



Update "With-Site-Visit" Reserve Study



Conservatory Metropolitan District Aurora, CO

Report #: 36726-0

For Period Beginning: January 1, 2020

Expires: December 31, 2020

Date Prepared: October 24, 2019



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:

303-394-9181



Table of Contents

3-Minute Executive Summary	1
Reserve Study Summary	1
Executive Summary (Component List)	2
Introduction, Objectives, and Methodology	3
Which Physical Assets are Funded by Reserves?	4
How do we establish Useful Life and Remaining Useful Life estimates?	4
How do we establish Current Repair/Replacement Cost Estimates?	4
How much Reserves are enough?	5
How much should we contribute?	6
What is our Recommended Funding Goal?	6
Site Inspection Notes	7
Projected Expenses	8
Annual Reserve Expenses Graph	8
Reserve Fund Status & Recommended Funding Plan	9
Annual Reserve Funding Graph	9
30-Yr Cash Flow Graph	10
Percent Funded Graph	10
Table Descriptions	11
Reserve Component List Detail	12
Fully Funded Balance	13
Component Significance	14
30-Year Reserve Plan Summary	15
30-Year Income/Expense Detail	16
Accuracy, Limitations, and Disclosures	22
Terms and Definitions	23
Component Details	24
Sites & Grounds	25
Mechanical	36
Amenities	38

3- Minute Executive Summary

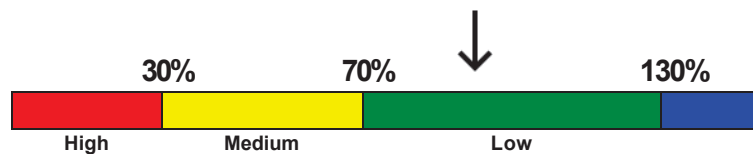
Association: Conservatory Metropolitan District
 Location: Aurora, CO
 Report Period: January 1, 2020 through December 31, 2020

Assoc. #: 36726-0
 # of Units: 1,100

Findings/Recommendations as-of: January 1, 2020

Projected Starting Reserve Balance	\$294,000
Current Fully Funded Reserve Balance	\$312,747
Percent Funded	94.0 %
Recommended 2020 Annual "Fully Funding" Contributions	\$90,000
Alternate/Baseline Annual Minimum Contributions to Keep Reserves Above \$0 ..	\$77,000
Recommended 2020 Special Assessments for Reserves	\$0
Most Recent Annual Reserve Contribution Rate	\$245,000

Reserves % Funded: 94.0%



Special Assessment Risk:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves1.25 %
 Annual Inflation Rate3.00 %

- This is an Update "With-Site-Visit" Reserve Study, based on a prior Reserve Study for your 2013 Fiscal Year. We performed the site inspection on 8/6/2019.
- The Reserve Study was reviewed by a credentialed Reserve Specialist (RS #260).
- Your Reserve Fund is currently 94.0 % Funded. This means the client'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 budget the Annual Reserve contributions at \$90,000 with 2.5% annual increases 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.
- No assets appropriate for Reserve designation were excluded. See photo appendix for component details; the basis of our assumptions.
- We recommend that this Reserve Study be updated annually, with a With-Site-Visit Reserve Study every three years. Research has found that clients who update their Reserve Study annually with a No-Site-Visit Reserve Study reduce their risk of special assessment by ~ 35%.
- A sample 'How to Read a Reserve Study' video tutorial can be found by following this link - tiny.cc/reservestudy

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Sites & Grounds				
21310	Site Rail: Metal - Replace (Ph 1)	30	24	\$167,900
21310	Site Rail: Metal - Replace (Ph 2)	30	25	\$167,900
21310	Site Rail: Metal - Replace (Ph 3)	30	26	\$167,900
21310	Site Rail: Metal - Replace (Ph 4)	30	27	\$167,900
21360	Site Fencing: Prarie Life - Replace	30	28	\$109,750
21430	Mail Structures-- Repair/Replace	30	14	\$36,750
21610	Minor Monument - Refurbish/Replace	5	0	\$64,900
21610	North Entry Monument - Refurbish	20	0	\$40,000
21610	Sculpture Garden - Refurbish	30	28	\$23,600
21610	South Entry Monument - Refurbish	20	19	\$80,000
21690	Outdoor/Site Furnishings - Replace	30	14	\$22,700
21950	Landscaping - Refurbish	3	1	\$20,000
Mechainical				
25570	Irrigation Clocks - Replace	15	13	\$180,000
25600	Backflow/Taps - Replace	30	14	\$26,300
Amenities				
26030	Playground Cover - Refill/Replace	10	8	\$5,750
26050	Playground Equipment - Replace	25	20	\$50,000

16 Total Funded Components

Note 1: 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



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



RESERVE COMPONENT "FOUR-PART TEST"

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.



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?



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.*



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 8/6/2019 we visually inspected the common area assets and 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 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.

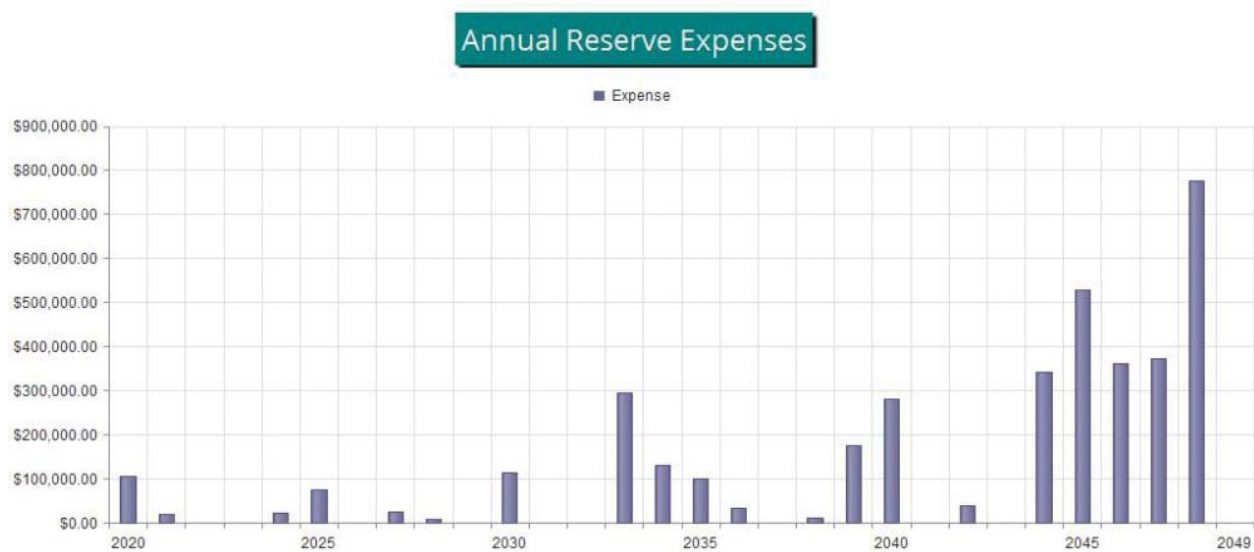


Figure 1

Reserve Fund Status

As of 1/1/2020 your Reserve Fund balance is projected to be \$294,000 and your Fully Funded Balance is computed to be \$312,747 (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 94.0 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending Annual budgeted contributions of \$90,000. 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.

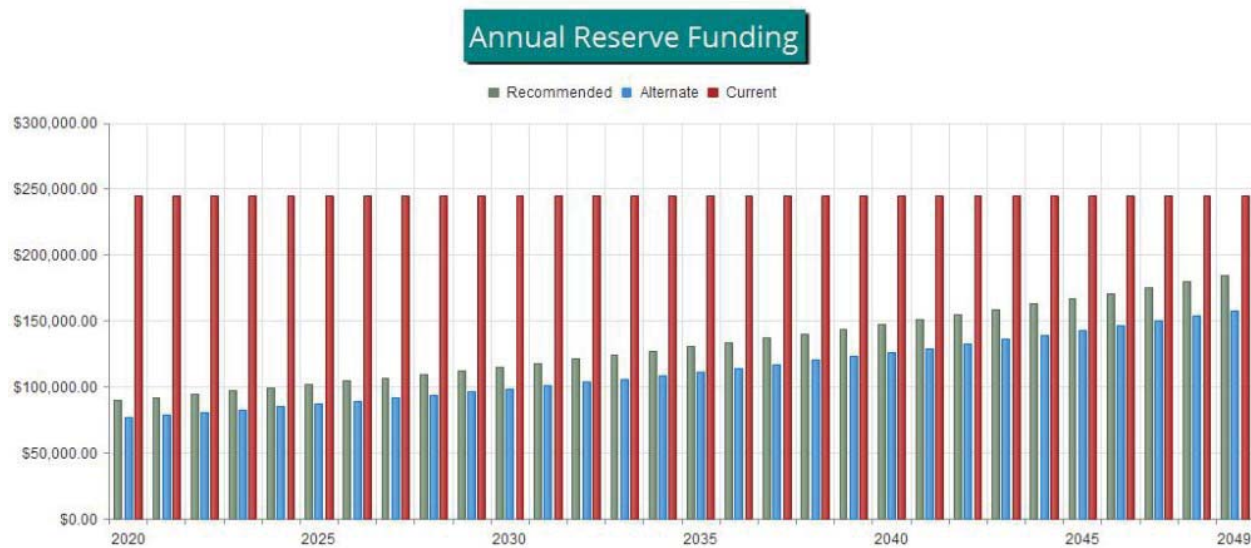


Figure 2

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.

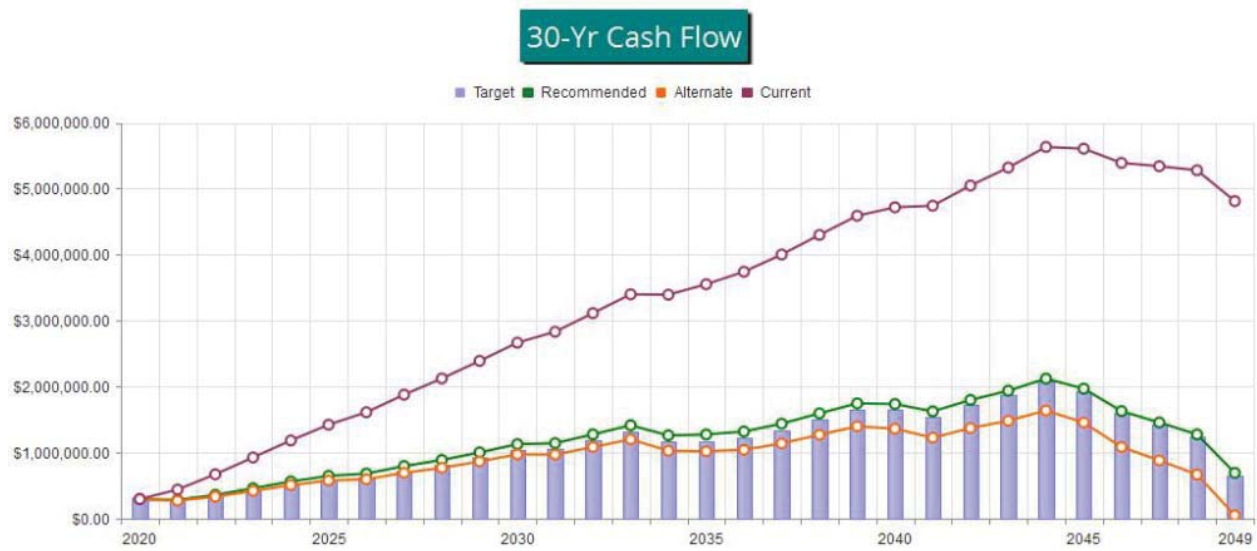


Figure 3

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. A client that has a percent funded level of <30% may experience an ~ 20%-60% chance risk of special assessment. A client that is between 30% and 70% may experience an ~ 20%-5% chance risk of special assessment. A client that has a percent funded of >70% may experience an ~ <1% chance risk of special assessment.

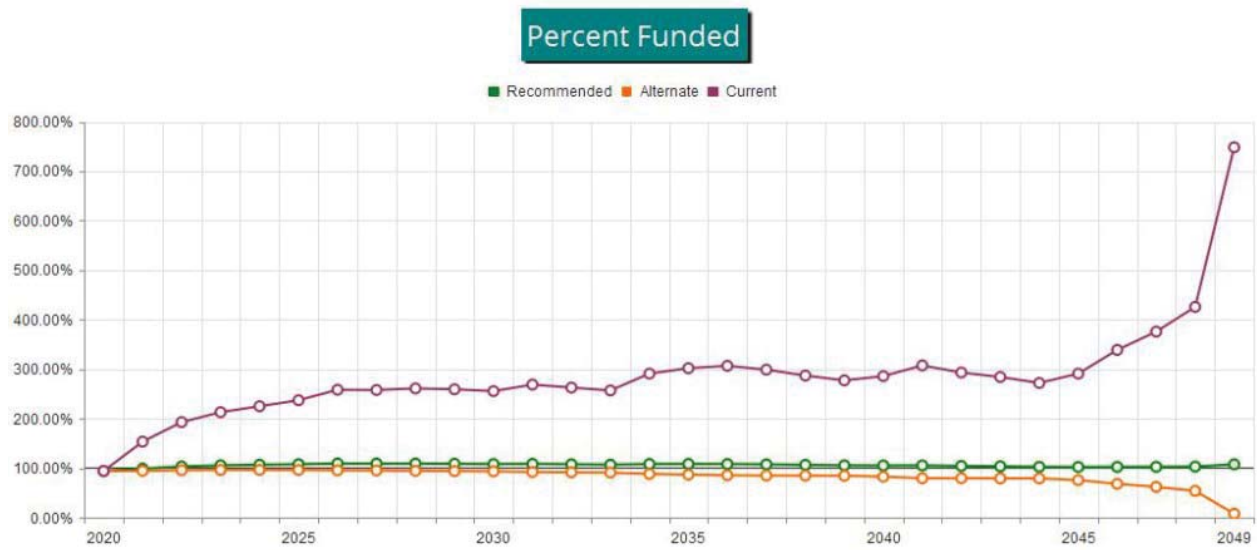


Figure 4

Table Descriptions

Executive Summary is a summary of your Reserve Components

Reserve 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 property 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 property, 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.

30-Yr Reserve Plan 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.

30-Year Income/Expense 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

36726-0
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#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate	
					Best Case	Worst Case
Sites & Grounds						
21310	Site Rail: Metal - Replace (Ph 1)	~ 4200 LF	30	24	\$146,900	\$188,900
21310	Site Rail: Metal - Replace (Ph 2)	~ 4200 LF	30	25	\$146,900	\$188,900
21310	Site Rail: Metal - Replace (Ph 3)	~ 4200 LF	30	26	\$146,900	\$188,900
21310	Site Rail: Metal - Replace (Ph 4)	~ 4200 LF	30	27	\$146,900	\$188,900
21360	Site Fencing: Prarie Life - Replace	~ 10600 LF	30	28	\$100,200	\$119,300
21430	Mail Structures– Repair/Replace	~ (26) Structures	30	14	\$31,500	\$42,000
21610	Minor Monument - Refurbish/Replace	~ (11) Monuments	5	0	\$55,000	\$74,800
21610	North Entry Monument - Refurbish	~ (1) Monument	20	0	\$32,000	\$48,000
21610	Sculpture Garden - Refurbish	~ (4) Monument	30	28	\$20,000	\$27,200
21610	South Entry Monument - Refurbish	~ (2) Monument	20	19	\$64,000	\$96,000
21690	Outdoor/Site Furnishings - Replace	~ (20) Pieces	30	14	\$18,800	\$26,600
21950	Landscaping - Refurbish	Numerous GSF	3	1	\$18,000	\$22,000
Mechainical						
25570	Irrigation Clocks - Replace	~ (7) Controllers	15	13	\$160,000	\$200,000
25600	Backflow/Taps - Replace	~ (7) Devices	30	14	\$24,900	\$27,700
Amenities						
26030	Playground Cover - Refill/Replace	~ 1400 GSF	10	8	\$5,400	\$6,100
26050	Playground Equipment - Replace	~ (1) Pieces	25	20	\$40,000	\$60,000
16 Total Funded Components						

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Sites & Grounds								
21310	Site Rail: Metal - Replace (Ph 1)	\$167,900	X	6	/	30	=	\$33,580
21310	Site Rail: Metal - Replace (Ph 2)	\$167,900	X	5	/	30	=	\$27,983
21310	Site Rail: Metal - Replace (Ph 3)	\$167,900	X	4	/	30	=	\$22,387
21310	Site Rail: Metal - Replace (Ph 4)	\$167,900	X	3	/	30	=	\$16,790
21360	Site Fencing: Prairie Life - Replace	\$109,750	X	2	/	30	=	\$7,317
21430	Mail Structures— Repair/Replace	\$36,750	X	16	/	30	=	\$19,600
21610	Minor Monument - Refurbish/Replace	\$64,900	X	5	/	5	=	\$64,900
21610	North Entry Monument - Refurbish	\$40,000	X	20	/	20	=	\$40,000
21610	Sculpture Garden - Refurbish	\$23,600	X	2	/	30	=	\$1,573
21610	South Entry Monument - Refurbish	\$80,000	X	1	/	20	=	\$4,000
21690	Outdoor/Site Furnishings - Replace	\$22,700	X	16	/	30	=	\$12,107
21950	Landscaping - Refurbish	\$20,000	X	2	/	3	=	\$13,333
Mechanical								
25570	Irrigation Clocks - Replace	\$180,000	X	2	/	15	=	\$24,000
25600	Backflow/Taps - Replace	\$26,300	X	16	/	30	=	\$14,027
Amenities								
26030	Playground Cover - Refill/Replace	\$5,750	X	2	/	10	=	\$1,150
26050	Playground Equipment - Replace	\$50,000	X	5	/	25	=	\$10,000
								\$312,747

Component Significance

36726-0
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#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
Sites & Grounds					
21310	Site Rail: Metal - Replace (Ph 1)	30	\$167,900	\$5,597	8.01 %
21310	Site Rail: Metal - Replace (Ph 2)	30	\$167,900	\$5,597	8.01 %
21310	Site Rail: Metal - Replace (Ph 3)	30	\$167,900	\$5,597	8.01 %
21310	Site Rail: Metal - Replace (Ph 4)	30	\$167,900	\$5,597	8.01 %
21360	Site Fencing: Prairie Life - Replace	30	\$109,750	\$3,658	5.23 %
21430	Mail Structures-- Repair/Replace	30	\$36,750	\$1,225	1.75 %
21610	Minor Monument - Refurbish/Replace	5	\$64,900	\$12,980	18.57 %
21610	North Entry Monument - Refurbish	20	\$40,000	\$2,000	2.86 %
21610	Sculpture Garden - Refurbish	30	\$23,600	\$787	1.13 %
21610	South Entry Monument - Refurbish	20	\$80,000	\$4,000	5.72 %
21690	Outdoor/Site Furnishings - Replace	30	\$22,700	\$757	1.08 %
21950	Landscaping - Refurbish	3	\$20,000	\$6,667	9.54 %
Mechanical					
25570	Irrigation Clocks - Replace	15	\$180,000	\$12,000	17.16 %
25600	Backflow/Taps - Replace	30	\$26,300	\$877	1.25 %
Amenities					
26030	Playground Cover - Refill/Replace	10	\$5,750	\$575	0.82 %
26050	Playground Equipment - Replace	25	\$50,000	\$2,000	2.86 %
16	Total Funded Components			\$69,912	100.00 %

30-Year Reserve Plan Summary

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Fiscal Year Start: 2020	Interest: 1.25 %	Inflation: 3.00 %
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)	Projected Reserve Balance Changes	

	% Increase									
	Starting	Fully			Special	In Annual		Loan or		
Year	Reserve	Funded	Percent		Assmt	Reserve	Reserve	Special	Interest	Reserve
	Balance	Balance	Funded		Risk	Contribs.	Contribs.	Assmts	Income	Expenses
2020	\$294,000	\$312,747	94.0 %	<div></div>	Low	-63.27 %	\$90,000	\$0	\$3,602	\$104,900
2021	\$282,702	\$286,091	98.8 %	<div></div>	Low	2.50 %	\$92,250	\$0	\$4,004	\$20,600
2022	\$358,357	\$347,625	103.1 %	<div></div>	Low	2.50 %	\$94,556	\$0	\$5,100	\$0
2023	\$458,013	\$434,448	105.4 %	<div></div>	Low	2.50 %	\$96,920	\$0	\$6,367	\$0
2024	\$561,300	\$526,168	106.7 %	<div></div>	Low	2.50 %	\$99,343	\$0	\$7,540	\$22,510
2025	\$645,673	\$599,814	107.6 %	<div></div>	Low	2.50 %	\$101,827	\$0	\$8,284	\$75,237
2026	\$680,547	\$623,793	109.1 %	<div></div>	Low	2.50 %	\$104,372	\$0	\$9,212	\$0
2027	\$794,131	\$728,489	109.0 %	<div></div>	Low	2.50 %	\$106,982	\$0	\$10,502	\$24,597
2028	\$887,017	\$813,570	109.0 %	<div></div>	Low	2.50 %	\$109,656	\$0	\$11,795	\$7,284
2029	\$1,001,184	\$921,694	108.6 %	<div></div>	Low	2.50 %	\$112,398	\$0	\$13,293	\$0
2030	\$1,126,875	\$1,043,300	108.0 %	<div></div>	Low	2.50 %	\$115,208	\$0	\$14,174	\$114,099
2031	\$1,142,158	\$1,053,852	108.4 %	<div></div>	Low	2.50 %	\$118,088	\$0	\$15,101	\$0
2032	\$1,275,348	\$1,185,145	107.6 %	<div></div>	Low	2.50 %	\$121,040	\$0	\$16,794	\$0
2033	\$1,413,182	\$1,323,367	106.8 %	<div></div>	Low	2.50 %	\$124,066	\$0	\$16,700	\$293,707
2034	\$1,260,241	\$1,166,297	108.1 %	<div></div>	Low	2.50 %	\$127,168	\$0	\$15,828	\$129,705
2035	\$1,273,532	\$1,176,611	108.2 %	<div></div>	Low	2.50 %	\$130,347	\$0	\$16,194	\$101,112
2036	\$1,318,961	\$1,219,951	108.1 %	<div></div>	Low	2.50 %	\$133,606	\$0	\$17,220	\$32,094
2037	\$1,437,692	\$1,339,046	107.4 %	<div></div>	Low	2.50 %	\$136,946	\$0	\$18,935	\$0
2038	\$1,593,573	\$1,498,238	106.4 %	<div></div>	Low	2.50 %	\$140,369	\$0	\$20,855	\$9,789
2039	\$1,745,009	\$1,655,693	105.4 %	<div></div>	Low	2.50 %	\$143,879	\$0	\$21,740	\$175,351
2040	\$1,735,277	\$1,651,020	105.1 %	<div></div>	Low	2.50 %	\$147,475	\$0	\$20,984	\$279,767
2041	\$1,623,970	\$1,542,448	105.3 %	<div></div>	Low	2.50 %	\$151,162	\$0	\$21,367	\$0
2042	\$1,796,498	\$1,722,679	104.3 %	<div></div>	Low	2.50 %	\$154,941	\$0	\$23,318	\$38,322
2043	\$1,936,436	\$1,872,865	103.4 %	<div></div>	Low	2.50 %	\$158,815	\$0	\$25,343	\$0
2044	\$2,120,594	\$2,071,166	102.4 %	<div></div>	Low	2.50 %	\$162,785	\$0	\$25,538	\$341,306
2045	\$1,967,611	\$1,928,136	102.0 %	<div></div>	Low	2.50 %	\$166,855	\$0	\$22,458	\$529,307
2046	\$1,627,617	\$1,591,564	102.3 %	<div></div>	Low	2.50 %	\$171,026	\$0	\$19,261	\$362,092
2047	\$1,455,813	\$1,421,651	102.4 %	<div></div>	Low	2.50 %	\$175,302	\$0	\$17,060	\$372,954
2048	\$1,275,220	\$1,240,110	102.8 %	<div></div>	Low	2.50 %	\$179,685	\$0	\$12,285	\$775,836
2049	\$691,353	\$642,954	107.5 %	<div></div>	Low	2.50 %	\$184,177	\$0	\$9,849	\$0

30-Year Income/Expense Detail

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Fiscal Year	2020	2021	2022	2023	2024
Starting Reserve Balance	\$294,000	\$282,702	\$358,357	\$458,013	\$561,300
Annual Reserve Contribution	\$90,000	\$92,250	\$94,556	\$96,920	\$99,343
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,602	\$4,004	\$5,100	\$6,367	\$7,540
Total Income	\$387,602	\$378,957	\$458,013	\$561,300	\$668,183
# Component					
Sites & Grounds					
21310 Site Rail: Metal - Replace (Ph 1)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 2)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 3)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 4)	\$0	\$0	\$0	\$0	\$0
21360 Site Fencing: Prairie Life - Replace	\$0	\$0	\$0	\$0	\$0
21430 Mail Structures- Repair/Replace	\$0	\$0	\$0	\$0	\$0
21610 Minor Monument - Refurbish/Replace	\$64,900	\$0	\$0	\$0	\$0
21610 North Entry Monument - Refurbish	\$40,000	\$0	\$0	\$0	\$0
21610 Sculpture Garden - Refurbish	\$0	\$0	\$0	\$0	\$0
21610 South Entry Monument - Refurbish	\$0	\$0	\$0	\$0	\$0
21690 Outdoor/Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$0
21950 Landscaping - Refurbish	\$0	\$20,600	\$0	\$0	\$22,510
Mechanical					
25570 Irrigation Clocks - Replace	\$0	\$0	\$0	\$0	\$0
25600 Backflow/Taps - Replace	\$0	\$0	\$0	\$0	\$0
Amenities					
26030 Playground Cover - Refill/Replace	\$0	\$0	\$0	\$0	\$0
26050 Playground Equipment - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$104,900	\$20,600	\$0	\$0	\$22,510
Ending Reserve Balance	\$282,702	\$358,357	\$458,013	\$561,300	\$645,673

Fiscal Year	2025	2026	2027	2028	2029
Starting Reserve Balance	\$645,673	\$680,547	\$794,131	\$887,017	\$1,001,184
Annual Reserve Contribution	\$101,827	\$104,372	\$106,982	\$109,656	\$112,398
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$8,284	\$9,212	\$10,502	\$11,795	\$13,293
Total Income	\$755,784	\$794,131	\$911,615	\$1,008,468	\$1,126,875
# Component					
Sites & Grounds					
21310 Site Rail: Metal - Replace (Ph 1)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 2)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 3)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 4)	\$0	\$0	\$0	\$0	\$0
21360 Site Fencing: Prairie Life - Replace	\$0	\$0	\$0	\$0	\$0
21430 Mail Structures-- Repair/Replace	\$0	\$0	\$0	\$0	\$0
21610 Minor Monument - Refurbish/Replace	\$75,237	\$0	\$0	\$0	\$0
21610 North Entry Monument - Refurbish	\$0	\$0	\$0	\$0	\$0
21610 Sculpture Garden - Refurbish	\$0	\$0	\$0	\$0	\$0
21610 South Entry Monument - Refurbish	\$0	\$0	\$0	\$0	\$0
21690 Outdoor/Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$0
21950 Landscaping - Refurbish	\$0	\$0	\$24,597	\$0	\$0
Mechanical					
25570 Irrigation Clocks - Replace	\$0	\$0	\$0	\$0	\$0
25600 Backflow/Taps - Replace	\$0	\$0	\$0	\$0	\$0
Amenities					
26030 Playground Cover - Refill/Replace	\$0	\$0	\$0	\$7,284	\$0
26050 Playground Equipment - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$75,237	\$0	\$24,597	\$7,284	\$0
Ending Reserve Balance	\$680,547	\$794,131	\$887,017	\$1,001,184	\$1,126,875

Fiscal Year	2030	2031	2032	2033	2034
Starting Reserve Balance	\$1,126,875	\$1,142,158	\$1,275,348	\$1,413,182	\$1,260,241
Annual Reserve Contribution	\$115,208	\$118,088	\$121,040	\$124,066	\$127,168
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$14,174	\$15,101	\$16,794	\$16,700	\$15,828
Total Income	\$1,256,257	\$1,275,348	\$1,413,182	\$1,553,948	\$1,403,236
# Component					
Sites & Grounds					
21310 Site Rail: Metal - Replace (Ph 1)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 2)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 3)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 4)	\$0	\$0	\$0	\$0	\$0
21360 Site Fencing: Prairie Life - Replace	\$0	\$0	\$0	\$0	\$0
21430 Mail Structures-- Repair/Replace	\$0	\$0	\$0	\$0	\$55,588
21610 Minor Monument - Refurbish/Replace	\$87,220	\$0	\$0	\$0	\$0
21610 North Entry Monument - Refurbish	\$0	\$0	\$0	\$0	\$0
21610 Sculpture Garden - Refurbish	\$0	\$0	\$0	\$0	\$0
21610 South Entry Monument - Refurbish	\$0	\$0	\$0	\$0	\$0
21690 Outdoor/Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$34,336
21950 Landscaping - Refurbish	\$26,878	\$0	\$0	\$29,371	\$0
Mechanical					
25570 Irrigation Clocks - Replace	\$0	\$0	\$0	\$264,336	\$0
25600 Backflow/Taps - Replace	\$0	\$0	\$0	\$0	\$39,781
Amenities					
26030 Playground Cover - Refill/Replace	\$0	\$0	\$0	\$0	\$0
26050 Playground Equipment - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$114,099	\$0	\$0	\$293,707	\$129,705
Ending Reserve Balance	\$1,142,158	\$1,275,348	\$1,413,182	\$1,260,241	\$1,273,532

Fiscal Year	2035	2036	2037	2038	2039
Starting Reserve Balance	\$1,273,532	\$1,318,961	\$1,437,692	\$1,593,573	\$1,745,009
Annual Reserve Contribution	\$130,347	\$133,606	\$136,946	\$140,369	\$143,879
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$16,194	\$17,220	\$18,935	\$20,855	\$21,740
Total Income	\$1,420,073	\$1,469,786	\$1,593,573	\$1,754,798	\$1,910,627
# Component					
Sites & Grounds					
21310 Site Rail: Metal - Replace (Ph 1)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 2)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 3)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 4)	\$0	\$0	\$0	\$0	\$0
21360 Site Fencing: Prairie Life - Replace	\$0	\$0	\$0	\$0	\$0
21430 Mail Structures-- Repair/Replace	\$0	\$0	\$0	\$0	\$0
21610 Minor Monument - Refurbish/Replace	\$101,112	\$0	\$0	\$0	\$0
21610 North Entry Monument - Refurbish	\$0	\$0	\$0	\$0	\$0
21610 Sculpture Garden - Refurbish	\$0	\$0	\$0	\$0	\$0
21610 South Entry Monument - Refurbish	\$0	\$0	\$0	\$0	\$140,280
21690 Outdoor/Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$0
21950 Landscaping - Refurbish	\$0	\$32,094	\$0	\$0	\$35,070
Mechanical					
25570 Irrigation Clocks - Replace	\$0	\$0	\$0	\$0	\$0
25600 Backflow/Taps - Replace	\$0	\$0	\$0	\$0	\$0
Amenities					
26030 Playground Cover - Refill/Replace	\$0	\$0	\$0	\$9,789	\$0
26050 Playground Equipment - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$101,112	\$32,094	\$0	\$9,789	\$175,351
Ending Reserve Balance	\$1,318,961	\$1,437,692	\$1,593,573	\$1,745,009	\$1,735,277

Fiscal Year	2040	2041	2042	2043	2044
Starting Reserve Balance	\$1,735,277	\$1,623,970	\$1,796,498	\$1,936,436	\$2,120,594
Annual Reserve Contribution	\$147,475	\$151,162	\$154,941	\$158,815	\$162,785
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$20,984	\$21,367	\$23,318	\$25,343	\$25,538
Total Income	\$1,903,736	\$1,796,498	\$1,974,758	\$2,120,594	\$2,308,917
# Component					
Sites & Grounds					
21310 Site Rail: Metal - Replace (Ph 1)	\$0	\$0	\$0	\$0	\$341,306
21310 Site Rail: Metal - Replace (Ph 2)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 3)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 4)	\$0	\$0	\$0	\$0	\$0
21360 Site Fencing: Prairie Life - Replace	\$0	\$0	\$0	\$0	\$0
21430 Mail Structures-- Repair/Replace	\$0	\$0	\$0	\$0	\$0
21610 Minor Monument - Refurbish/Replace	\$117,217	\$0	\$0	\$0	\$0
21610 North Entry Monument - Refurbish	\$72,244	\$0	\$0	\$0	\$0
21610 Sculpture Garden - Refurbish	\$0	\$0	\$0	\$0	\$0
21610 South Entry Monument - Refurbish	\$0	\$0	\$0	\$0	\$0
21690 Outdoor/Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$0
21950 Landscaping - Refurbish	\$0	\$0	\$38,322	\$0	\$0
Mechanical					
25570 Irrigation Clocks - Replace	\$0	\$0	\$0	\$0	\$0
25600 Backflow/Taps - Replace	\$0	\$0	\$0	\$0	\$0
Amenities					
26030 Playground Cover - Refill/Replace	\$0	\$0	\$0	\$0	\$0
26050 Playground Equipment - Replace	\$90,306	\$0	\$0	\$0	\$0
Total Expenses	\$279,767	\$0	\$38,322	\$0	\$341,306
Ending Reserve Balance	\$1,623,970	\$1,796,498	\$1,936,436	\$2,120,594	\$1,967,611

Fiscal Year	2045	2046	2047	2048	2049
Starting Reserve Balance	\$1,967,611	\$1,627,617	\$1,455,813	\$1,275,220	\$691,353
Annual Reserve Contribution	\$166,855	\$171,026	\$175,302	\$179,685	\$184,177
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$22,458	\$19,261	\$17,060	\$12,285	\$9,849
Total Income	\$2,156,924	\$1,817,905	\$1,648,175	\$1,467,189	\$885,379
# Component					
Sites & Grounds					
21310 Site Rail: Metal - Replace (Ph 1)	\$0	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 2)	\$351,545	\$0	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 3)	\$0	\$362,092	\$0	\$0	\$0
21310 Site Rail: Metal - Replace (Ph 4)	\$0	\$0	\$372,954	\$0	\$0
21360 Site Fencing: Prairie Life - Replace	\$0	\$0	\$0	\$251,100	\$0
21430 Mail Structures- Repair/Replace	\$0	\$0	\$0	\$0	\$0
21610 Minor Monument - Refurbish/Replace	\$135,886	\$0	\$0	\$0	\$0
21610 North Entry Monument - Refurbish	\$0	\$0	\$0	\$0	\$0
21610 Sculpture Garden - Refurbish	\$0	\$0	\$0	\$53,995	\$0
21610 South Entry Monument - Refurbish	\$0	\$0	\$0	\$0	\$0
21690 Outdoor/Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$0
21950 Landscaping - Refurbish	\$41,876	\$0	\$0	\$45,759	\$0
Mechanical					
25570 Irrigation Clocks - Replace	\$0	\$0	\$0	\$411,827	\$0
25600 Backflow/Taps - Replace	\$0	\$0	\$0	\$0	\$0
Amenities					
26030 Playground Cover - Refill/Replace	\$0	\$0	\$0	\$13,156	\$0
26050 Playground Equipment - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$529,307	\$362,092	\$372,954	\$775,836	\$0
Ending Reserve Balance	\$1,627,617	\$1,455,813	\$1,275,220	\$691,353	\$885,379

Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Bryan Farley, R.S., president of the Colorado LLC, is a credentialed Reserve Specialist (#260). All work done by Association Reserves is performed under his Responsible Charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

Per NRSS, information provided by official representative(s) of the client, vendors, and suppliers regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable, and is not intended to be used for the purpose of any type of audit, quality/forensic analysis, or background checks of historical records. As such, information provided to us has not been audited or independently verified.

Estimates for interest and inflation have been included, because including such estimates are more accurate than ignoring them completely. When we are hired to prepare Update reports, the client is considered to have deemed those previously developed component quantities as accurate and reliable, whether established by our firm or other individuals/firms (unless specifically mentioned in our Site Inspection Notes). During inspections our company standard is to establish measurements within 5% accuracy, and our scope includes visual inspection of accessible areas and components and does not include any destructive or other testing. Our work is done only for budget purposes. Uses or expectations outside our expertise and scope of work include, but are not limited to, project audit, quality inspection, and the identification of construction defects, hazardous materials, or dangerous conditions. Identifying hidden issues such as but not limited to plumbing or electrical problems are also outside our scope of work. Our estimates assume proper original installation & construction, adherence to recommended preventive maintenance, a stable economic environment, and do not consider frequency or severity of natural disasters. Our opinions of component Useful Life, Remaining Useful Life, and current or future cost estimates are not a warranty or guarantee of actual costs or timing.

Because the physical and financial status of the property, legislation, the economy, weather, owner expectations, and usage are all in a continual state of change over which we have no control, we do not expect that the events projected in this document will all occur exactly as planned. This Reserve Study is by nature a "one-year" document in need of being updated annually so that more accurate estimates can be incorporated. It is only because a long-term perspective improves the accuracy of near-term planning that this Report projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of expense projections and the funding necessary to prepare for those estimated expenses.

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 the "30-yr Income/Expense Detail" table.
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

The primary purpose of the photographic appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The photographs herein represent a wide range of elements that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding:

- 1) Common are maintenance, repair & replacement reasonability
- 2) Components must have a limited life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of annual operating expenses).

Some components are recommended for reserve funding, while others are not. The components that meet these criteria in our judgment are shown with corresponding maintenance, repair or replacement cycles to the left of the photo (UL = Useful Life or how often the project is expected to occur, RUL = Remaining Useful Life or how many years from our reporting period) and a representative market cost range termed “Best Cost” and “Worst Cost” below the photo. There are many factors that can result in a wide variety of potential cost; we are attempting to represent a market average for budget purposes. Where there is no UL, the component is expected to be a one-time expense. Where no pricing, the component deemed inappropriate for Reserve Funding.

Sites & Grounds

Comp #: 21100 Trickle Channel Pond 6 - Repair**Quantity: System**

Location: Common Areas

Funded?: No.

History:

Comments: No access to inspect in-ground drainage infrastructure. Annual preventive maintenance work is typically performed as part of a client's general maintenance/operating fund. Under normal circumstances site drainage components are constructed of very durable materials which should have a very long useful life (often assumed to be 50 years or more). Repairs may occasionally be required but timing and scope of work is too unpredictable for Reserve funding in accordance with National Reserve Study Standards. If there are specific known concerns with drainage system we recommend further investigation using cameras or other means to document and identify conditions. Some clients consult with civil and/or geotechnical engineers in order to develop scopes of work for repair/replacement. If more comprehensive analysis becomes available findings should be incorporated into Reserve Study updates as appropriate.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 21310 Site Rail: Metal - Replace (Ph 1)**Quantity: ~ 4200 LF**

Location: Common Areas

Funded?: Yes.

History:

Comments: Metal railing determined to be in fair condition typically exhibits some minor to moderate amounts of surface wear and other signs of age which may include corrosion loose or unstable pieces/sections or hardware and/or overgrowth by surrounding vegetation. Overall appears to be in serviceable but declining condition. In our experience metal fencing will typically eventually break down due to a combination of sun and weather exposure which is sometimes exacerbated by other factors such as irrigation overspray abuse and lack of preventive maintenance. For some types of fencing complete replacement is advisable over recoating or refinishing due to relatively short lifespan of coatings and consideration of total life-cycle cost.

Useful Life:
30 years

Remaining Life:
24 years



Best Case: \$ 146,900

Worst Case: \$ 188,900

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21310 Site Rail: Metal - Replace (Ph 2)**Quantity: ~ 4200 LF**

Location: Common Areas

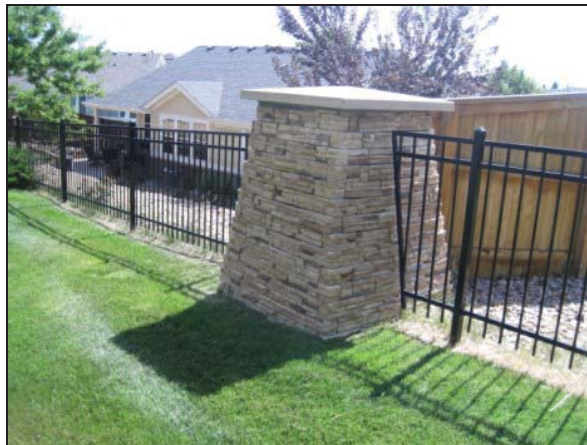
Funded?: Yes.

History:

Comments: Metal railing determined to be in fair condition typically exhibits some minor to moderate amounts of surface wear and other signs of age which may include corrosion loose or unstable pieces/sections or hardware and/or overgrowth by surrounding vegetation. Overall appears to be in serviceable but declining condition. In our experience metal fencing will typically eventually break down due to a combination of sun and weather exposure which is sometimes exacerbated by other factors such as irrigation overspray abuse and lack of preventive maintenance. For some types of fencing complete replacement is advisable over recoating or refinishing due to relatively short lifespan of coatings and consideration of total life-cycle cost.

Useful Life:
30 years

Remaining Life:
25 years



Best Case: \$ 146,900

Worst Case: \$ 188,900

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21310 Site Rail: Metal - Replace (Ph 3)**Quantity: ~ 4200 LF**

Location: Common Areas

Funded?: Yes.

History:

Comments: Metal railing determined to be in fair condition typically exhibits some minor to moderate amounts of surface wear and other signs of age which may include corrosion loose or unstable pieces/sections or hardware and/or overgrowth by surrounding vegetation. Overall appears to be in serviceable but declining condition. In our experience metal fencing will typically eventually break down due to a combination of sun and weather exposure which is sometimes exacerbated by other factors such as irrigation overspray abuse and lack of preventive maintenance. For some types of fencing complete replacement is advisable over recoating or refinishing due to relatively short lifespan of coatings and consideration of total life-cycle cost.

Useful Life:
30 years

Remaining Life:
26 years



Best Case: \$ 146,900

Worst Case: \$ 188,900

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21310 Site Rail: Metal - Replace (Ph 4)**Quantity: ~ 4200 LF**

Location: Common Areas

Funded?: Yes.

History:

Comments: Metal railing determined to be in fair condition typically exhibits some minor to moderate amounts of surface wear and other signs of age which may include corrosion loose or unstable pieces/sections or hardware and/or overgrowth by surrounding vegetation. Overall appears to be in serviceable but declining condition. In our experience metal fencing will typically eventually break down due to a combination of sun and weather exposure which is sometimes exacerbated by other factors such as irrigation overspray abuse and lack of preventive maintenance. For some types of fencing complete replacement is advisable over recoating or refinishing due to relatively short lifespan of coatings and consideration of total life-cycle cost.

Useful Life:
30 years

Remaining Life:
27 years



Best Case: \$ 146,900

Worst Case: \$ 188,900

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21360 Site Fencing: Prarie Life - Replace**Quantity: ~ 10600 LF**

Location: Common Areas

Funded?: Yes.

History:

Comments: Prarie dog fencing determined to be in good condition typically exhibit tights and stable upright posts. Inspect regularly clean and repair locally as needed as part of general maintenance/Operating funds. Assuming ordinary care and maintenance plan to replace this fence as shown below.

Useful Life:
30 years

Remaining Life:
28 years



Best Case: \$ 100,200

Worst Case: \$ 119,300

Cost Source: Client Cost History

Comp #: 21390 Perimeter Walls – Repair**Quantity: ~ 4300 LF**

Location: Common Areas

Funded?: No.

History:

Comments: Includes (413) columns, 3,892 LF of Faux wall. At this time costs related to this component are expected to be included in the client's Operating budget. No recommendation for Reserve funding at this time. However any repair and maintenance or other related expenditures should be tracked and this component should be re-evaluated during future Reserve Study updates based on most recent information and data available at that time. If deemed appropriate for Reserve funding component can be included in the funding plan at that time.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 21400 Retaining Walls – Repair/Replace**Quantity: ~ 8000 LF**

Location: Common Areas

Funded?: No.

History:

Comments: 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 client history.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 21430 Mail Structures– Repair/Replace**Quantity: ~ (26) Structures**

Location: Common Areas

Funded?: Yes.

History:

Comments: Pergola structures determined to be in fair condition typically exhibit more wear and tear possibly including some warped split and/or deteriorated components. Framework/structure should still be sturdy but may have sections showing minor leaning or damage.

Useful Life:
30 yearsRemaining Life:
14 years

Best Case: \$ 31,500

Worst Case: \$ 42,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21610 Minor Monument - Refurbish/Replace**Quantity: ~ (11) Monuments**

Location: Common Areas

Funded?: Yes.

History:

Comments: Monument signage determined to be in fair condition typically exhibits acceptable appearance and aesthetics in keeping with local area but with more weathering and wear showing on surfaces. If present landscaping and lighting are still in serviceable condition. At this stage signage may be becoming more dated and diminishing in appeal. As routine maintenance inspect regularly clean/touch-up and repair as an Operating expense. Plan to refurbish or replace at the interval below. Timing and scope of refurbishing or replacement projects is subjective but should always be scheduled in order to maintain good curb appeal. In our experience most clients choose to refurbish or replace signage periodically in order to maintain good appearance and aesthetics in keeping with local area often before signage is in poor physical condition. If present concrete walls are expected to be painted and repaired as part of refurbishing but not fully replaced unless otherwise noted. Costs can vary significantly depending on style/type desired and may include additional costs for design work landscaping lighting water features etc. Reserve Study updates should incorporate any estimates or information collected regarding potential projects.

Useful Life:

5 years

Remaining Life:

0 years



Best Case: \$ 55,000

Worst Case: \$ 74,800

Cost Source: Estimate Provided by Client

Comp #: 21610 North Entry Monument - Refurbish

Quantity: ~ (1) Monument

Location: Common Areas

Funded?: Yes.

History:

Comments: Monument signage determined to be in fair condition typically exhibits acceptable appearance and aesthetics in keeping with local area but with more weathering and wear showing on surfaces. If present landscaping and lighting are still in serviceable condition. At this stage signage may be becoming more dated and diminishing in appeal. As routine maintenance inspect regularly clean/touch-up and repair as an Operating expense. Plan to refurbish or replace at the interval below. Timing and scope of refurbishing or replacement projects is subjective but should always be scheduled in order to maintain good curb appeal. In our experience most clients choose to refurbish or replace signage periodically in order to maintain good appearance and aesthetics in keeping with local area often before signage is in poor physical condition. If present concrete walls are expected to be painted and repaired as part of refurbishing but not fully replaced unless otherwise noted. Costs can vary significantly depending on style/type desired and may include additional costs for design work landscaping lighting water features etc. Reserve Study updates should incorporate any estimates or information collected regarding potential projects.

Useful Life:
20 years

Remaining Life:
0 years



Best Case: \$ 32,000

Worst Case: \$ 48,000

Cost Source: Estimate Provided by Client

Comp #: 21610 Sculpture Garden - Refurbish

Quantity: ~ (4) Monument

Location: Common Areas

Funded?: Yes.

History:

Comments: Sculptures determined to be in fair condition typically exhibits acceptable appearance and aesthetics in keeping with local area but with more weathering and wear showing on surfaces. If present landscaping and lighting are still in serviceable condition. At this stage signage may be becoming more dated and diminishing in appeal. As routine maintenance inspect regularly clean/touch-up and repair as an Operating expense. Plan to refurbish or replace at the interval below. Timing and scope of refurbishing or replacement projects is subjective but should always be scheduled in order to maintain good curb appeal. In our experience most clients choose to refurbish or replace signage periodically in order to maintain good appearance and aesthetics in keeping with local area often before signage is in poor physical condition. Costs can vary significantly depending on style/type desired and may include additional costs for design work landscaping lighting water features etc. Reserve Study updates should incorporate any estimates or information collected regarding potential projects.

Useful Life:
30 years

Remaining Life:
28 years



Best Case: \$ 20,000

Worst Case: \$ 27,200

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21610 South Entry Monument - Refurbish

Quantity: ~ (2) Monument

Location: Common Areas

Funded?: Yes.

History:

Comments: Monument signage determined to be in fair condition typically exhibits acceptable appearance and aesthetics in keeping with local area but with more weathering and wear showing on surfaces. If present landscaping and lighting are still in serviceable condition. At this stage signage may be becoming more dated and diminishing in appeal. As routine maintenance inspect regularly clean/touch-up and repair as an Operating expense. Plan to refurbish or replace at the interval below. Timing and scope of refurbishing or replacement projects is subjective but should always be scheduled in order to maintain good curb appeal. In our experience most clients choose to refurbish or replace signage periodically in order to maintain good appearance and aesthetics in keeping with local area often before signage is in poor physical condition. If present concrete walls are expected to be painted and repaired as part of refurbishing but not fully replaced unless otherwise noted. Costs can vary significantly depending on style/type desired and may include additional costs for design work landscaping lighting water features etc. Reserve Study updates should incorporate any estimates or information collected regarding potential projects.

Useful Life:
20 years

Remaining Life:
19 years



Best Case: \$ 64,000

Worst Case: \$ 96,000

Cost Source: Estimate Provided by Client

Comp #: 21690 Outdoor/Site Furnishings - Replace**Quantity: ~ (20) Pieces**

Location: Common Areas

Funded?: Yes.

History:

Comments: Includes (2) Trash Cans (18) Pet Stations. Outdoor/site furniture determined to be in fair condition typically exhibits typical signs of wear and age. Style is still appropriate for the local aesthetic standards of the development. Inspect regularly clean for appearance and repair as needed from general Operating funds. Cost to replace individual pieces may not meet threshold for Reserve funding. We recommend planning for regular intervals of complete replacement at the time frame indicated below to maintain a good consistent appearance in the common areas. Costs shown are based on replacement with comparable types unless otherwise noted.

Useful Life:
30 years

Remaining Life:
14 years



Best Case: \$ 18,800

Worst Case: \$ 26,600

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21730 Lakes/Ponds - Maintain**Quantity: (5) Ponds**

Location: Common Areas

Funded?: No.

History:

Comments: Under normal circumstances

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 21950 Landscaping - Refurbish

Quantity: Numerous GSF

Location: Common areas

Funded?: Yes.

History:

Comments: Routine daily/weekly/monthly maintenance is expected to be funded through the Operating budget. However, this component represents a supplemental "allowance" for larger projects which may occur periodically, such as renovation/restoration of landscaped areas, new trees, hedges, flower beds, etc. Timing and costs of such projects are very subjective. Estimates shown here should be re-evaluated by the Association over time and adjusted as needed during future Reserve Study updates.

Useful Life:
3 years

Remaining Life:
1 years



Best Case: \$ 18,000

Worst Case: \$ 22,000

Cost Source: Estimate Provided by Client

Mechanical

Comp #: 25570 Irrigation Clocks - Replace

Quantity: ~ (7) Controllers

Location: Mechanical Room

Funded?: Yes.

History:

Comments: Vendor reported that the clocks have all been upgraded/replaced for a total of \$180k and that the system has ~500 zones. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted remaining useful life expectancy is based primarily on original installation or last replacement/purchase date our experience with similar systems/components and assuming normal amount of usage and good preventive maintenance. Irrigation controllers should have a relatively long life expectancy under normal circumstances. Replacement is often required due to lack of available replacement parts lightning strikes etc. as opposed to complete failure of existing equipment. Exposure to the elements can affect overall life expectancy and controllers should be located in protected areas or within protective enclosures whenever possible. Client has installed smart controllers (i.e. respond to projected weather data) to minimize unnecessary water usage. Payback period for efficient controllers that minimize water use is typically very short

Useful Life:
15 years

Remaining Life:
13 years



Best Case: \$ 160,000

Worst Case: \$ 200,000

Cost Source: Research with Local Vendor/Contractor

Comp #: 25600 Backflow/Taps - Replace

Quantity: ~ (7) Devices

Location: Mechanical Room

Funded?: Yes.

History:

Comments: Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted remaining useful life expectancy is based primarily on original installation or last replacement/purchase date our experience with similar systems/components and assuming normal amount of usage and good preventive maintenance. The device was not tested at the time of the inspection. As routine maintenance inspect regularly test system and repair as needed from Operating budget. Consult with irrigation vendor to determine what types of repairs and replacements are included in the landscaping contract.

Useful Life:
30 years

Remaining Life:
14 years



Best Case: \$ 24,900

Worst Case: \$ 27,700

Cost Source: ARI Cost Database: Similar Project Cost History

Amenities

Comp #: 26030 Playground Cover - Refill/Replace**Quantity: ~ 1400 GSF**

Location: Common Areas

Funded?: Yes.

History: Performed in 2018

Comments: Coverage was generally sufficient. Playground surfaces should be inspected regularly for hazards slip and fall risks etc. Plan to replace at the approximate interval shown here for aesthetic and functional reasons. When evaluating replacement options the client should consult with vendors to ensure adequate protection from falls. Costs shown are based on replacement with same surface type unless otherwise noted.

Useful Life:
10 years

Remaining Life:
8 years



Best Case: \$ 5,400

Worst Case: \$ 6,100

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 26050 Playground Equipment - Replace

Quantity: ~ (1) Pieces

Location: Common Areas

Funded?: Yes.

History:

Comments: The equipment was observed to be in good condition with no signification issues observed at the time of the inspection. Our inspection is not intended to identify any structural or latent defects safety hazards or other liability concerns. Funding recommendation shown here is strictly for budget purposes. As a routine maintenance expense inspect for stability damage and excessive wear and utilize maintenance funds for any repairs needed between replacement cycles. Life expectancy can vary depending on the amount of use/abuse. Unless otherwise noted cost estimates assume replacement would be with comparable size and style of equipment as noted during inspection.

Useful Life:
25 years

Remaining Life:
20 years



Best Case: \$ 40,000

Worst Case: \$ 60,000

Cost Source: ARI Cost Database: Similar Project Cost History
