



**Traditional Reserve Study  
For  
VillaSol Community Development District  
Kissimmee, Florida  
February 26, 2024**

**Report Number: 2024.02.26.205**

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## **REPORT SUMMARY**

As a member of the Association’s Board of Directors, you are responsible for maintaining common areas of the Association’s physical property. This report is intended to assist you in the development of the Association’s capital budget for current and future reserve fund contributions. The goal of the study is to assist you in maintaining the Association’s reserve above an adequate, but not excessive, threshold during one or more years of significant expenditures.

We present our findings and recommendations in the following report sections:

- **Executive Summary** – Provides a snapshot of the Association’s reserve study, highlighting significant findings and conclusions.
- **Physical Analysis** – Includes list of the reserve components, useful life, remaining useful life, and a schedule of items excluded from the study.
- **Financial Analysis** – Includes the percent funded, 30-year reserve expense forecast, and the recommended funding plan.
- **Photographs** – Schedule of photographs of components taken during site visit.
- **Methodology** – Details the process of developing the Reserve Study, which includes descriptions of the methods, materials, and guidelines used in preparation of physical and financial analysis of the study.
- **Statement of Limitations and Assumptions** – Describes the limitations and assumptions made when conducting this study and in preparation of this report.
- **Professional Experience** – Contains the professional experience of the individuals who prepared this study.
- **Glossary** – Contains definitions of terms used in the Reserve Study.

## Executive Summary

### General Information

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<b>Association Name:</b>	VillaSol Community Development District (VillaSol)
<b>Location:</b>	Kissimmee, FL
<b>Project Description:</b>	CDD
<b>Type of Study:</b>	Level 1
<b>Site Visit:</b>	January 24, 2024
<b>Number of Units:</b>	493

### Project Summary

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**Funding Strategy Recommended:** The Funding Goal of this Reserve Study is to maintain reserve above an adequate, not excessive threshold during years of significant expenditures.

<i>Inflation Rate</i> <sup>1</sup>	2.51%
<i>Interest Rate</i> <sup>2</sup>	4.18%
<i>Cash Status of the Reserve Fund Balance</i> <sup>3</sup>	\$307,000
<i>Full Funded Balance</i>	\$3,732,613
<i>Percent Funded</i>	8%
<i>Special Assessments</i>	None

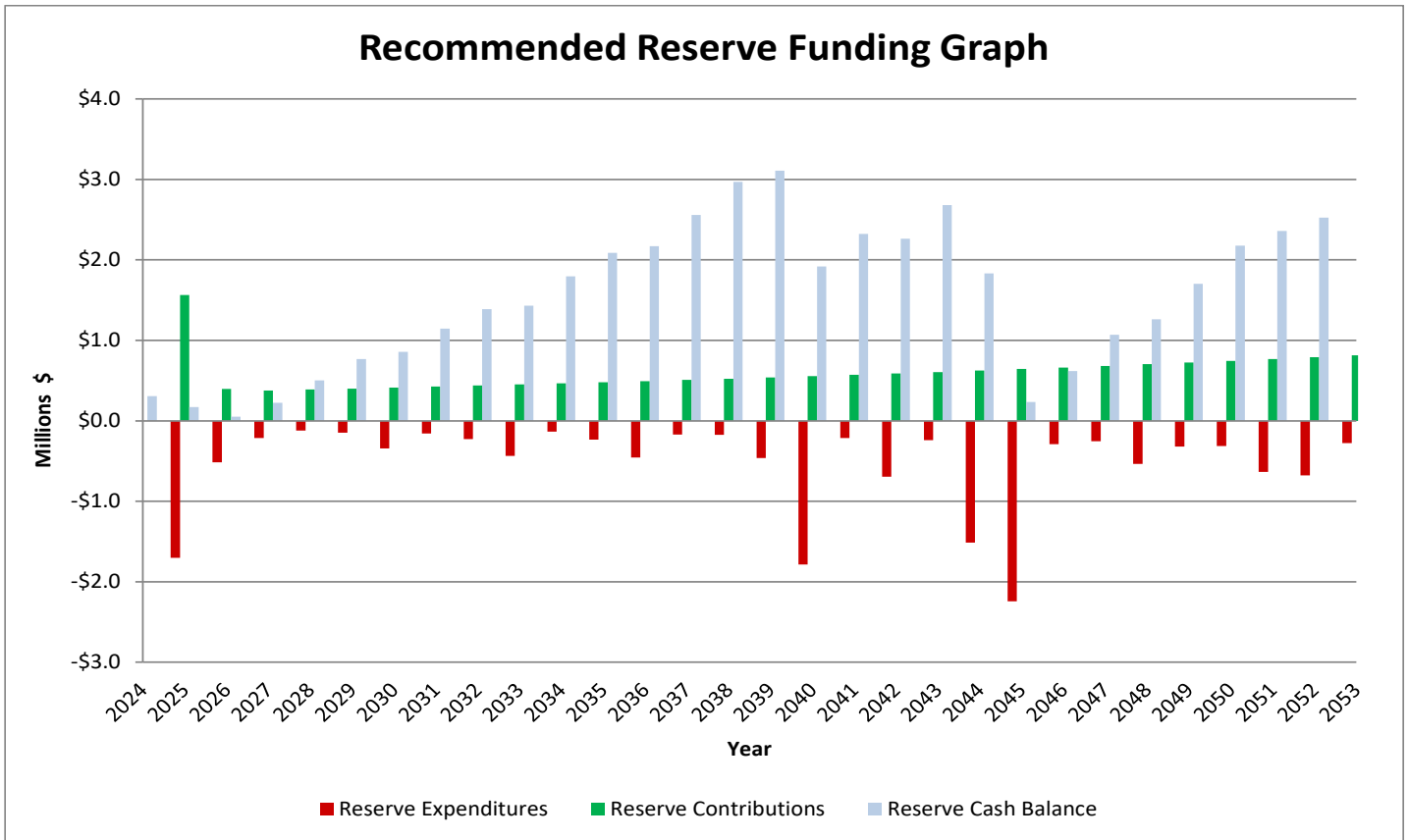
<sup>1</sup> Inflation rate is based upon the average annual increase of the Consumer Price Index (CPI) over the last 30-years as published by the US Bureau of Labor Statistics ([www.labor.gov](http://www.labor.gov)).

<sup>2</sup> Interest rate is based on 3-year Treasury Note as published by the U.S. Treasury ([www.treasury.gov](http://www.treasury.gov)).

<sup>3</sup> Information in relation to the association's finances were supplied by the association's representative and is not audited. Balance as of January 19, 2024.

**Recommended Reserve Funding:** The Association budgeted \$0 for reserve contributions in 2024. We recommend that the Association adopt reserve contributions of \$1,563,050 in 2025. The Association will then have funded the most significant anticipated expenditures related to stormwater system allowance. The Association can then reduce the reserve contributions to \$396,000 in 2026. The Association can then reduce the reserve contributions to \$396,000. The Association will have then funded the most significant anticipated expenditures related to stormwater system allowance and asphalt mill and overlay. The Association can then reduce the reserve contributions to \$378,000 with steady annual increases of 3% annually thereafter. The Association will have funded the most significant anticipated expenditures related to landscaping, allowance, asphalt pavement, mill and overlay, and stormwater system, allowance. The goal of this particular reserve funding plan is to prevent the year end reserve balance from falling below \$224,444 during threshold funding years. The recommended year 2025 reserve contribution of \$1,563,050 is equivalent to an average monthly contribution of \$264.21 per owner.

Recommended Reserve Funding Table								
Year	Reserve Contributions (\$)	Reserve Cash Balance (\$)	Year	Reserve Contributions (\$)	Reserve Cash Balance (\$)	Year	Reserve Contributions (\$)	Reserve Cash Balance (\$)
2024	-	306,684	2034	464,892	1,796,903	2044	624,776	1,831,222
2025	1,563,050	170,302	2035	478,839	2,085,986	2045	643,520	235,111
2026	396,000	52,577	2036	493,204	2,168,834	2046	662,825	619,567
2027	378,000	223,013	2037	508,000	2,557,413	2047	682,710	1,071,028
2028	389,340	501,147	2038	523,240	2,968,813	2048	703,191	1,263,373
2029	401,020	768,965	2039	538,938	3,108,650	2049	724,287	1,701,868
2030	413,051	856,615	2040	555,106	1,918,217	2050	746,016	2,178,732
2031	425,442	1,146,494	2041	571,759	2,323,437	2051	768,396	2,360,700
2032	438,206	1,386,529	2042	588,912	2,262,555	2052	791,448	2,526,852
2033	451,352	1,431,045	2043	606,579	2,682,711	2053	815,191	3,130,311



Respectfully submitted on February 26, 2024 by  
RESERVE STUDY INSTITUTE, LLC

*T. Christopher Tyndall*

T. Christopher Tyndall, Reserve Analyst  
Visual Inspection and Report by: T. Christopher Tyndall

## **PHYSICAL ANALYSIS**

The Physical Analysis section details the reserve components and provides information about items excluded from the reserve study. Our recommendation is but one scenario and is not intended to represent the only means of achieving the association's goals. We recommend that the Board of Directors use the following information as a guide in planning for their future objectives.

### **Identification of Reserve Components**

We have segregated classes of property from our review of the information provided by the Association and through conversations with Management and the Board. These classes of property:

- Reserve Components
- Excluded Components
- Repairs and Replacements Funded from Operating Budget
- Property Maintained by Owners
- Property Maintained by Others

### **Reserve Components**

The following table identifies all Reserve Components that meet the criteria to be included in the study that we identified.

**RESERVE COMPONENT INVENTORY**

Category	Component	Quantity Total	Per Phase	Unit of Measure	Useful Life	Remaining Useful Life	Unit Cost	Current Cost	Current Fully Funded Balance
Clubhouse Elements	Cardio Equipment	1	1	Each	10	3	\$19,700.00	\$19,700	\$13,790
Clubhouse Elements	Doors, Allowance	1	1	Each	20 to 30	14	\$22,000.00	\$22,000	\$11,733
Clubhouse Elements	Exterior Bathrooms	2	2	Each	30	12	\$3,000.00	\$6,000	\$3,600
Clubhouse Elements	Exterior Paint and Waterproofing	3,590	3,590	Square Feet	8 to 12	3	\$1.20	\$4,308	\$3,231
Clubhouse Elements	Fitness Equipment	1	1	Each	15	11	\$11,275.00	\$11,275	\$3,007
Clubhouse Elements	Flooring, Mat	528	528	Square Feet	10	3	\$9.00	\$4,752	\$3,326
Clubhouse Elements	Flooring, Tile	1,242	1,242	Square Feet	to 50	28	\$21.00	\$26,082	\$11,476
Clubhouse Elements	Furniture and Décor	1	1	Each	15	4	\$10,000.00	\$10,000	\$7,333
Clubhouse Elements	Gutters and Downspouts	338	338	Linear Feet	20	1	\$10.00	\$3,380	\$3,211
Clubhouse Elements	HVAC, 3.5 Ton	1	1	Each	10 to 15	8	\$4,500.00	\$4,500	\$2,100
Clubhouse Elements	HVAC, 5 Ton	1	1	Each	10 to 15	10	\$6,000.00	\$6,000	\$2,000
Clubhouse Elements	Interior Bathrooms	2	2	Each	30	12	\$8,000.00	\$16,000	\$9,600
Clubhouse Elements	Interior Paint	5,000	5,000	Square Feet	10 to 15	7	\$5.00	\$25,000	\$13,333
Clubhouse Elements	Lighting, Allowance	1	1	Each	15 to 20	8	\$15,000.00	\$15,000	\$9,000
Clubhouse Elements	Roof, Terracotta	72	72	Squares	30	1	\$1,480.00	\$106,560	\$103,008
Clubhouse Elements	Windows, Allowance	1	1	Each	20	15	\$17,000.00	\$17,000	\$4,250
General Site Elements	Asphalt Pavement, Crack Repair, Seal and Coat	52,824	52,824	Square Yards	3 to 6	6	\$2.25	\$118,854	\$0
General Site Elements	Asphalt Pavement, Mill and Overlay	52,824	52,824	Square Yards	15 to 20	1	\$19.00	\$1,003,656	\$953,473
General Site Elements	Boat Ramp	1	1	Each	30	1	\$14,000.00	\$14,000	\$13,533
General Site Elements	Brick Pavers, Partial	5,335	267	Square Feet	to 65	3	\$18.00	\$96,030	\$91,598
General Site Elements	Call Box	1	1	Each	10 to 15	9	\$6,000.00	\$6,000	\$2,400
General Site Elements	Cluster Mailboxes	9	9	Each	40 to 50	25	\$2,750.00	\$24,750	\$12,375
General Site Elements	Curbs and Road Gutters	27,200	27,200	Linear Feet	to 40	20	\$30.00	\$816,000	\$408,000
General Site Elements	Dock	1	1	Each	30	1	\$20,000.00	\$20,000	\$19,333
General Site Elements	Entrance Gate Motors	4	4	Each	10 to 15	9	\$3,600.00	\$14,400	\$5,760
General Site Elements	Entrance Gate Motors with Barrier Arms	4	4	Each	10 to 15	9	\$3,500.00	\$14,000	\$5,600
General Site Elements	Entrance Gates	4	4	Each	30	25	\$6,000.00	\$24,000	\$4,000
General Site Elements	Entrance Signage, Fountain Pump	1	1	Each	10	5	\$5,000.00	\$5,000	\$2,500
General Site Elements	Entrance Signage, Fountain Resurfacing	459	459	Square Feet	15	1	\$15.00	\$6,885	\$6,426
General Site Elements	Entrance Signage, Paint	3,764	3,764	Square Feet	8 to 12	1	\$1.80	\$6,775	\$6,211





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Category	Component	Quantity Total	Per Phase	Unit of Measure	Useful Life	Remaining Useful Life	Unit Cost	Current Cost	Current Fully Funded Balance
General Site Elements	Entrance Signage, Roof, Terracotta	2	2	Squares	30	8	\$1,850.00	\$3,700	\$2,713
General Site Elements	Entrance Signage. Monuments, Partial	1	1	Allowance	to 65	3	\$10,000.00	\$10,000	\$9,538
General Site Elements	Irrigation	1	1	Each	10	5	\$12,000.00	\$12,000	\$6,000
General Site Elements	Landscaping, Allowance	1	1	Each	1	1	\$75,000.00	\$75,000	\$0
General Site Elements	Pavers, Stone, Partial	650	33	Square Feet	to 65	3	\$22.00	\$14,300	\$13,640
General Site Elements	Pond Restoration	12	12	Acres	to 50	28	\$15,000.00	\$180,000	\$79,200
General Site Elements	Road Pavers	1,904	1,904	Square Feet	to 40	16	\$19.00	\$36,176	\$21,706
General Site Elements	Security Camera System	1	1	Each	10	8	\$14,000.00	\$14,000	\$2,800
General Site Elements	Sidewalks, Concrete, Partial	112,600	5,630	Square Feet	to 65	3	\$9.00	\$1,013,400	\$966,628
General Site Elements	Speed Bumps	7	7	Each	15 to 20	6	\$1,500.00	\$10,500	\$7,350
General Site Elements	Stormwater System, Allowance, Phased	2	1	Each	50 to 100	1	\$342,500.00	\$685,000	\$678,150
Guardhouse Elements	Exterior Paint and Waterproofing	1,100	1,100	Square Feet	8 to 12	3	\$1.80	\$1,980	\$1,485
Guardhouse Elements	Roof, Terracotta	5	5	Squares	30	9	\$1,600.00	\$8,000	\$5,600
Pool Elements	Equipment Enclosures, Allowance	1	1	Each	20 to 30	1	\$25,000.00	\$25,000	\$24,167
Pool Elements	Fencing, Aluminum	324	324	Linear Feet	30	5	\$45.00	\$14,580	\$12,150
Pool Elements	Pool Deck, Brick Pavers	6,500	6,500	Square Feet	to 40	18	\$18.00	\$117,000	\$64,350
Pool Elements	Pool Equipment	1	1	Each	10	2	\$10,000.00	\$10,000	\$8,000
Pool Elements	Pool Furniture	1	1	Each	15	9	\$11,000.00	\$11,000	\$4,400
Pool Elements	Pool, Remarcite	3,325	3,325	Square Feet	15	11	\$15.00	\$49,875	\$13,300
Pool Elements	Spa Equipment	1	1	Each	10	1	\$6,000.00	\$6,000	\$5,400
Pool Elements	Spa Heater	1	1	Each	7 to 12	2	\$3,700.00	\$3,700	\$3,083
Pool Elements	Spa, Remarcite	236	236	Square Feet	15	11	\$15.00	\$3,540	\$944
Pool Elements	Trellis, Wood, Allowance	1	1	Each	15 to 20	1	\$50,000.00	\$50,000	\$47,500
Recreational Elements	Basketball Court, Rebuild	1	1	Each	25 to 35	18	\$25,000.00	\$25,000	\$12,143
Recreational Elements	Basketball Court, Resurfacing	1	1	Square Feet	5	2	\$3,700.00	\$3,700	\$2,220
Recreational Elements	Playground	1	1	Each	20	2	\$50,000.00	\$50,000	\$45,000
Recreational Elements	Small Basketball Court, Rebuild	1	1	Square Feet	30	12	\$12,000.00	\$12,000	\$7,200
Recreational Elements	Tennis Court, Fencing, Chain Link	1	1	Linear Feet	20	8	\$13,600.00	\$13,600	\$8,160
Recreational Elements	Tennis Court, Rebuild	1	1	Each	25 to 35	8	\$35,000.00	\$35,000	\$27,000
Recreational Elements	Tennis Court, Resurfacing	1	1	Square Feet	5	2	\$5,000.00	\$5,000	\$3,000
Other Elements	Reserve Study Update	1	1	Each	1	1	\$1,500.00	\$1,500	\$0
<b>TOTALS</b>								<b>\$4,968,458</b>	<b>\$3,818,034</b>

## **Excluded Components**

Excluded Components do not have predictable Remaining Useful Lives within the scope of this study – i.e., within 30 years. The Board should budget for infrequent repairs for these items from the Operating Fund. We identify the following Excluded Elements as excluded from reserve funding at this time.

- **Pipes, Subsurface Utilities, Lateral** – Subsurface pipes and other elements have a useful life that is greater than 30 years and is generally unpredictable as to when repairs and replacement will be required.
- **Brick Pavers, Replacement** – Brick Pavers have a useful life expectancy of up to 65 years. Although the replacement costs are not included in this study, we have included periodic repairs and maintenance and made an adjustment for premature failure to be conservative since the costs are significant.
- **Monuments Entrance Signage, Replacement** – Monuments Entrance Signage have a useful life expectancy of up to 65 years. Although the replacement costs are not included in this study, we have included periodic repairs and maintenance and made an adjustment for premature failure to be conservative since the costs are significant.
- **Stone Pavers, Replacement** – Stone Pavers have a useful life expectancy of up to 65 years. Although the replacement costs are not included in this study, we have included periodic repairs and maintenance and made an adjustment for premature failure to be conservative since the costs are significant.
- **Concrete Sidewalks, Replacement** – Concrete Sidewalks have a useful life expectancy of up to 65 years. Although the replacement costs are not included in this study, we have included periodic repairs and maintenance and made an adjustment for premature failure to be conservative since the costs are significant.

### **Repairs and Replacement Funded from Operating Budget**

- General Maintenance to the Common Elements
- Expenditures less than \$10,000 (except for reserve study expense)
- Landscaping
- Light Fixtures, Interior
- Irrigation Repairs and Maintenance
- Fitness Equipment Repairs and Maintenance
- Paint Finishes, Touch Up
- Pipes, Interior Building, Water and Sewer, Manifold
- Pipes, Subsurface Utilities, Laterals, Inspections
- Pool Maintenance
- Pool Repairs, Partial
- Pool Furniture, Repairs
- Pool Furniture, Replacement
- Smoke Detectors and Alarms
- Playground, Repairs and Replacement
- Tennis Cort, Repairs and Replacement
- Entrance Signage
- Spa Equipment, Repairs and Replacement
- Basketball Court, Replace and Replacement
- Security Camera System
- Other Repairs Normally Funded Through the Operating Budget

### **Property Maintained by Owners**

- Homes and Driveways

### **Property Maintained by Others**

- Streetlights (Other)

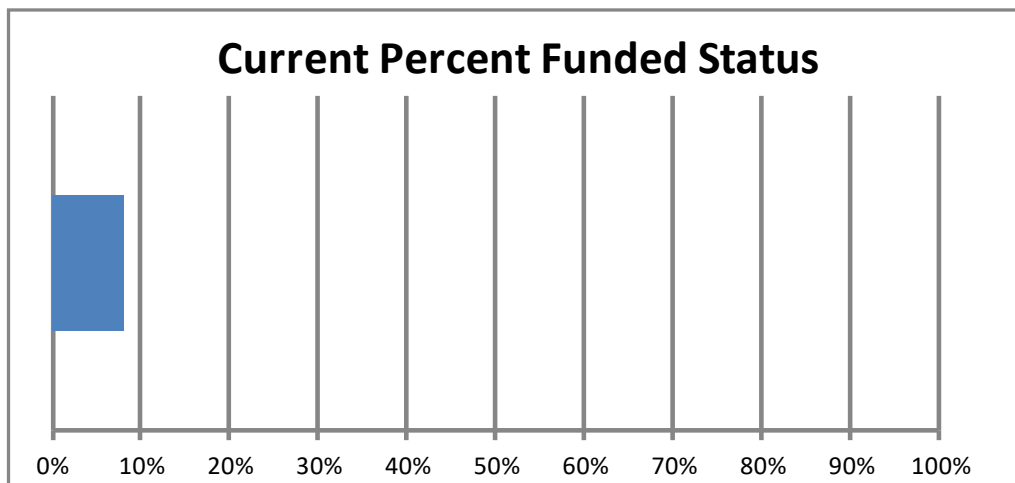
## FINANCIAL ANALYSIS

This section of the report is intended to provide the association with the awareness to adequately plan for the ongoing major maintenance, repair and replacement of their common property components. Our recommendation is but one scenario and is not intended to represent the only means of achieving the association’s goals. We recommend that the Board of Directors use the following information as a guide in planning for their future objectives.

### Percent Funded

Percent Funded measures the strength of the Reserve Fund at the beginning of each fiscal year. Percent Funded is the industry measure of how well prepared an association is to meet its current and future repair and replacement obligations and how likely the Association is to require a special assessment to fund major repairs and replacements. Percent funded ranges from weak to strong as follows:

- Less than 30% funded is considered weak.
- Between 30% and 70% funded is considered fair
- Greater than 70% funded is considered strong.
- 100% or more is considered ideal.



The Association’s Current Percent Funded Status is 8% funded, which indicates that the Association is starting with what is considered a weak level of reserve funds. However, we recommend increased budgeted reserve assessments such that the current percentage funded is at least 100%.

## Reserve Expenditures

Category	Component	Years 1 - 10									
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Clubhouse Elements	Cardio Equipment	\$0	\$0	\$0	\$21,221	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Doors, Allowance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Exterior Bathrooms	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Exterior Paint and Waterproofing	\$0	\$0	\$0	\$4,641	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Fitness Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Flooring, Mat	\$0	\$0	\$0	\$5,119	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Flooring, Tile	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Furniture and Décor	\$0	\$0	\$0	\$0	\$11,042	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Gutters and Downspouts	\$0	\$3,465	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	HVAC, 3.5 Ton	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,487	\$0
Clubhouse Elements	HVAC, 5 Ton	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Interior Bathrooms	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Interior Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,737	\$0	\$0
Clubhouse Elements	Lighting, Allowance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,290	\$0
Clubhouse Elements	Roof, Terracotta	\$0	\$109,235	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Windows, Allowance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Asphalt Pavement, Crack Repair, Seal and Coat	\$0	\$0	\$0	\$0	\$0	\$0	\$137,915	\$0	\$0	\$148,563
General Site Elements	Asphalt Pavement, Mill and Overlay	\$0	\$1,028,848	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Boat Ramp	\$0	\$14,351	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Brick Pavers, Partial	\$0	\$0	\$0	\$5,172	\$0	\$0	\$5,572	\$0	\$0	\$6,002
General Site Elements	Call Box	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500
General Site Elements	Cluster Mailboxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Curbs and Road Gutters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Dock	\$0	\$20,502	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Entrance Gate Motors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,999
General Site Elements	Entrance Gate Motors with Barrier Arms	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,499
General Site Elements	Entrance Gates	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Entrance Signage, Fountain Pump	\$0	\$0	\$0	\$0	\$0	\$5,660	\$0	\$0	\$0	\$0
General Site Elements	Entrance Signage, Fountain Resurfacing	\$0	\$7,058	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Entrance Signage, Paint	\$0	\$6,945	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,469

		Years 1 - 10									
Category	Component	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
General Site Elements	Entrance Signage, Roof, Terracotta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,512	\$0
General Site Elements	Entrance Signage, Monuments, Partial	\$0	\$0	\$0	\$10,772	\$0	\$0	\$11,604	\$0	\$0	\$12,500
General Site Elements	Irrigation	\$0	\$0	\$0	\$0	\$0	\$13,584	\$0	\$0	\$0	\$0
General Site Elements	Landscaping, Allowance	\$0	\$76,883	\$78,812	\$80,790	\$82,818	\$84,897	\$87,028	\$89,212	\$91,452	\$93,747
General Site Elements	Pavers, Stone, Partial	\$0	\$0	\$0	\$770	\$0	\$0	\$830	\$0	\$0	\$894
General Site Elements	Pond Restoration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Road Pavers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Security Camera System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,071	\$0
General Site Elements	Sidewalks, Concrete, Partial	\$0	\$0	\$0	\$54,582	\$0	\$0	\$58,796	\$0	\$0	\$63,335
General Site Elements	Speed Bumps	\$0	\$0	\$0	\$0	\$0	\$0	\$12,184	\$0	\$0	\$0
General Site Elements	Stormwater System, Allowance, Phased	\$0	\$351,097	\$359,909	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Stormwater System, Allowance, Partial	\$0	\$0	\$0	\$26,930	\$27,606	\$28,299	\$29,009	\$29,737	\$30,484	\$31,249
Guardhouse Elements	Exterior Paint and Waterproofing	\$0	\$0	\$0	\$2,133	\$0	\$0	\$0	\$0	\$0	\$0
Guardhouse Elements	Roof, Terracotta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000
Pool Elements	Equipment Enclosures, Allowance	\$0	\$25,628	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Fencing, Aluminum	\$0	\$0	\$0	\$0	\$0	\$16,504	\$0	\$0	\$0	\$0
Pool Elements	Pool Deck, Brick Pavers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Pool Equipment	\$0	\$0	\$10,508	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Pool Furniture	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,750
Pool Elements	Pool, Remarcite	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Spa Equipment	\$0	\$6,151	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Spa Heater	\$0	\$0	\$3,888	\$0	\$0	\$0	\$0	\$0	\$0	\$4,625
Pool Elements	Spa, Remarcite	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Trellis, Wood, Allowance	\$0	\$51,255	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Basketball Court, Rebuild	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Basketball Court, Resurfacing	\$0	\$0	\$3,888	\$0	\$0	\$0	\$0	\$4,401	\$0	\$0
Recreational Elements	Playground	\$0	\$0	\$52,542	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Small Basketball Court, Rebuild	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Tennis Court, Fencing, Chain Link	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,583	\$0
Recreational Elements	Tennis Court, Rebuild	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$42,677	\$0
Recreational Elements	Tennis Court, Resurfacing	\$0	\$0	\$5,254	\$0	\$0	\$0	\$0	\$5,947	\$0	\$0
Other Elements	Reserve Study Update	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTALS</b>		\$0	\$1,702,918	\$514,801	\$212,130	\$121,466	\$148,944	\$342,938	\$159,034	\$226,556	\$436,132

		Years 11 - 20									
Category	Component	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Clubhouse Elements	Cardio Equipment	\$0	\$0	\$0	\$27,191	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Doors, Allowance	\$0	\$0	\$0	\$0	\$31,128	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Exterior Bathrooms	\$0	\$0	\$8,079	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Exterior Paint and Waterproofing	\$0	\$5,659	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,900
Clubhouse Elements	Fitness Equipment	\$0	\$14,810	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Flooring, Mat	\$0	\$0	\$0	\$6,559	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Flooring, Tile	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Furniture and Décor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,016
Clubhouse Elements	Gutters and Downspouts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	HVAC, 3.5 Ton	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,031	\$0
Clubhouse Elements	HVAC, 5 Ton	\$7,688	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Interior Bathrooms	\$0	\$0	\$21,543	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Interior Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38,104	\$0	\$0
Clubhouse Elements	Lighting, Allowance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Roof, Terracotta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Windows, Allowance	\$0	\$0	\$0	\$0	\$0	\$24,657	\$0	\$0	\$0	\$0
General Site Elements	Asphalt Pavement, Crack Repair, Seal and Coat	\$0	\$0	\$160,033	\$0	\$0	\$172,388	\$0	\$0	\$185,697	\$0
General Site Elements	Asphalt Pavement, Mill and Overlay	\$0	\$0	\$0	\$0	\$0	\$0	\$1,492,260	\$0	\$0	\$0
General Site Elements	Boat Ramp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Brick Pavers, Partial	\$0	\$0	\$6,465	\$0	\$0	\$6,964	\$0	\$0	\$7,502	\$0
General Site Elements	Call Box	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,610
General Site Elements	Cluster Mailboxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Curbs and Road Gutters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Dock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Entrance Gate Motors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,063
General Site Elements	Entrance Gate Motors with Barrier Arms	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,423
General Site Elements	Entrance Gates	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Entrance Signage, Fountain Pump	\$0	\$0	\$0	\$0	\$0	\$7,252	\$0	\$0	\$0	\$0
General Site Elements	Entrance Signage, Fountain Resurfacing	\$0	\$0	\$0	\$0	\$0	\$0	\$10,237	\$0	\$0	\$0
General Site Elements	Entrance Signage, Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,326	\$0	\$0

		Years 11 - 20									
Category	Component	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
General Site Elements	Entrance Signage, Roof, Terracotta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Entrance Signage, Monuments, Partial	\$0	\$0	\$13,465	\$0	\$0	\$14,504	\$0	\$0	\$15,624	\$0
General Site Elements	Irrigation	\$0	\$0	\$0	\$0	\$0	\$17,405	\$0	\$0	\$0	\$0
General Site Elements	Landscaping, Allowance	\$96,100	\$98,512	\$100,985	\$103,520	\$106,118	\$108,781	\$111,512	\$114,311	\$117,180	\$120,121
General Site Elements	Pavers, Stone, Partial	\$0	\$0	\$963	\$0	\$0	\$1,037	\$0	\$0	\$1,117	\$0
General Site Elements	Pond Restoration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Road Pavers	\$0	\$0	\$0	\$0	\$0	\$0	\$53,787	\$0	\$0	\$0
General Site Elements	Security Camera System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,874	\$0
General Site Elements	Sidewalks, Concrete, Partial	\$0	\$0	\$68,225	\$0	\$0	\$73,493	\$0	\$0	\$79,167	\$0
General Site Elements	Speed Bumps	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Stormwater System, Allowance, Phased	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Stormwater System, Allowance, Partial	\$32,033	\$32,837	\$33,662	\$34,507	\$35,373	\$36,260	\$37,171	\$38,104	\$39,060	\$40,040
Guardhouse Elements	Exterior Paint and Waterproofing	\$0	\$2,601	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,171
Guardhouse Elements	Roof, Terracotta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Equipment Enclosures, Allowance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Fencing, Aluminum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Pool Deck, Brick Pavers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$182,801	\$0
Pool Elements	Pool Equipment	\$0	\$0	\$13,465	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Pool Furniture	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Pool, Remarcite	\$0	\$65,511	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Spa Equipment	\$0	\$7,881	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Spa Heater	\$0	\$0	\$0	\$0	\$0	\$0	\$5,501	\$0	\$0	\$0
Pool Elements	Spa, Remarcite	\$0	\$4,650	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Trellis, Wood, Allowance	\$0	\$0	\$0	\$0	\$0	\$0	\$74,341	\$0	\$0	\$0
Recreational Elements	Basketball Court, Rebuild	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$39,060	\$0
Recreational Elements	Basketball Court, Resurfacing	\$0	\$0	\$4,982	\$0	\$0	\$0	\$0	\$5,639	\$0	\$0
Recreational Elements	Playground	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Small Basketball Court, Rebuild	\$0	\$0	\$16,158	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Tennis Court, Fencing, Chain Link	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Tennis Court, Rebuild	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Tennis Court, Resurfacing	\$0	\$0	\$6,732	\$0	\$0	\$0	\$0	\$7,621	\$0	\$0
Other Elements	Reserve Study Update	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTALS</b>		<b>\$135,821</b>	<b>\$232,461</b>	<b>\$454,757</b>	<b>\$171,777</b>	<b>\$172,619</b>	<b>\$462,741</b>	<b>\$1,784,809</b>	<b>\$214,105</b>	<b>\$696,113</b>	<b>\$241,344</b>



		Years 21 - 30									
Category	Component	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Clubhouse Elements	Cardio Equipment	\$0	\$0	\$0	\$34,841	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Doors, Allowance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Exterior Bathrooms	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Exterior Paint and Waterproofing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,413	\$0	\$0
Clubhouse Elements	Fitness Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$21,480	\$0	\$0	\$0
Clubhouse Elements	Flooring, Mat	\$0	\$0	\$0	\$8,404	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Flooring, Tile	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$52,215	\$0
Clubhouse Elements	Furniture and Décor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Gutters and Downspouts	\$0	\$5,689	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	HVAC, 3.5 Ton	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,009	\$0
Clubhouse Elements	HVAC, 5 Ton	\$9,851	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Interior Bathrooms	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Interior Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,823	\$0	\$0
Clubhouse Elements	Lighting, Allowance	\$0	\$0	\$0	\$26,529	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Roof, Terracotta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse Elements	Windows, Allowance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Asphalt Pavement, Crack Repair, Seal and Coat	\$0	\$200,034	\$0	\$0	\$215,478	\$0	\$0	\$232,114	\$0	\$0
General Site Elements	Asphalt Pavement, Mill and Overlay	\$0	\$1,689,179	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Boat Ramp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Brick Pavers, Partial	\$0	\$8,081	\$0	\$0	\$8,705	\$0	\$0	\$9,377	\$0	\$0
General Site Elements	Call Box	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,313
General Site Elements	Cluster Mailboxes	\$0	\$0	\$0	\$0	\$0	\$45,997	\$0	\$0	\$0	\$0
General Site Elements	Curbs and Road Gutters	\$1,339,722	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Dock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Entrance Gate Motors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,552
General Site Elements	Entrance Gate Motors with Barrier Arms	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,731
General Site Elements	Entrance Gates	\$0	\$0	\$0	\$0	\$0	\$44,603	\$0	\$0	\$0	\$0
General Site Elements	Entrance Signage, Fountain Pump	\$0	\$0	\$0	\$0	\$0	\$9,292	\$0	\$0	\$0	\$0
General Site Elements	Entrance Signage, Fountain Resurfacing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Entrance Signage, Paint	\$0	\$0	\$0	\$0	\$0	\$12,592	\$0	\$0	\$0	\$0

		Years 21 - 30									
Category	Component	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
General Site Elements	Entrance Signage, Roof, Terracotta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Entrance Signage, Monuments, Partial	\$0	\$16,830	\$0	\$0	\$18,130	\$0	\$0	\$19,529	\$0	\$0
General Site Elements	Irrigation	\$0	\$0	\$0	\$0	\$0	\$22,302	\$0	\$0	\$0	\$0
General Site Elements	Landscaping, Allowance	\$123,136	\$126,227	\$129,395	\$132,643	\$135,972	\$139,385	\$142,884	\$146,470	\$150,147	\$153,915
General Site Elements	Pavers, Stone, Partial	\$0	\$1,203	\$0	\$0	\$1,296	\$0	\$0	\$1,396	\$0	\$0
General Site Elements	Pond Restoration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$360,352	\$0
General Site Elements	Road Pavers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Security Camera System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,027	\$0
General Site Elements	Sidewalks, Concrete, Partial	\$0	\$85,279	\$0	\$0	\$91,863	\$0	\$0	\$98,955	\$0	\$0
General Site Elements	Speed Bumps	\$0	\$17,672	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Stormwater System, Allowance, Phased	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site Elements	Stormwater System, Allowance, Partial	\$41,045	\$42,076	\$43,132	\$44,214	\$45,324	\$46,462	\$47,628	\$48,823	\$50,049	\$51,305
Guardhouse Elements	Exterior Paint and Waterproofing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,867	\$0	\$0
Guardhouse Elements	Roof, Terracotta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Equipment Enclosures, Allowance	\$0	\$42,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Fencing, Aluminum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Pool Deck, Brick Pavers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Pool Equipment	\$0	\$0	\$17,253	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Pool Furniture	\$0	\$0	\$0	\$0	\$19,943	\$0	\$0	\$0	\$0	\$0
Pool Elements	Pool, Remarcite	\$0	\$0	\$0	\$0	\$0	\$0	\$95,018	\$0	\$0	\$0
Pool Elements	Spa Equipment	\$0	\$10,098	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Spa Heater	\$0	\$0	\$0	\$6,544	\$0	\$0	\$0	\$0	\$0	\$0
Pool Elements	Spa, Remarcite	\$0	\$0	\$0	\$0	\$0	\$0	\$6,744	\$0	\$0	\$0
Pool Elements	Trellis, Wood, Allowance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Basketball Court, Rebuild	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Basketball Court, Resurfacing	\$0	\$0	\$6,383	\$0	\$0	\$0	\$0	\$7,226	\$0	\$0
Recreational Elements	Playground	\$0	\$0	\$86,264	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Small Basketball Court, Rebuild	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Tennis Court, Fencing, Chain Link	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,227	\$0
Recreational Elements	Tennis Court, Rebuild	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recreational Elements	Tennis Court, Resurfacing	\$0	\$0	\$8,626	\$0	\$0	\$0	\$0	\$9,765	\$0	\$0
Other Elements	Reserve Study Update	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTALS</b>		<b>\$1,513,754</b>	<b>\$2,244,444</b>	<b>\$291,053</b>	<b>\$253,175</b>	<b>\$536,711</b>	<b>\$320,633</b>	<b>\$313,754</b>	<b>\$634,758</b>	<b>\$677,026</b>	<b>\$275,816</b>

**Reserve Funding Plan**

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Beginning Balance</b>	\$307,000	\$306,684	\$170,302	\$52,577	\$223,013	\$501,147	\$768,965	\$856,615	\$1,146,494	\$1,386,529
<b>Recommended Reserve Contribution</b>	\$0	\$1,563,050	\$396,000	\$378,000	\$389,340	\$401,020	\$413,051	\$425,442	\$438,206	\$451,352
<b>Estimated Interest Earned</b>	(\$316)	\$3,486	\$1,076	\$4,566	\$10,260	\$15,742	\$17,537	\$23,471	\$28,385	\$29,297
<b>Special Assessments / Other</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Anticipated Reserve Expenditures</b>	\$0	(\$1,702,918)	(\$514,801)	(\$212,130)	(\$121,466)	(\$148,944)	(\$342,938)	(\$159,034)	(\$226,556)	(\$436,132)
<b>Ending Balance</b>	\$306,684	\$170,302	\$52,577	\$223,013	\$501,147	\$768,965	\$856,615	\$1,146,494	\$1,386,529	\$1,431,045

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
<b>Beginning Balance</b>	\$1,431,045	\$1,796,903	\$2,085,986	\$2,168,834	\$2,557,413	\$2,968,813	\$3,108,650	\$1,918,217	\$2,323,437	\$2,262,555
<b>Recommended Reserve Contribution</b>	\$464,892	\$478,839	\$493,204	\$508,000	\$523,240	\$538,938	\$555,106	\$571,759	\$588,912	\$606,579
<b>Estimated Interest Earned</b>	\$36,786	\$42,705	\$44,401	\$52,356	\$60,778	\$63,641	\$39,270	\$47,566	\$46,319	\$54,921
<b>Special Assessments / Other</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Anticipated Reserve Expenditures</b>	(\$135,821)	(\$232,461)	(\$454,757)	(\$171,777)	(\$172,619)	(\$462,741)	(\$1,784,809)	(\$214,105)	(\$696,113)	(\$241,344)
<b>Ending Balance</b>	\$1,796,903	\$2,085,986	\$2,168,834	\$2,557,413	\$2,968,813	\$3,108,650	\$1,918,217	\$2,323,437	\$2,262,555	\$2,682,711

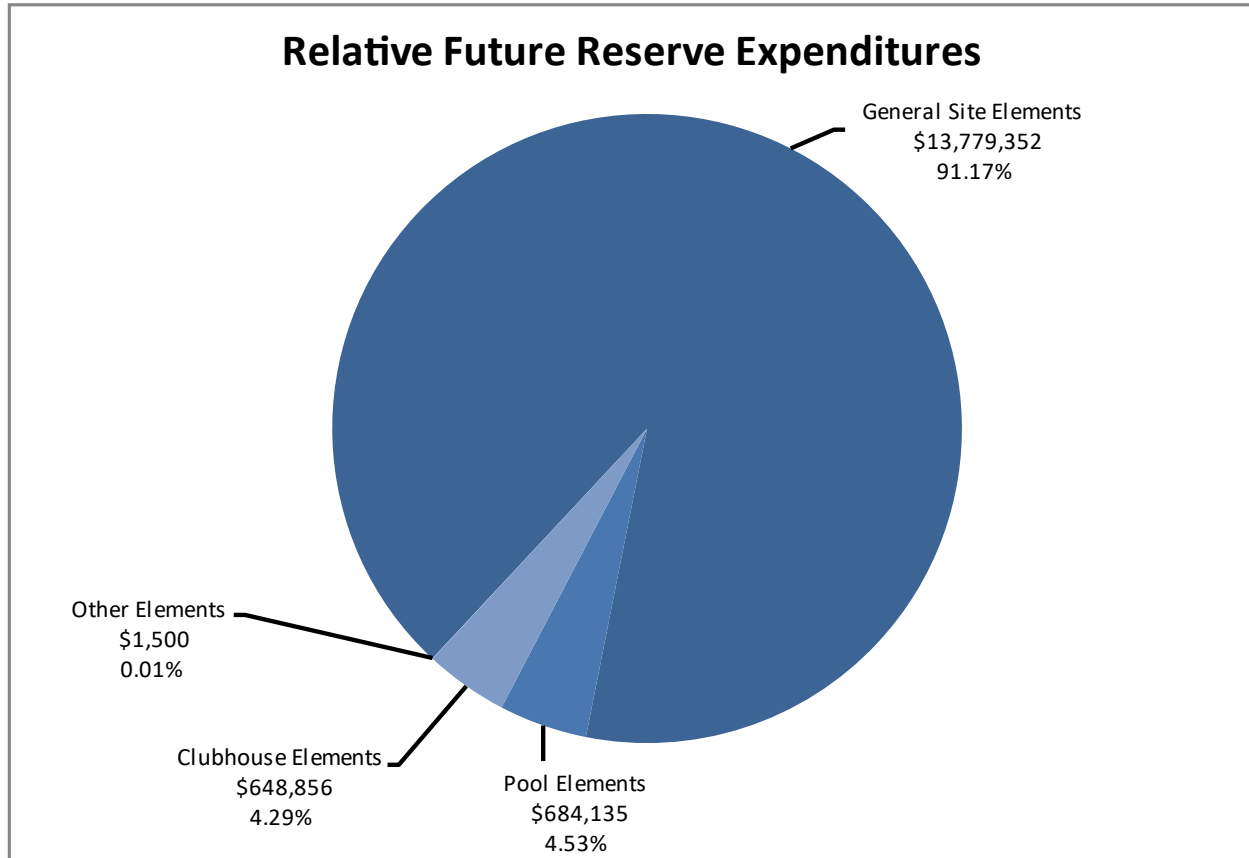
	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
<b>Beginning Balance</b>	\$2,682,711	\$1,831,222	\$235,111	\$619,567	\$1,071,028	\$1,263,373	\$1,701,868	\$2,178,732	\$2,360,700	\$2,526,852
<b>Recommended Reserve Contribution</b>	\$624,776	\$643,520	\$662,825	\$682,710	\$703,191	\$724,287	\$746,016	\$768,396	\$791,448	\$815,191
<b>Estimated Interest Earned</b>	\$37,489	\$4,813	\$12,684	\$21,926	\$25,864	\$34,841	\$44,603	\$48,329	\$51,730	\$64,084
<b>Special Assessments / Other</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Anticipated Reserve Expenditures</b>	(\$1,513,754)	(\$2,244,444)	(\$291,053)	(\$253,175)	(\$536,711)	(\$320,633)	(\$313,754)	(\$634,758)	(\$677,026)	(\$275,816)
<b>Ending Balance</b>	\$1,831,222	\$235,111	\$619,567	\$1,071,028	\$1,263,373	\$1,701,868	\$2,178,732	\$2,360,700	\$2,526,852	\$3,130,311

Notes:

- (1) Beginning balance of reserve was provided by management and includes reserve fund balances as of January 19, 2024.
- (2) An inflation rate of 2.51% and an interest rate on Investments of 4.18% were used for this study.
- (3) 2024 reserve contribution was budgeted by the Association.
- (4) 2045 is threshold funding year due to significant expenditures.

### Major Expenditures

The relative cost of total reserve expenses is summarized in the chart below to give the Board perspective on the relative size and importance of key reserve items.



As illustrated above, the Association’s largest future expense is general site elements of which \$13,779,352 is needed for their repair or replacement of approximately 1 each of landscaping, allowance, approximately 52,824 square yards of asphalt pavement, mill, and overlay, and approximately 1 each of stormwater system, allowance.

The next highest priority categories are the pool elements and clubhouse elements, respectively.

The Association may be able to mill and overlay the asphalt pavement prior to replacement. Milling and overlaying asphalt pavement is significantly less expensive than replacement, with approximately the same useful life if the asphalt pavement is maintained properly.

We recommend the Association carefully plan for these expenses and advise us promptly of any changes to the Associations budget plans related to both the timing of these items and cost of these items so that we can incorporate the necessary adjustments into future studies for the Associations to assist the Board in its capital budget process.

## **Condition Assessment**

The following is a condition assessment of certain reserve components:

### **Clubhouse Elements**

- **Cardio Equipment** – This allowance provides for the replacement of two Landice Treadmills, Sitting Stationary Bike and Elliptical. The elliptical is currently out of order. It appears that the rest are in working condition at the time of the on-site visit.
- **Doors, Allowance** – This allowance provides for the replacement of the interior and exterior doors throughout the clubhouse. They appear to be in good condition.
- **Exterior Bathrooms** – There are two exterior bathrooms. They appear to be in good condition.
- **Exterior Paint and Waterproofing** – There is approximately 3,590 square feet of exterior painting on the clubhouse. It appears to be in fair condition.
- **Fitness Equipment** – This allowance provides for the replacement of the inclined row, medicine balls and rack, standing leg raise/dip bar station, Link Free Trainer, dumbbells, and rack. They appear to be in good condition.
- **Flooring, Mat** – There is approximately 528 square feet of rubber flooring in the gym. It appears to be in fair condition.
- **Flooring, Tile** – There is approximately 1,242 square feet of tile. It is in good condition.
- **Furniture and Décor** – This allowance provides for the replacement of the wicker chairs, loveseats, couch, small and large wicker tables, wood chairs and the large glass and wood table. They are in fair condition overall.
- **Gutters and Downspouts** – There are approximately 338 linear feet of gutters and downspouts. They appear to be in good condition; however, they are typically replaced with the roof.
- **HVAC, 3.5 Ton** – There is one Goodman 3.5-ton condenser. It appears to be in very good condition.
- **HVAC, 5 Ton** – There is one Ducane 5-ton condenser. It appears to be in excellent condition.
- **Interior Bathrooms** – There are 2 interior bathrooms. They appear to be in good condition.
- **Interior Paint** – There are approximately 5,000 square feet of interior painting. It appears to be in good condition.
- **Lighting, Allowance** – This allowance provides for the replacement of the lighting including recessed ceiling lights, flood lights and exterior lights. They are in various conditions.
- **Roof, Terracotta** – There are approximately 72 squares of terracotta roof on the clubhouse. It is damaged from the hurricane and is leaking. It is in poor condition.
- **Windows, Allowance** – This allowance provides for the replacement of all windows in the clubhouse. They appear to be in good condition.

### **General Site Elements**

- **Curbs and Road Gutters** – There are approximately 27,200 linear feet of curbs and road gutters. There are damaged areas throughout the property, but overall, it is in good condition.

- **Dock** – Dock has been damaged by hurricane. Unable to determine length. Due to the condition, we recommend getting a quote from a third-party vendor.
- **Entrance Gate Motors** – There are 4 entrance gate motors. They appear to be in very good condition.
- **Entrance Gate Motors with Barrier Arms** – There are 4 entrance gate motors with barrier arms. Two of the arms have been removed and one was laying on the ground during the time of the inspection. Other than the arms, they are in very good condition.
- **Entrance Gates** – There are 3 aluminum entrance gates. One is missing. They appear to be in very good condition.
- **Entrance Signage, Fountain Pump** – Did not have access to the pump room. No condition assessment is available.
- **Entrance Signage, Fountain Resurfacing** – The fountain is approximately 459 square feet. It is in poor condition.
- **Entrance Signage, Paint** – There is approximately 3,764 square feet of paint between the entrance signage and irrigation enclosure. It is running, stained and in poor condition.
- **Entrance Signage, Roof, Terracotta** – There are approximately 2 squares of terracotta roof. Did not have access. No condition assessment is available.
- **Entrance Signage. Monuments, Partial** – This provides for the replacement of all entrance signage monuments. The estimated remaining useful life is 65 years and so the total replacement cost is excluded from the study. A periodic failure rate of 5% every 3 years is included in the study as the estimated costs are significant.
- **Irrigation** – This allowance provides for the replacement of the irrigation water tank, timers, pump, and backflow preventer. No condition assessment is available.
- **Landscaping, Allowance** – This allowance provides for the landscaping. The amount used was per direction of association representative.
- **Pavers, Stone, Partial** – There are approximately 650 square feet of stone pavers by the patio area behind the clubhouse. They appear to be in good condition. The estimated remaining useful life is 65 years and so the total replacement cost is excluded from the study. A periodic failure rate of 5% every 3 years is included in the study as the estimated costs are significant.
- **Pond Restoration** – There are approximately 12 acres of ponds that the CDD is responsible for. They appear to be in good condition with no visible pond scum.
- **Road Pavers** – There are approximately 1,904 brick pavers by the security building. There are uneven pavers by the inside entrance area, however, the rest appear to be in good condition.
- **Security Camera System** – There are approximately 23 cameras throughout the property. They appear to be in good condition.
- **Sidewalks, Concrete, Partial** – There is approximately 112,600 square feet of concrete sidewalk throughout the property. There are some damaged areas, mainly caused by tree roots or the water lines, however most of it is in good condition. The estimated remaining useful life is 65 years and so the total replacement cost is excluded from the study. A periodic failure rate of 5% every 3 years is included in the study as the estimated costs are significant.
- **Speed Bumps** – There are 7 speed bumps throughout the property. They are in good condition.

- **Stormwater System, Allowance, Phased** – This allowance provides for the cleaning, inspection, and repairs to the stormwater system, including catch basins. No condition assessment is available. The cost and timing of expenditures were provided by management upon consultation with district engineer.
- **Stormwater System, Allowance, Partial** – This allowance provides for the cleaning, inspection, and repairs to the stormwater system, including catch basins. No condition assessment is available. The cost and timing of expenditures were provided by management upon consultation with district engineer.

### **Guardhouse Elements**

- **Exterior Paint and Waterproofing** – There is approximately 1,100 square feet of exterior painting and waterproofing on the guardhouse. It is in fair condition.
- **Roof, Terracotta** – There are approximately 5 squares of terracotta roof. It appears to be in good condition.

### **Pool Elements**

- **Equipment Enclosures, Allowance** – There are 4 fiberglass pump enclosures. They are in poor condition.
- **Fencing, Aluminum** – There are approximately 324 linear feet of aluminum fencing. There are some bent and damaged areas, including the gates. Overall, it is in fair condition.
- **Pool Deck, Brick Pavers** – There are approximately 6,500 square feet of brick pavers. They appear to be in good condition.
- **Pool Equipment** – This provides for the replacement of pool pumps, motors, separation tanks and other related items. The 1.65 hp motor does not appear to be working at the time of the visit. Overall, it is in poor condition.
- **Pool Furniture** – This allowance provides for the replacement of the pool chairs, chaise lounges, tables, and the water fountains. They appear to be in good condition.
- **Pool, Remarcite** – The pool surface area is approximately 3,325 square feet. It appears to be in good condition.
- **Spa Equipment** – This provides for the replacement of the spa pumps, motors, filters, chemical controller, and other related components. They are in poor condition.
- **Spa Heater** – There is one spa heater. It is in fair condition.
- **Spa, Remarcite** – The spa surface area is approximately 256 square feet. It appears to be in good condition.
- **Trellis, Wood, Allowance** – Wood trellises are either missing or in poor condition. This allowance is provided for the removal, disposal, and installation of a new trellis. We recommend getting a third-party quote for this because the association may have different plans than what was originally constructed.

### **Recreational Elements**

- **Basketball Court, rebuild** – The basketball court is showing signs of cracking and has water damage in several areas. These cracks do not appear to be surface only. Overall, it is in good condition.
- **Basketball Court, Resurfacing** – The basketball court is showing signs of cracking and has water damage in several areas. Overall, it is in poor condition.
- **Playground** – There is one playground. It is considered to be in poor condition based on its age.
- **Small Basketball Court, rebuild** – The small tennis court is approximately 1,600 square feet. It is showing cracking throughout. It is in fair condition.
- **Tennis Court, Fencing, Chain Link** – The tennis court fencing is approximately 340 linear feet. The chain link is bent from wear. Overall, it is in fair condition. It is typically replaced at the time of rebuilding the court.
- **Tennis Court, rebuild** – The tennis court is showing signs of cracking throughout. These cracks do not appear to be surface only. Overall, it is in good condition.
- **Tennis Court, Resurfacing** – The basketball court is showing signs of cracking throughout. Overall, it is in poor condition.

#### **Other Elements**

- **Reserve Study Update** – Reserve study is a snapshot in time that will require annual updates because factors and assumptions of the study can result in overfunding or underfunding of reserves. These factors include additions or disposals of reserve components, changes in inflation rate, changes in interest rate on investment income, and acceleration or deceleration of capital projects at the discretion of the Board.



## PHOTOGRAPHS

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**ID:** 001

**Item Description:**  
Entrance Monument



**ID:** 002

**Item Description:**  
Fountain



**ID:** 003

**Item Description:**  
Entrance Signage, Terracotta Roof



**ID:** 004

**Item Description:**  
Fountain Pump

**Note:**  
Door in poor condition. Considered operational Did not have access.



**ID:** 005

**Item Description:**  
Callbox



**ID:** 006

**Item Description:**  
Entrance Gate Motor with Barrier Arm



**ID: 007**

**Item Description:**  
Entrance Gate Motors



**ID: 008**

**Item Description:**  
Entrance Gate



**ID: 009**

**Item Description:**  
Security Camera System



**ID: 010**

**Item Description:**  
Guardhouse Exterior Paint



**ID: 011**

**Item Description:**  
Guardhouse Terracotta Roof



**ID: 012**

**Item Description:**  
Road Pavers



ID: 013

**Item Description:**  
Sidewalks



ID: 014

**Item Description:**  
Asphalt Pavement



ID: 015

**Item Description:**  
Curbs and Road Gutters



ID: 016

**Item Description:**  
Irrigation



ID: 017

**Item Description:**  
Speed Bumps



ID: 018

**Item Description:**  
Landscaping



**ID: 019**

**Item Description:**  
Brick Pavers



**ID: 020**

**Item Description:**  
Cluster Mailboxes



**ID: 021**

**Item Description:**  
Ponds



**ID:** 022

**Item Description:**  
Stormwater System

**Note:** Damaged catch basins.



**ID:** 023

**Item Description:**  
Dock/Boat Area

**Note:**  
Unable to measure.



**ID:** 024

**Item Description:**  
Playground





**ID:** 025

**Item Description:**  
Tennis Court



**ID:** 026

**Item Description:**  
Tennis Court Fencing



**ID:** 027

**Item Description:**  
Basketball Court



ID: 028

**Item Description:**  
Small Basketball Court



ID: 029

**Item Description:**  
Clubhouse Roof



ID: 030

**Item Description:**  
Clubhouse Exterior Paint



**ID: 031**

**Item Description:**  
Gutters and Downspouts



**ID: 032**

**Item Description:**  
HVAC



**ID: 033**

**Item Description:**  
Exterior Bathrooms



ID: 034

**Item Description:**  
Interior Bathrooms



ID: 035

**Item Description:**  
Doors



ID: 036

**Item Description:**  
Windows



ID: 037

**Item Description:**  
Cardio Equipment



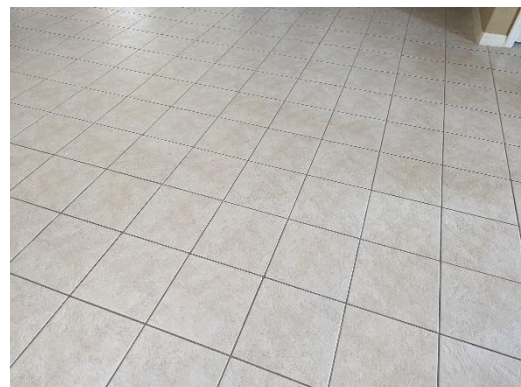
ID: 038

**Item Description:**  
Fitness Equipment



ID: 039

**Item Description:**  
Tile Flooring



**ID: 040**

**Item Description:**  
Furniture and Decor



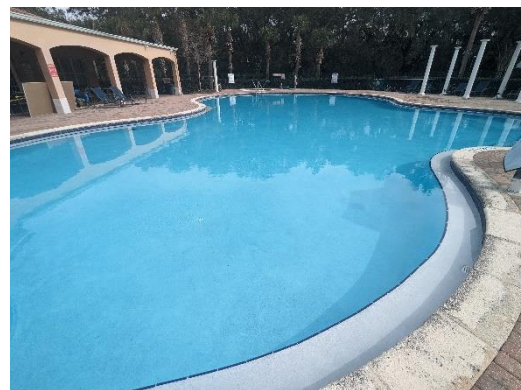
**ID: 041**

**Item Description:**  
Lighting



**ID: 042**

**Item Description:**  
Pool



**ID: 043**

**Item Description:**  
Pool Deck



**ID: 044**

**Item Description:**  
Spa



**ID: 045**

**Item Description:**  
Trellis



**ID: 046**

**Item Description:**  
Trellis



**ID: 047**

**Item Description:**  
Aluminum Fencing



**ID: 048**

**Item Description:**  
Spa Heater





**ID:** 049

**Item Description:**  
Pool Equipment

*Excluded from study. Considered operational expense.*



**ID:** 050

**Item Description:**  
Spa Equipment



**ID:** 051

**Item Description:**  
Guardhouse HVAC

*Excluded from study. Considered operational expense.*



**ID:** 052

**Item Description:**  
Interior Guardhouse



*Excluded from study. Not accessible.*

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**ID:** 053

**Item Description:**  
Streetlights



*Excluded from study. Responsibility of utility company.*

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**ID:** 054

**Item Description:**  
Aluminum Railing



*Excluded from study. Considered operational expense.*

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## **METHODOLOGY**

This Reserve Study has been prepared to provide guidance to the Board of Directors to adequately prepare the Association to meet financial obligations with major maintenance, repair, and replacement of common element components. These financial obligations are best met through periodic contributions gradually instead of raising large sums of money through alternative means.

The Association can fund repairs and replacements in any combination of the following:

- Increases in the operating budget during years when the shortages occur.
- Loans using borrowed capital for major replacements projects.
- Level monthly reserve assessments annually adjusted upward for inflation to increase reserves to fund the expected major future replacements.
- Special assessments

We do not advocate special assessments or loans unless near term circumstances dictate otherwise. Although loans provide a gradual method of funding a replacement, the costs are higher than if the Association were to accumulate reserves ahead of the actual replacement. Interest earnings on reserves also accumulate in this process of saving or reserving for future replacements, thereby defraying the amount of gradual reserve collections. We advocate the third method of level monthly reserve assessments with relatively minor annual adjustments for the following reasons:

- Ensuring an equitable funding plan such that owners pay their “fair share” of the weathering and aging of the commonly owned property each year.
- Level reserve assessments preserve the property.
- Preservation of the market value of owners’ properties
- Compliance with governing documents, statutes, mortgages, and the like
- Reduction (but not elimination) of risk of need for loans or special assessments

A reserve study is composed of two parts: physical analysis and financial analysis. The physical analysis is a result of the onsite visit in which a visual observation of the property is conducted to collect data and review of data specific to the property’s reserve components, common areas, and limited common areas. Through this site visit and the use of source materials, we have quantified and established the reserve component inventory and assessed the physical condition of the Association’s reserve components. This information from the physical analysis is used to estimate the timing and cost of future anticipated expenses.

The financial analysis evaluates the condition of the Association’s reserve fund in relation to its income and anticipated expenses. To adequately forecast these expenditures over the 30-year projection period, current costs, projected inflation, and interest rates must be established. Recommendations are then

provided to establish a reserve fund that addresses anticipated expenses, without having to resort to special assessments.

These standards require a Reserve Component to have a “predictable remaining Useful Life.” Estimating Remaining Useful Lives and Reserve Expenditures beyond 30 years is often indeterminate. Long-Lived Property Elements are necessarily excluded from this analysis. We consider the following factors in our analysis.

- The Cash Flow Method to compute, project, and illustrate the 30-year Reserve Funding Plan.
- Local costs of materials, equipment, and labor.
- Current and future costs of replacement for the Reserve Components.
- Costs of demolition as part of the cost of replacement.
- Local economic conditions and a historic perspective arrive at our estimate of long-term future inflation for construction costs in Kissimmee, Florida at an annual inflation rate of 2.51%. Isolated or regional markets of greater construction (development) activity may experience slightly greater rates of inflation for both construction materials and labor.
- The past and current maintenance practices of the Association and their effects on remaining useful lives.
- The Funding Plan excludes necessary operating budget expenditures. It is our understanding that future operating budgets will provide for the ongoing normal maintenance of Reserve Components.

## **Physical Analysis**

The Physical Analysis is the foundation of this Reserve Study, and the methods we used to conduct the Physical Analysis are outlined below.

### **Identification of Reserve Components**

We identified major classes of property and then identified common elements that are likely to require capital repair or replacement for inclusion in the Financial Analysis. We identified reserve components from the Association’s Declaration and reviewed information provided to us and from conversations with Association’s management and the Board. We identified the following classes of property:

- 1) **Reserve Components** – Reserve components are elements that meet the Component Criteria in this section and are included in the Reserve Funding Plan of this study.
- 2) **Excluded Property Components** – These elements are the responsibility of the Association but are excluded from the study because they may require infrequent repairs and replacements, have unpredictable useful lives, or have useful lives that are greater than the scope of this study. The Association budget for the repairs and replacements of these items from the operating budget.

- 3) **Operating Budget Funded Repairs and Replacements** – Operating budget provides funds for the repair and replacement of some items that meet the criteria of a Reserve Component, but the Board has indicated will be funded from operations. These items are excluded from the Reserve Funding Plan of this study. If the Board elects to fund these items through the reserve budget, then we should be notified to include them in a future study.
- 4) **Property Maintained by Owners** – Certain items have been designated as being the responsibility of the owners are excluded from the Reserve Funding Plan of this study.
- 5) **Property Maintained by Others** – Certain items that are the responsibility of other entities (ex., municipalities, and local governments) are excluded from the Reserve Funding Plan of this Study.

The Board should conduct an annual review of these classes of property to confirm its policy concerning the manner of funding from reserves or from the operating budget.

### **Site Visit**

A site visit is conducted to assess the general condition of the property and its common areas. The onsite observation is visual in nature; no invasive or destructive testing is conducted. Sloped roofs, if any, are inspected from the ground for the safety of our personnel. Observations are recorded using a representative sampling of the Association's common areas and reserve components. The component inventory and associated field measurements are also substantiated as part of the site visit.

### **Component Criteria**

The components assessed in this study must meet four criteria to be included:

1. The components must be the responsibility of the Association for repair and maintenance.
2. Replacement cost above a minimum threshold
3. The component must have a limited and predictable useful life.
4. The useful life of the component must be within the projection period (i.e., not more than 30 years)

Damage to components associated with settlement, fire, earthquakes, flooding, extreme weather, other natural disasters and events, and misuse is not considered predictable or measurable, and are thus not included or allowed for in this study.

### **Determining Useful Life**

The useful life of a reserve component relates to the number of years it is expected to last assuming reasonable care and maintenance. The prediction of reserve and building component life can be considered no more than an informed estimate based upon information made available at the time of

preparation of this report. The useful life is estimated based on information from various sources which include:

- Historical data and information provided by the Association.
- Consultation with management groups and construction industry professionals
- Manufacturer recommendations and industry guidelines
- Published service life data.
- Manufacturers and suppliers' data

### **Determining Remaining Useful Life**

The remaining useful life of a reserve component relates to the number of years it is anticipated to be functional or useful. The remaining useful life is estimated based on information from various sources which include:

- Age or years in service
- Physical condition
- Frequency and quality of care and maintenance
- Environmental and weather effects.
- Design and quality of materials used.

In addition to deterioration or anticipated failure of components, the remaining useful lives may be impacted by obsolesces. The accuracy of the estimate is contingent upon reliable information made available at the time of the report's development. It is important to note that even with the highest degree of diligence and experience, outcomes will vary, and no guarantee can be given as to the timing or service life of the reserve components. All service life assessments in this report are based on the assumption that installation is carried out in accordance with manufacturer's recommendations and installation instructions, together with industry standards of workmanship. Consideration is given to visible design and signs of improper installation of components that will have an impact upon the anticipated service life of the component.

### **Maintenance Assumptions**

The Board has some flexibility in choosing to pay for repairs and replacements from the operating or reserve funds. For items the Association has elected to pay from the operating fund as represented by the Association's management, we have excluded these items from this study.

### **Financial Analysis**

The Financial Analysis is based on the information gathered during the Physical Analysis and represents the long-term capital funding plan the Board can use to determine the level of reserve assessments for the Association. The methods we used to conduct the Financial Analysis are outlined below.

### **Determining Replacement Costs**

Determining the replacement costs of components is accomplished in several ways which include:

- Consulting with local vendors, manufacturers, and contractors

- Comparisons can also be made to other associations of similar size and geographic location.
- Using collaborative efforts by construction industry professionals

Once the current repair or replacement cost of each asset is estimated, it must be adjusted for future costs. Future costs include inflation and account for some market variability and represent the anticipated cost of the asset at the end of its useful life when it is scheduled for repair or replacement.

### **Inflation Rate**

The effect of inflation on the cost of reserve components is a key factor in the financial projections. We have used the 30-year average annual increase in the Consumer Price Index (CPI) as published by the U.S. Bureau of Labor Statistics. This rate reflects a realistic appreciation of future costs for reserve components and assists the Association in adequately budgeting for increasing cost.

### **Interest Rate**

The interest rate used in this report is formulated on a conservative rate of return based on the rate of return of three-year U.S. Treasury bill. We offer no guarantee or opinion in relation to investment decisions made by the Association, or the rate of return achieved.

### **Current Reserve Balance**

The analysis, recommendations, and financial projections made within this report are heavily reliant on information provided by the Association and its representatives. The starting reserve fund balance (current or projected) and member contribution totals are supplied by these sources. This information has not been audited nor have the financial projections or recommendations.

### **Percent Funded**

Percent funded is calculated by dividing the Association's current reserve fund balance by the fully funded balance. The percent funded measures how well prepared an Association is to meet its current and future repair and replacement obligations. Percent funded highlights the strength of the association's reserve account in relation to the anticipated costs of repair and replacement.

### **Recommended Funding Plan**

We recommend a funding plan that maintains reserve above an adequate, though not excess threshold during years of significant expenditures. We recommend regular reserve fund contributions and gradual increasing reserves over time to fund expenses for future repairs and replacements whenever possible. Sometimes we adjust reserve assessments up or down to account for items that include, but are not limited to, catching up reserves that are not fully funded or to prepare the Association adequately from one or more years of significant expenses. The reserve funding recommendation is designed to distribute the anticipated costs of maintaining common property components equitable to all owners over the 30-year projection period to the extent reasonable possible.

## **STATEMENT OF LIMITATIONS AND ASSUMPTIONS**

As a guideline for establishing and spending reserves, we assumed that the Reserve Study will be regularly updated to account for the Association's changing physical, financial, technological, and regulatory conditions. As such, this report is valid at the date shown and Reserve Study Institute, LLC, cannot be held responsible for subsequent changes including, but not limited to, physical, chemical, economic, technological, or regulatory conditions over which we have no control.

This Reserve Study is based on non-invasive visual observation of the Association's property. No invasive or destructive testing, or testing of materials was conducted during the inspections, or at any other time during the preparation of this report. Accordingly, we do not opine on, nor are we responsible for, the structure integrity of the property including its conformity to specific governmental code requirements, such as fire, building and safety, earthquake, and occupancy, or any physical defects that were not readily apparent during the inspection. Also, it is assumed that all building and ancillary components have been designed and constructed properly and that life cycles will approximate normal industry performance standards. Reserve Study Institute, LLC shall not be responsible for accurate determination of remaining life expectancies of components that may have been improperly designed and constructed. Our opinions of the remaining useful lives of the property elements do not represent a guarantee or warranty of performance of the products, materials, and workmanship.

The cost estimates used represent a preliminary opinion only and are neither a quote nor a warranty of actual costs that may be incurred. These estimates are based on typical cost data that may not fully characterize the scope of the underlying property conditions. It should be anticipated that actual cost outcomes will be impacted by varying physical and economic conditions, maintenance practices, changes in technology, and future regulatory actions.

The projected values and recommendations included in this study are strictly estimated representations of true values. The more distant the year, the lower the probability the values are accurate. The model is sensitive to initial expenses – especially when inflated over 30 years – thus, depending on the economic climate, the recommended reserve assessments may need to be increased or decreased.

We did not make any soil analysis or geological study with this report; nor were any water, oil, gas, coal, or other subsurface mineral and use rights or conditions investigated. Substances such as asbestos, urea-formaldehyde, other chemicals, toxic wastes, environmental mold, or other potentially hazardous materials, if present, adversely affect the validity of this study. Our opinions are predicated on the assumption that there are no hazardous materials on or in the property. We assume no responsibility for any such condition. We are not qualified to detect such substances, quantify the impact, or develop the remedial cost.

We make no representation or warranty, expressed or implied, with respect to the contents of this report or any part thereof and cannot accept any legal responsibility or liability for any inaccuracies, errors or omissions contained in this report or any part thereof. Our best professional judgment has been used,



however certain facts forming the basis of this report are subject to professional interpretation and differing conclusions could be reached.

We have relied on the Association's management and the Board of Directors to disclose the pertinent financial status of the Association. Assumptions regarding interest earned and inflation have been made according to the current financial trends and rates. Component and material quantities were determined by observation during the site visit.

This reserve study should be reviewed carefully as it may not include, nor are our methods designed to include, all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. We have relied on the Association's management and/or the Board of Directors to disclose to us any and all reserve components or assets that are the responsibility of the Association to maintain during the onsite visit. The failure to include a component may, under some circumstances, require the Board to levy a special assessment for owners' shares of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.

We assume, without independent verification, the accuracy of all data provided to us. We performed no procedures to detect false, misleading, or incomplete information, or violations of any rules, regulations, or laws.

**Restricted Use of Our Report** – This report is intended for use by the Association's management and the Board of Directors and is limited to only the purpose stated herein. Any use or reliance for any other purpose, by the Association's management, the Board of Directors, or third parties, is invalid. The Association's management and Board of Directors, or any other third parties viewing this report, should not reference our name or our report, in whole or in part, in any document prepared and/or distributed to third parties. This report contains intellectual property developed by Reserve Study Institute, LLC specific to this engagement and cannot be reproduced or distributed to those who conduct reserve studies without the expressed written consent of Reserve Study Institute, LLC.

**Client Confidentiality** – We will maintain the confidentiality of all conversations, documents provided to us, and the contents of our reports, subject to legal or administrative process or proceedings, though we reserve the right to include the Association's name in our client lists.

## **PROFESSIONAL EXPERIENCE**

### **T. CHRISTOPHER TYNDALL**

#### **Reserve Analyst**

T. Christopher Tyndall is a reserve analyst at the Reserve Study Institute, LLC. He is responsible for preparing both the physical analysis and financial analysis of Reserve Studies. Mr. Tyndall is also responsible for inspection and analysis of the condition of clients' properties and recommending solutions to prolong the lives of the components. He also forecasts capital expenditures for the repairs or replacement of the property components and prepares technical reports on assignments for condominiums, townhomes, homeowners' associations, other associations, and properties.

#### **Professional Experience**

Before joining Reserve Study Institute, LLC, Mr. Tyndall worked in construction development for large-scale road infrastructure projects with Sacyr, Inc. Mr. Tyndall also worked with Extreme Painting and Cleaning, which specialized in both interior and exterior painting projects. Mr. Tyndall worked on development projects for large-scale, subterranean pipe development projects for Atlantic Pipe Services. He also served with several companies performing landscaping and tree removal services.

The following highlights some of his professional experience:

- Installed, inspected, and repaired subterranean storm and sanitation systems.
- Large scale construction job site management and planning
- Residential and commercial power line and tree removal services
- Commercial and residential painting and pressure washing experience.
- Tanker endorsement for grapple trucks, flat beds, and VAC trucks.
- Served in disaster relief projects for tree removal and power line services.

#### **Certifications**

CDL – Class A

## **GLOSSARY**

**Cash Flow Method** – A method of calculating Reserve contributions to the reserve fund designed to offset the variable annual expenditures from the reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

**Component** – Also referred to as an “Asset.” Individual line items in the Reserve Study developed or updated in the physical analysis. Components typically meet four requirements: 1) Association’s responsibility, 2) limited useful lives, 3) predictable useful lives, and 4) above a minimum threshold cost.

**Component Inventory** – The task of selecting and quantifying reserve components, which can be accomplished through on-site visual observations, review of Association design and organizational documents, a review of established association precedents, and discussion with appropriate Association representatives.

**Component Method** – A method of developing a Reserve Funding Plan with the total contributions based on the sum of the contributions for individual components.

**Current Cost of Replacement** – The amount required today derived from the quantity of a Reserve Component and its unit cost to replace or repair a Reserve Component using the most current technology and construction materials, duplicating the productive utility of the existing property at current local market prices for materials, labor, and manufactured equipment, contractors’ overhead, profit, and fees, but without provisions for building permits, overtime, bonuses for labor or premiums for material and equipment. We include removal and disposal costs where applicable.

**Deficit** – An actual or projected reserve balance that is less than the fully funded balance.

**Effective Age** – The difference between Useful Life (UL) and Remaining Useful Life (RUL)

**Financial Analysis** – The portion of the Reserve Study where current status of the reserves (measured as cash or percent funded) and a recommended reserve contribution rate (reserve funding plan) are derived, and the projected reserve income and expenses over time is presented.

**Fully Funded Balances** – The Reserve balance that is in direct proportion to the fraction of life “used up” of the current Repair or Replacement costs similar to Total Accrued Depreciation.

**Funding Goal (Threshold)** – The stated purpose of this Reserve Study is to determine the adequate, not excessive, minimal threshold reserve balances.

**Future Costs of Replacement** – Reserve Expenditure derived from the inflated current cost of replacement or current cost of replacement as defined above, with consideration given to the effects of inflation on local market rates for materials, labor, and equipment.

**Long-Lived Property Component** – Property component of the Association responsibility not likely to require capital repair or replacement during the next 30 years with an unpredictable remaining Useful Life beyond the next 30 years.

**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.

**Physical Analysis** – The portion of the Reserve Study where the component evaluation, condition assessment, and life and valuation estimate tasks are performed.

**Remaining Useful Life (RUL)** – The estimated remaining functional or useful time in years of a Reserve Component based on its age, condition, and maintenance.

**Reserve Balance** – Actual or projected funds as of a particular point in time (typically the beginning and ending of the fiscal year) that the Association has identified for use to defray the future repair or replacement of those major components that the Association is obligated to maintain. Reserve balance is also commonly referred to as “reserves,” “reserve accounts”, or “cash reserves.” In this report, the reserve balance is based on information provided by management and is not audited.

**Reserve Component** – Property elements with: 1) the Association’s responsibility; 2) limited Useful Life expectancies; 3) predictable Remaining Useful Life expectancies; and 4) a replacement cost above a minimum threshold.

**Reserve Component Inventory** – Line Items in Reserve Expenditures that identify a Reserve Component.

**Reserve Contribution** – An amount of money set aside or Reserve Assessment contributed to a Reserve Fund for future Reserve Expenditures to repair or replace Reserve Components.

**Reserve Expenditure** – Future Cost of Replacement of a Reserve Component.

**Reserve Funding Plan** – The portion of Reserve Study identifies the Cash Flow Analysis and contains the recommended Reserve Contributions and projected annual expenditures, interest earned, and reserve balances.

**Reserve Study** – A budget planning tool that identifies both the current status of the reserve fund and a stable and equitable Funding Plan designed to offset the anticipated future major common area expenditures. The Reserve Study consists of two parts: 1) Physical Analysis and 2) Financial Analysis.

**Special Assessment** – An assessment levied on the members of an Association by the Board of Directors in addition to regular assessments.

**Surplus** – An actual or projected reserve balance that is greater than the fully funded balance.

**Useful Life (UL)** – The estimated total time, in years, that a Reserve Component is expected to serve its intended function in its present application or installation.