted in plastic or paper containers.

5. Proper swimwear is required when using the Jacuzzi or pool.

6. Homeowners and their guests are advised to read all warning signs posted in the areas of the pool, Jacuzzi, and sauna before entering the area or using the equipment.

7. There is a 30-minute time limit for the use of the Jacuzzi when another party is waiting for the facility. Upon notification, the using party must yield the facility after 30 minutes of use.

TENNIS

1. Proper tennis shoes and appropriate tennis attire are required when using the tennis courts.

2. Sign up on board for play. Enter time, name and unit number. Yield court after one hour if anyone is waiting.

3. One unit may use only one court at a time when others are waiting; a unit cannot use a court and hang a racquet for another court at the same time.

4. After play is finished, players may hang racquet on the rack and wait for another court to open. You must wait on the premises or else be placed at the end of the line.

5. The clock on the Clubhouse is the official time.

6. Starting time cannot be changed on the board during the hour of play.

7. There are no reservations. First come, first serve.
8. The use of the courts by any outside group without prior approval by the Board of Directors is prohibited.

DOGS & PETS

1. Pets are not permitted at the Colony except for those belonging to Members, their immediate family, and/or an Associate Member (any other adult who permanently resides in the unit, or long term lessees of three months or longer). Renters of three months or more may maintain a pet, with written permission of the unit owner. Homeowners may invite guests to their unit, accompanied by a pet; however, the homeowner must be present at the unit for the duration of the visit and is responsible for the overall control of the animal. In all cases, the Association must be informed of any visits involving pets (in advance), as soon as possible, in order to allow management adequate time to notify security of the visit.

The Association will impose a fine on each unit homeowner in the amount of \$150.00 per day for pets brought into the Colony by any of their guests or tenants without prior notification to MDCA management.

(For the purposes of this rule, long term leases of three months or longer will be treated the same as homeowners, subject to the tenant having the written approval of the homeowner/sponsor to have a pet on the premises). Upon notification of a violation of a pet rule, the pet must be removed from the Colony immediately by the pet owner or by the pet's sponsor.

Failure to comply with this ground rule will subject the responsible homeowner to a fine of \$250 per day for each day the member is in violation of this rule.

2. All pets must be registered with the Association, at the Administrative office. This registration will include the name of the homeowner, the pet, and the size, color and breed of the pet as applicable. A picture of the animal will be required prior to the completion of this registration.

A fine of \$50.00 per incident may be assessed against a homeowner for violation of this ground rule.

3. All dogs must be leashed and restrained when in common areas.

Homeowners will be subject to a fine of \$50.00 per incident for dogs in violation of this pet leash rule.

4. Pets are prohibited in the Clubhouse area.

5. Pets are not to be a nuisance to other homeowners. This includes excessive noise, which may disturb other owners or their guests.
6. Pet owners are required to clean up after their pets.

Homeowners will be subject to a fine of \$50.00 per incident for violations to excessive noise and clean up rules.

7. Stray cats located within the confines of the Monterey Dunes Colony common area are routinely trapped by MDCA maintenance staff by means of baited animal traps approved by the California Humane Society. All trapped domestic cats will be immediately checked against identification on file at the Association administrative office. All trapped domestic cats not matching identifications on file, as reasonably determined by the General Manager or his agents, shall be turned over to the S.P.C.A. All trapped domestic cats with matching identification on file shall be detained for three days after telephonic notification (personal, not recorder) has been given to the owner or to his or her designated representative. If identification is confirmed during said three-day period the house cat shall be returned to the owner at owner's (or designee's) request. In addition to any designated fine, homeowners are responsible for charges incurred by the Association in baiting, trapping and caring for the cat prior to the animal being returned to the possession of the homeowner.

Homeowners will be subject to a fine of \$50.00 for the return of each house cat trapped by the Association after the first return.

It is determined that house cats, tame or wild out on the dunes constitute a serious threat to the survival of the native fauna, principally bird life, which nest, breed or feed in the dunes and beach area of Monterey Dunes Colony. It is in the best interest of the Colony that steps be taken to mitigate this threat to the natural wildlife, which is resident here at the Colony. The Board of Directors, upon resolution adopting the cat trapping policy in June 1992 did not want this action to be construed as a determination that domestic cats are a "nuisance", and thus to be removed entirely from the Colony, as permitted by article III, section I, subdivision (d) of the Declaration of Covenants and restrictions ("CC&R's") applicable to the Colony, but only as a procedure to control the number and predation of domestic cats, both tame and wild, that are found in the common areas of the Colony.

VEHICLE RULES

1. No dilapidated, inoperable, abandoned, excessively noisy or smoky vehicles shall be parked, kept, stored or permitted to remain upon any area within the Monterey Dunes colony Development ("Development").
2. No mobile home, trailer, camper, recreational vehicle, boat or other watercraft

and no commercial vehicle shall be parked, kept, stored or permitted to remain upon any area within the Development in excess of two (2) hours except as expressly allowed by the Board of Directors pursuant to an Owner's advance written request.

- a. For the purposes of these Rules, "commercial vehicles" shall include any of the following:
 - i. Any vehicle or truck required to be registered with the Department of Motor Vehicles as a "commercial vehicle" or "commercial truck;"
 - ii. Any non-standard sized truck or vehicle bearing commercial signs or markings that is not used for both business and personal purposes; or
 - iii. Vehicles used for the transportation of persons for hire, compensation or profit (including but not limited to buses, taxis, shuttles and limousines).
1. No vehicle shall be parked where it effectively blocks access to, or otherwise prevents the use of any street, driveway or garage by other vehicles.
2. No vehicle shall be parked in a fire lane or within fifteen (15) feet of a fire hydrant.
3. Vehicles parked on Common Area streets must be parked perpendicular to concrete curbs.
4. No vehicle shall be parked in any area where there is no concrete curb, except for short term loading or unloading not to exceed fifteen (15) minutes.
5. All vehicles parked on the common Area of the Development must be identified at all times by either:
 - a. An Owners vehicle identification sticker; or
 - b. A temporary vehicle identification tag.

Owners or Owners' agents may request a vehicle identification sticker or temporary vehicle identification tag by contacting the Association office.

1. All non-Owners who come on the Common Area must display in their vehicle at all times a temporary vehicle identification tag specifying the address of the Unit being occupied, arrival date and departure date.
2. Any Owner who allows non-Owners to use his/her Unit is responsible for ensuring that a temporary vehicle identification tag is provided by non-Owner.

ENFORCEMENT AND FINES

1. Any vehicle in violation of these Vehicle rules is deemed to be “unauthorized” and subject to towing from the Development at the Owner’s sole expense pursuant to *Vehicle Code* section 22658.
2. In addition to any other remedies available to the Association pursuant to its governing documents, Owners are subject to a fine of \$50.00 per incident/per day for any violation of these Vehicle Rules.

RESOLUTION OF TOWING DISPUTES

In the event an Owner disputes the towing of his/her vehicle, the Owner may submit a written request for and receive a hearing with the board of Directors to consider the propriety of the vehicle’s removal.

CONTRACTOR ACTIVITY AND INSURANCE

Normally, contractors may work on the property (common areas, exclusive use common areas, and on individual units) from 8:00 A.M. to 5:00 P.M. Monday through Saturday. However, there will be no scheduled construction activity or noise-producing trade work on the exterior or interior of the buildings on Saturdays, Sundays, or Holidays without advanced written permission from management. Examples of noise producing trade work is defined as hammering, use of electric, hydraulic, or gas-powered tools, generators, power washers, or any tool or device that disturbs the peace and tranquility of surrounding units occupied by other members or their guests.

1. Exceptions to this policy will be made on a case-by-case and affected homeowners will be notified of any exceptions in advance of the scheduled work.
2. In the event of emergency, after-hours contractor related services, which may cause considerable noise; the General Manager will be notified of the specific situation by on-site staff and will monitor this emergency repair as an exception to policy.
3. Contractors are subject to obey the same ground rules as their sponsors. Homeowners who employ contractors are responsible to insure these workers are aware of, and abide by all Association ground rules.
4. The following insurance shall be maintained by contractors and others performing services for homeowners or their residences or personal property. The term “contractors” includes all those individuals and entities listed below: The term “homeowners” includes the tenant of a homeowner.
 - **Domestic Employees, Housekeepers, Window Washers and Health Care providers:**
Limits not less than \$100,000 per occurrence.

- **Rental Agencies, Realtors, and Property Managers:** Limits not less than \$1,000,000 per occurrence and a \$2,000,000 aggregate.
- **All contractors including general contractors and sub contractors:** (This category includes all artisan contractors such as landscapers, plumbers, handymen, etc.) Limits of not less than \$1,000,000 per occurrence with a \$2,000,000 aggregate.

For each contractor engaged by a member, the member shall, prior to commencement of the contractor's services within the development provide the Association with a certificate of insurance evidencing that the Association has been named as an additional insured on the contractor's liability insurance policies. Such certificate shall at all times be kept current.

Homeowners will be subject to a fine of \$100.00 for violations to this rule. Homeowners will be subject to subsequent, incremental fines of \$100.00 for each hour the contractor continues to work after the initial "Stop Work" order is issued by management or Association staff.

OCCUPANCY

Residences shall be occupied and used for residential use only. The maximum number of persons who may occupy a residence may not exceed two persons per bedroom, plus one additional person.

Homeowners will be subject to a fine of up to \$200.00 for violations to this rule and/or the loss of common area rights and privileges for a period of up to 7 days for each violation.

RENTALS

Each homeowner has the right to rent his/her residence subject to the following:

1. With respect to short-term rentals of less than 30 days, the homeowner must notify management of, (at a minimum, one day in advance of any rental), the name of the tenant and the names of the members of the tenant's household that will be occupying the residence.

Homeowners will be subject to a fine of up to \$200.00 for violations to this rule and/or the loss of common area rights and privileges for a period of up to 7 days for each violation.

2. With respect to a lease of more than 30 days, the homeowner must provide the board with a copy of the signed lease or rental agreement (at a minimum, one day in advance of the lease). The lease or rental agreement must state that the occupancy is

subject to the provisions of the Governing Documents and that the breach of any provision of the Governing Documents shall constitute a default under the lease or rental agreement.

Homeowners will be subject to the loss of common area rights and privileges for a period up to an equal amount of time of the violation.

3. No owner may rent/lease less than his or her entire residence.

MISCELLANEOUS RULES AND REMINDERS

FIRE SAFETY

o Ashes from fireplaces or barbecues are not to be placed in garbage cans until they are *absolutely* cold.

o Only metal garbage cans are authorized for use on Monterey Dunes Common Property. Plastic cans are not authorized for use because they will not contain a fire if someone puts hot ashes in them. All refuse stored in cans must be in sealed plastic bags. Excess refuse (more than can reasonably fit in two metal can) is allowed to be placed on top of the can in sealed plastic bags. The contract refuse company will remove overflow garbage only if placed out in sealed plastic bags. The refuse company will charge an additional fee for each can-equivalent of excess refuse. The collection day is Thursday. Homeowners are responsible to keep the garbage enclosure area in good order.

SEPTIC TANK CAUTION

o Do not put grease down drains. This blocks our septic system lines.

o Do not dispose of non-degradable items in drains.

o Paper Products, except toilet paper, should not be flushed in toilets.

o Place excess food scrapings in the garbage instead of the disposal whenever possible.

RECYCLING PROGRAM

o All occupants are strongly encouraged to deposit any glass, paper and aluminum recyclable material in the Colony's recycling area located inside an enclosure near the clubhouse.

Policies on file in the Administrative Office:

1. ECC Policy.
2. ECC Landscaping Policy.
3. Investment Policy.
4. Hot Tub Installation Policy.
5. Assessment Collection Policy.
6. Cross Connection Control Policy.
7. Inspection, Repair and Replacement of Individual Unit Fireplaces.
8. Satellite Installation Policy.
9. Open House/Realtor Sign Policy.
10. Association and Member Responsibilities for the Maintenance and Repair of Structures.
11. Sliding Door and Window Replacement Policy.
12. Election Rules.
13. Exclusive use of the Clubhouse.
14. Business and Commercial Activity.
15. Association Rules and Schedule of Fines.
16. Feral Cat Policy.
17. Insurance Policy

PLEASE NOTE THAT THE ALL CURRENT ASSOCIATIONS POLICIES, PROCEDURES, GOVERNING DOCUMENTS, COMMITTEE & BOARD MINUTES, AND FORMS CAN BE FOUND ON THE ASSOCIATION'S WEBSITE AT:

<http://www.montereydunescolony.com>

HOMEOWNERS CAN ACCESS THIS SITE BY USING THEIR UNIT NUMBER FOLLOWED BY THE FIRST 3-LETTERS OF THEIR FIRST NAME AS THE LOGON. THE PASSWORD IS THEIR UNIT NUMBER. ONCE INSIDE THE HOMEOWNERS SECTION OF THE SITE, MEMBERS CAN CHANGE THEIR PASSWORD IF THEY SO DESIRE.

INSURANCE

This summary of the association's policies of insurance provides only certain information, as required by subdivision (e) of Section 1365 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.



SINCE 1908

INSURANCE

1006 Freedom Blvd • P.O. Box 310
Watsonville, CA 95077

PHONE (831) 724-1085
FAX (831) 724-1089

May 3, 2011

Please be advised that Monterey Dunes Colony Association currently complies with the Liability Insurance requirements as set forth by California Civil Code section 1365.9 for California Common Interest Developments.

The following is a brief summary of the amounts and type of insurance provided for your Association.

<u>TYPE</u>	<u>AMOUNT</u>	<u>DEDUCTIBLE</u>	<u>INSURANCE CARRIER</u>
Blanket Buildings	\$29,290,000	25,000	Travelers Insurance
Earthquake	\$10,000,000	10%	Golden Bear
Liability	\$1,000,000 OCCURRENCE \$2,000,000 AGGREGATE	N/A	Travelers Insurance
Directors & Officers Liability	\$3,000,000	5,000	CNA Surety
Excess / Umbrella	\$10,000,000	N/A	Travelers Insurance
Employee Dishonesty	\$800,000	5,000	CNA Surety

The Association carries the levels of insurance specified by Civil Code Section 1365.9, and pursuant to that section, owners may be individually liable only for their proportional share of assessment levied to pay the amount of any judgment which may be rendered in favor of a plaintiff bringing an action in tort arising solely by reason of an ownership interest in the common area which exceeds the limits of the Association's insurance.

This summary of the association's policies of insurance provides only certain information, as required by subdivision (f) of Section 1365 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.



Sondra Carter
Agent

5/3/11
Date





SINCE 1908

INSURANCE

1006 Freedom Blvd • P.O. Box 310
Watsonville, CA 95077

PHONE (831) 724-1085

FAX (831) 724-1089

May 3, 2011

Dear Unit Owner:

We have been asked by your Board of Directors to describe in simple terms what the Homeowners Association's Master insurance policy will cover. The following is an outline of pertinent information concerning your coverage.

1. The master policy is written on a Blanket Building form for one amount of insurance covering all of the buildings for the following:
 - A. Fire, All Risk (Special Form including water damage).
 - B. \$ 25,000 Deductible
 - C. Earthquake and Flood are covered under a separate DIC policy.
 - D. There is replacement cost for all perils covered.
 - E. Liability coverage for accidents to the persons or property for which the Association is held responsible.

2. The master insurance policy insures the following items for All Risk (Special Form) perils:
 - A. The building in which you live.
 - B. All exterior walls.
 - C. All permanent structural changes and upgrades.

If your association agreement (CC&R's) requires the Association to insure them, the following items are also covered under the master insurance policy.

- D. All permanent, built in cabinets and fixtures.
- E. All built in appliances.
- F. All permanent floor coverings, (carpet, linoleum, hardwood, etc.).
- G. Paint, wallpaper, and coverings.



CALIFORNIA INSURANCE LIC. # 0426333



SINCE 1908

INSURANCE

1006 Freedom Blvd • P.O. Box 310
Watsonville, CA 95077

PHONE (831) 724-1085

FAX (831) 724-1089

Page 2.

3. The master policy does not cover:
 - A. Your individual contents.
 - B. Your drapes or curtains.
 - C. Your personal liability within your own unit.

4. Coverage for your personal items and personal liability should be covered by purchasing a Condominium Unit Owners policy, commonly referred to an HO-6 policy.

Please feel free to give me a call if you should have any questions about your personal insurance and how it may interact with the master insurance policy. **All unit owners should also refer to the Association's CC&R's for any restrictions or conditions that may affect the above coverage.**

Sincerely,

A handwritten signature in black ink, appearing to read 'Sondra Carter', written over a horizontal line.

Sondra Carter

Client Service Agent



CALIFORNIA INSURANCE LIC. # 0426333

Monterey Dunes Colony Association

	<u>Coverage</u>	<u>Insurance Carrier</u>	<u>Policy Number</u>	<u>Expiration Date</u>
Blanket Buildings	\$29,290,000	Travelers	I680838C4856	2/1/2012
Deductible	\$25,000	Travelers	I680838C4856	
Liability Limits	\$1,000,000/\$2,000,000	Travelers	I680838C4856	2/1/2012
Directors and Officers	\$3,000,000	C N A	251106621	8/1/2011
Automobile Liability	\$1,000,000	Travelers	BA838C4856	2/1/2012
Fidelity/Dishonesty	\$800,000	C N A Surety	250859955	8/1/2011
Umbrella Limits	\$10,000,000	Travelers	ISMCUP7618Y48A	2/1/2012
Boiler and Machinery	\$1,000,000	Hartford	FBP2286934	2/1/2012
DIC- Earthquake	\$10,000,000 Loss Limit	Golden Bear	FD34954	2/1/2012
Flood	\$30,000,000	Fidelity National	Various - 41 Bldgs.	8/1/2011

Insurance Summary 2011

created 5/03/2011

ENVIRONMENTAL CONTROL COMMITTEE POLICY

Revised December 3, 2005

I. General

1. Significant architectural modifications will generally not be approved. In particular, modifications that change the shape of individual units, enlarge the building size, extend the fence line, add a second story, add an additional room outside the building envelope or otherwise significantly increase the building profile will not be approved. As to fence lines which have been extended into common area, the Board reserves the right to relocate these fences to their original location or on the unit property line; such relocation (including removal and replacement as necessary) shall be made at the Associations expense and undertaken, if at all, at the time transfer of title to the property changes.
2. Upon receipt of an application, the Association will send notification to four units on each side of the unit requesting the change. The neighbors will be advised of the nature of the proposed change and invited to comment. All comments must be submitted in writing and sent to the Association office. Neighbor approval or disapproval will be valuable information but will not be the primary consideration in the approval/disapproval of a proposed change.
3. No alteration of common area, or areas maintained by the Association will be authorized without the written consent of the Board and any such alteration without approval is subject to removal by the Board.
4. Visual appearance, privacy, noise and landscape harmony will be major considerations in considering any request for modification.
5. Garages are MDC common area (see item 3 above). External modifications other than access doors will not be approved. The views of neighbors will be particularly important in the consideration of proposed access doors. Internal modifications require approval and will generally be approved for storage purposes, provided that the structure is not modified, that two cars can still use the garage simultaneously, and that the garage may be returned to its original condition by removing the storage unit.
6. The Association will permit reasonable modifications to the Associations governing documents, policies and procedures when necessary to accommodate a request to modify any portion of the project based on a disability. Homeowners requesting

accommodation for themselves, or members of their immediate family must complete the application process with the appropriate design drawings and submit this Request for Architectural Change to the ECC for consideration and approval. When approved, all ramps, handrails, boardwalks or landings, extending out onto common property from any unit must be constructed by the Association. The costs for any ramp, handrail, boardwalk, landing or other accommodation constructed by the Association will be billed to the homeowner on a time and materials basis at prevailing rates. Handrails, ramps, landings, and other accommodations located within the confines of the individual courtyard areas, (or individual lots), must be approved by the ECC for design, but construction and cost will be the sole responsibility of the homeowner. The Association reserves the right to remove any Association-constructed hand railing, ramp, landing, or other accommodation at its sole discretion and expense, and return the property to its original condition at a time when it is determined that the need for the accommodation, as originally approved, no longer exists.

7. All approvals assume, require and are conditional upon the homeowner or the Association, as appropriate, obtaining all legally required permits. Failure to obtain a legally required building permit will make any Environmental Committee approval void.
8. All approved projects must be started within six months from final approval and completed within six months from the start of construction. "Final approval" includes the obtaining of legally required permits. If construction is not substantially completed within six months of commencement, the ECC may recommend to the Board of Directors that work be halted and the application reconsidered.
9. Items specifically prohibited in the CC&Rs will not be approved (such as antennas, awnings, etc.).

II. Building/Architectural Modifications

Any change in the "building envelope"* or construction outside the building envelope but within the "building foot print"** must meet the special conditions below:

1. The applicant shall agree to reimburse MDCA for the out-of-pocket costs incurred in reviewing the application including, but not limited to, architectural fees.
2. Any modification that increases the height or extends the width of a building may not adversely affect the view of another unit.
3. The modification must not impair the structural integrity of the building.

4. The modification must be harmonious with the original architecture of the Colony. Changes in windows, doors, skylights and other exterior materials will not be approved if the appearance of the unit as modified would be substantially different from the appearance of similar units.
5. Modifications that involve replacement of windows, flashing, fireplaces or skylights should specify replacement materials consistent with materials then being installed by the Colony.
6. Any plan for modification that proposes to increase the building envelope* by extending onto an Oceanside deck must retain a portion of the deck in the new design. Major extensions will generally not be approved. (See I. General, Item 1.)
7. Modifications that add features previously incorporated in other units will not be automatically approved. Each unit and its placement in relation to other units is unique. The Environmental Committee will not be restricted by precedents.
8. Modification of external fences will be approved only if there is no material effect on other units.
9. Additional small structures (such as hot tub pumping enclosures or decks) must be constructed of materials identical to those used in the immediate or adjacent area. For example, a pump shed next to a fence must be constructed of fence material; if it is next to a house, it must be shingled.
10. Modification of Oceanside decks and benches will only be considered if they are minor in scope and do not cause a loss of privacy to neighboring units.

* BUILDING ENVELOPE: The building as originally constructed.

**BUILDING FOOT PRINT: The foundation of the building as originally constructed, including attached decks.

11. Courtyard deck modifications will be considered if they do not interfere with neighbor privacy.
12. Only approved external lighting may be used. Additional patio lights will be considered if of low wattage and comparable to the existing common area lighting.
13. No external fence, deck, or structure painting will be approved except where building modifications and repair require it to match with adjoining detail and trim.

III. Decorative Additions and Changes

1. All items attached to the structures must be removable without damage to the structure.
2. Physical objects of appropriate motif and natural color, and reasonable in size, quantity and color intensity, will generally be approved. These would include such items as weather vanes, ships' wheels, and shell collages. Flotsam, jetsam, and general debris will generally be disapproved.
3. Items below patio fence height inside the courtyard and not visible from outside the fenced patio generally will be approved in greater quantity and brighter colors. Such items must not, however, constitute a fire or safety hazard.
4. No woodpiles of any kind or driftwood may be stored on decks.
5. All climbing patio plants must be attached to approved trellises. Climbing plants must not be attached to the structure. Potted plants on deck must be in footed saucers.
6. Trim may not be painted except as described under "Building/Architectural Modifications."
7. Entrance door colors have been established. All other colors must be approved. Approved, non-standard colors must be maintained by the homeowner to Association standards.
8. Family or house name signs may be used on the patio gate or in the immediate area of the gate. Construction materials must match fence or gate redwood materials. Maximum size is 8" high x 30" wide. Lettering may be carved or painted. Except for lettering, the board materials must be identical to associated materials and not painted.
9. All items must be maintained in good repair.
10. Enclosed patio and porch bird feeders will be considered. Common area bird feeders will not be approved.

IV. Planting

1. All planting external to the fence line must be approved, natural to the area and the dunes, and compatible with natural planting in character. Planting must be consistent with the "Plan for Landscaping Near House Areas," dated 07/21/01.
2. Planting below the fence line, inside the patio, can be at the owner's discretion but must be maintained in good condition.
3. Containers for plants outside the patio/building/fence will generally not be approved. Those inside the patio will generally be approved.
4. Plants or trees inside the fence line whose growth exceeds the patio fence line will not be approved unless they are approved as listed on the "Plan for Landscaping the Near House Areas," dated 07/21/2001.

V. The Dunes and Land Outside the Fence and Building

1. These areas must be generally kept clean, free of driftwood, flotsam, jetsam, logs, bird feeders, etc., in accordance with the CC&Rs.
2. Plantings, strewing of non-indigenous seeds, or otherwise disturbing the natural environment of the common area will not be approved and will be specifically removed by the MDC maintenance staff.
3. Only plantings that are consistent with the 2001 "Plan for Landscaping the Near House Areas" will be approved.

Originally Adopted 1977

Reconfirmed 1979-1984

Revised November 19, 1994

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