

# Executive Summary

**Association:** Gilbert Ranch HOA **Assoc. #: 11781-0**  
**Location:** Gilbert, Arizona  
**# of Units:** 678  
**Report Period:** January 1, 2004 through December 31, 2004

## *Results*

<b>Projected Starting Reserve Balance:</b> .....	<b>\$167,706</b>
<b>Fully Funded Reserve Balance:</b> .....	<b>\$195,643</b>
<b>Percent Funded:</b> .....	<b>85.7%</b>
<b>Recommended 2004 Monthly Reserve Contribution:</b> .....	<b>\$4,800</b>
<b>Recommended Special Assessment:</b> .....	<b>\$0</b>
<b>Most Recent Reserve Contribution Rate:</b> .....	<b>\$4,185</b>

## *Economic Assumptions:*

**Net Annual "After Tax" Interest Earnings Accruing to Reserves.....2.00%**  
**Annual Inflation Rate .....3.00%**

- The information in this Reserve Study is based on our site inspection on January 8, 2004.
- Because your Reserve Fund is 85.7% Funded, this represents a strong financial position. In perspective, 70% Funded and above defines the strong funding range.
- Based on this starting point and your anticipated future expenses, our recommendation is to increase your Reserve contributions to \$4,800/month for 2004.
- Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".
- Reserve projects anticipated during 2004 include: repaint metal fences; install monuments at Phase 3; refurbish the Bermuda pump; replenish a portion of the decomposed granite; tree trimming; inspect and clean the drywells; repaint the walkway pole lights and ramada support posts and beams.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
<b>FENCES &amp; WALLS</b>				
501 Block Walls - Repair	25	19	\$31,375	\$55,016
503 Metal Fence - Replace	24	18	\$9,890	\$16,837
504 View Fence - Replace	24	18	\$17,375	\$29,580
1107 Metal Fence - Repaint	4	0	\$3,870	\$4,356
1109 Stucco Walls - Repaint (Phase 1&2)	5	4	\$660	\$743
1109 Stucco Walls - Repaint (Phase 3)	5	5	\$505	\$585
1401 Monuments - Refurbish (Ph 1&2)	15	9	\$3,945	\$5,147
1402 Monuments - Install (Ph 3)	N/A	0	\$4,500	\$0
1403 Monuments - Refurbish (Ph 3)	15	15	\$3,255	\$5,071
<b>LANDSCAPING &amp; IRRIGATION</b>				
103 Concrete - Repair	5	2	\$3,500	\$3,713
1001 Backflow Preventers - Replace	20	14	\$6,800	\$10,286
1003 Irrig. Controllers - Replace	12	6	\$23,300	\$27,821
1003 Irrig. Controllers - Replace (#10)	12	11	\$2,000	\$2,768
1004 Irrig. Pump - Refurbish (Bermuda)	12	0	\$2,000	\$2,852
1005 Irrig. Pump - Replace (Bermuda)	12	6	\$4,500	\$5,373
1005 Irrig. Pump - Replace (Rome)	2	1	\$1,625	\$1,674
1005 Irrig. Pump - Replace (Tyson)	4	2	\$1,790	\$1,899
1006 Decomposed Granite - Replenish	1	0	\$6,185	\$6,371
1007 Landscape - Renovate	15	9	\$33,000	\$43,058
1008 Tree Trimming	1	0	\$13,500	\$13,905
1010 Drywells - Clean/Repair	4	0	\$22,400	\$25,211
1012 Drywells - Partial Replace	15	9	\$43,750	\$57,084
1109 Drainage Culverts - Repaint	4	4	\$545	\$613
<b>RECREATION AREAS</b>				
320 Pole Lights - Replace	24	18	\$56,000	\$95,336
405 Park Furniture - Replace	15	9	\$20,825	\$27,172
407 BBQ Grills - Replace	12	6	\$1,840	\$2,197
408 Drinking Fountain - Replace	15	9	\$2,330	\$3,040
410 Play Equipment - Replace (Ph 1)	15	9	\$19,075	\$24,889
411 Play Equipment - Replace (Ph 2)	15	9	\$19,075	\$24,889
412 Play Equipment - Replace (Ph 2)	15	9	\$20,550	\$26,813
413 Play Equipment - Replace (Ph 3)	15	9	\$19,350	\$25,247
414 Play Equipment - Repair	5	2	\$2,250	\$2,387
415 Tot Lot Sand - Replenish	10	4	\$6,640	\$7,473
418 Health Trail - Replace	15	9	\$7,150	\$9,329
422 Basketball Backboards - Replace	20	14	\$1,600	\$2,420
426 Tennis Fence - Replace	25	19	\$11,025	\$19,332
427 Tennis Windscreen - Replace	6	1	\$3,540	\$3,646
1111 Pole Lights - Repaint	4	0	\$3,675	\$4,136
1113 Ramadas - Repaint	5	0	\$1,155	\$1,339
1306 Metal Roofs - Replace	25	19	\$8,400	\$14,729
<b>40 Total Funded Components</b>				