



MARTIS CAMP CLUB

November 20, 2015

Martis Camp Community Association Member

Re: Community Association 2016 Operating and Replacement Fund Budget

Dear Martis Camp Community Association Member,

Enclosed you will find the Community Association 2016 Operating and Replacement Fund Budget and Supplementary Information Disclosures as referenced in the Community CC&R's. This is the first year that your member elected Board has been fully responsible for the budget approval process and we would like to highlight a number of important points regarding the 2016 budget.

We have approved a dues increase from \$750 to \$810 per Quarter. This is the first increase in 5 years and reflects a normal inflationary increase over that period as well as the need to set aside money to reasonably provide for two potential contingencies - the still unresolved East Gate resolution process and the strong possibility of a big El Nino snow year stressing our normal allotment for snow removal. We have a protocol to maintain an operating reserve equal to 25% of annual expenses, but you will notice a greater amount over the budget period to cover the contingencies described above.

The 2016 budget for Design Review reflects a new fee structure for the first time. The Board is proposing to adopt an amendment to the Martis Camp Architecture Handbook as set forth on Exhibit A to this letter. This will be for homes which have not yet begun the Architectural Review process and will become effective on May 1, 2016 for all new submittals. The reason for this increase is to make sure that the fees collected for Design Review services covers the expenses. Historically that has been the case, but as we have had more starts, coupled with more remodels and landscape projects for existing homes, there has been a need for more resources to deliver the quality service we desire. The Board intends to consider adopting this amendment at its January meeting. If you desire to submit comments for the Board to consider concerning the proposed amendment, then please submit them to the Board at 7951 Fleur du Lac Drive, Truckee, CA 96161. The Board will circulate notice by posting and emailing to our email distribution list if the amendment is adopted.

The space and resource needs for holding and delivery of FedEx and UPS packages at the Gatehouse have grown exponentially as our Community has grown. Particularly challenging are the large packages left for sometimes months without acknowledgement. This has significantly strained resources to continue to provide this amenity which we view as a real positive. While the last action we want to take is to consider increasing or adding charges or removing amenities, we have made a decision to charge individuals who do not participate in the House Watch Program for the storage of their FedEx and UPS package deliveries. **If you are a subscriber to House Watch Program, there will be no change and the packages will be delivered as usual. If you are currently on Alarm Monitoring, we can add package delivery for an additional \$10 per month.** If you do not participate in either of these programs but receive packages, the Gatehouse will hold them for you to pick up with a charge of \$20 per package.

The Community desires to reduce the amount of mailed correspondence and become a paperless reporting Association. However, your individual approval to receive information, statements and future mailing electronically is required. Please initiate electronic communications only from the Association, the required consent form is available on our website.

Please call the Gatehouse if you have family members or special guests visiting your home or the Community. Unannounced guests will unfortunately be denied access if the Gatehouse does not have them listed upon arrival.

If you have a completed home, or close to completion, please consider the Association provided safety and security services. **House Watch** service is available at \$60.00 per month, and includes a weekly walk through of your home, FedEx and UPS package delivery, and service personnel opening and closing of your home in your absence. **Alarm Monitoring** service is available at \$30.00 per month and provides immediate Association response to your home in the event of alarm notification for fire, low temperature, carbon monoxide or intrusion event. Please contact Chris Hoschak (ChrisH@martiscamp.com) or 530-550-6100 for additional information on the House Watch and Alarm Monitoring programs.

In closing, please welcome Larry Kelly as your fifth member elected Director serving a three year term on the Board. Finally, we believe the finances of the Association are in excellent shape and provide for the prudent and conservative fulfillment of normal operating outlay as well as expected and unexpected contingencies over the planning period.

As usual, should you have any input or suggestions on information in the communication use our Association e-mail system (associationfeedback.com) and we will respond as appropriate.

For the Board,

Bill Beaty
President

7951 FLEUR DU LAC DRIVE • TRUCKEE, CA 96161
PH 530.550.6000 • FX 530.550.6012 • WWW.MARTISCAMP.COM

Exhibit A

Proposed Amendment to Martis Camp Architecture Handbook

To Be Effective on May 1, 2016

Current Text (Page 9):

The Architecture Review fee for Estate parcels is \$10,000 and for Cabin sites is \$6,000. This amount is subject to change from time-to-time. One-half will be collected at the Pre-Design Meeting; one-half will be collected at the beginning of construction.

Proposed New Text to be Inserted and to Replace Current Text (Page 9):

The initial Architecture Review fee for Estate parcels is \$10,000 and for Cabin sites it is \$6,000. The following shall apply to all new projects submitted on or after May 1, 2016. One-half will be collected at the Pre-Design Meeting; one-half will be collected at the beginning of construction. The initial Architecture Review fee covers the Architectural Review process for twelve months after the Concept Review Meeting. Because projects in the Architectural Review process impose additional administrative costs on the Association, an additional Architectural Review fee of \$3,000 for Estate parcels and \$1,500 for Cabin sites shall be paid by the Owner-applicant for each twelve-month period after the initial twelve-month period that the project is still in the Architectural Review process. Additional Architectural Review fees shall be due in advance before the expiration of the previous review period. Additional Architectural Review fees shall apply and be paid by the Owner-applicant until a final release for construction is obtained from the Architectural Administrator. There shall be no proration of any Architectural Review fees. The Architectural Administrator may refuse to process the project until additional fees are paid. The amount of the fees is subject to change from time-to-time.



MARTIS CAMP COMMUNITY ASSOCIATION

Placer County, California

2016 OPERATING AND REPLACEMENT FUND BUDGET

AND SUPPLEMENTARY INFORMATION

DISCLOSURES REQUIRED BY CALIFORNIA STATUTES

December 1, 2015

MARTIS CAMP COMMUNITY ASSOCIATION

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**MARTIS CAMP COMMUNITY ASSOCIATION
2016 OPERATING BUDGET**

Revenue	
Assessments	\$ 2,174,040
Less: Assessments allocated to replacement fund	<u>(364,353)</u>
	1,809,687
Design review fees	481,500
Security fees	210,630
Transfer fees	14,700
Finance charges	6,000
Interest income	3,000
Developer subsidy	0
Total Revenue	<u>2,525,517</u>
Expenses	
General and administrative	433,018
Security	925,894
Design review	550,949
Roads and landscaping	678,235
Capital expenditures	31,600
	<u>2,619,696</u>
Excess of Revenue Over (Under) Expenses	<u>(94,179)</u>
Operating Fund Balance - Beginning Year	<u>938,777</u>
Operating Fund Balance - End of Year	<u>\$ 844,598</u>
Operating Fund Balance - Board Designated (for operating reserve)	654,924
Operating Fund Balance - Undesignated	<u>189,674</u>
	<u>844,598</u>
Number of Lots - Beginning of Year	<u>671</u>
Number of Lots - End of Year	<u>671</u>
Quarterly assessment per lot	<u>\$ 810</u>

**MARTIS CAMP COMMUNITY ASSOCIATION
2016 REPLACEMENT FUND BUDGET**

Revenue	
Dues allocated to replacement fund	\$ 364,353
Interest income	18,315
Total Revenue	<u>382,668</u>
Expenses	
Roads	190,858
Total Expenses	<u>190,858</u>
Excess of Revenue Over (Under) Expenses	191,810
Replacement Fund Balance - Beginning Year	<u>1,137,790</u>
Replacement Fund Balance - End of Year	<u>\$ 1,329,600</u>

MARTIS CAMP COMMUNITY ASSOCIATION

SUPPLEMENTARY INFORMATION
DISCLOSURES REQUIRED BY CALIFORNIA STATUTES

1. Delinquent Assessment Policy

In accordance with California law, the Association's assessments become delinquent 15 days after their due date. Delinquent assessments will be charged a collection cost of \$10 or 10% of the delinquent amount, whichever is greater, plus any other reasonable costs of collection, and interest at an annual rate of 12% on any amounts unpaid 30 days past their due date.

2. Insurance Disclosure

Civil code section 5300 requires that the Association inform the membership about the following insurance information.

Liability insurance

Carrier: Nautilus Insurance Co.

Limit: \$1,000,000 per occurrence \$2,000,000 total

Umbrella liability including directors and officers insurance

Carrier: Travelers

Limit: \$10,000,000 per occurrence

Retention Limit: \$10,000

Directors and officers insurance

Carrier: Liberty Mutual

Limit: \$1,000,000 aggregate limit

Retention: \$2,500

Property insurance (no earthquake or flood insurance)

Carrier: Nautilus Insurance Co.

Limit: \$1,875,000 plus \$150,000 extra expense

Deductible: \$1,000

Employee Dishonesty

Carrier: Liberty Mutual Insurance Co.

Limit: \$250,000

Deductible: \$1,000

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

MARTIS CAMP COMMUNITY ASSOCIATION

SUPPLEMENTARY INFORMATION DISCLOSURES REQUIRED BY CALIFORNIA STATUTES

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 do not cover your property or real property improvements 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.

3. Notice of Special Assessments

The Association has not levied any special assessments.

4. Notice of Right to Receive Meeting Minutes

Members may request copies of the minutes of the Board of Directors by submitting the request in writing to the Association Secretary at 7951 Fleur du Lac Drive, Truckee, CA 96161.

5. Schedule of Fines

Members were provided the schedule of fines as part of the Rules and Regulations in a separate mailing. Alternatively, they should contact the Association at 7951 Fleur du Lac Drive, Truckee, CA 96161.

6. Architectural Procedures

Members were provided design review guidelines in a separate mailing. Alternatively, they should contact the Association at 7951 Fleur du Lac Drive, Truckee, CA 96161.

7. Right to a Secondary Address

A member of an association may provide written notice by facsimile transmission or United States mail to the association of a secondary address. If a secondary address is provided, the association shall send all correspondence and legal notices required pursuant to this article to both the primary and secondary address.

8. Availability of Detailed Reserve Study

A detailed reserve study was updated during October 2015. A copy of that reserve study is available for review at the Association's offices located at 7951 Fleur du Lac Drive, Truckee, CA 96161. Alternatively, a member may request that a copy be mailed to them at the Association's expense.

MARTIS CAMP COMMUNITY ASSOCIATION

SUPPLEMENTARY INFORMATION
DISCLOSURES REQUIRED BY CALIFORNIA STATUTES

9. Official Communications and General Notices

Pursuant to the California civil code, all official communications may be directed to the Association General Manager, 7951 Fleur du Lac Drive, Truckee, CA 96161.

Pursuant to the California civil code, all posting of general notices shall be located at the Association's office located at 7951 Fleur du Lac Drive, Truckee, CA 96161.

Members may request general notices by individual delivery.

MARTIS CAMP COMMUNITY ASSOCIATION
NOTICE RE DISPUTE RESOLUTION PROCEDURES
(IDR/ADR)

INTRODUCTION

California law now provides two separate types of dispute resolution procedures to resolve disputes between Associations and their members. The first type of dispute resolution is referred to in this Notice as “Informal Dispute Resolution” or IDR. The law governing IDR refers to it as “meet and confer” dispute resolution, and is found at Section 5900 et seq. of the Civil Code. The law is intended to provide a simple and efficient intra-association dispute resolution procedure at little or no cost to the parties.

The second type of dispute resolution process is more formal and involves a neutral third party. It is referred to in this Notice as “Alternative Dispute Resolution,” “ADR,” or “neutral third party” ADR. The law governing ADR is found at Section 5925, et seq. ADR is required as a prerequisite to most disputes that involve litigation or foreclosure against a member’s separate interest by the Association.

For most disputes, both types of dispute resolution procedures are available. IDR (meet and confer) can often be employed as a first step. If the IDR process does not resolve the dispute, the more formal, neutral third party ADR process is available or required thereafter for most disputes that involve foreclosure or litigation. This notice is intended as a summary of both dispute resolution procedures that are available or required in some instances. If a member has any questions, they should obtain independent legal advice.

I. INFORMAL DISPUTE RESOLUTION
(MEET AND CONFER)
(Cal. Civil Code Section 5900 et seq.)

Civil Code section 5900 requires the Association to provide a fair, reasonable, and expeditious procedure for resolving disputes with members, at little or no cost. The Association’s policy is that Informal Dispute Resolution that involves delinquent assessments must be completed within 30 days of the date an IDR request is made by any party. For all other disputes, IDR must be completed within 60 days of the date an IDR request is made. If IDR related to delinquent assessments is not completed within 30 days, or completed for all other disputes within 60 days, it shall be deemed complete, unless a written agreement is signed by all parties extending the time in which to complete the IDR process. Telephone calls between the parties are an acceptable method to engage in IDR, although if either party requests a personal meeting, that request must be honored, so long as IDR can be completed within the timelines required by this notice. The Association has not adopted any other specific IDR procedures, so the basic procedures set forth at Civil Code section 5915 govern all other IDR procedures. The relevant provisions of section 5915 are as follows:

- (1) Either party to a dispute involving the rights, duties or liabilities of a member or the association regarding the association’s governing documents (CC&Rs, Bylaws, Rules, etc.) and related issues that are specified at Civil Code Section 5900, may invoke the following procedure:

- (a) The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.
 - (b) A member of an association may refuse a request to meet and confer. The association may not refuse a request to meet and confer.
 - (c) The association's board of directors shall designate a member of the board to meet and confer.
 - (d) The parties shall meet promptly 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.
 - (e) A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the board designee on behalf of the association.
- (2) An agreement reached under this section binds the parties and is judicially enforceable if both of the following conditions are satisfied:
- (a) The agreement is not in conflict with law or the governing documents of the common interest development or association.
 - (b) The agreement is either consistent with the authority granted by the board of directors to its designee or the agreement is ratified by the board of directors.
- (3) A member of the association may not be charged a fee to participate in the process.

II. ALTERNATIVE DISPUTE RESOLUTION **(NEUTRAL THIRD PARTY)** **(Cal. Civil Code Section 5925)**

Civil Code 5925 et seq. requires homeowners and their Associations to pursue formal ADR with neutral third parties before involving the courts in most disputes that relate to enforcement of association governing documents (CC&R's, By-Laws, Rules, etc.). The following is a summary of Civil Code Section 5925. The law requires the following:

1. Associations and their members are required to pursue ADR prior to filing lawsuits in civil court, if the dispute involves the enforcement of governing documents. An exception to this requirement is disputes over enforcement of assessments that do not involve foreclosure against a member's separate interest by the Association where, for example, the Association takes a member to small claims, municipal or superior court to collect a delinquent assessment. Members must be advised of their right to participate in IDR, but neutral third party ADR is not required prior to initiation of a court action to collect a delinquent assessment, so long as foreclosure against the member's separate interest is not sought in that action.
2. If the Association intends to initiate a judicial or non-judicial foreclosure action against a member, it must give that member notice of their right to participate in ADR under Civil Code

Section 5925. The costs of ADR are to be shared by the parties.

3. The requirement to participate in formal ADR specifically applies to injunctive and declaratory relief lawsuits (relief that compels or stops actions or declares rights), related to enforcement of governing documents, unless a claim for monetary damages of more than the jurisdictional limits stated in Sections 116.220 (up to \$5000) and 116.221 (up to \$7500) of the Code of Civil Procedure, is joined with the claim for injunctive or declaratory relief.

4. Available types of neutral third party ADR generally include non-binding mediation, non-binding arbitration, or binding arbitration. The parties must generally agree on the type of ADR used, except that if the Association intends to initiate a foreclosure action against a member, binding arbitration may not be available, and a member can generally decide which type of formal ADR is used.

5. Although a member can refuse to participate in ADR, there are adverse consequences for refusal to participate (see below). If an Association intends to initiate a foreclosure action, it must participate in ADR if requested to do so by a member. Again, the requirement to participate in ADR generally does not apply to an action to collect a delinquent assessment that is initiated in small claims, municipal or superior court, as long as that action does not seek a judgment of foreclosure against a member's separate interest.

6. The law contains specific procedural provisions such as how to serve a demand for formal ADR, the time to respond (generally 30 days), time periods for completion and other provisions. When the Association serves the notice or demand to participate in formal ADR, it will also provide a member with a copy of the statutes that govern formal ADR (Civil Code Civil Code 5925 et seq.)

7. Anything said during ADR is generally not admissible in subsequent court proceedings unless all parties agree otherwise. Confidentiality in ADR is protected so that the parties can speak frankly without fear that their statement may be used against them at a later time if ADR does not resolve the dispute.

8. Failure by any 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 rights to sue the Association or another member of the Association regarding enforcement of the governing documents or the applicable law.

9. Pursuant to Section 5975, in actions to enforce association governing documents, the prevailing party is generally entitled to collect attorney's fees and costs. However, refusal to participate in ADR is one factor a court may consider in determining the amount of attorney's fees and costs to be awarded to the prevailing party (section 5960).

**MARTIS CAMP COMMUNITY ASSOCIATION
NOTICE RE ASSESSMENTS AND FORECLOSURE
Civil Code Section 5730**

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, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common areas damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

The association must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 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 5675 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 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, the owner 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 of the Civil Code). For Martis Camp, this address is 7951 Fleur du Lac Drive, Truckee, CA 96161.

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 5685 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share interest may request the association to 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 must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code)

California Assessment and Reserve Funding Disclosure Summary

Martis Camp - Final

For Fiscal Year Beginning: 1/1/2016

1)	The current (2015) assessment per unit per month (see below)	Total Number of Units/Contributions	671
	Note: If assessments vary by the size or type of unit, the assessment applicable are as follows:		Quarterly
	2015 Total Assessment per Unit Interest:		\$750.00

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:		
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Date Due		Total Amount Per Unit (If assessments are variable, see note below)	Purpose
N/A		N/A	N/A

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?		
	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		

The Association's Board of Directors has relied on information, opinions, reports and statements presented to it by vendors, contractors, reserve study professionals, CPAs and/or other professionals and is relying upon this information, financial data and reports pursuant to Corporations Code 7231 in providing the association membership the information contained in this Assessment Reserve Funding Disclosure Summary. The information contained within the reserve study includes estimates of replacement value and life expectancies of the components and includes assumptions regarding future events based on information supplied to the Association's Board of Directors from said professionals. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this disclosure summary. Therefore, the actual replacement cost and remaining life may vary from the reserve study and the variation may be significant. Additionally, inflation and other economic events may impact the reserve study, particularly over a thirty (30) year period of time which could impact the accuracy of the reserve study and the funds available to meet the association's obligation for repair and/or replacement of major components during the next thirty (30) years. Furthermore, the occurrence of vandalism, severe weather conditions, earthquakes, floods or other acts of God cannot be accounted for and are excluded when assessing life expectancies of the components. The reserve study only includes items that the Association has a clear and express responsibility to maintain pursuant to the Association's CC&R's

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 that have not yet been approved by the board or the members?		
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Approximate Fiscal Year Assessment Will Be Due		Total Amount Per Unit
		Increases to reserve contributions are projected to maintain a positive cash flow over a thirty year period.

5)	All major components are included in the reserve study and are included in its calculations. However, the following major components, which are included in the Reserve Study, are NOT included in the existing Reserve Funding.		
Major Component	Remaining Useful Life (yrs)	Reason Not Included	
Major Building Structures	Life of the Project		

6)	Based in whole or in part on the last reserve study or update prepared by Hughes Reserves & Asset Management as of fiscal year end and based on the method of calculation in paragraph (4) of subdivision (b) of Section 1365.2.5, the estimated amount required to be Fully Funded amount in the reserve fund at the end of the current fiscal year is:		
	The projected reserve fund cash balance at the end of the current fiscal year is:	*	\$2,909,135
	Based on this balance in reserves the Association percent funded level is:		\$1,137,790
	If an alternate, but generally accepted, method of calculation is also used, i.e. pooling method, the required reserve amount is:		39.11%
	The financial representations set forth in this summary are based on the best estimates of the preparer at the time and information provided by the Association. Estimates are subject to change.		N/A
	Per Davis-Sterling Common Interest Development Act the current ending reserve balance divided by the current replacement cost expressed as a percent is:		16.64%

*This number is calculated based on a straight line method, wherein, each component must stand alone, not utilizing the cash flow method of funding, also know as the pooling method.

The Association does not anticipate the need for a Special Assessment for the repair or replacement of common area components. (see Thirty Year Cash Flow Summary).

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 1365.2.5 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is See Row "A" Below, and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is See Row "B" Below, leaving the reserve at See Row "C" Below percent funding. If the reserve funding plan approved by the association is implemented, the projected reserve fund cash balance in each of those years will be See Row "D" Below, leaving the reserve at See Row "E" Below percent funding. Note: The financial representations set forth in this summary are based on the best estimates of the preparer at that

	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020
A - Fully Funded(Recommended)	\$ 2,909,135	\$ 3,313,613	\$ 3,831,333	\$ 4,310,079	\$ 4,793,592
B- Reserve Cash Balances	\$ 1,137,790	\$ 1,312,126	\$ 1,609,689	\$ 1,859,494	\$ 2,134,821
C-Percent Funded	39.11%	39.60%	42.01%	43.14%	44.53%
D-Approved Reserve Plan	\$ 1,137,790	\$ 1,329,761	\$ 1,663,589	\$ 1,969,111	\$ 2,321,100
E-Percent Funded	39.11%	40.13%	43.42%	45.69%	48.42%
Section 1365 (a)(2)(D) The current deficiency in reserve funding per ownership interest, as calculated by statutory formula, is:					(\$2,640)
This is calculated as the current estimate of the straight-line liability as of the beginning of the fiscal year which is:					\$ 2,909,135
less the current amount of accumulated cash reserves actually set aside as of that date, divided by number of owners which is:					671

Section 1365 (a)(3)(A)

The Association's Board of Directors has deferred or determined not to undertake repairs or replacements over the next 30 years as follows: None.

Section 1365 (a)(3)(B)

The Association's Board of Directors as of the date of the study, does not anticipate the levy of a special assessment for the repair, replacement or restoration of the major components.

Section 1365 (a)(3)(D) The Association has an outstanding loan as follows: None



2016 Board Members

William Beaty	President
Tom Bernthal	Vice President
Sherry Conrads	Secretary
Larry Kelley	Member at Large
Jeff Van Harte	Treasurer

Martis Camp Community Association Offices

7951 Fleur du Lac Drive, Truckee, CA 96161

www.martiscamp.com