

# **Park Land of Monterey**

## **IMPORTANT 2021/2022 BUDGET DOCUMENTS**

**Please note that effective September 1, 2021, your regular assessment payment amount has changed.**

**Your new assessment is \$600.00 per unit per month effective 9/1/21.**

**Your attention is required as follows:**

### **Action Required:**

- If you mail your payment or pay via your own bank's bill pay system, you will need to update the amount paid.
- If you set up recurring payments via the Union Bank website, you must log into your account at Union Bank and update your payment amount. Please see the "How to Pay My Assessment" document in this packet for more details.
- If you set up a recurring payment via credit card, you will need to log into your account at Pay Lease to make the change. Please see the "How to Pay My Assessment" document in this packet for more details.

### **No Action Required:**

- If you set up automatic payments (ACH) with Common Interest, you do not need to take any action as your automatic payment will be updated for you.

**For questions, please contact [accounting@commoninterest.com](mailto:accounting@commoninterest.com).**



**Park Land of Monterey**  
c/o Common Interest Management Services  
16264 Church Street, Suite 102, Morgan Hill, CA 95037  
Phone (408) 782-1222

July 27, 2021

RE: 2021/2022 Annual Budget Report and Annual Policy Statement

Dear Homeowner(s):

Each year the Board of Directors is required by law to prepare and distribute an Annual Budget Report and Annual Policy Statement for the upcoming year. A copy of these documents and other pertinent information for the 2021/22 fiscal year are enclosed for your review.

The Annual Budget Report includes a pro-forma operating budget which shows an estimate of revenues and expenses for the upcoming year. Based on this budget, assessments for individual property owners may be subject to change.

**The monthly assessment for 2021/22 will increase to \$600.00 per unit effective September 1, 2021. The increase is to cover increased operating costs and to increase funding to the reserve account.**

**The operating and reserve budgets as well as the reasons for an increase in monthly assessments will be reviewed at our annual homeowners meeting on September 23 at 6:00 via Zoom.**

The Annual Budget Report also includes the following items: Reserve Study (including a summary of current reserves, a funding plan for future reserve contributions and procedures used to calculate reserve requirements); Budget Disclosures (including statements regarding deferral of major component repairs, anticipated special assessments or outstanding loans, if any); Insurance Summary; and Assessment and Reserve Funding Disclosure Summary.

The Annual Policy Statement contains important information pertaining to the Association, including General Information (management company contact information, how members may receive notices and meeting minutes, etc.), Notice of Assessments and Foreclosure, Assessment Collection Policy, Member Discipline and Fine Policy, Dispute Resolution Procedures, Architectural Guidelines, How to Pay Assessments and/or other documents the Board has determined to be appropriate for inclusion.

Any questions about the enclosed documents should be directed to your Community Association Manager, Nichole Dillon-Lee, at (408) 782-1222, ext. 386 or via email at [ndillonlee@commoninterest.com](mailto:ndillonlee@commoninterest.com).

Best Regards,

Nichole Dillon-Lee  
On behalf of the Board of Directors  
Park Land of Monterey



**PARK LAND OF MONTEREY, INC.**  
**2021/22 Annual Operating Budget**  
**Approved by the Board of Directors on July 6, 2021**

<b>OPERATING INCOME</b>	<b>GL Code</b>	<b>2021/22 ANNUAL</b>	<b>2021/22 MONTHLY</b>	<b>Per Unit Per Month</b>
ASSESSMENT REVENUE	40000	432,000.00	36,000.00	600.00
<b>TOTAL REVENUE</b>		<b>432,000.00</b>	<b>36,000.00</b>	<b>600.00</b>
<b><u>OPERATING EXPENSES</u></b>				
<b>UTILITIES</b>				
GAS & ELECTRIC	70350	8,280.00	690.00	11.50
WATER	70500	29,964.00	2,497.00	41.62
SEWER	70520	3,600.00	300.00	5.00
TRASH SERVICE	70600	11,400.00	950.00	15.83
<b>TOTAL UTILITIES</b>		<b>53,244.00</b>	<b>4,437.00</b>	<b>73.95</b>
<b>REPAIRS &amp; MAINTENANCE</b>				
GATE MAINTENANCE	60100	2,400.00	200.00	3.33
FIRE EXTINGUISHER	61310	1,440.00	120.00	2.00
LANDSCAPING CONTRACT	62000	35,400.00	2,950.00	49.17
PEST CONTROL	64000	5,484.00	457.00	7.62
GENERAL MAINTENANCE	65000	2,400.00	200.00	3.33
LIGHT MAINTENANCE & REPAIRS	65300	1,020.00	85.00	1.42
CONTINGENCY EXTRAS	65900	12,000.00	1,000.00	16.67
POOL MAINTENANCE CONTRACT	68000	3,000.00	250.00	4.17
POOL SUPPLIES	68020	2,100.00	175.00	2.92
POOL - ANNUAL LICENSE	68080	696.00	58.00	0.97
<b>TOTAL REPAIRS &amp; MAINTENANCE</b>		<b>53,940.00</b>	<b>4,495.00</b>	<b>74.92</b>
<b>ADMINISTRATIVE</b>				
INSURANCE - D & O	51000	2,724.00	227.00	3.78
BLANKET INSURANCE	51010	17,496.00	1,458.00	24.30
INSURANCE - FIDELITY BOND	51100	1,212.00	101.00	1.68
INSURANCE-EARTHQUAKE	51230	20,496.00	1,708.00	28.47
INSURANCE - WORKER'S COMP	51400	624.00	52.00	0.87
TAXES - FEDERAL	53000	252.00	21.00	0.35
TAXES - STATE	53050	120.00	10.00	0.17
PROPERTY TAXES	53100	1,704.00	142.00	2.37
TAXES - RENT & PARKING	53210	19,008.00	1,584.00	26.40
LEGAL FEES	54000	1,800.00	150.00	2.50
ACCOUNTING & BILLING	54250	2,796.00	233.00	3.88
MANAGEMENT & ACCOUNTING SERVICES	55000	20,400.00	1,700.00	28.33
POSTAGE, COPIES & BILLINGS	56100	2,304.00	192.00	3.20
MEETING EXPENSE	56750	1,080.00	90.00	1.50
<b>TOTAL ADMINISTRATIVE</b>		<b>104,016.00</b>	<b>8,668.00</b>	<b>144.47</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>211,200.00</b>	<b>17,600.00</b>	<b>293.33</b>
<b>RESERVE CONTRIBUTION</b>				
RESERVE TRANSFER	59000	220,800.00	18,400.00	306.67
<b>TOTAL RESERVE CONTRIBUTIONS</b>		<b>220,800.00</b>	<b>18,400.00</b>	<b>306.67</b>
<b>TOTAL EXPENSES</b>		<b>432,000.00</b>	<b>36,000.00</b>	<b>600.00</b>



# **Park Land of Monterey**

## **2021/2022 Annual Budget Report and Policy Statement**

### **Important Information – Please Read**

#### **Association Information**

The Park Land of Monterey (“Association”) is a nonprofit mutual benefit corporation formed to operate and manage the Association’s affairs.

The Association consists of 60 separate interests plus common areas. It is governed by a volunteer Board of Directors elected by the membership. The fiscal year commences September 1st and ends on August 31<sup>st</sup> of each year.

#### **Management Company Information**

The Association, through the Board, has engaged a professional management company to assist in carrying out its legal responsibilities. Our management company is Common Interest Management Services located at 16264 Church Street, Suite 102 Morgan Hill CA 95037. Our manager is Nichole Dillon-Lee, and she can be reached at 408-782-1222, ext. 386 or by e-mail at ndillonlee@commoninterest.com. Office hours are Monday through Friday, 8:30 AM to 4:30 PM.

#### **Pro-forma Operating Budget**

Each fiscal year, the Association is required to prepare a pro-forma operating budget showing the estimated revenue and expenses on an accrual basis for the upcoming year. This budget is used to determine the per unit assessments that are collected from each property owner. The Board of Directors has reviewed and approved this budget, and has determined that the monthly assessment for 2021/2022 will increase to \$600 per unit.

#### **Reserve Study Summary**

The Annual Budget Report includes a Reserve Study that was prepared by an independent professional organization which the Board believes is reasonably competent. A full study (with site inspection) is prepared every three years, reviewed and adopted by the Board of Directors, and updated annually as needed. The Study includes the current estimated cost, estimated remaining life and estimated useful life of major common area components; the current estimate of the total annual reserve contribution necessary to repair, replace, restore or maintain these components; and the current amount of reserves actually set aside for this purpose. The Study also shows the percentage

difference between the estimated cost to repair, replace, restore or maintain major components and the actual amount of reserves set aside, as well as the current deficiency (if any) in reserve funding expressed on a per unit basis.

#### **Reserve Funding Plan**

The Reserve Study includes a Reserve Funding Plan adopted by the Board of Directors that indicates how the Association plans to fund the contributions necessary for the repair and replacement of all major common area components with an expected remaining life of 30 years or less.

#### **Procedures for Calculating Reserves**

The Reserve Study includes a statement of the procedures used for the calculation and establishment of the reserves needed to pay for the future repair and replacement of those components that the Association is obligated to maintain. Calculation of the amount of reserves needed to be accumulated for a component at a given time is based on the current cost of the replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component.

#### **Assessment and Reserve Funding Disclosure Summary**

The Annual Budget Report includes a copy of the current Assessment and Reserve Funding Disclosure Summary as completed by the Reserve Study preparer pursuant to Civil Code Section 5570.

#### **Deferral of Component Repairs**

If the Board of Directors decides to defer or not undertake the repair or replacement of any major common area component with an expected remaining life of 30 years or less, the Board must disclose the justification for such a decision. As of the date of this report, the Board has not made any formal decisions to defer or not undertake the repair or replacement of any major common area components.

#### **Special Assessments**

If the Board of Directors has determined or anticipates that the levy of one or more special assessments will be required to repair, replace, restore or maintain

major common area components or to provide adequate reserves to fund such items, the Association must distribute a statement including the estimated amount, commencement date and duration of the special assessment. As of the date of this report, the Board does not anticipate that a special assessment will be required.

### **Outstanding Loans**

If the Association has any outstanding loans with an original term of more than one year, the Association must distribute a statement including the payee, interest rate, amount outstanding, annual payment and when the loan is scheduled to be retired. As of the date of this report, there are no outstanding loans for this Association.

### **Insurance Disclosure Summary**

The Annual Budget Report includes a current Insurance Disclosure Summary of the Association's property, general liability and fidelity insurance (and/or earthquake, flood or workers' compensation insurance if applicable). This Disclosure Summary includes the name of the insurer, the type of insurance, the policy limit and the amount of the deductible.

**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. 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 brokers or agent for appropriate additional coverage.**

### **Association's Designated Recipient**

The Association has designated Common Interest Management Services to receive official communications to the Association pursuant to Civil Code Section 4035. Members may submit official communications to the Association by personal delivery (including U.S. Mail) and/or e-mail to

Common Interest Management Services at the mailing address and/or email address listed under Management Company Information.

### **Right of Notice to Two Addresses**

Members of the Association may submit a request to have general notices sent to up to two different specified addresses pursuant to Civil Code Section 4040(b). Note that billing statements and election ballots will only be sent to the member's primary address.

### **General Notice Location and Distribution**

The Association may post notices of a general nature at the following location: Bulletin Board. Notices may also be distributed as follows: Mailed to Members, available via owner portal and/or eblast.

### **General Notice - Individual Delivery**

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

### **Board of Directors Meetings**

Board of Directors Meetings are normally held on the bi-monthly at time and located TBD at each meeting. All Association members are welcome to attend.

### **Right to Receive Board Minutes**

The minutes, minutes proposed for adoption that are marked as draft status, or a summary of the minutes, of any meeting of the Board of Directors, other than an executive session, shall be available to members within 30 days of the meeting. The minutes, proposed minutes or summary minutes shall be distributed to any member of the Association upon request and upon reimbursement of the Association's costs for making that distribution, pursuant to Civil Code Section 4950. Members may submit a written request for copies of minutes to Common Interest Management Services at the mailing address listed under Management Company Information.

### **Notice of Assessments/Foreclosure**

The Annual Policy Statement includes a Notice of Assessments and Foreclosure pursuant to Civil Code Section 5310. This Notice outlines some of the rights and responsibilities of owners in common interest developments and the associations that manage them.



## **Assessment Collection Policy**

The Annual Policy Statement includes a copy of the Association's Assessment Collection Policy, which describes the policies and practices in enforcing the Association's lien rights or other legal remedies for default in the payment of assessments.

## **Enforcement of Governing Documents and Monetary Policy**

### **Schedule**

All members, residents and guests are obligated to abide by the Governing Documents. The Association encourages each member to review the CC&Rs, Bylaws, Articles and all Rules and to attend board or committee meetings to learn more about the requirements of the Governing Documents. The Association's goal is to assist members, residents and guests in complying with the Governing Documents to promote an enjoyable, safe community beneficial to all.

In the event of a perceived violation of the Governing Documents, the Association will investigate and determine whether and what type of action is warranted (if any). Association action includes scheduling a hearing to consider imposing fines and/or penalties. At least 10 days' prior notice of a hearing (at which fines and/or penalties will be considered) shall be given to a Member, who may attend and respond to the notice and potential fine and/or penalty as set forth more specifically in the Governing Documents. A fine and/or penalty may be imposed regardless of whether the Member attends the hearing.

In addition to fines and other penalties, the Board may, following a hearing, impose a "special purpose" assessment to recover the cost of performing or enforcing any responsibility which would otherwise be the responsibility of a Member to perform under the Governing Documents.

Fines and special purpose assessments may be recovered in any matter permitted by law.

## **Dispute Resolution Procedures**

California law provides a means by which Members and the Association can engage in mediation, arbitration or other forms of dispute resolution with respect to disputes arising under the Nonprofit Mutual Benefit Corporation Law (Part 3 commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code), enforcement of the Governing Documents and the Davis-Stirling Common Interest Development Act. Generally, Civil Code Section

5965 requires parties to request mediation or arbitration before filing a lawsuit to enforce the governing documents with certain exceptions. Mediation, arbitration and other techniques other than litigation intended to resolve disputes are referred to as alternative dispute resolution ("ADR"). ADR involves use of a neutral party to assist the parties in reaching a dispute without litigation. If litigation results, the prevailing party is entitled to an award of reasonable attorney fees and costs.

California law requires a common interest development to make the following disclosure:

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 the member's right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law.

Civil Code Section 5920 also requires a common interest development to describe its internal dispute resolution procedure. That procedure, unless another is adopted, is as follows:

(a) Fair, reasonable, and expeditious

(b) Either party to a dispute within the scope of this article may invoke the following procedure:

(1) The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.

(2) A member of an association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.

(3) The Association's board of directors shall designate a member of the board to meet and confer.

(4) 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.

(5) 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.

(c) An agreement reached under this section binds the parties and is judicially enforceable if both of the following conditions are satisfied:

(1) The agreement is not in conflict with the law or the governing documents of the common interest development or association.

(2) 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.

(d) A member of the Association may not be charged a fee to participate in the process.

### **Overnight Payment of Assessments**

The Annual Policy Statement includes a “How to Pay My Assessment” flyer which provides the mailing address for overnight payment of assessments pursuant to Civil Code Section 5655.

### **Architectural Guidelines & Procedures**

The Annual Policy Statement includes a summary of the Association’s requirements for approval of a physical change to property, describing the types of changes that require Association approval and including a copy of the procedure used to review and approve (or disapprove) a proposed change. An Architectural Application is also attached.

## **FHA Certification Disclosure**

California law (Civil Code Section 5300(b)) requires the following statement describing the status of the common interest development as a Federal Housing Administration (FHA)-approved condominium project pursuant to FHA guidelines, including whether the common interest development is an FHA-approved condominium project. The statement shall be in at least 10-point font on a separate piece of paper and in the following form:

Certification by the Federal Housing Administration may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development is not a condominium project. The association of this common interest development is not certified by the Federal Housing Administration.

For current information on whether or not a common interest development is certified by the Federal Housing Administration, please visit the following website:

<https://entp.hud.gov/idapp/html/condlook.cfm>

## **VA Certification Disclosure**

California law (Civil Code Section 5300(b)) requires the following statement describing the status of the common interest development as a federal Department of Veterans Affairs (VA)-approved condominium project pursuant to VA guidelines, including whether the common interest development is a VA-approved condominium project. The statement shall be in at least 10-point font on a separate piece of paper and in the following form:

Certification by the federal Department of Veterans Affairs may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development is not a condominium project. The association of this common interest development is not certified by the federal Department of Veterans Affairs.

For current information on whether or not a common interest development is certified by the federal Department of Veterans Affairs, please visit the following website:

<https://vip.vba.va.gov/portal/VBAH/Home>

**Park Land of Monterey -**

Monterey, CA

Level of Service: **Update "No-Site-Visit"**Report #: **25011-7**

# of Units: 60

**September 1, 2021 through August 31, 2022****Findings & Recommendations****as of September 1, 2021**

Projected Starting Reserve Balance .....	\$100,000
Current Fully Funded Reserve Balance .....	\$577,040
Average Reserve Deficit (Surplus) Per Unit .....	\$7,951
Percent Funded .....	17.3 %
Board Adopted 2021/22 "Monthly Fully Funding Contributions" .....	\$18,400
Recommended 2021/22 Special Assessments for Reserves .....	\$0
2020/21 Monthly Contribution Rate .....	\$13,500

**Reserve Fund Strength: 17.3%****Weak****Fair****Strong**

&lt; 30%

&lt; 70%

&gt; 130%

**Risk of Special Assessment:****High****Medium****Low****Economic Assumptions:**Net Annual "After Tax" Interest Earnings Accruing to Reserves ..... **1.00 %**Annual Inflation Rate ..... **3.00 %**

- This is an Update "No-Site-Visit" Reserve Study.
- This Reserve Study was prepared by or under the supervision of, a credentialed Reserve Specialist (RS).
- Because your Reserve Fund is at 17.3 % Funded, this means the association's special assessment & deferred maintenance risk is currently High.
- Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, the Board adopted to increase the Reserve contributions to \$18,400/Monthly.
- No assets appropriate for Reserve designation were excluded.
- We recommend that this Reserve Study be updated annually, with an on-site inspection update every three years.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
<b>Streets</b>				
201	Asphalt-Maj Rep/Repl/Regrading	30	24	\$218,500
201	Project Management - Asphalt CIMS	30	24	\$6,550
202	Asphalt - Seal/Repair	7	6	\$13,950
203	Curb - Repairs	10	4	\$6,385
403	Mailbox (A units) - Replace	15	10	\$3,400
704	Intercom - Replace	12	10	\$2,060
705	Pedestrian Gate - Replace	30	3	\$2,990
706	Vehicle Gates - Replace	25	21	\$8,655
707	Gate Operators - Replace	12	5	\$11,750
708	Pedestrian/Vehicle Gates - Paint	6	4	\$979
<b>Buildings</b>				
102	Concrete/Metal Stairs - Repair	25	18	\$11,045
104	Cantilever Balcony - Carryover	0	0	\$20,000
104	Cantilever Balcony - Inspection	9	8	\$17,800
104	Cantilever Balcony - Repair	9	8	\$50,000
1100	Power Wash Walkways	12	10	\$6,900
1101	Metal Stair Stringer (A) - Repaint	6	4	\$4,120
1103	Wood Deck - Repair/Repaint	6	4	\$81,000
1114	Project Management - Painting CIMS	12	4	\$3,000
1114	Project Management - Painting CIMS	12	10	\$5,000
1115	Stucco - Repair/Repaint	12	10	\$46,600
1116	Entry/2nd Floor Door - Repair/Paint	12	10	\$2,600
1116	Garage Door - Repair/Repaint	12	10	\$4,400
1116	Window & Door Trim - Repair/Repaint	6	4	\$33,400
1117	Wood Fascia - Repair/Repaint	6	4	\$17,200
1151	Attic Vents - Replace	24	10	\$11,750
1151	Dryer Vents - Replace	25	24	\$2,000
1151	Subfloor Vents - Replace	25	24	\$7,210
1303	Comp. Shingle Roof Ph 1-Replace	35	32	\$124,500
1303	Comp. Shingle Roof Ph 2-Replace	37	34	\$86,150
1303	Comp. Shingle Roof Ph 3-Replace	37	36	\$33,750
1303	Comp. Shingle Roof Ph 4-Replace	37	36	\$128,550
1303	Comp. Shingle Roof Ph 5 - Replace	40	1	\$120,000
1303	Project Management - Roof Ph 1 CIMS	35	32	\$18,650
1303	Project Management - Roof Ph 2 CIMS	37	34	\$3,750
1303	Project Management - Roof Ph 3 CIMS	37	36	\$3,000
1303	Project Management - Roof Ph 4 CIMS	37	36	\$4,550

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
1303	Project Management - Roof Ph 5 CIMS	40	1	\$3,600
1305	Annual Roof Inspections	1	0	\$1,029
1880	Termites - Inspection/Repair	3	2	\$8,605
<b>Pool Area</b>				
507	Wood Pool Fence - Replace	20	8	\$12,050
1105	Wood Pool Fence/Shed - Rep/Paint	6	4	\$2,625
1200	Pool Furniture - Replace	8	2	\$4,845
1200	Pool Furniture - Replace	8	5	\$2,680
1201	Pool Deck - Repair	15	5	\$2,500
1201	Pool Deck - Replace	24	24	\$42,550
1201	Pool Deck - Veneer Rock Perimeter	0	6	\$19,100
1202	Pool - Code Upgrades	0	0	\$16,550
1202	Pool - Replace Coping	24	0	\$19,000
1202	Pool - Resurface	12	0	\$22,250
1202	Pool - Water Recovery	12	0	\$5,000
1206	Pool Filter - Replace	12	4	\$1,755
1208	Pool Heater - Replace	10	5	\$5,455
1210	Pool Pump - Replace	10	9	\$1,855
1218	Pool Shed - Rebuild	30	3	\$18,550
1222	Pool Passive Solar System - Install	20	3	\$21,250
1222	Pool Solar Panels - Replace	20	3	\$15,000
<b>General Common Area</b>				
103	Building 10 Patio - Repair	0	2	\$10,000
103	Pebbled Concrete Walkway - Repair	5	0	\$5,870
103	Unit 5 Patio - Repair (Tree Damage)	0	2	\$2,500
302	Emergency Generator - Replace	10	3	\$5,665
305	Security System - Upgrade/Replace	15	10	\$3,400
320	Tall Walkway Lights - Replace	20	9	\$20,300
321	Walkway Lights - Replace	20	18	\$8,240
504	Wood Fence-Repair/Replc Ocean side	20	7	\$37,300
505	Wood Fence - Replace - Trail Side	25	5	\$53,550
505	Wood Fence - Replace East Perimeter	25	21	\$10,945
1001	Backflow Devices - Replace	20	10	\$2,780
1003	Irrigation Controllers - Replace	15	0	\$1,300
1008	Trees - Trimming/Clean Up (Minor)	1	0	\$3,190
1008	Trees - Trimming/Removal (Major)	4	2	\$7,420
1009	Landscaping - Replenish	1	0	\$8,035
1010	Landscaping - Major Upgrades	10	3	\$21,250
1113	Misc Metal Surfaces - Repaint	6	4	\$876
1122	Utility Shed - Replace	30	26	\$5,770
1123	Utility Shed - Repaint	6	4	\$927
1140	Entry Kiosks/Stucco Wall - Paint	12	10	\$1,445

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
1141	Entry Kiosks - Rebuild	0	6	\$21,250
1403	Monument Sign - Replace	15	10	\$2,475
1724	Storm Drain Clean Out	1	0	\$2,420
1925	Reserve Study - Update	1	0	\$1,030

#### **80 Total Funded Components**

Note 1: Yellow highlighted line items are expected to require attention in this initial year.



## Assessment and Reserve Funding Disclosure Summary

### Park Land of Monterey, Monterey

For Fiscal Year Beginning: 9/1/2021

# of units: 60

1) Budgeted Amounts:	Total	Average Per Unit*
Reserve Contributions:	\$18,400.00	\$306.67
Total Assessment Income:	\$36,000.00	\$600.00

per: Month

- 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:

Year	Total Amount Per Unit*	Purpose
Total: \$0.00		

- 3) Based on the most recent Reserve Study and other information available to the Board of Directors, at this point in time does it appear that currently projected Reserve account balances will 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**
- 4) If the answer to #3 is no, what additional assessments or other contributions/loans to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Average Total Amount Per Unit*

Total: \$0.00

- 5) All major components appropriate for Reserve Funding (components that are a common area maintenance responsibility with a limited life expectancy and predictable remaining useful life, above a minimum threshold cost of significance) are included in this Reserve Funding Plan: **Yes**

6) All computations/disclosures are based on the fiscal year start date of:	9/1/2021
Fully Funded Balance (based on formula defined in 5570(b)4):	\$577,040
Projected Reserve Fund Balance:	\$100,000
Percent Funded:	17.3 %
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$7,951

From the 7/19/2021 Reserve Study by Association Reserves and any minor changes since that date.

\* If assessments vary by the size or type of unit, allocate as noted within your Governing Documents.

- 7) See attached 30-yr Summary Table, showing the projected Reserve Funding Plan, Reserve Balance, Percent Funded, and assumptions for interest and inflation.

**Prepared by: Carlos Flores**

**Date: 7/19/2021**

*The financial representations at the time of preparation are based on the Reserve Study for the fiscal year shown at the top of this page and the best estimates of the preparer. These estimates should be expected to change from year to year. Some information on this form has been provided to Association Reserves, and has not been independently verified.*

# 30-Year Reserve Plan Starting with Board of Directors 2021 Rate

25011-7

Fiscal Year Start: 9/1/2021					Interest: 1.00 %		Inflation: 3.00 %	
Reserve Fund Strength: as-of Fiscal Year Start Date					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2021	\$100,000	\$577,040	17.3 %	High	\$220,800	\$0	\$1,583	\$105,674
2022	\$216,709	\$596,965	36.3 %	Medium	\$209,760	\$0	\$2,510	\$143,483
2023	\$285,497	\$586,715	48.7 %	Medium	\$199,272	\$0	\$3,608	\$52,062
2024	\$436,314	\$667,816	65.3 %	Medium	\$189,308	\$0	\$4,783	\$109,719
2025	\$520,686	\$696,990	74.7 %	Low	\$179,843	\$0	\$5,185	\$189,051
2026	\$516,663	\$652,890	79.1 %	Low	\$170,851	\$0	\$5,431	\$123,015
2027	\$569,930	\$695,436	82.0 %	Low	\$162,308	\$0	\$6,076	\$92,448
2028	\$645,867	\$750,420	86.1 %	Low	\$154,193	\$0	\$6,935	\$65,188
2029	\$741,807	\$839,011	88.4 %	Low	\$158,819	\$0	\$7,587	\$131,945
2030	\$776,268	\$865,497	89.7 %	Low	\$163,583	\$0	\$8,372	\$49,397
2031	\$898,827	\$981,918	91.5 %	Low	\$168,491	\$0	\$8,068	\$359,867
2032	\$715,519	\$786,289	91.0 %	Low	\$173,545	\$0	\$7,891	\$33,649
2033	\$863,307	\$925,162	93.3 %	Low	\$178,752	\$0	\$9,263	\$61,241
2034	\$990,080	\$1,044,279	94.8 %	Low	\$184,114	\$0	\$10,434	\$87,008
2035	\$1,097,620	\$1,145,062	95.9 %	Low	\$189,638	\$0	\$11,690	\$57,650
2036	\$1,241,297	\$1,283,881	96.7 %	Low	\$195,327	\$0	\$13,229	\$44,135
2037	\$1,405,719	\$1,445,700	97.2 %	Low	\$201,187	\$0	\$13,830	\$259,296
2038	\$1,361,440	\$1,395,821	97.5 %	Low	\$207,222	\$0	\$13,856	\$171,662
2039	\$1,410,856	\$1,439,922	98.0 %	Low	\$213,439	\$0	\$14,841	\$80,446
2040	\$1,558,690	\$1,584,671	98.4 %	Low	\$219,842	\$0	\$16,608	\$30,789
2041	\$1,764,351	\$1,790,441	98.5 %	Low	\$226,437	\$0	\$18,439	\$84,216
2042	\$1,925,012	\$1,953,052	98.6 %	Low	\$233,231	\$0	\$20,155	\$70,660
2043	\$2,107,737	\$2,140,374	98.5 %	Low	\$240,227	\$0	\$20,136	\$446,940
2044	\$1,921,160	\$1,951,792	98.4 %	Low	\$247,434	\$0	\$19,676	\$172,637
2045	\$2,015,634	\$2,046,313	98.5 %	Low	\$254,857	\$0	\$18,005	\$701,616
2046	\$1,586,880	\$1,605,233	98.9 %	Low	\$262,503	\$0	\$16,878	\$76,011
2047	\$1,790,250	\$1,801,900	99.4 %	Low	\$270,378	\$0	\$18,150	\$237,535
2048	\$1,841,244	\$1,844,902	99.8 %	Low	\$278,489	\$0	\$19,149	\$148,723
2049	\$1,990,159	\$1,987,678	100.1 %	Low	\$286,844	\$0	\$19,438	\$397,263
2050	\$1,899,178	\$1,885,959	100.7 %	Low	\$295,449	\$0	\$19,842	\$143,500



**INSURANCE**  
1006 Freedom Blvd - PO Box 310  
Watsonville, CA 95077

**PHONE (831) 724-1085**  
**FAX (831) 724-1089**  
**CA LIC # 0426333**

October 21, 2020

**Please be advised that Parkland of Monterey currently complies with the Liability Insurance requirements as set forth by California Civil Code section 5805**

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	\$18,488,436	\$25,000	Travelers Insurance
Earthquake	\$18,137,770	10%	QBE Specialty Insurance
Liability	\$1,000,000 OCCURRENCE \$2,000,000 AGGREGATE	N/A	Travelers Insurance
Directors & Officers Liability	\$3,000,000	\$5,000	CNA Surety
Excess / Umbrella	\$2,000,000	N/A	Travelers Insurance
Crime	\$1,000,000	\$10,000	CNA Surety
Workers Compensation	\$1,000,000	N/A	ZNAT Insurance Co.

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

10/21/2020  
Date

## **NOTICE OF 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, 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 area 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)

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)

## **Park Land CC&Rs Lien Policy**

**4.8 Delinquent Assessments:** Any installment or other portion of an Assessment not paid within thirty (30) days after its due date shall be delinquent and shall be subject to interest and late charges not to exceed the maximum rate permitted by law, as well as all other Additional Charges. The Board, on behalf of the Association, may enforce the payment of any delinquent Assessment plus Additional Charges by bringing an action at law against any Owner personally obligated to pay the same, or by foreclosing the lien against the Owner's Lot by judicial or non-judicial foreclosure, except as prohibited by law. Except as prohibited by law, upon any delinquency in payment, the Association may, at its option, declare the entire balance of all sums then due or to become due from the Owner, immediately due and payable, which Parkland of Monterey Covenants, Conditions and Restrictions Page 11 total sum may then be included in any suit, action, or other procedure initiated to collect such sums, including all Additional Charges. The Board may commence any procedure for the collection of delinquent Assessments upon its own decision. The remedies provided in this total sum may then be included in any suit, action, or other procedure initiated to collect such sums, including all

Additional Charges. The Board may commence any procedure for the collection of delinquent Assessments upon its own decision. The remedies provided in this Declaration for collection of delinquent Assessments shall be cumulative and not exclusive.

**4.9 Transfer of Lot by Sale or Foreclosure:** Sale or transfer of any Lot shall not affect the assessment lien. However, the sale of any Lot pursuant to mortgage foreclosure of a first Mortgage shall extinguish the lien of such Assessments (including fees, late charges, fines or interest levied in connection therewith) as to payments which became due prior to such sale or transfer (except for assessment liens recorded prior to the mortgage and except as expressly provided by California law). No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof. Where the Mortgagee of a first Mortgage of record or other purchaser of a Lot obtains title to the same as a result of foreclosure of any such first Mortgage, such acquirer of title, and his successor and assigns, shall not be liable for the Assessment by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such acquirer (except for assessment liens recorded prior to the mortgage and except as expressly provided by California Law). No amendment of the preceding sentence may be made without the consent of Owners of Lots to which at least two thirds of the votes in the Association are allocated, and the consent of the Eligible Mortgage Holders holding first mortgages on Lots comprising fifty-one percent (51 %) of the Lots subject to first mortgages. The unpaid share of such Assessments shall be deemed to be Common Expenses collectible from all of the Lots including such acquirer, and his successors or assigns.

**4.10 Power of Sale:** Each Owner does hereby appoint the Association as trustee to enforce and to foreclose any lien which is established pursuant to the terms of this Declaration, by private power of sale, as provided in Division III, Part 4, Title 14, Chapter 2, Article 1, of the California Civil Code, and does further grant to the Board, on behalf of the Association, the authority and power to sell the Lot of such Owner in the event of any default in payment of any Assessments or Additional Charges levied against such Lot, for lawful money of the United States, to the highest bidder, to satisfy such lien, except as prohibited by law. The Association or any Owner may purchase the Lot at the sale. The Board may temporarily suspend the voting rights of a Member (and the rights to use of the recreational facilities) who is in default in payment of any Assessment, after notice and hearing, as provided in the Bylaws.

**4.11 Certification of Satisfaction and Release of Lien:** Upon payment in full of a delinquent Assessment, including any Additional Charges, or the satisfaction thereof, the Board shall record, in the same manner as the Notice of Delinquent Assessment, a further certificate stating the satisfaction thereof and the release of the lien.

**4.12 Waiver of Exemptions:** Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this article, the benefit of any homestead or exemption laws of the State of California in effect at the time any Assessment or installment thereof becomes delinquent or any lien is imposed pursuant to the terms of this article.

# How Do I Pay My Assessment?

## Online Payment Portal

You can conveniently pay through your Association's Online Homeowner Portal by going to <https://portal.commoninterest.com/>. Once logged into the Portal, you can make a one-time or recurring payment for a fixed amount, an amount within a range (for variable assessments) or your full balance. You can pay using your bank account information or a debit/credit card.

## Mailing a Check

### Mail Regular Payments To:

Your Association's Name  
C/O Union Bank  
P.O. Box 45480  
San Francisco, CA 94145-0480

### Mail Overnight Payments To:

Your Association's Name  
C/O MUFG Union Bank, N.A.  
ATTN: Lockbox Operations  
1751 Harborbay Parkway, Suite 100  
Alameda, CA 94502

Your check must be made payable to the name of your Association. Include your 9-digit owner account number which is listed on your statement or payment coupon.

## Your Personal Online Banking or Bill Pay System

If you use your own bank's Online Bill Pay System to pay assessments, make sure that the payee/biller name, address, and account number are accurate. The payee/biller name must be the name of your Association. You must also include your 9-digit owner account number. Your owner account number can be found on your statement or payment coupon. Your online banking payment may not happen as an immediate electronic transfer of funds. Please allow 7-10 business days for mailing.

### Mail payments to:

Your Association's Name  
C/O Union Bank  
P.O. Box 45480  
San Francisco, CA 94145-0480

**REQUEST FOR ANNUAL NOTICE OF ADDRESS,  
REPRESENTATIVE AND RENTAL STATUS**

Please complete this form and return it to the Association as noted below within 30 days:

1. Association Name:

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2. The full name(s) of the property owner(s):

---

3. The property address within the Association:

---

4. The requested primary mailing address:

---

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5. Optional: An alternate or secondary mailing address:

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6. Optional: The name and address of your legal representative, power of attorney, or other person (if any) who can be contacted in the event of your extended absence:

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7. Is the property that you own (check one):

☐ Owner-occupied

☐ Rented out

☐ Developed, but vacant

☐ Undeveloped

**NOTE: If an owner fails to provide the notices set forth above, the property address of the Owner's Separate Interest within the development shall be deemed to be the address to which notices are to be delivered.**

*The above information is requested pursuant to Civil Code §4041.*

**PLEASE RETURN THIS INFORMATION TO THE ASSOCIATION AT THE FOLLOWING ADDRESS:**

Common Interest Management Services  
315 Diablo Rd. Ste. 221  
Danville, CA 94526



### CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525\*

The seller may, in accordance with Section 4530 of the Civil Code, provide to the prospective purchaser, at no cost, current copies of any documents specified by Section 4525 that are in the possession of the seller. **A seller may request to purchase some or all of these documents but shall not be required to purchase ALL of the documents listed on this form.**

Provider of the **Section 4525** Items:

Heidi Pleger, Senior Director of Escrow Services, Common Interest Management Services

Check or Complete Applicable Column or Columns Below:

Document	Civil Code Section Included	Fee for Document	Not Available (N/A) or Not Applicable (N/App)
Articles of Incorporation (or statement that not incorporated)	Section <b>4525(a)(1)</b>	\$35.00	
CC&Rs	Section <b>4525(a)(1)</b>	\$35.00	
Bylaws	Section <b>4525(a)(1)</b>	\$35.00	
Operating Rules	Section <b>4525(a)(1)</b>	\$35.00	
Age Restrictions, if any	Section <b>4525(a)(2)</b>		Refer to the Demand
Rental Restrictions, if any	Section <b>4525(a)(9)</b>	\$35.00	Refer to the Demand
Annual Budget Report (or summary, including Reserve Study)	Sections <b>5300 and 4525 (a)(3)</b>	\$35.00	
Assessment and Reserve Funding Disclosure Summary	Sections <b>5300 and 4525 (a)(4)</b>		Included in Annual Budget Package
Annual Financial Statement Review or Audit	Sections <b>5305 and 4525(a)(3)</b>	\$35.00	See Comments
Assessment Enforcement Policy	Sections <b>5310 and 4525(a)(4)</b>		Included in Annual Budget Package
Insurance Summary	Sections <b>5300 and 4525 (a)(3)</b>	\$35.00	
Regular Assessment	Section <b>4525(a)(4)</b>		Refer to the Demand
Special Assessment	Section <b>4525(a)(4)</b>	\$35.00	Refer to the Demand
Emergency Assessment	Section <b>4525(a)(4)</b>		Refer to the Demand

Other Unpaid Obligations of Seller	Sections <b>5675 and 4525(a)(4)</b>		Refer to the Demand
Approved Changes to Assessments	Sections <b>5300 and 4525(a)(4), (8)</b>		Included in Annual Budget Package
Settlement Notice Regarding Common Area Defects	Sections <b>4525(a)(6), (7) and 6100</b>		Refer to the Demand
Preliminary List of Defects	Sections <b>4525(a)(6), 6000 and 6100</b>		Refer to the Demand
Notice(s) of Violations	Sections <b>5855 and 4525(a)(5)</b>		Refer to the Demand
Required Statement of Fees (Escrow Demand)	Section <b>4525</b>	\$310.00	
Minutes of Regular Board Meetings (conducted over the previous 12 months, if requested)	Section <b>4525(a)(10)</b>	\$50.00	
<b>Total fees for these documents:</b>		\$660.00	

\*The information provided by this form may not include all fees that may be imposed before the close of escrow. Additional fees that are not related to the requirements of Section 4525 shall be charged separately.

This is the minimum document offering required to meet CA Statute 4525. You may opt to acquire additional documents including, but not limited to, Meeting Minutes, Reserve Studies, Insurance Declaration Pages, and/or property inspections not mandated by law but helpful to the prospective buyer(s) and/or their agent to make a more informed decision regarding the subject property

Please note: Other fees including, but not limited to, Transfer Fees, Capital Contributions, Collection fees, etc. may be assessed to each property and will be disclosed on the Statement of Fees (Demand) and are not included within estimated charges outlined within this form.

Financial Statement Review aka Audited Annual Financial

The buyer and seller may negotiate who pays document and disclosure fees.

The management company is not paid a referral fee by HomeWiseDocs as part of this transaction.

# **PARK LAND OF MONTEREY, INC.**

## **ELECTION RULES**

The following revised election rules are adopted to comply with the requirements of the Davis-Stirling Act (including the new provisions adopted as of January 1, 2020 in Senate Bill 323, amending Sections 5100 – 5125 of the California Civil Code) and to provide for fair elections, subject to all applicable and enforceable (a) provisions of law, and (b) Articles of Incorporation, CC&Rs, and Bylaws unless otherwise amended or superseded by applicable California law.

### **I. MEMBERSHIP MEETINGS**

#### **A. Meetings of the Membership.**

1. **Annual Meetings.** There shall be an annual meeting each year for the purpose of electing directors and conducting any other business of the Association. The Board shall fix the date and hour in the month of January as prescribed by the Revised Bylaws, unless otherwise permitted by the bylaws for holding such meetings.

2. **Special Meetings.** Special meetings may be called by any of the following: (i) President of the Board, (ii) majority of the Board, or (iii) at least five percent (5%) of the voting power of the Association, or as required by law. If a special meeting is called by members of the Association, the request shall be submitted to the Board in writing, specifying the nature of the business to be transacted. The director or officer receiving the request shall promptly deliver the request to the remaining directors.

3. **Location of Meetings.** Pursuant to Bylaws Section 3.3, annual and special meetings of the membership shall be held at a suitable location in or reasonably close to the Association in the County in which the property is located. If the date, time and/or location is unreasonable, the Board shall set a date, time and/or location which is reasonable and relatively close to the original date, time and location requested by the parties calling the meeting.

#### **B. Notice and Request for Candidates.**

The nomination process to nominate a candidate to run for the Board of Directors shall begin as follows:

1. **Notice and Request for Candidates by Board.** Notice of all meetings of the members shall be given by the Board. Such notice shall be accompanied by a Request for Candidates and the Election Rules. If the Board fails to give notice, the persons calling the special meeting may give notice consistent with the governing documents and applicable law.

2. **Notice Period.** All notices shall be sent no less than ninety (90) days (and preferably 105 days) before the date of the meeting.

3. **Notice Contents.** The notice shall specify the place, date, and hour of the meeting and (i) in the case of a special meeting, the nature of the business to be transacted as specified by those persons calling the meeting (and that no other business may be transacted except as specified in the notice), or (ii) in the case of the annual meeting, those matters which the Board intends to present for action by the members.

#### 4. Request for Candidates.

- a. In addition to the Nominating Committee, any qualified person may nominate himself or herself for election to the Board of Directors by submitting to the Association a written statement signed and dated by the person nominating himself or herself (herein "Request for Candidate form").
- b. The Association shall set a cut-off date for the receipt of self-nomination statements, which date shall be publicized in advance to the members. Once nominations have been closed, no write-ins are allowed on ballots.
- c. The Request for Candidates shall include a demand for certification by the Candidate that s/he meets the qualifications set by the Bylaws and these rules. The Request for Candidates shall also include a form for each Candidate to submit a written application and statement reasonably related to the election, including advocating a point of view.
- d. The Board of Directors may limit the length of the Candidacy Statement. Candidates' Statements will be included with the Association's mailing of the Notice and Secret Ballot materials if the Statements are provided prior to the stated deadline.
- e. The election rules will be distributed with the Request for Candidates to comply with the Civil Code Section 5105(h) requirement that may not be amended within 90 days of a scheduled election. (Thereafter, they will be distributed at least 30 days prior to any election with the Ballots). The Election Rules may be individually distributed or posted to an internet website; if posted, the Ballot must contain the website address and the words "The rules governing this election may be found here" in at least 12-point font.

5. **Delivery.** Notice of any membership meeting shall be given either personally or by first-class mail, charges prepaid, and addressed to each member: (i) at the address appearing on the books of the Association, (ii) at the address given by the member for the purpose of notice, or (iii) at the address of the member's Lot, if no address appears on the Association's books and no other address has been given. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail.

C. Posting and/or Mailing the Candidate Introduction Letter: At least 60 days (and preferably 70 days) before the election, the Association will provide **BY GENERAL NOTICE** the Candidate Introduction Letters and the following information: the date and physical address where the ballots are to be returned by mail or handed to the Inspector; the date, time and location where the ballots will be counted; and the list of candidates names that will appear on the ballot. If an owner has requested individual notice, these must be received by the member personally. The Inspector of Elections shall correct any reported mistakes to the membership list during this time frame.

D. Mailing the Ballots: At least 30 days before the ballot acceptance cut-off date, the Members will be mailed the election materials, including a ballot, meeting notice and double envelopes. The voting and ballots shall comply with the procedures provided below.

## II. BOARD MEMBERSHIP

A. Number of Directors. The Board shall consist of five (5) directors.

B. Term of Office. The term of a director shall last until the Annual Meeting that follows the meeting in which the director was elected, and upon the election (or appointment) and

qualification of the director's successor. Unless otherwise terminated or extended, each Director shall be elected for 1 year.

C. Qualifications. No person may be a candidate for the Board, or once elected shall automatically cease to be a director, if that person: (i) is not a member of the Association who is on title (ii) is in a joint ownership interest in a Lot with another director or resides in the same Lot with another director; and (iii) has a past felony record which would result in cancellation of the Association Fidelity Bond; and (iv) any other ground legally determined by the Board and authorized by the California Civil Code.. For purposes of this section, an owner of a separate interest is a trust, corporation, or LLC, the "governing authority" of that entity may appoint a natural person to be a candidate. Other qualification to either vote or run for office shall be enforced only to the degree allowed by California law.

### III. CAMPAIGNING

#### A. Access to Media.

1. **No Use of Association Resources.** The Association's newsletter, website, bulletin board, or other Association media may not be used for campaign purposes.

2. **Exception.** If any candidate or member is provided access to Association newsletters, website, bulletin board or other Association media during an election, for purposes that are reasonably related to that election, equal access shall be provided to all candidates and members. The access shall be limited to information relating to that election and shall include those candidates and members not endorsed by the Board. The Association shall not edit or redact any content from these communications but may include a statement specifying that the candidate or member, and not the Association, is responsible for that content. The Association and its directors, officers, and agents shall be immune from liability for the content of those communications to the fullest extent provided by law.

#### B. Use of Common Area During Election Campaign.

1. **No Cost for Use.** During an election campaign, each candidate and each member advocating a point of view reasonably related to the election shall be allowed to use, if available, the Association's common area at no cost to the member or candidate.

2. **Reservation.** Each candidate or member who wants to use the common area pursuant to this rule must make a reservation in advance of the date and time requested. Candidates' and members' requests to use the common area shall be granted on a first- come, first-served basis, provided that the area is not already reserved. In order to assure fairness, each candidate may not reserve or use the common area for more than two (2) hours on any particular date. In addition, each candidate and each member shall only be allowed to make one (1) reservation per day to use the common area.

C. No Use of Association Funds for Campaign Purposes. Association funds may not be used for campaign purposes in connection with any board election and may not be used for campaign purposes in connection with any other Association election except to the extent necessary to comply with duties of the Association imposed by law. The Association shall not include the photograph or prominently feature the name of any candidate on a communication from the Association or its Board, excepting the ballot and ballot materials, within thirty (30) days of an election. This restriction does not preclude directors from advocating the election or defeat of any issue or candidate on the ballot. However, they may not use Association funds to do so.

## IV. INSPECTORS OF ELECTION

### A. Selection.

1. **Process.** Prior to the date ballots are first sent out, the Board of Directors shall, at an open meeting of the Board, select either one (1) or three (3) persons as Inspectors of Election.

2. **Eligible Inspectors.** The Board may select any of the following to serve as an Inspector of Elections:

a. **Poll Worker.** A volunteer poll worker with the County Registrar of Voters;

b. **Accountant.** A licensee of the California Board of Accountancy, including any such licensee under contract to the Association;

c. **Notary.** A notary public;

d. **Association Members.** Members of the Association, but not: (i) members of the Board, (ii) candidates for the Board, (iii) persons related to a member of the Board, or (iv) persons related to a candidate for the Board;

When the Board does select a Non-Member of the Association as Inspector, the Inspector shall be required to obtain errors and omission insurance and provide proof of same to the Board prior to the commencement of the Inspector's work. The errors and omissions insurance policy shall be in an amount not less than one million dollars (\$1,000,000), that indemnifies the Association and its Board Members from liability and provides that the Association is a named insured of the policy. The Board may, at its discretion, compensate the Inspector.

### B. Duties. Duties of Inspectors of Election shall include the following:

1. **Membership.** Determine the number of memberships entitled to vote and the voting power of each.

2. **Validity.** Determine the authenticity, validity and effect of any proxies and ballots.

3. **Quorum.** Confirm the number of homes represented at the meeting and confirm the existence of a quorum

4. **Challenges** Hear and determine all challenges and questions in any way arising in connection with the right to vote

5. **Closing and Reopening of Polls.** Determine when the polls shall close and determine whether to reopen the polls to allow members to cast a ballot after the polls have been closed.

6. **Receive and Count Ballots.** Receive all ballots. Once a secret ballot has been received by an Inspector of Elections, it shall be irrevocable.

7. **Maintain custody of the Sealed Ballots.** The sealed ballots at all times shall be in the custody of the Inspector or Inspectors of election or at a location designated by the Inspector or Inspectors until after the tabulation of the vote and until the time allowed by Section 7527 of the Corporations Code for challenging the election has expired (currently one year), at which time custody

shall be transferred to the Association. No person, including a member of the Association or an employee of the management company, shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. The Inspector of Elections or his or her designee may verify the member's information and signature on the outer envelope prior to the meeting at which ballots are tabulated.

8. **Retain association election materials** ("Association Records") including the candidate registration list, voter lists (name of member and address of the voting property, which may be used to verify a member's right to vote), returned ballots (reported errors must be corrected within two business days), signed voter envelopes; voters to whom ballots were sent; and proxies (Civil Code Section 5105(a)(7) and 5200(c)).

9. **Challenges.** Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote. If there is a recount or other challenge to the election process, the Inspector or Inspectors of election shall make the ballots available for inspection and review upon written request. An Association member may authorize a representative to review the ballots on his or her behalf. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

10. **Counting.** Count and tabulate all votes and determine the election results. All votes shall be counted and tabulated by an Inspector of Elections or his or her designee in public at a properly noticed open meeting of the Board of Directors or members. Any candidate or other member of the Association may witness the counting and tabulation of the votes.

11. **Appoint Assistants.** Appoint and oversee additional independent third parties to verify signatures, and to count and tabulate votes as the Inspectors of election deem appropriate provided that such persons are independent third parties.

12. **Impartiality.** Perform their duties impartially, in good faith, to the best of their ability, and as expeditiously as is practical. Any report made by the Inspectors of Election is prima facie evidence of the facts stated in the report.

13. **Miscellaneous.** Perform any acts as may be proper to conduct the election with fairness to all members in accordance with Civil Code section 5100 et. seq., the Corporations Code, the Association's governing documents, and all applicable rules of the Association regarding the conduct of the election that are not in conflict with Civil Code section 5100 et. seq.

C. Removal. The Board shall have the power to remove Inspectors who cease to meet the required qualifications, are unable or unwilling to perform their duties, or for other good reason, and to appoint new Inspectors in their place.

D. Management Office Designation and Validity of Report. Prior to the mailing of the Secret Ballots by the Association, the Inspector(s) of Election may pass a Resolution designating the management office as the location to receive the sealed Secret Ballots and maintain the custody of the sealed Secret Ballots until the time upon which tabulation of the Secret Ballots by the Inspector(s) shall occur. Any report made by an Inspector is prima facie evidence of the facts stated in the report.

## V. BALLOTS AND PROXIES

### A. Voting Rights.

1. **Number of Votes.** Each member shall be entitled to one (1) vote per Lot on all

matters presented to the members for a vote.

2. **Record Date.** Unless the Board sets a “Record Date” for an election, the Record Date shall be the date that ballots are mailed to the Membership. Only those Owners on title as of the Record Date shall be entitled to vote. Persons acquiring title to a Lot after the Record Date can attend the membership meeting but cannot vote.

3. **Proof of Membership.** No person or entity may exercise the rights of membership without an ownership interest in property which is subject to the Association’s CC&Rs. If the Board should request proof of ownership, such proof shall be in the form of a recorded deed or, if the property was transferred within the past thirty (30) days and a copy of the newly recorded deed is not available, a completed escrow closing statement shall suffice.

4. **Cumulative Voting.** Cumulative voting shall be permitted (Bylaws Section 4.4.)

5. **Co-Owners.** Where there is more than one (1) owner of a property (“co- owner”) subject to the Association’s CC&Rs, all such co-owners shall be members and may attend any meeting of the Association, but only one co-owner shall be entitled to exercise the vote to which the property is entitled.

6. **Presumption of Consent.** Unless the Inspector of Elections receives a written objection prior to the close of balloting from a co-owner, it shall be conclusively presumed that the voting owner is acting with the consent of his or her co-owners.

7. **Voting for Candidates Properly Nominated.** Members must vote only for those candidate(s) who have been properly nominated prior to the close of nominations.

B. Proxies.

1. **Proxies.** The Association may use and accept proxies as permitted by law and the Association’s governing documents, provided that the Association shall not be required to prepare or distribute proxies. Proxies shall not be construed or used in lieu of a ballot at a meeting.

2. **Proxy Form.** Any instruction given in a proxy issued for an election that directs the manner in which the proxy holder is to cast the vote shall be set forth on a separate page of the proxy that can be detached and given to the proxy holder to retain. Proxies must meet all requirements of Chapter 4 of Article 2 of the Davis-Stirling Act, other laws, and the Association’s governing documents.

3. **Vote by Proxy Holder.** The proxy holder shall cast the member’s vote by secret ballot unless the proxy is revoked by the member prior to the receipt of the ballot by an Inspector of Elections as described in Section 7613 of the Corporations Code.

4. **Who May be Proxy.** As provided for in Civil Code §5130(a), proxy holders must be Members. If two Proxies are registered for the same separate interest and one is dated and one is undated, the dated Proxy prevails. If two dated Proxies are registered for the same separate interest, the most current dated Proxy prevails. If a Proxy and a Secret Ballot are registered for the same separate interest, the Proxy shall be suspended, and the Secret Ballot shall prevail. If the property is co-owned (i.e., husband and wife) or if the property is owned by a corporation, partnership, etc., and two or more co-owners or two or more representatives submit separate Proxies, the most current dated Proxy prevails. If a Proxy and a Secret Ballot are submitted, the Proxy shall be suspended, and the Secret Ballot shall prevail. If a Proxy is signed by a person whose name does not appear on the membership roster, the Proxy shall be



invalid. As an exception, in the case of a legally married couple, if a Proxy is signed by a spouse, whose name does not appear on the membership roster, the Proxy shall be valid, due to the State's community property laws. All unsigned Proxies shall be invalid and shall not be used for quorum purposes.

C. Ballots.

1. **Official Ballots/Non-Revocable.** Only those ballots prepared on behalf of the Association ("Official Ballots") may be used in the election. Once an Official Ballot has been received by an Inspector of Elections, it is irrevocable. Inspector(s) will register all Secret Ballots at the meeting (Annual Membership, Special Members, or Board). A membership roster will be maintained at each registration station for purposes of registering each separate interest present and voting at the meeting, whether in person or by proxy. Each separate interest is entitled to only one registration, regardless of the number of votes the separate interest is entitled to cast. Neither the Association nor its Managing Agent shall register any of the Secret Ballots or Proxies received by the Association.

2. **Secret Ballot.** All items legally requiring a vote of the membership shall be held by secret ballot, including but not limited to assessments, selection and removal of members of the Association's board of directors, amendments to the governing documents, or the grant of exclusive use of common area property. In order to preserve confidentiality, a voter may not be identified by name, address or lot, parcel or unit number on the ballot itself. The balloting materials shall include all of the following:

- a. One Secret Ballot shall be issued for each separate interest owned and the owner of each separate interest is entitled to cast one ballot, regardless of the number of owners shown on the Association's membership roster. If more than one owner of a jointly-owned separate interest attempts to submit a ballot, even by mistake, the first ballot received will be counted.
- b. The Secret Ballot shall contain the names of Candidates who timely delivered the required forms to the Association as referenced above. If there are no such Candidates, or if there are fewer Candidates than the number of Directors to be elected, the Secret Ballot will include the names, if any, of the Candidates and/or blank lines for write-in Candidates.
- c. The Secret Ballot shall NOT identify the Member (or their designee) by name, address, lot, parcel number or number. If the Member does sign the Secret Ballot or identify him/herself, the Member shall waive his or her right to secrecy and the Ballot shall, at the option of the Inspector(s), be accepted by the Inspector(s) as a valid Secret Ballot.
- d. The Secret Ballot itself is NOT signed by the Member (or their designee) but is placed into a ballot envelope ("Ballot Envelope"), which is then sealed. The Ballot Envelope is then inserted into the second pre-addressed envelope ("Address Envelope") that is then sealed. In the upper left-hand corner of the Address Envelope, the Member (or their designee) must indicate his/her name and property address that entitles him/her to vote. The Member must also sign his/her name on the Address Envelope.
- e. The owners of multiple properties (with the exception of the Declarant) must submit separate sealed Secret Ballot envelopes for each separate interest owned.

f. The Address Envelope is addressed to the Inspector(s) of Election for the tallying of votes. The Address Envelope can be mailed or delivered by hand by the Member to the location designated by the Inspector(s) of Election. Any member can request a receipt for hand-delivery of his or her Secret Ballot. Any Member desiring a receipt for mail delivery shall send the Secret Ballot by certified mail, return receipt requested, to the location designated by the Inspector(s).

g. The sealed Secret Ballots shall be kept in the custody of the Inspector(s) of Election or at a location designated by the Inspector(s) of Election until the tabulation of the Secret Ballots by the Inspector(s), at which time custody can then be transferred to the Association. After tabulation, Secret Ballots shall be stored by the Association in a secure place for no less than one (1) year after the date of the election.

h. Ballots distributed to each and every member shall identify the proposed action, provide an opportunity to specify approval or disapproval and provide at least thirty (30) days upon which to return the ballot to the Inspector(s) of Election. The voting instructions contained within the ballot materials will show a date by which the ballots must be delivered to the location designated by the Inspector(s) of Election by either the United States Postal Service, overnight delivery service or hand delivery.

i. Only Secret Ballots prepared by the Association will be accepted by the Inspector(s) either by mail or in person.

j. When the Chairperson announces, following a motion duly seconded and approved by the membership, that balloting is closed, no further members may submit a ballot to be counted.

k. Once a Member mails or delivers his/her Secret Ballot to the location designated by the Inspector(s), that Secret Ballot cannot be changed or revoked.

3. **Quorum by Ballot.** Each ballot received by an Inspector of Elections is deemed as a member present at a meeting for purposes of establishing a quorum.

4. **Ballot Delivery to Members.** Ballots and two (2) preaddressed envelopes with instructions on how to return ballots will be mailed by first-class mail or delivered to every member not less than thirty (30) days prior to the deadline for voting.

## VI. PETITIONS

A. Purpose. The purpose of the petition for a membership meeting must be set forth in the petition so members know what they are signing. Meetings may only be called for a proper purpose.

B. Signatures. Only members may sign petitions. Signatures by persons not on title are invalid. The Association may validate signatures by comparing them against signatures on file with the Association or by contacting signers to verify their signatures. Any person on title to a property can sign on behalf of the property but it counts only once. If there are ten owners on title for one Lot, all of whom sign a petition, it counts as one signature not ten.

C. Withdrawal of Signatures. A petition can be rendered invalid if a sufficient number of signers withdraw their names such that the number of remaining signers falls below 5% of total voting power of the membership.

D. Setting the Date. The date of the special meeting shall be set by the Board and may not be less than 35 nor more than 90 days from receipt of request. Notice of the date shall be given to the membership not more than 20 days from receipt of the petition.

E. Recall Petitions. Recalls may not be started against the board as a whole or any individual director if: (a) the board or director has held office during the current term for less than 90 days; (b) a recall election has been determined in the board's or director's favor within the last six months; or (c) for the recall of a board an annual meeting will be held within six months or less or the recall of individual directors, their term will end within six months or less. Additionally, if a recall of the entire board fails, a six-month waiting period must be observed before recall petitions may be filed against individual directors.

## **VII. MEETING PROCEDURES**

The President of the Board shall call the membership meeting to order and shall chair the meeting unless a majority of the Board selects another person to chair the meeting.

A. Quorum. The quorum requirement for membership meetings is a majority of the voting power of the Association, excluding those members whose voting rights have been suspended. The members may be represented in person or by proxy. When a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the members.

B. Loss of Quorum. The members present at a duly called meeting at which a quorum is present may continue to transact business until the loss of a quorum. The business must be approved by enough members to constitute at least a majority of a quorum had a quorum been present.

C. Lack of Quorum. In the absence of a quorum, no business may be transacted except to adjourn the meeting to another date and time. A majority of the members present and entitled to vote may adjourn the meeting, if at any meeting of the Association a quorum is not present. An adjournment for lack of a quorum shall be to a date no later than forty-five (45) days from the date the original meeting was called. If a new date is not announced prior to adjournment, the Board President (or the remaining directors in the President's absence or failure to act) may set the date for a subsequent meeting and shall be given either personally or by first-class mail, charges prepaid, and addressed to each member: (i) at the address appearing on the books of the Association, (ii) at the address given by the member for the purpose of notice, or (iii) at the address of the member's Lot, if no address appears on the Association's books and no other address has been given. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail.

D. Counting Ballots. The Inspectors of Election, or his or her designee, shall count and tabulate all official ballots in public at a properly noticed open meeting of the Board of Directors or members. No person, including a member of the Association or an employee of the management company, shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. Any candidate or other member of the Association may witness the counting and tabulation of the votes. The results of any election shall be promptly reported to the Board of Directors and shall be recorded in the minutes of the Board meeting and shall be available for review by all Members of the Association. Within fifteen (15) days of the election, the Board shall publicize the results of the election in a communication directed to all members (this could be done in the form of a newsletter or email if it is distributed to the members within the 15-day timeline.)

E. Breaking a Tie. In the event of a tie, all other newly elected Directors shall immediately begin serving their terms. An incumbent Director whose seat was tied shall continue in office until a runoff election determines the winner for his/her seat. Only those candidates who tied for the seat shall be in the runoff. In lieu of a runoff and if the tied candidates agree, the winner may be decided by a coin toss or the drawing of names by the Inspector of Elections.

## **VIII. POST-ELECTION RESULTS**

A. Results of the Election. The tabulated results of the election shall be announced immediately after all the ballots have been counted. The tabulated results of the election shall be promptly reported to the Board of Directors and shall be recorded in the minutes of the next Board meeting. Within fifteen (15) days of the election, the Board shall publicize the tabulated results of the election in a communication directed to all members.

B. Status of the Ballots after Election. The sealed ballots at all times shall be in the custody of the Inspector or Inspectors of Election or at a location designated by the Inspector or Inspectors until after the tabulation of the vote and until the time allowed by Section 7527 of the Corporations Code for challenging the election has expired, at which time custody shall be transferred to the Association. After the transfer of the ballots to the Association, the ballots shall be stored by the Association in a secure place for no less than one (1) year after the date of the election, after which the election materials may be disposed of.

C. Election Recount. Any member of the Association may demand a recount of the ballots provided (i) demand is made in writing to the Inspector of Elections within five days after the election results have been announced, and (ii) the member pays in advance for the cost of the recount. Monies advanced by the member shall be refunded if the outcome of the election is changed by the recount. The recount shall be commenced not less than seven days following the request for the recount and shall be done under the supervision of the Inspector of Elections. The recount may be observed by members of the Association. No election materials may be touched or handled by any person without the express consent of the Inspector of Elections and under the supervision of the Inspector. The results of the recount shall be reported to the Board of Directors and shall be recorded in the minutes of the next Board meeting and reported to the membership.

D. Inspection of Ballots. Election materials may be inspected by any member upon payment in advance of costs related to the inspection. No election materials may be touched or handled by any person without the express consent of the Inspector of Elections and under the supervision of the Inspector.

## **IX. REMOVAL/RECALLING OF DIRECTORS**

The Association Governing Documents described the procedure for recalling or removing a director. Generally, the membership may recall the entire Board or an individual director, subject to cumulative voting restrictions. The first step is for the membership to vote by secret ballot to remove a director. If an association has fewer than 50 members, the removal is approved by the affirmative vote of a majority of all members entitled to vote. (Corp. Code §7222(a).) If the association has 50 or more members, removal is approved by the affirmative vote of a majority of the votes represented and voting at a duly held meeting at which a quorum is present, with the affirmative votes also constituting a majority of the required quorum. (Corp. Code §7222(a).) The consideration of such a removal is initiated by a Petition of members to remove the Board or an individual member. Members may request a special meeting of the membership for the purpose of removing the entire board or individual directors and the election of new directors in the event the recall is successful. The petition must be signed by 5% or more of the membership (Corp. Code §7510(e)), meaning persons who are on title.

Once a proper petition has been submitted to the board, the board must set a date for the meeting and send notice to the membership. The board must also prepare and send ballots as provided for in Civil Code §5115(a). Meeting Agenda. The only business that may be conducted at the special meeting is the recall of the directors and the election of new directors in the event the recall is successful. The notice of meeting shall specify those matters the board intends to present for action by the membership. Once members remove a director, his/her replacement must be elected by the membership not appointed by the board. (Corp. Code §7224(a).) The procedure for electing a new director is substantially the same as described above.

#### **X. CONSULTATION WITH LEGAL COUNSEL**

The Inspector(s) have the authority to confer with Association legal counsel in advance of, or at the meeting where Secret Ballots are to be counted. Legal counsel represents the Association and does not represent the Members, Inspector(s), Board Members, management or any other person. By the adoption of these Rules, the Association waives the attorney-client confidential communication privilege, and Association legal counsel has been authorized by the Board of Directors to provide advice to, as determined necessary or prudent by the attorney, for the limited purpose of informing and advising the Inspector regarding issues related to the Inspector performing its duties for the Association

I certify that this is a true and accurate copy as updated by 2020 Board of Directors.

*Vinnie Victorine*

Corporate Secretary

04/17/2020

**CANDIDATE SELF NOMINATION FILING FORM**  
For the 2020 Election of Directors

**Filing Deadline:** This form must be received by the Association no later than 5:00 p.m. on May 25, 2020.

**Qualifications:** All candidates for the Board are subject to meeting the qualifications set forth in the governing documents.

I hereby nominate myself as a candidate for the Board of Directors. *(Please legibly print or type the information below.)*

Name \_\_\_\_\_

Mailing address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home telephone \_\_\_\_\_ Work \_\_\_\_\_

E-mail address \_\_\_\_\_

**OPTIONAL FOR EACH CANDIDATE:** Attached is my Candidate Statement, summarizing my goals for the community, reasons for running for election, and other information related to the election.

**CERTIFICATION:**

**BY SIGNING BELOW, I HEREBY CERTIFY THAT I HAVE REVIEWED AND MEET ALL OF THE QUALIFICATIONS FOR CANDIDACY CONTAINED IN THE BYLAWS AND ELECTION RULES.**

Signature \_\_\_\_\_ Date \_\_\_\_\_

.....OFFICE USE ONLY.....

Date received: \_\_\_\_\_ Received by: \_\_\_\_\_

Comments: \_\_\_\_\_

**PARK LAND OF MONTEREY, INC.**  
**Del Monte Beach Townhouses**  
**1 --60 La Playa**

**ASSOCIATION PRACTICES & GUIDELINES**

This document describes current practices of the Park Land of Monterey Homeowners Association. It is provided for informational purposes and as an aid to Unit owners and tenants in understanding how our Association works. The practices of the Association are managed by the Board of Directors and its delegated committees and agents and may be modified at their discretion. This document is supplemental to the **Rules & Regulations** adopted by the Association and the Board, and is not intended to be legally precise, but, within the framework of the Governing Documents, to provide direction on various issues.

1. Owners are responsible to advise their tenants and guests of all current **Rules & Regulations** of the Association which are distributed at each annual meeting of the membership and are available on our website. Additionally, owners should encourage adherence to the practices outlined in this document.
2. The Association highly recommends that all owners carry their own **insurance** to cover their financial exposure for damage to the interior of their unit, as the Association policy primarily covers common area interests. Tenants may wish to arrange renter insurance for the protection of their personal belongings.
3. In case an owner sustains **property damage** to that owner's unit, owner should contact the management company, Common Interest Management Services (CIMS) at 408-782-1222. If the situation is an emergency or after normal business hours, call the emergency phone number 408-850-8573. CIMS will inspect and evaluate the damage and make a recommendation that you contact your homeowner's insurance agent. Depending on the extent of the damage, the Association's insurance broker, KBK Insurance, will provide your insurance agent a statement of the deductible amount involved in a claim against the Association policy.
4. Owners who are remodeling their units are strongly encouraged to replace any **galvanized plumbing** which may be in their units with copper or other piping specified by current building codes. Historically, there have been numerous plumbing failures in the galvanized plumbing with significant multi-unit damage. Apart from a major inconvenience to owners and neighboring units, significant expense can be avoided by preventive care at time of remodeling.
5. When away from your unit for an extended period, we recommend turning off your **master water line** located outside of your unit to reduce risk of water damage in the event of a plumbing failure.
6. There are no fire code restrictions as to the placement, usage, or fuel sources of **barbeques**; however, the Fire Marshall strongly encourages use of propane or natural gas line hookups instead of charcoal, especially if used on decks in close proximity to building structures.

7. All unit owners are asked, for their safety and that of the community, to ensure that they have functioning **smoke alarms** in their units, which under the local fire code is mandatory for rentals and strongly recommended for all units. Minimum requirements are one in each bedroom. A good rule of thumb is to replace batteries once a year.
8. An **Architectural Committee** and the Board regularly review all external building changes, such as window and door replacements or modifications, to ensure consistency within the community. The process is very important to maintaining the long-term value of all units. Application forms may be obtained from the Architectural Committee, Board members, CIMS, and are also available on our website
9. In the event of **theft or vandalism** involving personal property, owners are responsible for promptly notifying the local police and for the filing of police reports. Common Interest Management Services or a Board member should also be advised. To minimize the risk of damage or loss to personal property, it is recommended that automobiles not garaged be locked at all times and that bicycles, even with locks, not be left for extended periods outside of garages or unit interiors
10. We highly recommend that all homeowners register with the **Monterey County Alert** system at <http://www.alertmontereycounty.org/> so that in the event of a tsunami, firestorm, or other natural disaster, you receive notification in time to act. Notification is automatically sent to your phone (cell, voice, or landline) and/or your registered e-mail. All landlines at Park Land are already in the alert system database. For those with tenants, we also recommend that they register for the same reason if they do not have a landline.
11. The Association expects all residents to comply with City of Monterey codes governing **short term rentals**. Since these requirements may be modified from time to time, owners who rent are encouraged to contact the Monterey Planning Department (831-646-3885) regarding Ordinance 3076 - Short Term Rentals.
12. For **long-term rentals (six months or more)** it is often not practical to contact absentee owners in the event of emergencies, and beneficial for the community as a whole to know who is residing where for extended periods. Accordingly, the Governing Documents request owners to notify Common Interest Management Services, in writing, of the names and phone number of occupying tenants.
13. Owners, their guests and renters should be aware that **in-ground garbage cans** at the entrance of some units will not be emptied by our garbage disposal company. Accordingly, use the common dumpster shed located on the south side of the main drive. Boxes should be collapsed and placed in receptacles since the disposal company equipment cannot otherwise handle.



**PARK LAND OF MONTEREY, INC.**  
**Del Monte Beach Townhouses**  
**1-60 La Playa**

**~~WELCOME~~**

**TO THE DEL MONTE BEACH TOWNHOUSES**

**THE TOWNHOUSE ASSOCIATION AND THE BOARD OF DIRECTORS HAVE ADOPTED THE FOLLOWING RULES AND REGULATIONS FOR THE BENEFIT OF OWNERS, TENANTS & GUESTS. PLEASE READ & POST IN YOUR UNIT.**

**TOWNHOUSE EXTERIOR AND GROUNDS**

- Be considerate of your neighbors, please! No excess noise AND clean up after yourselves and your animals.
- Garbage and recyclables must be deposited in the appropriate containers in the MAIN GARBAGE AREA, located in the gardener's enclosure across from Unit #37. Monterey Disposal picks up garbage 2 times per week (Monday & Thursday) between 8:00 & 8:30 A.M. Please DO NOT LEAVE garbage in bags or waste cans outside the units.
- Hanging of bedding, towels, clothing, etc., on or over the deck railings is not allowed. Decks should not be used to store unsightly clutter.
- **PETS**: It is the responsibility of each owner/tenant/guest to clean up after their own pets. Dogs must be on a leash and accompanied by the owner. Barking dogs should not be left unattended.
- Storing of firewood on decks attracts termites and other pests. Please store firewood under your deck.
- We love birds, but please do not feed them. They soil the decks and the common area, and the food attracts rodents.
- Do not ride bicycles on pedestrian walkways. Roller-skating, skate boarding, and roller blading is not permitted on Association Property.
- Plants, pots, etc. on decks must be raised off of decks on dollies, "feet" or a stand to protect the integrity of the wooden decking material from dampness and mildew. Plants on railings must drain onto the ground below...not onto the wooden railings.

**SWIMMING POOL**

- The swimming pool is reserved for the use by owners, tenants and their guests.
- No lifeguard is available. Pool use is at swimmer's risk. Children under 14 years old must be accompanied by an adult (age 18 or above).
- Please shower before using the swimming pool.

- The following are not allowed in the swimming pool enclosure:  
     Pets  
     Glass containers of any kind  
     Surfboards or wetsuits  
     Barbecues or open fires
- Please leave the swimming pool area neat after use. We discourage swimming pool use before 9:00am and after 10:00pm. (Should you use the swimming pool outside of these hours, please do so quietly.) Never use the pool at night after the pool lights are extinguished.
- Board members and/or management reserve the right to refuse use of the swimming pool to anyone for violation of swimming pool rules.

### **PARKING/VEHICLES**

- Please use your garage and/or your reserved parking space instead of the open parking area. Reserving of common area parking spaces is not allowed.
- Park only in designated areas. The Monterey Police will ticket violators and/or have towed out of the complex at the owner's expense.
- Parking of the following type vehicles in the common area is prohibited (except for loading/unloading):  
     Motor homes, recreation vehicles, and campers of any size  
     Boat  
     Trailers  
     Buses  
     Trucks – one-ton capacity and larger  
     Unlicensed recreational off-road type vehicles

**NOTE:** Parking of the above type of vehicle is allowed in your garage, providing the garage door can be closed.

- No major, on-going vehicle maintenance is allowed in the common area.

### **EMERGENCY CONTACTS**

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FIRE OR POLICE EMERGENCIES	911
NON-EMERGENCY – POLICE OFFICER NEEDED:	831-646-3914
POLICE INFORMATION – DAY OR NIGHT:	831-646-3830
NON-EMERGENCY – COMMUNITY HOSPITAL	831-621-5311
PARKLAND OF MONTEREY MANAGEMENT	408-782-1222

It is imperative that you report ANY property vandalism (including townhome, vehicle, or common property) to the police IMMEDIATELY.

**PARK LAND OF MONTEREY, INC.**

**ARTICLE VI**

**ARCHITECTURAL CONTROL**

**6.1 Approval of Plans:** No building, fence, wall, pool, spa, obstruction, outside or exterior wiring, balcony, screen, patio, patio cover, tent, awning, carport, carport cover, trellis, improvement, or structure of any kind shall be commenced, installed, erected, painted or maintained upon the Property, nor shall any alteration or improvement of any kind be made thereto, or to the exterior of any residence, until the same has been approved in writing by the Board, or by an Architectural Control Committee appointed by the Board. Plans and specifications showing the nature, kind, shape, color, size, materials and location of such improvements, alterations, etc., shall be submitted to the Board or to the Architectural Control Committee for approval as to quality of workmanship and design and harmony of external design with existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation. No fence or wall shall be erected, placed or altered on any Lot nearer to any street than the minimum building set back line. No permission or approval shall be required to repaint in accordance with the original color scheme, or to rebuild in accordance with the original plans and specifications. No permission or approval shall be required to repaint in accordance with a color scheme previously approved by the Committee or the Board, or to rebuild in accordance with plans and specifications previously approved by the Committee or by the Board. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his residence, or to paint the interior of his residence any color desired.

**6.2 Architectural Control Committee Action:** The Architectural Control Committee shall consist of three (3) members. The Board shall have the power to appoint all of the Architectural Control Committee. Members appointed to the Architectural Control Committee by the Board shall be from the membership of the Association. A majority of the Architectural Control Committee may designate a representative to act for it. In the event of death or resignation of any member of the Committee, the successor shall be appointed by the Board. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed pursuant hereto. In the event the Committee fails to approve or disapprove plans and specifications in writing within sixty (60) days after the same have been submitted to it, approval will not be required and the related covenants shall be deemed to have been fully complied with. Approval of plans by the Committee or the Board, shall in no way make the Committee or its members or the Board or its members responsible for or liable for the improvements built after approval of the plans and the Owner whose plans are approved shall defend, indemnify and hold the Committee and the Board, and the members thereof, harmless from any and all liability arising out of such approval. Any additions or alternations approved and completed after the date of this Declaration, shall be maintained by the Owner of the Lot so improved.

**6.3 Landscaping:** No landscaping of patios or yards or portions of Lots visible from the street or from any Common Area or adjoining Lots shall be undertaken by any Owner until plans and specifications showing the nature, kind, shape, and location of the materials shall have been submitted to and approved in writing by the Architectural Control Committee, or the Board.

**6.4 Structural Integrity:** Nothing shall be done in or on any Lot or in or on the Common Area which will impair the structural integrity of any building.

**6.5 Unauthorized Architectural Changes:** Any Owner who implements a change requiring Architectural Control Committee approval per section 6.1 without prior written approval, will be subject to a \$1,000 fine, and/or injunctive relief, at the option of the Board.

**6.6 Governmental Approval:** Before commencement of any alteration or improvements approved by the Architectural Control Committee, the Owner shall comply with all appropriate governmental laws and regulations. Approval by the Committee does not satisfy the appropriate approvals that may be required by any governmental entity with appropriate jurisdiction.



# **Park Land of Monterey, Inc.**

## **REQUEST FOR ARCHITECTURAL / LANDSCAPE REVIEW**

**Homeowners are required to submit property improvement plans to the Association for review and comment prior to beginning the improvements. Application fee is \$25 payable to Common Interest Management Services. Each of the Association's homeowners is subject to these restrictions. City approvals and permits may be required but do not constitute approval of the Association.**

**NAME:** \_\_\_\_\_ **DATE:** \_\_\_\_\_  
(Please Print)

**ADDRESS:** \_\_\_\_\_ **EMAIL:** \_\_\_\_\_

**PHONE:** \_\_\_\_\_  
(Home) \_\_\_\_\_ (Work) \_\_\_\_\_ **Proposed Start Date:** \_\_\_\_\_ **Finish Date:** \_\_\_\_\_

### **CHECK ALL THE FOLLOWING IMPROVEMENT TYPES THAT APPLY TO YOUR REQUEST**

#### **HOME IMPROVEMENTS:**

- |  |   |   |   |  |
|--|---|---|---|--|
| <input type="checkbox"/> Structural Addition | <input type="checkbox"/> Gazebo/Arbor       | <input type="checkbox"/> Play structure     | <input type="checkbox"/> Storage Shed         | <input type="checkbox"/> Fence Addition  |
| <input type="checkbox"/> Deck/Patio          | <input type="checkbox"/> Greenhouse         | <input type="checkbox"/> Pool/spa           | <input type="checkbox"/> Dog run              | <input type="checkbox"/> Retaining Walls |
| <input type="checkbox"/> Trellis             | <input type="checkbox"/> Lighting additions | <input type="checkbox"/> Lighting Standards | <input type="checkbox"/> Skylights            | <input type="checkbox"/> Solar panels    |
| <input type="checkbox"/> Satellite Dish      | <input type="checkbox"/> Antennae           | <input type="checkbox"/> Windows/Doors      | <input type="checkbox"/> Gates                | <input type="checkbox"/> Painting        |
| <input type="checkbox"/> Mailbox enclosure   | <input type="checkbox"/> Sculptures         | <input type="checkbox"/> Garage doors       | <input type="checkbox"/> Lot line adjustments | <input type="checkbox"/> Other (specify) |

#### **LANDSCAPE IMPROVEMENTS:**

- |   |   |  |                                       |                                    |
|---|---|--|---------------------------------------|------------------------------------|
| <input type="checkbox"/> New Landscape    | <input type="checkbox"/> Tree addition  | <input type="checkbox"/> Tree removal    | <input type="checkbox"/> Arbors/vines | <input type="checkbox"/> Hardscape |
| <input type="checkbox"/> Landscape lights | <input type="checkbox"/> Water features | <input type="checkbox"/> Other (specify) |                                       |                                    |

☐ **FRONT YARD**

☐ **BACK YARD**

☐ **SIDE YARD**

**The Applicant is responsible for assuring that the improvements authorized by the Association are located within the Applicant's property.**

#### **IF YOU ARE ONLY SUBMITTING A REQUEST TO CHANGE THE COLOR OF YOUR HOME:**

1. Enclose paint manufacturer color samples with this application.
2. Identify which paint samples apply to body of the house, trim/fascia and trim accent colors.

#### **ALL OTHER IMPROVEMENTS:**

1. Submit your scale drawings and plot plans to: Common Interest Management Services, 16264 Church Street, Suite 102, Morgan Hill, CA or by Email to customerservice@commoninterest.com.
2. Plans which include pre-assembled structures or kits must include cut sheets or product specifications, colors, dimensions, materials and all other collateral material necessary for proper review.
3. The committee must be informed of all materials used in your improvements in sufficient detail for proper review. Where appropriate, submit samples or color photos of the material (brick, slate, wrought iron, lighting standards, etc.) The Association may ask for more information regarding your improvement during the review process. While waiting for a response from the owner the 60 day approval time frame will suspend and then resume with receipt of additional information.
4. Depending on the improvement, the Association may solicit input from your neighbors regarding your submission and consider their input as part of the review process. It is prudent that you discuss proposed changes to your home with your surrounding neighbors.
5. PLEASE NOTE: The City may require approval of certain types of improvements. You may be required to get permits and other conditions may apply. The owner is solely responsible for fulfilling any municipal requirements.

\_\_\_\_\_  
**Owner Signature**

\_\_\_\_\_  
**Date**

**NOTE: Improvement work may not commence without written approval of the Homeowners Association. Please submit plans anticipating up to 60 days for review and comment by the Architectural Committee. Unauthorized improvements are subject to removal at owner's expense.**  
Common Interest Management Services, 16264 Church Street, Suite 102, Morgan Hill, CA 95037 408-782-1222

**IMPROVEMENT APPLICATION (continued)**

**DESCRIBE YOUR IMPROVEMENT IN DETAIL:**

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**WHO IS YOUR CONTRACTOR?**

☐ I'm performing the work myself.

☐ My general contractor is: \_\_\_\_\_

☐ My landscape contractor is: \_\_\_\_\_

☐ The homeowner is the "person responsible" for damage to the Association's common areas caused by himself or by his contractor while completing these improvements. By submitting this application, I acknowledge responsibility for damage to the common areas by contractors entering the Association's property at my invitation.

**For Association Use Only:**

**Property Address:** \_\_\_\_\_

**Committee Member Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

☐ Recommend Approval as submitted: ☐ Recommend Approval with following conditions: ☐ Recommend Denial:

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**Committee Member Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

☐ Recommend Approval as submitted: ☐ Recommend Approval with following conditions: ☐ Recommend Denial:

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**Committee Member Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

☐ Recommend Approval as submitted: ☐ Recommend Approval with following conditions: ☐ Recommend Denial:

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**Management Company Instructions:**

☐ Send response to owner based on Committee input noted above.

☐ Send hearing letter regarding unauthorized installation.

☐ Notify owner to cease work.

☐ Send notice of completion

**NOTE: Improvement work may not commence without written approval of the Homeowners Association. Please submit plans anticipating up to 60 days for review and comment by the Architectural Committee. Unauthorized improvements are subject to removal at owner's expense.**

**Common Interest Management Services, 16264 Church Street, Suite 102, Morgan Hill, CA 95037 408-782-1222**