

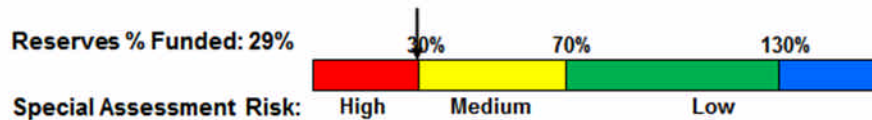
# 3- Minute Executive Summary

**Association:** Civano I, Neighborhood I HOA **#:** 9304-1  
**Location:** Tucson, Arizona **# of Units:** 676  
**Report Period:** January 1, 2017 through December 31, 2017

***Findings/Recommendations as-of 1/1/2017:***

Projected Starting Reserve Balance: .....	\$383,900
Current Fully Funded Reserve Balance: .....	\$1,321,131
Average Reserve Deficit (Surplus) Per Unit:.....	\$1,386
Recommended 2017 Monthly “Full Funding” Contributions:.....	\$13,500
Alternate Minimum Contributions* to keep Reserves above \$0:.....	\$12,500
Recommended 2017 Special Assessment for Reserves:.....	\$0

**Most Recent Budgeted Reserve Contribution Rate: .....**\$10,752



***Economic Assumptions:***

**Net Annual “After Tax” Interest Earnings Accruing to Reserves.....**1.00%  
**Annual Inflation Rate .....**3.00%

- This is an “Update With-Site-Visit” Reserve Study, based on a prior Report prepared by Association Reserves for your 2013 Fiscal Year. We performed the site inspection on April 26, 2016.
- The Reserve expense threshold for this analysis is \$1,000, which means no expenses under \$1,000 are funded in the Reserve Study.
- Your Reserve Fund is 29% Funded. This means Reserves are in a weak financial position, and the association’s special assessment & deferred maintenance risk is currently high. The objective of your multi-year Funding Plan is to Fully Fund Reserves, where associations enjoy a low risk of Reserve cash flow problems.
- Based on this starting point and anticipated future expenses, we recommend increasing Reserve contributions to \$13,500/month. Nominal annual increases are scheduled to help build the contribution rate up over time while also offsetting inflation (see tables herein for details).

\*officially called “Baseline Funding”

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
<b>PAVEMENT</b>				
100	Asphalt Streets - Remove & Repave	40	23	\$143,500
102	Asphalt Streets - Mill & Overlay	24	6	\$85,500
104	Asphalt Streets - Seal/Repair	4	0	\$8,400
110	Asphalt Parking - Remove & Repave	24	7	\$288,500
112	Asphalt Parking - Seal/Repair	4	0	\$12,000
120	Asphalt Trails - Resurface	24	8	\$194,000
122	Asphalt Trails - Seal/Repair	4	0	\$10,150
130	Asphalt Surfaces - Repair	2	0	\$3,200
140	Concrete - Repair	4	0	\$3,750
<b>IRRIGATION &amp; LANDSCAPE</b>				
301	Irrigation Systems - Replace	25	8	\$122,000
304	Irrig Controllers (1999) - Replace	15	1	\$5,100
306	Irrig Controllers (2002) - Replace	15	2	\$4,750
308	Irrig Controllers (2007) - Replace	15	5	\$3,700
310	Irrig Controllers (2008) - Replace	12	3	\$4,500
330	Landscape Rock - Replace/Replenish	1	0	\$14,500
334	Drainage Rip-Rap - Replenish/Repair	15	11	\$10,800
336	Drain Systems - Repair/Replace	25	7	\$12,500
340	Trees & Plants - Partial Replace	1	0	\$9,800
370	Sewer Lines - Video/Repair	5	0	\$4,250
<b>COMMON AREAS</b>				
400	Monument - Refurbish	18	7	\$2,900
404	Bollard Lights - Replace	25	7	\$108,000
406	Trail Lights - Replace	20	3	\$10,500
408	Light Fixtures - Repaint	15	2	\$4,150
410	Pet Stations - Replace	15	3	\$4,950
420	Metal Fence - Replace	30	12	\$11,500
421	Metal Fence - Repaint	5	2	\$1,000
425	Metal Rails (1999) - Replace	30	13	\$46,500
427	Metal Rails (2008) - Replace	30	21	\$73,000
428	Metal Rails - Repaint	5	1	\$19,000
430	Retaining Walls - Repair	20	7	\$21,500
460	Fingerway Bridges - Repair	15	6	\$5,400
480	Mailboxes - Replace (A)	20	3	\$36,500
482	Mailboxes - Replace (B)	20	4	\$31,500
484	Mailboxes - Replace (C)	20	11	\$15,500
<b>RECREATION AMENITIES</b>				
501	Playground Shade - Replace	12	4	\$3,250
502	Playground Equipment - Replace	18	6	\$20,000
505	Artificial Turf - Replace	10	7	\$2,650
506	Playground Fence - Replace	30	18	\$18,500
507	Playground Fence - Repaint	5	0	\$1,450
510	Card Readers - Replace	10	9	\$10,000

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
514	Park Furniture - Replace	15	2	\$29,000
520	Bocce Ball - Refurbish	8	3	\$1,300
530	Garden Fence - Replace	30	13	\$3,150
534	Garden Wall - Seal/Repair	3	0	\$3,100
540	Tennis Court - Replace	N/A	8	\$50,000
542	Tennis Court - Resurface	5	3	\$9,500
544	Tennis Fence - Replace	30	12	\$15,500
545	Tennis Fence - Repaint	8	4	\$3,800
560	Tennis Lights - Replace	30	12	\$18,000
570	Basketball Court - Replace	30	17	\$28,000
576	Soccer Goals - Replace	20	7	\$1,800
580	Swing Set - Replace	18	16	\$8,300

**NORTH POOL**

701	Metal Fence - Replace	25	7	\$7,350
712	Drinking Fountain - Replace	15	13	\$2,100
714	Restrooms - Refurbish	12	6	\$2,600
716	Security System - Replace	8	6	\$3,850
718	Exterior Lights - Replace	15	12	\$5,200
720	Exterior Surfaces - Repaint	5	1	\$4,550
730	Metal Roofs - Replace	40	22	\$25,000
736	Solar Panels - Replace	18	2	\$13,500
740	Pool Deck - Resurface	16	4	\$10,500
742	Pool Deck - Seal/Repair	4	0	\$4,600
744	Pool - Resurface	12	0	\$18,000
750	Pool Furniture - Replace	12	2	\$7,900
761	Pool Filter #1 - Replace	15	1	\$2,150
762	Pool Filter #2 - Replace	15	6	\$1,800
764	Pool Pump #1 - Replace	12	9	\$1,600
765	Pool Pump #2 - Replace	12	0	\$1,600
766	Solar Pump - Replace	12	10	\$1,600

**SOUTH POOL**

901	Metal Fence - Replace	25	9	\$17,000
906	Bollard Lights - Replace	25	13	\$4,300
912	Drinking Fountain - Replace	15	1	\$2,100
914	Restrooms - Refurbish	12	6	\$2,600
916	Security System - Replace	8	6	\$3,850
918	Exterior Lights - Replace	15	3	\$9,100
920	Exterior Surfaces - Repaint	5	1	\$6,100
930	Metal Roofs - Replace	40	24	\$40,000
936	Solar Panels - Replace	18	2	\$11,500
940	Pool Deck - Resurface	16	4	\$10,500
942	Pool Deck - Seal/Repair	4	0	\$4,600
944	Pool - Resurface	12	2	\$20,000
948	Pool Lift - Replace	12	0	\$7,000
950	Pool Furniture - Replace	12	2	\$8,200
960	Pool Filters - Replace	15	3	\$3,600

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
964	Pool Pumps - Replace	12	8	\$4,400
<b>ACTIVITY CENTER</b>				
1100	Concrete Floor - Refinish	5	3	\$3,650
1102	Carpet Floor - Replace	15	2	\$2,900
1104	Rotunda Furniture (2010) - Replace	8	1	\$3,300
1106	Rotunda Furniture (1999) - Replace	8	0	\$5,550
1110	Stack Chairs - Replace	20	2	\$3,850
1112	Folding Chairs - Replace	10	5	\$1,750
1124	Television - Replace	8	4	\$4,000
1128	Fire Sprinkler System - Repair	15	2	\$3,200
1140	Kitchen - Remodel	24	4	\$7,000
1142	Kitchen Appliances - Replace	12	2	\$2,200
1146	Drinking Fountain - Replace	18	2	\$2,100
1148	Restrooms - Remodel	20	4	\$23,500
1150	Office Furniture - Replace	15	3	\$3,550
1152	Office Computers - Replace	5	2	\$1,400
1154	Office Copier - Replace	8	7	\$8,850
1155	Folding Machine - Replace	10	7	\$3,200
1156	Office Cabinetry - Replace	25	7	\$6,450
1158	Surveillance System - Replace	8	0	\$2,200
1160	Fan Coils - Replace	15	1	\$17,000
1162	Interior Surfaces - Repaint	15	2	\$4,300
1164	Interior Lights - Replace	30	12	\$13,500
1166	Exterior Lights - Replace	20	2	\$3,600
1170	Adobe Walls - Seal	3	0	\$3,000
1171	Adobe Walls - Repair	9	3	\$11,500
1172	Stucco Surfaces - Repaint	7	3	\$1,950
1174	Doors & Windows - Repaint	4	0	\$2,750
1175	Doors & Windows - Replace	30	12	\$28,000
1176	Flat Roof - Replace	20	4	\$10,900
1177	Flat Roof - Seal/Repair	5	4	\$1,750
1178	Metal Roof - Replace	40	22	\$4,300
<b>HVAC SYSTEM</b>				
1250	Hydronic Boiler - Replace	25	7	\$4,350
1256	Circulation Pumps - Replace	20	2	\$7,450
1258	Circulation Pumps - Repair	5	2	\$3,500
1260	Variable Frequency Drives - Replace	12	0	\$3,100
1264	Expansion Tank - Replace	25	7	\$1,200
1280	Cooling Tower - Replace	25	7	\$5,550
1282	CT Control Panel - Replace	15	14	\$1,900
122	Total Funded Components			

Note 1: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: Yellow highlighted line items are expected to require attention in the initial year.