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Update "With-Site-Visit" Reserve Study



Wiggins Bay Foundation, Inc. Naples, FL

Report #: 23210-0
For Period Beginning: January 1, 2018
Expires: December 31, 2018

Date Prepared: October 25, 2017



Hello, and welcome to your Reserve Study!

This Report is a valuable budget planning tool, for with it you control the future of your association. It contains all the fundamental information needed to understand your current and future Reserve obligations, the most significant expenditures your association will face.

With respect to Reserves, this Report will tell you "where you are," and "where to go from here."

In this Report, you will find...

- 1) A List of What you're Reserving For**
- 2) An Evaluation of your Reserve Fund Size and Strength**
- 3) A Recommended Multi-Year Reserve Funding Plan**

More Questions?

Visit our website at www.ReserveStudy.com or call us at:

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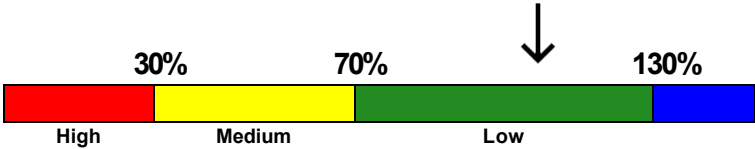
3- Minute Executive Summary

Association: Wiggins Bay Foundation, Inc. **Assoc. #: 23210-0**
Location: Naples, FL **# of Units: 613**
Report Period: January 1, 2018 through December 31, 2018

Findings/Recommendations as-of: January 1, 2018

Projected Starting Reserve Balance	\$359,493
Projected "Fully Funded" (Ideal) Reserve Balance	\$330,365
Average Reserve Deficit (Surplus) Per Owner	(\$48)
Percent Funded	108.8 %
Recommended 2018 "Full Funding" Contributions	\$35,000
Recommended 2018 Special Assessments for Reserves	\$0
Most Recent Reserve Contribution Rate	\$35,000

Reserves % Funded: 108.8%



Special Assessment Risk:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves 1.00 %
Annual Inflation Rate 3.00 %

This document is a "Update, With-Site-Visit" Reserve Study based on a prior study prepared by others for your 2014 Fiscal Year. We performed the site inspection on 9/27/2017

This Reserve Study was prepared or overseen by a credentialed Reserve Specialist (RS). No assets appropriate for Reserve designation were excluded. As of the start of the initial fiscal year shown in this study, your Reserve fund is determined to be 108.8 % Funded. Based on this figure, the Association’s risk of special assessments & deferred maintenance is currently Low. The objective of your multi-year Funding Plan is to Fully Fund your Reserves, where associations enjoy a low risk of such Reserve cash flow problems.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to maintain the same amount of your Reserve contributions in the upcoming fiscal year. Going forward, the contribution rate recommended here should be increased as illustrated on the 30-yr Summary Table.

Reserve Funding Goals and Methodology:

This Reserve Study has been prepared using the “pooled” method of Reserve funding (also known as the cash flow method). The terms "full funding" and/or “fully funding” as used in this Reserve Study are based on the National Reserve Study Standards definition of full funding: "setting a Reserve funding goal to attain and maintain Reserves at or near

100 percent funded." (The definition and means of calculating percent-funded are addressed later in this report.)

In some jurisdictions, the minimum amount of Reserve contributions required when using the pooled method of funding may be less than the amount recommended in this study. For example, in Florida, state requirements require that, at minimum: "the current year contribution should not be less than that required to ensure that the balance on hand at the beginning of the period when the budget will go into effect plus the projected annual cash inflows over the estimated remaining lives of the items in the pool are greater than the estimated cash outflows over the estimated remaining lives of the items in the pool." In other words, the required contribution must be at least enough to ensure that the total Reserve fund balance does not fall below \$0 at any point in the foreseeable future, based on the current projections. The National Reserve Study Standards label this funding goal as "baseline funding."

In our opinion, the National Reserve Study Standards definition of fully funding not only complies with all relevant jurisdictional requirements, but is also more likely to provide an adequate "cushion" of accumulated funds, which will help mitigate financial risks in the event of higher-than-expected component costs, reduced component life expectancies, or other unforeseen negative circumstances. In our experience, Associations that choose to fund their Reserves using a baseline (or threshold) funding goal are significantly more likely to experience special assessments and deferred maintenance in the event of these circumstances.

For Associations using the "straight-line" method of Reserve funding (also known as the component method), an additional table may be added to the Reserve Study to provide alternate recommendations calculated using this method. By nature, the straight-line method may only be used to generate recommended contribution rates for one fiscal year at a time, and does not include any assumptions for interest earnings or inflationary cost increases. When using this method, the required contribution for each component is calculated by estimating the replacement cost for the component, subtracting any available funds already collected, and dividing the resulting difference (herein labeled as the "unfunded balance," measured in dollars) by the remaining useful life of the component, measured in years. The resulting figure is the required amount to fund that component. For groups of like components (i.e. multiple individual roof components, all falling within a 'roof reserve'), the individual contribution amounts are added together to determine the total amount required to fund the group as a whole.

For additional questions or to request more information about reserve funding goals and methods, please contact our office.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Site and Grounds				
2107	Concrete Sidewalks - Repair	4	0	\$2,700
2109	Concrete Curbs & Gutters - Repair	4	0	\$6,500
2119	Pavers (Roadways) - Replace	40	20	\$48,900
2123	Asphalt - Seal/Repair	4	1	\$20,900
2125	Asphalt - Resurface	20	0	\$114,500
2157	Perimeter Walls - Repair/Paint	5	0	\$40,000
2159	Pond Erosion Control - Replace	30	5	\$23,100
2161	Bulkhead (Wood) - Replace	25	0	\$33,575
2169	Sign/Monument - Refurbish/Replace	20	10	\$2,500
2173	Street Lights - Replace	20	12	\$77,400
2383	Gatehouse Roof (Tile) - Replace	25	3	\$18,150
Mechanical/Electrical/Plumbing				
2507	Barcode Reader - Replace	15	5	\$9,250
2511	Barrier Arm Operator (2000) - Repl	15	0	\$12,750
2511	Barrier Arm Operator (2006) - Repl	15	4	\$4,250
2595	Pond Fountain - Replace	10	0	\$3,500

15 Total Funded Components

Note 1: Yellow highlighted line items are expected to require attention in this initial year, green highlighted items are expected to occur within the first-five years.

Introduction



A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.



Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology



For this [Update With-Site-Visit Reserve Study](#), we started with a review of your prior Reserve Study, then looked into recent Reserve expenditures, evaluated how expenditures are handled (ongoing maintenance vs Reserves), and researched any well-established association precedents. We performed an on-site inspection to evaluate your common areas, updating and adjusting your Reserve Component List as appropriate.

Which Physical Assets are Funded by Reserves?

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve



RESERVE COMPONENT "FOUR-PART TEST"

Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

How do we establish Useful Life and Remaining Useful Life estimates?

- 1) Visual Inspection (observed wear and age)
- 2) Association Reserves database of experience
- 3) Client History (install dates & previous life cycle information)
- 4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

- 1) Actual client cost history, or current proposals
- 2) Comparison to Association Reserves database of work done at similar associations
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

- 1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
- 2) Compare that to the Reserve Fund Balance, and express as a percentage.



Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

How much should we contribute?



RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*



FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Site Inspection Notes

During our site visit on 9/27/2017, we visually inspected all common areas, amenities, and other components that are the responsibility of the Association. Please refer to the Component Details section at the end of this document for additional photos, observations and other information regarding each component.



Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses at your association as defined by your Reserve Component List. A summary of these components are shown in the Component Details table, while a summary of the expenses themselves are shown in the 30-yr Cash Flow Detail table.

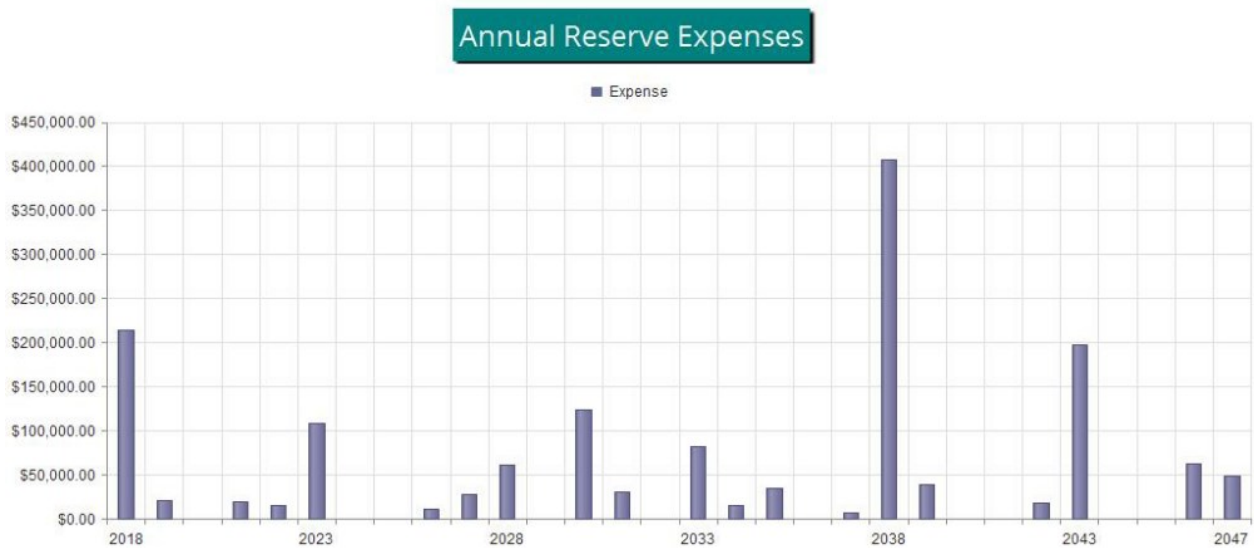


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$359,493 as-of the start of your Fiscal Year on 1/1/2018. This is based either on information provided directly to us, or using your most recent available Reserve account balance, plus any budgeted contributions and less any planned expenses through the end of your Fiscal Year. As of your Fiscal Year Start, your Fully Funded Balance is computed to be \$330,365. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 108.8 % Funded. In our experience, approximately under 1% of associations funded in this range require special assessments as part of their recommended Reserve funding plans.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$35,000 this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

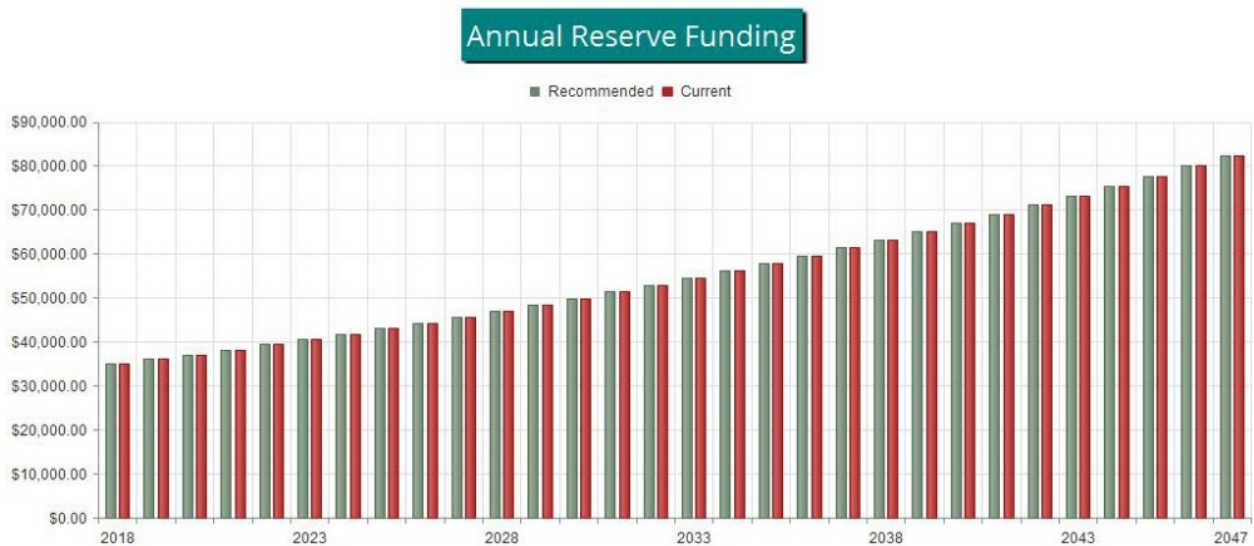


Figure 2

The following chart shows your Reserve balance under our recommended Full Funding Plan and at your current budgeted contribution rate, compared to your always-changing Fully Funded Balance target. Note that the "current" contribution rate as shown here is based on the most recent Reserve contribution rate as reported to us, and assumes an annual increase of 3% to that rate going forward. This rate is included here for comparison purposes only, to illustrate what might happen if the Association were to continue budgeting for Reserves at the same rate as it has most recently done, assuming routine, consistent annual increases.

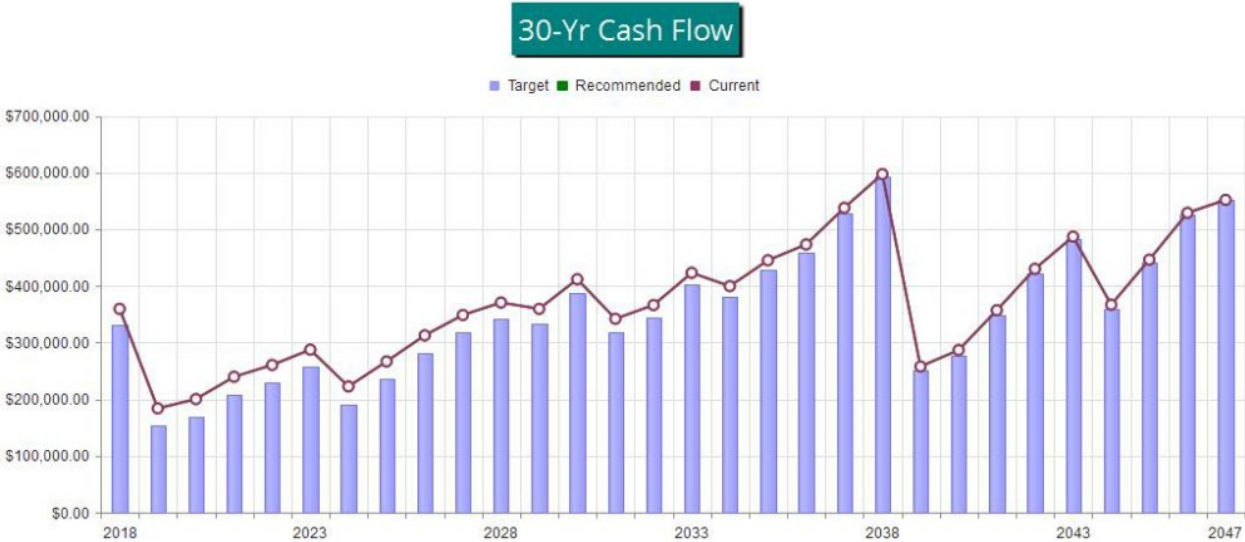


Figure 3

This figure shows the same information described above, but plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan.



Figure 4

Table Descriptions

The tabular information in this Report is broken down into nine tables, not all which may have been chosen by your Project Manager to appear in your report. Tables are listed in the order in which they appear in your Report.

Executive Summary is a summary of your Reserve Components

Budget Summary is a management and accounting tool, summarizing groupings of your Reserve Components.

Analysis Summary provides a summary of the starting financial information and your Project Manager's Financial Analysis decision points.

Reserve Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the association total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the association, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

Accounting-Tax Summary provides information on each Component's proportionate portion of key totals, valuable to accounting professionals primarily during tax preparation time of year.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

Reserve Component List Detail

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# Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate		
				Best Case	Worst Case	
Site and Grounds						
2107	Concrete Sidewalks - Repair	Numerous LF	4	0	\$2,430	\$2,970
2109	Concrete Curbs & Gutters - Repair	Numerous LF	4	0	\$5,850	\$7,150
2119	Pavers (Roadways) - Replace	Approx 9,321 GSF	40	20	\$44,000	\$53,800
2123	Asphalt - Seal/Repair	Approx 15,475 GSY	4	1	\$18,800	\$23,000
2125	Asphalt - Resurface	Approx 15,475 GSY	20	0	\$103,000	\$126,000
2157	Perimeter Walls - Repair/Paint	Approx 3,340 LF	5	0	\$36,000	\$44,000
2159	Pond Erosion Control - Replace	Approx 1,420 LF	30	5	\$20,800	\$25,400
2161	Bulkhead (Wood) - Replace	Approx 170 LF	25	0	\$28,150	\$39,000
2169	Sign/Monument - Refurbish/Replace	(1) Sign	20	10	\$2,000	\$3,000
2173	Street Lights - Replace	(43) Lights	20	12	\$69,700	\$85,100
2383	Gatehouse Roof (Tile) - Replace	Approx 1,100 GSF	25	3	\$16,500	\$19,800
Mechanical/Electrical/Plumbing						
2507	Barcode Reader - Replace	(1) Reader	15	5	\$8,300	\$10,200
2511	Barrier Arm Operator (2000) - Repl	(3) Operators	15	0	\$11,500	\$14,000
2511	Barrier Arm Operator (2006) - Repl	(1) Operator	15	4	\$3,800	\$4,700
2595	Pond Fountain - Replace	(1) Fountain	10	0	\$3,000	\$4,000
15 Total Funded Components						

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Site and Grounds								
2107	Concrete Sidewalks - Repair	\$2,700	X	4	/	4	=	\$2,700
2109	Concrete Curbs & Gutters - Repair	\$6,500	X	4	/	4	=	\$6,500
2119	Pavers (Roadways) - Replace	\$48,900	X	20	/	40	=	\$24,450
2123	Asphalt - Seal/Repair	\$20,900	X	3	/	4	=	\$15,675
2125	Asphalt - Resurface	\$114,500	X	20	/	20	=	\$114,500
2157	Perimeter Walls - Repair/Paint	\$40,000	X	5	/	5	=	\$40,000
2159	Pond Erosion Control - Replace	\$23,100	X	25	/	30	=	\$19,250
2161	Bulkhead (Wood) - Replace	\$33,575	X	25	/	25	=	\$33,575
2169	Sign/Monument - Refurbish/Replace	\$2,500	X	10	/	20	=	\$1,250
2173	Street Lights - Replace	\$77,400	X	8	/	20	=	\$30,960
2383	Gatehouse Roof (Tile) - Replace	\$18,150	X	22	/	25	=	\$15,972
Mechanical/Electrical/Plumbing								
2507	Barcode Reader - Replace	\$9,250	X	10	/	15	=	\$6,167
2511	Barrier Arm Operator (2000) - Repl	\$12,750	X	15	/	15	=	\$12,750
2511	Barrier Arm Operator (2006) - Repl	\$4,250	X	11	/	15	=	\$3,117
2595	Pond Fountain - Replace	\$3,500	X	10	/	10	=	\$3,500
								\$330,365

30-Year Reserve Plan Summary

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Fiscal Year Start: 2018

Interest:

1.00 %

Inflation:

3.00 %

Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase		Loan or Special Assmts	Interest Income	Reserve Expenses
					In Annual Reserve Contribs.	Reserve Contribs.			
2018	\$359,493	\$330,365	108.8 %	Low	0.00 %	\$35,000	\$0	\$2,715	\$213,525
2019	\$183,683	\$152,694	120.3 %	Low	3.00 %	\$36,050	\$0	\$1,918	\$21,527
2020	\$200,124	\$168,421	118.8 %	Low	3.00 %	\$37,132	\$0	\$2,197	\$0
2021	\$239,452	\$207,793	115.2 %	Low	3.00 %	\$38,245	\$0	\$2,498	\$19,833
2022	\$260,363	\$228,947	113.7 %	Low	3.00 %	\$39,393	\$0	\$2,737	\$15,138
2023	\$287,355	\$256,632	112.0 %	Low	3.00 %	\$40,575	\$0	\$2,548	\$108,102
2024	\$222,375	\$190,486	116.7 %	Low	3.00 %	\$41,792	\$0	\$2,444	\$0
2025	\$266,611	\$234,827	113.5 %	Low	3.00 %	\$43,046	\$0	\$2,895	\$0
2026	\$312,551	\$281,657	111.0 %	Low	3.00 %	\$44,337	\$0	\$3,304	\$11,654
2027	\$348,537	\$319,081	109.2 %	Low	3.00 %	\$45,667	\$0	\$3,594	\$27,270
2028	\$370,529	\$342,773	108.1 %	Low	3.00 %	\$47,037	\$0	\$3,648	\$61,820
2029	\$359,394	\$332,855	108.0 %	Low	3.00 %	\$48,448	\$0	\$3,854	\$0
2030	\$411,696	\$387,619	106.2 %	Low	3.00 %	\$49,902	\$0	\$3,766	\$123,471
2031	\$341,893	\$318,194	107.4 %	Low	3.00 %	\$51,399	\$0	\$3,539	\$30,692
2032	\$366,138	\$343,632	106.5 %	Low	3.00 %	\$52,941	\$0	\$3,944	\$0
2033	\$423,022	\$402,871	105.0 %	Low	3.00 %	\$54,529	\$0	\$4,111	\$82,183
2034	\$399,479	\$380,708	104.9 %	Low	3.00 %	\$56,165	\$0	\$4,221	\$14,763
2035	\$445,102	\$428,833	103.8 %	Low	3.00 %	\$57,850	\$0	\$4,589	\$34,545
2036	\$472,995	\$459,584	102.9 %	Low	3.00 %	\$59,585	\$0	\$5,051	\$0
2037	\$537,632	\$528,443	101.7 %	Low	3.00 %	\$61,373	\$0	\$5,672	\$7,452
2038	\$597,224	\$593,344	100.7 %	Low	3.00 %	\$63,214	\$0	\$4,273	\$407,007
2039	\$257,703	\$250,353	102.9 %	Low	3.00 %	\$65,110	\$0	\$2,721	\$38,880
2040	\$286,654	\$277,995	103.1 %	Low	3.00 %	\$67,064	\$0	\$3,217	\$0
2041	\$356,934	\$348,318	102.5 %	Low	3.00 %	\$69,076	\$0	\$3,933	\$0
2042	\$429,942	\$422,610	101.7 %	Low	3.00 %	\$71,148	\$0	\$4,583	\$18,702
2043	\$486,971	\$481,784	101.1 %	Low	3.00 %	\$73,282	\$0	\$4,267	\$197,810
2044	\$366,710	\$360,225	101.8 %	Low	3.00 %	\$75,481	\$0	\$4,063	\$0
2045	\$446,254	\$440,794	101.2 %	Low	3.00 %	\$77,745	\$0	\$4,874	\$0
2046	\$528,873	\$525,874	100.6 %	Low	3.00 %	\$80,077	\$0	\$5,401	\$62,575
2047	\$551,776	\$551,210	100.1 %	Low	3.00 %	\$82,480	\$0	\$5,710	\$49,252

30-Year Income/Expense Detail (yrs 0 through 4)

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Fiscal Year	2018	2019	2020	2021	2022
Starting Reserve Balance	\$359,493	\$183,683	\$200,124	\$239,452	\$260,363
Annual Reserve Contribution	\$35,000	\$36,050	\$37,132	\$38,245	\$39,393
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$2,715	\$1,918	\$2,197	\$2,498	\$2,737
Total Income	\$397,208	\$221,651	\$239,452	\$280,196	\$302,493
# Component					
Site and Grounds					
2107 Concrete Sidewalks - Repair	\$2,700	\$0	\$0	\$0	\$3,039
2109 Concrete Curbs & Gutters - Repair	\$6,500	\$0	\$0	\$0	\$7,316
2119 Pavers (Roadways) - Replace	\$0	\$0	\$0	\$0	\$0
2123 Asphalt - Seal/Repair	\$0	\$21,527	\$0	\$0	\$0
2125 Asphalt - Resurface	\$114,500	\$0	\$0	\$0	\$0
2157 Perimeter Walls - Repair/Paint	\$40,000	\$0	\$0	\$0	\$0
2159 Pond Erosion Control - Replace	\$0	\$0	\$0	\$0	\$0
2161 Bulkhead (Wood) - Replace	\$33,575	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
2173 Street Lights - Replace	\$0	\$0	\$0	\$0	\$0
2383 Gatehouse Roof (Tile) - Replace	\$0	\$0	\$0	\$19,833	\$0
Mechanical/Electrical/Plumbing					
2507 Barcode Reader - Replace	\$0	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2000) - Repl	\$12,750	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2006) - Repl	\$0	\$0	\$0	\$0	\$4,783
2595 Pond Fountain - Replace	\$3,500	\$0	\$0	\$0	\$0
Total Expenses	\$213,525	\$21,527	\$0	\$19,833	\$15,138
Ending Reserve Balance	\$183,683	\$200,124	\$239,452	\$260,363	\$287,355

Fiscal Year	2023	2024	2025	2026	2027
Starting Reserve Balance	\$287,355	\$222,375	\$266,611	\$312,551	\$348,537
Annual Reserve Contribution	\$40,575	\$41,792	\$43,046	\$44,337	\$45,667
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$2,548	\$2,444	\$2,895	\$3,304	\$3,594
Total Income	\$330,477	\$266,611	\$312,551	\$360,192	\$397,798
# Component					
Site and Grounds					
2107 Concrete Sidewalks - Repair	\$0	\$0	\$0	\$3,420	\$0
2109 Concrete Curbs & Gutters - Repair	\$0	\$0	\$0	\$8,234	\$0
2119 Pavers (Roadways) - Replace	\$0	\$0	\$0	\$0	\$0
2123 Asphalt - Seal/Repair	\$24,229	\$0	\$0	\$0	\$27,270
2125 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
2157 Perimeter Walls - Repair/Paint	\$46,371	\$0	\$0	\$0	\$0
2159 Pond Erosion Control - Replace	\$26,779	\$0	\$0	\$0	\$0
2161 Bulkhead (Wood) - Replace	\$0	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
2173 Street Lights - Replace	\$0	\$0	\$0	\$0	\$0
2383 Gatehouse Roof (Tile) - Replace	\$0	\$0	\$0	\$0	\$0
Mechanical/Electrical/Plumbing					
2507 Barcode Reader - Replace	\$10,723	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2000) - Repl	\$0	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2006) - Repl	\$0	\$0	\$0	\$0	\$0
2595 Pond Fountain - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$108,102	\$0	\$0	\$11,654	\$27,270
Ending Reserve Balance	\$222,375	\$266,611	\$312,551	\$348,537	\$370,529

Fiscal Year	2028	2029	2030	2031	2032
Starting Reserve Balance	\$370,529	\$359,394	\$411,696	\$341,893	\$366,138
Annual Reserve Contribution	\$47,037	\$48,448	\$49,902	\$51,399	\$52,941
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,648	\$3,854	\$3,766	\$3,539	\$3,944
Total Income	\$421,214	\$411,696	\$465,363	\$396,830	\$423,022
# Component					
Site and Grounds					
2107 Concrete Sidewalks - Repair	\$0	\$0	\$3,850	\$0	\$0
2109 Concrete Curbs & Gutters - Repair	\$0	\$0	\$9,267	\$0	\$0
2119 Pavers (Roadways) - Replace	\$0	\$0	\$0	\$0	\$0
2123 Asphalt - Seal/Repair	\$0	\$0	\$0	\$30,692	\$0
2125 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
2157 Perimeter Walls - Repair/Paint	\$53,757	\$0	\$0	\$0	\$0
2159 Pond Erosion Control - Replace	\$0	\$0	\$0	\$0	\$0
2161 Bulkhead (Wood) - Replace	\$0	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$3,360	\$0	\$0	\$0	\$0
2173 Street Lights - Replace	\$0	\$0	\$110,354	\$0	\$0
2383 Gatehouse Roof (Tile) - Replace	\$0	\$0	\$0	\$0	\$0
Mechanical/Electrical/Plumbing					
2507 Barcode Reader - Replace	\$0	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2000) - Repl	\$0	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2006) - Repl	\$0	\$0	\$0	\$0	\$0
2595 Pond Fountain - Replace	\$4,704	\$0	\$0	\$0	\$0
Total Expenses	\$61,820	\$0	\$123,471	\$30,692	\$0
Ending Reserve Balance	\$359,394	\$411,696	\$341,893	\$366,138	\$423,022

Fiscal Year	2033	2034	2035	2036	2037
Starting Reserve Balance	\$423,022	\$399,479	\$445,102	\$472,995	\$537,632
Annual Reserve Contribution	\$54,529	\$56,165	\$57,850	\$59,585	\$61,373
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$4,111	\$4,221	\$4,589	\$5,051	\$5,672
Total Income	\$481,662	\$459,865	\$507,540	\$537,632	\$604,676
# Component					
Site and Grounds					
2107 Concrete Sidewalks - Repair	\$0	\$4,333	\$0	\$0	\$0
2109 Concrete Curbs & Gutters - Repair	\$0	\$10,431	\$0	\$0	\$0
2119 Pavers (Roadways) - Replace	\$0	\$0	\$0	\$0	\$0
2123 Asphalt - Seal/Repair	\$0	\$0	\$34,545	\$0	\$0
2125 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
2157 Perimeter Walls - Repair/Paint	\$62,319	\$0	\$0	\$0	\$0
2159 Pond Erosion Control - Replace	\$0	\$0	\$0	\$0	\$0
2161 Bulkhead (Wood) - Replace	\$0	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
2173 Street Lights - Replace	\$0	\$0	\$0	\$0	\$0
2383 Gatehouse Roof (Tile) - Replace	\$0	\$0	\$0	\$0	\$0
Mechanical/Electrical/Plumbing					
2507 Barcode Reader - Replace	\$0	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2000) - Repl	\$19,864	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2006) - Repl	\$0	\$0	\$0	\$0	\$7,452
2595 Pond Fountain - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$82,183	\$14,763	\$34,545	\$0	\$7,452
Ending Reserve Balance	\$399,479	\$445,102	\$472,995	\$537,632	\$597,224

Fiscal Year	2038	2039	2040	2041	2042
Starting Reserve Balance	\$597,224	\$257,703	\$286,654	\$356,934	\$429,942
Annual Reserve Contribution	\$63,214	\$65,110	\$67,064	\$69,076	\$71,148
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$4,273	\$2,721	\$3,217	\$3,933	\$4,583
Total Income	\$664,710	\$325,534	\$356,934	\$429,942	\$505,673
# Component					
Site and Grounds					
2107 Concrete Sidewalks - Repair	\$4,877	\$0	\$0	\$0	\$5,489
2109 Concrete Curbs & Gutters - Repair	\$11,740	\$0	\$0	\$0	\$13,213
2119 Pavers (Roadways) - Replace	\$88,319	\$0	\$0	\$0	\$0
2123 Asphalt - Seal/Repair	\$0	\$38,880	\$0	\$0	\$0
2125 Asphalt - Resurface	\$206,800	\$0	\$0	\$0	\$0
2157 Perimeter Walls - Repair/Paint	\$72,244	\$0	\$0	\$0	\$0
2159 Pond Erosion Control - Replace	\$0	\$0	\$0	\$0	\$0
2161 Bulkhead (Wood) - Replace	\$0	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
2173 Street Lights - Replace	\$0	\$0	\$0	\$0	\$0
2383 Gatehouse Roof (Tile) - Replace	\$0	\$0	\$0	\$0	\$0
Mechanical/Electrical/Plumbing					
2507 Barcode Reader - Replace	\$16,707	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2000) - Repl	\$0	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2006) - Repl	\$0	\$0	\$0	\$0	\$0
2595 Pond Fountain - Replace	\$6,321	\$0	\$0	\$0	\$0
Total Expenses	\$407,007	\$38,880	\$0	\$0	\$18,702
Ending Reserve Balance	\$257,703	\$286,654	\$356,934	\$429,942	\$486,971

Fiscal Year	2043	2044	2045	2046	2047
Starting Reserve Balance	\$486,971	\$366,710	\$446,254	\$528,873	\$551,776
Annual Reserve Contribution	\$73,282	\$75,481	\$77,745	\$80,077	\$82,480
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$4,267	\$4,063	\$4,874	\$5,401	\$5,710
Total Income	\$564,520	\$446,254	\$528,873	\$614,351	\$639,966
# Component					
Site and Grounds					
2107 Concrete Sidewalks - Repair	\$0	\$0	\$0	\$6,177	\$0
2109 Concrete Curbs & Gutters - Repair	\$0	\$0	\$0	\$14,872	\$0
2119 Pavers (Roadways) - Replace	\$0	\$0	\$0	\$0	\$0
2123 Asphalt - Seal/Repair	\$43,760	\$0	\$0	\$0	\$49,252
2125 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
2157 Perimeter Walls - Repair/Paint	\$83,751	\$0	\$0	\$0	\$0
2159 Pond Erosion Control - Replace	\$0	\$0	\$0	\$0	\$0
2161 Bulkhead (Wood) - Replace	\$70,299	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
2173 Street Lights - Replace	\$0	\$0	\$0	\$0	\$0
2383 Gatehouse Roof (Tile) - Replace	\$0	\$0	\$0	\$41,526	\$0
Mechanical/Electrical/Plumbing					
2507 Barcode Reader - Replace	\$0	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2000) - Repl	\$0	\$0	\$0	\$0	\$0
2511 Barrier Arm Operator (2006) - Repl	\$0	\$0	\$0	\$0	\$0
2595 Pond Fountain - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$197,810	\$0	\$0	\$62,575	\$49,252
Ending Reserve Balance	\$366,710	\$446,254	\$528,873	\$551,776	\$590,714

Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. William G. Simons, RS is the President of Association Reserves – Florida, LLC and is a credentialed Reserve Specialist (#190). All work done by Association Reserves – Florida, LLC is performed under his Responsible Charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

In accordance with National Reserve Study Standards, information provided by the official representative(s) of the client regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable for use in preparing the Reserve Study, and is not intended to be used for the purpose of performing any type of audit, quality/forensic analysis, or background checks of historical records.

For "Full" Reserve Study levels of service, we attempt to establish measurements and component quantities within 5% accuracy through a combination of on-site measurements and observations, review of any available building plans or drawings, and/or any other reliable means. For "Update, With Site Visit" and "Update, No Site Visit" Reserve Study levels of service, the client is considered to have deemed previously developed component quantities as accurate and reliable, including quantities that may have been established by other individuals/firms.

The scope of work for this Reserve Study includes visual inspection of accessible areas and components, and does not include any destructive or other means of testing. We do not inspect or investigate for construction defects, hazardous materials, or hidden issues such as plumbing or electrical problems, or problems with sub-surface drainage system components. Information provided to us about historical or upcoming projects, including information provided by the client's vendors and suppliers, will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection. Our opinions of component useful life, remaining useful life, and cost estimates assume proper original installation/construction, adherence to recommended preventive maintenance guidelines and best practices, a stable economic environment and do not consider the frequency or severity of natural disasters. Our opinions of component useful life, remaining useful life and current and future cost estimates are not a warranty or guarantee of the actual costs and timing of any component repairs or replacements.

The actual or projected total Reserve account balance(s) presented in the Reserve Study is/are based upon information provided and was/were not audited. Because the physical condition of the client's components, the client's Reserve balance, the economic environment, and the legislative environment change each year, this Reserve Study is by nature a "one-year" document. Reality often differs from even the best assumptions due to the changing economy, physical factors including weather and usage, client financial decisions, legislation, or owner expectations. It is only because a long-term perspective improves the accuracy of near-term planning that this Reserve Study projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of these expense projections, and the funding necessary to prepare for those estimated expenses. Because we have no control over future events, we do not expect that all the events we anticipate will occur as planned. We expect that inflationary trends will continue, and we expect Reserve funds to continue to earn interest, so we believe that reasonable estimates for these figures are much more accurate than ignoring these economic realities.

The Funding Plan in this Report was developed using the cash-flow methodology to achieve the specified Funding Objective. Compensation for this Reserve Study is not contingent upon client's agreement with our conclusions or recommendations, and Association Reserves' liability in any matter involving this Reserve Study is limited to our Fees for services rendered.

Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)
Effective Age	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
Fully Funded Balance (FFB)	The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.
Inflation	Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on the "30-yr Income/Expense Detail" table.
Interest	Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.
Percent Funded	The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life (RUL)	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
Useful Life (UL)	The estimated time, in years, that a common area component can be expected to serve its intended function.

Component Details

The following pages contain a great deal of detailed observations, photos, and commentary related to each component included in the Reserve Study. All components are included as necessary and appropriate, consistent with Florida Statutes and National Reserve Study Standards.

Inspecting for construction defects, performing destructive testing to search for hidden issues (such as plumbing or electrical problems), environmental hazards (asbestos, radon, lead, etc.), or accounting for unpredictable acts of nature are all outside our scope of work and such components are not included herein unless otherwise noted.

Site and Grounds

Comp #: 2107 Concrete Sidewalks - Repair

Quantity: Numerous LF

Location:

Funded?: Yes.

History: The association installed sidewalks in 2014 for \$46,000, and plans to raise a certain quantity in 2018, according to the Manager.

Evaluation: No quantity provided. Costs are based on repairs to 200 LF limited portion only.

Fair condition: Concrete sidewalks determined to be in fair condition typically exhibit minor changes in slope and a moderate percentage of cracking and surface wear. Trip hazards may be increasing in frequency and severity and should be closely monitored to prevent further risks.

Repair any trip and fall hazards immediately to ensure safety. As routine maintenance, inspect regularly, pressure wash for appearance and repair promptly as needed to prevent water penetrating into the base and causing further damage. In our experience, larger repair/replacement expenses emerge as the community ages, especially as trees adjacent to sidewalks continue to grow. Although difficult to predict timing, cost and scope, we suggest a rotating funding allowance to supplement the operating/maintenance budget for periodic larger repairs. Adjust as conditions, actual expense patterns dictate within future Reserve Study updates.

Useful Life:
4 years

Remaining Life:
0 years



Best Case: \$ 2,430

Worst Case: \$ 2,970

Lower estimate for local repairs

Higher estimate

Cost Source: Estimate Provided by Client

Comp #: 2109 Concrete Curbs & Gutters - Repair

Quantity: Numerous LF

Location:

Funded?: Yes.

History: Associations plans to conduct repairs to 12 sections of concrete valley gutter (112 LF) for \$3,645 in 2018, according to the Manager's provided bid.

Evaluation: No quantity provided. Costs are based on repairs to 200 LF limited portion only.

Fair condition: Concrete curbs and gutters determined to be in fair condition typically may start to exhibit minor hair-line cracks and minimal vehicle damage, particularly in high-traffic areas.

Although complete replacement of all areas together should not be required, conditions observed merit inclusion of an allowance for ongoing repairs and partial replacements. Timeline and cost ranges shown here should be re-evaluated during future Reserve Study updates.

Useful Life:
4 years

Remaining Life:
0 years



Best Case: \$ 5,850

Worst Case: \$ 7,150

Lower estimate for local repairs

Higher estimate

Cost Source: Estimate Provided by Client

Comp #: 2119 Pavers (Roadways) - Replace

Quantity: Approx 9,321 GSF

Location: Roadways throughout development

Funded?: Yes.

History:

Evaluation: All quantities are from previous 2014 reserve study prepared by others, unless otherwise indicated.

Fair condition: Paver roadways and/or parking sections determined to be in fair condition typically exhibit some amount of minor displacement, lifting and tripping hazards, most often in high-traffic areas. Signs of wear and age are evident, but not advanced. Overall appear to be aging normally.

As routine maintenance, pavers should be inspected to identify any physical issues such as lifting, cracking, and excessive surface wear. We recommend maintaining a small amount of spare pavers on site for replacement in the event of breakage. At long intervals, sunlight, weather and vehicle traffic can degrade the condition of the material, requiring replacement for structural and/or aesthetic reasons. Schedule shown here may be updated based on the aesthetic preferences of the association and standards in the local area. Some associations choose to apply a sealer coat, which may help preserve and/or enhance aesthetic appeal.

Useful Life:
40 years

Remaining Life:
20 years



Best Case: \$ 44,000

Worst Case: \$ 53,800

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database/Client Cost History

Comp #: 2123 Asphalt - Seal/Repair

Quantity: Approx 15,475 GSY

Location: Asphalt throughout development

Funded?: Yes.

History: Association seal coated roads in 2014 for a cost \$14,000, according to the Manager.

Evaluation: Poor condition: Asphalt seal-coat determined to be in poor condition is typically not uniform, and may be very light in color, especially in higher-traffic areas. Traffic markings do not contrast well with pavement and are faded and worn.

POST-RESURFACE: Seal-coating is recommended, but only after completion of asphalt resurfacing in order to obtain a good return on investment. Remaining useful life shown here is intended to cycle initial application one year later than remaining useful life shown for asphalt resurfacing as noted elsewhere in this study. Typical vendor and manufacturer recommendations call for initial application roughly 6-12 months following repaving/resurfacing. Asphalt should then be re-sealed at recurring intervals based on the useful life shown for this component.

Useful Life:
4 years

Remaining Life:
1 years



Best Case: \$ 18,800

Worst Case: \$ 23,000

Lower estimate to seal/repair

Higher estimate

Cost Source: AR Cost Database/Client Cost History

Comp #: 2125 Asphalt - Resurface

Quantity: Approx 15,475 GSY

Location: Asphalt throughout development

Funded?: Yes.

History: Association plans to resurface roads for \$114,360 in 2018 according to the Manager's provided bid.

Evaluation: Quantities are per quote provided. Poor condition: Asphalt pavement determined to be in poor condition typically exhibits more substantial, consistent patterns of wear and age, including longer, wider cracks and/or patterns of cracking.

Raveling is more advanced, resulting in dimpled, rougher texture over most (if not all) areas. Color has faded and curb appeal is declining. At this stage, timeline for resurfacing should be discussed and proper scope of work developed.

As routine maintenance, keep roadway clean, free of debris and well drained; fill/seal cracks to prevent water from penetrating into the sub-base and accelerating damage. Even with ordinary care and maintenance, plan for eventual large scale resurface (milling and overlay of all asphalt surfaces is recommended here, unless otherwise noted) at roughly the time frame below. Take note of any areas of ponding water or other drainage concerns, and incorporate repairs into scope of work for resurfacing. Our inspection is visual only and does not incorporate any core sampling or other testing, which may be advisable when asphalt is nearing end of useful life. Some communities choose to work with independent paving consultants or engineering firms in order to identify any hidden concerns and develop scope of work prior to bidding. If more comprehensive analysis becomes available, incorporate findings into future Reserve Study updates as appropriate.

Useful Life:
20 years

Remaining Life:
0 years



Best Case: \$ 103,000

Worst Case: \$ 126,000

Lower estimate to resurface

Higher estimate

Cost Source: Estimate Provided by Client

Comp #: 2157 Perimeter Walls - Repair/Paint

Quantity: Approx 3,340 LF

Location: Perimeter of development along North and East property line.

Funded?: Yes.

History: Perimeter wall and the gatehouse are to be painted in 2018 for a cost of \$40,000, according to the Manager.

Evaluation: Approximately 5-feet tall. Quantity of paint for gatehouse is incidental. Condition based on RUL: Poor condition:

Perimeter walls determined to be in poor condition typically exhibit more advanced surface wear, and easily noticeable inconsistent color/texture or staining. Curb appeal is usually affected at this stage. In advanced cases, cracking and/or other structural concerns may be widespread and additional repairs may be required prior to painting.

Perimeter site walls should be inspected periodically to identify and weakened/leaning sections which may need to be stabilized. Expect to repair as needed and paint at roughly the interval shown here in order to maintain a good, consistent appearance in the common areas. If designed and constructed properly, perimeter walls should not have a predictable need for complete replacement. If settling, major deterioration or damage become evident over time, this component should be re-evaluated during future Reserve Study updates and funding recommendations for complete replacement added as appropriate.

Useful Life:
5 years

Remaining Life:
0 years



Best Case: \$ 36,000

Worst Case: \$ 44,000

Lower estimate to repair/paint

Higher estimate

Cost Source: Estimate Provided by Client

Comp #: 2159 Pond Erosion Control - Replace

Quantity: Approx 1,420 LF

Location: Waterline at retention pond(s)

Funded?: Yes.

History:

Evaluation: No quantity provided. Quantity is based on satellite imagery obtained approximate length minus length occupied by bulkheads. Pond has increased in size approximately from 75,000 SF in 2008 to 82,000 SF in 2017.

Fair condition: Pond erosion control measures determined to be in fair condition typically exhibit a mostly uniform slope with minor erosion of shore material and possibly some gaps in ground cover.

There are a variety of pond erosion control measures in use today. Some methods include installation of rock revetments and/or rip-rap. Increasingly, many developments are utilizing various geotextile fabric products, which are placed along shorelines and typically covered over with turf and/or rock. In our experience, once installed, these types of materials should have an indefinite lifespan with no predictable need to completely replace all areas at one time. In some cases, repairs to individual sections may be required and should be completed as needed. We recommend budgeting for major repairs/restoration or complete replacement at the approximate interval shown here.

Useful Life:
30 years

Remaining Life:
5 years



Best Case: \$ 20,800

Worst Case: \$ 25,400

Lower estimate to replace

Higher estimate

Cost Source: Client Cost History, plus Inflation

Comp #: 2161 Bulkhead (Wood) - Replace

Quantity: Approx 170 LF

Location: Bulkhead or Retention Wall at pond

Funded?: Yes.

History: Bulkhead or Retention Wall at pond is to be replaced in 2018 for a cost of \$28,150, according to bids provided by the Manager. A vinyl wall option will cost \$39,000.

Evaluation: Quantity was provided by vendor. Poor condition: Wood bulkheads determined to be in poor condition may exhibit structural concerns such as poor alignment, bowing or bulging sections or advanced wear/deterioration on exposed surfaces. Possible signs of flushing or erosion under or through the bulkhead may be evident. At this stage, further inspection should be completed, possibly including underwater evaluation.

Bulkheads should be inspected periodically as a routine maintenance task. If present, cracks, sagging or bulging sections, seepage through the wall and erosion at land-side are all causes for concern and should be investigated more thoroughly by a qualified engineer, experienced marine contractor or other professional. Our evaluation is based on a visual inspection of accessible areas only and is not intended to be for anything other than budgeting and planning purposes. In our experience, complete replacement is often required at the approximate interval shown here, but actual life expectancy can vary greatly between properties, depending on original construction method, material quality, environmental exposure, etc. Keep track of any significant repair projects or other inspection results, and incorporate information as needed into future Reserve Study updates.

Useful Life:
25 years

Remaining Life:
0 years



Best Case: \$ 28,150

Worst Case: \$ 39,000

Lower estimate to replace

Higher estimate

Cost Source: Estimates Provided by Client

Comp #: 2169 Sign/Monument - Refurbish/Replace

Quantity: (1) Sign

Location: Main entry to community

Funded?: Yes.

History:

Evaluation: Attached to perimeter wall. Relatively small size. Fair condition: Monument signage determined to be in fair condition typically exhibits acceptable appearance and aesthetics in keeping with local area, but with more weathering and wear showing on surfaces. If present, landscaping and lighting are still in serviceable condition. At this stage, signage may be becoming more dated and diminishing in appeal.

As routine maintenance, inspect regularly, clean/touch-up and repair as an Operating expense. Plan to refurbish or replace at the interval below. Timing and scope of refurbishing or replacement projects is subjective but should always be scheduled in order to maintain good curb appeal. In our experience, most Associations choose to refurbish or replace signage periodically in order to maintain good appearance and aesthetics in keeping with local area, often before signage is in poor physical condition. If present, concrete walls are expected to be painted and repaired as part of refurbishing, but not fully replaced unless otherwise noted. Costs can vary significantly depending on style/type desired, and may include additional costs for design work, landscaping, lighting, water features, etc. Reserve Study updates should incorporate any estimates or information collected regarding potential projects.

Useful Life:
20 years

Remaining Life:
10 years



Best Case: \$ 2,000

Worst Case: \$ 3,000

Lower estimate to refurbish/replace

Higher estimate

Cost Source: AR Cost Database

Comp #: 2173 Street Lights - Replace

Quantity: (43) Lights

Location: Throughout development

Funded?: Yes.

History:

Evaluation: All quantities are from previous reserve study prepared by others in 2014 unless otherwise indicated. Good condition: Streetlights determined to be in good condition typically exhibit good surface finishes with only minor, normal signs of wear. Fixtures are intact and clear with no unusual signs of age. Style is consistent and appropriate for local aesthetic standards.

Lights were inspected during daylight hours but are assumed to be functional. Bulbs are expected to be replaced as needed as an Operating expense. Replacement should be considered at the approximate interval shown below to ensure good function and maintain good appearance in the common areas. Replacement costs can vary greatly depending on replacement type; estimates shown here are based on replacement with a comparable size and design as are currently in place, unless otherwise noted.

Useful Life:
20 years

Remaining Life:
12 years



Best Case: \$ 69,700

Worst Case: \$ 85,100

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

Comp #: 2383 Gatehouse Roof (Tile) - Replace

Quantity: Approx 1,100 GSF

Location:

Funded?: Yes.

History:

Evaluation: No quantity provided. Quantity is based on satellite imagery obtained approximate area. Poor condition but serviceable. The timeline for tile roof replacement is generally estimated based on the age of the roof. Remaining useful life can also be adjusted based on inspection of any accessible areas, looking for any cracked, slipping or missing tiles, as well as consultation with the client about history of repairs and preventive maintenance. Typical replacement includes removal and replacement of tiles and underlayment, with repairs to any damaged substrate made as needed. Tile roofing is typically a long-lived component assuming it was properly installed and is properly maintained. The primary reason to replace tile roofs is not based on the condition of the tiles themselves, whose main purpose is to provide a barrier for the underlayment which is the actual waterproofing layer of the roof system. As routine maintenance, many manufacturers recommend inspections at least twice annually and after large storm events. Promptly replace any damaged/missing sections or conduct any other repair needed to ensure waterproof integrity of roof. We recommend having roof inspected in greater detail (including conditions of sub-surface materials) by an independent roofing consultant prior to replacement. There is a wealth of information available through organizations such as the Roof Consultant Institute <http://www.rci-online.org/> and the National Roofing Contractors Association (NRCA) <http://www.nrca.net/>. If the roof has a warranty, be sure to review terms and conduct proper inspections/repairs as needed to keep warranty in force.

Useful Life:
25 years

Remaining Life:
3 years



Best Case: \$ 16,500

Worst Case: \$ 19,800

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

Mechanical/Electrical/Plumbing

Comp #: 2507 Barcode Reader - Replace

Quantity: (1) Reader

Location: Main entrance to association

Funded?: Yes.

History:

Evaluation: BAI brand, model BA-200, serial number 24-0704-008-C, dated from 2007. BA-200 models are obsolete, will need to replace with BA-440 or newer and all decals (613). Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Should be evaluated and repaired as needed by servicing vendor to ensure proper function. For best pricing and to minimize downtime, best practice is to replace with other similar components, such as gate operators and/or barrier arms. Cost shown is for the reader device itself; decals are assumed to be paid for by unit/homeowners. Plan on replacing at the approximate interval shown here.

Useful Life:
15 years

Remaining Life:
5 years



Best Case: \$ 8,300

Worst Case: \$ 10,200

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

Comp #: 2511 Barrier Arm Operator (2000) - Repl

Quantity: (3) Operators

Location: Main entrance to association

Funded?: Yes.

History:

Evaluation: In poor condition. Liftmaster brand, dated from 2000. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Funding recommendation is primarily for the motor/mechanical unit, not the arm itself, which is generally replaced as an Operating/maintenance expense as needed. Life expectancy can vary based on level of use, exposure to the elements, level of preventive maintenance, etc. Should be inspected and repaired as needed by servicing vendor to attain full life expectancy.

Useful Life:
15 years

Remaining Life:
0 years



Best Case: \$ 11,500

Worst Case: \$ 14,000

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

Comp #: 2511 Barrier Arm Operator (2006) - Repl

Quantity: (1) Operator

Location: Main entrance to association

Funded?: Yes.

History:

Evaluation: Liftmaster brand, dated from 2006. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Please refer to the prior component in this series for more general information. Useful life, remaining useful life and cost ranges for this specific component are provided below.

Useful Life:
15 years

Remaining Life:
4 years



Best Case: \$ 3,800

Worst Case: \$ 4,700

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database

Comp #: 2595 Pond Fountain - Replace

Quantity: (1) Fountain

Location: At pond(s)

Funded?: Yes.

History:

Evaluation: No working at time of site inspection. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance.

Fountains are primarily aesthetic in nature and there are many different types available for replacement. Fountains should be inspected and maintained regularly by servicing vendor or maintenance staff to ensure proper function and maximize life expectancy. Consult with lake/pond vendor to ensure that fountains are properly-sized and positioned for the body of water. Costs to replace are based on similar size and features.

Useful Life:
10 years

Remaining Life:
0 years



Best Case: \$ 3,000

Worst Case: \$ 4,000

Lower estimate to replace

Higher estimate

Cost Source: AR Cost Database