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Update "With-Site-Visit" Reserve Study



High Pines Home Owners Association Monument, CO

Report #: 25507-1
For Period Beginning: January 1, 2017
Expires: December 31, 2017

Date Prepared: December 19, 2016



Hello, and welcome to your Reserve Study!

This Report is a valuable budget planning tool, for with it you control the future of your association. It contains all the fundamental information needed to understand your current and future Reserve obligations, the most significant expenditures your association will face.

With respect to Reserves, this Report will tell you "where you are," and "where to go from here."

In this Report, you will find...

- 1) A List of What you're Reserving For**
- 2) An Evaluation of your Reserve Fund Size and Strength**
- 3) A Recommended Multi-Year Reserve Funding Plan**

More Questions?

Visit our website at www.ReserveStudy.com or call us at:

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3- Minute Executive Summary

Association: High Pines Home Owners Association Assoc. #: 25507-1
Location: Monument, CO # of Units: 62
Report Period: January 1, 2017 through December 31, 2017

Findings/Recommendations as-of: January 1, 2017:

Projected Starting Reserve Balance:	\$23,758.
Currently Fully Funded Reserve Balance:	\$2,325.
Average Reserve Surplus Per Unit:	(\$346).
Percent Funded:	1,021.8 %
Recommended 2017 Monthly "Full Funding Contributions":	\$0.
Most Recent Reserve Contribution Rate:	\$1,550.

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves 1.00 %
Annual Inflation Rate 3.00 %

- This is a Update "With-Site-Visit" Reserve Study, based on a prior Report prepared by Association Reserves for your 2014 Fiscal Year. We performed the site inspection on 12/15/2016. It was prepared by a credentialed Reserve Specialist (RS #260). Since the completion of the 2014 Reserve Study, the client has reduced their total number of assets, which has greatly reduced the overall Fully Funded Balance.
- Your Reserve Fund is currently 1,021.8 % Funded. This means the association's special assessment & deferred maintenance risk is currently low. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of such Reserve cash flow problems.
- Based on this starting point and your anticipated future expenses, our recommendation is to decrease your Reserve contributions in order to be within the 70% to 130% level as noted above. 100% "Full" contribution rates are designed to achieve these funding objectives by the end of our 30-year report scope. With the elimination of the common area responsibilities, we project that the client should be able to reduce their contribution rate and still be able to achieve a 100% ideal balance at the end of a 30 year timeframe.
- No assets appropriate for Reserve designation were excluded. See photo appendix for component details; the basis of our assumptions.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Inventory				
2165	Concrete Panel Fence - Replace - 5%	10	9	\$3,250
2181	Sign/Monument - Refurbish/Replace	30	15	\$4,000

2 Total Funded Components

Note 1: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: Yellow highlighted line items are expected to require attention in this initial year.

Introduction



A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List<>(what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.



Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology

LEVELS OF SERVICE



For this [Update With-Site-Visit Reserve Study](#), we started with a review of your prior Reserve Study, then looked into recent Reserve expenditures, evaluated how expenditures are handled (ongoing maintenance vs Reserves), and researched any well-established

association precedents. We performed an on-site inspection to evaluate your common areas, updating and adjusting your Reserve Component List as appropriate.

Which Physical Assets are Funded by Reserves?

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits



RESERVE COMPONENT "FOUR-PART TEST"

Reserve Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

How do we establish Useful Life and Remaining Useful Life estimates?

- 1) Visual Inspection (observed wear and age)
- 2) Association Reserves database of experience
- 3) Client History (install dates & previous life cycle information)
- 4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

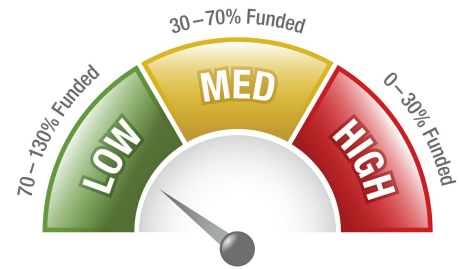
- 1) Actual client cost history, or current proposals
- 2) Comparison to Association Reserves database of work done at similar associations
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

- 1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
- 2) Compare that to the Reserve Fund Balance, and express as a percentage.



SPECIAL ASSESSMENT RISK

Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

How much should we contribute?



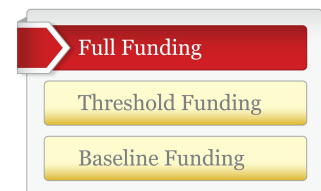
RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*



FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Site Inspection Notes

During our site visit on 12/15/2016 we started with a brief meeting with Ron Scott, and then started the site inspection beginning with the common areas. We were able to see a majority of the common areas.

Please see photo appendix for component details; the basis of our assumptions.



Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses at your association as defined by your Reserve Component List. A summary of these expenses are shown in the 30-yr Summary Table, while details of the projects that make up these expenses are shown in the Cash Flow Detail Table.

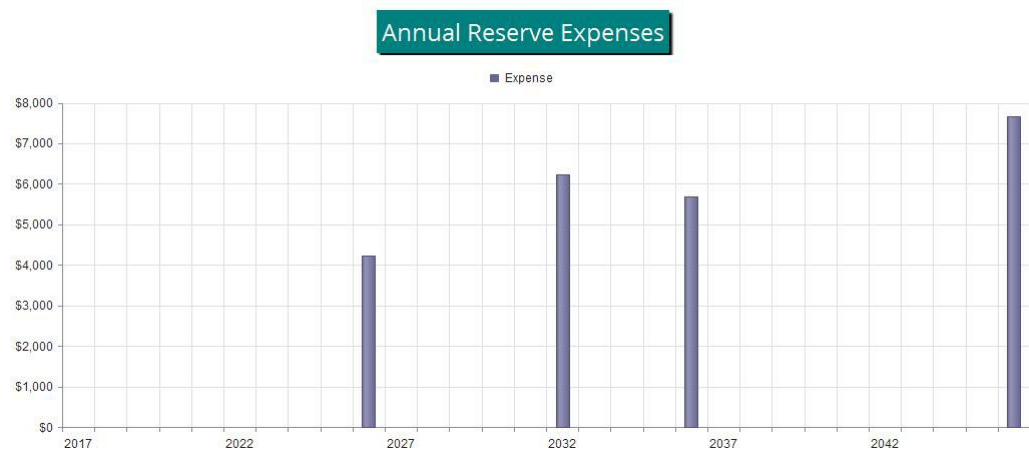


Figure 1

Reserve Fund Status

As of 1/1/2017 your Reserve Fund balance is projected to be \$23,758 and your Fully Funded Balance is computed to be \$2,325 (see the Fully Funded Balance Table. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 1,021.8 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of per \$0 per year this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary Table and the Cash Flow Detail Table.

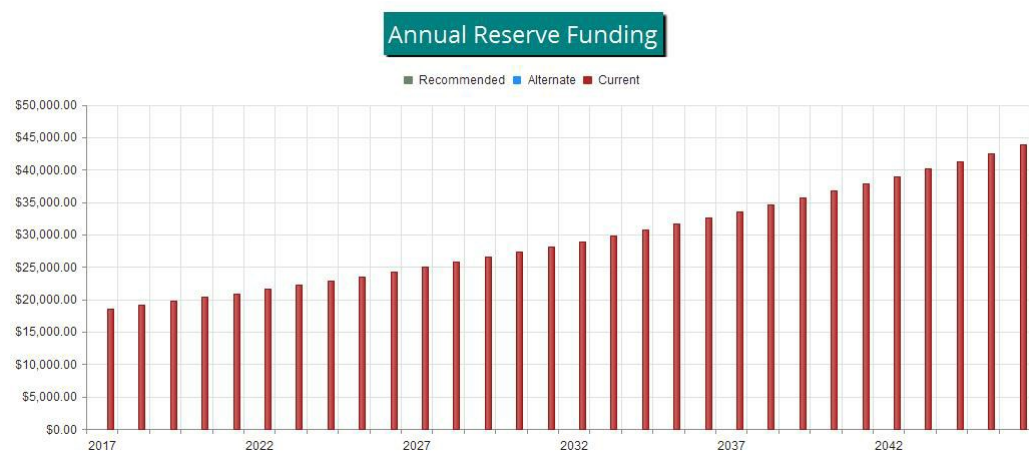


Figure 2

The following chart shows your Reserve balance under our recommended Full Funding Plan, an alternate Baseline Funding Plan, and at your current budgeted contribution rate, compared to your always-changing Fully Funded Balance target.

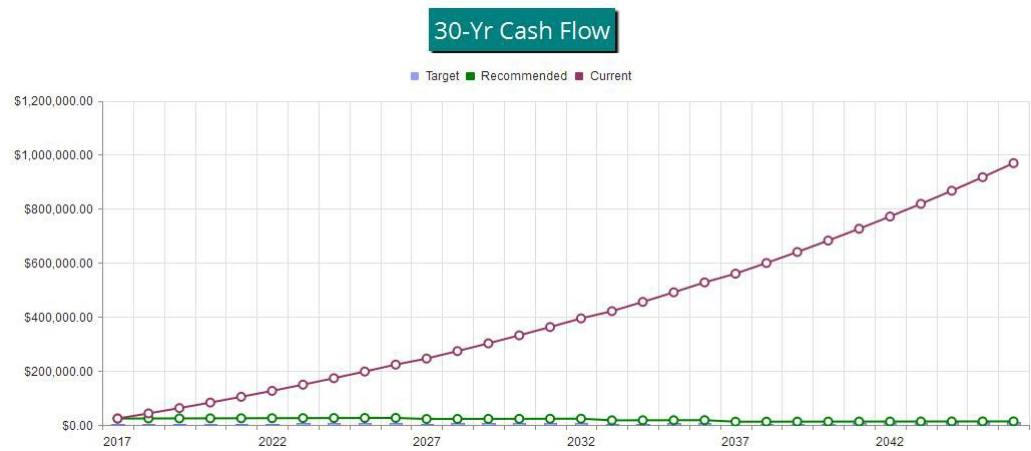


Figure 3

This figure shows the same information plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan.

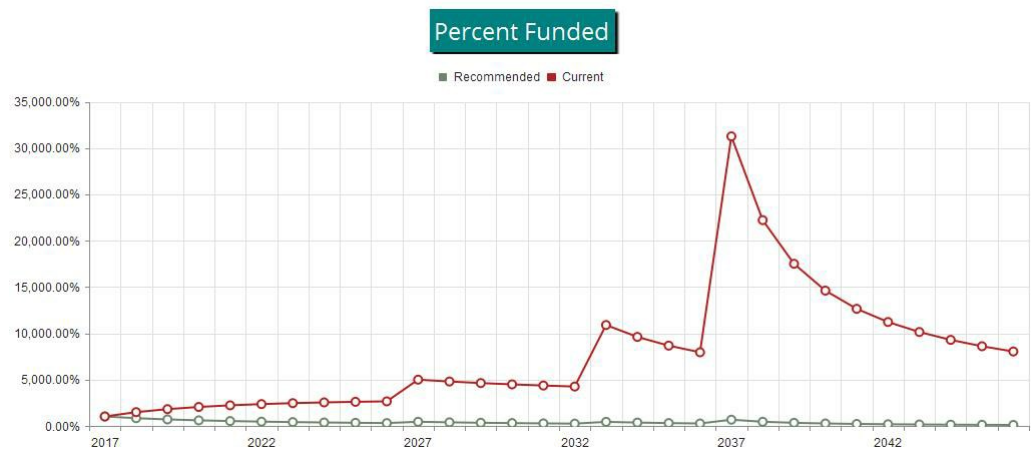


Figure 4

Table Descriptions

The tabular information in this Report is broken down into nine tables, not all which may have been chosen by your Project Manager to appear in your report. Tables are listed in the order in which they appear in your Report.

Executive Summary is a summary of your Reserve Components

Budget Summary is a management and accounting tool, summarizing groupings of your Reserve Components.

Analysis Summary provides a summary of the starting financial information and your Project Manager's Financial Analysis decision points.

Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the association total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the association, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

Acct/Tax Summary provides information on each Component's proportionate portion of key totals, valuable to accounting professionals primarily during tax preparation time of year.

30-Yr Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

Cash Flow Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

Reserve Component List Detail

25507-1
WSV

				Rem.		
			Useful	Useful	Current Cost Estimate	
#	Component	Quantity	Life	Life	Best Case	Worst Case
Inventory						
2165	Concrete Panel Fence - Replace - 5%	5% of ~ 845 LF	10	9	\$3,000	\$3,500
2181	Sign/Monument - Refurbish/Replace	(1) Monument Sign	30	15	\$3,000	\$5,000

2 Total Funded Components

Fully Funded Balance

25507-1
WSV

#	Component	Current	X	Effective	/	Useful	=	Fully
		Cost		Age		Life		Funded
		Estimate						Balance
Inventory								
2165	Concrete Panel Fence - Replace - 5%	\$3,250	X	1	/	10	=	\$325
2181	Sign/Monument - Refurbish/Replace	\$4,000	X	15	/	30	=	\$2,000
								\$2,325

Component Significance

25507-1
WSV

#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
Inventory					
2165	Concrete Panel Fence - Replace - 5%	10	\$3,250	\$325	70.91 %
2181	Sign/Monument - Refurbish/Replace	30	\$4,000	\$133	29.09 %
2	Total Funded Components			\$458	100.00 %

30-Year Reserve Plan Summary

25507-1
WSV

Fiscal Year Start: 2017					Interest:	1.00 %	Inflation:	3.00 %
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2017	\$23,758	\$2,325	1,022 %	Low	\$0	\$0	\$239	\$0
2018	\$23,997	\$2,867	837 %	Low	\$0	\$0	\$241	\$0
2019	\$24,238	\$3,439	705 %	Low	\$0	\$0	\$243	\$0
2020	\$24,481	\$4,043	606 %	Low	\$0	\$0	\$246	\$0
2021	\$24,727	\$4,680	528 %	Low	\$0	\$0	\$248	\$0
2022	\$24,976	\$5,352	467 %	Low	\$0	\$0	\$251	\$0
2023	\$25,226	\$6,060	416 %	Low	\$0	\$0	\$253	\$0
2024	\$25,480	\$6,805	374 %	Low	\$0	\$0	\$256	\$0
2025	\$25,736	\$7,590	339 %	Low	\$0	\$0	\$259	\$0
2026	\$25,994	\$8,416	309 %	Low	\$0	\$0	\$240	\$4,241
2027	\$21,994	\$4,916	447 %	Low	\$0	\$0	\$221	\$0
2028	\$22,215	\$5,698	390 %	Low	\$0	\$0	\$223	\$0
2029	\$22,438	\$6,523	344 %	Low	\$0	\$0	\$225	\$0
2030	\$22,663	\$7,392	307 %	Low	\$0	\$0	\$228	\$0
2031	\$22,891	\$8,307	276 %	Low	\$0	\$0	\$230	\$0
2032	\$23,121	\$9,270	249 %	Low	\$0	\$0	\$201	\$6,232
2033	\$17,090	\$3,865	442 %	Low	\$0	\$0	\$172	\$0
2034	\$17,262	\$4,738	364 %	Low	\$0	\$0	\$173	\$0
2035	\$17,435	\$5,661	308 %	Low	\$0	\$0	\$175	\$0
2036	\$17,610	\$6,634	265 %	Low	\$0	\$0	\$148	\$5,699
2037	\$12,060	\$1,791	673 %	Low	\$0	\$0	\$121	\$0
2038	\$12,181	\$2,697	452 %	Low	\$0	\$0	\$122	\$0
2039	\$12,303	\$3,657	336 %	Low	\$0	\$0	\$124	\$0
2040	\$12,427	\$4,671	266 %	Low	\$0	\$0	\$125	\$0
2041	\$12,552	\$5,743	219 %	Low	\$0	\$0	\$126	\$0
2042	\$12,678	\$6,875	184 %	Low	\$0	\$0	\$127	\$0
2043	\$12,805	\$8,069	159 %	Low	\$0	\$0	\$129	\$0
2044	\$12,934	\$9,329	139 %	Low	\$0	\$0	\$130	\$0
2045	\$13,064	\$10,658	123 %	Low	\$0	\$0	\$131	\$0
2046	\$13,195	\$12,058	109 %	Low	\$0	\$0	\$94	\$7,659

30-Year Income/Expense Detail

25507-1
WSV

Fiscal Year	2017	2018	2019	2020	2021
Starting Reserve Balance	\$23,758	\$23,997	\$24,238	\$24,481	\$24,727
Annual Reserve Contribution	\$0	\$0	\$0	\$0	\$0
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$239	\$241	\$243	\$246	\$248
Total Income	\$23,997	\$24,238	\$24,481	\$24,727	\$24,976
# Component					
Inventory					
2165 Concrete Panel Fence - Replace - 5%	\$0	\$0	\$0	\$0	\$0
2181 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$0	\$0
Ending Reserve Balance	\$23,997	\$24,238	\$24,481	\$24,727	\$24,976

Fiscal Year	2022	2023	2024	2025	2026
Starting Reserve Balance	\$24,976	\$25,226	\$25,480	\$25,736	\$25,994
Annual Reserve Contribution	\$0	\$0	\$0	\$0	\$0
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$251	\$253	\$256	\$259	\$240
Total Income	\$25,226	\$25,480	\$25,736	\$25,994	\$26,234
# Component					
Inventory					
2165 Concrete Panel Fence - Replace - 5%	\$0	\$0	\$0	\$0	\$4,241
2181 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$0	\$4,241
Ending Reserve Balance	\$25,226	\$25,480	\$25,736	\$25,994	\$21,994

Fiscal Year	2027	2028	2029	2030	2031
Starting Reserve Balance	\$21,994	\$22,215	\$22,438	\$22,663	\$22,891
Annual Reserve Contribution	\$0	\$0	\$0	\$0	\$0
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$221	\$223	\$225	\$228	\$230
Total Income	\$22,215	\$22,438	\$22,663	\$22,891	\$23,121
# Component					
Inventory					
2165 Concrete Panel Fence - Replace - 5%	\$0	\$0	\$0	\$0	\$0
2181 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$0	\$0
Ending Reserve Balance	\$22,215	\$22,438	\$22,663	\$22,891	\$23,121

Fiscal Year	2032	2033	2034	2035	2036
Starting Reserve Balance	\$23,121	\$17,090	\$17,262	\$17,435	\$17,610
Annual Reserve Contribution	\$0	\$0	\$0	\$0	\$0
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$201	\$172	\$173	\$175	\$148
Total Income	\$23,322	\$17,262	\$17,435	\$17,610	\$17,759
# Component					
Inventory					
2165 Concrete Panel Fence - Replace - 5%	\$0	\$0	\$0	\$0	\$5,699
2181 Sign/Monument - Refurbish/Replace	\$6,232	\$0	\$0	\$0	\$0
Total Expenses	\$6,232	\$0	\$0	\$0	\$5,699
Ending Reserve Balance	\$17,090	\$17,262	\$17,435	\$17,610	\$12,060

Fiscal Year	2037	2038	2039	2040	2041
Starting Reserve Balance	\$12,060	\$12,181	\$12,303	\$12,427	\$12,552
Annual Reserve Contribution	\$0	\$0	\$0	\$0	\$0
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$121	\$122	\$124	\$125	\$126
Total Income	\$12,181	\$12,303	\$12,427	\$12,552	\$12,678
# Component					
Inventory					
2165 Concrete Panel Fence - Replace - 5%	\$0	\$0	\$0	\$0	\$0
2181 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$0	\$0
Ending Reserve Balance	\$12,181	\$12,303	\$12,427	\$12,552	\$12,678

Fiscal Year	2042	2043	2044	2045	2046
Starting Reserve Balance	\$12,678	\$12,805	\$12,934	\$13,064	\$13,195
Annual Reserve Contribution	\$0	\$0	\$0	\$0	\$0
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$127	\$129	\$130	\$131	\$94
Total Income	\$12,805	\$12,934	\$13,064	\$13,195	\$13,289
# Component					
Inventory					
2165 Concrete Panel Fence - Replace - 5%	\$0	\$0	\$0	\$0	\$7,659
2181 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$0	\$7,659
Ending Reserve Balance	\$12,805	\$12,934	\$13,064	\$13,195	\$5,630

Accuracy, Limitations, and Disclosures

Because we have no control over future events, we cannot claim that all the events we anticipate will occur as planned. We expect that inflationary trends will continue, and we expect that financial institutions will provide interest earnings on funds on-deposit. We believe that reasonable estimates for these figures are much more accurate than ignoring these economic realities. The things we can control are measurements, which we attempt to establish within 5% accuracy. Your starting Reserve Balance and current Reserve interest earnings are also numbers that can be identified with a high degree of certainty. These figures have been provided to us, and were not confirmed by our independent research. Our projections assume a stable economic environment and lack of natural disasters.

Because both the physical status and financial status of the association change each year, this Reserve Study is by nature a “one-year” document. This information can and should be adjusted annually as part of the Reserve Study Update process so that more accurate estimates can be reflected in the Reserve plan. Reality often differs from even the best assumptions due to changing economic factors, physical factors, or ownership expectations. Because many years of financial preparation help the preparation for large expenses, this Report shows expenses for the next 30 years. We fully expect a number of adjustments will be necessary through the interim years to both the cost and timing of distant expense projections. It is our recommendation and that of the American Institute of Certified Public Accountants (AICPA) that your Reserve Study be updated annually.

Association Reserves, Inc., and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Robert M. Nordlund, P.E., R.S., company Founder/CEO, is a California licensed Professional Engineer (Mechanical, #22322), and credentialed Reserve Specialist (#5). All work done by Association Reserves is performed under his Responsible Charge. There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the association’s situation.

We have relied upon the client to provide the current (or projected) Reserve Balance, the estimated net-after-tax current rate of interest earnings, and to indicate if those earnings accrue to the Reserve Fund. In addition, we have considered the association’s representation of current and historical Reserve projects reliable, and we have considered the representations made by its vendors and suppliers to also be accurate and reliable.

Component quantities indicated in this Report were derived from the prior Reserve Study, unless otherwise noted in our “Site Inspection Notes” comments. No destructive or intrusive testing was performed, nor should the site inspection be assumed to be anything other than for budget purposes.

Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)
Effective Age	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
Fully Funded Balance (FFB)	The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.
Inflation	Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on Table 6.
Interest	Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.
Percent Funded	The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life (RUL)	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
Useful Life (UL)	The estimated time, in years, that a common area component can be expected to serve its intended function.

Component Details

Inventory

Comp #: 2111 Concrete Curbs & Gutters - Repair**Quantity:** ~ 200 LF**Location:** High Pines Dr. entrance**Funded?:** No.**History:**

Evaluation: The contact reported that the client may install concrete curbing at the entrance of the property to deter erosion. At the time of publication, the decision of installation was not yet made, therefore no funding has been included. As routine maintenance, inspect regularly, pressure wash for appearance and repair locally as needed using general maintenance and repair funds.

Useful Life:**Remaining Life:****Best Case:****Worst Case:****Cost Source:**

Comp #: 2117 Site Drainage System - Clean/Repair**Quantity:** Drainage**Location:** Adjacent to County Line Road**Funded?:** No.**History:**

Evaluation: Various drainage improvements at this site include perimeter drainage around the entry area. No current problems observed or reported. Storm drainage facilities are typically inspected periodically by governing authority; typically storm system maintenance guidelines can be found on their website. Annual work should be performed as part of general maintenance. No predictable large scale expenses suitable for reserve funding at this time.

Useful Life:**Remaining Life:****Best Case:****Worst Case:****Cost Source:**

Comp #: 2165 Concrete Panel Fence - Replace - 5%

Quantity: 5% of ~ 845 LF

Location: Adjacent to County Line Road

Funded?: Yes.

History:

Evaluation: 6-foot high privacy wall is an interlocking concrete block system with concrete columns. The client reported that (2) panels were replaced for a total cost of \$700 per panel. Each panel ranges from ~5'-8' LF in width.

Minor cracking and weakened areas observed. One column was experiencing heavy deterioration with exposed rebar. Plan to repair this small section soon. Overall, no major issues were noted. Perimeter site walls should be inspected periodically to identify and weakened/leaning sections which may need to be stabilized. Expect to repair as needed and paint at roughly the interval shown here in order to maintain a good, consistent appearance in the common areas. There is no expectation for a complete replacement of the walls at one time.

Useful Life:

10 years

Remaining Life:

9 years



Best Case: \$ 3,000
Lower allowance

Worst Case: \$ 3,500
Higher allowance

Cost Source: Allowance

Comp #: 2165 Retaining Walls - Repair**Quantity: ~ 250 LF**

Location: Adjacent to County Line Road

Funded?: No.

History:

Evaluation: No significant or widespread cracking, settling or other problems observed. Assumed to have been properly designed and installed with adequate base and surrounding drainage. Inspect regularly, repair as needed from Operating budget. If shifting, cracking, etc. are observed, consult with civil or geotechnical engineer for repair scope. At this time, no expectation of large scale repairs or replacement; no Reserve funding recommended. An allowance for partial repairs/replacements may be added during future Reserve Study updates if warranted by association history.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 2181 Sign/Monument - Refurbish/Replace**Quantity: (1) Monument Sign**

Location: High Pines Drive entrance

Funded?: Yes.

History:

Evaluation: Good, legible condition with no significant damage/deterioration noted. Funding allowance here can vary significantly depending on style/type desired. Inspect regularly, clean for appearance and repair as needed from general Operating funds. Best to plan for regular intervals of complete replacement at the time frame indicated below, to maintain functionality and a quality appearance as located in highly exposed areas. When replacement pieces are being evaluated, the association should place additional value on materials that require less maintenance, such as metal, stone, or a composite material.

Useful Life:
30 yearsRemaining Life:
15 yearsBest Case: \$ 3,000
Lower allowanceWorst Case: \$ 5,000
Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History