

PREPARED FOR:

**GREEN AT SCOTTS MILL MASTER
OWNERS ASSOCIATION
APEX, NC**

**MANAGED BY:
OMEGA MANAGEMENT**

OCTOBER 5, 2023

**FULL RESERVE STUDY
UPDATE WITH SITE VISIT**



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ENGINEERS

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INTRODUCTIONS

Green at Scotts Mill Master Owners Association authorized Giles Flythe Engineers to perform a Full Reserve Study for the Green at Scotts Mill community located in Apex, NC. The purpose of the reserve study is to assist the association in planning future capital repair expenses. A reserve study is an important tool for an association to adequately fund capital reserve accounts through regular annual reserve contributions. Adequately funded capital reserve accounts reduce the need to defer capital repairs, collect special assessments or borrow funds for capital repair projects.

A community association typically has certain responsibilities as described in the association governing documents. These responsibilities often include maintaining common areas and other components. An association, as a non-profit organization, will typically have two general asset cash accounts including an operating account and a reserve account. The operating account is funded from regular budgeted assessments and is used to fund routine operating expenses that occur on a predictable cycle, typically monthly or up to annually. The reserve account is funded from regular contributions and is primarily used to fund non-annual capital repair expenses.

The focus of the reserve study is on the reserve account. We have projected capital repair expenses over a term of thirty years. The capital repair expenses are limited to those components for which the association is responsible for maintaining. Capital repair expense estimates include an expected useful life and remaining useful life of the components to develop a projected schedule for capital repairs over the term. After developing a schedule of capital repairs over the term, we completed a cash flow analysis forecasting reserve account balances over the term and provided funding recommendations as needed. Capital repair expense estimates and funding estimates are most reliable in the first portion of the term. Updating a reserve study every three to five years will mitigate the impacts of variation in repair costs, component wear, inflation and reserve funding over time.

Capital reserve funding recommendations are provided to address funding principles including providing sufficient funds required, a stable reserve contribution rate over the term, an equitable contribution rate over the term, and fiscal responsibility. The reserve study is intended to assist the association in developing budgeted reserve contributions.

The report includes a narrative section which describes the scope of the reserve study, a discussion of observations and capital repair allocations, a general description of capital repairs and a description of our cash flow analysis and funding recommendations. The report appendices include the capital reserve analysis with tables detailing an itemized list of capital repair expenses, an itemized list of expenses by year and our cash flow analysis. A photo log is provided and includes a representative sample of our observations. The report includes multiple sections with information presented in various forms and should, therefore, be read in its entirety.

EXECUTIVE SUMMARY

The Green at Scotts Mill Master Owners Association is a private residential community that is comprised 373 individually owned single family and townhomes situated on public streets with private alleys in Apex, NC. The community is located off Apex Barbecue Road along Town Side Drive. According to Wake County Real Estate records, the buildings were constructed from 2000-2017. The townhome assets are funded from a separate sub-association.

The Association has responsibility for the maintenance of the various site improvements. The most significant site improvements include the asphalt alleys (some with curbing), concrete sidewalks in the common areas, common area drainage systems, irrigation systems, entrance signage, and the brick walls and railings at the pavilion.

The buildings, common areas and grounds are generally in good condition. Based on our evaluation, the current level of funding does not maintain a positive balance through the term of this study. We have provided recommendations for annual reserve contribution schedules that are intended in the long term to provide a reserve balance over a minimum threshold balance. We generally recommend a threshold balance of at least an average year of capital repair expenditures. A more detailed analysis of the reserve fund has been provided in Appendix A.

- **Alternative 1:** Beginning in 2029, increase the contributions to capital reserves by 5% every other year through the end of the 30-year term.
- **Alternative 2:** Beginning in 2028, increase the contributions to capital reserves by \$3,000 every other year through 2044.

Some significant expenditures are expected over the term of the study. Some of the more notable examples are listed below:

- Resurface private streets
- Entrance signage repairs

Additional capital expenditures are anticipated over the term of this study. Those items that will require repair or replacement are discussed later in this report.

PURPOSE & SCOPE

We have completed this study to estimate capital repair expenses the association is responsible for over the term of the study and provide a cash flow analysis and capital reserve funding plan. This study is intended to assist the association in determining the allocation requirements into the reserve fund which are projected to meet future anticipated capital expenditures for the community.

This report estimates capital repair expenses for the community thirty years into the future. Variations in capital repair expense forecasts due to the quality of maintenance, weather and other events may occur. Over time, age, premature deterioration, or other factors may necessitate the addition of assets into the reserve study. Additionally, fluctuations in material and labor costs beyond assumed inflation rates may also affect the accuracy of the forecasts. Therefore, a reserve study should be routinely updated, typically on a three to five-year cycle to provide the most accurate assessment of needs and financial obligations of the community.

This study has been performed according to the scope as generally defined by Green at Scotts Mill Master Owners Association, Giles Flythe Engineers Inc., and the standards of the Community Associations Institute. The findings and recommendations are based on interviews with the community's management personnel; a review of available documents; and a limited visual inspection of the components maintained by the association.

The Cash Flow Method of calculating reserves has been utilized, whereby contributions to the reserve fund are designed to offset the variable annual expenditures. Funding alternates are recommended which are intended in the long term to provide a reserve balance over a minimum threshold balance. We generally recommend a threshold balance of at least an average year of capital repair expenditures. This minimum threshold balance will help offset the risk of fluctuations in labor and material costs and component wear. Note that under certain circumstances to accommodate restricted budgets, projected balances may be below the threshold balance for a short period of time.

To determine which components should be included in this analysis, we used the following guidelines:

- The component must be maintained by the association.
- The component must have an estimated remaining useful life within the term of this study.
- The funding for the repair should be from the reserve account, not through an annual operating budget or other maintenance contracts.
- The cost of the capital repair must be significant enough to not be reasonably funded from an annual operating budget.

What is a reserve study?

A reserve study is a long-term capital budget planning tool which compares the current reserve fund of an organization to future capital repairs and replacements.

A reserve study is a tool to help identify and prepare for major repair and replacement projects for a community.

It is recommended that a reserve study be performed every five years to ensure that communities are saving the necessary funds for capital repairs and improvements.

Our process for completing the reserve study includes:

1. Reviewing information provided including governing documents, association financial statements, and information on previous or planned capital repairs.
2. Reviewing available information on the property as needed. This may include plat maps, tax records, historical aerial photographs, available site, and building plans.
3. Conducting a visual inspection of the property. This may include interviewing association representatives during the inspection.
4. Developing an inventory of components to be included in the reserve study.
5. Predicting their remaining service life and, approximating how frequently they will require repair or replacement.
6. Estimating repair or replacement costs (in 2023 dollars) for each capital item.
7. Develop a cash flow analysis adjusting for inflation and return on invested monies to determine the adequacy of current reserve funding plans.
8. Develop funding recommendations with specific reserve contribution recommendations for each year of the term.

The statements in this report are opinions about the present condition of the areas inspected within the community. Our inspection is limited to a visual ground level inspection and we did not remove any surface materials, perform any testing, or move any furnishings. This study is not an exhaustive technical evaluation or building code compliance review. For additional limitations, see Conclusion and Limitations.

Standards of Reference

The following definitions are provided as a standard of reference:

Excellent: Component or system is in “as new” condition, requiring no rehabilitation and should perform in accordance with expected performance.

Good: Component or system is sound and performing its function, although it may show signs of normal wear and tear. Some minor rehabilitation work may be required.

Fair: Component or system falls into one or more of the following categories: a) Evidence of previous repairs not in compliance with commonly accepted practice, b) Workmanship not in compliance with commonly accepted standards, c) Component or system is obsolete, d) Component or system approaching the end of expected performance. Repair or replacement is required to prevent further deterioration or to prolong expected life.

Poor: Component or system has either failed or cannot be relied upon to continue performing its original function as a result of having exceeded its expected performance, excessive deferred maintenance, or state of disrepair. The present condition could contribute to or cause the deterioration of other adjoining elements or systems. Repair or replacement is required.

Adequate: A component or system is of a capacity that is defined as enough for what is required, sufficient, suitable, and/or conforms to standard construction practices.

SOURCES OF INFORMATION

Date of Inspection

Onsite inspection of the property occurred on September 20, 2023

Interviews

We interviewed the following people in connection with this study:

- Tommy Neal, Community Manager, Omega Management

Documents

The following documents were made available to us and reviewed:

- Wake County tax records
- Association governing documents
- Association financial information

Cost Estimates

- Our internal data files on similar projects
- Local contractor estimates for similar projects
- R.S. Means Construction Cost Estimating Data

DESCRIPTION

The Green at Scotts Mill Master Owners Association is a private residential community that is comprised 373 individually owned single family and townhomes situated on public streets with private alleys in Apex, NC. The community is located off Apex Barbecue Road along Town Side Drive. According to Wake County Real Estate records, the buildings were constructed from 2000-2017. The townhome assets are funded from a separate sub-association.

The Association has responsibility for the maintenance of the various site improvements. The most significant site improvements include the asphalt alleys (some with curbing), concrete sidewalks in the common areas, common area drainage systems, irrigation systems, entrance signage, and the brick walls and railings at the pavilion.

Stormwater drainage from the site flows via surface runoff into grassed and landscape swales and are captured in landscape drains. Drainage in the streets flows into the concrete gutters and is collected in catch basins that lead to an underground piping network that discharges offsite.

OBSERVATIONS

The following key observations were made about the current condition of the more significant and costly common elements of the property.

Site Improvements

The main streets in the community are located in public rights of way and are maintained by the municipality. However, several of the townhome buildings are rear-loaded onto private alleys that are maintained by the Association. The alleys are in varying condition generally correlated to their age. The Association recently resurfaced the area north of Heritage Village Lane.

Typically, we recommend the application of an oil resistant sealant to asphalt parking lots on an approximately 5-year cycle. At this same time, all cracks should be properly filled, patched, and sealed and parking spaces re-stripped. We have allocated funds to seal and stripe the pavement in 2026. We recommend the use of a pavement rejuvenator (i.e., pavement dressing conditioner) in lieu of the standard federal specification seal coat.

The paving in the community appears to be wearing better than expected based on our experience with similar communities. Because of this, we have extended the useful life of many of the alleys. Asphalt paving in a residential setting is generally expected to last approximately 15-20 years, after which time we recommend resurfacing the pavement. The majority of the alleys utilize an inverted crown with no curb and gutter. In this case, we recommend full milling and resurfacing of the top 2” – 3” of asphalt. We have included funds for asphalt resurfacing in four phases based on the current condition and extent of oxidation as well as the original date of installation.

Year	Alley
2028	300-322 Village loop
2028	507-525 village loop
2028	527-545 village loop
	1201-1307 Town Side Dr and
2028	605-613 Village Commons Ln
2030	Preservation Lane
2030	Terrace Green Lane
2030	100-114 Homegate Circle
2030	214-224 Homegate Circle
2037	Oak Commons Alley
2037	401-437 Village Commons Ln
2037	Providence Town Alley
2041	403-457 Heritage Village Ln

Over time, limited areas of the asphalt may begin to crack and deteriorate to the point that full depth asphalt patching is required. Asphalt patching consists of sawcutting and removing the affected area, re-compacting the stone subbase, and installing new 2” – 4” asphalt materials. We have provided funds for this in 2028 and every 5 years thereafter. The near-term funds can be utilized for subgrade repairs during the pavement resurfacing projects.

The limited concrete curbing should be funded for repairs out of a general operating budget.

Flatwork in the community consists of the concrete sidewalks and steps at the pavilion along Town Side Drive. The concrete flatwork generally appears to be in good condition, with some evidence of cracking and minimal vertical displacement occurring. Over time, water will infiltrate below the flatwork and soften the subgrade leading to upheaval or settlement. We have allocated funds for periodic replacement of concrete surfaces as required and have assumed that 5% of the surfaces will require improvement every 8 years beginning in 2030.

Drainage systems in the community consist of standard concrete catch basins and piping networks in the alleys and landscaped areas. Grass swales direct flow into the catch basins in the pavilion while the streets are sloped towards drop inlets in the middle of the roadway. These systems then flow into the municipal storm sewer system and outlet into the nearby streams. We have allocated funds to repair/improve the drainage systems on a 5 year cycle beginning in 2027. Repairs will likely include fine grading of grassed areas adjacent to catch basins, flushing of pipes, or other minor improvements.

The pavilion includes several masonry walls and piers with metal railings at the steps. Stained timbers are located across the masonry piers at the northeast corner of the pavilion. We noted limited dislodged, broken, and missing bricks on the masonry piers and at the walls. We have included funds for masonry repairs and painting the metal railings at the pavilion every 5 years beginning in 2027. Additional funds are included to stain and replace the timber beams, as needed.

The main entrance signage along Apex Barbecue Road is comprised of a masonry wall with precast caps, composite signage, and lighting. The Magnolia section includes a composite plaque on painted metal rails. Small monument piers with composite signage were recently installed along Town Side Drive north of Village Loop Drive as well as at the intersection of Long Gate Way and Homegate Circle. The plaques are in good condition. We have included funds to replace the plaques and replace lighting fixtures every 20 years beginning in 2035. Painting of the metal rails and plaques will likely be required and should be funded from the general operating budget.

Irrigation is provided at the pavilion. We have included funds to replace the controllers and timers every 10 years beginning in 2026.

We have included funds to replace the 4 benches at the pavilion every 20 years beginning in 2030.

RESERVE FUND ANALYSIS

We have performed a cash flow analysis projecting balances in the reserve account over the term of this study. We have included estimated capital repair expenses detailed in the first several pages of Appendix A. We have included tables and graphs depicting current funding levels along with recommended funding alternatives.

The financial projections include an assumed inflation rate and average return on invested funds noted on the first page of the appendices. The inflation rate adjustment is noted at the bottom of the annual expense page and the return on invested funds is noted in the existing funding level and funding alternative cash flow tables.

The software utilized to analyze the reserve funds was developed by Giles Flythe Engineers, Inc. in cooperation with a technology consultancy. The software and our analysis system have been extensively reviewed by leading community association and non-profit certified public accountants.

The capital repairs listed were derived from the initial request for proposal, discussions with association representatives, our informal review of governing documents and our site inspection. The association should confirm that the items listed are, in fact, the responsibility of the association and appropriate to fund from the reserve account.

Appendix A includes the following:

1. The Project Summary page lists pertinent details specific to the association, the terms of the analysis and summarizes total over term expenses and recommended threshold balance.
2. The Expense Projection page that itemizes the capital repairs by category, illustrates our cost estimating by unit and provides estimated useful life and remaining useful life of each item.
3. The Annual Expense Projection pages that populate the capital repairs over the term of the study. This page includes a total adjusted for inflation at the bottom of the pages.
4. The Itemized Funding Analysis page provides a summary of the capital expenditures over the term and a graph breaking down the portion of the capital repairs into each category – Site Improvements, Building Exterior, Building Interior, Mechanical/Electrical/Plumbing Systems and Amenities.
5. The Current Funding Projection page provides a table and graph illustrating our cash flow analysis assuming the association maintains the current level of reserve contributions over the term of this study. The table includes projected reserve account balances, contributions, return on invested funds and capital repair expenses for each year of the term of this study.
6. The Funding Alternative pages each provide a table and graph illustrating our cash flow analysis assuming the association implements one of our funding recommendations detailed below.

Current Reserve Funding Rate: \$32,900 per year

Starting Reserve Balance: \$246,895 (Projected 1/1/2024 balance)

Note that based on our cash flow analysis, maintaining the current funding level is not projected to maintain a positive/healthy balance over the term. We have included recommended funding alternatives to your current reserve-funding program and recommend that the board adopt an alternative that best reflects the objectives of the community. We have provided recommendations for annual reserve contribution schedules that are intended in the long term to provide a reserve balance over a minimum threshold balance. We generally recommend a threshold balance of at least an average year of capital repair expenditures. Our funding recommendations are as follows:

- **Alternative 1:** Beginning in 2029, increase the contributions to capital reserves by 5% every other year through the end of the 30-year term.
- **Alternative 2:** Beginning in 2028, increase the contributions to capital reserves by \$3,000 every other year through 2044.

The reserve study is focused on the capital reserve account and budgeted contributions to reserves. The recommendations above are solely attributed to the annual reserve contributions. The association likely has many line items in the annual operating budget that should also be periodically adjusted as part of an annual budgeting process.

The capital repair/replacement cost estimates we have developed are based on 2023 dollars. Our reserve study does include an adjustment for inflation and an assumed rate of return on invested funds as indicated on Page 1 of the Appendix.

PREVENTATIVE MAINTENANCE

Preventative maintenance is a critical aspect affecting a property's life cycle costs and structural safety. It is encouraged that every property owner have a preventative maintenance plan prepared. The reserve study is not to be considered a preventative maintenance plan. A preventative maintenance plan should incorporate all applicable common elements, not just those components included within the reserve study.

Any information provided by the client regarding ongoing maintenance or repair being performed with any component has been noted within the notes for that component. We can only be aware of preventative maintenance plans or programs that have been disclosed by the client. Note that an audit or evaluation of any maintenance plan or maintenance contract is outside the scope of the services of this project.

In some states and municipalities, periodic structural inspection reports are required for certain types of buildings. This periodic inspection report is critical to assist the reserve study provider in incorporating necessary corrective maintenance costs and timing. We recommend the association complete any and all required structural inspections and reports and have assumed these reports would be made available for our review during the reserve study.

We have assumed repairs under a dollar value of approximately \$1,000 would be funded as part of an annual maintenance budget. These repairs were not included in the funding allocations of this reserve study unless otherwise noted. We have assumed other component repairs/replacements would be funded from an annual maintenance budget as noted in the report.

CONCLUSION & LIMITATIONS

We have provided reserve funding recommendations based on our analysis of the association-maintained components, estimated capital repair costs over the term and the current funding levels. Further detail of the reserve fund analysis is provided in Appendix A.

The physical analysis portion of this reserve study was completed through a limited visual inspection. The visual inspection was completed from ground level unless otherwise specified. The visual inspection is generally limited to readily accessible and visible common areas that would likely require capital repair activities over the term. However, in some instances a representative sample inspection may be performed. Measurement of components is completed by a combination of field measurements, aerial imagery measuring tools and take-offs from construction drawings as available. Unless specifically noted, the components included in this study have an anticipated remaining useful life within 30-years from the time the field observations used in preparing the study was performed.

Note that this inspection does not include removing surface materials, excavation or any testing. The inspection does not include riparian buffers or other protected common areas. Buried utility components and other concealed components were not inspected as part of this analysis and we cannot be responsible for the condition of components not inspected.

The observations described in this study are valid on the date of the investigation and have been made under the conditions noted in the report. We prepared this study for the exclusive use of Green at Scotts Mill Master Owners Association. No other party should rely on the information in this report without consent. If another individual or party relies on this study, they shall indemnify and hold Giles Flythe Engineers Inc. harmless for any damages, losses, or expenses they may incur as a result of its use. This study is not to be considered a warranty of condition, and no warranty is implied. The appendices are an integral part of this report and must be included in any review. The Reserve Specialist shall incur no civil liability for performing the physical or financial portions of a reserve study performed in accordance with CAI standards.

Members of the Giles Flythe Engineers team working on this reserve study are not members of, or otherwise associated with, the association. Giles Flythe Engineers has disclosed any other involvement with the association that could result in conflicts of interest.

Information provided by the representatives of the association regarding financial, physical, quantity, or historical issues, will be deemed reliable by Giles Flythe Engineers. The reserve balance presented in the Reserve Study is based upon information provided and was not audited. Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection. Giles Flythe Engineers is not aware of any additional material issues which, if not disclosed, would cause a distortion of the association's situation.

This reserve study is partially a reflection of information provided to us. The reserve study is assembled for the association's use and is not intended to be used for the purpose of performing an audit, quality/forensic

analyses or background checks of historical records. Structural integrity evaluations are not included in the reserve study unless otherwise noted. The financial information provided, including starting balances and budgeted contribution rates are deemed reliable and have not been audited. Further, this study should not be considered a building code compliance analysis. The purpose of this study is to provide the association with a financial tool and is not to be considered an exhaustive technical or engineering evaluation which would consist of a broader scope of work. Except as noted in the report, we have not relied on the validity of prior reserve studies performed by other firms.

We have provided estimated costs of capital repairs. These costs are based on our general knowledge of the construction industry. We have relied on standard sources as needed, such as Means Building Construction Cost Data and estimates reviewed by Giles Flythe Engineers on similar projects. We have performed no design work or other engineering analysis as part of this study, nor have we obtained competitive quotations or estimates from contractors. Actual repair costs can vary due to a variety of factors. We cannot be responsible for the specific cost estimates provided.

This report has been prepared and reviewed by a professional engineer (PE) and reserve specialist (RS) on our staff.

If you have any questions about this reserve study, please feel free to contact us. Thank you for the opportunity to serve you.

Respectfully submitted,

Christopher A. Flythe, PE, RS
Principal Engineer
Giles Flythe Engineers, Inc.
NC Lic. No. C-2871

APPENDIX A: RESERVE FUND PROJECTIONS

The Green at Scotts Mill

City/state location:	Apex, NC
Date of inspection:	9/20/2023
Number of units:	373
Term of study (years):	30
Beginning Year of Term	2024
Estimated starting reserve account balance:	\$246,895
Current annual reserve contribution rate:	\$32,900
Assumed inflation rate:	4.00%
Assumed rate of return on invested funds:	1.50%
Total over term capital expenditure (un-inflated):	\$818,375
Total over term capital expenditure with inflation:	\$1,567,513
Recommended threshold reserve balance: (Average annual capital expenditure)	\$52,250



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EXPENSE ESTIMATES

Capital Item Description	Quantity	Unit	Unit Cost	Total Cost Per Cycle	Estimated Useful Life (years)	Estimated Remaining Life (years)	Notes
Site Improvements							
Sealcoat and stripe asphalt pavement	2,600	SY	\$3.25	\$8,450	5	2	
Mill and resurface asphalt-Phase 1	3,350	SY	\$32.00	\$107,200	20	4	
Mill and resurface asphalt-Phase 2	2,150	SY	\$32.00	\$68,800	20	6	
Mill and resurface asphalt-Phase 3	1,600	SY	\$32.00	\$51,200	20	13	
Mill and resurface asphalt-Phase 4	2,600	SY	\$32.00	\$83,200	20	17	
Full depth asphalt patching	400	SY	\$65.00	\$26,000	5	4	
Replace sections of concrete flatwork	85	SY	\$125.00	\$10,625	8	6	
Drainage system repairs/improvements	1	cont.	\$5,000.00	\$5,000	5	3	
Repair masonry piers, paint railings	1	LS	\$5,200.00	\$5,200	5	3	
Entrance signage replacements	1	LS	\$4,600.00	\$4,600	20	11	
Replace components of irrigation system	1	SYS	\$6,000.00	\$6,000	10	2	
Replace benches at pavilion	4	EA	\$1,200.00	\$4,800	20	6	

ANNUAL EXPENSE PROJECTION



Description	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Site Improvements										
Sealcoat and stripe asphalt pavement			\$8,450					\$8,450		
Mill and resurface asphalt-Phase 1					\$107,200					
Mill and resurface asphalt-Phase 2							\$68,800			
Mill and resurface asphalt-Phase 3										
Mill and resurface asphalt-Phase 4										
Full depth asphalt patching					\$26,000					\$26,000
Replace sections of concrete flatwork							\$10,625			
Drainage system repairs/improvements				\$5,000					\$5,000	
Repair masonry piers, paint railings				\$5,200					\$5,200	
Entrance signage replacements										
Replace components of irrigation system			\$6,000							
Replace benches at pavilion							\$4,800			
Totals	\$0	\$0	\$14,450	\$10,200	\$133,200	\$0	\$84,225	\$8,450	\$10,200	\$26,000
Totals including inflation:	\$0	\$0	\$15,629	\$11,474	\$155,825	\$0	\$106,571	\$11,120	\$13,959	\$37,006

ANNUAL EXPENSE PROJECTION



Description	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Site Improvements										
Sealcoat and stripe asphalt pavement			\$8,450					\$8,450		
Mill and resurface asphalt-Phase 1										
Mill and resurface asphalt-Phase 2										
Mill and resurface asphalt-Phase 3				\$51,200						
Mill and resurface asphalt-Phase 4								\$83,200		
Full depth asphalt patching					\$26,000					\$26,000
Replace sections of concrete flatwork					\$10,625					
Drainage system repairs/improvements				\$5,000					\$5,000	
Repair masonry piers, paint railings				\$5,200					\$5,200	
Entrance signage replacements		\$4,600								
Replace components of irrigation system			\$6,000							
Replace benches at pavilion										
Totals	\$0	\$4,600	\$14,450	\$61,400	\$36,625	\$0	\$0	\$91,650	\$10,200	\$26,000
Totals including inflation:	\$0	\$7,081	\$23,135	\$102,236	\$63,423	\$0	\$0	\$178,525	\$20,663	\$54,778

ANNUAL EXPENSE PROJECTION

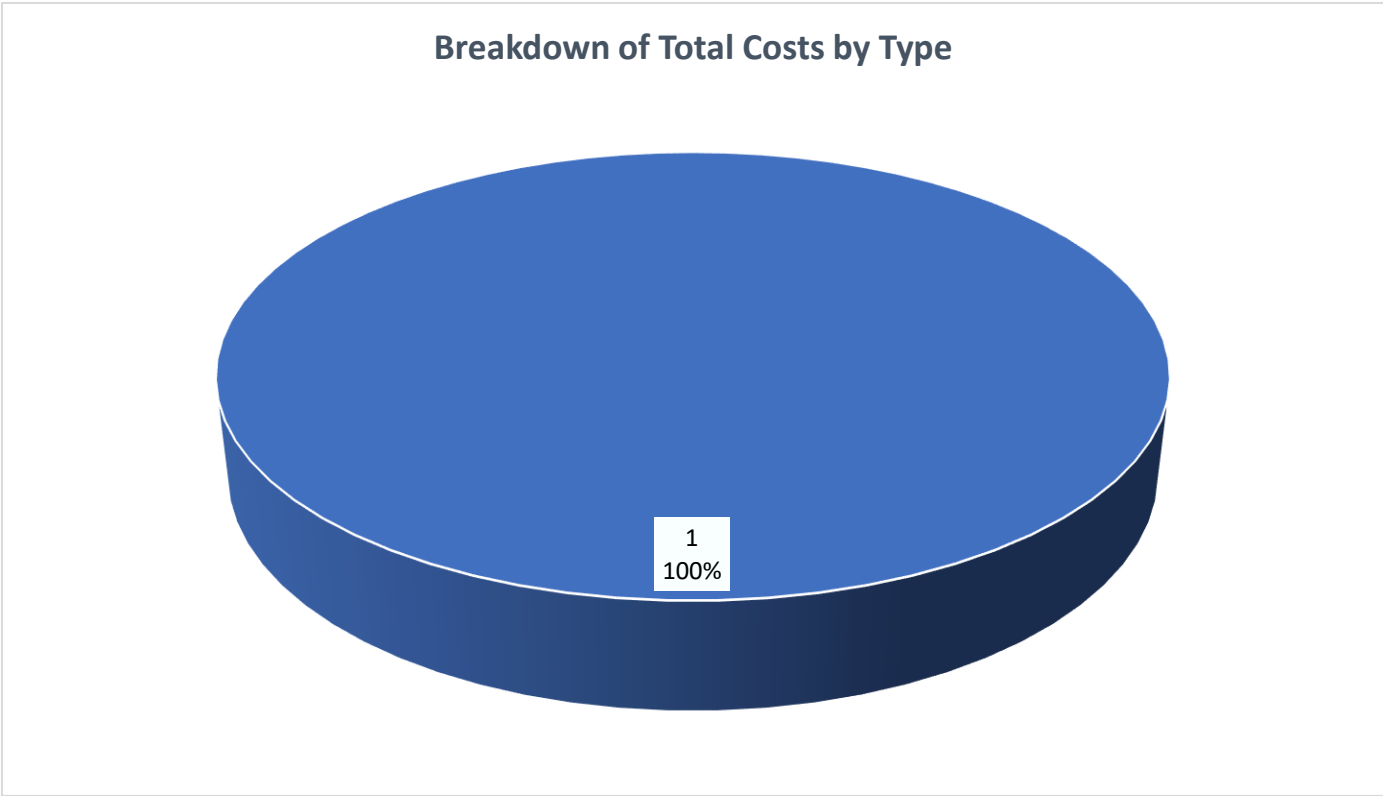


Description	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Site Improvements										
Sealcoat and stripe asphalt pavement			\$8,450					\$8,450		
Mill and resurface asphalt-Phase 1					\$107,200					
Mill and resurface asphalt-Phase 2							\$68,800			
Mill and resurface asphalt-Phase 3										
Mill and resurface asphalt-Phase 4										
Full depth asphalt patching					\$26,000					\$26,000
Replace sections of concrete flatwork			\$10,625							
Drainage system repairs/improvements				\$5,000					\$5,000	
Repair masonry piers, paint railings				\$5,200					\$5,200	
Entrance signage replacements										
Replace components of irrigation system			\$6,000							
Replace benches at pavilion							\$4,800			
Totals	\$0	\$0	\$25,075	\$10,200	\$133,200	\$0	\$73,600	\$8,450	\$10,200	\$26,000
Totals including inflation:	\$0	\$0	\$59,426	\$25,140	\$341,432	\$0	\$204,054	\$24,364	\$30,587	\$81,085

EXPENSE SUMMARY

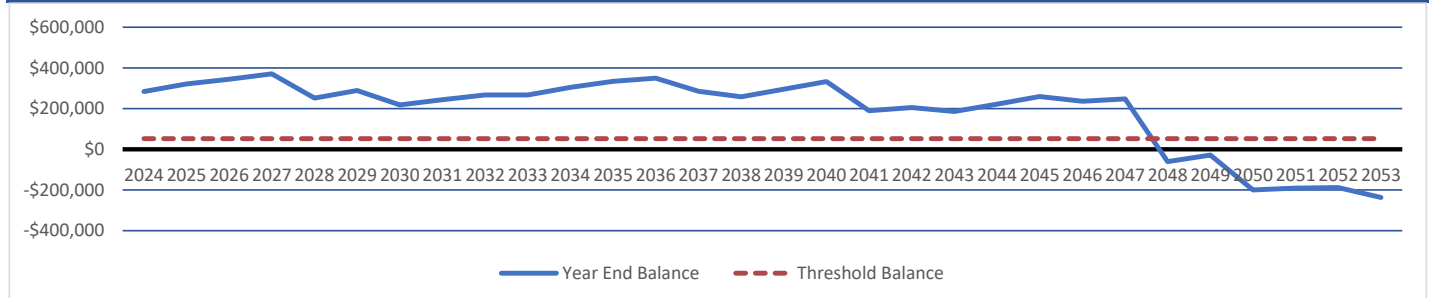


Total over term capital expenditure (un-inflated)	\$818,375
Total over term capital expenditure with inflation:	\$1,567,513
Average estimated annual capital expenditure with inflation:	\$52,250
Current Reserve Account Balance	\$246,895
Full Funding Balance	\$191,556
Percent Funded	128.89%



Current Funding Analysis

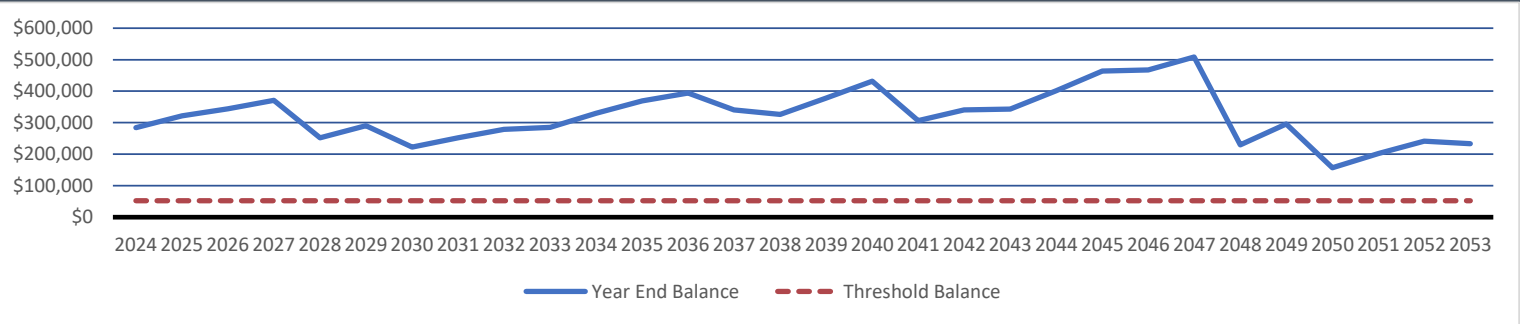
Year	Starting Balance	Reserve Account Contribution	Average Per Unit/Month	Return on Investments	Repair Expenses	Special Assessments	Year End Balance
2024	\$246,895	\$32,900	\$7.35	\$4,197	\$0	\$0	\$283,992
2025	\$283,992	\$32,900	\$7.35	\$4,753	\$0	0	\$321,645
2026	\$321,645	\$32,900	\$7.35	\$5,084	\$15,629	0	\$344,000
2027	\$344,000	\$32,900	\$7.35	\$5,481	\$11,474	0	\$370,908
2028	\$370,908	\$32,900	\$7.35	\$3,720	\$155,825	0	\$251,702
2029	\$251,702	\$32,900	\$7.35	\$4,269	\$0	0	\$288,871
2030	\$288,871	\$32,900	\$7.35	\$3,228	\$106,571	0	\$218,428
2031	\$218,428	\$32,900	\$7.35	\$3,603	\$11,120	0	\$243,811
2032	\$243,811	\$32,900	\$7.35	\$3,941	\$13,959	0	\$266,693
2033	\$266,693	\$32,900	\$7.35	\$3,939	\$37,006	0	\$266,526
2034	\$266,526	\$32,900	\$7.35	\$4,491	\$0	0	\$303,917
2035	\$303,917	\$32,900	\$7.35	\$4,946	\$7,081	0	\$334,682
2036	\$334,682	\$32,900	\$7.35	\$5,167	\$23,135	0	\$349,614
2037	\$349,614	\$32,900	\$7.35	\$4,204	\$102,236	0	\$284,482
2038	\$284,482	\$32,900	\$7.35	\$3,809	\$63,423	0	\$257,769
2039	\$257,769	\$32,900	\$7.35	\$4,360	\$0	0	\$295,029
2040	\$295,029	\$32,900	\$7.35	\$4,919	\$0	0	\$332,848
2041	\$332,848	\$32,900	\$7.35	\$2,808	\$178,525	0	\$190,031
2042	\$190,031	\$32,900	\$7.35	\$3,034	\$20,663	0	\$205,302
2043	\$205,302	\$32,900	\$7.35	\$2,751	\$54,778	0	\$186,175
2044	\$186,175	\$32,900	\$7.35	\$3,286	\$0	0	\$222,361
2045	\$222,361	\$32,900	\$7.35	\$3,829	\$0	0	\$259,090
2046	\$259,090	\$32,900	\$7.35	\$3,488	\$59,426	0	\$236,053
2047	\$236,053	\$32,900	\$7.35	\$3,657	\$25,140	0	\$247,470
2048	\$247,470	\$32,900	\$7.35	\$0	\$341,432	0	-\$61,062
2049	-\$61,062	\$32,900	\$7.35	\$0	\$0	0	-\$28,162
2050	-\$28,162	\$32,900	\$7.35	\$0	\$204,054	0	-\$199,316
2051	-\$199,316	\$32,900	\$7.35	\$0	\$24,364	0	-\$190,780
2052	-\$190,780	\$32,900	\$7.35	\$0	\$30,587	0	-\$188,467
2053	-\$188,467	\$32,900	\$7.35	\$0	\$81,085	0	-\$236,652



Funding Alternative #1

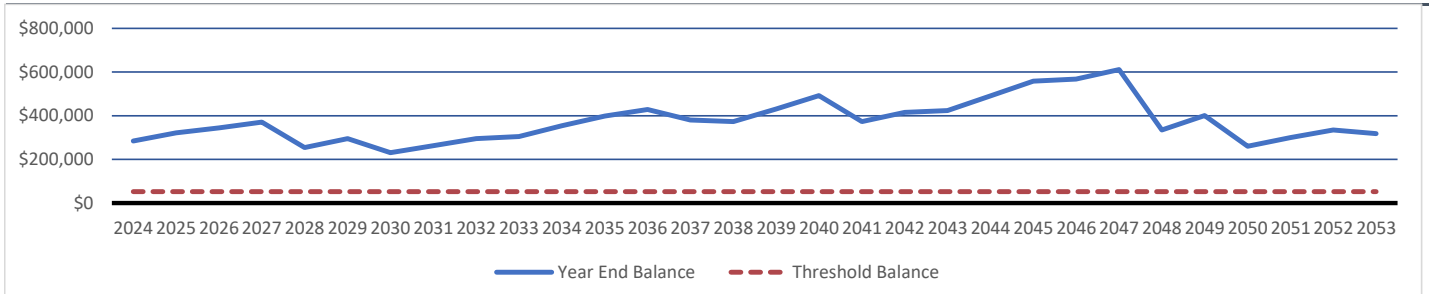


Year	Starting Balance	Reserve Account Contribution	Average Per Unit/Month	Return on Investments	Repair Expenses	Special Assessments	Year End Balance
2024	\$246,895	\$32,900	\$7.35	\$4,197	\$0	\$0	\$283,992
2025	\$283,992	\$32,900	\$7.35	\$4,753	\$0	\$0	\$321,645
2026	\$321,645	\$32,900	\$7.35	\$5,084	\$15,629	\$0	\$344,000
2027	\$344,000	\$32,900	\$7.35	\$5,481	\$11,474	\$0	\$370,908
2028	\$370,908	\$32,900	\$7.35	\$3,720	\$155,825	\$0	\$251,702
2029	\$251,702	\$34,874	\$7.79	\$4,299	\$0	\$0	\$290,875
2030	\$290,875	\$34,874	\$7.79	\$3,288	\$106,571	\$0	\$222,465
2031	\$222,465	\$36,966	\$8.26	\$3,725	\$11,120	\$0	\$252,037
2032	\$252,037	\$36,966	\$8.26	\$4,126	\$13,959	\$0	\$279,169
2033	\$279,169	\$39,184	\$8.75	\$4,220	\$37,006	\$0	\$285,568
2034	\$285,568	\$39,184	\$8.75	\$4,871	\$0	\$0	\$329,624
2035	\$329,624	\$41,535	\$9.28	\$5,461	\$7,081	\$0	\$369,539
2036	\$369,539	\$41,535	\$9.28	\$5,819	\$23,135	\$0	\$393,758
2037	\$393,758	\$44,028	\$9.84	\$5,033	\$102,236	\$0	\$340,584
2038	\$340,584	\$44,028	\$9.84	\$4,818	\$63,423	\$0	\$326,007
2039	\$326,007	\$46,669	\$10.43	\$5,590	\$0	\$0	\$378,266
2040	\$378,266	\$46,669	\$10.43	\$6,374	\$0	\$0	\$431,309
2041	\$431,309	\$49,469	\$11.05	\$4,534	\$178,525	\$0	\$306,787
2042	\$306,787	\$49,469	\$11.05	\$5,034	\$20,663	\$0	\$340,627
2043	\$340,627	\$52,438	\$11.72	\$5,074	\$54,778	\$0	\$343,361
2044	\$343,361	\$52,438	\$11.72	\$5,937	\$0	\$0	\$401,736
2045	\$401,736	\$55,584	\$12.42	\$6,860	\$0	\$0	\$464,179
2046	\$464,179	\$55,584	\$12.42	\$6,905	\$59,426	\$0	\$467,243
2047	\$467,243	\$58,919	\$13.16	\$7,515	\$25,140	\$0	\$508,537
2048	\$508,537	\$58,919	\$13.16	\$3,390	\$341,432	\$0	\$229,414
2049	\$229,414	\$62,454	\$13.95	\$4,378	\$0	\$0	\$296,246
2050	\$296,246	\$62,454	\$13.95	\$2,320	\$204,054	\$0	\$156,966
2051	\$156,966	\$66,201	\$14.79	\$2,982	\$24,364	\$0	\$201,785
2052	\$201,785	\$66,201	\$14.79	\$3,561	\$30,587	\$0	\$240,960
2053	\$240,960	\$70,173	\$15.68	\$3,451	\$81,085	\$0	\$233,499



Funding Alternative #2

Year	Starting Balance	Reserve Account Contribution	Average Per Unit/Month	Return on Investments	Repair Expenses	Special Assessments	Year End Balance
2024	\$246,895	\$32,900	\$7.35	\$4,197	\$0	\$0	\$283,992
2025	\$283,992	\$32,900	\$7.35	\$4,753	\$0	\$0	\$321,645
2026	\$321,645	\$32,900	\$7.35	\$5,084	\$15,629	\$0	\$344,000
2027	\$344,000	\$32,900	\$7.35	\$5,481	\$11,474	\$0	\$370,908
2028	\$370,908	\$35,900	\$8.02	\$3,765	\$155,825	\$0	\$254,747
2029	\$254,747	\$35,900	\$8.02	\$4,360	\$0	\$0	\$295,007
2030	\$295,007	\$38,900	\$8.69	\$3,410	\$106,571	\$0	\$230,746
2031	\$230,746	\$38,900	\$8.69	\$3,878	\$11,120	\$0	\$262,404
2032	\$262,404	\$41,900	\$9.36	\$4,355	\$13,959	\$0	\$294,700
2033	\$294,700	\$41,900	\$9.36	\$4,494	\$37,006	\$0	\$304,087
2034	\$304,087	\$44,900	\$10.03	\$5,235	\$0	\$0	\$354,222
2035	\$354,222	\$44,900	\$10.03	\$5,881	\$7,081	\$0	\$397,921
2036	\$397,921	\$47,900	\$10.70	\$6,340	\$23,135	\$0	\$429,027
2037	\$429,027	\$47,900	\$10.70	\$5,620	\$102,236	\$0	\$380,312
2038	\$380,312	\$50,900	\$11.37	\$5,517	\$63,423	\$0	\$373,306
2039	\$373,306	\$50,900	\$11.37	\$6,363	\$0	\$0	\$430,569
2040	\$430,569	\$53,900	\$12.04	\$7,267	\$0	\$0	\$491,736
2041	\$491,736	\$53,900	\$12.04	\$5,507	\$178,525	\$0	\$372,617
2042	\$372,617	\$56,900	\$12.71	\$6,133	\$20,663	\$0	\$414,987
2043	\$414,987	\$56,900	\$12.71	\$6,257	\$54,778	\$0	\$423,365
2044	\$423,365	\$59,900	\$13.38	\$7,249	\$0	\$0	\$490,514
2045	\$490,514	\$59,900	\$13.38	\$8,256	\$0	\$0	\$558,671
2046	\$558,671	\$59,900	\$13.38	\$8,387	\$59,426	\$0	\$567,532
2047	\$567,532	\$59,900	\$13.38	\$9,034	\$25,140	\$0	\$611,326
2048	\$611,326	\$59,900	\$13.38	\$4,947	\$341,432	\$0	\$334,741
2049	\$334,741	\$59,900	\$13.38	\$5,920	\$0	\$0	\$400,561
2050	\$400,561	\$59,900	\$13.38	\$3,846	\$204,054	\$0	\$260,253
2051	\$260,253	\$59,900	\$13.38	\$4,437	\$24,364	\$0	\$300,225
2052	\$300,225	\$59,900	\$13.38	\$4,943	\$30,587	\$0	\$334,482
2053	\$334,482	\$59,900	\$13.38	\$4,699	\$81,085	\$0	\$317,996



APPENDIX B: PROJECT PHOTOGRAPHS

Description

Entrance signage

**Photo No.
1**



Description

Monument pier

**Photo No.
2**



Description

Entrance signage



Photo No.
3

Description

Paved walkway



Photo No.
4

Description Pavilion area	
Photo No. 5	

Description Pavilion	
Photo No. 6	

Description

Railings at pavilion



Photo No.
7

Description

Bench at pavilion



Photo No.
8

Description

Typical sidewalk

Photo No.
9



Description

Typical alley

Photo No.
10



Description

Recently resurfaced area
adjacent to commercial
building



**Photo No.
11**

Description

Typical alley



**Photo No.
12**

Description

Area of minor cracking



Photo No.
13

Description

Typical area of cracking



Photo No.
14

Description

Alley in generally good condition



Photo No.
15

Description

Small section of cracked asphalt



Photo No.
16

Description

Alley in good condition



Photo No.
17

Description

Alley with limited
transverse cracks



Photo No.
18