



CALIFORNIA BUILDER SERVICES

1446 Tollhouse Rd, Suite 101 • Clovis, CA 93611 • Phone: 559-473-2690 • Fax 559-797-4487

RESERVE ANALYSIS REPORT



CBS Sample Owners Association

First Ave. & Main St.
Anytown, CA



Full Study with Site Visit

February 5, 2022



TABLE OF CONTENTS
CBS Sample Owners Association

PART I DISCLOSURE

California Disclosure 1-1

PART II RESERVE STUDY

Current Assessment Funding Model Summary 2-1
Current Assessment Funding Model Projection 2-2
Component Funding Summary 2-3
Category Detail Index 2-5
Detail Report by Category 2-7
Annual Expenditure Detail 2-37
Spread Sheet 2-43

PART III INFORMATION ABOUT YOUR RESERVE STUDY

Important Information 3-1
Introduction 3-2
Funding Methods 3-3
Funding Strategies 3-3
Definitions 3-4
Supplemental Disclosures 3-6

**Assessment and Reserve Funding Disclosure Summary
for the Fiscal Year Ending 2023**

(1) The regular assessment per ownership interest is \$60.00 per Month. Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page 2-1 of the attached summary.

(2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

| Date Assessment Will Be Due: | Amount Per Ownership Interest Per Month or Year (If Assessments Are Variable, See Note Immediately Below): | Purpose Of The Assessment: |
|------------------------------|--|----------------------------|
| | None | |
| | None | |
| | None | |
| | Total: | |

(3) Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association’s obligation for repair and/or replacement of major components during the next 30 years?

Yes X No _____

(4) If the answer to (3) is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board or the members?

| Approximate Date Assessment Will Be Due: | Amount Per Ownership Interest Per Month or Year: |
|--|--|
| N/A | N/A |
| | |
| | |
| | Total: |

(5) All major components are included in the reserve study and are included in its calculations.

(6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$307,848 based in whole or in part on the last reserve study or update prepared by California Builder Services as of March, 2020. The projected reserve fund cash balance at the end of the current fiscal year is \$285,203, resulting in reserves being 93% funded at this date.

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is:

| Year | Estimated Reserve Amount Required |
|------|-----------------------------------|
| 2023 | \$307,848 |
| 2024 | \$345,434 |
| 2025 | \$384,708 |
| 2026 | \$416,248 |
| 2027 | \$436,381 |

If the reserve funding plan approved by the association is implemented, the projected reserve fund cash balance in each of those years will be:

| Year | Projected Reserve Fund Balance | Percent Funded |
|------|--------------------------------|----------------|
| 2023 | \$285,203 | 93% |
| 2024 | \$321,491 | 93% |
| 2025 | \$358,793 | 93% |
| 2026 | \$388,122 | 93% |
| 2027 | \$406,144 | 93% |

Note: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 0.37% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2.5% per year.

(b) For the purposes of preparing a summary pursuant to this section:

- (1) “Estimated remaining useful life” means the time reasonably calculated to remain before a major component will require replacement.
- (2) “Major component” has the meaning used in Section 5550. Components with an estimated remaining useful life of more than 30 years may be included in a study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary.
- (3) The form set out in subdivision (a) shall accompany each annual budget report or summary thereof that is delivered pursuant to **Section 5300**. The form may be supplemented or modified to clarify the information delivered, so long as the minimum information set out in subdivision (a) is provided.
- (4) For the purpose of the report and summary, the amount of reserves needed to be accumulated for a component at a given time shall be computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component. This shall not be construed to require the board to fund reserves in accordance with this calculation.

CBS Sample Owners Association
 Anytown, CA
Current Assessment Funding Model Summary

| | |
|-----------------------|----------------------------|
| Report Date | February 5, 2022 |
| Account Number | Full Study with Site Visit |
| Budget Year Beginning | January 1, 2023 |
| Budget Year Ending | December 31, 2023 |
| Total Units | 118 |
| Phase Development | 1 of 1 |

| <i>Report Parameters</i> | |
|----------------------------------|-----------|
| Inflation | 2.50% |
| Annual Assessment Increase | 2.50% |
| Interest Rate on Reserve Deposit | 0.37% |
| Contingency | 3.00% |
| 2023 Beginning Balance | \$331,506 |

Current Funding Model Summary

- For budgeting purposes, unless otherwise indicated, we have used January 2007 to begin aging the original components in this reserve study.
- This 118-lot planned development is located near the intersection of First Ave. and Main St, Anytown, California.
- The last Reserve Analyst field inspection was completed on January 1, 2022.
- The current per month/per lot reserve contribution is \$24.22, for an annual contribution of \$34,302.
- This funding model has been given a 2.50% annual continuing contribution increase to the reserves to sustain the rate of inflation.
- The projected percentage funded at the end of this year is estimated to be 93%.

| <i>Current Assessment Funding Model Summary of Calculations</i> | |
|---|----------------|
| Required Monthly Contribution | \$2,858.50 |
| <i>\$24.22 per unit monthly</i> | |
| Average Net Monthly Interest Earned | <u>\$82.92</u> |
| Total Monthly Allocation to Reserves | \$2,941.42 |
| <i>\$24.93 per unit monthly</i> | |

**CBS Sample Owners Association
Current Assessment Funding Model Projection**

Beginning Balance: \$331,506

| Year | Current Cost | Annual Contribution | Annual Interest | Annual Expenditures | Projected Ending Reserves | Fully Funded Reserves | Percent Funded |
|------|--------------|---------------------|-----------------|---------------------|---------------------------|-----------------------|----------------|
| 2023 | 569,541 | 34,302 | 995 | 81,600 | 285,203 | 307,848 | 93% |
| 2024 | 583,779 | 35,160 | 1,128 | | 321,491 | 345,434 | 93% |
| 2025 | 598,374 | 36,039 | 1,264 | | 358,793 | 384,708 | 93% |
| 2026 | 613,333 | 36,940 | 1,371 | 8,981 | 388,122 | 416,248 | 93% |
| 2027 | 628,666 | 37,863 | 1,436 | 21,276 | 406,144 | 436,381 | 93% |
| 2028 | 644,383 | 38,810 | 1,428 | 41,759 | 404,624 | 436,197 | 93% |
| 2029 | 660,492 | 39,780 | 1,579 | | 445,983 | 480,920 | 93% |
| 2030 | 677,005 | 40,774 | 1,735 | | 488,492 | 527,607 | 93% |
| 2031 | 693,930 | 41,794 | 1,883 | 2,986 | 529,183 | 573,175 | 92% |
| 2032 | 711,278 | 42,838 | 2,036 | 2,904 | 571,154 | 620,858 | 92% |
| 2033 | 729,060 | 43,909 | 2,006 | 53,635 | 563,435 | 617,083 | 91% |
| 2034 | 747,287 | 45,007 | 2,179 | | 610,620 | 670,773 | 91% |
| 2035 | 765,969 | 46,132 | 2,345 | 2,824 | 656,274 | 723,780 | 91% |
| 2036 | 785,118 | 47,286 | 2,485 | 11,497 | 694,547 | 769,936 | 90% |
| 2037 | 804,746 | 48,468 | 399 | 613,160 | 130,254 | 183,045 | 71% |
| 2038 | 824,865 | 49,680 | 182 | 107,911 | 72,205 | 115,929 | 62% |
| 2039 | 845,486 | 50,922 | 370 | | 123,497 | 162,118 | 76% |
| 2040 | 866,623 | 52,195 | 562 | | 176,254 | 210,543 | 84% |
| 2041 | 888,289 | 53,499 | 761 | | 230,514 | 261,289 | 88% |
| 2042 | 910,496 | 54,837 | 964 | | 286,315 | 314,440 | 91% |
| 2043 | 933,259 | 56,208 | 919 | 68,657 | 274,785 | 297,601 | 92% |
| 2044 | 956,590 | 57,613 | 1,134 | | 333,532 | 354,020 | 94% |
| 2045 | 980,505 | 59,053 | 1,355 | | 393,940 | 413,074 | 95% |
| 2046 | 1,005,017 | 60,530 | 1,511 | 19,042 | 436,938 | 454,757 | 96% |
| 2047 | 1,030,143 | 62,043 | 1,456 | 77,730 | 422,707 | 436,807 | 97% |
| 2048 | 1,055,896 | 63,594 | 1,441 | 68,426 | 419,315 | 429,550 | 98% |
| 2049 | 1,082,294 | 65,184 | 1,685 | | 486,184 | 495,704 | 98% |
| 2050 | 1,109,351 | 66,813 | 1,936 | | 554,933 | 564,898 | 98% |
| 2051 | 1,137,085 | 68,484 | 2,194 | | 625,611 | 637,241 | 98% |
| 2052 | 1,165,512 | 70,196 | 2,460 | | 698,267 | 712,848 | 98% |

**CBS Sample Owners Association
Component Funding Summary**

| Description | Future Cost | Useful Life | Remaining Life | Distribution | Required Contribution | Future Liability | Fully Funded |
|------------------------------------|----------------|----------------|-------------------|------------------|--------------------------|---------------------|------------------|
| Paving | | | | | | | |
| Asphalt - Slurry Seal & Repair | 21,450 | 5 | 0 | 21,450 | 3,764 | 0 | 21,450 |
| Asphalt Overlay & Replacement | 484,933 | 30 | 14 | 167,961 | 16,781 | 316,972 | 183,040 |
| Concrete Curb & Gutter | 3,751 | 5 | 0 | 3,751 | 658 | 0 | 3,751 |
| Concrete Sidewalks | 3,804 | 5 | 0 | 3,804 | 667 | 0 | 3,804 |
| Stamped Concrete | 3,349 | 5 | 0 | 3,349 | 588 | 0 | 3,349 |
| Valley Gutter | 667 | 5 | 0 | 667 | 117 | 0 | 667 |
| Paving - Total | | | | <u>\$200,981</u> | <u>\$22,575</u> | <u>\$316,972</u> | <u>\$216,060</u> |
| Painting | | | | | | | |
| Fire Hydrants - Painting | 662 | 20 | 4 | 480 | 34 | 182 | 480 |
| Fire Lane | 318 | 5 | 0 | 318 | 56 | 0 | 318 |
| Metal Vehicle Gates - Painting | 1,491 | 10 | 0 | 1,491 | 147 | 0 | 1,491 |
| Street Lights - Painting | 1,900 | 15 | 0 | 1,900 | 140 | 0 | 1,900 |
| Painting - Total | | | | <u>\$4,189</u> | <u>\$376</u> | <u>\$182</u> | <u>\$4,189</u> |
| Fencing/Security | | | | | | | |
| Block Wall & Masonry - Repairs | 3,570 | 5 | 0 | 3,570 | 626 | 0 | 3,570 |
| Electromagnetic Locks | 1,500 | 12 | 0 | 1,500 | 129 | 0 | 1,500 |
| Gate Operators | 16,000 | 15 | 0 | 16,000 | 1,176 | 0 | 16,000 |
| Gate Sensor Loops | 6,750 | 15 | 0 | 6,750 | 496 | 0 | 6,750 |
| Metal Vehicle Gates | 16,956 | 30 | 14 | 6,400 | 556 | 10,556 | 6,400 |
| Operator Battery Backup | 3,500 | 10 | 0 | 3,500 | 344 | 0 | 3,500 |
| Pedestrian Gate Locks | 1,600 | 15 | 0 | 1,600 | 118 | 0 | 1,600 |
| Pedestrian Gates | 5,087 | 30 | 14 | 1,920 | 167 | 3,167 | 1,920 |
| Vehicle Entrance - Keypad/Intercom | 3,000 | 15 | 0 | 3,000 | 220 | 0 | 3,000 |
| Wooden Fence | 15,867 | 20 | 4 | 11,500 | 815 | 4,367 | 11,500 |
| Fencing/Security - Total | | | | <u>\$55,740</u> | <u>\$4,648</u> | <u>\$18,090</u> | <u>\$55,740</u> |
| Lighting | | | | | | | |
| Landscape Lighting | 1,443 | 10 | 3 | 938 | 128 | 505 | 938 |
| Street Lights | 75,170 | 30 | 14 | 28,373 | 2,467 | 46,797 | 28,373 |
| Transformer | 1,186 | 25 | 9 | 608 | 48 | 578 | 608 |
| Lighting - Total | | | | <u>\$29,919</u> | <u>\$2,643</u> | <u>\$47,880</u> | <u>\$29,919</u> |
| Grounds Components | | | | | | | |
| Backflow Preventers | 3,532 | 30 | 14 | 1,333 | 116 | 2,199 | 1,333 |
| Fire Hydrants - Replacement | 39,068 | 40 | 24 | | 1,218 | 39,068 | 8,640 |
| Irrigation Controllers | 4,800 | 15 | 0 | 4,800 | 353 | 0 | 4,800 |
| Irrigation Valves | 4,746 | 20 | 4 | 3,440 | 244 | 1,306 | 3,440 |
| Landscape Replenishment | 7,538 | 10 | 3 | 4,900 | 670 | 2,638 | 4,900 |
| Message Center | 600 | 12 | 0 | 600 | 51 | 0 | 600 |
| Park Benches | 2,550 | 15 | 0 | 2,550 | 187 | 0 | 2,550 |
| Trash Receptacle | 1,000 | 15 | 0 | 1,000 | 73 | 0 | 1,000 |
| Grounds Components - Total | | | | <u>\$18,623</u> | <u>\$2,914</u> | <u>\$45,212</u> | <u>\$27,263</u> |

**CBS Sample Owners Association
Component Funding Summary**

| Description | Future Cost | Useful Life | Remaining Life | Distribution | Required Contribution | Future Liability | Fully Funded |
|------------------------------|----------------|----------------|-------------------|--------------|--------------------------|---------------------|-----------------|
| Mailboxes | | | | | | | |
| Cluster Mailboxes - 12 Units | 18,990 | 30 | 14 | 7,168 | 623 | 11,822 | 7,168 |
| Cluster Mailboxes - 13 Units | 2,459 | 30 | 14 | 928 | 81 | 1,531 | 928 |
| Cluster Mailboxes - 16 Units | 2,501 | 30 | 14 | 944 | 82 | 1,557 | 944 |
| Mailboxes - Total | | | | \$9,040 | \$786 | \$14,910 | \$9,040 |
| Signs | | | | | | | |
| Entry Sign | 2,613 | 15 | 8 | 1,001 | 153 | 1,612 | 1,001 |
| Exit Sign | 373 | 15 | 8 | 143 | 22 | 230 | 143 |
| Monument Sign | 3,532 | 30 | 14 | 1,333 | 116 | 2,199 | 1,333 |
| Street Signs | 1,717 | 25 | 9 | 880 | 69 | 837 | 880 |
| Signs - Total | | | | \$3,357 | \$359 | \$4,879 | \$3,357 |
| Asset Summary Total: | \$769,975 | | | \$321,850 | \$34,302 | \$448,125 | \$345,569 |

| | | |
|---|----------------------|--------|
| | Percent Fully Funded | 93% |
| Current Average Liability per Unit (Total Units: 118) | | -\$207 |

**CBS Sample Owners Association
Category Detail Index**

| Asset ID | Description | Replacement | Page |
|---------------------------|------------------------------------|-------------|------|
| Paving | | | |
| 1002 | Asphalt - Slurry Seal & Repair | 2023 | 2-7 |
| 1001 | Asphalt Overlay & Replacement | 2037 | 2-7 |
| 1004 | Concrete Curb & Gutter | 2023 | 2-8 |
| 1006 | Concrete Sidewalks | 2023 | 2-9 |
| 1005 | Stamped Concrete | 2023 | 2-10 |
| 1003 | Valley Gutter | 2023 | 2-10 |
| Painting | | | |
| 1036 | Fire Hydrants - Painting | 2027 | 2-12 |
| 1038 | Fire Lane | 2023 | 2-12 |
| 1014 | Metal Vehicle Gates - Painting | 2023 | 2-13 |
| 1020 | Street Lights - Painting | 2023 | 2-14 |
| Fencing/Security | | | |
| 1016 | Block Wall & Masonry - Repairs | 2023 | 2-15 |
| 1008 | Electromagnetic Locks | 2023 | 2-15 |
| 1009 | Gate Operators | 2023 | 2-16 |
| 1011 | Gate Sensor Loops | 2023 | 2-17 |
| 1013 | Metal Vehicle Gates | 2037 | 2-18 |
| 1010 | Operator Battery Backup | 2023 | 2-18 |
| 1012 | Pedestrian Gate Locks | 2023 | 2-19 |
| 1015 | Pedestrian Gates | 2037 | 2-19 |
| 1007 | Vehicle Entrance - Keypad/Intercom | 2023 | 2-20 |
| 1017 | Wooden Fence | 2027 | 2-21 |
| Lighting | | | |
| 1019 | Landscape Lighting | 2026 | 2-22 |
| 1018 | Street Lights | 2037 | 2-22 |
| 1021 | Transformer | 2032 | 2-23 |
| Grounds Components | | | |
| 1023 | Backflow Preventers | 2037 | 2-25 |
| 1037 | Fire Hydrants - Replacement | 2047 | 2-25 |
| 1022 | Irrigation Controllers | 2023 | 2-26 |
| 1024 | Irrigation Valves | 2027 | 2-27 |
| 1025 | Landscape Replenishment | 2026 | 2-27 |
| 1028 | Message Center | 2023 | 2-28 |
| 1026 | Park Benches | 2023 | 2-29 |

**CBS Sample Owners Association
Category Detail Index**

| Asset ID | Description | Replacement | Page |
|--|------------------------------|-------------|------|
| <i>Grounds Components Continued...</i> | | | |
| 1027 | Trash Receptacle | 2023 | 2-29 |
| Mailboxes | | | |
| 1029 | Cluster Mailboxes - 12 Units | 2037 | 2-31 |
| 1030 | Cluster Mailboxes - 13 Units | 2037 | 2-31 |
| 1031 | Cluster Mailboxes - 16 Units | 2037 | 2-32 |
| Signs | | | |
| 1033 | Entry Sign | 2031 | 2-34 |
| 1034 | Exit Sign | 2031 | 2-34 |
| 1032 | Monument Sign | 2037 | 2-35 |
| 1035 | Street Signs | 2032 | 2-36 |
| | Total Funded Assets | 38 | |
| | Total Unfunded Assets | <u>0</u> | |
| | Total Assets | 38 | |

**CBS Sample Owners Association
Detail Report by Category**

| | | | |
|--|--------------|-----------------------|-------------|
| Asphalt - Slurry Seal & Repair - 2023 | | 143,000 | @ \$0.15 |
| Asset ID | 1002 | Asset Actual Cost | \$21,450.00 |
| | | Percent Replacement | 100% |
| Category | Paving | Future Cost | \$21,450.00 |
| Placed in Service | January 2007 | Assigned Reserves | \$21,450.00 |
| Useful Life | 5 | | |
| Adjustment | 5 | Monthly Assessment | \$313.69 |
| Replacement Year | 2023 | Interest Contribution | \$0.80 |
| Remaining Life | 0 | Reserve Allocation | \$314.49 |



This component is for the preparation of the asphalt and application of the slurry seal coat to the asphalt. A seal coat is a thin liquid application which consists of a slow setting asphalt chemical emulsion mixed with fillers, water and various additives. This provides a sealant to the top of the asphalt, preventing water from penetrating the surface and providing a limited amount of protection from the sun. This component includes crack fill, skin patching, minor dig out & fill, etc. If a second coat is desired the cost is generally 10% to 20% higher. Cracks 1/4" or wider should be filled when observed. The observed condition was fair with several small areas of erosion and cracks noted.

| | | | |
|---|--------------|-----------------------|--------------|
| Asphalt Overlay & Replacement - 2037 | | 143,000 sf | @ \$2.40 |
| Asset ID | 1001 | Asset Actual Cost | \$343,200.00 |
| | | Percent Replacement | 100% |
| Category | Paving | Future Cost | \$484,932.61 |
| Placed in Service | January 2007 | Assigned Reserves | \$167,961.08 |
| Useful Life | 30 | | |
| Replacement Year | 2037 | Monthly Assessment | \$1,398.40 |
| Remaining Life | 14 | Interest Contribution | \$55.46 |
| | | Reserve Allocation | \$1,453.86 |

**CBS Sample Owners Association
Detail Report by Category**

Asphalt Overlay & Replacement continued...



There are many factors which can cause damage to asphalt. In most cases it's time which has simply "worn out" the asphalt. Of course weather also plays a major part in deterioration, especially on asphalt that has not been properly maintained. Motor oil, gasoline, and other household chemicals also break down the asphalt if they are left to soak in. This component is to apply a petromat overlay on top of the existing asphalt surface along with 1-1/2" of new hot mix asphalt. Generally this includes edge grinding, utility box extensions and filling potholes. The observed condition of the roadway asphalt was good with minimal areas of wear noted.

| Concrete Curb & Gutter - 2023 | | 8,180 lf | @ \$22.93 |
|-------------------------------|--------------|-----------------------|------------|
| Asset ID | 1004 | Asset Actual Cost | \$3,751.35 |
| Category | Paving | Percent Replacement | 2% |
| Placed in Service | January 2007 | Future Cost | \$3,751.35 |
| Useful Life | 5 | Assigned Reserves | \$3,751.35 |
| Replacement Year | 2023 | Monthly Assessment | \$54.86 |
| Remaining Life | 0 | Interest Contribution | \$0.14 |
| | | Reserve Allocation | \$55.00 |



**CBS Sample Owners Association
Detail Report by Category**

Concrete Curb & Gutter continued...

This component covers the maintenance and repair of the curb and gutter throughout the development. The curb and gutter appeared to be in fair condition with some areas of chipping and cracking. This component should last the life of the development with proper maintenance. Such maintenance may include crack fill, grinding, efflorescence removal, sealing, etc. We estimate 2% will require repair every 5 years.

| Concrete Sidewalks - 2023 | | | |
|---------------------------|--------------|-----------------------|---------------|
| Asset ID | 1006 | 19,018 sf | @ \$10.00 |
| Category | Paving | Asset Actual Cost | \$3,803.60 |
| Placed in Service | January 2007 | Percent Replacement | 2% |
| Useful Life | 5 | Future Cost | \$3,803.60 |
| Replacement Year | 2023 | Assigned Reserves | \$3,803.60 |
| Remaining Life | 0 | Monthly Assessment | \$55.62 |
| | | Interest Contribution | <u>\$0.14</u> |
| | | Reserve Allocation | \$55.77 |



This component covers the repair of the concrete walkways within the development and along Church and Fowler Avenues. Annual inspection and repairs may be recommended and necessary to ensure the safety of its members by correcting any elevation changes and trip hazards that the association may be held liable for. Cracks in concrete can be unsightly and create moisture problems. Repairing such cracks is vital in order to keep moisture out. The concrete sidewalks' overall appearance is in good condition with some areas that have some noticeable cracks.

**CBS Sample Owners Association
Detail Report by Category**

Stamped Concrete - 2023

| | | | |
|-------------------|--------------|-----------------------|------------|
| | | 4,465 sf | @ \$15.00 |
| Asset ID | 1005 | Asset Actual Cost | \$3,348.75 |
| | | Percent Replacement | 5% |
| Category | Paving | Future Cost | \$3,348.75 |
| Placed in Service | January 2007 | Assigned Reserves | \$3,348.75 |
| Useful Life | 5 | | |
| Adjustment | 6 | Monthly Assessment | \$48.97 |
| Replacement Year | 2023 | Interest Contribution | \$0.13 |
| Remaining Life | 0 | Reserve Allocation | \$49.10 |



The stamped concrete paving at the entrance of the development appeared to be in fair condition with cracking noted throughout. The life of this component will exceed the scope of this 30 year study. This component should last the life of the development with proper maintenance. Periodic maintenance may include mechanical and/or chemical cleaning, efflorescence removal, sealing, grinding, etc. We estimate 5% of the concrete will require repairs every 5 years.

Valley Gutter - 2023

| | | | |
|-------------------|--------------|-----------------------|-----------|
| | | 319 lf | @ \$41.80 |
| Asset ID | 1003 | Asset Actual Cost | \$666.71 |
| | | Percent Replacement | 5% |
| Category | Paving | Future Cost | \$666.71 |
| Placed in Service | January 2007 | Assigned Reserves | \$666.71 |
| Useful Life | 5 | | |
| Adjustment | 10 | Monthly Assessment | \$9.75 |
| Replacement Year | 2023 | Interest Contribution | \$0.02 |
| Remaining Life | 0 | Reserve Allocation | \$9.77 |

**CBS Sample Owners Association
Detail Report by Category**

Valley Gutter continued...



There is approximately 319' of concrete valley gutter in the development. The component is for the repair and replacement. The current condition of the concrete was good. Periodic maintenance may include efflorescence removal, sealing, grinding, crack fill, or replacement. We estimate 5% will require repair every 5 years.

| | |
|------------------------------------|------------------|
| Paving - Total Current Cost | \$376,220 |
| Assigned Reserves | \$200,981 |
| Fully Funded Reserves | \$216,060 |

**CBS Sample Owners Association
Detail Report by Category**

Fire Hydrants - Painting - 2027

| | | | |
|-------------------|--------------|-----------------------|------------|
| | | 6 ea | @ \$100.00 |
| Asset ID | 1036 | Asset Actual Cost | \$600.00 |
| | | Percent Replacement | 100% |
| Category | Painting | Future Cost | \$662.29 |
| Placed in Service | January 2007 | Assigned Reserves | \$480.00 |
| Useful Life | 20 | | |
| Replacement Year | 2027 | Monthly Assessment | \$2.83 |
| Remaining Life | 4 | Interest Contribution | \$0.16 |
| | | Reserve Allocation | \$2.99 |



This component is for the painting of the fire hydrants. This is an as-needed item when noticeably needed or requested by the fire inspector. Currently, the paint on the fire hydrants appeared to be in good condition. Painting is not recommended at this time.

Fire Lane - 2023

| | | | |
|-------------------|--------------|-----------------------|----------|
| | | 185 lf | @ \$1.72 |
| Asset ID | 1038 | Asset Actual Cost | \$318.20 |
| | | Percent Replacement | 100% |
| Category | Painting | Future Cost | \$318.20 |
| Placed in Service | January 2007 | Assigned Reserves | \$318.20 |
| Useful Life | 5 | | |
| Replacement Year | 2023 | Monthly Assessment | \$4.65 |
| Remaining Life | 0 | Interest Contribution | \$0.01 |
| | | Reserve Allocation | \$4.67 |

**CBS Sample Owners Association
Detail Report by Category**

Fire Lane continued...



The red painted curb is faded and chipping. Painting is recommended.

Metal Vehicle Gates - Painting - 2023

| | | | |
|-------------------|--------------|-----------------------|---------------|
| Asset ID | 1014 | 70 lf | @ \$21.30 |
| Category | Painting | Asset Actual Cost | \$1,491.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 10 | Future Cost | \$1,491.00 |
| Adjustment | 5 | Assigned Reserves | \$1,491.00 |
| Replacement Year | 2023 | Monthly Assessment | \$12.22 |
| Remaining Life | 0 | Interest Contribution | <u>\$0.03</u> |
| | | Reserve Allocation | \$12.25 |



This is to prepare, power wash, sand, scrape, spot prime and paint the metal vehicle, pedestrian and mechanical access gates. To ensure the metal achieves its full useful life, it should be painted as recommended. The paint on the gates is in good condition. There is one area of damage noted on the emergency vehicle access gate along Church Avenue. Painting is used to prolong the remaining life of metals because this can prevent rust and corrosion.

**CBS Sample Owners Association
Detail Report by Category**

Street Lights - Painting - 2023

| | | | |
|-------------------|--------------|-----------------------|------------|
| Asset ID | 1020 | 19 ea | @ \$100.00 |
| Category | Painting | Asset Actual Cost | \$1,900.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 15 | Future Cost | \$1,900.00 |
| Replacement Year | 2023 | Assigned Reserves | \$1,900.00 |
| Remaining Life | 0 | Monthly Assessment | \$11.64 |
| | | Interest Contribution | \$0.03 |
| | | Reserve Allocation | \$11.67 |



This component covers the painting of the street light posts. There are areas of noticeable wear. Painting is used to prolong the remaining life of metals because this can prevent rust and corrosion. The painting preparation should include power washing, scraping and repair if needed.

| | |
|--------------------------------------|----------------|
| Painting - Total Current Cost | \$4,309 |
| Assigned Reserves | \$4,189 |
| Fully Funded Reserves | \$4,189 |

**CBS Sample Owners Association
Detail Report by Category**

| | | | |
|--|------------------|-----------------------|------------|
| Block Wall & Masonry - Repairs - 2023 | | 3,400 lf | @ \$1.05 |
| Asset ID | 1016 | Asset Actual Cost | \$3,570.00 |
| | | Percent Replacement | 100% |
| Category | Fencing/Security | Future Cost | \$3,570.00 |
| Placed in Service | January 2007 | Assigned Reserves | \$3,570.00 |
| Useful Life | 5 | | |
| Adjustment | 6 | Monthly Assessment | \$52.21 |
| Replacement Year | 2023 | Interest Contribution | \$0.13 |
| Remaining Life | 0 | Reserve Allocation | \$52.34 |



The development is surrounded by 6' concrete block wall on the north and east sides, as well as along all the common landscaping throughout the development and the stone pillars and entry monument. This wall appeared to be in good condition without any sign of defect, aside from some minor efflorescence and discoloration due to sprayback from the sprinklers. This reserve component is for the maintenance and repair of the wall and stone only, as the overall component will typically last the life of the development. Maintenance may include mechanical and/or chemical cleaning, efflorescence removal, graffiti removal, sealing, etc.

| | | | |
|-------------------------------------|------------------|-----------------------|------------|
| Electromagnetic Locks - 2023 | | 2 ea | @ \$750.00 |
| Asset ID | 1008 | Asset Actual Cost | \$1,500.00 |
| | | Percent Replacement | 100% |
| Category | Fencing/Security | Future Cost | \$1,500.00 |
| Placed in Service | January 2007 | Assigned Reserves | \$1,500.00 |
| Useful Life | 12 | | |
| Replacement Year | 2023 | Monthly Assessment | \$10.72 |
| Remaining Life | 0 | Interest Contribution | \$0.03 |
| | | Reserve Allocation | \$10.75 |

**CBS Sample Owners Association
Detail Report by Category**

Electromagnetic Locks continued...



The magnetic gate locks appeared in fair condition but were noted to be non-functioning.

Gate Operators - 2023

| | | | |
|-------------------|------------------|-----------------------|---------------|
| Asset ID | 1009 | 5 ea | @ \$3,200.00 |
| Category | Fencing/Security | Asset Actual Cost | \$16,000.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 15 | Future Cost | \$16,000.00 |
| Replacement Year | 2023 | Assigned Reserves | \$16,000.00 |
| Remaining Life | 0 | Monthly Assessment | \$98.00 |
| | | Interest Contribution | <u>\$0.25</u> |
| | | Reserve Allocation | \$98.25 |



This component provides for the replacement of the Chamberlain Elite CSW200ULDC3 gate motor/operators, located at the entry gate, the exit gate and the emergency vehicle access gate. The operator at the emergency access gate was behind a locked gate and was not visually inspected. A gate operator is a mechanical device used to open and close the entry and exit gate. That gate is programmed to open and close with an access entry system and can be opened manually if necessary. A swing arm operator, which is a box that sits off to the side,

**CBS Sample Owners Association
Detail Report by Category**

Gate Operators continued...

has an arm extending to the gate. A slide gate operator slides the gate to either side. The gate operators appeared to be in good condition. There was no noticeable rusting on the mechanism. The function of these operators was observed and was noted to function correctly without any sign of defect. Regular maintenance is recommended to prevent premature failure of the component.

| Gate Sensor Loops - 2023 | | | |
|--------------------------|------------------|-----------------------|---------------|
| Asset ID | 1011 | 9 ea | @ \$750.00 |
| | | Asset Actual Cost | \$6,750.00 |
| | | Percent Replacement | 100% |
| Category | Fencing/Security | Future Cost | \$6,750.00 |
| Placed in Service | January 2007 | Assigned Reserves | \$6,750.00 |
| Useful Life | 15 | | |
| Replacement Year | 2023 | Monthly Assessment | \$41.34 |
| Remaining Life | 0 | Interest Contribution | <u>\$0.11</u> |
| | | Reserve Allocation | \$41.45 |



This is for the replacement of the underground sensor loops and the pulling of new wire harnesses. The current harnesses were functioning properly at time of inspection. If possible, loop replacement should be scheduled to coincide with paving repairs or gate operator replacement.

**CBS Sample Owners Association
Detail Report by Category**

Metal Vehicle Gates - 2037

| | | | |
|-------------------|------------------|-----------------------|---------------|
| | | 4 ea | @ \$3,000.00 |
| Asset ID | 1013 | Asset Actual Cost | \$12,000.00 |
| | | Percent Replacement | 100% |
| Category | Fencing/Security | Future Cost | \$16,955.69 |
| Placed in Service | January 2007 | Assigned Reserves | \$6,400.00 |
| Useful Life | 30 | | |
| Replacement Year | 2037 | Monthly Assessment | \$46.37 |
| Remaining Life | 14 | Interest Contribution | <u>\$2.10</u> |
| | | Reserve Allocation | \$48.47 |



This component is for the replacement of the decorative metal vehicle gates along Fowler Avenue. The gates and hinges appeared to be in good condition without any sign of damage or rust. With proper maintenance, the useful life could be greatly extended. Painting is provided for within another component.

Operator Battery Backup - 2023

| | | | |
|-------------------|------------------|-----------------------|---------------|
| | | 5 ea | @ \$700.00 |
| Asset ID | 1010 | Asset Actual Cost | \$3,500.00 |
| | | Percent Replacement | 100% |
| Category | Fencing/Security | Future Cost | \$3,500.00 |
| Placed in Service | January 2007 | Assigned Reserves | \$3,500.00 |
| Useful Life | 10 | | |
| Adjustment | 1 | Monthly Assessment | \$28.69 |
| Replacement Year | 2023 | Interest Contribution | <u>\$0.07</u> |
| Remaining Life | 0 | Reserve Allocation | \$28.76 |

This component covers the replacement of the Elite DC2000CSW battery backups. These were not observed, nor was their operation.

**CBS Sample Owners Association
Detail Report by Category**

Pedestrian Gate Locks - 2023

| | | | |
|-------------------|------------------|-----------------------|------------|
| | | 2 ea | @ \$800.00 |
| Asset ID | 1012 | Asset Actual Cost | \$1,600.00 |
| | | Percent Replacement | 100% |
| Category | Fencing/Security | Future Cost | \$1,600.00 |
| Placed in Service | January 2007 | Assigned Reserves | \$1,600.00 |
| Useful Life | 15 | | |
| Replacement Year | 2023 | Monthly Assessment | \$9.80 |
| Remaining Life | 0 | Interest Contribution | \$0.03 |
| | | Reserve Allocation | \$9.82 |



This component is for the replacement of the Simplex EE1000 double-sided gate locks. They appeared to be in good condition. Their function was not observed.

Pedestrian Gates - 2037

| | | | |
|-------------------|------------------|-----------------------|--------------|
| | | 3 ea | @ \$1,200.00 |
| Asset ID | 1015 | Asset Actual Cost | \$3,600.00 |
| | | Percent Replacement | 100% |
| Category | Fencing/Security | Future Cost | \$5,086.71 |
| Placed in Service | January 2007 | Assigned Reserves | \$1,920.00 |
| Useful Life | 30 | | |
| Replacement Year | 2037 | Monthly Assessment | \$13.91 |
| Remaining Life | 14 | Interest Contribution | \$0.63 |
| | | Reserve Allocation | \$14.54 |

**CBS Sample Owners Association
Detail Report by Category**

Pedestrian Gates continued...



This component is for the replacement of the metal pedestrian gates. The gates appeared to be in good condition without any sign of damage or rust. With proper maintenance, the useful life could be greatly extended. Painting is provided for within another component.

Vehicle Entrance - Keypad/Intercom - 2023

| | | | |
|-------------------|------------------|-----------------------|----------------|
| Asset ID | 1007 | 1 ea | @ \$3,000.00 |
| Category | Fencing/Security | Asset Actual Cost | \$3,000.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 15 | Future Cost | \$3,000.00 |
| Replacement Year | 2023 | Assigned Reserves | \$3,000.00 |
| Remaining Life | 0 | Monthly Assessment | \$18.37 |
| | | Interest Contribution | <u>\$0.05</u> |
| | | Reserve Allocation | <u>\$18.42</u> |



The entry keypad is a DoorKing DKS model 1834. It appeared to be in fair condition without any sign of damage or malfunction. Typically, if the keys show signs of wear or sticking, the key code can be changed to less frequently used numbers to extend the life of the component and provide more equal wear.

**CBS Sample Owners Association
Detail Report by Category**

Wooden Fence - 2027

| | | | |
|-------------------|------------------|-----------------------|-------------|
| | | 575 lf | @ \$25.00 |
| Asset ID | 1017 | Asset Actual Cost | \$14,375.00 |
| | | Percent Replacement | 100% |
| Category | Fencing/Security | Future Cost | \$15,867.31 |
| Placed in Service | January 2007 | Assigned Reserves | \$11,500.00 |
| Useful Life | 20 | | |
| Replacement Year | 2027 | Monthly Assessment | \$67.92 |
| Remaining Life | 4 | Interest Contribution | _ \$3.73 |
| | | Reserve Allocation | \$71.64 |



This component is for the replacement of the 6' wood fencing along the south perimeter only. According to the Covenants, Conditions and Restrictions, the Association is "responsible for repair, maintenance, or replacement of the exterior portions of the the perimeter walls or fences adjacent to public streets or open space surrounding the project." The previous reserve study included the wood fencing along the west perimeter as well, but that currently abuts another subdivision and is no longer Association maintenance area. The wood fencing appears to be in fair condition with some signs of aging noted.

| | |
|--|-----------------|
| Fencing/Security - Total Current Cost | \$65,895 |
| Assigned Reserves | \$55,740 |
| Fully Funded Reserves | \$55,740 |

**CBS Sample Owners Association
Detail Report by Category**

| | | | |
|----------------------------------|--------------|-----------------------|---------------|
| Landscape Lighting - 2026 | | 16 ea | @ \$83.75 |
| Asset ID | 1019 | Asset Actual Cost | \$1,340.00 |
| | | Percent Replacement | 100% |
| Category | Lighting | Future Cost | \$1,443.03 |
| Placed in Service | October 2016 | Assigned Reserves | \$938.00 |
| Useful Life | 10 | | |
| Replacement Year | 2026 | Monthly Assessment | \$10.69 |
| Remaining Life | 3 | Interest Contribution | <u>\$0.32</u> |
| | | Reserve Allocation | \$11.01 |



This item is for the replacement of the directional accent landscape lights, located at the Fowler Avenue entry. The lights appeared to be in good condition. Their operation was not observed. Price and date in service provided by an invoice from Albright Electric. Bulbs are an operating expense and should be replaced as noticed.

| | | | |
|-----------------------------|--------------|-----------------------|---------------|
| Street Lights - 2037 | | 19 ea | @ \$2,800.00 |
| Asset ID | 1018 | Asset Actual Cost | \$53,200.00 |
| | | Percent Replacement | 100% |
| Category | Lighting | Future Cost | \$75,170.21 |
| Placed in Service | January 2007 | Assigned Reserves | \$28,373.33 |
| Useful Life | 30 | | |
| Replacement Year | 2037 | Monthly Assessment | \$205.59 |
| Remaining Life | 14 | Interest Contribution | <u>\$9.29</u> |
| | | Reserve Allocation | \$214.88 |

**CBS Sample Owners Association
Detail Report by Category**

Street Lights continued...



The GM-8036 exterior light fixtures located throughout the development appeared to be in good condition with some signs of wear or damage noted. Bulbs are an operating expense and should be replaced as noticed.

| Transformer - 2032 | | | |
|--------------------|--------------|-----------------------|---------------|
| Asset ID | 1021 | 1 ea | @ \$950.00 |
| Category | Lighting | Asset Actual Cost | \$950.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 25 | Future Cost | \$1,186.42 |
| Replacement Year | 2032 | Assigned Reserves | \$608.00 |
| Remaining Life | 9 | Monthly Assessment | \$3.98 |
| | | Interest Contribution | <u>\$0.20</u> |
| | | Reserve Allocation | <u>\$4.17</u> |



The lighting is controlled by a Vista model MT1200 power transformer. This item appeared to be in fair condition. The functionality was not observed. This component is for the replacement and reinstallation of the item.

**CBS Sample Owners Association
Detail Report by Category**

| | |
|--------------------------------------|-----------------|
| Lighting - Total Current Cost | \$55,490 |
| Assigned Reserves | \$29,919 |
| Fully Funded Reserves | \$29,919 |

**CBS Sample Owners Association
Detail Report by Category**

Backflow Preventers - 2037

| | | | |
|-------------------|--------------------|-----------------------|---------------|
| | | 2 ea | @ \$1,250.00 |
| Asset ID | 1023 | Asset Actual Cost | \$2,500.00 |
| | | Percent Replacement | 100% |
| Category | Grounds Components | Future Cost | \$3,532.43 |
| Placed in Service | January 2007 | Assigned Reserves | \$1,333.33 |
| Useful Life | 30 | | |
| Replacement Year | 2037 | Monthly Assessment | \$9.66 |
| Remaining Life | 14 | Interest Contribution | <u>\$0.44</u> |
| | | Reserve Allocation | \$10.10 |



This component covers the replacement of the backflow preventers. They appear to be in fair condition, enclosed in metal mesh crates.

Fire Hydrants - Replacement - 2047

| | | | |
|-------------------|--------------------|-----------------------|---------------|
| | | 6 ea | @ \$3,600.00 |
| Asset ID | 1037 | Asset Actual Cost | \$21,600.00 |
| | | Percent Replacement | 100% |
| Category | Grounds Components | Future Cost | \$39,068.48 |
| Placed in Service | January 2007 | Assigned Reserves | <i>none</i> |
| Useful Life | 40 | | |
| Replacement Year | 2047 | Monthly Assessment | \$101.54 |
| Remaining Life | 24 | Interest Contribution | <u>\$0.26</u> |
| | | Reserve Allocation | \$101.80 |

**CBS Sample Owners Association
Detail Report by Category**

Fire Hydrants - Replacement continued...



The fire hydrants located throughout the development appeared to be in good condition. This component is for the complete replacement of the hydrants.

Irrigation Controllers - 2023

| | | | |
|-------------------|--------------------|-----------------------|---------------|
| | | 4 ea | @ \$1,200.00 |
| Asset ID | 1022 | Asset Actual Cost | \$4,800.00 |
| | | Percent Replacement | 100% |
| Category | Grounds Components | Future Cost | \$4,800.00 |
| Placed in Service | January 2007 | Assigned Reserves | \$4,800.00 |
| Useful Life | 15 | | |
| Replacement Year | 2023 | Monthly Assessment | \$29.40 |
| Remaining Life | 0 | Interest Contribution | <u>\$0.08</u> |
| | | Reserve Allocation | \$29.47 |



The Alex-Tronix BCS-10 irrigation system controllers appeared in varying condition with no signs of operational problems. Irrigation controllers usually have a normal useful life ranging from 8 to 15 years depending on unit type and the environmental conditions they are subject to. There is no periodic maintenance required with most name brand irrigation controllers.

**CBS Sample Owners Association
Detail Report by Category**

Irrigation Controllers continued...

There are 5 irrigation control boxes, and 4 are inaccessible. It appeared that one of the Alex-Tronix boxes was empty, and there's a newer Hunter box in the same area, so we've reduced the number of irrigation controllers to 4 from the 5 listed in the previous reserve study.

Irrigation Valves - 2027

| | | | |
|-------------------|--------------------|-----------------------|---------------|
| Asset ID | 1024 | 43 ea | @ \$100.00 |
| Category | Grounds Components | Asset Actual Cost | \$4,300.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 20 | Future Cost | \$4,746.40 |
| Replacement Year | 2027 | Assigned Reserves | \$3,440.00 |
| Remaining Life | 4 | Monthly Assessment | \$20.32 |
| | | Interest Contribution | <u>\$1.11</u> |
| | | Reserve Allocation | \$21.43 |



The irrigation valves were examined during the onsite inspection. All were covered by in-ground valve boxes and appeared to be in fair condition.

Landscape Replenishment - 2026

| | | | |
|-------------------|--------------------|-----------------------|---------------|
| Asset ID | 1025 | 1 LS | @ \$7,000.00 |
| Category | Grounds Components | Asset Actual Cost | \$7,000.00 |
| Placed in Service | July 2016 | Percent Replacement | 100% |
| Useful Life | 10 | Future Cost | \$7,538.23 |
| Replacement Year | 2026 | Assigned Reserves | \$4,900.00 |
| Remaining Life | 3 | Monthly Assessment | \$55.86 |
| | | Interest Contribution | <u>\$1.66</u> |
| | | Reserve Allocation | \$57.52 |

**CBS Sample Owners Association
Detail Report by Category**

Landscape Replenishment continued...



This component is for the replacement and replenishment of the landscaping. This landscaping includes many types of plants and trees throughout the development. All of the different landscape items will have different life expectancies. This is an average estimate which may vary based on climate, drought conditions, damage from animals, etc. Pruning, trimming, and other maintenance is handled operationally. The most recent records indicate that \$425.00 was spent for new tree roses at the front entrance.

| Message Center - 2023 | | 1 ea | @ \$600.00 |
|-----------------------|--------------------|-----------------------|---------------|
| Asset ID | 1028 | Asset Actual Cost | \$600.00 |
| Category | Grounds Components | Percent Replacement | 100% |
| Placed in Service | January 2007 | Future Cost | \$600.00 |
| Useful Life | 12 | Assigned Reserves | \$600.00 |
| Replacement Year | 2023 | Monthly Assessment | \$4.29 |
| Remaining Life | 0 | Interest Contribution | <u>\$0.01</u> |
| | | Reserve Allocation | \$4.30 |



This component covers the replacement of the post-mounted corkboard message center located

**CBS Sample Owners Association
Detail Report by Category**

Message Center continued...

in the park. At time of inspection, it appeared in fair condition with fading and minor damage noted to the bottom of the door.

Park Benches - 2023

| | | | |
|-------------------|--------------------|-----------------------|---------------|
| Asset ID | 1026 | 3 ea | @ \$850.00 |
| Category | Grounds Components | Asset Actual Cost | \$2,550.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 15 | Future Cost | \$2,550.00 |
| Replacement Year | 2023 | Assigned Reserves | \$2,550.00 |
| Remaining Life | 0 | Monthly Assessment | \$15.62 |
| | | Interest Contribution | <u>\$0.04</u> |
| | | Reserve Allocation | \$15.66 |



This component covers the replacement of the in-ground mounted recycled plastic park benches located in the park area. They appeared to be in good condition with no signs of damage or excessive wear.

Trash Receptacle - 2023

| | | | |
|-------------------|--------------------|-----------------------|---------------|
| Asset ID | 1027 | 1 ea | @ \$1,000.00 |
| Category | Grounds Components | Asset Actual Cost | \$1,000.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 15 | Future Cost | \$1,000.00 |
| Replacement Year | 2023 | Assigned Reserves | \$1,000.00 |
| Remaining Life | 0 | Monthly Assessment | \$6.12 |
| | | Interest Contribution | <u>\$0.02</u> |
| | | Reserve Allocation | \$6.14 |

**CBS Sample Owners Association
Detail Report by Category**

Trash Receptacle continued...



This component is for the Cassidy style trash receptacle located in the park. It appeared to be in good condition.

| | |
|--|-----------------|
| Grounds Components - Total Current Cost | \$44,350 |
| Assigned Reserves | \$18,623 |
| Fully Funded Reserves | \$27,263 |

**CBS Sample Owners Association
Detail Report by Category**

Cluster Mailboxes - 12 Units - 2037

| | | | |
|-------------------|--------------|-----------------------|--------------|
| Asset ID | 1029 | 8 ea | @ \$1,680.00 |
| Category | Mailboxes | Asset Actual Cost | \$13,440.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 30 | Future Cost | \$18,990.37 |
| Replacement Year | 2037 | Assigned Reserves | \$7,168.00 |
| Remaining Life | 14 | Monthly Assessment | \$51.94 |
| | | Interest Contribution | \$2.35 |
| | | Reserve Allocation | \$54.29 |



This is to replace the mailbox clusters containing 12 boxes, 1 parcel box, and a drop box (14 doors total). Locks and hinges should be lubricated seasonally, as needed. At the time of inspection, the mailboxes appeared to be in good condition, with typical signs of aging but no sign of minor surface rust, dents, excessive wear, warping, or vandalism.

Cluster Mailboxes - 13 Units - 2037

| | | | |
|-------------------|--------------|-----------------------|--------------|
| Asset ID | 1030 | 1 ea | @ \$1,740.00 |
| Category | Mailboxes | Asset Actual Cost | \$1,740.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 30 | Future Cost | \$2,458.57 |
| Replacement Year | 2037 | Assigned Reserves | \$928.00 |
| Remaining Life | 14 | Monthly Assessment | \$6.72 |
| | | Interest Contribution | \$0.30 |
| | | Reserve Allocation | \$7.03 |

**CBS Sample Owners Association
Detail Report by Category**

Cluster Mailboxes - 13 Units continued...



This is to replace the mailbox clusters containing 13 boxes, 1 parcel box, and a drop box (15 doors total). Locks and hinges should be lubricated seasonally, as needed. At the time of inspection, the mailboxes appeared to be in good condition, with typical signs of aging but no sign of minor surface rust, dents, excessive wear, warping, or vandalism.

| Cluster Mailboxes - 16 Units - 2037 | | | |
|-------------------------------------|--------------|-----------------------|---------------|
| Asset ID | 1031 | 1 ea | @ \$1,770.00 |
| Category | Mailboxes | Asset Actual Cost | \$1,770.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 30 | Future Cost | \$2,500.96 |
| Replacement Year | 2037 | Assigned Reserves | \$944.00 |
| Remaining Life | 14 | Monthly Assessment | \$6.84 |
| | | Interest Contribution | <u>\$0.31</u> |
| | | Reserve Allocation | \$7.15 |



This is to replace the mailbox clusters containing 16 boxes, 2 parcel boxes, and a drop box (19 doors total). Locks and hinges should be lubricated seasonally, as needed. At the time of inspection, the mailboxes appeared to be in good condition, with typical signs of aging but no

**CBS Sample Owners Association
Detail Report by Category**

Cluster Mailboxes - 16 Units continued...

sign of minor surface rust, dents, excessive wear, warping, or vandalism.

| | |
|---------------------------------------|-----------------|
| Mailboxes - Total Current Cost | \$16,950 |
| Assigned Reserves | \$9,040 |
| Fully Funded Reserves | \$9,040 |

**CBS Sample Owners Association
Detail Report by Category**

| | | | |
|--------------------------|-----------|-----------------------|--------------|
| Entry Sign - 2031 | | 1 ea | @ \$2,145.00 |
| Asset ID | 1033 | Asset Actual Cost | \$2,145.00 |
| | | Percent Replacement | 100% |
| Category | Signs | Future Cost | \$2,613.47 |
| Placed in Service | June 2016 | Assigned Reserves | \$1,001.00 |
| Useful Life | 15 | | |
| Replacement Year | 2031 | Monthly Assessment | \$12.71 |
| Remaining Life | 8 | Interest Contribution | \$0.34 |
| | | Reserve Allocation | \$13.05 |



This component is for the replacement of the custom sign at the entry on Fowler Avenue. Records indicate the sign was manufactured and installed in June, 2016.

| | | | |
|-------------------------|-----------|-----------------------|------------|
| Exit Sign - 2031 | | 1 ea | @ \$306.00 |
| Asset ID | 1034 | Asset Actual Cost | \$306.00 |
| | | Percent Replacement | 100% |
| Category | Signs | Future Cost | \$372.83 |
| Placed in Service | June 2016 | Assigned Reserves | \$142.80 |
| Useful Life | 15 | | |
| Replacement Year | 2031 | Monthly Assessment | \$1.81 |
| Remaining Life | 8 | Interest Contribution | \$0.05 |
| | | Reserve Allocation | \$1.86 |

**CBS Sample Owners Association
Detail Report by Category**

Exit Sign continued...



This component is for the replacement of the custom sign at the exit on Church Avenue. Records indicate the sign was manufactured and installed in June, 2016.

| | | | |
|-----------------------------|--------------|-----------------------|---------------|
| Monument Sign - 2037 | | 1 ea | @ \$2,500.00 |
| Asset ID | 1032 | Asset Actual Cost | \$2,500.00 |
| | | Percent Replacement | 100% |
| Category | Signs | Future Cost | \$3,532.43 |
| Placed in Service | January 2007 | Assigned Reserves | \$1,333.33 |
| Useful Life | 30 | | |
| Replacement Year | 2037 | Monthly Assessment | \$9.66 |
| Remaining Life | 14 | Interest Contribution | <u>\$0.44</u> |
| | | Reserve Allocation | \$10.10 |



This component covers the replacement of the granite monument sign located at the Fowler Avenue entry. It appeared to be in good condition with no sign of damage. Efflorescence is noted on the stone surrounding the sign. This has been addressed within another component.

**CBS Sample Owners Association
Detail Report by Category**

Street Signs - 2032

| | | | |
|-------------------|--------------|-----------------------|------------|
| Asset ID | 1035 | 25 ea | @ \$55.00 |
| Category | Signs | Asset Actual Cost | \$1,375.00 |
| Placed in Service | January 2007 | Percent Replacement | 100% |
| Useful Life | 25 | Future Cost | \$1,717.19 |
| Replacement Year | 2032 | Assigned Reserves | \$880.00 |
| Remaining Life | 9 | Monthly Assessment | \$5.75 |
| | | Interest Contribution | \$0.29 |
| | | Reserve Allocation | \$6.04 |



This component covers the replacement of the street signs throughout the development. They appeared to be in good condition.

| | |
|-----------------------------------|----------------|
| Signs - Total Current Cost | \$6,326 |
| Assigned Reserves | \$3,357 |
| Fully Funded Reserves | \$3,357 |

**CBS Sample Owners Association
Annual Expenditure Detail**

| Description | Expenditures |
|------------------------------------|-----------------|
| Replacement Year 2023 | |
| Paving | |
| Asphalt - Slurry Seal & Repair | 21,450 |
| Concrete Curb & Gutter | 3,751 |
| Concrete Sidewalks | 3,804 |
| Stamped Concrete | 3,349 |
| Valley Gutter | 667 |
| Painting | |
| Fire Lane | 318 |
| Metal Vehicle Gates - Painting | 1,491 |
| Street Lights - Painting | 1,900 |
| Fencing/Security | |
| Block Wall & Masonry - Repairs | 3,570 |
| Electromagnetic Locks | 1,500 |
| Gate Operators | 16,000 |
| Gate Sensor Loops | 6,750 |
| Operator Battery Backup | 3,500 |
| Pedestrian Gate Locks | 1,600 |
| Vehicle Entrance - Keypad/Intercom | 3,000 |
| Grounds Components | |
| Irrigation Controllers | 4,800 |
| Message Center | 600 |
| Park Benches | 2,550 |
| Trash Receptacle | 1,000 |
| Total for 2023 | \$81,600 |
| <i>No Replacement in 2024</i> | |
| <i>No Replacement in 2025</i> | |
| Replacement Year 2026 | |
| Lighting | |
| Landscape Lighting | 1,443 |
| Grounds Components | |
| Landscape Replenishment | 7,538 |
| Total for 2026 | \$8,981 |

**CBS Sample Owners Association
Annual Expenditure Detail**

| Description | Expenditures |
|-----------------------------------|------------------------|
| Replacement Year 2027 | |
| Painting | |
| Fire Hydrants - Painting | 662 |
| Fencing/Security | |
| Wooden Fence | 15,867 |
| Grounds Components | |
| Irrigation Valves | 4,746 |
| Total for 2027 | <u>\$21,276</u> |
| Replacement Year 2028 | |
| Paving | |
| Asphalt - Slurry Seal & Repair | 24,269 |
| Concrete Curb & Gutter | 4,244 |
| Concrete Sidewalks | 4,303 |
| Stamped Concrete | 3,789 |
| Valley Gutter | 754 |
| Painting | |
| Fire Lane | 360 |
| Fencing/Security | |
| Block Wall & Masonry - Repairs | 4,039 |
| Total for 2028 | <u>\$41,759</u> |
| <i>No Replacement in 2029</i> | |
| <i>No Replacement in 2030</i> | |
| Replacement Year 2031 | |
| Signs | |
| Entry Sign | 2,613 |
| Exit Sign | 373 |
| Total for 2031 | <u>\$2,986</u> |
| Replacement Year 2032 | |
| Lighting | |
| Transformer | 1,186 |
| Signs | |
| Street Signs | 1,717 |
| Total for 2032 | <u>\$2,904</u> |

**CBS Sample Owners Association
Annual Expenditure Detail**

| Description | Expenditures |
|--------------------------------|------------------------|
| Replacement Year 2033 | |
| Paving | |
| Asphalt - Slurry Seal & Repair | 27,458 |
| Concrete Curb & Gutter | 4,802 |
| Concrete Sidewalks | 4,869 |
| Stamped Concrete | 4,287 |
| Valley Gutter | 853 |
| Painting | |
| Fire Lane | 407 |
| Metal Vehicle Gates - Painting | 1,909 |
| Fencing/Security | |
| Block Wall & Masonry - Repairs | 4,570 |
| Operator Battery Backup | 4,480 |
| Total for 2033 | <u>\$53,635</u> |
| <i>No Replacement in 2034</i> | |
| Replacement Year 2035 | |
| Fencing/Security | |
| Electromagnetic Locks | 2,017 |
| Grounds Components | |
| Message Center | 807 |
| Total for 2035 | <u>\$2,824</u> |
| Replacement Year 2036 | |
| Lighting | |
| Landscape Lighting | 1,847 |
| Grounds Components | |
| Landscape Replenishment | 9,650 |
| Total for 2036 | <u>\$11,497</u> |
| Replacement Year 2037 | |
| Paving | |
| Asphalt Overlay & Replacement | 484,933 |
| Fencing/Security | |
| Metal Vehicle Gates | 16,956 |

**CBS Sample Owners Association
Annual Expenditure Detail**

| Description | Expenditures |
|--|-------------------------|
| <i>Replacement Year 2037 continued...</i> | |
| Pedestrian Gates | 5,087 |
| Lighting | |
| Street Lights | 75,170 |
| Grounds Components | |
| Backflow Preventers | 3,532 |
| Mailboxes | |
| Cluster Mailboxes - 12 Units | 18,990 |
| Cluster Mailboxes - 13 Units | 2,459 |
| Cluster Mailboxes - 16 Units | 2,501 |
| Signs | |
| Monument Sign | 3,532 |
| Total for 2037 | <u>\$613,160</u> |
| Replacement Year 2038 | |
| Paving | |
| Asphalt - Slurry Seal & Repair | 31,066 |
| Concrete Curb & Gutter | 5,433 |
| Concrete Sidewalks | 5,509 |
| Stamped Concrete | 4,850 |
| Valley Gutter | 966 |
| Painting | |
| Fire Lane | 461 |
| Street Lights - Painting | 2,752 |
| Fencing/Security | |
| Block Wall & Masonry - Repairs | 5,170 |
| Gate Operators | 23,173 |
| Gate Sensor Loops | 9,776 |
| Pedestrian Gate Locks | 2,317 |
| Vehicle Entrance - Keypad/Intercom | 4,345 |
| Grounds Components | |
| Irrigation Controllers | 6,952 |
| Park Benches | 3,693 |
| Trash Receptacle | 1,448 |
| Total for 2038 | <u>\$107,911</u> |

**CBS Sample Owners Association
Annual Expenditure Detail**

| Description | Expenditures |
|-----------------------------------|-----------------|
| <i>No Replacement in 2039</i> | |
| <i>No Replacement in 2040</i> | |
| <i>No Replacement in 2041</i> | |
| <i>No Replacement in 2042</i> | |
| Replacement Year 2043 | |
| Paving | |
| Asphalt - Slurry Seal & Repair | 35,148 |
| Concrete Curb & Gutter | 6,147 |
| Concrete Sidewalks | 6,233 |
| Stamped Concrete | 5,487 |
| Valley Gutter | 1,092 |
| Painting | |
| Fire Lane | 521 |
| Metal Vehicle Gates - Painting | 2,443 |
| Fencing/Security | |
| Block Wall & Masonry - Repairs | 5,850 |
| Operator Battery Backup | 5,735 |
| Total for 2043 | \$68,657 |
| <i>No Replacement in 2044</i> | |
| <i>No Replacement in 2045</i> | |
| Replacement Year 2046 | |
| Lighting | |
| Landscape Lighting | 2,365 |
| Grounds Components | |
| Landscape Replenishment | 12,352 |
| Signs | |
| Entry Sign | 3,785 |
| Exit Sign | 540 |
| Total for 2046 | \$19,042 |
| Replacement Year 2047 | |
| Painting | |
| Fire Hydrants - Painting | 1,085 |

**CBS Sample Owners Association
Annual Expenditure Detail**

| Description | Expenditures |
|---|-----------------|
| <i>Replacement Year 2047 continued...</i> | |
| Fencing/Security | |
| Electromagnetic Locks | 2,713 |
| Wooden Fence | 26,000 |
| Grounds Components | |
| Fire Hydrants - Replacement | 39,068 |
| Irrigation Valves | 7,778 |
| Message Center | 1,085 |
| Total for 2047 | \$77,730 |
| | |
| Replacement Year 2048 | |
| Paving | |
| Asphalt - Slurry Seal & Repair | 39,767 |
| Concrete Curb & Gutter | 6,955 |
| Concrete Sidewalks | 7,052 |
| Stamped Concrete | 6,208 |
| Valley Gutter | 1,236 |
| Painting | |
| Fire Lane | 590 |
| Fencing/Security | |
| Block Wall & Masonry - Repairs | 6,619 |
| Total for 2048 | \$68,426 |
| | |
| <i>No Replacement in 2049</i> | |
| <i>No Replacement in 2050</i> | |
| <i>No Replacement in 2051</i> | |
| <i>No Replacement in 2052</i> | |

**CBS Sample Owners Association
Spread Sheet**

| | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
|------------------------------------|---------------|------|------|--------------|------------|---------------|--------------|------|------|--------------|
| Description | | | | | | | | | | |
| Paving | | | | | | | | | | |
| Asphalt - Slurry Seal & Repair | 21,450 | | | | | 24,269 | | | | |
| Asphalt Overlay & Replacement | | | | | | | | | | |
| Concrete Curb & Gutter | 3,751 | | | | | 4,244 | | | | |
| Concrete Sidewalks | 3,804 | | | | | 4,303 | | | | |
| Stamped Concrete | 3,349 | | | | | 3,789 | | | | |
| Valley Gutter | 667 | | | | | 754 | | | | |
| Paving Total: | 33,020 | | | | | 37,360 | | | | |
| Painting | | | | | | | | | | |
| Fire Hydrants - Painting | | | | | 662 | | | | | |
| Fire Lane | 318 | | | | | 360 | | | | |
| Metal Vehicle Gates - Painting | 1,491 | | | | | | | | | |
| Street Lights - Painting | 1,900 | | | | | | | | | |
| Painting Total: | 3,709 | | | | 662 | 360 | | | | |
| Fencing/Security | | | | | | | | | | |
| Block Wall & Masonry - Repairs | 3,570 | | | | | 4,039 | | | | |
| Electromagnetic Locks | 1,500 | | | | | | | | | |
| Gate Operators | 16,000 | | | | | | | | | |
| Gate Sensor Loops | 6,750 | | | | | | | | | |
| Metal Vehicle Gates | | | | | | | | | | |
| Operator Battery Backup | 3,500 | | | | | | | | | |
| Pedestrian Gate Locks | 1,600 | | | | | | | | | |
| Pedestrian Gates | | | | | | | | | | |
| Vehicle Entrance - Keypad/Intercom | 3,000 | | | | | | | | | |
| Wooden Fence | | | | | | 15,867 | | | | |
| Fencing/Security Total: | 35,920 | | | | | 15,867 | 4,039 | | | |
| Lighting | | | | | | | | | | |
| Landscape Lighting | | | | 1,443 | | | | | | |
| Street Lights | | | | | | | | | | |
| Transformer | | | | | | | | | | 1,186 |
| Lighting Total: | | | | 1,443 | | | | | | 1,186 |

**CBS Sample Owners Association
Spread Sheet**

| | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
|----------------------------------|---------------|-------------|-------------|--------------|---------------|---------------|-------------|-------------|--------------|--------------|
| Description | | | | | | | | | | |
| Grounds Components | | | | | | | | | | |
| Backflow Preventers | | | | | | | | | | |
| Fire Hydrants - Replacement | | | | | | | | | | |
| Irrigation Controllers | 4,800 | | | | | | | | | |
| Irrigation Valves | | | | | 4,746 | | | | | |
| Landscape Replenishment | | | | 7,538 | | | | | | |
| Message Center | 600 | | | | | | | | | |
| Park Benches | 2,550 | | | | | | | | | |
| Trash Receptacle | 1,000 | | | | | | | | | |
| Grounds Components Total: | 8,950 | | | 7,538 | 4,746 | | | | | |
| Mailboxes | | | | | | | | | | |
| Cluster Mailboxes - 12 Units | | | | | | | | | | |
| Cluster Mailboxes - 13 Units | | | | | | | | | | |
| Cluster Mailboxes - 16 Units | | | | | | | | | | |
| Mailboxes Total: | | | | | | | | | | |
| Signs | | | | | | | | | | |
| Entry Sign | | | | | | | | | 2,613 | |
| Exit Sign | | | | | | | | | 373 | |
| Monument Sign | | | | | | | | | | |
| Street Signs | | | | | | | | | | 1,717 |
| Signs Total: | | | | | | | | | 2,986 | 1,717 |
| Year Total: | 81,600 | | | 8,981 | 21,276 | 41,759 | | | 2,986 | 2,904 |

**CBS Sample Owners Association
Spread Sheet**

| Description | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 |
|------------------------------------|---------------|-------------|--------------|--------------|----------------|---------------|-------------|-------------|-------------|-------------|
| Paving | | | | | | | | | | |
| Asphalt - Slurry Seal & Repair | 27,458 | | | | | 31,066 | | | | |
| Asphalt Overlay & Replacement | | | | | 484,933 | | | | | |
| Concrete Curb & Gutter | 4,802 | | | | | 5,433 | | | | |
| Concrete Sidewalks | 4,869 | | | | | 5,509 | | | | |
| Stamped Concrete | 4,287 | | | | | 4,850 | | | | |
| Valley Gutter | 853 | | | | | 966 | | | | |
| Paving Total: | 42,269 | | | | 484,933 | 47,823 | | | | |
| Painting | | | | | | | | | | |
| Fire Hydrants - Painting | | | | | | | | | | |
| Fire Lane | 407 | | | | | 461 | | | | |
| Metal Vehicle Gates - Painting | 1,909 | | | | | | | | | |
| Street Lights - Painting | | | | | | 2,752 | | | | |
| Painting Total: | 2,316 | | | | | 3,213 | | | | |
| Fencing/Security | | | | | | | | | | |
| Block Wall & Masonry - Repairs | 4,570 | | | | | 5,170 | | | | |
| Electromagnetic Locks | | | 2,017 | | | | | | | |
| Gate Operators | | | | | | 23,173 | | | | |
| Gate Sensor Loops | | | | | | 9,776 | | | | |
| Metal Vehicle Gates | | | | | 16,956 | | | | | |
| Operator Battery Backup | 4,480 | | | | | | | | | |
| Pedestrian Gate Locks | | | | | | 2,317 | | | | |
| Pedestrian Gates | | | | | 5,087 | | | | | |
| Vehicle Entrance - Keypad/Intercom | | | | | | 4,345 | | | | |
| Wooden Fence | | | | | | | | | | |
| Fencing/Security Total: | 9,050 | | 2,017 | | 22,042 | 44,781 | | | | |
| Lighting | | | | | | | | | | |
| Landscape Lighting | | | | 1,847 | | | | | | |
| Street Lights | | | | | 75,170 | | | | | |
| Transformer | | | | | | | | | | |
| Lighting Total: | | | | 1,847 | 75,170 | | | | | |

**CBS Sample Owners Association
Spread Sheet**

| | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 |
|----------------------------------|---------------|-------------|--------------|---------------|----------------|----------------|-------------|-------------|-------------|-------------|
| Description | | | | | | | | | | |
| Grounds Components | | | | | | | | | | |
| Backflow Preventers | | | | | 3,532 | | | | | |
| Fire Hydrants - Replacement | | | | | | | | | | |
| Irrigation Controllers | | | | | | 6,952 | | | | |
| Irrigation Valves | | | | | | | | | | |
| Landscape Replenishment | | | | 9,650 | | | | | | |
| Message Center | | | 807 | | | | | | | |
| Park Benches | | | | | | 3,693 | | | | |
| Trash Receptacle | | | | | | 1,448 | | | | |
| Grounds Components Total: | | | 807 | 9,650 | 3,532 | 12,093 | | | | |
| Mailboxes | | | | | | | | | | |
| Cluster Mailboxes - 12 Units | | | | | 18,990 | | | | | |
| Cluster Mailboxes - 13 Units | | | | | 2,459 | | | | | |
| Cluster Mailboxes - 16 Units | | | | | 2,501 | | | | | |
| Mailboxes Total: | | | | | 23,950 | | | | | |
| Signs | | | | | | | | | | |
| Entry Sign | | | | | | | | | | |
| Exit Sign | | | | | | | | | | |
| Monument Sign | | | | | 3,532 | | | | | |
| Street Signs | | | | | | | | | | |
| Signs Total: | | | | | 3,532 | | | | | |
| Year Total: | 53,635 | | 2,824 | 11,497 | 613,160 | 107,911 | | | | |

**CBS Sample Owners Association
Spread Sheet**

| Description | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 |
|------------------------------------|---------------|-------------|-------------|--------------|---------------|---------------|-------------|-------------|-------------|-------------|
| Paving | | | | | | | | | | |
| Asphalt - Slurry Seal & Repair | 35,148 | | | | | 39,767 | | | | |
| Asphalt Overlay & Replacement | | | | | | | | | | |
| Concrete Curb & Gutter | 6,147 | | | | | 6,955 | | | | |
| Concrete Sidewalks | 6,233 | | | | | 7,052 | | | | |
| Stamped Concrete | 5,487 | | | | | 6,208 | | | | |
| Valley Gutter | 1,092 | | | | | 1,236 | | | | |
| Paving Total: | 54,108 | | | | | 61,218 | | | | |
| Painting | | | | | | | | | | |
| Fire Hydrants - Painting | | | | | 1,085 | | | | | |
| Fire Lane | 521 | | | | | 590 | | | | |
| Metal Vehicle Gates - Painting | 2,443 | | | | | | | | | |
| Street Lights - Painting | | | | | | | | | | |
| Painting Total: | 2,965 | | | | 1,085 | 590 | | | | |
| Fencing/Security | | | | | | | | | | |
| Block Wall & Masonry - Repairs | 5,850 | | | | | 6,619 | | | | |
| Electromagnetic Locks | | | | | 2,713 | | | | | |
| Gate Operators | | | | | | | | | | |
| Gate Sensor Loops | | | | | | | | | | |
| Metal Vehicle Gates | | | | | | | | | | |
| Operator Battery Backup | 5,735 | | | | | | | | | |
| Pedestrian Gate Locks | | | | | | | | | | |
| Pedestrian Gates | | | | | | | | | | |
| Vehicle Entrance - Keypad/Intercom | | | | | | | | | | |
| Wooden Fence | | | | | 26,000 | | | | | |
| Fencing/Security Total: | 11,585 | | | | 28,714 | 6,619 | | | | |
| Lighting | | | | | | | | | | |
| Landscape Lighting | | | | 2,365 | | | | | | |
| Street Lights | | | | | | | | | | |
| Transformer | | | | | | | | | | |
| Lighting Total: | | | | 2,365 | | | | | | |

**CBS Sample Owners Association
Spread Sheet**

| Description | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 |
|----------------------------------|---------------|------|------|---------------|---------------|---------------|------|------|------|------|
| Grounds Components | | | | | | | | | | |
| Backflow Preventers | | | | | | | | | | |
| Fire Hydrants - Replacement | | | | | 39,068 | | | | | |
| Irrigation Controllers | | | | | | | | | | |
| Irrigation Valves | | | | | 7,778 | | | | | |
| Landscape Replenishment | | | | 12,352 | | | | | | |
| Message Center | | | | | 1,085 | | | | | |
| Park Benches | | | | | | | | | | |
| Trash Receptacle | | | | | | | | | | |
| Grounds Components Total: | | | | 12,352 | 47,931 | | | | | |
| Mailboxes | | | | | | | | | | |
| Cluster Mailboxes - 12 Units | | | | | | | | | | |
| Cluster Mailboxes - 13 Units | | | | | | | | | | |
| Cluster Mailboxes - 16 Units | | | | | | | | | | |
| Mailboxes Total: | | | | | | | | | | |
| Signs | | | | | | | | | | |
| Entry Sign | | | | 3,785 | | | | | | |
| Exit Sign | | | | 540 | | | | | | |
| Monument Sign | | | | | | | | | | |
| Street Signs | | | | | | | | | | |
| Signs Total: | | | | 4,325 | | | | | | |
| Year Total: | 68,657 | | | 19,042 | 77,730 | 68,426 | | | | |

Important Information

This document has been provided pursuant to an agreement containing restrictions on its use. No part of this document may be copied or distributed, in any form or by any means, nor disclosed to third parties without the expressed written permission of California Builder Services. The client shall have the right to reproduce and distribute copies of this report, or the information contained within, as may be required for compliance with all applicable regulations.

This reserve analysis study and the parameters under which it has been completed are based upon information provided to us in part by representatives of the association, its contractors, assorted vendors, specialist and independent contractors, the Community Association Institute, and various construction pricing and scheduling manuals including, but not limited to: Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, RS Means Repair & Remodeling Cost Data, National Construction Estimator, National Repair & Remodel Estimator, Dodge Cost Manual, McGraw-Hill Professional, and the Operating Cost Manual by the California Bureau of Real Estate. Additionally, costs are obtained from numerous vendor catalogues, actual quotations or historical costs, and our own experience in the field of building design, HOA Budget preparation, Public Report processing, and reserve study preparation.

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

We recommend that your reserve analysis study be updated on an annual basis due to fluctuating interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and computations made subsequently in preparing this reserve analysis study are retained in our computer files. Therefore, annual updates may be completed quickly and inexpensively each year.

California Builder Services would like to thank you for using our services. We invite you to call us at any time, should you have questions, comments or need assistance. In addition, any of the parameters and estimates used in this study may be changed at your request, after which we will provide a revised study. Collaboration with the customer and the Association is vital to the accuracy and effectiveness of this study.

This reserve analysis study is provided as an aid for planning purposes and not as an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described.

Part III

Introduction

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

The Reserve Study: A Physical and a Financial Analysis

There are two components of a reserve study: a *physical analysis* and a *financial analysis*.

- **Physical Analysis:**

During the physical analysis, a reserve study provider evaluates information regarding the physical status and repair/replacement costs of the association's major common area components. To do so, the provider conducts a component inventory, a condition assessment, and life and valuation estimates.

This assessment does not include destructive testing, unless otherwise noted. Furthermore, field measurements are taken at the time of the site inspection along with review and measurement take-offs based on building and site plans, among others. The determination of whether an expense should be labeled as operational, reserve, or excluded altogether is sometimes subjective. Since this labeling may have a major impact on the financial plans of the association, subjective determinations should be minimized. We suggest the following considerations when labeling an expense.

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

Reserve Expenses: Reserve Expenses are the major expenses that occur *other than annually*, and which must be budgeted for in advance in order to ensure the availability of the necessary funds in time for their use. Reserve expenses are reasonably predictable both in terms of frequency and cost. However, they may include significant assets that have an indeterminable but potential liability that may be demonstrated as a likely occurrence. They are expenses that, when incurred, would have a significant effect on the smooth operation of the budgetary process from one year to the next, if they were not reserved for in advance.

Items not usually included in the Reserve Calculations:

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

- **Financial Analysis**

The financial analysis assesses the association's reserve balance or "fund status" (measured in cash or as percent fully funded) to determine a recommendation for the appropriate reserve contribution rate in the future, known as the "funding plan." The Financial Analysis takes into account the balance of the reserve fund in cash or cash equivalents, investment yields, and inflation rate.

Preparing the Reserve Study

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

Funding Methods

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

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

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

Funding Strategies

There are four basic strategies from which most associations select. It is recommended that associations consult professionals to determine the best strategy or combination of plans that best suit the association’s need. Additionally, associations should consult with their financial advisor to determine the tax implications of selecting a particular plan. Further, consultation with the American Institute of Certified Public Accountants (AICPA) for their reporting requirements is advisable. The four funding plans and descriptions of each are detailed below:

Full Funding--Given that the basis of funding for reserves is to distribute the costs of the replacements over the lives of the components in question, it follows that the ideal level of reserves would be proportionately related to those lives and costs. If an association has a component with an expected estimated useful life of ten years, it would set aside approximately one-tenth of the replacement cost each year. At the end of three years, one would expect three-tenths of the replacement cost to have accumulated, and if so, that component would be “fully-funded.” This model is important in that it is a measure of the adequacy of an association’s reserves at any one point of time, and is independent of any particular method which may have been used for past funding or may be under consideration for future funding. This formula represents a snapshot in time and is based upon current replacement cost, independent of future inflationary or investment factors:

Fully Funded Reserves = (Age/Useful Life) x Current Replacement Cost

When an association’s total accumulated reserves for all components meet this criterion, its reserves are considered “fully-funded.”

The **Current Assessment Funding Model**. This method is also based upon the cash flow funding concept. The initial reserve assessment is set at the association’s current fiscal year funding level and a 30-year projection is calculated to illustrate the adequacy of the current funding over time.

The **Component Funding Model**. This is a straight-line funding model. It distributes the cash reserves to individual reserve components and then calculates what the reserve assessment and interest contribution (minus taxes) should be, again by each reserve component. The current annual assessment is then determined by summing all the individual

component assessments, hence the name “Component Funding Model”. This is the most conservative funding model. It leads to or maintains the fully funded reserve position. The following details this calculation process.

Definitions

Annual Assessment Increase

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

Investment Yield Before Taxes

The average interest rate anticipated by the association based upon its current investment practices.

Projected Reserve Balance

The anticipated reserve balance on the first day of the fiscal year for which this report has been prepared. This is based upon information provided and not audited.

Percent Fully Funded

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

Total Monthly Allocation

The sum of the monthly assessment and interest contribution figures.

Group and Category

The report may be prepared and sorted either by group (location, building, phase, etc.) or by category (roofing, painting, etc.). The standard report printing format is by category.

Percentage of Replacement or Repairs

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

Placed-In-Service Date

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

Estimated Useful Life

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

Adjustment to Useful Life

Once the useful life is determined, it may be adjusted, up or down, by this separate figure for the current cycle of replacement. This will allow for a current period adjustment without affecting the estimated replacement cycles for future replacements.

Estimated Remaining Life

This calculation is completed internally based upon the report’s fiscal year date and the date the asset was placed-in-service.

Replacement Year

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

Fixed Assessment

An optional figure which, if used, will override all calculations and set the assessment at this amount. This assessment can be set for monthly, quarterly or annually as necessary.

One-Time Replacement

Notation if the asset is to be replaced on a one-time basis.

Current Replacement Cost

The estimated replacement cost effective at the beginning of the fiscal year for which the report is being prepared.

Future Replacement Cost

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

Supplemental Disclosures

General

CBS has no other involvement(s) with the Association which could result in actual or perceived conflicts of interest.

California Builder Services Credentials

With over half a century of combined experience in working with the Bureau of Real Estate's investigators as well as new home design, California Builder Services has the experience to accurately and efficiently complete reserve studies on all types and sizes of developments. We are acutely experienced in the application and use of reserve studies, as we have created thousands of homeowner association budgets, all of which have been reviewed and approved by the Bureau of Real Estate's investigators.

This Reserve Study was prepared by, or under the direct supervision of, a Community Associations Institute credentialed Reserve Specialist.

Completeness

CBS has found no material issues which, if not disclosed, would cause a distortion of the association's situation.

Reliance on Client Data

Information provided by the official representative of the association regarding financial, physical, quantity, or historical issues will be deemed reliable by CBS.

Scope

This Reserve Study is a reflection of information provided to CBS and assembled for the association's use, not for the purpose of performing an audit, quality/forensic analyses, or background checks of historical records.

Reserve Balance

The actual or projected total presented in the Reserve Study is based upon information provided and was not audited.

Reserve Projects

Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection.