

**I. 2024 Sierra Springs Annual Budget Statement
Civil Code 5300**

1. Pro Forma Operating Budget (EXHIBIT A)

Civil Code §5300(b)(1)

The Pro Forma Operating Budget for fiscal year 2024 is prepared on an accrual basis.

The Board of Directors adopted the operating budget with the goal of providing efficient operations and completing major repairs and upgrades. Dues were increased **\$5.00** per month (\$15.00 per quarter) and are as follows:

- a) **County maintained roads** quarterly fees will be **\$190.00** in 2024.
- b) **Association maintained roads** quarterly fees will be **\$210.00** in 2024.
- c) **Ingress and egress** quarterly fees will be **\$40.00** in 2024.
- d) **Moonflower, Foxglove, Yarrow** quarterly fees will be **\$210.00** in 2024.

2. Reserve Summary (EXHIBIT B)

Civil Code §§5300(b)(2), 5565

Based on the Reserve Study, the Association's reserves will be 57.3% funded at the end of 2024. The reserve study does not distinguish, nor separate, the intended allocation of the various reserve funds. For example: Road Funds cannot be used for Capital Expenditures, Forest Maintenance or Operating expenses.

3. Reserve Funding Plan Summary

Civil Code §§5300(b)(3), 5550(b)(5)

The reserve accounts in 2024 will be funded with 38% of the 2024 budgeted income. The objective continues in the direction necessary to reach the Association's obligation for the necessary repair and replacement of all major components with an expected remaining life of 30 years or less. The Board will consider implementation of the 2024 Browning Reserve Group's 30-year Reserve Funding Plan for 2024. 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. ***The full Reserve Plan (101 pages) is available upon request.***

4. Major Component Repair Statement

Civil Code §§5300(b)(3), 5550(b)(4)

Reserve Fund expense considerations for 2024 include the repair of road culverts; fire safety and forest maintenance of the common property owned by the Association; Wisteria Pool bathroom remodel; Lodge HVAC; replacement of the water heater; a new office copier; and the update and repair of the maintenance garage.

5. Anticipated Special Assessment Statement

Civil Code §5300(b)(5)

As of the date of this communication, the Board of Directors does not anticipate any special assessments to repair, replace or restore any major components or to provide adequate reserves.

6. Reserve Funding Mechanism Statement

Civil Code §5300(b)(6)

The Board of Directors used a designated dollar amount of all regular budgeted assessments (dues) to fund reserves to repair or replace major components.

7. Procedures for Calculating Reserves Statement

Civil Code §§5300(b)(7), 5570(b)(4)

The Board calculated the reserves by using the Browning Report, which details the current cost of replacement or repair multiplied by the number of years the component has been in service, divided by the useful life of the component and the increase in needs for fire prevention and forest maintenance, road and culvert repairs, and structural upgrades.

8. Outstanding Loan Statement

Civil Code §5300(b)(8)

The Association has no outstanding loans.

9. Insurance Summary (EXHIBIT C)

Civil Code §5300(b)(9)

The Association maintains insurance policies with adequate coverage designed to protect the SSOA members/owners. Insurance Policies include **Commercial Auto** (comp, collision, liability, medical payments, auto non-owned); **Commercial Crime** (employee theft, forgery, computer, or wire transfer fraud); **Entity Policies** (Employment Practices & Directors & Officers); **Commercial Property** (common areas); **General Liability** (\$1M/\$2M); **Commercial Umbrella** (\$2M/\$4M); and **Workers' Compensation**.

The summary of the Association's policies of insurance provides such information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any Association member may, upon request and provision of reasonable notice, review the Association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. The Association's policies of insurance do not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your property or property structures.

**II. 2024 SSOA Annual Policy Statement
Civil Code 5310**

1. Association's Designated Recipient Person

Civil Code §§5310(a)(1), 4035

All official communications to the Association should be sent to the attention of Shelly Thompson, Association Manager, via the following:

In person:

Main Lodge
5340 Edelweiss Way
Pollock Pines, CA

Mail:

Sierra Springs Owners Association
4240 Sierra Springs Drive
Pollock Pines, CA 95726

Email: info@sierraspringsowners.org

2. Right of Notice to Two Addresses

Civil Code §§5310(a)(2), 4040(b)

Members have a right to submit a request to have notices sent to up to two different specified addresses for the purpose of receiving annual reports which the Association is required to provide to owners and for mailings and notices related to assessment payments, delinquencies, and foreclosures.

3. General Notices Location

Civil Code §§5310(a)(3), 4045(a)(3)

General Notices, including meeting agendas and minutes, are posted on the SSOA website at www.sierraspringsowners.org and the bulletin board in the Lodge at 5340 Edelweiss Way.

4. Right to Receive General Notice by Individual Delivery

Civil Code §§5310(a)(4), 4045(b)

Members have the option to receive general notices by USPS upon written request to the Association.

5. Right to Receive Board Minutes

Code §§5310(a)(5), 4950(b)

Minutes or summary minutes of the meetings of the Board of Directors (other than executive sessions) are posted on the bulletin board in the Lodge at 5340 Edelweiss Way, on the SSOA website at <http://www.sierraspringsowners.org> and by USPS upon written request to the Association.

6. Assessment Collection Policy (EXHIBITS D & E)

Civil Code §§5310(a)(6), 5730

Attached is the Membership Assessment Collection Policy, which includes the Association's policies and practices in enforcing lien rights or other legal remedies for default in the payment of assessments and the mailing address for overnight payment of assessments.

7. Assessment Default Enforcement Policy (EXHIBIT F)

Civil Code §5310(a)(7)

SSOA is contracted with Allied Trustees Collection Agency.

8. Governing Document Enforcement & Disciplinary Action Policy (EXHIBIT G) Civil Code §§5310(a)(8), 5850

CC&Rs and Rule violations will be subject to loss of member privileges and potential fines as defined by the current Disciplinary Action Policy.

9. Dispute Resolution Procedures (EXHIBITS H)

Civil Code §§5310(a)(9), 5920, 5965

SSOA Bylaws require that the Board provide Alternative Dispute Resolution (ADR) and Internal Dispute Resolution (IDR) processes. California law requires that certain types of disputes between the Association and the Membership provide for an independent forum to resolve the dispute before the filing of a lawsuit by any party.

10. Architectural Guidelines and Procedures (EXHIBITS I, J, K)

Civil Code §§5310(a)(10), 4765

The Association requires written approval of exterior architectural changes **prior** to project commencement. Architectural approval is required for new or changes to driveways, fences, ground solar systems, exterior paint colors, roofs, sheds, structures (carports, green houses, etc.); and for the parking of certain types of vehicles (personal, recreational, commercial, trailers & non-licensed vehicles).

11. Overnight Payment Mailing Address

Civil Code §§5310(a)(11),5655

Overnight payments should be sent to Sierra Springs Owners Association c/o Eugene Burger Management Corporation (EBMC) at 11601 Blocker Drive, Suite 200, Auburn CA 95603. Regularly mailed payments should be sent to either SSOA c/o Eugene Burger Management Corporation (EBMC) lockbox at P.O. Box 468 Sacramento, CA 95812 or EBMC P.O. Box 7668 Auburn, CA 95604. Accounts in collections should be mailed to the Collection Agency at the address provided by the Collection Agency.

12. Miscellaneous Information

Civil Code §5310(a)(12)

On January 1, 2023, SSOA contracted with a new Management Company – Eugene Burger Management Corporation. Introductory letters were mailed to all property owners. Additional benefits such as an online portal and credit card payment options are now available.