

Wednesday, February 23, 2022

Level 1, Premium Reserve Analysis

Littleton Village Metro District No. 2 Dry Creek & Broadway Littleton, CO. 80120



FINAL VERSION

Report Period – 01/01/22 – 12/31/22

Client Reference Number – 10415

Property Type – Metro District

Fiscal Year End – December 31st

Date of Property Observation – August 17, 2021

Property Observation Conducted by – Mike Kelsen

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Introduction to the Reserve Analysis –

The elected officials of this metropolitan district made a wise decision to invest in a Reserve Analysis to get a better understanding of the status of the Reserve funds. This Analysis will be a valuable tool to assist the Board of Directors in making the decision to which the taxes are derived. Typically, the Reserve contribution makes up 15% - 40% of the metropolitan district's total budget. Therefore, Reserves is considered to be a significant part of the overall metropolitan district budget.

Every metropolitan district conducts its business within a budget. There are typically two main parts to this budget, Operating and Reserves. The Operating budget includes all expenses that are fixed on an annual basis. These would include management, maintenance, utilities, legal, accounting, etc. The Reserves is primarily made up of Capital Replacement items such as landscaping, storm drainage, etc., that do not normally occur on an annual basis.

The Reserve Analysis is also broken down into two different parts, the Physical Analysis and the Financial Analysis. The Physical Analysis is information regarding the physical status and replacement cost of major common area components that the metropolitan district is responsible to maintain. It is important to understand that while the Component Inventory will remain relatively "stable" from year to year, the Condition Assessment and Life/Valuation Estimates will most likely vary from year to year. You can find this information in the **Asset Inventory Section** (Section 2) of this Reserve Analysis. The **Financial Analysis Section** is the evaluation of the metropolitan district's Reserve balance, income, and expenses. This is made up of a finding of the clients current Reserve Fund Status (measured as Percent Funded) and a recommendation for an appropriate Reserve Allocation rate (also known as the Funding Plan). You can find this information in Section 3 (pages 1 – 12) of this Reserve Analysis.

The purpose of this Reserve Analysis is to provide an educated estimate as to what the Reserve Allocation needs to be. The detailed schedules will serve as an advanced warning that major projects will need to be addressed in the future. This will allow the Board of Directors to have ample timing to obtain competitive estimates and bids that will result in cost savings to the taxpayers.

It is important for the district Board to understand that the information contained in this analysis is based on estimates and assumptions gathered from various sources. Estimated life expectancies and cycles are based upon conditions that were readily visible and accessible at time of the observation. No destructive or intrusive methods (such as entering the walls to inspect the condition of electrical wiring, plumbing lines, and telephone wires) were performed. In addition, environmental hazards, construction defects, and acts of nature have not been investigated in the preparation of this report. If problem areas were revealed, a reasonable effort has been made to include these items within the report. While every effort has been made to ensure accurate results, this report reflects the judgment of Aspen Reserve Specialties and should not be construed as a guarantee or assurance of predicting future events.

General Information and Answers to Frequently Asked Questions –

Why is it important to perform a Reserve Study?

As previously mentioned, the Reserve allocation makes up a significant portion of the total budget. This report provides the essential information that is needed to guide the Board of Directors in establishing the budget in order to run the daily operations of your metropolitan district. It is suggested that a third party professionally prepare a Reserve Study since there is no vested interest in the property. Also, a professional knows what to look for and how to properly develop an accurate and reliable component list.

Now that we have “it”, what do we do with “it”?

Hopefully, you will not look at this report and think it is too cumbersome to understand. Our intention is to make this Reserve Analysis very easy to read and understand. Please take the time to review it carefully and make sure the “main ingredients” (asset information) are complete and accurate. If there are any inaccuracies, please inform us immediately so we may revise the report.

Once you feel the report is an accurate tool to work from, use it to help establish your budget for the upcoming fiscal year. The Reserve allocation makes up a significant portion of the total budget and this report should help you determine the correct amount of money to go into the Reserve fund. Additionally, the Reserve Study should act as a guide to obtain proposals in advance of pending normal maintenance and replacement projects.

The Reserve Study should be readily available for residents and property owners within the district. As the importance of Reserves, people are requesting metropolitan districts to provide an analysis that shows the strength of the Reserve fund.

How often do we update or review “it”?

Unfortunately, there is a misconception that these reports are good for an extended period of time since the report has projections for the next 30 years. Just like any major line item in the budget, the Reserve Analysis should be reviewed *each year before* the budget is established. Invariably, some assumptions have to be made during the compilation of this analysis. Anticipated events may not materialize and unpredictable circumstances could occur. Aging rates and repair/replacement costs will vary from causes that are unforeseen. Earned interest rates may vary from year to year. These variations could alter the content of the Reserve Analysis. Therefore, this analysis should be reviewed annually, and a property observation should be conducted at least once every three years.

What makes an asset a “Reserve” item versus an “Operating” item?

A “Reserve” asset is an item that is the responsibility of the metropolitan district to maintain, has a limited Useful Life, predictable Remaining Useful Life expectancies, typically occurs on a cyclical basis that exceeds 1 year, and costs above a minimum threshold cost. An “operating” expense is typically a fixed expense that occurs on an annual basis. For instance, minor repairs to a component for damage caused by high winds or other weather elements would be considered an “operating” expense. However, if the entire component needs to be replaced because it has reached the end of its life expectancy, then the replacement would be considered a Reserve expense.

The GREY area of “maintenance” items that are often seen in a Reserve Study –

One of the most popular questions revolves around major “maintenance” items, such as painting or seal coating the asphalt. You may hear from your accountant that since painting or seal coating is not replacing a “capital” item, then it cannot be considered a Reserve issue. However, it is the opinion of several major Reserve Study providers that these items are considered to be major expenses that occur on a cyclical basis. Therefore, it makes it very difficult to ignore a major expense that meets the criteria to be considered a Reserve component. Once explained in this context, many accountants tend to agree and will include any expenses, such as these examples, as a Reserve component.

The Property Observation –

The Property Observation was conducted following a review of the documents that were provided by the district identifying all common area assets. In some cases, the Board of Directors at some point may have revised the documents. In either case, the most current set of documents was reviewed prior to inspecting the property. In addition, common area assets may have been reported to Aspen Reserve Specialties by the client, or by other parties.

Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the observation. We did not destroy any landscape work, building walls, or perform any methods of intrusive investigation during the observation. In these cases, information may have been obtained by contacting the contractor or vendor that has worked on the property.

The Reserve Fund Analysis –

We projected the starting balance from taking the most recent balance statement, adding expected Reserve contributions for the rest of the year, and subtracting any pending projects for the rest of the year. We compared this number to the ideal Reserve Balance and arrived at the Percent funded level. Measures of strength are as follows:

0% - 30% Funded – Is considered to be a “weak” financial position. Metropolitan districts that fall into this category are subject to Special Assessments and deferred maintenance, which could lead to lower property values. If the metropolitan district is in this position, actions should be taken to improve the financial strength of the Reserve Fund.

31% - 69% Funded – The majority of metropolitan districts are considered to be in this “fair” financial position. While this doesn’t represent financial strength and stability, the likelihood of Special Assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial position of the Reserve fund.

70% - 99% Funded – This indicates financial strength of a Reserve fund and every attempt to maintain this level should be a goal of the metropolitan district.

100% Funded – This is the ideal amount of Reserve funding. This means that the metropolitan district has the exact amount of funds in the Reserve account that should be at any given time.

Summary of Littleton Village Metro District No. 2 -

Client ID# - 10415

Reported Starting Balance as of January 1, 2022 -	\$133,550
Ideal Reserve Balance as of January 1, 2022 -	\$235,684
Percent Funded as of January 1, 2022 -	57%
Recommended Reserve Allocation -	\$80,700 per year
Minimum Reserve Allocation -	\$72,000 per year
Recommended Additional Revenue -	\$0

Information to complete this Reserve Analysis was gathered during a property observation of the common area elements on August 17, 2021. In addition, we obtained information by contacting local vendors and contractors, as well as communicating with the District representatives (District Manager). To the best of our knowledge, the conclusions and suggestions of this report are considered reliable and accurate insofar as the information obtained from these sources.

This property is a metro district in Littleton that was constructed from 2015 - 2018, with the majority of the districts amenities being constructed in the early stages of the development. District responsibilities include, but are not limited to, concrete alleyways, sidewalks, a park area, mailboxes, landscape materials, and an extensive irrigation system. Please refer to the Projected Reserve Expenditures table of the Financial Analysis section for a list of when components are scheduled to be addressed.

In comparing the projected balance of \$133,550 versus the ideal Reserve Balance of \$235,684, we find the metropolitan district Reserve fund to be in an average financial position at this point in time (approximately 57% funded of ideal). Based on the information contained in this report, we are recommending a Reserve allocation of \$80,700 should be established on an annual basis effective immediately. Nominal annual increases of 3.75% - 4.25% will be required thereafter to help offset the effects of inflation. By following the recommendation, the plan will gradually increase to an ideal position (100%) and continue to maintain the Reserve account at or near the fully funded level throughout the thirty-year period.

In the percent Funded graph, you will see we have also provided a "minimum Reserve contribution" of \$72,000 annually. If the Reserve contribution falls below this rate, then the Reserve fund will fall into a situation where deferred maintenance and additional funding requirements are possible at some point in the future. The minimum Reserve allocation follows the "threshold" theory of Reserve funding where the "percent funded" status is not allowed to dip below 30% funded at any point during the thirty-year period.

This was provided for one purpose only, to show the metropolitan district how small the difference is between the two scenarios and how it would not make financial sense to contribute less money (approximately 11% less in this case) to the Reserve fund to only stay above a certain threshold. As you can see, the difference between the two scenarios is considered to be minimal, and based on the risk, we strongly suggest the recommended Reserve Allocation is followed.

Comp #: 207 Iron Fencing/Rail - Repaint



Observations:

- In this climate, we recommend repainting this component every 3 - 4 years to maintain appearance and protect metal surfaces.
- Remaining life based on current condition.

Location: *Throughout community*

Quantity: *Approx. 915 LF*

Life Expectancy: *4 Remaining Life: 0*

Best Cost: *\$6,400*
\$7.00/LF; Estimate to repaint fence

Worst Cost: *\$7,100*
\$7.75/LF; Higher estimate for additional prep costs

Source of Information: Cost Database

General Notes:

Handrails -
Townhome area -
Units - Approx. 220 LF
Common - Approx. 55 LF
Rowhome area -
Units - Approx. 90 LF
Common - Approx. 5 LF
Zero lot line area -
Units - Approx. 110 LF
Streetscape -
Units - Approx. 145 LF

Fence -
Dog park area - Approx. 290 LF

Comp #: 403 Concrete Alleys - Partial Replace



Observations:

- It is unlikely that all concrete will fail and need to be replaced at the same time. Therefore, we recommend reserving an allowance for periodic repairs to a percentage of the total area.
- Coordinate this project with other concrete and/or asphalt projects for best cost estimates based on quantity of work.
- This line item is not intended to be interpreted as complete replacement.

Location: *Throughout community*

Quantity: *Approx. 123,800 GSF*

Life Expectancy: *4 Remaining Life: 1*

Best Cost: *\$80,600*

Allowance to replace 5% of area every 4 yrs

Worst Cost: *\$88,350*

Higher allowance for more repairs

Source of Information: Cost Database

General Notes:

Townhome area - Approx. 25,850 GSF
Rowhome area - Approx. 31,000 GSF
Zero lot line area - Approx. 39,350 GSF
Streetscape - Approx. 27,600 GSF

Comp #: 601 Concrete Flatwork - Partial Replace



Observations:

- Similar to the concrete drive surfaces, it is unlikely all areas will fail and need to be replaced at the same time.
- Therefore, we set an allowance of 2% of the total area measured (2600 GSF) to be repaired every 4 years.
- As the property continues to age, it is possible the percentage or frequency of repairs will need to be adjusted in future Reserve Study updates.

Location: *Throughout community*

Quantity: *Approx. 130,370 GSF*

Life Expectancy: *4 Remaining Life: 1*

Best Cost: *\$28,600*

Allowance to repair 2% of area every 4 years

Worst Cost: *\$32,500*

Higher allowance for more repairs

Source of Information: Cost Database

General Notes:

Sidewalk/Greenbelt along Hinsdale - Approx. 7,880 GSF
Sidewalk/Greenbelt along E. Dry Creek Pl. - Approx. 7,880 GSF
Townhome area - Units - Approx. 7,300 GSF; Common -
Approx. 5,100 GSF; Along street - Approx. 7,670 GSF
Rowhome area - Units - Approx. 3,100 GSF; Common -
Approx. 5,980 GSF; Along street - Approx. 8,925 GSF
Between Cityscape & Townhomes - Approx. 1,500 GSF
Zero lot line area - Units - Approx. 3,960 GSF; Common -
Approx. 3,775 GSF; Along streets - Approx. 16,975 GSF
Streetscape - Units - Approx. 4,500 GSF; Common - Approx.
2,200 GSF; Along streets - Approx. 8,505 GSF
Along Pennsylvania - Approx. 7,725 GSF
Along E. Dry Creek - Approx. 3,290 GSF
Along E. Dry Creek Pl. - Approx. 2,225 GSF
Along E. Dry Creek Cir.- Approx. 5,425 GSF
Park area - Approx. 20,165 GSF
Mailbox pads - Approx. 40 GSF

NOTE: After review of report, ARS was instructed to remove sidewalks leading up to unit. Since there is no way to determine this amount without remeasuring the area, we are deleting approximately 50 GSF per unit from the grand total - 50 GSF x 75 = 3750 GSF

Project History -
2019 - \$23,587.98 (1,850 GSF in park area)



Comp #: 625 Breeze/Crushed Granite - Replenish



Observations:

- These areas will be subject to frequent wash outs and are heavy use areas, which will result in continual high maintenance requirements
- We recommend addressing these paths every 4 - 5 years with new material and cutting back the overgrown areas.

Location: **Throughout community**

Quantity: **Approx. 19,815 GSF**

Life Expectancy: **5** Remaining Life: **2**

Best Cost: **\$55,500**
\$2.80/GSF; Estimate to refurbish

Worst Cost: **\$59,450**
\$3.00/GSF; Higher estimate for more material

Source of Information: Cost Database

General Notes:

Path along Fremont - Approx. 11,400 GSF
Park area - Approx. 4,965 GSF
Dog park - Approx. 3,450 GSF

Comp #: 727 Pump Station - Replace



Observations:

- The average life expectancy for pumps range from 5 - 10 years, depending on the level of use and maintenance.

Location: **Throughout community**

Quantity: **(3) Pump stations**

Life Expectancy: **7** **Remaining Life:** **2**

Best Cost: **\$3,300**
\$1100/pump; Estimate to replace

Worst Cost: **\$4,200**
Higher estimate for upgraded pump

Source of Information: Cost Database

General Notes:

**Sherman St. -
(1) Bluffton Motor Works, 2 HP, #1BF22034**

**Path along Fremont -
(1) Pump station**

**Hinsdale & Logan -
(1) Pump station**

Comp #: 803 Mailboxes - Replace



Observations:

- According to several manufacturers, the typical life expectancy for this type of mailbox is 15 - 20 years in this environment.
- Remaining life is based on average age of all units.
- Per new Postal regulations effective 2012, "all customers are responsible for repairs and replacement of keys, locks, or the boxes/cluster units themselves".

Location: *Throughout community*

Quantity: *(22) Various size CBU's*

Life Expectancy: *20* **Remaining Life:** *14*

Best Cost: *\$50,600*
\$2300/CBU; Estimate to replace

Worst Cost: *\$56,100*
\$2550/CBU; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

Path along Fremont -
(1) 16 box CBU, 10/2015; (1) 8 box CBU, 10/2015
7468 Pennsylvania -
(3) 16 box CBU, July/Nov/Dec 2015
Rowhouses -
(3) 16 box CBU Feb 2016; (2) 12 box CBU Feb 2016
Hinsdale -
(1) 8 box CBU Sept 2015; (1) 16 box CBU Sept 2015
Cityscapes -
(4) 16 box CBU May 2016
Townhomes -
(4) 16 box CBU April/May 2016; (2) 8 box CBU Jan 2016

Comp #: 811 Message Boards - Replace



Observations:

- Replacement cost for these boards is too small for separate Reserve designation. Replace as needed with general funds, as opposed to from a Reserve account.

Location: **Throughout community**

Quantity: **(3) Message boards**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

**Sidewalk/Greenbelt along Hinsdale - (1) 1x2
Sidewalk/Greenbelt along E. Dry Creek Pl. - (1) 2x3
Park area - (1) 2x3**

Comp #: 1002 Metal Handrails - Replace



Observations:

Location: **Throughout community**

Quantity: **Approx. 60 LF**

Life Expectancy: **25** Remaining Life: **19**

Best Cost: **\$3,600**
\$60/LF; Estimate to replace

Worst Cost: **\$4,200**
\$70/LF: Higher estimate

Source of Information: Cost Database

General Notes:

**Townhome area -
Units - Approx. 220 LF (not District)
Common - Approx. 55 LF**
**Rowhome area -
Units - Approx. 90 LF (not District)
Common - Approx. 5 LF**
**Zero lot line area -
Units - Approx. 110 LF (not District)**
**Streetscape -
Units - Approx. 145 LF (not District)**

Comp #: 1002 Aluminum Fencing - Replace



Observations:

- Bottom rungs of the pickets are rusted, as it doesn't appear these were ever painted or coated.
- The average life expectancy for metal fences ranges between 25 - 30 years, depending on maintenance schedules and exposure to elements.
- The remaining life is based on age of fence and observed conditions.

Location: **Dog Park**

Quantity: **Approx. 290 LF**

Life Expectancy: **28** *Remaining Life:* **24**

Best Cost: **\$15,950**
\$55/LF; Estimate to replace

Worst Cost: **\$17,400**
\$60/LF: Higher estimate

Source of Information: Cost Database

General Notes:

Comp #: 1009 2 Rail Fencing - Major Repairs



Observations:

- This fence is a heavy duty cedar wood that will have an extended life expectancy.
- Typically, sections can be replaced as needed to maintain the integrity of the fence and the new sections will eventually blend in with the older sections.
- With no expectancy for complete replacement, we recommend establishing funds for periodic major repairs, as opposed to replacement as a whole.

Location: **Path along Fremont**

General Notes:

Quantity: **Approx. 1,425 LF**

Life Expectancy: **15** *Remaining Life:* **8**

Best Cost: **\$21,500**

Allowance for major repairs

Worst Cost: **\$25,000**

Higher allowance for more repairs

Source of Information: Cost Database

Comp #: 1011 Retaining Wall - Major Repairs



Observations:

- As long as block wall was installed conforming to county code requirements, this wall should have an extended useful life.
- This type of material has an indefinite life expectancy and complete replacement is unlikely.
- However, due to the volume of retaining walls throughout the community, we recommend establishing a Reserve allowance for periodic repairs to maintain appearance and functionality of the wall.

Location: **Throughout community**

Quantity: **Approx. 5700 GSF**

Life Expectancy: **7** Remaining Life: **4**

Best Cost: **\$3,600**

Allowance for major repairs

Worst Cost: **\$4,000**

Higher allowance for more repairs

Source of Information: Cost database

General Notes:

Path along Fremont - Approx. 5,700 GSF

Reported to not be part of district:

Townhome area - Extensive

Rowhome area - Extensive

Zero lot lines area - Extensive

Comp #: 1301 Play Equipment - Replace



Observations:

- Depending on overall level of use and care, the average life expectancy for play equipment ranges from 15 - 18 years.
- Expect high use for this facility due to the demographics of the community with the majority being young families with children.
- Manufacturer of equipment is "Little Tykes".

Location: **Park area**

Quantity: **See general notes**

Life Expectancy: **18** *Remaining Life:* **12**

Best Cost: **\$48,000**

Estimate to replace and install with similar type

Worst Cost: **\$55,000**

Higher estimate for larger structure

Source of Information: Cost Database

General Notes:

**Little Tykes -
Slide, Short slide, Monkey bars, Round ladder, (3) Platforms,
(2) Sets of stairs, Pod Steps**

**Swing Set -
(1) Infant seat, (1) Saddle**

Comp #: 1303 Tot Lot Groundcover - Refill



Observations:

- There was some signs of the weed barrier showing through the groundcover in low areas at the end of the slides and under the swing sets.
- Depending on the level of use and care, expect to refill groundcover bed every 3 to 5 years to maintain appearance and ensure proper function as a safety component.

Location: **Park area**

Quantity: **Approx. 2,770 GSF**

Life Expectancy: **5** *Remaining Life:* **0**

Best Cost: **\$3,000**

\$50/cu yd; Estimate for playground mulch

Worst Cost: **\$3,300**

\$55/cu yd; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

Comp #: 1306 Picnic Tables - Replace



Observations:

- Expect to replace park equipment approximately every 15 - 18 years to maintain appearance.
- Remaining life based on current age.

Location: **Throughout community**

Quantity: **(9) Tables with benches**

Life Expectancy: **18** *Remaining Life:* **13**

Best Cost: **\$13,050**

\$1450/table; Estimate to replace with similar

Worst Cost: **\$15,300**

\$1700/table; Higher estimate

Source of Information: Cost Database

General Notes:

**Sidewalk/Greenbelt along Hinsdale -
(1) Oval table with (2) benches
Sidewalk/Greenbelt along E. Dry Creek Pl. -
(1) Oval table with (2) benches
Park area -
(7) Oval tables with (2) benches**

Comp #: 1307 Benches - Replace



Observations:

- The average life expectancy for this type of furniture generally ranges between 10 - 15 years, depending on quality and levels of use and care.
- The remaining life is based on the average age of all furnishings.

Location: **Throughout community**

Quantity: **(20) Benches**

Life Expectancy: **15** *Remaining Life:* **10**

Best Cost: **\$22,000**

\$1100/bench; Average estimate per bench

Worst Cost: **\$25,500**

Higher estimate for upgraded bench

Source of Information: Cost Database

General Notes:

Path along Fremont - (4) Teak wood w/ metal arms and backrest
Townhome area - (5) w/ backs, (1) w/out back
Zero lot line area - (5)
Park area - (3) Teak type wood
Dog park - (2)

Comp #: 1307 Flagstone Benches - Replace



Observations:

- These will have an indefinite life expectancy and replacement is unlikely.
- Continue to monitor conditions and adjust, or add funding in future Reserve Study updates if necessary

Location: **Throughout community**

Quantity: **(33) Benches various sizes**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

Sidewalk/Greenbelt along Hinsdale - (2)
Sidewalk/Greenbelt along E. Dry Creek Pl. - (9) various sizes
Park area - (22)

Comp #: 1308 Trash Receptacles - Replace



Observations:

- The average life expectancy for this type of furniture generally ranges between 10 - 15 years, depending on quality and levels of use and care.
- The remaining life is based on the average age of all furnishings.

Location: **Throughout community**

Quantity: **(12) Receptacles**

Life Expectancy: **15** *Remaining Life:* **10**

Best Cost: **\$12,000**
\$1000/unit; Estimate to replace

Worst Cost: **\$14,100**
Higher estimate for better quality

Source of Information: Cost Database

General Notes:

Path along Fremont - (1)
Sidewalk/Greenbelt along Hinsdale - (2)
Sidewalk/Greenbelt along E. Dry Creek Pl. - (3)
Townhome area - (1)
Park area - (5)

Comp #: 1311 Pet Waste Pick Up Stations - Replace



Observations:

- Due to the varying ages of stations and low individual replacement cost of each station, it is an unlikely event that all will require replacement at the same time
- Therefore, we do not recommend reserving for replacement at this time.
- Maintain and replace on an as needed basis using operating funds.

Location: **Throughout community**

Quantity: **(11) Stations**

Life Expectancy: **N/A Remaining Life:**

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

- Path along Fremont - (3)**
- Sidewalk/Greenbelt along Hinsdale - (2)**
- Park on S. Logan St. - (1)**
- Sidewalk/Greenbelt along E. Dry Creek Pl. - (2)**
- Park area - (2)**
- Dog park - (1)**

Comp #: 1318 Bike Racks - Replace



Observations:

- Due to low quantity and long life expectancy under normal conditions, we recommend replacing on an as needed basis with general operating funds.
- Therefore, at this time, separate Reserve funding is not required for this component

Location: **Park area**

Quantity: **(3) Bike racks**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

Comp #: 1320 Dog Park Fountain - Replacement



Observations:

- Fountain was recently refurbished for an unknown reason.
- In our experience, we have seen these fountains have a life expectancy of 8 - 12 years under normal conditions.
- Winterize these units in a timely manner before the weather turns and overnight temperatures drop below freezing.

Location: **Dog Park**

Quantity: **(1) Fountain**

Life Expectancy: **10** *Remaining Life:* **7**

Best Cost: **\$5,000**

Estimate to replace/restore fountain

Worst Cost: **\$5,750**

Higher estimate for more labor cost to install

Source of Information: Past client cost

General Notes:

**Project History -
2019 - \$5,000 Restore to working condition**

Comp #: 1603 Recessed LED Uplights - Replace



Observations:

- Due to low quantity and inexpensive replacement cost, we recommend addressing replacement of these lights on an as needed basis with general operating funds.

Location: **Park area**

Quantity: **(6) LED Uplights**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

Comp #: 1605 Bollard Lights - Replace



Observations:

- The average life expectancy for this type of light ranges between 12 - 18 years, depending on quality of light, exposure to elements, and level of care.

Location: **Throughout community**

Quantity: **(25) Lights**

Life Expectancy: **17** Remaining Life: **12**

Best Cost: **\$20,625**

\$825/fixture; Estimate to replace and install

Worst Cost: **\$22,500**

Higher estimate for more install costs

Source of Information: Cost Database

General Notes:

Townhome area - (11)
Rowhome area - (5)
Between Cityscape & Townhomes - (2) Solar
Zero lot line area - (3)
Streetscape - (4)

Comp #: 1701 Irrigation System - Major Repairs



Observations:

- This line item is for repairs and replacement that lies outside the scope of routine maintenance: bulk sprinkler head replacement, bulk valve replacement, rerouting lateral lines, rewiring, etc.
- In order to ensure the funds are available for major repairs, we recommend reserving funds for these projects every 4 - 5 years.
- The funding on this line item is for major repairs and is not to be interpreted as complete irrigation system replacement.

Location: **Landscaped areas**

Quantity: **Extensive system**

Life Expectancy: **5** *Remaining Life:* **2**

Best Cost: **\$7,000**

Estimate for major repairs and renovating system

Worst Cost: **\$8,000**

Higher estimate for more labor

Source of Information: Cost Database

General Notes:

**Project History -
2019 - \$697.40 (Includes rock reinstall) no information
provided on breakout**

Comp #: 1703 Irrigation Controllers - Replace



Observations:

- Expect to replace irrigation controllers every 10 - 15 years if properly maintained and under normal conditions.
- Funding is for replacement with a similar controller.
- Remaining life is based on average age of all controllers.

Location: *Throughout community*

Quantity: *(7) Controllers*

Life Expectancy: *15 Remaining Life: 10*

Best Cost: *\$11,550*
 \$1650/controller; Estimate to replace

Worst Cost: *\$14,000*
 \$2000/controller; Higher estimate

Source of Information: Cost Database

General Notes:

**Path along Fremont - (1) Hunter ACC
 Hinsdale & Logan - (1) Hunter ACC 99D, July 13
 500 E. Dry Creek Pl. - (1) Hunter ACC Pedestal
 599 Hinsdale Ave. - (1) Hunter ACC, Feb 2017
 538 E. Hinsdale Ave. - (1) Hunter Pedestal
 608 E. Dry Creek Pl. - (1) Hunter Pedestal
 Pennsylvania & Dry Creek - (1) Hunter**

Comp #: 1705 Water Hand Pumps - Replace



Observations:

- No unusual conditions reported or observed at time of field work.
- These have an indefinite life expectancy and replacement is unlikely under normal conditions.
- We recommend treating any repairs and/or replacement on an as needed basis with general operating funds.

Location: **Throughout community**

Quantity: **(2) Hand pumps**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

Sidewalk/Greenbelt along Hinsdale - (1)
Sidewalk/Greenbelt along E. Dry Creek Pl. - (1)

Comp #: 1706 Backflow Devices - Replace



Observations:

- All devices are enclosed in a protective stainless steel enclosure to prevent theft. No reported problems with any of the devices.
- Due to the ability to rebuild and replace these devices for a relatively low cost and the fact that failure of the device is unpredictable, we do not recommend reserving for replacement.
- Repair and/or replace these devices/enclosures on an as needed basis using operating funds.

Location: **Throughout community**

Quantity: **(8) Backflow devices**

Life Expectancy: **N/A** Remaining Life:

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

**Sherman St. - (1) w/ ss enclosure
Path along Fremont - (1) w/ ss enclosure
Hinsdale & Logan - (1) w/ ss enclosure
500 E. Dry Creek Pl. - (1) w/ ss enclosure
599 Hinsdale Ave. - (1) w/ ss enclosure
538 E. Hinsdale Ave. - (1) w/ ss enclosure
608 E. Dry Creek Pl. - (1) w/ ss enclosure
Pennsylvania & Dry Creek - (1) w/ ss enclosure**

Comp #: 1801 Groundcover - Replenish



Observations:

- This line item, similar to irrigation repairs, is for projects that lie outside the scope of routine maintenance.
- In order to preserve an attractive curb appeal and to maintain the health of the plants and shrubs, we recommend reserving for refurbishment projects every 2 - 4 years.
- This line item is for cyclical refurbishment and should not be considered as complete landscaping replacement.

Location: **Throughout community**

Quantity: **Extensive area**

Life Expectancy: **4** *Remaining Life:* **1**

Best Cost: **\$6,000**

Allowance for major replenishment

Worst Cost: **\$6,800**

Higher allowance for more material

Source of Information: Cost Database

General Notes:

**Project History -
2019 - \$3,048 (Relocate breeze, reinstall rock and irrigation
repairs, replace sod grasses and shrubs)**

Comp #: 1804 Tree - Replacement/Major Maintenance



Observations:

- Several trees were cut down at the park, but have not been replaced yet.
- It is very difficult to predict a replacement cycle for trees as there are several factors that will contribute to a tree dying.
- Factors such as disease, infestation of insects, heavy snow storms, etc. can all attribute to eventual tree replacement.
- Since it is difficult to predict when the replacement will be necessary, Reserve funding is typically not a factor.
- However, based on our recent experience, an allowance for periodic replacement has been included.

Location: **Throughout community**

General Notes:

Quantity: **Numerous sizes/types**

Life Expectancy: **5** *Remaining Life:* **0**

Best Cost: **\$12,000**

Allowance for major maintenance/replacement

Worst Cost: **\$15,000**

Higher estimate for more replacement

Source of Information: Cost Database

Comp #: 1812 Planter Boxes - Rebuild



Observations:

- A few boards were starting to warp, but all planters are intact and in good shape.
- While it is possible to repair the boards as needed, we suggest establishing a line item for major repairs and rebuilding every 12 years at this time.
- If deterioration rates differ in future updates, then we can continue to adjust this line item accordingly. It is possible this item becomes an operating expense as rotted boards are replaced as needed.

Location: **Throughout community**

Quantity: **(8) Planter boxes**

Life Expectancy: **12** *Remaining Life:* **7**

Best Cost: **\$4,800**
\$600/planter; Estimate to rebuild

Worst Cost: **\$5,600**
\$700/planter; Higher estimate for more labor

Source of Information: Cost Database

General Notes:

Sidewalk/Greenbelt along Hinsdale - (4) 5x9
Sidewalk/Greenbelt along E. Dry Creek Pl. - (4) 5x9

Comp #: 1813 Steel Leaf Structures - Replace



Observations:

- These art structures should have an indefinite life expectancy and replacement is unlikely under normal conditions.
- Continue to monitor deterioration rates and adjust in future Reserve Study updates if necessary.
- At this time, Reserve funding is not required for this component

Location: **Park area**

Quantity: **(2) Sets of 3 leaves each**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

Comp #: 2001 Sanitary Sewer System



Observations:

- Underground utility systems are not typically included in a Reserve report.
- The reason behind this is due to the unpredictable nature of when/if replacement or major repairs will be necessary and also the variable nature of how much these repairs , if needed, would cost.
- Unfortunately, if major repairs were necessary for one reason or another, we recommend treating the expense as a separate issue from reserves (Special Assessment, or other means).
- If the association begins to experience a history of periodic repairs, then funding can be added in future Reserve Study updates.

Location: **Underground utilities**

Quantity: **Extensive system**

Life Expectancy: **N/A** Remaining Life:

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

the Littleton Village Metropolitan District has retained ownership of the main line sanitary sewer improvements within the community.



Comp #: 2001 Storm Sewer System



Observations:

- Underground utility systems are not typically included in a Reserve report.
- The reason behind this is due to the unpredictable nature of when/if replacement or major repairs will be necessary and also the variable nature of how much these repairs , if needed, would cost.
- Unfortunately, if major repairs were necessary for one reason or another, we recommend treating the expense as a separate issue from reserves (Special Assessment, or other means).
- If the association begins to experience a history of periodic repairs, then funding can be added in future Reserve Study updates.

Location: **Underground utilities**

Quantity: **Extensive system**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

There are two storm water detention facilities, as well as the corresponding underground system, that supports both the Littleton Village Metropolitan District No 2 and No 3.

Comp #: 2035 Sink Hole



Observations:

Recent discussions and policy decisions made by the City of Littleton have resulted in the removal of the E. Hinsdale Avenue sinkhole repair in this reserve study. The City of Littleton will be making this repair and the District's financial obligation will be realized in years outside the scope of this study and will be obtained through property tax revenue. The anticipated financial obligation is \$250,000 and will be done as part of the District's bond financing, terms of which will be determined at a later date.

Location: **Park area**

Quantity: **Unknown**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **\$0**

Worst Cost: **\$0**

Source of Information:

General Notes:

Funding Summary For Littleton Village Metro District No. 2

Beginning Assumptions

Financial Information Source	Research With Client
# of units	281 + AMLI
Fiscal Year End	December 31, 2022
Annual Dues from 2021 budget	\$367,500.00
Annual Reserve Allocation from 2021 Budget	\$0.00
Projected Starting Reserve Balance (as of 1/1/2022)	\$133,550
Ideal Starting Reserve Balance (as of 1/1/2022)	\$235,684

Economic Factors

Past 20 year Average Inflation Rate (Based on CCI)	4.15%
Current Average Interest Rate	0.10%

Current Reserve Status

Current Balance as a % of Ideal Balance	57%
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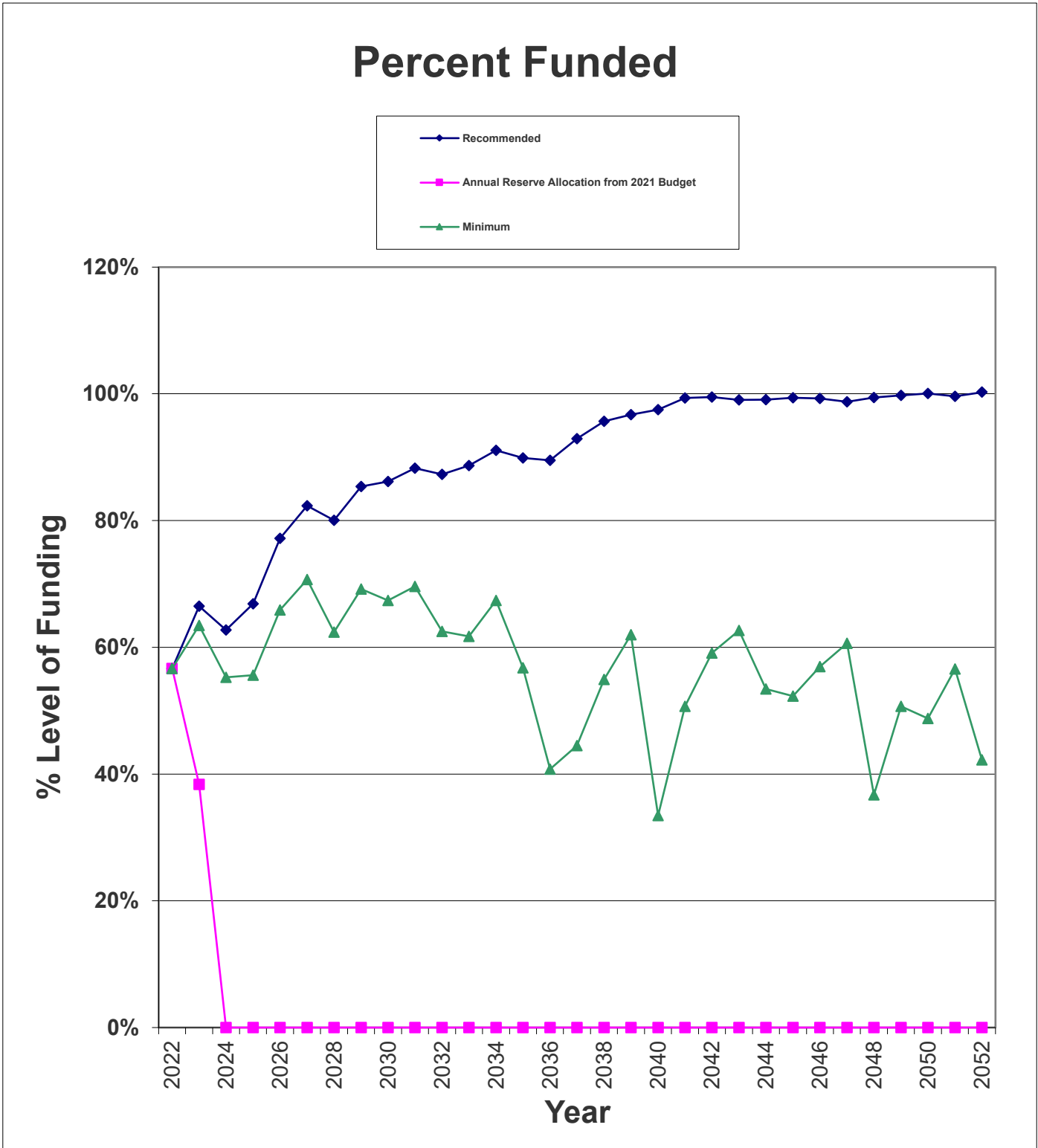
Recommendations for 2022 Fiscal Year

Annual Reserve Allocation	\$80,700
Minimum Annual Reserve Allocation	\$72,000
Primary Annual Increases	3.75%
# of Years	20
Secondary Annual Increases	4.25%
# of Years	10
Special Assessment	\$0

Changes From Prior Year (2021 to 2022)

Increase/Decrease to Reserve Allocation	\$80,700
as Percentage	0%

Percent Funded Graph For Littleton Village Metro District No. 2



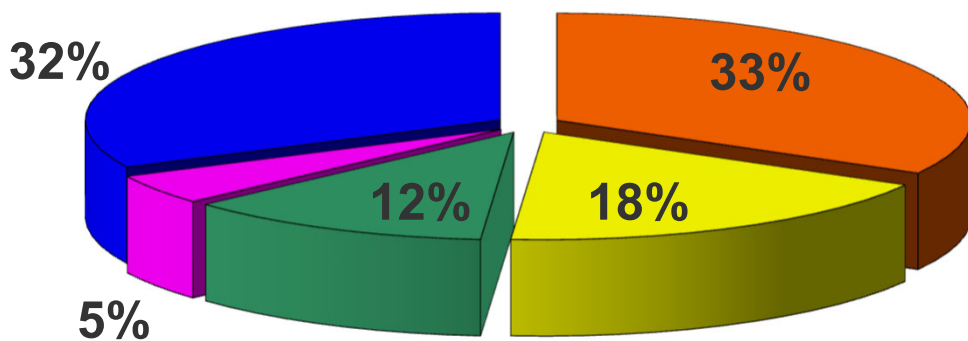
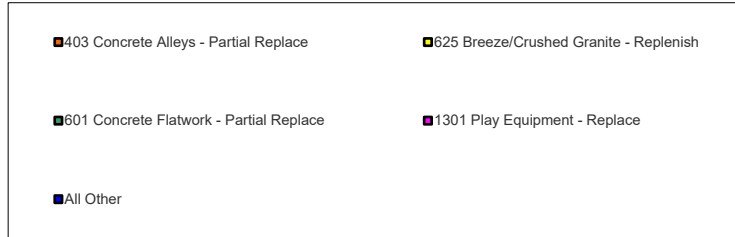
Component Inventory for Littleton Village Metro District No. 2

Category	Asset #	Asset Name	UL	RUL	Best Cost	Worst Cost
Painted Surfaces	207	Iron Fencing/Rail - Repaint	4	0	\$6,400	\$7,100
Drive Materials	403	Concrete Alleys - Partial Replace	4	1	\$80,600	\$88,350
Walking Surfaces	601	Concrete Flatwork - Partial Replace	4	1	\$28,600	\$32,500
	625	Breeze/Crushed Granite - Replenish	5	2	\$55,500	\$59,450
Mechanical Equip.	727	Pump Station - Replace	7	2	\$3,300	\$4,200
Prop. Identification	803	Mailboxes - Replace	20	14	\$50,600	\$56,100
	811	Message Boards - Replace	N/A		\$0	\$0
Fencing/Walls	1002	Metal Handrails - Replace	25	19	\$3,600	\$4,200
	1002	Aluminum Fencing - Replace	28	24	\$15,950	\$17,400
	1009	2 Rail Fencing - Major Repairs	15	8	\$21,500	\$25,000
	1011	Retaining Wall - Major Repairs	7	4	\$3,600	\$4,000
Recreation Equip.	1301	Play Equipment - Replace	18	12	\$48,000	\$55,000
	1303	Tot Lot Groundcover - Refill	5	0	\$3,000	\$3,300
	1306	Picnic Tables - Replace	18	13	\$13,050	\$15,300
	1307	Benches - Replace	15	10	\$22,000	\$25,500
	1307	Flagstone Benches - Replace	N/A		\$0	\$0
	1308	Trash Receptacles - Replace	15	10	\$12,000	\$14,100
	1311	Pet Waste Pick Up Stations - Replace	N/A		\$0	\$0
	1318	Bike Racks - Replace	N/A		\$0	\$0
	1320	Dog Park Fountain - Replacement	10	7	\$5,000	\$5,750
Light Fixtures	1603	Recessed LED Uplights - Replace	N/A		\$0	\$0
	1605	Bollard Lights - Replace	17	12	\$20,625	\$22,500
Irrig. System	1701	Irrigation System - Major Repairs	5	2	\$7,000	\$8,000
	1703	Irrigation Controllers - Replace	15	10	\$11,550	\$14,000
	1705	Water Hand Pumps - Replace	N/A		\$0	\$0
	1706	Backflow Devices - Replace	N/A		\$0	\$0
Landscaping	1801	Groundcover - Replenish	4	1	\$6,000	\$6,800
	1804	Tree - Replacement/Major Maintenance	5	0	\$12,000	\$15,000
	1812	Planter Boxes - Rebuild	12	7	\$4,800	\$5,600
	1813	Steel Leaf Structures - Replace	N/A		\$0	\$0
Miscellaneous	2001	Sanitary Sewer System	N/A		\$0	\$0
	2001	Storm Sewer System	N/A		\$0	\$0
	2035	Sink Hole	N/A		\$0	\$0

Significant Components For Littleton Village Metro District No. 2

ID	Asset Name	UL	RUL	Ave Curr Cost	Significance: (Curr Cost/UL)	
					As \$	As %
207	Iron Fencing/Rail - Repaint	4	0	\$6,750	\$1,688	2.6529%
403	Concrete Alleys - Partial Replace	4	1	\$84,475	\$21,119	33.2008%
601	Concrete Flatwork - Partial Replace	4	1	\$30,550	\$7,638	12.0069%
625	Breeze/Crushed Granite - Replenish	5	2	\$57,475	\$11,495	18.0713%
727	Pump Station - Replace	7	2	\$3,750	\$536	0.8422%
803	Mailboxes - Replace	20	14	\$53,350	\$2,668	4.1936%
1002	Aluminum Fencing - Replace	28	24	\$16,675	\$596	0.9362%
1002	Metal Handrails - Replace	25	19	\$3,900	\$156	0.2452%
1009	2 Rail Fencing - Major Repairs	15	8	\$23,250	\$1,550	2.4368%
1011	Retaining Wall - Major Repairs	7	4	\$3,800	\$543	0.8534%
1301	Play Equipment - Replace	18	12	\$51,500	\$2,861	4.4980%
1303	Tot Lot Groundcover - Refill	5	0	\$3,150	\$630	0.9904%
1306	Picnic Tables - Replace	18	13	\$14,175	\$788	1.2380%
1307	Benches - Replace	15	10	\$23,750	\$1,583	2.4892%
1308	Trash Receptacles - Replace	15	10	\$13,050	\$870	1.3677%
1320	Dog Park Fountain - Replacement	10	7	\$5,375	\$538	0.8450%
1605	Bollard Lights - Replace	17	12	\$21,563	\$1,268	1.9940%
1701	Irrigation System - Major Repairs	5	2	\$7,500	\$1,500	2.3582%
1703	Irrigation Controllers - Replace	15	10	\$12,775	\$852	1.3389%
1801	Groundcover - Replenish	4	1	\$6,400	\$1,600	2.5154%
1804	Tree - Replacement/Major Maintenance	5	0	\$13,500	\$2,700	4.2447%
1812	Planter Boxes - Rebuild	12	7	\$5,200	\$433	0.6812%

Significant Components Graph For Littleton Village Metro District No. 2



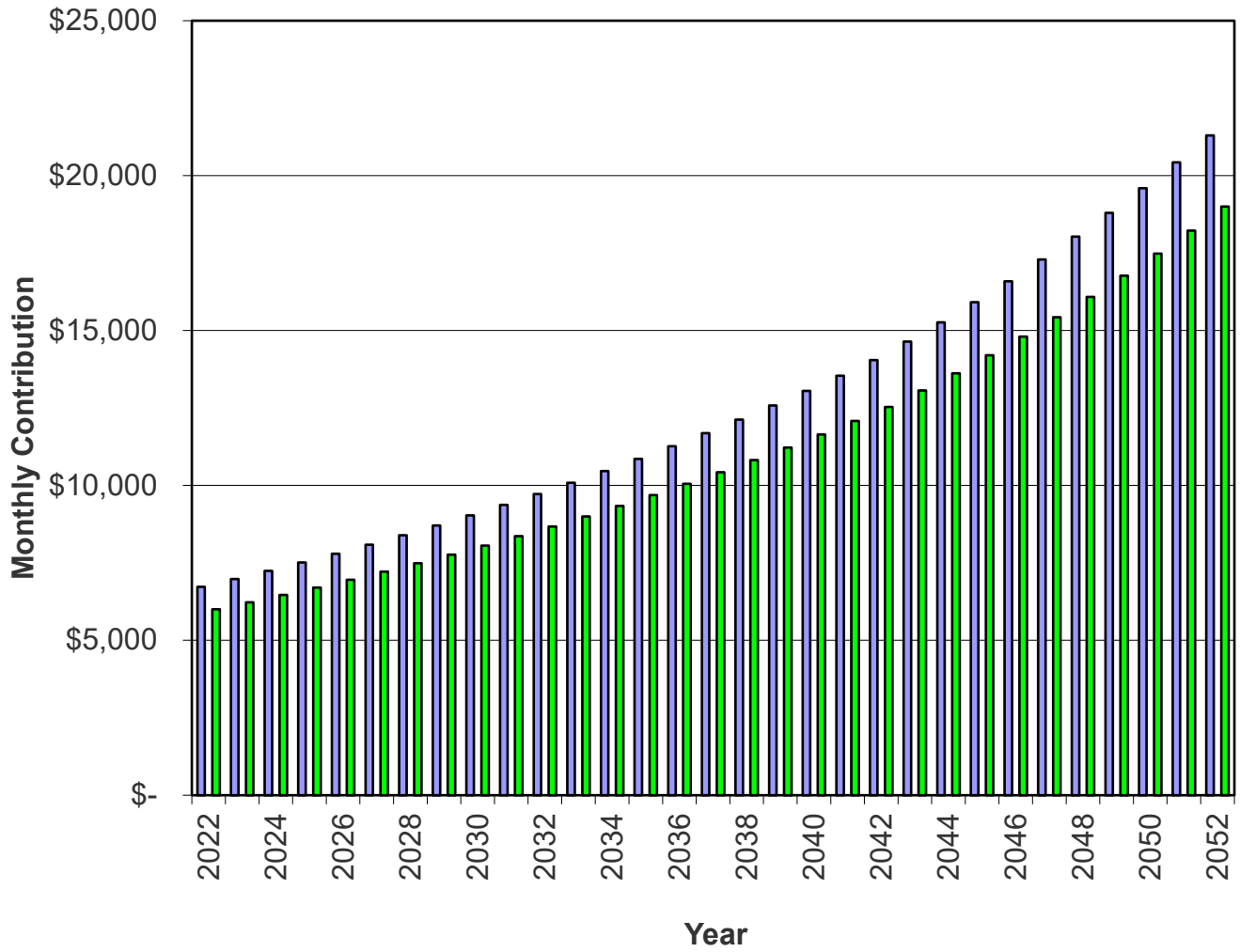
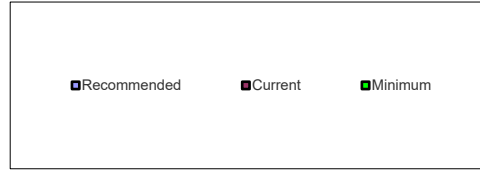
Asset ID	Asset Name	UL	RUL	Average Curr. Cost	Significance: (Curr Cost/UL)	
					As \$	As %
403	Concrete Alleys - Partial Replace	4	1	\$84,475	\$21,119	33%
625	Breeze/Crushed Granite - Replenish	5	2	\$57,475	\$11,495	18%
601	Concrete Flatwork - Partial Replace	4	1	\$30,550	\$7,638	12%
1301	Play Equipment - Replace	18	12	\$51,500	\$2,861	4%
All Other	See Expanded Table on Page 4 For Additional Breakdown				\$20,497	32%

Yearly Summary For Littleton Village Metro District No. 2

Fiscal Year Start	Fully Funded Balance	Starting Reserve Balance	Percent Funded	Annual Reserve Contribs	Rec. Special Ass'mnt	Interest Income	Reserve Expenses
2022	\$235,684	\$133,550	57%	\$80,700	\$0	\$162	\$23,400
2023	\$287,343	\$191,012	66%	\$83,726	\$0	\$170	\$126,464
2024	\$236,554	\$148,444	63%	\$86,866	\$0	\$155	\$74,548
2025	\$240,591	\$160,917	67%	\$90,123	\$0	\$206	\$0
2026	\$325,420	\$251,247	77%	\$93,503	\$0	\$292	\$12,413
2027	\$403,946	\$332,628	82%	\$97,009	\$0	\$297	\$169,204
2028	\$325,668	\$260,730	80%	\$100,647	\$0	\$311	\$0
2029	\$423,738	\$361,689	85%	\$104,422	\$0	\$364	\$100,427
2030	\$424,792	\$366,047	86%	\$108,337	\$0	\$400	\$41,533
2031	\$490,881	\$433,251	88%	\$112,400	\$0	\$399	\$180,489
2032	\$418,797	\$365,562	87%	\$116,615	\$0	\$374	\$99,452
2033	\$432,086	\$383,099	89%	\$120,988	\$0	\$441	\$5,943
2034	\$547,445	\$498,584	91%	\$125,525	\$0	\$444	\$235,854
2035	\$432,440	\$388,699	90%	\$130,232	\$0	\$339	\$230,054
2036	\$323,180	\$289,216	89%	\$135,116	\$0	\$310	\$94,268
2037	\$355,472	\$330,374	93%	\$140,183	\$0	\$385	\$30,641
2038	\$460,229	\$440,302	96%	\$145,440	\$0	\$503	\$20,125
2039	\$585,346	\$566,119	97%	\$150,894	\$0	\$450	\$382,824
2040	\$343,174	\$334,639	98%	\$156,552	\$0	\$409	\$7,900
2041	\$486,923	\$483,700	99%	\$162,423	\$0	\$555	\$19,705
2042	\$630,059	\$626,974	100%	\$168,514	\$0	\$685	\$52,772
2043	\$750,650	\$743,401	99%	\$175,676	\$0	\$689	\$285,202
2044	\$640,369	\$634,564	99%	\$183,142	\$0	\$647	\$158,946
2045	\$663,464	\$659,406	99%	\$190,925	\$0	\$721	\$68,790
2046	\$788,141	\$782,262	99%	\$199,040	\$0	\$851	\$62,159
2047	\$931,904	\$919,994	99%	\$207,499	\$0	\$760	\$529,099
2048	\$602,610	\$599,154	99%	\$216,318	\$0	\$708	\$0
2049	\$818,304	\$816,179	100%	\$225,511	\$0	\$824	\$210,894
2050	\$831,218	\$831,620	100%	\$235,095	\$0	\$939	\$21,075
2051	\$1,050,606	\$1,046,579	100%	\$245,087	\$0	\$937	\$464,962

Reserve Contributions For Littleton Village Metro District No. 2

Reserve Contributions



Component Funding Information For Littleton Village Metro District No. 2

ID	Component Name	Ave Current Cost	Ideal Balance	Current Fund Balance	Monthly
207	Iron Fencing/Rail - Repaint	\$6,750	\$6,750	\$6,750	\$178.41
403	Concrete Alleys - Partial Replace	\$84,475	\$63,356	\$63,356	\$2,232.75
601	Concrete Flatwork - Partial Replace	\$30,550	\$22,913	\$22,913	\$807.46
625	Breeze/Crushed Granite - Replenish	\$57,475	\$34,485	\$19,081	\$1,215.29
727	Pump Station - Replace	\$3,750	\$2,679	\$0	\$56.64
803	Mailboxes - Replace	\$53,350	\$16,005	\$0	\$282.02
1002	Aluminum Fencing - Replace	\$16,675	\$2,382	\$0	\$62.96
1002	Metal Handrails - Replace	\$3,900	\$936	\$0	\$16.49
1009	2 Rail Fencing - Major Repairs	\$23,250	\$10,850	\$0	\$163.87
1011	Retaining Wall - Major Repairs	\$3,800	\$1,629	\$0	\$57.39
1301	Play Equipment - Replace	\$51,500	\$17,167	\$0	\$302.49
1303	Tot Lot Groundcover - Refill	\$3,150	\$3,150	\$3,150	\$66.61
1306	Picnic Tables - Replace	\$14,175	\$3,938	\$0	\$83.26
1307	Benches - Replace	\$23,750	\$7,917	\$0	\$167.40
1308	Trash Receptacles - Replace	\$13,050	\$4,350	\$0	\$91.98
1320	Dog Park Fountain - Replacement	\$5,375	\$1,613	\$0	\$56.83
1605	Bollard Lights - Replace	\$21,563	\$6,342	\$0	\$134.10
1701	Irrigation System - Major Repairs	\$7,500	\$4,500	\$0	\$158.59
1703	Irrigation Controllers - Replace	\$12,775	\$4,258	\$0	\$90.04
1801	Groundcover - Replenish	\$6,400	\$4,800	\$4,800	\$169.16
1804	Tree - Replacement/Major Maintenance	\$13,500	\$13,500	\$13,500	\$285.45
1812	Planter Boxes - Rebuild	\$5,200	\$2,167	\$0	\$45.81

Yearly Cash Flow For Littleton Village Metro District No. 2

Year	2022	2023	2024	2025	2026
Starting Balance	\$133,550	\$191,012	\$148,444	\$160,917	\$251,247
<i>Reserve Income</i>	\$80,700	\$83,726	\$86,866	\$90,123	\$93,503
<i>Interest Earnings</i>	\$162	\$170	\$155	\$206	\$292
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$214,412	\$274,908	\$235,465	\$251,247	\$345,042
Reserve Expenditures	\$23,400	\$126,464	\$74,548	\$0	\$12,413
Ending Balance	\$191,012	\$148,444	\$160,917	\$251,247	\$332,628

Year	2027	2028	2029	2030	2031
Starting Balance	\$332,628	\$260,730	\$361,689	\$366,047	\$433,251
<i>Reserve Income</i>	\$97,009	\$100,647	\$104,422	\$108,337	\$112,400
<i>Interest Earnings</i>	\$297	\$311	\$364	\$400	\$399
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$429,935	\$361,689	\$466,474	\$474,784	\$546,051
Reserve Expenditures	\$169,204	\$0	\$100,427	\$41,533	\$180,489
Ending Balance	\$260,730	\$361,689	\$366,047	\$433,251	\$365,562

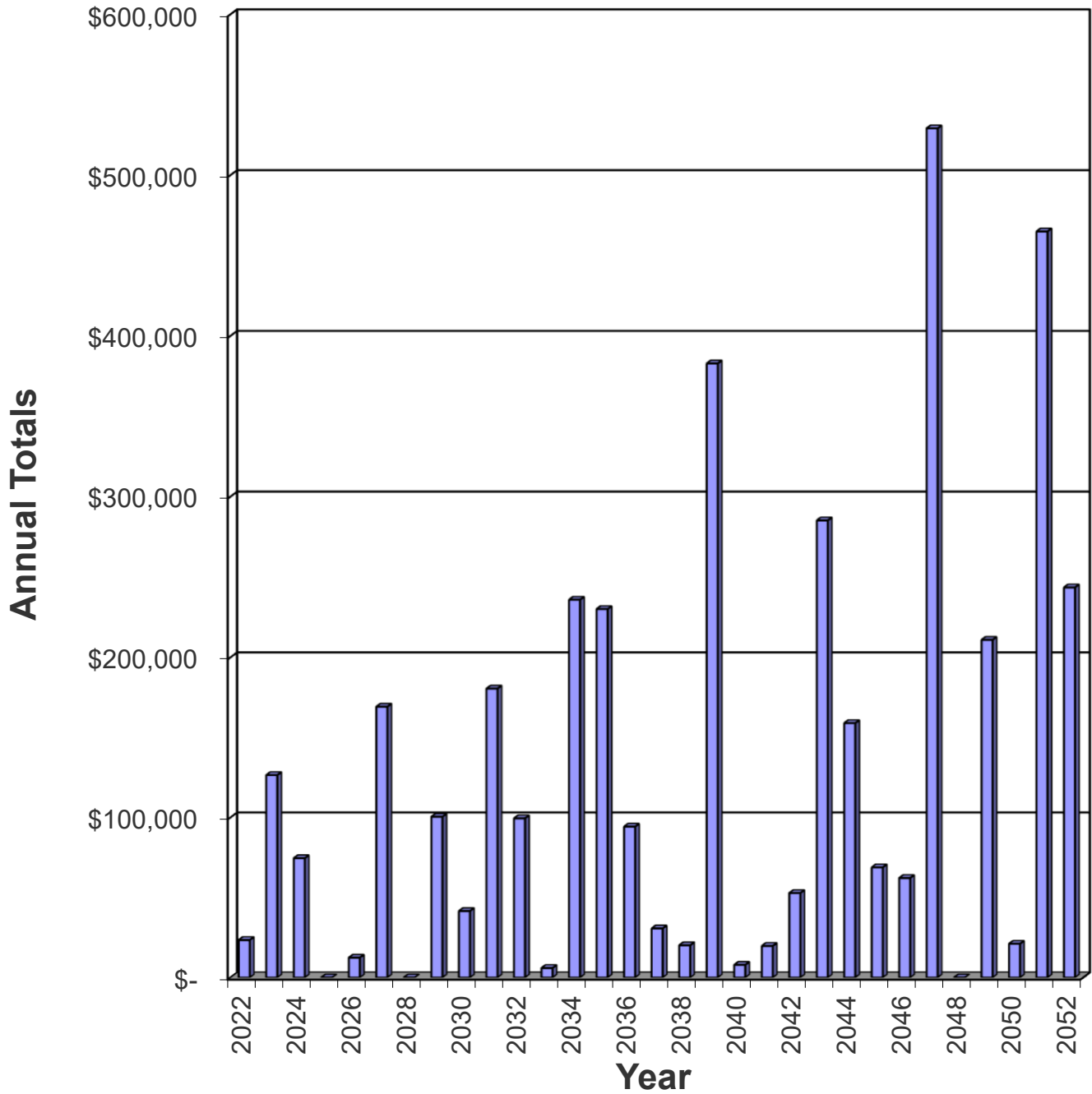
Year	2032	2033	2034	2035	2036
Starting Balance	\$365,562	\$383,099	\$498,584	\$388,699	\$289,216
<i>Reserve Income</i>	\$116,615	\$120,988	\$125,525	\$130,232	\$135,116
<i>Interest Earnings</i>	\$374	\$441	\$444	\$339	\$310
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$482,551	\$504,528	\$624,553	\$519,271	\$424,642
Reserve Expenditures	\$99,452	\$5,943	\$235,854	\$230,054	\$94,268
Ending Balance	\$383,099	\$498,584	\$388,699	\$289,216	\$330,374

Year	2037	2038	2039	2040	2041
Starting Balance	\$330,374	\$440,302	\$566,119	\$334,639	\$483,700
<i>Reserve Income</i>	\$140,183	\$145,440	\$150,894	\$156,552	\$162,423
<i>Interest Earnings</i>	\$385	\$503	\$450	\$409	\$555
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$470,943	\$586,245	\$717,464	\$491,601	\$646,678
Reserve Expenditures	\$30,641	\$20,125	\$382,824	\$7,900	\$19,705
Ending Balance	\$440,302	\$566,119	\$334,639	\$483,700	\$626,974

Year	2042	2043	2044	2045	2046
Starting Balance	\$626,974	\$743,401	\$634,564	\$659,406	\$782,262
<i>Reserve Income</i>	\$168,514	\$175,676	\$183,142	\$190,925	\$199,040
<i>Interest Earnings</i>	\$685	\$689	\$647	\$721	\$851
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$796,173	\$919,766	\$818,353	\$851,052	\$982,153
Reserve Expenditures	\$52,772	\$285,202	\$158,946	\$68,790	\$62,159
Ending Balance	\$743,401	\$634,564	\$659,406	\$782,262	\$919,994

Year	2047	2048	2049	2050	2051
Starting Balance	\$919,994	\$599,154	\$816,179	\$831,620	\$1,046,579
<i>Reserve Income</i>	\$207,499	\$216,318	\$225,511	\$235,095	\$245,087
<i>Interest Earnings</i>	\$760	\$708	\$824	\$939	\$937
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
Funds Available	\$1,128,253	\$816,179	\$1,042,514	\$1,067,654	\$1,292,603
Reserve Expenditures	\$529,099	\$0	\$210,894	\$21,075	\$464,962
Ending Balance	\$599,154	\$816,179	\$831,620	\$1,046,579	\$827,642

Reserve Expenditures



Projected Reserve Expenditures For Littleton Village Metro District No. 2

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
2022	207	Iron Fencing/Rail - Repaint	\$6,750	
	1303	Tot Lot Groundcover - Refill	\$3,150	
	1804	Tree - Replacement/Major Maintenance	\$13,500	\$23,400
2023	403	Concrete Alleys - Partial Replace	\$87,981	
	601	Concrete Flatwork - Partial Replace	\$31,818	
	1801	Groundcover - Replenish	\$6,666	\$126,464
2024	625	Breeze/Crushed Granite - Replenish	\$62,344	
	727	Pump Station - Replace	\$4,068	
	1701	Irrigation System - Major Repairs	\$8,135	\$74,548
2025		No Expenditures Projected		\$0
2026	207	Iron Fencing/Rail - Repaint	\$7,942	
	1011	Retaining Wall - Major Repairs	\$4,471	\$12,413
2027	403	Concrete Alleys - Partial Replace	\$103,520	
	601	Concrete Flatwork - Partial Replace	\$37,438	
	1303	Tot Lot Groundcover - Refill	\$3,860	
	1801	Groundcover - Replenish	\$7,843	
	1804	Tree - Replacement/Major Maintenance	\$16,544	\$169,204
2028		No Expenditures Projected		\$0
2029	625	Breeze/Crushed Granite - Replenish	\$76,400	
	1320	Dog Park Fountain - Replacement	\$7,145	
	1701	Irrigation System - Major Repairs	\$9,970	
	1812	Planter Boxes - Rebuild	\$6,912	\$100,427
2030	207	Iron Fencing/Rail - Repaint	\$9,345	
	1009	2 Rail Fencing - Major Repairs	\$32,188	\$41,533
2031	403	Concrete Alleys - Partial Replace	\$121,804	
	601	Concrete Flatwork - Partial Replace	\$44,050	
	727	Pump Station - Replace	\$5,407	
	1801	Groundcover - Replenish	\$9,228	\$180,489
2032	1303	Tot Lot Groundcover - Refill	\$4,730	
	1307	Benches - Replace	\$35,666	
	1308	Trash Receptacles - Replace	\$19,598	
	1703	Irrigation Controllers - Replace	\$19,185	
	1804	Tree - Replacement/Major Maintenance	\$20,273	\$99,452
2033	1011	Retaining Wall - Major Repairs	\$5,943	\$5,943
2034	207	Iron Fencing/Rail - Repaint	\$10,996	
	625	Breeze/Crushed Granite - Replenish	\$93,625	
	1301	Play Equipment - Replace	\$83,892	
	1605	Bollard Lights - Replace	\$35,125	
	1701	Irrigation System - Major Repairs	\$12,217	\$235,854
2035	403	Concrete Alleys - Partial Replace	\$143,317	
	601	Concrete Flatwork - Partial Replace	\$51,830	
	1306	Picnic Tables - Replace	\$24,049	
	1801	Groundcover - Replenish	\$10,858	\$230,054
2036	803	Mailboxes - Replace	\$94,268	\$94,268
2037	1303	Tot Lot Groundcover - Refill	\$5,797	
	1804	Tree - Replacement/Major Maintenance	\$24,844	\$30,641
2038	207	Iron Fencing/Rail - Repaint	\$12,938	
	727	Pump Station - Replace	\$7,188	\$20,125
2039	403	Concrete Alleys - Partial Replace	\$168,630	
	601	Concrete Flatwork - Partial Replace	\$60,984	
	625	Breeze/Crushed Granite - Replenish	\$114,733	
	1320	Dog Park Fountain - Replacement	\$10,730	
	1701	Irrigation System - Major Repairs	\$14,972	

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
	1801	Groundcover - Replenish	\$12,776	\$382,824
2040	1011	Retaining Wall - Major Repairs	\$7,900	\$7,900
2041	1002	Metal Handrails - Replace	\$8,445	
	1812	Planter Boxes - Rebuild	\$11,260	\$19,705
2042	207	Iron Fencing/Rail - Repaint	\$15,223	
	1303	Tot Lot Groundcover - Refill	\$7,104	
	1804	Tree - Replacement/Major Maintenance	\$30,445	\$52,772
2043	403	Concrete Alleys - Partial Replace	\$198,414	
	601	Concrete Flatwork - Partial Replace	\$71,756	
	1801	Groundcover - Replenish	\$15,032	\$285,202
2044	625	Breeze/Crushed Granite - Replenish	\$140,599	
	1701	Irrigation System - Major Repairs	\$18,347	\$158,946
2045	727	Pump Station - Replace	\$9,554	
	1009	2 Rail Fencing - Major Repairs	\$59,236	\$68,790
2046	207	Iron Fencing/Rail - Repaint	\$17,911	
	1002	Aluminum Fencing - Replace	\$44,247	\$62,159
2047	403	Concrete Alleys - Partial Replace	\$233,459	
	601	Concrete Flatwork - Partial Replace	\$84,429	
	1011	Retaining Wall - Major Repairs	\$10,502	
	1303	Tot Lot Groundcover - Refill	\$8,705	
	1307	Benches - Replace	\$65,637	
	1308	Trash Receptacles - Replace	\$36,066	
	1703	Irrigation Controllers - Replace	\$35,306	
	1801	Groundcover - Replenish	\$17,687	
	1804	Tree - Replacement/Major Maintenance	\$37,309	\$529,099
2048		No Expenditures Projected		\$0
2049	625	Breeze/Crushed Granite - Replenish	\$172,298	
	1320	Dog Park Fountain - Replacement	\$16,113	
	1701	Irrigation System - Major Repairs	\$22,483	\$210,894
2050	207	Iron Fencing/Rail - Repaint	\$21,075	\$21,075
2051	403	Concrete Alleys - Partial Replace	\$274,693	
	601	Concrete Flatwork - Partial Replace	\$99,341	
	1605	Bollard Lights - Replace	\$70,116	
	1801	Groundcover - Replenish	\$20,811	\$464,962
2052	727	Pump Station - Replace	\$12,700	
	1301	Play Equipment - Replace	\$174,416	
	1303	Tot Lot Groundcover - Refill	\$10,668	
	1804	Tree - Replacement/Major Maintenance	\$45,721	\$243,505

Glossary of Commonly used Words and Phrases (provided by the National Reserve Study Standards of the Community Associations Institute)

Asset or Component – Individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association Responsibility, 2) with limited Useful Life expectancies, 3) have predictable Remaining Life expectancies, 4) above a minimum threshold cost, and 5) required by local codes.

Cash Flow Method – A method of developing a Reserve Funding Plan where contributions to the Reserve fund are designed to offset the variable annual expenditures from the Reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

Component Inventory – The task of selecting and quantifying Reserve Components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representatives.

Deficit – An actual (or projected) Reserve Balance, which is less than the Fully Funded Balance.

Effective Age – The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

Financial Analysis – The portion of the Reserve Study where current status of the Reserves (Measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived, and the projected Reserve income and expense over time is presented. The Financial Analysis is one of the two parts of the Reserve Study.

Component Full Funding – When the actual (or projected) cumulative Reserve balance for all components is equal to the Fully Funded Balance.

Fully Fund Balance (aka – Ideal Balance) – An indicator against which Actual (or projected) Reserve Balance can be compared. The Reserve balance that is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This number is calculated for each component, and then summed together for an association total.

$$\text{FFB} = \text{Replacement Cost} \times \text{Effective Age} / \text{Useful Life}$$

Fund Status – The status of the Reserve Fund as compared to an established benchmark, such as percent funding.

Funding Goals – Independent of methodology utilized, the following represent the basic categories of Funding Plan Goals.

- **Baseline Funding:** Establishing a Reserve funding goal of keeping the Reserve Balance above zero.
- **Component Full Funding:** Setting a Reserve funding goal of attaining and maintaining cumulative Reserves at or near 100% funded.
- **Threshold Funding:** Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than the “Component Fully Funding” method.

Funding Plan – An association's plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

Funding Principles –

- Sufficient Funds When Required
- Stable Contribution Rate over the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

Life and Valuation Estimates – The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components.

Percent Funded – The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the *actual* (or *projected*) Reserve Balance to the accrued *Fund Balance*, expressed as a percentage.

Physical Analysis – The portion of the Reserve Study where the Component Inventory, Condition Assessment, and Life and Valuation Estimate tasks are performed. This represents one of the two parts of the Reserve Study.

Remaining Useful Life (RUL) – Also referred to as “Remaining Life” (RL). The estimated time, in years, that a reserve component can be expected to *continue* to serve its intended function. Projects anticipated to occur in the initial year have “0” Remaining Useful Life.

Replacement Cost – The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition. The Current Replacement Cost would be the cost to replace, repair, or restore the component during that particular year.

Reserve Balance – Actual or projected funds as of a particular point in time (typically the beginning of the fiscal year) that the association has identified for use to defray the future repair or replacement of those major components in which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves. This is based upon information provided and is not audited.

Reserve Provider – An individual that prepares Reserve Studies. Also known as **Aspen Reserve Specialties**.

Reserve Study – A budget-planning tool that identifies the current status of the Reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures. The Reserve Study consists of two parts: The Physical Analysis and the Financial Analysis.

Special Assessment – An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by governing documents or local statutes.

Surplus – An actual (or projected) Reserve Balance that is greater than the Fully Funded Balance.

Useful Life (UL) – Also known as “Life Expectancy”, or “Depreciable Life”. The estimated time, in years, that a Reserve component can be expected to serve its intended function if properly constructed and maintained in its present application or installation.