

EUCALYPTUS GROVES

FINANCIAL & BUDGET

	1998	"Projected"	1996	1995	1994
	BUDGET	1997	ACTUAL	ACTUAL	ACTUAL
-- REVENUES --					
OWNER ASSESSMENTS	\$320,052.00	\$320,052.00	\$292,509.10	\$298,785.72	\$288,110.25
OTHER INCOME	0.00	1,100.00	1,659.70	1,672.00	300,886.90
TOTAL REVENUE	\$320,052.00	\$321,152.00	\$294,168.80	\$300,457.72	\$588,997.15
-- EXPENDITURES --					
CLEANING	\$8,500.00	\$8,000.00	\$7,510.00	\$8,000.00	\$6,748.90
ELECTRIC	16,000.00	15,500.00	14,589.63	14,473.50	11,541.34
LANDSCAPING	54,000.00	51,000.00	49,610.45	49,162.80	48,784.80
LANDSCAPING SUPPLY/EXTRAS	9,000.00	5,500.00	15,916.50	7,672.10	6,047.00
MANAGEMENT	17,388.00	16,968.00	16,632.00	16,140.00	15,744.00
PAINTING	1,000.00	1,000.00	106.31	140.73	2,510.92
POOL MAINT & SUPPLIES	9,500.00	9,000.00	8,482.28	9,839.17	11,194.94
POOL HEATING (GAS)	5,500.00	5,000.00	4,451.86	4,015.57	3,799.50
REPAIRS & MAINT	65,000.00	70,000.00	79,171.71	88,813.30	71,251.72
RUBBISH REMOVAL	29,000.00	28,500.00	27,074.32	27,220.32	25,876.72
PATROL/ALARM SERVICES	2,900.00	2,800.00	1,829.60	1,908.00	1,835.00
SUPPLIES	2,500.00	2,000.00	2,735.51	4,456.80	1,274.87
WATER & SEWER	12,500.00	12,500.00	11,989.66	11,144.06	11,340.36
INSURANCE	33,000.00	32,300.00	30,724.10	27,222.90	32,786.10
ST CONTROL	900.00	5,000.00	2,294.00	70.00	619.00
PROFESSIONAL FEES	2,200.00	935.00	1,147.75	1,682.00	6,305.00
TELEPHONE (ENTRY GATE)	600.00	600.00	550.89	568.75	303.24
TAXES	4,500.00	1,612.00	5,136.00	3,991.00	1,275.00
MISCELLANEOUS	1,500.00	1,000.00	1,621.96	1,237.47	1,792.42
TOTAL	\$275,488.00	\$269,215.00	\$281,574.53	\$277,758.47	\$261,030.83
Reserve Expenditures	25,000.00	0.00	38,994.85	317,767.61	28,819.97
TOTAL EXPENDITURES	\$300,488.00	\$269,215.00	\$320,569.38	\$595,526.08	\$289,850.80
RESERVE Increase (Decrease)	19,564.00	51,937.00	(26,400.58)	(295,068.36)	299,146.35
TOTAL FUNDS NEEDED	\$320,052.00	\$321,152.00	\$294,168.80	\$300,457.72	\$588,997.15

MONTHLY FEES: In order to meet this budget, the monthly fees (assessments) will be:

(179 Units)

\$149.00 EFFECTIVE JANUARY 1, 1998

Note: Units paying fees after the 15th day of the Month, will be charged a late charge of 10% of the amount due.

SPECIAL ASSESSMENT: No special assessment is anticipated in 1998..

"Projected"				
FUNDS AVAILABLE:	Great Western	\$54,000.00		
12/31/97	Glendale Federal	91,500.00		
	1st Bank	87,000.00		
	Goleta Nat Bank	93,000.00		
	Operating Account	15,000.00	TOTAL	\$340,500.00
				=====

EUCALYPTUS GROVES (Cont)

DELINQUENCY & LIEN POLICY: Unless otherwise stated all fees and assessments (including special assessments) are due on the first day of each month, in advance, and shall be delinquent 15 days after the due date. A late charge of 10% of the delinquent fee or assessment will be charged and added to the amount due. If fees, assessments, and/or late charges are unpaid at the end of any given month, a lien will be filed against the delinquent unit for the full amount due plus applicable interest, attorney fees, lien filing costs and other costs of collection.

MAJOR REPAIRS AND REPLACEMENTS: The following cost estimates and reserve analysis is based on a reserve study which is reviewed by the Board of Directors each year to account for inflation and planning changes:

ITEM-Expected Life	EXPECTED DATE DUE	EXPECTED COST	REQUIRED IN RESERVE 12/31/97	BALANCE NEEDED	1998 ADDITIONS	PROJ. BAL. 12/31/98
Tree Trimming -3	1998	\$20,000	\$20,000	\$0	(\$20,000)	\$0
Termite Fumigation (1 Bldg) -	1998	5,000	5,000	0	(5,000)	0
Entry Telephone-14	2000	3,750	3,250	500	250	3,500
Repaint Trim/Misc-5	2000	6,000	3,600	2,400	1,200	4,800
Retile Jacuzzi-15	2000	2,500	2,100	400	210	2,310
Seal Coat/Repair Drives-4	2001	20,000	5,000	15,000	5,000	10,000
Landing/Railing Maint-15	2001	24,000	19,200	4,800	1,600	20,800
Split Rail Fence-15	2001	3,300	2,640	660	220	2,860
Pool/Spa Equipment-12	2002	7,000	4,100	2,900	580	4,680
Cabana Ext. Tile-20	2005	3,600	2,160	1,440	180	2,340
Entry Gate Operator-12	2005	4,600	1,940	2,660	380	2,320
Ext. Wood/Metal Repaint.-10	2005	168,000	33,600	134,400	16,800	50,400
Replaster Pool-12	2005	6,500	2,750	3,750	550	3,300
Wrought Iron Fence-20	2005	16,000	9,600	6,400	800	10,400
Repaving-20	2006	48,000	28,800	19,200	2,400	31,200
Repl Shingle Roofs-20	2006	172,000	103,200	68,800	8,600	111,800
Cabana Int. Tile-30	2015	3,600	1,440	2,160	120	1,560
Cabana Sauna-16	2015	8,000	6,000	2,000	500	6,500
Gutters/Downspouts-30	2015	34,000	14,200	19,800	1,100	15,300
Replace Carport Roofs-30	2015	105,000	42,000	63,000	3,500	45,500
Termite Fumigation-30	2015	60,000	24,000	36,000	2,000	26,000
Bridge Replacement-30	2019	15,000	4,000	11,000	500	4,500
Reserve Surplus (Shortage)			1,920	(1,920)	(1,926)	(6)
TOTALS		\$735,850	\$340,500	\$395,350	\$19,564	\$360,064

Ratio of actual cash reserves on hand to estimated cash reserves currently required	100.6%	Projected Ratio at Year-End	100.0%
	=====		=====

PRIOR ADR REQUIRED: Each year the association is required to disclose that before an association or member files a lawsuit to enforce the governing documents, (other than for the collection of assessments), the parties must attempt to resolve the dispute by use of Alternative Dispute Resolution. "Failure of any member of the Association to comply with the pre-filing requirements of Section 1354 of the Civil Code may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents."

EUCALYPTUS GROVES (Cont)

MINUTES AVAILABLE: Each year the Association is required to disclose that minutes for all Association or Directors' meetings are available to all owners. The cost, if any, of providing copies of the minutes is to be paid by the requester.

INSURANCE: California Civil Code Section 1365 requires an annual insurance disclosure of the Association's insurance as follows:

GENERAL LIABILITY INSURANCE:

Company: Allstate Insurance Company
Coverage: \$2,000,000 Per Occurance
Umbrella: \$1,000,000 Per Occurance

Anniversary Date: November 15th

Deductible: None

Anniversary Date: March 5th

PROPERTY INSURANCE:

Company: Allstate Insurance Company
Coverage: \$10,685,000

Anniversary Date: November 15th

Deductible: \$1,000

EARTHQUAKE INSURANCE:

Company: Allstate Insurance Company
Coverage: \$ 10,685,000

Anniversary Date: November 15th

Deductible: 10% of the Insurance Coverage

FLOOD INSURANCE: The Association has none.

This summary of the association's policies of insurance provides only certain information, as required by subdivision (e) of Section 1365 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 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 coverage.

-- NOTES --

IN 1989:

1. Phase III exterior trim was repainted at an approximate cost of \$7,000.
2. Chlorinators were installed in the pool & jacuzzi at approx. cost of \$4,200.

IN 1990:

1. Water rates tripled because of drought.
2. Drives and Parking lots were seal coated (Approx \$12,500).

IN 1991:

1. Some landscaping was converted to drip irrigation (Approx \$3,700).
2. Some Broken sidewalks were replaced (Approx \$3,425).
3. Weight room equipment was replaced (Approx \$3,200).
4. Drainage adjoining units 125, 131 & 135 was reworked (Approx \$2,345).
5. Plans were prepared for erosion control work in creekbed (Approx \$5,500).
6. Goleta Water District refunded water bill overcharges (Approx \$15,800).

EUCALYPTUS GROVES (Cont)

IN 1992:

- Pool was replastered & skimmer replaced (Approx \$4,500).
- Eucalyptus trees were trimmed (Approx \$2,250).
- Replaced sauna heater (Approx \$1,150).
- Caulked wooden joints at 7620, 7636, 7602, 7624, & 7630 (Approx \$5,400).
- Replaced sidings & repaired flashing 7638 #131 (Approx \$1,350).
- Repaired bulging siding at 7638 #367 (Approx \$1,500).
- Asphalt was seal coated (Approx \$8,000 paid in '92, bal of \$3,000 due in '93).
- Repaired dryrotted handrails & siding at 7620 (Approx \$6,650)
- Landscape was renovated at creekbed by 7632 & 7634 (Approx \$1,000).
- A reserve study was done by Purdy & Hribar (Approx \$1,775).

IN 1993:

- Siding & dryrot was repaired on units #259, 260, 204, 304, 361, 362, 257, 357, 225, 224, 220, 320, 221, 321, 222, & 232 (Approx \$65,000).
- Handrails & topcaps were painted throughout (Approx \$4,500).
- Sagging Kitchen Floor of #236 reinforced (Approx \$2,400).
- Reworked sub wiring under 7632,34,40,24,26,10,06,02,&28 (Approx \$3,000).
- Replaced utility doors at 7602 & 7606 (Approx \$2,100).
- Trimmed & deep fed all trees (Approx \$4,600).
- Installed french drain & waterproofed siding at #119 (Approx \$5,700).
- Front gates reactivated (Approx \$1,500).
- Caulked wooden joints at 7606,10,26,18,32,34,38 & 40 (Approx \$7,600).
- Pedestrian Gates Were Activated (Approx \$1,250).
- Siding & Dryrot Repaired at #223 & 333 (Approx \$1,800).
- Siding & Dryrot Repair at #205 & #305 (Approx \$7,450).

1994:

- Siding & dryrot was repaired on units #230, 330, 210, 310, 328, 323, 368, 327, 369, 208 (Approx \$46,600).
- The kitchen floor of #265 was reinforced (Approx \$2,800).
- Bridge was repaired after being damaged by falling branch (Approx \$1,900).
- Pool furniture was replaced (Approx \$1,900).
- Soil Compaction lawsuit with developer was settled.
- Soil Compaction work started (Approx \$29,000).
- Staircase siding to #372 was repaired (Approx \$1,700).

IN 1995:

- Soil Compaction repairs were made to all buildings (Approx \$221,000).
- Siding & Dryrot repaired on units #122, 123, 246, 346, 208, 104, 308, 320, 321, 325, at entry & pool area (Approx \$42,600).
- Root damage repaired in Phase 3 parking lot (Approx \$1,850).
- A reserve study was done by Kurkowski & Assoc. (Approx \$1,235).
- Longer scuppers were installed on buildings 7602, 06, 10, 28, 30, 32, 34, 36 (Approx \$7,100).
- The common decks at #304 & 305 and #308 & 309 were resurfaced (Approx \$3,350).
- Siding Materials were purchased & primed for installation (Approx \$7,600).
- Exterior of buildings was repainted (Approx \$122,000 paid in '95, bal of \$25,000 due in '96).
- Trees were trimmed in Phase One (Approx \$6,300).
- Installed french drain & waterproofed siding at #106 (Approx \$7,100).

IN 1996:

- Siding and Dryro repaired on units 106, 212, 312, 112, 202, 302, 241, 341, 128, 257, & 357 (Approx \$32,200).
- Trees were trimmed in Phase 2 & 3 (Approx \$13,600).
- Asphalt was sealcoated & carwash area was converted to a concrete pad (Approx \$12,900).
- Photo sensors were installed to replace light timers (Approx \$2,800).

EUCALYPTUS GROVES (Cont)

6: (Cont)

5. Landscape repairs necessary due to soil compaction work (Approx \$1,300).
6. Sauna heater was replaced (Approx \$1,200).
7. Elevated common walkways were repaired (Approx \$1,750).
8. Three, double post lamps were installed in Phase 3 parking lot (Approx \$9,500).
9. Balance of 1995 painting was paid (Approx \$24,500).
10. The Board determined that "Creekbed Erosion Work" for which a reserve had been established, would not be necessary in the foreseeable future and was eliminated as a reserve item.
11. Termites at 7630 #339 were eliminated using thermal treatment (Approx \$1,600).
12. Water heater at pool was replaced (Approx \$2,000).
13. Siding & Dryrot was repaired at #255 & 256 (Approx \$11,150).

IN 1997:

1. Dryrot repairs were made to balconies for units 106, 212, 306, 312, 323, (Approx \$9,300).
2. Dryrot repairs were made to siding near #258, 103, 104, 206, & 306 (Approx \$13,700).
3. Caps and rails on all buildings were caulked (Approx \$3,000).
4. Front directory refurbished and signs added (Approx \$1,500).
5. Roofs were inspected-flashings & vent pipes were sealed (Approx \$2,200).
6. Rotted sidings and caps on bridge repaired (Approx \$1,700).
7. French Drain installed near unit #112 (Approx \$2,600).
8. Exteriors and subareas of buildings were inspected for termites (Approx \$3,900).