

Plumas Eureka Villas Homeowners Association
ANNUAL DISCLOSURE NOTICE

November 14, 2024

We are pleased to annually provide you with the following information which is also available on our website at www.plumaseurekavillas.com

GENERAL NOTICE LOCATION

The notice location designated for posting of general notices is the community website at: www.Plumaseurekavillas.com. Postings will also be made at the kiosks near the cluster mailboxes (1 on Aspen Circle and 1 on W. Ponderosa).

RIGHT TO MINUTES OF THE BOARD MEETINGS

The minutes or a summary of minutes of a Board meeting, other than an executive session, shall be available to members on the community website at www.Plumaseurekavillas.com/agendas within 30 days of the meeting or via first class mail upon request (charge per page is .15)

RIGHT TO INDIVIDUAL DELIVERY: Civil Code Section 4045

(a) If a provision of this act requires "general delivery" or "general notice," the document shall be provided by one or more of the following methods:

- (1) Any method provided for delivery of an individual notice pursuant to Section 4040.
- (2) Inclusion in a billing statement, newsletter, or other document that is delivered by one of the methods provided in this section.
- (3) Posting the printed document in a prominent location that is accessible to all members, if the location has been designated for the posting of general notices by the association in the annual policy statement prepared pursuant to Section 5310.
- (4) If the association broadcasts television programming for the purpose of distributing information on association business to its members, by inclusion in the programming.
- (5) If the association maintains an internet website for the purpose of distributing information on association business to its members, by posting the notice on the association's internet website in a prominent location that is accessible to all members if designated as a location for posting general notices in the annual policy statement prepared pursuant to Section 5310.

ABILITY TO SUBMIT OFFICIAL NOTICES TO SECONDARY ADDRESS

Owners have a right to submit a secondary address to the association for the purpose of receiving (1) annual reports the Association is required to provide to owners and for (2) mailings and notices related to assessment payments, delinquencies and foreclosures at an additional address.

ARCHITECTURAL CHANGES NOTICE

Section 2.4 of the CC&Rs reads: Common Area Construction. Except as may be authorized by the Board, no person or entity other than the Association or its duly-authorized agents: (a) shall construct, reconstruct, refinish, alter, or maintain any Improvement upon the Common Area; (b) shall make or create any excavation or fill upon the Common Area; (c) shall change the natural or existing drainage of the Common Area; or (d) shall plant, remove, or destroy any seed, plant material, tree, shrub, or other vegetation upon the Common Area.

OVERNIGHT PAYMENTS

Overnight payments to the association may be sent payable to Plumas Eureka Villas Home Owners Association and addressed or hand delivered to:

Plumas Eureka Villas
C/O Cline & Associates
97 E Sierra Ave.
Portola, CA 96122

OUTSTANDING LOANS

The Association obtained a \$800,000 loan from Western Alliance Bank. The proceeds were used to complete a substantial roofing and painting project. The note is payable in 180 monthly payments of \$6,914 with an adjustable interest rate currently at 6.375 percent. The outstanding balance on December 31, 2023 was \$610,919.38

INSURANCE COVERAGE

A summary copy of your HOA insurance coverage is included with this mailing.

The 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 (.15 per page), 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.

COLLECTION POLICY

A copy of the Association Collection Policy is included with this mailing.

LIEN POLICY

A copy of the Association Lien Policy is included with this mailing.

RULES OF ENFORCEMENT POLICY

A copy of the Rules of Enforcement and Fine Schedule are included with this mailing.

DISPUTE RESOLUTIONS POLICY

Compliance with California Civil Code Sections 5925 through 5965 and Civil Code Sections 5900 through 5920 shall be required with respect to any dispute subject to such sections.

CHARGES FOR DOCUMENTS PROVIDED

A copy of the Charges for Documents Provided is included with this mailing.

RESERVE SUMMARY, FUNDING PLAN, FUNDING MECHANISM, and PROCEDURE FOR CALCULATING RESERVES

A copy is included in this mailing.

ANNUAL REQUEST FOR CONTACT INFORMATION

A copy of the Annual Request for Contact information is included with this mailing.

Annual Insurance Disclosure 2023-24

In accordance with the requirements set forth under California Civil Code 5300 (b)(9), associations must provide the following insurance summary annually. This disclosure will list the insurance your association carries through our agency.

Plumas Eureka Villas Home Owners Association, INC.

Effective: September 01, 2023 to 2024

- ***Building/Property Insurance Coverage***

Insurer: Farmers Insurance Group of Companies

Policy Limits: \$55,321,678. / Deductible: \$50,000.

- ***General Liability Insurance Coverage***

Insurer: Farmers Insurance Group of Companies

Policy Limits: \$2,000,000. Occurrence / Aggregate: \$4,000,000.

- ***Crime/Employee Dishonesty/Fidelity Bond Coverage***

Insurer: Farmers Insurance Group of Companies

Policy Limits: \$250,000. / Deductible: \$500.

- ***Directors and Officers Coverage: \$2,000,000. / Deductible: \$1,000.***

- ***Excess Liability/Umbrella Coverage: \$5,000,000. / SIR: \$0.***

- ***Workers Compensation Coverage: \$1,000,000. / \$1,000,000. / \$1,000,000.***

- ***Flood Insurance Coverage: Clubhouse: N/A Residential: N/A***

- ***Earthquake/DIC Insurance Coverage: N/A***



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.

Plumas Eureka Villas Home Owners Association, Inc.

COLLECTION & LIEN POLICY

1. Regular (Annual) assessments are due, in advance, on the first (1st) day of each assessment period and delinquent if not received, in full, by the Association within fifteen (15) days after the due date thereof. Special, Enforcement and Reimbursement Assessments are due on the date(s) specified upon imposition and each installment thereof shall be delinquent if not received by the Association within fifteen (15) days after it is due. A late charge of ten dollars (\$10.00) or 10% whichever is greater, shall be due on any such delinquent assessment.
2. At the option of the Association, interest shall be due on all such amounts, once due and unpaid for thirty (30) days, at the rate of twelve percent (12%) per annum.
3. If any portion of any such assessment, late charge, interest or cost of collection remains unpaid ninety (90) days after the original due date thereof, a letter of intent to file a Notice of Delinquent Assessment ("Lien") may be prepared and sent to the record owner(s). Please be advised that the Association has the right to collect all reasonable costs of collection.
4. All such amounts, and all other assessments and related charges thereafter due to the Association until all such amounts are paid, must be paid.
5. If all such amounts have not been received one hundred twenty (120) days after the original due date thereof, a lien may be prepared and recorded as to the delinquent property and the owner(s) thereof, and all resulting collection fees and costs will be added to the total delinquent amount.
6. 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.
7. The Association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments, exclusive of any accelerated assessments, late charges, fees, attorney fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800), or less than 12 months' delinquent.
8. For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months' delinquent, the Association may use judicial or

nonjudicial foreclosure subject to the conditions set forth in sections 5700-5740 of the civil code.

9. 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 5600-5740 of the civil code)
10. In a judicial or nonjudicial foreclosure, the Association may recover assessments, reasonable costs of collection, reasonable attorneys' fees, late charges, and interest. The Association may not use nonjudicial foreclosure to collect the fines or penalties, except for costs to repair common areas damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)
11. The Association must comply with the requirements of Section 5650-5675 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 corrections in order to satisfy the requirements are the responsibility of the Association. (Section 5690 of the Civil Code).
12. 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, a notice that the owner is entitled to ask to meet with the Board of Directors or its representative pursuant to the Association's internal dispute resolution "meet and confer" program, a notice that the owner may request alternative dispute resolution, and all information required by the Civil Code.. It must also provide an itemized statement of charges owed by the owner. An owner has a right to review the Association's records to verify the debt. (Section 5650-5675 of the Civil Code)
13. The decision to record a lien for delinquent assessments shall be made only by the Board of Directors in open meeting by majority vote and recorded in the meeting minutes.
14. The decision to initiate foreclosure of a lien for delinquent assessments shall be made only by the Board of Directors. The Board shall approve the decision by a majority vote of the Board members in an executive session. The Board shall record the vote in the minutes of the next Board meeting of the Board, open to all members. The Board shall maintain the confidentiality of the owner's by identifying the matter in the minutes by the parcel number of the property or account number, rather than by the name of the owner(s). A Board vote to approve foreclosure of a lien shall take place at least 30 days prior to any public sale. At some point in time prior to initiating foreclosure, the Board of Directors shall offer the owner and, if so requested by the owner, shall participate in

dispute resolution pursuant to the Association's "meet and confer" program or alternative dispute resolution with a neutral third party. The decision to pursue dispute resolution shall be the choice of the owner, except that binding arbitration shall not be available if the Association intends to initiate a judicial foreclosure.

15. If the Board of Directors votes to foreclose, the Board of Directors shall provide notice of its decision by personal service to an owner who occupies the separate interest or to the owner's legal representative. If the owner does not occupy the separate interest, said notice will be sent by first-class mail, postage prepaid, to the most current address shown on the books of the Association. In the absence of written notification by the owner to the Association, the address of the owner's separate interest may be treated as the owner's mailing address. In addition, statutory procedures including recorded notices regarding foreclosure and sale will be accomplished.
16. A non-judicial foreclosure shall be subject to a right of redemption. The redemption period shall end 90 days after the sale.
17. 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).
18. 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.
19. All payments received by the Association, regardless of the amount paid, will be directed to the oldest assessment balances first, until which time all assessment balances are paid, and then to late charges, interests and costs of collection unless otherwise specified by written agreement.
20. The Association shall charge a "returned check charge" of twenty-five dollars (\$25.00) for all checks returned as "non-negotiable," "insufficient funds," or any other reason.
21. All above referenced notices will be mailed to the record owner(s) at the last mailing address provided in writing to the Association by such owner(s).
22. A member may provide written notice to the Association of a secondary address. If a secondary address is provided, the Association shall send all correspondence and legal notices to both the primary and secondary addresses.
23. The mailing address for overnight payment of assessments is 97 E Sierra Ave, Portola, CA 96122.

24. The Board of Directors of the Association may revise this policy, either generally or on a case by case basis, if it finds good cause to do so.

PAYMENTS

1. When an owner makes a payment, he or she may request a receipt, and the Association is required to provide it. On the receipt, the Association must indicate the date of payment and the person who received it. The Association must inform owners of a mailing address for overnight payments (see above). (Section 5655 of the Civil Code).
2. 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.
3. 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.
4. 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 5865 of the Civil Code).

MEETINGS AND PAYMENT PLANS

1. An owner of a separate 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 exists. (Section 5665 of the Civil Code).
2. The Association must inform owners of the standards for payment plans, if any exist. (Section 5665 of the Civil Code).
3. The Board of Directors must meet with an owner who makes a proper written request or a meeting to discuss a payment plan when the owner has received a notice of delinquent assessment. These payment plans must conform to the payment plan standards of the Association, if they exist. (Section 5665 of the Civil Code).

PLUMAS EUREKA VILLAS HOME OWNERS ASSOCIATION, INC.

GOVERNING DOCUMENT ENFORCEMENT AND FINE POLICY

Disciplinary proceedings may be initiated upon the receipt of a written complaint ("Complaint") from any Member or resident ("Complainant") to the Board or its designated managing agent. Anonymous Complaints will not be acted upon unless such Complaints can be independently verified, such as by a visual inspection of a Member's property. The Complaint should contain as many specific and supporting facts as are available, such as time, date, location, person(s) involved, and other relevant details so that the Complaint may be evaluated and investigated by the Board. Complaints initiated by a member of the Board of Directors or management may be in any form.

The purpose of this policy and all other rules of the Association are to maintain and enhance the quality, value, and quiet enjoyment at Plumas Eureka Villas. Accordingly, everyone must adhere to the rules. Owners are responsible for their tenant's, contractor's, agent's and guest's conduct. The Association may enforce this policy and the rules by legal action if necessary.

Notwithstanding the terms of this Enforcement and Fine Policy, in the event the Board determines that action not set forth in this Enforcement and Fine Policy or action that varies from this Enforcement and Fine Policy is necessary, the Board may take such action and shall not be bound by this Enforcement and Fine Policy. The purpose of this Enforcement and Fine Policy is to provide the Board of Directors with guidance in consistent and uniform enforcement of the Association's governing documents, but is not intended to limit the Board's authority to enforce the governing documents as permitted under California law. If the sending of notices, imposition of fines, suspension of membership privileges or towing of vehicles does not or would not result in corrective action by the non-compliant resident, or if immediate enforcement action by the Board is required, the Board may proceed with requesting alternative dispute resolution and/or proceeding with filing a lawsuit in small claims or superior court without taking all of the steps set forth in this Enforcement and Fine Policy. In taking any enforcement action, whether under this Enforcement and Fine Policy or otherwise, the Board shall comply with all applicable laws and the terms of the Association's governing documents.

First Notice

Upon the submission of the Complaint, to the extent the Board deems appropriate, the Board shall send a written warning letter ("First Notice") to the allegedly non-complaint Member ("Respondent"), summarizing the Complaint and requesting compliance with the Association's governing documents. Such First Notice shall be sent by first-class mail to the Respondent. No penalty shall be assessed to the Respondent in this First Notice. If compliance occurs as a result of sending this First Notice, the Board need take no further action on the Complaint. The Respondent shall have the right to provide information and/or evidence denying the existence of a violation and, if the Board agrees, the notice will be withdrawn.

Second Notice

If the violation described in the First Notice is not corrected within a reasonable time (as determined by the Board), or if the violation is repeated, a second notification letter will be sent to the Respondent ("Second Notice"). The Second Notice will advise the Respondent that a hearing before the Board of Directors will be held. The Second Notice will provide a general summary of the allegations in the Complaint, including the applicable section(s) of the Association's governing documents allegedly being violated; the date, time, and location of the hearing; a statement that the Respondent may attend the hearing and address the Board; and may also contain the penalties that may be assessed at the hearing. The Board shall fix a hearing date and mail the Second Notice to the Respondent at least ten (10) days prior to the date of the hearing. The Second Notice shall be sent by first-class mail.

Whether or not the Respondent wishes to attend the hearing, he or she may deliver to the Board a written statement, setting forth the Respondent's answer to the allegations in the Complaint, at least seventy-two (72) hours prior to the hearing.

Hearing

All hearings shall be held in executive session in order to protect the privacy of the Respondent, but may be held in an open meeting at the request of the Respondent. If held in executive session, the Respondent and the Complainant shall be permitted to attend. The Board is entitled to exercise its discretion as to the specific manner in which the hearing will be conducted.

Should the Respondent fail to appear at the hearing and fail to submit a written statement in defense of the allegations, the Board may hold the hearing in his or her absence and make a decision based upon the evidence before it.

Decision

After all evidence and/or representations have been presented to the Board, the Board shall vote upon the matter. The decision may be made at the conclusion of the hearing, or may be postponed to no later than fifteen (15) days thereafter. A written decision shall be mailed to the Respondent as soon as practicable thereafter, but in no event more than fifteen (15) days after the hearing. Disciplinary action, if any is imposed, and unless otherwise ordered by the Board, shall become effective no fewer than five (5) days after the Board's decision is mailed to the Respondent by first-class mail. All decisions of the Board shall be final unless the Board, in its sole discretion, agrees to rehear the matter due to the availability of new evidence or information of an overriding nature. All requests for rehearing must be made by the Respondent and received by the Board within thirty (30) days of the date of the notice of the Board's decision, and must include a summary of the new evidence to be presented or the reasons why the Board's previous decision should be overturned.

Fine Schedule, Suspension of Privileges and Towing of Vehicles

The following fine schedule shall apply where the Board finds a violation has occurred and, in its sole discretion, determines to assess a fine:

1st Offense	Up to a \$100.00 maximum fine
2nd Offense	Up to a \$200.00 maximum fine
3rd & Subsequent Offenses	Up to a \$300.00 maximum fine

Violations of an ongoing nature may be fined on a daily basis. If daily fines are imposed, they shall not exceed \$50.00 per day.

The fines listed above are maximum amounts per violation, and are in addition to any actual costs, damages, or expenses, including attorneys' fees, incurred by the Association in obtaining compliance with the Association's governing documents. If circumstances warrant, the Board may suspend imposition of all or any portion of a fine for up to one (1) year from the date of the hearing.

In addition to assessment of a fine, the Board may suspend the Respondent's voting rights and membership privileges, and may tow vehicles for parking violations as outlined in the Association's governing documents.

Violations that Require Maintenance

There are violations which may result in the Association performing maintenance or repairs. In the case of violations which create an imminent health or safety hazard, the Association may send a notice of violation to the Member requesting that the Member correct the violation immediately. Otherwise, the Association may send a notice of violation to the Member requesting that the Member correct the violation within thirty (30) days. If the Member fails to correct the violation within thirty (30) days,, the Association may call the Member to a hearing upon at least fifteen (15) days written notice and after such hearing:

- a. Perform the maintenance or repairs;
- b. Charge the Member for the maintenance or repair cost as a Reimbursement Assessment; and
- c. Impose fines and costs of maintenance as set forth above or other discipline as set forth in the Association's governing documents.

In the event of an emergency, the Association may immediately perform the maintenance or repairs, and then call the Member to a hearing to impose fines and costs.

Rules Committee

Any of the rights, duties, and actions outlined in this policy permitted or required to be performed by the Board, may, at the discretion of the Board, be delegated to a rules committee, or other authorized agent.

Plumas Eureka Villas Home Owners Association
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 buyer, 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.

Owner's Mailing Address (If known or different from property address.):

Provider of the [Section 4525](#) Items:

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), or Directly Provided by Seller and confirmed in writing by Seller as a current document (DP)
Articles of Incorporation or statement that not incorporated	Section 4525(a)(1)	.15 per page or available free of charge at www.Plumaseurekavillas.com	
CC&Rs	Section 4525(a)(1)		
Bylaws	Section 4525(a)(1)		
Operating Rules	Section 4525(a)(1)		See CC&Rs
Age restrictions, if any	Section 4525(a)(2)		See CC&Rs
Rental restrictions, if any	Section 4525(a)(9)		See CC&Rs
Annual budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)		
Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)		
Financial statement review	Sections 5305 and 4525(a)(3)		
Assessment enforcement policy	Sections 5310 and 4525(a)(4)		
Insurance summary	Sections 5300 and 4525(a)(3)		
Regular assessment	Section 4525(a)(4)		
Special assessment	Section 4525(a)(4)		
Emergency assessment	Section 4525(a)(4)		
Other unpaid obligations of seller	Sections 5675 and 4525(a)(4)		
Approved changes to assessments	Sections 5300 and 4525(a)(4), (8)		
Settlement notice regarding common area defects	Sections 4525(a)(6), (7), and 6100		N/A
Preliminary list of defects	Sections 4525(a)(6) , 6000 , and 6100		N/A
Notice(s) of violation	Sections 5855 and 4525(a)(5)		N/A
Required statement of fees	Section 4525		
Minutes of regular board meetings conducted over the previous 12 months, if requested	Section 4525(a)(10)	.15 per page	

Total fees for these documents:

* 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](#) may be charged separately.



RESERVE STUDY

Member Distribution Materials

Plumas Eureka Villas 6

Update w/o Site Visit Review

2021 Update

Published - September 14, 2021

Prepared for the 2022 Fiscal Year

Section	Report	Page
California:	Member Summary	1
	Assessment and Reserve Funding Disclosure Summary	3
Section III:	30 Year Reserve Funding Plan	6
	Cash Flow Method {c}	

Professionally managed by
Cline & Associates
(530) 832-0733

Browning Reserve Group
www.BrowningRG.com

September 14, 2021

This is a summary of the Reserve Study that has been performed for Plumas Eureka Villas 6, (the "Association"). This study was conducted in compliance with California *Civil Code Sections 5300, 5550 and 5560* and is being provided to you, as a member of the Association, as required under these statutes. A full copy is available (through the Association) for review by members of the Association.

The intention of the Reserve Study is to forecast the Association's ability to repair or replace major components as they wear out in future years. This is done utilizing the "Cash Flow Method." This is a method of developing a reserve funding plan where the contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund.

Browning Reserve Group prepared this Update w/o Site Visit Review for the January 1, 2022 - December 31, 2022 fiscal year.

Plumas Eureka Villas 6 is a Condominium with a total of 110 Units.

The Reserve Study is not an engineering report, and no destructive testing was performed. The costs outlined in the study are for budgetary and planning purposes only, and actual bid costs would depend upon the defined scope of work at the time repairs are made. Also, any latent defects are excluded from this report.

Funding Assessment

Based on the 30 year cash flow projection, the Association's reserves appear adequately funded as the reserve fund ending balances remain positive throughout the replacement of all major components during the next 30 years.

California statute imposes no reserve funding level requirements nor does it address funding level adequacy, and although one or more of the reserve fund percentages expressed in this report may be less than one hundred percent, those percentages do not necessarily indicate that the Association's reserves are inadequately funded.

Plumas Eureka Villas 6
California Member Summary
2021 Update
Prepared for the 2022 Fiscal Year

<i>Reserve Component</i>	<i>Current Replacement Cost</i>	<i>Useful Life</i>	<i>Remaining Life</i>	<i>2021 Fully Funded Balance</i>	<i>2022 Fully Funded Balance</i>	<i>2022 Line Item Contribution based on Cash Flow Method</i>
01000 - Paving	407,842	1-20	0-6	262,564	292,684	20,038
02000 - Concrete	20,000	2-2	1-1	10,000	20,500	5,775
03000 - Painting: Exterior	85,438	1-2	0-1	62,214	47,609	13,412
04500 - Decking/Balconies	578,863	2-40	0-34	118,005	168,417	40,539
05000 - Roofing	1,146,460	25-25	21-21	114,646	164,517	45,053
29000 - Infrastructure	34,025	30-30	28-28	2,268	3,488	1,276
30000 - Miscellaneous	81,170	5-15	1-11	56,175	64,482	4,180
31000 - Reserve Study	2,600	3-3	1-1	1,733	2,665	501
Totals	\$2,356,398			\$627,606	\$764,361	\$130,774
Estimated Ending Balance				\$156,260	\$120,338	\$99.07
Percent Funded				24.9%	15.7%	/Unit/month @ 110

September 14, 2021

(1) The regular assessment per ownership interest is _____ per month for the fiscal year beginning January 1, 2022.

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ____ of the attached summary.

(2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date assessment will be due:	Amount per ownership interest per month or year (if assessments are variable, see note immediately below):	Purpose of the assessment:
N/A	\$0.00	N/A
Total:	\$0.00	

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ____ of the attached report.

(3) Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years?

Yes ☒ No ☐

This disclosure has been prepared by Browning Reserve Group and has been reviewed and approved by the association's board of directors based upon the best information available to the association at the time of its preparation. The accuracy of this information over the next 30 years will be dependent upon circumstances which are impossible to predict with specificity, and will require future action to adjust assessments over the period in accordance with the current projections and future developments.

(4) If the answer to (3) is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board or the members

Approximate date assessment will be due:	Amount per ownership interest per month or year:
N/A	N/A

(5) All major components are included in the reserve study and are included in its calculations. See next page §5300(b)(4), for any major component exclusions.

(6) Based on the method of calculation in paragraph (4) of the subdivision (b) of section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$627,606, based in whole or in part on the last reserve study or update prepared by Browning Reserve Group as of September, 2021. The projected reserve fund cash balance at the end of the current fiscal year is \$156,260 resulting in reserves being 24.9% percent funded at this date. Civil code section 5570 does not require the board to fund reserves in accordance with this calculation.

An alternate and generally accepted method of calculation has been utilized to determine future reserve contribution amounts. The reserve contribution for the next fiscal year has been determined using the Cash Flow method of calculation (see section III, Reserve Fund Balance Forecast). This is a method of developing a reserve funding plan where the contributions to the reserve fund are designated to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is presented in column (b) 'Fully Funded Balance' in the table immediately below; and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is presented in column (c) 'Reserve Ending Balance'; leaving the reserve at percent funding as presented in column (d) 'Percent Funded' in each of the respective years.

Fiscal Year (a)	Fully Funded Balance (b)	Reserve Ending Balance (c)	Percent Funded (d)
2022	\$764,361	\$120,338	15.7%
2023	\$807,619	\$122,393	15.2%
2024	\$842,971	\$227,690	27.0%
2025	\$974,986	\$333,236	34.2%
2026	\$1,098,376	\$395,108	36.0%

If the reserve funding plan approved by the association is implemented, the projected fund cash balance in each of those years will be the amounts presented in column (c) 'Reserve Ending Balance' in the table immediately above, leaving the reserve at percent funding as presented in column (d) 'Percent Funded' in each of the respective years.

NOTE: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, 2.50% per year was the assumed long-term inflation rate, and 2.25% per year was the assumed long-term interest rate.

Additional Disclosures

§5565(d) The current deficiency in reserve funding as of December 31, 2022 is \$5,855 per ownership interest (average).

This is calculated as the current estimate of the amount of cash reserves necessary as of the end of the fiscal year for which the study is prepared, less, the amount of accumulated cash reserves actually (Projected to be) set aside to repair, replace, restore, or maintain the major components.

Deficiency =
$$\frac{2022 \text{ Fully Funded Balance} - 2022 \text{ Reserve Ending Balance}}{\text{Ownership Interest Quantity}}$$

§5300(b)(4) The current board of directors of the association has not deferred or determined to not undertake repairs or replacements over the next 30 years.

Major Component:	Justification for Deferral:
N/A	N/A

§5300(b)(5) The board of directors as of the date of the study does not anticipate the levy of a special assessment for the repair, replacement, or restoration of the major components.

30 Year Reserve Funding Plan Cash Flow Method

2021 Update

Prepared for the 2022 Fiscal Year

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Beginning Balance	121,266	156,260	120,338	122,393	227,690	333,236	395,108	134,848	283,034	430,034
Inflated Expenditures @ 2.5%	72,712	169,774	164,113	75,143	91,363	152,154	488,553	86,035	97,679	87,143
Reserve Contribution	104,619	130,774	163,468 ¹	176,545	190,669	205,923	222,397	229,572	236,747	243,922
<i>Units/month @ 110</i>	79.26	99.07	123.84	133.75	144.45	156.00	168.48	173.92	179.35	184.79
<i>Percentage Increase</i>		25.0%	25.0%	8.0%	8.0%	8.0%	8.0%	3.2%	3.1%	3.0%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.25%	3,087	3,077	2,700	3,895	6,240	8,103	5,896	4,649	7,933	11,440
Ending Balance	156,260	120,338	122,393	227,690	333,236	395,108	134,848	283,034	430,034	598,253

1) Large reserve contribution increases in 2022 and 2023 are necessary to remain above threshold and complete reserve projects.

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Beginning Balance	598,253	758,491	914,309	1,010,424	1,193,684	1,326,709	1,511,591	1,642,942	1,842,608	2,034,082
Inflated Expenditures @ 2.5%	105,953	121,064	190,744	113,883	174,811	133,665	197,890	140,432	160,151	250,269
Reserve Contribution	251,097	258,272	265,447	272,622	279,797	286,972	294,147	301,322	308,497	315,672
<i>Units/month @ 110</i>	190.23	195.66	201.10	206.53	211.97	217.40	222.84	228.27	233.71	239.15
<i>Percentage Increase</i>	2.9%	2.9%	2.8%	2.7%	2.6%	2.6%	2.5%	2.4%	2.4%	2.3%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.25%	15,094	18,610	21,412	24,520	28,039	31,576	35,094	38,776	43,128	46,503
Ending Balance	758,491	914,309	1,010,424	1,193,684	1,326,709	1,511,591	1,642,942	1,842,608	2,034,082	2,145,988

	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Beginning Balance	2,145,988	2,345,554	2,120,530	1,866,156	1,586,810	1,307,139	1,544,424	980,719	1,242,612	1,419,291
Inflated Expenditures @ 2.5%	173,248	604,730	635,923	662,131	663,414	153,160	957,694	135,914	233,181	142,794
Reserve Contribution	322,847	330,022	337,197	344,372	351,547	358,722	365,897	373,072	380,247	387,422
<i>Units/month @ 110</i>	244.58	250.02	255.45	260.89	266.32	271.76	277.19	282.63	288.07	293.50
<i>Percentage Increase</i>	2.3%	2.2%	2.2%	2.1%	2.1%	2.0%	2.0%	2.0%	1.9%	1.9%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.25%	49,968	49,685	44,351	38,414	32,195	31,723	28,092	24,734	29,613	34,686
Ending Balance	2,345,554	2,120,530	1,866,156	1,586,810	1,307,139	1,544,424	980,719	1,242,612	1,419,291	1,698,605