

Wasatch Reserve Study Analyst Report

Stoker Gardens Homeowner's Association
Syracuse, Utah
January 1, 2024



Wasatch Reserve Studies

Lindon, UT 84042

Phone: 801-721-7147

TABLE OF CONTENTS

Stoker Gardens

PART I INFORMATION ABOUT YOUR RESERVE STUDY

Important Information	1-1
Introduction	1-2
Funding Options	1-2
Types of Reserve Studies	1-3
Developing a Component List	1-3
Operational Expenses	1-4
Reserve Expenses	1-4
Funding Methods	1-5
Funding Strategies	1-6
Distribution of Reserves	1-7
Users Guide to Your Reserve Study	1-9
Definitions	1-9
Your Reserve Study is a Multi-Purpose Tool	1-13

PART II RESERVE STUDY

Component Funding Model Summary	2-1
Component Funding Model Projection	2-2
Component Funding Model VS Fully Funded Chart	2-3
Component Funding Model Assessment & Category Summary	2-4
Distribution of Accumulated Reserves	2-6
Annual Expenditure Detail	2-7
Detail Report by Category	2-12
Category Detail Index	2-36
Annual Expenditure Chart	2-37
Funding Model Reserve Ending Balance Comparison Chart	2-38
Funding Model Comparison by Percent Funded	2-39
Funding Model Assessment Comparison Chart	2-40
Spread Sheet	2-41
Executive Summary	2-44

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 **Wasatch Reserve Studies**. 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 Wasatch Reserve Study reserve analysis 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 and McGraw-Hill Professional. Additionally, costs are obtained from numerous vendor catalogues, actual quotations or historical costs, and our own experience in the field of property management 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 every 3 years 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.

Wasatch Reserve Studies 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.

This Wasatch Reserve 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.

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.

Funding Options

When a major repair or replacement is required in a community, an association has essentially four

options available to address the expenditure:

The first, and only logical means that the Board of Directors has to ensure its ability to maintain the assets for which it is obligated, is by **assessing an adequate level of reserves** as part of the regular membership assessment, thereby distributing the cost of the replacements uniformly over the entire membership. The community is not only comprised of present members, but also future members. Unlike individuals determining their own course of action, the board is responsible to the “community” as a whole.

Whereas, if the association was setting aside reserves for this purpose, using the vehicle of the regularly assessed membership dues, it would have had the full term of the life of the roof, for example, to accumulate the necessary moneys. Additionally, those contributions would have been evenly distributed over the entire membership and would have earned interest as part of that contribution.

The second option is for the association to **acquire a loan** from a lending institution in order to effect the required repairs. In many cases, banks will lend to an association using “future homeowner assessments” as collateral for the loan. With this method, the current board is pledging the future assets of an association. They are also incurring the additional expense of interest fees along with the original principal amount. In the case of a \$150,000 roofing replacement, the association may be required to pay back the loan over a three to five year period, with interest.

The third option, too often used, is simply to **defer the required repair or replacement**. This option, which is not recommended, can create an environment of declining property values due to expanding lists of deferred maintenance items and the association’s financial inability to keep pace with the normal aging process of the common area components. This, in turn, can have a seriously negative impact on sellers in the association by making it difficult, or even impossible, for potential buyers to obtain financing from lenders. Increasingly, lending institutions are requesting copies of the association’s most recent reserve study before granting loans, either for the association itself, a prospective purchaser, or for an individual within such an association.

The fourth option is to pass a “**special assessment**” to the membership in an amount required to cover the expenditure. When a special assessment is passed, the association has the authority and responsibility to collect the assessments, even by means of foreclosure, if necessary. However, an association considering a special assessment cannot guarantee that an assessment, when needed, will be passed. Consequently, the association cannot guarantee its ability to perform the required repairs or replacements to those major components for which it is obligated when the need arises. Additionally, while relatively new communities require very little in the way of major “reserve” expenditures, associations reaching 12 to 15 years of age and older, find many components reaching the end of their effective useful lives. These required expenditures, all accruing at the same time, could be devastating to an association’s overall budget.

Types of Reserve Studies

Most reserve studies fit into one of three categories:

Full Reserve Study;

Update with site inspection; and

Update without site inspection.

In a **Full Reserve Study**, the reserve provider conducts a component inventory, a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both a “fund status” and “funding plan”.

In an **Update with site inspection**, the reserve provider conducts a component inventory (verification

only, not quantification unless new components have been added to the inventory), a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both the “fund status and “funding plan.”

In an **Update without site inspection**, the reserve provider conducts life and valuation estimates to determine the “fund status” and “funding plan.”

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 cost 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.

Developing a Component List

The budget process begins with full inventory of all the major components for which the association is responsible. 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

Occur at least 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. Examples of *operational expenses* include:

Utilities:	Bank Service Charges	Accounting
Electricity	Dues & Publications	Reserve Study
Gas	Licenses, Permits & Fees	Repair Expenses:
Water	Insurance(s)	Tile Roof Repairs
Telephone	Services:	Equipment Repairs
Cable TV	Landscaping	Minor Concrete Repairs
Administrative:	Pool Maintenance	Operating Contingency
Supplies	Street Sweeping	

Reserve Expenses

These are 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. Examples of reserve expenses include:

Roof Replacements	Park/Play Equipment
Painting	Pool/Spa Re-plastering
Deck Resurfacing	Pool Equipment Replacement
Fencing Replacement	Pool Furniture Replacement
Asphalt Seal Coating	Tennis Court Resurfacing
Asphalt Repairs	Lighting Replacement
Asphalt Overlays	Insurance(s)
Equipment Replacement	Reserve Study
Interior Furnishings	

Budgeting is Normally Excluded for:

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".

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.

By following the recommendations of an effective reserve study, the association should avoid any major shortfalls. However, to remain accurate, the report should be updated on an annual basis to reflect such changes as shifts in economic parameters, additions of phases or assets, or expenditures of reserve funds. The association can assist in simplifying the reserve analysis update process by keeping accurate records of these changes throughout the year.

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 **Wasatch Reserve Studies** Threshold and the **Wasatch Reserve Studies** 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 **Wasatch Reserve Studies** Component Funding model is based upon the component methodology.

Funding Strategies

Once an association has established its funding goals, the association can select an appropriate funding plan. 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. Associations will have to update their reserve studies more or less frequently depending on the funding strategy they select.

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 divided by Useful Life the results multiplied by Current Replacement Cost

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

The Wasatch Reserve Studies Threshold Funding Model (Minimum Funding). The goal of this funding method is to keep the reserve cash balance above zero. This means that while each individual component may not be fully funded, the reserve balance overall does not drop below zero during the projected period. An association using this funding method must understand that even a minor reduction in a component's remaining useful life can result in a deficit in the reserve cash balance.

The Wasatch Reserve Studies Threshold Funding Model. This method is based upon the cash flow funding concept. The minimum reserve cash balance in threshold funding, however, is set at a predetermined dollar amount (other than \$0).

The Wasatch Reserve Studies 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 Wasatch Reserve Studies 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.

Component Funding Model Distribution of Accumulated Reserves

The "Distribution of Accumulated Reserves Report" is a "Component Funding Model" calculation. This distribution **does not** apply to the cash flow funding models.

When calculating reserves based upon the component methodology, a beginning reserve balance must be allocated for each of the individual components considered in the analysis, before the individual calculations can be completed. When this distribution is not available, or of sufficient detail, the following method is suggested for allocating reserves:

The first step the program performs in this process is subtracting, from the total accumulated reserves, any amounts for assets that have predetermined (fixed) reserve balances. The user can “fix” the accumulated reserve balance within the program on the individual asset’s detail page. If, by error, these amounts total more than the amount of funds available, then the remaining assets are adjusted accordingly. A provision for a contingency reserve is then deducted by the determined percentage used, and if there are sufficient remaining funds available.

The second step is to identify the ideal level of reserves for each asset. As indicated in the prior section, this is accomplished by evaluating the component’s age proportionate to its estimated useful life and current replacement cost. Again, the equation used is as follows:

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

The **Wasatch Reserve Studies** program performs the above calculations to the actual month the component was placed-in-service. The program projects that the accumulation of necessary reserves for repairs or replacements will be available on the first day of the fiscal year in which they are scheduled to occur.

The next step the program performs is to arrange all of the assets used in the study in ascending order by remaining life, and alphabetically within each grouping of remaining life items. These assets are then assigned their respective ideal level of reserves until the amount of funds available is depleted, or until all assets are appropriately funded. If any assets are assigned a zero remaining life (scheduled for replacement in the current fiscal year), then the amount assigned equals the current replacement cost and funding begins for the next cycle of replacement. If there are insufficient funds available to accomplish this, then the software automatically adjusts the zero remaining life items to one year, and that asset assumes its new grouping position alphabetically in the final printed report.

If, at the completion of this task, there are additional moneys that have not been distributed, the remaining reserves are then assigned, in ascending order, to a level equal to, but not exceeding, the current replacement cost for each component. If there are sufficient moneys available to fund all assets at their current replacement cost levels, then any excess funds are designated as such and are not factored into any of the report computations. If, at the end of this assignment process there are designated excess funds, they can be used to offset the monthly contribution requirements recommended, or used in any other manner the client may desire.

Assigning the reserves in this manner defers the make-up period for any under-funding over the longest remaining life of all assets under consideration, thereby minimizing the impact of any deficiency. For example, if the report indicates an under funding of \$50,000, this under-funding will be assigned to components with the longest remaining lives in order to give more time to “replenish” the account. If the \$50,000 under-funding were to be assigned to short remaining life items, the impact would be felt immediately.

If the reserves are under-funded, the monthly contribution requirements, as outlined in this report, can be expected to be higher than normal. In future years, as individual assets are replaced, the funding requirements will return to their normal levels. In the case of a large deficiency, a special assessment may be considered. The program can easily generate revised reports outlining how the monthly contributions would be affected by such an adjustment, or by any other changes that may be under consideration.

Funding Reserves

Three assessment and contribution figures are provided in the report, the “Monthly Reserve Assessment Required”, the “Average Net Monthly Interest Earned” contribution and the “Total Monthly Allocation to Reserves.” The association should allocate the “Monthly Reserve Assessment Required” amount to reserves each month when the interest earned on the reserves is left in the reserve accounts as part of the contribution. Any interest earned on reserve deposits, must be left in reserves and only amounts set aside for taxes should be removed.

The second alternative is to allocate the “Total Monthly Allocation” to reserves (this is the member assessment plus the anticipated interest earned for the fiscal year). This method assumes that all interest earned will be assigned directly as operating income. This allocation takes into consideration the anticipated interest earned on accumulated reserves regardless of whether or not it is actually earned. When taxes are paid, the amount due will be taken directly from the association’s operating accounts as the reserve accounts are allocated only those moneys net of taxes.

Users’ Guide to your Reserve Analysis Study

Part II of your **Wasatch Reserve Studies** Report contains the reserve analysis study for your association. There are seven types of reports in the study as described below.

Report Summaries

The Report Summary for all funding models lists all of the parameters that were used in calculating the report as well as the summary of your reserve analysis study.

Index Reports

The **Distribution of Accumulated Reserves** report lists all assets in remaining life order. It also identifies the ideal level of reserves that should have accumulated for the association as well as the actual reserves available. This information is valid only for the “Component Funding Model” calculation.

The **Component Listing/Summary** lists all assets by category (i.e. roofing, painting, lighting, etc.) together with their remaining life, current cost, monthly reserve contribution, and net monthly allocation.

Detail Reports

The Detail Report itemizes each asset and lists all measurements, current and future costs, and calculations for that asset. Provisions for percentage replacements, salvage values, and one-time replacements can also be utilized. These reports can be sorted by category or group.

The numerical listings for each asset are enhanced by extensive narrative detailing factors such as design, manufactured quality, usage, exposure to elements and maintenance history.

The **Wasatch Reserve Studies** Detail Index is an alphabetical listing of all assets, together with the page number of the asset's detail report, the projected replacement year, and the asset number.

Projections

Thirty-year projections add to the usefulness of your reserve analysis study.

Definitions

Report I.D.

Includes the Report Date (example: November 15, 1992), Account Number (example: 9773), and Version (example: 1.0). Please use this information (displayed on the summary page) when referencing your report.

Budget Year Beginning/Ending

The budgetary year for which the report is prepared. For associations with fiscal years ending December 31st, the monthly contribution figures indicated are for the 12-month period beginning 1/1/20xx and ending 12/31/20xx.

Number of Units and/or Phases

If applicable, the number of units and/or phases included in this version of the report.

Inflation

This figure is used to approximate the future cost to repair or replace each component in the report. The current cost for each component is compounded on an annual basis by the number of remaining years to replacement, and the total is used in calculating the monthly reserve contribution that will be necessary to accumulate the required funds in time for replacement.

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 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.

Taxes on Interest Yield

The estimated percentage of interest income that will be set aside to pay income taxes on the interest earned.

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.

Phase Increment Detail and/or Age

Comments regarding aging of the components on the basis of construction date or date of acceptance by the association.

Monthly Assessment

The assessment to reserves required by the association each month.

Interest Contribution (After Taxes)

The interest that should be earned on the reserves, net of taxes, based upon their beginning reserve balance and monthly contributions for one year. This figure is averaged for budgeting purposes.

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. 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.

Annual Fixed Reserves

An optional figure which, if used, will override the normal process of allocating reserves to each asset.

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.

Salvage Value

The salvage value of the asset at the time of replacement, if applicable.

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.

Component Inventory

The task of selecting and qualifying reserve components. This task can be accomplished through on-site visual, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s).

A Multi-Purpose Tool

Your **Wasatch Reserve Studies** Report is an important part of your association's budgetary process. Following its recommendations should ensure the association's smooth budgetary transitions from one fiscal year to the next, and either decrease or eliminate the need for "special assessments".

In addition, your **Wasatch Reserve Studies** reserve study serves a variety of useful purposes:

- Following the recommendations of a reserve study performed by a professional consultant can protect the Board of Directors in a community from personal liability concerning reserve components and reserve funding.
- A reserve analysis study is required by your accountant during the preparation of the association's annual audit.
- The **Wasatch Reserve Studies** reserve study is often requested by lending institutions during the process of loan applications, both for the community and, in many cases, the individual owners.
- Your **Wasatch Reserve Studies** Report is also a detailed inventory of the association's major assets and serves as a management tool for scheduling, coordinating and planning future repairs and replacements.
- Your **Wasatch Reserve Studies** Report is a tool that can assist the Board in fulfilling its obligations for maintaining the community in a state of good repair. If a community is operating on a special assessment basis, it cannot guarantee that an assessment, when needed, will be passed. Therefore, it cannot guarantee its ability to perform the required repairs or replacements to those major components for which the association is obligated.
- Since the **Wasatch Reserve Studies** reserve analysis study includes measurements and cost estimates of the client's assets, the detail reports may be used to evaluate the accuracy and price of contractor bids when assets are due to be repaired or replaced.
- The **Wasatch Reserve Studies** reserve study is an annual disclosure to the membership concerning the financial condition of the association, and may be used as a "consumers' guide" by prospective purchasers.
- Your **Wasatch Reserve Studies** Report provides a record of the time, cost, and quantities of past reserve replacements. At times the association's management company and board of directors are transitory which may result in the loss of these important records.

Stoker Gardens
Syracuse, UT
Component Funding Model Summary

		<i>Report Parameters</i>	
Report Date	January 1, 2024	Inflation	3.00%
Budget Year Beginning	January 1, 2024	Interest Rate on Reserve Deposit	1.00%
Budget Year Ending	December 31, 2024	Tax Rate on Interest	30.00%
		Contingency	3.00%
Total Units	66		
Phase Development	1 of 1	2024 Beginning Balance	\$80,000

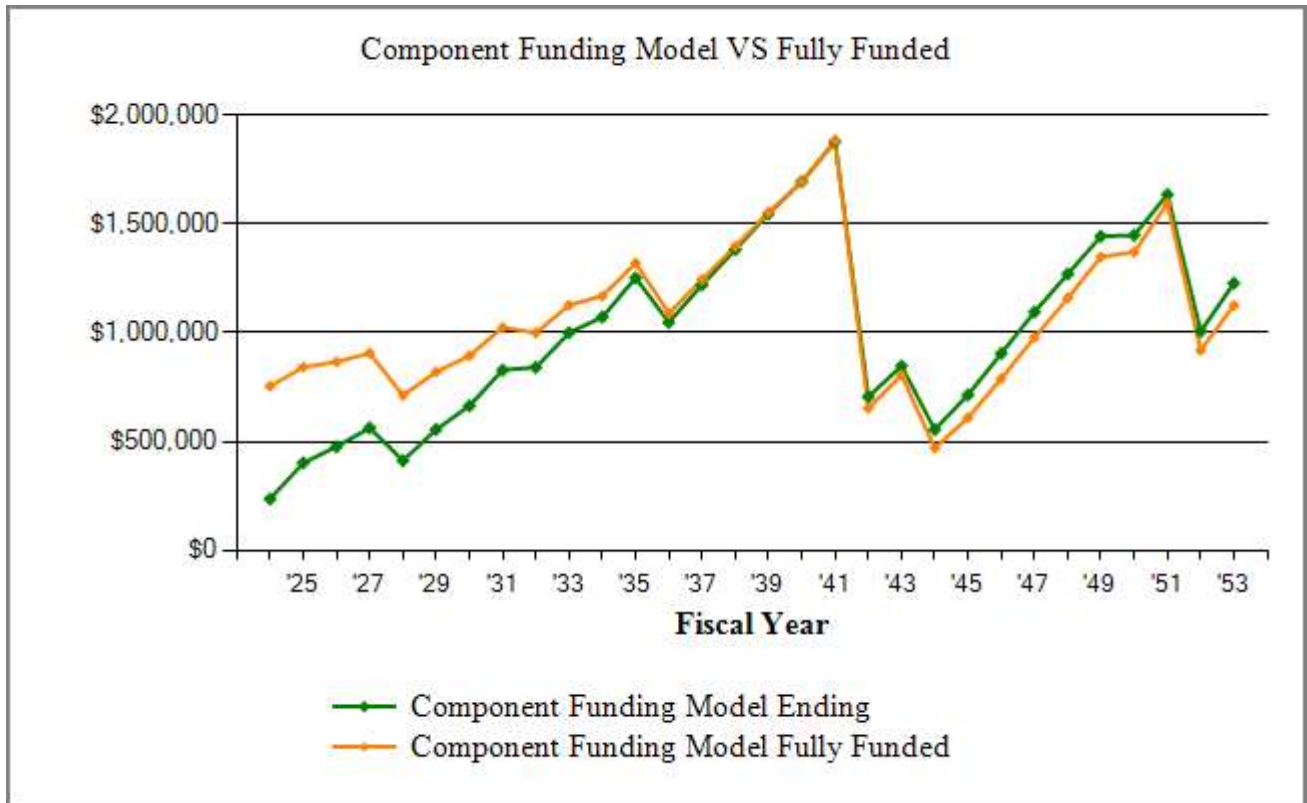
<i>Component Funding Model Summary of Calculations</i>	
Required Annual Contribution	\$165,536.84
<i>\$2,508.13 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$1,641.27</u>
Total Annual Allocation to Reserves	\$167,178.11
<i>\$2,533.00 per unit annually</i>	

**Stoker Gardens
Component Funding Model Projection**

Beginning Balance: \$80,000

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2024	1,226,520	165,537	1,641	11,070	236,108	754,021	31%
2025	1,263,316	162,737	2,792		401,637	841,907	48%
2026	1,301,215	140,264	3,317	68,083	477,134	866,027	55%
2027	1,340,252	136,744	3,911	55,128	562,661	906,747	62%
2028	1,380,459	145,314	2,871	297,838	413,009	712,584	58%
2029	1,421,873	149,526	3,861	10,920	555,475	819,825	68%
2030	1,464,529	152,352	4,619	47,941	664,505	893,931	74%
2031	1,508,465	158,739	5,763		829,006	1,024,133	81%
2032	1,553,719	158,802	5,845	152,772	840,881	999,265	84%
2033	1,600,330	163,422	6,952	11,091	1,000,165	1,127,157	89%
2034	1,648,340	163,360	7,452	98,906	1,072,073	1,169,013	92%
2035	1,697,791	171,199	8,703		1,251,974	1,320,442	95%
2036	1,748,724	157,495	7,284	368,951	1,047,802	1,088,485	96%
2037	1,801,186	163,782	8,481		1,220,065	1,244,584	98%
2038	1,855,222	164,169	9,610	11,344	1,382,500	1,397,035	99%
2039	1,910,878	169,575	10,751	16,234	1,546,592	1,552,687	100%
2040	1,968,205	173,490	11,777	37,711	1,694,148	1,694,152	100%
2041	2,027,251	171,423	13,059		1,878,630	1,883,916	100%
2042	2,088,068	171,517	4,908	1,348,965	706,090	652,423	108%
2043	2,150,710	148,042	5,887	13,151	846,867	805,443	105%
2044	2,215,232	185,478	3,857	481,410	554,792	470,701	118%
2045	2,281,688	184,925	4,970	29,765	714,922	609,621	117%
2046	2,350,139	183,685	6,290		904,897	788,978	115%
2047	2,420,643	183,019	7,615		1,095,531	978,548	112%
2048	2,493,263	183,842	8,825	18,600	1,269,598	1,159,048	110%
2049	2,568,060	183,233	10,032	19,723	1,443,140	1,348,899	107%
2050	2,645,102	184,072	10,067	189,079	1,448,200	1,370,055	106%
2051	2,724,455	177,651	11,365	2,221	1,634,995	1,595,522	102%
2052	2,806,189	228,076	6,992	864,207	1,005,856	918,874	109%
2053	2,890,375	231,215	8,536	17,674	1,227,932	1,125,783	109%

Stoker Gardens
Component Funding Model VS Fully Funded Chart



The **Component Funding Model's** long-term objective is to provide a plan to a fully funded reserve position over the longest period of time practical. This is the most conservative funding model.

Stoker Gardens
Component Funding Model Assessment & Category Summary

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Asphalt							
Asphalt - 2" Mill Edge and Overlay	2042	30	0	18	12,000	0	4,800
Asphalt - Crack Fill	2024	5	0	0	2,500	2,500	2,500
Asphalt - Slurry Seal	2024	5	0	0	1,920	1,920	1,920
Asphalt - Total					\$16,420	\$4,420	\$9,220
Concrete							
Concrete - Repair/Replace	2024	5	0	0	5,000	5,000	5,000
Concrete - Total					\$5,000	\$5,000	\$5,000
Building Component							
Gutters/Downspouts - Replace	2042	30	0	18	32,900	0	13,160
Building Component - Total					\$32,900		\$13,160
Fencing							
Fencing - Replace	2032	20	0	8	75,600	0	45,360
Fencing - Total					\$75,600		\$45,360
Landscape							
Landscaping - Renovation	2028	5	0	4	5,000	0	1,000
Landscape - Total					\$5,000		\$1,000
Lighting							
Exterior Porch Light - Replace	2027	15	0	3	35,700	93	28,560
Lighting - Total					\$35,700	\$93	\$28,560
Roofing							
Asphalt Shingles - Remove/Replace	2042	30	0	18	506,000	0	202,400
Roofing - Total					\$506,000		\$202,400
Painting							
Hardie Board Siding - Repair/Repaint	2026	8	6	2	64,175	55,007	55,007
Soffit/Fascia - Replace	2042	30	0	18	121,600	0	48,640
Painting - Total					\$185,775	\$55,007	\$103,647
Siding							
Rock Wainscot - Repair	2028	5	0	4	2,500	0	500
Stucco - Repair/Repaint	2028	8	8	4	257,125	0	192,844
Siding - Total					\$259,625		\$193,344
Grounds Component							
Monument - Refurbish	2027	15	0	3	10,000	8,000	8,000
Park Bench - Replace	2042	30	0	18	3,500	0	1,400
Picnic Table - Replace	2042	30	0	18	1,100	0	440

Stoker Gardens
Component Funding Model Assessment & Category Summary

Description	Replacement Year	Useful Life	Adjustment Remaining Life	Current Cost	Assigned Reserves	Fully Funded	
<i>Grounds Component continued...</i>							
Playground Equipment - Replace	2032	20	0	8	45,000	0	27,000
Streetlights - Replace	2027	15	0	3	<u>3,750</u>	<u>3,000</u>	<u>3,000</u>
Grounds Component - Total					<u>\$63,350</u>	<u>\$11,000</u>	<u>\$39,840</u>
Mailboxes							
Mailboxes - Replace	<i>Unfunded</i>						
Engineering							
Structural - Repair Allowance	2030	10	0	6	15,000	0	6,000
Structural Engineering - Inspection	2030	10	0	6	3,500	0	1,400
Water/Sewer - Engineering	2030	15	0	6	5,000	0	3,000
Water/Sewer - Repair Allowance	2030	15	0	6	<u>10,000</u>	0	<u>6,000</u>
Engineering - Total					<u>\$33,500</u>		<u>\$16,400</u>
Erosion							
Erosion - Repairs	2030	10	0	6	<u>5,000</u>	0	<u>2,000</u>
Erosion - Total					<u>\$5,000</u>		<u>\$2,000</u>
Reserve Study							
Reserve Study - Full	2024	6	0	0	1,650	1,650	1,650
Reserve Study - Update	2027	6	0	3	<u>1,000</u>	<u>500</u>	<u>500</u>
Reserve Study - Total					<u>\$2,650</u>	<u>\$2,150</u>	<u>\$2,150</u>
Total Asset Summary					<u>\$1,226,520</u>	<u>\$77,670</u>	<u>\$662,081</u>
Contingency at 3.00%						<u>\$2,330</u>	<u>\$19,862</u>
Summary Total						<u>\$80,000</u>	<u>\$681,943</u>

Percent Fully Funded	12%
Current Average Liability per Unit (Total Units: 66)	-\$9,120

Stoker Gardens
Distribution of Accumulated Reserves

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Reserve Study - Full	0	2024	1,650	1,650
Asphalt - Slurry Seal	0	2024	1,920	1,920
Asphalt - Crack Fill	0	2024	2,500	2,500
Concrete - Repair/Replace	0	2024	5,000	5,000
Reserve Study - Update	3	2027	500	500
Streetlights - Replace	3	2027	3,000	3,000
Monument - Refurbish	3	2027	8,000	8,000
Exterior Porch Light - Replace	3	2027	* 93	28,560
Rock Wainscot - Repair	4	2028		500
Landscaping - Renovation	4	2028		1,000
Hardie Board Siding - Repair/Repaint	2	2026	55,007	55,007
Structural Engineering - Inspection	6	2030		1,400
Erosion - Repairs	6	2030		2,000
Water/Sewer - Engineering	6	2030		3,000
Water/Sewer - Repair Allowance	6	2030		6,000
Structural - Repair Allowance	6	2030		6,000
Stucco - Repair/Repaint	4	2028		192,844
Picnic Table - Replace	18	2042		440
Park Bench - Replace	18	2042		1,400
Asphalt - 2" Mill Edge and Overlay	18	2042		4,800
Gutters/Downspouts - Replace	18	2042		13,160
Playground Equipment - Replace	8	2032		27,000
Fencing - Replace	8	2032		45,360
Soffit/Fascia - Replace	18	2042		48,640
Asphalt Shingles - Remove/Replace	18	2042		202,400
Mailboxes - Replace		Unfunded		
Total Asset Summary			<u>\$77,670</u>	<u>\$662,081</u>
Contingency at 3.00%			<u>\$2,330</u>	<u>\$19,862</u>
Summary Total			<u>\$80,000</u>	<u>\$681,943</u>

Percent Fully Funded	12%
Current Average Liability per Unit (Total Units: 66)	-\$9,120

'' Indicates Partially Funded*

**Stoker Gardens
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2024	
Asphalt - Crack Fill	2,500
Asphalt - Slurry Seal	1,920
Concrete - Repair/Replace	5,000
Reserve Study - Full	1,650
Total for 2024	\$11,070
<i>No Replacement in 2025</i>	
Replacement Year 2026	
Hardie Board Siding - Repair/Repaint	68,083
Total for 2026	\$68,083
Replacement Year 2027	
Exterior Porch Light - Replace	39,010
Monument - Refurbish	10,927
Reserve Study - Update	1,093
Streetlights - Replace	4,098
Total for 2027	\$55,128
Replacement Year 2028	
Landscaping - Renovation	5,628
Rock Wainscot - Repair	2,814
Stucco - Repair/Repaint	289,396
Total for 2028	\$297,838
Replacement Year 2029	
Asphalt - Crack Fill	2,898
Asphalt - Slurry Seal	2,226
Concrete - Repair/Replace	5,796
Total for 2029	\$10,920
Replacement Year 2030	
Erosion - Repairs	5,970
Reserve Study - Full	1,970
Structural - Repair Allowance	17,911
Structural Engineering - Inspection	4,179
Water/Sewer - Engineering	5,970

**Stoker Gardens
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2030 continued...</i>	
Water/Sewer - Repair Allowance	11,941
Total for 2030	\$47,941
<i>No Replacement in 2031</i>	
Replacement Year 2032	
Fencing - Replace	95,768
Playground Equipment - Replace	57,005
Total for 2032	\$152,772
Replacement Year 2033	
Landscaping - Renovation	6,524
Reserve Study - Update	1,305
Rock Wainscot - Repair	3,262
Total for 2033	\$11,091
Replacement Year 2034	
Asphalt - Crack Fill	3,360
Asphalt - Slurry Seal	2,580
Concrete - Repair/Replace	6,720
Hardie Board Siding - Repair/Repaint	86,246
Total for 2034	\$98,906
<i>No Replacement in 2035</i>	
Replacement Year 2036	
Reserve Study - Full	2,353
Stucco - Repair/Repaint	366,599
Total for 2036	\$368,951
<i>No Replacement in 2037</i>	
Replacement Year 2038	
Landscaping - Renovation	7,563
Rock Wainscot - Repair	3,781
Total for 2038	\$11,344

**Stoker Gardens
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2039	
Asphalt - Crack Fill	3,895
Asphalt - Slurry Seal	2,991
Concrete - Repair/Replace	7,790
Reserve Study - Update	1,558
Total for 2039	\$16,234
Replacement Year 2040	
Erosion - Repairs	8,024
Structural - Repair Allowance	24,071
Structural Engineering - Inspection	5,616
Total for 2040	\$37,711
<i>No Replacement in 2041</i>	
Replacement Year 2042	
Asphalt - 2" Mill Edge and Overlay	20,429
Asphalt Shingles - Remove/Replace	861,431
Exterior Porch Light - Replace	60,777
Gutters/Downspouts - Replace	56,010
Hardie Board Siding - Repair/Repaint	109,254
Monument - Refurbish	17,024
Park Bench - Replace	5,959
Picnic Table - Replace	1,873
Reserve Study - Full	2,809
Soffit/Fascia - Replace	207,016
Streetlights - Replace	6,384
Total for 2042	\$1,348,965
Replacement Year 2043	
Landscaping - Renovation	8,768
Rock Wainscot - Repair	4,384
Total for 2043	\$13,151
Replacement Year 2044	
Asphalt - Crack Fill	4,515
Asphalt - Slurry Seal	3,468
Concrete - Repair/Replace	9,031

**Stoker Gardens
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2044 continued...</i>	
Stucco - Repair/Repaint	464,396
Total for 2044	\$481,410
Replacement Year 2045	
Reserve Study - Update	1,860
Water/Sewer - Engineering	9,301
Water/Sewer - Repair Allowance	18,603
Total for 2045	\$29,765
<i>No Replacement in 2046</i>	
<i>No Replacement in 2047</i>	
Replacement Year 2048	
Landscaping - Renovation	10,164
Reserve Study - Full	3,354
Rock Wainscot - Repair	5,082
Total for 2048	\$18,600
Replacement Year 2049	
Asphalt - Crack Fill	5,234
Asphalt - Slurry Seal	4,020
Concrete - Repair/Replace	10,469
Total for 2049	\$19,723
Replacement Year 2050	
Erosion - Repairs	10,783
Hardie Board Siding - Repair/Repaint	138,399
Structural - Repair Allowance	32,349
Structural Engineering - Inspection	7,548
Total for 2050	\$189,079
Replacement Year 2051	
Reserve Study - Update	2,221
Total for 2051	\$2,221
Replacement Year 2052	
Fencing - Replace	172,967

**Stoker Gardens
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2052 continued...</i>	
Playground Equipment - Replace	102,957
Stucco - Repair/Repaint	588,283
Total for 2052	\$864,207
 Replacement Year 2053	
Landscaping - Renovation	11,783
Rock Wainscot - Repair	5,891
Total for 2053	\$17,674

**Stoker Gardens
Detail Report by Category**

Asphalt - 2" Mill Edge and Overlay - 2042

Asset ID	1003	4,800 SQ FT	@ \$2.50
Category	Asphalt	Asset Actual Cost	\$12,000.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	30	Future Cost	\$20,429.20
Replacement Year	2042	Assigned Reserves	<i>none</i>
Remaining Life	18	Annual Assessment	\$911.80
		Interest Contribution	<u>\$6.38</u>
		Reserve Allocation	\$918.18



This component provides funding to do a 2-inch mill edge and overlay. This is recommended every 30 years.

Asphalt - Crack Fill - 2024

Asset ID	1001	1 QTY	@ \$2,500.00
Category	Asphalt	Asset Actual Cost	\$2,500.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	5	Future Cost	\$2,500.00
Replacement Year	2024	Assigned Reserves	\$2,500.00
Remaining Life	0	Annual Assessment	\$499.49
		Interest Contribution	<u>\$3.50</u>
		Reserve Allocation	\$502.99

Stoker Gardens **Detail Report by Category**

Asphalt - Crack Fill continued...



This component provides funding to do a crack fill on the asphalt in the community. At a minimum, this needs to be done every 5 years. The asphalt in the community needs crack fill and seal coat it is in poor condition.

Asphalt - Slurry Seal - 2024

Asset ID	1002	4,800 SQ FT	@ \$0.40
Category	Asphalt	Asset Actual Cost	\$1,920.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	5	Future Cost	\$1,920.00
Replacement Year	2024	Assigned Reserves	\$1,920.00
Remaining Life	0	Annual Assessment	\$383.61
		Interest Contribution	<u>\$2.69</u>
		Reserve Allocation	\$386.30



This component provides funding to do a slurry seal on the asphalt. At a minimum, this needs to be done every 5 years.

**Stoker Gardens
Detail Report by Category**

Asphalt - Total Current Cost	\$16,420
Assigned Reserves	\$4,420
Fully Funded Reserves	\$9,220

**Stoker Gardens
Detail Report by Category**

Concrete - Repair/Replace - 2024

Asset ID	1004	1 QTY	@ \$5,000.00
Category	Concrete	Asset Actual Cost	\$5,000.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	5	Future Cost	\$5,000.00
Replacement Year	2024	Assigned Reserves	\$5,000.00
Remaining Life	0	Annual Assessment	\$998.99
		Interest Contribution	<u>\$6.99</u>
		Reserve Allocation	\$1,005.98



This component provides funding for concrete to be repaired or replaced as needed. The concrete in the community is in fair condition with some cracking and surface peeling.

Concrete - Total Current Cost	\$5,000
Assigned Reserves	\$5,000
Fully Funded Reserves	\$5,000

**Stoker Gardens
Detail Report by Category**

Gutters/Downspouts - Replace - 2042

Asset ID	1005	4,700 LF	@ \$7.00
Category	Building Component	Asset Actual Cost	\$32,900.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	30	Future Cost	\$56,010.05
Replacement Year	2042	Assigned Reserves	<i>none</i>
Remaining Life	18	Annual Assessment	\$2,499.86
		Interest Contribution	<u>\$17.50</u>
		Reserve Allocation	\$2,517.36



This component provides funding to replace the gutters and downspouts within the community. We recommend they be replaced at the same time as the roofing. The metal gutter and downspouts are in good condition.

Building Component - Total Current Cost	\$32,900
Assigned Reserves	\$0
Fully Funded Reserves	\$13,160

**Stoker Gardens
Detail Report by Category**

Fencing - Replace - 2032

Asset ID	1006	2,700 LF	@ \$28.00
Category	Fencing	Asset Actual Cost	\$75,600.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	20	Future Cost	\$95,767.82
Replacement Year	2032	Assigned Reserves	<i>none</i>
Remaining Life	8	Annual Assessment	\$10,092.81
		Interest Contribution	<u>\$70.65</u>
		Reserve Allocation	\$10,163.46



This component provides funding to replace the fencing when deemed necessary. The 6' Solid Vinyl Fence between each unit and around the border was in fair condition with some damaged areas.

Fencing - Total Current Cost	\$75,600
Assigned Reserves	\$0
Fully Funded Reserves	\$45,360

**Stoker Gardens
Detail Report by Category**

Landscaping - Renovation - 2028

Asset ID	1007	1 QTY	@ \$5,000.00
		Asset Actual Cost	\$5,000.00
		Percent Replacement	100%
Category	Landscape	Future Cost	\$5,627.54
Placed in Service	January 2028	Assigned Reserves	<i>none</i>
Useful Life	5		
Replacement Year	2028	Annual Assessment	\$1,230.16
Remaining Life	4	Interest Contribution	<u>\$8.61</u>
		Reserve Allocation	\$1,238.77



This component provides funding to renovate the landscape as deemed necessary by the board. The landscaping was observed to be in good condition.

Landscape - Total Current Cost	\$5,000
Assigned Reserves	\$0
Fully Funded Reserves	\$1,000

Stoker Gardens **Detail Report by Category**

Exterior Porch Light - Replace - 2027

Asset ID	1008	238 QTY	@ \$150.00
Category	Lighting	Asset Actual Cost	\$35,700.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	15	Future Cost	\$39,010.35
Replacement Year	2027	Assigned Reserves	\$92.76
Remaining Life	3	Annual Assessment	\$11,548.15
		Interest Contribution	\$81.49
		Reserve Allocation	\$11,629.64



This component provides funding to replace the exterior lighting after its useful life has expired. The 172 outside wall lights and 66 spotlights were in good condition

Lighting - Total Current Cost	\$35,700
Assigned Reserves	\$93
Fully Funded Reserves	\$28,560

**Stoker Gardens
Detail Report by Category**

Asphalt Shingles - Remove/Replace - 2042

Asset ID	1009	92,000 SQ FT	@ \$5.50
Category	Roofing	Asset Actual Cost	\$506,000.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	30	Future Cost	\$861,431.13
Replacement Year	2042	Assigned Reserves	<i>none</i>
Remaining Life	18	Annual Assessment	\$38,447.66
		Interest Contribution	<u>\$269.13</u>
		Reserve Allocation	\$38,716.79



This component provides funding to remove and replace the asphalt shingles within the community. The 30-year Asphalt shingles are 12 years old and in good condition.

Roofing - Total Current Cost	\$506,000
Assigned Reserves	\$0
Fully Funded Reserves	\$202,400

**Stoker Gardens
Detail Report by Category**

Hardie Board Siding - Repair/Repaint - 2026

Asset ID	1010	15,100 SQ FT	@ \$4.25
Category	Painting	Asset Actual Cost	\$64,175.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	8	Future Cost	\$68,083.26
Adjustment	6	Assigned Reserves	\$55,007.14
Replacement Year	2026	Annual Assessment	\$6,395.27
Remaining Life	2	Interest Contribution	<u>\$429.82</u>
		Reserve Allocation	\$6,825.09



This component provides funding to repair/repaint the Hardie Board Siding every 8 years. The siding within the community is 12 years old and in good condition.

Soffit/Fascia - Replace - 2042

Asset ID	1011	7,600 LF	@ \$16.00
Category	Painting	Asset Actual Cost	\$121,600.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	30	Future Cost	\$207,015.86
Replacement Year	2042	Assigned Reserves	<i>none</i>
Remaining Life	18	Annual Assessment	\$9,239.60
		Interest Contribution	<u>\$64.68</u>
		Reserve Allocation	\$9,304.27

**Stoker Gardens
Detail Report by Category**

Soffit/Fascia - Replace continued...



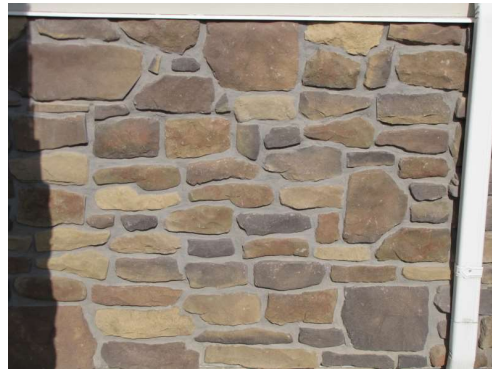
This component provides funding to replace the Soffit and Facia within the community.

Painting - Total Current Cost	\$185,775
Assigned Reserves	\$55,007
Fully Funded Reserves	\$103,647

Stoker Gardens
Detail Report by Category

Rock Wainscot - Repair - 2028

Asset ID	1013	1 QTY	@ \$2,500.00
Category	Siding	Asset Actual Cost	\$2,500.00
Placed in Service	January 2028	Percent Replacement	100%
Useful Life	5	Future Cost	\$2,813.77
Replacement Year	2028	Assigned Reserves	<i>none</i>
Remaining Life	4	Annual Assessment	\$615.08
		Interest Contribution	<u>\$4.31</u>
		Reserve Allocation	\$619.39



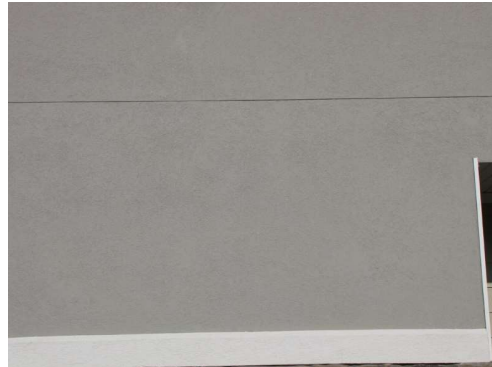
This component provides funding to repair the rock wainscot as needed. The wainscot was observed in good condition.

Stucco - Repair/Repaint - 2028

Asset ID	1012	60,500 SQ FT	@ \$4.25
Category	Siding	Asset Actual Cost	\$257,125.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	8	Future Cost	\$289,396.45
Adjustment	8	Assigned Reserves	<i>none</i>
Replacement Year	2028	Annual Assessment	\$63,261.10
Remaining Life	4	Interest Contribution	<u>\$442.83</u>
		Reserve Allocation	\$63,703.93

**Stoker Gardens
Detail Report by Category**

Stucco - Repair/Repaint continued...



This component provides funding to repair/repaint the stucco within the community. Generally, new stucco will last 16 years before it needs repair/repaint. After receiving its first coat of paint it will need repainting every 8 years. We recommend the community be done all at the same time to keep a uniform look.

Siding - Total Current Cost	\$259,625
Assigned Reserves	\$0
Fully Funded Reserves	\$193,344

**Stoker Gardens
Detail Report by Category**

Monument - Refurbish - 2027

Asset ID	1018	1 QTY	@ \$10,000.00
		Asset Actual Cost	\$10,000.00
		Percent Replacement	100%
Category	Grounds Component	Future Cost	\$10,927.27
Placed in Service	January 2012	Assigned Reserves	\$8,000.00
Useful Life	15		
Replacement Year	2027	Annual Assessment	\$889.00
Remaining Life	3	Interest Contribution	<u>\$62.22</u>
		Reserve Allocation	\$951.23



This component provides funding to refurbish the community monument. The monument is a 4'x4'x6''' Rock slab with rock and is in good condition.

Park Bench - Replace - 2042

Asset ID	1016	2 QTY	@ \$1,750.00
		Asset Actual Cost	\$3,500.00
		Percent Replacement	100%
Category	Grounds Component	Future Cost	\$5,958.51
Placed in Service	January 2012	Assigned Reserves	<i>none</i>
Useful Life	30		
Replacement Year	2042	Annual Assessment	\$265.94
Remaining Life	18	Interest Contribution	<u>\$1.86</u>
		Reserve Allocation	\$267.80

Stoker Gardens **Detail Report by Category**

Park Bench - Replace continued...



This component provides funding to replace the 6' Coated Metal benches when deemed necessary. The benches are in good condition with no problems observed or reported.

Picnic Table - Replace - 2042

Asset ID	1017	1 QTY	@ \$1,100.00
		Asset Actual Cost	\$1,100.00
		Percent Replacement	100%
Category	Grounds Component	Future Cost	\$1,872.68
Placed in Service	January 2012	Assigned Reserves	<i>none</i>
Useful Life	30		
Replacement Year	2042	Annual Assessment	\$83.58
Remaining Life	18	Interest Contribution	<u>\$0.58</u>
		Reserve Allocation	\$84.17



This component provides funding to replace the picnic table when deemed necessary. The picnic table is in good condition with no problems observed or reported.

**Stoker Gardens
Detail Report by Category**

Playground Equipment - Replace - 2032

Asset ID	1015	1 QTY	@ \$45,000.00
Category	Grounds Component	Asset Actual Cost	\$45,000.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	20	Future Cost	\$57,004.65
Replacement Year	2032	Assigned Reserves	<i>none</i>
Remaining Life	8	Annual Assessment	\$6,007.63
		Interest Contribution	<u>\$42.05</u>
		Reserve Allocation	\$6,049.68



This component provides funding to replace the Playset (Miracle Recreation Equipment) with 3 plastic slides, 2 metal decks, 1 plastic canopy, and climbing ladders. The play set is in good condition with no problems observed or reported.

Streetlights - Replace - 2027

Asset ID	1014	3 QTY	@ \$1,250.00
Category	Grounds Component	Asset Actual Cost	\$3,750.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	15	Future Cost	\$4,097.73
Replacement Year	2027	Assigned Reserves	\$3,000.00
Remaining Life	3	Annual Assessment	\$333.38
		Interest Contribution	<u>\$23.33</u>
		Reserve Allocation	\$356.71

**Stoker Gardens
Detail Report by Category**

Streetlights - Replace continued...



This component provides funding to replace the 15-foot metal street lamp when needed. They are all in good condition with no problems observed or reported.

Grounds Component - Total Current Cost	\$63,350
Assigned Reserves	\$11,000
Fully Funded Reserves	\$39,840

Stoker Gardens **Detail Report by Category**

Mailboxes - Replace		5 QTY	
Asset ID	1019	Asset Actual Cost	
		Percent Replacement	100%
Category	Mailboxes	Future Cost	
Placed in Service	January 2012	Assigned Reserves	<i>none</i>
No Useful Life			
<i>No Future Assessments</i>			



These are owned and maintained by the Post Office. 2-16 box, and 3-13 box.

Mailboxes - Total Current Cost	\$0
Assigned Reserves	\$0
Fully Funded Reserves	\$0

**Stoker Gardens
Detail Report by Category**

Structural - Repair Allowance - 2030

Asset ID	1023	1 QTY	@ \$15,000.00
		Asset Actual Cost	\$15,000.00
		Percent Replacement	100%
Category	Engineering	Future Cost	\$17,910.78
Placed in Service	January 2030	Assigned Reserves	<i>none</i>
Useful Life	10		
Replacement Year	2030	Annual Assessment	\$2,553.80
Remaining Life	6	Interest Contribution	<u>\$17.88</u>
		Reserve Allocation	\$2,571.67

This component provides funding to do repairs deemed necessary after the Structural Engineer's report.

Structural Engineering - Inspection - 2030

Asset ID	1022	1 QTY	@ \$3,500.00
		Asset Actual Cost	\$3,500.00
		Percent Replacement	100%
Category	Engineering	Future Cost	\$4,179.18
Placed in Service	January 2030	Assigned Reserves	<i>none</i>
Useful Life	10		
Replacement Year	2030	Annual Assessment	\$595.89
Remaining Life	6	Interest Contribution	<u>\$4.17</u>
		Reserve Allocation	\$600.06

The Structural Engineer's report is a necessity to ensure the safety and longevity of your buildings. We recommend the general guideline being a maximum of every 10 years for buildings up to 20 years of age and every five years for buildings older than 20 years. This component provides funding for the inspection and report.

Water/Sewer - Engineering - 2030

Asset ID	1021	1 QTY	@ \$5,000.00
		Asset Actual Cost	\$5,000.00
		Percent Replacement	100%
Category	Engineering	Future Cost	\$5,970.26
Placed in Service	January 2030	Assigned Reserves	<i>none</i>
Useful Life	15		
Replacement Year	2030	Annual Assessment	\$851.27
Remaining Life	6	Interest Contribution	<u>\$5.96</u>
		Reserve Allocation	\$857.22

This component provides an allowance for your water/sewer infrastructure to be routinely inspected.

**Stoker Gardens
Detail Report by Category**

Water/Sewer - Repair Allowance - 2030

Asset ID	1020	1 QTY	@ \$10,000.00
Category	Engineering	Asset Actual Cost	\$10,000.00
Placed in Service	January 2030	Percent Replacement	100%
Useful Life	15	Future Cost	\$11,940.52
Replacement Year	2030	Assigned Reserves	<i>none</i>
Remaining Life	6	Annual Assessment	\$1,702.53
		Interest Contribution	<u>\$11.92</u>
		Reserve Allocation	\$1,714.45



This component provides funding for your water/sewer infrastructure to be repaired after the inspection.

Engineering - Total Current Cost	\$33,500
Assigned Reserves	\$0
Fully Funded Reserves	\$16,400

**Stoker Gardens
Detail Report by Category**

Erosion - Repairs - 2030		1 QTY	@ \$5,000.00
Asset ID	1024	Asset Actual Cost	\$5,000.00
		Percent Replacement	100%
Category	Erosion	Future Cost	\$5,970.26
Placed in Service	January 2030	Assigned Reserves	<i>none</i>
Useful Life	10		
Replacement Year	2030	Annual Assessment	\$851.27
Remaining Life	6	Interest Contribution	<u>\$5.96</u>
		Reserve Allocation	\$857.22

This component provides funding to repair any erosion damage within the community.

Erosion - Total Current Cost	\$5,000
Assigned Reserves	\$0
Fully Funded Reserves	\$2,000

Stoker Gardens
Detail Report by Category

Reserve Study - Full - 2024

Asset ID	1025	1 QTY	@ \$1,650.00
		Asset Actual Cost	\$1,650.00
		Percent Replacement	100%
Category	Reserve Study	Future Cost	\$1,650.00
Placed in Service	January 2024	Assigned Reserves	\$1,650.00
Useful Life	6		
Replacement Year	2024	Annual Assessment	\$280.37
Remaining Life	0	Interest Contribution	<u>\$1.96</u>
		Reserve Allocation	\$282.33



Wasatch
Reserve Studies

Please visit wasatchreservestudies.com to schedule your study.

Reserve Study - Update - 2027

Asset ID	1026	1 QTY	@ \$1,000.00
		Asset Actual Cost	\$1,000.00
		Percent Replacement	100%
Category	Reserve Study	Future Cost	\$1,092.73
Placed in Service	January 2027	Assigned Reserves	\$500.00
Useful Life	6		
Replacement Year	2027	Annual Assessment	\$177.15
Remaining Life	3	Interest Contribution	<u>\$4.74</u>
		Reserve Allocation	\$181.89

**Stoker Gardens
Detail Report by Category**

Reserve Study - Update continued...



Wasatch
Reserve Studies

Please visit wasatchreservestudies.com to schedule your study.

Reserve Study - Total Current Cost	\$2,650
Assigned Reserves	\$2,150
Fully Funded Reserves	\$2,150

**Stoker Gardens
Detail Report by Category**

Detail Report Summary

Total of All Assets

Assigned Reserves	\$77,669.90
Annual Contribution	\$160,715.38
Annual Interest	\$1,593.46
Annual Allocation	\$162,308.85

Contingency at 3.00%

Assigned Reserves	\$2,330.10
Annual Contribution	\$4,821.46
Annual Interest	\$47.80
Annual Allocation	\$4,869.27

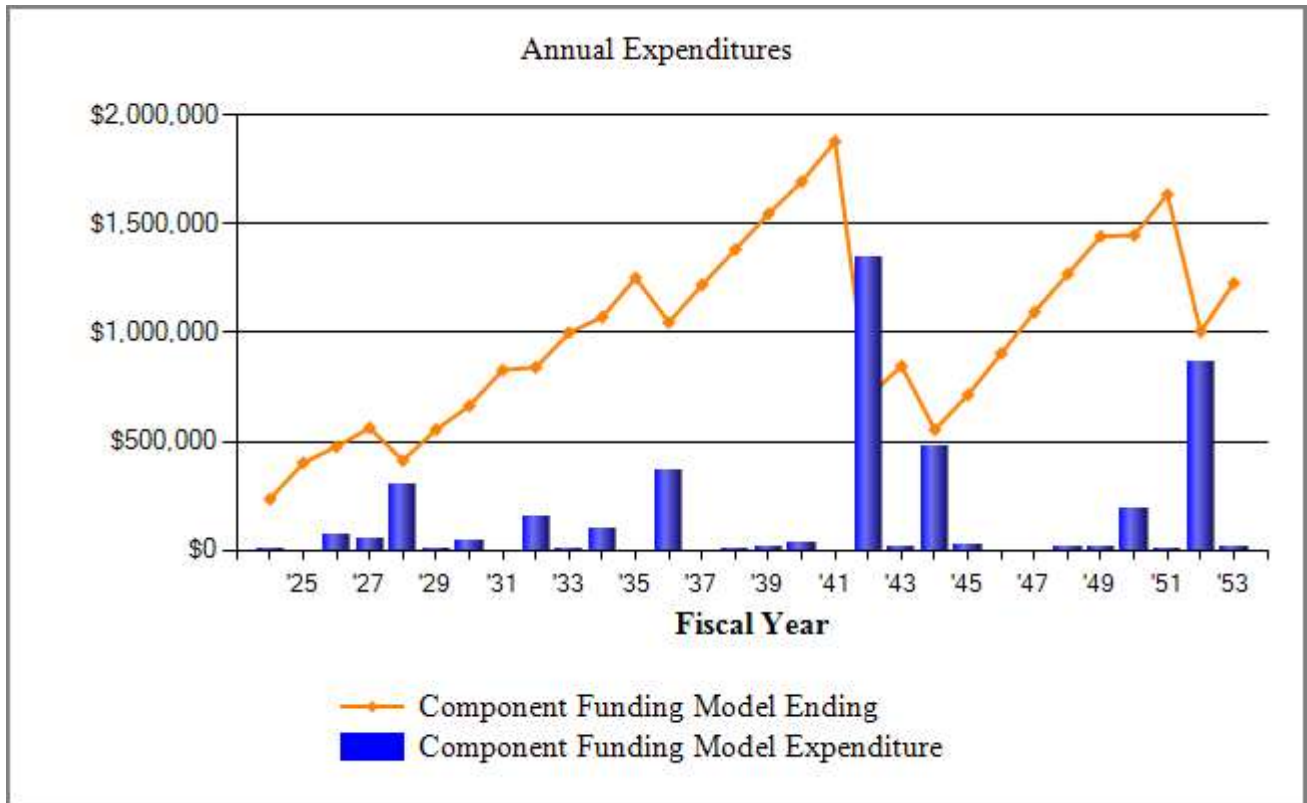
Grand Total

Assigned Reserves	\$80,000.00
Annual Contribution	\$165,536.84
Annual Interest	\$1,641.27
Annual Allocation	\$167,178.11

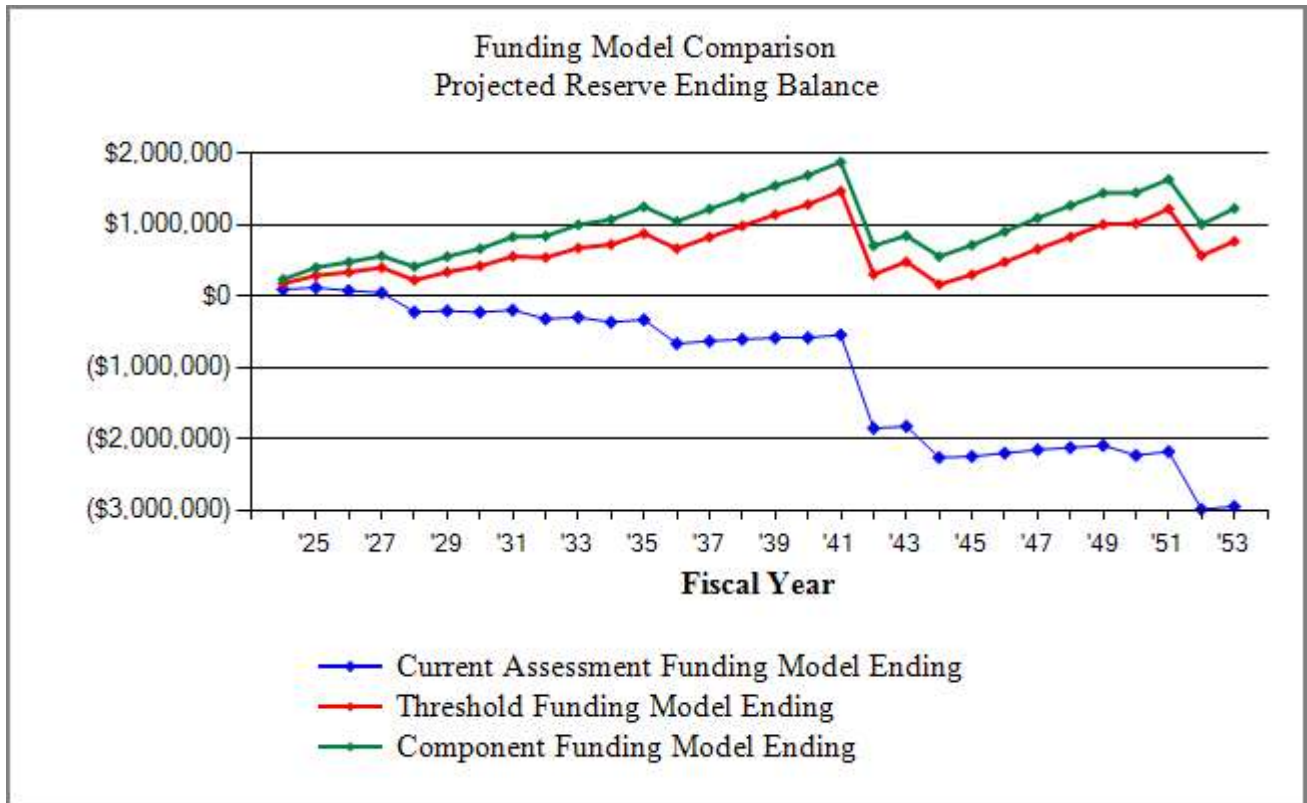
**Stoker Gardens
Category Detail Index**

Asset ID	Description	Replacement	Page
1003	Asphalt - 2" Mill Edge and Overlay	2042	2-12
1001	Asphalt - Crack Fill	2024	2-12
1002	Asphalt - Slurry Seal	2024	2-13
1009	Asphalt Shingles - Remove/Replace	2042	2-20
1004	Concrete - Repair/Replace	2024	2-15
1024	Erosion - Repairs	2030	2-32
1008	Exterior Porch Light - Replace	2027	2-19
1006	Fencing - Replace	2032	2-17
1005	Gutters/Downspouts - Replace	2042	2-16
1010	Hardie Board Siding - Repair/Repaint	2026	2-21
1007	Landscaping - Renovation	2028	2-18
1019	Mailboxes - Replace	2024	2-29
1018	Monument - Refurbish	2027	2-25
1016	Park Bench - Replace	2042	2-25
1017	Picnic Table - Replace	2042	2-26
1015	Playground Equipment - Replace	2032	2-27
1025	Reserve Study - Full	2024	2-33
1026	Reserve Study - Update	2027	2-33
1013	Rock Wainscot - Repair	2028	2-23
1011	Soffit/Fascia - Replace	2042	2-21
1014	Streetlights - Replace	2027	2-27
1023	Structural - Repair Allowance	2030	2-30
1022	Structural Engineering - Inspection	2030	2-30
1012	Stucco - Repair/Repaint	2028	2-23
1021	Water/Sewer - Engineering	2030	2-30
1020	Water/Sewer - Repair Allowance	2030	2-31
	Total Funded Assets	25	
	Total Unfunded Assets	<u>1</u>	
	Total Assets	26	

Stoker Gardens Annual Expenditure Chart

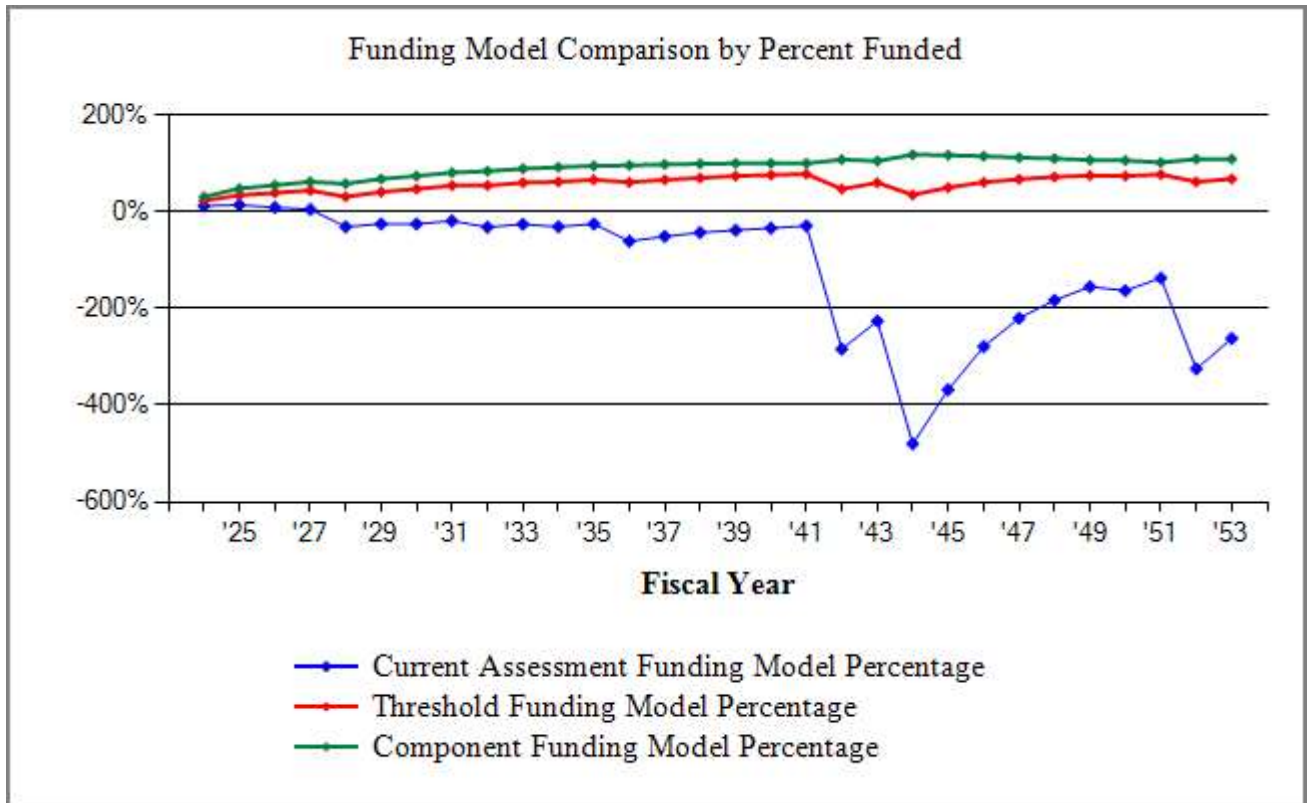


Stoker Gardens
Funding Model Reserve Ending Balance Comparison Chart



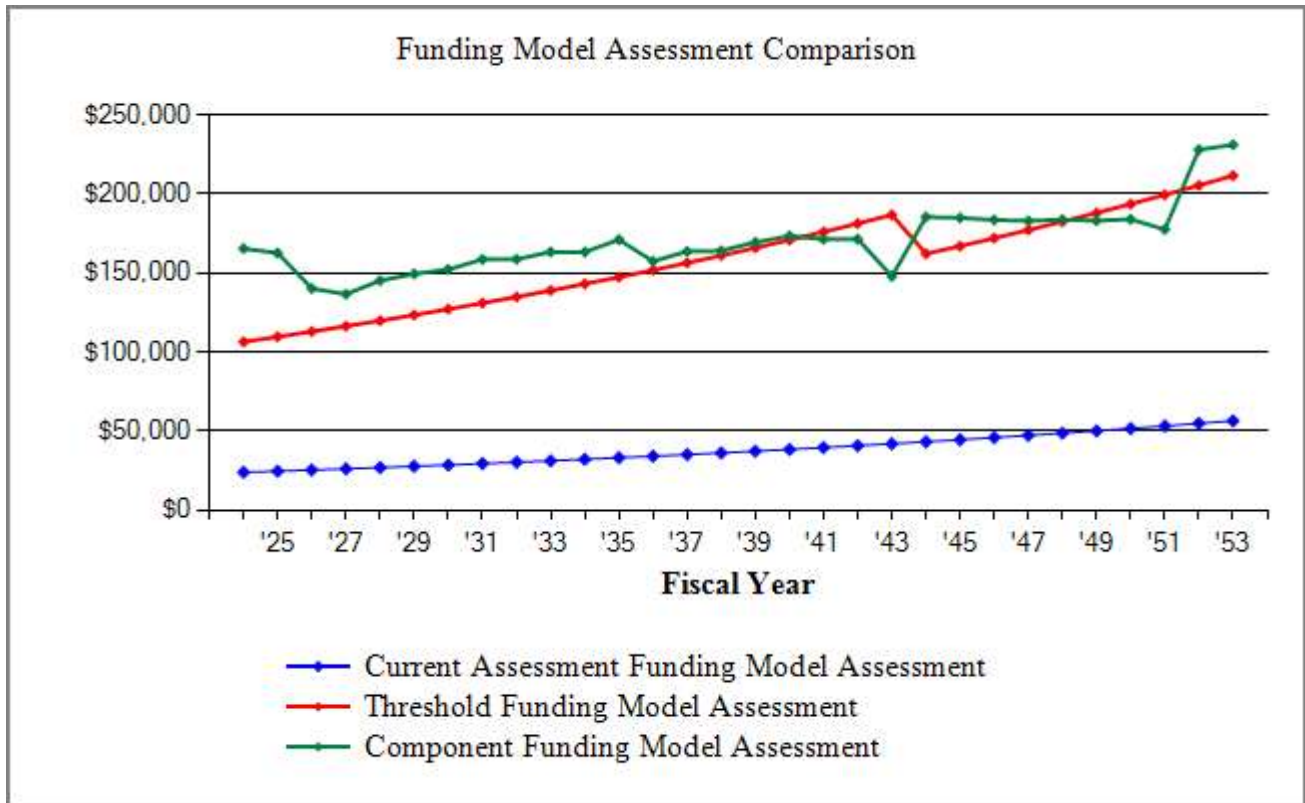
The chart above compares the projected reserve ending balances of the three funding models (Current Assessment Funding Model, Threshold Funding Model and Component Funding Model) over 30 years.

Stoker Gardens **Funding Model Comparison by Percent Funded**



The chart above compares the three funding models (Current Assessment Funding Model, Threshold Funding Model and Component Funding Model) by the percentage fully funded over 30 years. This allows your association to view and then choose the funding model that might best fit your community's needs.

Stoker Gardens
Funding Model Assessment Comparison Chart



The chart above compares the annual assessment of the three funding models (Current Assessment Funding Model, Threshold Funding Model and Component Funding Model) over 30 years.

Stoker Gardens Spread Sheet

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Description										
Asphalt - 2" Mill Edge and Overlay										
Asphalt - Crack Fill	2,500					2,898				
Asphalt - Slurry Seal	1,920					2,226				
Asphalt Shingles - Remove/Replace										
Concrete - Repair/Replace	5,000					5,796				
Erosion - Repairs							5,970			
Exterior Porch Light - Replace				39,010						
Fencing - Replace									95,768	
Gutters/Downspouts - Replace										
Hardie Board Siding - Repair/Repaint			68,083							
Landscaping - Renovation					5,628					6,524
Mailboxes - Replace	<i>Unfunded</i>									
Monument - Refurbish				10,927						
Park Bench - Replace										
Picnic Table - Replace										
Playground Equipment - Replace									57,005	
Reserve Study - Full	1,650						1,970			
Reserve Study - Update				1,093						1,305
Rock Wainscot - Repair					2,814					3,262
Soffit/Fascia - Replace										
Streetlights - Replace				4,098						
Structural - Repair Allowance							17,911			
Structural Engineering - Inspection							4,179			
Stucco - Repair/Repaint					289,396					
Water/Sewer - Engineering							5,970			
Water/Sewer - Repair Allowance							11,941			
Year Total:	11,070		68,083	55,128	297,838	10,920	47,941		152,772	11,091

Stoker Gardens Spread Sheet

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Description										
Asphalt - 2" Mill Edge and Overlay									20,429	
Asphalt - Crack Fill	3,360					3,895				
Asphalt - Slurry Seal	2,580					2,991				
Asphalt Shingles - Remove/Replace									861,431	
Concrete - Repair/Replace	6,720					7,790				
Erosion - Repairs							8,024			
Exterior Porch Light - Replace									60,777	
Fencing - Replace										
Gutters/Downspouts - Replace									56,010	
Hardie Board Siding - Repair/Repaint	86,246								109,254	
Landscaping - Renovation					7,563					8,768
Mailboxes - Replace	<i>Unfunded</i>									
Monument - Refurbish									17,024	
Park Bench - Replace									5,959	
Picnic Table - Replace									1,873	
Playground Equipment - Replace										
Reserve Study - Full			2,353						2,809	
Reserve Study - Update						1,558				
Rock Wainscot - Repair					3,781					4,384
Soffit/Fascia - Replace									207,016	
Streetlights - Replace									6,384	
Structural - Repair Allowance							24,071			
Structural Engineering - Inspection							5,616			
Stucco - Repair/Repaint			366,599							
Water/Sewer - Engineering										
Water/Sewer - Repair Allowance										
Year Total:	98,906		368,951		11,344	16,234	37,711		1,348,965	13,151

Stoker Gardens Spread Sheet

	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Description										
Asphalt - 2" Mill Edge and Overlay										
Asphalt - Crack Fill	4,515					5,234				
Asphalt - Slurry Seal	3,468					4,020				
Asphalt Shingles - Remove/Replace										
Concrete - Repair/Replace	9,031					10,469				
Erosion - Repairs							10,783			
Exterior Porch Light - Replace										
Fencing - Replace									172,967	
Gutters/Downspouts - Replace										
Hardie Board Siding - Repair/Repaint							138,399			
Landscaping - Renovation					10,164					11,783
Mailboxes - Replace	<i>Unfunded</i>									
Monument - Refurbish										
Park Bench - Replace										
Picnic Table - Replace										
Playground Equipment - Replace									102,957	
Reserve Study - Full					3,354					
Reserve Study - Update		1,860						2,221		
Rock Wainscot - Repair					5,082					5,891
Soffit/Fascia - Replace										
Streetlights - Replace										
Structural - Repair Allowance							32,349			
Structural Engineering - Inspection							7,548			
Stucco - Repair/Repaint	464,396								588,283	
Water/Sewer - Engineering		9,301								
Water/Sewer - Repair Allowance		18,603								
Year Total:	481,410	29,765			18,600	19,723	189,079	2,221	864,207	17,674

Executive Summary - Stoker Gardens

Information to complete this Reserve Study was gathered by performing an on-site inspection of the common area components. In addition, we also obtained information by contacting contractors as well as communicating with the property representative (BOD Member and/or Community Manager). To the best of our knowledge, the conclusions and recommendations of this report are considered reliable and accurate so far as the information obtained from these sources.

Projected Beginning Balance as of January, 1 2024	\$ 80,000
Ideal Reserve Balance as of January, 1 2024	\$662,081
Percent Funded as of January, 1 2024	12%
Recommended Reserve Contribution (Per Annual)	\$165,537
Recommended Special Assessment	\$ 0

Stoker Gardens HOA is a 66-unit Townhome community. This community offers a playground, as well as landscaped areas and amenities. Construction on the property was completed in 2012.

Reserve Funding

In comparing the projected starting reserve balance of \$80,000 versus the ideal reserve balance of \$662,081 we find the association's reserve fund to be 12% funded. This indicates a weak reserve fund position. We suggest adopting a monthly reserve contribution of \$13,795 (\$209/unit). If the reserve fund contribution falls below this rate, then the reserve fund may fall into a situation where special assessments, deferred maintenance, and lower property values are likely at some point in the future.