

**The Villas at Wilton Creek Owners Association Inc.
(A Condominium Association)**

Located at



Capital Component Reserve Study

Date Prepared: May 2016

The Villas at Wilton Creek Owners Association Inc.
753 Thimble Shoals Blvd #2B
Newport News, VA 23606

Table of Contents

Summary

Reserve Study Summary	i
Reserve Component List for Villas - Table 1	ii
Reserve Component List for Docks - Table 2	iii

Introduction, Objectives, and Methodology..... 1

Which Physical Assets are Covered by Reserves?	2
How are Useful Life and Remaining Useful Life Established.....	3
How are Cost Estimates Established.....	3
How much Reserves are enough?	3
How much should we contribute?	4
What is our Funding Goal?	4

Site Inspection 4

Projected Expenses 5

Reserve Fund Status..... 5

Recommended Funding Plan..... 5

Terms and Definitions 7

Table Descriptions & Tables

Table 3 - 30-Year Reserve Plan Summary for Villas
Table 4 - 30-Year Reserve Plan Summary for Docks

Reserve Study Summary

Location: The Villas at Wilton Creek Owners Association is a condominium association consisting of forty-two condominium units located at the Coves at Wilton Creek, Hartfield, Virginia 23071. The condominiums vary in age from twenty-six to twenty-nine years of age. Thirty-one of the Condominium owners also have deeded boat slips on the docks. Since not all condominium owners have slips, the docks/slips are funded separately by only those condominium owners with deeded slips.

Mailing Address: 753 Thimble Shoals Blvd #2B, Newport News, Virginia 23606

Number of Units: 42 units. Seven buildings with six units per building

Study Period: January 2016 through May 2016

Results:

Villas:	
Starting Reserve Balance: (as of 4/30/2016).....	\$225,472
Fully Funded Reserve Balance:.....	\$290,554
Percent Funded:.....	87.6%
Recommended 2016 Reserve Contribution:	\$16,037
Recommended Annual Reserve Contribution.....	\$16,037
Recommended Special Assessments this year:.....	\$0
Transfer as % of 2016 Income	10.6%
Docks:	
Starting Reserve Balance: (as of 4/30/2016).....	\$98,180
Fully Funded Reserve Balance:.....	\$85,575
Percent Funded:.....	115%
Recommended 2016 Reserve Contribution:	\$15,000
Recommended Annual Reserve Contribution.....	\$15,000
Recommended Special Assessments this year:.....	\$0
Transfer as % of 2016 Income	81%

Economic Assumptions:

Net Annual Interest Earnings Accruing to Reserves 0.30%

Annual Inflation Rate: 2.00%

The information in this Reserve Study is based on a site inspection conducted during the reporting period.

Because the Reserve Fund for the Villas is 87.6% funded, this represents a “fair“ position. Because the Reserve Fund for the Docks is 164% funded, this represents an “over funded“ position.

Reserve projects projected for the year 2016 for the Villas:.....\$28,000

Reserve projects projected for the year 2016 for the Docks:.....\$0.00

Reserve Study Summary

Table 1: Reserve Component List for Villas

This table summarizes your Reserve Components for the Villas.

Component	First Cycle Year	Useful Life	Remaining Useful Life	Current Cost
Roofs				
Building 1	2006	30	20	\$20,000
Building 2 (Damaged roof discovered in 2015)	2009	30	0	\$20,000
Building 3	2005	30	19	\$20,000
Building 4	2005	30	19	\$20,000
Building 5	2005	30	19	\$20,000
Building 6	2006	30	20	\$20,000
Building 7	2009	30	23	\$20,000
Roofs Total				\$140,000
Decks and Stairs Replacement				
Building 1	1990	40	14	\$20,000
Building 2	1988	40	12	\$20,000
Building 3	1989	40	13	\$20,000
Building 4	1987	40	11	\$20,000
Building 5	1987	40	11	\$20,000
Building 6	1987	40	11	\$20,000
Building 7	1987	40	11	\$20,000
Decks and Stairs Replacement Total				\$140,000
Siding (20% every 7 years after 30 yr)				
Building 1	1990	30	4	\$20,000
Building 2	1988	30	2	\$20,000
Building 3	1989	30	3	\$20,000
Building 4	1987	30	1	\$20,000
Building 5	1987	30	0	\$20,000
Building 6	1987	30	1	\$20,000
Building 7	1987	30	0	\$20,000
Siding Total				\$140,000

Note: Siding replaced as necessary w/painting.

**Foundations, Girders, Joists, and Subfloor
Selective Replacement**

Building 1	1990	50	24	\$10,000
Building 2	1988	50	22	\$10,000
Building 3	1989	50	23	\$10,000
Building 4	1987	50	21	\$10,000
Building 5	1987	50	21	\$10,000
Building 6	1987	50	21	\$10,000
Building 7	1987	50	21	\$10,000
Foundations, etc. Total				\$70,000

Roads/Parking Lots

Asphalt –Repair/Seal	2007	15	6	\$8,000
Asphalt-resurface Roads/Parking Lots	1987	40	15	\$30,000
Roads/Parking Lots Total				\$38,000

Sidewalks (20% every 5 years)

	1987	35	6	\$5,000
--	------	----	---	---------

Note: In 2014 sidewalk repaired as necessary.)

Water, Sewer (Septic) and Drainage

Septic Pump #1 (Unit 1,2,3)	1999	10	0	\$1,900
Septic Pump #2 (Unit 4,5)	1999	10	0	\$1,900
Septic Pump #3 (Unit 5,6,7)	2000	10	0	\$1,900
Holding Tank #1	1987	50	21	\$12,000
Holding Tank #2	1987	50	21	\$12,000
Holding Tank #3	1987	50	21	\$12,000
Water Lines to Buildings	1987	40	11	\$10,000
Sewer Lines to Buildings	1987	50	21	\$10,000
Storm Sewer Pipe	1987	50	21	\$10,000
Storm Sewer Inlets and Manholes	1987	75	46	\$6,000
Water, Sewage, and Drainage Total				\$75,700

Other Common Elements

Grounds Electrical Lighting (20% every 5 yr)	1987	40	11	\$4,000
Entrance Sign (Painted in 2015)	1987	40	11	\$1,600
Mailbox Kiosk Roof	1987	40	11	\$1,600
Mailbox Kiosk Siding* (20% every 7 years)	1987	30	1	\$2,000
Dumpster Fence	1987	30	1	\$1,000
Shore Protection	1987	30	1	\$50,000
Other Common Elements Total				\$60,200

*Note: Replaced as necessary in 2015

Table 2: Reserve Component List for the Docks

This table summarizes your Reserve Components for the Docks.

Component	First Cycle Year	Useful Life	Remaining Useful Life	Current Cost
Dock Stairs and Landings	2013	20	17	15,000
Dock Top Board Decking	2013	20	17	35,000
Dock Piles	1990	30	19	140,000
Dock Electrical Supply	1990	30	19	20,000
Dock Water System	1990	30	19	3,000
Dock Lights	2013	15	12	1,000
Docks Total				214,000

Introduction

A Reserve Study is the art and science of anticipating and preparing for major common area repair and replacement expenses - Partially art, because we are making projections about the future, and partially science, because it is a process of research and analysis along well defined methodologies.

This Reserve Study consists of two parts: the Physical Analysis and the Financial Analysis. The Physical Analysis contains the information about the current condition and repair or replacement cost of the major common area components the Association is obligated to maintain. The financial Analysis contains an evaluation of the Association's Reserve balance (measured by Percent Funded) and a Recommended Funding Plan to offset the anticipated reserve expenses.

The primary responsibility of the Board of Directors is to maintain, protect, and enhance the assets of the Association. As the physical assets age and deteriorate, it is important to accumulate financial assets, keeping the two "in balance". The Reserve Study is the document that helps keep the physical and financial assets of the association in balance. The Reserve Study is a budget planning document. The primary information you receive from this document is a list of the major Reserve components, a finding of the current status (strength) of your Reserve Fund, and a recommended Funding Plan. The basic objective of the Reserve Study is to provide a plan to collect funds at a stable rate to offset the predicted irregular Reserve expenses. Setting a stable reserve contribution rate will ensure that each owner pays their own fair share of the ongoing gradual deterioration of the common areas.

Condominium Act: A Reserve Study is required by Section 55-79, 83:1 of the Condominium Act of the Virginia State Statutes as set forth below:

The Unit owners Association shall:

Conduct at least once every five years a study to determine the necessity and amount of reserves required to repair, replace and restore the capital components.

Review the results of that study at least annually to determine if the reserves are sufficient; and

Make any adjustments the executive organ deems necessary to maintain reserves, as appropriate.

To the extent that the Reserve Study indicates a need to budget for reserves, the unit owners' association budget shall include, without limitations:

The current estimated replacement cost, estimated remaining life and estimated useful life of the capital components.

As of the beginning of the fiscal year of which the budget is prepared, the current amount of cash reserves set aside to repair, replace or restore the capital components and the amount of expected contribution to the reserve fund for that fiscal year; and

A general statement describing the procedures used for the estimation and accumulation of cash reserves pursuant to this section and the extent to which the unit owners' association is funding the reserve obligations consistent with the study currently in effect.

Methodology

By necessity, the Physical Analysis occurs before the Financial Analysis (first we establish what the projected expenses are, and then we determine the association's financial status and create a Funding Plan). The Physical Analysis starts with a review of the Governing Documents, recent Reserve expenditures, and an evaluation of how expenditures, ongoing maintenance versus Reserves, are handled. An on-site inspection is conducted to inventory (quantify and evaluate) the common areas. This enables one to create the Reserve Component List. The Reserve Component List Table 1 contains a description and quantification of individual line items as well as estimates for the Useful Life, Remaining Useful Life, and current replacement cost of each component. The average of the Best and Worst Case cost estimates is used for all calculations throughout the Financial Analysis. With this information and an assumed inflation rate (as shown in the summary) the major expenses facing the association are projected.

Which Physical Assets are Covered by Reserves?

Reserve expenses are the larger, infrequent expenses that require significant advance planning. Operating expenses on the other hand, are those ongoing daily, weekly, or monthly expenses that occur and recur throughout the year. Small surprises are typically handled as maintenance contingencies, while the larger ones may be covered by insurance or require special assessments.

There is a national standard four-part test to determine which expense items should be funded through Reserves. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the limited 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. This limits Reserve Components to major, predictable expenses. We do not typically Reserve for building foundations and major infrastructure elements since they do not have limited life expectancies. Light bulbs or other small items are not listed as reserve Components since their individual costs are insignificant. Finally, it is inappropriate to include unpredictable expenses such as damage due to fire, flood, or earthquake since these typically cannot be considered "reasonably predictable".

How are Useful Life and Remaining Useful Life Established?

Useful Life is typically established by our experience with the component adjusted by assumptions for quality, rate of wear and tear, expected normal maintenance, and weather exposure. Remaining Useful Life is established primarily by the component's current observed condition. The observed age of the component may or may not equal the "Chronological Age" of the component due to accelerated wear or low usage. For components requiring a particular expertise it is typical to interview a service vendor to obtain a recommendation for Useful Life and Remaining Useful Life.

How are Cost Estimates Established?

The best way to obtain an accurate cost for a component is for it to be replaced or repaired providing a valuable benchmark from which to make current cost estimates. It may be necessary to contact local vendors who may provide insight into current pricing trends. In the absence of these estimating tools we look to reliable industry cost guidebooks. A "Best Case" and "Worst Case" cost estimate is made for each component in an attempt to bracket the actual cost.

How much Reserves are enough?

Your Reserve cash balance can measure reserves, but the true measure is whether the funds are adequate for the needs of the Association. Reserve Fund size is therefore measured by Percent Funded, which is the actual (or projected) reserve Balance divided by the Association's calculated Fully Funded Balance, expressed as a percentage. The Reserve Study Summary shows that the Fully Funded Balance (FFB) is the current value of the deteriorated portion (not the total replacement value) of all the Reserve Components. To show how this works with one component, in the case of a \$10,000 component with a ten year Useful Life, in the third year the Fully Funded Balance is three tenths of \$10,000 or \$3,000. The FFB grows as assets age, but shrinks as components are replaced. Deteriorated associations have a higher FFB than associations with assets in good condition. The Fully Funded Balance changes each year, and is a predictable, but moving target.

Special assessments and deferred maintenance are common when the Percent Funded is weak (below 30%). While the 100% point is ideal, a Reserve Fund above 70% should be considered "strong" because cash flow problems are rare. Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. An association with a strong Reserve Fund should experience smooth sailing financially, while an association with a weak reserve Fund should expect cash flow problems. New buyers should be very aware of this important disclosure.

How much should we contribute?

There are four Funding Principles that we balance in developing our Reserve Funding Plan. First, the objective is to design a plan that provides sufficient cash to perform the Reserve projects on time. A stable contribution rate is desirable because it indicates the Association is being run on a solid financial platform, not being driven by the winds of change from year to year. For fairness, it is important to evenly distribute the contributions over the years so that each owner pays their fair share of the deterioration in direct proportion to the amount of time they are owners. And finally, any Funding Plan must be based on fiscally responsible principles.

What is our Funding Goal?

There are different Funding Goals to strive for, ranging from conservative to risky. Establishing a goal of simply having sufficient cash for all future years is called "Baseline Funding". The drawback is that there is little or no margin for error and expenses that are higher than budgeted or projects that occur earlier than planned will often cause special assessments.

Full Funding is when the association has the goal of becoming Fully Funded (Reserve Cash equals the FFB). Such an objective means the association is following the simple and responsible principle that you replace what you use up. Members of Fully Funded associations enjoy low exposure to the risk of special assessments or deferred maintenance. Board members enjoy peace of mind that the Association's physical and financial assets are in balance, and therefore a degree of insulation from claims of financial irresponsibility.

Threshold Funding is different in that the association selects a target other than 0% or 100%. This objective may be between 0% and 100% Funded, higher than 100% Funded, or a particular Reserve cash balance. Associations choosing Threshold Funding select this option to customize their exposure.

The Villas at Wilton Creek Owners Association has chosen “Threshold Funding” with the goal of reaching and then maintaining a Reserve Fund at the 70% level which would represent a “strong” financial position.

Site Inspection/Evaluations

The site inspection was conducted during the period of this report and consisted of a visual inspection of all buildings. During the inspection the asphalt roadway, parking areas, roofs, dock, siding, and decks were discussed. Painting of the buildings is being handled as an Operational expense, not Reserves. The roofs, decks, siding, rip rap, and the asphalt pavement continue to be the single-most significant Reserve components, so these items are worth extra diligence in preventive maintenance.

Projected Expense

A summary of this information is shown in Table 1. Since this is a projection about future events that may or may not take place as anticipated, the near term projects are more certain than those many years away. While the Reserve Study is a one year document, it is based on 30 years worth of looking forward.

Reserve Fund Status

The starting point for the financial analysis is the Villa Reserve Fund balance, \$225,472 as of 4/30/2016. As of 4/30/2016 our Fully Funded Balance is computed to be \$290,554 (see Reserve Study Summary). This figure represents the deteriorated value of the common area components. Comparing the Reserve Balance to the Fully Funded Balance indicates that the Reserves are 77.6% Funded. This represents “fair” funding.

Regarding the Docks, the starting point for the financial analysis is the Dock Reserve Fund balance, \$98,180 as of 4/30/2016. As of 4/30/2016 our Fully Funded Balance is computed to be \$85,575 (see Reserve Study Summary). This figure represents the deteriorated value of the common area components. Comparing the Reserve Balance to the Fully Funded Balance indicates that the Reserves are 115% Funded. This represents “over” funding.

Recommended Funding Plan

Based on the current Percent Funded and the projected cash flow requirements, we are recommending a funding plan beginning in 2016 of \$16,037 and to increase annually with an estimated inflation rate of 2% (see Table 2, the 30 year expense/funding plan). To most fairly spread out the contribution burden over current and future owners in our economic environment, nominal annual increases should be expected in future years. This Reserve contribution was established by testing different contribution rates and balancing the four Funding Principles in an attempt to eventually achieve Threshold Funding of a minimum of 70%.

Regarding the current percent funded and the projected cash flow requirements for the Dock reserve fund, we recommend adding \$15,000 until the funding level approached the cost for a total replacement dock. Although we are currently estimating a 19 year remaining life, there is significant uncertainty in this projection. We anticipate few maintenance projects on the docks in the near term based upon the current condition of the docks.

This plan shall to be updated every five years (as required by Virginia State Statute). The update will adjust the study based on any replacements that are made, our actual funding, current inflation rates, interest rates, and changes to the condition of the community's

assets based on a new on-site review. It is very important that any expenditures made by the community be recorded and made available for later updates to this study.

Terms and Definitions

DIA	Diameter
GSF	Gross Square Feet (area)
GSY	Gross Square Yards (area)
LF	Linear Feet (length)
Effective Age:	The difference between useful and remaining useful Life.
Fully Funded Balance (FFB):	The Reserve Balance that is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This benchmark balance represents the value of the deterioration of the Reserve Components. This number is calculated for each component, and then summed together for an association total. $\text{FFB} = (\text{Current Cost} \times \text{Effective Age}) / \text{Useful Life}$
Inflation:	Cost factors are adjusted for inflation at the rate defined in the Summary and computed annually.
Interest:	Interest earnings on reserve Funds are calculated using the average balance for the year (taking in to account income and expenses through the year) and compounded monthly using the rate defined in the Summary. Annual interest earning assumption appears in the Summary.
Percent Funded:	The ratio, at a particular point in time (typically the beginning of the Fiscal Year), of the actual (or projected) reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life:	The estimated time, in years that a common area component can be expected to continue to serve its intended function.
Useful Life:	The estimated time, in years that a common area component can be expected to serve its intended function.

Table 1: Reserve Component List											
Component	First Cycle Year	Useful Life	Remaining Useful Life	Current Cost	Annual Reserve Requirement	% of Total Replaced	2016 Fully Reserved Amount	Year of Expenditure	2016	2017	2018
Roofs											
Building 1	2006	30	20	20,000	667	100%	6,670	2036			
Building 2	2009	30	0	20,000	667	100%	20,010	2016	20,000		
Building 3	2005	30	19	20,000	667	100%	7,337	2035			
Building 4	2005	30	19	20,000	667	100%	7,337	2035			
Building 5	2005	30	19	20,000	667	100%	7,337	2035			
Building 6	2006	30	20	20,000	667	100%	6,670	2036			
Building 7	2009	30	23	20,000	667	100%	4,669	2039			
Roofs				140,000	4,669		60,030		20,000	0	0
Decks and Stairs Replacement											
Building 1	1990	40	14	20,000	500	100%	13,000	2029			
Building 2	1988	40	12	20,000	500	100%	14,000	2027			
Building 3	1989	40	13	20,000	500	100%	13,500	2028			
Building 4	1987	40	11	20,000	500	100%	14,500	2026			
Building 5	1987	40	11	20,000	500	100%	14,500	2026			
Building 6	1987	40	11	20,000	500	100%	14,500	2026			
Building 7	1987	40	11	20,000	500	100%	14,500	2026			
Decks and Stairs Replacement				140,000	3,500		98,500		0	0	0
Siding (20% every 7 years after 30 yr)											
Building 1	1990	30	4	20,000	400	20%	400	2020			
Building 2	1988	30	2	20,000	400	20%	1,200	2018			4,000
Building 3	1989	30	3	20,000	400	20%	800	2019			
Building 4	1987	30	1	20,000	400	20%	1,600	2017		4,000	
Building 5	1987	30	0	20,000	400	20%	2,000	2016	4,000		
Building 6	1987	30	1	20,000	400	20%	1,600	2017		4,000	
Building 7	1987	30	0	20,000	400	20%	2,000	2016	4,000		
Siding				140,000	2,800		9,600		8,000	8,000	4,000
Note: Siding replaced as necessary w/painting.											
Foundations, Girders, Joists, and Subfloor Selective Replacement											
Building 1	1990	50	24	10,000	200	100%	5,200	2040			
Building 2	1988	50	22	10,000	200	100%	5,600	2038			
Building 3	1989	50	23	10,000	200	100%	5,400	2039			
Building 4	1987	50	21	10,000	200	100%	5,800	2037			
Building 5	1987	50	21	10,000	200	100%	5,800	2037			
Building 6	1987	50	21	10,000	200	100%	5,800	2037			
Building 7	1987	50	21	10,000	200	100%	5,800	2037			
				70,000	1,400		39,400		0	0	0

Component	First Cycle Year	Useful Life	Remaining Useful Life	Current Cost	Annual Reserve Requirement	% of Total Replaced	2016 Fully Reserved Amount	Year of Expenditure	2016	2017	2018
Roads/Parking Lots											
Asphalt –Repair/Seal	2007	15	6	8,000	533	10%	4,797	2022			
Asphalt-resurface Roads/Parking Lots	1987	40	15	30,000	750	100%	18,750	2027			
Roads/Parking Lots				38,000	1,283		23,547		0	0	0
Sidewalks (20% every 5 years)											
	1987	35	6	5,000	200	20%	400	2019			
Note: In 2014 sidewalk repaired as necessary.)											
Water, Sewer (Septic) and Drainage											
Septic Pump #1 (Unit 1,2,3)	1999	10	0	1,900	190	100%	1,900	2015		1,900	
Septic Pump #2 (Unit 4,5)	1999	10	0	1,900	190	100%	1,900	2015			1,900
Septic Pump #3 (Unit 5,6,7)	2000	10	0	1,900	190	100%	1,900	2015			
Holding Tank #1	1987	50	21	12,000	240	100%	6,960	2037			
Holding Tank #2	1987	50	21	12,000	240	100%	6,960	2037			
Holding Tank #3	1987	50	21	12,000	240	100%	6,960	2037			
Water Lines to Buildings	1987	40	11	10,000	250	100%	7,250	2026			
Sewer Lines to Buildings	1987	50	21	10,000	200	100%	5,800	2037			
Storm Sewer Pipe	1987	50	21	10,000	200	100%	5,800	2037			
Storm Sewer Inlets and Manholes	1987	75	46	6,000	80	100%	2,320	2062			
				77,700	2,020		47,750				
Other Common Elements											
Electrical Lighting on Grounds (20% every 5 yr)	1987	40	11	4,000	100	20%	400	2018			800
Entrance Sign (Painted in 2015)	1987	40	11	1,600	40	100%	1,160	2027			
Mailbox Kiosk Roof	1987	40	11	1,600	40	100%	1,160	2027			
Mailbox Kiosk Siding* (20% every 7 years)	1987	30	1	2,000	67	20%	0	2020			
Dumpster Fence	1987	30	1	1,000	33	100%	967	2017		1,000	
Shore Protection	1987	30	1	50,000	1,667	100%	48,430	2017		50,000	
Other Common Elements				60,200	1,947		52,117				
*Note: Replaced as necessary 2015											
Summary											
Roofs				140,000	4,667		60,030		20,000	0	0
Decks and Stairs Replacement				140,000	3,500		98,500		0	0	0
Siding				140,000	2,800		9,600		8,000	8,000	4,000
Foundation, Girders, etc				70,000	1,400		39,400		0	0	0
Roads/Parking Lots				38,000	1,283		23,547		0	0	0
Sidewalks (20% every 5 years)				5,000	200		400		0	0	0
Water, Sewage (Septic), and Drainage				12,000	240		6,960		0	0	0
Other Common Grounds				60,200	1,947		52,117		0	50,000	0
TOTALS				605,200	16,037		290,554		28,000	58,000	4,000

Component	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Roads/Parking Lots												
Asphalt –Repair/Seal				8,000								
Asphalt-resurface Roads/Parking Lots									30,000			
Roads/Parking Lots	0	0	0	8,000	0	0	0	0	30,000	0	0	0
Sidewalks (20% every 5 years)												
	1,000					1,000					1,000	
Note: In 2014 sidewalk repaired as necessary.)												
Water, Sewer (Septic) and Drainage												
Septic Pump #1 (Unit 1,2,3)									1,900			
Septic Pump #2 (Unit 4,5)										1,900		
Septic Pump #3 (Unit 5,6,7)	1,900										1,900	
Holding Tank #1												
Holding Tank #2												
Holding Tank #3												
Water Lines to Buildings								10,000				
Sewer Lines to Buildings												
Storm Sewer Pipe												
Storm Sewer Inlets and Manholes												
Other Common Elements												
Electrical Lighting on Grounds (20% every 5 yr)					800						800	
Entrance Sign (Painted in 2015)									1,600			
Mailbox Kiosk Roof									1,600			
Mailbox Kiosk Siding* (20% every 7 years)		400							400			
Dumpster Fence												
Shore Protection												
Other Common Elements												
*Note: Replaced as necessary 2015												
Summary												
Roofs	0	0	0	0	0	0	0	0	0	0	0	0
Decks and Stairs Replacement	0	0	0	0	0	0		80,000	20,000	20,000	20,000	0
Siding	4,000	4,000	0	0	8,000	8,000	4,000	4,000	4,000	0	0	8,000
Foundation, Girders, etc	0	0	0	0	0	0	0	0	0	0	0	0
Roads/Parking Lots	0	0	0	8,000	0	0	0	0	30,000	0	0	0
Sidewalks (20% every 5 years)	1,000	0	0	0	0	1,000	0	0	0	0	1,000	0
Water, Sewage (Septic), and Drainage	0	0	0	0	0	0	0	0	0	0	0	0
Other Common Grounds	0	0	0	0	0	0	0	0	0	0	0	0
TOTALS	5,000	4,000	0	8,000	8,000	9,000	4,000	84,000	54,000	20,000	21,000	8,000

Table 1: Reserve Component List											
Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Roofs											
Building 1						20,000					
Building 2											
Building 3					20,000						
Building 4					20,000						
Building 5					20,000						
Building 6						20,000					
Building 7									20,000		
Roofs	0	0	0	0	60,000						
Decks and Stairs Replacement											
Building 1											
Building 2											
Building 3											
Building 4											
Building 5											
Building 6											
Building 7											
Decks and Stairs Replacement	0	0	0	0	0						
Siding (20% every 7 years after 30 yr)											
Building 1				4,000							4,000
Building 2		4,000							4,000		
Building 3			4,000							4,000	
Building 4	4,000							4,000			
Building 5							4,000				
Building 6	4,000							4,000			
Building 7							4,000				
Siding	8,000	4,000	4,000	4,000	0						
Note: Siding replaced as necessary w/painting.											
Foundations, Girders, Joists, and Subfloor Selective Replacement											
Building 1										10,000	
Building 2								10,000			
Building 3									10,000		
Building 4							10,000				
Building 5							10,000				
Building 6							10,000				
Building 7							10,000				
	0	0	0	0	0	0	40,000	10,000	10,000	10,000	0

Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Roads/Parking Lots											
Asphalt –Repair/Seal							8,000				
Asphalt-resurface Roads/Parking Lots											
Roads/Parking Lots	0	0	0	0	0	0	8,000	0	0	0	0
Sidewalks (20% every 5 years)				1,000					1,000		
Note: In 2014 sidewalk repaired as necessary.)											
Water, Sewer (Septic) and Drainage											
Septic Pump #1 (Unit 1,2,3)							1,900				
Septic Pump #2 (Unit 4,5)								1,900			
Septic Pump #3 (Unit 5,6,7)									1,900		
Holding Tank #1							12,000				
Holding Tank #2							12,000				
Holding Tank #3							12,000				
Water Lines to Buildings							10,000				
Sewer Lines to Buildings							10,000				
Storm Sewer Pipe											
Storm Sewer Inlets and Manholes											
Other Common Elements											
Electrical Lighting on Grounds (20% every 5 yr)			800					800			
Entrance Sign (Painted in 2015)											
Mailbox Kiosk Roof											
Mailbox Kiosk Siding* (20% every 7 years)				400							400
Dumpster Fence											
Shore Protection											
Other Common Elements											
*Note: Replaced as necessary 2015											
Summary											
Roofs	0	0	0	0	60,000	0	0	0	0	0	0
Decks and Stairs Replacement	0	0	0	0	0	0	0	0	0	0	0
Siding	8,000	4,000	4,000	4,000	0	0	0	0	0	0	0
Foundation, Girders, etc	0	0	0	0	0	0	40,000	10,000	10,000	10,000	0
Roads/Parking Lots	0	0	0	0	0	0	8,000	0	0	0	0
Sidewalks (20% every 5 years)	0	0	0	1,000	0	0	0	0	1,000	0	0
Water, Sewage (Septic), and Drainage	0	0	0	0	0	0	12,000	0	0	0	0
Other Common Grounds	0	0	0	0	0	0	0	0	0	0	0
TOTALS	8,000	4,000	4,000	5,000	60,000	0	60,000	10,000	11,000	10,000	0

Table 1: Reserve Component List						
Component	2042	2043	2044	2045		
Roofs						
Building 1						
Building 2						
Building 3						
Building 4						
Building 5						
Building 6						
Building 7						
Roofs						
Decks and Stairs Replacement						
Building 1						
Building 2						
Building 3						
Building 4						
Building 5						
Building 6						
Building 7						
Decks and Stairs Replacement						
Siding (20% every 7 years after 30 yr)						
Building 1						
Building 2						
Building 3						
Building 4				4,000		
Building 5			4,000			
Building 6				4,000		
Building 7			4,000			
Siding						
Note: Siding replaced as necessary w/painting.						
Foundations, Girders, Joists, and Subfloor Selective Replacement						
Building 1						
Building 2						
Building 3						
Building 4						
Building 5						
Building 6						
Building 7						
	0	0	0	0		

Component	2042	2043	2044	2045		
Roads/Parking Lots						
Asphalt –Repair/Seal						
Asphalt-resurface Roads/Parking Lots						
Roads/Parking Lots	0	0	0	0		
Sidewalks (20% every 5 years)			1,000			
Note: In 2014 sidewalk repaired as necessary.)						
Water, Sewer (Septic) and Drainage						
Septic Pump #1 (Unit 1,2,3)						
Septic Pump #2 (Unit 4,5)						
Septic Pump #3 (Unit 5,6,7)						
Holding Tank #1						
Holding Tank #2						
Holding Tank #3						
Water Lines to Buildings						
Sewer Lines to Buildings						
Storm Sewer Pipe						
Storm Sewer Inlets and Manholes						
Other Common Elements						
Electrical Lighting on Grounds (20% every 5 yr)		800				
Entrance Sign (Painted in 2015)						
Mailbox Kiosk Roof						
Mailbox Kiosk Siding* (20% every 7 years)						
Dumpster Fence						
Shore Protection						
Other Common Elements						
*Note: Replaced as necessary 2015						
Summary						
Roofs	0	0	0	0		
Decks and Stairs Replacement	0	0	0	0		
Siding	0	0	0	0		
Foundation, Girders, etc	0	0	0	0		
Roads/Parking Lots	0	0	0	0		
Sidewalks (20% every 5 years)	0	0	1,000	0		
Water, Sewage (Septic), and Drainage	0	0	0	0		
Other Common Grounds	0	0	0	0		
TOTALS	0	0	1,000	0		

Component	2017	2018	2019	2020	2021	2022	2023	2024	2025
Docks									
Dock Stairs and Landings									
Dock Top Board Decking									
Dock Piles and Stringers									
Dock Electrical Supply									
Dock Water System									
Dock Lights									
Dock Summary	0	0	0	0	0	0	0	0	0
Analysis of reserves fully funded requirement									
Fully funded beginning	89,650	93,807	98,131	102,720	107,687	113,172	119,348	126,443	134,755
Annual requirement	4,157	4,324	4,589	4,967	5,484	6,176	7,095	8,313	9,934
Expenditures	0	0	0	0	0	0	0	0	0
Fully funded ending	93,807	98,131	102,720	107,687	113,172	119,348	126,443	134,755	144,690
Inflation at 2%	102%	104%	106%	108%	110%	113%	115%	117%	120%
Analysis of reserve cash balance									
Opening cash reserves	113,475	128,815	144,201	159,634	175,113	190,638	206,210	221,829	237,494
Add interest net of tax (0.3%)	340	386	433	479	525	572	619	665	712
Add recommended contribution	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Deduct expenditures in current dollars	0	0	0	0	0	0	0	0	0
Ending balance cash reserves	128,815	144,201	159,634	175,113	190,638	206,210	221,829	237,494	253,206
Fully funded per cent	137.3%	146.9%	155.4%	162.6%	168.5%	172.8%	175.4%	176.2%	175.0%

Component	2026	2027	2028	2029	2030	2031	2032	2033	2034
Docks									
Dock Stairs and Landings									15000
Dock Top Board Decking									35000
Dock Piles and Stringers									140,000
Dock Electrical Supply									20,000
Dock Water System									3,000
Dock Lights									1000
Dock Summary	0	0	0	0	0	0	0	0	214,000
Analysis of reserves fully funded requirement									
Fully funded beginning	144,690	160,838	178,338	195,838	213,338	230,838	248,338	265,838	283,338
Annual requirement	16,148	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500
Expenditures	0	0	0	0	0	0	0	0	(305,645)
Fully funded ending	160,838	178,338	195,838	213,338	230,838	248,338	265,838	283,338	(4,807)
Inflation at 2%	122%	124%	127%	129%	132%	135%	137%	140%	143%
Analysis of reserve cash balance									
Opening cash reserves	253,206	268,966	284,773	300,627	316,529	332,479	348,476	364,521	380,615
Add interest net of tax (0.3%)	760	807	854	902	950	997	1,045	1,094	1,142
Add recommended contribution	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Deduct expenditures in current dollars	0	0	0	0	0	0	0	0	(436,536)
Ending balance cash reserves	268,966	284,773	300,627	316,529	332,479	348,476	364,521	380,615	(39,779)
Fully funded per cent	167.2%	159.7%	153.5%	148.4%	144.0%	140.3%	137.1%	134.3%	827.5%

Component	2035	2036	2037	2038	2039	2040	2041	2042	2043
Docks									
Dock Stairs and Landings									
Dock Top Board Decking									
Dock Piles and Stringers									
Dock Electrical Supply									
Dock Water System									
Dock Lights									1,000
Dock Summary	0	0	0	0	0	0	0	0	1,000
Analysis of reserves fully funded requirement									
Fully funded beginning	(4,807)	12,693	30,193	47,693	65,193	82,693	100,193	117,693	135,193
Annual requirement	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500
Expenditures	0	0	0	0	0	0	0	0	(1,707)
Fully funded ending	12,693	30,193	47,693	65,193	82,693	100,193	117,693	135,193	150,986
Inflation at 2%	146%	149%	152%	155%	158%	161%	164%	167%	171%
Analysis of reserve cash balance									
Opening cash reserves	(39,779)	(24,898)	(9,973)	4,997	20,012	35,072	50,177	65,328	80,524
Add interest net of tax (0.3%)	(119)	(75)	(30)	15	60	105	151	196	242
Add recommended contribution	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Deduct expenditures in current dollars	0	0	0	0	0	0	0	0	(2,913)
Ending balance cash reserves	(24,898)	(9,973)	4,997	20,012	35,072	50,177	65,328	80,524	92,853
Fully funded per cent	-196.2%	-33.0%	10.5%	30.7%	42.4%	50.1%	55.5%	59.6%	61.5%

Component	2044	2045
Docks		
Dock Stairs and Landings		
Dock Top Board Decking		
Dock Piles and Stringers		
Dock Electrical Supply		
Dock Water System		
Dock Lights		
Dock Summary	0	0
Analysis of reserves fully funded requirement		
Fully funded beginning	150,986	168,486
Annual requirement	17,500	17,500
Expenditures	0	0
Fully funded ending	168,486	185,986
Inflation at 2%	174%	178%
Analysis of reserve cash balance		
Opening cash reserves	92,853	108,132
Add interest net of tax (0.3%)	279	324
Add recommended contribution	15,000	15,000
Deduct expenditures in current dollars	0	0
Ending balance cash reserves	108,132	123,456
Fully funded per cent	64.2%	66.4%