

LEVEL 2 REPLACEMENT RESERVE REPORT FY 2020 KINGS PARK WEST COMMUNITY ASSOCIATION

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KINGS PARK WEST COMMUNITY ASSOCIATION



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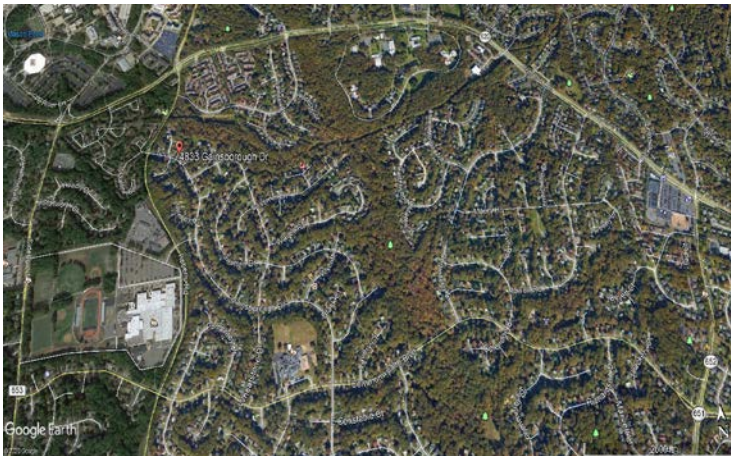
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REPLACEMENT RESERVE REPORT

KINGS PARK WEST COMMUNITY ASSOCIATION

FAIRFAX, VIRGINIA
September 25, 2020
Revised November 3, 2020



Description. Kings Park West Community Association is a Community Association located in Fairfax, Virginia. The community consists of 580 single-family homes. The survey examined the common elements of the property, including:

- Entry monuments
- Concrete and asphalt paths
- Community signage

Level of Service. This study has been performed as a Level 2 Update with Site Visit/On-Site Review as defined by the Community Associations Institute's, National Reserve Study Standards. As such, the component inventory is based on the study that was performed by Unknown study publisher in 2015. This inventory was adjusted to reflect changes provided by the Community Manager and/or the Board of Directors, or adjustments made based on the site visit and visual assessment performed by the Analyst. The analysis, including fund status and funding plan, is developed from the adjusted inventory.

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

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

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

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

- The Request for Proposal submitted and executed by the Association.
- Miller+Dodson performed a visual evaluation on September 25, 2020 to determine a remaining useful life and replacement cost for the commonly owned elements of this facility.
- This study contains additional recommendations to address inflation for the Cash Flow Method only. For this recommendation, Miller+Dodson uses the Producers Price Index (PPI), which gauges inflation in manufacturing and construction. Please see page A5 for further details.

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

Current Funding. This reserve study has been prepared for Fiscal Year 2020 covering the period from July 1, 2020 to June 30, 2021. The Replacement Reserves on deposit as of July 1, 2020 are reported to be \$19,886. The reported current annual funding for reserves is \$1,000.

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

Acknowledgment. Miller+Dodson Associates would like to acknowledge the assistance and input of Barbara Keith, Property Manager, Burke Community Mgmt. Group who provided very helpful insight into the current operations of the property.

Analyst's Credentials. Ms. Donna Hylton holds a Bachelors Degree in Accounting, a Masters Degree in Business Administration (concentrating in Management Science), and a Masters Degree in Industrial Engineering and Operations Research, all from Virginia Tech. Ms. Hylton has over 20 years of experience in cost analysis and in systems design and testing, primarily as a contractor for the U.S. Army. She also has experience in landscape design, building, and maintaining hardscape structures. Donna is currently a Reserve Analyst for Miller+Dodson Associates.

Respectfully Submitted,



Donna Hylton
Donna Hylton

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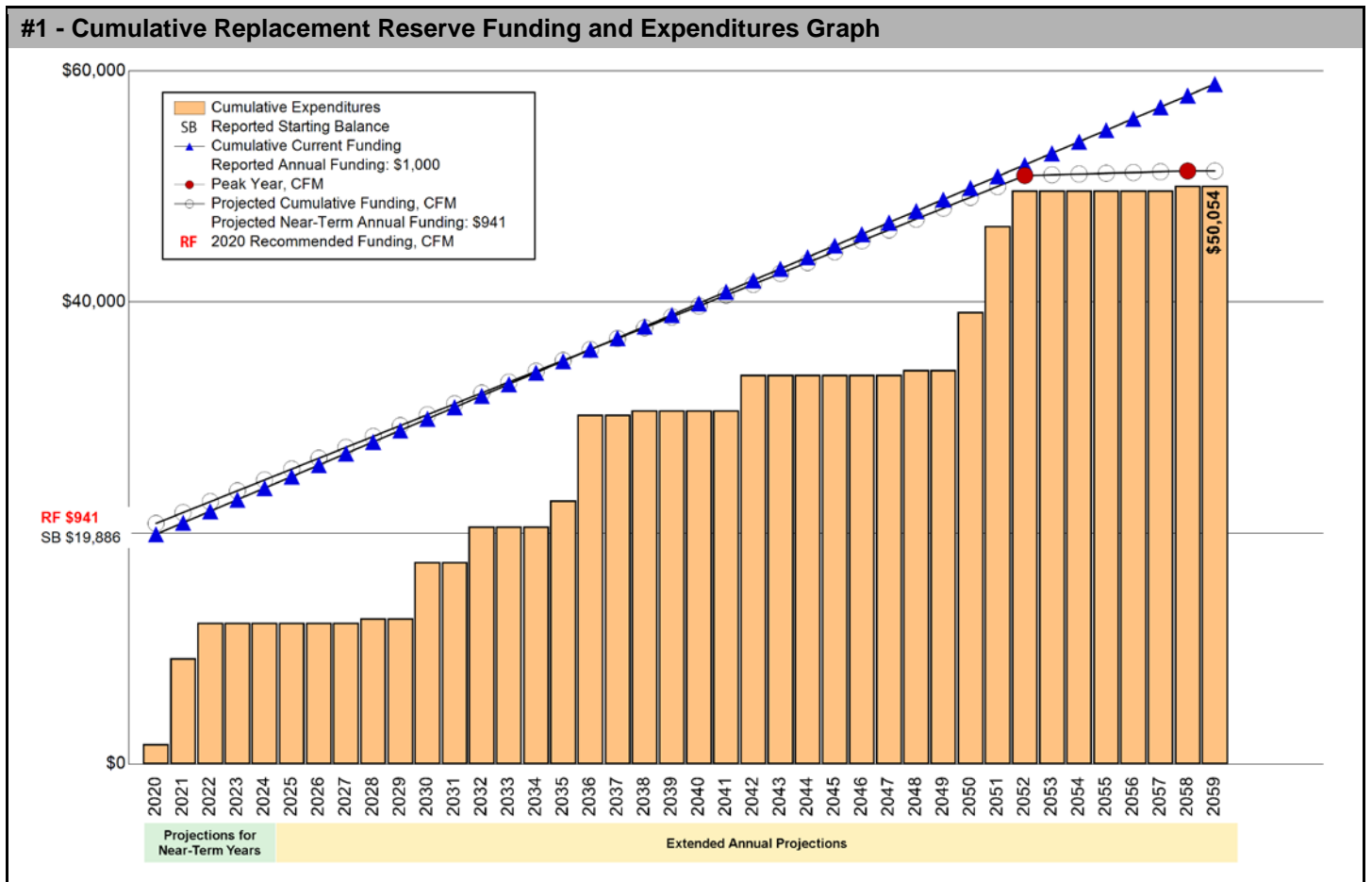
EXECUTIVE SUMMARY

The Kings Park West Community Association Replacement Reserve Analysis uses the Cash Flow Method (CFM) to calculate Replacement Reserve funding for the periodic replacement of the 10 Projected Replacements identified in the Replacement Reserve Inventory.

\$941 RECOMMENDED REPLACEMENT RESERVE FUNDING FOR THE STUDY YEAR, 2020
 \$0.14 Per unit (average), minimum monthly funding of Replacement Reserves

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

Kings Park West Community Association reports a Starting Balance of \$19,886 and Annual Funding totaling \$1,000. The reported Current Annual Funding of \$1,000 adequately funds projected replacements for the near-term years. See Page A.3 for a more detailed evaluation.



The Current Funding Objective as calculated by the Component Method (Fully Funded) is \$18,349 making the reserve account 108.4% funded. See the Appendix for more information on this method.

REPLACEMENT RESERVE ANALYSIS - GENERAL INFORMATION

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

2020 | STUDY YEAR

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

40 Years | STUDY PERIOD

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

\$19,886 | STARTING BALANCE

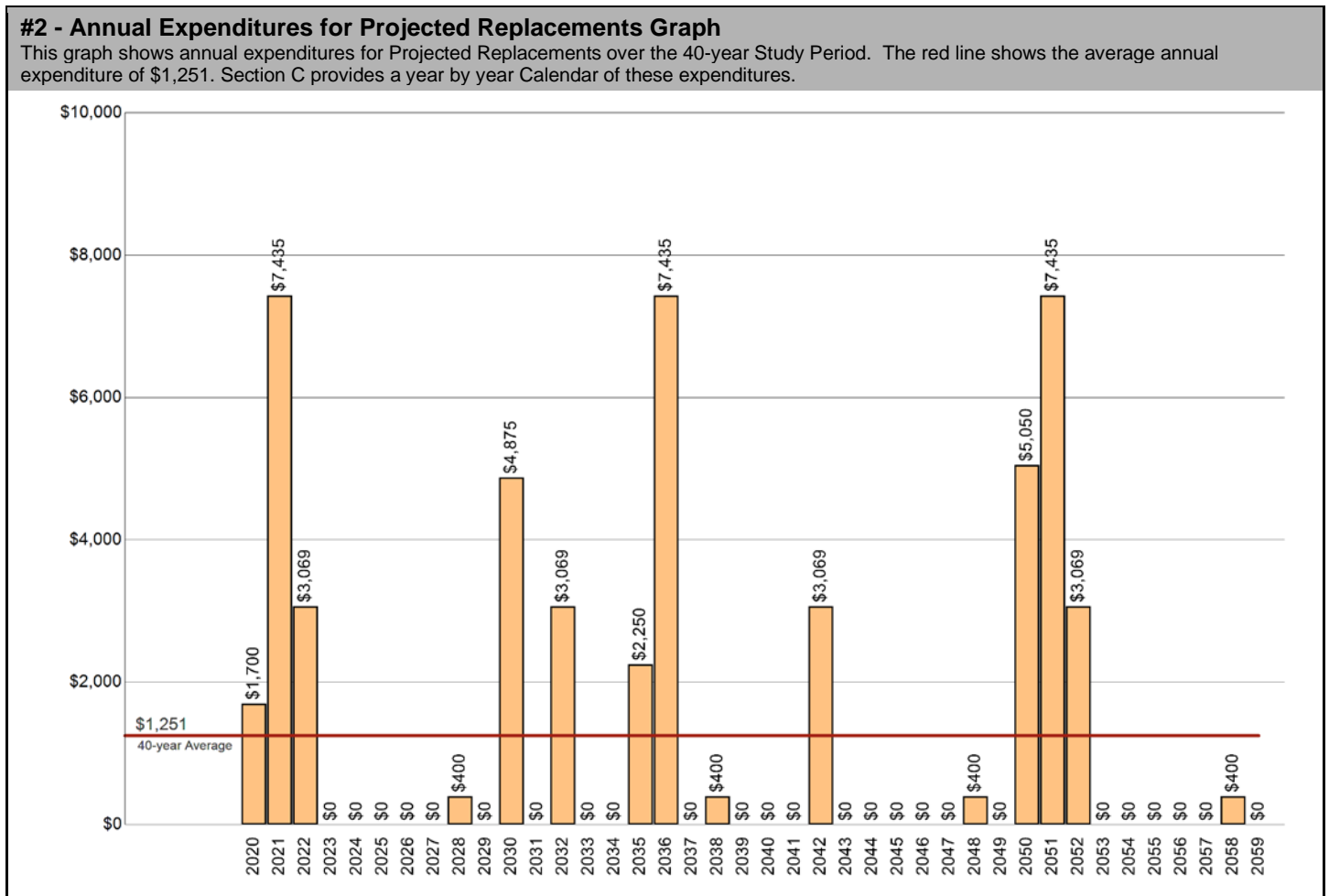
The Association reports Replacement Reserves on Deposit totaling \$19,886 at the start of the Study Year.

Level Two | LEVEL OF SERVICE

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

\$50,054 | REPLACEMENT RESERVE INVENTORY - PROJECTED REPLACEMENTS

The Kings Park West Community Association Replacement Reserve Inventory identifies 10 items that will require periodic replacement, that are to be funded from Replacement Reserves. We estimate the cost of these replacements will be \$50,054 over the 40-year Study Period. The Projected Replacements are divided into 1 major categories starting on Page B.3. Pages B.1-B.2 provide detailed information on the Replacement Reserve Inventory.



UPDATING

UPDATING OF THE FUNDING PLAN

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

UPDATING OF THE REPLACEMENT RESERVE STUDY

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

ANNUAL EXPENDITURES AND CURRENT FUNDING

The annual expenditures that comprise the \$50,054 of Projected Expenditures over the 40-year Study Period and the impact of the Association continuing to fund Replacement Reserves at the current level are detailed in Table 3.

#3 - Table of Annual Expenditures and Current Funding Data - Years 1 through 40										
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Starting Balance	\$19,886									
Projected Replacements	(\$1,700)	(\$7,435)	(\$3,069)						(\$400)	
Annual Deposit	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
End of Year Balance	\$19,186	\$12,751	\$10,683	\$11,683	\$12,683	\$13,683	\$14,683	\$15,683	\$16,283	\$17,283
Cumulative Expenditures	(\$1,700)	(\$9,135)	(\$12,204)	(\$12,204)	(\$12,204)	(\$12,204)	(\$12,204)	(\$12,204)	(\$12,604)	(\$12,604)
Cumulative Receipts	\$20,886	\$21,886	\$22,886	\$23,886	\$24,886	\$25,886	\$26,886	\$27,886	\$28,886	\$29,886
Year	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Projected Replacements	(\$4,875)		(\$3,069)			(\$2,250)	(\$7,435)		(\$400)	
Annual Deposit	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
End of Year Balance	\$13,408	\$14,408	\$12,339	\$13,339	\$14,339	\$13,089	\$6,654	\$7,654	\$8,254	\$9,254
Cumulative Expenditures	(\$17,479)	(\$17,479)	(\$20,547)	(\$20,547)	(\$20,547)	(\$22,797)	(\$30,232)	(\$30,232)	(\$30,632)	(\$30,632)
Cumulative Receipts	\$30,886	\$31,886	\$32,886	\$33,886	\$34,886	\$35,886	\$36,886	\$37,886	\$38,886	\$39,886
Year	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Projected Replacements			(\$3,069)						(\$400)	
Annual Deposit	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
End of Year Balance	\$10,254	\$11,254	\$9,185	\$10,185	\$11,185	\$12,185	\$13,185	\$14,185	\$14,785	\$15,785
Cumulative Expenditures	(\$30,632)	(\$30,632)	(\$33,701)	(\$33,701)	(\$33,701)	(\$33,701)	(\$33,701)	(\$33,701)	(\$34,101)	(\$34,101)
Cumulative Receipts	\$40,886	\$41,886	\$42,886	\$43,886	\$44,886	\$45,886	\$46,886	\$47,886	\$48,886	\$49,886
Year	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059
Projected Replacements	(\$5,050)	(\$7,435)	(\$3,069)						(\$400)	
Annual Deposit	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
End of Year Balance	\$11,735	\$5,300	\$3,232	\$4,232	\$5,232	\$6,232	\$7,232	\$8,232	\$8,832	\$9,832
Cumulative Expenditures	(\$39,151)	(\$46,586)	(\$49,654)	(\$49,654)	(\$49,654)	(\$49,654)	(\$49,654)	(\$49,654)	(\$50,054)	(\$50,054)
Cumulative Receipts	\$50,886	\$51,886	\$52,886	\$53,886	\$54,886	\$55,886	\$56,886	\$57,886	\$58,886	\$59,886

EVALUATION OF CURRENT FUNDING

The evaluation of Current Funding (Starting Balance of \$19,886 & annual funding of \$1,000), is done in today's dollars with no adjustments for inflation or interest earned on Replacement Reserves. The evaluation assumes Replacement Reserves will only be used for the 10 Projected Replacements identified in the Replacement Reserve Inventory and that the Association will continue Annual Funding of \$1,000 throughout the 40-year Study Period.

Annual Funding of \$1,000 is approximately 106 percent of the \$941 recommended Annual Funding calculated by the Cash Flow Method for 2020, the Study Year.

The progression and effect of continued Current Annual Funding coupled with this studies Projected Replacements over the Study Period are evaluated in Table 3 above. Maintaining Current Annual Funding may result in inadequate End of Year Balances, noted in red.

See the Executive Summary for the Current Funding Statement.

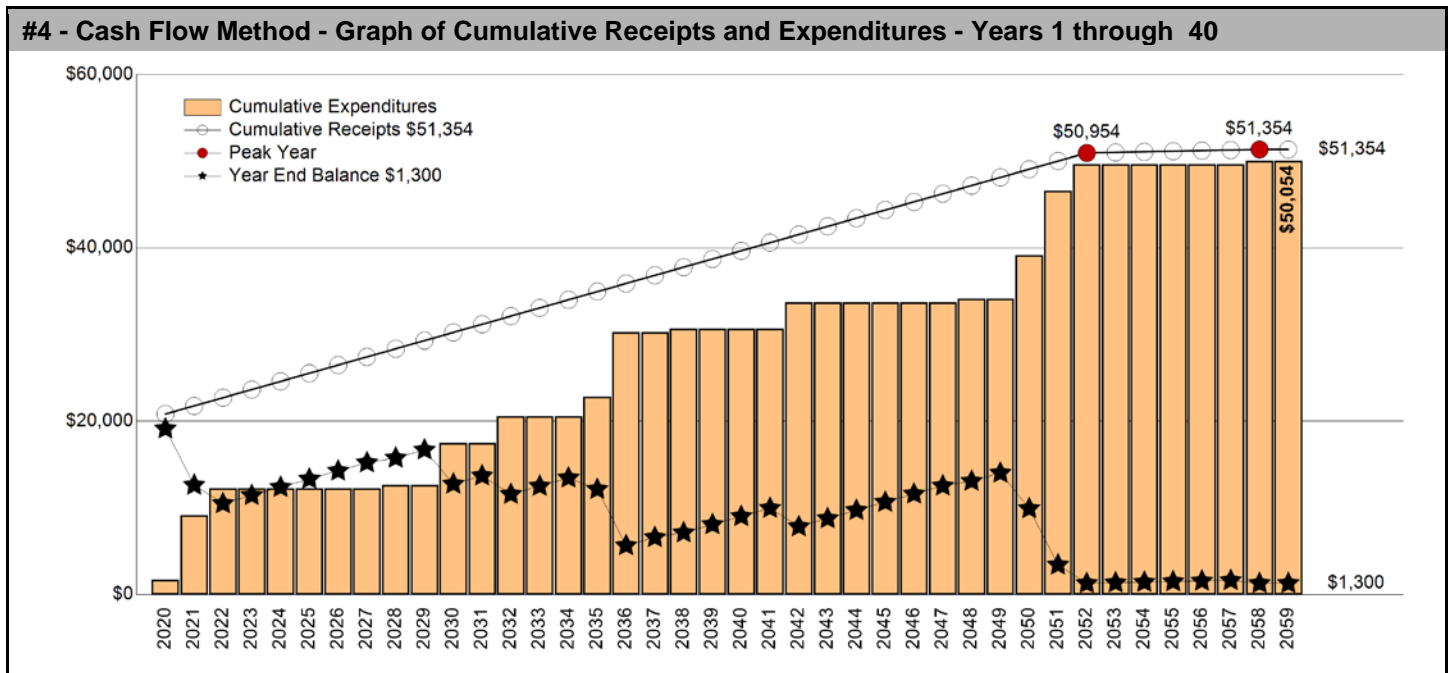
CASH FLOW METHOD FUNDING

\$941 RECOMMENDED REPLACEMENT RESERVE FUNDING FOR 2020

\$0.14 Per unit (average), minimum monthly funding of Replacement Reserves

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

- **Peak Years.** The First Peak Year occurs in 2052 with Replacement Reserves on Deposit dropping to the Minimum Balance after the completion of \$49,654 of replacements from 2020 to 2052. Recommended funding is anticipated to decline in 2053. Peak Years are identified in Chart 4 and Table 5.
- **Minimum Balance.** The calculations assume a Minimum Balance of \$1,300 will always be held in reserve, which is calculated by rounding the 12-month 40-year average annual expenditure of \$1,251 as shown on Graph #2.
- **Cash Flow Method Study Period.** Cash Flow Method calculates funding for \$50,054 of expenditures over the 40-year Study Period. It does not include funding for any projects beyond 2059 and in 2059, the end of year balance will always be the Minimum Balance.



#5 - Cash Flow Method - Table of Receipts & Expenditures - Years 1 through 40										
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Starting Balance	\$19,886									
Projected Replacements	(\$1,700)	(\$7,435)	(\$3,069)						(\$400)	
Annual Deposit	\$941	\$941	\$941	\$941	\$941	\$941	\$941	\$941	\$941	\$941
End of Year Balance	\$19,128	\$12,634	\$10,507	\$11,448	\$12,390	\$13,331	\$14,273	\$15,214	\$15,756	\$16,697
Cumulative Expenditures	(\$1,700)	(\$9,135)	(\$12,204)	(\$12,204)	(\$12,204)	(\$12,204)	(\$12,204)	(\$12,204)	(\$12,604)	(\$12,604)
Cumulative Receipts	\$20,828	\$21,769	\$22,710	\$23,652	\$24,593	\$25,535	\$26,476	\$27,418	\$28,359	\$29,301
Year	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Projected Replacements	(\$4,875)		(\$3,069)			(\$2,250)	(\$7,435)		(\$400)	
Annual Deposit	\$941	\$941	\$941	\$941	\$941	\$941	\$941	\$941	\$941	\$941
End of Year Balance	\$12,764	\$13,705	\$11,578	\$12,519	\$13,461	\$12,152	\$5,659	\$6,600	\$7,142	\$8,083
Cumulative Expenditures	(\$17,479)	(\$17,479)	(\$20,547)	(\$20,547)	(\$20,547)	(\$22,797)	(\$30,232)	(\$30,232)	(\$30,632)	(\$30,632)
Cumulative Receipts	\$30,242	\$31,184	\$32,125	\$33,066	\$34,008	\$34,949	\$35,891	\$36,832	\$37,774	\$38,715
Year	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Projected Replacements			(\$3,069)						(\$400)	
Annual Deposit	\$941	\$941	\$941	\$941	\$941	\$941	\$941	\$941	\$941	\$941
End of Year Balance	\$9,025	\$9,966	\$7,839	\$8,780	\$9,722	\$10,663	\$11,605	\$12,546	\$13,088	\$14,029
Cumulative Expenditures	(\$30,632)	(\$30,632)	(\$33,701)	(\$33,701)	(\$33,701)	(\$33,701)	(\$33,701)	(\$33,701)	(\$34,101)	(\$34,101)
Cumulative Receipts	\$39,657	\$40,598	\$41,540	\$42,481	\$43,422	\$44,364	\$45,305	\$46,247	\$47,188	\$48,130
Year	2050	2051	1st Peak - 2052	2053	2054	2055	2056	2057	2nd Peak - 2058	2059
Projected Replacements	(\$5,050)	(\$7,435)	(\$3,069)						(\$400)	
Annual Deposit	\$941	\$941	\$941	\$67	\$67	\$67	\$67	\$67	\$67	\$67
End of Year Balance	\$9,921	\$3,427	\$1,300	\$1,367	\$1,433	\$1,500	\$1,567	\$1,633	\$1,300	\$1,300
Cumulative Expenditures	(\$39,151)	(\$46,586)	(\$49,654)	(\$49,654)	(\$49,654)	(\$49,654)	(\$49,654)	(\$49,654)	(\$50,054)	(\$50,054)
Cumulative Receipts	\$49,071	\$50,013	\$50,954	\$51,021	\$51,087	\$51,154	\$51,221	\$51,287	\$51,354	\$51,354

INFLATION ADJUSTED FUNDING

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

\$941 2020 - CASH FLOW METHOD RECOMMENDED FUNDING

The 2020 Study Year calculations have been made using current replacement costs (see Page B.2), modified by the Analyst for any project specific conditions.

\$963 2021 - INFLATION ADJUSTED FUNDING

A new analysis calculates the 2021 funding based on three assumptions:

- Replacement Reserves on Deposit totaling \$19,128 on January 1, 2021.
- All 2020 Projected Replacements listed on Page C.2 accomplished at a cost to Replacement Reserves less than \$1,700.
- Construction Cost Inflation of 2.30 percent in 2020.

The \$963 inflation adjusted funding in 2021 is a 2.29 percent increase over the non-inflation adjusted funding of \$941.

\$985 2022 - INFLATION ADJUSTED FUNDING

A new analysis calculates the 2022 funding based on three assumptions:

- Replacement Reserves on Deposit totaling \$13,370 on January 1, 2022.
- All 2021 Projected Replacements listed on Page C.2 accomplished at a cost to Replacement Reserves less than \$7,435.
- Construction Cost Inflation of 2.30 percent in 2021.

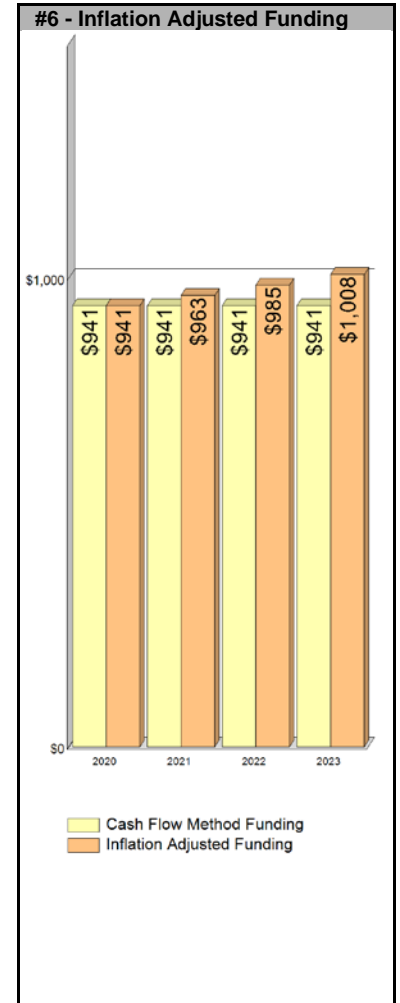
The \$985 inflation adjusted funding in 2022 is a 4.65 percent increase over the non-inflation adjusted funding of \$941.

\$1,008 2023 - INFLATION ADJUSTED FUNDING

A new analysis calculates the 2023 funding based on three assumptions:

- Replacement Reserves on Deposit totaling \$17,485 on January 1, 2023.
- All 2022 Projected Replacements listed on Page C.2 accomplished at a cost to Replacement Reserves less than \$3,139.
- Construction Cost Inflation of 2.30 percent in 2022.

The \$1,008 inflation adjusted funding in 2023 is a 7.05 percent increase over the non-inflation adjusted funding of \$941.



Year Five and Beyond

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

Inflation Adjustment

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

Interest on Reserves

The recommended funding calculations do not account for interest earned on Replacement Reserves. In 2020, based on a 1.00 percent interest rate, we estimate the Association may earn \$195 on an average balance of \$19,507, \$162 on an average balance of \$16,249 in 2021, and \$154 on \$15,428 in 2022. The Association may elect to attribute 100 percent of the earned interest to Reserves, resulting in a reduction in the 2020 funding from \$941 to \$746 (a 20.71 percent reduction), \$963 to \$801 in 2021 (a 16.87 percent reduction), and \$985 to \$831 in 2022 (a 15.65 percent reduction).

REPLACEMENT RESERVE STUDY - SUPPLEMENTAL COMMENTS

- The Cash Flow Method calculates the minimum annual funding necessary to prevent Replacement Reserves from dropping below the Minimum Balance, as defined on Page A4. Failure to fund at least the recommended levels may result in funding not being available for the Projected Replacements listed in the Replacement Reserve Inventory.
- The accuracy of the Replacement Reserve Analysis is dependent upon expenditures from Replacement Reserves being made ONLY for the 10 Projected Replacements specifically listed in the Replacement Reserve Inventory. The inclusion/exclusion of items from the Replacement Reserve Inventory is discussed on Page B.1.

REPLACEMENT RESERVE INVENTORY GENERAL INFORMATION

Kings Park West Community Association - Replacement Reserve Inventory identifies 10 Projected Replacements.

- **PROJECTED REPLACEMENTS.** 10 of the items are Projected Replacements and the periodic replacements of these items are scheduled for funding from Replacement Reserves. The Projected Replacements have an estimated one-time replacement cost of \$24,979. Cumulative Replacements totaling \$50,054 are scheduled in the Replacement Reserve Inventory over the 40-year Study Period.

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

- **EXCLUDED ITEMS.** None of the items included in the Replacement Reserve Inventory are 'Excluded Items'. Multiple categories of items are typically excluded from funding by Replacement Reserves, including but not limited to:

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

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

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

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

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

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

This study has been performed as a Level 2 Update with Site Visit/On-Site Review as defined by the Community Associations Institute's, National Reserve Study Standards. As such, the component inventory is based on the study that was performed by Unknown study publisher in 2015. This inventory was adjusted to reflect changes provided by the Community Manager and/or the Board of Directors, or adjustments made based on the site visit and visual assessment performed by the Analyst. The analysis, including fund status and funding plan, is developed from the adjusted inventory.

REPLACEMENT RESERVE INVENTORY - GENERAL INFORMATION (CONT'D)

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

SITE ITEMS PROJECTED REPLACEMENTS					NEL- Normal Economic Life (yrs) REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
1	Entry monument, repoint masonry (Twinbrook Rd)	sf	238	\$8.50	10	2	\$2,023
2	Entry monument, 8' metal sections (Twinbrook Rd)	ea	4	\$800.00	50	40	\$3,200
3	Entry monument, column lights (Twinbrook Rd)	ea	6	\$500.00	20	10	\$3,000
4	Flood lights, ground mounted (Twinbrook Rd)	ea	2	\$200.00	10	8	\$400
5	Entry monuments, repoint masonry (Sideburn Rd)	sf	123	\$8.50	10	2	\$1,046
6	Asphalt path, overlay (Commonwealth & Roberts)	sf	1,533	\$4.85	15	1	\$7,435
7	Concrete path, demo & sod (Bessmer Ln)	sf	272	\$6.25	100	none	\$1,700
8	Concrete path, demo & sod (Heversham Ct)	sf	360	\$6.25	100	15	\$2,250
9	Concrete path, demo & sod (Catterick Ct)	sf	328	\$6.25	100	30	\$2,050
10	Concrete path, demo & sod (Tapestry Ct)	sf	300	\$6.25	100	10	\$1,875
Replacement Costs - Page Subtotal							\$24,979

COMMENTS
<ul style="list-style-type: none"> Item #1: Entry monument, repoint masonry (Twinbrook Rd) (25%) - This monument is located at the intersection of Commonwealth Blvd. & Twinbrook Road. Total square footage of brick masonry is approx. 950 sf. Item #5: Entry monuments, repoint masonry (Sideburn Rd) (25%) - These two entry monuments are located at the intersection of Sideburn Rd. & Commonwealth Blvd. Total square feet of brick masonry is approx. 490 sf. Item #6: Asphalt path, overlay (Commonwealth & Roberts Rd) - This path runs from the intersection of Commonwealth Blvd. & Roberts Road to the south side of Robinson High School. Item #7: Concrete path, demo & sod (Bessmer Ln) - This concrete path is located between 10150 & 10152 Bessmer Lane. The Board has directed that, at its end-of-life, this path will be demolished & replaced with sod. Note that the stairs (approx. 20 linear feet) & rails (approx. 12 linear feet), located at the north end of the path, will be "abandoned in place." Item #8: Concrete path, demo & sod (Heversham Ct) - This concrete path is located between 4911 & 4914 Heversham Court. The Board has directed that, at its end-of-life, this path will be demolished & replaced with sod. Item #9: Concrete path, demo & sod (Catterick Ct) - This concrete path is located between 4790 & 4792 Catterick Ct. The Board has directed that, at its end-of-life, this path will be demolished & replaced with sod. Item #10: Concrete path, demo & sod (Tapestry Ct) - This concrete path is located between 10158 & 10160 Tapestry Court. The total length is approx. 160 linear feet. After the first roughly 75 feet, there is a series of short paths between two-step steps. The Board has directed that, at its end-of-life, the pathway will be demolished & replaced with sod, leaving the stairs & rails to be "abandoned in place." Referencing the 2015 study, we assume that the last 85 feet of the path, including the short, flat pathways, will be abandoned in place.

LONG-LIFE EXCLUSIONS							
Excluded Items							
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
	Entry monument concrete wall/column caps						EXCLUDED
	Entry monument lettering						EXCLUDED
	Masonry features						EXCLUDED

LONG-LIFE EXCLUSIONS
 Comments

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

UNIT IMPROVEMENTS EXCLUSIONS								
Excluded Items								
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)	
	Domestic water pipes serving one unit							EXCLUDED
	Sanitary sewers serving one unit							EXCLUDED
	Electrical wiring serving one unit							EXCLUDED
	Cable TV service serving one unit							EXCLUDED
	Telephone service serving one unit							EXCLUDED
	Gas service serving one unit							EXCLUDED
	Driveway on an individual lot							EXCLUDED
	Apron on an individual lot							EXCLUDED
	Stairs on an individual lot							EXCLUDED
	Curb & gutter on an individual lot							EXCLUDED
	Retaining wall on an individual lot							EXCLUDED
	Fence on an individual lot							EXCLUDED
	Unit exterior							EXCLUDED
	Unit windows							EXCLUDED
	Unit doors							EXCLUDED
	Unit skylights							EXCLUDED
	Unit deck, patio, and/or balcony							EXCLUDED
	Unit mailbox							EXCLUDED
	Unit interior							EXCLUDED
	Unit HVAC system							EXCLUDED

UNIT IMPROVEMENTS EXCLUSIONS
 Comments

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

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

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

MAINTENANCE AND REPAIR EXCLUSIONS							
Excluded Items							
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
	Cleaning of asphalt pavement						EXCLUDED
	Crack sealing of asphalt pavement						EXCLUDED
	Painting of curbs						EXCLUDED
	Landscaping and site grading						EXCLUDED
	Exterior painting						EXCLUDED
	Interior painting						EXCLUDED

MAINTENANCE AND REPAIR EXCLUSIONS
 Comments

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

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

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

PROJECTED ANNUAL REPLACEMENTS GENERAL INFORMATION

CALENDAR OF ANNUAL REPLACEMENTS. The 10 Projected Replacements in the Kings Park West Community Association Replacement Reserve Inventory whose replacement is scheduled to be funded from Replacement Reserves are broken down on a year-by-year basis, beginning on Page C.2.

REPLACEMENT RESERVE ANALYSIS AND INVENTORY POLICIES, PROCEDURES, AND ADMINISTRATION

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

PROJECTED REPLACEMENTS - YEARS 1 TO 10

Item	2020 - Study Year	\$	Item	2021 - YEAR 1	\$
7	Concrete path, demo & sod (Bessmer Ln)	\$1,700	6	Asphalt path, overlay (Commonwealth & Roberts Rd)	\$7,435
Total Scheduled Replacements		\$1,700	Total Scheduled Replacements		\$7,435

Item	2022 - YEAR 2	\$	Item	2023 - YEAR 3	\$
1	Entry monument, repoint masonry (Twinbrook Rd)	\$2,023			
5	Entry monuments, repoint masonry (Sideburn Rd) (25%)	\$1,046			
Total Scheduled Replacements		\$3,069	No Scheduled Replacements		

Item	2024 - YEAR 4	\$	Item	2025 - YEAR 5	\$
No Scheduled Replacements			No Scheduled Replacements		

Item	2026 - YEAR 6	\$	Item	2027 - YEAR 7	\$
No Scheduled Replacements			No Scheduled Replacements		

Item	2028 - YEAR 8	\$	Item	2029 - YEAR 9	\$
4	Flood lights, ground mounted (Twinbrook Rd)	\$400			
Total Scheduled Replacements		\$400	No Scheduled Replacements		

PROJECTED REPLACEMENTS - YEARS 11 TO 20

Item	2030 - YEAR 10	\$	Item	2031 - YEAR 11	\$
3	Entry monument, column lights (Twinbrook Rd)	\$3,000			
10	Concrete path, demo & sod (Tapestry Ct)	\$1,875			
Total Scheduled Replacements		\$4,875	No Scheduled Replacements		

Item	2032 - YEAR 12	\$	Item	2033 - YEAR 13	\$
1	Entry monument, repoint masonry (Twinbrook Rd)	\$2,023			
5	Entry monuments, repoint masonry (Sideburn Rd) (25%)	\$1,046			
Total Scheduled Replacements		\$3,069	No Scheduled Replacements		

Item	2034 - YEAR 14	\$	Item	2035 - YEAR 15	\$
No Scheduled Replacements			8	Concrete path, demo & sod (Heversham Ct)	\$2,250
			Total Scheduled Replacements		\$2,250

Item	2036 - YEAR 16	\$	Item	2037 - YEAR 17	\$
6	Asphalt path, overlay (Commonwealth & Roberts Rd)	\$7,435			
Total Scheduled Replacements		\$7,435	No Scheduled Replacements		

Item	2038 - YEAR 18	\$	Item	2039 - YEAR 19	\$
4	Flood lights, ground mounted (Twinbrook Rd)	\$400			
Total Scheduled Replacements		\$400	No Scheduled Replacements		

PROJECTED REPLACEMENTS - YEARS 21 TO 30

Item	2040 - YEAR 20	\$	Item	2041 - YEAR 21	\$
No Scheduled Replacements			No Scheduled Replacements		

Item	2042 - YEAR 22	\$	Item	2043 - YEAR 23	\$
1	Entry monument, repoint masonry (Twinbrook Rd)	\$2,023	No Scheduled Replacements		
5	Entry monuments, repoint masonry (Sideburn Rd) (25%)	\$1,046			
Total Scheduled Replacements		\$3,069	No Scheduled Replacements		

Item	2044 - YEAR 24	\$	Item	2045 - YEAR 25	\$
No Scheduled Replacements			No Scheduled Replacements		

Item	2046 - YEAR 26	\$	Item	2047 - YEAR 27	\$
No Scheduled Replacements			No Scheduled Replacements		

Item	2048 - YEAR 28	\$	Item	2049 - YEAR 29	\$
4	Flood lights, ground mounted (Twinbrook Rd)	\$400	No Scheduled Replacements		
Total Scheduled Replacements		\$400			

PROJECTED REPLACEMENTS - YEARS 31 TO 40

Item	2050 - YEAR 30	\$	Item	2051 - YEAR 31	\$
3	Entry monument, column lights (Twinbrook Rd)	\$3,000	6	Asphalt path, overlay (Commonwealth & Roberts Rd)	\$7,435
9	Concrete path, demo & sod (Catterick Ct)	\$2,050			
Total Scheduled Replacements		\$5,050	Total Scheduled Replacements		\$7,435

Item	2052 - YEAR 32	\$	Item	2053 - YEAR 33	\$
1	Entry monument, repoint masonry (Twinbrook Rd)	\$2,023			
5	Entry monuments, repoint masonry (Sideburn Rd) (25%)	\$1,046			
Total Scheduled Replacements		\$3,069	No Scheduled Replacements		

Item	2054 - YEAR 34	\$	Item	2055 - YEAR 35	\$
No Scheduled Replacements			No Scheduled Replacements		

Item	2056 - YEAR 36	\$	Item	2057 - YEAR 37	\$
No Scheduled Replacements			No Scheduled Replacements		

Item	2058 - YEAR 38	\$	Item	2059 - YEAR 39	\$
4	Flood lights, ground mounted (Twinbrook Rd)	\$400			
Total Scheduled Replacements		\$400	No Scheduled Replacements		

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CONDITION ASSESSMENT

General Comments. Miller+Dodson Associates conducted a Reserve Study at Kings Park West Community Association in September 2020. Kings Park West Community Association is in generally good condition for a community association. A review of the Replacement Reserve Inventory will show that we are anticipating most of the components achieving their normal economic lives.

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

General Condition Statements.

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

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

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

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

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

SITE ITEMS

Entry Monuments. The Association maintains three entry monuments in two locations. All three monuments are constructed primarily of brick masonry, and all three are in generally good condition. These monuments are further described below:

1. One Monument at Twinbrook Road. This monument is the largest of the community's three monuments and is located at the intersection of Commonwealth Blvd. and Twinbrook Road. The monument comprises the following components:

- One brick mortar wall with metal lettering. This curved wall has a molded concrete top and is in generally good condition. There are, however, some areas on the back of the wall with loose or open mortar joints. The metal lettering is a long-life item and therefore will not be accounted for in this study.
- Six brick mortar columns. These eight-foot-tall columns are topped with molded concrete caps and appear to be in very good condition.
- Six column lamps. One lamp is mounted atop each brick mortar column. The lamps appear to be in good condition.
- Four decorative metal panels. These panels are bolted between the brick columns and are in good condition.
- Two flood lights. These two dusk-to-dawn flood lights are ground-mounted in front of the curved wall. They are functional and in good condition.



2. Two Monuments at Sideburn Road. These two identical monuments are located at the intersection of Commonwealth Blvd. and Sideburn Road, one on each side of Commonwealth Blvd. Each monument comprises a curved brick wall with brick columns on each end; each column is topped with a decorative concrete urn (a long-life item). The metal lettering, on both monuments, is also a long-life item and will not be considered in this study.

In general, both monuments are in stable and good condition. There are, however, some areas on the back of the walls with loose or open mortar joints and some vegetation growing on top of the south monument.



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

Asphalt Paths. The Association is responsible for one asphalt path that runs from the intersection of Commonwealth Blvd. & Roberts Road to the south side of Robinson High School. This path is in marginal condition with widespread cracks and edge deterioration. There are also three areas where the edging material (dirt, gravel, and sand) has washed over and settled on the path.



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

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

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

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

Concrete Walkways. The Association is responsible for four concrete walkways that lead into Crooked Creek Park. Note that the Community Board has directed that the concrete walkways, upon their respective ends-of-life, will be demolished and replaced with sod. Further, any associated concrete steps/handrails will be "abandoned in place."

All of the walkways are constructed with typical 4' x 4' sidewalk sections, with the exception of the concrete steps located on the Bessmer Lane and Tapestry Courts paths. Walkway conditions are described below:

1. Bessmer Lane Concrete Walkway. This path begins between 10150 and 10152 Bessmer Lane and ends approximately 68 feet away with a series of concrete steps with two-rail handrails. The path is in poor condition, with widespread cracks and displaced sections, causing multiple tripping hazards. The concrete steps are in fair to good condition, and the handrails are in good condition; however, both are overrun with vegetation.



2. Heversham Court Concrete Walkway. This path begins between 4911 and 4914 Heversham Court and runs approximately 90 feet to the edge of the park's wooded area. The path is in good condition, with only minor cracks and surface defects.



3. Catterick Court Concrete Walkway. This path begins between 4790 and 4792 Catterick Court and runs approximately 82 feet to the edge of the park's wooded area. This path is in good condition, with only one minor crack.



4. Tapestry Court Concrete Walkway. This path starts between 10158 and 10160 Tapestry Court and runs approximately 160 feet to a cliff above Rabbit Branch. Over the course of the path, there are nine (9) two-step steps and seven (7) two-rail handrails. The first 40 feet of the path are in good condition, albeit obstructed by a shrub. Afterward, the path is completely overgrown and impassable. We were able to scramble to a couple of observation points, and it

appears that the overgrown concrete itself is in fair condition with multiple flat cracks. Note that much of the path is not viewable.



The standards we use for recommending replacement are as follows:

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



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

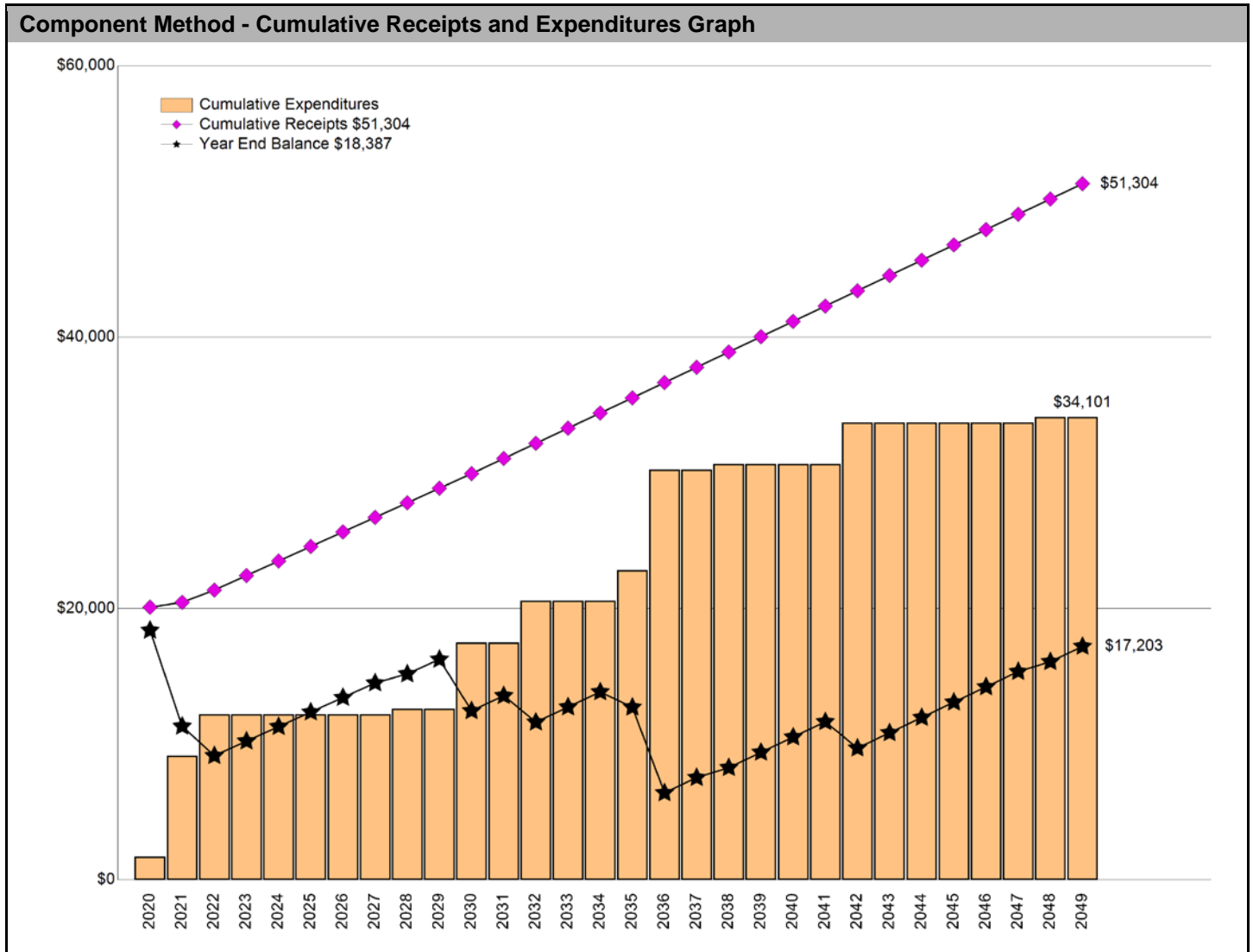
End of Condition Assessment

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COMPONENT METHOD

\$201 | **COMPONENT METHOD RECOMMENDED ANNUAL FUNDING OF REPLACEMENT RESERVES IN THE STUDY YEAR, 2020.** \$0.03 Per unit (average), recommended monthly funding of Replacement Reserves

General. The Component Method (also referred to as the Full Funded Method) is a very conservative mathematical model developed by HUD in the early 1980s. Each of the 10 Projected Replacements listed in the Replacement Reserve Inventory is treated as a separate account. The Beginning Balance is allocated to each of the individual accounts, as is all subsequent funding of Replacement Reserves. These funds are "locked" in these individual accounts and are not available to fund other Projected Replacements. The calculation of Recommended Annual Funding of Replacement Reserves is a multi-step process outlined in more detail on Page CM.2.



COMPONENT METHOD (CONT.)

- **Current Funding Objective.** A Current Funding Objective is calculated for each of the Projected Replacements listed in the Replacement Reserve Inventory. Replacement Cost is divided by the Normal Economic Life to determine the nominal annual contribution. The Remaining Economic Life is then subtracted from the Normal Economic Life to calculate the number of years that the nominal annual contribution should have been made. The two values are then multiplied to determine the Current Funding Objective. This is repeated for each of the 10 Projected Replacements. The total, \$18,349, is the Current Funding Objective.

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

- **Funding Percentage.** The Funding Percentage is calculated by dividing the Beginning Balance (\$19,886) by the Current Funding Objective (\$18,349). At Kings Park West Community Association the Funding Percentage is 108.4%
- **Allocation of the Beginning Balance.** The Beginning Balance is divided among the 10 Projected Replacements in the Replacement Reserve Inventory. The Current Funding Objective for each Projected Replacement is multiplied by the Funding Percentage and these funds are then "locked" into the account of each item.

If we relate this calculation back to our fence example, it means that the Association has not accumulated \$800 in Reserves (the Funding Objective), but rather at 108.4 percent funded, there is \$867 in the account for the fence.

- **Annual Funding.** The Recommended Annual Funding of Replacement Reserves is then calculated for each Projected Replacement. The funds allocated to the account of the Projected Replacement are subtracted from the Replacement Cost. The result is then divided by the number of years until replacement, and the result is the annual funding for each of the Projected Replacements. The sum of these is \$201, the Component Method Recommended Annual Funding of Replacement Reserves in the Study Year (2020).

In our fence example, the \$867 in the account is subtracted from the \$1,000 Total Replacement Cost and divided by the 2 years that remain before replacement, resulting in an annual deposit of \$67. Next year, the deposit remains \$67, but in the third year, the fence is replaced and the annual funding adjusts to \$100.

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

Component Method Data - Years 1 through 30										
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Beginning Balance	\$19,886									
Recommended Annual Funding	\$201	\$361	\$901	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072
Expenditures	\$1,700	\$7,435	\$3,069							
Year End Balance	\$18,387	\$11,314	\$9,146	\$10,217	\$11,289	\$12,360	\$13,432	\$14,503	\$15,175	\$16,252
Cumulative Expenditures	\$1,700	\$9,135	\$12,204	\$12,204	\$12,204	\$12,204	\$12,204	\$12,204	\$12,604	\$12,604
Cumulative Receipts	\$20,087	\$20,449	\$21,349	\$22,421	\$23,492	\$24,564	\$25,635	\$26,707	\$27,778	\$28,855
Year	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Recommended Annual Funding	\$1,077	\$1,116	\$1,116	\$1,116	\$1,116	\$1,116	\$1,128	\$1,128	\$1,128	\$1,128
Expenditures	\$4,875		\$3,069				\$2,250	\$7,435		\$400
Year End Balance	\$12,453	\$13,570	\$11,618	\$12,734	\$13,850	\$12,717	\$6,410	\$7,537	\$8,265	\$9,393
Cumulative Expenditures	\$17,479	\$17,479	\$20,547	\$20,547	\$20,547	\$22,797	\$30,232	\$30,232	\$30,632	\$30,632
Cumulative Receipts	\$29,932	\$31,048	\$32,165	\$33,281	\$34,397	\$35,514	\$36,642	\$37,770	\$38,897	\$40,025
Year	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
Recommended Annual Funding	\$1,128	\$1,128	\$1,128	\$1,128	\$1,128	\$1,128	\$1,128	\$1,128	\$1,128	\$1,128
Expenditures			\$3,069							\$400
Year End Balance	\$10,521	\$11,649	\$9,708	\$10,836	\$11,964	\$13,092	\$14,220	\$15,347	\$16,075	\$17,203
Cumulative Expenditures	\$30,632	\$30,632	\$33,701	\$33,701	\$33,701	\$33,701	\$33,701	\$33,701	\$34,101	\$34,101
Cumulative Receipts	\$41,153	\$42,281	\$43,409	\$44,537	\$45,664	\$46,792	\$47,920	\$49,048	\$50,176	\$51,304

2020 - COMPONENT METHOD CATEGORY FUNDING REPORT

Each of the 10 Projected Replacements included in the Kings Park West Community Association Replacement Reserve Inventory has been assigned to one of the 1 categories listed in TABLE CM1 below. This calculated data is a summary of data provided in the Three-Year Replacement Funding Report and Replacement Reserve Inventory. The accuracy of this data is dependent upon many factors including the following critical financial data:

- A Beginning Balance of \$19,886 as of the first day of the Study Year, July 1, 2020.
- Total reserve funding (including the Beginning Balance) of \$20,087 in the Study Year.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.
- All Projected Replacements scheduled in the Replacement Reserve Inventory in 2020 being accomplished in 2020 at a cost of \$1,700.

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

2020 - COMPONENT METHOD CATEGORY FUNDING - TABLE CM1							
CATEGORY	NORMAL ECONOMIC LIFE	REMAINING ECONOMIC LIFE	ESTIMATED REPLACEMENT COST	2020 BEGINNING BALANCE	2020 RESERVE FUNDING	2020 PROJECTED REPLACEMENTS	2020 END OF YEAR BALANCE
SITE ITEMS - Page 1	10 to 100 years	0 to 40 years	\$24,979	\$19,891	\$201	\$1,700	\$18,392

2021 - COMPONENT METHOD CATEGORY FUNDING REPORT

Each of the 10 Projected Replacements included in the Kings Park West Community Association Replacement Reserve Inventory has been assigned to one of the 1 categories listed in TABLE CM2 below. This calculated data is a summary of data provided in the Three-Year Replacement Funding Report and Replacement Reserve Inventory. The accuracy of this data is dependent upon many factors including the following critical financial data:

- Replacement Reserves on Deposit totaling \$18,387 on January 1, 2021.
- Total reserve funding (including the Beginning Balance) of \$20,449 from 2020 to 2021.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.
- All Projected Replacements scheduled in the Replacement Reserve Inventory in 2021 being accomplished in 2021 at a cost of \$7,435.

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

2021 - COMPONENT METHOD CATEGORY FUNDING - TABLE CM2							
CATEGORY	NORMAL ECONOMIC LIFE	REMAINING ECONOMIC LIFE	ESTIMATED REPLACEMENT COST	2021 BEGINNING BALANCE	2021 RESERVE FUNDING	2021 PROJECTED REPLACEMENTS	2021 END OF YEAR BALANCE
SITE ITEMS - Page 1	10 to 100 years	0 to 99 years	\$24,979	\$18,392	\$361	\$7,435	\$11,318

2022 - COMPONENT METHOD CATEGORY FUNDING REPORT

Each of the 10 Projected Replacements included in the Kings Park West Community Association Replacement Reserve Inventory has been assigned to one of the 1 categories listed in TABLE CM3 below. This calculated data is a summary of data provided in the Three-Year Replacement Funding Report and Replacement Reserve Inventory. The accuracy of this data is dependent upon many factors including the following critical financial data:

- Replacement Reserves on Deposit totaling \$11,314 on January 1, 2022.
- Total reserve funding (including the Beginning Balance) of \$21,349 from 2021 to 2022.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.
- All Projected Replacements scheduled in the Replacement Reserve Inventory in 2022 being accomplished in 2022 at a cost of \$3,069.

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

2022 - COMPONENT METHOD CATEGORY FUNDING - TABLE CM3							
CATEGORY	NORMAL ECONOMIC LIFE	REMAINING ECONOMIC LIFE	ESTIMATED REPLACEMENT COST	2022 BEGINNING BALANCE	2022 RESERVE FUNDING	2022 PROJECTED REPLACEMENTS	2022 END OF YEAR BALANCE
SITE ITEMS - Page 1	10 to 100 years	0 to 98 years	\$24,979	\$11,318	\$901	\$3,069	\$9,150

TABLE CM4 below details the allocation of the \$19,886 Beginning Balance, as reported by the Association and the \$1,463 of Replacement Reserve Funding calculated by the Component Method from 2020 to 2022, to the 10 Projected Replacements listed in the Replacement Reserve Inventory. These allocations have been made by Chronological Allocation, a method developed by Miller+Dodson Associates, Inc., and outlined on Page CF.1. The accuracy of the allocations is dependent upon many factors including the following critical financial data:

- Replacement Reserves on Deposit totaling \$19,886 on January 1, 2020.
- Replacement Reserves on Deposit totaling \$18,387 on January 1, 2021.
- Replacement Reserves on Deposit totaling \$11,314 on January 1, 2022.
- Total Replacement Reserve funding (including the Beginning Balance) of \$21,349 from 2020 to 2022.
- No expenditures from Replacement Reserves other than those specifically listed in the Replacement Reserve Inventory.
- All Projected Replacements scheduled in the Replacement Reserve Inventory from 2020 to 2022 being accomplished as scheduled in the Replacement Reserve Inventory at a cost of \$12,204.

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

COMPONENT METHOD - THREE-YEAR REPLACEMENT FUNDING - TABLE CM4												
Item #	Description of Projected Replacement	Estimated Replacement Costs	Allocation of Beginning Balance	2020 Reserve Funding	2020 Projected Replacements	2020 End of Year Balance	2021 Reserve Funding	2021 Projected Replacements	2021 End of Year Balance	2022 Reserve Funding	2022 Projected Replacements	2022 End of Year Balance
SITE ITEMS -												
1	Entry monument, repoint masonry	2,023	1,754	90		1,844	90		1,933	90	(2,023)	
2	Entry monument, 8' metal sections	3,200	694	61		755	61		816	61		877
3	Entry monument, column lights	3,000	1,626	125		1,751	125		1,876	125		2,001
4	Flood lights, ground mounted	400	87	35		122	35		156	35		191
5	Entry monuments, repoint masonry	1,046	907	46		953	46		999	46	(1,046)	
6	Asphalt path, overlay	7,435	7,522	(44)		7,479	(44)	(7,435)	0	496		496
7	Concrete path, demo & sod	1,700	1,843	(143)	(1,700)		17		17	17		34
8	Concrete path, demo & sod	2,250	2,073	11		2,084	11		2,095	11		2,106
9	Concrete path, demo & sod	2,050	1,556	16		1,571	16		1,587	16		1,603
10	Concrete path, demo & sod	1,875	1,829	4		1,833	4		1,838	4		1,842

1. COMMON INTEREST DEVELOPMENTS - AN OVERVIEW

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

The growth of Community Associations has been explosive. In 1965, there were only 500 Community Associations in the United States. According to the 1990 U.S. Census, there were 130,000 Community Associations. The Community Associations Institute (CAI), a national trade association, estimates in 2018 that there were more than 347,000 communities with over 73.5 million residents.

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

2. REPLACEMENT RESERVE STUDY

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

Replacement Reserve Study Introduction. The introduction provides a description of the property, reviews the intent of the Replacement Reserve Study, and lists documents and site evaluations upon which the Replacement Reserve Study is based.

Section A Replacement Reserve Analysis. Many components owned by the Association have a limited life and require periodic replacement. Therefore, it is essential the Association have a financial plan that provides funding for the timely replacement of these components in order to protect the safety, appearance, and value of the community. In conformance with American Institute of Certified Public Accountant guidelines, a Replacement Reserve Analysis evaluates the current funding of Replacement Reserves as reported by the Association and recommends annual funding of Replacement Reserves by two generally accepted accounting methods; the Cash Flow Method and the Component Method. Miller+Dodson provides a replacement reserve recommendation based on the Cash Flow Method in Section A, and the Component Method in the Appendix of the report.

Section B Replacement Reserve Inventory. The Replacement Reserve Inventory lists the commonly owned components within the community that require periodic replacement using funding from Replacement Reserves.

The Replacement Reserve Inventory also provides information about components excluded from the Replacement Reserve Inventory whose replacement is not scheduled for funding from Replacement Reserves. Replacement Reserve Inventory includes estimates of the normal economic life and the remaining economic life for those components whose replacement is scheduled for funding from Replacement Reserves.

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

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

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

3. METHODS OF ANALYSIS

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

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

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

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

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

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

4. REPLACEMENT RESERVE STUDY DATA

Identification of Reserve Components. The Reserve Analyst has only two methods of identifying Reserve Components; (1) information provided by the Association and (2) observations made at the site. It is important that the Reserve Analyst be provided with all available information detailing the components owned by the Association. It is our policy to request such information prior to bidding on a project and to meet with the individuals responsible for maintaining the community after acceptance of our proposal. After completion of the Study, the Study should be reviewed by the Board of Directors, individuals responsible for maintaining the community, and the Association's accounting professionals. We are dependent upon the Association for correct information, documentation, and drawings.

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

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

5. DEFINITIONS

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

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

Cash Flow Analysis. See Cash Flow Method, above.

Component Analysis. See Component Method, above.

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

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

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

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

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

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

Estimated Initial Replacement. For a Cyclic Replacement Item (see above), the number of years until the replacement cycle is expected to begin. Estimated Replacement Cycle. For a Cyclic Replacement Item, the number of years over which the remainder of the component's replacement occurs.

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

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

Minimum Balance. Shown on the Summary Sheet A4, this amount is used in the Cash Flow Method only. Normally derived using the average annual expenditure over the study period, this is the minimum amount held in reserves for every year in the study period.

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

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

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

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

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

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

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

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

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

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

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

What is a Reserve Study?
Who are we?



<https://youtu.be/m4BcOE6q3Aw>

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



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

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



<https://youtu.be/pYSMZ013VjQ>

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



<https://youtu.be/Qx8WHB9Cgnc>

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



<https://youtu.be/ZfBoAEhtf3E>

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



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

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



<https://youtu.be/aARD1B1Oa3o>

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



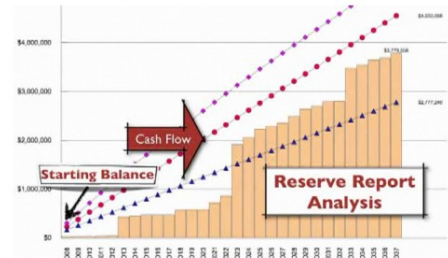
<https://youtu.be/diZfM1IyJYU>

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



<https://youtu.be/qCeVJhFf9ag>

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



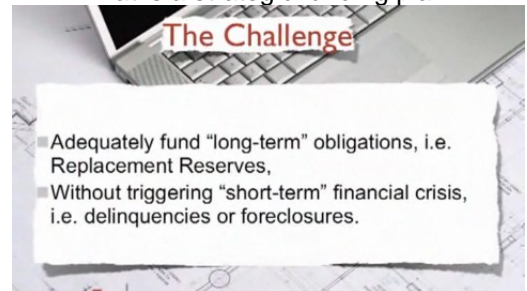
<https://youtu.be/SePdwVDvHWI>

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



<https://youtu.be/W8CDLwRlv68>

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



<https://youtu.be/hIxV9X1tlcA>