

# Kayscreek Estates HOA

## Level 3 Reserve Study



**Report Period – 01/01/2026 – 12/31/2026**

<b>Client Reference Number</b>	<b>11004</b>
<b>Property Type</b>	<b>Single Family Homes</b>
<b>Number of Units</b>	<b>276</b>
<b>Fiscal Year End</b>	<b>12/31</b>

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

**Report prepared on – Tuesday, February 03, 2026**



**TEL: (888) 356-3783 | Fax: (866) 279-9662**  
**WWW.COMPLEXSOLUTIONSLTD.COM**

**DRAFT**

# Table of Contents

## Introduction

---

- Executive Summary page 1
- Introduction page 2
- General Information and Frequently Asked Questions page 3 - 4

## Reserve Analysis

---

- Funding Summary page 5
- Percent Funded – Graph page 6
- Component Inventory page 7
- Significant Components page 8
- Significant Components – Graph page 9
- Yearly Summary page 10
- Yearly Reserve Contributions – Graph page 11
- Component Funding Information page 12
- Yearly Cash Flow page 13
- Yearly Reserve Expenditures – Graph page 14
- Projected Reserve Expenditures by Year page 15 - 16

## Glossary of Commonly used Words and Phrases

---

# Executive Summary – Kayscreek Estates HOA - ID # 11004

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.

<b>Projected Starting Balance as of 01/01/2026</b>	<b>\$403,935</b>
<b>Ideal Reserve Balance as of 01/01/2026</b>	<b>\$452,975</b>
<b>Percent Funded as of 01/01/2026</b>	<b>89%</b>
<b>Recommended Reserve Contribution (per month)</b>	<b>\$3,810</b>
<b>Recommended Special Assessment 2026</b>	<b>\$0</b>

Kayscreek Estates HOA is a 276-unit Single Family Home community. The community offers a basketball court, playground areas, walking paths, and landscaped areas as amenities. Construction on the community was completed in 2002.

### Currently Programmed Projects

There are multiple projects programmed to occur this fiscal year (FY2026). We have programmed an estimated \$98,750 in reserve expenditures toward the completion of these projects. (See page 15)

### Significant Reserve Projects

The association's significant reserve projects are play structures replace (Comp# 1301), play area groundcover refill (Comp# 1303), asphalt paths replace (Comp# 1312), and chain link fencing replace (Comp# 1003). The fiscal significance of these components is approximately 22%, 20%, 14%, and 13% 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 \$403,935 versus the ideal reserve balance of \$452,975 we find the association's reserve fund to be approximately 89% 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 \$3,810 (\$13.80/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 3,000 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 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 warranty or guarantee regarding our life and cost estimates/predictions. There is no implied warranty 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	276
Fiscal Year End	31-Dec
Budgeted Monthly Reserve Allocation	\$2,800
Projected Starting Reserve Balance	\$403,935
Ideal Starting Reserve Balance	\$452,975

## Economic Assumptions

---

Projected Inflation Rate	3.90%
Reported After-Tax Interest Rate	3.95%

## Current Reserve Status

---

Current Balance as a % of Ideal Balance	89%
---	-----

## Recommendations

---

Recommended Monthly Reserve Allocation	\$3,810
Per Unit	\$13.80
Future Annual Increases	3.00%
For number of years:	30
Increases thereafter:	0.00%
70% Funded Monthly Reserve Allocation Reference	\$3,440
Per Unit	\$12.46
Future Annual Increases	3.00%
For number of years:	30
Increases thereafter:	0.00%

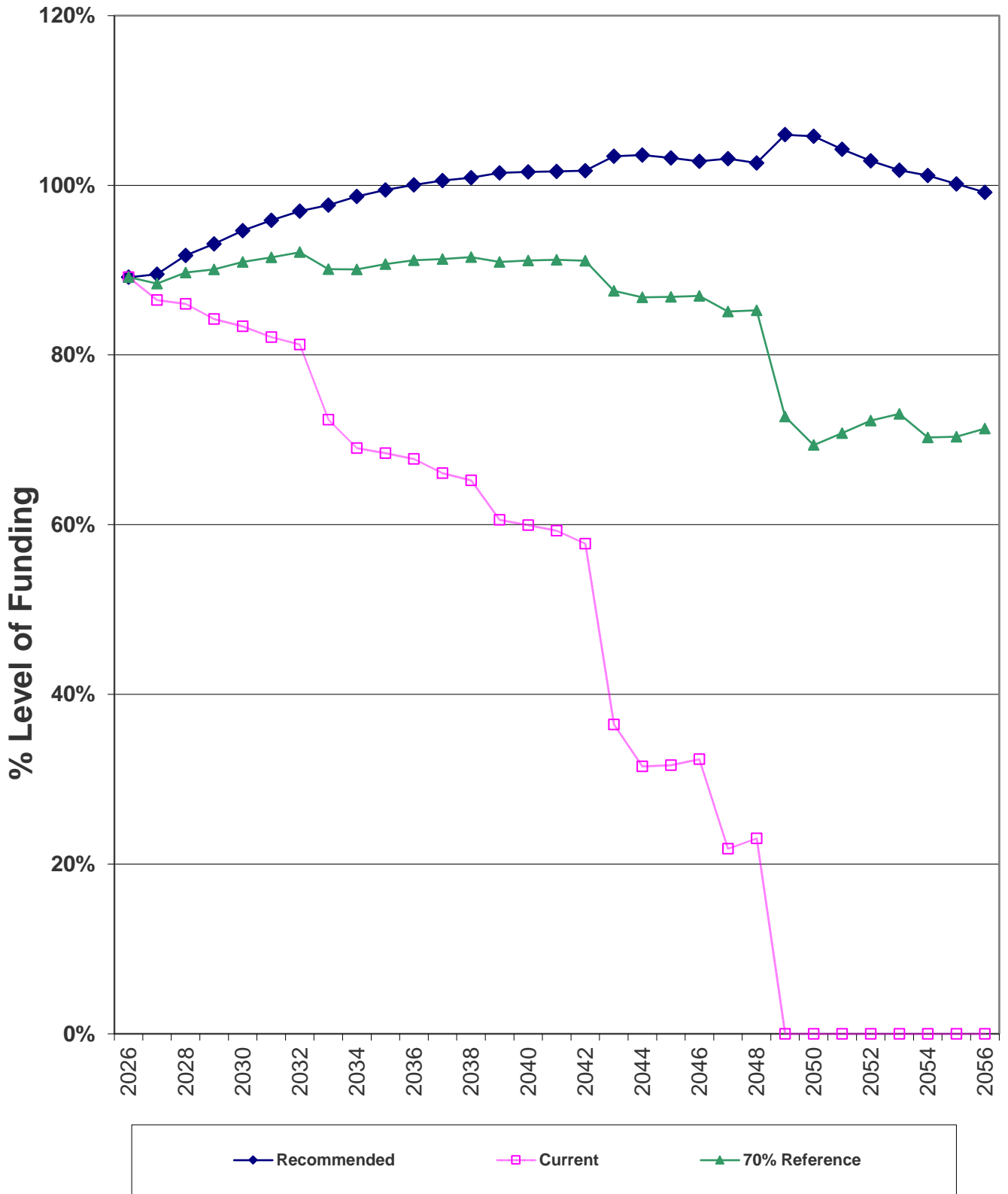
## Changes From Prior Year

---

Recommended Increase to Reserve Allocation as Percentage	\$1,010 36%
---	----------------



# Percent Funded - Graph



## Component Inventory

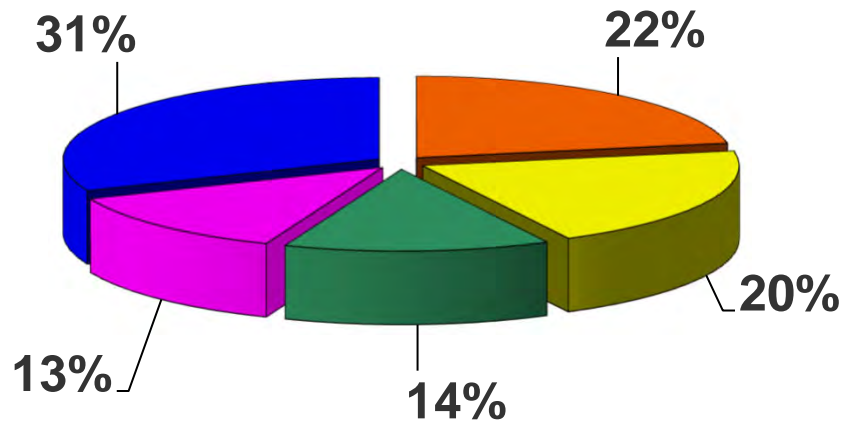
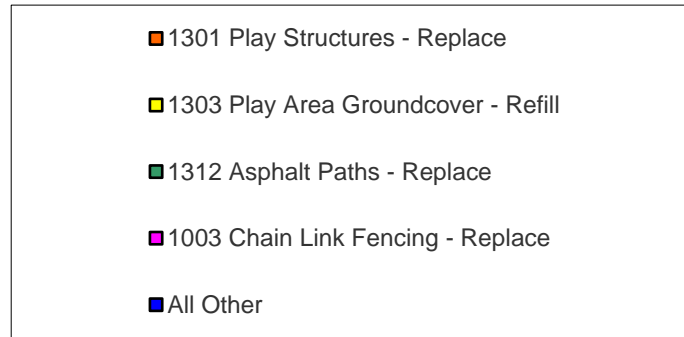
Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Painted Surfaces	207	Metal Fencing & Bollards - Repaint	6	0	\$5,000	\$6,000
Drive Materials	403	Concrete - Partial Repair/Replace	10	6	\$2,000	\$3,000
Prop. Identification	801	Monument Signs - Refurbish	20	3	\$4,000	\$5,000
	805	Trail Signs - Replace	20	16	\$3,000	\$4,000
Fencing	1002	Metal Fencing & Bollards - Replace	50	23	\$41,000	\$57,000
	1003	Chain Link Fencing - Replace	40	16	\$182,000	\$219,000
	1008	Vinyl Fencing - Backyard - Replace	N/A		\$0	\$0
	1008	Vinyl Fencing - Common - Replace	30	6	\$6,000	\$8,000
Courts	1206	Basketball Court - Replace	50	42	\$55,000	\$66,000
	1207	Basketball Equipment - Replace	15	12	\$11,000	\$14,000
Recreation Equip.	1301	Play Structures - Replace	25	22	\$198,000	\$238,000
	1303	Play Area Groundcover - Refill	5	2	\$36,000	\$44,000
	1306	Picnic Table - Replace	15	0	\$1,500	\$2,000
	1307	Benches - 1998-2002 - Replace	15	0	\$2,000	\$3,000
	1307	Benches - 2023 - Replace	15	12	\$1,000	\$2,000
	1308	Trash Receptacles - 1998-2002 - Replac	15	0	\$8,000	\$10,000
	1308	Trash Receptacles - 2022 - Replace	15	11	\$1,500	\$2,000
	1311	Asphalt Paths - Repair/Seal	6	4	\$13,000	\$16,000
	1312	Asphalt Paths - Replace	30	6	\$143,000	\$178,000
Landscaping	1812	Landscaping & Irrigation System - Renov	20	0	\$70,000	\$90,000
Buildings / Structu	2301	Footbridge - Replace	N/A		\$0	\$0

## Significant Components

ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As \$	As %
207	Metal Fencing & Bollards - Repaint	6	0	\$5,500	\$917	2.3252%
403	Concrete - Partial Repair/Replace	10	6	\$2,500	\$250	0.6342%
801	Monument Signs - Refurbish	20	3	\$4,500	\$225	0.5707%
805	Trail Signs - Replace	20	16	\$3,500	\$175	0.4439%
1002	Metal Fencing & Bollards - Replace	50	23	\$49,000	\$980	2.4859%
1003	Chain Link Fencing - Replace	40	16	\$200,500	\$5,013	12.7148%
1008	Vinyl Fencing - Common - Replace	30	6	\$7,000	\$233	0.5919%
1206	Basketball Court - Replace	50	42	\$60,500	\$1,210	3.0693%
1207	Basketball Equipment - Replace	15	12	\$12,500	\$833	2.1139%
1301	Play Structures - Replace	25	22	\$218,000	\$8,720	22.1193%
1303	Play Area Groundcover - Refill	5	2	\$40,000	\$8,000	20.2930%
1306	Picnic Table - Replace	15	0	\$1,750	\$117	0.2959%
1307	Benches - 1998-2002 - Replace	15	0	\$2,500	\$167	0.4228%
1307	Benches - 2023 - Replace	15	12	\$1,500	\$100	0.2537%
1308	Trash Receptacles - 1998-2002 - Repla	15	0	\$9,000	\$600	1.5220%
1308	Trash Receptacles - 2022 - Replace	15	11	\$1,750	\$117	0.2959%
1311	Asphalt Paths - Repair/Seal	6	4	\$14,500	\$2,417	6.1302%
1312	Asphalt Paths - Replace	30	6	\$160,500	\$5,350	13.5709%
1812	Landscaping & Irrigation System - Rend	20	0	\$80,000	\$4,000	10.1465%



## Significant Components - Graph



ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As \$	As %
1301	Play Structures - Replace	25	22	\$218,000	\$8,720	22%
1303	Play Area Groundcover - Refill	5	2	\$40,000	\$8,000	20%
1312	Asphalt Paths - Replace	30	6	\$160,500	\$5,350	14%
1003	Chain Link Fencing - Replace	40	16	\$200,500	\$5,013	13%
All Other	See Expanded Table For Breakdown				\$12,340	31%



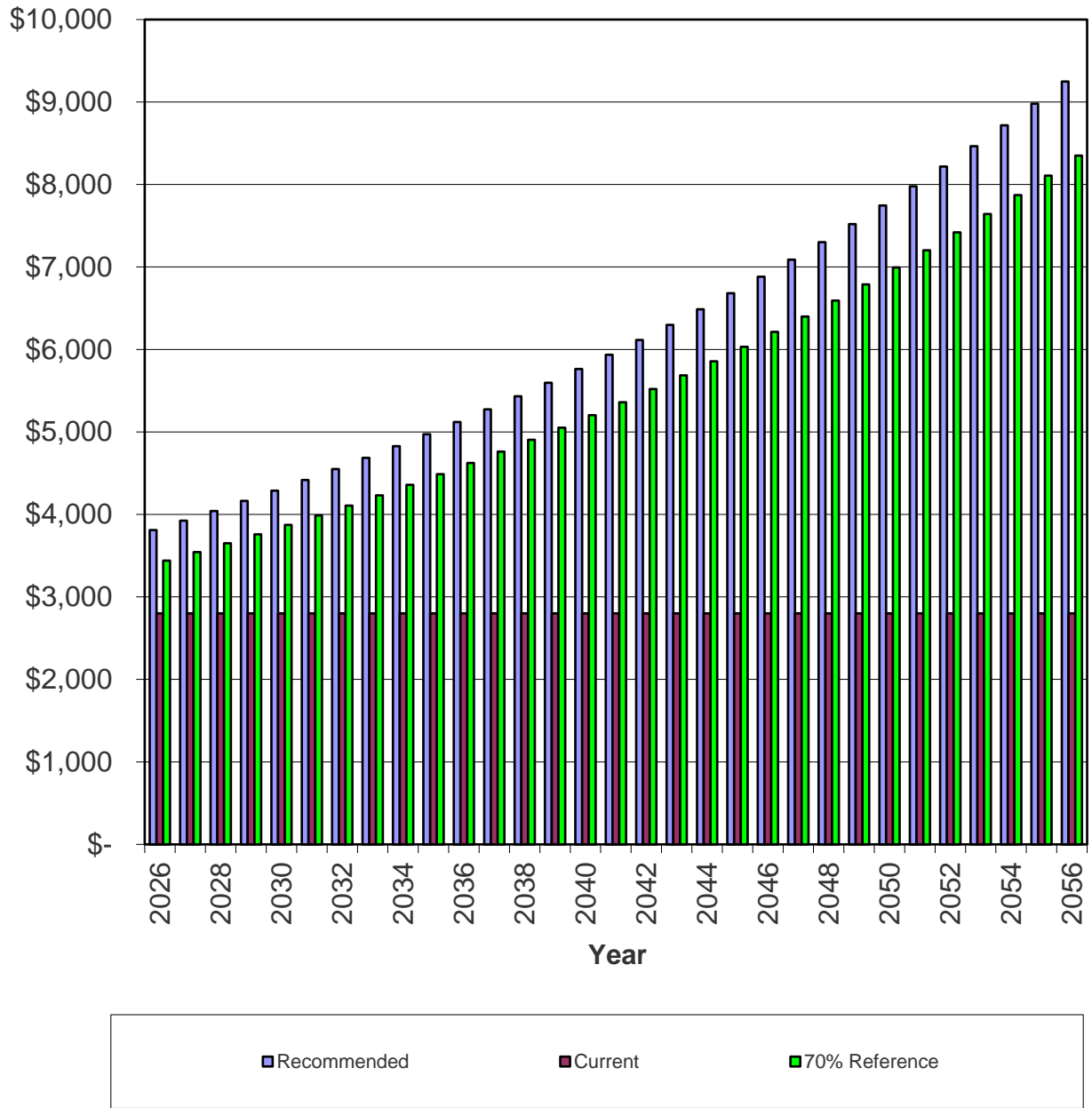
## Yearly Summary

Year	Fully Funded Balance	Starting Reserve Balance	% Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance
2026	\$452,975	\$403,935	89%	\$45,720	\$15,181	\$98,750	\$366,086
2027	\$409,000	\$366,086	90%	\$47,092	\$15,672	\$0	\$428,850
2028	\$467,508	\$428,850	92%	\$48,504	\$17,357	\$43,181	\$451,530
2029	\$485,093	\$451,530	93%	\$49,959	\$19,065	\$5,047	\$515,507
2030	\$544,709	\$515,507	95%	\$51,458	\$21,430	\$16,898	\$571,498
2031	\$596,130	\$571,498	96%	\$53,002	\$24,053	\$0	\$648,553
2032	\$668,974	\$648,553	97%	\$54,592	\$22,744	\$220,785	\$505,104
2033	\$517,197	\$505,104	98%	\$56,230	\$20,396	\$52,284	\$529,446
2034	\$536,583	\$529,446	99%	\$57,917	\$22,461	\$0	\$609,824
2035	\$613,137	\$609,824	99%	\$59,654	\$25,729	\$0	\$695,207
2036	\$694,845	\$695,207	100%	\$61,444	\$28,772	\$21,258	\$764,164
2037	\$759,907	\$764,164	101%	\$63,287	\$31,956	\$2,666	\$856,742
2038	\$849,166	\$856,742	101%	\$65,186	\$33,878	\$94,168	\$861,637
2039	\$849,269	\$861,637	101%	\$67,141	\$36,008	\$0	\$964,787
2040	\$949,744	\$964,787	102%	\$69,156	\$40,197	\$0	\$1,074,140
2041	\$1,056,764	\$1,074,140	102%	\$71,230	\$44,165	\$23,521	\$1,166,014
2042	\$1,146,250	\$1,166,014	102%	\$73,367	\$40,179	\$407,606	\$871,953
2043	\$842,996	\$871,953	103%	\$75,568	\$35,051	\$76,652	\$905,920
2044	\$874,723	\$905,920	104%	\$77,835	\$37,784	\$10,951	\$1,010,589
2045	\$979,013	\$1,010,589	103%	\$80,170	\$42,261	\$0	\$1,133,020
2046	\$1,101,928	\$1,133,020	103%	\$82,575	\$43,776	\$171,950	\$1,087,422
2047	\$1,054,285	\$1,087,422	103%	\$85,053	\$45,450	\$0	\$1,217,925
2048	\$1,186,874	\$1,217,925	103%	\$87,604	\$38,034	\$632,279	\$711,285
2049	\$671,264	\$711,285	106%	\$90,232	\$27,831	\$128,977	\$700,371
2050	\$662,182	\$700,371	106%	\$92,939	\$29,763	\$13,776	\$809,297
2051	\$776,290	\$809,297	104%	\$95,728	\$34,478	\$0	\$939,502
2052	\$913,163	\$939,502	103%	\$98,599	\$39,541	\$11,492	\$1,066,151
2053	\$1,047,591	\$1,066,151	102%	\$101,557	\$41,875	\$151,710	\$1,057,874
2054	\$1,045,895	\$1,057,874	101%	\$104,604	\$43,803	\$42,326	\$1,163,956
2055	\$1,162,271	\$1,163,956	100%	\$107,742	\$48,985	\$0	\$1,320,683



# Reserve Contributions - Graph

## Monthly Reserve Contributions



## Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
207	Metal Fencing & Bollards - Repaint	6	0	Approx 325 LF	\$5,500	\$5,500	\$5,500	\$88.59
403	Concrete - Partial Repair/Replace	10	6	Moderate SF	\$2,500	\$1,000	\$1,000	\$24.16
801	Monument Signs - Refurbish	20	3	(4) Signs	\$4,500	\$3,825	\$3,825	\$21.75
805	Trail Signs - Replace	20	16	(1) Project	\$3,500	\$700	\$700	\$16.91
1002	Metal Fencing & Bollards - Replace	50	23	Approx 325 LF	\$49,000	\$26,460	\$0	\$94.71
1003	Chain Link Fencing - Replace	40	16	Approx 6,050 LF	\$200,500	\$120,300	\$120,300	\$484.43
1008	Vinyl Fencing - Common - Replace	30	6	Approx 140 LF	\$7,000	\$5,600	\$5,600	\$22.55
1206	Basketball Court - Replace	50	42	Approx 2,600 SF	\$60,500	\$9,680	\$0	\$116.94
1207	Basketball Equipment - Replace	15	12	(2) Backboards	\$12,500	\$2,500	\$2,500	\$80.54
1301	Play Structures - Replace	25	22	(3) Playgrounds	\$218,000	\$26,160	\$13,260	\$842.75
1303	Play Area Groundcover - Refill	5	2	Approx 21,850 SF	\$40,000	\$24,000	\$24,000	\$773.16
1306	Picnic Table - Replace	15	0	(1) Picnic Table	\$1,750	\$1,750	\$1,750	\$11.28
1307	Benches - 1998-2002 - Replace	15	0	(2) Benches	\$2,500	\$2,500	\$2,500	\$16.11
1307	Benches - 2023 - Replace	15	12	(1) Bench	\$1,500	\$300	\$300	\$9.66
1308	Trash Receptacles - 1998-2002 - Replace	15	0	(5) Receptacles	\$9,000	\$9,000	\$9,000	\$57.99
1308	Trash Receptacles - 2022 - Replace	15	11	(1) Receptacle	\$1,750	\$467	\$467	\$11.28
1311	Asphalt Paths - Repair/Seal	6	4	Approx 35,550 LF	\$14,500	\$4,833	\$4,833	\$233.56
1312	Asphalt Paths - Replace	30	6	Approx 35,550 SF	\$160,500	\$128,400	\$128,400	\$517.05
1812	Landscaping & Irrigation System - Renovate	20	0	Extensive SF	\$80,000	\$80,000	\$80,000	\$386.58
					<b>\$875,000</b>	<b>\$452,975</b>	<b>\$403,935</b>	<b>\$3,810</b>

Current Fund Balance as a percentage of Ideal Balance:      89%



## Yearly Cash Flow

Year	2026	2027	2028	2029	2030
<b>Starting Balance</b>	\$403,935	\$366,086	\$428,850	\$451,530	\$515,507
<i>Reserve Income</i>	\$45,720	\$47,092	\$48,504	\$49,959	\$51,458
<i>Interest Earnings</i>	\$15,181	\$15,672	\$17,357	\$19,065	\$21,430
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$464,836	\$428,850	\$494,711	\$520,555	\$588,396
<b>Reserve Expenditures</b>	\$98,750	\$0	\$43,181	\$5,047	\$16,898
<b>Ending Balance</b>	\$366,086	\$428,850	\$451,530	\$515,507	\$571,498

Year	2031	2032	2033	2034	2035
<b>Starting Balance</b>	\$571,498	\$648,553	\$505,104	\$529,446	\$609,824
<i>Reserve Income</i>	\$53,002	\$54,592	\$56,230	\$57,917	\$59,654
<i>Interest Earnings</i>	\$24,053	\$22,744	\$20,396	\$22,461	\$25,729
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$648,553	\$725,890	\$581,730	\$609,824	\$695,207
<b>Reserve Expenditures</b>	\$0	\$220,785	\$52,284	\$0	\$0
<b>Ending Balance</b>	\$648,553	\$505,104	\$529,446	\$609,824	\$695,207

Year	2036	2037	2038	2039	2040
<b>Starting Balance</b>	\$695,207	\$764,164	\$856,742	\$861,637	\$964,787
<i>Reserve Income</i>	\$61,444	\$63,287	\$65,186	\$67,141	\$69,156
<i>Interest Earnings</i>	\$28,772	\$31,956	\$33,878	\$36,008	\$40,197
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$785,422	\$859,407	\$955,805	\$964,787	\$1,074,140
<b>Reserve Expenditures</b>	\$21,258	\$2,666	\$94,168	\$0	\$0
<b>Ending Balance</b>	\$764,164	\$856,742	\$861,637	\$964,787	\$1,074,140

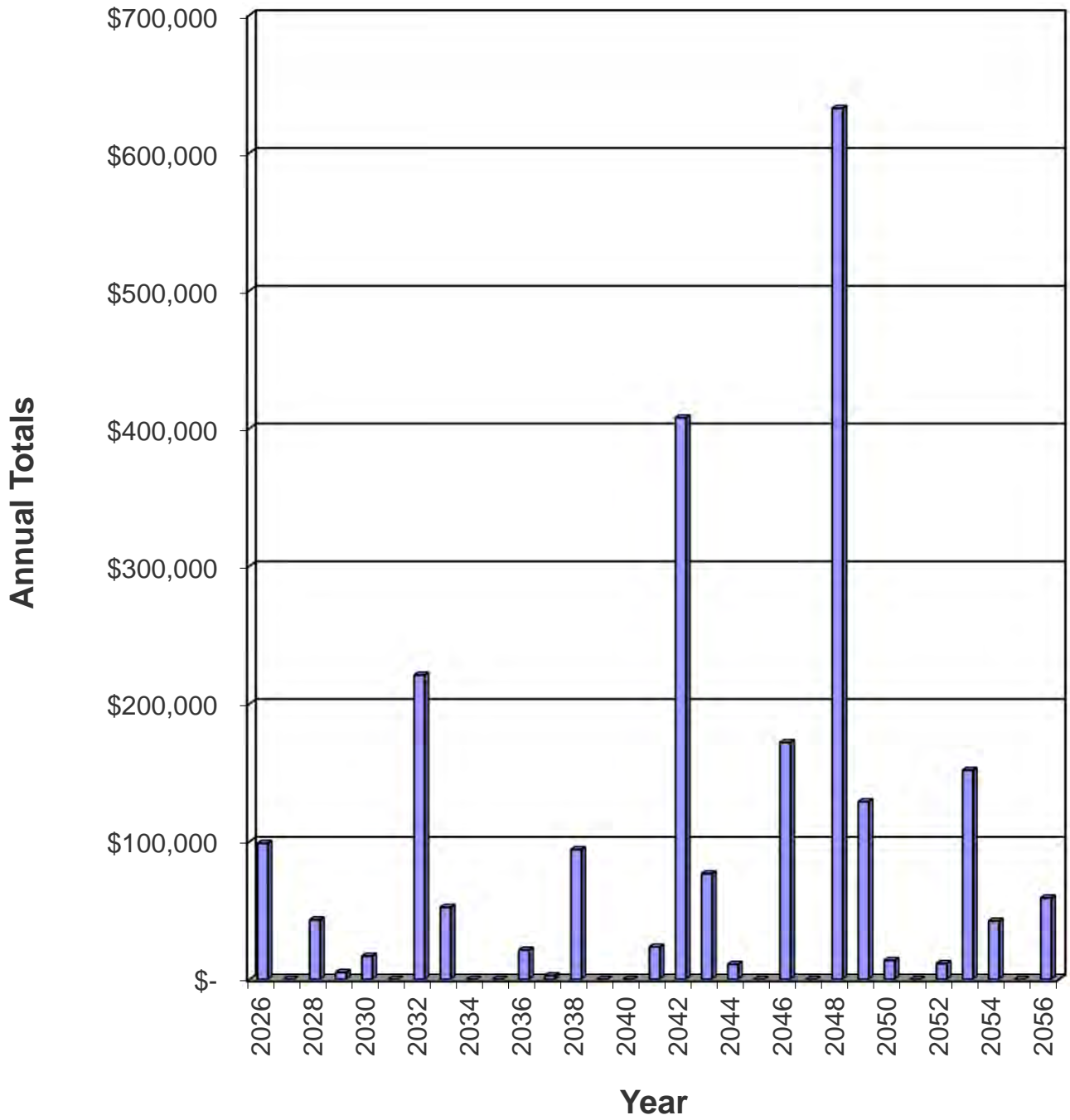
Year	2041	2042	2043	2044	2045
<b>Starting Balance</b>	\$1,074,140	\$1,166,014	\$871,953	\$905,920	\$1,010,589
<i>Reserve Income</i>	\$71,230	\$73,367	\$75,568	\$77,835	\$80,170
<i>Interest Earnings</i>	\$44,165	\$40,179	\$35,051	\$37,784	\$42,261
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,189,535	\$1,279,560	\$982,572	\$1,021,539	\$1,133,020
<b>Reserve Expenditures</b>	\$23,521	\$407,606	\$76,652	\$10,951	\$0
<b>Ending Balance</b>	\$1,166,014	\$871,953	\$905,920	\$1,010,589	\$1,133,020

Year	2046	2047	2048	2049	2050
<b>Starting Balance</b>	\$1,133,020	\$1,087,422	\$1,217,925	\$711,285	\$700,371
<i>Reserve Income</i>	\$82,575	\$85,053	\$87,604	\$90,232	\$92,939
<i>Interest Earnings</i>	\$43,776	\$45,450	\$38,034	\$27,831	\$29,763
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,259,372	\$1,217,925	\$1,343,564	\$829,348	\$823,074
<b>Reserve Expenditures</b>	\$171,950	\$0	\$632,279	\$128,977	\$13,776
<b>Ending Balance</b>	\$1,087,422	\$1,217,925	\$711,285	\$700,371	\$809,297

Year	2051	2052	2053	2054	2055
<b>Starting Balance</b>	\$809,297	\$939,502	\$1,066,151	\$1,057,874	\$1,163,956
<i>Reserve Income</i>	\$95,728	\$98,599	\$101,557	\$104,604	\$107,742
<i>Interest Earnings</i>	\$34,478	\$39,541	\$41,875	\$43,803	\$48,985
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$939,502	\$1,077,643	\$1,209,584	\$1,206,282	\$1,320,683
<b>Reserve Expenditures</b>	\$0	\$11,492	\$151,710	\$42,326	\$0
<b>Ending Balance</b>	\$939,502	\$1,066,151	\$1,057,874	\$1,163,956	\$1,320,683



## Yearly Reserve Expenditures - Graph



## Projected Reserve Expenditures by Year

Year	ID #	Component Name	Projected Cost	Total Per Annum
2026	207	Metal Fencing & Bollards - Repaint	\$5,500	
	1306	Picnic Table - Replace	\$1,750	
	1307	Benches - 1998-2002 - Replace	\$2,500	
	1308	Trash Receptacles - 1998-2002 - Replace	\$9,000	
	1812	Landscaping & Irrigation System - Renovate	\$80,000	\$98,750
2027		No Expenditures Projected		\$0
2028	1303	Play Area Groundcover - Refill	\$43,181	\$43,181
2029	801	Monument Signs - Refurbish	\$5,047	\$5,047
2030	1311	Asphalt Paths - Repair/Seal	\$16,898	\$16,898
2031		No Expenditures Projected		\$0
2032	207	Metal Fencing & Bollards - Repaint	\$6,919	
	403	Concrete - Partial Repair/Replace	\$3,145	
	1008	Vinyl Fencing - Common - Replace	\$8,806	
	1312	Asphalt Paths - Replace	\$201,915	\$220,785
2033	1303	Play Area Groundcover - Refill	\$52,284	\$52,284
2034		No Expenditures Projected		\$0
2035		No Expenditures Projected		\$0
2036	1311	Asphalt Paths - Repair/Seal	\$21,258	\$21,258
2037	1308	Trash Receptacles - 2022 - Replace	\$2,666	\$2,666
2038	207	Metal Fencing & Bollards - Repaint	\$8,705	
	1207	Basketball Equipment - Replace	\$19,783	
	1303	Play Area Groundcover - Refill	\$63,306	
	1307	Benches - 2023 - Replace	\$2,374	\$94,168
2039		No Expenditures Projected		\$0
2040		No Expenditures Projected		\$0
2041	1306	Picnic Table - Replace	\$3,106	
	1307	Benches - 1998-2002 - Replace	\$4,438	
	1308	Trash Receptacles - 1998-2002 - Replace	\$15,976	\$23,521
2042	403	Concrete - Partial Repair/Replace	\$4,611	
	805	Trail Signs - Replace	\$6,455	
	1003	Chain Link Fencing - Replace	\$369,797	
	1311	Asphalt Paths - Repair/Seal	\$26,743	\$407,606
2043	1303	Play Area Groundcover - Refill	\$76,652	\$76,652
2044	207	Metal Fencing & Bollards - Repaint	\$10,951	\$10,951
2045		No Expenditures Projected		\$0
2046	1812	Landscaping & Irrigation System - Renovate	\$171,950	\$171,950
2047		No Expenditures Projected		\$0
2048	1301	Play Structures - Replace	\$505,823	
	1303	Play Area Groundcover - Refill	\$92,812	
	1311	Asphalt Paths - Repair/Seal	\$33,644	\$632,279
2049	801	Monument Signs - Refurbish	\$10,849	
	1002	Metal Fencing & Bollards - Replace	\$118,128	\$128,977
2050	207	Metal Fencing & Bollards - Repaint	\$13,776	\$13,776
2051		No Expenditures Projected		\$0

<b>Year</b>	<b>Comp ID</b>	<b>Component Name</b>	<b>Projected Cost</b>	<b>Total Per Annum</b>
2052	403	Concrete - Partial Repair/Replace	\$6,760	
	1308	Trash Receptacles - 2022 - Replace	\$4,732	\$11,492
2053	1207	Basketball Equipment - Replace	\$35,118	
	1303	Play Area Groundcover - Refill	\$112,378	
	1307	Benches - 2023 - Replace	\$4,214	\$151,710
2054	1311	Asphalt Paths - Repair/Seal	\$42,326	\$42,326
2055		No Expenditures Projected		\$0
2056	207	Metal Fencing & Bollards - Repaint	\$17,331	
	1306	Picnic Table - Replace	\$5,514	
	1307	Benches - 1998-2002 - Replace	\$7,878	
	1308	Trash Receptacles - 1998-2002 - Replace	\$28,360	\$59,084

## 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.

$$\text{FFB} = \text{Current Cost} * \text{Effective Age} / \text{Useful Life}$$

**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.

