PLUMAS EUREKA ESTATES VILLAS
HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS
DECEMBER 31, 2024

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Plumas Eureka Estates Villas Homeowners Association
Blairsden, California

We have reviewed the accompanying financial statements of Plumas Eureka Estates Villas Homeowners Association, which comprise the balance sheet as of December 31, 2024, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Association management. A review is substantially less in scope than an audit, the object of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Plumas Eureka Estates Villas Homeowners Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion on the Financial Statements

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The supplementary information in the schedules of operating expenses and administrative expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information about future major repairs and replacements of common property on page 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or complied the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on it.

Boden Klein + Sneesby

BODEN KLEIN & SNEESBY
Certified Public Accountants
June 4, 2025

PLUMAS EUREKA ESTATES VILLAS
HOMEOWNERS ASSOCIATION
Balance Sheet
December 31, 2024

ASSETS

	Operating Fund	Reserve Fund	Total
Cash and cash equivalents:			
Plumas bank - checking	$ 25,059	$ -	$ 25,059
Plumas bank - savings	854	-	854
Plumas bank - money market	-	102,346	102,346
Alliance Assoc.bank - money market	-	70,452	70,452
Total cash and cash equivalents	25,913	172,798	198,711
Non-current assets:			
Building	68,479	-	68,479
Machinery and equipment	41,634	-	41,634
Vehicles and related	47,788	-	47,788
Accumulated depreciation	(149,440)	-	(149,440)
Total non-current assets	8,461	-	8,461
Other assets:			
Assessments receivable	13,240	-	13,240
Prepaid income taxes	1,304	-	1,304
Prepaid expenses	61,980	-	61,980
Total other assets	76,524	-	76,524
TOTAL ASSETS	**$ 110,898**	**$ 172,798**	**$ 283,696**

LIABILITIES AND FUND BALANCES

	Operating Fund	Reserve Fund	Total
Current liabilities:			
Accounts payable	$ 1,313	$ -	$ 1,313
Payroll liabilities	258	-	258
Deferred income	5,933	-	5,933
Current portion of long term note payable	47,954	-	47,954
Due to/(from) other funds	(8,885)	8,885	-
Total current liabilities	46,573	8,885	55,458
Long term liabilities:			
Note payable - Plumas Bank	523,013	-	523,013
Contract liabilities - replacement reserve assessment in advance	-	163,913	163,913
Total long term liabilities	523,013	163,913	686,926
Fund balances	(458,688)	-	(458,688)
TOTAL LIABILITIES AND FUND BALANCES	**$ 110,898**	**$ 172,798**	**$ 283,696**

See independent accountant's review report and notes to financial statements.

PLUMAS EUREKA ESTATES VILLAS
HOMEOWNERS ASSOCIATION
Statement of Revenues, Expenses and Changes in Fund Balance
For the Year Ended December 31, 2024

	Operating Fund	Reserve Fund	Total
Revenues:			
Monthly dues	$ 617,662	$ 113,618	$ 731,280
Interest income	20	409	429
Late fees	386	-	386
Other income	350	-	350
Total revenues	618,418	114,027	732,445
Expenses:			
Operating costs	318,387	-	318,387
Administrative costs	211,343	-	211,343
Interest expense	37,966	-	37,966
Depreciation	2,134	-	2,134
Major repairs and replacements	-	114,027	114,027
Total expenses	569,830	114,027	683,857
EXCESS OF REVENUES OVER EXPENSES	**48,588**	-	**48,588**
Fund balance, beginning	(507,276)	-	(507,276)
FUND BALANCE, ENDING	**$ (458,688)**	**$ -**	**$ (458,688)**

See independent accountant's review report and notes to financial statements.

PLUMAS EUREKA ESTATES VILLAS
HOMEOWNERS ASSOCIATION
Statement of Cash Flows
For the Year Ended December 31, 2024

	Operating Fund	Reserve Fund	Total
Cash flows from operating activities:			
Excess of revenues over expenses	$ 48,588	$ -	$ 48,588
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:			
Depreciation	2,134	-	2,134
Changes in operating assets and liabilities:			
Assessments receivable	(10,854)	1,448	(9,406)
Prepaid expenses	(798)	-	(798)
Prepaid income tax	717	-	717
Accounts payable	(1,995)	-	(1,995)
Payroll liabilities	258	-	258
Deferred income	3,751	-	3,751
Contract liabilities	-	1,445	1,445
Total adjustments	(6,787)	2,893	(3,894)
Net cash provided by operating activities	41,801	2,893	44,694
Cash flows from financing activities:			
Principal payments on note payable	(45,001)	-	(45,001)
Due to (from) other fund	(8,885)	8,885	-
Net cash (used) provided by financing activities	(53,886)	8,885	(45,001)
Net (decrease) increase in cash and cash equivalents	(12,085)	11,778	(307)
Cash and cash equivalents, beginning of year	37,998	161,020	199,018
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 25,913**	**$ 172,798**	**$ 198,711**

See independent accountant's review report and notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. Association -

Plumas Eureka Estates Villas Homeowners Association was incorporated in 1978, under the general nonprofit corporation law of the State of California. The specific and primary purpose for which this association was formed is to repair, maintain, and manage the common area of the Homeowners Association located in Blairsden, California. The common area the Association oversees is the exterior of the residential units, including roofs, landscaping, paved parking areas and maintenance building. The Homeowners Association is supported by monthly assessments to its 110 individual homeowner units.

b. Fund accounting -

The Homeowners Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Homeowners Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund - This fund is used to account for financial resources available for general operations of the Homeowners Association.

Reserve Fund - This fund is used to accumulate financial resources designated for future major repairs and replacements.

The Association uses the accrual method of accounting when recording transactions. Revenue is recorded when earned, and expenses are recorded when the obligation is incurred.

c. Member assessments -

Association members are subject to monthly assessments to provide funds for Plumas Eureka Estates Villas Homeowners Association's operating expenses and major repairs, and major replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Associations performance obligations related to its operating assessments are satisfied over time on a daily pro-rata basis. The performance obligations related to its replacement fund assessments are satisfied when these funds are expended for their designated purpose.

d. Assessments receivable –

Assessments receivable at the balance sheet date are stated at amounts expected to be collected from outstanding assessments from unit owners. The Associations' policy is to retain legal counsel and place liens on the properties of owners whose assessments are delinquent. Uncollectible assessments are estimated by management based on an evaluation of past due balances and past experiences. The estimated allowance for credit losses, is based, generally on amounts past due greater than 90-120 days. There was no allowance for credit losses at December 31, 2024.

e. Property and equipment -

The Homeowners Association capitalizes all property and equipment to which it holds title or has other evidence of ownership. Real property owned by individual unit owners in common and improvements made by the Homeowners Association to such property are not capitalized in the financial statements. The maintenance building is recorded at cost and is being depreciated over thirty-one and a half years.

Machinery and equipment acquired by the Homeowners Association is recorded at cost. The assets are depreciated over five to seven years using the straight-line method of depreciation.

f. Interest income -

Interest income is allocated to the operating and replacement fund in proportion to the interest-bearing deposits of each fund.

g. Income taxes -

Plumas Eureka Estates Villas Homeowners Association may be taxed either as a homeowners' association or as a regular corporation. For the year ended December 31, 2024, the Association was taxed as a regular corporation. As a regular corporation, membership income is exempt from taxation if certain elections are made, and the Association is taxed only on its non-membership income, such as interest earnings, at regular federal and state corporation rates.

The Association recognizes tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement. There was no impact on the Association's financial statements.

The Association files tax returns in the United States federal jurisdiction and in the State of California. The Association's federal income tax returns remain subject to examination by the Internal Revenue Service for 3 years and the California income tax returns remain subject to examination by the Franchise Tax Board for 4 years.

h. Contract liabilities - replacement reserve assessments paid in advance -

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability – replacement reserve assessment paid in advance is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to the replacement reserve assessments.

i. Concentration of credit risk -

At times throughout the year, cash balances may exceed federally insured limits. The Association has not incurred any losses and believes it is not exposed to any significant credit risk on these balances.

j. Estimates -

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - FUTURE MAJOR REPAIRS AND REPLACEMENTS:

The Association's governing documents require funds to be accumulated for future repairs and replacements. Accumulated cash is held in separate accounts and is generally not available for operating purposes.

The Association is funding for such major repairs and replacements based on a study that contains estimates of current replacement costs and considers amounts previously accumulated. Actual expenditures, however, may vary from the estimated amounts, and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, however, the Association has the right, subject to member approval, to increase regular assessments, to levy special assessments, or it may delay major repairs and replacements until funds are available.

NOTE 3 - INCOME TAXES:

The Association incurred no income tax expense for 2024.

NOTE 4 - SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

For purposes of the statement of cash flows, the Association paid no income taxes and $37,966 in interest for the year ended December 31, 2024. Additionally, the Association defines cash equivalents as cash and certificates of deposits with maturities of three months or less.

NOTE 5 - NOTE PAYABLE - PLUMAS BANK:

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 6.201 percent. The outstanding balance at December 31, 2024 was $570,967. Required future principal payments are as follows:

Year Ending December 31,	Amount
2025	47,954
2026	51,102
2027	54,456
2028	58,031
2029 and beyond	359,424
Total	$ 570,967

NOTE 6 - SUBSEQUENT EVENTS:

Management has evaluated the potential for subsequent events through the available for issuance date of the financial statements, June 4, 2025.

PLUMAS EUREKA ESTATES VILLAS
HOMEOWNERS ASSOCIATION
Schedule of Operating Costs
For the Year Ended December 31, 2024

Labor	$ 199,700
Utilities	29,351
Repairs and maintenance	26,716
Heath and welfare	25,399
Payroll taxes	16,749
Supplies	7,984
Landscaping	6,631
Retirement plan expense	5,857
Total operating costs	**$ 318,387**

PLUMAS EUREKA ESTATES VILLAS
HOMEOWNERS ASSOCIATION
Schedule of Administrative Costs
For the Year Ended December 31, 2024

Insurance	$ 196,583
Contingency	6,920
Legal and accounting	2,954
Printing and postage	1,682
Telephone	1,448
Annual meeting	1,439
Payroll processing fee	317
Total administrative costs	**$ 211,343**

PLUMAS EUREKA ESTATES VILLAS
HOMEOWNERS ASSOCIATION
Required Supplementary Information
On Future Major Repairs and Replacements
For the Year Ended December 31, 2024

The Corporation's governing documents require it to maintain common areas and the exterior surfaces of each unit. The Board of Directors has the responsibility to provide for future major repairs and replacements. Therefore, the Board, from time to time, conducts studies of the major improvements which may require significant expenditures for repairs or replacements in the future.

Even using information provided by the reserve study to predict future expenditures, actual expenditures may vary from the estimated future expenditures and the variation may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed the Corporation has the right, subject to membership approval, to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

The following table is based on the study dated September 9, 2021 and presents significant information about the components of common property. A new study is projected to be finished in the summer of 2025.

Components	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs	Replacement Funds at 12/31/24
Roofs (110 villas)	1-20	$ 1,146,460	
Roads	1-3	407,842	
Decks	1-31	578,863	
Painting	1	85,438	
Misc. maintenance equipment	1-27	137,795	
TOTALS		$ 2,356,398	$ 163,913

Estimated current replacement costs are amounts calculated in today's dollars, at the date of the study, for ongoing repairs and replacements through the year 2055.

See independent accountant's review report.