

# Stone Creek Canyon HOA

## Level 1 Reserve Study



**Report Period – 01/01/2022 – 12/31/2022**

<b>Client Reference Number</b>	<b>18137</b>
<b>Property Type</b>	<b>Townhouse</b>
<b>Number of Units</b>	<b>131</b>
<b>Fiscal Year End</b>	<b>12/31</b>

<b>Type of Study</b>	<b>Full Study</b>
<b>Date of Property Inspection</b>	<b>11/18/2021</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 15, 2022**



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

# 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 - 8
- Significant Components page 9 - 10
- Significant Components – Graph page 11
- Yearly Summary page 12
- Yearly Reserve Contributions – Graph page 13
- Component Funding Information page 14 - 15
- Yearly Cash Flow page 16
- Yearly Reserve Expenditures – Graph page 17
- Projected Reserve Expenditures by Year page 18 - 20

## Component Evaluation

---

- Component Evaluation page 1 - 53

## Glossary of Commonly used Words and Phrases

---

# Executive Summary – Stone Creek Canyon HOA - ID # 18137

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

<b>Projected Starting Balance as of 01/01/2022</b>	<b>\$421,537.36</b>
<b>Ideal Reserve Balance as of 01/01/2022</b>	<b>\$891,073</b>
<b>Percent Funded as of 01/01/2022</b>	<b>47%</b>
<b>Recommended Reserve Contribution (per month)</b>	<b>\$13,175</b>
<b>Recommended Special Assessment</b>	<b>\$0</b>

Stone Creek Canyon HOA is a 131-unit Townhome community. The community offers a clubhouse, hot tub, fitness room, swimming pool, and landscaped areas as amenities. Construction on the community was completed in 2019.

### Currently Programmed Projects

There are multiple projects programmed to occur this fiscal year (FY2022). We have programmed an estimated \$31,000 in reserve expenditures toward the completion of these projects. (See page 18)

### Significant Reserve Projects

The association's significant reserve projects are roofs 2009-2010 replace (Comp# 105), roofs 2016-2019 replace (Comp# 105), stucco surfaces 2009-2010 repair/repaint (Comp# 201), and stucco surfaces 2016-2019 repair/repaint (Comp# 201). The fiscal significance of these components is approximately 23%, 17%, 14%, and 11% respectively (see page 11). 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 \$421,537.36 versus the ideal reserve balance of \$891,073 we find the association's reserve fund to be approximately 47% 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 \$13,175 (\$100.57/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 ultimately 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 for the last 16 years. Prior to taking a position, as the Regional Project Manager covering the Utah region, at Complex Solutions, 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 extensive experience with; budget creation, reserves and reserve budgeting, community inspections and analyzing common area components.

- Professional Reserve Analyst (PRA) designation from Association of Professional Reserve Analysts (APRA), PRA #2320
- Reserve Specialist (RS) designation from Community Associations Institute (CAI), RS# 231
- Personally has prepared over 1,400 reserve studies in Salt Lake City Utah and surrounding areas
- Bachelor of Science in Chemistry from Emporia State University
- Certified Manager of Community Associations® (CMCA®) designation from the National Board of Certification for Community Association Managers (NBC-CAM)
- Association Management Specialist® (AMS®) designation from Community Associations Institute (CAI)
- Professional Community Association Manager® (PCAM®) designation from Community Associations Institute (CAI), PCAM# 1740,
- Active member and former Board member and chapter President of the Utah Chapter of Community Associations Institute (UCCAI)
- Recipient of Community Associations Institute's (CAI) annual award of Excellence in Chapter Leadership for service an achievement in 2010

## 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 most likely vary from year to year.

## General Information and Frequently Asked Questions

### **Is it the law to have a Reserve Study conducted?**

The Government requires a reserve study in approximately 20 states. Also, the Association's governing documents may require a reserve fund 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 of time 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 popular questions revolves around major "maintenance" items, such as painting the buildings or seal coating the asphalt. You may hear from your accountant that since painting or seal coating is not replacing a "capital" item, it cannot be considered a reserve 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 identify 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 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 be a reflection of information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited.

A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. 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 the course of 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 in any of our work product. Our results and findings will vary from another preparer’s results and findings. A Reserve Study is necessarily a work in progress and subsequent Reserve Studies will vary from prior studies.

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 any and all components have been properly built and will reach normal, typical life expectancies. A reserve study is not intended to identify or fund for construction defects. We did not and will not look for or identify construction defects during our site visit. 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 that we are aware of.

**Inflation and Interest Rates:** The after tax interest rate used in the financial analysis may or may not be based on the clients reported after tax interest rate. If it is, we have not verified or audited the reported rate. The 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	131
Fiscal Year End	31-Dec
Budgeted Monthly Reserve Allocation	\$9,810
Projected Starting Reserve Balance	\$421,537
Ideal Starting Reserve Balance	\$891,073

## Economic Assumptions

---

Projected Inflation Rate	3.50%
Reported After-Tax Interest Rate	0.10%

## Current Reserve Status

---

Current Balance as a % of Ideal Balance	47%
---	-----

## Recommendations

---

Recommended Monthly Reserve Allocation	\$13,175
Per Unit	\$100.57
Future Annual Increases	3.00%
For number of years:	30
Increases thereafter:	0.00%
70% Funded Monthly Reserve Allocation Reference	\$11,725
Per Unit	\$89.50
Future Annual Increases	3.00%
For number of years:	30
Increases thereafter:	0.00%

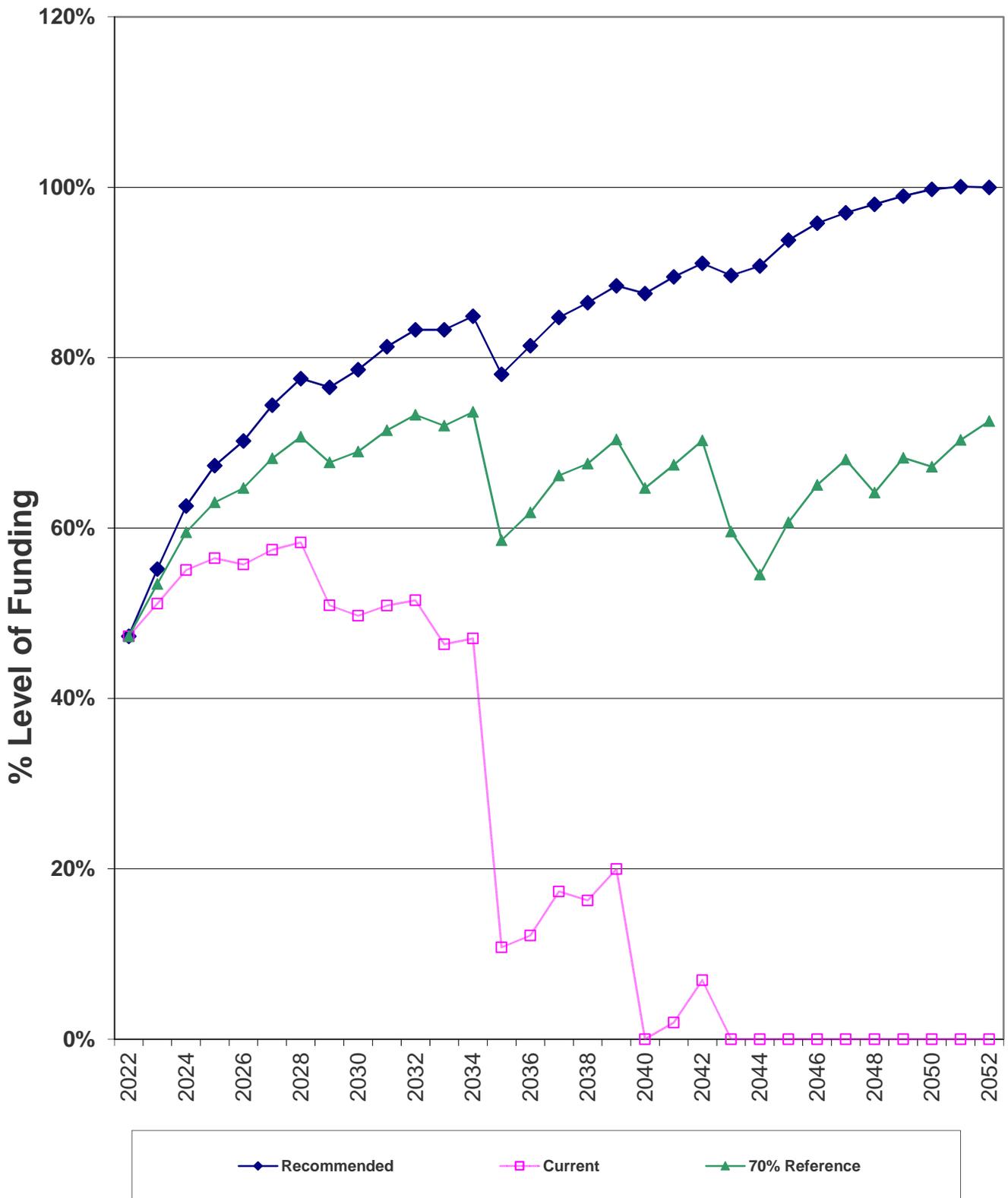
## Changes From Prior Year

---

Recommended Increase to Reserve Allocation as Percentage	\$3,365 34%
---	----------------



# Percent Funded - Graph



## Component Inventory

Category	ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Best Cost	Worst Cost
Roofing	105	Roofs - 2009-2010 - Replace	25	12	\$553,000	\$622,000
	105	Roofs - 2016-2019 - Replace	25	20	\$400,000	\$450,000
	120	Rain Gutters/Downspouts - 2009-2010 -	30	17	\$46,000	\$54,000
	120	Rain Gutters/Downspouts - 2016-2019 -	30	25	\$41,000	\$47,000
Painted Surfaces	201	Stucco Surfaces - 2009-2010 - Repair/Re	15	6	\$201,000	\$234,000
	201	Stucco Surfaces - 2016-2019 - Repair/Re	15	10	\$150,000	\$174,000
	202	Wood Trim - Repaint	6	0	\$20,000	\$25,000
	204	Doors - Clubhouse & Mail - Repaint	N/A		\$0	\$0
	205	Front Doors - Residential - Repaint	N/A		\$0	\$0
	212	Metal Fencing & Railing - Repaint	6	0	\$5,000	\$6,000
	215	Siding - 2009-2010 - Repair/Repaint	10	0	\$2,500	\$3,500
	216	Interior Surfaces - Repaint	10	5	\$6,000	\$7,000
Siding Materials	304	Faux Stone - Replace	N/A		\$0	\$0
	390	Wood Shutters - 2009-2010 - Replace	30	17	\$14,000	\$19,000
	390	Wood Shutters - 2016-2019 - Repaint	30	25	\$5,000	\$7,000
Drive Materials	401	Asphalt - Major Rehab	30	17	\$114,000	\$151,000
	402	Asphalt - Seal Coat	5	2	\$15,000	\$17,000
	403	Concrete - Partial Repair/Replace	10	7	\$3,000	\$5,000
Property Access	508	Access Control System - Replace	12	3	\$6,000	\$10,000
Mechanical Equip.	703	Water Heater - Replace	12	3	\$1,500	\$2,000
	705	HVAC Condenser - Replace	20	7	\$4,000	\$5,000
	706	HVAC Furnace - Replace	20	7	\$4,000	\$5,000
Prop. Identification	801	Monument Signs - Replace	N/A		\$0	\$0
	803	Mailboxes - Replace	25	12	\$25,000	\$30,000
Life / Safety	903	Security Camera System - Replace	12	3	\$4,000	\$8,000
Fencing	1002	Metal Fencing & Railing - Replace	50	37	\$20,000	\$25,000
	1008	Vinyl Fencing - Backyards - Replace	N/A		\$0	\$0
	1008	Vinyl Fencing - Perimeter - Replace	30	17	\$54,000	\$62,000
	1012	Prefab Concrete Fence - Replace	N/A		\$0	\$0
Pool / Spa	1101	Pool - Resurface	12	3	\$15,000	\$20,000
	1102	Spa - Resurface	12	3	\$4,000	\$5,000
	1104	Pool Heaters - Replace	12	3	\$10,000	\$12,000
	1105	Spa Heater - Replace	12	6	\$4,000	\$5,000
	1107	Pool & Spa Filters - Replace	15	2	\$6,000	\$9,000
	1110	Pool & Spa Pumps - Replace	10	3	\$5,000	\$6,000
	1111	Chemical Controller Systems - Replace	12	3	\$7,000	\$9,000
	1112	Pool Cover - Replace	10	7	\$4,000	\$6,000
	1113	Spa Cover - Replace	N/A		\$0	\$0
	1121	Pool Furniture - Replace	6	3	\$2,000	\$3,000
	1190	Pump Controllers - Replace	15	2	\$3,000	\$5,000



<b>Category</b>	<b>ID #</b>	<b>Component Name</b>	<b>Useful Life (yrs.)</b>	<b>Remaining Useful Life (yrs.)</b>	<b>Best Cost</b>	<b>Worst Cost</b>
Recreation Equip.	1309	Metal Pergola - Replace	40	33	\$9,000	\$12,000
Interiors	1405	Furniture - Replace	10	7	\$3,000	\$4,000
	1406	Fitness Equipment - Replace	15	2	\$9,000	\$11,000
	1407	Cardio Equipment - Replace	10	3	\$6,000	\$10,000
	1413	Restrooms & Shower - Remodel	20	7	\$15,000	\$20,000
	1417	Kitchen - Remodel	20	7	\$10,000	\$15,000
Flooring	1501	Carpeting - Replace	10	3	\$4,000	\$5,000
	1503	Tile Flooring - Replace	30	17	\$4,000	\$5,000
	1590	Rubber Flooring - Replace	12	3	\$4,000	\$5,000
Light Fixtures	1601	Interior Light Fixtures - Replace	25	12	\$6,000	\$8,000
	1602	Exterior Light Fixtures - Clubhouse - Repl	20	7	\$4,000	\$5,000
	1602	Exterior Light Fixtures - Residential - Rep	N/A		\$0	\$0
Landscaping	1812	Landscaping & Irrigation System - Renov	20	13	\$30,000	\$40,000

## Significant Components

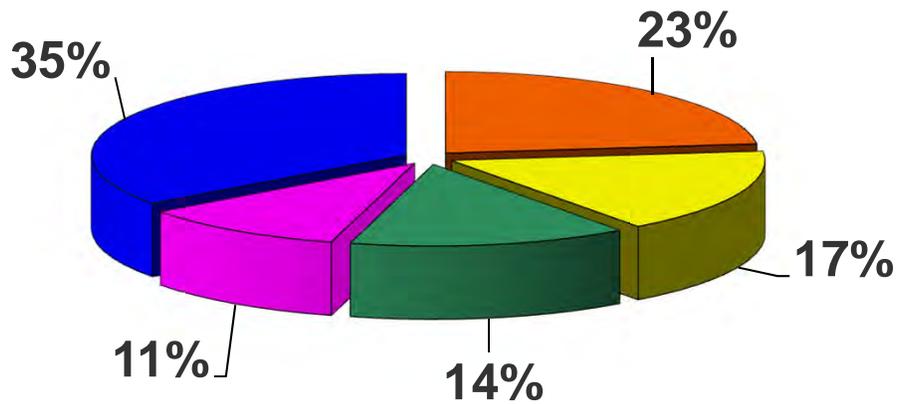
ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As \$	As %
105	Roofs - 2009-2010 - Replace	25	12	\$587,500	\$23,500	23.1763%
105	Roofs - 2016-2019 - Replace	25	20	\$425,000	\$17,000	16.7658%
120	Rain Gutters/Downspouts - 2009-2010	30	17	\$50,000	\$1,667	1.6437%
120	Rain Gutters/Downspouts - 2016-2019	30	25	\$44,000	\$1,467	1.4465%
201	Stucco Surfaces - 2009-2010 - Repair/F	15	6	\$217,500	\$14,500	14.3003%
201	Stucco Surfaces - 2016-2019 - Repair/F	15	10	\$162,000	\$10,800	10.6512%
202	Wood Trim - Repaint	6	0	\$22,500	\$3,750	3.6983%
212	Metal Fencing & Railing - Repaint	6	0	\$5,500	\$917	0.9040%
215	Siding - 2009-2010 - Repair/Repaint	10	0	\$3,000	\$300	0.2959%
216	Interior Surfaces - Repaint	10	5	\$6,500	\$650	0.6410%
390	Wood Shutters - 2009-2010 - Replace	30	17	\$16,500	\$550	0.5424%
390	Wood Shutters - 2016-2019 - Repaint	30	25	\$6,000	\$200	0.1972%
401	Asphalt - Major Rehab	30	17	\$132,500	\$4,417	4.3558%
402	Asphalt - Seal Coat	5	2	\$16,000	\$3,200	3.1559%
403	Concrete - Partial Repair/Replace	10	7	\$4,000	\$400	0.3945%
508	Access Control System - Replace	12	3	\$8,000	\$667	0.6575%
703	Water Heater - Replace	12	3	\$1,750	\$146	0.1438%
705	HVAC Condenser - Replace	20	7	\$4,500	\$225	0.2219%
706	HVAC Furnace - Replace	20	7	\$4,500	\$225	0.2219%
803	Mailboxes - Replace	25	12	\$27,500	\$1,100	1.0848%
903	Security Camera System - Replace	12	3	\$6,000	\$500	0.4931%
1002	Metal Fencing & Railing - Replace	50	37	\$22,500	\$450	0.4438%
1008	Vinyl Fencing - Perimeter - Replace	30	17	\$58,000	\$1,933	1.9067%
1101	Pool - Resurface	12	3	\$17,500	\$1,458	1.4382%
1102	Spa - Resurface	12	3	\$4,500	\$375	0.3698%
1104	Pool Heaters - Replace	12	3	\$11,000	\$917	0.9040%
1105	Spa Heater - Replace	12	6	\$4,500	\$375	0.3698%
1107	Pool & Spa Filters - Replace	15	2	\$7,500	\$500	0.4931%
1110	Pool & Spa Pumps - Replace	10	3	\$5,500	\$550	0.5424%
1111	Chemical Controller Systems - Replace	12	3	\$8,000	\$667	0.6575%
1112	Pool Cover - Replace	10	7	\$5,000	\$500	0.4931%
1121	Pool Furniture - Replace	6	3	\$2,500	\$417	0.4109%
1190	Pump Controllers - Replace	15	2	\$4,000	\$267	0.2630%
1309	Metal Pergola - Replace	40	33	\$10,500	\$263	0.2589%
1405	Furniture - Replace	10	7	\$3,500	\$350	0.3452%
1406	Fitness Equipment - Replace	15	2	\$10,000	\$667	0.6575%
1407	Cardio Equipment - Replace	10	3	\$8,000	\$800	0.7890%
1413	Restrooms & Shower - Remodel	20	7	\$17,500	\$875	0.8629%
1417	Kitchen - Remodel	20	7	\$12,500	\$625	0.6164%



ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As \$	As %
1501	Carpeting - Replace	10	3	\$4,500	\$450	0.4438%
1503	Tile Flooring - Replace	30	17	\$4,500	\$150	0.1479%
1590	Rubber Flooring - Replace	12	3	\$4,500	\$375	0.3698%
1601	Interior Light Fixtures - Replace	25	12	\$7,000	\$280	0.2761%
1602	Exterior Light Fixtures - Clubhouse - Re	20	7	\$4,500	\$225	0.2219%
1812	Landscaping & Irrigation System - Rend	20	13	\$35,000	\$1,750	1.7259%



## Significant Components - Graph



ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current Cost	Significance: (Curr Cost/UL)	
					As \$	As %
105	Roofs - 2009-2010 - Replace	25	12	\$587,500	\$23,500	23%
105	Roofs - 2016-2019 - Replace	25	20	\$425,000	\$17,000	17%
201	Stucco Surfaces - 2009-2010 - Repair/Repaint	15	6	\$217,500	\$14,500	14%
201	Stucco Surfaces - 2016-2019 - Repair/Repaint	15	10	\$162,000	\$10,800	11%
All Other	See Expanded Table For Breakdown				\$35,597	35%



## Yearly Summary

Year	Fully Funded Balance	Starting Reserve Balance	% Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance
2022	\$891,073	\$421,537	47%	\$158,100	\$485	\$31,000	\$549,123
2023	\$995,121	\$549,123	55%	\$162,843	\$631	\$0	\$712,597
2024	\$1,138,569	\$712,597	63%	\$167,728	\$777	\$40,171	\$840,931
2025	\$1,249,263	\$840,931	67%	\$172,760	\$882	\$90,638	\$923,935
2026	\$1,315,532	\$923,935	70%	\$177,943	\$1,013	\$0	\$1,102,892
2027	\$1,482,003	\$1,102,892	74%	\$183,281	\$1,191	\$7,720	\$1,279,644
2028	\$1,650,525	\$1,279,644	78%	\$188,780	\$1,221	\$307,314	\$1,162,331
2029	\$1,519,229	\$1,162,331	77%	\$194,443	\$1,214	\$91,604	\$1,266,384
2030	\$1,611,111	\$1,266,384	79%	\$200,276	\$1,367	\$0	\$1,468,028
2031	\$1,805,694	\$1,468,028	81%	\$206,285	\$1,570	\$3,407	\$1,672,475
2032	\$2,008,396	\$1,672,475	83%	\$212,473	\$1,663	\$232,749	\$1,653,863
2033	\$1,985,831	\$1,653,863	83%	\$218,847	\$1,764	\$0	\$1,874,474
2034	\$2,208,553	\$1,874,474	85%	\$225,413	\$1,485	\$1,006,372	\$1,095,000
2035	\$1,402,837	\$1,095,000	78%	\$232,175	\$1,170	\$82,890	\$1,245,456
2036	\$1,530,276	\$1,245,456	81%	\$239,140	\$1,366	\$0	\$1,485,962
2037	\$1,753,710	\$1,485,962	85%	\$246,315	\$1,551	\$117,693	\$1,616,134
2038	\$1,869,098	\$1,616,134	86%	\$253,704	\$1,744	\$0	\$1,871,582
2039	\$2,116,491	\$1,871,582	88%	\$261,315	\$1,724	\$559,041	\$1,575,579
2040	\$1,800,303	\$1,575,579	88%	\$269,155	\$1,681	\$60,368	\$1,786,046
2041	\$1,995,768	\$1,786,046	89%	\$277,229	\$1,926	\$0	\$2,065,201
2042	\$2,267,378	\$2,065,201	91%	\$285,546	\$1,783	\$851,630	\$1,500,901
2043	\$1,674,119	\$1,500,901	90%	\$294,113	\$1,422	\$453,075	\$1,343,360
2044	\$1,479,908	\$1,343,360	91%	\$302,936	\$1,478	\$34,104	\$1,613,671
2045	\$1,720,100	\$1,613,671	94%	\$312,024	\$1,751	\$39,710	\$1,887,735
2046	\$1,970,726	\$1,887,735	96%	\$321,385	\$2,017	\$63,933	\$2,147,204
2047	\$2,213,155	\$2,147,204	97%	\$331,026	\$2,055	\$516,369	\$1,963,917
2048	\$2,004,186	\$1,963,917	98%	\$340,957	\$2,135	\$0	\$2,307,009
2049	\$2,331,025	\$2,307,009	99%	\$351,186	\$2,312	\$343,660	\$2,316,847
2050	\$2,322,599	\$2,316,847	100%	\$361,721	\$2,499	\$0	\$2,681,067
2051	\$2,678,865	\$2,681,067	100%	\$372,573	\$2,869	\$0	\$3,056,509



# Reserve Contributions - Graph

## Monthly Reserve Contributions



## Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
105	Roofs - 2009-2010 - Replace	25	12	Approx 138,125 Sq.ft.	\$587,500	\$305,500	\$80,492	\$3,053.48
105	Roofs - 2016-2019 - Replace	25	20	Approx 99,825 Sq.ft.	\$425,000	\$85,000	\$0	\$2,208.90
120	Rain Gutters/Downspouts - 2009-2010 - Repl	30	17	Approx 7,075 Linear ft.	\$50,000	\$21,667	\$0	\$216.56
120	Rain Gutters/Downspouts - 2016-2019 - Repl	30	25	Approx 6,225 Linear ft.	\$44,000	\$7,333	\$0	\$190.57
201	Stucco Surfaces - 2009-2010 - Repair/Repair	15	6	Approx 133,375 Sq.ft.	\$217,500	\$130,500	\$130,500	\$1,884.06
201	Stucco Surfaces - 2016-2019 - Repair/Repair	15	10	Approx 99,375 Sq.ft.	\$162,000	\$54,000	\$54,000	\$1,403.30
202	Wood Trim - Repaint	6	0	(30) Buildings	\$22,500	\$22,500	\$22,500	\$487.26
212	Metal Fencing & Railing - Repaint	6	0	Approx 280 Linear ft.	\$5,500	\$5,500	\$5,500	\$119.11
215	Siding - 2009-2010 - Repair/Repair	10	0	Approx 1,500 Sq.ft.	\$3,000	\$3,000	\$3,000	\$38.98
216	Interior Surfaces - Repaint	10	5	Approx 4,475 Sq.ft.	\$6,500	\$3,250	\$3,250	\$84.46
390	Wood Shutters - 2009-2010 - Replace	30	17	(108) Shutters	\$16,500	\$7,150	\$0	\$71.46
390	Wood Shutters - 2016-2019 - Repaint	30	25	(40) Shutters	\$6,000	\$1,000	\$0	\$25.99
401	Asphalt - Major Rehab	30	17	Approx 75,450 Sq.ft.	\$132,500	\$57,417	\$0	\$573.88
402	Asphalt - Seal Coat	5	2	Approx 75,450 Sq.ft.	\$16,000	\$9,600	\$9,600	\$415.79
403	Concrete - Partial Repair/Replace	10	7	Extensive Sq.ft.	\$4,000	\$1,200	\$1,200	\$51.97
508	Access Control System - Replace	12	3	(1) System	\$8,000	\$6,000	\$6,000	\$86.62
703	Water Heater - Replace	12	3	(1) Heater	\$1,750	\$1,313	\$1,313	\$18.95
705	HVAC Condenser - Replace	20	7	(1) Condenser	\$4,500	\$2,925	\$2,925	\$29.24
706	HVAC Furnace - Replace	20	7	(1) Furnace	\$4,500	\$2,925	\$2,925	\$29.24
803	Mailboxes - Replace	25	12	(9) Clusters	\$27,500	\$14,300	\$0	\$142.93
903	Security Camera System - Replace	12	3	(1) System	\$6,000	\$4,500	\$4,500	\$64.97
1002	Metal Fencing & Railing - Replace	50	37	Approx 250 Linear ft.	\$22,500	\$5,850	\$0	\$58.47
1008	Vinyl Fencing - Perimeter - Replace	30	17	Approx 1,330 Linear ft.	\$58,000	\$25,133	\$0	\$251.21
1101	Pool - Resurface	12	3	(1) Pool	\$17,500	\$13,125	\$13,125	\$189.49
1102	Spa - Resurface	12	3	(1) Spa	\$4,500	\$3,375	\$3,375	\$48.73
1104	Pool Heaters - Replace	12	3	(2) Heaters	\$11,000	\$8,250	\$8,250	\$119.11
1105	Spa Heater - Replace	12	6	(1) Heater	\$4,500	\$2,250	\$2,250	\$48.73
1107	Pool & Spa Filters - Replace	15	2	(3) Filters	\$7,500	\$6,500	\$6,500	\$64.97
1110	Pool & Spa Pumps - Replace	10	3	(3) Pumps	\$5,500	\$3,850	\$3,850	\$71.46
1111	Chemical Controller Systems - Replace	12	3	(2) Systems	\$8,000	\$6,000	\$6,000	\$86.62



ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
1112	Pool Cover - Replace	10	7	(1) Cover	\$5,000	\$1,500	\$1,500	\$64.97
1121	Pool Furniture - Replace	6	3	(29) Pieces	\$2,500	\$1,250	\$1,250	\$54.14
1190	Pump Controllers - Replace	15	2	(2) Systems	\$4,000	\$3,467	\$3,467	\$34.65
1309	Metal Pergola - Replace	40	33	(3) Pergolas	\$10,500	\$1,838	\$0	\$34.11
1405	Furniture - Replace	10	7	(85) Pieces	\$3,500	\$1,050	\$1,050	\$45.48
1406	Fitness Equipment - Replace	15	2	(3) Items	\$10,000	\$8,667	\$8,667	\$86.62
1407	Cardio Equipment - Replace	10	3	(3) Pieces	\$8,000	\$5,600	\$5,600	\$103.95
1413	Restrooms & Shower - Remodel	20	7	(3) Restroom, (1) Shower	\$17,500	\$11,375	\$11,375	\$113.69
1417	Kitchen - Remodel	20	7	(1) Kitchen	\$12,500	\$8,125	\$8,125	\$81.21
1501	Carpeting - Replace	10	3	Approx 760 Sq.ft.	\$4,500	\$3,150	\$3,150	\$58.47
1503	Tile Flooring - Replace	30	17	Approx 175 Sq.ft.	\$4,500	\$1,950	\$0	\$19.49
1590	Rubber Flooring - Replace	12	3	Approx 420 Sq.ft.	\$4,500	\$3,375	\$3,375	\$48.73
1601	Interior Light Fixtures - Replace	25	12	(36) Fixtures	\$7,000	\$3,640	\$0	\$36.38
1602	Exterior Light Fixtures - Clubhouse - Replace	20	7	(25) Fixtures	\$4,500	\$2,925	\$2,925	\$29.24
1812	Landscaping & Irrigation System - Renovate	20	13	Extensive Sq.ft.	\$35,000	\$12,250	\$0	\$227.39
					\$2,023,250	\$891,073	\$421,537	\$13,175

Current Fund Balance as a percentage of Ideal Balance: 47%



## Yearly Cash Flow

Year	2022	2023	2024	2025	2026
<b>Starting Balance</b>	\$421,537	\$549,123	\$712,597	\$840,931	\$923,935
<i>Reserve Income</i>	\$158,100	\$162,843	\$167,728	\$172,760	\$177,943
<i>Interest Earnings</i>	\$485	\$631	\$777	\$882	\$1,013
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$580,123	\$712,597	\$881,102	\$1,014,573	\$1,102,892
<b>Reserve Expenditures</b>	\$31,000	\$0	\$40,171	\$90,638	\$0
<b>Ending Balance</b>	\$549,123	\$712,597	\$840,931	\$923,935	\$1,102,892

Year	2027	2028	2029	2030	2031
<b>Starting Balance</b>	\$1,102,892	\$1,279,644	\$1,162,331	\$1,266,384	\$1,468,028
<i>Reserve Income</i>	\$183,281	\$188,780	\$194,443	\$200,276	\$206,285
<i>Interest Earnings</i>	\$1,191	\$1,221	\$1,214	\$1,367	\$1,570
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,287,364	\$1,469,645	\$1,357,988	\$1,468,028	\$1,675,883
<b>Reserve Expenditures</b>	\$7,720	\$307,314	\$91,604	\$0	\$3,407
<b>Ending Balance</b>	\$1,279,644	\$1,162,331	\$1,266,384	\$1,468,028	\$1,672,475

Year	2032	2033	2034	2035	2036
<b>Starting Balance</b>	\$1,672,475	\$1,653,863	\$1,874,474	\$1,095,000	\$1,245,456
<i>Reserve Income</i>	\$212,473	\$218,847	\$225,413	\$232,175	\$239,140
<i>Interest Earnings</i>	\$1,663	\$1,764	\$1,485	\$1,170	\$1,366
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,886,612	\$1,874,474	\$2,101,372	\$1,328,345	\$1,485,962
<b>Reserve Expenditures</b>	\$232,749	\$0	\$1,006,372	\$82,890	\$0
<b>Ending Balance</b>	\$1,653,863	\$1,874,474	\$1,095,000	\$1,245,456	\$1,485,962

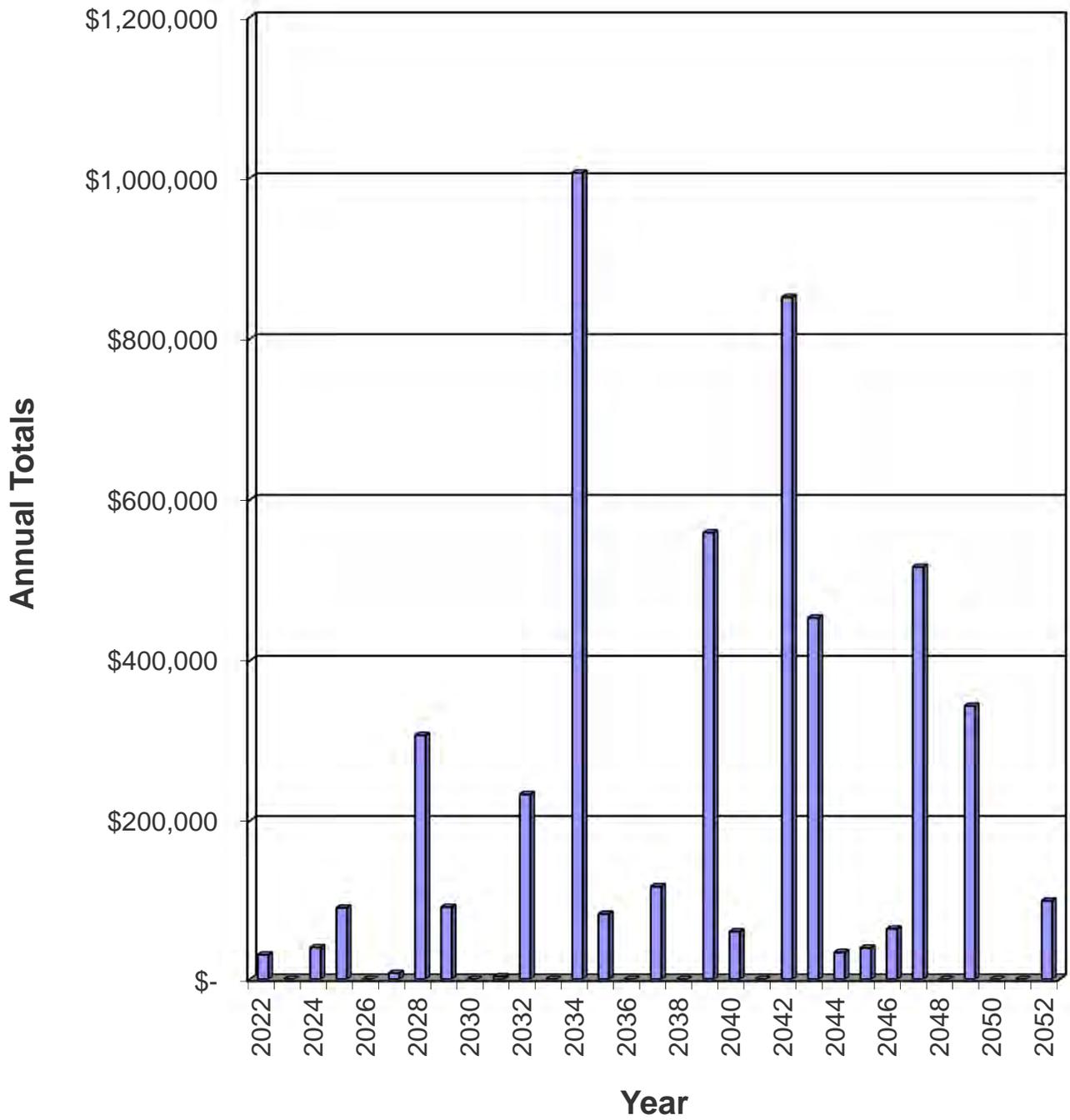
Year	2037	2038	2039	2040	2041
<b>Starting Balance</b>	\$1,485,962	\$1,616,134	\$1,871,582	\$1,575,579	\$1,786,046
<i>Reserve Income</i>	\$246,315	\$253,704	\$261,315	\$269,155	\$277,229
<i>Interest Earnings</i>	\$1,551	\$1,744	\$1,724	\$1,681	\$1,926
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,733,827	\$1,871,582	\$2,134,621	\$1,846,415	\$2,065,201
<b>Reserve Expenditures</b>	\$117,693	\$0	\$559,041	\$60,368	\$0
<b>Ending Balance</b>	\$1,616,134	\$1,871,582	\$1,575,579	\$1,786,046	\$2,065,201

Year	2042	2043	2044	2045	2046
<b>Starting Balance</b>	\$2,065,201	\$1,500,901	\$1,343,360	\$1,613,671	\$1,887,735
<i>Reserve Income</i>	\$285,546	\$294,113	\$302,936	\$312,024	\$321,385
<i>Interest Earnings</i>	\$1,783	\$1,422	\$1,478	\$1,751	\$2,017
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$2,352,530	\$1,796,435	\$1,647,775	\$1,927,445	\$2,211,137
<b>Reserve Expenditures</b>	\$851,630	\$453,075	\$34,104	\$39,710	\$63,933
<b>Ending Balance</b>	\$1,500,901	\$1,343,360	\$1,613,671	\$1,887,735	\$2,147,204

Year	2047	2048	2049	2050	2051
<b>Starting Balance</b>	\$2,147,204	\$1,963,917	\$2,307,009	\$2,316,847	\$2,681,067
<i>Reserve Income</i>	\$331,026	\$340,957	\$351,186	\$361,721	\$372,573
<i>Interest Earnings</i>	\$2,055	\$2,135	\$2,312	\$2,499	\$2,869
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$2,480,286	\$2,307,009	\$2,660,507	\$2,681,067	\$3,056,509
<b>Reserve Expenditures</b>	\$516,369	\$0	\$343,660	\$0	\$0
<b>Ending Balance</b>	\$1,963,917	\$2,307,009	\$2,316,847	\$2,681,067	\$3,056,509



## Yearly Reserve Expenditures - Graph



## Projected Reserve Expenditures by Year

Year	ID #	Component Name	Projected Cost	Total Per Annum
2022	202	Wood Trim - Repaint	\$22,500	
	212	Metal Fencing & Railing - Repaint	\$5,500	
	215	Siding - 2009-2010 - Repair/Repaint	\$3,000	\$31,000
2023		No Expenditures Projected		\$0
2024	402	Asphalt - Seal Coat	\$17,140	
	1107	Pool & Spa Filters - Replace	\$8,034	
	1190	Pump Controllers - Replace	\$4,285	
	1406	Fitness Equipment - Replace	\$10,712	\$40,171
2025	508	Access Control System - Replace	\$8,870	
	703	Water Heater - Replace	\$1,940	
	903	Security Camera System - Replace	\$6,652	
	1101	Pool - Resurface	\$19,403	
	1102	Spa - Resurface	\$4,989	
	1104	Pool Heaters - Replace	\$12,196	
	1110	Pool & Spa Pumps - Replace	\$6,098	
	1111	Chemical Controller Systems - Replace	\$8,870	
	1121	Pool Furniture - Replace	\$2,772	
	1407	Cardio Equipment - Replace	\$8,870	
	1501	Carpeting - Replace	\$4,989	
	1590	Rubber Flooring - Replace	\$4,989	\$90,638
2026		No Expenditures Projected		\$0
2027	216	Interior Surfaces - Repaint	\$7,720	\$7,720
2028	201	Stucco Surfaces - 2009-2010 - Repair/Repaint	\$267,363	
	202	Wood Trim - Repaint	\$27,658	
	212	Metal Fencing & Railing - Repaint	\$6,761	
	1105	Spa Heater - Replace	\$5,532	\$307,314
2029	402	Asphalt - Seal Coat	\$20,356	
	403	Concrete - Partial Repair/Replace	\$5,089	
	705	HVAC Condenser - Replace	\$5,725	
	706	HVAC Furnace - Replace	\$5,725	
	1112	Pool Cover - Replace	\$6,361	
	1405	Furniture - Replace	\$4,453	
	1413	Restrooms & Shower - Remodel	\$22,265	
	1417	Kitchen - Remodel	\$15,903	
	1602	Exterior Light Fixtures - Clubhouse - Replace	\$5,725	\$91,604
2030		No Expenditures Projected		\$0
2031	1121	Pool Furniture - Replace	\$3,407	\$3,407
2032	201	Stucco Surfaces - 2016-2019 - Repair/Repaint	\$228,517	
	215	Siding - 2009-2010 - Repair/Repaint	\$4,232	\$232,749
2033		No Expenditures Projected		\$0
2034	105	Roofs - 2009-2010 - Replace	\$887,753	
	202	Wood Trim - Repaint	\$33,999	
	212	Metal Fencing & Railing - Repaint	\$8,311	
	402	Asphalt - Seal Coat	\$24,177	

Year	Comp ID	Component Name	Projected Cost	Total Per Annum
	803	Mailboxes - Replace	\$41,554	
	1601	Interior Light Fixtures - Replace	\$10,577	\$1,006,372
2035	1110	Pool & Spa Pumps - Replace	\$8,602	
	1407	Cardio Equipment - Replace	\$12,512	
	1501	Carpeting - Replace	\$7,038	
	1812	Landscaping & Irrigation System - Renovate	\$54,738	\$82,890
2036		No Expenditures Projected		\$0
2037	216	Interior Surfaces - Repaint	\$10,890	
	508	Access Control System - Replace	\$13,403	
	703	Water Heater - Replace	\$2,932	
	903	Security Camera System - Replace	\$10,052	
	1101	Pool - Resurface	\$29,319	
	1102	Spa - Resurface	\$7,539	
	1104	Pool Heaters - Replace	\$18,429	
	1111	Chemical Controller Systems - Replace	\$13,403	
	1121	Pool Furniture - Replace	\$4,188	
	1590	Rubber Flooring - Replace	\$7,539	\$117,693
2038		No Expenditures Projected		\$0
2039	120	Rain Gutters/Downspouts - 2009-2010 - Replace	\$89,734	
	390	Wood Shutters - 2009-2010 - Replace	\$29,612	
	401	Asphalt - Major Rehab	\$237,795	
	402	Asphalt - Seal Coat	\$28,715	
	403	Concrete - Partial Repair/Replace	\$7,179	
	1008	Vinyl Fencing - Perimeter - Replace	\$104,091	
	1107	Pool & Spa Filters - Replace	\$13,460	
	1112	Pool Cover - Replace	\$8,973	
	1190	Pump Controllers - Replace	\$7,179	
	1405	Furniture - Replace	\$6,281	
	1406	Fitness Equipment - Replace	\$17,947	
	1503	Tile Flooring - Replace	\$8,076	\$559,041
2040	202	Wood Trim - Repaint	\$41,794	
	212	Metal Fencing & Railing - Repaint	\$10,216	
	1105	Spa Heater - Replace	\$8,359	\$60,368
2041		No Expenditures Projected		\$0
2042	105	Roofs - 2016-2019 - Replace	\$845,660	
	215	Siding - 2009-2010 - Repair/Repaint	\$5,969	\$851,630
2043	201	Stucco Surfaces - 2009-2010 - Repair/Repaint	\$447,926	
	1121	Pool Furniture - Replace	\$5,149	\$453,075
2044	402	Asphalt - Seal Coat	\$34,104	\$34,104
2045	1110	Pool & Spa Pumps - Replace	\$12,134	
	1407	Cardio Equipment - Replace	\$17,649	
	1501	Carpeting - Replace	\$9,928	\$39,710
2046	202	Wood Trim - Repaint	\$51,375	
	212	Metal Fencing & Railing - Repaint	\$12,558	\$63,933
2047	120	Rain Gutters/Downspouts - 2016-2019 - Replace	\$103,983	
	201	Stucco Surfaces - 2016-2019 - Repair/Repaint	\$382,846	
	216	Interior Surfaces - Repaint	\$15,361	

Year	Comp ID	Component Name	Projected Cost	Total Per Annum
	390	Wood Shutters - 2016-2019 - Repaint	\$14,179	\$516,369
2048		No Expenditures Projected		\$0
2049	402	Asphalt - Seal Coat	\$40,505	
	403	Concrete - Partial Repair/Replace	\$10,126	
	508	Access Control System - Replace	\$20,253	
	703	Water Heater - Replace	\$4,430	
	705	HVAC Condenser - Replace	\$11,392	
	706	HVAC Furnace - Replace	\$11,392	
	903	Security Camera System - Replace	\$15,189	
	1101	Pool - Resurface	\$44,302	
	1102	Spa - Resurface	\$11,392	
	1104	Pool Heaters - Replace	\$27,847	
	1111	Chemical Controller Systems - Replace	\$20,253	
	1112	Pool Cover - Replace	\$12,658	
	1121	Pool Furniture - Replace	\$6,329	
	1405	Furniture - Replace	\$8,860	
	1413	Restrooms & Shower - Remodel	\$44,302	
	1417	Kitchen - Remodel	\$31,645	
	1590	Rubber Flooring - Replace	\$11,392	
	1602	Exterior Light Fixtures - Clubhouse - Replace	\$11,392	\$343,660
2050		No Expenditures Projected		\$0
2051		No Expenditures Projected		\$0

# Component Evaluation

Comp #: 105 Roofs - 2009-2010 - Replace



*Location:* **Building Roofs**

*Quantity:* **Approx 138,125 Sq.ft.**

*Life Expectancy:* **25** *Remaining Life:* **12**

*Best Cost:* **\$553,000**

Estimate to replace

*Worst Cost:* **\$622,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 105 Roofs - 2016-2019 - Replace



*Location:* **Building Roofs**

*Quantity:* **Approx 99,825 Sq.ft.**

*Life Expectancy:* **25** *Remaining Life:* **20**

*Best Cost:* **\$400,000**

Estimate to replace

*Worst Cost:* **\$450,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 120 Rain Gutters/Downspouts - 2009-2010 - Replace



*Location:* **Building Exteriors**

*Quantity:* **Approx 7,075 Linear ft.**

*Life Expectancy:* **30** *Remaining Life:* **17**

*Best Cost:* **\$46,000**

Estimate to replace

*Worst Cost:* **\$54,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 120 Rain Gutters/Downspouts - 2016-2019 - Replace



*Location:* **Building Exteriors**

*Quantity:* **Approx 6,225 Linear ft.**

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

*Best Cost:* **\$41,000**

Estimate to replace

*Worst Cost:* **\$47,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 201 Stucco Surfaces - 2009-2010 - Repair/Repaint



*Location:* **Building Exteriors**

*Quantity:* **Approx 133,375 Sq.ft.**

*Life Expectancy:* **15 Remaining Life: 6**

*Best Cost:* **\$201,000**

Estimate to repair/repaint

*Worst Cost:* **\$234,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The stucco surfaces are in good to fair condition. We recommend funding to repair/repaint this component approximately every 12 - 15 years. Remaining life based on current age and condition.

*General Notes:*

Comp #: 201 Stucco Surfaces - 2016-2019 - Repair/Repaint



*Location:* **Building Exteriors**

*Quantity:* **Approx 99,375 Sq.ft.**

*Life Expectancy:* **15** *Remaining Life:* **10**

*Best Cost:* **\$150,000**

Estimate to repair/repaint

*Worst Cost:* **\$174,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The stucco surfaces are in good to fair condition. We recommend funding to repair/repaint this component approximately every 12 - 15 years. Remaining life based on current age.

*General Notes:*

Comp #: 202 Wood Trim - Repaint



*Location:* **Building Exteriors**

*Quantity:* **(30) Buildings**

*Life Expectancy:* **6** *Remaining Life:* **0**

*Best Cost:* **\$20,000**

Estimate to repaint

*Worst Cost:* **\$25,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The painted wood trim surfaces are in fair to poor condition. We recommend funding to repaint this component approximately every 4 - 6 years. Remaining life based on current condition.

*General Notes:*

Comp #: 204 Doors - Clubhouse & Mail - Repaint



*Location:* **Clubhouse & Mail Building**

*Quantity:* **(11) Doors**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*Observations:*

Due to the minimal cost of repainting this component, reserve funding is not appropriate. Repaint as necessary as an operating expense.

*General Notes:*

Comp #: 205 Front Doors - Residential - Repaint



*Location:* **Unit Entrances**

*Quantity:* **(131) Doors**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*Observations:*

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

*General Notes:*

Comp #: 212 Metal Fencing & Railing - Repaint



*Location:* **Common Area, & Pool Area**

*Quantity:* **Approx 280 Linear ft.**

*Life Expectancy:* **6** *Remaining Life:* **0**

*Best Cost:* **\$5,000**

Estimate to repaint

*Worst Cost:* **\$6,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The painted metal railing surfaces are in fair to poor condition. We recommend funding to paint this component approximately every 6 years. Remaining life based on current condition.

*General Notes:*

Comp #: 215 Siding - 2009-2010 - Repair/Repaint



*Location:* **Building Exteriors**

*Quantity:* **Approx 1,500 Sq.ft.**

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

*Best Cost:* **\$2,500**

Estimate to repair/repaint

*Worst Cost:* **\$3,500**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The siding painted surfaces are in fair to poor condition. We recommend funding to repair/repaint this component approximately every 8 - 10 years. Remaining life is based on current age.

*General Notes:*

Comp #: 216 Interior Surfaces - Repaint



*Location:* **Clubhouse Interior**

*Quantity:* **Approx 4,475 Sq.ft.**

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

*Best Cost:* **\$6,000**

Estimate to repaint

*Worst Cost:* **\$7,000**

Higher estimate

*Source of Information:* CSL Cost Database

*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.

*General Notes:*

Comp #: 304 Faux Stone - Replace



*Location:* **Building Exteriors**

*Quantity:* **(31) Buildings**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*Observations:*

This component has an extended useful life. We recommend making repairs as necessary as an operating expense.

*General Notes:*

Comp #: 390 Wood Shutters - 2009-2010 - Replace



*Location:* **Building Exteriors**

*Quantity:* **(108) Shutters**

*Life Expectancy:* **30** *Remaining Life:* **17**

*Best Cost:* **\$14,000**

Estimate to replace

*Worst Cost:* **\$19,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The shutters are in good to fair condition. We recommend funding to replace this component approximately every 20 - 30 years. Remaining life based on current age.

*General Notes:*

Comp #: 390 Wood Shutters - 2016-2019 - Repaint



*Location:* **Building Exteriors**

*Quantity:* **(40) Shutters**

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

*Best Cost:* **\$5,000**

Estimate to replace

*Worst Cost:* **\$7,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The shutters are in good condition. We recommend funding to replace this component approximately every 20 - 30 years. Remaining life based on current age.

*General Notes:*

Comp #: 401 Asphalt - Major Rehab



*Location:* **Community Streets**

*Quantity:* **Approx 75,450 Sq.ft.**

*Life Expectancy:* **30** *Remaining Life:* **17**

*Best Cost:* **\$114,000**

Estimate for major rehab

*Worst Cost:* **\$151,000**

Higher estimate

*Source of Information:* CSL Cost Database

*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.

*General Notes:*

Comp #: 402 Asphalt - Seal Coat



*Location:* **Community Streets**

*Quantity:* **Approx 75,450 Sq.ft.**

*Life Expectancy:* **5** *Remaining Life:* **2**

*Best Cost:* **\$15,000**

Estimate for seal coat

*Worst Cost:* **\$17,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 403 Concrete - Partial Repair/Replace



*Location:* **Common Area**

*Quantity:* **Extensive Sq.ft.**

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

*Best Cost:* **\$3,000**

Allowance to repair/replace

*Worst Cost:* **\$5,000**

Higher allowance

*Source of Information:* CSL Cost Database

*Observations:*

The concrete is in good 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.

*General Notes:*

Comp #: 508 Access Control System - Replace



*Location:* **Clubhouse/Pool Area**

*Quantity:* **(1) System**

*Life Expectancy:* **12** *Remaining Life:* **3**

*Best Cost:* **\$6,000**

Estimate to replace

*Worst Cost:* **\$10,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The access control system is in working condition. We recommend funding to replace this component approximately every 10 - 12 years. Remaining life based on current age and condition.

*General Notes:*

Comp #: 703 Water Heater - Replace



*Location:* Clubhouse

*Quantity:* (1) Heater

*Life Expectancy:* 12 *Remaining Life:* 3

*Best Cost:* \$1,500

Estimate to replace

*Worst Cost:* \$2,000

Higher estimate

*Source of Information:* CSL Cost Database

*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.

*General Notes:*

Comp #: 705 HVAC Condenser - Replace



*Location:* **Clubhouse**

*Quantity:* **(1) Condenser**

*Life Expectancy:* **20** *Remaining Life:* **7**

*Best Cost:* **\$4,000**

Estimate to replace

*Worst Cost:* **\$5,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 706 HVAC Furnace - Replace



*Location:* **Clubhouse**

*Quantity:* **(1) Furnace**

*Life Expectancy:* **20** *Remaining Life:* **7**

*Best Cost:* **\$4,000**

Estimate to replace

*Worst Cost:* **\$5,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 801 Monument Signs - Replace



*Location:* **Community Entrance**

*Quantity:* **(4) Signs**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*Observations:*

Due to the extended useful life of this component, reserve funding is not appropriate. Repaint lettering as necessary as an operating expense.

*General Notes:*

Comp #: 803 Mailboxes - Replace



*Location:* **Common Area**

*Quantity:* **(9) Clusters**

*Life Expectancy:* **25** *Remaining Life:* **12**

*Best Cost:* **\$25,000**

Estimate to replace

*Worst Cost:* **\$30,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 903 Security Camera System - Replace



*Location:* **Clubhouse & Pool Area**

*Quantity:* **(1) System**

*Life Expectancy:* **12** *Remaining Life:* **3**

*Best Cost:* **\$4,000**

Estimate to replace

*Worst Cost:* **\$8,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The security camera system is in working condition. We recommend funding to replace this component approximately every 10 - 12 years. Remaining life based on current age and condition.

*General Notes:*

Comp #: 1002 Metal Fencing & Railing - Replace



*Location:* **Common Area, & Pool Area**

*Quantity:* **Approx 250 Linear ft.**

*Life Expectancy:* **50** *Remaining Life:* **37**

*Best Cost:* **\$20,000**

Estimate to replace

*Worst Cost:* **\$25,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The metal fencing and railing is in good to fair condition. We recommend funding to replace this component approximately every 40 - 50 years. Remaining life based on current age.

*General Notes:*

Comp #: 1008 Vinyl Fencing - Backyards - Replace



*Location:* **Backyards**

*Quantity:* **Approx 1,475 Linear ft.**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*Observations:*

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

*General Notes:*

Comp #: 1008 Vinyl Fencing - Perimeter - Replace



*Location:* **East, North, & South Perimeter**

*Quantity:* **Approx 1,330 Linear ft.**

*Life Expectancy:* **30** *Remaining Life:* **17**

*Best Cost:* **\$54,000**

Estimate to replace

*Worst Cost:* **\$62,000**

Higher estimate

*Source of Information:* CSL Cost Database

*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.

*General Notes:*

Comp #: 1012 Prefab Concrete Fence - Replace



*Location:* **East Perimeter**

*Quantity:* **Approx 685 Linear ft.**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*Observations:*

This type of component should have an extended useful life under normal conditions. Reserve funding is not appropriate.

*General Notes:*

Comp #: 1101 Pool - Resurface



*Location:* **Pool Area**

*Quantity:* **(1) Pool**

*Life Expectancy:* **12** *Remaining Life:* **3**

*Best Cost:* **\$15,000**

Estimate to resurface

*Worst Cost:* **\$20,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

Unable to inspect this component at the time of the site visit. We recommend funding to resurface this component every 10 - 12 years. Remaining life based on current age.

*General Notes:*

Comp #: 1102 Spa - Resurface



*Location:* **Pool Area**

*Quantity:* **(1) Spa**

*Life Expectancy:* **12** *Remaining Life:* **3**

*Best Cost:* **\$4,000**

Estimate to resurface

*Worst Cost:* **\$5,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

Unable to inspect this component at the time of the site visit. We recommend funding to resurface this component every 10 - 12 years. Remaining life based on current age.

*General Notes:*

Comp #: 1104 Pool Heaters - Replace



*Location:* Pool Equipment Room

*Quantity:* (2) Heaters

*Life Expectancy:* 12 *Remaining Life:* 3

*Best Cost:* \$10,000

Estimate to replace

*Worst Cost:* \$12,000

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 1105 Spa Heater - Replace



*Location:* **Pool Equipment Room**

*Quantity:* **(1) Heater**

*Life Expectancy:* **12** *Remaining Life:* **6**

*Best Cost:* **\$4,000**

Estimate to replace

*Worst Cost:* **\$5,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 1107 Pool & Spa Filters - Replace



*Location:* **Pool Equipment Room**

*Quantity:* **(3) Filters**

*Life Expectancy:* **15** *Remaining Life:* **2**

*Best Cost:* **\$6,000**

Estimate to replace

*Worst Cost:* **\$9,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The pool and spa filters are in working condition. We recommend funding to replace this component approximately every 12 - 15 years. Remaining life based on current age.

*General Notes:*

Comp #: 1110 Pool & Spa Pumps - Replace



*Location:* **Pool Equipment Room**

*Quantity:* **(3) Pumps**

*Life Expectancy:* **10** *Remaining Life:* **3**

*Best Cost:* **\$5,000**

Estimate to replace

*Worst Cost:* **\$6,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The pool and spa pumps are in working condition. We recommend funding to replace this component approximately every 8 - 10 years. Remaining life based on current age and condition.

*General Notes:*

Comp #: 1111 Chemical Controller Systems - Replace



*Location:* Pool Equipment Room

*Quantity:* (2) Systems

*Life Expectancy:* 12 *Remaining Life:* 3

*Best Cost:* \$7,000

Estimate to replace

*Worst Cost:* \$9,000

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The chemical controller systems are in working condition. We recommend funding to replace this component approximately every 10 - 12 years. Remaining life based on current age and condition.

*General Notes:*

Comp #: 1112 Pool Cover - Replace



*Location:* **Pool Area**

*Quantity:* **(1) Cover**

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

*Best Cost:* **\$4,000**

Estimate to replace

*Worst Cost:* **\$6,000**

Higher estimate

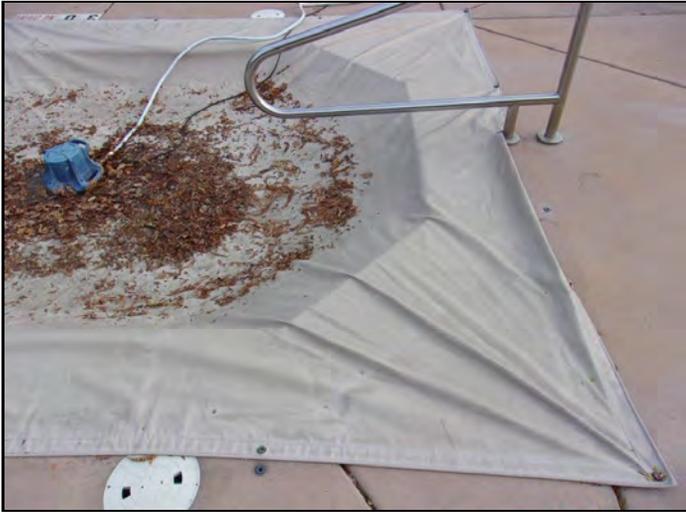
*Source of Information:* CSL Cost Database

*Observations:*

The pool cover appears to be in good condition. We recommend funding to replace this component approximately every 10 years. Remaining life based on current age.

*General Notes:*

Comp #: 1113 Spa Cover - Replace



*Location:* **Pool Area**

*Quantity:* **(1) Cover**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*Observations:*

Due to the minimal cost of replacing this component, reserve funding is not appropriate. Replace as necessary as an operating expense.

*General Notes:*

Comp #: 1121 Pool Furniture - Replace



*Location:* **Pool Area**

*Quantity:* **(29) Pieces**

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

*Best Cost:* **\$2,000**

Allowance to make replacements

*Worst Cost:* **\$3,000**

Higher allowance

*Source of Information:* CSL Cost Database

*Observations:*

The pool furniture is in fair condition. We recommend funding an allowance to make replacements to this component approximately every 6 years. Remaining life based on current age and condition.

*General Notes:*

Comp #: 1190 Pump Controllers - Replace



*Location:* Pool Equipment Room

*Quantity:* (2) Systems

*Life Expectancy:* 15 *Remaining Life:* 2

*Best Cost:* \$3,000

Estimate to replace

*Worst Cost:* \$5,000

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The controllers are in working condition. NWe recommend funding to replace this system approximately every 10 - 15 years. Remaining life based on current age.

*General Notes:*

Comp #: 1309 Metal Pergola - Replace



*Location:* **Pool Area**

*Quantity:* **(3) Pergolas**

*Life Expectancy:* **40** *Remaining Life:* **33**

*Best Cost:* **\$9,000**

Estimate to replace

*Worst Cost:* **\$12,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The pergolas are in good to fair condition. We recommend funding to replace this component approximately every 30 - 40 years. Remaining life based on current age.

*General Notes:*

Comp #: 1405 Furniture - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **(85) Pieces**

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

*Best Cost:* **\$3,000**

Allowance to make replacements

*Worst Cost:* **\$4,000**

Higher allowance

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 1406 Fitness Equipment - Replace



*Location:* **Fitness Room**

*Quantity:* **(3) Items**

*Life Expectancy:* **15** *Remaining Life:* **2**

*Best Cost:* **\$9,000**

Estimate to replace

*Worst Cost:* **\$11,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The fitness equipment is in working condition. We recommend funding to replace this component approximately every 15 years. Remaining life based on current age.

*General Notes:*

Comp #: 1407 Cardio Equipment - Replace



*Location:* **Fitness Room**

*Quantity:* **(3) Pieces**

*Life Expectancy:* **10** *Remaining Life:* **3**

*Best Cost:* **\$6,000**

Estimate to replace

*Worst Cost:* **\$10,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The cardio fitness equipment is in working condition. We recommend funding to replace this component approximately every 8 - 10 years. Remaining life based on current age and condition.

*General Notes:*

Comp #: 1413 Restrooms & Shower - Remodel



*Location:* **Clubhouse**

*Quantity:* **(3) Restroom, (1) Shower**

*Life Expectancy:* **20** *Remaining Life:* **7**

*Best Cost:* **\$15,000**

Estimate to remodel

*Worst Cost:* **\$20,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The restrooms and shower appear to be in good condition. We recommend funding to remodel this component approximately every 20 years. Remaining life based on current age.

*General Notes:*

Comp #: 1417 Kitchen - Remodel



*Location:* **Clubhouse Interior**

*Quantity:* **(1) Kitchen**

*Life Expectancy:* **20** *Remaining Life:* **7**

*Best Cost:* **\$10,000**

Allowance to remodel

*Worst Cost:* **\$15,000**

Higher allowance

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 1501 Carpeting - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **Approx 760 Sq.ft.**

*Life Expectancy:* **10** *Remaining Life:* **3**

*Best Cost:* **\$4,000**

Estimate to replace

*Worst Cost:* **\$5,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 1503 Tile Flooring - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **Approx 175 Sq.ft.**

*Life Expectancy:* **30** *Remaining Life:* **17**

*Best Cost:* **\$4,000**

Estimate to replace

*Worst Cost:* **\$5,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 1590 Rubber Flooring - Replace



*Location:* **Fitness Room**

*Quantity:* **Approx 420 Sq.ft.**

*Life Expectancy:* **12** *Remaining Life:* **3**

*Best Cost:* **\$4,000**

Estimate to replace

*Worst Cost:* **\$5,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The rubber safety flooring is in good condition. We recommend funding to replace this component approximately every 10 - 12 years. Remaining life based on current age and condition.

*General Notes:*

Comp #: 1601 Interior Light Fixtures - Replace



*Location:* **Clubhouse Interior**

*Quantity:* **(36) Fixtures**

*Life Expectancy:* **25** *Remaining Life:* **12**

*Best Cost:* **\$6,000**

Estimate to replace

*Worst Cost:* **\$8,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

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

*General Notes:*

Comp #: 1602 Exterior Light Fixtures - Clubhouse - Replace



*Location:* **Clubhouse & Mail Pavilion**

*Quantity:* **(25) Fixtures**

*Life Expectancy:* **20** *Remaining Life:* **7**

*Best Cost:* **\$4,000**

Estimate to replace

*Worst Cost:* **\$5,000**

Higher estimate

*Source of Information:* CSL Cost Database

*Observations:*

The exterior light fixtures are in good to fair condition. We recommend funding to replace this component approximately every 16 - 20 years. Remaining life based on current age.

*General Notes:*

Comp #: 1602 Exterior Light Fixtures - Residential - Replace



*Location:* **Building Exteriors**

*Quantity:* **(524) Fixtures**

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

*Best Cost:* **\$0**

*Worst Cost:* **\$0**

*Source of Information:*

*Observations:*

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

*General Notes:*

Comp #: 1812 Landscaping & Irrigation System - Renovate



*Location:* **Common Area**

*Quantity:* **Extensive Sq.ft.**

*Life Expectancy:* **20** *Remaining Life:* **13**

*Best Cost:* **\$30,000**

Allowance to renovate

*Worst Cost:* **\$40,000**

Higher allowance

*Source of Information:* CSL Cost Database

*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 average age.

*General Notes:*

## 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.

