



# RESERVE DATA ANALYST

## **Acme HOA**

Acme City, USA

## **Boost Your Own Budget Reserve Report**

Report Date: December 1, 2021

For Fiscal Year: 2022

Report#: 123456

Version: Final

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## Acme HOA Introduction

Thank you for utilizing the services of Reserve Data Analyst for your Boost-Your-Own-Budget (BYOB) reserve report. We strive to create a comprehensive report that can be utilized for your reserve budgeting needs. If there are any questions, concerns, corrections, or revisions needed please do not hesitate to call or email us.

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

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

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

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

### **Within this Do-It-Yourself Reserve Budget Report, you will find:**

- ❏ A list of the Client supplied components that we have been told are to be included in this report. It is assumed that the component list is accurate and comprehensive: (*The Component List*)
- ❏ A timeline of the estimated dates that we recommend funds be allocated to the repair/replacement project. (*Projected Expenditures Report*)
- ❏ Various funding models with different goals in mind. (*Summary and Projections for each Funding Model*)

## Acme HOA Summary

Name	Acme HOA
Location	Acme City, USA
Contributing Members	10
Base Year / Age	January 1, 2002
Fiscal Year Ends	December 31, 2022

Level of Service	BYOB Reserve Report
Prepared for Fiscal Year	2022
Last On-Site Inspection Date	December 1, 2021
Inflation Rate for Projections	3.50%
*Interest Rate for Projections	0.50%
*Tax Rate on Interest Earned	30.0%
Funding Plan Method	Inflation Adjusted Pooled Cash Flow Method

### Reserve Account Summary

<b>Current Percent Funded</b> <small>(as of January 1, 2022)</small>  <div style="font-size: 2em; font-weight: bold; text-align: center;">76.3%</div> <div style="display: flex; justify-content: space-around; font-size: 0.8em;"> <span style="background-color: #f8d7da; padding: 2px;">0-30% Low</span> <span style="background-color: #fff3cd; padding: 2px;">30-70% Fair</span> <span style="background-color: #d4edda; padding: 2px;">70-100% Good</span> </div>	<b>Fiscal Year Beginning Fully Funded Balance</b>	\$5,243
	<b>*Estimated FY Start Balance</b>	\$4,000
	<b>Total Reserve Account Surplus or (Deficit)</b>	(\$1,243)
	<b>Avg. Surplus or (Deficit) Per Contributing Member</b>	(\$124)
	<b>*Current Annual Reserve Allocation Rate</b>	\$600 per year
	<b>*Approved Special Assessments</b>	None in fiscal year 2022.
	<b>*Approved Loans</b>	None in fiscal year 2022.

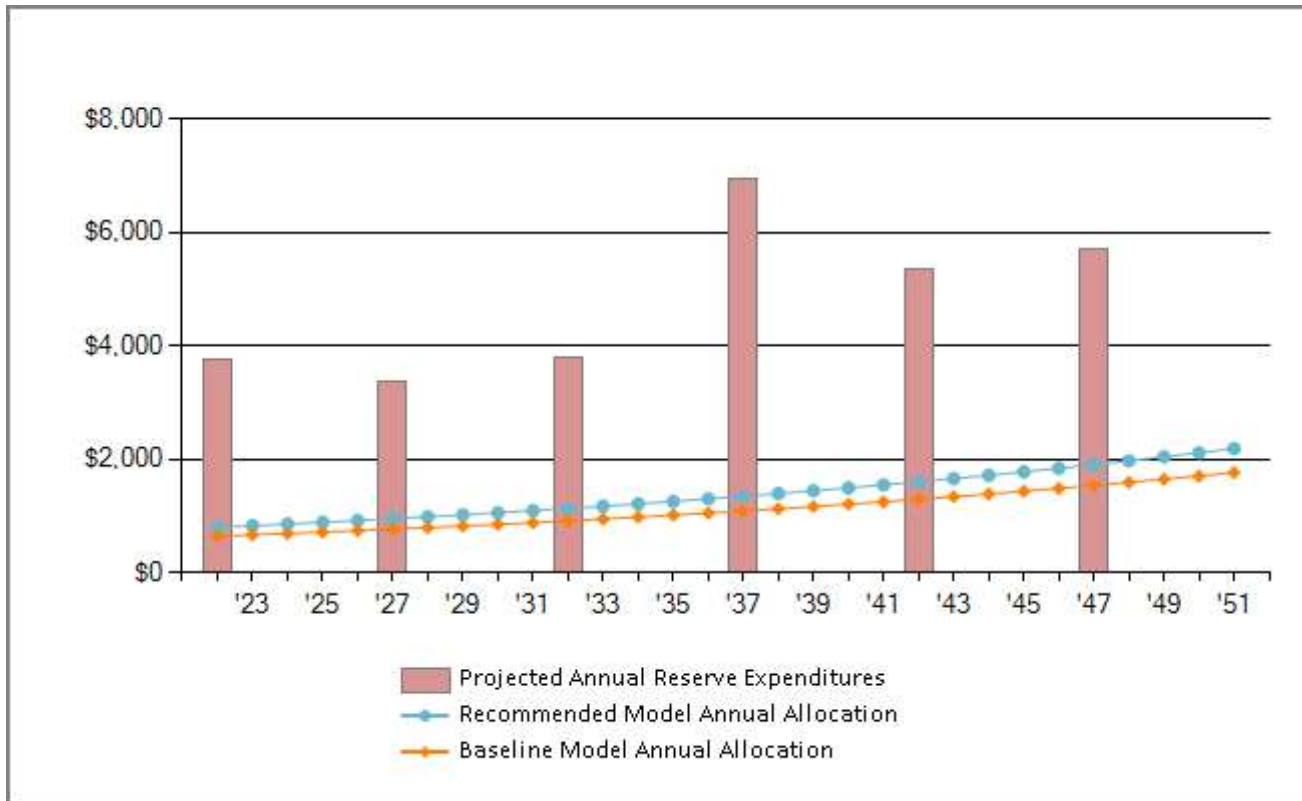
### 5-Year Summary - Annual Reserve Allocation Rates & Year End % Funded

	100% Funding Model		Recommended Funding Model		Baseline Funding Model		**Current Funding Model		
<b>2022</b>	\$1,947	100%	\$809	48%	\$654	41%	\$600	38%	<b>2022</b>
<b>2023</b>	\$781	101%	\$837	64%	\$677	53%	\$621	50%	<b>2023</b>
<b>2024</b>	\$808	101%	\$867	74%	\$700	61%	\$643	56%	<b>2024</b>
<b>2025</b>	\$836	101%	\$897	80%	\$725	65%	\$665	60%	<b>2025</b>
<b>2026</b>	\$876	100%	\$928	83%	\$750	68%	\$689	63%	<b>2026</b>
Account is at least 100% funded each year.			Achieve 100% funded within the timeframe of this report.		Reserve account above \$0 within timeframe of report.		Current allocation rate has been supplied by the Client.		

\* Data supplied by the Client, assumed to be correct and not independently verified.

\*\*Any negative percent funded shown is for visual representation of deficiency.

## Acme HOA Projected Annual Expenditures - Chart



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

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

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

# Acme HOA

## Reserve Budgeting Knowledge Base

### What is a Reserve Budget Report?

This report is a budgeting tool that can be utilized to make more informed budgeting decisions regarding a reserve account, it is an independent assessment of the adequacy of the reserve account balance and allocation rate utilizing a mathematical formula known as the “Percent Funded” calculation (based on the Client provided component list which is assumed to be comprehensive and accurate).

The Analyst develops funding models that:

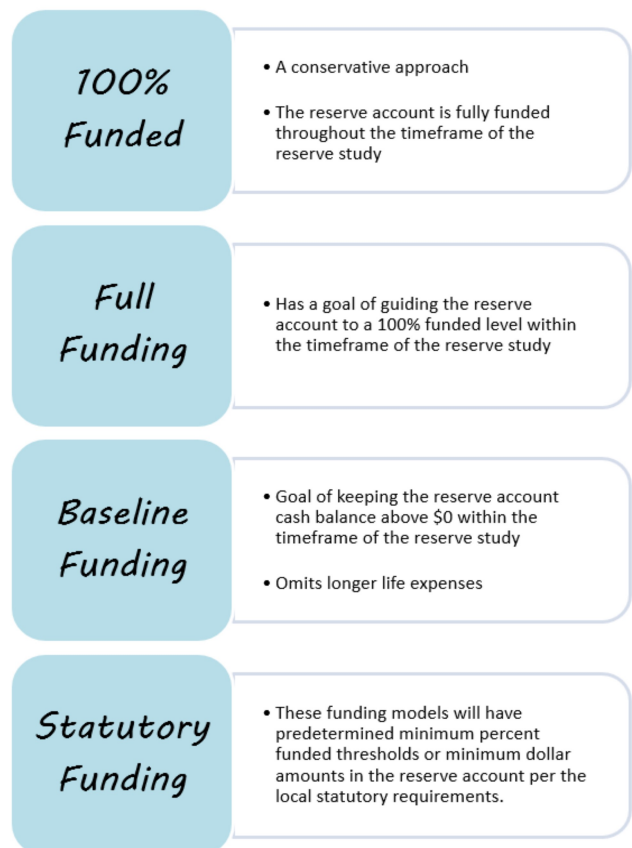
- Distribute the costs as fairly as possible over time
- Have stable budgets over time (i.e., limiting large fluctuations from one year to the next)
- Limit the risk for reliance on emergency financing or having to defer overdue projects

*This budgeting tool is an independent assessment of the reserve account and is not the Budget ....*

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

### How Much Should We Reserve?

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

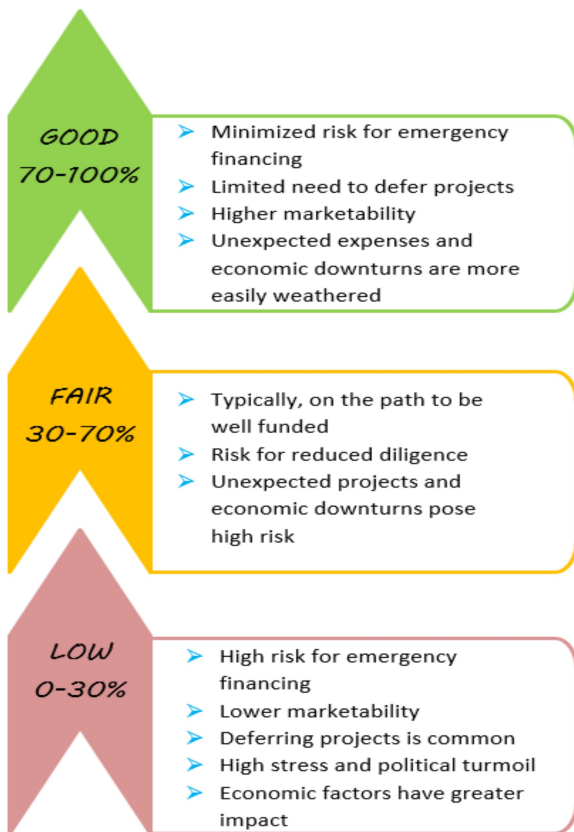


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## Reserve Budgeting Knowledge Base

### About Percent Funded

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



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

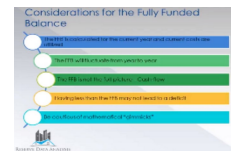


[www.reservedataanalyst.com/pf](http://www.reservedataanalyst.com/pf)

### About the Fully Funded Balance

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

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



[www.reservedataanalyst.com/ffb](http://www.reservedataanalyst.com/ffb)

### Inflation Impact on the Reserve Account

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



[www.reservedataanalyst.com/inf](http://www.reservedataanalyst.com/inf)

## Acme HOA

### Reserve Budgeting Knowledge Base

#### **Component Useful Life Estimates**

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



[www.reservedataanalyst.com/ul](http://www.reservedataanalyst.com/ul)

#### **Determining Component Project Costs**

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

- Client provided data (assumed to be correct)
- Client vendor invoices, bids, estimates
- Our in-house database that is based on the collection of many invoices, bids, and estimates over many years
- Cost manuals that, when used correctly, are very accurate for average cost figures

... It is important to understand that unless we are provided actual project costs based on Vendor provided invoices/bids/estimates, we utilize average costs figures that are not specific to any one client.

In the bidding process you will find that there is a large difference in price from one vendor to the next for a variety of reasons (e.g., lack of experience, not owning the necessary machinery, too small or too big of a project, etc.). Our estimated project costs aim to be in the middle of these bid/estimates. If we are provided Client data to incorporate into the reserve budget report, we will do so with the assumption that the data provided is correct and all due diligence was completed by the Client before contacting and providing us this information. Future costs (projections) for the component expenses are simply inflated from current cost based on the inflation assumption in the reserve report. It is important to remember that our current recommendations are based on current project costs and not the inflated number that is utilized in the projections portion of the report.

The below link goes into this topic in more detail:



[www.reservedataanalyst.com/cost](http://www.reservedataanalyst.com/cost)



## Acme HOA

### Reserve Budgeting Knowledge Base

#### When to Complete Reserve Projects?

Components should be replaced when they are no longer functioning as designed and per component specific Vendor recommendations. This is best determined by a Vendor who can inspect and give their best professional advice on the condition assessment and timeframe on when/what needs to be done. Note that this report is **not** a “to do list”; it is a budgeting tool with recommendations for when we suggest having the funds allocated towards the projects.

If something fails earlier than projected... replace it, if it lasts longer (as determined by your component specific Vendor)... then take their advice as they are the professionals in their specific field. Projects should be completed when they need to be completed regardless of our projections in the report. Note that this does not mean it would be appropriate to delay projects simply because funds are not available though as that is a budgeting decision not based on component specific Vendor recommendations. A common issue we see is the delay of projects simply because there is a lack of reserve funds available. The outcome of this practice is typically a much larger and more expensive project later due to collateral damage (e.g., not replacing a roof in a timely manner, which then leaks and causes sheathing and siding damage which would have not occurred if the roof was placed in a timely manner).

#### Ongoing Component Maintenance

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

Virtually all the components should receive regular cycles of inspection and repairs by a qualified Vendor. Failure to complete ongoing maintenance typically leads to shorter useful lives and higher costs later. RSMeans provides free maintenance checklists, some of our clients have found them be helpful in developing an ongoing maintenance plan. Follow the below link download these maintenance checklists.



[www.reservedataanalyst.com/RSmeans](http://www.reservedataanalyst.com/RSmeans)

# Acme HOA

## Reserve Budgeting Knowledge Base

### Recommendations Versus Projections

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

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



[www.reservedataanalyst.com/projections](http://www.reservedataanalyst.com/projections)

### You Have a Report, Now What?... Goal Setting

Adequately budgeting for reserves is often one of the more difficult tasks our clients face. Reserve component projects are infrequent and often years or decades away, making it very easy to just “deal with it later”. We have found those that are most successful with reserve budgeting goals typically follow these simple ...

... rules when creating and implementing a reserve budget.

#### Actionable

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

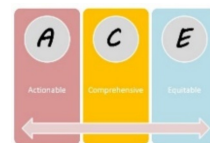
#### Comprehensive

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

#### Equitable

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

Follow the below link to learn more:



<https://www.reservedataanalyst.com/ace>

[illegible]

## **Acme HOA Analyst Comments**

### **Comments on This Boost-Your-Own-Budget Reserve Report**

This BYOB Reserve Report has been completed with data predominantly supplied by the Client. We have not confirmed that the component list is accurate or comprehensive and have included funding models that are based on this Client supplied data. It is assumed that the Client supplied component list and all corresponding data is accurate. Note that should it be discovered that the component list is not accurate, in any way, all other aspects of this reserve budget report should be disregarded. Reserve Data Analyst makes no claim to the accuracy of the Client supplied data and disclaims any liability arising out of the use of, or any financial position taken in reliance on, such information.

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

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

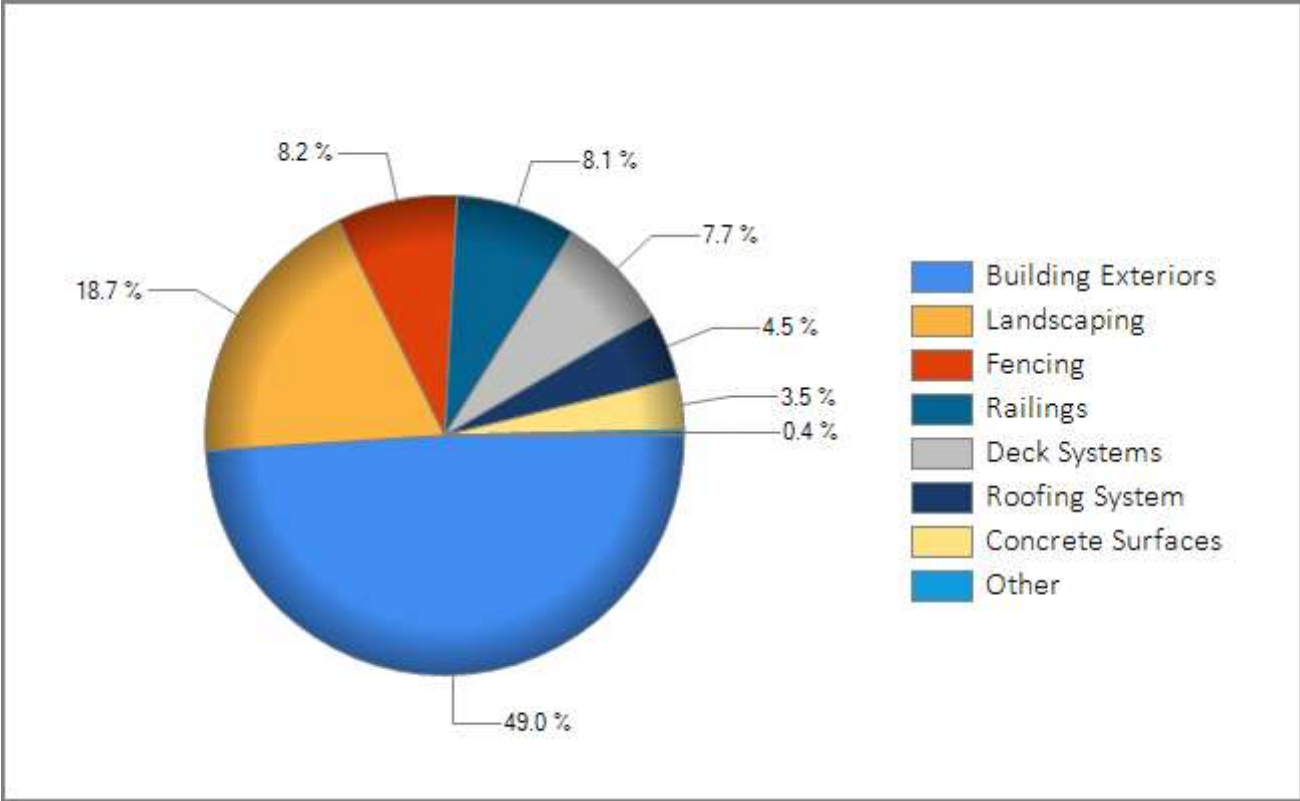
**Acme HOA**  
**The Component List**

Report Date December 01, 2021  
Beginning Fiscal Year January 01, 2022  
Account Number 123456

Version Number Final

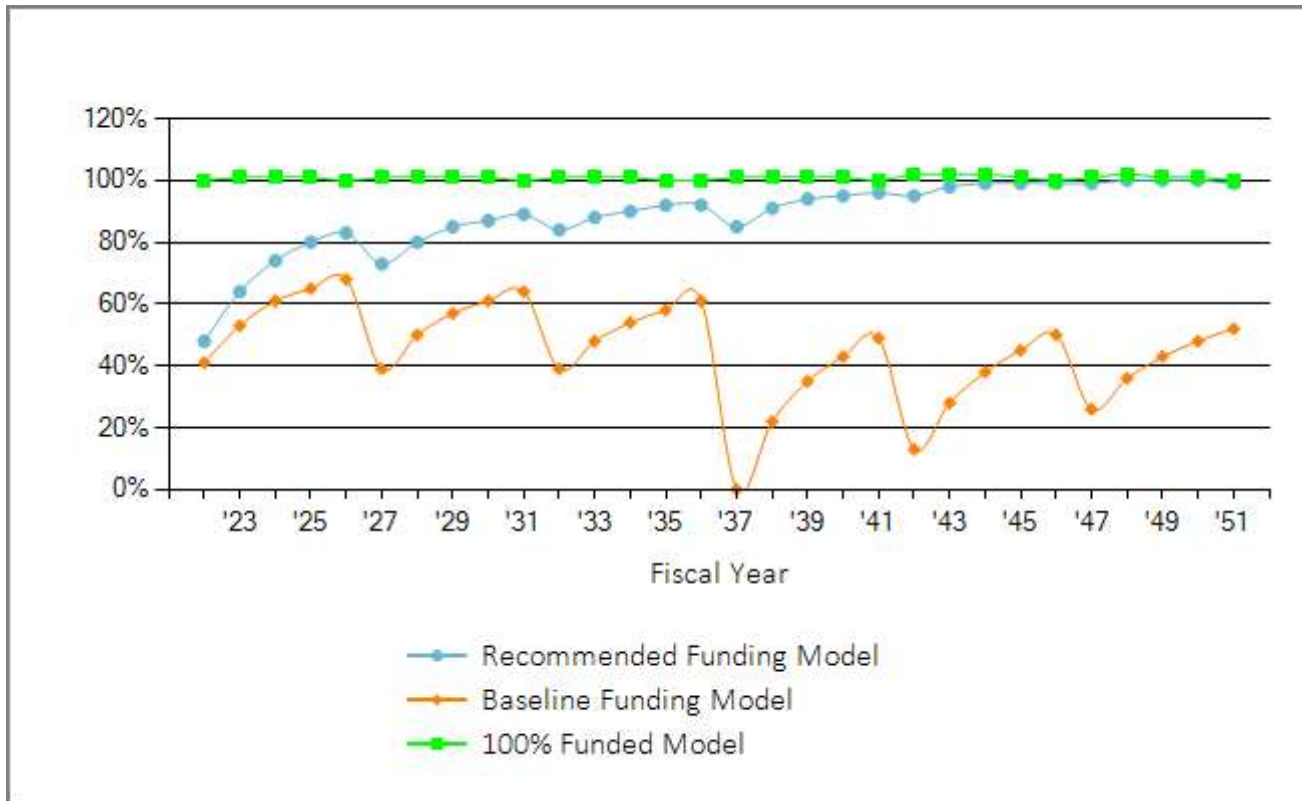
ID	Description	Aprox. Year In Service	Replacement Year	Useful Life	Adjustment	Remaining Life	Units	Unit Cost & % Replace	Current Cost
<b>Site Components</b>									
1009	Concrete Sidewalks (public) - 15% Re...	2002	2022	5	15	0	304 sf	1.00 @15.0%	46
1010	Concrete Surfaces - 15% Repair	2002	2027	5	20	5	1,247 sf	1.00 @15.0%	187
1026	Fence (wood) - Paint/Stain	2017	2022	5	0	0	275 lf	1.00	275
1027	Fence (wood) - Replace	2002	2027	25	0	5	275 lf	1.00	275
1038	Landscaping - Refurbish	2002	2022	15	0	0	1,260 sf	1.00	1,260
1043	Mailboxes (single) - Replace	2002	2027	25	0	5	5 ea	1.00	5
Site Components - Total:									\$2,048
<b>Building Exterior Components</b>									
1006	Building Exteriors (wood) - 5% Minor...	2017	2022	5	0	0	1,612 sf	1.00 @5.0%	81
1007	Building Exteriors (wood) - Paint & S...	2017	2022	5	0	0	1,612 sf	1.00	1,612
1005	Building Exteriors (wood) - Replace	2002	2052	50	0	30	1,612 sf	1.00	1,612
1011	Deck Railings (metal) - Paint	2012	2022	10	0	0	208 lf	1.00	208
1012	Deck Railings (metal) - Replace	2002	2042	40	0	20	208 lf	1.00	208
1013	Decks (composite) - Rebuild	2002	2027	25	0	5	104 sf	1.00	104
1014	Decks (membrane) - Replace	2016	2037	20	1	15	208 sf	1.00	208
1015	Decks (membrane) - Topcoat & Non-...	2016	2022	5	0	0	208 sf	1.00	208
1034	Gutters & Downs. - Replace	2002	2037	35	0	15	276 lf	1.00	276
1039	Lights (ext. fixture) - Replace	2002	2027	25	0	5	20 ea	1.00	20
1044	Roof (asph.shingle) - Replace	2002	2027	25	0	5	25 sq	1.00	25
1045	Roof (membrane) - Replace	2002	2022	20	0	0	3 sq	1.00	3
1048	Staircase & Railings (metal) - Paint	2012	2022	10	0	0	66 lf	1.00	66
1049	Staircase Railings (metal) - Replace	2002	2052	50	0	30	66 lf	1.00	66
Building Exterior Components - Total:									\$4,697
Total Asset Summary:									\$6,744

**Acme HOA**  
**Current Cost by Category Chart**



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

## Acme HOA Projected Percent Funded Chart



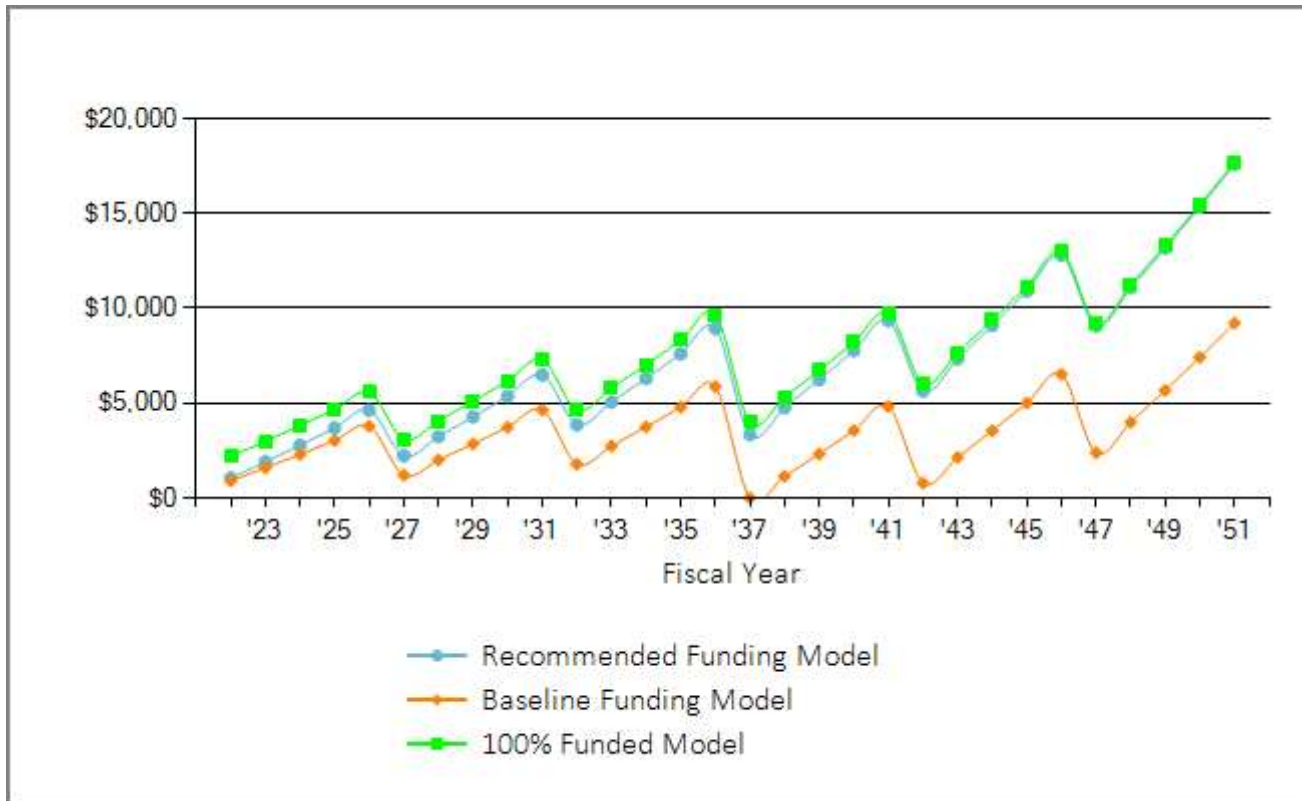
The above chart compares the funding models by the percentage funded levels over the timeframe of the projections, as calculated at the end of each fiscal year.

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

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

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

**Acme HOA**  
**Projected Reserve Account Balance Chart**



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

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



**Acme HOA**  
**100% Funded - Summary**

		<b>Report Parameters</b>	
Report Date	December 1, 2021	Inflation	3.50%
Account Number	123456	Annual Contribution Increase	3.50%
Version	Final	Interest Rate on Reserve Deposit	0.35%
Budget Year Beginning	January 1, 2022	Tax Rate Included in Interest Rate	
Budget Year Ending	December 31, 2022		
Total Units	10	2022 Beginning Balance	\$4,000

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

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

**Full Funding Model 30 Year Summary of Calculations**

Required Annual Contribution	\$1,947.00
Average Net Annual Interest Earned	\$7.66
Total Annual Allocation to Reserves	\$1,954.66

**Acme HOA**  
**100% Funded - Year End Projections**

Beginning Balance: \$4,000

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2022	6,744	3.5%	1,947		8	3,758	2,196	2,196	100%
2023	6,980	3.5%	781	-59.89%	10		2,988	2,956	101%
2024	7,225	3.5%	808	3.50%	13		3,809	3,765	101%
2025	7,477	3.5%	836	3.50%	16		4,662	4,628	101%
2026	7,739	3.5%	876	4.79%	19		5,557	5,547	100%
2027	8,010	3.5%	907	3.50%	11	3,370	3,106	3,073	101%
2028	8,290	3.5%	939	3.50%	14		4,059	4,029	101%
2029	8,581	3.5%	1,019	8.54%	18		5,096	5,048	101%
2030	8,881	3.5%	1,055	3.50%	22		6,172	6,134	101%
2031	9,192	3.5%	1,092	3.50%	25		7,289	7,289	100%
2032	9,513	3.5%	1,110	1.66%	16	3,784	4,632	4,587	101%
2033	9,846	3.5%	1,149	3.50%	20		5,801	5,739	101%
2034	10,191	3.5%	1,189	3.50%	24		7,014	6,967	101%
2035	10,548	3.5%	1,271	6.88%	29		8,314	8,273	100%
2036	10,917	3.5%	1,315	3.50%	34		9,663	9,663	100%
2037	11,299	3.5%	1,273	-3.18%	14	6,956	3,994	3,940	101%
2038	11,694	3.5%	1,318	3.50%	19		5,330	5,257	101%
2039	12,104	3.5%	1,364	3.50%	23		6,718	6,662	101%
2040	12,527	3.5%	1,460	7.00%	29		8,206	8,158	101%
2041	12,966	3.5%	1,511	3.52%	34		9,751	9,751	100%
2042	13,420	3.5%	1,571	3.98%	21	5,343	6,001	5,908	102%
2043	13,889	3.5%	1,626	3.50%	27		7,654	7,509	102%
2044	14,375	3.5%	1,683	3.50%	33		9,369	9,213	102%
2045	14,879	3.5%	1,742	3.50%	39		11,151	11,029	101%
2046	15,399	3.5%	1,803	3.50%	45		12,999	12,959	100%
2047	15,938	3.5%	1,893	4.99%	32	5,691	9,233	9,102	101%
2048	16,496	3.5%	1,959	3.50%	39		11,232	11,055	102%
2049	17,073	3.5%	2,028	3.50%	46		13,306	13,133	101%
2050	17,671	3.5%	2,099	3.50%	54		15,459	15,344	101%
2051	18,290	3.5%	2,172	3.50%	62		17,693	17,693	100%

**Acme HOA**  
**Recommended Funding - Summary**

		<b>Report Parameters</b>	
Report Date	December 1, 2021	Inflation	3.50%
Account Number	123456	Annual Contribution Increase	3.50%
Version	Final	Interest Rate on Reserve Deposit	0.35%
Budget Year Beginning	January 1, 2022	Tax Rate Included in Interest Rate	
Budget Year Ending	December 31, 2022		
Total Units	10	2022 Beginning Balance	\$4,000

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

**This Recommended Funding Plan Considers 4 Basic Principles:**

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

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

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

<b>Recommended Funding Model Summary of Calculations</b>	
Required Annual Contribution	\$809.00
Average Net Annual Interest Earned	<u>\$3.68</u>
Total Annual Allocation to Reserves	\$812.68

**Acme HOA**  
**Recommended Funding - Year End Projections**

Beginning Balance: \$4,000

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2022	6,744	3.5%	809		4	3,758	1,054	2,196	48%
2023	6,980	3.5%	837	3.50%	7		1,898	2,956	64%
2024	7,225	3.5%	867	3.50%	10		2,775	3,765	74%
2025	7,477	3.5%	897	3.50%	13		3,685	4,628	80%
2026	7,739	3.5%	928	3.50%	16		4,629	5,547	83%
2027	8,010	3.5%	961	3.50%	8	3,370	2,228	3,073	73%
2028	8,290	3.5%	994	3.50%	11		3,234	4,029	80%
2029	8,581	3.5%	1,029	3.50%	15		4,278	5,048	85%
2030	8,881	3.5%	1,065	3.50%	19		5,362	6,134	87%
2031	9,192	3.5%	1,103	3.50%	23		6,487	7,289	89%
2032	9,513	3.5%	1,141	3.50%	13	3,784	3,858	4,587	84%
2033	9,846	3.5%	1,181	3.50%	18		5,057	5,739	88%
2034	10,191	3.5%	1,222	3.50%	22		6,301	6,967	90%
2035	10,548	3.5%	1,265	3.50%	26		7,593	8,273	92%
2036	10,917	3.5%	1,310	3.50%	31		8,934	9,663	92%
2037	11,299	3.5%	1,355	3.50%	12	6,956	3,344	3,940	85%
2038	11,694	3.5%	1,403	3.50%	17		4,764	5,257	91%
2039	12,104	3.5%	1,452	3.50%	22		6,237	6,662	94%
2040	12,527	3.5%	1,503	3.50%	27		7,767	8,158	95%
2041	12,966	3.5%	1,555	3.50%	33		9,355	9,751	96%
2042	13,420	3.5%	1,610	3.50%	20	5,343	5,641	5,908	95%
2043	13,889	3.5%	1,666	3.50%	26		7,333	7,509	98%
2044	14,375	3.5%	1,724	3.50%	32		9,089	9,213	99%
2045	14,879	3.5%	1,785	3.50%	38		10,912	11,029	99%
2046	15,399	3.5%	1,847	3.50%	45		12,804	12,959	99%
2047	15,938	3.5%	1,912	3.50%	32	5,691	9,056	9,102	99%
2048	16,496	3.5%	1,979	3.50%	39		11,073	11,055	100%
2049	17,073	3.5%	2,048	3.50%	46		13,167	13,133	100%
2050	17,671	3.5%	2,120	3.50%	54		15,341	15,344	100%
2051	18,290	3.5%	2,194	3.50%	61		17,596	17,693	99%

**Acme HOA**  
Acme City, USA  
**Alternate Recommended Model - Summary**

		<b>Report Parameters</b>	
Report Date	December 1, 2021	Inflation	3.50%
Account Number	123456	Annual Contribution Increase	5.30%
Version	Final	Interest Rate on Reserve Deposit	0.35%
Budget Year Beginning	January 1, 2022	Tax Rate Included in Interest Rate	
Budget Year Ending	December 31, 2022		
Total Units		2022 Beginning Balance	\$4,000

This funding model has been included as an alternative to the regular Recommended Model (which utilizes an annual reserve contribution percentage increase rate that is similar to the inflation rate). This alternative model has a goal of reaching 100% funded by the end of a 30-year period but starts with a higher or lower reserve allocation rate and increases at a significantly higher or lower annual percentage increase (i.e., the annual reserve allocation percentage change is significantly higher or lower than the projected inflation rate) until the reserve account reaches the 100% funded level by the end of the 30-years of projections.

It is important to note that there is not a "right or wrong" Recommended Funding Model as mathematically it is a sliding scale between the reserve contribution rate and the annual increase/decrease percent (i.e., a higher initial annual reserve allocation rate will require a lower annual percentage increase and vice versa - a lower initial annual reserve allocation rate will require a higher annual percentage increase rate to the model to meet the same goal, in this case to be 100% funded by the end of a 30-year period). This type of funding model does not necessarily consider fairness to the membership as a projected allocation rate significantly different than the projected inflation rate, over time, will not follow the actual purchasing power of the dollar in any specific period.

Difficulties in following a model with a higher annual percentage increase can include limitations on the percentage increase outlined in the governing documents, limitations on the percentage increase outlined in statutory laws, changing Boards (with different ideas) over time, and getting a community to agree to a higher increase to the reserve allocation rate for an extended period.

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

<b>Diff. Annual % Allocation Model Summary of Calculations</b>	
Required Annual Contribution	\$600.00
Average Net Annual Interest Earned	<u>\$2.95</u>
Total Annual Allocation to Reserves	\$602.95

**Acme HOA**  
**Alternate Recommended Model - Year End Projections**

Beginning Balance: \$4,000

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2022	6,744	3.5%	600		3	3,758	845	2,196	38%
2023	6,980	3.5%	632	5.30%	5		1,482	2,956	50%
2024	7,225	3.5%	665	5.30%	8		2,155	3,765	57%
2025	7,477	3.5%	701	5.30%	10		2,865	4,628	62%
2026	7,739	3.5%	738	5.30%	13		3,615	5,547	65%
2027	8,010	3.5%	777	5.30%	4	3,370	1,026	3,073	33%
2028	8,290	3.5%	818	5.30%	6		1,850	4,029	46%
2029	8,581	3.5%	861	5.30%	9		2,721	5,048	54%
2030	8,881	3.5%	907	5.30%	13		3,641	6,134	59%
2031	9,192	3.5%	955	5.30%	16		4,612	7,289	63%
2032	9,513	3.5%	1,006	5.30%	6	3,784	1,840	4,587	40%
2033	9,846	3.5%	1,059	5.30%	10		2,909	5,739	51%
2034	10,191	3.5%	1,115	5.30%	14		4,038	6,967	58%
2035	10,548	3.5%	1,174	5.30%	18		5,231	8,273	63%
2036	10,917	3.5%	1,236	5.30%	23		6,490	9,663	67%
2037	11,299	3.5%	1,302	5.30%	3	6,956	838	3,940	21%
2038	11,694	3.5%	1,371	5.30%	8		2,217	5,257	42%
2039	12,104	3.5%	1,444	5.30%	13		3,673	6,662	55%
2040	12,527	3.5%	1,520	5.30%	18		5,211	8,158	64%
2041	12,966	3.5%	1,601	5.30%	24		6,836	9,751	70%
2042	13,420	3.5%	1,685	5.30%	11	5,343	3,189	5,908	54%
2043	13,889	3.5%	1,775	5.30%	17		4,982	7,509	66%
2044	14,375	3.5%	1,869	5.30%	24		6,874	9,213	75%
2045	14,879	3.5%	1,968	5.30%	31		8,873	11,029	80%
2046	15,399	3.5%	2,072	5.30%	38		10,984	12,959	85%
2047	15,938	3.5%	2,182	5.30%	26	5,691	7,501	9,102	82%
2048	16,496	3.5%	2,298	5.30%	34		9,833	11,055	89%
2049	17,073	3.5%	2,419	5.30%	43		12,295	13,133	94%
2050	17,671	3.5%	2,548	5.30%	52		14,895	15,344	97%
2051	18,290	3.5%	2,683	5.30%	62		17,639	17,693	100%

**Acme HOA**  
**Baseline Funding - Summary**

		<b>Report Parameters</b>	
Report Date	December 1, 2021	Inflation	3.50%
Account Number	123456	Annual Contribution Increase	3.50%
Version	Final	Interest Rate on Reserve Deposit	0.35%
Budget Year Beginning	January 1, 2022	Tax Rate Included in Interest Rate	
Budget Year Ending	December 31, 2022		
Total Units	10	2022 Beginning Balance	\$4,000

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

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

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

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

<b>Baseline Threshold Funding Model Summary of Calculations</b>	
Required Annual Contribution	\$653.89
Average Net Annual Interest Earned	<u>\$3.13</u>
Total Annual Allocation to Reserves	\$657.02

**Acme HOA**  
**Baseline Funding - Year End Projections**

Beginning Balance: \$4,000

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2022	6,744	3.5%	654		3	3,758	899	2,196	41%
2023	6,980	3.5%	677	3.50%	6		1,581	2,956	53%
2024	7,225	3.5%	700	3.50%	8		2,290	3,765	61%
2025	7,477	3.5%	725	3.49%	11		3,025	4,628	65%
2026	7,739	3.5%	750	3.50%	13		3,789	5,547	68%
2027	8,010	3.5%	777	3.50%	4	3,370	1,200	3,073	39%
2028	8,290	3.5%	804	3.50%	7		2,010	4,029	50%
2029	8,581	3.5%	832	3.50%	10		2,852	5,048	57%
2030	8,881	3.5%	861	3.50%	13		3,726	6,134	61%
2031	9,192	3.5%	891	3.50%	16		4,634	7,289	64%
2032	9,513	3.5%	922	3.50%	6	3,784	1,779	4,587	39%
2033	9,846	3.5%	955	3.50%	10		2,743	5,739	48%
2034	10,191	3.5%	988	3.50%	13		3,744	6,967	54%
2035	10,548	3.5%	1,023	3.50%	17		4,783	8,273	58%
2036	10,917	3.5%	1,058	3.50%	20		5,862	9,663	61%
2037	11,299	3.5%	1,095	3.50%		6,956	1	3,940	0%
2038	11,694	3.5%	1,134	3.50%	4		1,139	5,257	22%
2039	12,104	3.5%	1,174	3.50%	8		2,321	6,662	35%
2040	12,527	3.5%	1,215	3.50%	12		3,548	8,158	43%
2041	12,966	3.5%	1,257	3.50%	17		4,822	9,751	49%
2042	13,420	3.5%	1,301	3.50%	3	5,343	782	5,908	13%
2043	13,889	3.5%	1,347	3.50%	7		2,136	7,509	28%
2044	14,375	3.5%	1,394	3.50%	12		3,543	9,213	38%
2045	14,879	3.5%	1,443	3.50%	17		5,003	11,029	45%
2046	15,399	3.5%	1,493	3.50%	23		6,518	12,959	50%
2047	15,938	3.5%	1,545	3.50%	8	5,691	2,381	9,102	26%
2048	16,496	3.5%	1,599	3.50%	14		3,994	11,055	36%
2049	17,073	3.5%	1,655	3.50%	20		5,669	13,133	43%
2050	17,671	3.5%	1,713	3.50%	26		7,408	15,344	48%
2051	18,290	3.5%	1,773	3.50%	32		9,214	17,693	52%



**Acme HOA**  
**Current Funding - Summary**

		<b>Report Parameters</b>	
Report Date	December 1, 2021	Inflation	3.50%
Account Number	123456	Annual Contribution Increase	3.50%
Version	Final	Interest Rate on Reserve Deposit	0.35%
Budget Year Beginning	January 1, 2022	Tax Rate Included in Interest Rate	
Budget Year Ending	December 31, 2022		
Total Units	10	2022 Beginning Balance	\$4,000

The Current Funding Model is based on the reserve allocation data supplied by the Client; it has not been independently verified and is assumed to be correct.

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

<b>Current Assessment Funding Model Summary of Calculations</b>	
Required Annual Contribution	\$600.00
Average Net Annual Interest Earned	<u>\$2.95</u>
Total Annual Allocation to Reserves	\$602.95

**Acme HOA**  
**Current Funding - Year End Projections**

Beginning Balance: \$4,000

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2022	6,744	3.5%	600		3	3,758	845	2,196	38%
2023	6,980	3.5%	621	3.50%	5		1,471	2,956	50%
2024	7,225	3.5%	643	3.50%	7		2,121	3,765	56%
2025	7,477	3.5%	665	3.50%	10		2,796	4,628	60%
2026	7,739	3.5%	689	3.49%	12		3,497	5,547	63%
2027	8,010	3.5%	713	3.49%	3	3,370	842	3,073	27%
2028	8,290	3.5%	738	3.50%	6		1,586	4,029	39%
2029	8,581	3.5%	763	3.50%	8		2,357	5,048	47%
2030	8,881	3.5%	790	3.50%	11		3,158	6,134	51%
2031	9,192	3.5%	818	3.50%	14		3,990	7,289	55%
2032	9,513	3.5%	846	3.50%	4	3,784	1,056	4,587	23%
2033	9,846	3.5%	876	3.50%	7		1,939	5,739	34%
2034	10,191	3.5%	907	3.50%	10		2,856	6,967	41%
2035	10,548	3.5%	938	3.50%	13		3,807	8,273	46%
2036	10,917	3.5%	971	3.50%	17		4,795	9,663	50%
2037	11,299	3.5%	1,005	3.50%		6,956	-1,156	3,940	
2038	11,694	3.5%	1,040	3.50%			-116	5,257	
2039	12,104	3.5%	1,077	3.50%	3		965	6,662	14%
2040	12,527	3.5%	1,114	3.50%	7		2,086	8,158	26%
2041	12,966	3.5%	1,153	3.50%	11		3,251	9,751	33%
2042	13,420	3.5%	1,194	3.50%		5,343	-898	5,908	
2043	13,889	3.5%	1,236	3.50%	1		339	7,509	5%
2044	14,375	3.5%	1,279	3.50%	6		1,623	9,213	18%
2045	14,879	3.5%	1,324	3.50%	10		2,957	11,029	27%
2046	15,399	3.5%	1,370	3.50%	15		4,343	12,959	34%
2047	15,938	3.5%	1,418	3.50%		5,691	69	9,102	1%
2048	16,496	3.5%	1,468	3.50%	5		1,542	11,055	14%
2049	17,073	3.5%	1,519	3.50%	11		3,072	13,133	23%
2050	17,671	3.5%	1,572	3.50%	16		4,660	15,344	30%
2051	18,290	3.5%	1,627	3.50%	22		6,310	17,693	36%

**Acme HOA**  
**Projected Annual Expenditures - List**

Description	Expenditures
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**Replacement Year 2022**

1006	Building Exteriors (wood) - 5% Minor Repair	81
1007	Building Exteriors (wood) - Paint & Seal	1,612
1009	Concrete Sidewalks (public) - 15% Repair	46
1011	Deck Railings (metal) - Paint	208
1015	Decks (membrane) - Topcoat & Non-skid	208
1026	Fence (wood) - Paint/Stain	275
1038	Landscaping - Refurbish	1,260
1045	Roof (membrane) - Replace	3
1048	Staircase & Railings (metal) - Paint	66

<b>Total for 2022</b>	<b>\$3,758</b>
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*No Replacement in 2023*

*No Replacement in 2024*

*No Replacement in 2025*

*No Replacement in 2026*

**Replacement Year 2027**

1006	Building Exteriors (wood) - 5% Minor Repair	96
1007	Building Exteriors (wood) - Paint & Seal	1,915
1009	Concrete Sidewalks (public) - 15% Repair	54
1010	Concrete Surfaces - 15% Repair	222
1013	Decks (composite) - Rebuild	124
1015	Decks (membrane) - Topcoat & Non-skid	247
1026	Fence (wood) - Paint/Stain	327
1027	Fence (wood) - Replace	327
1039	Lights (ext. fixture) - Replace	24
1043	Mailboxes (single) - Replace	6
1044	Roof (asph.shingle) - Replace	30

<b>Total for 2027</b>	<b>\$3,370</b>
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*No Replacement in 2028*

*No Replacement in 2029*

*No Replacement in 2030*

*No Replacement in 2031*

**Replacement Year 2032**

1006	Building Exteriors (wood) - 5% Minor Repair	114
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**Acme HOA**  
**Projected Annual Expenditures - List**

Description	Expenditures
<b><i>Replacement Year 2032 continued...</i></b>	
1007 Building Exteriors (wood) - Paint & Seal	2,274
1009 Concrete Sidewalks (public) - 15% Repair	64
1010 Concrete Surfaces - 15% Repair	264
1011 Deck Railings (metal) - Paint	293
1015 Decks (membrane) - Topcoat & Non-skid	293
1026 Fence (wood) - Paint/Stain	388
1048 Staircase & Railings (metal) - Paint	93
<b>Total for 2032</b>	<b><u>\$3,784</u></b>
<i>No Replacement in 2033</i>	
<i>No Replacement in 2034</i>	
<i>No Replacement in 2035</i>	
<i>No Replacement in 2036</i>	
<b>Replacement Year 2037</b>	
1006 Building Exteriors (wood) - 5% Minor Repair	135
1007 Building Exteriors (wood) - Paint & Seal	2,701
1009 Concrete Sidewalks (public) - 15% Repair	76
1010 Concrete Surfaces - 15% Repair	313
1014 Decks (membrane) - Replace	348
1015 Decks (membrane) - Topcoat & Non-skid	348
1026 Fence (wood) - Paint/Stain	461
1034 Gutters & Downs. - Replace	462
1038 Landscaping - Refurbish	2,111
<b>Total for 2037</b>	<b><u>\$6,956</u></b>
<i>No Replacement in 2038</i>	
<i>No Replacement in 2039</i>	
<i>No Replacement in 2040</i>	
<i>No Replacement in 2041</i>	
<b>Replacement Year 2042</b>	
1006 Building Exteriors (wood) - 5% Minor Repair	160
1007 Building Exteriors (wood) - Paint & Seal	3,208
1009 Concrete Sidewalks (public) - 15% Repair	91

**Acme HOA**  
**Projected Annual Expenditures - List**

Description	Expenditures
<b><i>Replacement Year 2042 continued...</i></b>	
1010 Concrete Surfaces - 15% Repair	372
1012 Deck Railings (metal) - Replace	414
1015 Decks (membrane) - Topcoat & Non-skid	414
1026 Fence (wood) - Paint/Stain	547
1045 Roof (membrane) - Replace	6
1048 Staircase & Railings (metal) - Paint	131
<b>Total for 2042</b>	<b><u>\$5,343</u></b>
<i>No Replacement in 2043</i>	
<i>No Replacement in 2044</i>	
<i>No Replacement in 2045</i>	
<i>No Replacement in 2046</i>	
<b>Replacement Year 2047</b>	
1006 Building Exteriors (wood) - 5% Minor Repair	190
1007 Building Exteriors (wood) - Paint & Seal	3,810
1009 Concrete Sidewalks (public) - 15% Repair	108
1010 Concrete Surfaces - 15% Repair	442
1015 Decks (membrane) - Topcoat & Non-skid	492
1026 Fence (wood) - Paint/Stain	650
<b>Total for 2047</b>	<b><u>\$5,691</u></b>
<i>No Replacement in 2048</i>	
<i>No Replacement in 2049</i>	
<i>No Replacement in 2050</i>	
<i>No Replacement in 2051</i>	

**Acme HOA**  
**Fully Funded Balance Calculations (Beginning Fiscal Year)**

Asset ID	Description	Current Cost	x	Age	/	Useful Life	=	Fully Funded
<b>Site Components</b>								
1009	Concrete Sidewalks (public) -...	\$46	x	20	/	20	=	\$46
1010	Concrete Surfaces - 15% Rep...	\$187	x	20	/	25	=	\$150
1026	Fence (wood) - Paint/Stain	\$275	x	5	/	5	=	\$275
1027	Fence (wood) - Replace	\$275	x	20	/	25	=	\$220
1038	Landscaping - Refurbish	\$1,260	x	15	/	15	=	\$1,260
1043	Mailboxes (single) - Replace	\$5	x	20	/	25	=	\$4
Site Components - Total:								\$1,954
<b>Building Exterior Components</b>								
1006	Building Exteriors (wood) - 5...	\$81	x	5	/	5	=	\$81
1007	Building Exteriors (wood) - P...	\$1,612	x	5	/	5	=	\$1,612
1005	Building Exteriors (wood) - R...	\$1,612	x	20	/	50	=	\$645
1011	Deck Railings (metal) - Paint	\$208	x	10	/	10	=	\$208
1012	Deck Railings (metal) - Replace	\$208	x	20	/	40	=	\$104
1013	Decks (composite) - Rebuild	\$104	x	20	/	25	=	\$83
1014	Decks (membrane) - Replace	\$208	x	6	/	21	=	\$59
1015	Decks (membrane) - Topcoat...	\$208	x	5	/	5	=	\$208
1034	Gutters & Downs. - Replace	\$276	x	20	/	35	=	\$158
1039	Lights (ext. fixture) - Replace	\$20	x	20	/	25	=	\$16
1044	Roof (asph.shingle) - Replace	\$25	x	20	/	25	=	\$20
1045	Roof (membrane) - Replace	\$3	x	20	/	20	=	\$3
1048	Staircase & Railings (metal) - ...	\$66	x	10	/	10	=	\$66
1049	Staircase Railings (metal) - R...	\$66	x	20	/	50	=	\$26
Building Exterior Components - Total:								\$3,289
Total Asset Summary:								\$5,243

**Acme HOA**  
**Component Detail Reports**

**Concrete Sidewalks (public) - 15% Repair**

Asset ID	1009	304 sf	@ \$1.00
Site Components		Asset Actual Cost	\$45.60
Concrete Surfaces		Percent Replacement	15%
Placed in Service	January 2002	Future Cost	\$45.60
Useful Life	5		
Adjustment	15		
Replacement Year	2022		
Remaining Life	0		

**Concrete Surfaces - 15% Repair**

Asset ID	1010	1,247 sf	@ \$1.00
Site Components		Asset Actual Cost	\$187.05
Concrete Surfaces		Percent Replacement	15%
Placed in Service	January 2002	Future Cost	\$222.16
Useful Life	5		
Adjustment	20		
Replacement Year	2027		
Remaining Life	5		

**Fence (wood) - Paint/Stain**

Asset ID	1026	275 lf	@ \$1.00
Site Components		Asset Actual Cost	\$275.00
Fencing		Percent Replacement	100%
Placed in Service	June 2017	Future Cost	\$275.00
Useful Life	5		
Replacement Year	2022		
Remaining Life	0		

**Acme HOA**  
**Component Detail Reports**

**Fence (wood) - Replace**

Asset ID	1027	275 lf	@ \$1.00
Site Components		Asset Actual Cost	\$275.00
Fencing		Percent Replacement	100%
Placed in Service	January 2002	Future Cost	\$326.61
Useful Life	25		
Replacement Year	2027		
Remaining Life	5		

**Landscaping - Refurbish**

Asset ID	1038	1,260 sf	@ \$1.00
Site Components		Asset Actual Cost	\$1,260.00
Landscaping		Percent Replacement	100%
Placed in Service	January 2002	Future Cost	\$1,260.00
Useful Life	15		
Replacement Year	2022		
Remaining Life	0		

**Mailboxes (single) - Replace**

Asset ID	1043	5 ea	@ \$1.00
Site Components		Asset Actual Cost	\$5.00
Mailboxes		Percent Replacement	100%
Placed in Service	January 2002	Future Cost	\$5.94
Useful Life	25		
Replacement Year	2027		
Remaining Life	5		



**Acme HOA**  
**Component Detail Reports**

**Building Exteriors (wood) - 5% Minor Repair**

		1,612 sf	@ \$1.00
Asset ID	1006	Asset Actual Cost	\$80.60
Building Exterior Components		Percent Replacement	5%
Building Exteriors		Future Cost	\$80.60
Placed in Service	June 2017		
Useful Life	5		
Replacement Year	2022		
Remaining Life	0		

**Building Exteriors (wood) - Paint & Seal**

		1,612 sf	@ \$1.00
Asset ID	1007	Asset Actual Cost	\$1,612.00
Building Exterior Components		Percent Replacement	100%
Building Exteriors		Future Cost	\$1,612.00
Placed in Service	June 2017		
Useful Life	5		
Replacement Year	2022		
Remaining Life	0		

**Building Exteriors (wood) - Replace**

		1,612 sf	@ \$1.00
Asset ID	1005	Asset Actual Cost	\$1,612.00
Building Exterior Components		Percent Replacement	100%
Building Exteriors		Future Cost	\$4,524.55
Placed in Service	January 2002		
Useful Life	50		
Replacement Year	2052		
Remaining Life	30		

**Deck Railings (metal) - Paint**

		208 lf	@ \$1.00
Asset ID	1011	Asset Actual Cost	\$208.00
Building Exterior Components		Percent Replacement	100%
Railings		Future Cost	\$208.00
Placed in Service	June 2012		
Useful Life	10		
Replacement Year	2022		
Remaining Life	0		

**Acme HOA**  
**Component Detail Reports**

**Deck Railings (metal) - Replace**

Asset ID	1012	208 lf	@ \$1.00
Building Exterior Components		Asset Actual Cost	\$208.00
Railings		Percent Replacement	100%
Placed in Service	January 2002	Future Cost	\$413.87
Useful Life	40		
Replacement Year	2042		
Remaining Life	20		

**Decks (composite) - Rebuild**

Asset ID	1013	104 sf	@ \$1.00
Building Exterior Components		Asset Actual Cost	\$104.00
Deck Systems		Percent Replacement	100%
Placed in Service	January 2002	Future Cost	\$123.52
Useful Life	25		
Replacement Year	2027		
Remaining Life	5		

**Decks (membrane) - Replace**

Asset ID	1014	208 sf	@ \$1.00
Building Exterior Components		Asset Actual Cost	\$208.00
Deck Systems		Percent Replacement	100%
Placed in Service	June 2016	Future Cost	\$348.47
Useful Life	20		
Adjustment	1		
Replacement Year	2037		
Remaining Life	15		

**Decks (membrane) - Topcoat & Non-skid**

Asset ID	1015	208 sf	@ \$1.00
Building Exterior Components		Asset Actual Cost	\$208.00
Deck Systems		Percent Replacement	100%
Placed in Service	June 2016	Future Cost	\$208.00
Useful Life	5		
Replacement Year	2022		
Remaining Life	0		

**Acme HOA**  
**Component Detail Reports**

**Gutters & Downs. - Replace**

		276 lf	@ \$1.00
Asset ID	1034	Asset Actual Cost	\$276.00
Building Exterior Components		Percent Replacement	100%
	Roofing System	Future Cost	\$462.40
Placed in Service	January 2002		
Useful Life	35		
Replacement Year	2037		
Remaining Life	15		

**Lights (ext. fixture) - Replace**

		20 ea	@ \$1.00
Asset ID	1039	Asset Actual Cost	\$20.00
Building Exterior Components		Percent Replacement	100%
	Lighting	Future Cost	\$23.75
Placed in Service	January 2002		
Useful Life	25		
Replacement Year	2027		
Remaining Life	5		

**Roof (asph.shingle) - Replace**

		25 sq	@ \$1.00
Asset ID	1044	Asset Actual Cost	\$25.00
Building Exterior Components		Percent Replacement	100%
	Roofing System	Future Cost	\$29.69
Placed in Service	January 2002		
Useful Life	25		
Replacement Year	2027		
Remaining Life	5		

**Roof (membrane) - Replace**

		3 sq	@ \$1.00
Asset ID	1045	Asset Actual Cost	\$3.00
Building Exterior Components		Percent Replacement	100%
	Roofing System	Future Cost	\$3.00
Placed in Service	January 2002		
Useful Life	20		
Replacement Year	2022		
Remaining Life	0		

**Acme HOA**  
**Component Detail Reports**

**Staircase & Railings (metal) - Paint**

Asset ID	1048	66 lf	@ \$1.00
Building Exterior Components		Asset Actual Cost	\$66.00
Railings		Percent Replacement	100%
Placed in Service	June 2012	Future Cost	\$66.00
Useful Life	10		
Replacement Year	2022		
Remaining Life	0		

**Staircase Railings (metal) - Replace**

Asset ID	1049	66 lf	@ \$1.00
Building Exterior Components		Asset Actual Cost	\$66.00
Railings		Percent Replacement	100%
Placed in Service	January 2002	Future Cost	\$185.25
Useful Life	50		
Replacement Year	2052		
Remaining Life	30		

**Acme HOA  
Component Index**

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1007	Building Exteriors (wood) - Paint & Seal	2022	33
1005	Building Exteriors (wood) - Replace	2052	33
1011	Deck Railings (metal) - Paint	2022	33
1012	Deck Railings (metal) - Replace	2042	34
1013	Decks (composite) - Rebuild	2027	34
1014	Decks (membrane) - Replace	2037	34
1015	Decks (membrane) - Topcoat & Non-skid	2022	34
1034	Gutters & Downs. - Replace	2037	35
1039	Lights (ext. fixture) - Replace	2027	35
1044	Roof (asph.shingle) - Replace	2027	35
1045	Roof (membrane) - Replace	2022	35
1048	Staircase & Railings (metal) - Paint	2022	36
1049	Staircase Railings (metal) - Replace	2052	36
	Total Funded Assets	20	
	Total Unfunded Assets	<u>0</u>	
	Total Assets	20	