

LEVEL 2 REPLACEMENT RESERVE REPORT FY 2024 TIMBERLAKE COMMUNITY ASSOCIATION



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REPLACEMENT RESERVE REPORT

TIMBERLAKE COMMUNITY ASSOCIATION

VIRGINIA BEACH, VIRGINIA

May 17, 2023



Description. Timberlake Community Association is a Homeowner's Association located in Virginia Beach, Virginia. Constructed between 1973 and 1980, the community consists of 1320 total units (1164 Single Family and Townhomes plus 156 Quads), the Clubhouse, two Pool Houses, and a Maintenance Building. The survey examined the common elements of the property, including:

- Monuments, Signage, and Mailboxes.
- Asphalt Parking Areas.
- Asphalt and Concrete Driveways (Quads).
- Sidewalks, Asphalt Paths, and Footbridges.
- Fencing.
- Waterlines and Sanitary Lines.
- Stormwater Management and Ponds.
- Exterior Main Pools, Exterior Wading Pools.
- Tot Lots, Tennis Court, Picnic Areas, and Fishing Dock.
- Building Exterior for Clubhouse, Pool Houses, and Maintenance Building.
- Club House and Pool Houses Interior and Building Systems.

EXECUTIVE SUMMARY

This Reserve Study has been prepared for the Timberlake Community Association for the Fiscal Year 2024 covering the period from January 1, 2024 to December 31, 2024.

Please see page A.1 in each Section for more information.

MillerDodson welcomes the opportunity to answer questions or to discuss this Reserve Study in more detail should the Board so desire.

Analyst Overview

Section 1

Timberlake Community Association

Replacement Reserve Analysis – A.1
Replacement Reserve Inventory – B.1
Projected Annual Replacements – C.1
Condition Assessment – D.1

Section 2

Timberlake Community Association – Quads (Class E)

Replacement Reserve Analysis – A1.1
Replacement Reserve Inventory – B1.1
Projected Annual Replacements – C1.1

Appendix

Overview, Standard Terms, and Definitions
Video Answers to Frequently Asked Questions

Current Funding. The Starting Balance and Current Annual Reserve Funding figures have been supplied by the managing agent and/or Board of Directors. Confirmation or audit of these figures is beyond the scope of the study. For the purposes of this study, it is assumed that the annual contribution will be deposited at the end of each month.

Level of Service. This study has been performed as a Level 2 Update with Site Visit/On-Site Review as defined by the Community Associations Institute's, National Reserve Study Standards. As such, the component inventory is based on the study that was performed by Miller Dodson in 2021. This inventory was adjusted to reflect changes provided by the Community Manager and/or the Board of Directors, or adjustments made based on the site visit and visual assessment performed by the Analyst. The analysis, including fund status and funding plan, is developed from the adjusted inventory.

To aid in the understanding of this report and its concepts and practices, on our web site, we have developed videos addressing frequently asked topics. In addition, there are posted links covering a variety of subjects under the resources page of our web site at mdareserves.com.

Purpose. The purpose of this Replacement Reserve Study is to provide Timberlake Community Association (hereinafter called the Association) with an inventory of the common community facilities and infrastructure components that require periodic replacement. The Study includes a general view of the condition of these items and an effective financial plan to fund projected periodic replacements.

- **Inventory of Items Owned by the Association.** Section B lists the Projected Replacements of the commonly owned items that require periodic replacement using funding from Replacement Reserves. The Replacement Reserve Inventory also provides information about excluded items, which are items whose replacements are not scheduled for funding from Replacement Reserves.
- **Condition of Items Owned by the Association.** Section B includes our estimates of the normal economic life and the remaining economic life for the projected replacements. Section C provides a year-by-year listing of the projected replacements. Section D provides additional detail for items that are unique or deserving of attention because of their condition or the manner in which they have been treated in this study.
- **Financial Plan.** The Association has a fiduciary responsibility to protect the appearance, value, and safety of the property and it is therefore essential the Association have a financial plan that provides funding for the projected replacements. In conformance with American Institute of Certified Public Accountant guidelines, Section A, Replacement Reserve Analysis evaluates the current funding of Replacement Reserves as reported by the Association and recommends annual funding of Replacement Reserves by the Cash Flow Method. Section A, Replacement Reserve Analysis includes graphic and tabular presentations of the reported current funding and the recommended funding based on the Cash Flow Method. An Executive Summary of these calculations is provided on Page A1.

Basis. The data contained in this Replacement Reserve Study is based upon the following:

- The Request for Proposal submitted and executed by the Association.
- Miller+Dodson performed a visual evaluation on May 02, 2023 to determine a remaining useful life and replacement cost for the commonly owned elements of this facility.
- This study contains additional recommendations to address inflation for the Cash Flow Method only. For this recommendation, Miller+Dodson uses the Producers Price Index (PPI), which gauges inflation in manufacturing and construction. Please see page A5 for further details.

To-Scale Drawings. Site and building plans were used in the development of this study. We recommend the Association assemble and maintain a library of site and building plans of the entire facility. Record drawings should be scanned into an electronic format for safe storage and ease of distribution. Upon request for a nominal fee, Miller+Dodson can provide scanning services.

Acknowledgment. Miller+Dodson Associates would like to acknowledge the assistance and input of Beverly O'Quinn, CMCA, AMS who provided very helpful insight into the current operations of the property.

Analyst's Credentials. Mr. Philip Pointon holds a Bachelors Degree in Architecture from Virginia Polytechnic Institute and State University and a Masters Degree from Old Dominion University in Engineering Management and is a graduate of the Army Management Staff College. He has been a Registered Professional Architect in the States of Virginia and Hawaii since 1990 and has served in many design, management, and construction capacities as an architect since 1987. Mr. Pointon is a Reserve Specialist as accredited by the Community Association Institute for Miller+Dodson Associates.

Respectfully Submitted,



Philip Pointon

Philip Pointon, RS

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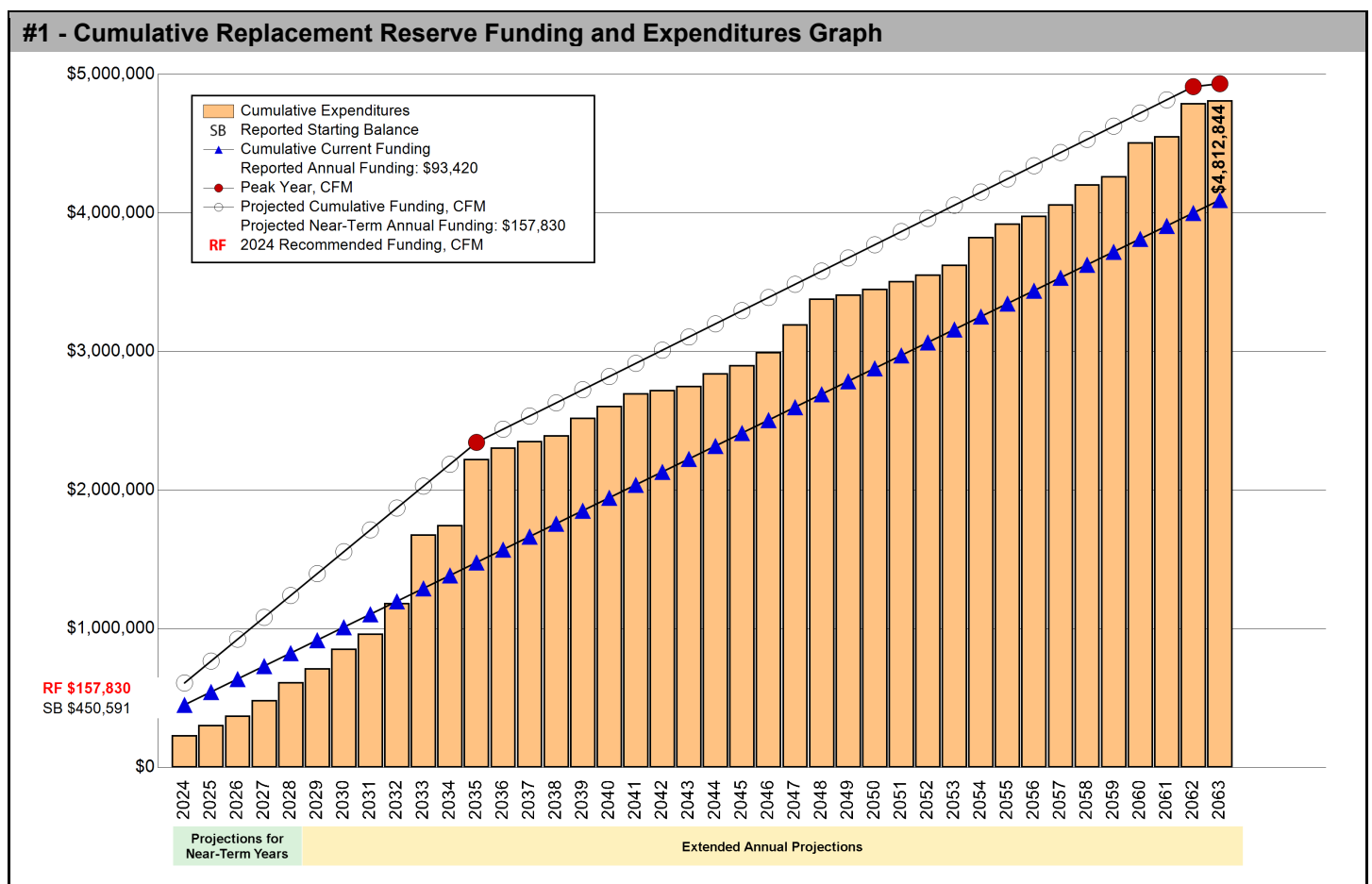
SECTION A - FINANCIAL ANALYSIS

The Timberlake Community Association Replacement Reserve Analysis uses the Cash Flow Method (CFM) to calculate Replacement Reserve funding for the periodic replacement of the 174 Projected Replacements identified in the Replacement Reserve Inventory.

\$157,830 **RECOMMENDED REPLACEMENT RESERVE FUNDING FOR THE STUDY YEAR, 2024**
\$9.96 Per unit (average), minimum monthly funding of Replacement Reserves

We recommend the Association adopt a Replacement Reserve Funding Plan based on the annual funding recommendation above. Inflation adjusted funding for subsequent years is shown on Page A.5.

Timberlake Community Association reports a Starting Balance of \$450,591 and Annual Funding totaling \$93,420, which is inadequate to fund projected replacements starting in 2033. See Page A.3 for a more detailed evaluation.



The previous Reserve Study performed in 2021 is being updated to add substantial common elements to the inventory per the Manager and Board. Based on recently confirmed information, there are certain components that were not previously identified as common elements by the previous Manager(s) or Board(s).

Consequently, the additional inventory items results in a corresponding need to fund these replacements, many of which are in need of immediate replacement or short-term replacement.

The previous study update completed in 2021 recommended annual contributions to the Reserves of only \$87,250. With several years of higher than projected inflation and the inclusion of significant amounts of new inventory as indicated above, the annual funding recommendation recommends a large increase.

REPLACEMENT RESERVE ANALYSIS - GENERAL INFORMATION

The Timberlake Community Association Replacement Reserve Analysis calculations of recommended funding of Replacement Reserves by the Cash Flow Method (CFM) and the evaluation of the Current Funding are based upon the same Study Year, Study Period, Beginning Balance, Replacement Reserve Inventory and Level of Service.

2024 | STUDY YEAR

The Association reports that their accounting year begins on January 1, and the Study Year, the first year evaluated by the Replacement Reserve Analysis, begins on January 1, 2024.

40 Years | STUDY PERIOD

The Replacement Reserve Analysis evaluates the funding of Replacement Reserves over a 40-year Study Period

\$450,591 | STARTING BALANCE

The Association reports Replacement Reserves on Deposit totaling \$450,591 at the start of the Study Year.

Level Two | LEVEL OF SERVICE

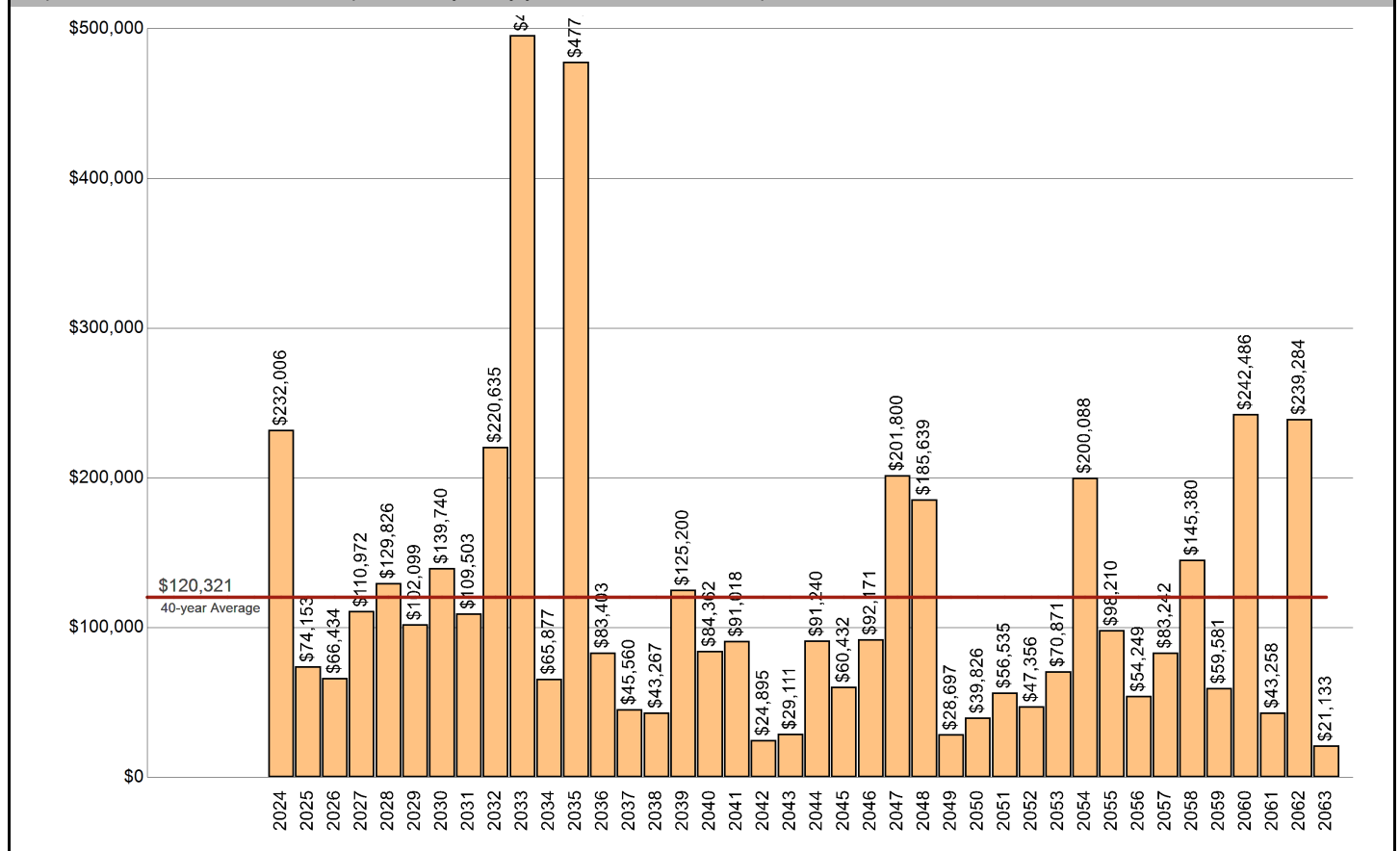
The Replacement Reserve Inventory has been developed in compliance with the National Reserve Study Standards for a Level Two Study, as defined by the Community Associations Institute (CAI).

\$4,812,844 | REPLACEMENT RESERVE INVENTORY - PROJECTED REPLACEMENTS

The Timberlake Community Association Replacement Reserve Inventory identifies 174 items that will require periodic replacement, that are to be funded from Replacement Reserves. We estimate the cost of these replacements will be \$4,812,844 over the 40-year Study Period. The Projected Replacements are divided into 4 major categories starting on Page B.3. Pages B.1-B.2 provide detailed information on the Replacement Reserve Inventory.

#2 - Annual Expenditures for Projected Replacements Graph

This graph shows annual expenditures for Projected Replacements over the 40-year Study Period. The red line shows the average annual expenditure of \$120,321. Section C provides a year by year Calendar of these expenditures.



UPDATING OF THE FUNDING PLAN

The Association has a responsibility to review the Funding Plan annually. The review should include a comparison and evaluation of actual reserve funding with recommended levels shown on Page A.4 and A.5. The Projected Replacements listed on Page C.2 should be compared with any replacements accomplished and funded from Replacement Reserves. Discrepancies should be evaluated and if necessary, the Reserve Study should be updated or a new study commissioned. We recommend annual increases in replacement reserve funding to account for the impact of inflation. Inflation Adjusted Funding is discussed on Page A.5.

UPDATING OF THE REPLACEMENT RESERVE STUDY

At a minimum, the Replacement Reserve Study should be professionally updated every three to five years or after completion of a major replacement project. Updating should also be considered if during the annual review of the Funding Plan, discrepancies are noted between projected and actual reserve funding or replacement costs. Updating may also be necessary if there is a meaningful discrepancy between the actual inflation rate and the inflation rate used for the Inflation Adjusted Funding of Replacement Reserves on Page A.5.

ANNUAL EXPENDITURES AND CURRENT FUNDING

The annual expenditures that comprise the \$4,812,844 of Projected Expenditures over the 40-year Study Period and the impact of the Association continuing to fund Replacement Reserves at the current level are detailed in Table 3.

#3 - Table of Annual Expenditures and Current Funding Data - Years 1 through 40										
Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Starting Balance	\$450,591									
Projected Replacements	(\$232,006)	(\$74,153)	(\$66,434)	(\$110,972)	(\$129,826)	(\$102,099)	(\$139,740)	(\$109,503)	(\$220,635)	(\$495,547)
Annual Deposit	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420
End of Year Balance	\$312,005	\$331,272	\$358,258	\$340,706	\$304,300	\$295,621	\$249,301	\$233,218	\$106,003	(\$296,124)
Cumulative Expenditures	(\$232,006)	(\$306,159)	(\$372,593)	(\$483,565)	(\$613,391)	(\$715,490)	(\$855,230)	(\$964,733)	(\$1,185,368)	(\$1,680,915)
Cumulative Receipts	\$544,011	\$637,431	\$730,851	\$824,271	\$917,691	\$1,011,111	\$1,104,531	\$1,197,951	\$1,291,371	\$1,384,791
Year	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Projected Replacements	(\$65,877)	(\$477,759)	(\$83,403)	(\$45,560)	(\$43,267)	(\$125,200)	(\$84,362)	(\$91,018)	(\$24,895)	(\$29,111)
Annual Deposit	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420
End of Year Balance	(\$268,581)	(\$652,920)	(\$642,903)	(\$595,043)	(\$544,890)	(\$576,670)	(\$567,611)	(\$565,209)	(\$496,684)	(\$432,375)
Cumulative Expenditures	(\$1,746,792)	(\$2,224,551)	(\$2,307,954)	(\$2,353,514)	(\$2,396,781)	(\$2,521,981)	(\$2,606,342)	(\$2,697,360)	(\$2,722,255)	(\$2,751,366)
Cumulative Receipts	\$1,478,211	\$1,571,631	\$1,665,051	\$1,758,471	\$1,851,891	\$1,945,311	\$2,038,731	\$2,132,151	\$2,225,571	\$2,318,991
Year	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Projected Replacements	(\$91,240)	(\$60,432)	(\$92,171)	(\$201,800)	(\$185,639)	(\$28,697)	(\$39,826)	(\$56,535)	(\$47,356)	(\$70,871)
Annual Deposit	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420
End of Year Balance	(\$430,195)	(\$397,207)	(\$395,958)	(\$504,339)	(\$596,557)	(\$531,834)	(\$478,240)	(\$441,355)	(\$395,291)	(\$372,742)
Cumulative Expenditures	(\$2,842,606)	(\$2,903,038)	(\$2,995,209)	(\$3,197,010)	(\$3,382,648)	(\$3,411,345)	(\$3,451,171)	(\$3,507,706)	(\$3,555,062)	(\$3,625,933)
Cumulative Receipts	\$2,412,411	\$2,505,831	\$2,599,251	\$2,692,671	\$2,786,091	\$2,879,511	\$2,972,931	\$3,066,351	\$3,159,771	\$3,253,191
Year	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063
Projected Replacements	(\$200,088)	(\$98,210)	(\$54,249)	(\$83,242)	(\$145,380)	(\$59,581)	(\$242,486)	(\$43,258)	(\$239,284)	(\$21,133)
Annual Deposit	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420	\$93,420
End of Year Balance	(\$479,410)	(\$484,199)	(\$445,029)	(\$434,851)	(\$486,811)	(\$452,972)	(\$602,038)	(\$551,876)	(\$697,740)	(\$625,453)
Cumulative Expenditures	(\$3,826,021)	(\$3,924,230)	(\$3,978,480)	(\$4,061,722)	(\$4,207,102)	(\$4,266,683)	(\$4,509,169)	(\$4,552,427)	(\$4,791,711)	(\$4,812,844)
Cumulative Receipts	\$3,346,611	\$3,440,031	\$3,533,451	\$3,626,871	\$3,720,291	\$3,813,711	\$3,907,131	\$4,000,551	\$4,093,971	\$4,187,391

EVALUATION OF CURRENT FUNDING

The evaluation of Current Funding (Starting Balance of \$450,591 & annual funding of \$93,420), is done in today's dollars with no adjustments for inflation or interest earned on Replacement Reserves. The evaluation assumes Replacement Reserves will only be used for the 174 Projected Replacements identified in the Replacement Reserve Inventory and that the Association will continue Annual Funding of \$93,420 throughout the 40-year Study Period.

Annual Funding of \$93,420 is approximately 59 percent of the \$157,830 recommended Annual Funding calculated by the Cash Flow Method for 2024, the Study Year.

See the Executive Summary for the Current Funding Statement.

CASH FLOW METHOD FUNDING

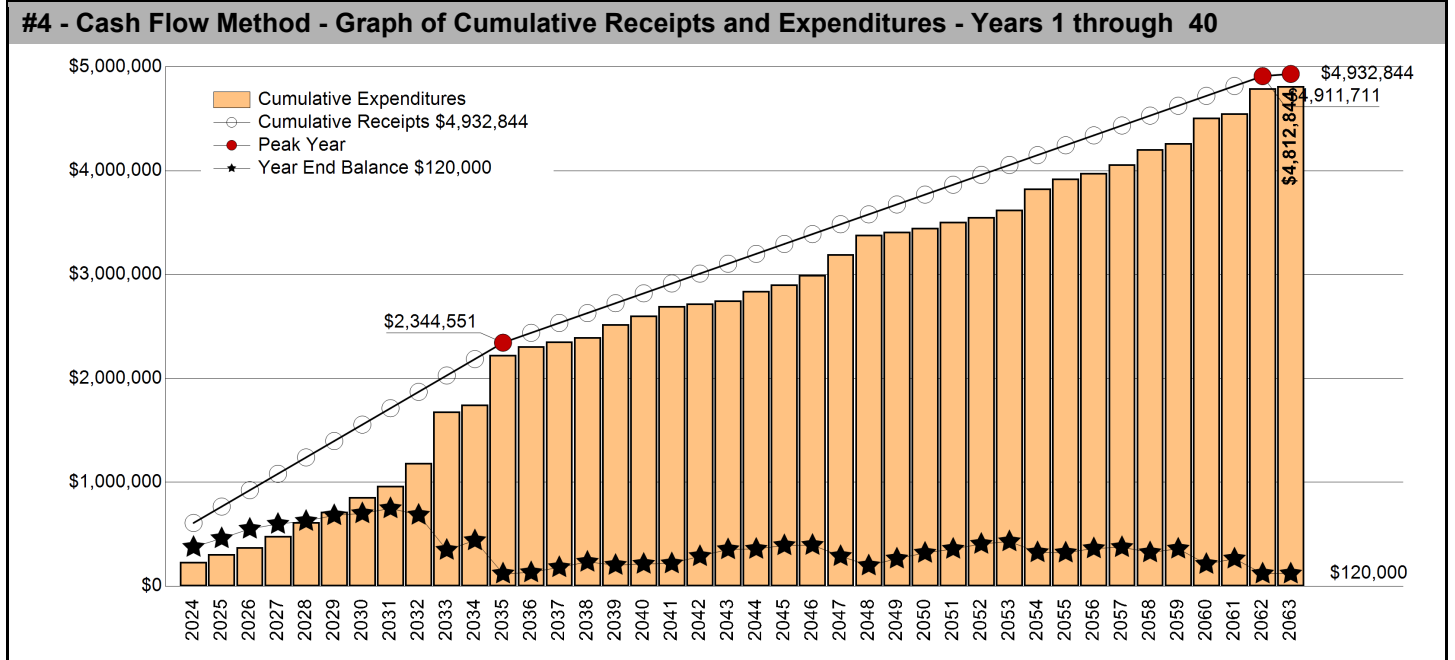
\$157,830

RECOMMENDED REPLACEMENT RESERVE FUNDING FOR 2024

\$9.96 Per unit (average), minimum monthly funding of Replacement Reserves

Recommended Replacement Reserve Funding has been calculated using the Cash Flow Method (also called the Straight Line or Threshold Method). This method calculates a constant annual funding between peaks in cumulative expenditures, while maintaining a Minimum Balance (threshold) in the Peak Years.

- Peak Years.** The First Peak Year occurs in 2035 with Replacement Reserves on Deposit dropping to the Minimum Balance after the completion of \$2,224,551 of replacements from 2024 to 2035. Recommended funding is projected to decline from \$157,830 in 2035 to \$95,080 in 2036. Peak Years are identified in Chart 4 and Table 5.
- Threshold (Minimum Balance).** The calculations assume a Minimum Balance of \$120,000 will always be held in reserve, which is calculated by rounding the 12-month 40-year average annual expenditure of \$120,321 as shown on Graph #2.
- Cash Flow Method Study Period.** Cash Flow Method calculates funding for \$4,812,844 of expenditures over the 40-year Study Period. It does not include funding for any projects beyond 2063 and in 2063, the end of year balance will always be the Minimum Balance.



#5 - Cash Flow Method - Table of Receipts & Expenditures - Years 1 through 40											
Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Starting Balance	\$450,591										
Projected Replacements	(\$232,006)	(\$74,153)	(\$66,434)	(\$110,972)	(\$129,826)	(\$102,099)	(\$139,740)	(\$109,503)	(\$220,635)	(\$495,547)	
Annual Deposit	\$157,830	\$157,830	\$157,830	\$157,830	\$157,830	\$157,830	\$157,830	\$157,830	\$157,830	\$157,830	
End of Year Balance	\$376,415	\$460,092	\$551,488	\$598,346	\$626,350	\$682,081	\$700,171	\$748,498	\$685,693	\$347,976	
Cumulative Expenditures	(\$232,006)	(\$306,159)	(\$372,593)	(\$483,565)	(\$613,391)	(\$715,490)	(\$855,230)	(\$964,733)	(\$1,185,368)	(\$1,680,915)	
Cumulative Receipts	\$608,421	\$766,251	\$924,081	\$1,081,911	\$1,239,741	\$1,397,571	\$1,555,401	\$1,713,231	\$1,871,061	\$2,028,891	
Year	2034	1st Peak - 2035	2036	2037	2038	2039	2040	2041	2042	2043	
Projected Replacements	(\$65,877)	(\$477,759)	(\$83,403)	(\$45,560)	(\$43,267)	(\$125,200)	(\$84,362)	(\$91,018)	(\$24,895)	(\$29,111)	
Annual Deposit	\$157,830	\$157,830	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	
End of Year Balance	\$439,929	\$120,000	\$131,677	\$181,197	\$233,010	\$202,890	\$213,609	\$217,671	\$287,856	\$353,825	
Cumulative Expenditures	(\$1,746,792)	(\$2,224,551)	(\$2,307,954)	(\$2,353,514)	(\$2,396,781)	(\$2,521,981)	(\$2,606,342)	(\$2,697,360)	(\$2,722,255)	(\$2,751,366)	
Cumulative Receipts	\$2,186,721	\$2,344,551	\$2,439,631	\$2,534,711	\$2,629,791	\$2,724,871	\$2,819,951	\$2,915,031	\$3,010,111	\$3,105,191	
Year	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	
Projected Replacements	(\$91,240)	(\$60,432)	(\$92,171)	(\$201,800)	(\$185,639)	(\$28,697)	(\$39,826)	(\$56,535)	(\$47,356)	(\$70,871)	
Annual Deposit	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	
End of Year Balance	\$357,665	\$392,313	\$395,222	\$288,501	\$197,943	\$264,326	\$319,580	\$358,125	\$405,849	\$430,058	
Cumulative Expenditures	(\$2,842,606)	(\$2,903,038)	(\$2,995,209)	(\$3,197,010)	(\$3,382,648)	(\$3,411,345)	(\$3,451,171)	(\$3,507,706)	(\$3,555,062)	(\$3,625,933)	
Cumulative Receipts	\$3,200,271	\$3,295,351	\$3,390,431	\$3,485,511	\$3,580,591	\$3,675,671	\$3,770,751	\$3,865,831	\$3,960,911	\$4,055,991	
Year	2054	2055	2056	2057	2058	2059	2060	2061	2nd Peak - 2062	3rd Peak - 2063	
Projected Replacements	(\$200,088)	(\$98,210)	(\$54,249)	(\$83,242)	(\$145,380)	(\$59,581)	(\$242,486)	(\$43,258)	(\$239,284)	(\$21,133)	
Annual Deposit	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$95,080	\$21,133	
End of Year Balance	\$325,050	\$321,921	\$362,751	\$374,589	\$324,289	\$359,788	\$212,382	\$264,204	\$120,000	\$120,000	
Cumulative Expenditures	(\$3,826,021)	(\$3,924,230)	(\$3,978,480)	(\$4,061,722)	(\$4,207,102)	(\$4,266,683)	(\$4,509,169)	(\$4,552,427)	(\$4,791,711)	(\$4,812,844)	
Cumulative Receipts	\$4,151,071	\$4,246,151	\$4,341,231	\$4,436,311	\$4,531,391	\$4,626,471	\$4,721,551	\$4,816,631	\$4,911,711	\$4,932,844	

INFLATION ADJUSTED FUNDING

The Cash Flow Method calculations on Page A4 have been done in today's dollars with no adjustment for inflation. At Miller+Dodson, we believe that long-term inflation forecasting is effective at demonstrating the power of compounding, not at calculating appropriate funding levels for Replacement Reserves. We have developed this proprietary model to estimate the short-term impact of inflation on Replacement Reserve funding.

\$157,830 2024 - CASH FLOW METHOD RECOMMENDED FUNDING

The 2024 Study Year calculations have been made using current replacement costs (see Page B.2), modified by the Analyst for any project specific conditions.

\$170,299 2025 - INFLATION ADJUSTED FUNDING

A new analysis calculates the 2025 funding based on three assumptions:

- Replacement Reserves on Deposit totaling \$376,415 on January 1, 2025.
- All 2024 Projected Replacements listed on Page C.2 accomplished at a cost to Replacement Reserves less than \$232,006.
- Construction Cost Inflation of 7.90 percent in 2024.

The \$170,299 inflation adjusted funding in 2025 is a 7.90 percent increase over the non-inflation adjusted funding of \$157,830.

\$183,752 2026 - INFLATION ADJUSTED FUNDING

A new analysis calculates the 2026 funding based on three assumptions:

- Replacement Reserves on Deposit totaling \$527,341 on January 1, 2026.
- All 2025 Projected Replacements listed on Page C.2 accomplished at a cost to Replacement Reserves less than \$75,917.
- Construction Cost Inflation of 7.90 percent in 2025.

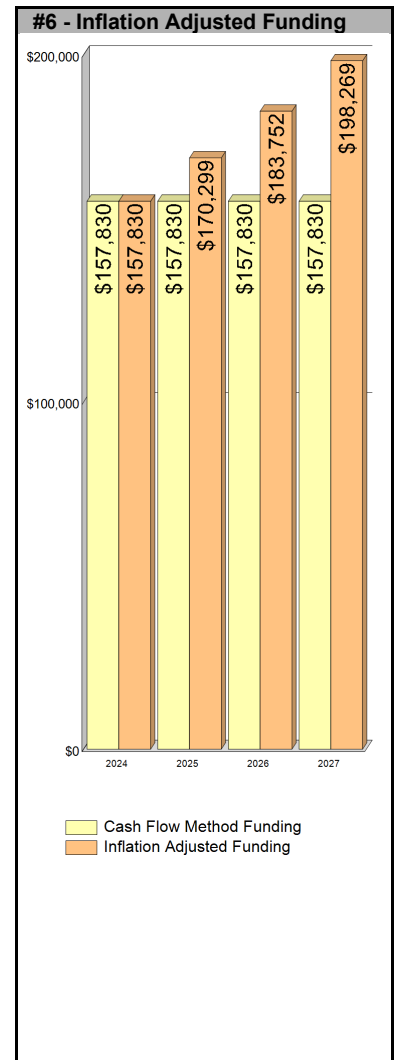
The \$183,752 inflation adjusted funding in 2026 is a 16.42 percent increase over the non-inflation adjusted funding of \$157,830.

\$198,269 2027 - INFLATION ADJUSTED FUNDING

A new analysis calculates the 2027 funding based on three assumptions:

- Replacement Reserves on Deposit totaling \$550,893 on January 1, 2027.
- All 2026 Projected Replacements listed on Page C.2 accomplished at a cost to Replacement Reserves less than \$72,867.
- Construction Cost Inflation of 7.90 percent in 2026.

The \$198,269 inflation adjusted funding in 2027 is a 25.62 percent increase over the non-inflation adjusted funding of \$157,830.



Year Four and Beyond

The inflation-adjusted funding calculations outlined above are not intended to be a substitute for periodic evaluation of common elements by an experienced Reserve Analyst. Industry Standards, lender requirements, and many state and local statutes require a Replacement Reserve Study to be professionally updated every 3 to 5 years.

Inflation Adjustment

Prior to approving a budget based upon the 2025, 2026 and 2027 inflation-adjusted funding calculations above, the 7.90 percent base rate of inflation used in our calculations should be compared to rates published by the Bureau of Labor Statistics. If there is a significant discrepancy (over 1 percentage point), contact Miller+Dodson Associates prior to using the Inflation Adjusted Funding.

Interest on Reserves

The recommended funding calculations do not account for interest earned on Replacement Reserves. In 2024, based on a 1.00 percent interest rate, we estimate the Association may earn \$4,135 on an average balance of \$413,503, \$4,519 on an average balance of \$451,878 in 2025, and \$5,391 on \$539,117 in 2026. The Association may elect to attribute 100 percent of the earned interest to Reserves, resulting in a reduction in the 2024 funding from \$157,830 to \$153,695 (a 2.61 percent reduction), \$170,299 to \$165,780 in 2025 (a 2.65 percent reduction), and \$183,752 to \$178,361 in 2026 (a 2.93 percent reduction).

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SECTION B - REPLACEMENT RESERVE INVENTORY

- **PROJECTED REPLACEMENTS.** Timberlake Community Association - Replacement Reserve Inventory identifies 174 items which are Projected Replacements and the periodic replacements of these items are scheduled for funding from Replacement Reserves. The Projected Replacements have an estimated one-time replacement cost of \$2,570,710. Cumulative Replacements totaling \$4,812,844 are scheduled in the Replacement Reserve Inventory over the 40-year Study Period. Cumulative Replacements include those components that are replaced more than once during the period of the study.

Projected Replacements are the replacement of commonly-owned physical assets that require periodic replacement and whose replacement is to be funded from Replacement Reserves.

- **EXCLUDED ITEMS.** Some of the items contained in the Replacement Reserve Inventory are 'Excluded Items'. Multiple categories of items are typically excluded from funding by Replacement Reserves, including but not limited to:

Tax Code. The United States Tax Code grants very favorable tax status to Replacement Reserves, conditioned on expenditures being made within certain guidelines. These guidelines typically exclude maintenance activities, minor repairs, and capital improvements.

Value. Items with a replacement cost of less than \$1000 and/or a normal economic life of less than 3 years are typically excluded from funding from Replacement Reserves. This exclusion should reflect the Association policy on the administration of Replacement Reserves. If the Association has selected an alternative level, it will be noted in the Replacement Reserve Inventory - General Comments on Page B.2.

Long-lived Items. Items are excluded from the Replacement Reserve Inventory when items are properly maintained and are assumed to have a life equal to the property.

Unit improvements. Items owned by a single unit and where the items serve a single unit are generally assumed to be the responsibility of that unit, not the Association.

Other non-common improvements. Items owned by the local government, public and private utility companies, the United States Postal Service, Master Associations, state and local highway authorities, etc., may be installed on property that is owned by the Association. These types of items are generally not the responsibility of the Association and are excluded from the Replacement Reserve Inventory.

- **CATEGORIES.** The 174 items included in the Timberlake Community Association Replacement Reserve Inventory are divided into 4 major categories. Each category is printed on a separate page, beginning on page B.3.
- **LEVEL OF SERVICE.** This Replacement Reserve Inventory has been developed in compliance with the standards established for a Level 2 Update, as defined by the National Reserve Study Standards, established in 1998 by Community Associations Institute, which states:

This study has been performed as a Level 2 Update with Site Visit/On-Site Review as defined by the Community Associations Institute's, National Reserve Study Standards. As such, the component inventory is based on the study that was performed by Miller Dodson in 2021. This inventory was adjusted to reflect changes provided by the Community Manager and/or the Board of Directors, or adjustments made based on the site visit and visual assessment performed by the Analyst. The analysis, including fund status and funding plan, is developed from the adjusted inventory.

REPLACEMENT RESERVE INVENTORY - GENERAL INFORMATION (CONT'D)

- **INVENTORY DATA.** Each of the 174 Projected Replacements listed in the Replacement Reserve Inventory includes the following data:
 - Item Number.** The Item Number is assigned sequentially and is intended for identification purposes only.
 - Item Description.** We have identified each item included in the Inventory. Additional information may be included in the Comments section at the bottom of each page of the Inventory.
 - Units.** We have used standard abbreviations to identify the number of units including SF-square feet, LF-lineal feet, SY-square yard, LS-lump sum, EA-each, and PR-pair. Non-standard abbreviations are noted in the Comments section at the bottom of the page.
 - Number of Units.** The methods used to develop the quantities are discussed in "Level of Service" above.
 - Unit Replacement Cost.** We use four sources to develop the unit cost data shown in the Inventory; actual replacement cost data provided by the client, information provided by local contractors and suppliers, industry standard estimating manuals, and a cost database we have developed based upon our detailed interviews with contractors and service providers who are specialists in their respective lines of work.
 - Normal Economic Life (Years).** The number of years that a new and properly installed item should be expected to remain in service.
 - Remaining Economic Life (Years).** The estimated number of years before an item will need to be replaced. In "normal" conditions, this could be calculated by subtracting the age of the item from the Normal Economic Life of the item, but only rarely do physical assets age "normally". Some items may have longer or shorter lives depending on many factors such as environment, initial quality of the item, maintenance, etc.
 - Total Replacement Cost.** This is calculated by multiplying the Unit Replacement Cost by the Number of Units.
- **PARTIAL FUNDING.** Items may have been included in the Replacement Reserve Inventory at less than 100 percent of their full quantity and/or replacement cost. This is done on items that will never be replaced in their entirety, but which may require periodic replacements over an extended period of time. The assumptions that provide the basis for any partial funding are noted in the Comments section.
- **REMAINING ECONOMIC LIFE GREATER THAN 40 YEARS.** The calculations do not include funding for initial replacements beyond 40 years. These replacements are included in this Study for tracking and evaluation. They should be included for funding in future Studies, when they enter the 40-year window.
- **ACCURACY OF THE ANALYSIS.** The accuracy of the Replacement Reserve Analysis is dependent upon expenditures from Replacement Reserves being made ONLY for the 174 Projected Replacements specifically listed in the Replacement Reserve Inventory. The inclusion/exclusion of items from the Replacement Reserve Inventory is discussed on Page B.1.

SITE ITEMS - WINDSOR OAKS CLUB HOUSE AREA (WO)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
1	WO Entrance monument, repoint masonry	ls	1	\$1,000.00	15	3	\$1,000
2	WO Entrance monument, illuminated signage panel	ea	1	\$1,100.00	15	3	\$1,100
3	WO Entrance monument, illuminated signage panel	ea	1	\$1,100.00	15	none	\$1,100
4	WO Entrance monument, lighting and ballast	ls	1	\$600.00	5	none	\$600
5	WO Asphalt pavement, overlay	sf	7,980	\$1.75	20	3	\$13,965
6	WO Asphalt pavement, seal coat	sf	7,980	\$0.25	5	none	\$1,995
7	WO Concrete curb and gutter, barrier (6%	ft	22	\$42.00	6	3	\$924
8	WO Concrete curb, with sidewalk (6% allowance)	ft	24	\$115.00	6	3	\$2,760
9	WO Concrete flatwork (6% allowance)	sf	84	\$14.00	6	3	\$1,176
Replacement Costs - Page Subtotal							\$24,620

COMMENTS	
<ul style="list-style-type: none"> Item #3: WO Entrance monument, illuminated signage panel - One side of the marquee sign is broken. This was noted to be broken in 2020 and has not been replaced. 	

SITE ITEMS - FOXWOOD RECREATION AREA (FR)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
10	FR Entrance monument, repoint masonry	ls	1	\$1,000.00	15	8	\$1,000
11	FR Entrance monument, illuminated signage panel	ea	2	\$1,650.00	15	8	\$3,300
12	FR Entrance monument, lighting and ballast	ls	1	\$225.00	5	2	\$225
13	FR Asphalt parking pavement, overlay	sf	9,963	\$1.75	20	2	\$17,435
14	FR Asphalt parking pavement, seal coat	sf	9,963	\$0.25	5	none	\$2,491
15	FR Asphalt drive pavement, overlay	sf	2,156	\$1.75	20	2	\$3,773
16	FR Asphalt drive pavement, seal coat	sf	2,156	\$0.25	5	none	\$539
17	FR Concrete curb (6% allowance)	ft	17	\$42.00	6	2	\$714
18	FR Wood curb, 6 x 6 PTL	ft	473	\$21.50	15	none	\$10,170
19	FR Pier decking (5'x32') on water	sf	160	\$26.00	15	none	\$4,160
20	FR Pier framing & piles (5'x32') on water	sf	160	\$107.00	30	none	\$17,120
21	FR Wharf decking (8'x20') on water	sf	160	\$26.00	10	none	\$4,160
22	FR Wharf framing & piles (8'x20') on water	sf	160	\$107.00	30	none	\$17,120
23	FR Wharf decking (8'x20') on land	sf	160	\$19.00	10	none	\$3,040
24	FR Wharf framing & piles (8'x20') on land	sf	160	\$89.00	30	none	\$14,240
25	FR Asphalt foot path overlay (1/3)	sf	1,422	\$4.55	18	1	\$6,470
26	FR Asphalt foot path overlay (1/3)	sf	1,422	\$4.55	18	3	\$6,470
27	FR Asphalt foot path overlay (1/3)	sf	1,422	\$4.55	18	5	\$6,470
	FR Picnic Pavilion Roofing						EXCLUDED
28	FR Pavilion Concrete slab	sf	928	\$14.00	40	20	\$12,992
29	FR Wood picnic tables (partial)	ea	7	\$905.00	15	none	\$6,335
30	FR Wood benches (partial)	ea	6	\$865.00	15	none	\$5,190
Replacement Costs - Page Subtotal							\$143,414

COMMENTS

- Item #18: FR Wood curb, 6 x 6 PTL - Foxwood pool parking area timber curbs are in poor overall condition.

SITE ITEMS - FOXWOOD RECREATION AREA (FR) - (cont.)						NEL- Normal Economic Life (yrs)	
PROJECTED REPLACEMENTS						REL- Remaining Economic Life (yrs)	
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
31	FR Wood benches (partial)	ea	6	\$865.00	15	3	\$5,190
32	FR Wood foot bridge, decking	sf	420	\$19.00	15	none	\$7,980
33	FR Wood foot bridge, railing	lf	140	\$27.00	15	none	\$3,780
34	FR Wood footbridge, substructure	sf	420	\$105.00	30	none	\$44,100
Replacement Costs - Page Subtotal							\$61,050

COMMENTS

SITE ITEMS PROJECTED REPLACEMENTS					NEL- Normal Economic Life (yrs) REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
35	Concrete flatwork (approx. 3% allowance)	sf	2,400	\$14.00	6	4	\$33,600
36	Concrete flatwork (approx. 1/2% allowance)	sf	400	\$14.00	6	none	\$5,600
37	Storm water pond rip rap, allowance	ls	1	\$3,500.00	10	5	\$3,500
38	RV Parking chain link fence	lf	360	\$36.00	30	1	\$12,960
Replacement Costs - Page Subtotal							\$55,660

COMMENTS
<ul style="list-style-type: none"> Item #36: Concrete flatwork (approx. 1/2% allowance) - Items indicated in previous study have not been replaced. Item #38: RV Parking chain link fence - Gate damage and fence damage is present. Overall fence remaining life is varied from 0-4 years. Consider full replacement.

SITE ITEMS - NEW ADDITIONS FOR 2024 PROJECTED REPLACEMENTS					NEL- Normal Economic Life (yrs) REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
Community Mailboxes							
39	Mailbox, cluster (styles and sizes vary), Ph. 1	units	160	\$155.00	35	3	\$24,800
40	Mailbox, cluster (styles and sizes vary), Ph. 2	units	232	\$155.00	35	5	\$35,960
41	Mailbox, cluster (styles and sizes vary), Ph. 3	units	232	\$155.00	35	6	\$35,960
42	Mailbox, cluster (styles and sizes vary), Ph. 4	units	232	\$155.00	35	7	\$35,960
43	Mailbox, cluster (styles and sizes vary), Ph. 5	units	232	\$155.00	35	8	\$35,960
Replacement Costs - Page Subtotal							\$168,640

COMMENTS	
<ul style="list-style-type: none"> Item #39: Mailbox, cluster (styles and sizes vary), Ph. 1 allowance - Phased replacement of townhome and single family home mailboxes are added to this update as directed. Item #40: Mailbox, cluster (styles and sizes vary), Ph. 2 allowance - Phased replacement of townhome and single family home mailboxes are added to this update as directed. Item #41: Mailbox, cluster (styles and sizes vary), Ph. 3 allowance - Phased replacement of townhome and single family home mailboxes are added to this update as directed. Item #42: Mailbox, cluster (styles and sizes vary), Ph. 4 allowance - Phased replacement of townhome and single family home mailboxes are added to this update as directed. Item #43: Mailbox, cluster (styles and sizes vary), Ph. 5 allowance - Phased replacement of townhome and single family home mailboxes are added to this update as directed. 	

SITE ITEMS - NEW ADDITIONS FOR 2024 - (cont.)						NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS						REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)	
Common Area Parking at Townhomes								
44	Asphalt parking pavement, overlay, Alder Circle	sf	30,621	\$1.75	30	3	\$53,587	
45	Asphalt parking pavement, seal coat, Alder Circle	sf	30,621	\$0.25	5	8	\$7,655	
46	Asphalt parking pavement, overlay, Alder Drive	sf	11,310	\$1.75	30	4	\$19,793	
47	Asphalt parking pavement, seal coat, Alder Drive	sf	11,310	\$0.25	5	9	\$2,828	
48	Asphalt parking pavement, overlay, Maplehurst	sf	27,900	\$1.75	30	4	\$48,825	
49	Asphalt parking pavement, seal coat, Maplehurst	sf	27,900	\$0.25	5	9	\$6,975	
50	Asphalt parking pavement, overlay, Maplehurst	sf	9,250	\$1.75	30	5	\$16,188	
51	Asphalt parking pavement, seal coat, Maplehurst	sf	9,250	\$0.25	5	10	\$2,313	
52	Asphalt parking pavement, overlay, Thistle Circle	sf	20,445	\$1.75	30	6	\$35,779	
53	Asphalt parking pavement, seal coat, Thistle Circle	sf	20,445	\$0.25	5	6	\$5,111	
54	Asphalt parking pavement, overlay, Birch Road &	sf	19,006	\$1.75	30	6	\$33,261	
55	Asphalt parking pavement, seal coat, Birch Road &	sf	19,006	\$0.25	5	6	\$4,752	
Replacement Costs - Page Subtotal							\$237,064	

COMMENTS	
<ul style="list-style-type: none"> Item #44: Asphalt parking pavement, overlay, Alder Circle - The parking pavements are added to the inventory for this update as directed by the Board and Manager. Item #46: Asphalt parking pavement, overlay, Alder Drive - The parking pavements are added to the inventory for this update as directed by the Board and Manager. Item #48: Asphalt parking pavement, overlay, Maplehurst Road (N) - The parking pavements are added to the inventory for this update as directed by the Board and Manager. Item #50: Asphalt parking pavement, overlay, Maplehurst Road (S) - The parking pavements are added to the inventory for this update as directed by the Board and Manager. Item #52: Asphalt parking pavement, overlay, Thistle Circle - The parking pavements are added to the inventory for this update as directed by the Board and Manager. Item #54: Asphalt parking pavement, overlay, Birch Road & Court - The parking pavements are added to the inventory for this update as directed by the Board and Manager. 	

RECREATION ITEMS - WINDSOR OAKS POOL (WO)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
Water Oaks Main Pool							
56	WO Swimming pool, structure	sf	4,833	\$92.00	50	9	\$444,636
57	WO Swimming pool, fiberglass coating	sf	6,743	\$24.00	25	24	\$161,832
58	WO Swimming pool, waterline tile	ft	382	\$22.00	25	24	\$8,404
59	WO Swimming pool, coping	ft	382	\$55.00	25	9	\$21,010
60	WO Swimming pool, concrete deck (25%	sf	917	\$14.00	45	42	\$12,838
61	WO Swimming pool, concrete deck (25%	sf	917	\$14.00	45	9	\$12,838
62	WO Swimming pool, concrete deck (25%	sf	917	\$14.00	45	19	\$12,838
63	WO Swimming pool, concrete deck (25%	sf	917	\$14.00	45	29	\$12,838
64	WO Swimming pool pump (10 hp)	ea	1	\$8,885.00	15	11	\$8,885
65	WO Swimming pool pump motor	ea	1	\$1,450.00	5	5	\$1,450
66	WO Swimming pool filter	ea	4	\$2,285.00	15	7	\$9,140
67	WO Swimming pool skimmer	ea	5	\$2,290.00	15	12	\$11,450
Water Oaks Wading Pool							
68	WO Wading pool, structure	sf	160	\$79.00	40	12	\$12,640
69	WO Wading pool, coating	sf	252	\$13.95	20	12	\$3,515
70	WO Wading pool, coping & tile	lf	52	\$39.75	20	12	\$2,067
71	WO Wading pool, pump (1.5 hp)	ea	1	\$975.00	10	7	\$975
72	WO Wading pool, filtration	ea	1	\$1,390.00	20	17	\$1,390
73	WO Pool furniture, chaise lounge	ea	45	\$355.00	10	1	\$15,975
74	WO Pool furniture, table	ea	5	\$229.00	10	1	\$1,145
75	WO Pool furniture, umbrella	ea	5	\$390.00	10	1	\$1,950
76	WO Pool furniture, chair/end table	ea	15	\$135.00	10	1	\$2,025
77	WO Pool furniture, restrap (10% of repl.)	ls	1	\$2,400.00	4	1	\$2,400
78	WO Pool cover	sf	4,800	\$3.77	10	7	\$18,096
Replacement Costs - Page Subtotal							\$780,337

COMMENTS

- Item #57: WO Swimming pool, fiberglass coating - The Manager reports the pool surface was replaced in 2022 for approx. \$179,640 but it does not indicate if that include waterline tile or not.
- Item #65: WO Swimming pool pump motor - It appears the pump motor is in the process of being rebuilt or replaced.

RECREATION ITEMS - WINDSOR OAKS POOL (WO) - (cont.)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
79	WO Perimeter fence, 6' (metal)	ft	462	\$41.50	30	5	\$19,173
80	WO Wading pool fence, 3' (metal)	ft	71	\$28.50	30	5	\$2,024
Replacement Costs - Page Subtotal							\$21,197

COMMENTS

RECREATION ITEMS - FOXWOOD POOL (FP)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
81	FP Swimming pool, structure	sf	2,940	\$92.00	50	11	\$270,480
82	FP Swimming pool, fiberglass coating	sf	4,780	\$24.00	25	11	\$114,720
83	FP Swimming pool, waterline tile	ft	368	\$22.00	25	11	\$8,096
84	FP Swimming pool, coping	ft	368	\$55.00	25	11	\$20,240
85	FP Swimming pool, concrete deck (25% allowance)	sf	920	\$14.00	45	42	\$12,880
86	FP Swimming pool, concrete deck (25% allowance)	sf	920	\$14.00	45	11	\$12,880
87	FP Swimming pool, concrete deck (25% allowance)	sf	920	\$14.00	45	21	\$12,880
88	FP Swimming pool, concrete deck (25% allowance)	sf	920	\$14.00	45	31	\$12,880
89	FP Swimming pool, pump motor	ea	1	\$1,450.00	5	1	\$1,450
90	FP Swimming pool, pump (10 hp)	ea	1	\$8,885.00	15	1	\$8,885
91	FP Swimming pool, filters	ls	1	\$19,800.00	15	14	\$19,800
92	FP Swimming pool, skimmer	ea	5	\$2,290.00	15	12	\$11,450
93	FP Pool furniture, chaise lounge	ea	51	\$355.00	10	2	\$18,105
94	FP Pool furniture, table	ea	5	\$229.00	10	2	\$1,145
95	FP Pool furniture, table	ea	2	\$229.00	10	2	\$458
96	FP Pool furniture, umbrella	ea	5	\$390.00	4	2	\$1,950
97	FP Pool furniture, chair/end table	ea	10	\$135.00	10	2	\$1,350
98	FP Pool furniture, restrap (10% of repl.)	ls	1	\$2,400.00	4	2	\$2,400
99	FP Pool cover	sf	3,200	\$3.77	10	6	\$12,064
100	FP Perimeter fence, 6' (Alum. picket)	ft	414	\$41.50	30	20	\$17,181
Replacement Costs - Page Subtotal							\$561,294

COMMENTS							

RECREATION ITEMS - TENNIS COURT AND EXERCISE AREA					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
101	Tennis court, color coat	ea	1	\$5,900.00	5	none	\$5,900
102	Tennis court, resurface/overlay	ea	1	\$20,950.00	20	none	\$20,950
103	Tennis court, post and footings	ea	2	\$3,190.00	20	none	\$6,380
104	Tennis court, net	ea	1	\$910.00	5	none	\$910
105	Tennis court, fence, 10' chain link	ft	344	\$31.50	30	12	\$10,836
106	Court light, poles, 30' steel	ea	14	\$1,935.00	45	15	\$27,090
107	Court light, double head	ea	4	\$1,744.00	15	none	\$6,976
108	Court light, quad head	ea	4	\$3,095.00	15	none	\$12,380
109	Exercise stations, allowance	ea	4	\$2,890.00	15	none	\$11,560
Replacement Costs - Page Subtotal							\$102,982

COMMENTS

- Item #106: Court light, poles, 30' steel - Steel poles will only last if cleaned of all corrosion and painted with zinc rich primer and high quality coating system.
- Item #109: Exercise stations, allowance - At least 2 of these show damage that may pose a safety hazard.

RECREATION ITEMS - PLAYGROUND #1, CHRISTA COURT & FOXWOOD					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
110	Tot lot #1, Border, PTL	ft	100	\$13.00	15	8	\$1,300
111	Tot lot #1, Surfacing, poured EPDM	sf	720	\$16.00	15	8	\$11,520
112	Tot lot #1, ADA MP Structure (small)	ea	1	\$28,000.00	15	8	\$28,000
113	Tot lot #1, Fence, wood split, 3 rails	ft	120	\$32.00	15	8	\$3,840
114	Tot lot #1, Bench, synthetic	ea	1	\$850.00	15	8	\$850
Replacement Costs - Page Subtotal							\$45,510

COMMENTS

RECREATION ITEMS - PLAYGROUND #2, FOXWOOD AND LOBLOLLY					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
115	Tot lot #2, Border, PTL	ft	200	\$13.00	15	8	\$2,600
116	Tot lot #2, Surfacing, poured EPDM	sf	1,200	\$16.00	15	8	\$19,200
117	Tot lot #2, ADA MP Structure (medium)	ea	1	\$28,000.00	15	8	\$28,000
118	Tot lot #2, 5" Arch-frame swing, 4 seat	ea	1	\$2,800.00	15	8	\$2,800
119	Tot lot #2, Fence, wood split, 3 rails	ft	200	\$32.00	15	8	\$6,400
120	Tot lot #2, Bench, synthetic	ea	2	\$850.00	15	8	\$1,700
Replacement Costs - Page Subtotal							\$60,700

COMMENTS

RECREATION ITEMS - PLAYGROUND #3, FOXWOOD RECREATION AREA PARK					NEL- Normal Economic Life (yrs) REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
121	Tot lot #3, Border, PTL	ft	200	\$13.00	15	8	\$2,600
122	Tot lot #3, Surfacing, poured EPDM	sf	1,200	\$16.00	15	8	\$19,200
123	Tot lot #3, ADA MP Structure (medium)	ea	1	\$28,000.00	15	8	\$28,000
124	Tot lot #3, 5" Arch-frame swing, 4 seat	ea	1	\$2,800.00	15	8	\$2,800
125	Tot lot #3, Fence, wood split, 3 rails	ft	200	\$32.00	15	8	\$6,400
126	Tot lot #3, Bench, synthetic	ea	2	\$850.00	15	8	\$1,700
Replacement Costs - Page Subtotal							\$60,700

COMMENTS

EXTERIOR ITEMS - WINDSOR OAKS BLVD CLUB HOUSE (WO)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
127	WO EPDM Single ply membrane roof	sf	600	\$18.90	25	4	\$11,340
128	WO Shingle asphalt/fiberglass roof	sf	1,575	\$5.25	25	4	\$8,269
129	WO Gutter and downspout, 6" aluminum	ft	232	\$8.50	25	12	\$1,972
130	WO Vinyl siding	sf	3,205	\$7.45	35	7	\$23,877
131	WO Sliding doors (3, various sizes)	ls	1	\$4,600.00	25	7	\$4,600
132	WO Exterior doors, single	ea	3	\$1,098.00	25	7	\$3,294
133	WO Exterior doors, pair	ea	2	\$2,095.00	25	7	\$4,190
Replacement Costs - Page Subtotal							\$57,542

COMMENTS

EXTERIOR ITEMS - FOXWOOD RECREATION POOL HOUSE (FR)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
134	FR EPDM Single ply membrane roof	sf	200	\$18.90	25	17	\$3,780
135	FR Shingle asphalt/fiberglass roof	sf	1,296	\$5.25	25	17	\$6,804
136	FR Wood fascia, soffit and trim	ls	1	\$4,055.00	25	17	\$4,055
137	FR Siding, allowance	sf	5,544	\$7.45	25	17	\$41,303
138	FR Sliding doors (5, various sizes)	ls	1	\$6,600.00	25	none	\$6,600
139	FR Exterior doors, single	ea	3	\$1,098.00	25	2	\$3,294
140	FR Exterior doors, pair	ea	1	\$2,095.00	25	2	\$2,095
141	FR Brick veneer, repoint	ls	1	\$1,500.00	25	2	\$1,500
Replacement Costs - Page Subtotal							\$69,431

COMMENTS

EXTERIOR ITEMS - MAINTENANCE BUILDING (MB)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
142	MB Shingle asphalt/fiberglass roof	sf	1,056	\$5.25	25	13	\$5,544
143	MB Wood fascia, soffit and trim	ls	1	\$1,795.00	25	13	\$1,795
144	MB Overhead doors, garage style	ea	2	\$1,395.00	25	13	\$2,790
145	MB Siding	sf	1,248	\$7.45	25	13	\$9,298
146	MB Exterior doors, single	ea	2	\$1,098.00	25	13	\$2,196
147	MB Chain link fence, w/3-strand barb	lf	192	\$33.50	25	13	\$6,432
Replacement Costs - Page Subtotal							\$28,055

COMMENTS

INTERIOR ITEMS - WINDSOR OAKS CLUB HOUSE (WO)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
148	WO Flooring, interior carpet	sf	906	\$5.00	10	none	\$4,530
149	WO Flooring, ceramic	sf	298	\$22.00	24	7	\$6,556
150	WO Flooring, vinyl tile	sf	1,470	\$4.15	14	none	\$6,101
151	WO Kitchen cabinets, allowance	ls	1	\$4,400.00	30	4	\$4,400
152	WO Bar and kitchen cabinets, allowance	ls	1	\$3,600.00	30	4	\$3,600
153	WO Appliances (microwave and fridge)	ls	1	\$1,650.00	15	1	\$1,650
154	WO Toilet partitions	ea	3	\$1,990.00	30	16	\$5,970
155	WO Pedestal lavatory and faucets	ea	4	\$1,529.00	30	16	\$6,116
156	WO Toilet	ea	3	\$745.00	30	16	\$2,235
157	WO Urinal	ea	1	\$510.00	30	16	\$510
158	WO Janitor sink and faucet	ea	1	\$605.00	30	16	\$605
159	WO Hotwater heater	ea	1	\$729.00	15	6	\$729
160	WO Fountain	ea	1	\$685.00	15	6	\$685
161	WO HVAC system, main room	ls	1	\$7,550.00	20	11	\$7,550
162	WO HVAC system, PTAC, upstairs offices	ea	2	\$1,298.00	12	8	\$2,596
163	WO Stacking chairs	ea	75	\$92.00	15	2	\$6,900
164	WO Office furniture (allowance)	ls	1	\$2,590.00	5	2	\$2,590
165	WO Office equipment (allowance)	ls	1	\$2,500.00	3	2	\$2,500
Replacement Costs - Page Subtotal							\$65,823

COMMENTS

INTERIOR ITEMS - FOXWOOD RECREATION POOL HOUSE (FR)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
166	FR Flooring, vinyl tile	sf	945	\$4.15	14	1	\$3,922
167	FR Toilet partitions	ea	3	\$1,990.00	30	1	\$5,970
168	FR Lavatory and faucet	ea	3	\$1,529.00	30	1	\$4,587
169	FR Toilet	ea	3	\$745.00	30	1	\$2,235
170	FR Urinal	ea	1	\$510.00	30	1	\$510
171	FR Janitor sink	ea	1	\$605.00	30	1	\$605
172	FR Hotwater heater	ea	1	\$729.00	15	1	\$729
173	FR Fountain	ea	1	\$685.00	15	1	\$685
174	FR HVAC system	ls	1	\$7,450.00	20	13	\$7,450
Replacement Costs - Page Subtotal							\$26,693

COMMENTS

VALUATION EXCLUSIONS							
Excluded Items							
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
	Site lighting fixtures						EXCLUDED
	Miscellaneous signage						EXCLUDED
	Gravel drive replenishment at the maintenance building						EXCLUDED
	BBQ						EXCLUDED
	Fire extinguisher cabinet in club houses						EXCLUDED
	Emergency lighting, exit light, etc.						EXCLUDED
	Interior doors in club houses						EXCLUDED
	Toilet accessories in club houses						EXCLUDED
	Electric heaters						EXCLUDED

VALUATION EXCLUSIONS	
Comments	
<ul style="list-style-type: none"> Valuation Exclusions. For ease of administration of the Replacement Reserves and to reflect accurately how Replacement Reserves are administered, items with a dollar value less than \$1000 have not been scheduled for funding from Replacement Reserve. Examples of items excluded by Replacement Reserves by this standard are listed above. The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive. 	

LONG-LIFE EXCLUSIONS							
Excluded Items							
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
	Tunnel under Foxwood Drive						EXCLUDED
	Exterior brick veneer						EXCLUDED
	Building foundation(s)						EXCLUDED
	Concrete floor slabs (interior)						EXCLUDED
	Wall, floor, and roof structure						EXCLUDED
	Common element electrical services						EXCLUDED
	Electrical wiring						EXCLUDED
	Water piping at common facilities						EXCLUDED
	Waste piping at common facilities						EXCLUDED
	Stainless steel pool fixtures						EXCLUDED

LONG-LIFE EXCLUSIONS	
Comments	
<ul style="list-style-type: none"> Long Life Exclusions. Components that when properly maintained, can be assumed to have a life equal to the property as a whole, are normally excluded from the Replacement Reserve Inventory. Examples of items excluded from funding by Replacement Reserves by this standard are listed above. Exterior masonry is generally assumed to have an unlimited economic life, but periodic repointing is required, and we have included this for funding in the Replacement Reserve Inventory. The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive. 	

Excluded Items

All components serving one unit	EXCLUDED
All improvement on an individual lot	EXCLUDED

Comments

- Unit improvement Exclusions. We understand that the elements of the project that relate to a single unit are the responsibility of that unit owner. Examples of items excluded from funding by Replacement Reserves by this standard are listed above.
- The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

UTILITY EXCLUSIONS								
Excluded Items								
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)	
	Primary electric feeds						EXCLUDED	
	Electric transformers						EXCLUDED	
	Cable TV systems and structures						EXCLUDED	
	Telephone cables and structures						EXCLUDED	
	Site lighting						EXCLUDED	
	Gas mains and meters						EXCLUDED	
	Water mains and meters						EXCLUDED	
	Sanitary sewers						EXCLUDED	

UTILITY EXCLUSIONS	
Comments	
<ul style="list-style-type: none">Utility Exclusions. Many improvements owned by utility companies are on property owned by the Association. We have assumed that repair, maintenance, and replacements of these components will be done at the expense of the appropriate utility company. Examples of items excluded from funding Replacement Reserves by this standard are listed above.The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.	

MAINTENANCE AND REPAIR EXCLUSIONS							
Excluded Items							
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
	Maintenance equipment, vehicles and tools						EXCLUDED
	Cleaning of asphalt pavement						EXCLUDED
	Crack sealing of asphalt pavement						EXCLUDED
	Painting of curbs						EXCLUDED
	Striping of parking spaces						EXCLUDED
	Numbering of parking spaces						EXCLUDED
	Landscaping and site grading						EXCLUDED
	Exterior painting						EXCLUDED
	Interior painting						EXCLUDED
	Janitorial service						EXCLUDED
	Repair services						EXCLUDED
	Partial replacements						EXCLUDED
	Capital improvements						EXCLUDED

MAINTENANCE AND REPAIR EXCLUSIONS	
Comments	
<ul style="list-style-type: none"> Maintenance activities, one-time-only repairs, and capital improvements. These activities are NOT appropriately funded from Replacement Reserves. The inclusion of such component in the Replacement Reserve Inventory could jeopardize the special tax status of ALL Replacement Reserves, exposing the Association to significant tax liabilities. We recommend that the Board of Directors discuss these exclusions and Revenue Ruling 75-370 with a Certified Public Accountant. Examples of items excluded from funding by Replacement Reserves are listed above. The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive. 	

GOVERNMENT EXCLUSIONS								
Excluded Items								
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)	
	Government, roadways and parking						EXCLUDED	
	Government, stormwater mgmt.						EXCLUDED	
	Government, ponds						EXCLUDED	
	Government, mailboxes						EXCLUDED	

GOVERNMENT EXCLUSIONS	
Comments	
<ul style="list-style-type: none">Government Exclusions. We have assumed that some of the improvements installed on property owned by the Association will be maintained by the state, county, or local government, or other association or other responsible entity. Examples of items excluded from funding by Replacement Reserves by this standard are listed above.Excluded rights-of-way, including adjacent properties and adjacent roadways.The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.	

SECTION C - CALENDAR OF PROJECTED ANNUAL REPLACEMENTS

GENERAL STATEMENT. The 174 Projected Replacements in the Timberlake Community Association Replacement Reserve Inventory whose replacement is scheduled to be funded from Replacement Reserves are broken down on a year-by-year basis, beginning on Page C.2.

REPLACEMENT RESERVE ANALYSIS AND INVENTORY POLICIES, PROCEDURES, AND ADMINISTRATION

- **REVIEW OF THE REPLACEMENT RESERVE STUDY.** For this study to be effective, it should be reviewed by the Board of Directors, those responsible for the management of the items included in the Replacement Reserve Inventory, and the accounting professionals employed by the Association.
- **REVISIONS.** Revisions will be made to the Replacement Reserve Analysis and Replacement Reserve Inventory in accordance with the written instructions of the Board of Directors. No additional charge is incurred for the first revision if requested in writing within three months of the date of the Replacement Reserve Study. It is our policy to provide revisions in electronic (Adobe PDF) format only. We acknowledge that there are instances in which multiple revisions are necessary. However, unnecessary multiple revisions drain on our time and manpower resources. Therefore, Miller Dodson will exercise its sole discretion as to whether additional charges are incurred.
- **TAX CODE.** The United States Tax Code grants favorable tax status to a common interest development (CID) meeting certain guidelines for their Replacement Reserve. If a CID files their taxes as a 'Corporation' on Form 1120 (IRC Section 277), these guidelines typically require maintenance activities, partial replacements, minor replacements, capital improvements, and one-time only replacements to be excluded from Reserves. A CID cannot co-mingle planning for maintenance activities with capital replacement activities in the Reserves (Revenue Ruling 75-370). Funds for maintenance activities and capital replacements activities must be held in separate accounts. If a CID files taxes as an "Exempt Homeowners Association" using Form 1120H (IRC Section 528), the CID does not have to segregate these activities. However, because the CID may elect to change their method of filing from year to year within the Study Period, we advise using the more restrictive approach. We further recommend that the CID consult with their Accountant and consider creating separate and independent accounts and reserves for large maintenance items, such as painting.
- **CONFLICT OF INTEREST.** Neither Miller - Dodson Associates nor the Reserve Analyst has any prior or existing relationship with this Association which would represent a real or perceived conflict of interest.
- **RELIANCE ON DATA PROVIDED BY THE CLIENT.** Information provided by an official representative of the Association regarding financial, physical conditions, quality, or historical issues is deemed reliable.
- **INTENT.** This Replacement Reserve Study is a reflection of the information provided by the Association and the visual evaluations of the Analyst. It has been prepared for the sole use of the Association and is not for the purpose of performing an audit, quality/forensic analyses, or background checks of historical records.
- **PREVIOUS REPLACEMENTS.** Information provided to Miller - Dodson Associates regarding prior replacements is considered to be accurate and reliable. Our visual evaluation is not a project audit or quality inspection.
- **EXPERIENCE WITH FUTURE REPLACEMENTS.** The Calendar of Annual Projected Replacements, lists replacements we have projected to occur over the Study Period, begins on Page C2. Actual experience in replacing the items may differ significantly from the cost estimates and time frames shown because of conditions beyond our control. These differences may be caused by maintenance practices, inflation, variations in pricing and market conditions, future technological developments, regulatory actions, acts of God, and luck. Some items may function normally during our visual evaluation and then fail without notice.

PROJECTED REPLACEMENTS

Item	2024 - Study Year	\$	Item	2025 - YEAR 1	\$
3	WO Entrance monument, illuminated signage panel	\$1,100	25	FR Asphalt foot path overlay (1/3)	\$6,470
4	WO Entrance monument, lighting and ballast	\$600	38	RV Parking chain link fence	\$12,960
6	WO Asphalt pavement, seal coat	\$1,995	73	WO Pool furniture, chaise lounge	\$15,975
14	FR Asphalt parking pavement, seal coat	\$2,491	74	WO Pool furniture, table	\$1,145
16	FR Asphalt drive pavement, seal coat	\$539	75	WO Pool furniture, umbrella	\$1,950
18	FR Wood curb, 6 x 6 PTL	\$10,170	76	WO Pool furniture, chair/end table	\$2,025
19	FR Pier decking (5'x32') on water	\$4,160	77	WO Pool furniture, restrap (10% of repl.)	\$2,400
20	FR Pier framing & piles (5'x32') on water	\$17,120	89	FP Swimming pool, pump motor	\$1,450
21	FR Wharf decking (8'x20') on water	\$4,160	90	FP Swimming pool, pump (10 hp)	\$8,885
22	FR Wharf framing & piles (8'x20') on water	\$17,120	153	WO Appliances (microwave and fridge)	\$1,650
23	FR Wharf decking (8'x20') on land	\$3,040	166	FR Flooring, vinyl tile	\$3,922
24	FR Wharf framing & piles (8'x20') on land	\$14,240	167	FR Toilet partitions	\$5,970
29	FR Wood picnic tables (partial)	\$6,335	168	FR Lavatory and faucet	\$4,587
30	FR Wood benches (partial)	\$5,190	169	FR Toilet	\$2,235
32	FR Wood foot bridge, decking	\$7,980	170	FR Urinal	\$510
33	FR Wood foot bridge, railing	\$3,780	171	FR Janitor sink	\$605
34	FR Wood footbridge, substructure	\$44,100	172	FR Hotwater heater	\$729
36	Concrete flatwork (approx. 1/2% allowance)	\$5,600	173	FR Fountain	\$685
101	Tennis court, color coat	\$5,900			
102	Tennis court, resurface/overlay	\$20,950			
103	Tennis court, post and footings	\$6,380			
104	Tennis court, net	\$910			
107	Court light, double head	\$6,976			
108	Court light, quad head	\$12,380			
109	Exercise stations, allowance	\$11,560			
138	FR Sliding doors (5, various sizes)	\$6,600			
148	WO Flooring, interior carpet	\$4,530			
150	WO Flooring, vinyl tile	\$6,101			
Total Scheduled Replacements		\$232,006	Total Scheduled Replacements		\$74,153

PROJECTED REPLACEMENTS

Item	2026 - YEAR 2	\$	Item	2027 - YEAR 3	\$
12	FR Entrance monument, lighting and ballast	\$225	1	WO Entrance monument, repoint masonry	\$1,000
13	FR Asphalt parking pavement, overlay	\$17,435	2	WO Entrance monument, illuminated signage panel	\$1,100
15	FR Asphalt drive pavement, overlay	\$3,773	5	WO Asphalt pavement, overlay	\$13,965
17	FR Concrete curb (6% allowance)	\$714	7	WO Concrete curb and gutter, barrier (6% allowance)	\$924
93	FP Pool furniture, chaise lounge	\$18,105	8	WO Concrete curb, with sidewalk (6% allowance)	\$2,760
94	FP Pool furniture, table	\$1,145	9	WO Concrete flatwork (6% allowance)	\$1,176
95	FP Pool furniture, table	\$458	26	FR Asphalt foot path overlay (1/3)	\$6,470
96	FP Pool furniture, umbrella	\$1,950	31	FR Wood benches (partial)	\$5,190
97	FP Pool furniture, chair/end table	\$1,350	39	Mailbox, cluster (styles and sizes vary), Ph. 1 allowance	\$24,800
98	FP Pool furniture, restrap (10% of repl.)	\$2,400	44	Asphalt parking pavement, overlay, Alder Circle	\$53,587
139	FR Exterior doors, single	\$3,294			
140	FR Exterior doors, pair	\$2,095			
141	FR Brick veneer, repoint	\$1,500			
163	WO Stacking chairs	\$6,900			
164	WO Office furniture (allowance)	\$2,590			
165	WO Office equipment (allowance)	\$2,500			
Total Scheduled Replacements		\$66,434	Total Scheduled Replacements		\$110,972

PROJECTED REPLACEMENTS

Item	2028 - YEAR 4	\$	Item	2029 - YEAR 5	\$
35	Concrete flatwork (approx. 3% allowance)	\$33,600	4	WO Entrance monument, lighting and ballast	\$600
46	Asphalt parking pavement, overlay, Alder Drive	\$19,793	6	WO Asphalt pavement, seal coat	\$1,995
48	Asphalt parking pavement, overlay, Maplehurst Road	\$48,825	14	FR Asphalt parking pavement, seal coat	\$2,491
127	WO EPDM Single ply membrane roof	\$11,340	16	FR Asphalt drive pavement, seal coat	\$539
128	WO Shingle asphalt/fiberglass roof	\$8,269	27	FR Asphalt foot path overlay (1/3)	\$6,470
151	WO Kitchen cabinets, allowance	\$4,400	37	Storm water pond rip rap, allowance	\$3,500
152	WO Bar and kitchen cabinets, allowance	\$3,600	40	Mailbox, cluster (styles and sizes vary), Ph. 2 allowance	\$35,960
			50	Asphalt parking pavement, overlay, Maplehurst Road	\$16,188
			65	WO Swimming pool pump motor	\$1,450
			77	WO Pool furniture, restrap (10% of repl.)	\$2,400
			79	WO Perimeter fence, 6' (metal)	\$19,173
			80	WO Wading pool fence, 3' (metal)	\$2,024
			101	Tennis court, color coat	\$5,900
			104	Tennis court, net	\$910
			165	WO Office equipment (allowance)	\$2,500
Total Scheduled Replacements		\$129,826	Total Scheduled Replacements		\$102,099

PROJECTED REPLACEMENTS

Item	2030 - YEAR 6	\$	Item	2031 - YEAR 7	\$
36	Concrete flatwork (approx. 1/2% allowance)	\$5,600	12	FR Entrance monument, lighting and ballast	\$225
41	Mailbox, cluster (styles and sizes vary), Ph. 3 allowance	\$35,960	42	Mailbox, cluster (styles and sizes vary), Ph. 4 allowance	\$35,960
52	Asphalt parking pavement, overlay, Thistle Circle	\$35,779	66	WO Swimming pool filter	\$9,140
53	Asphalt parking pavement, seal coat, Thistle Circle	\$5,111	71	WO Wading pool, pump (1.5 hp)	\$975
54	Asphalt parking pavement, overlay, Birch Road & Court	\$33,261	78	WO Pool cover	\$18,096
55	Asphalt parking pavement, seal coat, Birch Road &	\$4,752	130	WO Vinyl siding	\$23,877
89	FP Swimming pool, pump motor	\$1,450	131	WO Sliding doors (3, various sizes)	\$4,600
96	FP Pool furniture, umbrella	\$1,950	132	WO Exterior doors, single	\$3,294
98	FP Pool furniture, restrap (10% of repl.)	\$2,400	133	WO Exterior doors, pair	\$4,190
99	FP Pool cover	\$12,064	149	WO Flooring, ceramic	\$6,556
159	WO Hotwater heater	\$729	164	WO Office furniture (allowance)	\$2,590
160	WO Fountain	\$685			
Total Scheduled Replacements		\$139,740	Total Scheduled Replacements		\$109,503

PROJECTED REPLACEMENTS

Item	2032 - YEAR 8	\$	Item	2033 - YEAR 9	\$
10	FR Entrance monument, repoint masonry	\$1,000	7	WO Concrete curb and gutter, barrier (6% allowance)	\$924
11	FR Entrance monument, illuminated signage panel	\$3,300	8	WO Concrete curb, with sidewalk (6% allowance)	\$2,760
17	FR Concrete curb (6% allowance)	\$714	9	WO Concrete flatwork (6% allowance)	\$1,176
43	Mailbox, cluster (styles and sizes vary), Ph. 5 allowance	\$35,960	47	Asphalt parking pavement, seal coat, Alder Drive	\$2,828
45	Asphalt parking pavement, seal coat, Alder Circle	\$7,655	49	Asphalt parking pavement, seal coat, Maplehurst Road	\$6,975
110	Tot lot #1, Border, PTL	\$1,300	56	WO Swimming pool, structure	\$444,636
111	Tot lot #1, Surfacing, poured EPDM	\$11,520	59	WO Swimming pool, coping	\$21,010
112	Tot lot #1, ADA MP Structure (small)	\$28,000	61	WO Swimming pool, concrete deck (25% allowance)	\$12,838
113	Tot lot #1, Fence, wood split, 3 rails	\$3,840	77	WO Pool furniture, restrap (10% of repl.)	\$2,400
114	Tot lot #1, Bench, synthetic	\$850			
115	Tot lot #2, Border, PTL	\$2,600			
116	Tot lot #2, Surfacing, poured EPDM	\$19,200			
117	Tot lot #2, ADA MP Structure (medium)	\$28,000			
118	Tot lot #2, 5" Arch-frame swing, 4 seat	\$2,800			
119	Tot lot #2, Fence, wood split, 3 rails	\$6,400			
120	Tot lot #2, Bench, synthetic	\$1,700			
121	Tot lot #3, Border, PTL	\$2,600			
122	Tot lot #3, Surfacing, poured EPDM	\$19,200			
123	Tot lot #3, ADA MP Structure (medium)	\$28,000			
124	Tot lot #3, 5" Arch-frame swing, 4 seat	\$2,800			
125	Tot lot #3, Fence, wood split, 3 rails	\$6,400			
126	Tot lot #3, Bench, synthetic	\$1,700			
162	WO HVAC system, PTAC, upstairs offices	\$2,596			
165	WO Office equipment (allowance)	\$2,500			
Total Scheduled Replacements		\$220,635	Total Scheduled Replacements		\$495,547

PROJECTED REPLACEMENTS

Item	2034 - YEAR 10	\$	Item	2035 - YEAR 11	\$
4	WO Entrance monument, lighting and ballast	\$600	53	Asphalt parking pavement, seal coat, Thistle Circle	\$5,111
6	WO Asphalt pavement, seal coat	\$1,995	55	Asphalt parking pavement, seal coat, Birch Road &	\$4,752
14	FR Asphalt parking pavement, seal coat	\$2,491	64	WO Swimming pool pump (10 hp)	\$8,885
16	FR Asphalt drive pavement, seal coat	\$539	73	WO Pool furniture, chaise lounge	\$15,975
21	FR Wharf decking (8'x20') on water	\$4,160	74	WO Pool furniture, table	\$1,145
23	FR Wharf decking (8'x20') on land	\$3,040	75	WO Pool furniture, umbrella	\$1,950
35	Concrete flatwork (approx. 3% allowance)	\$33,600	76	WO Pool furniture, chair/end table	\$2,025
51	Asphalt parking pavement, seal coat, Maplehurst Road	\$2,313	81	FP Swimming pool, structure	\$270,480
65	WO Swimming pool pump motor	\$1,450	82	FP Swimming pool, fiberglass coating	\$114,720
96	FP Pool furniture, umbrella	\$1,950	83	FP Swimming pool, waterline tile	\$8,096
98	FP Pool furniture, restrap (10% of repl.)	\$2,400	84	FP Swimming pool, coping	\$20,240
101	Tennis court, color coat	\$5,900	86	FP Swimming pool, concrete deck (25% allowance)	\$12,880
104	Tennis court, net	\$910	89	FP Swimming pool, pump motor	\$1,450
148	WO Flooring, interior carpet	\$4,530	161	WO HVAC system, main room	\$7,550
			165	WO Office equipment (allowance)	\$2,500
Total Scheduled Replacements		\$65,877	Total Scheduled Replacements		\$477,759

PROJECTED REPLACEMENTS

Item	2036 - YEAR 12	\$
12	FR Entrance monument, lighting and ballast	\$225
36	Concrete flatwork (approx. 1/2% allowance)	\$5,600
67	WO Swimming pool skimmer	\$11,450
68	WO Wading pool, structure	\$12,640
69	WO Wading pool, coating	\$3,515
70	WO Wading pool, coping & tile	\$2,067
92	FP Swimming pool, skimmer	\$11,450
93	FP Pool furniture, chaise lounge	\$18,105
94	FP Pool furniture, table	\$1,145
95	FP Pool furniture, table	\$458
97	FP Pool furniture, chair/end table	\$1,350
105	Tennis court, fence, 10' chain link	\$10,836
129	WO Gutter and downspout, 6" aluminum	\$1,972
164	WO Office furniture (allowance)	\$2,590
Total Scheduled Replacements		\$83,403

Item	2037 - YEAR 13	\$
45	Asphalt parking pavement, seal coat, Alder Circle	\$7,655
77	WO Pool furniture, restrap (10% of repl.)	\$2,400
142	MB Shingle asphalt/fiberglass roof	\$5,544
143	MB Wood fascia, soffit and trim	\$1,795
144	MB Overhead doors, garage style	\$2,790
145	MB Siding	\$9,298
146	MB Exterior doors, single	\$2,196
147	MB Chain link fence, w/3-strand barb	\$6,432
174	FR HVAC system	\$7,450
Total Scheduled Replacements		\$45,560

PROJECTED REPLACEMENTS

Item	2038 - YEAR 14	\$	Item	2039 - YEAR 15	\$
17	FR Concrete curb (6% allowance)	\$714	3	WO Entrance monument, illuminated signage panel	\$1,100
47	Asphalt parking pavement, seal coat, Alder Drive	\$2,828	4	WO Entrance monument, lighting and ballast	\$600
49	Asphalt parking pavement, seal coat, Maplehurst Road	\$6,975	6	WO Asphalt pavement, seal coat	\$1,995
91	FP Swimming pool, filters	\$19,800	7	WO Concrete curb and gutter, barrier (6% allowance)	\$924
96	FP Pool furniture, umbrella	\$1,950	8	WO Concrete curb, with sidewalk (6% allowance)	\$2,760
98	FP Pool furniture, restrap (10% of repl.)	\$2,400	9	WO Concrete flatwork (6% allowance)	\$1,176
150	WO Flooring, vinyl tile	\$6,101	14	FR Asphalt parking pavement, seal coat	\$2,491
165	WO Office equipment (allowance)	\$2,500	16	FR Asphalt drive pavement, seal coat	\$539
			18	FR Wood curb, 6 x 6 PTL	\$10,170
			19	FR Pier decking (5'x32') on water	\$4,160
			29	FR Wood picnic tables (partial)	\$6,335
			30	FR Wood benches (partial)	\$5,190
			32	FR Wood foot bridge, decking	\$7,980
			33	FR Wood foot bridge, railing	\$3,780
			37	Storm water pond rip rap, allowance	\$3,500
			51	Asphalt parking pavement, seal coat, Maplehurst Road	\$2,313
			65	WO Swimming pool pump motor	\$1,450
			101	Tennis court, color coat	\$5,900
			104	Tennis court, net	\$910
			106	Court light, poles, 30' steel	\$27,090
			107	Court light, double head	\$6,976
			108	Court light, quad head	\$12,380
			109	Exercise stations, allowance	\$11,560
			166	FR Flooring, vinyl tile	\$3,922
Total Scheduled Replacements		\$43,267	Total Scheduled Replacements		\$125,200

PROJECTED REPLACEMENTS

Item	2040 - YEAR 16	\$	Item	2041 - YEAR 17	\$
35	Concrete flatwork (approx. 3% allowance)	\$33,600	12	FR Entrance monument, lighting and ballast	\$225
53	Asphalt parking pavement, seal coat, Thistle Circle	\$5,111	71	WO Wading pool, pump (1.5 hp)	\$975
55	Asphalt parking pavement, seal coat, Birch Road &	\$4,752	72	WO Wading pool, filtration	\$1,390
89	FP Swimming pool, pump motor	\$1,450	77	WO Pool furniture, restrap (10% of repl.)	\$2,400
90	FP Swimming pool, pump (10 hp)	\$8,885	78	WO Pool cover	\$18,096
99	FP Pool cover	\$12,064	134	FR EPDM Single ply membrane roof	\$3,780
153	WO Appliances (microwave and fridge)	\$1,650	135	FR Shingle asphalt/fiberglass roof	\$6,804
154	WO Toilet partitions	\$5,970	136	FR Wood fascia, soffit and trim	\$4,055
155	WO Pedestal lavatory and faucets	\$6,116	137	FR Siding, allowance	\$41,303
156	WO Toilet	\$2,235	163	WO Stacking chairs	\$6,900
157	WO Urinal	\$510	164	WO Office furniture (allowance)	\$2,590
158	WO Janitor sink and faucet	\$605	165	WO Office equipment (allowance)	\$2,500
172	FR Hotwater heater	\$729			
173	FR Fountain	\$685			
Total Scheduled Replacements		\$84,362	Total Scheduled Replacements		\$91,018

PROJECTED REPLACEMENTS

Item	2042 - YEAR 18	\$
1	WO Entrance monument, repoint masonry	\$1,000
2	WO Entrance monument, illuminated signage panel	\$1,100
31	FR Wood benches (partial)	\$5,190
36	Concrete flatwork (approx. 1/2% allowance)	\$5,600
45	Asphalt parking pavement, seal coat, Alder Circle	\$7,655
96	FP Pool furniture, umbrella	\$1,950
98	FP Pool furniture, restrap (10% of repl.)	\$2,400
Total Scheduled Replacements		\$24,895

Item	2043 - YEAR 19	\$
25	FR Asphalt foot path overlay (1/3)	\$6,470
47	Asphalt parking pavement, seal coat, Alder Drive	\$2,828
49	Asphalt parking pavement, seal coat, Maplehurst Road	\$6,975
62	WO Swimming pool, concrete deck (25% allowance)	\$12,838
Total Scheduled Replacements		\$29,111

PROJECTED REPLACEMENTS

Item	2044 - YEAR 20	\$	Item	2045 - YEAR 21	\$
4	WO Entrance monument, lighting and ballast	\$600	7	WO Concrete curb and gutter, barrier (6% allowance)	\$924
6	WO Asphalt pavement, seal coat	\$1,995	8	WO Concrete curb, with sidewalk (6% allowance)	\$2,760
14	FR Asphalt parking pavement, seal coat	\$2,491	9	WO Concrete flatwork (6% allowance)	\$1,176
16	FR Asphalt drive pavement, seal coat	\$539	26	FR Asphalt foot path overlay (1/3)	\$6,470
17	FR Concrete curb (6% allowance)	\$714	53	Asphalt parking pavement, seal coat, Thistle Circle	\$5,111
21	FR Wharf decking (8'x20') on water	\$4,160	55	Asphalt parking pavement, seal coat, Birch Road &	\$4,752
23	FR Wharf decking (8'x20') on land	\$3,040	73	WO Pool furniture, chaise lounge	\$15,975
28	FR Pavilion Concrete slab	\$12,992	74	WO Pool furniture, table	\$1,145
51	Asphalt parking pavement, seal coat, Maplehurst Road	\$2,313	75	WO Pool furniture, umbrella	\$1,950
65	WO Swimming pool pump motor	\$1,450	76	WO Pool furniture, chair/end table	\$2,025
100	FP Perimeter fence, 6' (Alum. picket)	\$17,181	77	WO Pool furniture, restrap (10% of repl.)	\$2,400
101	Tennis court, color coat	\$5,900	87	FP Swimming pool, concrete deck (25% allowance)	\$12,880
102	Tennis court, resurface/overlay	\$20,950	89	FP Swimming pool, pump motor	\$1,450
103	Tennis court, post and footings	\$6,380	159	WO Hotwater heater	\$729
104	Tennis court, net	\$910	160	WO Fountain	\$685
148	WO Flooring, interior carpet	\$4,530			
162	WO HVAC system, PTAC, upstairs offices	\$2,596			
165	WO Office equipment (allowance)	\$2,500			
Total Scheduled Replacements		\$91,240	Total Scheduled Replacements		\$60,432

PROJECTED REPLACEMENTS

Item	2046 - YEAR 22	\$	Item	2047 - YEAR 23	\$
12	FR Entrance monument, lighting and ballast	\$225	5	WO Asphalt pavement, overlay	\$13,965
13	FR Asphalt parking pavement, overlay	\$17,435	10	FR Entrance monument, repoint masonry	\$1,000
15	FR Asphalt drive pavement, overlay	\$3,773	11	FR Entrance monument, illuminated signage panel	\$3,300
35	Concrete flatwork (approx. 3% allowance)	\$33,600	27	FR Asphalt foot path overlay (1/3)	\$6,470
66	WO Swimming pool filter	\$9,140	45	Asphalt parking pavement, seal coat, Alder Circle	\$7,655
93	FP Pool furniture, chaise lounge	\$18,105	110	Tot lot #1, Border, PTL	\$1,300
94	FP Pool furniture, table	\$1,145	111	Tot lot #1, Surfacing, poured EPDM	\$11,520
95	FP Pool furniture, table	\$458	112	Tot lot #1, ADA MP Structure (small)	\$28,000
96	FP Pool furniture, umbrella	\$1,950	113	Tot lot #1, Fence, wood split, 3 rails	\$3,840
97	FP Pool furniture, chair/end table	\$1,350	114	Tot lot #1, Bench, synthetic	\$850
98	FP Pool furniture, restrap (10% of repl.)	\$2,400	115	Tot lot #2, Border, PTL	\$2,600
164	WO Office furniture (allowance)	\$2,590	116	Tot lot #2, Surfacing, poured EPDM	\$19,200
			117	Tot lot #2, ADA MP Structure (medium)	\$28,000
			118	Tot lot #2, 5" Arch-frame swing, 4 seat	\$2,800
			119	Tot lot #2, Fence, wood split, 3 rails	\$6,400
			120	Tot lot #2, Bench, synthetic	\$1,700
			121	Tot lot #3, Border, PTL	\$2,600
			122	Tot lot #3, Surfacing, poured EPDM	\$19,200
			123	Tot lot #3, ADA MP Structure (medium)	\$28,000
			124	Tot lot #3, 5" Arch-frame swing, 4 seat	\$2,800
			125	Tot lot #3, Fence, wood split, 3 rails	\$6,400
			126	Tot lot #3, Bench, synthetic	\$1,700
			165	WO Office equipment (allowance)	\$2,500
Total Scheduled Replacements		\$92,171	Total Scheduled Replacements		\$201,800

PROJECTED REPLACEMENTS

Item	2048 - YEAR 24	\$	Item	2049 - YEAR 25	\$
36	Concrete flatwork (approx. 1/2% allowance)	\$5,600	4	WO Entrance monument, lighting and ballast	\$600
47	Asphalt parking pavement, seal coat, Alder Drive	\$2,828	6	WO Asphalt pavement, seal coat	\$1,995
49	Asphalt parking pavement, seal coat, Maplehurst Road	\$6,975	14	FR Asphalt parking pavement, seal coat	\$2,491
57	WO Swimming pool, fiberglass coating	\$161,832	16	FR Asphalt drive pavement, seal coat	\$539
58	WO Swimming pool, waterline tile	\$8,404	37	Storm water pond rip rap, allowance	\$3,500
			51	Asphalt parking pavement, seal coat, Maplehurst Road	\$2,313
			65	WO Swimming pool pump motor	\$1,450
			77	WO Pool furniture, restrap (10% of repl.)	\$2,400
			101	Tennis court, color coat	\$5,900
			104	Tennis court, net	\$910
			138	FR Sliding doors (5, various sizes)	\$6,600
Total Scheduled Replacements		\$185,639	Total Scheduled Replacements		\$28,697

PROJECTED REPLACEMENTS

Item	2050 - YEAR 26	\$	Item	2051 - YEAR 27	\$
17	FR Concrete curb (6% allowance)	\$714	7	WO Concrete curb and gutter, barrier (6% allowance)	\$924
53	Asphalt parking pavement, seal coat, Thistle Circle	\$5,111	8	WO Concrete curb, with sidewalk (6% allowance)	\$2,760
55	Asphalt parking pavement, seal coat, Birch Road &	\$4,752	9	WO Concrete flatwork (6% allowance)	\$1,176
64	WO Swimming pool pump (10 hp)	\$8,885	12	FR Entrance monument, lighting and ballast	\$225
89	FP Swimming pool, pump motor	\$1,450	67	WO Swimming pool skimmer	\$11,450
96	FP Pool furniture, umbrella	\$1,950	71	WO Wading pool, pump (1.5 hp)	\$975
98	FP Pool furniture, restrap (10% of repl.)	\$2,400	78	WO Pool cover	\$18,096
99	FP Pool cover	\$12,064	92	FP Swimming pool, skimmer	\$11,450
165	WO Office equipment (allowance)	\$2,500	139	FR Exterior doors, single	\$3,294
			140	FR Exterior doors, pair	\$2,095
			141	FR Brick veneer, repoint	\$1,500
			164	WO Office furniture (allowance)	\$2,590
Total Scheduled Replacements		\$39,826	Total Scheduled Replacements		\$56,535

PROJECTED REPLACEMENTS

Item	2052 - YEAR 28	\$	Item	2053 - YEAR 29	\$
35	Concrete flatwork (approx. 3% allowance)	\$33,600	47	Asphalt parking pavement, seal coat, Alder Drive	\$2,828
45	Asphalt parking pavement, seal coat, Alder Circle	\$7,655	49	Asphalt parking pavement, seal coat, Maplehurst Road	\$6,975
150	WO Flooring, vinyl tile	\$6,101	63	WO Swimming pool, concrete deck (25% allowance)	\$12,838
			77	WO Pool furniture, restrap (10% of repl.)	\$2,400
			91	FP Swimming pool, filters	\$19,800
			127	WO EPDM Single ply membrane roof	\$11,340
			128	WO Shingle asphalt/fiberglass roof	\$8,269
			165	WO Office equipment (allowance)	\$2,500
			166	FR Flooring, vinyl tile	\$3,922
Total Scheduled Replacements			\$47,356	Total Scheduled Replacements	\$70,871

PROJECTED REPLACEMENTS

Item	2054 - YEAR 30	\$	Item	2055 - YEAR 31	\$
3	WO Entrance monument, illuminated signage panel	\$1,100	38	RV Parking chain link fence	\$12,960
4	WO Entrance monument, lighting and ballast	\$600	53	Asphalt parking pavement, seal coat, Thistle Circle	\$5,111
6	WO Asphalt pavement, seal coat	\$1,995	55	Asphalt parking pavement, seal coat, Birch Road &	\$4,752
14	FR Asphalt parking pavement, seal coat	\$2,491	73	WO Pool furniture, chaise lounge	\$15,975
16	FR Asphalt drive pavement, seal coat	\$539	74	WO Pool furniture, table	\$1,145
18	FR Wood curb, 6 x 6 PTL	\$10,170	75	WO Pool furniture, umbrella	\$1,950
19	FR Pier decking (5'x32') on water	\$4,160	76	WO Pool furniture, chair/end table	\$2,025
20	FR Pier framing & piles (5'x32') on water	\$17,120	88	FP Swimming pool, concrete deck (25% allowance)	\$12,880
21	FR Wharf decking (8'x20') on water	\$4,160	89	FP Swimming pool, pump motor	\$1,450
22	FR Wharf framing & piles (8'x20') on water	\$17,120	90	FP Swimming pool, pump (10 hp)	\$8,885
23	FR Wharf decking (8'x20') on land	\$3,040	149	WO Flooring, ceramic	\$6,556
24	FR Wharf framing & piles (8'x20') on land	\$14,240	153	WO Appliances (microwave and fridge)	\$1,650
29	FR Wood picnic tables (partial)	\$6,335	161	WO HVAC system, main room	\$7,550
30	FR Wood benches (partial)	\$5,190	167	FR Toilet partitions	\$5,970
32	FR Wood foot bridge, decking	\$7,980	168	FR Lavatory and faucet	\$4,587
33	FR Wood foot bridge, railing	\$3,780	169	FR Toilet	\$2,235
34	FR Wood footbridge, substructure	\$44,100	170	FR Urinal	\$510
36	Concrete flatwork (approx. 1/2% allowance)	\$5,600	171	FR Janitor sink	\$605
51	Asphalt parking pavement, seal coat, Maplehurst Road	\$2,313	172	FR Hotwater heater	\$729
65	WO Swimming pool pump motor	\$1,450	173	FR Fountain	\$685
96	FP Pool furniture, umbrella	\$1,950			
98	FP Pool furniture, restrap (10% of repl.)	\$2,400			
101	Tennis court, color coat	\$5,900			
104	Tennis court, net	\$910			
107	Court light, double head	\$6,976			
108	Court light, quad head	\$12,380			
109	Exercise stations, allowance	\$11,560			
148	WO Flooring, interior carpet	\$4,530			
Total Scheduled Replacements		\$200,088	Total Scheduled Replacements		\$98,210

PROJECTED REPLACEMENTS

Item	2056 - YEAR 32	\$	Item	2057 - YEAR 33	\$
12	FR Entrance monument, lighting and ballast	\$225	1	WO Entrance monument, repoint masonry	\$1,000
17	FR Concrete curb (6% allowance)	\$714	2	WO Entrance monument, illuminated signage panel	\$1,100
69	WO Wading pool, coating	\$3,515	7	WO Concrete curb and gutter, barrier (6% allowance)	\$924
70	WO Wading pool, coping & tile	\$2,067	8	WO Concrete curb, with sidewalk (6% allowance)	\$2,760
93	FP Pool furniture, chaise lounge	\$18,105	9	WO Concrete flatwork (6% allowance)	\$1,176
94	FP Pool furniture, table	\$1,145	31	FR Wood benches (partial)	\$5,190
95	FP Pool furniture, table	\$458	44	Asphalt parking pavement, overlay, Alder Circle	\$53,587
97	FP Pool furniture, chair/end table	\$1,350	45	Asphalt parking pavement, seal coat, Alder Circle	\$7,655
131	WO Sliding doors (3, various sizes)	\$4,600	77	WO Pool furniture, restrap (10% of repl.)	\$2,400
132	WO Exterior doors, single	\$3,294	174	FR HVAC system	\$7,450
133	WO Exterior doors, pair	\$4,190			
162	WO HVAC system, PTAC, upstairs offices	\$2,596			
163	WO Stacking chairs	\$6,900			
164	WO Office furniture (allowance)	\$2,590			
165	WO Office equipment (allowance)	\$2,500			
Total Scheduled Replacements		\$54,249	Total Scheduled Replacements		\$83,242

PROJECTED REPLACEMENTS

Item	2058 - YEAR 34	\$	Item	2059 - YEAR 35	\$
35	Concrete flatwork (approx. 3% allowance)	\$33,600	4	WO Entrance monument, lighting and ballast	\$600
46	Asphalt parking pavement, overlay, Alder Drive	\$19,793	6	WO Asphalt pavement, seal coat	\$1,995
47	Asphalt parking pavement, seal coat, Alder Drive	\$2,828	14	FR Asphalt parking pavement, seal coat	\$2,491
48	Asphalt parking pavement, overlay, Maplehurst Road	\$48,825	16	FR Asphalt drive pavement, seal coat	\$539
49	Asphalt parking pavement, seal coat, Maplehurst Road	\$6,975	37	Storm water pond rip rap, allowance	\$3,500
59	WO Swimming pool, coping	\$21,010	50	Asphalt parking pavement, overlay, Maplehurst Road	\$16,188
96	FP Pool furniture, umbrella	\$1,950	51	Asphalt parking pavement, seal coat, Maplehurst Road	\$2,313
98	FP Pool furniture, restrap (10% of repl.)	\$2,400	65	WO Swimming pool pump motor	\$1,450
151	WO Kitchen cabinets, allowance	\$4,400	79	WO Perimeter fence, 6' (metal)	\$19,173
152	WO Bar and kitchen cabinets, allowance	\$3,600	80	WO Wading pool fence, 3' (metal)	\$2,024
			101	Tennis court, color coat	\$5,900
			104	Tennis court, net	\$910
			165	WO Office equipment (allowance)	\$2,500
Total Scheduled Replacements		\$145,380	Total Scheduled Replacements		\$59,581

PROJECTED REPLACEMENTS

Item	2060 - YEAR 36	\$	Item	2061 - YEAR 37	\$
36	Concrete flatwork (approx. 1/2% allowance)	\$5,600	12	FR Entrance monument, lighting and ballast	\$225
52	Asphalt parking pavement, overlay, Thistle Circle	\$35,779	25	FR Asphalt foot path overlay (1/3)	\$6,470
53	Asphalt parking pavement, seal coat, Thistle Circle	\$5,111	66	WO Swimming pool filter	\$9,140
54	Asphalt parking pavement, overlay, Birch Road & Court	\$33,261	71	WO Wading pool, pump (1.5 hp)	\$975
55	Asphalt parking pavement, seal coat, Birch Road &	\$4,752	72	WO Wading pool, filtration	\$1,390
82	FP Swimming pool, fiberglass coating	\$114,720	77	WO Pool furniture, restrap (10% of repl.)	\$2,400
83	FP Swimming pool, waterline tile	\$8,096	78	WO Pool cover	\$18,096
84	FP Swimming pool, coping	\$20,240	129	WO Gutter and downspout, 6" aluminum	\$1,972
89	FP Swimming pool, pump motor	\$1,450	164	WO Office furniture (allowance)	\$2,590
99	FP Pool cover	\$12,064			
159	WO Hotwater heater	\$729			
160	WO Fountain	\$685			
Total Scheduled Replacements		\$242,486	Total Scheduled Replacements		\$43,258

PROJECTED REPLACEMENTS

Item	2062 - YEAR 38	\$	Item	2063 - YEAR 39	\$
10	FR Entrance monument, repoint masonry	\$1,000	7	WO Concrete curb and gutter, barrier (6% allowance)	\$924
11	FR Entrance monument, illuminated signage panel	\$3,300	8	WO Concrete curb, with sidewalk (6% allowance)	\$2,760
17	FR Concrete curb (6% allowance)	\$714	9	WO Concrete flatwork (6% allowance)	\$1,176
39	Mailbox, cluster (styles and sizes vary), Ph. 1 allowance	\$24,800	26	FR Asphalt foot path overlay (1/3)	\$6,470
45	Asphalt parking pavement, seal coat, Alder Circle	\$7,655	47	Asphalt parking pavement, seal coat, Alder Drive	\$2,828
96	FP Pool furniture, umbrella	\$1,950	49	Asphalt parking pavement, seal coat, Maplehurst Road	\$6,975
98	FP Pool furniture, restrap (10% of repl.)	\$2,400			
110	Tot lot #1, Border, PTL	\$1,300			
111	Tot lot #1, Surfacing, poured EPDM	\$11,520			
112	Tot lot #1, ADA MP Structure (small)	\$28,000			
113	Tot lot #1, Fence, wood split, 3 rails	\$3,840			
114	Tot lot #1, Bench, synthetic	\$850			
115	Tot lot #2, Border, PTL	\$2,600			
116	Tot lot #2, Surfacing, poured EPDM	\$19,200			
117	Tot lot #2, ADA MP Structure (medium)	\$28,000			
118	Tot lot #2, 5" Arch-frame swing, 4 seat	\$2,800			
119	Tot lot #2, Fence, wood split, 3 rails	\$6,400			
120	Tot lot #2, Bench, synthetic	\$1,700			
121	Tot lot #3, Border, PTL	\$2,600			
122	Tot lot #3, Surfacing, poured EPDM	\$19,200			
123	Tot lot #3, ADA MP Structure (medium)	\$28,000			
124	Tot lot #3, 5" Arch-frame swing, 4 seat	\$2,800			
125	Tot lot #3, Fence, wood split, 3 rails	\$6,400			
126	Tot lot #3, Bench, synthetic	\$1,700			
142	MB Shingle asphalt/fiberglass roof	\$5,544			
143	MB Wood fascia, soffit and trim	\$1,795			
144	MB Overhead doors, garage style	\$2,790			
145	MB Siding	\$9,298			
146	MB Exterior doors, single	\$2,196			
147	MB Chain link fence, w/3-strand barb	\$6,432			
165	WO Office equipment (allowance)	\$2,500			
Total Scheduled Replacements		\$239,284	Total Scheduled Replacements		\$21,133

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SECTION D - CONDITION ASSESSMENT

General Comments. Miller+Dodson Associates conducted a Reserve Study at Timberlake Community Association in May 2023. Timberlake Community Association is in generally mixed condition for a homeowner's association constructed between 1973 and 1980. A review of the Replacement Reserve Inventory will show that we are anticipating most of the components achieving their normal economic lives.

The following comments pertain to the larger, more significant components in the Replacement Reserve Inventory and to those items that are unique or deserving of attention because of their condition or the manner in which they have been treated in the Replacement Reserve Analysis or Inventory.

IMPORTANT NOTE: This Condition Assessment is based upon visual and apparent conditions of the common elements of the community which were observed by the Reserve Analyst at the time of the site visit. This Condition Assessment does not constitute, nor is it a substitute for, a professional Structural Evaluation of the buildings, amenities, or systems. Miller Dodson strongly recommends that the Association retain the services of a Structural Engineer to conduct thorough and periodic evaluations of the buildings, balconies, and any other structural components of the buildings and amenities of the Association.

General Condition Statements.

Excellent. 100% to 90% of Normal Economic Life expected, with no appreciable wear or defects.

Good. 90% to 60% of Normal Economic Life expected, minor wear or cosmetic defects found. Normal maintenance should be expected. If performed properly, normal maintenance may increase the useful life of a component. Otherwise, the component is wearing normally.

Fair. 60% to 30% of Normal Economic Life expected, moderate wear with defects found. Repair actions should be taken to extend the life of the component or to correct repairable defects and distress. Otherwise, the component is wearing normally.

Marginal. 30% to 10% of Normal Economic Life expected, with moderate to significant wear or distress found. Repair actions are expected to be cost-effective for localized issues, but normal wear and use are evident. The component is reaching the end of the Normal Economic Life.

Poor. 10% to 0% of Normal Economic Life expected, with significant distress and wear. Left unattended, additional damage to underlying structures is likely to occur. Further maintenance is unlikely to be cost-effective.

SITE ITEMS

Entry Monument and Signage Marquee. The community has two marquee-style signs with backlighting panels for interchangeable messages. The Windsor Oaks Boulevard Club House has a single marquee sign that is in mixed overall condition. The brick base is in fair condition. One side of the marquee has a damaged panel which was identified in the 2020 study and has not been replaced. These signs can have an indefinite life if properly maintained and occasionally refurbished. However, at some point, a full replacement is usually necessary. The marquee at the Foxwood Drive Recreation area is in fair overall condition with some apparent age related deterioration.



We recommend repointing and replacement of defective areas of the masonry as needed. The Association may want to consider applying a coating of Siloxane or other appropriate breathable sealants to mitigate water penetration and further degradation of the masonry work.

In addition to monuments, the Association is responsible for community signage including recreation area signs. Other small miscellaneous signs are not considered in this study and should be replaced using other funds.

Asphalt Pavement - Foxwood and Windsor Oaks. The Association is responsible for the drive aisle and parking areas within the community at the Foxwood Recreation area and the Windsor Oaks Boulevard Club House and Pool. Other parking pavements for the townhomes have been added to this update and are described later in this report. The asphalt path is described later in this report.

In general, the Association's asphalt pavements are in marginal to poor condition with little evidence of crack filling or seal coating performed since 2013. Crack filling and seal coating should be performed in 2021 to obtain any remaining economic life. However, this will not increase the normal or remaining life. There is a significant amount of asphalt path in portions of the community. These paths display areas of significant deterioration to include, including tree root damage, cracks, depressions, and potholes which could pose trip hazards.



Fishing Pier. The existing fishing pier is a pile supported structure that shows significant age and deterioration of the piles and bents that support the actual decking and a large amount of the decking is missing or rotted. There appear to be remnants of caution tape in some locations but the majority of the pier is not protected with barricades and signage. This currently poses a significant safety concern. The previous Manager (2020) indicated that the entire structure was to be replaced in the following year but this was not done. The previous Manager reported the entire cost of the project was approx. \$30,000, but this is believed to be entirely inadequate for the extent of work in addition to the last 2-3 years of inflation. The inventory has been revised to reflect the proposed three major elements of the replacement including;

- a 5' x 32' pier connecting to
- an 8' x 20' wharf over the water
- and an 8' x 20' platform over land

The current replacement costs are based on the mobilization of equipment for full replacement including the pilings and bents, all framing members, and all decking using marine-grade lumber and galvanized hardware for all bolted connections and stainless steel deck screws. This project will likely require a new survey to be able to obtain the permits. The cost of the survey and any necessary engineering for the drawings is not included in the replacement costs.



Asphalt Paths. The Association is responsible for the paths throughout the Foxwood Recreation Area. The paths appear to be in mixed condition with different levels of deterioration and trip hazards located throughout.



Asphalt paths are typically constructed on native soil. As a result, defects can begin to develop in a few years, leading to costly repairs, early replacement, and tripping hazards. Additionally, paths typically do not have proper edge confinement and support resulting in longitudinal cracking along the edges of the path. Compacted soil or gravel along the edges of the path can mitigate this problem. Lastly, tree root damage is a common issue with asphalt paths, and some communities have had success with a process called root trimming.

As a rule of thumb, asphalt should be overlaid when approximately 5% of the surface area is cracked or otherwise deteriorated.



To maintain the condition of the pavement throughout the community and to ensure the longest life of the asphalt, we recommend a systematic and comprehensive maintenance program that includes:

- **Cleaning.** Long-term exposure to oil or gas breaks down asphalt. Because this asphalt pavement is generally not used for long-term parking, it is unlikely that frequent cleaning will be necessary. When necessary, spill areas should be cleaned or patched if deterioration has penetrated the asphalt. This is a maintenance activity, and we have assumed that it will not be funded by Reserves.
- **Crack Repair.** All cracks should be repaired with an appropriate compound to prevent water infiltration through the asphalt into the base. This repair should be done annually. Crack repair is normally considered a maintenance activity and is not funded by Reserves. Areas of extensive cracking or deterioration that cannot be made watertight should be cut out and patched.
- **Seal Coating.** The asphalt should be seal coated every five to seven years. For this maintenance, activity to be effective in extending the life of the asphalt, cleaning, and crack repair should be performed first.

Site Furnishings. The community includes a large number of benches distributed throughout various greenways and at the tot lots and Foxwood Recreation paths and picnic area. These furnishings are in varying conditions due to different ages and original quality but several are in need of immediate replacement due to deterioration or vandalism. Benches at the various playgrounds were all replaced when the playgrounds were replaced and remain in good overall condition. Several wood picnic tables in the Foxwood Park area are in very poor condition and pose safety concerns. Other benches and tables throughout are in mixed condition.

Reserve studies are not intended to be safety inspections but it is apparent that the concerns mentioned in the last update (2020) have not been addressed.



Wooden Footbridge. The Foxwood Recreation Area picnic area has a wooden footbridge across one of the drainage canals. This bridge is approximately six feet wide by 70 feet in length and is constructed with timber piles and pressure treated lumber for the framing, decking, and rails. This footbridge is in varied condition with evidence of previous repairs and partial railing alterations believed to improve fall protection. The overall age and condition of the footbridge indicate it should require the replacement of railings and decking within the next few years. The current condition of several framing members, decking boards, and railings is in very poor condition and could have sudden failure leading to personal injury.



A thorough structural engineer examination and evaluation of the footbridge is recommended prior to undertaking any deck or railing replacement to ensure the sub-structure can provide remaining economic life. We have included the replacement of the bridge in three primary categories; the railings, the decking, and the substructure based on different normal economic life expectancies. The Association may wish to consider a prefabricated simple span bridge for future replacement.

The cost of any engineering design and survey for permits is not included.



(Continued on next page)

Townhome Parking Areas. The townhomes are located on public streets as verified with the City of Virginia Public Works, but the parking spaces for the townhomes are considered private pavement. The Association and Manager directed these asphalt pavement quantities be added to the inventory for this update. The area quantities for each location are based on the use of satellite imagery for width and length. The remaining economic life is shown to be phased for purposes of replacement. It is assumed the actual priority will be determined by the Association as these are all in roughly the same condition and the same age. It is apparent that crack filling and seal coating have not been routinely performed over the past 30+ years.

As these pavements are strictly for parking and are not subject to heavy traffic, a 30-year normal life is possible with proper milling and overlay thickness followed by regular cleaning and seal coating.



Because these were not previously included in the Reserve Study analysis this addition has a significant impact on recommended funding.

RECREATION ITEMS

Swimming Pools. The community operates two pool outdoor swimming pools and wading pools of concrete construction. Both pools were still winterized at the time of the site visit so we are relying upon reported conditions and replacements that were performed in the past 3 years. Listed below are the major components of the pool facilities:

- **Pool Shells.** The shells for the swimming pools are reported to be in good overall condition for their age. Pool shells normally have a finite life of approximately 45-60 years. At that time it may not be necessary to replace the entire structure. However, it is prudent to anticipate a major expenditure for the replacement of underground lines and sections of the pool. Based on our research, we have found it to be prudent to program \$89-105 per square foot of pool surface to cover these needs.
- **Pool Decks.** The pools have concrete decks. The overall condition of the decks is fair to good with evidence of partial replacements and some minor cracking in locations. Because it is highly unlikely that all of the community's concrete

pool deck sections will fail and require replacement at the same time, we have divided the deck into equal components in the Reserve Analysis and have spread their replacement over a multi-year period.

- **Fiberglass Coat.** The pool whitecoats were replaced with fiberglass several years ago and are reported to be in good condition. The wading pool at Windsor Oaks has not been replaced and is reported to be in marginal condition. We have assumed a normal service life of 18- to 25- years for the pool fiberglass liners and 8-10 years for whitecoat in the wading pools.
- **Coping.** The pools are edged with brick coping. The coping is reported to be in good overall condition with some mortar joint failures and joint sealant failures noted in several visible locations at both pools.
- **Waterline Tile.** The waterline tiles are reported to be in good overall condition. We have assumed that the waterline tile will be replaced or restored when the pool is whitecoated or the fiberglass liner is done.
- **Pump and Filter System.** The filtration systems are reported to be in good operating condition. The wading pool filtration and pump are located outside and have a reduced life expectancy for this reason. We have assumed a service life of 20 years for the filter systems and 10 years for the pumps. Pump motors should be replaced or rebuilt as necessary using operating funds.
- **Pool Fences.** The pools have aluminum picket railing fences that are in mixed condition. The fences display small areas of damage from either vehicles, groundskeeping, or trespass/vandalism.

For the last update, the previous Manager indicated that both pools are to have approx. 5 each skimmer replaced. And both pool covers were to be replaced within the year. It is unclear if the skimmers were actually replaced or not.





Tennis Courts - Asphalt. The community originally had three tennis courts but previously removed two and now currently retains a single tennis court. This court is repeatedly not used and the overall condition of this remaining court is poor. Despite the replacement of the fence approximately 11-12 years ago (2012) the playing surface and the color coat are showing significant failure from cracking and moisture issues. It is believed that the soils the court is constructed on are unsuitable for proper drainage.

The previous Manager reported that the court may be removed and not replaced in the future, but for the time being the items should be included in the reserve analysis. Listed below are the major components of the tennis court facilities:

- **Asphalt Pavement.** The asphalt pavement for the tennis court is in fair overall condition with some cracks and splits that extend into the playing surface. We have assumed a service life of 20 years for the asphalt.
- **Color Coat.** The color coat on the tennis court is in fair condition with some areas of major defects in its finish. The problems appear to be due to delamination from moisture that may be ponding on the surface or percolating up from beneath in some locations. This would likely require a perimeter drainage system to ensure the sub-base can remain dry, or building up the play surface with a new overlay.
- **Fencing.** The fencing installed around the tennis court is chain link and is in fair overall condition, however, it appears to have been abused causing damage to the fabric. The fencing has damage in several locations. The fencing and poles are corroded. We have assumed that the fencing will be replaced when the asphalt pavement is replaced.
- **Net Posts.** The net posts are in good condition. We have assumed that the new posts will be replaced when the asphalt pavement is replaced.
- **Lighting System.** The tennis court lighting system is reported to be in good operating condition. The bases and poles are displaying corrosion and some of the poles are missing wiring cover plates. There are far more poles and fixtures than needed for the single court because there were originally three courts. Some consideration should be made for removing some of the poles and fixtures in lieu of replacement in the future.



Tot Lots. The community currently maintains 3 tot lots. Two previous tot lots have been removed and are not planned for replacement. The three tot lots have all been fully replaced in the past 6-8 years and use new modern play structures, miscellaneous play equipment, wood borders, and a poured rubberized fall surface. The facility facilities are in generally fair to good condition with no visible wear damage or loose connections for the equipment and apparent vandalism on several components. Portions of the timber borders display deterioration and portions of the rubberized fall protection have holes or early signs of failure. Contact the manufacturer of fall protection for guidelines on maintenance and repair to maximize the life of these materials.

The tot lots are located at:

- Foxwood Recreation Area
- Corner of Foxwood and Loblolly
- Along Foxwood near Federal Court

The safety of each individual piece of playground equipment, as well as the layout of the entire play area, should be considered when evaluating a playground for safety. The installation and maintenance of the protective surfacing under and around all equipment is crucial. Please note that the evaluation of the equipment and these facilities for safety is beyond the scope of this work. Information for playground design and safety can be found in the "Public Playground Safety Handbook", U.S. Consumer Product Safety Commission (Pub Number 325). For a link to this handbook, please see our website at www.mdareerves.com/resources/links/recreation. Our estimates for playground equipment are based on comparing photos of the existing equipment with equipment of a similar size in manufacturers' catalogs.

We use the pricing that is quoted by manufacturers for comparable equipment and add 30% for the disposal of the old equipment and installation of new equipment.



Exercise Stations. The community has four exercise stations located adjacent to the remaining tennis court. These stations are believed to be 12-15 years old and are in marginal to fair overall condition due primarily to the presence of rotted or missing wood boards. These may be repairable and reconditioning of the stations may increase their remaining life. If these are not going to be repaired they need to be closed to use to avoid the danger of possible injury.



EXTERIOR ITEMS

Windsor Oaks Club House. The Windsor Oaks Club House is a two story building with an asphalt shingled gable roof over the two story portion and a smaller one story low sloped roof with a single ply membrane. The shingle roof displays some wind damage including missing shingles. The exterior is clad with vinyl siding. A portion of the exterior doors are in poor to marginal overall condition. The pool to the pump room is damaged and the frame displays wood rot. Sliding doors and windows are in poor to marginal condition and are essentially at the end of their normal life expectancy. Replacement of exterior doors and windows should be anticipated within the next year.





Foxwood Recreation Center. The Foxwood pool house is a single story building with one large community room, and smaller adjoining rooms providing toilets, storage, pool equipment and support spaces for life guards. The exterior roofing is predominantly asphalt shingle roofing and some smaller single ply membrane roofs. The roof was replaced approx. 8 years ago and remains in fair condition with some noted wind damaged shingles. There is a small amount of brick veneer and the siding is predominantly a painted T-111. Painted wood trim, fascias, and soffits are in varying condition. Doors and sliding doors are in marginal to poor overall condition based on original quality and current age. Replacement of exterior doors within the next 1-2 years should be anticipated including the sliding doors and the hollow metal doors. The overhead door appears to be in fair condition.





INTERIOR ITEMS

Plumbing. The two recreation centers have modest plumbing comprised primarily of toilet rooms. The fixtures are of different ages in each building as the Windsor Oaks facility restrooms were updated in 2013. The Foxwood toilet facilities have not been modernized. The Windsor Oaks hot water heater and janitor sink appear to have been replaced but the kitchen sink and water fountains do not appear to have been replaced. All of the fixtures in the Foxwood facility should be modernized as current repairs are required or are being performed.



Individual plumbing fixtures can be replaced as needed using operating funds.

(Continued on next page)

HVAC Systems. The HVAC unit for the Foxwood Recreation Center was replaced in the past 7 years and appears to be in good working condition. The Foxwood building is generally used only during the pool season. The building is reportedly seldom used except for the swim club and the system is not zoned or on an automated controls system. The HVAC unit for the Windsor Oaks Recreation Center is currently working but is believed to be original and is clearly beyond the normal life expectancy. Because of the antiquated age of the Windsor Oak system, it is recommended that it be replaced in its entirety to include a higher efficiency system properly sized and zoned to improve the energy consumption for the buildings under their normal seasonal occupancy and use. The Windsor Oaks building was previously used by office staff year round and is rented out on weekends which requires very different heating and cooling conditions throughout the year. Consider multiple units for zoning to reduce the energy consumption of a building-wide unit.

The two upstairs offices have Packaged Terminal Air Conditioning (PTAC) units.



This Condition Assessment is based upon our visual survey of the property. The sole purpose of the visual survey was an evaluation of the common and limited common elements of the property to ascertain their remaining useful life and replacement cost. Our evaluation assumed that all components met building code requirements in force at the time of construction. Our visual survey was conducted with care by experienced persons, but no warranty or guarantee is expressed or implied.

End of Condition Assessment

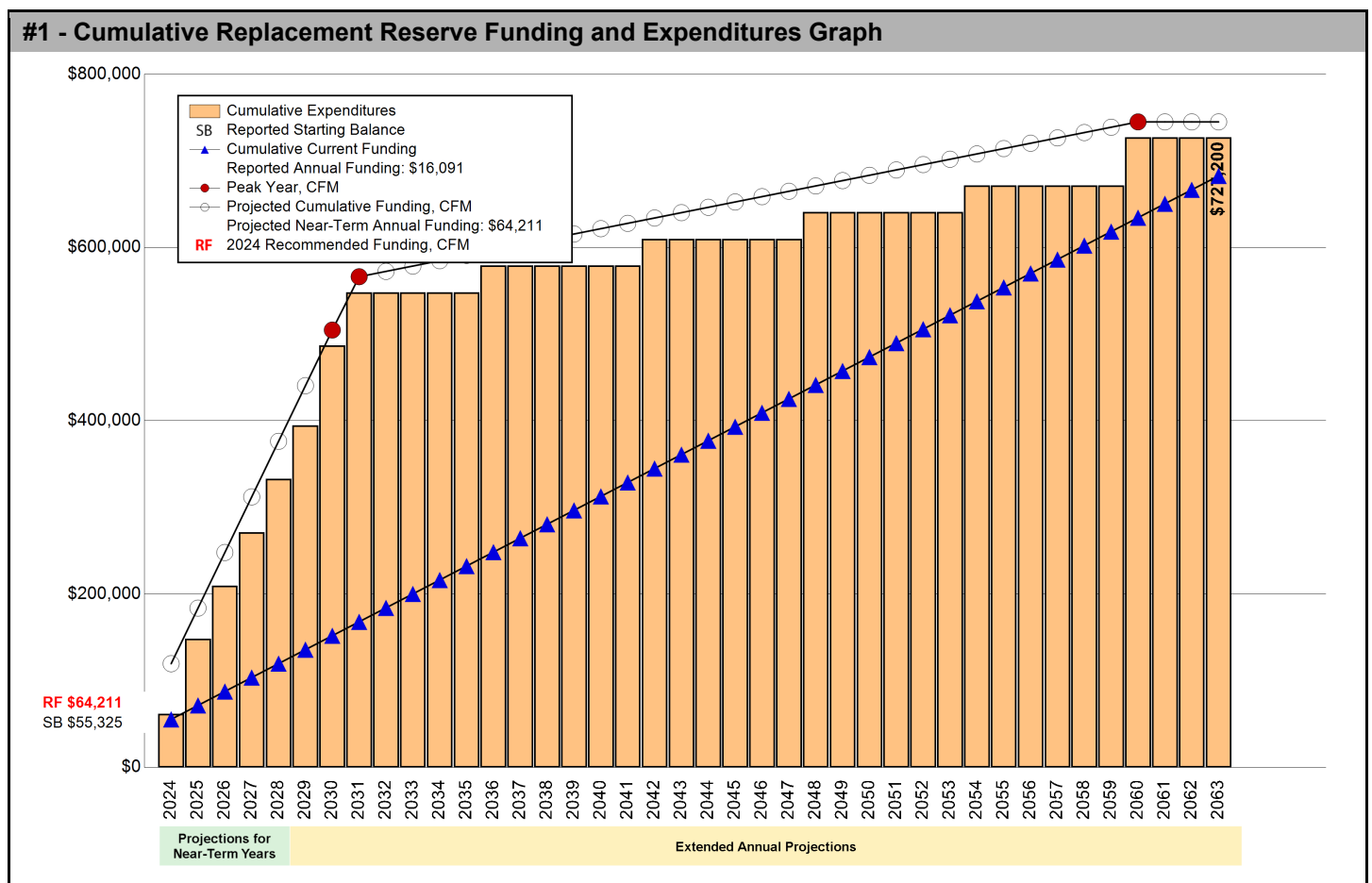
SECTION A - FINANCIAL ANALYSIS

The Timberlake Community Association - Quads (Class E) Replacement Reserve Analysis uses the Cash Flow Method (CFM) to calculate Replacement Reserve funding for the periodic replacement of the 10 Projected Replacements identified in the Replacement Reserve Inventory.

\$64,211 **RECOMMENDED REPLACEMENT RESERVE FUNDING FOR THE STUDY YEAR, 2024**
 \$34.30 Per unit (average), minimum monthly funding of Replacement Reserves

We recommend the Association adopt a Replacement Reserve Funding Plan based on the annual funding recommendation above. Inflation adjusted funding for subsequent years is shown on Page A1.5.

Timberlake Community Association - Quads (Class E) reports a Starting Balance of \$55,325 and Annual Funding totaling \$16,091, which is inadequate to fund projected replacements starting in 2024. See Page A1.3 for a more detailed evaluation.



The increase in the Recommended Annual Reserve Funding shown above is necessary to fund the conversion of the driveways from asphalt to concrete over the next eight years. This type of project may be a good candidate for funding through a commercial bank loan so that the work can be completed in a shorter time-span, and the payments can be spread over a longer term.

REPLACEMENT RESERVE ANALYSIS - GENERAL INFORMATION

The Timberlake Community Association - Quads (Class E) Replacement Reserve Analysis calculations of recommended funding of Replacement Reserves by the Cash Flow Method (CFM) and the evaluation of the Current Funding are based upon the same Study Year, Study Period, Beginning Balance, Replacement Reserve Inventory and Level of Service.

2024 | STUDY YEAR

The Association reports that their accounting year begins on January 1, and the Study Year, the first year evaluated by the Replacement Reserve Analysis, begins on January 1, 2024.

40 Years | STUDY PERIOD

The Replacement Reserve Analysis evaluates the funding of Replacement Reserves over a 40-year Study Period

\$55,325 | STARTING BALANCE

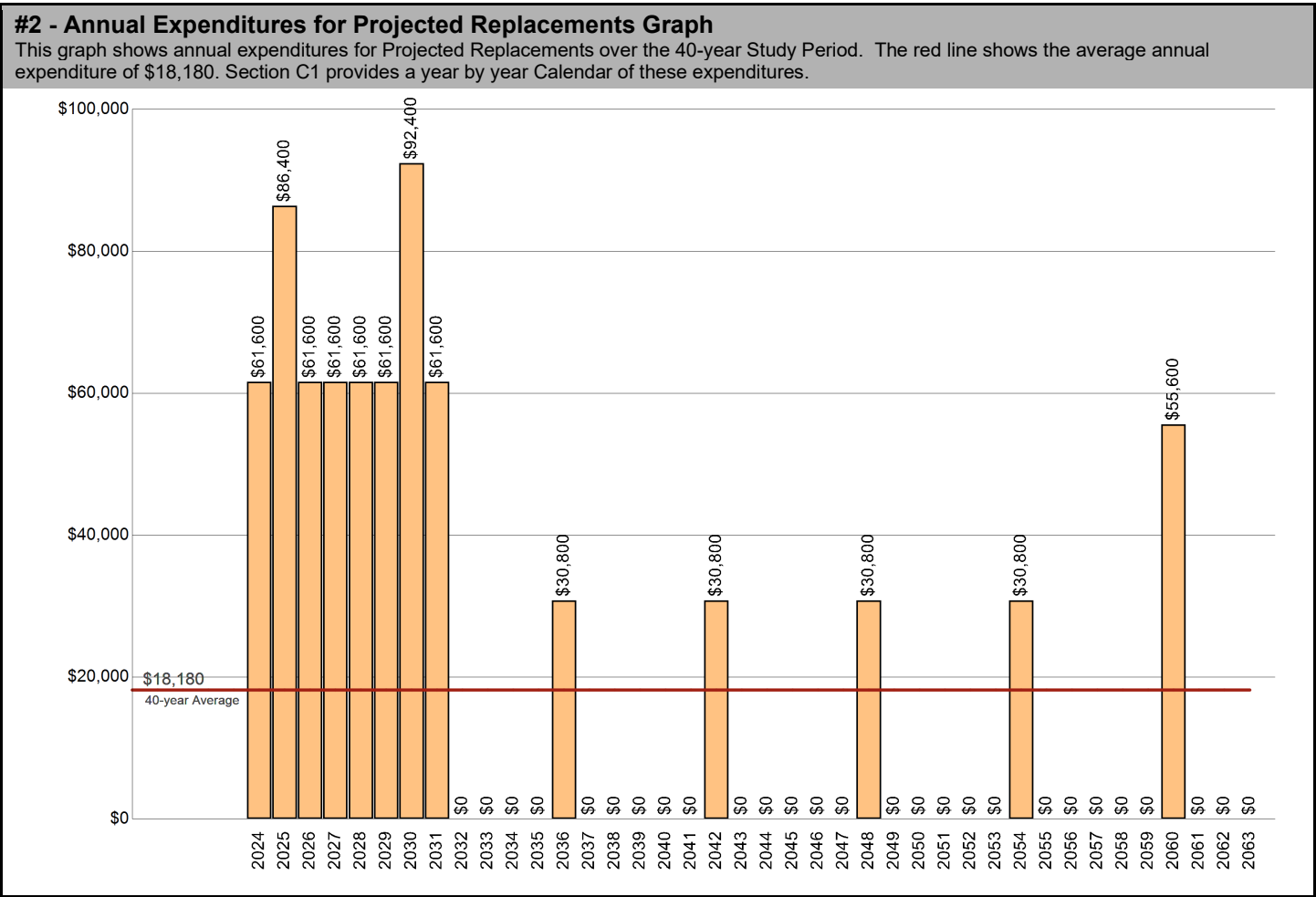
The Association reports Replacement Reserves on Deposit totaling \$55,325 at the start of the Study Year.

Level Two | LEVEL OF SERVICE

The Replacement Reserve Inventory has been developed in compliance with the National Reserve Study Standards for a Level Two Study, as defined by the Community Associations Institute (CAI).

\$727,200 | REPLACEMENT RESERVE INVENTORY - PROJECTED REPLACEMENTS

The Timberlake Community Association - Quads (Class E) Replacement Reserve Inventory identifies 10 items that will require periodic replacement, that are to be funded from Replacement Reserves. We estimate the cost of these replacements will be \$727,200 over the 40-year Study Period. The Projected Replacements are divided into 1 major categories starting on Page B1.3. Pages B1.1-B1.2 provide detailed information on the Replacement Reserve Inventory.



UPDATING OF THE FUNDING PLAN

The Association has a responsibility to review the Funding Plan annually. The review should include a comparison and evaluation of actual reserve funding with recommended levels shown on Page A1.4 and A1.5. The Projected Replacements listed on Page C1.2 should be compared with any replacements accomplished and funded from Replacement Reserves. Discrepancies should be evaluated and if necessary, the Reserve Study should be updated or a new study commissioned. We recommend annual increases in replacement reserve funding to account for the impact of inflation. Inflation Adjusted Funding is discussed on Page A1.5.

UPDATING OF THE REPLACEMENT RESERVE STUDY

At a minimum, the Replacement Reserve Study should be professionally updated every three to five years or after completion of a major replacement project. Updating should also be considered if during the annual review of the Funding Plan, discrepancies are noted between projected and actual reserve funding or replacement costs. Updating may also be necessary if there is a meaningful discrepancy between the actual inflation rate and the inflation rate used for the Inflation Adjusted Funding of Replacement Reserves on Page A1.5.

ANNUAL EXPENDITURES AND CURRENT FUNDING

The annual expenditures that comprise the \$727,200 of Projected Expenditures over the 40-year Study Period and the impact of the Association continuing to fund Replacement Reserves at the current level are detailed in Table 3.

#3 - Table of Annual Expenditures and Current Funding Data - Years 1 through 40										
Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Starting Balance	\$55,325									
Projected Replacements	(\$61,600)	(\$86,400)	(\$61,600)	(\$61,600)	(\$61,600)	(\$61,600)	(\$92,400)	(\$61,600)		
Annual Deposit	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091
End of Year Balance	\$9,816	(\$60,493)	(\$106,002)	(\$151,511)	(\$197,020)	(\$242,529)	(\$318,838)	(\$364,347)	(\$348,256)	(\$332,165)
Cumulative Expenditures	(\$61,600)	(\$148,000)	(\$209,600)	(\$271,200)	(\$332,800)	(\$394,400)	(\$486,800)	(\$548,400)	(\$548,400)	(\$548,400)
Cumulative Receipts	\$71,416	\$87,507	\$103,598	\$119,689	\$135,780	\$151,871	\$167,962	\$184,053	\$200,144	\$216,235
Year	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Projected Replacements			(\$30,800)						(\$30,800)	
Annual Deposit	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091
End of Year Balance	(\$316,074)	(\$299,983)	(\$314,692)	(\$298,601)	(\$282,510)	(\$266,419)	(\$250,328)	(\$234,237)	(\$248,946)	(\$232,855)
Cumulative Expenditures	(\$548,400)	(\$548,400)	(\$579,200)	(\$579,200)	(\$579,200)	(\$579,200)	(\$579,200)	(\$579,200)	(\$610,000)	(\$610,000)
Cumulative Receipts	\$232,326	\$248,417	\$264,508	\$280,599	\$296,690	\$312,781	\$328,872	\$344,963	\$361,054	\$377,145
Year	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Projected Replacements					(\$30,800)					
Annual Deposit	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091
End of Year Balance	(\$216,764)	(\$200,673)	(\$184,582)	(\$168,491)	(\$183,200)	(\$167,109)	(\$151,018)	(\$134,927)	(\$118,836)	(\$102,745)
Cumulative Expenditures	(\$610,000)	(\$610,000)	(\$610,000)	(\$610,000)	(\$640,800)	(\$640,800)	(\$640,800)	(\$640,800)	(\$640,800)	(\$640,800)
Cumulative Receipts	\$393,236	\$409,327	\$425,418	\$441,509	\$457,600	\$473,691	\$489,782	\$505,873	\$521,964	\$538,055
Year	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063
Projected Replacements	(\$30,800)						(\$55,600)			
Annual Deposit	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091	\$16,091
End of Year Balance	(\$117,454)	(\$101,363)	(\$85,272)	(\$69,181)	(\$53,090)	(\$36,999)	(\$76,508)	(\$60,417)	(\$44,326)	(\$28,235)
Cumulative Expenditures	(\$671,600)	(\$671,600)	(\$671,600)	(\$671,600)	(\$671,600)	(\$671,600)	(\$727,200)	(\$727,200)	(\$727,200)	(\$727,200)
Cumulative Receipts	\$554,146	\$570,237	\$586,328	\$602,419	\$618,510	\$634,601	\$650,692	\$666,783	\$682,874	\$698,965

EVALUATION OF CURRENT FUNDING

The evaluation of Current Funding (Starting Balance of \$55,325 & annual funding of \$16,091), is done in today's dollars with no adjustments for inflation or interest earned on Replacement Reserves. The evaluation assumes Replacement Reserves will only be used for the 10 Projected Replacements identified in the Replacement Reserve Inventory and that the Association will continue Annual Funding of \$16,091 throughout the 40-year Study Period.

Annual Funding of \$16,091 is approximately 25 percent of the \$64,211 recommended Annual Funding calculated by the Cash Flow Method for 2024, the Study Year.

See the Executive Summary for the Current Funding Statement.

CASH FLOW METHOD FUNDING

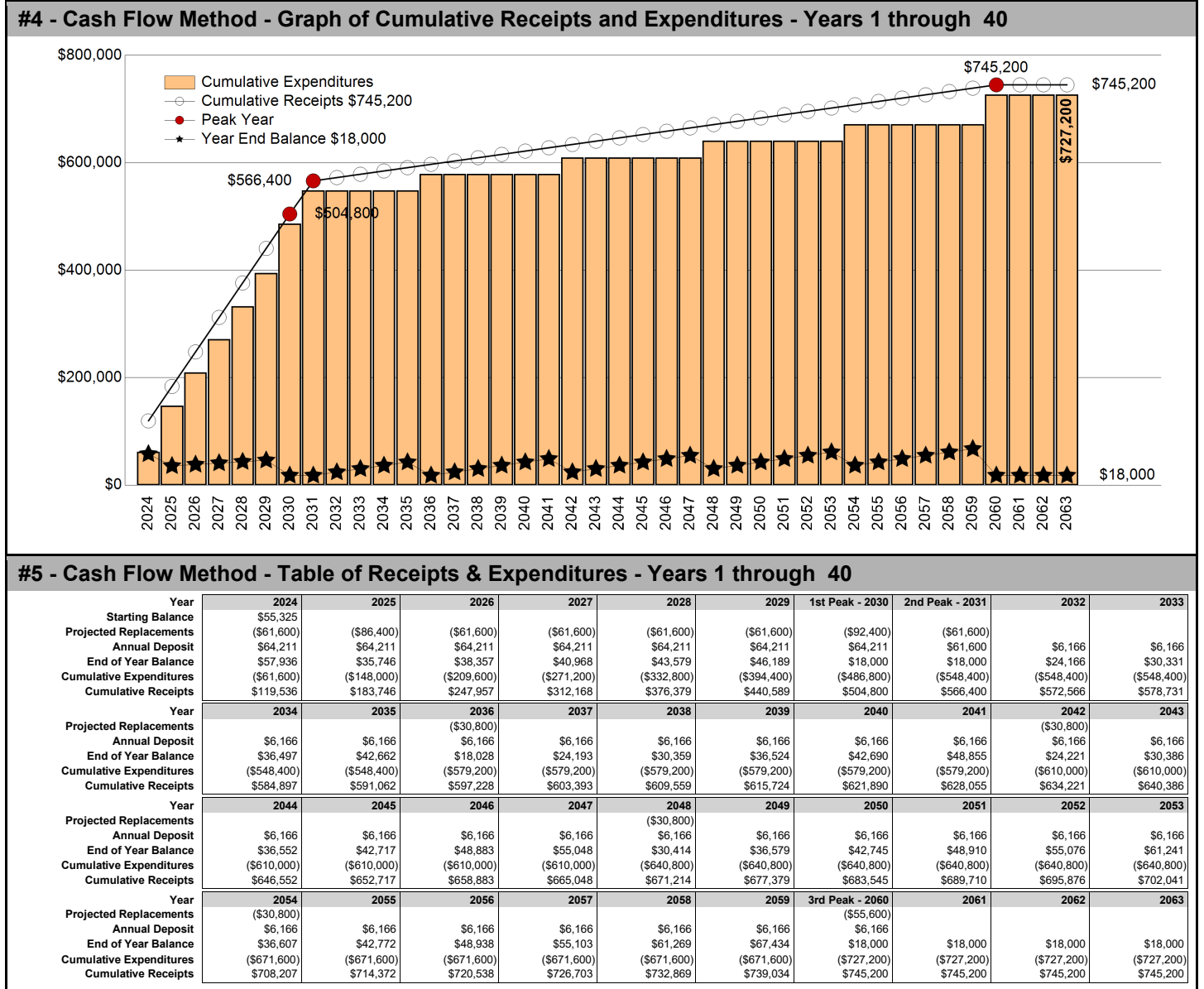
\$64,211

RECOMMENDED REPLACEMENT RESERVE FUNDING FOR 2024

\$34.30 Per unit (average), minimum monthly funding of Replacement Reserves

Recommended Replacement Reserve Funding has been calculated using the Cash Flow Method (also called the Straight Line or Threshold Method). This method calculates a constant annual funding between peaks in cumulative expenditures, while maintaining a Minimum Balance (threshold) in the Peak Years.

- Peak Years.** The First Peak Year occurs in 2030 with Replacement Reserves on Deposit dropping to the Minimum Balance after the completion of \$486,800 of replacements from 2024 to 2030. Recommended funding is projected to decline from \$64,211 in 2030 to \$61,600 in 2031. Peak Years are identified in Chart 4 and Table 5.
- Threshold (Minimum Balance).** The calculations assume a Minimum Balance of \$18,000 will always be held in reserve, which is calculated by rounding the 12-month 40-year average annual expenditure of \$18,180 as shown on Graph #2.
- Cash Flow Method Study Period.** Cash Flow Method calculates funding for \$727,200 of expenditures over the 40-year Study Period. It does not include funding for any projects beyond 2063 and in 2063, the end of year balance will always be the Minimum Balance.



INFLATION ADJUSTED FUNDING

The Cash Flow Method calculations on Page A4 have been done in today's dollars with no adjustment for inflation. At Miller+Dodson, we believe that long-term inflation forecasting is effective at demonstrating the power of compounding, not at calculating appropriate funding levels for Replacement Reserves. We have developed this proprietary model to estimate the short-term impact of inflation on Replacement Reserve funding.

\$64,211 2024 - CASH FLOW METHOD RECOMMENDED FUNDING

The 2024 Study Year calculations have been made using current replacement costs (see Page B1.2), modified by the Analyst for any project specific conditions.

\$69,283 2025 - INFLATION ADJUSTED FUNDING

A new analysis calculates the 2025 funding based on three assumptions:

- Replacement Reserves on Deposit totaling \$57,936 on January 1, 2025.
- All 2024 Projected Replacements listed on Page C1.2 accomplished at a cost to Replacement Reserves less than \$61,600.
- Construction Cost Inflation of 7.90 percent in 2024.

The \$69,283 inflation adjusted funding in 2025 is a 7.89 percent increase over the non-inflation adjusted funding of \$64,211.

\$74,757 2026 - INFLATION ADJUSTED FUNDING

A new analysis calculates the 2026 funding based on three assumptions:

- Replacement Reserves on Deposit totaling \$33,561 on January 1, 2026.
- All 2025 Projected Replacements listed on Page C1.2 accomplished at a cost to Replacement Reserves less than \$86,413.
- Construction Cost Inflation of 7.90 percent in 2025.

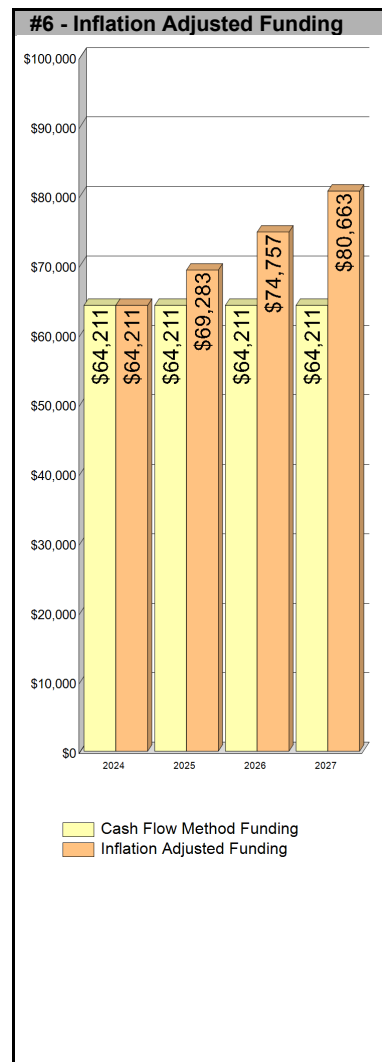
The \$74,757 inflation adjusted funding in 2026 is a 16.42 percent increase over the non-inflation adjusted funding of \$64,211.

\$80,663 2027 - INFLATION ADJUSTED FUNDING

A new analysis calculates the 2027 funding based on three assumptions:

- Replacement Reserves on Deposit totaling \$54,643 on January 1, 2027.
- All 2026 Projected Replacements listed on Page C1.2 accomplished at a cost to Replacement Reserves less than \$66,468.
- Construction Cost Inflation of 7.90 percent in 2026.

The \$80,663 inflation adjusted funding in 2027 is a 25.62 percent increase over the non-inflation adjusted funding of \$64,211.



Year Four and Beyond

The inflation-adjusted funding calculations outlined above are not intended to be a substitute for periodic evaluation of common elements by an experienced Reserve Analyst. Industry Standards, lender requirements, and many state and local statutes require a Replacement Reserve Study to be professionally updated every 3 to 5 years.

Inflation Adjustment

Prior to approving a budget based upon the 2025, 2026 and 2027 inflation-adjusted funding calculations above, the 7.90 percent base rate of inflation used in our calculations should be compared to rates published by the Bureau of Labor Statistics. If there is a significant discrepancy (over 1 percentage point), contact Miller+Dodson Associates prior to using the Inflation Adjusted Funding.

Interest on Reserves

The recommended funding calculations do not account for interest earned on Replacement Reserves. In 2024, based on a 1.00 percent interest rate, we estimate the Association may earn \$566 on an average balance of \$56,630, \$457 on an average balance of \$45,748 in 2025, and \$441 on \$44,102 in 2026. The Association may elect to attribute 100 percent of the earned interest to Reserves, resulting in a reduction in the 2024 funding from \$64,211 to \$63,644 (a 0.88 percent reduction), \$69,283 to \$68,826 in 2025 (a 0.66 percent reduction), and \$74,757 to \$74,316 in 2026 (a 0.58 percent reduction).

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SECTION B - REPLACEMENT RESERVE INVENTORY

- **PROJECTED REPLACEMENTS.** Timberlake Community Association - Quads (Class E) - Replacement Reserve Inventory identifies 10 items which are Projected Replacements and the periodic replacements of these items are scheduled for funding from Replacement Reserves. The Projected Replacements have an estimated one-time replacement cost of \$548,400. Cumulative Replacements totaling \$727,200 are scheduled in the Replacement Reserve Inventory over the 40-year Study Period. Cumulative Replacements include those components that are replaced more than once during the period of the study.

Projected Replacements are the replacement of commonly-owned physical assets that require periodic replacement and whose replacement is to be funded from Replacement Reserves.

- **EXCLUDED ITEMS.** Some of the items contained in the Replacement Reserve Inventory are 'Excluded Items'. Multiple categories of items are typically excluded from funding by Replacement Reserves, including but not limited to:

Tax Code. The United States Tax Code grants very favorable tax status to Replacement Reserves, conditioned on expenditures being made within certain guidelines. These guidelines typically exclude maintenance activities, minor repairs, and capital improvements.

Value. Items with a replacement cost of less than \$1000 and/or a normal economic life of less than 3 years are typically excluded from funding from Replacement Reserves. This exclusion should reflect the Association policy on the administration of Replacement Reserves. If the Association has selected an alternative level, it will be noted in the Replacement Reserve Inventory - General Comments on Page B1.2.

Long-lived Items. Items are excluded from the Replacement Reserve Inventory when items are properly maintained and are assumed to have a life equal to the property.

Unit improvements. Items owned by a single unit and where the items serve a single unit are generally assumed to be the responsibility of that unit, not the Association.

Other non-common improvements. Items owned by the local government, public and private utility companies, the United States Postal Service, Master Associations, state and local highway authorities, etc., may be installed on property that is owned by the Association. These types of items are generally not the responsibility of the Association and are excluded from the Replacement Reserve Inventory.

- **CATEGORIES.** The 10 items included in the Timberlake Community Association - Quads (Class E) Replacement Reserve Inventory are divided into 1 major categories. Each category is printed on a separate page, beginning on page B1.3.
- **LEVEL OF SERVICE.** This Replacement Reserve Inventory has been developed in compliance with the standards established for a Level 2 Update, as defined by the National Reserve Study Standards, established in 1998 by Community Associations Institute, which states:

This study has been performed as a Level 2 Update with Site Visit/On-Site Review as defined by the Community Associations Institute's, National Reserve Study Standards. As such, the component inventory is based on the study that was performed by Miller Dodson in 2021. This inventory was adjusted to reflect changes provided by the Community Manager and/or the Board of Directors, or adjustments made based on the site visit and visual assessment performed by the Analyst. The analysis, including fund status and funding plan, is developed from the adjusted inventory.

REPLACEMENT RESERVE INVENTORY - GENERAL INFORMATION (CONT'D)

- **INVENTORY DATA.** Each of the 10 Projected Replacements listed in the Replacement Reserve Inventory includes the following data:
 - Item Number.** The Item Number is assigned sequentially and is intended for identification purposes only.
 - Item Description.** We have identified each item included in the Inventory. Additional information may be included in the Comments section at the bottom of each page of the Inventory.
 - Units.** We have used standard abbreviations to identify the number of units including SF-square feet, LF-lineal feet, SY-square yard, LS-lump sum, EA-each, and PR-pair. Non-standard abbreviations are noted in the Comments section at the bottom of the page.
 - Number of Units.** The methods used to develop the quantities are discussed in "Level of Service" above.
 - Unit Replacement Cost.** We use four sources to develop the unit cost data shown in the Inventory; actual replacement cost data provided by the client, information provided by local contractors and suppliers, industry standard estimating manuals, and a cost database we have developed based upon our detailed interviews with contractors and service providers who are specialists in their respective lines of work.
 - Normal Economic Life (Years).** The number of years that a new and properly installed item should be expected to remain in service.
 - Remaining Economic Life (Years).** The estimated number of years before an item will need to be replaced. In "normal" conditions, this could be calculated by subtracting the age of the item from the Normal Economic Life of the item, but only rarely do physical assets age "normally". Some items may have longer or shorter lives depending on many factors such as environment, initial quality of the item, maintenance, etc.
 - Total Replacement Cost.** This is calculated by multiplying the Unit Replacement Cost by the Number of Units.
- **PARTIAL FUNDING.** Items may have been included in the Replacement Reserve Inventory at less than 100 percent of their full quantity and/or replacement cost. This is done on items that will never be replaced in their entirety, but which may require periodic replacements over an extended period of time. The assumptions that provide the basis for any partial funding are noted in the Comments section.
- **REMAINING ECONOMIC LIFE GREATER THAN 40 YEARS.** The calculations do not include funding for initial replacements beyond 40 years. These replacements are included in this Study for tracking and evaluation. They should be included for funding in future Studies, when they enter the 40-year window.
- **ACCURACY OF THE ANALYSIS.** The accuracy of the Replacement Reserve Analysis is dependent upon expenditures from Replacement Reserves being made ONLY for the 10 Projected Replacements specifically listed in the Replacement Reserve Inventory. The inclusion/exclusion of items from the Replacement Reserve Inventory is discussed on Page B1.1.

SITE ITEMS - QUADRAVILLAS (CLASS E)					NEL- Normal Economic Life (yrs)		
PROJECTED REPLACEMENTS					REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
1	Mailbox, cluster (styles and sizes vary), Quads	units	160	\$155.00	35	1	\$24,800
Quadravillas Driveways (Class E)							
2	Quads concrete driveway, existing (partial	sf	2,200	\$14.00	6	6	\$30,800
3	Quads asphalt driveway, convert to concrete (Ph. 1	sf	4,400	\$14.00	40	none	\$61,600
4	Quads asphalt driveway, convert to concrete (Ph. 2	sf	4,400	\$14.00	40	1	\$61,600
5	Quads asphalt driveway, convert to concrete (Ph. 3	sf	4,400	\$14.00	40	2	\$61,600
6	Quads asphalt driveway, convert to concrete (Ph. 4	sf	4,400	\$14.00	40	3	\$61,600
7	Quads asphalt driveway, convert to concrete (Ph. 5	sf	4,400	\$14.00	40	4	\$61,600
8	Quads asphalt driveway, convert to concrete (Ph. 6	sf	4,400	\$14.00	40	5	\$61,600
9	Quads asphalt driveway, convert to concrete (Ph. 7	sf	4,400	\$14.00	40	6	\$61,600
10	Quads asphalt driveway, convert to concrete (Ph. 8	sf	4,400	\$14.00	40	7	\$61,600
Replacement Costs - Page Subtotal							\$548,400

COMMENTS
<ul style="list-style-type: none"> Item #1: Mailbox, cluster (styles and sizes vary), Quads - Quadravillas mailboxes are added to this update as directed. Item #2: Quads concrete driveway, existing (partial allowance) - The driveways at the Quads are shared and are added to this update as directed by the Board. Item #3: Quads asphalt driveway, convert to concrete (Ph.1 allowance) - The asphalt driveways at the Quads are shared and are in very poor condition. These should be removed and replaced with concrete. Item #4: Quads asphalt driveway, convert to concrete (Ph. 2 allowance) - An annual allowance for 2 driveways per year is added to replace the remaining asphalt driveways with concrete using an average area of 2,200 SF per driveway.

VALUATION EXCLUSIONS								
Excluded Items								
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)	
	Site lighting fixtures						EXCLUDED	
	Miscellaneous signage						EXCLUDED	
	Gravel drive replenishment at the maintenance building						EXCLUDED	
	BBQ						EXCLUDED	
	Fire extinguisher cabinet in club houses						EXCLUDED	
	Emergency lighting, exit light, etc.						EXCLUDED	
	Interior doors in club houses						EXCLUDED	
	Toilet accessories in club houses						EXCLUDED	
	Electric heaters						EXCLUDED	

VALUATION EXCLUSIONS	
Comments	
<ul style="list-style-type: none"> Valuation Exclusions. For ease of administration of the Replacement Reserves and to reflect accurately how Replacement Reserves are administered, items with a dollar value less than \$1000 have not been scheduled for funding from Replacement Reserve. Examples of items excluded by Replacement Reserves by this standard are listed above. The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive. 	

LONG-LIFE EXCLUSIONS								
Excluded Items								
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)	
	Tunnel under Foxwood Drive						EXCLUDED	
	Exterior brick veneer						EXCLUDED	
	Building foundation(s)						EXCLUDED	
	Concrete floor slabs (interior)						EXCLUDED	
	Wall, floor, and roof structure						EXCLUDED	
	Common element electrical services						EXCLUDED	
	Electrical wiring						EXCLUDED	
	Water piping at common facilities						EXCLUDED	
	Waste piping at common facilities						EXCLUDED	
	Stainless steel pool fixtures						EXCLUDED	

LONG-LIFE EXCLUSIONS	
Comments	
<ul style="list-style-type: none"> Long Life Exclusions. Components that when properly maintained, can be assumed to have a life equal to the property as a whole, are normally excluded from the Replacement Reserve Inventory. Examples of items excluded from funding by Replacement Reserves by this standard are listed above. Exterior masonry is generally assumed to have an unlimited economic life, but periodic repointing is required, and we have included this for funding in the Replacement Reserve Inventory. The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive. 	

Excluded Items

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)		REL	REPLACEMENT COST (\$)
				NEL	REL		
	All components serving one unit						EXCLUDED
	All improvement on an individual lot						EXCLUDED

Comments

- Unit improvement Exclusions. We understand that the elements of the project that relate to a single unit are the responsibility of that unit owner. Examples of items excluded from funding by Replacement Reserves by this standard are listed above.
- The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

UTILITY EXCLUSIONS								
Excluded Items								
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)	
	Primary electric feeds						EXCLUDED	
	Electric transformers						EXCLUDED	
	Cable TV systems and structures						EXCLUDED	
	Telephone cables and structures						EXCLUDED	
	Site lighting						EXCLUDED	
	Gas mains and meters						EXCLUDED	
	Water mains and meters						EXCLUDED	
	Sanitary sewers						EXCLUDED	

UTILITY EXCLUSIONS	
Comments	
<ul style="list-style-type: none">Utility Exclusions. Many improvements owned by utility companies are on property owned by the Association. We have assumed that repair, maintenance, and replacements of these components will be done at the expense of the appropriate utility company. Examples of items excluded from funding Replacement Reserves by this standard are listed above.The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.	

MAINTENANCE AND REPAIR EXCLUSIONS							
Excluded Items							
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
	Maintenance equipment, vehicles and tools						EXCLUDED
	Cleaning of asphalt pavement						EXCLUDED
	Crack sealing of asphalt pavement						EXCLUDED
	Painting of curbs						EXCLUDED
	Striping of parking spaces						EXCLUDED
	Numbering of parking spaces						EXCLUDED
	Landscaping and site grading						EXCLUDED
	Exterior painting						EXCLUDED
	Interior painting						EXCLUDED
	Janitorial service						EXCLUDED
	Repair services						EXCLUDED
	Partial replacements						EXCLUDED
	Capital improvements						EXCLUDED

MAINTENANCE AND REPAIR EXCLUSIONS	
Comments	
<ul style="list-style-type: none"> Maintenance activities, one-time-only repairs, and capital improvements. These activities are NOT appropriately funded from Replacement Reserves. The inclusion of such component in the Replacement Reserve Inventory could jeopardize the special tax status of ALL Replacement Reserves, exposing the Association to significant tax liabilities. We recommend that the Board of Directors discuss these exclusions and Revenue Ruling 75-370 with a Certified Public Accountant. Examples of items excluded from funding by Replacement Reserves are listed above. The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive. 	

GOVERNMENT EXCLUSIONS								
Excluded Items								
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)	
	Government, roadways and parking						EXCLUDED	
	Government, stormwater mgmt.						EXCLUDED	
	Government, ponds						EXCLUDED	
	Government, mailboxes						EXCLUDED	

GOVERNMENT EXCLUSIONS	
Comments	
<ul style="list-style-type: none">Government Exclusions. We have assumed that some of the improvements installed on property owned by the Association will be maintained by the state, county, or local government, or other association or other responsible entity. Examples of items excluded from funding by Replacement Reserves by this standard are listed above.Excluded rights-of-way, including adjacent properties and adjacent roadways.The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.	

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SECTION C - CALENDAR OF PROJECTED ANNUAL REPLACEMENTS

GENERAL STATEMENT. The 10 Projected Replacements in the Timberlake Community Association - Quads (Class E) Replacement Reserve Inventory whose replacement is scheduled to be funded from Replacement Reserves are broken down on a year-by-year basis, beginning on Page C1.2.

REPLACEMENT RESERVE ANALYSIS AND INVENTORY POLICIES, PROCEDURES, AND ADMINISTRATION

- **REVIEW OF THE REPLACEMENT RESERVE STUDY.** For this study to be effective, it should be reviewed by the Board of Directors, those responsible for the management of the items included in the Replacement Reserve Inventory, and the accounting professionals employed by the Association.
- **REVISIONS.** Revisions will be made to the Replacement Reserve Analysis and Replacement Reserve Inventory in accordance with the written instructions of the Board of Directors. No additional charge is incurred for the first revision if requested in writing within three months of the date of the Replacement Reserve Study. It is our policy to provide revisions in electronic (Adobe PDF) format only. We acknowledge that there are instances in which multiple revisions are necessary. However, unnecessary multiple revisions drain on our time and manpower resources. Therefore, Miller Dodson will exercise its sole discretion as to whether additional charges are incurred.
- **TAX CODE.** The United States Tax Code grants favorable tax status to a common interest development (CID) meeting certain guidelines for their Replacement Reserve. If a CID files their taxes as a 'Corporation' on Form 1120 (IRC Section 277), these guidelines typically require maintenance activities, partial replacements, minor replacements, capital improvements, and one-time only replacements to be excluded from Reserves. A CID cannot co-mingle planning for maintenance activities with capital replacement activities in the Reserves (Revenue Ruling 75-370). Funds for maintenance activities and capital replacements activities must be held in separate accounts. If a CID files taxes as an "Exempt Homeowners Association" using Form 1120H (IRC Section 528), the CID does not have to segregate these activities. However, because the CID may elect to change their method of filing from year to year within the Study Period, we advise using the more restrictive approach. We further recommend that the CID consult with their Accountant and consider creating separate and independent accounts and reserves for large maintenance items, such as painting.
- **CONFLICT OF INTEREST.** Neither Miller - Dodson Associates nor the Reserve Analyst has any prior or existing relationship with this Association which would represent a real or perceived conflict of interest.
- **RELIANCE ON DATA PROVIDED BY THE CLIENT.** Information provided by an official representative of the Association regarding financial, physical conditions, quality, or historical issues is deemed reliable.
- **INTENT.** This Replacement Reserve Study is a reflection of the information provided by the Association and the visual evaluations of the Analyst. It has been prepared for the sole use of the Association and is not for the purpose of performing an audit, quality/forensic analyses, or background checks of historical records.
- **PREVIOUS REPLACEMENTS.** Information provided to Miller - Dodson Associates regarding prior replacements is considered to be accurate and reliable. Our visual evaluation is not a project audit or quality inspection.
- **EXPERIENCE WITH FUTURE REPLACEMENTS.** The Calendar of Annual Projected Replacements, lists replacements we have projected to occur over the Study Period, begins on Page C2. Actual experience in replacing the items may differ significantly from the cost estimates and time frames shown because of conditions beyond our control. These differences may be caused by maintenance practices, inflation, variations in pricing and market conditions, future technological developments, regulatory actions, acts of God, and luck. Some items may function normally during our visual evaluation and then fail without notice.

PROJECTED REPLACEMENTS

2024 - Study Year			2025 - YEAR 1		
Item		\$	Item		\$
3	Quads asphalt driveway, convert to concrete (Ph. 1	\$61,600	1	Mailbox, cluster (styles and sizes vary), Quads	\$24,800
			4	Quads asphalt driveway, convert to concrete (Ph. 2	\$61,600
Total Scheduled Replacements		\$61,600	Total Scheduled Replacements		\$86,400
2026 - YEAR 2			2027 - YEAR 3		
Item		\$	Item		\$
5	Quads asphalt driveway, convert to concrete (Ph. 3	\$61,600	6	Quads asphalt driveway, convert to concrete (Ph. 4	\$61,600
Total Scheduled Replacements		\$61,600	Total Scheduled Replacements		\$61,600
2028 - YEAR 4			2029 - YEAR 5		
Item		\$	Item		\$
7	Quads asphalt driveway, convert to concrete (Ph. 5	\$61,600	8	Quads asphalt driveway, convert to concrete (Ph. 6	\$61,600
Total Scheduled Replacements		\$61,600	Total Scheduled Replacements		\$61,600
2030 - YEAR 6			2031 - YEAR 7		
Item		\$	Item		\$
2	Quads concrete driveway, existing (partial allowance)	\$30,800	10	Quads asphalt driveway, convert to concrete (Ph. 8	\$61,600
9	Quads asphalt driveway, convert to concrete (Ph. 7	\$61,600	Total Scheduled Replacements		\$61,600
Total Scheduled Replacements		\$92,400	Total Scheduled Replacements		\$61,600
2032 - YEAR 8			2033 - YEAR 9		
Item		\$	Item		\$
No Scheduled Replacements			No Scheduled Replacements		

PROJECTED REPLACEMENTS

<div>Item2034 - YEAR 10\$</div> <div>No Scheduled Replacements</div>			<div>Item2035 - YEAR 11\$</div> <div>No Scheduled Replacements</div>		
<div>Item2036 - YEAR 12\$</div> <div>2Quads concrete driveway, existing (partial allowance)\$30,800</div> <div>Total Scheduled Replacements\$30,800</div>			<div>Item2037 - YEAR 13\$</div> <div>No Scheduled Replacements</div>		
<div>Item2038 - YEAR 14\$</div> <div>No Scheduled Replacements</div>			<div>Item2039 - YEAR 15\$</div> <div>No Scheduled Replacements</div>		
<div>Item2040 - YEAR 16\$</div> <div>No Scheduled Replacements</div>			<div>Item2041 - YEAR 17\$</div> <div>No Scheduled Replacements</div>		
<div>Item2042 - YEAR 18\$</div> <div>2Quads concrete driveway, existing (partial allowance)\$30,800</div> <div>Total Scheduled Replacements\$30,800</div>			<div>Item2043 - YEAR 19\$</div> <div>No Scheduled Replacements</div>		

PROJECTED REPLACEMENTS

<div>Item2044 - YEAR 20\$</div> <div>No Scheduled Replacements</div>			<div>Item2045 - YEAR 21\$</div> <div>No Scheduled Replacements</div>		
<div>Item2046 - YEAR 22\$</div> <div>No Scheduled Replacements</div>			<div>Item2047 - YEAR 23\$</div> <div>No Scheduled Replacements</div>		
<div>Item2048 - YEAR 24\$</div> <div>2Quads concrete driveway, existing (partial allowance)\$30,800</div> <div>Total Scheduled Replacements\$30,800</div>			<div>Item2049 - YEAR 25\$</div> <div>No Scheduled Replacements</div>		
<div>Item2050 - YEAR 26\$</div> <div>No Scheduled Replacements</div>			<div>Item2051 - YEAR 27\$</div> <div>No Scheduled Replacements</div>		
<div>Item2052 - YEAR 28\$</div> <div>No Scheduled Replacements</div>			<div>Item2053 - YEAR 29\$</div> <div>No Scheduled Replacements</div>		

PROJECTED REPLACEMENTS

<div>Item2054 - YEAR 30\$</div> <div>2Quads concrete driveway, existing (partial allowance)\$30,800</div> <div>Total Scheduled Replacements\$30,800</div>			<div>Item2055 - YEAR 31\$</div> <div>No Scheduled Replacements</div>		
<div>Item2056 - YEAR 32\$</div> <div>No Scheduled Replacements</div>			<div>Item2057 - YEAR 33\$</div> <div>No Scheduled Replacements</div>		
<div>Item2058 - YEAR 34\$</div> <div>No Scheduled Replacements</div>			<div>Item2059 - YEAR 35\$</div> <div>No Scheduled Replacements</div>		
<div>Item2060 - YEAR 36\$</div> <div>1Mailbox, cluster (styles and sizes vary), Quads\$24,800</div> <div>2Quads concrete driveway, existing (partial allowance)\$30,800</div> <div>Total Scheduled Replacements\$55,600</div>			<div>Item2061 - YEAR 37\$</div> <div>No Scheduled Replacements</div>		
<div>Item2062 - YEAR 38\$</div> <div>No Scheduled Replacements</div>			<div>Item2063 - YEAR 39\$</div> <div>No Scheduled Replacements</div>		

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1. COMMON INTEREST DEVELOPMENTS - AN OVERVIEW

Over the past 40 years, the responsibility for many services, facilities and infrastructure around our homes has shifted from the local government to Community Associations. Thirty years ago, a typical new town house abutted a public street on the front and a public alley on the rear. Open space was provided by a nearby public park, and recreational facilities were purchased ala carte from privately-owned country clubs, swim clubs, tennis clubs, and gymnasiums. Today, 60% of all new residential construction, i.e. townhouses, single-family homes, condominiums, and cooperatives, is in Common Interest Developments (CID). In a CID, a homeowner is bound to a Community Association that owns, maintains, and is responsible for periodic replacements of various components that may include the roads, curbs, sidewalks, playgrounds, streetlights, recreational facilities, and other community facilities and infrastructure.

The growth of Community Associations has been explosive. In 1965, there were only approximately 500 Community Associations in the United States. According to the 1990 U.S. Census, there were roughly 130,000 Community Associations. The Community Associations Institute (CAI), a national trade association, estimates in 2020 that there were more than 350,000 communities with over 75 million residents.

The shift of responsibility for billions of dollars of community facilities and infrastructure from the local government and private sector to Community Associations has generated new and unanticipated issues. Although Community Associations have succeeded in solving many short-term issues, many Associations still fail to properly plan for the significant expenses of replacing community facilities and infrastructure components. When inadequate Replacement Reserve funding results in less than timely replacements of failing components, home owners are invariably exposed to the burden of special assessments, major increases in Association fees, and often a decline in property values.

2. REPLACEMENT RESERVE STUDY

The purpose of a Replacement Reserve Study is to provide the Association with an inventory of the common community facilities and infrastructure components that require periodic major repair or replacement, a general view of the physical condition of these components, and an effective financial plan to fund projected periodic replacements or major repairs. The Replacement Reserve Study consists of the following:

Replacement Reserve Study Introduction. The introduction provides a description of the property, an Executive Summary of the Funding Recommendations, Level of Reserve Study service, and a statement of the Purpose of the Replacement Reserve Study. It also lists documents and site evaluations upon which the Replacement Reserve Study is based, and provides the Credentials of the Reserve Analyst.

Section A Replacement Reserve Analysis. Many components that are owned by the Association have a limited life and require periodic replacement. Therefore, it is essential that the Association have a financial plan that provides funding for the timely replacement of these components in order to protect the safety, appearance, and ultimately, the property value of the home in the community. In conformance with National Reserve Study Standards, a Replacement Reserve Analysis evaluates the current funding of Replacement Reserves as reported by the Association and recommends annual funding of Replacement Reserves using the Threshold Cash Flow Method. See definition below.

Section B Replacement Reserve Inventory. The Replacement Reserve Inventory lists the commonly owned components within the community that require periodic replacement using funding from Replacement Reserves. Replacement Reserve Inventory includes estimates of the Normal Economic Life (NEL) and the Remaining Economic Life (REL) for those components whose replacement is scheduled for funding from Replacement Reserves.

The Replacement Reserve Inventory also provides information about those components which are excluded from the Replacement Reserve Inventory and whose replacement is not scheduled for funding from Replacement Reserves.

Section C Projected Annual Replacements. The Calendar of Projected Annual Replacements provides a year-by-year listing of the Projected Replacements based on the data in the Replacement Reserve Inventory.

Section D Condition Assessment. The observed condition of the major items listed in the Replacement Reserve Inventory are discussed in more detail. The Condition Assessment includes a narrative and photographs that document conditions at the property observed at the time of our visual evaluation.

The Appendix is provided as an attachment to the Replacement Reserve Study. Additional attachments may include supplemental photographs to document conditions at the property and additional information specific to the property cited in the Conditions Assessment (i.e. Consumer Product Safety Commission, Handbook for Public Playground Safety, information on segmental retaining walls, manufacturer recommendations for asphalt shingles or siding, etc.).

3. METHODS OF ANALYSIS

The Replacement Reserve industry generally recognizes two different methods of accounting for Replacement Reserve Analysis, the Cash Flow Method and the Component Method. Due to the difference in accounting methodologies, these methods lead to different calculated values for the Recommended Annual Funding to the Reserves. A brief description is included below:

Cash Flow Threshold Method. This Reserve Study uses the Threshold Cash Flow Method, sometimes referred to as the "Pooling Method." It calculates the minimum constant annual funding to reserves (Minimum Annual Deposit) required to meet projected expenditures without allowing total reserves on hand to fall below the predetermined Minimum Balance, or Threshold, in any year.

Component Method. The Component Method of calculating Reserve Funding needs is based upon an older mathematical model. Instead of calculating total funding based on yearly funding requirements, the Component method treats each component as its own "line item" budget that can only be used for that component. As a result, the Component Method is typically more conservative requiring greater Annual Reserve Funding levels.

4. REPLACEMENT RESERVE STUDY DATA

Identification of Reserve Components. The Reserve Analyst has only two methods of identifying Reserve Components; (1) information provided by the Association and (2) observations made at the site. It is important that the Reserve Analyst be provided with all available information detailing the components owned by the Association. It is our policy to request such information prior to bidding on a project and to meet with the parties responsible for maintaining the community after acceptance of our proposal. Upon submission of the initial Study, the Study should be reviewed by the Board of Directors and the individuals responsible for maintaining the community. We depend upon the Association for correct information, documentation, and drawings. We also look to the Association representative to help us fashion the Reserve Study so that it reflects what the community hopes to accomplish in the coming years.

Unit Costs. Unit costs are developed using nationally published standards and estimating guides and are adjusted by state or region. In some instances, recent data received in the course of our work is used to modify these figures. Contractor proposals or actual cost experience may be available as part of the Association records. This is useful information, which should be incorporated into your report. Please bring any such available data to our attention, preferably before the report is commenced.

Replacement vs. Repair and Maintenance. A Replacement Reserve Study addresses the required funding for Capital Replacement Expenditures. This should not be confused with operational costs or cost of regular repairs or maintenance.

5. DEFINITIONS

Adjusted Cash Flow Analysis. Cash flow analysis adjusted to take into account annual cost increases due to inflation and interest earned on invested reserves. In this method, the annual contribution is assumed to grow annually at the inflation rate.

Annual Deposit if Reserves Were Fully Funded. Shown on the Summary Sheet A1 in the Component Method summary, this would be the amount of the Annual Deposit needed if the Reserves Currently on Deposit were equal to the Total Current Objective.

Cash Flow Analysis. See Cash Flow Threshold Method, above.

Component Analysis. See Component Method, above.

Contingency. An allowance for unexpected requirements. The "Threshold" used in the Cash Flow Method is a predetermined minimum balance that serves the same purpose as a "contingency". However, IRS Guidelines do not allow for a "contingency" line item in the inventory. Therefore, it is built into the mathematical model as a "Threshold".

Cyclic Replacement Item. A component item that typically begins to fail after an initial period (Estimated Initial Replacement), but which will be replaced in increments over a number of years (the Estimated Replacement Cycle). The Reserve Analysis program divides the number of years in the Estimated Replacement Cycle into five equal increments. It then allocates the Estimated Replacement Cost equally over those five increments. (As distinguished from Normal Replacement Items, see below)

Estimated Normal Economic Life (NEL). Used in the Normal Replacement Schedules. This represents the industry average number of years that a new item should be expected to last until it has to be replaced. This figure is sometimes modified by climate, region, or original construction conditions.

Estimated Remaining Economic Life (REL). Used in the Normal Replacement Schedules. Number of years until the item is expected to need replacement. Normally, this number would be considered to be the difference between the Estimated

Economic Life and the age of the item. However, this number must be modified to reflect maintenance practice, climate, original construction and quality, or other conditions. For the purpose of this report, this number is determined by the Reserve Analyst based on the present condition of the item relative to the actual age.

Minimum Annual Deposit. Shown on the Summary Sheet A1. The calculated requirement for annual contribution to reserves as calculated by the Cash Flow Method (see above).

Minimum Balance. Otherwise referred to as the Threshold, this amount is used in the Cash Flow Threshold Method only. Normally derived using the average annual expenditure over the study period, this is the minimum amount held in reserves in the Peak Year.

National Reserve Study Standards. A set of Standards developed by the Community Associations Institute in 1995 (and updated in 2017) which establishes the accepted methods of Reserve Calculation and stipulates what data must be included in the Reserve Study for each component listed in the inventory. These Standards can be found at CALonline.org.

Normal Replacement Item. A component of the property that, after an expected economic life, is replaced in its entirety. (As distinguished from Cyclic Replacement Items, see above.)

Number of Years of the Study. The numbers of years into the future for which expenditures are projected and reserve levels calculated. This number should be large enough to include the projected replacement of every item on the schedule, at least once. The Reserve Study must cover a minimum of 20 years to comply with the National Reserve Study Standards. However, your study covers a 40-year period.

Peak Year. In the Cash Flow Threshold Method, a year in which the reserves on hand are projected to fall to the established threshold level. See Minimum Balance, above.

Reserves Currently on Deposit. Shown on the Summary Sheet A1, this is the amount of accumulated reserves as reported by the Association in the current year.

Replacement Reserve Study. An analysis of all of the components of the common property of a Community Association for which replacement should be anticipated within the economic life of the property as a whole. The analysis involves estimation for each component of its Estimated Replacement Cost, Normal Economic Life, and Remaining Economic Life. The objective of the study is to calculate a Recommended Annual Funding to the Association's Replacement Reserve Fund.

Total Replacement Cost. Shown on the Summary Sheet A1, this is total of the Estimated Replacement Costs for all items on the schedule if they were to be replaced once.

Unit Replacement Cost. Estimated replacement cost for a single unit of a given item on the schedule.

Unit (of Measure). Non-standard abbreviations are defined on the page of the Replacement Reserve Inventory where the item appears. The following standard abbreviations are used in this report:

ea	each	ls	lump sum	sy	square yard
ft or lf	linear foot	pr	pair	cy	cubic yard
sf	square foot				

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What is a Reserve Study?
Who are we?



<https://youtu.be/m4BcOE6q3Aw>

What kind of property uses a Reserve Study?
Who are our clients?



<https://youtu.be/40SodajTW1g>

Who conducts a Reserve Study?
Reserve Specialist (RS) what does this mean?



<https://youtu.be/pYSMZ013VjQ>

When should a Reserve Study be updated?
What are the different types of Reserve Studies?



<https://youtu.be/Qx8WHB9Cgnc>

What's in a Reserve Study and what's out?
Improvement/Component, what's the difference?



<https://youtu.be/ZfBoAEhtf3E>

What is my role as a Community Manager?
Will the report help me explain Reserves?



<https://youtu.be/1J2h7FIU3qw>

What is my role as a community Board Member?
Will a Reserve Study meet my needs?



<https://youtu.be/aARD1B1Oa3o>

Community dues, how can a Reserve Study help?
Will a study keep my property competitive?



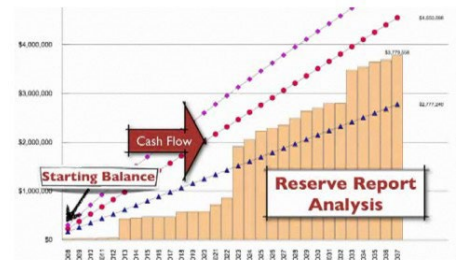
<https://youtu.be/diZfM1lyJYU>

How do I read the report?
Will I have a say in what the report contains?



<https://youtu.be/qCeVJhFf9ag>

Where do the numbers come from?
Cumulative expenditures and funding, what?



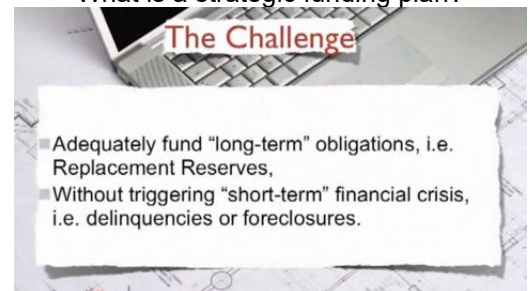
<https://youtu.be/SePdwVDvHWI>

How are interest and inflation addressed?
Inflation, what should we consider?



<https://youtu.be/W8CDLwRlv68>

A community needs more help, where do we go?
What is a strategic funding plan?



<https://youtu.be/hIxV9X1tlcA>