

Tamarac Hills HOA
7500 – 7900 E. Dartmouth Ave.
Denver, CO 80231



Level 1 Reserve Analysis

Report Period – 03/01/03 – 02/29/04

Client Reference Number - 02088

Property Type – Detached Home Community

Number of Units – 79

Fiscal Year End – December 31

Date of Property Inspection –	November 26, 2002
Report Prepared by –	G. Michael Kelsen
Property Inspected by -	G. Michael Kelsen
Others Present -	Mr. Michael Hayutin
Main Contact Person -	Mr. Michael Hayutin
	Property Manager

**Final
Version**

Report was prepared on - Wednesday, January 15, 2003

Table of Contents

SECTION 1:

Introduction to Reserve Analysis	page 1
General Information and Answers to FAQ's	pages 2 - 3
Summary of Reserve Analysis	page 4

SECTION 2:

Physical Analysis (Photographic)	pages 1 - 38
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SECTION 3:

Financial Analysis

a) Funding Summary	page 1
b) Percent Funded – Graph	page 2
c) Asset Inventory List	page 3
d) Significant Components Table	page 4
e) Significant Components – Graph	page 5
f) Yearly Summary Table	page 6
g) Yearly Contributions – Graph	page 7
h) Component Funding Information	page 8
i) Yearly Cash Flow Table	page 9
j) Projected Expenditures Year by Year – Graph	page 10
k) Projected Expenditures Year by Year	pages 11 - 13

SECTION 4:

Glossary of Terms and Definitions	pages 1 - 2
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Introduction to the Reserve Analysis –

The elected officials of this association made a wise decision to invest in a Reserve Analysis to get a better understanding of the status of the Reserve funds. This Analysis will be a valuable tool to assist the Board of Directors in making the decision to which the dues are derived. Typically, the Reserve contribution makes up 15% - 40% of the association's total budget. Therefore, Reserves is considered to be a significant part of the overall monthly association payment.

Every association conducts its business within a budget. There are typically two main parts to this budget, Operating and Reserves. The Operating budget includes all expenses that are fixed on an annual basis. These would include management fees, maintenance fees, utilities, etc. The Reserves is primarily made up of Capital Replacement items such as asphalt, irrigation systems, fencing, recreation facilities, etc., that do not normally occur on an annual basis.

The Reserve Analysis is also broken down into two different parts, the Physical Analysis and the Financial Analysis. The Physical Analysis is information regarding the physical status and replacement cost of major common area components that 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/Valuation Estimates will most likely vary from year to year. You can find this information in the **Asset Inventory Section** (Section 2) of this Reserve Analysis. The **Financial Analysis Section** is the evaluation of the association's Reserve balance, income, and expenses. This is made up of a finding of the clients current Reserve Fund Status (measured as Percent Funded) and a recommendation for an appropriate Reserve Allocation rate (also known as the Funding Plan). You can find this information in Section 3 (pages 1 – 13) of this Reserve Analysis.

The purpose of this Reserve Analysis is to provide an educated estimate as to what the Reserve Allocation needs to be. 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 timing to obtain competitive estimates and bids that will result in cost savings to the individual homeowners. This 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.

It is important for the client, homeowners, and potential future homeowners to understand that the information contained in this analysis is based on estimates and assumptions gathered from various sources. Estimated life expectancies and cycles are based upon conditions that were readily visible and accessible at time of the inspection. No destructive or intrusive methods (such as entering the walls to inspect the condition of electrical wiring, plumbing lines, and telephone wires) were performed. In addition, environmental hazards (such as lead paint, asbestos, radon, etc.), construction defects, and acts of nature have also been excluded from this report. If problem areas were revealed, a reasonable effort has been made to include these items within the report. While every effort has been made to ensure accurate results, this report reflects the judgement of Aspen Reserve Specialties and should not be construed as a guarantee or assurance of predicting future events.

General Information and Answers to Frequently Asked Questions –

Why is It Important to perform a Reserve Study?

As previously mentioned, the Reserve allocation makes up a significant portion of the total monthly dues. This report provides the essential information that is needed to guide the Board of Directors in establishing the budget in order to run the daily operations of your association. It is suggested that a third party professionally prepare a Reserve Study since there is no vested interest in the property. Also, a professional knows what to look for and how to properly develop an accurate and reliable component list.

Now that we have "it", what do we do with "it"?

Hopefully, you will not look at this report and think it is too cumbersome to understand. Our intention is to make this Reserve Analysis very easy to read and understand. Please take the time to review it carefully and make sure the "main ingredients" (asset information) are complete and accurate. If there are any inaccuracies, please inform us immediately so we may revise the report.

Once you feel the report is an accurate tool to work from, use it to help establish your budget for the upcoming fiscal year. The Reserve allocation makes up a significant portion of the total monthly dues and this report should help you determine the correct amount of money to go into the Reserve fund. Additionally, the Reserve Study should act as a guide to obtain proposals in advance of pending projects. This will give you an opportunity to shop around for the best price available.

The Reserve Study should be readily available for Real Estate agents, brokerage firms, and lending institutions for potential future homeowners. As the importance of Reserves becomes more of a household term, people are requesting homeowners associations to reveal the strength of the Reserve fund prior to purchasing a condominium or townhome.

How often do we update or review "It"?

Unfortunately, there is a misconception that these reports are good for an extended period of time since the report has projections for the next 30 years. Just like any major line item in the budget, the Reserve Analysis should be reviewed each year before the budget is established. Invariably, some assumptions have to be made during the compilation of this analysis. Anticipated events may not materialize and unpredictable circumstances could occur. Deterioration rates and repair/replacement costs will vary from causes that are unforeseen. Earned interest rates may vary from year to year. These variations could alter the content of the Reserve Analysis. Therefore, this analysis should be reviewed annually, and a property inspection should be conducted at least once every three years.

Is it the law to have a Reserve Study conducted?

The Government requires reserve analyses in approximately 20 states. Even if it is not currently governed by your state, the chances are very good that the documents of the association require the association to have a Reserve fund established. This doesn't mean a Reserve Analysis is required, but how are you going to know you have enough funds in the account if you don't have the proper information? Hypothetically, some associations look at the Reserve fund and think that \$50,000 is a lot of money and they are in good shape. What they don't know is that the roof is going to need to be replaced within 5 years, and the cost of the roof is going to exceed \$75,000. So while \$50,000 sounds like a lot of money, in reality it won't even cover the cost of a roof, let alone all the other amenities the association is responsible to maintain.

What makes an asset a "Reserve" item versus an "Operating" item?

A "Reserve" asset is an item that is the responsibility of the association to maintain, has a limited Useful Life, predictable Remaining Useful Life expectancies, typically occurs on a cyclical basis that exceeds 1 year, and costs above a minimum threshold cost. An "operating" expense is typically a fixed expense that occurs on an annual basis. For instance, minor repairs to a roof for damage caused by high winds or other weather elements would be considered an "operating" expense. However, if the entire roof needs to be replaced because it has reached the end of its life expectancy, then the replacement would be considered a Reserve expense.

The GREY area of "maintenance" items that are often seen in a Reserve Study –

One of the most popular questions revolves around major "maintenance" items, such as painting the buildings or seal coating the asphalt. You may hear from your accountant that since painting or seal coating is not replacing a "capital" item, then it cannot be considered a Reserve issue. However, it is the opinion of several major Reserve Study providers that these items are considered to be major expenses that occur on a cyclical basis. Therefore, it makes it very difficult to ignore a major expense that meets the criteria to be considered a Reserve component. Once explained in this context, many accountants tend to agree and will include any expenses, such as these examples, as a Reserve component.

The Property Inspection –

The Property Inspection was conducted following a review of the documents that were established by the developer identifying all common area assets. In some cases, the Board of Directors at some point may have revised the documents. In either case, the most current set of documents was reviewed prior to inspecting the property. In addition, common area assets may have been reported to Aspen Reserve Specialties by the client, or by other parties.

Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the inspection. We did not destroy any landscape work, building walls, or perform any methods of intrusive investigation during the inspection. In these cases, information may have been obtained by contacting the contractor or vendor that has worked on the property.

The Reserve Fund Analysis –

We projected the starting balance from taking the most recent balance statement, adding expected Reserve contributions for the rest of the year, and subtracting any pending projects for the rest of the year. We compared this number to the ideal Reserve Balance and arrived at the Percent funded level. Measures of strength are as follows:

0% - 30% Funded – Is considered to be a "weak" financial position. Associations that fall into this category are subject to Special Assessments and deferred maintenance, which could lead to lower property values. If the association is in this position, actions should be taken to improve the financial strength of the Reserve Fund.

31% - 69% Funded – The majority of associations are considered to be in this "fair" financial position. While this doesn't represent financial strength and stability, the likelihood of Special Assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial position of the Reserve fund.

70% - 99% Funded – This indicates financial strength of a Reserve fund and every attempt to maintain this level should be a goal of the association.

100% Funded – This is the ideal amount of Reserve funding. This means that the association has the exact amount of funds in the Reserve account that should be at any given time.

Summary of Tamarac Hills HOA -**Association ID # - 02088**

Projected Starting Balance as of January 1, 2003 -	\$150,000
Ideal Reserve Balance as of January 1, 2003 -	\$282,657
Percent Funded as of January 1, 2003 -	53%
Recommended Reserve Allocation (per month) -	\$3,725
Minimum Reserve Allocation (per month) -	\$3,400
Recommended Special Assessment -	\$0

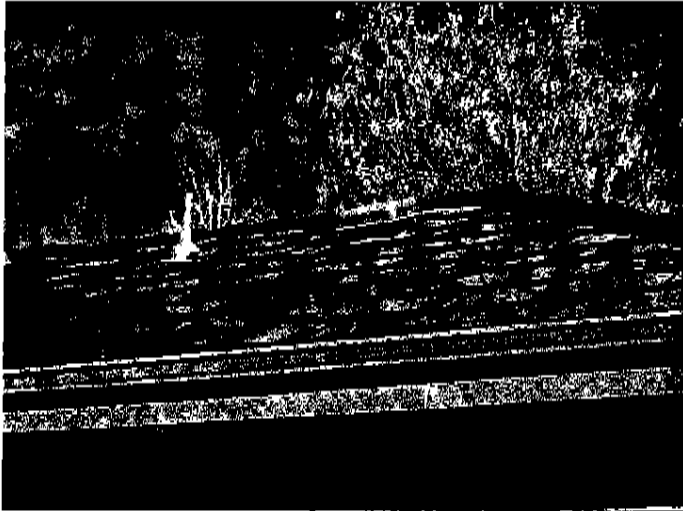
Information to complete this Reserve Analysis was gathered during a property inspection of the common area elements on November 26, 2002. In addition, we obtained information by contacting local vendors and contractors that may have worked on the property, as well as communicating with the property representatives (Property Manager and the Board of Directors). To the best of our knowledge, the conclusions and suggestions of this report are considered reliable and accurate insofar as the information obtained from these sources.

This property contains 79 individual homes contained within a private community that has common area elements such as a pool, tennis court, greenbelts, private streets, and a perimeter fence. Recently completed Reserve projects include resurfacing about 1/3rd of the streets, replacing the perimeter fencing, and replacing a couple irrigation timeclocks. The property was constructed approximately 15 – 20 years ago and is in good condition considering the age. The property appears to be well maintained and average to above average quality products are used when replacement is necessary. There are several major Reserve projects that seem to "drive" this report. These projects include resurfacing the streets, replacement of the perimeter fence, concrete repairs, and replacement of the irrigation system.

In comparing the projected balance of \$150,000 versus the ideal Reserve Balance of \$282,657, we find the association Reserve fund to be in an average financial situation at this point in time (approximately 53% funded of ideal). Despite this average financial situation, we find the current budgeted Reserve allocation to be less than sufficient to fund the account for future Reserve project consideration. In order to increase the strength of the account, we suggest increasing the budgeted Reserve contribution to \$3,725 per month, followed by nominal annual increases of 3.5% thereafter to help offset the effects of inflation. By following the recommendation, the plan will strengthen the Reserve fund while avoiding possible future Special Assessments for the 30-year report period.

In the percent Funded graph, you will also see that we have suggested a minimum Reserve contribution of \$3,400 per month. If the Reserve contribution falls below this rate, then the Reserve fund will fall into a situation where Special Assessments, deferred maintenance, and lower property values are possible at some point in the future.

As you can see, the difference between the two figures is considered to be relatively minimal (\$4.11 per unit), so it is strongly suggested that the recommended Reserve Allocation is followed.

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 107 Pitched Roof - Wood Shake - Replace****Observations:**

Roofs are original shake with some "cupping" and split shingles. In this environment, wood shake roofs have an average life expectancy of 18 - 25 years. Based on age of property and condition of shingles, expect to replace roofs within the next 5 years. The replacement cost will be high due to a very small area to be replaced. Suggest replacing with a fireproof material to decrease insurance premiums and to match roofs of unit buildings.

Location: Pool building, mailbox kiosks**Quantity:** Approx 6 squares**Life Expectancy:** 22 **Remaining Life:** 4**Best Cost:** \$3,000

\$500/square; Estimate to replace

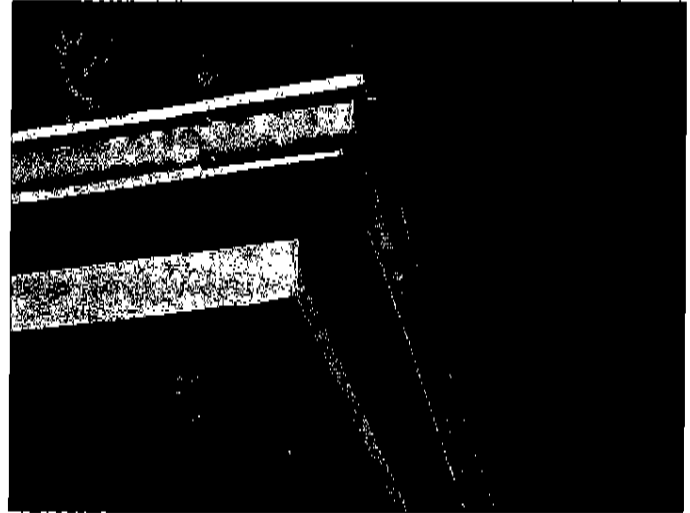
Worst Cost: \$3,600

\$600/square; Higher estimate for better material

Source of Information: Cost database**General Notes:**

Each mailbox kiosk - 40 GSF x 2 kiosks = 80 GSF
Pool building - 520 GSF

Total of 600 GSF (100 GSF for every "square")

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 120 Raingutters/Downspouts - Replace****Observations:**

No apparent problems with gutters or downspouts at time of inspection. Typically, raingutters need to be replaced when roofs are replaced to accommodate the runoff of rain from the new roof material. Reserve to replace at same time as roofs every 22 years.

Location: Pool building, mailbox kiosks**Quantity:** Approx. 154 LF**Life Expectancy:** 22 **Remaining Life:** 4**Best Cost:** \$620

\$4.00/LF; Estimate to replace

Worst Cost: \$700

\$4.50/LF; Higher estimate

Source of Information: Cost database**General Notes:**

Each mailbox kiosk - 17 LF x 2 kiosks = 34 LF
Pool building - 120 LF

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 207 Iron Fencing - Repaint****Observations:**

Painted surfaces are faded and dull in appearance and some metal materials are exposed to elements. These surfaces need to be painted as soon as possible to inhibit further rusting and deterioration of rail. Area is too small and cost (less than \$500) would not be enough to warrant Reserve funding. Repaint these surfaces as a general operating expense.

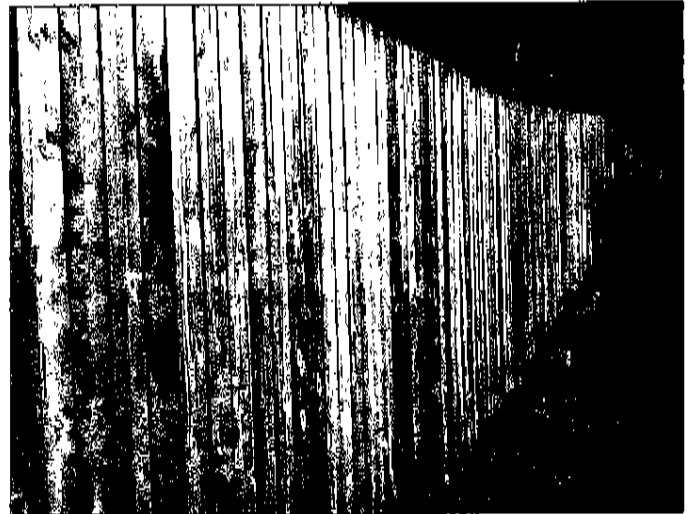
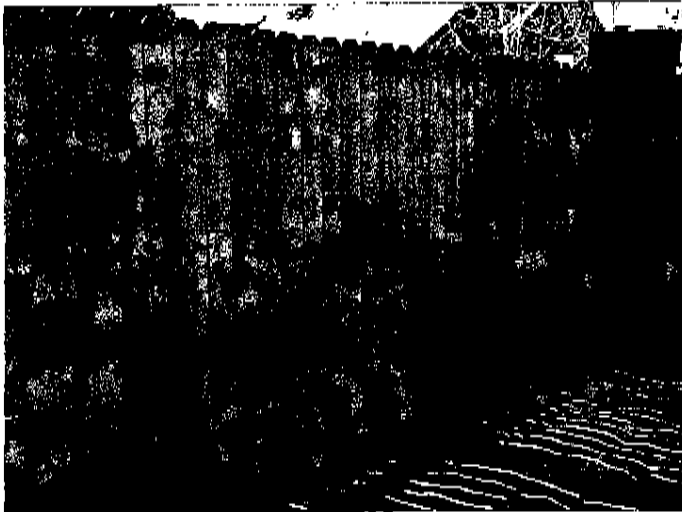
Location: Pool area**Quantity:** Approx. 91 LF**Life Expectancy:** N/A **Remaining Life:****Best Cost:** \$0**Worst Cost:** \$0**Source of Information:****General Notes:**

Pool area - 91 LF

Component Inventory for Tamarac Hills HOA

Client Reference # 2088

Comp #: 209 Wood Fencing - Stain



Observations:

Fence was not stained when installed. According to contractor, wood fencing does not require staining unless association prefers to avoid the water stains from irrigation. In our experience, staining may extend life expectancy of fence by 5 - 8 years as long as stain is applied properly and on a particular cycle. The current Board of Directors researched the cost benefit of staining the fence, and it was not feasible to spend \$20,000 every 3 - 4 years to get 8 more years out the fence. At this time, there are no plans to stain fence. Therefore, no Reserve funding is required at this point.

Location: Property perimeter

Quantity: Approx. 4,190 LF

Life Expectancy: N/A **Remaining Life:**

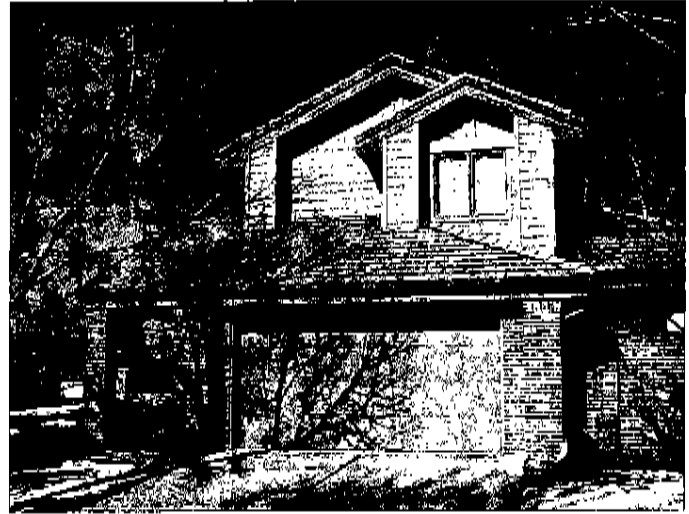
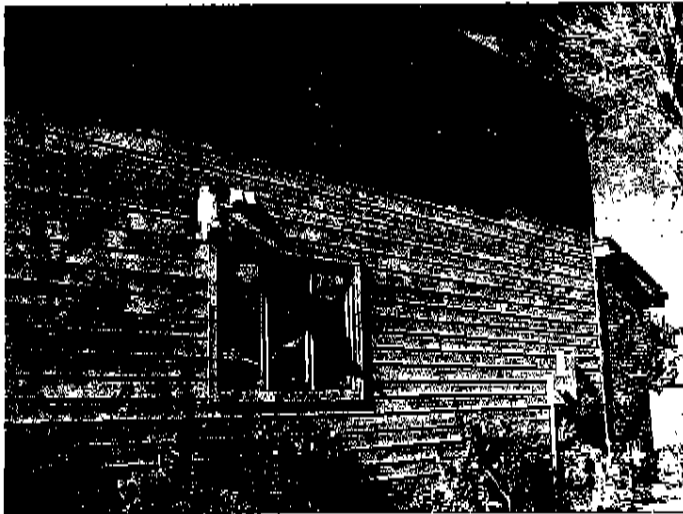
Best Cost: \$0

Worst Cost: \$0

Source of Information:

General Notes:



Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 215 Pool/Mailbox Building Surfaces - Repaint****Observations:**

A portion of the units are painted on an annual basis as a separate issue from Reserves. The pool buildings and mailbox kiosks are painted along with the unit buildings when deemed necessary by the Board of Directors. No separate Reserve funding is required for this asset.

Location: Pool building, mailbox kiosks

Quantity: Pool bldg, (2) kiosks

Life Expectancy: N/A **Remaining Life:**

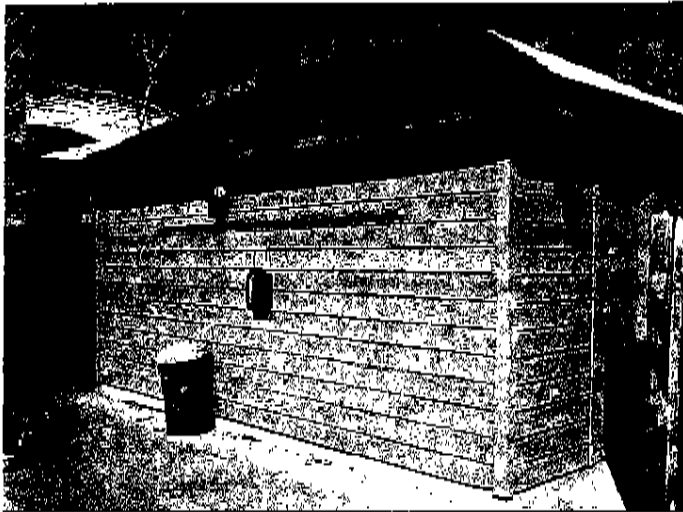
Best Cost: \$0

Worst Cost: \$0

Source of Information:

General Notes:

- (1) Pool building
- (2) Mailbox kiosks

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 301 Wood Siding - Replace****Observations:**

No major problems with warping or splitting of siding materials. With proper maintenance (frequent painting) the materials should have a life expectancy of 25 - 30 years. To ensure maximum life expectancy, properly caulk all seams before painting.

Location: Pool building**Quantity:** Approx. 970 GSF**Life Expectancy:** 30 **Remaining Life:** 11**Best Cost:** \$4,365

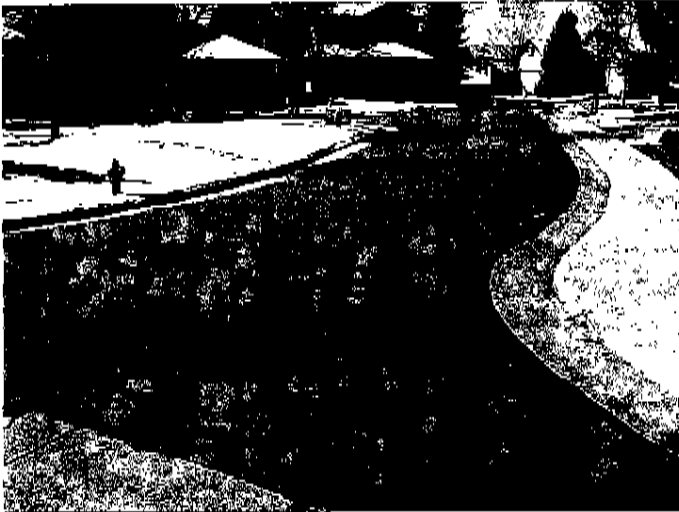
\$4.50/GSF; Estimate to replace siding

Worst Cost: \$4,850

\$5.00/GSF; Higher estimate for better materials

Source of Information: Cost database**General Notes:**

Pool building - 970 GSF

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 401 Asphalt - Overlay (new)****Observations:**

This area was rotomilled and had a petromat underlayment applied prior to a new 2" overlay about 2 - 3 years ago (half in 2000 and the other half in 2001). Surfaces have not been seal coated as recommended by industry professionals. Areas are repaired annually with infrared patching and crack fill where needed. In our experience, with periodic seal coating (every 2 - 3 years), the average life expectancy of asphalt resurfacing has been extended by at least 5 years. An approximate cost to seal all streets would be \$6,500. Other benefits of seal coating is that it maintains the appearance of the property. Since streets are not sealed, then do not Reserve for sealing at this time. Resurface cycle is based on assumption that streets will not be seal coated.

Location: See general notes**Quantity:** Approx. 29,490 GSF**Life Expectancy:** 15 **Remaining Life:** 12**Best Cost:** \$20,650

\$.70/GSF; Estimate for an overlay

Worst Cost: \$25,070

\$.85/GSF; Higher estimate for local repairs

Source of Information: Cost database**General Notes:**

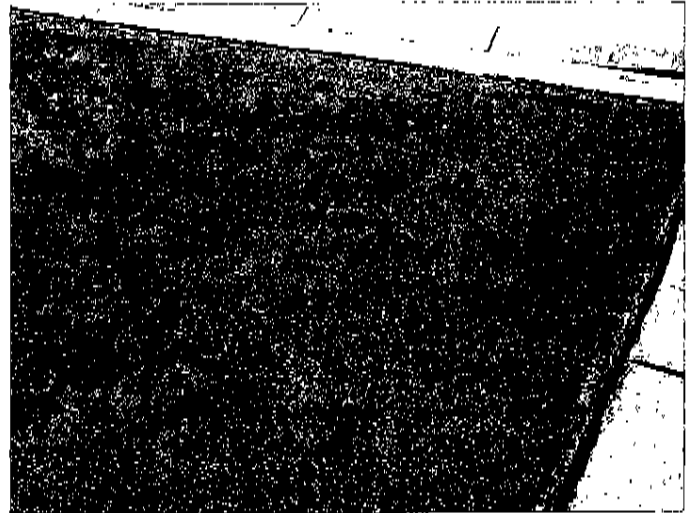
7900 E. Dartmouth entry - 9093 GSF

Units 40 to 50 - 9878 GSF

From Tennis court to unit #33 - 10516 GSF

ARS

Asphalt Resurface Specialists

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 401 Asphalt - Overlay (old)****Observations:**

These sections have not been resurfaced. Current conditions exhibit some cracking, alligator cracking, and minor potholes. The majority of the remaining surfaces need to be repaired in the near future. Suggest performing the same process as the "new" area (rotomill and petromat material). Association may decide to split up the remaining areas into separate phases as needed. At this time, the remaining asphalt is all in similar condition. If the association decides to resurface in separate sections, costs may be increased slightly.

Location: See general notes**Quantity:** Approx. 57,000 GSF**Life Expectancy:** 15 **Remaining Life:** 1**Best Cost:** \$39,900

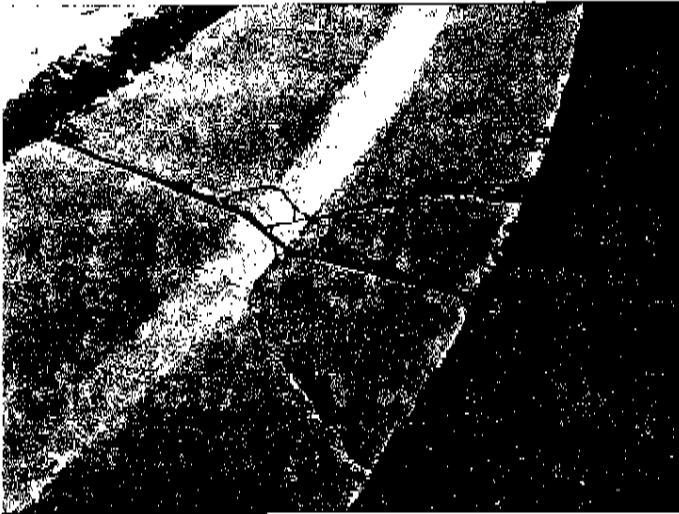
\$.70/GSF; Estimate for an overlay

Worst Cost: \$48,450

\$.85/GSF; Higher estimate for local repairs

Source of Information: Cost database**General Notes:**

7500 E. Dartmouth entry - 2090 GSF
Units #1 to 19 - 17094 GSF
Units #20 to 24 - 4074 GSF
Units #25 to 32 - 6622 GSF
Units #51 to 63 - 11802 GSF
Units #64 to 80 - 15312 GSF

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 407 Concrete Surfaces - Repair****Observations:**

Several sections are cracked and in need of repair. There is no well defined life expectancy for concrete materials. Provide an allowance for periodic repairs and replacements. Concrete drive materials have a shorter life expectancy than pool decks or sidewalks due to heavy vehicle traffic on a daily basis.

Location: Curbs, gutters, swales, drives**Quantity:** Approx. 25,475 GSF**Life Expectancy:** 3 **Remaining Life:** 0**Best Cost:** \$15,300

Estimate to repair 10% of area at this cycle

Worst Cost: \$17,830

Higher estimate for more repairs

Source of Information: Cost database**General Notes:****Curb and Gutters:**

7900 E. Dartmouth entry - 2598 GSF

7500 E. Dartmouth entry - 570 GSF

Units #1 to 19 - 4764 GSF

Units #20 to 24 - 1164 GSF

Units #25 to 32 - 1710 GSF

Units #33 to Tennis Court - 2868 GSF

Units #40 to 50 - 2604 GSF

Units #51 to 63 - 3276 GSF

Units #64 to 80 - 3990 GSF

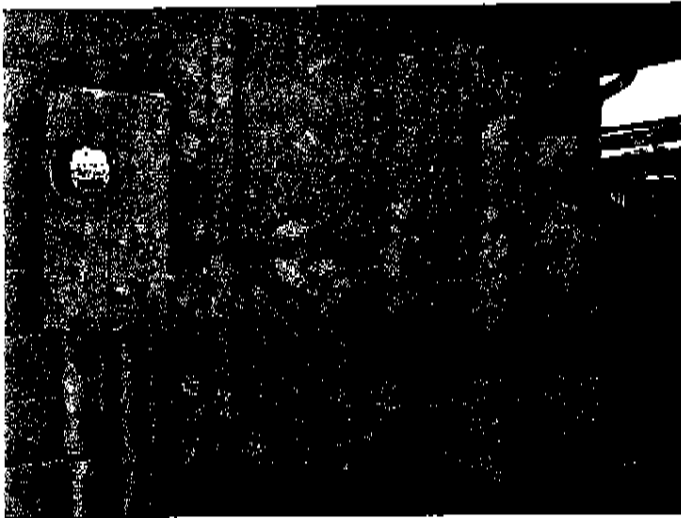
Drain Swales:

740 GSF

Drive areas:

Front of unit 74 - 810 GSF

Front of unit 69 - 374 GSF

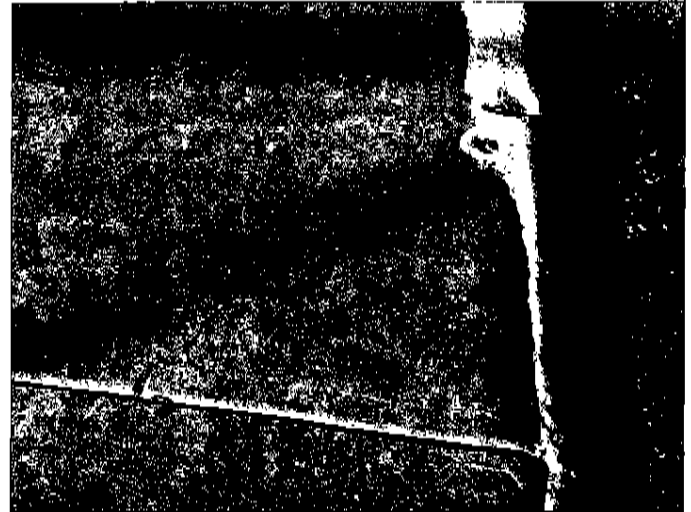
Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 503 Doors - Replace**

Picture Unavailable

Observations:

The restroom doors were locked during inspection. Unable to inspect condition of restroom doors. There were no major problems associated with the pool equipment doors. Individual replacement cost of doors is too small to warrant Reserve funding. Suggest handling as a separate issue from Reserves.

Location: Pool building**Quantity:** (4) 3 x 7 doors**Life Expectancy:** N/A **Remaining Life:****Best Cost:** \$0**Worst Cost:** \$0**Source of Information:****General Notes:**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 601 Concrete Sidewalks/Decks - Repair****Observations:**

A few sections show evidence of cracks and spalling. Like other concrete materials, it is very difficult to predict when and how much concrete will need to be repaired. Provide an allowance for periodic repairs and replacement every 6 years. Coordinate repairs at same time as concrete drive materials for best cost estimate.

Location: Parallel to streets
Quantity: Approx. 13,640 GSF
Life Expectancy: 6 **Remaining Life:** 0
Best Cost: \$8,200
Estimate to repair 10% of area at this cycle
Worst Cost: \$10,250
Higher estimate for more repairs

Source of Information: Cost database

General Notes:

Sidewalk to pool - 350 GSF
7900 E. Dartmouth entry - 1600 GSF
7500 E. Dartmouth entry - 380 GSF
Units #1 to 19 - 2640 GSF
Units #20 to 24 - 776 GSF
Units #25 to 32 - 1160 GSF
Units #33 to Tennis Court - 1624 GSF
Units #40 to 50 - 1384 GSF
Units #51 to 63 - 1664 GSF
Units #64 to 80 - 2060 GSF

Component Inventory for Tamarac Hills HOA

Client Reference # 2088

Comp #: 608 Pool Deck - Repair



Observations:

Some areas of pool deck have settled which has created some tripping hazards and potential injury causing areas. These areas should be repaired immediately before a liability concern arises. Since it is difficult to predict when repairs will be needed, provide an allowance for periodic repairs every 6 years. Coordinate repairs with other concrete work for best cost estimate.

Location: Pool area

Quantity: **Approx. 1,757 GSF**

Life Expectancy: 6 *Remaining Life:* 0

Best Cost: \$2,900

Estimate to replace 25% of area at this cycle

Worst Cost: \$3,500

Higher estimate for more repairs

Source of Information: Cost database

General Notes:



Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 703 Hot Water Heater Tank - Replace****Observations:**

This heater is original (almost 20 years old) and is in fair to poor condition. System was winterized, so unable to test heater. Due to appearance of tank, expect to replace within the next couple years.

Location: Pool equipment room**Quantity:** (1) State, 30 gallon**Life Expectancy:** 20 **Remaining Life:** 1**Best Cost:** \$450

Estimate to replace and install

Worst Cost: \$600

Higher estimate

Source of Information: Cost database**General Notes:****Model #CV30NRTZDH****Serial #J84506110**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 801 Brick Monument - Rebuild****Observations:**

Monument is structurally stable and in very good condition. This type of wall has an extended life expectancy and replacement is not likely under normal wear and tear. No Reserve funding is required due to indefinite life expectancy. Replace lights and lettering on an as needed basis with general operating funds.

Location: Entrances to property, perimeter

Quantity: 220 LF brick wall

Life Expectancy: N/A **Remaining Life:**

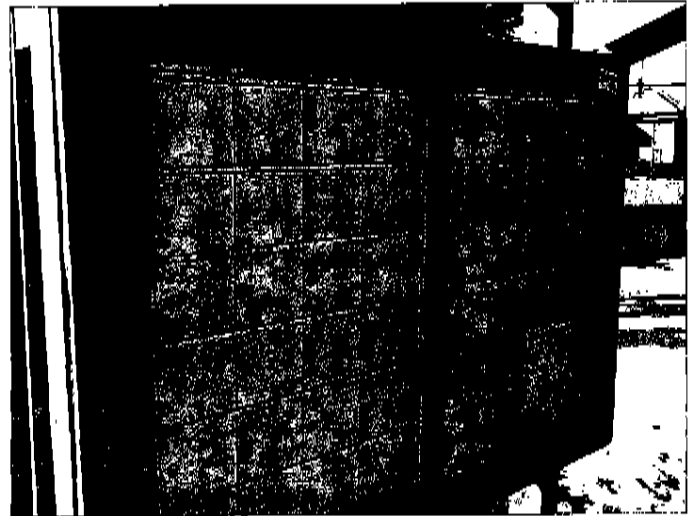
Best Cost: \$0

Worst Cost: \$0

Source of Information:

General Notes:

Each monument has:
55 LF of 6 ft high brick wall
brass lettering
spot or "up lights"

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 803 Mailboxes - Replace****Observations:**

Boxes are in good condition with minimal signs of wear or deterioration. Typical life expectancy for this type of box ranges from 15 - 20 years. These are semi-protected by a small overhang and kiosk. Since the overhang is so small, do not assume it will extend the replacement cycle.

Location: By tennis courts, island by unit 16**Quantity:** (90) Boxes**Life Expectancy:** 17 **Remaining Life:** 10**Best Cost:** \$3,150

\$35/box; Estimate to replace and install boxes

Worst Cost: \$4,050

\$45/box; Higher estimate

Source of Information: Salsbury catalog**General Notes:**

Each kiosk includes:

(1) 24 box bank

(1) 20 box bank + (1) outgoing slot

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 808 Street Signs - Replace****Observations:**

Reported that these were replaced about 5 years ago. Currently in good condition with no unusual wear or deterioration noted. This type of material should have a life expectancy of 15 - 20 years under normal conditions.

Location: Various intersections**Quantity:** (3) Address signs**Life Expectancy:** 20 **Remaining Life:** 15**Best Cost:** \$1,300

Estimate to replace signs and poles

Worst Cost: \$1,700

Higehr estimate for more elaborate design

Source of Information: Cost database**General Notes:****Locations:**

By tennis court

On island across from unit #50

End of 7500 E. Dartmouth entrance

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1001 Wood Fencing - Replace****Observations:**

Fence was recently replaced. Fence was not stained to protect wood materials from deterioration. In our experience, we find fences that have been stained have a longer life expectancy of 5 - 8 years. However, the cost of staining over a period of time was not found to be financially beneficial in all cases. Staining will preserve the material and maintain the appearance of the fence. Since fence has not been stained and there are no plans to stain the fence, then assume a useful life for a fence without preventative maintenance. Fence was installed with metal posts that will not require replacement in the future, thus decreasing the replacement cost from the original cost.

Location: Perimeter of property**Quantity:** Approx 4,190 LF**Life Expectancy:** 17 **Remaining Life:** 15**Best Cost:** \$83,800

\$20/LF; Estimate to replace

Worst Cost: \$104,750

\$25/LF; Higher estimate

Source of Information: Cost database**General Notes:**

Men's restroom - 10 LF

Greenbelt:

across from pool - 640 LF of 6' high

end of 7500 Dartmouth entrance -

184 LF of 6' high

47 LF of 8' high

Perimeter:

7500 Dartmouth entry - 63 LF of 7' high, 63 LF of 4'

from 7500 entry to Tamarac - 477 LF of 6'

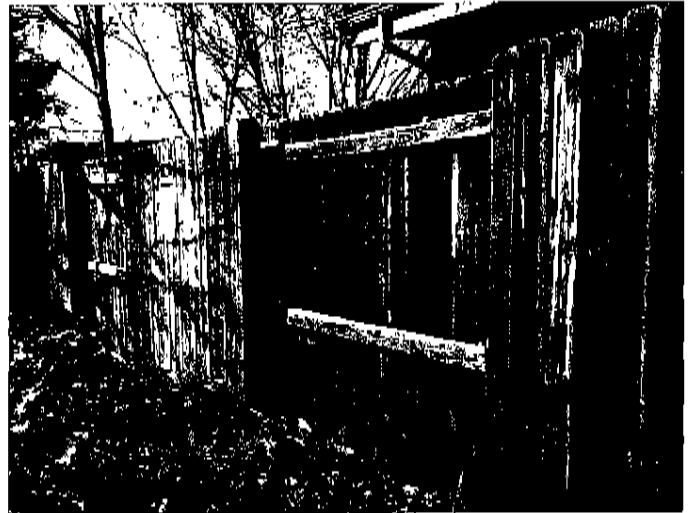
Along Tamarac - 276 LF of 6'

7900 Dartmouth entry - 121 LF of 5'

from 7900 entry to east perimeter - 291 LF of 6'

from 7900 entry to 7500 entry - 554 LF of 6'

behind property - 1461 LF (ranges from 6'-8' high)

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1001 Pool wood fence - Replace****Observations:**

This fence is older and nearing the end of its useful life. The fence was intact, but a little unstable in sections tested. At this time, it was determined by the Board of Directors that the expense would be shared between the current homeowner and the association when replacement is required.

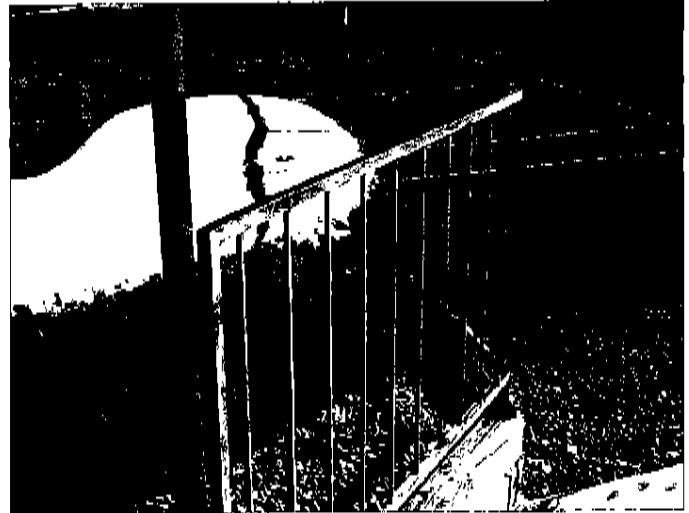
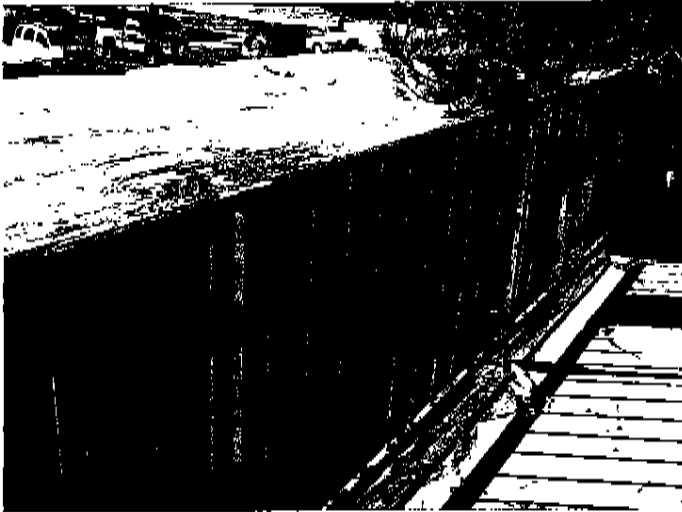
Location: Between pool area at unit #38**Quantity:** Approx 92 LF**Life Expectancy:** 17 **Remaining Life:** 1**Best Cost:** \$875

\$19/LF; Estimate to replace (50% HOA responsible)

Worst Cost: \$1,000

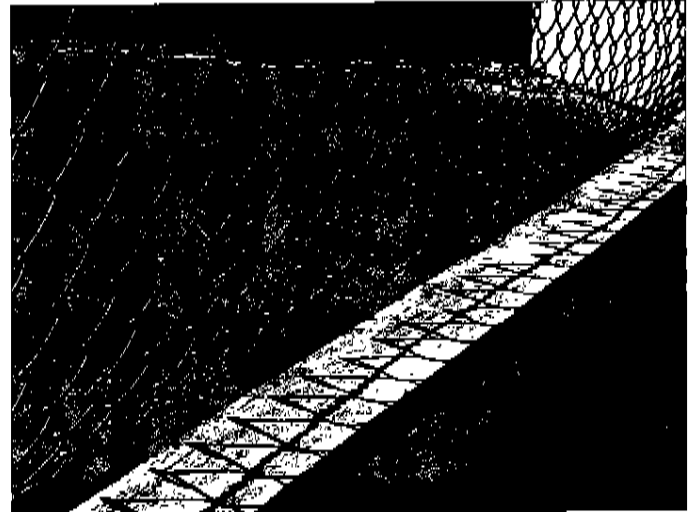
\$22/LF; Higher estimate (50% HOA responsible)

Source of Information: Cost database**General Notes:**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1002 Ironwork Fencing - Replace****Observations:**

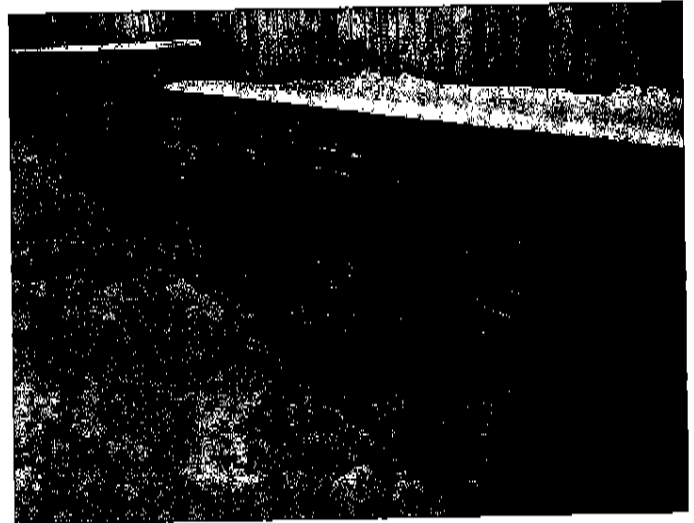
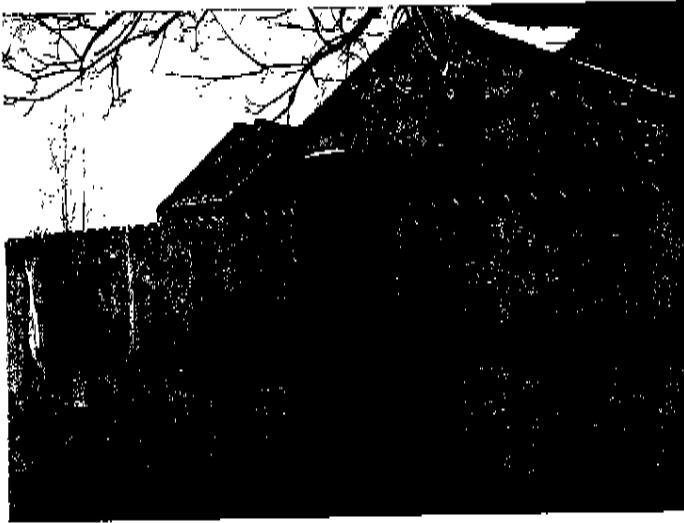
Fencing and handrails have not been painted recently and exposed metal is evident throughout. Continued exposure to elements will deteriorate the fence/rail and replacement will be needed in the near future. With proper prep work and maintenance of painting, the replacement cycle may be extended.

Location: Pool area**Quantity:** Approx. 91 LF**Life Expectancy:** 27 **Remaining Life:** 8**Best Cost:** \$1,800
\$20/LF; Estimate to replace**Worst Cost:** \$2,275
\$25/LF; Higher estimate**Source of Information:** Cost database**General Notes:**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1003 Chain Link Fencing - Replace****Observations:**

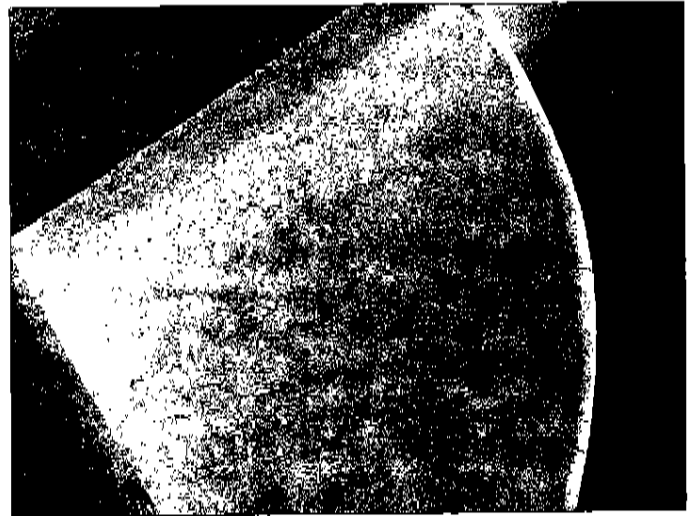
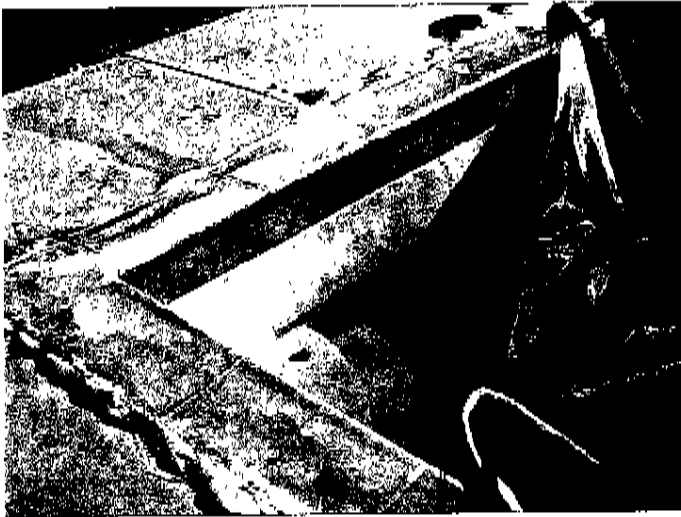
There is some curling beginning to develop along the base of fence. This could be a result of children trying to pry up the fence so they could access the court. With the majority of the fence being installed on top of a 3' high concrete wall, there is minimal exposure to damage to fence from players. Typical life expectancy for chain link fence ranges from 25 - 30 years.

Location: Tennis court perimeter**Quantity:** Approx. 360 LF**Life Expectancy:** 28 **Remaining Life:** 9**Best Cost:** \$9,000
\$25/LF; Estimate to replace**Worst Cost:** \$10,800
\$30/LF; Higher estimate**Source of Information:** Cost database**General Notes:****Height breakdown:**
90 LF of 10' high fence
270 LF of 7' high fence

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1005 Brick Wall - Replace****Observations:**

Wall and columns were stable and intact during inspection. These walls are designed to last indefinitely and should not require complete replacement. If replacement is needed, then treat it as a separate issue from Reserves.

Location: Along Dartmouth Ave.**Quantity:** 54 columns, 220 LF wall**Life Expectancy:** N/A **Remaining Life:****Best Cost:** \$0**Worst Cost:** \$0**Source of Information:****General Notes:**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1101 Pool - Resurface****Observations:**

Surface appears to be approximately 4 - 5 years old with some general roughness and minor cracking developing on the stairs. Average life expectancy for pool surfaces ranges from 8 - 10 years, depending on quality of water and chemical levels. Reported that some concrete deck work since last plastering damaged some of the plaster. Expect to resurface within the next 3 - 4 years based on age and condition of surface.

Location: Pool area**Quantity:** (1) 20 x 40 pool**Life Expectancy:** 8 **Remaining Life:** 3**Best Cost:** \$4,500

Estimate to replaster pool

Worst Cost: \$5,500

Higher estimate for more labor

Source of Information: Research with Blue White Pool**General Notes:**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1102 Pool - Retile/Coping tiles**

Picture Unavailable

Observations:

Areas inspected appeared to be in relatively good condition considering age of surface. Service contractor reported that there were no loose or broken tiles. Replacement cycle depends on quality of installation. Expect to replace tile every other pool plastering cycle.

Location: Perimeter of pool**Quantity:** Approx. 120 LF**Life Expectancy:** 16 **Remaining Life:** 3**Best Cost:** \$3,000

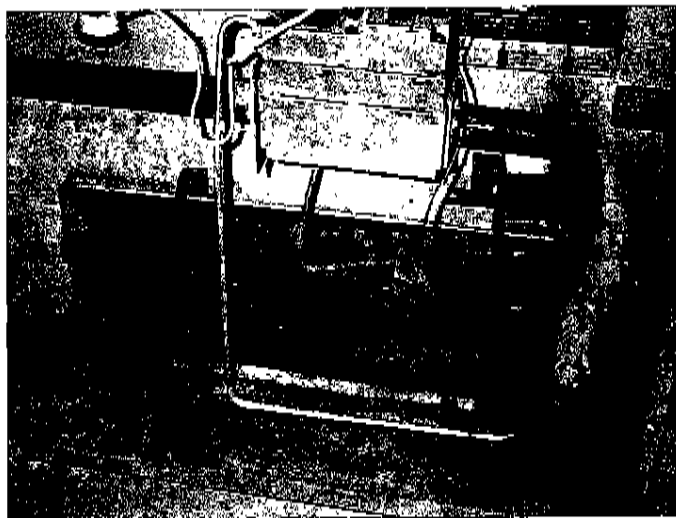
Estimate to replace tile and repair coping tile

Worst Cost: \$3,600

Higher estimate for more repairs to coping tile

Source of Information: Cost database**General Notes:**

Pool tile - \$20 - \$25 per LF
Coping Tile - \$150 per LF

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1104 Pool Heater - Replace****Observations:**

Pool heater is older but still operational according to service contractor. Heater was shut down at time of inspection due to pool being winterized. There were some signs of rust and scaling around base plate beneath heat exchanger. Typical life expectancy for pool heaters ranges from 15 - 20 years under normal conditions. Overall life depends on quality of water and level of maintenance. Estimate is to replace with a new high efficient model.

Location: Pool equipment room**Quantity:** (1) Laars, 325000 BTU**Life Expectancy:** 20 **Remaining Life:** 2**Best Cost:** \$3,500

Estimate to replace and install

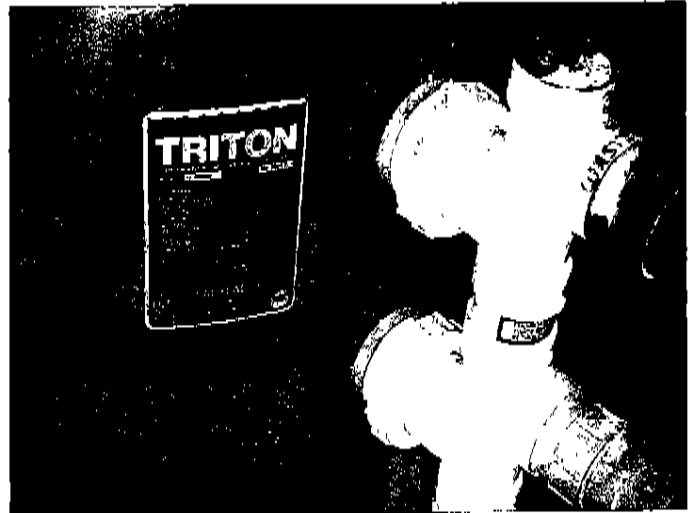
Worst Cost: \$4,000

Highere stimate for more efficient unit

Source of Information: Research w/ Alligator Pool & Spa**General Notes:****Model #EG-325****Serial #C8460153**

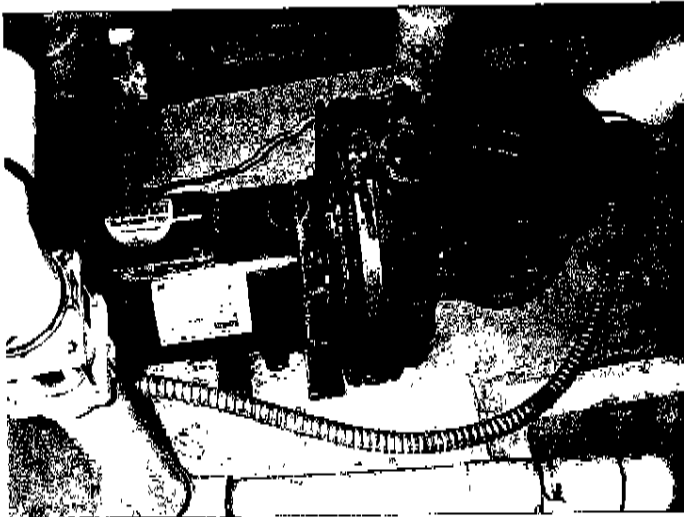
325000 BTU input

227500 BTU output

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1107 Pool Filter - Replace****Observations:**

No problems reported with filter system. According to service contractor, these filters have a very long life expectancy. However, periodic replacement of sand will be needed every 8 - 10 years. Cost for sand material will be approximately \$150 and this expense should be treated as an operating expense. Reserve to replace tank every 25 years based on current age of filter and conditions.

Location: Pool equipment room**Quantity:** (1) Triton sand filter**Life Expectancy:** 25 **Remaining Life:** 4**Best Cost:** \$1,800**Estimate to replace****Worst Cost:** \$2,200**Higher estimate****Source of Information:** Research w/ Alligator Pool & Spa**General Notes:****Model #TR-100****Serial #TR-40757**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1110 Pool Pump - Replace****Observations:**

No reported problems with operation of pump or motor. It is very difficult to predict the exact life expectancy of a pool pump because there are times where the motor can be rebuilt. Reserve to replace every 10 years.

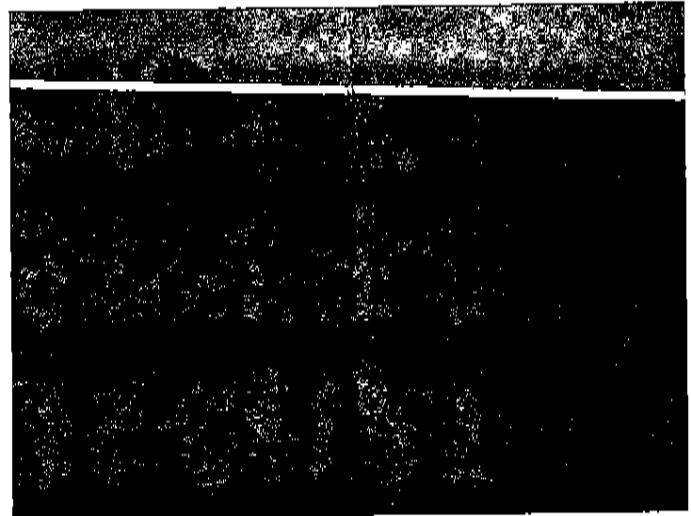
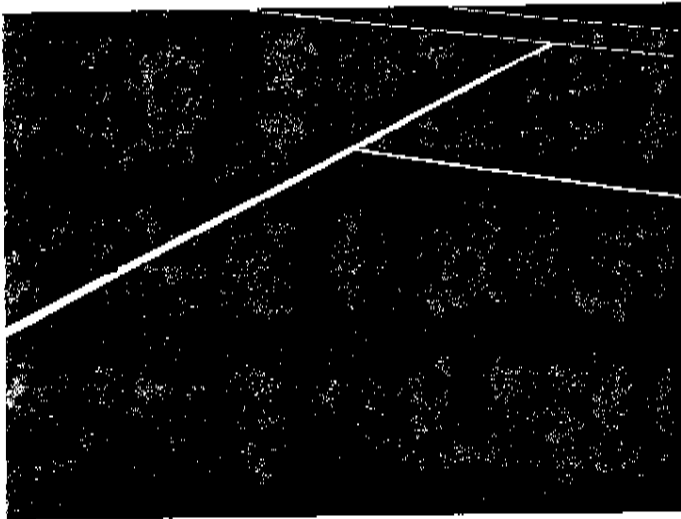
Location: Pool equipment room**Quantity:** (1) Magnetek, 2 HP**Life Expectancy:** 10 **Remaining Life:** 2**Best Cost:** \$500**Estimate to replace****Worst Cost:** \$600**Higher estimate****Source of Information:** Research w/ Alligator Pool & Spa**General Notes:**

part #8-177897-22

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1112 Pool Cover - Replace****Observations:**

Cover was in fair condition with no tears or rips noticed at time of inspection. Cover appeared to be a little stretched out with a large sag in the center of the cover due to heavy weight of snow. Average life expectancy of pool covers ranges from 8 - 12 years, depending on the quality of fabric and level of care/abuse. Cover should be properly stored during non-use season.

Location: Attached to pool**Quantity:** (1) 45 x 25 cover**Life Expectancy:** 12 **Remaining Life:** 5**Best Cost:** \$2,500**Estimate to replace****Worst Cost:** \$3,000**Higher estimate****Source of Information:** Cost database**General Notes:**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1201 Tennis Court - Resurface****Observations:**

Court is in fair condition with some cracking noted. A few minor cracks were noted in the playing surface that would effect play of tennis ball if it hit a crack. Reserve to resurface court with asphalt. There are other alternatives that may cost a little more, but would eliminate asphalt which will constantly crack in this environment. Asphalt courts are very expensive to maintain and is not the best system for proper play. We suggest researching alternative options when resurfacing is required. Based on current condition, expect to resurface within the next couple years (every other recoating cycle).

Location: Adjacent to pool
Quantity: (1) 60 x 120 court
Life Expectancy: 14 **Remaining Life:** 2
Best Cost: \$6,000
Estimate for new asphalt only

Worst Cost: \$7,500
Higehre stimate for petromat material

Source of Information: Cost database

General Notes:

As a comparison: According to Southwest Tennis Courts (a tennis court construction company) For post tension concrete court, cost would be about \$50,000. Surface would need to be redone every 7-8 years at a cost of \$6,000 - \$8,000 To replace with a Sport Court system, the cost would be approximately \$18,000 depending on types of courts selected. Sport Court does not require resurfacing and has a life expectancy of 20 years.

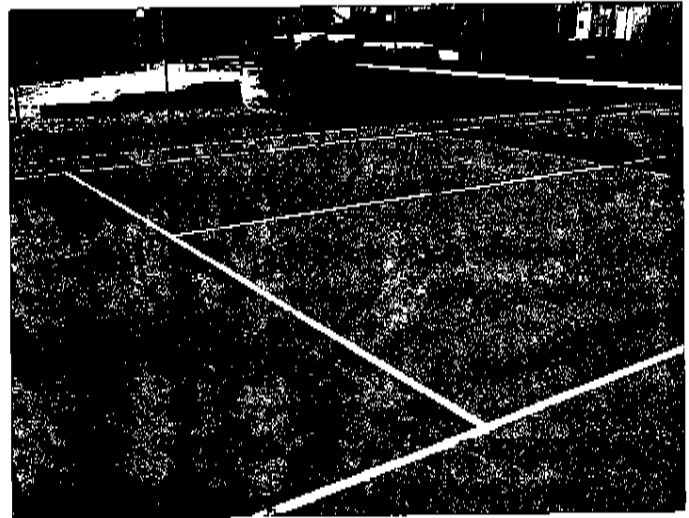
Both options would minimize cracks and court would be usable at all times.

NOTE: Estimates are to replace with same size court.

Component Inventory for Tamarac Hills HOA

Client Reference # 2088

Comp #: 1203 Tennis Court - Recoat



Observations:

Costing is in good condition with no fading of lines or playing surface. The main problem with the surface is the cracks forming in the asphalt. Based on the amount and location of cracks, expect to resurface with new asphalt within the next couple years.

Location: Adjacent to pool

Quantity: (1) 60 x 120 asphalt court

Life Expectancy: 7 **Remaining Life:** 2

Best Cost: \$7,000

Estimate to crack fill and recoat

Worst Cost: \$8,000

Higher estimate for more prep costs

Source of Information: Cost database

General Notes:



Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1413 Restroom - Remodel**

Picture Unavailable

Picture Unavailable

Observations:

Restrooms were locked and inaccessible at time of property inspection. Assume average restroom based on size of building and location. Reserve for a basic remodel every 20 - 25 years to maintain appearance and usability of restrooms. Assume restrooms are still original.

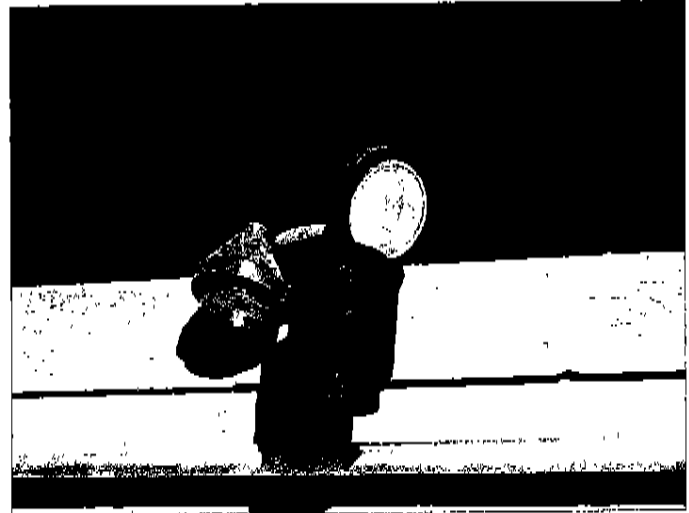
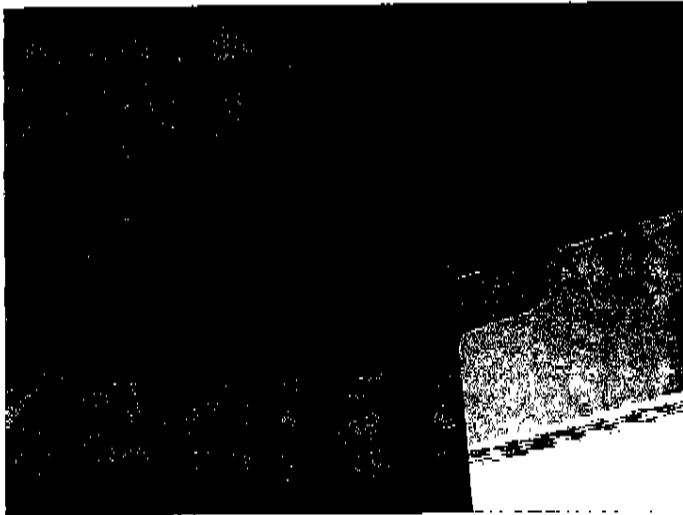
Location: Pool building**Quantity:** Men's and women's restrooms**Life Expectancy:** 24 **Remaining Life:** 6**Best Cost:** \$3,000

Estimate for basic remodel

Worst Cost: \$4,000

Higher estimate

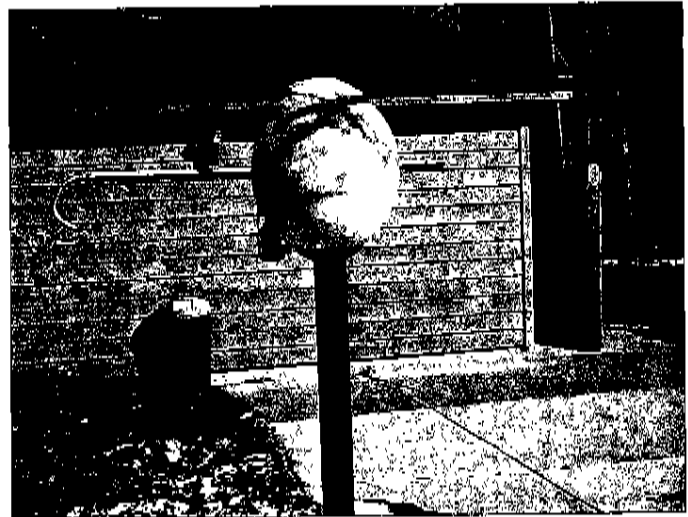
Source of Information: Cost database**General Notes:**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1602 Exterior Wall mount - Replace****Observations:**

Fixtures were not tested during inspection since it took place during daylight. Fixtures were attached securely to buildings and assumed to be working fine. Individual replacement cost is too small to warrant Reserve funding. Replace on an individual basis using general operating funds.

Location: Pool building, mailbox kiosks**Quantity:** (7) Assorted fixtures**Life Expectancy:** N/A **Remaining Life:****Best Cost:** \$0**Worst Cost:** \$0**Source of Information:****General Notes:**

Pool building - 5 wall fixtures
Mailbox kiosks - 1 florescent tube each

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1604 Pole Lights - Replace****Observations:**

Poles are stable and intact with minor signs of rust and corrosion. These poles should be painted frequently to inhibit rusting and premature deterioration. In this environment, expect to replace every 15 - 20 years under normal wear and tear.

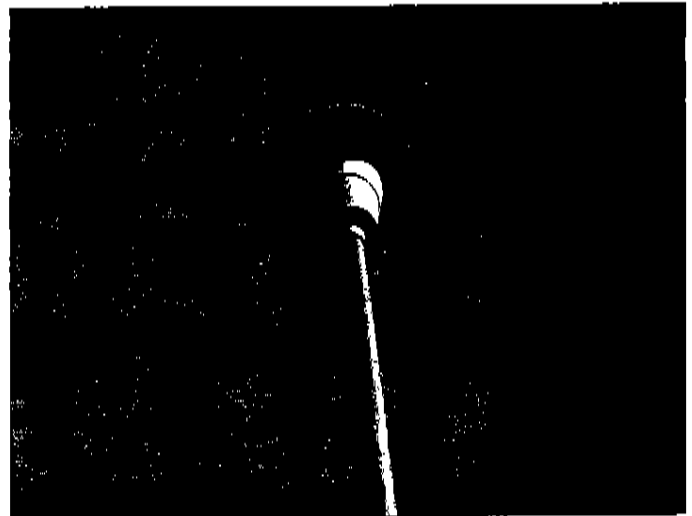
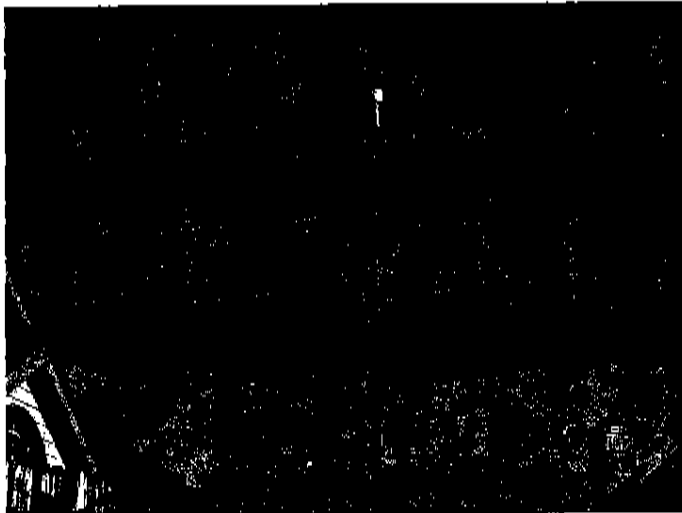
Location: Pool area**Quantity:** (3) 5 ft pole lights**Life Expectancy:** 18 **Remaining Life:** 10**Best Cost:** \$750

\$250/pole; Estimate to replace and install

Worst Cost: \$900

\$300/pole; Higher estimate for more labor costs

Source of Information: Cost database**General Notes:**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1609 Street Lights - Replace****Observations:**

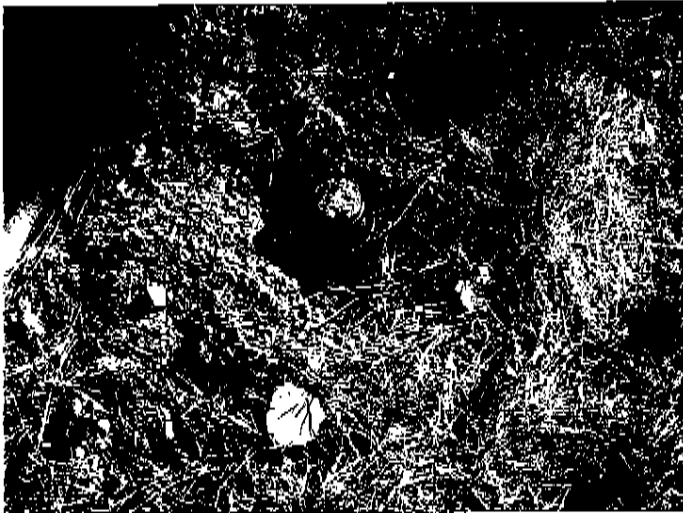
According to Xcel energy, these are most likely the responsibility of the energy company, not association. Typically in properties that are not privately gated, the street light are not HOA responsibility. In any case, the poles are made from fiberglass and should have an extended life expectancy. The fixture heads also have a very long life expectancy and should not need to be replaced collectively. The bulbs are replaced as needed. At this time, no Reserve funding is required for this component.

Location: Throughout property**Quantity:** (11) Lights**Life Expectancy:** N/A **Remaining Life:****Best Cost:** \$0**Worst Cost:** \$0**Source of Information:****General Notes:**

Component Inventory for Tamarac Hills HOA

Client Reference # 2088

Comp #: 1701 Irrigation System - Rebuild (Ph 1)



Observations:

System was winterized at time of inspection. According to contractor, the system is in fair condition and has 2 - 4 years left before replacement will be required. Typically, sections of irrigation systems can be repaired on an as needed basis with landscape maintenance funds. However, the association has requested for inclusion of replacement for this asset. Useful life is based on current age of system and expected remaining life. This asset has been split into 2 separate phases for easier budgeting purposes.

Location: Front yards, common areas

Quantity: Extensive system

Life Expectancy: 25 Remaining Life: 2

Best Cost: \$90,000

Estimate to replace system

Worst Cost: \$102,000

Higher estimate

Source of Information: Research w/ JBK Landscape

General Notes:



Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1701 Irrigation System - Rebuild (Ph 2)**

Picture Unavailable

Observations:

System was winterized at time of inspection. According to contractor, the system is in fair condition and has 2 - 4 years left before replacement will be required. Typically, sections of irrigation systems can be repaired on an as needed basis with landscape maintenance funds. However, the association has requested for inclusion of replacement for this asset. Useful life is based on current age of system and expected remaining life. This asset has been split into 2 separate phases for easier budgeting purposes.

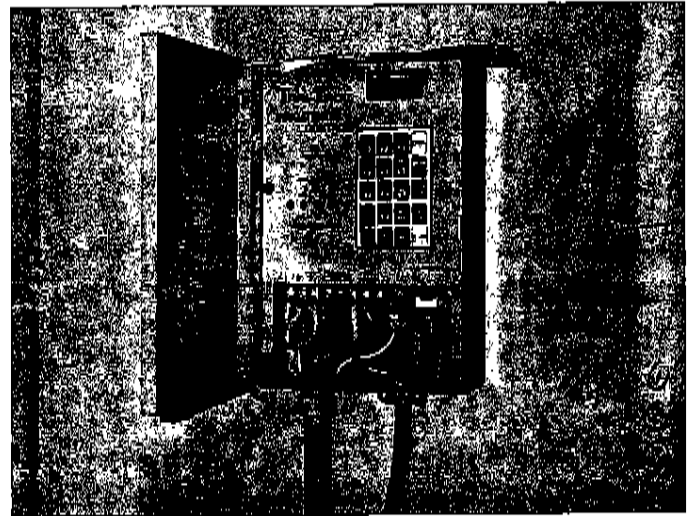
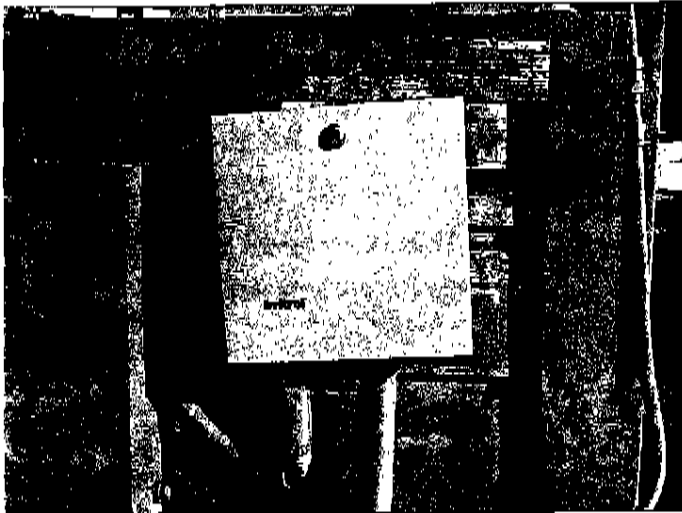
Location: Front yards, common areas**Quantity:** Extensive system**Life Expectancy:** 25 **Remaining Life:** 4**Best Cost:** \$60,000

Estimate to replace system

Worst Cost: \$70,000

Higher estimate

Source of Information: Research w/ JBK Landscape**General Notes:**

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1703 Irrigation Timeclocks - Replace****Observations:**

Three of the clocks are older and nearing the end of their life expectancy. Two are about 4-5 years old and about halfway through their life expectancy. The remaining 2 clocks are relatively new and in good condition. The average life expectancy for irrigation timeclocks ranges from 10 - 12 years. Due to varying conditions and ages, provide an allowance to replace 1/3rd of clocks every 3 years.

Location: See general notes**Quantity:** (7) Assorted clocks**Life Expectancy:** 3 **Remaining Life:** 0**Best Cost:** \$2,500

Estimate to replace 2 clocks every 3 years

Worst Cost: \$3,000

Higher allowance for larger clocks

Source of Information: Research w/ JBK Landscape**General Notes:****Locations:**

Clock A - location unknown - 16 station - 5 yrs old - (\$900 to replace)
 Clock B - Island across from unit #80 (old) - 18 station (\$1500 to replace)
 Clock C - Island across from unit #53 (old) - 18 station (\$1500 to replace)
 Clock D - Attached to mailbox kiosk next to tennis court (new) - 11 station (\$750 to replace)
 Clock E - Pool equipment room (old) - 4 station (\$700 to upgrade)
 Clock F - Island across from unit #16 - new - 18 station (\$1500 to replace)
 Clock G - location unknown - 4 station - 5 yrs old - (\$700 to replace)

Component Inventory for Tamarac Hills HOA**Client Reference # 2088****Comp #: 1805 Landscape Timbers - Repair****Observations:**

Walls were structurally stable and in good shape at time of inspection. There was some rot beginning to appear on a few of the timbers. No expectancy to replace all walls at same time unless association decides to replace with interlocking block. Reserve an allowance for periodic repairs and replacement. According to section 8.6 in the covenants, "owners shall be responsible to maintain perimeter retaining walls and fences located on Lots. Notwithstanding the foregoing, the Association may in it's sole discretion elect to maintain and repair perimeter retaining walls and fences located on Lots as Common Expense. This election may be revoked by the Association in its sole discretion at any time". Therefore, no Reserve funding has been set aside for the perimeter walls, only for the timber walls located within the pool area.

Location: Pool area**Quantity:** Approx. 330 GSF**Life Expectancy:** 4 **Remaining Life:** 1**Best Cost:** \$2,475

Estimate to repair 25% of area at this cycle

Worst Cost: \$2,900

Higher estimate for more repairs

Source of Information: Cost database**General Notes:****Breakdown:****Pool area:**

3' high - 66

1 1/2' high - 25

1' high - 67

2' high - 12

Perimeter:

1607 LF (ranges from 2' high to 4' high)

Funding Summary For Tamarac Hills HOA

Beginning Assumptions

Financial Information Source	Research With Client
# of units	79
Fiscal Year End	29-Feb
Budgeted Monthly Dues	\$14,220
Budgeted Monthly Reserve Allocation	\$1,900
Projected Starting Reserve Balance	\$150,000
Ideal Starting Reserve Balance	\$282,657

Economic Factors

Current Inflation Rate	3.50%
Reported After-Tax Interest Rate	1.50%

Current Reserve Status

Current Balance as a % of Ideal Balance	53%
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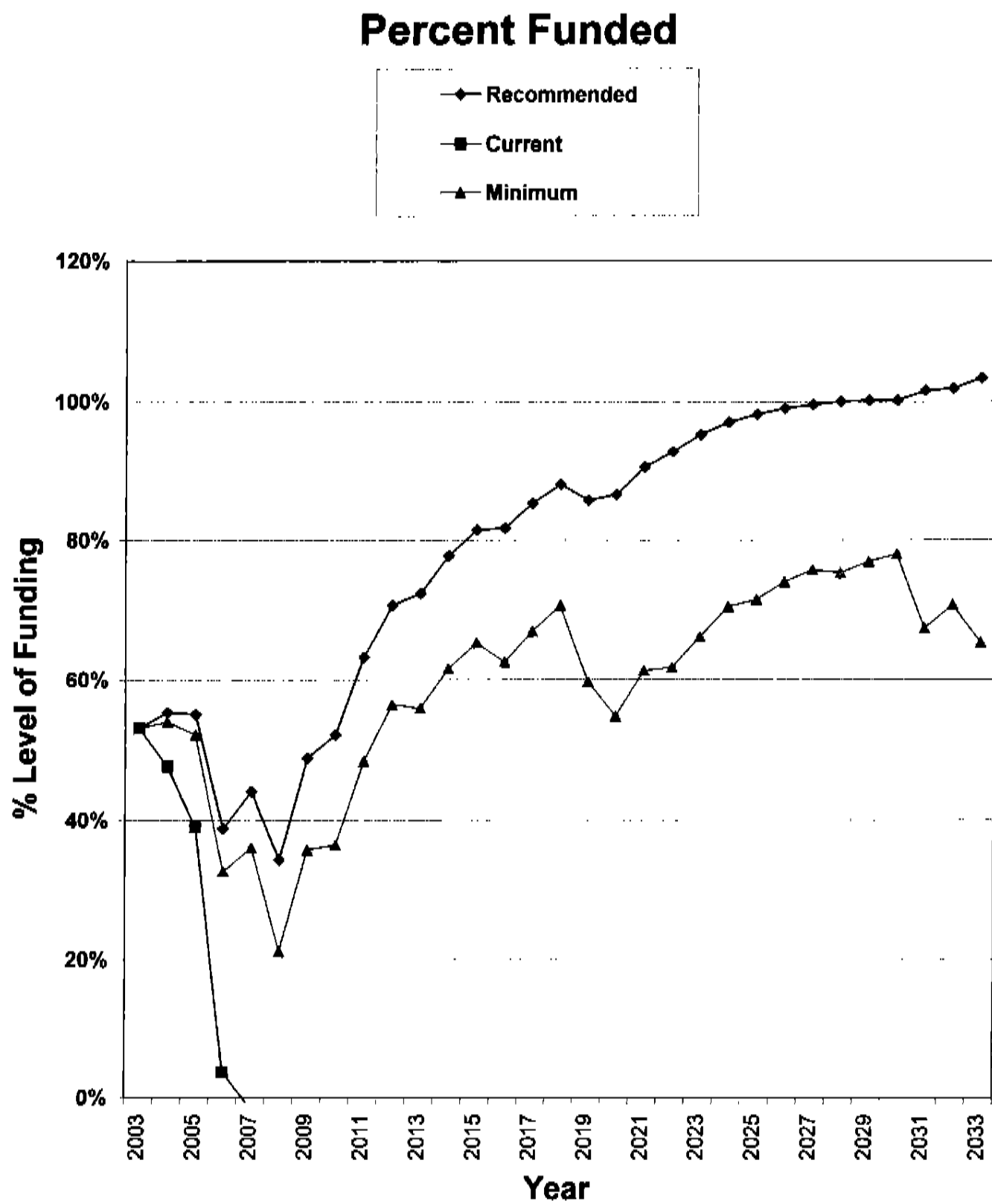
Recommendations

Reserve Allocation	\$3,725
Per Unit	\$47.15
Minimum Reserve Allocation	\$3,400
Per Unit	\$43.04
Primary Annual Increases	3.20%
# of Years	30

Recommended Changes From Prior Year

Increase/Decrease to Reserve Allocation	\$1,825
as Percentage	96%
as per unit	\$23.10

Percent Funded Graph For Tamarac Hills HOA



Component Inventory for Tamarac Hills HOA

Category	Asset #	Asset Name	UL	RUL	Best Cost	Worst Cost
Roofing	107	Pitched Roof - Wood Shake - Replace	22	4	\$3,000	\$3,600
	120	Raingutters/Downspouts - Replace	22	4	\$620	\$700
Painted Surfaces	207	Iron Fencing - Repaint	N/A		\$0	\$0
	209	Wood Fencing - Stain	N/A		\$0	\$0
	215	Pool/Mailbox Building Surfaces - Repaint	N/A		\$0	\$0
Siding Materials	301	Wood Siding - Replace	30	11	\$4,365	\$4,850
Drive Materials	401	Asphalt - Overlay (new)	15	12	\$20,650	\$25,070
	401	Asphalt - Overlay (old)	15	1	\$39,900	\$48,450
	407	Concrete Surfaces - Repair	3	0	\$15,300	\$17,830
Property Access	503	Doors - Replace	N/A		\$0	\$0
Decking	601	Concrete Sidewalks/Decks - Repair	6	0	\$8,200	\$10,250
	608	Pool Deck - Repair	6	0	\$2,900	\$3,500
Mechanical Equip.	703	Hot Water Heater Tank - Replace	20	1	\$450	\$600
Prop. Identification	801	Brick Monument - Rebuild	N/A		\$0	\$0
	803	Mailboxes - Replace	17	10	\$3,150	\$4,050
	808	Street Signs - Replace	20	15	\$1,300	\$1,700
Fencing	1001	Wood Fencing - Replace	17	15	\$83,800	\$104,750
	1001	Pool wood fence - Replace	17	1	\$875	\$1,000
	1002	Ironwork Fencing - Replace	27	8	\$1,800	\$2,275
	1003	Chain Link Fencing - Replace	28	9	\$9,000	\$10,800
	1005	Brick Wall - Replace	N/A		\$0	\$0
Pool/Spa	1101	Pool - Resurface	8	3	\$4,500	\$5,500
	1102	Pool - Retile/Coping tiles	16	3	\$3,000	\$3,600
	1104	Pool Heater - Replace	20	2	\$3,500	\$4,000
	1107	Pool Filter - Replace	25	4	\$1,800	\$2,200
	1110	Pool Pump - Replace	10	2	\$500	\$600
	1112	Pool Cover - Replace	12	5	\$2,500	\$3,000
Courts	1201	Tennis Court - Resurface	14	2	\$6,000	\$7,500
	1203	Tennis Court - Recoat	7	2	\$7,000	\$8,000
Interiors	1413	Restroom - Remodel	24	6	\$3,000	\$4,000
Light Fixtures	1602	Exterior Wall mount - Replace	N/A		\$0	\$0
	1604	Pole Lights - Replace	18	10	\$750	\$900
	1609	Street Lights - Replace	N/A		\$0	\$0
Irrig. System	1701	Irrigation System - Rebuild (Ph 1)	25	2	\$90,000	\$102,000
	1701	Irrigation System - Rebuild (Ph 2)	25	4	\$60,000	\$70,000
	1703	Irrigation Timerclocks - Replace	3	0	\$2,500	\$3,000
Landscaping	1801	Groundcover - Replenish	1	0	\$4,000	\$5,000
	1805	Landscape Timbers - Repair	4	1	\$2,475	\$2,900

Significant Components For Tamarac Hills HOA

ID	Asset Name	UL	RUL	Ave Curr Cost	Significance: (Curr Cost/UL)	
					As \$	As %
107	Pitched Roof - Wood Shake - Replace	22	4	\$3,300	\$150	0.4361%
120	Raingutters/Downspouts - Replace	22	4	\$660	\$30	0.0872%
301	Wood Siding - Replace	30	11	\$4,608	\$154	0.4465%
401	Asphalt - Overlay (new)	15	12	\$22,860	\$1,524	4.4309%
401	Asphalt - Overlay (old)	15	1	\$44,175	\$2,945	8.5624%
407	Concrete Surfaces - Repair	3	0	\$16,565	\$5,522	16.0539%
601	Concrete Sidewalks/Decks - Repair	6	0	\$9,225	\$1,538	4.4702%
608	Pool Deck - Repair	6	0	\$3,200	\$533	1.5506%
703	Hot Water Heater Tank - Replace	20	1	\$525	\$26	0.0763%
803	Mailboxes - Replace	17	10	\$3,600	\$212	0.6157%
808	Street Signs - Replace	20	15	\$1,500	\$75	0.2181%
1001	Pool wood fence - Replace	17	1	\$938	\$55	0.1603%
1001	Wood Fencing - Replace	17	15	\$94,275	\$5,546	16.1234%
1002	Ironwork Fencing - Replace	27	8	\$2,038	\$75	0.2194%
1003	Chain Link Fencing - Replace	28	9	\$9,900	\$354	1.0280%
1101	Pool - Resurface	8	3	\$5,000	\$625	1.8171%
1102	Pool - Retile/Coping tiles	16	3	\$3,300	\$206	0.5997%
1104	Pool Heater - Replace	20	2	\$3,750	\$188	0.5451%
1107	Pool Filter - Replace	25	4	\$2,000	\$80	0.2326%
1110	Pool Pump - Replace	10	2	\$550	\$55	0.1599%
1112	Pool Cover - Replace	12	5	\$2,750	\$229	0.6663%
1201	Tennis Court - Resurface	14	2	\$6,750	\$482	1.4018%
1203	Tennis Court - Recoat	7	2	\$7,500	\$1,071	3.1151%
1413	Restroom - Remodel	24	6	\$3,500	\$146	0.4240%
1604	Pole Lights - Replace	18	10	\$825	\$46	0.1333%
1701	Irrigation System - Rebuild (Ph 1)	25	2	\$96,000	\$3,840	11.1646%
1701	Irrigation System - Rebuild (Ph 2)	25	4	\$65,000	\$2,600	7.5593%
1703	Irrigation Timerclocks - Replace	3	0	\$2,750	\$917	2.6651%
1801	Groundcover - Replenish	1	0	\$4,500	\$4,500	13.0835%
1805	Landscape Timbers - Repair	4	1	\$2,688	\$672	1.9534%

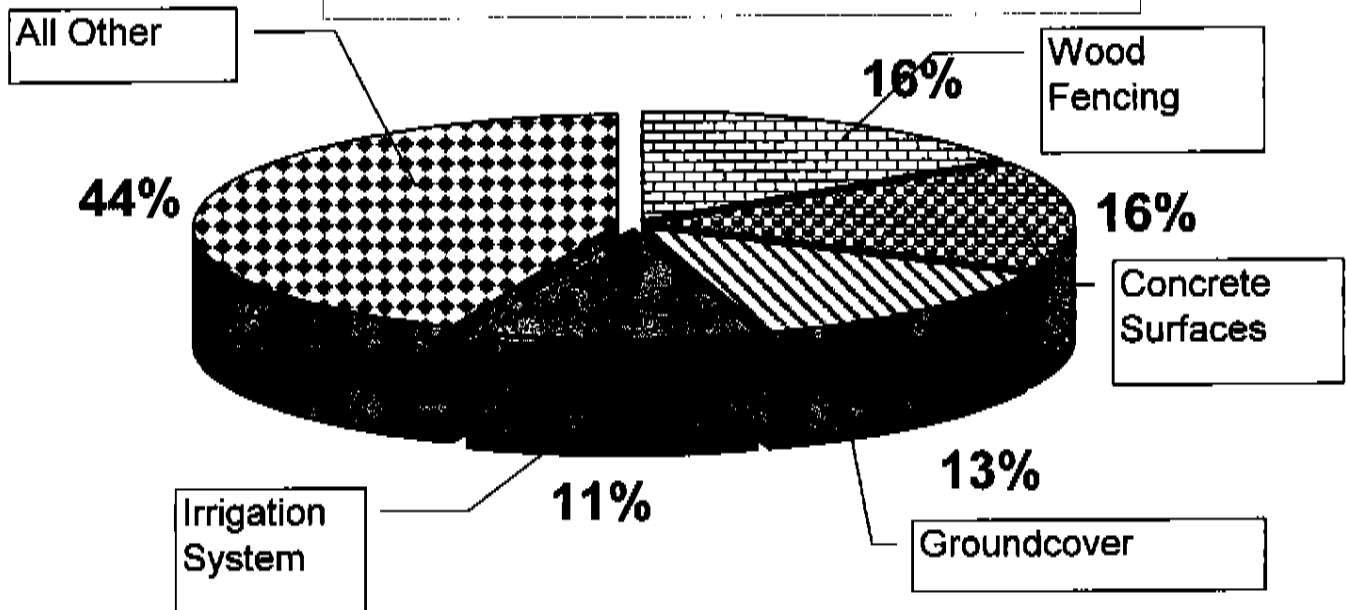
Note: Significance as a \$ means how much money would be set aside each year if the Reserve account was fully funded.

Significance as a % is a representation of the relative importance of that component as it relates to other components. For example, while the irrigation system may cost \$96,000 and concrete repairs only costs \$16,565, concrete surfaces plays a more important role because it is occurring every 3 years, while the irrigation system is occurring every 25 years.

Significant Components Graph For Tamarac Hills HOA

Significant Components

- 1001 Wood Fencing - Replace
- 407 Concrete Surfaces - Repair
- 1801 Groundcover - Replenish
- 1701 Irrigation System - Rebuild (Ph 1)
- All Other



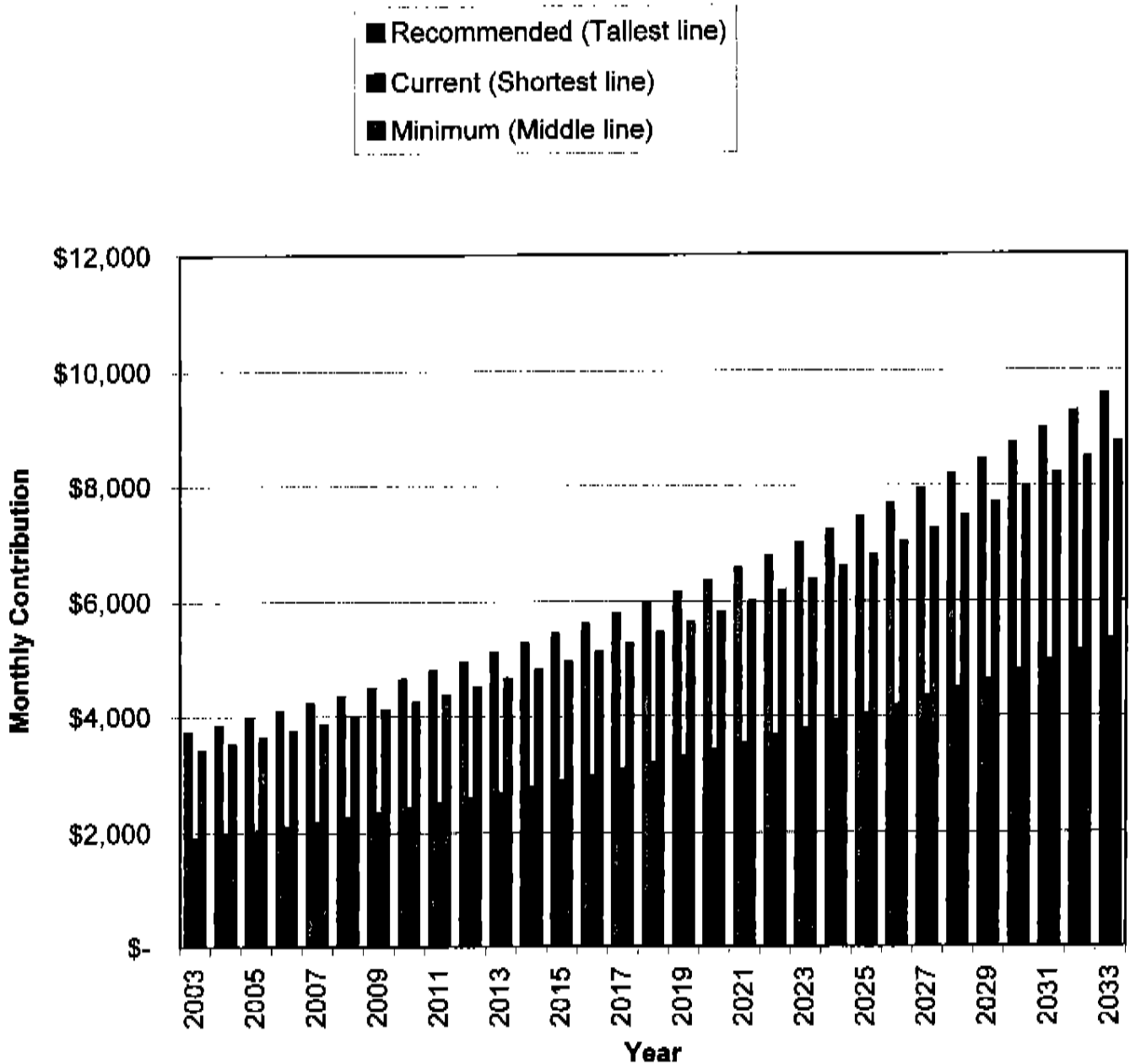
Asset ID	Asset name	UL	RUL	Ave Curr. Cost	Significance: (Curr Cost /UL)	As %
1001	Wood Fencing - Replace	17	15	\$94,275	\$5,546	16%
407	Concrete Surfaces - Repair	3	0	\$16,565	\$5,522	16%
1801	Groundcover - Replenish	1	0	\$4,500	\$4,500	13%
1701	Irrigation System - Rebuild (Ph 1)	25	2	\$96,000	\$3,840	11%
All Other	See Expanded Table For Breakdown				\$14,987	44%

Yearly Summary For Tamarac Hills HOA

Year	Fully Funded Balance	Starting Reserve Balance	Percent Funded	Annual Reserve Contribs	Interest Income	Reserve Expenses
2003	\$282,657	\$150,000	53%	\$44,700	\$2,329	\$36,240
2004	\$290,640	\$160,789	55%	\$46,130	\$2,364	\$54,674
2005	\$281,069	\$154,610	55%	\$47,607	\$1,732	\$127,529
2006	\$197,048	\$76,419	39%	\$49,130	\$1,256	\$35,606
2007	\$206,560	\$91,199	44%	\$50,702	\$1,106	\$86,592
2008	\$165,017	\$56,415	34%	\$52,325	\$1,158	\$11,803
2009	\$200,856	\$98,095	49%	\$53,999	\$1,520	\$48,851
2010	\$201,085	\$104,764	52%	\$55,727	\$1,960	\$5,725
2011	\$247,489	\$156,726	63%	\$57,510	\$2,736	\$8,609
2012	\$294,117	\$208,364	71%	\$59,351	\$3,143	\$59,835
2013	\$291,000	\$211,023	73%	\$61,250	\$3,555	\$12,590
2014	\$338,369	\$263,238	78%	\$63,210	\$4,298	\$20,597
2015	\$380,867	\$310,149	81%	\$65,232	\$4,496	\$90,135
2016	\$354,699	\$289,742	82%	\$67,320	\$4,800	\$11,241
2017	\$411,154	\$350,621	85%	\$69,474	\$5,765	\$7,284
2018	\$475,628	\$418,576	88%	\$71,697	\$5,350	\$200,355
2019	\$344,547	\$295,269	86%	\$73,992	\$4,194	\$109,111
2020	\$305,404	\$264,344	87%	\$76,359	\$4,434	\$17,835
2021	\$361,521	\$327,303	91%	\$78,803	\$5,017	\$69,057
2022	\$368,824	\$342,066	93%	\$81,325	\$5,595	\$24,608
2023	\$424,702	\$404,377	95%	\$83,927	\$6,674	\$8,954
2024	\$501,132	\$486,024	97%	\$86,613	\$7,574	\$55,661
2025	\$534,375	\$524,550	98%	\$89,384	\$6,258	\$18,757
2026	\$609,543	\$603,633	99%	\$92,245	\$7,263	\$26,473
2027	\$682,011	\$679,018	100%	\$95,196	\$7,840	\$82,748
2028	\$701,520	\$701,816	100%	\$98,243	\$8,538	\$16,986
2029	\$792,620	\$794,286	100%	\$101,386	\$9,759	\$20,693
2030	\$886,017	\$887,585	100%	\$104,631	\$8,278	\$382,963
2031	\$610,781	\$620,557	102%	\$107,979	\$6,871	\$13,952
2032	\$710,991	\$724,666	102%	\$111,434	\$6,806	\$208,645

Yearly Contributions Graph For Tamarac Hills HOA

Reserve Contributions



Component Funding Information For Tamarac Hills HOA

ID	Asset Name	Ave Current		Ideal Balance	Current Fund	
		Cost	Future Cost		Balance	Monthly
107	Pitched Roof - Wood Shake - Replace	\$3,300	\$3,787	\$2,700	\$0	\$16.25
120	Raingutters/Downspouts - Replace	\$660	\$757	\$540	\$0	\$3.25
301	Wood Siding - Replace	\$4,608	\$6,727	\$2,918	\$0	\$16.63
401	Asphalt - Overlay (new)	\$22,860	\$34,543	\$4,572	\$0	\$165.05
401	Asphalt - Overlay (old)	\$44,175	\$45,721	\$41,230	\$41,230	\$318.95
407	Concrete Surfaces - Repair	\$16,565	\$18,366	\$16,565	\$16,565	\$598.01
601	Concrete Sidewalks/Decks - Repair	\$9,225	\$11,340	\$9,225	\$9,225	\$166.51
608	Pool Deck - Repair	\$3,200	\$3,934	\$3,200	\$3,200	\$57.76
703	Hot Water Heater Tank - Replace	\$525	\$543	\$499	\$499	\$2.84
803	Mailboxes - Replace	\$3,600	\$5,078	\$1,482	\$0	\$22.93
808	Street Signs - Replace	\$1,500	\$2,513	\$375	\$0	\$8.12
1001	Pool wood fence - Replace	\$938	\$970	\$882	\$882	\$5.97
1001	Wood Fencing - Replace	\$94,275	\$157,944	\$11,091	\$0	\$600.60
1002	Ironwork Fencing - Replace	\$2,038	\$2,683	\$1,434	\$0	\$8.17
1003	Chain Link Fencing - Replace	\$9,900	\$13,493	\$6,718	\$0	\$38.29
1101	Pool - Resurface	\$5,000	\$5,544	\$3,125	\$0	\$67.69
1102	Pool - Retile/Coping tiles	\$3,300	\$3,659	\$2,681	\$0	\$22.34
1104	Pool Heater - Replace	\$3,750	\$4,017	\$3,375	\$3,375	\$20.31
1107	Pool Filter - Replace	\$2,000	\$2,295	\$1,680	\$0	\$8.66
1110	Pool Pump - Replace	\$550	\$589	\$440	\$440	\$5.96
1112	Pool Cover - Replace	\$2,750	\$3,266	\$1,604	\$0	\$24.82
1201	Tennis Court - Resurface	\$6,750	\$7,231	\$5,786	\$5,786	\$52.22
1203	Tennis Court - Recoat	\$7,500	\$8,034	\$5,357	\$5,357	\$116.04
1413	Restroom - Remodel	\$3,500	\$4,302	\$2,625	\$0	\$15.79
1604	Pole Lights - Replace	\$825	\$1,164	\$367	\$0	\$4.96
1701	Irrigation System - Rebuild (Ph 1)	\$96,000	\$102,838	\$88,320	\$54,175	\$415.88
1701	Irrigation System - Rebuild (Ph 2)	\$65,000	\$74,589	\$54,600	\$0	\$281.59
1703	Irrigation Timelocks - Replace	\$2,750	\$3,049	\$2,750	\$2,750	\$99.28
1801	Groundcover - Replenish	\$4,500	\$4,658	\$4,500	\$4,500	\$487.36
1805	Landscape Timbers - Repair	\$2,688	\$2,782	\$2,016	\$2,016	\$72.77

Yearly Cash Flow For Tamarac Hills HOA

Year	2003	2004	2005	2006	2007
Starting Balance	\$150,000	\$160,789	\$154,610	\$76,419	\$91,199
Reserve Income	\$44,700	\$46,130	\$47,807	\$49,130	\$50,702
Interest Earnings	\$2,329	\$2,364	\$1,732	\$1,256	\$1,108
Special Assessments	\$0	\$0	\$0	\$0	\$0
Funds Available	\$197,029	\$209,284	\$203,948	\$126,805	\$143,007
Reserve Expenditures	\$38,240	\$54,674	\$127,529	\$35,606	\$86,592
Ending Balance	\$160,789	\$154,610	\$76,419	\$91,199	\$56,415

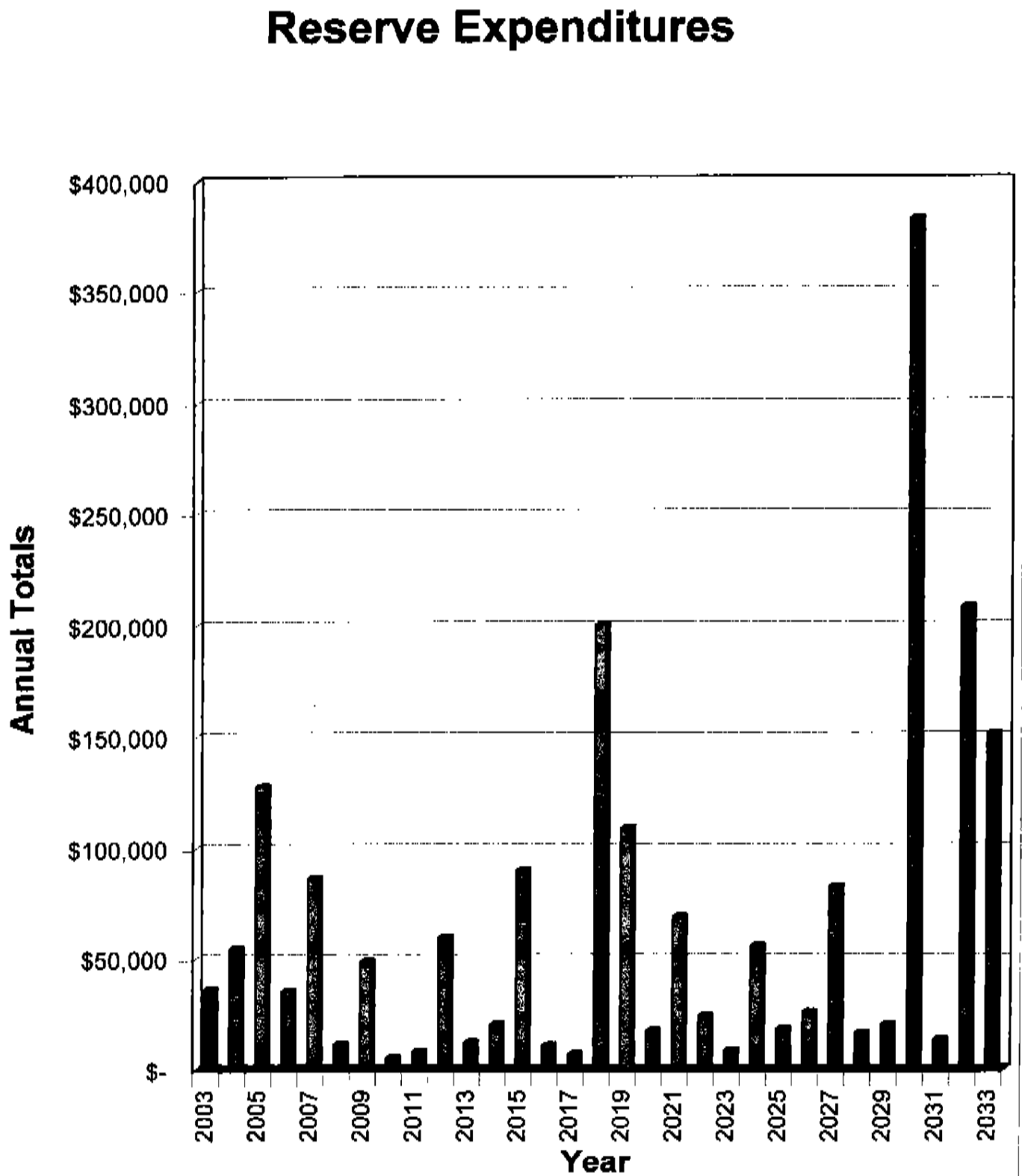
Year	2008	2009	2010	2011	2012
Starting Balance	\$56,415	\$98,095	\$104,764	\$156,726	\$208,364
Reserve Income	\$52,325	\$53,999	\$55,727	\$57,510	\$59,351
Interest Earnings	\$1,158	\$1,520	\$1,960	\$2,736	\$3,143
Established Reserves from 2002	\$0	\$0	\$0	\$0	\$0
Funds Available	\$109,898	\$153,615	\$162,451	\$216,972	\$270,857
Reserve Expenditures	\$11,803	\$48,851	\$5,725	\$8,609	\$59,835
Ending Balance	\$98,095	\$104,764	\$156,726	\$208,364	\$211,023

Year	2013	2014	2015	2016	2017
Starting Balance	\$211,023	\$263,238	\$310,149	\$289,742	\$350,621
Reserve Income	\$61,250	\$63,210	\$65,232	\$67,320	\$69,474
Interest Earnings	\$3,555	\$4,298	\$4,496	\$4,800	\$5,765
Special Assessments	\$0	\$0	\$0	\$0	\$0
Funds Available	\$275,827	\$330,745	\$379,877	\$361,862	\$425,860
Reserve Expenditures	\$12,590	\$20,597	\$90,135	\$11,241	\$7,284
Ending Balance	\$263,238	\$310,149	\$289,742	\$350,621	\$418,576

Year	2018	2019	2020	2021	2022
Starting Balance	\$418,576	\$295,269	\$264,344	\$327,303	\$342,066
Reserve Income	\$71,697	\$73,992	\$76,359	\$78,803	\$81,325
Interest Earnings	\$5,350	\$4,194	\$4,434	\$5,017	\$5,595
Special Assessments	\$0	\$0	\$0	\$0	\$0
Funds Available	\$495,624	\$373,455	\$345,138	\$411,123	\$428,985
Reserve Expenditures	\$200,355	\$109,111	\$17,835	\$69,057	\$24,608
Ending Balance	\$295,269	\$264,344	\$327,303	\$342,066	\$404,377

Year	2023	2024	2025	2026	2027
Starting Balance	\$404,377	\$486,024	\$524,550	\$603,633	\$679,018
Reserve Income	\$83,927	\$86,613	\$89,384	\$92,246	\$95,196
Interest Earnings	\$8,674	\$7,574	\$8,456	\$9,814	\$10,350
Special Assessments	\$0	\$0	\$0	\$0	\$0
Funds Available	\$494,978	\$580,211	\$622,390	\$705,491	\$784,563
Reserve Expenditures	\$8,954	\$55,661	\$18,757	\$26,473	\$82,748
Ending Balance	\$486,024	\$524,550	\$603,633	\$679,018	\$701,816

Year	2028	2029	2030	2031	2032
Starting Balance	\$701,816	\$794,286	\$887,585	\$620,557	\$724,666
Reserve Income	\$98,243	\$101,366	\$104,631	\$107,979	\$111,434
Interest Earnings	\$11,214	\$12,606	\$11,304	\$10,083	\$10,211
Special Assessments	\$0	\$0	\$0	\$0	\$0
Funds Available	\$811,272	\$908,278	\$1,003,520	\$738,619	\$846,312
Reserve Expenditures	\$16,986	\$20,693	\$382,963	\$13,952	\$208,645
Ending Balance	\$794,286	\$887,585	\$620,557	\$724,666	\$637,666

Yearly Expenditures Graph For Tamarac Hills HOA

Projected Reserve Expenditures For Tamarac Hills HOA

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
2003	407	Concrete Surfaces - Repair	\$16,565	
	601	Concrete Sidewalks/Decks - Repair	\$9,225	
	608	Pool Deck - Repair	\$3,200	
	1703	Irrigation Timerclocks - Replace	\$2,750	
	1801	Groundcover - Replenish	\$4,500	\$36,240
2004	401	Asphalt - Overlay (old)	\$45,721	
	703	Hot Water Heater Tank - Replace	\$543	
	1001	Pool wood fence - Replace	\$970	
	1801	Groundcover - Replenish	\$4,658	
	1805	Landscape Timbers - Repair	\$2,782	\$54,674
2005	1104	Pool Heater - Replace	\$4,017	
	1110	Pool Pump - Replace	\$589	
	1201	Tennis Court - Resurface	\$7,231	
	1203	Tennis Court - Recoat	\$8,034	
	1701	Irrigation System - Rebuild (Ph 1)	\$102,838	
	1801	Groundcover - Replenish	\$4,821	\$127,529
2006	407	Concrete Surfaces - Repair	\$18,366	
	1101	Pool - Resurface	\$5,544	
	1102	Pool - Retile/Coping tiles	\$3,659	
	1703	Irrigation Timerclocks - Replace	\$3,049	
	1801	Groundcover - Replenish	\$4,989	\$35,606
2007	107	Pitched Roof - Wood Shake - Replace	\$3,787	
	120	Raingutters/Downspouts - Replace	\$757	
	1107	Pool Filter - Replace	\$2,295	
	1701	Irrigation System - Rebuild (Ph 2)	\$74,589	
	1801	Groundcover - Replenish	\$5,164	\$86,592
2008	1112	Pool Cover - Replace	\$3,266	
	1801	Groundcover - Replenish	\$5,345	
	1805	Landscape Timbers - Repair	\$3,192	\$11,803
2009	407	Concrete Surfaces - Repair	\$20,363	
	601	Concrete Sidewalks/Decks - Repair	\$11,340	
	608	Pool Deck - Repair	\$3,934	
	1413	Restroom - Remodel	\$4,302	
	1703	Irrigation Timerclocks - Replace	\$3,380	
	1801	Groundcover - Replenish	\$5,532	\$48,851
2010	1801	Groundcover - Replenish	\$5,725	\$5,725
2011	1002	Ironwork Fencing - Replace	\$2,683	
	1801	Groundcover - Replenish	\$5,926	\$8,609
2012	407	Concrete Surfaces - Repair	\$22,576	
	1003	Chain Link Fencing - Replace	\$13,493	
	1203	Tennis Court - Recoat	\$10,222	
	1703	Irrigation Timerclocks - Replace	\$3,748	
	1801	Groundcover - Replenish	\$6,133	
	1805	Landscape Timbers - Repair	\$3,663	\$59,835
2013	803	Mailboxes - Replace	\$5,078	
	1604	Pole Lights - Replace	\$1,164	
	1801	Groundcover - Replenish	\$6,348	\$12,590
2014	301	Wood Siding - Replace	\$6,727	
	1101	Pool - Resurface	\$7,300	
	1801	Groundcover - Replenish	\$6,570	\$20,597
2015	401	Asphalt - Overlay (new)	\$34,543	
	407	Concrete Surfaces - Repair	\$25,031	

Projected Reserve Expenditures For Tamarac Hills HOA

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
	601	Concrete Sidewalks/Decks - Repair	\$13,940	\$90,135
	608	Pool Deck - Repair	\$4,835	
	1110	Pool Pump - Replace	\$831	
	1703	Irrigation Timeclocks - Replace	\$4,155	
	1801	Groundcover - Replenish	\$6,800	
2016	1801	Groundcover - Replenish	\$7,038	\$11,241
	1805	Landscape Timbers - Repair	\$4,203	
2017	1801	Groundcover - Replenish	\$7,284	\$7,284
2018	407	Concrete Surfaces - Repair	\$27,752	\$200,355
	808	Street Signs - Replace	\$2,513	
	1001	Wood Fencing - Replace	\$157,944	
	1703	Irrigation Timeclocks - Replace	\$4,607	
	1801	Groundcover - Replenish	\$7,539	
2019	401	Asphalt - Overlay (old)	\$76,599	\$109,111
	1201	Tennis Court - Resurface	\$11,704	
	1203	Tennis Court - Recoat	\$13,005	
	1801	Groundcover - Replenish	\$7,803	
2020	1112	Pool Cover - Replace	\$4,935	\$17,835
	1801	Groundcover - Replenish	\$8,076	
	1805	Landscape Timbers - Repair	\$4,823	
2021	407	Concrete Surfaces - Repair	\$30,769	\$69,057
	601	Concrete Sidewalks/Decks - Repair	\$17,135	
	608	Pool Deck - Repair	\$5,944	
	1001	Pool wood fence - Replace	\$1,741	
	1703	Irrigation Timeclocks - Replace	\$5,108	
	1801	Groundcover - Replenish	\$8,359	
2022	1101	Pool - Resurface	\$9,613	\$24,608
	1102	Pool - Retile/Coping tiles	\$6,344	
	1801	Groundcover - Replenish	\$8,651	
2023	1801	Groundcover - Replenish	\$8,954	\$8,954
2024	407	Concrete Surfaces - Repair	\$34,114	\$55,661
	703	Hot Water Heater Tank - Replace	\$1,081	
	1703	Irrigation Timeclocks - Replace	\$5,663	
	1801	Groundcover - Replenish	\$9,267	
	1805	Landscape Timbers - Repair	\$5,535	
2025	1104	Pool Heater - Replace	\$7,993	\$18,757
	1110	Pool Pump - Replace	\$1,172	
	1801	Groundcover - Replenish	\$9,592	
2026	1203	Tennis Court - Recoat	\$16,546	\$26,473
	1801	Groundcover - Replenish	\$9,928	
2027	407	Concrete Surfaces - Repair	\$37,823	\$82,748
	601	Concrete Sidewalks/Decks - Repair	\$21,064	
	608	Pool Deck - Repair	\$7,307	
	1703	Irrigation Timeclocks - Replace	\$6,279	
	1801	Groundcover - Replenish	\$10,275	
2028	1801	Groundcover - Replenish	\$10,635	\$16,986
	1805	Landscape Timbers - Repair	\$6,351	
2029	107	Pitched Roof - Wood Shake - Replace	\$8,072	\$20,693
	120	Raingutters/Downspouts - Replace	\$1,614	
	1801	Groundcover - Replenish	\$11,007	
2030	401	Asphalt - Overlay (new)	\$57,872	
	407	Concrete Surfaces - Repair	\$41,935	

Projected Reserve Expenditures For Tamarac Hills HOA

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
	803	Mailboxes - Replace	\$9,114	
	1101	Pool - Resurface	\$12,658	
	1701	Irrigation System - Rebuild (Ph 1)	\$243,030	
	1703	Irrigation Timeclocks - Replace	\$6,962	
	1801	Groundcover - Replenish	\$11,392	\$382,963
2031	1604	Pole Lights - Replace	\$2,162	
	1801	Groundcover - Replenish	\$11,791	\$13,952
2032	1107	Pool Filter - Replace	\$5,424	
	1112	Pool Cover - Replace	\$7,458	
	1701	Irrigation System - Rebuild (Ph 2)	\$176,272	
	1801	Groundcover - Replenish	\$12,203	
	1805	Landscape Timbers - Repair	\$7,288	\$208,645
2033	407	Concrete Surfaces - Repair	\$46,495	
	601	Concrete Sidewalks/Decks - Repair	\$25,893	
	608	Pool Deck - Repair	\$8,982	
	1201	Tennis Court - Resurface	\$18,946	
	1203	Tennis Court - Recoat	\$21,051	
	1413	Restroom - Remodel	\$9,824	
	1703	Irrigation Timeclocks - Replace	\$7,719	
	1801	Groundcover - Replenish	\$12,631	\$151,539

Glossary of Commonly used Words and Phrases (provided by the National Reserve Study Standards of the Community Associations Institute)

Asset or Component – Individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association Responsibility, 2) with limited Useful Life expectancies, 3) have predictable Remaining Life expectancies, 4) above a minimum threshold cost, and 5) required by local codes.

Cash Flow Method – A method of developing 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 anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

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 representatives.

Deficit – An actual (or projected) Reserve Balance, which is less than the Fully Funded Balance.

Effective Age – The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

Financial Analysis – The portion of the Reserve Study where current status of the Reserves (Measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived, and the projected Reserve income and expense over time is presented. The Financial Analysis is one of the two parts of the Reserve Study.

Component Full Funding – When the actual (or projected) cumulative Reserve balance for all components is equal to the Fully Funded Balance.

Accrued Fund Balance – Total Accrued Depreciation. An indicator against which Actual (or projected) Reserve Balance can be compared. The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost. This number is calculated for each component, and then summed together for an association total.

$$\text{AFB} = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$$

Fund Status – The status of the Reserve Fund as compared to an established benchmark, such as percent funding.

Funding Goals – Independent of methodology utilized, the following represent the basic categories of Funding Plan Goals.

- **Baseline Funding:** Establishing a Reserve funding goal of keeping the Reserve Balance above zero.
- **Component Full Funding:** Setting a Reserve funding goal of attaining and maintaining cumulative Reserves at or near 100% funded.
- **Threshold Funding:** Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than the "Component Fully Funding" method.

Funding Plan – An associations plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

Funding Principles –

- Sufficient Funds When Required
- Stable Contribution Rate over the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

Life and Valuation Estimates – The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components.

Percent Funded – The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the *actual* (or *projected*) Reserve Balance to the accrued *Fund Balance*, expressed as a percentage.

Physical Analysis – The portion of the Reserve Study where the Component Inventory, Condition Assessment, and Life and Valuation Estimate tasks are performed. This represents one of the two parts of the Reserve Study.

Remaining Useful Life (RUL) – Also referred to as "Remaining Life" (RL). The estimated time, in years, that a reserve component can be expected to *continue* to serve its intended function. Projects anticipated to occur in the initial year have "0" Remaining Useful Life.

Replacement Cost – The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition. The Current Replacement Cost would be the cost to replace, repair, or restore the component during that particular year.

Reserve Balance – Actual or projected funds as of a particular point in time (typically the beginning of the fiscal year) that the association has identified for use to defray the future repair or replacement of those major components in which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves. This is based upon information provided and is not audited.

Reserve Provider – An individual that prepares Reserve Studies. Also known as *Aspen Reserve Specialists*.

Reserve Study – A budget-planning tool that identifies the current status of the Reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures. The Reserve Study consists of two parts: The Physical Analysis and the Financial Analysis.

Special Assessment – An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by governing documents or local statutes.

Surplus – An actual (or projected) Reserve Balance that is greater than the Fully Funded Balance.

Useful Life (UL) – Also known as "Life Expectancy", or "Depreciable Life". The estimated time, in years, that a Reserve component can be expected to serve its intended function if properly constructed and maintained in its present application or installation.