

ANNUAL BUDGET REPORT

AND

ANNUAL POLICY STATEMENT

Fiscal Year 2014 – 2015

July 1, 2014 through June 30, 2015

FOR

**MONTEREY DUNES COLONY
ASSOCIATION**

AND

**MONTEREY DUNES COLONY
MUTUAL WATER ASSOCIATION**

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May 5, 2014

Dear Homeowners,

Enclosed please find your copy of the 2014-2015 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.

- 2014-2015 Monterey Dunes Colony Association Operating Budget [§5300(b)(1)].
- 2014-2015 Monterey Dunes Colony Mutual Water Association Operating Budget.
- Monterey Dunes Colony Association Assessment Collection Policy [§5310(a)(7)].
- Assessments and Foreclosure Information [§5730, §5600, §5605 and §5740].
- Name and Address of Person Designated to Receive Official Communications to the Association [§5310(a)(1); §4035].
- Notice of Right to Submit Secondary Addresses for Collection Notices [§4040(b)].
- Notice of Location Designated for Posting General Notices [§5310(a)(3); §4045].
- Notice of Right to Receive General Notices by Individual Delivery Upon Request [§5310(a)(4); §4045(b)].
- Notice of Right to Minutes of Board Meetings, [§5310(a)(5); §4950(b)].
- Mailing Address for Overnight Payment of Assessments [§5310(a)(11); §5655].
- Notice of Collection Rights & Duties [§5310(a)(6); §5730].
- Summary of Alternative Dispute Resolution, [§5965].
- Monterey Dunes Colony Association Internal Dispute Resolution Program, [§5920].
- Monterey Dunes Colony Association Voting and Election Rules [§5105(a)].
- Notice of Annual Reserve Assessment, 7-1-2014 [§5615].
- Monterey Dunes Colony Association Assessment and Reserve Funding Disclosure [§5300(e); §5570].
- Monterey Dunes Colony Association Reserve Study, (Funding Plan), 7-1-2014 [§5300(b)(3); §5550(b)(5)].
- Monterey Dunes Colony Mutual Water Association Assessment and Reserve Funding Disclosure [Information].
- Monterey Dunes Colony Mutual Water Association Reserve Study, (Funding Plan), 7-1-2014, [Information].
- Monterey Dunes Colony Association Rules and Schedule of Fines [§5310(a)(8); §5850].
- Insurance Disclosures/Information and Policy Coverage's [§5300(b)(9)].
- Environmental Control Committee Policy, (Architectural Guidelines and Procedures) [§4765(c)].

In accordance with a resolution by the Board of Directors on March 15, 2014, monthly assessments for fiscal year 2014-2015, (July 1, 2014 through June 30, 2015), increase from **\$847.00** per unit, per month to **\$854.00** per unit, per month (a 0.83% increase). Additional association insurance premiums were the main contributor to this \$7.00 per month increase. The monthly operating/reserve split is: **\$686.75 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 2013-2014 fiscal year, (June 30, 2014) at approximately \$2,202,914. 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 15, 2014, the Board re-affirmed the \$5,000.00 per unit annual reserve assessment. This year's assessment will be billed on June 1, 2014 and due July 1, 2014.

As you may know, it is traditional that the sitting Board President write a short "State of the Colony" note to accompany our annual legal disclosures. I thank you once again for the opportunity to serve the Association.

This past year has been another successful one, by any measure. A great deal of credit goes to our very talented, experienced, and capable team that runs the daily operation of our Colony. Our GM, Tom Bugary, is the reason things run so smoothly; he truly makes life much more pleasant for all of us who own homes here. Tom's tireless approach to his job, his deep knowledge, sense of equity and fairness, and superb management skills are among our greatest assets. He has now been with us for 15 years, and he is not even our longest-serving employee! His team averages about 12 years of service, so you know they value their association with MDC!

Some of the many accomplishments this past year include:

- We completed the repair and complicated re-lining of our main water tank. This creative solution was accomplished at a fraction of the cost of replacement of the tank itself; it should hold us in good stead for many years to come.
- We continued to grow the Association's financial reserves as we build toward the goal of accumulating 40% of the needed funding to repair or replace scheduled components by the 2020 budget cycle. We expect to be about 34% funded by fiscal year-end. As a result, we should be able to handle projected expenses as we go forward.
- We saw a continued improvement in the internet connection speed at the Colony. You may remember that this was a major source of dissatisfaction in the homeowner survey a couple of years ago. Not only have we built a constructive relationship with Redshift, but they have improved their service by increasing their transmission frequency. They have also doubled their download speed twice, without increasing the cost to existing subscribers. In addition, we have the opportunity to increase the internet download speed much more with the arrival of a second vendor, Surfnet Communications. Surfnet will be providing us with a fiber optic cable connection at speeds that most internet vendors can only dream of, at a very competitive price. You should have already received information on the Surfnet alternative.
- Our governing documents - the Covenants, Conditions, and Restrictions (CC&R's) and Bylaws - are in the process of being revised and updated to conform with the oft-revised state laws and to provide additional protection to both the homeowners and the Association. We thank those homeowners who have taken the time to help review and recommend changes to the documents. Homeowners will have an opportunity to review them in their entirety before they are voted on by all of us (we will need a two-thirds vote of all homeowners to pass the revisions).

- After many dealings with the Post Office, we were able to change the postal address for the Colony to Moss Landing from Castroville. Ted Swanson deserves many thanks for his persistence and persuasion abilities.
- After much discussion and many meetings, we finally received approval from the Coastal Commission to conduct a trial of our wave run-up barriers, which was very successful. In the case of storm surges, particularly in combination with high tides, these inexpensive but very effective barriers will provide the best protection to homes that may be in the path of nature's force. We are still working to complete a Memorandum of Understanding with State Parks.
- We are actively researching alternatives for solar energy at the Colony, both to power the needs of the Association and for individual homes. The price for solar power generation are dropping, and the price for gas/oil powered electricity are rising, which makes solar increasingly attractive. More on this soon.
- We approved a new policy, which will be included in the new governing documents, for electric vehicle charging stations. We expect there will be several homeowners who will want to take advantage of this.

A big "thank you!" is due from all of us to the tireless and dedicated work of all those homeowners who have served on the various volunteer committees. And a special "thank you!" to the dedicated members of the Board who have labored behind the scenes to help make Monterey Dunes an even better place for us all. And once more, a "thank you!" to all the MDC staff for their productivity and dedication to the Colony.

Your Colony does not run on autopilot – it truly takes the involvement of homeowners. One key to keeping Monterey Dunes a special place is simple – volunteers. The monetary pay is non-existent, but the rewards and satisfaction are immeasurable. I do hope you will consider volunteering in the future! Your neighbors will thank you!

Sincerely,

Frank Williams

Frank Williams, President
Monterey Dunes Colony Association Board of Directors

Monterey Dunes Colony Association

Operating Budget

July 1, 2014 through June 30, 2015

Approved March 15, 2014

MONTEREY DUNES COLONY ASSOCIATION
2014 - 2015 HISTORICAL COMPARISON BUDGET - Final 3-15-14

Dues from \$847 to \$854.00 per month.

	Proposed 2014-2015	Budget 2013-2014	Forecast 2013-2014	Actual 2012-2013	Actual 2011-2012	Actual 2010-2011	Actual 2009-2010	Actual 2008-2009	Actual 2007-2008	Actual 2006-2007	Actual 2005-2006
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Summary of Revenues and Expenditures

Operating Revenue

Dues 5010	1,229,760	1,219,680	1,219,680	1,196,640	1,196,640	1,188,000	1,144,800	1,094,400	1,065,600	1,015,200	957,600
Misc Income 5060	3,500	3,500	3,500	4,913	2,346	3,323	8,884	3,982	2,886	3,266	3,178
Rental Income 5085	21,600	21,600	21,600	21,600	21,600	900					
Interest Income 5088	175	175	175	154	220	146	76	140	259	238	296
Total Revenue	1,255,035	1,244,955	1,244,955	1,223,307	1,220,807	1,192,369	1,153,761	1,098,522	1,068,745	1,018,703	961,074
Less Allocation to Reserves	195,840	195,840	195,840	195,840	195,840	195,840	195,840	195,840	195,840	195,840	195,840
Operating Revenue	1,059,195	1,049,115	1,049,115	1,027,467	1,024,967	996,529	957,921	902,682	872,905	822,863	765,234

Operating Expenses

Unit 242 Expense	21,600	21,600	21,600	21,600	21,600	900					
Bad Debt						(11,847)					
Clubhouse Area Expense	44,800	45,300	43,500	43,756	42,547	45,348	45,622	39,632	39,560	37,853	93,200
General Repair Expense	58,850	62,700	56,600	46,480	75,541	52,738	38,588	56,412	53,271	54,283	58,512
Administrative Expenses	314,991	308,133	304,745	277,313	277,743	275,335	333,943	282,538	250,608	234,162	168,472
Personnel Expense	574,342	567,348	558,524	550,722	528,707	542,572	525,882	492,156	453,790	447,277	455,731
Water Company Charges	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,044	44,855	45,145	45,000
Water System Other				74							
Loss on Asset Disposal											
Water Meter Project											
TOTAL OPERATING EXPENSE	1,059,583	1,050,081	1,029,969	984,945	991,138	950,046	989,035	915,782	842,084	818,720	820,915
Net Operating	(388)	(966)	19,146	42,522	33,829	46,483	(31,114)	(13,100)	30,821	4,143	(55,681)

MONTEREY DUNES COLONY ASSOCIATION
2014 - 2015 HISTORICAL COMPARISON BUDGET - Final 3-15-14

	Unit/Mo Proposed 2014-2015	Annual Proposed 2014-2015	Unit/Mo Forecast 2013-2014	Annual Forecast 2013-2014	Unit/Mo Budget 2013-2014	Annual Budget 2013-2014	Unit/Mo Actual 2012-2013	Annual Actual 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
Dues from \$847 to \$854 per month.														
% Increase/Decrease over Previous Year	0.83% ←				→ 1.93%		0.00%		0.73%		3.77%		4.61%	
Revenue														
Dues 5010	854	1,229,760	847	1,219,680	847	1,219,680	831	1,196,640	831	1,196,640	825	1,188,000	795	1,144,800
Misc Income 5099	2	3,500	2	3,500	2	3,500	3	4,913	2	2,346	2	3,323	6	8,884
Rental Income 5085	15	21,600	15	21,600	15	21,600	15	21,600	15	21,600	1	900	0	76
Interest Income 5080		175		175		175		154		220		146		
Total Revenue	872	1,255,035	865	1,244,955	865	1,244,955	850	1,223,307	848	1,220,806	828	1,192,369	801	1,153,761
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	736	1,059,195	729	1,049,115	729	1,049,115	714	1,027,467	712	1,024,966	692	996,529	665	957,921
Operating Expenses														
Unit 242 Expense		21,600		21,600		21,600		21,600		21,600		900		
Bad Debt												(11,847)		
Clubhouse Area Expense	31	44,800	30	43,500	31	45,300	30	43,756	30	42,547	31	45,348	32	45,622
General Repair Expense	41	58,850	39	56,600	44	62,700	32	46,480	52	75,541	37	52,738	27	38,588
Administrative Expenses	219	314,991	212	304,745	214	308,133	193	277,313	193	277,743	191	275,335	232	333,943
Personnel Expense	399	574,342	388	558,524	394	567,348	382	550,722	367	528,707	377	542,572	365	525,882
Water Company Charges	31	45,000	31	45,000	31	45,000	31	45,000	31	45,000	31	45,000	31	45,000
Water Sys Reimbursable								74						
Storm Damage / Repairs														
Water Meter Project														
TOTAL EXPENSE	736	1059583	715	1,029,969	729	1,050,081	684	984,945	688	991,138	660	950,046	687	989,035
Net Operating	(0)	(388)	13	19,146	(1)	(966)	30	42,522	23	33,828	32	46,483	(22)	(31,114)

**Monterey Dunes Colony
Mutual Water Association**

Operating Budget

July 1, 2014 through June 30, 2015

Approved March 15, 2014

MONTEREY DUNES COLONY MUTUAL WATER ASSOCIATION

2014 - 2015 Budget, Final 3-15-14

Summary of Revenues and Expenditures

Line Items	2014-2015 Proposed	2013-2014 Budget	2013-2014 Forecast	2012-2013 Actual	2011-2012 Actual	2010-2011 Actual	2009-2010 Actual	2008-2009 Actual	2007-2008 Actual	2006-2007 Actual	2005-2006 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	\$1,500	\$1,000	\$1,500	\$1,520	\$2,326	\$2,932	\$3,048	\$5,260	\$0	\$0	\$0
Interest Earned	\$30	\$30	\$13	\$13	\$30	\$21	\$15	\$24	\$27	\$38	\$36
Uncategorized Income						\$66					
Less Income Taxes Paid	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
Total Revenues	\$46,530	\$46,030	\$46,513	\$46,532	\$47,356	\$48,019	\$48,063	\$50,283	\$45,027	\$45,038	\$45,036
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	\$30,618	\$30,118	\$30,601	\$30,620	\$31,444	\$32,107	\$32,151	\$34,371	\$29,115	\$29,126	\$29,124
Operating Expenses											
Year End Audit and Tax Returns	\$4,200	\$4,100	\$4,000	\$3,900	\$3,900	\$3,840	\$3,750	\$3,750	\$3,849	\$3,479	\$3,798
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	\$75	\$75	\$72	\$71	\$71	\$106	\$100	\$124	\$124	\$103
Licensed Operator	\$9,168	\$9,168	\$9,168	\$9,168	\$8,797	\$8,688	\$8,476	\$7,938	\$7,530	\$7,200	\$7,200
Franchise Fees	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Licenses, Permits, Fees, Taxes	\$5,300	\$5,500	\$5,200	\$4,895	\$4,865	\$4,920	\$4,696	\$4,629	\$4,085	\$3,601	\$3,283
Maintenance and Repairs	\$4,000	\$4,000	\$4,000	\$2,393	\$13,089	\$1,617	\$3,202	\$5,558	\$2,090	\$9,952	\$3,388
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$367
Water Testing	\$3,700	\$3,700	\$3,700	\$858	\$3,241	\$2,878	\$1,608	\$3,118	\$2,477	\$2,294	\$2,478
Utilities and Chemicals	\$4,500	\$4,500	\$4,500	\$3,419	\$3,024	\$2,911	\$3,351	\$3,294	\$3,359	\$4,095	\$4,261
Contingency	\$500	\$500	\$230	\$0	\$601	\$40	\$109	\$90	\$500	\$530	\$381
Taxes penalties and interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Conservation Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Income Tax						\$33		\$31	\$56		
Total Operating Expenses	\$31,543	\$31,643	\$30,973	\$24,804	\$37,688	\$25,098	\$25,398	\$28,609	\$24,170	\$31,375	\$25,359
State Income Taxes					\$18						
Total Operating Expense	\$31,543	\$31,643	\$30,973	\$24,804	\$37,706	\$25,098	\$25,398	\$28,609	\$24,170	\$31,375	\$25,359
Net MDCMWA Operating Income	(\$925)	(\$1,525)	(\$372)	\$5,816	(\$6,262)	\$7,009	\$6,754	\$5,763	\$4,946	(\$2,249)	\$3,765

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 Section 5515.

NOTICE TO MEMBERS

Providing Notice or Delivery to Individuals; California Civil Code Section §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.

(b) Upon receipt of a request by a member, pursuant to 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

In accordance with Civil Code §4045.

The Association shall provide “general delivery” or “general notice,” documents by means of one or more of the following methods:

(1) Any method provided for delivery of an individual notice pursuant to §4040.

(2) Inclusion in a billing statement, newsletter, or other document that is delivered by one of the methods stated herein.

(3) By posting the printed document at the Kiosk, located outside the Association Administrative office at 195 Monterey Dunes Way, Moss Landing, CA 95039.

NOTICE TO MEMBERS

If a member requests to receive general notices by individual delivery, all general notices to that member will be delivered pursuant to Civil Code Section §4040.

NOTICE TO MEMBERS

In accordance with Civil Code Section 4950(b), 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 Web Site

NOTICE TO MEMBERS

In accordance with Civil Code §4035, (Delivery to Association), documents can be delivered to:

Monterey Dunes Colony Association
c/o Thomas J. Bugary, GM
195 Monterey Dunes Way
Moss Landing, CA 95039

Documents delivered pursuant to Section §4035 may be delivered by any of the following methods:

- (1) By email, facsimile, or other electronic means.
- (2) By personal delivery. The association will provide a written receipt acknowledging delivery of a document hand delivered during normal business hours, 8:00 AM through 4:30 PM, Monday through Friday, holidays excluded.
- (3) By first-class mail, postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service center.

The above address may also be used for overnight payment of assessments pursuant to Civil Code Section §5655(c).

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 TO MEMBERS

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 TO MEMBERS

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 § 13260 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.

Monterey Dunes Colony Association

NOTICE OF COLLECTION RIGHTS AND DUTIES

The following Notice is provided in accordance with California Civil Code section 5730 (a) and (b).

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 Civil Code Section 5705, 5715 and 5720. 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, (Civil Code Sections 5600, 5605, 5610, 5740, 5705, 5715 and 5720).

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 5725 (a) and (b) of the Civil Code).

The association must comply with the requirements of Section 5660 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 5690 of the Civil Code).

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

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard, (Section 5685 (a) and (b) 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 5655 (b) of the Civil Code).

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association, (Section 5670 of the Civil Code). In addition, the association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party (Sections 5650(a) and 5660), 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 5660 (c) 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 5665 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 to the payment plan standards of the association, if they exist, (Section 5665 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, Moss Landing, California, 95039, 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.*

**Address corrected in April 2014.*

**SUMMARY OF CALIFORNIA CIVIL CODE SECTION 5930
ENFORCEMENT OF GOVERNING DOCUMENTS AND
SPECIFIED STATE LAWS FOR COMMUNITY
ASSOCIATIONS THROUGH ALTERNATIVE DISPUTE
RESOLUTION**

PLEASE TAKE NOTICE: California Civil Code Section 5930 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 5930.

In general, § 5930 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 §§ 5930 through 5985) 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 5930 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 5930 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 § 5905)

PLEASE TAKE NOTICE: Pursuant to California Civil Code Section 5900 and 5905, 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.

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 5105 (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 Sections 5105 and 5115 (a). 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 4820. 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
Civil Code references updated April 2014

Original Signed

Original Signed

Ellen Michaels, President

Thomas J. Bugary, Secretary

RESERVE SUMMARY

The reserve component list and the estimate costs for replacing these components are contained in our Reserve Summary and were validated by the Barrera and Company Reserve Specialists in March 2014 for implementation in fiscal year 2014-2015, (July 1, 2014 to June 30, 2015). 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, (and reaffirmed at the March 15, 2014 directors meeting), the association is funded for budget year 2014-2015. 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 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, 2014, through June 30, 2044 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 from the Barrera and Company Reserve Specialists. This report describes our projected reserve schedule from July 1, 2014 through June 30, 2015 and shows a “snapshot” of our reserve fund status as of the last day of the fiscal year, (June 30, 2014). 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 2013-2014. Consequently, the Barrera and Company Reserve Study assigns a Percent Funding level of 34 percent to our reserve account. This funding level is derived by taking the total estimated cash on hand as of June 30, 2014, (\$2,202,914), and dividing it by the funds which would have been in the reserve account, as of the date of the report, (June 30, 2014) had we accumulated the reserve to represent 100% of the cost to repair or replace components as they became due, (\$6,549,194).

Assigning a 34 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 \$2,202,914 available in current reserves as of June 30, 2014. 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, 2014, the reserve account would have had to been funded at \$6,549,194 as opposed to its estimated \$2,202,914.

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.



BARRERA AND COMPANY
RESERVE SPECIALISTS
Monterey Dunes Colony Association
Castroville, CA
Compliance CC5570

Date: 27-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

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	\$5,000,500	\$3,473

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 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
Septic Tanks/System	Life of Project
Sport Court #3	To be Determined
Sport Court #4	To be Determined

6. Based on the method of calculation in paragraph (4) of subdivision (b) of section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$6,549,194, based in whole or in part on the last reserve study or update prepared by Barrera & Company, Inc. as of June 30, 2014. The projected reserve fund cash Balance at the end of the current fiscal year is \$2,202,914, resulting in reserves being 34 % 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 CC5570

Date: 27-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

7. Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 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	\$366,564	\$2,630,247	\$7,146,243	37%
Year 2	\$775,840	\$538.78	\$354,603	\$3,072,790	\$7,796,867	39%
Year 3	\$775,840	\$538.78	\$546,234	\$3,326,303	\$8,293,675	40%
Year 4	\$775,840	\$538.78	\$301,170	\$3,827,701	\$9,082,568	42%
Year 5	\$775,840	\$538.78	\$506,612	\$4,126,646	\$9,709,032	43%

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-2014

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**BARRERA AND
COMPANY**
RESERVE SPECIALISTS

**Monterey Dunes Colony
Association**
Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

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:	40 Years
Fiscal Year End:	30-Jun-2014
Level of Reserve Study:	Level 2: Update (with site visit)
Date of Inspection: (if applicable)	19-Mar-2014

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

Barrera and Company, Inc.
Chris Sanders
2207 Garnet Avenue, #H

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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 17141 – 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%



Monterey Dunes Colony Association
Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Percent Funded: 34 %

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	2	10	\$137,763	\$38,615	\$11,480	\$114,802	(\$76,187)	(\$634.89)
Asphalt - Overlay	40	8	32	\$741,703	\$199,586	\$18,543	\$593,362	(\$393,777)	(\$3,281.47)
Asphalt - Repairs	6	3	3	\$39,393	\$6,625	\$6,566	\$19,697	(\$13,071)	(\$108.93)
Boardwalks									
Boardwalk (LS) - 1	20	17	3	\$140,000	\$7,064	\$7,000	\$21,000	(\$13,936)	(\$116.14)
Boardwalk (LS) - 2	20	18	2	\$140,000	\$4,709	\$7,000	\$14,000	(\$9,291)	(\$77.42)
Boardwalk (LS) - 3	20	19	1	\$140,000	\$2,355	\$7,000	\$7,000	(\$4,645)	(\$38.71)
Boardwalk (LS) - 4	20	20	0	\$140,000	\$0	\$7,000	\$0	\$0	\$0.00
Boardwalk (LS) - 5	20	0	20	\$60,000	\$20,182	\$3,000	\$60,000	(\$39,818)	(\$331.82)
Boardwalk (OS) - 1	25	12	13	\$280,000	\$48,975	\$11,200	\$145,600	(\$96,625)	(\$805.21)
Boardwalk (OS) - 2	25	11	14	\$140,000	\$26,371	\$5,600	\$78,400	(\$52,029)	(\$433.58)
Clubhouse									
Appliances	12	0	12	\$5,500	\$1,850	\$458	\$5,500	(\$3,650)	(\$30.42)
Carpeting	12	0	12	\$9,018	\$3,033	\$752	\$9,018	(\$5,985)	(\$49.87)
Copier	10	4	6	\$6,584	\$1,329	\$658	\$3,950	(\$2,622)	(\$21.85)
Furniture	12	3	9	\$14,912	\$3,762	\$1,243	\$11,184	(\$7,422)	(\$61.85)
Office Furniture	12	3	9	\$7,428	\$1,874	\$619	\$5,571	(\$3,697)	(\$30.81)
Rest Rooms (Refurbish)	20	11	9	\$14,406	\$2,181	\$720	\$6,483	(\$4,302)	(\$35.85)
Saunas (Refurbish)	8	0	8	\$2,800	\$942	\$350	\$2,800	(\$1,858)	(\$15.48)
Saunas - Heaters (2)	5	0	5	\$4,600	\$1,547	\$920	\$4,600	(\$3,053)	(\$25.44)
Window Coverings	12	3	9	\$6,511	\$1,643	\$543	\$4,883	(\$3,241)	(\$27.01)
Decks									
Decking - Annual Repairs	1	0	1	\$10,300	\$3,465	\$10,300	\$10,300	(\$6,835)	(\$56.96)
Decks - Phase 01	40	27	13	\$302,820	\$33,104	\$7,571	\$98,417	(\$65,313)	(\$544.27)
Decks - Phase 02	40	28	12	\$302,820	\$30,557	\$7,571	\$90,846	(\$60,289)	(\$502.41)
Decks - Phase 03	40	29	11	\$259,560	\$24,009	\$6,489	\$71,379	(\$47,370)	(\$394.75)
Decks - Phase 04	40	30	10	\$259,560	\$21,827	\$6,489	\$64,890	(\$43,063)	(\$358.86)
Decks - Phase 05	40	31	9	\$259,560	\$19,644	\$6,489	\$58,401	(\$38,757)	(\$322.97)
Decks - Phase 06	40	32	8	\$259,560	\$17,461	\$6,489	\$51,912	(\$34,451)	(\$287.09)
Decks - Phase 07	40	33	7	\$259,560	\$15,279	\$6,489	\$45,423	(\$30,144)	(\$251.20)
Decks - Phase 08	40	34	6	\$259,560	\$13,096	\$6,489	\$38,934	(\$25,838)	(\$215.32)
Decks - Phase 09	40	35	5	\$259,560	\$10,913	\$6,489	\$32,445	(\$21,532)	(\$179.43)
Decks - Phase 10	40	36	4	\$259,560	\$8,731	\$6,489	\$25,956	(\$17,225)	(\$143.54)
Decks - Phase 11	40	37	3	\$259,560	\$6,548	\$6,489	\$19,467	(\$12,919)	(\$107.66)
Decks - Phase 12	40	38	2	\$259,560	\$4,365	\$6,489	\$12,978	(\$8,613)	(\$71.77)
Electrical & Lighting									
Electrical Fixtures (LS) - Annual	1	0	1	\$1,238	\$416	\$1,238	\$1,238	(\$822)	(\$6.85)
Electrical Fixtures (OS) - Annual	1	0	1	\$1,068	\$359	\$1,068	\$1,068	(\$709)	(\$5.91)
Electrical Parking Posts - Ph. 1	25	11	14	\$10,450	\$1,968	\$418	\$5,852	(\$3,884)	(\$32.36)



Monterey Dunes Colony Association
Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Percent Funded: 34 %

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	13	12	\$8,550	\$1,380	\$342	\$4,104	(\$2,724)	(\$22.70)
Electrical Parking Posts - Ph. 3	25	14	11	\$9,500	\$1,406	\$380	\$4,180	(\$2,774)	(\$23.12)
Electrical Parking Posts - Ph. 4	25	16	9	\$11,400	\$1,380	\$456	\$4,104	(\$2,724)	(\$22.70)
Electrical Parking Posts - Ph. 5	25	20	5	\$7,600	\$511	\$304	\$1,520	(\$1,009)	(\$8.41)
Meters & Enclosures - Ph. 1	20	2	18	\$62,718	\$18,986	\$3,136	\$56,446	(\$37,460)	(\$312.16)
Meters & Enclosures - Ph. 2	20	20	0	\$17,000	\$0	\$850	\$0	\$0	\$0.00
Meters & Enclosures - Ph. 3	20	1	19	\$43,892	\$14,026	\$2,195	\$41,697	(\$27,672)	(\$230.60)
Meters & Enclosures - Ph. 4	20	5	15	\$62,718	\$15,822	\$3,136	\$47,039	(\$31,216)	(\$260.14)
Meters & Enclosures - Ph. 5	20	6	14	\$62,718	\$14,767	\$3,136	\$43,903	(\$29,135)	(\$242.79)
Meters & Enclosures - Ph. 6	20	7	13	\$62,718	\$13,712	\$3,136	\$40,767	(\$27,054)	(\$225.45)
Meters & Enclosures - Ph. 7	20	8	12	\$62,718	\$12,658	\$3,136	\$37,631	(\$24,973)	(\$208.11)
Fencing, Gates & Walls									
Chain Link - Tennis Courts	15	2	13	\$84,328	\$24,583	\$5,622	\$73,084	(\$48,501)	(\$404.18)
Chain Link - Tennis Courts (Maint.)	15	0	15	\$7,000	\$2,355	\$467	\$7,000	(\$4,645)	(\$38.71)
Retaining Walls	15	0	15	\$7,500	\$2,523	\$500	\$7,500	(\$4,977)	(\$41.48)
Wood Fencing, Gates & Posts - 1	20	17	3	\$84,414	\$4,259	\$4,221	\$12,662	(\$8,403)	(\$70.03)
Wood Fencing, Gates & Posts - 2	20	18	2	\$37,131	\$1,249	\$1,857	\$3,713	(\$2,464)	(\$20.53)
Wood Fencing, Gates & Posts - 3	20	19	1	\$66,950	\$1,126	\$3,348	\$3,348	(\$2,222)	(\$18.51)
Wood Fencing, Gates & Posts - 4	20	20	0	\$22,038	\$0	\$1,102	\$0	\$0	\$0.00
Wood Fencing, Gates & Posts - 5	20	0	20	\$44,824	\$15,077	\$2,241	\$44,824	(\$29,747)	(\$247.89)
Wood Fencing, Gates & Posts - 6	20	1	19	\$62,287	\$19,904	\$3,114	\$59,173	(\$39,269)	(\$327.24)
Wood Fencing, Gates & Posts - 7	20	2	18	\$59,917	\$18,139	\$2,996	\$53,925	(\$35,787)	(\$298.22)
Miscellaneous									
Company Truck	9	2	7	\$20,710	\$5,418	\$2,301	\$16,108	(\$10,690)	(\$89.08)
Company Truck (Ford)	9	9	0	\$18,000	\$0	\$2,000	\$0	\$0	\$0.00
Contingency Reserve - Annual	1	0	1	\$16,883	\$5,679	\$16,883	\$16,883	(\$11,204)	(\$93.37)

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Percent Funded: 34 %

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)
Fumigation- Annual	1	0	1	\$24,000	\$8,073	\$24,000	\$24,000	(\$15,927)	(\$132.73)
Mailbox Clusters - Ph. 1	25	13	12	\$3,972	\$641	\$159	\$1,907	(\$1,265)	(\$10.54)
Mailbox Clusters - Ph. 2	25	17	8	\$3,972	\$428	\$159	\$1,271	(\$844)	(\$7.03)
Mailbox Clusters - Ph. 3	25	18	7	\$3,972	\$374	\$159	\$1,112	(\$738)	(\$6.15)
Mailbox Clusters - Ph. 4	25	20	5	\$7,944	\$534	\$318	\$1,589	(\$1,054)	(\$8.79)
Mailbox Clusters - Ph. 5	25	21	4	\$1,986	\$107	\$79	\$318	(\$211)	(\$1.76)
Maintenance Trailer #1	6	1	5	\$2,194	\$615	\$366	\$1,828	(\$1,213)	(\$10.11)
Maintenance Trailer #2	6	2	4	\$2,194	\$492	\$366	\$1,463	(\$971)	(\$8.09)
Organization Signs & Entry Fixt. (A)	20	19	1	\$4,635	\$78	\$232	\$232	(\$154)	(\$1.28)
Organization Signs & Entry Fixt. (B)	20	1	19	\$5,942	\$1,899	\$297	\$5,645	(\$3,746)	(\$31.22)
Patio Lattice Repairs - Annual	1	0	1	\$2,252	\$757	\$2,252	\$2,252	(\$1,495)	(\$12.45)
Power Tools & Equip. - Annual	1	0	1	\$6,978	\$2,347	\$6,978	\$6,978	(\$4,631)	(\$38.59)
Reserve Study (Analysis) - Annual	1	0	1	\$1,030	\$346	\$1,030	\$1,030	(\$684)	(\$5.70)
Reserve Study (Inspection)	3	2	1	\$1,236	\$139	\$412	\$412	(\$273)	(\$2.28)
Unit Entrance Cluster Signs	20	16	4	\$7,878	\$530	\$394	\$1,576	(\$1,046)	(\$8.71)
Water Barriers - Annual	1	0	1	\$1,350	\$454	\$1,350	\$1,350	(\$896)	(\$7.47)
Wood Trim Replace - Annual	1	0	1	\$16,883	\$5,679	\$16,883	\$16,883	(\$11,204)	(\$93.37)
Painting									
Wood Trim (Annual)	1	0	1	\$24,000	\$8,073	\$24,000	\$24,000	(\$15,927)	(\$132.73)
Pool & Spa									
Pool - Chlorinator	6	0	6	\$481	\$162	\$80	\$481	(\$319)	(\$2.66)
Pool - Cover	4	0	4	\$3,175	\$1,068	\$794	\$3,175	(\$2,107)	(\$17.56)
Pool - Filter	12	1	11	\$1,969	\$607	\$164	\$1,805	(\$1,198)	(\$9.98)
Pool - Heater	4	0	4	\$4,148	\$1,395	\$1,037	\$4,148	(\$2,753)	(\$22.94)
Pool - Pump / Motor	4	0	4	\$747	\$251	\$187	\$747	(\$496)	(\$4.13)
Pool - Resurface	15	3	12	\$30,447	\$8,193	\$2,030	\$24,358	(\$16,165)	(\$134.70)
Pool - Tile	15	1	14	\$7,610	\$2,389	\$507	\$7,103	(\$4,714)	(\$39.28)
Spa - Chlorinator	6	1	5	\$495	\$139	\$83	\$413	(\$274)	(\$2.28)
Spa - Filter	10	3	7	\$1,460	\$344	\$146	\$1,022	(\$678)	(\$5.65)
Spa - Heater	4	1	3	\$3,278	\$827	\$820	\$2,459	(\$1,632)	(\$13.60)
Spa - Pump / Motor	2	0	2	\$1,292	\$435	\$646	\$1,292	(\$857)	(\$7.15)
Spa - Re-Tile	20	11	9	\$6,235	\$944	\$312	\$2,806	(\$1,862)	(\$15.52)
Recreation Areas									
Bocce Ball Court	30	23	7	\$3,320	\$261	\$111	\$775	(\$514)	(\$4.28)
Mini Driving Range - Equipment	5	4	1	\$1,250	\$84	\$250	\$250	(\$166)	(\$1.38)



Monterey Dunes Colony Association
Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Percent Funded: 34 %

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)
Mini Driving Range - Resurface	10	3	7	\$12,296	\$2,895	\$1,230	\$8,607	(\$5,712)	(\$47.60)
Multit-use Court - Equipment	5	4	1	\$4,179	\$281	\$836	\$836	(\$555)	(\$4.62)
Multit-use Court - Replace	20	13	7	\$71,639	\$8,434	\$3,582	\$25,074	(\$16,640)	(\$138.66)
Multit-use Court - Resurface/Stripe	5	4	1	\$3,593	\$242	\$719	\$719	(\$477)	(\$3.97)
Putting Green	10	3	7	\$18,446	\$4,343	\$1,845	\$12,912	(\$8,569)	(\$71.41)
Tennis Courts #1 - Resurface	5	4	1	\$3,489	\$235	\$698	\$698	(\$463)	(\$3.86)
Tennis Courts #2 - Resurface	5	4	1	\$3,489	\$235	\$698	\$698	(\$463)	(\$3.86)
Tennis Courts (1 & 2) Rebuild	20	12	8	\$219,260	\$29,500	\$10,963	\$87,704	(\$58,204)	(\$485.03)
Windscreens - Tennis Courts	10	10	0	\$2,000	\$0	\$200	\$0	\$0	\$0.00
Roofing									
Built-Up Roofing - Ph. 1	20	6	14	\$75,000	\$17,659	\$3,750	\$52,500	(\$34,841)	(\$290.34)
Built-Up Roofing - Ph. 2	20	16	4	\$75,000	\$5,045	\$3,750	\$15,000	(\$9,955)	(\$82.95)
Built-Up Roofing - Ph. 3	20	17	3	\$75,000	\$3,784	\$3,750	\$11,250	(\$7,466)	(\$62.22)
Built-Up Roofing - Ph. 4	20	18	2	\$75,000	\$2,523	\$3,750	\$7,500	(\$4,977)	(\$41.48)
Built-Up Roofing - Ph. 5	20	19	1	\$75,000	\$1,261	\$3,750	\$3,750	(\$2,489)	(\$20.74)
Chimney Chase Caps - Annual	1	0	1	\$5,109	\$1,718	\$5,109	\$5,109	(\$3,391)	(\$28.25)
Skylights (Flat)	25	6	19	\$22,463	\$5,742	\$899	\$17,072	(\$11,330)	(\$94.41)
Skylights (Large)- Ph. 1	20	0	20	\$14,000	\$4,709	\$700	\$14,000	(\$9,291)	(\$77.42)
Skylights (Large)- Ph. 2	20	1	19	\$14,000	\$4,474	\$700	\$13,300	(\$8,826)	(\$73.55)
Skylights (Large)- Ph. 3	20	6	14	\$14,000	\$3,296	\$700	\$9,800	(\$6,504)	(\$54.20)
Skylights (Large)- Ph. 4	20	7	13	\$14,000	\$3,061	\$700	\$9,100	(\$6,039)	(\$50.33)
Skylights (Large)- Ph. 5	20	8	12	\$14,000	\$2,825	\$700	\$8,400	(\$5,575)	(\$46.45)
Skylights (Large)- Ph. 6	20	9	11	\$14,000	\$2,590	\$700	\$7,700	(\$5,110)	(\$42.58)
Skylights (Sloped) - Ph. 1	20	4	16	\$60,056	\$16,161	\$3,003	\$48,045	(\$31,884)	(\$265.70)
Skylights (Sloped) - Ph. 2	20	7	13	\$60,056	\$13,130	\$3,003	\$39,036	(\$25,906)	(\$215.88)
Skylights (Sloped) - Ph. 3	20	10	10	\$60,056	\$10,100	\$3,003	\$30,028	(\$19,928)	(\$166.06)
Wood Shake - Ph. 02	24	5	19	\$213,396	\$56,825	\$8,892	\$168,939	(\$112,114)	(\$934.28)
Wood Shake - Ph. 03	24	6	18	\$213,396	\$53,834	\$8,892	\$160,047	(\$106,213)	(\$885.11)
Wood Shake - Ph. 04	24	7	17	\$213,396	\$50,843	\$8,892	\$151,156	(\$100,312)	(\$835.94)
Wood Shake - Ph. 05	24	8	16	\$213,396	\$47,853	\$8,892	\$142,264	(\$94,411)	(\$786.76)
Wood Shake - Ph. 06	24	9	15	\$213,396	\$44,862	\$8,892	\$133,373	(\$88,511)	(\$737.59)
Wood Shake - Ph. 07	24	10	14	\$213,396	\$41,871	\$8,892	\$124,481	(\$82,610)	(\$688.42)
Wood Shake - Ph. 08	24	11	13	\$213,396	\$38,880	\$8,892	\$115,590	(\$76,709)	(\$639.24)
Wood Shake - Ph. 09	24	12	12	\$213,396	\$35,889	\$8,892	\$106,698	(\$70,809)	(\$590.07)
Wood Shake - Ph. 10	24	13	11	\$213,396	\$32,899	\$8,892	\$97,807	(\$64,908)	(\$540.90)
Wood Shake - Ph. 11	24	14	10	\$33,765	\$4,732	\$1,407	\$14,069	(\$9,337)	(\$77.80)

Percentage Funded Report



Monterey Dunes Colony Association Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Percent Funded: 34 %

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.0 1	24	4	20	\$213,396	\$59,816	\$8,892	\$177,830	(\$118,014)	(\$983.45)
Security Systems									
Gate Card Entry System	8	1	7	\$6,888	\$2,027	\$861	\$6,027	(\$4,000)	(\$33.33)
Gate Telephone System	8	0	8	\$7,025	\$2,363	\$878	\$7,025	(\$4,662)	(\$38.85)
Vehicle Gates	12	10	2	\$10,692	\$599	\$891	\$1,782	(\$1,183)	(\$9.85)
Vehicle Gates - Motors	12	0	12	\$7,234	\$2,433	\$603	\$7,234	(\$4,801)	(\$40.01)
Windows & Doors									
Ext. Entry Doors - Annual	1	0	1	\$5,315	\$1,788	\$5,315	\$5,315	(\$3,527)	(\$29.39)
Garage Doors - Annual	1	0	1	\$2,814	\$947	\$2,814	\$2,814	(\$1,867)	(\$15.56)
Windows/SGD - Ph. 01	25	11	14	\$370,600	\$69,808	\$14,824	\$207,536	(\$137,728)	(\$1,147.74)
Windows/SGD - Ph. 02	25	12	13	\$370,600	\$64,821	\$14,824	\$192,712	(\$127,891)	(\$1,065.75)
Windows/SGD - Ph. 03	25	13	12	\$370,600	\$59,835	\$14,824	\$177,888	(\$118,053)	(\$983.77)
Windows/SGD - Ph. 04	25	14	11	\$370,600	\$54,849	\$14,824	\$163,064	(\$108,215)	(\$901.79)
Windows/SGD - Ph. 05	25	15	10	\$370,600	\$49,863	\$14,824	\$148,240	(\$98,377)	(\$819.81)
Windows/SGD - Ph. 06	25	16	9	\$246,500	\$29,849	\$9,860	\$88,740	(\$58,891)	(\$490.76)
Windows/SGD - Ph. 07	25	17	8	\$246,500	\$26,532	\$9,860	\$78,880	(\$52,348)	(\$436.23)
Windows/SGD - Ph. 08	25	19	6	\$204,000	\$16,468	\$8,160	\$48,960	(\$32,492)	(\$270.76)
Windows/SGD - Ph. 09	25	20	5	\$258,400	\$17,383	\$10,336	\$51,680	(\$34,297)	(\$285.81)
Windows/SGD - Ph. 10	25	21	4	\$256,700	\$13,815	\$10,268	\$41,072	(\$27,257)	(\$227.14)
Windows/SGD - Ph. 11	25	22	3	\$127,500	\$5,146	\$5,100	\$15,300	(\$10,154)	(\$84.61)
Windows/SGD - Ph. 12	25	23	2	\$59,500	\$1,601	\$2,380	\$4,760	(\$3,159)	(\$26.32)
Windows/SGD - Ph. 13	25	24	1	\$127,500	\$1,715	\$5,100	\$5,100	(\$3,385)	(\$28.20)
Windows/SGD - Ph. 14	25	25	0	\$76,500	\$0	\$3,060	\$0	\$0	\$0.00
Windows/SGD - Ph. 15	25	0	25	\$68,000	\$22,873	\$2,720	\$68,000	(\$45,127)	(\$376.06)
Windows/SGD - Ph. 16	25	1	24	\$51,000	\$16,468	\$2,040	\$48,960	(\$32,492)	(\$270.76)
Windows/SGD Alum/Vinyl - Ph. 1	15	1	14	\$25,500	\$8,005	\$1,700	\$23,800	(\$15,795)	(\$131.62)
Windows/SGD Alum/Vinyl - Ph. 2	15	2	13	\$25,500	\$7,434	\$1,700	\$22,100	(\$14,666)	(\$122.22)
Windows/SGD Alum/Vinyl - Ph. 3	15	3	12	\$25,500	\$6,862	\$1,700	\$20,400	(\$13,538)	(\$112.82)
Windows/SGD Alum/Vinyl - Ph. 4	15	4	11	\$25,500	\$6,290	\$1,700	\$18,700	(\$12,410)	(\$103.42)
Windows/SGD Alum/Vinyl - Ph. 5	15	5	10	\$25,500	\$5,718	\$1,700	\$17,000	(\$11,282)	(\$94.02)
Windows/SGD Alum/Vinyl - Ph. 6	15	6	9	\$25,500	\$5,146	\$1,700	\$15,300	(\$10,154)	(\$84.61)
Windows/SGD Alum/Vinyl - Ph. 7	15	7	8	\$25,500	\$4,575	\$1,700	\$13,600	(\$9,025)	(\$75.21)
Windows/SGD Alum/Vinyl - Ph. 8	15	8	7	\$25,500	\$4,003	\$1,700	\$11,900	(\$7,897)	(\$65.81)
Windows/SGD Alum/Vinyl - Ph. 9	15	9	6	\$25,500	\$3,431	\$1,700	\$10,200	(\$6,769)	(\$56.41)
Wood Siding									



Monterey Dunes Colony Association
Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
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Percent Funded: 34 %

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	9	11	\$13,837	\$2,560	\$692	\$7,610	(\$5,051)	(\$42.09)
Wood Siding (S.) - Repairs - 2	20	10	10	\$13,837	\$2,327	\$692	\$6,919	(\$4,591)	(\$38.26)
Wood Siding (S.) - Repairs - 3	20	11	9	\$13,804	\$2,089	\$690	\$6,212	(\$4,122)	(\$34.35)
Wood Siding - Ph. 1	25	13	12	\$159,597	\$25,768	\$6,384	\$76,607	(\$50,839)	(\$423.66)
Wood Siding - Ph. 2	25	14	11	\$308,832	\$45,707	\$12,353	\$135,886	(\$90,179)	(\$751.49)
Wood Siding - Ph. 3	25	15	10	\$326,481	\$43,927	\$13,059	\$130,592	(\$86,666)	(\$722.22)
Wood Siding - Ph. 3 (a)	25	16	9	\$210,314	\$25,467	\$8,413	\$75,713	(\$50,246)	(\$418.72)
Wood Siding - Ph. 4	25	17	8	\$327,641	\$35,266	\$13,106	\$104,845	(\$69,579)	(\$579.82)
Wood Siding - Ph. 5	25	19	6	\$229,375	\$18,517	\$9,175	\$55,050	(\$36,533)	(\$304.44)
Wood Siding - Ph. 6	25	20	5	\$337,468	\$22,702	\$13,499	\$67,494	(\$44,791)	(\$373.26)
Wood Siding - Ph. 7	25	21	4	\$337,468	\$18,162	\$13,499	\$53,995	(\$35,833)	(\$298.61)
Wood Siding - Ph. 8	25	22	3	\$135,061	\$5,452	\$5,402	\$16,207	(\$10,756)	(\$89.63)
Wood Siding - Ph. 9	25	23	2	\$65,564	\$1,764	\$2,623	\$5,245	(\$3,481)	(\$29.01)



Monterey Dunes Colony Association
 Castroville, CA

Date: 26-Mar-2014
 Units: 120
 Fiscal Year End: 30-Jun-2014
 Report Start Date: 01-Jul-2014

Percent Funded: 34 %

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 \$15,883,456	\$2,202,914	\$755,470	\$6,549,194	(\$4,346,280)	(\$36,219.00)

PERCENTAGE FUNDED & DEFINITIONS

Based on the estimated total current replacement cost of \$15,883,456 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 \$755,470 and the Fully Funded Reserve as of fiscal year-end 30-Jun-2014 is \$6,549,194. As of this date, the Association has projected \$2,202,914 to be in savings available for reserves. This will be a deficit of \$4,346,280 under the Fully Funded Reserve. Based on these numbers, the Monterey Dunes Colony Association will be 34 % funded as of 30-Jun-2014.

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.



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

Date: 26-Mar-2014
Units: 120
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Category	Component	Service Life	Replacement Cost	Projected Cost
2014				
Boardwalks	Boardwalk (LS) - 5	20	\$60,000	\$60,000
Clubhouse	Appliances	12	\$5,500	\$5,500
Clubhouse	Carpeting	12	\$9,018	\$9,018
Clubhouse	Saunas - Heaters (2)	5	\$4,600	\$4,600
Clubhouse	Saunas (Refurbish)	8	\$2,800	\$2,800
Decks	Decking - Annual Repairs	1	\$10,300	\$10,300
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,238
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,068
Fencing, Gates & Walls	Chain Link - Tennis Courts (Maint.)	15	\$7,000	\$7,000
Fencing, Gates & Walls	Retaining Walls	15	\$7,500	\$7,500
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 5	20	\$44,824	\$44,824
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$16,883
Miscellaneous	Fumigation- Annual	1	\$24,000	\$24,000
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$2,252
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$6,978
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,030
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,350
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$16,883
Painting	Wood Trim (Annual)	1	\$24,000	\$24,000
Pool & Spa	Pool - Chlorinator	6	\$481	\$481
Pool & Spa	Pool - Cover	4	\$3,175	\$3,175
Pool & Spa	Pool - Heater	4	\$4,148	\$4,148
Pool & Spa	Pool - Pump / Motor	4	\$747	\$747
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,292
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$5,109
Roofing	Skylights (Large)- Ph. 1	20	\$14,000	\$14,000
Security Systems	Gate Telephone System	8	\$7,025	\$7,025
Security Systems	Vehicle Gates - Motors	12	\$7,234	\$7,234
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$5,315
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$2,814
Windows & Doors	Windows/SGD - Ph. 15	25	\$68,000	\$68,000
			Total for 2014:	\$366,564
2015				
Decks	Decking - Annual Repairs	1	\$10,300	\$10,609
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,275
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,100
Electrical & Lighting	Meters & Enclosures - Ph. 3	20	\$43,892	\$45,209
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 6	20	\$62,287	\$64,156
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$17,389
Miscellaneous	Fumigation- Annual	1	\$24,000	\$24,720
Miscellaneous	Maintenance Trailer #1	6	\$2,194	\$2,260
Miscellaneous	Organization Signs & Entry Fixt. (B)	20	\$5,942	\$6,120
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$2,320
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$7,187



BARRERA AND COMPANY
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Category	Component	Service Life	Replacement Cost	Projected Cost
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,061
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,391
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$17,389
Painting	Wood Trim (Annual)	1	\$24,000	\$24,720
Pool & Spa	Pool - Filter	12	\$1,969	\$2,028
Pool & Spa	Pool - Tile	15	\$7,610	\$7,838
Pool & Spa	Spa - Chlorinator	6	\$495	\$510
Pool & Spa	Spa - Heater	4	\$3,278	\$3,376
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$5,262
Roofing	Skylights (Large)- Ph. 2	20	\$14,000	\$14,420
Security Systems	Gate Card Entry System	8	\$6,888	\$7,095
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$5,474
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$2,898
Windows & Doors	Windows/SGD - Ph. 16	25	\$51,000	\$52,530
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 1	15	\$25,500	\$26,265
			Total for 2015:	\$354,603
2016				
Asphalt & Concrete Surfaces	Asphalt - Chip & Seal	12	\$137,763	\$146,152
Decks	Decking - Annual Repairs	1	\$10,300	\$10,927
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,313
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,133
Electrical & Lighting	Meters & Enclosures - Ph. 1	20	\$62,718	\$66,538
Fencing, Gates & Walls	Chain Link - Tennis Courts	15	\$84,328	\$89,464
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 7	20	\$59,917	\$63,566
Miscellaneous	Company Truck	9	\$20,710	\$21,971
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$17,911
Miscellaneous	Fumigation- Annual	1	\$24,000	\$25,462
Miscellaneous	Maintenance Trailer #2	6	\$2,194	\$2,328
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$2,389
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$7,403
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,093
Miscellaneous	Reserve Study (Inspection)	3	\$1,236	\$1,311
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,432
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$17,911
Painting	Wood Trim (Annual)	1	\$24,000	\$25,462
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,371
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$5,420
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$5,639
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$2,985
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 2	15	\$25,500	\$27,053
			Total for 2016:	\$546,234
2017				
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$39,393	\$43,046
Clubhouse	Furniture	12	\$14,912	\$16,295
Clubhouse	Office Furniture	12	\$7,428	\$8,117



Monterey Dunes Colony Association
 Castroville, CA

Date: 26-Mar-2014
 Units: 120
 Fiscal Year End: 30-Jun-2014
 Report Start Date: 01-Jul-2014

Category	Component	Service Life	Replacement Cost	Projected Cost
Clubhouse	Window Coverings	12	\$6,511	\$7,115
Decks	Decking - Annual Repairs	1	\$10,300	\$11,255
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,353
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,167
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$18,449
Miscellaneous	Fumigation- Annual	1	\$24,000	\$26,225
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$2,461
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$7,625
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,126
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,475
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$18,449
Painting	Wood Trim (Annual)	1	\$24,000	\$26,225
Pool & Spa	Pool - Resurface	15	\$30,447	\$33,270
Pool & Spa	Spa - Filter	10	\$1,460	\$1,595
Recreation Areas	Mini Driving Range - Resurface	10	\$12,296	\$13,436
Recreation Areas	Putting Green	10	\$18,446	\$20,156
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$5,583
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$5,808
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$3,075
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 3	15	\$25,500	\$27,865
			Total for 2017:	\$301,170
2018				
Clubhouse	Copier	10	\$6,584	\$7,410
Decks	Decking - Annual Repairs	1	\$10,300	\$11,593
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,393
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,202
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$19,002
Miscellaneous	Fumigation- Annual	1	\$24,000	\$27,012
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$2,535
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$7,854
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,159
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,519
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$19,002
Painting	Wood Trim (Annual)	1	\$24,000	\$27,012
Pool & Spa	Pool - Cover	4	\$3,175	\$3,573
Pool & Spa	Pool - Heater	4	\$4,148	\$4,669
Pool & Spa	Pool - Pump / Motor	4	\$747	\$841
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,454
Recreation Areas	Mini Driving Range - Equipment	5	\$1,250	\$1,407
Recreation Areas	Multit-use Court - Equipment	5	\$4,179	\$4,704
Recreation Areas	Multit-use Court - Resurface/Stripe	5	\$3,593	\$4,044
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,489	\$3,927
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,489	\$3,927
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$5,750
Roofing	Skylights (Sloped) - Ph. 1	20	\$60,056	\$67,594



Monterey Dunes Colony Association
 Castroville, CA

Date: 26-Mar-2014
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Category	Component	Service Life	Replacement Cost	Projected Cost
Roofing	Wood Shake - Ph.0 1	24	\$213,396	\$240,179
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$5,982
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$3,167
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 4	15	\$25,500	\$28,700
			Total for 2018:	\$506,612
2019				
Clubhouse	Saunas - Heaters (2)	5	\$4,600	\$5,333
Decks	Decking - Annual Repairs	1	\$10,300	\$11,941
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,435
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,238
Electrical & Lighting	Meters & Enclosures - Ph. 4	20	\$62,718	\$72,707
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$19,572
Miscellaneous	Fumigation- Annual	1	\$24,000	\$27,823
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$2,611
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$8,089
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,194
Miscellaneous	Reserve Study (Inspection)	3	\$1,236	\$1,433
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,565
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$19,572
Painting	Wood Trim (Annual)	1	\$24,000	\$27,823
Pool & Spa	Spa - Heater	4	\$3,278	\$3,800
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$5,923
Roofing	Wood Shake - Ph. 02	24	\$213,396	\$247,384
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$6,162
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$3,262
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 5	15	\$25,500	\$29,561
			Total for 2019:	\$498,428
2020				
Decks	Decking - Annual Repairs	1	\$10,300	\$12,299
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,478
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,275
Electrical & Lighting	Meters & Enclosures - Ph. 5	20	\$62,718	\$74,889
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$20,159
Miscellaneous	Fumigation- Annual	1	\$24,000	\$28,657
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$2,689
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$8,332
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,230
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,612
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$20,159
Painting	Wood Trim (Annual)	1	\$24,000	\$28,657
Pool & Spa	Pool - Chlorinator	6	\$481	\$574
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,543
Roofing	Built-Up Roofing - Ph. 1	20	\$75,000	\$89,554
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$6,100
Roofing	Skylights (Flat)	25	\$22,463	\$26,822



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

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Category	Component	Service Life	Replacement Cost	Projected Cost
Roofing	Skylights (Large)- Ph. 3	20	\$14,000	\$16,717
Roofing	Wood Shake - Ph. 03	24	\$213,396	\$254,806
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$6,346
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$3,360
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 6	15	\$25,500	\$30,448
			Total for 2020:	\$637,708
2021				
Decks	Decking - Annual Repairs	1	\$10,300	\$12,668
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,523
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,314
Electrical & Lighting	Meters & Enclosures - Ph. 6	20	\$62,718	\$77,135
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$20,764
Miscellaneous	Fumigation- Annual	1	\$24,000	\$29,517
Miscellaneous	Maintenance Trailer #1	6	\$2,194	\$2,698
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$2,770
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$8,582
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,267
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,660
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$20,764
Painting	Wood Trim (Annual)	1	\$24,000	\$29,517
Pool & Spa	Spa - Chlorinator	6	\$495	\$609
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$6,283
Roofing	Skylights (Large)- Ph. 4	20	\$14,000	\$17,218
Roofing	Skylights (Sloped) - Ph. 2	20	\$60,056	\$73,861
Roofing	Wood Shake - Ph. 04	24	\$213,396	\$262,450
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$6,537
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$3,461
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 7	15	\$25,500	\$31,362
			Total for 2021:	\$611,959
2022				
Asphalt & Concrete Surfaces	Asphalt - Overlay	40	\$741,703	\$939,567
Clubhouse	Saunas (Refurbish)	8	\$2,800	\$3,547
Decks	Decking - Annual Repairs	1	\$10,300	\$13,048
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,568
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,353
Electrical & Lighting	Meters & Enclosures - Ph. 7	20	\$62,718	\$79,449
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$21,387
Miscellaneous	Fumigation- Annual	1	\$24,000	\$30,402
Miscellaneous	Maintenance Trailer #2	6	\$2,194	\$2,779
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$2,853
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$8,840
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,305
Miscellaneous	Reserve Study (Inspection)	3	\$1,236	\$1,566
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,710
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$21,387



Monterey Dunes Colony Association
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Category	Component	Service Life	Replacement Cost	Projected Cost
Painting	Wood Trim (Annual)	1	\$24,000	\$30,402
Pool & Spa	Pool - Cover	4	\$3,175	\$4,022
Pool & Spa	Pool - Heater	4	\$4,148	\$5,255
Pool & Spa	Pool - Pump / Motor	4	\$747	\$946
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,637
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$6,472
Roofing	Skylights (Large)- Ph. 5	20	\$14,000	\$17,735
Roofing	Wood Shake - Ph. 05	24	\$213,396	\$270,324
Security Systems	Gate Telephone System	8	\$7,025	\$8,899
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$6,733
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$3,565
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 8	15	\$25,500	\$32,303
			Total for 2022:	\$1,519,052
2023				
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$39,393	\$51,399
Decks	Decking - Annual Repairs	1	\$10,300	\$13,439
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,615
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,393
Miscellaneous	Company Truck (Ford)	9	\$18,000	\$23,486
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$22,028
Miscellaneous	Fumigation- Annual	1	\$24,000	\$31,315
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$2,938
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$9,105
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,344
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,761
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$22,028
Painting	Wood Trim (Annual)	1	\$24,000	\$31,315
Pool & Spa	Spa - Heater	4	\$3,278	\$4,277
Recreation Areas	Mini Driving Range - Equipment	5	\$1,250	\$1,631
Recreation Areas	Multit-use Court - Equipment	5	\$4,179	\$5,453
Recreation Areas	Multit-use Court - Resurface/Stripe	5	\$3,593	\$4,688
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,489	\$4,552
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,489	\$4,552
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$6,666
Roofing	Skylights (Large)- Ph. 6	20	\$14,000	\$18,267
Roofing	Wood Shake - Ph. 06	24	\$213,396	\$278,433
Security Systems	Gate Card Entry System	8	\$6,888	\$8,987
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$6,935
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$3,672
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 9	15	\$25,500	\$33,272
Wood Siding	Wood Siding (S.) - Repairs - 1	20	\$13,837	\$18,054
			Total for 2023:	\$612,607
2024				
Clubhouse	Saunas - Heaters (2)	5	\$4,600	\$6,182
Decks	Decking - Annual Repairs	1	\$10,300	\$13,842



BARRERA AND COMPANY
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Monterey Dunes Colony Association
Castroville, CA

Date: 26-Mar-2014
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Category	Component	Service Life	Replacement Cost	Projected Cost
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,664
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,435
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$22,689
Miscellaneous	Fumigation- Annual	1	\$24,000	\$32,254
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$3,026
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$9,378
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,384
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,814
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$22,689
Painting	Wood Trim (Annual)	1	\$24,000	\$32,254
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,736
Recreation Areas	Windscreens - Tennis Courts	10	\$2,000	\$2,688
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$6,866
Roofing	Skylights (Sloped) - Ph. 3	20	\$60,056	\$80,710
Roofing	Wood Shake - Ph. 07	24	\$213,396	\$286,786
Security Systems	Vehicle Gates	12	\$10,692	\$14,369
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$7,143
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$3,782
Wood Siding	Wood Siding (S.) - Repairs - 2	20	\$13,837	\$18,596
			Total for 2024:	\$571,289

2025				
Boardwalks	Boardwalk (OS) - 2	25	\$140,000	\$193,793
Clubhouse	Rest Rooms (Refurbish)	20	\$14,406	\$19,941
Decks	Decking - Annual Repairs	1	\$10,300	\$14,258
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,714
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,478
Electrical & Lighting	Electrical Parking Posts - Ph. 1	25	\$10,450	\$14,465
Miscellaneous	Company Truck	9	\$20,710	\$28,667
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$23,370
Miscellaneous	Fumigation- Annual	1	\$24,000	\$33,222
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$3,117
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$9,659
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,426
Miscellaneous	Reserve Study (Inspection)	3	\$1,236	\$1,711
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,869
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$23,370
Painting	Wood Trim (Annual)	1	\$24,000	\$33,222
Pool & Spa	Spa - Re-Tile	20	\$6,235	\$8,631
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$7,072
Roofing	Wood Shake - Ph. 08	24	\$213,396	\$295,390
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$7,357
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$3,895
Windows & Doors	Windows/SGD - Ph. 01	25	\$370,600	\$512,997
Wood Siding	Wood Siding (S.) - Repairs - 3	20	\$13,804	\$19,108
			Total for 2025:	\$1,259,732



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Category	Component	Service Life	Replacement Cost	Projected Cost
2026				
Boardwalks	Boardwalk (OS) - 1	25	\$280,000	\$399,213
Clubhouse	Appliances	12	\$5,500	\$7,842
Clubhouse	Carpeting	12	\$9,018	\$12,858
Decks	Decking - Annual Repairs	1	\$10,300	\$14,685
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,765
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,523
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$24,071
Miscellaneous	Fumigation- Annual	1	\$24,000	\$34,218
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$3,211
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$9,949
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,469
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,925
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$24,071
Painting	Wood Trim (Annual)	1	\$24,000	\$34,218
Pool & Spa	Pool - Chlorinator	6	\$481	\$686
Pool & Spa	Pool - Cover	4	\$3,175	\$4,527
Pool & Spa	Pool - Heater	4	\$4,148	\$5,914
Pool & Spa	Pool - Pump / Motor	4	\$747	\$1,065
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,842
Recreation Areas	Tennis Courts (1 & 2) Rebuild	20	\$219,260	\$312,612
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$7,284
Roofing	Wood Shake - Ph. 09	24	\$213,396	\$304,252
Security Systems	Vehicle Gates - Motors	12	\$7,234	\$10,314
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$7,578
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$4,012
Windows & Doors	Windows/SGD - Ph. 02	25	\$370,600	\$528,387
			Total for 2026:	\$1,759,490
2027				
Decks	Decking - Annual Repairs	1	\$10,300	\$15,126
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,818
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,568
Electrical & Lighting	Electrical Parking Posts - Ph. 2	25	\$8,550	\$12,556
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$24,793
Miscellaneous	Fumigation- Annual	1	\$24,000	\$35,245
Miscellaneous	Mailbox Clusters - Ph. 1	25	\$3,972	\$5,833
Miscellaneous	Maintenance Trailer #1	6	\$2,194	\$3,222
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$3,307
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$10,247
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,513
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$1,983
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$24,793
Painting	Wood Trim (Annual)	1	\$24,000	\$35,245
Pool & Spa	Pool - Filter	12	\$1,969	\$2,892
Pool & Spa	Spa - Chlorinator	6	\$495	\$727



Monterey Dunes Colony Association
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Category	Component	Service Life	Replacement Cost	Projected Cost
Pool & Spa	Spa - Filter	10	\$1,460	\$2,144
Pool & Spa	Spa - Heater	4	\$3,278	\$4,814
Recreation Areas	Mini Driving Range - Resurface	10	\$12,296	\$18,057
Recreation Areas	Multit-use Court - Replace	20	\$71,639	\$105,204
Recreation Areas	Putting Green	10	\$18,446	\$27,089
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$7,503
Roofing	Wood Shake - Ph. 10	24	\$213,396	\$313,379
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$7,805
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$4,132
Windows & Doors	Windows/SGD - Ph. 03	25	\$370,600	\$544,239
Wood Siding	Wood Siding - Ph. 1	25	\$159,597	\$234,374
			Total for 2027:	\$1,449,607

2028

Asphalt & Concrete Surfaces	Asphalt - Chip & Seal	12	\$137,763	\$208,378
Clubhouse	Copier	10	\$6,584	\$9,959
Decks	Decking - Annual Repairs	1	\$10,300	\$15,580
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,873
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,615
Electrical & Lighting	Electrical Parking Posts - Ph. 3	25	\$9,500	\$14,370
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$25,537
Miscellaneous	Fumigation- Annual	1	\$24,000	\$36,302
Miscellaneous	Maintenance Trailer #2	6	\$2,194	\$3,319
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$3,406
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$10,555
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,558
Miscellaneous	Reserve Study (Inspection)	3	\$1,236	\$1,870
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,042
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$25,537
Painting	Wood Trim (Annual)	1	\$24,000	\$36,302
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$1,954
Recreation Areas	Mini Driving Range - Equipment	5	\$1,250	\$1,891
Recreation Areas	Multit-use Court - Equipment	5	\$4,179	\$6,321
Recreation Areas	Multit-use Court - Resurface/Stripe	5	\$3,593	\$5,435
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,489	\$5,277
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,489	\$5,277
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$7,728
Roofing	Wood Shake - Ph. 11	24	\$33,765	\$51,073
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$8,039
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$4,256
Windows & Doors	Windows/SGD - Ph. 04	25	\$370,600	\$560,566
Wood Siding	Wood Siding - Ph. 2	25	\$308,832	\$467,136
			Total for 2028:	\$1,523,156

2029

Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$39,393	\$61,373
Clubhouse	Furniture	12	\$14,912	\$23,232



BARRERA AND COMPANY
RESERVE SPECIALISTS
Monterey Dunes Colony Association
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Category	Component	Service Life	Replacement Cost	Projected Cost
Clubhouse	Office Furniture	12	\$7,428	\$11,573
Clubhouse	Saunas - Heaters (2)	5	\$4,600	\$7,167
Clubhouse	Window Coverings	12	\$6,511	\$10,144
Decks	Decking - Annual Repairs	1	\$10,300	\$16,047
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,929
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,664
Fencing, Gates & Walls	Chain Link - Tennis Courts (Maint.)	15	\$7,000	\$10,906
Fencing, Gates & Walls	Retaining Walls	15	\$7,500	\$11,685
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$26,303
Miscellaneous	Fumigation- Annual	1	\$24,000	\$37,391
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$3,509
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$10,871
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,605
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,103
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$26,303
Painting	Wood Trim (Annual)	1	\$24,000	\$37,391
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$7,960
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$8,281
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$4,384
Windows & Doors	Windows/SGD - Ph. 05	25	\$370,600	\$577,383
Wood Siding	Wood Siding - Ph. 3	25	\$326,481	\$508,647
			Total for 2029:	\$1,407,849
2030				
Clubhouse	Saunas (Refurbish)	8	\$2,800	\$4,493
Decks	Decking - Annual Repairs	1	\$10,300	\$16,528
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$1,987
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,714
Electrical & Lighting	Electrical Parking Posts - Ph. 4	25	\$11,400	\$18,294
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$27,092
Miscellaneous	Fumigation- Annual	1	\$24,000	\$38,513
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$3,614
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$11,198
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,653
Miscellaneous	Unit Entrance Cluster Signs	20	\$7,878	\$12,642
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,166
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$27,092
Painting	Wood Trim (Annual)	1	\$24,000	\$38,513
Pool & Spa	Pool - Cover	4	\$3,175	\$5,095
Pool & Spa	Pool - Heater	4	\$4,148	\$6,656
Pool & Spa	Pool - Pump / Motor	4	\$747	\$1,199
Pool & Spa	Pool - Tile	15	\$7,610	\$12,212
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,073
Roofing	Built-Up Roofing - Ph. 2	20	\$75,000	\$120,353
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$8,198
Security Systems	Gate Telephone System	8	\$7,025	\$11,273



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Category	Component	Service Life	Replacement Cost	Projected Cost
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$8,529
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$4,516
Windows & Doors	Windows/SGD - Ph. 06	25	\$246,500	\$395,560
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 1	15	\$25,500	\$40,920
Wood Siding	Wood Siding - Ph. 3 (a)	25	\$210,314	\$337,492
			Total for 2030:	\$1,159,575
2031				
Boardwalks	Boardwalk (LS) - 1	20	\$140,000	\$231,399
Decks	Decking - Annual Repairs	1	\$10,300	\$17,024
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,046
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,765
Fencing, Gates & Walls	Chain Link - Tennis Courts	15	\$84,328	\$139,381
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 1	20	\$84,414	\$139,523
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$27,905
Miscellaneous	Fumigation- Annual	1	\$24,000	\$39,668
Miscellaneous	Mailbox Clusters - Ph. 2	25	\$3,972	\$6,565
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$3,722
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$11,534
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,702
Miscellaneous	Reserve Study (Inspection)	3	\$1,236	\$2,043
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,231
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$27,905
Painting	Wood Trim (Annual)	1	\$24,000	\$39,668
Pool & Spa	Spa - Heater	4	\$3,278	\$5,418
Roofing	Built-Up Roofing - Ph. 3	20	\$75,000	\$123,964
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$8,444
Security Systems	Gate Card Entry System	8	\$6,888	\$11,385
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$8,785
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$4,651
Windows & Doors	Windows/SGD - Ph. 07	25	\$246,500	\$407,427
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 2	15	\$25,500	\$42,148
Wood Siding	Wood Siding - Ph. 4	25	\$327,641	\$541,541
			Total for 2031:	\$1,847,846
2032				
Boardwalks	Boardwalk (LS) - 2	20	\$140,000	\$238,341
Decks	Decking - Annual Repairs	1	\$10,300	\$17,535
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,108
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,818
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 2	20	\$37,131	\$63,213
Miscellaneous	Company Truck (Ford)	9	\$18,000	\$30,644
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$28,742
Miscellaneous	Fumigation- Annual	1	\$24,000	\$40,858
Miscellaneous	Mailbox Clusters - Ph. 3	25	\$3,972	\$6,762
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$3,834
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$11,880



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Category	Component	Service Life	Replacement Cost	Projected Cost
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,754
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,298
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$28,742
Painting	Wood Trim (Annual)	1	\$24,000	\$40,858
Pool & Spa	Pool - Chlorinator	6	\$481	\$819
Pool & Spa	Pool - Resurface	15	\$30,447	\$51,834
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,200
Roofing	Built-Up Roofing - Ph. 4	20	\$75,000	\$127,682
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$8,698
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$9,048
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$4,791
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 3	15	\$25,500	\$43,412
			Total for 2032:	\$767,871
2033				
Boardwalks	Boardwalk (LS) - 3	20	\$140,000	\$245,491
Decks	Decking - Annual Repairs	1	\$10,300	\$18,061
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,171
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,873
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 3	20	\$66,950	\$117,397
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$29,604
Miscellaneous	Fumigation- Annual	1	\$24,000	\$42,084
Miscellaneous	Maintenance Trailer #1	6	\$2,194	\$3,847
Miscellaneous	Organization Signs & Entry Fixt. (A)	20	\$4,635	\$8,128
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$3,949
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$12,236
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,806
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,367
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$29,604
Painting	Wood Trim (Annual)	1	\$24,000	\$42,084
Pool & Spa	Spa - Chlorinator	6	\$495	\$868
Recreation Areas	Mini Driving Range - Equipment	5	\$1,250	\$2,192
Recreation Areas	Multit-use Court - Equipment	5	\$4,179	\$7,328
Recreation Areas	Multit-use Court - Resurface/Stripe	5	\$3,593	\$6,300
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,489	\$6,118
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,489	\$6,118
Roofing	Built-Up Roofing - Ph. 5	20	\$75,000	\$131,513
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$8,959
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$9,320
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$4,934
Windows & Doors	Windows/SGD - Ph. 08	25	\$204,000	\$357,715
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 4	15	\$25,500	\$44,714
Wood Siding	Wood Siding - Ph. 5	25	\$229,375	\$402,210
			Total for 2033:	\$1,548,993
2034				
Boardwalks	Boardwalk (LS) - 4	20	\$140,000	\$252,856



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Category	Component	Service Life	Replacement Cost	Projected Cost
Boardwalks	Boardwalk (LS) - 5	20	\$60,000	\$108,367
Clubhouse	Saunas - Heaters (2)	5	\$4,600	\$8,308
Decks	Decking - Annual Repairs	1	\$10,300	\$18,603
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,236
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,929
Electrical & Lighting	Electrical Parking Posts - Ph. 5	25	\$7,600	\$13,726
Electrical & Lighting	Meters & Enclosures - Ph. 2	20	\$17,000	\$30,704
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 4	20	\$22,038	\$39,803
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 5	20	\$44,824	\$80,957
Miscellaneous	Company Truck	9	\$20,710	\$37,405
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$30,493
Miscellaneous	Fumigation- Annual	1	\$24,000	\$43,347
Miscellaneous	Mailbox Clusters - Ph. 4	25	\$7,944	\$14,348
Miscellaneous	Maintenance Trailer #2	6	\$2,194	\$3,963
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$4,067
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$12,603
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,860
Miscellaneous	Reserve Study (Inspection)	3	\$1,236	\$2,232
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,438
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$30,493
Painting	Wood Trim (Annual)	1	\$24,000	\$43,347
Pool & Spa	Pool - Cover	4	\$3,175	\$5,734
Pool & Spa	Pool - Heater	4	\$4,148	\$7,492
Pool & Spa	Pool - Pump / Motor	4	\$747	\$1,349
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,333
Recreation Areas	Windscreens - Tennis Courts	10	\$2,000	\$3,612
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$9,227
Roofing	Skylights (Large)- Ph. 1	20	\$14,000	\$25,286
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$9,599
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$5,082
Windows & Doors	Windows/SGD - Ph. 09	25	\$258,400	\$466,699
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 5	15	\$25,500	\$46,056
Wood Siding	Wood Siding - Ph. 6	25	\$337,468	\$609,505
			Total for 2034:	\$1,976,059
2035				
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$39,393	\$73,283
Decks	Decking - Annual Repairs	1	\$10,300	\$19,161
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,303
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$1,987
Electrical & Lighting	Meters & Enclosures - Ph. 3	20	\$43,892	\$81,652
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 6	20	\$62,287	\$115,872
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$31,407
Miscellaneous	Fumigation- Annual	1	\$24,000	\$44,647
Miscellaneous	Mailbox Clusters - Ph. 5	25	\$1,986	\$3,695
Miscellaneous	Organization Signs & Entry Fixt. (B)	20	\$5,942	\$11,054



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Category	Component	Service Life	Replacement Cost	Projected Cost
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$4,189
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$12,981
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,916
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,511
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$31,407
Painting	Wood Trim (Annual)	1	\$24,000	\$44,647
Pool & Spa	Spa - Heater	4	\$3,278	\$6,098
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$9,504
Roofing	Skylights (Large)- Ph. 2	20	\$14,000	\$26,044
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$9,887
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$5,235
Windows & Doors	Windows/SGD - Ph. 10	25	\$256,700	\$477,538
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 6	15	\$25,500	\$47,438
Wood Siding	Wood Siding - Ph. 7	25	\$337,468	\$627,790
			Total for 2035:	\$1,692,247
2036				
Decks	Decking - Annual Repairs	1	\$10,300	\$19,736
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,372
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$2,046
Electrical & Lighting	Meters & Enclosures - Ph. 1	20	\$62,718	\$120,174
Fencing, Gates & Walls	Wood Fencing, Gates & Posts - 7	20	\$59,917	\$114,807
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$32,350
Miscellaneous	Fumigation- Annual	1	\$24,000	\$45,986
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$4,315
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$13,371
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$1,974
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,587
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$32,350
Painting	Wood Trim (Annual)	1	\$24,000	\$45,986
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,476
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$9,789
Security Systems	Vehicle Gates	12	\$10,692	\$20,487
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$10,184
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$5,392
Windows & Doors	Windows/SGD - Ph. 11	25	\$127,500	\$244,303
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 7	15	\$25,500	\$48,861
Wood Siding	Wood Siding - Ph. 8	25	\$135,061	\$258,791
			Total for 2036:	\$1,038,336
2037				
Decks	Decking - Annual Repairs	1	\$10,300	\$20,328
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,443
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$2,108
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$33,320
Miscellaneous	Fumigation- Annual	1	\$24,000	\$47,366
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$4,445



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Category	Component	Service Life	Replacement Cost	Projected Cost
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$13,772
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$2,033
Miscellaneous	Reserve Study (Inspection)	3	\$1,236	\$2,439
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,664
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$33,320
Painting	Wood Trim (Annual)	1	\$24,000	\$47,366
Pool & Spa	Spa - Filter	10	\$1,460	\$2,881
Recreation Areas	Bocce Ball Court	30	\$3,320	\$6,552
Recreation Areas	Mini Driving Range - Resurface	10	\$12,296	\$24,267
Recreation Areas	Putting Green	10	\$18,446	\$36,405
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$10,083
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$10,490
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$5,554
Windows & Doors	Windows/SGD - Ph. 12	25	\$59,500	\$117,428
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 8	15	\$25,500	\$50,326
Wood Siding	Wood Siding - Ph. 9	25	\$65,564	\$129,396
			Total for 2037:	\$604,987
2038				
Clubhouse	Appliances	12	\$5,500	\$11,180
Clubhouse	Carpeting	12	\$9,018	\$18,332
Clubhouse	Copier	10	\$6,584	\$13,384
Clubhouse	Saunas (Refurbish)	8	\$2,800	\$5,692
Decks	Decking - Annual Repairs	1	\$10,300	\$20,938
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,517
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$2,171
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$34,320
Miscellaneous	Fumigation- Annual	1	\$24,000	\$48,787
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$4,578
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$14,185
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$2,094
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,744
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$34,320
Painting	Wood Trim (Annual)	1	\$24,000	\$48,787
Pool & Spa	Pool - Chlorinator	6	\$481	\$978
Pool & Spa	Pool - Cover	4	\$3,175	\$6,454
Pool & Spa	Pool - Heater	4	\$4,148	\$8,432
Pool & Spa	Pool - Pump / Motor	4	\$747	\$1,518
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,626
Recreation Areas	Mini Driving Range - Equipment	5	\$1,250	\$2,541
Recreation Areas	Multit-use Court - Equipment	5	\$4,179	\$8,495
Recreation Areas	Multit-use Court - Resurface/Stripe	5	\$3,593	\$7,304
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,489	\$7,092
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,489	\$7,092
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$10,386
Roofing	Skylights (Sloped) - Ph. 1	20	\$60,056	\$122,081



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Category	Component	Service Life	Replacement Cost	Projected Cost
Security Systems	Gate Telephone System	8	\$7,025	\$14,280
Security Systems	Vehicle Gates - Motors	12	\$7,234	\$14,705
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$10,804
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$5,720
Windows & Doors	Windows/SGD - Ph. 13	25	\$127,500	\$259,181
Windows & Doors	Windows/SGD Alum/Vinyl - Ph. 9	15	\$25,500	\$51,836
			Total for 2038:	\$805,556
2039				
Clubhouse	Saunas - Heaters (2)	5	\$4,600	\$9,631
Decks	Decking - Annual Repairs	1	\$10,300	\$21,566
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,592
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$2,236
Electrical & Lighting	Meters & Enclosures - Ph. 4	20	\$62,718	\$131,318
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$35,349
Miscellaneous	Fumigation- Annual	1	\$24,000	\$50,251
Miscellaneous	Maintenance Trailer #1	6	\$2,194	\$4,594
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$4,715
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$14,610
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$2,157
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,827
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$35,349
Painting	Wood Trim (Annual)	1	\$24,000	\$50,251
Pool & Spa	Pool - Filter	12	\$1,969	\$4,123
Pool & Spa	Spa - Chlorinator	6	\$495	\$1,036
Pool & Spa	Spa - Heater	4	\$3,278	\$6,863
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$10,697
Security Systems	Gate Card Entry System	8	\$6,888	\$14,422
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$11,128
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$5,892
Windows & Doors	Windows/SGD - Ph. 14	25	\$76,500	\$160,174
Windows & Doors	Windows/SGD - Ph. 15	25	\$68,000	\$142,377
			Total for 2039:	\$724,158
2040				
Asphalt & Concrete Surfaces	Asphalt - Chip & Seal	12	\$137,763	\$297,097
Decks	Decking - Annual Repairs	1	\$10,300	\$22,213
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,670
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$2,303
Electrical & Lighting	Meters & Enclosures - Ph. 5	20	\$62,718	\$135,257
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$36,410
Miscellaneous	Fumigation- Annual	1	\$24,000	\$51,758
Miscellaneous	Maintenance Trailer #2	6	\$2,194	\$4,732
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$4,857
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$15,049
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$2,221
Miscellaneous	Reserve Study (Inspection)	3	\$1,236	\$2,666



Monterey Dunes Colony Association
 Castroville, CA

Date: 26-Mar-2014
 Units: 120
 Fiscal Year End: 30-Jun-2014
 Report Start Date: 01-Jul-2014

Category	Component	Service Life	Replacement Cost	Projected Cost
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,911
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$36,410
Painting	Wood Trim (Annual)	1	\$24,000	\$51,758
Pool & Spa	Spa - Pump / Motor	2	\$1,292	\$2,786
Roofing	Built-Up Roofing - Ph. 1	20	\$75,000	\$161,744
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$11,018
Roofing	Skylights (Large)- Ph. 3	20	\$14,000	\$30,192
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$11,462
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$6,069
Windows & Doors	Windows/SGD - Ph. 16	25	\$51,000	\$109,986
			Total for 2040:	\$1,001,570
2041				
Asphalt & Concrete Surfaces	Asphalt - Repairs	6	\$39,393	\$87,503
Clubhouse	Furniture	12	\$14,912	\$33,124
Clubhouse	Office Furniture	12	\$7,428	\$16,500
Clubhouse	Window Coverings	12	\$6,511	\$14,463
Decks	Decking - Annual Repairs	1	\$10,300	\$22,879
Decks	Decks - Phase 01	40	\$302,820	\$672,651
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,750
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$2,372
Electrical & Lighting	Meters & Enclosures - Ph. 6	20	\$62,718	\$139,315
Miscellaneous	Company Truck (Ford)	9	\$18,000	\$39,983
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$37,502
Miscellaneous	Fumigation- Annual	1	\$24,000	\$53,311
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$5,002
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$15,500
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$2,288
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$2,999
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$37,502
Painting	Wood Trim (Annual)	1	\$24,000	\$53,311
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$11,349
Roofing	Skylights (Large)- Ph. 4	20	\$14,000	\$31,098
Roofing	Skylights (Sloped) - Ph. 2	20	\$60,056	\$133,402
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$11,806
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$6,251
			Total for 2041:	\$1,432,860
2042				
Decks	Decking - Annual Repairs	1	\$10,300	\$23,566
Decks	Decks - Phase 02	40	\$302,820	\$692,830
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,832
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$2,444
Electrical & Lighting	Meters & Enclosures - Ph. 7	20	\$62,718	\$143,494
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$38,627
Miscellaneous	Fumigation- Annual	1	\$24,000	\$54,910
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$5,152



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

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Category	Component	Service Life	Replacement Cost	Projected Cost
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$15,965
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$2,357
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$3,089
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$38,627
Painting	Wood Trim (Annual)	1	\$24,000	\$54,910
Pool & Spa	Pool - Cover	4	\$3,175	\$7,264
Pool & Spa	Pool - Heater	4	\$4,148	\$9,490
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	\$5,109	\$11,689
Roofing	Skylights (Large)- Ph. 5	20	\$14,000	\$32,031
Roofing	Wood Shake - Ph.0 1	24	\$213,396	\$488,235
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$12,160
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$6,438
			Total for 2042:	\$1,650,776
2043				
Decks	Decking - Annual Repairs	1	\$10,300	\$24,273
Decks	Decks - Phase 03	40	\$259,560	\$611,670
Electrical & Lighting	Electrical Fixtures (LS) - Annual	1	\$1,238	\$2,917
Electrical & Lighting	Electrical Fixtures (OS) - Annual	1	\$1,068	\$2,517
Miscellaneous	Company Truck	9	\$20,710	\$48,804
Miscellaneous	Contingency Reserve - Annual	1	\$16,883	\$39,786
Miscellaneous	Fumigation- Annual	1	\$24,000	\$56,558
Miscellaneous	Patio Lattice Repairs - Annual	1	\$2,252	\$5,307
Miscellaneous	Power Tools & Equip. - Annual	1	\$6,978	\$16,444
Miscellaneous	Reserve Study (Analysis) - Annual	1	\$1,030	\$2,427
Miscellaneous	Reserve Study (Inspection)	3	\$1,236	\$2,913
Miscellaneous	Water Barriers - Annual	1	\$1,350	\$3,181
Miscellaneous	Wood Trim Replace - Annual	1	\$16,883	\$39,786
Painting	Wood Trim (Annual)	1	\$24,000	\$56,558
Pool & Spa	Spa - Heater	4	\$3,278	\$7,725
Recreation Areas	Mini Driving Range - Equipment	5	\$1,250	\$2,946
Recreation Areas	Multit-use Court - Equipment	5	\$4,179	\$9,848
Recreation Areas	Multit-use Court - Resurface/Stripe	5	\$3,593	\$8,467
Recreation Areas	Tennis Courts #1 - Resurface	5	\$3,489	\$8,222
Recreation Areas	Tennis Courts #2 - Resurface	5	\$3,489	\$8,222
Roofing	Chimney Chase Caps - Annual	1	\$5,109	\$12,040
Roofing	Skylights (Large)- Ph. 6	20	\$14,000	\$32,992
Roofing	Wood Shake - Ph. 02	24	\$213,396	\$502,882
Windows & Doors	Ext. Entry Doors - Annual	1	\$5,315	\$12,525
Windows & Doors	Garage Doors - Annual	1	\$2,814	\$6,631
Wood Siding	Wood Siding (S.) - Repairs - 1	20	\$13,837	\$32,608
			Total for 2043:	\$1,558,248



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

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

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
2014	\$775,840	\$538.78	\$2,202,914	\$18,057	\$2,996,811	\$366,564	\$2,630,247	(\$4,515,996)	37%
2015	\$775,840	\$538.78	\$2,630,247	\$21,306	\$3,427,393	\$354,603	\$3,072,790	(\$4,724,077)	39%
2016	\$775,840	\$538.78	\$3,072,790	\$23,907	\$3,872,537	\$546,234	\$3,326,303	(\$4,967,372)	40%
2017	\$775,840	\$538.78	\$3,326,303	\$26,727	\$4,128,871	\$301,170	\$3,827,701	(\$5,254,867)	42%
2018	\$775,840	\$538.78	\$3,827,701	\$29,717	\$4,633,258	\$506,612	\$4,126,646	(\$5,582,385)	43%
2019	\$775,840	\$538.78	\$4,126,646	\$31,990	\$4,934,477	\$498,428	\$4,436,049	(\$5,952,944)	43%
2020	\$775,840	\$538.78	\$4,436,049	\$33,788	\$5,245,677	\$637,708	\$4,607,970	(\$6,364,987)	42%
2021	\$775,840	\$538.78	\$4,607,970	\$35,174	\$5,418,984	\$611,959	\$4,807,025	(\$6,821,809)	41%
2022	\$775,840	\$538.78	\$4,807,025	\$33,266	\$5,616,130	\$1,519,052	\$4,097,078	(\$7,301,714)	36%
2023	\$775,840	\$538.78	\$4,097,078	\$31,340	\$4,904,258	\$612,607	\$4,291,652	(\$7,833,408)	35%
2024	\$775,840	\$538.78	\$4,291,652	\$32,954	\$5,100,446	\$571,289	\$4,529,157	(\$8,416,973)	35%
2025	\$775,840	\$538.78	\$4,529,157	\$32,154	\$5,337,151	\$1,259,732	\$4,077,419	(\$9,036,691)	31%
2026	\$775,840	\$538.78	\$4,077,419	\$26,892	\$4,880,151	\$1,759,490	\$3,120,661	(\$9,684,031)	24%
2027	\$775,840	\$538.78	\$3,120,661	\$20,878	\$3,917,379	\$1,449,607	\$2,467,772	(\$10,370,681)	19%
2028	\$775,840	\$538.78	\$2,467,772	\$15,706	\$3,259,318	\$1,523,156	\$1,736,162	(\$11,095,591)	14%
2029	\$775,840	\$538.78	\$1,736,162	\$10,651	\$2,522,653	\$1,407,849	\$1,114,803	(\$11,864,125)	9%
2030	\$775,840	\$538.78	\$1,114,803	\$6,922	\$1,897,565	\$1,159,575	\$737,990	(\$12,684,620)	5%
2031	\$775,840	\$538.78	\$737,990	\$1,515	\$1,515,345	\$1,847,846	(\$332,501)	(\$13,540,645)	0%
2032	\$775,840	\$538.78	(\$332,501)	\$0	\$443,339	\$767,871	(\$324,531)	(\$14,462,734)	0%
2033	\$775,840	\$538.78	(\$324,531)	\$0	\$451,309	\$1,548,993	(\$1,097,684)	(\$15,429,033)	0%
2034	\$775,840	\$538.78	(\$1,097,684)	\$0	(\$321,844)	\$1,976,059	(\$2,297,903)	(\$16,429,249)	0%
2035	\$775,840	\$538.78	(\$2,297,903)	\$0	(\$1,522,063)	\$1,692,247	(\$3,214,310)	(\$17,474,140)	0%
2036	\$775,840	\$538.78	(\$3,214,310)	\$0	(\$2,438,470)	\$1,038,336	(\$3,476,806)	(\$18,585,930)	0%
2037	\$775,840	\$538.78	(\$3,476,806)	\$0	(\$2,700,966)	\$604,987	(\$3,305,953)	(\$19,780,929)	0%
2038	\$775,840	\$538.78	(\$3,305,953)	\$0	(\$2,530,113)	\$805,556	(\$3,335,669)	(\$21,056,958)	0%
2039	\$775,840	\$538.78	(\$3,335,669)	\$0	(\$2,559,829)	\$724,158	(\$3,283,987)	(\$22,420,272)	0%
2040	\$775,840	\$538.78	(\$3,283,987)	\$0	(\$2,508,147)	\$1,001,570	(\$3,509,717)	(\$23,866,590)	0%
2041	\$775,840	\$538.78	(\$3,509,717)	\$0	(\$2,733,877)	\$1,432,860	(\$4,166,737)	(\$25,386,931)	0%
2042	\$775,840	\$538.78	(\$4,166,737)	\$0	(\$3,390,897)	\$1,650,776	(\$5,041,673)	(\$26,978,488)	0%
2043	\$775,840	\$538.78	(\$5,041,673)	\$0	(\$4,265,833)	\$1,558,248	(\$5,824,082)	(\$28,647,729)	0%

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



For Homeowner Distribution

Number of Units: 120
Budget Year Start: July 01, 2014
Budget Year End: June 30, 2015
Location: Castroville, CA

As of 30-Jun-2014

Projected Reserve Fund Balance \$2,202,914
Projected Fully Funded Reserve: \$6,549,194
Deficit Below Fully Funded Reserve: (\$4,346,280) or (\$36,219.00) Per unit
Percentage Funded: 34%
Current Replacement Cost: \$15,883,456

Current Funding - Five Year Summary

	Allocation	Per Unit Per Month	Disbursements	Year-End Balance	Fully Funded \$	Percentage Funded
Year 1	\$775,840	\$538.78	\$366,564	\$2,630,247	\$7,146,243	37%
Year 2	\$775,840	\$538.78	\$354,603	\$3,072,790	\$7,796,867	39%
Year 3	\$775,840	\$538.78	\$546,234	\$3,326,303	\$8,293,675	40%
Year 4	\$775,840	\$538.78	\$301,170	\$3,827,701	\$9,082,568	42%
Year 5	\$775,840	\$538.78	\$506,612	\$4,126,646	\$9,709,032	43%

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: 26-Mar-2014
 Units: 120
 Fiscal Year End: 30-Jun-2014
 Report Start Date: 01-Jul-2014

Current Replacement Cost Total: \$15,883,456

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Asphalt & Concrete Surfaces							
Asphalt - Chip & Seal	12	2	\$137,762.50 / Total	1	\$137,763	\$146,152	Management
Asphalt - Overlay	40	8	\$1.96 / Square Feet	379,000	\$741,703	\$939,567	Management
Asphalt - Repairs	6	3	\$39,393.00 / Total	1	\$39,393	\$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					\$918,859	\$1,128,765	
Boardwalks							
Boardwalk (LS) - 1	20	17	\$140,000.00 / Total	1	\$140,000	\$231,399	Management
* General cost include at 24 units.							
Boardwalk (LS) - 2	20	18	\$140,000.00 / Total	1	\$140,000	\$238,341	Management
Boardwalk (LS) - 3	20	19	\$140,000.00 / Total	1	\$140,000	\$245,491	Management
Boardwalk (LS) - 4	20	20	\$140,000.00 / Total	1	\$140,000	\$252,856	Management
Boardwalk (LS) - 5	20	0	\$60,000.00 / Total	1	\$60,000	\$60,000	Management
Boardwalk (OS) - 1	25	12	\$280,000.00 / Total	1	\$280,000	\$399,213	On File
* Includes 48 Units							
Boardwalk (OS) - 2	25	11	\$140,000.00 / Total	1	\$140,000	\$193,793	On File
* Includes 24 Units.							
Boardwalks - Repairs			Maintenance / Operating				Management
Totals					\$1,040,000	\$1,621,092	
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	0	\$5,500.00 / Total	1	\$5,500	\$5,500	On File
Carpeting	12	0	\$9,018.00 / Total	1	\$9,018	\$9,018	On File
Copier	10	4	\$6,584.00 / Each	1	\$6,584	\$7,410	On File
Furniture	12	3	\$14,912.00 / Total	1	\$14,912	\$16,295	On File
Office Furniture	12	3	\$7,428.00 / Total	1	\$7,428	\$8,117	On File
Rest Rooms (Refurbish)	20	11	\$7,203.00 / Each	2	\$14,406	\$19,941	On File
Saunas (Refurbish)	8	0	\$1,400.00 / Each	2	\$2,800	\$2,800	On File
Saunas - Heaters (2)	5	0	\$2,300.00 / Each	2	\$4,600	\$4,600	On File
Window Coverings	12	3	\$6,511.00 / Total	1	\$6,511	\$7,115	On File
Totals					\$71,759	\$80,796	
Decks							
Decking - Annual Repairs	1	0	\$10,300.00 / Each	1	\$10,300	\$10,300	Management
* Includes and annual contingency for deck repairs. Amount and cost to be reviewed and adjusted as needed annually.							
Decks - Phase 01	40	27	\$10,815.00 / Each	28	\$302,820	\$672,651	On File
Decks - Phase 02	40	28	\$10,815.00 / Each	28	\$302,820	\$692,830	On File
Decks - Phase 03	40	29	\$10,815.00 / Each	24	\$259,560	\$611,670	On File
Decks - Phase 04	40	30	\$10,815.00 / Each	24	\$259,560	\$630,020	On File
Decks - Phase 05	40	31	\$10,815.00 / Each	24	\$259,560	\$648,921	On File
Decks - Phase 06	40	32	\$10,815.00 / Each	24	\$259,560	\$668,388	On File
Decks - Phase 07	40	33	\$10,815.00 / Each	24	\$259,560	\$688,440	On File



Monterey Dunes Colony Association
Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Current Replacement Cost Total: \$15,883,456

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Decks - Phase 08	40	34	\$10,815.00 / Each	24	\$259,560	\$709,093	On File
Decks - Phase 09	40	35	\$10,815.00 / Each	24	\$259,560	\$730,366	On File
Decks - Phase 10	40	36	\$10,815.00 / Each	24	\$259,560	\$752,277	Management
Decks - Phase 11	40	37	\$10,815.00 / Each	24	\$259,560	\$774,845	On File
Decks - Phase 12	40	38	\$10,815.00 / Each	24	\$259,560	\$798,091	On File
Totals					\$3,211,540	\$8,387,894	

Electrical & Lighting

Electrical Fixtures (LS) - Annual	1	0	\$1,238.00 / Total	1	\$1,238	\$1,238	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	\$1,068.00 / Total	1	\$1,068	\$1,068	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	11	\$950.00 / Each	11	\$10,450	\$14,465	On File
Electrical Parking Posts - Ph. 2	25	13	\$950.00 / Each	9	\$8,550	\$12,556	On File
Electrical Parking Posts - Ph. 3	25	14	\$950.00 / Each	10	\$9,500	\$14,370	On File
Electrical Parking Posts - Ph. 4	25	16	\$950.00 / Each	12	\$11,400	\$18,294	On File
Electrical Parking Posts - Ph. 5	25	20	\$950.00 / Each	8	\$7,600	\$13,726	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	2	\$62,718.00 / Total	1	\$62,718	\$66,538	On File
Meters & Enclosures - Ph. 2	20	20	\$17,000.00 / Total	1	\$17,000	\$30,704	On File
Meters & Enclosures - Ph. 3	20	1	\$43,892.00 / Total	1	\$43,892	\$45,209	On File
Meters & Enclosures - Ph. 4	20	5	\$62,718.00 / Total	1	\$62,718	\$72,707	On File
Meters & Enclosures - Ph. 5	20	6	\$62,718.00 / Total	1	\$62,718	\$74,889	On File
Meters & Enclosures - Ph. 6	20	7	\$62,718.00 / Total	1	\$62,718	\$77,135	On File
Meters & Enclosures - Ph. 7	20	8	\$62,718.00 / Total	1	\$62,718	\$79,449	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					\$424,288	\$522,348	

Fencing, Gates & Walls

Chain Link - Tennis Courts	15	2	\$84,328.00 / Total	1	\$84,328	\$89,464	On File
Chain Link - Tennis Courts (Maint.)	15	0	\$7,000.00 / Total	1	\$7,000	\$7,000	On File
Retaining Walls	15	0	\$7,500.00 / Total	1	\$7,500	\$7,500	On File
Wood Fencing, Gates & Posts - 1	20	17	\$84,414.00 / Total	1	\$84,414	\$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	18	\$37,131.00 / Total	1	\$37,131	\$63,213	Management
Wood Fencing, Gates & Posts - 3	20	19	\$66,950.00 / Total	1	\$66,950	\$117,397	Management
Wood Fencing, Gates & Posts - 4	20	20	\$22,038.00 / Total	1	\$22,038	\$39,803	Management



Monterey Dunes Colony Association
Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Current Replacement Cost Total: \$15,883,456

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Wood Fencing, Gates & Posts - 5	20	0	\$44,824.00 / Total	1	\$44,824	\$44,824	Management
Wood Fencing, Gates & Posts - 6	20	1	\$62,287.00 / Total	1	\$62,287	\$64,156	Management
Wood Fencing, Gates & Posts - 7	20	2	\$59,917.00 / Total	1	\$59,917	\$63,566	Management
Totals					\$476,389	\$636,446	

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.							
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	2	\$20,710.00 / Total	1	\$20,710	\$21,971	Management
Company Truck (Ford)	9	9	\$18,000.00 / Total	1	\$18,000	\$23,486	Management
Contingency Reserve - Annual	1	0	\$16,883.00 / Total	1	\$16,883	\$16,883	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- Annual	1	0	\$24,000.00 / Total	1	\$24,000	\$24,000	Management
* Projected annual expense upon completion of current providers warranty service.							
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	13	\$1,986.00 / Each	2	\$3,972	\$5,833	On File
Mailbox Clusters - Ph. 2	25	17	\$1,986.00 / Each	2	\$3,972	\$6,565	On File
Mailbox Clusters - Ph. 3	25	18	\$1,986.00 / Each	2	\$3,972	\$6,762	On File
Mailbox Clusters - Ph. 4	25	20	\$1,986.00 / Each	4	\$7,944	\$14,348	On File
Mailbox Clusters - Ph. 5	25	21	\$1,986.00 / Each	1	\$1,986	\$3,695	Management
Maintenance Trailer #1	6	1	\$2,194.00 / Total	1	\$2,194	\$2,260	On File
Maintenance Trailer #2	6	2	\$2,194.00 / Total	1	\$2,194	\$2,328	Management
Organization Signs & Entry Fixt. (A)	20	19	\$4,635.00 / Total	1	\$4,635	\$8,128	On File
Organization Signs & Entry Fixt. (B)	20	1	\$5,942.00 / Total	1	\$5,942	\$6,120	On File
Patio Lattice Repairs - Annual	1	0	\$2,252.00 / Total	1	\$2,252	\$2,252	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	\$6,978.00 / Total	1	\$6,978	\$6,978	On File
* Annual reserve contingency. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							
Reserve Study (Analysis) - Annual	1	0	\$1,030.00 / Total	1	\$1,030	\$1,030	On File
* Annual Reserve Analysis Update. Level 3 report (Inspection not included in cost).							
Reserve Study (Inspection)	3	2	\$1,236.00 / Total	1	\$1,236	\$1,311	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	16	\$7,878.00 / Total	1	\$7,878	\$12,642	Management



Monterey Dunes Colony Association
Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Current Replacement Cost Total: \$15,883,456

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Water Barriers - Annual	1	0	\$450.00 / Each	3	\$1,350	\$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	\$16,883.00 / Total	1	\$16,883	\$16,883	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					\$154,011	\$184,824	

Painting							
Interior Surfaces	Maintenance / Operating						Management
* Interior painting is to be completed on an "as needed" basis and funded from the operating budget.							
Wood Trim (Annual)	1	0	\$24,000.00 / Total	1	\$24,000	\$24,000	Management
* Annual funding. Expense reviewed annually and adjusted as needed.							
Totals					\$24,000	\$24,000	

Pool & Spa							
Pool - Chlorinator	6	0	\$481.00 / Each	1	\$481	\$481	On File
Pool - Cover	4	0	\$3,175.00 / Each	1	\$3,175	\$3,175	On File
Pool - Filter	12	1	\$1,969.00 / Each	1	\$1,969	\$2,028	Management
Pool - Heater	4	0	\$4,148.00 / Each	1	\$4,148	\$4,148	On File
Pool - Pump / Motor	4	0	\$747.00 / Each	1	\$747	\$747	On File
Pool - Resurface	15	3	\$30,447.00 / Total	1	\$30,447	\$33,270	On File
Pool - Tile	15	1	\$7,610.00 / Total	1	\$7,610	\$7,838	On File
Spa - Chlorinator	6	1	\$495.00 / Each	1	\$495	\$510	On File
Spa - Filter	10	3	\$1,460.00 / Each	1	\$1,460	\$1,595	On File
Spa - Heater	4	1	\$3,278.00 / Each	1	\$3,278	\$3,376	On File
Spa - Pump / Motor	2	0	\$1,292.00 / Each	1	\$1,292	\$1,292	Management
Spa - Re-Tile	20	11	\$6,235.00 / Total	1	\$6,235	\$8,631	On File
Totals					\$61,337	\$67,092	

Recreation Areas							
Bocce Ball Court	30	23	\$3,320.00 / Total	1	\$3,320	\$6,552	On File
Mini Driving Range - Equipment	5	4	\$1,250.00 / Total	1	\$1,250	\$1,407	On File
Mini Driving Range - Resurface	10	3	\$12,296.00 / Total	1	\$12,296	\$13,436	On File
Mult-use Court - Equipment	5	4	\$4,179.00 / Total	1	\$4,179	\$4,704	On File
Mult-use Court - Replace	20	13	\$71,639.00 / Total	1	\$71,639	\$105,204	On File
Mult-use Court - Resurface/Stripe	5	4	\$3,593.00 / Total	1	\$3,593	\$4,044	On File
Putting Green	10	3	\$18,446.00 / Total	1	\$18,446	\$20,156	On File
Sport Court #3	To be Determined						Management
* Status of Court #3 is to be determined.							
Sport Court #4	To be Determined						Management
* Status of Court #4 is to be determined.							
Tennis Courts #1 - Resurface	5	4	\$3,489.00 / Each	1	\$3,489	\$3,927	On File
Tennis Courts #2 - Resurface	5	4	\$3,489.00 / Each	1	\$3,489	\$3,927	On File
Tennis Courts (1 & 2) Rebuild	20	12	\$109,630.00 / Each	2	\$219,260	\$312,612	On File
Windscreens - Tennis Courts	10	10	\$2,000.00 / Total	1	\$2,000	\$2,688	On File
Totals					\$342,961	\$478,658	

Roofing



Monterey Dunes Colony Association
Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Current Replacement Cost Total: \$15,883,456

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Built-Up Roofing - Ph. 1	20	6	\$75,000.00 / Total	1	\$75,000	\$89,554	On File
* Approximately 10 Flat roofs completed per year. Costs may vary based repair needs.							
Built-Up Roofing - Ph. 2	20	16	\$75,000.00 / Total	1	\$75,000	\$120,353	Management
Built-Up Roofing - Ph. 3	20	17	\$75,000.00 / Total	1	\$75,000	\$123,964	On File
Built-Up Roofing - Ph. 4	20	18	\$75,000.00 / Total	1	\$75,000	\$127,682	On File
Built-Up Roofing - Ph. 5	20	19	\$75,000.00 / Total	1	\$75,000	\$131,513	On File
Chimney Chase Caps - Annual	1	0	\$1,277.25 / Each	4	\$5,109	\$5,109	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	6	\$22,463.00 / Total	1	\$22,463	\$26,822	On File
Skylights (Large)- Ph. 1	20	0	\$7,000.00 / Each	2	\$14,000	\$14,000	On File
Skylights (Large)- Ph. 2	20	1	\$7,000.00 / Each	2	\$14,000	\$14,420	On File
Skylights (Large)- Ph. 3	20	6	\$7,000.00 / Each	2	\$14,000	\$16,717	On File
Skylights (Large)- Ph. 4	20	7	\$7,000.00 / Each	2	\$14,000	\$17,218	On File
Skylights (Large)- Ph. 5	20	8	\$7,000.00 / Each	2	\$14,000	\$17,735	On File
Skylights (Large)- Ph. 6	20	9	\$7,000.00 / Each	2	\$14,000	\$18,267	On File
Skylights (Sloped) - Ph. 1	20	4	\$60,056.00 / Total	1	\$60,056	\$67,594	On File
Skylights (Sloped) - Ph. 2	20	7	\$60,056.00 / Total	1	\$60,056	\$73,861	On File
Skylights (Sloped) - Ph. 3	20	10	\$60,056.00 / Total	1	\$60,056	\$80,710	On File
Wood Shake - Ph. 02	24	5	\$17,783.00 / Unit(s)	12	\$213,396	\$247,384	Management
Wood Shake - Ph. 03	24	6	\$17,783.00 / Unit(s)	12	\$213,396	\$254,806	Management
Wood Shake - Ph. 04	24	7	\$17,783.00 / Unit(s)	12	\$213,396	\$262,450	Management
Wood Shake - Ph. 05	24	8	\$17,783.00 / Unit(s)	12	\$213,396	\$270,324	Management
Wood Shake - Ph. 06	24	9	\$17,783.00 / Unit(s)	12	\$213,396	\$278,433	Management
Wood Shake - Ph. 07	24	10	\$17,783.00 / Unit(s)	12	\$213,396	\$286,786	Management
Wood Shake - Ph. 08	24	11	\$17,783.00 / Unit(s)	12	\$213,396	\$295,390	Management
Wood Shake - Ph. 09	24	12	\$17,783.00 / Unit(s)	12	\$213,396	\$304,252	Management
Wood Shake - Ph. 10	24	13	\$17,783.00 / Unit(s)	12	\$213,396	\$313,379	Management
Wood Shake - Ph. 11	24	14	\$33,765.00 / Total	1	\$33,765	\$51,073	Management
* Commercial buildings.							
Wood Shake - Ph.0 1	24	4	\$17,783.00 / Unit(s)	12	\$213,396	\$240,179	Management
Totals					\$2,834,465	\$3,749,975	
Security Systems							
Gate Card Entry System	8	1	\$6,888.00 / Each	1	\$6,888	\$7,095	On File
Gate Telephone System	8	0	\$7,025.00 / Each	1	\$7,025	\$7,025	On File
Vehicle Gates	12	10	\$5,346.00 / Each	2	\$10,692	\$14,369	On File
Vehicle Gates - Motors	12	0	\$3,617.00 / Each	2	\$7,234	\$7,234	On File
Totals					\$31,839	\$35,723	
Windows & Doors							
Ext. Entry Doors - Annual	1	0	\$531.50 / Each	10	\$5,315	\$5,315	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	\$2,814.00 / Total	1	\$2,814	\$2,814	On File
* Annual reserve contingency. Cycle and cost to be reviewed annually and adjusted as needed to assure all future requirements will be met.							



Monterey Dunes Colony Association
Castroville, CA

Date: 26-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Current Replacement Cost Total: \$15,883,456

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Windows/SGD - Ph. 01	25	11	\$1,700.00 / Each	218	\$370,600	\$512,997	On File
Windows/SGD - Ph. 02	25	12	\$1,700.00 / Each	218	\$370,600	\$528,387	On File
Windows/SGD - Ph. 03	25	13	\$1,700.00 / Each	218	\$370,600	\$544,239	On File
Windows/SGD - Ph. 04	25	14	\$1,700.00 / Each	218	\$370,600	\$560,566	On File
Windows/SGD - Ph. 05	25	15	\$1,700.00 / Each	218	\$370,600	\$577,383	On File
Windows/SGD - Ph. 06	25	16	\$1,700.00 / Each	145	\$246,500	\$395,560	On File
Windows/SGD - Ph. 07	25	17	\$1,700.00 / Each	145	\$246,500	\$407,427	On File
Windows/SGD - Ph. 08	25	19	\$1,700.00 / Each	120	\$204,000	\$357,715	On File
Windows/SGD - Ph. 09	25	20	\$1,700.00 / Each	152	\$258,400	\$466,699	On File
Windows/SGD - Ph. 10	25	21	\$1,700.00 / Each	151	\$256,700	\$477,538	Management
Windows/SGD - Ph. 11	25	22	\$1,700.00 / Each	75	\$127,500	\$244,303	Management
Windows/SGD - Ph. 12	25	23	\$1,700.00 / Each	35	\$59,500	\$117,428	Management
Windows/SGD - Ph. 13	25	24	\$1,700.00 / Each	75	\$127,500	\$259,181	Management
Windows/SGD - Ph. 14	25	25	\$1,700.00 / Each	45	\$76,500	\$160,174	Management
Windows/SGD - Ph. 15	25	0	\$1,700.00 / Each	40	\$68,000	\$68,000	Management
Windows/SGD - Ph. 16	25	1	\$1,700.00 / Each	30	\$51,000	\$52,530	Management
Windows/SGD Alum/Vinyl - Ph. 1	15	1	\$1,700.00 / Each	15	\$25,500	\$26,265	On File
Windows/SGD Alum/Vinyl - Ph. 2	15	2	\$1,700.00 / Each	15	\$25,500	\$27,053	On File
Windows/SGD Alum/Vinyl - Ph. 3	15	3	\$1,700.00 / Each	15	\$25,500	\$27,865	On File
Windows/SGD Alum/Vinyl - Ph. 4	15	4	\$1,700.00 / Each	15	\$25,500	\$28,700	On File
Windows/SGD Alum/Vinyl - Ph. 5	15	5	\$1,700.00 / Each	15	\$25,500	\$29,561	On File
Windows/SGD Alum/Vinyl - Ph. 6	15	6	\$1,700.00 / Each	15	\$25,500	\$30,448	On File
Windows/SGD Alum/Vinyl - Ph. 7	15	7	\$1,700.00 / Each	15	\$25,500	\$31,362	On File
Windows/SGD Alum/Vinyl - Ph. 8	15	8	\$1,700.00 / Each	15	\$25,500	\$32,303	On File
Windows/SGD Alum/Vinyl - Ph. 9	15	9	\$1,700.00 / Each	15	\$25,500	\$33,272	On File
Windows/Sliding Doors (1-Time)		Life of Project					On File

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

Totals \$3,812,729 \$6,005,085

Wood Siding							
Wood Siding (S.) - Repairs - 1	20	9	\$13,837.00 / Total	1	\$13,837	\$18,054	On File
Wood Siding (S.) - Repairs - 2	20	10	\$13,837.00 / Total	1	\$13,837	\$18,596	On File
Wood Siding (S.) - Repairs - 3	20	11	\$13,804.00 / Total	1	\$13,804	\$19,108	On File
Wood Siding - Ph. 1	25	13	\$159,597.00 / Total	1	\$159,597	\$234,374	On File
* Includes cedar material only.							
Wood Siding - Ph. 2	25	14	\$308,832.00 / Total	1	\$308,832	\$467,136	On File
Wood Siding - Ph. 3	25	15	\$326,481.00 / Total	1	\$326,481	\$508,647	On File
Wood Siding - Ph. 3 (a)	25	16	\$210,314.00 / Total	1	\$210,314	\$337,492	On File
Wood Siding - Ph. 4	25	17	\$327,641.00 / Total	1	\$327,641	\$541,541	On File
Wood Siding - Ph. 5	25	19	\$229,375.00 / Total	1	\$229,375	\$402,210	On File
Wood Siding - Ph. 6	25	20	\$337,468.00 / Total	1	\$337,468	\$609,505	On File
Wood Siding - Ph. 7	25	21	\$337,468.00 / Total	1	\$337,468	\$627,790	Management
Wood Siding - Ph. 8	25	22	\$135,061.00 / Total	1	\$135,061	\$258,791	Management
Wood Siding - Ph. 9	25	23	\$65,564.00 / Total	1	\$65,564	\$129,396	Management



BARRERA AND COMPANY
RESERVE SPECIALISTS

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Castroville, CA

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Current Replacement Cost Total: \$15,883,456

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
					Totals \$2,479,279	\$4,172,639	



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BARRERA AND COMPANY
RESERVE SPECIALISTS

Monterey Dunes Colony Water Association
Castroville, CA
Compliance CC5570

Date: 27-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

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:

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
2024	\$564,500	\$392

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
Water Storage Tank (Refurbish)	Included in Reserve Calculations
Wells - Replace	Life of Project

6. Based on the method of calculation in paragraph (4) of subdivision (b) of section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$234,768, based in whole or in part on the last reserve study or update prepared by Barrera & Company, Inc. as of June 30, 2014. The projected reserve fund cash Balance at the end of the current fiscal year is \$57,835, resulting in reserves being 25 % 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 CC5570

Date: 27-Mar-2014
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Report Start Date: 01-Jul-2014

7. Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 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	Per Unit Per Month	Disbursements	Year-End Balance	Fully Funded \$	Percentage Funded
	A	B	C	D	E	F
Year 1	\$36,042	\$25.03	\$22,652	\$71,709	\$257,376	28%
Year 2	\$36,042	\$25.03	\$18,585	\$89,769	\$286,018	31%
Year 3	\$36,042	\$25.03	\$24,535	\$101,992	\$310,592	33%
Year 4	\$36,042	\$25.03	\$22,143	\$116,708	\$339,606	34%
Year 5	\$36,042	\$25.03	\$22,996	\$130,678	\$369,886	35%

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-2014

Report Start Date:01-Jul-2014



**BARRERA AND
COMPANY**
RESERVE SPECIALISTS

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

Date: 21-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

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:	40 Years
Fiscal Year End:	30-Jun-2014
Level of Reserve Study:	Level 2: Update (with site visit)
Date of Inspection: (if applicable)	19-Mar-2014

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

PREPARED BY

Barrera and Company, Inc.
Chris Sanders
2207 Garnet Avenue, #H

San Diego CA 92109
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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%



BARRERA AND COMPANY
RESERVE SPECIALISTS

Monterey Dunes Colony Water Association
Castroville, CA

Date: 21-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Percent Funded: 25 %

Component	Service Life (a)	Remaining Life (b)	Years in Service (c)	Current Replacement Cost (d)	Projected Reserve Balance (e)	Required Reserve Funding (f)	Projected Fully Funded Reserves (g)	Deficit / Surplus of Fully Funded Reserves (h)	Per Unit Deficit / Surplus of Fully Funded Reserves (i)
Water Company Components									
50 KW Generator (Overhaul)	3	0	3	\$3,581	\$882	\$1,194	\$3,581	(\$2,699)	(\$22.49)
50 KW Generator (Rebuild/Replace)	30	8	22	\$38,246	\$6,909	\$1,275	\$28,047	(\$21,138)	(\$176.15)
Annual Contingency	1	0	1	\$7,134	\$1,757	\$7,134	\$7,134	(\$5,377)	(\$44.80)
CL2 Pumps	3	1	2	\$1,838	\$302	\$613	\$1,225	(\$923)	(\$7.69)
Dist Water System Valves	25	12	13	\$29,850	\$3,824	\$1,194	\$15,522	(\$11,698)	(\$97.49)
Paint Compression Water Tank	5	5	0	\$4,288	\$0	\$858	\$0	\$0	\$0.00
Paint Storage Tank (Exterior)	5	5	0	\$17,389	\$0	\$3,478	\$0	\$0	\$0.00
Pressure Tank Compressor	2	0	2	\$2,388	\$588	\$1,194	\$2,388	(\$1,800)	(\$15.00)
Pump #1 - 10 HP Booster	30	8	22	\$4,179	\$755	\$139	\$3,064	(\$2,309)	(\$19.25)
Pump #2 - 10 HP Booster	30	8	22	\$4,179	\$755	\$139	\$3,064	(\$2,309)	(\$19.25)
Pumps (Annual Maintenance)	1	0	1	\$5,492	\$1,353	\$5,492	\$5,492	(\$4,139)	(\$34.49)
Water Storage Tank (Refurbish)	40	40	0	\$66,109	\$0	\$1,653	\$0	\$0	\$0.00
Water Storage Tank (Replace)	40	20	20	\$191,228	\$23,554	\$4,781	\$95,614	(\$72,059)	(\$600.49)
Water System Control Panel	30	10	20	\$37,614	\$6,177	\$1,254	\$25,076	(\$18,898)	(\$157.49)
Water System Fire Pump	30	8	22	\$41,769	\$7,546	\$1,392	\$30,630	(\$23,085)	(\$192.37)
Water System Fire Pump (Overhaul)	3	0	3	\$4,057	\$999	\$1,352	\$4,057	(\$3,058)	(\$25.48)
Water Tank - Eval./Maintenance	3	1	2	\$3,580	\$588	\$1,193	\$2,387	(\$1,799)	(\$14.99)
Well #3 (Pump & Motor)	6	2	4	\$8,113	\$1,332	\$1,352	\$5,409	(\$4,076)	(\$33.97)
Well #4 (Pump & Motor)	6	5	1	\$12,463	\$512	\$2,077	\$2,077	(\$1,565)	(\$13.05)



Monterey Dunes Colony Water Association
 Castroville, CA

Date: 21-Mar-2014
 Units: 120
 Fiscal Year End: 30-Jun-2014
 Report Start Date: 01-Jul-2014

Percent Funded: 25 %

	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	\$483,495	\$57,835	\$37,764	\$234,768	(\$176,933)	(\$1,474.44)

PERCENTAGE FUNDED & DEFINITIONS

Based on the estimated total current replacement cost of \$483,495 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 \$37,764 and the Fully Funded Reserve as of fiscal year-end 30-Jun-2014 is \$234,768. As of this date, the Association has projected \$57,835 to be in savings available for reserves. This will be a deficit of \$176,933 under the Fully Funded Reserve. Based on these numbers, the Monterey Dunes Colony Water Association will be 25 % funded as of 30-Jun-2014.

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.



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

Date: 21-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Category	Component	Service Life	Replacement Cost	Projected Cost
2014				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,581	\$3,581
Water Company Components	Annual Contingency	1	\$7,134	\$7,134
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$2,388
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$5,492
Water Company Components	Water System Fire Pump (Overhaul)	3	\$4,057	\$4,057
			Total for 2014:	\$22,652
2015				
Water Company Components	Annual Contingency	1	\$7,134	\$7,348
Water Company Components	CL2 Pumps	3	\$1,838	\$1,893
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$5,657
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,580	\$3,688
			Total for 2015:	\$18,585
2016				
Water Company Components	Annual Contingency	1	\$7,134	\$7,568
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$2,533
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$5,826
Water Company Components	Well #3 (Pump & Motor)	6	\$8,113	\$8,607
			Total for 2016:	\$24,535
2017				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,581	\$3,913
Water Company Components	Annual Contingency	1	\$7,134	\$7,796
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$6,001
Water Company Components	Water System Fire Pump (Overhaul)	3	\$4,057	\$4,433
			Total for 2017:	\$22,143
2018				
Water Company Components	Annual Contingency	1	\$7,134	\$8,029
Water Company Components	CL2 Pumps	3	\$1,838	\$2,068
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$2,688
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$6,181
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,580	\$4,030
			Total for 2018:	\$22,996
2019				
Water Company Components	Annual Contingency	1	\$7,134	\$8,270
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	Pumps (Annual Maintenance)	1	\$5,492	\$6,367
Water Company Components	Well #4 (Pump & Motor)	6	\$12,463	\$14,448
			Total for 2019:	\$54,215
2020				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,581	\$4,276
Water Company Components	Annual Contingency	1	\$7,134	\$8,518
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$2,851
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$6,558
Water Company Components	Water System Fire Pump (Overhaul)	3	\$4,057	\$4,844



Monterey Dunes Colony Water Association
Castroville, CA

Date: 21-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Category	Component	Service Life	Replacement Cost	Projected Cost
			Total for 2020:	\$27,048
2021				
Water Company Components	Annual Contingency	1	\$7,134	\$8,774
Water Company Components	CL2 Pumps	3	\$1,838	\$2,260
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$6,754
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,580	\$4,403
			Total for 2021:	\$22,192
2022				
Water Company Components	50 KW Generator (Rebuild/Replace)	30	\$38,246	\$48,449
Water Company Components	Annual Contingency	1	\$7,134	\$9,037
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$3,025
Water Company Components	Pump #1 - 10 HP Booster	30	\$4,179	\$5,293
Water Company Components	Pump #2 - 10 HP Booster	30	\$4,179	\$5,293
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$6,957
Water Company Components	Water System Fire Pump	30	\$41,769	\$52,911
Water Company Components	Well #3 (Pump & Motor)	6	\$8,113	\$10,277
			Total for 2022:	\$141,244
2023				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,581	\$4,672
Water Company Components	Annual Contingency	1	\$7,134	\$9,308
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$7,166
Water Company Components	Water System Fire Pump (Overhaul)	3	\$4,057	\$5,293
			Total for 2023:	\$26,440
2024				
Water Company Components	Annual Contingency	1	\$7,134	\$9,587
Water Company Components	CL2 Pumps	3	\$1,838	\$2,469
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	Pressure Tank Compressor	2	\$2,388	\$3,209
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$7,381
Water Company Components	Water System Control Panel	30	\$37,614	\$50,549
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,580	\$4,812
			Total for 2024:	\$107,140
2025				
Water Company Components	Annual Contingency	1	\$7,134	\$9,875
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$7,602
Water Company Components	Well #4 (Pump & Motor)	6	\$12,463	\$17,252
			Total for 2025:	\$34,729
2026				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,581	\$5,106
Water Company Components	Annual Contingency	1	\$7,134	\$10,171
Water Company Components	Dist Water System Valves	25	\$29,850	\$42,560
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$3,405
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$7,830
Water Company Components	Water System Fire Pump (Overhaul)	3	\$4,057	\$5,784



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

Date: 21-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Category	Component	Service Life	Replacement Cost	Projected Cost
			Total for 2026:	\$74,856
2027				
Water Company Components	Annual Contingency	1	\$7,134	\$10,477
Water Company Components	CL2 Pumps	3	\$1,838	\$2,698
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$8,065
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,580	\$5,258
			Total for 2027:	\$26,498
2028				
Water Company Components	Annual Contingency	1	\$7,134	\$10,791
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$3,612
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$8,307
Water Company Components	Well #3 (Pump & Motor)	6	\$8,113	\$12,272
			Total for 2028:	\$34,982
2029				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,581	\$5,579
Water Company Components	Annual Contingency	1	\$7,134	\$11,115
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	Pumps (Annual Maintenance)	1	\$5,492	\$8,556
Water Company Components	Water System Fire Pump (Overhaul)	3	\$4,057	\$6,321
			Total for 2029:	\$65,343
2030				
Water Company Components	Annual Contingency	1	\$7,134	\$11,448
Water Company Components	CL2 Pumps	3	\$1,838	\$2,949
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$3,832
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$8,813
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,580	\$5,745
			Total for 2030:	\$32,787
2031				
Water Company Components	Annual Contingency	1	\$7,134	\$11,791
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$9,077
Water Company Components	Well #4 (Pump & Motor)	6	\$12,463	\$20,599
			Total for 2031:	\$41,468
2032				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,581	\$6,096
Water Company Components	Annual Contingency	1	\$7,134	\$12,145
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$4,065
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$9,350
Water Company Components	Water System Fire Pump (Overhaul)	3	\$4,057	\$6,907
			Total for 2032:	\$38,564
2033				
Water Company Components	Annual Contingency	1	\$7,134	\$12,510
Water Company Components	CL2 Pumps	3	\$1,838	\$3,222
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$9,630
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,580	\$6,278



BARRERA AND COMPANY
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Monterey Dunes Colony Water Association
Castroville, CA

Date: 21-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Category	Component	Service Life	Replacement Cost	Projected Cost
			Total for 2033:	\$31,640
2034				
Water Company Components	Annual Contingency	1	\$7,134	\$12,885
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	Pressure Tank Compressor	2	\$2,388	\$4,313
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$9,919
Water Company Components	Water Storage Tank (Replace)	40	\$191,228	\$345,379
Water Company Components	Well #3 (Pump & Motor)	6	\$8,113	\$14,653
			Total for 2034:	\$426,300
2035				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,581	\$6,662
Water Company Components	Annual Contingency	1	\$7,134	\$13,271
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$10,217
Water Company Components	Water System Fire Pump (Overhaul)	3	\$4,057	\$7,547
			Total for 2035:	\$37,697
2036				
Water Company Components	Annual Contingency	1	\$7,134	\$13,669
Water Company Components	CL2 Pumps	3	\$1,838	\$3,521
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$4,576
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$10,523
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,580	\$6,860
			Total for 2036:	\$39,149
2037				
Water Company Components	Annual Contingency	1	\$7,134	\$14,080
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$10,839
Water Company Components	Well #4 (Pump & Motor)	6	\$12,463	\$24,597
			Total for 2037:	\$49,515
2038				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,581	\$7,279
Water Company Components	Annual Contingency	1	\$7,134	\$14,502
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$4,854
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$11,164
Water Company Components	Water System Fire Pump (Overhaul)	3	\$4,057	\$8,247
			Total for 2038:	\$46,047
2039				
Water Company Components	Annual Contingency	1	\$7,134	\$14,937
Water Company Components	CL2 Pumps	3	\$1,838	\$3,847
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	Pumps (Annual Maintenance)	1	\$5,492	\$11,499
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,580	\$7,496
			Total for 2039:	\$83,167
2040				
Water Company Components	Annual Contingency	1	\$7,134	\$15,385



BARRERA AND COMPANY
RESERVE SPECIALISTS

Monterey Dunes Colony Water Association

Castroville, CA

Date: 21-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Category	Component	Service Life	Replacement Cost	Projected Cost
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$5,150
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$11,844
Water Company Components	Well #3 (Pump & Motor)	6	\$8,113	\$17,496
			Total for 2040:	\$49,875
2041				
Water Company Components	50 KW Generator (Overhaul)	3	\$3,581	\$7,954
Water Company Components	Annual Contingency	1	\$7,134	\$15,847
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$12,199
Water Company Components	Water System Fire Pump (Overhaul)	3	\$4,057	\$9,012
			Total for 2041:	\$45,012
2042				
Water Company Components	Annual Contingency	1	\$7,134	\$16,322
Water Company Components	CL2 Pumps	3	\$1,838	\$4,204
Water Company Components	Pressure Tank Compressor	2	\$2,388	\$5,464
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$12,565
Water Company Components	Water Tank - Eval./Maintenance	3	\$3,580	\$8,191
			Total for 2042:	\$46,746
2043				
Water Company Components	Annual Contingency	1	\$7,134	\$16,812
Water Company Components	Pumps (Annual Maintenance)	1	\$5,492	\$12,942
Water Company Components	Well #4 (Pump & Motor)	6	\$12,463	\$29,370
			Total for 2043:	\$59,124



Monterey Dunes Colony Water Association
 Castroville, CA

Date: 21-Mar-2014
 Units: 120
 Fiscal Year End: 30-Jun-2014
 Report Start Date: 01-Jul-2014

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
2014	\$36,042	\$25.03	\$57,835	\$484	\$94,361	\$22,652	\$71,709	(\$185,667)	28%
2015	\$36,042	\$25.03	\$71,709	\$603	\$108,354	\$18,585	\$89,769	(\$196,248)	31%
2016	\$36,042	\$25.03	\$89,769	\$716	\$126,528	\$24,535	\$101,992	(\$208,600)	33%
2017	\$36,042	\$25.03	\$101,992	\$817	\$138,851	\$22,143	\$116,708	(\$222,897)	34%
2018	\$36,042	\$25.03	\$116,708	\$924	\$153,674	\$22,996	\$130,678	(\$239,208)	35%
2019	\$36,042	\$25.03	\$130,678	\$912	\$167,632	\$54,215	\$113,418	(\$256,816)	31%
2020	\$36,042	\$25.03	\$113,418	\$884	\$150,344	\$27,048	\$123,296	(\$276,630)	31%
2021	\$36,042	\$25.03	\$123,296	\$977	\$160,315	\$22,192	\$138,123	(\$298,781)	32%
2022	\$36,042	\$25.03	\$138,123	\$641	\$174,807	\$141,244	\$33,563	(\$320,240)	9%
2023	\$36,042	\$25.03	\$33,563	\$288	\$69,893	\$26,440	\$43,453	(\$344,482)	11%
2024	\$36,042	\$25.03	\$43,453	\$59	\$79,554	\$107,140	(\$27,586)	(\$369,079)	0%
2025	\$36,042	\$25.03	(\$27,586)	\$0	\$8,456	\$34,729	(\$26,273)	(\$396,081)	0%
2026	\$36,042	\$25.03	(\$26,273)	\$0	\$9,769	\$74,856	(\$65,087)	(\$424,345)	0%
2027	\$36,042	\$25.03	(\$65,087)	\$0	(\$29,045)	\$26,498	(\$55,543)	(\$455,407)	0%
2028	\$36,042	\$25.03	(\$55,543)	\$0	(\$19,501)	\$34,982	(\$54,482)	(\$489,146)	0%
2029	\$36,042	\$25.03	(\$54,482)	\$0	(\$18,440)	\$65,343	(\$83,783)	(\$524,783)	0%
2030	\$36,042	\$25.03	(\$83,783)	\$0	(\$47,741)	\$32,787	(\$80,528)	(\$563,405)	0%
2031	\$36,042	\$25.03	(\$80,528)	\$0	(\$44,486)	\$41,468	(\$85,954)	(\$604,895)	0%
2032	\$36,042	\$25.03	(\$85,954)	\$0	(\$49,912)	\$38,564	(\$88,476)	(\$649,483)	0%
2033	\$36,042	\$25.03	(\$88,476)	\$0	(\$52,434)	\$31,640	(\$84,074)	(\$697,527)	0%
2034	\$36,042	\$25.03	(\$84,074)	\$0	(\$48,032)	\$426,300	(\$474,331)	(\$737,352)	0%
2035	\$36,042	\$25.03	(\$474,331)	\$0	(\$438,289)	\$37,697	(\$475,986)	(\$780,428)	0%
2036	\$36,042	\$25.03	(\$475,986)	\$0	(\$439,944)	\$39,149	(\$479,094)	(\$826,875)	0%
2037	\$36,042	\$25.03	(\$479,094)	\$0	(\$443,052)	\$49,515	(\$492,567)	(\$876,546)	0%
2038	\$36,042	\$25.03	(\$492,567)	\$0	(\$456,525)	\$46,047	(\$502,572)	(\$929,711)	0%
2039	\$36,042	\$25.03	(\$502,572)	\$0	(\$466,530)	\$83,167	(\$549,696)	(\$985,429)	0%
2040	\$36,042	\$25.03	(\$549,696)	\$0	(\$513,654)	\$49,875	(\$563,530)	(\$1,044,846)	0%
2041	\$36,042	\$25.03	(\$563,530)	\$0	(\$527,488)	\$45,012	(\$572,500)	(\$1,108,294)	0%
2042	\$36,042	\$25.03	(\$572,500)	\$0	(\$536,458)	\$46,746	(\$583,205)	(\$1,175,916)	0%
2043	\$36,042	\$25.03	(\$583,205)	\$0	(\$547,163)	\$59,124	(\$606,286)	(\$1,247,544)	0%

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



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

Date: 21-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

100% Funding (5 Year Plan): This plan projects the Annual Funding for the Fully Funded Reserve, and is a method designed to reduce the current deficit and meet the fully funded (100%) level within 5 years. This amount will decrease as the deficit is funded (i.e. the association reaches full funding - note year 6). This funding plan is considered the ideal, compensating for any past funding deficiencies, and providing the full replacement cost of each component at the end of its projected useful life. Following year 6 the percentage funded amounts may exceed the 100% level. It is assumed that adjustments will be made to the funding amount at that time to avoid excessive funding.

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
2014	\$82,700	\$57.43	\$57,835	\$659	\$141,194	\$22,652	\$118,542	(\$138,834)	46%
2015	\$82,700	\$57.43	\$118,542	\$1,129	\$202,371	\$18,585	\$183,786	(\$102,231)	64%
2016	\$82,700	\$57.43	\$183,786	\$1,597	\$268,083	\$24,535	\$243,547	(\$67,045)	78%
2017	\$82,700	\$57.43	\$243,547	\$2,054	\$328,301	\$22,143	\$306,158	(\$33,448)	90%
2018	\$82,700	\$57.43	\$306,158	\$2,520	\$391,378	\$22,996	\$368,382	(\$1,504)	100%
2019	\$75,200	\$52.22	\$368,382	\$2,842	\$446,424	\$54,215	\$392,209	\$21,976	106%
2020	\$75,200	\$52.22	\$392,209	\$3,122	\$470,531	\$27,048	\$443,483	\$43,558	111%
2021	\$75,200	\$52.22	\$443,483	\$3,525	\$522,208	\$22,192	\$500,017	\$63,113	114%
2022	\$75,200	\$52.22	\$500,017	\$3,502	\$578,719	\$141,244	\$437,476	\$83,672	124%
2023	\$75,200	\$52.22	\$437,476	\$3,464	\$516,140	\$26,440	\$489,700	\$101,764	126%
2024	\$75,200	\$52.22	\$489,700	\$3,553	\$568,453	\$107,140	\$461,313	\$119,820	135%
2025	\$75,200	\$52.22	\$461,313	\$3,612	\$540,124	\$34,729	\$505,395	\$135,586	137%
2026	\$75,200	\$52.22	\$505,395	\$3,792	\$584,387	\$74,856	\$509,531	\$150,273	142%
2027	\$75,200	\$52.22	\$509,531	\$4,004	\$588,735	\$26,498	\$562,237	\$162,373	141%
2028	\$75,200	\$52.22	\$562,237	\$4,368	\$641,805	\$34,982	\$606,823	\$172,160	140%
2029	\$75,200	\$52.22	\$606,823	\$4,588	\$686,611	\$65,343	\$621,268	\$180,269	141%
2030	\$75,200	\$52.22	\$621,268	\$4,819	\$701,287	\$32,787	\$668,500	\$185,623	138%
2031	\$75,200	\$52.22	\$668,500	\$5,140	\$748,840	\$41,468	\$707,372	\$188,431	136%
2032	\$75,200	\$52.22	\$707,372	\$5,443	\$788,015	\$38,564	\$749,451	\$188,444	134%
2033	\$75,200	\$52.22	\$749,451	\$5,784	\$830,435	\$31,640	\$798,795	\$185,342	130%
2034	\$75,200	\$52.22	\$798,795	\$4,674	\$878,670	\$426,300	\$452,370	\$189,350	172%
2035	\$75,200	\$52.22	\$452,370	\$3,533	\$531,104	\$37,697	\$493,407	\$188,965	162%
2036	\$75,200	\$52.22	\$493,407	\$3,836	\$572,442	\$39,149	\$533,293	\$185,512	153%
2037	\$75,200	\$52.22	\$533,293	\$4,096	\$612,589	\$49,515	\$563,074	\$179,094	147%
2038	\$75,200	\$52.22	\$563,074	\$4,332	\$642,606	\$46,047	\$596,559	\$169,420	140%
2039	\$75,200	\$52.22	\$596,559	\$4,444	\$676,203	\$83,167	\$593,037	\$157,305	136%
2040	\$75,200	\$52.22	\$593,037	\$4,543	\$672,780	\$49,875	\$622,904	\$141,588	129%
2041	\$75,200	\$52.22	\$622,904	\$4,785	\$702,889	\$45,012	\$657,877	\$122,083	123%
2042	\$75,200	\$52.22	\$657,877	\$5,041	\$738,118	\$46,746	\$691,371	\$98,660	117%
2043	\$75,200	\$52.22	\$691,371	\$5,246	\$771,817	\$59,124	\$712,693	\$71,436	111%

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



Monterey Dunes Colony Water Association

Castroville, CA

Date: 21-Mar-2014
 Units: 120
 Fiscal Year End: 30-Jun-2014
 Report Start Date: 01-Jul-2014

Threshold Funding: This plan projects the lowest annual funding feasible over the next 30 years which will meet all reserve requirements as they occur. This funding requirement is calculated in which a minimum annual contribution is sought with the constraint that the ending reserve balance for each year (1 through 30) must be greater than or equal to five percent (5%) of the current replacement cost. The threshold amount is calculated and rounded up in increments of \$5,000. The calculation takes into consideration only the immediate total annual requirements, as opposed to projected percentage funded requirements. Due to this fact, annual allocations may fluctuate widely from year to year. This plan provides a minimal contingency for unanticipated emergency expenditures. If implemented, funding and required disbursements should be reviewed on an annual basis and adjusted as required to ensure current and future funding requirements will be met.

Threshold: \$25,000

Year	Annual Funding Amount	Average Monthly Fee Per Unit	Beginning Cash	Annual Interest	Reserve Funds	Annual Disbursements	End Balance (Min \$25,000)	Surplus/Deficit of Fully Funded Reserves	Projected % Funded Year End
2014	\$58,300	\$40.49	\$57,835	\$567	\$116,702	\$22,652	\$94,050	(\$163,325)	37%
2015	\$58,300	\$40.49	\$94,050	\$854	\$153,205	\$18,585	\$134,620	(\$151,398)	47%
2016	\$58,300	\$40.49	\$134,620	\$1,136	\$194,056	\$24,535	\$169,520	(\$141,071)	55%
2017	\$58,300	\$40.49	\$169,520	\$1,407	\$229,227	\$22,143	\$207,084	(\$132,521)	61%
2018	\$58,300	\$40.49	\$207,084	\$1,686	\$267,070	\$22,996	\$244,074	(\$125,812)	66%
2019	\$58,300	\$40.49	\$244,074	\$1,846	\$304,220	\$54,215	\$250,005	(\$120,228)	68%
2020	\$58,300	\$40.49	\$250,005	\$1,992	\$310,297	\$27,048	\$283,250	(\$116,676)	71%
2021	\$58,300	\$40.49	\$283,250	\$2,260	\$343,809	\$22,192	\$321,618	(\$115,286)	74%
2022	\$58,300	\$40.49	\$321,618	\$2,101	\$382,019	\$141,244	\$240,775	(\$113,028)	68%
2023	\$58,300	\$40.49	\$240,775	\$1,925	\$301,001	\$26,440	\$274,561	(\$113,375)	71%
2024	\$58,300	\$40.49	\$274,561	\$1,876	\$334,737	\$107,140	\$227,597	(\$113,896)	67%
2025	\$58,300	\$40.49	\$227,597	\$1,795	\$287,692	\$34,729	\$252,963	(\$116,846)	68%
2026	\$58,300	\$40.49	\$252,963	\$1,835	\$313,098	\$74,856	\$238,242	(\$121,016)	66%
2027	\$58,300	\$40.49	\$238,242	\$1,906	\$298,448	\$26,498	\$271,950	(\$127,914)	68%
2028	\$58,300	\$40.49	\$271,950	\$2,127	\$332,377	\$34,982	\$297,396	(\$137,268)	68%
2029	\$58,300	\$40.49	\$297,396	\$2,204	\$357,900	\$65,343	\$292,557	(\$148,443)	66%
2030	\$58,300	\$40.49	\$292,557	\$2,290	\$353,147	\$32,787	\$320,360	(\$162,517)	66%
2031	\$58,300	\$40.49	\$320,360	\$2,466	\$381,126	\$41,468	\$339,658	(\$179,283)	65%
2032	\$58,300	\$40.49	\$339,658	\$2,621	\$400,579	\$38,564	\$362,015	(\$198,992)	65%
2033	\$58,300	\$40.49	\$362,015	\$2,815	\$423,131	\$31,640	\$391,491	(\$221,963)	64%
2034	\$58,300	\$40.49	\$391,491	\$1,556	\$451,347	\$426,300	\$25,047	(\$237,973)	10%
2035	\$50,800	\$35.28	\$25,047	\$237	\$76,084	\$37,697	\$38,387	(\$266,055)	13%
2036	\$50,800	\$35.28	\$38,387	\$332	\$89,519	\$39,149	\$50,369	(\$297,412)	14%
2037	\$50,800	\$35.28	\$50,369	\$383	\$101,552	\$49,515	\$52,037	(\$331,943)	14%
2038	\$50,800	\$35.28	\$52,037	\$408	\$103,245	\$46,047	\$57,198	(\$369,941)	13%
2039	\$50,800	\$35.28	\$57,198	\$308	\$108,306	\$83,167	\$25,139	(\$410,593)	6%
2040	\$50,000	\$34.72	\$25,139	\$189	\$75,328	\$49,875	\$25,453	(\$455,864)	5%
2041	\$50,000	\$34.72	\$25,453	\$210	\$75,662	\$45,012	\$30,650	(\$505,144)	6%
2042	\$50,000	\$34.72	\$30,650	\$242	\$80,892	\$46,746	\$34,146	(\$558,566)	6%
2043	\$50,000	\$34.72	\$34,146	\$222	\$84,367	\$59,124	\$25,244	(\$616,014)	4%

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



Monterey Dunes Colony Water Association
 Castroville, CA

Date: 21-Mar-2014
 Units: 120
 Fiscal Year End: 30-Jun-2014
 Report Start Date: 01-Jul-2014

For Homeowner Distribution

Number of Units: 120
 Budget Year Start: July 01, 2014
 Budget Year End: June 30, 2015
 Location: Castroville, CA

As of 30-Jun-2014

Projected Reserve Fund Balance \$57,835
 Projected Fully Funded Reserve: \$234,768
 Deficit Below Fully Funded Reserve: (\$176,933) or (\$1,474.44) Per unit
 Percentage Funded: 25%
 Current Replacement Cost: \$483,495

Current Funding - Five Year Summary

	Allocation	Per Unit Per Month	Disbursements	Year-End Balance	Fully Funded \$	Percentage Funded
Year 1	\$36,042	\$25.03	\$22,652	\$71,709	\$257,376	28%
Year 2	\$36,042	\$25.03	\$18,585	\$89,769	\$286,018	31%
Year 3	\$36,042	\$25.03	\$24,535	\$101,992	\$310,592	33%
Year 4	\$36,042	\$25.03	\$22,143	\$116,708	\$339,606	34%
Year 5	\$36,042	\$25.03	\$22,996	\$130,678	\$369,886	35%

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



BARRERA AND COMPANY
RESERVE SPECIALISTS

Monterey Dunes Colony Water Association
Castroville, CA

Date: 21-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

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: 21-Mar-2014
Units: 120
Fiscal Year End: 30-Jun-2014
Report Start Date: 01-Jul-2014

Current Replacement Cost Total: \$483,495

Component	Service Life	Remaining Life	Cost Per Unit	Approx Qty	Current Replace Cost	Future Cost	Source
Water Company Components							
50 KW Generator (Overhaul)	3	0	\$3,581.00 / Total	1	\$3,581	\$3,581	On File
50 KW Generator (Rebuild/Replace)	30	8	\$38,245.96 / Each	1	\$38,246	\$48,449	On File
Annual Contingency	1	0	\$7,134.00 / Total	1	\$7,134	\$7,134	Management
CL2 Pumps	3	1	\$1,837.51 / Each	1	\$1,838	\$1,893	On File
Compression Water Tank			Maintenance / Operating				Management
Dist Water System Valves	25	12	\$29,850.43 / Total	1	\$29,850	\$42,560	On File
Paint Compression Water Tank	5	5	\$4,288.00 / Each	1	\$4,288	\$4,971	On File
* To be completed spring of 2014.							
Paint Storage Tank (Exterior)	5	5	\$17,389.00 / Each	1	\$17,389	\$20,159	On File
* To be completed spring of 2014.							
Pressure Tank Compressor	2	0	\$2,388.00 / Each	1	\$2,388	\$2,388	On File
Pump #1 - 10 HP Booster	30	8	\$4,178.71 / Each	1	\$4,179	\$5,293	On File
Pump #2 - 10 HP Booster	30	8	\$4,178.71 / Each	1	\$4,179	\$5,293	On File
Pumps (Annual Maintenance)	1	0	\$5,492.00 / Total	1	\$5,492	\$5,492	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	40	\$66,109.00 / Each	1	\$66,109	\$215,650	Bid
Water Storage Tank (Replace)	40	20	\$191,227.74 / Each	1	\$191,228	\$345,379	Bid
Water System Control Panel	30	10	\$37,613.54 / Total	1	\$37,614	\$50,549	On File
Water System Fire Pump	30	8	\$41,768.56 / Each	1	\$41,769	\$52,911	On File
Water System Fire Pump (Overhaul)	3	0	\$4,057.00 / Each	1	\$4,057	\$4,057	On File
Water Tank - Eval./Maintenance	3	1	\$3,580.28 / Total	1	\$3,580	\$3,688	Awaiting Information
Water Wells			Maintenance / Operating				Management
Well #3 (Pump & Motor)	6	2	\$8,113.00 / Total	1	\$8,113	\$8,607	Management
* Deferred as long as possible. Added 2 years.							
Well #4 (Pump & Motor)	6	5	\$12,463.00 / Total	1	\$12,463	\$14,448	On File
Wells - Replace			Life of Project				Management
Totals					\$483,495	\$842,502	

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

Date: 21-Mar-2014

Units: 120

Fiscal Year End: 30-Jun-2014

Report Start Date: 01-Jul-2014

DISCLAIMER

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MONTEREY DUNES COLONY ASSOCIATION RULES AND SCHEDULE OF FINES

Effective September 1, 2001

Last Revised July 20, 2013

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 8:30 a.m. to 5: 00 p.m. for 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 between 8:30 a.m. and 5:00 p.m. Saturdays, Sundays and holidays. For use at times other than above, or for personal use, a homeowner must formally request the exclusive use of the clubhouse by filling out a Request Form, and subsequently have this request approved by a vote of the Board of Directors. These forms can be obtained at the Association administrative office.
2. Any homeowner who reserves the Clubhouse must be present during the function.
3. The privilege of reserving the clubhouse by members of the Association is non-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. 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, their immediate families and authorized guests (through a Letter of Responsibility) from 10:00 AM to 10:00 PM 7-days a week. Any homeowner, members of their immediate family, or authorized guests (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.
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 not to be a nuisance to other homeowners. This includes excessive noise, which may disturb other owners or their guests.
5. 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.

6. 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 owner’s 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 of common area usage rights and privileges for a period of time of equal duration 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. Please flatten all cardboard boxes before putting them into the container.
- Please flatten all cardboard boxes before putting them into the containers.

Policies on file in the Administrative Office:

1. ECC Policy.
2. ECC Landscaping Policy.
3. Electric Vehicle Charging System Policy
4. Investment Policy.
5. Hot Tub Installation Policy.
6. Assessment Collection Policy.
7. Cross Connection Control Policy.
8. Inspection, Repair and Replacement of Individual Unit Fireplaces.
9. Satellite Installation Policy.
10. Open House/Realtor Sign Policy.
11. Association and Member Responsibilities for the Maintenance and Repair of Structures.
12. Sliding Door and Window Replacement Policy.
13. Election Rules.
14. Exclusive use of the Clubhouse.
15. Business and Commercial Activity.
16. Association Rules and Schedule of Fines.
17. Feral Cat Policy.
18. Insurance Policy
19. Document Retention Policy
20. Internal Dispute Resolution
21. 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
7. Electronic Annual Water System Report, (EAR)

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 Section 5300 (b) (9) of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or, real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.



SINCE 1908

INSURANCE

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

PHONE (831) 724-1085

FAX (831) 724-1089

April 28, 2014

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.



CALIFORNIA INSURANCE LIC. # 0426333



SINCE 1908

INSURANCE

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

PHONE (831) 724-1085

FAX (831) 724-1089

Page 2.

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

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

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

Sincerely,

A handwritten signature in black ink that reads 'Sondra Carter'.

Sondra Carter
Client Service Agent



CALIFORNIA INSURANCE LIC. # 0426333



INSURANCE

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

PHONE (831) 724-1085

FAX (831) 724-1089

SINCE 1908
April 24, 2014

Please be advised that Monterey Dunes Colony Association currently complies with the Liability Insurance requirements as set forth by California Civil Code section 5805 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	\$36,958,704	\$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	C N A Surety
Excess / Umbrella	\$10,000,000	N/A	Travelers Insurance
Fidelity Bond	\$800,000	\$5,000	C N A Surety

The Association carries the levels of insurance specified by Civil Code Section 5805, and pursuant to that section, owners may be individually liable only for their proportional share of assessment levied to pay the amount of any judgment which may be rendered in favor of a plaintiff bringing an action in tort arising solely by reason of an ownership interest in the common area which exceeds the limits of the Association's insurance.

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

Sondra Carter
Agent

Date: 04/24/2014



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	\$36,958,704	Travelers	I680838C4856	2/1/2015
Deductible	\$25,000	Travelers	I680838C4856	
Liability Limits	\$1,000,000/\$2,000,000	Travelers	I680838C4856	2/1/2015
Directors and Officers	\$3,000,000	C N A	O251106621	8/1/2014
Automobile Liability	\$1,000,000	Travelers	BA838C4856	2/1/2015
Fidelity/Dishonesty	\$800,000	C N A Surety	O25089955	8/1/2014
Umbrella Limits	\$10,000,000	Travelers	ISM CUP7618Y48A	2/1/2015
Boiler and Machinery	\$1,000,000	Hartford	FBP2286934	2/1/2015
Earthquake	\$10,000,000 Loss Limit	Golden Bear	FD45046	2/1/2015
Flood	\$30,000,000	Wright National Flood	Various - 41 Bldgs.	8/1/2014
Workers Compensation	\$1,000,000	Employers Insurance	EIG129153300	2/1/2015

Insurance Summary, 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.

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