

Better Reserve Consultants

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Funding Reserve Analysis

for

Parkwood HOA Fiscal 2014-15 Full Reserve Study

March 7, 2014



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for
**Parkwood HOA Fiscal 2014-15 Full Reserve
Study**

Table of Contents	
Pages	Subject
1	Report Cover Sheet
2	Table of Contents
3 to 15	Reserve Study Summary
16 to 18	Reserve Item Summary
19 to 21	Present Cost Report
22	Cash Flow
23	Dues Summary
24 to 31	Expense Report
32	Expense Summary

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Subject: Parkwood HOA Fiscal 2014-15 Full Reserve Study

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Mari Jo Betterley
State of Nevada Reserve Specialist RSS. 0000025
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Parkwood Homeowners Association Executive Board of Directors,

Better Reserve Consultants is pleased to present to Parkwood Homeowners Association Board of Directors the requested Reserve Funding study. We believe that you will find the attached study to be thorough and complete. After you have had an opportunity to review the report you may have questions. Please do not hesitate to call - we would be pleased to answer any questions you may have.

A Full Reserve Study is required every 5 years. The Reserve Study should be reviewed at least annually and any adjustments to the Association's funding plan should be made to provide adequate funding for the required reserves. Because of our economic conditions it is important to complete a Reserve Study Update each year to ensure adequate funding of the Reserves while keeping the assessments as low as possible.

*Most recent Full Study completed: July 1, 2014

*Next Full Study Due: July 1, 2019, Should be completed in the Spring of 2019, prior to budget.

*Next Reserve Study Update: Should be completed in the Spring of 2015- for the year 2015-16, prior to budget.

NRS 116.31152 Study of reserves; duties of executive board regarding study; person who conducts study required to hold permit; contents of study; submission of summary of study to Division; use of money credited against residential construction tax for upkeep of park facilities and related improvements identified in study.

1. The executive board shall:

(a) At least once every 5 years, cause to be conducted a study of the reserves required to repair, replace and restore the major components of the common elements;

(b) At least annually, review the results of that study to determine whether those reserves are sufficient; and

(c) At least annually, make any adjustments to the association's funding plan which the executive board deems necessary to provide adequate funding for the required reserves.

Project Description

The Parkwood Homeowners Association is located in Reno, Nevada. The Association consists of 112 Assessment Paying Members. The Common Elements include the Exterior and Roofs of all Homes, The Asphalt Roads and Parking, Landscaping, a Club House, Pool Area, Tennis Courts, and Common Area. The Association has spent a great deal of

money upgrading and remodeling all homes. There will be an additional amount of money to be spent on the Asphalt Roads and Parking. The Association is in overall good condition and well maintained.

Study Method

Full Funding Method: Setting a Reserve Funding Goal of attaining and maintaining Reserves at or near 100 percent funded.

The Full Funding Method allows funding of each Component based on an estimation of the replacement cost and the remaining useful life. This method allows an Association to be adequately funded without the need for a Special Assessment as long as annual updates are completed and there are no unforeseen circumstances.

Where possible, known costs have been used. We rely on recent costs/ bids from local Contractors. In addition, every reserve item has been given an estimated remaining useful life, an estimated useful life when new, and has been cast into the future to determine the inflated cost.

Equal annual payments are calculated for each reserve item based upon a payment starting year and a payment ending year using the end of period payment method. Interest earned on accumulated reserve funds and taxes on the reserve interest are also calculated. Initial reserve funds are consumed as expenses occur until fully depleted, reducing annual reserve payments to a minimum. As you review this report, we are certain that you will appreciate the level of detail provided, allowing you to review each reserve item in detail.

Depth of Study

Full Reserve Study with a Field Inspection

A field inspection was made to verify the existing condition of the various reserve study components, their physical condition, and to verify component quantities. In place testing, laboratory testing, and non-destructive testing of the reserve study components were not performed. Field measurements of component quantities were made to either verify improvement plan take offs or determine directly the quantities of various components. If possible, actual Bids or recent costs from Contractors were used.

Summary of Financial Assumptions

The below table contains a partial summary of information provided by Parkwood Homeowners Association Board of Directors for the Parkwood HOA Fiscal 2014-15 Full Reserve Study funding study.

In this Report, the Operating Budget has been listed at Zero-- this Study is focusing on the Reserve Contribution only. An actual Annual Operating Budget may be included upon request of the Board of Directors.

The Minimum Reserve Balance refers to a "pad" or "cushion" that the Board of Directors may wish to include in the Study. For example, a very large association may say that they always want to have \$250,000.00 in the account. In this Reserve Study, there is no minimum balance set, so that all money is used toward the Reserve Fund.

This Chart includes the Projected Inflation Rate used in the Study as well as the Interest income from the Reserve Fund.

The "Number of Dues Paying Members " refers to the number of Assessment Paying Members or Units.

Fiscal Calendar Year Begins	July 1
Reserve Study by Fiscal Calendar Year Starting	July 1, 2014
Funding Study Length	30 Years
Number of Dues Paying Members	112
Reserve Balance as of July 1, 2014 ¹	\$287,596
Annual Inflation Rate	2.50%
Tax Rate on Reserve Interest ²	30.00%
Minimum Reserve Account Balance	\$0
Dues Change Period	3 Years
Annual Operating Budget	\$0

¹ See "Financial Condition of Association" in this report.

² Taxed as an IRS exempt association

Reserve Study Assumptions

Cost estimates and financial information are accurate and current. No unforeseen circumstances will cause a significant reduction of reserves. Sufficient comprehensive property insurance exists to protect from insurable risks. The association plans to continue to maintain the existing common areas and amenities. Reserve payments occur at the end of every calendar month. Expenses occur at the end of the expense year.

*The Component Utility Line Repairs has been added to the Study as a Contingency Fund to be used as Needed. This Component should be evaluated each year.

*Drainage Work at the Tennis Court was completed in the fiscal year 2013-14. This was a one time cost and has not been included in the Study.

*All Asphalt Roads and Parking are scheduled to have a 2 Inch Overlay or complete Removal and Replacement within the next 4 years. This Study should be updated with accurate costs and measurements each year. Annual Slurry Seal is scheduled in so that all streets are sealed every 4 years. This cost should be updated when the Overlay of all Streets is completed. The Asphalt Overlay/ Removal and Replacement schedule was provided by the Board of Directors and has been broken down into Zones A, B, C and D, and Lorraine.

*The Exterior Home Painting costs include an estimated cost per unit of \$2,500.00 / 16 Units per year in a 7 year rotating schedule, with 7 phases.

*The Damaged/ Deteriorated Roads will not receive a Slurry Seal or Maintenance Treatments until they are Replaced. This Component should be added into the Study as each road resurface has been completed.

*Complete replacement of the Electrical Panel Boxes has not been included in this Study. Instead, a contingency fund has been set up for repairs and replacement as needed. This component should be included in future and evaluated each year.

*Much of the Club House Furniture and Exercise Equipment was donated by Individual Homeowners. Replacement of the donated items is not included in this Study.

*A one time Base Clay Removal and the Shower Renovation was done in the 2013-14 Fiscal Year. This work was completed with Reserve Funds and is part of the Pool Area Renovation.

Impact of Component Life

Per NRS, the following Statement is required: The projected life expectancy of the major components and the reserve funding needs of the association are closely tied.

Performing the appropriate routine maintenance for each major component generally increases the component useful life, effectively moving the component expense into the future which reduces the reserve funding payments of the association.

Failure to perform such maintenance can shorten the remaining useful life of the major components, bringing the replacement expense closer to the present which increases the reserve funding payments of the association.

An Annual Reserve Study Update is strongly recommended.

Inflation Estimate

The Report includes an inflation rate based on the National Inflation Average- It does not necessarily reflect "today's" inflation. This Report should be updated each year to evaluate the inflation rate.

Initial Reserves

The Beginning Reserve Balance for this Reserve Study has been provided by the Management Company/ Board of Directors. If the Reserve Study Start Date is not the date that the Reserve Study was prepared, the Initial Reserves may be an estimation of a future Reserve Bank Account Balance.

NRS 116.31144--Audit and review of financial statements.

1.Except as otherwise provided in subsection 2, the executive board shall:

(a)If the annual budget of the association is \$45,000 or more but less than \$75,000, cause the financial statement of the association to be reviewed by an independent certified public accountant during the year immediately preceding the year in which a study of the reserves of the association is to be conducted pursuant to NRS 116.31152.

(b)If the annual budget of the association is \$75,000 or more but less than \$150,000, cause the financial statement of the association to be reviewed by an independent certified public accountant every fiscal year.

(c)If the annual budget of the association is \$150,000 or more, cause the financial statement of the association to be audited by an independent certified public accountant every fiscal year.

2.Except as otherwise provided in this subsection, for any fiscal year, the executive board of an association shall cause the financial statement for that fiscal year to be audited by an independent certified public accountant if, within 180 days before the end of the fiscal year, 15 percent of the total number of voting members of the association submit a written request for such an audit. The provisions of this subsection do not apply to an association described in paragraph (c) of subsection 1.

Reserve Funding Goal

The Reserve Funding Goal is based on the Full Funding/ Component Method in this Study.

Summary of Findings

Better Reserve Consultants has estimated future projected expenses for Parkwood HOA Fiscal 2014-15 Full Reserve Study based upon preservation of existing improvements.

The attached funding study is limited in scope to those expense items listed in the attached "Parkwood HOA Fiscal 2014-15 Full Reserve Study Reserve Study Expense Items". Expense items which have an expected life of more than 30 Years are not included in this reserve study unless payment for these long lived items occurs within the 30 Years of the reserve study envelope.

Of primary concern is the preservation of a positive funding balance with funds sufficient to meet projected expenses throughout the study life. Based upon the attached funding study, it is our professional opinion that member monthly fees as shown in the attached "Parkwood HOA Fiscal 2014-15 Full Reserve Study Dues Summary" will realize this goal. Some reserve items in the "Revenue Summary Table" may not contain payments. In this analysis the initial reserves were used to make annual payments for expense items in their order of occurrence until the initial reserve was consumed. As a result reserve items without payments may be expected, particularly in the first few years of the funding study.

Percent Funded

Many reserve studies use the concept of "Percent Funded" to measure the reserve account balance against a theoretically perfect value. Percent Funded is often used as a measure of the "Financial Health" of an association.

Percent Funded is the ratio of current cash reserves divided by the Fully Funded value at any instant in time. Fully Funded is defined as the present value of the sum of all reserve items divided by the expected life of each item. In essence, Fully Funded is simply the total of the average net present value of the association improvements.

Reserve items with a remaining life greater than the study life are not included in the calculation. For example; building framing, foundations, water lines, sewer lines and other long-lived items that fall outside the envelope of the reserve study are excluded from the calculation. Percent Funded is then, the current reserve balance divided by the Fully Funded value multiplied by 100 (to give a percentage).

In order to calculate the Percent Funded in this Report Please see the Present Cost Report - The Depreciation, and Present Cost for each reserve item is shown. FULLY FUNDED BALANCE (FFB): Total Accrued Depreciation. An indicator against which Actual (or projected) Reserve balance can be compared. The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost. This number is calculated for each component, then summed together for an association total. Two formulae can be utilized, depending on the provider's sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent.

Simply put, the Percent Funded is the ratio of how much money is in the Reserve Account vs. how much money the Reserve Account "should" have. Fully funded means that the Reserve Account has enough money to pay for the current depreciation of all Reserve Items-- a conservative value. Put another way, Fully Funded is the total of depreciated value of all Reserve Items.

0% - 40% Funded is considered to be a "weak" financial position. Associations that fall into this category The Association must take action to bring the funding levels to a proper level by raising the monthly/ annual contribution or a Special Reserve Assessment.

40% - 74% Funded is considered to be a "fair" financial position. This does not represent financial strength and stability. The likelihood of a Special Assessments is still possible. The Association should make every effort to continue strengthening the financial position of the Reserve Fund.

75% - 99% Funded is considered a "strong" financial position. This indicates financial strength of a Reserve Fund and every attempt to maintain this level should be a goal of the Association.

100% Funded or Greater is the "ideal" financial position. This means that the Association has the exact amount of funds in the Reserve Account in order to repair, replace, restore or maintain the Common Elements based on their depreciation. Some Reserve Studies will fund the Reserves up to 130% Funded. In some instances, the Reserve Fund may be over the 100% funding mark in order to prepare for larger costs that will impact the Reserve Account in the future.

Keeping Your Reserve Study Current

Better Reserve Consultants believes that funding studies are an essential part of property management. People and property are constantly changing and evolving. As a result, the useful life of a funding study is at best a few years, and certainly not more than five years.

This reserve study should be updated:

- *At least once a year
- *At changes in interest rates
- *At changes in inflation rates
- *At changes in the number of dues paying members
- *Before starting new improvements
- *Before making changes to the property
- *After a flood or fire

*After the change of ownership or management

*After Annexation or Incorporation.

Remember, a Reserve Study is a "working tool"-- the Study is only as accurate as the information obtained. An Annual Update is strongly recommended!

Items Beyond the Scope of this Report

Building code or zoning ordinance violations.

Geological stability or soils conditions.

Structural stability or engineering analysis.

Termites, pests or other destroying organisms.

Asbestos, radon, formaldehyde, lead, water or air quality, electromagnetic radiation or any environmental hazards.

Building value or appraisals.

Specific components noted as excluded on the report.

Adequacy of efficiency of any system or component.

Information not provide by the management company or association necessary to identify all assets.

Log

Better Reserve Consultants relies on the Information obtained from the Management Company and the Board of Directors to be true and factual. Estimated Age and Useful Life may be influenced by this Data. Information provided by the official representative of the association regarding financial, physical, quantity or historical issues will be deemed reliable by the consultant.

Any information provided about the reserve projects will be considered reliable.

Information provided to the preparer of a reserve study by an official representative of the association regarding financial, historical, physical, quantitative or reserve project issues will be deemed reliable by the preparer.

A reserve study will be a reflection of information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited.

A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. An on-site inspection conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection.

This Study is not to be considered a Structural or Physical Inspection of the property or buildings.

The Estimated Useful Life and Expected Useful Life of each Component is an estimation only and should not be considered a warranty or guaranty of any kind. There are no guarantees, express or implied, that have been given with the predictions for the cost or life expectancy of any of the major components. Further evaluation of each component by a Licensed Contractor is recommended to obtain accurate replacement costs and useful lives. This Study should be updated with "real" costs and bids when ever possible.

Material issues which, if not disclosed, would cause the condition of the association to be misrepresented.

If this is a Reserve Study Update that has been completed on a previous Reserve Study, quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies.

A copy of the Component Lists from the Previous Reserve Study is included with the Final Draft as "Addendum I" at the end of the Report.

NAC 116.425 Reserve study: Contents. (NRS 116.31152, 116.615)

1. A reserve study must, in addition to the requirements set forth in NRS 116.31152, include:

(a) A copy of the component inventory from the previous reserve study if such copy was provided by the executive board to the person conducting the reserve study;

NAC 116.430 Reserve study: Required disclosures. (NRS 116.31152, 116.615) A person conducting a reserve study and any consultant assisting in the preparation of a reserve study shall include in the reserve study the following disclosures:

...

3. Whether the person conducting or assisting in the preparation of the reserve study is bonded or has professional liability insurance.

Better Reserve Consultants does have Professional Liability Insurance and General Liability Insurance through United States Liability Company. Verification of such insurance is available upon request.

Statement of Qualifications

Mari Jo Betterley:

*State of Nevada Reserve Specialist RSS.0000025

*9 Years of experience and over 900 Reserve Studies and Reserve Study Updates completed in Nevada and California

*Attendance at over 500 Homeowner Association Executive Board Meetings and Homeowner Meetings to explain and discuss the Reserve Study and State of Nevada Laws in detail.

*Graduate- University of Nevada Reno- 1983

*Community Association Institute Business Partner- Northern Nevada

*Volunteer, Education Committee Member- Community Association Institute 2011-present

*Approved Instructor to teach a Continuing Education Course for the State of Nevada. "The Manager's Role/ How to Read and Interpret a Reserve Study" -- CE.0166000-CAM. Course written by Mari Jo Betterley.

*Trainer- Community Association Institute "Essentials Class" for Homeowners, Board Members 2011, 2012.

*Tim Betterley:Assists the Reserve Specialists with measurement of property/ components.

We take pride in offering a Higher Level of Customer Service-- We will walk through the property with the Board of Directors to discuss each component, the expected useful life and the replacement cost.

We will attend a Board Meeting to present the Study. Our goal is that the Reserve Study is a tool that the Board actually uses.

Conflict of Interest

As the preparer of this reserve study, Better Reserve Consultants certifies that we do not have any vested interests, financial interests, or other interests that would cause a conflict of interest in the preparation of this reserve study.

Financial Condition of Association

This Association is adequately funded as long as the Cash Flow Analysis is followed and there are no unforeseen events that would reduce the component estimated useful life or replacement cost.

A Reserve Study Annual Update is strongly recommended to ensure adequate funding and input actual repair/ replacement costs. Each item should be evaluated on an annual basis.

Of primary concern is the preservation of a positive funding balance with funds sufficient to meet projected expenses throughout the study life. Based upon the attached funding study, it is our professional opinion that Annual Reserve Contribution as shown in the attached Cash Flow Analysis will realize this goal.

The Cash Flow Analysis in this Report identifies the Percent Funded for each fiscal year. The Funding allows for replacement or repair of all components without a Special Assessment.

The Reserve Study is considered a "working tool" and should be re-evaluated every year. What is accurate this year, may not be accurate in future years. Each year the Reserve Study should be updated with recent history and actual costs along with future costs.

Nevada Revised Statutes requires that the Association Reserve Fund is "Adequately Funded."

NAC 116.425 Reserve study: Contents. (NRS 116.31152, 116.615) :

...2. As used in this section, "adequately funded reserve" means the funds sufficient to maintain the common elements:

- (a) At the level described in the governing documents and in a reserve study; and
- (b) Without using the funds from the operating budget or without special assessments, except for occurrences that are a result of unforeseen catastrophic events.

Better Reserve Consultants would like to thank the Board of Directors for the opportunity to be of service in the preparation of the attached Funding Study. Again, please feel free to write or call at our letterhead address if you have any questions.

Prepared by:

Mari Jo Betterley
Reserve Specialist
Nevada State RSS.0000025

Enclosures:

4 Pages of Photographs Attached



All Club House Exterior Components have been included in the Study including Painting, Roof and Windows and Door Replacement.



The Interior Painting and Carpet Replacement has been included in the Study. Furniture Replacement and Restroom Remodel are also included.



The Exterior of homes is the HOA Responsibility. A Roofing and Painting Schedule has been included in the Study. The Association is well maintained and in overall good condition.



The Asphalt Removal and Replacement and Concrete Drainage Swale Replacement has been scheduled in Phases to be done within the next 4 years.



Roads that are scheduled for an overlay will not receive a Slurry Seal or Maintenance until the Overlay is completed.



Concrete Curb/Gutters are replaced when the Roads have the overlay.



The Garage Doors are the Individual Homeowner Responsibility. Concrete Driveways are maintained by the HOA. Replacement of Concrete Driveways is scheduled to be done as needed.



The Pool is being completely rebuilt. All Pool Components and new estimated useful lives have been included in this Study.



Tennis Court Maintenance has been included in this Study.

Parkwood HOA Fiscal 2014-15 Full Reserve Study Reserve Study Expense Item Summary

Reserve Items	Current Cost When New	Estimated Remaining Life	Expected Life When New	First Replacement Cost	Repeating Item?
Homes					
Annual Roofing Repairs as Needed	\$1,600	0 Year	1 Years	\$1,640	Yes
Roofs Phase I	\$77,000	12 Years	30 Years	\$106,534	Yes
Roofs Phase II	\$77,000	13 Years	30 Years	\$109,228	Yes
Roofs Phase III	\$77,000	14 Years	30 Years	\$111,991	Yes
Roofs Phase IV	\$77,000	15 Years	30 Years	\$114,823	Yes
Roofs Phase V	\$84,000	16 Years	30 Years	\$128,429	Yes
Painting Phase I	\$40,000	7 Years	7 Years	\$48,846	Yes
Painting Phase II	\$40,000	1 Years	7 Year	\$42,049	Yes
Painting Phase III	\$40,000	2 Years	7 Years	\$43,112	Yes
Painting Phase IV	\$40,000	3 Years	7 Years	\$44,202	Yes
Painting Phase V	\$40,000	4 Years	7 Years	\$45,320	Yes
Painting Phase VI	\$40,000	5 Years	7 Years	\$46,466	Yes
Painting Phase VII	\$40,000	6 Years	7 Years	\$47,641	Yes
Annual Painting Touch Up	\$4,200	0 Year	1 Years	\$4,306	Yes
Block Wall Repair or Replacement as Needed	\$2,000	3 Years	5 Years	\$2,210	Yes
Homes Exterior Lighting Replacement	\$11,200	2 Years	25 Years	\$12,071	Yes
Electrical Panel Box Repairs or Replacement as Needed	\$1,500	2 Years	3 Years	\$1,617	Yes
Common Area					
Perimeter and Homes Fencing Painting, Repair or Replacement as Needed	\$5,000	1 Year	1 Year	\$5,256	Yes
Annual Major Landscaping and Irrigation as Needed	\$5,000	1 Year	1 Year	\$5,256	Yes
One Time Irrigation Compliance	\$15,000	0 Year	1 Years	\$15,379	No
Annual Tree Maintenance and Tree Trimming	\$5,000	1 Year	1 Year	\$5,256	Yes
One Time Tree Trimming and Removal	\$10,000	0 Year	1 Years	\$10,253	No
Concrete Landscaping Curbing Replacement as Needed	\$3,500	1 Years	5 Year	\$3,679	Yes
Common Area Lighting	\$5,000	2 Years	20 Years	\$5,389	Yes
Annual Utility Line and Sewer Replacement or Repair as Needed	\$2,500	1 Year	1 Year	\$2,628	Yes

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study Expense Item Summary - Continued

Reserve Items	Current Cost When New	Estimated Remaining Life	Expected Life When New	First Replacement Cost	Repeating Item?
Concrete Repair or Replacement as Needed	\$4,000	1 Year	1 Year	\$4,205	Yes
Perimeter Fencing Repairs as Needed	\$5,000	4 Years	5 Years	\$5,665	Yes
Asphalt Roads and Parking					
Lorraine - Asphalt Roads and Parking Overlay or Reconstruction Completed 2013-2014	\$30,000	24 Years	25 Years	\$56,011	Yes
Zone A -Asphalt Roads and Parking Overlay or Reconstruction 2014-2015	\$70,000	0 Years	25 Years	\$71,770	Yes
Zone B - Asphalt Roads and Parking or Reconstruction (2015-2016)	\$64,000	1 Years	25 Year	\$67,278	Yes
Zone C - Asphalt Roads and Parking Overlay or Reconstruction 2016-2017	\$82,000	2 Years	25 Years	\$88,380	Yes
Zone D - Asphalt Roads and Parking Overlay or Reconstruction 2017-2018	\$88,500	3 Years	25 Years	\$97,797	Yes
Side Street Overlay or Reconstruction	\$20,000	4 Years	25 Years	\$22,660	Yes
Slurry Seal and Crack Fill all Asphalt Streets and Parking (See Reserve Study Assumptions)	\$3,000	1 Year	1 Year	\$3,154	Yes
Street Signs	\$1,000	3 Years	3 Years	\$1,105	Yes
Entrance Signs	\$4,500	4 Years	8 Years	\$5,099	Yes
Club House					
Interior Painting	\$3,000	4 Years	10 Years	\$3,399	Yes
Kitchen Remodel	\$5,000	14 Years	20 Years	\$7,272	Yes
Carpet	\$4,000	18 Years	20 Years	\$6,429	Yes
Furniture	\$2,500	10 Years	15 Years	\$3,290	Yes
Restroom Remodel	\$5,000	15 Years	20 Years	\$7,456	Yes
Flat Roofing Repairs Phase I	\$2,500	9 Years	10 Years	\$3,209	Yes
Flat Roofing Replacement	\$40,000	19 Years	20 Years	\$65,915	Yes
Shake Mansard Roofing Replacement	\$6,000	9 Years	25 Years	\$7,702	Yes
Skylight Replacement	\$10,000	4 Years	25 Years	\$11,330	Yes

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study Expense Item Summary - Continued

Reserve Items	Current Cost When New	Estimated Remaining Life	Expected Life When New	First Replacement Cost	Repeating Item?
Window and Door Replacement	\$10,000	6 Years	30 Years	\$11,910	Yes
Pool Area					
Pool Resurface	\$10,000	11 Years	12 Years	\$13,494	Yes
Pool Coping Stones	\$3,000	11 Years	12 Years	\$4,048	Yes
Pool Deck Repairs or Replacement as Needed	\$5,000	4 Years	5 Years	\$5,665	Yes
Wrought Iron Fence Painting and Repairs as Needed	\$2,000	0 Years	5 Years	\$2,051	Yes
Pool Wrought Iron Fence Replacement	\$25,000	29 Years	40 Years	\$52,884	Yes
Pool Lighting to be Done With Pool Remodel	\$2,000	19 Years	20 Years	\$3,296	Yes
Pool Lighting and Wiring	\$6,000	24 Years	25 Years	\$11,202	Yes
Pool Heater	\$4,800	14 Years	15 Years	\$6,981	Yes
Pool Pump	\$3,000	19 Years	20 Years	\$4,944	Yes
Pool Filter	\$7,000	14 Years	15 Years	\$10,181	Yes
Pool Furniture	\$3,000	0 Years	5 Years	\$3,076	Yes
Pool Cover	\$2,600	8 Years	10 Years	\$3,255	Yes
Drain Cover, Surface Repairs and Striping	\$2,800	29 Years	30 Years	\$5,923	Yes
Tennis Courts					
Tennis Courts Resurface	\$25,000	14 Years	30 Years	\$36,361	Yes
Tennis Court Fence	\$500	1 Years	5 Year	\$526	Yes
Re-Coat Tennis Court	\$5,000	2 Years	3 Years	\$5,389	Yes
Tennis Court Lighting	\$4,000	2 Years	20 Years	\$4,311	Yes
Concrete Retaining Wall	\$4,000	9 Years	25 Years	\$5,135	Yes
Reserve Study					
Full Reserve Study	\$3,000	4 Years	5 Years	\$3,399	Yes
Reserve Study Annual Update	\$650	0 Year	1 Years	\$666	Yes

Months Remaining in Fiscal Calendar Year 2014: 12

Expected annual inflation: 2.50%

Interest earned on reserve funds: 0.20%

Initial Reserve: \$287,596

Present Costs

Category	Item Name	No Units	Unit Cost	Present Cost	Net Present Value	Depreciation
Homes	Annual Roofing Repairs as Needed	1	\$1,600.00 ea	\$1,600.00	\$0.00	\$1,600.00
	Roofs Phase I	22	\$3,500.00 ea	\$77,000.00	\$30,800.00	\$46,200.00
	Roofs Phase II	22	\$3,500.00 ea	\$77,000.00	\$33,366.67	\$43,633.33
	Roofs Phase III	22	\$3,500.00 ea	\$77,000.00	\$35,933.33	\$41,066.67
	Roofs Phase IV	22	\$3,500.00 ea	\$77,000.00	\$38,500.00	\$38,500.00
	Roofs Phase V	24	\$3,500.00 ea	\$84,000.00	\$44,800.00	\$39,200.00
	Painting Phase I	16	\$2,500.00 ea	\$40,000.00	\$40,000.00	\$0.00
	Painting Phase II	16	\$2,500.00 ea	\$40,000.00	\$5,714.29	\$34,285.71
	Painting Phase III	16	\$2,500.00 ea	\$40,000.00	\$11,428.57	\$28,571.43
	Painting Phase IV	16	\$2,500.00 ea	\$40,000.00	\$17,142.86	\$22,857.14
	Painting Phase V	16	\$2,500.00 ea	\$40,000.00	\$22,857.14	\$17,142.86
	Painting Phase VI	16	\$2,500.00 ea	\$40,000.00	\$28,571.43	\$11,428.57
	Painting Phase VII	16	\$2,500.00 ea	\$40,000.00	\$34,285.71	\$5,714.29
	Annual Painting Touch Up	1	\$4,200.00 ea	\$4,200.00	\$0.00	\$4,200.00
	Block Wall Repair or Replacement as Needed	1	\$2,000.00 ea	\$2,000.00	\$1,200.00	\$800.00
	Homes Exterior Lighting Replacement	224	\$50.00 ea	\$11,200.00	\$896.00	\$10,304.00
Electrical Panel Box Repairs or Replacement as Needed	1	\$1,500.00 ea	\$1,500.00	\$1,000.00	\$500.00	
Homes Sub Total =				\$692,500.00	\$346,496.00	\$346,004.00
Common Area	Perimeter and Homes Fencing Painting, Repair or Replacement as Needed	1	\$5,000.00 ea	\$5,000.00	\$5,000.00	\$0.00
	Annual Major Landscaping and Irrigation as Needed	1	\$5,000.00 ea	\$5,000.00	\$5,000.00	\$0.00
	One Time Irrigation Compliance	1	\$15,000.00 ea	\$15,000.00	\$0.00	\$15,000.00
	Annual Tree Maintenance and Tree Trimming	1	\$5,000.00 ea	\$5,000.00	\$5,000.00	\$0.00
	One Time Tree Trimming and Removal	1	\$10,000.00 ea	\$10,000.00	\$0.00	\$10,000.00
	Concrete Landscaping Curbing Replacement as Needed	1	\$3,500.00 ea	\$3,500.00	\$700.00	\$2,800.00
	Common Area Lighting	10	\$500.00 ea	\$5,000.00	\$500.00	\$4,500.00
	Annual Utility Line and Sewer Replacement or Repair as Needed	1	\$2,500.00 ea	\$2,500.00	\$2,500.00	\$0.00
	Concrete Repair or Replacement as Needed	1	\$4,000.00 ea	\$4,000.00	\$4,000.00	\$0.00

Present Costs - Continued

Category	Item Name	No Units	Unit Cost	Present Cost	Net Present Value	Depreciation
Common Area	Perimeter Fencing Repairs as Needed	1	\$5,000.00 ea	\$5,000.00	\$4,000.00	\$1,000.00
Common Area Sub Total =				\$60,000.00	\$26,700.00	\$33,300.00
Asphalt Roads and Parking	Lorraine - Asphalt Roads and Parking Overlay or Reconstruction Completed 2013-2014	1	\$30,000.00 ea	\$30,000.00	\$28,800.00	\$1,200.00
	Zone A -Asphalt Roads and Parking Overlay or Reconstruction 2014-2015	1	\$70,000.00 ea	\$70,000.00	\$0.00	\$70,000.00
	Zone B - Asphalt Roads and Parking or Reconstruction (2015-2016)	1	\$64,000.00 ea	\$64,000.00	\$2,560.00	\$61,440.00
	Zone C - Asphalt Roads and Parking Overlay or Reconstruction 2016-2017	1	\$82,000.00 ea	\$82,000.00	\$6,560.00	\$75,440.00
	Zone D - Asphalt Roads and Parking Overlay or Reconstruction 2017-2018	1	\$88,500.00 ea	\$88,500.00	\$10,620.00	\$77,880.00
	Side Street Overlay or Reconstruction	1	\$20,000.00 ea	\$20,000.00	\$3,200.00	\$16,800.00
	Slurry Seal and Crack Fill all Asphalt Streets and Parking (See Reserve Study Assumptions)	20000 • ft	\$0.15 / • ft	\$3,000.00	\$3,000.00	\$0.00
	Street Signs	1	\$1,000.00 ea	\$1,000.00	\$1,000.00	\$0.00
	Entrance Signs	2	\$2,250.00 ea	\$4,500.00	\$2,250.00	\$2,250.00
Asphalt Roads and Parking Sub Total =				\$363,000.00	\$57,990.00	\$305,010.00
Club House	Interior Painting	1	\$3,000.00 ea	\$3,000.00	\$1,200.00	\$1,800.00
	Kitchen Remodel	1	\$5,000.00 ea	\$5,000.00	\$3,500.00	\$1,500.00
	Carpet	1	\$4,000.00 ea	\$4,000.00	\$3,600.00	\$400.00
	Furniture	1	\$2,500.00 ea	\$2,500.00	\$1,666.67	\$833.33
	Restroom Remodel	2	\$2,500.00 ea	\$5,000.00	\$3,750.00	\$1,250.00
	Flat Roofing Repairs Phase I	1	\$2,500.00 ea	\$2,500.00	\$2,250.00	\$250.00
	Flat Roofing Replacement	1	\$40,000.00 ea	\$40,000.00	\$38,000.00	\$2,000.00
	Shake Mansard Roofing Replacement	1	\$6,000.00 ea	\$6,000.00	\$2,160.00	\$3,840.00
	Skylight Replacement	4	\$2,500.00 ea	\$10,000.00	\$1,600.00	\$8,400.00
	Window and Door Replacement	1	\$10,000.00 ea	\$10,000.00	\$2,000.00	\$8,000.00
Club House Sub Total =				\$88,000.00	\$59,726.67	\$28,273.33

Present Costs - Continued

Category	Item Name	No Units	Unit Cost	Present Cost	Net Present Value	Depreciation
Pool Area	Pool Resurface	1	\$10,000.00 ea	\$10,000.00	\$9,166.67	\$833.33
	Pool Coping Stones	1	\$3,000.00 ea	\$3,000.00	\$2,750.00	\$250.00
	Pool Deck Repairs or Replacement as Needed	1	\$5,000.00 ea	\$5,000.00	\$4,000.00	\$1,000.00
	Wrought Iron Fence Painting and Repairs as Needed	1	\$2,000.00 ea	\$2,000.00	\$0.00	\$2,000.00
	Pool Wrought Iron Fence Replacement	1	\$25,000.00 ea	\$25,000.00	\$18,125.00	\$6,875.00
	Pool Lighting to be Done With Pool Remodel	1	\$2,000.00 ea	\$2,000.00	\$1,900.00	\$100.00
	Pool Lighting and Wiring	1	\$6,000.00 ea	\$6,000.00	\$5,760.00	\$240.00
	Pool Heater	2	\$2,400.00 ea	\$4,800.00	\$4,480.00	\$320.00
	Pool Pump	1	\$3,000.00 ea	\$3,000.00	\$2,850.00	\$150.00
	Pool Filter	1	\$7,000.00 ea	\$7,000.00	\$6,533.33	\$466.67
	Pool Furniture	1	\$3,000.00 ea	\$3,000.00	\$0.00	\$3,000.00
	Pool Cover	1	\$2,600.00 ea	\$2,600.00	\$2,080.00	\$520.00
	Drain Cover, Surface Repairs and Striping	1	\$2,800.00 ea	\$2,800.00	\$2,706.67	\$93.33
Pool Area Sub Total =				\$76,200.00	\$60,351.67	\$15,848.33
Tennis Courts	Tennis Courts Resurface	2	\$12,500.00 ea	\$25,000.00	\$11,666.67	\$13,333.33
	Tennis Court Fence	1	\$500.00 ea	\$500.00	\$100.00	\$400.00
	Re-Coat Tennis Court	2	\$2,500.00 ea	\$5,000.00	\$3,333.33	\$1,666.67
	Tennis Court Lighting	1	\$4,000.00 ea	\$4,000.00	\$400.00	\$3,600.00
	Concrete Retaining Wall	1	\$4,000.00 ea	\$4,000.00	\$1,440.00	\$2,560.00
Tennis Courts Sub Total =				\$38,500.00	\$16,940.00	\$21,560.00
Reserve Study	Full Reserve Study	1	\$3,000.00 ea	\$3,000.00	\$2,400.00	\$600.00
	Reserve Study Annual Update	1	\$650.00 ea	\$650.00	\$0.00	\$650.00
Reserve Study Sub Total =				\$3,650.00	\$2,400.00	\$1,250.00
Totals =				\$1,321,850.00	\$570,604.34	\$751,245.66

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study Modified Cash Flow Analysis

Fiscal Calendar Year	Annual Payment	Annual Interest	Salvage	Annual Expenses	Annual Income Tax	Net Reserve Funds	% Funded
2014	\$187,504	\$747		\$109,142	\$224	\$366,481	38.2 %
2015	\$187,504	\$905		\$146,067	\$271	\$408,552	42.2 %
2016	\$187,504	\$989		\$193,627	\$297	\$403,122	42.1 %
2017	\$187,504	\$978		\$179,516	\$293	\$411,794	45.5 %
2018	\$191,751	\$999		\$137,603	\$300	\$466,642	53.4 %
2019	\$191,751	\$1,109		\$95,778	\$333	\$563,391	63.2 %
2020	\$191,751	\$1,303		\$102,369	\$391	\$653,685	68.6 %
2021	\$191,751	\$1,483		\$86,640	\$445	\$759,833	75.1 %
2022	\$191,751	\$1,696		\$102,729	\$509	\$850,042	78.0 %
2023	\$191,751	\$1,876		\$125,096	\$563	\$918,011	79.5 %
2024	\$191,751	\$2,012		\$103,252	\$604	\$1,007,918	84.0 %
2025	\$193,234	\$2,193		\$127,454	\$658	\$1,075,233	84.6 %
2026	\$193,234	\$2,328		\$212,308	\$698	\$1,057,789	80.1 %
2027	\$201,856	\$2,301		\$212,712	\$690	\$1,048,544	81.1 %
2028	\$201,856	\$2,282		\$308,701	\$685	\$943,295	74.2 %
2029	\$201,856	\$2,072		\$237,027	\$622	\$909,574	78.2 %
2030	\$213,559	\$2,015		\$243,021	\$605	\$881,523	77.8 %
2031	\$213,559	\$1,959		\$121,409	\$588	\$975,044	88.1 %
2032	\$213,559	\$2,146		\$129,462	\$644	\$1,060,644	88.1 %
2033	\$227,421	\$2,330		\$216,612	\$699	\$1,073,084	82.7 %
2034	\$227,421	\$2,355		\$146,905	\$706	\$1,155,248	88.2 %
2035	\$227,421	\$2,519		\$131,565	\$756	\$1,252,867	89.7 %
2036	\$239,719	\$2,726		\$141,997	\$818	\$1,352,497	90.1 %
2037	\$239,719	\$2,925		\$168,350	\$877	\$1,425,914	89.1 %
2038	\$239,719	\$3,072		\$231,419	\$922	\$1,436,364	85.6 %
2039	\$254,306	\$3,106		\$284,170	\$932	\$1,408,674	82.9 %
2040	\$254,306	\$3,051		\$285,468	\$915	\$1,379,648	82.4 %
2041	\$254,306	\$2,993		\$332,329	\$898	\$1,303,720	78.6 %
2042	\$267,752	\$2,853		\$347,748	\$856	\$1,225,720	76.4 %
2043	\$267,752	\$2,697		\$343,850	\$809	\$1,151,510	74.4 %
2044	\$267,752	\$2,549		\$166,892	\$765	\$1,254,154	85.6 %
Totals :	\$6,692,579	\$64,566	\$0	\$5,771,218	\$19,370		

The cash distribution shown in this table applies to repair and replacement cash reserves only.

Basis of Funding Study - Modified Cash Flow

Cash reserves have been set to a minimum of \$0

Cash Flow has been modified with the forced Fixed Payments.

Months Remaining in Fiscal Calendar Year 2014: 12 Inflation = 2.50 % Interest = 0.20 %
 Study Life = 30 years Initial Reserve Funds = \$287,596.19 Final Reserve Value = \$1,254,153.80
 Annual Payments Held Constant for 3 years

Parkwood HOA Fiscal 2014-15 Full Reserve Study Modified Reserve Payment Summary

Projected Payments by Month and by Fiscal Calendar Year

Fiscal Calendar Year	Member Monthly Operations Payment	Member Monthly Reserve Payment	Member Total Monthly Payment	Member Total Annual Payment	Monthly Reserve Contribution	Annual Reserve Contribution
2014	NA	\$139.51	\$139.51	\$1,674.14	\$15,625	\$187,504
2015	NA	\$139.51	\$139.51	\$1,674.14	\$15,625	\$187,504
2016	NA	\$139.51	\$139.51	\$1,674.14	\$15,625	\$187,504
2017	NA	\$139.51	\$139.51	\$1,674.14	\$15,625	\$187,504
2018	NA	\$142.67	\$142.67	\$1,712.06	\$15,979	\$191,751
2019	NA	\$142.67	\$142.67	\$1,712.06	\$15,979	\$191,751
2020	NA	\$142.67	\$142.67	\$1,712.06	\$15,979	\$191,751
2021	NA	\$142.67	\$142.67	\$1,712.06	\$15,979	\$191,751
2022	NA	\$142.67	\$142.67	\$1,712.06	\$15,979	\$191,751
2023	NA	\$142.67	\$142.67	\$1,712.06	\$15,979	\$191,751
2024	NA	\$142.67	\$142.67	\$1,712.06	\$15,979	\$191,751
2025	NA	\$143.78	\$143.78	\$1,725.31	\$16,103	\$193,234
2026	NA	\$143.78	\$143.78	\$1,725.31	\$16,103	\$193,234
2027	NA	\$150.19	\$150.19	\$1,802.28	\$16,821	\$201,856
2028	NA	\$150.19	\$150.19	\$1,802.28	\$16,821	\$201,856
2029	NA	\$150.19	\$150.19	\$1,802.28	\$16,821	\$201,856
2030	NA	\$158.90	\$158.90	\$1,906.78	\$17,797	\$213,559
2031	NA	\$158.90	\$158.90	\$1,906.78	\$17,797	\$213,559
2032	NA	\$158.90	\$158.90	\$1,906.78	\$17,797	\$213,559
2033	NA	\$169.21	\$169.21	\$2,030.54	\$18,952	\$227,421
2034	NA	\$169.21	\$169.21	\$2,030.54	\$18,952	\$227,421
2035	NA	\$169.21	\$169.21	\$2,030.54	\$18,952	\$227,421
2036	NA	\$178.36	\$178.36	\$2,140.35	\$19,977	\$239,719
2037	NA	\$178.36	\$178.36	\$2,140.35	\$19,977	\$239,719
2038	NA	\$178.36	\$178.36	\$2,140.35	\$19,977	\$239,719
2039	NA	\$189.22	\$189.22	\$2,270.59	\$21,192	\$254,306
2040	NA	\$189.22	\$189.22	\$2,270.59	\$21,192	\$254,306
2041	NA	\$189.22	\$189.22	\$2,270.59	\$21,192	\$254,306
2042	NA	\$199.22	\$199.22	\$2,390.64	\$22,313	\$267,752
2043	NA	\$199.22	\$199.22	\$2,390.64	\$22,313	\$267,752
2044	NA	\$199.22	\$199.22	\$2,390.64	\$22,313	\$267,752

Dues Summary has been modified with forced Fixed Payments.

In the context of the Reserve Payment Summary, the "Annual Reserve Payment" corresponds with the "Annual Revenue" in the Cash Flow report.

Number of Payment Months in Fiscal Calendar Year 2014: 12

Number of Years of Constant Payments: 3

Number of Dues Paying Members: 112

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study - Expenses by Item and by Fiscal Calendar Year

Item Description	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Reserve Category : Homes																			
Annual Roofing Repairs as Needed	\$1,640	\$1,682	\$1,724	\$1,768	\$1,813	\$1,859	\$1,906	\$1,954	\$2,003	\$2,054	\$2,106	\$2,159	\$2,214	\$2,270	\$2,327	\$2,386	\$2,446	\$2,508	\$2,572
Roofs Phase I													\$106,534						
Roofs Phase II														\$109,228					
Roofs Phase III															\$111,991				
Roofs Phase IV																\$114,823			
Roofs Phase V																	\$128,429		
Painting Phase I								\$48,846							\$58,177				
Painting Phase II		\$42,049							\$50,081							\$59,648			
Painting Phase III			\$43,112							\$51,348							\$61,157		
Painting Phase IV				\$44,202							\$52,646							\$62,703	
Painting Phase V					\$45,320							\$53,978							\$64,289
Painting Phase VI						\$46,466							\$55,343						
Painting Phase VII							\$47,641							\$56,742					
Annual Painting Touch Up	\$4,306	\$4,415	\$4,527	\$4,641	\$4,759	\$4,879	\$5,002	\$5,129	\$5,259	\$5,392	\$5,528	\$5,668	\$5,811	\$5,958	\$6,109	\$6,263	\$6,421	\$6,584	\$6,750
Block Wall Repair or Replacement as Needed				\$2,210					\$2,504					\$2,837					\$3,214
Homes Exterior Lighting Replacement			\$12,071																
Electrical Panel Box Repairs or Replacement as Needed			\$1,617			\$1,742			\$1,878			\$2,024			\$2,182			\$2,351	
Category Subtotal :	\$5,946	\$48,146	\$63,051	\$52,821	\$51,892	\$54,946	\$54,549	\$55,929	\$61,725	\$58,794	\$60,280	\$63,829	\$169,902	\$177,035	\$180,786	\$183,120	\$198,453	\$74,146	\$76,825
Reserve Category : Common Area																			
Perimeter and Homes Fencing Painting, Repair or Replacement as Needed		\$5,256	\$5,389	\$5,525	\$5,665	\$5,808	\$5,955	\$6,106	\$6,260	\$6,418	\$6,581	\$6,747	\$6,918	\$7,093	\$7,272	\$7,456	\$7,645	\$7,838	\$8,036
Annual Major Landscaping and Irrigation as Needed		\$5,256	\$5,389	\$5,525	\$5,665	\$5,808	\$5,955	\$6,106	\$6,260	\$6,418	\$6,581	\$6,747	\$6,918	\$7,093	\$7,272	\$7,456	\$7,645	\$7,838	\$8,036
One Time Irrigation Compliance	\$15,379																		
Annual Tree Maintenance and Tree Trimming		\$5,256	\$5,389	\$5,525	\$5,665	\$5,808	\$5,955	\$6,106	\$6,260	\$6,418	\$6,581	\$6,747	\$6,918	\$7,093	\$7,272	\$7,456	\$7,645	\$7,838	\$8,036
One Time Tree Trimming and Removal	\$10,253																		
Concrete Landscaping Curbing Replacement as Needed		\$3,679					\$4,169					\$4,723					\$5,351		
Common Area Lighting			\$5,389																

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study Expenses by Fiscal Calendar Year - Continued

Item Description	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Annual Utility Line and Sewer Replacement or Repair as Needed		\$2,628	\$2,695	\$2,763	\$2,833	\$2,904	\$2,978	\$3,053	\$3,130	\$3,209	\$3,290	\$3,374	\$3,459	\$3,546	\$3,636	\$3,728	\$3,822	\$3,919	\$4,018
Concrete Repair or Replacement as Needed		\$4,205	\$4,311	\$4,420	\$4,532	\$4,647	\$4,764	\$4,885	\$5,008	\$5,135	\$5,265	\$5,398	\$5,534	\$5,674	\$5,818	\$5,965	\$6,116	\$6,270	\$6,429
Perimeter Fencing Repairs as Needed					\$5,665				\$6,418						\$7,272				
Category Subtotal :	\$25,632	\$26,280	\$28,562	\$23,758	\$30,025	\$24,975	\$29,776	\$26,256	\$26,918	\$34,016	\$28,298	\$33,736	\$29,747	\$30,499	\$38,542	\$32,061	\$38,224	\$33,703	\$34,555
Reserve Category : Asphalt Roads and Parking																			
Lorraine - Asphalt Roads and Parking Overlay or Reconstruction Completed 2013-2014																			
Zone A -Asphalt Roads and Parking Overlay or Reconstruction 2014-2015	\$71,770																		
Zone B - Asphalt Roads and Parking or Reconstruction (2015-2016)		\$67,278																	
Zone C - Asphalt Roads and Parking Overlay or Reconstruction 2016-2017			\$88,380																
Zone D - Asphalt Roads and Parking Overlay or Reconstruction 2017-2018				\$97,797															
Side Street Overlay or Reconstruction					\$22,660														
Slurry Seal and Crack Fill all Asphalt Streets and Parking (See Reserve Study Assumptions)		\$3,154	\$3,233	\$3,315	\$3,399	\$3,485	\$3,573	\$3,663	\$3,756	\$3,851	\$3,948	\$4,048	\$4,151	\$4,256	\$4,363	\$4,474	\$4,587	\$4,703	\$4,822
Street Signs				\$1,105			\$1,191			\$1,284			\$1,384			\$1,491			\$1,607
Entrance Signs					\$5,099								\$6,226						
Category Subtotal :	\$71,770	\$70,432	\$91,613	\$102,217	\$31,158	\$3,485	\$4,764	\$3,663	\$3,756	\$5,135	\$3,948	\$4,048	\$11,761	\$4,256	\$4,363	\$5,965	\$4,587	\$4,703	\$6,429
Reserve Category : Club House																			
Interior Painting					\$3,399										\$4,363				
Kitchen Remodel															\$7,272				
Carpet																			\$6,429
Furniture											\$3,290								
Restroom Remodel																\$7,456			
Flat Roofing Repairs Phase I										\$3,209									
Flat Roofing Replacement																			

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study Expenses by Fiscal Calendar Year - Continued

Item Description	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Shake Mansard Roofing Replacement										\$7,702									
Skylight Replacement					\$11,330														
Window and Door Replacement							\$11,910												
Category Subtotal :					\$14,729		\$11,910			\$10,911	\$3,290				\$11,635	\$7,456			\$6,429
Reserve Category : Pool Area																			
Pool Resurface												\$13,494							
Pool Coping Stones												\$4,048							
Pool Deck Repairs or Replacement as Needed					\$5,665					\$6,418					\$7,272				
Wrought Iron Fence Painting and Repairs as Needed	\$2,051					\$2,323					\$2,632					\$2,982			
Pool Wrought Iron Fence Replacement																			
Pool Lighting to be Done With Pool Remodel																			
Pool Lighting and Wiring																			
Pool Heater															\$6,981				
Pool Pump																			
Pool Filter															\$10,181				
Pool Furniture	\$3,076					\$3,485					\$3,948					\$4,474			
Pool Cover									\$3,255										\$4,179
Drain Cover, Surface Repairs and Striping																			
Category Subtotal :	\$5,127				\$5,665	\$5,808			\$3,255	\$6,418	\$6,580	\$17,542			\$24,434	\$7,456			\$4,179
Reserve Category : Tennis Courts																			
Tennis Courts Resurface															\$36,361				
Tennis Court Fence		\$526					\$596					\$675					\$764		
Re-Coat Tennis Court			\$5,389			\$5,808			\$6,260			\$6,747			\$7,272			\$7,838	
Tennis Court Lighting			\$4,311																
Concrete Retaining Wall										\$5,135									
Category Subtotal :		\$526	\$9,700			\$5,808	\$596		\$6,260	\$5,135		\$7,422			\$43,633		\$764	\$7,838	
Reserve Category : Reserve Study																			
Full Reserve Study					\$3,399					\$3,851					\$4,363				
Reserve Study Annual Update	\$666	\$683	\$701	\$718	\$736	\$755	\$774	\$794	\$814	\$834	\$856	\$877	\$899	\$922	\$945	\$969	\$994	\$1,019	\$1,045
Category Subtotal :	\$666	\$683	\$701	\$718	\$4,135	\$755	\$774	\$794	\$814	\$4,685	\$856	\$877	\$899	\$922	\$5,308	\$969	\$994	\$1,019	\$1,045

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study Expenses by Fiscal Calendar Year - Continued

<i>Item Description</i>	<i>FY 2014</i>	<i>FY 2015</i>	<i>FY 2016</i>	<i>FY 2017</i>	<i>FY 2018</i>	<i>FY 2019</i>	<i>FY 2020</i>	<i>FY 2021</i>	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>	<i>FY 2030</i>	<i>FY 2031</i>	<i>FY 2032</i>
<i>Expense Totals :</i>	\$109,142	\$146,067	\$193,627	\$179,516	\$137,603	\$95,778	\$102,369	\$86,640	\$102,729	\$125,096	\$103,252	\$127,454	\$212,308	\$212,712	\$308,701	\$237,027	\$243,021	\$121,409	\$129,462

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study Expenses by Fiscal Calendar Year - Continued

Item Description	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044
Reserve Category : Homes												
Annual Roofing Repairs as Needed	\$2,637	\$2,703	\$2,772	\$2,842	\$2,914	\$2,987	\$3,063	\$3,140	\$3,220	\$3,301	\$3,385	\$3,470
Roofs Phase I												
Roofs Phase II												
Roofs Phase III												
Roofs Phase IV												
Roofs Phase V												
Painting Phase I			\$69,290							\$82,527		
Painting Phase II				\$71,043							\$84,614	
Painting Phase III					\$72,839							\$86,754
Painting Phase IV						\$74,681						
Painting Phase V							\$76,570					
Painting Phase VI	\$65,915							\$78,506				
Painting Phase VII		\$67,581							\$80,491			
Annual Painting Touch Up	\$6,921	\$7,096	\$7,275	\$7,459	\$7,648	\$7,842	\$8,040	\$8,243	\$8,452	\$8,665	\$8,884	\$9,109
Block Wall Repair or Replacement as Needed					\$3,642					\$4,126		
Homes Exterior Lighting Replacement									\$22,538			
Electrical Panel Box Repairs or Replacement as Needed		\$2,534			\$2,731			\$2,944			\$3,173	
Category Subtotal :	\$75,473	\$79,914	\$79,337	\$81,344	\$89,774	\$85,510	\$87,673	\$92,833	\$114,701	\$98,619	\$100,056	\$99,333
Reserve Category : Common Area												
Perimeter and Homes Fencing Painting, Repair or Replacement as Needed	\$8,239	\$8,448	\$8,661	\$8,880	\$9,105	\$9,335	\$9,571	\$9,813	\$10,061	\$10,316	\$10,577	\$10,844
Annual Major Landscaping and Irrigation as Needed	\$8,239	\$8,448	\$8,661	\$8,880	\$9,105	\$9,335	\$9,571	\$9,813	\$10,061	\$10,316	\$10,577	\$10,844
One Time Irrigation Compliance												
Annual Tree Maintenance and Tree Trimming	\$8,239	\$8,448	\$8,661	\$8,880	\$9,105	\$9,335	\$9,571	\$9,813	\$10,061	\$10,316	\$10,577	\$10,844
One Time Tree Trimming and Removal												
Concrete Landscaping Curbing Replacement as Needed			\$6,063					\$6,869				
Common Area Lighting				\$8,880								

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study Expenses by Fiscal Calendar Year - Continued

Item Description	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044
Annual Utility Line and Sewer Replacement or Repair as Needed	\$4,120	\$4,224	\$4,331	\$4,440	\$4,552	\$4,668	\$4,786	\$4,907	\$5,031	\$5,158	\$5,288	\$5,422
Concrete Repair or Replacement as Needed	\$6,591	\$6,758	\$6,929	\$7,104	\$7,284	\$7,468	\$7,657	\$7,851	\$8,049	\$8,253	\$8,461	\$8,675
Perimeter Fencing Repairs as Needed	\$8,239					\$9,335					\$10,577	
Category Subtotal :	\$43,667	\$36,326	\$43,306	\$47,064	\$39,151	\$49,476	\$41,156	\$49,066	\$43,263	\$44,359	\$56,057	\$46,629
Reserve Category : Asphalt Roads and Parking												
Lorraine - Asphalt Roads and Parking Overlay or Reconstruction Completed 2013-2014						\$56,011						
Zone A -Asphalt Roads and Parking Overlay or Reconstruction 2014-2015							\$133,997					
Zone B - Asphalt Roads and Parking or Reconstruction (2015-2016)								\$125,610				
Zone C - Asphalt Roads and Parking Overlay or Reconstruction 2016-2017									\$165,008			
Zone D - Asphalt Roads and Parking Overlay or Reconstruction 2017-2018										\$182,591		
Side Street Overlay or Reconstruction											\$42,307	
Slurry Seal and Crack Fill all Asphalt Streets and Parking (See Reserve Study Assumptions)	\$4,944	\$5,069	\$5,197	\$5,328	\$5,463	\$5,601	\$5,743	\$5,888	\$6,037	\$6,190	\$6,346	\$6,507
Street Signs			\$1,732			\$1,867			\$2,012			\$2,169
Entrance Signs		\$7,603								\$9,284		
Category Subtotal :	\$4,944	\$12,672	\$6,929	\$5,328	\$5,463	\$63,479	\$139,740	\$131,498	\$173,057	\$198,065	\$48,653	\$8,676
Reserve Category : Club House												
Interior Painting						\$5,601						
Kitchen Remodel												
Carpet												
Furniture							\$4,786					
Restroom Remodel												
Flat Roofing Repairs Phase I	\$4,120										\$5,288	
Flat Roofing Replacement	\$65,915											

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study Expenses by Fiscal Calendar Year - Continued

Item Description	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044
Shake Mansard Roofing Replacement												
Skylight Replacement											\$21,153	
Window and Door Replacement												
Category Subtotal :	\$70,035					\$5,601	\$4,786				\$26,441	
Reserve Category : Pool Area												
Pool Resurface					\$18,210							
Pool Coping Stones					\$5,463							
Pool Deck Repairs or Replacement as Needed	\$8,239					\$9,335					\$10,577	
Wrought Iron Fence Painting and Repairs as Needed		\$3,379					\$3,828					\$4,338
Pool Wrought Iron Fence Replacement											\$52,884	
Pool Lighting to be Done With Pool Remodel	\$3,296											
Pool Lighting and Wiring						\$11,202						
Pool Heater											\$10,154	
Pool Pump	\$4,944											
Pool Filter											\$14,807	
Pool Furniture		\$5,069					\$5,743					\$6,507
Pool Cover										\$5,364		
Drain Cover, Surface Repairs and Striping											\$5,923	
Category Subtotal :	\$16,479	\$8,448			\$23,673	\$20,537	\$9,571			\$5,364	\$94,345	\$10,845
Reserve Category : Tennis Courts												
Tennis Courts Resurface												
Tennis Court Fence			\$866					\$981				
Re-Coat Tennis Court		\$8,448			\$9,105			\$9,813			\$10,577	
Tennis Court Lighting				\$7,104								
Concrete Retaining Wall												
Category Subtotal :		\$8,448	\$866	\$7,104	\$9,105			\$10,794			\$10,577	
Reserve Category : Reserve Study												
Full Reserve Study	\$4,944					\$5,601					\$6,346	
Reserve Study Annual Update	\$1,071	\$1,098	\$1,126	\$1,154	\$1,184	\$1,214	\$1,244	\$1,276	\$1,308	\$1,341	\$1,375	\$1,410
Category Subtotal :	\$6,015	\$1,098	\$1,126	\$1,154	\$1,184	\$6,815	\$1,244	\$1,276	\$1,308	\$1,341	\$7,721	\$1,410

Prepared by Better Reserve Consultants

Parkwood HOA Fiscal 2014-15 Full Reserve Study Funding Study Expenses by Fiscal Calendar Year - Continued

<i>Item Description</i>	<i>FY 2033</i>	<i>FY 2034</i>	<i>FY 2035</i>	<i>FY 2036</i>	<i>FY 2037</i>	<i>FY 2038</i>	<i>FY 2039</i>	<i>FY 2040</i>	<i>FY 2041</i>	<i>FY 2042</i>	<i>FY 2043</i>	<i>FY 2044</i>
<i>Expense Totals :</i>	\$216,612	\$146,905	\$131,565	\$141,997	\$168,350	\$231,419	\$284,170	\$285,468	\$332,329	\$347,748	\$343,850	\$166,892

Better Reserve Consultants

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Year	Category	Item Name	Expense	
FY 2014	Homes	Annual Roofing Repairs as Needed	\$1,640	
		Annual Painting Touch Up	\$4,306	
			Homes Subtotal = \$5,946.00	
	Common Area	One Time Irrigation Compliance	\$15,379	
		One Time Tree Trimming and Removal	\$10,253	
			Common Area Subtotal = \$25,632.00	
	Asphalt Roads and Parking	Zone A -Asphalt Roads and Parking Overlay or Reconstruction 2014-2015	\$71,770	
	Pool Area	Wrought Iron Fence Painting and Repairs as Needed	\$2,051	
		Pool Furniture	\$3,076	
			Pool Area Subtotal = \$5,127.00	
	Reserve Study	Reserve Study Annual Update	\$666	
			Annual Expense Total = \$109,141	