

RESERVE ANALYSIS REPORT

Bella Terra Condominiums

Paradise Valley, Arizona

Version 006

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Preface

This preface is intended to provide an introduction to the enclosed reserve analysis as well as detailed information regarding the reserve analysis report format, reserve fund goals/objectives and calculation methods. The following sections are included in this preface:

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◆ ◆ ◆ ◆ INTRODUCTION TO RESERVE BUDGETING ◆ ◆ ◆ ◆

The Board of Directors of an association has a legal and fiduciary duty to maintain the community in a good state of repair. Individual unit property values are significantly impacted by the level of maintenance and upkeep provided by the association as well as the amount of the regular assessment charged to each owner.

A prudent plan must be implemented to address the issues of long-range maintenance, repair and replacement of the common areas. Additionally, the plan should recognize that the value of each unit is affected by the amount of the regular assessment charged to each unit.

There is a fine line between “not enough,” “just right” and “too much.” Each member of an association should contribute to the reserve fund for their proportionate amount of “depreciation” (or “use”) of the reserve components. Through time, if each owner contributes a “fair share” into the reserve fund for the depreciation of the reserve components, then the possibility of large increases in regular assessments or special assessments will be minimized.

An accurate reserve analysis and a “healthy” reserve fund are essential to protect and maintain association common areas and property values of individual unit owners. A comprehensive reserve analysis is one of the most significant elements of any association's long-range plan and provides the critical link between sound business judgment and good fiscal planning. The reserve analysis provides a “financial blueprint” for the future of an association.

◆ ◆ ◆ ◆ UNDERSTANDING THE RESERVE ANALYSIS ◆ ◆ ◆ ◆

In order for the reserve analysis to be useful, it must be understandable by a variety of individuals. Board members (from seasoned, experienced Board members to new Board members), property managers, accountants, attorneys and homeowners may ultimately review the reserve analysis. The reserve analysis must be detailed enough to provide a comprehensive analysis, yet simple enough to enable less experienced individuals to understand the results.

There are four key bits of information that a comprehensive reserve analysis should provide: Budget, Percent Funded, Projections and Inventory. This information is described as follows:

Budget

Amount recommended to be transferred into the reserve account for the fiscal year for which the reserve analysis is prepared. In some cases, the reserve analysis may present two or more funding plans based on different goals/objectives. The Board should have a clear understanding of the differences among these funding goals/objectives prior to implementing one of them in the annual budget.

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Percent Funded

Measure of the reserve fund “health” (expressed as a percentage) as of the beginning of the fiscal year for which the reserve analysis is prepared. This figure is the ratio of the actual reserve fund on hand to the fully funded balance. A reserve fund that is “100% funded” means the association has accumulated the proportionately correct amount of money, to date, for the reserve components it maintains.

Projections

Indicate “level of service” the association will provide the membership as well as a “road map” for the fiscal future of the association. Projections define the timetables for repairs and replacements, such as when buildings will be painted or when asphalt will be seal coated. Projections also show the financial plan for the association – when an underfunded association will “catch up” or how a properly funded association will remain fiscally “healthy.”

Inventory

Complete listing of reserve components. Key bits of information are available for each reserve component, including placed-in-service date, useful life, remaining life, replacement year, quantity, current cost of replacement, future cost of replacement and analyst’s comments.

◆ ◆ ◆ ◆ RESERVE FUNDING GOALS / OBJECTIVES ◆ ◆ ◆ ◆

There are four reserve funding goals/objectives which may be used to develop a reserve funding plan that corresponds with the risk tolerance of the association: Full Funding, Baseline Funding, Threshold Funding and Statutory Funding. These goals/objectives are described as follows:

Full Funding

Describes goal/objective to have reserves on hand equivalent to the value of the deterioration of each reserve component. The objective of this funding goal is to achieve and/or maintain a 100% percent funded reserve fund. Component calculation method or directed cash flow calculation method is typically used to develop a full funding plan.

Baseline Funding

Describes goal/objective to have sufficient reserves on hand to never completely run out of money. The objective of this funding goal is to simply pay for all reserve expenses as they come due without regard to the association’s percent funded. Minimum cash flow calculation method or directed cash flow calculation method s typically used to develop a baseline funding plan.

Threshold Funding

Describes goal/objective other than the 100% level (full funding) or just staying cash-positive (baseline funding). This threshold goal/objective may be a specific percent funded target or a cash balance target. Threshold funding is often a value chosen between full funding and baseline funding. Minimum cash flow calculation method or directed cash flow calculation method is typically used to develop a threshold funding plan.

Statutory Funding

Describes goal/objective as described or required by local laws or codes. Component calculation method, minimum cash flow calculation method or directed cash flow calculation method may be used to develop a statutory funding plan, depending on the requirements.

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◆ ◆ ◆ ◆ RESERVE FUNDING CALCULATION METHODS ◆ ◆ ◆ ◆

There are three funding methods which can be used to develop a reserve funding plan based on reserve funding goals/objectives: Component Calculation Method, Minimum Cash Flow Calculation Method and Directed Cash Flow Calculation Method.

Directed cash flow calculation method offers flexibility for developing custom funding plans. Directed cash flow calculation method funding plans can accommodate use of various contribution increases and/or special assessments (or loans) through time. As the name suggests, the user “directs” the funding plan as needed to achieve reserve funding goals or objectives. Because of this flexibility, the vast majority of reserve analyses are developed using the directed cash flow calculation method. Whereas component calculation method funding plans and minimum cash flow calculation method funding plans are typically used as reference information; usually considered the “floor” (minimum cash flow calculation method) and “ceiling” (component calculation method) of a reasonable reserve funding plan.

The three calculation methods are described as follows:

Component Calculation Method

Component calculation method develops a funding plan for each individual reserve component. The sum of the funding plan for each component equals the total funding plan for the association. This method is often referred to as the “straight line” method. This method structures a funding plan that enables the association to pay all reserve expenditures as they come due, enables the association to achieve the fully funded reserves in time, and then enables the association to maintain fully funded reserves through time. The following is a detailed description of component calculation method:

Step 1: Calculation of fully funded balance for each component

Fully funded balance is calculated for each component based on its age, useful life and current cost. The actual formula is as follows:

$$\text{Fully Funded Balance} = \frac{\text{Age}}{\text{Useful Life}} \times \text{Current Cost}$$

Step 2: Distribution of current reserve funds

Association’s current reserve funds are assigned to (or distributed amongst) reserve components based on each component’s remaining life and fully funded balance as follows:

Pass 1: Components are organized in remaining life order, from least to greatest, and the current reserve funds are assigned to each component up to its fully funded balance, until reserve funds are exhausted.

Pass 2: If all components are assigned their fully funded balance and additional funds exist, they are assigned in a “second pass.” Again, components are organized in remaining life order, from least to greatest, and remaining current reserve funds are assigned to each component up to its current cost, until reserve funds are exhausted.

Pass 3: If all components are assigned their current cost and additional funds exist, they are assigned in a “third pass.” Components with a remaining life of zero years are assigned double their current cost, until reserve funds are exhausted. After pass 3, if additional reserve funds remain, there are excess reserves.

Distributing, or assigning, reserve funds in this manner is the most efficient use of the funds on hand – it defers the make-up period of any underfunded reserves over the lives of the components with the largest remaining lives.

Step 3: Developing a funding plan

After step 2, all components have a “starting” balance. A calculation is made to determine what funding would be required to get from the starting balance to the future cost over the number of years remaining until replacement. The funding plan incorporates the contribution increase parameter to develop a “stair stepped” contribution.

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For example, if an association needs to accumulate \$100,000 in ten years, \$10,000 could be contributed each year. Alternatively, the association could contribute \$8,723 in the first year and increase the contribution by 3% each year thereafter until the tenth year.

In most cases, the contribution increase parameter should match the inflation parameter. Matching the contribution increase parameter to the inflation parameter indicates, in theory, that member contributions should increase at the same rate as the cost of living (inflation parameter). Due to the "time value of money," this creates the most equitable distribution of member contributions through time.

Using a contribution increase parameter that is greater than the inflation parameter will reduce the burden to current members at the expense of future members. Using a contribution increase parameter that is less than the inflation parameter will increase the burden to the current members to the benefit of future members. The following chart shows a comparison:

	0% Increase	3% Increase	10% Increase
Year 1	\$10,000.00	\$8,723.05	\$6,274.54
Year 2	\$10,000.00	\$8,984.74	\$6,901.99
Year 3	\$10,000.00	\$9,254.28	\$7,592.19
Year 4	\$10,000.00	\$9,531.91	\$8,351.41
Year 5	\$10,000.00	\$9,817.87	\$9,186.55
Year 6	\$10,000.00	\$10,112.41	\$10,105.21
Year 7	\$10,000.00	\$10,415.78	\$11,115.73
Year 8	\$10,000.00	\$10,728.25	\$12,227.30
Year 9	\$10,000.00	\$11,050.10	\$13,450.03
Year 10	\$10,000.00	\$11,381.60	\$14,795.04
TOTAL	\$100,000.00	\$100,000.00	\$100,000.00

One major benefit of using component calculation method is that for any single component (or group of components), reserve funding can be precisely calculated. For example, using this calculation method, the reserve analysis can indicate the exact amount of current reserve funds "in the bank" for the roofs and the amount of money being funded towards the roofs each month. This information is displayed on the Management Summary and Charts as well as elsewhere within the report.

Minimum Cash Flow Calculation Method

Minimum cash flow calculation method develops a funding plan based on current reserve funds and projected expenditures during a specific timeframe (typically 30 years). This funding method structures a funding plan that enables the association to pay for all reserve expenditures as they come due, but is not concerned with the ideal level of reserves or percent funded through time.

This calculation method tests reserve contributions against reserve expenditures through time to determine the minimum contribution necessary (baseline funding). This calculation method will determine the minimum reserve contribution to ensure that the beginning reserve balance is sufficient to pay for the scheduled expenditures in each year. By definition, this calculation method will create a funding plan where, at some point over the projection period, the beginning reserve fund balance will equal the expenditures for that year. Under some conditions, based on reserve expenditure profile, this calculation method produces a funding plan that will take the association into an overfunded status through time; in these cases, directed cash flow calculation method can be used to optimize results.

Minimum cash flow calculation method is not without downsides... Unlike component calculation method, the minimum cash flow calculation method cannot precisely calculate reserve funding for any single component (or group of components). In order to work-around this issue to provide this bookkeeping information, a formula has been applied to component calculation method results to calculate a reasonable breakdown. This information is displayed on the Management Summary and Charts as well as elsewhere within the report. Using minimum cash flow calculation method typical-

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ly requires an annual reallocation of reserve funds (amongst reserve components) to ensure each component remains properly funded through time. Associations in states that require segregated reserve funds for certain components (i.e. roofs, painting, etc.), should pay special attention to this issue; it may be desirable to complete separate reserve analyses for segregated reserve components.

Directed Cash Flow Calculation Method

Directed cash flow calculation method develops a funding plan based on current reserve funds and projected expenditures during a specific timeframe (typically 30 years). This funding method structures a funding plan that enables the association to pay for all reserve expenditures as they come due and, if possible, determine the optimal funding plan to achieve 100% funding over the projection period.

Directed cash flow calculation method offers flexibility for developing custom funding plans. Directed cash flow funding plans can accommodate use of various contribution increases and/or special assessments (or loans) through time. As the name suggests, the user “directs” the funding plan as needed to achieve any reserve funding goals or objectives. Because of this flexibility, the vast majority of reserve analyses are developed using this calculation method.

Directed cash flow calculation method is not without downsides... Unlike component calculation method, the directed cash flow calculation method cannot precisely calculate reserve funding for any single component (or group of components). In order to work-around this issue to provide this bookkeeping information, a formula has been applied to component calculation method results to calculate a reasonable breakdown. This information is displayed on the Management Summary and Charts as well as elsewhere within the report. Using directed cash flow calculation method typically requires an annual reallocation of reserve funds (amongst reserve components) to ensure each component remains properly funded through time. Associations in states that require segregated reserve funds for certain components (i.e. roofs, painting, etc.), should pay special attention to this issue; it may be desirable to complete separate reserve analyses for segregated reserve components.

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◆ ◆ ◆ ◆ READING THE RESERVE ANALYSIS ◆ ◆ ◆ ◆

In some cases, the reserve analysis may be a lengthy document of one hundred pages or more. A complete and thorough review of the reserve analysis is always a good idea. However, if time is limited, it is suggested that a thorough review of the summary pages be made. If a “red flag” is raised in this review, the reader should then check the detail information (“Component Detail”), of the component in question, for all relevant information. In this section, a description of most of the summary or report sections is provided along with comments regarding what to look for and how to use each section.

Executive Summary

Provides general information about project, global parameters used in the calculation of the reserve analysis as well as the core results of the reserve analysis.

Client Information

Provides information including fiscal year for which reserve analysis is prepared, number of units, etc.

Global Parameters

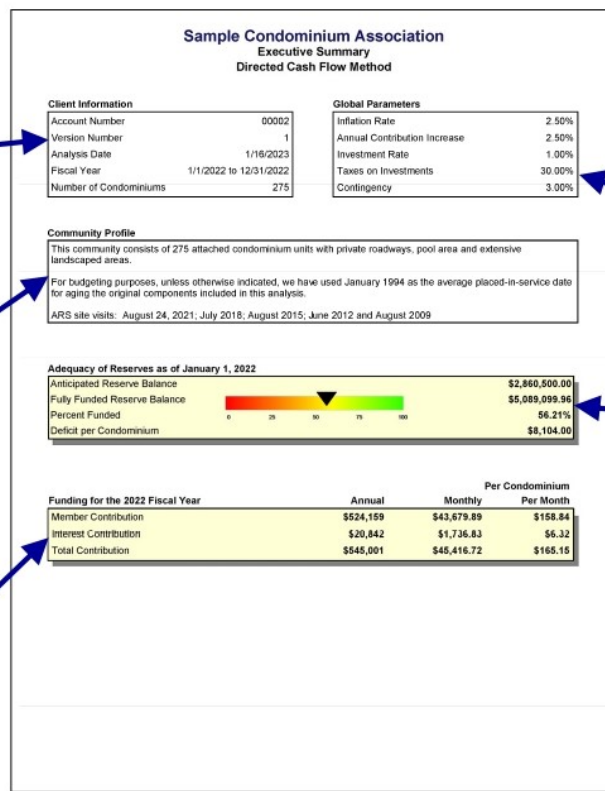
Displays calculation parameters that were used to calculate reserve analysis including inflation, contribution increase, investment rate, tax rate and contingency.

Community Profile

Provides brief description of community as well as other “global” comments.

Budget

Provides recommended funding for fiscal year for which reserve analysis is prepared. Indicates reserve funding from membership, anticipated interest contribution and total contribution requirement.



Adequacy of Reserves

Displays results of calculations with regard to “health” of reserve fund as of beginning of fiscal year for which the reserve analysis is prepared. Provides anticipated reserve balance, fully funded reserve balance and percent funded.

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Calculation of Percent Funded

Summary displays all reserve components, shown here in "category" order. Provides remaining life, useful life, current cost and fully funded balance at beginning of fiscal year for which the reserve analysis is prepared.

Reserve Components

All components are displayed (shown here in "category" order).

Lifespans

Remaining life and useful life are displayed. And, these columns are conveniently sub totaled to show range.

**Sample Condominium Association
Calculation of Percent Funded
Sorted by Category; Alphabetical**

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
010 Streets				
Streets - Asphalt, Overlay / Major Rehab	6	24	\$360,300.00	\$321,176.47
Streets - Asphalt, Repair	2	4	\$24,300.00	\$12,100.00
Streets - Asphalt, Seal Coat	2	4	\$14,580.00	\$7,290.00
Streets - Concrete	2	4	\$20,300.00	\$10,000.00
Sub Total	2-6	4-24	\$448,880.00	\$350,616.47
020 Roofs				
Roofs - Rain Gutters	12	40	\$123,785.00	\$66,648.50
Roofs - Tie, Clean & Maintain	0	1	\$37,500.00	\$37,500.00
Roofs - Tie, Replace				
Sub Total				
030 Painting				
Painting - Cabana Interior				
Painting - Red Curbs				
Painting - Stucco				
Painting - Woodwork				
Painting - Wrought Iron, Buildings				
Painting - Wrought Iron, Pool Area				
Sub Total				
040 Fencing, Railing & Walls				
Fencing - Glass Sound Attenuation				
Fencing - Wrought Iron, Pool Area				
Railing & Gates - Wrought Iron, Units				
Walls - Stucco, Repair				
Sub Total				
050 Lighting				
Lighting - Buildings				
Lighting - Landscape				
Lighting - Streets & Walkways				
Sub Total				
060 Pool Area				
Cabana - Ceramic Tile, Interior				
Cabana - Ceramic Tile, Showers				
Cabana - Doors				
Cabana - Plumbing Fixtures%				
Cabana - Restroom Partitions				
Cabana - Water Heater				
Sub Total				

**Sample Condominium Association
Calculation of Percent Funded
Sorted by Category; Alphabetical**

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
Pool - Filters	2	12	\$4,000.00	\$3,538.48
Pool - Heater	7	12	\$4,750.00	\$1,959.79
Pool - Replaster & Tile	7	10	\$34,387.50	\$9,486.21
Pool Area - Furniture	4	6	\$15,400.00	\$4,529.41
Pool Area - Paver Deck, Repair	17	20	\$20,000.00	\$2,564.10
Pool Area - Wood Patio Covers	7	20	\$15,125.00	\$9,631.25
Spa - Filter	2	10	\$2,000.00	\$1,724.14
Spa - Heater	4	10	\$4,750.00	\$2,850.00
Spa - Replaster & Tile	7	10	\$8,475.00	\$2,337.93
Sub Total	2-17	6-30	\$152,107.50	\$66,326.46
070 Decks				
Decks/Stairs - Clean & Seal	2	4	\$103,868.25	\$45,695.27
Decks/Stairs - Resurface	6	20	\$728,900.00	\$552,196.97
Sub Total	2-6	4-20	\$832,768.25	\$598,092.24
080 Termite Control & Wood Repair				
Termite Control	n.a.	n.a.	\$0.00	\$300,000.00
Wood Repair - Paint Cycle	4	5	\$58,000.00	\$6,444.44
Wood Repair - Shutters	4	20	\$44,900.00	\$39,287.50
Sub Total	4	5-20	\$102,900.00	\$35,731.94
090 Landscape				
Landscape - Irrigation Controllers	7	12	\$24,150.00	\$9,450.00
Landscape - Renovation	0	1	\$17,500.00	\$17,500.00
Sub Total	0-7	1-12	\$41,650.00	\$26,950.00
100 Miscellaneous				
Fire Safety - Control Panels	1	20	\$126,000.00	\$121,655.17
Fire Safety - Extinguisher Cabinets	9	30	\$64,900.00	\$49,113.51
Matboxes	18	20	\$67,000.00	\$6,700.00
Signage	0	20	\$75,000.00	\$75,000.00
Utility Closet Doors	4	20	\$157,100.00	\$137,487.50
Sub Total	0-18	20-30	\$490,000.00	\$389,931.16
Contingency	n.a.	n.a.	n.a.	\$148,226.21
Total	0-18	1-40	\$7,044,161.25	\$6,088,099.96
Anticipated Reserve Balance				\$2,840,800.00
Percent Funded				56.21%

Current Cost

Displays current cost to replace or otherwise maintain each component. This column is conveniently sub totaled.

Fully Funded Balance

Displays fully funded balance for each component. This column is conveniently sub totaled.

Total current cost to replace or otherwise maintain all components, total fully funded balance, anticipated reserve balance and percent funded are provided at bottom of this summary. Also shown is range of reserve component remaining lives and useful lives.

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Management Summary and Charts

Summary displays all reserve components, shown here in "category" order. Provides assigned reserve funds at beginning of fiscal year for which reserve analysis is prepared along with monthly member contribution, interest contribution and total contribution for each component and category. Pie charts show graphically how reserve fund is distributed amongst reserve component categories and how each category is funded on a monthly basis.

Sample Condominium Association Management Summary
Directed Cash Flow Method; Sorted by Category

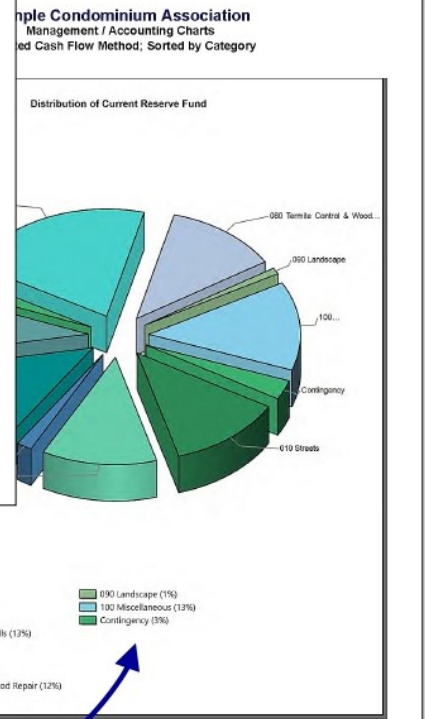
	Balance at Beginning of Year	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
010 Streets				
Streets - Asphalt, Overlay / Major Rehab	\$321,178.47	\$1,150.31	\$188.16	\$1,338.46
Streets - Asphalt, Repair	\$42,150.00	\$414.00	\$8.63	\$422.73
Streets - Asphalt, Seal Coat	\$7,200.00	\$248.45	\$5.18	\$253.64
Streets - Concrete	\$10,000.00	\$340.82	\$7.11	\$347.92
Sub Total	\$350,616.47	\$2,153.67	\$209.08	\$2,362.75
020 Roofs				
Roofs - Rain Gutters	\$86,649.50	\$321.53	\$50.81	\$372.34
Roofs - Tile, Clean & Maintain	\$37,500.00	\$2,448.57	\$10.02	\$2,458.59
Roofs - Tile, Replace	\$226,722.83	\$19.25		\$19.25
Sub Total	\$350,872.33	\$22.05		\$22.05
030 Painting				
Painting - Cabana Interior	\$94.21	\$1		\$1
Painting - Red Curbs	\$2,557.50	\$8		\$8
Painting - Stucco	\$20,230.79	\$2.85		\$2.85
Painting - Woodwork	\$19,001.11	\$2.05		\$2.05
Painting - Wrought Iron, Buildings	\$4,277.78	\$57		\$57
Painting - Wrought Iron, Pool Area	\$670.83	\$4		\$4
Sub Total	\$46,832.22	\$67.99		\$67.99
040 Fencing, Railing & Walls				
Fencing - Glass Sound Attenuation	\$38,027.03	\$13		\$13
Fencing - Wrought Iron, Pool Area	\$19,456.88	\$68		\$68
Railing & Gates - Wrought Iron, Units	\$298,472.22	\$1.08		\$1.08
Walls - Stucco, Repair	\$8,368.84	\$2		\$2
Sub Total	\$364,323.97	\$1.31		\$1.31
050 Lighting				
Lighting - Buildings	\$154,994.23	\$81		\$81
Lighting - Landscape	\$11,340.00	\$12		\$12
Lighting - Streets & Walkways	\$77,437.60	\$27		\$27
Sub Total	\$243,771.73	\$1.21		\$1.21
060 Pool Area				
Cabana - Ceramic Tile, Interior	\$10,847.94	\$3		\$3
Cabana - Ceramic Tile, Showers	\$6,342.19	\$9		\$9
Cabana - Doors	\$2,030.36	\$1		\$1
Cabana - Plumbing Fixtures%	\$7,404.12	\$2		\$2
Cabana - Restroom Partitions	\$3,609.57	\$2		\$2
Cabana - Water Heater	\$175.00	\$1		\$1

Balance at FYB
Shows amount of reserve funds assigned to each reserve component. And, this column is conveniently sub totaled.

Sample Condominium Association Management Summary
Directed Cash Flow Method; Sorted by Category

	Balance at Beginning of Year	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
070 Decks				
Decks/Stairs - Clean & Seal	\$45,895.27	\$1,901.90	\$34.24	\$1,936.22
Decks/Stairs - Resurface	\$92,136.97	\$2,641.42	\$326.21	\$2,967.63
Sub Total	\$98,032.24	\$4,603.40	\$360.45	\$4,963.85
080 Termite Control & Wood Repair				
Termite Control	\$300,000.00	\$0.00	\$171.35	\$171.35
Wood Repair - Paint Cycle	\$6,444.44	\$871.43	\$7.25	\$878.68
Wood Repair - Shutters	\$39,287.50	\$139.06	\$23.01	\$162.06
Sub Total	\$345,731.94	\$1,010.48	\$201.61	\$1,212.09
090 Landscape				
Landscape - Irrigation Controllers	\$9,450.00	\$155.33	\$6.03	\$161.36
Landscape - Renovation	\$17,800.00	\$1,142.95	\$4.67	\$1,147.34
Sub Total	\$26,650.00	\$1,297.99	\$10.71	\$1,308.70
100 Miscellaneous				
Fire Safety - Control Panels	\$121,656.17	\$423.02	\$71.22	\$494.24
Fire Safety - Extinguisher Cabinets	\$48,113.51	\$179.05	\$28.79	\$207.83
Mailboxes	\$0.00	\$281.30	\$1.15	\$282.45
Signage	\$75,000.00	\$288.18	\$1.18	\$289.36
Utility Closet Doors	\$137,462.50	\$485.04	\$80.51	\$565.05
Sub Total	\$382,231.19	\$1,656.08	\$182.84	\$1,840.92
Contingency	\$83,315.33	\$1,272.23	\$52.79	\$1,325.02
Total	\$2,860,500.30	\$43,679.89	\$1,736.83	\$45,416.72

Monthly Funding
Displays monthly funding for each component from members and interest. Total monthly funding is also indicated. And, these columns are conveniently sub totaled.



Pie Charts
Show graphically how reserve fund is distributed amongst reserve components and how components are funded.

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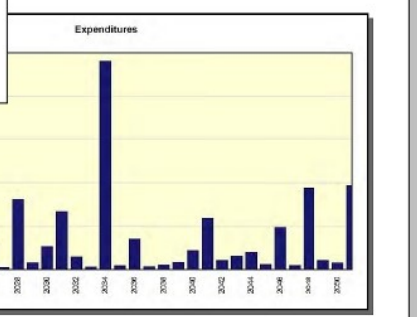
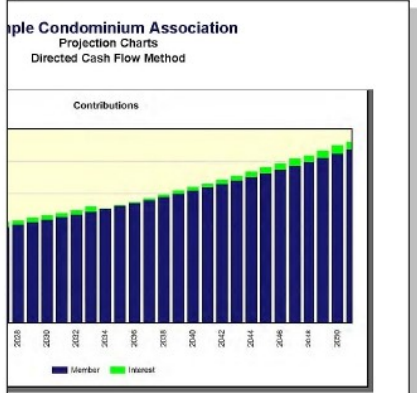
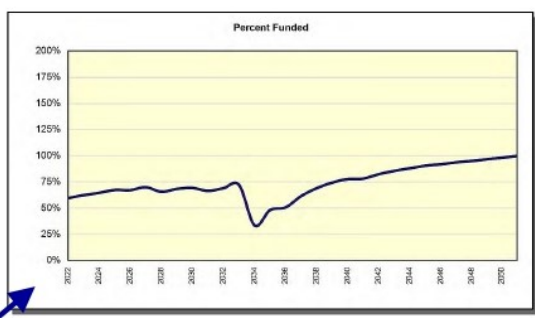
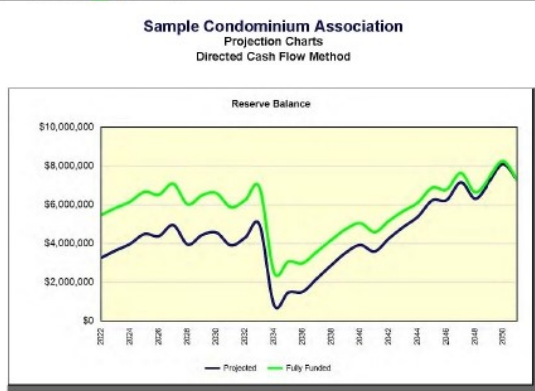
Projections and Charts

Summary displays projections of beginning reserve balance, member contribution, interest contribution, expenditures and ending reserve balance for each year of projection period (shown here for 30 years). Two columns on the right-hand side provide fully funded ending balance and percent funded for each year. Charts show the same information in an easy-to-understand graphic format.

Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenses	Ending Balance	Fully Funded Balance	Percent Funded
2022	\$2,860,500	\$524,159	\$20,842	\$132,558	\$3,272,943	\$5,483,426	60%
2023	\$3,272,943	\$537,263	\$23,408	\$185,525	\$3,648,089	\$5,844,082	62%
2024	\$3,648,089	\$550,694	\$26,719	\$237,782	\$3,966,740	\$6,166,025	65%
2025	\$3,966,740	\$564,482	\$29,203	\$86,653	\$4,493,762	\$6,686,405	67%
2026	\$4,493,762	\$578,573	\$28,443	\$708,377	\$4,392,391	\$6,531,322	67%
2027	\$4,392,391	\$593,037	\$32,315	\$62,227	\$4,955,515	\$7,086,290	70%
2028	\$4,955,515	\$607,863	\$26,318	\$1,028,558	\$3,960,138	\$6,027,958	66%
2029	\$3,960,138	\$623,060	\$28,629	\$108,690	\$4,443,167	\$6,496,358	68%
2030	\$4,443,167	\$638,636	\$29,479	\$537,690	\$4,503,592	\$6,880,444	65%
2031	\$4,503,592	\$654,602	\$24,850	\$1,334,626	\$3,739,318	\$6,280,444	62%
2032	\$3,739,318	\$670,967	\$27,555	\$301,723	\$4,036,013	\$6,700,444	60%
2033	\$4,036,013	\$687,742	\$32,008	\$72,165	\$4,623,128	\$7,144,444	65%
2034	\$4,623,128	\$704,935	\$3,259	\$4,821,403	\$9,129,725	\$7,600,444	83%
2035	\$9,129,725	\$722,559	\$7,600	\$98,150	\$10,030,634	\$8,080,444	80%
2036	\$10,030,634	\$740,623	\$7,798	\$710,165	\$11,060,789	\$8,570,444	77%
2037	\$11,060,789	\$759,138	\$12,554	\$79,656	\$12,232,727	\$9,070,444	74%
2038	\$12,232,727	\$778,117	\$17,274	\$108,305	\$13,543,823	\$9,600,444	70%
2039	\$13,543,823	\$797,569	\$21,663	\$179,342	\$14,984,643	\$10,150,444	67%
2040	\$14,984,643	\$817,509	\$24,333	\$448,099	\$15,334,386	\$10,720,444	70%
2041	\$15,334,386	\$837,946	\$21,842	\$1,101,590	\$14,040,094	\$11,310,444	80%
2042	\$14,040,094	\$858,895	\$26,523	\$217,211	\$14,596,297	\$11,910,444	81%
2043	\$14,596,297	\$880,367	\$30,606	\$313,830	\$15,103,433	\$12,510,444	81%
2044	\$15,103,433	\$902,377	\$34,200	\$409,227	\$15,672,803	\$13,130,444	81%
2045	\$15,672,803	\$924,936	\$39,968	\$125,640	\$16,502,007	\$13,770,444	84%
2046	\$16,502,007	\$948,059	\$39,966	\$972,832	\$15,406,190	\$14,430,444	93%
2047	\$15,406,190	\$971,761	\$46,285	\$101,967	\$16,423,267	\$15,110,444	95%
2048	\$16,423,267	\$996,055	\$40,299	\$1,881,629	\$14,596,993	\$15,820,444	92%
2049	\$14,596,993	\$1,020,966	\$46,111	\$220,077	\$15,344,081	\$16,550,444	92%
2050	\$15,344,081	\$1,046,480	\$52,534	\$164,158	\$16,489,003	\$17,310,444	95%
2051	\$16,489,003	\$1,072,642	\$46,633	\$1,951,295	\$15,596,373	\$18,110,444	86%

Format makes numbers as easy to read and understand as possible. Color-coded bar indicates reserve fund status:

Green	Good	> 65%
Yellow	Fair	40% - 65%
Red	Poor	< 40%



Charts
Show graphically reserve funding plan through time.

Bella Terra Condominiums

Preface

Component Detail

Summary provides detailed information about each reserve component. These pages display all information about each reserve component as well as comments from site observations and historical information regarding replacement or other maintenance.

Lifespan Information
Displays placed-in-service date, useful life, remaining life and replacement year.

Cost Information
Displays quantity, unit cost, percentage of replacement, current cost and future cost.

Calculation Results
Displays assigned reserves and funding requirements.


Sample Condominium Association
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Streets - Asphalt, Seal Coat

Category	010 Streets	Quantity	162,000 sq. ft.
		Unit Cost	\$0.09
		% of Replacement	100.00%
		Current Cost	\$14,580.00
		Future Cost	\$15,318.11

Placed In Service: 01/2020
Useful Life: 4
Remaining Life: 2
Replacement Year: 2024

Assigned Reserves at FYB: \$7,290.00
Monthly Member Contribution: \$248.45
Monthly Interest Contribution: \$5.18
Total Monthly Contribution: \$253.64



The association repaired, seal coated and restriped the asphalt throughout the community during 2015 for an unknown cost. The association repaired, seal coated (2 coats) and restriped the asphalt throughout the community during 2015 for an unknown cost. The association repaired, seal coated (2 coats) and restriped the asphalt throughout the community in October 2019 for a total cost of \$1,565. The association repaired, seal coated (2 coats) and restriped the asphalt throughout the community in October 2019 for a total cost of \$1,565. The association repaired, seal coated (2 coats) and restriped the asphalt throughout the community in October 2019 for a total cost of \$1,565.

The current cost used for this component is based on actual expenditures incurred and adjusted for inflation where applicable.

For budgeting purposes, we have used the next fiscal year's beginning date as the component.

Asphalt surfaces should be seal coated on a 3 to 4 year cycle.

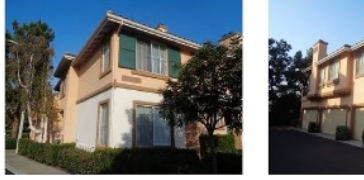
Sample Condominium Association
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Painting - Stucco

Category	030 Painting	Quantity	325,750 sq. ft.
		Unit Cost	\$1.18
		% of Replacement	100.00%
		Current Cost	\$384,385.00
		Future Cost	\$480,044.19

Placed In Service: 07/2021
Useful Life: 10
Remaining Life: 9
Replacement Year: 2031

Assigned Reserves at FYB: \$20,230.79
Monthly Member Contribution: \$2,855.92
Monthly Interest Contribution: \$23.24
Total Monthly Contribution: \$2,879.16



The association painted the entire community (stucco, woodwork, wrought iron and total cost of \$306,000. The association painted the entire community (stucco, woodwork, wrought iron and total cost of \$306,000. The association painted the entire community (stucco, woodwork, wrought iron and total cost of \$306,000. The association painted the entire community (stucco, woodwork, wrought iron and total cost of \$306,000.

The current cost used for this component is based on actual expenditures incurred and adjusted for inflation where applicable.

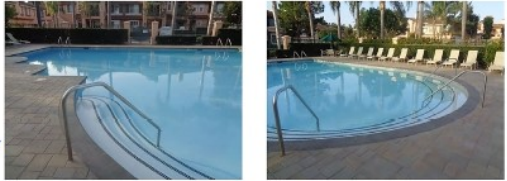
Sample Condominium Association
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Pool - Replaster & Tile

Category	060 Pool Area	Quantity	1 pool
		Unit Cost	\$34,387.50
		% of Replacement	100.00%
		Current Cost	\$34,387.50
		Future Cost	\$40,875.93

Placed In Service: 05/2019
Useful Life: 10
Remaining Life: 7
Replacement Year: 2029

Assigned Reserves at FYB: \$9,465.21
Monthly Member Contribution: \$255.65
Monthly Interest Contribution: \$6.48
Total Monthly Contribution: \$262.11



2,125 sq. ft. of replastering	@	\$13.90	=	\$28,887.50
180 lin. ft. of waterline/tim tile	@	\$17.50	=	\$3,150.00
170 lin. ft. of step/bench tile	@	\$15.00	=	\$2,550.00
		TOTAL	=	\$34,387.50

The association replastered the pool during 2006 for a total cost of \$22,174. The association replastered the pool and spa, replaced the pool and spa lighting (with LED lights) and replaced the mosaic material at the pool area in March 2011 for a total cost of \$41,541. The association replastered the pool and spa in May 2019 for a total cost of \$35,443.

Comments
Useful information from site observations and historical expenses included here.

Photos
Optional photos adds an additional layer of detail to the reserve analysis.

Bella Terra Condominiums

Preface

◆ ◆ ◆ ◆ GLOSSARY OF KEY TERMS ◆ ◆ ◆ ◆

Anticipated Reserve Balance (or Reserve Funds)

Amount of money, as of a certain point in time, held by association to be used for the repair or replacement of reserve components. This figure is “anticipated” because it is calculated based on the most current financial information available as of the analysis date, which is almost always prior to the fiscal year beginning date for which the reserve analysis is prepared.

Assigned Funds (and “Fixed” Assigned Funds)

Amount of money, as of fiscal year beginning date for which reserve analysis is prepared, that a reserve component has been assigned.

Assigned funds are considered “fixed” when the normal calculation process is bypassed and a specific amount of money is assigned to a reserve component. For example, if the normal calculation process assigns \$10,000 to the roofs, but the association would like to show \$20,000 assigned to roofs, “fixed” funds of \$20,000 can be assigned.

Component Calculation Method

Reserve funding calculation method developed based on each individual reserve component. A more detailed description of the actual calculation process is included in the “reserve funding calculation methods” section of the preface.

Contingency Parameter

Rate used as a built-in buffer in the calculation of a reserve funding plan. This rate will assign a percentage of reserve funds, as of the fiscal year beginning, as contingency funds and will also determine the level of funding toward contingency each month.

Contribution Increase Parameter

Rate used in calculation of funding plan. This rate is used on an annual compounding basis. This rate represents, in theory, the rate the association expects to increase contributions each year.

In most cases, this rate should match the inflation parameter. Matching the contribution increase parameter to the inflation parameter indicates, in theory, that member contributions should increase at the same rate as the cost of living (inflation parameter). Due to the “time value of money,” this creates the most equitable distribution of member contributions through time.

Current Replacement Cost

Amount of money, as of fiscal year beginning date for which reserve analysis is prepared, that a reserve component is expected to cost to replace.

Directed Cash Flow Calculation Method

Reserve funding calculation method developed based on total annual expenditures. A more detailed description of the actual calculation process is included in the “reserve funding calculation methods” section of the preface.

Fiscal Year

Budget year for association for which reserve analysis is prepared. Fiscal year beginning (FYB) is first day of budget year; fiscal year end (FYE) is last day of budget year.

Fully Funded Reserve Balance

Amount of money that should theoretically have accumulated in the reserve fund as of a certain point in time. Fully funded reserves are calculated for each reserve component based on the current replacement cost, age and useful life:

$$\text{Fully Funded Reserves} = \frac{\text{Age}}{\text{Useful Life}} \times \text{Current Replacement Cost}$$

Fully funded reserve balance is the sum of the fully funded reserves for each reserve component. An association that has accumulated the fully funded reserve balance does not have all of the funds necessary to replace all of its reserve components immediately; it has the proportionately appropriate reserve funds for the reserve com-

Bella Terra Condominiums

Preface

ponents it maintains, based on each component's current replacement cost, age and useful life.

Future Replacement Cost

Amount of money, as of fiscal year during which replacement of a reserve component is scheduled, that a reserve component is expected to cost to replace. This cost is calculated using the current replacement cost compounded annually by the inflation parameter.

Global Parameters

Financial parameters used to calculate reserve analysis. See also "inflation parameter," "contribution increase parameter," "investment rate parameter" and "taxes on investments parameter."

Inflation Parameter

Rate used in calculation of future costs for reserve components. This rate is used on an annual compounding basis. This rate represents rate the association expects the cost of goods and services relating to their reserve components to increase each year.

Interest Contribution

Amount of money contributed to reserve fund by interest earned on reserve fund and member contributions.

Investment Rate Parameter

Gross rate used in calculation of interest contribution (interest earned) from reserve balance and member contributions. This rate (net of taxes on investments parameter) is used on a monthly compounding basis. This parameter represents the weighted average interest rate association expects to earn on their reserve fund investments.

Membership Contribution

Amount of money contributed to reserve fund by association's membership.

Minimum Cash Flow Calculation Method

Reserve funding calculation method developed based on total annual expenditures. A more detailed description of the actual calculation process is included in the "reserve funding calculation methods" section of the preface.

Monthly Contribution (and "Fixed" Monthly Contribution)

Amount of money, for fiscal year which reserve analysis is prepared, that a reserve component will be funded.

Monthly contribution is considered "fixed" when the normal calculation process is bypassed and a specific amount of money is funded to a reserve component. For example, if the normal calculation process funds \$1,000 to the roofs each month, but the association would like to show \$500 funded to roofs each month, a "fixed" contribution of \$500 can be assigned.

Number of Units (or other assessment basis)

Number of units for which reserve analysis is prepared. In "phased" developments, this number represents the number of units, and corresponding common area components, that exist as of a certain point in time.

For some associations, assessments and reserve contributions are based on a unit of measure other than number of units. Examples include time-interval weeks for timeshare resorts or lot acreage (or square feet) for commercial/industrial developments.

One-Time Replacement

Used for components that will be budgeted for only once.

Percent Funded

Measure of association's reserve fund "health," expressed as a percentage, as of a certain point in time. This number is the ratio of anticipated reserve fund balance to fully funded reserve balance:

$$\text{Percent Funded} = \frac{\text{Anticipated Reserve Fund Balance}}{\text{Fully Funded Reserve Balance}}$$

Bella Terra Condominiums

Preface

Reserve fund health:

Green	Good	> 65%
Yellow	Fair	40% to 65%
Red	Poor	< 40%

An association that is 100% funded does not have all reserve funds necessary to replace all of its reserve components immediately; it has the proportionately appropriate reserve funds for reserve components it maintains, based on each component's current replacement cost, age and useful life.

Percentage of Replacement

Percentage of reserve component that is expected to be replaced.

For most reserve components, this percentage is 100%. In some cases, this percentage may be more or less than 100%. For example, fencing which is shared with a neighboring community may be set at 50%. Another example would be a component where partial replacement is expected, such as interior doors.

Placed-In-Service Date

Date (month and year) that a reserve component was originally put into service or last replaced.

Remaining Life

Length of time, in years, until a reserve component is scheduled to be replaced.

Remaining Life Adjustment

Length of time, in years, that a reserve component is expected to last in excess (or deficiency) of its useful life for current cycle of replacement (only).

If current cycle of replacement for a reserve component is expected to be greater than or less than the "normal" life expectancy, the reserve component's life should be adjusted using a remaining life adjustment.

For example, if wood trim is painted normally on a 4 year cycle, useful life should be 4 years. However, when it comes time to paint the wood trim and it is determined that it can be deferred for an additional year, useful life should remain at 4 years and a remaining life adjustment of +1 year should be used.

Replacement Year

Fiscal year that a reserve component is scheduled to be replaced.

Reserve Components

Line items included in the reserve analysis.

Taxes on Investments Parameter

Rate used to offset investment rate parameter in the calculation of interest contribution. This parameter represents the marginal tax rate association expects to pay on interest earned by reserve funds and member contributions.

Total Contribution

Sum of membership contribution and interest contribution.

Useful Life

Length of time, in years, that a reserve component is expected to last each time it is replaced. See also "remaining life adjustment."

Bella Terra Condominiums

Preface

◆ ◆ ◆ ◆ LIMITATIONS OF RESERVE ANALYSIS ◆ ◆ ◆ ◆

This reserve analysis is intended as a tool for the association's Board of Directors to be used in evaluating the association's current physical and financial condition with regard to reserve components. The results of this reserve analysis represent the independent opinion of the preparer. There is no implied warranty or guarantee of this work product.

For the purposes of this reserve analysis, it has been assumed that all components have been installed properly, no construction defects exist and all components are operational. Additionally, it has been assumed that all components will be maintained properly in the future.

Representations set forth in this reserve analysis are based on the best information and estimates of the preparer as of the date of this analysis. These estimates are subject to change. This reserve analysis includes estimates of replacement costs and life expectancies as well as assumptions regarding future events. Some estimates are projections of future events based on information currently available and are not necessarily indicative of the actual future outcome. The longer the time period between the estimate and the estimated event, the more likely the possibility of error and/or discrepancy. For example, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the preparation of this reserve analysis. Therefore, the actual replacement costs and remaining lives may vary from this reserve analysis and the variation may be significant. Additionally, inflation and other economic events may impact this reserve analysis, particularly over an extended period of time and those events could have a significant and negative impact on the accuracy of this reserve analysis and, further, the funds available to meet the association's obligation for repair, replacement or other maintenance of major components during their estimated useful life. Furthermore, the occurrence of vandalism, severe weather conditions, climate change, earthquakes, floods, acts of nature or other unforeseen events cannot be predicted and/or accounted for and are excluded when assessing life expectancy, repair and/or replacement costs of the reserve components.

Bella Terra Condominiums

Executive Summary

Directed Cash Flow Method

Client Information

Account Number	2405
Version Number	006
Analysis Date	10/10/2023
Fiscal Year	1/1/2024 to 12/31/2024
Number of Units	240

Global Parameters

Inflation Rate	3.00%
Annual Contribution Increase	10.00%
Investment Rate	1.62%
Taxes on Investments	0.00%
Contingency	0.00%

Community Profile

This community was built as apartments in 1993, and was converted to condominiums between July 2005 & December 2006. Refer to the Component Detail section for the dates used to age the components examined in this analysis.

Reserve Balance as of 8/31/2023: \$813,491

Remaining 2023 Reserve Contributions: \$38,800 (\$9,700/month x 4 months)

Remaining 2023 Reserve Expenses: \$0 (none noted)

Projected Reserve Balance as of 1/1/2024: \$852,291

REPORTS: 2005. Updated 2010, 2013, 2016, 2019, 10/2023 (with site visit)

Adequacy of Reserves as of January 1, 2024

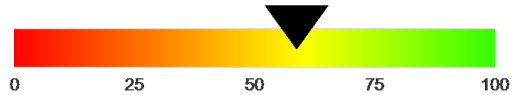
Anticipated Reserve Balance	\$852,291.00
Fully Funded Reserve Balance	\$1,451,960.48
Percent Funded	58.70%

Funding for the 2024 Fiscal Year	Annual	Monthly	Per Unit Per Month
Member Contribution	\$128,000	\$10,666.67	\$44.44
Interest Contribution	\$9,351	\$779.26	\$3.25
Total Contribution	\$137,351	\$11,445.93	\$47.69



Bella Terra Condominiums

240 Units
12/31/2024 Fiscal Year End



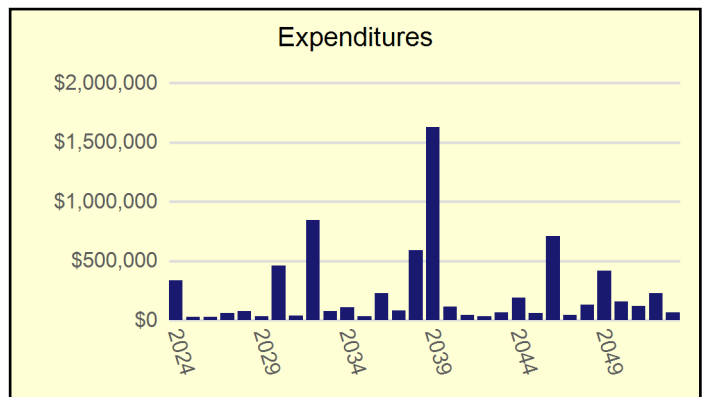
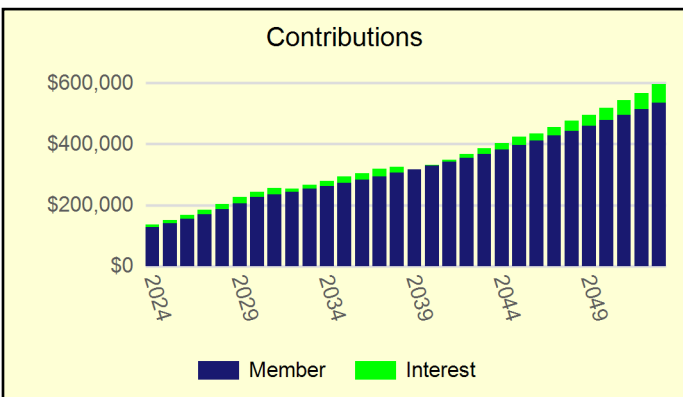
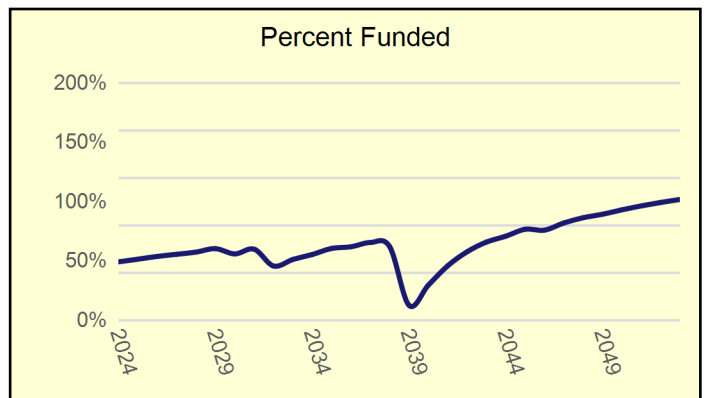
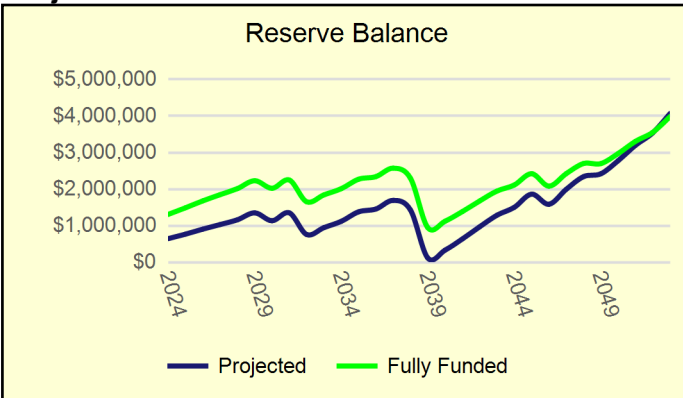
Adequacy of Reserves as of 01/01/2024

Percent Funded	58.70%
Reserve Fund Balance	\$852,291.00
Fully Funded Balance	\$1,451,960.48
Deficit per Unit	\$2,498.62

Reserve Funding for 2024

Directed Cash Flow Method	Annual	Monthly	Per Unit Per Month
Member Contribution	\$128,000	\$10,666.67	\$44.44
Interest Contribution	\$9,351	\$779.26	\$3.25
Total Contribution	\$137,351	\$11,445.93	\$47.69

Projections



Bella Terra Condominiums
Distribution of Current Reserve Funds
Sorted by Remaining Life; Alphabetical

	Remaining Life	Fully Funded Balance	Assigned Reserves
Buildings: Stair Treads (Replace)	0	\$5,000.00	\$5,000.00
Grounds: Bollard Light Fixtures	0	\$51,800.00	\$51,800.00
Grounds: Irrigation Lines (Replace)	0	\$96,000.00	\$96,000.00
Grounds: Landscape Improvements	0	\$10,000.00	\$10,000.00
Pool Area: Deck Recoat	0	\$7,500.00	\$7,500.00
Pool Area: Fountain (Remodel)	0	\$15,000.00	\$15,000.00
Roofs: Tile Underlayment (Garage Bldgs)	0	\$116,137.50	\$116,137.50
Streets: Asphalt Crack Seal & Seal Coat	0	\$36,389.04	\$36,389.04
Roofs: Preventative Maintenance	1	\$4,500.00	\$4,500.00
Spa: Heater	1	\$3,857.14	\$3,857.14
Grounds: Irrigation Controllers	2	\$2,162.92	\$2,162.92
Pool/Spa: Pumps & Motors	2	\$4,800.00	\$4,800.00
Pool: Heater	2	\$2,750.00	\$2,750.00
Clubhouse: Exercise Equipment (Cardio)	3	\$23,625.00	\$23,625.00
Clubhouse: Carpet	4	\$7,260.00	\$7,260.00
Pool Area: BBQ Grills	4	\$4,016.85	\$4,016.85
Grounds: Carport Structures (Repairs)	5	\$3,552.63	\$3,552.63
Clubhouse/Pool: Access Control System/Locks	6	\$8,600.00	\$8,600.00
Paint: Community Exteriors	6	\$85,000.00	\$85,000.00
Pool: Filter	6	\$1,313.58	\$1,313.58
Clubhouse: Exercise Equipment (Strength)	8	\$15,300.00	\$15,300.00
Grounds: Monument Signs	8	\$6,800.00	\$6,800.00
Lighting: Wall Mounted Fixtures (Garage Bldgs)	8	\$2,635.00	\$2,635.00
Spa: Retile	8	\$4,800.00	\$4,800.00
Streets: Asphalt Remove & Replace	8	\$451,947.21	\$333,491.33
Clubhouse: HVAC (York)	9	\$4,551.72	\$0.00
Fencing/Gates: Wrought Iron (Pool Area)	9	\$17,050.00	\$0.00
Spa: Filter	9	\$480.00	\$0.00
Lighting: Wall Mounted Fixtures (Condo Bldgs)	10	\$36,000.00	\$0.00
Clubhouse: Remodel Provision	12	\$45,000.00	\$0.00
Pool: Resurface & Retile	12	\$13,970.69	\$0.00
Clubhouse: HVAC (Daikin)	13	\$1,133.33	\$0.00
Clubhouse: HVAC (Daikin)	13	\$1,600.00	\$0.00
Clubhouse: HVAC (Trane)	13	\$1,241.38	\$0.00

Bella Terra Condominiums
Distribution of Current Reserve Funds
Sorted by Remaining Life; Alphabetical

	Remaining Life	Fully Funded Balance	Assigned Reserves
Pool Area: Deck Resurface	14	\$7,000.00	\$0.00
Roofs: Tile Underlayment (Condominium Bldgs)	15	\$341,491.65	\$0.00
Roofs: Tile Underlayment (Clubhouse)	20	\$6,130.87	\$0.00
Roofs: Tile Underlayment (Various Bldgs)	20	\$1,230.61	\$0.00
Gates: Wrought Iron (Trash Enclosures)	26	\$4,333.33	\$0.00
Grounds: Concrete Components (Unfunded)	n.a.	\$0.00	\$0.00
Grounds: Lighting (Unfunded)	n.a.	\$0.00	\$0.00
Grounds: Tree Trimming (Unfunded)	n.a.	\$0.00	\$0.00
Pool Area: Furniture (Unfunded)	n.a.	\$0.00	\$0.00
Contingency	n.a.	\$0.00	\$0.00
Total	0-26	\$1,451,960.48	\$852,291.00
Percent Funded			58.70%

Bella Terra Condominiums

Calculation of Percent Funded Sorted by Category; Alphabetical

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
<u>010 Streets</u>				
Streets: Asphalt Crack Seal & Seal Coat	0	4	\$36,389.04	\$36,389.04
Streets: Asphalt Remove & Replace	8	36	\$568,578.75	\$451,947.21
Sub Total	0-8	4-36	\$604,967.79	\$488,336.25
<u>020 Roofing</u>				
Roofs: Tile Underlayment (Clubhouse)	20	25	\$31,500.00	\$6,130.87
Roofs: Tile Underlayment (Condominium Bldgs)	15	25	\$880,689.00	\$341,491.65
Roofs: Tile Underlayment (Garage Bldgs)	0	25	\$116,137.50	\$116,137.50
Roofs: Tile Underlayment (Various Bldgs)	20	25	\$6,700.00	\$1,230.61
Roofs: Preventative Maintenance	1	2	\$9,000.00	\$4,500.00
Sub Total	0-20	2-25	\$1,044,026.50	\$469,490.64
<u>025 Buildings</u>				
Buildings: Stair Treads (Replace)	0	1	\$5,000.00	\$5,000.00
Sub Total	0	1	\$5,000.00	\$5,000.00
<u>030 Painting</u>				
Paint: Community Exteriors	6	8	\$340,000.00	\$85,000.00
Sub Total	6	8	\$340,000.00	\$85,000.00
<u>040 Fencing/Gates</u>				
Fencing/Gates: Wrought Iron (Pool Area)	9	40	\$22,000.00	\$17,050.00
Gates: Wrought Iron (Trash Enclosures)	26	30	\$32,500.00	\$4,333.33
Sub Total	9-26	30-40	\$54,500.00	\$21,383.33
<u>050 Lighting</u>				
Lighting: Wall Mounted Fixtures (Condo Bldgs)	10	25	\$60,000.00	\$36,000.00
Lighting: Wall Mounted Fixtures (Garage Bldgs)	8	25	\$3,875.00	\$2,635.00
Sub Total	8-10	25	\$63,875.00	\$38,635.00
<u>060 Pool & Spa</u>				
Pool Area: BBQ Grills	4	15	\$5,500.00	\$4,016.85
Pool Area: Deck Recoat	0	7	\$7,500.00	\$7,500.00
Pool Area: Deck Resurface	14	21	\$21,000.00	\$7,000.00
Pool Area: Fountain (Remodel)	0	20	\$15,000.00	\$15,000.00
Pool Area: Furniture (Unfunded)	n.a.	n.a.	\$0.00	\$0.00
Pool/Spa: Pumps & Motors	2	10	\$6,000.00	\$4,800.00
Pool: Filter	6	15	\$2,250.00	\$1,313.58
Pool: Heater	2	4	\$5,500.00	\$2,750.00
Pool: Resurface & Retile	12	25	\$27,750.00	\$13,970.69
Spa: Filter	9	15	\$1,200.00	\$480.00

Bella Terra Condominiums

Calculation of Percent Funded Sorted by Category; Alphabetical

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
Spa: Heater	1	7	\$4,500.00	\$3,857.14
Spa: Retile	8	20	\$8,000.00	\$4,800.00
Sub Total	0-14	4-25	\$104,200.00	\$65,488.27
<u>070 Clubhouse & Pool Area</u>				
Clubhouse/Pool: Access Control System/Locks	6	10	\$21,500.00	\$8,600.00
Sub Total	6	10	\$21,500.00	\$8,600.00
<u>080 Clubhouse</u>				
Clubhouse: Carpet	4	15	\$9,900.00	\$7,260.00
Clubhouse: Exercise Equipment (Cardio)	3	12	\$31,500.00	\$23,625.00
Clubhouse: Exercise Equipment (Strength)	8	25	\$22,500.00	\$15,300.00
Clubhouse: HVAC (Daikin)	13	15	\$8,500.00	\$1,133.33
Clubhouse: HVAC (Daikin)	13	15	\$12,000.00	\$1,600.00
Clubhouse: HVAC (Trane)	13	15	\$12,000.00	\$1,241.38
Clubhouse: HVAC (York)	9	15	\$12,000.00	\$4,551.72
Clubhouse: Remodel Provision	12	30	\$75,000.00	\$45,000.00
Sub Total	3-13	12-30	\$183,400.00	\$99,711.44
<u>100 Grounds</u>				
Grounds: Bollard Light Fixtures	0	25	\$51,800.00	\$51,800.00
Grounds: Carport Structures (Repairs)	5	10	\$7,500.00	\$3,552.63
Grounds: Concrete Components (Unfunded)	n.a.	n.a.	\$0.00	\$0.00
Grounds: Irrigation Controllers	2	15	\$2,500.00	\$2,162.92
Grounds: Irrigation Lines (Replace)	0	15	\$96,000.00	\$96,000.00
Grounds: Lighting (Unfunded)	n.a.	n.a.	\$0.00	\$0.00
Grounds: Monument Signs	8	25	\$10,000.00	\$6,800.00
Grounds: Tree Trimming (Unfunded)	n.a.	n.a.	\$0.00	\$0.00
Grounds: Landscape Improvements	0	1	\$10,000.00	\$10,000.00
Sub Total	0-8	1-25	\$177,800.00	\$170,315.55
Contingency	n.a.	n.a.	n.a.	\$0.00
Total	0-26	1-40	\$2,599,269.29	\$1,451,960.48
Anticipated Reserve Balance				\$852,291.00
Percent Funded				58.70%

Bella Terra Condominiums

Projections

Directed Cash Flow Method

Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenses	Ending Balance	Fully Funded Balance	Percent Funded
2024	\$852,291	\$128,000	\$9,351	\$337,827	\$651,816	\$1,313,676	50%
2025	\$651,816	\$140,800	\$11,209	\$29,355	\$774,470	\$1,493,952	52%
2026	\$774,470	\$154,880	\$13,293	\$30,766	\$911,877	\$1,683,315	54%
2027	\$911,877	\$170,368	\$15,163	\$60,646	\$1,036,762	\$1,852,868	56%
2028	\$1,036,762	\$187,405	\$17,092	\$75,172	\$1,166,087	\$2,017,988	58%
2029	\$1,166,087	\$206,145	\$19,973	\$36,517	\$1,355,688	\$2,233,437	61%
2030	\$1,355,688	\$226,760	\$16,329	\$458,815	\$1,139,962	\$2,026,151	56%
2031	\$1,139,962	\$235,377	\$19,728	\$38,741	\$1,356,326	\$2,251,271	60%
2032	\$1,356,326	\$244,321	\$10,130	\$847,270	\$763,508	\$1,658,073	46%
2033	\$763,508	\$253,605	\$13,092	\$77,243	\$952,962	\$1,846,528	52%
2034	\$952,962	\$263,242	\$15,751	\$108,185	\$1,123,770	\$2,015,314	56%
2035	\$1,123,770	\$273,245	\$19,837	\$33,222	\$1,383,630	\$2,273,121	61%
2036	\$1,383,630	\$283,629	\$20,971	\$228,320	\$1,459,910	\$2,344,601	62%
2037	\$1,459,910	\$294,407	\$24,669	\$82,972	\$1,696,013	\$2,575,046	66%
2038	\$1,696,013	\$305,594	\$20,356	\$588,397	\$1,433,567	\$2,299,184	62%
2039	\$1,433,567	\$317,207	\$0	\$1,626,812	\$123,173	\$951,913	13%
2040	\$123,173	\$329,260	\$2,557	\$116,966	\$338,025	\$1,127,146	30%
2041	\$338,025	\$341,772	\$7,351	\$43,800	\$643,348	\$1,391,012	46%
2042	\$643,348	\$354,760	\$12,576	\$34,900	\$975,784	\$1,680,216	58%
2043	\$975,784	\$368,241	\$17,545	\$69,088	\$1,292,481	\$1,951,384	66%
2044	\$1,292,481	\$382,234	\$20,862	\$188,899	\$1,506,678	\$2,116,014	71%
2045	\$1,506,678	\$396,759	\$26,525	\$62,785	\$1,867,176	\$2,424,501	77%
2046	\$1,867,176	\$411,835	\$21,943	\$710,874	\$1,590,081	\$2,084,000	76%
2047	\$1,590,081	\$427,485	\$28,367	\$47,366	\$1,998,567	\$2,426,267	82%
2048	\$1,998,567	\$443,730	\$33,785	\$131,296	\$2,344,785	\$2,702,209	87%
2049	\$2,344,785	\$460,591	\$34,889	\$417,578	\$2,422,687	\$2,701,712	90%
2050	\$2,422,687	\$478,094	\$40,484	\$160,666	\$2,780,599	\$2,976,275	93%
2051	\$2,780,599	\$496,261	\$47,071	\$123,282	\$3,200,650	\$3,308,350	97%
2052	\$3,200,650	\$515,119	\$52,368	\$227,395	\$3,540,742	\$3,554,245	100%
2053	\$3,540,742	\$534,694	\$60,680	\$67,162	\$4,068,954	\$3,983,981	102%

Bella Terra Condominiums

Annual Expenditures

Sorted by Alphabetical

2024 Fiscal Year

Buildings: Stair Treads (Replace)	\$5,000.00
Grounds: Bollard Light Fixtures	\$51,800.00
Grounds: Irrigation Lines (Replace)	\$96,000.00
Grounds: Landscape Improvements	\$10,000.00
Pool Area: Deck Recoat	\$7,500.00
Pool Area: Fountain (Remodel)	\$15,000.00
Roofs: Tile Underlayment (Garage Bldgs)	\$116,137.50
Streets: Asphalt Crack Seal & Seal Coat	\$36,389.04
Sub Total	\$337,826.54

2025 Fiscal Year

Buildings: Stair Treads (Replace)	\$5,150.00
Grounds: Landscape Improvements	\$10,300.00
Roofs: Preventative Maintenance	\$9,270.00
Spa: Heater	\$4,635.00
Sub Total	\$29,355.00

2026 Fiscal Year

Buildings: Stair Treads (Replace)	\$5,304.50
Grounds: Irrigation Controllers	\$2,652.25
Grounds: Landscape Improvements	\$10,609.00
Pool/Spa: Pumps & Motors	\$6,365.40
Pool: Heater	\$5,834.95
Sub Total	\$30,766.10

2027 Fiscal Year

Buildings: Stair Treads (Replace)	\$5,463.64
Clubhouse: Exercise Equipment (Cardio)	\$34,420.90
Grounds: Landscape Improvements	\$10,927.27
Roofs: Preventative Maintenance	\$9,834.54
Sub Total	\$60,646.35

2028 Fiscal Year

Buildings: Stair Treads (Replace)	\$5,627.54
Clubhouse: Carpet	\$11,142.54
Grounds: Landscape Improvements	\$11,255.09
Pool Area: BBQ Grills	\$6,190.30
Streets: Asphalt Crack Seal & Seal Coat	\$40,956.19
Sub Total	\$75,171.65

2029 Fiscal Year

Buildings: Stair Treads (Replace)	\$5,796.37
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Bella Terra Condominiums

Annual Expenditures

Sorted by Alphabetical

Grounds: Carport Structures (Repairs)	\$8,694.56
Grounds: Landscape Improvements	\$11,592.74
Roofs: Preventative Maintenance	\$10,433.47
Sub Total	\$36,517.13
<u>2030 Fiscal Year</u>	
Buildings: Stair Treads (Replace)	\$5,970.26
Clubhouse/Pool: Access Control System/Locks	\$25,672.12
Grounds: Landscape Improvements	\$11,940.52
Paint: Community Exteriors	\$405,977.78
Pool: Filter	\$2,686.62
Pool: Heater	\$6,567.29
Sub Total	\$458,814.60
<u>2031 Fiscal Year</u>	
Buildings: Stair Treads (Replace)	\$6,149.37
Grounds: Landscape Improvements	\$12,298.74
Pool Area: Deck Recoat	\$9,224.05
Roofs: Preventative Maintenance	\$11,068.86
Sub Total	\$38,741.03
<u>2032 Fiscal Year</u>	
Buildings: Stair Treads (Replace)	\$6,333.85
Clubhouse: Exercise Equipment (Strength)	\$28,502.33
Grounds: Monument Signs	\$12,667.70
Grounds: Landscape Improvements	\$12,667.70
Lighting: Wall Mounted Fixtures (Garage Bldgs)	\$4,908.73
Spa: Heater	\$5,700.47
Spa: Retile	\$10,134.16
Streets: Asphalt Crack Seal & Seal Coat	\$46,096.55
Streets: Asphalt Remove & Replace	\$720,258.55
Sub Total	\$847,270.04
<u>2033 Fiscal Year</u>	
Buildings: Stair Treads (Replace)	\$6,523.87
Clubhouse: HVAC (York)	\$15,657.28
Fencing/Gates: Wrought Iron (Pool Area)	\$28,705.01
Grounds: Landscape Improvements	\$13,047.73
Roofs: Preventative Maintenance	\$11,742.96
Spa: Filter	\$1,565.73
Sub Total	\$77,242.57
<u>2034 Fiscal Year</u>	

Bella Terra Condominiums

Annual Expenditures

Sorted by Alphabetical

Buildings: Stair Treads (Replace)	\$6,719.58
Grounds: Landscape Improvements	\$13,439.16
Lighting: Wall Mounted Fixtures (Condo Bldgs)	\$80,634.98
Pool: Heater	\$7,391.54
Sub Total	\$108,185.27

2035 Fiscal Year

Buildings: Stair Treads (Replace)	\$6,921.17
Grounds: Landscape Improvements	\$13,842.34
Roofs: Preventative Maintenance	\$12,458.10
Sub Total	\$33,221.61

2036 Fiscal Year

Buildings: Stair Treads (Replace)	\$7,128.80
Clubhouse: Remodel Provision	\$106,932.07
Grounds: Landscape Improvements	\$14,257.61
Pool/Spa: Pumps & Motors	\$8,554.57
Pool: Resurface & Retile	\$39,564.86
Streets: Asphalt Crack Seal & Seal Coat	\$51,882.07
Sub Total	\$228,319.98

2037 Fiscal Year

Buildings: Stair Treads (Replace)	\$7,342.67
Clubhouse: HVAC (Daikin)	\$17,622.40
Clubhouse: HVAC (Daikin)	\$12,482.54
Clubhouse: HVAC (Trane)	\$17,622.40
Grounds: Landscape Improvements	\$14,685.34
Roofs: Preventative Maintenance	\$13,216.80
Sub Total	\$82,972.15

2038 Fiscal Year

Buildings: Stair Treads (Replace)	\$7,562.95
Grounds: Landscape Improvements	\$15,125.90
Paint: Community Exteriors	\$514,280.51
Pool Area: Deck Recoat	\$11,344.42
Pool Area: Deck Resurface	\$31,764.38
Pool: Heater	\$8,319.24
Sub Total	\$588,397.40

2039 Fiscal Year

Buildings: Stair Treads (Replace)	\$7,789.84
Clubhouse: Exercise Equipment (Cardio)	\$49,075.97
Grounds: Carport Structures (Repairs)	\$11,684.76

Bella Terra Condominiums

Annual Expenditures

Sorted by Alphabetical

Grounds: Irrigation Lines (Replace)	\$149,564.87
Grounds: Landscape Improvements	\$15,579.67
Roofs: Tile Underlayment (Condominium Bldgs)	\$1,372,084.77
Roofs: Preventative Maintenance	\$14,021.71
Spa: Heater	\$7,010.85
Sub Total	\$1,626,812.44

2040 Fiscal Year

Buildings: Stair Treads (Replace)	\$8,023.53
Clubhouse/Pool: Access Control System/Locks	\$34,501.19
Grounds: Landscape Improvements	\$16,047.06
Streets: Asphalt Crack Seal & Seal Coat	\$58,393.73
Sub Total	\$116,965.51

2041 Fiscal Year

Buildings: Stair Treads (Replace)	\$8,264.24
Grounds: Irrigation Controllers	\$4,132.12
Grounds: Landscape Improvements	\$16,528.48
Roofs: Preventative Maintenance	\$14,875.63
Sub Total	\$43,800.46

2042 Fiscal Year

Buildings: Stair Treads (Replace)	\$8,512.17
Grounds: Landscape Improvements	\$17,024.33
Pool: Heater	\$9,363.38
Sub Total	\$34,899.88

2043 Fiscal Year

Buildings: Stair Treads (Replace)	\$8,767.53
Clubhouse: Carpet	\$17,359.71
Grounds: Landscape Improvements	\$17,535.06
Pool Area: BBQ Grills	\$9,644.28
Roofs: Preventative Maintenance	\$15,781.55
Sub Total	\$69,088.14

2044 Fiscal Year

Buildings: Stair Treads (Replace)	\$9,030.56
Grounds: Landscape Improvements	\$18,061.11
Pool Area: Fountain (Remodel)	\$27,091.67
Roofs: Tile Underlayment (Clubhouse)	\$56,892.50
Roofs: Tile Underlayment (Various Bldgs)	\$12,100.95
Streets: Asphalt Crack Seal & Seal Coat	\$65,722.65

Bella Terra Condominiums
Annual Expenditures
Sorted by Alphabetical

Sub Total	\$188,899.44
<u>2045 Fiscal Year</u>	
Buildings: Stair Treads (Replace)	\$9,301.47
Grounds: Landscape Improvements	\$18,602.95
Pool Area: Deck Recoat	\$13,952.21
Pool: Filter	\$4,185.66
Roofs: Preventative Maintenance	\$16,742.65
Sub Total	\$62,784.94
<u>2046 Fiscal Year</u>	
Buildings: Stair Treads (Replace)	\$9,580.52
Grounds: Landscape Improvements	\$19,161.03
Paint: Community Exteriors	\$651,475.16
Pool/Spa: Pumps & Motors	\$11,496.62
Pool: Heater	\$10,538.57
Spa: Heater	\$8,622.47
Sub Total	\$710,874.36
<u>2047 Fiscal Year</u>	
Buildings: Stair Treads (Replace)	\$9,867.93
Grounds: Landscape Improvements	\$19,735.87
Roofs: Preventative Maintenance	\$17,762.28
Sub Total	\$47,366.08
<u>2048 Fiscal Year</u>	
Buildings: Stair Treads (Replace)	\$10,163.97
Clubhouse: HVAC (York)	\$24,393.53
Grounds: Landscape Improvements	\$20,327.94
Spa: Filter	\$2,439.35
Streets: Asphalt Crack Seal & Seal Coat	\$73,971.43
Sub Total	\$131,296.22
<u>2049 Fiscal Year</u>	
Buildings: Stair Treads (Replace)	\$10,468.89
Grounds: Bollard Light Fixtures	\$108,457.70
Grounds: Carport Structures (Repairs)	\$15,703.33
Grounds: Landscape Improvements	\$20,937.78
Roofs: Tile Underlayment (Garage Bldgs)	\$243,166.13
Roofs: Preventative Maintenance	\$18,844.00
Sub Total	\$417,577.84
<u>2050 Fiscal Year</u>	

Bella Terra Condominiums

Annual Expenditures

Sorted by Alphabetical

Buildings: Stair Treads (Replace)	\$10,782.96
Clubhouse/Pool: Access Control System/Locks	\$46,366.71
Gates: Wrought Iron (Trash Enclosures)	\$70,089.22
Grounds: Landscape Improvements	\$21,565.91
Pool: Heater	\$11,861.25
Sub Total	\$160,666.05

2051 Fiscal Year

Buildings: Stair Treads (Replace)	\$11,106.45
Clubhouse: Exercise Equipment (Cardio)	\$69,970.60
Grounds: Landscape Improvements	\$22,212.89
Roofs: Preventative Maintenance	\$19,991.60
Sub Total	\$123,281.54

2052 Fiscal Year

Buildings: Stair Treads (Replace)	\$11,439.64
Clubhouse: HVAC (Daikin)	\$27,455.13
Clubhouse: HVAC (Daikin)	\$19,447.39
Clubhouse: HVAC (Trane)	\$27,455.13
Grounds: Landscape Improvements	\$22,879.28
Pool Area: Deck Recoat	\$17,159.46
Spa: Retile	\$18,303.42
Streets: Asphalt Crack Seal & Seal Coat	\$83,255.49
Sub Total	\$227,394.94

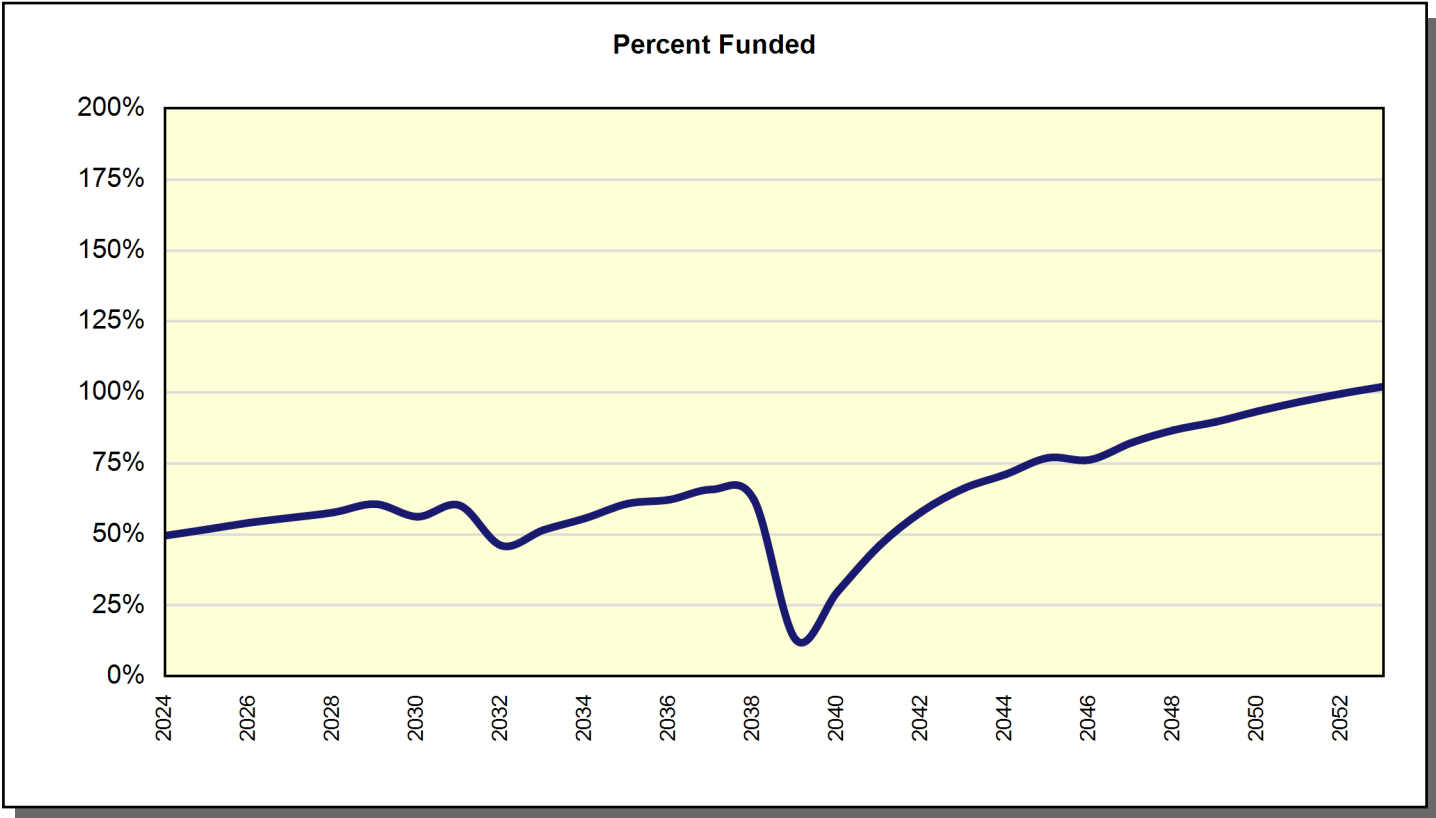
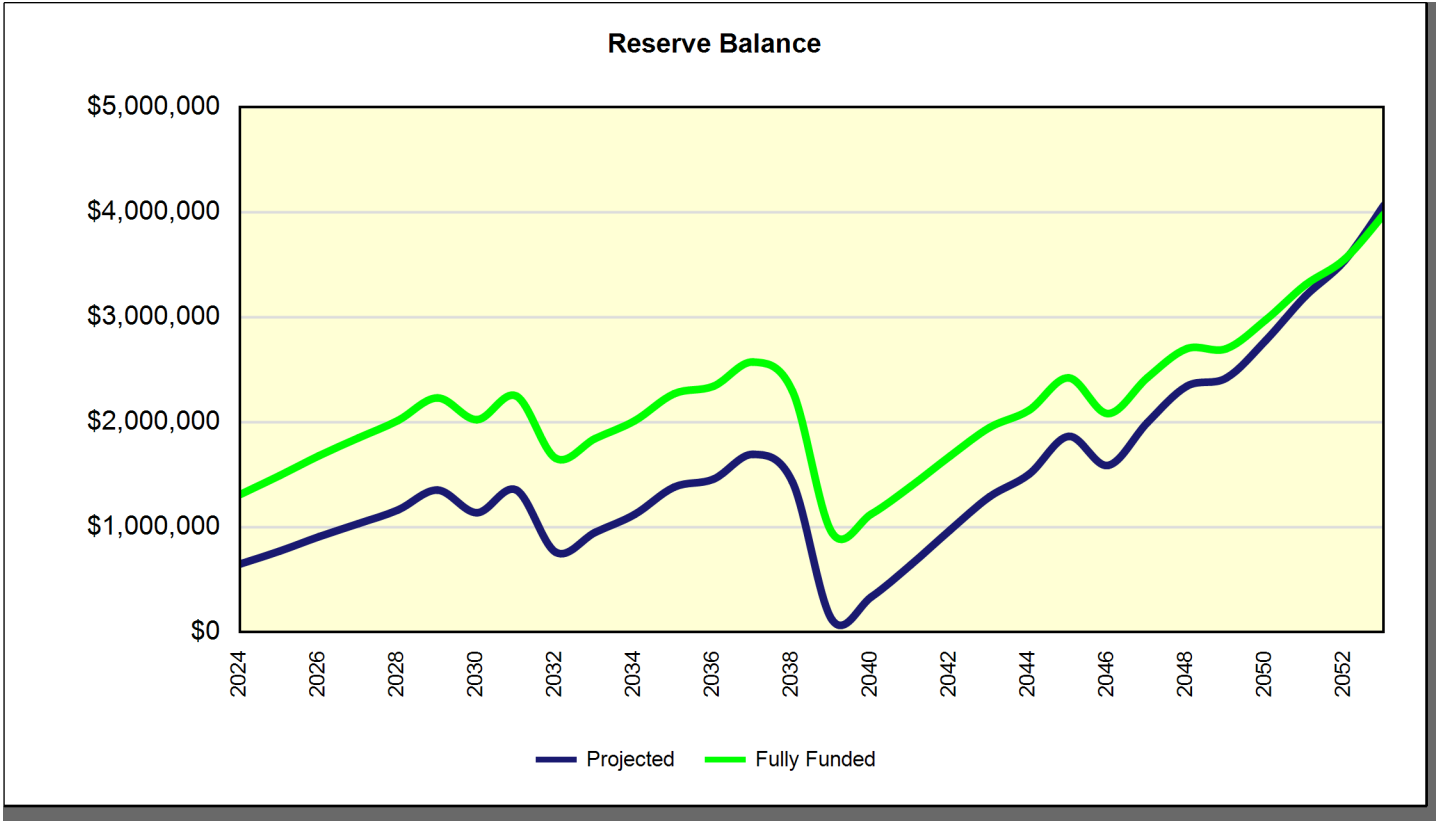
2053 Fiscal Year

Buildings: Stair Treads (Replace)	\$11,782.83
Grounds: Landscape Improvements	\$23,565.66
Roofs: Preventative Maintenance	\$21,209.09
Spa: Heater	\$10,604.54
Sub Total	\$67,162.12

Bella Terra Condominiums

Projection Charts

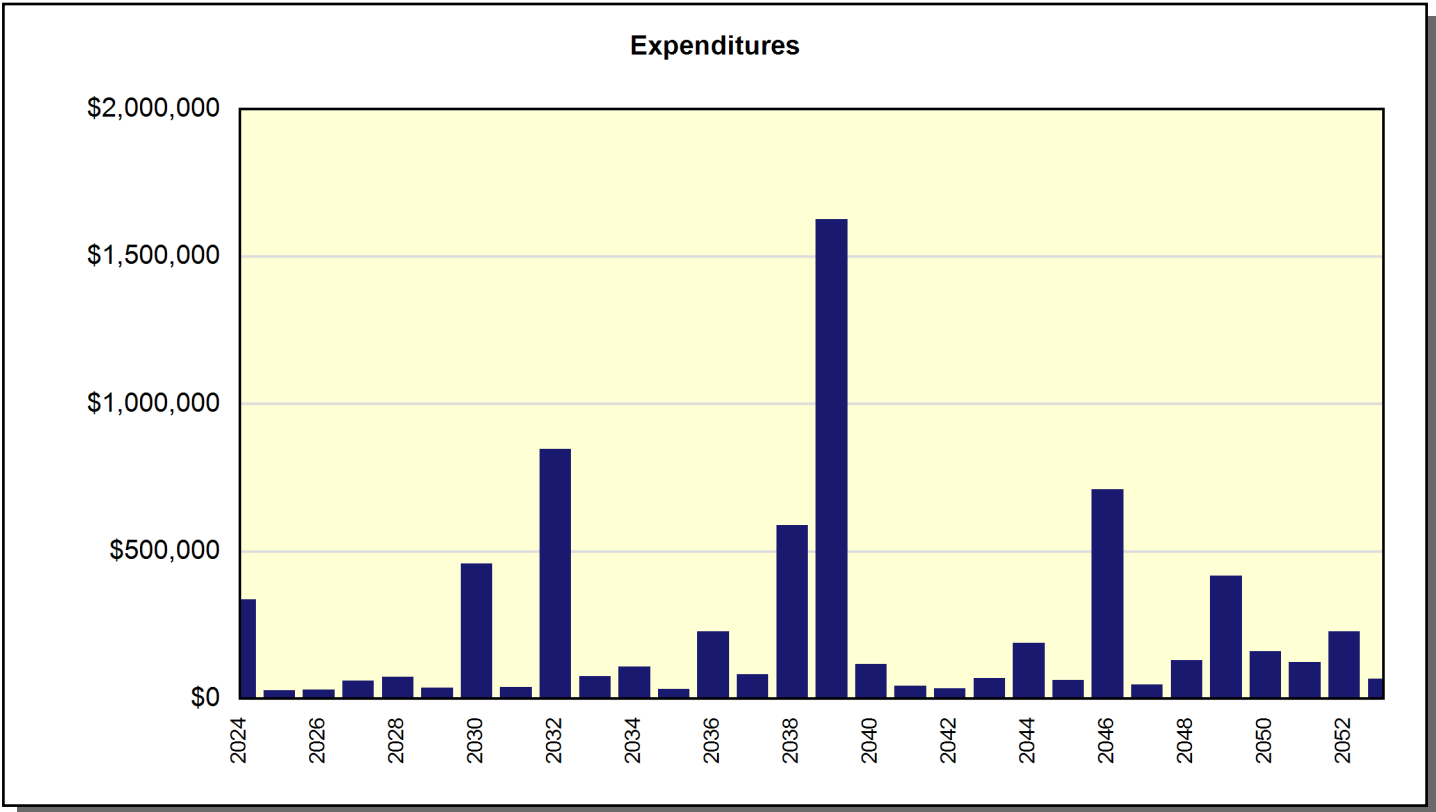
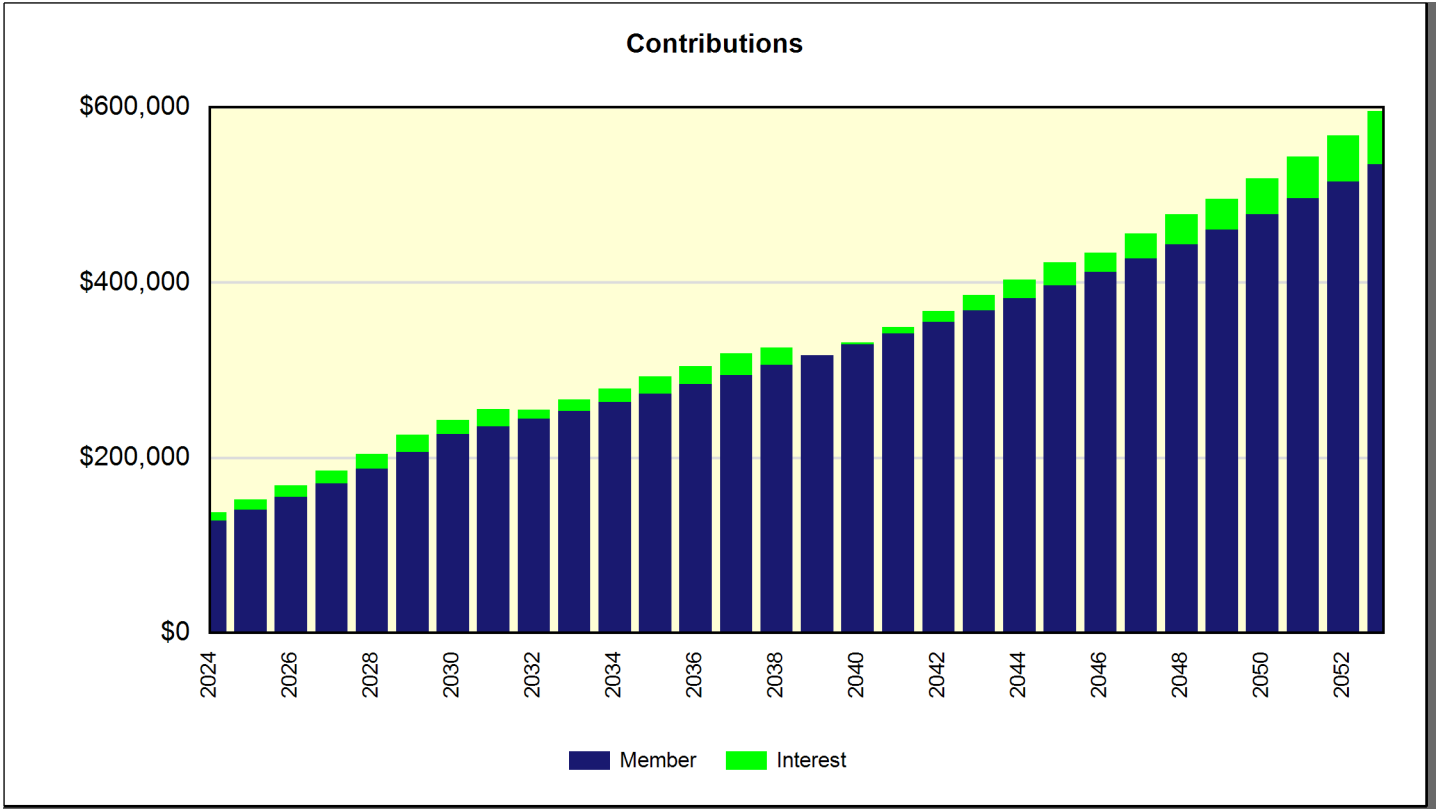
Directed Cash Flow Method



Bella Terra Condominiums

Projection Charts

Directed Cash Flow Method



Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Streets: Asphalt Crack Seal & Seal Coat

Category	010 Streets	Quantity	151,621 sq. ft.
		Unit Cost	\$0.24
		% of Replacement	100.00%
		Current Cost	\$36,389.04
Placed In Service	01/2020	Future Cost	\$40,956.19
Useful Life	4		
		Assigned Reserves at FYB	\$36,389.04
Remaining Life	0	Monthly Member Contribution	\$525.44
Replacement Year	2024	Monthly Interest Contribution	\$5.14
		Total Monthly Contribution	\$530.57



This component budgets for a continuous four (4) year crack seal and seal coating cycle.

It should be noted that the repair/seal coat and repaving projects are budgeted to occur in the same budget year. It is recommended that the asphalt is seal coated within 6 months of repaving. Therefore, this component appears in the same year as the removal and repaving project. If the Association chooses not to seal coat within 6 months of repaving, the accumulated funds can be used for any additional expenses associated with the major project or remain in the reserve account to be reallocated to other projects in the future.

Instead of using a typical seal coat maintenance program, the Association has the option to go with a High Density Mineral Bond (HA5) surface treatment. This product, sold in AZ by Holbrook Asphalt, provides a durable surface that reduces the frequency of "coating", preserves the underlying asphalt, and can significantly extend the timeframe before the major asphalt project may be needed. If the Association would like us to create an alternative reserve study that assumes an HA5 program, we can do so at the Board's request for an additional fee.

Note that we are not endorsing Holbrook Asphalt, but presenting the HA5 program as an alternative option to a typical seal coat maintenance program. We recommend that the Association contact Holbrook Asphalt (602.377.5406) to have the community asphalt evaluated to determine if the HA5 program is a viable option.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Streets: Asphalt Remove & Replace

Category	010 Streets	Quantity	151,621 sq. ft.
		Unit Cost	\$3.75
		% of Replacement	100.00%
		Current Cost	\$568,578.75
Placed In Service	01/1993	Future Cost	\$720,258.55
Useful Life	36		
Adjustment	+3	Assigned Reserves at FYB	\$333,491.33
Remaining Life	8	Monthly Member Contribution	\$1,726.72
Replacement Year	2032	Monthly Interest Contribution	\$454.44
		Total Monthly Contribution	\$2,181.16



This component budgets to remove & replace the community asphalt (drive lanes, covered parking spaces, uncovered parking spaces) in 2032.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Roofs: Tile Underlayment (Clubhouse)

Category	020 Roofing	Quantity	1 total
		Unit Cost	\$31,500.00
		% of Replacement	100.00%
		Current Cost	\$31,500.00
Placed In Service	03/2019	Future Cost	\$56,892.50
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	20	Monthly Member Contribution	\$54.24
Replacement Year	2044	Monthly Interest Contribution	\$0.53
		Total Monthly Contribution	\$54.77



Payne Roofing replaced the tile roof underlayment atop the clubhouse in March 2019 at a cost of \$24,802.51. This component budgets for similar work on a 25 year cycle.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Roofs: Tile Underlayment (Condominium Bldgs)

Category	020 Roofing	Quantity	180,100 sq. ft.
		Unit Cost	\$4.89
		% of Replacement	100.00%
		Current Cost	\$880,689.00
		Future Cost	\$1,372,084.77
Placed In Service	07/2014		
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	15	Monthly Member Contribution	\$2,408.99
Replacement Year	2039	Monthly Interest Contribution	\$23.54
		Total Monthly Contribution	\$2,432.54



Roofing Consultants of Arizona replaced the tile roof underlayment atop the condominium buildings (approximately 180,100 sq. ft.) between mid-2013 & mid-2015 at a cost of \$580,082. This component budgets for similar work on a 25 year cycle.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Roofs: Tile Underlayment (Garage Bldgs)

Category	020 Roofing	Quantity	23,750 sq. ft.
		Unit Cost	\$4.89
		% of Replacement	100.00%
		Current Cost	\$116,137.50
		Future Cost	\$243,166.13
Placed In Service	01/1993	Assigned Reserves at FYB	\$116,137.50
Useful Life	25	Monthly Member Contribution	\$132.73
Adjustment	+3	Monthly Interest Contribution	\$1.30
Remaining Life	0	Total Monthly Contribution	\$134.02
Replacement Year	2024		



This component budgets to replace the tile roof underlayment atop the nine (9) garage buildings. The Board has advised that they have a current quote of \$116,000 for this project.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Roofs: Tile Underlayment (Various Bldgs)

Category	020 Roofing	Quantity	1 total
		Unit Cost	\$6,700.00
		% of Replacement	100.00%
		Current Cost	\$6,700.00
Placed In Service	07/2019	Future Cost	\$12,100.95
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	20	Monthly Member Contribution	\$11.54
Replacement Year	2044	Monthly Interest Contribution	\$0.11
		Total Monthly Contribution	\$11.65



RENCO Roofing replaced the tile roof underlayment atop the guard shack, mailbox structure & maintenance building in July 2019 at a cost of \$5,178. This component budgets for similar work on a 25 year cycle.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Roofs: Preventative Maintenance

Category	020 Roofing	Quantity	1 total
		Unit Cost	\$9,000.00
		% of Replacement	100.00%
		Current Cost	\$9,000.00
Placed In Service	01/2023	Future Cost	\$9,270.00
Useful Life	2		
		Assigned Reserves at FYB	\$4,500.00
Remaining Life	1	Monthly Member Contribution	\$286.00
Replacement Year	2025	Monthly Interest Contribution	\$8.70
		Total Monthly Contribution	\$294.70



The Board has requested that we budget \$9,000 in 20215 for roofing preventative maintenance. We have scheduled this every 2 years.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Buildings: Stair Treads (Replace)

Category	025 Buildings	Quantity	1 total
		Unit Cost	\$5,000.00
		% of Replacement	100.00%
		Current Cost	\$5,000.00
Placed In Service	01/2023	Future Cost	\$5,150.00
Useful Life	1		
		Assigned Reserves at FYB	\$5,000.00
Remaining Life	0	Monthly Member Contribution	\$313.62
Replacement Year	2024	Monthly Interest Contribution	\$3.07
		Total Monthly Contribution	\$316.68



The Board listed stair tread replacement on the documents returned to us for this update, but did not specify budgeting information. We have included a provision of \$5,000 per year going forward for stair treads to be replaced.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Paint: Community Exteriors

Category	030 Painting	Quantity	1 total
		Unit Cost	\$340,000.00
		% of Replacement	100.00%
		Current Cost	\$340,000.00
Placed In Service	01/2022	Future Cost	\$405,977.78
Useful Life	8		
		Assigned Reserves at FYB	\$85,000.00
Remaining Life	6	Monthly Member Contribution	\$2,376.88
Replacement Year	2030	Monthly Interest Contribution	\$134.76
		Total Monthly Contribution	\$2,511.64



Red Rock Painting repainted the community exteriors in late 2012/early 2013 at a cost of \$134,677. Then, in February 2019, Red Rock Painting repaired & repainted (\$2,400) the exterior pony walls along the north perimeter, as well as the two islands & guard shack. Going forward, this component budgets to repaint the community exteriors every eight (8) years.

We have been advised that the community was painted since our last reserve study was completed in 2020, however, we were not provided the date or cost of the paint project.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Fencing/Gates: Wrought Iron (Pool Area)

Category	040 Fencing/Gates	Quantity	1 total
		Unit Cost	\$22,000.00
		% of Replacement	100.00%
		Current Cost	\$22,000.00
Placed In Service	01/1993	Future Cost	\$28,705.01
Useful Life	40		
		Assigned Reserves at FYB	\$0.00
Remaining Life	9	Monthly Member Contribution	\$121.78
Replacement Year	2033	Monthly Interest Contribution	\$1.19
		Total Monthly Contribution	\$122.97



This component includes a provision to replace the following wrought iron fencing & gates at the pool area:

- 37 - LF of 3'4" fencing
- 225 - LF of 4'11" fencing
- 2 - 4'11" x 3'5" gates
- 1 - 5'5" x 3'7" gate

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Gates: Wrought Iron (Trash Enclosures)

Category	040 Fencing/Gates	Quantity	1 total
		Unit Cost	\$32,500.00
		% of Replacement	100.00%
		Current Cost	\$32,500.00
Placed In Service	01/2020	Future Cost	\$70,089.22
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	26	Monthly Member Contribution	\$34.36
Replacement Year	2050	Monthly Interest Contribution	\$0.34
		Total Monthly Contribution	\$34.70



The following project was completed in early 2020 at a cost of \$25,488.36 (half paid in 2019, half paid in 2020):

- replace the 14 metal trash enclosure gates (5'8" tall)
- replace asphalt with concrete
- add steel slide plates at dumpster walls

This component budgets for similar work on a 30 year cycle.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Lighting: Wall Mounted Fixtures (Condo Bldgs)

Category	050 Lighting	Quantity	480 fixtures
		Unit Cost	\$125.00
		% of Replacement	100.00%
		Current Cost	\$60,000.00
Placed In Service	01/2009	Future Cost	\$80,634.98
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	10	Monthly Member Contribution	\$289.77
Replacement Year	2034	Monthly Interest Contribution	\$2.83
		Total Monthly Contribution	\$292.60



The wall mounted, sconce style fixtures at the condo buildings (2 per unit: 1 @ front door, 1 @ rear patio or balcony) were last replaced in 2009.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Lighting: Wall Mounted Fixtures (Garage Bldgs)

Category	050 Lighting	Quantity	31 fixtures
		Unit Cost	\$125.00
		% of Replacement	100.00%
		Current Cost	\$3,875.00
Placed In Service	01/2007	Future Cost	\$4,908.73
Useful Life	25		
		Assigned Reserves at FYB	\$2,635.00
Remaining Life	8	Monthly Member Contribution	\$9.68
Replacement Year	2032	Monthly Interest Contribution	\$3.55
		Total Monthly Contribution	\$13.23



The wall mounted, lantern fixtures at the garage buildings were last replaced in 2007.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Pool Area: BBQ Grills

Category	060 Pool & Spa	Quantity	2 BBQ Grills
		Unit Cost	\$2,750.00
		% of Replacement	100.00%
		Current Cost	\$5,500.00
Placed In Service	03/2013	Future Cost	\$6,190.30
Useful Life	15		
		Assigned Reserves at FYB	\$4,016.85
Remaining Life	4	Monthly Member Contribution	\$24.44
Replacement Year	2028	Monthly Interest Contribution	\$5.51
		Total Monthly Contribution	\$29.95

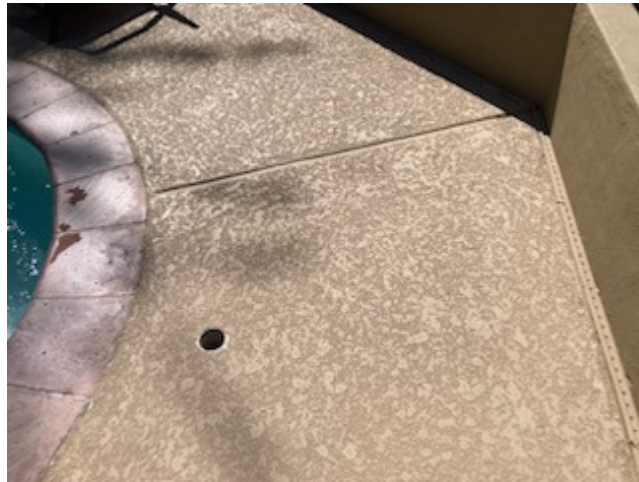


These are Somerset, 4-burner, built-in, gas BBQ grills that were purchased/installed in March 2013 at a cost of \$1,900 each.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Pool Area: Deck Recoat

Category	060 Pool & Spa	Quantity	3,000 sq. ft.
		Unit Cost	\$2.50
		% of Replacement	100.00%
		Current Cost	\$7,500.00
Placed In Service	01/2017	Future Cost	\$9,224.05
Useful Life	7		
		Assigned Reserves at FYB	\$7,500.00
Remaining Life	0	Monthly Member Contribution	\$56.72
Replacement Year	2024	Monthly Interest Contribution	\$0.55
		Total Monthly Contribution	\$57.27



This component includes a provision to repair & recoat (repaint) the acrylic pool deck surface every seven (7) years.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Pool Area: Deck Resurface

Category	060 Pool & Spa	Quantity	3,000 sq. ft.
		Unit Cost	\$7.00
		% of Replacement	100.00%
		Current Cost	\$21,000.00
Placed In Service	01/2017	Future Cost	\$31,764.38
Useful Life	21		
		Assigned Reserves at FYB	\$0.00
Remaining Life	14	Monthly Member Contribution	\$63.65
Replacement Year	2038	Monthly Interest Contribution	\$0.62
		Total Monthly Contribution	\$64.27



This component budgets to scarify & resurface the acrylic pool deck surface. The coating/coloring of the deck following the resurfacing is accounted for in the "Pool Area: Deck Recoat" component.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Pool Area: Fountain (Remodel)

Category	060 Pool & Spa	Quantity	1 total
		Unit Cost	\$15,000.00
		% of Replacement	100.00%
		Current Cost	\$15,000.00
Placed In Service	01/1993	Future Cost	\$27,091.67
Useful Life	20		
		Assigned Reserves at FYB	\$15,000.00
Remaining Life	0	Monthly Member Contribution	\$25.83
Replacement Year	2024	Monthly Interest Contribution	\$0.25
		Total Monthly Contribution	\$26.08



The pool fountain & surrounding area will be remodeled in 2024. The Board is in the process of obtaining estimates to include:

- demo & remove the middle glass block feature & install 3 geyser fountain heads
- remove all interior tile & damaged/loose cantera stone coping & replace
- remove all rusted fencing & replace
- add low voltage lighting

We are budgeting to remodel the pool fountain area on a 20 year cycle.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Pool Area: Furniture (Unfunded)

Category	060 Pool & Spa	Quantity	1 comment
		Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/1993	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00



The client has advised us that the repair, refurbishment and/or replacement of the pool furniture will be handled as an operating expense. No change to this was requested by the Board.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Pool/Spa: Pumps & Motors

Category	060 Pool & Spa	Quantity	1 total
		Unit Cost	\$6,000.00
		% of Replacement	100.00%
		Current Cost	\$6,000.00
Placed In Service	01/2016	Future Cost	\$6,365.40
Useful Life	10		
		Assigned Reserves at FYB	\$4,800.00
Remaining Life	2	Monthly Member Contribution	\$40.50
Replacement Year	2026	Monthly Interest Contribution	\$6.69
		Total Monthly Contribution	\$47.19



This component will accumulate funds on a 10 year cycle to replace the pool & spa pumps & motors (4 total) on an "as needed" basis.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Pool: Filter

Category	060 Pool & Spa	Quantity	1 filter
		Unit Cost	\$2,250.00
		% of Replacement	100.00%
		Current Cost	\$2,250.00
Placed In Service	08/2015	Future Cost	\$2,686.62
Useful Life	15		
		Assigned Reserves at FYB	\$1,313.58
Remaining Life	6	Monthly Member Contribution	\$9.43
Replacement Year	2030	Monthly Interest Contribution	\$1.82
		Total Monthly Contribution	\$11.25



This is a Triton II, 7.06 sq. ft. sand filter.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Pool: Heater

Category	060 Pool & Spa	Quantity	1 heater
		Unit Cost	\$5,500.00
		% of Replacement	100.00%
		Current Cost	\$5,500.00
Placed In Service	01/2022	Future Cost	\$5,834.95
Useful Life	4		
		Assigned Reserves at FYB	\$2,750.00
Remaining Life	2	Monthly Member Contribution	\$86.16
Replacement Year	2026	Monthly Interest Contribution	\$4.45
		Total Monthly Contribution	\$90.61



This is a Jandy pool heater. Was a Hayward heater in 2020.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Pool: Resurface & Retile

Category	060 Pool & Spa	Quantity	1 total
		Unit Cost	\$27,750.00
		% of Replacement	100.00%
		Current Cost	\$27,750.00
		Future Cost	\$39,564.86
Placed In Service	11/2011	Assigned Reserves at FYB	\$0.00
Useful Life	25	Monthly Member Contribution	\$104.79
Remaining Life	12	Monthly Interest Contribution	\$1.02
Replacement Year	2036	Total Monthly Contribution	\$105.81



The pool was resurfaced with mini-pebble in November 2011. This component budgets to resurface the pool, replace the trim tile & replace the bench tile.

- 2,360 - sq. ft. (internal area) of resurfacing
- 170 - LF of trim tile
- 65 - LF of bench tile

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Spa: Filter

Category	060 Pool & Spa	Quantity	1 filter
		Unit Cost	\$1,200.00
		% of Replacement	100.00%
		Current Cost	\$1,200.00
Placed In Service	01/2018	Future Cost	\$1,565.73
Useful Life	15		
		Assigned Reserves at FYB	\$0.00
Remaining Life	9	Monthly Member Contribution	\$6.64
Replacement Year	2033	Monthly Interest Contribution	\$0.06
		Total Monthly Contribution	\$6.71



This is a Triton II, 1.77 sq. ft. sand filter.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Spa: Heater

Category	060 Pool & Spa	Quantity	1 heater
		Unit Cost	\$4,500.00
		% of Replacement	100.00%
		Current Cost	\$4,500.00
Placed In Service	01/2018	Future Cost	\$4,635.00
Useful Life	7		
		Assigned Reserves at FYB	\$3,857.14
Remaining Life	1	Monthly Member Contribution	\$43.54
Replacement Year	2025	Monthly Interest Contribution	\$5.49
		Total Monthly Contribution	\$49.02



This is a Hayward, H250 heater.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Spa: Retile

Category	060 Pool & Spa	Quantity	1 total
		Unit Cost	\$8,000.00
		% of Replacement	100.00%
		Current Cost	\$8,000.00
Placed In Service	01/2012	Future Cost	\$10,134.16
Useful Life	20		
		Assigned Reserves at FYB	\$4,800.00
Remaining Life	8	Monthly Member Contribution	\$23.67
Replacement Year	2032	Monthly Interest Contribution	\$6.53
		Total Monthly Contribution	\$30.20



The 8' diameter spa was retiled in late 2011.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Clubhouse/Pool: Access Control System/Locks

Category	070 Clubhouse & Pool Area	Quantity	1 total
		Unit Cost	\$21,500.00
		% of Replacement	100.00%
		Current Cost	\$21,500.00
Placed In Service	01/2020	Future Cost	\$25,672.12
Useful Life	10		
		Assigned Reserves at FYB	\$8,600.00
Remaining Life	6	Monthly Member Contribution	\$123.25
Replacement Year	2030	Monthly Interest Contribution	\$12.49
		Total Monthly Contribution	\$135.74



\$17,000 was spent in 2020 on new clubhouse door & pool gate locks and access systems. We have used a 10 year useful life at the Board's request.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Clubhouse: Carpet

Category	080 Clubhouse	Quantity	180 sq. yds.
		Unit Cost	\$55.00
		% of Replacement	100.00%
		Current Cost	\$9,900.00
Placed In Service	01/2013	Future Cost	\$11,142.54
Useful Life	15		
		Assigned Reserves at FYB	\$7,260.00
Remaining Life	4	Monthly Member Contribution	\$43.58
Replacement Year	2028	Monthly Interest Contribution	\$9.95
		Total Monthly Contribution	\$53.53



This component budgets to replace the carpet in the main sitting area, office area & book exchange room.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Clubhouse: Exercise Equipment (Cardio)

Category	080 Clubhouse	Quantity	1 total
		Unit Cost	\$31,500.00
		% of Replacement	100.00%
		Current Cost	\$31,500.00
Placed In Service	01/2015	Future Cost	\$34,420.90
Useful Life	12		
		Assigned Reserves at FYB	\$23,625.00
Remaining Life	3	Monthly Member Contribution	\$174.31
Replacement Year	2027	Monthly Interest Contribution	\$32.70
		Total Monthly Contribution	\$207.01



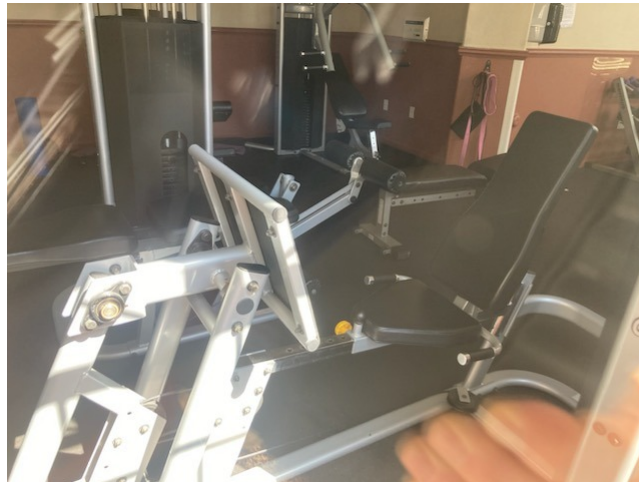
This component will accumulate funds on a 12 year cycle to replace the following cardio equipment on an "as needed" basis. For budgeting purposes we have used 2015 as an average placed in service date for this equipment.

- 2 - Landice L8 treadmills
- 1 - True XCS 900 elliptical
- 1 - True XLC 900 elliptical
- 1 - True recumbent bike

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Clubhouse: Exercise Equipment (Strength)

Category	080 Clubhouse	Quantity	1 total
		Unit Cost	\$22,500.00
		% of Replacement	100.00%
		Current Cost	\$22,500.00
Placed In Service	01/2007	Future Cost	\$28,502.33
Useful Life	25		
		Assigned Reserves at FYB	\$15,300.00
Remaining Life	8	Monthly Member Contribution	\$56.20
Replacement Year	2032	Monthly Interest Contribution	\$20.62
		Total Monthly Contribution	\$76.82



This component will accumulate funds on a 20 year cycle to replace the following Inflight Fitness strength equipment on an "as needed" basis.

- 1 - Abdominal/Torso
- 1 - Leg Press
- 1 - Leg Extension/Curl
- 1 - Multi Press
- 1 - Multi Pull

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Clubhouse: HVAC (Daikin)

Category	080 Clubhouse	Quantity	1 total
		Unit Cost	\$8,500.00
		% of Replacement	100.00%
		Current Cost	\$8,500.00
Placed In Service	01/2022	Future Cost	\$12,482.54
Useful Life	15		
		Assigned Reserves at FYB	\$0.00
Remaining Life	13	Monthly Member Contribution	\$28.68
Replacement Year	2037	Monthly Interest Contribution	\$0.28
		Total Monthly Contribution	\$28.96



This component budgets to replace the following HVAC system:

- 1 - Daikin, 3.5 ton split system

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Clubhouse: HVAC (Daikin)

Category	080 Clubhouse	Quantity	1 total
		Unit Cost	\$12,000.00
		% of Replacement	100.00%
		Current Cost	\$12,000.00
Placed In Service	01/2022	Future Cost	\$17,622.40
Useful Life	15		
		Assigned Reserves at FYB	\$0.00
Remaining Life	13	Monthly Member Contribution	\$40.49
Replacement Year	2037	Monthly Interest Contribution	\$0.40
		Total Monthly Contribution	\$40.88



This component budgets to replace the following HVAC system installed in 2012:

- 1 - Daikin, 5 ton split system

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Clubhouse: HVAC (Trane)

Category	080 Clubhouse	Quantity	1 total
		Unit Cost	\$12,000.00
		% of Replacement	100.00%
		Current Cost	\$12,000.00
		Future Cost	\$17,622.40
Placed In Service	07/2022		
Useful Life	15		
		Assigned Reserves at FYB	\$0.00
Remaining Life	13	Monthly Member Contribution	\$40.49
Replacement Year	2037	Monthly Interest Contribution	\$0.40
		Total Monthly Contribution	\$40.88



This component budgets to replace the following HVAC system:

- 1 - Trane, 5 ton split system

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Clubhouse: HVAC (York)

Category	080 Clubhouse	Quantity	1 total
		Unit Cost	\$12,000.00
		% of Replacement	100.00%
		Current Cost	\$12,000.00
Placed In Service	07/2018	Future Cost	\$15,657.28
Useful Life	15		
		Assigned Reserves at FYB	\$0.00
Remaining Life	9	Monthly Member Contribution	\$66.43
Replacement Year	2033	Monthly Interest Contribution	\$0.65
		Total Monthly Contribution	\$67.08



This component budgets to replace the following HVAC system installed in 2018:

- 1 - York, 5 ton split system (Serial #W1C8641740)

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Clubhouse: Remodel Provision

Category	080 Clubhouse	Quantity	1 total
		Unit Cost	\$75,000.00
		% of Replacement	100.00%
		Current Cost	\$75,000.00
Placed In Service	01/2006	Future Cost	\$106,932.07
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	12	Monthly Member Contribution	\$283.21
Replacement Year	2036	Monthly Interest Contribution	\$2.77
		Total Monthly Contribution	\$285.98



This component is for the remodeling of the clubhouse interiors on a 30 year cycle, and will allow funding to be available for the replacement of the following components on an "as needed" basis: furniture, cabinets, counter tops, tile floor cover, rubber floor cover in the gym area, plumbing fixtures, window treatments, window coverings, ceiling fans, water heater, televisions, interior painting & artwork/décor.

NOTE: The Canterra stone decking at the following locations is showing its age: clubhouse front entrance area, clubhouse entrance/exit to the pool area, pool coping, pool planter areas & pool ramada area. This component also includes a provision to replace the Canterra stone decking.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Grounds: Bollard Light Fixtures

Category	100 Grounds	Quantity	74 fixtures
		Unit Cost	\$700.00
		% of Replacement	100.00%
		Current Cost	\$51,800.00
Placed In Service	01/1993	Future Cost	\$108,457.70
Useful Life	25		
		Assigned Reserves at FYB	\$51,800.00
Remaining Life	0	Monthly Member Contribution	\$59.20
Replacement Year	2024	Monthly Interest Contribution	\$0.58
		Total Monthly Contribution	\$59.78



The client previously advised us that the replacement of the following lighting is handled on an "as needed" basis using operating funds:

- pole mounted, lantern light fixtures scattered throughout the community (19)
- metal bollard light fixtures scattered throughout the community (84)
- ground level spot/floodlight fixtures

We have now been advised that the bollard lighting is failing, but we have not been directed as to how the Board would like to budget for it. Therefore, we have included budgeting to replace the bollard light fixtures in 2024.

Cost is based on bollard light fixtures found on superbrightleds.com and includes a provision for removal and replacement (labor).

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Grounds: Carport Structures (Repairs)

Category	100 Grounds	Quantity	1 total
		Unit Cost	\$7,500.00
		% of Replacement	100.00%
		Current Cost	\$7,500.00
Placed In Service	07/2019	Future Cost	\$8,694.56
Useful Life	10		
		Assigned Reserves at FYB	\$3,552.63
Remaining Life	5	Monthly Member Contribution	\$46.89
Replacement Year	2029	Monthly Interest Contribution	\$5.12
		Total Monthly Contribution	\$52.01



\$7,558.28 was spent in mid-2019 on carport structure repairs (see the Diamondback Carports Proposal & Contract for details). This component includes a similar provision every 10 years for carport structure & metal roof repairs/replacements on an "as needed" basis.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Grounds: Concrete Components (Unfunded)

Category	100 Grounds	Quantity	1 comment
		Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/1993	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00



Concrete repairs/replacements, including the concrete pavers at the community entrance/exit area, are accounted for in the client's operating budget.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Grounds: Irrigation Controllers

Category	100 Grounds	Quantity	1 total
		Unit Cost	\$2,500.00
		% of Replacement	100.00%
		Current Cost	\$2,500.00
Placed In Service	03/2011	Future Cost	\$2,652.25
Useful Life	15		
		Assigned Reserves at FYB	\$2,162.92
Remaining Life	2	Monthly Member Contribution	\$12.03
Replacement Year	2026	Monthly Interest Contribution	\$2.96
		Total Monthly Contribution	\$14.99



2 Hunter I-Core, 36 station controllers	@	\$1,000.00	=	<u>\$2,000.00</u>
		TOTAL	=	\$2,000.00

Location: behind pool equipment enclosure

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Grounds: Irrigation Lines (Replace)

Category	100 Grounds	Quantity	1 total
		Unit Cost	\$96,000.00
		% of Replacement	100.00%
		Current Cost	\$96,000.00
		Future Cost	\$149,564.87
Placed In Service	01/1993		
Useful Life	15		
		Assigned Reserves at FYB	\$96,000.00
Remaining Life	0	Monthly Member Contribution	\$262.59
Replacement Year	2024	Monthly Interest Contribution	\$2.57
		Total Monthly Contribution	\$265.16



The irrigation lines (poly-tubing) were replaced in 2020 at a cost of \$76,000. This budgets to replace the irrigation lines on a 15 year cycle, as requested by the client.

Bella Terra Condominiums
Component Detail
Directed Cash Flow Calculation Method; Sorted By Category

Grounds: Lighting (Unfunded)

Category	100 Grounds	Quantity	1 comment
		Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/1993	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00



The Board previously advised us that the replacement of the following lighting is handled on an "as needed" basis using operating funds:

- pole mounted, lantern light fixtures scattered throughout the community (19)
- ground level spot/floodlight fixtures

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Grounds: Monument Signs

Category	100 Grounds	Quantity	1 total
		Unit Cost	\$10,000.00
		% of Replacement	100.00%
		Current Cost	\$10,000.00
Placed In Service	01/2007	Future Cost	\$12,667.70
Useful Life	25		
		Assigned Reserves at FYB	\$6,800.00
Remaining Life	8	Monthly Member Contribution	\$24.98
Replacement Year	2032	Monthly Interest Contribution	\$9.17
		Total Monthly Contribution	\$34.14



This component includes a provision to replace the wall mounted tiles & metal letters making up the two monument signs that indicate "BELLA TERRA AT PARADISE VALLEY CONDOMINIUMS".

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Grounds: Tree Trimming (Unfunded)

Category	100 Grounds	Quantity	1 comment
		Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/1993	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00



Tree trimming is accounted for in the client's operating budget.

Bella Terra Condominiums

Component Detail

Directed Cash Flow Calculation Method; Sorted By Category

Grounds: Landscape Improvements

Category	100 Grounds	Quantity	1 total
		Unit Cost	\$10,000.00
		% of Replacement	100.00%
		Current Cost	\$10,000.00
Placed In Service	01/2023	Future Cost	\$10,300.00
Useful Life	1		
		Assigned Reserves at FYB	\$10,000.00
Remaining Life	0	Monthly Member Contribution	\$627.23
Replacement Year	2024	Monthly Interest Contribution	\$6.13
		Total Monthly Contribution	\$633.36



This component budgets \$10,000 per year to be used as needed for plant replacements, granite replenishment in areas where plants are being replaced, tree replacements, and irrigation repairs.

Bella Terra Condominiums
Cross-Tabular Summary
Directed Cash Flow Method; Sorted by Category

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
BEGINNING RESERVE BALANCE	\$852,291	\$651,816	\$774,470	\$911,877	\$1,036,762	\$1,166,087	\$1,355,688	\$1,139,962	\$1,356,326	\$763,508
Member Contribution	\$128,000	\$140,800	\$154,880	\$170,368	\$187,405	\$206,145	\$226,760	\$235,377	\$244,321	\$253,605
Interest Contribution	\$9,351	\$11,209	\$13,293	\$15,163	\$17,092	\$19,973	\$16,329	\$19,728	\$10,130	\$13,092
Expenditures (detailed below)	\$337,827	\$29,355	\$30,766	\$60,646	\$75,172	\$36,517	\$458,815	\$38,741	\$847,270	\$77,243
ENDING RESERVE BALANCE	\$651,816	\$774,470	\$911,877	\$1,036,762	\$1,166,087	\$1,355,688	\$1,139,962	\$1,356,326	\$763,508	\$952,962
Streets: Asphalt Crack Seal & Seal Coat	\$36,389				\$40,956				\$46,097	
Streets: Asphalt Remove & Replace									\$720,259	
Roofs: Tile Underlayment (Clubhouse)										
Roofs: Tile Underlayment (Condominium Bldgs)										
Roofs: Tile Underlayment (Garage Bldgs)	\$116,138									
Roofs: Tile Underlayment (Various Bldgs)										
Roofs: Preventative Maintenance		\$9,270		\$9,835		\$10,433		\$11,069		\$11,743
Buildings: Stair Treads (Replace)	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
Paint: Community Exteriors							\$405,978			
Fencing/Gates: Wrought Iron (Pool Area)										\$28,705
Gates: Wrought Iron (Trash Enclosures)										
Lighting: Wall Mounted Fixtures (Condo Bldgs)										
Lighting: Wall Mounted Fixtures (Garage Bldgs)									\$4,909	
Pool Area: BBQ Grills					\$6,190					
Pool Area: Deck Recoat	\$7,500							\$9,224		
Pool Area: Deck Resurface										
Pool Area: Fountain (Remodel)	\$15,000									
Pool Area: Furniture (Unfunded)										
Pool/Spa: Pumps & Motors			\$6,365							
Pool: Filter							\$2,687			
Pool: Heater			\$5,835				\$6,567			
Pool: Resurface & Retile										
Spa: Filter										\$1,566
Spa: Heater		\$4,635							\$5,700	
Spa: Retile									\$10,134	

Bella Terra Condominiums
Cross-Tabular Summary
Directed Cash Flow Method; Sorted by Category

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
BEGINNING RESERVE BALANCE	\$952,962	\$1,123,770	\$1,383,630	\$1,459,910	\$1,696,013	\$1,433,567	\$123,173	\$338,025	\$643,348	\$975,784
Member Contribution	\$263,242	\$273,245	\$283,629	\$294,407	\$305,594	\$317,207	\$329,260	\$341,772	\$354,760	\$368,241
Interest Contribution	\$15,751	\$19,837	\$20,971	\$24,669	\$20,356	\$0	\$2,557	\$7,351	\$12,576	\$17,545
Expenditures (detailed below)	\$108,185	\$33,222	\$228,320	\$82,972	\$588,397	\$1,626,812	\$116,966	\$43,800	\$34,900	\$69,088
ENDING RESERVE BALANCE	\$1,123,770	\$1,383,630	\$1,459,910	\$1,696,013	\$1,433,567	\$123,173	\$338,025	\$643,348	\$975,784	\$1,292,481
Streets: Asphalt Crack Seal & Seal Coat			\$51,882				\$58,394			
Streets: Asphalt Remove & Replace										
Roofs: Tile Underlayment (Clubhouse)										
Roofs: Tile Underlayment (Condominium Bldgs)						\$1,372,085				
Roofs: Tile Underlayment (Garage Bldgs)										
Roofs: Tile Underlayment (Various Bldgs)										
Roofs: Preventative Maintenance		\$12,458		\$13,217		\$14,022		\$14,876		\$15,782
Buildings: Stair Treads (Replace)	\$6,720	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264	\$8,512	\$8,768
Paint: Community Exteriors					\$514,281					
Fencing/Gates: Wrought Iron (Pool Area)										
Gates: Wrought Iron (Trash Enclosures)										
Lighting: Wall Mounted Fixtures (Condo Bldgs)	\$80,635									
Lighting: Wall Mounted Fixtures (Garage Bldgs)										
Pool Area: BBQ Grills										\$9,644
Pool Area: Deck Recoat					\$11,344					
Pool Area: Deck Resurface					\$31,764					
Pool Area: Fountain (Remodel)										
Pool Area: Furniture (Unfunded)										
Pool/Spa: Pumps & Motors			\$8,555							
Pool: Filter										
Pool: Heater	\$7,392				\$8,319				\$9,363	
Pool: Resurface & Retile			\$39,565							
Spa: Filter										
Spa: Heater						\$7,011				
Spa: Retile										

Bella Terra Condominiums
Cross-Tabular Summary
Directed Cash Flow Method; Sorted by Category

	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
BEGINNING RESERVE BALANCE	\$1,292,481	\$1,506,678	\$1,867,176	\$1,590,081	\$1,998,567	\$2,344,785	\$2,422,687	\$2,780,599	\$3,200,650	\$3,540,742
Member Contribution	\$382,234	\$396,759	\$411,835	\$427,485	\$443,730	\$460,591	\$478,094	\$496,261	\$515,119	\$534,694
Interest Contribution	\$20,862	\$26,525	\$21,943	\$28,367	\$33,785	\$34,889	\$40,484	\$47,071	\$52,368	\$60,680
Expenditures (detailed below)	\$188,899	\$62,785	\$710,874	\$47,366	\$131,296	\$417,578	\$160,666	\$123,282	\$227,395	\$67,162
ENDING RESERVE BALANCE	\$1,506,678	\$1,867,176	\$1,590,081	\$1,998,567	\$2,344,785	\$2,422,687	\$2,780,599	\$3,200,650	\$3,540,742	\$4,068,954
Streets: Asphalt Crack Seal & Seal Coat	\$65,723				\$73,971				\$83,255	
Streets: Asphalt Remove & Replace										
Roofs: Tile Underlayment (Clubhouse)	\$56,893									
Roofs: Tile Underlayment (Condominium Bldgs)										
Roofs: Tile Underlayment (Garage Bldgs)						\$243,166				
Roofs: Tile Underlayment (Various Bldgs)	\$12,101									
Roofs: Preventative Maintenance		\$16,743		\$17,762		\$18,844		\$19,992		\$21,209
Buildings: Stair Treads (Replace)	\$9,031	\$9,301	\$9,581	\$9,868	\$10,164	\$10,469	\$10,783	\$11,106	\$11,440	\$11,783
Paint: Community Exteriors			\$651,475							
Fencing/Gates: Wrought Iron (Pool Area)										
Gates: Wrought Iron (Trash Enclosures)							\$70,089			
Lighting: Wall Mounted Fixtures (Condo Bldgs)										
Lighting: Wall Mounted Fixtures (Garage Bldgs)										
Pool Area: BBQ Grills										
Pool Area: Deck Recoat		\$13,952							\$17,159	
Pool Area: Deck Resurface										
Pool Area: Fountain (Remodel)	\$27,092									
Pool Area: Furniture (Unfunded)										
Pool/Spa: Pumps & Motors			\$11,497							
Pool: Filter		\$4,186								
Pool: Heater			\$10,539				\$11,861			
Pool: Resurface & Retile										
Spa: Filter					\$2,439					
Spa: Heater			\$8,622							\$10,605
Spa: Retile									\$18,303	

Bella Terra Condominiums
Cross-Tabular Summary
Directed Cash Flow Method; Sorted by Category

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
BEGINNING RESERVE BALANCE	\$852,291	\$651,816	\$774,470	\$911,877	\$1,036,762	\$1,166,087	\$1,355,688	\$1,139,962	\$1,356,326	\$763,508
Member Contribution	\$128,000	\$140,800	\$154,880	\$170,368	\$187,405	\$206,145	\$226,760	\$235,377	\$244,321	\$253,605
Interest Contribution	\$9,351	\$11,209	\$13,293	\$15,163	\$17,092	\$19,973	\$16,329	\$19,728	\$10,130	\$13,092
Expenditures (detailed below)	\$337,827	\$29,355	\$30,766	\$60,646	\$75,172	\$36,517	\$458,815	\$38,741	\$847,270	\$77,243
ENDING RESERVE BALANCE	\$651,816	\$774,470	\$911,877	\$1,036,762	\$1,166,087	\$1,355,688	\$1,139,962	\$1,356,326	\$763,508	\$952,962
Clubhouse/Pool: Access Control System/Locks							\$25,672			
Clubhouse: Carpet					\$11,143					
Clubhouse: Exercise Equipment (Cardio)				\$34,421						
Clubhouse: Exercise Equipment (Strength)								\$28,502		
Clubhouse: HVAC (Daikin)										
Clubhouse: HVAC (Daikin)										
Clubhouse: HVAC (Trane)										
Clubhouse: HVAC (York)										\$15,657
Clubhouse: Remodel Provision										
Grounds: Bollard Light Fixtures	\$51,800									
Grounds: Carport Structures (Repairs)						\$8,695				
Grounds: Concrete Components (Unfunded)										
Grounds: Irrigation Controllers			\$2,652							
Grounds: Irrigation Lines (Replace)	\$96,000									
Grounds: Lighting (Unfunded)										
Grounds: Monument Signs									\$12,668	
Grounds: Tree Trimming (Unfunded)										
Grounds: Landscape Improvements	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048

Bella Terra Condominiums
Cross-Tabular Summary
Directed Cash Flow Method; Sorted by Category

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
BEGINNING RESERVE BALANCE	\$952,962	\$1,123,770	\$1,383,630	\$1,459,910	\$1,696,013	\$1,433,567	\$123,173	\$338,025	\$643,348	\$975,784
Member Contribution	\$263,242	\$273,245	\$283,629	\$294,407	\$305,594	\$317,207	\$329,260	\$341,772	\$354,760	\$368,241
Interest Contribution	\$15,751	\$19,837	\$20,971	\$24,669	\$20,356	\$0	\$2,557	\$7,351	\$12,576	\$17,545
Expenditures (detailed below)	\$108,185	\$33,222	\$228,320	\$82,972	\$588,397	\$1,626,812	\$116,966	\$43,800	\$34,900	\$69,088
ENDING RESERVE BALANCE	\$1,123,770	\$1,383,630	\$1,459,910	\$1,696,013	\$1,433,567	\$123,173	\$338,025	\$643,348	\$975,784	\$1,292,481
Clubhouse/Pool: Access Control System/Locks							\$34,501			
Clubhouse: Carpet										\$17,360
Clubhouse: Exercise Equipment (Cardio)						\$49,076				
Clubhouse: Exercise Equipment (Strength)										
Clubhouse: HVAC (Daikin)				\$12,483						
Clubhouse: HVAC (Daikin)				\$17,622						
Clubhouse: HVAC (Trane)				\$17,622						
Clubhouse: HVAC (York)										
Clubhouse: Remodel Provision			\$106,932							
Grounds: Bollard Light Fixtures										
Grounds: Carport Structures (Repairs)						\$11,685				
Grounds: Concrete Components (Unfunded)										
Grounds: Irrigation Controllers								\$4,132		
Grounds: Irrigation Lines (Replace)						\$149,565				
Grounds: Lighting (Unfunded)										
Grounds: Monument Signs										
Grounds: Tree Trimming (Unfunded)										
Grounds: Landscape Improvements	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047	\$16,528	\$17,024	\$17,535

Bella Terra Condominiums
Cross-Tabular Summary
Directed Cash Flow Method; Sorted by Category

	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
BEGINNING RESERVE BALANCE	\$1,292,481	\$1,506,678	\$1,867,176	\$1,590,081	\$1,998,567	\$2,344,785	\$2,422,687	\$2,780,599	\$3,200,650	\$3,540,742
Member Contribution	\$382,234	\$396,759	\$411,835	\$427,485	\$443,730	\$460,591	\$478,094	\$496,261	\$515,119	\$534,694
Interest Contribution	\$20,862	\$26,525	\$21,943	\$28,367	\$33,785	\$34,889	\$40,484	\$47,071	\$52,368	\$60,680
Expenditures (detailed below)	\$188,899	\$62,785	\$710,874	\$47,366	\$131,296	\$417,578	\$160,666	\$123,282	\$227,395	\$67,162
ENDING RESERVE BALANCE	\$1,506,678	\$1,867,176	\$1,590,081	\$1,998,567	\$2,344,785	\$2,422,687	\$2,780,599	\$3,200,650	\$3,540,742	\$4,068,954
Clubhouse/Pool: Access Control System/Locks							\$46,367			
Clubhouse: Carpet										
Clubhouse: Exercise Equipment (Cardio)								\$69,971		
Clubhouse: Exercise Equipment (Strength)										
Clubhouse: HVAC (Daikin)									\$19,447	
Clubhouse: HVAC (Daikin)									\$27,455	
Clubhouse: HVAC (Trane)									\$27,455	
Clubhouse: HVAC (York)					\$24,394					
Clubhouse: Remodel Provision										
Grounds: Bollard Light Fixtures						\$108,458				
Grounds: Carport Structures (Repairs)						\$15,703				
Grounds: Concrete Components (Unfunded)										
Grounds: Irrigation Controllers										
Grounds: Irrigation Lines (Replace)										
Grounds: Lighting (Unfunded)										
Grounds: Monument Signs										
Grounds: Tree Trimming (Unfunded)										
Grounds: Landscape Improvements	\$18,061	\$18,603	\$19,161	\$19,736	\$20,328	\$20,938	\$21,566	\$22,213	\$22,879	\$23,566

Bella Terra Condominiums

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Bella Terra Condominiums

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