

14

# RDA REPORT

Caribbean Gardens  
Phoenix, Arizona  
Account 3760 - Version 001  
December 13, 2013

## RESERVE DATA ANALYSIS, INC.

2761 East Bridgeport Parkway  
Gilbert, Arizona 85295  
FAX (480) 473-7658  
(480) 473-7643

*Prepared By*

TOM THOMPSON

RDA Reserve Management Software  
Copyright 2013, Edwin G. Edgley  
All Rights Reserved



## **RDA Reserve Study Guide**

The RDA reserve study is a multi-purpose tool that is designed to assist the Board of Directors and Community Management team in the financial management of the Association's long term assets. To properly manage these assets, the Board of Directors and Community Manager need to spend some time reading, digesting and understanding what the reserve study is advising. The following instructions provide a step-by-step guide of what to do now that you have a reserve study prepared by Reserve Data Analysis.

**Step 1: Review the last page of the report** titled the "Detail Report Index" to familiarize yourself with the assets that make up your RDA Reserve Study.

**Step 2: Pick a single asset to review.** Your goal is to obtain a clear understanding of the pieces that go into budgeting for a specific asset including the placed in service date, useful life, quantity and unit cost. Once you have a clear understanding of how a single asset works, apply that knowledge to all other assets in the report.

**Step 3: Review the detailed information that budgeting for each asset is based on.** Look at each asset in the report. If the placed in service date, useful life, quantity, and replacement cost are considered reasonable and accurate, then the calculations and results of your RDA reserve study will be reasonable and accurate. Most questions can be answered by reading the detailed "Remarks" included with each asset.

**Step 4: Review Page 2 – 1.** The top of page 2 – 1 identifies the parameters that were used to generate the RDA Reserve Study calculations including budget year, reserve fund balance, annual contribution increase, interest rate earned on invested reserve funds, and contingency. The bottom of this page provides the summarized RDA Reserve Study results for the 1<sup>st</sup> year, including the recommended monthly reserve contribution in total and per unit.

**Step 5: Review the page titled "Distribution of Accumulated Reserves".** This page will provide justification for the percent funded calculations. It shows, by asset, how much money should be in the reserve account, based on the level of depreciation each asset has experienced as of the beginning of the budget year the RDA Reserve Study has been prepared for. Note that the figures listed in the column labeled "Fully Funded Reserves" do not represent the replacement cost unless the remaining life shows "0".

**Step 6: Review the page titled "Cash Flow Specific Projections".** This page will provide a rolling year to year projection of the reserve account for the next 30 years including recommended annual contributions, estimated interest earnings on invested reserve funds, expected annual expenditures, projected year end reserve balances, and the fully funded amount that should be in the reserve account at the end of each year. ***This is your funding strategy.*** The goal of an RDA funding strategy is to allow the Association to cover all planned reserve expenditures, build the reserve account to a fully funded (100%) position by end of the reporting period (30 years in most cases), all while starting with the lowest possible contribution to reserves.

**Step 7: Review the Annual Expenditure Detail pages.** These pages will show the projected future costs by year for each planned reserve expense through the end of the reporting period.

**Step 8: Call us with questions!** For someone who does not deal with them on a daily basis, reserve studies can be difficult to wade through. If there is something you don't understand, or something that you disagree with, we encourage you to call us to discuss it. RDA is committed to a long-term relationship with you and will spend the time on the phone with you to ensure that you understand where we are coming from, where we obtained our information or assumptions, and why we did what we did. Again, please call us with any questions you have as we are here to help in any way we can.

## Please Note

**This document has been provided pursuant to an agreement containing restrictions on its use. No part of this document may be copied or distributed, in any form or by any means, nor disclosed to third parties without the express written permission of Reserve Data Analysis, Inc., until it has been paid for in full. The Client shall have the right to reproduce and distribute copies of this report, or the information contained within, as may be required for compliance with all applicable regulations.**

This reserve analysis study and the parameters under which it has been completed are based upon information provided to us in part by representatives of the association, its contractors, assorted vendors, specialist and independent contractors, the Community Associations Institute, various construction pricing and scheduling manuals including, but not limited to: Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, RS Means Repair & Remodeling Cost Data, National Construction Estimator, National Repair & Remodel Estimator, Dodge Cost Manual and the McGraw Hill Book Company. Additionally, costs are obtained from numerous vendor catalogues, actual quotations or historical costs, and our own experience in the field of property management and preparation of reserve analysis studies.

It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and each estimated useful life will approximate that of the norm per industry standards and/or manufacture specifications used. In some cases, estimates may have been used on assets which have an indeterminable but potential liability to the association. The decision for the inclusion of these as well as all assets considered is left to the client.

**We recommend that your reserve analysis study be updated every two to three years due to fluctuating interest rates, inflationary changes and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and subsequent computations made in preparing this reserve analysis study are retained in our computer files. Therefore, updates can typically be completed in a more timely manner than the original study.**

Reserve Data Analysis, Inc. would like to thank you for using our services, and we invite you to call us at any time should you have any questions or comments or need assistance. In addition, any of the parameters and estimates used in this study may be changed at your request, after which we will provide you with a revised study.

**RESERVE DATA ANALYSIS, INC.**

**(480) 473-7643**

# TABLE OF CONTENTS

## **PART I - INTRODUCTION**

### **THE RESERVE BUDGET**

Funding Options .....	1-1
The Reserve Study .....	1-2
Developing a Component List .....	1-3
Preparing the Reserve Study .....	1-4
Funding Methods .....	1-5
Funding Strategies .....	1-5
Distribution of Accumulated Reserves .....	1-7
Funding Reserves .....	1-8

### **USING YOUR RESERVE ANALYSIS STUDY**

User's Guide to Your Reserve Analysis Study .....	1-9
Definitions .....	1-10
A Multi-Purpose Tool .....	1-13

## **PART II - RESERVE ANALYSIS STUDY**

Cash Flow Specific Summary of Calculations .....	2-1
Distribution of Accumulated Reserves .....	2-2
Funding Status Report .....	2-4
Cash Flow Specific Projections .....	2-6
Annual Expenditure Detail .....	2-7
Cash Flow Detail Report by Category .....	2-12
Detail Report Index .....	2-33

---

## PART I - INTRODUCTION

---

Preparing the annual budget and overseeing the association's finances are perhaps the most important responsibilities of board members. The annual operating and reserve budgets reflect the planning and goals of the association and set the level and quality of service for all of the association's activities.

### ■ 1. Funding Options

When a major repair or replacement is required in a community, an association has essentially four options available to address the expenditure:

The first option is to pass a "special assessment" to the membership in an amount required to cover the expenditure. Although not commonplace, there have been special assessments in the amount of \$10,000 per member assessed in associations in Virginia and southern California. When a special assessment is passed, the association has the authority and responsibility to collect the assessments, even by means of foreclosure if necessary. However, an association operating on a special assessment basis cannot guarantee that an assessment, when needed, will be passed. Consequently, it cannot guarantee its ability to perform the required repairs or replacements to those major components for which the association is obligated to maintain when the need arises. Additionally, while relatively new communities require very little in the way of major "reserve" expenditures, associations reaching 12 to 15 years of age and older find many components reaching the end of their effective useful lives. These required expenditures, all accruing at the same time, can be devastating to an association's overall budget.

The second option is for the association to acquire a loan from a lending institution in order to effect the required repairs. In many cases, banks will lend money to an association using "future homeowner assessments" as collateral for the loan. With this method, not only is the current board of directors pledging the future assets of an association, they are also required to pay interest fees on the loan payback in addition to the original principal. In the case of a \$150,000 roofing replacement, the association may be required to pay back the loan over a three to five year period, with interest; whereas, if the association was setting aside reserves for this purpose, using the

vehicle of the regularly assessed membership dues, it would have had the full term of the life of the roof in order to accumulate the necessary moneys. Additionally, those contributions would have been evenly distributed over the entire membership and would have earned interest as part of that contribution.

The third option, too often used, is simply to defer the required repair or replacement. This option can create an environment of declining property values due to the increasing deferred maintenance and the association's financial inability to keep pace with the normal aging process of the common area components. This, in turn, can have a seriously negative impact on sellers in the Association by making it difficult or even impossible for potential buyers to obtain financing from lenders. Increasingly, many lending institutions are requesting copies of the association's most recent reserve study before granting loans, either for the association, a prospective purchaser, or for an individual within such association.

The fourth, and only logical means that the board of directors has to ensure its ability to maintain the assets for which it is obligated, uniformly distributing the costs of the replacements over the entire membership, is by assessing an adequate level of reserves as part of the regular membership assessment. The community is not only comprised of present members, but also future members. Any decision by the board of directors to adopt a calculation method or funding plan which would disproportionately burden future members in order to make up for past reserve deficits would be a breach of its fiduciary responsibility to those future members. Unlike individuals determining their own course of action, the board is responsible to the "community" as a whole.

## ■ 2. The Reserve Study

There are two components of a reserve study – a physical analysis and a financial analysis. During the physical analysis, a reserve provider evaluates information regarding the physical status and repair/replacement cost of the association's major common area components. To do so, the provider conducts a component inventory, a condition assessment, and life and valuation estimates. A financial analysis assesses the association's reserve balance or "fund status" (measured in cash or as percent funded) to determine a recommendation for an appropriate reserve contribution rate in the future known as the "funding plan."

Reserve studies fit into one of three categories: 1) Full Study; 2) Update - with site inspection; and 3) Update - without site inspection.

- In a Full reserve study, the reserve provider conducts a component inventory, a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both a "fund status" and "funding plan."

- In an Update – with site inspection, the reserve provider conducts a component inventory (verification only, not quantification), a condition assessment (based on on-site visual observations), and life and valuation estimates to determine both the “fund status” and “funding plan.”
- In an Update – without site inspection, the reserve provider conducts life and valuation estimates to determine the “fund status” and “funding plan.”

### ■ 3. Developing a Component List

The budget process begins with an accurate inventory of all the major components for which the association is responsible. The determination of whether an expense should be labeled as operational, reserve, or excluded altogether is sometimes subjective. Since this labeling may have a major impact on the financial plans of the association, subjective determinations should be minimized. We suggest the following considerations when labeling an expense:

**OPERATIONAL EXPENSES** occur at least annually, no matter how large the expense, and can be effectively budgeted for each year. They are characterized as being reasonably predictable both in terms of frequency and cost. Operational expenses include all minor expenses which would not otherwise adversely affect an operational budget from one year to the next. Examples of Operational Expenses include:

**Utilities:**

- Electricity
- Gas
- Water
- Telephone
- Cable TV

**Services:**

- Landscaping
- Pool Maintenance
- Street Sweeping
- Accounting
- Reserve Study

**Administrative:**

- Supplies
- Bank Service Charges
- Dues & Publications
- Licenses, Permits & Fees

**Repair Expenses:**

- Tile Roof Repairs
- Equipment Repairs
- Minor Concrete Repairs
- Operating Contingency

**RESERVE EXPENSES** are major expenses that occur other than annually and which must be budgeted for in advance in order to provide the necessary funds in time

for their occurrence. Reserve expenses are reasonably predictable both in terms of frequency and cost. However, they may include significant assets which have an indeterminable but potential liability which may be demonstrated as a likely occurrence. They are expenses that when incurred would have a significant affect on the smooth operation of the budgetary process from one year to the next if they were not reserved for in advance. Examples of Reserve Expenses include:

- Roof Replacements
- Painting
- Deck Resurfacing
- Fencing Replacement
- Street Seal/Slurry Coatings
- Asphalt Overlays
- Pool Re-plastering
- Pool Equipment Replacement
- Pool Furniture Replacement
- Tennis Court Resurfacing
- Park & Play Equipment
- Equipment Replacement
- Interior Furnishings
- Lighting Replacement

**BUDGETING IS NORMALLY EXCLUDED FOR** repairs or replacements of assets which are deemed to have an estimated useful life equal to or exceeding the estimated useful life of the facility or community itself, or exceeding the legal life of the community as defined in an association's governing documents. Examples include the complete replacement of elevators, tile roofs, wiring and plumbing. Also excluded are insignificant expenses which may be covered either by an operating or reserve contingency, or otherwise in a general maintenance fund. Costs which are caused by acts of God, accidents or other occurrences which are more properly insured for, rather than reserved for, are also excluded.

#### ■ 4. Preparing the Reserve Study

Once the reserve assets have been identified and quantified, their respective replacement costs, useful lives and remaining lives must be assigned so that a funding schedule can be constructed. Replacement costs and useful lives can be found in published manuals such as construction estimators, appraisal handbooks, and valuation guides. Remaining lives are calculated from the useful lives and ages of assets and adjusted according to conditions such as design, manufacture quality, usage, exposure to the elements and maintenance history.

By following the recommendations of an effective reserve study the association should avoid any major shortfalls. However, to remain accurate, the report should be updated every two to three years to reflect such changes as shifts in economic parameters, additions of phases or assets, or expenditures of reserve funds. The association can assist in simplifying the reserve analysis update process by keeping accurate records of these changes throughout the year.



## ■ 5. Funding Methods

From the simplest to most complex, reserve analysis providers use many different computational processes to calculate reserve requirements. However, there are two basic processes identified as industry standards: the cash-flow method and the component method.

The cash flow method develops a reserve-funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the actual anticipated schedule of reserve expenses until the desired funding goal is achieved. This method sets up a "window" in which all future anticipated replacement costs are computed, based on the individual lives of the components under consideration.

The component method develops a reserve-funding plan where the total contribution is based on the sum of contributions for individual components. The component method is the more conservative of the two funding options, and assures that the association will achieve and maintain an ideal level of reserves over time. This method also allows for computations on individual components in the analysis. The RDA Summary and RDA Projection Reports are based upon the component methodology.

## ■ 6. Funding Strategies

Once an association has established its funding goals, the association can select an appropriate funding plan. There are two basic strategies widely used by associations. It is recommended that associations consult professionals to determine the best strategy or combination of plans that best suit the association's need. Additionally, associations should consult with their financial advisor to determine the tax implications of selecting a particular plan. Further, consultation with the American Institute of Certified Public Accountants (AICPA) for their reporting requirements is advisable. The two funding plans and descriptions of both are detailed below.

- Full Funding — Given that the basis of funding for reserves is to distribute the costs of the replacements over the lives of the components in question, it follows that the ideal level of reserves would be proportionately related to those lives and costs. If an association has a component with an expected estimated useful life of ten years, it would set aside approximately one-tenth of the replacement cost each year. At the end of three years, one would expect that three-tenths of the replacement cost to have accumulated, and if so, that component would be "fully-funded." This model is

important in that it is a measure of the adequacy of an association's reserves at any one point of time, and is independent of any particular method which may have been used for past funding or may be under consideration for future funding. The formula is based on current replacement cost, and is a measure in time, independent of future inflationary or investment factors:

$$\text{Fully Funded Reserves} = \frac{\text{Age of Component}}{\text{Useful Life}} \times \text{Current Replacement Cost}$$

When an association's total accumulated reserves for all components meet this criteria, its reserves are "fully-funded."

- **Threshold Funding (RDA Modified Cash Flow Reports)** — There are two goals of this funding method. The first goal is to make sure that all scheduled reserve expenditures are covered by keeping the reserve cash balance above zero during the projected period. The second goal is to reach and maintain a 100% fully funded reserve balance during the projected period. Depending on the association's current percent funded, it may take the entire projected period (typically 30 years) before the 100% fully funded level is achieved.

Reaching and maintaining a 100% fully funded reserve balance by uniformly distributing the costs of the replacements over time benefits both current and future members of an association, and is the best approach the board of directors can take to fulfill its fiduciary responsibility. The modified cash flow method creates a funding strategy that gives the membership the lowest reserve funding recommendation as possible over time, while approaching the 100% fully funded level.

Another advantage of the modified cash flow method is that in most cases several strategies can be manually tested by Reserve Data Analysis, Inc. (the strategy is not based strictly on each components current funding status) until the best funding strategy is created – one that has consistent, incremental contribution increases from year to year. This very important aspect of the reserve study will aid the board of directors during the annual budgeting process.

## ■ 7. Distribution of Accumulated Reserves

The first step is to identify the ideal level of reserves for each asset. As indicated in the prior section, this is accomplished by evaluating the component's age proportionate to its estimated useful life and current replacement cost. Again, the equation used is as follows:

$$\text{Fully Funded Reserves} = \frac{\text{Age of Component}}{\text{Useful Life}} \times \text{Current Replacement Cost}$$

The RDA RESERVE MANAGEMENT SOFTWARE™ program performs the above calculations to the very month the component was placed-in-service. It also allows for the accumulation of the necessary reserves for the replacement to be available on the first day of the fiscal year it is scheduled to be replaced.

After identifying the ideal level of reserves for each asset, the beginning reserve balance must be allocated to each of the individual components identified in the analysis.

The next step the program performs is to arrange all of the assets used in the study in ascending order by remaining life, and alphabetically within each grouping of remaining life items. These assets are then assigned their respective ideal level of reserves until the amount of funds available are depleted, or until all assets are appropriately funded. If any assets are assigned a zero remaining life (schedule for replacement this fiscal year), then the amount assigned equals the current replacement cost and funding begins for the next cycle of replacement. If there are insufficient funds available to accomplish this, then the software automatically adjusts the zero remaining life item to 1 year and that asset assumes its new grouping position alphabetically in the final printed report.

If at the completion of this task there are additional moneys which have not been distributed, the remaining reserves are then assigned, in ascending order, to a level equal to, but not exceeding, the current replacement cost for each component. If there are sufficient moneys available to fund all assets at their current replacement cost levels, then any excess funds are designated as such initially, but are then considered to be available reserves in the report funding computations.

Assigning the reserves in this manner defers the make-up period for any underfunding over the longest remaining life of all the assets under consideration, thereby minimizing the impact of deficiency. For example, if the report indicates an underfunding of \$50,000, this underfunding will be assigned to components with the longest remaining life possible in order to give more time to "replenish" the account. If the \$50,000 underfunding were to be assigned to short remaining life items, the impact would be immediately felt.

If the reserves are underfunded, the monthly contribution requirements as outlined in this report may be higher than normal depending on the calculation method that is used. In future years, as individual assets are replaced, the funding requirements will return to their normal levels. In the case of a large deficiency, a special assessment may be considered. The program can easily generate revised reports outlining how the monthly contributions would be affected by such an adjustment, or by any other changes which may be under consideration.

## ■ 8. Funding Reserves

Two contribution numbers are provided in the report, the "Monthly Membership Contribution" and the "Net Monthly Allocation." The association should contribute to reserves each month the "Monthly Membership Contribution" figure, when the interest earned on the reserves is left in the reserve accounts as part of the contribution. When interest is earned on the reserves, that interest must be left in reserves and only amounts set aside for taxes should be removed.

The second alternative is to allocate the "Net Monthly Allocation" to reserves (this is the member contribution plus the anticipated interest earned for the fiscal year). This method assumes that all interest earned will be assigned directly as operating income. This allocation takes into consideration the anticipated interest earned on accumulated reserves regardless of whether or not it is actually earned. When taxes are paid the amount due will be taken directly from the association's operating accounts as the reserve accounts are allocated only those moneys net of taxes.

## ■ 9. Users' Guide to Your Reserve Analysis Study

Part II of your RDA REPORT contains the reserve analysis study for your association. There are seven types of pages in the study as described below.

### REPORT SUMMARY

The **Report Summary** lists all of the parameters which were used in calculating the report as well as the summary of your reserve analysis study.

### INDEX REPORTS

The **Distribution of Accumulated Reserves** report lists all assets in remaining life order. It also identifies the ideal level of reserves which should have accumulated for the association as well as the actual reserves available.

### DETAIL REPORTS

The **Detail Report** itemizes each asset and lists all measurements, current and future costs and calculations for that asset. Provisions for percentage replacements, salvage values and one-time replacements can also be utilized.

The numerical listings for each asset are enhanced by extensive narrative detailing factors such as design, manufacture quality, usage, exposure to elements and maintenance history.

The **Detail Report Index** is an alphabetical listing of all assets together with the page number of the asset's detail report and asset number.

### PROJECTIONS AND CHARTS

**Thirty-year Projections** of projected data add to the usefulness of your reserve analysis study.

## ■ 10. Definitions

**REPORT I.D.** - Includes the REPORT DATE (ex. November 15, 1992), VERSION (ex. 001), and ACCOUNT NUMBER (ex. 9773). Please use this information when referencing your report. (Displayed on the summary page.)

**BUDGET YEAR BEGINNING/ENDING** - The budgetary year for which the report is prepared. For associations with fiscal years ending December 31, the monthly contribution figures indicated are for the 12 month period beginning 1/1/2X and ending 12/31/2X.

**NUMBER OF UNITS/PHASES** - If applicable, the number of units and/or phases included in this version of the report.

**INFLATION** - This figure is used to approximate the future cost to repair or replace each component in the report. The current cost for each component is compounded on an annual basis by the number of remaining years to replacement and the total is used in calculating the monthly reserve contribution which will be necessary in order to accumulate the required funds in time for replacement.

**ANNUAL CONTRIBUTION INCREASE** - The percentage rate at which the association will increase its contribution to reserves at the end of each year until the year in which the asset is replaced. For example, in order to accumulate \$10,000 in 10 years, you could set aside \$1,000 per year. As an alternative, you could set aside \$795 the first year and increase that amount by 5% each year until the year of replacement. In either case you arrive at the same amount. The idea is that you start setting aside a lower amount and increase that number each year in accordance with the planned percentage. Ideally this figure should be equal to the rate of inflation. It can, however, be used to aid those associations that have not set aside appropriate reserves in the past by making the initial year's allocation less formidable.

**INVESTMENT YIELD** - The average interest rate anticipated by the association based upon its current investment practices.

**TAXES ON YIELD** - The estimated percentage of interest income which will be set aside for taxes.

**ACCUMULATED RESERVE BALANCE** - The anticipated reserve balance on the first day of the fiscal year for which this report has been prepared. Based upon information provided and not audited.

**PERCENT FULLY FUNDED** - The ratio, at the beginning of the fiscal year, of the actual (or projected) reserve balance to the calculated fully funded balance, expressed as a percentage.

**PHASE INCREMENT DETAIL/AGE** - Comments regarding aging of the components on the basis of construction date or date of acceptance by the association.

**MONTHLY CONTRIBUTION** - The contribution to reserves required by the association each month.

**INTEREST CONTRIBUTION** - The interest that should be earned on the reserves, net of taxes, based upon their beginning reserve balance and monthly contributions for one year. This figure is averaged for budgeting purposes.

**NET MONTHLY ALLOCATION** - The sum of the monthly contribution and interest contribution figures.

**GROUP OR FACILITY NUMBER/CATEGORY NUMBER** - The report may be prepared and sorted either by group or facility (location, building, phase, etc.) or by category (roofing, painting, etc.). Standard report printing format is by category.

**PERCENTAGE OF REPLACEMENT** - In some cases, an asset may not be replaced in its entirety or the cost may be shared with a second party. Examples are budgeting for a percentage of replacement of streets over a period of time, or sharing the expense to replace a common wall with a neighboring party.

**PLACED-IN-SERVICE** - The month and year that the asset was placed-in-service. - This may be the construction date, the first escrow closure date in a given phase, or the date of the last servicing or replacement.

**ESTIMATED USEFUL LIFE** - The estimated useful life of an asset based upon industry standards, manufacturer specifications, visual inspection, location, usage, association standards and prior history. All of these factors are taken into consideration when tailoring the estimated useful life to the particular asset. For example, the carpeting in a hallway or elevator (a heavy traffic area) will not have the same life as the identical carpeting in a seldom-used meeting room or office.

**ADJUSTMENT TO USEFUL LIFE** - Once the useful life is determined it may be adjusted +/- by this separate figure for the current cycle of replacement. This will allow for a current period adjustment without affecting the estimated replacement cycles for future replacements.

**ESTIMATED REMAINING LIFE** - This calculation is completed internally based upon the report's fiscal year date and the date the asset was placed-in-service.

**REPLACEMENT YEAR** - The year that the asset is scheduled to be replaced. The appropriate funds will be available by the first day of the fiscal year for which replacement is anticipated.

**FIXED ACCUMULATED RESERVES** - An optional figure which, if used, will override the normal process of allocating reserves to each asset.

**FIXED MONTHLY CONTRIBUTION** - An optional figure which, if used, will override all calculations and set the contribution at this amount.

**SALVAGE VALUE** - The salvage value of the asset at the time of replacement, if applicable.

**ONE-TIME REPLACEMENT** - Notation if the asset is to be replaced on a one-time basis.

**CURRENT REPLACEMENT COST** - The estimated replacement cost effective as of the beginning of the fiscal year for which the report is being prepared.

**FUTURE REPLACEMENT COST** - The estimated cost to repair or replace the asset at the end of its estimated useful life based upon the current replacement cost and inflation.

**COMPONENT INVENTORY** - The task of selecting and quantifying reserve components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents and discussion with appropriate association representative(s).



## ■ 11. A Multi-Purpose Tool

Your RDA REPORT is an important part of your association's budgetary process. Following its recommendations should ensure the association's smooth budgetary transitions from one fiscal year to the next, and either decrease or eliminate the need for "special assessments".

In addition, your RDA reserve study serves a variety of useful purposes:

- Following the recommendations of a reserve study performed by a professional consultant can protect the Board of Directors in a community from personal liability concerning reserve components and reserve funding.
- A reserve analysis study is required by your accountant during the preparation of the association's annual audit.
- A reserve study is often requested by lending institutions during the process of loan applications, both for the community and, in many cases, the individual owners.
- Your RDA REPORT is also a detailed inventory of the association's major assets and serves as a management tool for scheduling, coordinating and planning future repairs and replacements.
- Your RDA REPORT is a tool which can assist the Board in fulfilling its legal and fiduciary obligations for maintaining the community in a state of good repair. If a community is operating on a special assessment basis, it cannot guarantee that an assessment, when needed, will be passed. Therefore, it cannot guarantee its ability to perform the required repairs or replacements to those major components which the association is obligated to maintain.
- Since the RDA reserve analysis study includes precise measurements and cost estimates of the client's assets, the detail reports may be used to evaluate the accuracy and price of contractor bids when assets are due to be repaired or replaced.
- The reserve study is an annual disclosure to the membership concerning the financial condition of the association, and may be used as a "consumers' guide" by prospective purchasers.

© Copyright 2001, Edwin G. Edgley  
All Rights Reserved

**Caribbean Gardens**  
 Phoenix, Arizona  
CFS Reserve Analysis Report Summary

Report Date	December 13, 2013	Parameters:	
Version	001	Inflation	3.00%
Account Number	3760	Annual Contribution Increase	2.50%
Budget Year Beginning	1/ 1/14	Investment Yield	0.04%
Ending	12/31/14	Taxes on Yield	0.00%
Total Units Included	40	Contingency	3.00%
Phase Development	1 of 1	Reserve Fund Balance as of	
		1/ 1/14:	\$60,576.00

Project Profile & Introduction

This community was constructed in the early 1970's. Refer to the Detail Report by Category section of this report for the placed in service dates used to age each common area asset.

Refer to Asset ID #1001 (\*\*Reserve Balance Calculation) for an explanation of how the January 1, 2014 reserve balance was determined.

Calculation Method: Modified Cash Flow  
 Funding Strategy: Threshold  
 RDA Reports: December 2013.

Cash Flow Specific Summary of Calculations

Monthly Contribution to Reserves Required:	\$3,100.00
( \$77.50 per unit per month)	
Average Net Monthly Interest Contribution This Year:	1.95
Net Monthly Allocation to Reserves 1/ 1/14 to 12/31/14:	\$3,101.95
( \$77.55 per unit per month)	

RDA Reserve Management Software  
 Copyright 2013, Edwin G. Edgley  
 All Rights Reserved

**Caribbean Gardens**  
Distribution of Accumulated Reserves

REPORT DATE: December 13, 2013  
 VERSION: 001  
 ACCOUNT NUMBER: 3760

DESCRIPTION	REM LIFE	FULLY FUNDED RESERVES	ASSIGNED RESERVES
** Reserve Balance Calculation	0	0.00	0.00
Asphalt - General Comments ***	0	0.00	0.00
Asphalt - HA5 (2014)	0	7,039.20	7,039.20
BBQ Grills & Counters	0	3,000.00	3,000.00
Concrete Components (Unfunded)	0	0.00	0.00
Granite Replenishment (Unfunded)	0	0.00	0.00
Irrigation System (Unfunded)	0	0.00	0.00
Paint - Metal Components	0	9,000.00	9,000.00
Roofs - Metal, Carports (Unfunded)	0	0.00	0.00
Tree Trimming (Unfunded)	0	0.00	0.00
Roofs - Asphalt Shingle (2015)	1	0.00	0.00
Water Heater (Laundry Room)	1	900.00	900.00
Pool - Deck Recoat	2	1,756.73	1,756.73
Roofs - Flat (Recoat)	3	4,860.00	4,860.00
Irrigation Controllers	4	300.00	300.00
Asphalt - Slurry Seal (2020)	6	1,134.31	1,134.31
Evaporative Cooler	6	900.00	900.00
Mailboxes	6	2,690.40	2,690.40
Asphalt - HA5 (2021)	7	0.00	0.00
Pool - Replaster & Retile	7	2,730.13	2,730.13
Carpet - Stairways & Landings	8	1,800.00	1,800.00
Pool - Deck Resurface	9	2,054.17	2,054.17
Pool - Filter	9	550.00	550.00
Paint - Bldgs (Exlcudes Railings)	10	0.00	0.00
Chiller - Variable Frequency Drive	13	301.57	301.57
Pool - Furniture	13	400.00	400.00
Asphalt - Remove & Repave	16	50,632.84	19,395.14
Chiller System	16	70,920.00	0.00
Light Fixtures	16	1,215.00	0.00
Asphalt - HA5 (Ongoing)	17	0.00	0.00

**Caribbean Gardens**  
Distribution of Accumulated Reserves

DESCRIPTION	REM LIFE	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Cooling Tower	18	1,377.31	0.00
Fencing - Wrought Iron (Pool)	19	1,792.63	0.00
Roofs - Asphalt Shingle	23	6,700.00	0.00
Total Asset Summary:		172,054.29	58,811.65
Contingency @ 3.00%:		5,161.63	1,764.35
Grand Total:		177,215.92	60,576.00
Excess Reserves Not Used:			0.00
Percent Fully Funded:	34%		

**Caribbean Gardens**  
**Funding Status Report**

REPORT DATE: December 13, 2013  
VERSION: 001  
ACCOUNT NUMBER: 3760

DESCRIPTION	USE LIFE	+/- LIFE	REM LIFE	CURRENT COST	FULLY FUNDED RESERVES	ASSIGNED RESERVES
** Reserve Balance Calculation	0	0	0	0	0	0
*** CATEGORY SUMMARY:				0	0	0
Concrete Components (Unfunded)	0	0	0	0	0	0
*** CATEGORY SUMMARY:				0	0	0
Asphalt - General Comments ***	0	0	0	0	0	0
Asphalt - HA5 (2014)	1	0	0	7,039	7,039	7,039
Asphalt - HA5 (2021)	7	0	7	7,039	0	0
Asphalt - HA5 (Ongoing)	7	+10	17	7,039	0	0
Asphalt - Remove & Repave	50	+7	16	70,392	50,633	19,395
Asphalt - Slurry Seal (2020)	7	0	6	10,209	1,134	1,134
*** CATEGORY SUMMARY:				101,718	58,806	27,569
Roofs - Asphalt Shingle	25	0	23	83,750	6,700	0
Roofs - Asphalt Shingle (2015)	1	0	1	16,750	0	0
Roofs - Flat (Recoat)	5	0	3	12,150	4,860	4,860
Roofs - Metal, Carports (Unfunded)	0	0	0	0	0	0
*** CATEGORY SUMMARY:				112,650	11,560	4,860
Paint - Bldgs (Exlcudes Railings)	10	0	10	18,850	0	0
Paint - Metal Components	5	0	0	9,000	9,000	9,000
*** CATEGORY SUMMARY:				27,850	9,000	9,000
BBQ Grills & Counters	15	0	0	3,000	3,000	3,000
Fencing - Wrought Iron (Pool)	30	0	19	4,889	1,793	0
*** CATEGORY SUMMARY:				7,889	4,793	3,000
Light Fixtures	20	0	16	6,075	1,215	0
*** CATEGORY SUMMARY:				6,075	1,215	0
Pool - Deck Recoat	7	0	2	2,538	1,757	1,757
Pool - Deck Resurface	14	0	9	6,163	2,054	2,054
Pool - Filter	18	0	9	1,100	550	550
Pool - Furniture	15	0	13	3,000	400	400
Pool - Replaster & Retile	12	0	7	6,977	2,730	2,730
*** CATEGORY SUMMARY:				19,777	7,491	7,491
Carpet - Stairways & Landings	10	0	8	9,000	1,800	1,800
*** CATEGORY SUMMARY:				9,000	1,800	1,800
Chiller - Variable Frequency Drive	15	0	13	2,440	302	302
Chiller System	25	0	16	197,000	70,920	0

**Caribbean Gardens**  
Funding Status Report

DESCRIPTION	USE +/- LIFE	REM LIFE	CURRENT COST	FULLY FUNDED RESERVES	ASSIGNED RESERVES	
Cooling Tower	20	0	18	14,900	1,377	0
Evaporative Cooler	15	0	6	1,500	900	900
Water Heater (Laundry Room)	10	0	1	1,000	900	900
*** CATEGORY SUMMARY:				216,840	74,399	2,102
Mailboxes	25	0	6	3,540	2,690	2,690
*** CATEGORY SUMMARY:				3,540	2,690	2,690
Granite Replenishment (Unfunded)	0	0	0	0	0	0
Irrigation Controllers	10	0	4	500	300	300
Irrigation System (Unfunded)	0	0	0	0	0	0
Tree Trimming (Unfunded)	0	0	0	0	0	0
*** CATEGORY SUMMARY:				500	300	300
TOTAL ASSET SUMMARY:				505,839	172,054	58,812
CONTINGENCY @ 3.00%:					5,162	1,764
GRAND TOTAL:					177,216	60,576

Percent Fully Funded:           34%

**Caribbean Gardens**  
**Cash Flow Specific Projections**

REPORT DATE: December 13, 2013  
VERSION: 001  
ACCOUNT NUMBER: 3760

Beginning Accumulated Reserves: \$60,576

YEAR	CURRENT REPLACEMENT COST	ANNUAL CONTRBTN	ANNUAL INTEREST CONTRBTN	ANNUAL EXPENDTRS	PROJECTED ENDING RESERVES	FULLY FUNDED RESERVES	PERCENT FULLY FUNDED
'14	505,839	37,200	23	19,039	78,760	207,794	38%
'15	513,764	38,130	31	18,283	98,639	223,153	44%
'16	511,407	39,083	46	2,692	135,076	256,337	53%
'17	526,749	40,060	56	13,277	161,915	280,167	58%
'18	542,552	41,062	72	563	202,487	319,108	63%
'19	558,828	42,088	85	10,433	234,226	349,679	67%
'20	575,593	43,141	94	18,208	259,253	371,965	70%
'21	580,305	44,219	105	17,238	286,339	395,537	72%
'22	588,798	45,325	112	26,792	304,984	410,601	74%
'23	606,461	46,458	125	12,787	338,780	441,901	77%
'24	624,655	47,619	129	37,428	349,100	448,975	78%
'25	643,395	48,810	148	1,384	396,674	495,506	80%
'26	662,697	50,030	168	0	446,872	545,937	82%
'27	682,578	51,281	178	25,832	472,498	571,540	83%
'28	703,055	52,563	198	756	524,503	625,613	84%
'29	724,147	53,877	212	18,696	559,896	663,408	84%
'30	745,871	55,224	57	442,906	172,271	253,753	68%
'31	768,247	56,604	75	11,635	217,315	291,590	75%
'32	791,295	58,019	73	61,373	214,035	279,061	77%
'33	815,033	59,470	88	20,807	252,785	310,507	81%
'34	839,484	60,957	92	50,300	263,534	312,962	84%
'35	864,669	62,480	115	4,651	321,479	365,315	88%
'36	890,609	64,042	140	0	385,662	425,610	91%
'37	917,327	65,644	84	206,437	244,952	270,184	91%
'38	944,847	67,285	104	15,326	297,015	314,370	94%
'39	973,193	68,967	124	18,844	347,261	357,719	97%
'40	1,002,388	70,691	152	0	418,104	423,978	99%
'41	1,032,460	72,458	180	2,443	488,299	491,298	99%
'42	1,063,434	74,270	185	60,836	501,917	500,405	100%
'43	1,095,337	76,126	215	0	578,258	576,093	100%

**Caribbean Gardens**  
Annual Expenditure Detail

REPORT DATE: December 13, 2013  
VERSION: 001  
ACCOUNT NUMBER: 3760

---

DESCRIPTION	EXPENDITURES
REPLACEMENT YEAR 2014	
Asphalt - HA5 (2014)	7,039.20
BBQ Grills & Counters	3,000.00
Paint - Metal Components	9,000.00
*** ANNUAL TOTAL:	<hr/> 19,039.20
REPLACEMENT YEAR 2015	
Roofs - Asphalt Shingle (2015)	17,252.50
Water Heater (Laundry Room)	1,030.00
*** ANNUAL TOTAL:	<hr/> 18,282.50
REPLACEMENT YEAR 2016	
Pool - Deck Recoat	2,692.04
*** ANNUAL TOTAL:	<hr/> 2,692.04
REPLACEMENT YEAR 2017	
Roofs - Flat (Recoat)	13,276.64
*** ANNUAL TOTAL:	<hr/> 13,276.64
REPLACEMENT YEAR 2018	
Irrigation Controllers	562.75
*** ANNUAL TOTAL:	<hr/> 562.75
REPLACEMENT YEAR 2019	
Paint - Metal Components	10,433.47
*** ANNUAL TOTAL:	<hr/> 10,433.47
REPLACEMENT YEAR 2020	
Asphalt - Slurry Seal (2020)	12,189.83
Evaporative Cooler	1,791.08
Mailboxes	4,226.96



**Caribbean Gardens**  
Annual Expenditure Detail

DESCRIPTION	EXPENDITURES
*** ANNUAL TOTAL:	18,207.87
REPLACEMENT YEAR 2021	
Asphalt - HA5 (2021)	8,657.34
Pool - Replaster & Retile	8,580.84
*** ANNUAL TOTAL:	17,238.18
REPLACEMENT YEAR 2022	
Carpet - Stairways & Landings	11,400.93
Roofs - Flat (Recoat)	15,391.27
*** ANNUAL TOTAL:	26,792.20
REPLACEMENT YEAR 2023	
Pool - Deck Recoat	3,310.86
Pool - Deck Resurface	8,040.66
Pool - Filter	1,435.25
*** ANNUAL TOTAL:	12,786.77
REPLACEMENT YEAR 2024	
Paint - Bldgs (Exlcudes Railings)	25,332.84
Paint - Metal Components	12,095.25
*** ANNUAL TOTAL:	37,428.09
REPLACEMENT YEAR 2025	
Water Heater (Laundry Room)	1,384.24
*** ANNUAL TOTAL:	1,384.24
REPLACEMENT YEAR 2026	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2027	
Chiller - Variable Frequency Drive	3,583.26
Pool - Furniture	4,405.60
Roofs - Flat (Recoat)	17,842.70
*** ANNUAL TOTAL:	25,831.56

**Caribbean Gardens**  
Annual Expenditure Detail

DESCRIPTION	EXPENDITURES
REPLACEMENT YEAR 2028	
Irrigation Controllers	756.29
*** ANNUAL TOTAL:	756.29
REPLACEMENT YEAR 2029	
BBQ Grills & Counters	4,673.90
Paint - Metal Components	14,021.71
*** ANNUAL TOTAL:	18,695.61
REPLACEMENT YEAR 2030	
Asphalt - Remove & Repave	112,958.49
Chiller System	316,127.18
Light Fixtures	9,748.61
Pool - Deck Recoat	4,071.96
*** ANNUAL TOTAL:	442,906.24
REPLACEMENT YEAR 2031	
Asphalt - HA5 (Ongoing)	11,634.75
*** ANNUAL TOTAL:	11,634.75
REPLACEMENT YEAR 2032	
Carpet - Stairways & Landings	15,321.90
Cooling Tower	25,366.23
Roofs - Flat (Recoat)	20,684.58
*** ANNUAL TOTAL:	61,372.71
REPLACEMENT YEAR 2033	
Fencing - Wrought Iron (Pool)	8,572.90
Pool - Replaster & Retile	12,234.24
*** ANNUAL TOTAL:	20,807.14
REPLACEMENT YEAR 2034	
Paint - Bldgs (Exlcudes Railings)	34,045.23
Paint - Metal Components	16,255.01
*** ANNUAL TOTAL:	50,300.24

**Caribbean Gardens**  
**Annual Expenditure Detail**

DESCRIPTION	EXPENDITURES
REPLACEMENT YEAR 2035	
Evaporative Cooler	2,790.43
Water Heater (Laundry Room)	1,860.31
*** ANNUAL TOTAL:	4,650.74
REPLACEMENT YEAR 2036	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2037	
Pool - Deck Recoat	5,008.00
Pool - Deck Resurface	12,162.24
Roofs - Asphalt Shingle	165,287.87
Roofs - Flat (Recoat)	23,979.10
*** ANNUAL TOTAL:	206,437.21
REPLACEMENT YEAR 2038	
Asphalt - HA5 (Ongoing)	14,309.28
Irrigation Controllers	1,016.38
*** ANNUAL TOTAL:	15,325.66
REPLACEMENT YEAR 2039	
Paint - Metal Components	18,844.01
*** ANNUAL TOTAL:	18,844.01
REPLACEMENT YEAR 2040	
*** ANNUAL TOTAL:	0.00
REPLACEMENT YEAR 2041	
Pool - Filter	2,443.42
*** ANNUAL TOTAL:	2,443.42
REPLACEMENT YEAR 2042	
Carpet - Stairways & Landings	20,591.36
Chiller - Variable Frequency Drive	5,582.61
Pool - Furniture	6,863.79
Roofs - Flat (Recoat)	27,798.34

**Caribbean Gardens**  
Annual Expenditure Detail

DESCRIPTION	EXPENDITURES
*** ANNUAL TOTAL:	<hr/> 60,836.10
REPLACEMENT YEAR 2043	
*** ANNUAL TOTAL:	0.00

**Caribbean Gardens**  
Cash Flow Detail Report by Category

REPORT DATE: December 13, 2013  
 VERSION: 001  
 ACCOUNT NUMBER: 3760

** Reserve Balance Calculation		QUANTITY	1 comment
		UNIT COST	0.000
ASSET ID	1001	PERCENT REPL	0.00%
GROUP/FACILITY	0	CURRENT COST	0.00
CATEGORY	5	FUTURE COST	0.00
		SALVAGE VALUE	0.00

PLACED IN SERVICE 0/ 0  
 0 YEAR USEFUL LIFE  
 +0 YEAR ADJUSTMENT  
 REPLACEMENT YEAR 2014  
 0 YEAR REM LIFE

REMARKS:

Current Reserve Balance Per Client (10/8/13):	\$	74,877
Remaining 2013 Reserve Contributions:		
\$1,516.33/month x 3 months	+	4,549
Remaining 2013 Reserve Expenses:		
Marcel Painting project	-	18,850
Projected January 1, 2014 Reserve Balance:	\$	----- 60,576

**Caribbean Gardens**  
Cash Flow Detail Report by Category

Concrete Components (Unfunded)		QUANTITY	1 comment
		UNIT COST	0.000
ASSET ID	1016	PERCENT REPL	0.00%
GROUP/FACILITY	0	CURRENT COST	0.00
CATEGORY	9	FUTURE COST	0.00
		SALVAGE VALUE	0.00
PLACED IN SERVICE	0/ 0		
0 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2014		
0 YEAR REM LIFE			

REMARKS:

We are not budgeting for repair or replacement of concrete decks, pads, sidewalks, or driveways as a reserve component. It is anticipated that any repairs required will be addressed immediately due to safety concerns. Good maintenance practice won't allow the need for repairs to accumulate to a point of major expense. We recommend that the client includes a line item in the annual operating budget for repairs and/or replacements on an "as needed" basis. However, should the client wish to include budgeting for concrete components, we will do so at their request (cost and useful life to be provided by client).

**Caribbean Gardens**  
Cash Flow Detail Report by Category

<b>Asphalt - General Comments ***</b>		QUANTITY	1 comment
ASSET ID	1032	UNIT COST	0.000
GROUP/FACILITY	0	PERCENT REPL	0.00%
CATEGORY	10	CURRENT COST	0.00
		FUTURE COST	0.00
		SALVAGE VALUE	0.00
PLACED IN SERVICE	0/ 0		
0 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2014		
0 YEAR REM LIFE			

REMARKS:

The community asphalt was slurry sealed in April 2013. Based on the fact that there are reflective cracks appearing through the slurry surface, we have deducted that the underlying asphalt was not in the best condition prior to the slurry seal. This was confirmed by Holbrook Asphalt. Through a discussion with Justin Holbrook of Holbrook Asphalt, the recommended maintenance plan from this point forward is as follows:

- 2014: complete an HA5 (high-density mineral bond) process
- 2020: complete another Type II slurry seal
- 2021: complete a final HA5 (high-density mineral bond) process
- 2030: remove and repave all community asphalt
- 2031: complete an HA5 (high-density mineral bond) process and then continue with HA5 every seven (7) years.

Crack sealing will need to be done at various intervals between HA5 treatments. Once the removal and repaving project has been completed, we will begin budgeting for those crack seals.

<b>Asphalt - HA5 (2014)</b>		QUANTITY	35,196 sq. ft.
ASSET ID	1035	UNIT COST	0.200
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	10	CURRENT COST	7,039.20
		FUTURE COST	7,039.20
		SALVAGE VALUE	0.00
PLACED IN SERVICE	4/13		
1 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2014		
0 YEAR REM LIFE	(One Time Repl)		

REMARKS:

This is a one-time expense for 2014. We have been advised by the community manager that the Board plans to have an HA5 treatment completed in 2014.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

<b>Asphalt - HA5 (2021)</b>	QUANTITY	35,196 sq. ft.
ASSET ID 1034	UNIT COST	0.200
GROUP/FACILITY 0	PERCENT REPL	100.00%
CATEGORY 10	CURRENT COST	7,039.20
	FUTURE COST	8,657.33
	SALVAGE VALUE	0.00

PLACED IN SERVICE 1/14  
 7 YEAR USEFUL LIFE  
 +0 YEAR ADJUSTMENT  
 REPLACEMENT YEAR 2021  
 7 YEAR REM LIFE (One Time Repl)

REMARKS:

This is a one-time expense for 2021.

<b>Asphalt - HA5 (Ongoing)</b>	QUANTITY	35,196 sq. ft.
ASSET ID 1037	UNIT COST	0.200
GROUP/FACILITY 0	PERCENT REPL	100.00%
CATEGORY 10	CURRENT COST	7,039.20
	FUTURE COST	11,634.73
	SALVAGE VALUE	0.00

PLACED IN SERVICE 1/14  
 7 YEAR USEFUL LIFE  
 +10 YEAR ADJUSTMENT  
 REPLACEMENT YEAR 2031  
 17 YEAR REM LIFE

REMARKS:

This component starts a cycle of HA5 treatments that begin in 2031 and then occur every seven (7) years thereafter.

<b>Asphalt - Remove &amp; Repave</b>	QUANTITY	1 total
ASSET ID 1036	UNIT COST	70,392.000
GROUP/FACILITY 0	PERCENT REPL	100.00%
CATEGORY 10	CURRENT COST	70,392.00
	FUTURE COST	112,958.50
	SALVAGE VALUE	0.00

PLACED IN SERVICE 1/73  
 50 YEAR USEFUL LIFE  
 +7 YEAR ADJUSTMENT  
 REPLACEMENT YEAR 2030  
 16 YEAR REM LIFE



**Caribbean Gardens**  
Cash Flow Detail Report by Category

Asphalt - Remove & Repave, Continued ...

REMARKS:

35,196 - sq. ft. of R & R @ \$ 2.00 = \$ 70,392.00  
 -----  
 TOTAL = \$ 70,392.00

This component budgets to remove and repave the community asphalt in 2030 based on the projected maintenance plan provided by Holbrook Asphalt. Once the new asphalt has been installed, the Association should complete an HA5 treatment every seven (7) years.

<p>Asphalt - Slurry Seal (2020)</p> <p>ASSET ID 1031          GROUP/FACILITY 0          CATEGORY 10</p> <p>PLACED IN SERVICE 4/13          7 YEAR USEFUL LIFE          +0 YEAR ADJUSTMENT          REPLACEMENT YEAR 2020          6 YEAR REM LIFE (One Time Repl)</p>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right;">QUANTITY</td> <td style="text-align: right;">1 total</td> </tr> <tr> <td style="text-align: right;">UNIT COST</td> <td style="text-align: right;">10,208.800</td> </tr> <tr> <td style="text-align: right;">PERCENT REPL</td> <td style="text-align: right;">100.00%</td> </tr> <tr> <td style="text-align: right;">CURRENT COST</td> <td style="text-align: right;">10,208.80</td> </tr> <tr> <td style="text-align: right;">FUTURE COST</td> <td style="text-align: right;">12,189.84</td> </tr> <tr> <td style="text-align: right;">SALVAGE VALUE</td> <td style="text-align: right;">0.00</td> </tr> </table>	QUANTITY	1 total	UNIT COST	10,208.800	PERCENT REPL	100.00%	CURRENT COST	10,208.80	FUTURE COST	12,189.84	SALVAGE VALUE	0.00
QUANTITY	1 total												
UNIT COST	10,208.800												
PERCENT REPL	100.00%												
CURRENT COST	10,208.80												
FUTURE COST	12,189.84												
SALVAGE VALUE	0.00												

REMARKS:

The community asphalt was slurry sealed in April 2013 by Holbrook Asphalt for a total cost of \$10,208.80. This is a one-time expense for 2020.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

Roofs - Asphalt Shingle		QUANTITY	40 units
ASSET ID	1013	UNIT COST	2,093.750
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	20	CURRENT COST	83,750.00
		FUTURE COST	165,287.87
		SALVAGE VALUE	0.00
PLACED IN SERVICE	1/12		
25 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2037		
23 YEAR REM LIFE			

REMARKS:

The asphalt shingle roofs have been replaced over the last few years. For budget purposes, we have used an average placed in service date of 2012.

A proposal from Starkweather Roofing for \$15,327.86 was received in Oct 2010 (4 units). Adjusted for inflation, we have estimated the current cost to be \$16,750 (\$4,187.50 per 2nd floor unit or \$2,093.75 per unit).

There are 40 total units x \$2,093.75.

Total Measurement = 46,000 sq. ft.

Roofs - Asphalt Shingle (2015)		QUANTITY	1 total
ASSET ID	1014	UNIT COST	16,750.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	20	CURRENT COST	16,750.00
		FUTURE COST	17,252.50
		SALVAGE VALUE	0.00
PLACED IN SERVICE	1/14		
1 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2015		
1 YEAR REM LIFE	(One Time Repl)		

REMARKS:

The community manager has advised us that the last asphalt shingle roof is scheduled to be replaced in 2015 (units 214-217).

A proposal from Starkweather Roofing for \$15,327.86 was received in October 2010. Adjusted for inflation, we have estimated the current cost to be \$16,750 (\$4,187.50 per 2nd floor unit).

This is a one-time expense that is not recurring.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

Roofs - Flat (Recoat)		QUANTITY	8,100 sq. ft.
ASSET ID	1015	UNIT COST	1.500
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	20	CURRENT COST	12,150.00
		FUTURE COST	13,276.63
		SALVAGE VALUE	0.00
PLACED IN SERVICE	1/12		
5 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2017		
3 YEAR REM LIFE			

REMARKS:

This is a provision for coating/recoating the flat roofs atop the residential buildings and the equipment building on a five (5) year cycle.

Roofs - Metal, Carports (Unfunded)		QUANTITY	1 comment
ASSET ID	1012	UNIT COST	0.000
GROUP/FACILITY	0	PERCENT REPL	0.00%
CATEGORY	20	CURRENT COST	0.00
		FUTURE COST	0.00
		SALVAGE VALUE	0.00
PLACED IN SERVICE	0/ 0		
0 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2014		
0 YEAR REM LIFE			

REMARKS:

We are not budgeting to replace the corrugated metal carport roofs because they have an extremely long useful life. However, the condition of these roofs should be monitored over time, and if future replacements are anticipated, we will include them in a future update to this report. Should the client want a reserve planned for this asset, we will revise the report to include these roofs. We have listed for informational purposes only.

Any minor repairs should be handled on an "as needed" basis, and the expense paid for out of the operating budget, the operating contingency, or the reserve contingency.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

Paint - Bldgs (Exlcudes Railings)		QUANTITY	1 total
		UNIT COST	18,850.000
ASSET ID	1017	PERCENT REPL	100.00%
GROUP/FACILITY	0	CURRENT COST	18,850.00
CATEGORY	30	FUTURE COST	25,332.82
		SALVAGE VALUE	0.00
PLACED IN SERVICE 1/14			
10 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR 2024			
10 YEAR REM LIFE			

REMARKS:

At the time of our site visit in December 2013, Marcel Painting was in the process of painting the following areas for \$18,750:

all exterior surfaces including soffits, fascia, gutters, downspouts, painted vents, patio siding, stucco, balcony siding, and exterior painted doors plus drywall repair.

Does not include any metal on property.

We are budgeting to paint these areas every 10 years.

We have assumed that this project will be fully paid for by the end of this year and have deducted the total cost of this project from the reserve balance.

Paint - Metal Components		QUANTITY	1 total
		UNIT COST	9,000.000
ASSET ID	1008	PERCENT REPL	100.00%
GROUP/FACILITY	0	CURRENT COST	9,000.00
CATEGORY	30	FUTURE COST	9,000.00
		SALVAGE VALUE	0.00
PLACED IN SERVICE 1/09			
5 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR 2014			
0 YEAR REM LIFE			

**Caribbean Gardens**  
Cash Flow Detail Report by Category

---

Paint - Metal Components, Continued ...

REMARKS:

We have been advised that the Association plans to paint all metal components at the community in late 2013 or early 2014 at a cost of \$9,000, including:

- pool and common area wrought iron
- BBQ hood
- balcony railings on buildings
- stairway railings on buildings
- metal light poles

This project will most likely be paid for in 2014. Therefore, we have shown it as a 2014 expense in this report.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

BBQ Grills & Counters		QUANTITY	1 total
ASSET ID	1010	UNIT COST	3,000.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	40	CURRENT COST	3,000.00
		FUTURE COST	3,000.00
		SALVAGE VALUE	0.00
PLACED IN SERVICE 1/99			
15 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR 2014			
0 YEAR REM LIFE			

REMARKS:

Two built-in BBQ grills and the tile counters will be replaced in the next month. For budgeting purposes, we have assumed that this project will be paid for in 2014. The estimated cost provided by the community manager is \$3,000.

Fencing - Wrought Iron (Pool)		QUANTITY	1 total
ASSET ID	1007	UNIT COST	4,889.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	40	CURRENT COST	4,889.00
		FUTURE COST	8,572.89
		SALVAGE VALUE	0.00
PLACED IN SERVICE 1/03			
30 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR 2033			
19 YEAR REM LIFE			

REMARKS:

138 - lin. ft. of 4'10" fencing	@	\$ 28.00	=	\$ 3,864.00
1 - 6'0" x 3'10" gate	@	575.00	=	575.00
1 - 6'0" x 3'0" pool equipment gate	@	450.00	=	450.00
				-----
		TOTAL	=	\$ 4,889.00

The actual date this item was placed-in-service was not available. For budgeting purposes, we have estimated this date based upon its present condition.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

Light Fixtures		QUANTITY	1 total
		UNIT COST	6,075.000
ASSET ID	1011	PERCENT REPL	100.00%
GROUP/FACILITY	0	CURRENT COST	6,075.00
CATEGORY	50	FUTURE COST	9,748.59
		SALVAGE VALUE	0.00
PLACED IN SERVICE	1/10		
20 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2030		
16 YEAR REM LIFE			

REMARKS:

13 - 6' poles w/lantern fixtures	@	\$ 375.00	=	\$ 4,875.00
8 - pillar mounted fixtures	@	150.00	=	1,200.00
				-----
		TOTAL	=	\$ 6,075.00

The actual date this item was placed-in-service was not available. For budgeting purposes, we have estimated this date based upon its present condition.

We are not budgeting to replace any ground level pagoda type or spot/flood-light fixtures because the cost to do so is most often considered an operating expense. It is difficult to determine a useful life for these types of fixtures because they are frequently damaged by pedestrians, landscape personnel, and weather conditions. Any repairs and/or replacements should be handled on an "as needed" basis, and the expense paid for out of the operating budget.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

<b>Pool - Deck Recoat</b>		QUANTITY	1,450 sq. ft.
ASSET ID	1002	UNIT COST	1.750
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	60	CURRENT COST	2,537.50
		FUTURE COST	2,692.03
		SALVAGE VALUE	0.00
PLACED IN SERVICE	7/09		
7 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2016		
2 YEAR REM LIFE			

REMARKS:

This component includes a provision to repair and recoat (repaint) the pool deck seven (7) years after each full resurface cycle.

<b>Pool - Deck Resurface</b>		QUANTITY	1,450 sq. ft.
ASSET ID	1029	UNIT COST	4.250
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	60	CURRENT COST	6,162.50
		FUTURE COST	8,040.66
		SALVAGE VALUE	0.00
PLACED IN SERVICE	7/09		
14 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2023		
9 YEAR REM LIFE			

REMARKS:

This component includes a provision to resurface (includes scabbling of deck and acrylic overlay) the pool deck surface. The pool deck was resurfaced in mid-2009 by Malibu Pools.

<b>Pool - Filter</b>		QUANTITY	1 filter
ASSET ID	1004	UNIT COST	1,100.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	60	CURRENT COST	1,100.00
		FUTURE COST	1,435.25
		SALVAGE VALUE	0.00
PLACED IN SERVICE	1/05		
18 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2023		
9 YEAR REM LIFE			



**Caribbean Gardens**  
Cash Flow Detail Report by Category

Pool - Filter, Continued ...

REMARKS:

This is a Triton II, 3.14 sq. ft. sand filter.

Pool - Furniture	QUANTITY	1 total
ASSET ID 1005	UNIT COST	3,000.000
GROUP/FACILITY 0	PERCENT REPL	100.00%
CATEGORY 60	CURRENT COST	3,000.00
	FUTURE COST	4,405.60
	SALVAGE VALUE	0.00
PLACED IN SERVICE 1/12		
15 YEAR USEFUL LIFE		
+0 YEAR ADJUSTMENT		
REPLACEMENT YEAR 2027		
13 YEAR REM LIFE		

REMARKS:

This component includes a provision every 10 years for the replacement of the pool furniture. The accumulated funds should be used on an "as needed" basis. The pool furniture inventory includes:

- 4 - metal chaise lounges
- 2 - metal gliders
- 16 - metal chairs
- 5 - metal tables
- 2 - umbrellas

The pool furniture was purchased from Home Depot for approximately \$3,000 in 2012. Cushions should be replaced as needed using funds from the operating budget.

Pool - Replaster & Retile	QUANTITY	1 total
ASSET ID 1003	UNIT COST	6,977.000
GROUP/FACILITY 0	PERCENT REPL	100.00%
CATEGORY 60	CURRENT COST	6,977.00
	FUTURE COST	8,580.83
	SALVAGE VALUE	0.00
PLACED IN SERVICE 7/09		
12 YEAR USEFUL LIFE		
+0 YEAR ADJUSTMENT		
REPLACEMENT YEAR 2021		
7 YEAR REM LIFE		

**Caribbean Gardens**  
Cash Flow Detail Report by Category

---

Pool - Replaster & Retile, Continued ...

REMARKS:

1,172 - sq. ft. (IA) of replastering	@	\$ 4.75	=	\$ 5,567.00
104 - lin. ft. of trim tile	@	12.00	=	1,248.00
18 - lin. ft. of bench tile	@	9.00	=	162.00
				-----
			TOTAL	= \$ 6,977.00

The pool was resurfaced in mid-2009 by Malibu Pools. The total cost of the project was \$18,000 which included pool deck, new lighting, new grab rails, new plumbing in equipment area, splitting the main drain, servicing the equipment, and start-up.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

**Carpet - Stairways & Landings**

ASSET ID 1025  
 GROUP/FACILITY 0  
 CATEGORY 70  
  
 PLACED IN SERVICE 1/12  
 10 YEAR USEFUL LIFE  
 +0 YEAR ADJUSTMENT  
 REPLACEMENT YEAR 2022  
 8 YEAR REM LIFE

QUANTITY	1 total
UNIT COST	9,000.000
PERCENT REPL	100.00%
CURRENT COST	9,000.00
FUTURE COST	11,400.93
SALVAGE VALUE	0.00

REMARKS:

We have been advised by the community manager that the exterior stairway and 2nd story landing carpet was all replaced in 2012 for a total cost of approximately \$9,000. We are budgeting to replace this carpet every 10 years.

Measurement = 1,250 sq. ft.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

Chiller - Variable Frequency Drive		QUANTITY	1 total
ASSET ID	1022	UNIT COST	2,440.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	80	CURRENT COST	2,440.00
		FUTURE COST	3,583.22
		SALVAGE VALUE	0.00
PLACED IN SERVICE	3/12		
15 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2027		
13 YEAR REM LIFE			

REMARKS:

Apex Refrigeration & Boiler Co. installed a variable frequency drive (VFD) for the chiller in March 2012 for \$2,297.00. We are budgeting to replace this VFD on a 15 year cycle.

This is an ABB variable frequency drive.

The current cost used on this asset is based upon actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

Chiller System		QUANTITY	1 total
ASSET ID	1021	UNIT COST	197,000.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	80	CURRENT COST	197,000.00
		FUTURE COST	316,127.17
		SALVAGE VALUE	0.00
PLACED IN SERVICE	1/05		
25 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2030		
16 YEAR REM LIFE			

REMARKS:

Trane, Series R, RTWA-70 packaged chiller (Serial # U05A09785)

Apex Refrigeration & Boiler Co. completed a project to replace the entire chiller system and associated components including the expansion tank, closed-loop piping, steel roof supports and conduits for \$150,807.

We are budgeting to replace this system, assuming a similar scope of work, on a 25 year cycle.

The current cost used on this asset is based upon actual expenditures incurred at last replacement, and has been adjusted for inflation where

**Caribbean Gardens**  
Cash Flow Detail Report by Category

Chiller System, Continued ...

applicable.

Cooling Tower		QUANTITY	1 total
ASSET ID	1018	UNIT COST	14,900.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	80	CURRENT COST	14,900.00
		FUTURE COST	25,366.25
		SALVAGE VALUE	0.00
PLACED IN SERVICE	3/12		
20 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2032		
18 YEAR REM LIFE			

REMARKS:

RSD Fiberglass Cooling Tower, 80 tons (model RSD 080)

Apex Refrigeration & Boiler Co. installed a new cooling tower in March 2012 for a total cost of \$14,050.

We are budgeting to replace this cooling tower on a 20 year cycle.

The current cost used on this asset is based upon actual expenditures incurred at last replacement, and has been adjusted for inflation where applicable.

Evaporative Cooler		QUANTITY	1 total
ASSET ID	1019	UNIT COST	1,500.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	80	CURRENT COST	1,500.00
		FUTURE COST	1,791.08
		SALVAGE VALUE	0.00
PLACED IN SERVICE	1/05		
15 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2020		
6 YEAR REM LIFE			

REMARKS:

This is an AdobeAir evaporative cooler for the laundry room (model MC43E).

**Caribbean Gardens**  
Cash Flow Detail Report by Category

Water Heater (Laundry Room)		QUANTITY	1 total
ASSET ID	1020	UNIT COST	1,000.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	80	CURRENT COST	1,000.00
		FUTURE COST	1,030.00
		SALVAGE VALUE	0.00
PLACED IN SERVICE	1/05		
10 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2015		
1 YEAR REM LIFE			

REMARKS:

American Standard, 75 gallon water heater.

The placed in service date is based on info noted on the sticker.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

Mailboxes		QUANTITY	1 total
ASSET ID	1023	UNIT COST	3,540.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	90	CURRENT COST	3,540.00
		FUTURE COST	4,226.95
		SALVAGE VALUE	0.00
PLACED IN SERVICE	1/95		
25 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2020		
6 YEAR REM LIFE			

REMARKS:

5 - 7 box tumbler sets	@	\$ 550.00	=	\$ 2,750.00
1 - 5 box tumbler set	@	490.00	=	490.00
1 - letter box	@	300.00	=	300.00
				-----
		TOTAL	=	\$ 3,540.00

The actual date this item was placed-in-service was not available. For budgeting purposes, we have estimated this date based upon its present condition.

**Caribbean Gardens**  
Cash Flow Detail Report by Category

Granite Replenishment (Unfunded)		QUANTITY	1 comment
ASSET ID	1028	UNIT COST	0.000
GROUP/FACILITY	0	PERCENT REPL	0.00%
CATEGORY	100	CURRENT COST	0.00
		FUTURE COST	0.00
		SALVAGE VALUE	0.00
PLACED IN SERVICE	0/ 0		
0 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2014		
0 YEAR REM LIFE			

REMARKS:

There are substantial quantities of granite located throughout the community. We are not budgeting to replenish this granite because the cost to do so is most often considered an operating expense. We recommend that a line item be set up in the operating budget to account for this asset, that it be monitored over time, and adjusted as experience dictates.

Should the client wish to have granite replenishment included in the reserve study, we will do so at their request. However, the client will need to provide the sq. ft. of the common area granite. Otherwise, there would be an additional charge to have Reserve Data Analysis, Inc. provide the measurement.

Irrigation Controllers		QUANTITY	1 total
ASSET ID	1024	UNIT COST	500.000
GROUP/FACILITY	0	PERCENT REPL	100.00%
CATEGORY	100	CURRENT COST	500.00
		FUTURE COST	562.75
		SALVAGE VALUE	0.00
PLACED IN SERVICE	1/08		
10 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2018		
4 YEAR REM LIFE			

REMARKS:

This is a provision of \$500 every 10 years for replacement of the irrigation controllers.



**Caribbean Gardens**  
Cash Flow Detail Report by Category

Irrigation System (Unfunded)		QUANTITY	1 comment
ASSET ID	1027	UNIT COST	0.000
GROUP/FACILITY	0	PERCENT REPL	0.00%
CATEGORY	100	CURRENT COST	0.00
		FUTURE COST	0.00
		SALVAGE VALUE	0.00
PLACED IN SERVICE	0 / 0		
0 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2014		
0 YEAR REM LIFE			

REMARKS:

We have been advised that irrigation systems (pvc piping, sprinkler heads, valves, etc.) have a useful life of approximately 20 years, and should be included as a reserve component. However, budgeting for the replacement of the irrigation system requires evaluating the present condition (remaining useful life) and replacement cost - both of which call for expert evaluation, but fall outside the scope of a reserve study. Therefore, we recommend that the client have the system evaluated to determine these two factors so that budgeting can be included in a revision or future update of this report.

Tree Trimming (Unfunded)		QUANTITY	1 comment
ASSET ID	1026	UNIT COST	0.000
GROUP/FACILITY	0	PERCENT REPL	0.00%
CATEGORY	100	CURRENT COST	0.00
		FUTURE COST	0.00
		SALVAGE VALUE	0.00
PLACED IN SERVICE	0 / 0		
0 YEAR USEFUL LIFE			
+0 YEAR ADJUSTMENT			
REPLACEMENT YEAR	2014		
0 YEAR REM LIFE			

REMARKS:

We have been advised that major tree trimming is usually required every 3 - 5 years and could be considered as a reserve component. However, the cost for such a project depends on the size, type, maturity, and number of trees at the community - all of which call for expert evaluation, but fall outside the scope of a reserve study. Should the client obtain a cost and schedule we will include budgeting for this component in a revision or future update of this report at their request.

DETAIL REPORT INDEX

ASSET	DESCRIPTION	PAGE
1001	** Reserve Balance Calculation	2-12
1032	Asphalt - General Comments ***	2-14
1035	Asphalt - HA5 (2014)	2-14
1034	Asphalt - HA5 (2021)	2-15
1037	Asphalt - HA5 (Ongoing)	2-15
1036	Asphalt - Remove & Repave	2-15
1031	Asphalt - Slurry Seal (2020)	2-16
1010	BBQ Grills & Counters	2-21
1025	Carpet - Stairways & Landings	2-26
1022	Chiller - Variable Frequency Drive	2-27
1021	Chiller System	2-27
1016	Concrete Components (Unfunded)	2-13
1018	Cooling Tower	2-28
1019	Evaporative Cooler	2-28
1007	Fencing - Wrought Iron (Pool)	2-21
1028	Granite Replenishment (Unfunded)	2-31
1024	Irrigation Controllers	2-31
1027	Irrigation System (Unfunded)	2-32
1011	Light Fixtures	2-22
1023	Mailboxes	2-30
1017	Paint - Bldgs (Exlcudes Railings)	2-19
1008	Paint - Metal Components	2-19
1002	Pool - Deck Recoat	2-23
1029	Pool - Deck Resurface	2-23
1004	Pool - Filter	2-23
1005	Pool - Furniture	2-24
1003	Pool - Replaster & Retile	2-24
1013	Roofs - Asphalt Shingle	2-17
1014	Roofs - Asphalt Shingle (2015)	2-17
1015	Roofs - Flat (Recoat)	2-18
1012	Roofs - Metal, Carports (Unfunded)	2-18
1026	Tree Trimming (Unfunded)	2-32
1020	Water Heater (Laundry Room)	2-29

TOTAL ASSET LINES INCLUDED:            33