3- Minute Executive Summary

Association: Civano I, Neighborhood I HOA **Assoc. #: 9304-0**
Location: Tucson, Arizona
# of Units: 676
Report Period: March 1, 2013 through December 31, 2013

Results as-of 3/1/2013:

Projected Starting Reserve Balance:	**$251,098**
Fully Funded Reserve Balance:	**$1,031,438**
Average Reserve Deficit (Surplus) Per Unit:	**$1,154**
Percent Funded:	**24.3%**
Approved 2013 Monthly Reserve Contribution:	**$5,183**
Recommended 2014 Monthly Reserve Contribution:	***$8,000***
Recommended 2013 Special Assessment for Reserves:	**$0**
Most Recent Reserve Contribution Rate:	**$5,183**

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves..... 1.00%
Annual Inflation Rate 3.00%

- **This is an "Update With-Site-Visit" Reserve Study, based on a prior Report prepared by The Felix Reserve Group for your 2010 Fiscal Year. The information in this Reserve Study is based on our site inspection on January 8, 2013.**
- **This analysis uses a $1,000 Reserve expense threshold.**
- **Because your Reserve Fund is 24.3% Funded, this represents a weak financial position where special assessments and deferred maintenance are common.**
- **The 2013 budget has already been approved and will not change at this point. Therefore, the 2013 Reserve contribution listed in this report reflects the approved budget of $5,183/month.**
- **Based on this starting point and your anticipated future expenses, we recommend increasing Reserve contributions to $8,000/month for 2014, followed by 20% annual increases (see tables herein) to help strengthen Reserves and offset inflation.**

Table 1: Executive Summary				9304-0
# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
PAVEMENT				
100 Asphalt Streets - Remove & Repave	40	27	$133,650	$296,875
102 Asphalt Streets - Mill & Overlay	24	10	$80,200	$107,782
104 Asphalt Streets - Seal/Repair	4	2	$7,840	$8,317
110 Asphalt Parking - Remove & Replace	24	11	$270,025	$373,778
112 Asphalt Parking - Seal/Repair	4	0	$11,500	$12,943
120 Asphalt Trails - Resurface	24	12	$181,350	$258,562
122 Asphalt Trails - Seal/Repair	4	0	$9,575	$10,777
130 Asphalt Surfaces - Repair	2	1	$3,000	$3,090
140 Concrete - Repair	4	2	$3,500	$3,713
IRRIGATION & LANDSCAPE				
301 Irrigation Systems - Replace	25	12	$114,000	$162,537
304 Irrig Controllers (1999) - Replace	12	1	$4,750	$4,893
306 Irrig Controllers (2002) - Replace	12	2	$4,450	$4,721
308 Irrig Controllers (2007) - Replace	12	6	$3,450	$4,119
310 Irrig Controllers (2008) - Replace	12	7	$4,150	$5,104
330 Landscape Rock - Replace/Replenish	1	0	$13,500	$13,905
334 Drainage Rip-Rap - Replenish/Repair	15	1	$10,000	$10,300
336 Drain Systems - Repair/Replace	15	5	$11,400	$13,216
340 Trees & Plants - Partial Replace	1	0	$9,000	$9,270
COMMON AREAS				
400 Monument - Refurbish	18	11	$1,375	$1,903
404 Bollard Lights - Replace	20	6	$100,000	$119,405
406 Trail Lights - Replace	20	7	$9,850	$12,114
410 Pet Stations - Replace	15	7	$4,600	$5,657
420 Metal Fence - Replace	30	16	$10,450	$16,769
421 Metal Fence - Repaint	5	1	$950	$979
425 Metal Rails (1999) - Replace	30	17	$43,500	$71,899
427 Metal Rails (2008) - Replace	30	25	$68,250	$142,900
428 Metal Rails - Repaint	5	0	$17,900	$20,751
430 Retaining Walls - Repair	15	6	$20,000	$23,881
440 Stucco Walls (Northridge) - Repaint	8	8	$7,200	$9,121
442 Stucco Walls (Houghton) - Repaint	8	2	$4,400	$4,668
460 Fingerway Bridges - Repair	15	10	$5,000	$6,720
480 Mailboxes - Replace (A)	20	6	$33,700	$40,240
482 Mailboxes - Replace (B)	20	7	$29,400	$36,158
484 Mailboxes - Replace (C)	20	15	$14,550	$22,668
RECREATION AMENITIES				
501 Playground Shade - Replace	12	8	$3,050	$3,864
502 Playground Equipment - Replace	15	7	$15,700	$19,309
506 Playground Fence - Replace	30	22	$17,250	$33,053
507 Playground Fence - Repaint	5	4	$1,375	$1,548

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
510	PG Card Reader - Replace	12	11	$1,850	$2,561
514	Park Furniture - Replace	15	6	$27,150	$32,419
520	Bocce Ball - Refurbish	8	7	$1,200	$1,476
530	Garden Fence - Replace	30	17	$2,950	$4,876
534	Garden Wall - Seal/Repair	3	0	$1,550	$1,694
540	Tennis Court - Replace	20	4	$31,500	$35,454
542	Tennis Court - Resurface	5	1	$5,650	$5,820
544	Tennis Fence - Replace	30	16	$14,400	$23,108
545	Tennis Fence - Repaint	8	8	$3,550	$4,497
560	Tennis Lights - Replace	30	16	$16,800	$26,959
562	TN Card Reader - Replace	12	0	$1,850	$2,638
570	Basketball Court - Replace	30	21	$25,650	$47,717
576	Soccer Goals - Replace	20	11	$1,650	$2,284
	NORTH POOL				
701	Metal Fence & Gates - Replace	25	11	$6,875	$9,517
703	Card Reader - Replace	12	4	$1,850	$2,082
714	Restrooms - Refurbish	12	10	$2,425	$3,259
718	Exterior Lights - Replace	20	6	$2,400	$2,866
720	Exterior Surfaces - Repaint	5	5	$4,250	$4,927
730	Metal Roofs - Replace	40	26	$23,500	$50,680
736	Solar Panels - Replace	15	3	$12,750	$13,932
740	Pool Deck - Resurface	15	8	$13,850	$17,545
742	Pool Deck - Seal/Repair	4	0	$3,800	$4,277
744	Pool - Resurface	12	0	$17,500	$24,951
750	Pool Furniture - Replace	8	1	$7,350	$7,571
761	Pool Filter #1 - Replace	15	3	$1,600	$1,748
762	Pool Filter #2 - Replace	15	10	$1,250	$1,680
764	Pool Pumps - Replace	10	1	$2,500	$2,575
	SOUTH POOL				
901	Metal Fence & Gates - Replace	25	13	$16,050	$23,570
903	Card Reader - Replace	12	4	$1,850	$2,082
906	Bollard Lights - Replace	20	12	$4,000	$5,703
912	Drinking Fountain - Replace	10	0	$1,000	$1,344
914	Restrooms - Refurbish	12	10	$2,425	$3,259
918	Exterior Lights - Replace	20	12	$3,900	$5,560
920	Exterior Surfaces - Repaint	5	5	$5,725	$6,637
930	Metal Roofs - Replace	40	28	$37,400	$85,568
936	Solar Panels - Replace	15	3	$10,800	$11,801
940	Pool Deck - Resurface	15	8	$13,850	$17,545
942	Pool Deck - Seal/Repair	4	0	$3,800	$4,277
944	Pool - Resurface	12	2	$19,300	$20,475
945	Pool Cover - Replace	8	2	$4,700	$4,986
946	Pool Cover Motor - Replace	6	0	$1,200	$1,433
948	Pool Lift - Replace	12	2	$6,650	$7,055
950	Pool Furniture - Replace	8	1	$7,650	$7,880

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
960	Pool Filters - Replace	15	7	$2,500	$3,075
964	Pool Pumps - Replace	10	1	$2,500	$2,575
	ACTIVITY CENTER				
1100	Concrete Floor - Refinish	5	1	$4,700	$4,841
1102	Carpet Floor - Replace	15	2	$2,725	$2,891
1104	Rotunda Furniture (2010) - Replace	8	5	$3,100	$3,594
1106	Rotunda Furniture (1999) - Replace	8	1	$5,200	$5,356
1110	Stack Chairs - Replace	15	1	$3,600	$3,708
1112	Folding Chairs - Replace	10	9	$1,650	$2,153
1124	Television - Replace	8	1	$1,700	$1,751
1128	Fire Sprinkler System - Repair	15	2	$3,000	$3,183
1130	Fitness Equipment - Replace	8	0	$8,000	$10,134
1140	Kitchen - Remodel	20	6	$6,550	$7,821
1142	Kitchen Appliances - Replace	10	2	$2,000	$2,122
1146	Drinking Fountain - Replace	18	4	$1,375	$1,548
1148	Restrooms - Remodel	20	6	$21,700	$25,911
1150	Office Furniture - Replace	15	4	$3,300	$3,714
1152	Office Computers - Replace	5	3	$1,300	$1,421
1156	Office Cabinetry - Replace	25	11	$6,000	$8,305
1158	Surveillance System - Replace	8	4	$2,000	$2,251
1160	Fan Coils - Replace	15	2	$15,750	$16,709
1162	Interior Surfaces - Repaint	15	4	$4,000	$4,502
1164	Interior Lights - Replace	30	16	$12,300	$19,738
1166	Exterior Lights - Replace	20	6	$2,250	$2,687
1168	Card Reader - Replace	12	10	$1,850	$2,486
1170	Adobe Walls - Seal	3	0	$4,900	$5,354
1171	Adobe Walls - Repair	9	6	$8,850	$10,567
1172	Stucco Surfaces - Repaint	7	5	$1,700	$1,971
1174	Doors & Windows - Repaint	4	2	$2,200	$2,334
1175	Doors & Windows - Replace	30	16	$23,700	$38,032
1176	Flat Roof - Replace	20	6	$10,250	$12,239
1177	Flat Roof - Seal/Repair	5	0	$2,300	$2,666
1178	Metal Roof - Replace	40	26	$4,000	$8,626
	HVAC SYSTEM				
1250	Hydronic Boiler - Replace	25	11	$3,900	$5,399
1256	Circulation Pumps - Replace	20	6	$6,975	$8,329
1258	Circulation Pumps - Repair	5	1	$3,450	$3,554
1260	Variable Frequency Drives - Replace	12	2	$2,350	$2,493
1264	Expansion Tank - Replace	20	6	$1,125	$1,343
1280	Cooling Tower - Replace	25	11	$5,200	$7,198
119	Total Funded Components				

Note 1: a Useful Life of “N/A” means a one-time expense, not expected to repeat.
Note 2: highlighted line items are expected to require attention in the initial year.