

CRITERIUM[®] **DOTSON ENGINEERS**

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PROPERTY EVALUATION AND RESERVE FUND STUDY ~UPDATE~

RIVERCHASE OF WYLIE

WYLIE, TEXAS

Prepared for:

RIVERCHASE OF WYLIE HOMEOWNERS ASSOCIATION

C/o Mr. John Sanders
HOA Board of Directors
1701 E. Fork
Wylie, Texas 75098

Project Number: C100426-1
Date of Investigation: June 28, 2010
Investigators: Tim Freeman, B.S. Eng.
Reviewed By: David H. Dotson, P.E., R.S.

Original: April, 2006
Update: June, 2010

(Revised Update: August 2010)

INTRODUCTION

The following is a projected reserve fund analysis for non-annual items as discussed in the report. This projection takes into consideration a reasonable return on invested moneys and inflation. Please review this thoroughly and let us know of any changes that may be desired.

The intent of this reserve fund projection is to help the association develop a reserve fund to provide for anticipated repair or replacements of various system components during the next twenty years.

The capital items listed are those that are typically the responsibility of the Association and are derived from a list developed by Criterium-Dotson Engineers. A copy of this list is provided in this Appendix. However, association by-laws vary and, therefore, which components is the responsibility of the individual owners and which is the responsibility of the association can vary. The association should confirm that the items listed should be financed by the association reserve fund.

This projection provides the following:

- An input sheet that defines all the criteria used for the financial alternatives, including the assumed inflation rate and rate of return on deposited reserve funds.
- A table that lists anticipated replacement and/or repair items complete with estimated remaining life expectancies, projected costs of replacement and/or repair, a frequency in years of when these items require replacement and/or repair, and a projection based on this frequency.
- A table and graph that represent end of year balances versus capital expenditures based on your current funding program and reserve balances, and alternatives to your current program. The provided graphs illustrate what effects the funding methods will have over the presented twenty-year period versus the anticipated capital expenditures. Care should be taken in analyzing the graphs due to varying graphic scales that occur within each graph and between graphs.
- **Note that based on our developed list of capital items and taking inflation into account; the current funding level is NOT adequate to meet the needs of the community over the next twenty (20) years.**
- The association should bear in mind that unanticipated expenditures can always arise and maintenance of a significant reserve fund balance can be viewed as a way to avoid special assessments.

Our objective is to maintain positive funding levels over 20 years without building up huge reserves. At the end of 20 years, we look to maintain a balance at least equal to the average annual reserve requirement unless we are anticipating additional major expenditures following quickly after 20 years. To achieve this goal we have projected anticipated maintenance/replacement costs, interest earned on investments, an assumed inflation factor and the current fund balance and operating budget to determine that the required level of funding for capital needs. Please remember this does not include any allowance for routine maintenance and operations costs. Only capital costs are included.

There are items, primarily paving and flatwork replacement, that fall far outside the 20-year reserve analysis. A Reserve Study is a working tool and a fluid document over time. In addition to changing conditions, one of the primary reasons that we recommend a reserve study be updated every 4 years is so that items that fall outside the 20-year analysis today will be pulled into the calculations and required reserve funding when they are still 20 years out, thus allowing sufficient time to accumulate funds without placing unnecessary burden on current residents.

- **EXISTING FUNDING LEVEL:**

We have assessed current Reserve as the amount funds currently designated as Reserves together with current contribution being made into the Reserve Fund account. Assuming that operating costs offset all revenues collected during the twenty-year planning period, the Associations current Capital Fund Balance is not adequate to meet the long-term Associations needs.

The following Alternatives show required funding levels over the duration based on the current balance.

- **ALTERNATIVE # 1:**

Alternative 1 proposes generally level funding for capital reserves over the duration with maintaining current contribution levels and steps in contribution levels in three (3) year increments. This alternative creates an adequate fund balance at the end of the period and represents a good, conservative approach.

- **ALTERNATIVE # 2:**

Alternative 2 also proposes maintaining current contribution levels and annual escalation in dues for capital reserves over the duration. This alternative creates an adequate fund balance at the end of the period and also represents a solid approach.

- **ALTERNATIVE # 3:**

Alternative 3 reviews maintaining level funding over the duration of the funding period at the current contribution level. This alternative requires one special assessment at year 17; however, it holds annual dues for capital reserve to a minimum. THIS ALTERNATIVE IS GENERALLY NOT RECOMMENDED but shows the affect of not adequately building funds required for the future.

Please note that the reserve fund study does not include typical annual maintenance items. Our assumption is that you already have an annual operating budget that provides for these typical, repetitive items. This includes miscellaneous repairs, lawn and grounds maintenance, routine minor painting, etc. We have focused on those significant, non-annual items where careful financial planning is important.

Finally, please note that the estimates we have developed are based on 2010 dollars. Our reserve fund study does adjust for an estimated annual inflation and a given return on investment assuming that the indicated fund balances are maintained.

CRITERIUM-DOTSON ENGINEERS

Reserve Study Worksheet

General Information:

1 Organization: **Riverchase of Wylie Homeowners Association**
 2 Address: **1701 E. Fork**
Wylie, TX

3	Number of Units	291
4	Age of Building (in years)	10
5a	Study Period (in years)	20
5b	Normal Fiscal Year starts:	January 1, 2010
5c	Partial Fiscal Year starts:	June 1, 2010
5d	Partial Year Length:	7 months
6	Site Inspection Date	June 28, 2010
7	Reserve Funds at start	\$112,000
8	Rate of Return on invested Reserve Funds (%)	3.0%
9	Inflation Rate (%)	4.0%

10 Current Funding Levels

Existing Funding Levels					
		Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Reserve Fund Contribution		\$1,455	\$17,460	\$5.00	\$60.00
	Years Out		Total Annual	Per Unit	
Planned Special Assessment	0		\$0	\$0	
Balance Computed	(\$80,213)				

11 Alternative Reserve Fund Contribution

Alternative 1 Level Funding with Steps (Increases Every 3 Years)					
		Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Monthly Amount, (First Year)		\$1,455	\$17,460	\$5.00	\$60.00
Monthly Amount, (Last Year)		\$3,856	\$46,269	\$13.25	\$159.00
Balance Required Final Year		\$27,762			
Special Assessments:	Years Out		Total/Year	Per Unit	
First Assessment	0		\$0	\$0	
Second Assessment	0		\$0	\$0	
Balance Computed	\$245,500				

Alternative 2 Escalating Funding at 5.75% per Year					
		Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Monthly Amount, (First Year)		\$1,455	\$17,460	\$5.00	\$60.00
Monthly Amount, (Last Year)		\$4,209	\$50,509	\$14.46	\$173.57
Balance Required Final Year		\$27,762			
Base Escalation %	5.75%				
Special Assessments:	Years Out		Total/Year	Per Unit	
First Assessment	0		\$0	\$0	
Second Assessment	0		\$0	\$0	
Balance Computed	\$245,994				

Alternative 3 Escalating Funding with Special Assessments					
		Total/Month	Total Annual	Per Unit/Month	Per Unit/Year
Monthly Amount, (First Year)		\$1,455	\$17,460	\$5.00	\$60.00
Monthly Amount, (Last Year)		\$1,455	\$17,460	\$5.00	\$60.00
Balance Required Final Year		\$27,762			
Base Escalation %	0.00%				
Special Assessments:	Years Out		Total/Year	Per Unit	
First Assessment	17	Jan 2026	\$100,000	\$344	
Second Assessment	0		\$0	\$0	
Third Assessment				\$0	
Balance Computed	\$22,312				

Itemized Worksheet

Capital Item To Be Replaced	Quantity	Unit cost	Reserve Requirement (*)	Beginning Balance	Frequency (yrs**)	Remaining Life (yrs)	Reserve Funding Monthly	Required Annual	Full Funding Balance	Information Source	
Site											
Perimeter Brick Fencing Repairs***	975	lin ft	\$25.00	\$24,375.00	\$4,436.75	8	1	\$1,661.52	\$19,938.25	\$21,328.13	
Brick Entrance Monument Repairs	3	ea	\$750.00	\$2,250.00	\$374.44	10	2	\$78.15	\$937.78	\$1,800.00	
Concrete Sidewalk Repairs (-114,825-sf- Periodic)	114,825	sq ft	\$0.00	\$0.00	\$0.00	6	3	\$0.00	\$0.00	\$0.00	Reportedly H.O. Resp.
Replace Irrigation Controllers	5	ea	\$0.00	\$0.00	\$0.00	11	1	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Electrical Panels	5	ea	\$0.00	\$0.00	\$0.00	18	8	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Lake-Partial Dredging/Maintenance Of Lake	1	lot	\$18,000.00	\$18,000.00	\$3,744.42	15	0	\$0.00	\$0.00	\$18,000.00	Bid Accepted by HOA Board
Replace Asphalt Walking Trail @ Common Area w/ Crushed Granite	3,780	sq ft	\$7.75	\$29,295.00	\$6,032.48	99	1	\$1,938.54	\$23,262.52	\$28,999.09	1-time Item
Stain Wood Bridge Across Creek	1	lot	\$0.00	\$0.00	\$0.00	4	1	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Wood Bridge Across Creek	1	lot	\$8,500.00	\$8,500.00	\$1,679.79	20	1	\$568.35	\$6,820.21	\$8,075.00	
Wash & Stain Board-On-Board Cedar Fencing @ Pool Area	225	lin ft	\$0.00	\$0.00	\$0.00	4	3	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Board-On-Board Cedar Fencing @ Pool Area	225	lin ft	\$0.00	\$0.00	\$0.00	18	8	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Repair Concrete Perimeter Wall @ Playground Area	200	lin ft	\$0.00	\$0.00	\$0.00	10	3	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Periodic Street Repairs/Replacement (~360,750 sf total)	36,075	sq ft	\$1.15	\$41,486.25	\$2,876.70	4	4	\$804.37	\$9,652.39	\$13,828.75	Increased Frequency w/ Age
Partial Concrete Street Replacement (30%)	108,225	sq ft	\$5.50	\$595,237.50	\$30,955.81	40	30	\$1,567.45	\$18,809.39	\$148,809.38	
Partial Concrete Street Replacement (30%)	108,225	sq ft	\$5.50	\$595,237.50	\$27,516.27	45	35	\$1,351.72	\$16,220.61	\$132,275.00	
Partial Concrete Street Replacement (30%)	108,225	sq ft	\$5.50	\$595,237.50	\$24,764.65	50	40	\$1,188.49	\$14,261.82	\$119,047.50	
Paint & Repair Wrought Iron Fencing Along FM 1378	1,470	lin ft	\$0.00	\$0.00	\$0.00	6	0	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Wrought Iron Fencing Along FM 1378	1,470	lin ft	\$55.00	\$80,850.00	\$5,606.23	30	20	\$313.52	\$3,762.19	\$26,950.00	
Paint & Repair Wrought Iron Fencing @ Pool Area	250	lin ft	\$0.00	\$0.00	\$0.00	6	4	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Wrought Iron Fencing @ Pool Area	250	lin ft	\$60.00	\$15,000.00	\$866.76	36	26	\$45.30	\$543.59	\$4,166.67	
Clean/Prime/Paint Ornamental Iron Street Lights	21	ea	\$225.00	\$4,725.00	\$860.05	8	1	\$322.08	\$3,864.95	\$4,134.38	
Building Exterior											
Wash & Stain Cabana Cedar Overhang & Paneling	1	lot	\$0.00	\$0.00	\$0.00	5	4	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Composition Shingle Roof	300	sq ft	\$4.00	\$1,200.00	\$124.81	20	10	\$8.96	\$107.52	\$600.00	
Replace Standing Seam Metal Roof	375	sq ft	\$6.50	\$2,437.50	\$126.76	40	30	\$6.42	\$77.02	\$609.38	
Building Interior											
Replace Restroom Fixtures	1	lot	\$0.00	\$0.00	\$0.00	22	12	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Interior Upgrades @ Restrooms	1	lot	\$0.00	\$0.00	\$0.00	22	12	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Mechanical											
Replace Entrance / Exit Gate Equipment	12	ea	\$0.00	\$0.00	\$0.00	8	1	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Entrance / Exit Gate Controllers	3	ea	\$0.00	\$0.00	\$0.00	15	1	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Walkway Gate Controllers (Incl. Pool Area)	7	ea	\$0.00	\$0.00	\$0.00	15	5	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Lake Fountain & Equipment / Controls	1	lot	\$0.00	\$0.00	\$0.00	8	7	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Old Pool Pump	1	ea	\$0.00	\$0.00	\$0.00	8	1	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Newer Pool Pumps	3	ea	\$0.00	\$0.00	\$0.00	8	7	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Pool Filters	4	ea	\$0.00	\$0.00	\$0.00	10	1	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Amenities											
Re-surface Pool & Wading Pool	2,150	sq ft	\$5.00	\$10,750.00	\$559.06	8	6	\$141.54	\$1,698.49	\$2,687.50	
Re-seal Coping To Decking Joint	175	lin ft	\$5.00	\$875.00	\$91.01	4	2	\$32.67	\$391.99	\$437.50	
Concrete Kool-Deck Pool Decking Repairs (Periodic)	2,730	sq ft	\$1.25	\$3,412.50	\$532.41	8	2	\$120.00	\$1,440.00	\$2,559.38	Increased Frequency w/ Age
Replace Pool Furniture	1	lot	\$0.00	\$0.00	\$0.00	7	5	\$0.00	\$0.00	\$0.00	Operating Budget Per HOA Board
Replace Picnic Benches @ Common Area Along Creek	5	ea	\$350.00	\$1,750.00	\$227.53	16	6	\$21.15	\$253.75	\$1,093.75	
Replace Metal Park Benches & Trash Receptacles	1	lot	\$1,500.00	\$1,500.00	\$104.01	30	20	\$5.82	\$69.80	\$500.00	
Other											
Reserve Study Updates	1	lot	\$1,750.00	\$1,750.00	\$0.00	4	4	\$36.46	\$437.50	\$0.00	
Contingency	1	lot	\$2,500.00	\$2,500.00	\$520.06	1	0	\$0.00	\$0.00	\$2,500.00	
			Totals	\$2,036,368.75	\$112,000.00			\$10,212.48	\$122,549.81	\$538,401.38	
			Total Over Term	\$93,098.00							

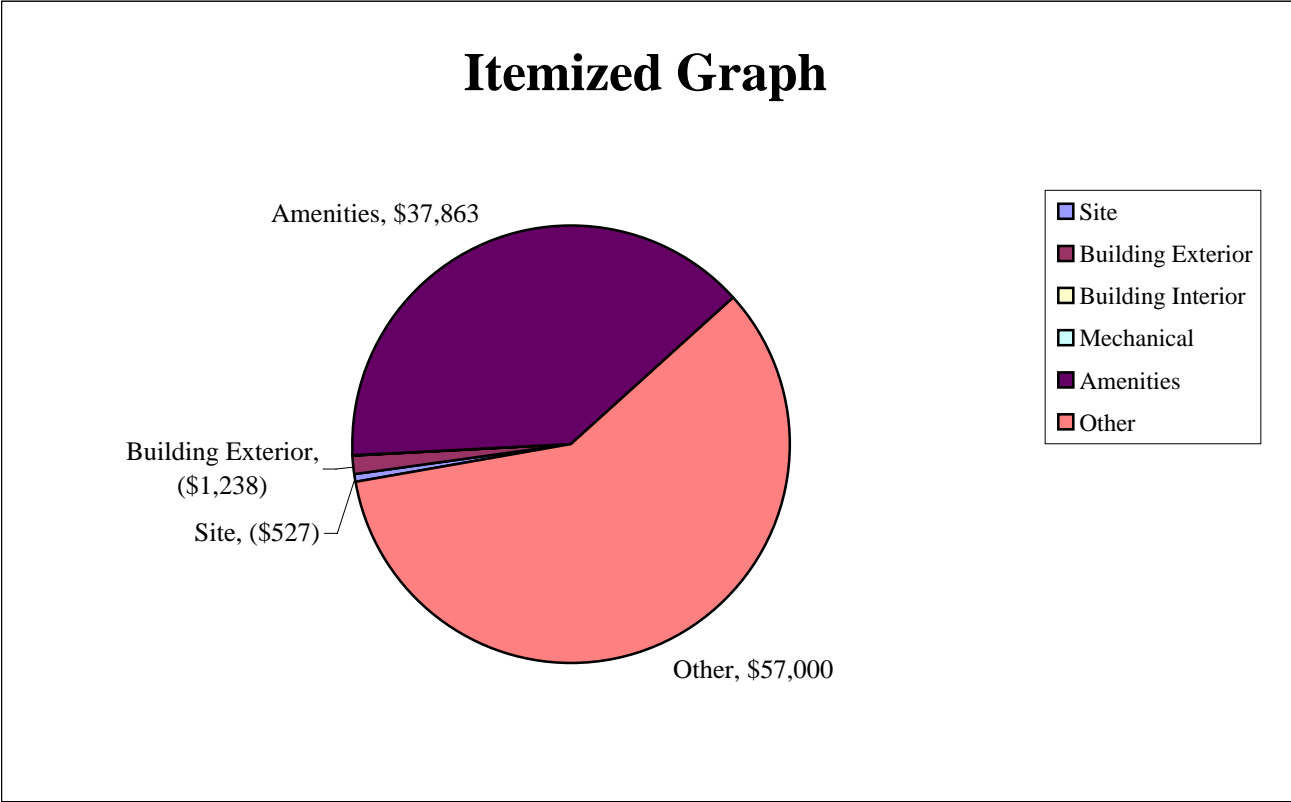
* Costs are typically 10%±

** Reserve study is based on a 20 year projection of non-annual maintenance

*** Horizontal reinforcement at mortar joints corroding causing mortar to spall (~60% of brick fencing panels) - Repair cost is an estimate only

Itemized Graph

Categories	Totals
Site	(\$527)
Building Exterior	(\$1,238)
Building Interior	\$0
Mechanical	\$0
Amenities	\$37,863
Other	\$57,000
Total	\$93,098



Annual Expense By Year

Year:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Site																
Perimeter Brick Fencing Repairs***	0	24,375	0	0	0	0	0	0	0	24,375	0	0	0	0	0	0
Brick Entrance Monument Repairs	0	0	2,250	0	0	0	0	0	0	0	0	0	2,250	0	0	0
Concrete Sidewalk Repairs (~114,825 sf - Periodic)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Irrigation Controllers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Electrical Panels	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lake-Partial Dredging/Maintenance Of Lake	18,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18,000
Replace Asphalt Walking Trail @ Common Area w/ Crushed C	0	29,295	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Stain Wood Bridge Across Creek	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Wood Bridge Across Creek	0	8,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wash & Stain Board-On-Board Cedar Fencing @ Pool Area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Board-On-Board Cedar Fencing @ Pool Area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repair Concrete Perimeter Wall @ Playground Area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Periodic Street Repairs/Replacement (~360,750 sf total)	0	0	0	0	41,486	0	0	0	0	0	41,486	0	0	0	0	0
Partial Concrete Street Replacement (30%)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Partial Concrete Street Replacement (30%)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Partial Concrete Street Replacement (30%)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paint & Repair Wrought Iron Fencing Along FM 1378	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Wrought Iron Fencing Along FM 1378	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paint & Repair Wrought Iron Fencing @ Pool Area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Wrought Iron Fencing @ Pool Area	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Clean/Prime/Paint Ornamental Iron Street Lights	0	4,725	0	0	0	0	0	0	0	4,725	0	0	0	0	0	0
Building Exterior																
Wash & Stain Cabana Cedar Overhang & Paneling	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Composition Shingle Roof	0	0	0	0	0	0	0	0	0	0	1,200	0	0	0	0	0
Replace Standing Seam Metal Roof	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Building Interior																
Replace Restroom Fixtures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interior Upgrades @ Restrooms	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mechanical																
Replace Entrance / Exit Gate Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Entrance / Exit Gate Controllers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Walkway Gate Controllers (Incl. Pool Area)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Lake Fountain & Equipment / Controls	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Old Pool Pump	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Newer Pool Pumps	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Pool Filters	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amenities																
Re-surface Pool & Wading Pool	0	0	0	0	0	0	10,750	0	0	0	0	0	0	0	10,750	0
Re-seal Coping To Decking Joint	0	0	875	0	0	0	875	0	0	0	875	0	0	0	875	0
Concrete Kool-Deck Pool Decking Repairs (Periodic)	0	0	3,413	0	0	0	0	0	0	0	3,413	0	0	0	0	0
Replace Pool Furniture	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replace Picnic Benches @ Common Area Along Creek	0	0	0	0	0	0	1,750	0	0	0	0	0	0	0	0	0
Replace Metal Park Benches & Trash Receptacles	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other																
Reserve Study Updates	0	0	0	0	1,750	0	0	0	1,750	0	0	0	1,750	0	0	0
Contingency	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Total Costs	20,500	69,395	9,038	2,500	45,736	2,500	15,875	2,500	4,250	31,600	49,474	2,500	6,500	2,500	14,125	20,500
Total Costs Adjusted For 4% Inflation	20,500	72,171	9,775	2,812	53,505	3,042	20,087	3,290	5,816	44,977	73,233	3,849	10,407	4,163	24,460	36,919

Annual Expense By Year

	Year: Year Number:	2026 17	2027 18	2028 19	2029 20
Site					
Perimeter Brick Fencing Repairs***		0	24,375	0	0
Brick Entrance Monument Repairs		0	0	0	0
Concrete Sidewalk Repairs (~114,825 sf - Periodic)		0	0	0	0
Replace Irrigation Controllers		0	0	0	0
Replace Electrical Panels		0	0	0	0
Lake-Partial Dredging/Maintenance Of Lake		0	0	0	0
Replace Asphalt Walking Trail @ Common Area w/ Crushed C		0	0	0	0
Stain Wood Bridge Across Creek		0	0	0	0
Replace Wood Bridge Across Creek		0	0	0	0
Wash & Stain Board-On-Board Cedar Fencing @ Pool Area		0	0	0	0
Replace Board-On-Board Cedar Fencing @ Pool Area		0	0	0	0
Repair Concrete Perimeter Wall @ Playground Area		0	0	0	0
Periodic Street Repairs/Replacement (~360,750 sf total)		41,486	0	0	0
Partial Concrete Street Replacement (30%)		0	0	0	0
Partial Concrete Street Replacement (30%)		0	0	0	0
Partial Concrete Street Replacement (30%)		0	0	0	0
Paint & Repair Wrought Iron Fencing Along FM 1378		0	0	0	0
Replace Wrought Iron Fencing Along FM 1378		0	0	0	0
Paint & Repair Wrought Iron Fencing @ Pool Area		0	0	0	0
Replace Wrought Iron Fencing @ Pool Area		0	0	0	0
Clean/Prime/Paint Ornamental Iron Street Lights		0	4,725	0	0
Building Exterior					
Wash & Stain Cabana Cedar Overhang & Paneling		0	0	0	0
Replace Composition Shingle Roof		0	0	0	0
Replace Standing Seam Metal Roof		0	0	0	0
Building Interior					
Replace Restroom Fixtures		0	0	0	0
Interior Upgrades @ Restrooms		0	0	0	0
Mechanical					
Replace Entrance / Exit Gate Equipment		0	0	0	0
Replace Entrance / Exit Gate Controllers		0	0	0	0
Replace Walkway Gate Controllers (Incl. Pool Area)		0	0	0	0
Replace Lake Fountain & Equipment / Controls		0	0	0	0
Replace Old Pool Pump		0	0	0	0
Replace Newer Pool Pumps		0	0	0	0
Replace Pool Filters		0	0	0	0
Amenities					
Re-surface Pool & Wading Pool		0	0	0	0
Re-seal Coping To Decking Joint		0	0	875	0
Concrete Kool-Deck Pool Decking Repairs (Periodic)		0	0	3,413	0
Replace Pool Furniture		0	0	0	0
Replace Picnic Benches @ Common Area Along Creek		0	0	0	0
Replace Metal Park Benches & Trash Receptacles		0	0	0	0
Other					
Reserve Study Updates		1,750	0	0	0
Contingency		2,500	2,500	2,500	2,500
Total Costs		45,736	31,600	6,788	2,500
Total Costs Adjusted For 4% Inflation		85,663	61,554	13,750	5,267

Existing Funding Levels



Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments	Investment Earnings	Capital Expenditures	Ending Balance
2010	1	\$112,000	\$8,000	\$0	\$2,985	\$20,500	\$102,485
2011	2	\$102,485	\$17,460	\$0	\$1,433	\$72,171	\$49,207
2012	3	\$49,207	\$17,460	\$0	\$1,707	\$9,775	\$58,599
2013	4	\$58,599	\$17,460	\$0	\$2,197	\$2,812	\$75,444
2014	5	\$75,444	\$17,460	\$0	\$1,182	\$53,505	\$40,582
2015	6	\$40,582	\$17,460	\$0	\$1,650	\$3,042	\$56,650
2016	7	\$56,650	\$17,460	\$0	\$1,621	\$20,087	\$55,644
2017	8	\$55,644	\$17,460	\$0	\$2,094	\$3,290	\$71,908
2018	9	\$71,908	\$17,460	\$0	\$2,507	\$5,816	\$86,058
2019	10	\$86,058	\$17,460	\$0	\$1,756	\$44,977	\$60,298
2020	11	\$60,298	\$17,460	\$0	\$136	\$73,233	\$4,660
2021	12	\$4,660	\$17,460	\$0	\$548	\$3,849	\$18,820
2022	13	\$18,820	\$17,460	\$0	\$776	\$10,407	\$26,649
2023	14	\$26,649	\$17,460	\$0	\$1,198	\$4,163	\$41,145
2024	15	\$41,145	\$17,460	\$0	\$1,024	\$24,460	\$35,170
2025	16	\$35,170	\$17,460	\$0	\$471	\$36,919	\$16,182
2026	17	\$16,182	\$17,460	\$0	\$0	\$85,663	(\$52,022)
2027	18	(\$52,022)	\$17,460	\$0	\$0	\$61,554	(\$96,115)
2028	19	(\$96,115)	\$17,460	\$0	\$0	\$13,750	(\$92,405)
2029	20	(\$92,405)	\$17,460	\$0	\$0	\$5,267	(\$80,213)

Existing Funding Levels

Beginning Balance as of start of year beginning Jan 2010: \$112,000

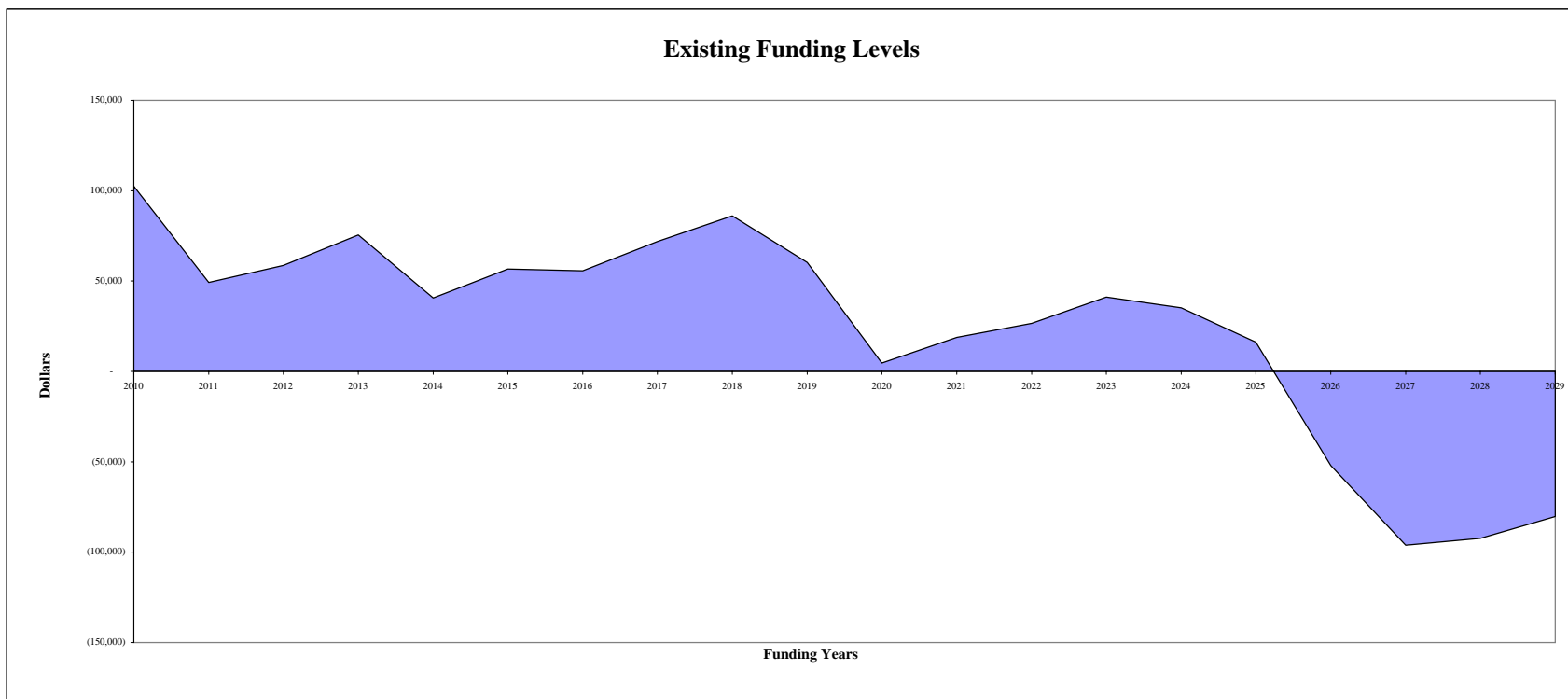
CONTRIBUTIONS	
AMOUNT	
\$17,460.00	per year
\$60.00	per unit per year
\$1,455.00	per month
\$5.00	per unit per month

SPECIAL ASSESSMENTS			
Totals			
Per Year	\$0	Per Unit	\$0

Projected Annual Funding and Expenditures:

Year:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	102,485	49,207	58,599	75,444	40,582	56,650	55,644	71,908	86,058	60,298	4,660	18,820	26,649	41,145	35,170
Capital Expenditures:	20,500	72,171	9,775	2,812	53,505	3,042	20,087	3,290	5,816	44,977	73,233	3,849	10,407	4,163	24,460
Total Revenue (all sources)	10,985	18,893	19,167	19,657	18,642	19,110	19,081	19,554	19,967	19,216	17,596	18,008	18,236	18,658	18,484

Year:	2025	2026	2027	2028	2029
Year Number:	16	17	18	19	20
End of Year Reserve Fund Balance	16,182	(52,022)	(96,115)	(92,405)	(80,213)
Capital Expenditures:	36,919	85,663	61,554	13,750	5,267
Total Revenue (all sources)	53,101	33,642	(34,562)	(78,655)	(74,945)



Alternative 1: Level Funding with Steps

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2010	1	\$112,000	\$8,000	\$0	\$0	\$2,985	\$20,500	\$102,485
2011	2	\$102,485	\$17,460	\$0	\$0	\$1,433	\$72,171	\$49,207
2012	3	\$49,207	\$17,460	\$0	\$0	\$1,707	\$9,775	\$58,599
2013	4	\$58,599	\$22,262	\$0	\$0	\$2,341	\$2,812	\$80,390
2014	5	\$80,390	\$22,262	\$0	\$0	\$1,474	\$53,505	\$50,621
2015	6	\$50,621	\$22,262	\$0	\$0	\$2,095	\$3,042	\$71,936
2016	7	\$71,936	\$27,063	\$0	\$0	\$2,367	\$20,087	\$81,280
2017	8	\$81,280	\$27,063	\$0	\$0	\$3,152	\$3,290	\$108,204
2018	9	\$108,204	\$27,063	\$0	\$0	\$3,884	\$5,816	\$133,334
2019	10	\$133,334	\$31,865	\$0	\$0	\$3,607	\$44,977	\$123,829
2020	11	\$123,829	\$31,865	\$0	\$0	\$2,474	\$73,233	\$84,934
2021	12	\$84,934	\$31,865	\$0	\$0	\$3,388	\$3,849	\$116,338
2022	13	\$116,338	\$36,666	\$0	\$0	\$4,278	\$10,407	\$146,876
2023	14	\$146,876	\$36,666	\$0	\$0	\$5,381	\$4,163	\$184,760
2024	15	\$184,760	\$36,666	\$0	\$0	\$5,909	\$24,460	\$202,875
2025	16	\$202,875	\$41,468	\$0	\$0	\$6,223	\$36,919	\$213,646
2026	17	\$213,646	\$41,468	\$0	\$0	\$5,084	\$85,663	\$174,534
2027	18	\$174,534	\$41,468	\$0	\$0	\$4,633	\$61,554	\$159,081
2028	19	\$159,081	\$46,269	\$0	\$0	\$5,748	\$13,750	\$197,348
2029	20	\$197,348	\$46,269	\$0	\$0	\$7,150	\$5,267	\$245,500

Alternative 1: Level Funding with Steps

Beginning Balance as of start of year beginning Jan 2010: \$112,000

CONTRIBUTIONS	
FIRST YR	LAST YR
\$17,460.00	\$46,269.00 per year
\$60.00	\$159.00 per unit per year
\$1,455.00	\$3,855.75 per month
\$5.00	\$13.25 per unit per month

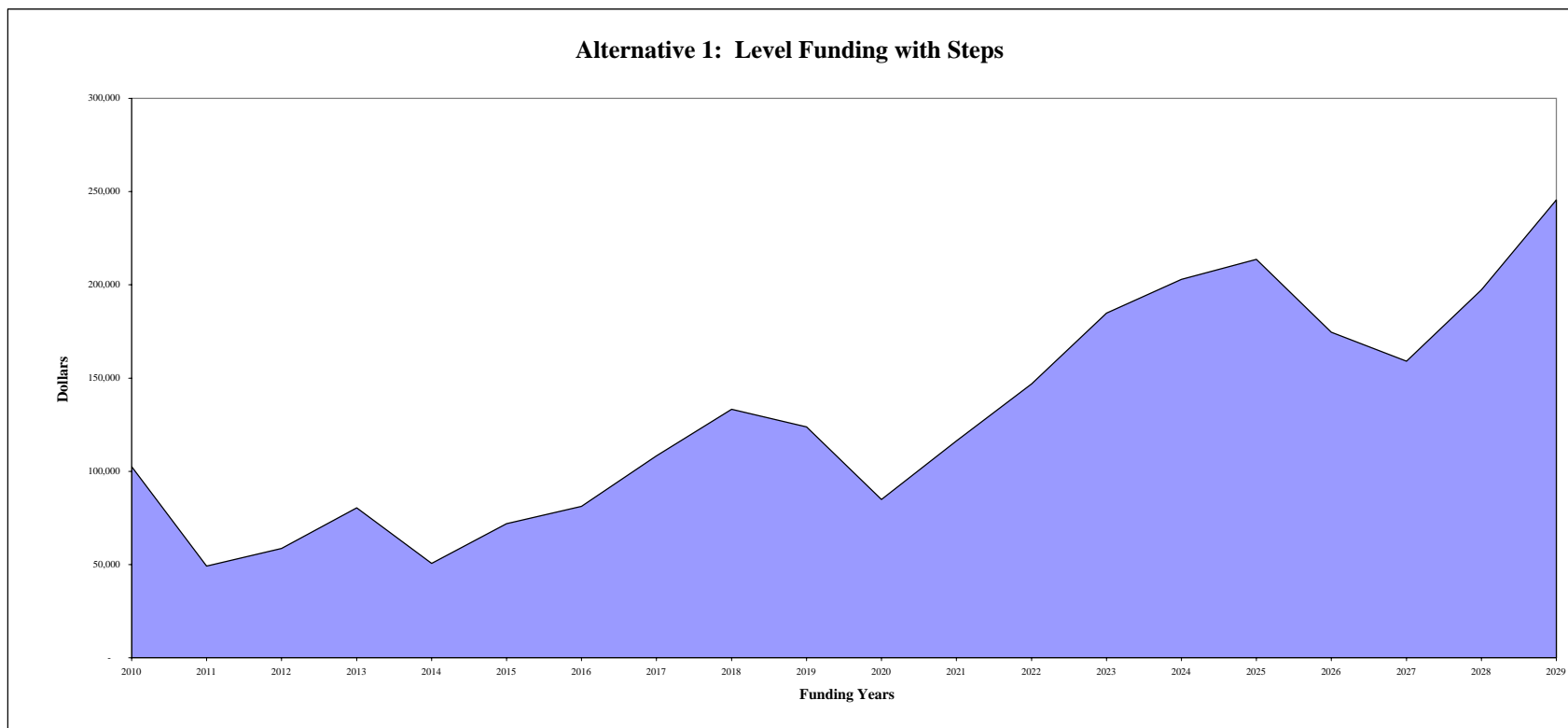
SPECIAL ASSESSMENTS				
First Second	Per Year Per Year	Totals		
		\$0 \$0	Per Unit Per Unit	\$0 \$0

SETTINGS (analyzed by unit/year)			
Starting amount (\$):	60		
Increment by (\$):	16.5		
Every	3	year	
Frequency:	6	time	

Projected Annual Funding and Expenditures:

Year:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	102,485	49,207	58,599	80,390	50,621	71,936	81,280	108,204	133,334	123,829	84,934	116,338	146,876	184,760	202,875
Capital Expenditures:	20,500	72,171	9,775	2,812	53,505	3,042	20,087	3,290	5,816	44,977	73,233	3,849	10,407	4,163	24,460
Total Revenue (all sources)	10,985	18,893	19,167	24,603	23,736	24,357	29,430	30,215	30,947	35,471	34,338	35,253	40,944	42,047	42,575

Year:	2025	2026	2027	2028	2029
Year Number:	16	17	18	19	20
End of Year Reserve Fund Balance	213,646	174,534	159,081	197,348	245,500
Capital Expenditures:	36,919	85,663	61,554	13,750	5,267
Total Revenue (all sources)	47,690	46,551	46,101	52,017	53,419



Alternative 2: Escalating Funding at 5.75% per Year

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2010	1	\$112,000	\$8,000	\$0	\$0	\$2,985	\$20,500	\$102,485
2011	2	\$102,485	\$18,464	\$0	\$0	\$1,463	\$72,171	\$50,241
2012	3	\$50,241	\$19,526	\$0	\$0	\$1,800	\$9,775	\$61,792
2013	4	\$61,792	\$20,648	\$0	\$0	\$2,389	\$2,812	\$82,017
2014	5	\$82,017	\$21,836	\$0	\$0	\$1,510	\$53,505	\$51,858
2015	6	\$51,858	\$23,091	\$0	\$0	\$2,157	\$3,042	\$74,065
2016	7	\$74,065	\$24,419	\$0	\$0	\$2,352	\$20,087	\$80,749
2017	8	\$80,749	\$25,823	\$0	\$0	\$3,098	\$3,290	\$106,380
2018	9	\$106,380	\$27,308	\$0	\$0	\$3,836	\$5,816	\$131,708
2019	10	\$131,708	\$28,878	\$0	\$0	\$3,468	\$44,977	\$119,078
2020	11	\$119,078	\$30,539	\$0	\$0	\$2,291	\$73,233	\$78,674
2021	12	\$78,674	\$32,294	\$0	\$0	\$3,214	\$3,849	\$110,334
2022	13	\$110,334	\$34,151	\$0	\$0	\$4,022	\$10,407	\$138,101
2023	14	\$138,101	\$36,115	\$0	\$0	\$5,102	\$4,163	\$175,155
2024	15	\$175,155	\$38,192	\$0	\$0	\$5,667	\$24,460	\$194,553
2025	16	\$194,553	\$40,388	\$0	\$0	\$5,941	\$36,919	\$203,962
2026	17	\$203,962	\$42,710	\$0	\$0	\$4,830	\$85,663	\$165,840
2027	18	\$165,840	\$45,166	\$0	\$0	\$4,484	\$61,554	\$153,935
2028	19	\$153,935	\$47,763	\$0	\$0	\$5,638	\$13,750	\$193,587
2029	20	\$193,587	\$50,509	\$0	\$0	\$7,165	\$5,267	\$245,994

Alternative 2: Escalating Funding at 5.75% per Year

Beginning Balance as of start of year beginning Jan 2010: \$112,000

CONTRIBUTIONS	
FIRST YR	LAST YR
\$17,460.00	\$50,509.30
\$60.00	\$173.57
\$1,455.00	\$4,209.11
\$5.00	\$14.46

per year
per unit per year
per month
per unit per month

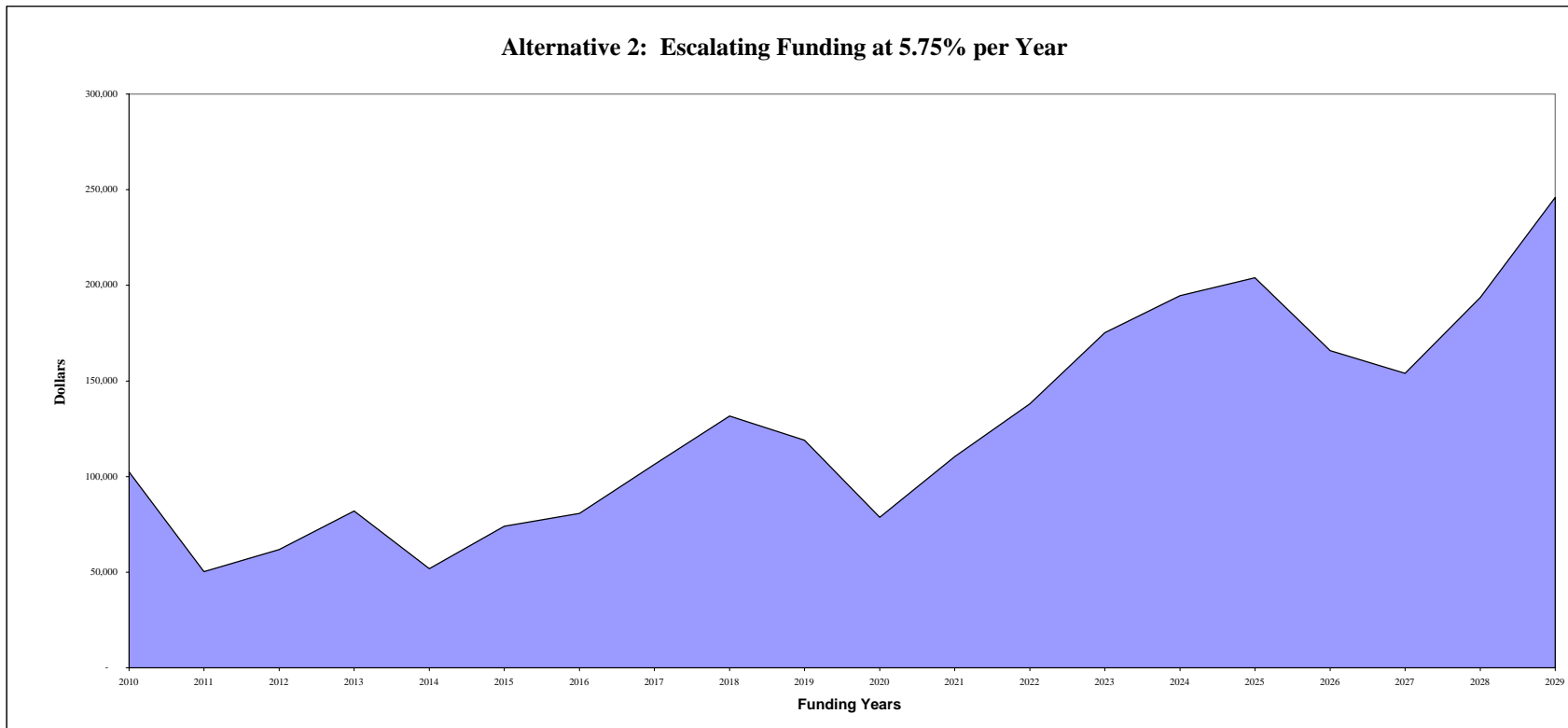
SPECIAL ASSESSMENTS				
First Second	Per Year Per Year	Totals		\$0 \$0
		\$0 \$0	Per Unit Per Unit	

SETTINGS (analyzed by unit/year)		
Starting amount (\$):	60	
Increment by (%):	5.75	
Step (%):		
Every	1	year
Frequency:	20	time

Projected Annual Funding and Expenditures:

Year:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	102,485	50,241	61,792	82,017	51,858	74,065	80,749	106,380	131,708	119,078	78,674	110,334	138,101	175,155	194,553
Capital Expenditures:	20,500	72,171	9,775	2,812	53,505	3,042	20,087	3,290	5,816	44,977	73,233	3,849	10,407	4,163	24,460
Total Revenue (all sources)	10,985	19,927	21,325	23,037	23,346	25,248	26,771	28,921	31,144	32,346	32,830	35,508	38,174	41,217	43,858

Year:	2025	2026	2027	2028	2029
Year Number:	16	17	18	19	20
End of Year Reserve Fund Balance	203,962	165,840	153,935	193,587	245,994
Capital Expenditures:	36,919	85,663	61,554	13,750	5,267
Total Revenue (all sources)	46,328	47,540	49,649	53,401	57,674



Alternative 3: Escalating Funding with Special Assessments

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments 1	Special Assessments 2	Investment Earnings	Capital Expenditures	Ending Balance
2010	1	\$112,000	\$8,000	\$0	\$0	\$2,985	\$20,500	\$102,485
2011	2	\$102,485	\$17,460	\$0	\$0	\$1,433	\$72,171	\$49,207
2012	3	\$49,207	\$17,460	\$0	\$0	\$1,707	\$9,775	\$58,599
2013	4	\$58,599	\$17,460	\$0	\$0	\$2,197	\$2,812	\$75,444
2014	5	\$75,444	\$17,460	\$0	\$0	\$1,182	\$53,505	\$40,582
2015	6	\$40,582	\$17,460	\$0	\$0	\$1,650	\$3,042	\$56,650
2016	7	\$56,650	\$17,460	\$0	\$0	\$1,621	\$20,087	\$55,644
2017	8	\$55,644	\$17,460	\$0	\$0	\$2,094	\$3,290	\$71,908
2018	9	\$71,908	\$17,460	\$0	\$0	\$2,507	\$5,816	\$86,058
2019	10	\$86,058	\$17,460	\$0	\$0	\$1,756	\$44,977	\$60,298
2020	11	\$60,298	\$17,460	\$0	\$0	\$136	\$73,233	\$4,660
2021	12	\$4,660	\$17,460	\$0	\$0	\$548	\$3,849	\$18,820
2022	13	\$18,820	\$17,460	\$0	\$0	\$776	\$10,407	\$26,649
2023	14	\$26,649	\$17,460	\$0	\$0	\$1,198	\$4,163	\$41,145
2024	15	\$41,145	\$17,460	\$0	\$0	\$1,024	\$24,460	\$35,170
2025	16	\$35,170	\$17,460	\$0	\$0	\$471	\$36,919	\$16,182
2026	17	\$16,182	\$17,460	\$100,000	\$0	\$1,439	\$85,663	\$49,418
2027	18	\$49,418	\$17,460	\$0	\$0	\$160	\$61,554	\$5,484
2028	19	\$5,484	\$17,460	\$0	\$0	\$276	\$13,750	\$9,469
2029	20	\$9,469	\$17,460	\$0	\$0	\$650	\$5,267	\$22,312

Alternative 3: Escalating Funding with Special Assessments

Beginning Balance as of start of year beginning Jan 2010: \$112,000

CONTRIBUTIONS	
FIRST YR	LAST YR
\$17,460.00	\$17,460.00
\$60.00	\$60.00
\$1,455.00	\$1,455.00
\$5.00	\$5.00

per year
per unit per year
per month
per unit per month

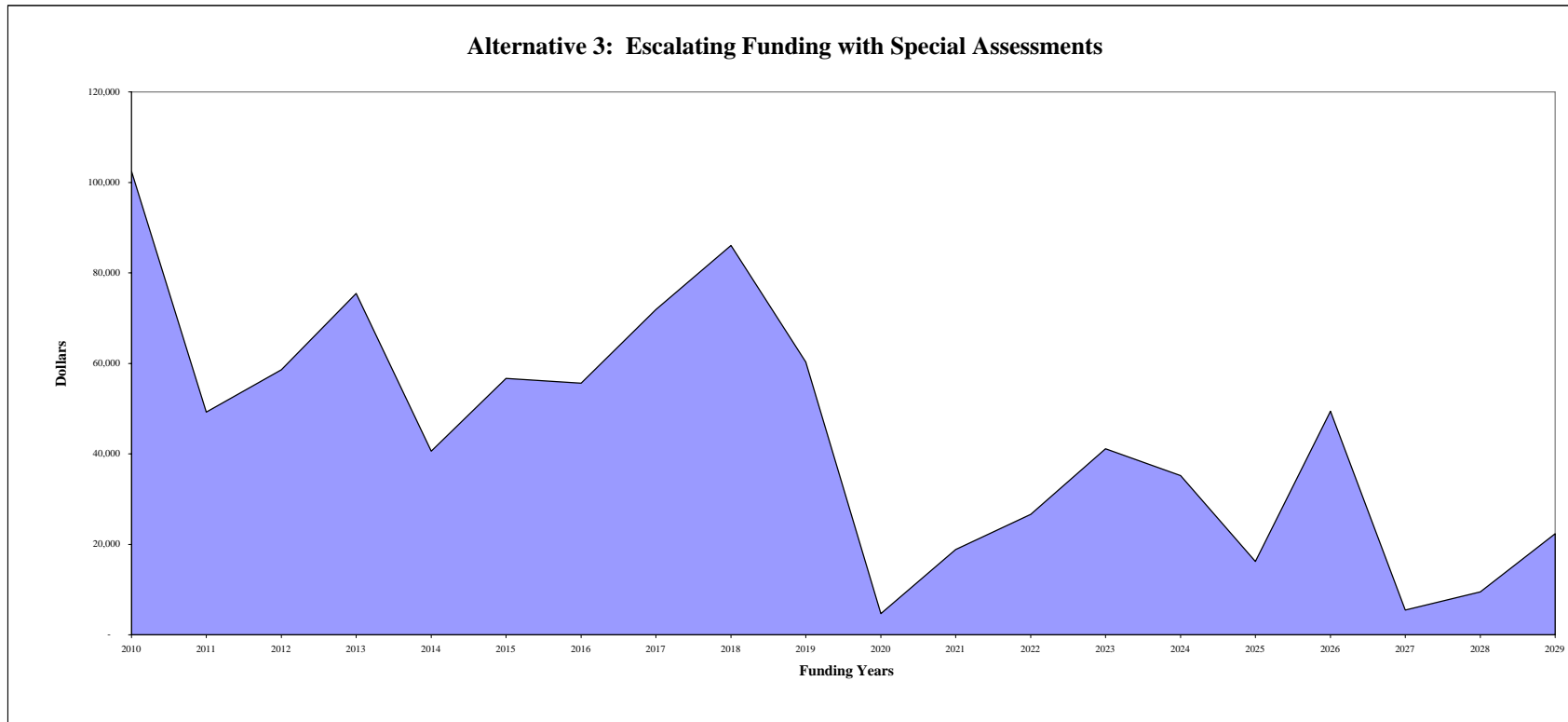
SPECIAL ASSESSMENTS			
		Totals	
First Jan 2026	Per Year	\$100,000	Per Unit \$344
Second	Per Year	\$0	Per Unit \$0

SETTINGS (analyzed by unit/year)	
Starting amount (\$):	60
Increment by (%):	0
Step (%):	0
Every	3 year
Frequency:	3 time

Projected Annual Funding and Expenditures:

Year:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	102,485	49,207	58,599	75,444	40,582	56,650	55,644	71,908	86,058	60,298	4,660	18,820	26,649	41,145	35,170
Capital Expenditures:	20,500	72,171	9,775	2,812	53,505	3,042	20,087	3,290	5,816	44,977	73,233	3,849	10,407	4,163	24,460
Total Revenue (all sources)	10,985	18,893	19,167	19,657	18,642	19,110	19,081	19,554	19,967	19,216	17,596	18,008	18,236	18,658	18,484

Year:	2025	2026	2027	2028	2029
Year Number:	16	17	18	19	20
End of Year Reserve Fund Balance	16,182	49,418	5,484	9,469	22,312
Capital Expenditures:	36,919	85,663	61,554	13,750	5,267
Total Revenue (all sources)	17,931	118,899	17,620	17,736	18,110



Summary of Reserve Balances



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<u>Year</u>	<u>Year Number</u>	<u>Yearly Expenditures</u>	<u>Alt. 1</u>	<u>Alt. 2</u>	<u>Alt. 3</u>
2010	1	\$20,500	\$102,485	\$102,485	\$102,485
2011	2	\$72,171	\$49,207	\$50,241	\$49,207
2012	3	\$9,775	\$58,599	\$61,792	\$58,599
2013	4	\$2,812	\$80,390	\$82,017	\$75,444
2014	5	\$53,505	\$50,621	\$51,858	\$40,582
2015	6	\$3,042	\$71,936	\$74,065	\$56,650
2016	7	\$20,087	\$81,280	\$80,749	\$55,644
2017	8	\$3,290	\$108,204	\$106,380	\$71,908
2018	9	\$5,816	\$133,334	\$131,708	\$86,058
2019	10	\$44,977	\$123,829	\$119,078	\$60,298
2020	11	\$73,233	\$84,934	\$78,674	\$4,660
2021	12	\$3,849	\$116,338	\$110,334	\$18,820
2022	13	\$10,407	\$146,876	\$138,101	\$26,649
2023	14	\$4,163	\$184,760	\$175,155	\$41,145
2024	15	\$24,460	\$202,875	\$194,553	\$35,170
2025	16	\$36,919	\$213,646	\$203,962	\$16,182
2026	17	\$85,663	\$174,534	\$165,840	\$49,418
2027	18	\$61,554	\$159,081	\$153,935	\$5,484
2028	19	\$13,750	\$197,348	\$193,587	\$9,469
2029	20	\$5,267	\$245,500	\$245,994	\$22,312

