Yorkshire Village HOA

Level 3 Reserve Study

Report Period – 01/01/2024 – 12/31/2024

Client Reference Number	**18781**
Property Type	**Townhouse**
Number of Units	**227**
Fiscal Year End	**12/31**

Type of Study	**Update No Site Visit**
Date of Property Inspection	**N/A**
Prepared By	**Dale Gifford**
Analysis Method	**Cash Flow**
Funding Goal	**Full Funding**

Report prepared on – Friday, March 15, 2024

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Glossary of Commonly used Words and Phrases

Executive Summary – Yorkshire Village HOA - ID # 18781

Information to complete a Level 1, and Level 2 Reserve Study was gathered by performing an in-person site visit of the community. Information to complete the Level 1, Level 2, and Level 3 Reserve Study was gathered by researching the expenditures of the community with the client. In addition, we may have also obtained information by contacting vendors and/or contractors that have worked with the community. To the best of our knowledge, the conclusions and recommendations of this report are considered reliable and accurate as far as the information obtained from these sources.

Projected Starting Balance as of 01/01/2024	**$589,414**
Ideal Reserve Balance as of 01/01/2024	**$1,061,572**
Percent Funded as of 01/01/2024	**56%**
Recommended Reserve Contribution (per month)	**$17,750**
Recommended Special Assessment 2024	**$0**

Yorkshire Village HOA is a 227-unit Townhome community. The community offers a basketball/tennis court, clubhouse, playground areas, and landscaped areas as amenities. Construction on the community was completed in 2000.

Currently Programmed Projects
There are multiple projects programmed to occur this fiscal year (FY2024). We have programmed an estimated $149,650 in reserve expenditures toward the completion of these projects. (See page 15)

Significant Reserve Projects
The association's significant reserve projects are stucco surfaces partial repair/repaint (Comp# 201), roofs replace (Comp# 105), vinyl fencing replace (Comp# 1008), and asphalt major rehab (Comp# 401). The fiscal significance of these components is approximately 38%, 34%, 5%, and 5% respectively (see page 9). 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.

Reserve Funding
In comparing the projected starting reserve balance of $589,414 versus the ideal reserve balance of $1,061,572 we find the association's reserve fund to be approximately 56% funded. This indicates a fair reserve fund position. In order to continue to strengthen the account fund, we suggest adopting a monthly reserve contribution of $17,750 ($78.19/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.

Introduction

Reserve Study Purpose
The purpose of this Reserve Study is to provide the Association with a budgeting tool to help ensure that there are adequate reserve funds available to perform future reserve projects. The detailed schedules will serve as an advance warning that major projects will need to be addressed in the future. This will allow the Association to have ample time to obtain competitive bids for each project. It will also help to ensure the physical well-being of the property and enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to special assessments.

Preparer's Credentials
Mr. Gifford has been working in the community association industry since 2002. Prior to taking a position as the Regional Project Manager covering the Utah region, at Complex Solutions in 2010, he worked in community association management in Utah. While in community association management his positions included, Maintenance Supervisor, Senior Portfolio Manager and Vice President of Community Management. His work in community association management gave him experience with budget creation, reserves and reserve budgeting, community inspections, and analyzing common area components.

- Bachelor of Science in Chemistry from Emporia State University.
- Personally, has prepared over 2,500 reserve studies in Utah.
- Member of the Association of Professional Reserve Analysts (APRA).
- Professional Reserve Analyst (PRA) designation from Association of Professional Reserve Analysts (APRA), PRA #2320.
- Member of the Utah Chapter of Community Associations Institute (UCCAI). Former Board member, and former Utah Chapter President.
- Reserve Specialist (RS) designation from Community Associations Institute (CAI), RS# 231.
- Professional Community Association Manager® (PCAM®) designation from Community Associations Institute (CAI), PCAM# 1740.
- Association Management Specialist® (AMS®) designation from Community Associations Institute (CAI).
- Recipient of Community Associations Institute's (CAI) annual award of Excellence in Chapter Leadership for service and achievement in 2010.
- Member of the CAI Utah Legislative Action Committee.

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 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 reserve budget is primarily made up of replacement items such as roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis.

Report Sections
Reserve Analysis: this 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).
Component Evaluation: this section contains information regarding the physical status and replacement cost of reserve 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 vary from year to year.

General Information and Frequently Asked Questions

Is it the law to have a Reserve Study conducted?
The Government requires a reserve study in approximately twenty states. Also, the Association's governing documents may require a reserve fund to be established. This does not mean a Reserve Study is required, but how are you going to know if you have enough money in the reserve fund if you do not have the proper information?

Why is it important to perform a Reserve Study?
This report provides the essential information that is needed to guide the Association 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 reserve projects can be completed on time. When projects are completed on time, deferred maintenance and the lower property values that typically accompany it can be avoided. It is suggested that a third party professionally prepare the Reserve Analysis Study since there is no vested interest in the property.

After we have a Reserve Study, what do we do with it?
Please take the time to review the report carefully and make sure the component information is complete and accurate. If there are any inaccuracies, or changes such as a component that the association feels should be added, removed, or altered, please inform us immediately so we may revise the report. Use the report to help establish your budget for the upcoming fiscal year.

How often do we review and update our Reserve Study?
There is a misconception that a Reserve Study is good for an extended period since the report has projections for a thirty-year period. The assumptions, interest rates, inflation rates and other information used to create this report change each year. Scheduled events may not happen, unpredictable circumstances could occur, deterioration rates can be unpredictable and repair/replacement costs will vary from causes that are unforeseen. These variations alter the results of the Reserve Study. The Reserve Study should be professionally reviewed each year by having a Level III "no site visit" update reserve study performed. The Reserve Study should be professionally updated every three years by having a Level II "site visit" update reserve study performed.

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 one year, and costs above a minimum threshold amount. An "Operating" component is typically a fixed expense that occurs on an annual basis.

What are the GREY areas of "maintenance" items that are often seen in a Reserve Study?
One of the most frequently asked 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 component. However, it is the opinion of several major Reserve Study providers, including Complex Solutions, that these components meet the criteria of a reserve component.

Information and Data Gathered:
The information contained in this report is based on estimates and assumptions gathered from various sources. Estimated life expectancies are based upon conditions that were readily visible and accessible at the time of the site visit. While every effort has been made to ensure accurate results, this report reflects the judgment of Complex Solutions Ltd. and should not be construed as a guarantee or assurance of predicting future events.

What happens during the Site Visit?
During the site visit we identified the common area components that we have determined require reserve funding. These components are quantified, and a physical condition is observed. The site visit is conducted on the common areas as reported by the client.

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.

Measures of reserve fund financial strength are as follows:

0% - 30% Funded is considered a “weak” financial position. Associations that fall into this category are more likely to have special assessments and deferred maintenance. Action should be taken to improve the financial strength of the reserve fund.

31% - 69% Funded is considered a “fair” financial position. Associations that fall into this category are less likely to experience special assessments and deferred maintenance than being in a weak financial position. Action should be taken to improve the financial strength of the reserve fund.

70% - 99% Funded is considered a “strong” financial position. Associations that fall into this category are less likely to experience special assessments and deferred maintenance than being in a fair financial position. Action should be taken to improve the financial strength of the reserve fund.

100% Funded is considered an “ideal” financial position. Action should be taken to maintain the financial strength of the reserve fund.

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 reflect 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. An on-site inspection 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 his career in preparing Reserve Studies. In addition, the 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 on any of our work products. 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.

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

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. Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the site visit. We have assumed all components have been properly built and will reach normal, typical life expectancies. A reserve study is not intended to identify or fund construction defects. We did not and will not look for or identify construction defects during our site visit. In addition, environmental hazards (such as lead paint, asbestos, radon, etc.), have been excluded from this report.

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 components.

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

Actual or Perceived Conflicts of Interest: There are no potential actual or perceived conflicts of interest of which we are aware.

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 inflation 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.

Funding Summary

Beginning Assumptions

# of units	227
Fiscal Year End	31-Dec
Budgeted Monthly Reserve Allocation	$0
Projected Starting Reserve Balance	$589,414
Ideal Starting Reserve Balance	$1,061,572

Economic Assumptions

Projected Inflation Rate	4.00%
Reported After-Tax Interest Rate	5.00%

Current Reserve Status

Current Balance as a % of Ideal Balance	56%

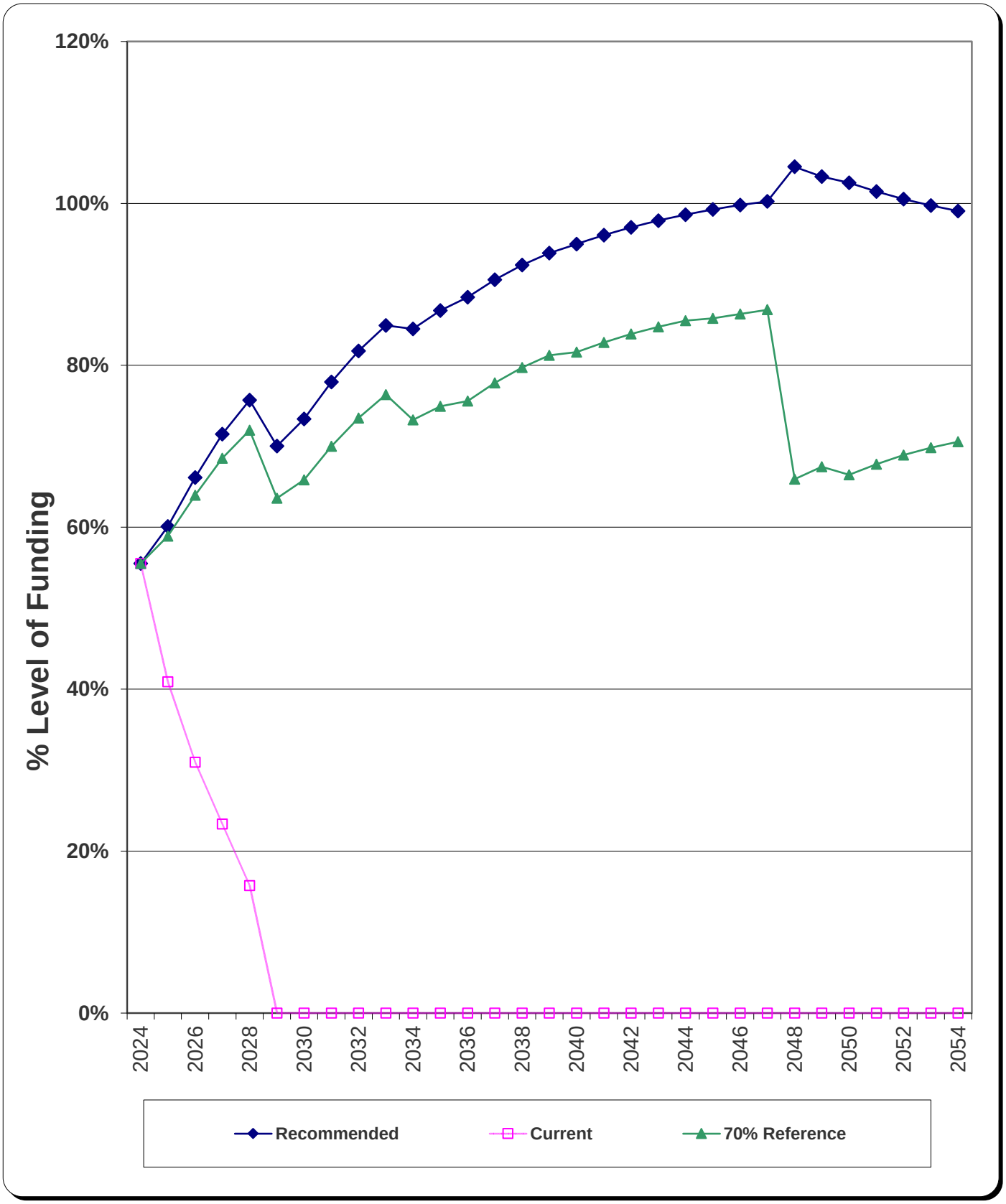
Recommendations

Recommended Monthly Reserve Allocation	$17,750
Per Unit	$78.19
Future Annual Increases	3.00%
For number of years:	30
Increases thereafter:	0.00%
70% Funded Monthly Reserve Allocation Reference	$16,650
Per Unit	$73.35
Future Annual Increases	3.00%
For number of years:	30
Increases thereafter:	0.00%

Changes From Prior Year

Recommended Increase to Reserve Allocation	$17,750
as Percentage	0%

Percent Funded - Graph



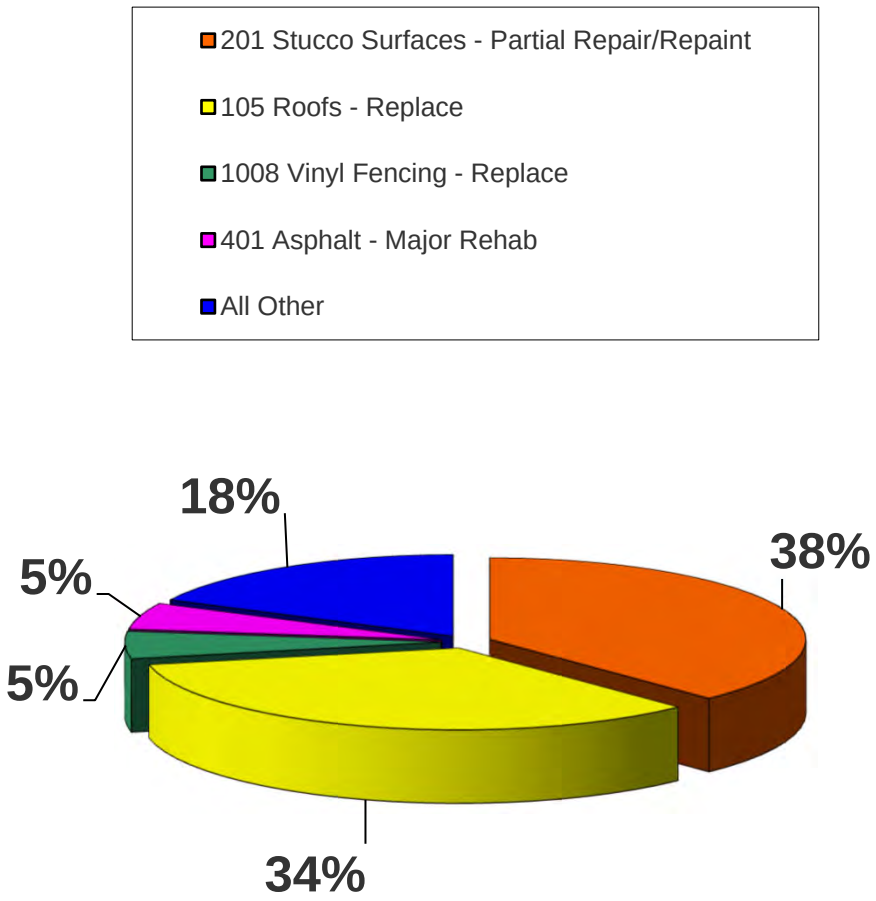
Component Inventory

Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Roofing	105	Roofs - Replace	25	23	$1,408,000	$1,704,000
	120	Rain Gutters/Downspouts - Replace	30	4	$181,000	$221,000
Painted Surfaces	201	Stucco Surfaces - Partial Repair/Repaint	1	0	$69,000	$70,000
	204	Clubhouse Doors - Repaint	8	0	$1,200	$1,600
	204	Front Doors - Repaint	N/A		$0	$0
	216	Interior Surfaces - Repaint	10	0	$8,000	$10,000
Drive Materials	401	Asphalt - 2019 - Major Rehab	30	25	$27,000	$34,000
	401	Asphalt - Major Rehab	30	9	$255,000	$327,000
	402	Asphalt - 2019 - Seal Coat	5	1	$5,000	$6,000
	402	Asphalt - Seal Coat	5	0	$36,000	$42,000
	403	Concrete - Partial Repair/Replace	10	1	$8,000	$10,000
Mechanical Equip.	703	Water Heater - Replace	12	0	$2,000	$2,500
	705	HVAC Condenser - Replace	20	0	$5,000	$6,000
	706	HVAC Furnace - Replace	20	19	$6,500	$7,000
Prop. Identification	801	Monument Sign - Refurbish	20	5	$2,000	$3,000
	803	Mailboxes - Replace	N/A		$0	$0
Fencing	1003	Chain Link Fencing - Replace	40	15	$23,000	$26,000
	1008	Vinyl Fencing - Replace	30	4	$271,000	$321,000
Courts	1201	Basketball/Tennis Court - Resurface	10	0	$7,000	$8,000
	1203	Basketball/Tennis Court - Replace	30	5	$25,000	$35,000
	1207	Basketball Equipment - Replace	15	0	$10,000	$12,000
Recreation Equip.	1301	Play Structures - Replace	25	9	$30,000	$40,000
	1303	Play Area Groundcover - Refill	5	0	$4,000	$5,000
	1307	Benches - Replace	15	3	$3,000	$4,000
Interiors	1405	Furniture - Replace	10	5	$4,000	$6,000
	1413	Restrooms - Remodel	20	15	$8,000	$10,000
	1417	Kitchen - Remodel	20	3	$14,000	$18,000
Flooring	1501	Carpeting - Replace	10	4	$7,000	$10,000
	1503	Tile Flooring - Replace	30	5	$4,000	$5,000
Light Fixtures	1601	Interior Light Fixtures - Replace	N/A		$0	$0
	1602	Exterior Light Fixtures - Replace	N/A		$0	$0
	1604	Pole Lights - Replace	N/A		$0	$0
Landscaping	1812	Landscaping & Irrigation System - Renov	20	11	$80,000	$100,000

Significant Components

ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As $	As %
105	Roofs - Replace	25	23	$1,556,000	$62,240	33.8809%
120	Rain Gutters/Downspouts - Replace	30	4	$201,000	$6,700	3.6472%
201	Stucco Surfaces - Partial Repair/Repair	1	0	$69,500	$69,500	37.8329%
204	Clubhouse Doors - Repaint	8	0	$1,400	$175	0.0953%
216	Interior Surfaces - Repaint	10	0	$9,000	$900	0.4899%
401	Asphalt - 2019 - Major Rehab	30	25	$30,500	$1,017	0.5534%
401	Asphalt - Major Rehab	30	9	$291,000	$9,700	5.2803%
402	Asphalt - 2019 - Seal Coat	5	1	$5,500	$1,100	0.5988%
402	Asphalt - Seal Coat	5	0	$39,000	$7,800	4.2460%
403	Concrete - Partial Repair/Replace	10	1	$9,000	$900	0.4899%
703	Water Heater - Replace	12	0	$2,250	$188	0.1021%
705	HVAC Condenser - Replace	20	0	$5,500	$275	0.1497%
706	HVAC Furnace - Replace	20	19	$6,750	$338	0.1837%
801	Monument Sign - Refurbish	20	5	$2,500	$125	0.0680%
1003	Chain Link Fencing - Replace	40	15	$24,500	$613	0.3334%
1008	Vinyl Fencing - Replace	30	4	$296,000	$9,867	5.3710%
1201	Basketball/Tennis Court - Resurface	10	0	$7,500	$750	0.4083%
1203	Basketball/Tennis Court - Replace	30	5	$30,000	$1,000	0.5444%
1207	Basketball Equipment - Replace	15	0	$11,000	$733	0.3992%
1301	Play Structures - Replace	25	9	$35,000	$1,400	0.7621%
1303	Play Area Groundcover - Refill	5	0	$4,500	$900	0.4899%
1307	Benches - Replace	15	3	$3,500	$233	0.1270%
1405	Furniture - Replace	10	5	$5,000	$500	0.2722%
1413	Restrooms - Remodel	20	15	$9,000	$450	0.2450%
1417	Kitchen - Remodel	20	3	$16,000	$800	0.4355%
1501	Carpeting - Replace	10	4	$8,500	$850	0.4627%
1503	Tile Flooring - Replace	30	5	$4,500	$150	0.0817%
1812	Landscaping & Irrigation System - Renc	20	11	$90,000	$4,500	2.4496%

Significant Components - Graph

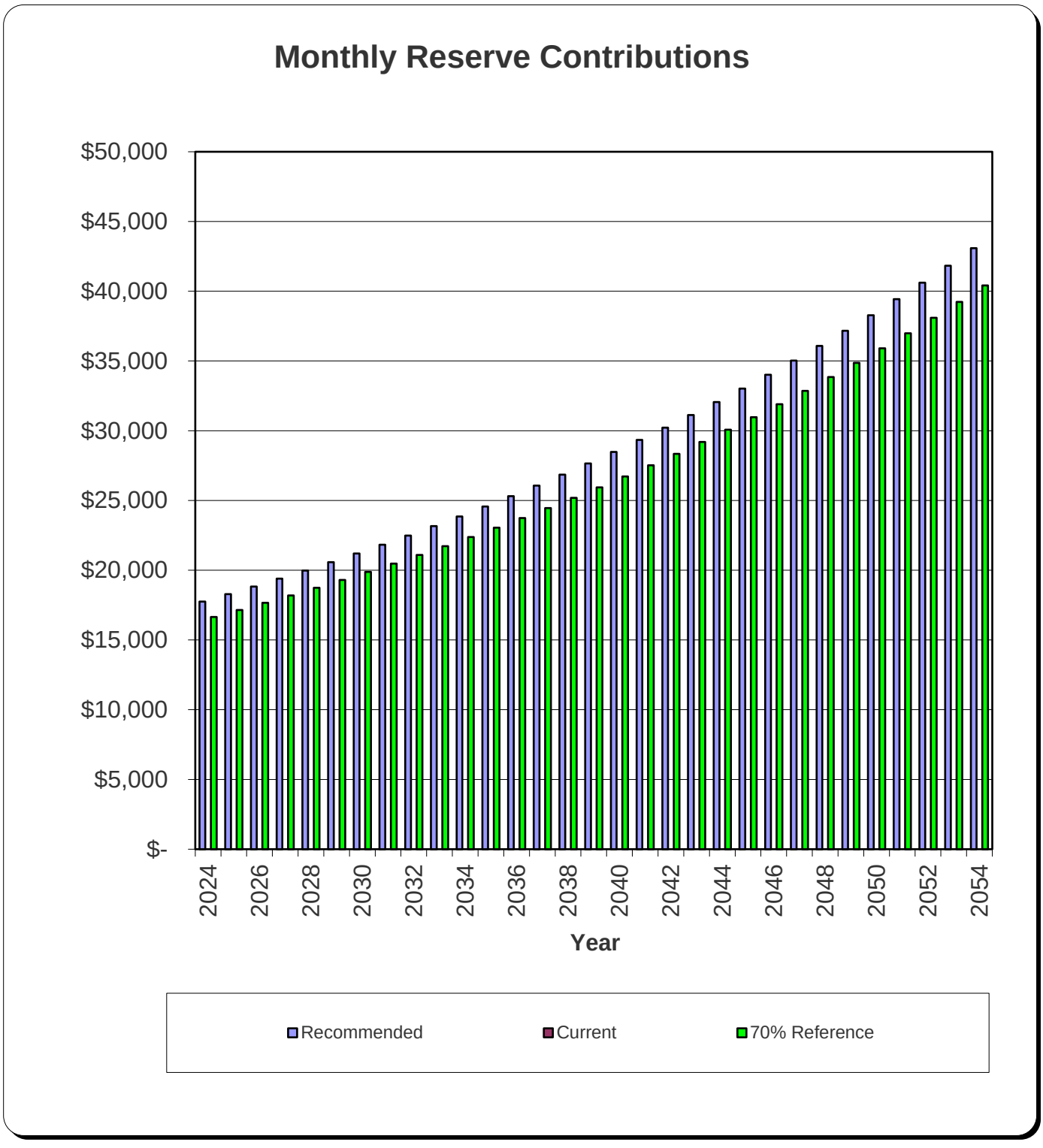


ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As $	As %
201	Stucco Surfaces - Partial Repair/Repa	1	0	$69,500	$69,500	38%
105	Roofs - Replace	25	23	$1,556,000	$62,240	34%
1008	Vinyl Fencing - Replace	30	4	$296,000	$9,867	5%
401	Asphalt - Major Rehab	30	9	$291,000	$9,700	5%
All Other	See Expanded Table For Breakdown				$32,396	18%

Yearly Summary

Year	Fully Funded Balance	Starting Reserve Balance	% Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance
2024	$1,061,572	$589,414	56%	$213,000	$31,776	$149,650	$684,540
2025	$1,139,449	$684,540	60%	$219,390	$38,400	$87,360	$854,970
2026	$1,292,865	$854,970	66%	$225,972	$47,600	$75,171	$1,053,370
2027	$1,473,042	$1,053,370	72%	$232,751	$57,285	$100,113	$1,243,293
2028	$1,642,752	$1,243,293	76%	$239,733	$52,534	$672,669	$862,892
2029	$1,232,389	$862,892	70%	$246,925	$45,640	$188,581	$966,876
2030	$1,318,003	$966,876	73%	$254,333	$53,546	$94,899	$1,179,856
2031	$1,513,768	$1,179,856	78%	$261,963	$64,725	$91,457	$1,415,087
2032	$1,730,613	$1,415,087	82%	$269,822	$76,819	$97,032	$1,664,697
2033	$1,960,390	$1,664,697	85%	$277,917	$77,878	$562,920	$1,457,572
2034	$1,725,294	$1,457,572	84%	$286,254	$76,991	$191,692	$1,629,126
2035	$1,877,748	$1,629,126	87%	$294,842	$84,039	$267,865	$1,740,142
2036	$1,968,392	$1,740,142	88%	$303,687	$93,859	$114,874	$2,022,814
2037	$2,233,537	$2,022,814	91%	$312,798	$108,532	$115,723	$2,328,421
2038	$2,520,640	$2,328,421	92%	$322,182	$123,913	$135,071	$2,639,445
2039	$2,811,830	$2,639,445	94%	$331,847	$136,042	$292,653	$2,814,680
2040	$2,964,015	$2,814,680	95%	$341,802	$149,087	$143,096	$3,162,474
2041	$3,291,590	$3,162,474	96%	$352,057	$167,341	$135,379	$3,546,493
2042	$3,654,607	$3,546,493	97%	$362,618	$186,938	$147,885	$3,948,165
2043	$4,034,024	$3,948,165	98%	$373,497	$207,440	$160,647	$4,368,455
2044	$4,430,827	$4,368,455	99%	$384,702	$225,773	$295,802	$4,683,127
2045	$4,719,042	$4,683,127	99%	$396,243	$244,837	$191,417	$5,132,791
2046	$5,144,090	$5,132,791	100%	$408,130	$268,830	$164,709	$5,645,042
2047	$5,631,331	$5,645,042	100%	$420,374	$196,068	$4,045,831	$2,215,654
2048	$2,119,806	$2,215,654	105%	$432,985	$119,079	$209,294	$2,558,424
2049	$2,476,653	$2,558,424	103%	$445,975	$132,005	$402,541	$2,733,863
2050	$2,666,386	$2,733,863	103%	$459,354	$146,301	$207,935	$3,131,583
2051	$3,086,471	$3,131,583	101%	$473,135	$167,195	$200,394	$3,571,518
2052	$3,552,389	$3,571,518	101%	$487,329	$189,861	$208,410	$4,040,297
2053	$4,050,642	$4,040,297	100%	$501,948	$214,005	$216,746	$4,539,504

Reserve Contributions - Graph



Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
105	Roofs - Replace	25	23	Approx 296,300 SF	$1,556,000	$124,480	$0	$6,013.85
120	Rain Gutters/Downspouts - Replace	30	4	Approx 20,025 LF	$201,000	$174,200	$174,200	$647.38
201	Stucco Surfaces - Partial Repair/Repaint	1	0	Approx 257,400 SF	$69,500	$69,500	$69,500	$6,715.34
204	Clubhouse Doors - Repaint	8	0	(8) Doors	$1,400	$1,400	$1,400	$16.91
216	Interior Surfaces - Repaint	10	0	Approx 4,900 SF	$9,000	$9,000	$9,000	$86.96
401	Asphalt - 2019 - Major Rehab	30	25	Approx 14,920 SF	$30,500	$5,083	$0	$98.23
401	Asphalt - Major Rehab	30	9	Approx 145,280 SF	$291,000	$203,700	$0	$937.25
402	Asphalt - 2019 - Seal Coat	5	1	Approx 17,800 SF	$5,500	$4,400	$4,400	$106.29
402	Asphalt - Seal Coat	5	0	Approx 142,400 SF	$39,000	$39,000	$39,000	$753.66
403	Concrete - Partial Repair/Replace	10	1	Extensive SF	$9,000	$8,100	$8,100	$86.96
703	Water Heater - Replace	12	0	(1) Heater	$2,250	$2,250	$2,250	$18.12
705	HVAC Condenser - Replace	20	0	(1) Condenser	$5,500	$5,500	$5,500	$26.57
706	HVAC Furnace - Replace	20	19	(1) Furnace	$6,750	$338	$0	$32.61
801	Monument Sign - Refurbish	20	5	(1) Monument	$2,500	$1,875	$0	$12.08
1003	Chain Link Fencing - Replace	40	15	Approx 325 LF	$24,500	$15,313	$0	$59.18
1008	Vinyl Fencing - Replace	30	4	Approx 4,925 LF	$296,000	$256,533	$236,664	$953.35
1201	Basketball/Tennis Court - Resurface	10	0	(1) Court	$7,500	$7,500	$7,500	$72.47
1203	Basketball/Tennis Court - Replace	30	5	(1) Court	$30,000	$25,000	$0	$96.62
1207	Basketball Equipment - Replace	15	0	(4) Backboards	$11,000	$11,000	$11,000	$70.86
1301	Play Structures - Replace	25	9	(2) Structures	$35,000	$22,400	$0	$135.27
1303	Play Area Groundcover - Refill	5	0	Approx 3,300 SF	$4,500	$4,500	$4,500	$86.96
1307	Benches - Replace	15	3	(2) Benches	$3,500	$2,800	$2,800	$22.55
1405	Furniture - Replace	10	5	(80) Pieces	$5,000	$2,500	$0	$48.31
1413	Restrooms - Remodel	20	15	(2) Restrooms	$9,000	$2,250	$0	$43.48
1417	Kitchen - Remodel	20	3	(1) Kitchen	$16,000	$13,600	$13,600	$77.30
1501	Carpeting - Replace	10	4	Approx 1,325 SF	$8,500	$5,100	$0	$82.13
1503	Tile Flooring - Replace	30	5	Approx 125 SF	$4,500	$3,750	$0	$14.49
1812	Landscaping & Irrigation System - Renovate	20	11	Extensive SF	$90,000	$40,500	$0	$434.81
					$2,773,900	$1,061,572	$589,414	$17,750

Current Fund Balance as a percentage of Ideal Balance: 56%

Yearly Cash Flow

Year	2024	2025	2026	2027	2028
Starting Balance	$589,414	$684,540	$854,970	$1,053,370	$1,243,293
Reserve Income	$213,000	$219,390	$225,972	$232,751	$239,733
Interest Earnings	$31,776	$38,400	$47,600	$57,285	$52,534
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$834,190	$942,330	$1,128,541	$1,343,406	$1,535,561
Reserve Expenditures	$149,650	$87,360	$75,171	$100,113	$672,669
Ending Balance	$684,540	$854,970	$1,053,370	$1,243,293	$862,892

Year	2029	2030	2031	2032	2033
Starting Balance	$862,892	$966,876	$1,179,856	$1,415,087	$1,664,697
Reserve Income	$246,925	$254,333	$261,963	$269,822	$277,917
Interest Earnings	$45,640	$53,546	$64,725	$76,819	$77,878
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$1,155,457	$1,274,755	$1,506,545	$1,761,728	$2,020,492
Reserve Expenditures	$188,581	$94,899	$91,457	$97,032	$562,920
Ending Balance	$966,876	$1,179,856	$1,415,087	$1,664,697	$1,457,572

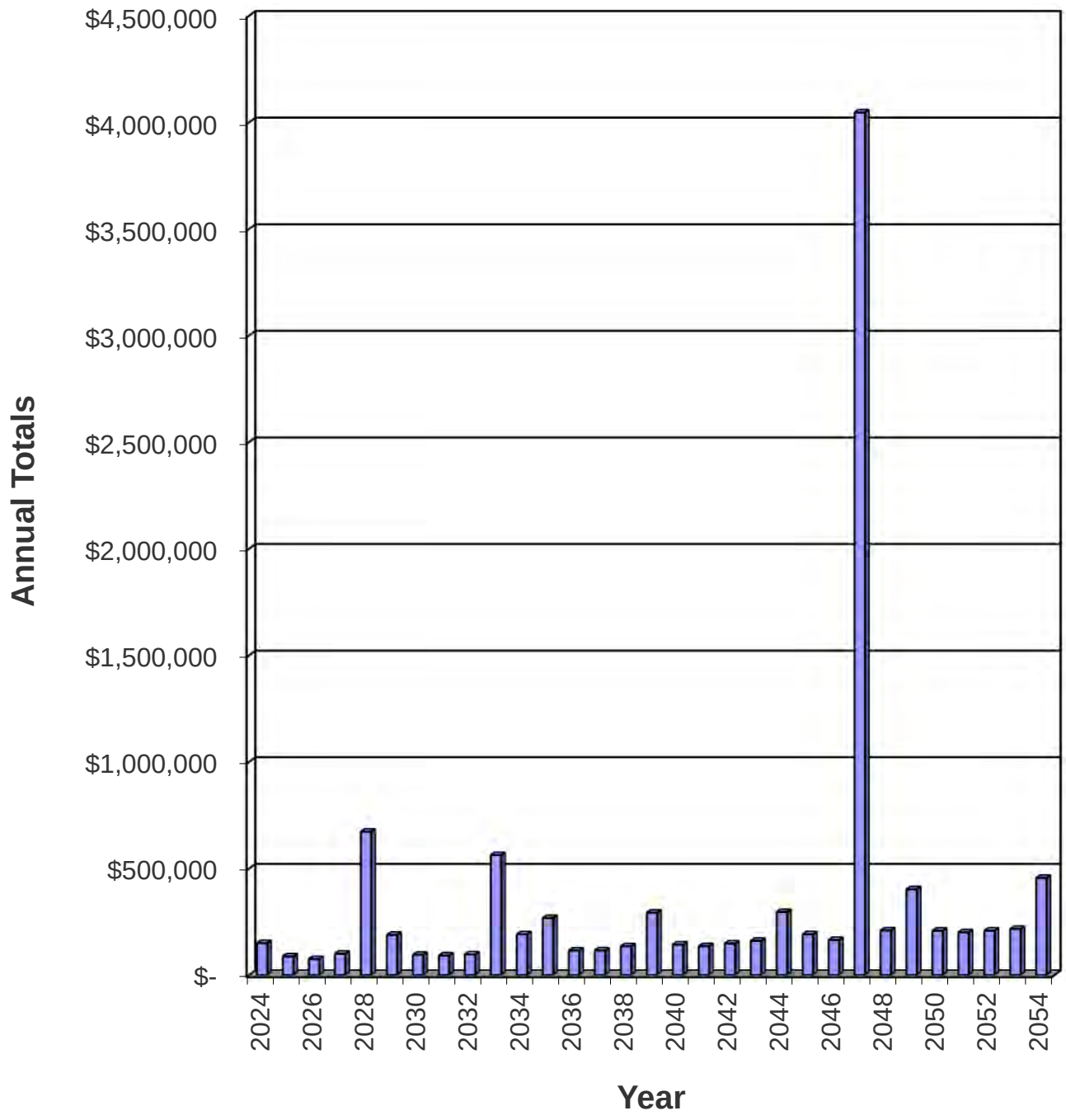
Year	2034	2035	2036	2037	2038
Starting Balance	$1,457,572	$1,629,126	$1,740,142	$2,022,814	$2,328,421
Reserve Income	$286,254	$294,842	$303,687	$312,798	$322,182
Interest Earnings	$76,991	$84,039	$93,859	$108,532	$123,913
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$1,820,817	$2,008,007	$2,137,688	$2,444,144	$2,774,515
Reserve Expenditures	$191,692	$267,865	$114,874	$115,723	$135,071
Ending Balance	$1,629,126	$1,740,142	$2,022,814	$2,328,421	$2,639,445

Year	2039	2040	2041	2042	2043
Starting Balance	$2,639,445	$2,814,680	$3,162,474	$3,546,493	$3,948,165
Reserve Income	$331,847	$341,802	$352,057	$362,618	$373,497
Interest Earnings	$136,042	$149,087	$167,341	$186,938	$207,440
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$3,107,333	$3,305,570	$3,681,872	$4,096,049	$4,529,102
Reserve Expenditures	$292,653	$143,096	$135,379	$147,885	$160,647
Ending Balance	$2,814,680	$3,162,474	$3,546,493	$3,948,165	$4,368,455

Year	2044	2045	2046	2047	2048
Starting Balance	$4,368,455	$4,683,127	$5,132,791	$5,645,042	$2,215,654
Reserve Income	$384,702	$396,243	$408,130	$420,374	$432,985
Interest Earnings	$225,773	$244,837	$268,830	$196,068	$119,079
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$4,978,929	$5,324,208	$5,809,751	$6,261,484	$2,767,718
Reserve Expenditures	$295,802	$191,417	$164,709	$4,045,831	$209,294
Ending Balance	$4,683,127	$5,132,791	$5,645,042	$2,215,654	$2,558,424

Year	2049	2050	2051	2052	2053
Starting Balance	$2,558,424	$2,733,863	$3,131,583	$3,571,518	$4,040,297
Reserve Income	$445,975	$459,354	$473,135	$487,329	$501,948
Interest Earnings	$132,005	$146,301	$167,195	$189,861	$214,005
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$3,136,404	$3,339,518	$3,771,912	$4,248,707	$4,756,250
Reserve Expenditures	$402,541	$207,935	$200,394	$208,410	$216,746
Ending Balance	$2,733,863	$3,131,583	$3,571,518	$4,040,297	$4,539,504

Yearly Reserve Expenditures - Graph



Projected Reserve Expenditures by Year

Year	ID #	Component Name	Projected Cost	Total Per Annum
2024	201	Stucco Surfaces - Partial Repair/Repaint	$69,500	
	204	Clubhouse Doors - Repaint	$1,400	
	216	Interior Surfaces - Repaint	$9,000	
	402	Asphalt - Seal Coat	$39,000	
	703	Water Heater - Replace	$2,250	
	705	HVAC Condenser - Replace	$5,500	
	1201	Basketball/Tennis Court - Resurface	$7,500	
	1207	Basketball Equipment - Replace	$11,000	
	1303	Play Area Groundcover - Refill	$4,500	$149,650
2025	201	Stucco Surfaces - Partial Repair/Repaint	$72,280	
	402	Asphalt - 2019 - Seal Coat	$5,720	
	403	Concrete - Partial Repair/Replace	$9,360	$87,360
2026	201	Stucco Surfaces - Partial Repair/Repaint	$75,171	$75,171
2027	201	Stucco Surfaces - Partial Repair/Repaint	$78,178	
	1307	Benches - Replace	$3,937	
	1417	Kitchen - Remodel	$17,998	$100,113
2028	120	Rain Gutters/Downspouts - Replace	$235,142	
	201	Stucco Surfaces - Partial Repair/Repaint	$81,305	
	1008	Vinyl Fencing - Replace	$346,278	
	1501	Carpeting - Replace	$9,944	$672,669
2029	201	Stucco Surfaces - Partial Repair/Repaint	$84,557	
	402	Asphalt - Seal Coat	$47,449	
	801	Monument Sign - Refurbish	$3,042	
	1203	Basketball/Tennis Court - Replace	$36,500	
	1303	Play Area Groundcover - Refill	$5,475	
	1405	Furniture - Replace	$6,083	
	1503	Tile Flooring - Replace	$5,475	$188,581
2030	201	Stucco Surfaces - Partial Repair/Repaint	$87,940	
	402	Asphalt - 2019 - Seal Coat	$6,959	$94,899
2031	201	Stucco Surfaces - Partial Repair/Repaint	$91,457	$91,457
2032	201	Stucco Surfaces - Partial Repair/Repaint	$95,116	
	204	Clubhouse Doors - Repaint	$1,916	$97,032
2033	201	Stucco Surfaces - Partial Repair/Repaint	$98,920	
	401	Asphalt - Major Rehab	$414,184	
	1301	Play Structures - Replace	$49,816	$562,920
2034	201	Stucco Surfaces - Partial Repair/Repaint	$102,877	
	216	Interior Surfaces - Repaint	$13,322	
	402	Asphalt - Seal Coat	$57,730	
	1201	Basketball/Tennis Court - Resurface	$11,102	
	1303	Play Area Groundcover - Refill	$6,661	$191,692
2035	201	Stucco Surfaces - Partial Repair/Repaint	$106,992	
	402	Asphalt - 2019 - Seal Coat	$8,467	
	403	Concrete - Partial Repair/Replace	$13,855	
	1812	Landscaping & Irrigation System - Renovate	$138,551	$267,865

Year	Comp ID	Component Name	Projected Cost	Total Per Annum
2036	201	Stucco Surfaces - Partial Repair/Repaint	$111,272	
	703	Water Heater - Replace	$3,602	$114,874
2037	201	Stucco Surfaces - Partial Repair/Repaint	$115,723	$115,723
2038	201	Stucco Surfaces - Partial Repair/Repaint	$120,352	
	1501	Carpeting - Replace	$14,719	$135,071
2039	201	Stucco Surfaces - Partial Repair/Repaint	$125,166	
	402	Asphalt - Seal Coat	$70,237	
	1003	Chain Link Fencing - Replace	$44,123	
	1207	Basketball Equipment - Replace	$19,810	
	1303	Play Area Groundcover - Refill	$8,104	
	1405	Furniture - Replace	$9,005	
	1413	Restrooms - Remodel	$16,208	$292,653
2040	201	Stucco Surfaces - Partial Repair/Repaint	$130,172	
	204	Clubhouse Doors - Repaint	$2,622	
	402	Asphalt - 2019 - Seal Coat	$10,301	$143,096
2041	201	Stucco Surfaces - Partial Repair/Repaint	$135,379	$135,379
2042	201	Stucco Surfaces - Partial Repair/Repaint	$140,794	
	1307	Benches - Replace	$7,090	$147,885
2043	201	Stucco Surfaces - Partial Repair/Repaint	$146,426	
	706	HVAC Furnace - Replace	$14,221	$160,647
2044	201	Stucco Surfaces - Partial Repair/Repaint	$152,283	
	216	Interior Surfaces - Repaint	$19,720	
	402	Asphalt - Seal Coat	$85,454	
	705	HVAC Condenser - Replace	$12,051	
	1201	Basketball/Tennis Court - Resurface	$16,433	
	1303	Play Area Groundcover - Refill	$9,860	$295,802
2045	201	Stucco Surfaces - Partial Repair/Repaint	$158,374	
	402	Asphalt - 2019 - Seal Coat	$12,533	
	403	Concrete - Partial Repair/Replace	$20,509	$191,417
2046	201	Stucco Surfaces - Partial Repair/Repaint	$164,709	$164,709
2047	105	Roofs - Replace	$3,835,097	
	201	Stucco Surfaces - Partial Repair/Repaint	$171,298	
	1417	Kitchen - Remodel	$39,435	$4,045,831
2048	201	Stucco Surfaces - Partial Repair/Repaint	$178,150	
	204	Clubhouse Doors - Repaint	$3,589	
	703	Water Heater - Replace	$5,767	
	1501	Carpeting - Replace	$21,788	$209,294
2049	201	Stucco Surfaces - Partial Repair/Repaint	$185,276	
	401	Asphalt - 2019 - Major Rehab	$81,308	
	402	Asphalt - Seal Coat	$103,968	
	801	Monument Sign - Refurbish	$6,665	
	1303	Play Area Groundcover - Refill	$11,996	
	1405	Furniture - Replace	$13,329	$402,541
2050	201	Stucco Surfaces - Partial Repair/Repaint	$192,687	
	402	Asphalt - 2019 - Seal Coat	$15,249	$207,935
2051	201	Stucco Surfaces - Partial Repair/Repaint	$200,394	$200,394
2052	201	Stucco Surfaces - Partial Repair/Repaint	$208,410	$208,410

Year	Comp ID	Component Name	Projected Cost	Total Per Annum
2053	201	Stucco Surfaces - Partial Repair/Repaint	$216,746	$216,746

Component Evaluation

Comp #: 105 Roofs - Replace

Location: **Building Roofs**

Quantity: **Approx 296,300 SF**

Life Expectancy: **25** *Remaining Life:* **23**

Best Cost: **$1,408,000**
Estimate to replace

Worst Cost: **$1,704,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The roofs are in good to poor condition. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on average age.

Comp #: 120 Rain Gutters/Downspouts - Replace

Location: **Building Exteriors**

Quantity: **Approx 20,025 LF**

Life Expectancy: **30** *Remaining Life:* **4**

Best Cost: **$181,000**
Estimate to replace

Worst Cost: **$221,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The rain gutters and downspouts are in good to fair condition. We recommend funding to replace this component approximately every 25 - 30 years. Remaining life based on average age.

Comp #: 201 Stucco Surfaces - Partial Repair/Repaint

Location: **Building Exteriors**

Quantity: **Approx 257,400 SF**

Life Expectancy: **1** *Remaining Life:* **0**

Best Cost: **$69,000**
Allowance to repair/repaint

Worst Cost: **$70,000**
Higher allowance

Source of Information: Research with Client

General Notes:

Observations:

Research with the client reveals this component is partially repaired/repainted yearly.

Comp #: 204 Clubhouse Doors - Repaint

Location: **Clubhouse Exterior Doors**

Quantity: **(8) Doors**

Life Expectancy: **8** *Remaining Life:* **0**

Best Cost: **$1,200**
Estimate to repaint

Worst Cost: **$1,600**
Higher estimate

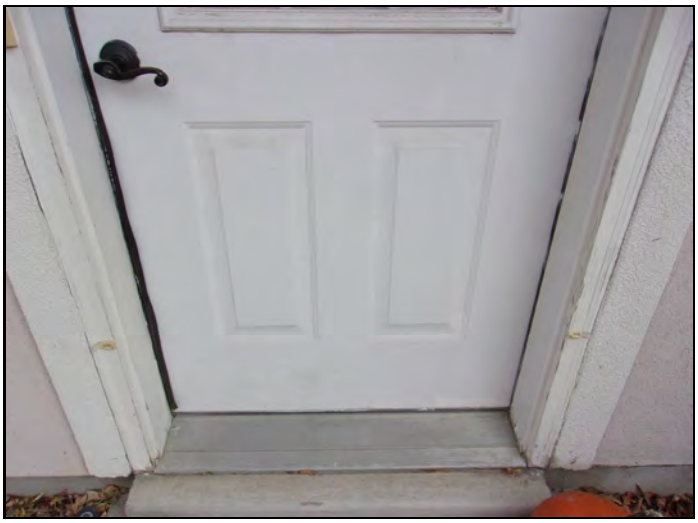
Source of Information: CSL Cost Database

General Notes:

Observations:

The painted door surfaces are in fair to poor condition. We recommend funding to repaint this component approximately every 6 - 8 years. Remaining life based on current condition.

Comp #: 204 Front Doors - Repaint



Location: **Unit Front Doors**

Quantity: **(227) Doors**

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

Best Cost: **$0**

Worst Cost: **$0**

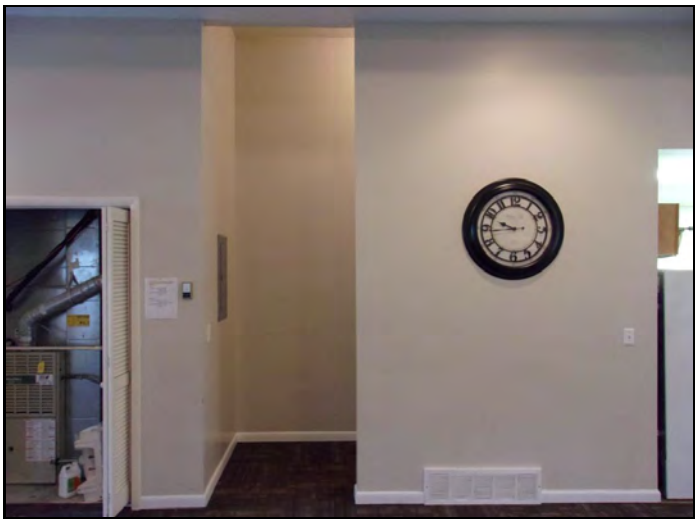
Source of Information:

General Notes:

Observations:

Research with the client reveals this component is not a responsibility of the association.

Comp #: 216 Interior Surfaces - Repaint



Location: **Clubhouse Great Room & Kitchen**

Quantity: **Approx 4,900 SF**

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

Best Cost: **$8,000**
Estimate to repaint

Worst Cost: **$10,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The interior painted surfaces are in good to fair condition. We recommend funding to repaint this component approximately every 10 years. Remaining life based on current condition.

Comp #: 401 Asphalt - 2019 - Major Rehab

Location: **Coventry & Penny Lane**

Quantity: **Approx 14,920 SF**

Life Expectancy: **30** *Remaining Life:* **25**

Best Cost: **$27,000**
Estimate for major rehab

Worst Cost: **$34,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The asphalt surfaces are in good condition. We recommend funding for a major rehab of this component approximately every 25 - 30 years. Remaining life based on current age.

Comp #: 401 Asphalt - Major Rehab

Location: **Community Streets**

Quantity: **Approx 145,280 SF**

Life Expectancy: **30** *Remaining Life:* **9**

Best Cost: **$255,000**
Estimate for major rehab

Worst Cost: **$327,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The asphalt surfaces are in good to fair condition. We recommend funding for a major rehab of this component approximately every 25 - 30 years. Remaining life based on current age and condition.

Comp #: 402 Asphalt - 2019 - Seal Coat

Location: **Kensington Place**

Quantity: **Approx 17,800 SF**

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

Best Cost: **$5,000**
Estimate for seal coat

Worst Cost: **$6,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The asphalt seal coat is in good condition. We recommend funding to seal this component approximately every 3 - 5 years. Remaining life based on current age.

Comp #: 402 Asphalt - Seal Coat

Location: **Community Streets**

Quantity: **Approx 142,400 SF**

Life Expectancy: **5** *Remaining Life:* **0**

Best Cost: **$36,000**

Estimate for seal coat

Worst Cost: **$42,000**

Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The asphalt seal coat is in poor condition. We recommend funding to seal this component approximately every 3 - 5 years. Remaining life based on current condition.

Comp #: 403 Concrete - Partial Repair/Replace

Location: **Common Area**

Quantity: **Extensive SF**

Life Expectancy: **10** *Remaining Life:* **1**

Best Cost: **$8,000**
Allowance to repair/replace

Worst Cost: **$10,000**
Higher allowance

Source of Information: CSL Cost Database

General Notes:

Observations:

The concrete is generally in good to fair condition. This component has an extended useful life under normal conditions. We recommend funding to make repairs and partially replace this component approximately every 10 years. Remaining life based on current age.

Comp #: 703 Water Heater - Replace

Location: **Clubhouse Interior**

Quantity: **(1) Heater**

Life Expectancy: **12** *Remaining Life:* **0**

Best Cost: **$2,000**
Estimate to replace

Worst Cost: **$2,500**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The water heater is in working condition. We recommend funding to replace this component approximately every 12 years. Remaining life based on current age.

Comp #: 705 HVAC Condenser - Replace

Location: **Clubhouse Exterior**

Quantity: **(1) Condenser**

Life Expectancy: **20** *Remaining Life:* **0**

Best Cost: **$5,000**
Estimate to replace

Worst Cost: **$6,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The HVAC condenser is in working condition. We recommend replacing this component approximately every 20 years. Remaining life based on current age.

Comp #: 706 HVAC Furnace - Replace

Location: **Clubhouse Interior**

Quantity: **(1) Furnace**

Life Expectancy: **20** *Remaining Life:* **19**

Best Cost: **$6,500**
Estimate to replace

Worst Cost: **$7,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The furnace is in working condition. We recommend funding to replace this component approximately every 20 years. Remaining life based on current age.

Comp #: 801 Monument Sign - Refurbish

Location: **Common Area**

Quantity: **(1) Monument**

Life Expectancy: **20** *Remaining Life:* **5**

Best Cost: **$2,000**
Estimate to refurbish

Worst Cost: **$3,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The monument sign is in fair to poor condition. We recommend funding to refurbish this component approximately every 15 - 20 years. Remaining life is based on current age.

Comp #: 803 Mailboxes - Replace

Location: **Common Area**

Quantity: **(21) Clusters**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Observations:

Typically these mailboxes are owned and maintained by the postal service. No reserve funding necessary.

Comp #: 1003 Chain Link Fencing - Replace

Location: **Basketball/Tennis Court**

Quantity: **Approx 325 LF**

Life Expectancy: **40** *Remaining Life:* **15**

Best Cost: **$23,000**
Estimate to replace

Worst Cost: **$26,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The chain link fencing is in fair condition. We recommend funding to replace this component approximately every 30 - 40 years. Remaining life based on current age.

Comp #: 1008 Vinyl Fencing - Replace

Location: **Common Area & Unit Patios**

Quantity: **Approx 4,925 LF**

Life Expectancy: **30** *Remaining Life:* **4**

Best Cost: **$271,000**
Estimate to replace

Worst Cost: **$321,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The vinyl fencing is generally in good condition. We recommend funding to replace this component approximately every 25 - 30 years. Remaining life based on current age.

Comp #: 1201 Basketball/Tennis Court - Resurface

Location: **Common Area**

Quantity: **(1) Court**

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

Best Cost: **$7,000**
Estimate to replace

Worst Cost: **$8,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The court surface is in poor condition. We recommend funding to resurface this component approximately every 8 - 10 years. Remaining life based on current age.

Comp #: 1203 Basketball/Tennis Court - Replace

Location: **Common Area**

Quantity: **(1) Court**

Life Expectancy: **30** *Remaining Life:* **5**

Best Cost: **$25,000**
Estimate to replace

Worst Cost: **$35,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The court is generally in fair condition. We recommend funding to replace this component approximately every 25 - 30 years. Remaining life based on current age.

Comp #: 1207 Basketball Equipment - Replace

Location: **Basketball Court**

Quantity: **(4) Backboards**

Life Expectancy: **15** *Remaining Life:* **0**

Best Cost: **$10,000**
Estimate to replace

Worst Cost: **$12,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The basketball equipment is in fair condition. We recommend funding to replace this component approximately every 10 - 15 years. Remaining life is based on current condition.

Comp #: 1301 Play Structures - Replace

Location: **Play Areas**

Quantity: **(2) Structures**

Life Expectancy: **25** *Remaining Life:* **9**

Best Cost: **$30,000**
Estimate to replace

Worst Cost: **$40,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The play structures are in good to fair condition. We recommend funding to replace this component approximately every 20 - 25 years. Remaining life based on current age.

Comp #: 1303 Play Area Groundcover - Refill

Location: **Play Areas**

Quantity: **Approx 3,300 SF**

Life Expectancy: **5** *Remaining Life:* **0**

Best Cost: **$4,000**
Estimate to refill

Worst Cost: **$5,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The play area groundcover is in fair to poor condition. We recommend funding to refill this component approximately every 3 - 5 years. Remaining life is based on current condition.

Comp #: 1307 Benches - Replace

Location: **Play Areas**

Quantity: **(2) Benches**

Life Expectancy: **15** *Remaining Life:* **3**

Best Cost: **$3,000**
Estimate to replace

Worst Cost: **$4,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The benches are in fair condition. We recommend funding to replace this component approximately every 10 - 15 years. Remaining life based on current condition.

Comp #: 1405 Furniture - Replace

Location: **Clubhouse Interior**

Quantity: **(80) Pieces**

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

Best Cost: **$4,000**

Allowance to make replacements

Worst Cost: **$6,000**

Higher allowance

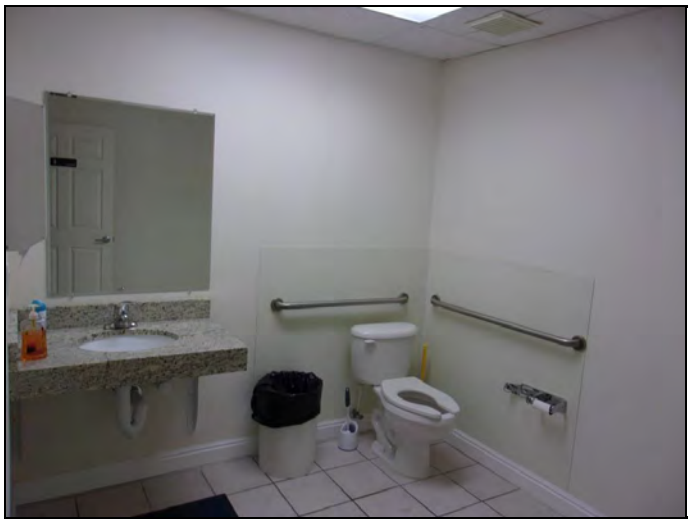
Source of Information: CSL Cost Database

General Notes:

Observations:

The furniture is generally in fair condition. We recommend funding an allowance to make replacements approximately every 10 years. Remaining life based on current age.

Comp #: 1413 Restrooms - Remodel



Location: **Clubhouse Interior**

Quantity: **(2) Restrooms**

Life Expectancy: **20** *Remaining Life:* **15**

Best Cost: **$8,000**
Estimate to remodel

Worst Cost: **$10,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The restrooms are in good to fair condition. We recommend funding to remodel this component approximately every 20 years. Remaining life based on current age.

Comp #: 1417 Kitchen - Remodel

Location: **Clubhouse Interior**

Quantity: **(1) Kitchen**

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

Best Cost: **$14,000**
Allowance to remodel

Worst Cost: **$18,000**
Higher allowance

Source of Information: CSL Cost Database

General Notes:

Observations:

The kitchen is in fair condition. We recommend funding to remodel this component approximately every 20 years. Remaining life based on current age and condition.

Comp #: 1501 Carpeting - Replace

Location: **Clubhouse Great Room**

Quantity: **Approx 1,325 SF**

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

Best Cost: **$7,000**
Estimate to replace

Worst Cost: **$10,000**
Higher estimate

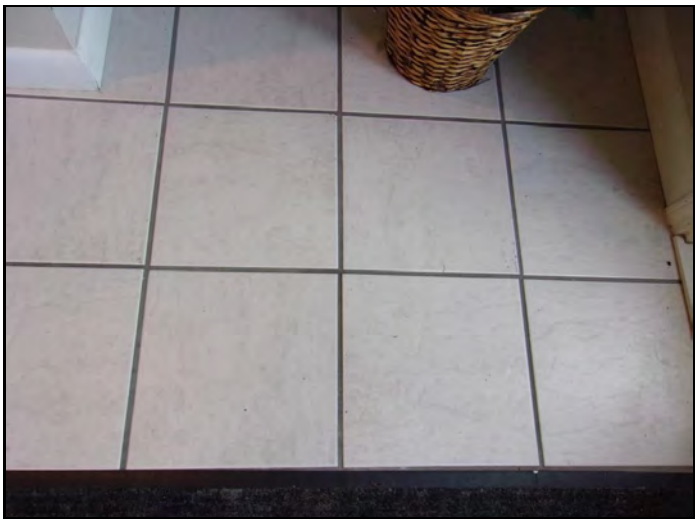
Source of Information: CSL Cost Database

General Notes:

Observations:

The carpeting is in good to fair condition. We recommend funding to replace this component approximately every 8 - 10 years. Remaining life based on current age.

Comp #: 1503 Tile Flooring - Replace



Location: **Clubhouse Entrances**

Quantity: **Approx 125 SF**

Life Expectancy: **30** *Remaining Life:* **5**

Best Cost: **$4,000**
Estimate to replace

Worst Cost: **$5,000**
Higher estimate

Source of Information: CSL Cost Database

General Notes:

Observations:

The tile flooring is generally in good condition. We recommend funding to replace this component approximately every 30 years. Remaining life based on current age.

Comp #: 1601 Interior Light Fixtures - Replace

Location: **Clubhouse Interior**

Quantity: **(25) Fixtures**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Observations:

Research with the client reveals this component is being replaced as necessary as an operating expense.

Comp #: 1602 Exterior Light Fixtures - Replace

Location: **Building Exteriors**

Quantity: **(628) Fixtures**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Observations:

Research with the client reveals this component is being replaced as necessary as an operating expense.

Comp #: 1604 Pole Lights - Replace

Location: **Common Area**

Quantity: **(31) Fixtures**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Observations:

Research with the client reveals this component is being replaced as necessary as an operating expense.

Comp #: 1812 Landscaping & Irrigation System - Renovate

Location: **Common Area**

Quantity: **Extensive SF**

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

Best Cost: **$80,000**
Allowance to renovate

Worst Cost: **$100,000**
Higher allowance

Source of Information: CSL Cost Database

General Notes:

Observations:

The landscaping and irrigation system are in good to fair condition. We recommend funding for an allowance to renovate the landscaping and irrigation system approximately every 20 years. Remaining life based on current age.

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.