Reserve Analysis Report

Mount Baldy Homewners Association

Mount Baldy, California

Version 2

Tuesday, March 29, 2022

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Mount Baldy Homewners Association

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Preface

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

♦ ♦ ♦ ♦ INTRODUCTION TO RESERVE BUDGETING ♦ ♦ ♦ ♦

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

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

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

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

♦ ♦ ♦ ♦ UNDERSTANDING THE RESERVE ANALYSIS ♦ ♦ ♦ ♦

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

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

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

Percent Funded
Measure of the reserve fund "health" (expressed as a percentage) as of the beginning of the fiscal year for which the

reserve analysis was prepared. This figure is the ratio of the actual reserve fund on hand to the fully funded balance. A reserve fund that is "100% funded" means the association has accumulated the proportionately correct amount of money, to date, for the reserve components it maintains.

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

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

♦ ♦ ♦ ♦ RESERVE FUNDING GOALS / OBJECTIVES ♦ ♦ ♦ ♦

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

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

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

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

Statutory Funding
Describes the pursuit of an objective as described or required by local laws or codes. The component calculation method or cash flow calculation method is typically used to develop a statutory funding plan.

♦ ♦ ♦ ♦ RESERVE FUNDING CALCULATION METHODS ♦ ♦ ♦ ♦

There are two funding methods which can be used to develop a reserve funding plan based on a reserve funding goal/objective: Component Calculation Method and Cash Flow Calculation Method. These calculation methods are described as follows:

Component Calculation Method
This calculation method develops a funding plan for each individual reserve component. The sum of the funding plan for each component equals the total funding plan for the association. This method is often referred to as the "straight line"

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method and is widely believed to be the most conservative reserve funding method. This method structures a funding plan that enables the association to pay all reserve expenditures as they come due, enables the association to achieve the ideal level of reserves in time, and then enables the association to maintain the ideal level of reserves through time. The following is a detailed description of the component calculation method:

Step 1: Calculation of fully funded balance for each component

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

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

Step 2: Distribution of current reserve funds

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

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

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

Pass 3: If all components are assigned their current cost and additional funds exist, they are assigned in a "third pass." Components with a remaining life of zero years are assigned double their current cost.

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

Step 3: Developing a funding plan

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

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

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

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

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

This parameter is used to develop a funding plan only; it does not mean that the reserve contributions must be raised each year. There are far more significant factors that will contribute to a total reserve contribution increase or decrease from year to year than this parameter.

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

The component calculation method is typically used for well-funded associations (greater that 65% funded) with a goal/ objective of full funding.

Cash Flow Calculation Method

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

This calculation method tests reserve contributions against reserve expenditures through time to determine the minimum contribution necessary (baseline funding) or some other defined goal/objective (full funding, threshold funding or statutory funding).

Unlike the component calculation method, this calculation method cannot precisely calculate the reserve funding for any single component (or group of components). In order to work-around this issue to provide this bookkeeping information, a formula has been applied to component method results to calculate a reasonable breakdown. This information is displayed on the Management / Accounting Summary and Charts as well as elsewhere within the report.

The cash flow calculation method is typically used for under-funded associations (less than 65% funded) with a goal/ objective of full funding, threshold funding, baseline funding or statutory funding.

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♦ ♦ ♦ ♦ READING THE RESERVE ANALYSIS ♦ ♦ ♦ ♦

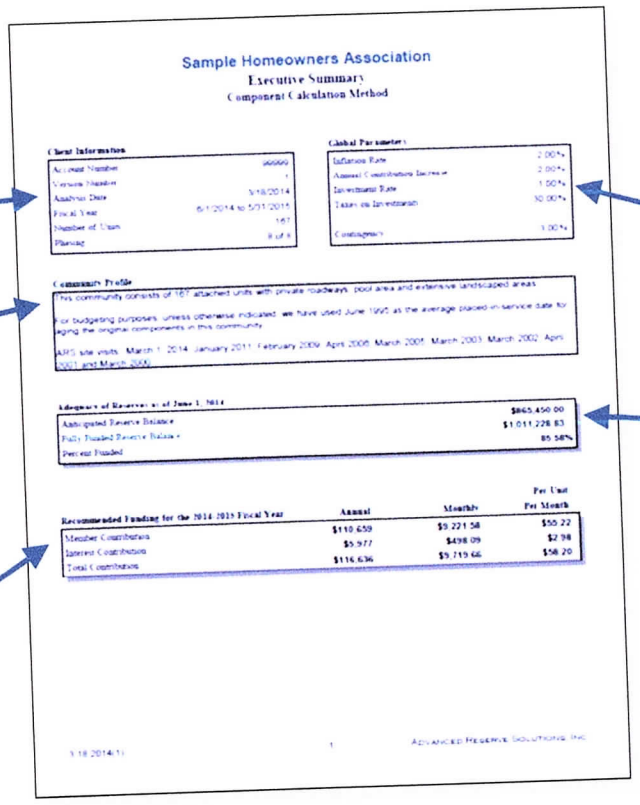
In some cases, the reserve analysis may be a lengthy document of one hundred pages or more. A complete and thorough review of the reserve analysis is always a good idea. However, if time is limited, it is suggested that a thorough review of the summary pages be made. If a "red flag" is raised in this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

Executive Summary

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

Client Information
Provides various client information including fiscal year for which the reserve analysis was prepared, number of units, phasing, etc.

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



Community Profile
Provides brief description of the community, as well as other "global" type comments.

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

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

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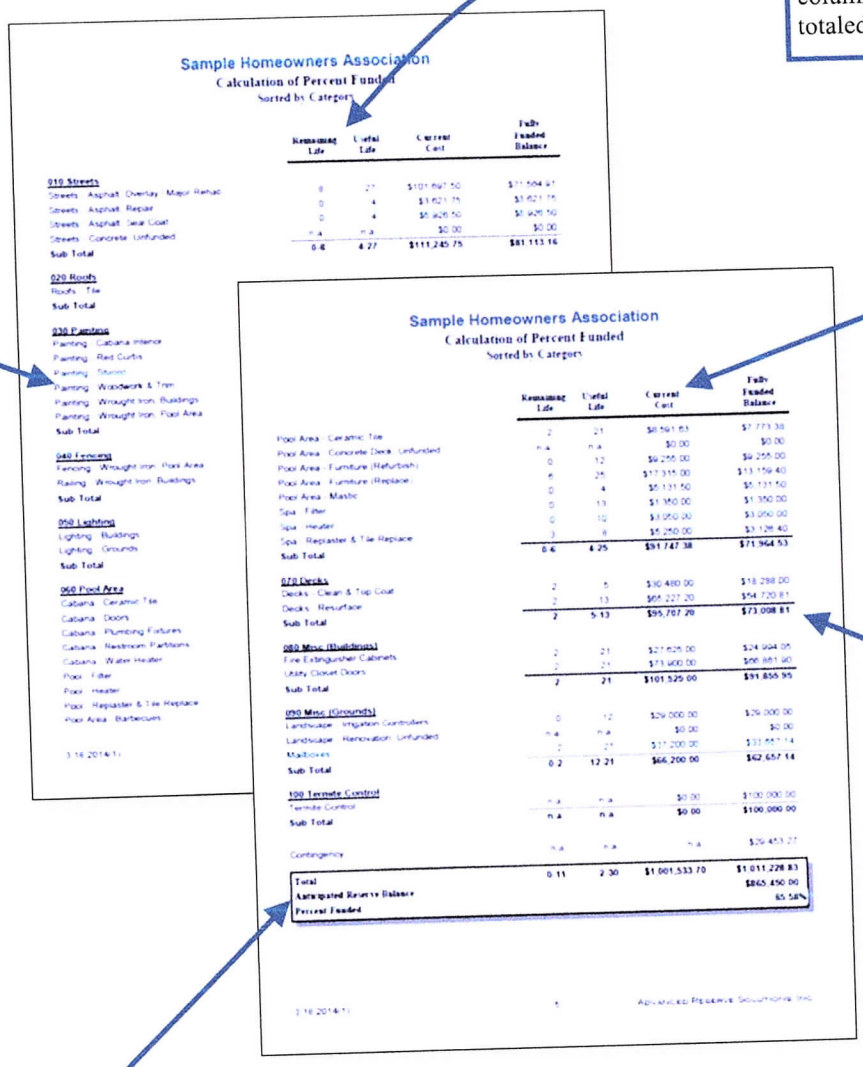
Calculation of Percent Funded

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

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

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



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

Fully Funded Balance
Displays the fully funded balance for each component. This column is conveniently sub totaled.

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

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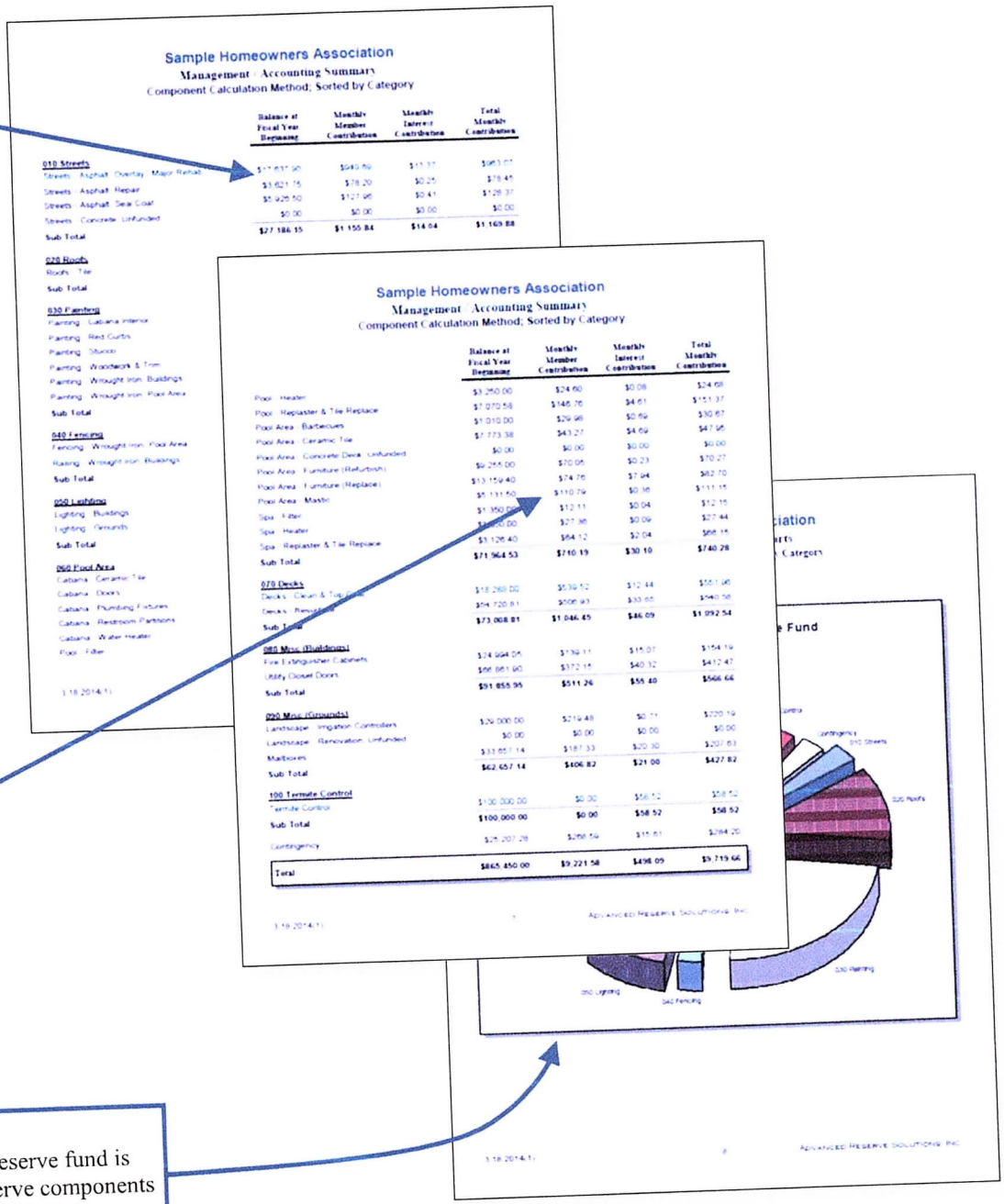
Management / Accounting Summary and Charts

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

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



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

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

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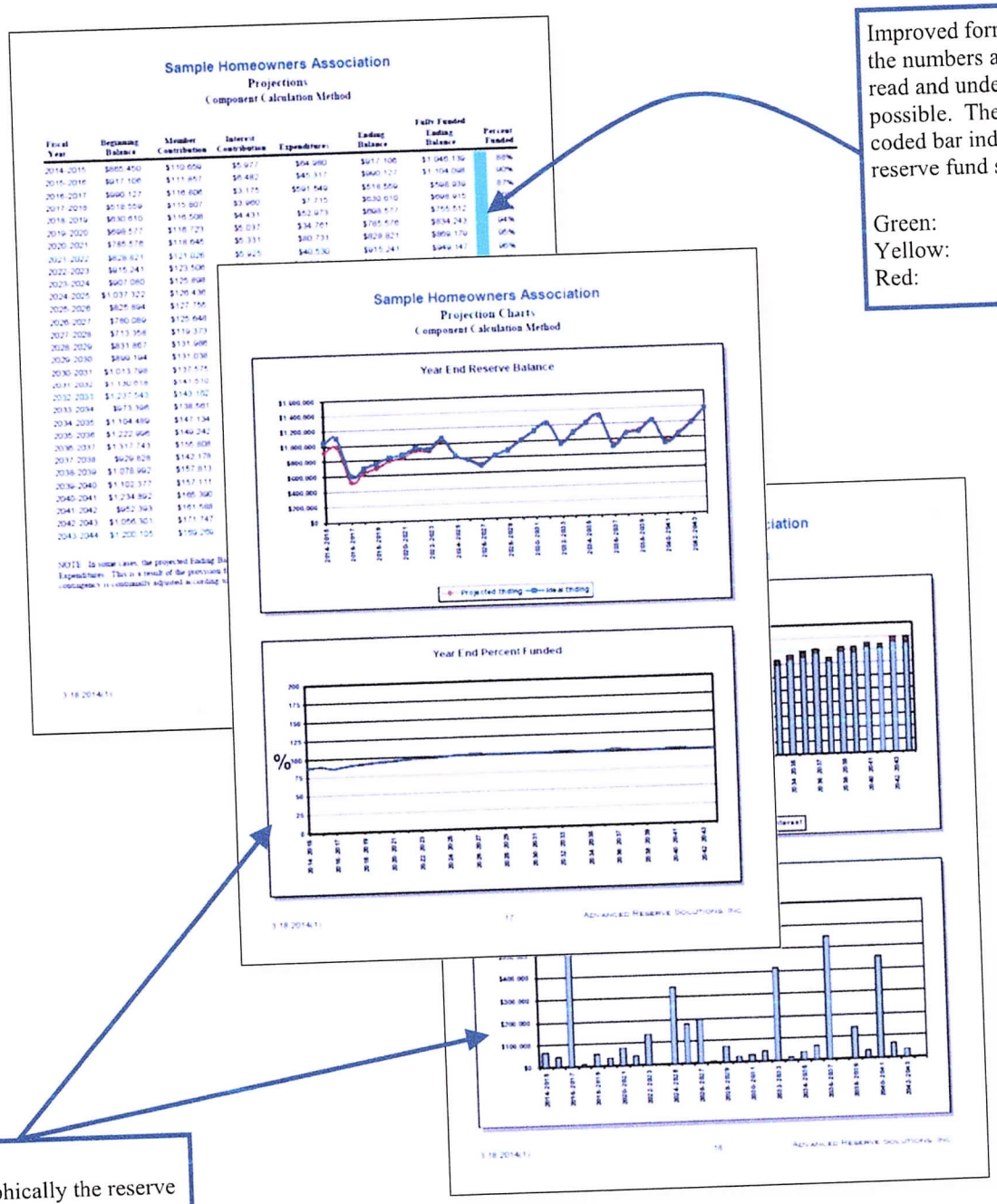
Projections and Charts

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



Improved format makes the numbers as easy to read and understand as possible. The color-coded bar indicates the reserve fund status:

Green:	Good
Yellow:	Fair
Red:	Poor

Charts
Show graphically the reserve funding plan through time.

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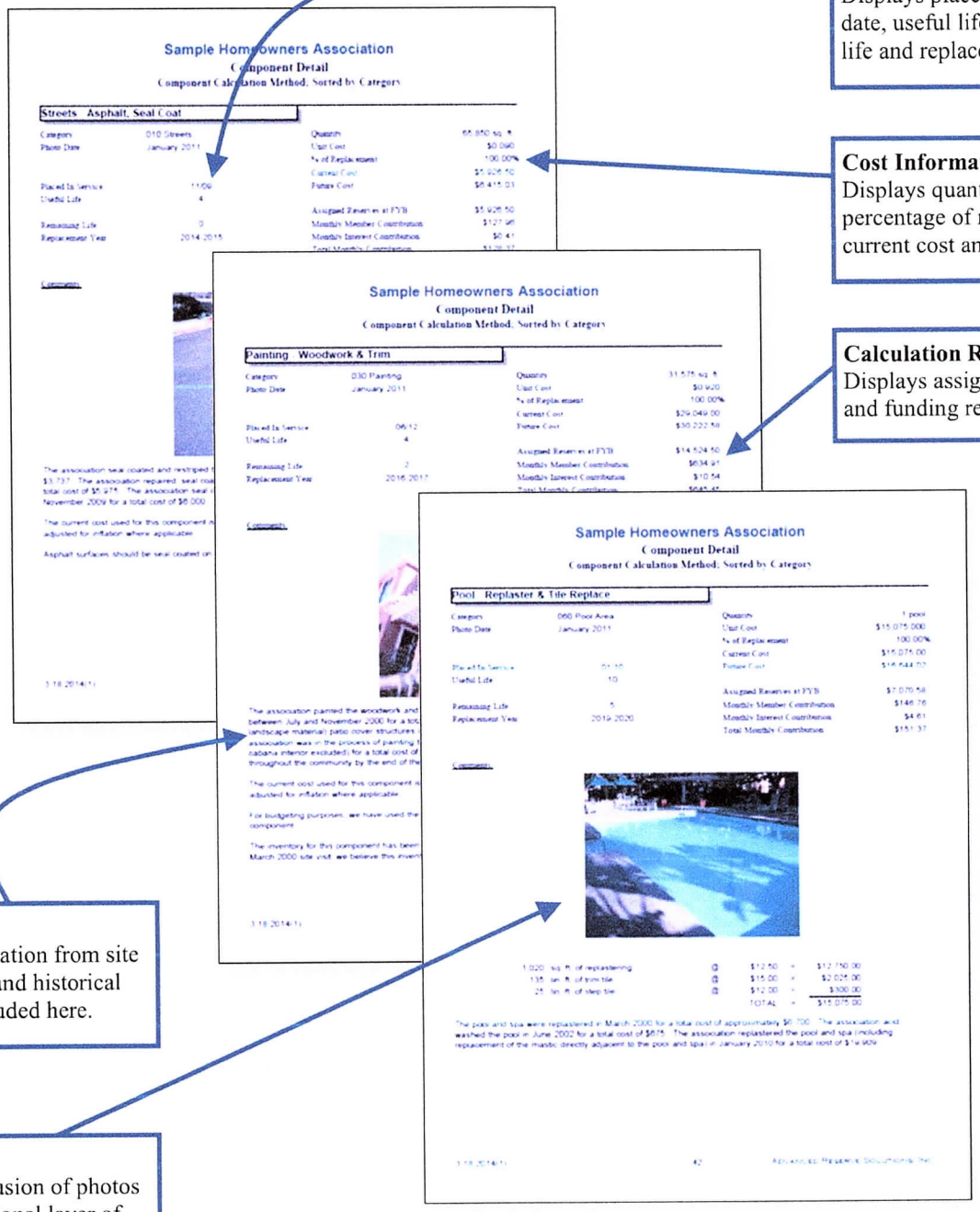
Component Detail

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



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

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

Calculation Results
Displays assigned reserves and funding requirements.

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

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

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♦ ♦ ♦ ♦ GLOSSARY OF KEY TERMS ♦ ♦ ♦ ♦

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

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

This parameter is used to develop a funding plan only; it does not mean that the reserve contributions must be raised each year. There are far more significant factors that will contribute to a total reserve contribution increase or decrease from year to year than this parameter. See the description of "reserve funding calculation methods" in this preface for more detail on this parameter.

Anticipated Reserve Balance (or Reserve Funds)
The amount of money, as of a certain point in time, held by the association to be used for the repair or replacement of reserve components. This figure is "anticipated" because it is calculated based on the most current financial information available as of the analysis date, which is almost always prior to the fiscal year beginning date for which the reserve analysis is prepared.

Assigned Funds (and "Fixed" Assigned Funds)
The amount of money, as of the fiscal year beginning date for which the reserve analysis is prepared, that a reserve component has been assigned.

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

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

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

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

Current Replacement Cost
The amount of money, as of the fiscal year beginning date for which the reserve analysis is prepared, that a reserve component is expected to cost to replace.

Fiscal Year
Indicates the budget year for the association for which the reserve analysis was prepared. The fiscal year beginning (FYB) is the first day of the budget year; the fiscal year end (FYE) is the last day of the budget year.

Fully Funded Reserve Balance (or Ideal Reserves)
The amount of money that should theoretically have accumulated in the reserve fund as of a certain point in time. Fully funded reserves are calculated for each reserve component based on the current replacement cost, age and useful life:

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

The fully funded reserve balance is the sum of the fully funded reserves for each reserve component.

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

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

Global Parameters
The financial parameters used to calculate the reserve analysis. See also "inflation parameter," "annual contribution increase parameter," "investment rate parameter" and "taxes on investments parameter."

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

Interest Contribution
The amount of money contributed to the reserve fund by the interest earned on the reserve fund and member contributions.

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

Membership Contribution
The amount of money contributed to the reserve fund by the association's membership.

Monthly Contribution (and "Fixed" Monthly Contribution)
The amount of money, for the fiscal year which the reserve analysis is prepared, that a reserve component will be funded.

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

Number of Units (or other assessment basis)
Indicates the number of units for which the reserve analysis was prepared. In "phased" developments (see phasing), this number represents the number of units, and corresponding common area components, that existed as of a certain point in time.

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

One-Time Replacement
Used for components that will be budgeted for only once.

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

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

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

Percentage of Replacement
The percentage of the reserve component that is expected to be replaced.

For most reserve components, this percentage should be 100%. In some cases, this percentage may be more or less than 100%. For example, fencing which is shared with a neighboring community may be set at 50%.

Phasing
Indicates the number of phases for which the reserve analysis was prepared and the total number of phases expected at build-out (i.e. Phase 4 of 7). In phased developments, the first number represents the number of phases, and corresponding common area components, that existed as of a certain point in time. The second number represents the number of phases that are expected to exist at build-out.

Placed-In-Service Date
The date (month and year) that the reserve component was originally put into service or last replaced.

Remaining Life
The length of time, in years, until a reserve component is scheduled to be replaced.

Remaining Life Adjustment
The length of time, in years, that a reserve component is expected to last in excess (or deficiency) of its useful life for the current cycle of replacement.

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

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

Replacement Year
The fiscal year that a reserve component is scheduled to be replaced.

Reserve Components
Line items included in the reserve analysis.

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

Total Contribution
The sum of the membership contribution and interest contribution.

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

♦ ♦ ♦ ♦ LIMITATIONS OF RESERVE ANALYSIS ♦ ♦ ♦ ♦

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

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

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

Mount Baldy Homewners Association

Executive Summary

Component Calculation Method

Client Information:

Account Number	40581
Version Number	2
Analysis Date	3/29/2022
Fiscal Year	6/1/2022 to 5/31/2023
Number of Units	108
Phasing	1 of 1

Global Parameters:

Inflation Rate	2.00 %
Annual Contribution Increase	2.00 %
Investment Rate	1.50 %
Taxes on Investments	30.00 %
Contingency	3.00 %

Community Profile:

This community was constructed between 1985 and 1986.

For budgeting purposes, unless otherwise indicated, we have used June, 1986 as the average placed-in-service date for aging the original components included in this analysis.

Level of service: Level 2 - update report with site visit.

Most recent ARS site visit: November, 2021.

Adequacy of Reserves as of June 1, 2022:

Anticipated Reserve Balance	**$107,242.23**
Fully Funded Reserve Balance	**$378,307.76**
Percent Funded	**28.35%**

Recommended Funding for the 2022-2023 Fiscal Year:	Annual	Monthly	Per Unit Per Month
Member Contribution	**$47,038**	**$3,919.87**	**$36.30**
Interest Contribution	**$512**	**$42.70**	**$0.40**
Total Contribution	**$47,551**	**$3,962.57**	**$36.69**

Mount Baldy Homewners Association

Membership Disclosure Summary

Sorted by Category

Major Reserve Components	Current Cost	Assigned Reserves	Remaining Life Range	Useful Life Range
010 Streets & Drives	$238,700	$40,700	0-10	5-27
030 Grounds	$8,000	$0	11	20
040 Landscape	$19,500	$19,500	0	1
060 Equipment	$3,600	$2,855	4	20
060 Water System	$267,000	$41,063	0-22	20-58
Contingency	n.a.	$3,124	n.a.	n.a.
Total	$536,800	$107,242	0-22	1-58

Mount Baldy Homewners Association

Preparer's Disclosure Statement

Your Consultant for this report is: Albert J. Portune, RS.

In February, 2000 he was awarded the Reserve Specialist (RS) designation from the Community Associations Institute (CAI). He was the thirty-fifth person in the United States to receive this professional designation.

The RS designation was developed by the Community Associations Institute (CAI) for professional reserve analysts who wish to confirm to their peers and/or clients that they have demonstrated a basic level of competency within the industry. The RS designation is awarded to reserve analysts who are dedicated to the highest standards of professionalism and reserve analysis preparation.

Consultant advises that:

1) Component inventories were developed by actual site visit inventory and representative sampling where accessibility of components is possible and reasonable. These inventories include the normal and customary reserve components that require funding as of the date of this report. Some components may be added or deleted over time as part of the revisions or update process based on the decisions of the Client and/or the Consultant. It is the responsibility of the Client to review the report to determine if the inventory of reserve components is complete and suitable for the reserve funding requirements of the Client. Advanced Reserve Solutions, Inc. (ARS) assumes no responsibility for the completeness of the reserve component inventory as it relates to the Client's reserve funding requirements. If no revisions are requested within 90 days of issuance of this report, it will be considered approved by the Board of Directors and suitable for the reserve funding requirements of the Client.

Component conditional assessments were developed by actual site visit observations (where possible, uninhibited and practical) and representative sampling. Actual site visit inventories, observations and report preparation may be completed by ARS Consultants other than Consultant shown on the proposal letter. No invasive or destructive investigation is performed to determine condition.

2) Consultant is not obligated to perform any in-depth inspection or investigation to determine hidden defects or problems that may exist beyond the scope of this report. If it is the opinion of the Client that problems of this nature exist in any component, it is the obligation and duty of the Client to secure the services of an expert in that field to determine the extent of any deficiency that may exist.

3) Consultant relies on the Client, managing agent, and other experts for gathering certain information not available or accessible to Consultant or where more readily acquired from another source.

4) Component costs are obtained from industry pricing publications such as the Craftsman National Construction Estimator, Marshall & Swift (or similar publication), from manufacturer pricing catalogs, from actual contractor quotations and from experiential data. No guarantees, implied or otherwise, are given regarding present costs, future costs or life expectancy predictions.

5) There are no material issues known to Consultant at this time that would cause a distortion of the Client's current condition or status. In some cases, the reserve funding shown in our report may be based on the Client's decision as to funding and not the recommended funding of Advanced Reserve Solutions, Inc. When this occurs, the reserve funding shown in the Executive Summary shall be noted as "Client Selected Funding" and may result in a significant shortfall or excess accumulation of reserve funds at a future date. In any such case, Client Selected Funding is solely the decision of the Client and in no way represents the recommendations of Advanced Reserve Solutions, Inc.

6) Information provided by the official representatives of the Client or managing agent regarding financial, physical, quantity, or historical issues will be deemed reliable by the Consultant. The reserve analysis will be a reflection of information provided to the Consultant and assembled for the Client's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records. Information provided about reserve components will be considered reliable. Any site visit or field inspection should not be considered a project audit or quality inspection.

7) Level of service: Level 2 - update report with site visit.

This site visit specifically includes a personal site visit, review and evaluation of all components included in this analysis. Consultant may rely on information provided by vendors and/or maintenance contractors for components located in inaccessible areas.

Some information included in this report was obtained from a previous reserve analysis prepared by another firm and/or information provided by the Client. Advanced Reserve Solutions, Inc. assumes no responsibility for the accuracy of this information.

This level of service meets the requirements and is in compliance with the National Reserve Study Standards as defined by the Community Associations Institute.

Most recent ARS site visit: November, 2021.

8) Financial assumptions used in this analysis are listed on the Executive Summary and further explained in the Preface of this report. The actual or projected total reserve balance presented in the reserve analysis is based upon information provided and was not audited. This balance may include funds that have been borrowed in order to fund operating budget requirements.

9) Unfunded components: For the purposes of this report, the listed unfunded components are those components that generally have a lifetime equal to or greater than the community itself. As a result, under normal and customary conditions, these components would not require replacement during the thirty (30) year cycle of this report. Some components may also be listed as unfunded because they are normally funded as part of the annual operating budget or are maintained by others.

It is the responsibility of the Board of Directors to determine whether funding for repairs and/or replacement of these components should be included in this report. It is also the responsibility of the Board of Directors to determine what information (if any) regarding unfunded components should be included in item (5) of the California Assessment and Reserve Funding Disclosure Summary.

Exterior Elevated Elements: Beginning January 1, 2020 California Civil Code 5551 requires condominium associations with three or more units to perform an inspection of certain "exterior elevated elements." Generally, this will include any load bearing components that extend beyond the exterior walls of the building. Primarily this includes balconies, decks, stairways, walkways and railings that are supported by wood or wood-based products and are more than six feet above the ground.

It is the responsibility of the Board of Directors to determine if any exterior elevated elements that may exist require the inspection based on California Civil Code 5551. If the inspection is required, funding for this inspection should be included in our report.

Funding for this component is not included in our report unless specifically requested by the Board of Directors. At this time, the cost of this inspection and report is unknown.

10) California Assessment and Reserve Funding Disclosure Summary: This Disclosure must be distributed to the membership annually by the Board of Directors.

(A) The financial representations set forth in this summary are based on the best estimates of the Preparer and the Board of Directors at that time. The estimates are subject to change. (B) For the purposes of understanding this Disclosure Summary: (1) "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement. (2) "Major component" has the meaning used in California Civil Code Section 5530. (3) The amount of reserves needed to be accumulated for a component at a given time has been computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the

useful life of the component. This should not be construed to require the Board of Directors to fund reserves in accordance with this calculation. (4) Based on the current reserve analysis or the occurrence of one or more unanticipated events, the Board of Directors could increase regular assessments and/or levy special assessments, consistent with the provisions of the CC&Rs and applicable law, to fund additional reserves as it deems necessary. For example, the information contained in this Disclosure Summary includes (i) estimates of replacement value and life expectancies of the components and (ii) assumptions regarding future events. Estimates are projections of a future event based on information currently available and are not necessarily indicative of the actual future outcome. The longer the time period between the estimate and the estimated event, the more likely the possibility of error and/or discrepancy. For example, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the preparation of this Disclosure Summary. Therefore, the actual replacement cost and remaining life may vary from this report and summary and the variation may be significant. Additionally, inflation and other economic events may impact this report and summary, particularly over an extended period of time (such as thirty (30) years) and those events could have a significant and negative impact on the accuracy of this Disclosure Summary and, further, the funds available to meet the association's obligation for repair and/or replacement of major components during their estimated useful life.

Furthermore, the occurrence of vandalism, severe weather conditions, earthquakes, floods, acts of nature or other unforeseen events cannot be predicted and/or accounted for and are excluded when assessing life expectancy, repair costs and/or replacement costs of the components.

11) Additional remarks: The reserve analysis reflects assumptions based on the most probable course of events as of the date published. This data is based on information supplied by the Client, managing agent, licensed contractors, published information available from trade sources, and industry standards and guidelines. All parties agree with those assumptions based upon the information presented.

The reserve analysis contains numerous assumptions regarding current and future costs, remaining component life, and future events, both planned and unplanned. The analysis relies to a great extent on published information and guidelines, on averages and assumptions not readily subject to materialize, and anticipated events and circumstances which may occur subject to the date of the analysis. Therefore, the actual replacement cost and/or remaining life may vary from that shown in the report. These variations may be material.

These agreed upon procedures are substantially less in scope than an examination, the objective of which is the expression of an opinion on the replacement funding program. Accordingly, our firm does not express such an opinion.

Responsibility for Maintenance: The Client is responsible to ensure that the community components are inspected on a regular schedule as recommended by manufacturers or installers, or as dictated by conditions. Responsible management dictates that a regular inspection be performed of the community property in order to determine changing conditions that may require maintenance or a change in the maintenance plan.

Some components such as roofing components and asphalt surfaces should be inspected on a regular schedule (at least annually) by a licensed professional. Written notes should be kept of all maintenance inspections.

Condition Statements: Where no condition statement is made, it should be assumed that the condition of the component is normal at the time of the site visit. This means that the component is either at the beginning of its life or is in a normal condition considering its estimated remaining life and shows no obvious or apparent signs of premature aging or deterioration.

No operational checks or intrusive inspections are performed on any component. No condition statements will be made on components that are aging normally according to conditions and expected life expectancies. Condition statements will only be made on components that appear to be lacking in maintenance and/or appear to be aging prematurely according to normal conditions and life expectancies.

Special Assessment components: Funding for some components may be included in our report as part of a Special

Assessment that may be levied at a future date. The date of any special assessment may be unknown as of the date of our most recent report.

At completion of any Special Assessment projects, reserve funding for future replacement and/or maintenance of these components may be required. It is the responsibility of the Board of Directors to determine the reserve funding requirements for these components upon completion of any replacements and/or maintenance that may occur.

Any future Special Assessment funding scenario is solely the decision of the Client and in no way represents the recommendations of Advanced Reserve Solutions, Inc.

Mount Baldy Homewners Association

Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
010 Streets & Drives				
Streets - Asphalt (Overlay)	10	27	$198,000.00	$124,666.67
Streets - Asphalt (Repairs)	0	5	$18,700.00	$18,700.00
Streets - Asphalt (Seal Coating)	0	5	$22,000.00	$22,000.00
Sub Total	**0-10**	**5-27**	**$238,700.00**	**$165,366.67**
030 Grounds				
Painting - Water Tanks	11	20	$8,000.00	$3,467.81
Sub Total	**11**	**20**	**$8,000.00**	**$3,467.81**
040 Landscape				
Landscape - Tree Trimming & Weed Abatment	0	1	$19,500.00	$19,500.00
Sub Total	**0**	**1**	**$19,500.00**	**$19,500.00**
060 Equipment				
Water System - Power Panels	4	20	$3,600.00	$2,855.17
Sub Total	**4**	**20**	**$3,600.00**	**$2,855.17**
060 Water System				
Water System - Water Storage Tank (1974)	10	58	$67,000.00	$55,431.65
Water System - Water Storage Tank (1994)	22	50	$180,000.00	$100,667.78
Water System - Water Wells (Domestic)	0	20	$20,000.00	$20,000.00
Sub Total	**0-22**	**20-58**	**$267,000.00**	**$176,099.43**
Contingency	n.a.	n.a.	n.a.	$11,018.67
Total	**0-22**	**1-58**	**$536,800.00**	**$378,307.76**
Anticipated Reserve Balance				**$107,242.23**
Percent Funded				**28.35%**

Mount Baldy Homewners Association

Distribution of Current Reserve Funds

Sorted by Remaining Life

	Remaining Life	Fully Funded Balance	Assigned Reserves
Landscape - Tree Trimming & Weed Abatment	0	$19,500.00	$19,500.00
Streets - Asphalt (Repairs)	0	$18,700.00	$18,700.00
Streets - Asphalt (Seal Coating)	0	$22,000.00	$22,000.00
Water System - Water Wells (Domestic)	0	$20,000.00	$20,000.00
Water System - Power Panels	4	$2,855.17	$2,855.17
Streets - Asphalt (Overlay)	10	$124,666.67	$0.00
Water System - Water Storage Tank (1974)	10	$55,431.65	$21,063.50
Painting - Water Tanks	11	$3,467.81	$0.00
Water System - Water Storage Tank (1994)	22	$100,667.78	$0.00
Contingency	n.a.	$11,018.67	$3,123.56
Total	**0-22**	**$378,307.76**	**$107,242.23**
Percent Funded			**28.35%**

Mount Baldy Homewners Association

Management / Accounting Summary

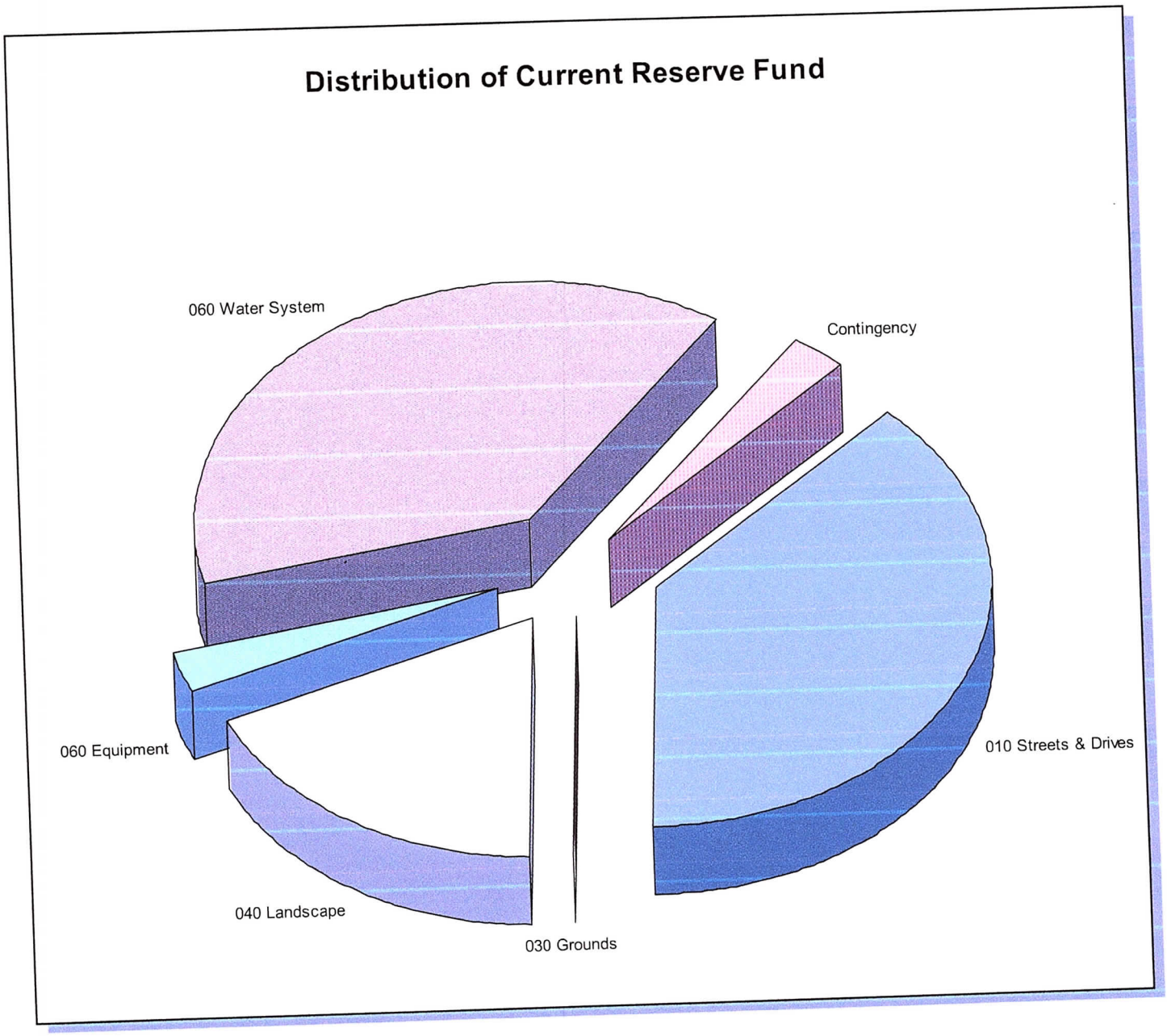
Component Calculation Method; Sorted by Category

	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
010 Streets & Drives				
Streets - Asphalt (Overlay)	$0.00	$1,745.93	$8.43	$1,754.36
Streets - Asphalt (Repairs)	$18,700.00	$322.29	$1.56	$323.84
Streets - Asphalt (Seal Coating)	$22,000.00	$379.16	$1.83	$380.99
Sub Total	**$40,700.00**	**$2,447.38**	**$11.81**	**$2,459.20**
030 Grounds				
Painting - Water Tanks	$0.00	$64.42	$0.31	$64.74
Sub Total	**$0.00**	**$64.42**	**$0.31**	**$64.74**
040 Landscape				
Landscape - Tree Trimming & Weed Abatment	$19,500.00	$0.00	$0.00	$0.00
Sub Total	**$19,500.00**	**$0.00**	**$0.00**	**$0.00**
060 Equipment				
Water System - Power Panels	$2,855.17	$18.21	$2.60	$20.81
Sub Total	**$2,855.17**	**$18.21**	**$2.60**	**$20.81**
060 Water System				
Water System - Water Storage Tank (1974)	$21,063.50	$421.57	$20.55	$442.12
Water System - Water Storage Tank (1994)	$0.00	$761.84	$3.68	$765.52
Water System - Water Wells (Domestic)	$20,000.00	$92.28	$0.45	$92.72
Sub Total	**$41,063.50**	**$1,275.68**	**$24.68**	**$1,300.36**
Contingency	$3,123.56	$114.17	$3.30	$117.47
Total	**$107,242.23**	**$3,919.87**	**$42.70**	**$3,962.57**

Mount Baldy Homewners Association

Management / Accounting Charts

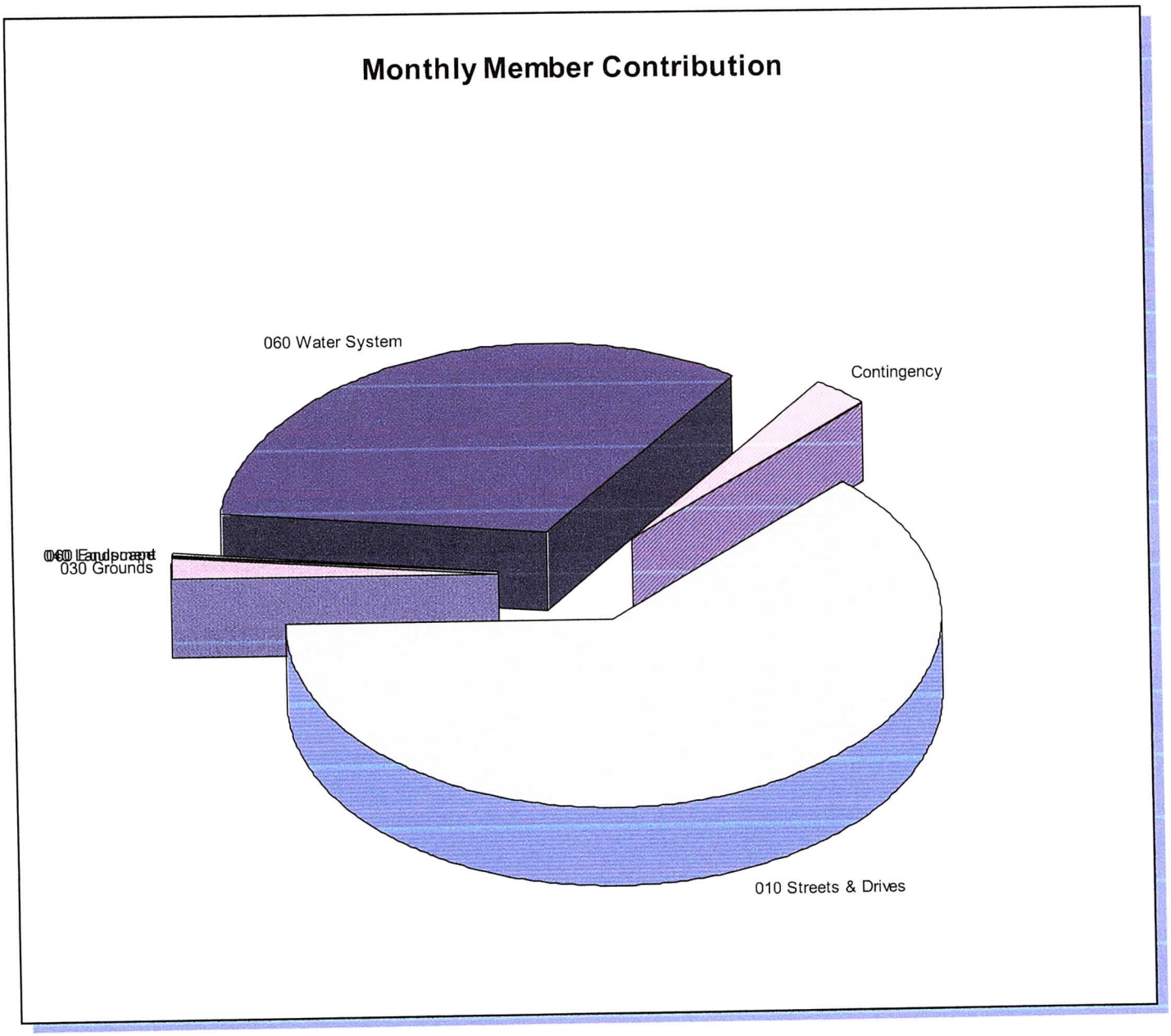
Component Calculation Method; Sorted by Category



Mount Baldy Homewners Association

Management / Accounting Charts

Component Calculation Method; Sorted by Category



Mount Baldy Homewners Association

Annual Expenditure Detail

Sorted by Description

2022-2023 Fiscal Year	
Landscape - Tree Trimming & Weed Abatment	$19,500.00
Streets - Asphalt (Repairs)	$18,700.00
Streets - Asphalt (Seal Coating)	$22,000.00
Water System - Water Wells (Domestic)	$20,000.00
Sub Total	**$80,200.00**
2026-2027 Fiscal Year	
Water System - Power Panels	$3,896.76
Sub Total	**$3,896.76**
2027-2028 Fiscal Year	
Streets - Asphalt (Repairs)	$20,646.31
Streets - Asphalt (Seal Coating)	$24,289.78
Sub Total	**$44,936.09**
2032-2033 Fiscal Year	
Streets - Asphalt (Overlay)	$241,360.90
Streets - Asphalt (Repairs)	$22,795.20
Streets - Asphalt (Seal Coating)	$26,817.88
Water System - Water Storage Tank (1974)	$81,672.63
Sub Total	**$372,646.59**
2033-2034 Fiscal Year	
Painting - Water Tanks	$9,946.99
Sub Total	**$9,946.99**
2037-2038 Fiscal Year	
Streets - Asphalt (Repairs)	$25,167.74
Streets - Asphalt (Seal Coating)	$29,609.10
Sub Total	**$54,776.84**
2042-2043 Fiscal Year	
Streets - Asphalt (Repairs)	$27,787.22
Streets - Asphalt (Seal Coating)	$32,690.84
Water System - Water Wells (Domestic)	$29,718.95
Sub Total	**$90,197.01**
2044-2045 Fiscal Year	
Water System - Water Storage Tank (1994)	$278,276.34
Sub Total	**$278,276.34**

Mount Baldy Homewners Association

Annual Expenditure Detail

Sorted by Description

2046-2047 Fiscal Year	
Water System - Power Panels	$5,790.37
Sub Total	**$5,790.37**
2047-2048 Fiscal Year	
Streets - Asphalt (Repairs)	$30,679.33
Streets - Asphalt (Seal Coating)	$36,093.33
Sub Total	**$66,772.66**

Mount Baldy Homewners Association

Projections

Component Calculation Method

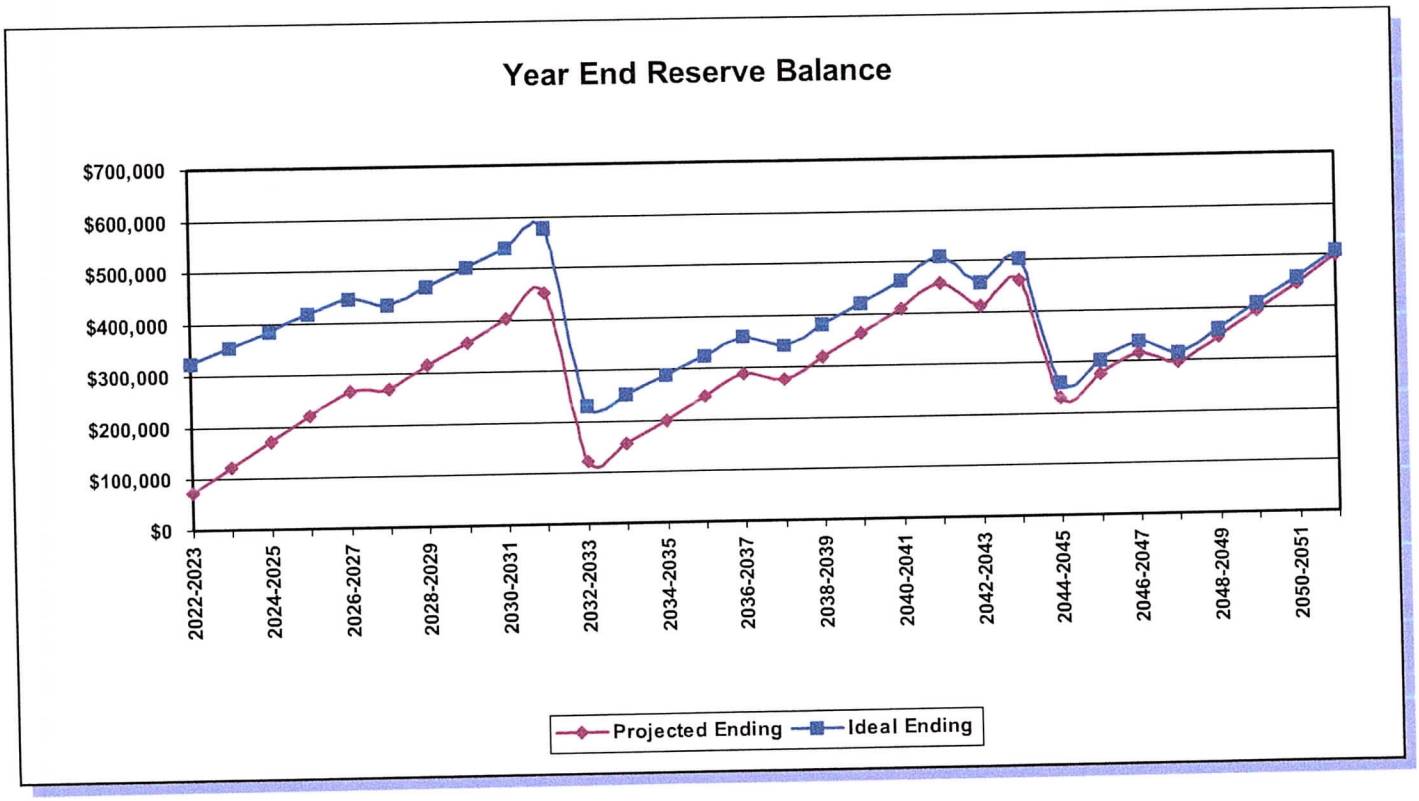
Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2022-2023	$107,242	$47,038	$512	$80,200	$74,593	$324,555	23%
2023-2024	$74,593	$47,058	$1,014	$0	$122,665	$354,444	35%
2024-2025	$122,665	$47,165	$1,522	$0	$171,352	$385,399	44%
2025-2026	$171,352	$47,032	$2,035	$0	$220,419	$417,450	53%
2026-2027	$220,419	$46,521	$2,509	$3,897	$265,553	$446,528	59%
2027-2028	$265,553	$45,220	$2,546	$44,936	$268,383	$433,569	62%
2028-2029	$268,383	$42,860	$3,038	$0	$314,281	$468,066	67%
2029-2030	$314,281	$40,874	$3,513	$0	$358,668	$503,770	71%
2030-2031	$358,668	$41,726	$3,986	$0	$404,379	$540,714	75%
2031-2032	$404,379	$42,649	$4,472	$0	$451,500	$578,935	78%
2032-2033	$451,500	$42,849	$1,039	$372,647	$122,741	$227,952	54%
2033-2034	$122,741	$41,974	$1,393	$9,947	$156,161	$251,565	62%
2034-2035	$156,161	$41,929	$1,850	$0	$199,940	$286,690	70%
2035-2036	$199,940	$41,718	$2,311	$0	$243,969	$323,120	76%
2036-2037	$243,969	$41,245	$2,773	$0	$287,986	$360,892	80%
2037-2038	$287,986	$40,145	$2,654	$54,777	$276,009	$342,497	81%
2038-2039	$276,009	$40,268	$3,106	$0	$319,383	$381,922	84%
2039-2040	$319,383	$41,058	$3,568	$0	$364,009	$422,786	86%
2040-2041	$364,009	$41,858	$4,043	$0	$409,910	$465,133	88%
2041-2042	$409,910	$42,668	$4,531	$0	$457,109	$509,004	90%
2042-2043	$457,109	$43,056	$4,079	$90,197	$414,047	$459,683	90%
2043-2044	$414,047	$43,625	$4,579	$0	$462,251	$504,842	92%
2044-2045	$462,251	$43,116	$2,149	$278,276	$229,240	$259,256	88%
2045-2046	$229,240	$43,015	$2,626	$0	$274,881	$301,849	91%
2046-2047	$274,881	$43,909	$3,051	$5,790	$316,051	$339,959	93%
2047-2048	$316,051	$44,523	$2,845	$66,773	$296,646	$315,526	94%
2048-2049	$296,646	$45,460	$3,349	$0	$345,455	$361,534	96%
2049-2050	$345,455	$46,499	$3,869	$0	$395,824	$409,257	97%
2050-2051	$395,824	$47,565	$4,406	$0	$447,795	$458,743	98%
2051-2052	$447,795	$48,658	$4,959	$0	$501,412	$510,046	98%

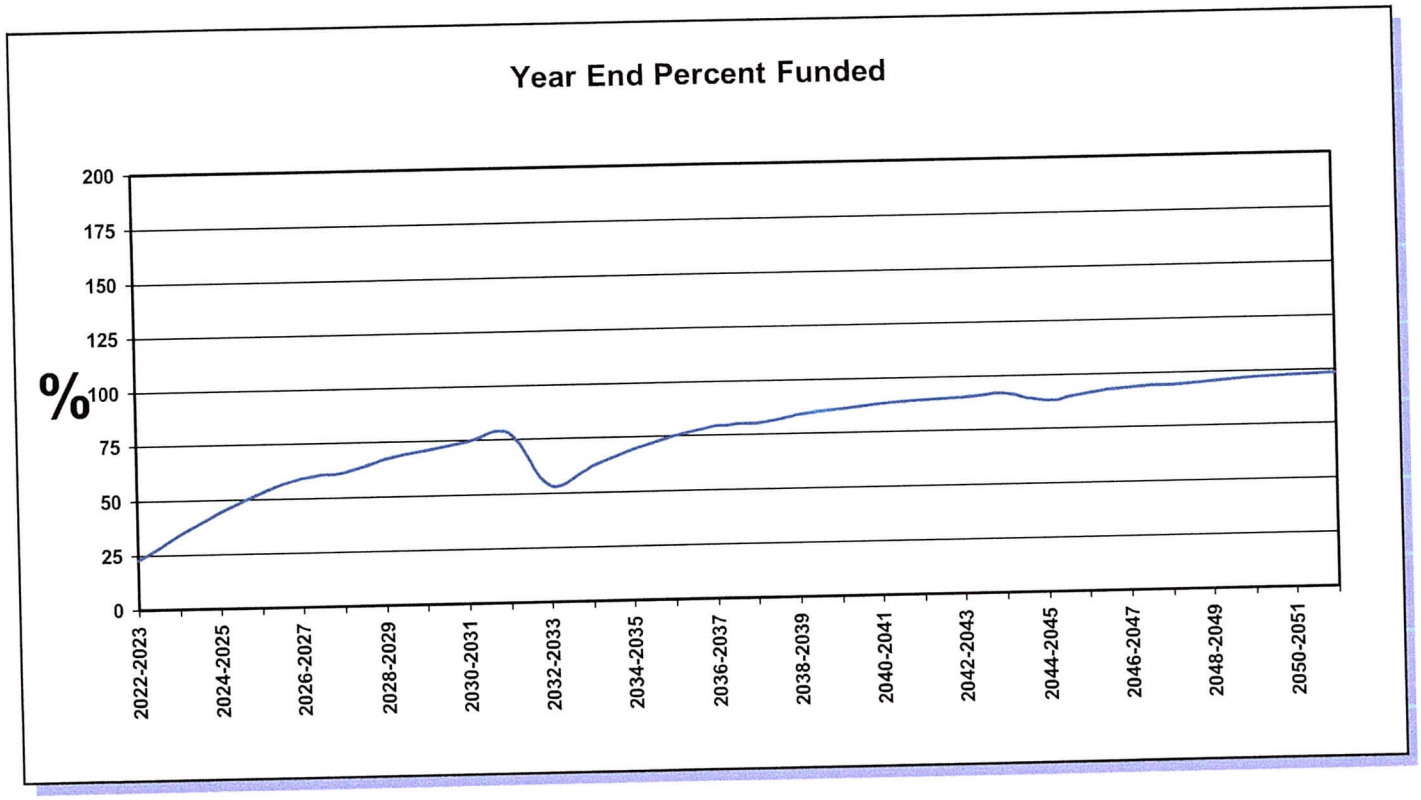
NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

Mount Baldy Homewners Association

Projection Charts

Component Calculation Method

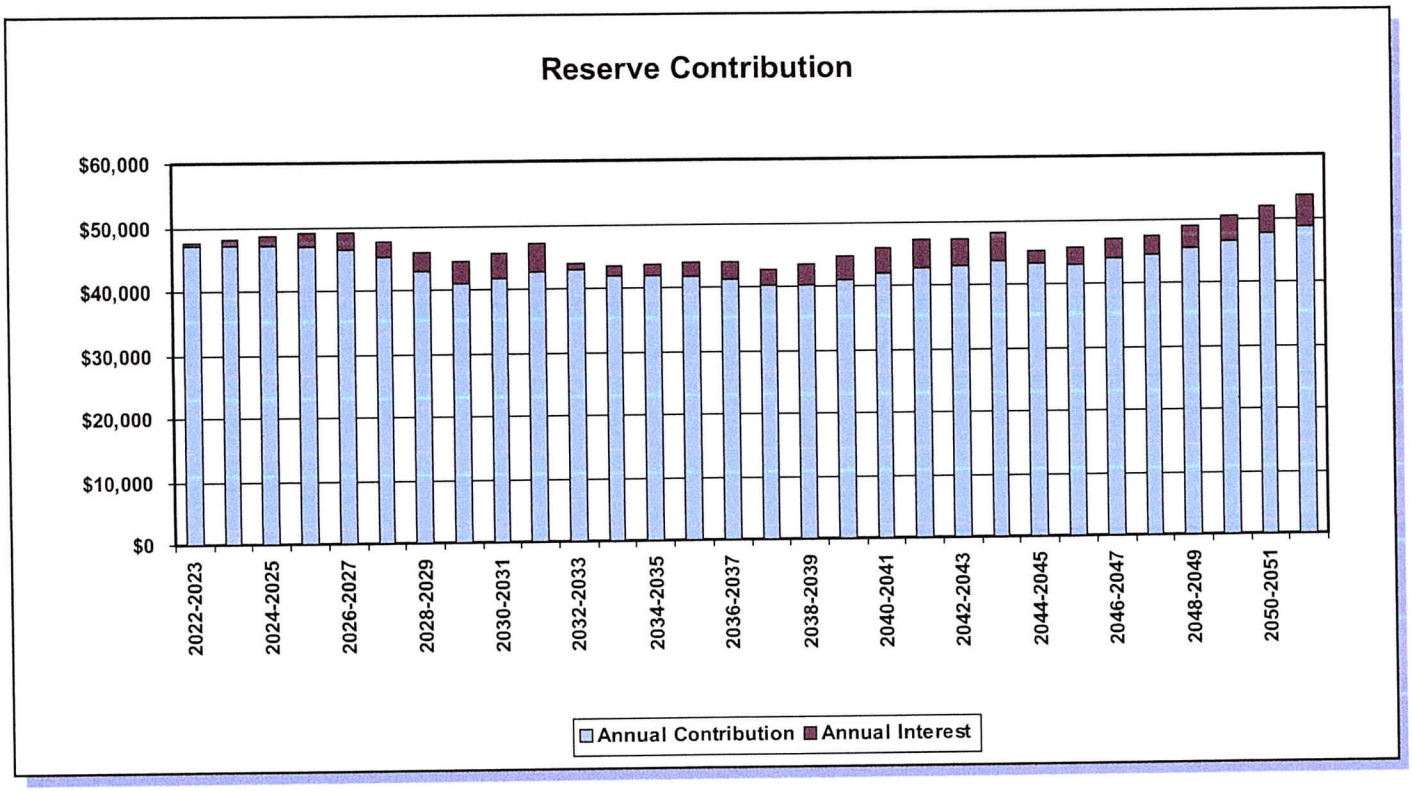


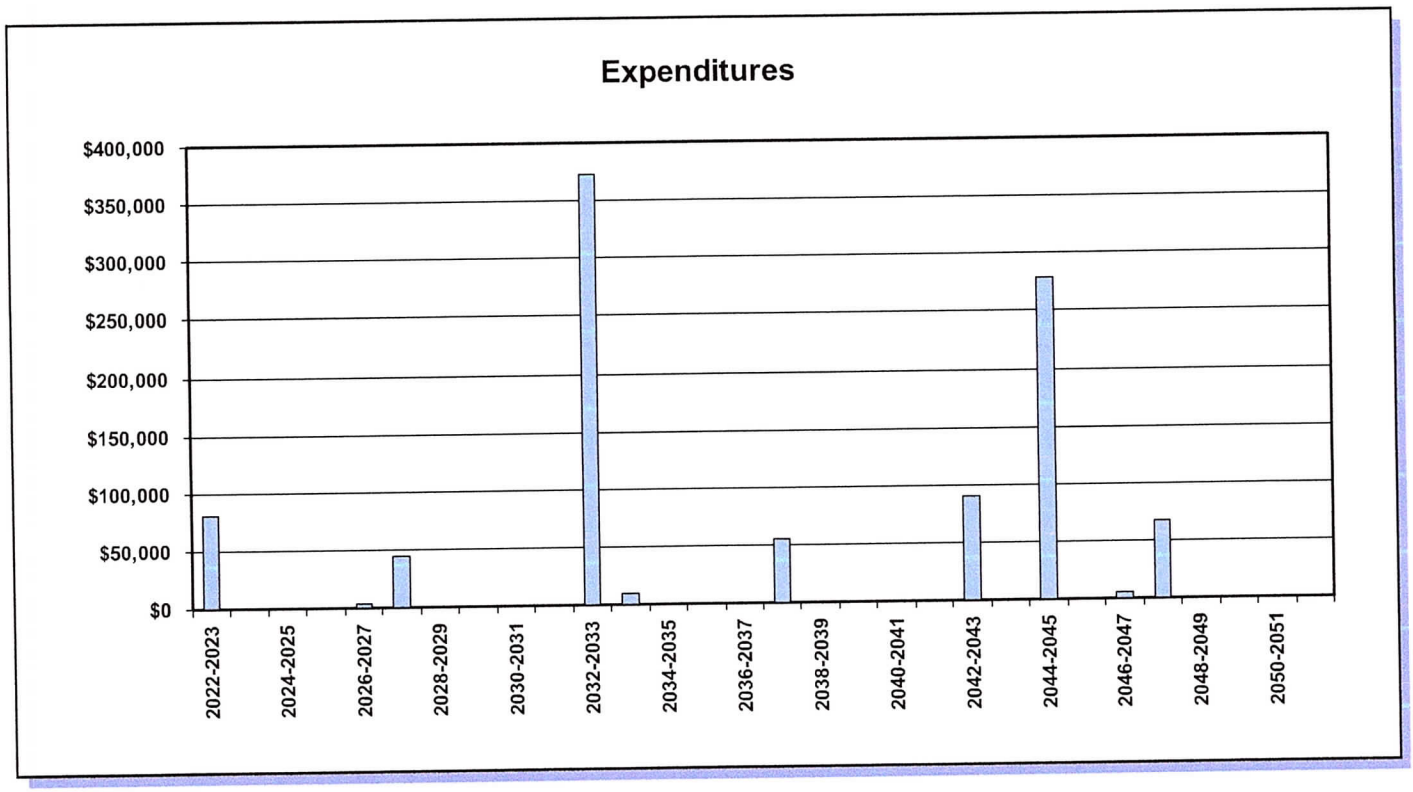


Mount Baldy Homewners Association

Projection Charts

Component Calculation Method





Mount Baldy Homewners Association

Component Detail

Component Calculation Method; Sorted by Category

Streets - Asphalt (Overlay)

Category	010 Streets & Drives	Quantity	1 total
		Unit Cost	$198,000.000
		% of Replacement	100.00%
		Current Cost	$198,000.00
Placed In Service	06/05	Future Cost	$241,360.90
Useful Life	25		
Adjustment	+2	Assigned Reserves at FYB	$0.00
Remaining Life	10	Monthly Member Contribution	$1,745.93
Replacement Year	2032-2033	Monthly Interest Contribution	$8.43
		Total Monthly Contribution	$1,754.36

Comments:

Most asphalt areas can be expected to last approximately 20 years before it will become necessary for an overlay to be applied. This can double the life of the surface upon application. It will be necessary to adjust manhole and valve covers at the time the overlay is applied. Deflection testing should be conducted by an independent consultant near the end of the estimated useful life to determine the condition of the asphalt and estimated remaining life before the overlay is required.

88,000 - sq. ft. of asphalt overlay	@	$2.25	=	$198,000.00
		TOTAL	=	$198,000.00

In addition to this service, a consultant may be obtained to prepare the application specifications, and to work with the contractor during actual installation. It is recommended that the client obtain bids for such a consultation near the end of the estimated useful life. As costs vary, a provision for this consulting has not been included in this cost estimate. Should the client request, this cost can be incorporated into this analysis.

The remaining life of the asphalt overlay has been adjusted to align with the future replacement cycles of the asphalt repairs and seal coating.

The inventory for this component has been provided by the client.

The cost for this component has been adjusted to reflect current pricing.

Mount Baldy Homewners Association

Component Detail

Component Calculation Method; Sorted by Category

Streets - Asphalt (Repairs)

Category	010 Streets & Drives	Quantity	88,000 sq. ft.
		Unit Cost	$4.250
		% of Replacement	5.00%
		Current Cost	$18,700.00
Placed In Service	05/05	Future Cost	$20,646.31
Useful Life	5		
		Assigned Reserves at FYB	$18,700.00
Remaining Life	0	Monthly Member Contribution	$322.29
Replacement Year	2022-2023	Monthly Interest Contribution	$1.56
		Total Monthly Contribution	$323.84

Comments:

Asphalt surfaces should be seal coated within 5 years of their initial installation. Thereafter, a 3 to 5 year cycle should be observed and adjusted according to the client's particular needs.

The unit cost includes any restriping that may be necessary.

Repairs are scheduled for 2021 for an estimated cost of $8,000.

Streets - Asphalt (Seal Coating)

Category	010 Streets & Drives	Quantity	88,000 sq. ft.
		Unit Cost	$0.250
		% of Replacement	100.00%
		Current Cost	$22,000.00
Placed In Service	05/05	Future Cost	$24,289.78
Useful Life	5		
		Assigned Reserves at FYB	$22,000.00
Remaining Life	0	Monthly Member Contribution	$379.16
Replacement Year	2022-2023	Monthly Interest Contribution	$1.83
		Total Monthly Contribution	$380.99

Comments:

Asphalt surfaces should be seal coated within 5 years of their initial installation. Thereafter, a 3 to 5 year cycle should be observed and adjusted according to the client's particular needs.

The unit cost includes any restriping that may be necessary.

Mount Baldy Homewners Association

Component Detail

Component Calculation Method; Sorted by Category

Painting - Water Tanks

Category	030 Grounds
Placed In Service	01/14
Useful Life	20
Remaining Life	11
Replacement Year	2033-2034

Quantity	1 provision
Unit Cost	$8,000.000
% of Replacement	100.00%
Current Cost	$8,000.00
Future Cost	$9,946.99
Assigned Reserves at FYB	$0.00
Monthly Member Contribution	$64.42
Monthly Interest Contribution	$0.31
Total Monthly Contribution	$64.74

Comments:
This is for painting of the water tanks.

Landscape - Tree Trimming & Weed Abatment

Category	040 Landscape
Placed In Service	06/21
Useful Life	1
Remaining Life	0
Replacement Year	2022-2023

One Time Replacement

Quantity	1 provision
Unit Cost	$19,500.000
% of Replacement	100.00%
Current Cost	$19,500.00
Future Cost	$0.00
Assigned Reserves at FYB	$19,500.00
Monthly Member Contribution	$0.00
Monthly Interest Contribution	$0.00
Total Monthly Contribution	$0.00

Comments:
This is for major periodic tree trimming and weed abatment throughout the community on an as-needed basis.

Mount Baldy Homewners Association

Component Detail

Component Calculation Method; Sorted by Category

Water System - Power Panels

Category	060 Equipment	Quantity	2 panels
		Unit Cost	$1,800.000
		% of Replacement	100.00%
		Current Cost	$3,600.00
Placed In Service	02/07	Future Cost	$3,896.76
Useful Life	20		
		Assigned Reserves at FYB	$2,855.17
Remaining Life	4	Monthly Member Contribution	$18.21
Replacement Year	2026-2027	Monthly Interest Contribution	$2.60
		Total Monthly Contribution	$20.81

Comments:
These are the power panels that serves the domestic water wells.

Water System - Water Storage Tank (1974)

Category	060 Water System	Quantity	1 total
		Unit Cost	$67,000.000
		% of Replacement	100.00%
		Current Cost	$67,000.00
Placed In Service	07/74	Future Cost	$81,672.63
Useful Life	50		
Adjustment	+8	Assigned Reserves at FYB	$21,063.50
Remaining Life	10	Monthly Member Contribution	$421.57
Replacement Year	2032-2033	Monthly Interest Contribution	$20.55
		Total Monthly Contribution	$442.12

Comments:

This is the water storage tank that serves the domestic water wells:

	Hiking Trail:				
1	- 40,000g tank	@	$67,000.00	=	$67,000.00
			TOTAL	=	$67,000.00

Note: The water tank located at Goat Hill is not currently in use.

Repairs are scheduled for 2021 for an estimated cost of $3,000.

Mount Baldy Homewners Association

Component Detail

Component Calculation Method; Sorted by Category

Water System - Water Storage Tank (1994)

Category	060 Water System	Quantity	1 total
		Unit Cost	$180,000.000
		% of Replacement	100.00%
		Current Cost	$180,000.00
Placed In Service	07/94	Future Cost	$278,276.34
Useful Life	50		
		Assigned Reserves at FYB	$0.00
Remaining Life	22	Monthly Member Contribution	$761.84
Replacement Year	2044-2045	Monthly Interest Contribution	$3.68
		Total Monthly Contribution	$765.52

Comments:

This is the water storage tank that serves the domestic water wells:

	Bear Canyon:			
1	- 100,000g tank	@ $180,000.00	=	$180,000.00
		TOTAL	=	$180,000.00

Repairs are scheduled for 2021 for an estimated cost of $3,000.

Water System - Water Wells (Domestic)

Category	060 Water System	Quantity	1 total
		Unit Cost	$20,000.000
		% of Replacement	100.00%
		Current Cost	$20,000.00
Placed In Service	03/03	Future Cost	$29,718.95
Useful Life	20		
		Assigned Reserves at FYB	$20,000.00
Remaining Life	0	Monthly Member Contribution	$92.28
Replacement Year	2022-2023	Monthly Interest Contribution	$0.45
		Total Monthly Contribution	$92.72

Comments:

These are the domestic water wells:

2	- submersible pumps & motors	@ $10,000.00	=	$20,000.00
		TOTAL	=	$20,000.00

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Detail Report Index

Number of components included in this reserve analysis is 9.