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Pecos Manor HOA
Gilbert, AZ



Report #: 12434-0
Beginning: January 1, 2023
Expires: December 31, 2023

RESERVE STUDY
"Full"

December 15, 2022

Welcome to your Reserve Study!

A Reserve Study is a valuable tool to help you budget responsibly for your property. This report contains all the information you need to avoid surprise expenses, make informed decisions, save money, and protect property values.

Regardless of the property type, it's a fact of life that the very moment construction is completed, every major building component begins a predictable process of physical deterioration. The operative word is "predictable" because planning for the inevitable is what a Reserve Study by **Association Reserves** is all about!

In this Report, you will find three key results:

- **Component List**
Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.
- **Reserve Fund Strength**
A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.
- **Reserve Funding Plan**
A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

Questions?

Please contact your Project Manager directly.



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Pecos Manor HOA
Gilbert, AZ
Level of Service: "Full"

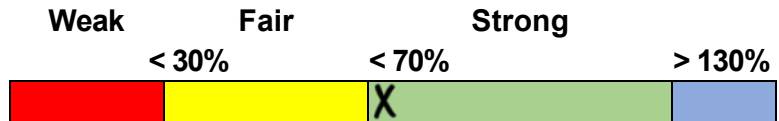
Report #: **12434-0**
of Units: 222
January 1, 2023 through December 31, 2023

Findings & Recommendations

as of **January 1, 2023**

Projected Starting Reserve Balance	\$260,432
Current Fully Funded Reserve Balance	\$350,732
Average Reserve Deficit (Surplus) Per Unit	\$407
Percent Funded	74.3 %
Current Monthly Reserve Contribution	\$1,141
Recommended 2023 Monthly Reserve Contribution	\$3,600

Reserve Fund Strength: 74.3%



Risk of Special Assessment:

High Medium Low

Economic Assumptions:

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

This is a "Full" Reserve Study (original, created "from scratch") based on our site inspection on 11/28/2022.

The Reserve expense threshold for this analysis is \$2,000. That means any Reserve related expenses under the threshold are not funded in the Reserve Study and need to be paid from the Operating Budget.

Your Reserve Fund is 74.3 % Funded. This means the Reserve Fund status is Strong, and the HOA's risk of special assessments & deferred maintenance is currently Low.

The objective of your multi-year Funding Plan is to Fully Fund Reserves, where associations enjoy a low risk of Reserve cash flow problems.

Based on this starting point and anticipated future expenses, we recommend budgeting Monthly Reserve contributions of \$3,600 for the 2023 Fiscal Year. Annual increases are scheduled to help strengthen the Reserve Fund status and offset inflation. Going forward, the contribution rate should be increased as illustrated on the 30-Year Summary Table.

This Reserve Study does not account for every potential expense the HOA may face. Projects deemed unpredictable with regard to timing and cost are typically not included. It is beyond the scope of this Reserve Study to inspect or assess structural conditions of buildings, walls, electrical systems, utilities, plumbing systems, irrigation, drainage, etc. We recommend scheduling periodic inspections by qualified engineers or other industry professionals to assess any potential issues or concerns.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
GROUNDS				
100	Monuments - Refurbish	20	6	\$15,000
220	Concrete - Repair	5	3	\$3,000
320	Solar Lights - Replace	12	11	\$17,500
322	Solar Lights - Refurbish	6	5	\$5,500
330	Pole Lights - Replace	30	12	\$64,000
332	Pole Lights - Repaint	5	0	\$2,000
380	Mailboxes - Replace	18	0	\$51,200
390	Metal Roofs - Replace	25	7	\$21,500
500	Block Walls - Repair	25	7	\$70,000
502	Block Walls - Repaint	8	6	\$28,000
550	Metal Surfaces - Repaint	4	2	\$7,600
630	Backflow Valves - Replace	25	7	\$6,500
640	Granite - Replenish	10	9	\$60,000
650	Landscape - Refurbish	15	14	\$12,000
660	Drywells - Inspect/Clean	4	3	\$4,000
662	Drywells - Partial Replace	30	12	\$25,000
PARK AREAS				
800	Park Furniture - Replace	15	0	\$40,000
804	Playground Equip - Replace	20	2	\$70,000
810	Playground Turf - Replace	10	2	\$30,000
814	Shade Sails - Replace	10	7	\$20,400
820	Basketball Court - Resurface	6	5	\$7,900
822	Basketball Equip - Repalce	20	2	\$2,000
830	Volleyball Posts - Replace	25	7	\$3,000
832	Volleyball Sand - Replenish	8	0	\$2,500
24 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 [Full Reserve Study](#), we started with a review of your Governing Documents, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents. We

performed an on-site inspection to quantify and evaluate your common areas, creating your Reserve Component List *from scratch*.

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?



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 the site visit on 11/28/2022, we visually inspected the common areas, including the park areas, common walls, and landscape tracts.

Please see the Component Details Appendix at the end of this report for a detailed look at each component.



Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all of these expenses will take place as anticipated. This Reserve Study needs to be updated annually, because we expect the timing of expenses to shift and the size of the 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 chart below summarizes the projected future expenses at your association as defined by the Reserve Component List. A summary of these components is shown in the Component Details Table, while a summary of the expenses themselves is shown in the 30-yr Expense Summary Table.

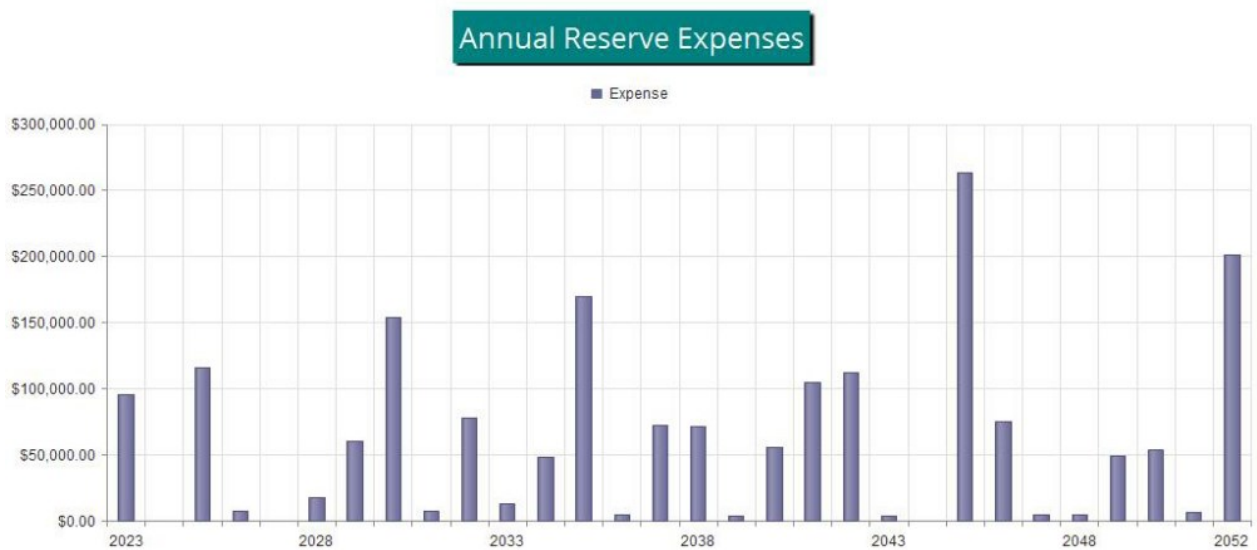


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$260,432 as-of the start of your fiscal year on 1/1/2023. This is based on your actual balance of \$260,584 on 9/30/2022 and anticipated Reserve contributions and expenses projected through the end of your Fiscal Year. As of 1/1/2023, your Fully Funded Balance is computed to be \$350,732. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to the Fully Funded Balance indicates Reserves are 74.3 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and cash flow requirements, we recommend budgeting Monthly Reserve contributions of \$3,600 this Fiscal Year. The overall 30-year plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

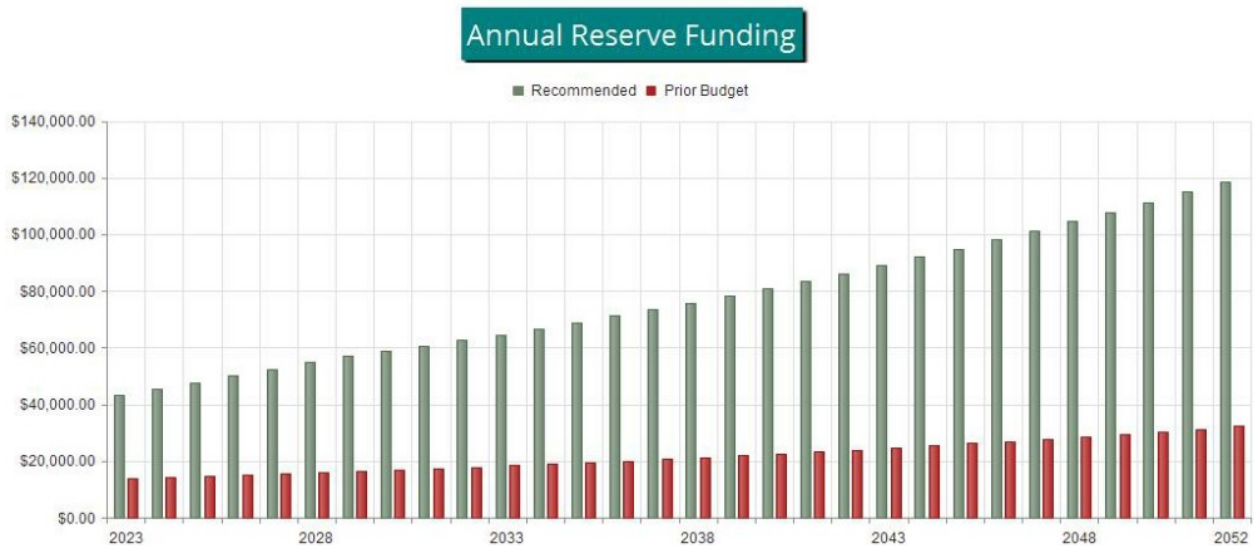


Figure 2

The following chart shows your Reserve balance under our recommended Funding Plan and your currently budgeted contribution rate, compared to the always-changing Fully Funded Balance target.

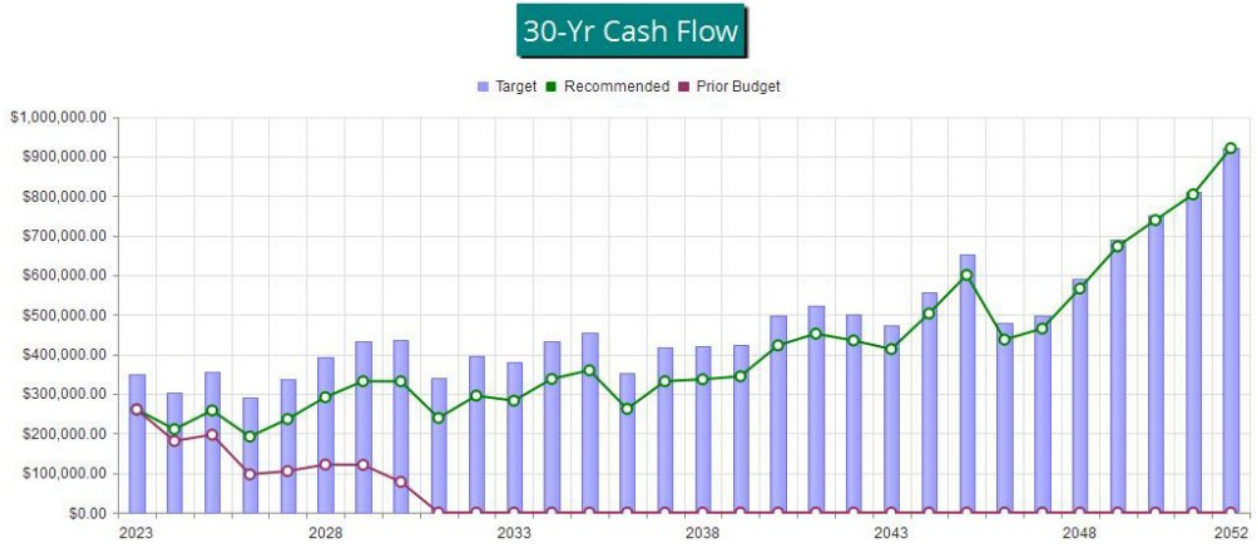


Figure 3

This chart 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-year Funding Plan.

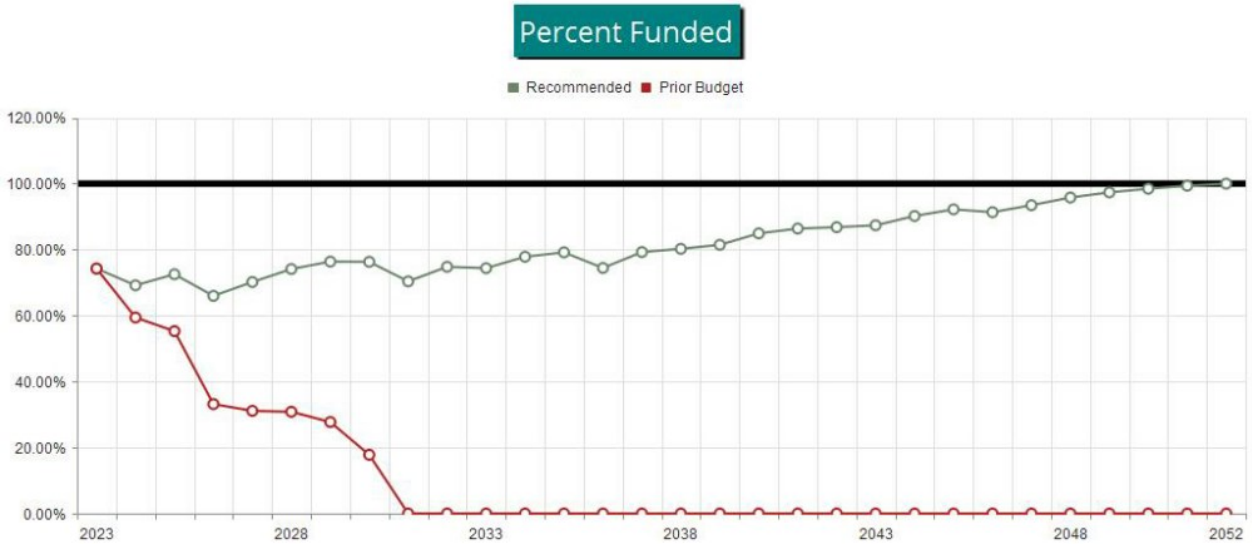


Figure 4



Executive Summary is a summary of your Reserve Components

Budget Summary is a management and accounting tool, summarizing groupings 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.

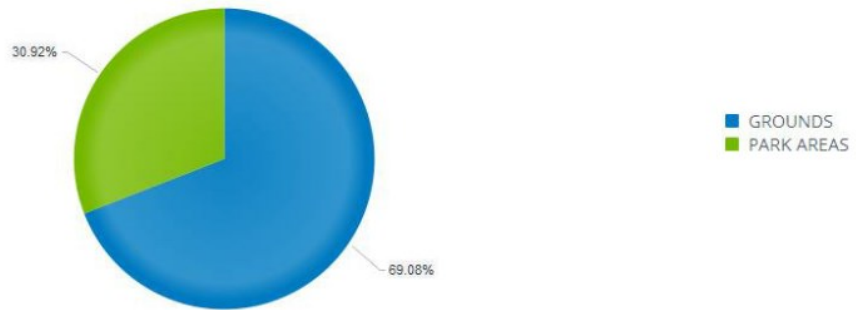


	Useful Life		2023 Rem. Useful Life		Estimated Replacement Cost in 2023	2023 Expenditures	01/01/2023	01/01/2023	Remaining Bal. to be Funded	2023 Contributions
	Min	Max	Min	Max			Current Fund Balance	Fully Funded Balance		
GROUNDS	4	30	0	14	\$392,800	\$53,200	\$119,536	\$209,835	\$273,264	\$29,139
PARK AREAS	6	25	0	7	\$175,800	\$42,500	\$140,897	\$140,897	\$34,903	\$14,061
					\$568,600	\$95,700	\$260,432	\$350,732	\$308,168	\$43,200

Percent Funded: 74.3%

Budget Summary

Percentage of Total Estimated Replacement Costs



#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate
GROUNDS					
100	Monuments - Refurbish	(2) Monuments	20	6	\$15,000
220	Concrete - Repair	Numerous Sq Ft	5	3	\$3,000
320	Solar Lights - Replace	(15) Lights	12	11	\$17,500
322	Solar Lights - Refurbish	(15) Lights	6	5	\$5,500
330	Pole Lights - Replace	(16) Lights	30	12	\$64,000
332	Pole Lights - Repaint	(16) Lights	5	0	\$2,000
380	Mailboxes - Replace	(16) Clusters	18	0	\$51,200
390	Metal Roofs - Replace	(9) Roofs, ~1,200 Sq Ft	25	7	\$21,500
500	Block Walls - Repair	Approx 58,300 Sq Ft	25	7	\$70,000
502	Block Walls - Repaint	Approx 58,300 Sq Ft	8	6	\$28,000
550	Metal Surfaces - Repaint	Ramadas & Rails	4	2	\$7,600
630	Backflow Valves - Replace	(2) Backflow Valves	25	7	\$6,500
640	Granite - Replenish	Approx 204,300 Sq Ft	10	9	\$60,000
650	Landscape - Refurbish	Numerous Sq Ft	15	14	\$12,000
660	Drywells - Inspect/Clean	Approx (14) Drywells	4	3	\$4,000
662	Drywells - Partial Replace	(1) of (14) Drywells	30	12	\$25,000
PARK AREAS					
800	Park Furniture - Replace	(18) Pieces	15	0	\$40,000
804	Playground Equip - Replace	(3) Pieces	20	2	\$70,000
810	Playground Turf - Replace	Approx 910 sq Ft	10	2	\$30,000
814	Shade Sails - Replace	(2) Sails, ~1,700 Sq Ft	10	7	\$20,400
820	Basketball Court - Resurface	(1) Court, ~4,490 Sq Ft	6	5	\$7,900
822	Basketball Equip - Repalce	(1) Backboard Set	20	2	\$2,000
830	Volleyball Posts - Replace	(2) Posts	25	7	\$3,000
832	Volleyball Sand - Replenish	(1) Court, ~3,300 Sq Ft	8	0	\$2,500
24	Total Funded Components				

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
GROUNDS								
100	Monuments - Refurbish	\$15,000	X	14	/	20	=	\$10,500
220	Concrete - Repair	\$3,000	X	2	/	5	=	\$1,200
320	Solar Lights - Replace	\$17,500	X	1	/	12	=	\$1,458
322	Solar Lights - Refurbish	\$5,500	X	1	/	6	=	\$917
330	Pole Lights - Replace	\$64,000	X	18	/	30	=	\$38,400
332	Pole Lights - Repair	\$2,000	X	5	/	5	=	\$2,000
380	Mailboxes - Replace	\$51,200	X	18	/	18	=	\$51,200
390	Metal Roofs - Replace	\$21,500	X	18	/	25	=	\$15,480
500	Block Walls - Repair	\$70,000	X	18	/	25	=	\$50,400
502	Block Walls - Repair	\$28,000	X	2	/	8	=	\$7,000
550	Metal Surfaces - Repair	\$7,600	X	2	/	4	=	\$3,800
630	Backflow Valves - Replace	\$6,500	X	18	/	25	=	\$4,680
640	Granite - Replenish	\$60,000	X	1	/	10	=	\$6,000
650	Landscape - Refurbish	\$12,000	X	1	/	15	=	\$800
660	Drywells - Inspect/Clean	\$4,000	X	1	/	4	=	\$1,000
662	Drywells - Partial Replace	\$25,000	X	18	/	30	=	\$15,000
PARK AREAS								
800	Park Furniture - Replace	\$40,000	X	15	/	15	=	\$40,000
804	Playground Equip - Replace	\$70,000	X	18	/	20	=	\$63,000
810	Playground Turf - Replace	\$30,000	X	8	/	10	=	\$24,000
814	Shade Sails - Replace	\$20,400	X	3	/	10	=	\$6,120
820	Basketball Court - Resurface	\$7,900	X	1	/	6	=	\$1,317
822	Basketball Equip - Repair	\$2,000	X	18	/	20	=	\$1,800
830	Volleyball Posts - Replace	\$3,000	X	18	/	25	=	\$2,160
832	Volleyball Sand - Replenish	\$2,500	X	8	/	8	=	\$2,500
								\$350,732

# Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
GROUNDS				
100 Monuments - Refurbish	20	\$15,000	\$750	1.87 %
220 Concrete - Repair	5	\$3,000	\$600	1.50 %
320 Solar Lights - Replace	12	\$17,500	\$1,458	3.64 %
322 Solar Lights - Refurbish	6	\$5,500	\$917	2.29 %
330 Pole Lights - Replace	30	\$64,000	\$2,133	5.32 %
332 Pole Lights - Repaint	5	\$2,000	\$400	1.00 %
380 Mailboxes - Replace	18	\$51,200	\$2,844	7.09 %
390 Metal Roofs - Replace	25	\$21,500	\$860	2.14 %
500 Block Walls - Repair	25	\$70,000	\$2,800	6.98 %
502 Block Walls - Repaint	8	\$28,000	\$3,500	8.73 %
550 Metal Surfaces - Repaint	4	\$7,600	\$1,900	4.74 %
630 Backflow Valves - Replace	25	\$6,500	\$260	0.65 %
640 Granite - Replenish	10	\$60,000	\$6,000	14.96 %
650 Landscape - Refurbish	15	\$12,000	\$800	1.99 %
660 Drywells - Inspect/Clean	4	\$4,000	\$1,000	2.49 %
662 Drywells - Partial Replace	30	\$25,000	\$833	2.08 %
PARK AREAS				
800 Park Furniture - Replace	15	\$40,000	\$2,667	6.65 %
804 Playground Equip - Replace	20	\$70,000	\$3,500	8.73 %
810 Playground Turf - Replace	10	\$30,000	\$3,000	7.48 %
814 Shade Sails - Replace	10	\$20,400	\$2,040	5.09 %
820 Basketball Court - Resurface	6	\$7,900	\$1,317	3.28 %
822 Basketball Equip - Repalce	20	\$2,000	\$100	0.25 %
830 Volleyball Posts - Replace	25	\$3,000	\$120	0.30 %
832 Volleyball Sand - Replenish	8	\$2,500	\$313	0.78 %
24 Total Funded Components			\$40,112	100.00 %

Fiscal Year Start: 2023

Interest: 1.00 %

Inflation: 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date	Projected Reserve Balance Changes
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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase		Loan or Special Assmts	Interest Income	Reserve Expenses
					In Annual Reserve Funding	Reserve Funding			
2023	\$260,432	\$350,732	74.3 %	Low	215.44 %	\$43,200	\$0	\$2,353	\$95,700
2024	\$210,285	\$303,998	69.2 %	Medium	5.00 %	\$45,360	\$0	\$2,340	\$0
2025	\$257,985	\$355,673	72.5 %	Low	5.00 %	\$47,628	\$0	\$2,247	\$116,275
2026	\$191,586	\$290,411	66.0 %	Medium	5.00 %	\$50,009	\$0	\$2,137	\$7,649
2027	\$236,083	\$336,391	70.2 %	Low	5.00 %	\$52,510	\$0	\$2,635	\$0
2028	\$291,229	\$392,984	74.1 %	Low	5.00 %	\$55,135	\$0	\$3,113	\$17,853
2029	\$331,624	\$434,281	76.4 %	Low	3.25 %	\$56,927	\$0	\$3,314	\$60,419
2030	\$331,446	\$434,410	76.3 %	Low	3.25 %	\$58,777	\$0	\$2,850	\$154,226
2031	\$238,848	\$339,402	70.4 %	Low	3.25 %	\$60,688	\$0	\$2,669	\$6,967
2032	\$295,238	\$394,745	74.8 %	Low	3.25 %	\$62,660	\$0	\$2,887	\$78,286
2033	\$282,499	\$379,859	74.4 %	Low	3.25 %	\$64,696	\$0	\$3,098	\$12,902
2034	\$337,392	\$433,491	77.8 %	Low	3.25 %	\$66,799	\$0	\$3,482	\$48,310
2035	\$359,363	\$453,927	79.2 %	Low	3.25 %	\$68,970	\$0	\$3,104	\$169,666
2036	\$261,772	\$351,695	74.4 %	Low	3.25 %	\$71,212	\$0	\$2,965	\$4,406
2037	\$331,543	\$418,381	79.2 %	Low	3.25 %	\$73,526	\$0	\$3,338	\$71,999
2038	\$336,408	\$419,266	80.2 %	Low	3.25 %	\$75,916	\$0	\$3,401	\$71,667
2039	\$344,058	\$422,395	81.5 %	Low	3.25 %	\$78,383	\$0	\$3,830	\$4,012
2040	\$422,259	\$497,234	84.9 %	Low	3.25 %	\$80,930	\$0	\$4,368	\$55,866
2041	\$451,691	\$522,897	86.4 %	Low	3.25 %	\$83,560	\$0	\$4,429	\$105,210
2042	\$434,470	\$500,553	86.8 %	Low	3.25 %	\$86,276	\$0	\$4,234	\$112,224
2043	\$412,757	\$472,426	87.4 %	Low	3.25 %	\$89,080	\$0	\$4,576	\$3,612
2044	\$502,800	\$557,498	90.2 %	Low	3.25 %	\$91,975	\$0	\$5,513	\$0
2045	\$600,289	\$651,081	92.2 %	Low	3.25 %	\$94,964	\$0	\$5,183	\$263,656
2046	\$436,781	\$478,213	91.3 %	Low	3.25 %	\$98,051	\$0	\$4,505	\$74,799
2047	\$464,537	\$497,055	93.5 %	Low	3.25 %	\$101,237	\$0	\$5,150	\$5,082
2048	\$565,842	\$590,718	95.8 %	Low	3.25 %	\$104,528	\$0	\$6,188	\$4,188
2049	\$672,371	\$690,632	97.4 %	Low	3.25 %	\$107,925	\$0	\$7,052	\$48,739
2050	\$738,609	\$750,250	98.4 %	Low	3.25 %	\$111,432	\$0	\$7,708	\$54,199
2051	\$803,549	\$808,705	99.4 %	Low	3.25 %	\$115,054	\$0	\$8,616	\$6,864
2052	\$920,355	\$920,423	100.0 %	Low	3.25 %	\$118,793	\$0	\$8,832	\$201,251

Fiscal Year	2023	2024	2025	2026	2027
Starting Reserve Balance	\$260,432	\$210,285	\$257,985	\$191,586	\$236,083
Annual Reserve Funding	\$43,200	\$45,360	\$47,628	\$50,009	\$52,510
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$2,353	\$2,340	\$2,247	\$2,137	\$2,635
Total Income	\$305,985	\$257,985	\$307,860	\$243,732	\$291,229
# Component					
GROUND					
100 Monuments - Refurbish	\$0	\$0	\$0	\$0	\$0
220 Concrete - Repair	\$0	\$0	\$0	\$3,278	\$0
320 Solar Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Solar Lights - Refurbish	\$0	\$0	\$0	\$0	\$0
330 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
332 Pole Lights - Repaint	\$2,000	\$0	\$0	\$0	\$0
380 Mailboxes - Replace	\$51,200	\$0	\$0	\$0	\$0
390 Metal Roofs - Replace	\$0	\$0	\$0	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$0	\$0	\$0
502 Block Walls - Repaint	\$0	\$0	\$0	\$0	\$0
550 Metal Surfaces - Repaint	\$0	\$0	\$8,063	\$0	\$0
630 Backflow Valves - Replace	\$0	\$0	\$0	\$0	\$0
640 Granite - Replenish	\$0	\$0	\$0	\$0	\$0
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$0
660 Drywells - Inspect/Clean	\$0	\$0	\$0	\$4,371	\$0
662 Drywells - Partial Replace	\$0	\$0	\$0	\$0	\$0
PARK AREAS					
800 Park Furniture - Replace	\$40,000	\$0	\$0	\$0	\$0
804 Playground Equip - Replace	\$0	\$0	\$74,263	\$0	\$0
810 Playground Turf - Replace	\$0	\$0	\$31,827	\$0	\$0
814 Shade Sails - Replace	\$0	\$0	\$0	\$0	\$0
820 Basketball Court - Resurface	\$0	\$0	\$0	\$0	\$0
822 Basketball Equip - Replace	\$0	\$0	\$2,122	\$0	\$0
830 Volleyball Posts - Replace	\$0	\$0	\$0	\$0	\$0
832 Volleyball Sand - Replenish	\$2,500	\$0	\$0	\$0	\$0
Total Expenses	\$95,700	\$0	\$116,275	\$7,649	\$0
Ending Reserve Balance	\$210,285	\$257,985	\$191,586	\$236,083	\$291,229

Fiscal Year	2028	2029	2030	2031	2032
Starting Reserve Balance	\$291,229	\$331,624	\$331,446	\$238,848	\$295,238
Annual Reserve Funding	\$55,135	\$56,927	\$58,777	\$60,688	\$62,660
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,113	\$3,314	\$2,850	\$2,669	\$2,887
Total Income	\$349,477	\$391,865	\$393,074	\$302,205	\$360,785
# Component					
GROUNDS					
100 Monuments - Refurbish	\$0	\$17,911	\$0	\$0	\$0
220 Concrete - Repair	\$0	\$0	\$0	\$3,800	\$0
320 Solar Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Solar Lights - Refurbish	\$6,376	\$0	\$0	\$0	\$0
330 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
332 Pole Lights - Repaint	\$2,319	\$0	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
390 Metal Roofs - Replace	\$0	\$0	\$26,442	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$86,091	\$0	\$0
502 Block Walls - Repaint	\$0	\$33,433	\$0	\$0	\$0
550 Metal Surfaces - Repaint	\$0	\$9,075	\$0	\$0	\$0
630 Backflow Valves - Replace	\$0	\$0	\$7,994	\$0	\$0
640 Granite - Replenish	\$0	\$0	\$0	\$0	\$78,286
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$0
660 Drywells - Inspect/Clean	\$0	\$0	\$4,919	\$0	\$0
662 Drywells - Partial Replace	\$0	\$0	\$0	\$0	\$0
PARK AREAS					
800 Park Furniture - Replace	\$0	\$0	\$0	\$0	\$0
804 Playground Equip - Replace	\$0	\$0	\$0	\$0	\$0
810 Playground Turf - Replace	\$0	\$0	\$0	\$0	\$0
814 Shade Sails - Replace	\$0	\$0	\$25,089	\$0	\$0
820 Basketball Court - Resurface	\$9,158	\$0	\$0	\$0	\$0
822 Basketball Equip - Repalce	\$0	\$0	\$0	\$0	\$0
830 Volleyball Posts - Replace	\$0	\$0	\$3,690	\$0	\$0
832 Volleyball Sand - Replenish	\$0	\$0	\$0	\$3,167	\$0
Total Expenses	\$17,853	\$60,419	\$154,226	\$6,967	\$78,286
Ending Reserve Balance	\$331,624	\$331,446	\$238,848	\$295,238	\$282,499

Fiscal Year	2033	2034	2035	2036	2037
Starting Reserve Balance	\$282,499	\$337,392	\$359,363	\$261,772	\$331,543
Annual Reserve Funding	\$64,696	\$66,799	\$68,970	\$71,212	\$73,526
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,098	\$3,482	\$3,104	\$2,965	\$3,338
Total Income	\$350,293	\$407,673	\$431,438	\$335,949	\$408,408
# Component					
GROUNDS					
100 Monuments - Refurbish	\$0	\$0	\$0	\$0	\$0
220 Concrete - Repair	\$0	\$0	\$0	\$4,406	\$0
320 Solar Lights - Replace	\$0	\$24,224	\$0	\$0	\$0
322 Solar Lights - Refurbish	\$0	\$7,613	\$0	\$0	\$0
330 Pole Lights - Replace	\$0	\$0	\$91,249	\$0	\$0
332 Pole Lights - Repaint	\$2,688	\$0	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
390 Metal Roofs - Replace	\$0	\$0	\$0	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$0	\$0	\$0
502 Block Walls - Repaint	\$0	\$0	\$0	\$0	\$42,353
550 Metal Surfaces - Repaint	\$10,214	\$0	\$0	\$0	\$11,496
630 Backflow Valves - Replace	\$0	\$0	\$0	\$0	\$0
640 Granite - Replenish	\$0	\$0	\$0	\$0	\$0
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$18,151
660 Drywells - Inspect/Clean	\$0	\$5,537	\$0	\$0	\$0
662 Drywells - Partial Replace	\$0	\$0	\$35,644	\$0	\$0
PARK AREAS					
800 Park Furniture - Replace	\$0	\$0	\$0	\$0	\$0
804 Playground Equip - Replace	\$0	\$0	\$0	\$0	\$0
810 Playground Turf - Replace	\$0	\$0	\$42,773	\$0	\$0
814 Shade Sails - Replace	\$0	\$0	\$0	\$0	\$0
820 Basketball Court - Resurface	\$0	\$10,935	\$0	\$0	\$0
822 Basketball Equip - Repalce	\$0	\$0	\$0	\$0	\$0
830 Volleyball Posts - Replace	\$0	\$0	\$0	\$0	\$0
832 Volleyball Sand - Replenish	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$12,902	\$48,310	\$169,666	\$4,406	\$71,999
Ending Reserve Balance	\$337,392	\$359,363	\$261,772	\$331,543	\$336,408

Fiscal Year	2038	2039	2040	2041	2042
Starting Reserve Balance	\$336,408	\$344,058	\$422,259	\$451,691	\$434,470
Annual Reserve Funding	\$75,916	\$78,383	\$80,930	\$83,560	\$86,276
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,401	\$3,830	\$4,368	\$4,429	\$4,234
Total Income	\$415,725	\$426,271	\$507,558	\$539,681	\$524,981
# Component					
GROUNDS					
100 Monuments - Refurbish	\$0	\$0	\$0	\$0	\$0
220 Concrete - Repair	\$0	\$0	\$0	\$5,107	\$0
320 Solar Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Solar Lights - Refurbish	\$0	\$0	\$9,091	\$0	\$0
330 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
332 Pole Lights - Repaint	\$3,116	\$0	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$0	\$0	\$87,165	\$0
390 Metal Roofs - Replace	\$0	\$0	\$0	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$0	\$0	\$0
502 Block Walls - Repaint	\$0	\$0	\$0	\$0	\$0
550 Metal Surfaces - Repaint	\$0	\$0	\$0	\$12,938	\$0
630 Backflow Valves - Replace	\$0	\$0	\$0	\$0	\$0
640 Granite - Replenish	\$0	\$0	\$0	\$0	\$105,210
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$0
660 Drywells - Inspect/Clean	\$6,232	\$0	\$0	\$0	\$7,014
662 Drywells - Partial Replace	\$0	\$0	\$0	\$0	\$0
PARK AREAS					
800 Park Furniture - Replace	\$62,319	\$0	\$0	\$0	\$0
804 Playground Equip - Replace	\$0	\$0	\$0	\$0	\$0
810 Playground Turf - Replace	\$0	\$0	\$0	\$0	\$0
814 Shade Sails - Replace	\$0	\$0	\$33,718	\$0	\$0
820 Basketball Court - Resurface	\$0	\$0	\$13,057	\$0	\$0
822 Basketball Equip - Repalce	\$0	\$0	\$0	\$0	\$0
830 Volleyball Posts - Replace	\$0	\$0	\$0	\$0	\$0
832 Volleyball Sand - Replenish	\$0	\$4,012	\$0	\$0	\$0
Total Expenses	\$71,667	\$4,012	\$55,866	\$105,210	\$112,224
Ending Reserve Balance	\$344,058	\$422,259	\$451,691	\$434,470	\$412,757

Fiscal Year	2043	2044	2045	2046	2047
Starting Reserve Balance	\$412,757	\$502,800	\$600,289	\$436,781	\$464,537
Annual Reserve Funding	\$89,080	\$91,975	\$94,964	\$98,051	\$101,237
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$4,576	\$5,513	\$5,183	\$4,505	\$5,150
Total Income	\$506,413	\$600,289	\$700,436	\$539,336	\$570,924
# Component					
GROUNDS					
100 Monuments - Refurbish	\$0	\$0	\$0	\$0	\$0
220 Concrete - Repair	\$0	\$0	\$0	\$5,921	\$0
320 Solar Lights - Replace	\$0	\$0	\$0	\$34,538	\$0
322 Solar Lights - Refurbish	\$0	\$0	\$0	\$10,855	\$0
330 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
332 Pole Lights - Repaint	\$3,612	\$0	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
390 Metal Roofs - Replace	\$0	\$0	\$0	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$0	\$0	\$0
502 Block Walls - Repaint	\$0	\$0	\$53,651	\$0	\$0
550 Metal Surfaces - Repaint	\$0	\$0	\$14,562	\$0	\$0
630 Backflow Valves - Replace	\$0	\$0	\$0	\$0	\$0
640 Granite - Replenish	\$0	\$0	\$0	\$0	\$0
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$0
660 Drywells - Inspect/Clean	\$0	\$0	\$0	\$7,894	\$0
662 Drywells - Partial Replace	\$0	\$0	\$0	\$0	\$0
PARK AREAS					
800 Park Furniture - Replace	\$0	\$0	\$0	\$0	\$0
804 Playground Equip - Replace	\$0	\$0	\$134,127	\$0	\$0
810 Playground Turf - Replace	\$0	\$0	\$57,483	\$0	\$0
814 Shade Sails - Replace	\$0	\$0	\$0	\$0	\$0
820 Basketball Court - Resurface	\$0	\$0	\$0	\$15,591	\$0
822 Basketball Equip - Repalce	\$0	\$0	\$3,832	\$0	\$0
830 Volleyball Posts - Replace	\$0	\$0	\$0	\$0	\$0
832 Volleyball Sand - Replenish	\$0	\$0	\$0	\$0	\$5,082
Total Expenses	\$3,612	\$0	\$263,656	\$74,799	\$5,082
Ending Reserve Balance	\$502,800	\$600,289	\$436,781	\$464,537	\$565,842

Fiscal Year	2048	2049	2050	2051	2052
Starting Reserve Balance	\$565,842	\$672,371	\$738,609	\$803,549	\$920,355
Annual Reserve Funding	\$104,528	\$107,925	\$111,432	\$115,054	\$118,793
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$6,188	\$7,052	\$7,708	\$8,616	\$8,832
Total Income	\$676,559	\$787,348	\$857,749	\$927,219	\$1,047,980
# Component					
GROUNDS					
100 Monuments - Refurbish	\$0	\$32,349	\$0	\$0	\$0
220 Concrete - Repair	\$0	\$0	\$0	\$6,864	\$0
320 Solar Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Solar Lights - Refurbish	\$0	\$0	\$0	\$0	\$12,961
330 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
332 Pole Lights - Repaint	\$4,188	\$0	\$0	\$0	\$0
380 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
390 Metal Roofs - Replace	\$0	\$0	\$0	\$0	\$0
500 Block Walls - Repair	\$0	\$0	\$0	\$0	\$0
502 Block Walls - Repaint	\$0	\$0	\$0	\$0	\$0
550 Metal Surfaces - Repaint	\$0	\$16,390	\$0	\$0	\$0
630 Backflow Valves - Replace	\$0	\$0	\$0	\$0	\$0
640 Granite - Replenish	\$0	\$0	\$0	\$0	\$141,394
650 Landscape - Refurbish	\$0	\$0	\$0	\$0	\$28,279
660 Drywells - Inspect/Clean	\$0	\$0	\$8,885	\$0	\$0
662 Drywells - Partial Replace	\$0	\$0	\$0	\$0	\$0
PARK AREAS					
800 Park Furniture - Replace	\$0	\$0	\$0	\$0	\$0
804 Playground Equip - Replace	\$0	\$0	\$0	\$0	\$0
810 Playground Turf - Replace	\$0	\$0	\$0	\$0	\$0
814 Shade Sails - Replace	\$0	\$0	\$45,314	\$0	\$0
820 Basketball Court - Resurface	\$0	\$0	\$0	\$0	\$18,617
822 Basketball Equip - Repalce	\$0	\$0	\$0	\$0	\$0
830 Volleyball Posts - Replace	\$0	\$0	\$0	\$0	\$0
832 Volleyball Sand - Replenish	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$4,188	\$48,739	\$54,199	\$6,864	\$201,251
Ending Reserve Balance	\$672,371	\$738,609	\$803,549	\$920,355	\$846,730



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. DJ Vlaming, R.S., company president, is a credentialed Reserve Specialist (#61). 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.

In this engagement our compensation is not contingent upon our conclusions, and our liability in any matter involving this Reserve Study is limited to our fee for services rendered.



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 Component Details appendix is to provide the reader with the basis of our funding assumptions resulting from the physical analysis and subsequent research. The information presented here represents a wide range of components that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding:

- 1) Common area repair & replacement responsibility
- 2) Component must have a limited useful life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of Annual operating expenses).

Not all of your components may have been found appropriate for reserve funding. In our judgment, the components meeting the above four criteria are shown with the Useful Life (how often the project is expected to occur), Remaining Useful Life (when the next instance of the expense will be) and representative market cost range termed “Best Cost” and “Worst Cost”. There are many factors that can result in a wide variety of potential costs, and we have attempted to present the cost range in which your actual expense will occur.

Where no Useful Life, Remaining Useful Life, or pricing exists, the component was deemed inappropriate for Reserve Funding.

GROUNDS

Comp #: 100 Monuments - Refurbish

Quantity: (2) Monuments

Location: Community Entrance at the corner of Brighton Ln & Pecos Rd

Funded?: Yes.

History: Installed in 2005.

Comments: Monuments consist of reverse pan channel lettering mounted to walls. Letters read "Pecos Manor". Monuments are basic, intact and in fair condition. This component funds to update or modernize the monuments with new lettering plus repairs to the walls and landscape.

Useful Life:
20 years

Remaining Life:
6 years



Best Case: \$ 15,000

Worst Case: \$ 15,000

Cost Source: AR Cost Database

Comp #: 110 Stucco Planters - Repair

Quantity: (4) Planters

Location: Community Entrance at the corner of Brighton Ln & Pecos Rd and at the Park Area between Kesler Ln & Frances Ln

Funded?: No. Funding to repair these flower beds is included in the Block Wall - Repair component.

History: Installed in 2005.

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 220 Concrete - Repair

Quantity: Numerous Sq Ft

Location: Walkways, curbs & gutters throughout community

Funded?: Yes.

History: Installed in 2005.

Comments: There is no expectancy to completely replace the concrete. This component funds an allowance for periodic repairs and partial replacements as needed.

Useful Life:
5 years

Remaining Life:
3 years



Best Case: \$ 3,000

Worst Case: \$ 3,000

Cost Source: AR Cost Allowance

Comp #: 320 Solar Lights - Replace

Quantity: (15) Lights

Location: Monuments, mailboxes, and park ramadas throughout the community

Funded?: Yes.

History: Replaced in 2022 for \$20,840. Previously installed around 2010.

Comments: Quantity includes (6) lights at the monuments and (9) lights mounted to the roofs the of mailbox enclosures and park ramadas. Lights appear new and in good condition. Combined cost with the refurbish component accounts for the total replacement cost.

Useful Life:
12 years

Remaining Life:
11 years



Best Case: \$ 17,500

Worst Case: \$ 17,500

Cost Source: Client Cost History

Comp #: 322 Solar Lights - Refurbish

Quantity: (15) Lights

Location: Monuments, mailboxes, and park ramadas throughout the community

Funded?: Yes.

History: Replaced in 2022 for \$20,840. Previously installed around 2010.

Comments: This component funds an allowance to replace the solar system controllers, timers, and batteries at the solar systems' expected half-life.

Useful Life:
6 years

Remaining Life:
5 years



Best Case: \$ 5,500

Worst Case: \$ 5,500

Cost Source: AR Cost Allowance

Comp #: 330 Pole Lights - Replace

Quantity: (16) Lights

Location: Bordering Recker Rd on east side of the community.

Funded?: Yes.

History: Likely installed in 2005.

Comments: These pole lights are not the HOA property and appear to belong to the City of Gilbert. However, it was reported that they are owned and maintained by the HOA. They look to be intact and functional with no issues reported. Replacement of the fixtures and poles should be anticipated.

Useful Life:
30 years

Remaining Life:
12 years



Best Case: \$ 64,000

Worst Case: \$ 64,000

Cost Source: AR Cost Database

Comp #: 332 Pole Lights - Repaint

Quantity: (16) Lights

Location: Mounted along Recker Rd on the east side of the community.

Funded?: Yes.

History: Age is unknown.

Comments: Surfaces are weathered and worn. This component funds to periodically repaint the pole lights Mounted along Recker Rd on the east side of the community.

Useful Life:
5 years

Remaining Life:
0 years



Best Case: \$ 2,000

Worst Case: \$ 2,000

Cost Source: AR Cost Database

Comp #: 380 Mailboxes - Replace

Quantity: (16) Clusters

Location: Bordering Cole Dr and Joshua Tree Ln

Funded?: Yes.

History: Installed in 2005.

Comments: Quantity includes (1) 25-box cluster, (3) 20-box clusters, (2) 16-box clusters, (6) 15-box clusters and (4) 10-box clusters. Mailboxes are old, weathered, and have a poor appearance.

Useful Life:
18 years

Remaining Life:
0 years



Best Case: \$ 51,200

Worst Case: \$ 51,200

Cost Source: AR Cost Database

Comp #: 390 Metal Roofs - Replace

Quantity: (9) Roofs, ~1,200 Sq Ft

Location: Mailbox enclosures and park ramadas throughout the community

Funded?: Yes.

History: Installed in 2005.

Comments: These are corrugated metal roof systems. They are still intact and in fair condition. Some weathering and fading noted. Long life component under normal circumstances. Replacement should be anticipated at some point.

Useful Life:
25 years

Remaining Life:
7 years



Best Case: \$ 21,500

Worst Case: \$ 21,500

Cost Source: AR Cost Database

Comp #: 402 Pet Stations - Replace

Quantity: Approx (7) Stations

Location: Common areas throughout the community

Funded?: No. Individual costs are below the Reserve expense threshold. Recommend replacing as needed as an Operating expense.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 500 Block Walls - Repair

Quantity: Approx 58,300 Sq Ft

Location: Bordering common areas throughout the community, monuments, mailbox enclosures, and the park area between Kesler Ln & Frances Ln

Funded?: Yes.

History: Installed in 2005.

Comments: Walls are expected to last the life of the community under normal circumstances. This component funds an allowance for repairs and partial replacement due to excessive settling or other sources of damage. The accumulated funds should be used as needed, and the percentage budgeted for replacement should be adjusted over time as conditions dictate.

Useful Life:
25 years

Remaining Life:
7 years



Best Case: \$ 70,000

Worst Case: \$ 70,000

Cost Source: AR Cost Allowance

Comp #: 502 Block Walls - Repaint

Quantity: Approx 58,300 Sq Ft

Location: Bordering common areas throughout the community, monuments, mailbox enclosures, and the park area between Kesler Ln & Frances Ln

Funded?: Yes.

History: Repainted in 2021 for \$29,985 (cost included metal surfaces).

Comments: This component funds to repaint the block walls, monuments, mailboxes and ramada support columns throughout the community. Surfaces are uniform and in good condition. Repaint periodically to restore the appearance.

Useful Life:
8 years

Remaining Life:
6 years



Best Case: \$ 28,000

Worst Case: \$ 28,000

Cost Source: Client Cost History

Comp #: 530 Culvert Rails - Replace

Quantity: (19) Rails, ~180 LF

Location: Common areas throughout the community

Funded?: No. This component has an extended life span with no expectancy to replace in the foreseeable future. Inspections and repairs should be addressed as a maintenance expense when needed. Painting is included as part of the Metal Surfaces component.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 550 Metal Surfaces - Repaint

Quantity: Ramadas & Rails

Location: Common areas, park ramadas, and mailbox enclosures throughout the community

Funded?: Yes.

History: Repainted in 2021 for \$29,985 (cost included block walls).

Comments: This component funds to repaint ~180 LF of culvert rails and ~1,130 sq ft of ramada and shade structure posts and beams. Surfaces exhibit some weathering and fading. Repaint periodically to restore the appearance and inhibit rust.

Useful Life:
4 years

Remaining Life:
2 years



Best Case: \$ 7,600

Worst Case: \$ 7,600

Cost Source: Client Cost History

Comp #: 600 Irrigation System - Replace

Quantity: Lines, Valves, Heads

Location: Common areas throughout the community

Funded?: No. It is beyond the scope of this Reserve Study to quantify and assess conditions of the irrigation system. Funding can be added for future replacement at the client's request, but we need to be provided with cost and life expectancy estimates.

Repairs and partial replacements should be included in the annual landscape maintenance budget.

History:

Comments:

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 610 Irrig Controllers - Replace

Quantity: Approx (6) Controllers

Location: Mounted at the corner of Pecos Rd & Brighton Ln, between Geronimo St & Kesler Ln, between Fairview St & Morelos St, and along Recker Rd

Funded?: No. Individual replacement costs are expected to be below the Reserve expense threshold. Recommend replacing as needed as an Operating expense.

History:

Comments: Quantity includes (2) solar powered Leit controllers, and (4) Hunter controllers. Age, condition and model vary throughout the community.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 630 Backflow Valves - Replace

Quantity: (2) Backflow Valves

Location: Mounted between Kesler Ln & Frances Ln and at the corner of Pecos Rd & Recker Rd

Funded?: Yes.

History: Installed in 2005.

Comments: Backflow valves typically last a long time. They can often be repaired and rebuilt rather than replaced. Recommend repairing as-needed with Operating funds. This component funds long-term replacement.

*Model: 825YA and sizes include (2) 2"

Useful Life:
25 years

Remaining Life:
7 years



Best Case: \$ 6,500

Worst Case: \$ 6,500

Cost Source: Internet Research & AR Cost Database

Comp #: 640 Granite - Replenish

Quantity: Approx 204,300 Sq Ft

Location: Common areas throughout the community

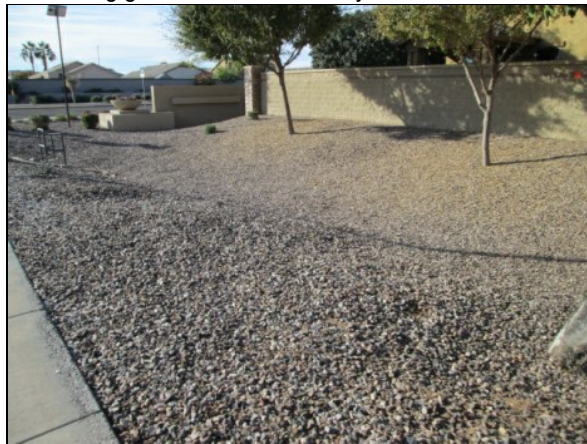
Funded?: Yes.

History: Replenished in 2022 for \$52,831.

Comments: Complete replacement of the landscape granite is not anticipated. Coverage will deplete over time, so this component funds an allowance to top dress the existing granite with a new 1" layer.

Useful Life:
10 years

Remaining Life:
9 years



Best Case: \$ 60,000

Worst Case: \$ 60,000

Cost Source: Client Cost History

Comp #: 650 Landscape - Refurbish

Quantity: Numerous Sq Ft

Location: Common areas throughout the community

Funded?: Yes.

History: Refurbished in 2022 for ~\$10,700.

Comments: Project in 2022 involved removing and replacing old plants and trees. This component funds an allowance for a similar project in order to improve and maintain the landscape.

Useful Life:
15 years

Remaining Life:
14 years



Best Case: \$ 12,000

Worst Case: \$ 12,000

Cost Source: Client Cost History

Comp #: 660 Drywells - Inspect/Clean

Quantity: Approx (14) Drywells

Location: Common areas throughout the community

Funded?: Yes.

History: Cleaned (1) drywell and (1) headwall 12/2021 for \$1,145.

Comments: Drywells need to be inspected and cleaned out periodically to ensure proper operation and to prevent failure. Not all of the drywells will require clean-out at the same time, so this component funds for a portion of them at the scheduled interval.

Useful Life:
4 years

Remaining Life:
3 years



Best Case: \$ 4,000

Worst Case: \$ 4,000

Cost Source: Client Cost History

Comp #: 662 Drywells - Partial Replace

Quantity: (1) of (14) Drywells

Location: Common areas throughout the community

Funded?: Yes.

History: Installed in 2005.

Comments: There is no expectancy to replace all drywells under normal circumstances. Replacement is usually the result of improper installation or neglect. This component funds a long-term allowance for partial replacement in the event some do fail.

Useful Life:
30 years

Remaining Life:
12 years



Best Case: \$ 25,000

Worst Case: \$ 25,000

Cost Source: AR Cost Allowance

PARK AREAS

Comp #: 800 Park Furniture - Replace

Quantity: (18) Pieces

Location: Park Areas between Kesler Ln & Frances Ln and Fairview St and Morelos St

Funded?: Yes.

History: Installed in 2005.

Comments: Pieces include (4) 6' benches, (7) 6' picnic tables, (4) trash cans, (2) bike racks and (1) BBQ grill. Pieces are generally old, worn and in poor condition. Several pieces show signs of vandalism and the plastic coating is peeling off.

Useful Life:
15 years

Remaining Life:
0 years



Best Case: \$ 40,000

Worst Case: \$ 40,000

Cost Source: AR Cost Database

Comp #: 804 Playground Equip - Replace

Quantity: (3) Pieces

Location: Park Area between Kesler Ln & Frances Ln

Funded?: Yes.

History: Installed in 2005.

Comments: Playground equipment was manufactured by Playworld Systems. Pieces include (1) medium sized play structure and (2) spring riders. Equipment is generally worn and faded. Some landings on play structure are peeling. However, there are no significant issues. Long life expectancy under normal circumstances. Replacement should be expected to update and modernize the equipment.

Useful Life:
20 years

Remaining Life:
2 years



Best Case: \$ 70,000

Worst Case: \$ 70,000

Cost Source: AR Cost Database

Comp #: 808 Playground Sand - Replenish

Quantity: Approx 1,900 Sq Ft

Location: Park Area between Kelsler Ln & Frances Ln

Funded?: No. Cost is below the Reserve expense threshold. There is typically no expectancy to completely replace the sand.

Recommend replenishing as needed as an Operating expense.

History:

Comments: Sand is soft and appears full and in good condition.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 810 Playground Turf - Replace

Quantity: Approx 910 sq Ft

Location: Park Area between Kesler Ln & Frances Ln

Funded?: Yes.

History: Age is unknown.

Comments: This is a cushioned surface designed to help absorb a child's fall. It also provides better access to play structures for handicapped children. It is intact and in fair condition. Replacement should be expected to coincide with the play structure.

Useful Life:
10 years

Remaining Life:
2 years



Best Case: \$ 30,000

Worst Case: \$ 30,000

Cost Source: AR Cost Database

Comp #: 814 Shade Sails - Replace

Quantity: (2) Sails, ~1,700 Sq Ft

Location: Park Area between Kesler Ln & Frances Ln

Funded?: Yes.

History: Replaced in late 2019. Previously installed around 2011.

Comments: This component funds periodic replacement of shade sail material. It is still intact with no holes or tears. Shade sail structures have a long and unpredictable life span, so replacement funding has not been included.

Useful Life:
10 years

Remaining Life:
7 years



Best Case: \$ 20,400

Worst Case: \$ 20,400

Cost Source: AR Cost Database

Comp #: 820 Basketball Court - Resurface

Quantity: (1) Court, ~4,490 Sq Ft

Location: Park Area between Fairview St & Morelos St

Funded?: Yes.

History: Resurfaced in 2022 for \$7,150. Previous age is unknown.

Comments: Surface coating is new and in good condition. This is a concrete court, so there is no expectancy to replace it under normal circumstances. This component funds to periodically resurface the court.

Useful Life:
6 years

Remaining Life:
5 years



Best Case: \$ 7,900

Worst Case: \$ 7,900

Cost Source: Client Cost History

Comp #: 822 Basketball Equip - Repalce

Quantity: (1) Backboard Set

Location: Park Area between Fairview St & Morelos St

Funded?: Yes.

History: Installed in 2005.

Comments: This is a heavy duty basket ball post and goal. It is still intact and functional, but it is chipped and weathered. This component funds to replace the steel backboard and rim. The post is mounted inground and has no irrigation exposure, so there is no expectancy to replace it.

Useful Life:
20 years

Remaining Life:
2 years



Best Case: \$ 2,000

Worst Case: \$ 2,000

Cost Source: AR Cost Database

Comp #: 830 Volleyball Posts - Replace

Quantity: (2) Posts

Location: Park Area between Fairview St & Morelos St

Funded?: Yes.

History: Installed in 2005.

Comments: This component funds to replace the posts that support the volleyball net. They appear to be to be in good condition. No rust or irrigation exposure noted. Long life component under normal circumstances. Replacement should be anticipated eventually.

Useful Life:
25 years

Remaining Life:
7 years



Best Case: \$ 3,000

Worst Case: \$ 3,000

Cost Source: AR Cost Database

Comp #: 832 Volleyball Sand - Replenish

Quantity: (1) Court, ~3,300 Sq Ft

Location: Park Area between Fairview St & Morelos St

Funded?: Yes.

History: Age is unknown.

Comments: Sand is compact and low. There is typically no expectancy to completely replace the sand. This component funds to periodically top-dress or replenish the sand to maintain proper depths.

Useful Life:
8 years

Remaining Life:
0 years



Best Case: \$ 2,500

Worst Case: \$ 2,500

Cost Source: AR Cost Allowance
