



RESERVE STUDY

Member Distribution Materials

Caughlin Ranch HOA

Update w/o Site Visit Review

2022 Update

Published - May 19, 2022

Prepared for the 2023 Fiscal Year

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May 19, 2022

This is a summary of the Reserve Study that has been performed for Caughlin Ranch HOA, (the "Association"). This study was conducted in compliance with Nevada *NRS 116.31151 and NRS 116.31152* and is being provided to you as a member of the Association. A full copy is available (through the Association) for review by members of the Association.

The intention of the Reserve Study is to forecast the Association's ability to repair or replace major components as they wear out in future years. This is done utilizing the "Cash Flow Method." This is a method of developing a reserve funding plan where the contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund.

Browning Reserve Group, LLC prepared this Update w/o Site Visit Review for the January 1, 2023 - December 31, 2023 fiscal year.

Caughlin Ranch HOA is a Planned Community with a total of 2,293 Lots.

At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 1.25% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2.50% per year.

The Reserve Study is not an engineering report, and no destructive testing was performed. The costs outlined in the study are for budgetary and planning purposes only, and actual bid costs would depend upon the defined scope of work at the time repairs are made. Also, any latent defects are excluded from this report.

This reserve study was produced under the responsible charge of Robert W Browning who, pursuant to Nevada regulation R145-06, is a Nevada Reserve Study Specialist (RSS #5).

Funding Assessment

Based on the 30 year cash flow projection, the Association's reserves appear adequately funded as the reserve fund ending balances remain positive throughout the replacement of all major components during the next 30 years.

Nevada statute imposes no reserve funding level requirements nor does it address funding level adequacy, and although one or more of the reserve fund percentages expressed in this report may be less than one hundred percent, those percentages do not necessarily indicate that the Association's reserves are inadequately funded.

The board of directors does not anticipate any special reserve assessment will be required during the current 30-year life of the reserve study to repair, replace, maintain or restore any major component or to provide adequate reserves. (*NAC 116.430 8*)

Caughlin Ranch HOA
Nevada Member Summary
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Reserve Component	Current Replacement Cost	Useful Life	Remaining Life	2022 Fully Funded Balance	2023 Fully Funded Balance	2023 Line Item Contribution based on Cash Flow Method
01000 - Paving	1,112,747	1-30	0-24	566,535	650,963	79,149
02000 - Concrete	4,660	6-8	1-2	3,885	4,619	455
03000 - Painting: Exterior	9,352	5-5	1-4	3,020	5,012	1,446
03500 - Painting: Interior	13,250	10-10	2-2	10,600	12,223	989
04000 - Structural Repairs	94,215	10-50	2-23	50,704	55,022	3,268
05000 - Roofing	33,402	25-30	1-17	19,925	21,748	1,200
08000 - Rehab	20,449	10-20	1-14	8,623	9,572	1,196
14000 - Recreation	1,137	10-10	1-1	1,024	1,166	83
17000 - Tennis Court	66,741	7-21	6-13	19,282	25,540	4,948
18000 - Landscaping	19,020	1-20	1-15	7,794	12,432	3,301
18500 - Lakes / Ponds	31,709	1-5	0-4	18,098	21,427	5,431
19000 - Fencing	23,727	10-30	5-18	8,084	9,477	1,165
19500 - Retaining Wall	8,424	2-25	1-21	2,341	3,832	1,121
20000 - Lighting	13,099	10-20	5-6	5,623	7,050	1,034
21000 - Signage	143,722	15-25	1-21	91,686	101,152	6,097
22000 - Office Equipment	92,311	3-9	1-5	50,207	68,034	12,259
23000 - Mechanical Equipment	24,977	15-15	1-6	17,517	19,662	1,323
24000 - Furnishings	78,693	10-15	2-14	48,453	55,821	4,863
24500 - Audio / Visual	1,895	10-10	2-2	1,516	1,749	142
24600 - Safety / Access	20,496	3-6	1-5	12,411	16,425	2,715
25000 - Flooring	30,759	10-20	0-19	19,313	8,217	1,850
25500 - Wallcoverings	6,267	20-20	5-5	4,701	5,139	252
26000 - Outdoor Equipment	404,589	3-30	1-18	126,873	157,780	25,103
27000 - Appliances	6,113	10-15	7-9	2,266	2,802	407
30000 - Miscellaneous	658,690	1-30	1-17	392,288	467,691	51,467
31000 - Reserve Study	10,874	5-5	0-4	5,765	6,703	1,639
32000 - Undesignated	1,199	1-1	1-1	600	1,229	437
Totals	\$2,932,519			\$1,499,132	\$1,752,486	\$213,340
Estimated Ending Balance				\$1,080,577	\$889,472	\$7.75
Percent Funded				72.1%	50.8%	/Lot/month @ 2293

30 Year Reserve Funding Plan Cash Flow Method

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	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Beginning Balance	891,716	1,080,577	889,472	828,999	784,635	911,522	803,374	942,231	886,772	838,229
Inflated Expenditures @ 2.5%	27,348	416,681	294,301	287,805	127,804	374,187	139,120	346,242	351,533	330,756
Reserve Contribution	203,958	213,340	223,154	233,419	244,156	255,387	267,135	279,423	292,276	305,721
<i>Lots/month @ 2293</i>	7.41	7.75	8.11	8.48	8.87	9.28	9.71	10.15	10.62	11.11
<i>Percentage Increase</i>		4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest After Tax @ 1.25%	12,250	12,236	10,674	10,023	10,535	10,652	10,842	11,360	10,714	10,321
Ending Balance	1,080,577	889,472	828,999	784,635	911,522	803,374	942,231	886,772	838,229	823,515

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Beginning Balance	823,515	602,255	723,392	758,216	781,375	903,744	952,398	1,017,134	1,122,618	957,670
Inflated Expenditures @ 2.5%	549,900	221,590	324,260	352,379	270,909	363,295	366,336	345,913	636,128	241,751
Reserve Contribution	319,784	334,494	349,881	365,976	382,811	400,420	418,839	438,106	458,259	479,339
<i>Lots/month @ 2293</i>	11.62	12.16	12.72	13.30	13.91	14.55	15.22	15.92	16.65	17.42
<i>Percentage Increase</i>		4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest After Tax @ 1.25%	8,856	8,234	9,203	9,563	10,467	11,529	12,233	13,290	12,921	13,456
Ending Balance	602,255	723,392	758,216	781,375	903,744	952,398	1,017,134	1,122,618	957,670	1,208,714

	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051
Beginning Balance	1,208,714	1,290,177	1,381,761	1,517,453	1,545,693	1,889,704	2,088,344	2,459,659	2,819,680	2,853,908
Inflated Expenditures @ 2.5%	435,447	449,466	430,893	564,599	277,535	453,887	313,631	359,676	719,516	482,820
Reserve Contribution	501,389	524,453	548,578	573,813	600,208	627,818	656,698	686,906	718,504	751,555
<i>Lots/month @ 2293</i>	18.22	19.06	19.94	20.85	21.81	22.82	23.87	24.96	26.11	27.31
<i>Percentage Increase</i>		4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%	4.6%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest After Tax @ 1.25%	15,521	16,596	18,008	19,026	21,338	24,708	28,248	32,791	35,240	37,353
Ending Balance	1,290,177	1,381,761	1,517,453	1,545,693	1,889,704	2,088,344	2,459,659	2,819,680	2,853,908	3,159,996