

Level II Reserve Study

**Pointe Woodworth Homeowners
Association**

Tacoma, WA

Budget Year: 1/1/2023 – 12/31/2023

Reserve Specialist®: Carson M. Horton, RS®

Report Date: 11/7/2022



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STATUTORY FUNDING EXAMPLES

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Pointe Woodworth Homeowners Association Disclosures

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

Period of Inquiry: This replacement reserve spending analysis (reserve study) encompasses a thirty (30) year period beginning on 1/1/2023. The 30-year planning horizon meets the requirements of Oregon reserve study statutes.

Restrictions on Use: This reserve study document has been provided pursuant to an agreement containing restrictions on its use. No part of the document may be copied or distributed in any form, or disclosed to third parties, without the written permission of Capital Reserve Consultants, LLC (CRC) or the Association. The Association shall have the right to reproduce and distribute copies of this report, in whole or in part, as may be necessary in the conduct of the Association's business.

Current & Final Version: If the reader has obtained this document from anyone other than CRC or the owner of the subject property, they should verify that the reserve study represents the current, final version of the report. Alterations made to this reserve study by any individual other than a representative of CRC are not authorized and do not represent the opinion of the Reserve Specialist® who prepared this reserve study.

Statement of Qualifications: Carson M. Horton, RS®, the person supervising the preparation of this reserve study, is a Community Associations Institute Certified Reserve Specialist® (RS®); recognized for expertise in the preparation and analysis of reserve funding plans. Mr. Horton has supervised the preparation reserve studies for homeowner's associations; investment property owners and institutional Associations in fourteen states and has been a CAI-certified Reserve Specialist® since 2006.

Mr. Horton's list of reserve study clients includes the U.S. Military Based Housing Program; Portland State University; Pacific Grove University in Forest Grove, OR; 1000 Broadway Building, Portland, OR; WestStar Tower, El Paso, TX; Cinco Ranch Residential Property Association, Katy, TX; Desert Mountain Homeowner Association, Scottsdale, AZ; Wapato Point Resort, Chelan, WA; Island Club Timeshare Resort, Hilton Head, SC; Midtown Crossing Condominiums, Omaha, NE and numerous planned communities and condominiums throughout the United States.

Objective Analysis: CRC and Carson M. Horton, RS®, are independent, third-party consultants with no actual or apparent conflict of interest which would prevent them from rendering an objective and impartial opinion regarding the appropriate level of reserve funding for the property which is the subject of this reserve study. The authors of this reserve study have no other involvement with the Association other than to prepare or update the reserve study.

Statement of Purpose: The purpose of this reserve study is to provide a planning and budgeting tool to assist in the development of a long-range financial plan to pay for the major repair, maintenance and replacement of the Common Elements for which reserves are established by the analysis. Because this reserve study relies on assumptions regarding future events over which CRC has no control, the accuracy of replacement costs and scheduling cannot be guaranteed.

Assumptions: This analysis assumes that all components and equipment will be installed correctly, in a

**Pointe Woodworth Homeowners Association
Disclosures**

workmanlike manner, using generally accepted construction practices. It is expected routine preventive maintenance will be performed throughout the entire lifecycle of all components whether or not such maintenance expenses are provided for in this reserve funding plan. The component replacement schedules and corresponding funding projections presented in the reserve study assume all components will achieve their normal life expectancy before requiring replacement, unless otherwise noted.

Limitations of the Analysis: Information regarding the reserve fund balance was provided by the Association and has not been confirmed by an independent audit of the Association’s financial records. The authors of this reserve study have no control over whether the funds allocated for maintenance and renewal of the subject property will be consistent with the recommendations made by this reserve study.

Legacy Systems: Unless otherwise noted, this reserve study does not include funding for replacement, renewal or modernization of legacy systems. The authors of this study recognize the need for funding legacy systems in certain circumstances but due to the uncertainty over the life expectancy and/or the degree of replacement that may be required, funding for legacy system, when they exist, is not included in the reserve spending analysis. (See Glossary for an explanation of the term “legacy systems.”)

Reliance on Third-Party Information: The reserve study is a reflection of information provided to CRC by third parties and cannot be used for the purpose of performing an audit, forensic analysis or verification of historical records. The information is deemed reliable, but is not based on an audit of the Association’s financial records, and should not be used for purposes other than those intended in this study. An on-site inspection conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection. CRC takes no responsibility for the accuracy of any such information or the impact inaccurate information may have on the findings and conclusions presented in the reserve study.

Client Acknowledgement: The Client hereby acknowledges the limitations regarding this reserve study and the reserve planning efforts of the Capital Reserve Consultants, LLC (CRC), the managing agent and any vendors that have been engaged to assist in the development of this reserve study, either in the past, at the current time or that may be enlisted at any point in the future.

No invasive or destructive testing has been employed in the investigative phase of this study and no environmental assessment of any kind was performed. This reserve study is not intended to address or discover construction defects and no representation is made herein that is meant to imply any such warranty.



Carson M. Horton, RS®



Pointe Woodworth Homeowners Association Reserve Study Level of Service

This reserve study is a **Level II Reserve Study** as defined by the *National Reserve Study Standards* established by the Community Associations Institute (CAI). This reserve study meets the requirements for a Level II update under RCW § 54.04.

1. National Reserve Study Standards: Reserve study guidelines and reserve study update requirements for common interest developments are set forth in National Reserve Study Standards (NRSS) established by the Community Associations Institute (CAI). Oregon statutes do not require a site visit by the reserve study provider after the initial reserve study (Level I) is completed. The standards of service established by the NRSS include four distinct levels of inquiry as follows:

2. Level I Reserve Study: A level I reserve study is based on information obtained during a site visit to the subject property by the Reserve Specialist®. Information regarding the component inventory, current condition and remaining useful life of the common area components may include data which was provided by the client, including property condition assessments, inspections and forensic reports prepared by independent experts. The physical assessment activities performed by the Reserve Specialist® during the course of a Level I reserve study engagement is not intended to satisfy the inspection requirements of state laws which govern homeowner associations and is not performed in accordance with technical standards for conducting property inspections or condition assessments.

3. Level II Reserve Study: The level II reserve study process includes a site visit by the Reserve Specialist®. The NRSS *recommends* that a Level II update be performed every three years as a "Best Practices" guideline. The laws in some states *require* a site visit/physical examination of the common elements as part of the update process. Washington and California require a Level II update every three years. The state of Oregon does not require a Level II reserve study update as of 1/1/2022.

4. Level III Reserve Study Update: A Level III reserve study update is an update of a previous study that *does not* include a site visit by the reserve study provider. State laws in Oregon and Washington require most homeowner associations and condominiums to conduct a Level III reserve study update every year, with few only a limited number of exceptions.

5. Level IV Pre-Construction Reserve Study: Reserve studies which are conducted prior to completion of a new development are referred to as a Level IV or pre-construction reserve study. Reserve studies conducted prior to completion of the construction of the Common Elements are subject to verification by the Reserve Specialist® after to completion of all construction. The pre-construction reserve study is not an update of a previous reserve study and is deemed to be Level I reserve study after completion of the post-construction site visit by the Reserve Specialist®. The NRSS may be downloaded from the CAI website at the following link:

<https://www.caionline.org/LearningCenter/credentials/Pages/RS.aspx>

6. Limitations of the Physical Analysis: The physical condition assessment performed in conjunction with this reserve study is not intended to identify construction defects or other sub-standard conditions which may require immediate corrective action. The reserve study may utilize information obtained from the following sources to arrive at component replacement costs and useful life estimates for the common area components identified in the component inventory:

- National Construction Estimator (2022)
- Life Cycle Costing for Facilities – (Reed Construction Publishers)
- Preventive Maintenance and Building Operations Efficiency – (BOMA)
- Facility Manager's Maintenance Handbook – (McGraw-Hill)

**Pointe Woodworth Homeowners Association
Reserve Study Level of Service**

- RS Means Facilities Maintenance & Repair Cost Data - 16th Edition

Pointe Woodworth Homeowners Association Percent Funded Explanation

1. Percent Funded Level: The percent funded level calculations which appear in this reserve study analysis are calculated using the following formula, which is mandated by the Community Associations Institute's Reserve Study Guidelines:

- Fully Funded = $PV \times CA / EUL$.
- Where PV = present value; CA = current age; and EUL = expected useful life.

Hence the Fully Funded calculation for a component with a current age of 3 years, a present value of \$10,000 and an expected useful life of 10 years would be:

- $\$10,000 \times 3 / 10 = \$3,000.00$.

Therefore, the total amount of money required to be Fully Funded as of the first day of the current funding cycle would be \$3,000.00.

The percent funded formula calculates the relationship between the accumulated reserves at the end of each budget year and the value of the common elements identified in the component inventory, which have been lost due to depreciation.

2. Straight-Line Depreciation: The percent funded formula makes use of the straight-line depreciation method in which replacement cost is divided by the expected service life of the asset, expressed in years. The present value (PV) of the asset, used in the percent funded calculation is the current replacement cost subject to inflation, in those instances where the reserve study includes an inflation factor among one of the economic parameters.

3. The Use of Averages: The year-end percent funded projections that appear in this 30-Year Reserve Funding Projection represent an average of the percent funded level of each funded reserve asset listed in the reserve study component inventory. Under a cash flow funding model that does not result in a fully funded (100% funded) reserve account, the percent funded level of the individual components may be less than 100% funded at any point in time.

**Pointe Woodworth Homeowners Association
Property Summary**

The following details pertain to *Pointe Woodworth Homeowners Association*:

1. Legal Name of Association: Pointe Woodworth Homeowners Association

2. Mailing Address: P. O. Box 26152, Federal Way, WA. 98093

3. Property Type: Planned Development

4. Number of Residential Lots: 180

5. Year Constructed: 1998

6. Incorporation Date: October 14, 1998

7. Association Responsibilities: The Association is responsible for repair and replacement of General and Limited Common Elements as described in the Declaration for the Association.

8. Owner Responsibilities: Owners are responsible for the maintenance, repair and replacement costs relating to their respective the improvement to their property up to the boundary of the lot as illustrated on the official plat and as described in the Declaration for the Association.

Pointe Woodworth Homeowners Association Inflation Parameters

1. Inflation-NRSS Requirements: This reserve study includes an inflation factor as required by the NRSS.

2. Inflation-WA Statute: The decision to use an inflation rate to project future reserve fund expenditures, as well as the designated inflation rate is at the at the sole discretion of the Board of Directors under Washington law.

3. U.S. Inflation Rate: The inflation rate in the United States changes every month when the inflation rate for the previous 12-month period is published by the Bureau of Labor Statistics.

- The average annual inflation rate for the 30-year period ending 12/31/2021 was **2.33%**.
- The average annual inflation rate for the ending 12/31/2021 was **4.70%**.
- The inflation rate as of the report date of this reserve study was **8.20%**.
- The inflation rate used in this reserve study is **4.00%**.
- Historical inflation data was obtained from: <https://inflationdata.com/>

The actual inflation rate may vary from the inflation rate used in this analysis. Particularly in urban areas where the demand for goods and services is higher than it may be for the country overall. Areas that are geographically isolated or where labor and materials may not be readily available may also experience above-average inflationary pressure, particularly during periods of high demand when the economy is expanding.

Pointe Woodworth Homeowners Association Executive Summary

1. Current Financial Condition: The Association's fiscal year begins on January 1st of each year. This reserve study is an analysis of the replacement and renewal costs pertaining to the common element asset inventory of the subject property. The study contains a projection of the reserve fund expenditures based on the current estimated cost of major maintenance, repair and replacement of the common elements for the 30-year period beginning on 1/1/2023.

An annual inflation factor of **4.00%** has been used to determine the amount of future reserve fund expenditures.

The estimate of future expenditures is a good faith estimate of current costs which is not based on a statement of work or other project specifications. As such, the cost estimates should not be used for development of project budgets. The reserve spending projections are intended to assist in the long-term planning efforts of the Association and should be revised using project cost estimated obtained by local vendors.

1. Reference Sources: The reserve study utilizes information obtained from the following sources:

- Representatives of the subject property
- National Construction Estimator (2022)
- Life Cycle Costing for Facilities – (Reed Construction Publishers)
- Preventive Maintenance and Building Operations Efficiency – (BOMA)
- Facility Manager's Maintenance Handbook – (McGraw-Hill)
- RS Means Facilities Maintenance & Repair Cost Data - 16th Edition
- Site visit conducted by CRC

2. Financial Reporting Period: The financial reporting period utilized by the facility owners is a calendar year (January 1 - December 31).

3. Period of Analysis: The reserve study includes a projection of reserve fund expenditures which are expected to occur between 1/1/2023 and 12/31/2052. The period of analysis may be extended beyond 30 years at the request of the client. State law requires a minimum period of analysis of 30-years from the beginning day of the current budget year.

4. Cash Flow Funding Model: The reserve funding projection contained in this reserve study utilizes a cash flow funding model to determine the annual funding allocation. The distinguishing feature of a cash flow funding model as compared to a depreciation-based model is that the funding stream under a cash flow model is intended to provide sufficient funds (cash flow) to pay for annual expenditures in the years when they are scheduled to occur without regard to the economic loss (depreciation) of the asset inventory.

5. Depreciation-Based Funding Model: When using a depreciation-based funding model to calculate the annual reserve allocations the fund balance at any particular point in time is designed to offset the value of the asset inventory that has been lost through depreciation.

6. Financial Parameters: The reserve spending analysis assumes funds will be accumulated in the replacement fund which will generate annual interest earnings with earnings subject to an effective income tax rate of 15%. CRC is not a tax planning expert and does not provide tax planning advice. The financial parameters established for this reserve study include the following and may be revised at the discretion of the client:

- 1/1/2023 beginning reserve fund balance: **\$516,069.00**
- 2023 reserve fund contribution: **\$80,000.00**
- Earnings on reserve deposits: .50%

**Pointe Woodworth Homeowners Association
Executive Summary**

- Annual inflation rate: **4.00%**
- Maximum annual reserve contribution increase: 5.00% (2026-2034)
- Reserve fund contingency: 0%
- Income tax rate on investment earnings: 15%

7. Average Reserve Expenditures: The Annual Expenditure Detail contained in the reserve study indicates the next reserve expenditures which are scheduled to occur will be in the year 2024. The 2024 expenditures and average annual reserve fund expenditures are shown below. These projections may change when the reserve study is updated for future years

- 2023 expenditures are projected to be: **\$33,500.00**
- Average annual reserve expenditures – 1/1/2023 through 12/31/2052: **\$96,817.00**

8. Minimum Year-End Reserve Fund Balance: The minimum reserve fund balance over the next 30 years is projected to be **\$241,211.00** at year-end 2037, assuming reserve fund activity does not deviate from the schedule set forth in this reserve study.

9. Total Reserve Spending: Assuming the expenditures and contributions do not deviate from the schedule set forth in this Reserve Study the reserve funding and spending obligations for the period ending on 12/31/2052 are as follows:

- Total replacement reserve spending **\$2,904,516.00**
- Total reserve fund contributions: **\$4,032,042.00**
- Interest earnings on reserve fund deposits: **\$111,508.00**
- Reserve fund balance - 12/31/2052: **\$1,755,102.00**

10. Updating the Reserve Study: The reserve study must be updated each to ensure that the future spending projections are as accurate as possible and to comply with state law. WA law requires that the reserve study update include a site visit/visual inspection of the common elements by a suitably qualified professional. The annual reserve study update required by WA law does not require a site visit by the reserve study provider.

Pointe Woodworth Homeowners Association
Reserve Funding Status - 2023

1. Cash Flow Funding Method: Cash Flow Funding is a reserve funding approach which is designed to generate sufficient incoming cash flow into the Association's reserve account to meet the funding obligations established in the reserve study. Assuming the cost and frequency of reserve expenditures does not deviate from the schedule set forth in the reserve study; the Association's reserve fund will always contain enough money to meet its funding obligations, regardless of the percent funded level at any point in time.

Reserves accumulated under a cash flow funding strategy are pooled. Pooling of reserves refers to the fact that all funds are treated a single "pool" of funds that are allocated based on the annual cash flow required to meet the reserve funding obligations of the Association; rather than being allocated according to the rate at which each asset for which the reserves have been established, are depreciating.

Pooled reserves are allocated to pay for reserve expenditures based on chronological urgency or discretionary action taken by the Board of Directors. Reserves accumulated in a pooled reserve fund may only be used to pay for current or future reserve obligations and will automatically be reallocated to pay for other scheduled expenditures if 100% of the amount allocated to pay for a specific expenditure is not used to pay for the expense at the time it is scheduled to occur.

Funds accumulated to pay for replacement and repair of common elements may not be used to pay for operating expenses or any expenses which are not specifically identified as reserve fund expenditures in the current reserve study.

Cash flow funding models may or may not result in the accumulation of reserves at a rate which is sufficient to offset the loss in economic value of the assets for which the reserves have been established when the loss in value is determined by the straight-line depreciation formula: Depreciation = Economic Value (EV) / Expected Useful Life (EUL)

Note that salvage value of is not considered in the calculation of depreciation when using the cash flow funding model. In order for the accumulated reserves to fully offset the loss in value that results from depreciation, the percent funded level at the end of the budget year must be 100% or more.

2. Current Assessment Funding Model: This reserve funding projection utilizes a cash flow funding method known as Current Assessment Funding to generate the reserve funding schedule in Section III. Current Assessment Funding is a cash flow funding method which allows the Reserve Specialist® or the Board of Directors to specify the amount of the annual reserve fund contribution in one or more of the years covered by the reserve study. The Current Assessment Funding projection begins with a 2023 reserve fund contribution of **\$80,000.00**.

3. Current Reserve Funding Status: The Association's replacement reserve fund will be **64%** funded as of 1/1/2023 assuming the reserve fund balance is **\$516,069.00**. The beginning reserve fund balance required to achieve a fully funded reserve account as of 1/1/2023 is **\$796,435.00**. The funding deficit of **\$280,366.00** represents an average of **\$1,557.59** that each lot owner would need to contribute to the reserve fund in order for the percent funded level to be 100% (fully funded) on the first day of the 2023 budget year.

Pointe Woodworth Homeowners Association Explanation of Reserve Funding Projections

1. Reserve Funding Models: This reserve study includes a reserve funding projection for the current budget year (2023) which utilizes a *Cash Flow Funding Model* known as *Current Assessment Funding*.

2. Cash Flow Funding Model: Cash Flow Funding is a reserve funding approach which is designed to generate sufficient incoming cash flow into the Association's reserve account to meet the funding obligations established in the reserve study. Assuming the cost and frequency of reserve expenditures does not deviate from the schedule set forth in the reserve study, the Association's reserve fund will always contain enough money to meet its funding obligations, regardless of the percent funded level at any point in time.

All cash flow funding methods result in the pooling of reserves. Pooled reserves occur when all reserve funds are accumulated in one reserve account and the current reserves are allocated to pay for reserve expenditures based on chronological urgency or discretionary action taken by the Board of Directors. Reserves accumulated in a pooled reserve fund should only be used to pay for current and future expenditures for which reserves have been established by the current reserve study. Funds which are not used to pay for a specific, designated expense will automatically be reallocated to pay for other scheduled expenditures if 100% of the amount allocated to pay for a specific expenditure is not used to pay for the expense at the time it is scheduled to occur.

Funds collected for the purpose of providing replacement reserves to pay for repair and replacement of common elements may not be used to pay for operating expenses or any expenses which are not specifically identified as reserve expenditures in the current reserve study.

3. Current Assessment Funding Model: The Current Funding Projection that appears in Section III of this reserve study is a cash flow funding model which has been designed to generate the minimum annual contribution schedule required to meet the funding obligations set forth in this reserve study while maintaining a minimum percent funded level of **80%** in all years beginning with 2040 (out-years). The funding projection begins with a 2023 reserve contribution of **\$80,000.00**, which equals **\$444.44** per lot, based on **180** lots. The reserve fund contribution will increase a maximum of **5%** each year in the years **2026** through **2034**.

4. Statutory Reserve Funding Examples & Disclosure Requirements: The reserve study contains two funding examples in the Appendix which are required by Washington law, as follows:

Baseline Funding Example: 30-year funding scheduled that maintain a reserve fund balance above **\$0.00** in all years covered by the study.

Fully Funded Reserve Example: 30-year funding scheduled that maintains a percent funded of no less **100%** in all years covered by the study.

The Association is not obligated under Washington law to adopt any particular method of reserve funding or to maintain any minimum percent funded level. The Association is required to fund the reserve account in an amount which is determined to be sufficient to meet the reserve funding requirements of the Association, in the opinion of the Board of Directors.

**Pointe Woodworth Homeowners Association
Current Funding Model Summary - 2023**

Report Date	July 20, 2013
Account Number	WA-1211-003
Version	Level II Update
Budget Year Beginning	January 1, 2023
Budget Year Ending	December 31, 2023
Total Units	180
Phase Development	1 of 1

Report Parameters	
Inflation	4.00%
Interest Rate on Reserve Deposit	0.50%
Tax Rate on Interest	15.00%
2023 Beginning Balance	\$516,069

Percent Funded Analysis: The percent funded levels under the 30-Year Reserve Funding Projection assume that reserve spending/funding activity will be consistent with the schedule set forth in the reserve study. The beginning reserve fund balance indicated above, will result in the following percent funded levels as of 1/1/2023:

- Current percent funded level: 64% - as of 1/1/2023.
- Highest percent funded level: 91%
- Lowest percent funded level: 52%.

The 30-Year Reserve Funding Projection included in this reserve study represents the contribution schedule required to meet the reserve obligations set forth in this reserve study for the next 30 years without regard to maintaining a minimum percent funded threshold.

Cash Flow Funding & Depreciation: Cash flow funding models may or may not result in the accumulation of reserves at a rate which is sufficient to offset the loss in value of the common elements due to depreciation. In order for the reserves to offset 100% of the economic value that is lost through depreciation, the percent funded level at the end of the fiscal year must be 100% or more.

Non-Scheduled Spending: The reserve funding analysis assumes reserve funds will only be spent to pay for expenditures that are identified in the reserve study as reserve fund expenditures. If funds are borrowed from the reserve fund, they must be repaid with interest that is equal to or greater than the interest rate assumed in the reserve study. If funds are used to pay for expenditures that are not identified as reserve fund expenditures, the Association may not have sufficient reserves to pay for expenditures when they are scheduled to occur.

Current Assessment Funding Model Summary of Calculations	
Required Annual Contribution	\$80,000.00
<i>\$444.44 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$2,390.92</u>
Total Annual Allocation to Reserves	\$82,390.92
<i>\$457.73 per unit annually</i>	

**Pointe Woodworth Homeowners Association
Current Funding Projection - 2023**

Report Date July 20, 2013
 Beginning Fiscal Year January 01, 2023
 Account Number WA-1211-003

Version Number Level II Update

Beginning Balance: \$516,069

Beginning Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2023	1,166,130	80,000	2,391	33,500	564,960	843,529	67%
2024	1,212,775	82,400	2,568	43,139	606,789	887,729	68%
2025	1,261,286	84,872	2,928	2,704	691,885	978,018	71%
2026	1,311,738	87,418	3,247	15,298	767,252	1,061,687	72%
2027	1,364,207	91,789	3,427	52,784	809,683	1,112,135	73%
2028	1,418,775	96,379	2,822	242,102	666,782	970,953	69%
2029	1,475,526	101,197	3,210	12,653	758,536	1,065,394	71%
2030	1,534,548	106,257	3,611	15,160	853,245	1,163,758	73%
2031	1,595,929	111,570	4,100		968,916	1,284,682	75%
2032	1,659,767	117,149	4,425	44,806	1,045,684	1,366,820	77%
2033	1,726,157	123,006	1,351	850,770	319,271	617,557	52%
2034	1,795,204	129,156	1,814	21,552	428,689	703,944	61%
2035	1,867,012	131,740	1,722	155,300	406,850	658,054	62%
2036	1,941,692	134,374	2,009	68,401	474,833	704,201	67%
2037	2,019,360	137,062	1,021	371,704	241,211	440,397	55%
2038	2,100,134	139,803	1,428	45,024	337,419	509,573	66%
2039	2,184,140	142,599	1,960	18,730	463,249	612,798	76%
2040	2,271,505	145,451	2,264	75,968	534,996	664,716	80%
2041	2,362,365	148,360	2,904		686,260	801,974	86%
2042	2,456,860	151,327	3,524	8,427	832,684	940,385	89%
2043	2,555,134	154,354	4,009	43,822	947,224	1,052,125	90%
2044	2,657,340	157,441	4,293	94,523	1,014,435	1,120,394	91%
2045	2,763,633	160,590	4,994		1,180,019	1,294,677	91%
2046	2,874,179	163,802	5,569	33,520	1,315,869	1,446,250	91%
2047	2,989,146	167,078	6,303		1,489,249	1,644,132	91%
2048	3,108,712	170,419	6,136	215,826	1,449,978	1,631,072	89%
2049	3,233,060	173,828	6,783	27,725	1,602,864	1,818,940	88%
2050	3,362,383	177,304	6,236	312,903	1,473,501	1,723,795	85%
2051	3,496,878	180,850	7,031		1,661,383	1,956,565	85%
2052	3,636,753	184,467	7,428	98,175	1,755,102	2,103,096	83%

Pointe Woodworth Homeowners Association Explanation of Component Inventory Reports

This section of the reserve study provides a narrative summary and tabular compilations of the common area components which are the subject of this reserve funding analysis. A brief explanation of each report contained in this section is included here for those readers who may be unfamiliar with the information provided in a reserve study.

1. Component Report by Remaining Life Expectancy: This report displays the component inventory sorted by the remaining life expectancy of each component which is included in the reserve funding schedule. Expenditures which are scheduled to recur more than one time over the thirty-year period covered by the study will only appear one time in this list based on the next scheduled year of occurrence. Other information provided in this report includes the next scheduled year of replacement, useful life, current cost, assigned reserves, and the amount required for each component to be fully funded as of the beginning date of the reserve study. If the assigned reserves are equal to the fully funded amount shown in the far right-hand column, then the component in question is said to be fully funded.

2. Component Report with Current Costs: This report again displays the component inventory by category and remaining life expectancy. It also includes the component quantity based on the unit of measure (SF, SY, LF, etc.), the unit cost which has been used to arrive at the total replacement cost, and the current replacement cost as of the beginning date of the reserve study.

3. Component Report Details: This report is found in the Appendix. It contains all of the component data which has been input into the modeling database to develop the reserve funding projections contained in the reserve study. Most of the information contained in this report is also displayed in one or more of the component reports found in the Appendix.

**Pointe Woodworth Homeowners Association
Component Inventory Summary**

Report Date July 20, 2013
 Beginning Fiscal Year January 01, 2023
 Account Number WA-1211-003

Version Number Level II Update

Description	Asset ID	Date In Service	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
Asphalt & Concrete Pavement									
Asphalt Roads-Maintenance		2024	27,480	4	0	1	28,579	229000 @	0.12
Asphalt Roads-Resurfacing (a)		2033	426,600	35	0	10	631,472	158000 @	2.70
The useful life of the asphalt was increased from 30 to 35 years based on the 2022 onsite assessment.									
Asphalt Path-Resurfacing (Park)		2037	22,950	35	0	14	39,742	8500 @	2.70
The useful life of the asphalt was increased from 30 to 35 years based on the 2022 onsite assessment.									
Asphalt Roads-Resurfacing (b)		2037	191,700	35	0	14	331,962	71000 @	2.70
The useful life of the asphalt was increased from 30 to 35 years based on the 2022 onsite assessment.									
Drainage Improvements									
Drainage Shelves-Maintenance & Repair									
		2024	4,000	2	10	1	4,160	1 @	4,000.00
Fencing & Barrier Walls									
Gate Operators-Replacement		2023	10,000	5	10	0	10,000	2 @	5,000.00
Perimeter Wall-Maintenance (C.M.U.)		2026	9,600	10	10	3	10,799	800 @	12.00
Wood Perimeter Fencing-Replacement		2027	45,120	30	0	4	52,784	940 @	48.00
The useful life of the wood fence was increased from 20 to 30 years based on the 2022 onsite assessment.									
Perimeter Fencing-Chain Link-Replacement									
		2028	95,400	30	0	5	116,069	5300 @	18.00
Retention Pond Fencing-Chain Link-Replacement									
		2028	13,230	30	0	5	16,096	735 @	18.00
Wood Perimeter Fencing-Paint & Seal		2030	7,520	10	0	7	9,896	940 @	8.00
Entrance Gates-Replacement		2033	24,000	25	10	10	35,526	2 @	12,000.00
Metal Fencing & Gates-Replacement (Entries)		2033	4,250	35	0	10	6,291	50 @	85.00
The useful life of the metal fencing was increased from 30 to 35 years based on the 2022 onsite assessment.									
Lighting									
Street Lights-Replacement		2033	102,400	35	0	10	151,577	32 @	3,200.00
Mailboxes & Signage									
Signage-Replacement		2023	5,000	25	0	0	5,000	1 @	5,000.00

**Pointe Woodworth Homeowners Association
Component Inventory Summary**

Description	Asset ID	Date In Service	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
Mailboxes & Signage continued...									
Mailboxes-Replacement		2028	28,000	20	10	5	34,066	14 @	2,000.00
Paint & Coatings									
Exterior Paint-Lighthouse		2023	7,500	10	7	0	7,500	1 @	7,500.00
Recreational Amenities									
Basketball Equipment-Replacement		2023	4,000	15	10	0	4,000	1 @	4,000.00
Picnic Assets-Replacement		2025	2,500	18	10	2	2,704	1 @	2,500.00
Basketball Court Fence-Replacement		2028	6,480	20	10	5	7,884	180 @	36.00
Basketball Court-Resurfacing		2028	14,400	30	0	5	17,520	6400 @	2.25
Play Equipment-Replacement		2035	97,000	15	0	12	155,300	1 @	97,000.00
In 2020 the Association spend \$97,000 on playground equipment replacement and related improvements to the playground area.									
Security Equipment									
Entrance Access Control Panels-Replacement									
		2023	7,000	15	10	0	7,000	2 @	3,500.00
Surveillance System-Replacement		2024	10,000	5	10	1	10,400	1 @	10,000.00

**Pointe Woodworth Homeowners Association
Component Inventory by Remaining Life Expectancy**

Report Date July 20, 2013
 Beginning Fiscal Year January 01, 2023
 Account Number WA-1211-003

Version Number Level II Update

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Basketball Equipment-Replacement	2023	15	10	0	4,000	4,000	4,000
Entrance Access Control Panels-Replacement	2023	15	10	0	7,000	7,000	7,000
Exterior Paint-Lighthouse	2023	10	7	0	7,500	7,500	7,500
Gate Operators-Replacement	2023	5	10	0	10,000	10,000	10,000
Signage-Replacement	2023	25	0	0	5,000	5,000	5,000
Asphalt Roads-Maintenance	2024	4	0	1	27,480	20,610	20,610
Drainage Shelves-Maintenance & Repair	2024	2	10	1	4,000	3,667	3,667
Surveillance System-Replacement	2024	5	10	1	10,000	9,333	9,333
Picnic Assets-Replacement	2025	18	10	2	2,500	2,321	2,321
Perimeter Wall-Maintenance (C.M.U.)	2026	10	10	3	9,600	8,160	8,160
Wood Perimeter Fencing-Replacement	2027	30	0	4	45,120	39,104	39,104
Basketball Court Fence-Replacement	2028	20	10	5	6,480	5,400	5,400
Basketball Court-Resurfacing	2028	30	0	5	14,400	12,000	12,000
Mailboxes-Replacement	2028	20	10	5	28,000	23,333	23,333
Perimeter Fencing-Chain Link-Replacement	2028	30	0	5	95,400	79,500	79,500
Retention Pond Fencing-Chain Link-Replacement	2028	30	0	5	13,230	11,025	11,025
Wood Perimeter Fencing-Paint & Seal	2030	10	0	7	7,520	2,256	2,256
Asphalt Roads-Resurfacing (a)	2033	35	0	10	426,600	172,538	304,714
Entrance Gates-Replacement	2033	25	10	10	24,000	17,143	17,143
Metal Fencing & Gates-Replacement (Entries)	2033	35	0	10	4,250	3,036	3,036
Street Lights-Replacement	2033	35	0	10	102,400	73,143	73,143
Play Equipment-Replacement	2035	15	0	12	97,000	0	19,400
Asphalt Path-Resurfacing (Park)	2037	35	0	14	22,950	0	13,770
Asphalt Roads-Resurfacing (b)	2037	35	0	14	191,700	0	115,020
Total Asset Summary					<u>\$1,166,130</u>	<u>\$516,069</u>	<u>\$796,435</u>

**Pointe Woodworth Homeowners Association
Component Inventory with Current Costs**

Report Date July 20, 2013
 Beginning Fiscal Year January 01, 2023
 Account Number WA-1211-003

Version Number Level II Update

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Asphalt & Concrete Pavement								
Asphalt Roads-Maintenance	2020	2024	4	0	1	229,000 SF	0.12	27,480
Asphalt Roads-Resurfacing (a)	1998	2033	35	0	10	158,000 SF	2.70	426,600
Asphalt Path-Resurfacing (Park)	2002	2037	35	0	14	8,500 SF	2.70	22,950
Asphalt Roads-Resurfacing (b)	2002	2037	35	0	14	71,000 SF	2.70	<u>191,700</u>
Asphalt & Concrete Pavement - Total								\$668,730
Drainage Improvements								
Drainage Shelves-Maintenance & Repair	2012	2024	2	10	1	1 Total	4,000.00	<u>4,000</u>
Drainage Improvements - Total								\$4,000
Fencing & Barrier Walls								
Gate Operators-Replacement	2008	2023	5	10	0	2 EA	5,000.00	10,000
Perimeter Wall-Maintenance (C.M.U.)	2006	2026	10	10	3	800 LF	12.00	9,600
Wood Perimeter Fencing-Replacement	1997	2027	30	0	4	940 LF	48.00	45,120
Perimeter Fencing-Chain Link-Replacement	1998	2028	30	0	5	5,300 LF	18.00	95,400
Retention Pond Fencing-Chain Link-Replacement	1998	2028	30	0	5	735 LF	18.00	13,230
Wood Perimeter Fencing-Paint & Seal	2020	2030	10	0	7	940 LF	8.00	7,520
Entrance Gates-Replacement	1998	2033	25	10	10	2 EA	12,000.00	24,000
Metal Fencing & Gates-Replacement (Entries)	1998	2033	35	0	10	50 LF	85.00	<u>4,250</u>
Fencing & Barrier Walls - Total								\$209,120
Lighting								
Street Lights-Replacement	1998	2033	35	0	10	32 EA	3,200.00	<u>102,400</u>
Lighting - Total								\$102,400
Mailboxes & Signage								
Signage-Replacement	1998	2023	25	0	0	1 Total	5,000.00	5,000
Mailboxes-Replacement	1998	2028	20	10	5	14 EA	2,000.00	<u>28,000</u>
Mailboxes & Signage - Total								\$33,000
Paint & Coatings								
Exterior Paint-Lighthouse	2006	2023	10	7	0	1 Total	7,500.00	<u>7,500</u>
Paint & Coatings - Total								\$7,500
Recreational Amenities								
Basketball Equipment-Replacement	1998	2023	15	10	0	1 Total	4,000.00	4,000
Picnic Assets-Replacement	1997	2025	18	10	2	1 Total	2,500.00	2,500

**Pointe Woodworth Homeowners Association
Component Inventory with Current Costs**

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
<i>Recreational Amenities continued...</i>								
Basketball Court Fence-Replacement	1998	2028	20	10	5	180 LF	36.00	6,480
Basketball Court-Resurfacing	1998	2028	30	0	5	6,400 SF	2.25	14,400
Play Equipment-Replacement	2020	2035	15	0	12	1 Total	97,000.00	<u>97,000</u>
Recreational Amenities - Total								<u>\$124,380</u>
Security Equipment								
Entrance Access Control Panels-Replacement	1998	2023	15	10	0	2 EA	3,500.00	7,000
Surveillance System-Replacement	2009	2024	5	10	1	1 Total	10,000.00	<u>10,000</u>
Security Equipment - Total								<u>\$17,000</u>
Total Asset Summary								<u>\$1,166,130</u>

Pointe Woodworth Homeowners Association Explanation of Expenditure Reports

This section of the reserve study includes a series of reports which detail how the Association's reserve funds will be spent over the next 30 years. A brief explanation of each report contained in Section III is included here for those readers who may be unfamiliar with the information provided in a reserve study.

1. Annual Reserve Expenditure Detail: This report provides a yearly summary of the reserve fund expenditures scheduled for each year covered in the reserve study. Expenditures are listed alphabetically in each year when they are scheduled to occur.

2. Annual Expenditure Spread Sheet: This spreadsheet displays the same information as the Annual Reserve Expenditure Detail in a spreadsheet format. The component expenditures are listed by the Component Category to which each component has been assigned, and within each category the components are listed by remaining life expectancy.

3. Capital & Non-Capital Expenditures: This report groups the scheduled reserve expenditures under one of two categories; Capital Expenditures or Non-Capital Expenditures. In the context of a reserve study, capital expenditures are generally defined as expenditures which are for the purpose of replacing or extending the life expectancy of common elements which are already owned by the Association. Funding for acquisition of new capital assets is not typically included in the reserve study and is more correctly included a *capital improvement* budget. Non-capital expenditures are expenses incurred to maintain or repair common area assets, but which are not necessarily expected to improve the value or extend the life expectancy of the asset.

**Pointe Woodworth Homeowners Association
Annual Expenditure Detail**

Description	Quantity	Expenditures
Replacement Year 2023		
Gate Operators-Replacement	2 EA	10,000
Exterior Paint-Lighthouse	1 Total	7,500
Basketball Equipment-Replacement	1 Total	4,000
Entrance Access Control Panels-Replacement	2 EA	7,000
Signage-Replacement	1 Total	5,000
Total for 2023		\$33,500
Replacement Year 2024		
Drainage Shelves-Maintenance & Repair	1 Total	4,160
Asphalt Roads-Maintenance	229000 SF	28,579
Surveillance System-Replacement	1 Total	10,400
Total for 2024		\$43,139
Replacement Year 2025		
Picnic Assets-Replacement	1 Total	2,704
Total for 2025		\$2,704
Replacement Year 2026		
Drainage Shelves-Maintenance & Repair	1 Total	4,499
Perimeter Wall-Maintenance (C.M.U.)	800 LF	10,799
Total for 2026		\$15,298
Replacement Year 2027		
Wood Perimeter Fencing-Replacement	940 LF	52,784
Total for 2027		\$52,784
Replacement Year 2028		
Drainage Shelves-Maintenance & Repair	1 Total	4,867
Asphalt Roads-Maintenance	229000 SF	33,434
Gate Operators-Replacement	2 EA	12,167
Basketball Court Fence-Replacement	180 LF	7,884
Mailboxes-Replacement	14 EA	34,066
Basketball Court-Resurfacing	6400 SF	17,520

**Pointe Woodworth Homeowners Association
Annual Expenditure Detail**

Description	Quantity	Expenditures
<i>Replacement Year 2028 continued...</i>		
Perimeter Fencing-Chain Link-Replacement	5300 LF	116,069
Retention Pond Fencing-Chain Link-Replacement	735 LF	16,096
Total for 2028		<u>\$242,102</u>
Replacement Year 2029		
Surveillance System-Replacement	1 Total	12,653
Total for 2029		<u>\$12,653</u>
Replacement Year 2030		
Drainage Shelves-Maintenance & Repair	1 Total	5,264
Wood Perimeter Fencing-Paint & Seal	940 LF	9,896
Total for 2030		<u>\$15,160</u>
<i>No Replacement in 2031</i>		
Replacement Year 2032		
Drainage Shelves-Maintenance & Repair	1 Total	5,693
Asphalt Roads-Maintenance	229000 SF	39,113
Total for 2032		<u>\$44,806</u>
Replacement Year 2033		
Gate Operators-Replacement	2 EA	14,802
Exterior Paint-Lighthouse	1 Total	11,102
Entrance Gates-Replacement	2 EA	35,526
Asphalt Roads-Resurfacing (a)	158000 SF	631,472
Metal Fencing & Gates-Replacement (Entries)	50 LF	6,291
Street Lights-Replacement	32 EA	151,577
Total for 2033		<u>\$850,770</u>
Replacement Year 2034		
Drainage Shelves-Maintenance & Repair	1 Total	6,158
Surveillance System-Replacement	1 Total	15,395
Total for 2034		<u>\$21,552</u>

**Pointe Woodworth Homeowners Association
Annual Expenditure Detail**

Description	Quantity	Expenditures
Replacement Year 2035		
Play Equipment-Replacement	1 Total	155,300
Total for 2035		<u>\$155,300</u>
Replacement Year 2036		
Drainage Shelves-Maintenance & Repair	1 Total	6,660
Asphalt Roads-Maintenance	229000 SF	45,756
Perimeter Wall-Maintenance (C.M.U.)	800 LF	15,985
Total for 2036		<u>\$68,401</u>
Replacement Year 2037		
Asphalt Path-Resurfacing (Park)	8500 SF	39,742
Asphalt Roads-Resurfacing (b)	71000 SF	331,962
Total for 2037		<u>\$371,704</u>
Replacement Year 2038		
Drainage Shelves-Maintenance & Repair	1 Total	7,204
Gate Operators-Replacement	2 EA	18,009
Basketball Equipment-Replacement	1 Total	7,204
Entrance Access Control Panels-Replacement	2 EA	12,607
Total for 2038		<u>\$45,024</u>
Replacement Year 2039		
Surveillance System-Replacement	1 Total	18,730
Total for 2039		<u>\$18,730</u>
Replacement Year 2040		
Drainage Shelves-Maintenance & Repair	1 Total	7,792
Asphalt Roads-Maintenance	229000 SF	53,528
Wood Perimeter Fencing-Paint & Seal	940 LF	14,648
Total for 2040		<u>\$75,968</u>
<i>No Replacement in 2041</i>		
Replacement Year 2042		
Drainage Shelves-Maintenance & Repair	1 Total	8,427
Total for 2042		<u>\$8,427</u>

**Pointe Woodworth Homeowners Association
Annual Expenditure Detail**

Description	Quantity	Expenditures
Replacement Year 2043		
Gate Operators-Replacement	2 EA	21,911
Exterior Paint-Lighthouse	1 Total	16,433
Picnic Assets-Replacement	1 Total	5,478
Total for 2043		<u>\$43,822</u>
Replacement Year 2044		
Drainage Shelves-Maintenance & Repair	1 Total	9,115
Asphalt Roads-Maintenance	229000 SF	62,621
Surveillance System-Replacement	1 Total	22,788
Total for 2044		<u>\$94,523</u>
<i>No Replacement in 2045</i>		
Replacement Year 2046		
Drainage Shelves-Maintenance & Repair	1 Total	9,859
Perimeter Wall-Maintenance (C.M.U.)	800 LF	23,661
Total for 2046		<u>\$33,520</u>
<i>No Replacement in 2047</i>		
Replacement Year 2048		
Drainage Shelves-Maintenance & Repair	1 Total	10,663
Asphalt Roads-Maintenance	229000 SF	73,257
Gate Operators-Replacement	2 EA	26,658
Basketball Court Fence-Replacement	180 LF	17,275
Mailboxes-Replacement	14 EA	74,643
Signage-Replacement	1 Total	13,329
Total for 2048		<u>\$215,826</u>
Replacement Year 2049		
Surveillance System-Replacement	1 Total	27,725
Total for 2049		<u>\$27,725</u>

**Pointe Woodworth Homeowners Association
Annual Expenditure Detail**

Description	Quantity	Expenditures
Replacement Year 2050		
Drainage Shelves-Maintenance & Repair	1 Total	11,533
Wood Perimeter Fencing-Paint & Seal	940 LF	21,683
Play Equipment-Replacement	1 Total	279,687
Total for 2050		<u>\$312,903</u>
 <i>No Replacement in 2051</i>		
Replacement Year 2052		
Drainage Shelves-Maintenance & Repair	1 Total	12,475
Asphalt Roads-Maintenance	229000 SF	85,701
Total for 2052		<u>\$98,175</u>

**Pointe Woodworth Homeowners Association
Annual Expenditure Spread Sheet**

Description	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Asphalt & Concrete Pavement										
Asphalt Roads-Maintenance		28,579				33,434				39,113
Asphalt Roads-Resurfacing (a)										
Asphalt Path-Resurfacing (Park)										
Asphalt Roads-Resurfacing (b)										
Asphalt & Concrete Pavement Total:		28,579				33,434				39,113
Drainage Improvements										
Drainage Shelves-Maintenance & Repair		4,160		4,499		4,867		5,264		5,693
Drainage Improvements Total:		4,160		4,499		4,867		5,264		5,693
Fencing & Barrier Walls										
Gate Operators-Replacement	10,000					12,167				
Perimeter Wall-Maintenance (C.M.U.)				10,799						
Wood Perimeter Fencing-Replacement					52,784					
Perimeter Fencing-Chain Link-Replacement						116,069				
Retention Pond Fencing-Chain Link-Replacement						16,096				
Wood Perimeter Fencing-Paint & Seal								9,896		
Entrance Gates-Replacement										
Metal Fencing & Gates-Replacement (Entries)										
Fencing & Barrier Walls Total:	10,000			10,799	52,784	144,332		9,896		
Lighting										
Street Lights-Replacement										
Lighting Total:										
Mailboxes & Signage										
Signage-Replacement	5,000									
Mailboxes-Replacement						34,066				
Mailboxes & Signage Total:	5,000					34,066				
Paint & Coatings										
Exterior Paint-Lighthouse	7,500									
Paint & Coatings Total:	7,500									

**Pointe Woodworth Homeowners Association
Annual Expenditure Spread Sheet**

Description	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Recreational Amenities										
Basketball Equipment-Replacement	4,000									
Picnic Assets-Replacement			2,704							
Basketball Court Fence-Replacement						7,884				
Basketball Court-Resurfacing						17,520				
Play Equipment-Replacement										
Recreational Amenities Total:	4,000		2,704			25,404				
Security Equipment										
Entrance Access Control Panels-Replacement	7,000									
Surveillance System-Replacement		10,400					12,653			
Security Equipment Total:	7,000	10,400					12,653			
Year Total:	33,500	43,139	2,704	15,298	52,784	242,102	12,653	15,160		44,806

**Pointe Woodworth Homeowners Association
Annual Expenditure Spread Sheet**

Description	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Asphalt & Concrete Pavement										
Asphalt Roads-Maintenance				45,756				53,528		
Asphalt Roads-Resurfacing (a)	631,472									
Asphalt Path-Resurfacing (Park)					39,742					
Asphalt Roads-Resurfacing (b)					331,962					
Asphalt & Concrete Pavement Total:	631,472			45,756	371,704			53,528		
Drainage Improvements										
Drainage Shelves-Maintenance & Repair		6,158		6,660		7,204		7,792		8,427
Drainage Improvements Total:		6,158		6,660		7,204		7,792		8,427
Fencing & Barrier Walls										
Gate Operators-Replacement	14,802					18,009				
Perimeter Wall-Maintenance (C.M.U.)				15,985						
Wood Perimeter Fencing-Replacement										
Perimeter Fencing-Chain Link-Replacement										
Retention Pond Fencing-Chain Link-Replacement										
Wood Perimeter Fencing-Paint & Seal								14,648		
Entrance Gates-Replacement	35,526									
Metal Fencing & Gates-Replacement (Entries)	6,291									
Fencing & Barrier Walls Total:	56,619			15,985		18,009		14,648		
Lighting										
Street Lights-Replacement	151,577									
Lighting Total:	151,577									
Mailboxes & Signage										
Signage-Replacement										
Mailboxes-Replacement										
Mailboxes & Signage Total:										
Paint & Coatings										
Exterior Paint-Lighthouse	11,102									
Paint & Coatings Total:	11,102									

**Pointe Woodworth Homeowners Association
Annual Expenditure Spread Sheet**

Description	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Recreational Amenities										
Basketball Equipment-Replacement						7,204				
Picnic Assets-Replacement										
Basketball Court Fence-Replacement										
Basketball Court-Resurfacing										
Play Equipment-Replacement			155,300							
Recreational Amenities Total:			155,300			7,204				
Security Equipment										
Entrance Access Control Panels-Replacement						12,607				
Surveillance System-Replacement		15,395					18,730			
Security Equipment Total:		15,395				12,607	18,730			
Year Total:	850,770	21,552	155,300	68,401	371,704	45,024	18,730	75,968		8,427

**Pointe Woodworth Homeowners Association
Annual Expenditure Spread Sheet**

Description	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Asphalt & Concrete Pavement										
Asphalt Roads-Maintenance		62,621				73,257				85,701
Asphalt Roads-Resurfacing (a)										
Asphalt Path-Resurfacing (Park)										
Asphalt Roads-Resurfacing (b)										
Asphalt & Concrete Pavement Total:		62,621				73,257				85,701
Drainage Improvements										
Drainage Shelves-Maintenance & Repair		9,115		9,859		10,663		11,533		12,475
Drainage Improvements Total:		9,115		9,859		10,663		11,533		12,475
Fencing & Barrier Walls										
Gate Operators-Replacement	21,911					26,658				
Perimeter Wall-Maintenance (C.M.U.)				23,661						
Wood Perimeter Fencing-Replacement										
Perimeter Fencing-Chain Link-Replacement										
Retention Pond Fencing-Chain Link-Replacement										
Wood Perimeter Fencing-Paint & Seal								21,683		
Entrance Gates-Replacement										
Metal Fencing & Gates-Replacement (Entries)										
Fencing & Barrier Walls Total:	21,911			23,661		26,658		21,683		
Lighting										
Street Lights-Replacement										
Lighting Total:										
Mailboxes & Signage										
Signage-Replacement						13,329				
Mailboxes-Replacement						74,643				
Mailboxes & Signage Total:						87,973				
Paint & Coatings										
Exterior Paint-Lighthouse	16,433									
Paint & Coatings Total:	16,433									

**Pointe Woodworth Homeowners Association
Annual Expenditure Spread Sheet**

Description	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Recreational Amenities										
Basketball Equipment-Replacement										
Picnic Assets-Replacement	5,478									
Basketball Court Fence-Replacement						17,275				
Basketball Court-Resurfacing										
Play Equipment-Replacement								279,687		
Recreational Amenities Total:	5,478					17,275		279,687		
Security Equipment										
Entrance Access Control Panels-Replacement										
Surveillance System-Replacement		22,788						27,725		
Security Equipment Total:		22,788						27,725		
Year Total:	43,822	94,523		33,520		215,826	27,725	312,903		98,175

**Pointe Woodworth Homeowners Association
Capital & Non-Capital Reserve Expenditures**

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Capital Expenditures								
Asphalt Path-Resurfacing (Park)	2002	2037	35	0	14	8,500 SF	2.70	22,950
Asphalt Roads-Resurfacing (a)	1998	2033	35	0	10	158,000 SF	2.70	426,600
Asphalt Roads-Resurfacing (b)	2002	2037	35	0	14	71,000 SF	2.70	191,700
Basketball Court Fence-Replacement	1998	2028	20	10	5	180 LF	36.00	6,480
Basketball Equipment-Replacement	1998	2023	15	10	0	1 Total	4,000.00	4,000
Entrance Access Control Panels-Replacement	1998	2023	15	10	0	2 EA	3,500.00	7,000
Entrance Gates-Replacement	1998	2033	25	10	10	2 EA	12,000.00	24,000
Gate Operators-Replacement	2008	2023	5	10	0	2 EA	5,000.00	10,000
Mailboxes-Replacement	1998	2028	20	10	5	14 EA	2,000.00	28,000
Metal Fencing & Gates-Replacement (Entries)	1998	2033	35	0	10	50 LF	85.00	4,250
Perimeter Fencing-Chain Link-Replacement	1998	2028	30	0	5	5,300 LF	18.00	95,400
Perimeter Wall-Maintenance (C.M.U.)	2006	2026	10	10	3	800 LF	12.00	9,600
Picnic Assets-Replacement	1997	2025	18	10	2	1 Total	2,500.00	2,500
Play Equipment-Replacement	2020	2035	15	0	12	1 Total	97,000.00	97,000
Retention Pond Fencing-Chain Link-Replacement	1998	2028	30	0	5	735 LF	18.00	13,230
Signage-Replacement	1998	2023	25	0	0	1 Total	5,000.00	5,000
Street Lights-Replacement	1998	2033	35	0	10	32 EA	3,200.00	102,400
Surveillance System-Replacement	2009	2024	5	10	1	1 Total	10,000.00	10,000
Wood Perimeter Fencing-Replacement	1997	2027	30	0	4	940 LF	48.00	45,120
Capital Expenditures - Total								\$1,105,230
Non-Capital Expenditures								
Asphalt Roads-Maintenance	2020	2024	4	0	1	229,000 SF	0.12	27,480
Basketball Court-Resurfacing	1998	2028	30	0	5	6,400 SF	2.25	14,400
Drainage Shelves-Maintenance & Repair	2012	2024	2	10	1	1 Total	4,000.00	4,000
Exterior Paint-Lighthouse	2006	2023	10	7	0	1 Total	7,500.00	7,500
Wood Perimeter Fencing-Paint & Seal	2020	2030	10	0	7	940 LF	8.00	7,520
Non-Capital Expenditures - Total								\$60,900
Total Asset Summary								\$1,166,130

**Pointe Woodworth Homeowners Association
Distribution of Accumulated Reserves**

Report Date July 20, 2013
 Beginning Fiscal Year January 01, 2023
 Account Number WA-1211-003

Version Number Level II Update

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Basketball Equipment-Replacement	0	2023	4,000	4,000
Signage-Replacement	0	2023	5,000	5,000
Entrance Access Control Panels-Replacement	0	2023	7,000	7,000
Exterior Paint-Lighthouse	0	2023	7,500	7,500
Gate Operators-Replacement	0	2023	10,000	10,000
Drainage Shelves-Maintenance & Repair	1	2024	3,667	3,667
Surveillance System-Replacement	1	2024	9,333	9,333
Asphalt Roads-Maintenance	1	2024	20,610	20,610
Picnic Assets-Replacement	2	2025	2,321	2,321
Perimeter Wall-Maintenance (C.M.U.)	3	2026	8,160	8,160
Wood Perimeter Fencing-Replacement	4	2027	39,104	39,104
Basketball Court Fence-Replacement	5	2028	5,400	5,400
Retention Pond Fencing-Chain Link-Replacement	5	2028	11,025	11,025
Basketball Court-Resurfacing	5	2028	12,000	12,000
Mailboxes-Replacement	5	2028	23,333	23,333
Perimeter Fencing-Chain Link-Replacement	5	2028	79,500	79,500
Wood Perimeter Fencing-Paint & Seal	7	2030	2,256	2,256
Metal Fencing & Gates-Replacement (Entries)	10	2033	3,036	3,036
Entrance Gates-Replacement	10	2033	17,143	17,143
Street Lights-Replacement	10	2033	73,143	73,143
Asphalt Roads-Resurfacing (a)	10	2033	* 172,538	304,714
Play Equipment-Replacement	12	2035		19,400
Asphalt Path-Resurfacing (Park)	14	2037		13,770
Asphalt Roads-Resurfacing (b)	14	2037		115,020
Total Asset Summary			\$516,069	\$796,435

''* Indicates Partially Funded

**Pointe Woodworth Homeowners Association
Component Detail Reports**

Report Date July 20, 2013
 Beginning Fiscal Year January 01, 2023
 Account Number WA-1211-003

Version Number Level II Update

Basketball Equipment-Replacement - 2023

		1 Total	@ \$4,000.00
Asset ID		Asset Actual Cost	\$4,000.00
	Capital Expenditures	Percent Replacement	100%
Category	Recreational Amenities	Future Cost	\$4,000.00
Placed in Service	January 1998	Assigned Reserves	\$4,000.00
Useful Life	15		
Adjustment	10	Annual Assessment	\$301.72
Replacement Year	2023	Interest Contribution	<u>\$1.97</u>
Remaining Life	0	Reserve Allocation	\$303.69

Entrance Access Control Panels-Replacement - 2023

		2 EA	@ \$3,500.00
Asset ID		Asset Actual Cost	\$7,000.00
	Capital Expenditures	Percent Replacement	100%
Category	Security Equipment	Future Cost	\$7,000.00
Placed in Service	January 1998	Assigned Reserves	\$7,000.00
Useful Life	15		
Adjustment	10	Annual Assessment	\$528.01
Replacement Year	2023	Interest Contribution	<u>\$3.45</u>
Remaining Life	0	Reserve Allocation	\$531.47

Exterior Paint-Lighthouse - 2023

		1 Total	@ \$7,500.00
Asset ID		Asset Actual Cost	\$7,500.00
	Non-Capital Expenditures	Percent Replacement	100%
Category	Paint & Coatings	Future Cost	\$7,500.00
Placed in Service	January 2006	Assigned Reserves	\$7,500.00
Useful Life	10		
Adjustment	7	Annual Assessment	\$704.98
Replacement Year	2023	Interest Contribution	<u>\$4.61</u>
Remaining Life	0	Reserve Allocation	\$709.59

**Pointe Woodworth Homeowners Association
Component Detail Reports**

Gate Operators-Replacement - 2023

Asset ID		2 EA	@ \$5,000.00
Capital Expenditures		Asset Actual Cost	\$10,000.00
Category	Fencing & Barrier Walls	Percent Replacement	100%
Placed in Service	January 2008	Future Cost	\$10,000.00
Useful Life	5	Assigned Reserves	\$10,000.00
Adjustment	10	Annual Assessment	\$1,561.74
Replacement Year	2023	Interest Contribution	<u>\$10.21</u>
Remaining Life	0	Reserve Allocation	\$1,571.95

Signage-Replacement - 2023

Asset ID		1 Total	@ \$5,000.00
Capital Expenditures		Asset Actual Cost	\$5,000.00
Category	Mailboxes & Signage	Percent Replacement	100%
Placed in Service	January 1998	Future Cost	\$5,000.00
Useful Life	25	Assigned Reserves	\$5,000.00
Replacement Year	2023	Annual Assessment	\$327.84
Remaining Life	0	Interest Contribution	<u>\$2.14</u>
		Reserve Allocation	\$329.98

Asphalt Roads-Maintenance - 2024

Asset ID		229,000 SF	@ \$0.12
Non-Capital Expenditures		Asset Actual Cost	\$27,480.00
Category	Asphalt & Concrete Pavement	Percent Replacement	100%
Placed in Service	January 2020	Future Cost	\$28,579.20
Useful Life	4	Assigned Reserves	\$20,610.00
Replacement Year	2024	Annual Assessment	\$5,101.75
Remaining Life	1	Interest Contribution	<u>\$120.95</u>
		Reserve Allocation	\$5,222.70

**Pointe Woodworth Homeowners Association
Component Detail Reports**

Drainage Shelves-Maintenance & Repair - 2024

		1 Total	@ \$4,000.00
Asset ID		Asset Actual Cost	\$4,000.00
Non-Capital Expenditures		Percent Replacement	100%
Category Drainage Improvements		Future Cost	\$4,160.00
Placed in Service	January 2012	Assigned Reserves	\$3,666.67
Useful Life	2		
Adjustment	10	Annual Assessment	\$309.25
Replacement Year	2024	Interest Contribution	<u>\$17.61</u>
Remaining Life	1	Reserve Allocation	\$326.85

Surveillance System-Replacement - 2024

		1 Total	@ \$10,000.00
Asset ID		Asset Actual Cost	\$10,000.00
Capital Expenditures		Percent Replacement	100%
Category Security Equipment		Future Cost	\$10,400.00
Placed in Service	January 2009	Assigned Reserves	\$9,333.33
Useful Life	5		
Adjustment	10	Annual Assessment	\$664.78
Replacement Year	2024	Interest Contribution	<u>\$44.01</u>
Remaining Life	1	Reserve Allocation	\$708.79

Picnic Assets-Replacement - 2025

		1 Total	@ \$2,500.00
Asset ID		Asset Actual Cost	\$2,500.00
Capital Expenditures		Percent Replacement	100%
Category Recreational Amenities		Future Cost	\$2,704.00
Placed in Service	January 1997	Assigned Reserves	\$2,321.43
Useful Life	18		
Adjustment	10	Annual Assessment	\$117.17
Replacement Year	2025	Interest Contribution	<u>\$10.63</u>
Remaining Life	2	Reserve Allocation	\$127.80

**Pointe Woodworth Homeowners Association
Component Detail Reports**

Perimeter Wall-Maintenance (C.M.U.) - 2026

		800 LF	@ \$12.00
Asset ID	Capital Expenditures	Asset Actual Cost	\$9,600.00
Category	Fencing & Barrier Walls	Percent Replacement	100%
Placed in Service	January 2006	Future Cost	\$10,798.69
Useful Life	10	Assigned Reserves	\$8,160.00
Adjustment	10	Annual Assessment	\$544.48
Replacement Year	2026	Interest Contribution	<u>\$38.24</u>
Remaining Life	3	Reserve Allocation	\$582.72

Wood Perimeter Fencing-Replacement - 2027

		940 LF	@ \$48.00
Asset ID	Capital Expenditures	Asset Actual Cost	\$45,120.00
Category	Fencing & Barrier Walls	Percent Replacement	100%
Placed in Service	January 1997	Future Cost	\$52,784.02
Useful Life	30	Assigned Reserves	\$39,104.00
Replacement Year	2027	Annual Assessment	\$2,092.12
Remaining Life	4	Interest Contribution	<u>\$179.87</u>
		Reserve Allocation	\$2,271.99

The useful life of the wood fence was increased from 20 to 30 years based on the 2022 onsite assessment.

Basketball Court Fence-Replacement - 2028

		180 LF	@ \$36.00
Asset ID	Capital Expenditures	Asset Actual Cost	\$6,480.00
Category	Recreational Amenities	Percent Replacement	100%
Placed in Service	January 1998	Future Cost	\$7,883.91
Useful Life	20	Assigned Reserves	\$5,400.00
Adjustment	10	Annual Assessment	\$303.99
Replacement Year	2028	Interest Contribution	<u>\$24.94</u>
Remaining Life	5	Reserve Allocation	\$328.93

**Pointe Woodworth Homeowners Association
Component Detail Reports**

Basketball Court-Resurfacing - 2028

		6,400 SF	@ \$2.25
Asset ID		Asset Actual Cost	\$14,400.00
Non-Capital Expenditures		Percent Replacement	100%
Category	Recreational Amenities	Future Cost	\$17,519.80
Placed in Service	January 1998	Assigned Reserves	\$12,000.00
Useful Life	30		
Replacement Year	2028	Annual Assessment	\$675.53
Remaining Life	5	Interest Contribution	<u>\$55.42</u>
		Reserve Allocation	\$730.95

Mailboxes-Replacement - 2028

		14 EA	@ \$2,000.00
Asset ID		Asset Actual Cost	\$28,000.00
Capital Expenditures		Percent Replacement	100%
Category	Mailboxes & Signage	Future Cost	\$34,066.28
Placed in Service	January 1998	Assigned Reserves	\$23,333.33
Useful Life	20		
Adjustment	10	Annual Assessment	\$1,313.53
Replacement Year	2028	Interest Contribution	<u>\$107.75</u>
Remaining Life	5	Reserve Allocation	\$1,421.29

Perimeter Fencing-Chain Link-Replacement - 2028

		5,300 LF	@ \$18.00
Asset ID		Asset Actual Cost	\$95,400.00
Capital Expenditures		Percent Replacement	100%
Category	Fencing & Barrier Walls	Future Cost	\$116,068.69
Placed in Service	January 1998	Assigned Reserves	\$79,500.00
Useful Life	30		
Replacement Year	2028	Annual Assessment	\$4,475.39
Remaining Life	5	Interest Contribution	<u>\$367.13</u>
		Reserve Allocation	\$4,842.53

**Pointe Woodworth Homeowners Association
Component Detail Reports**

Retention Pond Fencing-Chain Link-Replacement - 2028

		735 LF	@ \$18.00
Asset ID	Capital Expenditures	Asset Actual Cost	\$13,230.00
Category	Fencing & Barrier Walls	Percent Replacement	100%
Placed in Service	January 1998	Future Cost	\$16,096.32
Useful Life	30	Assigned Reserves	\$11,025.00
Replacement Year	2028	Annual Assessment	\$620.64
Remaining Life	5	Interest Contribution	<u>\$50.91</u>
		Reserve Allocation	\$671.56

Wood Perimeter Fencing-Paint & Seal - 2030

		940 LF	@ \$8.00
Asset ID	Non-Capital Expenditures	Asset Actual Cost	\$7,520.00
Category	Fencing & Barrier Walls	Percent Replacement	100%
Placed in Service	January 2020	Future Cost	\$9,895.81
Useful Life	10	Assigned Reserves	\$2,256.00
Replacement Year	2030	Annual Assessment	\$691.30
Remaining Life	7	Interest Contribution	<u>\$14.11</u>
		Reserve Allocation	\$705.41

Asphalt Roads-Resurfacing (a) - 2033

		158,000 SF	@ \$2.70
Asset ID	Capital Expenditures	Asset Actual Cost	\$426,600.00
Category	Asphalt & Concrete Pavement	Percent Replacement	100%
Placed in Service	January 1998	Future Cost	\$631,472.21
Useful Life	35	Assigned Reserves	\$172,537.81
Replacement Year	2033	Annual Assessment	\$28,668.37
Remaining Life	10	Interest Contribution	<u>\$920.72</u>
		Reserve Allocation	\$29,589.09

The useful life of the asphalt was increased from 30 to 35 years based on the 2022 onsite assessment.

**Pointe Woodworth Homeowners Association
Component Detail Reports**

Entrance Gates-Replacement - 2033

Asset ID		2 EA	@ \$12,000.00
Capital Expenditures		Asset Actual Cost	\$24,000.00
Category	Fencing & Barrier Walls	Percent Replacement	100%
Placed in Service	January 1998	Future Cost	\$35,525.86
Useful Life	25	Assigned Reserves	\$17,142.86
Adjustment	10	Annual Assessment	\$1,120.19
Replacement Year	2033	Interest Contribution	<u>\$80.18</u>
Remaining Life	10	Reserve Allocation	\$1,200.37

Metal Fencing & Gates-Replacement (Entries) - 2033

Asset ID		50 LF	@ \$85.00
Capital Expenditures		Asset Actual Cost	\$4,250.00
Category	Fencing & Barrier Walls	Percent Replacement	100%
Placed in Service	January 1998	Future Cost	\$6,291.04
Useful Life	35	Assigned Reserves	\$3,035.71
Replacement Year	2033	Annual Assessment	\$198.37
Remaining Life	10	Interest Contribution	<u>\$14.20</u>
		Reserve Allocation	\$212.57

The useful life of the metal fencing was increased from 30 to 35 years based on the 2022 onsite assessment.

Street Lights-Replacement - 2033

Asset ID		32 EA	@ \$3,200.00
Capital Expenditures		Asset Actual Cost	\$102,400.00
Category	Lighting	Percent Replacement	100%
Placed in Service	January 1998	Future Cost	\$151,577.01
Useful Life	35	Assigned Reserves	\$73,142.86
Replacement Year	2033	Annual Assessment	\$4,779.47
Remaining Life	10	Interest Contribution	<u>\$342.11</u>
		Reserve Allocation	\$5,121.58

**Pointe Woodworth Homeowners Association
Component Detail Reports**

Play Equipment-Replacement - 2035

Asset ID		1 Total	@ \$97,000.00
Capital Expenditures		Asset Actual Cost	\$97,000.00
Category	Recreational Amenities	Percent Replacement	100%
Placed in Service	January 2020	Future Cost	\$155,300.12
Useful Life	15	Assigned Reserves	<i>none</i>
Replacement Year	2035	Annual Assessment	\$8,183.11
Remaining Life	12	Interest Contribution	<u>\$53.50</u>
		Reserve Allocation	\$8,236.61

In 2020 the Association spend \$97,000 on playground equipment replacement and related improvements to the playground area.

Asphalt Path-Resurfacing (Park) - 2037

Asset ID		8,500 SF	@ \$2.70
Capital Expenditures		Asset Actual Cost	\$22,950.00
Category	Asphalt & Concrete Pavement	Percent Replacement	100%
Placed in Service	January 2002	Future Cost	\$39,741.97
Useful Life	35	Assigned Reserves	<i>none</i>
Replacement Year	2037	Annual Assessment	\$1,787.27
Remaining Life	14	Interest Contribution	<u>\$11.69</u>
		Reserve Allocation	\$1,798.96

The useful life of the asphalt was increased from 30 to 35 years based on the 2022 onsite assessment.

Asphalt Roads-Resurfacing (b) - 2037

Asset ID		71,000 SF	@ \$2.70
Capital Expenditures		Asset Actual Cost	\$191,700.00
Category	Asphalt & Concrete Pavement	Percent Replacement	100%
Placed in Service	January 2002	Future Cost	\$331,962.37
Useful Life	35	Assigned Reserves	<i>none</i>
Replacement Year	2037	Annual Assessment	\$14,928.97
Remaining Life	14	Interest Contribution	<u>\$97.60</u>
		Reserve Allocation	\$15,026.58

The useful life of the asphalt was increased from 30 to 35 years based on the 2022 onsite assessment.

Pointe Woodworth Homeowners Association

Glossary

Abbreviations

Btu – British thermal unit

CFM – Cubic feet per minute

CY – Cubic yard

EA – Each

FYE – Fiscal year end or fiscal year ending

GPM – Gallons per minute

LBS – Pounds

LF – Lineal foot

MBH – Thousand Btu per hour

NCE – National Construction Estimator CostBooks® construction cost estimating database

RSM – RS Means CostWorks® construction cost estimating database

SF – Square foot

SQ – 100 square feet (commonly used unit of measure for shingle roofing)

SY – Square yard

TSF – Total square feet

YR – Year

Reserve Study Terms

Accumulated Reserves -The accumulated reserves are the funds available to pay for reserve expenditures as of the first day of the current budget cycle. The accumulated reserve balance may or may not include the reserve contribution for the current year depending on whether the reserve contribution is made at the beginning of the budget year or throughout the course of the year. The terms beginning balance and starting balance are also used in some reserve studies.

Capital Expense – For the purposes of this reserve funding analysis The AICPA definition of capital expense shall apply as follows: Funds expended for improvements, or major repairs or replacements, or improvements of property components that extend their useful lives or service periods.

Cash Flow Funding – Cash flow funding is a reserve funding model which is designed to generate sufficient cash flow to pay for the reserve expenditures set forth in the reserve study as opposed to a funding schedule that accumulates reserves in correlation with the rate at which the capital assets are losing value due to depreciation. Under a cash flow funding model, the accumulated reserves at any point in time may or may not offset the asset value that has been lost to depreciation. When the accumulated reserve fund balance is equal to or greater than the value that has been lost to depreciation, the reserves are said to be fully funded or 100% funded.

Common Elements - Common Elements are the assets and improvements that are commonly owned by the members of the Association and which are maintained, repaired, and replaced at the Association's expense. Common elements may be limited common elements, meaning they are used by some but not all association members, or they may be a general common element, which means they are intended for the use and benefit of all association members.

Component – In the context of reserve planning a component is an expense identified in the reserve study that will be paid for with funds from the reserve account.

Component Funding – Component Funding is a funding method which allocates reserves to each component based on the projected replacement cost and remaining life expectancy as of the beginning date of the current

Pointe Woodworth Homeowners Association Glossary

fiscal reporting period. The projected replacement cost is then amortized over the remaining life expectancy of the component and the accumulated reserves are allocated by dividing the future replacement cost by the number of years remaining until replacement is scheduled to occur.

Component Funding utilizes a different math model from that which is used to calculate Cash Flow Funding Projections and is therefore considered an alternative reserve funding methodology to Cash Flow Funding. Component Funding is typically utilized when the goal is to generate annual reserve contributions which offset the loss in value associated with the depreciation of the components which are the subject of the funding analysis.

Component Inventory – A list of all components included in the replacement reserve funding schedule.

Current Assessment Funding Model - Current Assessment Funding is a cash flow funding method which begins with a first-year reserve contribution equal to the current annual reserve contribution which has been scheduled by the Association or an amount specified by the Board of Directors or the Reserve Specialist®.

Current Assessment Funding is often used when an Association has already approved the annual reserve contribution for the upcoming budget year; or when it is necessary to specify the reserve fund contribution rather than allowing the reserve study software to calculate the contribution.

Effective Age – The effective age is the difference between useful life expectancy and the remaining useful life of a component. The effective age is not always equivalent to the chronological age of the component due to the tendency for similar components to age at differing rates because of unique characteristics of the individual components.

Expected Useful Life (EUL) - The generally accepted life expectancy of a component from the time it is placed into service as a new component until the time when major renovation, renewal or replacement of the component is required in order to maintain the quality, performance and usefulness of the component.

Financial Analysis – The section of the reserve study which analyzes the current and future financial implications of the reserve funding obligations set forth in the study. The current analysis provides information regarding the current reserve fund status as of the first day of the current reporting period. The future analysis addresses the financial obligations established by the reserve study based on the future component expenditures and replacement schedules set forth in the study.

Fiscal Year – An accounting term used to describe a one-year reporting cycle other than a January 1-December 31 cycle (calendar year), although the term “fiscal year” is often used to describe any one-year financial reporting cycle, including a calendar year reporting cycle. The fiscal year is identified by the year when the reporting cycle ends. Hence, if the fiscal year ends on June 30th, then the fiscal year ending on June 30, 2020 is referred to as the 2020 fiscal year or fiscal year 2020 (FY2020).

Fully Funded Balance – The term Fully Funded means that the amount of money allocated to pay for each funded reserve expense is equal to the amount derived from the following formula:

Fully Funded = PV x CA / EUL.

Where PV = present value; CA = current age; and EUL = expected useful life.

The Fully Funded balance is the cumulative amount required to achieve Full Funding for all of the components included in the replacement reserve funding schedule. The present value is always the future replacement cost adjusted for inflation as of the beginning date of the current reserve study. This concept is explained in more

Pointe Woodworth Homeowners Association Glossary

detail under the definition of Percent Funded.

It is important to note that full funding does not mean that 100% of the projected replacement cost is available to pay for the expense in question at any particular point in time. Rather it means the current level of funding is equal to the value of the component or components that has been lost to depreciation. If a component is projected to cost \$20,000 to replace and it has a 20-year life expectancy, then it will depreciate at the rate of \$1,000 per year. At year 10, the component will have lost \$10,000 of its economic value and hence the allocated reserves at the end of the 10th year would need to be \$10,000 in order for the component to be Fully Funded.

Funding Projection – A schedule which projects the annual reserve funding contributions required to meet the reserve funding requirements set forth in the reserve study. When the reserve funding projection begins with the first day of the current reporting period, the reserve study is said to be current. The reserve funding projections contained in most studies encompass a period of 30 years but can encompass any number of years.

Financial Analysis – The section of the reserve funding study which analyzes the current and future financial implications of the reserve funding obligations presented in the study. The current analysis provides information regarding the current reserve fund status as of the first day of the current reporting period. The future analysis discusses the financial obligations implied by the reserve funding study based on the future component expenditures and replacement schedules set forth in the study.

Funding Velocity – Funding Velocity is a dynamic value utilized when Component Funding is used to generate the annual reserve funding projection. The Funding Velocity influences the percent funded level and determines how quickly the reserve fund will reach Fully Funded status; with 100% used as a baseline. If a Funding Velocity greater than 100% is required to achieve a Fully Funded reserve fund balance, the current funding levels would be considered low. If a Funding Velocity less than 100% is sufficient to accomplish full funding of the reserve account, then the current funding levels are considered strong. The degree to which the Funding Velocity deviates from 100% is considered a relative measurement of the strength of an Association's reserve funding plan.

Legacy Systems – Also referred to as legacy components, the term refers to a class of commonly-owned assets that date to the original construction of the development and which are typically expected to achieve a useful service life that is beyond 30 years. In some cases, the service life of legacy systems may be significantly longer than 30 years. In those instances where the life expectancy of the component exceeds 40 to 50, the years the need to replace or renew the component may only occur one time in the course of a 100-year period.

Percent Funded Level - The percent funded level measures the relationship between the accumulated reserves and amount of money required to achieve a Fully Funded reserve account at a given point in time. A Fully Funded reserve account occurs when the accumulated reserves are equal to the of the components that has been lost to depreciation.

When the reserve account is Fully Funded the percent funded level is 100%. Therefore, if 100% represents a Fully Funded level of reserves, then a reserve fund which is 60% funded would contain actual cash reserves equal to 60% of the amount necessary to be 100% funded.

To calculate the percent funded level for a reserve fund containing more than one component expenditure this calculation is performed for each component and the sum total is the amount required to achieve Full Funding. Hence, the percent funded level for a typical reserve fund represents an average of the percent funded level for all of the components that are included in the reserve funding analysis.

Pointe Woodworth Homeowners Association Glossary

Physical Analysis – The physical analysis includes four elements: development of the component inventory; conducting the condition assessment; determining the remaining useful life of the components; and preparing a replacement cost analysis. The information obtained while conducting the physical analysis is the primary data that determines the reserve funding schedule established in the reserve funding study.

Baseline Property Condition Assessment – A baseline property condition assessment (PCA) is a walk-through survey conducted for the purpose of establishing the current physical condition and remaining life expectancy of the assets and improvements which are the subject of the inspection. The written report that results from a PCA is known as a Property Condition Report or PCR.

A Baseline Property Condition Assessment that meets the ASTM E2018-08 standard will also identify physical deficiencies in the subject property and includes an examination of construction documents and interviews with property managers, maintenance personnel and other individuals who possess specific knowledge about the subject property for the purpose of gaining additional insight into the physical condition and maintenance requirements for the property. The document is referred to as a Baseline Property Condition Assessment report.

Remaining Useful Life (RUL) - The remaining life is the number of years that remain until a component reaches the end of its service life or until major renovation or renewal of the component is expected to be required. The remaining useful life analysis is used to develop the schedule of reserve fund expenditures that appears in the reserve study.

Replacement Reserves - Replacement reserves are funds collected from Association members that will be used to pay for repair and replacement of common area components according to the repair and replacement schedules contained in the reserve study. These funds should be held in a separate account and not co-mingled with operating funds.

Statutory Funding – Funding of the reserve account at a level required by local or state statutes. As of 2017 the only state with a statutory funding requirement for homeowner associations is Hawaii. In the aftermath of the collapse of the Champlain Tower condominium in Surfside, FL (June 2021), it is expected that many states will adopt the policy recommendations of the Community Association Institute with respect to mandatory reserve funding.

Threshold Funding Method – Threshold funding is a cash flow funding model that allows the Reserve Specialist® to specify a minimum balance for the Association's reserve account and creates a funding projection which results in the fund balance never dropping below the predetermined minimum balance. The minimum fund balance established for the fund is known as the funding threshold.

Transition Inspection – The inspection of Association property at or near the time period when control of the Board of Directors passes from the Declarant to a board comprised of unit owners other than the original declarant. The transition inspection is an extremely important process which should be undertaken by a qualified architect or engineer to ensure the interests of the community are protected. The statute of limitations concerning construction defects varies from one jurisdiction to another. The Association's right to legal recourse for defective products and installations may be compromised if they fail to document the current condition of their property during this transitional period. In addition, warranties in effect could be impacted by the failure to perform timely inspections of components under warranty.

**Pointe Woodworth Homeowners Association
Component Detail Report Index**

Asset ID Description	Replacement	Page
Asphalt & Concrete Pavement		
Asphalt Roads-Maintenance	2024	A-3
Asphalt Roads-Resurfacing (a)	2033	A-7
Asphalt Path-Resurfacing (Park)	2037	A-9
Asphalt Roads-Resurfacing (b)	2037	A-9
Drainage Improvements		
Drainage Shelves-Maintenance & Repair	2024	A-4
Fencing & Barrier Walls		
Gate Operators-Replacement	2023	A-3
Perimeter Wall-Maintenance (C.M.U.)	2026	A-5
Wood Perimeter Fencing-Replacement	2027	A-5
Perimeter Fencing-Chain Link-Replacement	2028	A-6
Retention Pond Fencing-Chain Link-Replacement	2028	A-7
Wood Perimeter Fencing-Paint & Seal	2030	A-7
Entrance Gates-Replacement	2033	A-8
Metal Fencing & Gates-Replacement (Entries)	2033	A-8
Lighting		
Street Lights-Replacement	2033	A-8
Mailboxes & Signage		
Signage-Replacement	2023	A-3
Mailboxes-Replacement	2028	A-6
Paint & Coatings		
Exterior Paint-Lighthouse	2023	A-2
Recreational Amenities		
Basketball Equipment-Replacement	2023	A-2
Picnic Assets-Replacement	2025	A-4
Basketball Court Fence-Replacement	2028	A-5
Basketball Court-Resurfacing	2028	A-6
Play Equipment-Replacement	2035	A-9

**Pointe Woodworth Homeowners Association
Component Detail Report Index**

Asset ID Description	Replacement	Page
Security Equipment		
Entrance Access Control Panels-Replacement	2023	A-2
Surveillance System-Replacement	2024	A-4
Total Funded Assets	24	
Total Unfunded Assets	<u>0</u>	
Total Assets	24	

**Pointe Woodworth Homeowners Association
Baseline Funding Projection Summary - 2023**

Report Date	July 20, 2013
Account Number	WA-1211-003
Version	Level II Update
Budget Year Beginning	January 1, 2023
Budget Year Ending	December 31, 2023
Total Units	180
Phase Development	1 of 1

Report Parameters	
Inflation	4.00%
Interest Rate on Reserve Deposit	0.50%
Tax Rate on Interest	15.00%
2023 Beginning Balance	\$516,069

Percent Funded Analysis: The percent funded levels under the 30-Year Reserve Funding Projection assume that reserve spending/funding activity will be consistent with the schedule set forth in the reserve study. The beginning reserve fund balance indicated above, will result in the following percent funded levels as of 1/1/2023:

- Current percent funded level: 64% - as of 1/1/2023.
- Highest percent funded level: 71%
- Lowest percent funded level: 0%.

The Baseline Funding Projection included in this reserve study represents the contribution schedule required to meet the reserve obligations set forth in this reserve study for the next 30 years while maintaining a year-end reserve fund balance equal to or greater than **\$0.00**.

Cash Flow Funding & Depreciation: Cash flow funding models may or may not result in the accumulation of reserves at a rate which is sufficient to offset the loss in value of the common elements due to depreciation. In order for the reserves to offset 100% of the economic value that is lost through depreciation, the percent funded level at the end of the fiscal year must be 100% or more.

Non-Scheduled Spending: The reserve funding analysis assumes reserve funds will only be spent to pay for expenditures that are identified in the reserve study as reserve fund expenditures. If funds are borrowed from the reserve fund, they must be repaid with interest that is equal to or greater than the interest rate assumed in the reserve study. If funds are used to pay for expenditures that are not identified as reserve fund expenditures, the Association may not have sufficient reserves to pay for expenditures when they are scheduled to occur.

Current Assessment Funding Model Summary of Calculations	
Required Annual Contribution	\$80,000.00
<i>\$444.44 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$2,390.92</u>
Total Annual Allocation to Reserves	\$82,390.92
<i>\$457.73 per unit annually</i>	

**Pointe Woodworth Homeowners Association
Baseline Funding Model Projection - 2023**

Report Date July 20, 2013
 Beginning Fiscal Year January 01, 2023
 Account Number WA-1211-003

Version Number Level II Update

Beginning Balance: \$516,069

Beginning Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2023	1,166,130	80,000	2,391	33,500	564,960	843,529	67%
2024	1,212,775	80,000	2,558	43,139	604,378	887,729	68%
2025	1,261,286	80,000	2,897	2,704	684,572	978,018	70%
2026	1,311,738	80,000	3,184	15,298	752,458	1,061,687	71%
2027	1,364,207	84,000	3,331	52,784	787,004	1,112,135	71%
2028	1,418,775	88,200	2,691	242,102	635,793	970,953	65%
2029	1,475,526	92,610	3,042	12,653	718,792	1,065,394	67%
2030	1,534,548	97,240	3,404	15,160	804,277	1,163,758	69%
2031	1,595,929	102,103	3,852		910,231	1,284,682	71%
2032	1,659,767	107,208	4,134	44,806	976,767	1,366,820	71%
2033	1,726,157	112,568	1,014	850,770	239,578	617,557	39%
2034	1,795,204	118,196	1,429	21,552	337,651	703,944	48%
2035	1,867,012	124,106	1,302	155,300	307,760	658,054	47%
2036	1,941,692	130,312	1,571	68,401	371,241	704,201	53%
2037	2,019,360	463		371,704	0	440,397	0%
2038	2,100,134	50,000	21	45,024	4,998	509,573	1%
2039	2,184,140	52,500	165	18,730	38,933	612,798	6%
2040	2,271,505	55,125	77	75,968	18,166	664,716	3%
2041	2,362,365	57,881	323		76,371	801,974	10%
2042	2,456,860	60,775	547	8,427	129,266	940,385	14%
2043	2,555,134	63,814	634	43,822	149,892	1,052,125	14%
2044	2,657,340	67,005	520	94,523	122,893	1,120,394	11%
2045	2,763,633	70,355	821		194,070	1,294,677	15%
2046	2,874,179	73,873	996	33,520	235,419	1,446,250	16%
2047	2,989,146	77,566	1,330		314,315	1,644,132	19%
2048	3,108,712	81,445	765	215,826	180,699	1,631,072	11%
2049	3,233,060	85,517	1,014	27,725	239,504	1,818,940	13%
2050	3,362,383	160,000	368	312,903	86,969	1,723,795	5%
2051	3,496,878	168,000	1,084		256,053	1,956,565	13%
2052	3,636,753	176,400	1,421	98,175	335,699	2,103,096	16%

**Pointe Woodworth Homeowners Association
Fully Funded Summary - 2023**

Report Date	July 20, 2013
Account Number	WA-1211-003
Version	Level II Update
Budget Year Beginning	January 1, 2023
Budget Year Ending	December 31, 2023
Total Units	180
Phase Development	1 of 1

Report Parameters	
Inflation	4.00%
Interest Rate on Reserve Deposit	0.50%
Tax Rate on Interest	15.00%
2023 Beginning Balance	\$516,069

Percent Funded Analysis: The percent funded levels under the 30-Year Reserve Funding Projection assume that reserve spending/funding activity will be consistent with the schedule set forth in the reserve study. The beginning reserve fund balance indicated above, will result in the following percent funded levels as of 1/1/2023:

- Current percent funded level: 64% - as of 1/1/2023.
- Highest percent funded level: 100%
- Lowest percent funded level: 100%.

The 30-Year Reserve Funding Projection included in this reserve study represents the contribution schedule required to meet the reserve obligations set forth in this reserve study for the next 30 years while maintaining a minimum percent funded threshold of 100%.

Cash Flow Funding & Depreciation: Cash flow funding models may or may not result in the accumulation of reserves at a rate which is sufficient to offset the loss in value of the common elements due to depreciation. In order for the reserves to offset 100% of the economic value that is lost through depreciation, the percent funded level at the end of the fiscal year must be 100% or more.

Non-Scheduled Spending: The reserve funding analysis assumes reserve funds will only be spent to pay for expenditures that are identified in the reserve study as reserve fund expenditures. If funds are borrowed from the reserve fund, they must be repaid with interest that is equal to or greater than the interest rate assumed in the reserve study. If funds are used to pay for expenditures that are not identified as reserve fund expenditures, the Association may not have sufficient reserves to pay for expenditures when they are scheduled to occur.

Current Assessment Funding Model Summary of Calculations	
Required Annual Contribution	\$360,000.00
<i>\$2,000.00 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$3,580.92</u>
Total Annual Allocation to Reserves	\$363,580.92
<i>\$2,019.89 per unit annually</i>	

**Pointe Woodworth Homeowners Association
Fully Funded Reserve Projection (100% Funded) - 2023**

Report Date July 20, 2013
 Beginning Fiscal Year January 01, 2023
 Account Number WA-1211-003

Version Number Level II Update

Beginning Balance: \$516,069

Beginning Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2023	1,166,130	360,000	3,581	33,500	846,150	843,529	100%
2024	1,212,775	85,000	3,774	43,139	891,785	887,729	100%
2025	1,261,286	87,550	4,151	2,704	980,781	978,018	100%
2026	1,311,738	90,176	4,487	15,298	1,060,146	1,061,687	100%
2027	1,364,207	94,685	4,684	52,784	1,106,731	1,112,135	100%
2028	1,418,775	99,420	4,097	242,102	968,146	970,953	100%
2029	1,475,526	104,391	4,505	12,653	1,064,388	1,065,394	100%
2030	1,534,548	109,610	4,925	15,160	1,163,764	1,163,758	100%
2031	1,595,929	115,091	5,435		1,284,290	1,284,682	100%
2032	1,659,767	120,845	5,781	44,806	1,366,110	1,366,820	100%
2033	1,726,157	100,000	2,615	850,770	617,955	617,557	100%
2034	1,795,204	105,000	2,981	21,552	704,384	703,944	100%
2035	1,867,012	107,100	2,789	155,300	658,972	658,054	100%
2036	1,941,692	109,242	2,974	68,401	702,787	704,201	100%
2037	2,019,360	108,000	1,866	371,704	440,949	440,397	100%
2038	2,100,134	110,160	2,151	45,024	508,236	509,573	100%
2039	2,184,140	118,000	2,582	18,730	610,088	612,798	100%
2040	2,271,505	125,000	2,801	75,968	661,922	664,716	100%
2041	2,362,365	135,000	3,387		800,309	801,974	100%
2042	2,456,860	140,000	3,960	8,427	935,842	940,385	100%
2043	2,555,134	155,000	4,450	43,822	1,051,469	1,052,125	100%
2044	2,657,340	158,100	4,739	94,523	1,119,785	1,120,394	100%
2045	2,763,633	165,000	5,460		1,290,245	1,294,677	100%
2046	2,874,179	179,000	6,102	33,520	1,441,827	1,446,250	100%
2047	2,989,146	188,000	6,927		1,636,753	1,644,132	100%
2048	3,108,712	198,000	6,880	215,826	1,625,808	1,631,072	100%
2049	3,233,060	205,000	7,663	27,725	1,810,746	1,818,940	100%
2050	3,362,383	215,000	7,280	312,903	1,720,123	1,723,795	100%
2051	3,496,878	225,000	8,267		1,953,389	1,956,565	100%
2052	3,636,753	230,000	8,862	98,175	2,094,076	2,103,096	100%