White Water Estates

Roy, WA

Level I Full Reserve Study (With Site-Visit)

Report Date: October 11, 2023

For Fiscal Year: 2024

Report#: 16787

Version: Final2

Reserve Data Analyst, Inc.

www.reservedataanalyst.com

Prepared By

Joel Tax, RS

866.574.5115 ext. 704

joel@reservedataanalyst.com

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Introduction

Thank you for utilizing the services of Reserve Data Analyst for your reserve study. We strive to create a comprehensive report that can be utilized for your budgeting needs. If there are any questions, concerns, corrections, or revisions needed please do not hesitate to call or email us. While this study does have some explanations of the methodology used, we have kept it to a minimum for brevity. More detailed explanations of methodology & concepts are explained in our Reserve Study Guidebook available at the following link:

www.reservedataanalyst.com/guidebook

The recommendations for the allocation rates of the different funding models are only for the beginning year of this reserve study; all future years are projections which are educated guesses and have numerous assumptions (e.g., inflation, proper maintenance, proper installation, known reserve account balances, etc.) built into the models. The further out in time a reader of the study goes, the less reliable the projections are likely to be. Note that the recommendations for the first fiscal year in the study are based on current cost and current useful life estimate levels as opposed to future cost and future useful life projections which again are educated guesses.

From year to year the recommendations of the reserve analyst will typically change (sometimes significantly) based on variables such as what projects have been done, what projects has been deferred, changes to the allocation rate, changes to the starting balance, changes to the component list, actual inflation rate figure (versus projections), maintenance or lack of maintenance of components, etc. Annual updates to this report help to incorporate changes to these variables as they occur so revisions to the recommendations are less significant than if updates are done infrequently. .

There are a couple of tips to consider that will help you both navigate this study and understand the different sections within the study:

- ***Study Navigation*** - To navigate this study more easily, we recommend printing out the Table of Contents page at the beginning of the study and the Component Index page(s) at the rear of the study. We have found it easiest for most readers to have the PDF of this study open on their computer while referring to the printed-out Table of Contents and Component Index pages.

Within this reserve study you will find:

- A list of common questions that a typical reader of our reserve study will have, as well as links to additional information on the topics: (*Reserve Study Knowledge Base*)
- A list of the site and building components that are reportedly the Client's responsibility along with their respective costs and quantity: (*The Component List*)
- A timeline of the estimated dates that we recommend funds be allocated to the repair/replacement project. (*Projected Expenditures - Chart, List & Spreadsheet*)
- Various funding models with different goals in mind. (*Summary Comments Page and Projections Page*)

White Water Estates
Executive Summary

Name	White Water Estates
Location	Roy, WA
Contributing Members	115
Base Year / Age	January 1, 1990
Fiscal Year Ends	December 31, 2024

Level of Service	Level I Full Reserve Study (With Site-Visit)
Prepared for Fiscal Year	2024
Last On-Site Inspection Date	October 11, 2023
Inflation Rate for Projections	3.50%
*Interest Rate for Projections	3.25%
*Tax Rate on Interest Earned	30.0%
Funding Plan Method	Inflation Adjusted Pooled Cash Flow Method

Reserve Account Summary

Current Percent Funded (as of January 1, 2024)		
17.7%	**Fiscal Year Beginning Fully Funded Balance**	$1,623,719
	***Estimated FY Start Balance**	$288,199
	Total Reserve Account Surplus or (Deficit)	($1,335,520)
	Avg. Surplus or (Deficit) Per Contributing Member	($11,613)
	***Current Annual Reserve Allocation Rate**	$27,750 per year
	***Approved Special Assessments**	None in fiscal year 2024.
	***Approved Loans**	None in fiscal year 2024.

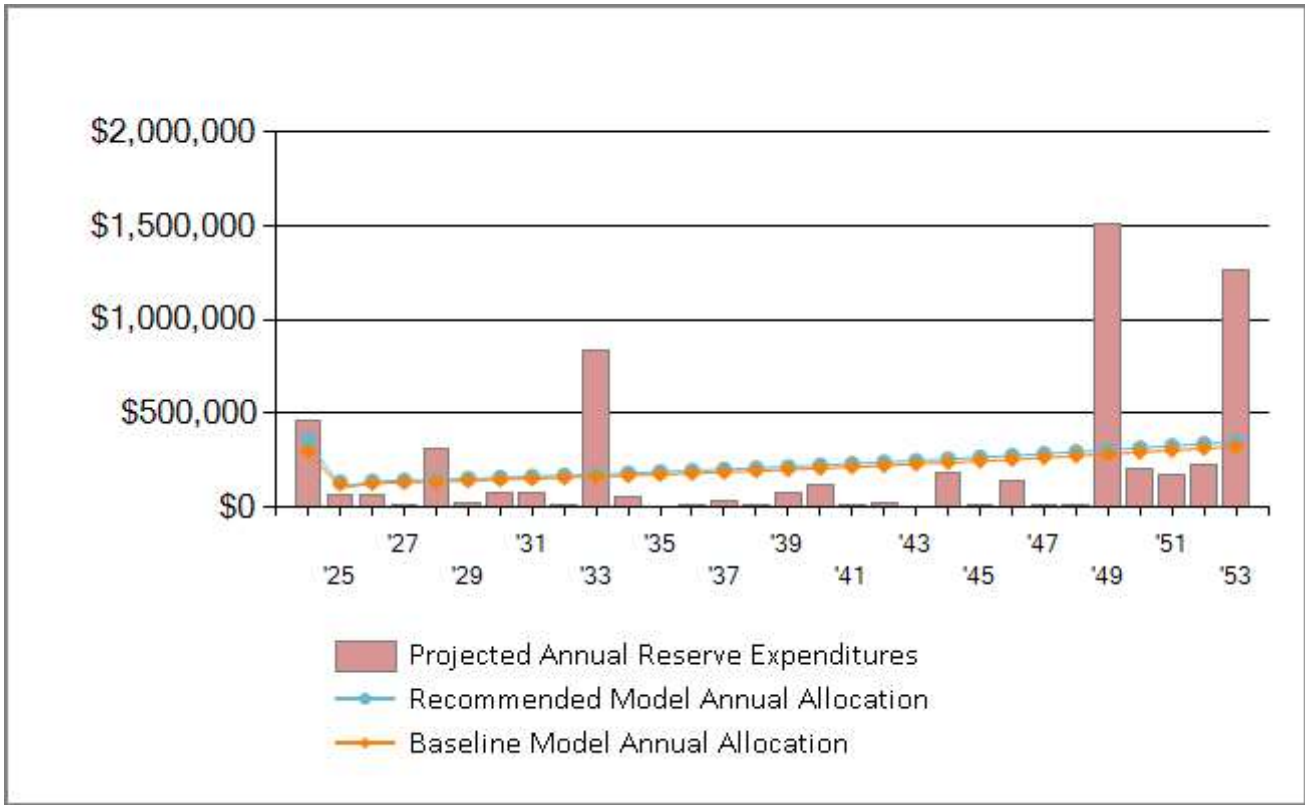
0-30% Low | 30-70% Fair | 70-100% Good

5-Year Summary - Annual Reserve Allocation Rates & Year End % Funded

	100% Funding Model		Recommended Funding Model		Baseline Funding Model		**Current Funding Model		
2024	1,431,953	100%	360,000	15%	300,000	10%	27,750	-12%	***2024***
2025	101,935	100%	134,000	19%	124,133	14%	28,721	-14%	***2025***
2026	105,502	100%	138,690	24%	128,478	18%	29,726	-16%	***2026***
2027	109,195	100%	143,544	31%	132,974	25%	30,767	-13%	***2027***
2028	113,017	100%	148,568	24%	137,628	16%	31,844	-35%	***2028***
	Account is at least 100% funded each year.		*Achieve 100% funded within the timeframe of this study.*		*Reserve account above $0 within timeframe of study.*		*Current allocation rate has been supplied by the Client.*		

** Data supplied by the Client, assumed to be correct and not independently verified.*
***Any negative percent funded shown is for visual representation of deficiency.*

White Water Estates
Projected Annual Expenditures - Chart



The above chart provides a visual of the reserve account projected expenditures over the 30 years covered in this study. We suggest making a note of large expenditure years (peak years) when there will be significant projected expenditures related to one or more component projects that will require repair/replacement. These large but infrequent component expenses during “peak” years are typically the most difficult to budget for, as they are often overlooked, or ignored due to the perception that the expenses are far in the future and there will be time to budget for them later.

One of the greatest challenges when planning for reserve budgeting is creating and implementing a funding model that is stable and fair while also adequate to cover reserve project expenditures that are typically infrequent and erratic. This is particularly true for reserve accounts that drop to low levels of funding; there will be a need to catch up the reserve account to a more suitable level while also being as fair and stable as possible as time progresses.

We have created numerous funding models with various goals in mind; the above models (Recommended & Baseline) adhere to the principle of having stability going forward in time while also covering the projected annual reserve expenditures. Their respective annual allocation rates (lines on the chart) are shown compared to the annual reserve expenditures (columns on the chart) within the timeframe of the projections. Note the relative stableness of the annual funding model allocation rates versus the infrequent and erratic nature of the reserve expenditures.

What is a Reserve Study?

A reserve study is a budgeting tool that can be utilized to make more informed budgeting decisions regarding a reserve account, it is an independent assessment of the adequacy of the reserve account balance and allocation rate utilizing a mathematical formula known as the "Percent Funded" calculation.

The Reserve Analyst develops funding models that:

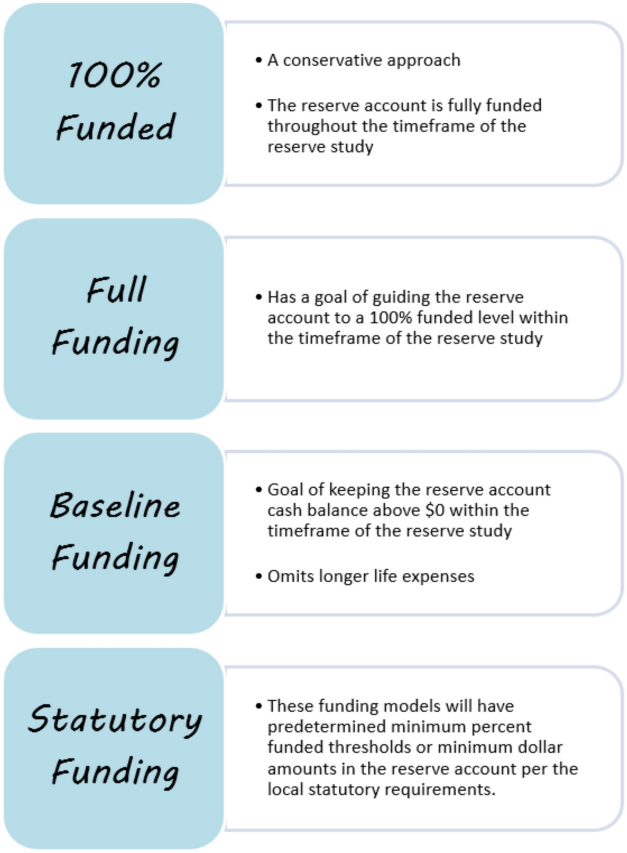
- Distribute the costs as fairly as possible over time
- Have stable budgets over time (i.e., limiting large fluctuations from one year to the next)
- Limit the risk for reliance on emergency financing or having to defer overdue projects

A Reserve Study is an independent assessment of the reserve account and is not the Budget ….

This study is not the budget, and it should not be revised to just reflect the budgeting decisions of the Client. An example of this is to push off overdue projects that the Client may not have the funds to complete. This report should reflect the replacement dates of the components utilizing average or historical records for the useful lives & costs for these projects; the useful lives can be updated to reflect actual on-site conditions as the components age and in updates to this report. Should the Client decide to make budgeting decisions such as deferring projects (typically due to a lack of funds) and that appear to be overdue carries its own risk with relation to scenarios like higher project costs later and marketability issues.

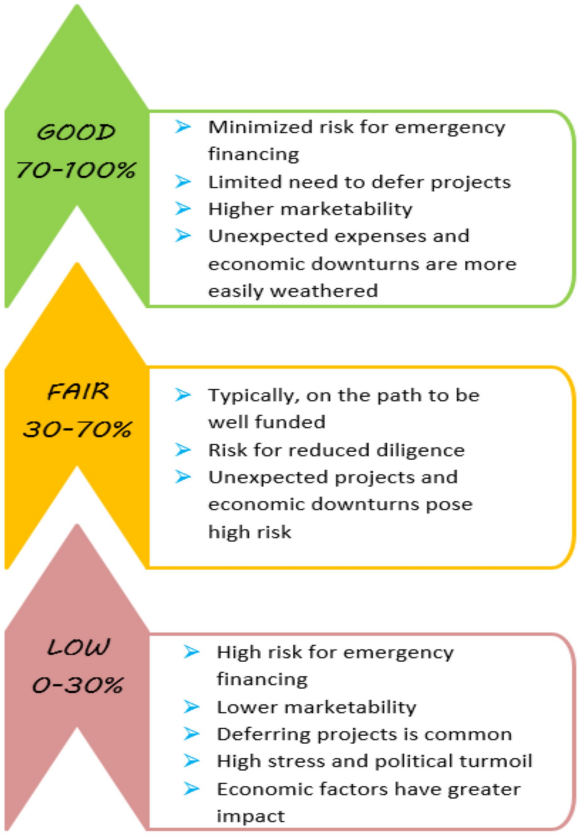
How Much Should We Reserve?

There is no right or wrong answer to the question of "How Much Should We Reserve?" as the reserve contributions in all the funding models in this study are based on different funding goals. It is more appropriate to consider the risk levels associated with different funding models as each Client has different risk tolerances and challenges in enacting whatever funding model is most appropriate to them. In our opinion any funding model that projects the reserve account balance to dip to zero would not be appropriate or fiscally responsible as future emergency financing or deferring projects are typically the outcome. Below are some of the more common funding models utilized:



About Percent Funded

Percent funded is a calculation of how much is in the reserve account versus an ideal amount known as the Fully Funded Balance. The different risk levels associated with the levels of funding are explained in more depth below.



The below video link explains the Percent Funded calculation in more detail:

www.reservedataanalyst.com/pf

About the Fully Funded Balance

The Fully Funded balance is a mathematical calculation that represents the accrued deterioration of a component or a group of components at a specific point in time. It is an answer to the question of "How much should be in a reserve account at a specific point in time?" When the reserve account balance is the same as the Fully Funded Balance the reserve account is considered Fully Funded (100% Funded) at that specific point in time.

The below video link provides a more in-depth explanation of the Fully Funded balance:

www.reservedataanalyst.com/ffb

Calculating Inflation in the Reserve Study

Inflationary factors impact the project costs over time and are the main driving force that must be overcome with diligent and steadfast budgeting towards reserves. Due to the compounding impact of inflation on costs, in a relatively short period of time, a reserve account can be become severely underfunded if it is not considered in the budgeting scenarios. Follow the below link to learn more about how we calculate inflationary factors (escalation of the prices) in the reserve study and some of the tools we use in the process:

www.reservedataanalyst.com/inf

Component Useful Life Estimates

The useful life of components in the reserve study are predominantly based on our experiences with many different types of organizations and their respective repair and replacement cycles with building and site components. In addition to our own experiences working with many organizations over the years there is ample data available online regarding useful life estimates of building and site components. It is important to note that the estimates in the reserve study are based on averages and are not specific to any one property. Follow the below link to view some of the various useful life tables that we utilize:

www.reservedataanalyst.com/ul

Determining Component Project Costs

We utilize many sources for determining what is an appropriate component project cost in the reserve study. These can include:

- Client invoices, bids, estimates
- Our in-house database that is based on the collection of many Client invoices, bids, and estimates
- Cost manuals that, when used correctly, are very accurate for average cost figures

It's important to understand that unless we are provided actual project costs based on a client invoice/bid or estimate we utilize average costs figures that are not specific to any one Client. In the bidding process you will find that there is a ... large difference in price from one vendor to the next for a variety of reasons. We aim to be in the middle of these estimates unless we have Client data to incorporate into the reserve study. Future costs (projections) for the component expenses are simply inflated from current cost based on the inflation assumption in the reserve study. It is important to remember that our current recommendations are based on current project costs and not the inflated number that is utilized in the projections portion of the reserve study. The below link goes into this topic in more detail:

www.reservedataanalyst.com/cost

National Reserve Study Standards

There are two recognized organizations that dictate national reserve study standards in the industry. The Community Association's Institute and the Association of Professional Reserve Analysts award designations to those reserve study professionals that meet education & work experience, adhere to the minimum report requirements, complete ongoing continuing education courses, and abide by ethical considerations in the field. The standards for both organizations can be viewed at the links below:

www.reservedataanalyst.com/CAI

www.reservedataanalyst.com/APRA

What Components to Include in the Study?

Reserve expenses for components are major expenses which must be budgeted for in advance to provide the necessary funds in time for their occurrence. Reserve expenses are reasonably predictable both in terms of frequency and cost. They are expenses that when incurred would have a significant impact on the smooth operation of the budgetary process from one year to the next if they were not reserved for in advance.

A common concern when beginning this process is what components are to be included and funded for in the Reserve Study. Nationally recognized CAI Reserve Study Standards as well as APRA Standards of Practice dictate that the reserve components need to meet the following criteria:

- It's not already covered in the Operating Budget
- The component has a limited life expectancy
- The component has a reasonably defined remaining useful life
- As required by local statutes

When to Complete Reserve Projects?

Components should be replaced when they are no longer functioning as designed. This is best determined by your component specific Vendor who can inspect and give their best professional advice on the condition assessment and timeframe on when/what needs to be done. Note that this reserve study is ***not*** a "to do list"; it is a budgeting document with recommendations for when we suggest having the funds allocated towards the projects ... If something fails earlier than projected than replace it, if it lasts longer (as determined by your component specific Vendor) then take their advice as they are the professionals in their specific field. Projects should be completed when they need to be completed regardless of our projections in the study. Note that this does not mean it would be appropriate to delay projects simply because funds are not available though as that is a budgeting decision not based on component specific Vendor recommendations. A common issue we see is the delay of projects simply because there is a lack of reserve funds available, only to have a much larger and more expensive project later due to collateral damage (e.g., not replacing a roof in a timely manner, which then leaks and causes siding damage).

Ongoing Component Maintenance

While this reserve study has been developed to disclose and inform the Client of the predictable larger long-term project costs related to site and building components, there is also a need to complete regular inspections and repairs to virtually all components on much shorter cycles. These costs would typically be covered in the annual and ongoing Operating Budget.

Virtually all the components should receive regular cycles of inspection and repairs by a qualified Vendor. Failure to complete ongoing maintenance typically leads to shorter useful lives and higher costs later. RSMeans provides a free link to common building and site component items to inspect at various corresponding time frames.

www.reservedataanalyst.com/RSmeans

Recommendations Versus Projections

In the reserve study the Reserve Analyst' *recommendations* for the allocation rates of the different funding models apply only to the year the reserve study is being developed for. All *projections* in the study are future educated guesses with assumptions about a significant number of variables (e.g., inflation rate, financials, component useful life, component remaining useful life, proper maintenance, etc.).

Projections can be accurate or extremely inaccurate based on these assumptions; because of this we do not suggest giving much consideration to projections in the decision making for overall reserve budgeting. This may sound counterintuitive, but this is due to recommendations for the allocation rates, in the initial year of the study, being based on predominantly current known factors (e.g., *current* costs, *current* inflation, *current* maintenance practices) versus projections which are based on future assumptions to a variety of variables (e.g., *future* costs, *future* inflation rates, and *future* maintenance practices). Follow the below link to our website to learn more about recommendations versus projections.

www.reservedataanalyst.com/projections

You Have a Study Now What?… Goal Setting

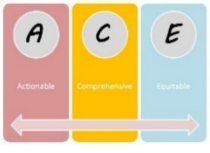
Adequately budgeting for reserves is often one of the more difficult tasks our clients face. Reserve component projects are infrequent and often years down the line, making it very easy to just "deal with it later". We have found those that are most successful with reserve budgeting goals typically follow these simple … rules when creating and implementing a reserve budget.

Actionable
Is your goal possible within the constraints & limitations of very important but often overlooked factors related to statutory requirements and the governing documents? What may seem very "Reasonable" to the Board may very well be illegal or against the governing documents.

Comprehensive
Your goal should be clear and specific, otherwise you won't be able to focus your efforts or feel truly motivated to achieve it. When drafting your goal, try to answer the four "W" questions - *What* do we want to accomplish? *Why* is this goal important? *Who* is involved? *When* is this goal set to occur?

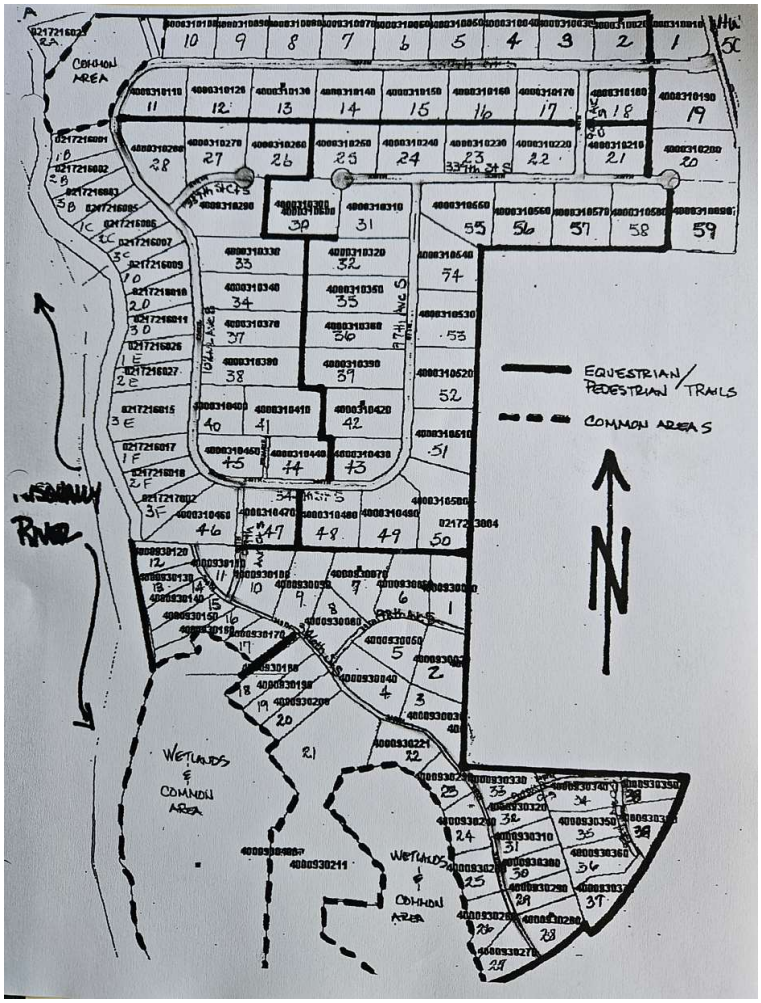
Equitable
Your goal should be reasonable and attainable to be successful. In other words, it should stretch your abilities but remain possible. When you set an achievable goal, you may be able to identify previously overlooked opportunities or resources that can bring you closer to it. This often means that transitioning to a more stable financial track will take years of smaller goals being obtained. Severely underfunded reserve accounts typically develop after many years or decades; it's usually not reasonable for the answers to come quick or easily.

Follow the below link to our website to learn more about the ACE way to reserve budgeting.



https://www.reservedataanalyst.com/ace

White Water Estates
Plat Map



Comments on Maintenance & Inspections

The Client stated that they have been working with the Vendors for ongoing maintenance of components. Note that a lack of ongoing maintenance at any point in the past or future can significantly reduce the useful life of components. It is assumed that all proper maintenance has and will be completed per the component specific Vendor's recommendations (unless otherwise noted). It is assumed all inspections will be completed per local statute and are assumed to be paid for from the operational account, as reported by the Client (unless otherwise noted).

Comments on Phasing Projects

We do not recommend budgeting for reserve projects in phases unless absolutely necessary. Typically, when projects are phased the Vendor will charge a higher dollar per unit/square foot as they are not able to buy in as great of bulk and typically need to make numerous trips to the property over an extended period of time. When completing projects on a larger scale the Vendor will typically take that into consideration and pass some of the per unit/square footage saving on to the end consumer (economies of scale). When looking at reserve budgeting from a wider time scale (not just 1 fiscal year) there is typically a significant cost savings over time. It may seem tempting to pay a smaller project expense for each phase but the typical outcome when looking from a wider time frame usually results in a significantly higher overall project cost.

Excluded Components

Unless noted otherwise the below components have been excluded from funding in this reserve study. Note that the inclusion of any of these items later via a revision or update to this study will impact the funding strategies developed by the Reserve Analyst.

Not Client's Responsibility

The below components are reportedly not the Client's responsibility per their interpretation of their governing documents. Note that the Reserve Analyst does not interpret governing documents and has excluded items based on the Client' s request and their interpretation of their own governing documents. If there is ambiguity or questions as to what specific wording means in the governing documents, we recommend consulting with a qualified and experienced attorney.

1. Utility Main Lines - Utility Company's Responsibility
2. Utility Lateral Lines (between main lines and lot boundaries) - Utility Company's Responsibility
3. Fire Hydrants - Utility Company's Responsibility
4. Culverts at Driveways - Lot Owner's Responsibility

Operating Account Expenses

The below components are reportedly paid for from the Operating Account and have not been included in this reserve study.

1. Storm Water Roadside Ditch Maintenance
2. Ongoing Landscaping
3. Minor Irrigation System Repairs (e.g., sprinkler heads, valve replacement, controllers/timers)
4. Tree Care & Hazardous Tree Removal
5. Culverts Under Road - Not visible on the date of the site inspection (likely covered)
6. Trailhead Bollards

7. Trail Maintenance
8. Vinyl Shell Over Steel/Concrete Parking Bollards (at entry planter box)
9. Community Name Entry Letters

Comments on Assessment & Disclosure Form

Included in the fee for this reserve study is an Assessment & Disclosure Form which complies with statutory requirements for common interest communities. Please follow the following link to complete the request form on our website: https://www.reservedataanalyst.com/rad/

Note that this form can only be requested after the budget has been voted on and approved by the Board and/or Community Membership. This disclosure is a requirement for Boards to provide to the membership annually.

Comments on Fully Funded Balance Calculations (Fully Funded Balance Calculation Page)

The Fully Funded balance calculations for each component (age & useful life) have been adjusted if a component has been superseded by another component, received a positive or negative life adjustment, or been phased over a period. These adjustments are needed so that the fully funded balance mathematical calculation for each component is accurate and appropriately contributes to the total fully balance calculation (located on the executive summary & projection pages) for all components in this reserve study.

White Water Estates
The Component List

Report Date	October 11, 2023
Beginning Fiscal Year	January 01, 2024
Account Number	16787

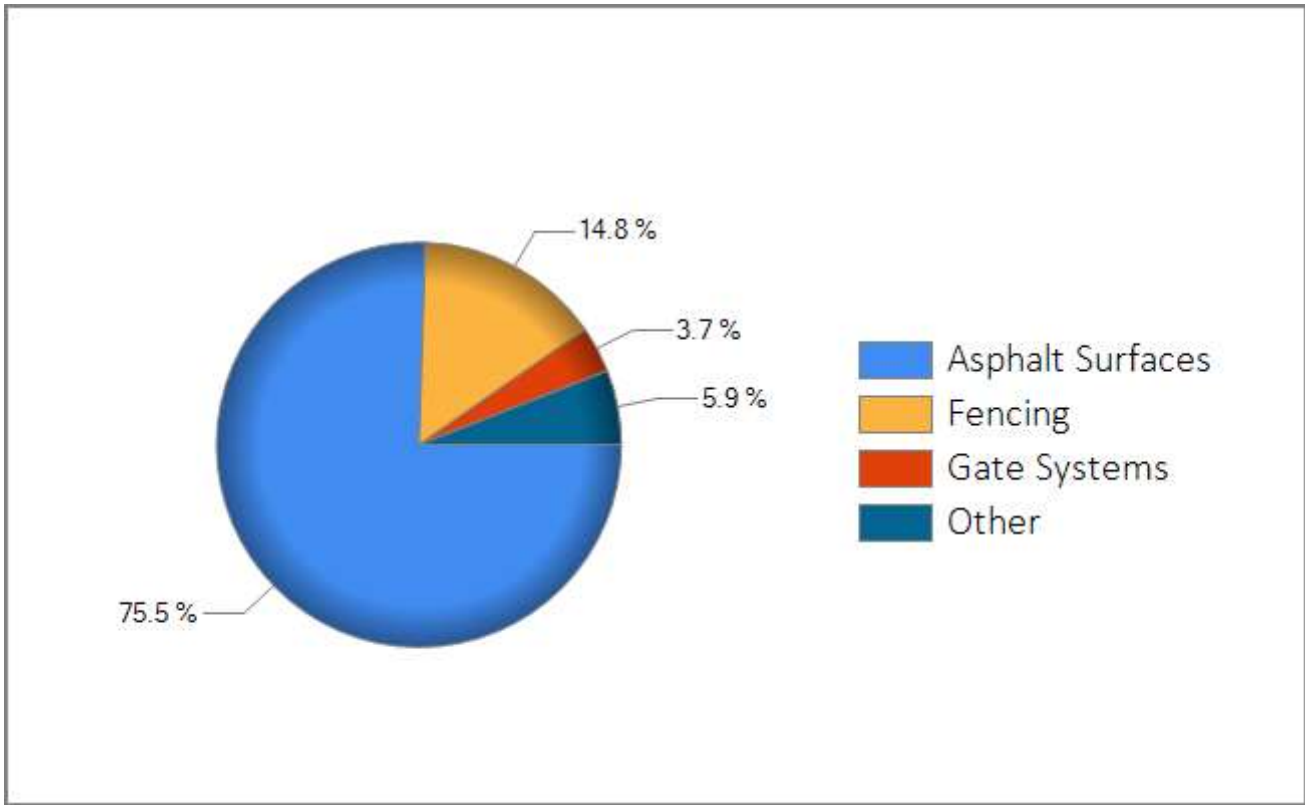
Version Number Final2

ID	Description	Aprox. Year In Service	Replacement Year	Useful Life	Adjustment	Remaining Life	Units		Unit Cost & % Replace	Current Cost
1008	Arena Edging (wood) - Replace	1998	2024	25	0	0	768	lf	9.00	6,912
1034	Asphalt (Ph1) - Aggregate Base Repla...	1989	2049	50	10	25	130,950	sf	2.00	261,900
1036	Asphalt (Ph1) - Overlay/Resurface	1996	2024	25	0	0	130,950	sf	2.60	340,470
1039	Asphalt (Ph2) - Aggregate Base Repla...	1989	2033	50	-6	9	132,750	sf	2.00	265,500
1040	Asphalt (Ph2) - Overlay/Resurface	2008	2033	25	0	9	132,750	sf	2.60	345,150
1041	Asphalt (Ph3) - Aggregate Base Repla...	1993	2053	50	10	29	101,250	sf	2.00	202,500
1042	Asphalt (Ph3) - Overlay/Resurface	1993	2028	25	10	4	101,250	sf	2.60	263,250
1035	Asphalt - Crack Sealing	2024	2026	2	0	2	1	ls	7,500.00	7,500
1037	Asphalt - Patch/Repairs	2024	2029	5	0	5	1	ls	12,600.00	12,600
1038	Asphalt Roadside Gravel - Replenish	2024	2029	5	0	5	1	ls	7,000.00	7,000
1009	BBQ Stands - Replace	1990	2025	35	0	1	5	ea	1,250.00	6,250
1001	Fence (perim./east-north) - Replace	2000	2024	20	0	0	2,470	lf	20.00	49,400
1017	Fence (perim./north) - Replace	2011	2031	20	0	7	3,150	lf	20.00	63,000
1016	Fence (perim./south) - Replace	2006	2026	20	0	2	1,680	lf	20.00	33,600
1018	Fence (perim./south-east) - Replace	2020	2040	20	0	16	2,950	lf	20.00	59,000
1006	Fence (three rail/arena posts) - Repla...	2015	2027	12	0	3	75	posts	95.00	7,125
1007	Fence (three rail/arena) - Replace	2015	2039	24	0	15	768	lf	26.61	20,436
1005	Fence (two rail posts/park) - Replace	2004	2039	30	0	15	90	posts	85.00	7,650
1004	Fence (two rail/park) - Replace	1990	2024	30	0	0	836	lf	42.00	35,112
1003	Fence (vinyl three rail) - Replace	2000	2025	25	0	1	1,070	lf	45.00	48,150
1024	Gate (pedestrian) - Replace	2022	2052	30	0	28	1	ea	6,500.00	6,500
1025	Gate (vehicle) - Replace	2022	2052	30	0	28	2	ea	23,500.00	47,000
1026	Gate Access System - Replace	1990	2024	25	0	0	1	ea	7,000.00	7,000
1027	Gate Electrical Panel - Replace	1990	2030	40	0	6	1	ea	2,500.00	2,500
1031	Gate Masonry Wall - Repoint	1990	2024	30	0	0	700	sf	16.00	11,200
1028	Gate Operators - Replace	2022	2037	15	0	13	2	ea	7,750.00	15,500
1030	Gate SOS Sensors - Replace	2022	2032	10	0	8	1	ea	1,900.00	1,900
1029	Gate Safety Loop System - Replace	2022	2037	15	0	13	4	ea	1,500.00	6,000
1014	Gravel Parking (arena/park) - Repleni...	2010	2024	10	0	0	12,710	sf	1.10	13,981
1043	Horse Arena Surface (sand) - Edging ...	2006	2026	20	0	2	627	sy	38.00	23,826
1013	Irrigation Piping - Replace	1990	2030	40	0	6	5,434	sf	2.40	13,042
1015	Landscaping - Refurbish	2010	2030	20	0	6	5,434	sf	3.00	16,302
1023	Lights (pole fixtures) - Replace	2010	2030	20	0	6	10	ea	275.00	2,750
1022	Lights (pole) - Replace & Rewire	1990	2030	40	0	6	2	ea	5,850.00	11,700
1021	Lights (wall fixtures) - Replace	2010	2030	20	0	6	8	ea	375.00	3,000
1020	Mailbox Structure (wood) - Replace	2005	2025	20	0	1	16	ea	525.00	8,400
1011	Picnic Tables (wood/1990) - Replace	1990	2024	25	0	0	6	ea	310.00	1,860
1010	Picnic Tables (wood/2022) - Replace	2022	2047	25	0	23	2	ea	310.00	620
1032	Planter Box (masonry) - Replace	2015	2060	45	0	36	280	sf	50.00	14,000

White Water Estates
The Component List

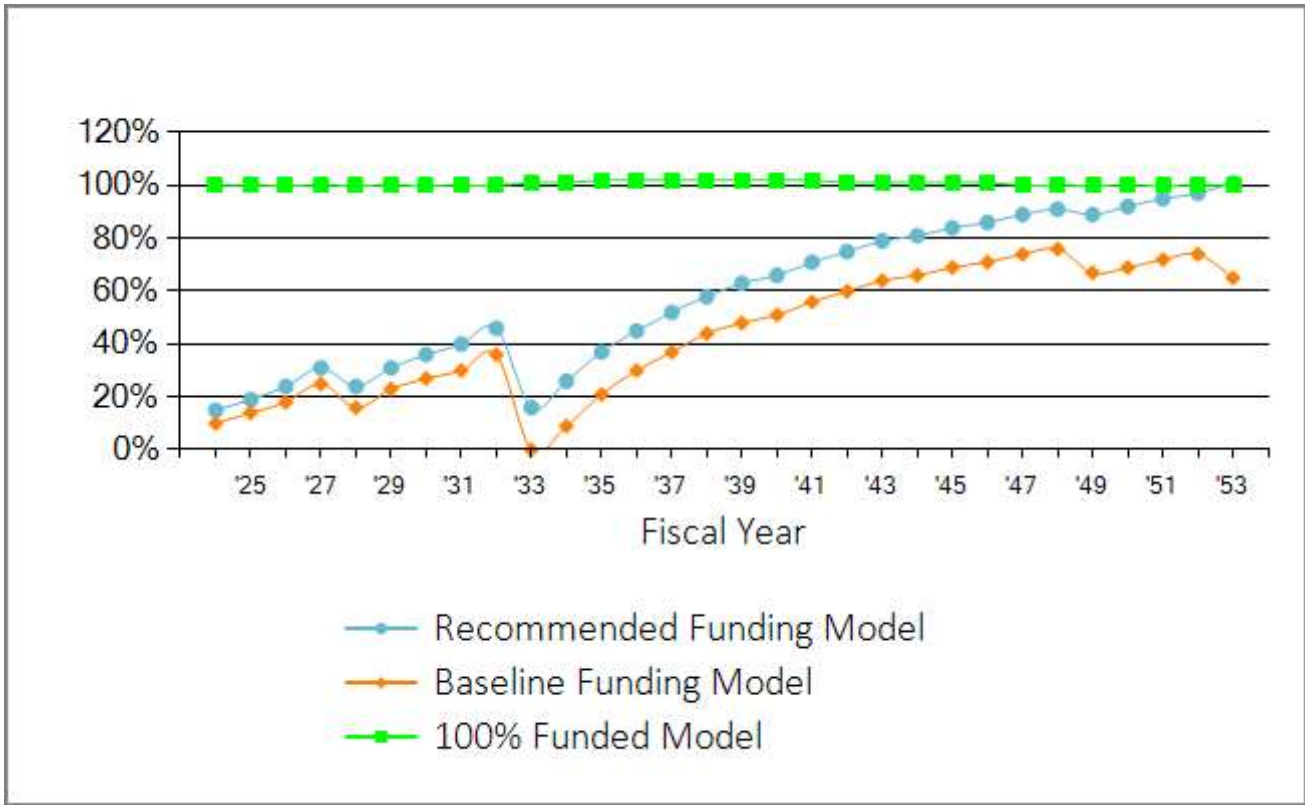
ID	Description	Aprox. Year In Service	Replacement Year	Useful Life	Adjustment	Remaining Life	Units	Unit Cost & % Replace	Current Cost
1033	Signage (comm.kiosk) - Replace	2016	2041	25	0	17	1 ea	3,000.00	3,000
1019	Signage (road) - Replace	2010	2030	20	0	6	25 ea	250.00	6,250
Total Asset Summary:									$2,258,836

White Water Estates
Current Cost by Category Chart



The above chart illustrates the current cost breakdown percentage of the Component Categories (the highest percentage components are listed at the top). Special attention should be given to those component categories which take up a bulk of the % of the current cost as these may require significant planning to adequately budget for their replacement. These large expenses may be well into the future during "Peak Year" cycles. Refer to the Projections and the Projected Annual Expenditure elements of this report for the projected timeline of expected expenditures.

White Water Estates
Projected Percent Funded Chart



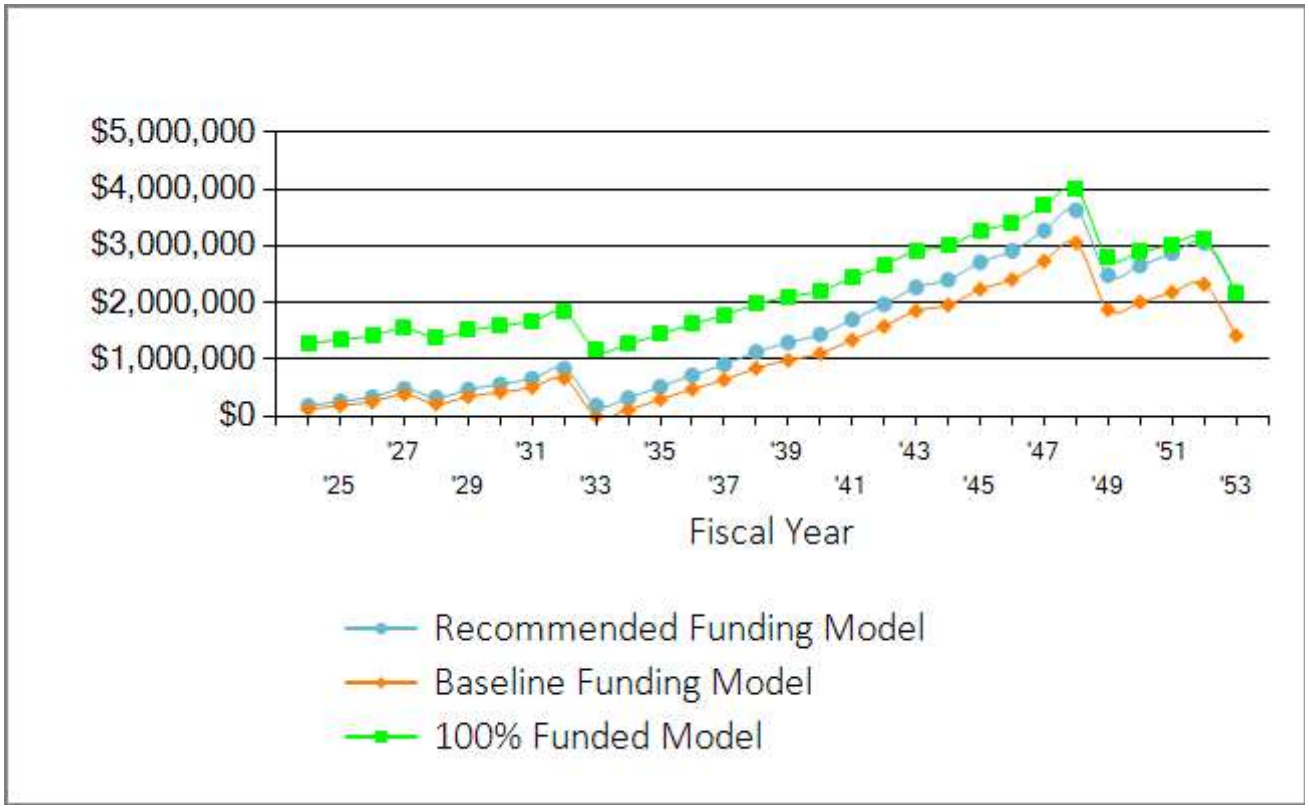
The above chart compares the funding models by the percentage funded levels over the timeframe of the projections, as calculated at the end of each fiscal year.

The *Recommended Funding Model* increases the Client's reserve account Percent Funded Level to 100% funding within the timeframe of the projections in this report. Once this 100% funded level is reached it is a good indicator that the Client is on track to meet its future obligations with minimal risk of reliance on emergency financing or having to defer projects that come due. Note that the Recommended Model is not necessarily a low risk, no risk or ideal model to follow. It simply has a goal of guiding the reserve account to a 100% funded level within the timeframe of projections.

The *Baseline Funding Model* has a goal of only keeping the reserve account cash positive within the timeframe of the projections (i.e., at some point within the timeframe of the projections the reserve account is depleted to near $0). This model carries significant risk for reliance on emergency financing and/or having to defer projects due to the common occurrence of components failing earlier than projected or costs increasing more rapidly than projected.

The *100% Funded Model* has a goal of maintaining the reserve account to a minimum of 100% Funded in each year of the projections. This model minimizes risk for reliance on emergency financing and deferred maintenance and places the reserve account on a low-risk path for budgeting of future reserve expenditures.

White Water Estates
Projected Reserve Account Balance Chart



The chart above compares the annual year-end balance of the reserve account for the respective funding models over the timeframe covered in in the projections. Projected reserve account balances will often have large fluctuations from year to year due to projects occurring in any given year.

There is often an incorrect perception that the reserve account funds grow and just "sit" in the reserve account indefinitely. In actuality the reserve funds should be allowed to accumulate over time so that there are adequate funds when the reserve projects are projected to occur.

White Water Estates
100% Funding - Summary

Report Date	October 11, 2023
Account Number	16787
Version	Final2
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	115

Report Parameters

Inflation	3.50%
Annual Contribution Increase	3.50%
Interest Rate on Reserve Deposit	2.27%
Tax Rate Included in Interest Rate	
2024 Beginning Balance	$288,199

This funding model has a goal of being a minimum of 100% funded, annually, over the timeframe of the projections. Allocation rates will fluctuate based on the expenditures projected in any given year. The initial year will have a higher allocation rate than subsequent years if the reserve account is underfunded and requires a cash injection to elevate the reserve account to a 100% funded track. While being at a 100% funded level is considered ideal it has been our experience that it is frequently not realistic due to a lack of funds that would need to be deposited into the reserve account to elevate it to a 100% funded level in the initial year of the projections.

The following page provides the 30-year projections for this funding model.

Full Funding Model 30 Year Summary of Calculations

Required Annual Contribution	$1,431,952.93
Average Net Annual Interest Earned	$28,533.43
Total Annual Allocation to Reserves	$1,460,486.36

White Water Estates
100% Funding - Year End Projections

Begining Balance: $288,199

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2024	2,258,836	3.5%	1,431,953		28,533	465,935	1,282,750	1,282,750	100%
2025	2,337,895	3.5%	101,935	-92.88%	30,023	64,998	1,349,710	1,347,773	100%
2026	2,419,722	3.5%	105,502	3.50%	31,524	69,550	1,417,186	1,413,418	100%
2027	2,504,412	3.5%	109,195	3.50%	34,545	7,900	1,553,027	1,548,336	100%
2028	2,592,066	3.5%	113,017	3.50%	30,834	310,692	1,386,186	1,380,730	100%
2029	2,682,789	3.5%	116,972	3.50%	33,667	23,279	1,513,547	1,508,588	100%
2030	2,776,686	3.5%	121,066	3.50%	35,424	77,497	1,592,541	1,588,432	100%
2031	2,873,870	3.5%	125,304	3.50%	37,257	80,154	1,674,948	1,672,075	100%
2032	2,974,456	3.5%	129,689	3.50%	40,774	12,378	1,833,034	1,832,678	100%
2033	3,078,562	3.5%	134,730	3.88%	25,833	832,253	1,161,343	1,153,331	101%
2034	3,186,311	3.5%	139,445	3.50%	28,275	57,949	1,271,115	1,255,738	101%
2035	3,297,832	3.5%	144,326	3.50%	32,201		1,447,642	1,425,977	102%
2036	3,413,256	3.5%	149,377	3.50%	36,074	11,333	1,621,761	1,594,865	102%
2037	3,532,720	3.5%	154,606	3.50%	39,647	33,625	1,782,389	1,751,167	102%
2038	3,656,366	3.5%	160,017	3.50%	43,914	12,140	1,974,179	1,939,911	102%
2039	3,784,338	3.5%	165,617	3.50%	46,863	79,891	2,106,768	2,070,481	102%
2040	3,916,790	3.5%	171,414	3.50%	49,205	115,310	2,212,077	2,173,135	102%
2041	4,053,878	3.5%	177,414	3.50%	54,238	5,384	2,438,345	2,398,863	102%
2042	4,195,764	3.5%	183,623	3.50%	59,253	17,460	2,663,760	2,625,425	101%
2043	4,342,615	3.5%	190,050	3.50%	64,924		2,918,734	2,883,613	101%
2044	4,494,607	3.5%	196,702	3.50%	66,780	180,038	3,002,178	2,970,318	101%
2045	4,651,918	3.5%	203,586	3.50%	72,538	17,299	3,261,002	3,234,516	101%
2046	4,814,735	3.5%	210,712	3.50%	75,833	138,391	3,409,157	3,388,867	101%
2047	4,983,251	3.5%	218,087	3.50%	82,489	1,368	3,708,364	3,696,892	100%
2048	5,157,665	3.5%	225,720	3.50%	89,111	17,125	4,006,070	4,006,069	100%
2049	5,338,183	3.5%	232,279	2.90%	62,135	1,507,141	2,793,343	2,792,948	100%
2050	5,525,019	3.5%	240,409	3.50%	64,346	205,343	2,892,755	2,891,958	100%
2051	5,718,395	3.5%	248,823	3.50%	67,432	177,526	3,031,485	3,031,485	100%
2052	5,918,539	3.5%	256,793	3.20%	69,777	221,143	3,136,913	3,136,913	100%
2053	6,125,688	3.5%	256,054	-0.28%	48,455	1,263,057	2,178,365	2,178,365	100%

White Water Estates
Recommended Funding - Summary

Report Date	October 11, 2023
Account Number	16787
Version	Final2
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	115

Report Parameters

Inflation	3.50%
Interest Rate on Reserve Deposit	2.27%
Tax Rate Included in Interest Rate	
2024 Beginning Balance	$288,199

We have developed a funding plan which will help steer the reserve account into a high funded range within the 30-year projection timeframe. This Recommended Funding Model requires the Client allocate the recommended allocation amount into the reserve account with annual increases thereafter to offset inflationary factors.

This Recommended Funding Plan Considers 4 Basic Principles:

1. There are adequate reserves when needed.
2. The budget should remain stable but increasing to offset inflationary factors.
3. The costs are fairly distributed over time.
4. The funding plan must allow the Client to be fiscally responsible.

Note that the Recommended Model is not necessarily a low risk, no risk or ideal model to follow (especially if the reserve account is currently significantly underfunded). It simply has a goal of having the reserve account reach 100% funded by the end of a 30-year period. An “ideal” model to follow would be the 100% funded model as this model has the reserve account funded to a minimum 100% funded level each year of the study and there would be low risk for reliance on special assessments and/or loans even if unexpected occurrences came to fruition.

In the initial year of this funding model the reserve contribution rate is higher due to the need to fund projects in the near future. After these projects have been adequately funded for the reserve allocation rate can be lowered (still increases annually to offset inflationary factors) while still reaching the goal of this particular funding model.

White Water Estates
Recommended Funding - Summary

The following page provides the 30-year projections for this funding model.

Recommended Funding Model Summary of Calculations

Required Annual Contribution	$360,000.00
Average Net Annual Interest Earned	$4,146.51
Total Annual Allocation to Reserves	$364,146.51

White Water Estates
Recommended Funding - Year End Projections

Begining Balance: $288,199

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2024	2,258,836	3.5%	360,000		4,147	465,935	186,411	1,282,750	15%
2025	2,337,895	3.5%	134,000	-62.77%	5,811	64,998	261,223	1,347,773	19%
2026	2,419,722	3.5%	138,690	3.50%	7,516	69,550	337,879	1,413,418	24%
2027	2,504,412	3.5%	143,544	3.50%	10,773	7,900	484,296	1,548,336	31%
2028	2,592,066	3.5%	148,568	3.50%	7,329	310,692	329,501	1,380,730	24%
2029	2,682,789	3.5%	153,768	3.50%	10,465	23,279	470,456	1,508,588	31%
2030	2,776,686	3.5%	159,150	3.50%	12,560	77,497	564,669	1,588,432	36%
2031	2,873,870	3.5%	164,720	3.50%	14,770	80,154	664,006	1,672,075	40%
2032	2,974,456	3.5%	170,485	3.50%	18,703	12,378	840,817	1,832,678	46%
2033	3,078,562	3.5%	176,452	3.50%	4,209	832,253	189,225	1,153,331	16%
2034	3,186,311	3.5%	182,628	3.50%	7,141	57,949	321,046	1,255,738	26%
2035	3,297,832	3.5%	189,020	3.50%	11,604		521,670	1,425,977	37%
2036	3,413,256	3.5%	195,636	3.50%	16,061	11,333	722,034	1,594,865	45%
2037	3,532,720	3.5%	202,483	3.50%	20,268	33,625	911,160	1,751,167	52%
2038	3,656,366	3.5%	209,570	3.50%	25,220	12,140	1,133,810	1,939,911	58%
2039	3,784,338	3.5%	216,905	3.50%	28,911	79,891	1,299,735	2,070,481	63%
2040	3,916,790	3.5%	224,497	3.50%	32,053	115,310	1,440,974	2,173,135	66%
2041	4,053,878	3.5%	232,354	3.50%	37,946	5,384	1,705,890	2,398,863	71%
2042	4,195,764	3.5%	240,487	3.50%	43,883	17,460	1,972,799	2,625,425	75%
2043	4,342,615	3.5%	248,904	3.50%	50,544		2,272,247	2,883,613	79%
2044	4,494,607	3.5%	257,615	3.50%	53,458	180,038	2,403,282	2,970,318	81%
2045	4,651,918	3.5%	266,632	3.50%	60,347	17,299	2,712,962	3,234,516	84%
2046	4,814,735	3.5%	275,964	3.50%	64,850	138,391	2,915,385	3,388,867	86%
2047	4,983,251	3.5%	285,623	3.50%	72,792	1,368	3,272,431	3,696,892	89%
2048	5,157,665	3.5%	295,619	3.50%	80,784	17,125	3,631,709	4,006,069	91%
2049	5,338,183	3.5%	305,966	3.50%	55,295	1,507,141	2,485,829	2,792,948	89%
2050	5,525,019	3.5%	316,675	3.50%	59,085	205,343	2,656,246	2,891,958	92%
2051	5,718,395	3.5%	327,758	3.50%	63,847	177,526	2,870,326	3,031,485	95%
2052	5,918,539	3.5%	339,230	3.50%	67,986	221,143	3,056,400	3,136,913	97%
2053	6,125,688	3.5%	351,103	3.50%	48,786	1,263,057	2,193,232	2,178,365	101%

White Water Estates
Baseline Funding - Summary

Report Date	October 11, 2023
Account Number	16787
Version	Final2
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	115

Report Parameters

Inflation	3.50%
Annual Contribution Increase	3.50%
Interest Rate on Reserve Deposit	2.27%
Tax Rate Included in Interest Rate	
2024 Beginning Balance	$288,199

The Baseline Funding Model is considered a bare minimum approach which has a goal of keeping the reserve account balance above $0 within the 30-year timeframe of the projections and *does not* take into consideration projected expenses that fall outside of the 30-year timeframe of the projections (i.e., longer life components are simply ignored like they do not exist).

This funding model carries a higher risk for reliance on emergency financing specifically in years when large component expenses occur earlier than projected or costs see significant increases. Additionally, in the future when longer life components come into the 30-year timeframe of the projections their projected expenditures will have a significant impact on the allocation requirements to keep the reserve account cash positive going forward.

Should the Client have an interest in not funding for longer life component projects (i.e., projects that are set to occur after the 30-year projections) at this time then we suggest setting a goal of at least funding to the Baseline Funding Model which has the goal of only staying cash positive for the 30-year time-frame of the projections.

In the initial year of this funding model the reserve contribution rate is higher due to the need to fund projects in the near future. After these projects have been adequately funded for the reserve allocation rate can be lowered (still increases annually to offset inflationary factors) while still reaching the goal of this particular funding model.

The following page provides the 30-year projections for this funding model.

Baseline Threshold Funding Model Summary of Calculations

Required Annual Contribution	$300,000.00
Average Net Annual Interest Earned	$2,781.51
Total Annual Allocation to Reserves	$302,781.51

White Water Estates
Baseline Funding - Year End Projections

Begining Balance: $288,199

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2024	2,258,836	3.5%	300,000		2,782	465,935	125,046	1,282,750	10%
2025	2,337,895	3.5%	124,133	-58.62%	4,190	64,998	188,371	1,347,773	14%
2026	2,419,722	3.5%	128,478	3.50%	5,626	69,550	252,924	1,413,418	18%
2027	2,504,412	3.5%	132,974	3.50%	8,599	7,900	386,598	1,548,336	25%
2028	2,592,066	3.5%	137,628	3.50%	4,858	310,692	218,393	1,380,730	16%
2029	2,682,789	3.5%	142,445	3.50%	7,679	23,279	345,239	1,508,588	23%
2030	2,776,686	3.5%	147,431	3.50%	9,445	77,497	424,619	1,588,432	27%
2031	2,873,870	3.5%	152,591	3.50%	11,308	80,154	508,364	1,672,075	30%
2032	2,974,456	3.5%	157,932	3.50%	14,877	12,378	668,795	1,832,678	36%
2033	3,078,562	3.5%	163,459	3.50%		832,253	1	1,153,331	0%
2034	3,186,311	3.5%	169,181	3.50%	2,531	57,949	113,763	1,255,738	9%
2035	3,297,832	3.5%	175,102	3.50%	6,572		295,437	1,425,977	21%
2036	3,413,256	3.5%	181,230	3.50%	10,586	11,333	475,921	1,594,865	30%
2037	3,532,720	3.5%	187,574	3.50%	14,330	33,625	644,199	1,751,167	37%
2038	3,656,366	3.5%	194,139	3.50%	18,796	12,140	844,993	1,939,911	44%
2039	3,784,338	3.5%	200,933	3.50%	21,977	79,891	988,012	2,070,481	48%
2040	3,916,790	3.5%	207,966	3.50%	24,585	115,310	1,105,253	2,173,135	51%
2041	4,053,878	3.5%	215,245	3.50%	29,919	5,384	1,345,033	2,398,863	56%
2042	4,195,764	3.5%	222,778	3.50%	35,270	17,460	1,585,622	2,625,425	60%
2043	4,342,615	3.5%	230,576	3.50%	41,318		1,857,516	2,883,613	64%
2044	4,494,607	3.5%	238,646	3.50%	43,592	180,038	1,959,716	2,970,318	66%
2045	4,651,918	3.5%	246,998	3.50%	49,809	17,299	2,239,224	3,234,516	69%
2046	4,814,735	3.5%	255,643	3.50%	53,610	138,391	2,410,087	3,388,867	71%
2047	4,983,251	3.5%	264,591	3.50%	60,818	1,368	2,734,128	3,696,892	74%
2048	5,157,665	3.5%	273,852	3.50%	68,042	17,125	3,058,896	4,006,069	76%
2049	5,338,183	3.5%	283,436	3.50%	41,751	1,507,141	1,876,943	2,792,948	67%
2050	5,525,019	3.5%	293,357	3.50%	44,703	205,343	2,009,659	2,891,958	69%
2051	5,718,395	3.5%	303,624	3.50%	48,588	177,526	2,184,346	3,031,485	72%
2052	5,918,539	3.5%	314,251	3.50%	51,812	221,143	2,329,266	3,136,913	74%
2053	6,125,688	3.5%	325,250	3.50%	31,656	1,263,057	1,423,115	2,178,365	65%

White Water Estates
Current Funding - Summary

Report Date	October 11, 2023
Account Number	16787
Version	Final2
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	115

Report Parameters

Inflation	3.50%
Annual Contribution Increase	3.50%
Interest Rate on Reserve Deposit	2.27%
Tax Rate Included in Interest Rate	
2024 Beginning Balance	$288,199

The Current Funding Model is based on the reserve allocation rate supplied by the Client as of the date of this study; it has not been independently verified and is assumed to be correct.

The following page provides the 30-year projections for this funding model. It is assumed the reserve allocation rate will have annual increases to offset inflationary factors.

Current Assessment Funding Model Summary of Calculations

Required Annual Contribution	$27,750.00
Average Net Annual Interest Earned	$0.00
Total Annual Allocation to Reserves	$27,750.00

White Water Estates
Current Funding - Year End Projections

Begining Balance: $288,199

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2024	2,258,836	3.5%	27,750			465,935	-149,986	1,282,750	
2025	2,337,895	3.5%	28,721	3.50%		64,998	-186,263	1,347,773	
2026	2,419,722	3.5%	29,726	3.50%		69,550	-226,087	1,413,418	
2027	2,504,412	3.5%	30,767	3.50%		7,900	-203,219	1,548,336	
2028	2,592,066	3.5%	31,844	3.50%		310,692	-482,067	1,380,730	
2029	2,682,789	3.5%	32,958	3.50%		23,279	-472,388	1,508,588	
2030	2,776,686	3.5%	34,112	3.50%		77,497	-515,773	1,588,432	
2031	2,873,870	3.5%	35,306	3.50%		80,154	-560,620	1,672,075	
2032	2,974,456	3.5%	36,541	3.50%		12,378	-536,457	1,832,678	
2033	3,078,562	3.5%	37,820	3.50%		832,253	-1,330,890	1,153,331	
2034	3,186,311	3.5%	39,144	3.50%		57,949	-1,349,695	1,255,738	
2035	3,297,832	3.5%	40,514	3.50%			-1,309,180	1,425,977	
2036	3,413,256	3.5%	41,932	3.50%		11,333	-1,278,581	1,594,865	
2037	3,532,720	3.5%	43,400	3.50%		33,625	-1,268,807	1,751,167	
2038	3,656,366	3.5%	44,919	3.50%		12,140	-1,236,028	1,939,911	
2039	3,784,338	3.5%	46,491	3.50%		79,891	-1,269,429	2,070,481	
2040	3,916,790	3.5%	48,118	3.50%		115,310	-1,336,620	2,173,135	
2041	4,053,878	3.5%	49,802	3.50%		5,384	-1,292,202	2,398,863	
2042	4,195,764	3.5%	51,545	3.50%		17,460	-1,258,117	2,625,425	
2043	4,342,615	3.5%	53,349	3.50%			-1,204,768	2,883,613	
2044	4,494,607	3.5%	55,217	3.50%		180,038	-1,329,589	2,970,318	
2045	4,651,918	3.5%	57,149	3.50%		17,299	-1,289,739	3,234,516	
2046	4,814,735	3.5%	59,149	3.50%		138,391	-1,368,980	3,388,867	
2047	4,983,251	3.5%	61,220	3.50%		1,368	-1,309,129	3,696,892	
2048	5,157,665	3.5%	63,362	3.50%		17,125	-1,262,891	4,006,069	
2049	5,338,183	3.5%	65,580	3.50%		1,507,141	-2,704,452	2,792,948	
2050	5,525,019	3.5%	67,875	3.50%		205,343	-2,841,919	2,891,958	
2051	5,718,395	3.5%	70,251	3.50%		177,526	-2,949,195	3,031,485	
2052	5,918,539	3.5%	72,710	3.50%		221,143	-3,097,627	3,136,913	
2053	6,125,688	3.5%	75,255	3.50%		1,263,057	-4,285,430	2,178,365	

White Water Estates
Approved Funding - Summary

Report Date	October 11, 2023
Account Number	16787
Version	Final2
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	115

Report Parameters

Inflation	3.50%
Annual Contribution Increase	3.50%
Interest Rate on Reserve Deposit	2.27%
Tax Rate Included in Interest Rate	
2024 Beginning Balance	$288,199

The Approved Funding Model reserve allocation rate is based on the Client provided information for the reserve allocation rate approved for the initial year of this study. It is assumed the reserve allocation rate will have annual increases to offset inflationary factors.

The following page provides the 30-year projections for this funding model.

Approved Funding Model Summary of Calculations

Required Annual Contribution	$27,750.00
Average Net Annual Interest Earned	$0.00
Total Annual Allocation to Reserves	$27,750.00

White Water Estates
Approved Funding - Year End Projections

Begining Balance: $288,199

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2024	2,258,836	3.5%	27,750			465,935	-149,986	1,282,750	
2025	2,337,895	3.5%	28,721	3.50%		64,998	-186,263	1,347,773	
2026	2,419,722	3.5%	29,726	3.50%		69,550	-226,087	1,413,418	
2027	2,504,412	3.5%	30,767	3.50%		7,900	-203,219	1,548,336	
2028	2,592,066	3.5%	31,844	3.50%		310,692	-482,067	1,380,730	
2029	2,682,789	3.5%	32,958	3.50%		23,279	-472,388	1,508,588	
2030	2,776,686	3.5%	34,112	3.50%		77,497	-515,773	1,588,432	
2031	2,873,870	3.5%	35,306	3.50%		80,154	-560,620	1,672,075	
2032	2,974,456	3.5%	36,541	3.50%		12,378	-536,457	1,832,678	
2033	3,078,562	3.5%	37,820	3.50%		832,253	-1,330,890	1,153,331	
2034	3,186,311	3.5%	39,144	3.50%		57,949	-1,349,695	1,255,738	
2035	3,297,832	3.5%	40,514	3.50%			-1,309,180	1,425,977	
2036	3,413,256	3.5%	41,932	3.50%		11,333	-1,278,581	1,594,865	
2037	3,532,720	3.5%	43,400	3.50%		33,625	-1,268,807	1,751,167	
2038	3,656,366	3.5%	44,919	3.50%		12,140	-1,236,028	1,939,911	
2039	3,784,338	3.5%	46,491	3.50%		79,891	-1,269,429	2,070,481	
2040	3,916,790	3.5%	48,118	3.50%		115,310	-1,336,620	2,173,135	
2041	4,053,878	3.5%	49,802	3.50%		5,384	-1,292,202	2,398,863	
2042	4,195,764	3.5%	51,545	3.50%		17,460	-1,258,117	2,625,425	
2043	4,342,615	3.5%	53,349	3.50%			-1,204,768	2,883,613	
2044	4,494,607	3.5%	55,217	3.50%		180,038	-1,329,589	2,970,318	
2045	4,651,918	3.5%	57,149	3.50%		17,299	-1,289,739	3,234,516	
2046	4,814,735	3.5%	59,149	3.50%		138,391	-1,368,980	3,388,867	
2047	4,983,251	3.5%	61,220	3.50%		1,368	-1,309,129	3,696,892	
2048	5,157,665	3.5%	63,362	3.50%		17,125	-1,262,891	4,006,069	
2049	5,338,183	3.5%	65,580	3.50%		1,507,141	-2,704,452	2,792,948	
2050	5,525,019	3.5%	67,875	3.50%		205,343	-2,841,919	2,891,958	
2051	5,718,395	3.5%	70,251	3.50%		177,526	-2,949,195	3,031,485	
2052	5,918,539	3.5%	72,710	3.50%		221,143	-3,097,627	3,136,913	
2053	6,125,688	3.5%	75,255	3.50%		1,263,057	-4,285,430	2,178,365	

White Water Estates
Projected Annual Expenditures - List

	Description	Expenditures
Replacement Year 2024		
1008	Arena Edging (wood) - Replace	6,912
1036	Asphalt (Ph1) - Overlay/Resurface	340,470
1001	Fence (perim./east-north) - Replace	49,400
1004	Fence (two rail/park) - Replace	35,112
1026	Gate Access System - Replace	7,000
1031	Gate Masonry Wall - Repoint	11,200
1014	Gravel Parking (arena/park) - Replenish	13,981
1011	Picnic Tables (wood/1990) - Replace	1,860
Total for 2024		**$465,935**
Replacement Year 2025		
1009	BBQ Stands - Replace	6,469
1003	Fence (vinyl three rail) - Replace	49,835
1020	Mailbox Structure (wood) - Replace	8,694
Total for 2025		**$64,998**
Replacement Year 2026		
1035	Asphalt - Crack Sealing	8,034
1016	Fence (perim./south) - Replace	35,993
1043	Horse Arena Surface (sand) - Edging & Replenish	25,523
Total for 2026		**$69,550**
Replacement Year 2027		
1006	Fence (three rail/arena posts) - Replace	7,900
Total for 2027		**$7,900**
Replacement Year 2028		
1042	Asphalt (Ph3) - Overlay/Resurface	302,085
1035	Asphalt - Crack Sealing	8,606
Total for 2028		**$310,692**
Replacement Year 2029		
1037	Asphalt - Patch/Repairs	14,965
1038	Asphalt Roadside Gravel - Replenish	8,314
Total for 2029		**$23,279**

White Water Estates
Projected Annual Expenditures - List

Description		Expenditures
Replacement Year 2030		
1035	Asphalt - Crack Sealing	9,219
1027	Gate Electrical Panel - Replace	3,073
1013	Irrigation Piping - Replace	16,031
1015	Landscaping - Refurbish	20,039
1023	Lights (pole fixtures) - Replace	3,380
1022	Lights (pole) - Replace & Rewire	14,382
1021	Lights (wall fixtures) - Replace	3,688
1019	Signage (road) - Replace	7,683
Total for 2030		**$77,497**
Replacement Year 2031		
1017	Fence (perim./north) - Replace	80,154
Total for 2031		**$80,154**
Replacement Year 2032		
1035	Asphalt - Crack Sealing	9,876
1030	Gate SOS Sensors - Replace	2,502
Total for 2032		**$12,378**
Replacement Year 2033		
1039	Asphalt (Ph2) - Aggregate Base Replace	361,849
1040	Asphalt (Ph2) - Overlay/Resurface	470,404
Total for 2033		**$832,253**
Replacement Year 2034		
1035	Asphalt - Crack Sealing	10,579
1037	Asphalt - Patch/Repairs	17,774
1038	Asphalt Roadside Gravel - Replenish	9,874
1014	Gravel Parking (arena/park) - Replenish	19,722
Total for 2034		**$57,949**
No Replacement in 2035		
Replacement Year 2036		
1035	Asphalt - Crack Sealing	11,333
Total for 2036		**$11,333**

White Water Estates
Projected Annual Expenditures - List

Description		Expenditures
Replacement Year 2037		
1028	Gate Operators - Replace	24,241
1029	Gate Safety Loop System - Replace	9,384
Total for 2037		**$33,625**
Replacement Year 2038		
1035	Asphalt - Crack Sealing	12,140
Total for 2038		**$12,140**
Replacement Year 2039		
1037	Asphalt - Patch/Repairs	21,109
1038	Asphalt Roadside Gravel - Replenish	11,727
1007	Fence (three rail/arena) - Replace	34,238
1005	Fence (two rail posts/park) - Replace	12,816
Total for 2039		**$79,891**
Replacement Year 2040		
1035	Asphalt - Crack Sealing	13,005
1018	Fence (perim./south-east) - Replace	102,305
Total for 2040		**$115,310**
Replacement Year 2041		
1033	Signage (comm.kiosk) - Replace	5,384
Total for 2041		**$5,384**
Replacement Year 2042		
1035	Asphalt - Crack Sealing	13,931
1030	Gate SOS Sensors - Replace	3,529
Total for 2042		**$17,460**
No Replacement in 2043		
Replacement Year 2044		
1035	Asphalt - Crack Sealing	14,923
1037	Asphalt - Patch/Repairs	25,071

White Water Estates
Projected Annual Expenditures - List

Description		Expenditures
Replacement Year 2044 continued...		
1038	Asphalt Roadside Gravel - Replenish	13,929
1001	Fence (perim./east-north) - Replace	98,296
1014	Gravel Parking (arena/park) - Replenish	27,819
Total for 2044		**$180,038**
Replacement Year 2045		
1020	Mailbox Structure (wood) - Replace	17,299
Total for 2045		**$17,299**
Replacement Year 2046		
1035	Asphalt - Crack Sealing	15,986
1016	Fence (perim./south) - Replace	71,619
1043	Horse Arena Surface (sand) - Edging & Replenish	50,785
Total for 2046		**$138,391**
Replacement Year 2047		
1010	Picnic Tables (wood/2022) - Replace	1,368
Total for 2047		**$1,368**
Replacement Year 2048		
1035	Asphalt - Crack Sealing	17,125
Total for 2048		**$17,125**
Replacement Year 2049		
1008	Arena Edging (wood) - Replace	16,335
1034	Asphalt (Ph1) - Aggregate Base Replace	618,934
1036	Asphalt (Ph1) - Overlay/Resurface	804,614
1037	Asphalt - Patch/Repairs	29,777
1038	Asphalt Roadside Gravel - Replenish	16,543
1026	Gate Access System - Replace	16,543
1011	Picnic Tables (wood/1990) - Replace	4,396
Total for 2049		**$1,507,141**
Replacement Year 2050		
1035	Asphalt - Crack Sealing	18,345

White Water Estates
Projected Annual Expenditures - List

Description		Expenditures
Replacement Year 2050 continued...		
1003	Fence (vinyl three rail) - Replace	117,773
1015	Landscaping - Refurbish	39,874
1023	Lights (pole fixtures) - Replace	6,726
1021	Lights (wall fixtures) - Replace	7,338
1019	Signage (road) - Replace	15,287
Total for 2050		**$205,343**
Replacement Year 2051		
1017	Fence (perim./north) - Replace	159,489
1006	Fence (three rail/arena posts) - Replace	18,037
Total for 2051		**$177,526**
Replacement Year 2052		
1035	Asphalt - Crack Sealing	19,651
1024	Gate (pedestrian) - Replace	17,031
1025	Gate (vehicle) - Replace	123,148
1028	Gate Operators - Replace	40,613
1030	Gate SOS Sensors - Replace	4,978
1029	Gate Safety Loop System - Replace	15,721
Total for 2052		**$221,143**
Replacement Year 2053		
1041	Asphalt (Ph3) - Aggregate Base Replace	549,155
1042	Asphalt (Ph3) - Overlay/Resurface	713,902
Total for 2053		**$1,263,057**

White Water Estates
Projected Annual Expenditures - Spreadsheet

		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Beginning Balance		288,199	186,411	261,223	337,879	484,296	329,501	470,456	564,669	664,006	840,817
Annual Reserve Account Contribution		360,000	134,000	138,690	143,544	148,568	153,768	159,150	164,720	170,485	176,452
Interest Earned		4,147	5,811	7,516	10,773	7,329	10,465	12,560	14,770	18,703	4,209
Expenditures		465,935	64,998	69,550	7,900	310,692	23,279	77,497	80,154	12,378	832,253
Fully Funded Balance		1,282,750	1,347,773	1,413,418	1,548,336	1,380,730	1,508,588	1,588,432	1,672,075	1,832,678	1,153,331
Percent Funded		15%	19%	24%	31%	24%	31%	36%	40%	46%	16%
Ending Reserve Account Balance		186,411	261,223	337,879	484,296	329,501	470,456	564,669	664,006	840,817	189,225
ID	**Description**										
1008	Arena Edging (wood) - Replace	6,912									
1034	Asphalt (Ph1) - Aggregate Base Replace										
1036	Asphalt (Ph1) - Overlay/Resurface	340,470									
1039	Asphalt (Ph2) - Aggregate Base Replace										361,849
1040	Asphalt (Ph2) - Overlay/Resurface										470,404
1041	Asphalt (Ph3) - Aggregate Base Replace										
1042	Asphalt (Ph3) - Overlay/Resurface					302,085					
1035	Asphalt - Crack Sealing			8,034		8,606		9,219		9,876	
1037	Asphalt - Patch/Repairs						14,965				
1038	Asphalt Roadside Gravel - Replenish						8,314				
1009	BBQ Stands - Replace		6,469								
1001	Fence (perim./east-north) - Replace	49,400									
1017	Fence (perim./north) - Replace								80,154		
1016	Fence (perim./south) - Replace			35,993							
1018	Fence (perim./south-east) - Replace										
1006	Fence (three rail/arena posts) - Replace				7,900						
1007	Fence (three rail/arena) - Replace										
1005	Fence (two rail posts/park) - Replace										
1004	Fence (two rail/park) - Replace	35,112									
1003	Fence (vinyl three rail) - Replace		49,835								
1024	Gate (pedestrian) - Replace										
1025	Gate (vehicle) - Replace										
1026	Gate Access System - Replace	7,000									
1027	Gate Electrical Panel - Replace							3,073			

White Water Estates
Projected Annual Expenditures - Spreadsheet

ID	Description	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
1031	Gate Masonry Wall - Repoint	11,200									
1028	Gate Operators - Replace										
1030	Gate SOS Sensors - Replace									2,502	
1029	Gate Safety Loop System - Replace										
1014	Gravel Parking (arena/park) - Replenish	13,981									
1043	Horse Arena Surface (sand) - Edging & Replen..			25,523							
1013	Irrigation Piping - Replace							16,031			
1015	Landscaping - Refurbish							20,039			
1023	Lights (pole fixtures) - Replace							3,380			
1022	Lights (pole) - Replace & Rewire							14,382			
1021	Lights (wall fixtures) - Replace							3,688			
1020	Mailbox Structure (wood) - Replace		8,694								
1011	Picnic Tables (wood/1990) - Replace	1,860									
1010	Picnic Tables (wood/2022) - Replace										
1032	Planter Box (masonry) - Replace										
1033	Signage (comm.kiosk) - Replace										
1019	Signage (road) - Replace							7,683			
Year Total:		**465,935**	**64,998**	**69,550**	**7,900**	**310,692**	**23,279**	**77,497**	**80,154**	**12,378**	**832,253**

White Water Estates
Projected Annual Expenditures - Spreadsheet

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Beginning Balance	189,225	321,046	521,670	722,034	911,160	1,133,810	1,299,735	1,440,974	1,705,890	1,972,799
Annual Reserve Account Contribution	182,628	189,020	195,636	202,483	209,570	216,905	224,497	232,354	240,487	248,904
Interest Earned	7,141	11,604	16,061	20,268	25,220	28,911	32,053	37,946	43,883	50,544
Expenditures	57,949		11,333	33,625	12,140	79,891	115,310	5,384	17,460	
Fully Funded Balance	1,255,738	1,425,977	1,594,865	1,751,167	1,939,911	2,070,481	2,173,135	2,398,863	2,625,425	2,883,613
Percent Funded	26%	37%	45%	52%	58%	63%	66%	71%	75%	79%
Ending Reserve Account Balance	321,046	521,670	722,034	911,160	1,133,810	1,299,735	1,440,974	1,705,890	1,972,799	2,272,247
ID Description										
1008 Arena Edging (wood) - Replace										
1034 Asphalt (Ph1) - Aggregate Base Replace										
1036 Asphalt (Ph1) - Overlay/Resurface										
1039 Asphalt (Ph2) - Aggregate Base Replace										
1040 Asphalt (Ph2) - Overlay/Resurface										
1041 Asphalt (Ph3) - Aggregate Base Replace										
1042 Asphalt (Ph3) - Overlay/Resurface										
1035 Asphalt - Crack Sealing	10,579		11,333		12,140		13,005		13,931	
1037 Asphalt - Patch/Repairs	17,774					21,109				
1038 Asphalt Roadside Gravel - Replenish	9,874					11,727				
1009 BBQ Stands - Replace										
1001 Fence (perim./east-north) - Replace										
1017 Fence (perim./north) - Replace										
1016 Fence (perim./south) - Replace										
1018 Fence (perim./south-east) - Replace							102,305			
1006 Fence (three rail/arena posts) - Replace										
1007 Fence (three rail/arena) - Replace						34,238				
1005 Fence (two rail posts/park) - Replace						12,816				
1004 Fence (two rail/park) - Replace										
1003 Fence (vinyl three rail) - Replace										
1024 Gate (pedestrian) - Replace										
1025 Gate (vehicle) - Replace										
1026 Gate Access System - Replace										
1027 Gate Electrical Panel - Replace										

White Water Estates
Projected Annual Expenditures - Spreadsheet

ID	Description	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1031	Gate Masonry Wall - Repoint										
1028	Gate Operators - Replace				24,241						
1030	Gate SOS Sensors - Replace									3,529	
1029	Gate Safety Loop System - Replace				9,384						
1014	Gravel Parking (arena/park) - Replenish	19,722									
1043	Horse Arena Surface (sand) - Edging & Replen..										
1013	Irrigation Piping - Replace										
1015	Landscaping - Refurbish										
1023	Lights (pole fixtures) - Replace										
1022	Lights (pole) - Replace & Rewire										
1021	Lights (wall fixtures) - Replace										
1020	Mailbox Structure (wood) - Replace										
1011	Picnic Tables (wood/1990) - Replace										
1010	Picnic Tables (wood/2022) - Replace										
1032	Planter Box (masonry) - Replace										
1033	Signage (comm.kiosk) - Replace								5,384		
1019	Signage (road) - Replace										
Year Total:		**57,949**		**11,333**	**33,625**	**12,140**	**79,891**	**115,310**	**5,384**	**17,460**	

White Water Estates
Projected Annual Expenditures - Spreadsheet

		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Beginning Balance		2,272,247	2,403,282	2,712,962	2,915,385	3,272,431	3,631,709	2,485,829	2,656,246	2,870,326	3,056,400
Annual Reserve Account Contribution		257,615	266,632	275,964	285,623	295,619	305,966	316,675	327,758	339,230	351,103
Interest Earned		53,458	60,347	64,850	72,792	80,784	55,295	59,085	63,847	67,986	48,786
Expenditures		180,038	17,299	138,391	1,368	17,125	1,507,141	205,343	177,526	221,143	1,263,057
Fully Funded Balance		2,970,318	3,234,516	3,388,867	3,696,892	4,006,069	2,792,948	2,891,958	3,031,485	3,136,913	2,178,365
Percent Funded		81%	84%	86%	89%	91%	89%	92%	95%	97%	101%
Ending Reserve Account Balance		2,403,282	2,712,962	2,915,385	3,272,431	3,631,709	2,485,829	2,656,246	2,870,326	3,056,400	2,193,232
ID	**Description**										
1008	Arena Edging (wood) - Replace						16,335				
1034	Asphalt (Ph1) - Aggregate Base Replace						618,934				
1036	Asphalt (Ph1) - Overlay/Resurface						804,614				
1039	Asphalt (Ph2) - Aggregate Base Replace										
1040	Asphalt (Ph2) - Overlay/Resurface										
1041	Asphalt (Ph3) - Aggregate Base Replace										549,155
1042	Asphalt (Ph3) - Overlay/Resurface										713,902
1035	Asphalt - Crack Sealing	14,923		15,986		17,125		18,345		19,651	
1037	Asphalt - Patch/Repairs	25,071					29,777				
1038	Asphalt Roadside Gravel - Replenish	13,929					16,543				
1009	BBQ Stands - Replace										
1001	Fence (perim./east-north) - Replace	98,296									
1017	Fence (perim./north) - Replace								159,489		
1016	Fence (perim./south) - Replace			71,619							
1018	Fence (perim./south-east) - Replace										
1006	Fence (three rail/arena posts) - Replace								18,037		
1007	Fence (three rail/arena) - Replace										
1005	Fence (two rail posts/park) - Replace										
1004	Fence (two rail/park) - Replace										
1003	Fence (vinyl three rail) - Replace							117,773			
1024	Gate (pedestrian) - Replace									17,031	
1025	Gate (vehicle) - Replace									123,148	
1026	Gate Access System - Replace						16,543				
1027	Gate Electrical Panel - Replace										

White Water Estates
Projected Annual Expenditures - Spreadsheet

ID	Description	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
1031	Gate Masonry Wall - Repoint										
1028	Gate Operators - Replace									40,613	
1030	Gate SOS Sensors - Replace									4,978	
1029	Gate Safety Loop System - Replace									15,721	
1014	Gravel Parking (arena/park) - Replenish	27,819									
1043	Horse Arena Surface (sand) - Edging & Replen..			50,785							
1013	Irrigation Piping - Replace										
1015	Landscaping - Refurbish							39,874			
1023	Lights (pole fixtures) - Replace							6,726			
1022	Lights (pole) - Replace & Rewire										
1021	Lights (wall fixtures) - Replace							7,338			
1020	Mailbox Structure (wood) - Replace		17,299								
1011	Picnic Tables (wood/1990) - Replace						4,396				
1010	Picnic Tables (wood/2022) - Replace				1,368						
1032	Planter Box (masonry) - Replace										
1033	Signage (comm.kiosk) - Replace										
1019	Signage (road) - Replace							15,287			
Year Total:		**180,038**	**17,299**	**138,391**	**1,368**	**17,125**	**1,507,141**	**205,343**	**177,526**	**221,143**	**1,263,057**

White Water Estates
Fully Funded Balance Calculations (Beginning Fiscal Year)

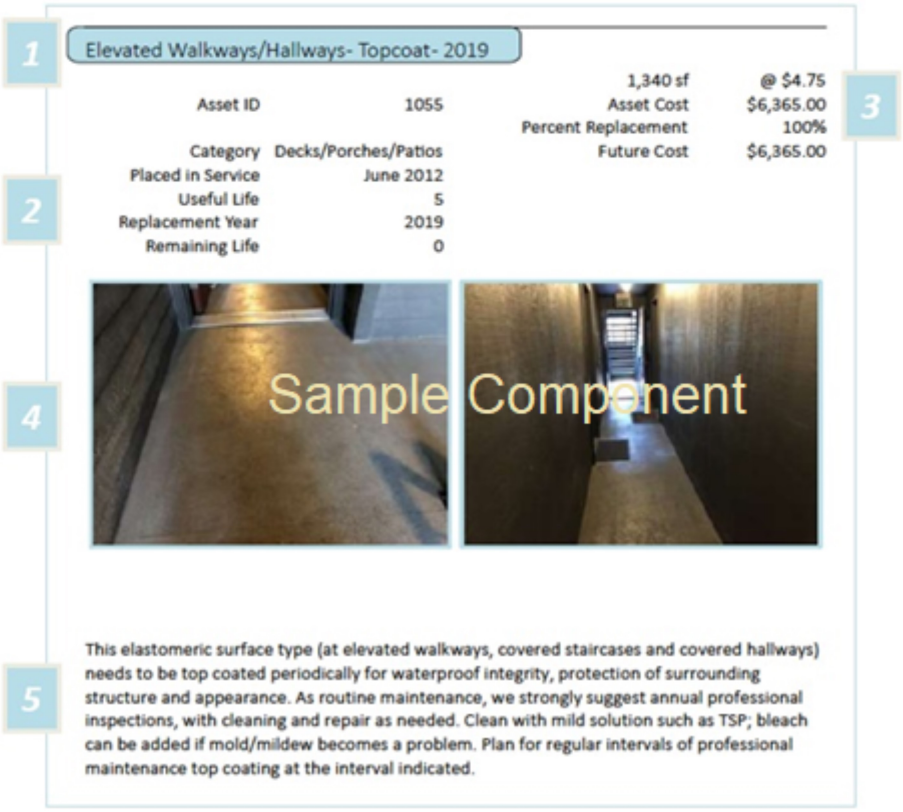
Asset ID	Description	Current Cost	x	Age	/	Useful Life	=	Fully Funded
1008	Arena Edging (wood) - Replace	$6,912	x	25	/	25	=	$6,912
1034	Asphalt (Ph1) - Aggregate Ba...	$261,900	x	35	/	60	=	$152,775
1036	Asphalt (Ph1) - Overlay/Resu...	$340,470	x	25	/	25	=	$340,470
1039	Asphalt (Ph2) - Aggregate Ba...	$265,500	x	35	/	44	=	$211,193
1040	Asphalt (Ph2) - Overlay/Resu...	$345,150	x	16	/	25	=	$220,896
1041	Asphalt (Ph3) - Aggregate Ba...	$202,500	x	31	/	60	=	$104,625
1042	Asphalt (Ph3) - Overlay/Resu...	$263,250	x	31	/	35	=	$233,164
1035	Asphalt - Crack Sealing	$7,500	x	0	/	2	=	$0
1037	Asphalt - Patch/Repairs	$12,600	x	0	/	5	=	$0
1038	Asphalt Roadside Gravel - Re...	$7,000	x	0	/	5	=	$0
1009	BBQ Stands - Replace	$6,250	x	34	/	35	=	$6,071
1001	Fence (perim./east-north) - ...	$49,400	x	20	/	20	=	$49,400
1017	Fence (perim./north) - Replace	$63,000	x	13	/	20	=	$40,950
1016	Fence (perim./south) - Replace	$33,600	x	18	/	20	=	$30,240
1018	Fence (perim./south-east) - ...	$59,000	x	4	/	20	=	$11,800
1006	Fence (three rail/arena posts...	$7,125	x	9	/	12	=	$5,344
1007	Fence (three rail/arena) - Re...	$20,436	x	9	/	24	=	$7,664
1005	Fence (two rail posts/park) - ...	$7,650	x	15	/	30	=	$3,825
1004	Fence (two rail/park) - Replace	$35,112	x	30	/	30	=	$35,112
1003	Fence (vinyl three rail) - Repl...	$48,150	x	24	/	25	=	$46,224
1024	Gate (pedestrian) - Replace	$6,500	x	2	/	30	=	$433
1025	Gate (vehicle) - Replace	$47,000	x	2	/	30	=	$3,133
1026	Gate Access System - Replace	$7,000	x	25	/	25	=	$7,000
1027	Gate Electrical Panel - Replace	$2,500	x	34	/	40	=	$2,125
1031	Gate Masonry Wall - Repoint	$11,200	x	30	/	30	=	$11,200
1028	Gate Operators - Replace	$15,500	x	2	/	15	=	$2,067
1030	Gate SOS Sensors - Replace	$1,900	x	2	/	10	=	$380
1029	Gate Safety Loop System - R...	$6,000	x	2	/	15	=	$800
1014	Gravel Parking (arena/park) -...	$13,981	x	10	/	10	=	$13,981
1043	Horse Arena Surface (sand) -...	$23,826	x	18	/	20	=	$21,443
1013	Irrigation Piping - Replace	$13,042	x	34	/	40	=	$11,085
1015	Landscaping - Refurbish	$16,302	x	14	/	20	=	$11,411
1023	Lights (pole fixtures) - Replace	$2,750	x	14	/	20	=	$1,925
1022	Lights (pole) - Replace & Re...	$11,700	x	34	/	40	=	$9,945
1021	Lights (wall fixtures) - Replace	$3,000	x	14	/	20	=	$2,100

White Water Estates
Fully Funded Balance Calculations (Beginning Fiscal Year)

Asset ID	Description	Current Cost	x	Age	/	Useful Life	=	Fully Funded
1020	Mailbox Structure (wood) - R...	$8,400	x	19	/	20	=	$7,980
1011	Picnic Tables (wood/1990) - ...	$1,860	x	25	/	25	=	$1,860
1010	Picnic Tables (wood/2022) - ...	$620	x	2	/	25	=	$50
1032	Planter Box (masonry) - Repl...	$14,000	x	9	/	45	=	$2,800
1033	Signage (comm.kiosk) - Repl...	$3,000	x	8	/	25	=	$960
1019	Signage (road) - Replace	$6,250	x	14	/	20	=	$4,375
Total Asset Summary:								$1,623,719

White Water Estates
About the Component Detail Reports Section

In the following Component Details Section of this reserve study you will find each component that has been listed within the Component List. This section has more detailed information for each component and reviewing it will often answer questions that arise regarding specific components within this reserve study. Below you will find an explanation of what and where this information is located.



1. Component Name and next Replacement Year as well as a unique Asset ID to cross reference with other sections within this reserve study.

2. This area has the category of the component, estimated placed in-service date (when last installed), the estimated useful life of the component (estimate of how long the component will last), the next replacement year in this reserve study and the remaining useful life (how many years before replacement is estimated to occur).

3. The area has the total measurement/unit count of the component, the cost per unit, the total asset cost (unit count X unit cost), the percent replacement (amount funded to be replaced in a cycle), and the future cost (estimated cost at the next replacement date).

4. Pictures of the component are included for Level I studies unless the Client has requested fewer pages in the study in which case we will omit them.

5. Specific comments about this component which can include explanations for adjustments to the useful life, phasing, maintenance of the component, Vendor recommendations, etc.

Arena Edging (wood) - Replace - 2024

		768 lf	@ $9.00
Asset ID	1008	Asset Actual Cost	$6,912.00
		Percent Replacement	100%
Category	Recreation	Future Cost	$6,912.00
Placed in Service	January 1998		
Useful Life	25		
Replacement Year	2024		
Remaining Life	0		

We recommend budgeting for replacement of these wood edging surfaces at the time frame indicated due to constant exposure to the elements.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Asphalt (Ph1) - Aggregate Base Replace - 2049

		130,950 sf	@ $2.00
Asset ID	1034	Asset Actual Cost	$261,900.00
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	$618,933.86
Placed in Service	January 1989		
Useful Life	50		
Adjustment	10		
Replacement Year	2049		
Remaining Life	25		

If properly built, asphalt surfaces will deteriorate from the top down, which only requires the replacement of a layer of asphalt, or preferably the application of a layer on top of the existing asphalt (overlay). Over time significant deterioration to asphalt will typically warrant a replacement project as vendors will not be able to guarantee their work if the base layer(s) are not functioning as designed. Cost estimate assumes removal of the current asphalt and base as warranted.

Life adjustment given so this cycles with the next resurfacing component. Measurement from Vendor bid ; verified by Reserve Analyst on site.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Asphalt (Ph1) - Overlay/Resurface - 2024

		130,950 sf	@ $2.60
Asset ID	1036	Asset Actual Cost	$340,470.00
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	$340,470.00
Placed in Service	June 1996		
Useful Life	25		
Replacement Year	2024		
Remaining Life	0		

Appears to be deteriorating at a rate typical of its age. As routine maintenance, keep surface clean, ensure that drains are clean and free flowing, repair cracks and clean oils stains promptly. Best to plan for eventual intervals of resurfacing (overlay).

If properly built, asphalt surfaces will deteriorate from the top down, which only requires the replacement of a layer of asphalt, or preferably the application of a layer on top of the existing asphalt (overlay). The asphalt overlay not only provides a new paving surface for a fraction of the cost of rebuilding the entire surface, but it is the only preventive maintenance technique that adds structural value while extending a pavement's service life. Cost estimate assumes a 2 inch overlay over existing surfaces.

There is no sealcoat present at this time. It is assumed that sealcoating will not be conducted in the future. Initial bid provided by the Vendor has a lower square footage cost ($1.69 per square foot) but states the project must be rebid prior to the project, does not include any road repairs/patches/alterations and does not include tax.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Asphalt (Ph2) - Aggregate Base Replace - 2033

		132,750 sf	@ $2.00
Asset ID	1039	Asset Actual Cost	$265,500.00
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	$361,849.25
Placed in Service	January 1989		
Useful Life	50		
Adjustment	-6		
Replacement Year	2033		
Remaining Life	9		

If properly built, asphalt surfaces will deteriorate from the top down, which only requires the replacement of a layer of asphalt, or preferably the application of a layer on top of the existing asphalt (overlay). Over time significant deterioration to asphalt will typically warrant a replacement

Asphalt (Ph2) - Aggregate Base Replace continued...

project as vendors will not be able to guarantee their work if the base layer(s) are not functioning as designed. Cost estimate assumes removal of the current asphalt and base as warranted.

Life adjustment given so this cycles with the next resurfacing component. Measurement from Vendor bid ; verified by Reserve Analyst on site.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Asphalt (Ph2) - Overlay/Resurface - 2033

		132,750 sf	@ $2.60
Asset ID	1040	Asset Actual Cost	$345,150.00
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	$470,404.02
Placed in Service	June 2008		
Useful Life	25		
Replacement Year	2033		
Remaining Life	9		

Appears to be deteriorating at a rate typical of its age. As routine maintenance, keep surface clean, ensure that drains are clean and free flowing, repair cracks and clean oils stains promptly. Best to plan for eventual intervals of resurfacing (overlay).

If properly built, asphalt surfaces will deteriorate from the top down, which only requires the replacement of a layer of asphalt, or preferably the application of a layer on top of the existing asphalt (overlay). The asphalt overlay not only provides a new paving surface for a fraction of the cost of rebuilding the entire surface, but it is the only preventive maintenance technique that adds structural value while extending a pavement's service life. Cost estimate assumes a 2 inch overlay over existing surfaces.

There is no sealcoat present at this time. It is assumed that sealcoating will not be conducted in the future. Initial bid provided by the Vendor has a lower square footage cost ($1.69 per square foot) but states the project must be rebid prior to the project, does not include any road repairs/patches/alterations and does not include tax.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Asphalt (Ph3) - Aggregate Base Replace - 2053

		101,250 sf	@ $2.00
Asset ID	1041	Asset Actual Cost	$202,500.00
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	$549,155.29
Placed in Service	June 1993		
Useful Life	50		
Adjustment	10		
Replacement Year	2053		
Remaining Life	29		

If properly built, asphalt surfaces will deteriorate from the top down, which only requires the replacement of a layer of asphalt, or preferably the application of a layer on top of the existing asphalt (overlay). Over time significant deterioration to asphalt will typically warrant a replacement project as vendors will not be able to guarantee their work if the base layer(s) are not functioning as designed. Cost estimate assumes removal of the current asphalt and base as warranted.

Life adjustment given so this cycles with the next resurfacing component. Measurement from Vendor bid ; verified by Reserve Analyst on site.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Asphalt (Ph3) - Overlay/Resurface - 2028

		101,250 sf	@ $2.60
Asset ID	1042	Asset Actual Cost	$263,250.00
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	$302,085.43
Placed in Service	June 1993		
Useful Life	25		
Adjustment	10		
Replacement Year	2028		
Remaining Life	4		

Appears to be deteriorating at a rate less rapidly than is typical of its age. As routine maintenance, keep surface clean, ensure that drains are clean and free flowing, repair cracks and clean oils stains promptly. Best to plan for eventual intervals of resurfacing (overlay).

If properly built, asphalt surfaces will deteriorate from the top down, which only requires the replacement of a layer of asphalt, or preferably the application of a layer on top of the existing asphalt (overlay). The asphalt overlay not only provides a new paving surface for a fraction of the cost of rebuilding the entire surface, but it is the only preventive maintenance technique that adds

Asphalt (Ph3) - Overlay/Resurface continued...

structural value while extending a pavement's service life. Cost estimate assumes a 2 inch overlay over existing surfaces.

There is no sealcoat present at this time. It is assumed that sealcoating will not be conducted in the future. Initial bid provided by the Vendor has a lower square footage cost ($1.69 per square foot) but states the project must be rebid prior to the project, does not include any road repairs/patches/alterations and does not include tax. Life adjustment given as this roadway appears to be deteriorating less rapidly than is typical of its age.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Asphalt - Crack Sealing - 2026

		1 ls	@ $7,500.00
Asset ID	1035	Asset Actual Cost	$7,500.00
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	$8,034.19
Placed in Service	January 2024		
Useful Life	2		
Replacement Year	2026		
Remaining Life	2		

The primary reason of crack sealing is to prevent water intrusion through the cracks in the asphalt surfaces. Water that enters these cracks can freeze (expands) and cause the cracks to enlarge and/or penetrate the underlying base and cause potholes and instability. Crack sealing helps to maximize the useful life of asphalt surfaces.

*Cost Source: Client Historical Records – Inflated to Current Estimate

Asphalt - Patch/Repairs - 2029

		1 ls	@ $12,600.00
Asset ID	1037	Asset Actual Cost	$12,600.00
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	$14,964.85
Placed in Service	January 2024		
Useful Life	5		
Replacement Year	2029		
Remaining Life	5		

We recommend budgeting for periodic repairs to the asphalt surfaces, to coincide with the sealcoat

Asphalt - Patch/Repairs continued...

component. Patching an repairing areas of asphalt, where needed, will help to to maximize the useful life of the road.

*Cost Source: Client Historical Records – Inflated to Current Estimate

Asphalt Roadside Gravel - Replenish - 2029

		1 ls	@ $7,000.00
Asset ID	1038	Asset Actual Cost	$7,000.00
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	$8,313.80
Placed in Service	January 2024		
Useful Life	5		
Replacement Year	2029		
Remaining Life	5		

Gravel areas located at the sides of the asphalt roadway require regular cycles of replenishment to protect the integrity of the asphalt roads. Inspect regularly, maintain any containment borders, control vegetation, and fill in any low spots which may develop as needed using operating/maintenance funds. Plan for larger scale refurbish project with gravel at the time frame indicated.

*Cost Source: Client Historical Records – Inflated to Current Estimate

BBQ Stands - Replace - 2025

		5 ea	@ $1,250.00
Asset ID	1009	Asset Actual Cost	$6,250.00
		Percent Replacement	100%
Category	Recreation	Future Cost	$6,468.75
Placed in Service	January 1990		
Useful Life	35		
Replacement Year	2025		
Remaining Life	1		

With regular maintenance (bi-annually clean and touch up paint) this component can last for an extended period of time, even with frequent use. We recommend funding for replacement at the timeframe indicated.

Located at community park.

BBQ Stands - Replace continued...

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Fence (perim./east-north) - Replace - 2024

		2,470 lf	@ $20.00
Asset ID	1001	Asset Actual Cost	$49,400.00
		Percent Replacement	100%
Category	Fencing	Future Cost	$49,400.00
Placed in Service	June 2000		
Useful Life	20		
Replacement Year	2024		
Remaining Life	0		

Rail and wire fence (at perimeter) appears to be deteriorating at a rate typical of its age. Although rustic looking by design, this type of fencing will eventually need to be replaced due to constant weathering and exposure. Inspect regularly and repair as needed from operating budget. Plan for regular intervals of replacement at roughly the time frame indicated. This fence is assumed to be left to weather naturally (no paint or stain) as is typical of this style of fencing.

Located at perimeter. Measurement per Client records.

*Cost Source: Client Historical Records - Reportedly last replaced in 2000 for $15,865 - Inflated to Current Estimate

Fence (perim./north) - Replace - 2031

		3,150 lf	@ $20.00
Asset ID	1017	Asset Actual Cost	$63,000.00
		Percent Replacement	100%
Category	Fencing	Future Cost	$80,153.59
Placed in Service	June 2011		
Useful Life	20		
Replacement Year	2031		
Remaining Life	7		

Rail and wire fence (at perimeter) appears to be deteriorating at a rate typical of its age. Although rustic looking by design, this type of fencing will eventually need to be replaced due to constant weathering and exposure. Inspect regularly and repair as needed from operating budget. Plan for regular intervals of replacement at roughly the time frame indicated. This fence is assumed to be left

Fence (perim./north) - Replace continued...

to weather naturally (no paint or stain) as is typical of this style of fencing.

Located at perimeter. Measurement per Client records.

*Cost Source: Client Historical Records - Reportedly last replaced in 2011 for $28,171 - Inflated to Current Estimate

Fence (perim./south) - Replace - 2026

		1,680 lf	@ $20.00
Asset ID	1016	Asset Actual Cost	$33,600.00
		Percent Replacement	100%
Category	Fencing	Future Cost	$35,993.16
Placed in Service	June 2006		
Useful Life	20		
Replacement Year	2026		
Remaining Life	2		

Rail and wire fence (at perimeter) appears to be deteriorating at a rate typical of its age. Although rustic looking by design, this type of fencing will eventually need to be replaced due to constant weathering and exposure. Inspect regularly and repair as needed from operating budget. Plan for regular intervals of replacement at roughly the time frame indicated. This fence is assumed to be left to weather naturally (no paint or stain) as is typical of this style of fencing.

Located at perimeter. Measurement per Client records.

*Cost Source: Client Historical Records - Reportedly last replaced in 2006 for $21,324 - Inflated to Current Estimate

Fence (perim./south-east) - Replace - 2040

		2,950 lf	@ $20.00
Asset ID	1018	Asset Actual Cost	$59,000.00
		Percent Replacement	100%
Category	Fencing	Future Cost	$102,305.18
Placed in Service	June 2020		
Useful Life	20		
Replacement Year	2040		
Remaining Life	16		

Rail and wire fence (at perimeter) appears to be deteriorating at a rate typical of its age. Although

Fence (perim./south-east) - Replace continued...

rustic looking by design, this type of fencing will eventually need to be replaced due to constant weathering and exposure. Inspect regularly and repair as needed from operating budget. Plan for regular intervals of replacement at roughly the time frame indicated. This fence is assumed to be left to weather naturally (no paint or stain) as is typical of this style of fencing.

Located at perimeter. Measurement per Client records.

*Cost Source: Client Historical Records - Reportedly last replaced in 2020 for $29,597 - Inflated to Current Estimate

Fence (three rail/arena posts) - Replace - 2027

		75 posts	@ $95.00
Asset ID	1006	Asset Actual Cost	$7,125.00
		Percent Replacement	100%
Category	Fencing	Future Cost	$7,899.61
Placed in Service	June 2015		
Useful Life	12		
Replacement Year	2027		
Remaining Life	3		

Split rail wood fence posts appear to be deteriorating at a rate typical of its age. Although rustic looking by design, this type of fencing will eventually need to be replaced due to constant weathering and exposure. Inspect regularly and repair as needed from operating budget. Plan for regular intervals of replacement at roughly the time frame indicated. This fence is assumed to be left to weather naturally (no paint or stain) as is typical of this style of fencing.

Located at community horse arena. Post count per Client records. This component is only for the posts and is superseded by the replacement component.

*Cost Source: Client Historical Records – Inflated to Current Estimate

Fence (three rail/arena) - Replace - 2039

		768 lf	@ $26.61
Asset ID	1007	Asset Actual Cost	$20,436.48
		Percent Replacement	100%
Category	Fencing	Future Cost	$34,238.23
Placed in Service	June 2015		
Useful Life	24		
Replacement Year	2039		
Remaining Life	15		

Split rail wood fence appears to be deteriorating at a rate typical of its age. Although rustic looking by design, this type of fencing will eventually need to be replaced due to constant weathering and exposure. Inspect regularly and repair as needed from operating budget. Plan for regular intervals of replacement at roughly the time frame indicated. This fence is assumed to be left to weather naturally (no paint or stain) as is typical of this style of fencing.

Located at community horse arena area. This component supersedes the split rail post component.

*Cost Source: Client Historical Records - Reportedly last replaced in 2015 for $14,600 - Inflated to Current Estimate

Fence (two rail posts/park) - Replace - 2039

		90 posts	@ $85.00
Asset ID	1005	Asset Actual Cost	$7,650.00
		Percent Replacement	100%
Category	Fencing	Future Cost	$12,816.42
Placed in Service	June 2004		
Useful Life	15		
Replacement Year	2039		
Remaining Life	15		

Split rail wood fence posts appear to be deteriorating at a rate typical of its age. Although rustic looking by design, this type of fencing will eventually need to be replaced due to constant weathering and exposure. Inspect regularly and repair as needed from operating budget. Plan for regular intervals of replacement at roughly the time frame indicated. This fence is assumed to be left to weather naturally (no paint or stain) as is typical of this style of fencing.

Located at community park parking area. Post count per Client records. This component is only for the posts and is superseded by the replacement component.

*Cost Source: Client Historical Records – Inflated to Current Estimate

Fence (two rail/park) - Replace - 2024

		836 lf	@ $42.00
Asset ID	1004	Asset Actual Cost	$35,112.00
		Percent Replacement	100%
Category	Fencing	Future Cost	$35,112.00
Placed in Service	January 1990		
Useful Life	30		
Replacement Year	2024		
Remaining Life	0		

Split rail wood fence appears to be deteriorating at a rate typical of its age. Although rustic looking by design, this type of fencing will eventually need to be replaced due to constant weathering and exposure. Inspect regularly and repair as needed from operating budget. Plan for regular intervals of replacement at roughly the time frame indicated. This fence is assumed to be left to weather naturally (no paint or stain) as is typical of this style of fencing.

Located at community park parking area. This component supersedes the split rail post component.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Fence (vinyl three rail) - Replace - 2025

		1,070 lf	@ $45.00
Asset ID	1003	Asset Actual Cost	$48,150.00
		Percent Replacement	100%
Category	Fencing	Future Cost	$49,835.25
Placed in Service	June 2000		
Useful Life	25		
Replacement Year	2025		
Remaining Life	1		

Three rail vinyl fence appears to be deteriorating at a rate typical of its age. Inspect regularly and repair as needed from operating budget. Plan for regular intervals of replacement at roughly the time frame indicated.

Only vinyl split rail fencing located at the community entry gate (outside of gate) has been included in this measurement as the rest of the vinyl fencing is reportedly the lot owner's responsibility.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Gate (pedestrian) - Replace - 2052

		1 ea	@ $6,500.00
Asset ID	1024	Asset Actual Cost	$6,500.00
		Percent Replacement	100%
Category	Gate Systems	Future Cost	$17,031.12
Placed in Service	June 2022		
Useful Life	30		
Replacement Year	2052		
Remaining Life	28		

Pedestrian gate appears to be deteriorating at a rate typical of its age. Complete touch up paint, maintenance and repairs (paid from Operating Account) to help extend useful life cycles. These types of metal gates are typically durable, however, we recommend setting aside funding for regular intervals of replacement due to constant usage, wear exposure to the elements.

*Cost Source: Client Historical Records – Inflated to Current Estimate

Gate (vehicle) - Replace - 2052

		2 ea	@ $23,500.00
Asset ID	1025	Asset Actual Cost	$47,000.00
		Percent Replacement	100%
Category	Gate Systems	Future Cost	$123,148.08
Placed in Service	June 2022		
Useful Life	30		
Replacement Year	2052		
Remaining Life	28		

Entry gate appears to be deteriorating at a rate typical of its age. We strongly recommend regular professional inspections, touch up paint, maintenance and repairs (paid from Operating Account) to help extend useful life cycles; this is most easily/economically addressed by setting up annual maintenance contracts with a Gate Vendor. These types of metal gates are typically durable, however, we recommend setting aside funding for regular intervals of replacement due to constant usage, wear and the typical damage not covered by insurance as seen in similar communities.

*Cost Source: Client Historical Records – Inflated to Current Estimate

Gate Access System - Replace - 2024

		1 ea	@ $7,000.00
Asset ID	1026	Asset Actual Cost	$7,000.00
		Percent Replacement	100%
Category	Gate Systems	Future Cost	$7,000.00
Placed in Service	January 1990		
Useful Life	25		
Replacement Year	2024		
Remaining Life	0		

Reportedly in operational condition. We recommend professional inspections and maintenance. Wipe down surfaces periodically with an appropriate cleaner, being careful to avoid control buttons. Plan for replacement at the typical life expectancy interval indicated, due to constant usage and exposure to weather elements.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Gate Electrical Panel - Replace - 2030

		1 ea	@ $2,500.00
Asset ID	1027	Asset Actual Cost	$2,500.00
		Percent Replacement	100%
Category	Electrical	Future Cost	$3,073.14
Placed in Service	January 1990		
Useful Life	40		
Replacement Year	2030		
Remaining Life	6		

The electrical panel is assumed to be functioning as designed. We recommend budgeting for eventual replacement due to the environment in which this is located as deterioration to the panel which will occur over time.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Gate Masonry Wall - Repoint - 2024

		700 sf	@ $16.00
Asset ID	1031	Asset Actual Cost	$11,200.00
		Percent Replacement	100%
Category	Fencing	Future Cost	$11,200.00
Placed in Service	January 1990		
Useful Life	30		
Replacement Year	2024		
Remaining Life	0		

Gate masonry walls are are deteriorating at a rate typical of their age. With time and exposure there should be an expectation to refurbish (re-point) these masonry surfaces which will need mortar replacement to keep these pillars stable and aesthetically appealing. We recommend budgeting for repointing at the timeframe indicated.

Client stated some areas have been repointed in the past.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Gate Operators - Replace - 2037

		2 ea	@ $7,750.00
Asset ID	1028	Asset Actual Cost	$15,500.00
		Percent Replacement	100%
Category	Gate Systems	Future Cost	$24,241.32
Placed in Service	June 2022		
Useful Life	15		
Replacement Year	2037		
Remaining Life	13		

Gate operators and respective control panels are reportedly in operational condition. The life of these operators can vary significantly based on usage, bumps, etc. and that typically the entry/exit operators don't always fail at the same time. Regular maintenance should continue through the operating budget which includes annual inspections, service and maintenance which can extend useful life.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Gate SOS Sensors - Replace - 2032

		1 ea	@ $1,900.00
Asset ID	1030	Asset Actual Cost	$1,900.00
		Percent Replacement	100%
Category	Gate Systems	Future Cost	$2,501.94
Placed in Service	June 2022		
Useful Life	10		
Replacement Year	2032		
Remaining Life	8		

The gate siren operated sensors (SOS) are assumed to be in operational condition at this time. We recommend funding for the replacement at the timeframe indicated.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Gate Safety Loop System - Replace - 2037

		4 ea	@ $1,500.00
Asset ID	1029	Asset Actual Cost	$6,000.00
		Percent Replacement	100%
Category	Gate Systems	Future Cost	$9,383.74
Placed in Service	June 2022		
Useful Life	15		
Replacement Year	2037		
Remaining Life	13		

The safety loop systems are assumed to be in operational condition at this time. We recommend funding for the replacement at the timeframe indicated.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Gravel Parking (arena/park) - Replenish - 2024

		12,710 sf	@ $1.10
Asset ID	1014	Asset Actual Cost	$13,981.00
		Percent Replacement	100%
Category	Landscaping	Future Cost	$13,981.00
Placed in Service	June 2010		
Useful Life	10		
Replacement Year	2024		
Remaining Life	0		

Gravel areas require regular cycles of replenishment. Inspect regularly, maintain any containment

Gravel Parking (arena/park) - Replenish continued...

borders, control vegetation and fill in any low spots which may develop as needed using operating/maintenance funds. Plan for larger scale refurbish project with gravel at the time frame indicated.

Measurement includes the gravel parking area at the communitry park/horse arena.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Horse Arena Surface (sand) - Edging & Replenish - 2026

		627 sy	@ $38.00
Asset ID	1043	Asset Actual Cost	$23,826.00
		Percent Replacement	100%
Category	Recreation	Future Cost	$25,523.01
Placed in Service	January 2006		
Useful Life	20		
Replacement Year	2026		
Remaining Life	2		

We recommend budgeting for replenishment of the sand (fill sand) and wood edging at the time frame indicated per our experiences working with other communities with similar amenities and the communities past replacement cycle.

Estimated install date based on dated google aerial maps (appears to have been different color sand).

*Cost Source: Client Historical Records - Inflated to Current Estimate

Irrigation Piping - Replace - 2030

		5,434 sf	@ $2.40
Asset ID	1013	Asset Actual Cost	$13,041.60
		Percent Replacement	100%
Category	Irrigation Systems	Future Cost	$16,031.46
Placed in Service	January 1990		
Useful Life	40		
Replacement Year	2030		
Remaining Life	6		

No reported problems with the irrigation distribution piping at this time. As routine maintenance,

Irrigation Piping - Replace continued...

inspect and test system regularly, perform any minor repairs as necessary from maintenance budget. Although the failure rate of the elements within this component are typically difficult to predict, prudent planning suggests setting aside funding, for larger scale refurbishing of irrigation systems (e.g., piping, valves, etc.), on a cyclical basis.

This component is for the replacement of the underground irrigation piping. Note that ongoing repairs and replacement of sprinkler heads are assumed to be paid from the Operating Account as needed.

Located at community entrance.
*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Landscaping - Refurbish - 2030

		5,434 sf	@ $3.00
Asset ID	1015	Asset Actual Cost	$16,302.00
		Percent Replacement	100%
Category	Landscaping	Future Cost	$20,039.32
Placed in Service	June 2010		
Useful Life	20		
Replacement Year	2030		
Remaining Life	6		

Although ongoing maintenance is funded from the Operating Account, this component may be utilized for setting aside funds for larger expenses that do not occur on an annual basis, such as: weed barrier replacement, large scale plantings, common area drainage projects, resodding lawn areas, landscape improvement projects, etc.

Located at community entrance. Timed to coincide with the irrigation component in this area.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Lights (pole fixtures) - Replace - 2030

		10 ea	@ $275.00
Asset ID	1023	Asset Actual Cost	$2,750.00
		Percent Replacement	100%
Category	Lighting	Future Cost	$3,380.45
Placed in Service	June 2010		
Useful Life	20		
Replacement Year	2030		
Remaining Life	6		

Pole light fixtures appear to be deteriorating at a rate typical of their age. Observed during daylight hours and assumed to be in functional operating condition. As routine maintenance, inspect, repair/change bulbs as needed. Cost estimated based on a licensed professional removing and installing new fixtures.

Count is for the light fixtures atop poles (5 per pole).

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Lights (pole) - Replace & Rewire - 2030

		2 ea	@ $5,850.00
Asset ID	1022	Asset Actual Cost	$11,700.00
		Percent Replacement	100%
Category	Lighting	Future Cost	$14,382.29
Placed in Service	January 1990		
Useful Life	40		
Replacement Year	2030		
Remaining Life	6		

Pole lights (located at entrance landscape box) appear to be deteriorating at a rate typical of their age. Observed during daylight hours and assumed to be in functional operating condition. As routine maintenance, inspect, repair/change bulbs as needed. Best to plan for large scale replacement at roughly the time frame below, for cost efficiency and consistent quality/appearance. Cost estimated based on a licensed professional completing this replacement project.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Lights (wall fixtures) - Replace - 2030

		8 ea	@ $375.00
Asset ID	1021	Asset Actual Cost	$3,000.00
		Percent Replacement	100%
Category	Lighting	Future Cost	$3,687.77
Placed in Service	June 2010		
Useful Life	20		
Replacement Year	2030		
Remaining Life	6		

Wall light fixtures appear to be deteriorating at a rate typical of their age. Observed during daylight hours and assumed to be in functional operating condition. As routine maintenance, inspect, repair/change bulbs as needed. Cost estimated based on a licensed professional removing and installing new fixtures.

Count is for the light fixtures atop the masonry wall at the entrance to the community.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Mailbox Structure (wood) - Replace - 2025

		16 ea	@ $525.00
Asset ID	1020	Asset Actual Cost	$8,400.00
		Percent Replacement	100%
Category	Mailboxes	Future Cost	$8,694.00
Placed in Service	June 2005		
Useful Life	20		
Replacement Year	2025		
Remaining Life	1		

Wood mailbox structure appears to be deteriorating at a rate typical of its age (some repairs have been made). This wood structure should be inspected and painted/stained as needed paid from the Operating account. Over time this structure will need replacement due to exposure to the elements.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Picnic Tables (wood/1990) - Replace - 2024

		6 ea	@ $310.00
Asset ID	1011	Asset Actual Cost	$1,860.00
		Percent Replacement	100%
Category	Recreation	Future Cost	$1,860.00
Placed in Service	January 1990		
Useful Life	25		
Replacement Year	2024		
Remaining Life	0		

Picnic tables appear to be deteriorating at a rate typical of their age. We recommend for eventual replacement at the time frame indicated due to constant exposure. We recommend cleaning and inspecting annually - paint/stain and repair as needed paid for from the Operating account.

Located at community park.

*Cost Source: Client Historical Records – Inflated to Current Estimate

Picnic Tables (wood/2022) - Replace - 2047

		2 ea	@ $310.00
Asset ID	1010	Asset Actual Cost	$620.00
		Percent Replacement	100%
Category	Recreation	Future Cost	$1,367.79
Placed in Service	June 2022		
Useful Life	25		
Replacement Year	2047		
Remaining Life	23		

Picnic tables appear to be deteriorating at a rate typical of their age. We recommend for eventual replacement at the time frame indicated due to constant exposure. We recommend cleaning and inspecting annually - paint/stain and repair as needed paid for from the Operating account.

Located at community park.

*Cost Source: Client Historical Records – Inflated to Current Estimate

Planter Box (masonry) - Replace - 2060

		280 sf	@ $50.00
Asset ID	1032	Asset Actual Cost	$14,000.00
		Percent Replacement	100%
Category	Retaining Walls	Future Cost	$48,303.72
Placed in Service	June 2015		
Useful Life	45		
Replacement Year	2060		
Remaining Life	36		

Masonry planter box on site appear to be in generally fair and stable condition; no significant instability noted. We assume that retaining walls were designed and installed properly with adequate base and surrounding drainage.

Located at community entrance.

*Cost Source: Client Historical Records - Was reportedly rebuilt in 2015 for $9,000 after a vehicle hit it. - Inflated to Current Estimate

Signage (comm.kiosk) - Replace - 2041

		1 ea	@ $3,000.00
Asset ID	1033	Asset Actual Cost	$3,000.00
		Percent Replacement	100%
Category	Signage	Future Cost	$5,384.03
Placed in Service	June 2016		
Useful Life	25		
Replacement Year	2041		
Remaining Life	17		

Appears to be deteriorating at a rate typical of its age (located at entrance) . We recommend inspecting annually. Clean, repair, touch up paint as needed - paid for from the Operating Account. We recommend budgeting for eventual replacement due to constant exposure to the elements.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Signage (road) - Replace - 2030

		25 ea	@ $250.00
Asset ID	1019	Asset Actual Cost	$6,250.00
		Percent Replacement	100%
Category	Signage	Future Cost	$7,682.85
Placed in Service	June 2010		
Useful Life	20		
Replacement Year	2030		
Remaining Life	6		

Road signs appears to be deteriorating at a rate typical of their age. As routine maintenance, inspect regularly, clean/touch up for appearance and repair from operating budget. Reserve funding recommended for regular intervals of replacement to maintain a consistent, quality appearance.

*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Definitions Index

Abbreviations

ea = each	FY = fiscal year	lf or lin ft = lineal feet	ls = lump sum
RL = remaining life	sf or sq ft = square feet	sy or sq yd= square yard	
UL = useful life	100 sq ft = 1 square)	% = percent	

1. **Allocation %**
   A percentage of the total Reserve Allocation. See - Calculations Appendix
2. **Allocation Increase Rate**
   Expressed as a percentage rate that reflects the increase of a given year's Reserve Allocation over the previous year's Reserve Allocation and utilized only in the Cash Flow Analysis.
3. **Base Year**
   The year in which the governing documents were recorded and/or the buildings constructed (average year may be used for phases built over a period) and utilized to determine the approximate complex age. This parameter is provided for information only.
4. **Common Interest Development (CID)**
   Defined by shared property and restrictions in the deed on use of the property. A CID is governed by a mandatory Association of homeowners which administers the property and enforces its restrictions. The following are two typical CID subdivision types:
   - Condominium- In general, the recorded owner has title to the unit (or airspace). They are typically responsible for the interior of their individual unit/garage, all utilities that service their unit and any exclusive use common area associated with their unit.
   - Planned Development- In general, the recorded owner has title to the lot. They are typically responsible for the maintenance and repair of any structure or improvement located on their respective lot.

   **Note- CIDs & subdivision types are general and may not apply or may vary, based on your local.*
5. **Component Inventory**
   The task of selecting and quantifying reserve items. This task can be accomplished through on-site visual observations, review of association design and organizational documents, review of established association precedents, and discussion with appropriate association representatives.
6. **Condition Assessment**
   The task of evaluating the current condition of the component based on observed or reported characteristics and normal documented in the field report for a Level 1 or Level 2 Reserve Study.
7. **Contingency Rate**
   Expressed as a percentage rate that reflects a factor added to the unit cost to prepare for an event that is liable to occur, but not with certainty.
8. **Current Cost**
   The current fiscal year's estimated cost to maintain, replace, repair, or restore a reserve component to its original functional condition. Sources utilized to obtain estimates may include: the association, its contractors, other contractors, specialists and independent consultants, the State department of Real Estate (or other state department as applicable), construction pricing and estimating manuals, and the preparer's own experience and/or database of costs formulated in the preparation of other reserve study reports. See - Calculations Appendix.
9. **Disbursement / Expenditures**
   The funds expected to be paid or expended from the Reserve Balance.
10. **Extended Cost**
    See - Calculations Appendix.
11. **Fiscal Year (FY)**
    A twelve-month period for which an organization plans the use of its funds. There are two distinct types:
    - Calendar Fiscal Year (ends December 31)
    - Non-Calendar Fiscal Year (does not end December 31)
12. **Full Funded Balance (FFB)**
    Total Accrued Depreciation. An indicator against which the FY Start Balance can be compared. The balance that is in direct proportion to the fraction of life "used up" of the cost. See - Calculations Appendix.
13. **Funding Goal**
    Independent of methodology utilized, the following represents the basic categories of funding plan goals:
    - Baseline Funding- Maintaining a Net Reserve Balance above zero for length of the study.
    - Full Funding- Maintaining a Reserve Balance at or near Percent Funded of 100%.
    - Statutory Funding- Maintaining a specified Reserve Balance/Percent Funded per statutes.
    - Threshold Funding- Establishing and maintaining a set predetermined Reserve Balance or Percent Funded.
14. **Funding Method (or Funding Plan)**
    An Association's plan to provide income to the reserve fund to offset expected disbursements from that fund. The following represents two (2) basic methodologies used to fund reserves:
    - Cash Flow Method- A method of developing a reserve funding plan where allocations to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.
    - Component Method- The component method develops a reserve-funding plan where the total contribution is based on the sum of contributions for individual components. The component method is the more conservative (typically higher reserve account balance) of the two funding options and assures that the association will achieve and maintain an ideal level of reserves over time. This method also allows for computations on individual components in the analysis. However, this method has also limitations with respects to variations in actual useful life of components and is much more time intensive to accurately follow this funding strategy.

15. **Funding Plan**
The combined Funding Method & Funding Goal.
16. **FY End Balance (same as next FY Start Balance)**
The balance in reserves at end of applicable fiscal year. See - Calculations Appendix.
17. **FY Start Balance (same as prior year FY End Balance)**
The balance in reserves at start of applicable fiscal year.
18. **Inflation Rate**
Expressed as a percentage rate that reflects the increase of this year's costs over the previous year's costs. Also known as a 'cost increase factor'.
19. **Interest Earned**
The annual earning of reserve funds that have been deposited into certificates of deposit (CDs), money market accounts or other investment vehicles. See - Calculations Appendix.
20. **Interest Rate**
The ratio of the gain received from an investment and the investment over a period (usually one year), prior to any federal or state-imposed taxes.
21. **Interest Rate (net effective)**
The ratio of the gain received from an investment and the investment over a period (usually one year), after any federal or state-imposed taxes.
22. **Levels of Service**

Level 1 Reserve Study (Full or Comprehensive)- A Reserve Study in which the following five Reserve Study tasks are performed:

- Component Inventory
- Condition Assessment (based upon on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

Level 2 Reserve Study (Update, With-Site-Visit/On-Site Review)- A Reserve Study update in which the following five tasks are performed:

- Component Inventory (from prior study)
- Condition Assessment (based upon on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

*Note- Updates are reliant on the validity of prior Reserve Studies.

Level 3 Reserve Study (Update, No-Site-Visit/Off-Site Review)- A Reserve Study update with no on-site visual observations in which the following three tasks are performed:

- Component Inventory (from prior study)
- Condition Assessment (based upon on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

*Note- Updates are reliant on the validity of prior Reserve Studies.

23. **Percent Funded**
A comparison of the Fully Funded Balance (ideal balance) to the Fiscal Year Actual Start Balance expressed as a percentage and used to provide a 'general indication' of reserve strength. See Calculations Appendix.
24. **Quantity**
The number or amount of a reserve component or subcomponent.
25. **Remaining Life (RL)**
The estimated time, in years, that a reserve component can be expected to continue to serve its intended function.
26. **Replacement %**
A percentage of the total replacement for a reserve component or subcomponent. This parameter is normally 100%.
27. **Reserve Allocation**
The amount to be annually budgeted towards reserves based on a Funding Plan.
28. **Reserve Component (or subcomponent)**
The individual line items in the reserve study, developed or updated in the physical analysis that form the building blocks of the reserve study. They typically are:

- an association responsibility,
- with limited useful life expectancies,
- predictable remaining useful life expectancies,
- above a minimum threshold cost,
- and, as required by statutes.

29. **Restoration**
Defined as to bring back to an unimpaired or improved condition. General types follow:

- Building- In general, funding utilized to defray the cost (in whole or part) of major building components that are not necessarily included as line items and may include termite treatment.
- Irrigation System- In general, funding utilized to defray the cost (in whole or part) of sectional irrigation system areas including modernization to improve water management.
- Landscape- In general, funding utilized to defray the cost (in whole or part) of sectional landscape areas including modernization to improve water conservation & drainage.

30. **Risk Factor (Percent Funded)**
The associated risk of the availability of reserves to fund expenditures by interpreting the Percent Funded parameter as follows:

- 70% and above - LOW
- 30% to 70% - MODERATE
- 30% and below - HIGH

*High risk is associated with a higher risk for reliance on special assessments, loans and litigation.

31. **Unit Cost**
The current fiscal year's estimated cost to maintain, replace, repair, or restore an individual "unit of measure" of a reserve component or subcomponent to its original functional condition.
32. **Unit of Measure**
A system of units used in measuring a reserve component or subcomponent (i.e. each, lineal feet, square feet, etc.).
33. **Useful Life (UL)**
Total Useful Life or Depreciable Life. The estimated time, in years, that a reserve item can be expected to serve its intended function if properly constructed and maintained in its present application or installation.

Disclosures Index

The below disclosures are in accordance with reserve study standards developed by CAI, APRA and statutory requirements.

1. **Items Beyond the Scope of this Report**
   This reserve study has been conducted to outline a financial plan for the proper and adequate budgeting of the Association component repair and/or replacement. This report should not be utilized for any other purpose and should not be considered or deemed appropriate or reliable for, but not limited to, any of the following:

   - Building or land appraisals for any purpose
   - State or local zoning ordinance violations
   - Building code violations
   - Soils conditions, soils contamination or geological stability of site
   - Engineering analysis or structural stability of site
   - Air quality, asbestos, electromagnetic radiation, formaldehyde, lead, mercury, or radon
   - Water quality or other environmental hazards
   - Invasions by termites and any or all other destroying organisms or insects
   - Damage or destruction due to pests, birds, bats or animals to buildings or site
   - Adequacy or efficiency of any system or component on site
   - Specifically excluded reserve items
   - Septic systems and septic tanks
   - Buried or concealed portions of swing pools, pool liners, Jacuzzis/spas or similar items
   - Items concealed by signs, carpets or other things
   - Missing or omitted information supplied by the Association for the purposes of reserve study preparation
   - Hidden improvements such as sewer lines, water lines, or other buried or concealed items

2. **Qualifications**
   We are a professional business in the market to prepare Reserve Studies. Our Reserve Analysts' are either designated with or working towards the RS and/or PRA designations which are given by the two leading industry organizations which require peer review, continuing education and provide resources to stay on top of industry trends.
3. **Invasive Testing**
   Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the site visit. We did not destroy any landscape work, building walls, or perform any methods of intrusive/invasive testing during the site visit. In these cases, information may have been obtained by contacting the contractor or vendor that has worked on the property. The physical analysis performed during this site visit is not intended to be exhaustive in nature and may include representative sampling.
4. **Conflicts of Interests**
   As the preparer of this reserve study; the Reserve Analyst certifies that we do not have any vested interests, financial interests, or other interests that would cause a conflict of interest in the preparation of this reserve study.
5. **Representative Sampling**
   This study and report is based on observations of the visible and apparent conditions of a reasonable representative sampling of the property's elements at the time of inspection. Although due diligence was performed during the inspection phase, we make no representations regarding latent or concealed defects that may exist. The inspection did not constitute any invasive investigations and was not intended to determine whether applicable building components, systems, or equipment are adequate or in compliance with any specific or commonly accepted design requirement, building code, or specification. Such tasks as material testing, engineering analysis, destructive testing, or performance testing of building systems, components, or equipment are not considered as part of the scope of work, nor are they considered by the reserve study industry standard.
6. **Reliance on Client & Vendor Data Provided**
   Information provided to the preparer of a reserve study by an official representative of the association regarding financial, historical, physical, quantitative or reserve project issues will be deemed reliable by the preparer. A reserve study will reflect information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited. A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. A site visit conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection. The results of this study are based on the independent opinion of the preparer and their experience and research during their career in preparing Reserve Studies. In addition, the opinions of experts on certain components have been gathered through research within their industry and with client's actual vendors. There is no implied warrantee or guarantee regarding our life and cost estimates/predictions. There is no implied warrantee or guarantee in any of our work product. Our results and findings will vary from another preparer's results and findings. A Reserve Study is necessarily a work in progress and subsequent Reserve Studies will vary from prior studies.
7. **Update to Prior Reserve Studies**
   Level II Studies: Quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies. Level III Studies: In addition to the above we have not visited the property when completing a Level III "No Site Visit" study. Therefore, we have not verified the current condition of the common area components. It is assumed all prior study component information related to quantities, condition assessments, useful life and remaining useful life are accurate.
8. **Assumption Regarding Ongoing Maintenance**
   The projected life expectancy of the major components and the funding needs of the reserves of the association are based upon the association performing appropriate routine and preventative maintenance for each major component. Failure to perform such maintenance can negatively impact the remaining useful life of the major components.

9. Assumptions Regarding Defect in Design or Construction

This Reserve Study assumes that all construction assemblies and components identified herein are built properly and are free from defects in materials and/or workmanship. Defects can lead to reduced useful life and premature failure. It was not the intent of this Reserve Study to inspect for or to identify defects. If defects exist, repairs should be made so that the construction components and assemblies at the community reach their full and expected useful lives. We have assumed all components have been properly built and will reach normal, typical life expectancies. In general, a reserve study is not intended to identify or fund for construction defects. We did not and will not look for or identify construction defects during our site visit.

10. Basis of Cost Estimates

Pricing used for the repair or replacement costs indicated in this report are derived from a variety of sources, e.g., recent contractor bids received by subject property HOA or prior clients, construction product vendor catalogs, internet, or national construction cost estimating publishers (RS Means / Marshall & Swift). The material and labor pricing provided are estimates and have been augmented, as necessary, to account for specific site conditions (i.e. material handling, scaffolding, etc.). The total expenses represent a useful guideline whereby reserve funds can be accumulated for future repairs and replacements. The estimated repair and replacement expenses, unless otherwise noted, do not include allowances for architectural, engineering, or permitting fees.

11. Limitations on Report Use

A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. A site visit conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection. This Reserve Study is provided as an aid for planning purposes and not as an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described. Additionally, other unanticipated expenses may arise that are not included within this reserve study. This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special assessment your share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.

12. State Specific Disclosures

Washington State

RCW 64.34.382 & WA State RCW 64.38.070

This reserve study includes all aspects required per WA State RCW requirements outlined in the Washington Condominium Act and the Homeowners' Association Act.

This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special assessment your share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.

Washington State

Disclosures Required by RCW 64.90.550.

This Reserve Study meets all requirements of the Washington Uniform Common Interest Ownership Act.

a) This Reserve Study was prepared with the assistance of a reserve study professional and that professional was independent;
b) This Reserve Study includes all information required by RCW 64.90.550 Reserve Study – Contents; and
c) This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require the association to (1) defer major maintenance, repair, or replacement, (2) increase future reserve contributions, (3) borrow funds to pay for major maintenance, repair, or replacement, or (4) impose special assessments for the cost of major maintenance, repair, or replacement.

Calculations Index

1. **Allocation % =**

   Reserve Allocation (Component Method) / Total Reserve Allocation (Component Method) x 100

2. **Current Cost =**

   Extended Cost (for a component without subcomponents)

   i. -or-

   Sum of subcomponent Extended Costs (for a component with subcomponents)

3. **Extended Cost =**

   Quantity x Unit Cost x Replacement % x (1+Contingency Rate)

4. **FY End Balance (same as Next FY Start Balance) =**

   Initial or current fiscal year-

   Current Reserve Balance + Interest Earned + Reserve Allocation to Fund + Special Assessment to Fund + Funds Due from Operating - Approved Funds to Disburse - Disbursements

   Subsequent fiscal years-

   FY Start Balance + Interest Earned + (Reserve Allocation (from previous year) x (1 + Reserve Allocation Rate) - Disbursements

5. **Interest Earned=**

   Initial fiscal year-

   Current Reserve Balance x (Interest Rate (net effective)/12 x Number of funding months remaining in current fiscal year)

   Subsequent fiscal years-

   FY Start Balance x Interest Rate (net effective)

   Accumulation Function and Amount Function

   https://www.reservedataanalyst.com/int

6. **Percent Funded =**

   (Reserve Account Balance / Fully Funded Balance) x 100

7. **Reserve Allocation (Component Method) =**

   Current Cost / Useful Life

8. **Fully Funded Balance (FFB) =**

   Basic Fully Funded

   Fully Funded = Age/Useful Life * Cost

   Note that "Age" is adjusted for each year of the study (e.g. one year later also equates to an Age which is one year greater). We do not use the age from the first year of the study for future FFB calculations as this would not appropriately address the deterioration of the component over time (i.e. when providing future projections one can make a valid assumption that a component will deteriorate by one year if providing projections for one year later).

   Cost (component project cost) is inflated for each year based on an annual inflation rate (compounding) given in this reserve study (e.g., a paint project "cost" may be $1,000 in Year 1 of the study but will have a "cost" of $1,030 in Year 2 of the study, and $1,060.90 in Year 3 of the study, when utilizing an annual 3% inflation rate). Note that we do not use the "cost" (current project cost) from the first year of the study for future year's FFB calculations as this approach does not consider the impact of inflation on the project cost and will usually result in a significantly underfunded reserve account over time. This is also known as the Inflation Adjusted Cost Method

   ***Unless specifically noted otherwise we have utilized the above FFB formula and methodology in this reserve study.*

   Community Association Institute FFB Formula

   The Community Association Institute published the below FFB formula to account for inflation and interest earned on deposit ("present value" is based on the current cost only - with no inflation of the project cost) the writers of 'RESERVE FUNDS: How & Why community Associations Invest Assets' published:

$$Basic\_FF = (\ Age/\ Useful\ Life\ ) * Present\ Value$$

$$\begin{aligned} CAI\_FF = {} & Basic\_FF \\ & + Basic\_FF/(1+interest)^{Remaining\ Life} \\ & - Basic\_FF/(1+inflation)^{Remaining\ Life} \end{aligned}$$

   More mathematical information can be found at the following link: www.reservedataanalyst.com/math

White Water Estates
Component Index

White Water Estates
Component Index

Total Funded Assets	41
Total Unfunded Assets	0
Total Assets	41