

Reserve Study Executive Summary

Association Name: Pacific Bluffs Management Corporation #2
Location: 5326 Mount Alifan Drive, San Diego, CA
No. of Units: 82 **Built:** 1967 **Fiscal Year Ending:** December 31, 2021
Level of Study: Level II: Update with On-Site Inspection **Date of Physical Inspection:** October 27, 2021

CURRENT FISCAL YEAR END SUMMARY OF RESERVE COMPONENTS

(See Reserve Analysis Worksheet, pg. 5, for breakdown of all components individual lives, current costs, and projected future replacement costs)

Reserve Component	Estimated Useful Life	Estimated Remaining Life	Estimated Replacement Cost	Annual Funding Requirement	Accumulated Funding Requirement	Allocation of Fund Balance	Percent of Fund Balance
ROOFING & DECKS	6 - 25	1 - 19	\$ 935,740	\$ 48,988	\$ 592,636	\$ 160,702	76.5%
BALCONY BILL	9 - 9	3 - 3	10,000	1,111	6,667	1,808	0.9%
PAINTING & WOOD REPAIRS	8 - 20	4 - 20	122,495	10,049	1,374	372	0.2%
FENCING & RAILINGS	6 - 30	1 - 24	61,120	5,642	26,233	7,113	3.4%
PAVED SURFACES	5 - 30	2 - 22	207,267	9,670	68,947	18,696	8.9%
PLUMBING	10 - 12	6 - 7	82,500	8,125	26,250	7,118	3.4%
LANDSCAPING & IRRIGATION	15 - 25	15 - 22	39,000	2,107	1,320	358	0.2%
LIGHTING	6 - 35	1 - 12	17,125	913	10,758	2,917	1.4%
MISCELLANEOUS	1 - 1	1 - 1	3,500	3,500	3,500	949	0.5%
CONTINGENCY (3%)			44,362	4,505	36,884	10,002	4.8%
TOTALS			\$ 1,523,111	\$ 94,610	\$ 774,568	\$ 210,035	

CURRENT FISCAL YEAR RESERVE FUNDS

Current Budgeted Annual Reserve Allocation	\$ 44,442
Reserve Fund Balance as of: June 30, 2021	\$ 277,814
Anticipated Funding to Year End	22,221
Anticipated Expenditures to Year End	(90,000)
Cash Projected at Year End December 31, 2021	\$ 210,035
Accumulated Funding Requirement (Fully Funded)	\$ 774,568
Percentage Funded at the end of this Fiscal Year	27.1%
Accumulated Deficiency for Current Fiscal Year	\$ 564,533 Per Unit \$ 6,885
Deferred repair/replacement of any major component with a remaining life of 30 years or less?	NO

RESERVE FUNDING OPTIONS FOR THE FISCAL YEAR ENDING: 2022

	per unit per month	per year
funding options assume a 3% increase, unless otherwise noted		
Annual Requirement Funding:	\$ 99	\$ 97,448
Current Budgeted Funding:	47	45,775
Recommended Funding:	54	53,330
Special Assessment/s Recommended?	YES	

For funding option details please see Reserve Study Summary page 2

We present this summary of the repair and replacement funding program of the Association as of December 31, 2021, and the related reserve funding projection for the 30-year period from 2022 to 2051, based on information provided by management and based upon the consultant's estimates of the most probable reserve component replacement costs, conditions, and lives. The annual requirement is based on the cost of each component divided by its total useful life. The accumulated requirement is the annual requirement multiplied by the number of years each component has been in service. The difference between accumulated requirement total and the actual cash balance may indicate a deficit which would be expressed in the percentage funded.

The above information is a condensed summary of the reserve study, in compliance with CA Civil Codes 5300, 5550, and 5600, and is intended to be included in the annual budget package to be provided to owners not less than 30 nor more than 90 days prior to the Association fiscal year end. CACC 5550 requires an on-site inspection every 3 years, and the study to be reviewed annually. Assumptions have been made about costs, conditions, and future events that may occur. Some of these assumptions may not materialize; and unanticipated events and circumstances may occur subsequent to the date of this report. Therefore, the actual replacement costs and lives may vary from this report and the variations may be material.

The compilation of this reserve funding analysis and projection is based on representations of management and the consultant's estimates. We have not audited or reviewed the accompanying analysis and projections and, accordingly, do not express an opinion or any other form of assurance on them. We assume no responsibility to update this report for events occurring after the date of issuance of this report.



November 8, 2021

Sonnenberg & Company, CPAs