



**RESERVE STUDY
FOR
QUEENS BAY HOMEOWNERS ASSOCIATION**



**Management By:
Queens Bay Homeowners Association
777 Harrah Way #532
Lake Havasu, AZ 86403**

Prepared By:
FDReserve Studies, LLC
Goodyear, AZ 85338

June 9, 2025



EXECUTIVE SUMMARY

QUEENS BAY HOMEOWNERS ASSOCIATION

June 9, 2025

Starting Reserve Balance 1/1/2026	\$780,672
Projected Fully Funded Reserve Balance 1/1/2026	\$1,669,784
Percent Fully Funded 1/1/2026	47%
Annual Reserve Contribution 2025	\$83,448

This study is based on the cash flow method of funding. This reserve analysis is based on an observation and assessment of the condition of the reserve fund based on a field assessment of the condition of the assets of the association, a projection of the useful life and remaining useful life of those assets, and the replacement costs for those assets. The general guideline used in our studies to determine whether the cost to replace or maintain an asset is paid from reserves or operations is if the replacement cost exceeds \$500 it is included in reserves. That can be modified at the direction of the Board.

Following are some key points relative to your study:

1. The study has a fiscal year beginning date of January 1, 2026.
2. The study reflects a beginning balance for the reserve fund of \$780,672 and a current annual contribution of \$83,448. The financial information was provided by the association and was not audited. As reflected by the Current Assessment Funding Model Projection in the report, on pages 1-1 and 1-2, the reserve fund is underfunded. Reserve funds are generally considered to be in a healthy condition if the reserve balance is at or above 70% of the fully funded balance.
3. Due to the reserve's underfunded status, the HOA Board recommends the Alternate Funding Model 2, on pages 1-3 and 1-4. The model increases the annual reserve contribution to \$175,000 in 2026 (up from \$83,448 unchanged since 2005), followed by 5% annual increases in 2027 through 2031. The Board plans on conducting a new study in 2031. Note that the study includes a 3% inflation on costs based on current construction cost indexes so some increase in funding over time is recommended to stay even with cost increase from inflation.
4. This study should be compared with the operating budget to make sure there are no overlaps or gaps of items in this study and in the operating budget.

5. The physical assessment of components was based on field reviews conducted on 3/28/2025. The field review consisted of on-site observations of common areas and facilities. No sampling or destructive testing was performed. The on-site observation is not a comprehensive quality inspection. Quantification of assets was accomplished with a combination of on-site measurements, aerial photos and information provided by the association.
6. The consultant has no other involvement with the association that could be considered a conflict of interest. To our knowledge, there are no material issues that have not been disclosed that would cause a distortion of the association's reserve fund.

Report was prepared by:

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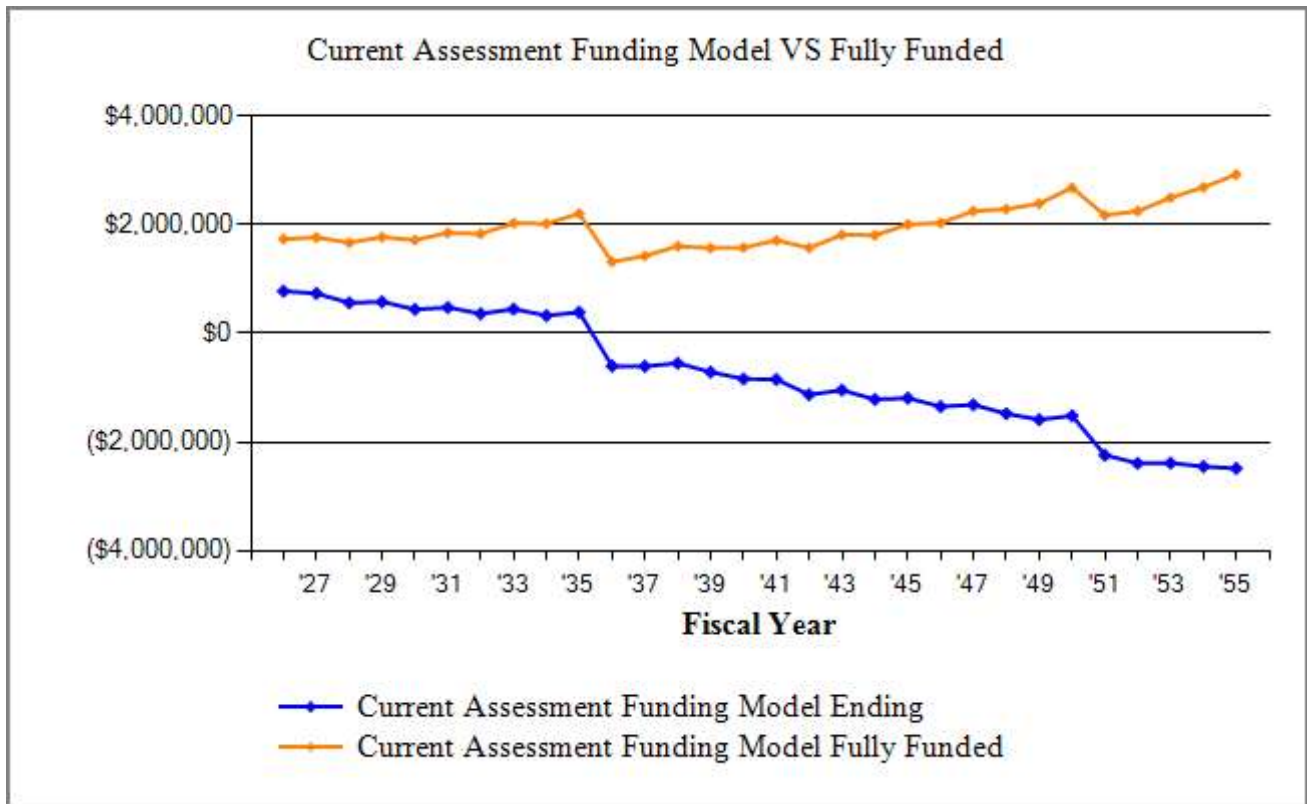
QUEENS BAY HOMEOWNERS ASSOCIATION

Current Assessment Funding Model Summary

Report Date	June 9, 2025
Budget Year Beginning	January 1, 2026
Budget Year Ending	December 31, 2026
Total Units	170

Report Parameters

Inflation	3.00%
Annual Assessment Increase	0.00%
Interest Rate on Reserve Deposit	1.00%
Tax Rate on Interest	30.00%
2026 Beginning Balance	\$780,672



Current Assessment Funding Model Summary of Calculations

Required Monthly Contribution	\$6,954.00
<i>\$40.91 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$429.50</u>
Total Monthly Allocation to Reserves	\$7,383.50
<i>\$43.43 per unit monthly</i>	

QUEENS BAY HOMEOWNERS ASSOCIATION
Current Assessment Funding Model Projection

Beginning Balance: \$780,672

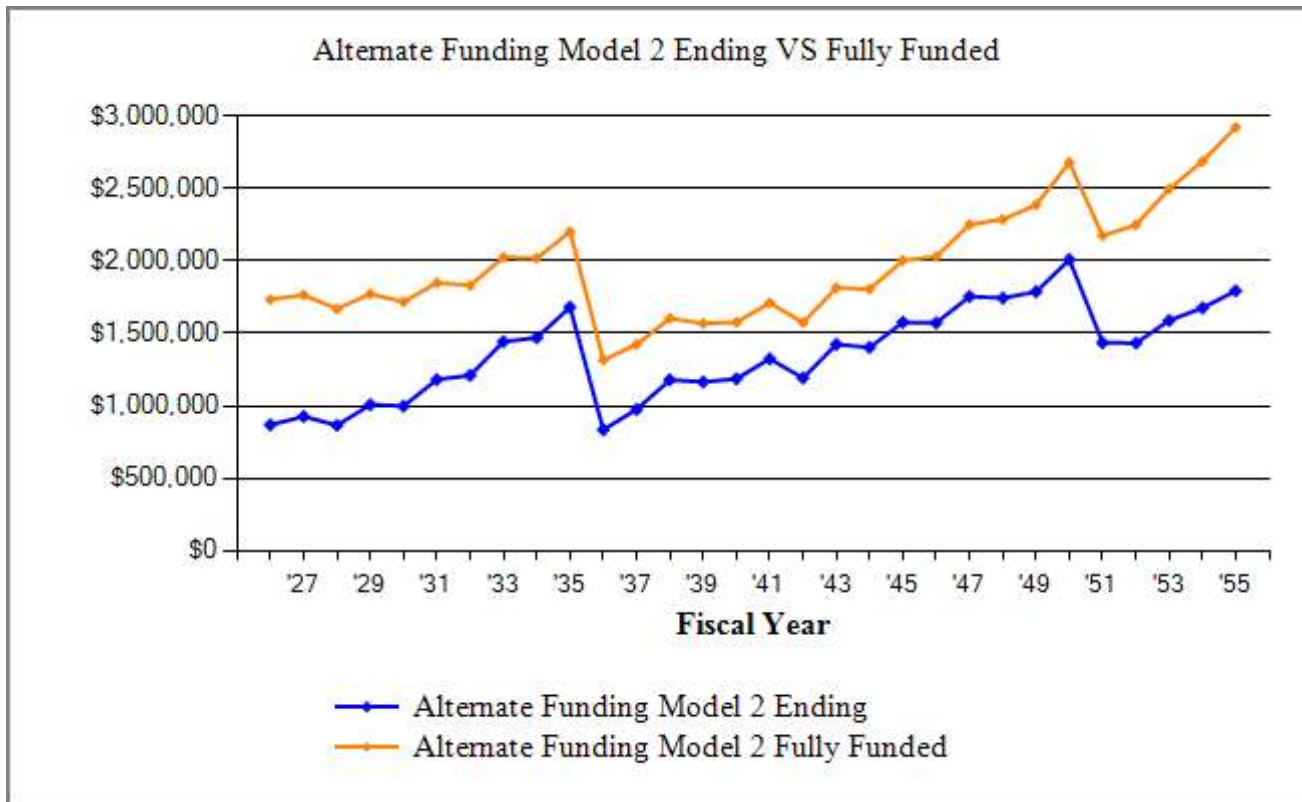
Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2026	2,388,936	83,448	5,154	91,890	777,384	1,734,341	45%
2027	2,460,604	83,448	4,846	132,458	733,220	1,764,463	42%
2028	2,534,422	83,448	3,646	259,249	561,064	1,668,733	34%
2029	2,610,455	83,448	3,787	67,007	581,291	1,771,692	33%
2030	2,688,768	83,448	2,799	227,903	439,635	1,716,700	26%
2031	2,769,431	83,448	3,063	48,556	477,590	1,848,585	26%
2032	2,852,514	83,448	2,254	201,819	361,473	1,831,129	20%
2033	2,938,090	83,448	2,852	452	447,322	2,024,606	22%
2034	3,026,232	83,448	2,016	205,354	327,433	2,017,696	16%
2035	3,117,019	83,448	2,447	24,182	389,145	2,201,501	18%
2036	3,210,530	83,448		1,073,782	-601,189	1,316,501	
2037	3,306,846	83,448		88,857	-606,598	1,424,072	
2038	3,406,051	83,448		26,794	-549,943	1,603,584	
2039	3,508,233	83,448		245,595	-712,090	1,568,544	
2040	3,613,480	83,448		209,221	-837,863	1,576,620	
2041	3,721,884	83,448		93,384	-847,799	1,709,766	
2042	3,833,541	83,448		363,819	-1,128,170	1,573,819	
2043	3,948,547	83,448		607	-1,045,330	1,813,526	
2044	4,067,003	83,448		253,855	-1,215,737	1,805,373	
2045	4,189,013	83,448		59,225	-1,191,513	2,003,412	
2046	4,314,684	83,448		238,082	-1,346,147	2,029,316	
2047	4,444,124	83,448		52,708	-1,315,407	2,249,910	
2048	4,577,448	83,448		246,015	-1,477,974	2,286,162	
2049	4,714,771	83,448		191,793	-1,586,319	2,386,015	
2050	4,856,215	83,448		13,864	-1,516,735	2,678,995	
2051	5,001,901	83,448		806,230	-2,239,517	2,173,566	
2052	5,151,958	83,448		235,662	-2,391,731	2,248,606	
2053	5,306,517	83,448		77,081	-2,385,363	2,496,812	
2054	5,465,712	83,448		148,001	-2,449,917	2,687,220	
2055	5,629,684	83,448		117,552	-2,484,021	2,922,742	

QUEENS BAY HOMEOWNERS ASSOCIATION
Alternate Funding Model 2 Summary

Report Date	June 9, 2025
Budget Year Beginning	January 1, 2026
Budget Year Ending	December 31, 2026
Total Units	170

Report Parameters

Inflation	3.00%
Interest Rate on Reserve Deposit	1.00%
Tax Rate on Interest	30.00%
2026 Beginning Balance	\$780,672



Alternate Funding Model 2 Summary of Calculations

Required Monthly Contribution	\$14,583.33
<i>\$85.78 per unit monthly</i>	
Average Net Monthly Interest Earned	\$458.49
Total Monthly Allocation to Reserves	\$15,041.83
<i>\$88.48 per unit monthly</i>	

QUEENS BAY HOMEOWNERS ASSOCIATION
Alternate Funding Model 2 Projection

Beginning Balance: \$780,672

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2026	2,388,936	175,000	5,502	91,890	869,284	1,734,341	50%
2027	2,460,604	183,750	5,873	132,458	926,449	1,764,463	53%
2028	2,534,422	192,937	5,419	259,249	865,555	1,668,733	52%
2029	2,610,455	202,584	6,378	67,007	1,007,510	1,771,692	57%
2030	2,688,768	212,714	6,283	227,903	998,603	1,716,700	58%
2031	2,769,431	223,349	7,520	48,556	1,180,917	1,848,585	64%
2032	2,852,514	223,349	7,724	201,819	1,210,172	1,831,129	66%
2033	2,938,090	223,349	9,344	452	1,442,413	2,024,606	71%
2034	3,026,232	223,349	9,536	205,354	1,469,945	2,017,696	73%
2035	3,117,019	223,349	11,002	24,182	1,680,114	2,201,501	76%
2036	3,210,530	223,349	5,107	1,073,782	834,787	1,316,501	63%
2037	3,306,846	223,349	6,087	88,857	975,367	1,424,072	68%
2038	3,406,051	223,349	7,510	26,794	1,179,432	1,603,584	74%
2039	3,508,233	223,349	7,407	245,595	1,164,593	1,568,544	74%
2040	3,613,480	223,349	7,558	209,221	1,186,279	1,576,620	75%
2041	3,721,884	223,349	8,524	93,384	1,324,768	1,709,766	77%
2042	3,833,541	223,349	7,597	363,819	1,191,895	1,573,819	76%
2043	3,948,547	223,349	9,215	607	1,423,852	1,813,526	79%
2044	4,067,003	223,349	9,065	253,855	1,402,411	1,805,373	78%
2045	4,189,013	223,349	10,281	59,225	1,576,817	2,003,412	79%
2046	4,314,684	223,349	10,250	238,082	1,572,335	2,029,316	77%
2047	4,444,124	223,349	11,520	52,708	1,754,496	2,249,910	78%
2048	4,577,448	223,349	11,442	246,015	1,743,272	2,286,162	76%
2049	4,714,771	223,349	11,744	191,793	1,786,572	2,386,015	75%
2050	4,856,215	223,349	13,298	13,864	2,009,355	2,678,995	75%
2051	5,001,901	223,349	9,298	806,230	1,435,772	2,173,566	66%
2052	5,151,958	223,349	9,276	235,662	1,432,736	2,248,606	64%
2053	5,306,517	223,349	10,369	77,081	1,589,374	2,496,812	64%
2054	5,465,712	223,349	10,971	148,001	1,675,692	2,687,220	62%
2055	5,629,684	223,349	11,791	117,552	1,793,280	2,922,742	61%

QUEENS BAY HOMEOWNERS ASSOCIATION
Asset Summary Report

Description	Date In Service	Replacement Date	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
Building Components									
Black Pipe - Repair/Replace Asset ID: 1065	1065	Unfunded							
Restrooms - Remodel Asset ID: 1052	2020	2040	20,000	20	0	14	30,252	2 @	10,000.00
Doors & Windows									
ADA Door Openers - Replace Asset ID: 1007	2015	2035	10,000	20	0	9	13,048	2 @	5,000.00
Doors & Windows - Replace Asset ID: 1009	1991	2051	240,000	50	10	25	502,507	1 @	240,000.00
Elevators									
Elevator (1) - Modernization Asset ID: 1054	1992	2028	110,600	35	1	2	117,336	1 @	110,600.00
Elevator (2) - Modernization Asset ID: 1066	1992	2030	110,600	35	3	4	124,481	1 @	110,600.00
Elevator (3) - Modernization Asset ID: 1067	1992	2032	110,600	35	5	6	132,062	1 @	110,600.00
Elevator (4) - Modernization Asset ID: 1068	1992	2034	110,600	35	7	8	140,105	1 @	110,600.00
Elevator - Cab Refurbish Asset ID: 1055	1992	2040	98,000	35	13	14	148,234	4 @	24,500.00
Equipment-Electrical									
Electric Panels - Replace Asset ID: 1059	1991	2041	16,000	35	15	15	24,927	4 @	4,000.00
Equipment-Grounds									
Gate Operator - Replace Asset ID: 1056	1992	2028	4,000	18	18	2	4,244	1 @	4,000.00
Irrigation Controllers - Replace Asset ID: 1061	2023	2028	367	5	0	2	390	7 @	350.00
Keypad - Replace Asset ID: 1058	2004	2028	1,500	18	6	2	1,591	1 @	1,500.00
Pressure Regulator - Replace Asset ID: 1003	2024	2030	5,900	6	0	4	6,641	1 @	5,900.00
Vacuum - Replace Asset ID: 1046	2012	2028	1,900	12	4	2	2,016	1 @	1,900.00
Vehicles & Mower - Replace Asset ID: 1053	2024	2029	7,500	5	0	3	8,195	3 @	5,000.00
Equipment-Pool & Spa									
Pool Filters (A) - Replace Asset ID: 1031	1992	2026	2,600	18	0	0	2,600	1 @	2,600.00

QUEENS BAY HOMEOWNERS ASSOCIATION
Asset Summary Report

Description	Date In Service	Replacement Date	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
Equipment-Pool & Spa continued...									
Pool Filters (B) - Replace Asset ID: 1036	2023	2041	2,546	18	0	15	3,967	1 @	2,546.16
Pool Heater - Replace Asset ID: 1035	2024	2032	12,000	8	0	6	14,329	1 @	12,000.00
Pool/Spa Pumps & Motors - Repair/.. Asset ID: 1038	1991	2026	2,600	4	0	0	2,600	1 @	10,400.00
Spa Filters - Replace Asset ID: 1041	2023	2029	3,333	6	0	3	3,642	4 @	2,500.00
Spa Heater (A) - Replace Asset ID: 1040	2007	2026	4,220	8	0	0	4,220	1 @	4,220.00
Spa Heater (B) - Replace Asset ID: 1042	2024	2032	4,220	8	0	6	5,039	1 @	4,220.00
Fencing/Security									
Metal Fence - Repairs Asset ID: 1024	2005	2026	5,500	5	0	0	5,500	1 @	5,500.00
Security System - Refurbish/Replace Asset ID: 1001	2024	2030	11,500	6	0	4	12,943	1 @	11,500.00
Fire Protection System									
Backflow Preventers - Replace Asset ID: 1002	2024	2044	6,825	20	0	18	11,619	1 @	6,825.00
Check Valves & Fire Connections - R.. Asset ID: 1064	2025	2045	975	20	0	19	1,710	1 @	975.00
Fire Protection Components - Repla.. Asset ID: 1004	2023	2048	43,000	25	0	22	82,392	1 @	43,000.00
Sprinkler Heads - Test Asset ID: 1005	1005	Unfunded							
Flooring									
Flooring Carpet Hallways - Replace Asset ID: 1048	2025	2037	34,200	12	0	11	47,341	1 @	34,200.00
Flooring Carpet Lobby - Replace Asset ID: 1047	2025	2037	4,992	12	0	11	6,910	1600 @	3.12
Furnishings-Interior									
Lobby Furnishings - Replace Asset ID: 1051	2004	2030	37,206	18	8	4	41,876	1 @	37,205.89
Roll Down Shades - Replace Asset ID: 1006	1991	2051	20,000	50	10	25	41,876	1 @	20,000.00
Furnishings-Pool & Patio									
Patio Furnishings - Replace Asset ID: 1028	2018	2028	12,000	10	0	2	12,731	1 @	12,000.00

QUEENS BAY HOMEOWNERS ASSOCIATION
Asset Summary Report

Description	Date In Service	Replacement Date	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
<i>Furnishings-Pool & Patio continued...</i>									
Patio Grills - Replace Asset ID: 1033	2024	2032	2,200	8	0	6	2,627	2 @	1,100.00
Pool Furnishings - Replace Asset ID: 1037	2019	2029	20,000	10	0	3	21,855	1 @	20,000.00
Pool Furnishings - Restrap Asset ID: 1062	2024	2034	6,700	10	0	8	8,487	1 @	6,700.00
Grounds Components									
Fountain - Refurbish/Replacement P.. Asset ID: 1027	2025	2032	10,000	7	0	6	11,941	1 @	10,000.00
Guard Shack - Refurbish Asset ID: 1057	1057	Unfunded							
HVAC									
HVAC Elevators - Replace Asset ID: 1012	2010	2028	8,000	18	0	2	8,487	2 @	4,000.00
HVAC Hallways - Replace Asset ID: 1010	2006	2028	11,000	18	4	2	11,670	2 @	5,500.00
HVAC Lobby - Replace Asset ID: 1011	2009	2027	16,600	18	0	1	17,098	2 @	8,300.00
Lighting									
Bollard Lights - Replace Asset ID: 1025	1992	2032	9,000	25	15	6	10,746	6 @	1,500.00
Light Fixtures - Replace Asset ID: 1026	2022	2052	8,550	30	0	26	18,439	19 @	450.00
Painting									
Carport Structure - Paint Asset ID: 1018	2003	2027	25,000	10	14	1	25,750	1 @	25,000.00
Interior Lobby Ceiling - Paint Asset ID: 1063	2025	2035	5,200	10	0	9	6,785	1 @	5,200.00
Metal Components- Paint Asset ID: 1019	2003	2026	65,000	10	0	0	65,000	1 @	65,000.00
Stucco Trim - Paint Asset ID: 1021	2021	2031	32,560	10	0	5	37,746	29600 @	1.10
Stucco Walls - Paint Asset ID: 1020	1999	2026	11,970	10	0	0	11,970	11970 @	1.00
Recreation/Pool									
Patio Deck - Recoat Asset ID: 1029	2024	2031	3,825	7	0	5	4,434	1530 @	2.50
Patio Deck - Resurface Asset ID: 1030	2024	2045	11,000	21	0	19	19,289	1 @	11,000.00

QUEENS BAY HOMEOWNERS ASSOCIATION
Asset Summary Report

Description	Date In Service	Replacement Date	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
Recreation/Pool continued...									
Pool - Resurface Asset ID: 1039	2005	2030	25,683	25	0	4	28,906	1 @	25,682.90
Pool Deck - Recoat Asset ID: 1044	2025	2039	12,250	7	0	13	17,990	3500 @	3.50
Pool Deck - Resurface Asset ID: 1045	2011	2032	21,000	21	0	6	25,075	3500 @	6.00
Spa - Resurface Asset ID: 1043	2005	2030	9,000	25	0	4	10,130	1 @	9,000.00
Roofing									
Carport Roofs - Replace Asset ID: 1017	1017	Unfunded							
Roofs - Repair/Replace Asset ID: 1016	2012	2042	202,500	30	0	16	324,953	45000 @	4.50
Streets/Asphalt									
Asphalt - Crack Seal & Seal Coat Asset ID: 1015	2024	2029	30,488	5	0	3	33,315	1 @	30,488.00
Asphalt - Remove & Replace Asset ID: 1013	1991	2036	604,125	40	5	10	811,893	161100 @	3.75
Asphalt - Slurry Seal Asset ID: 1014	2020	2028	95,000	8	0	2	100,785	1 @	95,000.00
Tree Trimming									
Flooring Carpet Outdoor - Replace Asset ID: 1049	2014	2027	87,000	12	1	1	89,610	1 @	87,000.00

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

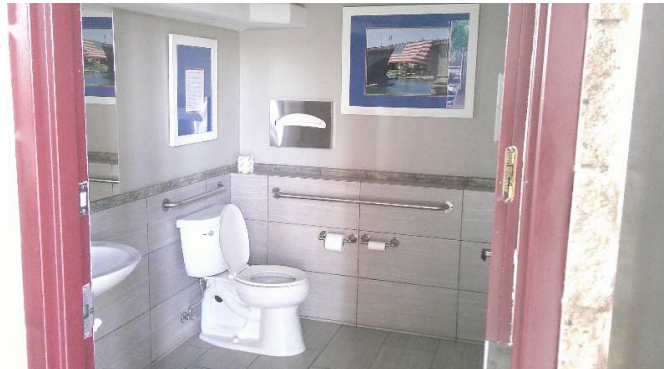
Black Pipe - Repair/Replace

Asset ID	1065	Asset Actual Cost	
	Buildings	Percent Replacement	100%
Category	Building Components	Future Cost	
Placed in Service	January 1991		
No Useful Life			

Budget for black pipe repair/replace. Repairs made as units are remodeled.

Restrooms - Remodel

		2 EA	@ \$10,000.00
Asset ID	1052	Asset Actual Cost	\$20,000.00
	Buildings	Percent Replacement	100%
Category	Building Components	Future Cost	\$30,251.79
Placed in Service	January 2020		
Useful Life	20		
Replacement Year	2040		
Remaining Life	14		



Good condition. Budget to remodel (2) restrooms. One located inside lobby and one on the patio.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

ADA Door Openers - Replace

Asset ID	1007	2 EA	@ \$5,000.00
Buildings		Asset Actual Cost	\$10,000.00
Category	Doors & Windows	Percent Replacement	100%
Placed in Service	January 2015	Future Cost	\$13,047.73
Useful Life	20		
Replacement Year	2035		
Remaining Life	9		



Working condition. Budget to replace ADA automatic door openers.

Doors & Windows - Replace

Asset ID	1009	1 LS	@ \$240,000.00
Buildings		Asset Actual Cost	\$240,000.00
Category	Doors & Windows	Percent Replacement	100%
Placed in Service	January 1991	Future Cost	\$502,506.70
Useful Life	50		
Adjustment	10		
Replacement Year	2051		
Remaining Life	25		



The large aluminum frame window walls on either side of the lobby should last many years.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Doors & Windows - Replace continued...

We estimate there is approximately 3,500 to 4,000 sf of window wall including doors.
Appears to be in good condition.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Elevator (1) - Modernization

		1 EA	@ \$110,600.00
Asset ID	1054	Asset Actual Cost	\$110,600.00
	Buildings	Percent Replacement	100%
Category	Elevators	Future Cost	\$117,335.54
Placed in Service	January 1992		
Useful Life	35		
Adjustment	1		
Replacement Year	2028		
Remaining Life	2		



Working condition. Budget to modernize elevator equipment including but not limited to: controller, fixtures, hydraulic pump and components.

2025 - Otis bid on one elevator out of four for moderization of all equipment total \$110,600 each elevator.

2025 - TK Elevator bid on one elevator out of our for moderization of all equipment total \$161,460.

Elevator (2) - Modernization

		1 EA	@ \$110,600.00
Asset ID	1066	Asset Actual Cost	\$110,600.00
	Buildings	Percent Replacement	100%
Category	Elevators	Future Cost	\$124,481.27
Placed in Service	January 1992		
Useful Life	35		
Adjustment	3		
Replacement Year	2030		
Remaining Life	4		

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Elevator (2) - Modernization continued...



Working condition. Budget to modernize elevator equipment including but not limited to: controller, fixtures, hydrolic pump and components.

2025 - Otis bid on one elevator out of four for moderization of all equipment total \$110,600 each elevator.

2025 - TK Elevator bid on one elevator out of our for moderization of all equipment total \$161,460.

Elevator (3) - Modernization

Asset ID	1067	Asset Actual Cost	1 EA @ \$110,600.00
Category	Buildings	Percent Replacement	\$110,600.00
Placed in Service	Elevators	Future Cost	100%
Useful Life	January 1992		\$132,062.18
Adjustment	35		
Replacement Year	5		
Remaining Life	2032		
	6		



Working condition. Budget to modernize elevator equipment including but not limited to: controller, fixtures, hydrolic pump and components.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Elevator (3) - Modernization continued...

2025 - Otis bid on one elevator out of four for moderization of all equipment total \$110,600 each elevator.

2025 - TK Elevator bid on one elevator out of our for moderization of all equipment total \$161,460.

Elevator (4) - Modernization

Asset ID	1068	Asset Actual Cost	1 EA @ \$110,600.00
Category	Buildings	Percent Replacement	\$110,600.00
Placed in Service	Elevators	Future Cost	100%
Useful Life	January 1992		\$140,104.77
Adjustment	35		
Replacement Year	7		
Remaining Life	2034		
	8		



Working condition. Budget to modernize elevator equipment including but not limited to: controller, fixtures, hydrolic pump and components.

2025 - Otis bid on one elevator out of four for moderization of all equipment total \$110,600 each elevator.

2025 - TK Elevator bid on one elevator out of our for moderization of all equipment total \$161,460.

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Elevator - Cab Refurbish

		4 EA	@ \$24,500.00
Asset ID	1055	Asset Actual Cost	\$98,000.00
	Buildings	Percent Replacement	100%
Category	Elevators	Future Cost	\$148,233.79
Placed in Service	January 1992		
Useful Life	35		
Adjustment	13		
Replacement Year	2040		
Remaining Life	14		



Budget to refurbish the interiors of the four elevators.

2025 - Otis bid on one cab interior refurbish out of the four total \$20,000 each.

2025 - TKE bid on one cab interior refurbish out of the four total \$24,500 each.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Electric Panels - Replace

Asset ID	1059	4 EA	@ \$4,000.00
Category	Buildings	Asset Actual Cost	\$16,000.00
Placed in Service	January 1991	Percent Replacement	100%
Useful Life	35	Future Cost	\$24,927.48
Adjustment	15		
Replacement Year	2041		
Remaining Life	15		



Working condition. Budget to replace (4) 400 amp breaker boxes in equipment rooms.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Gate Operator - Replace

Asset ID	1056	Asset Actual Cost	1 EA @ \$4,000.00
Category	Grounds	Percent Replacement	\$4,000.00 100%
Placed in Service	Equipment-Grounds	Future Cost	\$4,243.60
Useful Life	January 1992		
Adjustment	18		
Replacement Year	18		
Remaining Life	2028		
	2		



Working condition. Budget to replace Door King, model 910, sliding gate operator.

Irrigation Controllers - Replace

Asset ID	1061	Asset Actual Cost	7 EA @ \$350.00
Category	Grounds	Percent Replacement	\$367.50 15%
Placed in Service	Equipment-Grounds	Future Cost	\$389.88
Useful Life	January 2023		
Adjustment	5		
Replacement Year	2028		
Remaining Life	2		



Working condition. Budget to replace (7) assume 6-station wall mounted irrigation controllers

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Irrigation Controllers - Replace continued...

when needed. Various ages.

Keypad - Replace

Asset ID	1058	1 EA	@ \$1,500.00
Grounds		Asset Actual Cost	\$1,500.00
Category	Equipment-Grounds	Percent Replacement	100%
Placed in Service	January 2004	Future Cost	\$1,591.35
Useful Life	18		
Adjustment	6		
Replacement Year	2028		
Remaining Life	2		



Working condition. Budget to replace Linear keypad at entrance.

Pressure Regulator - Replace

Asset ID	1003	1 LS	@ \$5,900.00
Grounds		Asset Actual Cost	\$5,900.00
Category	Equipment-Grounds	Percent Replacement	100%
Placed in Service	January 2024	Future Cost	\$6,640.50
Useful Life	6		
Replacement Year	2030		
Remaining Life	4		

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Pressure Regulator - Replace continued...



Budget to replace pressure regulator.

Vacuum - Replace

Asset ID	1046	1 EA	@ \$1,900.00
Category	Grounds	Asset Actual Cost	\$1,900.00
Placed in Service	January 2012	Percent Replacement	100%
Useful Life	12	Future Cost	\$2,015.71
Adjustment	4		
Replacement Year	2028		
Remaining Life	2		



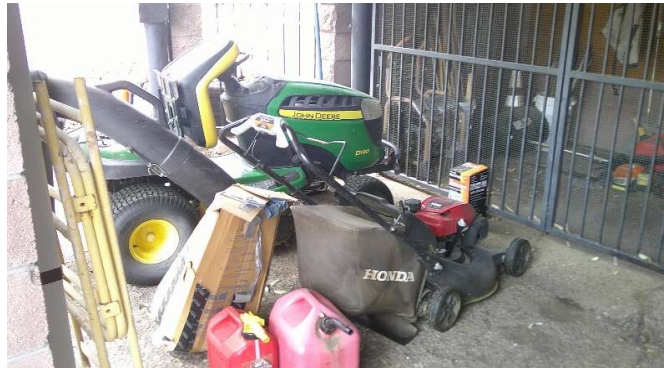
Old condition. Budget to replace vacuum located at the boat/car wash area.

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Vehicles & Mower - Replace

Asset ID	1053	Asset Actual Cost	3 EA @ \$5,000.00
Category	Grounds	Percent Replacement	\$7,500.00
Placed in Service	Equipment-Grounds	Future Cost	50%
Useful Life	January 2024		\$8,195.45
Replacement Year	5		
Remaining Life	2029		
	3		



Budget on a 5 year recurring cycle to replace (1) newer cart, (1) older cart and (1) D130 riding lawn mower.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Pool Filters (A) - Replace

Asset ID	1031	Asset Actual Cost	1 EA @ \$2,600.00
Category	Recreation/Pool	Percent Replacement	100%
Placed in Service	January 1992	Future Cost	\$2,600.00
Useful Life	18		
Replacement Year	2026		
Remaining Life	0		



Working condition. (1) old filter & (1) new filter.

Pool Filters (B) - Replace

Asset ID	1036	Asset Actual Cost	1 EA @ \$2,546.16
Category	Recreation/Pool	Percent Replacement	100%
Placed in Service	January 2023	Future Cost	\$3,966.83
Useful Life	18		
Replacement Year	2041		
Remaining Life	15		



Working condition. (1) old filter & (1) new filter.

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Pool Heater - Replace

Asset ID	1035	Asset Actual Cost	1 EA @ \$12,000.00
Category	Recreation/Pool	Percent Replacement	\$12,000.00
Placed in Service	Equipment-Pool & Spa	Future Cost	100%
Useful Life	June 2024		\$14,328.63
Replacement Year	8		
Remaining Life	2032		
	6		



Working condition. Budget to replace Pentair ETI-400 ASME gas heater.

2024 - Robert Starkey installed 400K gas heater total \$11,510.

Pool/Spa Pumps & Motors - Repair/Replace

Asset ID	1038	Asset Actual Cost	1 LS @ \$10,400.00
Category	Recreation/Pool	Percent Replacement	\$2,600.00
Placed in Service	Equipment-Pool & Spa	Future Cost	25%
Useful Life	January 1991		\$2,600.00
Replacement Year	4		
Remaining Life	2026		
	0		

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Pool/Spa Pumps & Motors - Repair/Replace continued...



Working condition. Component provides a budget to repair and/or replace (2) 1 HP @ \$1000 each, (2) 2 HP @ \$1,200 each and (2) 3 HP @ \$3,000 each every four years. Various ages.

Spa Filters - Replace

Asset ID	1041	4 EA	@ \$2,500.00
Recreation/Pool		Asset Actual Cost	\$3,333.33
Category Equipment-Pool & Spa		Percent Replacement	33.33%
Placed in Service	January 2023	Future Cost	\$3,642.42
Useful Life	6		
Replacement Year	2029		
Remaining Life	3		



Working condition. Budget to replace (1) Pentair PCC 106 yr 2024, (2) CCP520 yr 2022 and (1) CCP520 old.

2023 - Robert Starkey installed Clean Clear Plus 520 total \$2,327.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Spa Heater (A) - Replace

Asset ID	1040	Asset Actual Cost	1 EA @ \$4,220.00
Category	Recreation/Pool	Percent Replacement	100%
Placed in Service	January 2007	Future Cost	\$4,220.00
Useful Life	8		
Replacement Year	2026		
Remaining Life	0		



Working condition. Budget to replace West Spa Jacuzzi JXN-26Y.

Spa Heater (B) - Replace

Asset ID	1042	Asset Actual Cost	1 EA @ \$4,220.00
Category	Recreation/Pool	Percent Replacement	100%
Placed in Service	January 2024	Future Cost	\$5,038.90
Useful Life	8		
Replacement Year	2032		
Remaining Life	6		



Working condition. Budget to replace the Pentair gas heater.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Metal Fence - Repairs

Asset ID	1024	1 LS	@ \$5,500.00
Category	Recreation/Pool	Asset Actual Cost	\$5,500.00
Placed in Service	Fencing/Security	Percent Replacement	100%
Useful Life	January 2005	Future Cost	\$5,500.00
Replacement Year	5		
Remaining Life	2026		
	0		



Budget to repair metal fencing. Noted approximately (5) sections/places where in need of repair due to spray irrigation, rusting.

Security System - Refurbish/Replace

Asset ID	1001	1 LS	@ \$11,500.00
Category	Buildings	Asset Actual Cost	\$11,500.00
Placed in Service	Fencing/Security	Percent Replacement	100%
Useful Life	June 2024	Future Cost	\$12,943.35
Replacement Year	6		
Remaining Life	2030		
	4		



Budget to refurbish and/or replace security system including but not limited to: cameras,

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Security System - Refurbish/Replace continued...

wiring, NVR, etc.

2024 - Coram installed (2) 24 channel NVR, (1) 16 channel NVR and (55) video feed license cameras total \$11,500.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Backflow Preventers - Replace

Asset ID	1002	1 LS	@ \$6,825.00
Grounds		Asset Actual Cost	\$6,825.00
Category Fire Protection System		Percent Replacement	100%
Placed in Service	January 2024	Future Cost	\$11,619.10
Useful Life	20		
Replacement Year	2044		
Remaining Life	18		



Budget to replace (1) 3" backflow @ \$5,200 and (1) 2" @ \$1,625. Placed in service date based on useful life and community age.

3" BFP replaced in 2024 for \$5,168.

Check Valves & Fire Connections - Replace

Asset ID	1064	1 LS	@ \$975.00
Grounds		Asset Actual Cost	\$975.00
Category Fire Protection System		Percent Replacement	100%
Placed in Service	March 2025	Future Cost	\$1,709.67
Useful Life	20		
Replacement Year	2045		
Remaining Life	19		

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Check Valves & Fire Connections - Replace continued...



Budget to replace (2) 4" check valves & (2) 4x2 - 1/2" fire dept connections.

2025 - Pipecraft replace (2) 4" check valves & (2) 4x2 - 1/2" fire dept connections total \$973.25.

Fire Protection Components - Replace

Asset ID	1004	1 LS	@ \$43,000.00
Buildings		Asset Actual Cost	\$43,000.00
Category Fire Protection System		Percent Replacement	100%
Placed in Service	January 2023	Future Cost	\$82,392.45
Useful Life	25		
Replacement Year	2048		
Remaining Life	22		



Budget to replace fire control system including monitor panel and other detector and alarm systems.

Monitor system equipment replaced/upgraded in 2023 by Western Alarm for \$40,800

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Sprinkler Heads - Test

Asset ID	1005	Asset Actual Cost	
	Buildings	Percent Replacement	100%
Category	Fire Protection System	Future Cost	
Placed in Service	January 2015		
Useful Life	20		
Replacement Year	2035		
Remaining Life	9		

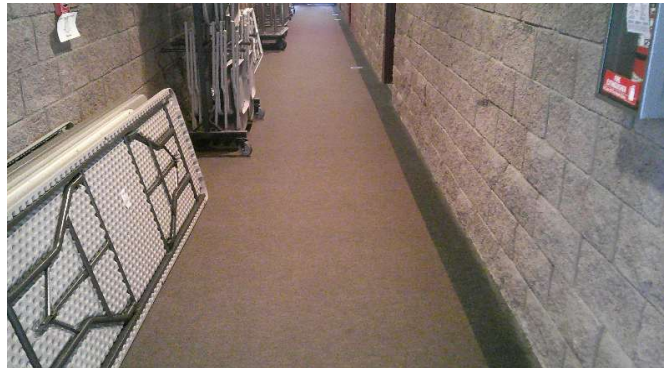


Sprinkler heads should be tested per NFPA 25. There are different types of sprinkler heads. When they should be tested depends on the type of head. Recommend Association consult with their fire protection vendor to determine if and when testing should be done.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Flooring Carpet Hallways - Replace

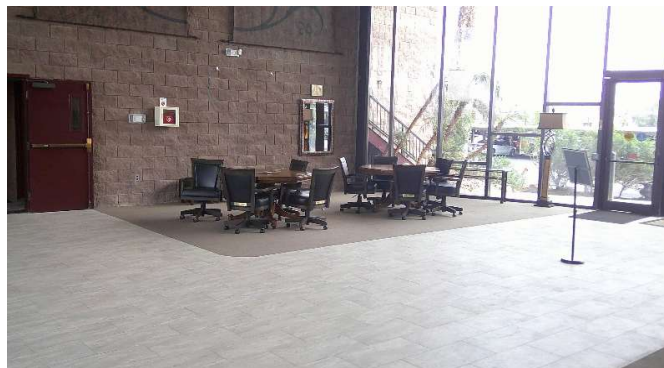
Asset ID	1048	1 LS	@ \$34,200.00
Category	Buildings	Asset Actual Cost	\$34,200.00
Placed in Service	Flooring	Percent Replacement	100%
Useful Life	January 2025	Future Cost	\$47,340.80
Replacement Year	12		
Remaining Life	2037		
	11		



Will be replaced in 2025.

Flooring Carpet Lobby - Replace

Asset ID	1047	1,600 SF	@ \$3.12
Category	Buildings	Asset Actual Cost	\$4,992.00
Placed in Service	Flooring	Percent Replacement	100%
Useful Life	January 2025	Future Cost	\$6,910.09
Replacement Year	12		
Remaining Life	2037		
	11		



New condition. Budget to replace commercial grade carpet in the lobby.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Flooring Carpet Lobby - Replace continued...

2025 - Rug Hut installed new lobby carpet total \$4,995.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Lobby Furnishings - Replace

Asset ID	1051	Asset Actual Cost	1 LS @ \$37,205.89
Category	Buildings	Percent Replacement	\$37,205.89
Placed in Service	Furnishings-Interior	Future Cost	100%
Useful Life	January 2004		\$41,875.56
Adjustment	18		
Replacement Year	8		
Remaining Life	2030		
	4		



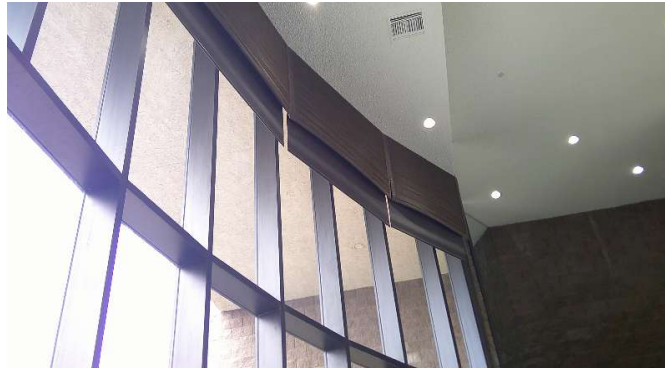
Good condition. Budget to replace lobby furnishings including but not limited to: chairs, tables, couches, artwork, etc.

Roll Down Shades - Replace

Asset ID	1006	Asset Actual Cost	1 LS @ \$20,000.00
Category	Buildings	Percent Replacement	\$20,000.00
Placed in Service	Furnishings-Interior	Future Cost	100%
Useful Life	January 1991		\$41,875.56
Adjustment	50		
Replacement Year	10		
Remaining Life	2051		
	25		

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Roll Down Shades - Replace continued...



Long life. Motorized roll-up sun shades. Appear to be in good condition. Assume shades were installed when building was constructed.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Patio Furnishings - Replace

Asset ID	1028	Asset Actual Cost	1 LS @ \$12,000.00
Category	Recreation/Pool	Percent Replacement	\$12,000.00 100%
Placed in Service	January 2018	Future Cost	\$12,730.80
Useful Life	10		
Replacement Year	2028		
Remaining Life	2		



Good condition. Budget to replace (6) glass metal tables with (4) cushioned metal chairs each, (6) umbrellas and (2) metal tables with (4) cushioned chairs each. Placed in service date unknown based on condition.

Patio Grills - Replace

Asset ID	1033	Asset Actual Cost	2 EA @ \$1,100.00
Category	Recreation/Pool	Percent Replacement	\$2,200.00 100%
Placed in Service	January 2024	Future Cost	\$2,626.91
Useful Life	8		
Replacement Year	2032		
Remaining Life	6		

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Patio Grills - Replace continued...



Working condition. Budget to replace stand alone propane BBQ grills.

Pool Furnishings - Replace

Asset ID	1037	1 LS	@ \$20,000.00
Recreation/Pool		Asset Actual Cost	\$20,000.00
Category	Furnishings-Pool & Patio	Percent Replacement	100%
Placed in Service	January 2019	Future Cost	\$21,854.54
Useful Life	10		
Replacement Year	2029		
Remaining Life	3		



Good condition. Budget to replace (30) strap lounge chairs, (4) composite tables with (4) strap chairs each and (4) umbrellas.

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Pool Furnishings - Restrap

Asset ID	1062	Asset Actual Cost	1 LS @ \$6,700.00
Category	Recreation/Pool	Percent Replacement	\$6,700.00 100%
Placed in Service	Furnishings-Pool & Patio	Future Cost	\$8,487.36
Useful Life	September 2024		
Replacement Year	10		
Remaining Life	2034		
	8		



Good condition. Budget to replace (30) strap lounge chairs, (4) composite tables with (4) strap chairs each and (4) umbrellas.

2024 - Seabreeze Patio restrap (30) loungers and (16) chairs total \$6,434.

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Fountain - Refurbish/Replacement Parts

Asset ID	1027	Asset Actual Cost	1 LS @ \$10,000.00
Category	Grounds	Percent Replacement	\$10,000.00
Placed in Service	January 2025	Future Cost	100%
Useful Life	7		\$11,940.52
Replacement Year	2032		
Remaining Life	6		



Working condition. Refurbished in 2025.

Guard Shack - Refurbish

Asset ID	1057	Asset Actual Cost	
Category	Grounds	Percent Replacement	100%
Placed in Service	January 1991	Future Cost	
No Useful Life			



Unfunded. Not in use. No anticipation to refurbish.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

HVAC Elevators - Replace

		2 EA	@ \$4,000.00
Asset ID	1012	Asset Actual Cost	\$8,000.00
	Buildings	Percent Replacement	100%
Category	HVAC	Future Cost	\$8,487.20
Placed in Service	January 2010		
Useful Life	18		
Replacement Year	2028		
Remaining Life	2		



Working condition. Budget to remove and install (2) small HVAC units for elevators. Date in service unknown.

HVAC Hallways - Replace

		2 EA	@ \$5,500.00
Asset ID	1010	Asset Actual Cost	\$11,000.00
	Buildings	Percent Replacement	100%
Category	HVAC	Future Cost	\$11,669.90
Placed in Service	January 2006		
Useful Life	18		
Adjustment	4		
Replacement Year	2028		
Remaining Life	2		

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

HVAC Hallways - Replace continued...



Working older condition. Budget to remove and install (assume 2.5 ton) HVAC units on roof.

HVAC Lobby - Replace

Asset ID	1011	2 EA	@ \$8,300.00
Buildings		Asset Actual Cost	\$16,600.00
Category	HVAC	Percent Replacement	100%
Placed in Service	January 2009	Future Cost	\$17,098.00
Useful Life	18		
Replacement Year	2027		
Remaining Life	1		



Working condition. Budget to remove and install (assume 4.0 ton) HVAC units on roof. Date in service unknown.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Bollard Lights - Replace

Asset ID	1025	6 EA	@ \$1,500.00
Category	Grounds	Asset Actual Cost	\$9,000.00
Placed in Service	January 1992	Percent Replacement	100%
Useful Life	25	Future Cost	\$10,746.47
Adjustment	15		
Replacement Year	2032		
Remaining Life	6		



Working condition. Budget to replace 42" metal bollard light fixtures located in from of main entrance.

Light Fixtures - Replace

Asset ID	1026	19 EA	@ \$450.00
Category	Grounds	Asset Actual Cost	\$8,550.00
Placed in Service	January 2022	Percent Replacement	100%
Useful Life	30	Future Cost	\$18,438.85
Adjustment			
Replacement Year	2052		
Remaining Life	26		

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Light Fixtures - Replace continued...



Working condition. Budget to replace (4) double and (11) single light fixtures.

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Detail Report

Carport Structure - Paint

Asset ID	1018	Asset Actual Cost	1 LS @ \$25,000.00
Category	Grounds	Percent Replacement	100%
Placed in Service	Painting	Future Cost	\$25,750.00
Useful Life	January 2003		
Adjustment	10		
Replacement Year	14		
Remaining Life	2027		
	1		



Fair to poor condition. Budget to repaint carport structures.

Interior Lobby Ceiling - Paint

Asset ID	1063	Asset Actual Cost	1 LS @ \$5,200.00
Category	Buildings	Percent Replacement	100%
Placed in Service	Painting	Future Cost	\$6,784.82
Useful Life	January 2025		
Replacement Year	10		
Remaining Life	2035		
	9		



Good condition. Budget to repaint lobby ceiling.

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Interior Lobby Ceiling - Paint continued...

2025 - Curb Appeal painted lobby ceiling total \$5,185.

Metal Components- Paint

Asset ID	1019	1 LS	@ \$65,000.00
Category	Buildings	Asset Actual Cost	\$65,000.00
Placed in Service	Painting	Percent Replacement	100%
Useful Life	January 2003	Future Cost	\$65,000.00
Replacement Year	10		
Remaining Life	2026		
	0		



Poor condition. Budget to paint doors, metal stair railings, metal on balconies, and all other metal components on buildings and at pool.

Stucco Trim - Paint

Asset ID	1021	29,600 SF	@ \$1.10
Category	Buildings	Asset Actual Cost	\$32,560.00
Placed in Service	Painting	Percent Replacement	100%
Useful Life	January 2021	Future Cost	\$37,745.96
Replacement Year	10		
Remaining Life	2031		
	5		

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Stucco Trim - Paint continued...



Fair to good condition. Budget to paint trim around the top fo the building, the over hang at the front and rear entrance and the turettts.

Stucco Walls - Paint

Asset ID	1020	11,970 SF	@ \$1.00
Category	Buildings	Asset Actual Cost	\$11,970.00
Placed in Service	Painting	Percent Replacement	100%
Useful Life	January 1999	Future Cost	\$11,970.00
Replacement Year	10		
Remaining Life	2026		
	0		



Poor condition. Budget to paint the perimeter stucco walls. Noted chipped, fades and in need of paint.

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Patio Deck - Recoat

Asset ID	1029	1,530 SF	@ \$2.50
Category	Recreation/Pool	Asset Actual Cost	\$3,825.00
Placed in Service	January 2024	Percent Replacement	100%
Useful Life	7	Future Cost	\$4,434.22
Replacement Year	2031		
Remaining Life	5		



Good condition. Budget to recoat patio deck.

Patio Deck - Resurface

Asset ID	1030	1 LS	@ \$11,000.00
Category	Recreation/Pool	Asset Actual Cost	\$11,000.00
Placed in Service	September 2024	Percent Replacement	100%
Useful Life	21	Future Cost	\$19,288.57
Replacement Year	2045		
Remaining Life	19		



Good condition. Budget to resurface patio deck. Approximately 1,530 SF.

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Patio Deck - Resurface continued...

2024 - Curb Appeal resurfaced patio deck total \$10,145.

Pool - Resurface

Asset ID	1039	1 LS	@ \$25,682.90
Category	Recreation/Pool	Asset Actual Cost	\$25,682.90
Placed in Service	Recreation/Pool	Percent Replacement	100%
Useful Life	January 2005	Future Cost	\$28,906.33
Replacement Year	25		
Remaining Life	2030		
	4		



Good condition. Budget to resurface and retile Pebble Tec pool.

2004 - Resurfaced total \$14,220.

Pool Deck - Recoat

Asset ID	1044	3,500 SF	@ \$3.50
Category	Recreation/Pool	Asset Actual Cost	\$12,250.00
Placed in Service	Recreation/Pool	Percent Replacement	100%
Useful Life	January 2025	Future Cost	\$17,989.54
Replacement Year	7		
Remaining Life	2039		
	13		

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Pool Deck - Recoat continued...



Poor condition. Budget to recoat pool deck. Noted faded and stained.

Pool Deck - Resurface

Asset ID	1045	3,500 SF	@ \$6.00
Category	Recreation/Pool	Asset Actual Cost	\$21,000.00
Placed in Service	January 2011	Percent Replacement	100%
Useful Life	21	Future Cost	\$25,075.10
Replacement Year	2032		
Remaining Life	6		



Poor condition. Budget to recoat pool deck. Noted faded and stained.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Spa - Resurface

Asset ID	1043	1 LS	@ \$9,000.00
Category	Recreation/Pool	Asset Actual Cost	\$9,000.00
Placed in Service	January 2005	Percent Replacement	100%
Useful Life	25	Future Cost	\$10,129.58
Replacement Year	2030		
Remaining Life	4		



Good condition. Budget to resurface and retile both Pebble Tec spas.

QUEENS BAY HOMEOWNERS ASSOCIATION

Detail Report

Carport Roofs - Replace

Asset ID	1017	Asset Actual Cost	
Category	Grounds	Percent Replacement	100%
Placed in Service	Roofing	Future Cost	
No Useful Life	January 1991		



Unfunded. Long life on metal corrugated carport roofs. Repairs normally operationally funded.

Roofs - Repair/Replace

Asset ID	1016	45,000 SF	@ \$4.50
Category	Buildings	Asset Actual Cost	\$202,500.00
Placed in Service	Roofing	Percent Replacement	100%
Useful Life	January 2012	Future Cost	\$324,953.05
Replacement Year	30		
Remaining Life	2042		
	16		



Duro-Last roof installed in 2012. Repairs performed as needed.

Duro-Last roofing is a brand of single-ply roofing membrane renowned for its exceptional

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Roofs - Repair/Replace continued...

durability and ease of installation. Duro-Last is prefabricated in controlled factory conditions to ensure quality and consistency. Made of a flexible PVC (polyvinyl chloride) compound, Duro-Last membranes are engineered to withstand harsh weather conditions, UV exposure, and chemical exposure. Must have regular roof inspections, especially for seam integrity.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Asphalt - Crack Seal & Seal Coat

Asset ID	1015	1 LS	@ \$30,488.00
Category	Parking/Streets	Asset Actual Cost	\$30,488.00
Placed in Service	Streets/Asphalt	Percent Replacement	100%
Useful Life	January 2024	Future Cost	\$33,315.06
Replacement Year	5		
Remaining Life	2029		
	3		



Budget to crack seal and seal coat. Approximately 161,000 SF. Placed in service end of 2023, used 2024 as date in service.

2023 - T & C Seal Coating sealcoated parking lot except boat and trailer storage areas total \$29,595.

Asphalt - Remove & Replace

Asset ID	1013	161,100 SF	@ \$3.75
Category	Parking/Streets	Asset Actual Cost	\$604,125.00
Placed in Service	Streets/Asphalt	Percent Replacement	100%
Useful Life	January 1991	Future Cost	\$811,893.48
Adjustment	40		
Replacement Year	5		
Remaining Life	2036		
	10		

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Asphalt - Remove & Replace continued...



Budget to remove & replace asphalt. Extensive alligator cracking, however only a minor amount of break-up. If more areas begin to break-up, it is anticipated that the pavement will need to be removed and replaced. Future updates to this study should continue to evaluate the pavement and make appropriate adjustments in the useful life.

Asphalt - Slurry Seal

Asset ID	1014	1 LS	@ \$95,000.00
Category	Parking/Streets	Asset Actual Cost	\$95,000.00
Placed in Service	Streets/Asphalt	Percent Replacement	100%
Useful Life	January 2020	Future Cost	\$100,785.50
Replacement Year	8		
Remaining Life	2028		
	2		



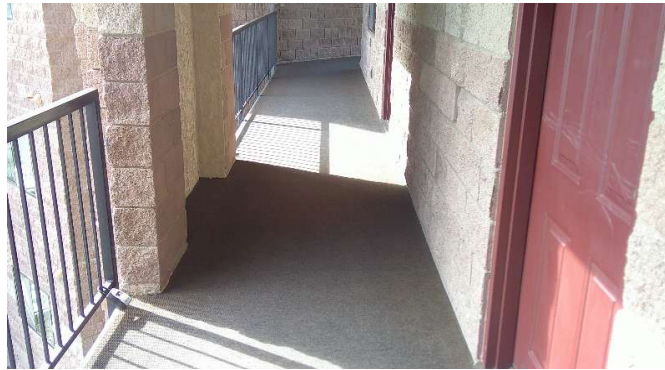
Fair condition. Budget to slurry seal. Slurry seal is a wearing surface and not a structural fix but will temporarily cover the cracks. It should be covered with a seal coat within 1 or 2 years after application to protect it from UV damage. Approximately 161,100 SF.

2020 - T & C Coating slurry sealed parking lot total \$81,890.

QUEENS BAY HOMEOWNERS ASSOCIATION
Detail Report

Flooring Carpet Outdoor - Replace

Asset ID	1049	1 LS	@ \$87,000.00
Category	Buildings	Asset Actual Cost	\$87,000.00
Placed in Service	Tree Trimming	Percent Replacement	100%
Useful Life	January 2014	Future Cost	\$89,610.00
Adjustment	12		
Replacement Year	1		
Remaining Life	2027		
	1		



Fair condition. Budget to replace commercial grade carpet located outdoors. Noted sun faded.

QUEENS BAY HOMEOWNERS ASSOCIATION

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1009	Doors & Windows - Replace	2051	1-10
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1054	Elevator (1) - Modernization	2028	1-12
1066	Elevator (2) - Modernization	2030	1-12
1067	Elevator (3) - Modernization	2032	1-13
1068	Elevator (4) - Modernization	2034	1-14
1055	Elevator - Cab Refurbish	2040	1-15
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1059	Electric Panels - Replace	2041	1-16
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1056	Gate Operator - Replace	2028	1-17
1061	Irrigation Controllers - Replace	2028	1-17
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1003	Pressure Regulator - Replace	2030	1-18
1046	Vacuum - Replace	2028	1-19
1053	Vehicles & Mower - Replace	2029	1-20
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1031	Pool Filters (A) - Replace	2026	1-21
1036	Pool Filters (B) - Replace	2041	1-21
1035	Pool Heater - Replace	2032	1-22
1038	Pool/Spa Pumps & Motors - Repair/Replace	2026	1-22
1041	Spa Filters - Replace	2029	1-23
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QUEENS BAY HOMEOWNERS ASSOCIATION

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1064	Check Valves & Fire Connections - Replace	2045	1-27
1004	Fire Protection Components - Replace	2048	1-28
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1048	Flooring Carpet Hallways - Replace	2037	1-30
1047	Flooring Carpet Lobby - Replace	2037	1-30
Furnishings-Interior			
1051	Lobby Furnishings - Replace	2030	1-32
1006	Roll Down Shades - Replace	2051	1-32
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1028	Patio Furnishings - Replace	2028	1-34
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1062	Pool Furnishings - Restrap	2034	1-36
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1012	HVAC Elevators - Replace	2028	1-38
1010	HVAC Hallways - Replace	2028	1-38
1011	HVAC Lobby - Replace	2027	1-39
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1025	Bollard Lights - Replace	2032	1-40
1026	Light Fixtures - Replace	2052	1-40
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1018	Carport Structure - Paint	2027	1-42
1063	Interior Lobby Ceiling - Paint	2035	1-42
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1020	Stucco Walls - Paint	2026	1-44
Recreation/Pool			
1029	Patio Deck - Recoat	2031	1-45
1030	Patio Deck - Resurface	2045	1-45
1039	Pool - Resurface	2030	1-46
1044	Pool Deck - Recoat	2039	1-46
1045	Pool Deck - Resurface	2032	1-47
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1017	Carport Roofs - Replace	2026	1-49
1016	Roofs - Repair/Replace	2042	1-49
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1015	Asphalt - Crack Seal & Seal Coat	2029	1-51
1013	Asphalt - Remove & Replace	2036	1-51
1014	Asphalt - Slurry Seal	2028	1-52
Tree Trimming			
1049	Flooring Carpet Outdoor - Replace	2027	1-53
Total Funded Assets		57	
Total Unfunded Assets		<u>4</u>	
Total Assets		61	

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2026	
Equipment-Pool & Spa	
1031 Pool Filters (A) - Replace	2,600
1038 Pool/Spa Pumps & Motors - Repair/Replace	2,600
1040 Spa Heater (A) - Replace	4,220
Fencing/Security	
1024 Metal Fence - Repairs	5,500
Painting	
1019 Metal Components- Paint	65,000
1020 Stucco Walls - Paint	11,970
Total for 2026	\$91,890
Replacement Year 2027	
HVAC	
1011 HVAC Lobby - Replace	17,098
Painting	
1018 Carport Structure - Paint	25,750
Tree Trimming	
1049 Flooring Carpet Outdoor - Replace	89,610
Total for 2027	\$132,458
Replacement Year 2028	
Elevators	
1054 Elevator (1) - Modernization	117,336
Equipment-Grounds	
1056 Gate Operator - Replace	4,244
1061 Irrigation Controllers - Replace	390
1058 Keypad - Replace	1,591
1046 Vacuum - Replace	2,016
Furnishings-Pool & Patio	
1028 Patio Furnishings - Replace	12,731
HVAC	
1012 HVAC Elevators - Replace	8,487
1010 HVAC Hallways - Replace	11,670
Streets/Asphalt	
1014 Asphalt - Slurry Seal	100,785
Total for 2028	\$259,249

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2029	
Equipment-Grounds	
1053 Vehicles & Mower - Replace	8,195
Equipment-Pool & Spa	
1041 Spa Filters - Replace	3,642
Furnishings-Pool & Patio	
1037 Pool Furnishings - Replace	21,855
Streets/Asphalt	
1015 Asphalt - Crack Seal & Seal Coat	33,315
Total for 2029	\$67,007
Replacement Year 2030	
Elevators	
1066 Elevator (2) - Modernization	124,481
Equipment-Grounds	
1003 Pressure Regulator - Replace	6,641
Equipment-Pool & Spa	
1038 Pool/Spa Pumps & Motors - Repair/Replace	2,926
Fencing/Security	
1001 Security System - Refurbish/Replace	12,943
Furnishings-Interior	
1051 Lobby Furnishings - Replace	41,876
Recreation/Pool	
1039 Pool - Resurface	28,906
1043 Spa - Resurface	10,130
Total for 2030	\$227,903
Replacement Year 2031	
Fencing/Security	
1024 Metal Fence - Repairs	6,376
Painting	
1021 Stucco Trim - Paint	37,746
Recreation/Pool	
1029 Patio Deck - Recoat	4,434
Total for 2031	\$48,556

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2032	
Elevators	
1067 Elevator (3) - Modernization	132,062
Equipment-Pool & Spa	
1035 Pool Heater - Replace	14,329
1042 Spa Heater (B) - Replace	5,039
Furnishings-Pool & Patio	
1033 Patio Grills - Replace	2,627
Grounds Components	
1027 Fountain - Refurbish/Replacement Parts	11,941
Lighting	
1025 Bollard Lights - Replace	10,746
Recreation/Pool	
1045 Pool Deck - Resurface	25,075
Total for 2032	\$201,819
Replacement Year 2033	
Equipment-Grounds	
1061 Irrigation Controllers - Replace	452
Total for 2033	\$452
Replacement Year 2034	
Elevators	
1068 Elevator (4) - Modernization	140,105
Equipment-Grounds	
1053 Vehicles & Mower - Replace	9,501
Equipment-Pool & Spa	
1038 Pool/Spa Pumps & Motors - Repair/Replace	3,294
1040 Spa Heater (A) - Replace	5,346
Furnishings-Pool & Patio	
1062 Pool Furnishings - Restrap	8,487
Streets/Asphalt	
1015 Asphalt - Crack Seal & Seal Coat	38,621
Total for 2034	\$205,354

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2035	
Doors & Windows	
1007 ADA Door Openers - Replace	13,048
Equipment-Pool & Spa	
1041 Spa Filters - Replace	4,349
Painting	
1063 Interior Lobby Ceiling - Paint	6,785
Total for 2035	\$24,182
Replacement Year 2036	
Equipment-Grounds	
1003 Pressure Regulator - Replace	7,929
Fencing/Security	
1024 Metal Fence - Repairs	7,392
1001 Security System - Refurbish/Replace	15,455
Painting	
1019 Metal Components- Paint	87,355
1020 Stucco Walls - Paint	16,087
Streets/Asphalt	
1013 Asphalt - Remove & Replace	811,893
1014 Asphalt - Slurry Seal	127,672
Total for 2036	\$1,073,782
Replacement Year 2037	
Flooring	
1048 Flooring Carpet Hallways - Replace	47,341
1047 Flooring Carpet Lobby - Replace	6,910
Painting	
1018 Carport Structure - Paint	34,606
Total for 2037	\$88,857
Replacement Year 2038	
Equipment-Grounds	
1061 Irrigation Controllers - Replace	524
Equipment-Pool & Spa	
1038 Pool/Spa Pumps & Motors - Repair/Replace	3,707

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
<i>Replacement Year 2038 continued...</i>	
Furnishings-Pool & Patio	
1028 Patio Furnishings - Replace	17,109
Recreation/Pool	
1029 Patio Deck - Recoat	5,454
Total for 2038	\$26,794
 Replacement Year 2039	
Equipment-Grounds	
1053 Vehicles & Mower - Replace	11,014
Furnishings-Pool & Patio	
1037 Pool Furnishings - Replace	29,371
Grounds Components	
1027 Fountain - Refurbish/Replacement Parts	14,685
Recreation/Pool	
1044 Pool Deck - Recoat	17,990
Streets/Asphalt	
1015 Asphalt - Crack Seal & Seal Coat	44,773
Tree Trimming	
1049 Flooring Carpet Outdoor - Replace	127,762
Total for 2039	\$245,595
 Replacement Year 2040	
Building Components	
1052 Restrooms - Remodel	30,252
Elevators	
1055 Elevator - Cab Refurbish	148,234
Equipment-Grounds	
1046 Vacuum - Replace	2,874
Equipment-Pool & Spa	
1035 Pool Heater - Replace	18,151
1042 Spa Heater (B) - Replace	6,383
Furnishings-Pool & Patio	
1033 Patio Grills - Replace	3,328
Total for 2040	\$209,221

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2041	
Equipment-Electrical	
1059 Electric Panels - Replace	24,927
Equipment-Pool & Spa	
1036 Pool Filters (B) - Replace	3,967
1041 Spa Filters - Replace	5,193
Fencing/Security	
1024 Metal Fence - Repairs	8,569
Painting	
1021 Stucco Trim - Paint	50,727
Total for 2041	\$93,384
Replacement Year 2042	
Equipment-Grounds	
1003 Pressure Regulator - Replace	9,468
Equipment-Pool & Spa	
1038 Pool/Spa Pumps & Motors - Repair/Replace	4,172
1040 Spa Heater (A) - Replace	6,772
Fencing/Security	
1001 Security System - Refurbish/Replace	18,454
Roofing	
1016 Roofs - Repair/Replace	324,953
Total for 2042	\$363,819
Replacement Year 2043	
Equipment-Grounds	
1061 Irrigation Controllers - Replace	607
Total for 2043	\$607
Replacement Year 2044	
Equipment-Grounds	
1053 Vehicles & Mower - Replace	12,768
Equipment-Pool & Spa	
1031 Pool Filters (A) - Replace	4,426

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
<i>Replacement Year 2044 continued...</i>	
Fire Protection System	
1002 Backflow Preventers - Replace	11,619
Furnishings-Pool & Patio	
1062 Pool Furnishings - Restrap	11,406
Streets/Asphalt	
1015 Asphalt - Crack Seal & Seal Coat	51,904
1014 Asphalt - Slurry Seal	161,731
Total for 2044	\$253,855
Replacement Year 2045	
Fire Protection System	
1064 Check Valves & Fire Connections - Replace	1,710
HVAC	
1011 HVAC Lobby - Replace	29,108
Painting	
1063 Interior Lobby Ceiling - Paint	9,118
Recreation/Pool	
1030 Patio Deck - Resurface	19,289
Total for 2045	\$59,225
Replacement Year 2046	
Equipment-Grounds	
1056 Gate Operator - Replace	7,224
1058 Keypad - Replace	2,709
Equipment-Pool & Spa	
1038 Pool/Spa Pumps & Motors - Repair/Replace	4,696
Fencing/Security	
1024 Metal Fence - Repairs	9,934
Grounds Components	
1027 Fountain - Refurbish/Replacement Parts	18,061
HVAC	
1012 HVAC Elevators - Replace	14,449
1010 HVAC Hallways - Replace	19,867
Painting	
1019 Metal Components- Paint	117,397

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
<i>Replacement Year 2046 continued...</i>	
1020 Stucco Walls - Paint	21,619
Recreation/Pool	
1044 Pool Deck - Recoat	22,125
Total for 2046	\$238,082
 Replacement Year 2047	
Equipment-Pool & Spa	
1041 Spa Filters - Replace	6,201
Painting	
1018 Carport Structure - Paint	46,507
Total for 2047	\$52,708
 Replacement Year 2048	
Equipment-Grounds	
1061 Irrigation Controllers - Replace	704
1003 Pressure Regulator - Replace	11,305
Equipment-Pool & Spa	
1035 Pool Heater - Replace	22,993
1042 Spa Heater (B) - Replace	8,086
Fencing/Security	
1001 Security System - Refurbish/Replace	22,035
Fire Protection System	
1004 Fire Protection Components - Replace	82,392
Furnishings-Interior	
1051 Lobby Furnishings - Replace	71,290
Furnishings-Pool & Patio	
1028 Patio Furnishings - Replace	22,993
1033 Patio Grills - Replace	4,215
Total for 2048	\$246,015
 Replacement Year 2049	
Equipment-Grounds	
1053 Vehicles & Mower - Replace	14,802
Flooring	
1048 Flooring Carpet Hallways - Replace	67,497

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
<i>Replacement Year 2049 continued...</i>	
1047 Flooring Carpet Lobby - Replace	9,852
Furnishings-Pool & Patio	
1037 Pool Furnishings - Replace	39,472
Streets/Asphalt	
1015 Asphalt - Crack Seal & Seal Coat	60,171
Total for 2049	\$191,793
 Replacement Year 2050	
Equipment-Pool & Spa	
1038 Pool/Spa Pumps & Motors - Repair/Replace	5,285
1040 Spa Heater (A) - Replace	8,578
Total for 2050	\$13,864
 Replacement Year 2051	
Doors & Windows	
1009 Doors & Windows - Replace	502,507
Fencing/Security	
1024 Metal Fence - Repairs	11,516
Furnishings-Interior	
1006 Roll Down Shades - Replace	41,876
Painting	
1021 Stucco Trim - Paint	68,173
Tree Trimming	
1049 Flooring Carpet Outdoor - Replace	182,159
Total for 2051	\$806,230
 Replacement Year 2052	
Equipment-Grounds	
1046 Vacuum - Replace	4,098
Lighting	
1026 Light Fixtures - Replace	18,439
Recreation/Pool	
1029 Patio Deck - Recoat	8,249

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
<i>Replacement Year 2052 continued...</i>	
Streets/Asphalt	
1014 Asphalt - Slurry Seal	204,876
Total for 2052	\$235,662
Replacement Year 2053	
Equipment-Grounds	
1061 Irrigation Controllers - Replace	816
Equipment-Pool & Spa	
1041 Spa Filters - Replace	7,404
Grounds Components	
1027 Fountain - Refurbish/Replacement Parts	22,213
Recreation/Pool	
1045 Pool Deck - Resurface	46,647
Total for 2053	\$77,081
Replacement Year 2054	
Equipment-Grounds	
1003 Pressure Regulator - Replace	13,499
1053 Vehicles & Mower - Replace	17,159
Equipment-Pool & Spa	
1038 Pool/Spa Pumps & Motors - Repair/Replace	5,949
Fencing/Security	
1001 Security System - Refurbish/Replace	26,311
Furnishings-Pool & Patio	
1062 Pool Furnishings - Restrap	15,329
Streets/Asphalt	
1015 Asphalt - Crack Seal & Seal Coat	69,754
Total for 2054	\$148,001
Replacement Year 2055	
Doors & Windows	
1007 ADA Door Openers - Replace	23,566
Painting	
1063 Interior Lobby Ceiling - Paint	12,254

QUEENS BAY HOMEOWNERS ASSOCIATION
Annual Expenditure Detail

Description	Expenditures
<i>Replacement Year 2055 continued...</i>	
Recreation/Pool	
1039 Pool - Resurface	60,523
1043 Spa - Resurface	21,209
Total for 2055	<u>\$117,552</u>

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

ID	Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Building Components											
1065	Black Pipe - Repair/Replace	Unfunded									
1052	Restrooms - Remodel										
Building Components Total:											
Doors & Windows											
1007	ADA Door Openers - Replace										
1009	Doors & Windows - Replace										
Doors & Windows Total:											
13,048											
Elevators											
1054	Elevator (1) - Modernization										
1066	Elevator (2) - Modernization										
1067	Elevator (3) - Modernization										
1068	Elevator (4) - Modernization										
1055	Elevator - Cab Refurbish										
Elevators Total:											
117,336124,481132,062140,105											
Equipment-Electrical											
1059	Electric Panels - Replace										
Equipment-Electrical Total:											
Equipment-Grounds											
1056	Gate Operator - Replace										
1061	Irrigation Controllers - Replace										
1058	Keypad - Replace										
1003	Pressure Regulator - Replace										
1046	Vacuum - Replace										
1053	Vehicles & Mower - Replace										
Equipment-Grounds Total:											
8,2418,1956,6414529,501											
Equipment-Pool & Spa											
1031	Pool Filters (A) - Replace	2,600									
1036	Pool Filters (B) - Replace										
1035	Pool Heater - Replace	14,329									
1038	Pool/Spa Pumps & Motors - Repair/Replace	2,6002,9263,294									

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

ID Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<i>Equipment-Pool & Spa continued...</i>										
1041 Spa Filters - Replace				3,642						4,349
1040 Spa Heater (A) - Replace	4,220								5,346	
1042 Spa Heater (B) - Replace							5,039			
Equipment-Pool & Spa Total:	9,420			3,642	2,926		19,368		8,639	4,349
Fencing/Security										
1024 Metal Fence - Repairs	5,500					6,376				
1001 Security System - Refurbish/Replace					12,943					
Fencing/Security Total:	5,500				12,943	6,376				
Fire Protection System										
1002 Backflow Preventers - Replace										
1064 Check Valves & Fire Connections - Replace										
1004 Fire Protection Components - Replace										
1005 Sprinkler Heads - Test										
Fire Protection System Total:										
<i>Unfunded</i>										
Flooring										
1048 Flooring Carpet Hallways - Replace										
1047 Flooring Carpet Lobby - Replace										
Flooring Total:										
Furnishings-Interior										
1051 Lobby Furnishings - Replace					41,876					
1006 Roll Down Shades - Replace										
Furnishings-Interior Total:					41,876					
Furnishings-Pool & Patio										
1028 Patio Furnishings - Replace			12,731							
1033 Patio Grills - Replace							2,627			
1037 Pool Furnishings - Replace				21,855						
1062 Pool Furnishings - Restrap									8,487	
Furnishings-Pool & Patio Total:			12,731	21,855			2,627		8,487	

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
ID Description										
Grounds Components										
1027 Fountain - Refurbish/Replacement Parts							11,941			
1057 Guard Shack - Refurbish	<i>Unfunded</i>									
Grounds Components Total:							11,941			
HVAC										
1012 HVAC Elevators - Replace			8,487							
1010 HVAC Hallways - Replace			11,670							
1011 HVAC Lobby - Replace		17,098								
HVAC Total:		17,098	20,157							
Lighting										
1025 Bollard Lights - Replace							10,746			
1026 Light Fixtures - Replace										
Lighting Total:							10,746			
Painting										
1018 Carport Structure - Paint		25,750								
1063 Interior Lobby Ceiling - Paint									6,785	
1019 Metal Components- Paint	65,000									
1021 Stucco Trim - Paint						37,746				
1020 Stucco Walls - Paint	11,970									
Painting Total:	76,970	25,750				37,746				6,785
Recreation/Pool										
1029 Patio Deck - Recoat						4,434				
1030 Patio Deck - Resurface										
1039 Pool - Resurface					28,906					
1044 Pool Deck - Recoat										
1045 Pool Deck - Resurface							25,075			
1043 Spa - Resurface					10,130					
Recreation/Pool Total:					39,036	4,434	25,075			
Roofing										
1017 Carport Roofs - Replace	<i>Unfunded</i>									
1016 Roofs - Repair/Replace										
Roofing Total:										

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

ID Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Streets/Asphalt										
1015 Asphalt - Crack Seal & Seal Coat				33,315					38,621	
1013 Asphalt - Remove & Replace										
1014 Asphalt - Slurry Seal			100,785							
Streets/Asphalt Total:			100,785	33,315					38,621	
Tree Trimming										
1049 Flooring Carpet Outdoor - Replace		89,610								
Tree Trimming Total:		89,610								
Year Total:	91,890	132,458	259,249	67,007	227,903	48,556	201,819	452	205,354	24,182

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
ID Description										
Building Components										
1065 Black Pipe - Repair/Replace	<i>Unfunded</i>									
1052 Restrooms - Remodel					30,252					
Building Components Total:					30,252					
Doors & Windows										
1007 ADA Door Openers - Replace										
1009 Doors & Windows - Replace										
Doors & Windows Total:										
Elevators										
1054 Elevator (1) - Modernization										
1066 Elevator (2) - Modernization										
1067 Elevator (3) - Modernization										
1068 Elevator (4) - Modernization										
1055 Elevator - Cab Refurbish					148,234					
Elevators Total:					148,234					
Equipment-Electrical										
1059 Electric Panels - Replace						24,927				
Equipment-Electrical Total:						24,927				
Equipment-Grounds										
1056 Gate Operator - Replace										
1061 Irrigation Controllers - Replace			524					607		
1058 Keypad - Replace										
1003 Pressure Regulator - Replace	7,929						9,468			
1046 Vacuum - Replace					2,874					
1053 Vehicles & Mower - Replace				11,014					12,768	
Equipment-Grounds Total:	7,929		524	11,014	2,874		9,468	607	12,768	
Equipment-Pool & Spa										
1031 Pool Filters (A) - Replace									4,426	
1036 Pool Filters (B) - Replace						3,967				
1035 Pool Heater - Replace					18,151					
1038 Pool/Spa Pumps & Motors - Repair/Replace			3,707				4,172			

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

ID Description	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
<i>Equipment-Pool & Spa continued...</i>										
1041 Spa Filters - Replace						5,193				
1040 Spa Heater (A) - Replace							6,772			
1042 Spa Heater (B) - Replace					6,383					
Equipment-Pool & Spa Total:			3,707		24,534	9,160	10,944		4,426	
Fencing/Security										
1024 Metal Fence - Repairs	7,392					8,569				
1001 Security System - Refurbish/Replace	15,455						18,454			
Fencing/Security Total:	22,847					8,569	18,454			
Fire Protection System										
1002 Backflow Preventers - Replace									11,619	
1064 Check Valves & Fire Connections - Replace										1,710
1004 Fire Protection Components - Replace										
1005 Sprinkler Heads - Test	<i>Unfunded</i>									
Fire Protection System Total:									11,619	1,710
Flooring										
1048 Flooring Carpet Hallways - Replace		47,341								
1047 Flooring Carpet Lobby - Replace		6,910								
Flooring Total:		54,251								
Furnishings-Interior										
1051 Lobby Furnishings - Replace										
1006 Roll Down Shades - Replace										
Furnishings-Interior Total:										
Furnishings-Pool & Patio										
1028 Patio Furnishings - Replace			17,109							
1033 Patio Grills - Replace					3,328					
1037 Pool Furnishings - Replace				29,371						
1062 Pool Furnishings - Restrap									11,406	
Furnishings-Pool & Patio Total:			17,109	29,371	3,328				11,406	

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

ID Description	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Grounds Components										
1027 Fountain - Refurbish/Replacement Parts				14,685						
1057 Guard Shack - Refurbish	<i>Unfunded</i>									
Grounds Components Total:				14,685						
HVAC										
1012 HVAC Elevators - Replace										
1010 HVAC Hallways - Replace										
1011 HVAC Lobby - Replace										29,108
HVAC Total:										29,108
Lighting										
1025 Bollard Lights - Replace										
1026 Light Fixtures - Replace										
Lighting Total:										
Painting										
1018 Carport Structure - Paint		34,606								
1063 Interior Lobby Ceiling - Paint										9,118
1019 Metal Components- Paint	87,355									
1021 Stucco Trim - Paint						50,727				
1020 Stucco Walls - Paint	16,087									
Painting Total:	103,441	34,606				50,727				9,118
Recreation/Pool										
1029 Patio Deck - Recoat			5,454							
1030 Patio Deck - Resurface										19,289
1039 Pool - Resurface										
1044 Pool Deck - Recoat				17,990						
1045 Pool Deck - Resurface										
1043 Spa - Resurface										
Recreation/Pool Total:			5,454	17,990						19,289
Roofing										
1017 Carport Roofs - Replace	<i>Unfunded</i>									
1016 Roofs - Repair/Replace							324,953			
Roofing Total:							324,953			

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

ID Description	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Streets/Asphalt										
1015 Asphalt - Crack Seal & Seal Coat				44,773					51,904	
1013 Asphalt - Remove & Replace	811,893									
1014 Asphalt - Slurry Seal	127,672								161,731	
Streets/Asphalt Total:	939,566			44,773					213,635	
Tree Trimming										
1049 Flooring Carpet Outdoor - Replace				127,762						
Tree Trimming Total:				127,762						
Year Total:	1,073,782	88,857	26,794	245,595	209,221	93,384	363,819	607	253,855	59,225

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

ID	Description	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	
Building Components												
1065	Black Pipe - Repair/Replace	Unfunded										
1052	Restrooms - Remodel											
Building Components Total:												
Doors & Windows												
1007	ADA Door Openers - Replace									23,566		
1009	Doors & Windows - Replace							502,507				
Doors & Windows Total:								502,507	23,566			
Elevators												
1054	Elevator (1) - Modernization											
1066	Elevator (2) - Modernization											
1067	Elevator (3) - Modernization											
1068	Elevator (4) - Modernization											
1055	Elevator - Cab Refurbish											
Elevators Total:												
Equipment-Electrical												
1059	Electric Panels - Replace											
Equipment-Electrical Total:												
Equipment-Grounds												
1056	Gate Operator - Replace	7,224										
1061	Irrigation Controllers - Replace			704						816		
1058	Keypad - Replace	2,709										
1003	Pressure Regulator - Replace				11,305					13,499		
1046	Vacuum - Replace							4,098				
1053	Vehicles & Mower - Replace				14,802					17,159		
Equipment-Grounds Total:		9,934			12,009	14,802	4,098		816	30,658		
Equipment-Pool & Spa												
1031	Pool Filters (A) - Replace											
1036	Pool Filters (B) - Replace											
1035	Pool Heater - Replace				22,993							
1038	Pool/Spa Pumps & Motors - Repair/Replace	4,696				5,285	5,949					

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

ID Description	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
<i>Equipment-Pool & Spa continued...</i>										
1041 Spa Filters - Replace		6,201						7,404		
1040 Spa Heater (A) - Replace					8,578					
1042 Spa Heater (B) - Replace			8,086							
Equipment-Pool & Spa Total:	4,696	6,201	31,079		13,864			7,404	5,949	
Fencing/Security										
1024 Metal Fence - Repairs	9,934					11,516				
1001 Security System - Refurbish/Replace			22,035						26,311	
Fencing/Security Total:	9,934		22,035			11,516			26,311	
Fire Protection System										
1002 Backflow Preventers - Replace										
1064 Check Valves & Fire Connections - Replace										
1004 Fire Protection Components - Replace			82,392							
1005 Sprinkler Heads - Test	<i>Unfunded</i>									
Fire Protection System Total:			82,392							
Flooring										
1048 Flooring Carpet Hallways - Replace				67,497						
1047 Flooring Carpet Lobby - Replace				9,852						
Flooring Total:				77,349						
Furnishings-Interior										
1051 Lobby Furnishings - Replace			71,290							
1006 Roll Down Shades - Replace						41,876				
Furnishings-Interior Total:			71,290			41,876				
Furnishings-Pool & Patio										
1028 Patio Furnishings - Replace			22,993							
1033 Patio Grills - Replace			4,215							
1037 Pool Furnishings - Replace				39,472						
1062 Pool Furnishings - Restrap									15,329	
Furnishings-Pool & Patio Total:			27,209	39,472					15,329	

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
ID Description										
Grounds Components										
1027 Fountain - Refurbish/Replacement Parts	18,061							22,213		
1057 Guard Shack - Refurbish	<i>Unfunded</i>									
Grounds Components Total:	18,061							22,213		
HVAC										
1012 HVAC Elevators - Replace	14,449									
1010 HVAC Hallways - Replace	19,867									
1011 HVAC Lobby - Replace										
HVAC Total:	34,316									
Lighting										
1025 Bollard Lights - Replace										
1026 Light Fixtures - Replace							18,439			
Lighting Total:							18,439			
Painting										
1018 Carport Structure - Paint		46,507								
1063 Interior Lobby Ceiling - Paint									12,254	
1019 Metal Components- Paint	117,397									
1021 Stucco Trim - Paint						68,173				
1020 Stucco Walls - Paint	21,619									
Painting Total:	139,016	46,507				68,173				12,254
Recreation/Pool										
1029 Patio Deck - Recoat							8,249			
1030 Patio Deck - Resurface										
1039 Pool - Resurface									60,523	
1044 Pool Deck - Recoat	22,125									
1045 Pool Deck - Resurface								46,647		
1043 Spa - Resurface										21,209
Recreation/Pool Total:	22,125						8,249	46,647		81,733
Roofing										
1017 Carport Roofs - Replace	<i>Unfunded</i>									
1016 Roofs - Repair/Replace										
Roofing Total:										

QUEENS BAY HOMEOWNERS ASSOCIATION
Spread Sheet

ID Description	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Streets/Asphalt										
1015 Asphalt - Crack Seal & Seal Coat				60,171					69,754	
1013 Asphalt - Remove & Replace										
1014 Asphalt - Slurry Seal							204,876			
Streets/Asphalt Total:				60,171			204,876		69,754	
Tree Trimming										
1049 Flooring Carpet Outdoor - Replace						182,159				
Tree Trimming Total:						182,159				
Year Total:	238,082	52,708	246,015	191,793	13,864	806,230	235,662	77,081	148,001	117,552

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Part One

Important Information

The client shall have the right to reproduce and distribute copies of this report, or the information contained within, as may be required for compliance with all applicable regulations.

This reserve analysis study and the parameters under which it has been completed are based upon information provided to us in part by representatives of the association, its contractors and vendors and our own experience with local costs. We also may rely on various construction pricing and scheduling manuals including, but not limited to: Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, RS Means Repair & Remodeling Cost Data, National Construction Estimator, National Repair & Remodel Estimator, Dodge Cost Manual and McGraw-Hill Professional, if needed.

It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and that each estimated useful life will approximate that of the norm per industry standards and/or manufacturer's specifications. In some cases, estimates may have been used on assets, which have an indeterminable but potential liability to the association. The decision for the inclusion of these as well as all assets considered is left to the client.

This reserve analysis study is a reflection of information provided to or assembled by the consultant for the association's use, not for the purpose of performing an audit, quality/forensic analyses or background checks of historical records. Information provided by the official representative of the association regarding financial, physical, quantity, or historical issues is deemed reliable by the consultant.

We recommend that your reserve analysis study be updated on an annual basis due to fluctuating interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and computations made subsequently in preparing this reserve analysis study are retained in our computer files. Therefore, annual updates may be completed quickly and inexpensively each year.

FDReserve Studies would like to thank you for using our services. We invite you to call us at any time, should you have questions, comments or need assistance. In addition, any of the parameters and estimates used in this study may be changed at your request, after which we will provide a revised study.

This reserve analysis is prepared under the supervision of William A. Schlimgen PE, a registered professional engineer in Arizona with more than 10 years of experience in preparation of reserve studies and more than 40 years of engineering management, design, inspection and construction management experience.

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Part I

Document

This reserve analysis study is provided as an aid for planning purposes and not as an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described.

Preparing the annual budget and overseeing the association's finances are perhaps the most important responsibilities of board members. The annual operating and reserve budgets reflect the planning and goals of the association and set the level and quality of service for all of the association's activities.

Funding Options

When a major repair or replacement is required in a community, an association has essentially four options available to address the expenditure:

The first, and only logical means that the Board of Directors has to ensure its ability to maintain the assets for which it is obligated, is by **assessing an adequate level of reserves** as part of the regular membership assessment, thereby distributing the cost of the replacements uniformly over the entire membership. The community is not only comprised of present members, but also future members. Any decision by the Board of Directors to adopt a calculation method or funding plan which would disproportionately burden future members in order to make up for past reserve deficits, would be a breach of its fiduciary responsibility to those future members. Unlike individuals determining their own course of action, the board is responsible to the "community" as a whole.

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

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

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

The fourth option is to pass a "**special assessment**" to the membership in an amount required to cover the expenditure. When a special assessment is passed, the association has the authority and responsibility to collect the assessments, even by means of foreclosure, if necessary. However, an

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association considering a special assessment cannot guarantee that an assessment, when needed, will be passed. Consequently, the association cannot guarantee its ability to perform the required repairs or replacements to those major components for which it is obligated when the need arises. Additionally, while relatively new communities require very little in the way of major “reserve” expenditures, associations reaching 12 to 15 years of age and older, find many components reaching the end of their effective useful lives. These required expenditures, all accruing at the same time, could be devastating to an association’s overall budget.

Types of Reserve Studies

Most reserve studies fit into one of three categories:

Full Reserve Study;

Update with site inspection; and

Update without site inspection.

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

In an **Update with site inspection**, the reserve provider conducts a component inventory (verification only, not quantification unless new components have been added to the inventory), a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both the “fund status and “funding plan.”

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

The Reserve Study: A Physical and a Financial Analysis

There are two components of a reserve study: a physical analysis and a financial analysis.

Physical Analysis

During the physical analysis, a reserve study provider evaluates information regarding the physical status and repair/replacement cost of the association’s major common area components. To do so, the provider conducts a component inventory, a condition assessment, and life and valuation estimates.

Developing a Component List

The budget process begins with full inventory of all the major components for which the association is responsible. The determination of whether an expense should be labeled as operational, reserve, or excluded altogether is sometimes subjective. Since this labeling may have a major impact on the financial plans of the association, subjective determinations should be minimized. We suggest the following considerations when labeling an expense.

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Operational Expenses

Occur at least annually, no matter how large the expense, and can be budgeted for effectively each year. They are characterized as being reasonably predictable, both in terms of frequency and cost. Operational expenses include all minor expenses, which would not otherwise adversely affect an operational budget from one year to the next.

Reserve Expenses

These are major expenses that occur other than annually, and which must be budgeted for in advance in order to ensure the availability of the necessary funds in time for their use. Reserve expenses are reasonably predictable both in terms of frequency and cost. However, they may include significant assets that have an indeterminable but potential liability that may be demonstrated as a likely occurrence. They are expenses that, when incurred, would have a significant effect on the smooth operation of the budgetary process from one year to the next, if they were not reserved for in advance.

Budgeting is Normally Excluded

For expenses that are necessitated by acts of nature, accidents or other occurrences that are more properly insured for, rather than reserved for.

Financial Analysis

The financial analysis assesses the association's reserve balance or "fund status" (measured in cash or as percent fully funded) to determine a recommendation for the appropriate reserve contribution rate in the future, known as the "funding plan".

Preparing the Reserve Study

Once the reserve assets have been identified and quantified, their respective replacement costs, useful lives and remaining lives must be assigned so that a funding schedule can be constructed. Replacement costs and useful lives can be found in published manuals such as construction estimators, appraisal handbooks, and valuation guides. Remaining lives are calculated from the useful lives and ages of assets and adjusted according to conditions such as design, manufactured quality, usage, exposure to the elements and maintenance history.

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

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Funding Methods

From the simplest to the most complex, reserve analysis providers use many different computational processes to calculate reserve requirements. However, there are two basic processes identified as industry standards: the cash flow method and the component method.

The cash flow method develops a reserve-funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the actual anticipated schedule of reserve expenses until the desired funding goal is achieved. This method sets up a “window” in which all future anticipated replacement costs are computed, based upon the individual lives of the components under consideration. The Threshold and the Current Assessment funding models are based upon the cash flow method.

The component method develops a reserve-funding plan where the total contribution is based upon the sum of contributions for individual components. The component method is the more conservative of the two funding options, and assures that the association will achieve and maintain an ideal level of reserve over time. This method also allows for computations on individual components in the analysis. The Component Funding model is based upon the component methodology.

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Funding Strategies

Once an association has established its funding goals, the association can select an appropriate funding plan. There are four basic strategies from which most associations select. It is recommended that associations consult professionals to determine the best strategy or combination of plans that best suit the association's need. Additionally, associations should consult with their financial advisor to determine the tax implications of selecting a particular plan. Further, consultation with the American Institute of Certified Public Accountants (AICPA) for their reporting requirements is advisable. The four funding plans and descriptions of each are detailed below. Associations will have to update their reserve studies more or less frequently depending on the funding strategy they select.

Full Funding---Given that the basis of funding for reserves is to distribute the costs of the replacements over the lives of the components in question, it follows that the ideal level of reserves would be proportionately related to those lives and costs. If an association has a component with an expected estimated useful life of ten years, it would set aside approximately one-tenth of the replacement cost each year. At the end of three years, one would expect three-tenths of the replacement cost to have accumulated, and if so, that component would be "fully-funded." This model is important in that it is a measure of the adequacy of an association's reserves at any one point of time, and is independent of any particular method which may have been used for past funding or may be under consideration for future funding. This formula represents a snapshot in time and is based upon current replacement cost, independent of future inflationary or investment factors:

Fully Funded Reserves = **Age** divided by **Useful Life** the results multiplied by **Current Replacement Cost**

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

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

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

The Current Assessment Funding Model. This method is also based upon the cash flow funding concept. The initial reserve assessment is set at the association's current fiscal year funding level and a 30-year projection is calculated to illustrate the adequacy of the current funding over time.

The Component Funding Model. This is a straight-line funding model. It distributes the cash reserves to individual reserve components and then calculates what the reserve assessment and interest contribution (minus taxes) should be, again by each reserve component. The current annual assessment is then determined by summing all the individual component assessments, hence the name "Component Funding Model". This is the most conservative funding model. It leads to or maintains the fully funded reserve position. The following details this calculation process.

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Component Funding Model Distribution of Accumulated Reserves

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

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

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

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

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

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

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

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

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

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immediately.

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

Funding Reserves

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

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

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Users' Guide to your Reserve Analysis Study

Part II of your report contains the reserve analysis study for your association. There are seven types of reports in the study as described below.

Report Summaries

The Report Summary for all funding models lists all of the parameters that were used in calculating the report

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

Detail Reports

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

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

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

Projections

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

Definitions

Report I.D.

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

Budget Year Beginning/Ending

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

Number of Units and/or Phases

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

Inflation

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

Annual Assessment Increase

This represents the percentage rate at which the association will increase its assessment to reserves at the end of each year. For example, in order to accumulate \$10,000 in 10 years, you could set aside \$1,000

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per year. As an alternative, you could set aside \$795 the first year and increase that amount by 5% each year until the year of replacement. In either case you arrive at the same amount. The idea is that you start setting aside a lower amount and increase that number each year in accordance with the planned percentage. Ideally this figure should be equal to the rate of inflation. It can, however, be used to aide those associations that have not set aside appropriate reserves in the past, by making the initial year's allocation less formidable.

Investment Yield Before Taxes

The average interest rate anticipated by the association based upon its current investment practices.

Taxes on Interest Yield

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

Projected Reserve Balance

The anticipated reserve balance on the first day of the fiscal year for which this report has been prepared. This is based upon information provided and not audited.

Percent Fully Funded

The ratio, at the beginning of the fiscal year, of the actual (or projected) reserve balance to the calculated fully funded balance, expressed as a percentage.

Phase Increment Detail and/or Age

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

Monthly Assessment

The assessment to reserves required by the association each month.

Interest Contribution (After Taxes)

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

Total Monthly Allocation

The sum of the monthly assessment and interest contribution figures.

Group and Category

The report may be prepared and sorted either by group (location, building, phase, etc.) or by category (roofing, painting, etc.). The standard report printing format is by category.

Percentage of Replacement or Repairs

In some cases, an asset may not be replaced in its entirety or the cost may be shared with a second party. Examples are budgeting for a percentage of replacement of streets over a period of time, or sharing the expense to replace a common wall with a neighboring party.

Placed-In-Service Date

The month and year that the asset was placed-in-service. This may be the construction date, the first escrow closure date in a given phase, or the date of the last servicing or replacement.

Estimated Useful Life

The estimated useful life of an asset based upon industry standards, manufacturer specifications, visual inspection, location, usage, association standards and prior history. All of these factors are taken into

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consideration when tailoring the estimated useful life to the particular asset. For example, the carpeting in a hallway or elevator (a heavy traffic area) will not have the same life as the identical carpeting in a seldom-used meeting room or office.

Adjustment to Useful Life

Once the useful life is determined, it may be adjusted, up or down, by this separate figure for the current cycle of replacement. This will allow for a current period adjustment without affecting the estimated replacement cycles for future replacements.

Estimated Remaining Life

This calculation is completed internally based upon the report's fiscal year date and the date the asset was placed-in-service.

Replacement Year

The year that the asset is scheduled to be replaced. The appropriate funds will be available by the first day of the fiscal year for which replacement is anticipated.

Annual Fixed Reserves

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

Fixed Assessment

An optional figure which, if used, will override all calculations and set the assessment at this amount. This assessment can be set for monthly, quarterly or annually as necessary.

Salvage Value

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

One-Time Replacement

Notation if the asset is to be replaced on a one-time basis.

Current Replacement Cost

The estimated replacement cost effective at the beginning of the fiscal year for which the report is being prepared

Future Replacement Cost

The estimated cost to repair or replace the asset at the end of its estimated useful life based upon the current replacement cost and inflation.

Component Inventory

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

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A Multi-Purpose Tool

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

In addition, your reserve study serves a variety of useful purposes:

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