

Reserve Study Transmittal Letter

Date: June 29, 2026
To: Joleen Cline, Cline & Associates
From: Browning Reserve Group, a division of Reserve Advisors, LLC (BRG)

Re: Plumas Eureka Villas 6; Update w/ Site Visit Review
Third Draft

Attached, please find the reserve study for Plumas Eureka Villas 6. To assist in your understanding of the study, and to highlight key information you may need quickly, we have listed below some of the important information contained in the study. At BRG our goal is to bring clarity from complexity, so should you have any questions, please do not hesitate to contact us anytime.

1. Where do I find the recommended reserve contribution for the 2027 budget?

This is found in *Section III, "30 Year Reserve Funding Plan, Cash Flow Method."* **\$131,600** is the annual amount. Directly under the annual amount is the amount per ownership interest, per month, or other period, as applicable. **\$99.70 /Unit/month @ 110.** For any other funding related issues, if any, see *Section III, "30 Year Reserve Funding Plan, Cash Flow Method."*

2. Where do I find the status of the reserve fund, based on the Percent Funded calculation?

This is found for the 30-year term of the study in *Section IV, "30 Year Reserve Funding Plan, Including Fully Funded Balance and % Funded."* For the year for which the study was prepared, 2027, the Association is **28.9%** funded.

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. 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.

3. Where do I find the assumptions for interest and inflation factors?

While this information is in various places in the study, it can always be found in *Section III, "30 Year Reserve Funding Plan, Cash Flow Method."* For this study the assumption is **2.50%** for the interest rate and **2.50%** for the inflation factor. Please be advised these rates estimate the values that will stand the test of time over the 30-year term of the study, not simply only next year.

4. What pages from the reserve study get mailed to the members (homeowners)?

Please see the last section of the reserve study, "Member Distribution Materials." These are the last six pages (or more) of the study which can be removed, and copied, for distribution to the membership with the budget packet. This packet includes all state mandated disclosures related to the reserves and the reserve study. **This section of the study is a stand-alone packet with its own cover and table of contents.**

5. What are the next steps?

This study meets the CA Civil Code Requirements for a site visit study every three years. The next site visit study will be due in three years. For the intervening two years, BRG proposes doing an Update Without Site Visit Study during the next two years at a nominal cost which will include the preparation of a reserve study and required disclosures including the "California Assessment and Reserve Funding Disclosure Summary," which under law, must be presented to the association members each year.

Please read the two helpful sections entitled "Glossary" and "Notes to the Auditor." The glossary explains common reserve study terms as well as BRG specific terminology. The Notes to the Auditor while intended to assist the auditor, has useful information for the casual reader on how year zero, (2026) the current fiscal year is dealt with in the study.

Thank you for the opportunity to work with the Plumas Eureka Villas 6 on this study.



RESERVE STUDY

Update w/ Site Visit Review

Plumas Eureka Villas 6

Third Draft

Published - June 29, 2026

Prepared for the 2027 Fiscal Year

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Plumas Eureka Villas 6

Third Draft

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Member Distribution Materials

The following Reserve Study sections, located at the end of the report, should be provided to each member.

<i>Section</i>	<i>Report</i>	
<i>California:</i>	Member Summary	44
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Reserve Study Summary

A Reserve Study was conducted of Plumas Eureka Villas 6 (the "**Association**") which is a Condominium with a total of 110 Units. An **Update With Site-Visit Review** is a reserve study update in which the following tasks are performed:

- development of a reserve component inventory (verification only, not quantification);
- condition assessment based upon on-site visual observation;
- life and valuation estimates;
- fund status;
- and a funding plan.

Physical Inspection

Browning Reserve Group, a division of Reserve Advisors, LLC ("**BRG**") conducted a physical inspection of the Association. The inspection encompassed those major components that the Association is required to maintain. For this study components are determined to be major components if:

1. As of the date of the study, they have a remaining useful life of less than 30 years, and a value greater than \$1,000.
2. Such additional components, if any, determined by the Board of Directors.

During the inspection, BRG utilized the services of our own construction cost estimator. In addition, independent contractors were retained to render opinions on selected components as indicated in Section VI, Included Component Listing.

Supplemental information to the physical inspection may have been obtained from the following sources:

1. Project plans where available.
2. Maintenance records of the reserve components where available.
3. Association board members, management and staff.

Summary of Reserves

For the first year of the Reserve Study, the reserve contribution is based upon the existing budget unless otherwise noted in "*Section III, Reserve Funding Plan*." In addition BRG relied on the Association to provide an accurate Beginning Reserve Balance.

The status of the Association's reserves, as reflected in the following Reserve Study, is as follows:

1. The Expenditure Forecast of the following Reserve Study identifies the major components which the Association is obligated to repair, replace, restore or maintain, as determined in accordance with the criteria specified above, and specifies for each such component:
 - a. Its current estimated replacement cost;
 - b. Its estimated useful life; and
 - c. Its estimated remaining useful life.
2. It is estimated that the total cash reserves necessary to repair, replace, restore or maintain such major components (in the aggregate) during and at the end of their first remaining useful life is \$977,567.
 - [For purposes of this calculation, "necessary" is defined as the Fully Funded Balance (FFB) (Component Current Cost X Effective Age / Useful Life, including a provision for interest and inflation in future years.)]
3. The current amount of accumulated cash reserves actually set aside to repair, replace, restore, or maintain such major components as of the fiscal year ending December 31, 2027 is estimated to be \$282,470, constituting 28.9% of the total expenditures anticipated for all such major components through their first end of useful life replacement.
4. Based upon the schedule of annual reserve contributions necessary to defray the cost of repairing, replacing, restoring or maintaining such major components in the years such expenditures are estimated to be required, it is estimated that annual reserve contributions in the initial amount of \$131,600 [*\$99.70 per Unit per month (average)*] for the fiscal year ending December 31, 2027 (the first full fiscal year following first distribution of this report) will be necessary in order to meet all such reserve expenditures when they are projected to come due.

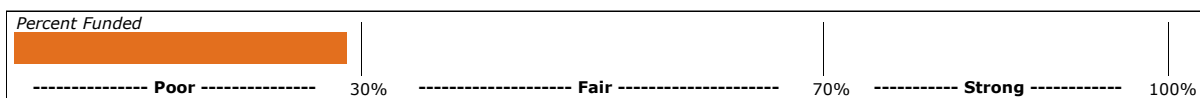
Funding Assessment

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. 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.

Percent Funded Status

Based on paragraphs 1 - 3 above, the Association is 28.9% funded. The following scale can be used as a measure to determine the Association's financial picture whereas the lower the percentage, the higher the likelihood of the Association requiring a special assessment, or other large increases to the reserve contribution in the future.



Methodology

The above recommended reserve contribution for the next fiscal year (and future fiscal years as outlined in *Section III, Reserve Fund Balance Forecast*) was developed using 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. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Funding Goals

The funding goal employed for Plumas Eureka Villas 6 is

Threshold Funding: Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than "Fully Funding."

Limitations

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. 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.

Statutory Disclosures

Compliance

The Reserve Study was conducted pursuant to *Sections 5300 and 5550* of the California Civil Code.

Open Meeting

California *Civil Code Section 5560* says (in part):

The (Reserve Funding) plan shall be adopted by the board of directors at an open meeting before the membership of the association as described in *Article 2 (commencing with Section 4900) of Chapter 6*. If the board of directors determines that an assessment increase is necessary to fund the reserve funding plan, any increase shall be approved in a separate action of the board that is consistent with the procedure described in *Section 5605*.

Exterior Elevated Elements (Balconies, Landings, Stairs, Etc.)

California *Civil Code Section 5551* requires that exterior elevated wood structures be inspected by a licensed structural engineer or architect every nine years and that inspection results be incorporated within the Reserve Study. It is the Association's responsibility to have these inspections performed and to forward the inspection results to the reserve provider.

Supplemental Disclosures

General:

BRG has no other involvement(s) with the Association which could result in actual or perceived conflicts of interest.

Personnel Credentials:

BRG's founder, Robert Browning, holds the Reserve Specialist (RS #46) and Professional Community Association Manager (PCAM #723) designations from the Community Associations Institute (CAI).

Completeness:

BRG has found no material issues which, if not disclosed, would cause a distortion of the Association's situation.

Reliance on Client Data:

Information provided by the official representative of the Association regarding financial, physical, quantity, or historical issues will be deemed reliable by BRG.

Scope:

This Reserve Study is a reflection of information provided to BRG and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, health and safety inspection, or background checks of historical records.

Reserve Balance:

The actual beginning reserve fund balance in this Reserve Study is based upon information provided and was not audited.

Reserve Projects:

Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit, quality inspection, or health and safety review.

Component Quantities:

The Association warrants the previously developed component quantities are accurate and reliable.



Browning Reserve Group, a division of Reserve Advisors, LLC

Reserve Component	Current Replacement Cost	Life Useful / Remaining	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
01000 - Paving																	
120 - Asphalt: State Spec. Slurry 139,649 sf Drives	76,434	7 7								90,856							108,000
200 - Asphalt: Ongoing Repairs Drives	6,700	2 1		6,868		7,215		7,580		7,964		8,367		8,791		9,236	
280 - Asphalt: Crackfill Drives	4,100	1 1		4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995	5,120	5,248	5,380	5,514	5,652	5,793
300 - Asphalt: Overlay w/ Interlayer 139,649 sf Drives	418,947	21 7								497,996							
Total 01000 - Paving	506,181			11,070	4,308	11,630	4,526	12,219	4,755	601,690	4,995	13,488	5,248	14,171	5,514	14,888	113,793
02000 - Concrete																	
220 - Walkways Walkways	24,800	2 1		25,420		26,707		28,059		29,479		30,972		32,540		34,187	
Total 02000 - Concrete	24,800			25,420		26,707		28,059		29,479		30,972		32,540		34,187	
03000 - Painting: Exterior																	
140 - Surface Restoration 53 All Units (11%)	57,579	1 0	57,579	59,018	60,494	62,006	63,556	65,145	66,774	68,443	70,154	71,908	73,706	75,548	77,437	79,373	81,357
Total 03000 - Painting: Exterior	57,579		57,579	59,018	60,494	62,006	63,556	65,145	66,774	68,443	70,154	71,908	73,706	75,548	77,437	79,373	81,357
04500 - Decking/Balconies																	
100 - TBA 30,250 sf [180] All Decks & Railing Structural[se:7]	354,880	40 29															
104 - TBA [180] Railing Conversion[se:9]	144,000	20 0	16,000	16,400	16,810	17,230	17,661	18,103	18,555	19,019	19,494						
Total 04500 - Decking/Balconies	498,880		16,000	16,400	16,810	17,230	17,661	18,103	18,555	19,019	19,494						
05000 - Roofing																	
440 - Pitched: Dimensional Composition 3,017 Squares- Buildings[se:4]	1,421,194	25 20															
Total 05000 - Roofing	1,421,194																
18000 - Landscaping																	
460 - Defensible Space Tree Removals	20,000	2 1		20,500		21,538		22,628		23,774		24,977		26,242		27,570	
Total 18000 - Landscaping	20,000			20,500		21,538		22,628		23,774		24,977		26,242		27,570	
29000 - Infrastructure																	
900 - Miscellaneous Drainage/Culverts	42,180	30 23															
Total 29000 - Infrastructure	42,180																
30000 - Miscellaneous																	
800 - Maintenance Truck Ford Pickup- 2024	51,770	15 13														71,366	

Reserve Component	Current Replacement Cost	Life Useful / Remaining	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
810 - Maintenance Equipment 2011- Walker Lawn Mower/ Snow Blower	23,350	12 2			24,532												32,993
820 - Maintenance Equipment 2020- Walker Lawn Mower/ Snow Blower	23,350	12 6							27,079								
840 - Maintenance Equipment Street Blower Attachment	2,727	12 2			2,865												3,853
850 - Maintenance Equipment 2009 Kawasaki Mule Utility Vehicle	12,688	12 2			13,330												17,927
851 - Maintenance Equipment UltraMount2 Snow Plow	12,550	12 10											16,065				
855 - Maintenance Equipment Mower Aerator Attachment	4,300	12 10											5,504				
870 - Trailer Cargocraft Trailer	3,800	15 2			3,992												
874 - Trailer Dump Trailer	13,855	15 11												18,179			
990 - Utilities Common Area	4,530	5 1		4,643					5,253					5,944			
Total 30000 - Miscellaneous	152,920			4,643	44,720				32,332				21,569	24,123		71,366	54,774
31000 - Reserve Study																	
100 - 3 Year Update with Site Visit Reserve Study	1,950	3 0	1,950			2,100			2,261			2,435			2,623		
Total 31000 - Reserve Study	1,950		1,950			2,100			2,261			2,435			2,623		
Total Expenditures Inflated @ 2.50%			75,529	137,051	126,331	141,211	85,743	146,154	124,677	742,405	94,644	143,780	100,523	172,623	85,573	227,384	249,924
Total Current Replacement Cost	2,725,684																

Reserve Component	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
01000 - Paving															
120 - Asphalt: State Spec. Slurry 139,649 sf Drives						128,378							152,601		
200 - Asphalt: Ongoing Repairs Drives	9,704		10,195		10,711		11,253		11,823		12,421		13,050		13,711
280 - Asphalt: Crackfill Drives	5,938	6,086	6,239	6,395	6,554	6,718	6,886	7,058	7,235	7,416	7,601	7,791	7,986	8,186	8,390
300 - Asphalt: Overlay w/ Interlayer 139,649 sf Drives														836,426	
Total 01000 - Paving	15,642	6,086	16,433	6,395	17,265	6,718	146,517	7,058	19,058	7,416	20,023	7,791	21,036	997,212	22,101
02000 - Concrete															
220 - Walkways Walkways	35,918		37,736		39,647		41,654		43,762		45,978		48,305		50,751
Total 02000 - Concrete	35,918		37,736		39,647		41,654		43,762		45,978		48,305		50,751
03000 - Painting: Exterior															
140 - Surface Restoration 53 All Units (11%)	83,391	85,476	87,613	89,803	92,048	94,349	96,708	99,126	101,604	104,144	106,748	109,416	112,152	114,955	117,829
Total 03000 - Painting: Exterior	83,391	85,476	87,613	89,803	92,048	94,349	96,708	99,126	101,604	104,144	106,748	109,416	112,152	114,955	117,829
04500 - Decking/Balconies															
100 - TBA 30,250 sf [180] All Decks & Railing Structural[se:7]															103,747
104 - TBA [180] Railing Conversion[se:9]						26,218	26,873	27,545	28,234	28,940	29,663	30,405	31,165	31,944	
Total 04500 - Decking/Balconies						26,218	26,873	27,545	28,234	28,940	29,663	30,405	31,165	31,944	103,747
05000 - Roofing															
440 - Pitched: Dimensional Composition 3,017 Squares- Buildings[se:4]						582,198	596,753	611,672	626,964						
Total 05000 - Roofing						582,198	596,753	611,672	626,964						
18000 - Landscaping															
460 - Defensible Space Tree Removals	28,966		30,432		31,973		33,592		35,292		37,079		38,956		40,928
Total 18000 - Landscaping	28,966		30,432		31,973		33,592		35,292		37,079		38,956		40,928
29000 - Infrastructure															
900 - Miscellaneous Drainage/Culverts									74,431						
Total 29000 - Infrastructure									74,431						
30000 - Miscellaneous															
800 - Maintenance Truck Ford Pickup- 2024														103,359	
810 - Maintenance Equipment 2011- Walker Lawn Mower/ Snow Blower											44,372				
820 - Maintenance Equipment 2020- Walker Lawn Mower/ Snow Blower				36,418											
840 - Maintenance Equipment Street Blower Attachment												5,182			
850 - Maintenance Equipment 2009 Kawasaki Mule Utility Vehicle												24,110			

Reserve Component	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
851 - Maintenance Equipment UltraMount2 Snow Plow								21,606							
855 - Maintenance Equipment Mower Aerator Attachment								7,403							
870 - Trailer Cargocraft Trailer			5,782												
874 - Trailer Dump Trailer												26,329			
990 - Utilities Common Area		6,725					7,609					8,608			
Total 30000 - Miscellaneous		6,725	5,782	36,418			7,609	29,008				108,602		103,359	
31000 - Reserve Study															
100 - 3 Year Update with Site Visit Reserve Study	2,824			3,041			3,275			3,527				3,798	
Total 31000 - Reserve Study	2,824			3,041			3,275			3,527				3,798	
Total Expenditures Inflated @ 2.50%	166,741	98,287	177,997	135,657	180,933	709,484	952,980	774,410	929,345	144,026	239,490	256,214	255,412	1,247,470	335,357

30 Year Reserve Funding Plan Cash Flow Method

Third Draft

Prepared for the 2027 Fiscal Year

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Beginning Balance	159,256 ¹	280,965	282,470	310,856	342,793	451,748	524,724	646,430	173,907	354,634
Inflated Expenditures @ 2.5%	75,529	137,051	126,331	141,211	85,743	146,154	124,677	742,405	94,644	143,780
Reserve Contribution	117,500	131,600	147,392	165,079	184,888	207,075	231,924	259,755	268,846	278,256
<i>Units/month @ 110</i>	89.02	99.70	111.66	125.06	140.07	156.88	175.70	196.78	203.67	210.80
<i>Percentage Increase</i>		12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	3.5%	3.5%
Special Assessments / Other	74,303	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	5,435	6,956	7,325	8,070	9,809	12,055	14,459	10,128	6,525	10,547
Ending Balance	280,965	282,470	310,856	342,793	451,748	524,724	646,430	173,907	354,634	499,657

1) Reserve contribution per client. One-time \$74,303 loan payback to reserves that were borrowed in 2025.

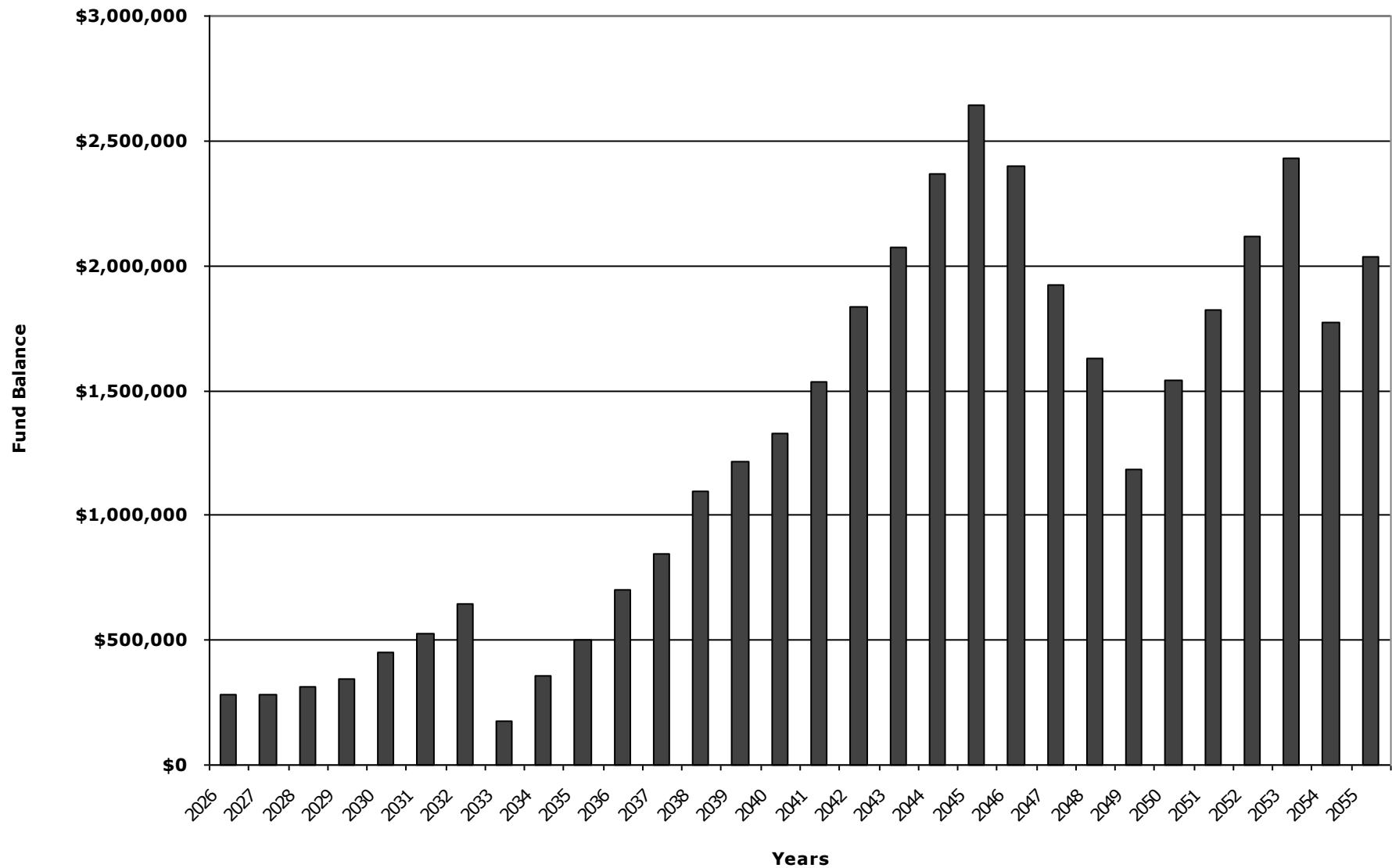
	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Beginning Balance	499,657	701,964	846,533	1,093,418	1,213,825	1,325,736	1,536,379	1,833,719	2,070,332	2,368,714
Inflated Expenditures @ 2.5%	100,523	172,623	85,573	227,384	249,924	166,741	98,287	177,997	135,657	180,933
Reserve Contribution	287,995	298,075	308,508	319,306	330,482	342,049	354,021	366,412	379,236	392,509
<i>Units/month @ 110</i>	218.18	225.81	233.72	241.90	250.37	259.13	268.20	277.58	287.30	297.36
<i>Percentage Increase</i>	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	14,835	19,117	23,950	28,484	31,353	35,335	41,606	48,198	54,803	61,863
Ending Balance	701,964	846,533	1,093,418	1,213,825	1,325,736	1,536,379	1,833,719	2,070,332	2,368,714	2,642,152

	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Beginning Balance	2,642,152	2,401,179	1,922,038	1,626,621	1,182,368	1,538,105	1,822,598	2,114,369	2,431,942	1,771,312
Inflated Expenditures @ 2.5%	709,484	952,980	774,410	929,345	144,026	239,490	256,214	255,412	1,247,470	335,357
Reserve Contribution	406,247	420,466	435,182	450,413	466,177	482,493	499,380	516,858	534,948	553,671
<i>Units/month @ 110</i>	307.76	318.53	329.68	341.22	353.16	365.53	378.32	391.56	405.26	419.45
<i>Percentage Increase</i>	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	62,263	53,373	43,811	34,679	33,586	41,490	48,605	56,127	51,892	47,012
Ending Balance	2,401,179	1,922,038	1,626,621	1,182,368	1,538,105	1,822,598	2,114,369	2,431,942	1,771,312	2,036,638

30 Year Reserve Funding Plan Cash Flow Method - Ending Balances

Third Draft

Prepared for the 2027 Fiscal Year



30 Year Reserve Funding Plan Including Fully Funded Balance and % Funded

Third Draft

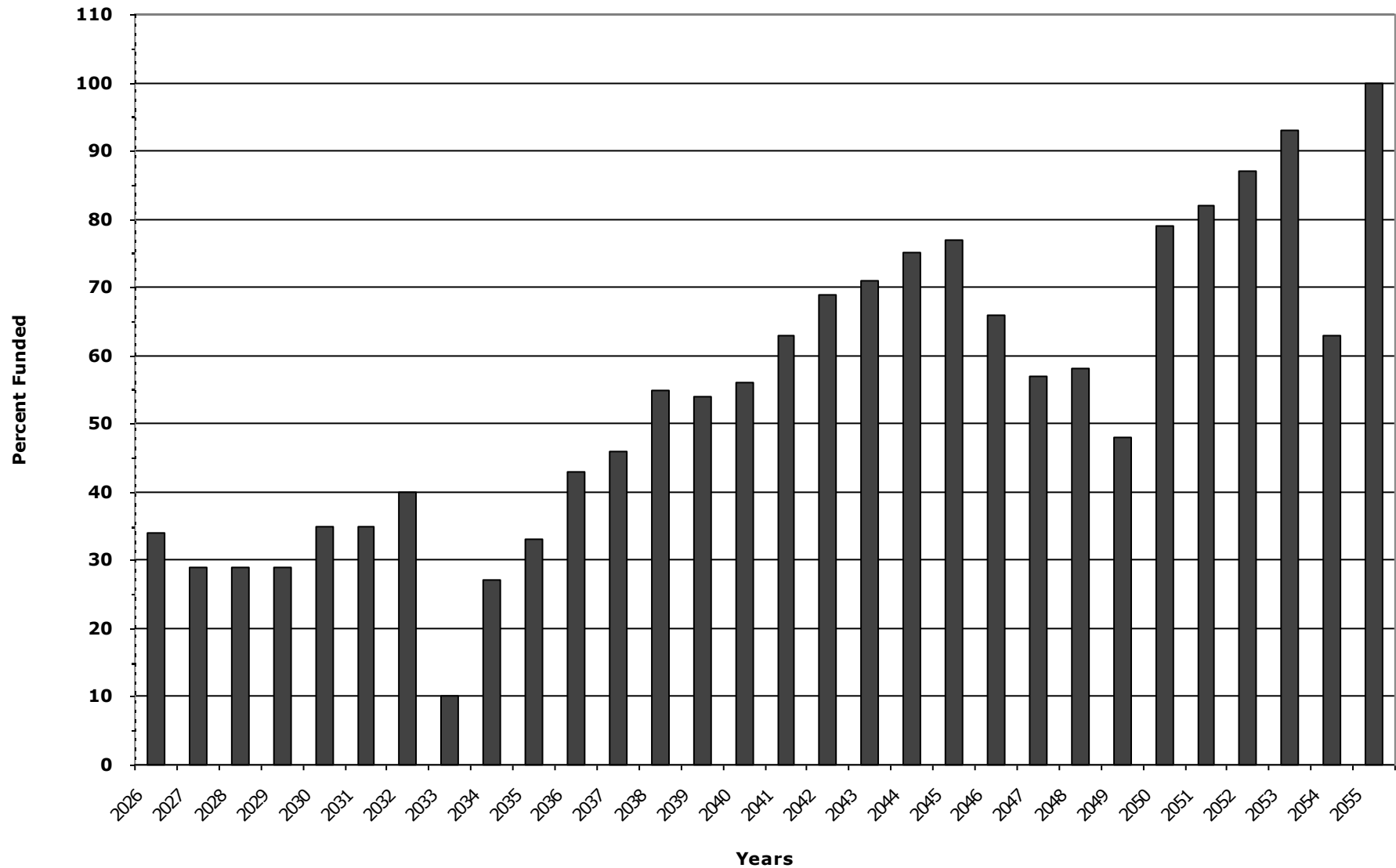
Prepared for the 2027 Fiscal Year

Year	Beginning Balance	Fully Funded Balance	Percent Funded	Inflated Expenditures @ 2.50%	Reserve Contribution	Special Assessments & Other Contributions	Interest	Ending Balance
2026	159,256	835,468	33.6%	75,529	117,500	74,303	5,435	280,965
2027	280,965	977,567	28.9%	137,051	131,600	0	6,956	282,470
2028	282,470	1,077,314	28.9%	126,331	147,392	0	7,325	310,856
2029	310,856	1,195,938	28.7%	141,211	165,079	0	8,070	342,793
2030	342,793	1,307,805	34.5%	85,743	184,888	0	9,809	451,748
2031	451,748	1,484,992	35.3%	146,154	207,075	0	12,055	524,724
2032	524,724	1,610,497	40.1%	124,677	231,924	0	14,459	646,430
2033	646,430	1,767,107	9.8%	742,405	259,755	0	10,128	173,907
2034	173,907	1,300,565	27.3%	94,644	268,846	0	6,525	354,634
2035	354,634	1,492,571	33.5%	143,780	278,256	0	10,547	499,657
2036	499,657	1,645,425	42.7%	100,523	287,995	0	14,835	701,964
2037	701,964	1,853,011	45.7%	172,623	298,075	0	19,117	846,533
2038	846,533	1,998,622	54.7%	85,573	308,508	0	23,950	1,093,418
2039	1,093,418	2,244,005	54.1%	227,384	319,306	0	28,484	1,213,825
2040	1,213,825	2,357,245	56.2%	249,924	330,482	0	31,353	1,325,736
2041	1,325,736	2,457,468	62.5%	166,741	342,049	0	35,335	1,536,379
2042	1,536,379	2,652,895	69.1%	98,287	354,021	0	41,606	1,833,719
2043	1,833,719	2,930,996	70.6%	177,997	366,412	0	48,198	2,070,332
2044	2,070,332	3,142,159	75.4%	135,657	379,236	0	54,803	2,368,714
2045	2,368,714	3,410,009	77.5%	180,933	392,509	0	61,863	2,642,152
2046	2,642,152	3,646,355	65.9%	709,484	406,247	0	62,263	2,401,179
2047	2,401,179	3,355,260	57.3%	952,980	420,466	0	53,373	1,922,038
2048	1,922,038	2,815,927	57.8%	774,410	435,182	0	43,811	1,626,621
2049	1,626,621	2,454,985	48.2%	929,345	450,413	0	34,679	1,182,368
2050	1,182,368	1,935,272	79.5%	144,026	466,177	0	33,586	1,538,105
2051	1,538,105	2,216,805	82.2%	239,490	482,493	0	41,490	1,822,598
2052	1,822,598	2,417,046	87.5%	256,214	499,380	0	48,605	2,114,369
2053	2,114,369	2,614,908	93.0%	255,412	516,858	0	56,127	2,431,942
2054	2,431,942	2,828,539	62.6%	1,247,470	534,948	0	51,892	1,771,312
2055	1,771,312	2,040,904	99.8%	335,357	553,671	0	47,012	2,036,638

30 Year Reserve Funding Plan Cash Flow Method - Percent Funded

Third Draft

Prepared for the 2027 Fiscal Year



Reserve Fund Balance Forecast Component Method

Third Draft

Prepared for the 2027 Fiscal Year

Reserve Component	Current Repl. Cost	Useful Life	Remaining Life	Estimated Future Replacement Costs	Per Year	2026 Fully Funded Balance	2027 Fully Funded Balance	% Per Year Straight Line	2027 Line Item Contribution based on Cash Flow Method
01000 - Paving									
120 - Asphalt: State Spec. Slurry 139,649 sf Drives	76,434	7	7	90,856	11,357	9,554	11,192	4.61%	6,072
200 - Asphalt: Ongoing Repairs Drives	6,700	2	1	6,868	3,434	3,350	6,868	1.39%	1,836
280 - Asphalt: Crackfill Drives	4,100	1	1	4,203	2,101	2,050	4,203	0.85%	1,123
300 - Asphalt: Overlay w/ Interlayer 139,649 sf Drives	418,947	21	7	497,996	23,714	279,298	306,729	9.63%	12,678
Sub-total [01000 - Paving]	506,181			599,923	40,606	294,252	328,991	16.50%	21,709
02000 - Concrete									
220 - Walkways Walkways	24,800	2	1	25,420	12,710	12,400	25,420	5.16%	6,795
03000 - Painting: Exterior									
140 - Surface Restoration 53 All Units (11%)	57,579	1	0	57,579	57,579	57,579	59,018	23.39%	30,784
04500 - Decking/Balconies									
100 - TBA 30,250 sf [180] All Decks & Railing Structural[se:7]	354,880	40	29	103,747	2,594	70,976	81,844	1.05%	1,387
104 - TBA [180] Railing Conversion[se:9]	144,000	20	0	159,272	7,964	115,200	109,060	3.24%	4,258
Sub-total [04500 - Decking/Balconies]	498,880			263,019	10,557	186,176	190,904	4.29%	5,644
05000 - Roofing									
440 - Pitched: Dimensional Composition 3,017 Squares- Buildings[se:4]	1,421,194	25	20	2,417,586	96,703	198,967	262,210	39.29%	51,701
18000 - Landscaping									
460 - Defensible Space Tree Removals	20,000	2	1	20,500	10,250	10,000	20,500	4.16%	5,480
29000 - Infrastructure									
900 - Miscellaneous Drainage/Culverts	42,180	30	23	74,431	2,481	9,842	11,529	1.01%	1,326

Reserve Component	Current Repl. Cost	Useful Life	Remaining Life	Estimated Future Replacement Costs	Per Year	2026 Fully Funded Balance	2027 Fully Funded Balance	% Per Year Straight Line	2027 Line Item Contribution based on Cash Flow Method
30000 - Miscellaneous									
800 - Maintenance Truck Ford Pickup- 2024	51,770	15	13	71,366	4,758	6,903	10,613	1.93%	2,544
810 - Maintenance Equipment 2011- Walker Lawn Mower/ Snow Blower	23,350	12	2	24,532	2,044	19,458	21,939	0.83%	1,093
820 - Maintenance Equipment 2020- Walker Lawn Mower/ Snow Blower	23,350	12	6	27,079	2,257	11,675	13,961	0.92%	1,206
840 - Maintenance Equipment Street Blower Attachment	2,727	12	2	2,865	239	2,273	2,562	0.10%	128
850 - Maintenance Equipment 2009 Kawasaki Mule Utility Vehicle	12,688	12	2	13,330	1,111	10,573	11,921	0.45%	594
851 - Maintenance Equipment UltraMount2 Snow Plow	12,550	12	10	16,065	1,339	2,092	3,216	0.54%	716
855 - Maintenance Equipment Mower Aerator Attachment	4,300	12	10	5,504	459	717	1,102	0.19%	245
870 - Trailer Cargocraft Trailer	3,800	15	2	3,992	266	3,293	3,635	0.11%	142
874 - Trailer Dump Trailer	13,855	15	11	18,179	1,212	3,695	4,734	0.49%	648
990 - Utilities Common Area	4,530	5	1	4,643	929	3,624	4,643	0.38%	496
Sub-total [30000 - Miscellaneous]	152,920			187,556	14,612	64,302	78,327	5.94%	7,812
31000 - Reserve Study									
100 - 3 Year Update with Site Visit Reserve Study	1,950	3	0	1,950	650	1,950	666	0.26%	348
Totals	2,725,684			3,647,964	246,149	835,468	977,567	100.00%	131,600
						[A] [EndBal]	[B] [EndBal]		
						[A]	[B]		
Percent Funded						33.63%	28.90%		

01000 - Paving

120 - Asphalt: State Spec. Slurry	Useful Life 7	Remaining Life 7
139,649 sf Drives	Quantity 139,649	Unit of Measure Square Feet
	Cost /SqFt \$0.547	
	% Included 100.00%	Total Cost/Study \$76,434
Summary	Replacement Year 2033	Future Cost \$90,856

This is to prepare the surface and apply a type II slurry seal.

Ponderosa Drive- 74,967 sq ft
Aspen Circle- 58,352 sq ft
Meadow Lane- 6,330 sq ft

2026- In 2023, \$171,172 was expended to cape seal. Remaining life moved to 2033.

2019- Sealing is anticipated in 2020. Useful life reduced from 9 to 7 and crack fill component was added to the reserve study per client.

2013/2014- \$53,066.62 anticipated expenditure to seal.

2012- Information per Intermountain Slurry Seal Inc. proposal dated June 17, 2012. Per client, on-going repairs and crack fill are provided for through the operating account.



01000 - Paving

200 - Asphalt: Ongoing Repairs	Useful Life 2	Remaining Life 1	
Drives	Quantity 1	Unit of Measure	Lump Sum
	Cost /LS		\$6,700
	% Included	100.00%	Total Cost/Study \$6,700
Summary	Replacement Year	2027	Future Cost \$6,868

This is for miscellaneous repairs including crackfill, skin patching and minor dig out & fill. Cracks 1/4" or wider should be filled when observed.

2021- \$5,400 cost for asphalt repair every other year per client.
2019- \$5,800 was expended for repairs.



280 - Asphalt: Crackfill	Useful Life 1	Remaining Life 1	
Drives	Quantity 1	Unit of Measure	Linear Feet
	Cost /l.f.		\$4,100
	% Included	100.00%	Total Cost/Study \$4,100
Summary	Replacement Year	2027	Future Cost \$4,203

This is to clean cracks and fill with a premium hot rubberized crack filler. Cracks 1/4" or wider should be filled when observed.

2026- Areas of cracking were observed.
2021- \$3,330 cost yearly per client.
2019- \$5,400 cost yearly per client.



01000 - Paving

300 - Asphalt: Overlay w/ Interlayer	Useful Life 21	Remaining Life 7
139,649 sf Drives	Quantity 139,649	Unit of Measure Square Feet
	Cost /SqFt \$3.00	
	% Included 100.00%	Total Cost/Study \$418,947
Summary	Replacement Year 2033	Future Cost \$497,996

This is to apply a geotextile interlayer to the existing asphalt surface and overlay with a minimum of 1.5" of new hot mix asphalt. Generally this includes edge grinding and utility box extensions. As major paving rehab is approaching, client should obtain a paving assessment including whether the paving can be overlaid or will require the paving to be removed and replaced, an approximate remaining life, and approximate cost.

2023- \$171,172 was expended to cape seal. Remaining life of the overlay moved to 2033.



02000 - Concrete

220 - Walkways	Useful Life 2	Remaining Life 1
Walkways	Quantity 1	Unit of Measure Lump Sum
	Cost /LS \$24,800	
	% Included 100.00%	Total Cost/Study \$24,800
Summary	Replacement Year 2027	Future Cost \$25,420

This is to cut, grind or repair concrete flatwork to remove or minimize vertical displacements and to maintain functionality. This is for partial replacement only.

2021- Per client 8/16/2021, cost set to \$20,000 every other year.

2020- \$16,280 was expended.

2019- \$7,204 was expended. Added as a reserve study component.



03000 - Painting: Exterior

140 - Surface Restoration	Useful Life 1	Remaining Life 0
53 All Units (11%)	Quantity 53	Unit of Measure Building
	Cost /Bldg \$9,596	Qty * \$/Bldg \$508,611
	% Included 11.32%	Total Cost/Study \$57,579
Summary	Replacement Year 2026	Future Cost \$57,579

This is to prepare, power wash, sand, scrape, caulk and paint with a 100% premium acrylic paint.

2021 Building unit breakdown and cost is as follows:

39- Two story duplex buildings (\$7,600- \$7,798 average per building)- units 35/36, 39 thru 52, 91/92, 107/108, 25 thru 30, 81/82, 87/88, 95/96, 99/100, 103 thru 106, 109/110, 1 thru 24, 59/60, 31 thru 34, 37/38, 53/54, 65/66, 71/72.

12- Single story duplex buildings (\$4,750-\$5,600 average per building)- units 57/58, 63/64, 93/94, 83 thru 86, 89/90, 97/98, 101/102, 61/62, 55/56, 67 thru 70.

2- Four plex buildings (\$6,000 average per building)- units 73 thru 76, 77 thru 80

1- Maintenance building (\$1,500)

2026- Paint is anticipated this year. The above cost is a placeholder until actual costing is provided.

2025- \$53,873 was expended.

2024- \$34,191 was expended.

2022- \$54,574 was expended.

2021- \$38,990 was expended. Schedule change to paint 1/9 or (6) of the buildings each year 53 buildings total plus 1 maintenance building and cost set for \$46,448 every year per client.

2020- \$48,040 was expended per client.

2012/2013- A community total of approximately 223,680 sf of wall paint with 4,068 lf of railing breaks down to \$2,042 per unit or \$1.00 per sf. The paint schedule, cost history, useful and remaining life was provided by client. This component will be further defined as a cost history develops.

Note: Siding repairs are funded from the operating fund.



04500 - Decking/Balconies

100 - TBA	Useful Life 40	Remaining Life 29	Treatment [se:7]
30,250 sf [180] All Decks & Railing Structural	Quantity 30,250	Unit of Measure	Square Feet
	Cost /SqFt \$11.73		
	% Included 100.00%	Total Cost/Study	\$354,880
Summary	Replacement Year 2055	Future Cost	\$783,023

This is to replace the upper and bottom decks, including railings, over a multi-year period. Material is funded from reserves and labor from operating. Useful life per association direction.

2-story balconies/upper decks- 64 units @ approximately 108 sq ft each
3-teir attic balconies/upper decks- 6 units @ approximately 108 sq ft each
110 bottom decks with railings
Totaling 180 decks w/railing

2021- \$24,982 overall was expended for one 2-story balcony replacement (\$7,117) and for bottom decks (\$17,865). An additional \$110,000 is anticipated. 50% (\$550.00) in 2022 and 50% (\$550.00) in 2023 per client.
2020- \$32,929 plus \$14,485 for a total of \$47,414 was expended.
2019- \$20,959 was expended to complete the deck and railing replacement project for 2020 and 2021. Per client, use 7 year spread evenly at next replacement cycle at a 40 useful life to include the deck structure. Deck surface and railing is provided within another component as a 20 year mid cycle.
2018- \$46,248 plus \$59,494 for a total of \$105,778 was expended.
2017- \$97,904 was expended.
2016- \$35,513 was expended.
2015- \$33,642 was expended.
215/16- Since we are in a mid cycle for rehab of the decks, BRG has taken the one line item and created 2 more for the 2016/17, 17/18 & 19/20.
9/29/13- Client advises \$16,326 to be expended in 2013/14. See next item.
2013- \$32,000 per year to be expended for years 2013/2014 thru 2017/2018 to complete the deck and balcony repair/replacement.



04500 - Decking/Balconies

104 - TBA	Useful Life 20	Remaining Life 0	Treatment [se:9]
[180] Railing Conversion	Quantity 1	Unit of Measure	Lump Sum
	Cost /LS \$144,000		
	% Included 100.00%	Total Cost/Study	\$144,000
Summary	Replacement Year 2026	Future Cost	\$159,272

This is to replace the railings over years 2026 through 2034. Material is funded from reserves and labor from operating. Full structural replacement is provided within another component.

lower decks- 30,250 sf
upper decks- 7,560 sf

2-story balconies/upper decks- 64 units @ approximately 108 sq ft each
3-teir attic balconies/upper decks- 6 units @ approximately 108 sq ft each
110 bottom decks with railings
Totaling 180 decks w/railing

2026- \$16,000 anticipated expenditure. Per client direction, \$16,000 per year is years 2026 through 2034 to convert old railings to new style.
2025- \$3,606 was expended.
2024- \$9,483 was expended.
2023- \$18,800 was expended.
2022- \$7,793 was expended.
2021- \$24,982 overall was expended for one 2-story balcony replacement (\$7,117) and for bottom decks (\$17,865). An additional \$110,000 is anticipated. 50% (\$55,000) in 2022 and 50% (\$55,000) in 2023 per client.
2020- \$32,929 plus \$14,485 for a total of \$47,414 was expended.
2019- \$20,959 was expended. This is for to complete the deck and railing replacement project for 2020 and 2021. Per client, use 7 year spread evenly at next replacement cycle at a 40 useful life to include the deck structure. Deck surface and railing is provided within another component as a 20 year mid cycle.
2018- \$46,248 plus \$59,494 for a total of \$105,778 was expended.
2017- \$97,904 was expended.
2016- \$35,513 was expended.
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215/16- Since we are in a mid cycle for rehab of the decks, BRG has taken the one line item and created 2 more for the 2016/17, 17/18 & 19/20.
9/29/13- Client advises \$16,326 to be expended in 2013/14. See next item.
2013- \$32,000 per year to be expended for years 2013/2014 thru 2017/2018 to complete the deck and balcony repair/replacement.



05000 - Roofing

440 - Pitched: Dimensional Composition	Useful Life 25	Remaining Life 20	Treatment [se:4]
3,017 Squares- Buildings	Quantity 3,017	Unit of Measure	Squares
	Cost /Sqrs \$471		
	% Included 100.00%	Total Cost/Study	\$1,421,194
Summary	Replacement Year 2046	Future Cost	\$2,417,587

This is to reroof with a dimensional composition roofing product. This is to do the roofing over 4 years per client direction. Composition roofs should be regularly inspected and repaired as indicated to ensure maximum life.

110 units and maintenance building

2023- \$610,169 was expended.

2020- \$215,219 was expended.

2019- \$523,147 was expended. 2020 anticipated to complete the roofing project. 4 year spread evenly and 25 useful life at the next roof replacement cycle per client.

2018- \$310,204 was expended.

2017- \$82,634 was expended.

2016- \$17,890 was expended.

2015- One roof was replaced per client.

12012/2013- Cost and schedule per client 5/16/2013 email direction.



18000 - Landscaping

460 - Defensible Space	Useful Life 2	Remaining Life 1	
Tree Removals	Quantity 1	Unit of Measure	Lump Sum
	Cost /LS \$20,000		
	% Included 100.00%	Total Cost/Study	\$20,000
Summary	Replacement Year 2027	Future Cost	\$20,500

This is to maintain the defensible space perimeter around buildings and structures by removing dead or diseased trees. Generally a crane is needed for this work.

2026- \$20,000 every two years beginning in 2027 for removing dead or diseased trees.

29000 - Infrastructure

900 - Miscellaneous	Useful Life 30	Remaining Life 23
Drainage/Culverts	Quantity 1	Unit of Measure Lump Sum
	Cost /LS \$42,180	
	% Included 100.00%	Total Cost/Study \$42,180
Summary	Replacement Year 2049	Future Cost \$74,431

This is for miscellaneous drainage/culvert infrastructure projects.

2019- \$32,388 was expended for catch basin work. Project paid by insurance. Added as a component of the reserve study per client.

30000 - Miscellaneous

800 - Maintenance Truck	Useful Life 15	Remaining Life 13
Ford Pickup- 2024	Quantity 1	Unit of Measure Items
	Cost /Itm \$51,770	
	% Included 100.00%	Total Cost/Study \$51,770
Summary	Replacement Year 2039	Future Cost \$71,366

This is to replace the maintenance truck.

2024- \$49,275 was expended to purchase a new Ford truck.

2021- Remaining life extended from 2021 to 2022.

2019- Remaining life extended from 2018 to 2021.

2012/2013- Per client recommendation, this current truck can last 5-6 more years and then will be replaced with a 2-3 year old vehicle.



30000 - Miscellaneous

810 - Maintenance Equipment	Useful Life 12	Remaining Life 2
2011- Walker Lawn Mower/ Snow Blower	Quantity 1	Unit of Measure Items
	Cost /Itm \$23,350	
	% Included 100.00%	Total Cost/Study \$23,350
Summary	Replacement Year 2028	Future Cost \$24,532

This is to replace the equipment including snow blower deck attachment.

2022- \$1,626 was expended.

2010- \$14,098 was expended to purchase new including double stage snow blower.



820 - Maintenance Equipment	Useful Life 12	Remaining Life 6
2020- Walker Lawn Mower/ Snow Blower	Quantity 1	Unit of Measure Items
	Cost /Itm \$23,350	
	% Included 100.00%	Total Cost/Study \$23,350
Summary	Replacement Year 2032	Future Cost \$27,079

This is to replace the equipment including snow blower deck attachment.

2020 \$18,375 was expended for a brand new walker mower/snow blower.

1999- placed in service with a single stage snow blower.



30000 - Miscellaneous

840 - Maintenance Equipment	Useful Life 12	Remaining Life 2
Street Blower Attachment	Quantity 1	Unit of Measure Items
	Cost /Itm \$2,727	
	% Included 100.00%	Total Cost/Study \$2,727
Summary	Replacement Year 2028	Future Cost \$2,865

This is to replace the equipment.

2011- \$1,800 was expended to place in service.

850 - Maintenance Equipment	Useful Life 12	Remaining Life 2
2009 Kawasaki Mule Utility Vehicle	Quantity 1	Unit of Measure Items
	Cost /Itm \$12,688	
	% Included 100.00%	Total Cost/Study \$12,688
Summary	Replacement Year 2028	Future Cost \$13,330

This is to replace the equipment.

2025- \$978 was expended for maintenance.

2021- Remaining life extended from 2021 to 2022.

2009- \$8,208 was expended to place in service.



30000 - Miscellaneous

851 - Maintenance Equipment	Useful Life 12	Remaining Life 10
UltraMount2 Snow Plow	Quantity 1	Unit of Measure Items
	Cost /Itm \$12,550	
	% Included 100.00%	Total Cost/Study \$12,550
Summary	Replacement Year 2036	Future Cost \$16,065

This is to replace the snow plow.

2024- \$12,518 was expended for a snow plow.



855 - Maintenance Equipment	Useful Life 12	Remaining Life 10
Mower Aerator Attachment	Quantity 1	Unit of Measure Items
	Cost /Itm \$4,300	
	% Included 100.00%	Total Cost/Study \$4,300
Summary	Replacement Year 2036	Future Cost \$5,504

This is to replace the snow plow.

2022- \$4,199 was expended for an aerator for the walking mower.

30000 - Miscellaneous

870 - Trailer	Useful Life 15	Remaining Life 2
Cargocraft Trailer	Quantity 1	Unit of Measure Items
	Cost /Itm \$3,800	
	% Included 100.00%	Total Cost/Study \$3,800
Summary	Replacement Year 2028	Future Cost \$3,992

This is to replace the trailer.

2011- \$2,000 was expended to place in service.



874 - Trailer	Useful Life 15	Remaining Life 11
Dump Trailer	Quantity 1	Unit of Measure Items
	Cost /Itm \$13,855	
	% Included 100.00%	Total Cost/Study \$13,855
Summary	Replacement Year 2037	Future Cost \$18,179

This is to replace the trailer.

2022- \$12,552 was expended for a dump trailer.



30000 - Miscellaneous

990 - Utilities	Useful Life 5	Remaining Life 1	
Common Area	Quantity 1	Unit of Measure	Lump Sum
	Cost /LS	\$4,530	
	% Included	100.00%	Total Cost/Study \$4,530
Summary	Replacement Year	2027	Future Cost \$4,643

This is for utility infrastructure repair. Since infrastructure life exceeds this study's scope, this study does not provide for full replacement. As a repair history evolves, this component will be further defined.

31000 - Reserve Study

100 - 3 Year Update with Site Visit	Useful Life 3	Remaining Life 0	
Reserve Study	Quantity 1	Unit of Measure	Lump Sum
	Cost /LS	\$1,950	
	% Included	100.00%	Total Cost/Study \$1,950
Summary	Replacement Year	2026	Future Cost \$1,950

This is to have a reserve study prepared for the association as required by California Civil Code Sections 5550, 5560, 5565 and 5570. This is for the 3 year Update with Site Visit study which includes a visual observation of the accessible reserve components.

2026- \$1,950 was expended for the reserve study.

Component	Current Replacement Cost	Useful Life	Remaining Life	Quantity	Cost/ U of M	Treatment	Location
01000 - Paving							
120 - Asphalt: State Spec. Slurry	\$76,434	7	7	139,649	\$.55/SqFt		Drives
200 - Asphalt: Ongoing Repairs	\$6,700	2	1	1	\$6,700/LS		Drives
280 - Asphalt: Crackfill	\$4,100	1	1	1	\$4,100/l.f.		Drives
300 - Asphalt: Overlay w/ Interlayer	\$418,947	21	7	139,649	\$3.00/SqFt		Drives
02000 - Concrete							
220 - Walkways	\$24,800	2	1	1	\$24,800/LS		Walkways
03000 - Painting: Exterior							
140 - Surface Restoration	\$57,579	1	0	53	\$9,596/Bldg (11%)		All Units
04500 - Decking/Balconies							
100 - TBA	\$354,880	40	29	30,250	\$11.73/SqFt [se:7]		[180] All Decks & Railing Structural
104 - TBA	\$144,000	20	0	1	\$144,000/LS [se:9]		[180] Railing Conversion
05000 - Roofing							
440 - Pitched: Dimensional Composition	\$1,421,194	25	20	3,017	\$471/Sqrs [se:4]		Buildings
18000 - Landscaping							
460 - Defensible Space	\$20,000	2	1	1	\$20,000/LS		Tree Removals
29000 - Infrastructure							
900 - Miscellaneous	\$42,180	30	23	1	\$42,180/LS		Drainage/Culverts
30000 - Miscellaneous							
800 - Maintenance Truck	\$51,770	15	13	1	\$51,770/Itm		Ford Pickup- 2024
810 - Maintenance Equipment	\$23,350	12	2	1	\$23,350/Itm		2011- Walker Lawn Mower/ Snow Blower
820 - Maintenance Equipment	\$23,350	12	6	1	\$23,350/Itm		2020- Walker Lawn Mower/ Snow Blower
840 - Maintenance Equipment	\$2,727	12	2	1	\$2,727/Itm		Street Blower Attachment
850 - Maintenance Equipment	\$12,688	12	2	1	\$12,688/Itm		2009 Kawasaki Mule Utility Vehicle
851 - Maintenance Equipment	\$12,550	12	10	1	\$12,550/Itm		UltraMount2 Snow Plow
855 - Maintenance Equipment	\$4,300	12	10	1	\$4,300/Itm		Mower Aerator Attachment

<i>Component</i>	<i>Current Replacement Cost</i>	<i>Useful Life</i>	<i>Remaining Life</i>	<i>Quantity</i>	<i>Cost/ U of M</i>	<i>Treatment</i>	<i>Location</i>
30000 - Miscellaneous							
870 - Trailer	\$3,800	15	2	1	\$3,800/Itm		Cargocraft Trailer
874 - Trailer	\$13,855	15	11	1	\$13,855/Itm		Dump Trailer
990 - Utilities	\$4,530	5	1	1	\$4,530/LS		Common Area
31000 - Reserve Study							
100 - 3 Year Update with Site Visit	\$1,950	3	0	1	\$1,950/LS		Reserve Study

Expenditures by Year - Next 4 Years

Third Draft

Prepared for the 2027 Fiscal Year

<i>Reserve Component</i>	<i>Life Useful</i>	<i>Current Replacement Cost</i>	<i>Forecast Inflated Cost @ 2.50%</i>
2026			
03000 - Painting: Exterior			
140 - Surface Restoration 53 All Units (11%)	1	57,579	
04500 - Decking/Balconies			
104 - TBA [180] Railing Conversion[se:9]	20	144,000	16,000
31000 - Reserve Study			
100 - 3 Year Update with Site Visit Reserve Study	3	1,950	
Total 2026:		203,529	75,529
2027			
01000 - Paving			
200 - Asphalt: Ongoing Repairs Drives	2	6,700	6,868
280 - Asphalt: Crackfill Drives	1	4,100	4,203
Total 01000 - Paving:		10,800	11,071
02000 - Concrete			
220 - Walkways Walkways	2	24,800	25,420
03000 - Painting: Exterior			
140 - Surface Restoration 53 All Units (11%)	1	57,579	59,018
04500 - Decking/Balconies			
104 - TBA [180] Railing Conversion[se:9]	20	144,000	16,400
18000 - Landscaping			
460 - Defensible Space Tree Removals	2	20,000	20,500
30000 - Miscellaneous			
990 - Utilities Common Area	5	4,530	4,643
Total 2027:		261,709	137,052
2028			
01000 - Paving			
280 - Asphalt: Crackfill Drives	1	4,100	4,308
03000 - Painting: Exterior			
140 - Surface Restoration 53 All Units (11%)	1	57,579	60,494

Reserve Component	Life Useful	Current Replacement Cost	Forecast Inflated Cost @ 2.50%
2028			
04500 - Decking/Balconies			
104 - TBA [180] Railing Conversion[se:9]	20	144,000	16,810
30000 - Miscellaneous			
810 - Maintenance Equipment 2011- Walker Lawn Mower/ Snow Blower	12	23,350	24,532
840 - Maintenance Equipment Street Blower Attachment	12	2,727	2,865
850 - Maintenance Equipment 2009 Kawasaki Mule Utility Vehicle	12	12,688	13,330
870 - Trailer Cargocraft Trailer	15	3,800	3,992
Total 30000 - Miscellaneous:		42,565	44,719
Total 2028:		248,244	126,331
2029			
01000 - Paving			
200 - Asphalt: Ongoing Repairs Drives	2	6,700	7,215
280 - Asphalt: Crackfill Drives	1	4,100	4,415
Total 01000 - Paving:		10,800	11,630
02000 - Concrete			
220 - Walkways Walkways	2	24,800	26,707
03000 - Painting: Exterior			
140 - Surface Restoration 53 All Units (11%)	1	57,579	62,006
04500 - Decking/Balconies			
104 - TBA [180] Railing Conversion[se:9]	20	144,000	17,230
18000 - Landscaping			
460 - Defensible Space Tree Removals	2	20,000	21,538
31000 - Reserve Study			
100 - 3 Year Update with Site Visit Reserve Study	3	1,950	2,100
Total 2029:		259,129	141,211

This report is intended to assist the auditor while preparing the audit, review or compilation of Plumas Eureka Villas 6's (the "Association") financial documents.

Browning Reserve Group, a division of Reserve Advisors, LLC ("BRG") prepared a reserve study for the Association during the 2026 fiscal year. This was done to help determine the Association's reserve contribution for the next fiscal year (2027) and future fiscal years. In addition, BRG prepared the proper statutory disclosures for distribution to the Association members.

This Reserve Study is an Update w/ Site Visit Review. An **Update With Site-Visit Review** is a reserve study update in which the following tasks are performed:

- development of a reserve component inventory (verification only, not quantification);
- condition assessment based upon on-site visual observation;
- life and valuation estimates;
- fund status;
- and a funding plan. Please note, in order to complete these study tasks, one or more visits were conducted by BRG to Plumas Eureka Villas 6.

For BRG reserve studies, the year in which the study is being conducted, is the first year of the study. For example, this study is being prepared during 2026 and is the Association's first year in the study. This enables BRG to use a starting point which ties to the last audited financial statement, December 31, 2025. You will notice in Section III, Reserve Fund Balance Forecast, a Beginning Reserve Balance of \$159,256 is being used which ties to the last completed audit or review of the Association's financial statements. BRG then re-builds the first year of the study, in this case 2026, and estimates an ending reserve fund balance. Again, see Section III and the 2026 ending reserve balance estimate of \$280,965.

"Re-building" the first year of the study as mentioned above simply means using the 2026 adopted budget for the 2026 reserve contribution. Finally, the 2026 reserve expenses both actual and projected are estimated.

We find by using the above method a more accurate reserve study is possible because the beginning reserve fund balance ties directly to the Association's audited financial statement or, in the absence of an audit or review, the year end balance sheet. There is no need to rely on others for determining mid year reserve balances or estimating current year ending reserve balances. This approach forces all involved, to look at the current year's reserve fund activities so a more accurate ending reserve fund balance can be estimated.

With respect to the reserve component Percent Funded values on the next page(s), here are the calculations:

$$\begin{aligned}\text{FFB} &= \text{Year Cost} \times \text{Year Effective Age} / \text{Useful Life} \\ \text{\% Funded} &= \text{Year Estimated Ending Reserve Balance} / \text{Year FFB}\end{aligned}$$

Please see Section V - Reserve Fund Balance Forecast.

Browning Reserve Group, a division of Reserve Advisors, LLC

Reserve Component	Current Repl. Cost	Useful Life	Remaining Life	2026 Fully Funded Balance	2027 Fully Funded Balance	2027 Line Item Contribution based on Cash Flow Method
01000 - Paving						
120 - Asphalt: State Spec. Slurry 139,649 sf Drives	76,434	7	7	9,554	11,192	6,072
200 - Asphalt: Ongoing Repairs Drives	6,700	2	1	3,350	6,868	1,836
280 - Asphalt: Crackfill Drives	4,100	1	1	2,050	4,203	1,123
300 - Asphalt: Overlay w/ Interlayer 139,649 sf Drives	418,947	21	7	279,298	306,729	12,678
02000 - Concrete						
220 - Walkways Walkways	24,800	2	1	12,400	25,420	6,795
03000 - Painting: Exterior						
140 - Surface Restoration 53 All Units (11%)	57,579	1	0	57,579	59,018	30,784
04500 - Decking/Balconies						
100 - TBA 30,250 sf [180] All Decks & Railing Structural[se:7]	50,697	40	29	13,942	15,589	198
100 - TBA 30,250 sf [180] All Decks & Railing Structural[se:7]	50,697	40	30	12,674	14,290	198
100 - TBA 30,250 sf [180] All Decks & Railing Structural[se:7]	50,697	40	31	11,407	12,991	198
100 - TBA 30,250 sf [180] All Decks & Railing Structural[se:7]	50,697	40	32	10,139	11,692	198
100 - TBA 30,250 sf [180] All Decks & Railing Structural[se:7]	50,697	40	33	8,872	10,393	198
100 - TBA 30,250 sf [180] All Decks & Railing Structural[se:7]	50,697	40	34	7,605	9,094	198
100 - TBA 30,250 sf [180] All Decks & Railing Structural[se:7]	50,697	40	35	6,337	7,795	198
104 - TBA [180] Railing Conversion[se:9]	16,000	20	0	16,000	820	473
104 - TBA [180] Railing Conversion[se:9]	16,000	20	1	15,200	16,400	473
104 - TBA [180] Railing Conversion[se:9]	16,000	20	2	14,400	15,580	473
104 - TBA [180] Railing Conversion[se:9]	16,000	20	3	13,600	14,760	473
104 - TBA [180] Railing Conversion[se:9]	16,000	20	4	12,800	13,940	473
104 - TBA [180] Railing Conversion[se:9]	16,000	20	5	12,000	13,120	473
104 - TBA [180] Railing Conversion[se:9]	16,000	20	6	11,200	12,300	473
104 - TBA [180] Railing Conversion[se:9]	16,000	20	7	10,400	11,480	473
104 - TBA [180] Railing Conversion[se:9]	16,000	20	8	9,600	10,660	473
05000 - Roofing						
440 - Pitched: Dimensional Composition 3,017 Squares- Buildings[se:4]	355,299	25	20	71,060	87,403	12,925
440 - Pitched: Dimensional Composition 3,017 Squares- Buildings[se:4]	355,299	25	21	56,848	72,836	12,925
440 - Pitched: Dimensional Composition	355,299	25	22	42,636	58,269	12,925

Reserve Component	Current Repl. Cost	Useful Life	Remaining Life	2026 Fully Funded Balance	2027 Fully Funded Balance	2027 Line Item Contribution based on Cash Flow Method
05000 - Roofing						
3,017 Squares- Buildings[se:4]						
440 - Pitched: Dimensional Composition	355,299	25	23	28,424	43,702	12,925
3,017 Squares- Buildings[se:4]						
18000 - Landscaping						
460 - Defensible Space	20,000	2	1	10,000	20,500	5,480
Tree Removals						
29000 - Infrastructure						
900 - Miscellaneous	42,180	30	23	9,842	11,529	1,326
Drainage/Culverts						
30000 - Miscellaneous						
800 - Maintenance Truck	51,770	15	13	6,903	10,613	2,544
Ford Pickup- 2024						
810 - Maintenance Equipment	23,350	12	2	19,458	21,939	1,093
2011- Walker Lawn Mower/ Snow Blower						
820 - Maintenance Equipment	23,350	12	6	11,675	13,961	1,206
2020- Walker Lawn Mower/ Snow Blower						
840 - Maintenance Equipment	2,727	12	2	2,273	2,562	128
Street Blower Attachment						
850 - Maintenance Equipment	12,688	12	2	10,573	11,921	594
2009 Kawasaki Mule Utility Vehicle						
851 - Maintenance Equipment	12,550	12	10	2,092	3,216	716
UltraMount2 Snow Plow						
855 - Maintenance Equipment	4,300	12	10	717	1,102	245
Mower Aerator Attachment						
870 - Trailer	3,800	15	2	3,293	3,635	142
Cargocraft Trailer						
874 - Trailer	13,855	15	11	3,695	4,734	648
Dump Trailer						
990 - Utilities	4,530	5	1	3,624	4,643	496
Common Area						
31000 - Reserve Study						
100 - 3 Year Update with Site Visit	1,950	3	0	1,950	666	348
Reserve Study						
				[A]	[B]	
Totals	2,725,684			835,468	977,567	131,600
				[EndBal]	[EndBal]	
				[A]	[B]	
Percent Funded				33.63%	28.90%	

Terms & Definitions CAI

Adequate Reserves: A replacement reserve fund and stable and equitable multiyear [funding plan](#) that together provide for the reliable and timely execution of the association's major repair and replacement projects as defined herein without reliance on additional supplemental funding.

Capital Improvements: Additions to the association's common area that previously did not exist. While these components should be added to the reserve study for future replacement, the cost of construction or installation cannot be taken from the reserve fund.

Cash Flow Method (also known as pooling): A method of developing a reserve funding plan where funding of reserves is designed to offset the annual expenditures from the reserve fund.

To determine the selected funding plan, different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Common Area: The areas identified in the community association's master deed or declarations of covenant easements and restrictions that the association is obligated to maintain and replace or based on a well-established association precedent.

Community Association: A nonprofit entity that exists to preserve the nature of the community and protect the value of the property owned by members. Membership in the community association is mandatory and automatic for all owners. All owners pay mandatory lien-based assessments that fund the operation of the association and maintain the common area or elements, as defined in the governing documents. The community association is served and lead by an elected board of trustees or directors.

Components: The individually listed projects within the physical analysis which are determined for inclusion using the process described within the component inventory. These components form the building blocks for the reserve study. **Components are selected to be included in the reserve study based on the following three-part test:**

1. The association has the obligation to maintain or replace the existing element.
2. The need and schedule for this project can be reasonably anticipated.
3. The total cost for the project is material to the association, can be reasonably estimated, and includes all direct and related costs.

Component Inventory: The task of selecting and quantifying reserve components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, review of association precedents, and discussion with appropriate representative(s) of the association.

The Reserve Specialist, in coordination with the client, will determine the methodology for including these components in the study. Typical evaluation techniques for consideration include:

- Inclusion of long-life components with funding in the study.
- Addition of long-life components with funding at the time when they fall within the 30-year period from the date of study preparation.
- Identification of long-life components in the component inventory even when they are not yet being funded in the 30-year funding plan.

Component Method (also known as Straight Line): A method of developing a reserve funding plan where the total funding is based on the sum of funding for the individual components.

Condition Assessment: The task of evaluating the current condition of the component based on observed or reported characteristics. The assessment is limited to a visual, non-invasive evaluation.

Effective Age: The difference between [useful life](#) and estimated [remaining useful life](#). Not always equivalent to chronological age since some components age irregularly. Used primarily in computations.

Financial Analysis: The portion of a reserve study in which the current status of the reserves (measured as cash or [percent funded](#)) and a recommended reserve funding plan are derived, and the projected reserve income and expense over a period of time are presented. The financial analysis is one of the two parts of a reserve study. A minimum of 30 years of income and expense are to be considered.

Fully Funded: 100 percent funded. When the actual (or projected) [reserve balance](#) is equal to the fully funded balance.

Fully Funded Balance (FFB): An indicator against which the actual (or projected) reserve balance can be compared. The reserve balance that is in direct proportion to the fraction of life "used up" of the current repair or [replacement cost](#). This number is calculated for each component, and then summed for an association total.

$$\text{FFB} = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$$

Example: For a component with a \$10,000 current replacement cost, a 10-year useful life, and effective age of 4 years, the fully funded balance would be \$4,000.

Fund Status: The status of the reserve fund reported in terms of cash or [percent funded](#).

Funding Goals:

The three funding goals listed below range from the most aggressive to most conservative:

Baseline Funding

Establishing a reserve funding goal of allowing the reserve cash balance to approach but never fall below zero during the cash flow projection. This is the funding goal with the greatest risk of being prepared to fund future repair and replacement of major components, **and it is not recommended** as a long-term solution/plan. Baseline funding may lead to project delays, the need for a [special assessment](#), and/or a line of credit for the community to fund needed repairs and replacement of major components.

Threshold Funding

Establishing a reserve funding goal of keeping the [reserve balance](#) above a specified dollar or percent funded amount. Depending on the threshold selected, this funding goal may be weaker or stronger than “fully funded” with respective higher risk or less risk of cash problems. In determining the threshold, many variables should be considered, including things such as investment risk tolerance, community age, building type, components that are not readily inspected, and components with a [remaining useful life](#) of more than 30 years.

Full Funding

Setting a reserve funding goal to attain and maintain reserves at or near 100 percent funded. Fully funded is when the actual or projected reserve balance is equal to the fully funded balance.

It should be noted that, in certain jurisdictions, there may be statutory funding requirements that would dictate the funding requirements. In all cases, these standards are considered the minimum to be referenced.

Funding Plan: An association’s plan to provide income to a reserve fund to offset anticipated expenditures from that fund. The plan must be a minimum of 30 years of projected income and expenses.

Funding Principles: A funding plan addressing these principles. These funding principles are the basis for the recommendations included within the reserve study:

- Sufficient funds when required.
- Stable funding rate over the years.
- Equitable funding rate over the years.
- Fiscally responsible.

Initial Year: The first fiscal year in the financial analysis or funding plan.

Life Estimates: The task of estimating [useful life](#) and [remaining useful life](#) of the reserve components.

Life Cycle Cost: The ongoing cost of deterioration which must be offset in order to maintain and replace common area components at the end of their useful life. Note that the cost of preventive maintenance and corrective maintenance determined through periodic structural inspections (if required) are included in the calculation of life cycle costs and often result in overall net lower life cycle costs.

Maintenance: Maintenance is the process of maintaining or preserving something, or the state of being maintained. Maintenance is often defined in three ways: preventive maintenance, corrective maintenance, and deferred maintenance. Maintenance projects commonly fall short of “replacement” but may pass the defining test of a reserve component and be appropriate for reserve funding. Maintenance types are categorized below:

Preventive Maintenance: Planned maintenance carried out proactively at predetermined intervals, aimed at reducing the performance degradation of the component such that it can attain, at minimum, its estimated useful life.

Deferred Maintenance: Maintenance which is not performed and leads to premature deterioration to the common areas due to lack of preventive maintenance.

This results in a reduction in the remaining useful life of the reserve components and the potential of inadequate funding. Typically, deferred maintenance creates a need for corrective maintenance.

Corrective Maintenance: Maintenance performed following the detection of a problem, with the goal of remediating the condition such that the intended function and life of the component or system is restored, preserved, or enhanced.

Many corrective maintenance projects could be prevented with a proactive, preventive maintenance program. Note that when the scope is minor, these projects may fall below the threshold of cost significance and thus are handled through the operational budget. In other cases, the cost and timing should be included within the reserve study.

Percent Funded: The ratio, at a particular point in time clearly identified as either the beginning or end of the association’s fiscal year, of the actual (or projected) [reserve balance](#) to the fully funded balance, expressed as a percentage.

While percent funded is an indicator of an association’s reserve fund size, it should be viewed in the context of how it is changing due to the association’s reserve funding plan, in light of the association’s risk tolerance and is not by itself a measure of “adequacy.”

Periodic Structural Inspection: [Structural system](#) inspections aimed at identifying issues when they become evident.

Additional information and recommendations are included within the Condominium Safety Public Policy Report. www.condosafety.com

Physical Evaluation: The portion of the reserve study where the component inventory, condition assessment, and life and [valuation estimate](#) tasks are performed. This represents one of the two parts of the reserve study.

Preventive Maintenance Schedule: A summary of the preventive maintenance tasks included within a maintenance manual which should be performed such that the useful lives of the components are attained or exceeded. This schedule should include both the timing and the estimated cost of the task(s).

Remaining Useful Life (RUL): Also referred to as “remaining life” (RL). The estimated time, in years, that a component can be expected to serve its intended function, presuming timely preventive maintenance. Projects expected to occur in the initial year have zero remaining useful life.

Replacement Cost: The cost to replace, repair, or restore the component to its original functional condition during that particular year, including all related expenses (including but not limited to shipping, engineering, design, permits, installation, disposal, etc.).

Reserve Balance: Actual or projected funds, clearly identified as existing either at the beginning or end of the association’s fiscal year, which will be used to fund reserve component expenditures. The source of this information should be disclosed within the reserve study.

Also known as beginning balance, reserves, reserve accounts, or cash reserves. This balance is based on information provided and not audited.

Reserve Study: A reserve study is a budget planning tool which identifies the components that a community association is responsible to maintain or replace, the current status of the reserve fund, and a stable and equitable funding plan to offset the anticipated future major common area expenditures.

This limited evaluation is conducted for budget and cash flow purposes. Tasks outside the scope of a reserve study include, but are not limited to, design review, construction evaluation, intrusive or destructive testing, preventive maintenance plans, and structural or safety evaluations.

Reserve Study Provider: An individual who prepares reserve studies. In many instances, the reserve study provider will possess a specialized designation such as the Reserve Specialist® (RS) designation administered by Community Associations Institute (CAI). This designation indicates that the provider has shown the necessary skills to perform a reserve study that conforms to these standards. In some instances, qualifications in excess of the RS designation will be required if supplemental subject matter expertise is required.

Reserve Study Provider Firm: A company that prepares reserve studies as one of its primary business activities.

Responsible Charge: A Reserve Specialist (RS) in responsible charge of a reserve study shall render regular and effective supervision to those individuals performing services that directly and materially affect the quality and competence of services rendered by the Reserve Specialist. A Reserve Specialist shall maintain such records as are reasonably necessary to establish that the Reserve Specialist exercised regular and effective supervision of a reserve study of which he or she was in responsible charge. A Reserve Specialist engaged in any of the following acts or practices shall be deemed not to have rendered the regular and effective supervision required herein:

1. The regular and continuous absence from principal office premises from which professional services are rendered; except for performance of field work or presence in a field office maintained exclusively for a specific project;
2. The failure to personally inspect or review the work of subordinates where necessary and appropriate;
3. The rendering of a limited, cursory or perfunctory review of plans or projects in lieu of an appropriate detailed review; and
4. The failure to personally be available on a reasonable basis or with adequate advance notice for consultation and inspection where circumstances require personal availability.

Site Visit: A visual assessment of the accessible areas of the components included within the reserve study.

The site visit includes tasks such as, but not limited to, on-site visual observations, a review of the association's design and governing documents, review of association precedents, and discussion with appropriate representative(s) of the association.

Special Assessment: A temporary assessment levied on the members of an association in addition to regular assessments. Note that special assessments are often regulated by governing documents or local statutes.

Special assessments, when used to make up for unplanned reserve fund shortfalls, may be an indicator of deferred maintenance, improper reserve project planning, and unforeseen catastrophes and accidents, as well as other surprises.

Structural System: The structural components within a building that, by contiguous interconnection, form a path by which external and internal forces, applied to the building, are delivered to the ground. This is generally a combination of structural beams, columns, and bracing and is not included within the reserve study, although it is reviewed as part of the recommended periodic structural inspections.

It is important to recognize that individual structural components which are not a part of the structural system, such as decks, balconies, and podium deck components may be included for reserve funding if they otherwise satisfy the three-part test.

Useful Life (UL): The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed presuming proactive, planned, preventive maintenance.

Best practice is that a component's Useful Life should reflect the actual preventive maintenance being performed (or not performed).

Valuation Estimates: The task of estimating the current repair or [replacement costs](#) for the reserve components.

The above terms and definitions are from the Community Associations Institute (CAI) national reserve study standards (2023 version).

Terms & Definitions BRG

Browning Reserve Group, a division of Reserve Advisors, LLC reserve studies use several terms that are unique to our reports. Our specialized systems have been developed to offer flexibility in many areas of our reporting. Please see below for definitions of abbreviations and symbols used in many of our reserve studies.

NR-1 Limited Recurrence (1 Time): NR (Nonrecurring) signifies that a component recurs for only a limited number of life cycles and not continuously. NR-1 signifies that component replacement occurs only once, NR-2 signifies that replacement occurs only twice, and so on. NR is most often used to signify a replacement in a single specific year only or to display a cost that may be unique at one replacement cycle only. One-time only components may accompany an ongoing component where the one-time component provides a unique cost or schedule that differs from the related ongoing component.

SE-2 Spread Evenly (2 Years): SE (Spread Even) signifies that component replacement is divided evenly over two or more consecutive years instead of undivided replacement in a single year. SE-2 signifies that half of the component will be replaced in two consecutive years, SE-3 signifies thirds replacement in three consecutive years, and so on. For example, an 8-year remaining life component set with SE-4 will have a quarter replaced in year 8, quarter in year 9, quarter in year 10, and quarter in year 11 with each year's replacement adjusted for inflation accordingly. Spread replacements continue through all future replacement cycles.

NSE-2 Spread Non-Evenly (2 Years): NSE (Not Spread Even) spreads the total replacement over several consecutive years like [spread evenly](#), but unlike [spread evenly](#), NSE spreads are unequal. For example, a 6-year remaining life component set with NSE-3 could have a quarter replaced in year 6, half in year 7, and quarter in year 8 with each year's replacement adjusted for inflation accordingly. Spread replacements continue through all future replacement cycles.

Percent to Include (%): Percent to include signifies what portion of a component is replaced and/or what portion reserves pays at each replacement cycle. A partial replacement example could involve a wood fence partially replaced at 50% every eight years instead of fully replaced at 100% every sixteen years. A partial cost example could involve a 50/50 good neighbor fence cost share where only 50% of the total replacement cost is paid from reserves. These two examples could overlap yielding 25% each replacement cycle. Various other examples exist that might involve small percentages or, occasionally, higher than 100%.

Remaining Life Greater than Useful Life (Delayed Start): [Remaining life](#) greater than [useful life](#) signifies that a component's replacement cycle start is delayed. In many instances a component's replacement cycle may not begin immediately, so the replacement cycle start is delayed by setting the [remaining life](#) greater than the [useful life](#). An example could involve metal fence paint where the initial factory paint may last 9 years but subsequent in-field repaint only lasts 6 years. In this example, the initial metal fence paint cycle would be delayed 3 years by setting a 9 year [remaining life](#) and 6 year [useful life](#).

Zero Remaining Life: Zero [remaining life](#) signifies component replacement in the study's preparation year irrespective of whether the replacement was before or after the study's preparation. All replacements are reflected in their replacement year, and the year in which the study is prepared is no different than any other year.



RESERVE STUDY

Member Distribution Materials

Plumas Eureka Villas 6

Update w/ Site Visit Review

Third Draft

Published - June 29, 2026

Prepared for the 2027 Fiscal Year

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	Cash Flow Method {c}	

Professionally managed by
Cline & Associates
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Browning Reserve Group, A Division Of Reserve Advisors, LLC
www.BrowningRG.com

June 29, 2026

This is a summary of the Reserve Study that has been performed for Plumas Eureka Villas 6, (the "Association") which is a Condominium with a total of 110 Units. 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, a division of Reserve Advisors, LLC prepared this Update w/ Site Visit Review for the January 1, 2027 - December 31, 2027 fiscal year. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 2.50% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2.50% per year.

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. 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
Third Draft
Prepared for the 2027 Fiscal Year

<i>Reserve Component</i>	<i>Current Replacement Cost</i>	<i>Useful Life</i>	<i>Remaining Life</i>	<i>2026 Fully Funded Balance</i>	<i>2027 Fully Funded Balance</i>	<i>2027 Line Item Contribution based on Cash Flow Method</i>
01000 - Paving	506,181	1-21	1-7	294,252	328,991	21,709
02000 - Concrete	24,800	2-2	1-1	12,400	25,420	6,795
03000 - Painting: Exterior	57,579	1-1	0-0	57,579	59,018	30,784
04500 - Decking/Balconies	498,880	20-40	0-29	186,176	190,904	5,644
05000 - Roofing	1,421,194	25-25	20-20	198,967	262,210	51,701
18000 - Landscaping	20,000	2-2	1-1	10,000	20,500	5,480
29000 - Infrastructure	42,180	30-30	23-23	9,842	11,529	1,326
30000 - Miscellaneous	152,920	5-15	1-13	64,302	78,327	7,812
31000 - Reserve Study	1,950	3-3	0-0	1,950	666	348
Totals	\$2,725,684			\$835,468	\$977,567	\$131,600
Estimated Ending Balance				\$280,965	\$282,470	\$99.70
Percent Funded				33.6%	28.9%	/Unit/month @ 110

**California Assessment and Reserve Funding
Disclosure For the Fiscal Year Ending 2027**

Third Draft

June 29, 2026

- (1) The regular assessment per ownership interest is _____ per month for the fiscal year beginning January 1, 2027.

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, a division of Reserve Advisors, LLC 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 \$835,468, based in whole or in part on the last reserve study or update prepared by Browning Reserve Group, a division of Reserve Advisors, LLC as of June, 2026. The projected reserve fund cash balance at the end of the current fiscal year is \$280,965 resulting in reserves being 33.6% 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)
2027	\$977,567	\$282,470	28.9%
2028	\$1,077,314	\$310,856	28.9%
2029	\$1,195,938	\$342,793	28.7%
2030	\$1,307,805	\$451,748	34.5%
2031	\$1,484,992	\$524,724	35.3%

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 2.50% per year was the assumed long-term interest rate.

Additional Disclosures

§5565(d) The current deficiency in reserve funding as of December 31, 2027 is \$6,319 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.

$$\text{Deficiency} = \frac{2027 \text{ Fully Funded Balance} - 2027 \text{ Reserve Ending Balance}}{\text{Ownership Interest Quantity}}$$

§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, unless noted below:

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

Third Draft

Prepared for the 2027 Fiscal Year

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Beginning Balance	159,256 ¹	280,965	282,470	310,856	342,793	451,748	524,724	646,430	173,907	354,634
Inflated Expenditures @ 2.5%	75,529	137,051	126,331	141,211	85,743	146,154	124,677	742,405	94,644	143,780
Reserve Contribution	117,500	131,600	147,392	165,079	184,888	207,075	231,924	259,755	268,846	278,256
<i>Units/month @ 110</i>	89.02	99.70	111.66	125.06	140.07	156.88	175.70	196.78	203.67	210.80
<i>Percentage Increase</i>		12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	3.5%	3.5%
Special Assessments / Other	74,303	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	5,435	6,956	7,325	8,070	9,809	12,055	14,459	10,128	6,525	10,547
Ending Balance	280,965	282,470	310,856	342,793	451,748	524,724	646,430	173,907	354,634	499,657

1) Reserve contribution per client. One-time \$74,303 loan payback to reserves that were borrowed in 2025.

	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Beginning Balance	499,657	701,964	846,533	1,093,418	1,213,825	1,325,736	1,536,379	1,833,719	2,070,332	2,368,714
Inflated Expenditures @ 2.5%	100,523	172,623	85,573	227,384	249,924	166,741	98,287	177,997	135,657	180,933
Reserve Contribution	287,995	298,075	308,508	319,306	330,482	342,049	354,021	366,412	379,236	392,509
<i>Units/month @ 110</i>	218.18	225.81	233.72	241.90	250.37	259.13	268.20	277.58	287.30	297.36
<i>Percentage Increase</i>	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	14,835	19,117	23,950	28,484	31,353	35,335	41,606	48,198	54,803	61,863
Ending Balance	701,964	846,533	1,093,418	1,213,825	1,325,736	1,536,379	1,833,719	2,070,332	2,368,714	2,642,152

	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Beginning Balance	2,642,152	2,401,179	1,922,038	1,626,621	1,182,368	1,538,105	1,822,598	2,114,369	2,431,942	1,771,312
Inflated Expenditures @ 2.5%	709,484	952,980	774,410	929,345	144,026	239,490	256,214	255,412	1,247,470	335,357
Reserve Contribution	406,247	420,466	435,182	450,413	466,177	482,493	499,380	516,858	534,948	553,671
<i>Units/month @ 110</i>	307.76	318.53	329.68	341.22	353.16	365.53	378.32	391.56	405.26	419.45
<i>Percentage Increase</i>	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	62,263	53,373	43,811	34,679	33,586	41,490	48,605	56,127	51,892	47,012
Ending Balance	2,401,179	1,922,038	1,626,621	1,182,368	1,538,105	1,822,598	2,114,369	2,431,942	1,771,312	2,036,638