

Reserve Study and Funding Analysis Report

Association Name: Sample Community

Association City and State: Atlanta, GA

For Fiscal Year: 2022

Prepared By: Jonathan Taylor – TaylorCo, LLC

Date Prepared: January 3, 2023

This Page Intentionally Left Blank

Table of Contents

Table of Contents	i
Table of Figures	ii
Table of Tables	ii
Introduction	1
Association or HOA Responsibilities	1
Description of Reserve Study Report	1
Summary	1
The Preparer's Report	1
Current Financial Summary Position	2
Included Components – Definition	3
Excluded Components – Definition	3
Community Profile and Account Summary	3
Financial Assumptions, Recommendations and Disclosure Summary	5
Site Map	6
Reserve Study Parameters	6
Physical Analysis	7
Funding Summary	8
Goals of Funding Analysis	8
Current Reserve Fund Percent Funding	8
Current Income	9
Current Expenses	9
Future Income Sources	10
Reserve Components	11
Included Components	11
Component Useful Life Estimates	11
Component Remaining Useful Life Estimates	11
Determining the Cost of Replacement	12
Excluded Components	12
Reserve Fund Allocation	12
Component Inventory Included in Analysis	14
Components Not Included in Funding	17
Income and Expenses	18
Loans	20
Taxes	20
Maximum Reserve Fund Expenses and Reserve Contributions	21
Detailed Financial Analysis	22
Annual Projected Expenses	22
Special Project Expenditures	22
First Year of Analysis Reserve Components Services Complete	22
Annual Reserve Component Expenditures	23
Reserve Fund Expenditures	35
All Expenses	35
Reserve Balance	37
Annual Income and Contribution to Reserve Fund	37
Income Sources	39
Annual Reserve Balance and Reserve Expenses	39
Current Funding versus Recommend Funding Plans	40
Risk of Special Assessment or Deferred Maintenance	41
Contingency Fund	42
Income and Expense Summaries	43
Years 2022 to 2031	44
Years 2032 to 2041	48
Years 2042 to 2052	52
Component Details	56
Appendix	64
Analysis Class	64
Terms and Definitions	65
Funding Methodologies	69

Table of Figures

Figure 1: Current Percent Funding	8
Figure 2: 30 Year Reserve Fund Allocation	13
Figure 3: Reserve Fund Expenditures	35
Figure 4: All Annual Expenses	36
Figure 5: All Annual Expenses versus Available Funds	37
Figure 6: Start of Year Reserve Balance Percent Funding	37
Figure 7: Annual Income and Reserve Contribution	38
Figure 8: Average Monthly Reserve Fund Contribution Rate	38
Figure 9: Annual Income by Source	39
Figure 10: Annual Reserve Balance vs Reserve Expenses	40
Figure 11: Reserve Account Comparison	40
Figure 12: Percent Funded Comparison	41
Figure 13: Risk of Special Assessment or Deferred Maintenance	41

Table of Tables

Table 1: Community Profile and Account Summary	4
Table 2: Assumptions, Recommendations and Disclosure Summary	5
Table 3: Reserve Study Parameters	6
Table 4: Current Income Sources	9
Table 5: Current Expenses	9
Table 6: Future Income Sources	10
Table 7: Reserve Component Inventory	14
Table 8: Components Not Included in Funding	17
Table 9: Projected Income & Expenses Summary	19
Table 10: Loan Summary	20
Table 11: Maximum Reserve Expenses and Contributions	21
Table 12: Special Projects Table	22
Table 13: Reserve Component Already Completed in First Year of Analysis Table	22
Table 14: Reserve Component Expenditures Table	23

Introduction

Association or HOA Responsibilities

Associations or HOAs have a responsibility to establish and maintain a Replacement Reserve Fund to provide the maintenance or replacement of association depreciable components. The objectives of a Reserve Study or Analysis includes the following:

- Provide a current estimate of the costs of repairing and replacing major common area components over the long term.
- All major repair and replacement costs will be covered by funds set aside by the association as reserves, so that funds are available when needed.
- An examination of the association's repair and replacement obligations is conducted.
- The costs and timing of replacement are determined.
- Distribute the contributions of old and new owners.
- Allows for the aesthetic qualities of the community to be maintained.
- Minimizes the need for special assessments.
- Shows owners and potential buyers a more accurate and complete picture of the association's financial strength and market value.
- Disclose to buyers, lenders, and others the manner in which management of the association is making provisions for non-annual maintenance requirements.
- Define explicit association decisions on how to provide for long-term funding.
- Provide or contribute to a maintenance planning tool for the association.

Description of Reserve Study Report

The purpose of a reserve study is to give those overseeing the maintenance of the property advanced notice of what major expenses to expect and an educated estimate of when these expenses will occur. With this knowledge, the homeowners' association board or manager can create a budget so association members will make their fair share of reserve contributions, designed to offset the slow but steady ongoing reserve component deterioration of the association assets, and avoid being surprised by components that deteriorated often in plain sight and over a number of years. In addition, the reserve study provides important annual disclosures to association members (and prospective buyers) about the condition of common area components, and the level of preparedness, or strength, of the reserve fund. A reserve study is a roadmap that allows decisions to be made which will be efficient and effective for the long term.

Summary

The Preparer's Report

This reserve study report is prepared using the *Reserve Funding Analyzer* software in accordance with generally accepted reserve study standards and software as recommended by the *International Capital Budgeting Institute*, the *Foundation for Community Association Research*, and the *Community Associations Institute*.

Current Financial Summary Position

Disclaimer: Analysis does not include operations expenses. Any income required to meet annual operations expenses must be derived and addressed year-to-year.

Current Financial Summary Position

As of Date 01 December 2022

Current Replacement Cost of All Components	\$ 8,523,427
Future Replacement Cost of All Components	\$ 16,873,972
Reserve Fund Balance at Start of Year 2022	-\$ 6,000
100% Funded Amount as of start of year 2022	\$ 3,899,118
Percent Funded as of start of year 2022	0%
Reserve Surplus / Deficit - Average per Unit start of year 2022	-\$16,979
Projected Total Reserve Contribution in year 2022	-\$ 178,709
Annual Reserve Contribution per unit in year 2022	-\$ 777
Projected Special Assessments	\$ 0
Projected Inflation Rate (Operating Expenses)	2.5%
Projected Inflation Rate (Reserve Expenses)	4.0%
Projected Interest Rate for Earnings of Reserve Fund	0.0%
Current Reserve Funding Strength:	Weak
Current Risk of Special Assessment:	High

The financial outlook for the association is very poor. The current financial situation is dire in that the maintenance expenses outside regular capital reserves exceed the income and capital assets have been neglected. As a result, many community features are currently not in use. The included projected funding plan for the next 30 years will provide the funding necessary to meet all anticipated expenses. If the funding plan presented here is followed and all members' dues are collected, the projection for the next 30 years is excellent.

The initial years following this study will be in a slight surplus but well below the funding threshold due to a special assessment of \$2000/unit and an increase of dues by 70% for 2023. This special assessment will restore operation to the tennis facility and pool as well as contribute to the reserve balance. An additional special assessment is recommended at \$2000/unit for 2024, due to the underfunding of the reserves and the increased maintenance schedule that is to come to the aging units. Another increase of 50% is recommended for 2024 and 2025 putting the total recommended monthly contribution near \$600/mo per unit. An additional assessment may be required at some time due to the current deficit of ~\$500k owed to the water company for past-due tenant payments.

The plan as outlined increases monthly dues for 3 years, aggressively targeting \$7,114.50 per year per unit allowing the association to build a reserve that is 70% fully funded for all renovations as they are required. This is en lieu of a special assessment to cover large expenses that the reserve may not have adequate balance to cover. Following the year 2025, dues will increase at 2-3% annually to keep pace with inflation.

Included Components – Definition

Reserve expenses for components are major expenses which must be budgeted for in advance in order to provide the necessary funds in time for their occurrence. Reserve expenses are reasonably predictable both in terms of frequency and cost. They are expenses that when incurred would have a significant impact on the smooth operation of the budgetary process from one year to the next if they were not reserved for in advance.

A common concern when beginning a reserve study is what components are to be included and funded for in the Reserve Study. Nationally recognized reserve study standards indicate reserve components need to meet the following criteria:

- The component is part of the community's common elements.
 - The component is not already covered in a maintenance contract.
 - The component is not included in another part of the community's budget.
- The component's replacement or project costs is greater than the threshold amount imposed by the community.
- The component has a limited life expectancy.
- The component has a reasonably defined remaining useful life.

Refer to the *Reserve Components* section for an itemized listing of the included reserve components in this reserve study report.

Excluded Components – Definition

Some common area components may have been left out of the study or included in the component list but “Unfunded” and not considered in the mathematical models. These components will typically fall into one or more of the categories listed below.

- **Component Covered under Maintenance Contract** – The component's ongoing maintenance / replacement is performed as part of the services secured by a maintenance contract.
- **Component Costs Below Threshold** – Component repair and/or replacement costs that are deemed too small to be considered reserve expenses are typically included in the operational or maintenance budget have not been funded for in this study.
- **Useful Life is One Year or Less** – These occur at least annually and can be effectively budgeted for each year as part of the operational expenses. They are characterized as being reasonably predictable both in terms of frequency and cost.
- **Useful Life is Very Long, Unpredictable** – Components which, when properly maintained, have an exceedingly long useful life with no predictable replacement cycle.
- **Useful Life Cannot be Determined** – Components where the useful life cannot be determined.
- **Not Part of Common Elements** – Improvements made to the property that fall outside the responsibility of the association. Typically, these are components where the responsibility falls to individuals or organization other than the association such as individual unit owners or parties such as governmental agencies, utility companies, the US Postal Service, etc.

Community Profile and Account Summary

The following table is a summary of the community and the current financial status.

Table 1: Community Profile and Account Summary

Community Profile and Account Summary	
<u>As-Of Date this Analysis: 01 December 2022</u>	
Community: Monticello Park	
Number of Units:	230
Start Year for Analysis:	2022
Reserve Fund Balance at SOY 2022:	-\$ 6,000
Recommended 2022 Annual Reserve Contribution:	-\$ 178,709
Reserve Fully Funded Balance (FFB) at SOY 2022:	\$ 3,899,118
Reserve Funding Percent of FFB at SOY 2022:	0%
Deficit or Surplus Per Unit at SOY 2022:	-\$ 16,979
Reserve Funding Strength at SOY 2022:	Weak
Risk of Special Assessment at SOY 2022:	High
Outstanding Loan Balance:	\$ 0
Tax Liability Not Included in Analysis:	

Financial Assumptions, Recommendations and Disclosure Summary

The certain assumptions must be adopted to develop the financial analysis for this study. These include assumptions about the community and specific economic assumptions. The association must carefully monitor these assumptions and update the financial analysis should any of them change. The following table summarizes the basic recommendations which were derived from the use of the stated assumptions and disclosures about financial calculations used in this analysis.

Table 2: Assumptions, Recommendations and Disclosure Summary

Summary – Assumptions, Recommendations & Disclosures			
<u>Beginning Assumptions</u>		<u>Recommendations for next 10 Years</u>	
Number of Units:	230	Total Special Assessments 2022 to 2032:	\$ 460,000
Start Year for Analysis:	2022	Avg Ann Reserve Contribution 2022 to 2032:	\$ 520,432
Estimated First Year (2022) Reserve Contribution:	-\$ 178,709	Avg Annual % Assessment Increase 2022 to 2032:	17.70%
Maintenance Assessment Income for 2021:	\$ 427,800		
Year 2022 Special Assessment:	\$ 0		
<u>Economic Assumptions</u>		<u>Disclosures</u>	
Assumed Inflation Rate for Reserve Expenses:	4.00%	<ul style="list-style-type: none"> General calculations use Cash Flow Funding methodology. 	
Assumed Inflation Rate for Operating Expenses:	2.50%	<ul style="list-style-type: none"> The Percent Funded and the Fully Funded Balance determined using the Inflation Adjusted methodology as defined by the International Capital Budgeting Institute. 	
Interest rate on Reserve Balance:	0.00%	<ul style="list-style-type: none"> The earned interest on the reserve fund is calculated separately and is included as part of the ongoing income, therefore, the interest rate on the reserve fund is not included in the calculation of the Fully Funded Balance. 	
<u>Current Reserve Status</u>		<ul style="list-style-type: none"> Estimated future reserve component major repair and replacement costs are based on current or actual replacement costs projected to the estimated repair or replacement date, applying an inflation rate of 4.00% for the entire 30-year financial period. 	
Reserve Fund Balance at Start of Year 2022:	-\$ 6,000	<ul style="list-style-type: none"> Estimated future Operating expenses are based upon the current expenses and then projected applying an inflation rate of 2.50% for the entire 30-year financial period. 	
Reserve Fully Funded Balance (FFB) at SOY 2022:	\$ 3,899,118		
Reserve Funding Percent of FFB at SOY 2022:	0%		
Estimated First Year (2022) Reserve Contribution:	-\$ 178,709		

Site Map

Reserve Study Parameters

Table 3: Reserve Study Parameters

Reserve Study Parameters	
Level of Reserve Study:	Class I: Full Reserve Study
Report Period:	Fiscal Year 2022
Interest rate on Reserve Balance:	0.00%
Assumed Inflation Rate for Reserve Expenses:	4.00%
Assumed Inflation Rate for Operating Expenses:	2.50%
Funding Strategy:	Threshold Funding
Funding Methodology:	Cash Flow
As of Date:	1 December 2022

Preparation

- Prior reserve studies, if available, were used as references for this analysis as a baseline for identification of reserve asset components.
- The Association Manager, members of the Association Board or other party conducted an inventory of the reserve assets:
 - If available, prior reserve studies reserve assets inventory
 - Conduct current inventory of reserve assets
 - Verified that no assets were overlooked or if assets should be excluded
 - Condition of assets and useful life was evaluated by the association manager, knowledgeable members of the association and/or outside service providers
 - Review historical records for component maintenance frequency and costs
 - Assess component useful life based on how long past component maintenance endured

Assumptions

- The physical inventory and condition assessment of all physical assets is complete.
- The component replacement cost estimates are reasonably accurate.
- Projected future financial requirements to fund the reserve components are accumulated based on actual costs or current estimated costs. Future expenditures are thereby estimated using the inflation assumptions stated herein.
- Estimates for current and future operational expenses are reasonably accurate. This includes annual expenses such as insurance, administration, and maintenance. Future operational expenses are projected to rise at the projected inflation rate.

Funding Goals

- Provide sufficient funds when required
- Achieve and sustain a targeted percent funding of the Fully Funded Balance of the reserve fund
- Enable a stable contribution rate over the years
- Evenly distribute contributions over the years
- Minimize the need for special assessments
- Be fiscally responsible

It is common misconception that an HOA or community should maintain 100% of the fully funded balance. As a performance indicator, percent funding is used as a measure of the health of the reserve fund and a percent funding range of 70% to 100% is commonly adopted as a target percentage as it has been statistically shown that communities that maintain their percent funding in this range are far less likely to experience emergency assessments or deferral of maintenance. They can easily weather unexpected expenses and economic downturns. The actual percent funding target is used as a performance indicator and can vary according to unique circumstances.

The common guidelines for percent funding are:

- **Overfunded: Greater than 100%**
 - Indication that steps should be taken to bring the fund back into balance
 - Continued over funded places an unfair burden on individual members to maintain a fund in excess of what is needed
 - Overfunding does not provide additional safeguards that could be obtained from a strong position
- **Strong: 70% – 100%:**
 - Risk of special assessments or deferred maintenance is low
 - Higher marketability
 - Unexpected expense and economic downturns are easily overcome
- **Fair: 30% – 70%:**
 - Due diligence indicated to assure adequate funding scheduled expenses
 - Unexpected expenses and economic downturns pose a moderate to high risk of special assessments or deferred maintenance
- **Weak: 0% – 30%:**
 - Risk of special assessments is high, especially in the case of unexpected expenses or an economic downturn
 - Deferred maintenance of reserve components is common
 - High stress and political turmoil are likely
 - Lower marketability

Physical Analysis

The reserve funding plan is most contingent upon an accurate physical analysis. To the extent practical, this reserve study consists of:

- Review of all components to assure proper identification and quantity
- Identify any new components
- Inspect all reserve components to assess their condition
- Examine historical records of component maintenance and evaluate if the Component Useful Life is accurately represented in the inventory listing
- In cases where reserve components were serviced in the last few years, evaluate if the past costs, once adjusted for inflation, represent an accurate estimate of the current service cost
- Consult with knowledgeable vendors and service providers to evaluate current condition, assure correct costs and useful lives are assessed

Funding Summary

Goals of Funding Analysis

The goals of a Funding Analysis are to:

- establish funding goals
- identify annual funding requirements
- disclose limitations and assumptions

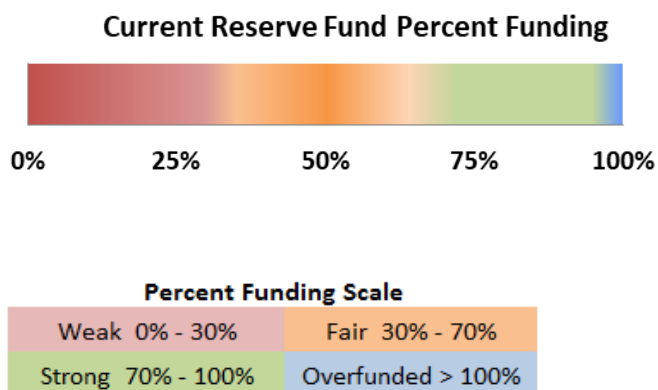
Once the components' estimated useful life, estimated remaining life, and estimated current replacement costs are identified, only then can the association develop a plan for funding the reserve account. This funding plan specifies future reserve cash needs and planned methods to offset the ongoing deterioration of the reserve components.

In preparing the funding plan, the association will have to make decisions about the amount of current assessments and the need for special assessments, balanced against projected liability. The law does not require the funding of projected replacement costs, only an explicit description of the plan for such funding, among other specific disclosures. The financial viability of the association will depend a great deal on the ability of the association to replace components as they wear out and not to defer major maintenance items.

A product of the Funding Analysis process is the development of a funding plan (cash flow forecast or projection) to estimate future reserve cash receipts and disbursements. This Reserve Study documents the funding plan with documented supporting assumptions and methodology.

Current Reserve Fund Percent Funding

Figure 1: Current Percent Funding



Current Income

The primary source of an association's income is from annual maintenance assessments. Other sources can also include sale of assets and rental of facilities. The following summarizes the sources of income used in this reserve study.

Table 4: Current Income Sources

Current Funding Summary for Year 2022			Current Special Assessments	
Income Type		Amount	Year	Amount
Association Assessments Income for 2021:		\$ 427,800		
Association Assessments Income for 2022:		\$ 427,800		
Interest on Reserve Fund:		0.00%		
Loans:		\$ 0		
Other Annual Income:		\$ 0		

Current Expenses

Table 5: Current Expenses

Current Expenses	
Operating Expenses for Year 2021:	Not Included
Estimated Operating Expenses for Year 2022:	\$ 606,509
Current Loan Payments:	\$ 0

Reserve Components

Reserve expenses for components are major expenses which must be budgeted for in advance in order to provide the necessary funds in time to cover the necessary maintenance or replacement as components deteriorate. Reserve expenses are reasonably predictable both in terms of frequency and cost. They are expenses that, if not reserved in advance, would likely have a significant impact on the budgetary process from one year to the next.

Included Components

A common concern is what components are to be included and funded for in the Reserve Study. Nationally recognized Reserve Study Standards indicates reserve components need to meet **ALL** the following criteria:

- The component is owned and maintained by the Association
- The component is NOT already covered in a maintenance contract
- The component has a limited life expectancy
- The component has a predictable and reasonably defined remaining useful life
- The component project cost is above a threshold amount imposed by the Association

Component Useful Life Estimates

“Useful life” is defined as the number of years the component is expected to serve its intended purpose if given regular and proper maintenance. Estimating the useful life of each of components includes the following factors:

- Material manufacturer’s warranty
- Commercially available published source with estimates of useful life such as the US Department of Housing and Urban Development and Fannie Mae.
- Evaluating the Association’s past maintenance records

Component Remaining Useful Life Estimates

The “Remaining Life” is defined as the expected number of years the component will continue to serve its intended purpose prior to repair or replacement. Estimating the remaining useful life of each of components includes the following factors:

- Subtracting the year that the component was installed from the useful life estimate
- Evaluating the apparent physical condition by someone familiar with the component such as a service vendor and adjusting the remaining useful life as necessary
- Evaluating past maintenance records to determine if the useful life is accurately represented

In determining the remaining life of a component, a certain level of continued preventive maintenance is assumed. Any assumptions pertaining to these maintenance assumptions are explicitly stated so that proper maintenance can be continued throughout the component’s remaining life.

The remaining life of a component implicitly specifies the year in which maintenance or replacement is required. The analysis timeline shows the year of replacement for each component. The timeline serves as a schedule for expected component replacements and can be updated or changed when the Physical Analysis is updated or as components last for shorter or longer periods than expected.

Determining the Cost of Replacement

Replacement costs are obtained in various manners. All costs also include the cost of removing the existing component, if appropriate. Factors for estimating replacement costs include:

- Cost estimating manuals and guidelines, if appropriate
- Evaluating historical maintenance records and, where appropriate, adjusting for inflation
- Obtaining current estimates from reliable sources such as contractors, suppliers, or subject matter experts

Excluded Components

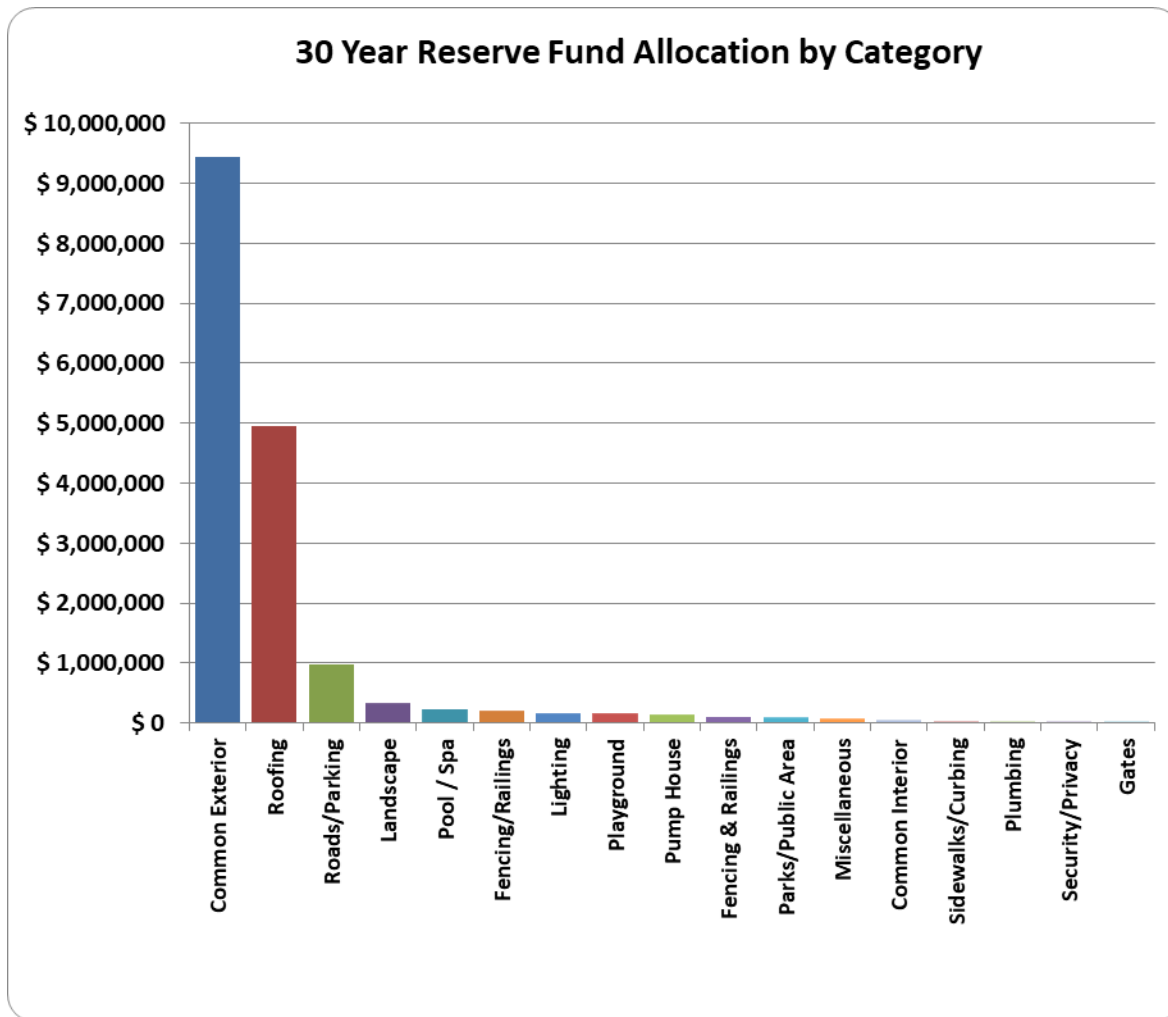
The following categories of components are typically excluded from Reserve Studies:

- Below Threshold Costs: – Component repair and/or replacement costs that are deemed too small to be considered reserve expenses are typically included in the operational or maintenance budget. Expenses that are below this threshold are not included in this study.
- Operational Expenses: – These occur at least annually and can be effectively budgeted for each year. They are characterized as being reasonably predictable both in terms of frequency and cost.
- Very Long or Unpredictable Useful Life Expectancy: – Components which, when properly maintained, have a very long useful life with no predictable replacement cycle. Examples include most plumbing, electrical systems and retaining walls. Although there may be circumstances where an Association may wish to include items in these categories.
- Unit Improvements: – Improvements made to the property that fall within the Governing Documents' unit description summary as the responsibility of the unit's owner.
- Other Non-Association/Organization Owned: – Improvements installed on the property, but which are owned by other parties such as governmental agencies, utility companies, the US Postal Service, etc.

Reserve Fund Allocation

The following chart illustrates the reserve fund allocation of the included reserve components. Attention should be given to those component categories which are a large percentage of the allocated costs as these may require significant planning to adequately budget for their replacement. These large expenses may be well into the future during "Peak Year" cycles.

Figure 2: 30 Year Reserve Fund Allocation



Component Inventory Included in Analysis

The following components are included in this Reserve Study financial analysis.

Table 7: Reserve Component Inventory

Active Depreciable Components

Yellow highlighting indicates components with zero remaining useful life

Item	Zone	Area	Category	Reserve Component Name	Replacement Cost	Replacement Cost Basis	Estimated Start of Year (2022) Replacement Cost	Last or Scheduled Service Year	Est Useful Life (yrs)	Useful Life Adjust (yrs)	Remaining Useful Life (yrs)	Qty	Unit of Measure	Next Service Year	Est Cost at Next Service
1	Zone 1	All	Common Exterior	Exterior Cleaning	\$ 1,000	Actual Cost	\$ 962	2023	2		1	36	each	2023	\$ 1,000
2	Zone 1	All	Common Exterior	Paints and stains, exterior	\$ 224,425	Current Est	\$ 224,425	2006	8	2	2	224425	sq-ft	2024	\$ 242,738
3	Zone 1	All	Fencing/Railings	Fencing, wood picket	\$ 32,320	Current Est	\$ 32,320	2006	20		4	1616	feet	2026	\$ 37,810
4	Zone 1	All	Landscape	Repl trees/plants/shrubs	\$ 3,000	Current Est	\$ 3,000	2023	1	1	2	1	other	2023	\$ 3,120
5	Zone 1	All	Landscape	Replace major trees and plants	\$ 10,000	Current Est	\$ 10,000	2023	20		1	1	each	2023	\$ 10,400
6	Zone 1	All	Landscape	Tree Trimming - Annual	\$ 3,500	Current Est	\$ 3,500	2023	1		1	1	other	2023	\$ 3,640
7	Zone 1	All	Roads/Parking	Asphalt Resurface	\$ 491,313	Current Est	\$ 491,313	2006	20	5	9	140375	sq-ft	2031	\$ 699,291
8	Zone 1	All	Roads/Parking	Asphalt Seal Coat	\$ 70,188	Current Est	\$ 70,188	2006	10	5	5	140375	sq-ft	2027	\$ 85,394
9	Zone 1	All	Roads/Parking	Crack Seal	\$ 2,935	Current Est	\$ 2,935	2006	4	4	4	28000	sq-ft	2026	\$ 3,434
10	Zone 1	All	Sidewalks/Curbing	Curbing Repair	\$ 4,452	Current Est	\$ 4,452	2006	4	4	4	112	feet	2026	\$ 5,208
11	Zone 1	All	Sidewalks/Curbing	Curbing, concrete	\$ 5,936	Current Est	\$ 5,936	2006	50		34	11230	feet	2056	\$ 22,523
12	Zone 3	BP	Fencing/Railings	Tennis Court Fencing, chain-link	\$ 8,026	Current Est	\$ 8,026	2006	20		4	435	feet	2026	\$ 9,389
13	Zone 3	BP	Lighting	Tennis Court Lighting	\$ 52,800	Current Est	\$ 52,800	2006	15	1	1	12	each	2023	\$ 54,912
14	Zone 3	BP	Miscellaneous	Tennis Court Nets	\$ 500	Current Est	\$ 500	2006	5	1	1	2	each	2023	\$ 520
15	Zone 3	BP	Parks/Public Area	Tennis Court Resurfacing	\$ 16,000	Current Est	\$ 16,000	2006	10	1	1	2	each	2023	\$ 16,640

Active Depreciable Components

Yellow highlighting indicates components with zero remaining useful life

Item	Zone	Area	Category	Reserve Component Name	Replacement Cost	Replacement Cost Basis	Estimated Start of Year (2022) Replacement Cost	Last or Scheduled Service Year	Est Useful Life (yrs)	Useful Life Adjust (yrs)	Remaining Useful Life (yrs)	Qty	Unit of Measure	Next Service Year	Est Cost at Next Service
16	Zone 3	BP	Playground	Playground Equipment	\$ 12,000	Current Est	\$ 12,000	2006	10		0	1	each	2022	\$ 12,000
17	Zone 3	BP	Playground	Replenish Mulch	\$ 2,000	Current Est	\$ 2,000	2023	2		1	1	each	2023	\$ 2,080
18	Zone 1	Main Ent	Fencing & Railings	Repair Front Entry Sign/Veneer	\$ 10,080	Current Est	\$ 10,080	2006	20		4	672	sq-ft	2026	\$ 11,792
19	Zone 2	Pool	Common Exterior	Brick/block veneer	\$ 2,952	Current Est	\$ 2,952	2006	60		44	328	sq-ft	2066	\$ 16,580
20	Zone 2	Pool	Common Exterior	Cement board siding	\$ 16,400	Current Est	\$ 16,400	2006	45		29	1640	sq-ft	2051	\$ 51,146
21	Zone 2	Pool	Common Exterior	Concrete	\$ 4,340	Current Est	\$ 4,340	2006	50		34	310	sq-ft	2056	\$ 16,467
22	Zone 2	Pool	Common Exterior	Pool Area Lighting	\$ 3,750	Current Est	\$ 3,750	2006	10		0	1	each	2022	\$ 3,750
23	Zone 2	Pool	Common Interior	Replace Toilet Dividers	\$ 4,800	Current Est	\$ 4,800	2006	25		9	4	each	2031	\$ 6,832
24	Zone 2	Pool	Common Interior	Replace Sinks/Mirrors	\$ 5,600	Current Est	\$ 5,600	2006	15		0	4	each	2022	\$ 5,600
25	Zone 2	Pool	Fencing & Railings	Replace Aluminum Fencing	\$ 17,040	Current Est	\$ 17,040	2006	20		4	355	feet	2026	\$ 19,934
26	Zone 2	Pool	Gates	Replace Gate	\$ 1,750	Current Est	\$ 1,750	2023	10		1	1	each	2023	\$ 1,820
27	Zone 2	Pool	Miscellaneous	Pool Chairs	\$ 5,000	Current Est	\$ 5,000	2023	10		1	20	each	2023	\$ 5,200
28	Zone 2	Pool	Miscellaneous	Pool Tables and Umbrellas	\$ 2,100	Current Est	\$ 2,100	2023	10		1	6	each	2023	\$ 2,184
29	Zone 2	Pool	Miscellaneous	Pool Lounge Chairs	\$ 2,250	Current Est	\$ 2,250	2023	5		1	15	each	2023	\$ 2,340
30	Zone 2	Pool	Plumbing	Poolhouse Water Heater	\$ 2,800	Current Est	\$ 2,800	2023	10		1	1	each	2023	\$ 2,912
31	Zone 2	Pool	Plumbing	Replace Toilets	\$ 4,800	Current Est	\$ 4,800	2023	15		1	4	feet	2023	\$ 4,992
32	Zone 2	Pool	Pool / Spa	Resurface Pool	\$ 21,280	Current Est	\$ 21,280	2023	15	1	2	3040	sq-ft	2023	\$ 22,131
33	Zone 2	Pool	Pool / Spa	Recoat/Refinish Pool Decking	\$ 55,110	Current Est	\$ 55,110	2023	15		1	5010	sq-ft	2023	\$ 57,314
34	Zone 2	Pool	Pump House	Large Pool Filters	\$ 15,000	Current Est	\$ 15,000	2023	12	1	2	1	each	2023	\$ 15,600

Active Depreciable Components

Yellow highlighting indicates components with zero remaining useful life

Item	Zone	Area	Category	Reserve Component Name	Replacement Cost	Replacement Cost Basis	Estimated Start of Year (2022) Replacement Cost	Last or Scheduled Service Year	Est Useful Life (yrs)	Useful Life Adjust (yrs)	Remaining Useful Life (yrs)	Qty	Unit of Measure	Next Service Year	Est Cost at Next Service
35	Zone 2	Pool	Pump House	Large Pool Pumps	\$ 7,500	Current Est	\$ 7,500	2023	12	1	2	1	each	2023	\$ 7,800
36	Zone 2	Pool	Roofing	Asphalt shingle	\$ 8,000	Current Est	\$ 8,000	2006	20		4	1600	sq-ft	2026	\$ 9,359
37	Zone 2	Pool	Plumbing	Replace Showers	\$ 2,200	Current Est	\$ 2,200	2006	25		9	2	each	2031	\$ 3,131
38	Zone 1	All	Common Exterior	Concrete Replacement	\$ 1,131,200	Current Est	\$ 1,131,200	2006	50		34	80800	sq-ft	2056	\$ 4,292,131
39	Zone 1	All	Common Exterior	Brick/block veneer	\$ 522,675	Current Est	\$ 522,675	2006	60		44	58075	sq-ft	2066	\$ 2,935,612
40	Zone 1	All	Common Exterior	Cement board siding	\$ 2,244,250	Current Est	\$ 2,244,250	2006	45		29	224425	sq-ft	2051	\$ 6,999,034
41	Zone 1	All	Common Exterior	Gutter Cleaning Annual	\$ 10,500	Current Est	\$ 10,500	2006	1	1	1	35	each	2023	\$ 10,920
42	Zone 1	All	Common Exterior	Gutters/downspouts, aluminum	\$ 218,160	Current Est	\$ 218,160	2006	20		4	18180	feet	2026	\$ 255,216
43	Zone 1	All	Roofing	Asphalt Shingle	\$ 1,313,000	Current Est	\$ 1,313,000	2006	20		4	262600	sq-ft	2026	\$ 1,536,024
44	Zone 1	All	Fencing/Railings	Entrance Fencing - Aluminum	\$ 12,912	Current Est	\$ 12,912	2006	20		4	269	feet	2026	\$ 15,105
45	Zone 1	All	Common Exterior	Garage Doors	\$ 40,400	Current Est	\$ 40,400	2006	30		14	202	each	2036	\$ 69,960
46	Zone 1	All	Security/Privacy	Entrance Gate Controls	\$ 4,000	Current Est	\$ 4,000	2006	10	1	1	1	each	2023	\$ 4,160
47	Zone 1	All	Sidewalks/Curbing	Sidewalks	\$ 668,080	Current Est	\$ 668,080	2006	50		34	47720	sq-ft	2056	\$ 2,534,907
48	Zone 1	All	Common Exterior	Masonry Retaining Walls	\$ 932,640	Current Est	\$ 932,640	2006	50		34	11658	sq-ft	2056	\$ 3,538,731
49	Zone 1	All	Lighting	Streetlights	\$ 1	Current Est	\$ 1	2006	15	1	1	21	each	2023	\$ 1

Components Not Included in Funding

The below components have been excluded from funding in this reserve study. Note that the inclusion of any of these items at a later date via a revision or update to this study will likely impact the funding strategies developed for this report.

Table 8: Components Not Included in Funding

Item	Major Component	Reason Not Considered for Analysis	Comments
1	Retaining Walls	Useful Life is Exceedingly Long	Inspected annually
2	Electrical Systems	Useful Life is Unpredictable	Electrical system replacement cannot be predicted
3	Plumbing Systems	Useful Life or Remaining Life Cannot be Determined	Plumbing system replacement cannot be predicted
4	Entrance Gates	Useful Life is Exceedingly Long	Inspected during repaint & during routine maintenance of operators
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

Income and Expenses

The funding plan of this reserve study will help the association's reserve account to be highly funded over the next 30 years. This requires a recommended allocation amount into the reserve account. The following table summarizes incomes and expenses and indicates the recommended contributions to the reserve account. This funding plan considers four basic principles:

1. There are adequate reserves when needed.
2. The budget should remain stable but increasing to offset inflationary factors.
3. The costs are well distributed over time.
4. The funding plan must allow the Association to be fiscally responsible.

The following table summarizes each year's incomes and expenses: It includes the following elements to derive the Annual Maintenance assessments and Annual Reserve Contributions:

- Annual reserve balance
- The fully funded balance of all reserve components
- Total income
- Total expenses (reserve components, operational and loans)

Table 9: Projected Income & Expenses Summary

Summary Table of Annual Incomes and Expenses

					Incomes					Expenses										
	Start of Year Reserve Balance	Fully Funded Balance	Start Of Year Percent Funded	Reserve Fund Deficiency from FFB (per unit)	Special Assessments	Total Annual Maintenance Assessments	Loans	Reserve Balance Interest Income	Other Incomes	Total Annual Income	Operational Expenses	Loan Expenses (payments)	Special Projects	Reserve Expenses *	Estimated Annual Taxes	Total Expenses	Annual Reserve Contribution (less loans) **	Reserve Contrib as Pct of Dues	EOY Reserve Balance	
2022	-\$ 6,000	\$ 3,899,118	0%	-\$ 16,979	\$ 0	\$ 427,800	\$ 0	\$ 0	\$ 0	\$ 427,800	\$ 606,509	\$ 0	\$ 0	\$ 21,350	\$ 0	\$ 627,859	-\$ 178,709	-42%	-\$ 206,059	
2023	-\$ 206,059	\$ 4,315,959	-5%	-\$ 19,661	\$ 460,000	\$ 727,260	\$ 0	\$ 0	\$ 0	\$ 1,187,260	\$ 621,672	\$ 0	\$ 0	\$ 181,035	\$ 0	\$ 802,707	\$ 565,588	78%	\$ 178,493	
2024	\$ 178,493	\$ 4,594,724	4%	-\$ 19,201	\$ 460,000	\$ 1,090,890	\$ 0	\$ 0	\$ 0	\$ 1,550,890	\$ 637,214	\$ 0	\$ 0	\$ 297,121	\$ 0	\$ 934,335	\$ 913,676	84%	\$ 795,048	
2025	\$ 795,048	\$ 4,775,687	17%	-\$ 17,307	\$ 0	\$ 1,636,335	\$ 0	\$ 0	\$ 0	\$ 1,636,335	\$ 653,144	\$ 0	\$ 0	\$ 19,080	\$ 0	\$ 672,224	\$ 983,191	60%	\$ 1,759,159	
2026	\$ 1,759,159	\$ 5,265,299	33%	-\$ 15,244	\$ 0	\$ 1,652,698	\$ 0	\$ 0	\$ 0	\$ 1,652,698	\$ 669,473	\$ 0	\$ 0	\$ 1,910,876	\$ 0	\$ 2,580,349	\$ 983,225	59%	\$ 831,508	
2027	\$ 831,508	\$ 3,819,764	22%	-\$ 12,992	\$ 0	\$ 1,669,225	\$ 0	\$ 0	\$ 0	\$ 1,669,225	\$ 686,210	\$ 0	\$ 0	\$ 106,030	\$ 0	\$ 792,240	\$ 983,016	59%	\$ 1,708,494	
2028	\$ 1,708,494	\$ 4,206,693	41%	-\$ 10,862	\$ 0	\$ 1,685,918	\$ 0	\$ 0	\$ 0	\$ 1,685,918	\$ 703,365	\$ 0	\$ 0	\$ 11,072	\$ 0	\$ 714,437	\$ 982,553	58%	\$ 2,679,974	
2029	\$ 2,679,974	\$ 4,721,634	57%	-\$ 8,877	\$ 0	\$ 1,702,777	\$ 0	\$ 0	\$ 0	\$ 1,702,777	\$ 720,949	\$ 0	\$ 0	\$ 22,978	\$ 0	\$ 743,927	\$ 981,828	58%	\$ 3,638,824	
2030	\$ 3,638,824	\$ 5,259,116	69%	-\$ 7,045	\$ 0	\$ 1,719,805	\$ 0	\$ 0	\$ 0	\$ 1,719,805	\$ 738,973	\$ 0	\$ 0	\$ 8,896	\$ 0	\$ 747,869	\$ 980,832	57%	\$ 4,610,760	
2031	\$ 4,610,760	\$ 5,847,644	79%	-\$ 5,378	\$ 0	\$ 1,737,003	\$ 0	\$ 0	\$ 0	\$ 1,737,003	\$ 757,447	\$ 0	\$ 0	\$ 733,397	\$ 0	\$ 1,490,844	\$ 979,555	56%	\$ 4,856,918	
2032	\$ 4,856,918	\$ 5,721,730	85%	-\$ 3,760	\$ 0	\$ 1,754,373	\$ 0	\$ 0	\$ 0	\$ 1,754,373	\$ 776,383	\$ 0	\$ 0	\$ 32,936	\$ 0	\$ 809,319	\$ 977,989	56%	\$ 5,801,971	
2033	\$ 5,801,971	\$ 6,335,374	92%	-\$ 2,319	\$ 0	\$ 1,771,916	\$ 0	\$ 0	\$ 0	\$ 1,771,916	\$ 795,793	\$ 0	\$ 0	\$ 47,509	\$ 0	\$ 843,302	\$ 976,123	55%	\$ 6,730,586	
2034	\$ 6,730,586	\$ 6,975,168	96%	-\$ 1,063	\$ 0	\$ 1,789,635	\$ 0	\$ 0	\$ 0	\$ 1,789,635	\$ 815,688	\$ 0	\$ 0	\$ 413,567	\$ 0	\$ 1,229,255	\$ 973,948	54%	\$ 7,290,966	
2035	\$ 7,290,966	\$ 7,277,287	100%	\$ 0	\$ 0	\$ 1,807,532	\$ 0	\$ 0	\$ 0	\$ 1,807,532	\$ 836,080	\$ 0	\$ 0	\$ 29,075	\$ 0	\$ 865,155	\$ 971,452	54%	\$ 8,233,343	
2036	\$ 8,233,343	\$ 8,009,490	103%	\$ 0	\$ 0	\$ 1,825,607	\$ 0	\$ 0	\$ 0	\$ 1,825,607	\$ 856,982	\$ 0	\$ 0	\$ 81,216	\$ 0	\$ 938,198	\$ 968,625	53%	\$ 9,120,752	
2037	\$ 9,120,752	\$ 8,735,609	104%	\$ 0	\$ 0	\$ 1,843,863	\$ 0	\$ 0	\$ 0	\$ 1,843,863	\$ 878,407	\$ 0	\$ 0	\$ 81,153	\$ 0	\$ 959,560	\$ 965,457	52%	\$ 10,005,056	
2038	\$ 10,005,056	\$ 9,510,445	105%	\$ 0	\$ 0	\$ 1,862,302	\$ 0	\$ 0	\$ 0	\$ 1,862,302	\$ 900,367	\$ 0	\$ 0	\$ 128,598	\$ 0	\$ 1,028,965	\$ 961,935	52%	\$ 10,838,393	
2039	\$ 10,838,393	\$ 10,287,324	105%	\$ 0	\$ 0	\$ 1,880,925	\$ 0	\$ 0	\$ 0	\$ 1,880,925	\$ 922,876	\$ 0	\$ 0	\$ 135,891	\$ 0	\$ 1,058,767	\$ 958,049	51%	\$ 11,660,551	
2040	\$ 11,660,551	\$ 11,108,903	105%	\$ 0	\$ 0	\$ 1,899,734	\$ 0	\$ 0	\$ 0	\$ 1,899,734	\$ 945,948	\$ 0	\$ 0	\$ 56,276	\$ 0	\$ 1,002,224	\$ 953,786	50%	\$ 12,558,062	
2041	\$ 12,558,062	\$ 12,068,200	104%	\$ 0	\$ 0	\$ 1,918,731	\$ 0	\$ 0	\$ 0	\$ 1,918,731	\$ 969,596	\$ 0	\$ 0	\$ 36,789	\$ 0	\$ 1,006,385	\$ 949,135	49%	\$ 13,470,408	
2042	\$ 13,470,408	\$ 13,109,075	103%	\$ 0	\$ 0	\$ 1,937,919	\$ 0	\$ 0	\$ 0	\$ 1,937,919	\$ 993,836	\$ 0	\$ 0	\$ 218,727	\$ 0	\$ 1,212,563	\$ 944,082	49%	\$ 14,195,763	
2043	\$ 14,195,763	\$ 14,026,225	101%	\$ 0	\$ 0	\$ 1,957,298	\$ 0	\$ 0	\$ 0	\$ 1,957,298	\$ 1,018,682	\$ 0	\$ 0	\$ 93,115	\$ 0	\$ 1,111,797	\$ 938,616	48%	\$ 15,041,264	
2044	\$ 15,041,264	\$ 15,135,510	99%	-\$ 410	\$ 0	\$ 1,976,871	\$ 0	\$ 0	\$ 0	\$ 1,976,871	\$ 1,044,149	\$ 0	\$ 0	\$ 547,274	\$ 0	\$ 1,591,423	\$ 932,722	47%	\$ 15,426,711	
2045	\$ 15,426,711	\$ 15,842,643	97%	-\$ 1,808	\$ 0	\$ 1,996,640	\$ 0	\$ 0	\$ 0	\$ 1,996,640	\$ 1,070,253	\$ 0	\$ 0	\$ 91,100	\$ 0	\$ 1,161,353	\$ 926,387	46%	\$ 16,261,998	
2046	\$ 16,261,998	\$ 17,079,318	95%	-\$ 3,554	\$ 0	\$ 2,016,606	\$ 0	\$ 0	\$ 0	\$ 2,016,606	\$ 1,097,009	\$ 0	\$ 0	\$ 4,168,028	\$ 0	\$ 5,265,037	\$ 919,597	46%	\$ 13,013,567	
2047	\$ 13,013,567	\$ 14,153,361	92%	-\$ 4,956	\$ 0	\$ 2,036,772	\$ 0	\$ 0	\$ 0	\$ 2,036,772	\$ 1,124,435	\$ 0	\$ 0	\$ 46,549	\$ 0	\$ 1,170,984	\$ 912,337	45%	\$ 13,879,355	
2048	\$ 13,879,355	\$ 15,425,729	90%	-\$ 6,723	\$ 0	\$ 2,036,772	\$ 0	\$ 0	\$ 0	\$ 2,036,772	\$ 1,152,545	\$ 0	\$ 0	\$ 24,259	\$ 0	\$ 1,176,804	\$ 884,227	43%	\$ 14,739,323	
2049	\$ 14,739,323	\$ 16,802,360	88%	-\$ 8,970	\$ 0	\$ 2,036,772	\$ 0	\$ 0	\$ 0	\$ 2,036,772	\$ 1,181,359	\$ 0	\$ 0	\$ 48,906	\$ 0	\$ 1,230,265	\$ 855,413	42%	\$ 15,545,830	
2050	\$ 15,545,830	\$ 18,239,817	85%	-\$ 11,713	\$ 0	\$ 2,036,772	\$ 0	\$ 0	\$ 0	\$ 2,036,772	\$ 1,210,893	\$ 0	\$ 0	\$ 109,113	\$ 0	\$ 1,320,006	\$ 825,879	41%	\$ 16,262,596	
2051	\$ 16,262,596	\$ 19,704,805	83%	-\$ 14,966	\$ 0	\$ 2,036,772	\$ 0	\$ 0	\$ 0	\$ 2,036,772	\$ 1,241,165	\$ 0	\$ 0	\$ 7,103,077	\$ 0	\$ 8,344,242	\$ 795,607	39%	\$ 9,955,125	
2052	\$ 9,955,125	\$ 13,988,626	71%	-\$ 17,537	\$ 0	\$ 2,036,772	\$ 0	\$ 0	\$ 0	\$ 2,036,772	\$ 1,272,195	\$ 0	\$ 0	\$ 90,329	\$ 0	\$ 1,362,524	\$ 764,578	38%	\$ 10,629,374	

* Reserve expenses in 2022 includes all Reserve Component expenses incurred in 2022

** Annual Reserve Contribution = Total Annual Income – Operating Expenses – Loan Amount – Loan Expenses – Taxes

Loans

Loans are considered an income source and the loan payments are included in the annual operational expenses.

- The principal amount of **new** loans is considered a new, one-time income source.
- Loan payments are included in the annual operational expenses.
- Inflation is not applied to annual loan payments.

The following table summarizes both the current existing loans and any new loans that are planned.

Table 10: Loan Summary

Loan Summary							
<i>There are no loans in this analysis. If any current or new loans were included, they would appear in the list below.</i>							
<u>Loan #</u>	<u>Loan Description</u>	<u>Loan Type</u>	<u>Loan Amount</u>	<u>Origin Year</u>	<u>Term</u>	<u>Ann Interest</u>	<u>Ann Payment</u>
1							
2							
3							
4							
5							
6							

Taxes

Within the United States, most associations will file Federal Tax Form 1120 or 1120-H. Managing the reserve fund is critical and every association should seek specific advice about their tax liability to minimize the amount of taxable income.

If estimated taxes are included in this analysis, refer to *Table 9: Projected Income & Expenses Summary* for the estimated annual tax liability.

Based on user input,

- Taxes are not included in this analysis
- Not applicable
- Not applicable

Disclaimer: Any estimated annual taxes or the estimated tax rate used in this analysis is a calculated estimate only that is based on information supplied by the association. The calculation cannot accurately account for the effect of final calculations which are done independently. The estimate provided is not to be construed as financial or other professional advice. If accounting, legal or other expert assistance is required, and you are not yourself a professional, you should seek the service of a competent professional before acting on any information provided herein.

Maximum Reserve Fund Expenses and Reserve Contributions

The most important aspect of preparing a financial plan is to have confidence that you can meet all anticipated expenses in the year of their occurrences. It is best to not focus on percent funding as the key indicator of your ability to meet those expense. Instead, focus on each year's total expenses versus the total resources available to meet those expenses. In addition, the following criteria should be considered:

- Regular contributions to the reserve fund should be established and maintained to assure that funding is available to meet future reserve expenses.
- Maintain a percent funding threshold high enough so that the association's consumers pay for the resources. Generally, this is in the range of 70% to 100%.
- Maintain the reserve fund balance at a level high enough to not only meet each year's expenses, but also minimize the risks of special assessments and deferred maintenance.
 - The annual reserve fund contribution required to support this analysis is shown in *Table 9: Projected Income & Expenses Summary* on page 19.
 - A graphical view of the monthly reserve fund contribution is displayed in *Figure 8: Average Monthly Reserve Fund Contribution Rate* on page 38.

The following table lists the year that the maximum reserve fund expenses (depreciable asset expenses) occur and the financial state of the reserve fund in that year.

Table 11: Maximum Reserve Expenses and Contributions

Maximum Reserve Expenses & Reserve Contribution	
Year Maximum Reserve Expenses Occur:	2051
Min Req'd % FFB at Start of 2051:	36%
This analysis, Start of Year % Funding in 2051:	83%
Reserve Fund Balance at Start of 2051:	\$ 16,262,596
Reserve Contribution in 2051:	\$ 795,607
* Total Available Reserve Funds in 2051:	\$ 17,058,202
Total Reserve Expenses in 2051:	\$ 7,103,077

* Does not include funds from annual maintenance assessments

Detailed Financial Analysis

Annual Projected Expenses

The annual projected reserve expenses are estimates based on estimated useful life of the components, the current cost estimates, and adjustments for inflation.

Special Project Expenditures

Any special projects are shown in the following table.

Table 12: Special Projects Table

Year	Cost	Special Project or One-Time Expense
------	------	-------------------------------------

First Year of Analysis Reserve Components Services Complete

At the time the financial analysis was performed, if any reserve components' services which may have been due in the first year of analysis was already completed, then funding during the first year of analysis would not be required for those components. Any components which have been completed will appear in the following table.

Table 13: Reserve Component Already Completed in First Year of Analysis Table

As of 01 December 2022, these components' scheduled services are complete

Year	Cost	Zone	Area	Category	Component
Total:	\$ 0				

Annual Reserve Component Expenditures

Reserve component expenses are shown by year, (including those components that were indicated as being incomplete at the time the financial analysis was performed) are shown in the following table.

Table 14: Reserve Component Expenditures Table

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
2022	\$ 12,000	Zone 3	BP	Playground	Playground Equipment
	\$ 3,750	Zone 2	Pool	Common Exterior	Pool Area Lighting
	\$ 5,600	Zone 2	Pool	Common Interior	Replace Sinks/Mirrors
2022 Total:	\$ 21,350				
2023	\$ 1,000	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 10,400	Zone 1	All	Landscape	Replace major trees and plants
	\$ 3,640	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 54,912	Zone 3	BP	Lighting	Tennis Court Lighting
	\$ 520	Zone 3	BP	Miscellaneous	Tennis Court Nets
	\$ 16,640	Zone 3	BP	Parks/Public Area	Tennis Court Resurfacing
	\$ 2,080	Zone 3	BP	Playground	Replenish Mulch
	\$ 1,820	Zone 2	Pool	Gates	Replace Gate
	\$ 5,200	Zone 2	Pool	Miscellaneous	Pool Chairs
	\$ 2,184	Zone 2	Pool	Miscellaneous	Pool Tables and Umbrellas
	\$ 2,340	Zone 2	Pool	Miscellaneous	Pool Lounge Chairs
	\$ 2,912	Zone 2	Pool	Plumbing	Poolhouse Water Heater
	\$ 4,992	Zone 2	Pool	Plumbing	Replace Toilets

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
	\$ 57,314	Zone 2	Pool	Pool / Spa	Recoat/Refinish Pool Decking
	\$ 10,920	Zone 1	All	Common Exterior	Gutter Cleaning Annual
	\$ 4,160	Zone 1	All	Security/Privacy	Entrance Gate Controls
	\$ 1	Zone 1	All	Lighting	Streetlights
2023 Total:	\$ 181,035				
2024	\$ 242,738	Zone 1	All	Common Exterior	Paints and stains, exterior
	\$ 3,245	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 3,786	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 23,016	Zone 2	Pool	Pool / Spa	Resurface Pool
	\$ 16,224	Zone 2	Pool	Pump House	Large Pool Filters
	\$ 8,112	Zone 2	Pool	Pump House	Large Pool Pumps
2024 Total:	\$ 297,121				
2025	\$ 1,082	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 3,937	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 2,250	Zone 3	BP	Playground	Replenish Mulch
	\$ 11,811	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2025 Total:	\$ 19,080				
2026	\$ 37,810	Zone 1	All	Fencing/Railings	Fencing, wood picket

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
	\$ 3,510	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 4,095	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 3,434	Zone 1	All	Roads/Parking	Crack Seal
	\$ 5,208	Zone 1	All	Sidewalks/Curbing	Curbing Repair
	\$ 9,389	Zone 3	BP	Fencing/Railings	Tennis Court Fencing, chain-link
	\$ 11,792	Zone 1	Main Ent	Fencing & Railings	Repair Front Entry Sign/Veneer
	\$ 19,934	Zone 2	Pool	Fencing & Railings	Replace Aluminum Fencing
	\$ 9,359	Zone 2	Pool	Roofing	Asphalt shingle
	\$ 255,216	Zone 1	All	Common Exterior	Gutters/downspouts, aluminum
	\$ 1,536,024	Zone 1	All	Roofing	Asphalt Shingle
	\$ 15,105	Zone 1	All	Fencing/Railings	Entrance Fencing - Aluminum
2026 Total:	\$ 1,910,876				
2027	\$ 1,170	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 4,258	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 85,394	Zone 1	All	Roads/Parking	Asphalt Seal Coat
	\$ 2,433	Zone 3	BP	Playground	Replenish Mulch
	\$ 12,775	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2027 Total:	\$ 106,030				
2028	\$ 3,796	Zone 1	All	Landscape	Repl trees/plants/shrubs

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
	\$ 4,429	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 2,847	Zone 2	Pool	Miscellaneous	Pool Lounge Chairs
2028 Total:	\$ 11,072				
2029	\$ 1,265	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 4,606	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 658	Zone 3	BP	Miscellaneous	Tennis Court Nets
	\$ 2,632	Zone 3	BP	Playground	Replenish Mulch
	\$ 13,817	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2029 Total:	\$ 22,978				
2030	\$ 4,106	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 4,790	Zone 1	All	Landscape	Tree Trimming - Annual
2030 Total:	\$ 8,896				
2031	\$ 1,369	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 4,982	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 699,291	Zone 1	All	Roads/Parking	Asphalt Resurface
	\$ 2,847	Zone 3	BP	Playground	Replenish Mulch
	\$ 6,832	Zone 2	Pool	Common Interior	Replace Toilet Dividers
	\$ 3,131	Zone 2	Pool	Plumbing	Replace Showers

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
	\$ 14,945	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2031 Total:	\$ 733,397				
2032	\$ 4,441	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 5,181	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 17,763	Zone 3	BP	Playground	Playground Equipment
	\$ 5,551	Zone 2	Pool	Common Exterior	Pool Area Lighting
2032 Total:	\$ 32,936				
2033	\$ 1,480	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 5,388	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 3,079	Zone 3	BP	Playground	Replenish Mulch
	\$ 2,694	Zone 2	Pool	Gates	Replace Gate
	\$ 7,697	Zone 2	Pool	Miscellaneous	Pool Chairs
	\$ 3,233	Zone 2	Pool	Miscellaneous	Pool Tables and Umbrellas
	\$ 3,464	Zone 2	Pool	Miscellaneous	Pool Lounge Chairs
	\$ 4,310	Zone 2	Pool	Plumbing	Poolhouse Water Heater
	\$ 16,164	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2033 Total:	\$ 47,509				
2034	\$ 359,312	Zone 1	All	Common Exterior	Paints and stains, exterior

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
	\$ 4,803	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 5,604	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 4,699	Zone 1	All	Roads/Parking	Crack Seal
	\$ 7,128	Zone 1	All	Sidewalks/Curbing	Curbing Repair
	\$ 25,617	Zone 3	BP	Parks/Public Area	Tennis Court Resurfacing
	\$ 6,404	Zone 1	All	Security/Privacy	Entrance Gate Controls
2034 Total:	\$ 413,567				
2035	\$ 1,601	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 5,828	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 833	Zone 3	BP	Miscellaneous	Tennis Court Nets
	\$ 3,330	Zone 3	BP	Playground	Replenish Mulch
	\$ 17,483	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2035 Total:	\$ 29,075				
2036	\$ 5,195	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 6,061	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 69,960	Zone 1	All	Common Exterior	Garage Doors
2036 Total:	\$ 81,216				
2037	\$ 1,732	Zone 1	All	Common Exterior	Exterior Cleaning

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
	\$ 6,303	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 3,602	Zone 3	BP	Playground	Replenish Mulch
	\$ 10,085	Zone 2	Pool	Common Interior	Replace Sinks/Mirrors
	\$ 27,014	Zone 2	Pool	Pump House	Large Pool Filters
	\$ 13,507	Zone 2	Pool	Pump House	Large Pool Pumps
	\$ 18,910	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2037 Total:	\$ 81,153				
2038	\$ 5,619	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 6,555	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 4,214	Zone 2	Pool	Miscellaneous	Pool Lounge Chairs
	\$ 8,990	Zone 2	Pool	Plumbing	Replace Toilets
	\$ 103,220	Zone 2	Pool	Pool / Spa	Recoat/Refinish Pool Decking
2038 Total:	\$ 128,598				
2039	\$ 1,873	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 6,818	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 102,849	Zone 3	BP	Lighting	Tennis Court Lighting
	\$ 3,896	Zone 3	BP	Playground	Replenish Mulch
	\$ 20,453	Zone 1	All	Common Exterior	Gutter Cleaning Annual
	\$ 2	Zone 1	All	Lighting	Streetlights

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
2039 Total:	\$ 135,891				
2040	\$ 6,077	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 7,090	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 43,109	Zone 2	Pool	Pool / Spa	Resurface Pool
2040 Total:	\$ 56,276				
2041	\$ 2,026	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 7,374	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 1,053	Zone 3	BP	Miscellaneous	Tennis Court Nets
	\$ 4,214	Zone 3	BP	Playground	Replenish Mulch
	\$ 22,122	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2041 Total:	\$ 36,789				
2042	\$ 6,573	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 7,669	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 153,789	Zone 1	All	Roads/Parking	Asphalt Seal Coat
	\$ 6,431	Zone 1	All	Roads/Parking	Crack Seal
	\$ 9,755	Zone 1	All	Sidewalks/Curbing	Curbing Repair
	\$ 26,293	Zone 3	BP	Playground	Playground Equipment
	\$ 8,217	Zone 2	Pool	Common Exterior	Pool Area Lighting

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
2042 Total:	\$ 218,727				
2043	\$ 2,191	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 22,788	Zone 1	All	Landscape	Replace major trees and plants
	\$ 7,976	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 4,558	Zone 3	BP	Playground	Replenish Mulch
	\$ 3,988	Zone 2	Pool	Gates	Replace Gate
	\$ 11,394	Zone 2	Pool	Miscellaneous	Pool Chairs
	\$ 4,785	Zone 2	Pool	Miscellaneous	Pool Tables and Umbrellas
	\$ 5,127	Zone 2	Pool	Miscellaneous	Pool Lounge Chairs
	\$ 6,381	Zone 2	Pool	Plumbing	Poolhouse Water Heater
	\$ 23,927	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2043 Total:	\$ 93,115				
2044	\$ 531,869	Zone 1	All	Common Exterior	Paints and stains, exterior
	\$ 7,110	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 8,295	Zone 1	All	Landscape	Tree Trimming - Annual
2044 Total:	\$ 547,274				
2045	\$ 2,370	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 8,627	Zone 1	All	Landscape	Tree Trimming - Annual

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
	\$ 39,435	Zone 3	BP	Parks/Public Area	Tennis Court Resurfacing
	\$ 4,929	Zone 3	BP	Playground	Replenish Mulch
	\$ 25,880	Zone 1	All	Common Exterior	Gutter Cleaning Annual
	\$ 9,859	Zone 1	All	Security/Privacy	Entrance Gate Controls
2045 Total:	\$ 91,100				
2046	\$ 82,846	Zone 1	All	Fencing/Railings	Fencing, wood picket
	\$ 7,690	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 8,972	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 20,572	Zone 3	BP	Fencing/Railings	Tennis Court Fencing, chain-link
	\$ 25,838	Zone 1	Main Ent	Fencing & Railings	Repair Front Entry Sign/Veneer
	\$ 43,679	Zone 2	Pool	Fencing & Railings	Replace Aluminum Fencing
	\$ 20,506	Zone 2	Pool	Roofing	Asphalt shingle
	\$ 559,210	Zone 1	All	Common Exterior	Gutters/downspouts, aluminum
	\$ 3,365,618	Zone 1	All	Roofing	Asphalt Shingle
	\$ 33,097	Zone 1	All	Fencing/Railings	Entrance Fencing - Aluminum
2046 Total:	\$ 4,168,028				
2047	\$ 2,563	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 9,330	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 1,333	Zone 3	BP	Miscellaneous	Tennis Court Nets

Reserve Component Expenditures for Years 2022 to 2051

Year	Cost	Zone	Area	Category	Component
	\$ 5,332	Zone 3	BP	Playground	Replenish Mulch
	\$ 27,991	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2047 Total:	\$ 46,549				
2048	\$ 8,317	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 9,704	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 6,238	Zone 2	Pool	Miscellaneous	Pool Lounge Chairs
2048 Total:	\$ 24,259				
2049	\$ 2,772	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 10,092	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 5,767	Zone 3	BP	Playground	Replenish Mulch
	\$ 30,275	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2049 Total:	\$ 48,906				
2050	\$ 8,996	Zone 1	All	Landscape	Repl trees/plants/shrubs
	\$ 10,495	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 8,801	Zone 1	All	Roads/Parking	Crack Seal
	\$ 13,350	Zone 1	All	Sidewalks/Curbing	Curbing Repair
	\$ 44,981	Zone 2	Pool	Pump House	Large Pool Filters
	\$ 22,490	Zone 2	Pool	Pump House	Large Pool Pumps

Reserve Component Expenditures for Years 2022 to 2051

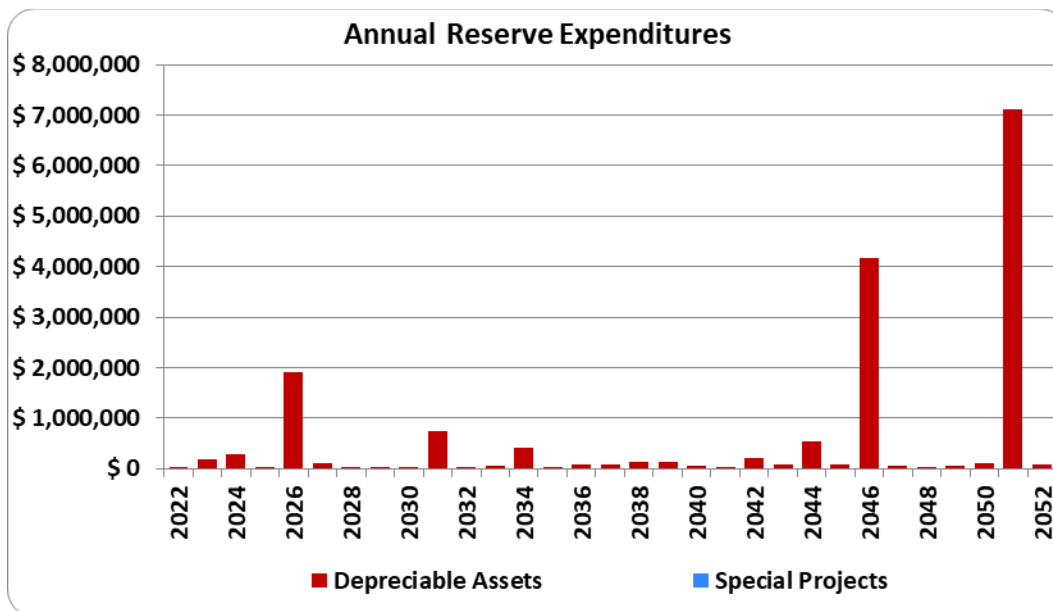
Year	Cost	Zone	Area	Category	Component
2050 Total:	\$ 109,113				
2051	\$ 2,999	Zone 1	All	Common Exterior	Exterior Cleaning
	\$ 10,915	Zone 1	All	Landscape	Tree Trimming - Annual
	\$ 6,237	Zone 3	BP	Playground	Replenish Mulch
	\$ 51,146	Zone 2	Pool	Common Exterior	Cement board siding
	\$ 6,999,034	Zone 1	All	Common Exterior	Cement board siding
	\$ 32,746	Zone 1	All	Common Exterior	Gutter Cleaning Annual
2051 Total:	\$ 7,103,077				

Reserve Fund Expenditures

The graph below shows the projected future reserve expenses that the association is responsible to fund. As with all computations in this report, the estimates in this figure are based on the estimated expense projections which are combination of historical expenditures and current estimates. Expenses are projected 30 years into the future, using the Inflation rate assumptions stated earlier.

It is important to make note of large expenditure years (peak years) when there will be significant projected expenditures related to one or more component projects that will require repair/replacement. These large but infrequent component expenses during “peak” years are typically the most difficult to budget for as they are often overlooked or ignored due to the perception that the expenses are far in the future and there will be time to budget for them later.

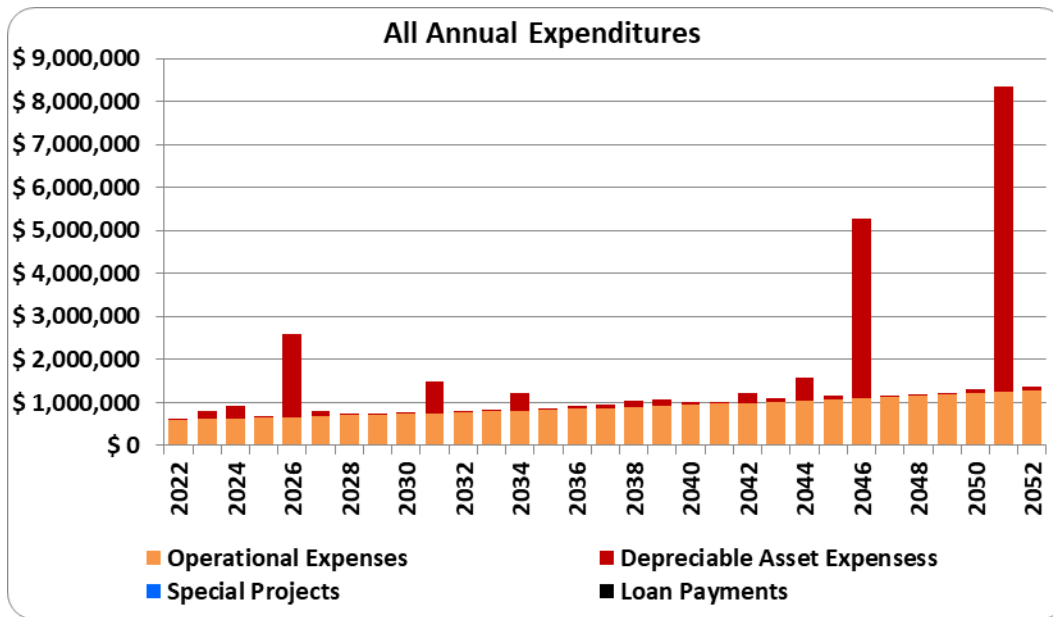
Figure 3: Reserve Fund Expenditures



All Expenses

In addition to reserve expenditures, the association needs to cover operational expenses, costs for special projects and any loan payments. The following graph depicts all annual expenditures that the association can expect over the next 30 years.

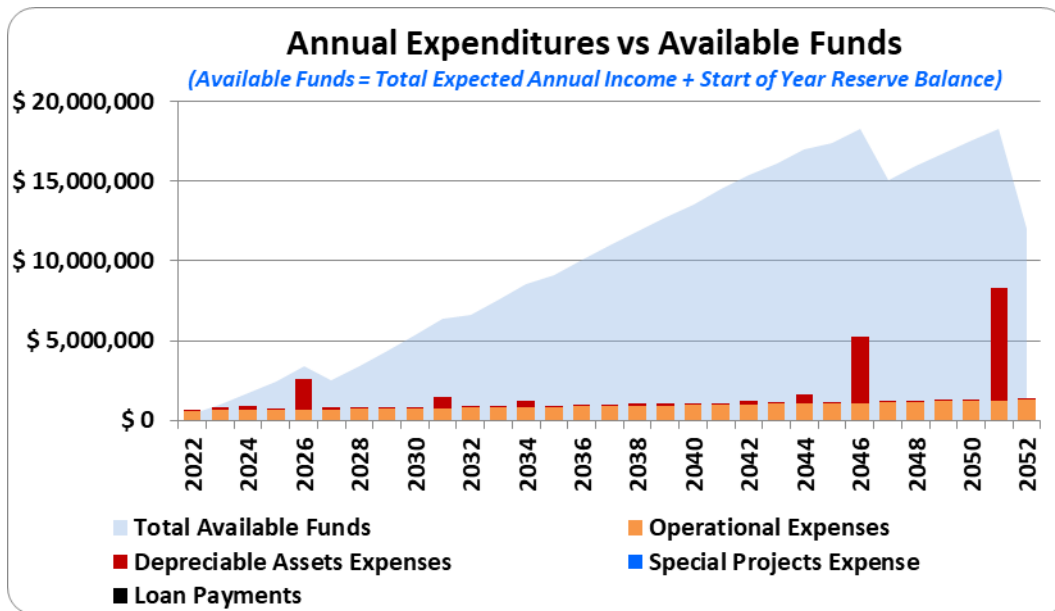
Figure 4: All Annual Expenses



As with any projections of future expenditures, “near-term” projects will be more accurate than events in the future, especially events projected many years away.

The following graph illustrates each year’s anticipated expenses versus the available cash assets. The cash assets are assumed to be the total of the start of year reserve fund balance plus the anticipated annual income plus any additional income such as loans or other income types. In effect, this chart shows you the total expenses verses total available funds in each year.

Figure 5: All Annual Expenses versus Available Funds

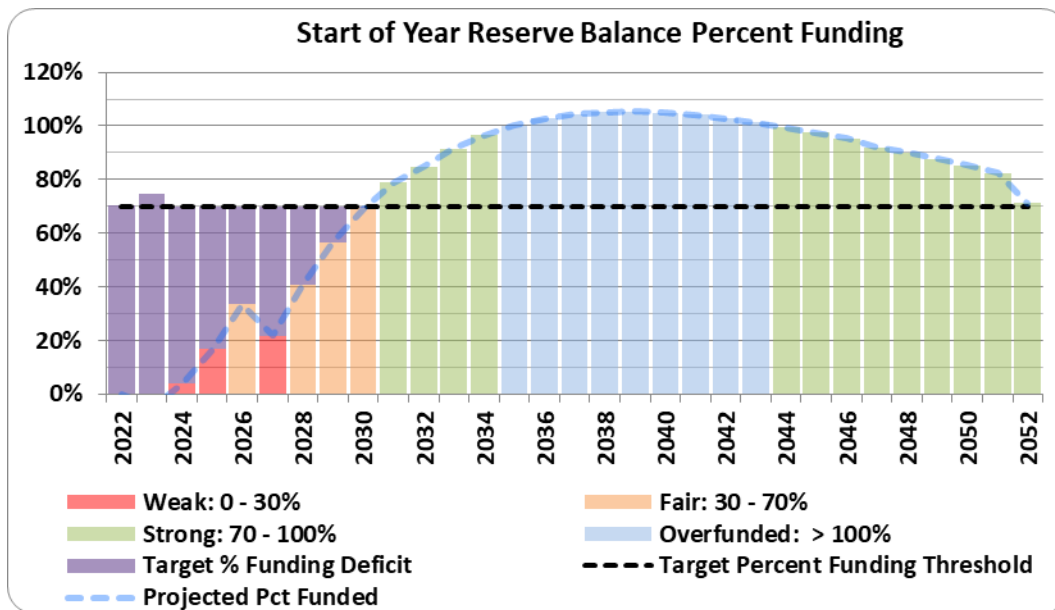


Reserve Balance

This graph illustrates the key elements of the funding model proposed in this assessment. Over the timeframe of this reserve

study, the allocation rates and the percent funding will fluctuate based on the expenditures projected in any given year.

Figure 6: Start of Year Reserve Balance Percent Funding



Annual Income and Contribution to Reserve Fund

Based on the current percent funded and the projected cash flow requirements, the recommended reserve contributions should be established at per month this fiscal year. This represents the first year of a 30-year Funding Plan. The actual contribution to the reserve fund will vary from year-to-year depending on the anticipated reserve expenses.

To most fairly spread out the contribution burden over current and future owners in our inflationary economic environment, nominal annual increases should be expected in future years. Most authorities cite that the annual reserve contribution should be at least 10% of the annual income. Associations with a contribution rate less than 10% can expect future special assessments.

This recommended reserve contribution rate is depicted in the following two graphs.

Figure 7: Annual Income and Reserve Contribution

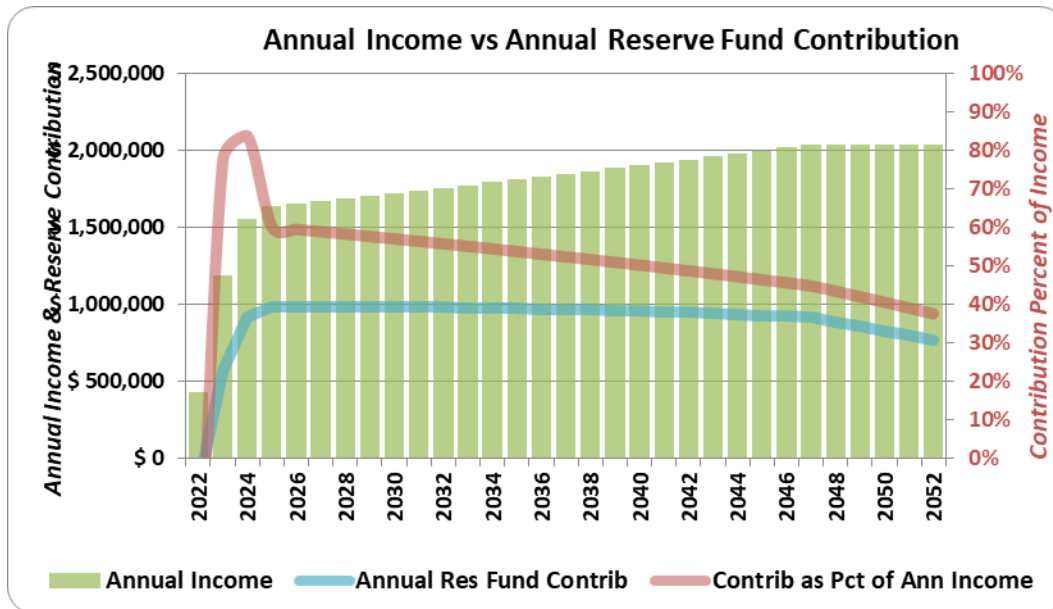
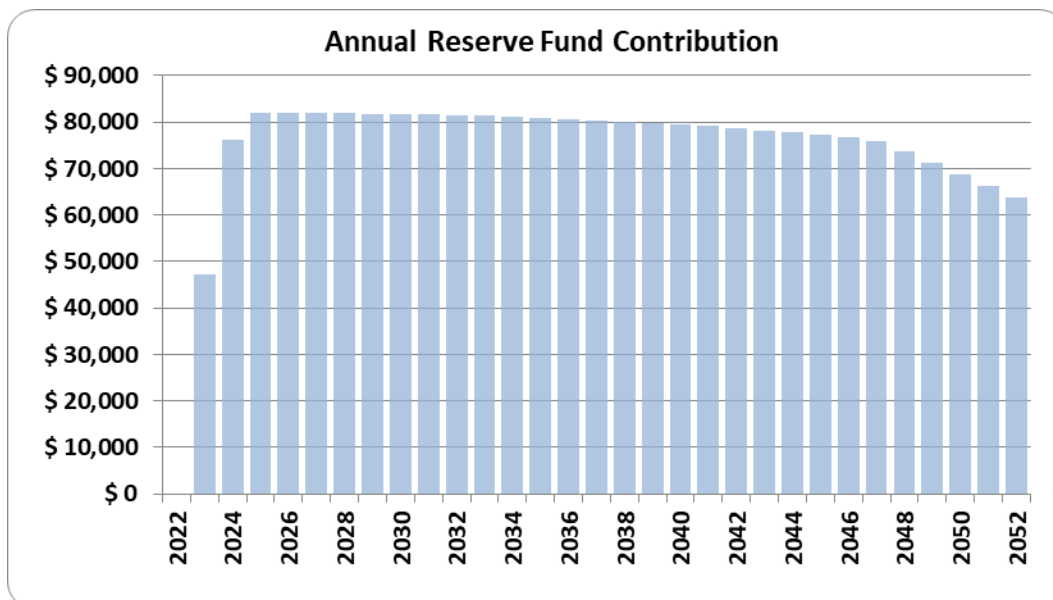


Figure 8: Average Monthly Reserve Fund Contribution Rate



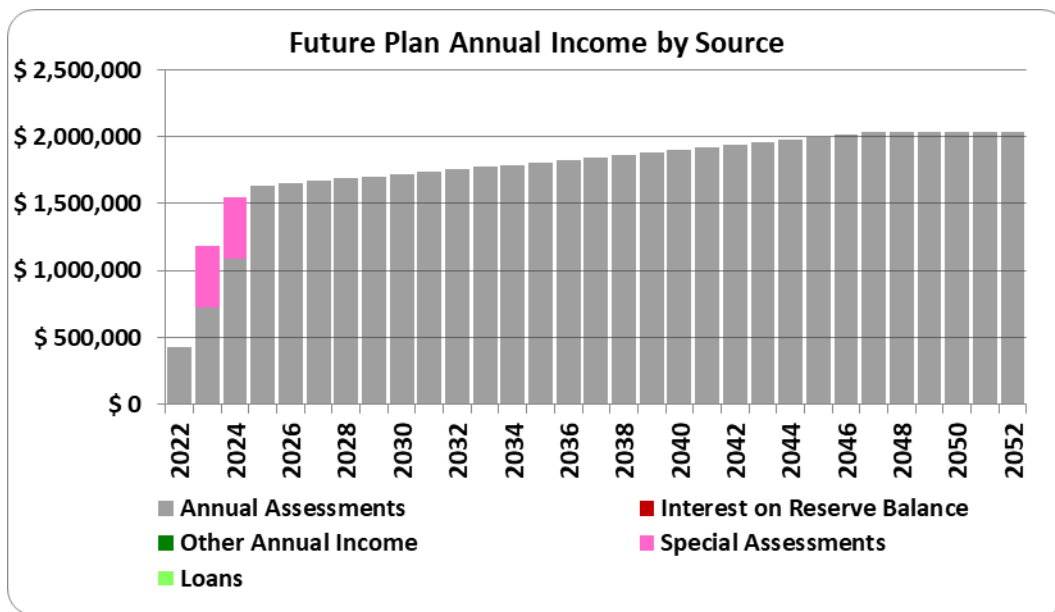
Income Sources

Income is derived from several potential sources:

- Annual maintenance assessments
- Special assessments
- Interest on reserve account
- Interest on other bank accounts
- One-time income (e.g., Loans)
- Other annual income sources (e.g., rentals and fees)

The future annual incomes are depicted in the following graph.

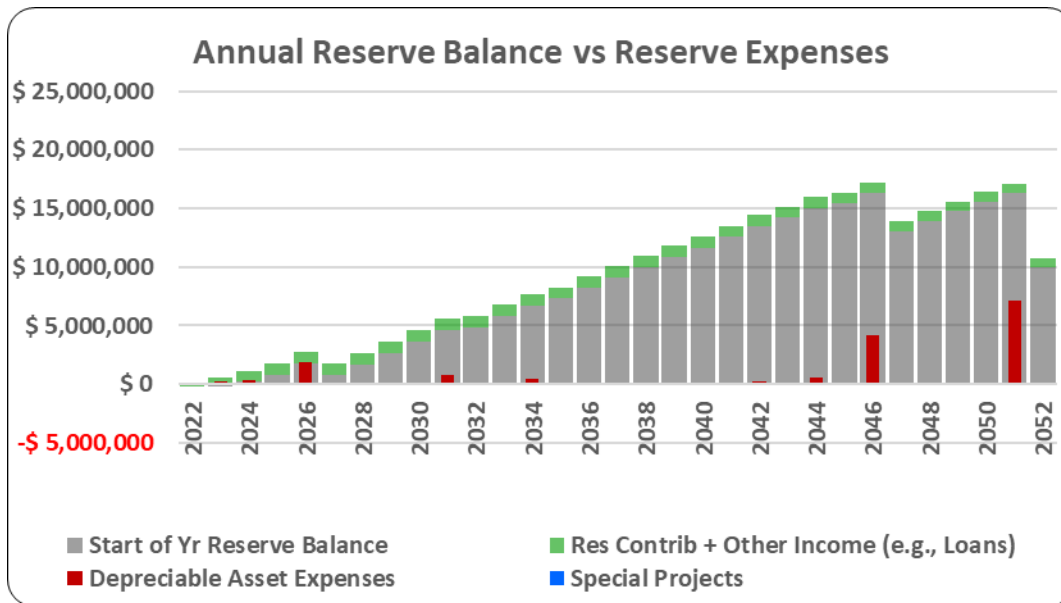
Figure 9: Annual Income by Source



Annual Reserve Balance and Reserve Expenses

The following graph is often cited as the most important statistic for the Association's financial analysis. This graph depicts the estimated reserve expenses compared to the estimated reserve fund balance in each year of the analysis. The Association's key responsibility is to assure that the Reserve Fund is adequate to provide for the maintenance or replacement of depreciable components. This graph provides a quick and vivid view.

Figure 10: Annual Reserve Balance vs Reserve Expenses



Current Funding versus Recommend Funding Plans

The following two graphs compare the current funding plan to the proposed funding plan of this reserve study. The comparisons shown here illustrate both the Start of Year Reserve Balances and the Percent Funding comparisons. The term, “current plan”, as used here is simplified in that it accounts for planned maintenance assessments increases and special assessments that the Association could levy. Refer to each graph’s notes for details.

Figure 11: Reserve Account Comparison

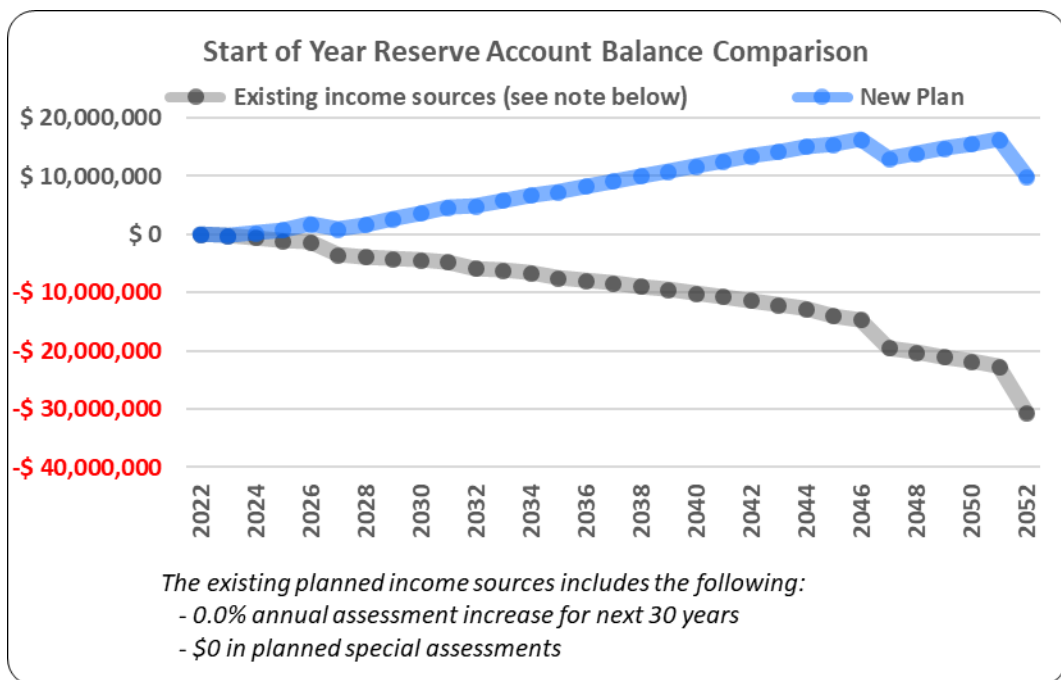
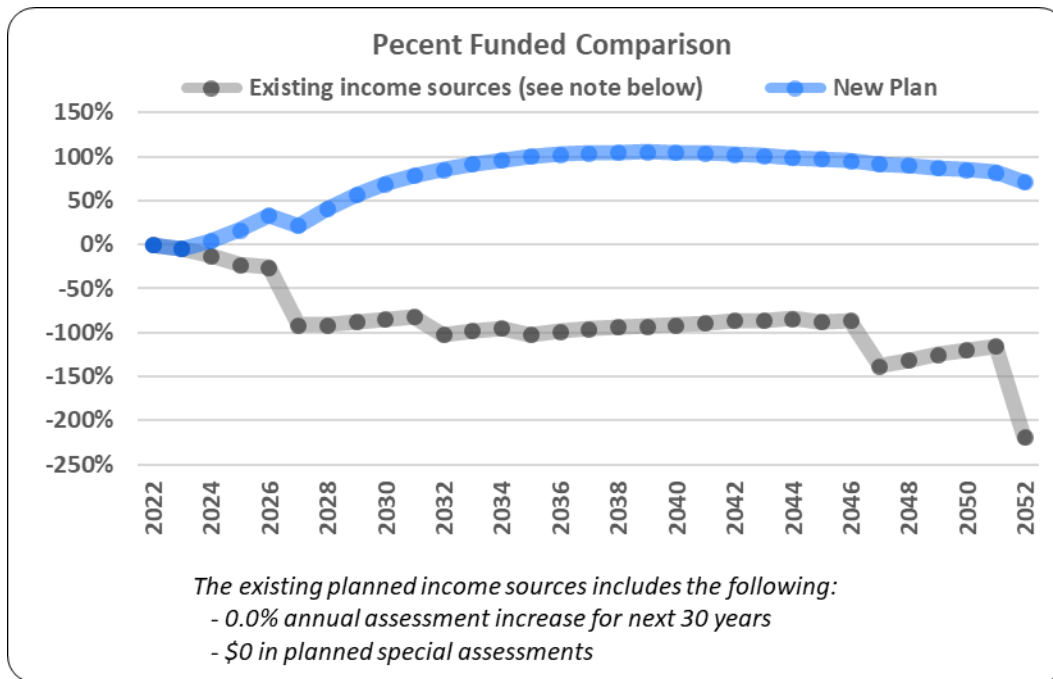


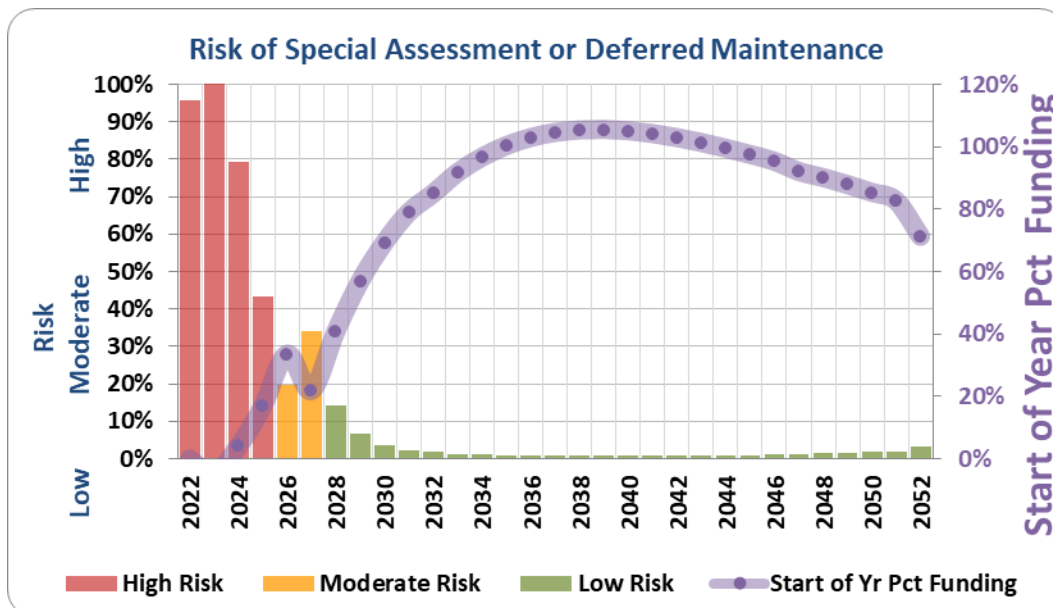
Figure 12: Percent Funded Comparison



Risk of Special Assessment or Deferred Maintenance

Calculating the risk of a special assessment is not an exact science. However, it is well understood that percent funding is a reliable predictor of the likelihood of a special assessment or the deferral of maintenance of reserve components. Associations above 70% funded have less than a 4% chance of ever needing a special assessment, whereas associations less than 30% funded are likely to need a special assessment every 2 to 4 years. The following table represents an estimate of the risk of a special assessment or deferred maintenance.

Figure 13: Risk of Special Assessment or Deferred Maintenance



Contingency Fund

The purpose of a contingency fund is to provide funds for unexpected expenses, unusually higher than anticipated expenses or other emergencies or shortfalls. A contingency fund can also be used to fund miscellaneous expenses that may be difficult to predict and plan. The contingency fund can be especially useful in situations where unexpected expenses may occur such as a burst water line or unexpected incidents such as pest infestations or emergency snow removal expenses.

Should the Association decide to create a contingency fund, the following guidelines are recommended:

- Maintain your contingency fund in a separate account from reserve and operations expenses.
- Set a policy for maintenance of the contingency fund. For example, a minimum and/or maximum balance, a percent of the annual operations expense budget or a percent of the annual reserve fund balance.
- Document all deposits and withdrawals from the contingency fund.

Income and Expense Summaries

Income and expenses summaries are presented on the following pages.

Years 2022 to 2031

Income Years 2022 to 2031

Estimated Incomes	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Maintenance Assessments Including Sched Increases	\$ 427,800	\$ 727,260	\$ 1,090,890	\$ 1,636,335	\$ 1,652,698	\$ 1,669,225	\$ 1,685,918	\$ 1,702,777	\$ 1,719,805	\$ 1,737,003	\$ 14,049,710
Interest Income Reserve Balance											
Other Annual Income											\$ 0
Special Assessments		\$ 460,000	\$ 460,000								\$ 920,000
Loans											
Total Income	\$ 427,800	\$ 1,187,260	\$ 1,550,890	\$ 1,636,335	\$ 1,652,698	\$ 1,669,225	\$ 1,685,918	\$ 1,702,777	\$ 1,719,805	\$ 1,737,003	\$ 14,969,710

Expenses Years 2022 to 2031

Operating and Loan Expenses	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Estimated Operating Expenses	\$ 606,509	\$ 621,672	\$ 637,214	\$ 653,144	\$ 669,473	\$ 686,210	\$ 703,365	\$ 720,949	\$ 738,973	\$ 757,447	\$ 6,794,957
Estimated Annual Loan Payments											

Special Projects	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
------------------	------	------	------	------	------	------	------	------	------	------	-------

Estimated Tax Liability	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Tax Liability not Included in Analysis											

Totals	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Operating and Loan Expenses	\$ 606,509	\$ 621,672	\$ 637,214	\$ 653,144	\$ 669,473	\$ 686,210	\$ 703,365	\$ 720,949	\$ 738,973	\$ 757,447	\$ 6,794,957
Special Projects											
Total Reserve Fund Expenses	\$ 21,350	\$ 181,035	\$ 297,121	\$ 19,080	\$ 1,910,876	\$ 106,030	\$ 11,072	\$ 22,978	\$ 8,896	\$ 733,397	\$ 3,311,835

Reserve Fund Years 2022 to 2031

Description	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Start of Year Fully Funded Reserve	\$ 3,899,118	\$ 4,315,959	\$ 4,594,724	\$ 4,775,687	\$ 5,265,299	\$ 3,819,764	\$ 4,206,693	\$ 4,721,634	\$ 5,259,116	\$ 5,847,644
Start of Year Reserve Fund Balance *	-\$ 6,000	-\$ 206,059	\$ 178,493	\$ 795,048	\$ 1,759,159	\$ 831,508	\$ 1,708,494	\$ 2,679,974	\$ 3,638,824	\$ 4,610,760
Percent Funded at Start of Year	0%	-5%	4%	17%	33%	22%	41%	57%	69%	79%
Annual Reserve Fund Contributions	-\$ 178,709	\$ 565,588	\$ 913,676	\$ 983,191	\$ 983,225	\$ 983,016	\$ 982,553	\$ 981,828	\$ 980,832	\$ 979,555
Net Reserve Withdrawals	-\$ 21,350	-\$ 181,035	-\$ 297,121	-\$ 19,080	-\$ 1,910,876	-\$ 106,030	-\$ 11,072	-\$ 22,978	-\$ 8,896	-\$ 733,397
EOY Reserve Fund Balance	-\$ 206,059	\$ 178,493	\$ 795,048	\$ 1,759,159	\$ 831,508	\$ 1,708,494	\$ 2,679,974	\$ 3,638,824	\$ 4,610,760	\$ 4,856,918

* 2022 balance as of 01-December-2022.

Reserve Expenses 2022 to 2031

Zone	Area	Reserve Fund Withdrawals	Original Cost	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Zone 1	All	Exterior Cleaning	\$ 1,000		\$ 1,000		\$ 1,082		\$ 1,170		\$ 1,265		\$ 1,369	\$ 5,886
Zone 1	All	Paints and stains, exterior	\$ 224,425			\$ 242,738								\$ 242,738
Zone 1	All	Fencing, wood picket	\$ 32,320					\$ 37,810						\$ 37,810
Zone 1	All	Repl trees/plants/shrubs	\$ 3,000			\$ 3,245		\$ 3,510		\$ 3,796		\$ 4,106		\$ 14,657
Zone 1	All	Replace major trees and plants	\$ 10,000		\$ 10,400									\$ 10,400
Zone 1	All	Tree Trimming - Annual	\$ 3,500		\$ 3,640	\$ 3,786	\$ 3,937	\$ 4,095	\$ 4,258	\$ 4,429	\$ 4,606	\$ 4,790	\$ 4,982	\$ 38,523
Zone 1	All	Asphalt Resurface	\$ 491,313										\$ 699,291	\$ 699,291
Zone 1	All	Asphalt Seal Coat	\$ 70,188						\$ 85,394					\$ 85,394
Zone 1	All	Crack Seal	\$ 2,935					\$ 3,434						\$ 3,434
Zone 1	All	Curbing Repair	\$ 4,452					\$ 5,208						\$ 5,208
Zone 3	BP	Tennis Court Fencing, chain-link	\$ 8,026					\$ 9,389						\$ 9,389
Zone 3	BP	Tennis Court Lighting	\$ 52,800		\$ 54,912									\$ 54,912
Zone 3	BP	Tennis Court Nets	\$ 500		\$ 520						\$ 658			\$ 1,178
Zone 3	BP	Tennis Court Resurfacing	\$ 16,000		\$ 16,640									\$ 16,640
Zone 3	BP	Playground Equipment	\$ 12,000	\$ 12,000										\$ 12,000
Zone 3	BP	Replenish Mulch	\$ 2,000		\$ 2,080		\$ 2,250		\$ 2,433		\$ 2,632		\$ 2,847	\$ 12,242
Zone 1	Main Ent	Repair Front Entry Sign/Veneer	\$ 10,080					\$ 11,792						\$ 11,792
Zone 2	Pool	Cement board siding	\$ 16,400											\$ 0
Zone 2	Pool	Pool Area Lighting	\$ 3,750	\$ 3,750										\$ 3,750
Zone 2	Pool	Replace Toilet Dividers	\$ 4,800										\$ 6,832	\$ 6,832
Zone 2	Pool	Replace Sinks/Mirrors	\$ 5,600	\$ 5,600										\$ 5,600

Reserve Expenses 2022 to 2031

Zone	Area	Reserve Fund Withdrawals	Original Cost	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Zone 2	Pool	Replace Aluminum Fencing	\$ 17,040					\$ 19,934						\$ 19,934
Zone 2	Pool	Replace Gate	\$ 1,750		\$ 1,820									\$ 1,820
Zone 2	Pool	Pool Chairs	\$ 5,000		\$ 5,200									\$ 5,200
Zone 2	Pool	Pool Tables and Umbrellas	\$ 2,100		\$ 2,184									\$ 2,184
Zone 2	Pool	Pool Lounge Chairs	\$ 2,250		\$ 2,340					\$ 2,847				\$ 5,187
Zone 2	Pool	Poolhouse Water Heater	\$ 2,800		\$ 2,912									\$ 2,912
Zone 2	Pool	Replace Toilets	\$ 4,800		\$ 4,992									\$ 4,992
Zone 2	Pool	Resurface Pool	\$ 21,280			\$ 23,016								\$ 23,016
Zone 2	Pool	Recoat/Refinish Pool Decking	\$ 55,110		\$ 57,314									\$ 57,314
Zone 2	Pool	Large Pool Filters	\$ 15,000			\$ 16,224								\$ 16,224
Zone 2	Pool	Large Pool Pumps	\$ 7,500			\$ 8,112								\$ 8,112
Zone 2	Pool	Asphalt shingle	\$ 8,000					\$ 9,359						\$ 9,359
Zone 2	Pool	Replace Showers	\$ 2,200										\$ 3,131	\$ 3,131
Zone 1	All	Cement board siding	\$ 2,244,250											\$ 0
Zone 1	All	Gutter Cleaning Annual	\$ 10,500		\$ 10,920		\$ 11,811		\$ 12,775		\$ 13,817		\$ 14,945	\$ 64,268
Zone 1	All	Gutters/downspouts, aluminum	\$ 218,160					\$ 255,216						\$ 255,216
Zone 1	All	Asphalt Shingle	\$ 1,313,000					\$ 1,536,024						\$ 1,536,024
Zone 1	All	Entrance Fencing - Aluminum	\$ 12,912					\$ 15,105						\$ 15,105
Zone 1	All	Garage Doors	\$ 40,400											\$ 0
Zone 1	All	Entrance Gate Controls	\$ 4,000		\$ 4,160									\$ 4,160
Zone 1	All	Streetlights	\$ 1		\$ 1									\$ 1

Reserve Expenses 2022 to 2031

Zone	Area	Reserve Fund Withdrawals	Original Cost	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
		Total Reserve Expenses		\$ 21,350	\$ 181,035	\$ 297,121	\$ 19,080	\$ 1,910,876	\$ 106,030	\$ 11,072	\$ 22,978	\$ 8,896	\$ 733,397	\$ 3,311,835

Years 2032 to 2041

Income Years 2032 to 2041

Estimated Incomes	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Maintenance Assessments Including Sched Increases	\$ 1,754,373	\$ 1,771,916	\$ 1,789,635	\$ 1,807,532	\$ 1,825,607	\$ 1,843,863	\$ 1,862,302	\$ 1,880,925	\$ 1,899,734	\$ 1,918,731	\$ 18,354,619
Interest Income Reserve Balance											
Other Annual Income											\$ 0
Special Assessments											
Loans											
Total Income	\$ 1,754,373	\$ 1,771,916	\$ 1,789,635	\$ 1,807,532	\$ 1,825,607	\$ 1,843,863	\$ 1,862,302	\$ 1,880,925	\$ 1,899,734	\$ 1,918,731	\$ 18,354,619

Expenses Years 2032 to 2041

Operating and Loan Expenses	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Estimated Operating Expenses	\$ 776,383	\$ 795,793	\$ 815,688	\$ 836,080	\$ 856,982	\$ 878,407	\$ 900,367	\$ 922,876	\$ 945,948	\$ 969,596	\$ 8,698,119
Estimated Annual Loan Payments											

Special Projects	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
------------------	------	------	------	------	------	------	------	------	------	------	-------

Estimated Tax Liability	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Tax Liability not Included in Analysis											

Totals	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Operating and Loan Expenses	\$ 776,383	\$ 795,793	\$ 815,688	\$ 836,080	\$ 856,982	\$ 878,407	\$ 900,367	\$ 922,876	\$ 945,948	\$ 969,596	\$ 8,698,119
Special Projects											
Total Reserve Fund Expenses	\$ 32,936	\$ 47,509	\$ 413,567	\$ 29,075	\$ 81,216	\$ 81,153	\$ 128,598	\$ 135,891	\$ 56,276	\$ 36,789	\$ 1,043,010

Reserve Fund Years 2032 to 2041

Description	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Start of Year Fully Funded Reserve	\$ 5,721,730	\$ 6,335,374	\$ 6,975,168	\$ 7,277,287	\$ 8,009,490	\$ 8,735,609	\$ 9,510,445	\$ 10,287,324	\$ 11,108,903	\$ 12,068,200
Start of Year Reserve Fund Balance	\$ 4,856,918	\$ 5,801,971	\$ 6,730,586	\$ 7,290,966	\$ 8,233,343	\$ 9,120,752	\$ 10,005,056	\$ 10,838,393	\$ 11,660,551	\$ 12,558,062
Percent Funded at Start of Year	85%	92%	96%	100%	103%	104%	105%	105%	105%	104%
Annual Reserve Fund Contributions	\$ 977,989	\$ 976,123	\$ 973,948	\$ 971,452	\$ 968,625	\$ 965,457	\$ 961,935	\$ 958,049	\$ 953,786	\$ 949,135
Net Reserve Withdrawals	-\$ 32,936	-\$ 47,509	-\$ 413,567	-\$ 29,075	-\$ 81,216	-\$ 81,153	-\$ 128,598	-\$ 135,891	-\$ 56,276	-\$ 36,789
EOY Reserve Fund Balance	\$ 5,801,971	\$ 6,730,586	\$ 7,290,966	\$ 8,233,343	\$ 9,120,752	\$ 10,005,056	\$ 10,838,393	\$ 11,660,551	\$ 12,558,062	\$ 13,470,408

Reserve Expenses 2032 to 2041

Zone	Area	Reserve Fund Withdrawals	Original Cost	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Zone 1	All	Exterior Cleaning	\$ 1,000		\$ 1,480		\$ 1,601		\$ 1,732		\$ 1,873		\$ 2,026	\$ 8,712
Zone 1	All	Paints and stains, exterior	\$ 224,425			\$ 359,312								\$ 359,312
Zone 1	All	Fencing, wood picket	\$ 32,320											\$ 0
Zone 1	All	Repl trees/plants/shrubs	\$ 3,000	\$ 4,441		\$ 4,803		\$ 5,195		\$ 5,619		\$ 6,077		\$ 26,135
Zone 1	All	Replace major trees and plants	\$ 10,000											\$ 0
Zone 1	All	Tree Trimming - Annual	\$ 3,500	\$ 5,181	\$ 5,388	\$ 5,604	\$ 5,828	\$ 6,061	\$ 6,303	\$ 6,555	\$ 6,818	\$ 7,090	\$ 7,374	\$ 62,202
Zone 1	All	Asphalt Resurface	\$ 491,313											\$ 0
Zone 1	All	Asphalt Seal Coat	\$ 70,188											\$ 0
Zone 1	All	Crack Seal	\$ 2,935			\$ 4,699								\$ 4,699
Zone 1	All	Curbing Repair	\$ 4,452			\$ 7,128								\$ 7,128
Zone 3	BP	Tennis Court Fencing, chain-link	\$ 8,026											\$ 0
Zone 3	BP	Tennis Court Lighting	\$ 52,800								\$ 102,849			\$ 102,849
Zone 3	BP	Tennis Court Nets	\$ 500				\$ 833						\$ 1,053	\$ 1,886
Zone 3	BP	Tennis Court Resurfacing	\$ 16,000			\$ 25,617								\$ 25,617
Zone 3	BP	Playground Equipment	\$ 12,000	\$ 17,763										\$ 17,763
Zone 3	BP	Replenish Mulch	\$ 2,000		\$ 3,079		\$ 3,330		\$ 3,602		\$ 3,896		\$ 4,214	\$ 18,121
Zone 1	Main Ent	Repair Front Entry Sign/Veneer	\$ 10,080											\$ 0
Zone 2	Pool	Cement board siding	\$ 16,400											\$ 0
Zone 2	Pool	Pool Area Lighting	\$ 3,750	\$ 5,551										\$ 5,551
Zone 2	Pool	Replace Toilet Dividers	\$ 4,800											\$ 0
Zone 2	Pool	Replace Sinks/Mirrors	\$ 5,600						\$ 10,085					\$ 10,085

Reserve Expenses 2032 to 2041

Zone	Area	Reserve Fund Withdrawals	Original Cost	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Zone 2	Pool	Replace Aluminum Fencing	\$ 17,040											\$ 0
Zone 2	Pool	Replace Gate	\$ 1,750		\$ 2,694									\$ 2,694
Zone 2	Pool	Pool Chairs	\$ 5,000		\$ 7,697									\$ 7,697
Zone 2	Pool	Pool Tables and Umbrellas	\$ 2,100		\$ 3,233									\$ 3,233
Zone 2	Pool	Pool Lounge Chairs	\$ 2,250		\$ 3,464					\$ 4,214				\$ 7,678
Zone 2	Pool	Poolhouse Water Heater	\$ 2,800		\$ 4,310									\$ 4,310
Zone 2	Pool	Replace Toilets	\$ 4,800							\$ 8,990				\$ 8,990
Zone 2	Pool	Resurface Pool	\$ 21,280									\$ 43,109		\$ 43,109
Zone 2	Pool	Recoat/Refinish Pool Decking	\$ 55,110							\$ 103,220				\$ 103,220
Zone 2	Pool	Large Pool Filters	\$ 15,000						\$ 27,014					\$ 27,014
Zone 2	Pool	Large Pool Pumps	\$ 7,500						\$ 13,507					\$ 13,507
Zone 2	Pool	Asphalt shingle	\$ 8,000											\$ 0
Zone 2	Pool	Replace Showers	\$ 2,200											\$ 0
Zone 1	All	Cement board siding	\$ 2,244,250											\$ 0
Zone 1	All	Gutter Cleaning Annual	\$ 10,500		\$ 16,164		\$ 17,483		\$ 18,910		\$ 20,453		\$ 22,122	\$ 95,132
Zone 1	All	Gutters/downspouts, aluminum	\$ 218,160											\$ 0
Zone 1	All	Asphalt Shingle	\$ 1,313,000											\$ 0
Zone 1	All	Entrance Fencing - Aluminum	\$ 12,912											\$ 0
Zone 1	All	Garage Doors	\$ 40,400					\$ 69,960						\$ 69,960
Zone 1	All	Entrance Gate Controls	\$ 4,000			\$ 6,404								\$ 6,404
Zone 1	All	Streetlights	\$ 1								\$ 2			\$ 2

Reserve Expenses 2032 to 2041

Zone	Area	Reserve Fund Withdrawals	Original Cost	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
		Total Reserve Expenses		\$ 32,936	\$ 47,509	\$ 413,567	\$ 29,075	\$ 81,216	\$ 81,153	\$ 128,598	\$ 135,891	\$ 56,276	\$ 36,789	\$ 1,043,010

Years 2042 to 2052

Income Years 2042 to 2052

Estimated Incomes	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total	Total All Years
Maintenance Assessments Including Sched Increases	\$ 1,937,919	\$ 1,957,298	\$ 1,976,871	\$ 1,996,640	\$ 2,016,606	\$ 2,036,772	\$ 2,036,772	\$ 2,036,772	\$ 2,036,772	\$ 2,036,772	\$ 2,036,772	\$ 22,105,966	\$ 54,510,295
Interest Income Reserve Balance													
Other Annual Income												\$ 0	\$ 0
Special Assessments													\$ 920,000
Loans													
Total Income	\$ 1,937,919	\$ 1,957,298	\$ 1,976,871	\$ 1,996,640	\$ 2,016,606	\$ 2,036,772	\$ 2,036,772	\$ 2,036,772	\$ 2,036,772	\$ 2,036,772	\$ 2,036,772	\$ 22,105,966	\$ 55,430,295

Expenses Years 2042 to 2052

Operating and Loan Expenses	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total	Total All Years
Estimated Operating Expenses	\$ 993,836	\$ 1,018,682	\$ 1,044,149	\$ 1,070,253	\$ 1,097,009	\$ 1,124,435	\$ 1,152,545	\$ 1,181,359	\$ 1,210,893	\$ 1,241,165	\$ 1,272,195	\$ 12,406,523	\$ 27,899,599
Estimated Annual Loan Payments													

Special Projects	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total	Total All Years
------------------	------	------	------	------	------	------	------	------	------	------	------	-------	-----------------

Estimated Tax Liability	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total	Total All Years
Tax Liability not Included in Analysis													

	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total	Total All Years
Operating and Loan Expenses	\$ 993,836	\$ 1,018,682	\$ 1,044,149	\$ 1,070,253	\$ 1,097,009	\$ 1,124,435	\$ 1,152,545	\$ 1,181,359	\$ 1,210,893	\$ 1,241,165	\$ 1,272,195	\$ 12,406,523	\$ 27,899,599
Special Projects													
Total Reserve Fund Expenses	\$ 218,727	\$ 93,115	\$ 547,274	\$ 91,100	\$ 4,168,028	\$ 46,549	\$ 24,259	\$ 48,906	\$ 109,113	\$ 7,103,077	\$ 90,329	\$ 12,540,477	\$ 16,895,322

Reserve Fund Years 2042 to 2052

Description	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Start of Year Fully Funded Reserve	\$ 13,109,075	\$ 14,026,225	\$ 15,135,510	\$ 15,842,643	\$ 17,079,318	\$ 14,153,361	\$ 15,425,729	\$ 16,802,360	\$ 18,239,817	\$ 19,704,805	\$ 13,988,626
Start of Year Reserve Fund Balance	\$ 13,470,408	\$ 14,195,763	\$ 15,041,264	\$ 15,426,711	\$ 16,261,998	\$ 13,013,567	\$ 13,879,355	\$ 14,739,323	\$ 15,545,830	\$ 16,262,596	\$ 9,955,125
Percent Funded at Start of Year	103%	101%	99%	97%	95%	92%	90%	88%	85%	83%	71%
Annual Reserve Fund Contributions	\$ 944,082	\$ 938,616	\$ 932,722	\$ 926,387	\$ 919,597	\$ 912,337	\$ 884,227	\$ 855,413	\$ 825,879	\$ 795,607	\$ 764,578
Net Reserve Withdrawals	-\$ 218,727	-\$ 93,115	-\$ 547,274	-\$ 91,100	-\$ 4,168,028	-\$ 46,549	-\$ 24,259	-\$ 48,906	-\$ 109,113	-\$ 7,103,077	-\$ 90,329
EOY Reserve Fund Balance	\$ 14,195,763	\$ 15,041,264	\$ 15,426,711	\$ 16,261,998	\$ 13,013,567	\$ 13,879,355	\$ 14,739,323	\$ 15,545,830	\$ 16,262,596	\$ 9,955,125	\$ 10,629,374

Reserve Expenses 2042 to 2052

Zone	Area	Reserve Fund Withdrawals	Original Cost	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total	Total All Years
Zone 1	All	Exterior Cleaning	\$ 1,000		\$ 2,191		\$ 2,370		\$ 2,563		\$ 2,772		\$ 2,999		\$ 12,895	\$ 27,493
Zone 1	All	Paints and stains, exterior	\$ 224,425			\$ 531,869									\$ 531,869	\$ 1,133,919
Zone 1	All	Fencing, wood picket	\$ 32,320					\$ 82,846							\$ 82,846	\$ 120,656
Zone 1	All	Repl trees/plants/shrubs	\$ 3,000	\$ 6,573		\$ 7,110		\$ 7,690		\$ 8,317		\$ 8,996		\$ 9,730	\$ 48,416	\$ 89,208
Zone 1	All	Replace major trees and plants	\$ 10,000		\$ 22,788										\$ 22,788	\$ 33,188
Zone 1	All	Tree Trimming - Annual	\$ 3,500	\$ 7,669	\$ 7,976	\$ 8,295	\$ 8,627	\$ 8,972	\$ 9,330	\$ 9,704	\$ 10,092	\$ 10,495	\$ 10,915	\$ 11,352	\$ 103,427	\$ 204,152
Zone 1	All	Asphalt Resurface	\$ 491,313												\$ 0	\$ 699,291
Zone 1	All	Asphalt Seal Coat	\$ 70,188	\$ 153,789											\$ 153,789	\$ 239,183
Zone 1	All	Crack Seal	\$ 2,935	\$ 6,431								\$ 8,801			\$ 15,232	\$ 23,365
Zone 1	All	Curbing Repair	\$ 4,452	\$ 9,755								\$ 13,350			\$ 23,105	\$ 35,441
Zone 3	BP	Tennis Court Fencing, chain-link	\$ 8,026					\$ 20,572							\$ 20,572	\$ 29,961
Zone 3	BP	Tennis Court Lighting	\$ 52,800												\$ 0	\$ 157,761
Zone 3	BP	Tennis Court Nets	\$ 500						\$ 1,333						\$ 1,333	\$ 4,397
Zone 3	BP	Tennis Court Resurfacing	\$ 16,000					\$ 39,435							\$ 39,435	\$ 81,692
Zone 3	BP	Playground Equipment	\$ 12,000	\$ 26,293										\$ 38,921	\$ 65,214	\$ 94,977
Zone 3	BP	Replenish Mulch	\$ 2,000		\$ 4,558		\$ 4,929		\$ 5,332		\$ 5,767		\$ 6,237		\$ 26,823	\$ 57,186
Zone 1	Main Ent	Repair Front Entry Sign/Veneer	\$ 10,080					\$ 25,838							\$ 25,838	\$ 37,630
Zone 2	Pool	Cement board siding	\$ 16,400										\$ 51,146		\$ 51,146	\$ 51,146
Zone 2	Pool	Pool Area Lighting	\$ 3,750	\$ 8,217										\$ 12,163	\$ 20,380	\$ 29,681

Reserve Expenses 2042 to 2052

Zone	Area	Reserve Fund Withdrawals	Original Cost	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total	Total All Years
Zone 2	Pool	Replace Toilet Dividers	\$ 4,800												\$ 0	\$ 6,832
Zone 2	Pool	Replace Sinks/Mirrors	\$ 5,600											\$ 18,163	\$ 18,163	\$ 33,848
Zone 2	Pool	Replace Aluminum Fencing	\$ 17,040					\$ 43,679							\$ 43,679	\$ 63,613
Zone 2	Pool	Replace Gate	\$ 1,750		\$ 3,988										\$ 3,988	\$ 8,502
Zone 2	Pool	Pool Chairs	\$ 5,000		\$ 11,394										\$ 11,394	\$ 24,291
Zone 2	Pool	Pool Tables and Umbrellas	\$ 2,100		\$ 4,785										\$ 4,785	\$ 10,202
Zone 2	Pool	Pool Lounge Chairs	\$ 2,250		\$ 5,127					\$ 6,238					\$ 11,365	\$ 24,230
Zone 2	Pool	Poolhouse Water Heater	\$ 2,800		\$ 6,381										\$ 6,381	\$ 13,603
Zone 2	Pool	Replace Toilets	\$ 4,800												\$ 0	\$ 13,982
Zone 2	Pool	Resurface Pool	\$ 21,280												\$ 0	\$ 66,125
Zone 2	Pool	Recoat/Refinish Pool Decking	\$ 55,110												\$ 0	\$ 160,534
Zone 2	Pool	Large Pool Filters	\$ 15,000									\$ 44,981			\$ 44,981	\$ 88,219
Zone 2	Pool	Large Pool Pumps	\$ 7,500									\$ 22,490			\$ 22,490	\$ 44,109
Zone 2	Pool	Asphalt shingle	\$ 8,000					\$ 20,506							\$ 20,506	\$ 29,865
Zone 2	Pool	Replace Showers	\$ 2,200												\$ 0	\$ 3,131
Zone 1	All	Cement board siding	\$ 2,244,250										\$ 6,999,034		\$ 6,999,034	\$ 6,999,034
Zone 1	All	Gutter Cleaning Annual	\$ 10,500		\$ 23,927		\$ 25,880		\$ 27,991		\$ 30,275		\$ 32,746		\$ 140,819	\$ 300,219
Zone 1	All	Gutters/downspouts, aluminum	\$ 218,160					\$ 559,210							\$ 559,210	\$ 814,426
Zone 1	All	Asphalt Shingle	\$ 1,313,000					\$ 3,365,618							\$ 3,365,618	\$ 4,901,642
Zone 1	All	Entrance Fencing - Aluminum	\$ 12,912					\$ 33,097							\$ 33,097	\$ 48,202
Zone 1	All	Garage Doors	\$ 40,400												\$ 0	\$ 69,960

Reserve Expenses 2042 to 2052

Zone	Area	Reserve Fund Withdrawals	Original Cost	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total	Total All Years
Zone 1	All	Entrance Gate Controls	\$ 4,000				\$ 9,859								\$ 9,859	\$ 20,423
Zone 1	All	Streetlights	\$ 1												\$ 0	\$ 3
Total Reserve Expenses				\$ 218,727	\$ 93,115	\$ 547,274	\$ 91,100	\$ 4,168,028	\$ 46,549	\$ 24,259	\$ 48,906	\$ 109,113	\$ 7,103,077	\$ 90,329	\$ 12,540,477	\$ 16,895,322

Component Details

Note: If the Last Service Year is greater than the start year entered for analysis (2022), this indicates that the item is a future scheduled item. In which case the Last Service Year will be the same as the Next Service Year.

Item 1 - Common Exterior: Exterior Cleaning: Zone 1 All

Component Qty	36	Estimated Current Cost	\$ 962
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 1,000
Estimated Useful Life (yrs)	2	Useful Life Adjustment (yrs)	
Service Year	2023		
Next Service Year	2023		
Remaining Useful Life (yrs)	1		

Exterior pressure wash and inspection of exterior components



Item 2 - Common Exterior: Paints and stains, exterior: Zone 1 All

Component Qty	224,425	Estimated Current Cost	\$ 224,425
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 242,738
Estimated Useful Life (yrs)	8	Useful Life Adjustment (yrs)	+ 2 years
Service Year	2006		
Next Service Year	2024		
Remaining Useful Life (yrs)	2		



Item 3 - Fencing/Railings: Fencing, wood picket : Zone 1 All

Component Qty	1,616	Estimated Current Cost	\$ 32,320
Unit of Measure	feet	Estimated Future Cost (at next svc yr)	\$ 37,810
Estimated Useful Life (yrs)	20	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2026		
Remaining Useful Life (yrs)	4		

Wooden dividers between rear patios



Item 4 - Landscape: Repl trees/plants/shrubs: Zone 1 All

Component Qty	1	Estimated Current Cost	\$ 3,000
Unit of Measure	other	Estimated Future Cost (at next svc yr)	\$ 3,120
Estimated Useful Life (yrs)	1	Useful Life Adjustment (yrs)	+ 1 years
Service Year	2023		
Next Service Year	2023		
Remaining Useful Life (yrs)	2		



Item 5 - Landscape: Replace major trees and plants: Zone 1 All

Component Qty	1	Estimated Current Cost	\$ 10,000
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 10,400
Estimated Useful Life (yrs)	20	Useful Life Adjustment (yrs)	
Service Year	2023		
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



Item 6 - Landscape: Tree Trimming - Annual: Zone 1 All

Component Qty	1	Estimated Current Cost	\$ 3,500
Unit of Measure	other	Estimated Future Cost (at next svc yr)	\$ 3,640
Estimated Useful Life (yrs)	1	Useful Life Adjustment (yrs)	
Service Year	2023		
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



Item 7 - Roads/Parking: Asphalt Resurface: Zone 1 All

Component Qty	140,375	Estimated Current Cost	\$ 491,313
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 699,291
Estimated Useful Life (yrs)	20	Useful Life Adjustment (yrs)	+ 5 years
Service Year	2006		
Next Service Year	2031		
Remaining Useful Life (yrs)	9		

Assumes repair and patching of asphalt surfaces



Item 8 - Roads/Parking: Asphalt Seal Coat: Zone 1 All

Component Qty	140,375	Estimated Current Cost	\$ 70,188
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 85,394
Estimated Useful Life (yrs)	10	Useful Life Adjustment (yrs)	+ 5 years
Service Year	2006		
Next Service Year	2027		
Remaining Useful Life (yrs)	5		



Item 9 - Roads/Parking: Crack Seal: Zone 1 All

Component Qty	28,000	Estimated Current Cost	\$ 2,935
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 3,434
Estimated Useful Life (yrs)	4	Useful Life Adjustment (yrs)	+ 4 years
Service Year	2006		
Next Service Year	2026		
Remaining Useful Life (yrs)	4		



Item 10 - Sidewalks/Curbing: Curbing Repair: Zone 1 All

Component Qty	112	Estimated Current Cost	\$ 4,452
Unit of Measure	feet	Estimated Future Cost (at next svc yr)	\$ 5,208
Estimated Useful Life (yrs)	4	Useful Life Adjustment (yrs)	+ 4 years
Service Year	2006		
Next Service Year	2026		
Remaining Useful Life (yrs)	4		

Assumes repairing curb damage to 10% total curbing



Item 11 - Sidewalks/Curbing: Curbing, concrete: Zone 1 All

Component Qty	11,230	Estimated Current Cost	\$ 5,936
Unit of Measure	feet	Estimated Future Cost (at next svc yr)	\$ 22,523
Estimated Useful Life (yrs)	50	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2056		
Remaining Useful Life (yrs)	34		



Item 12 - Fencing/Railings: Tennis Court Fencing, chain-link: Zone 3 BP

Component Qty	435	Estimated Current Cost	\$ 8,026
Unit of Measure	feet	Estimated Future Cost (at next svc yr)	\$ 9,389
Estimated Useful Life (yrs)	20	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2026		
Remaining Useful Life (yrs)	4		



Item 13 - Lighting: Tennis Court Lighting: Zone 3 BP

Component Qty	12	Estimated Current Cost	\$ 52,800
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 54,912
Estimated Useful Life (yrs)	15	Useful Life Adjustment (yrs)	+ 1 years
Service Year	2006		
Next Service Year	2023		
Remaining Useful Life (yrs)	1		

Lights are currently not functioning



Item 14 - Miscellaneous: Tennis Court Nets: Zone 3 BP

Component Qty	2	Estimated Current Cost	\$ 500
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 520
Estimated Useful Life (yrs)	5	Useful Life Adjustment (yrs)	+ 1 years
Service Year	2006	<i>Only one of the nets is present. Both need replacement for functionality</i>	
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



Item 15 - Parks/Public Area: Tennis Court Resurfacing: Zone 3 BP

Component Qty	2	Estimated Current Cost	\$ 16,000
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 16,640
Estimated Useful Life (yrs)	10	Useful Life Adjustment (yrs)	+ 1 years
Service Year	2006	<i>Tennis Courts are in need of immediate resurfacing</i>	
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



Item 16 - Playground: Playground Equipment: Zone 3 BP

Component Qty	1	Estimated Current Cost	\$ 12,000
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 12,000
Estimated Useful Life (yrs)	10	Useful Life Adjustment (yrs)	
Service Year	2006	<i>Estimated installation date of 2015 based on inspection</i>	
Next Service Year	2022		
Remaining Useful Life (yrs)	0		



Item 17 - Playground: Replenish Mulch: Zone 3 BP

Component Qty	1	Estimated Current Cost	\$ 2,000
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 2,080
Estimated Useful Life (yrs)	2	Useful Life Adjustment (yrs)	
Service Year	2023		
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



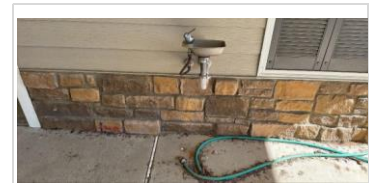
Item 18 - Fencing & Railings: Repair Front Entry Sign/Veneer: Zone 1 Main Ent

Component Qty	672	Estimated Current Cost	\$ 10,080
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 11,792
Estimated Useful Life (yrs)	20	Useful Life Adjustment (yrs)	
Service Year	2006	<i>Condition is acceptable</i>	
Next Service Year	2026		
Remaining Useful Life (yrs)	4		



Item 19 - Common Exterior: Brick/block veneer: Zone 2 Pool

Component Qty	328	Estimated Current Cost	\$ 2,952
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 16,580
Estimated Useful Life (yrs)	60	Useful Life Adjustment (yrs)	
Service Year	2006	<i>Includes repair of loose bricks/stone and regrouting</i>	
Next Service Year	2066		
Remaining Useful Life (yrs)	44		



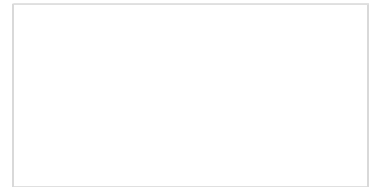
Item 20 - Common Exterior: Cement board siding: Zone 2 Pool

Component Qty	1,640	Estimated Current Cost	\$ 16,400
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 51,146
Estimated Useful Life (yrs)	45	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2051		
Remaining Useful Life (yrs)	29		



Item 21 - Common Exterior: Concrete: Zone 2 Pool

Component Qty	310	Estimated Current Cost	\$ 4,340
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 16,467
Estimated Useful Life (yrs)	50	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2056		
Remaining Useful Life (yrs)	34		



Item 22 - Common Exterior: Pool Area Lighting: Zone 2 Pool

Component Qty	1	Estimated Current Cost	\$ 3,750
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 3,750
Estimated Useful Life (yrs)	10	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2022		
Remaining Useful Life (yrs)	0		

Assumes complete light fixture replacement on an allowance basis



Item 23 - Common Interior: Replace Toilet Dividers: Zone 2 Pool

Component Qty	4	Estimated Current Cost	\$ 4,800
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 6,832
Estimated Useful Life (yrs)	25	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2031		
Remaining Useful Life (yrs)	9		

Dividers should be inspected for safety annually



Item 24 - Common Interior: Replace Sinks/Mirrors: Zone 2 Pool

Component Qty	4	Estimated Current Cost	\$ 5,600
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 5,600
Estimated Useful Life (yrs)	15	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2022		
Remaining Useful Life (yrs)	0		



Item 25 - Fencing & Railings: Replace Aluminum Fencing: Zone 2 Pool

Component Qty	355	Estimated Current Cost	\$ 17,040
Unit of Measure	feet	Estimated Future Cost (at next svc yr)	\$ 19,934
Estimated Useful Life (yrs)	20	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2026		
Remaining Useful Life (yrs)	4		

Annual inspections for integrity should be conducted



Item 26 - Gates: Replace Gate: Zone 2 Pool

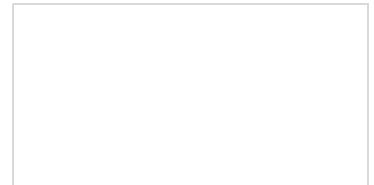
Component Qty	1	Estimated Current Cost	\$ 1,750
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 1,820
Estimated Useful Life (yrs)	10	Useful Life Adjustment (yrs)	
Service Year	2023		
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



Item 27 - Miscellaneous: Pool Chairs: Zone 2 Pool

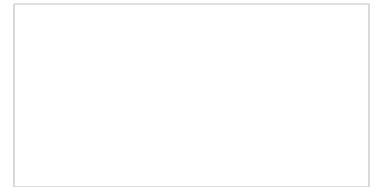
Component Qty	20	Estimated Current Cost	\$ 5,000
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 5,200
Estimated Useful Life (yrs)	10	Useful Life Adjustment (yrs)	
Service Year	2023		
Next Service Year	2023		
Remaining Useful Life (yrs)	1		

No chairs present



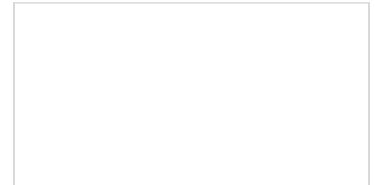
Item 28 - Miscellaneous: Pool Tables and Umbrellas: Zone 2 Pool

Component Qty	6	Estimated Current Cost	\$ 2,100
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 2,184
Estimated Useful Life (yrs)	10	Useful Life Adjustment (yrs)	
Service Year	2023		
Next Service Year	2023	No tables present	
Remaining Useful Life (yrs)	1		



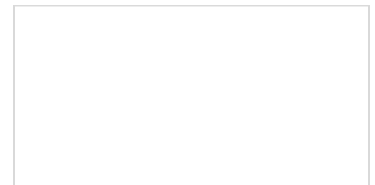
Item 29 - Miscellaneous: Pool Lounge Chairs: Zone 2 Pool

Component Qty	15	Estimated Current Cost	\$ 2,250
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 2,340
Estimated Useful Life (yrs)	5	Useful Life Adjustment (yrs)	
Service Year	2023		
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



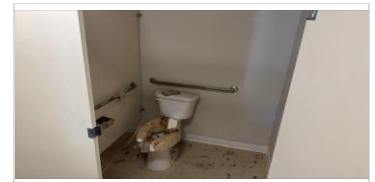
Item 30 - Plumbing: Poolhouse Water Heater: Zone 2 Pool

Component Qty	1	Estimated Current Cost	\$ 2,800
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 2,912
Estimated Useful Life (yrs)	10	Useful Life Adjustment (yrs)	
Service Year	2023		
Next Service Year	2023	Water heater should be drained annually to increase life	
Remaining Useful Life (yrs)	1		



Item 31 - Plumbing: Replace Toilets: Zone 2 Pool

Component Qty	4	Estimated Current Cost	\$ 4,800
Unit of Measure	feet	Estimated Future Cost (at next svc yr)	\$ 4,992
Estimated Useful Life (yrs)	15	Useful Life Adjustment (yrs)	
Service Year	2023	Toilets should be kept free of debris and internals inspected annually - current condition is unusable and will need a plumber to repair	
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



Item 32 - Pool / Spa: Resurface Pool: Zone 2 Pool

Component Qty	3,040	Estimated Current Cost	\$ 21,280
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 22,131
Estimated Useful Life (yrs)	15	Useful Life Adjustment (yrs)	+ 1 years
Service Year	2023	Pool has not been in service for some time per HOA management company and will need resurfacing prior to use. Pool surface inspections should be completed annually	
Next Service Year	2023		
Remaining Useful Life (yrs)	2		



Item 33 - Pool / Spa: Recoat/Refinish Pool Decking: Zone 2 Pool

Component Qty	5,010	Estimated Current Cost	\$ 55,110
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 57,314
Estimated Useful Life (yrs)	15	Useful Life Adjustment (yrs)	
Service Year	2023	Pool decking is in disarray and should be cleaned, patched and recoated prior to reopening of the pool. Pool decking should be inspected and cleaned annually	
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



Item 34 - Pump House: Large Pool Filters: Zone 2 Pool

Component Qty	1	Estimated Current Cost	\$ 15,000
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 15,600
Estimated Useful Life (yrs)	12	Useful Life Adjustment (yrs)	+ 1 years
Service Year	2023	Pump and filters have not been in use for many years and will likely need replacement prior to use. Pool filters and pumps should be serviced professionally	
Next Service Year	2023		
Remaining Useful Life (yrs)	2		



Item 35 - Pump House: Large Pool Pumps: Zone 2 Pool

Component Qty	1	Estimated Current Cost	\$ 7,500
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 7,800
Estimated Useful Life (yrs)	12	Useful Life Adjustment (yrs)	+ 1 years
Service Year	2023	<i>Pump and filters have not been in use for many years and will likely need replacement prior to use. Pool filters and pumps should be serviced professionally</i>	
Next Service Year	2023		
Remaining Useful Life (yrs)	2		



Item 36 - Roofing: Asphalt shingle: Zone 2 Pool

Component Qty	1,600	Estimated Current Cost	\$ 8,000
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 9,359
Estimated Useful Life (yrs)	20	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2026		
Remaining Useful Life (yrs)	4		



Item 37 - Plumbing: Replace Showers: Zone 2 Pool

Component Qty	2	Estimated Current Cost	\$ 2,200
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 3,131
Estimated Useful Life (yrs)	25	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2031		
Remaining Useful Life (yrs)	9		



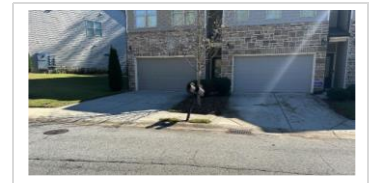
Item 38 - Common Exterior: Concrete Replacement: Zone 1 All

Component Qty	80,800	Estimated Current Cost	\$ 1,131,200
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 4,292,131
Estimated Useful Life (yrs)	50	Useful Life Adjustment (yrs)	
Service Year	2006	<i>Concrete quantity includes all 202 driveways and 202 rear patios. Replacement cost likely not required if regular maintenance intervals are followed.</i>	
Next Service Year	2056		
Remaining Useful Life (yrs)	34		



Item 39 - Common Exterior: Brick/block veneer: Zone 1 All

Component Qty	58,075	Estimated Current Cost	\$ 522,675
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 2,935,612
Estimated Useful Life (yrs)	60	Useful Life Adjustment (yrs)	
Service Year	2006	<i>Includes repair of loose bricks/stone and regrouting</i>	
Next Service Year	2066		
Remaining Useful Life (yrs)	44		



Item 40 - Common Exterior: Cement board siding: Zone 1 All

Component Qty	224,425	Estimated Current Cost	\$ 2,244,250
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 6,999,034
Estimated Useful Life (yrs)	45	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2051		
Remaining Useful Life (yrs)	29		



Item 41 - Common Exterior: Gutter Cleaning Annual: Zone 1 All

Component Qty	35	Estimated Current Cost	\$ 10,500
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 10,920
Estimated Useful Life (yrs)	1	Useful Life Adjustment (yrs)	+ 1 years
Service Year	2006	<i>Includes cleaning of each of the 35 buildings</i>	
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



Item 42 - Common Exterior: Gutters/downspouts, aluminum: Zone 1 All

Component Qty	18,180	Estimated Current Cost	\$ 218,160
Unit of Measure	feet	Estimated Future Cost (at next svc yr)	\$ 255,216
Estimated Useful Life (yrs)	20	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2026		
Remaining Useful Life (yrs)	4		

Assumes average life span of aluminum gutters/downspouts



Item 43 - Roofing: Asphalt Shingle: Zone 1 All

Component Qty	262,600	Estimated Current Cost	\$ 1,313,000
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 1,536,024
Estimated Useful Life (yrs)	20	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2026		
Remaining Useful Life (yrs)	4		

Some roofing is already in need of replacement but should be done on a re-occurring cycle with annual inspections due to size of the areas to be replaced



Item 44 - Fencing/Railings: Entrance Fencing - Aluminum: Zone 1 All

Component Qty	269	Estimated Current Cost	\$ 12,912
Unit of Measure	feet	Estimated Future Cost (at next svc yr)	\$ 15,105
Estimated Useful Life (yrs)	20	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2026		
Remaining Useful Life (yrs)	4		

Includes (2) 3' gates and (2) 18' gates



Item 45 - Common Exterior: Garage Doors: Zone 1 All

Component Qty	202	Estimated Current Cost	\$ 40,400
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 69,960
Estimated Useful Life (yrs)	30	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2036		
Remaining Useful Life (yrs)	14		



Item 46 - Security/Privacy: Entrance Gate Controls: Zone 1 All

Component Qty	1	Estimated Current Cost	\$ 4,000
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 4,160
Estimated Useful Life (yrs)	10	Useful Life Adjustment (yrs)	+ 1 years
Service Year	2006		
Next Service Year	2023		
Remaining Useful Life (yrs)	1		

Controls not working during time of inspection



Item 47 - Sidewalks/Curbing: Sidewalks: Zone 1 All

Component Qty	47,720	Estimated Current Cost	\$ 668,080
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 2,534,907
Estimated Useful Life (yrs)	50	Useful Life Adjustment (yrs)	
Service Year	2006		
Next Service Year	2056		
Remaining Useful Life (yrs)	34		

Includes 700' of sidewalk outside of entry gate



Item 48 - Common Exterior: Masonry Retaining Walls: Zone 1 All

Component Qty	11,658	Estimated Current Cost	\$ 932,640
Unit of Measure	sq-ft	Estimated Future Cost (at next svc yr)	\$ 3,538,731
Estimated Useful Life (yrs)	50	Useful Life Adjustment (yrs)	
Service Year	2006	<i>Regular inspections and vegetation removal are encouraged</i>	
Next Service Year	2056		
Remaining Useful Life (yrs)	34		



Item 49 - Lighting: Streetlights: Zone 1 All

Component Qty	21	Estimated Current Cost	\$ 1
Unit of Measure	each	Estimated Future Cost (at next svc yr)	\$ 1
Estimated Useful Life (yrs)	15	Useful Life Adjustment (yrs)	+ 1 years
Service Year	2006	<i>Assumes streetlights are owned by utility</i>	
Next Service Year	2023		
Remaining Useful Life (yrs)	1		



Appendix

Analysis Class

Three classes of reserve studies are defined:

- **Class I:** A comprehensive study
 - Component Inventory
 - Condition Assessments
 - Life and Valuation Estimates
 - Funding Status Statement
 - Develop a Funding Plan
- **Class II:** An updated study based that includes a site inspection
 - Verifies Component Inventory from Previous Study
 - Condition Assessments
 - Life and Valuation Estimates
 - Funding Status Statement
 - Develops Funding Plan
- **Class III:** An updated study that does not include a site inspection.
 - Life and Valuation Estimates
 - Funding Status Statement
 - Develop a Funding Plan

Terms and Definitions

A reserve study contains a number of industry-related terms and phrases. The following are definitions for the most used terms.

- **Annual Reserve Contribution** The amount that should be allocated to each component using the recommended funding plan.
- **Annual Reserve Fund Contribution** Amount that should be saved during current year for future component replacements. Provided for each component and summed for all components.
- **Baseline Funding** Establishing a reserve funding goal of keeping the reserve cash balance above zero. See Funding Models.
- **Cash Flow Method (aka, Component 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** Also referred to as an “Asset.” 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. Have limited useful life expectancies
 3. Have predictable remaining life expectancies
 4. Are above a minimum threshold cost
 5. Required by local codes.
- **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, review of established association precedents and discussion with appropriate association representative(s) of the association or cooperative.
- **Contingency** An allowance for miscellaneous components, unpredictable expenses and/or costs that were higher than expected.
- **Deficit** An actual (or projected reserve balance), which is less than the fully funded balance.
- **Full Funded Balance Percent** The reserve balance expressed as a percentage of the total fully funded balance of all components.
- **Full Funding** Setting a reserve funding goal of attaining and maintaining reserves at or near 100% funded.

- **Fully Funded Balance** The Fully Funded Balance as used in reserve studies is an indicator against which the 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 of a reserve component. This number is calculated for each component, and then summed together for an association total and represents the total depreciation over the life of the components. In other words, the amount that should have been saved during the life of the components. Without considering the effect of inflation, the calculation for FFB is:
$$FFB = \frac{\text{Current Cost} \times \text{Effective Age}}{\text{Useful Life}}$$

A more correct term that is often used is to refer to this as “100% Funded”.
- **Fund Status** The status of the reserve fund as compared to an established benchmark, such as percent funded.
- **Funding Methods** Two methods of funding are Cash Flow and Straight Line.
 - Cash Flow: The reserve fund is considered one large pool of money. Expenses for any individual component are withdrawn from the single, shared reserve fund.
 - Straight Line: A simple calculation that calculates a reserve contribution based on each individual component. Expenses for any individual component are withdrawn only from that component’s fund. Funds are not shared across multiple components.
- **Funding Models** The four funding models are:
 - Fully Funding Model: Setting a reserve funding goal of keeping the reserves at or near 100% funded. This is same as Threshold Funding if the threshold is set at 100%.
 - Threshold Funding Model: Setting a Reserve funding goal of keeping the Reserve balance above some threshold, generally less than the Fully Funding Strategy.
 - Baseline Funding Model: Setting a reserve funding goal of keeping the reserve cash balance at the end of each year in the overall reserve funding projection at or above \$ 0.
 - Statutory Funding Model: Based on local statutes where associations set aside specific cash amounts, or specific thresholds are set, as required by statutes.
- **Funding Plan** An association’s plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

<ul style="list-style-type: none"> • Percent Funded 	<p>The ratio, at a particular point of time (typically the beginning of the fiscal year), of the actual (or projected) reserve balance to the fully funded balance, expressed as a percentage.</p>
	<p>Percent funding is used a measure of the “health” of the reserve fund. As one of several key performance indicators, the percent funding must be viewed considering other indicators, such as available funds to meet expenses.</p>
	<p>The measures of strength for percent funded of the FFB are:</p>
	<ul style="list-style-type: none"> – 0% – 30% Funded: Generally considered to be a “weak” financial position. Associations that fall into this category are subject to higher frequencies of special assessments and deferred maintenance. – 31% – 69% Funded: Considered a “fair” financial position. Compared to the “weak” position, the likelihood of special assessments and deferred maintenance is diminished. Associations that find themselves in this position should be taking measures to strengthen their position. – 70% – 99% Funded: This range is considered a “strong” financial position. Associations should strive to maintain their percent funded in this range. – 100% Funded: If the association is 100% funded, theoretically they have the exact amount of funds equal to the Fully Funded Balance – Greater than 100% Funded: If in this situation, the association has more than the Fully Funded Balance. The impact to the community is that the members annual payments are likely more than is required to meet annual expenses.
<ul style="list-style-type: none"> • Projected Start-of-Year or End-of-Year Reserve Balance 	<p>Projected reserve balance at the start of the fiscal year or end of the fiscal year. Calculated using the estimated reserve balance, contributions to reserves before year-end, and planned expenses before year-end.</p>
<ul style="list-style-type: none"> • Recommended Reserve Contribution 	<p>Recommended amount that the association should allocate into reserves to offset future expenses.</p>
<ul style="list-style-type: none"> • Remaining Useful Life 	<p>Expected remaining useable life of component. (0-year remaining life means the component will be serviced in the upcoming fiscal year)</p>
<ul style="list-style-type: none"> • Replacement Cost 	<p>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.</p>
<ul style="list-style-type: none"> • Replacement Year 	<p>Year that component is projected to be replaced or repaired.</p>
<ul style="list-style-type: none"> • Reserve Balance 	<p>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 that the association is obligated to maintain. Also known as “reserves,” “reserve accounts,” or “cash reserves.” In this report the reserve balance is based upon information provided and is not audited.</p>
<ul style="list-style-type: none"> • Reserve Contribution 	<p>A regular amount of money that is set aside or is a line item in the Association’s (or HOA’s) budget to add to the reserve fund to cover the depreciation expenses associated with the reserve components.</p>

- **Reserve Study** A long-term capital budget planning tool which identifies the current status of the reserve fund and a stable and equitable funding plan to offset ongoing deterioration, resulting in sufficient funds when those anticipated major common area expenditures actually occur. A reserve study is in essence a planning tool designed to help the board anticipate, and prepare for, the property's major repair and replacement projects.
- **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.
- **Statutory Funding** Establishing a reserve funding goal of setting aside the specific minimum amount of reserves required by local statutes
- **Threshold Funding** Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount.
- **Useful Life** Typical useable life for a component.

Funding Methodologies

Cash Flow Methodology

The Cash Flow Reserve Funding methodology is used in this analysis as it allows reserve funds to be used efficiently and evenly spreads costs among the community owners over the years.

- The reserve fund is considered one large pool of money.
- Contributions are established by testing and retesting different contribution rates until the desired funding objective is achieved.
- Encourages the use of threshold levels to test various funding strategies with respect to funding requirements.
- May increase risk of underfunding and special assessments, but this is mitigated by understanding of component costs and useful life, setting reasonable threshold funding levels and careful analysis of annual cash flows
- Typically, results in a lower rate of reserve contributions as the funds can be used more efficiently; and the contributions are more evenly spread over the years.

Threshold Funding Model

The Threshold Funding strategy is employed with a threshold, or goal, of keeping the reserve balance above a specified percent funded amount. Use of this strategy requires examining the estimated annual reserve component costs against the anticipated reserve balance to assure that costs do not exceed available funds. The Threshold Funding Strategy consists of setting a reserve funding goal of keeping the reserve balance above some threshold, generally less than the Fully Funding Model.

The Threshold Funding strategy reduces the annual contribution (compared to Full Funding) for maintaining the reserve. The threshold funding strategy must be used rationally to assure that under funding does not occur in any years. It also requires careful analysis of expenses and funding over all the years. A key benefit is that it reduces the annual contribution to the reserve fund compared to Full Funding strategy.

Performance Indicators

Two key performance indicators used in this analysis are “Fully Funded Balance” and “Percent Funded”.

The Fully Funded Balance of all reserve components are individually determined and summed together. Each component’s FFB is determined for each year using the following formula:

$$FFB = \frac{\text{Current Cost} \times \text{Effective Age}}{\text{Useful Life}} \times (1 + \text{Inflation Rate})^{\text{Effective Age}}$$

$$\text{Where: } \text{Effective Age} = \text{Useful Life} - \text{Remaining Useful Life}$$

The Percent Funding for each year in the analysis is computed using the following formula:

$$\% \text{ Funded} = \frac{\text{Estimated Reserve Fund Balance}}{\text{Estimated Fully Funded Balance}}$$

All future costs estimates are based on the current costs with provision for inflation. The reserve fund and contingency fund balance is assumed to earn interest at the rate provided by the association.