

# Introduction

## Reserve Study Purpose

The purpose of this Reserve Study is to provide the board with a budgeting tool to help ensure that there are adequate reserve funds available to perform future reserve projects. In this respect our estimates of the current and future Fully Funded balances are less significant than the recommended reserve contribution. The board should weigh carefully our recommendations when setting the Reserve Contribution. The detailed schedules will serve as an advanced warning that major projects will need to be addressed in the future. This will allow the Board of Directors to have ample time to obtain competitive estimates and bids that will result in cost savings to the individual homeowners. It will also ensure the physical well-being of the property and ultimately enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to special assessments.

## Preparer's Credentials

This reserve study was prepared under the responsible charge of TJ Martin. Any persons assisting in the preparation of this study worked under his responsible charge and have appropriate experience and training.

- Senior Project Manager, Nevada Region
- Nevada Reserve Study Specialist permit number RSS.0000196
- Local 720 IATSE union member
- Nevada Real Estate license number S.0174286
- Personally has prepared or assisted in the preparation of over 400 reserve studies.
- Has worked on reserve studies for association's ranging from single family home communities, high-rises, master associations, condominium communities, and townhouse associations.

## Budget Breakdown

Every association conducts their business within a budget. There are typically two main parts to this budget, the Operating budget and the Reserve budget. The operating budget typically includes all expenses that occur on an annual basis as well as general maintenance and repairs. Typical Operating budget line items include management fees, maintenance expenses, utilities, etc. The reserves are primarily made up of capital replacement items such as roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis. Typically, the reserve contribution makes up 15% - 40% of the association's total budget. Therefore, reserves are considered to be a major part of the overall monthly association assessment.

## Report Sections

The **Reserve Analysis Section** contains the evaluation of the association's reserve balance, income, and expenses. It includes a finding of the client's current reserve fund status (measured as percent funded) and a recommendation for an appropriate reserve allocation rate (also known as the funding plan).

The **Component Evaluation Section** contains information regarding the physical status and replacement cost of major common area components the association is responsible to maintain. It is important to understand that while the component inventory will remain relatively "stable" from year to year, the condition assessment and life estimates will most likely vary from year to year.

## Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
<b>Common Area</b>								
207	Wrought Iron Fencing - Repaint	5	1	Approx 785 Linear ft.	\$7,850	\$6,280	\$6,280	\$227.90
214	Red Curbing/Hydrant - Repaint	3	0	Allowance	\$1,375	\$1,375	\$1,375	\$66.53
401	Asphalt - Major Rehab.	30	3	Approx 47,015 Sq.ft.	\$82,275	\$74,048	\$0	\$398.10
402	Asphalt - Preventive Maintenance	5	0	Approx 47,015 Sq.ft.	\$8,225	\$8,225	\$8,225	\$238.79
403	Concrete - Repair/Replace (2022)	10	9	Allowance	\$9,500	\$950	\$0	\$137.90
404	Fire Hydrant - Repair	10	0	Allowance	\$3,750	\$3,750	\$3,750	\$54.43
1002	Wrought Iron Fencing - Repair / Replace	10	5	Approx 785 Linear ft.	\$7,663	\$3,831	\$0	\$111.23
1005	Block Wall - Repair	15	4	Approx 815 Linear ft.	\$6,113	\$4,483	\$0	\$59.15
1307	Pet Waste - Replace (Operating Expense)	N/A	0	(2) Stations	\$0	\$0	\$0	\$0.00
1604	Pillar Globe Fixtures - Replace	20	2	(31) Fixtures	\$5,425	\$4,883	\$4,883	\$39.37
1605	Post Light Fixtures - Replace	20	2	(8) Fixtures	\$4,400	\$3,960	\$3,960	\$31.93
1801	Groundcover - Replenish	3	1	Allowance	\$7,500	\$5,000	\$5,000	\$362.90
1802	Tree Trimming - Perform	3	2	Allowance	\$4,100	\$1,367	\$1,367	\$198.38
1812	Landscaping / Irrigation - Renovate	5	4	Allowance	\$32,500	\$6,500	\$0	\$943.53
<b>Subtotals:</b>					<b>\$180,675</b>	<b>\$124,650</b>	<b>\$34,839</b>	<b>\$2,870</b>
<b>Pool Area</b>								
107	Pool Building Roof - Replace	30	2	Approx 595 Sq.ft.	\$2,075	\$1,937	\$1,937	\$10.04
207	Wrought Iron Fencing - Repaint	5	3	Approx 195 Linear ft.	\$2,338	\$935	\$0	\$67.86
218	Wood Trellis - Repaint	5	2	(2) Trellis	\$1,850	\$1,110	\$1,110	\$53.71
603	Pool Deck - Reseal / Repair	5	2	Approx 1,370 Sq.ft.	\$3,763	\$2,258	\$2,258	\$109.23
604	Pool Deck - Replace	30	7	Approx 1,370 Sq.ft.	\$9,588	\$7,350	\$0	\$46.39
703	Water Heater - Replace	12	1	(1) Water heater	\$1,500	\$1,375	\$1,375	\$18.14
803	Mailboxes - Replace	15	0	(2) Clusters, 2 Parcel	\$8,250	\$8,250	\$8,250	\$79.84
903	Camera System - Replace	10	1	(1) System	\$11,000	\$9,900	\$9,900	\$159.67
1002	Wrought Iron Fencing - Replace	25	22	Approx 195 Linear ft.	\$16,088	\$1,931	\$0	\$93.41
1101	Pool - Resurface (2022)	10	9	(1) Pool	\$12,000	\$1,200	\$0	\$174.19
1102	Spa - Resurface (2022)	6	5	(1) Spa	\$4,150	\$692	\$0	\$100.40
1105	Spa Heater - Replace	10	2	(1) Heater	\$4,000	\$3,200	\$3,200	\$58.06
1107	Pool/Spa Filter - Replace	12	2	(2) Filters	\$3,250	\$2,708	\$2,708	\$39.31
1110	Pool Pump - Replace	8	2	(2) Pumps	\$3,250	\$2,438	\$2,438	\$58.97
1121	Pool Furniture - Replace	5	3	(16) Pieces	\$4,500	\$1,800	\$0	\$130.64
1304	Drinking Fountain - Replace (Unfunded)	N/A	0	(1) Drinking fountain	\$0	\$0	\$0	\$0.00

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## Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
1309	Trellis - Refurbish / Replace	25	10	(2) Trellis	\$17,500	\$10,500	\$0	\$101.61
1311	Outdoor Shower - Re-Tile	20	15	(2) Showers	\$2,500	\$625	\$0	\$18.14
1403	Clubhouse - Remodel	N/A	0	Allowance	\$0	\$0	\$0	\$0.00
1413	Restrooms - Remodel / Renovate (2022)	20	19	(2) Restrooms	\$6,000	\$300	\$0	\$43.55
1602	Exterior Wall Lights - Replace	16	14	(16) Fixtures	\$2,800	\$350	\$0	\$25.40
<b>Subtotals:</b>					<b>\$116,400</b>	<b>\$58,858</b>	<b>\$33,175</b>	<b>\$1,389</b>
<b>Building Exterior</b>								
103	Spark Arrestors - Replace	30	5	(63) Units	\$22,050	\$18,375	\$0	\$106.69
105	Pitched Roof - Comp Shingle - Replace (New)	30	27	Approx 42,910 Sq.ft.	\$150,188	\$15,019	\$0	\$726.70
105	Pitched Roof - Comp Shingle - Replace (Old)	25	2	Approx 26,245 Sq.ft.	\$91,863	\$84,514	\$22,301	\$533.39
123	Sky Lights - Replace	30	26	(28) Skylights	\$23,100	\$3,080	\$0	\$111.77
201	Stucco Surfaces - Repaint	10	2	(63) Units	\$94,500	\$75,600	\$0	\$1,371.75
202	Building Trim - Repaint	5	2	(63) Units	\$18,900	\$11,340	\$11,340	\$548.70
716	Shut-Off Valves - Replace	30	0	(7) Valves	\$10,500	\$10,500	\$10,500	\$50.81
805	Unit Sign - Replace	20	5	(63) Signs	\$5,513	\$4,134	\$0	\$40.01
901	Fire Protection System - Replace	15	0	(4) Systems	\$56,625	\$56,625	\$56,625	\$547.98
902	Fire System - Repair/Inspect	5	4	(4) Systems	\$10,000	\$2,000	\$0	\$290.32
1009	Railing - Repair/Replace	20	4	Approx 560 Linear ft.	\$39,200	\$31,360	\$0	\$284.51
1602	Exterior Wall Mount Lights - Replace	16	3	(165) Fixtures	\$28,875	\$23,461	\$0	\$261.97
2301	Staircase - Repair / Replace	15	5	Allowance	\$15,000	\$10,000	\$0	\$145.16
<b>Subtotals:</b>					<b>\$566,313</b>	<b>\$346,008</b>	<b>\$100,766</b>	<b>\$5,020</b>
<b>Entry Area</b>								
206	Vehicle Gates - Repaint	5	1	(4) Vehicle gates	\$1,700	\$1,360	\$1,360	\$49.35
504	Vehicle Gates - Replace	30	5	(4) Vehicle gates	\$17,000	\$14,167	\$0	\$82.26
505	Vehicle Gate Hinges - Replace	10	2	(6) Hinges	\$2,700	\$2,160	\$2,160	\$39.19
506	Phone Entry System - Replace	10	1	(1) System	\$5,500	\$4,950	\$4,950	\$79.84
507	Vehicle Gate Operators - Replace	10	1	(3) Operators	\$12,000	\$10,800	\$10,800	\$174.19
509	Pedestrian Gate Lock - Replace	12	5	(1) Double sided lock	\$1,300	\$758	\$0	\$15.73
590	Gate loops - Replace	10	1	(2) Sets	\$3,250	\$2,925	\$2,925	\$47.18
801	Monument - Refurbish	25	5	(1) Double sided monument	\$3,000	\$2,400	\$0	\$17.42
1603	Monument Lights - Replace	20	6	(2) Lights	\$875	\$613	\$0	\$6.35
<b>Subtotals:</b>					<b>\$47,325</b>	<b>\$40,133</b>	<b>\$22,195</b>	<b>\$512</b>

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## Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
<b>Grand Total:</b>					<b>\$910,713</b>	<b>\$569,648</b>	<b>\$190,975</b>	<b>\$9,790</b>

<b>Current Fund Balance as a percentage of Ideal Balance:      34%</b>
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