

ANNUAL BUDGET REPORT

AND

ANNUAL POLICY STATEMENT

Fiscal Year 2013 – 2014

July 1, 2013 through June 30, 2014

FOR

**MONTEREY DUNES COLONY
ASSOCIATION**

AND

**MONTEREY DUNES COLONY
MUTUAL WATER ASSOCIATION**

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MONTEREY DUNES COLONY

May 9, 2013

Dear Homeowners,

Enclosed please find your copy of the 2013-2014 Annual Budget Report and Policy Statement that contains; next year's operating budget, reserve schedule and current 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 budgets, policies and laws governing the Monterey Dunes Colony Homeowners Association. Please retain them for future reference.

- 2013-2014 Monterey Dunes Colony Association Operating Budget [§1365].
- 2013-2014 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].
- Monterey Dunes Colony Association Internal Dispute Resolution Program, [§1363.850].
- Monterey Dunes Colony Association Voting and Election Rules [§1363.03(a)].
- Notice of Annual Reserve Assessment, 7-1-2013 [§1366(d)].
- Monterey Dunes Colony Association Assessment and Reserve Funding Disclosure [§1365.2.5].
- Monterey Dunes Colony Association Reserve Study, (Funding Plan), 7-1-2013 [§1365.5].
- Monterey Dunes Colony Mutual Water Association Assessment and Reserve Funding Disclosure [Information].
- Monterey Dunes Colony Mutual Water Association Reserve Study, (Funding Plan), 7-1-2013, [Information].
- Monterey Dunes Colony Association Rules and Schedule of Fines, 3-22-2008 with projected changes [§1363(g)].
- Insurance Disclosures/Information and Policy Coverage's [§1365(f)].
- Environmental Control Committee Policy, (Architectural Guidelines and Procedures) [§1378].

In accordance with a resolution by the Board of Directors on March 16, 2013, monthly assessments for fiscal year 2013-2014, (July 1, 2013 through June 30, 2014), increase from \$831.00 per unit, per month to \$847.00 per unit, per month (a 1.9% increase). Increases in association insurance premiums were the main contributor to this \$16.00 per month increase. The monthly operating/reserve split is: **\$679.75 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 2012-2013 fiscal year, (June 30, 2013) at approximately \$1,707,450. This positive cash balance is due in part to a combination of investments, deferred reserve projects where feasible and cost savings on completed projects. On March 16, 2013, the Board re-affirmed the \$5,000.00 per unit annual reserve assessment. This year's assessment will be billed on June 1, 2013 and due July 1, 2013.

It's traditional that the sitting Board President write a short note about projects and events affecting the colony during the past fiscal year. I thank you for the opportunity to serve the Association.

This year has been a busy and fruitful one. We are indeed fortunate to have a very talented and capable team running the day to day operation of the colony. Our GM, Tom Bugary is, by any measure, the key to our success. His knowledge, fairness, and management skills are an immeasurable asset to us. With his 14 years' experience here, he has built a small but efficient and experienced team. In fact, the average length of service of our employees is 11 years!

Some of the accomplishments this year include:

- A long-planned repair of the main water tank, to be done this summer, (which spans two fiscal years).
- An anonymous survey of all homeowners (thank you, George Maciag!), and a thorough analysis of the results, ably reported by John Steinhart's committee. All issues raised will be addressed by the Board.
- The start of a Monterey-Dunes-only "social media" web site at www.NextDoor.com. If you haven't signed up already, you ought to give it a try. No spam, invitation-only, good ideas on things to do, places to go, and restaurants to try. Contact Susie Heavin at the office or me personally for an invitation to join. (Thank you, Harley McAdams and his Web Site Committee!)
- A 2012-2013 budget that while tight resulted in zero increase in dues and assessments and a 2013-2014 budget that increased dues by 1.9 percent in a challenging economy. Please note that while a flat budget was not expected again for the 2013-2014 budget, the committee managed to maintain services and keep any budget increases below a self-imposed goal of 2% despite substantial increases in earthquake and flood insurance premiums in next year's budget. (Congratulations to Bob Dickinson and his Finance Committee!)
- Continuing to build the Association's financial reserves as we move toward the goal of accumulating about 40% of needed funding to replace or repair scheduled components by the 2020 budget cycle. Given the current rate of planned assessments, maintenance deferrals, and project savings by accomplishing the work (mostly) in-house and through bulk purchases of materials, we are on track to meet this goal.

- Continued improvement in establishing solid working relationships with the many government agencies affecting our unique property such as the California Coastal Commission, the Department of Fish and Wildlife, California State Parks, the Point Reyes Bird Observatory, the Monterey County Planning Department, the Monterey County Water Resources Agency, NOAA Fisheries Service, the Department of Fish and Game, local AG landowners and private conservation groups, all of which we have managed to host together in a working group here at the dunes to foster better relations and to work through key issues as “stakeholders” verses controlling agencies. It has been a rough road but it is slowly working and remarkably, to everyone’s benefit, as we are moving forward with our own dune restoration plans and coastal protection projects here in the colony.
- Establishment of a dialogue with Redshift, our current internet service provider, regarding internet service problems and possible solutions. This is a “work in progress,” but I am convinced that they are well aware of our issues and are doing their best to address them in a constructive fashion. More to come.
- By the end of the calendar year, we hope to have a revised set of CC&R’s, the result of our State legislature’s rewriting the appropriate oversight laws. The changes, while not optional, will make our CC&R’s consistent with the new state codes, and make the organization of them more consistent and more logical. During this same timeframe, the Board plans to update the Association Rules and Schedule of Fines to reflect changes to pet rules and the use of Association facilities. Homeowners will have time to review and comment on proposed rule changes made by the Board, prior to implementation.

One of the most encouraging aspects of this term has been the willingness of members to be involved – particularly those who have not been involved in MDC activities previously. We had three “ad-hoc” committees this year, and most of the committee members were involved for the first time. We truly appreciate the time, talents and ideas of those folks – be sure to give them a big “thank you!” from all of us! And also a big “thank you” to the talented and dedicated members of the Board, the Finance Committee, and the Environmental Control Committee.

Your Colony does not run itself – it takes homeowner involvement. Volunteers are the key to maintaining MDCA as a special place that we all can enjoy in our own way. I hope you will consider volunteering in the future!

Sincerely,

Frank Williams

Frank Williams, President
Monterey Dunes Colony Board of Directors

Monterey Dunes Colony Association

Operating Budget

July 1, 2013 through June 30, 2014

Approved March 16, 2013

MONTEREY DUNES COLONY ASSOCIATION
2013 - 2014 HISTORICAL COMPARISON BUDGET - Final 3-16-13

Dues from \$831 to \$847.00 per month.

	Unit/Mo Proposed 2013-2014	Annual Proposed 2013-2014	Unit/Mo Forecast 2012-2013	Annual Forecast 2012-2013	Unit/Mo Budget 2012-2013	Annual Budget 2012-2013	Unit/Mo Actual 2011-2012	Annual Actual 2011-2012	Unit/Mo Actual 2010-2011	Annual Actual 2010-2011	Unit/Mo Actual 2009-2010	Annual Actual 2009-2010	Unit/Mo Actual 2008-2009	Annual Actual 2008-2009
% Increase/Decrease over Previous Year	1.93%		← →		0.00%		0.72%		3.77%		4.61%		2.70%	
Revenue														
Dues 5010	847	1,219,680	831	1,196,640	831	1,196,640	831	1,196,640	825	1,188,000	795	1,144,800	760	1,094,400
Misc Income 5099	2	3,500	4	5,500	1	2,000	2	2,346	2	3,323	6	8,884	3	3,982
Rental Income 5085	15	21,600	15	21,600	15	21,600	15	21,600	1	900	0	76	0	140
Interest Income 5080		175		150		250		220		146				
Total Revenue	865	1,244,955	850	1,223,890	848	1,220,490	848	1,220,806	828	1,192,369	801	1,153,761	763	1,098,522
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	729	1,049,115	714	1,028,050	712	1,024,650	712	1,024,966	692	996,529	665	957,921	627	902,682
Operating Expenses														
Unit 242 Expense		21,600		21,600		21,600		21,600		900				
Bad Debt										(11,847)				
Clubhouse Area Expense	31	45,300	32	46,000	30	43,500	30	42,547	31	45,348	32	45,622	28	39,632
General Repair Expense	44	62,700	36	51,790	44	63,750	52	75,541	37	52,738	27	38,588	39	56,412
Administrative Expenses	214	308,133	198	285,225	202	290,165	193	277,743	191	275,335	232	333,943	196	282,538
Personnel Expense	394	567,348	382	550,663	390	561,365	367	528,707	377	542,572	365	525,882	342	492,156
Water Company Charges	31	45,000	31	45,000	31	45,000	31	45,000	31	45,000	31	45,000	31	45,044
Water Sys Reimbursable														
Storm Damage / Repairs														
Water Meter Project														
TOTAL EXPENSE	729	1050081	695	1,000,278	712	1,025,380	688	991,138	660	950,046	687	989,035	636	915,782
Net Operating	(1)	(966)	19	27,772	(1)	(730)	23	33,828	32	46,483	(22)	(31,114)	(9)	(13,100)

MONTEREY DUNES COLONY ASSOCIATION
2013 - 2014 HISTORICAL COMPARISON BUDGET - Final 3-16-13

Dues from \$831 to \$847.00 per month.

Proposed 2013-2014	Forecast 2012-2013	Budget 2012-2013	Actual 2011-2012	Actual 2010-2011	Actual 2009-2010	Actual 2008-2009	Actual 2007-2008	Actual 2006-2007	Actual 2005-2006	Actual 2004-2005
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Summary of Revenues and Expenditures

Operating Revenue

Dues 5010	1,219,680	1,196,640	1,196,640	1,196,640	1,188,000	1,144,800	1,094,400	1,065,600	1,015,200	957,600	957,600
Misc Income 5060	3,500	5,500	2,000	2,346	3,323	8,884	3,982	2,886	3,266	3,178	4,315
Rental Income 5085	21,600	21,600	21,600	21,600	900						
Interest Income 5080	175	150	250	220	146	76	140	259	238	296	174
Total Revenue	<u>1,244,955</u>	<u>1,223,890</u>	<u>1,220,490</u>	<u>1,220,807</u>	<u>1,192,369</u>	<u>1,153,761</u>	<u>1,098,522</u>	<u>1,068,745</u>	<u>1,018,703</u>	<u>961,074</u>	<u>962,089</u>
Less Allocation to Reserves	<u>195,840</u>	<u>195,840</u>	<u>195,840</u>	<u>195,840</u>	<u>195,840</u>	<u>195,840</u>	<u>195,840</u>	<u>195,840</u>	<u>195,840</u>	<u>195,840</u>	<u>195,840</u>
Operating Revenue	<u>1,049,115</u>	<u>1,028,050</u>	<u>1,024,650</u>	<u>1,024,967</u>	<u>996,529</u>	<u>957,921</u>	<u>902,682</u>	<u>872,905</u>	<u>822,863</u>	<u>765,234</u>	<u>766,249</u>

Operating Expenses

Unit 242 Expense	21,600	21,600	21,600	21,600	900						
Bad Debt					(11,847)						
Clubhouse Area Expense	45,300	46,000	43,500	42,547	45,348	45,622	39,632	39,560	37,853	93,200	35,039
General Repair Expense	62,700	51,790	63,750	75,541	52,738	38,588	56,412	53,271	54,283	58,512	62,830
Administrative Expenses	308,133	285,225	290,165	277,743	275,335	333,943	282,538	250,608	234,162	168,472	163,700
Personnel Expense	567,348	550,663	561,365	528,707	542,572	525,882	492,156	453,790	447,277	455,731	427,067
Water Company Charges	45,000	45,000	45,000	45,000	45,000	45,000	45,044	44,855	45,145	45,000	44,990
Water Sys Reimbursable											
Loss on Asset Disposal											
Water Meter Project											
TOTAL OPERATING EXPENSE	<u>1,050,081</u>	<u>1,000,278</u>	<u>1,025,380</u>	<u>991,138</u>	<u>950,046</u>	<u>989,035</u>	<u>915,782</u>	<u>842,084</u>	<u>818,720</u>	<u>820,915</u>	<u>733,627</u>
Net Operating	(966)	27,772	(730)	33,829	46,483	(31,114)	(13,100)	30,821	4,143	(55,681)	32,622

**Monterey Dunes Colony
Mutual Water Association**

Operating Budget

July 1, 2013 through June 30, 2014

Approved March 16, 2013

MONTEREY DUNES COLONY MUTUAL WATER ASSOCIATION

2013 - 2014 Budget, Final 3-16-13

Summary of Revenues and Expenditures

Line Items	2013-2014 Proposed	2012-2013 Budget	2012-2013 Forecast	2011-2012 Actual	2010-2011 Actual	2009-2010 Actual	2008-2009 Actual	2007-2008 Actual	2006-2007 Actual	2005-2006 Actual	2004-2005 Actual
Income											
MDCA Water Fees	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Miscellaneous Water Fees	\$1,000	\$3,500	\$1,500	\$2,326	\$2,932	\$3,048	\$5,260	\$0	\$0	\$0	\$0
Interest Earned	\$30	\$30	\$15	\$30	\$21	\$15	\$24	\$27	\$38	\$36	\$455
Uncategorized Income					\$66						
Less Income Taxes Paid	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
Total Revenues	\$46,030	\$48,530	\$46,515	\$47,356	\$48,019	\$48,063	\$50,283	\$45,027	\$45,038	\$45,036	\$45,455
Less Allocation to Reserves	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912	\$15,912
Operating Revenue	\$30,118	\$32,618	\$30,603	\$31,444	\$32,107	\$32,151	\$34,371	\$29,115	\$29,126	\$29,124	\$29,543
Operating Expenses											
Year End Audit and Tax Returns	\$4,100	\$3,850	\$3,900	\$3,900	\$3,840	\$3,750	\$3,750	\$3,849	\$3,479	\$3,798	\$3,678
Monthly Bookkeeping Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal	\$75	\$100	\$75	\$71	\$71	\$106	\$100	\$124	\$124	\$103	\$118
Licensed Operator	\$9,168	\$9,168	\$9,168	\$8,797	\$8,688	\$8,476	\$7,938	\$7,530	\$7,200	\$7,200	\$6,513
Franchise Fees	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Licenses, Permits, Fees, Taxes	\$5,500	\$5,600	\$5,100	\$4,865	\$4,920	\$4,696	\$4,629	\$4,085	\$3,601	\$3,283	\$2,370
Maintenance and Repairs	\$4,000	\$4,000	\$4,000	\$13,089	\$1,617	\$3,202	\$5,558	\$2,090	\$9,952	\$3,388	\$7,043
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$367	\$99
Water Testing	\$3,700	\$3,800	\$3,800	\$3,241	\$2,878	\$1,608	\$3,118	\$2,477	\$2,294	\$2,478	\$2,224
Utilities and Chemicals	\$4,500	\$4,500	\$4,500	\$3,024	\$2,911	\$3,351	\$3,294	\$3,359	\$4,095	\$4,261	\$3,371
Contingency	\$500	\$500	\$500	\$601	\$40	\$109	\$90	\$500	\$530	\$381	\$1,074
Taxes penalties and interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Conservation Program	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Income Tax					\$33		\$31	\$56			
Total Operating Expenses	\$31,643	\$31,718	\$31,143	\$37,688	\$25,098	\$25,398	\$28,609	\$24,170	\$31,375	\$25,359	\$26,588
State Income Taxes				\$18							
Total Operating Expense	\$31,643	\$31,718	\$31,143	\$37,706	\$25,098	\$25,398	\$28,609	\$24,170	\$31,375	\$25,359	\$26,588
Net MDCMWA Operating Income	(\$1,525)	\$900	(\$540)	(\$6,262)	\$7,009	\$6,754	\$5,763	\$4,946	(\$2,249)	\$3,765	\$2,955

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 systems, backup power generator support, septic waste water disposal systems and water system testing. The Association staff hosts a 24-hour a day, seven days a week on-call system for support. Office Staff are available during normal business hours, 8 AM to 4:30 PM Monday through Friday. Maintenance personnel 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 change 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), (*or Section 5515 Revised Davis Stirling*).

NOTICE TO MEMBERS

IN ACCORDANCE WITH CIVIL CODE SECTION 1363.05 (e), (*or 4950(b) Revised Davis Stirling*). 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. In addition, in accordance with the Carbon Monoxide Poisoning Prevention Act of 2010, California Health and Safety Code §3260 was signed into law in 2011. It requires carbon monoxide detectors to be installed in every "dwelling unit intended for human occupancy". The code further states that every owner having a fireplace installed in their unit must comply with this installation on or before July 1, 2011.

NOTICE TO MEMBERS

Providing Notice or Delivery to Individuals. (Civil Code §1350.7), New (Civil Code §4040)(a) If a provision of the Davis Stirling Common Interest Development Act requires that the Monterey Dunes Colony Association deliver a document by “individual delivery” or “individual notice,” the document shall be delivered by one of the following methods:

(1) First-class mail, postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service carrier. The document shall be addressed to the recipient at the address last shown on the books of the association.

(2) E-mail, facsimile, or other electronic means, if the recipient has consented, in writing, to that method of delivery. The consent may be revoked, in writing, by the recipient at any time he/she chooses.

(b) Upon receipt of a request by a member, pursuant to Civil Code §1365.1(c), §1367.1(k), New (Civil Code Section §5260), identifying a secondary address for delivery of notices, the association shall deliver an additional copy of those notices to the secondary address identified in the request.

NOTICE TO MEMBERS

“General Notices” such as meeting agendas or other general information are posted on the marquis located outside the colony's main office building.

Other general information can also be found in the association's newsletter published quarterly and sent to all association members.

If a member requests to receive general notices by individual delivery, all general notices to that member will be delivered by first-class mail, postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service carrier, or by e-mail upon written consent.

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, (or Section 5730 (a) and (b), Revised Davis Stirling).

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 non-judicial foreclosure. For liens recorded on or after January 1, 2006, an association may not use judicial or non-judicial 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 non-judicial foreclosure subject to the conditions set forth in Section 1367.4 of the Civil Code, *(or 5705, 5715, and 5720 Revised Davis Stirling)*. When using judicial or non-judicial 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, *or 5600, 5605, 5610, 5740, 5705, 5715 and 5720 Revised Davis Stirling*).

In a judicial or non-judicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use non-judicial 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 and 1367.5 of the Civil Code)

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association, (Section 1367.1(a)5 of the Civil Code). In addition, the association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party (Section 1367.1(a)6 of the Civil Code), (*or 5650(a) and 5660 Revised Davis Stirling*), 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, (or Section 5930 Revised Davis Stirling).*

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.

Internal Dispute Resolution Policy

(CIVIL CODE § 1363.820)

PLEASE TAKE NOTICE: *Pursuant to California Civil Code section 1363.820, (or Section 5905, Revised Davis Stirling), 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 "Internal Dispute Resolution Program" supplements and does not replace the requirement for more formal alternative dispute resolution (ADR) prior to filing an enforcement lawsuit.*

Pursuant to California Civil Code section 1363.820 (section 5900 of the Civil Code effective January 2013), the Monterey Dunes Colony Association (MDCA) provides an informal, internal dispute resolution (IDR) program whose goal is to reach early resolution of disputes over enforcement of the governing documents and/or specified state laws. The Association's IDR 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 an IDR 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 of directors ("board") or to a board representative and attempt to resolve their concerns informally. The IDR 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 reasonable costs as determined by the board which are associated with the program will be borne by the Association
- The Association may be represented at the meeting by the board in whole or in part or by one or more representatives of the board.. The general manager may be invited to the IDR to provide information relevant to the dispute under discussion but shall not be the sole representative of the board. 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. If the dispute concerns other matters including those involving architectural control, maintenance or repairs and such representative is a paid professional (e.g. an architect or structural engineer) the party inviting the representative shall pay any related fees.
- The board of directors shall seek out Facilitators who are homeowners and who have volunteered and been approved by the board to help facilitate conflicts that may arise between homeowners and the board. Such Facilitators will be selected on the basis of integrity, neutrality, listening and communication skills, and the ability to understand and help articulate multiple sides of a dispute and they will each serve at the pleasure of the board. Facilitators will be made known to the MDCA membership, and homeowners or the board may invite a

Facilitator to participate in the IDR at any time prior to or during the IDR process. The Facilitator shall not have any formal mediation authority but rather shall strive to help both parties understand each other and resolve a dispute without having to invoke the ADR process or subsequent litigation.

- Except by mutual agreement by both the homeowner and board, outside attorney participation in the meeting is prohibited in order to foster direct discussions between the parties and to maintain the goal of speedy and inexpensive early resolution. Attorney fees shall be paid by the party engaging such representative. In IDR proceedings, representatives of either a homeowner or the board who are members of the MDCA and who are also active or retired attorneys will not be deemed “outside” counsel provided they are serving as representatives or Facilitators without pay.
- 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. Both shall make reasonable efforts to complete the IDR within 30 days of a request and this time frame may be extended by mutual consent of both parties.
- The IDR session(s) and interaction will not be confidential unless both parties agree in writing in advance that they should be; however, statements made during the IDR process will not be admissible during subsequent proceedings such as ADR or litigation.
- Any agreement reached at the conclusion of the IDR process shall be summarized in writing and signed by both parties including a board designee on behalf of the MDCA. Such agreement shall be available to MDCA homeowners unless both parties agree that it shall remain confidential except as otherwise required by law. If the agreement is confidential however, either party may disclose that there was a dispute that it was resolved and was agreed to be kept confidential.
- An agreement reached under IDR is judicially enforceable if both of the following conditions are met: (a) the agreement is not in conflict with the law or governing documents of the MDCA; AND (b) the agreement is either consistent with the authority granted by the board to its designee or the agreement is ratified by the board.
- If the Association initiates the IDR 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 board shall publish the IDR program guidelines for all MDCA members with the ADR guidelines and distribute them with the annual budget report each year except as required by law. It shall also post them on the Association’s web site in an easy to find link. It shall also provide these guidelines to the Dunescape Newsletter which may publish them periodically or post a reference to them as it deems appropriate.

(Adopted by Resolution of the Board on January 19, 2013)

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. Bugar, 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 March 2013 for implementation in fiscal year 2013-2014, (July 1, 2013 to June 30, 2014). 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 funded for budget year 2013-2014. 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, 2013, through June 30, 2043 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 the most recent Reserve Study update from the Barrera and Company Reserve Specialists. This report describes our projected reserve schedule from July 1, 2013 through June 30, 2014 and shows a “snapshot” of our reserve fund status as of the last day of the fiscal year, (June 30, 2013). This report does not take into account any funds outside of those physically allocated to the reserve account, effective the last day of the report for fiscal year 2012-2013. Consequently, the Barrera and Company Reserve update assigns a Percent Funding level of 28 percent to our reserve account. This funding level is derived by taking the total estimated cash on hand as of June 30, 2013, (\$1,707,459), and dividing it by the funds which would have been in the reserve account, as of the date of the report, (June 30, 2013) had we accumulated the reserve to represent 100% of the cost to repair or replace components as they became due, (\$6,081,816).

Assigning a 28 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 \$1,707,459 available in current reserves as of June 30, 2013. 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% of a “fully funded reserve” by June 30, 2021. In order to be at the 40% funding level as of June 30, 2013, the reserve account would have had to been funded at \$6,081,816 as opposed to its estimated \$1,707,459.

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



BARRERA AND COMPANY
RESERVE SPECIALISTS
Monterey Dunes Colony Association
Castroville, CA
Compliance CC1365.2.5

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

1. The current average regular assessment per ownership interest is: \$1,247.67 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
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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
2031	\$4,549,500	\$3,159

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 03	Included in Reserve Calculations
Decks - Phase 04	Included in Reserve Calculations
Decks - Phase 05	Included in Reserve Calculations
Decks - Phase 06	Included in Reserve Calculations
Decks - Phase 07	Included in Reserve Calculations
Decks - Phase 08	Included in Reserve Calculations
Decks - Phase 09	Included in Reserve Calculations
Decks - Phase 10	Included in Reserve Calculations
Decks - Phase 11	Included in Reserve Calculations
Decks - Phase 12	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/System	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 \$6,081,816, based in whole or in part on the last reserve study or update prepared by Barrera & Company, Inc. as of June 30, 2013. The projected reserve fund cash Balance at the end of the current fiscal year is \$1,707,459, resulting in reserves being 28 % at this date. If an alternate, but generally accepted, method of calculation is also used, the required reserve amount is \$ N/A.



BARRERA AND COMPANY
RESERVE SPECIALISTS
Monterey Dunes Colony Association
Castroville, CA
Compliance CC1365.2.5

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

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	\$775,840	\$538.78	\$508,991	\$1,988,115	\$6,467,144	31%
Year 2	\$775,840	\$538.78	\$501,271	\$2,278,624	\$6,893,796	33%
Year 3	\$775,840	\$538.78	\$313,428	\$2,759,861	\$7,549,195	37%
Year 4	\$775,840	\$538.78	\$498,118	\$3,059,323	\$8,057,168	38%
Year 5	\$775,840	\$538.78	\$295,214	\$3,564,697	\$8,813,208	40%

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 0.75% 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

March-2013

Report Start Date:01-Jul-2013



**BARRERA AND
COMPANY**
RESERVE SPECIALISTS

**Monterey Dunes Colony
Association**
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

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:	39 Years
Fiscal Year End:	30-Jun-2013
Level of Reserve Study:	Level 3: Update (without 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
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PREPARED BY

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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.

Inflation Rate: 3% Interest Rate: 0.75% Funding Rate: 0%



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: 0.75% Funding Rate: 0%

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Percent Funded: 28 %

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	3	9	\$133,750	\$28,163	\$11,146	\$100,313	(\$72,150)	(\$601.25)
Asphalt - Overlay	40	9	31	\$720,100	\$156,679	\$18,003	\$558,078	(\$401,398)	(\$3,344.99)
Asphalt - Repairs	6	4	2	\$38,246	\$3,579	\$6,374	\$12,749	(\$9,170)	(\$76.41)
Boardwalks									
Boardwalk (LS) - 1	20	18	2	\$117,642	\$3,303	\$5,882	\$11,764	(\$8,461)	(\$70.51)
Boardwalk (LS) - 2	20	19	1	\$159,650	\$2,241	\$7,983	\$7,983	(\$5,741)	(\$47.85)
Boardwalk (LS) - 3	20	20	0	\$155,000	\$0	\$7,750	\$0	\$0	\$0.00
Boardwalk (LS) - 4	20	0	20	\$56,212	\$15,781	\$2,811	\$56,212	(\$40,431)	(\$336.92)
Boardwalk (OS)	25	13	12	\$245,973	\$33,147	\$9,839	\$118,067	(\$84,920)	(\$707.67)
Boardwalk (OS)	25	12	13	\$144,240	\$21,057	\$5,770	\$75,005	(\$53,947)	(\$449.56)
Boardwalks - Repairs	10	3	7	\$10,582	\$2,080	\$1,058	\$7,407	(\$5,328)	(\$44.40)
Clubhouse									
Appliances	12	1	11	\$7,071	\$1,820	\$589	\$6,482	(\$4,662)	(\$38.85)
Carpeting	12	1	11	\$8,755	\$2,253	\$730	\$8,025	(\$5,772)	(\$48.10)
Copier	10	5	5	\$6,392	\$897	\$639	\$3,196	(\$2,299)	(\$19.16)
Furniture	12	4	8	\$14,478	\$2,710	\$1,207	\$9,652	(\$6,942)	(\$57.85)
Office Furniture	12	4	8	\$7,212	\$1,350	\$601	\$4,808	(\$3,458)	(\$28.82)
Rest Rooms (Refurbish)	20	12	8	\$13,986	\$1,571	\$699	\$5,594	(\$4,024)	(\$33.53)
Saunas (Refurbish)	8	0	8	\$2,808	\$788	\$351	\$2,808	(\$2,020)	(\$16.83)
Saunas - Heaters (2)	5	0	5	\$4,689	\$1,316	\$938	\$4,689	(\$3,373)	(\$28.10)
Window Coverings	12	4	8	\$6,321	\$1,183	\$527	\$4,214	(\$3,031)	(\$25.26)
Decks									
Decking - Annual Repairs	1	0	1	\$10,000	\$2,807	\$10,000	\$10,000	(\$7,193)	(\$59.94)
Decks - Phase 01	40	28	12	\$147,000	\$12,381	\$3,675	\$44,100	(\$31,719)	(\$264.33)
Decks - Phase 02	40	29	11	\$147,000	\$11,349	\$3,675	\$40,425	(\$29,076)	(\$242.30)
Decks - Phase 03	40	30	10	\$147,000	\$10,317	\$3,675	\$36,750	(\$26,433)	(\$220.27)
Decks - Phase 04	40	31	9	\$147,000	\$9,286	\$3,675	\$33,075	(\$23,789)	(\$198.24)
Decks - Phase 05	40	32	8	\$147,000	\$8,254	\$3,675	\$29,400	(\$21,146)	(\$176.22)
Decks - Phase 06	40	33	7	\$147,000	\$7,222	\$3,675	\$25,725	(\$18,503)	(\$154.19)
Decks - Phase 07	40	34	6	\$147,000	\$6,190	\$3,675	\$22,050	(\$15,860)	(\$132.16)
Decks - Phase 08	40	35	5	\$147,000	\$5,159	\$3,675	\$18,375	(\$13,216)	(\$110.14)
Decks - Phase 09	40	36	4	\$147,000	\$4,127	\$3,675	\$14,700	(\$10,573)	(\$88.11)
Decks - Phase 10	40	37	3	\$147,000	\$3,095	\$3,675	\$11,025	(\$7,930)	(\$66.08)
Decks - Phase 11	40	38	2	\$157,500	\$2,211	\$3,938	\$7,875	(\$5,664)	(\$47.20)
Decks - Phase 12	40	39	1	\$105,000	\$737	\$2,625	\$2,625	(\$1,888)	(\$15.73)
Electrical & Lighting									
Electrical Fixtures (LS) - Annual	1	0	1	\$1,202	\$337	\$1,202	\$1,202	(\$865)	(\$7.20)
Electrical Fixtures (OS) - Annual	1	0	1	\$1,037	\$291	\$1,037	\$1,037	(\$746)	(\$6.22)
Electrical Parking Posts - Ph. 1	25	12	13	\$10,153	\$1,482	\$406	\$5,280	(\$3,797)	(\$31.64)

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Percent Funded: 28 %

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)
Electrical Parking Posts - Ph. 2	25	14	11	\$8,307	\$1,026	\$332	\$3,655	(\$2,629)	(\$21.91)
Electrical Parking Posts - Ph. 3	25	15	10	\$9,230	\$1,037	\$369	\$3,692	(\$2,655)	(\$22.13)
Electrical Parking Posts - Ph. 4	25	17	8	\$11,076	\$995	\$443	\$3,544	(\$2,549)	(\$21.24)
Electrical Parking Posts - Ph. 5	25	21	4	\$7,384	\$332	\$295	\$1,181	(\$850)	(\$7.08)
Meters & Enclosures - Ph. 1	20	3	17	\$60,892	\$14,531	\$3,045	\$51,758	(\$37,227)	(\$310.23)
Meters & Enclosures - Ph. 2	20	0	20	\$60,892	\$17,095	\$3,045	\$60,892	(\$43,797)	(\$364.97)
Meters & Enclosures - Ph. 3	20	2	18	\$60,892	\$15,386	\$3,045	\$54,803	(\$39,417)	(\$328.48)
Meters & Enclosures - Ph. 4	20	6	14	\$60,892	\$11,967	\$3,045	\$42,624	(\$30,658)	(\$255.48)
Meters & Enclosures - Ph. 5	20	7	13	\$60,892	\$11,112	\$3,045	\$39,580	(\$28,468)	(\$237.23)
Meters & Enclosures - Ph. 6	20	8	12	\$60,892	\$10,257	\$3,045	\$36,535	(\$26,278)	(\$218.98)
Fencing, Gates & Walls									
Chain Link - Tennis Courts	15	1	14	\$88,668	\$23,234	\$5,911	\$82,757	(\$59,523)	(\$496.02)
Retaining Walls	15	7	8	\$7,272	\$1,089	\$485	\$3,878	(\$2,790)	(\$23.25)
Wood Fencing, Gates & Posts - 1	20	18	2	\$81,955	\$2,301	\$4,098	\$8,196	(\$5,895)	(\$49.12)
Wood Fencing, Gates & Posts - 2	20	19	1	\$36,050	\$506	\$1,803	\$1,803	(\$1,296)	(\$10.80)
Wood Fencing, Gates & Posts - 3	20	20	0	\$65,000	\$0	\$3,250	\$0	\$0	\$0.00
Wood Fencing, Gates & Posts - 4	20	0	20	\$81,955	\$23,009	\$4,098	\$81,955	(\$58,946)	(\$491.22)
Wood Fencing, Gates & Posts - 5	20	1	19	\$43,518	\$11,607	\$2,176	\$41,342	(\$29,735)	(\$247.79)
Wood Fencing, Gates & Posts - 6	20	2	18	\$60,473	\$15,280	\$3,024	\$54,426	(\$39,146)	(\$326.21)
Miscellaneous									
Company Truck	9	3	6	\$20,107	\$3,763	\$2,234	\$13,405	(\$9,641)	(\$80.34)
Company Truck (Ford)	9	1	8	\$16,391	\$4,090	\$1,821	\$14,570	(\$10,479)	(\$87.33)
Contingency Reserve - Annual	1	0	1	\$32,782	\$9,203	\$32,782	\$32,782	(\$23,579)	(\$196.49)
Fumigation	17	3	14	\$111,458	\$25,770	\$6,556	\$91,789	(\$66,019)	(\$550.16)
Mailbox Clusters - Ph. 1	25	14	11	\$3,856	\$476	\$154	\$1,697	(\$1,220)	(\$10.17)
Mailbox Clusters - Ph. 2	25	18	7	\$3,856	\$303	\$154	\$1,080	(\$777)	(\$6.47)
Mailbox Clusters - Ph. 3	25	19	6	\$3,856	\$260	\$154	\$925	(\$666)	(\$5.55)
Mailbox Clusters - Ph. 4	25	21	4	\$7,712	\$346	\$308	\$1,234	(\$887)	(\$7.40)

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Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Percent Funded: 28 %

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)
Mailbox Clusters - Ph. 5	25	22	3	\$1,928	\$65	\$77	\$231	(\$166)	(\$1.39)
Maintenance Trailer #1	6	2	4	\$2,130	\$399	\$355	\$1,420	(\$1,021)	(\$8.51)
Maintenance Trailer #2	6	3	3	\$2,130	\$299	\$355	\$1,065	(\$766)	(\$6.38)
Organization Signs & Entry Fixt. (A)	20	20	0	\$4,500	\$0	\$225	\$0	\$0	\$0.00
Organization Signs & Entry Fixt. (B)	20	2	18	\$5,769	\$1,458	\$288	\$5,192	(\$3,734)	(\$31.12)
Patio Lattice Repairs - Annual	1	0	1	\$2,186	\$614	\$2,186	\$2,186	(\$1,572)	(\$13.10)
Power Tools & Equip. - Annual	1	0	1	\$6,775	\$1,902	\$6,775	\$6,775	(\$4,873)	(\$40.61)
Reserve Study (Analysis) - Annual	1	0	1	\$1,000	\$281	\$1,000	\$1,000	(\$719)	(\$5.99)
Reserve Study (Inspection)	3	0	3	\$1,266	\$355	\$422	\$1,266	(\$911)	(\$7.59)
Unit Entrance Cluster Signs	20	17	3	\$7,649	\$322	\$382	\$1,147	(\$825)	(\$6.88)
Water Barriers - Annual	1	1	0	\$1,311	\$0	\$1,311	\$0	\$0	\$0.00
Wood Trim Replace - Annual	1	0	1	\$16,391	\$4,602	\$16,391	\$16,391	(\$11,789)	(\$98.24)
Painting									
Wood Trim - Ph. 1	5	1	4	\$46,792	\$10,509	\$9,358	\$37,434	(\$26,924)	(\$224.37)
Wood Trim - Ph. 2	5	4	1	\$20,600	\$1,157	\$4,120	\$4,120	(\$2,963)	(\$24.69)
Wood Trim - Ph. 3	5	0	5	\$11,043	\$3,100	\$2,209	\$11,043	(\$7,943)	(\$66.19)
Pool & Spa									
Pool - Chlorinator	6	0	6	\$481	\$135	\$80	\$481	(\$346)	(\$2.88)
Pool - Cover	4	3	1	\$3,090	\$217	\$773	\$773	(\$556)	(\$4.63)
Pool - Filter	12	2	10	\$1,912	\$447	\$159	\$1,593	(\$1,146)	(\$9.55)
Pool - Heater	4	1	3	\$4,027	\$848	\$1,007	\$3,020	(\$2,172)	(\$18.10)
Pool - Pump / Motor	4	0	4	\$747	\$210	\$187	\$747	(\$537)	(\$4.48)
Pool - Resurface	15	4	11	\$29,560	\$6,086	\$1,971	\$21,677	(\$15,591)	(\$129.93)
Pool - Tile	15	2	13	\$7,388	\$1,798	\$493	\$6,403	(\$4,605)	(\$38.38)
Spa - Chlorinator	6	2	4	\$481	\$90	\$80	\$321	(\$231)	(\$1.92)
Spa - Filter	10	4	6	\$1,417	\$239	\$142	\$850	(\$612)	(\$5.10)
Spa - Heater	4	2	2	\$3,183	\$447	\$796	\$1,592	(\$1,145)	(\$9.54)
Spa - Pump / Motor	2	0	2	\$1,292	\$363	\$646	\$1,292	(\$929)	(\$7.74)
Spa - Re-Tile	20	12	8	\$6,053	\$680	\$303	\$2,421	(\$1,741)	(\$14.51)
Recreation Areas									
Bocce Ball Court	30	24	6	\$3,223	\$181	\$107	\$645	(\$464)	(\$3.86)
Mini Driving Range - Equipment	5	5	0	\$1,214	\$0	\$243	\$0	\$0	\$0.00
Mini Driving Range - Resurface	10	4	6	\$11,938	\$2,011	\$1,194	\$7,163	(\$5,152)	(\$42.93)
Multit-use Sport Court -									

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Percent Funded: 28 %

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)
Equipment	5	5	0	\$4,057	\$0	\$811	\$0	\$0	\$0.00
Mult-use Sport Court - Replace	20	14	6	\$69,552	\$5,858	\$3,478	\$20,866	(\$15,008)	(\$125.06)
Mult-use Sport Court - Resurface/Stripe	5	5	0	\$3,488	\$0	\$698	\$0	\$0	\$0.00
Putting Green	10	4	6	\$17,909	\$3,017	\$1,791	\$10,745	(\$7,729)	(\$64.41)
Sport Court #3	10	1	9	\$32,611	\$8,240	\$3,261	\$29,350	(\$21,110)	(\$175.92)
Tennis Courts #1 - Resurface	5	5	0	\$3,387	\$0	\$677	\$0	\$0	\$0.00
Tennis Courts #2 - Resurface	5	5	0	\$3,387	\$0	\$677	\$0	\$0	\$0.00
Tennis Courts (1 & 2) Rebuild	20	13	7	\$212,874	\$20,917	\$10,644	\$74,506	(\$53,589)	(\$446.57)
Windscreens - Tennis Courts	10	0	10	\$5,807	\$1,630	\$581	\$5,807	(\$4,177)	(\$34.81)
Roofing									
Built-Up Roofing - Ph. 1	20	7	13	\$79,960	\$14,592	\$3,998	\$51,974	(\$37,382)	(\$311.52)
Built-Up Roofing - Ph. 2	20	17	3	\$65,640	\$2,764	\$3,282	\$9,846	(\$7,082)	(\$59.01)
Built-Up Roofing - Ph. 3	20	18	2	\$47,659	\$1,338	\$2,383	\$4,766	(\$3,428)	(\$28.57)
Built-Up Roofing - Ph. 4	20	19	1	\$72,100	\$1,012	\$3,605	\$3,605	(\$2,593)	(\$21.61)
Built-Up Roofing - Ph. 5	20	20	0	\$70,000	\$0	\$3,500	\$0	\$0	\$0.00
Built-Up Roofing - Ph. 6	20	0	20	\$55,361	\$15,543	\$2,768	\$55,361	(\$39,818)	(\$331.82)
Built-Up Roofing - Ph. 7	20	1	19	\$59,940	\$15,987	\$2,997	\$56,943	(\$40,956)	(\$341.30)
Chimney Chase Caps - Annual	1	0	1	\$4,960	\$1,393	\$4,960	\$4,960	(\$3,567)	(\$29.73)
Skylights (Flat)	25	7	18	\$21,809	\$4,408	\$872	\$15,702	(\$11,294)	(\$94.12)
Skylights (Sloped) - Ph. 1	20	5	15	\$58,307	\$12,277	\$2,915	\$43,730	(\$31,453)	(\$262.11)
Skylights (Sloped) - Ph. 2	20	8	12	\$58,307	\$9,822	\$2,915	\$34,984	(\$25,162)	(\$209.69)
Skylights (Sloped) - Ph. 3	20	11	9	\$58,307	\$7,366	\$2,915	\$26,238	(\$18,872)	(\$157.27)
Skylights - Large (Phase 1)	25	1	24	\$10,882	\$2,933	\$435	\$10,447	(\$7,514)	(\$62.62)
Skylights - Large (Phase 2)	25	2	23	\$32,655	\$8,434	\$1,306	\$30,043	(\$21,608)	(\$180.07)
Wood Shake - Ph. 1	24	5	19	\$207,180	\$46,048	\$8,633	\$164,018	(\$117,970)	(\$983.08)
Wood Shake - Ph. 10	24	14	10	\$207,180	\$24,236	\$8,633	\$86,325	(\$62,089)	(\$517.41)
Wood Shake - Ph. 11	24	15	9	\$32,782	\$3,451	\$1,366	\$12,293	(\$8,842)	(\$73.68)
Wood Shake - Ph. 2	24	6	18	\$207,180	\$43,624	\$8,633	\$155,385	(\$111,761)	(\$931.34)
Wood Shake - Ph. 3	24	7	17	\$207,180	\$41,201	\$8,633	\$146,753	(\$105,552)	(\$879.60)
Wood Shake - Ph. 4	24	8	16	\$207,180	\$38,777	\$8,633	\$138,120	(\$99,343)	(\$827.86)
Wood Shake - Ph. 5	24	9	15	\$207,180	\$36,353	\$8,633	\$129,488	(\$93,134)	(\$776.12)
Wood Shake - Ph. 6	24	10	14	\$207,180	\$33,930	\$8,633	\$120,855	(\$86,925)	(\$724.38)
Wood Shake - Ph. 7	24	11	13	\$207,180	\$31,506	\$8,633	\$112,223	(\$80,716)	(\$672.64)
Wood Shake - Ph. 8	24	12	12	\$207,180	\$29,083	\$8,633	\$103,590	(\$74,507)	(\$620.89)

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Percent Funded: 28 %

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 Shake - Ph. 9	24	13	11	\$207,180	\$26,659	\$8,633	\$94,958	(\$68,298)	(\$569.15)
Security Systems									
Gate Card Entry System	8	2	6	\$6,687	\$1,408	\$836	\$5,015	(\$3,607)	(\$30.06)
Gate Telephone System	8	0	8	\$7,025	\$1,972	\$878	\$7,025	(\$5,053)	(\$42.11)
Vehicle Gates	12	11	1	\$7,024	\$164	\$585	\$585	(\$421)	(\$3.51)
Vehicle Gates - Motors	12	1	11	\$10,380	\$2,671	\$865	\$9,515	(\$6,844)	(\$57.03)
Windows & Doors									
Exterior Entry Doors - Annual	1	0	1	\$5,160	\$1,449	\$5,160	\$5,160	(\$3,711)	(\$30.93)
Garage Doors - Annual	1	0	1	\$2,732	\$767	\$2,732	\$2,732	(\$1,965)	(\$16.37)
Windows/SGD - Ph. 01	25	12	13	\$392,945	\$57,366	\$15,718	\$204,331	(\$146,966)	(\$1,224.71)
Windows/SGD - Ph. 02	25	13	12	\$392,945	\$52,953	\$15,718	\$188,614	(\$135,661)	(\$1,130.51)
Windows/SGD - Ph. 03	25	14	11	\$392,945	\$48,540	\$15,718	\$172,896	(\$124,356)	(\$1,036.30)
Windows/SGD - Ph. 04	25	15	10	\$392,945	\$44,127	\$15,718	\$157,178	(\$113,051)	(\$942.09)
Windows/SGD - Ph. 05	25	16	9	\$392,945	\$39,715	\$15,718	\$141,460	(\$101,746)	(\$847.88)
Windows/SGD - Ph. 06	25	17	8	\$261,363	\$23,481	\$10,455	\$83,636	(\$60,155)	(\$501.29)
Windows/SGD - Ph. 07	25	18	7	\$261,363	\$20,546	\$10,455	\$73,182	(\$52,636)	(\$438.63)
Windows/SGD - Ph. 08	25	20	5	\$216,300	\$12,145	\$8,652	\$43,260	(\$31,115)	(\$259.29)
Windows/SGD - Ph. 09	25	21	4	\$273,980	\$12,307	\$10,959	\$43,837	(\$31,530)	(\$262.75)
Windows/SGD - Ph. 10	25	22	3	\$272,178	\$9,170	\$10,887	\$32,661	(\$23,492)	(\$195.76)
Windows/SGD - Ph. 11	25	23	2	\$135,188	\$3,036	\$5,408	\$10,815	(\$7,779)	(\$64.82)
Windows/SGD - Ph. 12	25	24	1	\$63,088	\$708	\$2,524	\$2,524	(\$1,815)	(\$15.13)
Windows/SGD - Ph. 13	25	25	0	\$135,188	\$0	\$5,408	\$0	\$0	\$0.00
Windows/SGD - Ph. 14	25	0	25	\$135,188	\$37,954	\$5,408	\$135,188	(\$97,234)	(\$810.28)
Windows/SGD - Ph. 15	25	1	24	\$72,100	\$19,432	\$2,884	\$69,216	(\$49,784)	(\$414.86)
Windows/SGD Alum. - Ph. 1	15	2	13	\$27,038	\$6,579	\$1,803	\$23,433	(\$16,854)	(\$140.45)
Windows/SGD Alum. - Ph. 2	15	3	12	\$27,038	\$6,073	\$1,803	\$21,630	(\$15,557)	(\$129.65)
Windows/SGD Alum. - Ph. 3	15	4	11	\$27,038	\$5,567	\$1,803	\$19,828	(\$14,261)	(\$118.84)
Windows/SGD Alum. - Ph. 4	15	5	10	\$27,038	\$5,060	\$1,803	\$18,025	(\$12,965)	(\$108.04)
Windows/SGD Alum. - Ph. 5	15	6	9	\$27,038	\$4,554	\$1,803	\$16,223	(\$11,668)	(\$97.23)
Windows/SGD Alum. - Ph. 6	15	7	8	\$27,038	\$4,048	\$1,803	\$14,420	(\$10,372)	(\$86.43)
Windows/SGD Alum. - Ph. 7	15	8	7	\$27,038	\$3,542	\$1,803	\$12,618	(\$9,075)	(\$75.63)
Windows/SGD Alum. - Ph. 8	15	9	6	\$27,038	\$3,036	\$1,803	\$10,815	(\$7,779)	(\$64.82)
Windows/SGD Alum. - Ph. 9	15	10	5	\$27,038	\$2,530	\$1,803	\$9,013	(\$6,482)	(\$54.02)
Wood Siding									

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Percent Funded: 28 %

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 (S.) - Repairs - 1	20	10	10	\$13,434	\$1,886	\$672	\$6,717	(\$4,831)	(\$40.26)
Wood Siding (S.) - Repairs - 2	20	11	9	\$13,434	\$1,697	\$672	\$6,045	(\$4,348)	(\$36.23)
Wood Siding (S.) - Repairs - 3	20	12	8	\$13,402	\$1,505	\$670	\$5,361	(\$3,856)	(\$32.13)
Wood Siding - Ph. 1	25	14	11	\$154,949	\$19,141	\$6,198	\$68,178	(\$49,037)	(\$408.64)
Wood Siding - Ph. 2	25	15	10	\$299,837	\$33,671	\$11,993	\$119,935	(\$86,263)	(\$718.86)
Wood Siding - Ph. 3	25	16	9	\$316,972	\$32,036	\$12,679	\$114,110	(\$82,074)	(\$683.95)
Wood Siding - Ph. 3 (a)	25	17	8	\$204,188	\$18,344	\$8,168	\$65,340	(\$46,996)	(\$391.63)
Wood Siding - Ph. 4	25	18	7	\$318,098	\$25,006	\$12,724	\$89,067	(\$64,062)	(\$533.85)
Wood Siding - Ph. 5	25	20	5	\$222,694	\$12,504	\$8,908	\$44,539	(\$32,035)	(\$266.96)
Wood Siding - Ph. 6	25	21	4	\$327,639	\$14,717	\$13,106	\$52,422	(\$37,705)	(\$314.21)
Wood Siding - Ph. 7	25	22	3	\$327,639	\$11,038	\$13,106	\$39,317	(\$28,279)	(\$235.65)
Wood Siding - Ph. 8	25	23	2	\$131,127	\$2,945	\$5,245	\$10,490	(\$7,545)	(\$62.88)
Wood Siding - Ph. 9	25	24	1	\$63,654	\$715	\$2,546	\$2,546	(\$1,831)	(\$15.26)



Monterey Dunes Colony Association
 Castroville, CA

Date: 20-Mar-2013
 Units: 120
 Fiscal Year End: 30-Jun-2013
 Report Start Date: 01-Jul-2013

Percent Funded: 28 %

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 \$14,515,344	\$1,707,459	\$705,955	\$6,081,816	(\$4,374,357)	(\$36,452.98)

PERCENTAGE FUNDED & DEFINITIONS

Based on the estimated total current replacement cost of \$14,515,344 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 \$705,955 and the Fully Funded Reserve as of fiscal year-end 30-Jun-2013 is \$6,081,816. As of this date, the Association has projected \$1,707,459 to be in savings available for reserves. This will be a deficit of \$4,374,357 under the Fully Funded Reserve. Based on these numbers, the Monterey Dunes Colony Association will be 28 % funded as of 30-Jun-2013.

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-Mar-2013
 Units: 120
 Fiscal Year End: 30-Jun-2013
 Report Start Date: 01-Jul-2013

Category	Component	Service Life	Replacement Cost	Projected Cost
2013				
Boardwalks	Boardwalk (LS) - 4	20	\$56,212	\$56,212
Clubhouse	Saunas - Heaters (2)	5	\$4,689	\$4,689
Clubhouse	Saunas (Refurbish)	8	\$2,808	\$2,808
Decks	Decking - Annual Repairs	1	\$10,000	\$10,000
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,202
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,037
Electrical & Lighting	Meters & Enclosures - Ph. 2	20	\$60,892	\$60,892
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 4	20	\$81,955	\$81,955
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$32,782
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,186
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$6,775
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,000
Miscellaneous	Reserve Study (Inspection)	3	\$1,266	\$1,266
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$16,391
Painting	Wood Trim - Ph. 3	5	\$11,043	\$11,043
Pool & Spa	Pool - Chlorinator	6	\$481	\$481
Pool & Spa	Pool - Pump / Motor	4	\$747	\$747
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,292
Recreation Areas	Windscreens - Tennis Courts	10	\$5,807	\$5,807
Roofing	Built-Up Roofing - Ph. 6	20	\$55,361	\$55,361
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$4,960
Security Systems	Gate Telephone System	8	\$7,025	\$7,025
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$5,160
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$2,732
Windows & Doors	Windows/SGD - Ph. 14	25	\$135,188	\$135,188
			Total for 2013:	\$508,991
2014				
Clubhouse	Appliances	12	\$7,071	\$7,283
Clubhouse	Carpeting	12	\$8,755	\$9,018
Decks	Decking - Annual Repairs	1	\$10,000	\$10,300
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,238
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,068
Fencing, Gates & Walls	Chain Link - Tennis Courts	15	\$88,668	\$91,328
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 5	20	\$43,518	\$44,824
Miscellaneous	Company Truck (Ford)	9	\$16,391	\$16,883
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$33,765
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,252
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$6,978
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,030
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,350
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$16,883
Painting	Wood Trim - Ph. 1	5	\$46,792	\$48,196
Pool & Spa	Pool - Heater	4	\$4,027	\$4,148
Recreation Areas	Sport Court #3	10	\$32,611	\$33,589



Monterey Dunes Colony Association
 Castroville, CA

Date: 20-Mar-2013
 Units: 120
 Fiscal Year End: 30-Jun-2013
 Report Start Date: 01-Jul-2013

Category	Component	Service Life	Replacement Cost	Projected Cost
Roofing	Built-Up Roofing - Ph. 7	20	\$59,940	\$61,738
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$5,109
Roofing	Skylights - Large (Phase 1)	25	\$10,882	\$11,208
Security Systems	Vehicle Gates - Motors	12	\$10,380	\$10,691
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$5,315
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$2,814
Windows & Doors	Windows/SGD - Ph. 15	25	\$72,100	\$74,263
			Total for 2014:	\$501,271
2015				
Decks	Decking - Annual Repairs	1	\$10,000	\$10,609
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,275
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,100
Electrical & Lighting	Meters & Enclosures - Ph. 3	20	\$60,892	\$64,600
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 6	20	\$60,473	\$64,156
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$34,778
Miscellaneous	Maintenance Trailer #1	6	\$2,130	\$2,260
Miscellaneous	Organization Signs & Entry Fixt. (B)	20	\$5,769	\$6,120
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,319
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$7,188
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,061
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,391
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$17,389
Pool & Spa	Pool - Filter	12	\$1,912	\$2,028
Pool & Spa	Pool - Tile	15	\$7,388	\$7,838
Pool & Spa	Spa - Chlorinator	6	\$481	\$510
Pool & Spa	Spa - Heater	4	\$3,183	\$3,377
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,371
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$5,262
Roofing	Skylights - Large (Phase 2)	25	\$32,655	\$34,644
Security Systems	Gate Card Entry System	8	\$6,687	\$7,094
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$5,474
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$2,898
Windows & Doors	Windows/SGD Alum. - Ph. 1	15	\$27,038	\$28,684
			Total for 2015:	\$313,428
2016				
Asphalt & Concrete Surfaces	Asphalt - Chip & Seal	12	\$133,750	\$146,152
Boardwalks	Boardwalks - Repairs	10	\$10,582	\$11,563
Decks	Decking - Annual Repairs	1	\$10,000	\$10,927
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,313
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,133
Electrical & Lighting	Meters & Enclosures - Ph. 1	20	\$60,892	\$66,538
Miscellaneous	Company Truck	9	\$20,107	\$21,971
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$35,822
Miscellaneous	Fumigation	17	\$111,458	\$121,793
Miscellaneous	Maintenance Trailer #2	6	\$2,130	\$2,328



BARRERA AND COMPANY
RESERVE SPECIALISTS
Monterey Dunes Colony Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Category	Component	Service Life	Replacement Cost	Projected Cost
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,389
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$7,403
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,093
Miscellaneous	Reserve Study (Inspection)	3	\$1,266	\$1,383
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,433
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$17,911
Pool & Spa	Pool - Cover	4	\$3,090	\$3,377
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$5,420
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$5,638
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$2,985
Windows & Doors	Windows/SGD Alum. - Ph. 2	15	\$27,038	\$29,545
			Total for 2016:	\$498,118
2017				
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$38,246	\$43,046
Clubhouse	Furniture	12	\$14,478	\$16,295
Clubhouse	Office Furniture	12	\$7,212	\$8,117
Clubhouse	Window Coverings	12	\$6,321	\$7,114
Decks	Decking - Annual Repairs	1	\$10,000	\$11,255
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,353
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,167
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$36,896
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,460
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$7,625
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,126
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,476
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$18,448
Painting	Wood Trim - Ph. 2	5	\$20,600	\$23,185
Pool & Spa	Pool - Pump / Motor	4	\$747	\$841
Pool & Spa	Pool - Resurface	15	\$29,560	\$33,270
Pool & Spa	Spa - Filter	10	\$1,417	\$1,595
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,454
Recreation Areas	Mini Driving Range - Resurface	10	\$11,938	\$13,436
Recreation Areas	Putting Green	10	\$17,909	\$20,157
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$5,583
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$5,808
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$3,075
Windows & Doors	Windows/SGD Alum. - Ph. 3	15	\$27,038	\$30,431
			Total for 2017:	\$295,214
2018				
Clubhouse	Copier	10	\$6,392	\$7,410
Clubhouse	Saunas - Heaters (2)	5	\$4,689	\$5,436
Decks	Decking - Annual Repairs	1	\$10,000	\$11,593
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,393
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,202
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$38,003



BARRERA AND COMPANY
RESERVE SPECIALISTS
Monterey Dunes Colony Association
Castroville, CA

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Category	Component	Service Life	Replacement Cost	Projected Cost
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,534
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$7,854
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,159
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,520
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$19,002
Painting	Wood Trim - Ph. 3	5	\$11,043	\$12,802
Pool & Spa	Pool - Heater	4	\$4,027	\$4,668
Recreation Areas	Mini Driving Range - Equipment	5	\$1,214	\$1,407
Recreation Areas	Multit-use Sport Court - Equipment	5	\$4,057	\$4,703
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,488	\$4,044
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,387	\$3,926
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,387	\$3,926
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$5,750
Roofing	Skylights (Sloped) - Ph. 1	20	\$58,307	\$67,594
Roofing	Wood Shake - Ph. 1	24	\$207,180	\$240,178
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$5,982
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$3,167
Windows & Doors	Windows/SGD Alum. - Ph. 4	15	\$27,038	\$31,344
			Total for 2018:	\$486,599
2019				
Decks	Decking - Annual Repairs	1	\$10,000	\$11,941
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,435
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,238
Electrical & Lighting	Meters & Enclosures - Ph. 4	20	\$60,892	\$72,708
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$39,143
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,610
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$8,090
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,194
Miscellaneous	Reserve Study (Inspection)	3	\$1,266	\$1,512
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,565
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$19,572
Painting	Wood Trim - Ph. 1	5	\$46,792	\$55,872
Pool & Spa	Pool - Chlorinator	6	\$481	\$574
Pool & Spa	Spa - Heater	4	\$3,183	\$3,801
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,543
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$5,922
Roofing	Wood Shake - Ph. 2	24	\$207,180	\$247,384
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$6,161
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$3,262
Windows & Doors	Windows/SGD Alum. - Ph. 5	15	\$27,038	\$32,284
			Total for 2019:	\$517,812
2020				
Decks	Decking - Annual Repairs	1	\$10,000	\$12,299
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,478



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Category	Component	Service Life	Replacement Cost	Projected Cost
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,275
Electrical & Lighting	Meters & Enclosures - Ph. 5	20	\$60,892	\$74,889
Fencing, Gates & Walls	Retaining Walls	15	\$7,272	\$8,944
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$40,318
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,689
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$8,332
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,230
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,612
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$20,159
Pool & Spa	Pool - Cover	4	\$3,090	\$3,800
Roofing	Built-Up Roofing - Ph. 1	20	\$79,960	\$98,341
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$6,100
Roofing	Skylights (Flat)	25	\$21,809	\$26,822
Roofing	Wood Shake - Ph. 3	24	\$207,180	\$254,805
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$6,346
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$3,360
Windows & Doors	Windows/SGD Alum. - Ph. 6	15	\$27,038	\$33,253
			Total for 2020:	\$606,053
2021				
Clubhouse	Saunas (Refurbish)	8	\$2,808	\$3,557
Decks	Decking - Annual Repairs	1	\$10,000	\$12,668
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,523
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,314
Electrical & Lighting	Meters & Enclosures - Ph. 6	20	\$60,892	\$77,136
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$41,527
Miscellaneous	Maintenance Trailer #1	6	\$2,130	\$2,698
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,769
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$8,582
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,267
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,661
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$20,764
Pool & Spa	Pool - Pump / Motor	4	\$747	\$946
Pool & Spa	Spa - Chlorinator	6	\$481	\$609
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,637
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$6,283
Roofing	Skylights (Sloped) - Ph. 2	20	\$58,307	\$73,862
Roofing	Wood Shake - Ph. 4	24	\$207,180	\$262,449
Security Systems	Gate Telephone System	8	\$7,025	\$8,899
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$6,537
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$3,461
Windows & Doors	Windows/SGD Alum. - Ph. 7	15	\$27,038	\$34,250
			Total for 2021:	\$574,399
2022				
Asphalt & Concrete Surfaces	Asphalt - Overlay	40	\$720,100	\$939,567
Decks	Decking - Annual Repairs	1	\$10,000	\$13,048



BARRERA AND COMPANY
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Category	Component	Service Life	Replacement Cost	Projected Cost
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,568
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,353
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$42,773
Miscellaneous	Maintenance Trailer #2	6	\$2,130	\$2,779
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,852
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$8,840
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,305
Miscellaneous	Reserve Study (Inspection)	3	\$1,266	\$1,652
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,711
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$21,387
Painting	Wood Trim - Ph. 2	5	\$20,600	\$26,878
Pool & Spa	Pool - Heater	4	\$4,027	\$5,254
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$6,472
Roofing	Wood Shake - Ph. 5	24	\$207,180	\$270,323
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$6,733
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$3,565
Windows & Doors	Windows/SGD Alum. - Ph. 8	15	\$27,038	\$35,278
			Total for 2022:	\$1,393,337

2023

Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$38,246	\$51,399
Clubhouse	Saunas - Heaters (2)	5	\$4,689	\$6,302
Decks	Decking - Annual Repairs	1	\$10,000	\$13,439
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,615
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,394
Miscellaneous	Company Truck (Ford)	9	\$16,391	\$22,028
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$44,056
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$2,938
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$9,105
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,344
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,762
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$22,028
Painting	Wood Trim - Ph. 3	5	\$11,043	\$14,841
Pool & Spa	Spa - Heater	4	\$3,183	\$4,278
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,736
Recreation Areas	Mini Driving Range - Equipment	5	\$1,214	\$1,632
Recreation Areas	Multit-use Sport Court - Equipment	5	\$4,057	\$5,452
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,488	\$4,688
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,387	\$4,552
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,387	\$4,552
Recreation Areas	Windscreens - Tennis Courts	10	\$5,807	\$7,804
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$6,666
Roofing	Wood Shake - Ph. 6	24	\$207,180	\$278,433
Security Systems	Gate Card Entry System	8	\$6,687	\$8,987
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$6,935



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Category	Component	Service Life	Replacement Cost	Projected Cost
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$3,672
Windows & Doors	Windows/SGD Alum. - Ph. 9	15	\$27,038	\$36,336
Wood Siding	Wood Siding (S.) - Repairs - 1	20	\$13,434	\$18,054
			Total for 2023:	\$586,026
2024				
Decks	Decking - Annual Repairs	1	\$10,000	\$13,842
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,664
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,435
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$45,378
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$3,026
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$9,378
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,384
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,815
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$22,689
Painting	Wood Trim - Ph. 1	5	\$46,792	\$64,771
Pool & Spa	Pool - Cover	4	\$3,090	\$4,277
Recreation Areas	Sport Court #3	10	\$32,611	\$45,141
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$6,866
Roofing	Skylights (Sloped) - Ph. 3	20	\$58,307	\$80,711
Roofing	Wood Shake - Ph. 7	24	\$207,180	\$286,786
Security Systems	Vehicle Gates	12	\$7,024	\$9,723
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$7,143
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$3,782
Wood Siding	Wood Siding (S.) - Repairs - 2	20	\$13,434	\$18,596
			Total for 2024:	\$628,406
2025				
Boardwalks	Boardwalk (OS)	25	\$144,240	\$205,652
Clubhouse	Rest Rooms (Refurbish)	20	\$13,986	\$19,941
Decks	Decking - Annual Repairs	1	\$10,000	\$14,258
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,714
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,479
Electrical & Lighting	Electrical Parking Posts - Ph. 1	25	\$10,153	\$14,476
Miscellaneous	Company Truck	9	\$20,107	\$28,668
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$46,739
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$3,117
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$9,660
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,426
Miscellaneous	Reserve Study (Inspection)	3	\$1,266	\$1,805
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,869
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$23,370
Pool & Spa	Pool - Chlorinator	6	\$481	\$686
Pool & Spa	Pool - Pump / Motor	4	\$747	\$1,065
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,842
Pool & Spa	Spa - Re-Tile	20	\$6,053	\$8,630
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$7,072



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Category	Component	Service Life	Replacement Cost	Projected Cost
Roofing	Wood Shake - Ph. 8	24	\$207,180	\$295,389
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$7,357
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$3,895
Windows & Doors	Windows/SGD - Ph. 01	25	\$392,945	\$560,246
Wood Siding	Wood Siding (S.) - Repairs - 3	20	\$13,402	\$19,108
			Total for 2025:	\$1,279,461
2026				
Boardwalks	Boardwalk (OS)	25	\$245,973	\$361,220
Boardwalks	Boardwalks - Repairs	10	\$10,582	\$15,540
Clubhouse	Appliances	12	\$7,071	\$10,384
Clubhouse	Carpeting	12	\$8,755	\$12,857
Decks	Decking - Annual Repairs	1	\$10,000	\$14,685
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,765
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,523
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$48,141
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$3,210
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$9,949
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,469
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,925
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$24,071
Pool & Spa	Pool - Heater	4	\$4,027	\$5,914
Recreation Areas	Tennis Courts (1 & 2) Rebuild	20	\$212,874	\$312,613
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$7,284
Roofing	Wood Shake - Ph. 9	24	\$207,180	\$304,251
Security Systems	Vehicle Gates - Motors	12	\$10,380	\$15,243
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$7,578
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$4,012
Windows & Doors	Windows/SGD - Ph. 02	25	\$392,945	\$577,053
			Total for 2026:	\$1,740,687
2027				
Decks	Decking - Annual Repairs	1	\$10,000	\$15,126
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,818
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,569
Electrical & Lighting	Electrical Parking Posts - Ph. 2	25	\$8,307	\$12,565
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$49,586
Miscellaneous	Mailbox Clusters - Ph. 1	25	\$3,856	\$5,833
Miscellaneous	Maintenance Trailer #1	6	\$2,130	\$3,222
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$3,307
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$10,248
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,513
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$1,983
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$24,793
Painting	Wood Trim - Ph. 2	5	\$20,600	\$31,159
Pool & Spa	Pool - Filter	12	\$1,912	\$2,892
Pool & Spa	Spa - Chlorinator	6	\$481	\$728



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Category	Component	Service Life	Replacement Cost	Projected Cost
Pool & Spa	Spa - Filter	10	\$1,417	\$2,143
Pool & Spa	Spa - Heater	4	\$3,183	\$4,815
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,954
Recreation Areas	Mini Driving Range - Resurface	10	\$11,938	\$18,057
Recreation Areas	Multit-use Sport Court - Replace	20	\$69,552	\$105,204
Recreation Areas	Putting Green	10	\$17,909	\$27,089
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$7,502
Roofing	Wood Shake - Ph. 10	24	\$207,180	\$313,378
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$7,805
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$4,132
Windows & Doors	Windows/SGD - Ph. 03	25	\$392,945	\$594,365
Wood Siding	Wood Siding - Ph. 1	25	\$154,949	\$234,374
Total for 2027:				\$1,487,159
2028				
Asphalt & Concrete Surfaces	Asphalt - Chip & Seal	12	\$133,750	\$208,378
Clubhouse	Copier	10	\$6,392	\$9,959
Clubhouse	Saunas - Heaters (2)	5	\$4,689	\$7,305
Decks	Decking - Annual Repairs	1	\$10,000	\$15,580
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,873
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,616
Electrical & Lighting	Electrical Parking Posts - Ph. 3	25	\$9,230	\$14,380
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$51,073
Miscellaneous	Maintenance Trailer #2	6	\$2,130	\$3,318
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$3,406
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$10,555
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,558
Miscellaneous	Reserve Study (Inspection)	3	\$1,266	\$1,972
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,042
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$25,537
Painting	Wood Trim - Ph. 3	5	\$11,043	\$17,205
Pool & Spa	Pool - Cover	4	\$3,090	\$4,814
Recreation Areas	Mini Driving Range - Equipment	5	\$1,214	\$1,891
Recreation Areas	Multit-use Sport Court - Equipment	5	\$4,057	\$6,321
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,488	\$5,434
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,387	\$5,277
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,387	\$5,277
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$7,728
Roofing	Wood Shake - Ph. 11	24	\$32,782	\$51,073
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$8,039
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$4,256
Windows & Doors	Windows/SGD - Ph. 04	25	\$392,945	\$612,196
Wood Siding	Wood Siding - Ph. 2	25	\$299,837	\$467,136
Total for 2028:				\$1,555,199
2029				



Monterey Dunes Colony Association
 Castroville, CA

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Category	Component	Service Life	Replacement Cost	Projected Cost
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$38,246	\$61,374
Clubhouse	Furniture	12	\$14,478	\$23,233
Clubhouse	Office Furniture	12	\$7,212	\$11,573
Clubhouse	Saunas (Refurbish)	8	\$2,808	\$4,506
Clubhouse	Window Coverings	12	\$6,321	\$10,143
Decks	Decking - Annual Repairs	1	\$10,000	\$16,047
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,929
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,664
Fencing, Gates & Walls	Chain Link - Tennis Courts	15	\$88,668	\$142,286
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$52,605
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$3,508
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$10,872
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,605
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,104
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$26,303
Painting	Wood Trim - Ph. 1	5	\$46,792	\$75,087
Pool & Spa	Pool - Pump / Motor	4	\$747	\$1,199
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,073
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$7,959
Security Systems	Gate Telephone System	8	\$7,025	\$11,273
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$8,280
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$4,384
Windows & Doors	Windows/SGD - Ph. 05	25	\$392,945	\$630,561
Wood Siding	Wood Siding - Ph. 3	25	\$316,972	\$508,647
			Total for 2029:	\$1,619,216
2030				
Decks	Decking - Annual Repairs	1	\$10,000	\$16,528
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$1,987
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,714
Electrical & Lighting	Electrical Parking Posts - Ph. 4	25	\$11,076	\$18,307
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$54,184
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$3,613
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$11,198
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,653
Miscellaneous	Unit Entrance Cluster Signs	20	\$7,649	\$12,643
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,167
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$27,092
Pool & Spa	Pool - Heater	4	\$4,027	\$6,656
Pool & Spa	Pool - Tile	15	\$7,388	\$12,211
Roofing	Built-Up Roofing - Ph. 2	20	\$65,640	\$108,493
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$8,198
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$8,529
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$4,516
Windows & Doors	Windows/SGD - Ph. 06	25	\$261,363	\$431,992
Windows & Doors	Windows/SGD Alum. - Ph. 1	15	\$27,038	\$44,689



Monterey Dunes Colony Association
 Castroville, CA

Date: 20-Mar-2013
 Units: 120
 Fiscal Year End: 30-Jun-2013
 Report Start Date: 01-Jul-2013

Category	Component	Service Life	Replacement Cost	Projected Cost
Wood Siding	Wood Siding - Ph. 3 (a)	25	\$204,188	\$337,492
			Total for 2030:	\$1,113,861
2031				
Boardwalks	Boardwalk (LS) - 1	20	\$117,642	\$200,278
Decks	Decking - Annual Repairs	1	\$10,000	\$17,024
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,046
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,765
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 1	20	\$81,955	\$139,523
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$55,809
Miscellaneous	Mailbox Clusters - Ph. 2	25	\$3,856	\$6,565
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$3,722
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$11,534
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,702
Miscellaneous	Reserve Study (Inspection)	3	\$1,266	\$2,155
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,232
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$27,905
Pool & Spa	Pool - Chlorinator	6	\$481	\$819
Pool & Spa	Spa - Heater	4	\$3,183	\$5,419
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,200
Roofing	Built-Up Roofing - Ph. 3	20	\$47,659	\$81,136
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$8,444
Security Systems	Gate Card Entry System	8	\$6,687	\$11,384
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$8,785
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$4,651
Windows & Doors	Windows/SGD - Ph. 07	25	\$261,363	\$444,952
Windows & Doors	Windows/SGD Alum. - Ph. 2	15	\$27,038	\$46,030
Wood Siding	Wood Siding - Ph. 4	25	\$318,098	\$541,541
			Total for 2031:	\$1,627,620
2032				
Boardwalks	Boardwalk (LS) - 2	20	\$159,650	\$279,947
Decks	Decking - Annual Repairs	1	\$10,000	\$17,535
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,108
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,818
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 2	20	\$36,050	\$63,214
Miscellaneous	Company Truck (Ford)	9	\$16,391	\$28,742
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$57,483
Miscellaneous	Mailbox Clusters - Ph. 3	25	\$3,856	\$6,762
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$3,833
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$11,880
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,754
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,299
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$28,742
Painting	Wood Trim - Ph. 2	5	\$20,600	\$36,122
Pool & Spa	Pool - Cover	4	\$3,090	\$5,418
Pool & Spa	Pool - Resurface	15	\$29,560	\$51,834



BARRERA AND COMPANY
RESERVE SPECIALISTS
Monterey Dunes Colony Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Category	Component	Service Life	Replacement Cost	Projected Cost
Roofing	Built-Up Roofing - Ph. 4	20	\$72,100	\$126,428
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$8,697
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$9,048
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$4,791
Windows & Doors	Windows/SGD Alum. - Ph. 3	15	\$27,038	\$47,410
			Total for 2032:	\$795,865
2033				
Boardwalks	Boardwalk (LS) - 3	20	\$155,000	\$279,947
Boardwalks	Boardwalk (LS) - 4	20	\$56,212	\$101,525
Clubhouse	Saunas - Heaters (2)	5	\$4,689	\$8,469
Decks	Decking - Annual Repairs	1	\$10,000	\$18,061
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,171
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,873
Electrical & Lighting	Meters & Enclosures - Ph. 2	20	\$60,892	\$109,978
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 3	20	\$65,000	\$117,397
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 4	20	\$81,955	\$148,020
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$59,208
Miscellaneous	Fumigation	17	\$111,458	\$201,306
Miscellaneous	Maintenance Trailer #1	6	\$2,130	\$3,847
Miscellaneous	Organization Signs & Entry Fixt. (A)	20	\$4,500	\$8,128
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$3,948
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$12,236
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,806
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,368
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$29,604
Painting	Wood Trim - Ph. 3	5	\$11,043	\$19,945
Pool & Spa	Pool - Pump / Motor	4	\$747	\$1,349
Pool & Spa	Spa - Chlorinator	6	\$481	\$869
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,333
Recreation Areas	Mini Driving Range - Equipment	5	\$1,214	\$2,193
Recreation Areas	Multit-use Sport Court - Equipment	5	\$4,057	\$7,327
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,488	\$6,300
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,387	\$6,117
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,387	\$6,117
Recreation Areas	Windscreens - Tennis Courts	10	\$5,807	\$10,488
Roofing	Built-Up Roofing - Ph. 5	20	\$70,000	\$126,428
Roofing	Built-Up Roofing - Ph. 6	20	\$55,361	\$99,988
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$8,958
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$9,320
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$4,934
Windows & Doors	Windows/SGD - Ph. 08	25	\$216,300	\$390,662
Windows & Doors	Windows/SGD Alum. - Ph. 4	15	\$27,038	\$48,833
Wood Siding	Wood Siding - Ph. 5	25	\$222,694	\$402,210
			Total for 2033:	\$2,264,263



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Mar-2013
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Category	Component	Service Life	Replacement Cost	Projected Cost
2034				
Decks	Decking - Annual Repairs	1	\$10,000	\$18,603
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,236
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,929
Electrical & Lighting	Electrical Parking Posts - Ph. 5	25	\$7,384	\$13,736
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 5	20	\$43,518	\$80,956
Miscellaneous	Company Truck	9	\$20,107	\$37,405
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$60,984
Miscellaneous	Mailbox Clusters - Ph. 4	25	\$7,712	\$14,347
Miscellaneous	Maintenance Trailer #2	6	\$2,130	\$3,962
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$4,067
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$12,603
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,860
Miscellaneous	Reserve Study (Inspection)	3	\$1,266	\$2,355
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,439
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$30,492
Painting	Wood Trim - Ph. 1	5	\$46,792	\$87,047
Pool & Spa	Pool - Heater	4	\$4,027	\$7,491
Recreation Areas	Sport Court #3	10	\$32,611	\$60,666
Roofing	Built-Up Roofing - Ph. 7	20	\$59,940	\$111,506
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$9,227
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$9,599
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$5,082
Windows & Doors	Windows/SGD - Ph. 09	25	\$273,980	\$509,684
Windows & Doors	Windows/SGD Alum. - Ph. 5	15	\$27,038	\$50,298
Wood Siding	Wood Siding - Ph. 6	25	\$327,639	\$609,505
			Total for 2034:	\$1,748,081
2035				
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$38,246	\$73,283
Decks	Decking - Annual Repairs	1	\$10,000	\$19,161
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,303
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$1,987
Electrical & Lighting	Meters & Enclosures - Ph. 3	20	\$60,892	\$116,675
Fencing, Gates & Walls	Retaining Walls	15	\$7,272	\$13,934
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 6	20	\$60,473	\$115,873
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$62,814
Miscellaneous	Mailbox Clusters - Ph. 5	25	\$1,928	\$3,694
Miscellaneous	Organization Signs & Entry Fixt. (B)	20	\$5,769	\$11,054
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$4,189
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$12,982
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,916
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,512
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$31,407
Pool & Spa	Spa - Heater	4	\$3,183	\$6,099
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,476



Monterey Dunes Colony Association
 Castroville, CA

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Category	Component	Service Life	Replacement Cost	Projected Cost
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$9,504
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$9,887
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$5,235
Windows & Doors	Windows/SGD - Ph. 10	25	\$272,178	\$521,520
Windows & Doors	Windows/SGD Alum. - Ph. 6	15	\$27,038	\$51,807
Wood Siding	Wood Siding - Ph. 7	25	\$327,639	\$627,790
			Total for 2035:	\$1,708,101
2036				
Boardwalks	Boardwalks - Repairs	10	\$10,582	\$20,884
Decks	Decking - Annual Repairs	1	\$10,000	\$19,736
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,372
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$2,047
Electrical & Lighting	Meters & Enclosures - Ph. 1	20	\$60,892	\$120,176
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$64,698
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$4,314
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$13,371
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$1,974
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,587
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$32,349
Pool & Spa	Pool - Cover	4	\$3,090	\$6,098
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$9,789
Security Systems	Vehicle Gates	12	\$7,024	\$13,862
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$10,184
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$5,392
Windows & Doors	Windows/SGD - Ph. 11	25	\$135,188	\$266,804
Windows & Doors	Windows/SGD Alum. - Ph. 7	15	\$27,038	\$53,361
Wood Siding	Wood Siding - Ph. 8	25	\$131,127	\$258,790
			Total for 2036:	\$908,789
2037				
Clubhouse	Saunas (Refurbish)	8	\$2,808	\$5,708
Decks	Decking - Annual Repairs	1	\$10,000	\$20,328
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,443
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$2,108
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$66,639
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$4,444
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$13,772
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$2,033
Miscellaneous	Reserve Study (Inspection)	3	\$1,266	\$2,574
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,665
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$33,320
Painting	Wood Trim - Ph. 2	5	\$20,600	\$41,876
Pool & Spa	Pool - Chlorinator	6	\$481	\$978
Pool & Spa	Pool - Pump / Motor	4	\$747	\$1,518
Pool & Spa	Spa - Filter	10	\$1,417	\$2,880
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,626



Monterey Dunes Colony Association
 Castroville, CA

Date: 20-Mar-2013
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Category	Component	Service Life	Replacement Cost	Projected Cost
Recreation Areas	Bocce Ball Court	30	\$3,223	\$6,552
Recreation Areas	Mini Driving Range - Resurface	10	\$11,938	\$24,267
Recreation Areas	Putting Green	10	\$17,909	\$36,405
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$10,083
Security Systems	Gate Telephone System	8	\$7,025	\$14,280
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$10,489
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$5,554
Windows & Doors	Windows/SGD - Ph. 12	25	\$63,088	\$128,244
Windows & Doors	Windows/SGD Alum. - Ph. 8	15	\$27,038	\$54,962
Wood Siding	Wood Siding - Ph. 9	25	\$63,654	\$129,395
Total for 2037:				\$626,143
2038				
Clubhouse	Appliances	12	\$7,071	\$14,805
Clubhouse	Carpeting	12	\$8,755	\$18,331
Clubhouse	Copier	10	\$6,392	\$13,383
Clubhouse	Saunas - Heaters (2)	5	\$4,689	\$9,818
Decks	Decking - Annual Repairs	1	\$10,000	\$20,938
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,517
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$2,171
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$68,638
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$4,577
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$14,185
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$2,094
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,745
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$34,319
Painting	Wood Trim - Ph. 3	5	\$11,043	\$23,122
Pool & Spa	Pool - Heater	4	\$4,027	\$8,432
Recreation Areas	Mini Driving Range - Equipment	5	\$1,214	\$2,542
Recreation Areas	Multit-use Sport Court - Equipment	5	\$4,057	\$8,494
Recreation Areas	Multit-use Sport Court - Resurface/Stripe	5	\$3,488	\$7,303
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,387	\$7,092
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,387	\$7,092
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$10,385
Roofing	Skylights (Sloped) - Ph. 1	20	\$58,307	\$122,082
Security Systems	Vehicle Gates - Motors	12	\$10,380	\$21,733
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$10,804
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$5,720
Windows & Doors	Windows/SGD - Ph. 13	25	\$135,188	\$283,053
Windows & Doors	Windows/SGD - Ph. 14	25	\$135,188	\$283,053
Windows & Doors	Windows/SGD Alum. - Ph. 9	15	\$27,038	\$56,611
Total for 2038:				\$1,066,038
2039				
Decks	Decking - Annual Repairs	1	\$10,000	\$21,566
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,592



Monterey Dunes Colony Association
Castroville, CA

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Category	Component	Service Life	Replacement Cost	Projected Cost
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$2,236
Electrical & Lighting	Meters & Enclosures - Ph. 4	20	\$60,892	\$131,319
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$70,697
Miscellaneous	Maintenance Trailer #1	6	\$2,130	\$4,594
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$4,714
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$14,611
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$2,157
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,827
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$35,349
Painting	Wood Trim - Ph. 1	5	\$46,792	\$100,911
Pool & Spa	Pool - Filter	12	\$1,912	\$4,123
Pool & Spa	Spa - Chlorinator	6	\$481	\$1,037
Pool & Spa	Spa - Heater	4	\$3,183	\$6,864
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,786
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$10,697
Roofing	Skylights - Large (Phase 1)	25	\$10,882	\$23,468
Security Systems	Gate Card Entry System	8	\$6,687	\$14,421
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$11,128
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$5,892
Windows & Doors	Windows/SGD - Ph. 15	25	\$72,100	\$155,490
			Total for 2039:	\$629,481
2040				
Asphalt & Concrete Surfaces	Asphalt - Chip & Seal	12	\$133,750	\$297,097
Decks	Decking - Annual Repairs	1	\$10,000	\$22,213
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,670
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$2,303
Electrical & Lighting	Meters & Enclosures - Ph. 5	20	\$60,892	\$135,259
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$72,818
Miscellaneous	Maintenance Trailer #2	6	\$2,130	\$4,731
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$4,856
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$15,049
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$2,221
Miscellaneous	Reserve Study (Inspection)	3	\$1,266	\$2,812
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,912
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$36,409
Pool & Spa	Pool - Cover	4	\$3,090	\$6,864
Roofing	Built-Up Roofing - Ph. 1	20	\$79,960	\$177,614
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$11,018
Roofing	Skylights - Large (Phase 2)	25	\$32,655	\$72,536
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$11,462
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$6,069
			Total for 2040:	\$886,914
2041				
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$38,246	\$87,504
Clubhouse	Furniture	12	\$14,478	\$33,125



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Mar-2013
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Category	Component	Service Life	Replacement Cost	Projected Cost
Clubhouse	Office Furniture	12	\$7,212	\$16,501
Clubhouse	Window Coverings	12	\$6,321	\$14,462
Decks	Decking - Annual Repairs	1	\$10,000	\$22,879
Decks	Decks - Phase 01	40	\$147,000	\$336,325
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,750
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$2,373
Electrical & Lighting	Meters & Enclosures - Ph. 6	20	\$60,892	\$139,316
Miscellaneous	Company Truck (Ford)	9	\$16,391	\$37,501
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$75,003
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$5,001
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$15,501
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$2,288
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$2,999
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$37,501
Pool & Spa	Pool - Pump / Motor	4	\$747	\$1,709
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,956
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$11,348
Roofing	Skylights (Sloped) - Ph. 2	20	\$58,307	\$133,402
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$11,806
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$6,251
			Total for 2041:	\$998,502
2042				
Decks	Decking - Annual Repairs	1	\$10,000	\$23,566
Decks	Decks - Phase 02	40	\$147,000	\$346,415
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,202	\$2,833
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,037	\$2,444
Miscellaneous	Contingency Reserve - Annual	1	\$32,782	\$77,253
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,186	\$5,151
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,775	\$15,966
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,000	\$2,357
Miscellaneous	Water Barriers - Annual	1	\$1,311	\$3,089
Miscellaneous	Wood Trim Replace - Annual	1	\$16,391	\$38,626
Painting	Wood Trim - Ph. 2	5	\$20,600	\$48,545
Pool & Spa	Pool - Heater	4	\$4,027	\$9,490
Roofing	Chimney Chase Caps - Annual	1	\$4,960	\$11,689
Roofing	Wood Shake - Ph. 1	24	\$207,180	\$488,233
Windows & Doors	Exterior Entry Doors - Annual	1	\$5,160	\$12,160
Windows & Doors	Garage Doors - Annual	1	\$2,732	\$6,438
			Total for 2042:	\$1,094,255



Monterey Dunes Colony Association
 Castroville, CA

Date: 20-Mar-2013
 Units: 120
 Fiscal Year End: 30-Jun-2013
 Report Start Date: 01-Jul-2013

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
2013	\$775,840	\$538.78	\$1,707,459	\$13,807	\$2,497,106	\$508,991	\$1,988,115	(\$4,479,029)	31%
2014	\$775,840	\$538.78	\$1,988,115	\$15,940	\$2,779,896	\$501,271	\$2,278,624	(\$4,615,172)	33%
2015	\$775,840	\$538.78	\$2,278,624	\$18,824	\$3,073,288	\$313,428	\$2,759,861	(\$4,789,335)	37%
2016	\$775,840	\$538.78	\$2,759,861	\$21,740	\$3,557,441	\$498,118	\$3,059,323	(\$4,997,845)	38%
2017	\$775,840	\$538.78	\$3,059,323	\$24,747	\$3,859,910	\$295,214	\$3,564,697	(\$5,248,511)	40%
2018	\$775,840	\$538.78	\$3,564,697	\$27,820	\$4,368,357	\$486,599	\$3,881,758	(\$5,537,596)	41%
2019	\$775,840	\$538.78	\$3,881,758	\$30,081	\$4,687,679	\$517,812	\$4,169,866	(\$5,866,957)	42%
2020	\$775,840	\$538.78	\$4,169,866	\$31,911	\$4,977,617	\$606,053	\$4,371,564	(\$6,236,412)	41%
2021	\$775,840	\$538.78	\$4,371,564	\$33,542	\$5,180,946	\$574,399	\$4,606,548	(\$6,649,147)	41%
2022	\$775,840	\$538.78	\$4,606,548	\$32,233	\$5,414,621	\$1,393,337	\$4,021,285	(\$7,085,689)	36%
2023	\$775,840	\$538.78	\$4,021,285	\$30,871	\$4,827,996	\$586,026	\$4,241,970	(\$7,571,812)	36%
2024	\$775,840	\$538.78	\$4,241,970	\$32,368	\$5,050,178	\$628,406	\$4,421,771	(\$8,105,688)	35%
2025	\$775,840	\$538.78	\$4,421,771	\$31,275	\$5,228,886	\$1,279,461	\$3,949,425	(\$8,672,732)	31%
2026	\$775,840	\$538.78	\$3,949,425	\$26,003	\$4,751,268	\$1,740,687	\$3,010,581	(\$9,265,153)	25%
2027	\$775,840	\$538.78	\$3,010,581	\$19,912	\$3,806,333	\$1,487,159	\$2,319,174	(\$9,892,913)	19%
2028	\$775,840	\$538.78	\$2,319,174	\$14,471	\$3,109,486	\$1,555,199	\$1,554,287	(\$10,555,158)	13%
2029	\$775,840	\$538.78	\$1,554,287	\$8,494	\$2,338,621	\$1,619,216	\$719,405	(\$11,252,366)	6%
2030	\$775,840	\$538.78	\$719,405	\$4,128	\$1,499,373	\$1,113,861	\$385,512	(\$11,999,976)	3%
2031	\$775,840	\$538.78	\$385,512	\$0	\$1,161,352	\$1,627,620	(\$466,267)	(\$12,784,768)	0%
2032	\$775,840	\$538.78	(\$466,267)	\$0	\$309,573	\$795,865	(\$486,292)	(\$13,629,639)	0%
2033	\$775,840	\$538.78	(\$486,292)	\$0	\$289,548	\$2,264,263	(\$1,974,715)	(\$14,493,455)	0%
2034	\$775,840	\$538.78	(\$1,974,715)	\$0	(\$1,198,875)	\$1,748,081	(\$2,946,956)	(\$15,393,417)	0%
2035	\$775,840	\$538.78	(\$2,946,956)	\$0	(\$2,171,116)	\$1,708,101	(\$3,879,216)	(\$16,332,991)	0%
2036	\$775,840	\$538.78	(\$3,879,216)	\$0	(\$3,103,376)	\$908,789	(\$4,012,166)	(\$17,338,561)	0%
2037	\$775,840	\$538.78	(\$4,012,166)	\$0	(\$3,236,326)	\$626,143	(\$3,862,469)	(\$18,421,840)	0%
2038	\$775,840	\$538.78	(\$3,862,469)	\$0	(\$3,086,629)	\$1,066,038	(\$4,152,666)	(\$19,573,256)	0%
2039	\$775,840	\$538.78	(\$4,152,666)	\$0	(\$3,376,826)	\$629,481	(\$4,006,307)	(\$20,809,279)	0%
2040	\$775,840	\$538.78	(\$4,006,307)	\$0	(\$3,230,467)	\$886,914	(\$4,117,381)	(\$22,126,094)	0%
2041	\$775,840	\$538.78	(\$4,117,381)	\$0	(\$3,341,541)	\$998,502	(\$4,340,043)	(\$23,524,188)	0%
2042	\$775,840	\$538.78	(\$4,340,043)	\$0	(\$3,564,203)	\$1,094,255	(\$4,658,458)	(\$25,004,582)	0%

Inflation Rate: 3% Interest Rate: 0.75% Funding Rate: 0%



For Homeowner Distribution

Number of Units: 120
 Budget Year Start: July 01, 2013
 Budget Year End: June 30, 2014
 Location: Castroville, CA

As of 30-Jun-2013

Projected Reserve Fund Balance \$1,707,459
 Projected Fully Funded Reserve: \$6,081,816
 Deficit Below Fully Funded Reserve: (\$4,374,357) or (\$36,452.98) Per unit
 Percentage Funded: 28%
 Current Replacement Cost: \$14,515,344

Current Funding - Five Year Summary

	Allocation	Per Unit Per Month	Disbursements	Year-End Balance	Fully Funded \$	Percentage Funded
Year 1	\$775,840	\$538.78	\$508,991	\$1,988,115	\$6,467,144	31%
Year 2	\$775,840	\$538.78	\$501,271	\$2,278,624	\$6,893,796	33%
Year 3	\$775,840	\$538.78	\$313,428	\$2,759,861	\$7,549,195	37%
Year 4	\$775,840	\$538.78	\$498,118	\$3,059,323	\$8,057,168	38%
Year 5	\$775,840	\$538.78	\$295,214	\$3,564,697	\$8,813,208	40%

Inflation Rate: 3% Interest Rate: 0.75% Funding Rate: 0%



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:	0.75 %

Inflation Rate: 3% Interest Rate: 0.75% Funding Rate: 0%



Monterey Dunes Colony Association
 Castroville, CA

Date: 20-Mar-2013
 Units: 120
 Fiscal Year End: 30-Jun-2013
 Report Start Date: 01-Jul-2013

Current Replacement Cost Total: \$14,515,344

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Asphalt & Concrete Surfaces							
Asphalt - Chip & Seal	12	3	\$133,750.00 / Total	1	\$133,750	\$146,152	Management
Asphalt - Overlay	40	9	\$1.90 / Square Feet	379,000	\$720,100	\$939,567	Management
Asphalt - Repairs	6	4	\$38,246.00 / Total	1	\$38,246	\$43,046	Management
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					\$892,096	\$1,128,766	
Boardwalks							
Boardwalk (LS) - 1	20	18	\$117,642.00 / Total	1	\$117,642	\$200,278	Management
Boardwalk (LS) - 2	20	19	\$159,650.00 / Total	1	\$159,650	\$279,947	Management
* Additional replacements made due to necessity. Final phase adjusted accordingly.							
Boardwalk (LS) - 3	20	20	\$155,000.00 / Total	1	\$155,000	\$279,947	Management
Boardwalk (LS) - 4	20	0	\$56,212.00 / Total	1	\$56,212	\$56,212	Management
Boardwalk (OS)	25	13	\$245,973.00 / Total	1	\$245,973	\$361,220	On File
Boardwalk (OS)	25	12	\$144,240.00 / Total	1	\$144,240	\$205,652	On File
Boardwalks - Repairs	10	3	\$10,582.00 / Total	1	\$10,582	\$11,563	On File
Totals					\$889,299	\$1,394,819	
Clubhouse							
2-Way Radio			Maintenance / Operating				Management
* Repairs and/or replacements to be completed on an "as needed" basis and funded from the operating budget.							
Appliances	12	1	\$7,071.00 / Total	1	\$7,071	\$7,283	On File
Carpeting	12	1	\$8,755.00 / Total	1	\$8,755	\$9,018	On File
Copier	10	5	\$6,392.00 / Each	1	\$6,392	\$7,410	On File
Furniture	12	4	\$14,478.00 / Total	1	\$14,478	\$16,295	On File
Office Furniture	12	4	\$7,212.00 / Total	1	\$7,212	\$8,117	On File
Rest Rooms (Refurbish)	20	12	\$6,993.00 / Each	2	\$13,986	\$19,941	On File
Saunas (Refurbish)	8	0	\$1,404.00 / Each	2	\$2,808	\$2,808	On File
Saunas - Heaters (2)	5	0	\$2,344.50 / Each	2	\$4,689	\$4,689	On File
Window Coverings	12	4	\$6,321.00 / Total	1	\$6,321	\$7,114	On File
Totals					\$71,712	\$82,675	
Decks							
Decking - Annual Repairs	1	0	\$10,000.00 / Each	1	\$10,000	\$10,000	Management
* Includes and annual contingency for deck repairs. Amount and cost to be reviewed and adjusted as needed annually.							
Decks - Phase 01	40	28	\$10,500.00 / Each	14	\$147,000	\$336,325	On File
Decks - Phase 02	40	29	\$10,500.00 / Each	14	\$147,000	\$346,415	On File
Decks - Phase 03	40	30	\$10,500.00 / Each	14	\$147,000	\$356,808	On File
Decks - Phase 04	40	31	\$10,500.00 / Each	14	\$147,000	\$367,512	On File
Decks - Phase 05	40	32	\$10,500.00 / Each	14	\$147,000	\$378,537	On File
Decks - Phase 06	40	33	\$10,500.00 / Each	14	\$147,000	\$389,893	On File
Decks - Phase 07	40	34	\$10,500.00 / Each	14	\$147,000	\$401,590	On File
Decks - Phase 08	40	35	\$10,500.00 / Each	14	\$147,000	\$413,638	On File
Decks - Phase 09	40	36	\$10,500.00 / Each	14	\$147,000	\$426,047	On File
Decks - Phase 10	40	37	\$10,500.00 / Each	14	\$147,000	\$438,828	Management



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Current Replacement Cost Total: \$14,515,344

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Decks - Phase 11	40	38	\$10,500.00 / Each	15	\$157,500	\$484,278	On File
Decks - Phase 12	40	39	\$10,500.00 / Each	10	\$105,000	\$332,538	On File
Totals					\$1,742,500	\$4,682,410	
Electrical & Lighting							
Electrical Fixtures (LS) - Annual	1	0	\$1,202.00 / Total	1	\$1,202	\$1,202	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	\$1,037.00 / Total	1	\$1,037	\$1,037	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					Management
* Repairs and/or replacements to be completed on an "as needed" basis and funded from the operating budget.							
Electrical Parking Posts - Ph. 1	25	12	\$923.00 / Each	11	\$10,153	\$14,476	On File
Electrical Parking Posts - Ph. 2	25	14	\$923.00 / Each	9	\$8,307	\$12,565	On File
Electrical Parking Posts - Ph. 3	25	15	\$923.00 / Each	10	\$9,230	\$14,380	On File
Electrical Parking Posts - Ph. 4	25	17	\$923.00 / Each	12	\$11,076	\$18,307	On File
Electrical Parking Posts - Ph. 5	25	21	\$923.00 / Each	8	\$7,384	\$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	3	\$60,892.00 / Total	1	\$60,892	\$66,538	On File
Meters & Enclosures - Ph. 2	20	0	\$60,892.00 / Total	1	\$60,892	\$60,892	On File
Meters & Enclosures - Ph. 3	20	2	\$60,892.00 / Total	1	\$60,892	\$64,600	On File
Meters & Enclosures - Ph. 4	20	6	\$60,892.00 / Total	1	\$60,892	\$72,708	On File
Meters & Enclosures - Ph. 5	20	7	\$60,892.00 / Total	1	\$60,892	\$74,889	On File
Meters & Enclosures - Ph. 6	20	8	\$60,892.00 / Total	1	\$60,892	\$77,136	On File
Unit Number Lights		Maintenance / Operating					Management
* Repairs and/or replacements to be completed on an "as needed" basis and funded from the operating budget.							
Totals					\$413,741	\$492,468	
Fencing, Gates & Walls							
Chain Link - Tennis Courts	15	1	\$88,668.00 / Total	1	\$88,668	\$91,328	On File
Retaining Walls	15	7	\$7,272.00 / Total	1	\$7,272	\$8,944	On File
Wood Fencing, Gates & Posts - 1	20	18	\$81,955.00 / Total	1	\$81,955	\$139,523	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	19	\$36,050.00 / Total	1	\$36,050	\$63,214	Management
Wood Fencing, Gates & Posts - 3	20	20	\$65,000.00 / Total	1	\$65,000	\$117,397	Management
Wood Fencing, Gates & Posts - 4	20	0	\$81,955.00 / Total	1	\$81,955	\$81,955	Management
Wood Fencing, Gates & Posts - 5	20	1	\$43,518.00 / Total	1	\$43,518	\$44,824	Management
Wood Fencing, Gates & Posts - 6	20	2	\$60,473.00 / Total	1	\$60,473	\$64,156	Management
Totals					\$464,891	\$611,340	
Landscaping							
Irrigation - Materials & Equipment		Maintenance / Operating					Management
* Repairs and/or replacements to be completed on an "as needed" basis and funded from the operating budget.							



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Current Replacement Cost Total: \$14,515,344

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Landscaping - Materials & Equipment		Maintenance / Operating					Management
* 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					Management
* 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	3	\$20,107.00 / Total	1	\$20,107	\$21,971	Management
Company Truck (Ford)	9	1	\$16,391.00 / Total	1	\$16,391	\$16,883	Management
Contingency Reserve - Annual	1	0	\$32,782.00 / Total	1	\$32,782	\$32,782	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	3	\$111,458.00 / Total	1	\$111,458	\$121,793	On File
Leach Field Replacement		Life of Project					Management
* 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	14	\$1,928.00 / Each	2	\$3,856	\$5,833	On File
Mailbox Clusters - Ph. 2	25	18	\$1,928.00 / Each	2	\$3,856	\$6,565	On File
Mailbox Clusters - Ph. 3	25	19	\$1,928.00 / Each	2	\$3,856	\$6,762	On File
Mailbox Clusters - Ph. 4	25	21	\$1,928.00 / Each	4	\$7,712	\$14,347	On File
Mailbox Clusters - Ph. 5	25	22	\$1,928.00 / Each	1	\$1,928	\$3,694	Management
Maintenance Trailer #1	6	2	\$2,130.00 / Total	1	\$2,130	\$2,260	On File
Maintenance Trailer #2	6	3	\$2,130.00 / Total	1	\$2,130	\$2,328	Management
Organization Signs & Entry Fixt. (A)	20	20	\$4,500.00 / Total	1	\$4,500	\$8,128	On File
Organization Signs & Entry Fixt. (B)	20	2	\$5,769.00 / Total	1	\$5,769	\$6,120	On File
Patio Lattice Repairs - Annual	1	0	\$2,186.00 / Total	1	\$2,186	\$2,186	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	\$6,775.00 / Total	1	\$6,775	\$6,775	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 (Analysis) - Annual	1	0	\$1,000.00 / Total	1	\$1,000	\$1,000	On File
* Annual Reserve Analysis Update. Level 3 report (Inspection not included in cost).							
Reserve Study (Inspection)	3	0	\$1,266.00 / Total	1	\$1,266	\$1,266	On File
* This cost together with the update cost incorporates a level 2 reserve study for the association.							
Septic Tanks/System		Life of Project					Management
* 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	17	\$7,649.00 / Total	1	\$7,649	\$12,643	Management
Water Barriers - Annual	1	1	\$437.00 / Each	3	\$1,311	\$1,350	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	\$16,391.00 / Total	1	\$16,391	\$16,391	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					\$253,053	\$291,075	
Painting							
Interior Surfaces		Maintenance / Operating					Management



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Current Replacement Cost Total: \$14,515,344

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
* Interior painting is to be completed on an "as needed" basis and funded from the operating budget.							
Wood Trim - Ph. 1	5	1	\$46,792.00 / Total	1	\$46,792	\$48,196	On File
Wood Trim - Ph. 2	5	4	\$20,600.00 / Total	1	\$20,600	\$23,185	On File
Wood Trim - Ph. 3	5	0	\$11,043.00 / Total	1	\$11,043	\$11,043	On File
Totals					\$78,435	\$82,424	
Pool & Spa							
Pool - Chlorinator	6	0	\$481.00 / Each	1	\$481	\$481	On File
Pool - Cover	4	3	\$3,090.00 / Each	1	\$3,090	\$3,377	On File
Pool - Filter	12	2	\$1,912.00 / Each	1	\$1,912	\$2,028	Management
Pool - Heater	4	1	\$4,027.00 / Each	1	\$4,027	\$4,148	On File
Pool - Pump / Motor	4	0	\$747.00 / Each	1	\$747	\$747	On File
Pool - Resurface	15	4	\$29,560.00 / Total	1	\$29,560	\$33,270	On File
Pool - Tile	15	2	\$7,388.00 / Total	1	\$7,388	\$7,838	On File
Spa - Chlorinator	6	2	\$481.00 / Each	1	\$481	\$510	On File
Spa - Filter	10	4	\$1,417.00 / Each	1	\$1,417	\$1,595	On File
Spa - Heater	4	2	\$3,183.00 / Each	1	\$3,183	\$3,377	On File
Spa - Pump / Motor	2	0	\$1,292.00 / Each	1	\$1,292	\$1,292	Management
Spa - Re-Tile	20	12	\$6,053.00 / Total	1	\$6,053	\$8,630	On File
Totals					\$59,631	\$67,293	
Recreation Areas							
Bocce Ball Court	30	24	\$3,223.00 / Total	1	\$3,223	\$6,552	On File
Mini Driving Range - Equipment	5	5	\$1,214.00 / Total	1	\$1,214	\$1,407	On File
Mini Driving Range - Resurface	10	4	\$11,938.00 / Total	1	\$11,938	\$13,436	On File
Multit-use Sport Court - Equipment	5	5	\$4,057.00 / Total	1	\$4,057	\$4,703	On File
Multit-use Sport Court - Replace	20	14	\$69,552.00 / Total	1	\$69,552	\$105,204	On File
Multit-use Sport Court - Resurface/Stripe	5	5	\$3,488.00 / Total	1	\$3,488	\$4,044	On File
Putting Green	10	4	\$17,909.00 / Total	1	\$17,909	\$20,157	On File
Sport Court #3	10	1	\$32,611.00 / Each	1	\$32,611	\$33,589	On File
Sport Court #4		To be Determined					Management
* Status of the Sport Court #4 is to be determined.							
Tennis Courts #1 - Resurface	5	5	\$3,387.00 / Each	1	\$3,387	\$3,926	On File
Tennis Courts #2 - Resurface	5	5	\$3,387.00 / Each	1	\$3,387	\$3,926	On File
Tennis Courts (1 & 2) Rebuild	20	13	\$106,437.00 / Each	2	\$212,874	\$312,613	On File
Windscreens - Tennis Courts	10	0	\$5,807.00 / Total	1	\$5,807	\$5,807	On File
Totals					\$369,447	\$515,364	
Roofing							
Built-Up Roofing - Ph. 1	20	7	\$79,960.00 / Total	1	\$79,960	\$98,341	On File
Built-Up Roofing - Ph. 2	20	17	\$65,640.00 / Total	1	\$65,640	\$108,493	Management
Built-Up Roofing - Ph. 3	20	18	\$47,659.00 / Total	1	\$47,659	\$81,136	On File
Built-Up Roofing - Ph. 4	20	19	\$72,100.00 / Total	1	\$72,100	\$126,428	On File
Built-Up Roofing - Ph. 5	20	20	\$70,000.00 / Total	1	\$70,000	\$126,428	On File
Built-Up Roofing - Ph. 6	20	0	\$55,361.00 / Total	1	\$55,361	\$55,361	On File

* 10 Roofs 2013-14



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Current Replacement Cost Total: \$14,515,344

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Built-Up Roofing - Ph. 7	20	1	\$59,940.00 / Total	1	\$59,940	\$61,738	On File
* 10 Roofs 2014-15							
Chimney Chase Caps - Annual	1	0	\$1,240.00 / Each	4	\$4,960	\$4,960	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	7	\$21,809.00 / Total	1	\$21,809	\$26,822	On File
Skylights (Sloped) - Ph. 1	20	5	\$58,307.00 / Total	1	\$58,307	\$67,594	On File
Skylights (Sloped) - Ph. 2	20	8	\$58,307.00 / Total	1	\$58,307	\$73,862	On File
Skylights (Sloped) - Ph. 3	20	11	\$58,307.00 / Total	1	\$58,307	\$80,711	On File
Skylights - Large (Phase 1)	25	1	\$10,882.00 / Total	1	\$10,882	\$11,208	On File
Skylights - Large (Phase 2)	25	2	\$32,655.00 / Total	1	\$32,655	\$34,644	On File
Wood Shake - Ph. 1	24	5	\$17,265.00 / Unit(s)	12	\$207,180	\$240,178	Management
Wood Shake - Ph. 10	24	14	\$17,265.00 / Unit(s)	12	\$207,180	\$313,378	Management
Wood Shake - Ph. 11	24	15	\$32,782.00 / Total	1	\$32,782	\$51,073	Management
* Commercial buildings.							
Wood Shake - Ph. 2	24	6	\$17,265.00 / Unit(s)	12	\$207,180	\$247,384	Management
Wood Shake - Ph. 3	24	7	\$17,265.00 / Unit(s)	12	\$207,180	\$254,805	Management
Wood Shake - Ph. 4	24	8	\$17,265.00 / Unit(s)	12	\$207,180	\$262,449	Management
Wood Shake - Ph. 5	24	9	\$17,265.00 / Unit(s)	12	\$207,180	\$270,323	Management
Wood Shake - Ph. 6	24	10	\$17,265.00 / Unit(s)	12	\$207,180	\$278,433	Management
Wood Shake - Ph. 7	24	11	\$17,265.00 / Unit(s)	12	\$207,180	\$286,786	Management
Wood Shake - Ph. 8	24	12	\$17,265.00 / Unit(s)	12	\$207,180	\$295,389	Management
Wood Shake - Ph. 9	24	13	\$17,265.00 / Unit(s)	12	\$207,180	\$304,251	Management
Totals					\$2,800,469	\$3,762,175	
Security Systems							
Gate Card Entry System	8	2	\$6,687.00 / Each	1	\$6,687	\$7,094	On File
Gate Telephone System	8	0	\$7,025.00 / Each	1	\$7,025	\$7,025	On File
Vehicle Gates	12	11	\$3,512.00 / Each	2	\$7,024	\$9,723	On File
Vehicle Gates - Motors	12	1	\$5,190.00 / Each	2	\$10,380	\$10,691	On File
Totals					\$31,116	\$34,533	
Windows & Doors							
Exterior Entry Doors - Annual	1	0	\$516.00 / Each	10	\$5,160	\$5,160	On File
* Annual reserve contingency. Incorporates 10 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	\$2,732.00 / Total	1	\$2,732	\$2,732	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. 01	25	12	\$1,802.50 / Each	218	\$392,945	\$560,246	On File
Windows/SGD - Ph. 02	25	13	\$1,802.50 / Each	218	\$392,945	\$577,053	On File
Windows/SGD - Ph. 03	25	14	\$1,802.50 / Each	218	\$392,945	\$594,365	On File
Windows/SGD - Ph. 04	25	15	\$1,802.50 / Each	218	\$392,945	\$612,196	On File
Windows/SGD - Ph. 05	25	16	\$1,802.50 / Each	218	\$392,945	\$630,561	On File
Windows/SGD - Ph. 06	25	17	\$1,802.50 / Each	145	\$261,363	\$431,992	On File
Windows/SGD - Ph. 07	25	18	\$1,802.50 / Each	145	\$261,363	\$444,952	On File
Windows/SGD - Ph. 08	25	20	\$1,802.50 / Each	120	\$216,300	\$390,662	On File



Monterey Dunes Colony Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Current Replacement Cost Total: \$14,515,344

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Windows/SGD - Ph. 09	25	21	\$1,802.50 / Each	152	\$273,980	\$509,684	On File
Windows/SGD - Ph. 10	25	22	\$1,802.50 / Each	151	\$272,178	\$521,520	Management
Windows/SGD - Ph. 11	25	23	\$1,802.50 / Each	75	\$135,188	\$266,804	Management
Windows/SGD - Ph. 12	25	24	\$1,802.50 / Each	35	\$63,088	\$128,244	Management
Windows/SGD - Ph. 13	25	25	\$1,802.50 / Each	75	\$135,188	\$283,053	Management
Windows/SGD - Ph. 14	25	0	\$1,802.50 / Each	75	\$135,188	\$135,188	Management
Windows/SGD - Ph. 15	25	1	\$1,802.50 / Each	40	\$72,100	\$74,263	Management
Windows/SGD Alum. - Ph. 1	15	2	\$1,802.50 / Each	15	\$27,038	\$28,684	On File
Windows/SGD Alum. - Ph. 2	15	3	\$1,802.50 / Each	15	\$27,038	\$29,545	On File
Windows/SGD Alum. - Ph. 3	15	4	\$1,802.50 / Each	15	\$27,038	\$30,431	On File
Windows/SGD Alum. - Ph. 4	15	5	\$1,802.50 / Each	15	\$27,038	\$31,344	On File
Windows/SGD Alum. - Ph. 5	15	6	\$1,802.50 / Each	15	\$27,038	\$32,284	On File
Windows/SGD Alum. - Ph. 6	15	7	\$1,802.50 / Each	15	\$27,038	\$33,253	On File
Windows/SGD Alum. - Ph. 7	15	8	\$1,802.50 / Each	15	\$27,038	\$34,250	On File
Windows/SGD Alum. - Ph. 8	15	9	\$1,802.50 / Each	15	\$27,038	\$35,278	On File
Windows/SGD Alum. - Ph. 9	15	10	\$1,802.50 / Each	15	\$27,038	\$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 \$4,041,887 \$6,460,078

Wood Siding							
Wood Siding (S.) - Repairs - 1	20	10	\$13,434.00 / Total	1	\$13,434	\$18,054	On File
Wood Siding (S.) - Repairs - 2	20	11	\$13,434.00 / Total	1	\$13,434	\$18,596	On File
Wood Siding (S.) - Repairs - 3	20	12	\$13,402.00 / Total	1	\$13,402	\$19,108	On File
Wood Siding - Ph. 1	25	14	\$154,949.00 / Total	1	\$154,949	\$234,374	On File
* Includes cedar material only.							
Wood Siding - Ph. 2	25	15	\$299,837.00 / Total	1	\$299,837	\$467,136	On File
Wood Siding - Ph. 3	25	16	\$316,972.00 / Total	1	\$316,972	\$508,647	On File
Wood Siding - Ph. 3 (a)	25	17	\$204,188.00 / Total	1	\$204,188	\$337,492	On File
Wood Siding - Ph. 4	25	18	\$318,098.00 / Total	1	\$318,098	\$541,541	On File
Wood Siding - Ph. 5	25	20	\$222,694.00 / Total	1	\$222,694	\$402,210	On File
Wood Siding - Ph. 6	25	21	\$327,639.00 / Total	1	\$327,639	\$609,505	On File
Wood Siding - Ph. 7	25	22	\$327,639.00 / Total	1	\$327,639	\$627,790	Management
Wood Siding - Ph. 8	25	23	\$131,127.00 / Total	1	\$131,127	\$258,790	Management
Wood Siding - Ph. 9	25	24	\$63,654.00 / Total	1	\$63,654	\$129,395	Management

Totals \$2,407,067 \$4,172,639



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BARRERA AND COMPANY
RESERVE SPECIALISTS

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

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

1. The current average regular assessment per ownership interest is: \$45.14 **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: X

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
2026	\$504,500	\$350

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 \$281,381, based in whole or in part on the last reserve study or update prepared by Barrera & Company, Inc. as of June 30, 2013. The projected reserve fund cash Balance at the end of the current fiscal year is \$148,076, resulting in reserves being 53 % at this date. If an alternate, but generally accepted, method of calculation is also used, the required reserve amount is \$ N/A.



BARRERA AND COMPANY
RESERVE SPECIALISTS

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

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

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	\$35,912	\$24.94	\$81,676	\$103,251	\$243,166	42%
Year 2	\$35,912	\$24.94	\$30,764	\$109,192	\$257,368	42%
Year 3	\$35,912	\$24.94	\$18,585	\$127,403	\$285,698	45%
Year 4	\$35,912	\$24.94	\$15,928	\$148,418	\$318,808	47%
Year 5	\$35,912	\$24.94	\$22,142	\$163,353	\$347,738	47%

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 0.75% 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

March-2013

Report Start Date:01-Jul-2013



**BARRERA AND
COMPANY**
RESERVE SPECIALISTS

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

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

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:	39 Years
Fiscal Year End:	30-Jun-2013
Level of Reserve Study:	Level 3: Update (without 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
195 Monterey Dunes Way

Castroville CA 95012
831-633-4000
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PREPARED BY

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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.

Inflation Rate: 3% Interest Rate: 0.75% Funding Rate: 0%



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: 0.75% Funding Rate: 0%

Percentage Funded Report



Monterey Dunes Colony Water Association Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Percent Funded: 53 %

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	1	2	\$3,476	\$1,220	\$1,159	\$2,318	(\$1,098)	(\$9.15)
50 KW Generator (Rebuild/Replace)	30	9	21	\$37,132	\$13,678	\$1,238	\$25,992	(\$12,314)	(\$102.62)
Annual Contingency	1	0	1	\$6,926	\$3,645	\$6,926	\$6,926	(\$3,281)	(\$27.34)
CL2 Pumps	3	2	1	\$1,784	\$313	\$595	\$595	(\$282)	(\$2.35)
Dist Water System Valves	25	13	12	\$28,981	\$7,321	\$1,159	\$13,911	(\$6,590)	(\$54.92)
Paint Compression Water Tank	5	0	5	\$4,288	\$2,257	\$858	\$4,288	(\$2,031)	(\$16.93)
Paint Storage Tank (Exterior)	5	0	5	\$17,389	\$9,151	\$3,478	\$17,389	(\$8,238)	(\$68.65)
Pressure Tank Compressor	2	1	1	\$2,318	\$610	\$1,159	\$1,159	(\$549)	(\$4.58)
Pump #1 - 10 HP Booster	30	9	21	\$4,057	\$1,494	\$135	\$2,840	(\$1,345)	(\$11.21)
Pump #2 - 10 HP Booster	30	9	21	\$4,057	\$1,494	\$135	\$2,840	(\$1,345)	(\$11.21)
Pumps (Annual Maintenance)	1	0	1	\$5,332	\$2,806	\$5,332	\$5,332	(\$2,526)	(\$21.05)
Water Storage Tank (Refurbish)	40	0	40	\$47,741	\$25,124	\$1,194	\$47,741	(\$22,617)	(\$188.48)
Water Storage Tank (Replace)	40	21	19	\$185,658	\$46,408	\$4,641	\$88,188	(\$41,779)	(\$348.16)
Water System Control Panel	30	11	19	\$36,518	\$12,171	\$1,217	\$23,128	(\$10,957)	(\$91.31)
Water System Fire Pump	30	9	21	\$40,552	\$14,938	\$1,352	\$28,386	(\$13,448)	(\$112.07)
Water System Fire Pump (Overhaul)	3	1	2	\$3,939	\$1,382	\$1,313	\$2,626	(\$1,244)	(\$10.37)
Water Tank - Eval./Maintenance	3	2	1	\$3,476	\$610	\$1,159	\$1,159	(\$549)	(\$4.57)
Well #3 (Pump & Motor)	6	1	5	\$7,877	\$3,454	\$1,313	\$6,564	(\$3,110)	(\$25.91)
Well #4 (Pump & Motor)	6	6	0	\$12,100	\$0	\$2,017	\$0	\$0	\$0.00



Monterey Dunes Colony Water Association
 Castroville, CA

Date: 20-Mar-2013
 Units: 120
 Fiscal Year End: 30-Jun-2013
 Report Start Date: 01-Jul-2013

Percent Funded: 53 %

	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	\$453,601	\$148,076	\$36,378	\$281,381	(\$133,305)	(\$1,110.88)

PERCENTAGE FUNDED & DEFINITIONS

Based on the estimated total current replacement cost of \$453,601 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 \$36,378 and the Fully Funded Reserve as of fiscal year-end 30-Jun-2013 is \$281,381. As of this date, the Association has projected \$148,076 to be in savings available for reserves. This will be a deficit of \$133,305 under the Fully Funded Reserve. Based on these numbers, the Monterey Dunes Colony Water Association will be 53 % funded as of 30-Jun-2013.

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-Mar-2013
 Units: 120
 Fiscal Year End: 30-Jun-2013
 Report Start Date: 01-Jul-2013

Category	Component	Service Life	Replacement Cost	Projected Cost
2013				
Water Company Components	Annual Contingency	1	\$6,926	\$6,926
Water Company Components	Paint Compression Water Tank	5	\$4,288	\$4,288
Water Company Components	Paint Storage Tank (Exterior)	5	\$17,389	\$17,389
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$5,332
Water Company Components	Water Storage Tank (Refurbish)	40	\$47,741	\$47,741
			Total for 2013:	\$81,676
2014				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,476	\$3,581
Water Company Components	Annual Contingency	1	\$6,926	\$7,134
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$2,388
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$5,492
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,939	\$4,057
Water Company Components	Well #3 (Pump & Motor)	6	\$7,877	\$8,113
			Total for 2014:	\$30,764
2015				
Water Company Components	Annual Contingency	1	\$6,926	\$7,348
Water Company Components	CL2 Pumps	3	\$1,784	\$1,893
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$5,657
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,476	\$3,688
			Total for 2015:	\$18,585
2016				
Water Company Components	Annual Contingency	1	\$6,926	\$7,568
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$2,533
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$5,826
			Total for 2016:	\$15,928
2017				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,476	\$3,913
Water Company Components	Annual Contingency	1	\$6,926	\$7,795
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$6,001
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,939	\$4,433
			Total for 2017:	\$22,142
2018				
Water Company Components	Annual Contingency	1	\$6,926	\$8,029
Water Company Components	CL2 Pumps	3	\$1,784	\$2,068
Water Company Components	Paint Compression Water Tank	5	\$4,288	\$4,971
Water Company Components	Paint Storage Tank (Exterior)	5	\$17,389	\$20,159
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$2,687
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$6,181
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,476	\$4,030
			Total for 2018:	\$48,125
2019				
Water Company Components	Annual Contingency	1	\$6,926	\$8,270
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$6,367
Water Company Components	Well #4 (Pump & Motor)	6	\$12,100	\$14,448



Monterey Dunes Colony Water Association
 Castroville, CA

Date: 20-Mar-2013
 Units: 120
 Fiscal Year End: 30-Jun-2013
 Report Start Date: 01-Jul-2013

Category	Component	Service Life	Replacement Cost	Projected Cost
			Total for 2019:	\$29,085
2020				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,476	\$4,275
Water Company Components	Annual Contingency	1	\$6,926	\$8,518
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$2,851
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$6,558
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,939	\$4,844
Water Company Components	Well #3 (Pump & Motor)	6	\$7,877	\$9,688
			Total for 2020:	\$36,734
2021				
Water Company Components	Annual Contingency	1	\$6,926	\$8,774
Water Company Components	CL2 Pumps	3	\$1,784	\$2,260
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$6,754
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,476	\$4,403
			Total for 2021:	\$22,191
2022				
Water Company Components	50 KW Generator (Rebuild/Replace)	30	\$37,132	\$48,449
Water Company Components	Annual Contingency	1	\$6,926	\$9,037
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$3,024
Water Company Components	Pump #1 - 10 HP Booster	30	\$4,057	\$5,293
Water Company Components	Pump #2 - 10 HP Booster	30	\$4,057	\$5,293
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$6,957
Water Company Components	Water System Fire Pump	30	\$40,552	\$52,911
			Total for 2022:	\$130,965
2023				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,476	\$4,672
Water Company Components	Annual Contingency	1	\$6,926	\$9,308
Water Company Components	Paint Compression Water Tank	5	\$4,288	\$5,763
Water Company Components	Paint Storage Tank (Exterior)	5	\$17,389	\$23,369
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$7,166
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,939	\$5,294
			Total for 2023:	\$55,571
2024				
Water Company Components	Annual Contingency	1	\$6,926	\$9,587
Water Company Components	CL2 Pumps	3	\$1,784	\$2,469
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$3,209
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$7,381
Water Company Components	Water System Control Panel	30	\$36,518	\$50,549
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,476	\$4,812
			Total for 2024:	\$78,007
2025				
Water Company Components	Annual Contingency	1	\$6,926	\$9,875
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$7,602
Water Company Components	Well #4 (Pump & Motor)	6	\$12,100	\$17,252
			Total for 2025:	\$34,729



BARRERA AND COMPANY
RESERVE SPECIALISTS
Monterey Dunes Colony Water Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Category	Component	Service Life	Replacement Cost	Projected Cost
2026				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,476	\$5,105
Water Company Components	Annual Contingency	1	\$6,926	\$10,171
Water Company Components	Dist Water System Valves	25	\$28,981	\$42,560
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$3,404
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$7,830
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,939	\$5,785
Water Company Components	Well #3 (Pump & Motor)	6	\$7,877	\$11,568
			Total for 2026:	\$86,422
2027				
Water Company Components	Annual Contingency	1	\$6,926	\$10,476
Water Company Components	CL2 Pumps	3	\$1,784	\$2,698
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$8,065
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,476	\$5,258
			Total for 2027:	\$26,498
2028				
Water Company Components	Annual Contingency	1	\$6,926	\$10,790
Water Company Components	Paint Compression Water Tank	5	\$4,288	\$6,681
Water Company Components	Paint Storage Tank (Exterior)	5	\$17,389	\$27,091
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$3,611
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$8,307
			Total for 2028:	\$56,481
2029				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,476	\$5,578
Water Company Components	Annual Contingency	1	\$6,926	\$11,114
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$8,556
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,939	\$6,321
			Total for 2029:	\$31,570
2030				
Water Company Components	Annual Contingency	1	\$6,926	\$11,448
Water Company Components	CL2 Pumps	3	\$1,784	\$2,949
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$3,831
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$8,813
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,476	\$5,745
			Total for 2030:	\$32,786
2031				
Water Company Components	Annual Contingency	1	\$6,926	\$11,791
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$9,077
Water Company Components	Well #4 (Pump & Motor)	6	\$12,100	\$20,599
			Total for 2031:	\$41,468
2032				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,476	\$6,096
Water Company Components	Annual Contingency	1	\$6,926	\$12,145
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$4,065
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$9,350



BARRERA AND COMPANY
RESERVE SPECIALISTS
Monterey Dunes Colony Water Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Category	Component	Service Life	Replacement Cost	Projected Cost
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,939	\$6,907
Water Company Components	Well #3 (Pump & Motor)	6	\$7,877	\$13,812
			Total for 2032:	\$52,374
2033				
Water Company Components	Annual Contingency	1	\$6,926	\$12,509
Water Company Components	CL2 Pumps	3	\$1,784	\$3,222
Water Company Components	Paint Compression Water Tank	5	\$4,288	\$7,745
Water Company Components	Paint Storage Tank (Exterior)	5	\$17,389	\$31,406
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$9,630
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,476	\$6,278
			Total for 2033:	\$70,791
2034				
Water Company Components	Annual Contingency	1	\$6,926	\$12,884
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$4,312
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$9,919
Water Company Components	Water Storage Tank (Replace)	40	\$185,658	\$345,379
			Total for 2034:	\$372,494
2035				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,476	\$6,661
Water Company Components	Annual Contingency	1	\$6,926	\$13,271
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$10,217
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,939	\$7,548
			Total for 2035:	\$37,696
2036				
Water Company Components	Annual Contingency	1	\$6,926	\$13,669
Water Company Components	CL2 Pumps	3	\$1,784	\$3,521
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$4,575
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$10,523
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,476	\$6,860
			Total for 2036:	\$39,148
2037				
Water Company Components	Annual Contingency	1	\$6,926	\$14,079
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$10,839
Water Company Components	Well #4 (Pump & Motor)	6	\$12,100	\$24,597
			Total for 2037:	\$49,515
2038				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,476	\$7,278
Water Company Components	Annual Contingency	1	\$6,926	\$14,502
Water Company Components	Paint Compression Water Tank	5	\$4,288	\$8,978
Water Company Components	Paint Storage Tank (Exterior)	5	\$17,389	\$36,409
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$4,853
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$11,164
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,939	\$8,247
Water Company Components	Well #3 (Pump & Motor)	6	\$7,877	\$16,493
			Total for 2038:	\$107,924



BARRERA AND COMPANY
RESERVE SPECIALISTS

Monterey Dunes Colony Water Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Category	Component	Service Life	Replacement Cost	Projected Cost
2039				
Water Company Components	Annual Contingency	1	\$6,926	\$14,937
Water Company Components	CL2 Pumps	3	\$1,784	\$3,847
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$11,499
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,476	\$7,496
			Total for 2039:	\$37,779
2040				
Water Company Components	Annual Contingency	1	\$6,926	\$15,385
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$5,149
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$11,844
			Total for 2040:	\$32,378
2041				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,476	\$7,953
Water Company Components	Annual Contingency	1	\$6,926	\$15,846
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$12,199
Water Company Components	Water System Fire Pump (Overhaul)	3	\$3,939	\$9,012
			Total for 2041:	\$45,011
2042				
Water Company Components	Annual Contingency	1	\$6,926	\$16,322
Water Company Components	CL2 Pumps	3	\$1,784	\$4,204
Water Company Components	Pressure Tank Compressor	2	\$2,318	\$5,463
Water Company Components	Pumps (Annual Maintenance)	1	\$5,332	\$12,565
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,476	\$8,191
			Total for 2042:	\$46,745



BARRERA AND COMPANY
RESERVE SPECIALISTS
Monterey Dunes Colony Water Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

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
2013	\$35,912	\$24.94	\$148,076	\$939	\$184,927	\$81,676	\$103,251	(\$139,915)	42%
2014	\$35,912	\$24.94	\$103,251	\$794	\$139,957	\$30,764	\$109,192	(\$148,175)	42%
2015	\$35,912	\$24.94	\$109,192	\$884	\$145,988	\$18,585	\$127,403	(\$158,294)	45%
2016	\$35,912	\$24.94	\$127,403	\$1,030	\$164,346	\$15,928	\$148,418	(\$170,389)	47%
2017	\$35,912	\$24.94	\$148,418	\$1,165	\$185,495	\$22,142	\$163,353	(\$184,385)	47%
2018	\$35,912	\$24.94	\$163,353	\$1,179	\$200,444	\$48,125	\$152,319	(\$199,720)	43%
2019	\$35,912	\$24.94	\$152,319	\$1,168	\$189,399	\$29,085	\$160,314	(\$217,069)	42%
2020	\$35,912	\$24.94	\$160,314	\$1,199	\$197,426	\$36,734	\$160,691	(\$236,260)	40%
2021	\$35,912	\$24.94	\$160,691	\$1,257	\$197,860	\$22,191	\$175,669	(\$257,800)	41%
2022	\$35,912	\$24.94	\$175,669	\$961	\$212,542	\$130,965	\$81,577	(\$278,892)	23%
2023	\$35,912	\$24.94	\$81,577	\$538	\$118,027	\$55,571	\$62,455	(\$301,945)	17%
2024	\$35,912	\$24.94	\$62,455	\$311	\$98,678	\$78,007	\$20,671	(\$326,181)	6%
2025	\$35,912	\$24.94	\$20,671	\$159	\$56,742	\$34,729	\$22,014	(\$352,896)	6%
2026	\$35,912	\$24.94	\$22,014	\$0	\$57,926	\$86,422	(\$28,496)	(\$380,664)	0%
2027	\$35,912	\$24.94	(\$28,496)	\$0	\$7,416	\$26,498	(\$19,082)	(\$411,199)	0%
2028	\$35,912	\$24.94	(\$19,082)	\$0	\$16,830	\$56,481	(\$39,651)	(\$443,732)	0%
2029	\$35,912	\$24.94	(\$39,651)	\$0	(\$3,739)	\$31,570	(\$35,309)	(\$479,124)	0%
2030	\$35,912	\$24.94	(\$35,309)	\$0	\$603	\$32,786	(\$32,183)	(\$517,474)	0%
2031	\$35,912	\$24.94	(\$32,183)	\$0	\$3,729	\$41,468	(\$37,739)	(\$558,667)	0%
2032	\$35,912	\$24.94	(\$37,739)	\$0	(\$1,827)	\$52,374	(\$54,201)	(\$602,515)	0%
2033	\$35,912	\$24.94	(\$54,201)	\$0	(\$18,289)	\$70,791	(\$89,079)	(\$648,603)	0%
2034	\$35,912	\$24.94	(\$89,079)	\$0	(\$53,167)	\$372,494	(\$425,661)	(\$688,007)	0%
2035	\$35,912	\$24.94	(\$425,661)	\$0	(\$389,749)	\$37,696	(\$427,445)	(\$730,630)	0%
2036	\$35,912	\$24.94	(\$427,445)	\$0	(\$391,533)	\$39,148	(\$430,681)	(\$776,589)	0%
2037	\$35,912	\$24.94	(\$430,681)	\$0	(\$394,769)	\$49,515	(\$444,284)	(\$825,737)	0%
2038	\$35,912	\$24.94	(\$444,284)	\$0	(\$408,372)	\$107,924	(\$516,297)	(\$876,484)	0%
2039	\$35,912	\$24.94	(\$516,297)	\$0	(\$480,385)	\$37,779	(\$518,164)	(\$931,052)	0%
2040	\$35,912	\$24.94	(\$518,164)	\$0	(\$482,252)	\$32,378	(\$514,629)	(\$989,786)	0%
2041	\$35,912	\$24.94	(\$514,629)	\$0	(\$478,717)	\$45,011	(\$523,728)	(\$1,052,506)	0%
2042	\$35,912	\$24.94	(\$523,728)	\$0	(\$487,816)	\$46,745	(\$534,561)	(\$1,119,355)	0%

Inflation Rate: 3% Interest Rate: 0.75% Funding Rate: 0%



Monterey Dunes Colony Water Association
 Castroville, CA

Date: 20-Mar-2013
 Units: 120
 Fiscal Year End: 30-Jun-2013
 Report Start Date: 01-Jul-2013

For Homeowner Distribution

Number of Units: 120
 Budget Year Start: July 01, 2013
 Budget Year End: June 30, 2014
 Location: Castroville, CA

As of 30-Jun-2013

Projected Reserve Fund Balance \$148,076
 Projected Fully Funded Reserve: \$281,381
 Deficit Below Fully Funded Reserve: (\$133,305) or (\$1,110.88) Per unit
 Percentage Funded: 53%
 Current Replacement Cost: \$453,601

Current Funding - Five Year Summary

	Allocation	Per Unit Per Month	Disbursements	Year-End Balance	Fully Funded \$	Percentage Funded
Year 1	\$35,912	\$24.94	\$81,676	\$103,251	\$243,166	42%
Year 2	\$35,912	\$24.94	\$30,764	\$109,192	\$257,368	42%
Year 3	\$35,912	\$24.94	\$18,585	\$127,403	\$285,698	45%
Year 4	\$35,912	\$24.94	\$15,928	\$148,418	\$318,808	47%
Year 5	\$35,912	\$24.94	\$22,142	\$163,353	\$347,738	47%

Inflation Rate: 3% Interest Rate: 0.75% Funding Rate: 0%



BARRERA AND COMPANY
RESERVE SPECIALISTS

Monterey Dunes Colony Water Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

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: 0.75 %

Inflation Rate: 3% Interest Rate: 0.75% Funding Rate: 0%



Monterey Dunes Colony Water Association
Castroville, CA

Date: 20-Mar-2013
Units: 120
Fiscal Year End: 30-Jun-2013
Report Start Date: 01-Jul-2013

Current Replacement Cost Total: \$453,601

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Water Company Components							
50 KW Generator (Overhaul)	3	1	\$3,476.25 / Each	1	\$3,476	\$3,581	On File
50 KW Generator (Rebuild/Replace)	30	9	\$37,132.00 / Each	1	\$37,132	\$48,449	On File
Annual Contingency	1	0	\$6,926.00 / Total	1	\$6,926	\$6,926	Management
CL2 Pumps	3	2	\$1,783.99 / Each	1	\$1,784	\$1,893	On File
Compression Water Tank			Maintenance / Operating				Management
Dist Water System Valves	25	13	\$28,981.00 / Total	1	\$28,981	\$42,560	On File
Paint Compression Water Tank	5	0	\$4,288.00 / Each	1	\$4,288	\$4,288	On File
Paint Storage Tank (Exterior)	5	0	\$17,389.00 / Each	1	\$17,389	\$17,389	On File
Pressure Tank Compressor	2	1	\$2,318.00 / Each	1	\$2,318	\$2,388	On File
Pump #1 - 10 HP Booster	30	9	\$4,057.00 / Each	1	\$4,057	\$5,293	On File
Pump #2 - 10 HP Booster	30	9	\$4,057.00 / Each	1	\$4,057	\$5,293	On File
Pumps (Annual Maintenance)	1	0	\$5,332.00 / Total	1	\$5,332	\$5,332	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 (Refurbish)	40	0	\$47,741.00 / Each	1	\$47,741	\$47,741	Bid
Water Storage Tank (Replace)	40	21	\$185,658.00 / Each	1	\$185,658	\$345,379	Bid
Water System Control Panel	30	11	\$36,518.00 / Total	1	\$36,518	\$50,549	On File
Water System Fire Pump	30	9	\$40,552.00 / Each	1	\$40,552	\$52,911	On File
Water System Fire Pump (Overhaul)	3	1	\$3,939.00 / Each	1	\$3,939	\$4,057	On File
Water Tank - Eval./Maintenance	3	2	\$3,476.00 / Total	1	\$3,476	\$3,688	Awaiting Information
Water Wells			Maintenance / Operating				Management
Well #3 (Pump & Motor)	6	1	\$7,877.00 / Total	1	\$7,877	\$8,113	On File
Well #4 (Pump & Motor)	6	6	\$12,100.00 / Total	1	\$12,100	\$14,448	On File
Wells - Replace			Life of Project				Management
Totals					\$453,601	\$670,277	

BARRERA AND
COMPANY
RESERVE SPECIALISTS**Monterey Dunes Colony Water
Association**
Castroville, CA

Date: 20-Mar-2013

Units: 120

Fiscal Year End: 30-Jun-2013

Report Start Date: 01-Jul-2013

DISCLAIMER

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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.

(At the directors meeting on January 19, 2013, the board agreed in principle to clarify this rule, (titled Clubhouse rule 1), to reflect that while the clubhouse is open “daily” to homeowners and their authorized guests, however, the doors remain locked on weekends. Homeowners and their authorized guests may call on-duty maintenance staff, or the association guard at 831-633-3187 for access to the clubhouse. This rule will be updated at the same time as the governing documents are restated to reflect the new Davis Stirling format.)

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-transferrable 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.
4. 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.
5. The maximum number of persons in attendance at private functions in the Clubhouse is not to exceed 40.
6. The removal of kitchen equipment from the Clubhouse is prohibited.
7. The Clubhouse furniture is not to be removed.
8. No pets are allowed on the Clubhouse premises.

(At the directors meeting on January 19, 2013, the board elected to suspend this rule, (titled Clubhouse rule 8) and will rewrite this ground rule in favor of authorizing pets in the clubhouse area. This rule will be updated at the same time as the governing documents are restated to reflect the new Davis Stirling format.)

9. Sound equipment is not allowed on the clubhouse premises.

JACUZZI, SAUNA & POOL

1. The Jacuzzi is open from 10:00 AM to 10:00 PM 7-days a week. Saunas are open to homeowners and their immediate families from 10:00 AM to 10:00 PM 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 AM and closes at 7:00 PM. There is no lifeguard on duty. Homeowners and their guests swim at their own risk. Parents are responsible for the safety of their children.

(At the directors meeting on January 19, 2013, the board agreed in principle to adjust this rule, titled Jacuzzi, Sauna & Pool rule 1), allowing homeowners to invite additional guests to use this facility through Letters of Responsibility. This rule will be updated at the same time as the governing documents are restated to reflect the new Davis Stirling format.)

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 lessees 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 the ground rule will subject the responsible homeowner to a fine of \$250.00 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. 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.

(At the directors meeting on January 19, 2013, the board elected to suspend this rule, (titled Dogs & Pets, rule 4) and will rewrite this ground rule in favor of authorizing pets in the clubhouse and surrounding area. This rule will be updated at the same time as the governing documents are restated to reflect the new Davis Stirling format.)

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 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 that 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).
3. 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.
4. No vehicles shall be parked in a fire lane or within fifteen (15) feet of a fire hydrant.
5. Vehicles parked on common area streets must be parked perpendicular to concrete curbs.
6. 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.
7. 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.

8. All non-owners who come onto 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.
9. Any owner who allows non-owners to use his/her unit is responsible for ensuring that a temporary vehicle identification tag is provided to the 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 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 surround units occupied by other members or their guests.

1. Exceptions to this policy will be made on a case-by-case basis 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 those 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 of their residences or personal property. The term "homeowners" includes the tenant of a homeowner. The term "contractors" includes all those individuals and entities listed below:
 - **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 and 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 rental party and the number occupants 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 on 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

- Ashes from fireplaces or barbecues are not to be placed in garbage cans until they are *absolutely* cold.
- 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 cans) is allowed to be placed on top of the can in sealed plastic bags. The contract 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

- Do not put grease down drains. This blocks our septic system lines.
- Do not dispose of non-degradable items in drains.
- Paper products, except toilet paper, should not be flushed in toilets.
- Place excess food scrapings in the garbage instead of the disposal whenever possible.

RECYCLING PROGRAM

- 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
18. Document Retention Policy
19. Internal Dispute Resolution
20. Alternative Dispute Resolution

Reports on File in the Administrative Office

1. Annual Waste Water Discharger Report
2. Annual Consumer Confidence Water Quality Report
3. Annual Water Extraction Report
4. Annual Water Conservation Report
5. Annual Audit Report
6. Annual Election Timelines

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 (f) of Section 1365 of the Civil Code, (or Section 5300, (b)(9), revised Davis Stirling) 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.



INSURANCE

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

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

SINCE 1908

April 8, 2013


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	\$35,360,000	\$25,000	Travelers Insurance
Earthquake	\$10,000,000	10%	Golden Bear Insurance
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
Fidelity Bond	\$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.

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Sondra Carter
Agent

4/8/13
Date



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

April 8, 2013

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 separate DIC policies..
 - 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.



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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 that reads 'Sondra Carter'.

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>Exp Date</u>
Blanket Buildings	\$35,360,000	Travelers	I680838C4856	2/1/2014
Deductible	\$25,000	Travelers	I680838C4856	
Liability Limits	\$1,000,000/\$2,000,000	Travelers	I680838C4856	2/1/2014
Directors and Officers	\$3,000,000	C N A	0251106621	8/1/2013
Automobile Liability	\$1,000,000	Travelers	BA838C4856	2/1/2014
Fidelity/Dishonesty	\$800,000	C N A Surety	0250859955	8/1/2014
Umbrella Limits	\$10,000,000	Travelers	ISMcup7618Y48A	2/1/2014
Boiler and Machinery	\$1,000,000	Hartford	FBP2286934	2/1/2014
DIC- Earthquake	\$10,000,000 Loss Limit	Golden Bear	FD42307	2/1/2014
Flood	\$30,000,000	Fidelity National	Various - 41 Bldgs.	8/1/2013
Workers Compensation	\$1,000,000	Employers Insurance	EIG129153301	2/1/2014

Insurance Summary, 2013-2014

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

Revised July 21, 2001

Revised December 3, 2005