



**RESERVE STUDY**

Member Distribution Materials

**Caughlin Ranch HOA**

*Update w/o Site Visit Review*

2023 Update

Published - May 03, 2023

Prepared for the 2024 Fiscal Year

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May 03, 2023

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, 2024 - December 31, 2024 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	2023 Fully Funded Balance	2024 Fully Funded Balance	2024 Line Item Contribution based on Cash Flow Method
<b>01000 - Paving</b>	<b>1,146,202</b>	<b>1-30</b>	<b>0-23</b>	<b>644,854</b>	<b>611,484</b>	<b>71,758</b>
<b>02000 - Concrete</b>	<b>4,939</b>	<b>6-8</b>	<b>1-4</b>	<b>2,795</b>	<b>3,540</b>	<b>536</b>
<b>03000 - Painting: Exterior</b>	<b>9,913</b>	<b>5-5</b>	<b>0-3</b>	<b>5,183</b>	<b>5,264</b>	<b>1,581</b>
<b>03500 - Painting: Interior</b>	<b>14,045</b>	<b>10-10</b>	<b>2-2</b>	<b>11,236</b>	<b>12,956</b>	<b>1,109</b>
<b>04000 - Structural Repairs</b>	<b>99,868</b>	<b>10-50</b>	<b>1-22</b>	<b>56,901</b>	<b>61,903</b>	<b>3,604</b>
<b>05000 - Roofing</b>	<b>35,406</b>	<b>25-30</b>	<b>0-16</b>	<b>22,491</b>	<b>21,597</b>	<b>1,312</b>
<b>08000 - Rehab</b>	<b>21,676</b>	<b>10-20</b>	<b>1-13</b>	<b>9,648</b>	<b>10,675</b>	<b>1,365</b>
<b>14000 - Recreation</b>	<b>1,205</b>	<b>10-10</b>	<b>2-2</b>	<b>964</b>	<b>1,112</b>	<b>95</b>
<b>17000 - Tennis Court</b>	<b>70,745</b>	<b>7-21</b>	<b>5-12</b>	<b>26,412</b>	<b>33,195</b>	<b>5,410</b>
<b>18000 - Landscaping</b>	<b>26,387</b>	<b>1-20</b>	<b>0-14</b>	<b>16,345</b>	<b>15,082</b>	<b>3,660</b>
<b>18500 - Lakes / Ponds</b>	<b>28,855</b>	<b>1-5</b>	<b>1-3</b>	<b>16,660</b>	<b>25,001</b>	<b>6,041</b>
<b>19000 - Fencing</b>	<b>25,150</b>	<b>10-30</b>	<b>4-17</b>	<b>9,801</b>	<b>11,309</b>	<b>1,274</b>
<b>19500 - Retaining Wall</b>	<b>8,929</b>	<b>2-25</b>	<b>1-20</b>	<b>3,125</b>	<b>4,721</b>	<b>1,241</b>
<b>20000 - Lighting</b>	<b>13,885</b>	<b>10-20</b>	<b>4-5</b>	<b>7,291</b>	<b>8,837</b>	<b>1,130</b>
<b>21000 - Signage</b>	<b>154,337</b>	<b>1-25</b>	<b>0-20</b>	<b>101,292</b>	<b>109,387</b>	<b>6,767</b>
<b>22000 - Office Equipment</b>	<b>96,404</b>	<b>1-9</b>	<b>0-4</b>	<b>67,101</b>	<b>80,465</b>	<b>12,795</b>
<b>23000 - Mechanical Equipment</b>	<b>26,476</b>	<b>15-15</b>	<b>2-5</b>	<b>20,026</b>	<b>22,336</b>	<b>1,452</b>
<b>24000 - Furnishings</b>	<b>83,414</b>	<b>10-15</b>	<b>2-13</b>	<b>54,591</b>	<b>62,481</b>	<b>5,377</b>
<b>24500 - Audio / Visual</b>	<b>2,009</b>	<b>10-10</b>	<b>1-1</b>	<b>1,808</b>	<b>2,059</b>	<b>155</b>
<b>24600 - Safety / Access</b>	<b>21,725</b>	<b>3-6</b>	<b>1-4</b>	<b>16,567</b>	<b>20,908</b>	<b>2,976</b>
<b>25000 - Flooring</b>	<b>32,605</b>	<b>10-20</b>	<b>9-18</b>	<b>8,498</b>	<b>11,173</b>	<b>2,318</b>
<b>25500 - Wallcoverings</b>	<b>6,644</b>	<b>20-20</b>	<b>4-4</b>	<b>5,315</b>	<b>5,788</b>	<b>276</b>
<b>26000 - Outdoor Equipment</b>	<b>427,078</b>	<b>3-30</b>	<b>0-17</b>	<b>160,535</b>	<b>169,411</b>	<b>27,371</b>
<b>27000 - Appliances</b>	<b>6,479</b>	<b>10-15</b>	<b>6-8</b>	<b>2,897</b>	<b>3,477</b>	<b>445</b>
<b>30000 - Miscellaneous</b>	<b>774,587</b>	<b>1-30</b>	<b>0-16</b>	<b>535,208</b>	<b>497,597</b>	<b>60,174</b>
<b>31000 - Reserve Study</b>	<b>11,479</b>	<b>5-5</b>	<b>0-4</b>	<b>6,837</b>	<b>7,926</b>	<b>1,814</b>
<b>32000 - Undesignated</b>	<b>1,271</b>	<b>1-1</b>	<b>1-1</b>	<b>636</b>	<b>1,303</b>	<b>489</b>
Totals	<b>\$3,151,715</b>			<b>\$1,815,017</b>	<b>\$1,820,987</b>	<b>\$222,523</b>
Estimated Ending Balance				<b>\$1,868,549</b>	<b>\$1,731,156</b>	<b>\$8.09</b>
Percent Funded				<b>102.9%</b>	<b>95.1%</b>	/Lot/month @ 2293

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Beginning Balance</b>	1,903,482	1,868,549	1,731,156	1,590,409	1,720,740	1,618,550	1,772,757	1,705,961	1,633,455	1,624,463	1,624,463
<b>Inflated Expenditures @ 2.5%</b>	271,711	382,274	393,468	132,307	375,411	130,194	363,063	379,717	328,015	545,512	545,512
<b>Reserve Contribution</b>	213,349	222,523	232,091	242,071	252,480	263,337	274,660	286,470	298,788	311,636	311,636
<i>Lots/month @ 2293</i>	7.75	8.09	8.43	8.80	9.18	9.57	9.98	10.41	10.86	11.33	11.33
<i>Percentage Increase</i>	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%
<b>Special Assessments / Other</b>	0	0	0	0	0	0	0	0	0	0	0
<b>Interest After Tax @ 1.25%</b>	23,429	22,358	20,631	20,566	20,741	21,064	21,607	20,742	20,236	18,844	18,844
<b>Ending Balance</b>	1,868,549	1,731,156	1,590,409	1,720,740	1,618,550	1,772,757	1,705,961	1,633,455	1,624,463	1,409,431	1,409,431

	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
<b>Beginning Balance</b>	1,409,431	1,528,588	1,528,896	1,539,091	1,634,743	1,628,071	1,669,173	1,750,749	1,501,909	1,764,800
<b>Inflated Expenditures @ 2.5%</b>	224,128	357,696	362,452	292,857	411,591	380,571	358,110	705,480	212,603	484,739
<b>Reserve Contribution</b>	325,036	339,013	353,591	368,795	384,653	401,193	418,444	436,437	455,204	474,778
<i>Lots/month @ 2293</i>	11.81	12.32	12.85	13.40	13.98	14.58	15.21	15.86	16.54	17.25
<i>Percentage Increase</i>	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%
<b>Special Assessments / Other</b>	0	0	0	0	0	0	0	0	0	0
<b>Interest After Tax @ 1.25%</b>	18,249	18,991	19,056	19,713	20,266	20,480	21,242	20,203	20,290	21,998
<b>Ending Balance</b>	1,528,588	1,528,896	1,539,091	1,634,743	1,628,071	1,669,173	1,750,749	1,501,909	1,764,800	1,776,837

	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
<b>Beginning Balance</b>	1,776,837	1,868,867	1,939,134	1,973,167	2,195,924	2,372,268	2,708,357	2,901,072	2,892,935	3,094,599
<b>Inflated Expenditures @ 2.5%</b>	425,807	469,872	528,962	364,997	438,049	306,686	479,626	709,038	529,030	471,830
<b>Reserve Contribution</b>	495,193	516,486	538,695	561,859	586,019	611,218	637,500	664,913	693,504	723,325
<i>Lots/month @ 2293</i>	18.00	18.77	19.58	20.42	21.30	22.21	23.17	24.16	25.20	26.29
<i>Percentage Increase</i>	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%
<b>Special Assessments / Other</b>	0	0	0	0	0	0	0	0	0	0
<b>Interest After Tax @ 1.25%</b>	22,644	23,652	24,300	25,895	28,374	31,557	34,841	35,988	37,190	40,254
<b>Ending Balance</b>	1,868,867	1,939,134	1,973,167	2,195,924	2,372,268	2,708,357	2,901,072	2,892,935	3,094,599	3,386,348