

# **SAMPLE**

## **FULL RESERVE STUDY**

*Prepared for:*  
**SAMPLE HOMEOWNERS ASSOCIATION**

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**CONTENTS**

**1.0 INTRODUCTION..... 1**

**2.0 EXECUTIVE SUMMARY ..... 2**

**3.0 PURPOSE & SCOPE..... 3**

3.1 PURPOSE ..... 3

3.2 SCOPE ..... 3

3.3 SOURCES OF INFORMATION..... 4

**4.0 DESCRIPTION ..... 5**

**5.0 OBSERVATIONS ..... 6**

**6.0 RESERVE FUND ANALYSIS..... 11**

**7.0 CONCLUSION..... 13**

**8.0 LIMITATIONS ..... 13**

APPENDIX A: RESERVE FUND PROJECTIONS.....

APPENDIX B: PROJECT PHOTOGRAPHS .....

## 1.0 INTRODUCTION

The Sample Homeowners Association authorized Criterium–Giles Engineers to conduct a Full Reserve Study for the Sample community located in Sample Town, North Carolina. Studies of this nature are important to ensure a community has sufficient funds for long-term, periodic capital expenditure requirements. Anticipating large expenditures over an extended period of time through a structured analysis and scheduling process assists the Association in meeting financial requirements without increasing the service fees above permitted maximums, borrowing the funds, or levying special financial assessments to the home owners.

Typically, a community association has two broad cash requirements: the general operating reserves and the capital repair and replacement reserves. In this report, we will focus on those items falling under the capital repair and replacement reserve criteria. We have projected a capital repair and replacement reserve for twenty (20) years. The first ten years are the most reliable. Such a study should be updated every five years.

This report is structured to analyze components of the community for which the Association is responsible and to assess a useful expected life and useful remaining life to those components. The anticipated scheduled repair or replacement of the component and the anticipated expense for the activity are then analyzed in conjunction with the current capital reserves funding program for the community. Funding program recommendations are made with the objective of limiting substantial cash excesses while minimizing financial burdens that can result from significant cash inadequacies.

This report is intended to be used as a tool to determine reserve fund allocation requirements for the community, to manage future Association obligations, and to inform the community of future financial needs in general. The report that follows has been prepared from the perspective of what an owner of this property would benefit from knowing. Some items, beyond those of immediate concern, may be discussed. Therefore, the report should be read in its entirety in order to fully understand all of the information that has been obtained.

## 2.0 EXECUTIVE SUMMARY

Sample is a community in Sample Town, North Carolina that is comprised of 72 townhome units, a pool building, a pool and the associated equipment and furnishings. Based on Sample County tax records, it appears the community was constructed in approximately 1983 to 1985.

The association has responsibility for the roofs, gutters and exterior cladding on the townhouse and pool buildings as well as various site improvements. The most significant site improvements include the private parking areas/streets, a retaining wall, mail centers, fencing, and the drainage systems. Amenities include a swimming pool, and associated mechanical systems and furniture.

The buildings, common areas and grounds are generally in good to fair condition. Based on our evaluation, the current level of funding does not maintain a positive balance through the term of this study. We have provided recommended alternatives for annual reserve contribution schedules that provide sufficient funding to meet capital expenditure requirements in the next twenty years. In summary as follows:

- **Alternative 1:** Beginning in X, increase the annual contribution every year for the next 15 years. The amount of the increase should be \$8,640 per year (\$10.00/unit/month). This alternative is projected to maintain a positive balance through the term of this study.
- **Alternative 2:** In X, increase the annual reserve contribution to \$60,000 per year (\$69.44/unit/month). Then, increase the annual contribution every year for the next 12 years by 5% per year. This alternative is projected to maintain a positive balance through the term of this study.

A more detailed analysis of the reserve fund has been provided in Appendix A.

Some significant expenditures are expected over the term of the study. Some of the more notable examples are listed below:

- Repair, seal and resurface asphalt paved surfaces
- Replace building roofs and gutters
- Paint and repair siding and trim

There are, of course, other capital expenditures to be expected over the next twenty years. Those items that will require attention are discussed later in this report.

### 3.0 PURPOSE & SCOPE

#### 3.1 Purpose

The purpose of this study is to perform a reserve fund analysis and to determine a capital needs plan. It is intended to be used as a tool for the Sample Homeowners Association in determining the allocation requirements into the reserve fund in order to meet future anticipated capital expenditures for the community.

This report forecasts obligations for the community twenty years into the future. It should be noted that events might occur that could have an effect on the underlying component or system useful life assumptions used in this study. Likewise, inevitable market fluctuations can have an impact on component or system replacement and repair costs. Therefore, a study such as this should be updated from time to time, usually on a three to five-year cycle, in order to reflect the most accurate needs and obligations of the community.

#### 3.2 Scope

This study has been performed according to the scope as generally defined by the Sample Homeowners Association, Criterium-Giles Engineers Inc., Sample Management, and the standards of the Community Associations Institute. The findings and recommendations are based on interviews with the community's management personnel; a review of available documents; and an investigation of the buildings and site.

The "Cash Flow Method" of calculating reserves has been utilized, whereby contributions to the reserve fund are designed to offset the variable annual expenditures. Funding alternates are recommended which are designed to achieve a "Baseline Funding" goal by maintaining a positive balance for the term of the study.

The guidelines used to determine which physical components within the community are to be included in the component inventory are based on the following general criteria:

1. The component must be a common element, or otherwise noted to be the responsibility of the Association to replace.
2. The component must have an estimated remaining useful life of twenty years or less. As the site ages, additional components may need to be added.
3. The funding for replacement should be from one source only, not funded from another area of the budget or through a maintenance contract.
4. The cost of replacement should be high enough to make it financially unsound to fund it from the operating budget.

Our reserve study analysis included evaluating the following association property:

- **Buildings:** The HOA is responsible for maintenance and replacement of the roofing and gutters on the townhome buildings and pool building. The association is also responsible for maintaining the exterior façade of the buildings, excluding windows, doors and decks.

- **Mechanical Systems:** The Association is responsible for the pool pump and filtration equipment as well as the plumbing and electrical equipment serving the pool building.
- **Site and Grounds:** The HOA is responsible for asphalt paving and on private parking areas and streets, concrete flatwork, drainage systems, a retaining wall and mail kiosk centers.

The above list was obtained from the site inspection and discussions with the management firm prior to the inspection.

This study estimates the funding levels required for maintaining the long-term viability of the facility. Our approach involves:

1. Examining association managed equipment, building and site facilities.
2. Predicting their remaining service life and, approximating how frequently they will require repair or replacement.
3. Estimating repair or replacement costs (in current dollars) for each capital item.
4. Using data developed in Steps 1, 2 and 3 to project Capital Reserve balances for Years 1 through 20.

The statements in this report are opinions about the present condition of the subject community. They are based on visual evidence available during a diligent investigation of all reasonably accessible areas falling under the responsibility of the Association. We did not remove any surface materials, perform any destructive testing, or move any furnishings. This study is not an exhaustive technical evaluation. Such an evaluation would entail a significantly larger scope than this effort. For additional limitations, see Section 8.0.

### 3.3 Sources of Information

Onsite inspections of the property occurred on the following date:

- XXXX

The following people were interviewed during our study:

- John Doe, Community Manager
- Jane Doe, Board Member during site inspection

The following documents were made available to us and reviewed:

- Sample County real estate records
- HOA budget and financial statements
- Governing Documents

We based our cost estimates on some or all of the following:

- R.S. Means
- Our data files on similar projects

- Local contractor estimates

For your reference, the following definitions may be helpful:

*Excellent:* Component or system is in "as new" condition, requiring no rehabilitation and should perform in accordance with expected performance.

*Good:* Component or system is sound and performing its function, although it may show signs of normal wear and tear. Some minor rehabilitation work may be required.

*Fair:* Component or system falls into one or more of the following categories: a) Evidence of previous repairs not in compliance with commonly accepted practice, b) Workmanship not in compliance with commonly accepted standards, c) Component or system is obsolete, d) Component or system approaching end of expected performance. Repair or replacement is required to prevent further deterioration or to prolong expected life.

*Poor:* Component or system has either failed or cannot be relied upon to continue performing its original function as a result of having exceeded its expected performance, excessive deferred maintenance, or state of disrepair. Present condition could contribute to or cause the deterioration of other adjoining elements or systems. Repair or replacement is required.

*Adequate:* A component or system is of a capacity that is defined as enough for what is required, sufficient, suitable, and/or conforms to standard construction practices.

All ratings are determined by comparison to other buildings of similar age and construction type. Further, some details of workmanship and materials will be examined more closely in higher quality buildings where such details typically become more relevant.

All directions (left, right, rear, etc.), when used, are taken from the viewpoint of an observer standing in front of a building and facing it.

*Repair/Replacement Reserves* - Non-annual maintenance items that will require significant expenditure over the life of the buildings. Included are items that will reach the end of their estimated useful life during the course of this forecast, or, in the opinion of the investigator, will require attention during that time.

Sample is a community in Sample Town, North Carolina that is comprised of 72 townhome units, a pool building, a pool and the associated equipment and furnishings. Based on Sample County tax records, it appears the community was constructed in approximately 1983 to 1985.

The association has responsibility for the roofs, gutters and exterior cladding on the townhouse and pool buildings as well as various site improvements. The most significant site improvements include the private parking areas/streets, a retaining wall, mail centers, fencing, and the

#### 4.0 DESCRIPTION

drainage systems. Amenities include a swimming pool, and associated mechanical systems and furniture.

The buildings are of wood frame construction. Exterior surfaces are primarily clad in Masonite type composite siding with wood trim. Sections of brick veneer are installed on the buildings.

The building roofs are clad with asphaltic fiberglass. Metal gutters and downspouts discharge stormwater to grade.

Site drainage is provided via landscaped swales that drain towards catch basins in the paved and landscaped areas. These systems direct water flow off site.

## 5.0 OBSERVATIONS

The following key observations were made about the current condition of the more significant and costly common elements of the property.

### Site and Grounds

The parking areas and streets throughout the community are asphalt paved and are privately maintained by the association. The asphalt paving varied in condition throughout the community. Sections of the paving appear to have been resurfaced in recent years. Specifically it appears that resurfacing was completed in the pool parking lot and the parking area in front of units X. It also appears that an asphalt overlay has previously been installed over the main drive aisle in the community.

Considering the limited available funds, we have assumed that the parking area in front of the previously demolished areas would not be a priority for repairs.

We noted significant fatigue or “alligator” cracking in several areas in the community. We also observed upheaval in paving resulting from apparent tree root growth in limited areas. The failed asphalt indicated by upheaval and fatigue or “alligator” cracking should receive full-depth repairs prior to resurfacing. This will include saw cutting and removing the damaged sections, replacement and/or compaction of the subbase materials, and installation of new asphalt patch. We have allocated funds for full depth repairs of sections of the paving on a 5-year cycle beginning in 20XX.

We also observed longitudinal cracking developing in several areas of paving as typical with normal wear. Crack filling applications have previously been completed in sections of the community paving. Typically, we recommend the application of an oil resistant sealant to all asphalt paved surfaces on an approximately 7 year cycle. At this same time, all cracks should be properly filled, patched, and sealed. We have allocated funds to for crack fill and seal coat applications of the pavement in 20XX and on a 5 year cycle.

Residential asphalt pavements generally have a lifespan of 20-25 years assuming normal maintenance and traffic. We have allocated funds to resurface all of the paved areas in the community on a 20 year cycle



beginning in 2026. This would include repairing areas of fatigue cracking, upheaval and other subgrade repairs, milling of areas of the paving to maintain adequate drainage profiles and transitions to sidewalks, surface preparations and installing a new layer of asphalt paving approximately 2" thick over all areas of paving.

Sections of the paving in the community are bordered by wood curbing. We have assumed that periodic repairs to the wood curbing would be funded from an annual maintenance budget.

The association is responsible for maintaining the concrete flatwork consisting of the walkways and sidewalks at the front of each unit and the concrete pool deck. The concrete flatwork generally appears to be in good to fair condition, with some minor cracking evident. We have allocated funds for periodic repairs and/or replacement of concrete surfaces as required and have assumed that 5% of the surfaces will require maintenance every 5 years beginning in 2021.

Storm water on the site drains via surface flow or via landscaped swales toward catch basins in the paved and landscaped areas. Inlets collect stormwater that flows through buried stormwater piping to discharge offsite. Sections of stone rip rap armoring were observed in drainage swales around the property. The swales tend to accumulate sediment that settles out during storm events and will need to be periodically removed and re-graded. In addition, over time, small landscape drainage systems will likely need to be installed in flat areas of the community to address concerns. We also recommend having a portion of the private drainage infrastructure in the streets inspected with a video borescope system, flushed, and repaired as necessary. We noted evidence of moisture intrusion in the pool building and drainage improvements in this area are reportedly planned for the immediate term.

We observed areas of bare soils and evidence of nuisance flooding in several areas in the community. Specifically this was observed behind the units at X. We recommend maintaining adequate soil stabilizing ground cover to reduce erosion concerns. This may include turf grass, shrubbery and/or stone rip rap armoring with filter fabric. Considering the large trees and shaded areas, turf grass and other plantings may not be a viable option.

We have allocated funds to repair the drainage systems on a 5 year cycle beginning in 20XX. Repairs will likely include cleaning out stormwater piping, retrenching of swales to improve flow, adding rip rap or vegetation to stabilize exposed or steep areas, extending gutter downspouts to underground systems, installing french drains or other types of minor drainage systems.

A section of wood timber retaining wall is located in front of unit 2304 adjacent to the parking area. The retaining wall was observed to be leaning and will likely require replacement in the near term.. We have allocated funds to replace this retaining wall in 20XX.

There are mailboxes at the 8 central mail centers constructed of a wood framed housing with a shingled roof. The mailbox inserts appeared to be

in good condition and recently replaced. We have allocated funds to replace the mail boxes on a 20 year cycle beginning in 2034. Funds for replacing the roofs and painting/repairing the wood structures are included with the townhome roof and siding repair/replacement cycles.

Anodized aluminum fencing is installed around the pool area and appeared to be in good condition. We have allocated funds to repair and paint the pool fencing on a 15 year cycle beginning in 2024.

The association is responsible for buried potable water supply piping and sanitary sewer piping in the common areas between the individual units and the municipal maintained systems. We have provided an allocation of funds for buried plumbing piping repairs on a 5 year cycle beginning in 20XX. Note that the association may consider video borescope inspections of the sanitary sewer piping to determine condition of the piping. Root treatment and hydrojetting may be viable options for repairing/cleaning out buried sanitary sewer piping.

A painted wood sign on a brick veneer sign monument is located near the main entrance. We have assumed repairs to the sign inlay and associated lighting systems would be funded from an annual maintenance budget.

Rear decks, patios and brick accent wall/railing structures are installed at the rear of the townhome units. The governing documents state that the association is not responsible for maintaining exterior decks or patios or any part thereof including railings, supports and steps. We have therefore assumed maintaining the decks, patios and brick accent wall/railing structures would be the responsibility of the individual unit owners. For reference, we noted cracking in several sections of the brick accent walls behind units.

#### **Common Building Exteriors**

The association is responsible for maintaining the exterior of the townhome buildings including siding, trim, roofs and gutters. The association is also responsible for maintaining the pool building.

The buildings are predominately clad in Masonite type composite siding with wood trim. Sections of the buildings include brick veneer siding. The condition of the exterior painted surfaces (siding and trim) varied in condition around the buildings. We noted areas of deterioration and moisture swelling in siding components in several areas. The trim work generally appeared to be in good condition with limited areas of deterioration noted. We typically recommend exterior siding and trim repairs in conjunction with painting on an approximately 7 year cycle. We recommend repairs to deteriorated trim and siding components to include replacement with rot-resistant fiber cement siding and trim components. Painting cycles should also include repairing/replacing caulking as needed and adequate surface preparations followed by 2 coats of a high-quality exterior grade paint.

We have allocated funds to repair and paint the exterior of the buildings in

phases based on the condition of the siding and trim observed during our inspection. The painting/repair phases are as follows:

<b>Exterior Siding Repair and Painting Phases</b>		
<b>Addresses</b>	<b>Number of Units</b>	<b>Phase</b>
X	4	1
X	5	1
X	3	1
X	5	1
<b>Phase 1 total units:</b>		<b>17</b>
X	5	2
X	4	2
X	4	2
X	4	2
X	3	2
X	5	2
<b>Phase 2 total units:</b>		<b>25</b>
Pool building	1	3
X	3	3
X	5	3
X	4	3
X	5	3
X	3	3
X	2	3
X	3	3
X	5	3
<b>Phase 3 total units:</b>		<b>31</b>

The brick veneer on the buildings generally appeared to be in good condition. We noted isolated areas of missing bricks at the top front edge of the brick veneer dividing walls between units. We have assumed these minor brick repairs would be funded from an annual maintenance budget. Brick veneer has an expected useful life well beyond the term of this study and we do not anticipate significant repair expenses will be required to the brick veneer over the next 20 years.

Note that we observed tree and vine growth in contact with the exterior building surfaces and roofing in multiple areas. To prolong the life of the exterior siding and roofing, we recommending trimming vegetation away from exterior siding and roofing components.

The predominant pitched roof surfaces over the buildings are covered in asphaltic fiberglass, architectural grade shingles. Roof surfacing is applied over roof sheathing, and appears to be in good condition. The roofs were reportedly replaced in 2007. No significant texture loss or other substantial concerns were observed in the shingles. However, limited concerns with flashing at brick veneer transitions and an isolated loose or missing shingle was observed.

This type of roofing has an expected useful life of approximately 20-25 years. We strongly recommend that any re-roofing project closely follow procedures outlined by the National Roofing Contractors Association's

*Roofing and Waterproofing Manual*, Fourth Edition. A re-roofing sequence should include removal of the existing roofing material, replacement of any inadequate roof sheathing, replacement of any damaged flashing, and replacement of drip edge components. We have allocated funds for replacing the roofing on all of the buildings in 2032.

Note that it is likely that minor repairs to the roofing, vent boots and flashing will be required in the interim. We have assumed these items would be funded from an annual maintenance budget.

Gutters and downspouts are in generally good to fair condition. We have included funds in the roof replacement allocation to replace sections of gutters and downspouts as needed.

The doors and windows on the pool building were observed to be in fair to good condition and varied in condition. We have assumed that replacing individual doors and the window at the pool building would be funded from an annual maintenance budget.

Based on the governing documents, the association is not responsible for replacing townhome building doors, windows, decks, patios, steps or railings. We have therefore assumed these repairs would be the responsibility of the individual unit owners.

### **Mechanical**

There is a 40 gallon electric water heater located adjacent to the pump and filtration equipment in the pool building that has an expected useful life of 15 years. The water heater was manufactured in 1998 and is beyond its expected useful life. We have allocated funds for replacement on a 15 year cycle beginning in X. A drinking water fountain is also located at the pool building and appeared to be of significant age. We have allocated funds to replace the drinking water fountain in 20XX and on a 15 year cycle.

The pool building includes a men's and women's restroom each with a sink, toilets and partition walls. We noted corrosion developing on the partition wall systems. We have allocated funds to refurbish the restrooms including replacing the partition walls and other fixtures as needed on a 15 year cycle beginning in 20XX.

The pool pump and filtration equipment consists of a sand filter and a 2-horsepower pump with an auto chlorinator. These items are typically repaired as they fail, and we have provided funds to replace components of the pump and filtration system on a 3 year cycle beginning in 20XX.

The pool building is served by an electrical breaker panel and wiring and plumbing supply and waste lines. We noted corrosion developing on the electrical breaker panel. We have provided an allocation of funds to repair the plumbing and electrical systems at the pool building on a 15 year cycle beginning in 20XX.

The pool area includes a Door King Systems (DKS) electronic access

control system that was operational during our inspection. We have allocated funds to repair/upgrade the access control and security systems at the pool building on an 8 year cycle beginning in 2023.

### Amenities

Amenities owned and maintained by the Association include the swimming pool and associated furnishings.

The swimming pool surface appeared to be in fair condition. We noted delamination in the pool surface around drains in the pool surface. We also noted rust staining at fasteners in the waterline skimmers on a section of the pool. Note that the pool was filled with water during the inspection. Typically, pools should be drained, minor cracks repaired, and recoated (possibly quartz plaster) on an approximately 10-12 year cycle. We have budgeted funds for full resurfacing on a 12-year cycle beginning in 20XX.

Pool furniture consisted of PVC furniture including chairs, tables, chaise lounges, umbrellas and access ladders/rails. Due to the unpredictability of the lifespan of these items, we have budgeted for replacement of approximately 1/3<sup>rd</sup> of the furniture every three years, beginning in 20XX. The fund allocation would also include replacing the pool ladders and rails.

## **6.0 RESERVE FUND ANALYSIS**

Using software developed by Criterium Engineers and KPMG Peat Marwick, we have analyzed capital reserves draw-down for the projected capital expenditures to determine the amount needed. The following is a projected reserve fund analysis for non-annual items as discussed in the report. This projection takes into consideration a reasonable return on invested moneys and inflation. Please review this thoroughly and let us know of any changes that may be desired.

The intent of this reserve fund projection is to help the Association develop a reserve fund to provide for anticipated repair or replacements of various system components during the next twenty years.

The capital items listed are those that are typically the responsibility of the Association and are derived from a list provided the Association with several items added as a result of the inspection. However, association by-laws vary, and therefore, which components are the responsibilities of the owner and which are the responsibilities of the Association can vary. The Association should confirm that the items listed should be financed by the reserve fund.

This projection provides the following:

- An input sheet that defines all the criteria used for the financial alternatives, including the assumed inflation rate of 3% annually and rate of return on deposited reserve funds of 1.5% annually.
- A table that lists anticipated replacement and/or repair items complete with estimated remaining life expectancies, projected costs of

replacement and/or repair, a frequency in years of when these items require replacement and/or repair, and a projection based on this frequency.

- A table and graph that represent end of year balances versus capital expenditures based on your current funding program and reserve balances, and alternatives to your current program. The provided graphs illustrate what effects the funding methods will have over the presented twenty-year period versus the anticipated capital expenditures.
- Note that based on our developed list of capital items and taking inflation into account; the current funding level is not adequate.
- The Association should bear in mind that unanticipated expenditures can always arise and maintenance of a significant reserve fund balance can be viewed as a way to avoid special assessments.

We have included alternatives to your current reserve funding program and recommend that the board adopt an alternative that best reflects the objectives of the community. In summary they are as follows:

**Current Reserve Funding Rate:** \$14,400/year (\$16.67/unit/month)

**Current Reserve Balance:** \$62,049

- **Alternative 1:** Beginning in X, increase the annual contribution every year for the next 15 years. The amount of the increase should be \$8,640 per year (\$10.00/unit/month). This alternative is projected to maintain a positive balance through the term of this study.
- **Alternative 2:** In X, increase the annual reserve contribution to \$60,000 per year (\$69.44/unit/month). Then, increase the annual contribution every year for the next 12 years by 5% per year. This alternative is projected to maintain a positive balance through the term of this study.
- **Alternative 3** Maintain the current funding rate of \$14,400 per year. Two special assessments are projected to be required to fund repairs. The first is projected for 20XX in the amount of \$288,000 (\$4,000 per unit) and the second is projected for 2026 in the amount of \$972,000 (\$13,500 per unit). **Note that we do not endorse this alternative as special assessments are not a preferred method of funding reserves.**

Please note that the reserve fund study does not include typical annual maintenance items. Our assumption is that you already have an annual operating budget that provides for these typical, repetitive items. This includes miscellaneous repairs, lawn and grounds maintenance, routine minor painting, etc. We have focused on those significant, non-annual items where careful financial planning is important.

Finally, please note that the estimates we have developed are based on current dollars. Our reserve fund study does adjust for an estimated annual

inflation and a given return on investment assuming that the indicated fund balances are maintained.

## 7.0 CONCLUSION

The alternatives provided above should provide sufficient funding to meet estimated capital expenditures during the next twenty years. Further detail of the reserve fund analysis is provided in Appendix A.

## 8.0 LIMITATIONS

The observations described in this study are valid on the date of the investigation and have been made under the conditions noted in the report. We prepared this study for the exclusive use of the Sample Homeowners Association. Criterium-Giles Engineers Inc. does not intend any other individual or party to rely upon this study without our express written consent. If another individual or party relies on this study, they shall indemnify and hold Criterium-Giles Engineers Inc. harmless for any damages, losses, or expenses they may incur as a result of its use.

This study is limited to the visual observations made during our inspection. We did not remove surface materials, conduct any destructive or invasive testing, move furnishings or equipment, or undertake any digging or excavation. Accordingly, we cannot comment on the condition of systems that we could not see, such as buried structures and utilities, nor are we responsible for conditions that could not be seen or were not within the scope of our services at the time of the investigation. We did not undertake to completely assess the stability of the buildings or the underlying foundation soil since this effort would require excavation and destructive testing. Likewise, this is not a seismic assessment.

We did not investigate the following areas:

- Buried utilities or infrastructure
- Concealed structural members or systems
- Unit interiors

We do not render an opinion on uninvestigated portions of the community.

We did not perform any computations or other engineering analysis as part of this evaluation, nor did we conduct a comprehensive code compliance investigation. This study is not to be considered a warranty of condition, and no warranty is implied. The appendices are an integral part of this report and must be included in any review.

Members of the Criterium-Giles Engineers team working on this reserve study are not members of, or otherwise associated with the association. Criterium-Giles Engineers has disclosed any other involvement with the association that could result in conflicts of interest.

Information provided by the official representative of the association regarding financial, physical, quantity, or historical issues, will be deemed reliable by Criterium-Giles Engineers. The reserve balance presented in the Reserve Study is based upon information provided and was not audited. Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection. Criterium-Giles Engineers is not aware of any additional

material issues which, if not disclosed, would cause a distortion of the association's situation.

In our Reserve Fund Analysis, we have provided estimated costs. These costs are based on our general knowledge of building systems and the contracting and construction industry. When appropriate, we have relied on standard sources, such as Means Building Construction Cost Data, to develop estimates. However, for items that we have developed costs (e.g.: structural repairs), no standard guide for developing such costs exists. Actual costs can vary significantly, based on the availability of qualified contractors to do the work, as well as many other variables. We cannot be responsible for the specific cost estimates provided.

We have performed no design work as part of this study, nor have we obtained competitive quotations or estimates from contractors as this also is beyond the scope of the project. The actual cost to remedy deficiencies and deferred maintenance items that we have identified may vary significantly from estimates and competitive quotations from contractors.

If you have any questions about this study or the reserve fund analysis, please feel free to contact us. Thank-you for the opportunity to be of assistance to you.

Respectfully submitted,

Kevin R. Giles, RS  
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**Appendix A: RESERVE FUND PROJECTIONS**

## Itemized Worksheet

Capital Item To Be Replaced	Quantity	Unit cost	Reserve Requirement (*)	Frequency (yrs**)	Remaining Life (yrs)	Information Source
<b>Site</b>						
Full depth repairs of sections of paving	200 SY	\$35.00	\$7,000.00	25	2	
Crack fill, seal coat, stripe asphalt paving	12,000 SY	\$1.25	\$15,000.00	5	2	
Resurface asphalt paving	12,000 SY	\$13.00	\$156,000.00	20	9	
Repair sections of concrete flatwork	50 SY	\$95.00	\$4,750.00	5	4	Approx. 5% every 5 years
Common area drainage improvements	1 LS	\$10,000.00	\$10,000.00	5	1	
Replace retaining wall in front of 2304	100 SF	\$50.00	\$5,000.00	25	3	
Replace mailboxes	5 EA	\$1,700.00	\$8,500.00	20	17	
Allocation for buried utility repairs	1 LS	\$5,500.00	\$5,500.00	5	3	
Repair/paint fencing at pool	300 LF	\$10.00	\$3,000.00	15	7	
<b>Building Exterior</b>						
Replace building roofs and gutters	1,440 SQ	\$265.00	\$381,600.00	25	15	
Paint/repair exterior siding and trim Phase 1	17 EA	\$2,150.00	\$36,550.00	7	1	
Paint/repair exterior siding and trim phase 2	25 EA	\$2,150.00	\$53,750.00	7	3	
Paint/repair exterior siding and trim phase 3	31 EA	\$2,150.00	\$66,650.00	7	6	
<b>Building Interior</b>						
<b>Mechanical</b>						
Refurbish pool restrooms	2 EA	\$4,000.00	\$8,000.00	15	3	
Repair/upgrade access control/security at pool	1 LS	\$3,200.00	\$3,200.00	8	6	
Plumbing/electrical repairs at pool building	1 LS	\$5,000.00	\$5,000.00	15	2	
Replace water fountain at pool	1 LS	\$1,800.00	\$1,800.00	15	1	
Replace water heater at pool	1 LS	\$1,600.00	\$1,600.00	15	0	
Repair pool pump and filtration equipment	1 LS	\$2,000.00	\$2,000.00	3	2	
<b>Amenities</b>						
Repair/resurface swimming pool	1,075 SF	\$18.50	\$19,887.50	12	1	
Replace portions of pool furnishings	12 EA	\$125.00	\$1,500.00	3	1	Approx. 1/3rd every 3 years
<b>Other</b>						
			<b>Totals</b>	\$796,287.50		
			<b>Total Over Term</b>	\$1,207,775.00		

\* Costs are typically 10% ±

\*\* Criterium Engineers 20 year projection of non-annual maintenance

Annual Expense By Year

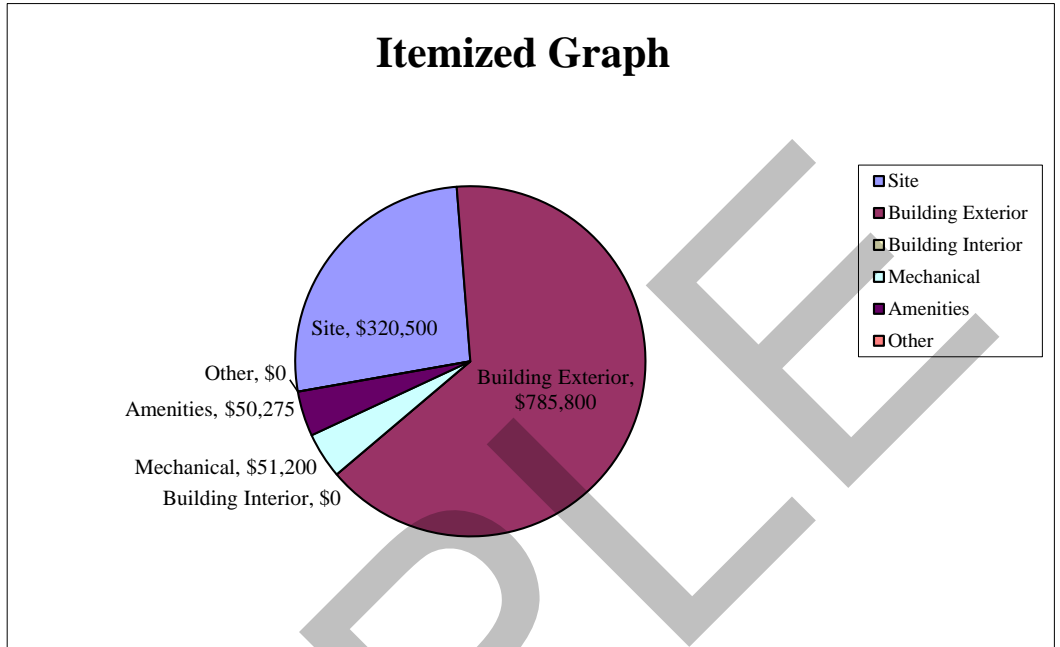
Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
<b>Site</b>																
Full depth repairs of sections of paving	0	0	7,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Crack fill, seal coat, stripe asphalt paving	0	0	15,000	0	0	0	0	0	0	0	0	0	15,000	0	0	0
Resurface asphalt paving	0	0	0	0	0	0	0	0	0	156,000	0	0	0	0	0	0
Repair sections of concrete flatwork	0	0	0	0	4,750	0	0	0	0	4,750	0	0	0	0	4,750	0
Common area drainage improvements	0	10,000	0	0	0	0	10,000	0	0	0	0	10,000	0	0	0	0
Replace retaining wall in front of 2304	0	0	0	5,000	0	0	0	0	0	0	0	0	0	0	0	0
Replace mailboxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Allocation for buried utility repairs	0	0	0	5,500	0	0	0	0	5,500	0	0	0	0	5,500	0	0
Repair/paint fencing at pool	0	0	0	0	0	0	0	3,000	0	0	0	0	0	0	0	0
<b>Building Exterior</b>																
Replace building roofs and gutters	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	381,600
Paint/repair exterior siding and trim Phase 1	0	36,550	0	0	0	0	0	0	36,550	0	0	0	0	0	0	36,550
Paint/repair exterior siding and trim phase 2	0	0	0	53,750	0	0	0	0	0	0	53,750	0	0	0	0	0
Paint/repair exterior siding and trim phase 3	0	0	0	0	0	0	66,650	0	0	0	0	0	0	66,650	0	0
<b>Building Interior</b>																
<b>Mechanical</b>																
Refurbish pool restrooms	0	0	0	8,000	0	0	0	0	0	0	0	0	0	0	0	0
Repair/upgrade access control/security at pool	0	0	0	0	0	0	3,200	0	0	0	0	0	0	0	3,200	0
Plumbing/electrical repairs at pool building	0	0	5,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace water fountain at pool	0	1,800	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace water heater at pool	1,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,600
Repair pool pump and filtration equipment	0	0	2,000	0	0	2,000	0	0	2,000	0	0	2,000	0	0	2,000	0
<b>Amenities</b>																
Repair/resurface swimming pool	0	19,888	0	0	0	0	0	0	0	0	0	0	0	19,888	0	0
Replace portions of pool furnishings	0	1,500	0	0	1,500	0	0	1,500	0	0	1,500	0	0	1,500	0	0
<b>Other</b>																
<b>Total Costs</b>	<b>1,600</b>	<b>69,738</b>	<b>29,000</b>	<b>72,250</b>	<b>6,250</b>	<b>2,000</b>	<b>79,850</b>	<b>4,500</b>	<b>44,050</b>	<b>160,750</b>	<b>55,250</b>	<b>12,000</b>	<b>15,000</b>	<b>93,538</b>	<b>9,950</b>	<b>419,750</b>
<b>Total Costs Adjusted For 3% Inflation</b>	<b>1,600</b>	<b>71,830</b>	<b>30,766</b>	<b>78,950</b>	<b>7,034</b>	<b>2,319</b>	<b>95,345</b>	<b>5,534</b>	<b>55,801</b>	<b>209,742</b>	<b>74,251</b>	<b>16,611</b>	<b>21,386</b>	<b>137,363</b>	<b>15,050</b>	<b>653,957</b>

**Annual Expense By Year**

	Year: Year Number:	2033 17	2034 18	2035 19	2036 20
<b>Site</b>					
Full depth repairs of sections of paving		0	0	0	0
Crack fill, seal coat, stripe asphalt paving		0	15,000	0	0
Resurface asphalt paving		0	0	0	0
Repair sections of concrete flatwork		0	0	0	4,750
Common area drainage improvements		10,000	0	0	0
Replace retaining wall in front of 2304		0	0	0	0
Replace mailboxes		0	8,500	0	0
Allocation for buried utility repairs		0	0	5,500	0
Repair/paint fencing at pool		0	0	0	0
<b>Building Exterior</b>					
Replace building roofs and gutters		0	0	0	0
Paint/repair exterior siding and trim Phase 1		0	0	0	0
Paint/repair exterior siding and trim phase 2		0	53,750	0	0
Paint/repair exterior siding and trim phase 3		0	0	0	0
<b>Building Interior</b>					
<b>Mechanical</b>					
Refurbish pool restrooms		0	0	8,000	0
Repair/upgrade access control/security at pool		0	0	0	0
Plumbing/electrical repairs at pool building		0	5,000	0	0
Replace water fountain at pool		1,800	0	0	0
Replace water heater at pool		0	0	0	0
Repair pool pump and filtration equipment		0	2,000	0	0
<b>Amenities</b>					
Repair/resurface swimming pool		0	0	0	0
Replace portions of pool furnishings		1,500	0	0	1,500
<b>Other</b>					
<b>Total Costs</b>		<b>13,300</b>	<b>84,250</b>	<b>13,500</b>	<b>6,250</b>
<b>Total Costs Adjusted For 3% Inflation</b>		<b>21,343</b>	<b>139,252</b>	<b>22,983</b>	<b>10,959</b>

# Itemized Graph

Categories	Totals
Site	\$320,500
Building Exterior	\$785,800
Building Interior	\$0
Mechanical	\$51,200
Amenities	\$50,275
Other	\$0
<b>Total</b>	<b>\$1,207,775</b>



SAMPLE

## Existing Funding Levels

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments	Investment Earnings	Capital Expenditures	Ending Balance
2017	1	\$62,049	\$14,400	\$0	\$1,123	\$1,600	\$75,971
2018	2	\$75,971	\$14,400	\$0	\$278	\$71,830	\$18,820
2019	3	\$18,820	\$14,400	\$0	\$37	\$30,766	\$2,490
2020	4	\$2,490	\$14,400	\$0	\$0	\$78,950	(\$62,059)
2021	5	(\$62,059)	\$14,400	\$0	\$0	\$7,034	(\$54,693)
2022	6	(\$54,693)	\$14,400	\$0	\$0	\$2,319	(\$42,612)
2023	7	(\$42,612)	\$14,400	\$0	\$0	\$95,345	(\$123,557)
2024	8	(\$123,557)	\$14,400	\$0	\$0	\$5,534	(\$114,692)
2025	9	(\$114,692)	\$14,400	\$0	\$0	\$55,801	(\$156,093)
2026	10	(\$156,093)	\$14,400	\$0	\$0	\$209,742	(\$351,435)
2027	11	(\$351,435)	\$14,400	\$0	\$0	\$74,251	(\$411,286)
2028	12	(\$411,286)	\$14,400	\$0	\$0	\$16,611	(\$413,497)
2029	13	(\$413,497)	\$14,400	\$0	\$0	\$21,386	(\$420,484)
2030	14	(\$420,484)	\$14,400	\$0	\$0	\$137,363	(\$543,447)
2031	15	(\$543,447)	\$14,400	\$0	\$0	\$15,050	(\$544,097)
2032	16	(\$544,097)	\$14,400	\$0	\$0	\$653,957	(\$1,183,654)
2033	17	(\$1,183,654)	\$14,400	\$0	\$0	\$21,343	(\$1,190,596)
2034	18	(\$1,190,596)	\$14,400	\$0	\$0	\$139,252	(\$1,315,449)
2035	19	(\$1,315,449)	\$14,400	\$0	\$0	\$22,983	(\$1,324,032)
2036	20	(\$1,324,032)	\$14,400	\$0	\$0	\$10,959	(\$1,320,591)

**Existing Funding Levels**

Beginning Balance as of start of year beginning Jan 2017: \$62,049

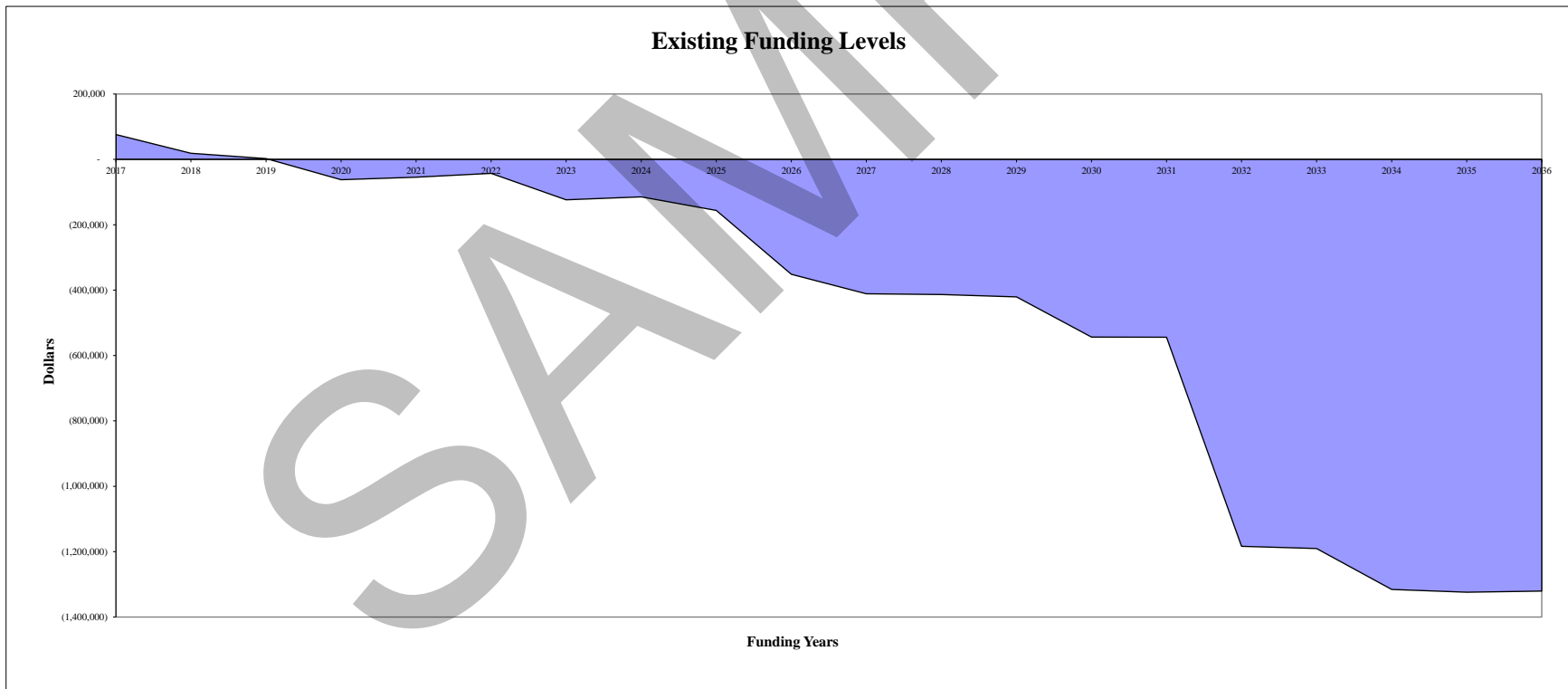
CONTRIBUTIONS	
AMOUNT	
\$14,400.00	per year
\$200.00	per unit per year
\$1,200.00	per month
\$16.67	per unit per month

SPECIAL ASSESSMENTS			
Totals			
Per Year	\$0	Per Unit	\$0

**Projected Annual Funding and Expenditures:**

Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	75,971	18,820	2,490	(62,059)	(54,693)	(42,612)	(123,557)	(114,692)	(156,093)	(351,435)	(411,286)	(413,497)	(420,484)	(543,447)	(544,097)
Capital Expenditures:	1,600	71,830	30,766	78,950	7,034	2,319	95,345	5,534	55,801	209,742	74,251	16,611	21,386	137,363	15,050
Total Revenue (all sources)	15,523	14,678	14,437	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400

Year:	2032	2033	2034	2035	2036
Year Number:	16	17	18	19	20
End of Year Reserve Fund Balance	(1,183,654)	(1,190,596)	(1,315,449)	(1,324,032)	(1,320,591)
Capital Expenditures:	653,957	21,343	139,252	22,983	10,959
Total Revenue (all sources)	14,400	14,400	14,400	14,400	14,400



**Alternative 1: Level Funding with Steps**

<b>Year</b>	<b>Year Number</b>	<b>Beginning Reserve Fund Balance</b>	<b>Fee Revenue</b>	<b>Special Assessments 1</b>	<b>Special Assessments 2</b>	<b>Investment Earnings</b>	<b>Capital Expenditures</b>	<b>Ending Balance</b>
2017	1	\$62,049	\$23,040	\$0	\$0	\$1,252	\$1,600	\$84,741
2018	2	\$84,741	\$31,680	\$0	\$0	\$669	\$71,830	\$45,260
2019	3	\$45,260	\$40,320	\$0	\$0	\$822	\$30,766	\$55,636
2020	4	\$55,636	\$48,960	\$0	\$0	\$385	\$78,950	\$26,031
2021	5	\$26,031	\$57,600	\$0	\$0	\$1,149	\$7,034	\$77,746
2022	6	\$77,746	\$66,240	\$0	\$0	\$2,125	\$2,319	\$143,792
2023	7	\$143,792	\$74,880	\$0	\$0	\$1,850	\$95,345	\$125,177
2024	8	\$125,177	\$83,520	\$0	\$0	\$3,047	\$5,534	\$206,210
2025	9	\$206,210	\$92,160	\$0	\$0	\$3,639	\$55,801	\$246,208
2026	10	\$246,208	\$100,800	\$0	\$0	\$2,059	\$209,742	\$139,324
2027	11	\$139,324	\$109,440	\$0	\$0	\$2,618	\$74,251	\$177,131
2028	12	\$177,131	\$118,080	\$0	\$0	\$4,179	\$16,611	\$282,779
2029	13	\$282,779	\$126,720	\$0	\$0	\$5,822	\$21,386	\$393,934
2030	14	\$393,934	\$135,360	\$0	\$0	\$5,879	\$137,363	\$397,810
2031	15	\$397,810	\$144,000	\$0	\$0	\$7,901	\$15,050	\$534,661
2032	16	\$534,661	\$144,000	\$0	\$0	\$371	\$653,957	\$25,075
2033	17	\$25,075	\$144,000	\$0	\$0	\$2,216	\$21,343	\$149,948
2034	18	\$149,948	\$144,000	\$0	\$0	\$2,320	\$139,252	\$157,016
2035	19	\$157,016	\$144,000	\$0	\$0	\$4,171	\$22,983	\$282,204
2036	20	\$282,204	\$144,000	\$0	\$0	\$6,229	\$10,959	\$421,473

SAMPLE



**Alternative 1: Level Funding with Steps**

Beginning Balance as of start of year beginning Jan 2017: \$62,049

CONTRIBUTIONS	
FIRST YR	LAST YR
\$23,040.00	\$144,000.00
\$320.00	\$2,000.00
\$1,920.00	\$12,000.00
\$26.67	\$166.67

per year  
per unit per year  
per month  
per unit per month

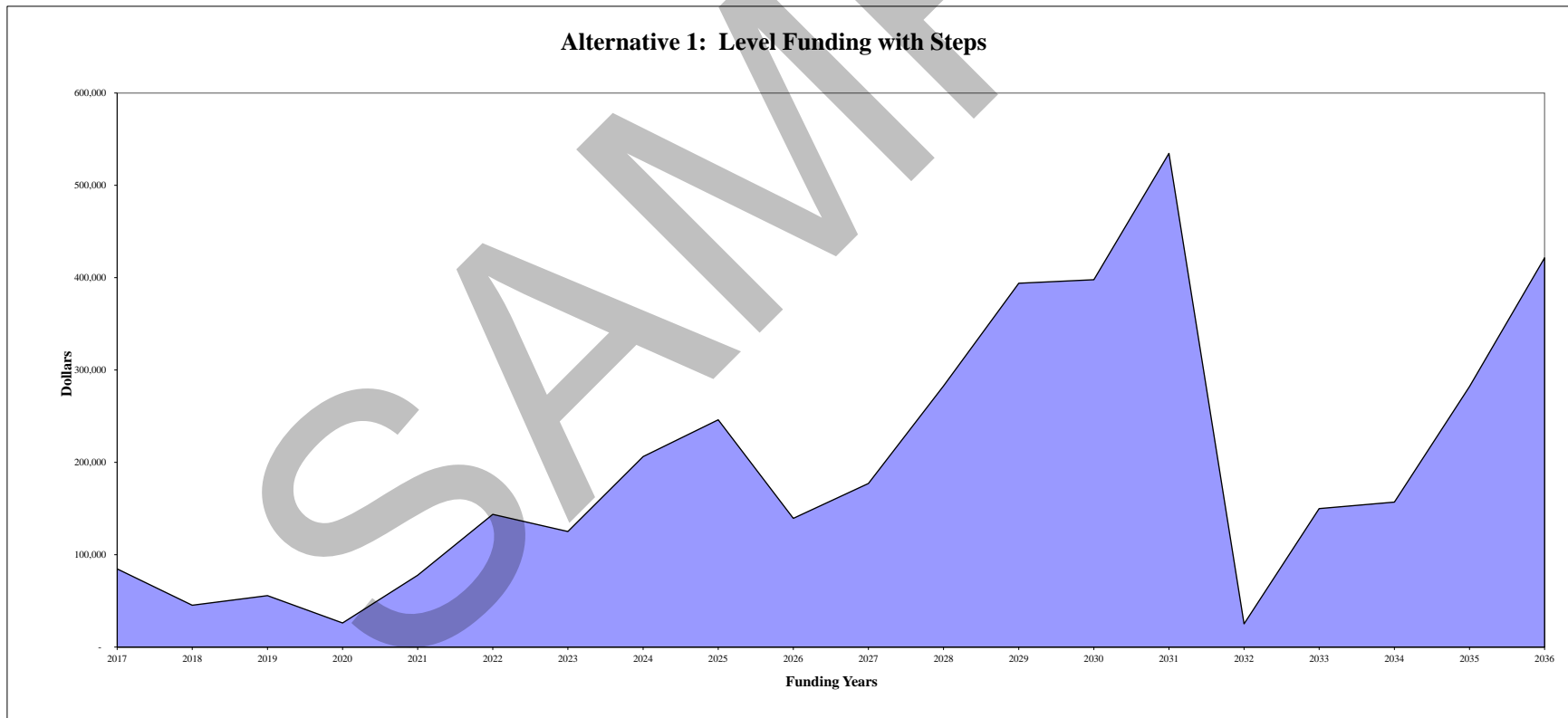
SPECIAL ASSESSMENTS			
First Second	Per Year Per Year	Totals	
		\$0 \$0	Per Unit Per Unit
		\$0	\$0
		\$0	\$0

SETTINGS (analyzed by year)	
Starting amount (\$):	1920
Increment by (\$):	720
Every	1 year
Frequency:	14 time

**Projected Annual Funding and Expenditures:**

Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	84,741	45,260	55,636	26,031	77,746	143,792	125,177	206,210	246,208	139,324	177,131	282,779	393,934	397,810	534,661
Capital Expenditures:	1,600	71,830	30,766	78,950	7,034	2,319	95,345	5,534	55,801	209,742	74,251	16,611	21,386	137,363	15,050
Total Revenue (all sources)	24,292	32,349	41,142	49,345	58,749	68,365	76,730	86,567	95,799	102,859	112,058	122,259	132,542	141,239	151,901

Year:	2032	2033	2034	2035	2036
Year Number:	16	17	18	19	20
End of Year Reserve Fund Balance	25,075	149,948	157,016	282,204	421,473
Capital Expenditures:	653,957	21,343	139,252	22,983	10,959
Total Revenue (all sources)	144,371	146,216	146,320	148,171	150,229



Alternative 2: Escalating Funding at 5% per Year

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2017	1	\$62,049	\$60,000	\$0	\$0	\$1,807	\$1,600	\$122,255
2018	2	\$122,255	\$63,000	\$0	\$0	\$1,701	\$71,830	\$115,127
2019	3	\$115,127	\$66,150	\$0	\$0	\$2,258	\$30,766	\$152,769
2020	4	\$152,769	\$69,458	\$0	\$0	\$2,149	\$78,950	\$145,426
2021	5	\$145,426	\$72,930	\$0	\$0	\$3,170	\$7,034	\$214,491
2022	6	\$214,491	\$76,577	\$0	\$0	\$4,331	\$2,319	\$293,081
2023	7	\$293,081	\$80,406	\$0	\$0	\$4,172	\$95,345	\$282,314
2024	8	\$282,314	\$84,426	\$0	\$0	\$5,418	\$5,534	\$366,624
2025	9	\$366,624	\$88,647	\$0	\$0	\$5,992	\$55,801	\$405,462
2026	10	\$405,462	\$93,080	\$0	\$0	\$4,332	\$209,742	\$293,131
2027	11	\$293,131	\$97,734	\$0	\$0	\$4,749	\$74,251	\$321,363
2028	12	\$321,363	\$102,620	\$0	\$0	\$6,111	\$16,611	\$413,483
2029	13	\$413,483	\$107,751	\$0	\$0	\$7,498	\$21,386	\$507,345
2030	14	\$507,345	\$107,751	\$0	\$0	\$7,166	\$137,363	\$484,900
2031	15	\$484,900	\$107,751	\$0	\$0	\$8,664	\$15,050	\$586,265
2032	16	\$586,265	\$107,751	\$0	\$0	\$601	\$653,957	\$40,660
2033	17	\$40,660	\$107,751	\$0	\$0	\$1,906	\$21,343	\$128,975
2034	18	\$128,975	\$107,751	\$0	\$0	\$1,462	\$139,252	\$98,936
2035	19	\$98,936	\$107,751	\$0	\$0	\$2,756	\$22,983	\$186,460
2036	20	\$186,460	\$107,751	\$0	\$0	\$4,249	\$10,959	\$287,501

SAMPLE

**Alternative 2: Escalating Funding at 5% per Year**

Beginning Balance as of start of year beginning Jan 2017: \$62,049

CONTRIBUTIONS		
FIRST YR	LAST YR	
\$60,000.00	\$107,751.38	per year
\$833.33	\$1,496.55	per unit per year
\$5,000.00	\$8,979.28	per month
\$69.44	\$124.71	per unit per month

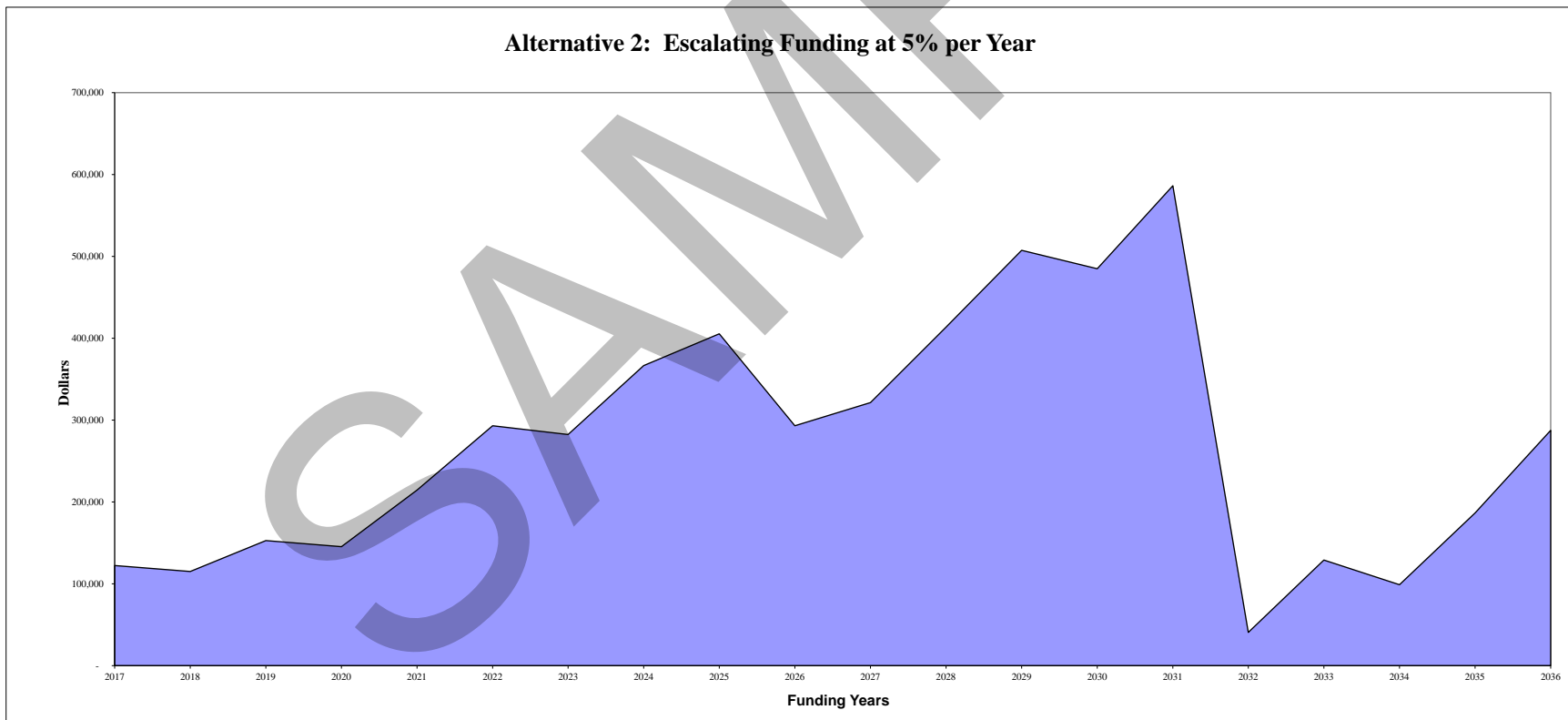
SPECIAL ASSESSMENTS				
First Second	Per Year Per Year	Totals		\$0 \$0
		\$0 \$0	Per Unit Per Unit	

SETTINGS (analyzed by year)		
Starting amount (\$):	5000	
Increment by (%):	5	
Step (%):		
Every	1	year
Frequency:	12	time

**Projected Annual Funding and Expenditures:**

Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	122,255	115,127	152,769	145,426	214,491	293,081	282,314	366,624	405,462	293,131	321,363	413,483	507,345	484,900	586,265
Capital Expenditures:	1,600	71,830	30,766	78,950	7,034	2,319	95,345	5,534	55,801	209,742	74,251	16,611	21,386	137,363	15,050
Total Revenue (all sources)	61,807	64,701	68,408	71,607	76,100	80,908	84,578	89,844	94,639	97,412	102,483	108,731	115,249	114,917	116,415

Year:	2032	2033	2034	2035	2036
Year Number:	16	17	18	19	20
End of Year Reserve Fund Balance	40,660	128,975	98,936	186,460	287,501
Capital Expenditures:	653,957	21,343	139,252	22,983	10,959
Total Revenue (all sources)	108,352	109,657	109,213	110,507	112,000



**Alternative 3: Escalating Funding with Special Assessments**

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2017	1	\$62,049	\$14,400	\$0	\$0	\$1,123	\$1,600	\$75,971
2018	2	\$75,971	\$14,400	\$0	\$0	\$278	\$71,830	\$18,820
2019	3	\$18,820	\$14,400	\$0	\$0	\$37	\$30,766	\$2,490
2020	4	\$2,490	\$14,400	\$288,000	\$0	\$3,389	\$78,950	\$229,330
2021	5	\$229,330	\$14,400	\$0	\$0	\$3,550	\$7,034	\$240,246
2022	6	\$240,246	\$14,400	\$0	\$0	\$3,785	\$2,319	\$256,112
2023	7	\$256,112	\$14,400	\$0	\$0	\$2,628	\$95,345	\$177,795
2024	8	\$177,795	\$14,400	\$0	\$0	\$2,800	\$5,534	\$189,460
2025	9	\$189,460	\$14,400	\$0	\$0	\$2,221	\$55,801	\$150,280
2026	10	\$150,280	\$14,400	\$0	\$972,000	\$0	\$209,742	\$926,938
2027	11	\$926,938	\$14,400	\$0	\$0	\$13,006	\$74,251	\$880,093
2028	12	\$880,093	\$14,400	\$0	\$0	\$13,168	\$16,611	\$891,050
2029	13	\$891,050	\$14,400	\$0	\$0	\$13,261	\$21,386	\$897,325
2030	14	\$897,325	\$14,400	\$0	\$0	\$11,615	\$137,363	\$785,977
2031	15	\$785,977	\$14,400	\$0	\$0	\$11,780	\$15,050	\$797,107
2032	16	\$797,107	\$14,400	\$0	\$0	\$2,363	\$653,957	\$159,913
2033	17	\$159,913	\$14,400	\$0	\$0	\$2,295	\$21,343	\$155,265
2034	18	\$155,265	\$14,400	\$0	\$0	\$456	\$139,252	\$30,869
2035	19	\$30,869	\$14,400	\$0	\$0	\$334	\$22,983	\$22,620
2036	20	\$22,620	\$14,400	\$0	\$0	\$391	\$10,959	\$26,452

SAMPLE

**Alternative 3: Escalating Funding with Special Assessments**

Beginning Balance as of start of year beginning Jan 2017: \$62,049

CONTRIBUTIONS	
FIRST YR	LAST YR
\$14,400.00	\$14,400.00 per year
\$200.00	\$200.00 per unit per year
\$1,200.00	\$1,200.00 per month
\$16.67	\$16.67 per unit per month

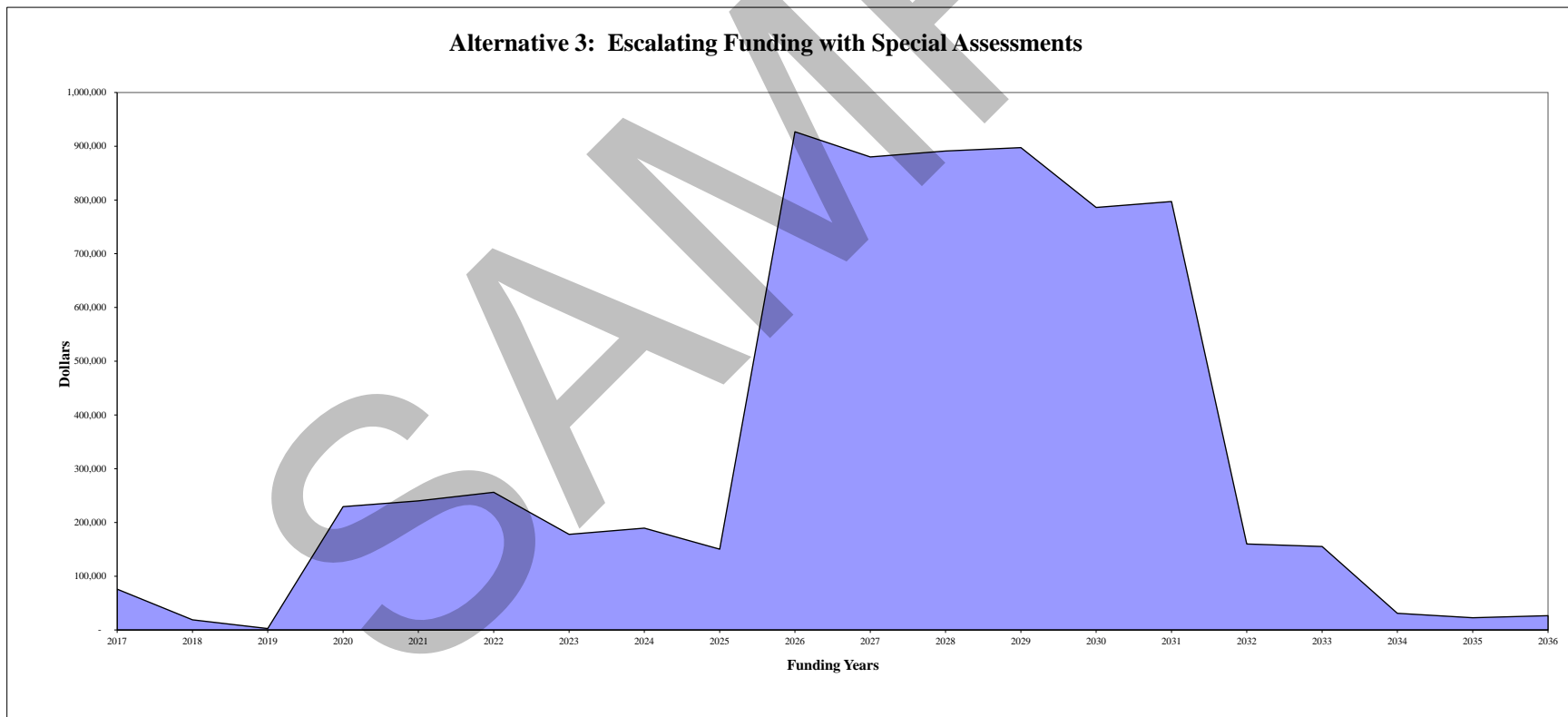
SPECIAL ASSESSMENTS			
		Totals	
First Jan 2020	Per Year	\$288,000	Per Unit \$4,000
Second Jan 2026	Per Year	\$972,000	Per Unit \$13,500

SETTINGS (analyzed by year)	
Starting amount (\$):	1200
Increment by (%):	0
Step (%):	0
Every	3 year
Frequency:	3 time

**Projected Annual Funding and Expenditures:**

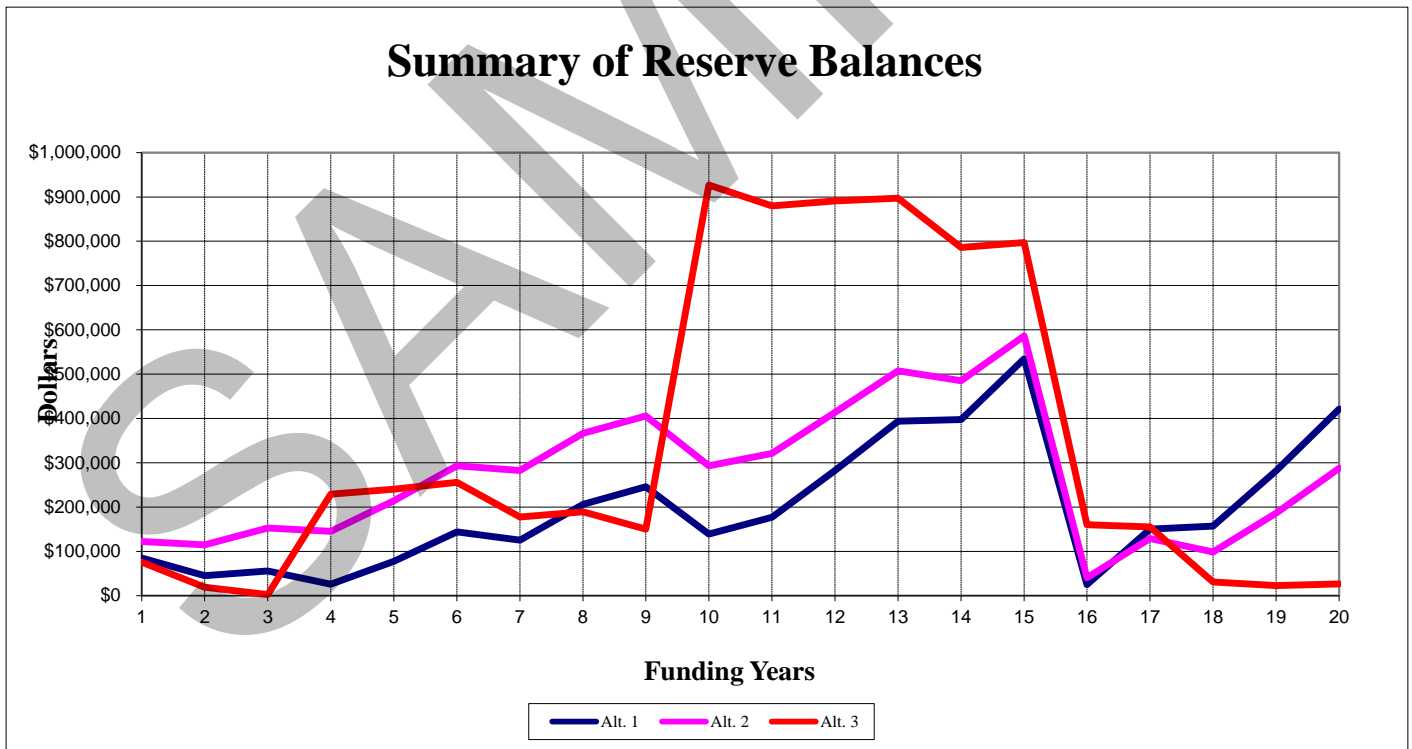
Year:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	75,971	18,820	2,490	229,330	240,246	256,112	177,795	189,460	150,280	926,938	880,093	891,050	897,325	785,977	797,107
Capital Expenditures:	1,600	71,830	30,766	78,950	7,034	2,319	95,345	5,534	55,801	209,742	74,251	16,611	21,386	137,363	15,050
Total Revenue (all sources)	15,523	14,678	14,437	305,789	17,950	18,185	17,028	17,200	16,621	986,400	27,406	27,568	27,661	26,015	26,180

Year:	2032	2033	2034	2035	2036
Year Number:	16	17	18	19	20
End of Year Reserve Fund Balance	159,913	155,265	30,869	22,620	26,452
Capital Expenditures:	653,957	21,343	139,252	22,983	10,959
Total Revenue (all sources)	16,763	16,695	14,856	14,734	14,791



# Summary of Reserve Balances

<u>Year</u>	<u>Year Number</u>	<u>Yearly Expenditures</u>	<u>Alt. 1</u>	<u>Alt. 2</u>	<u>Alt. 3</u>
2017	1	\$1,600	\$84,741	\$122,255	\$75,971
2018	2	\$71,830	\$45,260	\$115,127	\$18,820
2019	3	\$30,766	\$55,636	\$152,769	\$2,490
2020	4	\$78,950	\$26,031	\$145,426	\$229,330
2021	5	\$7,034	\$77,746	\$214,491	\$240,246
2022	6	\$2,319	\$143,792	\$293,081	\$256,112
2023	7	\$95,345	\$125,177	\$282,314	\$177,795
2024	8	\$5,534	\$206,210	\$366,624	\$189,460
2025	9	\$55,801	\$246,208	\$405,462	\$150,280
2026	10	\$209,742	\$139,324	\$293,131	\$926,938
2027	11	\$74,251	\$177,131	\$321,363	\$880,093
2028	12	\$16,611	\$282,779	\$413,483	\$891,050
2029	13	\$21,386	\$393,934	\$507,345	\$897,325
2030	14	\$137,363	\$397,810	\$484,900	\$785,977
2031	15	\$15,050	\$534,661	\$586,265	\$797,107
2032	16	\$653,957	\$25,075	\$40,660	\$159,913
2033	17	\$21,343	\$149,948	\$128,975	\$155,265
2034	18	\$139,252	\$157,016	\$98,936	\$30,869
2035	19	\$22,983	\$282,204	\$186,460	\$22,620
2036	20	\$10,959	\$421,473	\$287,501	\$26,452



**Appendix B: PROJECT PHOTOGRAPHS**