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November 30, 2023

Cuckoo's Nest Homeowners' Association
c/o Mr. Eddie Owens
26 Acre Lane
Palmyra, Virginia 22963

ATTENTION: Mr. Eddie Owens

SUBJECT: Report of Replacement Reserve Study Update
Cuckoo's Nest Homeowners' Association
Lake Anna, Virginia
ETC Project: M3-4879

Dear Mr. Owens:

Engineering and Technical Consultants, Inc., (ETC) respectfully submits this report of our reserve study at the above referenced project. This work was performed in accordance with our proposal (PM3-9296), dated January 11, 2023. Written authorization to proceed with the work was received in our office on June 14, 2023.

Our inspection services were intended to assist you in:

- Evaluating existing conditions;
- Determining immediate or short-term repair needs; and,
- Generating a practical repair/replacement reserve schedule and cash-flow chart.

Our work was confined to the following elements:

1. Piers and boat ramps;
2. Beach area sea and retaining walls;
3. Pavilion;
4. Picnic area;
5. Swing set;
6. Entrance gates; and,
7. Common area fencing.

This report includes a brief summary of background information and, for each of the components inspected, discussions of our findings, comments, and recommendations. Some photographs are attached to this report (in Appendix A) to help illustrate certain findings. Presented in Appendix B are a tabular summary of future capital reserve requirements and a twenty-year cash-flow chart.

BACKGROUND INFORMATION

Cuckoo's Nest Homeowners' Association (Cuckoo's Nest) consists of facilities and amenities that serve the collective owners of two hundred (200) residential lots at Lake Anna, Virginia. We understand that the facilities are approximately twenty-nine (29) years old.

Our findings are based on physical inspections of the property conducted on September 6, 2023. Our services did not include any intrusive inspection or analysis and no construction plans were provided for our review. Consequently, some evaluations/opinions expressed in this report are based upon assumptions regarding such matters as concealed construction details, construction profile, condition of internal components, etc.

PIERS AND BOAT RAMPS

A total of seven (7) wooden piers, at two (2) locations (Common Areas 1 and 2), extend from the shoreline into the boundary of Lake Anna (see Photographs 1 and 2). The piers rest on timber pilings embedded in the lakebed. The decks are constructed of dimensional lumber. Boat slips extend from the main structures. Similarly constructed launch piers extend along concrete boat ramps at each common area.

We understand the piers in Common Area 1 were replaced in 2021 and 2022. We also understand that Pier #7 in Common Area 3 is to be replaced in 2024. Maintenance and replacement of the piers is the responsibility of the Cuckoo's Nest while the slips are the responsibility of the individual homeowners.

Observations

The accessible portions of the piers appeared to range in condition from good to fair. No issues were noted with the new piers in Common Area 1, and none were reported to us. The following deficiencies or items of concern were noted on the older piers in Common Area 2 during our inspection.

1. Decay (rot) was noted along the tops of some the pilings (see Photograph 3).

2. Several planks were broken, cracked, deteriorated, warped and/or dislodged (see Photographs 4 and 5). This condition was mostly noted on the boat slips as the Association has been replacing damaged or deteriorated pier planks on an annual basis.

3. Backed out fasteners were noted in some of the deck boards (see Photograph 6).

4. Post caps were missing in several instances (see Photograph 7).

The launch piers appeared to be in good condition; although, post caps missing in several instances (see Photograph 8).

Conclusions

There are a number of factors that must be considered in determining the probable life cycle performance of docks, piers, etc. Of paramount importance are durability of the materials used (particularly decay resistance) and the strength of the anchorage (piling embedment/support). Depending upon the quality of treatment, preservative treated lumber could perform for as long as (2) to twenty-five (25) to thirty (30) years. The launch pier should remain serviceable for another eighteen (18) to twenty (25) years or more. Some repairs/sectional replacements should be anticipated in the interim.

Recommendations

All damaged, cracked, and dislodged planks should be removed and replaced. Additionally, a cap should be installed over the tops of the posts, where missing.

PAVEMENT, FENCING, BOAT RAMPS, COMMUNITY BULETIN BOARD, AND PICNIC AREA

Vehicular access and parking at the subject facilities are provided by gravel-paved roadways and parking lots. Vehicular access into the lots is controlled by wood fencing with steel automated gates (see Photograph 9). There are short, concrete boat ramps at the lake sides of both parking lots. A community bulletin board is featured at one parking lot, which consists of a glass case and asphalt shingle roof mounted to wood posts. A picnic area is situated in Common Area 1, which consists of gravel surrounded by timber retaining walls and two picnic tables (see Photograph 10).

We were informed that the entrance gates for both common areas were replaced in 2019. Electronic access was added at that time as well. We understand that the perimeter fencing was also replaced in 2019.

Observations

The gravel-paved roadways appeared overall to be in relatively good condition. No issues were noted, and none were reported to us.

The entrance gate and fencing appeared to be in good condition at the time of our inspection. No issues were noted, and none were reported to us. We understand the entrance gates perform reliably.

The visible portions of the boat ramps appeared to be in good condition. No major defects were observed, and none were reported to us.

The bulletin board was in fair condition. Exposed and backed out fasteners were noted in the shingle roof (see Photograph 11).

The picnic area appeared to be in good condition. No issues were noted, and none were reported to us.

Conclusions

Gravel pavement is not normally considered a replacement reserve item. Periodic grading and occasional gravel replenishment are normally treated as operating expenses. The concrete boat ramps could remain serviceable for another thirty (30) to thirty-five (35) years or more. Barring damage from vandalism, vehicular impact, etc., the entrance gate should remain serviceable for another thirty-five (35) to forty (40) years. The gate automation controls could remain serviceable for fifteen (15) to twenty (20) years. The perimeter fencing could remain serviceable for another twenty (20) to twenty-five (25) years. The community bulletin board should remain serviceable for another two (2) to three (3) years while the picnic area should remain serviceable for another thirty-five (35) years or longer. Occasional repairs should be anticipated.

PAVILION AND SWING SET

The pavilion at Common Area 2 is a timber-framed structure, placed on a cast-in-place concrete pad (see Photograph 12). The roof is sloped and covered with a standing seam metal roof. A steel swing set is situated adjacent to the pavilion (see Photograph 12).

Observations

The pavilion appeared overall to be in good condition. No major defects were noted.

The swing set was in fair condition. No issues were noted with the swing set equipment.

Conclusions

Barring damage from unforeseeable circumstances (extreme weather, vandalism, etc.), the pavilion structure and roof covering could remain serviceable for up to another twenty-seven (27) to thirty (30) years. The concrete pad should remain serviceable for another fifty-two (52) years, or longer. Swing set could remain serviceable for another five (5) to ten (10) years.

BEACH AREA SEA AND RETAINING WALLS

There is a small sandy beach at Common Area 1 that is enclosed on the shore side by low, timber retaining walls (see Photograph 13). There is a timber seawall along the lakeside of the beach. Stone seawalls extend along the lake in both common areas.

Observations

The beach and associated elements appeared overall to be in good condition. No major defects were noted with respect to the sea and retaining walls; although, the sand had eroded along the seawall in one area (see Photograph 14). The stone seawalls appeared to be in good condition. No issues were noted, and none were reported to us.

Conclusions

The timber sea and retaining walls could have serviceable lives of thirty (30) or more. With occasional replenishment of sand, the beach could remain serviceable indefinitely and should not be considered a replacement reserve item. The stone seawalls could remain serviceable for the life of the property. Occasional repairs should be anticipated.

FINAL COMMENTS

The attached photographs (Appendix A) and repair/replacement reserve schedule and cash-flow chart (Appendix B) should help to delineate more clearly the conditions found and our recommendations for this project.

For all major repair or replacement work, a qualified engineer should be retained to provide technical assistance in the following areas.

- Where feasible (such as for pavement), samples should be obtained to better determine in-place conditions.
- Specifications, plans, details, etc. should be developed for repair and/or replacement work.
- Bids should be solicited from contractors that are qualified and have performed similar work in the past.
- The work should be inspected to help assure that it complies with contract documents and applicable industry standards.

Due to the nature of our work, no responsibility can be assumed for latent defects that may appear in the future, for items that were not examined, or for differing opinions of others. Our services do not constitute a certification, guarantee, or warranty of the property (or any of its components) or compliance with applicable codes, standards, safety requirements, building plans, offering statements, etc.

We appreciate this opportunity to be of service. Please contact us if any questions arise or if we can be of further assistance.

Very truly yours,

ENGINEERING AND TECHNICAL
CONSULTANTS, INC.

Kyle P. Parsons

Kyle P. Parsons, RS, RRC
Senior Project Manager

APPENDICES: A - Photographs
B - Repair/Replacement Reserve Schedule and Cash-Flow Chart

APPENDIX A

PHOTOGRAPHS

APPENDIX A
PHOTOGRAPHS
CUCKOO'S NEST HOMEOWNERS ASSOCIATION
LAKE ANNA, VIRGINIA
ETC PROJECT M3-4879

Photograph 1 – Boat pier in Common Area 1.

Photograph 2 – Boat pier in Common Area 2.

APPENDIX A
PHOTOGRAPHS
CUCKOO'S NEST HOMEOWNERS ASSOCIATION
LAKE ANNA, VIRGINIA
ETC PROJECT M3-4879

Photograph 3 – Deteriorated boat pier support post.

Photograph 4 – Cracked boat pier deck board.

APPENDIX A
PHOTOGRAPHS
CUCKOO'S NEST HOMEOWNERS ASSOCIATION
LAKE ANNA, VIRGINIA
ETC PROJECT M3-4879

Photograph 5 – Warped boat slip deck board.

Photograph 6 – Backed out fasteners in boat pier deck boards.

APPENDIX A
PHOTOGRAPHS
CUCKOO'S NEST HOMEOWNERS ASSOCIATION
LAKE ANNA, VIRGINIA
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Photograph 7 – Missing post cap on boat pier.

Photograph 8 – Missing post caps on launch pier.

APPENDIX A
PHOTOGRAPHS
CUCKOO'S NEST HOMEOWNERS ASSOCIATION
LAKE ANNA, VIRGINIA
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Photograph 9 – Automated entrance gate and fencing.

Photograph 10 – Picnic area in Common Area 1.

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PHOTOGRAPHS
CUCKOO'S NEST HOMEOWNERS ASSOCIATION
LAKE ANNA, VIRGINIA
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Photograph 11 – Exposed and backed out fasteners in bulletin board.

Photograph 12 – Pavilion in Common Area 2.

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PHOTOGRAPHS
CUCKOO'S NEST HOMEOWNERS ASSOCIATION
LAKE ANNA, VIRGINIA
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Photograph 13 – Beach area in Common Area 2.

Photograph 14 – Eroded in sand in beach area of Common Area 2.

APPENDIX B

REPAIR/REPLACEMENT RESERVE SCHEDULE AND CASH-FLOW CHART

APPENDIX B
REPAIR/REPLACEMENT RESERVE SCHEDULE AND CASH-FLOW CHART
CUCKOO'S NEST HOMEOWNERS' ASSOCIATION
LAKE ANNA, VIRGINIA
ETC PROJECT M3-4879
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The recommended reserve requirements outlined in the attached schedule are based on our opinions of current conditions and costs for materials, equipment, labor, etc. These opinions are based upon:

- Methods and materials that generally comply with accepted industry standards;
- Perceived existing conditions as noted during our limited visual inspections;
- Information provided to us; and
- Our experience with similar circumstances.

CAI Best Practices Report #1: Reserve Studies & Reserve Management provides two major types of funding plan methods: cash flow and component method.

- Component Method: A reserve funding plan where the total contribution is based on the sum of the contributions for the individual components. Prior to the adoption of the CAI National Standards, the term widely used was "Straight Line." This is a very conservative approach to funding reserves. It requires that each item on the component inventory is established as its own account, so the yearly funding covers the total cost of replacement. Simply stated, you take the total cost of the component (less any existing reserve amount) and divide it by the remaining life of the component.
- Cash Flow Method: A method of developing a reserve funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved. This method has also been called "pooling" and depending on the funding goal, can be less or more conservative than the component method.

In addition to these funding methods, there are three major funding goals: baseline, threshold, and full funding (outlined below). These goals exist regardless of which funding method is used and are listed below.

- Baseline Funding: Establishing a reserve funding goal of allowing the reserve cash balance to be at or near zero during the cash flow projection. This is the funding goal with the greatest risk due to the variabilities encountered in the timing of component replacements and repair and replacement costs.
- Threshold Funding: Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount. Depending on the threshold selected, this funding goal may be weaker or stronger than "fully funded" with respective higher risk or less risk of cash problems.
- Full Funding: Setting a reserve funding goal to attain and maintain reserves at or near 100 percent funded. This is often the most conservative funding goal.

APPENDIX B
REPAIR/REPLACEMENT RESERVE SCHEDULE AND CASH-FLOW CHART
CUCKOO'S NEST HOMEOWNERS' ASSOCIATION
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Repair/replacement costs and suggested annual contributions have been calculated using several basic assumptions. They are suggested budget figures, not guaranteed costs. These amounts are estimated in current (2023) U.S. dollars. Accordingly, some accommodation should be made for normal cost increases, by either factoring in annual increases at some reasonable rate (such as three percent per year) or allowing interest on deposited funds to accumulate and remain in reserves.

Typical labor and material costs were used to estimate dollar amounts for repairs and replacements. Incidental costs (such as necessary modifications, rigging, etc.) are factored in as very rough approximations. The balances shown on the cash-flow chart reflect an annual inflationary factor of three percent (3%). Annual balances incorporate income of one percent (1%) for funds held in interest bearing instruments.

According to information provided to us, there will be a total balance of approximately $189,667 in reserves on January 1, 2024. That amount was distributed proportionally as available funds among the elements on the reserve schedule. The attached cash flow table delineates anticipated contributions and disbursements relative to replacement reserves between 2024 and 2043. Reserves are currently funded at the rate of $14,000.00 per year. In our opinion, continued funding at this rate could result in shortfalls in funding when the new boat piers are scheduled for replacement. Accordingly, we recommend increasing the funding rate by four percent (4%) annually.

The proposed reserve analysis should be reevaluated on a regular basis. Real property is dynamic by nature and economic conditions are often subject to vast fluctuations. Therefore, we strongly recommend that a comprehensive study be conducted every three (3) to five (5) years to assess changes in the physical condition of the various systems and related components.

Financial information should be assessed annually if pertinent economic changes are to be accurately reflected. Without these regular assessments, long-range planning may not be effective and critical needs may not be properly met. Finally, it should be noted that the reserve schedule and cash-flow chart are not intended to be autonomous documents. They are key elements of our investigative report and represent a partial summation of our conclusions. Taken out of context, the information contained solely within the reserve schedule and cash-flow chart must be considered incomplete.

APPENDIX B
REPAIR/REPLACEMENT RESERVE SCHEDULE
CUCKOO'S NEST PROPERTY OWNERS ASSOCIATION
LAKE ANNA, VIRGINIA
ETC PROJECT M3-4879
NOVEMBER 30 2023

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Items	Comments/ Notes	Model/Type	Unit	Estimated Quantity	General Condition	Typical Design Life (years)	Estimated Remaining Useful Life (years)	Estimated Replacement		Available Funds	Annual Contribution
								Unit Cost	Total Cost		
Piers											
Pier 1		Wood	ea	1	Good	25	23	$ 47,500	$ 47,500	$ 18,857	$ 1,245
Pier 2		Wood	ea	1	Good	25	23	$ 49,500	$ 49,500	$ 19,651	$ 1,298
Pier 3		Wood	ea	1	Good	25	22	$ 51,500	$ 51,500	$ 20,445	$ 1,412
Pier 4		Wood	ea	1	Poor	25	1	$ 39,500	$ 39,500	$ 15,681	$ 23,819
Pier 5		Wood	ea	1	Fair	25	2	$ 41,500	$ 41,500	$ 16,475	$ 12,513
Pier 6		Wood	ea	1	Fair	25	3	$ 43,500	$ 43,500	$ 17,269	$ 8,744
Pier 7		Wood	ea	1	Fair	25	4	$ 45,500	$ 45,500	$ 18,063	$ 6,859
Launch Piers											
Common Area 1		Wood	ls		Good	25	23		$ 6,000	$ 2,382	$ 157
Common Area 2		Wood	ls		Good	25	18		$ 6,000	$ 2,382	$ 201
Boat Ramps											
Common Area 1		Concrete	sf	815	Good	60	32	$ 15	$ 12,225	$ 4,853	$ 230
Common Area 2		Concrete	sf	815	Good	60	32	$ 15	$ 12,225	$ 4,853	$ 230
Pavillion											
Structure		Timber	ea	1	Good	50	22	$ 20,000	$ 20,000	$ 7,940	$ 548
Roofing		Metal	sf	900	Good	50	22	$ 15	$ 13,500	$ 5,359	$ 370
Pad		Concrete	sf	815	Good	75	47	$ 15	$ 12,225	$ 4,853	$ 157
Fencing											
Common Area 1		Wood	lf	210	Good	30	26	$ 22	$ 4,620	$ 1,834	$ 107
Common Area 2		Wood	lf	48	Good	30	26	$ 22	$ 1,056	$ 419	$ 24
Entrance Gates											
Common Area 1 - Gate		Steel	ea	1	Good	40	36	$ 12,000	$ 12,000	$ 4,764	$ 201
Common Area 1 - Controls		Electric	ea	1	Good	15	11	$ 8,000	$ 8,000	$ 3,176	$ 439
Common Area 2 - Gate		Steel	ea	1	Good	40	36	$ 12,000	$ 12,000	$ 4,764	$ 201
Common Area 2 - Controls		Electric	ea	1	Good	15	11	$ 8,000	$ 8,000	$ 3,176	$ 439
Beach Area											
Sea Walls		Timber	lf	95	Good	40	25	$ 75	$ 7,125	$ 2,828	$ 172
Retaining Walls		Timber	lf	90	Good	40	25	$ 28	$ 2,520	$ 1,000	$ 61
Picnic Area											
Retaining Walls		Timber	lf	90	Good	40	34	$ 28	$ 2,520	$ 1,000	$ 45
Picnic Tables		Timber	ea	2	Good	15	9	$ 1,000	$ 2,000	$ 794	$ 134
Swing Set		Steel	ea	1	Fair	30	5	$ 3,000	$ 3,000	$ 1,191	$ 362
Community Bulletin Board			ea	1	Poor	20	2	$ 2,500	$ 2,500	$ 992	$ 754
Totals									**$ 466,016**	**$ 185,000**	**$ 60,722**

Notes:
A. Cost/life cycle estimates assume immediate completion of recommended repairs/replacements/modifications.
B. Estimated cost for cyclical repairs, not total replacement.

Abbreviations:
sf = square feet
lf = linear feet
sy = square yards
ea = each
ls = lump sum
al = allowance

APPENDIX B
REPAIR/REPLACEMENT RESERVE CASH FLOW CHART
CUCKOO'S NEST PROPERTY OWNERS ASSOCIATION
LAKE ANNA, VIRGINIA
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	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Piers										
Pier 1	-	-	-	-	-	-	-	-	-	-
Pier 2	-	-	-	-	-	-	-	-	-	-
Pier 3	-	-	-	-	-	-	-	-	-	-
Pier 4	39,500	-	-	-	-	-	-	-	-	-
Pier 5	-	41,500	-	-	-	-	-	-	-	-
Pier 6	-	-	43,500	-	-	-	-	-	-	-
Pier 7	-	-	-	45,500	-	-	-	-	-	-
Launch Piers										
Common Area 1	-	-	-	-	-	-	-	-	-	-
Common Area 2	-	-	-	-	-	-	-	-	-	-
Boat Ramps										
Common Area 1	-	-	-	-	-	-	-	-	-	-
Common Area 2	-	-	-	-	-	-	-	-	-	-
Pavillion										
Structure	-	-	-	-	-	-	-	-	-	-
Roofing	-	-	-	-	-	-	-	-	-	-
Pad	-	-	-	-	-	-	-	-	-	-
Fencing										
Common Area 1	-	-	-	-	-	-	-	-	-	-
Common Area 2	-	-	-	-	-	-	-	-	-	-
Entrance Gates										
Common Area 1 - Gate	-	-	-	-	-	-	-	-	-	-
Common Area 1 - Controls	-	-	-	-	-	-	-	-	-	-
Common Area 2 - Gate	-	-	-	-	-	-	-	-	-	-
Common Area 2 - Controls	-	-	-	-	-	-	-	-	-	-
Beach Area										
Sea Walls	-	-	-	-	-	-	-	-	-	-
Retaining Walls	-	-	-	-	-	-	-	-	-	-
Picnic Area										
Retaining Walls	-	-	-	-	-	-	-	-	-	-
Picnic Tables	-	-	-	-	-	-	-	-	2,000	-
Swing Set	-	-	-	-	3,000	-	-	-	-	-
Community Bulletin Board	-	2,500	-	-	-	-	-	-	-	-
Total Expenditures	39,500	44,000	43,500	45,500	3,000	-	-	-	2,000	-

Current Funding - $14,000 annually

Beginning Balance	185,000	161,350	131,644	100,850	66,263	77,566	92,342	107,265	122,338	135,081
Annual Contributions	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Interest	1,850	1,614	1,316	1,008	663	776	923	1,073	1,223	1,351
Inflation	-	1,320	2,610	4,095	360	-	-	-	480	-
Remaining Balance	161,350	131,644	100,850	66,263	77,566	92,342	107,265	122,338	135,081	150,432

Component Method Funding - See reserve schedule

Beginning Balance	185,000	208,072	225,554	242,421	255,972	315,893	379,773	444,293	509,457	572,793
Annual Contributions	60,722	60,722	60,722	60,722	60,722	60,722	60,722	60,722	60,722	60,722
Interest	1,850	2,081	2,256	2,424	2,560	3,159	3,798	4,443	5,095	5,728
Inflation	-	1,320	2,610	4,095	360	-	-	-	480	-
Remaining Balance	208,072	225,554	242,421	255,972	315,893	379,773	444,293	509,457	572,793	639,243

Recommended Funding - 4% increases annually

Beginning Balance	185,000	161,350	132,204	102,558	69,737	83,452	101,320	120,047	139,671	157,748
Annual Contributions	14,000	14,560	15,142	15,748	16,378	17,033	17,714	18,423	19,160	19,926
Interest	1,850	1,614	1,322	1,026	697	835	1,013	1,200	1,397	1,577
Inflation	-	1,320	2,610	4,095	360	-	-	-	480	-
Remaining Balance	161,350	132,204	102,558	69,737	83,452	101,320	120,047	139,671	157,748	179,251

APPENDIX B
REPAIR/REPLACEMENT RESERVE CASH FLOW CHART
CUCKOO'S NEST PROPERTY OWNERS ASSOCIATION
LAKE ANNA, VIRGINIA
ETC PROJECT M3-4879
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	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Piers										
Pier 1	-	-	-	-	-	-	-	-	-	-
Pier 2	-	-	-	-	-	-	-	-	-	-
Pier 3	-	-	-	-	-	-	-	-	-	-
Pier 4	-	-	-	-	-	-	-	-	-	-
Pier 5	-	-	-	-	-	-	-	-	-	-
Pier 6	-	-	-	-	-	-	-	-	-	-
Pier 7	-	-	-	-	-	-	-	-	-	-
Launch Piers										
Common Area 1	-	-	-	-	-	-	-	-	-	-
Common Area 2	-	-	-	-	-	-	-	6,000	-	-
Boat Ramps										
Common Area 1	-	-	-	-	-	-	-	-	-	-
Common Area 2	-	-	-	-	-	-	-	-	-	-
Pavillion										
Structure	-	-	-	-	-	-	-	-	-	-
Roofing	-	-	-	-	-	-	-	-	-	-
Pad	-	-	-	-	-	-	-	-	-	-
Fencing										
Common Area 1	-	-	-	-	-	-	-	-	-	-
Common Area 2	-	-	-	-	-	-	-	-	-	-
Entrance Gates										
Common Area 1 - Gate	-	-	-	-	-	-	-	-	-	-
Common Area 1 - Controls	8,000	-	-	-	-	-	-	-	-	-
Common Area 2 - Gate	-	-	-	-	-	-	-	-	-	-
Common Area 2 - Controls	8,000	-	-	-	-	-	-	-	-	-
Beach Area										
Sea Walls	-	-	-	-	-	-	-	-	-	-
Retaining Walls	-	-	-	-	-	-	-	-	-	-
Picnic Area										
Retaining Walls	-	-	-	-	-	-	-	-	-	-
Picnic Tables	-	-	-	-	-	-	-	-	-	-
Swing Set	-	-	-	-	-	-	-	-	-	-
Community Bulletin Board	-	-	-	-	-	-	-	-	-	-
Total Expenditures	16,000	-	-	-	-	-	-	6,000	-	-

Current Funding - $14,000 annually

Beginning Balance	150,432	145,136	160,588	176,194	191,955	207,875	223,954	240,193	247,535	264,011
Annual Contributions	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Interest	1,504	1,451	1,606	1,762	1,920	2,079	2,240	2,402	2,475	2,640
Inflation	4,800	-	-	-	-	-	-	3,060	-	-
Remaining Balance	145,136	160,588	176,194	191,955	207,875	223,954	240,193	247,535	264,011	280,651

Component Method Funding - See reserve schedule

Beginning Balance	639,243	685,557	753,134	821,386	890,322	959,947	1,030,268	1,101,292	1,163,966	1,236,327
Annual Contributions	60,722	60,722	60,722	60,722	60,722	60,722	60,722	60,722	60,722	60,722
Interest	6,392	6,856	7,531	8,214	8,903	9,599	10,303	11,013	11,640	12,363
Inflation	4,800	-	-	-	-	-	-	3,060	-	-
Remaining Balance	685,557	753,134	821,386	890,322	959,947	1,030,268	1,101,292	1,163,966	1,236,327	1,309,412

Recommended Funding - 4% increases annually

Beginning Balance	179,251	180,967	204,329	228,787	254,386	281,173	309,198	338,512	360,108	392,070
Annual Contributions	20,723	21,552	22,414	23,311	24,243	25,213	26,222	27,271	28,361	29,496
Interest	1,793	1,810	2,043	2,288	2,544	2,812	3,092	3,385	3,601	3,921
Inflation	4,800	-	-	-	-	-	-	3,060	-	-
Remaining Balance	180,967	204,329	228,787	254,386	281,173	309,198	338,512	360,108	392,070	425,487