

2026 CIRCLE G RANCHES HOA RESERVE STUDY

ASSESSMENT COMMITTEE REPORT

June 2026

Assessment Committee: Robert Hamilton (HOA, Treasurer), Becki Courter (HOA, Secretary), Stacey Sell, Dan Sell, Paul Eftang, OJ Liberta

Purpose of the Reserve Study

In late 2025, the Board of Directors commissioned the completion of a Reserve Study in order to assist the HOA in responsibly planning for the long-term repair, replacement, and restoration of its common area assets. The study, dated January 12, 2026 identifies major assets for which the Association is responsible, estimates their remaining useful life and replacement costs, evaluates the adequacy of current reserve funding levels and future revenue needs.

The primary purpose of the Reserve Study is to provide the Board of Directors with a comprehensive financial planning tool. This promotes the preservation of HOA assets, minimizes the risk of special assessments and helps protect property values by ensuring the community stays well-maintained, attractive, and safe for residents.

By systematically evaluating anticipated reserve expenditures and funding requirements, the study supports informed decision-making and contributes to the long-term financial stability of the Association.

Reserve Studies are based on information available at the time of preparation and rely on assumptions regarding component condition, useful life, inflation, interest earnings, and future costs. As such, the study should be reviewed and updated periodically to reflect changing conditions, actual expenditures, and evolving funding objectives.

The recommendations contained in the Reserve Study are intended to serve as a guide for reserve planning and budgeting. Final funding decisions remain the responsibility of the Board of Directors and will be made in consideration of the Association's governing documents, applicable laws, financial circumstances, and the interests of the members.

Reserve Study Assessment Committee

Due to the scope of the Reserve Study (30-yr. future timeline), the Board formed a short-term committee of community members to review and assess the findings and recommendations

contained in the Study with the purpose of further informing the Board and providing recommendations regarding future maintenance and capital expenditures.

While the Study looks forward 30-yrs., it was agreed that the committee would focus on the more immediate term of 5-10 out, years 2026-2035, with main focus on the next five years.

Executive Summary

Following a detailed assessment of all assets and Reserve Study, the committee concludes that appropriate and needed asset repairs and replacements can be reprioritized or, in some cases, deferred indefinitely as outlined in the pages to follow. Committee recommendations would reduce Association spend in the first three years by approx. \$126,000 below the initial Reserve Study estimates.

For 2026, the committee recommends that the Association prioritize the demo and replacement of the basketball court, demo the racquetball court and replace the attached main electrical panel. Based on estimates obtained, this would cost approx. \$137k, almost \$50k less than the Reserve Study suggests. Also, it was suggested that along with the basketball court, the HOA consider constructing a ramada structure which could not only provide shade and seating but also a storage room and a wall for the electrical panel, irrigation controllers, etc.

The committee recommends that the Association defer painting of all light poles to 2028. It also recommends no action is taken to repair/replace the split rail fence or lighting at the horse arena at this time unless repairs are required for safety reasons.

For 2027, the committee recommends the Association prioritize the stucco repair/paint needed on walls throughout the community. This is critical to maintain the integrity of the block and avoid further deterioration. This would not include painting all walls throughout the community. Also recommend addressing some of the Granite Replenishment needs in 2027.

For 2028, the Committee recommend the Association paint all walls, light poles, tennis fence poles. Consolidating all needed painting throughout the community should enable bundled pricing considerations. As stated previously, the Committee recommends the deferral of the replacement of arena light poles (\$30k) until the future of the arena is determined. Also, recommended to address some of the Granite Replenishment needs in 2028.

Expenditures for years 2029-30 are outlined in the pages to follow. Also, FD Reserve Studies was able to provide an updated report containing the Committee-recommended changes. Updated spreadsheet for yrs. 2026-2035 is on pages 1-46 and 1-47.

Reserve Study Assessment Committee Observations and Recommendations (by year):

2026

Reserve Study Recommendation:	Spend:	Reserve Study Committee Rec:	Spend:
1033-Pole Lights (Rec)-Paint	\$3,058	Defer until 2028	\$0
1029-Tennis Light Poles-Paint	\$2,500	Defer until 2028	\$0
1041-Horse Arena Split Rail Fence-Repair/Replace	\$20,000	Defer indefinitely. Repair as needed.	\$0
1040-Horse Arena Lts-Paint	\$2,224	Defer indefinitely, at least until 2028.	\$0
1026-Basketball Court-Replace	\$125,000	Replace	\$120,500
1027-Raquetball Court-Demo	\$30,000	Demo Note: there are significant saving if both BB court and Rqtball court are demoed together	\$10,644
1017-Electric Panel-Replace	\$2,000	Replace when Raquetball court is demoed	\$6,000
1015-Irrigation Controllers-Replace	Unfunded	Replaced by DBL as needed. Delete from Reserve assets.	\$0
Study Net Spend:	\$184,782	Net Spend Recommendation:	\$137,144

1033–Pole Lights (Rec) - 11 decorative globe-style ornamental black poles along the community park and recreation area path. All 11 poles were physically inspected on May 17. All fixtures are operational, pole shafts appear structurally sound with no visible lean, deformation, or base damage. Paint condition is best described as aged but intact. No rust spotting, paint chipping, bare metal exposure, or flaking was observed on any pole during close inspection. The coating has lost some sheen and appears slightly faded, which is expected for outdoor black coatings exposed to Arizona UV. However, the paint is performing its protective function — there is no surface corrosion progression visible. The study's "poor" rating appears to be based on the coating's cosmetic/aesthetic appearance rather than any functional failure or corrosion risk.

Recommendation: Defer to 2028 and bundle with Items 1029 and 1040 into a single combined painting contract. Combined scope would attract more competitive pricing and eliminate redundant contractor mobilization costs.

1029-Tennis Light Poles-Paint - Tennis court pole lights were physically inspected on May 17, 2026. All fixtures are operational, paint condition mirrors Item 1033: the poles show age and

some fading, but the coating is intact. No rust, chipping, or bare metal was observed. Condition does not constitute an urgent 2026 need.

Recommendation: Defer to 2028 and bundle with Items 1033 and 1040 into a single, combined painting contract.

1041-Horse Arena Split Rail Fence-Repair/Replace – Defer indefinitely. Repair as-needed to ensure fencing is safe.

1040-Horse Arena Light Poles-Paint - The horse arena light poles were physically inspected. They are standard utility-style steel poles painted white/light gray to match the arena fencing aesthetic. Paint condition is consistent with their age — functional, some weathering, no active corrosion or structural paint failure observed. Committees assessment does not concur with 2026 scheduling as paint is not failing.

Recommendation: Defer indefinitely.

1026-Basketball Court-Replace – The basketball court was originally installed in 1978 with no updates or resurfacing since. Concrete is worn and slick to the point that it is a potential safety hazard. Replacement of the court is long overdue.

Recommendation: Demo and replace the basketball court, bringing it up to standards of the tennis courts that are adjacent to it, including lighting, fencing, and a full court. And, it is recommended that the demo of the racquetball court should occur in coordination with the basketball court project. Both projects should be prioritized to occur in 2026.

Financial impact of the basketball court project is \$120,500 and the racquetball demo is \$10,664. Two quotes were received for each project.

1027-Racquetball Court-Demo – The racquetball court is in disrepair to the point that is unusable and an eyesore.

Recommendation: Demo racquetball court at same time as the basketball court.

1017-Electric Panel-Replace – Will need to be replaced once racquetball court is demoed.

1015-Irrigation Controllers-Replace – There are three irrigation controllers throughout the HOA managed common areas in the community. These were placed into service in Aug. 2023 when DBL was hired as our landscaper. They will be replaced as needed as part of maintenance so shouldn't be included in the Reserve Study.

Recommendation: Remove from Reserve Study asset list.

2027

Reserve Study Recommendation:	Spend:	Reserve Study Committee Rec:	Spend:
1016-Backflow Valves(1)-Replace	\$6,240	Replaced in 2025. Defer to 2035	\$0
1013-Irrigation Sys (Flood)-Refurb	\$10,400	Keep in reserve. Reassess annually.	\$10,400
1014-Irrigation Sys (Spklr)-Refurb	\$26,000	Maintenance. Delete from Res.	\$0
Study Net Spend:	\$42,640		
1006-Walls (Stucco) A-Repair		Move from 2028.	\$10,400
1007-Walls (Stucco) B-Repair		Move from 2028.	\$1,040
		Net Spend Recommendation:	\$21,840

1013–Irrigation System (Flood)–Refurbish - This is for the flood irrigation standbox near the racquetball court. Appears to be in good working order after visual inspection. No concerns have been raised by individual that handles irrigation for the common areas.

Recommendation: Keep funds in reserves for this and reassess annually.

1014–Irrigation System (Sprinkler)–Refurbish - This is for our sprinkler irrigation lines that run throughout the common areas. We regularly make repairs and fix sections of these lines as part of normal landscaping maintenance. Much of the system along Price was replaced about four years ago. Barring major changes to the areas where we have water systems, I don't see a scenario where we replace the entire system all at once. We may need to replace sections. If we were to replace the entire system, the cost would be much higher than \$26,000.

Recommendation: Continue to fix sprinkler pipe breaks, leaks, etc. as they occur as part of our normal landscape maintenance. Remove from Reserves. If major landscape changes are made, include funding for sprinkler changes in the project plan.

2028

Reserve Study Recommendation:	Spend:	Reserve Study Committee Rec:	Spend:
1008-Walls (Stucco)-Paint	\$61,632	Paint and repair stucco in 2028 or sooner. Maintain in reserves.	\$61,632
1031-Tennis Fence-Paint	\$14,797	Keep in reserve. Assess in 2028	\$14,797
1006-Walls (Stucco) A-Repair	\$10,816	Move to 2027.	\$0
1007-Walls (Stucco) B-Repair	\$1,082	Move to 2027.	\$0
1039-Horse Arena Lts-Replace	\$30,285	Defer indefinitely.	\$0
1005-Pole Lts.-Entrance-Replace	\$17,576	Defer to 2033.	\$0
1016-Backflow Valves(2)-Replace	\$6,490	Defer to 2036.	\$0
1004-Concrete Components-Repair/Replace	\$7,571	Keep in reserve. Review annually.	\$7,571
1001-Monuments-Refurbish	\$3,245	Keep in reserve.	\$3,245
Study Net Spend:	\$153,494		
1033-Pole Lights (Rec)-Paint		Deferred from 2026	\$3,308
1029-Tennis Light Poles-Paint		Deferred from 2026	\$2,704
1040-Horse Arena Lts-Paint		Deferred from 2026	\$2,405
		Net Spend Recommendation:	\$95,662

1008-Walls (Stucco)-Paint - This item represents a community-wide repainting project for stucco wall surfaces. Painting stucco is not merely aesthetic; coatings also provide weather protection and moisture management. Delaying repainting too long can materially accelerate stucco deterioration. The current paint coating appears to be approaching its end of life.

Recommendation: Keep funds in reserve to repair and repaint stucco walls throughout the neighborhood in 2028 or sooner. Recommend the board conduct a coating condition assessment in 2026–2027 to determine degree of compromise and urgency.

1031-Tennis Fence-Paint –

1006-Walls (Stucco) A-Repair – Move to 2027

1007-Walls (Stucco) B-Repair – Move to 2027

1039-Horse Arena Lts-Replace – Eight (8) light poles serve the horse arena. Poles are plumb, no visible lean. Anchor bolt base plates are visible at grade on inspected poles with no concrete heaving, significant corrosion at the flange, footing concerns or structural compromise. Electrical boxes are weathered but functionally intact. Conduit runs appear in good condition

with minor cosmetic wear near grade level, no exposed wiring or electrical hazards. All fixtures illuminated when switched on.

Recommendation: Defer indefinitely. Tied to long-term horse arena disposition.

1005-Pole Lts.-Entrance-Replace - All five (5) Fairfield Drive entrance pole lights were physically inspected on the evening of May 17, 2026. These are substantial decorative double-lantern style poles with ornamental cast iron shafts, scroll brackets, and lantern-style fixtures — the primary aesthetic lighting feature of the neighborhood's entry corridor. Structurally they are excellent for their age. Poles are plumb with no visible lean. Cast iron shafts, bases, scroll brackets, finials, and lantern frames are all intact with no physical damage, cracking, or deformation observed on any of the five poles. The poles appear to have decades of useful structural life remaining.

Recommendation: Defer pole replacement to 2033 and reassess at the next reserve study.

1016-Backflow Valves(2)-Replace – Keep in reserve. Valves are tested annually. These two will likely need to be replaced in 2028

1004-Concrete Components-Repair/Replace - Upon observation of the concrete components it doesn't appear we have any immediate repairs that need to be addressed.

Recommend: Keep funds in reserve, review annually to see if there are any areas that need to be addressed.

1001-Monuments-Refurbish - The adequacy of this reserve allocation depends entirely on the monument type and refurbishment scope. It may be adequate if the refurbishment consists of entry signage with minor cosmetic rehabilitation such as cleaning, repainting, minor masonry touch-up, lighting replacement or lettering refresh. If structural repairs, stone replacement, electrical upgrades, irrigation modifications, or major redesign work are anticipated, the estimate is likely low.

Recommendation: Maintain this reserve item. Define the refurbishment scope more clearly and increase if scope grows.

2029

Reserve Study Recommendation:	Spend:	Reserve Study Committee Rec:	Spend:
1038-Baseball Backstop-Replace	\$7,030	Keep in reserve. Get bid to replace the chain link. Possibly move up to 2027-28.	\$7,030
1024-Park Furnishings-Replace	\$11,249	Keep in reserve. Assess annually.	\$11,249
Study Net Spend:	\$18,279	Net Spend Recommendation:	\$18,279

1038-Baseball Backstop-Replace - Poles and crossbars are not rusted, corroded or damaged, however, vinyl-covered chain link is cracked and very rough, sagging a lot at the bottom.

Recommendation: It's not urgent but we probably shouldn't wait until 2029 to fix it. Have a fence company look at it to see if we can just replace the chain link. It probably won't cost \$7000 since the backstop is pretty small.

1024-Park Furnishings-Replace – No replacements needed at this time. Reassess annually.

2030

Reserve Study Recommendation:	Spend:	Reserve Study Committee Rec:	Spend:
1018-Granite (A)-Replenish	\$9,359	Keep in reserve for 2030 but look for opportunity to do some replenishment in 2027-2028.	\$9,359
1019-Granite (B)-Replenish	\$28,077	Keep in reserve for 2030 but look for opportunity to do some replenishment in 2027-2028.	\$28,077
1003-Pavers-Repair/Replace	\$1,755	Keep in reserve	\$1,755
Study Net Spend:	\$39,190	Net Spend Recommendation:	\$39,190

1018-Granite (A)-Replenish – This area includes the fourteen entrances to the bridal paths, the arena walkway, the verge along the park, and the inside island at the end of Caroline/Price. Approx. 2,200 sq. ft. Observed that there is very little granite coverage at the entrances to the bridal paths, other areas are starting to show thinning coverage.

1019-Granite (B)-Replenish – This area is stated include the strip on Warner Rd., the narrow strip between the wall and sidewalk along Fairfield off Warner, areas inside the Price wall between Ranch and La Vieve. It's unclear if it includes the inside wall at the end of Calle De Arcos or the much larger areas along Price Rd. That said, the sq. footage estimate of 40,000 sq. ft. is close to the committees estimate. Many areas along Price Rd. are showing a lot of bare spots and thin, inconsistent coverage. Granite costs can range from \$60-120 per ton, not including install.

Recommendation: We recommend the Board address the areas along Price Rd. and the entrances to the bridal paths in 2026-2028 rather than wait until 2030. We also recommend the Board get estimates and allocate more to reserves as the granite requirements (tonnage) and cost estimates done by the Committee are higher than what's outlined in the Reserve Study.

1003-Pavers-Repair/Replace – Upon observation, no repairs/replacements needed at this time.

Recommendation: Maintain the funds in reserve and revisit in 2030.