

REPLACEMENT RESERVE REPORT FY 2020 EAGLE'S POINTE POA



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REPLACEMENT RESERVE REPORT

EAGLE'S POINTE POA

BLUFFTON, SOUTH CAROLINA

July 26, 2019



Description. Eagle's Pointe POA is a property owners association located in Bluffton, South Carolina. Constructed beginning around 2001, the community consists of 249 single family homes. The survey examined the common elements of the property, including:

- Asphalt drive and parking.
- Concrete sidewalks, and curb and gutter.
- Fencing.
- Swimming pool and pavilion with fitness room.
- Building exteriors and common interior areas.
- Pond, pedestrian bridge, path, and storm water management.

Level of Service. This study has been performed as a Level 2 Update with Site Visit/On-Site Review as defined under the National Reserve Study Standards that have been adopted by the Community Associations Institute. As such, the component inventory is based on the study that was performed in 2004 by Miller Dodson Associates, Inc. The inventory was adjusted to reflect changes as provided by the Community Manager or adjustments were made based on the site visit and visual inspection performed by the Analyst. The included fund status and funding plan have been developed from analysis of the adjusted inventory.

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

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

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

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

- The Request for Proposal submitted and executed by the Association.
- Miller - Dodson performed a visual evaluation on July 26, 2019 to determine a remaining useful life and replacement cost for the commonly owned elements of this facility.
- This study contains additional recommendations to address inflation for the Cash Flow Method only. For this recommendation, Miller - Dodson uses the Producers Price Index (PPI), which gauges inflation in manufacturing and construction. Please see page A5 for further details.

To-Scale Drawings. Site and building plans were not used in the development of this study. We recommend the Association assemble and maintain a library of site and building plans of the entire facility. Record drawings should be scanned into an electronic format for safe storage and ease of distribution. Upon request for a nominal fee, Miller - Dodson can provide scanning services.

Current Funding. This reserve study has been prepared for Fiscal Year 2020 covering the period from January 1, 2020 to December 31, 2020. The Replacement Reserves on deposit as of January 1, 2020 are projected to be \$599,555.00. The planned contribution for the fiscal year is \$70,814.00. This results in a Reserve Fund balance at the start of the fiscal year as shown below:

Current balance	\$581,852.00
Last quarter contribution	\$17,703.00
Planned expenditures	\$0.00
FY 2020 opening balance	\$599,555.00

The balance and contribution figures have been supplied by the managing agent and confirmation or audit of these figures is beyond the scope of the study. For the purposes of this study, it is assumed that the annual contribution will be deposited at the end of each month.

Acknowledgement. Miller - Dodson Associates would like to acknowledge the assistance and input of the Community Manager, Mr. Robert Bundy Sr. as well as Board member Mr. Terry Gaither who provided very helpful insight into the current operations of the property.

Analyst's Credentials. Mr. Gary D. Freeman, AIA, CCS, NCARB holds a Bachelor's Degree in Architecture from Mississippi State University. Mr. Freeman is a registered Architect in the states of South Carolina, Mississippi, and Georgia. He has over 35 years of experience as a practicing architect with a strong focus in the last 25 years in the area of forensics in buildings and assessments. He is President of Gary Freeman Architect Inc. and a Reserve Specialist for Miller - Dodson Associates.

Respectfully Submitted,

millerdodson

Capital Reserve Consultants

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Reserve Analyst

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EXECUTIVE SUMMARY

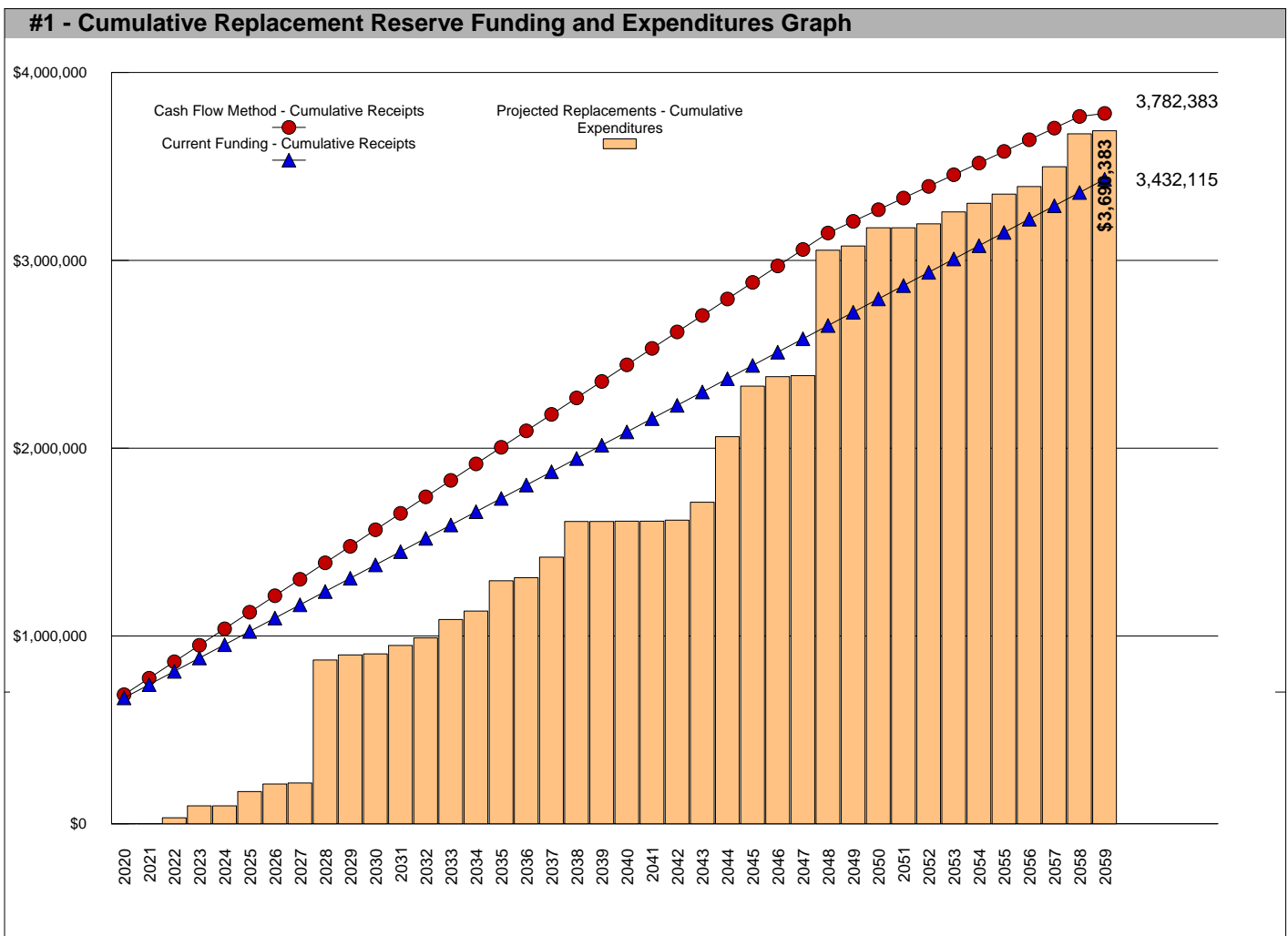
The Eagle's Pointe POA Replacement Reserve Analysis uses the Cash Flow Method (CFM) to calculate Replacement Reserve funding for the periodic replacement of the 84 Projected Replacements identified in the Replacement Reserve Inventory.

\$87,802 RECOMMENDED REPLACEMENT RESERVE FUNDING FOR THE STUDY YEAR, 2020

\$29.38 Per unit (average), minimum monthly funding of Replacement Reserves

We recommend the Association adopt a Replacement Reserve Funding Plan based on the annual funding recommendation above. Inflation adjusted funding for subsequent years is shown on Page A5.

Eagle's Pointe POA reports a Starting Balance of \$599,555 and Annual Funding totaling \$70,814. Current funding is inadequate to fund the \$3,690,383 of Projected Replacements scheduled in the Replacement Reserve Inventory over the 40-year Study Period. See Page A3 for a more detailed evaluation.



The Current Funding Objective as calculated by the Component Method (Fully Funded) is \$642,530 making the reserve account 93.3% funded. See the Appendix for more information on this method.

REPLACEMENT RESERVE ANALYSIS - GENERAL INFORMATION

The Eagle's Pointe POA Replacement Reserve Analysis calculations of recommended funding of Replacement Reserves by the Cash Flow Method and the evaluation of the Current Funding are based upon the same Study Year, Study Period, Beginning Balance, Replacement Reserve Inventory and Level of Service.

2020 | STUDY YEAR

The Association reports that their accounting year begins on January 1, and the Study Year, the first year evaluated by the Replacement Reserve Analysis, begins on January 1, 2020.

40 Years | STUDY PERIOD

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

\$599,555 | STARTING BALANCE

The Association reports Replacement Reserves on Deposit totaling \$599,555 at the start of the Study Year.

Level Two | LEVEL OF SERVICE

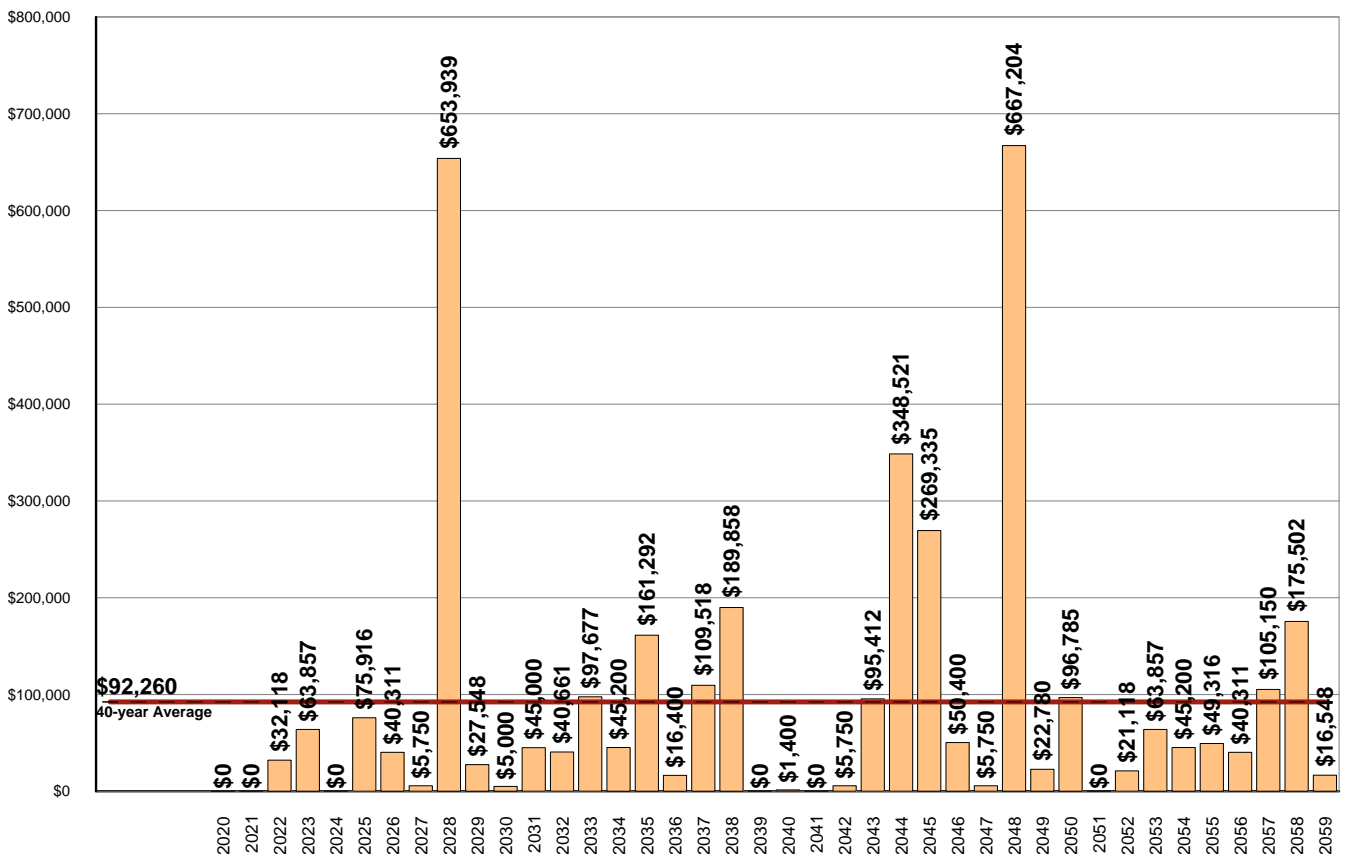
The Replacement Reserve Inventory has been developed in compliance with the National Reserve Study Standards for a Level Two Study, as defined by the Community Associations Institute (CAI).

\$3,690,383 | REPLACEMENT RESERVE INVENTORY - PROJECTED REPLACEMENTS

The Eagle's Pointe POA Replacement Reserve Inventory identifies 84 items that will require periodic replacement, that are to be funded from Replacement Reserves. We estimate the cost of these replacements will be \$3,690,383 over the 40-year Study Period. The Projected Replacements are divided into 14 major categories starting on Page B3. Pages B1-B2 provide detailed information on the Replacement Reserve Inventory.

#2 - Annual Expenditures for Projected Replacements Graph

This graph shows annual expenditures for Projected Replacements over the 40-year Study Period. The red line shows the average annual expenditure of \$92,260. Section C provides a year by year Calendar of these expenditures.



UPDATING

UPDATING OF THE FUNDING PLAN

The Association has a responsibility to review the Funding Plan annually. The review should include a comparison and evaluation of actual reserve funding with recommended levels shown on Page A4 and A5. The Projected Replacements listed on Page C2 should be compared with any replacements accomplished and funded from Replacement Reserves. Discrepancies should be evaluated and if necessary, the Reserve Study should be updated or a new study commissioned. We recommend annual increases in replacement reserve funding to account for the impact of inflation. Inflation Adjusted Funding is discussed on Page A5.

UPDATING OF THE REPLACEMENT RESERVE STUDY

At a minimum, the Replacement Reserve Study should be professionally updated every three to five years or after completion of a major replacement project. Updating should also be considered if during the annual review of the Funding Plan, discrepancies are noted between projected and actual reserve funding or replacement costs. Updating may also be necessary if there is a meaningful discrepancy between the actual inflation rate and the inflation rate used for the Inflation Adjusted Funding of Replacement Reserves on Page A5.

ANNUAL EXPENDITURES AND CURRENT FUNDING

The annual expenditures that comprise the \$3,690,383 of Projected Expenditures over the 40-year Study Period and the impact of the Association continuing to fund Replacement Reserves at the current level are detailed in Table 3.

#3 - Table of Annual Expenditures and Current Funding Data - Years 1 through 40										
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Starting Balance	\$599,555									
Projected Replacements			(\$32,118)	(\$63,857)		(\$75,916)	(\$40,311)	(\$5,750)	(\$653,939)	(\$27,548)
Annual Deposit	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814
End of Year Balance	\$670,369	\$741,183	\$779,879	\$786,836	\$857,650	\$852,548	\$883,051	\$948,115	\$364,990	\$408,256
Cumulative Expenditures			(\$32,118)	(\$95,975)	(\$95,975)	(\$171,891)	(\$212,202)	(\$217,952)	(\$871,891)	(\$899,439)
Cumulative Receipts	\$670,369	\$741,183	\$811,997	\$882,811	\$953,625	\$1,024,439	\$1,095,253	\$1,166,067	\$1,236,881	\$1,307,695
Year	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Projected Replacements	(\$5,000)	(\$45,000)	(\$40,661)	(\$97,677)	(\$45,200)	(\$161,292)	(\$16,400)	(\$109,518)	(\$189,858)	
Annual Deposit	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814
End of Year Balance	\$474,070	\$499,884	\$530,037	\$503,174	\$528,788	\$438,310	\$492,724	\$454,020	\$334,976	\$405,790
Cumulative Expenditures	(\$904,439)	(\$949,439)	(\$990,100)	(\$1,087,777)	(\$1,132,977)	(\$1,294,269)	(\$1,310,669)	(\$1,420,187)	(\$1,610,045)	(\$1,610,045)
Cumulative Receipts	\$1,378,509	\$1,449,323	\$1,520,137	\$1,590,951	\$1,661,765	\$1,732,579	\$1,803,393	\$1,874,207	\$1,945,021	\$2,015,835
Year	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Projected Replacements	(\$1,400)		(\$5,750)	(\$95,412)	(\$348,521)	(\$269,335)	(\$50,400)	(\$5,750)	(\$667,204)	(\$22,780)
Annual Deposit	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814
End of Year Balance	\$475,204	\$546,018	\$611,082	\$586,484	\$308,777	\$110,256	\$130,670	\$195,734	(\$400,655)	(\$352,621)
Cumulative Expenditures	(\$1,611,445)	(\$1,611,445)	(\$1,617,195)	(\$1,712,607)	(\$2,061,128)	(\$2,330,463)	(\$2,380,863)	(\$2,386,613)	(\$3,053,816)	(\$3,076,596)
Cumulative Receipts	\$2,086,649	\$2,157,463	\$2,228,277	\$2,299,091	\$2,369,905	\$2,440,719	\$2,511,533	\$2,582,347	\$2,653,161	\$2,723,975
Year	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059
Projected Replacements	(\$96,785)		(\$21,118)	(\$63,857)	(\$45,200)	(\$49,316)	(\$40,311)	(\$105,150)	(\$175,502)	(\$16,548)
Annual Deposit	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814	\$70,814
End of Year Balance	(\$378,592)	(\$307,778)	(\$258,082)	(\$251,125)	(\$225,511)	(\$204,013)	(\$173,510)	(\$207,846)	(\$312,534)	(\$258,268)
Cumulative Expenditures	(\$3,173,381)	(\$3,173,381)	(\$3,194,499)	(\$3,258,357)	(\$3,303,557)	(\$3,352,873)	(\$3,393,184)	(\$3,498,334)	(\$3,673,835)	(\$3,690,383)
Cumulative Receipts	\$2,794,789	\$2,865,603	\$2,936,417	\$3,007,231	\$3,078,045	\$3,148,859	\$3,219,673	\$3,290,487	\$3,361,301	\$3,432,115

EVALUATION OF CURRENT FUNDING

The evaluation of Current Funding (Starting Balance of \$599,555 & annual funding of \$70,814), is done in today's dollars with no adjustments for inflation or interest earned on Replacement Reserves. The evaluation assumes Replacement Reserves will only be used for the 84 Projected Replacements identified in the Replacement Reserve Inventory and that the Association will continue Annual Funding of \$70,814 throughout the 40-year Study Period.

Annual Funding of \$70,814 is approximately 81 percent of the \$87,802 recommended Annual Funding calculated by the Cash Flow Method for 2020, the Study Year.

Evaluation of the 84 Projected Replacements calculates an average annual expenditure over the next 40 years of \$92,260. Annual funding of \$70,814 is 77 percent of the average annual expenditure.

Our calculations identify funding shortfalls in 12 years of the Study Period with the initial shortfall in 2048. The largest shortfall, \$-400,655, occurs in 2048. All shortfalls can be seen and evaluated in Table 3 above.

In summary, Current Funding as reported by the Association and shown above, does not provide adequate funding for the \$3,690,383 of Projected Replacements scheduled in the Replacement Reserve Inventory over the Study Period.

CASH FLOW METHOD FUNDING

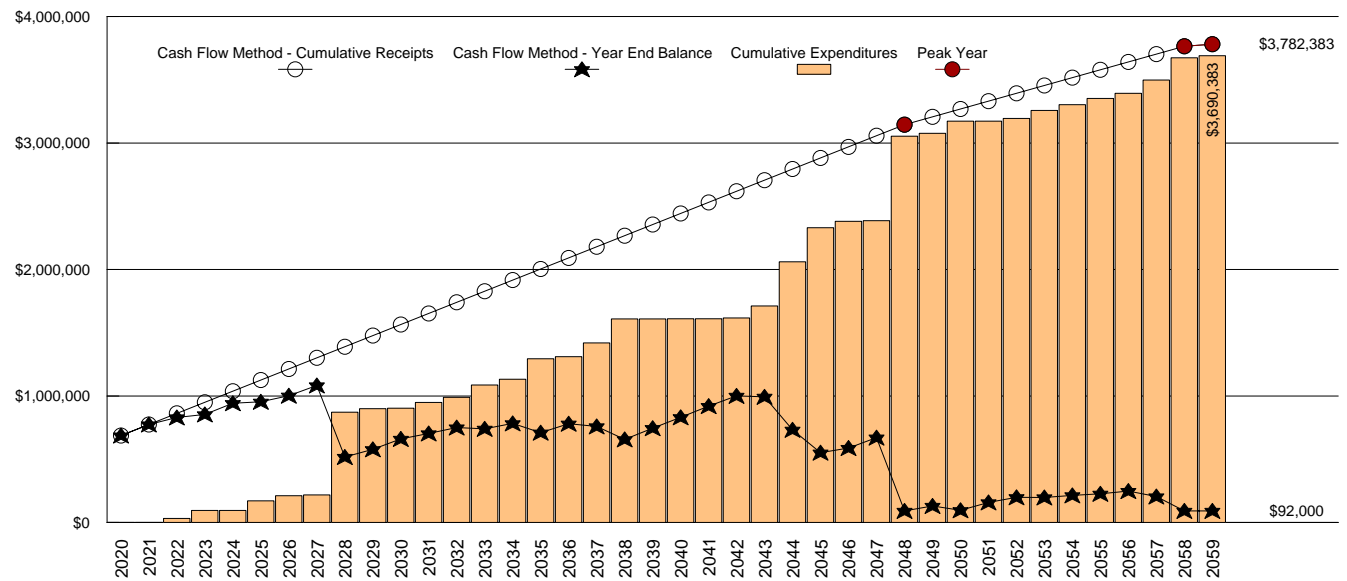
\$87,802 RECOMMENDED REPLACEMENT RESERVE FUNDING FOR 2020

\$29.38 Per unit (average), minimum monthly funding of Replacement Reserves

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

- **Peak Years.** The First Peak Year occurs in 2048 with Replacement Reserves on Deposit dropping to the Minimum Balance after the completion of \$3,053,816 of replacements from 2020 to 2048. Recommended funding declines from \$87,802 in 2048 to \$62,002 in 2049. Peak Years are identified in Chart 4 and Table 5.
- **Minimum Balance.** The calculations assume a Minimum Balance of \$92,000 in Replacement Reserves. This is approx. 12 months of average expenditures based on the \$92,260, 40-year average annual expenditure.
- **Cash Flow Method Study Period.** Cash Flow Method calculates funding for \$3,690,383 of expenditures over the 40-year Study Period. It does not include funding for any projects beyond 2059 and in 2059, the end of year balance will always be the Minimum Balance.

#4 - Cash Flow Method - Graph of Cumulative Receipts and Expenditures - Years 1 through 40



#5 - Cash Flow Method - Table of Receipts & Expenditures - Years 1 through 40

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Starting Balance	\$599,555									
Projected Replacements			(\$32,118)	(\$63,857)		(\$75,916)	(\$40,311)	(\$5,750)	(\$653,939)	(\$27,548)
Annual Deposit	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802
End of Year Balance	\$687,357	\$775,159	\$830,843	\$854,788	\$942,590	\$954,476	\$1,001,968	\$1,084,020	\$517,883	\$578,137
Cumulative Expenditures			\$32,118	\$95,975	\$95,975	\$171,891	\$212,202	\$217,952	\$871,891	\$899,439
Cumulative Receipts	\$687,357	\$775,159	\$862,961	\$950,763	\$1,038,566	\$1,126,368	\$1,214,170	\$1,301,972	\$1,389,774	\$1,477,576
Year	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Projected Replacements	(\$5,000)	(\$45,000)	(\$40,661)	(\$97,677)	(\$45,200)	(\$161,292)	(\$16,400)	(\$109,518)	(\$189,858)	
Annual Deposit	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802
End of Year Balance	\$660,940	\$703,742	\$750,883	\$741,008	\$783,610	\$710,120	\$781,522	\$759,806	\$657,751	\$745,553
Cumulative Expenditures	(\$904,439)	(\$949,439)	(\$990,100)	(\$1,087,777)	(\$1,132,977)	(\$1,294,269)	(\$1,310,669)	(\$1,420,187)	(\$1,610,045)	(\$1,610,045)
Cumulative Receipts	\$1,565,378	\$1,653,180	\$1,740,982	\$1,828,785	\$1,916,587	\$2,004,389	\$2,092,191	\$2,179,993	\$2,267,795	\$2,355,597
Year	2040	2041	2042	2043	2044	2045	2046	2047	1st Peak - 2048	2049
Projected Replacements	(\$1,400)		(\$5,750)	(\$95,412)	(\$348,521)	(\$269,335)	(\$50,400)	(\$5,750)	(\$667,204)	(\$22,780)
Annual Deposit	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$87,802	\$62,002
End of Year Balance	\$831,955	\$919,757	\$1,001,809	\$994,199	\$733,480	\$551,947	\$589,349	\$671,401	\$92,000	\$131,222
Cumulative Expenditures	(\$1,611,445)	(\$1,611,445)	(\$1,617,195)	(\$1,712,607)	(\$2,061,128)	(\$2,330,463)	(\$2,380,863)	(\$2,386,613)	(\$3,053,816)	(\$3,076,596)
Cumulative Receipts	\$2,443,399	\$2,531,202	\$2,619,004	\$2,706,806	\$2,794,608	\$2,882,410	\$2,970,212	\$3,058,014	\$3,145,816	\$3,207,818
Year	2050	2051	2052	2053	2054	2055	2056	2057	2nd Peak - 2058	3rd Peak - 2059
Projected Replacements	(\$96,785)		(\$21,118)	(\$63,857)	(\$45,200)	(\$49,316)	(\$40,311)	(\$105,150)	(\$175,502)	(\$16,548)
Annual Deposit	\$62,002	\$62,002	\$62,002	\$62,002	\$62,002	\$62,002	\$62,002	\$62,002	\$62,002	\$92,000
End of Year Balance	\$96,439	\$158,441	\$199,325	\$197,469	\$214,271	\$226,957	\$248,648	\$205,500	\$92,000	\$92,000
Cumulative Expenditures	(\$3,173,381)	(\$3,173,381)	(\$3,194,499)	(\$3,258,357)	(\$3,303,557)	(\$3,352,873)	(\$3,393,184)	(\$3,498,334)	(\$3,673,835)	(\$3,690,383)
Cumulative Receipts	\$3,269,820	\$3,331,822	\$3,393,824	\$3,455,826	\$3,517,828	\$3,579,830	\$3,641,831	\$3,703,833	\$3,765,835	\$3,782,383

INFLATION ADJUSTED FUNDING

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

\$87,802 2020 - CASH FLOW METHOD RECOMMENDED FUNDING

The 2020 Study Year calculations have been made using current replacement costs (see Page B2), modified by the Analyst for any project specific conditions.

\$90,489 2021 - INFLATION ADJUSTED FUNDING

A new analysis calculates 2021 funding based on three assumptions;

- Replacement Reserves on Deposit totaling \$687,357 on January 1, 2021.
 - No Expenditures from Replacement Reserves in 2020.

 - Construction Cost Inflation of 2.30 percent in 2020.
- The \$90,489 inflation adjusted funding in 2021 is a 3.06 percent increase over the non-inflation adjusted 2021 funding of \$87,802.

\$93,262 2022 - INFLATION ADJUSTED FUNDING

A new analysis calculates 2022 funding based on three assumptions;

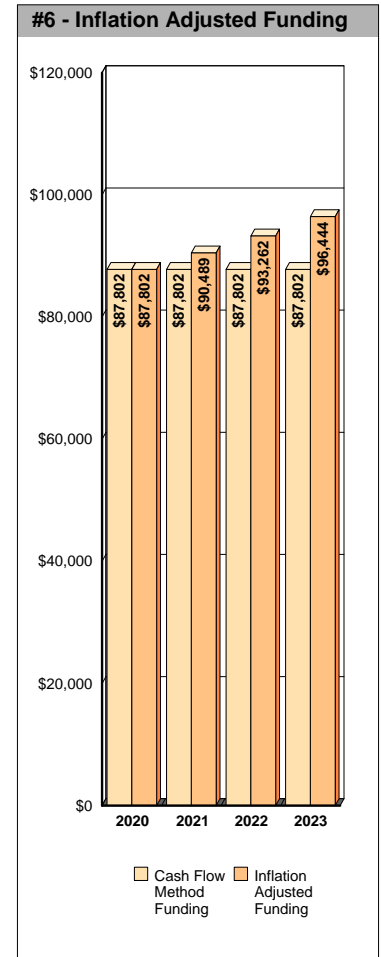
- Replacement Reserves on Deposit totaling \$777,846 on January 1, 2022.
 - No Expenditures from Replacement Reserves in 2021.

 - Construction Cost Inflation of 2.30 percent in 2021.
- The \$93,262 inflation adjusted funding in 2022 is a 6.22 percent increase over the non-inflation adjusted 2022 funding of \$87,802.

\$96,444 2023 - INFLATION ADJUSTED FUNDING

A new analysis calculates 2023 funding based on three assumptions;

- Replacement Reserves on Deposit totaling \$837,495 on January 1, 2023.
 - All 2022 Projected Replacements listed on Page C2 accomplished at a cost to Replacement Reserves less than \$33,612.
 - Construction Cost Inflation of 2.30 percent in 2022.
- The \$96,444 inflation adjusted funding in 2023 is a 9.84 percent increase over the non-inflation adjusted funding of \$87,802.



YEAR FIVE & BEYOND

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

INFLATION ADJUSTMENT

Prior to approving a budget based upon the 2021, 2022 and 2023 inflation adjusted funding calculations above, the 2.30 percent base rate of inflation used in our calculations should be compared to rates published by the Bureau of Labor Statistics. If there is a significant discrepancy (over 1 percent), contact Miller Dodson + Associates prior to using the Inflation Adjusted Funding.

INTEREST ON RESERVES

The recommended funding calculations do not account for interest earned on Replacement Reserves. In 2020, based on a 1.00 percent interest rate, we estimate the Association may earn \$6,435 on an average balance of \$643,456, \$7,326 on an average balance of \$732,602 in 2021, and \$8,077 on \$807,671 in 2022. The Association may elect to attribute 100 percent of the earned interest to Reserves, resulting in a reduction in the 2020 funding from \$87,802 to \$81,368 (a 7.33 percent reduction), \$90,489 to \$83,163 in 2021 (a 8.10 percent reduction), and \$93,262 to \$85,185 in 2022 (a 8.66 percent reduction).

REPLACEMENT RESERVE STUDY - SUPPLEMENTAL COMMENTS

- Eagle's Pointe POA has 249 units. The type of property is a Property Owners Association.
- The Cash Flow Method calculates the minimum annual funding necessary to prevent Replacement Reserves from dropping below the Minimum Balance. Failure to fund at least the recommended levels may result in funding not being available for the Projected Replacements listed in the Replacement Reserve Inventory.
- The accuracy of the Replacement Reserve Analysis is dependent upon expenditures from Replacement Reserves being made ONLY for the 84 Projected Replacements specifically listed in the Replacement Reserve Inventory. The inclusion/exclusion of items from the Replacement Reserve Inventory is discussed on Page B1.

REPLACEMENT RESERVE INVENTORY GENERAL INFORMATION

Eagle's Pointe POA - Replacement Reserve Inventory identifies 141 items. Two types of items are identified, Projected Replacements and Excluded Items:

- **PROJECTED REPLACEMENTS.** 84 of the items are Projected Replacements and the periodic replacements of these items are scheduled for funding from Replacement Reserves. The Projected Replacements have an estimated one-time replacement cost of \$1,758,311. Replacements totaling \$3,690,383 are scheduled in the Replacement Reserve Inventory over the 40-year Study Period.

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

- **EXCLUDED ITEMS.** 57 of the items are Excluded Items, and expenditures for these items are NOT scheduled for funding from Replacement Reserves. The accuracy of the calculations made in the Replacement Reserve Analysis is dependent on expenditures NOT being made for Excluded Items. The Excluded Items are listed in the Replacement Reserve Inventory to identify specific items and categories of items that are not to be funded from Replacement Reserves. There are multiple categories of items that are typically excluded from funding by Replacement Reserves, including but not limited to:

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

Value. Items with a replacement cost of less than \$1,000 and/or a normal economic life of less than 3 years are typically excluded from funding from Replacement Reserves. This exclusion should reflect Association policy on the administration of Replacement Reserves. If the Association has selected an alternative level, it will be noted in the Replacement Reserve Inventory - General Comments on Page B2.

Long-lived Items. Items that when properly maintained, can be assumed to have a life equal to the property as a whole, are typically excluded from the Replacement Reserve Inventory.

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

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

The rationale for the exclusion of an item from funding by Replacement Reserves is discussed in more detail in the 'Comments' sections of the Section B - Replacement Reserve Inventory.

- **CATEGORIES.** The 141 items included in the Eagle's Pointe POA Replacement Reserve Inventory are divided into 14 major categories. Each category is printed on a separate page, Pages B3 to B15.
- **LEVEL OF SERVICE.** This Replacement Reserve Inventory has been developed in compliance with the standards established for a Level Two - Update (with site visit and on-site review), as defined by the National Reserve Study Standards, established in 1998 by Community Associations Institute, which states:

Level II Studies are based entirely on the component inventory from a prior study. This information is adjusted to reflect changes to the inventory that are provided by the Association, and the quantities are adjusted accordingly from field measurement and/or quantity takeoffs from to-scale drawings that are made available to us. The condition of all components is ascertained from a site visit and the visual inspection of each component by the analyst. The Remaining Economic Life and replacement cost of components are provided based in part on these observations. The fund status and Funding Plan are derived from analysis of this data.

REPLACEMENT RESERVE INVENTORY - GENERAL INFORMATION (cont'd)

- **INVENTORY DATA.** Each of the 84 Projected Replacements listed in the Replacement Reserve Inventory includes the following data:

Item Number. The Item Number is assigned sequentially and is intended for identification purposes only.

Item Description. We have identified each item included in the Inventory. Additional information may be included in the Comments section at the bottom of each page of the Inventory.

Units. We have used standard abbreviations to identify the number of units including SF-square feet, LF-lineal feet, SY-square yard, LS-lump sum, EA-each, and PR-pair. Non-standard abbreviations are noted in the Comments section at the bottom of the page.

Number of Units. The methods used to develop the quantities are discussed in "Level of Service" above.

Unit Replacement Cost. We use four sources to develop the unit cost data shown in the Inventory; actual replacement cost data provided by the client, information provided by local contractors and suppliers, industry standard estimating manuals, and a cost database we have developed based upon our detailed interviews with contractors and service providers who are specialists in their respective lines of work.

Normal Economic Life (Yrs). The number of years that a new and properly installed item should be expected to remain in service.

Remaining Economic Life (Yrs). The estimated number of years before an item will need to be replaced. In "normal" conditions, this could be calculated by subtracting the age of the item from the Normal Economic Life of the item, but only rarely do physical assets age "normally". Some items may have longer or shorter lives depending on many factors such as environment, initial quality of the item, maintenance, etc.

Total Replacement Cost. This is calculated by multiplying the Unit Replacement Cost by the Number of Units.

Each of the 57 Excluded Items includes the Item Description, Units, and Number of Units. Many of the Excluded Items are listed as a 'Lump Sum' with a quantity of 1. For the Excluded Items, this indicates that all of the items identified by the 'Item Description' are excluded from funding by Replacement Reserves.

- **REVIEW OF EXPENDITURES.** This Replacement Reserve Study should be reviewed by an accounting professional representing the Association prior to implementation.
- **PARTIAL FUNDING.** Items may have been included in the Replacement Reserve Inventory at less than 100 percent of their full quantity and/or replacement cost. This is done on items that will never be replaced in their entirety, but which may require periodic replacements over an extended period of time. The assumptions that provide the basis for any partial funding are noted in the Comments section.
- **REMAINING ECONOMIC LIFE GREATER THAN 40 YEARS.** The calculations do not include funding for initial replacements beyond 40 years. These replacements are included in this Study for tracking and evaluation. They should be included for funding in future Studies, when they enter the 40-year window.

SITE COMPONENTS
PROJECTED REPLACEMENTS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
1	Concrete sidewalks (3%)	sf	930	\$10.85	6	6	\$10,091
2	Concrete roll curb (6%)	lf	780	\$28.90	6	6	\$22,542
3	Concrete surfaces - pool/tennis (3%)	sf	210	\$10.85	6	6	\$2,279
4	Storm Water Drainage (10%)	ls	1	\$1,200.00	10	5	\$1,200
5	Street signage	ls	1	\$2,500.00	15	13	\$2,500
6	Speed humps	ea	8	\$1,200.00	20	8	\$9,600
SITE COMPONENTS - Replacement Costs - Subtotal							\$48,211

SITE COMPONENTS
COMMENTS

- We have assumed that the Association will replace the asphalt pavement by the installation of a 2 inch thick overlay. The pavement will need to be milled prior to the installation of the overlay. Milling and the cost of minor repairs (5 to 10 percent of the total area) to the base materials and bearing soils beneath the pavement are included in the cost shown above.
- Street signage cost is based on actual cost to re-paint all street name signs. Miscellaneous signage (stop, speed, etc.) are not included in this study due to their minimal cost.

SITE IMPROVEMENTS (cont'd)

PROJECTED REPLACEMENTS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
7	Muirfield Drive Asphalt Seal Coat	sf	112,200	\$0.22	5	3	\$24,684
8	Muirfield Drive Asphalt Resurface	sf	112,200	\$1.68	20	8	\$188,496
9	Saint George Cir. Asphalt Seal Coat	sf	11,000	\$0.22	5	3	\$2,420
10	Saint George Cir. Asphalt Resurface	sf	11,000	\$1.68	20	8	\$18,480
11	Royal Bay Circle Asphalt Seal Coat	sf	11,000	\$0.22	5	3	\$2,420
12	Royal Bay Circle Asphalt Resurface	sf	11,000	\$1.68	20	8	\$18,480
13	Killarney Circle Asphalt Seal Coat	sf	9,900	\$0.22	5	3	\$2,178
14	Killarney Circle Asphalt Resurface	sf	9,900	\$1.68	20	8	\$16,632
15	Stockton Lane Asphalt Seal Coat	sf	14,960	\$0.22	5	3	\$3,291
16	Stockton Lane Asphalt Resurface	sf	14,960	\$1.68	20	8	\$25,133
17	Mulligan Circle Asphalt Seal Coat	sf	17,600	\$0.22	5	3	\$3,872
18	Mulligan Circle Asphalt Resurface	sf	17,600	\$1.68	20	8	\$29,568
19	Berkshire Circle Asph. Seal Coat	sf	9,900	\$0.22	5	3	\$2,178
20	Berkshire Circle Asph. Resurface	sf	9,900	\$1.68	20	8	\$16,632
21	Eagle's Pointe Cir. Asph. Seal Coat	sf	12,100	\$0.22	5	3	\$2,662
22	Eagle's Pointe Cir. Asph. Resurf.	sf	12,100	\$1.68	20	8	\$20,328

SITE IMPROVEMENTS (cont'd) - Replacement Costs - Subtotal \$377,454

SITE IMPROVEMENTS (cont'd)

COMMENTS

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SITE IMPROVEMENTS (cont'd)

PROJECTED REPLACEMENTS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
23	Abingdon Lane Asphalt Seal Coat	sf	6,200	\$0.22	5	3	\$1,364
24	Abingdon Lane Asphalt Resurface	sf	6,200	\$1.68	20	8	\$10,416
25	Stratford Drive Asphalt Seal Coat	sf	41,800	\$0.22	5	3	\$9,196
26	Stratford Drive Asphalt Resurface	sf	41,800	\$1.68	20	8	\$70,224
27	Glen Lake Ave. Asphalt Seal Coat	sf	18,900	\$0.22	5	3	\$4,158
28	Glen Lake Ave. Asphalt Resurface	sf	18,900	\$1.68	20	8	\$31,752
29	Forest Hills Cir. Asphalt Seal Coat	sf	11,400	\$0.22	5	3	\$2,508
30	Forest Hills Cir. Asphalt Resurface	sf	11,400	\$1.68	20	8	\$19,152
31	Asphalt Parking Area - Seal Coat	sf	13,300	\$0.22	5	3	\$2,926
32	Asphalt Parking Area - Resurface	sf	13,300	\$1.68	20	8	\$22,344

SITE IMPROVEMENTS (cont'd) - Replacement Costs - Subtotal \$174,040

SITE IMPROVEMENTS (cont'd)

COMMENTS

Empty space for comments.

SITE IMPROVEMENTS (cont'd)

PROJECTED REPLACEMENTS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
33	Pond #7 dredging	cy	1,179	\$161.00	25	25	\$189,819
34	Pond #7 Coquin 6' Walkway	sf	24,600	\$1.16	10	5	\$28,536
35	Pond #7 Fountains	ea	2	\$3,500.00	10	5	\$7,000
36	Pond #7 Well Pump / System	ea	1	\$2,500.00	10	5	\$2,500
37	Pond #7 PTL railing	ft	180	\$28.80	15	2	\$5,184
38	Pond #7 PTL decking	sf	760	\$13.40	15	2	\$10,184
39	Pond #7 PTL structure	sf	760	\$56.20	30	15	\$42,712
40	Pond #7 Timber Bulkhead Phase 1	lf	400	\$75.00	25	5	\$30,000
41	Pond #7 Timber Bulkhead Phase 2	lf	400	\$75.00	25	15	\$30,000
42	Pond #7 Timber Bulkhead Phase 3	lf	400	\$75.00	25	25	\$30,000

SITE IMPROVEMENTS (cont'd) - Replacement Costs - Subtotal \$375,935

SITE IMPROVEMENTS (cont'd)

COMMENTS

- Pond dredging cost and quantity of silt material are based on a planned and proposed project to be completed in 2020

RECREATION
PROJECTED REPLACEMENTS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
43	Swimming Pool Structure	sf	3,429	\$90.00	60	24	\$308,610
44	Swimming Pool White Coat	sf	3,429	\$10.50	10	8	\$36,005
45	Swimming Pool Water Line Tile	lf	240	\$14.25	10	8	\$3,420
46	Swimming Pool Lane Tiles	ea	6	\$600.00	10	5	\$3,600
47	Swimming Pool Sand Filters	ea	3	\$850.00	20	15	\$2,550
48	Swimming Pool Pumps	ea	2	\$1,800.00	10	6	\$3,600
49	Swimming Pool Cool Deck	sf	6,700	\$2.20	10	8	\$14,740
50	Swimming Pool Fence	lf	490	\$42.60	45	30	\$20,874
51	Kiddie Pool Structure	sf	160	\$90.00	45	40	\$14,400
52	Kiddie Pool White Coat	sf	160	\$10.50	10	5	\$1,680
53	Kiddie Pool Filter	ea	1	\$850.00	20	15	\$850
54	Kiddie Pool Pump	ls	1	\$1,800.00	10	6	\$1,800
55	Pool furniture, lounge, vinyl strap	ea	36	\$175.00	10	8	\$6,300
56	Pool furniture, chair, resin	ea	130	\$60.00	10	8	\$7,800
57	Pool furniture, table	ea	23	\$175.00	10	8	\$4,025
RECREATION - Replacement Costs - Subtotal							\$430,254

RECREATION
COMMENTS

- 'White coat cost is based on actual project completed in 2017.

RECREATION (cont'd)
PROJECTED REPLACEMENTS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
58	Pavilion shingle roof	sf	4,700	\$4.00	20	18	\$18,800
59	Pavilion/fitness refurbish	ls	1	\$5,000.00	15	10	\$5,000
60	Pavilion metal doors	ea	5	\$1,000.00	15	9	\$5,000
61	Pavilion water heater	ea	1	\$1,400.00	15	5	\$1,400
62	Pool, pergola structure	sf	1,360	\$29.90	25	15	\$40,664
63	Pool pergola shading	sf	1,360	\$65.00	20	17	\$88,400
64	Pavilion/fitness siding t-111	sf	1,850	\$8.30	30	29	\$15,355
65	Fitness, windows, operating	sf	150	\$49.50	30	29	\$7,425
66	Fitness, heat pump (split system)	ea	1	\$3,100.00	15	13	\$3,100
67	Fitness, rubber floor	sf	530	\$4.00	15	13	\$2,120
68	Fitness, treadmill	ea	2	\$4,700.00	15	13	\$9,400
69	Fitness, elliptical	ea	1	\$4,100.00	15	13	\$4,100
70	Fitness, adaptive motion trainer	ea	1	\$4,800.00	15	13	\$4,800
71	Fitness, recumbent bike	ea	1	\$1,800.00	15	13	\$1,800
72	Fitness, rower	ea	1	\$1,200.00	15	13	\$1,200
73	Fitness, multi-gym	ea	1	\$4,800.00	15	13	\$4,800

RECREATION (cont'd) - Replacement Costs - Subtotal \$213,364

RECREATION (cont'd)
COMMENTS

- Refurbish pavilion includes exterior siding, wood doors, toilet facilities and lighting.

RECREATION (cont'd)
PROJECTED REPLACEMENTS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
74	Tennis Court - Resurface	ea	2	\$21,000.00	20	14	\$42,000
75	Tennis Court - Color Coat	ea	2	\$5,500.00	7	2	\$11,000
76	Tennis Court Net Posts	pr	2	\$1,600.00	20	14	\$3,200
77	Tennis Court Fencing - 10'	lf	400	\$19.00	30	9	\$7,600
78	Tennis Court Fencing - 4'	lf	140	\$28.20	30	9	\$3,948
79	Tot Lot Play Structure	ea	1	\$15,000.00	15	8	\$15,000
80	Tot Lot Swings	ea	1	\$2,000.00	15	8	\$2,000
81	Tot Lot Play Area Border	lf	300	\$11.85	15	8	\$3,555
82	Tot Lot Play Area Protective Surface	sf	2,500	\$1.10	5	2	\$2,750
83	Bocce court	ls	1	\$45,000.00	15	11	\$45,000
84	Bocce wood border refurbish	ls	1	\$3,000.00	5	2	\$3,000

RECREATION (cont'd) - Replacement Costs - Subtotal \$139,053

RECREATION (cont'd)
COMMENTS

Empty comment box for providing details on the recreation items.

VALUATION EXCLUSIONS

EXCLUDED ITEMS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
	Site lighting fixtures	ls	1				EXCLUDED
	Property identification signage	ls	1				EXCLUDED
	Miscellaneous signage	ls	1				EXCLUDED
	Mailboxes	ls	1				EXCLUDED

VALUATION EXCLUSIONS

COMMENTS

- Valuation Exclusions. For ease of administration of the Replacement Reserves and to reflect accurately how Replacement Reserves are administered, items with a dollar value less than \$1,000.00 have not been scheduled for funding from Replacement Reserves. Examples of items excluded from funding by Replacement Reserves by this standard are listed above.

- The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

LONG-LIFE EXCLUSIONS

EXCLUDED ITEMS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
	Miscellaneous culverts	ls	1				EXCLUDED
	Building foundation(s)	ls	1				EXCLUDED
	Concrete floor slabs (interior)	ls	1				EXCLUDED
	Wall, floor, & roof structure	ls	1				EXCLUDED
	Common element electrical services	ls	1				EXCLUDED
	Electrical wiring	ls	1				EXCLUDED
	Water piping at common facilities	ls	1				EXCLUDED
	Waste piping at common facilities	ls	1				EXCLUDED
	Stainless steel pool fixtures	ls	1				EXCLUDED

LONG-LIFE EXCLUSIONS

COMMENTS

- Long Life Exclusions. Components that when properly maintained, can be assumed to have a life equal to the property as a whole, are normally excluded from the Replacement Reserve Inventory. Examples of items excluded from funding by Replacement Reserves by this standard are listed above.
- Exterior masonry is generally assumed to have an unlimited economic life but periodic repointing is required and we have included this for funding in the Replacement Reserve Inventory.
- The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

UNIT IMPROVEMENTS EXCLUSIONS

EXCLUDED ITEMS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
	Domestic water pipes serving one unit	ls	1				EXCLUDED
	Sanitary sewers serving one unit	ls	1				EXCLUDED
	Electrical wiring serving one unit	ls	1				EXCLUDED
	Cable TV service serving one unit	ls	1				EXCLUDED
	Telephone service serving one unit	ls	1				EXCLUDED
	Gas service serving one unit	ls	1				EXCLUDED
	Driveway on an individual lot	ls	1				EXCLUDED
	Apron on an individual lot	ls	1				EXCLUDED
	Sidewalk on an individual lot	ls	1				EXCLUDED
	Stairs on an individual lot	ls	1				EXCLUDED
	Curb & gutter on an individual lot	ls	1				EXCLUDED
	Retaining wall on an individual lot	ls	1				EXCLUDED
	Fence on an individual lot	ls	1				EXCLUDED
	Dock on an individually lot	ls	1				EXCLUDED
	Unit exterior	ls	1				EXCLUDED
	Unit windows	ls	1				EXCLUDED
	Unit doors	ls	1				EXCLUDED
	Unit skylights	ls	1				EXCLUDED
	Unit deck, patio, and/or balcony	ls	1				EXCLUDED
	Unit mailbox	ls	1				EXCLUDED
	Unit interior	ls	1				EXCLUDED
	Unit HVAC system	ls	1				EXCLUDED

UNIT IMPROVEMENTS EXCLUSIONS

COMMENTS

- Unit improvement Exclusions. We understand that the elements of the project that relate to a single unit are the responsibility of that unit owner. Examples of items excluded from funding by Replacement Reserves by this standard are listed above.

- The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

UTILITY EXCLUSIONS

EXCLUDED ITEMS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
	Primary electric feeds	ls	1				EXCLUDED
	Electric transformers	ls	1				EXCLUDED
	Cable TV systems and structures	ls	1				EXCLUDED
	Telephone cables and structures	ls	1				EXCLUDED
	Site lighting	ls	1				EXCLUDED
	Gas mains and meters	ls	1				EXCLUDED
	Water mains and meters	ls	1				EXCLUDED
	Sanitary sewers	ls	1				EXCLUDED

UTILITY EXCLUSIONS

COMMENTS

- Utility Exclusions. Many improvements owned by utility companies are on property owned by the Association. We have assumed that repair, maintenance, and replacements of these components will be done at the expense of the appropriate utility company. Examples of items excluded from funding Replacement Reserves by this standard are listed above.

- The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

MAINTENANCE AND REPAIR EXCLUSIONS

EXCLUDED ITEMS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
	Cleaning of asphalt pavement	ls	1				EXCLUDED
	Crack sealing of asphalt pavement	ls	1				EXCLUDED
	Striping of parking spaces	ls	1				EXCLUDED
	Landscaping and site grading	ls	1				EXCLUDED
	Exterior painting	ls	1				EXCLUDED
	Interior painting	ls	1				EXCLUDED
	Janitorial service	ls	1				EXCLUDED
	Repair services	ls	1				EXCLUDED
	Partial replacements	ls	1				EXCLUDED
	Capital improvements	ls	1				EXCLUDED

MAINTENANCE AND REPAIR EXCLUSIONS

COMMENTS

- Maintenance activities, one-time-only repairs, and capital improvements. These activities are NOT appropriately funded from Replacement Reserves. The inclusion of such component in the Replacement Reserve Inventory could jeopardize the special tax status of ALL Replacement Reserves, exposing the Association to significant tax liabilities. We recommend that the Board of Directors discuss these exclusions and Revenue Ruling 75-370 with a Certified Public Accountant.
- Examples of items excluded from funding by Replacement Reserves by this standard are listed above.
- The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

GOVERNMENT EXCLUSIONS

EXCLUDED ITEMS

ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NORMAL ECONOMIC LIFE (YRS)	REMAINING ECONOMIC LIFE (YRS)	REPLACEMENT COST (\$)
	Government, roadways & parking	ls	1				EXCLUDED
	Government, sidewalks & curbs	ls	1				EXCLUDED
	Government, lighting	ls	1				EXCLUDED
	Government, stormwater mgmt.	ls	1				EXCLUDED

GOVERNMENT EXCLUSIONS

COMMENTS

- Government Exclusions. We have assumed that some of the improvements installed on property owned by the Association will be maintained by the state, county, or local government, or other association or other responsible entity. Examples of items excluded from funding by Replacement Reserves by this standard are listed above.
- Excluded right-of-ways, including LIST ROADS, and adjacent properties.
- The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

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PROJECTED ANNUAL REPLACEMENTS GENERAL INFORMATION

CALENDAR OF ANNUAL REPLACEMENTS. The 84 Projected Replacements in the Eagle's Pointe POA Replacement Reserve Inventory whose replacement is scheduled to be funded from Replacement Reserves are broken down on a year-by-year basis, beginning on Page C2.

REPLACEMENT RESERVE ANALYSIS AND INVENTORY POLICIES, PROCEDURES, AND ADMINISTRATION

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

PROJECTED REPLACEMENTS - YEARS 1 TO 3

Item	FY 2020 - STUDY YEAR	\$	Item	FY 2021 - YEAR 2	\$	Item	FY 2022 - YEAR 3	\$
						37	Pond #7 PTL railing	\$5,184
						38	Pond #7 PTL decking	\$10,184
						75	Tennis Court - Color Coat	\$11,000
						82	Tot Lot Play Area Protective	\$2,750
						84	Bocce wood border refurbish	\$3,000
No Scheduled Replacements			No Scheduled Replacements			Total Scheduled Replacements		\$32,118

PROJECTED REPLACEMENTS - YEARS 4 TO 6

Item	FY 2023 - YEAR 4	\$	Item	FY 2024 - YEAR 5	\$	Item	FY 2025 - YEAR 6	\$
7	Muirfield Drive Asphalt Seal	\$24,684				4	Storm Water Drainage (10%	\$1,200
9	Saint George Cir. Asphalt Se	\$2,420				34	Pond #7 Coquin 6' Walkway	\$28,536
11	Royal Bay Circle Asphalt Se	\$2,420				35	Pond #7 Fountains	\$7,000
13	Killarney Circle Asphalt Seal	\$2,178				36	Pond #7 Well Pump / Syster	\$2,500
15	Stockton Lane Asphalt Seal	\$3,291				40	Pond #7 Timber Bulkhead P	\$30,000
17	Mulligan Circle Asphalt Seal	\$3,872				46	Swimming Pool Lane Tiles	\$3,600
19	Berkshire Circle Asph. Seal	\$2,178				52	Kiddie Pool White Coat	\$1,680
21	Eagle's Pointe Cir. Asph. Se	\$2,662				61	Pavilion water heater	\$1,400
23	Abingdon Lane Asphalt Sea	\$1,364						
25	Stratford Drive Asphalt Seal	\$9,196						
27	Glen Lake Ave. Asphalt Sea	\$4,158						
29	Forest Hills Cir. Asphalt Sea	\$2,508						
31	Asphalt Parking Area - Seal	\$2,926						
Total Scheduled Replacements		\$63,857	No Scheduled Replacements			Total Scheduled Replacements		\$75,916

PROJECTED REPLACEMENTS - YEARS 7 TO 9

Item	FY 2026 - YEAR 7	\$	Item	FY 2027 - YEAR 8	\$	Item	FY 2028 - YEAR 9	\$
1	Concrete sidewalks (3%)	\$10,091	82	Tot Lot Play Area Protective	\$2,750	6	Speed humps	\$9,600
2	Concrete roll curb (6%)	\$22,542	84	Bocce wood border refurbist	\$3,000	7	Muirfield Drive Asphalt Seal	\$24,684
3	Concrete surfaces - pool/ten	\$2,279				8	Muirfield Drive Asphalt Resu	\$188,496
48	Swimming Pool Pumps	\$3,600				9	Saint George Cir. Asphalt S	\$2,420
54	Kiddie Pool Pump	\$1,800				10	Saint George Cir. Asphalt R	\$18,480
						11	Royal Bay Circle Asphalt Se	\$2,420
						12	Royal Bay Circle Asphalt Re	\$18,480
						13	Killarney Circle Asphalt Seal	\$2,178
						14	Killarney Circle Asphalt Res	\$16,632
						15	Stockton Lane Asphalt Seal	\$3,291
						16	Stockton Lane Asphalt Resu	\$25,133
						17	Mulligan Circle Asphalt Seal	\$3,872
						18	Mulligan Circle Asphalt Res	\$29,568
						19	Berkshire Circle Asph. Seal	\$2,178
						20	Berkshire Circle Asph. Resu	\$16,632
						21	Eagle's Pointe Cir. Asph. Se	\$2,662
						22	Eagle's Pointe Cir. Asph. Re	\$20,328
						23	Abingdon Lane Asphalt Sea	\$1,364
						24	Abingdon Lane Asphalt Res	\$10,416
						25	Stratford Drive Asphalt Seal	\$9,196
						26	Stratford Drive Asphalt Resu	\$70,224
						27	Glen Lake Ave. Asphalt Sea	\$4,158
						28	Glen Lake Ave. Asphalt Res	\$31,752
						29	Forest Hills Cir. Asphalt Sea	\$2,508
						30	Forest Hills Cir. Asphalt Res	\$19,152
						31	Asphalt Parking Area - Seal	\$2,926
						32	Asphalt Parking Area - Resu	\$22,344
						44	Swimming Pool White Coat	\$36,005
						45	Swimming Pool Water Line	\$3,420
						49	Swimming Pool Cool Deck	\$14,740
						55	Pool furniture, lounge, vinyl	\$6,300
						56	Pool furniture, chair, resin	\$7,800
						57	Pool furniture, table	\$4,025
						79	Tot Lot Play Structure	\$15,000
						80	Tot Lot Swings	\$2,000
						81	Tot Lot Play Area Border	\$3,555
Total Scheduled Replacements		\$40,311	Total Scheduled Replacements		\$5,750	Total Scheduled Replacements		\$653,939

PROJECTED REPLACEMENTS - YEARS 10 TO 12

Item	FY 2029 - YEAR 10	\$	Item	FY 2030 - YEAR 11	\$	Item	FY 2031 - YEAR 12	\$
60	Pavilion metal doors	\$5,000	59	Pavilion/fitness refurbish	\$5,000	83	Bocce court	\$45,000
75	Tennis Court - Color Coat	\$11,000						
77	Tennis Court Fencing - 10'	\$7,600						
78	Tennis Court Fencing - 4'	\$3,948						
Total Scheduled Replacements		\$27,548	Total Scheduled Replacements		\$5,000	Total Scheduled Replacements		\$45,000

PROJECTED REPLACEMENTS - YEARS 13 TO 15

Item	FY 2032 - YEAR 13	\$	Item	FY 2033 - YEAR 14	\$	Item	FY 2034 - YEAR 15	\$
1	Concrete sidewalks (3%)	\$10,091	5	Street signage	\$2,500	74	Tennis Court - Resurface	\$42,000
2	Concrete roll curb (6%)	\$22,542	7	Muirfield Drive Asphalt Seal	\$24,684	76	Tennis Court Net Posts	\$3,200
3	Concrete surfaces - pool/ten	\$2,279	9	Saint George Cir. Asphalt Se	\$2,420			
82	Tot Lot Play Area Protective	\$2,750	11	Royal Bay Circle Asphalt Se	\$2,420			
84	Bocce wood border refurbish	\$3,000	13	Killarney Circle Asphalt Seal	\$2,178			
			15	Stockton Lane Asphalt Seal	\$3,291			
			17	Mulligan Circle Asphalt Seal	\$3,872			
			19	Berkshire Circle Asph. Seal	\$2,178			
			21	Eagle's Pointe Cir. Asph. Se	\$2,662			
			23	Abingdon Lane Asphalt Sea	\$1,364			
			25	Stratford Drive Asphalt Seal	\$9,196			
			27	Glen Lake Ave. Asphalt Sea	\$4,158			
			29	Forest Hills Cir. Asphalt Sea	\$2,508			
			31	Asphalt Parking Area - Seal	\$2,926			
			66	Fitness, heat pump (split sys	\$3,100			
			67	Fitness, rubber floor	\$2,120			
			68	Fitness, treadmill	\$9,400			
			69	Fitness, elliptical	\$4,100			
			70	Fitness, adaptive motion trai	\$4,800			
			71	Fitness, recumbent bike	\$1,800			
			72	Fitness, rower	\$1,200			
			73	Fitness, multi-gym	\$4,800			
Total Scheduled Replacements		\$40,661	Total Scheduled Replacements		\$97,677	Total Scheduled Replacements		\$45,200

PROJECTED REPLACEMENTS - YEARS 16 TO 18

Item	FY 2035 - YEAR 16	\$	Item	FY 2036 - YEAR 17	\$	Item	FY 2037 - YEAR 18	\$
4	Storm Water Drainage (10%	\$1,200	48	Swimming Pool Pumps	\$3,600	37	Pond #7 PTL railing	\$5,184
34	Pond #7 Coquin 6' Walkway	\$28,536	54	Kiddie Pool Pump	\$1,800	38	Pond #7 PTL decking	\$10,184
35	Pond #7 Fountains	\$7,000	75	Tennis Court - Color Coat	\$11,000	63	Pool pergola shading	\$88,400
36	Pond #7 Well Pump / Syster	\$2,500				82	Tot Lot Play Area Protective	\$2,750
39	Pond #7 PTL structure	\$42,712				84	Bocce wood border refurbish	\$3,000
41	Pond #7 Timber Bulkhead P	\$30,000						
46	Swimming Pool Lane Tiles	\$3,600						
47	Swimming Pool Sand Filters	\$2,550						
52	Kiddie Pool White Coat	\$1,680						
53	Kiddie Pool Filter	\$850						
62	Pool, pergola structure	\$40,664						
Total Scheduled Replacements		\$161,292	Total Scheduled Replacements		\$16,400	Total Scheduled Replacements		\$109,518

PROJECTED REPLACEMENTS - YEARS 19 TO 21

Item	FY 2038 - YEAR 19	\$	Item	FY 2039 - YEAR 20	\$	Item	FY 2040 - YEAR 21	\$
1	Concrete sidewalks (3%)	\$10,091				61	Pavilion water heater	\$1,400
2	Concrete roll curb (6%)	\$22,542						
3	Concrete surfaces - pool/ten	\$2,279						
7	Muirfield Drive Asphalt Seal	\$24,684						
9	Saint George Cir. Asphalt Se	\$2,420						
11	Royal Bay Circle Asphalt Se	\$2,420						
13	Killarney Circle Asphalt Seal	\$2,178						
15	Stockton Lane Asphalt Seal	\$3,291						
17	Mulligan Circle Asphalt Seal	\$3,872						
19	Berkshire Circle Asph. Seal	\$2,178						
21	Eagle's Pointe Cir. Asph. Se	\$2,662						
23	Abingdon Lane Asphalt Sea	\$1,364						
25	Stratford Drive Asphalt Seal	\$9,196						
27	Glen Lake Ave. Asphalt Sea	\$4,158						
29	Forest Hills Cir. Asphalt Sea	\$2,508						
31	Asphalt Parking Area - Seal	\$2,926						
44	Swimming Pool White Coat	\$36,005						
45	Swimming Pool Water Line	\$3,420						
49	Swimming Pool Cool Deck	\$14,740						
55	Pool furniture, lounge, vinyl	\$6,300						
56	Pool furniture, chair, resin	\$7,800						
57	Pool furniture, table	\$4,025						
58	Pavilion shingle roof	\$18,800						
Total Scheduled Replacements		\$189,858	No Scheduled Replacements			Total Scheduled Replacements		\$1,400

PROJECTED REPLACEMENTS - YEARS 22 TO 24

Item	FY 2041 - YEAR 22	\$	Item	FY 2042 - YEAR 23	\$	Item	FY 2043 - YEAR 24	\$
			82	Tot Lot Play Area Protective	\$2,750	7	Muirfield Drive Asphalt Seal	\$24,684
			84	Bocce wood border refurbist	\$3,000	9	Saint George Cir. Asphalt Sr	\$2,420
						11	Royal Bay Circle Asphalt Se	\$2,420
						13	Killarney Circle Asphalt Seal	\$2,178
						15	Stockton Lane Asphalt Seal	\$3,291
						17	Mulligan Circle Asphalt Seal	\$3,872
						19	Berkshire Circle Asph. Seal	\$2,178
						21	Eagle's Pointe Cir. Asph. Se	\$2,662
						23	Abingdon Lane Asphalt Sea	\$1,364
						25	Stratford Drive Asphalt Seal	\$9,196
						27	Glen Lake Ave. Asphalt Sea	\$4,158
						29	Forest Hills Cir. Asphalt Sea	\$2,508
						31	Asphalt Parking Area - Seal	\$2,926
						75	Tennis Court - Color Coat	\$11,000
						79	Tot Lot Play Structure	\$15,000
						80	Tot Lot Swings	\$2,000
						81	Tot Lot Play Area Border	\$3,555
No Scheduled Replacements			Total Scheduled Replacements			Total Scheduled Replacements		
					\$5,750			\$95,412

PROJECTED REPLACEMENTS - YEARS 28 TO 30

Item	FY 2047 - YEAR 28	\$	Item	FY 2048 - YEAR 29	\$	Item	FY 2049 - YEAR 30	\$
82	Tot Lot Play Area Protective	\$2,750	5	Street signage	\$2,500	64	Pavilion/fitness siding t-111	\$15,355
84	Bocce wood border refurbist	\$3,000	6	Speed humps	\$9,600	65	Fitness, windows, operating	\$7,425
			7	Muirfield Drive Asphalt Seal	\$24,684			
			8	Muirfield Drive Asphalt Resu	\$188,496			
			9	Saint George Cir. Asphalt S	\$2,420			
			10	Saint George Cir. Asphalt R	\$18,480			
			11	Royal Bay Circle Asphalt Se	\$2,420			
			12	Royal Bay Circle Asphalt Re	\$18,480			
			13	Killarney Circle Asphalt Seal	\$2,178			
			14	Killarney Circle Asphalt Resi	\$16,632			
			15	Stockton Lane Asphalt Seal	\$3,291			
			16	Stockton Lane Asphalt Resu	\$25,133			
			17	Mulligan Circle Asphalt Seal	\$3,872			
			18	Mulligan Circle Asphalt Rest	\$29,568			
			19	Berkshire Circle Asph. Seal	\$2,178			
			20	Berkshire Circle Asph. Resu	\$16,632			
			21	Eagle's Pointe Cir. Asph. Se	\$2,662			
			22	Eagle's Pointe Cir. Asph. Re	\$20,328			
			23	Abingdon Lane Asphalt Sea	\$1,364			
			24	Abingdon Lane Asphalt Res	\$10,416			
			25	Stratford Drive Asphalt Seal	\$9,196			
			26	Stratford Drive Asphalt Resu	\$70,224			
			27	Glen Lake Ave. Asphalt Sea	\$4,158			
			28	Glen Lake Ave. Asphalt Res	\$31,752			
			29	Forest Hills Cir. Asphalt Sea	\$2,508			
			30	Forest Hills Cir. Asphalt Res	\$19,152			
			31	Asphalt Parking Area - Seal	\$2,926			
			32	Asphalt Parking Area - Resu	\$22,344			
			44	Swimming Pool White Coat	\$36,005			
			45	Swimming Pool Water Line	\$3,420			
			49	Swimming Pool Cool Deck	\$14,740			
			55	Pool furniture, lounge, vinyl	\$6,300			
			56	Pool furniture, chair, resin	\$7,800			
			57	Pool furniture, table	\$4,025			
			66	Fitness, heat pump (split sys	\$3,100			
			67	Fitness, rubber floor	\$2,120			
			68	Fitness, treadmill	\$9,400			
			69	Fitness, elliptical	\$4,100			
			70	Fitness, adaptive motion trai	\$4,800			
			71	Fitness, recumbent bike	\$1,800			
			72	Fitness, rower	\$1,200			
			73	Fitness, multi-gym	\$4,800			
Total Scheduled Replacements		\$5,750	Total Scheduled Replacements		\$667,204	Total Scheduled Replacements		\$22,780

PROJECTED REPLACEMENTS - YEARS 31 TO 33

Item	FY 2050 - YEAR 31	\$	Item	FY 2051 - YEAR 32	\$	Item	FY 2052 - YEAR 33	\$
1	Concrete sidewalks (3%)	\$10,091				37	Pond #7 PTL railing	\$5,184
2	Concrete roll curb (6%)	\$22,542				38	Pond #7 PTL decking	\$10,184
3	Concrete surfaces - pool/ten	\$2,279				82	Tot Lot Play Area Protective	\$2,750
40	Pond #7 Timber Bulkhead P	\$30,000				84	Bocce wood border refurbist	\$3,000
50	Swimming Pool Fence	\$20,874						
75	Tennis Court - Color Coat	\$11,000						
Total Scheduled Replacements		\$96,785	No Scheduled Replacements			Total Scheduled Replacements		\$21,118

PROJECTED REPLACEMENTS - YEARS 34 TO 36

Item	FY 2053 - YEAR 34	\$	Item	FY 2054 - YEAR 35	\$	Item	FY 2055 - YEAR 36	\$
7	Muirfield Drive Asphalt Seal	\$24,684	74	Tennis Court - Resurface	\$42,000	4	Storm Water Drainage (10%	\$1,200
9	Saint George Cir. Asphalt Se	\$2,420	76	Tennis Court Net Posts	\$3,200	34	Pond #7 Coquin 6' Walkway	\$28,536
11	Royal Bay Circle Asphalt Se	\$2,420				35	Pond #7 Fountains	\$7,000
13	Killarney Circle Asphalt Seal	\$2,178				36	Pond #7 Well Pump / Syster	\$2,500
15	Stockton Lane Asphalt Seal	\$3,291				46	Swimming Pool Lane Tiles	\$3,600
17	Mulligan Circle Asphalt Seal	\$3,872				47	Swimming Pool Sand Filters	\$2,550
19	Berkshire Circle Asph. Seal	\$2,178				52	Kiddie Pool White Coat	\$1,680
21	Eagle's Pointe Cir. Asph. Se	\$2,662				53	Kiddie Pool Filter	\$850
23	Abingdon Lane Asphalt Sea	\$1,364				61	Pavilion water heater	\$1,400
25	Stratford Drive Asphalt Seal	\$9,196						
27	Glen Lake Ave. Asphalt Sea	\$4,158						
29	Forest Hills Cir. Asphalt Sea	\$2,508						
31	Asphalt Parking Area - Seal	\$2,926						
Total Scheduled Replacements		\$63,857	Total Scheduled Replacements		\$45,200	Total Scheduled Replacements		\$49,316

PROJECTED REPLACEMENTS - YEARS 37 TO 39

Item	FY 2056 - YEAR 37	\$	Item	FY 2057 - YEAR 38	\$	Item	FY 2058 - YEAR 39	\$
1	Concrete sidewalks (3%)	\$10,091	63	Pool pergola shading	\$88,400	7	Muirfield Drive Asphalt Seal	\$24,684
2	Concrete roll curb (6%)	\$22,542	75	Tennis Court - Color Coat	\$11,000	9	Saint George Cir. Asphalt Seal	\$2,420
3	Concrete surfaces - pool/ten	\$2,279	82	Tot Lot Play Area Protective	\$2,750	11	Royal Bay Circle Asphalt Seal	\$2,420
48	Swimming Pool Pumps	\$3,600	84	Bocce wood border refurbist	\$3,000	13	Killarney Circle Asphalt Seal	\$2,178
54	Kiddie Pool Pump	\$1,800				15	Stockton Lane Asphalt Seal	\$3,291
						17	Mulligan Circle Asphalt Seal	\$3,872
						19	Berkshire Circle Asph. Seal	\$2,178
						21	Eagle's Pointe Cir. Asph. Seal	\$2,662
						23	Abingdon Lane Asphalt Seal	\$1,364
						25	Stratford Drive Asphalt Seal	\$9,196
						27	Glen Lake Ave. Asphalt Seal	\$4,158
						29	Forest Hills Cir. Asphalt Seal	\$2,508
						31	Asphalt Parking Area - Seal	\$2,926
						44	Swimming Pool White Coat	\$36,005
						45	Swimming Pool Water Line	\$3,420
						49	Swimming Pool Cool Deck	\$14,740
						55	Pool furniture, lounge, vinyl	\$6,300
						56	Pool furniture, chair, resin	\$7,800
						57	Pool furniture, table	\$4,025
						58	Pavilion shingle roof	\$18,800
						79	Tot Lot Play Structure	\$15,000
						80	Tot Lot Swings	\$2,000
						81	Tot Lot Play Area Border	\$3,555
Total Scheduled Replacements		\$40,311	Total Scheduled Replacements		\$105,150	Total Scheduled Replacements		\$175,502

PROJECTED REPLACEMENTS - YEARS 40 TO 42

Item	FY 2059 - YEAR 40	\$	Item	2060 (beyond Study Period)	\$	Item	2061 (beyond Study Period)	\$
60	Pavilion metal doors	\$5,000	41	Pond #7 Timber Bulkhead P	\$30,000	83	Bocce court	\$45,000
77	Tennis Court Fencing - 10'	\$7,600	51	Kiddie Pool Structure	\$14,400			
78	Tennis Court Fencing - 4'	\$3,948	59	Pavilion/fitness refurbish	\$5,000			
			62	Pool, pergola structure	\$40,664			
Total Scheduled Replacements			Total Scheduled Replacements			Total Scheduled Replacements		
\$16,548			\$90,064			\$45,000		

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CONDITION ASSESSMENT

General Comments. Miller - Dodson Associates conducted a Reserve Study at Eagle's Pointe POA in July 2019. Eagle's Pointe POA is in generally Good condition for a community constructed beginning in 2001. A review of the Replacement Reserve Inventory will show that we are anticipating most of the components achieving their normal economic lives.

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

General Condition Statements.

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

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

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

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

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

SITE COMPONENTS

Asphalt Pavement. The Association is responsible for some of the roadways and parking areas within the community; other roadways are maintained Golf Club Association. In general, the Association's asphalt pavements are in fair condition, with minor cracking. We were informed that the streets were all re-sealed in 2017.



The Association maintains an inventory of asphalt pavement along the following streets and areas:

•	Muirfield Drive	112,200	sf
•	Saint George Circle	11,000	sf
•	Royal Bay Circle	11,000	sf
•	Killarney Circle	9,900	sf
•	Stockton Lane	14,960	sf
•	Mulligan Circle	17,600	sf
•	Berkshire Circle	9,900	sf
•	Eagle's Pointe Circle	12,100	sf
•	Abingdon Lane	6,200	sf
•	Stratford Drive	41,800	sf
•	Glen Lake Avenue	18,900	sf
•	Forest Hills Circle	11,400	sf
•	Parking at Pool	13,300	sf
	Total	290,260	sf

As a rule of thumb, asphalt should be overlaid when approximately 5% of the surface area is cracked or otherwise deteriorated. The normal service life of asphalt pavement is typically 18 to 20 years.

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

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

The pricing used is based on recent contracts for a two-inch overlay, which reflects the current local market for this work.

For seal coating, several different products are available. The older, more traditional seal coating products are simply paints. They coat the surface of the asphalt and they are minimally effective. However, the newer coating materials, such as those from Total Asphalt Management, Asphalt Restoration Technologies, Inc., and others, are penetrating. They are engineered, so to speak, to 'remoisturize' the pavement. Asphalt pavement is intended to be flexible. Over time, the volatile chemicals in the pavement dry, the pavement becomes brittle, and degradation follows in the forms of cracking and potholes. Remoisturizing the pavement can return its flexibility and extend the life of the pavement.

Lastly, the resource links provided on our website may provide insight into the general terms and concerns, including maintenance related advantages and disadvantages, which may help the Association better manage the asphalt pavements throughout the community: <http://mdareserves.com/resources/links/site-components>.

Concrete Work. The concrete work includes the community curbs, sidewalks, and other flatwork. We have modeled for curb replacement when the asphalt pavement is overlaid. The overall condition of the concrete work is good.



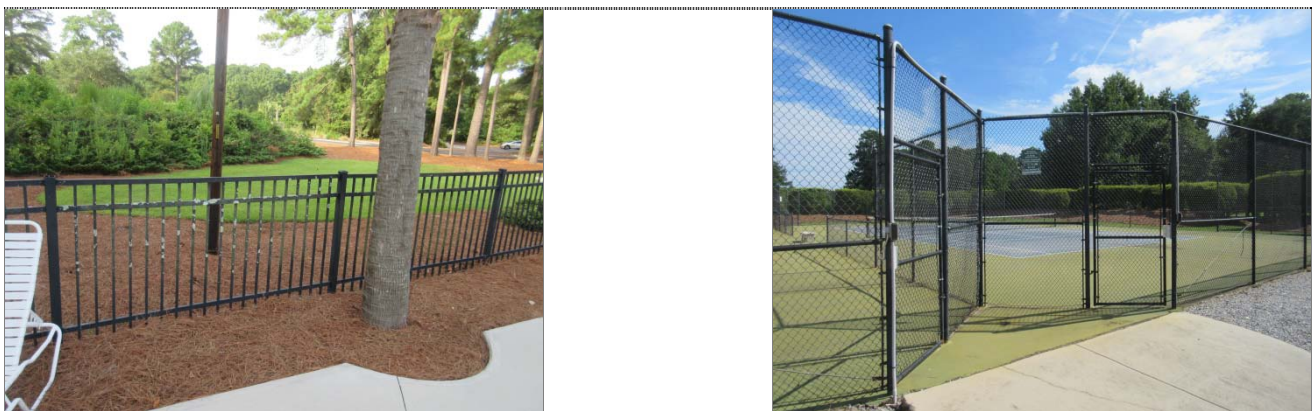
The standards we use for recommending replacement are as follows:

- Trip hazard, ½ inch height difference.
- Severe cracking.
- Severe spalling and scale.
- Uneven riser heights on steps.
- Steps with risers in excess of 8¼ inches.

Because it is highly unlikely that all of the concrete components will fail and require replacement in the period of the study, we have programmed funds for the replacement of these inventories and spread the funds over an extended timeframe to reflect the incremental nature of this work.

The relevant links on our web site may provide useful information related to concrete terminology, maintenance, and repair. Please see <http://mdareserves.com/resources/links/site-components>.

Fencing. The Association maintains metal fencing that is in generally fair condition. Fencing systems have a large number of configurations and finishes that can usually be repaired as a maintenance activity by replacing individual components as they become damaged or weathered.



Protection from string machine damage during lawn maintenance can extend the useful life of some fence types. Protection from this type of damage is typically provided by applying herbicides around post bases or installing protective sheathing.

Aluminum fencing can have a useful life of 40 years or more. Periodic cleaning and touch-up painting may be required to keep the fence attractive.

Chain link fencing can have a useful life of 40 years or more. Periodic weed control may be required to protect and maintain the fence.

For more information on fencing, visit our [website link](#) to the American Fence Association.

Storm Water Pond. The community is served by a storm water pond. Dredging is scheduled to be done on this pond in 2020.



Ponds will accumulate silt and over time and lose the ability to store storm water at design levels, which could result in overflows and minor local flooding. In addition, water quality can be negatively affected by increased siltation and debris accumulation. Accordingly, ponds require periodic dredging.

Estimates of cost and the frequency of dredging ponds are a function of many variables, including the volume of the pond, the siltation rate, the nature of the material being removed, the method of removal, and the haul distance to a site that will accept the spoil material. Most of this information is unknown and must be assumed for the purpose of reserve study planning. The siltation rate and cost of periodic dredging are speculative, varying greatly depending on local conditions.

As a rule of thumb, dredging should be performed when approximately one-third of the volume of the pond has been filled with silt. In the absence of accurate information about the original depth of the pond and the local siltation rate, we have assumed that it will be necessary to remove one cubic yard of material over a third of the pond area periodically as noted in the inventory. We have assumed that the material being removed is free of heavy metals and hydrocarbons, and that it will be accepted as fill at a local landfill. A more accurate prediction of cost and cycles will require a hydrologic analysis and testing, which is beyond the scope of our study.

As a supplement to traditional dredging methods, hydro-raking can prolong the interval between dredging.

Because of the significant cost of this work, it is recommended that the Association undertake studies to refine the assumptions of this study.

Based on our understanding, we recommend the following:

- Periodically remove accumulated debris and vegetation growing in the ponds.
- Survey the ponds to establish the current profile of the bottom. After five years of operation, have the pond re-surveyed to establish new depths to determine the local siltation rate. This will establish the frequency required for periodic dredging.
- Periodically sample and test for contaminants.
- Consult with local contractors to determine the cost of removing and disposing of the spoil, once its nature is known.

Firms that specialize in this work can be typically found by internet searching "Lake and Pond, Construction and Maintenance" for your state or area of the country. Some states provide short lists of companies that specialize in this type of work.

Please note that the periodic removal of overgrown vegetation from the pond is considered a maintenance activity and has not been reserved for or included in this study.

Storm water structures must be maintained over time so that they may perform their two major functions - storm water storage and storm water quality improvement. A well-planned maintenance program is the best way to ensure that these structures will continue to perform their water quality and quantity functions.

The following information outlines the general maintenance considerations for storm-water management structures. Storm-water management structures will require routine and non-routine maintenance. Routine maintenance such as visual inspections, vegetation management, and the regular removal of debris and litter provides a variety of benefits such as reducing the chance of clogging outlet structures, trash racks, risers, and other facility components. It is important to note that while general maintenance tasks are suggested, actual maintenance needs are very site specific. Below is a lists component of a general maintenance program.

Routine

- Visual Inspection
- Vegetation Management
- Debris/Litter Control Outlet
- Maintaining Undisturbed Areas Around Infiltration Trenches/Basins (routine)

Non-Routine

- Bank Stabilization
- Sediment Removal
- Structure Maintenance / Replacement
- Maintenance of Mechanical Components (dependent on age of structure; non-routine)

Ponds should be inspected once a year, addressing the items listed below.

MINIMUM INSPECTION CHECKLIST FOR PONDS.

- Obstructions of the inlet or outlet devices by trash and debris
- Excessive erosion or sedimentation in the basin
- Cracking or settling of the dam
- Low spots in the bottom of a dry pond
- Deterioration of pipes
- Condition of the emergency spillway
- Stability of the side-slopes
- Upstream and downstream channel conditions
- Signs of vandalism

Vegetation Management. Grass is usually used around and in storage ponds to prevent erosion and to filter sediment. The grass near the pond should not be over-fertilized, or the excessive nutrients will be washed into the pond and contribute to the growth of algae. Grass should be cut no shorter than 6-8 inches.

Please note that the periodic removal of overgrown vegetation from the pond is considered a maintenance activity and has not been reserved for or included in this study.

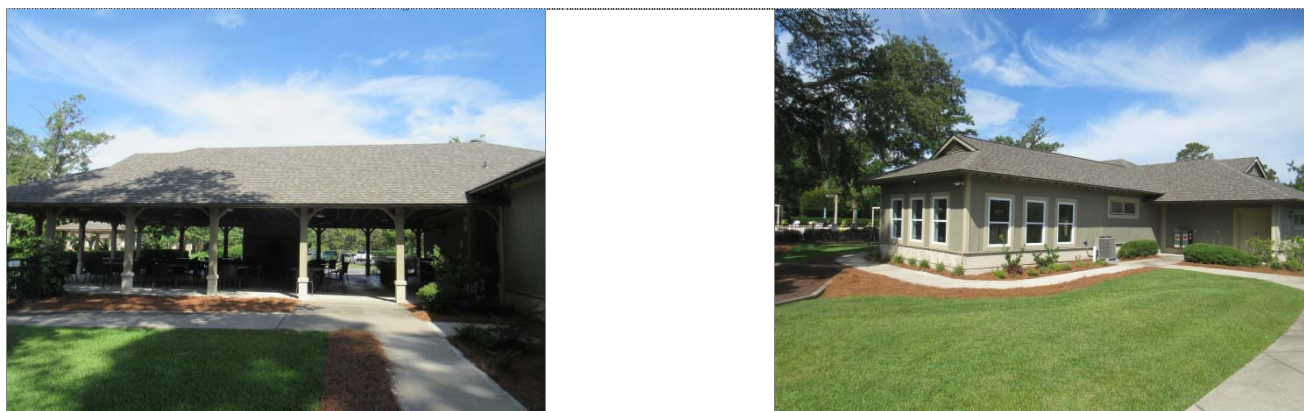
Sediment Removal. One of the main purposes of a storm-water management pond is to remove sediment from storm water. As water flows through the pond, sediment will accumulate and eventually will need to be removed. Storm-water management structures vary in design and shape. Therefore, there is no general rule for the frequency of sediment removal. Upstream conditions such as land use, type of land cover (vegetated vs. paved), and soil types are important factors in determining how rapidly sediment will accumulate in a pond. Sediment removal is usually the single largest cost of maintaining a storm-water management structure. Owners are responsible for maintaining the facility and should plan ahead, setting aside the necessary funds to

pay for sediment removal. The best solution to sediment removal is to designate an on-site area or a site adjacent to the facility where the sediment can be disposed. This area will need to locate outside of the floodplain. If such a disposal area is not available, the sediment will need to be transported and disposed of off-site. Transportation costs and disposal fees can greatly increase the cost of sediment removal. Once the sediment is removed, the bottom of the basin and any disturbed areas will need to be stabilized and re-vegetated, or the structure will quickly clog and require sediment removal again.

We have provided funds for the minor dredging of the detention pond and clearing of the swales, creek area, and drainage lines. Because of the significance of the cost of this work in establishing the correct reserve contribution, it is recommended that the Association undertake studies to refine the information and replace the assumptions we have had to make with estimates based on your Associations current pond conditions.

BUILDING EXTERIOR

Building Roofing. The pavilion is roofed in asphalt shingles that are in generally excellent condition. The asphalt shingle roof was installed in 2018 when the fitness space was added.



Asphalt shingle roofs can have a useful life of 20 to 50 years depending on the weight and quality of the shingle. Weathered, curled, and missing shingles are all indications that the shingles may be nearing the end of their useful life.

Access to the roof was not provided at the time of inspection.

Annual inspections are recommended, with cleaning, repair, and mitigation of vegetation performed as needed. Access, inspection, and repair work should be performed by contractors and personnel with the appropriate access equipment who are experienced in the types of roofing used for the facility.

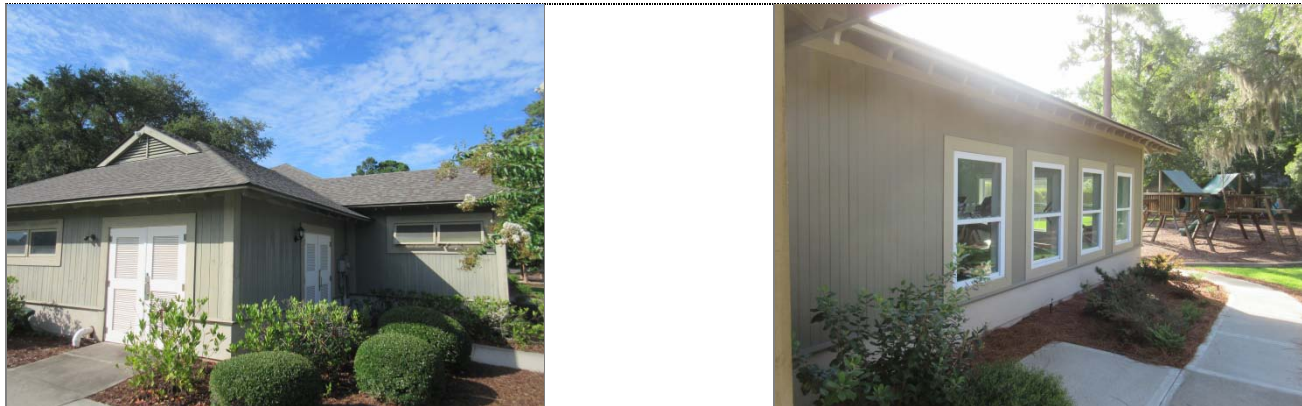
For additional information on roofs and roof maintenance, please see the appropriate links on our web site at <http://mdareserves.com/resources/links/building-exterior>.

Siding and Trim. The exterior of the pavilion is clad in wood siding and trim with a stucco base. The siding and trim materials and the stucco are in generally good condition. A fitness room addition was constructed in 2018 with the same matching exterior materials.

Wooden exterior materials are typically repaired as needed during normal painting cycles. Painting cycles for wooden exteriors vary between five and ten years depending on the grade of wood and the quality of the materials and finish work. In this study, we have modeled for incremental wood material replacement to coincide with the painting cycle of the facility.

Stucco finishes are installed at the base of the enclosed pavilion's exterior. Most stucco deterioration is the result of water infiltration. This is generally first evident near the roof and around chimneys, windows, doors,

and other wall penetrations. Moisture can also gain access through materials that are in contact with ground by a process called wicking. Moisture will cause the supporting lath for the stucco to rot or corrode, resulting in the stucco pulling away from the substrate. Significant deterioration of wooden and metal structural elements can occur. Similar to Exterior Insulation Finishing Systems (EIFS) a "water-managed system" is the approach for new construction. However, many older installations assume a water barrier system. It is recommended for all stucco surfaces be inspected at least once each year.



See <http://mdareserves.com/resources/links/building-exterior> for additional information.

Windows and Doors. The Association is responsible for all of the windows and exterior doors of the facility.

The windows and doors are in generally good condition.



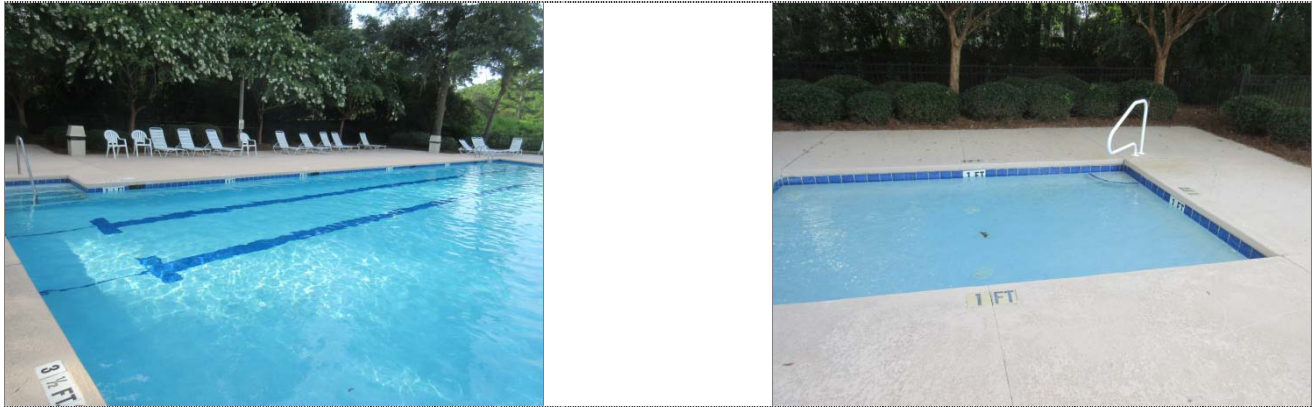
Window and door units play an integral part in a facility's overall comfort, efficiency, and energy use. The quality of the installed units and the care taken in their installation and maintenance are major factors in their effectiveness and useful life. These units can have a useful life of 20 to 35 years or more depending on their use and other factors mentioned above.

In general, we recommend coordinating the replacement of these units with other exterior work, such as siding and roof replacements. The weather tightness of the building envelope often requires transitional flashing and caulking that should be performed in coordination with each other. Warranties and advantages in 'economy of scale' can often result in lower overall replacement costs and results that are more reliable. Lastly, coordinated replacements offer the opportunity to correct initial construction defects and improve the effectiveness of details with improved construction techniques and materials.

For more information, please see our links at <http://mdareserves.com/resources/links/building-exterior>.

RECREATIONAL FACILITIES

Swimming Pool. The community operates an outdoor pool and wading pool of concrete construction. Listed below are the major components of the pool facilities:



- Pool Shell. The shell for the swimming pool is in good condition.
- Pool Deck. The pool has a concrete deck. The overall condition of the deck is fair condition with tripping hazards.
- Pool Deck Coating. The concrete pool deck is coated with an elastomeric coating. The coating is in fair condition. We have assumed a service life for the coating of ten years.
- Whitecoat. The pool whitecoat is in good condition. We have assumed a service life of eight to ten years for the pool whitecoat.
- Waterline Tile. The waterline tile is in good condition. We have assumed that the waterline tile will be replaced or restored when the pool is whitecoated.
- Pump and Filter System. The pump and filter system components are in fair operating condition.
- Pool Fence. The swimming pool is enclosed by a metal fence that is in fair condition.

Tot Lots. The community maintains a tot lot. The tot lot includes play structures, miscellaneous play equipment, wood/synthetic borders, and a wood chip surface. The facility facilities are in generally good condition.



The safety of each individual piece of playground equipment as well as the layout of the entire play area should be considered when evaluating a playground for safety. The installation and maintenance of the protective surfacing under and around all equipment is crucial. Please note that the evaluation of the equipment and these facilities for safety is beyond the scope of this work.

Information for playground design and safety can be found in the "Public Playground Safety Handbook", U.S. Consumer Product Safety Commission (Pub Number 325). For a link to this handbook, please see our web site at www.mdareserves.com/resources/links/recreation.

Our estimates for playground equipment are based on comparing photos of the existing equipment with equipment of a similar size in manufacturers' catalogs. We use the pricing that is quoted by manufacturers for comparable equipment and add 30% for the disposal of the old equipment and installation of new equipment.

Tennis Courts. The community maintains two tennis courts. The overall condition of these courts is good.



Listed below are the major components of the tennis court facilities:

- Asphalt Pavement (base layer). We have assumed a service life of 20 to 30 years for the asphalt base layer.
- Color Coat (surface layer). Annual cleaning is recommended to maintain the surface of the court. The base of a tennis court is subject to cracking and low spots known as "birdbaths" that can occur from weather and earth movement. A program to address cracks as they appear will help to prolong the useful life of the color coat. We have assumed a service life of five to ten years for the color coat.
- Fencing. We have assumed that the fencing will be replaced when the asphalt pavement is replaced. Posts and fencing should be inspected, repaired, and painted as needed to prolong their economic life. Periodic inspection of the posts, gates, hinges, and latches is also recommended, and it is important that posts and footings be protected to prevent soil erosion. In addition, care should be taken so that damage from string trimmers is minimized.
- Net Posts. We have assumed that the new posts will be replaced when the asphalt pavement is replaced.
- Wind Screen. We have assumed a service life of five years for windscreens.
- Lighting System. Court lighting provides extended hours of use in all seasons. This lighting, like any exterior lighting system, should be inspected periodically for functionality. Timers should be adjusted and lamps should be changed as needed. Light pole footings should be inspected for damage and erosion. Additionally, any exposed wiring or missing junction covers should be addressed by a qualified technician.

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

End of Condition Assessment

CASH FLOW METHOD ACCOUNTING SUMMARY

This Eagle's Pointe POA - Cash Flow Method Accounting Summary is an attachment to the Eagle's Pointe POA - Replacement Reserve Study dated July 26, 2019 and is for use by accounting and reserve professionals experienced in Association funding and accounting principles. This Summary consists of four reports, the 2020, 2021, and 2022 Cash Flow Method Category Funding Reports (3) and a Three-Year Replacement Funding Report.

- CASH FLOW METHOD CATEGORY FUNDING REPORT, 2020, 2021, and 2022. Each of the 84 Projected Replacements listed in the Eagle's Pointe POA Replacement Reserve Inventory has been assigned to one of 7 categories. The following information is summarized by category in each report:
 - Normal Economic Life and Remaining Economic Life of the Projected Replacements.
 - Cost of all Scheduled Replacements in each category.
 - Replacement Reserves on Deposit allocated to the category at the beginning and end of the report period.
 - Cost of Projected Replacements in the report period.
 - Recommended Replacement Reserve Funding allocated to the category during the report period as calculated by the Cash Flow Method.
- THREE-YEAR REPLACEMENT FUNDING REPORT. This report details the allocation of the \$599,555 Beginning Balance (at the start of the Study Year) and the \$263,406 of additional Replacement Reserve Funding in 2020 through 2022 (as calculated in the Replacement Reserve Analysis) to each of the 84 Projected Replacements listed in the Replacement Reserve Inventory. These allocations have been made using Chronological Allocation, a method developed by Miller Dodson Associates, Inc., and discussed below. The calculated data includes:
 - Identification and estimated cost of each Projected Replacement scheduled in years 2020 through 2022.
 - Allocation of the \$599,555 Beginning Balance to the Projected Replacements by Chronological Allocation.
 - Allocation of the \$263,406 of additional Replacement Reserve Funding recommended in the Replacement Reserve Analysis in years 2020 through 2022, by Chronological Allocation.
- CHRONOLOGICAL ALLOCATION. Chronological Allocation assigns Replacement Reserves to Projected Replacements on a "first come, first serve" basis in keeping with the basic philosophy of the Cash Flow Method. The Chronological Allocation methodology is outlined below.
 - The first step is the allocation of the \$599,555 Beginning Balance to the Projected Replacements in the Study Year. Remaining unallocated funds are next allocated to the Projected Replacements in subsequent years in chronological order until the total of Projected Replacements in the next year is greater than the unallocated funds. Projected Replacements in this year are partially funded with each replacement receiving percentage funding. The percentage of funding is calculated by dividing the unallocated funds by the total of Projected Replacements in the partially funded year.

At Eagle's Pointe POA the Beginning Balance funds all Scheduled Replacements in the Study Year through 2027 and provides partial funding (58%) of replacements scheduled in 2028.
 - The next step is the allocation of the \$87,802 of 2020 Cash Flow Method Reserve Funding calculated in the Replacement Reserve Analysis. These funds are first allocated to fund the partially funded Projected Replacements and then to subsequent years in chronological order as outlined above.

At Eagle's Pointe POA the Beginning Balance and the 2020 Replacement Reserve Funding, funds replacements through 2027 and partial funds (71.8%) replacements in 2028.
 - Allocations of the 2021 and 2022 Reserve Funding are done using the same methodology.
 - The Three-Year Replacement Funding Report details component by component allocations made by Chronological Allocation.

2020 - CASH FLOW METHOD CATEGORY FUNDING REPORT

Each of the 84 Projected Replacements included in the Eagle's Pointe POA Replacement Reserve Inventory has been assigned to one of the 7 categories listed in TABLE CF1 below. This calculated data is a summary of data provided in the Three-Year Replacement Funding Report and Replacement Reserve Inventory. The accuracy of this data is dependent upon many factors including the following critical financial data:

- A Beginning Balance of \$599,555 as of the first day of the Study Year, January 1, 2020.
- Total reserve funding (including the Beginning Balance) of \$687,357 in the Study Year.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.

If any of these critical factors are inaccurate, do not use the data and please contact Miller Dodson Associates to arrange for an update of the Replacement Reserve Study.

2020 - CASH FLOW METHOD CATEGORY FUNDING - TABLE CF1								
CATEGORY	NORMAL ECONOMIC LIFE	REMAINING ECONOMIC LIFE	ESTIMATED REPLACEMENT COST	2020 BEGINNING BALANCE	2020 RESERVE FUNDING	2020 PROJECTED REPLACEMENTS	2020 END OF YEAR BALANCE	
SITE COMPONENTS	6 to 20 years	5 to 13 years	\$48,211	\$41,713	\$1,289		\$43,002	
SITE IMPROVEMENTS (cont'd)	5 to 20 years	3 to 8 years	\$377,454	\$263,967	\$50,679		\$314,646	
SITE IMPROVEMENTS (cont'd)	5 to 20 years	3 to 8 years	\$174,040	\$121,712	\$23,368		\$145,080	
SITE IMPROVEMENTS (cont'd)	10 to 30 years	2 to 25 years	\$375,935	\$83,404			\$83,404	
RECREATION	10 to 60 years	5 to 40 years	\$430,254	\$52,864	\$9,706		\$62,570	
RECREATION (cont'd)	15 to 30 years	5 to 29 years	\$213,364	\$1,400			\$1,400	
RECREATION (cont'd)	5 to 30 years	2 to 14 years	\$139,053	\$34,495	\$2,760		\$37,255	

2021 - CASH FLOW METHOD CATEGORY FUNDING REPORT

Each of the 84 Projected Replacements included in the Eagle's Pointe POA Replacement Reserve Inventory has been assigned to one of the 7 categories listed in TABLE CF2 below. This calculated data is a summary of data provided in the Three-Year Replacement Funding Report and Replacement Reserve Inventory. The accuracy of this data is dependent upon many factors including the following critical financial data:

- Replacement Reserves on Deposit totaling \$687,357 on January 1, 2021.
- Total reserve funding (including the Beginning Balance) of \$775,159 from 2020 through 2021.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.

If any of these critical factors are inaccurate, do not use the data and please contact Miller Dodson Associates to arrange for an update of the Replacement Reserve Study.

2021 - CASH FLOW METHOD CATEGORY FUNDING - TABLE CF2							
CATEGORY	NORMAL ECONOMIC LIFE	REMAINING ECONOMIC LIFE	ESTIMATED REPLACEMENT COST	2021 BEGINNING BALANCE	2021 RESERVE FUNDING	2021 PROJECTED REPLACEMENTS	2021 END OF YEAR BALANCE
SITE COMPONENTS	6 to 20 years	4 to 12 years	\$48,211	\$43,002	\$1,289		\$44,291
SITE IMPROVEMENTS (cont'd)	5 to 20 years	2 to 7 years	\$377,454	\$314,646	\$50,679		\$365,326
SITE IMPROVEMENTS (cont'd)	5 to 20 years	2 to 7 years	\$174,040	\$145,080	\$23,368		\$168,448
SITE IMPROVEMENTS (cont'd)	10 to 30 years	1 to 24 years	\$375,935	\$83,404			\$83,404
RECREATION	10 to 60 years	4 to 39 years	\$430,254	\$62,570	\$9,706		\$72,276
RECREATION (cont'd)	15 to 30 years	4 to 28 years	\$213,364	\$1,400			\$1,400
RECREATION (cont'd)	5 to 30 years	1 to 13 years	\$139,053	\$37,255	\$2,760		\$40,014

2022 - CASH FLOW METHOD CATEGORY FUNDING REPORT

Each of the 84 Projected Replacements included in the Eagle's Pointe POA Replacement Reserve Inventory has been assigned to one of the 7 categories listed in TABLE CF3 below. This calculated data is a summary of data provided in the Three-Year Replacement Funding Report and Replacement Reserve Inventory. The accuracy of this data is dependent upon many factors including the following critical financial data:

- Replacement Reserves on Deposit totaling \$775,159 on January 1, 2022.
- Total Replacement Reserve funding (including the Beginning Balance) of \$862,961 from 2020 to 2022.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.
- All Projected Replacements scheduled in the Replacement Reserve Inventory in 2022 being accomplished in 2022 at a cost of \$32,118.

If any of these critical factors are inaccurate, do not use the data and please contact Miller Dodson Associates to arrange for an update of the Replacement Reserve Study.

2022 - CASH FLOW METHOD CATEGORY FUNDING - TABLE CF3								
CATEGORY	NORMAL ECONOMIC LIFE	REMAINING ECONOMIC LIFE	ESTIMATED REPLACEMENT COST	2022 BEGINNING BALANCE	2022 RESERVE FUNDING	2022 PROJECTED REPLACEMENTS	2022 END OF YEAR BALANCE	
SITE COMPONENTS	6 to 20 years	3 to 11 years	\$48,211	\$44,291	\$1,289		\$45,580	
SITE IMPROVEMENTS (cont'd)	5 to 20 years	1 to 6 years	\$377,454	\$365,326	\$50,679		\$416,005	
SITE IMPROVEMENTS (cont'd)	5 to 20 years	1 to 6 years	\$174,040	\$168,448	\$23,368		\$191,816	
SITE IMPROVEMENTS (cont'd)	10 to 30 years	0 to 23 years	\$375,935	\$83,404		(\$15,368)	\$68,036	
RECREATION	10 to 60 years	3 to 38 years	\$430,254	\$72,276	\$9,706		\$81,982	
RECREATION (cont'd)	15 to 30 years	3 to 27 years	\$213,364	\$1,400			\$1,400	
RECREATION (cont'd)	5 to 30 years	0 to 12 years	\$139,053	\$40,014	\$2,760	(\$16,750)	\$26,024	

CASH FLOW METHOD - THREE-YEAR REPLACEMENT FUNDING REPORT

TABLE CF4 below details the allocation of the \$599,555 Beginning Balance, as reported by the Association and the \$263,406 of Replacement Reserve Funding calculated by the Cash Flow Method from 2020 to 2022, to the 84 Projected Replacements listed in the Replacement Reserve Inventory. These allocations have been made by Chronological Allocation, a method developed by Miller Dodson Associates, Inc., and outlined on Page CF1. The accuracy of the allocations is dependent upon many factors including the following critical financial data:

- Replacement Reserves on Deposit totaling \$599,555 on January 1, 2020.
- Replacement Reserves on Deposit totaling \$687,357 on January 1, 2021.
- Replacement Reserves on Deposit totaling \$775,159 on January 1, 2022.
- Total Replacement Reserve funding (including the Beginning Balance) of \$862,961 from 2020 to 2022.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.
- All Projected Replacements scheduled in the Replacement Reserve Inventory from 2020 to 2022 being accomplished as scheduled in the Replacement Reserve Inventory at a cost of \$32,118.

If any of these critical factors are inaccurate, do not use the data and please contact Miller Dodson Associates, Inc., to arrange for an update of the Replacement Reserve Study.

CASH FLOW METHOD - THREE-YEAR REPLACEMENT FUNDING - TABLE CF4

Item #	Description of Projected Replacement	Estimated Replacement Costs	Allocation of Beginning Balance	2020 Reserve Funding	2020 Projected Replacements	2020 End of Year Balance	2021 Reserve Funding	2021 Projected Replacements	2021 End of Year Balance	2022 Reserve Funding	2022 Projected Replacements	2022 End of Year Balance
SITE COMPONENTS												
1	Concrete sidewalks (3%)	10,091	10,091			10,091			10,091			10,091
2	Concrete roll curb (6%)	22,542	22,542			22,542			22,542			22,542
3	Concrete surfaces - pool/tennis (3%)	2,279	2,279			2,279			2,279			2,279
4	Storm Water Drainage (10%)	1,200	1,200			1,200			1,200			1,200
5	Street signage	2,500										
6	Speed humps	9,600	5,602	1,289		6,891	1,289		8,180	1,289		9,469
SITE IMPROVEMENTS (cont'd)												
7	Muirfield Drive Asphalt Seal Coat	24,684	39,088	3,314		42,402	3,314		45,717	3,314		49,031
8	Muirfield Drive Asphalt Resurface	188,496	109,996	25,309		135,305	25,309		160,613	25,309		185,922
9	Saint George Cir. Asphalt Seal Coat	2,420	3,832	325		4,157	325		4,482	325		4,807
10	Saint George Cir. Asphalt Resurface	18,480	10,784	2,481		13,265	2,481		15,746	2,481		18,228
11	Royal Bay Circle Asphalt Seal Coat	2,420	3,832	325		4,157	325		4,482	325		4,807
12	Royal Bay Circle Asphalt Resurface	18,480	10,784	2,481		13,265	2,481		15,746	2,481		18,228
13	Killarney Circle Asphalt Seal Coat	2,178	3,449	292		3,741	292		4,034	292		4,326
14	Killarney Circle Asphalt Resurface	16,632	9,706	2,233		11,939	2,233		14,172	2,233		16,405
15	Stockton Lane Asphalt Seal Coat	3,291	5,212	442		5,654	442		6,096	442		6,537
16	Stockton Lane Asphalt Resurface	25,133	14,666	3,374		18,041	3,374		21,415	3,374		24,790
17	Mulligan Circle Asphalt Seal Coat	3,872	6,131	520		6,651	520		7,171	520		7,691
18	Mulligan Circle Asphalt Resurface	29,568	17,254	3,970		21,224	3,970		25,194	3,970		29,164
19	Berkshire Circle Asph. Seal Coat	2,178	3,449	292		3,741	292		4,034	292		4,326
20	Berkshire Circle Asph. Resurface	16,632	9,706	2,233		11,939	2,233		14,172	2,233		16,405
21	Eagle's Pointe Cir. Asph. Seal Coat	2,662	4,215	357		4,573	357		4,930	357		5,288
22	Eagle's Pointe Cir. Asph. Resurf.	20,328	11,862	2,729		14,592	2,729		17,321	2,729		20,050
SITE IMPROVEMENTS (cont'd)												
23	Abingdon Lane Asphalt Seal Coat	1,364	2,160	183		2,343	183		2,526	183		2,709
24	Abingdon Lane Asphalt Resurface	10,416	6,078	1,399		7,477	1,399		8,875	1,399		10,274
25	Stratford Drive Asphalt Seal Coat	9,196	14,562	1,235		15,797	1,235		17,032	1,235		18,266
26	Stratford Drive Asphalt Resurface	70,224	40,979	9,429		50,408	9,429		59,836	9,429		69,265
27	Glen Lake Ave. Asphalt Seal Coat	4,158	6,584	558		7,143	558		7,701	558		8,259
28	Glen Lake Ave. Asphalt Resurface	31,752	18,529	4,263		22,792	4,263		27,055	4,263		31,318
29	Forest Hills Cir. Asphalt Seal Coat	2,508	3,972	337		4,308	337		4,645	337		4,982
30	Forest Hills Cir. Asphalt Resurface	19,152	11,176	2,571		13,748	2,571		16,319	2,571		18,890
31	Asphalt Parking Area - Seal Coat	2,926	4,633	393		5,026	393		5,419	393		5,812
32	Asphalt Parking Area - Resurface	22,344	13,039	3,000		16,039	3,000		19,039	3,000		22,039
SITE IMPROVEMENTS (cont'd)												
33	Pond #7 dredging	189,819										
34	Pond #7 Coquin 6' Walkway	28,536	28,536			28,536			28,536			28,536
35	Pond #7 Fountains	7,000	7,000			7,000			7,000			7,000
36	Pond #7 Well Pump / System	2,500	2,500			2,500			2,500			2,500

CASH FLOW METHOD - THREE-YEAR REPLACEMENT FUNDING - TABLE CF4 cont'd

Item #	Description of Projected Replacement	Estimated Replacement Costs	Allocation of Beginning Balance	2020 Reserve Funding	2020 Projected Replacements	2020 End of Year Balance	2021 Reserve Funding	2021 Projected Replacements	2021 End of Year Balance	2022 Reserve Funding	2022 Projected Replacements	2022 End of Year Balance
37	Pond #7 PTL railing	5,184	5,184			5,184			5,184		(5,184)	
38	Pond #7 PTL decking	10,184	10,184			10,184			10,184		(10,184)	
39	Pond #7 PTL structure	42,712										
40	Pond #7 Timber Bulkhead Phase 1	30,000	30,000			30,000			30,000			30,000
41	Pond #7 Timber Bulkhead Phase 2	30,000										
42	Pond #7 Timber Bulkhead Phase 3	30,000										
RECREATION												
43	Swimming Pool Structure	308,610										
44	Swimming Pool White Coat	36,005	21,010	4,834		25,844	4,834		30,679	4,834		35,513
45	Swimming Pool Water Line Tile	3,420	1,996	459		2,455	459		2,914	459		3,373
46	Swimming Pool Lane Tiles	3,600	3,600			3,600			3,600			3,600
47	Swimming Pool Sand Filters	2,550										
48	Swimming Pool Pumps	3,600	3,600			3,600			3,600			3,600
49	Swimming Pool Cool Deck	14,740	8,601	1,979		10,581	1,979		12,560	1,979		14,539
50	Swimming Pool Fence	20,874										
51	Kiddie Pool Structure	14,400										
52	Kiddie Pool White Coat	1,680	1,680			1,680			1,680			1,680
53	Kiddie Pool Filter	850										
54	Kiddie Pool Pump	1,800	1,800			1,800			1,800			1,800
55	Pool furniture, lounge, vinyl strap	6,300	3,676	846		4,522	846		5,368	846		6,214
56	Pool furniture, chair, resin	7,800	4,552	1,047		5,599	1,047		6,646	1,047		7,693
57	Pool furniture, table	4,025	2,349	540		2,889	540		3,430	540		3,970
RECREATION (cont'd)												
58	Pavilion shingle roof	18,800										
59	Pavilion/fitness refurbish	5,000										
60	Pavilion metal doors	5,000										
61	Pavilion water heater	1,400	1,400			1,400			1,400			1,400
62	Pool, pergola structure	40,664										
63	Pool pergola shading	88,400										
64	Pavilion/fitness siding t-111	15,355										
65	Fitness, windows, operating	7,425										
66	Fitness, heat pump (split system)	3,100										
67	Fitness, rubber floor	2,120										
68	Fitness, treadmill	9,400										
69	Fitness, elliptical	4,100										
70	Fitness, adaptive motion trainer	4,800										
71	Fitness, recumbent bike	1,800										
72	Fitness, rower	1,200										
73	Fitness, multi-gym	4,800										
RECREATION (cont'd)												
74	Tennis Court - Resurface	42,000										
75	Tennis Court - Color Coat	11,000	11,000			11,000			11,000		(11,000)	
76	Tennis Court Net Posts	3,200										
77	Tennis Court Fencing - 10'	7,600										
78	Tennis Court Fencing - 4'	3,948										
79	Tot Lot Play Structure	15,000	8,753	2,014		10,767	2,014		12,781	2,014		14,795
80	Tot Lot Swings	2,000	1,167	269		1,436	269		1,704	269		1,973
81	Tot Lot Play Area Border	3,555	2,075	477		2,552	477		3,029	477		3,506
82	Tot Lot Play Area Protective Surface	2,750	5,500			5,500			5,500		(2,750)	2,750
83	Bocce court	45,000										
84	Bocce wood border refurbish	3,000	6,000			6,000			6,000		(3,000)	3,000

COMPONENT METHOD

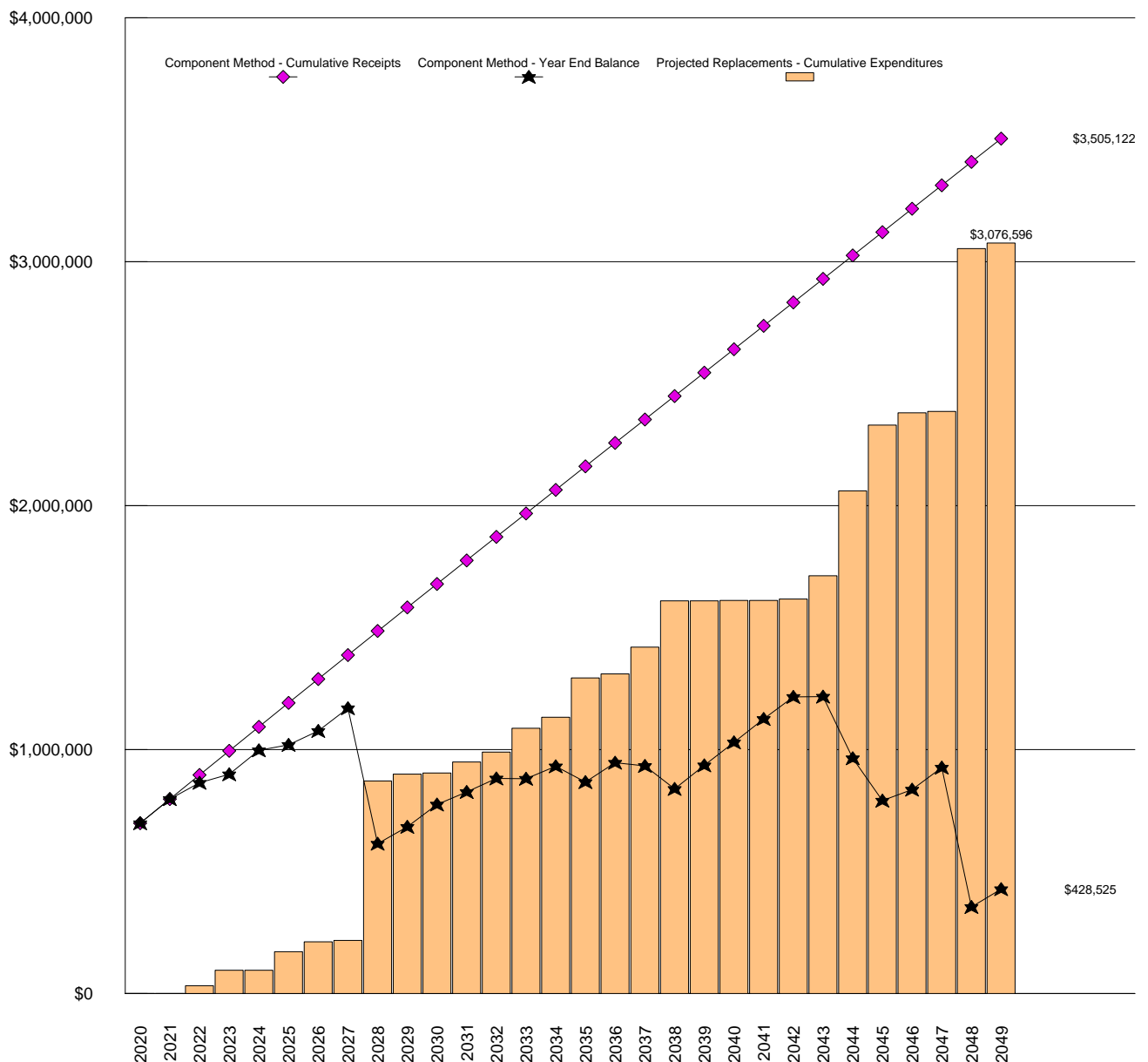


\$98,951 COMPONENT METHOD RECOMMENDED ANNUAL FUNDING OF REPLACEMENT RESERVES IN THE STUDY YEAR, 2020.

\$33.12 Per unit (average), recommended monthly funding of Replacement Reserves

General. The Component Method (also referred to as the Full Funded Method) is a very conservative mathematical model developed by HUD in the early 1980s. Each of the 84 Projected Replacements listed in the Replacement Reserve Inventory is treated as a separate account. The Beginning Balance is allocated to each of the individual accounts, as is all subsequent funding of Replacement Reserves. These funds are "locked" in these individual accounts and are not available to fund other Projected Replacements. The calculation of Recommended Annual Funding of Replacement Reserves is a multi-step process outlined in more detail on Page CM2.

Component Method - Cumulative Receipts and Expenditures Graph



COMPONENT METHOD (cont'd)

- **Current Funding Objective.** A Current Funding Objective is calculated for each of the Projected Replacements listed in the Replacement Reserve Inventory. Replacement Cost is divided by the Normal Economic Life to determine the nominal annual contribution. The Remaining Economic Life is then subtracted from the Normal Economic Life to calculate the number of years that the nominal annual contribution should have been made. The two values are then multiplied to determine the Current Funding Objective. This is repeated for each of the 84 Projected Replacements. The total, \$642,530, is the Current Funding Objective.

For an example, consider a very simple Replacement Reserve Inventory with one Projected Replacement, a fence with a \$1,000 Replacement Cost, a Normal Economic Life of 10 years, and a Remaining Economic Life of 2 years. A contribution to Replacement Reserves of \$100 (\$1,000 + 10 years) should have been made in each of the previous 8 years (10 years - 2 years). The result is a Current Funding Objective of \$800 (8 years x \$100 per year).

- **Funding Percentage.** The Funding Percentage is calculated by dividing the Beginning Balance (\$599,555) by the Current Funding Objective (\$642,530). At Eagle's Pointe POA the Funding Percentage is 93.3%
- **Allocation of the Beginning Balance.** The Beginning Balance is divided among the 84 Projected Replacements in the Replacement Reserve Inventory. The Current Funding Objective for each Projected Replacement is multiplied by the Funding Percentage and these funds are then "locked" into the account of each item.

If we relate this calculation back to our fence example, it means that the Association has not accumulated \$800 in Reserves (the Funding Objective), but rather at 93.3 percent funded, there is \$746 in the account for the fence.

- **Annual Funding.** The Recommended Annual Funding of Replacement Reserves is then calculated for each Projected Replacement. The funds allocated to the account of the Projected Replacement are subtracted from the Replacement Cost. The result is then divided by the number of years until replacement, and the result is the annual funding for each of the Projected Replacements. The sum of these is \$98,951, the Component Method Recommended Annual Funding of Replacement Reserves in the Study Year (2020).

In our fence example, the \$746 in the account is subtracted from the \$1,000 Total Replacement Cost and divided by the 2 years that remain before replacement, resulting in an annual deposit of \$127. Next year, the deposit remains \$127, but in the third year, the fence is replaced and the annual funding adjusts to \$100.

- **Adjustment to the Component Method for interest and inflation.** The calculations in the Replacement Reserve Analysis do not account for interest earned on Replacement Reserves, inflation, or a constant annual increase in Annual Funding of Replacement Reserves. The Component Method is a very conservative method and if the Analysis is updated regularly, adequate funding will be maintained without the need for adjustments.

Component Method Data - Years 1 through 30

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Beginning balance	\$599,555									
Recommended annual funding	\$98,951	\$98,951	\$98,951	\$98,485	\$98,272	\$98,272	\$97,810	\$98,625	\$98,625	\$96,478
Interest on reserves										
Expenditures			\$32,118	\$63,857		\$75,916	\$40,311	\$5,750	\$653,939	\$27,548
Year end balance	\$698,506	\$797,457	\$864,290	\$898,918	\$997,189	\$1,019,545	\$1,077,044	\$1,169,919	\$614,606	\$683,537
Cumulative Expenditures			\$32,118	\$95,975	\$95,975	\$171,891	\$212,202	\$217,952	\$871,891	\$899,439
Cumulative Receipts	\$698,506	\$797,457	\$896,408	\$994,893	\$1,093,165	\$1,191,436	\$1,289,246	\$1,387,872	\$1,486,497	\$1,582,975
Year	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Recommended annual funding	\$96,416	\$96,408	\$96,357	\$96,357	\$96,347	\$96,296	\$96,104	\$96,104	\$96,071	\$96,068
Interest on reserves										
Expenditures	\$5,000	\$45,000	\$40,661	\$97,677	\$45,200	\$161,292	\$16,400	\$109,518	\$189,858	
Year end balance	\$774,952	\$826,360	\$882,056	\$880,736	\$931,883	\$866,887	\$946,591	\$933,176	\$839,390	\$935,457
Cumulative Expenditures	\$904,439	\$949,439	\$990,100	\$1,087,777	\$1,132,977	\$1,294,269	\$1,310,669	\$1,420,187	\$1,610,045	\$1,610,045
Cumulative Receipts	\$1,679,391	\$1,775,799	\$1,872,156	\$1,968,513	\$2,064,860	\$2,161,156	\$2,257,260	\$2,353,363	\$2,449,434	\$2,545,502
Year	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Recommended annual funding	\$96,068	\$96,068	\$96,068	\$96,068	\$96,068	\$95,586	\$95,924	\$95,924	\$95,924	\$95,924
Interest on reserves										
Expenditures	\$1,400		\$5,750	\$95,412	\$348,521	\$269,335	\$50,400	\$5,750	\$667,204	\$22,780
Year end balance	\$1,030,125	\$1,126,192	\$1,216,510	\$1,217,165	\$964,712	\$790,962	\$836,486	\$926,661	\$355,381	\$428,525
Cumulative Expenditures	\$1,611,445	\$1,611,445	\$1,617,195	\$1,712,607	\$2,061,128	\$2,330,463	\$2,380,863	\$2,386,613	\$3,053,816	\$3,076,596
Cumulative Receipts	\$2,641,569	\$2,737,637	\$2,833,704	\$2,929,772	\$3,025,839	\$3,121,425	\$3,217,349	\$3,313,273	\$3,409,197	\$3,505,122

COMPONENT METHOD ACCOUNTING SUMMARY

This Eagle's Pointe POA - Component Method Accounting Summary is an attachment to the Eagle's Pointe POA - Replacement Reserve Study dated July 26, 2019 and is for use by accounting and reserve professionals experienced in Association funding and accounting principles. This Summary consists of four reports, the 2020, 2021, and 2022 Component Method Category Funding Reports (3) and a Three-Year Replacement Funding Report.

- COMPONENT METHOD CATEGORY FUNDING REPORT, 2020, 2021, and 2022. Each of the 84 Projected Replacements listed in the Eagle's Pointe POA Replacement Reserve Inventory has been assigned to one of 7 categories. The following information is summarized by category in each report:
 - Normal Economic Life and Remaining Economic Life of the Projected Replacements.
 - Cost of all Scheduled Replacements in each category.
 - Replacement Reserves on Deposit allocated to the category at the beginning and end of the report period.
 - Cost of Projected Replacements in the report period.
 - Recommended Replacement Reserve Funding allocated to the category during the report period as calculated by the Component Method.
- THREE-YEAR REPLACEMENT FUNDING REPORT. This report details the allocation of the \$599,555 Beginning Balance (at the start of the Study Year) and the \$296,853 of additional Replacement Reserve funding from 2020 to 2022 (as calculated in the Replacement Reserve Analysis) to each of the 84 Projected Replacements listed in the Replacement Reserve Inventory. These allocations have been made using the Component Method as outlined in the Replacement Reserve Analysis. The calculated data includes:
 - Identification and estimated cost of each Projected Replacement schedule in years 2020 through 2022.
 - Allocation of the \$599,555 Beginning Balance to the Projected Replacements by the Component Method.
 - Allocation of the \$296,853 of additional Replacement Reserve Funding recommended in the Replacement Reserve Analysis in years 2020 through 2022, by the Component Method.

2020 - COMPONENT METHOD CATEGORY FUNDING REPORT

Each of the 84 Projected Replacements included in the Eagle's Pointe POA Replacement Reserve Inventory has been assigned to one of the 7 categories listed in TABLE CM1 below. This calculated data is a summary of data provided in the Three-Year Replacement Funding Report and Replacement Reserve Inventory. The accuracy of this data is dependent upon many factors including the following critical financial data:

- A Beginning Balance of \$599,555 as of the first day of the Study Year, January 1, 2020.
- Total reserve funding (including the Beginning Balance) of \$698,506 in the Study Year.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.

If any of these critical factors are inaccurate, do not use the data and please contact Miller Dodson Associates to arrange for an update of the Replacement Reserve Study.

2020 - COMPONENT METHOD CATEGORY FUNDING - TABLE CM1							
CATEGORY	NORMAL ECONOMIC LIFE	REMAINING ECONOMIC LIFE	ESTIMATED REPLACEMENT COST	2020 BEGINNING BALANCE	2020 RESERVE FUNDING	2020 PROJECTED REPLACEMENTS	2020 END OF YEAR BALANCE
SITE COMPONENTS	6 to 20 years	5 to 13 years	\$48,211	\$5,530	\$5,799		\$11,330
SITE IMPROVEMENTS (cont'd)	5 to 20 years	3 to 8 years	\$377,454	\$179,441	\$26,939		\$206,380
SITE IMPROVEMENTS (cont'd)	5 to 20 years	3 to 8 years	\$174,040	\$82,738	\$12,421		\$95,159
SITE IMPROVEMENTS (cont'd)	10 to 30 years	2 to 25 years	\$375,935	\$75,621	\$17,933		\$93,553
RECREATION	10 to 60 years	5 to 40 years	\$430,254	\$186,098	\$14,988		\$201,086
RECREATION (cont'd)	15 to 30 years	5 to 29 years	\$213,364	\$28,317	\$10,730		\$39,047
RECREATION (cont'd)	5 to 30 years	2 to 14 years	\$139,053	\$41,810	\$10,141		\$51,951

2021 - COMPONENT METHOD CATEGORY FUNDING REPORT

Each of the 84 Projected Replacements included in the Eagle's Pointe POA Replacement Reserve Inventory has been assigned to one of the 7 categories listed in TABLE CM2 below. This calculated data is a summary of data provided in the Three-Year Replacement Funding Report and Replacement Reserve Inventory. The accuracy of this data is dependent upon many factors including the following critical financial data:

- Replacement Reserves on Deposit totaling \$698,506 on January 1, 2021.
- Total reserve funding (including the Beginning Balance) of \$797,457 from 2020 through 2021.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.

If any of these critical factors are inaccurate, do not use the data and please contact Miller Dodson Associates to arrange for an update of the Replacement Reserve Study.

2021 - COMPONENT METHOD CATEGORY FUNDING - TABLE CM2							
CATEGORY	NORMAL ECONOMIC LIFE	REMAINING ECONOMIC LIFE	ESTIMATED REPLACEMENT COST	2021 BEGINNING BALANCE	2021 RESERVE FUNDING	2021 PROJECTED REPLACEMENTS	2021 END OF YEAR BALANCE
SITE COMPONENTS	6 to 20 years	4 to 12 years	\$48,211	\$11,330	\$5,799		\$17,129
SITE IMPROVEMENTS (cont'd)	5 to 20 years	2 to 7 years	\$377,454	\$206,380	\$26,939		\$233,318
SITE IMPROVEMENTS (cont'd)	5 to 20 years	2 to 7 years	\$174,040	\$95,159	\$12,421		\$107,581
SITE IMPROVEMENTS (cont'd)	10 to 30 years	1 to 24 years	\$375,935	\$93,553	\$17,933		\$111,486
RECREATION	10 to 60 years	4 to 39 years	\$430,254	\$201,086	\$14,988		\$216,074
RECREATION (cont'd)	15 to 30 years	4 to 28 years	\$213,364	\$39,047	\$10,730		\$49,777
RECREATION (cont'd)	5 to 30 years	1 to 13 years	\$139,053	\$51,951	\$10,141		\$62,092

2022 - COMPONENT METHOD CATEGORY FUNDING REPORT

Each of the 84 Projected Replacements included in the Eagle's Pointe POA Replacement Reserve Inventory has been assigned to one of the 7 categories listed in TABLE CM3 below. This calculated data is a summary of data provided in the Three-Year Replacement Funding Report and Replacement Reserve Inventory. The accuracy of this data is dependent upon many factors including the following critical financial data:

- Replacement Reserves on Deposit totaling \$797,457 on January 1, 2022.
- Total Replacement Reserve funding (including the Beginning Balance) of \$896,408 from 2020 to 2022.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.
- All Projected Replacements scheduled in the Replacement Reserve Inventory in 2022 being accomplished in 2022 at a cost of \$32,118.

If any of these critical factors are inaccurate, do not use the data and please contact Miller Dodson Associates to arrange for an update of the Replacement Reserve Study.

2022 - COMPONENT METHOD CATEGORY FUNDING - TABLE CM3

CATEGORY	NORMAL ECONOMIC LIFE	REMAINING ECONOMIC LIFE	ESTIMATED REPLACEMENT COST	2022 BEGINNING BALANCE	2022 RESERVE FUNDING	2022 PROJECTED REPLACEMENTS	2022 END OF YEAR BALANCE
SITE COMPONENTS	6 to 20 years	3 to 11 years	\$48,211	\$17,129	\$5,799		\$22,928
SITE IMPROVEMENTS (cont'd)	5 to 20 years	1 to 6 years	\$377,454	\$233,318	\$26,939		\$260,257
SITE IMPROVEMENTS (cont'd)	5 to 20 years	1 to 6 years	\$174,040	\$107,581	\$12,421		\$120,002
SITE IMPROVEMENTS (cont'd)	10 to 30 years	0 to 23 years	\$375,935	\$111,486	\$17,933	\$15,368	\$114,051
RECREATION	10 to 60 years	3 to 38 years	\$430,254	\$216,074	\$14,988		\$231,061
RECREATION (cont'd)	15 to 30 years	3 to 27 years	\$213,364	\$49,777	\$10,730		\$60,507
RECREATION (cont'd)	5 to 30 years	0 to 12 years	\$139,053	\$62,092	\$10,141	\$16,750	\$55,483

COMPONENT METHOD - THREE-YEAR REPLACEMENT FUNDING REPORT

TABLE CM4 below details the allocation of the \$599,555 Beginning Balance, as reported by the Association and the \$296,853 of Replacement Reserve Funding calculated by the Cash Flow Method from 2020 to 2022, to the 84 Projected Replacements listed in the Replacement Reserve Inventory. These allocations have been made by Chronological Allocation, a method developed by Miller Dodson Associates, Inc., and outlined on Page CF1. The accuracy of the allocations is dependent upon many factors including the following critical financial data:

- Replacement Reserves on Deposit totaling \$599,555 on January 1, 2020.
- Replacement Reserves on Deposit totaling \$698,506 on January 1, 2021.
- Replacement Reserves on Deposit totaling \$797,457 on January 1, 2022.
- Total Replacement Reserve funding (including the Beginning Balance) of \$896,408 from 2020 to 2022.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.
- All Projected Replacements scheduled in the Replacement Reserve Inventory from 2020 to 2022 being accomplished as scheduled in the Replacement Reserve Inventory at a cost of \$32,118.

If any of these critical factors are inaccurate, do not use the data and please contact Miller Dodson Associates, Inc., to arrange for an update of the Replacement Reserve Study.

COMPONENT METHOD - THREE-YEAR REPLACEMENT FUNDING - TABLE CM4

Item #	Description of Projected Replacement	Estimated Replacement Costs	Allocation of Beginning Balance	2020 Reserve Funding	2020 Projected Replacements	2020 End of Year Balance	2021 Reserve Funding	2021 Projected Replacements	2021 End of Year Balance	2022 Reserve Funding	2022 Projected Replacements	2022 End of Year Balance
SITE COMPONENTS												
1	Concrete sidewalks (3%)	10,091		1,442		1,442	1,442		2,883	1,442		4,325
2	Concrete roll curb (6%)	22,542		3,220		3,220	3,220		6,441	3,220		9,661
3	Concrete surfaces - pool/tennis (3%)	2,279		326		326	326		651	326		977
4	Storm Water Drainage (10%)	1,200	448	125		573	125		699	125		824
5	Street signage	2,500	156	167		323	167		490	167		658
6	Speed humps	9,600	4,927	519		5,446	519		5,965	519		6,485
SITE IMPROVEMENTS (cont'd)												
7	Muirfield Drive Asphalt Seal Coat	24,684	4,607	5,019		9,626	5,019		14,645	5,019		19,665
8	Muirfield Drive Asphalt Resurface	188,496	96,739	10,195		106,934	10,195		117,129	10,195		127,324
9	Saint George Cir. Asphalt Seal Coat	2,420	452	492		944	492		1,436	492		1,928
10	Saint George Cir. Asphalt Resurface	18,480	9,484	1,000		10,484	1,000		11,483	1,000		12,483
11	Royal Bay Circle Asphalt Seal Coat	2,420	452	492		944	492		1,436	492		1,928
12	Royal Bay Circle Asphalt Resurface	18,480	9,484	1,000		10,484	1,000		11,483	1,000		12,483
13	Killarney Circle Asphalt Seal Coat	2,178	406	443		849	443		1,292	443		1,735
14	Killarney Circle Asphalt Resurface	16,632	8,536	900		9,435	900		10,335	900		11,235
15	Stockton Lane Asphalt Seal Coat	3,291	614	669		1,283	669		1,953	669		2,622
16	Stockton Lane Asphalt Resurface	25,133	12,898	1,359		14,258	1,359		15,617	1,359		16,977
17	Mulligan Circle Asphalt Seal Coat	3,872	723	787		1,510	787		2,297	787		3,085
18	Mulligan Circle Asphalt Resurface	29,568	15,175	1,599		16,774	1,599		18,373	1,599		19,972
19	Berkshire Circle Asph. Seal Coat	2,178	406	443		849	443		1,292	443		1,735
20	Berkshire Circle Asph. Resurface	16,632	8,536	900		9,435	900		10,335	900		11,235
21	Eagle's Pointe Cir. Asph. Seal Coat	2,662	497	541		1,038	541		1,579	541		2,121
22	Eagle's Pointe Cir. Asph. Resurf.	20,328	10,433	1,099		11,532	1,099		12,632	1,099		13,731
SITE IMPROVEMENTS (cont'd)												
23	Abingdon Lane Asphalt Seal Coat	1,364	255	277		532	277		809	277		1,087
24	Abingdon Lane Asphalt Resurface	10,416	5,346	563		5,909	563		6,472	563		7,036
25	Stratford Drive Asphalt Seal Coat	9,196	1,716	1,870		3,586	1,870		5,456	1,870		7,326
26	Stratford Drive Asphalt Resurface	70,224	36,040	3,798		39,838	3,798		43,636	3,798		47,435
27	Glen Lake Ave. Asphalt Seal Coat	4,158	776	846		1,621	846		2,467	846		3,312
28	Glen Lake Ave. Asphalt Resurface	31,752	16,296	1,717		18,013	1,717		19,730	1,717		21,448
29	Forest Hills Cir. Asphalt Seal Coat	2,508	468	510		978	510		1,488	510		1,998
30	Forest Hills Cir. Asphalt Resurface	19,152	9,829	1,036		10,865	1,036		11,901	1,036		12,937
31	Asphalt Parking Area - Seal Coat	2,926	546	595		1,141	595		1,736	595		2,331
32	Asphalt Parking Area - Resurface	22,344	11,467	1,209		12,676	1,209		13,884	1,209		15,093
SITE IMPROVEMENTS (cont'd)												
33	Pond #7 dredging	189,819		7,301		7,301	7,301		14,601	7,301		21,902
34	Pond #7 Coquin 6' Walkway	28,536	10,651	2,981		13,632	2,981		16,613	2,981		19,593
35	Pond #7 Fountains	7,000	2,613	731		3,344	731		4,075	731		4,806
36	Pond #7 Well Pump / System	2,500	933	261		1,194	261		1,455	261		1,717

COMPONENT METHOD - THREE-YEAR REPLACEMENT FUNDING - TABLE CM4 cont'd													
Item #	Description of Projected Replacement	Estimated Replacement Costs	Allocation of Beginning Balance	2020 Reserve Funding	2020 Projected Replacements	2020 End of Year Balance	2021 Reserve Funding	2021 Projected Replacements	2021 End of Year Balance	2022 Reserve Funding	2022 Projected Replacements	2022 End of Year Balance	2023 End of Year Balance
37	Pond #7 PTL railing	5,184	3,870	438		4,308	438		4,746	438	(5,184)		
38	Pond #7 PTL decking	10,184	7,602	861		8,463	861		9,323	861	(10,184)		
39	Pond #7 PTL structure	42,712	18,599	1,507		20,106	1,507		21,613	1,507			23,120
40	Pond #7 Timber Bulkhead Phase 1	30,000	21,275	1,454		22,729	1,454		24,183	1,454			25,638
41	Pond #7 Timber Bulkhead Phase 2	30,000	10,078	1,245		11,323	1,245		12,568	1,245			13,813
42	Pond #7 Timber Bulkhead Phase 3	30,000		1,154		1,154	1,154		2,308	1,154			3,462
RECREATION													
43	Swimming Pool Structure	308,610	167,982	5,625		173,607	5,625		179,232	5,625			184,857
44	Swimming Pool White Coat	36,005	3,360	3,627		6,987	3,627		10,614	3,627			14,241
45	Swimming Pool Water Line Tile	3,420	319	345		664	345		1,008	345			1,353
46	Swimming Pool Lane Tiles	3,600	1,344	376		1,720	376		2,096	376			2,472
47	Swimming Pool Sand Filters	2,550	476	130		606	130		735	130			865
48	Swimming Pool Pumps	3,600	1,008	370		1,378	370		1,748	370			2,119
49	Swimming Pool Cool Deck	14,740	1,375	1,485		2,860	1,485		4,345	1,485			5,830
50	Swimming Pool Fence	20,874	6,060	478		6,538	478		7,016	478			7,493
51	Kiddie Pool Structure	14,400	1,194	322		1,516	322		1,839	322			2,161
52	Kiddie Pool White Coat	1,680	627	175		803	175		978	175			1,154
53	Kiddie Pool Filter	850	159	43		202	43		245	43			288
54	Kiddie Pool Pump	1,800	504	185		689	185		874	185			1,059
55	Pool furniture, lounge, vinyl strap	6,300	588	635		1,223	635		1,857	635			2,492
56	Pool furniture, chair, resin	7,800	728	786		1,514	786		2,299	786			3,085
57	Pool furniture, table	4,025	376	405		781	405		1,187	405			1,592
RECREATION (cont'd)													
58	Pavilion shingle roof	18,800	877	943		1,820	943		2,764	943			3,707
59	Pavilion/fitness refurbish	5,000	1,244	341		1,586	341		1,927	341			2,268
60	Pavilion metal doors	5,000	1,555	344		1,900	344		2,244	344			2,589
61	Pavilion water heater	1,400	784	103		887	103		989	103			1,092
62	Pool, pergola structure	40,664	13,660	1,688		15,348	1,688		17,035	1,688			18,723
63	Pool pergola shading	88,400	8,249	4,453		12,702	4,453		17,154	4,453			21,607
64	Pavilion/fitness siding t-111	15,355		512		512	512		1,024	512			1,536
65	Fitness, windows, operating	7,425		248		248	248		495	248			743
66	Fitness, heat pump (split system)	3,100	193	208		400	208		608	208			816
67	Fitness, rubber floor	2,120	132	142		274	142		416	142			558
68	Fitness, treadmill	9,400	585	630		1,214	630		1,844	630			2,474
69	Fitness, elliptical	4,100	255	275		530	275		804	275			1,079
70	Fitness, adaptive motion trainer	4,800	299	322		620	322		942	322			1,263
71	Fitness, recumbent bike	1,800	112	121		233	121		353	121			474
72	Fitness, rower	1,200	75	80		155	80		235	80			316
73	Fitness, multi-gym	4,800	299	322		620	322		942	322			1,263
RECREATION (cont'd)													
74	Tennis Court - Resurface	42,000	9,798	2,147		11,945	2,147		14,091	2,147			16,238
75	Tennis Court - Color Coat	11,000	5,865	1,712		7,577	1,712		9,288	1,712	(11,000)		
76	Tennis Court Net Posts	3,200	746	164		910	164		1,074	164			1,237
77	Tennis Court Fencing - 10'	7,600	4,728	287		5,015	287		5,302	287			5,589
78	Tennis Court Fencing - 4'	3,948	2,456	149		2,605	149		2,754	149			2,904
79	Tot Lot Play Structure	15,000	5,599	1,045		6,643	1,045		7,688	1,045			8,732
80	Tot Lot Swings	2,000	746	139		886	139		1,025	139			1,164
81	Tot Lot Play Area Border	3,555	1,327	248		1,574	248		1,822	248			2,070
82	Tot Lot Play Area Protective Surface	2,750	1,026	575		1,601	575		2,175	575	(2,750)		
83	Bocce court	45,000	8,398	3,050		11,448	3,050		14,498	3,050			17,549
84	Bocce wood border refurbish	3,000	1,120	627		1,746	627		2,373	627	(3,000)		

1. COMMON INTEREST DEVELOPMENTS - AN OVERVIEW

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

The growth of Community Associations has been explosive. In 1965, there were only 500 Community Associations in the United States. According to the 1990 U.S. Census, there were 130,000 Community Associations. Community Associations Institute (CAI), a national trade association, estimates there were more than 200,000 Community Associations in the year 2000, and that the number of Community Associations will continue to multiply.

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

2. REPLACEMENT RESERVE STUDY

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

- Replacement Reserve Study Introduction. The introduction provides a description of the property, reviews the intent of the Replacement Reserve Study, and lists documents and site evaluations upon which the Replacement Reserve Study is based.
- Section A Replacement Reserve Analysis. Many components owned by the Association have a limited life and require periodic replacement. Therefore, it is essential the Association have a financial plan that provides funding for the timely replacement of these components in order to protect the safety, appearance, and value of the community. In conformance with American Institute of Certified Public Accountant guidelines, a Replacement Reserve Analysis evaluates the current funding of Replacement Reserves as reported by the Association and recommends annual funding of Replacement Reserves by two generally accepted accounting methods; the Cash Flow Method and the Component Method. Miller - Dodson provides a replacement reserve recommendation based on the Cash Flow Method in Section A, and the Component Method in the Appendix of the report.
- Section B Replacement Reserve Inventory. The Replacement Reserve Inventory lists the commonly owned components within the community that require periodic replacement using funding from Replacement Reserves. The Replacement Reserve Inventory also provides information about components excluded from the Replacement Reserve Inventory whose replacement is not scheduled for funding from Replacement Reserves.

Replacement Reserve Inventory includes estimates of the normal economic life and the remaining economic life for those components whose replacement is scheduled for funding from Replacement Reserves.

- Section C Projected Annual Replacements. The Calendar of Projected Annual Replacements provides a year-by-year listing of the Projected Replacements based on the data in the Replacement Reserve Inventory.
- Section D Condition Assessment. Several of the items listed in the Replacement Reserve Inventory are discussed in more detail. The Condition Assessment includes a narrative and photographs that document conditions at the property observed during our visual evaluation.
- The Appendix is provided as an attachment to the Replacement Reserve Study. Additional attachments may include supplemental photographs to document conditions at the property and additional information specific to the property cited in the Conditions Assessment (i.e. Consumer Product Safety Commission, Handbook for Public Playground Safety, information on segmental retaining walls, manufacturer recommendations for asphalt shingles or siding, etc). The Appendix also includes the Accounting Summary for the Cash Flow Method and the Component Method.

3. METHODS OF ANALYSIS

The Replacement Reserve industry generally recognizes two different methods of accounting for Replacement Reserve Analysis. Due to the difference in accounting methodologies, these methods lead to different calculated values for the Minimum Annual Contribution to the Reserves. The results of both methods are presented in this report. The Association should obtain the advice of its accounting professional as to which method is more appropriate for the Association. The two methods are:

- **Cash Flow Method.** The Cash Flow Method is sometimes referred to as the "Pooling Method." It calculates the minimum constant annual contribution to reserves (Minimum Annual Deposit) required to meet projected expenditures without allowing total reserves on hand to fall below the specified minimum level in any year.

First, the Minimum Recommended Reserve Level to be Held on Account is determined based on the age, condition, and replacement cost of the individual components. The mathematical model then allocates the estimated replacement costs to the future years in which they are projected to occur. Based on these expenditures, it then calculates the minimum constant yearly contribution (Minimum Annual Deposit) to the reserves necessary to keep the reserve balance at the end of each year above the Minimum Recommended Reserve Level to be Held on Account. The Cash Flow Analysis assumes that the Association will have authority to use all of the reserves on hand for replacements as the need occurs. This method usually results in a Minimum Annual Deposit that is less than that arrived at by the Component Method.

- **Component Method.** This method is a time tested mathematical model developed by HUD in the early 1980s, but has been generally relegated to a few States that require it by law. For the vast majority of Miller - Dodson's clients, this method is not used.

The Component Method treats each item in the replacement schedule as an individual line item budget. Generally, the Minimum Annual Contribution to Reserves is higher when calculated by the Component Method. The mathematical model for this method works as follows:

First, the total Current Objective is calculated, which is the reserve amount that would have accumulated had all of the items on the schedule been funded from initial construction at their current replacement costs. Next, the Reserves Currently on Deposit (as reported by the Association) are distributed to the components in the schedule in proportion to the Current Objective. The Minimum Annual Deposit for each component is equal to the Estimated Replacement Cost, minus the Reserves on Hand, divided by the years of life remaining.

4. REPLACEMENT RESERVE STUDY DATA

- **Identification of Reserve Components.** The Reserve Analyst has only two methods of identifying Reserve Components: (1) information provided by the Association and (2) observations made at the site. It is important that the Reserve Analyst be provided with all available information detailing the components owned by the Association. It is our policy to request such information prior to bidding on a project and to meet with the individuals responsible for maintaining the community after acceptance of our proposal. After completion of the Study, the Study should be reviewed by the Board of Directors, individuals responsible for maintaining the community, and the Association's accounting professionals. We are dependent upon the Association for correct information, documentation, and drawings.
- **Unit Costs.** Unit costs are developed using nationally published standards and estimating guides and are adjusted by state or region. In some instances, recent data received in the course of our work is used to modify these figures.

Contractor proposals or actual cost experience may be available as part of the Association records. This is useful information, which should be incorporated into your report. Please bring any such available data to our attention, preferably before the report is commenced.

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

5. DEFINITIONS

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

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

Cash Flow Analysis. See Cash Flow Method, above.

Component Analysis. See Component Method, above.

Contingency. An allowance for unexpected requirements. Roughly the same as the Minimum Recommended Reserve Level to be Held on Account used in the Cash Flow Method of analysis.

Critical Year. In the Cash Flow Method, a year in which the reserves on hand are projected to fall to the established minimum level. See Minimum Recommended Reserve Level to be Held on Account.

Current Objective. This is the reserve amount that would have accumulated had the item been funded from initial construction at its current replacement cost. It is equal to the estimated replacement cost divided by the estimated economic life, times the number of years expended (the difference between the Estimated Economic Life and the Estimated Life Left). The Total Current Objective can be thought of as the amount of reserves the Association should now have on hand based on the sum of all of the Current Objectives.

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

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

Estimated Economic Life Left. Used in the Normal Replacement Schedules. Number of years until the item is expected to need replacement. Normally, this number would be considered to be the difference between the Estimated Economic Life and the age of the item. However, this number must be modified to reflect maintenance practice, climate, original construction and quality, or other conditions. For the purpose of this report, this number is determined by the Reserve Analyst based on the present condition of the item relative to the actual age.

Estimated Initial Replacement. For a Cyclic Replacement Item (see above), the number of years until the replacement cycle is expected to begin.

Estimated Replacement Cycle. For a Cyclic Replacement Item, the number of years over which the remainder of the component's replacement occurs.

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

Minimum Deposit in the Study Year. Shown on the Summary Sheet A1. The calculated requirement for contribution to reserves in the study year as calculated by the Component Method (see above).

Minimum Recommended Reserve Level to be Held on Account. Shown on the Summary Sheet A1, this number is used in the Cash Flow Method only. This is the prescribed level below which the reserves will not be allowed to fall in any year. This amount is determined based on the age, condition, and replacement cost of the individual components. This number is normally given as a percentage of the total Estimated Replacement Cost of all reserve components.

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

Normal Replacement Schedules. The list of Normal Replacement Items by category or location. These items appear on pages designated.

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

One Time Deposit Required to Fully Fund Reserves. Shown on the Summary Sheet A1 in the Component Method summary, this is the difference between the Total Current Objective and the Reserves Currently on Deposit.

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

Reserves on Hand. Shown in the Cyclic Replacement and Normal Replacement Schedules, this is the amount of reserves allocated to each component item in the Cyclic or Normal Replacement schedules. This figure is based on the ratio of Reserves Currently on Deposit divided by the total Current Objective.

Replacement Reserve Study. An analysis of all of the components of the common property of the Association for which a need for replacement should be anticipated within the economic life of the property as a whole. The analysis involves estimation for each component of its estimated Replacement Cost, Estimated Economic Life, and Estimated Life Left. The objective of the study is to calculate a recommended annual contribution to the Association's Replacement Reserve Fund.

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

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

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

EA: each FT: feet LS: lump sum PR: pair SF: square feet SY: square yard

What is a Reserve Study?
Who are we?



<https://youtu.be/m4BcOE6q3Aw>

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



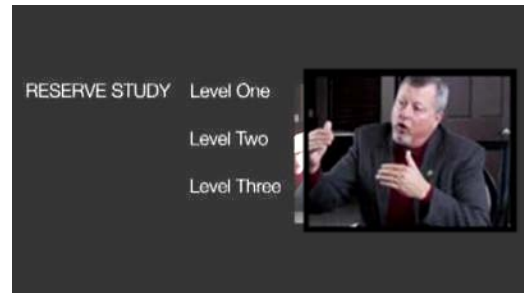
<https://youtu.be/40SodajTW1g>

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



<https://youtu.be/pYSMZ013VjQ>

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



<https://youtu.be/Qx8WHB9Cgnc>

What is in a Reserve Study and what is out?
Improvement vs. Component, is there a difference?



<https://youtu.be/ZfBoAEhtf3E>

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



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

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



<https://youtu.be/aARD1B1Oa3o>

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



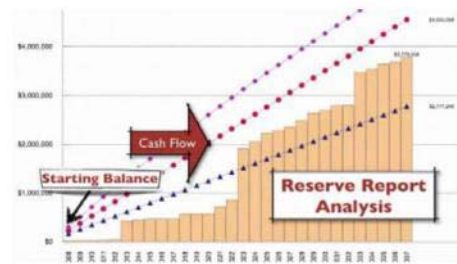
<https://youtu.be/diZfM1lyJYU>

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



<https://youtu.be/qCeVJhFf9ag>

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



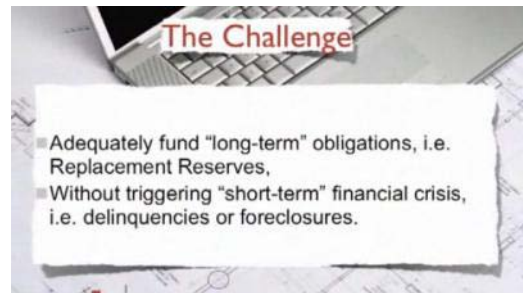
<https://youtu.be/SePdwVDvHWI>

How are interest and inflation addressed?
What should we look at when considering inflation?



<https://youtu.be/W8CDLwRlv68>

A community needs more help, where do we go?
What is a Strategic Funding Plan?



<https://youtu.be/hIxV9X1tlcA>