



## RESERVE STUDY

Member Distribution Materials

### Caughlin Creek / Deer Creek

*Update w/o Site Visit Review*

2023 Update

Published - May 03, 2023

Prepared for the 2024 Fiscal Year

Section	Report	Page
	<i>Nevada: Member Summary</i>	1
<i>Section III: 30 Year Reserve Funding Plan</i>	<i>Cash Flow Method {c}</i>	3

May 03, 2023

This is a summary of the Reserve Study that has been performed for Caughlin Creek / Deer Creek, (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 Creek / Deer Creek is a Planned Community with a total of 178 Units.

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 Creek / Deer Creek  
Nevada Member Summary

2023 Update  
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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>957,520</b>	<b>2-27</b>	<b>0-22</b>	<b>646,264</b>	<b>388,263</b>	<b>32,785</b>
<b>02000 - Concrete</b>	<b>123,670</b>	<b>5-30</b>	<b>0-27</b>	<b>48,686</b>	<b>15,652</b>	<b>4,449</b>
<b>04000 - Structural Repairs</b>	<b>2,375</b>	<b>20-20</b>	<b>16-16</b>	<b>475</b>	<b>609</b>	<b>94</b>
<b>11000 - Gate Equipment</b>	<b>80,282</b>	<b>1-12</b>	<b>0-8</b>	<b>51,703</b>	<b>60,913</b>	<b>5,139</b>
<b>18500 - Lakes / Ponds</b>	<b>6,636</b>	<b>1-1</b>	<b>0-0</b>	<b>6,636</b>	<b>6,802</b>	<b>3,527</b>
<b>20000 - Lighting</b>	<b>44,044</b>	<b>20-40</b>	<b>4-18</b>	<b>31,893</b>	<b>33,936</b>	<b>831</b>
<b>21000 - Signage</b>	<b>6,000</b>	<b>15-20</b>	<b>0-2</b>	<b>5,524</b>	<b>4,715</b>	<b>177</b>
<b>24600 - Safety / Access</b>	<b>8,260</b>	<b>6-6</b>	<b>2-2</b>	<b>5,506</b>	<b>7,055</b>	<b>769</b>
<b>31000 - Reserve Study</b>	<b>3,428</b>	<b>5-5</b>	<b>0-4</b>	<b>2,057</b>	<b>2,298</b>	<b>383</b>
Totals	<b>\$1,232,214</b>			<b>\$798,744</b>	<b>\$520,243</b>	<b>\$48,153</b>
Estimated Ending Balance				<b>\$348,574</b>	<b>\$374,189</b>	<b>\$22.54</b>
Percent Funded				<b>43.6%</b>	<b>71.9%</b>	/Unit/month @ 178

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>Beginning Balance</b>	657,463	348,574	374,189	360,232	411,138	428,189	120,933	127,766	182,592	64,994
<b>Inflated Expenditures @ 2.5%</b>	360,693	27,028	69,416	7,684	45,028	370,774	58,245	14,255	190,118	26,482
<b>Reserve Contribution</b>	45,556	48,153	50,898	53,799	56,866	60,107	63,533	67,154	70,982	75,028
<i>Units/month @ 178</i>	21.33	22.54	23.83	25.19	26.62	28.14	29.74	31.44	33.23	35.13
<i>Percentage Increase</i>	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
<b>Special Assessments / Other</b>	0	0	0	0	0	0	0	0	0	0
<b>Interest Pre Tax @ 1.25%</b>	6,249	4,489	4,562	4,791	5,213	3,411	1,545	1,928	1,538	1,116
<b>Ending Balance</b>	348,574	374,189	360,232	411,138	428,189	120,933	127,766	182,592	64,994	114,656

  

	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
<b>Beginning Balance</b>	114,656	131,268	202,650	263,929	342,124	205,106	300,743	379,827	489,861	516,996
<b>Inflated Expenditures @ 2.5%</b>	64,220	14,518	30,221	19,222	239,408	12,138	35,740	12,269	102,683	27,618
<b>Reserve Contribution</b>	79,305	83,825	88,603	93,653	98,991	104,633	110,597	116,901	123,564	130,607
<i>Units/month @ 178</i>	37.13	39.24	41.48	43.85	46.34	48.99	51.78	54.73	57.85	61.15
<i>Percentage Increase</i>	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
<b>Special Assessments / Other</b>	0	0	0	0	0	0	0	0	0	0
<b>Interest Pre Tax @ 1.25%</b>	1,527	2,074	2,898	3,764	3,399	3,142	4,227	5,402	6,254	7,106
<b>Ending Balance</b>	131,268	202,650	263,929	342,124	205,106	300,743	379,827	489,861	516,996	627,092

  

	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
<b>Beginning Balance</b>	627,092	116,137	252,361	351,533	507,306	611,029	213,436	279,821	326,658	476,315
<b>Inflated Expenditures @ 2.5%</b>	653,623	11,985	58,817	12,592	75,546	584,859	129,206	160,431	70,432	35,353
<b>Reserve Contribution</b>	138,052	145,921	154,238	163,030	172,323	182,145	192,527	203,501	215,101	215,101
<i>Units/month @ 178</i>	64.63	68.32	72.21	76.32	80.68	85.27	90.13	95.27	100.70	100.70
<i>Percentage Increase</i>	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	0.0%
<b>Special Assessments / Other</b>	0	0	0	0	0	0	0	0	0	0
<b>Interest Pre Tax @ 1.25%</b>	4,616	2,289	3,751	5,334	6,946	5,121	3,064	3,767	4,987	7,077
<b>Ending Balance</b>	116,137	252,361	351,533	507,306	611,029	213,436	279,821	326,658	476,315	663,140