

TIMBER COVE HOMES ASSOCIATION

FINANCIAL STATEMENTS

Year Ended April 30, 2016

(With Comparative Totals for April 30, 2015)

KAPALAHIKE ACCOUNTING SERVICES

Independent Public Accountant and Tax Consultation

***TIMBER COVE HOMES ASSOCIATION
FINANCIAL STATEMENTS
Year Ended April 30, 2016
(With Comparative Totals for April 30, 2015)***

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KAPALAHIKE ACCOUNTING SERVICES

Public Accounting and Tax Consultation

KAPALAHIKE ACCOUNTING SERVICES

S h e r i F l y i n g H a w k

Mailing Address: P.O. Box 1645, Guerneville, CA 95446

Physical Address: 20406 Bohemian Hwy, Monte Rio, CA 95462
(707) 865-5259 landline / (707) 666-1072 mobile / (925) 281-4484 fax

Kapalahike

Ka=Sun

Pa=Earth

Lah=moving

to create

Ike=rainbow

Earth Calendar: Year 25, Month 12 Day 1

January 21, 2018

*The Board of Directors and Members
Timber Cove Homes Association - TCHA*

I have reviewed the accompanying balance sheets of Timber Cove Homes Association - TCHA (incorporated), as of April 30, 2016 and 2015, (with comparative totals only), and the related statements of revenues, expenses and change in fund balances and cash flows for the years then ended. All information included in these financial statements is the representation of the management of the Timber Cove Homes Association.

A financial review consists of inquiries of association management and analytical procedures applied to management's financial data. A financial review is substantially less in scope than an audit in accordance with generally accepted auditing standards with the objective being the expression of an opinion regarding the financial statements taken as a whole. Accordingly, no opinion is expressed.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United State of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Kapalahike Accounting Services - KAS responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require performing procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for this report.

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

The Schedule of Expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and I did not become aware of any material modifications that should be made.

Accounting principles generally accepted in the United States of America require that the information about future major repairs and replacements of common property on page 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have not audited, reviewed, or compiled the required supplementary information, and, accordingly, do not assume any responsibility for it.

Mahalo nui loa for the opportunity to work with the Timber Cove Homes Association.

Sheri Flying Hawk

Sheri Flying Hawk
Kapalahike Accounting Services
Independent Public Accountant

TIMBER COVE HOMES ASSOCIATION
Balance Sheet
April 30, -16
(With Comparative Totals for April 30, 2015)

	<u>4/30/2016</u>			<u>4/30/2015</u>
	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>	<u>TOTAL</u>
ASSETS				
Cash & Cash Equivalents	178,558	113,711	292,270	298,115
Assessment Receivable	74,498		74,498	72,588
Less: Allowance Doubtful Accounts	(10,000)		(10,000)	(15,000)
Property & Equipment (Net)	14,524		14,524	82,688
TOTAL ASSETS	257,580	113,711	371,291	438,391
LIABILITIES				
Accounts Payable	7,846		7,846	0
Dues Paid in Advance	0		0	37,195
Performance Bonds	70,000		70,000	70,000
Income Tax Payable	380		380	380
Other Current Liabilities	2,178		2,178	4,052
TOTAL LIABILITIES	80,404	0	80,404	111,627
FUND BALANCE	177,176	113,711	290,888 *	326,764
TOTAL LIABILITIES & FUND BALANCES	257,580	113,711	371,291	438,391

* Unit 1 secession finalized July 20, 2015 with transfer of \$38,275.46, ck # 7394 to Unit 1 Road Fund without vote of membership authorization.

See Accompanying Notes and Independent Accountant's Review Report

TIMBER COVE HOMES ASSOCIATION
Statement of Revenues, Expenses
and Changes in Fund Balances
For the Year Ended April 30, 2016
(With Comparative Totals for April 30, 2015)

	<u>4/30/2016</u>			<u>4/30/2015</u>
	<u>OPERATING FUNDS</u>	<u>REPLACEMENT FUNDS</u>	<u>TOTAL</u>	<u>TOTAL</u>
REVENUES				
Member Assessments	122,956	(26,048)	97,350	94,595
Architectural Fees Income	5,000		5,000	1,500
Performance Bond	5,000		5,000	
Miscellaneous Income	1,070		1,070	2,896
Interest Income	403	442	845	904
TOTAL REVENUE	<u>134,429</u>	<u>(25,606)</u>	<u>109,265</u>	<u>99,895</u>
EXPENSES				
Administrative Expenses	31,369		31,369	36,560
Operating Expenses	44,951		44,951	80,250
TOTAL EXPENSES	<u>76,320</u>		<u>76,320</u>	<u>116,810</u>
Excess (Deficit) of Revenues Over Expenses	58,109	(25,606)	32,945	(16,915)
FUND BALANCES, Beginning	<u>77,987</u>	<u>139,317</u>	<u>217,304</u>	<u>234,219</u>
FUND BALANCE, Ending	<u>136,096</u>	<u>113,711</u>	<u>250,249</u>	<u>217,304</u>

See Accompanying Notes and Independent Accountant's Review Report

TIMBER COVE HOMES ASSOCIATION
Statement of Comparative Cash Flows
For Year Ended April 30, -16
(With Comparative Totals for April 30, 2015)

	4/30/2016			4/30/2015
	OPERATING FUNDS	REPLACEMENT FUNDS	TOTAL	TOTAL
Cash Flows from Operating Activities				
Excess (Deficit) of Revenue Over Expenses	58,551	(25,606)	32,945	(16,915)
Adjustments to Reconcile Excess of Revenue Over Expenses to Net Cash provided by Operating Activities:				
Depreciation	1,511		1,511	5,664
(Increases) Decreases In:				
Dues Receivable	11,864		11,864	(40,754)
Other Member Receivable	0		0	7,806
Trail Survey	(7,031)		(7,031)	
TCHA Office	88,396		88,396	
TCHA Office Land	20,000		20,000	(20,000)
Accum Deprec-Office Bldg	(34,711)		(34,711)	
Increase (Decrease) in:				
Accounts Payable	7,845		7,845	(9)
Other Current Liabilities	(1,874)		(1,874)	3,439
Income Tax Payable	0		0	380
Retained Earnings TCHA-Land	0		0	20,000
Retained Earnings TCHA	(72,742)		(72,742)	
Ret Earn TCHA Equity Refnd-Unit1	(38,275)		(38,275)	
Net Cash provided by (used by) Operating Activities	33,534	(25,606)	7,928	(40,389)
Net Increase (Decrease) in Cash	33,534	(25,606)	7,928	(40,389)
Cash & Cash Equivalents, Beginning of Year	158,798	139,317	298,115	338,504
Cash & Cash Equivalents, End of Year	192,332	113,711	306,043	298,115
Supplemental Disclosure:				
Cash Paid This Year				
Income Taxes	0	0	0	0

See Accompanying Notes and Independent Accountant's Review Report

Timber Cove Homes Association
Notes to Financial Statements
For the Years Ended April 30, 2016 and 2015

Note 1. Principal Activities

The Timber Cove Homes Association has been organized pursuant to the General Non-Profit Corporation Law for the operation and maintenance of the common areas of the 214 residential unit development located in Jenner, CA. The Homeowner's Association has the power to fix, levy, collect and enforce payment of Association dues that it considers necessary to effectively conduct the business of the Association. The Association was incorporated on December 4, 1964.

The Association derives its authority and responsibilities from the Declaration of Covenants, Conditions and Restrictions. An elected Board of Directors makes most policy decisions and oversees daily operations, but major decisions can be referred to the general Association membership.

Membership in the Association is mandatory for homeowners. Voting members consist of all owners, who are entitled to one vote for each unit owned. Each owner is obligated to pay annual assessments to the Association in support its operations and purposes.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting / Year End

The financial statements have been prepared on the accrual basis in accordance with generally accepted accounting principles. Dues and other revenue sources are recognized when earned and expenses are recognized when the related liability is incurred. The Association has adopted the fiscal accounting period ending April 30.

Fund Accounting

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting standards. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose.

Operating Fund – This Fund is used to account for financial resources available for the general operation of the Association.

Replacement Fund - This fund is used to accumulate financial resources designated for future major repairs and replacements.

Performance Bond Fund – This fund is used to hold the completion of work performance bond deposited by the property owner within TCHA to insure timely completion of permitted building construction or improvements.

Summarized Financial Information

The financial statements include certain prior year summarized comparative information in total but not by individual fund basis. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles (GAAP) in the United States of America. Accordingly, such information should be read in conjunction with the Association's prior year financial statements location where the summarized information was derived.

Member Assessment

Association members are subject to monthly assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Assessments receivable at the balance sheet date represent fees from unit owners. Any excess assessments at year end are retained by the Association for use in future years.

Interest Income

Interest income is allocated to the operating and replacement fund in proportion to the interest-bearing deposit of each fund.

Common Property

In accordance with prevalent industry standards, real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common.

Cash & Cash Equivalents

Cash & Cash Equivalents include checking accounts, savings accounts and other types of demand deposits the Association can withdraw from without prior notice or penalty, providing that their original maturity is three months or less.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent

assets and liabilities at the date of the financial statements and the reported amounts or revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Association is classified as a nonexempt membership organization for federal income tax purposes for the years ended April 30, 2015 and April 30, 2016. It does not qualify as an exempt organization. The Association is subject to specific rulings and regulations applicable to nonexempt membership organizations. In general, the Association is required to separate its taxable income and deductions into membership transactions, nonmembership transactions, and capital transactions.

For federal income tax purposes, the Association is taxed on all net income from nonmembership activities reduced only by losses from non-membership activities where a profit motive exists. Non-membership income may not be offset by membership losses; however, any excess membership deductions may only be carried forward to offset membership income of future tax periods. Any net membership income not applied to the subsequent tax year is subject to taxation. The Association, however, has elected to file from 1120-H under code section 528 tax rate of 30%.

For state income tax purposes, the Association is an exempt organization. The Association also is taxed on all net income from non-membership activities reduced only by losses from non-membership activities where profit motives exist. Non-membership income may not be offset by membership losses. Any net membership income is not subject to taxation. The California state income tax rate that is applied to net taxable income is 8.84%

Generally accepted accounting principles (GAAP) require that the Association must recognize the tax benefit associated with a tax position taken for tax return purposes when it is more likely than not that the position will be sustained. The Association does not believe there are any material uncertain tax positions and accordingly, they have not recognized any liability for unrecognized tax benefits.

The Association's federal and state income tax returns are generally subject to examination by taxing authorities for three years after the taxes are filed. Therefore, the Association federal and state income tax returns for April 30, 2015, 2014, 2013, and 2012 (California only) remain open to examination. The Association continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings.

Note 3 - Future Major Repairs and Replacements

The Association's governing documents require funds to be accumulated for future major repairs and replacements. The Association has \$113,711 in funds specifically set aside for funding future reserve replacements and funds reserve expenses via special assessments or through their operating budget on an as needed basis. The

Association does prepare an in-house reserve study for planning purposes. Estimates in the reserve study may vary and the variations may be material.

The Association's primary common assets are roads. Hence, paving costs represent a large expenditure when replacement is necessary. The Association's current policy is to fund for the following years expenditures as provided in the budget.

Note 4 - Subsequent Events

The Association has evaluated subsequent events through January 21, 2018, the date the financial statements were available to be issued, and determined the events occurring subsequent to April 30, 2016 that would have a material impact on the Association's results of operations or financial position are disclosed as follows:

1. The Office Manager/Bookkeeper position has been vacant due to a limited pool of available applicants. This position was filled in June 2017. Reconstruction of missing and/or lost physical records has proceeded with the completion of the Payroll, Payroll taxes, Accounts Payable and Accounts Receivable accounts reconciled to supporting original documentation and bank records. Remaining accounts to reconcile include the performance bonds, escrow demands and contracts.

Note 5 - Allowance for doubtful accounts

Assessments Receivable are stated at the amount management expects to collect from the outstanding balances less an allowance for uncollectible accounts. Management uses the allowance method to account for uncollectible dues receivable balances. An allowance is established based upon factors such as historical experience, credit quality of the individual owners, the age and amount of the balances as well as if owners are in foreclosure.

Management evaluates the allowances amount annually. The amount considered uncollectible at year ended April 30, 2016 is \$10,000 compared with year ended April 30, 2015 at \$15,000.

Note 6 - Property and Equipment

A summary of property and equipment as of April 30, 2016 and comparative year April 30, 2015

TIMBER COVE HOMES ASSOCIATION
Statement of Comparative Property and Equipment
For the Years Ended April 30, 2016 and 2015

	<u>4/30/2016</u>	<u>4/30/2015</u>
Property and Equipment		
Roads & Improvements	253,841	253,841
Gate Columns	6,805	
Trail Survey	7,031	6,805
Office Equipment	4,190	4,190
TCHA Office*	*	88,396 *
TCHA Office Land*	*	20,000 *
Other Assets	2,322	2,322
Property and Equipment Subtotal	274,189	375,554
Less: Accumulation Depreciation	-262,145	-295,345
Net Property and Equipment Subtotal	12,044	80,209
Land	2,479	2,479
NET FIXED ASSETS	14,523	82,688

*TCHA Office \$88,396 and Land \$20,000 were gifted by Quitclaim Deed to Timber Cove County Water District without vote of membership on August 10, 2015.

Supplementary Information

TIMBER COVE HOMES ASSOCIATION
Schedule of Expenses
For Year Ended April 30, -16
(With Comparative Totals for April 30, 2015)

	4/30/2016		4/30/2015
	OPERATING FUND	REPLACEMENT FUND	TOTAL
Administrative Expenses			
Administrative/Bookkeeping	12,126		12,126
Architectural Review Costs	2,210		2,210
Reserve Study	0		0
Accounting/Legal	11,787		11,787
Office Supplies/Utilities	5,121		5,121
State Income Tax	0		0
Federal Income Tax	0		0
Miscellaneous Expenses	125		125
Total Administrative Expenses:	31,369	0	31,369
Operating Expenses			
Depreciation	2,454		2,454
Wages: Security & Grounds	16,631		16,631
Security: Other Costs & Mileage	3,351		3,351
Payroll Taxes	0		0
Road Maintenance	7,025		7,025
Property Taxes	0		0
Forest Management	1,650		1,650
Insurance	5,841		5,841
Performance Bonds	8,000		8,000
Total Operating Expenses	44,951	0	44,951
Grand Total	76,320	0	76,320

The notes are an integral part of these financial statements.

Timber Cove Homes Association

94-1716264

FYE: 4/30/2016

Book Asset Detail 5/01/15 - 4/30/2016

Asset	Property Description	Date In Service	Book Cost	Book Prior Depreciation	Book Current Depreciation	Book End Depr.	Book Net Value	Book Method	Book Period
Group: Association Office									
*5-1 to 8-10-15									
1	TCHA Office	4/30/2003	14,918.58	7,162.92	165.60	7,328.52	7,590.06	S/L	25.0
2	TCHA Office Improvements	4/30/2004	39,483.67	17,377.17	438.27	17,815.44	21,668.23	S/L	25.0
25	Office Improvements	4/30/2005	9,139.42	3,655.80	101.44	3,757.24	5,382.18	S/L	25.0
26	Improvements	5/1/2007	20,639.67	5,503.92	190.91	5,694.83	14,944.84	S/L	30.0
27	TCHA Office Improvements	4/30/2009	4,214.90	1,011.60	46.78	1,058.38	3,156.52	S/L	25.0
Association Office			88,396.24	34,711.41	943.00	35,654.41	52,741.83		

* Gifted to Timber Cove County Water District August 10, 2015.

Group: Improvements

3	Ruoff Paving	10/1/1991	68,000.00	68,000.00	-	68,000.00	-	S/L	20.0
4	Ruoff Slurry	10/31/1991	45,000.00	45,000.00	-	45,000.00	-	S/L	10.0
5	Roads Paving	10/31/1992	80,420.95	80,420.95	-	80,420.95	-	S/L	20.0
6	Gates Columns	10/31/1993	6,805.00	6,805.00	-	6,805.00	-	S/L	20.0
7	Roads Paving	10/31/1994	30,196.46	30,196.46	-	30,196.46	-	S/L	20.0
8	Roads Paving	10/31/1998	15,839.00	12,671.21	791.95	13,463.16	2,375.84	S/L	20.0
9	Kofinov Paving	10/31/1999	14,385.00	11,148.38	719.25	11,867.63	2,517.37	S/L	20.0
10	Trail Survey	4/29/2016	7,031.00	-	-	-	7,031.00	S/L	20.0
Improvements			267,677.41	254,242.00	1,511.20	255,753.20	11,924.21		

Ten year Capital Improvement Plan

For TCHA Roads

2015- 2024

Ruoff Road

The main emphasis for the plan is related to safety of ingress and egress to the subdivision.

Fire safety being a major concern and having the ability to pass another vehicle on the main artery of the subdivision. Special attention was given to narrow areas and sharp corners and lack of visibility . These categories were broken up into sections to be improved over time as the budget allows.

- Increasing the entire road to a minimum of 16' wide with a minimum of a two foot shoulder on either side.
- Tapering of steep banks, removing trees blocking and brush hindering visibility within the road easement .
- Placing Rip Rap in all steep inclines in fifty foot increments (or closer if needed) where the ditches are cut too deep, this will slow down the flow of water and aide in filling the areas between the rip rap with gravel and soil which naturally flow in a rain.
- Increase the radius in the sharp turn on lower Ruoff Dr. at the boarder of unit two. (U) Remove large redwood /grind stump and add twenty feet of three foot culvert. Dig keyway and fill , and repave. Add riprap at end of culvert. 12"-
- All specification to be determined by our Road manager and civil engineer. All supervision and oversight duties to be the same. Funds to pay our RM will on an hourly basis billed to each job, and included in the budget. The RM will also be in charge of obtaining complete bids for each CI.
- Chip seal every section that the shoulders are added over the ten year period.
- Put turnouts where ever practical

Kofternow

- Add CI , concrete cased mid way up street. Lt side. This will bring the level of ditches up to a safe standard
- Place Rip Rap in ditches in areas where the ditches are cut too deep on steep slopes
- Chip seal every three to five years

Signiago

- Road is in fairly good condition , but will need to be chip sealed every three to five years.
- recommended to do in sections as funds permit

Lyons CT

- Improve turnaround a bottom street for emergency vehicles
- Chip seal every three to five years

Frost

- Chip seal every three to five years as per schedule

Cundall

- Road damage at end of court from work done by neighbor repairing septic lines. Repair and bill neighbor
- Chip seal every three to five years

Rust Road

- Build turnaround at end of road (hammer head) for emergency vehicles.
- lay down grade and roll new base from mid span to bottom of road
- Increase width to 16' of drivable road
- Chip seal new base
- Coordinate with TCWD to cut in new blow off line at turnaround before construction

Davis Way

- road in fairly good condition chip seal every three to five years

Harriett

- Install CI with concrete around edges. / drop inlet with Grate @ 18"
- Place Rip Rap at both edges of CI and raise the ditches that are cut to deep
- Place rip rap in areas of steep slope with deep ditches
- Chip seal every three to five years

Trobridge Ct

- have county fill in pot hold in their easement
- Chip seal every three to five years add 3/8" aggregate

Ninive

- Survey existing easement
- Move road into easement
- Chip seal every three to five years

Umland Circle

- Rebuild ditches with rip rap in steep areas every 50'
- bring up low culverts with CI two places
- chip seal every three to five years

Smith Ct

- Install turnaround for emergency vehicles
- Chip seal every three to five years

All other roads are in the same condition and will require chip sealing and eventual paving.

As repairs are made the road should eventually be all 16' wide.

- Would highly recommend that we hire a Road Manager to oversee all road work and spec all improvements to a set standard.
- All new driveway constructions needs to be submitted to the RM for approval.
- All driveways should be set back from the easements.
- All planted landscaping should be out of the easement (easement is 50' wide).
- All property owners are responsible for maintaining their vegetation in the road easement
- Would recommend setting up a contingency Fund

Proposed Ten Year Capital Improvement Plan

For TCHA Roads 2015

For TCHA Roads 2015											
year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Roads											
Ruoff DR	15000	15000	15000	15000	15000	10000	5000	5000	3000	3000	
Increase to 16'											
Koftinow	5000					2500			2500		
Rust	15000				1500			1500		1500	
Signiago		1500		1500			1500			2500	
Lyons			5000			1500		1500			
Frost				2500			1500		1500		
Cundal		2500				1500			1500		
Davis				1500		1500		1500			
Harriette			2500				1500			1500	
Trobridge								1500			
Ninive	1200				4000		4000		4000		
Umland		1500				1500				2500	
Lee Dr				1500			1500		1500		
Gordon CT			1500			1500				1500	
Smith Ct		1500		1500			1500			1500	
Hudson		1500		1500			1500			1500	
	36200	23500	26017	25000	20500	20000	18000	11000	14000	15500	
Note:maintenance will take the place of Security with a budget of \$20,000.00 / year											
This function will include all ditching and placing of Rip Rap to rectify ditches which are to deep.											

Note: maintenance will take the place of Security with a budget of \$20,000.00 / year
 This function will include all ditching and placing of Rip Rap to rectify ditches which are too deep.

Ansel court

ASSOCIATION PROPERTY INFORMATION

ASSOCIATION NAME: Timber Cove Homes Association
 ASSOCIATION STREET ADDRESS: 22150 Amanita Circle
 ASSOCIATION CITY, STATE, ZIP: Jenner, CA 95450
 GOVERNING ENTITY: Board of Directors
 YEAR CONSTRUCTED: 1965 NUMBER OF CONSTRUCTION PHASES: Multiple
 NUMBER OF UNITS IN ASSOCIATION: 262 NUMBER OF RESIDENTIAL BUILDINGS: 0

ASSOCIATION CONTACT INFORMATION

CURRENT PROPERTY MANAGER: Ms. Tina Romeo
 Timber Cove Homes Association
 22150 Amanita Circle
 Jenner, CA 95450
 Phone: (707) 847-3062 Email: timbercovehomes@gmail.com

RESERVE STUDY INFORMATION

TYPE OF STUDY: New Site Inspection Study 2014
 BEGINNING YEAR OF STUDY: 2014
 YEAR OF LAST PHYSICAL INSPECTION: 2013
 YEAR OF NEXT PHYSICAL INSPECTION: 2016 (as required by the Davis-Stirling Act)
 RESERVE STUDY PREPARER: Reserve Analysis Consulting, L.L.C.
 3030 Bridgeway, Suite 330
 Sausalito, California 94965
 Office Phone: (415) 332-7800 FAX: (415) 332-7801
 PERFORMED BY: Tom O'Neill
 Direct Phone: (415) 332-7800
 Email: tomo@reserveanalysis.com

RESERVE FUND FINANCIAL INFORMATION

BUDGET YEAR ENDING DATE	04/30	2013/14	2014/15
ANNUAL RESERVE CONTRIBUTION		\$7,994	\$31,976
MONTHLY RESERVE CONTRIBUTION		\$666	\$2,665
PER UNIT MONTHLY (AVG.) CONTRIBUTION		\$2.54	\$10.17
TOTAL SPECIAL ASSESSMENT		N/A	N/A
PER UNIT (AVG.) SPECIAL ASSESSMENT		N/A	N/A
PROPOSED RESERVE FUND EXPENDITURES			(\$45,990)
ESTIMATED YEAR ENDING BALANCE		\$103,650	\$90,733
REQUESTED MINIMUM "THRESHOLD" FUTURE BALANCE			N/A

RESERVE PERCENT FUNDED CALCULATION

AMOUNT NEEDED TO BE 100% FUNDED	\$55,433	\$53,367
THEORETICAL PER UNIT UNDERFUNDED	\$0	\$0
CALCULATED PERCENT FUNDED	100.00%	100.00%

RESERVE PROJECTED INTEREST & INFLATION

"ASSUMED LONG-TERM INTEREST RATE"	2.00%
"ASSUMED LONG-TERM INFLATION RATE"	3.00%