

Reserve Study Executive Summary

Association Name: **Pacific Bluffs Management Corporation #2**
 Location: **5326 Mount Alifan Drive, San Diego, CA** Fiscal Year Ending: **December 31, 2022**
 No. of Units: **82** Built: **1967**
 Level of Study: **Level III: Update with no On-Site Inspection**
 Last Reserve Study with On-Site inspection: **December 31, 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 Groups	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	2 - 18	\$ 937,570	\$ 47,932	\$ 567,333	\$ 196,001	75.2%
BALCONY BILL	9 - 9	2 - 2	10,000	1,111	7,778	2,687	1.0%
PAINTING & WOOD REPAIRS	8 - 20	3 - 19	124,238	10,171	11,583	4,002	1.5%
FENCING & RAILINGS	6 - 30	1 - 23	61,204	5,645	17,025	5,882	2.3%
PAVED SURFACES	5 - 30	2 - 21	191,527	8,541	61,340	21,192	8.1%
PLUMBING	10 - 12	5 - 6	82,500	8,125	34,375	11,876	4.6%
LANDSCAPING & IRRIGATION	15 - 25	14 - 21	39,000	2,107	3,427	1,184	0.5%
LIGHTING	9 - 35	2 - 11	19,025	935	12,492	4,316	1.7%
MISCELLANEOUS	2 - 20	1 - 20	9,500	3,625	3,500	1,209	0.5%
CONTINGENCY (3%)			44,237	4,410	35,943	12,417	4.8%
TOTALS			\$ 1,518,801	\$ 92,602	\$ 754,795	\$ 260,766	

CURRENT FISCAL YEAR RESERVE FUNDS

Current Budgeted Annual Reserve Allocation	\$ 48,740
Reserve Fund Balance as of: August 31, 2022	\$ 245,519
Anticipated Funding to Year End	16,247
Anticipated Expenditures to Year End	(1,000)
Cash Projected at Year End December 31, 2022	<u>\$ 260,766</u>
Accumulated Funding Requirement (Fully Funded)	\$ 754,795
Percentage Funded at the end of this Fiscal Year	34.5%
Accumulated Deficiency for Current Fiscal Year	\$ 494,030
Deferred repair/replacement of any major component with a remaining life of 30 years or less?	Per Unit \$ 6,025 YES

RESERVE FUNDING OPTIONS FOR THE FISCAL YEAR ENDING: 2023

<i>funding options assume a 3% increase, unless otherwise noted</i>	per unit per month	per year
Annual Requirement Funding:	\$ 97	\$ 95,380
Current Budgeted Funding:	51	50,202
Recommended Funding:	59	58,488
Special Assessment/s Recommended?		NO

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, 2022, and the related reserve funding projection for the 30-year period from 2023 to 2052, 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.