Oak Hills Homeowners Association

Level 1 Reserve Study

Report Period - 1/1/2025 to 12/31/2025

Client Reference Number	16484
Property Type	Single Family Homes
Number of Units	269
Fiscal Year End	12/31

Type of Study	Full Study
Date of Site Visit	N/A
Prepared By	TJ Martin
Analysis Method	Cash Flow
Funding Goal	Full Funding

Report prepared on - Sep 20, 2024

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Executive Summary - Oak Hills Homeowners Association - ID # 16484

Information to complete this Full Study was gathered by performing an on-site visit of the common area elements. In addition, we may also have obtained information by contacting any vendors and/or contractors that have worked on the property recently, as well as communicating with the property representative (BOD Member and/or Community Manager). To the best of our knowledge, the conclusions and recommendations of this report are considered reliable and accurate insofar as the information obtained from these sources.

Projected Starting Balance as of 1/1/2025	**$261,305**
Ideal Reserve Balance as of 1/1/2025	**$281,522**
Percent Funded as of 1/1/2025	**93%**
Recommended Reserve Contribution (per month)	**$5,065**
Minimum Reserve Contribution (per month)	**$4,345**
Recommended Special Assessment (FY 2025)	**$0**

Property Details

Oak Hills Homeowners Association is a 269-unit community consisting of single family homes, located Salinas, CA. The association's reserve responsibilities include the maintenance of the asphalt streets, concrete surfaces, pool, tennis courts, and common area components. Construction on the common elements was completed in approximately 1997.

Currently Programmed Projected

Projects programmed to occur this fiscal year (FY 2025) include: Gate / Fencing - Repair / Replace (Comp #1004). We have programmed an estimated $2,250.00 in reserve expenditures toward the completion of these projects.

Significant Reserve Projects

The association's significant reserve projects include: Landscaping / Irrigation - Renovate (Comp #1812). Tennis Court - Resurface (Comp #1201). Tennis Court - Replace / Rehab. (Comp #1202). Pool - Resurface (Comp #1101). The fiscal significance of these components is approximately 11%, 9%, 8% and 7% respectively. A component's significance is calculated by dividing its replacement cost by its useful life. In this way, not only is a component's replacement cost considered but also the frequency of occurrence. These components most significantly contribute to the total monthly reserve contribution. As these components have a high level of fiscal significance the association should properly maintain them to ensure they reach their full useful lives. (See Page(s) 12 - 13)

Reserve Funding

In comparing the projected starting reserve balance of $261,305.35 versus the ideal reserve balance of $281,521.67 we find the association's reserve fund to be approximately 93% funded. This indicates a strong reserve fund position. In order to continue to strengthen the account fund, we suggest adopting a monthly reserve contribution of $5,065.00 ($18.83/unit) per month. For comparison purposes, we have also set a minimum reserve contribution of $4,345.00 ($16.15/unit) per month. If the contribution falls below this rate, then the reserve fund may fall into a situation where special assessments, deferred maintenance, and lower property values are likely at some point in the future.

Starting Reserve Balance

We have estimated the starting reserve balance by taking the actual reserve balance of $266,899.10 per the 5/31/2024 balance provided by the client and adding seven months of reserve contributions of $1,008.75/month. From this amount we have subtracted $12,655 in remaining reserve items to be expensed this year (FY 2024). Therefore, we have estimated a starting reserve balance at 1/1/2025 of approximately $261,305.35.

Introduction

Reserve Study Purpose

The purpose of this Reserve Study is to provide the board with a budgeting tool to help ensure that there are adequate reserve funds available to perform future reserve projects. In this respect our estimates of the current and future Fully Funded balances are less significant than the recommended reserve contribution. The board should weigh carefully our recommendations when setting the Reserve Contribution. The detailed schedules will serve as an advanced warning that major projects will need to be addressed in the future. This will allow the Board of Directors to have ample time to obtain competitive estimates and bids that will result in cost savings to the individual homeowners. It will also ensure the physical well-being of the property and ultimately enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to special assessments.

Preparer's Credentials

This reserve study was prepared under the responsible charge of TJ Martin. Any persons assisting in the preparation of this study worked under his responsible charge and have appropriate experience and training.

- Senior Project Manager, Nevada Region
- Nevada Reserve Study Specialist permit number RSS.0000196
- Local 720 IATSE union member
- Nevada Real Estate license number S.0174286
- Personally has prepared or assisted in the preparation of over 2,500 reserve studies.
- Has worked on reserve studies for association's ranging from single family home communities, high-rises, master associations, condominium communities, and townhouse associations.

Budget Breakdown

Every association conducts their business within a budget. There are typically two main parts to this budget, the Operating budget and the Reserve budget. The operating budget typically includes all expenses that occur on an annual basis as well as general maintenance and repairs. Typical Operating budget line items include management fees, maintenance expenses, utilities, etc. The reserves are primarily made up of capital replacement items such as roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis. Typically, the reserve contribution makes up 15% - 40% of the association's total budget. Therefore, reserves are considered to be a major part of the overall monthly association assessment.

Report Sections

The ***Reserve Analysis*** *Section* contains the evaluation of the association's reserve balance, income, and expenses. It includes a finding of the client's current reserve fund status (measured as percent funded) and a recommendation for an appropriate reserve allocation rate (also known as the funding plan).

The ***Component Evaluation*** *Section* contains information regarding the physical status and replacement cost of major common area components the association is responsible to maintain. It is important to understand that while the component inventory will remain relatively “stable” from year to year, the condition assessment and life estimates will most likely vary from year to year.

General Information and Frequently Asked Questions

Is it the law to have a Reserve Study conducted?

The Government requires reserve analyses in approximately 20 States. Even if it is not currently governed by your State, the chances are very good that the documents of the association require the association to have a reserve fund established. This doesn't mean a Reserve Study is required, but how are you going to know if you have enough funds in the reserve account if you don't have the proper information? Some associations look at the Reserve fund and think that $500,000 is a lot of money and they are in good shape. What they don't know is that the roof is going to need to be replaced within 5 years, and the cost of the roof is going to exceed $750,000. So while $500,000 sounds like a lot of money, in reality it won't even cover the cost of a roof, let alone all the other amenities the association is responsible to maintain.

Why is it important to perform a Reserve Study?

As previously mentioned, the reserve allocation makes up a significant portion of the total monthly assessment. This report provides the essential information that is needed to guide the Board of Directors in establishing the reserve portion of the total monthly assessment. The reserve fund is critical to the future of the association because it helps ensure that significant reserve projects can be completed on time with quality contractors. In this way deferred maintenance can be avoided as well as the lower property values that typically accompanies it. It is suggested that a third party professionally prepare the Reserve Study since there is no vested interest in the property.

After we have a Reserve Study completed, what do we do with it?

Hopefully, you will not look at this report and think it is too cumbersome to comprehend. Our intention is to make this Reserve Study easy to read and understand. Please take the time to review it carefully and make sure the “main ingredients” (component information) are complete and accurate. If there are any components that the association feels should be added, removed, or altered as well as any other inaccuracies or changes that should be made, please inform us immediately so we may revise the report. In order to ensure the Board understands its role in the completion of this report, all reports are labeled as “DRAFT” until their input has been given and the report has been approved as finalized. **Note to user:** If this report has a “DRAFT” watermark it is not a finalized report and is not to be relied upon or used for budgeting purposes.

Once you feel the report is an accurate tool to work from, use it to help establish your budget for the upcoming fiscal year. The reserve allocation makes up a large portion of the total monthly assessment and this report should help you determine the correct amount of money to go into the reserve fund. Additionally, the Reserve Study should act as a guide to obtain proposals in advance of pending projects. This will give you an opportunity to shop around for the best price available.

How often do we update or review the Reserve Study?

Unfortunately, there is a misconception that these reports are good for an extended period of time since the report has projections for the next 30 years. Just like any major line item in the budget, the Reserve Study should be professionally reviewed (Level III “no site visit” update study) each year before the budget is established. Invariably, some assumptions have to be made during the compilation of this analysis. Anticipated events may not materialize and unpredictable circumstances could occur. Deterioration rates and repair/replacement costs will vary from causes that are unforeseen. Earned interest rates may vary from year to year. These variations could alter the results of the Reserve Study. Because of this projected future Fully Funded balances cannot be relied upon (in other words the Fully Funded balance for the current year of a report prepared 3 years earlier cannot be considered accurate or reliable). Therefore, this analysis should be professionally reviewed annually, and a “site visit” reserve study should be conducted at least once every three years

What is a “Reserve Component” versus an “Operating Component”?

A “Reserve” component is an item that is the responsibility of the association to maintain, has a limited useful life, predictable remaining useful life, typically occurs on a cyclical basis that exceeds 1 year, and costs above a minimum threshold amount. An “Operating” expense is typically a fixed expense that occurs on an annual basis. For instance, minor repairs to a roof for damage caused by high winds or other weather elements would be considered an “Operating” expense. However, if the entire roof needs to be replaced because it has reached the end of its life expectancy, then the replacement would be considered a reserve expense.

What are the GREY areas of “maintenance” items that are often seen in a Reserve Study?

One of the most popular questions revolves around major “maintenance” items, such as painting the buildings or seal coating the asphalt. You may hear from your accountant that since painting or seal coating is not replacing a “capital” item, it cannot be considered a Reserve issue. However, it is the opinion of several major Reserve Study providers, including Applied Reserve Analysis, that these items are considered to be major expenses that occur on a cyclical basis. Therefore, it makes it very difficult to ignore a major expense that meets the criteria to be considered a reserve component. Once explained in this context, many accountants tend to agree and will include any expenses, such as these examples, as a reserve component.

What are the GREY areas of major expenses that are not included in a Reserve Study?

Some components may appear to satisfy the requirements of being a reserve component but are still not included in the reserve study. Several Reserve Study providers, including Applied Reserve Analysis, limit the component list to physical components of the common area that are owned by the association. Certain elements of an association's common area, such as leased items, or non-physical components such as future reserve studies, financial audits, inspection reports etc. are not included in our reserve studies. In addition we typically do not fund for utility systems, plumbing, or components with an extended useful life. Associations that feel any of these components should be included in our reserve study should notify us with their request. These components will be added to help the association better plan and prepare their own budget and will not necessarily reflect the professional opinions of Applied Reserve Analysis.

Information and Data Gathered

It is important for the client, homeowners, and potential future homeowners to understand that the information contained in this analysis is based on estimates and assumptions gathered from various sources. Estimated life expectancies and cycles are based upon conditions that were readily visible and accessible at the time of the site visit. No destructive or intrusive methods (such as entering the walls to inspect the condition of electrical wiring, plumbing lines, and telephone wires) were performed. In addition, environmental hazards (such as lead paint, asbestos, radon, etc.), construction defects, and acts of nature have also been excluded from this report. If problem areas were revealed, a reasonable effort has been made to include these items within the report. While every effort has been made to ensure accurate results, this report reflects the judgment of Applied Reserve Analysis and should not be construed as a guarantee or assurance of predicting future events.

What happens during the Site Visit? (Site Visit Studies Only)

The Site Visit was conducted of the common areas as reported by client. There may be certain areas that are not located inside the community but still a part of the association's common area. This may include drainage easements or landscaped areas located outside of the community, such as across a street. It is the responsibility of the Association to inform us of all common area locations. From our site visit we identified those common area components that we have determined require reserve funding. Based on information provided by the client, client's vendors, and our assessment of the components we have developed a component list and life and cost estimates.

What is the Financial Analysis?

We project the starting balance by taking the most recent reserve fund balance as stated by the client and add expected reserve contributions to the end of the fiscal year. We then subtract the expenses of any pending projects. We compare this number to the Fully Funded Balance and arrive at the Percent Funded level. Based on that level of funding we then recommend a Funding Plan to help ensure the adequacy of funding in the future

Percent Funded Breakdown: The percentage of the current reserve fund balance versus the Fully Funded Balance. A “snap-shot” indicator of the general strength of the account at the time of report preparation. Because many variables affect the Fully Funded balance it is more important to maintain the recommended reserve contribution or “cash flow” moving forward rather than striving to attain a certain Fully Funded figure.

Measures of strength are as follows:

0% - 30% Funded is generally considered to be a “weak” financial position. Associations that fall into this category are subject to higher frequencies of special assessments and deferred maintenance, which could lead to lower property values. Furthermore, should components fail sooner than expected our recommendations may not be enough to get the community into a better financial position. In this case additional actions beyond our initial recommendations may be necessary to improve the financial strength of the reserve fund.

31% - 69% Funded is generally considered a “fair” financial position. The majority of associations fall into this category. While this doesn't represent financial strength and stability, the likelihood of special assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial position of the reserve fund.

70% - 99% Funded is generally considered a “strong” financial position. This indicates financial strength of a reserve fund and every attempt to maintain this level should be a goal of the association.

100% Funded is considered an “ideal” financial position. This means that the association theoretically has the exact amount of funds in the reserve account.

100%+ Funded is considered over-funded. This means that the association has more reserve funds than the theoretically ideal amount.

Disclosures:

Information provided to the preparer of a reserve study by an official representative of the association regarding financial, historical, physical, quantitative or reserve project issues will be deemed reliable by the preparer. A reserve study will be a reflection of information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited.

A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. A site visit conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection.

The results of this study are based on the independent opinion of the preparer and his experience and research during the course of his career in preparing Reserve Studies. In addition any opinions of experts on certain components have been gathered through research within their industry and with client's actual vendors. There is no implied warrantee or guarantee regarding our life and cost estimates/predictions. There is no implied warrantee or guarantee in any of our work product. Our results and findings will vary from another preparer's results and findings. A Reserve Study is necessarily a work in progress and subsequent Reserve Studies will vary from prior studies.

Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the site visit. We did not destroy any landscape work, building walls, or perform any methods of intrusive investigation during the site visit. In these cases, information may have been obtained by contacting the contractor or vendor that has worked on the property. The physical analysis performed during this site visit is not intended to be exhaustive in nature and may include representative sampling.

The projected life expectancy of the major components and the funding needs of the reserves of the association are based upon the association performing appropriate routine and preventative maintenance for each major component. Failure to perform such maintenance can negatively impact the remaining useful life of the major components and dramatically increase the funding needs of the reserves of the association.

This Reserve Study assumes that all construction assemblies and components identified herein are built properly and are free from defects in materials and/or workmanship. Defects can lead to reduced useful life and premature failure. It was not the intent of this Reserve Study to inspect for or to identify defects. If defects exist, repairs should be made so that the construction components and assemblies at the community reach their full and expected useful lives.

We have assumed any and all components have been properly built and will reach normal, typical life expectancies. In general a reserve study is not intended to identify or fund for construction defects. We did not and will not look for or identify construction defects during our site visit.

Site Visits: Should a site visit have been performed during the preparation of this reserve study no invasive testing was performed. The physical analysis performed during the site visit was not intended to be exhaustive in nature and may have included representative sampling.

Update Reserve Studies: Level II Studies: Quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies. **Level III Studies:** In addition to the above we have not visited the property when completing a Level III “No Site Visit” study. Therefore we have not verified the current condition of the common area components.

Insurance: We carry general and professional liability insurance as well as workers' compensation insurance.

Actual or Perceived Conflicts of Interest: Unless otherwise stated there are no potential actual or perceived conflicts of interest that we are aware of.

Inflation and Interest Rates: The after tax interest rate used in the financial analysis may or may not be based on the clients reported after tax interest rate. If it is we have not verified or audited the reported rate. The interest rate may also be based on an amount we believe appropriate given the 30-year horizon of this study and may or may not reflect current or historical inflation rates.

California Clients: CA Civil Code §5551 requires California condominium associations with 3 or more units to inspect all exterior elevated elements “that extend beyond the exterior walls of the building to deliver structural loads to the building from decks, balconies, stairways, walkways, and their railings, that have a walking surface elevated more than six feet above ground level, that are designed for human occupancy or use, and that are supported in whole or in substantial part by wood or wood-based products.” We have not determined if any exterior elevated element is required to be inspected pursuant to CA Civil Code §5551. Any funding for such inspections within this report is not a determination that your association is required to perform such inspection on any of the exterior elements. Further lack of funding for these inspection is not a determination that your association is not required to perform such inspections. We recommend contacting your association’s legal counsel for such a determination. Further we do not warrant that any such inspections have occurred and are not responsible for the findings of any such inspection. Should any such inspection recommend remediation or repairs we recommend those repairs be performed immediately as required whether or not they are funded for in this report. We will not/have not performed any inspections that would comply with CA Civil Code §5551 on your exterior elevated elements. This reserve study is a budgeting tool and nothing within this study should be construed as a requirement to perform any specific maintenance at any time or cost.

Funding Summary

Beginning Assumptions

# of units	269
Fiscal Year End	12/31
Budgeted Monthly Reserve Contribution	$1,009
Projected Starting Reserve Balance	$261,305
Ideal Starting Reserve Balance	$281,522

Economic Assumptions

Current Inflation Rate	4.00%
Reported After-Tax Interest Rate	0.50%

Current Reserve Status

Current Balance as a % of Ideal Balance	93%

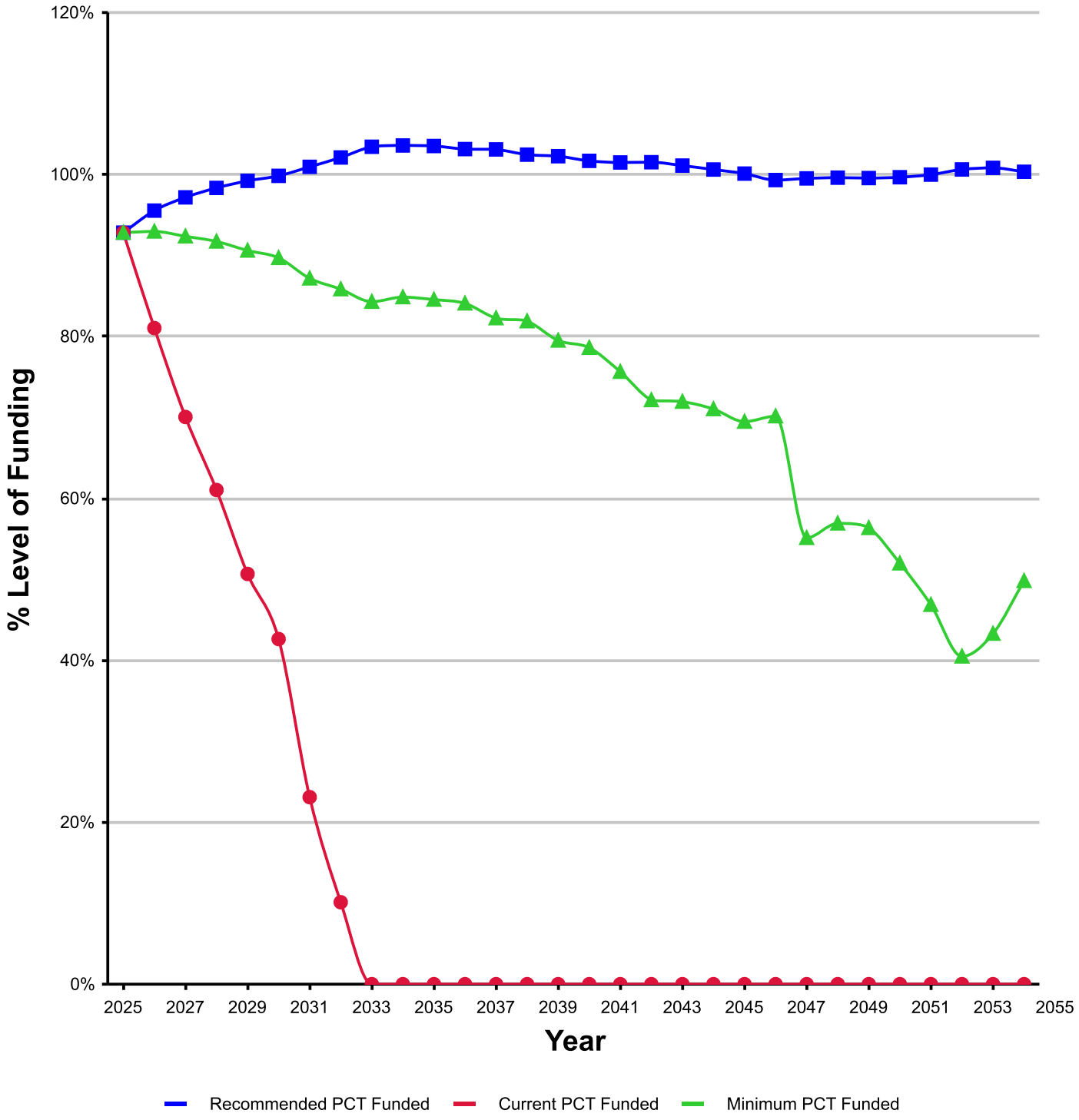
Recommendations

Recommended Special Assessment (FY 2025)	$0
Recommended Monthly Reserve Contribution	$5,065
Per Unit	$18.83
Future Annual Increases	3.50%
For number of years:	2
Increases thereafter:	3.50%
Minimum Recommended MRC	$4,345
Per Unit	$16.15
Future Annual Increases	3.50%
For number of years:	2
Increases thereafter:	3.50%

Changes From Prior Year

Recommended Increase to Reserve Contribution	$4,056
as Percentage	402%
Minimum Recommended Increase to Reserve Contribution	$3,336
as Percentage	331%

Percent Funded - Graph



Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
Common Area								
401	Asphalt - Major Rehab.	30	24	Approx 8,795 Sq.ft.	$52,775	$10,555	$0	$202.10
402	Asphalt - Preventive Maintenance	5	4	Approx 8,795 Sq.ft.	$3,738	$748	$748	$85.88
403	Concrete - Repair/Replace	10	7	Allowance	$15,000	$4,500	$4,500	$172.33
504	Crash / Swing Gate - Replace	30	13	(1) Swing Gate	$5,500	$3,117	$3,117	$21.06
801	Monuments - Refurbish	20	9	(1) Monuments	$3,000	$1,650	$1,650	$17.23
803	Mailboxes - Replace (Homeowner's Responsibility)	N/A	0	Allowance	$0	$0	$0	$0.00
805	Directory Sign - Replace	20	2	(1) Sign	$2,000	$1,800	$1,800	$11.49
808	Speed Radar Sign - Replace (County Owned)	N/A	0	(1) Radar Sign	$0	$0	$0	$0.00
1001	Wood Fencing - Replace (Homeowner Responsibility)	N/A	0	Allowance	$0	$0	$0	$0.00
1004	Gate / Fencing - Repair / Replace	10	0	Allowance	$2,250	$2,250	$2,250	$25.85
1306	Park Furniture - Replace	12	7	See General Notes	$12,500	$5,208	$5,208	$119.67
1812	Landscaping / Irrigation - Renovate	10	5	Allowance	$50,000	$25,000	$25,000	$574.42
				Subtotals:	**$146,763**	**$54,828**	**$44,273**	**$1,230**
Pool Area								
105	Pitched Roof - Comp Shingle - Replace	25	4	Approx 1,955 Sq.ft.	$10,750	$9,030	$9,030	$49.40
201	Building Exterior Surfaces - Repaint	12	2	(1) Building	$4,000	$3,333	$3,333	$38.29
207	Wrought Iron Fencing - Repaint	5	4	Approx 400 Linear ft.	$4,000	$800	$800	$91.91
506	Fob System - Replace	15	11	(1) System	$6,000	$1,600	$1,600	$45.95
603	Concrete Pool Deck - Reseal/Repair	5	1	Approx 3,050 Sq.ft.	$10,675	$8,540	$8,540	$245.28
604	Concrete Pool Deck - Resurface / Coping	20	11	Approx 3,050 Sq.ft.	$30,500	$13,725	$13,725	$175.20
703	Water Heater - Replace	12	10	(1) Water Heater	$2,500	$417	$417	$23.93
903	Camera System - Replace	10	2	(1) System	$9,000	$7,200	$7,200	$103.40
1002	Wrought Iron Fencing - Replace	25	18	Approx 400 Linear ft.	$36,000	$10,080	$10,080	$165.43
1101	Pool - Resurface	10	6	(1) Pool	$29,500	$11,800	$11,800	$338.91
1102	Spa - Resurface	6	3	(1) Spa	$7,000	$3,500	$3,500	$134.03
1104	Pool Heater - Replace	10	4	(1) Pool Heater	$5,500	$3,300	$3,300	$63.19
1105	Spa Heater - Replace	8	4	(1) Spa Heater	$5,000	$2,500	$2,500	$71.80
1107	Pool Filter - Replace	12	10	(2) Pool Filters	$11,750	$1,958	$1,958	$112.49
1108	Spa Filter - Replace	12	1	(1) Spa Filter	$2,750	$2,521	$2,521	$26.33
1110	Pool/Spa Pumps - Replace	8	5	(4) Pumps	$8,000	$3,000	$3,000	$114.88
1111	Pool/Spa Chlorinators - Replace	10	7	(2) Chlorinators	$7,000	$2,100	$2,100	$80.42

Component Funding Information

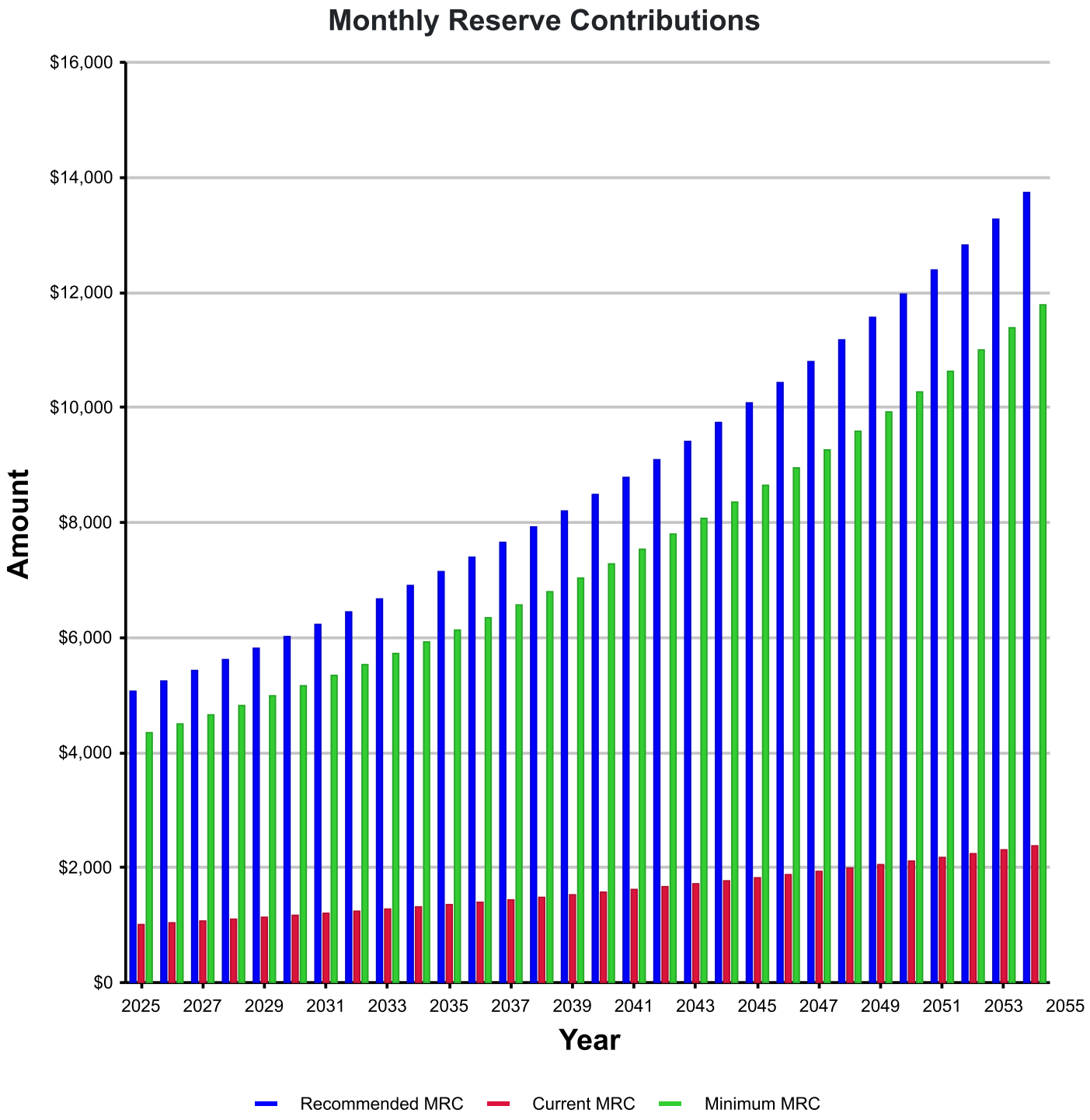
ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
1121	Pool Furniture - Replace	6	1	See General Notes	$14,500	$12,083	$12,083	$277.64
1311	Outdoor Shower - Refurbish (Unfunded)	N/A	0	(1) Shower	$0	$0	$0	$0.00
1413	Restroom - Remodel	20	6	(2) Restrooms	$14,000	$9,800	$9,800	$80.42
2301	Storage Shed - Replace	30	15	(2) Sheds	$10,000	$5,000	$5,000	$38.29
				Subtotals:	**$228,425**	**$112,288**	**$112,288**	**$2,277**
Rec. Area								
1003	Chain Link Fencing - Replace	30	16	Approx 795 Linear ft.	$35,775	$16,695	$16,695	$137.00
1201	Tennis Court - Resurface	8	5	(4) Courts	$32,000	$12,000	$12,000	$459.54
1202	Tennis Court - Replace / Rehab.	35	21	(4) Courts	$120,000	$48,000	$38,339	$393.89
1301	Play Structure - Replace	20	3	(1) Structure	$35,000	$29,750	$29,750	$201.05
1302	Swing Set - Replace	25	15	(1) Swing Set	$4,000	$1,600	$1,600	$18.38
1303	Sand Lot - Replenish	3	2	Approx 2,610 Sq.ft.	$5,225	$1,742	$1,742	$200.09
1306	Park Furniture - Replace	12	7	See General Notes	$10,000	$4,167	$4,167	$95.74
1307	Benches - Replace	15	14	(4) Benches	$6,800	$453	$453	$52.08
				Subtotals:	**$248,800**	**$114,407**	**$104,745**	**$1,558**
				Grand Total:	**$623,988**	**$281,522**	**$261,305**	**$5,065**

Current Fund Balance as a percentage of Ideal Balance: 93%

Yearly Summary

Year	Beginning Fully Funded Balance	Beginning Reserve Balance	Beginning % Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance	Ending Fully Funded Balance
2025	$281,522	$261,305	93%	$60,780	$1,456	$2,250	$321,292	$336,294
2026	$336,294	$321,292	96%	$62,907	$1,695	$29,042	$356,852	$367,227
2027	$367,227	$356,852	97%	$65,109	$1,897	$21,875	$401,982	$408,759
2028	$408,759	$401,982	98%	$67,388	$2,065	$47,244	$424,191	$427,551
2029	$427,551	$424,191	99%	$69,746	$2,216	$33,911	$462,242	$463,025
2030	$463,025	$462,242	100%	$72,188	$2,207	$115,856	$420,780	$416,841
2031	$416,841	$420,780	101%	$74,714	$2,124	$68,549	$429,070	$420,241
2032	$420,241	$429,070	102%	$77,329	$2,149	$77,640	$430,909	$416,642
2033	$416,642	$430,909	103%	$80,036	$2,342	$7,151	$506,136	$488,621
2034	$488,621	$506,136	104%	$82,837	$2,681	$25,246	$566,407	$547,171
2035	$547,171	$566,407	104%	$85,736	$2,992	$24,424	$630,712	$611,528
2036	$611,528	$630,712	103%	$88,737	$3,181	$80,667	$641,962	$622,681
2037	$622,681	$641,962	103%	$91,843	$3,391	$22,414	$714,782	$697,686
2038	$697,686	$714,782	102%	$95,057	$3,558	$104,483	$708,914	$693,277
2039	$693,277	$708,914	102%	$98,384	$3,672	$50,673	$760,298	$747,707
2040	$747,707	$760,298	102%	$101,828	$3,745	$127,867	$738,003	$727,209
2041	$727,209	$738,003	101%	$105,392	$3,606	$142,253	$704,748	$694,233
2042	$694,233	$704,748	102%	$109,080	$3,672	$53,032	$764,469	$756,163
2043	$756,163	$764,469	101%	$112,898	$3,931	$72,929	$808,369	$803,449
2044	$803,449	$808,369	101%	$116,850	$4,108	$94,255	$835,071	$834,164
2045	$834,164	$835,071	100%	$120,939	$4,419	$27,334	$933,096	$939,568
2046	$939,568	$933,096	99%	$125,172	$3,975	$404,880	$657,363	$660,560
2047	$660,560	$657,363	100%	$129,553	$3,469	$59,840	$730,545	$733,412
2048	$733,412	$730,545	100%	$134,088	$3,749	$99,143	$769,238	$772,650
2049	$772,650	$769,238	100%	$138,781	$3,779	$169,210	$742,588	$745,108
2050	$745,108	$742,588	100%	$143,638	$3,632	$179,277	$710,581	$710,696
2051	$710,696	$710,581	100%	$148,665	$3,451	$192,409	$670,288	$666,139
2052	$666,139	$670,288	101%	$153,869	$3,535	$83,618	$744,074	$738,028
2053	$738,028	$744,074	101%	$159,254	$4,090	$14,994	$892,425	$889,451
2054	$889,451	$892,425	100%	$164,828	$4,311	$229,260	$832,304	END

Reserve Contributions - Graph



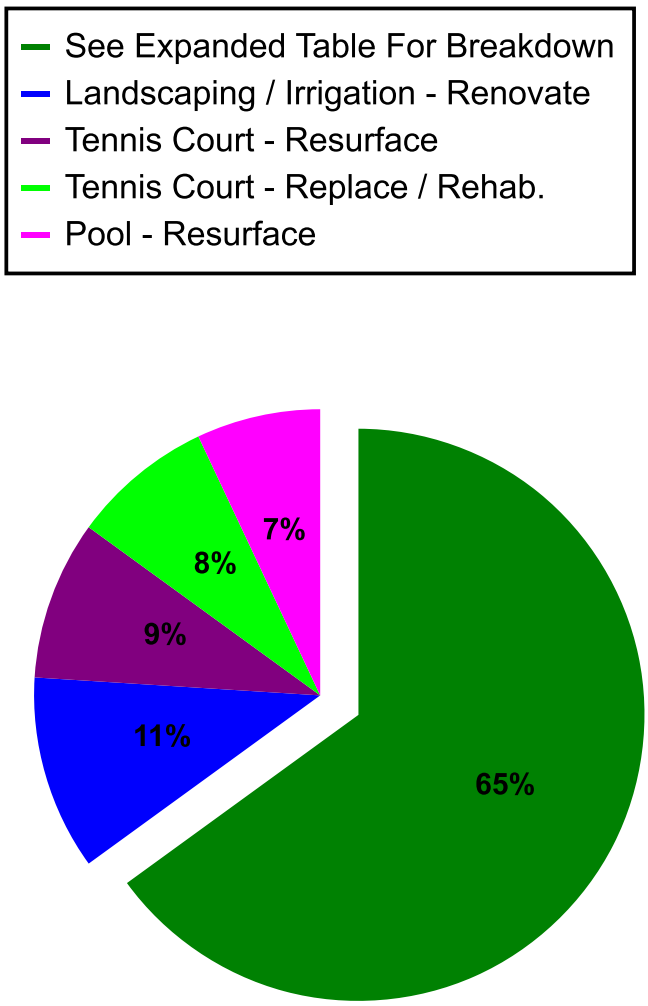
Significant Components

ID #	Component Name	UL	RUL	Average Current	Significance: (Curr Cost/UL) As $	As %
Common Area						
401	Asphalt - Major Rehab.	30	24	$52,775	$1,759	3.99%
402	Asphalt - Preventive Maintenance	5	4	$3,738	$748	1.70%
403	Concrete - Repair/Replace	10	7	$15,000	$1,500	3.40%
504	Crash / Swing Gate - Replace	30	13	$5,500	$183	0.42%
801	Monuments - Refurbish	20	9	$3,000	$150	0.34%
803	Mailboxes - Replace (Homeowner's Responsibility)	N/A	0	$0	$0	0.00%
805	Directory Sign - Replace	20	2	$2,000	$100	0.23%
808	Speed Radar Sign - Replace (County Owned)	N/A	0	$0	$0	0.00%
1001	Wood Fencing - Replace (Homeowner Responsibility)	N/A	0	$0	$0	0.00%
1004	Gate / Fencing - Repair / Replace	10	0	$2,250	$225	0.51%
1306	Park Furniture - Replace	12	7	$12,500	$1,042	2.36%
1812	Landscaping / Irrigation - Renovate	10	5	$50,000	$5,000	11.34%
Pool Area						
105	Pitched Roof - Comp Shingle - Replace	25	4	$10,750	$430	0.98%
201	Building Exterior Surfaces - Repaint	12	2	$4,000	$333	0.76%
207	Wrought Iron Fencing - Repaint	5	4	$4,000	$800	1.81%
506	Fob System - Replace	15	11	$6,000	$400	0.91%
603	Concrete Pool Deck - Reseal/Repair	5	1	$10,675	$2,135	4.84%
604	Concrete Pool Deck - Resurface / Coping	20	11	$30,500	$1,525	3.46%
703	Water Heater - Replace	12	10	$2,500	$208	0.47%
903	Camera System - Replace	10	2	$9,000	$900	2.04%
1002	Wrought Iron Fencing - Replace	25	18	$36,000	$1,440	3.27%
1101	Pool - Resurface	10	6	$29,500	$2,950	6.69%
1102	Spa - Resurface	6	3	$7,000	$1,167	2.65%
1104	Pool Heater - Replace	10	4	$5,500	$550	1.25%
1105	Spa Heater - Replace	8	4	$5,000	$625	1.42%
1107	Pool Filter - Replace	12	10	$11,750	$979	2.22%
1108	Spa Filter - Replace	12	1	$2,750	$229	0.52%
1110	Pool/Spa Pumps - Replace	8	5	$8,000	$1,000	2.27%
1111	Pool/Spa Chlorinators - Replace	10	7	$7,000	$700	1.59%
1121	Pool Furniture - Replace	6	1	$14,500	$2,417	5.48%

Significant Components

ID #	Component Name	UL	RUL	Average Current	Significance: (Curr Cost/UL) As $	As %
1311	Outdoor Shower - Refurbish (Unfunded)	N/A	0	$0	$0	0.00%
1413	Restroom - Remodel	20	6	$14,000	$700	1.59%
2301	Storage Shed - Replace	30	15	$10,000	$333	0.76%
Rec. Area						
1003	Chain Link Fencing - Replace	30	16	$35,775	$1,193	2.70%
1201	Tennis Court - Resurface	8	5	$32,000	$4,000	9.07%
1202	Tennis Court - Replace / Rehab.	35	21	$120,000	$3,429	7.78%
1301	Play Structure - Replace	20	3	$35,000	$1,750	3.97%
1302	Swing Set - Replace	25	15	$4,000	$160	0.36%
1303	Sand Lot - Replenish	3	2	$5,225	$1,742	3.95%
1306	Park Furniture - Replace	12	7	$10,000	$833	1.89%
1307	Benches - Replace	15	14	$6,800	$453	1.03%

Significant Components - Graph



ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current	Significance: (Curr Cost/UL) AS %	
1812	Landscaping / Irrigation - Renovate	10	5	$50,000	$5,000	11%
1201	Tennis Court - Resurface	8	5	$32,000	$4,000	9%
1202	Tennis Court - Replace / Rehab.	35	21	$120,000	$3,429	8%
1101	Pool - Resurface	10	6	$29,500	$2,950	7%
All Other	See Expanded Table For Breakdown				$15,379	65%

Yearly Cash Flow

Year	2025	2026	2027	2028	2029
Starting Balance	$261,305	$321,292	$356,852	$401,982	$424,191
Reserve Income	$60,780	$62,907	$65,109	$67,388	$69,746
Interest Earnings	$1,456	$1,695	$1,897	$2,065	$2,216
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$323,541	$385,894	$423,858	$471,435	$496,153
Reserve Expenditures	$2,250	$29,042	$21,875	$47,244	$33,911
Ending Balance	$321,292	$356,852	$401,982	$424,191	$462,242

Year	2030	2031	2032	2033	2034
Starting Balance	$462,242	$420,780	$429,070	$430,909	$506,136
Reserve Income	$72,188	$74,714	$77,329	$80,036	$82,837
Interest Earnings	$2,207	$2,124	$2,149	$2,342	$2,681
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$536,637	$497,618	$508,548	$513,287	$591,654
Reserve Expenditures	$115,856	$68,549	$77,640	$7,151	$25,246
Ending Balance	$420,780	$429,070	$430,909	$506,136	$566,407

Year	2035	2036	2037	2038	2039
Starting Balance	$566,407	$630,712	$641,962	$714,782	$708,914
Reserve Income	$85,736	$88,737	$91,843	$95,057	$98,384
Interest Earnings	$2,992	$3,181	$3,391	$3,558	$3,672
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$655,135	$722,630	$737,196	$813,397	$810,970
Reserve Expenditures	$24,424	$80,667	$22,414	$104,483	$50,673
Ending Balance	$630,712	$641,962	$714,782	$708,914	$760,298

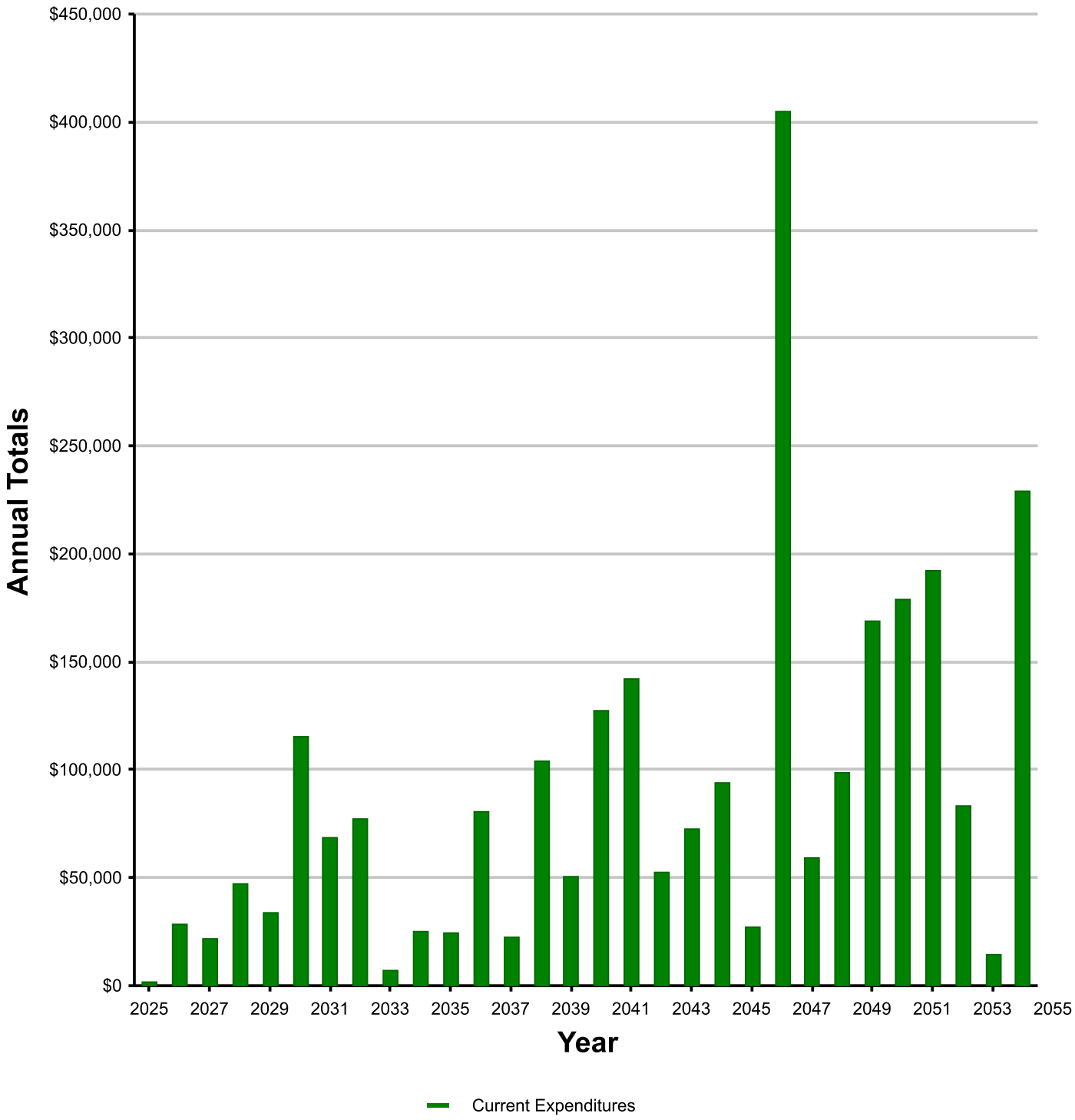
Year	2040	2041	2042	2043	2044
Starting Balance	$760,298	$738,003	$704,748	$764,469	$808,369
Reserve Income	$101,828	$105,392	$109,080	$112,898	$116,850
Interest Earnings	$3,745	$3,606	$3,672	$3,931	$4,108
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$865,871	$847,001	$817,500	$881,298	$929,327
Reserve Expenditures	$127,867	$142,253	$53,032	$72,929	$94,255
Ending Balance	$738,003	$704,748	$764,469	$808,369	$835,071

Year	2045	2046	2047	2048	2049
Starting Balance	$835,071	$933,096	$657,363	$730,545	$769,238
Reserve Income	$120,939	$125,172	$129,553	$134,088	$138,781
Interest Earnings	$4,419	$3,975	$3,469	$3,749	$3,779
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$960,429	$1,062,243	$790,385	$868,382	$911,798
Reserve Expenditures	$27,334	$404,880	$59,840	$99,143	$169,210
Ending Balance	$933,096	$657,363	$730,545	$769,238	$742,588

Yearly Cash Flow

Year	2050	2051	2052	2053	2054
Starting Balance	$742,588	$710,581	$670,288	$744,074	$892,425
Reserve Income	$143,638	$148,665	$153,869	$159,254	$164,828
Interest Earnings	$3,632	$3,451	$3,535	$4,090	$4,311
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$889,858	$862,697	$827,692	$907,418	$1,061,564
Reserve Expenditures	$179,277	$192,409	$83,618	$14,994	$229,260
Ending Balance	$710,581	$670,288	$744,074	$892,425	$832,304

Yearly Reserve Expenditures - Graph



Projected Expenditures By Year

Year	Subgroup	Comp. Id	Component Name	Projected Cost	Total Per Annum
2025	Common Area	1004	Gate / Fencing - Repair / Replace	$2,250	$2,250
2026	Pool Area	603	Concrete Pool Deck - Reseal/Repair	$11,102	
	Pool Area	1108	Spa Filter - Replace	$2,860	
	Pool Area	1121	Pool Furniture - Replace	$15,080	$29,042
2027	Pool Area	201	Building Exterior Surfaces - Repaint	$4,326	
	Common Area	805	Directory Sign - Replace	$2,163	
	Pool Area	903	Camera System - Replace	$9,734	
	Rec. Area	1303	Sand Lot - Replenish	$5,651	$21,875
2028	Pool Area	1102	Spa - Resurface	$7,874	
	Rec. Area	1301	Play Structure - Replace	$39,370	$47,244
2029	Pool Area	105	Pitched Roof - Comp Shingle - Replace	$12,576	
	Pool Area	207	Wrought Iron Fencing - Repaint	$4,679	
	Common Area	402	Asphalt - Preventive Maintenance	$4,372	
	Pool Area	1104	Pool Heater - Replace	$6,434	
	Pool Area	1105	Spa Heater - Replace	$5,849	$33,911
2030	Pool Area	1110	Pool/Spa Pumps - Replace	$9,733	
	Rec. Area	1201	Tennis Court - Resurface	$38,933	
	Rec. Area	1303	Sand Lot - Replenish	$6,357	
	Common Area	1812	Landscaping / Irrigation - Renovate	$60,833	$115,856
2031	Pool Area	603	Concrete Pool Deck - Reseal/Repair	$13,507	
	Pool Area	1101	Pool - Resurface	$37,327	
	Pool Area	1413	Restroom - Remodel	$17,714	$68,549
2032	Common Area	403	Concrete - Repair/Replace	$19,739	
	Pool Area	1111	Pool/Spa Chlorinators - Replace	$9,212	
	Pool Area	1121	Pool Furniture - Replace	$19,081	
	Rec. Area	1306	Park Furniture - Replace	$13,159	
	Common Area	1306	Park Furniture - Replace	$16,449	$77,640
2033	Rec. Area	1303	Sand Lot - Replenish	$7,151	$7,151
2034	Pool Area	207	Wrought Iron Fencing - Repaint	$5,693	
	Common Area	402	Asphalt - Preventive Maintenance	$5,320	
	Common Area	801	Monuments - Refurbish	$4,270	
	Pool Area	1102	Spa - Resurface	$9,963	$25,246
2035	Pool Area	703	Water Heater - Replace	$3,701	
	Common Area	1004	Gate / Fencing - Repair / Replace	$3,331	
	Pool Area	1107	Pool Filter - Replace	$17,393	$24,424
2036	Pool Area	506	Fob System - Replace	$9,237	
	Pool Area	603	Concrete Pool Deck - Reseal/Repair	$16,434	
	Pool Area	604	Concrete Pool Deck - Resurface / Coping	$46,953	
	Rec. Area	1303	Sand Lot - Replenish	$8,044	$80,667
2037	Pool Area	903	Camera System - Replace	$14,409	
	Pool Area	1105	Spa Heater - Replace	$8,005	$22,414
2038	Common Area	504	Crash / Swing Gate - Replace	$9,158	

Projected Expenditures By Year

Year	Subgroup	Comp. Id	Component Name	Projected Cost	Total Per Annum
	Pool Area	1108	Spa Filter - Replace	$4,579	
	Pool Area	1110	Pool/Spa Pumps - Replace	$13,321	
	Pool Area	1121	Pool Furniture - Replace	$24,144	
	Rec. Area	1201	Tennis Court - Resurface	$53,282	$104,483
2039	Pool Area	201	Building Exterior Surfaces - Repaint	$6,927	
	Pool Area	207	Wrought Iron Fencing - Repaint	$6,927	
	Common Area	402	Asphalt - Preventive Maintenance	$6,472	
	Pool Area	1104	Pool Heater - Replace	$9,524	
	Rec. Area	1303	Sand Lot - Replenish	$9,048	
	Rec. Area	1307	Benches - Replace	$11,775	$50,673
2040	Pool Area	1102	Spa - Resurface	$12,607	
	Rec. Area	1302	Swing Set - Replace	$7,204	
	Common Area	1812	Landscaping / Irrigation - Renovate	$90,047	
	Pool Area	2301	Storage Shed - Replace	$18,009	$127,867
2041	Pool Area	603	Concrete Pool Deck - Reseal/Repair	$19,994	
	Rec. Area	1003	Chain Link Fencing - Replace	$67,006	
	Pool Area	1101	Pool - Resurface	$55,253	$142,253
2042	Common Area	403	Concrete - Repair/Replace	$29,219	
	Pool Area	1111	Pool/Spa Chlorinators - Replace	$13,635	
	Rec. Area	1303	Sand Lot - Replenish	$10,178	$53,032
2043	Pool Area	1002	Wrought Iron Fencing - Replace	$72,929	$72,929
2044	Pool Area	207	Wrought Iron Fencing - Repaint	$8,427	
	Common Area	402	Asphalt - Preventive Maintenance	$7,874	
	Pool Area	1121	Pool Furniture - Replace	$30,549	
	Rec. Area	1306	Park Furniture - Replace	$21,068	
	Common Area	1306	Park Furniture - Replace	$26,336	$94,255
2045	Common Area	1004	Gate / Fencing - Repair / Replace	$4,930	
	Pool Area	1105	Spa Heater - Replace	$10,956	
	Rec. Area	1303	Sand Lot - Replenish	$11,449	$27,334
2046	Pool Area	603	Concrete Pool Deck - Reseal/Repair	$24,326	
	Pool Area	1102	Spa - Resurface	$15,951	
	Pool Area	1110	Pool/Spa Pumps - Replace	$18,230	
	Rec. Area	1201	Tennis Court - Resurface	$72,921	
	Rec. Area	1202	Tennis Court - Replace / Rehab.	$273,452	$404,880
2047	Pool Area	703	Water Heater - Replace	$5,925	
	Common Area	805	Directory Sign - Replace	$4,740	
	Pool Area	903	Camera System - Replace	$21,329	
	Pool Area	1107	Pool Filter - Replace	$27,847	$59,840
2048	Rec. Area	1301	Play Structure - Replace	$86,265	
	Rec. Area	1303	Sand Lot - Replenish	$12,878	$99,143
2049	Pool Area	207	Wrought Iron Fencing - Repaint	$10,253	
	Common Area	401	Asphalt - Major Rehab.	$135,278	

Projected Expenditures By Year

Year	Subgroup	Comp. Id	Component Name	Projected Cost	Total Per Annum
	Common Area	402	Asphalt - Preventive Maintenance	$9,580	
	Pool Area	1104	Pool Heater - Replace	$14,098	$169,210
2050	Pool Area	1108	Spa Filter - Replace	$7,331	
	Pool Area	1121	Pool Furniture - Replace	$38,655	
	Common Area	1812	Landscaping / Irrigation - Renovate	$133,292	$179,277
2051	Pool Area	201	Building Exterior Surfaces - Repaint	$11,090	
	Pool Area	506	Fob System - Replace	$16,635	
	Pool Area	603	Concrete Pool Deck - Reseal/Repair	$29,596	
	Pool Area	1101	Pool - Resurface	$81,788	
	Rec. Area	1303	Sand Lot - Replenish	$14,486	
	Pool Area	1413	Restroom - Remodel	$38,815	$192,409
2052	Common Area	403	Concrete - Repair/Replace	$43,251	
	Pool Area	1102	Spa - Resurface	$20,184	
	Pool Area	1111	Pool/Spa Chlorinators - Replace	$20,184	$83,618
2053	Pool Area	1105	Spa Heater - Replace	$14,994	$14,994
2054	Pool Area	105	Pitched Roof - Comp Shingle - Replace	$33,526	
	Pool Area	207	Wrought Iron Fencing - Repaint	$12,475	
	Common Area	402	Asphalt - Preventive Maintenance	$11,656	
	Common Area	801	Monuments - Refurbish	$9,356	
	Pool Area	1110	Pool/Spa Pumps - Replace	$24,949	
	Rec. Area	1201	Tennis Court - Resurface	$99,797	
	Rec. Area	1303	Sand Lot - Replenish	$16,295	
	Rec. Area	1307	Benches - Replace	$21,207	$229,260

Component Evaluation

Comp # 105 Pitched Roof - Comp Shingle - Replace

Subgroup: Pool Area

Location: Pool Building Roof

Quantity: Approx 1,955 Sq.ft.

Life Expectancy: 25 ***Remaining Life:*** 4

Best Cost: $8,800.00

$4.50/Sq.ft.; Estimate to replace roof

Worst Cost: $12,700.00

$6.50/Sq.ft.; Higher estimate for more labor costs

Source of Information: In-House Costs Database

Observations:

No problems noted or reported at time of site visit. Typically this type of roofing material has a useful life of approximately 20 to 25 years. Inspect roofs regularly and make local repairs as necessary as an operating issue to ensure full life from this roof. Remaining life based on current age.

Component Evaluation

Comp # 201 Building Exterior Surfaces - Repaint

Subgroup: Pool Area

Location: Pool Building Exterior

Quantity: (1) Building

Life Expectancy: 12 ***Remaining Life:*** 2

Best Cost: $3,500.00

Estimate to repaint surfaces

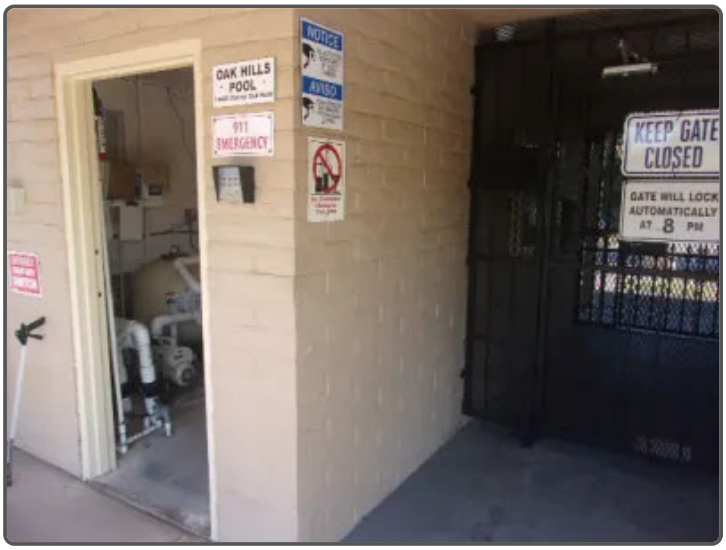
Worst Cost: $4,500.00

Higher estimate

Source of Information: In-House Costs Database

Observations:

No significant staining or discoloration noted at time of site visit. We recommend funding to repaint these surfaces approximately every 10 to 12 years to maintain appearance and protect the surfaces. Remaining life based on current age.



Component Evaluation

Comp # 207 Wrought Iron Fencing - Repaint

Subgroup: Pool Area

Location: Pool Area / Rec Area

Quantity: Approx 400 Linear ft.

Life Expectancy: 5 ***Remaining Life:*** 4

Best Cost: $3,600.00

$9.00/Linear ft.; Estimate to repaint iron fence

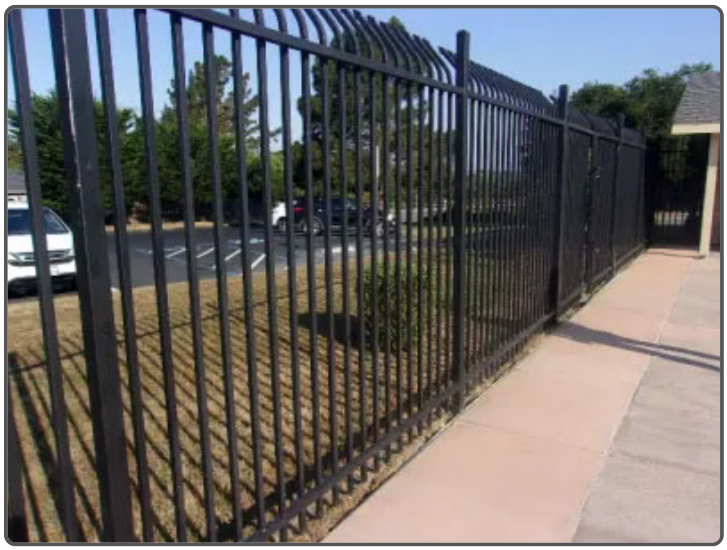
Worst Cost: $4,400.00

$11.00/Linear ft; Higher estimate for additional prep work

Source of Information: In-House Costs Database

Observations:

No appearance concerns or rust intrusion noted at time of site visit. We recommend funding to repaint this fencing approximately every 3 to 5 years to maintain appearance and protect the surface. Remaining life based on current age.



Component Evaluation

Comp # 401 Asphalt - Major Rehab.

Subgroup: Common Area

Location: Parking Lot

Quantity: Approx 8,795 Sq.ft.

Life Expectancy: 30 ***Remaining Life:*** 24

Best Cost: $43,975.00

$5.00/Sq.ft.; Estimate to rehab

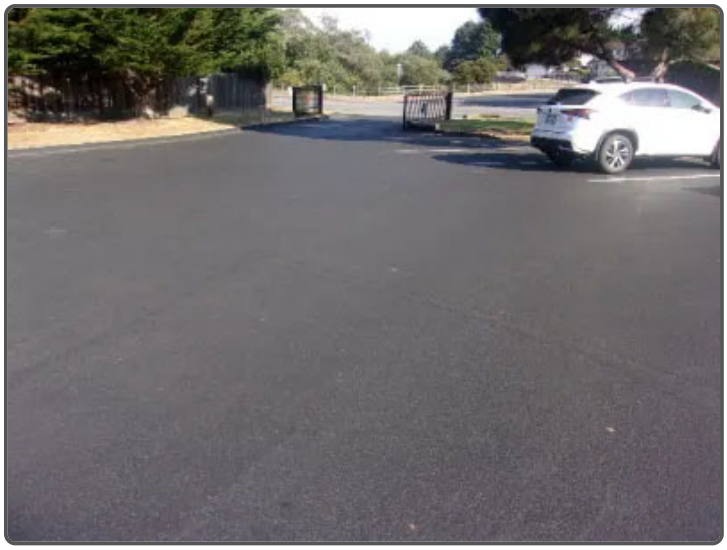
Worst Cost: $61,575.00

$7.00/Sq.ft.; Higher estimate for local repairs

Source of Information: In-House Costs Database

Observations:

With regular preventative maintenance (see Comp# 402 Asphalt - Preventative Maintenance) asphalt surface should reach a typical useful life of 30 plus years. Once the asphalt has reached the end of its useful life there are two main categories for rehabilitation: overlay and replacement. An overlay typically involves overlaying the existing asphalt with 1.5 - 2" of new asphalt. Replacement typically involves either completely removing and replacing the asphalt or pulverizing the existing surface in place and using it as a base for a new asphalt surface. An overlay will cost significantly less than replacement but may not be possible if the condition of the existing surface is in poor condition and the overlayed surface will only reach a useful life of 10 to 20 years. The complete replacement will provide a new surface and should experience a life of at least 20 years to over 30 based on preventative maintenance. For the purposes of this study we have funded for an overlay. Remaining life based on current age.



Component Evaluation

Comp # 402 Asphalt - Preventive Maintenance

Subgroup: Common Area

Location: Parking Lot

Quantity: Approx 8,795 Sq.ft.

Life Expectancy: 5 ***Remaining Life:*** 4

Best Cost: $3,075.00

$0.35/Sq.ft.; Estimate to seal

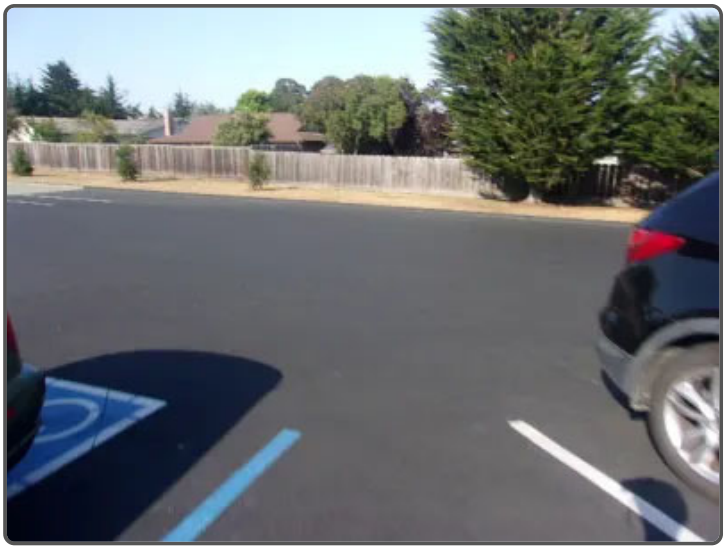
Worst Cost: $4,400.00

$0.50/Sq.ft.; Higher estimate for local repairs

Source of Information: Actual Cost History

Observations:

There are two main types of asphalt sealing products, those with aggregate (slurry seals) and those without (seal coats). Seal coats provide protection from water intrusion and in general are adequate for newer asphalt surfaces or those surfaces that are in good condition. As a surface ages a more heavy duty slurry seal application may provide better protection as well as some restorative qualities. Slurry seals cost more but last significantly longer than a seal so the increased cost is more or less offset by the lower frequency of required application. We recommend having the asphalt inspected regularly by a licensed engineer or asphalt expert. Ultimately our goal is to provide adequate funding so that the board can choose the best application for their asphalt based on its current condition and recommendations from those experts that have inspected the asphalt. For the purposes of this report we have funded for a seal coat. Remaining life based on current age.



Component Evaluation

Comp # 403 Concrete - Repair/Replace

Subgroup: Common Area

Location: Common Area

Quantity: Allowance

Life Expectancy: 10 ***Remaining Life:*** 7

Best Cost: $12,500.00

Allowance to repair/replace

Worst Cost: $17,500.00

Higher allowance

Source of Information: In-House Costs Database

General Notes:

Approx 15,130 Sq.ft.

Observations:

No expectation to completely replace the concrete surfaces. We recommend making local repairs as necessary as an operating expense and funding for an allowance to make more significant repairs approximately every 10 years. Remaining life based on current age.

Component Evaluation

Comp # 504 Crash / Swing Gate - Replace

Subgroup: Common Area

Location: Entrance to Parking Lot

Quantity: (1) Swing Gate

Life Expectancy: 30 ***Remaining Life:*** 13

Best Cost: $4,500.00

Estimate to replace

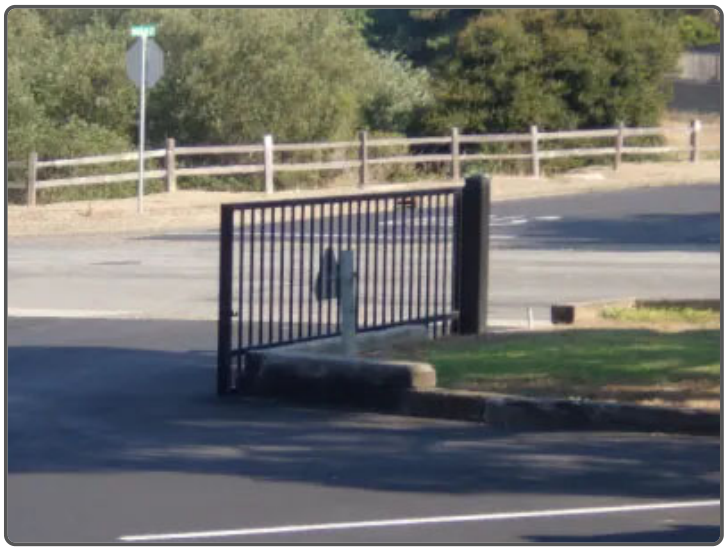
Worst Cost: $6,500.00

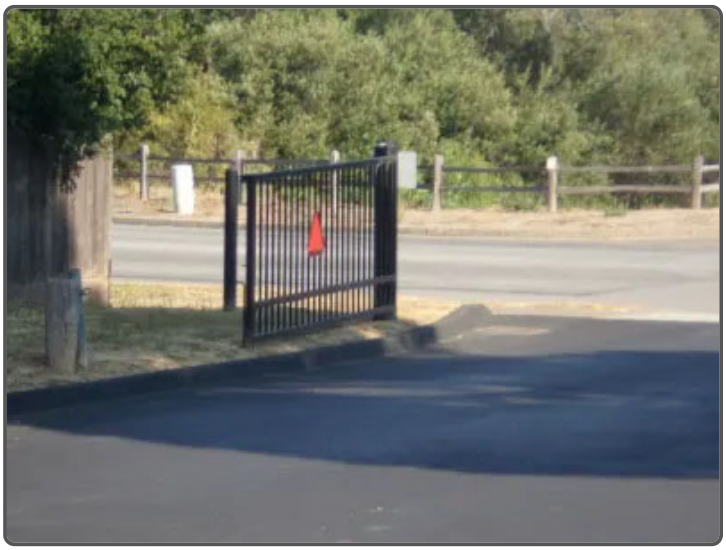
Higher estimate

Source of Information: In-House Costs Database

Observations:

No problems noted or reported at time of site visit. Expect to replace this crash gate approximately every 25 to 30 years to maintain appearance and ensure proper function. Remaining life based on current age.





Component Evaluation

Comp # 506 Fob System - Replace

Subgroup: Pool Area

Location: Pool Area

Quantity: (1) System

Life Expectancy: 15 ***Remaining Life:*** 11

Best Cost: $5,500.00

Estimate to replace system

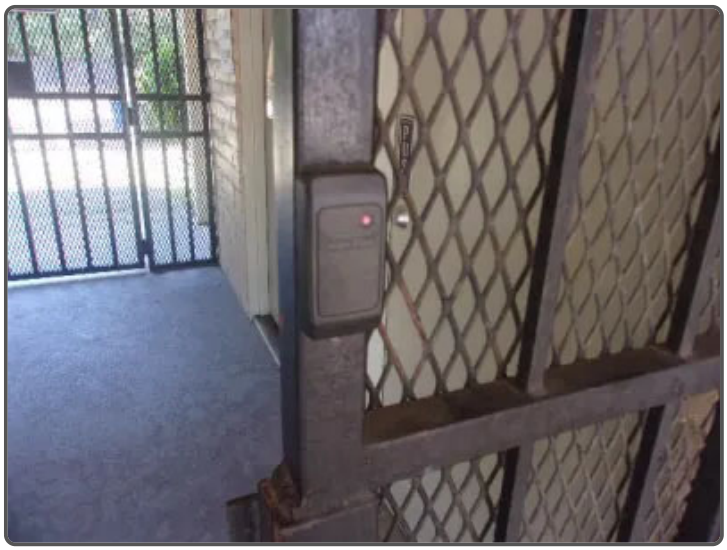
Worst Cost: $6,500.00

Higher estimate for more installation costs

Source of Information: In-House Costs Database

Observations:

We recommend funding to replace this system approximately every 10 to 15 years to ensure proper function and to keep up with current technology. Remaining life based on current age.



Component Evaluation

Comp # 603 Concrete Pool Deck - Reseal/Repair

Subgroup: Pool Area

Location: Pool Area

Quantity: Approx 3,050 Sq.ft.

Life Expectancy: 5 ***Remaining Life:*** 1

Best Cost: $9,150.00

$3.00/Sq.ft.; Estimate to seal/repair

Worst Cost: $12,200.00

$4.00/Sq.ft.: Higher estimate for more repairs

Source of Information: In-House Costs Database

Observations:

No significant surface loss noted at time of site visit. We recommend funding to reseal and make repairs to this decking approximately every 3 to 5 years depending on use and wear.

Component Evaluation

Comp # 604 Concrete Pool Deck - Resurface / Coping

Subgroup: Pool Area

Location: Pool Area

Quantity: Approx 3,050 Sq.ft.

Life Expectancy: 20 ***Remaining Life:*** 11

Best Cost: $27,450.00

$9.00/Sq.ft.; Estimate to resurface

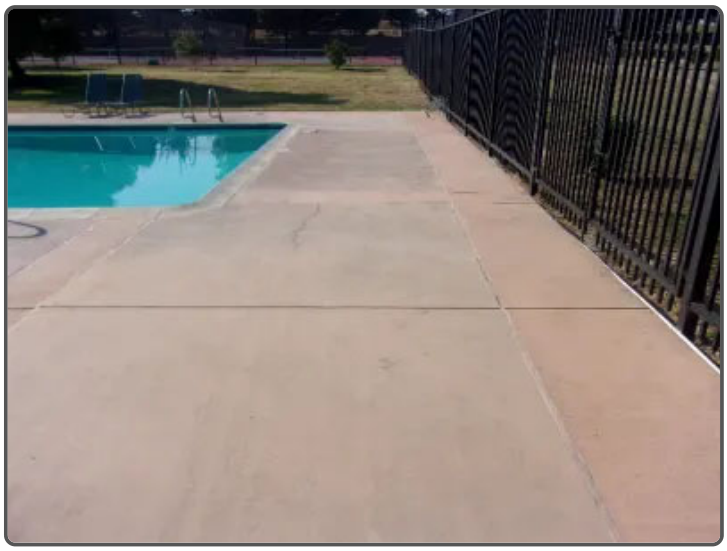
Worst Cost: $33,550.00

$11.00/Sq.ft.; Higher estimate for more installation costs

Source of Information: In-House Costs Database

Observations:

No surface loss noted at time of site visit. We recommend funding to completely resurface this decking approximately every 15 to 20 years to maintain appearance and ensure proper function. Remaining life based on current age.



Component Evaluation

Comp # **703** **Water Heater - Replace**

Subgroup: Pool Area

Location: Pool Equipment Area

Quantity: (1) Water Heater

Life Expectancy: 12 ***Remaining Life:*** 10

Best Cost: $2,000.00

Estimate to replace

Worst Cost: $3,000.00

Higher estimate

Source of Information: In-House Costs Database

General Notes:

Quantity breakdown:

(1) 40 Gallon Rheem
Mod# XG40T06EC36UI
Date: 2023

Observations:

Water heater is in working condition. No problems were noted or reported at time of site visit. Expect a typical useful life of approximately 10 to 12 years from this heater. Remaining life based on current age.

Component Evaluation

Comp # 801 Monuments - Refurbish

Subgroup: Common Area

Location: Entrances to Community

Quantity: (1) Monuments

Life Expectancy: 20 ***Remaining Life:*** 9

Best Cost: $2,750.00

$2,750/Monument; Estimate to refurbish signs

Worst Cost: $3,250.00

$3,250/Monument; Higher estimate

Source of Information: In-House Costs Database

Observations:

No appearance concerns or problems noted at time of site visit. We recommend funding to generally refurbish these monuments approximately every 18 to 20 years to maintain appearance and keep up with current decorative taste. Remaining life based on current age.

Component Evaluation

Comp # 803 Mailboxes - Replace (Homeowner's Responsibility)

Subgroup: Common Area

Location: Common Area

Quantity: Allowance

Life Expectancy: N/A ***Remaining Life:*** 0

Best Cost: $0.00

Worst Cost: $0.00

Source of Information: Research with Client

Observations:

It was reported that these boxes are the responsibility of the individual homeowners to replace. No reserve funding necessary.

Component Evaluation

Comp # 805 Directory Sign - Replace

Subgroup: Common Area

Location: Common Area

Quantity: (1) Sign

Life Expectancy: 20 ***Remaining Life:*** 2

Best Cost: $1,750.00

Estimate to replace sign

Worst Cost: $2,250.00

Higher estimate

Source of Information: In-House Costs Database

Observations:

No problems noted with directory sign at time of site visit. We recommend funding to replace this sign approximately every 18 to 20 years to ensure appearance is consistent with the community. Remaining life based on current age.

Component Evaluation

Comp # 808 Speed Radar Sign - Replace (County Owned)

Subgroup: Common Area

Location: Common Area

Quantity: (1) Radar Sign

Life Expectancy: N/A ***Remaining Life:*** 0

Best Cost: $0.00

Worst Cost: $0.00

Source of Information: Research with Client

Observations:

Client has informed this speed radar is the responsibility of the county. No reserve funding necessary.

Component Evaluation

Comp # 903 Camera System - Replace

Subgroup: Pool Area

Location: Pool Area

Quantity: (1) System

Life Expectancy: 10 ***Remaining Life:*** 2

Best Cost: $8,000.00

Estimate to replace system

Worst Cost: $10,000.00

Higher estimate to replace

Source of Information: In-House Costs Database

Observations:

No problems noted or reported at time of site visit. We recommend funding to replace this camera system approximately every 8 to 10 years to ensure proper function and keep up with current technology. Remaining life based on current age.

Component Evaluation

Comp # 1001 Wood Fencing - Replace (Homeowner Responsibility)

Subgroup: Common Area

Location: Common Area

Quantity: Allowance

Life Expectancy: N/A ***Remaining Life:*** 0

Best Cost: $0.00

Worst Cost: $0.00

Source of Information: Research with Client

Observations:

It was reported at time of site visit that the wood fencing throughout the community is the responsibility of the individual owner. No reserve funding necessary.

Component Evaluation

Comp # 1002 Wrought Iron Fencing - Replace

Subgroup: Pool Area

Location: Pool Area / Rec Area

Quantity: Approx 400 Linear ft.

Life Expectancy: 25 ***Remaining Life:*** 18

Best Cost: $34,000.00

$85/Linear ft.; Estimate to replace

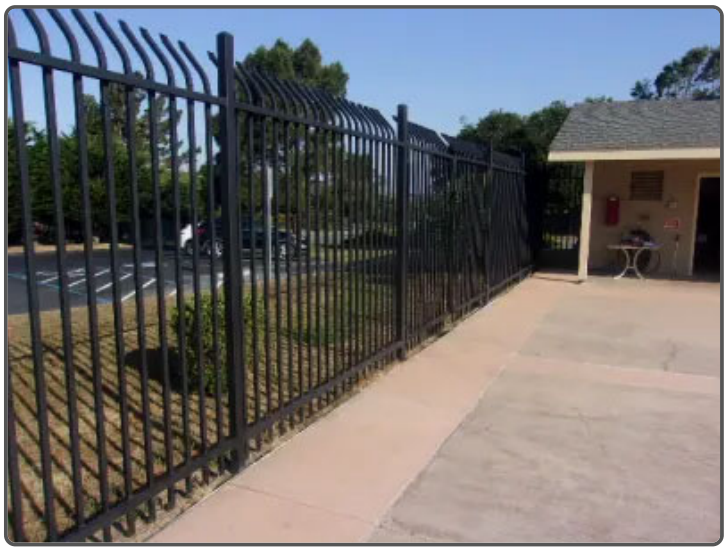
Worst Cost: $38,000.00

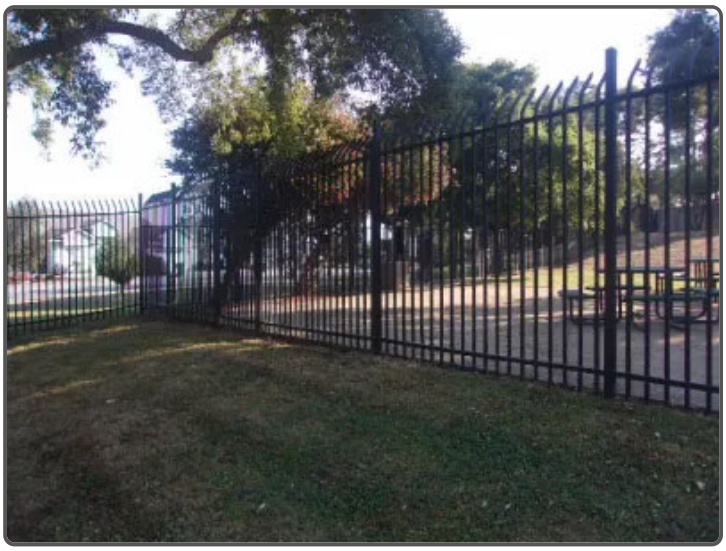
$95/Linear ft.; Higher estimate

Source of Information: In-House Costs Database

Observations:

No problems noted or reported at time of site visit. With regular painting and maintenance expect a useful life of approximately 20 to 25 years from this fencing. Remaining life based on current age.





Component Evaluation

Comp # 1003 Chain Link Fencing - Replace

Subgroup: Rec. Area

Location: Tennis Court Area

Quantity: Approx 795 Linear ft.

Life Expectancy: 30 ***Remaining Life:*** 16

Best Cost: $27,825.00

$35/Linear ft.; Estimate to replace

Worst Cost: $43,725.00

$55/Linear ft.; Higher estimate

Source of Information: In-House Costs Database

Observations:

No warping or broken links noted at time of site visit. We recommend funding to replace this chain link fencing approximately every 25 to 30 years to maintain appearance and ensure proper function. Remaining life based on current age.

Component Evaluation

Comp # 1004 Gate / Fencing - Repair / Replace

Subgroup: Common Area

Location: End of fire road

Quantity: Allowance

Life Expectancy: 10 ***Remaining Life:*** 0

Best Cost: $2,000.00

Allowance to make repairs and replacements as needed

Worst Cost: $2,500.00

Higher allowance

Source of Information: In-House Costs Database

Observations:

We are generally funding to make repairs and replacements as needed approximately every 5 to 10 years.

Component Evaluation

Comp # 1101 Pool - Resurface

Subgroup: Pool Area

Location: Pool Area

Quantity: (1) Pool

Life Expectancy: 10 ***Remaining Life:*** 6

Best Cost: $27,500.00

Estimate to replaster pool

Worst Cost: $31,500.00

Higher estimate

Source of Information: In-House Costs Database

Observations:

No discoloration or surface loss noted at time of site visit. Perform regular, professional maintenance and keep debris from collecting at the bottom to ensure full life from this surface. Remaining life based on current age.

Component Evaluation

Comp # 1102 Spa - Resurface

Subgroup: Pool Area

Location: Pool Area

Quantity: (1) Spa

Life Expectancy: 6 ***Remaining Life:*** 3

Best Cost: $6,000.00

Estimate to resurface spa

Worst Cost: $8,000.00

Higher estimate

Source of Information: In-House Costs Database

Observations:

No problems noted at time of site visit. Because the entire spa surface experiences traffic wear expect to replaster this spa approximately every 4 to 6 years. Remaining life based on current age.

Component Evaluation

Comp # 1104 Pool Heater - Replace

Subgroup: Pool Area

Location: Pool Equipment Area

Quantity: (1) Pool Heater

Life Expectancy: 10 ***Remaining Life:*** 4

Best Cost: $5,000.00

Estimate to replace heater

Worst Cost: $6,000.00

Higher estimate for more installation costs

Source of Information: In-House Costs Database

Observations:

No reports of problems at time of site visit. This type of pool heater typically has a useful life of approximately 10 to 12 years. Remaining life based on current age.

Component Evaluation

Comp # 1105 Spa Heater - Replace

Subgroup: Pool Area

Location: Pool Equipment Area

Quantity: (1) Spa Heater

Life Expectancy: 8 ***Remaining Life:*** 4

Best Cost: $4,500.00

Estimate to replace heater

Worst Cost: $5,500.00

Higher estimate for more installation costs

Source of Information: In-House Costs Database

Observations:

No reports of problems at time of site visit. Expect a typical useful life of approximately 8 to 10 years from this heater. Remaining life based on current age.

Component Evaluation

Comp # 1107 Pool Filter - Replace

Subgroup: Pool Area

Location: Pool Equipment Area

Quantity: (2) Pool Filters

Life Expectancy: 12 ***Remaining Life:*** 10

Best Cost: $11,350.00

$5,678/Filter; Estimate to replace

Worst Cost: $12,150.00

$6,078/Filter; Higher estimate

Source of Information: Actual Cost History

Observations:

No problems noted or reported at time of site visit. These type of filters have a life expectancy of approximately 10 to 12 years. Remaining life based on current age.

Component Evaluation

Comp # 1108 Spa Filter - Replace

Subgroup: Pool Area

Location: Pool Equipment Area

Quantity: (1) Spa Filter

Life Expectancy: 12 ***Remaining Life:*** 1

Best Cost: $2,500.00

Estimate to replace filter

Worst Cost: $3,000.00

Higher estimate for more installation costs

Source of Information: In-House Costs Database

Observations:

Spa filter is in working condition. No problems were noted or reported at time of site visit. This type of filter has a life expectancy of approximately 10 to 12 years.

Component Evaluation

Comp # 1110 Pool/Spa Pumps - Replace

Subgroup: Pool Area

Location: Pool Equipment Area

Quantity: (4) Pumps

Life Expectancy: 8 ***Remaining Life:*** 5

Best Cost: $6,000.00

$1,500/Pump; Estimate to replace pool pumps

Worst Cost: $10,000.00

$2,500/Pump; Higher estimate for more installation cost

Source of Information: In-House Costs Database

General Notes:

Quantity breakdown:

(3) Spa Pumps
(1) Pool Pump

(4) Pumps - Total

Observations:

No problems noted or reported at time of site visit. Expect a useful life of approximately 8 to 10 years from these pumps. Replace motors as necessary as an operating expense. Remaining life based on current age.

Component Evaluation

Comp # 1111 Pool/Spa Chlorinators - Replace

Subgroup: Pool Area

Location: Pool Equipment Area

Quantity: (2) Chlorinators

Life Expectancy: 10 ***Remaining Life:*** 7

Best Cost: $6,500.00

$3,250/Chlorinator; Estimate to replace

Worst Cost: $7,500.00

$3,750/Chlorinator: Higher estimate

Source of Information: In-House Costs Database

Observations:

No reports of problems at time of site visit. We recommend funding to replace these chlorinators approximately every 8 to 10 years to ensure proper function and to keep up with current technology. Remaining life based on current age.

Component Evaluation

Comp # 1121 Pool Furniture - Replace

Subgroup: Pool Area

Location: Pool Area

Quantity: See General Notes

Life Expectancy: 6 ***Remaining Life:*** 1

Best Cost: $12,500.00

Allowance to replace

Worst Cost: $16,500.00

Higher allowance

Source of Information: In-House Costs Database

General Notes:

Quantity breakdown:

(20) Chaise Lounges
(2) Picnic Tables
(8) Chairs
(2) Trash Receptacles
(2) Tables
(1) Bench

(35) Pieces - Total

Observations:

No problems noted at time of site visit. We recommend funding for an allowance to make replacements to these pieces approximately every 4 to 6 years to maintain appearance and keep up with current decorative taste. Remaining life based on current age.

Component Evaluation

Comp # 1201 Tennis Court - Resurface

Subgroup: Rec. Area

Location: Tennis Court Area

Quantity: (4) Courts

Life Expectancy: 8 ***Remaining Life:*** 5

Best Cost: $30,000.00

$7,500/Court; Estimate to resurface tennis court

Worst Cost: $34,000.00

$8,500/Court; Higher estimate for local repairs

Source of Information: In-House Costs Database

General Notes:

Approx 26,440 Sq.ft.

Observations:

No significant cracking or surface loss noted at time of site visit. Expect to resurface this tennis court approximately every 6 to 8 years assuming normal use and wear. Remaining life based on current age.

Component Evaluation

Comp # 1202 Tennis Court - Replace / Rehab.

Subgroup: Rec. Area

Location: Tennis Court Area

Quantity: (4) Courts

Life Expectancy: 35 ***Remaining Life:*** 21

Best Cost: $100,000.00

$25,000/Court; Estimate to rehab. / replace

Worst Cost: $140,000.00

$35,000/Court; Higher estimate

Source of Information: In-House Costs Database

Observations:

No problems noted at time of site visit. We recommend funding for a complete replacement of these tennis courts approximately every 30 to 35 years to maintain appearance and ensure proper function. Remaining life based on current age.

Component Evaluation

Comp # 1301 Play Structure - Replace

Subgroup: Rec. Area

Location: Play Area

Quantity: (1) Structure

Life Expectancy: 20 ***Remaining Life:*** 3

Best Cost: $30,000.00

Estimate to replace

Worst Cost: $40,000.00

Higher estimate

Source of Information: In-House Costs Database

Observations:

No significant signs of wear or damage noted at time of site visit. We recommend funding to replace this structure approximately every 18 to 20 years to maintain appearance and keep up with current decorative taste.

Component Evaluation

Comp # 1302 Swing Set - Replace

Subgroup: Rec. Area

Location: Play Area

Quantity: (1) Swing Set

Life Expectancy: 25 ***Remaining Life:*** 15

Best Cost: $3,500.00

Allowance to replace

Worst Cost: $4,500.00

Higher allowanced

Source of Information: In-House Costs Database

Observations:

Although this component may reach an extended life, we are funding to replace this swing set approximately every 25 years.

Component Evaluation

Comp # 1303 Sand Lot - Replenish

Subgroup: Rec. Area

Location: Play Area

Quantity: Approx 2,610 Sq.ft.

Life Expectancy: 3 ***Remaining Life:*** 2

Best Cost: $4,575.00

$1.75/Sq.ft.; Estimate to refill wood chips

Worst Cost: $5,875.00

$2.25/Sq.ft.; Higher estimate

Source of Information: In-House Costs Database

Observations:

No reports of problems at time of site visit. We recommend funding to generally replenish this sand lot area approximately every 2 to 3 years to ensure proper function as a safety feature.

Component Evaluation

Comp # 1306 Park Furniture - Replace

Subgroup: Rec. Area

Location: Play Area

Quantity: See General Notes

Life Expectancy: 12 ***Remaining Life:*** 7

Best Cost: $9,500.00

Allowance to replace

Worst Cost: $10,500.00

Higher allowance

Source of Information: In-House Costs Database

General Notes:

Quantity breakdown:

(4) Picnic Tables
(2) Benches
(1) Trash Receptacles

(7) Pieces - Total

Observations:

We recommend funding to replace these pieces approximately every 10 to 12 years to maintain appearance and ensure proper function. Repaint furniture as necessary as an operating expense.

Component Evaluation

Comp # 1306 Park Furniture - Replace

Subgroup: Common Area

Location: Common Area

Quantity: See General Notes

Life Expectancy: 12 ***Remaining Life:*** 7

Best Cost: $10,500.00

Allowance to replace

Worst Cost: $14,500.00

Higher allowance

Source of Information: In-House Costs Database

General Notes:

Quantity breakdown:

(6) Benches
(6) Pet Waste Stations
(1) Trash Receptacle

(13) Pieces - Total

Observations:

We recommend funding to replace these pieces approximately every 10 to 12 years to maintain appearance and ensure proper function. Repaint furniture as necessary as an operating expense.

Component Evaluation

Comp # 1307 Benches - Replace

Subgroup: Rec. Area

Location: Tennis Court Area

Quantity: (4) Benches

Life Expectancy: 15 ***Remaining Life:*** 14

Best Cost: $5,800.00

$1,450/Bench; Estimate to replace park bench

Worst Cost: $7,800.00

$1,950/Bench; Higher estimate for better quality

Source of Information: In-House Costs Database

Observations:

No problems noted with benches at time of site visit. We recommend funding to replace these benches approximately every 10 to 15 years to maintain appearance. Remaining life based on current age.

Component Evaluation

Comp # 1311 Outdoor Shower - Refurbish (Unfunded)

Subgroup: Pool Area

Location: Pool Area

Quantity: (1) Shower

Life Expectancy: N/A ***Remaining Life:*** 0

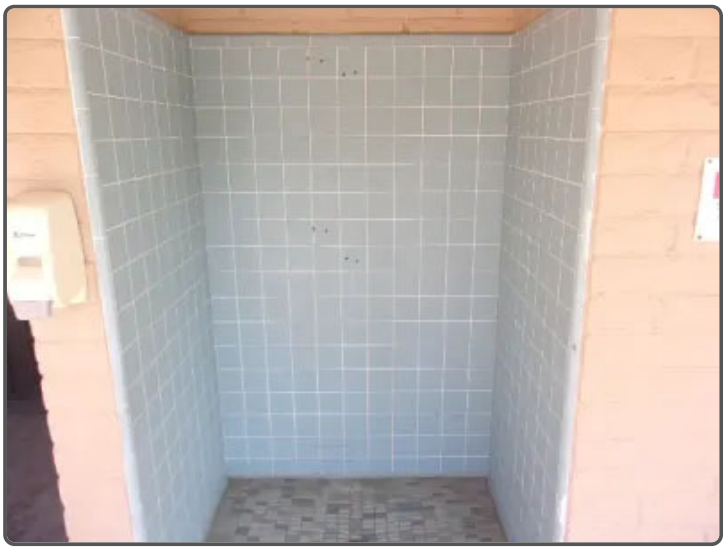
Best Cost: $0.00

Worst Cost: $0.00

Source of Information: Research with Client

Observations:

Client has informed the community has no intention of refurbishing the outdoor shower. No reserve funding necessary.



Component Evaluation

Comp # 1413 Restroom - Remodel

Subgroup: Pool Area

Location: Pool Area

Quantity: (2) Restrooms

Life Expectancy: 20 ***Remaining Life:*** 6

Best Cost: $12,000.00

$6,000/Restroom; Estimate to remodel restroom

Worst Cost: $16,000.00

$8,000/Restroom; Higher estimate for more extensive remodel

Source of Information: In-House Costs Database

General Notes:

Quantity breakdown:

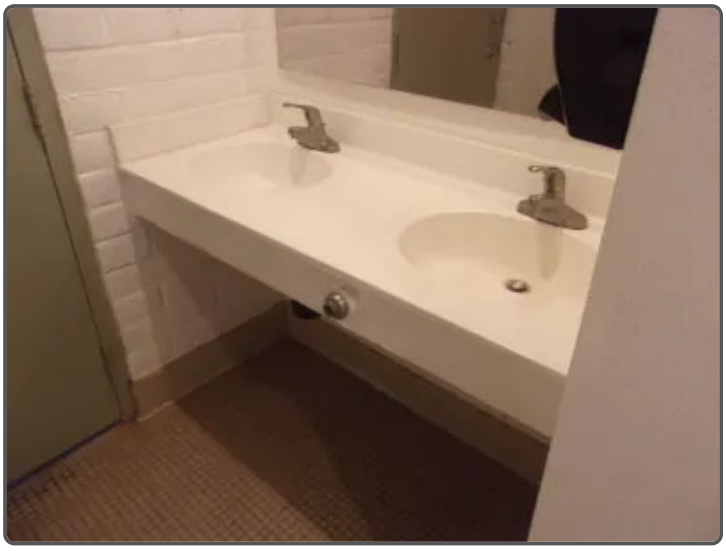
Mens :
(1) Toilet
(1) Urinal
(2) Sinks
(2) Showers

Womens:
(2) Toilets
(2) Sinks
(2) Showers

(2) Restrooms - Total

Observations:

No problems noted at time of site visit. We recommend funding to generally remodel and refurbish these restrooms approximately every 15 to 20 years to maintain appearance and keep up with current decorative tastes.



Component Evaluation

Comp # 1812 Landscaping / Irrigation - Renovate

Subgroup: Common Area

Location: Common Area

Quantity: Allowance

Life Expectancy: 10 ***Remaining Life:*** 5

Best Cost: $45,000.00

Allowance to renovate landscaping

Worst Cost: $55,000.00

Higher allowance for more extensive renovation

Source of Information: In-House Costs Database

Observations:

No expectation to completely re-landscape the community. We recommend funding for an allowance to generally refurbish the landscaping, make local tree replacements, and make upgrades to the irrigation system and landscape lighting approximately every 10 years. Replace irrigation clocks, valves, etc. as necessary as an operating expense.

Component Evaluation

Comp # 2301 Storage Shed - Replace

Subgroup: Pool Area

Location: Pool Area

Quantity: (2) Sheds

Life Expectancy: 30 ***Remaining Life:*** 15

Best Cost: $9,000.00

$4,500/Shed; Estimate to replace

Worst Cost: $11,000.00

$5,500/Shed; Higher estimate

Source of Information: In-House Costs Database

General Notes:

Quantity breakdown:

(1) Storage Shed
(1) Maintenance Shed

(2) Sheds - Total

Observations:

No problems noted or reported with storage sheds at time of site visit. We recommend funding to replace these sheds approximately every 25 to 30 years to maintain appearance and ensure proper function.

Glossary of Commonly Used Words and Phrases

(Provided by the National Reserve Study Standards of the Community Associations Institute)

Cash Flow Method - A method of developing a reserve funding plan where 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.

Component - Also referred to as an “Asset.” Individual line items in the Reserve Study developed or updated in the physical analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association responsibility, 2) with limited useful life expectancies, 3) have predictable remaining life expectancies, 4) above a minimum threshold cost, and 5) required by local codes.

Component Full Funding - When the actual (or projected) cumulative reserve balance for all components is equal to the fully funded balance.

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, a review of established association precedents, and discussion with appropriate association representatives.

Deficit - An actual (or projected reserve balance), which is less than the fully funded balance.

Effective Age - The difference between useful life and remaining useful life (UL - RUL).

Financial Analysis - The portion of the Reserve Study where current status of the reserves (measured as cash or percent funded) and a recommended reserve contribution rate (reserve funding plan) are derived, and the projected reserve income and expenses over time is presented. The financial analysis is one of the two parts of the Reserve Study.

Fully Funded Balance - 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 of a reserve component. This number is calculated for each component, and then summed together for an association total.
FFB = Current Cost * Effective Age / Useful Life

Fund Status - The status of the reserve fund as compared to an established benchmark, such as percent funded.

Funding Goals - Independent of calculation methodology utilized, the following represent the basic categories of funding plan goals:

- Baseline Funding: Establishing a reserve-funding goal of keeping the reserve balance above zero.
- Component Full Funding: Setting a reserve funding goal of attaining and maintaining cumulative reserves at or near 100% funded.
- Threshold Funding: Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount.

Funding Plan - An association's plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

Funding Principles -

- Sufficient funds when required
- Stable contributions through the year
- Evenly distributed contributions over the years
- Fiscally responsible

GSF - Gross Square Feet

Life and Valuation Estimates - The task of estimating useful life, remaining useful life, and repair or replacement costs for the reserve components.

LF - Linear Feet

Percent Funded - The ratio, at a particular point in time (typically the beginning of the fiscal year), of the actual (or projected) reserve balance to the ideal fund balance, expressed as a percentage.

Physical Analysis - The portion of the Reserve Study where the component evaluation, condition assessment, and life and valuation estimate tasks are performed. This represents one of the two parts of the Reserve Study.

Remaining Useful Life (RUL) - Also referred to as “remaining life” (RL). The estimated time, in years, that a reserve component can be expected to continue to serve its intended function. Projects anticipated to occur in the current fiscal year have a “0” remaining useful life.

Replacement Cost - The cost of replacing, repairing, or restoring a reserve component to its original functional condition. The current replacement cost would be the cost to replace, repair, or restore the component during that particular year.

Reserve Balance - Actual or projected funds as of a particular point in time (typically the beginning of the fiscal year) that the association has identified for use to defray the future repair or replacement of those major components that the association is obligated to maintain. Also known as “reserves,” “reserve accounts,” or “cash reserves.” In this report the reserve balance is based upon information provided and is not audited.

Reserve Study - A budget-planning tool, which identifies the current status of the reserve fund and a stable and equitable funding plan to offset the anticipated future major common area expenditures. The Reserve Study consists of two parts: The Physical Analysis and the Financial Analysis.

Special Assessment - An assessment levied on the members of an association in addition to regular assessments. Governing documents or local statutes often regulate special assessments.

Surplus - An actual (or projected) reserve balance that is greater than the fully funded balance.

Useful Life (UL) - Also known as “life expectancy.” The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed and maintained in its present application of installation.