

Apex Reserve Group

2 November 2022

Reserve Study Report and Funding Analysis

Sample Community Homeowners Association – Class 2

Capital Replacement Analysis and Funding Plan

- **Executive Summary**
- **Methodology and Strategy**
- **Detailed Financial Analysis**
- **Reserve Component Inventory**
- **Expense and Income Summaries**
- **Summation**

This Reserve Analysis is prepared Sample Community Homeowners Association

Name of Association	Sample Community Homeowners Association
City and State	Somewhere, GA
Type	Single family detached
Number of Units	612
Age	8 years, community founded 2013
Fiscal Year End	31 Dec 2022
Level of Reserve Study	Class 2 Study with Site Visit
Management Company	HOA Manager
Date Prepared	02 November 2022
Funding Strategy for Analysis	Threshold Funding

The financial outlook for the association is good. The association's reserve balance is currently positive but far from the 70% fully funded balance target. This is considered good but with a very high risk of a special assessment.

The projected funding plan for the next 30 years will provide the funding necessary to meet all anticipated expenses.

Community Profile and Account Summary

As-Of Date this Analysis: 01 October 2022

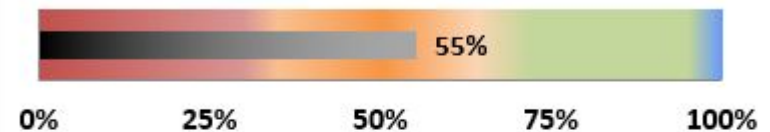
Community:	Towne Mill
Number of Units:	612
Start Year for Analysis:	2022
Reserve Fund Balance at SOY 2022:	\$ 367,131
Recommended 2022 Annual Reserve Contribution:	\$ 142,501
Reserve Fully Funded Balance (FFB) at SOY 2022:	\$ 665,116
Reserve Funding Percent of FFB at SOY 2022:	55%
Deficit or Surplus Per Unit at SOY 2022:	-\$ 487
Reserve Funding Strength at SOY 2022:	Fair
Risk of Special Assessment at SOY 2022:	Low
Outstanding Loan Balance:	\$ 0
Tax Liability Not Included in Analysis:	

Current Reserve Status

Reserve Fund Balance at Start of Year 2022:	\$ 367,131
Reserve Fully Funded Balance (FFB) at SOY 2022:	\$ 665,116
Reserve Funding Percent of FFB at SOY 2022:	55%
Estimated First Year (2022) Reserve Contribution:	\$ 142,501

Bar Charts for Current Reserve Funding

Current Reserve Fund Percent Funding



Percent Funding Scale

Weak 0% - 30%	Fair 30% - 70%
Strong 70% - 100%	Overfunded > 100%

Current Risk of Special Assessment or Deferred Maintenance



Current Risk: Low

HOAs have a responsibility to establish and maintain a Replacement Reserve Fund to provide the maintenance or replacement of association depreciable components.

The objectives of a Reserve Study or Analysis should include the following:

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

This Reserve Study provides long-term capital budget planning, identifies the current status of the reserve fund and provides a long-term stable and equitable funding plan to offset ongoing deterioration of reserve components.

Preparation

- **Prior reserve studies, if available, were used as references for this analysis.**
 - Baseline for identification of reserve asset components
- **The HOA Community Manager and members of the Board conducted an inventory of the reserve assets:**
 - If available, prior reserve studies reserve assets inventory
 - Conduct current inventory of reserve assets
 - Verified that no assets were overlooked
 - Condition of assets and useful life was evaluated by community manager, knowledgeable members of the community and outside service providers.

Assumptions

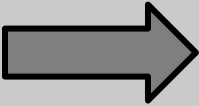
- **The physical inventory and condition assessment of all physical assets is complete.**
- **The valuation cost estimates are reasonably accurate.**
- **Estimates for current and future operational expenses are reasonably accurate:**
 - Annual expenses such as insurance, administration, maintenance
 - Expenses less than \$2000 are considered operational
 - Future operational expenses are projected to rise at the projected inflation rate

The Funding Plan Goals

- **Provide sufficient funds when required**
- **Enable a stable contribution rate over the years**
- **Evenly distribute contributions over the years**
- **Be fiscally responsible**

- **Executive Summary**
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Reserve studies are conducted using one of three types. This analysis was conducted using the method indicated.

This Report	Reserve Study Type
	Full Study – On-site Inspection • Creation of the all-components list • Measuring/quantifying all reserve components • Development of the Useful Life, Remaining Useful Life, and Current Replacement Cost
	Update With Site Visit • Updates an existing reserve study • Review of all components to assure proper identification and quantity • New components identified • Knowledgeable vendors and service providers consulted to assure correct costs and useful lives are assessed
	Update Without a Site Visit • Updates an existing reserve study without a site inspection • Performed by interviews

Economic assumptions and target objectives were established in the development of this Reserve Study Report.

Economic Assumptions

Assumed Inflation Rate for Reserve Expenses:	4.00%
Assumed Inflation Rate for Operating Expenses:	2.50%
Interest rate on Reserve Balance:	0.00%

Target Objectives This Analysis

Funding Methodology: Cash Flow
Threshold Percent: 70%
Maintain Contingency Fund: No
Contingency Fund Type: N/A
Contingency Fund Percent: N/A

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

Reserve Funding Methodologies

▪ **Cash Flow**

- The reserve fund is considered one large pool of money.
- Contributions are established by testing and retesting different contribution rates until the desired funding objective is achieved.

▪ **Straight Line (or Component Level)**

- Component costs are calculated separately, and summed together.
- The reserve funds are essentially divided into separate pools for each component, with no co-mingling.
- Common method before widespread use of computers to perform multiple calculations simultaneously.

Characteristics

▪ **Cash Flow:**

- Encourages the use of threshold levels to test various funding strategies with respect to funding requirements.
- May increase risks of underfunding and special assessments, but this can be mitigated by:
 - Understanding of component costs and useful life
 - Setting reasonable threshold funding levels
 - Careful analysis of annual cash flows
- Typically, results in a lower rate of reserve contributions as the funds can be used more efficiently; and the contributions are more evenly spread over the years.

▪ **Straight Line**

- As each component funding stands on its own, each component is considered to be fully funded.
- Does not allow flexibility should a component cost differ from the budgeted amount.

The Threshold Funding strategy is used to keep the annual dues low whilst maintaining a low risk of exhausting funds in any given year.

Funding Strategies

▪ **Fully Funding Strategy**

- Setting a reserve funding goal of keeping the reserves at or near 100% funded.

▪ **Threshold Funding Strategy**

- Setting a Reserve funding goal of keeping the Reserve balance above some threshold, generally less than the Fully Funding Model.

▪ **Baseline Funding Strategy**

- Setting a reserve funding goal of keeping the reserve cash balance at the end of each year in the overall reserve funding projection at or above \$ 0.

▪ **Statutory Funding Strategy**

- Based on local statutes where associations set aside specific cash amounts, or specific thresholds are set, as required by statutes.

Characteristics

▪ **The Full Funding strategy is the most conservative as all components will be fully funded over all years.**

- Minimizes risk of under funding resulting in the need for special assessments or deferred maintenance.

▪ **The Threshold Funding strategy reduces the annual contribution (compared to Full Funding) for maintaining the reserve.**

- Must be used rationally to assure that under funding does not occur in any years.
- Requires careful analysis of expenses and funding over all years.
- Reduces annual contribution to reserve fund compared to Full Funding strategy.

▪ **The Baseline Funding strategy tends to have the lowest annual contributions, but increases the likelihood of under funding that may require special assessments.**

- If used, communities must very closely monitor all components to understand changes in useful life.

Two key performance indicators used in this analysis are “Fully Funded Balance” and “Percent Funded” ... an explanation of each of these terms is shown below.

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

$$FBB = \frac{\text{Current Cost} \times \text{Effective Age}}{\text{Useful Life}} \times (1 + \text{inflation_rate})^{(Y_n - Y_0)}$$

Where Y_n = Future year and Y_0 = Current year

- The Percent Funding of the reserve is computed as follows:

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

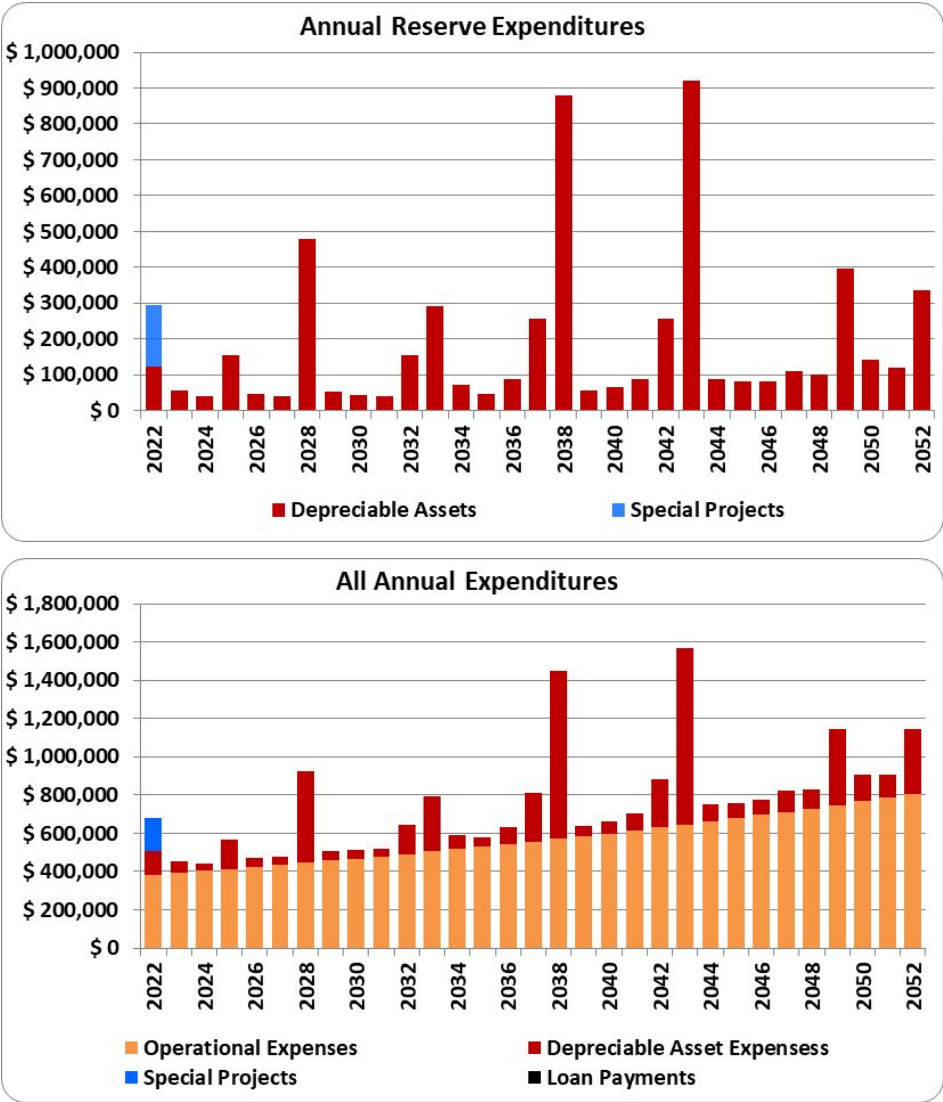
- All future costs estimates are based on the current costs with provision for inflation.
- The reserve fund and contingency fund balance is assumed to earn interest at the rate provided by the association.

A sensitivity analysis was conducted to assess the effect that high cost reserve components may have on the reserve funding over the next 30 years

- **A sensitivity analysis determines how different values of an independent variable affect a particular dependent variable under a given set of assumptions.**
- **Within the bounds of this reserve funding analysis, the following parameters were varied to determine the effect upon the funding plan:**
 - Assumed annual inflation
 - Varying the Remaining Useful Life of key reserve components (reducing or increasing the Remaining Useful Life)
 - Varying the inclusion, costs and/or deployment dates of any special projects
 - Other factors as noted in this report

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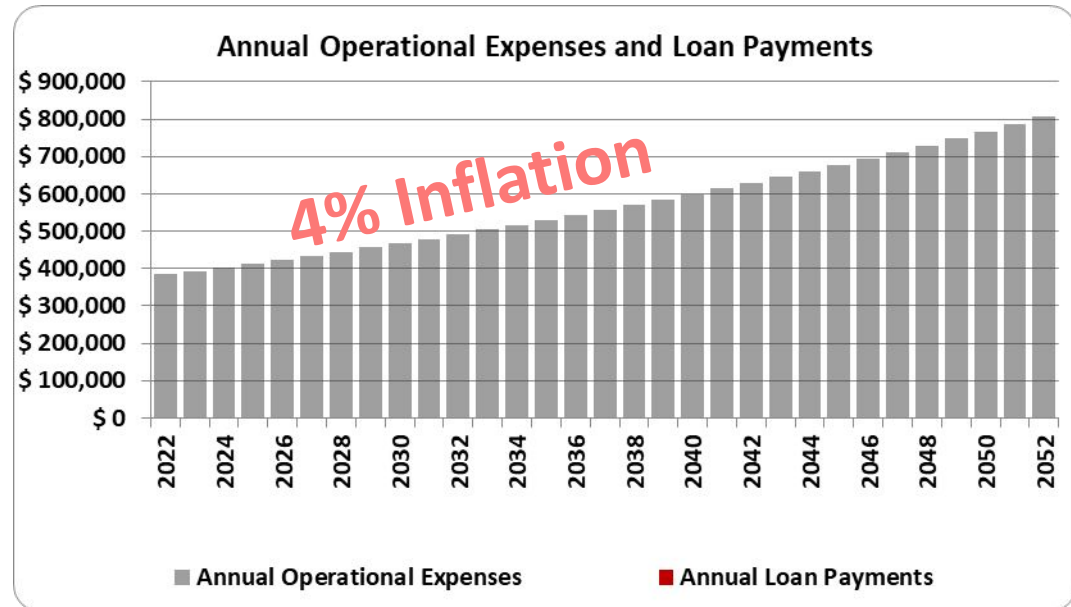
Over the next 30 years, the association must provide \$23.415MM for all operational and reserve funding expenses.



The operational fund expenses are projected to rise year-to-year keeping pace with the assumed rate of inflation.

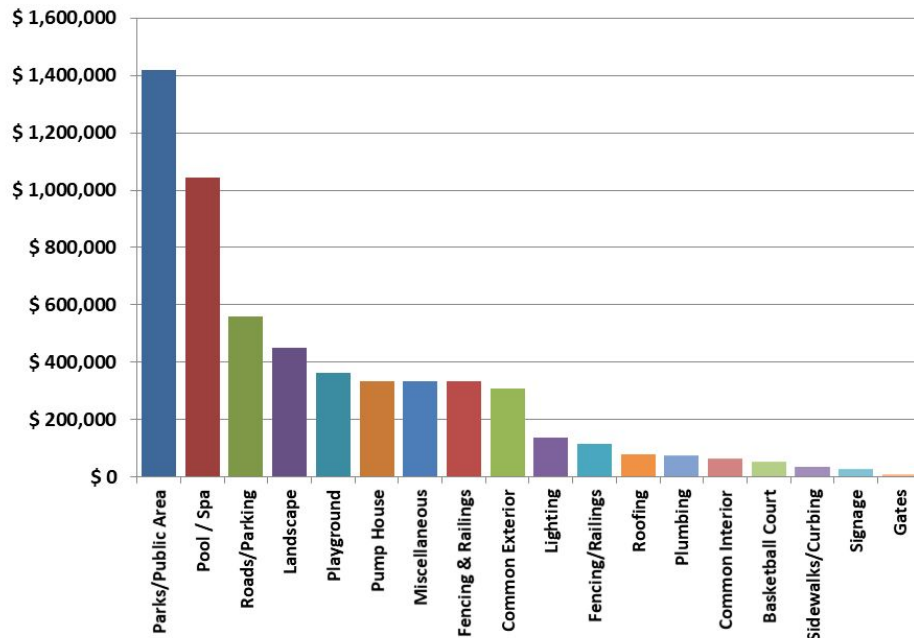
▪ **Routine Items in the Operational Fund**

- Admin expenses
- Gate maintenance
- Postage & Copies
- Accounting services
- Legal services
- Insurance
- Income taxes
- Property taxes
- Other taxes, licenses and fees
- Utilities (electricity, water and telephone)
- Landscaping services
- Management services
- Street sweeping services

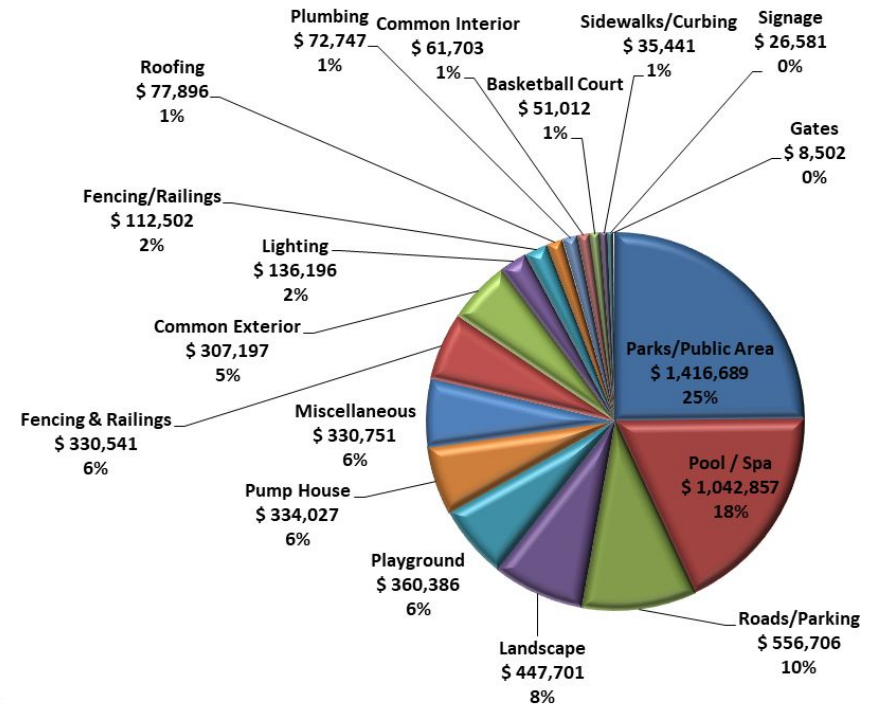


Over the next 30 years, the HOA will need to allocate \$5,709,435 from the reserve fund toward maintenance or replacement of reserve components.

30 Year Reserve Fund Allocation by Category



30 Year Reserve Fund Allocation by Category

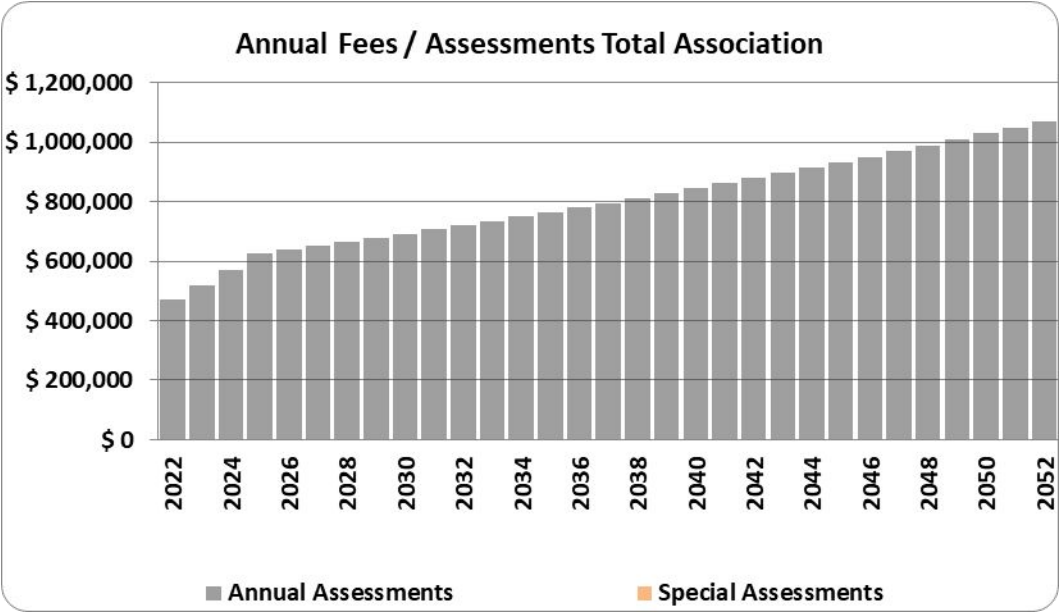


Income Type	Amount	Current Special Assessments	
		Year	Amount
Association Assessments Income for 2021:	\$ 471,240		
Association Assessments Income for 2022:	\$ 471,240		
Interest on Reserve Fund:	0.00%		
Loans:	\$ 0		
Other Annual Income:	\$ 55,307		

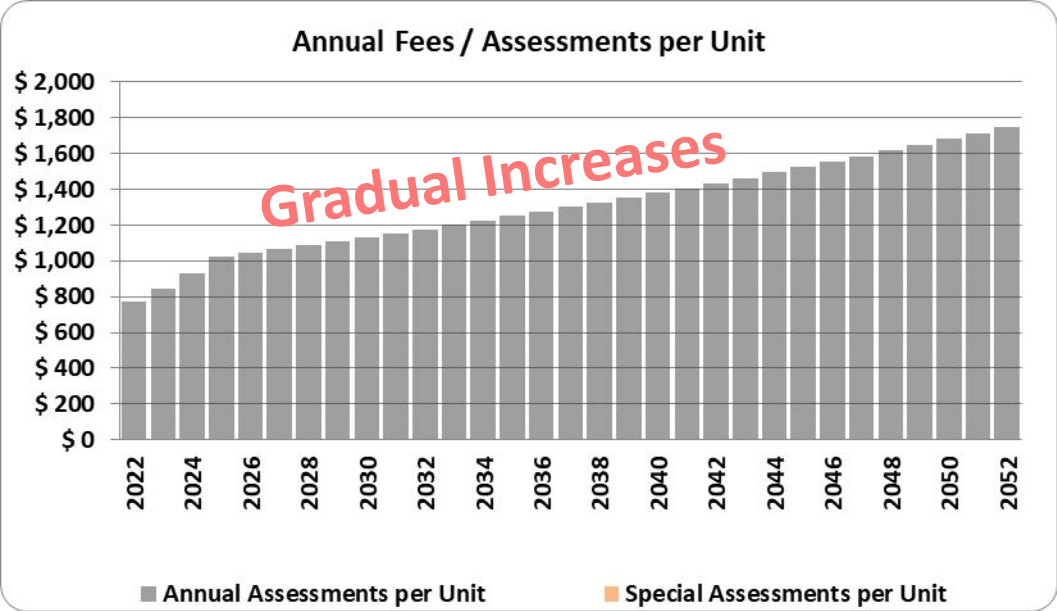
Assessment Increase #1	Assessment Increase #2	Assessment Increase #3	New Loans	
% Increase: 10.00%	% Increase: 2.00%	% Increase: 0.00%	Year	Amount
Start Year: 2023	Start Year: 2026	Start Year: 2053		
Duration: 3 yrs	Duration: 27 yrs	Duration: 22 yrs		
Interest on Reserve Fund				
0.00%				

The proposed annual dues increases will provide the necessary funding required for operational expenses and to maintain or replace the association’s depreciable assets for the next 30 years.

Future Income Sources				
Assessment Increase #1	Assessment Increase #2	Assessment Increase #3	New Loans	
% Increase: 10.00%	% Increase: 2.00%	% Increase: 0.00%	Year	Amount
Start Year: 2023	Start Year: 2026	Start Year: 2053		
Duration: 3 yrs	Duration: 27 yrs	Duration: 22 yrs		
Interest on Reserve Fund				
0.00%				



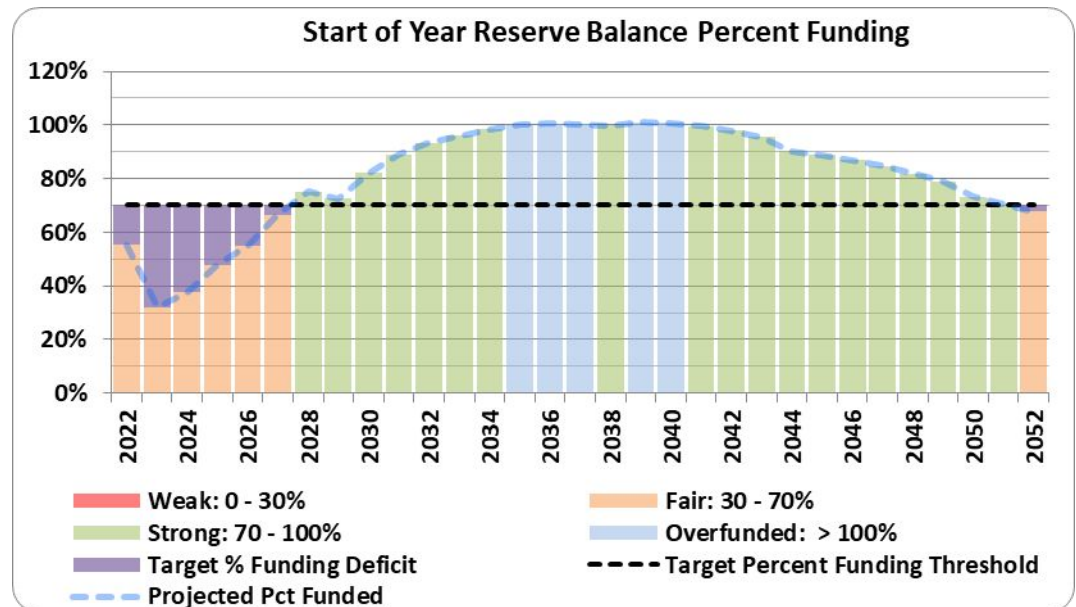
The actual increase in annual dues per unit the current rate of \$770 per year to \$1749 per year over the next 30 years is closely aligned with the estimated annual inflation rate.



Maintaining the reserve fund between 60% and 100% of the fully funded balance will provide assurance that funding is available to meet all current and future needs.

The accepted standard for a reserve balance is to achieve and maintain a balance of at least 60% of the fully funded balance.

- In the early years (2022–2027), the balance is less than 70% of FFB.
- After 2027, the percent of FFB trends upward toward and stabilizing over 70% of FFB.
- The lower values in early years reflects impact of 2022 special projects and lower dues prior to the study and existing reserves. Increases in annual dues will fund allow future funding.



The Association has established a target of 70% of the Fully Funded Reserve Funding as this will provide high confidence that annual expenditures can be met each year over the next 30 years.

■ Funding Goal Range

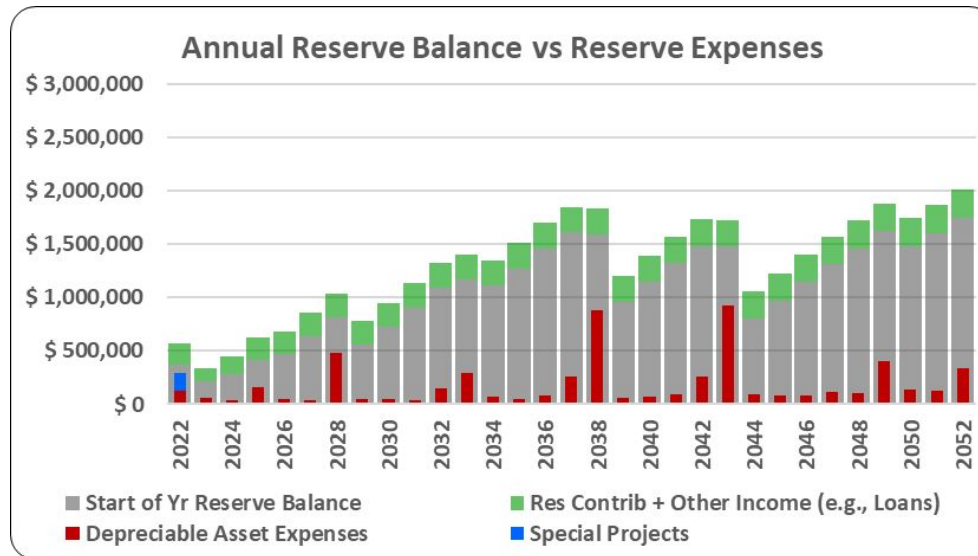
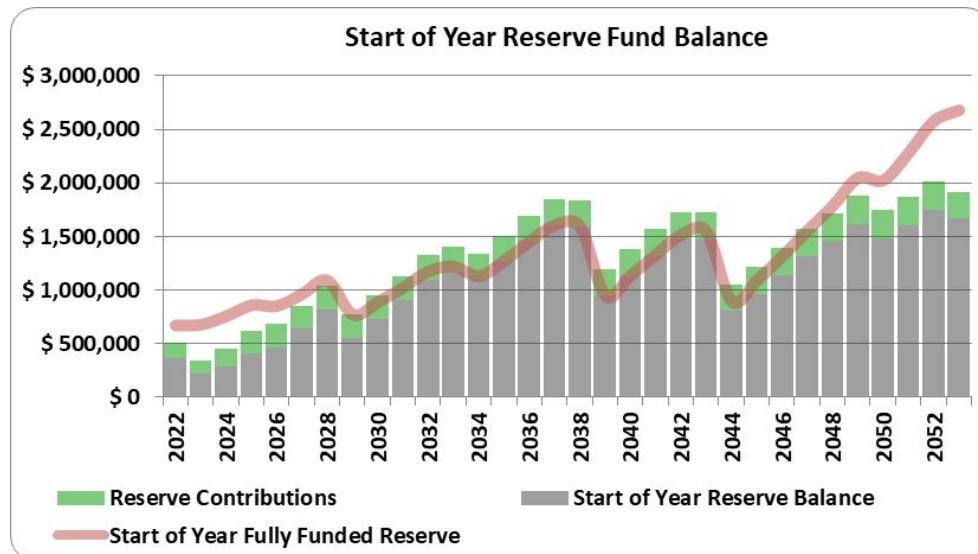
- The financial objective is to achieve and maintain the reserve balance to be within the range of 60% to 100% of the fully funded balance
- Attain goal without requiring any special assessments

■ Income must be enough to achieve and maintain the funding goal

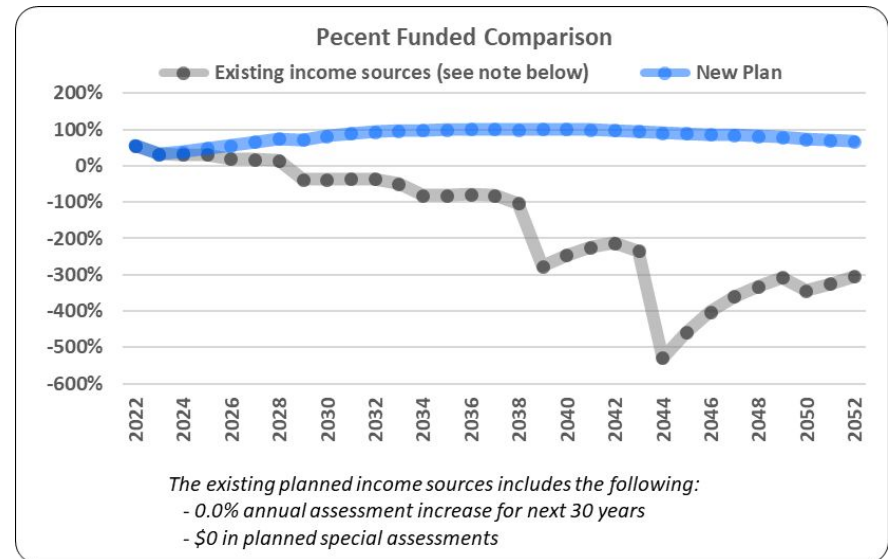
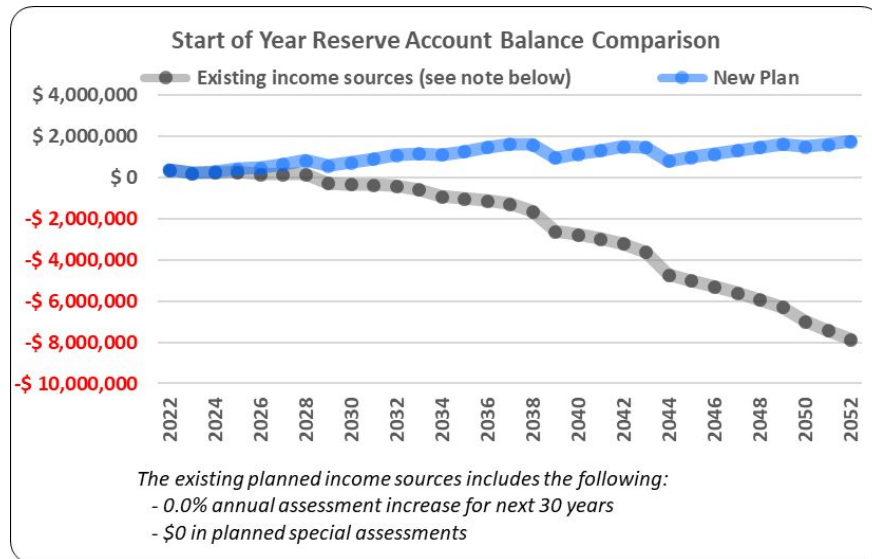
- Annual dues must rise to keep pace with inflation.
- Total income must be sufficient so that funds are available to meet all operational and reserve expenditures.

■ Sources of annual income include:

- Annual association dues
- Special assessments
- Sale of assets
- Loans
- Other income sources



The charts below illustrate the current funding plan compared to the recommended funding plan.



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Our Association has the responsibility to maintain or replace the following depreciable components over the next 30 years.

Active Depreciable Components				Yellow highlighting indicates components with zero remaining useful life											
Item	Zone	Area	Category	Reserve Component Name	Replacement Cost	Replacement Cost Basis	Estimated Start of Year (2022) Replacement Cost	Last or Scheduled Service Year	Est Useful Life (yrs)	Useful Life Adjust (yrs)	Remaining Useful Life (yrs)	Qty	Unit of Measure	Next Service Year	Est Cost at Next Service
1		All	Common Exterior	Exterior Cleaning	\$ 4,000	Actual Cost	\$ 4,160	2021	4		3	1	each	2025	\$ 4,679
2		All	Common Exterior	Paints and stains, exterior	\$ 5,376	Current Est	\$ 5,376	2013	8	2	2	2688	sq-ft	2024	\$ 5,815
3	Zone 1	All	Fencing/Railings	Fencing, wood picket	\$10,600	Current Est	\$10,600	2021	15		14	530	feet	2036	\$ 18,356
4	Zone 1	All	Landscape	Catch basins, inlets, culverts	\$ 25,000	Current Est	\$ 25,000	2013	50		41	30	each	2063	\$ 124,827
5		All	Landscape	Repl trees/plants/shrubs	\$ 3,000	Current Est	\$ 3,000	2021	1		0	1	other	2022	\$ 3,000
6		All	Landscape	Replace major trees and plants	\$10,000	Current Est	\$10,000	2021	20		19	1	each	2041	\$ 21,088
7		All	Landscape	Retention Basin Veg Maint	\$ 750	Current Est	\$ 750	2021	1		0	1	each	2022	\$ 750
8		All	Landscape	Tree Trimming - Annual	\$ 3,500	Current Est	\$ 3,500	2023	1		1	1	other	2023	\$ 3,640
9	Zone 1	All	Lighting	Parking Lot Lighting	\$1,000	Actual Cost	\$1,423	2013	15		6	10	each	2028	\$1,801
10	Zone 1	All	Roads/Parking	Asphalt Resurface	\$ 220,437	Current Est	\$ 220,437	2013	20	5	16	6282	sq-ft	2038	\$ 412,874
11	Zone 1	All	Roads/Parking	Asphalt Restripe	\$ 2,500	Current Est	\$ 2,500	2013	10	5	6	1	each	2028	\$ 3,163
12	Zone 1	All	Roads/Parking	Asphalt Seal Coat	\$ 31,491	Current Est	\$ 31,491	2013	10	5	6	6282	sq-ft	2028	\$ 39,846
13	Zone 1	All	Roads/Parking	Crack Seal	\$ 29.35	Current Est	\$ 29.35	2013	4	4	4	26000	sq-ft	2026	\$ 3,434
14	Zone 1	All	Sidewalks/Curbing	Curbing Repair	\$ 4,452	Current Est	\$ 4,452	2013	4	4	4	145	feet	2026	\$ 5,208
15	Zone 1	All	Sidewalks/Curbing	Curbing, concrete	\$ 5,936	Current Est	\$ 5,936	2013	50		41	1485	feet	2063	\$ 29,639
16	Zone 3	BP	Basketball Court	Replace Basketball Hoops	\$ 2,500	Current Est	\$ 2,500	2013	10		1	2	each	2023	\$ 2,600
17	Zone 3	BP	Basketball Court	Basketball Court Resurfacing	\$ 8,000	Current Est	\$ 8,000	2013	10		1	1	each	2023	\$ 8,320
18	Zone 3	BP	Common Exterior	Pavilion Tables	\$ 3,000	Current Est	\$ 3,000	2022	10		10	6	each	2032	\$ 4,441
19	Zone 3	BP	Fencing/Railings	Tennis Court Fencing, chain-link	\$ 28,782	Current Est	\$ 28,782	2013	20		11	1560	feet	2033	\$ 44,309
20	Zone 3	BP	Fencing/Railings	Baseball Field Fencing	\$ 5,258	Current Est	\$ 5,258	2022	20		20	285	feet	2042	\$ 11,521
21	Zone 3	BP	Lighting	Tennis Court Lighting	\$ 52,800	Current Est	\$ 52,800	2013	25		16	48	each	2038	\$ 66,893
22	Zone 3	BP	Lighting	Baseball Field Lighting	\$ 8,800	Current Est	\$ 8,800	2022	25		25	8	each	2047	\$ 25,459
23	Zone 3	BP	Miscellaneous	Soccer Goals	\$ 2,400	Current Est	\$ 2,400	2022	5		5	2	each	2027	\$ 2,920
24	Zone 3	BP	Parks/Public Area	Repair Pavilion	\$ 7,500	Current Est	\$ 7,500	2022	7		7	1	each	2029	\$ 9,869
25	Zone 3	BP	Parks/Public Area	Tennis Court Resurfacing	\$ 48,000	Current Est	\$ 48,000	2013	10	2	3	6	each	2025	\$ 53,993
26	Zone 3	BP	Parks/Public Area	Baseball Field Surface Maintenance	\$18,000	Current Est	\$18,000	2022	1		1	1	each	2023	\$ 18,720
27	Zone 3	BP	Playground	Playground Equipment	\$ 30,000	Current Est	\$ 30,000	2022	10		10	1	each	2032	\$ 44,407
28	Zone 3	BP	Playground	Replenish Mulch	\$ 4,000	Current Est	\$ 4,000	2022	2		2	1	each	2024	\$ 4,328
29	Zone 1	Main Ent	Fencing & Railings	Repair Front Entry Sign/Veneer	\$13,020	Current Est	\$13,020	2013	20		11	888	sq-ft	2033	\$ 20,044
30	Zone 2	Pool	Common Exterior	Brick/block veneer	\$ 8,064	Current Est	\$ 8,064	2013	60		51	896	sq-ft	2073	\$ 99,601
31	Zone 2	Pool	Common Exterior	Cement board siding	\$17,920	Current Est	\$17,920	2013	45		36	1792	sq-ft	2058	\$ 73,542
32	Zone 2	Pool	Common Exterior	Concrete	\$ 5,656	Current Est	\$ 5,656	2013	50		41	404	sq-ft	2063	\$ 26,241
33	Zone 2	Pool	Common Exterior	Gutter Cleaning Annual	\$ 3,000	Current Est	\$ 3,000	2021	1		0	1	each	2022	\$ 3,000
34	Zone 2	Pool	Common Exterior	Gutters/downspouts, aluminum	\$ 3,264	Current Est	\$ 3,264	2013	20		11	272	feet	2033	\$ 5,025
35	Zone 2	Pool	Common Exterior	Pool Area Lighting	\$ 3,750	Current Est	\$ 3,750	2013	10		1	1	each	2023	\$ 3,900
36	Zone 2	Pool	Common Interior	Replace Toilet Dividers	\$14,400	Current Est	\$14,400	2013	25		16	12	each	2038	\$ 26,971
37	Zone 2	Pool	Common Interior	Replace Sinks/Mirrors	\$ 9,800	Current Est	\$ 9,800	2013	15		6	7	each	2028	\$ 12,400
38	Zone 2	Pool	Fencing & Railings	Replace Aluminum Fencing	\$ 33,600	Current Est	\$ 33,600	2013	20		11	700	feet	2033	\$ 51,726
39	Zone 2	Pool	Fencing & Railings	Block Retaining Wall	\$138,160	Current Est	\$138,160	2013	25		16	1727	sq-ft	2038	\$ 258,771
40	Zone 2	Pool	Gates	Replace Gate	\$ 1,750	Current Est	\$ 1,750	2013	10		1	1	each	2023	\$ 1,820
41	Zone 2	Pool	Miscellaneous	Pool Chairs	\$ 27,500	Current Est	\$ 27,500	2022	10		10	110	each	2032	\$ 40,707
42	Zone 2	Pool	Miscellaneous	Pool Tables and Umbrellas	\$ 6,300	Current Est	\$ 6,300	2022	10		10	18	each	2032	\$ 9,328
43	Zone 2	Pool	Miscellaneous	Pool Lounge Chairs	\$ 2,250	Current Est	\$ 2,250	2022	5		5	15	each	2027	\$ 2,737
44	Zone 2	Pool	Plumbing	Poolhouse Water Heater	\$ 2,800	Current Est	\$ 2,800	2013	10		1	1	each	2023	\$ 2,912
45	Zone 2	Pool	Plumbing	Replace Toilets	\$13,200	Current Est	\$13,200	2013	15		6	11	feet	2028	\$ 16,702
46	Zone 2	Pool	Pool/Spa	Lifeguard Stands	\$12,000	Actual Cost	\$17,080	2013	15		6	3	each	2028	\$ 21,611
47	Zone 2	Pool	Pool/Spa	Resurface Pool	\$ 75,000	Current Est	\$ 75,000	2013	15		6	1	each	2028	\$ 94,899
48	Zone 2	Pool	Pool/Spa	Recoat/Refinish Pool Decking	\$183,975	Current Est	\$183,975	2013	15		6	16725	sq-ft	2028	\$ 232,787
49	Zone 2	Pool	Pool/Spa	Waterside Repairs	\$ 3,500	Current Est	\$ 3,500	2013	10		1	1	each	2023	\$ 3,640
50	Zone 2	Pool	Pump House	Large Pool Filters	\$ 30,000	Current Est	\$ 30,000	2013	12		3	2	each	2025	\$ 33,746
51	Zone 2	Pool	Pump House	Large Pool Pumps	\$15,000	Current Est	\$15,000	2013	12		3	2	each	2025	\$ 16,873
52	Zone 2	Pool	Pump House	Waterside Pump	\$ 5,000	Current Est	\$ 5,000	2013	12		3	1	each	2025	\$ 5,624
53	Zone 2	Pool	Pump House	Small Pool Filters	\$ 3,500	Current Est	\$ 3,500	2013	12		3	1	each	2025	\$ 3,937
54	Zone 2	Pool	Pump House	Small Pool Pump	\$ 4,000	Current Est	\$ 4,000	2013	12		3	1	each	2025	\$ 4,499
55	Zone 2	Pool	Roofing	Asphalt shingle	\$ 50,600	Current Est	\$ 50,600	2013	20		11	4600	sq-ft	2033	\$ 77,896
56	Zone 2	Pool	Plumbing	Replace Showers	\$ 6,600	Current Est	\$ 6,600	2013	25		16	6	each	2038	\$ 12,362
57	Zone 2	Pool	Pool/Spa	Resurface Splash Pad	\$ 4,410	Current Est	\$ 4,410	2018	5		1	1	each	2023	\$ 4,586
58	Zone 4	Rear Ent	Staircase	Repair Rear Entry Sign	\$ 7,500	Current Est	\$ 7,500	2013	15		6	1	each	2028	\$ 9,490

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With the proposed annual dues increases, the total income will be sufficient to meet all the expected expenses for the HOA ...

Income Years 2022 to 2031

Estimated Incomes	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Maintenance Assessments Including Sched Increases	\$ 471,240	\$ 518,364	\$ 570,200	\$ 627,220	\$ 639,765	\$ 652,560	\$ 665,611	\$ 678,924	\$ 692,502	\$ 706,352	\$ 6,222,739
Interest Income Reserve Balance											
Other Annual Income	\$ 55,307										\$ 55,307
Special Assessments											
Loans											
Total Income	\$ 526,547	\$ 518,364	\$ 570,200	\$ 627,220	\$ 639,765	\$ 652,560	\$ 665,611	\$ 678,924	\$ 692,502	\$ 706,352	\$ 6,278,046

Expenses Years 2022 to 2031

Operating and Loan Expenses	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Estimated Operating Expenses	\$ 384,046	\$ 393,647	\$ 403,488	\$ 413,576	\$ 423,915	\$ 434,513	\$ 445,376	\$ 456,510	\$ 467,923	\$ 479,621	\$ 4,302,614
Estimated Annual Loan Payments											

Special Projects	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Tennis Court Removal	\$ 40,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 40,000
Repair Playground	\$ 30,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,000
Add Pavilion	\$ 30,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,000
Back Entrance Improvements	\$ 10,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,000
Bus Stop Seating	\$ 10,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,000
Additional Seating common area	\$ 10,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,000
Slide and stairs repair	\$ 8,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,000
Replace Fence	\$ 20,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,000
Hill stairs	\$ 9,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,500
Green Space Improvements	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,000

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

Totals	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Operating and Loan Expenses	\$ 384,046	\$ 393,647	\$ 403,488	\$ 413,576	\$ 423,915	\$ 434,513	\$ 445,376	\$ 456,510	\$ 467,923	\$ 479,621	\$ 4,302,614
Special Projects	\$ 40,000										\$ 40,000
Total Reserve Fund Expenses	\$ 121,758	\$ 57,158	\$ 40,697	\$ 155,130	\$ 46,370	\$ 40,027	\$ 479,086	\$ 52,519	\$ 44,136	\$ 40,209	\$ 1,077,090

Reserve Fund Years 2022 to 2031

Description	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Start of Year Fully Funded Reserve	\$ 665,116	\$ 672,191	\$ 751,016	\$ 854,570	\$ 847,889	\$ 938,870	\$ 1,085,897	\$ 766,597	\$ 883,575	\$ 1,019,588
Start of Year Reserve Fund Balance *	\$ 367,131	\$ 215,374	\$ 282,933	\$ 408,948	\$ 467,463	\$ 636,943	\$ 814,963	\$ 556,113	\$ 726,008	\$ 906,451
Percent Funded at Start of Year	55%	32%	38%	48%	55%	66%	75%	73%	82%	89%
Annual Reserve Fund Contributions	\$ 142,501	\$ 124,717	\$ 166,712	\$ 213,645	\$ 215,850	\$ 218,047	\$ 220,236	\$ 222,444	\$ 224,579	\$ 226,731
Net Reserve Withdrawals	-\$ 294,258	-\$ 57,158	-\$ 40,697	-\$ 155,130	-\$ 46,370	-\$ 40,027	-\$ 479,086	-\$ 52,519	-\$ 44,136	-\$ 40,209
EOY Reserve Fund Balance	\$ 215,374	\$ 282,933	\$ 408,948	\$ 467,463	\$ 636,943	\$ 814,963	\$ 556,113	\$ 726,008	\$ 906,451	\$ 1,092,973

With the proposed annual dues increases, the total income will be sufficient to meet all the expected expenses for the HOA ...

Reserve Expenses 2022 to 2031														
Zone	Area	Reserve Fund Withdrawals	Original Cost	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
	All	Exterior Cleaning	\$ 4,000				\$ 4,679				\$ 5,474			\$ 10,153
	All	Paints and stains, exterior	\$ 5,376			\$ 5,815								\$ 5,815
Zone 1	All	Fencing, wood picket	\$ 10,600											\$ 0
	All	Repl trees/plants/shrubs	\$ 3,000	\$ 3,000	\$ 3,120	\$ 3,245	\$ 3,375	\$ 3,510	\$ 3,650	\$ 3,796	\$ 3,948	\$ 4,106	\$ 4,270	\$ 36,020
	All	Replce major trees and plants	\$ 10,000											\$ 0
	All	Retention Basin Veg Maint	\$ 750	\$ 750	\$ 780	\$ 811	\$ 844	\$ 877	\$ 912	\$ 949	\$ 987	\$ 1,026	\$ 1,067	\$ 9,003
	All	Tree Trimming - Annual	\$ 3,500		\$ 3,640	\$ 3,786	\$ 3,937	\$ 4,095	\$ 4,258	\$ 4,429	\$ 4,606	\$ 4,790	\$ 4,982	\$ 38,523
Zone 1	All	Parking Lot Lighting	\$ 1,000							\$ 1,801				\$ 1,801
Zone 1	All	Asphalt Resurface	\$ 220,437											\$ 0
Zone 1	All	Asphalt Restripe	\$ 2,500							\$ 3,163				\$ 3,163
Zone 1	All	Asphalt Seal Coat	\$ 31,491							\$ 39,846				\$ 39,846
Zone 1	All	Crack Seal	\$ 2,935					\$ 3,434						\$ 3,434
Zone 1	All	Curbing Repair	\$ 4,452					\$ 5,208						\$ 5,208
Zone 3	BP	Replace Basketball Hoops	\$ 2,500		\$ 2,600									\$ 2,600
Zone 3	BP	Basketball Court Resurfacing	\$ 8,000		\$ 8,320									\$ 8,320
Zone 3	BP	Pavilion Tables	\$ 3,000	\$ 3,000										\$ 3,000
Zone 3	BP	Tennis Court Fencing, chain-link	\$ 28,782											\$ 0
Zone 3	BP	Baseball Field Fencing	\$ 5,258	\$ 5,258										\$ 5,258
Zone 3	BP	Tennis Court Lighting	\$ 52,800											\$ 0
Zone 3	BP	Baseball Field Lighting	\$ 8,800	\$ 8,800										\$ 8,800
Zone 3	BP	Soccer Goals	\$ 2,400	\$ 2,400					\$ 2,920					\$ 5,320
Zone 3	BP	Repair Pavilion	\$ 7,500	\$ 7,500						\$ 9,869				\$ 17,369
Zone 3	BP	Tennis Court Resurfacing	\$ 48,000				\$ 53,993							\$ 53,993
Zone 3	BP	Baseball Field Surface Maintenance	\$ 18,000	\$ 18,000	\$ 18,720	\$ 19,469	\$ 20,248	\$ 21,057	\$ 21,900	\$ 22,776	\$ 23,687	\$ 24,634	\$ 25,620	\$ 216,111
Zone 3	BP	Playground Equipment	\$ 30,000	\$ 30,000										\$ 30,000
Zone 3	BP	Replenish Mulch	\$ 4,000	\$ 4,000		\$ 4,326		\$ 4,679		\$ 5,061		\$ 5,474		\$ 23,540
Zone 1	Main Ent	Repair Front Entry Sign/Veneer	\$ 13,020											\$ 0
Zone 2	Pool	Gutter Cleaning Annual	\$ 3,000	\$ 3,000	\$ 3,120	\$ 3,245	\$ 3,375	\$ 3,510	\$ 3,650	\$ 3,796	\$ 3,948	\$ 4,106	\$ 4,270	\$ 36,020
Zone 2	Pool	Gutters/downspouts, aluminum	\$ 3,264											\$ 0
Zone 2	Pool	Pool Area Lighting	\$ 3,750		\$ 3,900									\$ 3,900
Zone 2	Pool	Replace Toilet Dividers	\$ 14,400											\$ 0
Zone 2	Pool	Replace Sinks/Mirrors	\$ 9,800							\$ 12,400				\$ 12,400
Zone 2	Pool	Replace Aluminum Fencing	\$ 33,600											\$ 0
Zone 2	Pool	Block Retaining Wall	\$ 138,160											\$ 0
Zone 2	Pool	Replace Gate	\$ 1,750		\$ 1,820									\$ 1,820
Zone 2	Pool	Pool Chairs	\$ 27,500	\$ 27,500										\$ 27,500
Zone 2	Pool	Pool Tables and Umbrellas	\$ 6,300	\$ 6,300										\$ 6,300
Zone 2	Pool	Pool Lounge Chairs	\$ 2,250	\$ 2,250					\$ 2,737					\$ 4,987
Zone 2	Pool	Poolhouse Water Heater	\$ 2,800		\$ 2,912									\$ 2,912
Zone 2	Pool	Replace Toilets	\$ 13,200							\$ 16,702				\$ 16,702
Zone 2	Pool	Lifeguard Stands	\$ 12,000							\$ 21,611				\$ 21,611
Zone 2	Pool	Resurface Pool	\$ 75,000							\$ 94,899				\$ 94,899
Zone 2	Pool	Recoat/Refinish Pool Decking	\$ 183,975							\$ 232,787				\$ 232,787
Zone 2	Pool	Waterslide Repairs	\$ 3,500		\$ 3,640									\$ 3,640
Zone 2	Pool	Large Pool Filters	\$ 30,000				\$ 33,746							\$ 33,746
Zone 2	Pool	Large Pool Pumps	\$ 15,000				\$ 16,873							\$ 16,873
Zone 2	Pool	Waterslide Pump	\$ 5,000				\$ 5,624							\$ 5,624
Zone 2	Pool	Small Pool Filters	\$ 3,500				\$ 3,937							\$ 3,937
Zone 2	Pool	Small Pool Pump	\$ 4,000				\$ 4,499							\$ 4,499
Zone 2	Pool	Asphalt shingle	\$ 50,600											\$ 0
Zone 2	Pool	Replace Showers	\$ 6,600											\$ 0
Zone 2	Pool	Resurface Splash Pad	\$ 4,410		\$ 4,586					\$ 5,580				\$ 10,166
Zone 4	Rear Ent	Repair Rear Entry Sign	\$ 7,500							\$ 9,490				\$ 9,490
Total Reserve Expenses				\$ 121,758	\$ 57,158	\$ 40,697	\$ 155,130	\$ 46,370	\$ 40,027	\$ 479,086	\$ 52,519	\$ 44,136	\$ 40,209	\$ 1,077,090

... With the proposed annual dues increases, the total income will be sufficient to meet all the expected expenses for the HOA ...

Income Years 2032 to 2041											
Estimated Incomes	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Maintenance Assessments Including Sched Increases	\$ 720,479	\$ 734,889	\$ 749,586	\$ 764,578	\$ 779,870	\$ 795,467	\$ 811,377	\$ 827,604	\$ 844,156	\$ 861,039	\$ 7,889,045
Interest Income Reserve Balance											
Other Annual Income											\$ 0
Special Assessments											
Loans											
Total Income	\$ 720,479	\$ 734,889	\$ 749,586	\$ 764,578	\$ 779,870	\$ 795,467	\$ 811,377	\$ 827,604	\$ 844,156	\$ 861,039	\$ 7,889,045

Expenses Years 2032 to 2041											
Operating and Loan Expenses	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Estimated Operating Expenses	\$ 491,611	\$ 503,902	\$ 516,499	\$ 529,412	\$ 542,647	\$ 556,213	\$ 570,118	\$ 584,371	\$ 598,981	\$ 613,955	\$ 5,507,709
Estimated Annual Loan Payments											

Special Projects	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Tennis Court Removal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Repair Playground	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Add Pavilion	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Back Entrance Improvements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Bus Stop Seating	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Additional Seating common area	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Slide and stairs repair	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Replace Fence	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Hill stairs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Green Space Improvements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

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

Totals	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
Operating and Loan Expenses	\$ 491,611	\$ 503,902	\$ 516,499	\$ 529,412	\$ 542,647	\$ 556,213	\$ 570,118	\$ 584,371	\$ 598,981	\$ 613,955	\$ 5,507,709
Special Projects											
Total Reserve Fund Expenses	\$ 153,503	\$ 290,012	\$ 72,068	\$ 47,038	\$ 87,191	\$ 256,742	\$ 878,535	\$ 55,029	\$ 65,331	\$ 89,351	\$ 1,994,800

Reserve Fund Years 2032 to 2041											
Description	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	
Start of Year Fully Funded Reserve	\$ 1,170,989	\$ 1,216,719	\$ 1,128,649	\$ 1,270,313	\$ 1,450,532	\$ 1,603,336	\$ 1,593,335	\$ 943,986	\$ 1,133,133	\$ 1,327,474	
Start of Year Reserve Fund Balance	\$ 1,092,973	\$ 1,168,338	\$ 1,109,313	\$ 1,270,333	\$ 1,458,461	\$ 1,608,493	\$ 1,591,005	\$ 953,728	\$ 1,141,932	\$ 1,321,776	
Percent Funded at Start of Year	93%	96%	98%	100%	101%	100%	100%	101%	101%	100%	
Annual Reserve Fund Contributions	\$ 228,868	\$ 230,987	\$ 233,087	\$ 235,167	\$ 237,223	\$ 239,254	\$ 241,258	\$ 243,233	\$ 245,175	\$ 247,084	
Net Reserve Withdrawals	-\$ 153,503	-\$ 290,012	-\$ 72,068	-\$ 47,038	-\$ 87,191	-\$ 256,742	-\$ 878,535	-\$ 55,029	-\$ 65,331	-\$ 89,351	
EOY Reserve Fund Balance	\$ 1,168,338	\$ 1,109,313	\$ 1,270,333	\$ 1,458,461	\$ 1,608,493	\$ 1,591,005	\$ 953,728	\$ 1,141,932	\$ 1,321,776	\$ 1,479,510	

... With the proposed annual dues increases, the total income will be sufficient to meet all the expected expenses for the HOA ...

Reserve Expenses 2032 to 2041														
Zone	Area	Reserve Fund Withdrawals	Original Cost	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total
	All	Exterior Cleaning	\$ 4,000		\$ 6,404				\$ 7,492				\$ 8,764	\$ 22,660
	All	Paints and stains, exterior	\$ 5,376			\$ 8,607								\$ 8,607
Zone 1	All	Fencing, wood picket	\$ 10,600					\$ 18,356						\$ 18,356
	All	Repl trees/plants/shrubs	\$ 3,000	\$ 4,441	\$ 4,618	\$ 4,803	\$ 4,995	\$ 5,195	\$ 5,403	\$ 5,619	\$ 5,844	\$ 6,077	\$ 6,321	\$ 53,316
	All	Replce major trees and plants	\$ 10,000											\$ 21,068
	All	Retention Basin Veg Maint	\$ 750	\$ 1,110	\$ 1,155	\$ 1,201	\$ 1,249	\$ 1,299	\$ 1,351	\$ 1,405	\$ 1,461	\$ 1,519	\$ 1,580	\$ 13,330
	All	Tree Trimming - Annual	\$ 3,500	\$ 5,181	\$ 5,388	\$ 5,604	\$ 5,828	\$ 6,061	\$ 6,303	\$ 6,555	\$ 6,818	\$ 7,090	\$ 7,374	\$ 62,202
Zone 1	All	Parking Lot Lighting	\$ 1,000											\$ 0
Zone 1	All	Asphalt Resurface	\$ 220,437							\$ 412,874				\$ 412,874
Zone 1	All	Asphalt Restripe	\$ 2,500											\$ 0
Zone 1	All	Asphalt Seal Coat	\$ 31,491											\$ 0
Zone 1	All	Crack Seal	\$ 2,935			\$ 4,699								\$ 4,699
Zone 1	All	Curbing Repair	\$ 4,452			\$ 7,128								\$ 7,128
Zone 3	BP	Replace Basketball Hoops	\$ 2,500		\$ 3,849									\$ 3,849
Zone 3	BP	Basketball Court Resurfacing	\$ 8,000		\$ 12,316									\$ 12,316
Zone 3	BP	Pavilion Tables	\$ 3,000	\$ 4,441										\$ 4,441
Zone 3	BP	Tennis Court Fencing, chain-link	\$ 28,782		\$ 44,309									\$ 44,309
Zone 3	BP	Baseball Field Fencing	\$ 5,258											\$ 0
Zone 3	BP	Tennis Court Lighting	\$ 52,800							\$ 98,893				\$ 98,893
Zone 3	BP	Baseball Field Lighting	\$ 8,800											\$ 0
Zone 3	BP	Soccer Goals	\$ 2,400	\$ 3,553					\$ 4,322					\$ 7,875
Zone 3	BP	Repair Pavilion	\$ 7,500					\$ 12,988						\$ 12,988
Zone 3	BP	Tennis Court Resurfacing	\$ 48,000						\$ 86,445					\$ 86,445
Zone 3	BP	Baseball Field Surface Maintenance	\$ 18,000	\$ 26,644	\$ 27,710	\$ 28,819	\$ 29,971	\$ 31,170	\$ 32,417	\$ 33,714	\$ 35,062	\$ 36,465	\$ 37,923	\$ 319,895
Zone 3	BP	Playground Equipment	\$ 30,000	\$ 44,407										\$ 44,407
Zone 3	BP	Replenish Mulch	\$ 4,000	\$ 5,921		\$ 6,404		\$ 6,927		\$ 7,492		\$ 8,103		\$ 34,847
Zone 1	Main Ent	Repair Front Entry Sign/Veneer	\$ 13,020		\$ 20,044									\$ 20,044
Zone 2	Pool	Gutter Cleaning Annual	\$ 3,000	\$ 4,441	\$ 4,618	\$ 4,803	\$ 4,995	\$ 5,195	\$ 5,403	\$ 5,619	\$ 5,844	\$ 6,077	\$ 6,321	\$ 53,316
Zone 2	Pool	Gutters/downspouts, aluminum	\$ 3,264		\$ 5,025									\$ 5,025
Zone 2	Pool	Pool Area Lighting	\$ 3,750		\$ 5,273									\$ 5,273
Zone 2	Pool	Replace Toilet Dividers	\$ 14,400							\$ 26,971				\$ 26,971
Zone 2	Pool	Replace Sinks/Mirrors	\$ 9,800											\$ 0
Zone 2	Pool	Replace Aluminum Fencing	\$ 33,600		\$ 51,726									\$ 51,726
Zone 2	Pool	Block Retaining Wall	\$ 138,160							\$ 258,771				\$ 258,771
Zone 2	Pool	Replce Gate	\$ 1,750		\$ 2,694									\$ 2,694
Zone 2	Pool	Pool Chairs	\$ 27,500	\$ 40,707										\$ 40,707
Zone 2	Pool	Pool Tables and Umbrellas	\$ 6,300	\$ 9,326										\$ 9,326
Zone 2	Pool	Pool Lounge Chairs	\$ 2,250	\$ 3,331					\$ 4,052					\$ 7,383
Zone 2	Pool	Poolhouse Water Heater	\$ 2,800		\$ 4,310									\$ 4,310
Zone 2	Pool	Replace Toilets	\$ 13,200											\$ 0
Zone 2	Pool	Lifeguard Stands	\$ 12,000											\$ 0
Zone 2	Pool	Resurface Pool	\$ 75,000											\$ 0
Zone 2	Pool	Recoat/Refinish Pool Decking	\$ 183,975											\$ 0
Zone 2	Pool	Waterslide Repairs	\$ 3,500		\$ 5,388									\$ 5,388
Zone 2	Pool	Large Pool Filters	\$ 30,000						\$ 54,028					\$ 54,028
Zone 2	Pool	Large Pool Pumps	\$ 15,000						\$ 27,014					\$ 27,014
Zone 2	Pool	Waterslide Pump	\$ 5,000						\$ 9,005					\$ 9,005
Zone 2	Pool	Small Pool Filters	\$ 3,500						\$ 6,303					\$ 6,303
Zone 2	Pool	Small Pool Pump	\$ 4,000						\$ 7,204					\$ 7,204
Zone 2	Pool	Asphalt shingle	\$ 50,600		\$ 77,896									\$ 77,896
Zone 2	Pool	Replace Showers	\$ 6,600							\$ 12,362				\$ 12,362
Zone 2	Pool	Resurface Splash Pad	\$ 4,410		\$ 6,789					\$ 8,260				\$ 15,049
Zone 4	Rear Ent	Repair Rear Entry Sign	\$ 7,500											\$ 0
Total Reserve Expenses				\$ 153,503	\$ 290,012	\$ 72,068	\$ 47,038	\$ 87,191	\$ 256,742	\$ 878,535	\$ 55,029	\$ 65,331	\$ 89,351	\$ 1,994,800

... With the proposed annual dues increases, the total income will be sufficient to meet all the expected expenses for the HOA

Income Years 2042 to 2052

Estimated Incomes	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total
Maintenance Assessments Including Sched Increases	\$ 878,260	\$ 895,825	\$ 913,742	\$ 932,017	\$ 950,657	\$ 969,670	\$ 989,063	\$ 1,008,845	\$ 1,029,022	\$ 1,049,602	\$ 1,070,594	\$ 10,687,296
Interest Income Reserve Balance												
Other Annual Income												\$ 0
Special Assessments												
Loans												
Total Income	\$ 878,260	\$ 895,825	\$ 913,742	\$ 932,017	\$ 950,657	\$ 969,670	\$ 989,063	\$ 1,008,845	\$ 1,029,022	\$ 1,049,602	\$ 1,070,594	\$ 10,687,296

Expenses Years 2042 to 2052

Operating and Loan Expenses	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total
Estimated Operating Expenses	\$ 629,304	\$ 645,037	\$ 661,163	\$ 677,692	\$ 694,634	\$ 712,000	\$ 729,800	\$ 748,045	\$ 766,746	\$ 785,915	\$ 805,562	\$ 7,855,896
Estimated Annual Loan Payments												

Special Projects	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total
Tennis Court Removal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Repair Playground	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Add Pavilion	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Back Entrance Improvements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Bus Stop Seating	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Additional Seating common area	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Slide and stairs repair	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Replace Fence	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Hill stairs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Green Space Improvements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

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

	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total
Operating and Loan Expenses	\$ 629,304	\$ 645,037	\$ 661,163	\$ 677,692	\$ 694,634	\$ 712,000	\$ 729,800	\$ 748,045	\$ 766,746	\$ 785,915	\$ 805,562	\$ 7,855,896
Special Projects												
Total Reserve Fund Expenses	\$ 254,925	\$ 921,601	\$ 89,172	\$ 79,882	\$ 82,666	\$ 111,165	\$ 101,638	\$ 397,647	\$ 141,349	\$ 121,160	\$ 336,340	\$ 2,637,545

Reserve Fund Years 2042 to 2052

Description	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Start of Year Fully Funded Reserve	\$ 1,513,288	\$ 1,543,361	\$ 890,684	\$ 1,087,388	\$ 1,311,774	\$ 1,552,798	\$ 1,784,804	\$ 2,047,419	\$ 2,024,569	\$ 2,279,704	\$ 2,578,889
Start of Year Reserve Fund Balance	\$ 1,479,510	\$ 1,473,541	\$ 802,728	\$ 966,135	\$ 1,140,578	\$ 1,313,935	\$ 1,460,441	\$ 1,618,066	\$ 1,481,219	\$ 1,602,146	\$ 1,744,673
Percent Funded at Start of Year	98%	95%	90%	89%	87%	85%	82%	79%	73%	70%	68%
Annual Reserve Fund Contributions	\$ 248,956	\$ 250,789	\$ 252,579	\$ 254,325	\$ 256,023	\$ 257,670	\$ 259,264	\$ 260,800	\$ 262,276	\$ 263,688	\$ 265,032
Net Reserve Withdrawals	-\$ 254,925	-\$ 921,601	-\$ 89,172	-\$ 79,882	-\$ 82,666	-\$ 111,165	-\$ 101,638	-\$ 397,647	-\$ 141,349	-\$ 121,160	-\$ 336,340
EOY Reserve Fund Balance	\$ 1,473,541	\$ 802,728	\$ 966,135	\$ 1,140,578	\$ 1,313,935	\$ 1,460,441	\$ 1,618,066	\$ 1,481,219	\$ 1,602,146	\$ 1,744,673	\$ 1,673,365

... With the proposed annual dues increases, the total income will be sufficient to meet all the expected expenses for the HOA

Reserve Expenses 2042 to 2052

Zone	Area	Reserve Fund Withdrawals	Original Cost	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	Total
	All	Exterior Cleaning	\$ 4,000				\$ 10,253				\$ 11,995				\$ 22,248
	All	Paints and stains, exterior	\$ 5,376			\$ 12,741									\$ 12,741
Zone 1	All	Fencing, wood picket	\$ 30,600										\$ 33,058		\$ 33,058
	All	Repl trees/plants/shrubs	\$ 3,000	\$ 6,573	\$ 6,836	\$ 7,110	\$ 7,394	\$ 7,690	\$ 7,998	\$ 8,317	\$ 8,650	\$ 8,996	\$ 9,356	\$ 9,730	\$ 88,650
	All	Replace major trees and plants	\$ 30,000												\$ 0
	All	Retention Basin Veg Maint	\$ 750	\$ 1,643	\$ 1,709	\$ 1,777	\$ 1,849	\$ 1,922	\$ 1,999	\$ 2,079	\$ 2,163	\$ 2,249	\$ 2,339	\$ 2,433	\$ 22,162
	All	Tree Trimming - Annual	\$ 3,500	\$ 7,669	\$ 7,976	\$ 8,295	\$ 8,627	\$ 8,972	\$ 9,330	\$ 9,704	\$ 10,092	\$ 10,495	\$ 10,915	\$ 11,352	\$ 103,427
Zone 1	All	Parking Lot Lighting	\$ 1,000		\$ 3,243										\$ 3,243
Zone 1	All	Asphalt Resurface	\$ 220,437												\$ 0
Zone 1	All	Asphalt Restripe	\$ 2,500		\$ 5,697										\$ 5,697
Zone 1	All	Asphalt Seal Coat	\$ 31,491		\$ 71,761										\$ 71,761
Zone 1	All	Crack Seal	\$ 2,935	\$ 6,431								\$ 8,801			\$ 15,232
Zone 1	All	Curbing Repair	\$ 4,452	\$ 9,755								\$ 13,350			\$ 23,105
Zone 3	BP	Replace Basketball Hoops	\$ 2,500		\$ 5,697										\$ 5,697
Zone 3	BP	Basketball Court Resurfacing	\$ 8,000		\$ 18,230										\$ 18,230
Zone 3	BP	Pavilion Tables	\$ 3,000	\$ 6,573										\$ 9,730	\$ 16,303
Zone 3	BP	Tennis Court Fencing, chain-link	\$ 28,782												\$ 0
Zone 3	BP	Baseball Field Fencing	\$ 5,258	\$ 11,521											\$ 11,521
Zone 3	BP	Tennis Court Lighting	\$ 52,800												\$ 0
Zone 3	BP	Baseball Field Lighting	\$ 8,800						\$ 23,459						\$ 23,459
Zone 3	BP	Soccer Goals	\$ 2,400	\$ 5,259					\$ 6,398					\$ 7,784	\$ 19,441
Zone 3	BP	Repair Pavilion	\$ 7,500		\$ 17,091							\$ 22,490			\$ 39,581
Zone 3	BP	Tennis Court Resurfacing	\$ 48,000								\$ 138,402				\$ 138,402
Zone 3	BP	Baseball Field Surface Maintenance	\$ 38,000	\$ 39,440	\$ 41,038	\$ 42,659	\$ 44,365	\$ 46,139	\$ 47,985	\$ 49,904	\$ 51,901	\$ 53,977	\$ 56,136	\$ 58,381	\$ 531,905
Zone 3	BP	Playground Equipment	\$ 30,000	\$ 65,734										\$ 97,302	\$ 163,036
Zone 3	BP	Replenish Mulch	\$ 4,000	\$ 8,764		\$ 9,480		\$ 10,253		\$ 11,090		\$ 11,995		\$ 12,974	\$ 64,556
Zone 1	Main Ent	Repair Front Entry Sign/Veneer	\$ 13,020												\$ 0
Zone 2	Pool	Gutter Cleaning Annual	\$ 3,000	\$ 6,573	\$ 6,836	\$ 7,110	\$ 7,394	\$ 7,690	\$ 7,998	\$ 8,317	\$ 8,650	\$ 8,996	\$ 9,356	\$ 9,730	\$ 88,650
Zone 2	Pool	Gutters/downspouts, aluminum	\$ 3,264												\$ 0
Zone 2	Pool	Pool Area Lighting	\$ 3,750		\$ 8,545										\$ 8,545
Zone 2	Pool	Replace Toilet Dividers	\$ 14,400												\$ 0
Zone 2	Pool	Replace Sinks/Mirrors	\$ 9,800		\$ 22,332										\$ 22,332
Zone 2	Pool	Replace Aluminum Fencing	\$ 33,600												\$ 0
Zone 2	Pool	Block Retaining Wall	\$ 138,160												\$ 0
Zone 2	Pool	Replace Gate	\$ 1,750		\$ 3,988										\$ 3,988
Zone 2	Pool	Pool Chairs	\$ 27,500	\$ 60,256										\$ 89,193	\$ 149,449
Zone 2	Pool	Pool Tables and Umbrellas	\$ 6,300	\$ 13,804										\$ 20,433	\$ 34,237
Zone 2	Pool	Pool Lounge Chairs	\$ 2,250	\$ 4,930					\$ 5,998					\$ 7,298	\$ 18,226
Zone 2	Pool	Poolhouse Water Heater	\$ 2,800		\$ 6,381										\$ 6,381
Zone 2	Pool	Replace Toilets	\$ 13,200		\$ 30,080										\$ 30,080
Zone 2	Pool	Lifeguard Stands	\$ 12,000		\$ 38,921										\$ 38,921
Zone 2	Pool	Resurface Pool	\$ 75,000		\$ 170,908										\$ 170,908
Zone 2	Pool	Recoat/Refinish Pool Decking	\$ 183,975		\$ 419,236										\$ 419,236
Zone 2	Pool	Waterslide Repairs	\$ 3,500		\$ 7,976										\$ 7,976
Zone 2	Pool	Large Pool Filters	\$ 30,000								\$ 86,501				\$ 86,501
Zone 2	Pool	Large Pool Pumps	\$ 15,000								\$ 43,251				\$ 43,251
Zone 2	Pool	Waterslide Pump	\$ 5,000								\$ 14,417				\$ 14,417
Zone 2	Pool	Small Pool Filters	\$ 3,500								\$ 10,092				\$ 10,092
Zone 2	Pool	Small Pool Pump	\$ 4,000								\$ 11,533				\$ 11,533
Zone 2	Pool	Asphalt shingle	\$ 50,600												\$ 0
Zone 2	Pool	Replace Showers	\$ 6,600												\$ 0
Zone 2	Pool	Resurface Splash Pad	\$ 4,410		\$ 10,049					\$ 12,227					\$ 22,276
Zone 4	Rear Ent	Repair Rear Entry Sign	\$ 7,500		\$ 17,091										\$ 17,091
Total Reserve Expenses				\$ 254,925	\$ 921,601	\$ 89,172	\$ 79,882	\$ 82,666	\$ 111,165	\$ 101,638	\$ 397,647	\$ 141,349	\$ 121,160	\$ 336,340	\$ 2,637,545

Through modest and reasonable dues increases, the HOA can achieve the funding requirements to meet future reserve expenditures.

Reserve Fund Years 2022 to 2031

Description	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Start of Year Fully Funded Reserve	\$ 72,770	\$ 148,075	\$ 225,502	\$ 308,887	\$ 398,582	\$ 485,225	\$ 583,020	\$ 683,468	\$ 791,173	\$ 911,933
Start of Year Reserve Fund Balance *	\$ 10,808	\$ 58,986	\$ 110,106	\$ 168,370	\$ 234,551	\$ 300,145	\$ 379,750	\$ 465,674	\$ 563,259	\$ 668,979
Percent Funded at Start of Year	15%	40%	49%	55%	59%	62%	65%	68%	71%	73%
Annual Reserve Fund Contributions	\$ 54,178	\$ 61,000	\$ 68,539	\$ 76,869	\$ 86,068	\$ 96,224	\$ 107,435	\$ 119,807	\$ 123,513	\$ 127,332
Net Reserve Withdrawals	-\$ 6,000	-\$ 9,880	-\$ 10,276	-\$ 10,687	-\$ 20,474	-\$ 16,619	-\$ 21,511	-\$ 22,223	-\$ 17,792	-\$ 139,129
EOY Reserve Fund Balance	\$ 58,986	\$ 110,106	\$ 168,370	\$ 234,551	\$ 300,145	\$ 379,750	\$ 465,674	\$ 563,259	\$ 668,979	\$ 657,182

* 2022 balance as of 01-October-2022.

Reserve Fund Years 2032 to 2041

Description	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Start of Year Fully Funded Reserve	\$ 915,638	\$ 1,054,036	\$ 1,195,381	\$ 1,353,275	\$ 1,508,899	\$ 1,610,795	\$ 1,785,214	\$ 1,985,398	\$ 2,183,223	\$ 2,409,835
Start of Year Reserve Fund Balance	\$ 657,182	\$ 774,388	\$ 888,687	\$ 1,012,986	\$ 1,128,501	\$ 1,185,776	\$ 1,308,208	\$ 1,447,980	\$ 1,576,984	\$ 1,725,187
Percent Funded at Start of Year	72%	73%	74%	75%	75%	74%	73%	73%	72%	72%
Annual Reserve Fund Contributions	\$ 131,269	\$ 135,327	\$ 139,509	\$ 143,821	\$ 148,264	\$ 152,844	\$ 157,565	\$ 162,431	\$ 167,447	\$ 172,616
Net Reserve Withdrawals	-\$ 14,063	-\$ 21,028	-\$ 15,210	-\$ 28,306	-\$ 90,989	-\$ 30,413	-\$ 17,793	-\$ 33,427	-\$ 19,244	-\$ 1,164,823
EOY Reserve Fund Balance	\$ 774,388	\$ 888,687	\$ 1,012,986	\$ 1,128,501	\$ 1,185,776	\$ 1,308,208	\$ 1,447,980	\$ 1,576,984	\$ 1,725,187	\$ 732,980

Reserve Fund Years 2042 to 2052

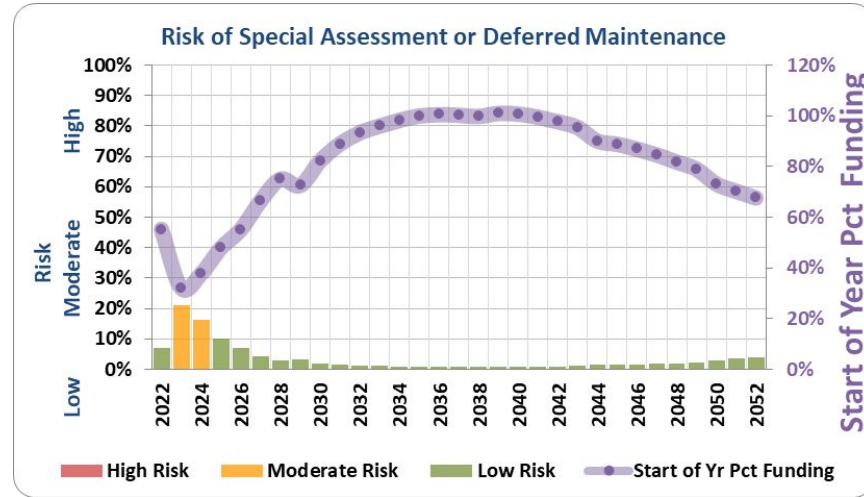
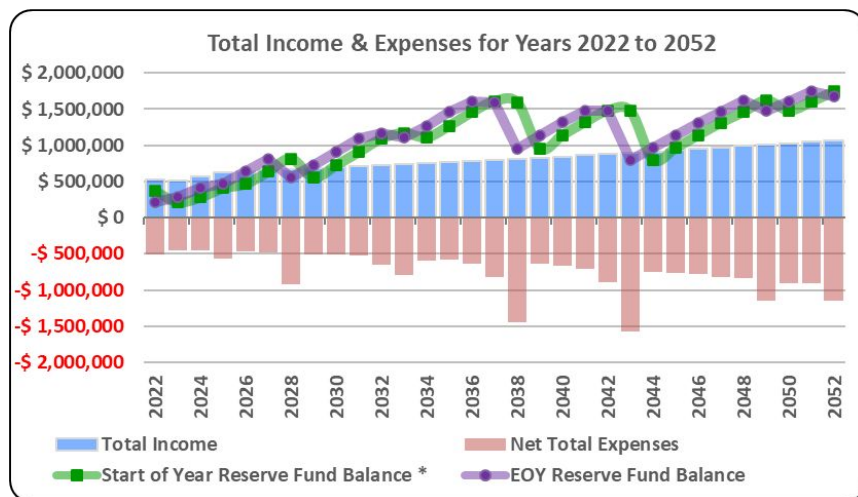
Description	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Start of Year Fully Funded Reserve	\$ 1,460,484	\$ 1,652,462	\$ 1,875,236	\$ 2,113,187	\$ 2,337,576	\$ 2,532,247	\$ 2,816,825	\$ 3,110,025	\$ 3,410,180	\$ 3,752,761	\$ 3,703,908
Start of Year Reserve Fund Balance	\$ 732,980	\$ 873,676	\$ 1,035,464	\$ 1,202,046	\$ 1,338,461	\$ 1,429,392	\$ 1,590,684	\$ 1,740,392	\$ 1,876,236	\$ 2,031,698	\$ 1,787,601
Percent Funded at Start of Year	50%	53%	55%	57%	57%	56%	56%	56%	55%	54%	48%
Annual Reserve Fund Contributions	\$ 177,944	\$ 183,436	\$ 189,096	\$ 188,290	\$ 187,465	\$ 186,618	\$ 185,750	\$ 184,861	\$ 183,949	\$ 183,015	\$ 182,057
Net Reserve Withdrawals	-\$ 37,248	-\$ 21,648	-\$ 22,515	-\$ 51,875	-\$ 96,534	-\$ 25,326	-\$ 36,042	-\$ 49,017	-\$ 28,487	-\$ 427,112	-\$ 30,812
EOY Reserve Fund Balance	\$ 873,676	\$ 1,035,464	\$ 1,202,046	\$ 1,338,461	\$ 1,429,392	\$ 1,590,684	\$ 1,740,392	\$ 1,876,236	\$ 2,031,698	\$ 1,787,601	\$ 1,938,846

Over the next 30 years, reserve components will require periodic replacement or maintenance to maintain their usefulness. The next 5 years are shown below

Year	Cost	Zone	Area	Category	Component
2022	\$ 3,000		All	Landscape	Repl trees/plants/shrubs
	\$ 750		All	Landscape	Retention Basin Veg Maint
	\$ 3,000	Zone 3	BP	Common Exterior	Pavilion Tables
	\$5,258	Zone 3	BP	Fencing/Railings	Baseball Field Fencing
	\$8,800	Zone 3	BP	Lighting	Baseball Field Lighting
	\$ 2,400	Zone 3	BP	Miscellaneous	Soccer Goals
	\$ 7,500	Zone 3	BP	Parks/Public Area	Repair Pavilion
	\$18,000	Zone 3	BP	Parks/Public Area	Baseball Field Surface Maintenance
	\$30,000	Zone 3	BP	Playground	Playground Equipment
	\$ 4,000	Zone 3	BP	Playground	Replenish Mulch
	\$ 3,000	Zone 2	Pool	Common Exterior	Gutter Cleaning Annual
	\$27,500	Zone 2	Pool	Miscellaneous	Pool Chairs
	\$6,300	Zone 2	Pool	Miscellaneous	Pool Tables and Umbrellas
	\$ 2,250	Zone 2	Pool	Miscellaneous	Pool Lounge Chairs
2022 Total		\$ 121,738			
2023	\$ 3,120		All	Landscape	Repl trees/plants/shrubs
	\$ 780		All	Landscape	Retention Basin Veg Maint
	\$ 3,640		All	Landscape	Tree Trimming - Annual
	\$ 2,600	Zone 3	BP	Basketball Court	Replace Basketball Hoops
	\$8,320	Zone 3	BP	Basketball Court	Basketball Court Resurfacing
	\$18,720	Zone 3	BP	Parks/Public Area	Baseball Field Surface Maintenance
	\$ 3,120	Zone 2	Pool	Common Exterior	Gutter Cleaning Annual
	\$ 3,900	Zone 2	Pool	Common Exterior	Pool Area Lighting
	\$1,820	Zone 2	Pool	Gates	Replace Gate
	\$2,912	Zone 2	Pool	Plumbing	Poolhouse Water Heater
	\$ 3,640	Zone 2	Pool / Spa		Waterslide Repairs
	\$ 4,586	Zone 2	Pool	Pool / Spa	Resurface Splash Pad
2023 Total		\$ 57,158			
2024	\$5,815		All	Common Exterior	Paints and stains, exterior
	\$ 3,245		All	Landscape	Repl trees/plants/shrubs
	\$ 811		All	Landscape	Retention Basin Veg Maint
	\$ 3,786		All	Landscape	Tree Trimming - Annual
	\$19,469	Zone 3	BP	Parks/Public Area	Baseball Field Surface Maintenance
	\$ 4,325	Zone 3	BP	Playground	Replenish Mulch
	\$ 3,245	Zone 2	Pool	Common Exterior	Gutter Cleaning Annual
2024 Total		\$ 48,697			
2025	\$ 4,679		All	Common Exterior	Exterior Cleaning
	\$ 3,375		All	Landscape	Repl trees/plants/shrubs
	\$ 844		All	Landscape	Retention Basin Veg Maint
	\$ 3,937		All	Landscape	Tree Trimming - Annual
	\$53,993	Zone 3	BP	Parks/Public Area	Tennis Court Resurfacing
	\$20,248	Zone 3	BP	Parks/Public Area	Baseball Field Surface Maintenance
	\$ 3,375	Zone 2	Pool	Common Exterior	Gutter Cleaning Annual
	\$33,745	Zone 2	Pool	Pump House	Large Pool Filters
	\$16,873	Zone 2	Pool	Pump House	Large Pool Pumps
	\$5,624	Zone 2	Pool	Pump House	Waterslide Pump
	\$ 3,937	Zone 2	Pool	Pump House	Small Pool Filters
	\$ 4,499	Zone 2	Pool	Pump House	Small Pool Pump
2025 Total		\$ 155,130			
2026	\$ 3,510		All	Landscape	Repl trees/plants/shrubs
	\$ 877		All	Landscape	Retention Basin Veg Maint
	\$ 4,095		All	Landscape	Tree Trimming - Annual
	\$ 3,434	Zone 1	All	Roads/Parking	Crack Seal
	\$5,208	Zone 1	All	Sidewalks/Curbing	Curbing Repair
	\$21,057	Zone 3	BP	Parks/Public Area	Baseball Field Surface Maintenance
	\$ 4,679	Zone 3	BP	Playground	Replenish Mulch
	\$ 3,510	Zone 2	Pool	Common Exterior	Gutter Cleaning Annual
2026 Total		\$ 46,370			

- **Executive Summary**
- **Methodology and Strategy**
- **Detailed Financial Analysis**
- **Reserve Component Inventory**
- **Expense and Income Summaries**
- **Summation**

The proposed funding strategy will help fund any given year's expenses – without reducing risk for any special assessments – and will build sound financial status for the next 30 years.



30-Year Financial Projection

Minimum Reserve Fund Balance: \$ 215,374

Maximum Reserve Fund Balance: \$ 1,744,673

Minimum Annual Reserve Fund Contribution: \$ 124,717

Maximum Annual Reserve Fund Contribution: \$ 265,032

Minimum Reserve Funding Percent of FFB: 32%

Maximum Reserve Funding Percent of FFB: 101%