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## **"Full" Capital Funding Plan**



### **Oxnard Community Facilities Westport Oxnard, CA**

**Report #: 39735-0**  
**For Period Beginning: July 1, 2020**  
**Expires: June 30, 2021**

**Date Prepared: September 28, 2020**



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**Hello, and welcome to your Capital Plan!**

**T**his Report is a valuable budget planning tool, for with it you control the future of your property. It contains all the fundamental information needed to understand your current and future obligations, some of the most significant expenses that ownership will face.

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

**In this Report, you will find...**

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

**More Questions?**

Visit our website at [www.ReserveStudy.com](http://www.ReserveStudy.com) or call us at:

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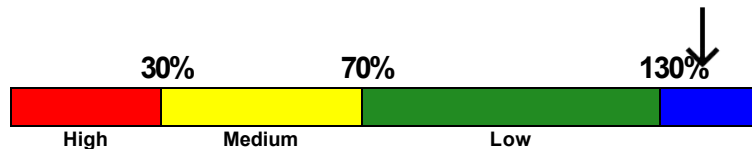
### 3- Minute Executive Summary

Property: Oxnard Community Facilities Westport  
 Location: Oxnard, CA  
 Report Period: July 1, 2020 through June 30, 2021

Property #: 39735-0  
 # of Units: 1

Starting Reserve Balance . . . . .	\$1,537,104
Currently Fully Funded Reserve Balance . . . . .	\$1,083,499
Average Reserve Deficit (Surplus) Per Unit . . . . .	(\$453,605)
Percent Funded . . . . .	141.9 %
Recommended 2020/2021 Monthly "Full Funding" Contributions . . . . .	\$8,000
Recommended 2020/2021 Special Assessments for Reserves . . . . .	\$0
Most Recent Reserve Contribution Rate . . . . .	\$0

Reserves % Funded: 141.9%



Special Assessment Risk:

***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 8/6/2020.

This Reserve Study was prepared by a credentialed Reserve Specialist (RS #266).

Your Reserve Fund is currently at 141.9 % Funded. Being above 130% Funded represents a surplus Reserve position. Special Districts in this range have a Low risk of Reserve cash-flow problems (such as special assessments and/or deferred maintenance) in the near future.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions.

Your multi-year Funding Plan is designed to provide for timely execution of Reserve projects and keep your Special District at or near the "Fully Funded" (100%) level.

## Executive Summary

39735-0

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Inventory				
103	Concrete Walkways - Repair	13	1	\$65,000
128	Nature Trails - Maintain	5	0	\$25,000
201	Asphalt (Parking) - Remove/Replace	25	6	\$57,200
202	Asphalt (Parking) - Reseal	5	0	\$4,250
320	Pole Lights - Replace	22	3	\$38,500
322	Bollard Lights - Replace	13	10	\$27,300
322	Park Bollard Lights - Replace	13	11	\$1,950
405	Playground Equipment - Replace	20	1	\$62,000
407	BBQs - Replace	12	0	\$3,800
408	Pet Waste Stations - Replace	20	1	\$1,500
409	Benches (Concrete) - Replace	20	18	\$2,200
409	Benches (Metal) - Replace	20	1	\$20,300
409	Picnic Tables - Replace	20	1	\$8,000
410	Trash Receptacles - Replace	20	1	\$15,000
412	Cushioned Play Surfaces - Replace	10	0	\$80,750
414	Fitness Stations - Replace	20	1	\$10,000
503	Metal Fence/Rail - Repair	27	8	\$38,700
505	Perimeter Fence - Replace	25	6	\$74,500
910	Bathrooms - Remodel	20	1	\$8,000
1001	Backflow Devices - Replace	20	1	\$12,000
1003	Irrigation Controllers - Replace	20	1	\$31,900
1304	Tile Roof - Replace Underlayment	22	3	\$6,050
1403	Fitness Station Signs - Replace	20	1	\$9,600
1712	Sea Walls - Replace	50	31	\$522,000
1713	Sea Walls - Maintenance/Repair	10	1	\$40,000
1714	Waterways - Dredging	12	2	\$400,000
<b>26 Total Funded Components</b>				

Note 1: Yellow highlighted line items are expected to require attention in this initial year.

## Introduction



A Capital Plan is the art and science of anticipating, and preparing for, a property major predictable 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 Capital Plan is your Component List (what you are reserving for). This is because the Component List defines the *scope and schedule* of all your anticipated upcoming major, predictable capital projects. Based on that List and your starting balance, we calculate the property Capital Fund Strength (reported in terms of "Percent Funded"). Then we compute a Funding Plan to provide for the needs of the property. These form the three results of your Capital Plan.



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

## Methodology



For this [Capital Plan](#), we started with a review of ownership boundaries, as detailed by property, recent Capital expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Capital), and research into any well-established historical precedents. We performed

an on-site inspection to quantify and evaluate your major predictable, 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 Component List. First, it must be a 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 property total budget). This limits Capital Components to major, predictable expenses.



RESERVE COMPONENT "FOUR-PART TEST"

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) Property Reserves database of experience
- 3) Property 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 property cost history, or current proposals
- 2) Comparison to Property Reserves database of work done at similar properties
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks



## *How much Reserves are enough?*

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

Adequacy is measured in a two-step process:

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



Each year, the *value of deterioration* at the property 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 funding needs and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all properties 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 funding needs).

Measuring your Capital Funds by Percent Funded tells how well prepared your property is for upcoming Reserve expenses. Those charged with maintaining the physical property should be very aware of this important figure!



## 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 property's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their property. Remember, it is the Board's job to provide for the ongoing care of the real property that supports your entity mission.

## 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 properties in the 70 - 130% range *enjoy a low risk of special funding needs 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 funding needs & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

## Site Inspection Notes

During our site visit on 8/6/2020, we started with a brief meeting with Jeri Cooper (Special Districts Project Manager), and then started the site inspection beginning with the parks. We visually inspected all of the property and were able to see all areas.

Please refer to the Photographic Inventory Appendix for additional information on each of your Reserve components.



## Projected Expenses

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

The figure below summarizes the projected future expenses at your Special District as defined by your Reserve Component List. A summary of these components are shown in the Component Details table, while a summary of the expenses themselves are shown in the 30-yr Expense Summary table. Note the range of expenses.

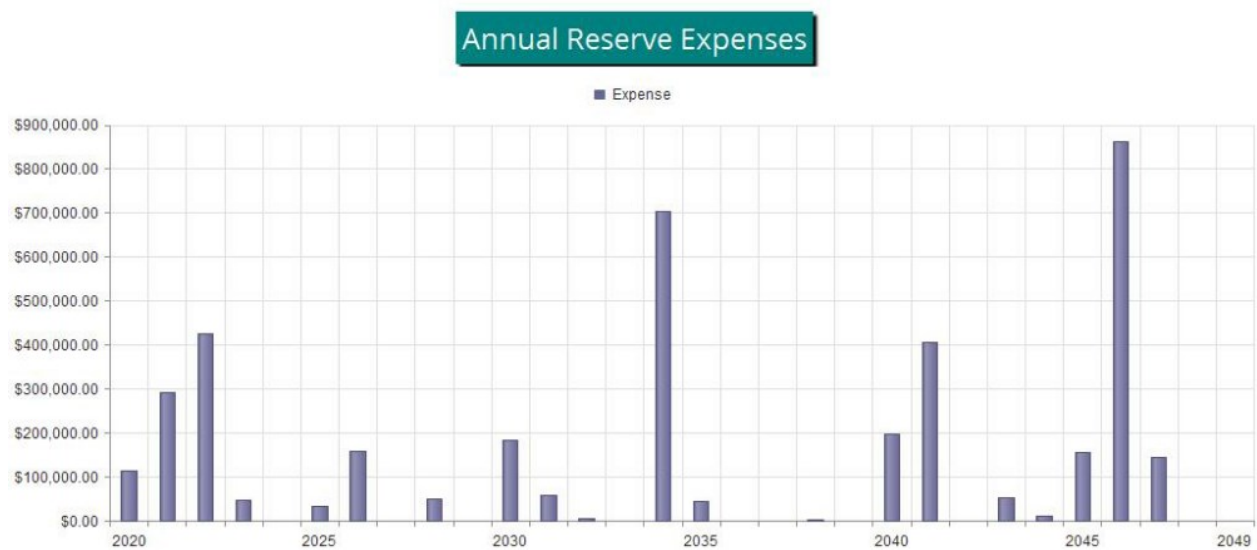


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$1,537,104 as-of the start of your Fiscal Year on 7/1/2020. This is based on your actual balance on 6/30/2019 of \$1,607,104 and anticipated Reserve contributions (\$0.00) and expenses (\$70,000 reported) projected through the end of your Fiscal Year. As of your Fiscal Year Start, your Fully Funded Balance is computed to be \$1,083,499. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 141.9 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$8,000 per month this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

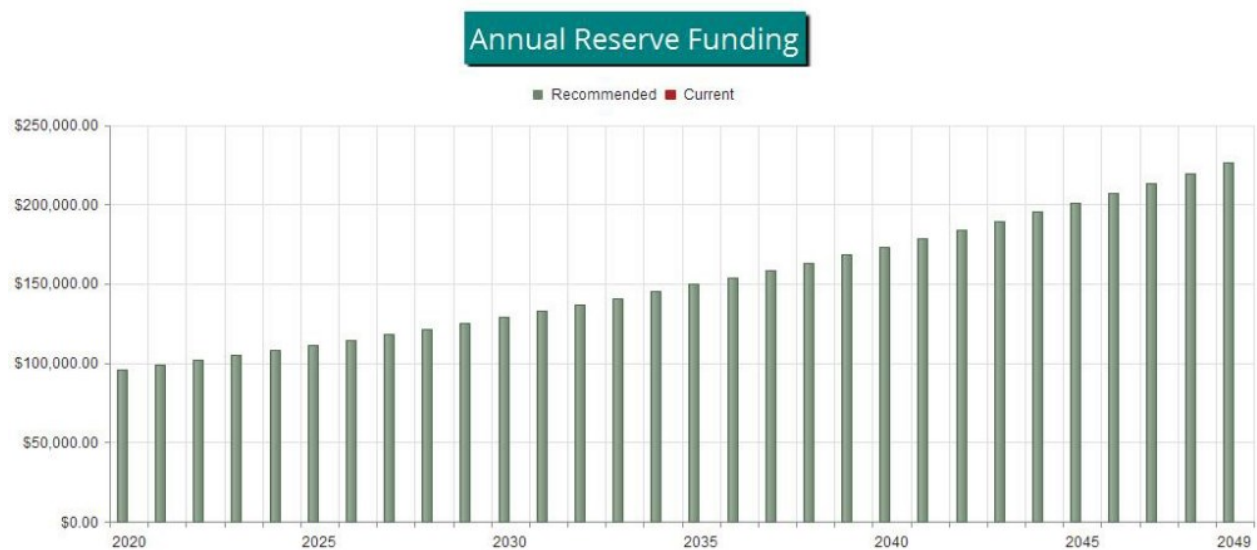


Figure 2

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

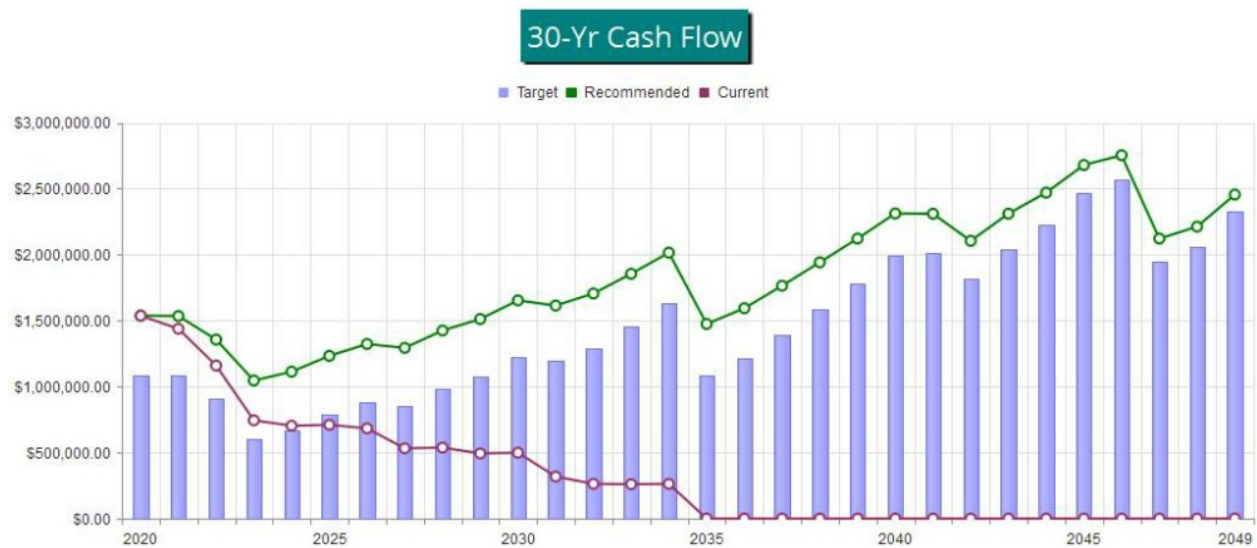


Figure 3

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

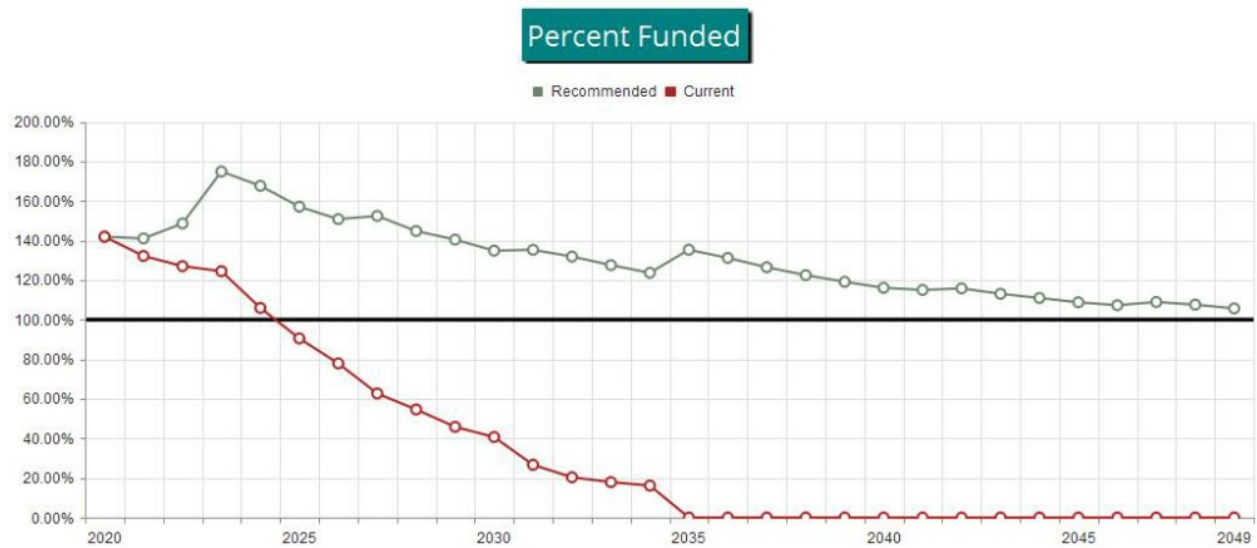


Figure 4

## Table Descriptions

Executive Summary is a summary of your Reserve Components

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

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

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

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

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

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

# Reserve Component List Detail

39735-0  
Full

# Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate		
				Best Case	Worst Case	
Inventory						
103 Concrete Walkways - Repair	Approx 64,700 GSF	13	1	\$55,000	\$75,000	
128 Nature Trails - Maintain	Approx 22,700 GSF	5	0	\$20,000	\$30,000	
201 Asphalt (Parking) - Remove/Replace	Approx 14,300 GSF	25	6	\$50,000	\$64,400	
202 Asphalt (Parking) - Reseal	Approx 14,300 GSF	5	0	\$3,500	\$5,000	
320 Pole Lights - Replace	(22) Fixtures	22	3	\$33,000	\$44,000	
322 Bollard Lights - Replace	(28) Fixtures	13	10	\$22,400	\$32,200	
322 Park Bollard Lights - Replace	(2) Fixtures	13	11	\$1,600	\$2,300	
405 Playground Equipment - Replace	(4) Pieces	20	1	\$52,000	\$72,000	
407 BBQs - Replace	(8) BBQs	12	0	\$3,000	\$4,600	
408 Pet Waste Stations - Replace	(5) Stations	20	1	\$1,200	\$1,800	
409 Benches (Concrete) - Replace	(3) Benches	20	18	\$1,800	\$2,600	
409 Benches (Metal) - Replace	(28) Benches	20	1	\$16,800	\$23,800	
409 Picnic Tables - Replace	(8) Tables	20	1	\$6,400	\$9,600	
410 Trash Receptacles - Replace	(24) Metal Receptacles	20	1	\$12,000	\$18,000	
412 Cushioned Play Surfaces - Replace	Approx 3,230 GSF	10	0	\$64,600	\$96,900	
414 Fitness Stations - Replace	(8) Stations	20	1	\$8,000	\$12,000	
503 Metal Fence/Rail - Repair	Approx 815 LF	27	8	\$32,600	\$44,800	
505 Perimeter Fence - Replace	Approx 1,570 LF	25	6	\$62,700	\$86,300	
910 Bathrooms - Remodel	(2) 12x9 Bathrooms	20	1	\$6,000	\$10,000	
1001 Backflow Devices - Replace	(8) Backflows	20	1	\$9,600	\$14,400	
1003 Irrigation Controllers - Replace	(11) Units	20	1	\$29,700	\$34,100	
1304 Tile Roof - Replace Underlayment	Approx 840 GSF	22	3	\$5,000	\$7,100	
1403 Fitness Station Signs - Replace	(16) Metal Signs	20	1	\$8,000	\$11,200	
1712 Sea Walls - Replace	Approx 870 LF	50	31	\$435,000	\$609,000	
1713 Sea Walls - Maintenance/Repair	Approx 870 LF	10	1	\$30,000	\$50,000	
1714 Waterways - Dredging	Extensive GSF	12	2	\$350,000	\$450,000	
26 Total Funded Components						



#	Component	Current	X	Effective	/	Useful	=	Fully
		Cost		Age		Life		Funded
		Estimate						Balance
Inventory								
103	Concrete Walkways - Repair	\$65,000	X	12	/	13	=	\$60,000
128	Nature Trails - Maintain	\$25,000	X	5	/	5	=	\$25,000
201	Asphalt (Parking) - Remove/Replace	\$57,200	X	19	/	25	=	\$43,472
202	Asphalt (Parking) - Reseal	\$4,250	X	5	/	5	=	\$4,250
320	Pole Lights - Replace	\$38,500	X	19	/	22	=	\$33,250
322	Bollard Lights - Replace	\$27,300	X	3	/	13	=	\$6,300
322	Park Bollard Lights - Replace	\$1,950	X	2	/	13	=	\$300
405	Playground Equipment - Replace	\$62,000	X	19	/	20	=	\$58,900
407	BBQs - Replace	\$3,800	X	12	/	12	=	\$3,800
408	Pet Waste Stations - Replace	\$1,500	X	19	/	20	=	\$1,425
409	Benches (Concrete) - Replace	\$2,200	X	2	/	20	=	\$220
409	Benches (Metal) - Replace	\$20,300	X	19	/	20	=	\$19,285
409	Picnic Tables - Replace	\$8,000	X	19	/	20	=	\$7,600
410	Trash Receptacles - Replace	\$15,000	X	19	/	20	=	\$14,250
412	Cushioned Play Surfaces - Replace	\$80,750	X	10	/	10	=	\$80,750
414	Fitness Stations - Replace	\$10,000	X	19	/	20	=	\$9,500
503	Metal Fence/Rail - Repair	\$38,700	X	19	/	27	=	\$27,233
505	Perimeter Fence - Replace	\$74,500	X	19	/	25	=	\$56,620
910	Bathrooms - Remodel	\$8,000	X	19	/	20	=	\$7,600
1001	Backflow Devices - Replace	\$12,000	X	19	/	20	=	\$11,400
1003	Irrigation Controllers - Replace	\$31,900	X	19	/	20	=	\$30,305
1304	Tile Roof - Replace Underlayment	\$6,050	X	19	/	22	=	\$5,225
1403	Fitness Station Signs - Replace	\$9,600	X	19	/	20	=	\$9,120
1712	Sea Walls - Replace	\$522,000	X	19	/	50	=	\$198,360
1713	Sea Walls - Maintenance/Repair	\$40,000	X	9	/	10	=	\$36,000
1714	Waterways - Dredging	\$400,000	X	10	/	12	=	\$333,333
								\$1,083,499

#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
Inventory					
103	Concrete Walkways - Repair	13	\$65,000	\$5,000	5.75 %
128	Nature Trails - Maintain	5	\$25,000	\$5,000	5.75 %
201	Asphalt (Parking) - Remove/Replace	25	\$57,200	\$2,288	2.63 %
202	Asphalt (Parking) - Reseal	5	\$4,250	\$850	0.98 %
320	Pole Lights - Replace	22	\$38,500	\$1,750	2.01 %
322	Bollard Lights - Replace	13	\$27,300	\$2,100	2.41 %
322	Park Bollard Lights - Replace	13	\$1,950	\$150	0.17 %
405	Playground Equipment - Replace	20	\$62,000	\$3,100	3.56 %
407	BBQs - Replace	12	\$3,800	\$317	0.36 %
408	Pet Waste Stations - Replace	20	\$1,500	\$75	0.09 %
409	Benches (Concrete) - Replace	20	\$2,200	\$110	0.13 %
409	Benches (Metal) - Replace	20	\$20,300	\$1,015	1.17 %
409	Picnic Tables - Replace	20	\$8,000	\$400	0.46 %
410	Trash Receptacles - Replace	20	\$15,000	\$750	0.86 %
412	Cushioned Play Surfaces - Replace	10	\$80,750	\$8,075	9.28 %
414	Fitness Stations - Replace	20	\$10,000	\$500	0.57 %
503	Metal Fence/Rail - Repair	27	\$38,700	\$1,433	1.65 %
505	Perimeter Fence - Replace	25	\$74,500	\$2,980	3.42 %
910	Bathrooms - Remodel	20	\$8,000	\$400	0.46 %
1001	Backflow Devices - Replace	20	\$12,000	\$600	0.69 %
1003	Irrigation Controllers - Replace	20	\$31,900	\$1,595	1.83 %
1304	Tile Roof - Replace Underlayment	22	\$6,050	\$275	0.32 %
1403	Fitness Station Signs - Replace	20	\$9,600	\$480	0.55 %
1712	Sea Walls - Replace	50	\$522,000	\$10,440	12.00 %
1713	Sea Walls - Maintenance/Repair	10	\$40,000	\$4,000	4.60 %
1714	Waterways - Dredging	12	\$400,000	\$33,333	38.31 %
26	Total Funded Components			\$87,016	100.00 %

#	Component	UL	RUL	Current Cost Estimate	Fully Funded Balance	Proportional Reserve Contribs
Inventory						
103	Concrete Walkways - Repair	13	1	\$65,000	\$60,000	\$460
128	Nature Trails - Maintain	5	0	\$25,000	\$25,000	\$460
201	Asphalt (Parking) - Remove/Replace	25	6	\$57,200	\$43,472	\$210
202	Asphalt (Parking) - Reseal	5	0	\$4,250	\$4,250	\$78
320	Pole Lights - Replace	22	3	\$38,500	\$33,250	\$161
322	Bollard Lights - Replace	13	10	\$27,300	\$6,300	\$193
322	Park Bollard Lights - Replace	13	11	\$1,950	\$300	\$14
405	Playground Equipment - Replace	20	1	\$62,000	\$58,900	\$285
407	BBQs - Replace	12	0	\$3,800	\$3,800	\$29
408	Pet Waste Stations - Replace	20	1	\$1,500	\$1,425	\$7
409	Benches (Concrete) - Replace	20	18	\$2,200	\$220	\$10
409	Benches (Metal) - Replace	20	1	\$20,300	\$19,285	\$93
409	Picnic Tables - Replace	20	1	\$8,000	\$7,600	\$37
410	Trash Receptacles - Replace	20	1	\$15,000	\$14,250	\$69
412	Cushioned Play Surfaces - Replace	10	0	\$80,750	\$80,750	\$742
414	Fitness Stations - Replace	20	1	\$10,000	\$9,500	\$46
503	Metal Fence/Rail - Repair	27	8	\$38,700	\$27,233	\$132
505	Perimeter Fence - Replace	25	6	\$74,500	\$56,620	\$274
910	Bathrooms - Remodel	20	1	\$8,000	\$7,600	\$37
1001	Backflow Devices - Replace	20	1	\$12,000	\$11,400	\$55
1003	Irrigation Controllers - Replace	20	1	\$31,900	\$30,305	\$147
1304	Tile Roof - Replace Underlayment	22	3	\$6,050	\$5,225	\$25
1403	Fitness Station Signs - Replace	20	1	\$9,600	\$9,120	\$44
1712	Sea Walls - Replace	50	31	\$522,000	\$198,360	\$960
1713	Sea Walls - Maintenance/Repair	10	1	\$40,000	\$36,000	\$368
1714	Waterways - Dredging	12	2	\$400,000	\$333,333	\$3,065
26	Total Funded Components				\$1,083,499	\$8,000

# 30-Year Reserve Plan Summary

39735-0  
Full

Fiscal Year Start: 2020	Interest: 1.00 %	Inflation: 3.00 %
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)	Projected Reserve Balance Changes	

					% Increase In Annual					
	Starting	Fully			Special		Loan or			
	Reserve	Funded	Percent		Funding Needs	Reserve	Reserve	Special	Interest	Reserve
Year	Balance	Balance	Funded		Risk	Contribs.	Contribs.	Funding Needs	Income	Expenses
2020	\$1,537,104	\$1,083,499	141.9 %	<div></div>	Low	0.00 %	\$96,000	\$0	\$15,352	\$113,800
2021	\$1,534,656	\$1,088,416	141.0 %	<div></div>	Low	3.00 %	\$98,880	\$0	\$14,448	\$291,799
2022	\$1,356,185	\$912,832	148.6 %	<div></div>	Low	3.00 %	\$101,846	\$0	\$12,004	\$424,360
2023	\$1,045,676	\$598,211	174.8 %	<div></div>	Low	3.00 %	\$104,902	\$0	\$10,787	\$48,681
2024	\$1,112,684	\$663,953	167.6 %	<div></div>	Low	3.00 %	\$108,049	\$0	\$11,721	\$0
2025	\$1,232,454	\$784,748	157.1 %	<div></div>	Low	3.00 %	\$111,290	\$0	\$12,770	\$33,909
2026	\$1,322,605	\$877,266	150.8 %	<div></div>	Low	3.00 %	\$114,629	\$0	\$13,073	\$157,257
2027	\$1,293,050	\$848,629	152.4 %	<div></div>	Low	3.00 %	\$118,068	\$0	\$13,583	\$0
2028	\$1,424,701	\$984,318	144.7 %	<div></div>	Low	3.00 %	\$121,610	\$0	\$14,677	\$49,024
2029	\$1,511,964	\$1,076,889	140.4 %	<div></div>	Low	3.00 %	\$125,258	\$0	\$15,818	\$0
2030	\$1,653,040	\$1,226,138	134.8 %	<div></div>	Low	3.00 %	\$129,016	\$0	\$16,328	\$184,520
2031	\$1,613,864	\$1,193,318	135.2 %	<div></div>	Low	3.00 %	\$132,886	\$0	\$16,589	\$58,069
2032	\$1,705,271	\$1,293,371	131.8 %	<div></div>	Low	3.00 %	\$136,873	\$0	\$17,791	\$5,418
2033	\$1,854,517	\$1,454,379	127.5 %	<div></div>	Low	3.00 %	\$140,979	\$0	\$19,339	\$0
2034	\$2,014,835	\$1,629,630	123.6 %	<div></div>	Low	3.00 %	\$145,209	\$0	\$17,437	\$703,354
2035	\$1,474,127	\$1,089,633	135.3 %	<div></div>	Low	3.00 %	\$149,565	\$0	\$15,331	\$45,571
2036	\$1,593,453	\$1,215,020	131.1 %	<div></div>	Low	3.00 %	\$154,052	\$0	\$16,782	\$0
2037	\$1,764,286	\$1,395,295	126.4 %	<div></div>	Low	3.00 %	\$158,673	\$0	\$18,521	\$0
2038	\$1,941,480	\$1,585,293	122.5 %	<div></div>	Low	3.00 %	\$163,434	\$0	\$20,306	\$3,745
2039	\$2,121,475	\$1,781,578	119.1 %	<div></div>	Low	3.00 %	\$168,337	\$0	\$22,158	\$0
2040	\$2,311,969	\$1,992,186	116.1 %	<div></div>	Low	3.00 %	\$173,387	\$0	\$23,099	\$198,672
2041	\$2,309,782	\$2,009,196	115.0 %	<div></div>	Low	3.00 %	\$178,588	\$0	\$22,061	\$406,102
2042	\$2,104,330	\$1,817,918	115.8 %	<div></div>	Low	3.00 %	\$183,946	\$0	\$22,064	\$0
2043	\$2,310,339	\$2,044,190	113.0 %	<div></div>	Low	3.00 %	\$189,464	\$0	\$23,891	\$53,879
2044	\$2,469,815	\$2,226,907	110.9 %	<div></div>	Low	3.00 %	\$195,148	\$0	\$25,733	\$11,689
2045	\$2,679,008	\$2,463,868	108.7 %	<div></div>	Low	3.00 %	\$201,003	\$0	\$27,147	\$154,521
2046	\$2,752,637	\$2,566,286	107.3 %	<div></div>	Low	3.00 %	\$207,033	\$0	\$24,360	\$862,637
2047	\$2,121,393	\$1,948,048	108.9 %	<div></div>	Low	3.00 %	\$213,244	\$0	\$21,657	\$144,384
2048	\$2,211,910	\$2,056,861	107.5 %	<div></div>	Low	3.00 %	\$219,641	\$0	\$23,324	\$0
2049	\$2,454,875	\$2,323,626	105.6 %	<div></div>	Low	3.00 %	\$226,230	\$0	\$25,798	\$0

# 30-Year Income/Expense Detail (yrs 0 through 4)

39735-0  
Full

Fiscal Year	2020	2021	2022	2023	2024
Starting Reserve Balance	\$1,537,104	\$1,534,656	\$1,356,185	\$1,045,676	\$1,112,684
Annual Reserve Contribution	\$96,000	\$98,880	\$101,846	\$104,902	\$108,049
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$15,352	\$14,448	\$12,004	\$10,787	\$11,721
Total Income	\$1,648,456	\$1,647,984	\$1,470,036	\$1,161,365	\$1,232,454
# Component					
<b>Inventory</b>					
103 Concrete Walkways - Repair	\$0	\$66,950	\$0	\$0	\$0
128 Nature Trails - Maintain	\$25,000	\$0	\$0	\$0	\$0
201 Asphalt (Parking) - Remove/Replace	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Parking) - Reseal	\$4,250	\$0	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$42,070	\$0
322 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Park Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
405 Playground Equipment - Replace	\$0	\$63,860	\$0	\$0	\$0
407 BBQs - Replace	\$3,800	\$0	\$0	\$0	\$0
408 Pet Waste Stations - Replace	\$0	\$1,545	\$0	\$0	\$0
409 Benches (Concrete) - Replace	\$0	\$0	\$0	\$0	\$0
409 Benches (Metal) - Replace	\$0	\$20,909	\$0	\$0	\$0
409 Picnic Tables - Replace	\$0	\$8,240	\$0	\$0	\$0
410 Trash Receptacles - Replace	\$0	\$15,450	\$0	\$0	\$0
412 Cushioned Play Surfaces - Replace	\$80,750	\$0	\$0	\$0	\$0
414 Fitness Stations - Replace	\$0	\$10,300	\$0	\$0	\$0
503 Metal Fence/Rail - Repair	\$0	\$0	\$0	\$0	\$0
505 Perimeter Fence - Replace	\$0	\$0	\$0	\$0	\$0
910 Bathrooms - Remodel	\$0	\$8,240	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$12,360	\$0	\$0	\$0
1003 Irrigation Controllers - Replace	\$0	\$32,857	\$0	\$0	\$0
1304 Tile Roof - Replace Underlayment	\$0	\$0	\$0	\$6,611	\$0
1403 Fitness Station Signs - Replace	\$0	\$9,888	\$0	\$0	\$0
1712 Sea Walls - Replace	\$0	\$0	\$0	\$0	\$0
1713 Sea Walls - Maintenance/Repair	\$0	\$41,200	\$0	\$0	\$0
1714 Waterways - Dredging	\$0	\$0	\$424,360	\$0	\$0
Total Expenses	\$113,800	\$291,799	\$424,360	\$48,681	\$0
Ending Reserve Balance	\$1,534,656	\$1,356,185	\$1,045,676	\$1,112,684	\$1,232,454

<b>Fiscal Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Starting Reserve Balance	\$1,232,454	\$1,322,605	\$1,293,050	\$1,424,701	\$1,511,964
Annual Reserve Contribution	\$111,290	\$114,629	\$118,068	\$121,610	\$125,258
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$12,770	\$13,073	\$13,583	\$14,677	\$15,818
Total Income	\$1,356,514	\$1,450,307	\$1,424,701	\$1,560,988	\$1,653,040
# Component					
<b>Inventory</b>					
103 Concrete Walkways - Repair	\$0	\$0	\$0	\$0	\$0
128 Nature Trails - Maintain	\$28,982	\$0	\$0	\$0	\$0
201 Asphalt (Parking) - Remove/Replace	\$0	\$68,300	\$0	\$0	\$0
202 Asphalt (Parking) - Reseal	\$4,927	\$0	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Park Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
405 Playground Equipment - Replace	\$0	\$0	\$0	\$0	\$0
407 BBQs - Replace	\$0	\$0	\$0	\$0	\$0
408 Pet Waste Stations - Replace	\$0	\$0	\$0	\$0	\$0
409 Benches (Concrete) - Replace	\$0	\$0	\$0	\$0	\$0
409 Benches (Metal) - Replace	\$0	\$0	\$0	\$0	\$0
409 Picnic Tables - Replace	\$0	\$0	\$0	\$0	\$0
410 Trash Receptacles - Replace	\$0	\$0	\$0	\$0	\$0
412 Cushioned Play Surfaces - Replace	\$0	\$0	\$0	\$0	\$0
414 Fitness Stations - Replace	\$0	\$0	\$0	\$0	\$0
503 Metal Fence/Rail - Repair	\$0	\$0	\$0	\$49,024	\$0
505 Perimeter Fence - Replace	\$0	\$88,957	\$0	\$0	\$0
910 Bathrooms - Remodel	\$0	\$0	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$0	\$0	\$0	\$0
1003 Irrigation Controllers - Replace	\$0	\$0	\$0	\$0	\$0
1304 Tile Roof - Replace Underlayment	\$0	\$0	\$0	\$0	\$0
1403 Fitness Station Signs - Replace	\$0	\$0	\$0	\$0	\$0
1712 Sea Walls - Replace	\$0	\$0	\$0	\$0	\$0
1713 Sea Walls - Maintenance/Repair	\$0	\$0	\$0	\$0	\$0
1714 Waterways - Dredging	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$33,909	\$157,257	\$0	\$49,024	\$0
Ending Reserve Balance	\$1,322,605	\$1,293,050	\$1,424,701	\$1,511,964	\$1,653,040

<b>Fiscal Year</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>
Starting Reserve Balance	\$1,653,040	\$1,613,864	\$1,705,271	\$1,854,517	\$2,014,835
Annual Reserve Contribution	\$129,016	\$132,886	\$136,873	\$140,979	\$145,209
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$16,328	\$16,589	\$17,791	\$19,339	\$17,437
Total Income	\$1,798,384	\$1,763,339	\$1,859,935	\$2,014,835	\$2,177,481
# Component					
<b>Inventory</b>					
103 Concrete Walkways - Repair	\$0	\$0	\$0	\$0	\$98,318
128 Nature Trails - Maintain	\$33,598	\$0	\$0	\$0	\$0
201 Asphalt (Parking) - Remove/Replace	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Parking) - Reseal	\$5,712	\$0	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Bollard Lights - Replace	\$36,689	\$0	\$0	\$0	\$0
322 Park Bollard Lights - Replace	\$0	\$2,699	\$0	\$0	\$0
405 Playground Equipment - Replace	\$0	\$0	\$0	\$0	\$0
407 BBQs - Replace	\$0	\$0	\$5,418	\$0	\$0
408 Pet Waste Stations - Replace	\$0	\$0	\$0	\$0	\$0
409 Benches (Concrete) - Replace	\$0	\$0	\$0	\$0	\$0
409 Benches (Metal) - Replace	\$0	\$0	\$0	\$0	\$0
409 Picnic Tables - Replace	\$0	\$0	\$0	\$0	\$0
410 Trash Receptacles - Replace	\$0	\$0	\$0	\$0	\$0
412 Cushioned Play Surfaces - Replace	\$108,521	\$0	\$0	\$0	\$0
414 Fitness Stations - Replace	\$0	\$0	\$0	\$0	\$0
503 Metal Fence/Rail - Repair	\$0	\$0	\$0	\$0	\$0
505 Perimeter Fence - Replace	\$0	\$0	\$0	\$0	\$0
910 Bathrooms - Remodel	\$0	\$0	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$0	\$0	\$0	\$0
1003 Irrigation Controllers - Replace	\$0	\$0	\$0	\$0	\$0
1304 Tile Roof - Replace Underlayment	\$0	\$0	\$0	\$0	\$0
1403 Fitness Station Signs - Replace	\$0	\$0	\$0	\$0	\$0
1712 Sea Walls - Replace	\$0	\$0	\$0	\$0	\$0
1713 Sea Walls - Maintenance/Repair	\$0	\$55,369	\$0	\$0	\$0
1714 Waterways - Dredging	\$0	\$0	\$0	\$0	\$605,036
Total Expenses	\$184,520	\$58,069	\$5,418	\$0	\$703,354
Ending Reserve Balance	\$1,613,864	\$1,705,271	\$1,854,517	\$2,014,835	\$1,474,127



<b>Fiscal Year</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>
Starting Reserve Balance	\$1,474,127	\$1,593,453	\$1,764,286	\$1,941,480	\$2,121,475
Annual Reserve Contribution	\$149,565	\$154,052	\$158,673	\$163,434	\$168,337
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$15,331	\$16,782	\$18,521	\$20,306	\$22,158
Total Income	\$1,639,023	\$1,764,286	\$1,941,480	\$2,125,220	\$2,311,969
# Component					
<b>Inventory</b>					
103 Concrete Walkways - Repair	\$0	\$0	\$0	\$0	\$0
128 Nature Trails - Maintain	\$38,949	\$0	\$0	\$0	\$0
201 Asphalt (Parking) - Remove/Replace	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Parking) - Reseal	\$6,621	\$0	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Park Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
405 Playground Equipment - Replace	\$0	\$0	\$0	\$0	\$0
407 BBQs - Replace	\$0	\$0	\$0	\$0	\$0
408 Pet Waste Stations - Replace	\$0	\$0	\$0	\$0	\$0
409 Benches (Concrete) - Replace	\$0	\$0	\$0	\$3,745	\$0
409 Benches (Metal) - Replace	\$0	\$0	\$0	\$0	\$0
409 Picnic Tables - Replace	\$0	\$0	\$0	\$0	\$0
410 Trash Receptacles - Replace	\$0	\$0	\$0	\$0	\$0
412 Cushioned Play Surfaces - Replace	\$0	\$0	\$0	\$0	\$0
414 Fitness Stations - Replace	\$0	\$0	\$0	\$0	\$0
503 Metal Fence/Rail - Repair	\$0	\$0	\$0	\$0	\$0
505 Perimeter Fence - Replace	\$0	\$0	\$0	\$0	\$0
910 Bathrooms - Remodel	\$0	\$0	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$0	\$0	\$0	\$0
1003 Irrigation Controllers - Replace	\$0	\$0	\$0	\$0	\$0
1304 Tile Roof - Replace Underlayment	\$0	\$0	\$0	\$0	\$0
1403 Fitness Station Signs - Replace	\$0	\$0	\$0	\$0	\$0
1712 Sea Walls - Replace	\$0	\$0	\$0	\$0	\$0
1713 Sea Walls - Maintenance/Repair	\$0	\$0	\$0	\$0	\$0
1714 Waterways - Dredging	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$45,571	\$0	\$0	\$3,745	\$0
Ending Reserve Balance	\$1,593,453	\$1,764,286	\$1,941,480	\$2,121,475	\$2,311,969

<b>Fiscal Year</b>	<b>2040</b>	<b>2041</b>	<b>2042</b>	<b>2043</b>	<b>2044</b>
Starting Reserve Balance	\$2,311,969	\$2,309,782	\$2,104,330	\$2,310,339	\$2,469,815
Annual Reserve Contribution	\$173,387	\$178,588	\$183,946	\$189,464	\$195,148
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$23,099	\$22,061	\$22,064	\$23,891	\$25,733
Total Income	\$2,508,455	\$2,510,432	\$2,310,339	\$2,523,694	\$2,690,697
# Component					
<b>Inventory</b>					
103 Concrete Walkways - Repair	\$0	\$0	\$0	\$0	\$0
128 Nature Trails - Maintain	\$45,153	\$0	\$0	\$0	\$0
201 Asphalt (Parking) - Remove/Replace	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Parking) - Reseal	\$7,676	\$0	\$0	\$0	\$0
320 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Bollard Lights - Replace	\$0	\$0	\$0	\$53,879	\$0
322 Park Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$3,964
405 Playground Equipment - Replace	\$0	\$115,338	\$0	\$0	\$0
407 BBQs - Replace	\$0	\$0	\$0	\$0	\$7,725
408 Pet Waste Stations - Replace	\$0	\$2,790	\$0	\$0	\$0
409 Benches (Concrete) - Replace	\$0	\$0	\$0	\$0	\$0
409 Benches (Metal) - Replace	\$0	\$37,764	\$0	\$0	\$0
409 Picnic Tables - Replace	\$0	\$14,882	\$0	\$0	\$0
410 Trash Receptacles - Replace	\$0	\$27,904	\$0	\$0	\$0
412 Cushioned Play Surfaces - Replace	\$145,843	\$0	\$0	\$0	\$0
414 Fitness Stations - Replace	\$0	\$18,603	\$0	\$0	\$0
503 Metal Fence/Rail - Repair	\$0	\$0	\$0	\$0	\$0
505 Perimeter Fence - Replace	\$0	\$0	\$0	\$0	\$0
910 Bathrooms - Remodel	\$0	\$14,882	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$22,324	\$0	\$0	\$0
1003 Irrigation Controllers - Replace	\$0	\$59,343	\$0	\$0	\$0
1304 Tile Roof - Replace Underlayment	\$0	\$0	\$0	\$0	\$0
1403 Fitness Station Signs - Replace	\$0	\$17,859	\$0	\$0	\$0
1712 Sea Walls - Replace	\$0	\$0	\$0	\$0	\$0
1713 Sea Walls - Maintenance/Repair	\$0	\$74,412	\$0	\$0	\$0
1714 Waterways - Dredging	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$198,672	\$406,102	\$0	\$53,879	\$11,689
Ending Reserve Balance	\$2,309,782	\$2,104,330	\$2,310,339	\$2,469,815	\$2,679,008

<b>Fiscal Year</b>	<b>2045</b>	<b>2046</b>	<b>2047</b>	<b>2048</b>	<b>2049</b>
Starting Reserve Balance	\$2,679,008	\$2,752,637	\$2,121,393	\$2,211,910	\$2,454,875
Annual Reserve Contribution	\$201,003	\$207,033	\$213,244	\$219,641	\$226,230
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$27,147	\$24,360	\$21,657	\$23,324	\$25,798
Total Income	\$2,907,158	\$2,984,029	\$2,356,294	\$2,454,875	\$2,706,903
# Component					
<b>Inventory</b>					
103 Concrete Walkways - Repair	\$0	\$0	\$144,384	\$0	\$0
128 Nature Trails - Maintain	\$52,344	\$0	\$0	\$0	\$0
201 Asphalt (Parking) - Remove/Replace	\$0	\$0	\$0	\$0	\$0
202 Asphalt (Parking) - Reseal	\$8,899	\$0	\$0	\$0	\$0
320 Pole Lights - Replace	\$80,610	\$0	\$0	\$0	\$0
322 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
322 Park Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
405 Playground Equipment - Replace	\$0	\$0	\$0	\$0	\$0
407 BBQs - Replace	\$0	\$0	\$0	\$0	\$0
408 Pet Waste Stations - Replace	\$0	\$0	\$0	\$0	\$0
409 Benches (Concrete) - Replace	\$0	\$0	\$0	\$0	\$0
409 Benches (Metal) - Replace	\$0	\$0	\$0	\$0	\$0
409 Picnic Tables - Replace	\$0	\$0	\$0	\$0	\$0
410 Trash Receptacles - Replace	\$0	\$0	\$0	\$0	\$0
412 Cushioned Play Surfaces - Replace	\$0	\$0	\$0	\$0	\$0
414 Fitness Stations - Replace	\$0	\$0	\$0	\$0	\$0
503 Metal Fence/Rail - Repair	\$0	\$0	\$0	\$0	\$0
505 Perimeter Fence - Replace	\$0	\$0	\$0	\$0	\$0
910 Bathrooms - Remodel	\$0	\$0	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$0	\$0	\$0	\$0
1003 Irrigation Controllers - Replace	\$0	\$0	\$0	\$0	\$0
1304 Tile Roof - Replace Underlayment	\$12,667	\$0	\$0	\$0	\$0
1403 Fitness Station Signs - Replace	\$0	\$0	\$0	\$0	\$0
1712 Sea Walls - Replace	\$0	\$0	\$0	\$0	\$0
1713 Sea Walls - Maintenance/Repair	\$0	\$0	\$0	\$0	\$0
1714 Waterways - Dredging	\$0	\$862,637	\$0	\$0	\$0
Total Expenses	\$154,521	\$862,637	\$144,384	\$0	\$0
Ending Reserve Balance	\$2,752,637	\$2,121,393	\$2,211,910	\$2,454,875	\$2,706,903

## 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. Robert M. Nordlund, P.E., R.S., company Founder/CEO, is a California licensed Professional Engineer (Mechanical, #22322), and credentialed Reserve Specialist (#5). All work done by Association Reserves is performed under his Responsible Charge 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

<b>BTU</b>	British Thermal Unit (a standard unit of energy)
<b>DIA</b>	Diameter
<b>GSF</b>	Gross Square Feet (area). Equivalent to Square Feet
<b>GSY</b>	Gross Square Yards (area). Equivalent to Square Yards
<b>HP</b>	Horsepower
<b>LF</b>	Linear Feet (length)
<b>Effective Age</b>	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
<b>Fully Funded Balance (FFB)</b>	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 property total.
<b>Inflation</b>	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.
<b>Interest</b>	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.
<b>Percent Funded</b>	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.
<b>Remaining Useful Life (RUL)</b>	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
<b>Useful Life (UL)</b>	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 our 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 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.

## Inventory

**Comp #: 103 Concrete Walkways - Repair****Quantity: Approx 64,700 GSF**

Location: Throughout common areas.

Funded?: Yes.

History:

Comments: Under normal circumstances, these surfaces should reach a very long useful life with no expectation for complete replacement. The surfaces should be inspected on a regular basis for trip-hazards. We recommend that the City handle for minor concrete repairs and pressure-washing (less than \$500) on an as-needed basis as an Operating expense. Funding for periodic larger partial repairs/replacement projects.

Useful Life:  
13 years

Remaining Life:  
1 years



Best Case: \$ 55,000

Worst Case: \$ 75,000

Cost Source: ARI Cost Database

---

**Comp #: 128 Nature Trails - Maintain****Quantity: Approx 22,700 GSF**

Location: Park areas.

Funded?: Yes.

History:

Comments: The nature trails appear to be aging normally. Plan to replenish at regular intervals to maintain good conditions throughout.

Useful Life:  
5 years

Remaining Life:  
0 years



Best Case: \$ 20,000

Worst Case: \$ 30,000

Cost Source: ARI Cost Database



**Comp #: 201 Asphalt (Parking) - Remove/Replace****Quantity: Approx 14,300 GSF**

Location: Park and Lift Station parking lots.

Funded?: Yes.

History:

Comments: Asphalt surfaces require periodic reconstruction to restore the integrity of the base to accommodate the asphalt surfaces properly. The useful life shown is based on the assumption that the Special District will conduct regularly scheduled repairs and resealing (refer to #202). In fair overall condition.

Useful Life:  
25 years

Remaining Life:  
6 years



Best Case: \$ 50,000

Worst Case: \$ 64,400

Cost Source: ARI Cost Database

---

**Comp #: 202 Asphalt (Parking) - Reseal****Quantity: Approx 14,300 GSF**

Location: Park and Lift Station parking lots.

Funded?: Yes.

History:

Comments: The asphalt should be resealed or slurry coated every 5-7 years to maintain the asphalt's appearance, integrity, and life expectancy. Failure to execute these projects could result in much shorter useful life, and additional base & subgrade repair costs (refer to #201). Additional repairs are included with this project, including the restriping of the parking spaces and repainting of the curbs. The seal is in poor condition.

Useful Life:  
5 years

Remaining Life:  
0 years



Best Case: \$ 3,500

Worst Case: \$ 5,000

Cost Source: ARI Cost Database

---

**Comp #: 320 Pole Lights - Replace****Quantity: (22) Fixtures**

Location: Throughout common areas.

Funded?: Yes.

History:

Comments: Inspected during daylight hours, but assumed to be functional. All are upright and sturdy. In fair condition. Fixtures should be cleaned on a regular basis to allow full illumination. Funding for eventual complete replacement to maintain a uniform appearance.

Useful Life:  
22 years

Remaining Life:  
3 years



Best Case: \$ 33,000

Worst Case: \$ 44,000

Cost Source: ARI Cost Database

---

**Comp #: 322 Bollard Lights - Replace****Quantity: (28) Fixtures**

Location: Throughout common areas.

Funded?: Yes.

History: Replaced in 5/2018.

Comments: Inspected during daylight hours, but assumed to be functional. All appear to be aging normally at this time. In fair condition. Funding for complete replacement projects to maintain a uniform appearance.

Useful Life:  
13 years

Remaining Life:  
10 years



Best Case: \$ 22,400

Worst Case: \$ 32,200

Cost Source: ARI Cost Database

---

**Comp #: 322 Park Bollard Lights - Replace****Quantity: (2) Fixtures**

Location: Main entry area.

Funded?: Yes.

History: Replaced in 2019.

Comments: Inspected during daylight hours, but assumed to be functional. Both are upright and attractive at this time. In good condition.

Useful Life:

13 years

Remaining Life:

11 years



Best Case: \$ 1,600

Worst Case: \$ 2,300

Cost Source: ARI Cost Database

---

**Comp #: 405 Playground Equipment - Replace****Quantity: (4) Pieces**

Location: At each playground.

Funded?: Yes.

History:

Comments: Includes (2) large play structures and (2) rocking horses. In serviceable condition. Plan to replace at regular intervals to maintain safe, clean conditions.

Useful Life:

20 years

Remaining Life:

1 years



Best Case: \$ 52,000

Worst Case: \$ 72,000

Cost Source: ARI Cost Database

---

**Comp #: 407 BBQs - Replace****Quantity: (8) BBQs**

Location: Parks.

Funded?: Yes.

History:

Comments: The BBQs are older and worn, with rust detected throughout. The bases appear to be sturdy and upright. In declining condition. Plan to replace at regular intervals.

Useful Life:

12 years

Remaining Life:

0 years



Best Case: \$ 3,000

Worst Case: \$ 4,600

Cost Source: ARI Cost Database

---

**Comp #: 408 Pet Waste Stations - Replace****Quantity: (5) Stations**

Location: Throughout community.

Funded?: Yes.

History:

Comments: Moderate wear/tear and aging observed during the inspection. In serviceable condition. Funding has been provided for periodic replacement.

Useful Life:

20 years

Remaining Life:

1 years



Best Case: \$ 1,200

Worst Case: \$ 1,800

Cost Source: ARI Cost Database

---

**Comp #: 409 Benches (Concrete) - Replace****Quantity: (3) Benches**

Location: Throughout community.

Funded?: Yes.

History: Installed in 2019.

Comments: The concrete benches appear to be sturdy and in good condition. No heavy damage or vandalism observed. With regular cleaning and inspection, these benches should reach long useful lives.

Useful Life:

20 years

Remaining Life:

18 years



Best Case: \$ 1,800

Worst Case: \$ 2,600

Cost Source: ARI Cost Database

---

**Comp #: 409 Benches (Metal) - Replace****Quantity: (28) Benches**

Location: Throughout community.

Funded?: Yes.

History:

Comments: The metal benches appear to be serviceable. The city is reportedly considering replacing these metal fixtures with sturdier concrete tables in the near future.

Useful Life:

20 years

Remaining Life:

1 years



Best Case: \$ 16,800

Worst Case: \$ 23,800

Cost Source: ARI Cost Database

---



**Comp #: 409 Picnic Tables - Replace****Quantity: (8) Tables**

Location: Parks.

Funded?: Yes.

History:

Comments: The picnic tables appear to be serviceable. The city is reportedly considering replacing these metal tables with sturdier concrete tables in the near future.

Useful Life:

20 years

Remaining Life:

1 years



Best Case: \$ 6,400

Worst Case: \$ 9,600

Cost Source: ARI Cost Database

---

**Comp #: 410 Trash Receptacles - Replace****Quantity: (24) Metal Receptacles**

Location: Throughout community.

Funded?: Yes.

History:

Comments: The trash receptacles appear to be intact. The city is reportedly considering replacing the metal assets with concrete in the near future.

Useful Life:

20 years

Remaining Life:

1 years



Best Case: \$ 12,000

Worst Case: \$ 18,000

Cost Source: ARI Cost Database

---

**Comp #: 412 Cushioned Play Surfaces - Replace****Quantity: Approx 3,230 GSF**

Location: At each park.

Funded?: Yes.

History:

Comments: Cushioned play surfaces should be replaced at regular intervals before any surface loss or compression develops. No heavy staining or crumbling noted during the inspection. In declining condition.

Useful Life:

10 years

Remaining Life:

0 years



Best Case: \$ 64,600

Worst Case: \$ 96,900

Cost Source: ARI Cost Database

---

**Comp #: 414 Fitness Stations - Replace****Quantity: (8) Stations**

Location: Throughout community.

Funded?: Yes.

History:

Comments: The fitness stations appear to be intact and serviceable. No heavy corrosion or vandalism observed. In fair overall condition.

Useful Life:

20 years

Remaining Life:

1 years



Best Case: \$ 8,000

Worst Case: \$ 12,000

Cost Source: ARI Cost Database

---



**Comp #: 502 Metal Guard Rail - Replace**

**Quantity: Approx 26 LF**

Location: Along walking path between parks.

Funded?: No.

History:

Comments: The railing is intact and stable. No heavy corrosion or damage noted. Plan to maintain this asset as needed using Operating funds rather than Reserves.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

---

**Comp #: 503 Metal Fence/Rail - Repair**

**Quantity: Approx 815 LF**

Location: Property perimeters.

Funded?: Yes.

History:

Comments: The fencing is intact and stable. The rails reportedly do not require painting. In fair overall condition. Funding has been provided for eventual replacement.

Useful Life:  
27 years

Remaining Life:  
8 years



Best Case: \$ 32,600

Worst Case: \$ 44,800

Cost Source: ARI Cost Database

---

**Comp #: 505 Perimeter Fence - Replace****Quantity: Approx 1,570 LF**

Location: Perimeter of park areas.

Funded?: Yes.

History:

Comments: The fencing is intact and stable. Best to avoid contact with surrounding vegetation or irrigation sprinklers. No widespread breakage or warping noted. In fair overall condition.

Useful Life:

25 years

Remaining Life:

6 years



Best Case: \$ 62,700

Worst Case: \$ 86,300

Cost Source: ARI Cost Database

---

**Comp #: 910 Bathrooms - Remodel****Quantity: (2) 12x9 Bathrooms**

Location: Westport at the Mandalay Bay Park.

Funded?: Yes.

History:

Comments: Includes ~216 GSF of coated concrete flooring, (3) toilets, (3) toilet doors, (1) urinal, (2) sinks, (6) lights, and (4) metal pedestrian gates. The bathrooms display moderate wear and aging. Local grime build up noted. Plan to remodel at regular intervals. In serviceable condition.

Useful Life:

20 years

Remaining Life:

1 years



Best Case: \$ 6,000

Worst Case: \$ 10,000

Cost Source: ARI Cost Database

---

**Comp #: 911 Utility/Storage Rooms - Refurbish****Quantity: (2) Rooms**

Location: Westport at the Mandalay Bay Park.

Funded?: No.

History:

Comments: Includes ~486 GSF of concrete flooring, (3) light fixtures, (2) storage containers, (1) door, and (1) double metal gate. Due to the low cost of maintenance, no Reserve funding is required.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

---

**Comp #: 1001 Backflow Devices - Replace****Quantity: (8) Backflows**

Location: Adjacent to sidewalks/slopes.

Funded?: Yes.

History:

Comments: The backflows were not tested during the inspection. Best to have the device inspected and maintained on a regular basis by a certified plumbing vendor. These devices prevent harmful chemicals from backwashing into your drinking water supply.

Useful Life:  
20 yearsRemaining Life:  
1 years

Best Case: \$ 9,600

Worst Case: \$ 14,400

Cost Source: ARI Cost Database

---

**Comp #: 1003 Irrigation Controllers - Replace****Quantity: (11) Units**

Location: Adjacent to sidewalks/slopes and bathroom building utility room.

Funded?: Yes.

History:

Comments: The controllers were not tested during the inspection. All are reported to be functional, with no service-related issues at this time. In fair condition.

Useful Life:

20 years

Remaining Life:

1 years



Best Case: \$ 29,700

Worst Case: \$ 34,100

Cost Source: Estimate Provided by Client

---

**Comp #: 1120 Bathroom Exteriors - Refurbish****Quantity: (1) Building**

Location: Westport at the Mandalay Bay Park.

Funded?: No.

History:

Comments: Includes ~1,040 GSF of stone walls, ~750 GSF of wood ceiling, ~40 LF of metal railing, (3) skylights, and (3) security lights. Due to the low cost of maintenance, no Reserve funding is required. Best to maintain as needed as an Operating expense.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:



**Comp #: 1304 Tile Roof - Replace Underlayment****Quantity: Approx 840 GSF**

Location: Westport at the Mandalay Bay Park bathroom building.

Funded?: Yes.

History:

Comments: The tiles are intact and properly aligned. No reports of water intrusion. The underlayments beneath the tiles will need to be replaced every 20-30 years. A typical project involves removing and stacking existing tiles, replacing all underlayment material, and then re-laying tile. An allowance for some tile breakage is included in these costs. In fair condition.

Useful Life:  
22 years

Remaining Life:  
3 years



Best Case: \$ 5,000

Worst Case: \$ 7,100

Cost Source: ARI Cost Database

---

**Comp #: 1402 Assorted Signage - Replace****Quantity: (16) Assorted Signs**

Location: Throughout community.

Funded?: No.

History:

Comments: The assorted signage varies in size, style, and location. Plan to replace as desired using Operating funds rather than Reserves.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 1403 Fitness Station Signs - Replace****Quantity: (16) Metal Signs**

Location: Throughout community.

Funded?: Yes.

History:

Comments: The fitness station signs are intact and upright. No heavy damage or vandalism noted. In fair overall condition.

Useful Life:

20 years

Remaining Life:

1 years



Best Case: \$ 8,000

Worst Case: \$ 11,200

Cost Source: ARI Cost Database

---

**Comp #: 1712 Sea Walls - Replace****Quantity: Approx 870 LF**

Location: Perimeter of property.

Funded?: Yes.

History:

Comments: The seawalls are intact and exhibit general wear/tear and aging. No severe deterioration detected during inspection. In serviceable condition. Funding has been provided for eventual replacement.

Useful Life:

50 years

Remaining Life:

31 years



Best Case: \$ 435,000

Worst Case: \$ 609,000

Cost Source: ARI Cost Database

---

**Comp #: 1713 Sea Walls - Maintenance/Repair****Quantity: Approx 870 LF**

Location: Perimeter of property.

Funded?: Yes.

History:

Comments: Funding has been provided for periodic maintenance/repair at the request of the client.

Useful Life:

10 years

Remaining Life:

1 years



Best Case: \$ 30,000

Worst Case: \$ 50,000

Cost Source: ARI Cost Database

---

**Comp #: 1714 Waterways - Dredging****Quantity: Extensive GSF**

Location: Waterways.

Funded?: Yes.

History:

Comments: Funding has been provided for periodic dredging of the waterways at the request of the client.

Useful Life:

12 years

Remaining Life:

2 years



Best Case: \$ 350,000

Worst Case: \$ 450,000

Cost Source: ARI Cost Database

---