

**ESTIMATED RESERVE REQUIREMENTS
FOR WESTMINISTER VILLAGE
HOMEOWNERS ASSOCIATION**

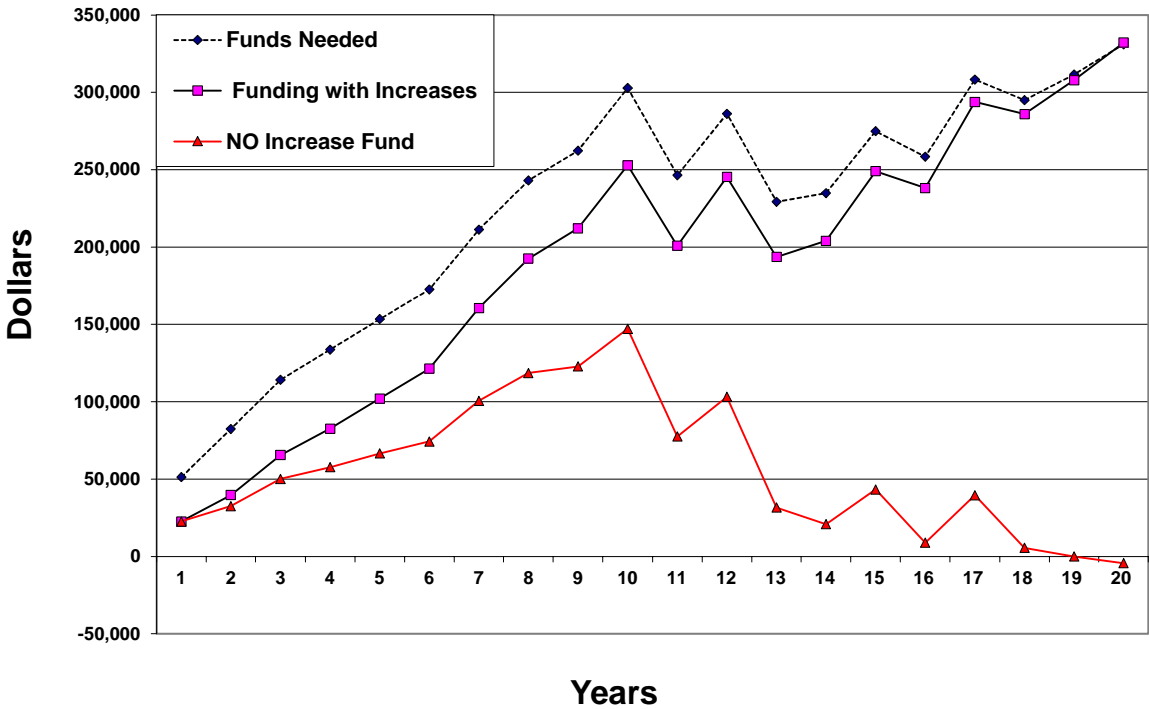


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EXECUTIVE SUMMARY

This is a long document containing a lot of information that can be summarized as follows: **with the current Reserve contribution, you will have the funds needed in the short and mid term, but you will be unprepared for the long term expenses that can be reasonably foreseen.** The graph directly below illustrates (a) where you are now (year 1), (b) where you need to be (*Funds Needed*), (c) where you will be with the current contribution (*NO Increase Fund*) and (d) where you will be with the recommended increases (*Funding with Increases*).

Westminister Village Reserve Funding



The only reason for the Reserve Fund is to protect the value of the investments (i.e., homes) of the owners by allowing essential maintenance to be done when needed.

Westminister Village is a nice property that has been well tended, but it is a property that is now 26 years old. As properties age, it becomes more important to perform maintenance in a timely fashion. Without the necessary maintenance, your property runs the risk of needing more and more costly work in the future. The good news is that there is a large number of owners in your community to share the costs. Contributions to the Reserve should be made in a consistent manner. The purpose of this report is to help the ownership understand what a realistic and consistent contribution to the Reserve looks like.

The information used to generate this graph can be found in Tables 2 and 3 at the end of this report.

INTRODUCTION

The State of Georgia requires that community associations, such as Westminister Village, use fund accounting. This means that Westminister Village should have two Funds that are accounted for separately and are kept in separate accounts. The first is the Operating Fund, which is used to pay your normal, recurring monthly and annual expenses related to the Common Property, such as landscaping maintenance, insurance, property taxes, electricity, etc. This report does not address the Operating Fund. The other is your **Capital Reserve Replacement Fund (i.e., “the Reserve”)**, which is used for the repair and replacement of the large items that are the Association's responsibility. Each owner who buys a home "uses up" a month's worth of the pool, the signage, the fencing and all other common items each month and should contribute to the Reserve an amount equal to what is "used up".

In order to know how much this contribution should be, it is necessary to study the property and its long term needs. A properly funded Reserve Fund makes it possible for the Association to perform needed projects that preserve the property value of the Common Areas, which has a direct effect on the property value of the homes in the community.

The Capital Reserve is not a fund to "make up" for deficits in the normal operating expenses of the Association. The Capital Reserve is also not a fund to construct new additional elements (jacuzzis, pergolas, additional irrigation, etc.). Additional items may be good for the property and desired by the ownership, but the original construction should not be funded from the Reserve. After a new element is built, the eventual replacement cost would be added to the Reserve plan.

Before looking at the information on the Reserve requirements, there are a few general comments to be made. First, when a property is newly built, there is a “honeymoon” period during the first ten years when everything is new and little maintenance is needed. Westminister Village is well beyond that honeymoon period and there are various projects requiring attention, but you do have a “second honeymoon” for items with long lives when they are replaced. You are currently enjoying second honeymoons for the clubhouse roofing and the pool plaster.

Second, the Association is a business and should approach major projects in a business-like manner. When a project is upcoming, a specification should be written to give to the contractors submitting a bid. This helps ensure that all contractors are bidding on the same thing. Your property manager and/or other professionals can assist you with this.

Third, make sure that only qualified and properly insured contractors work on the property. This will cost more but it is well worth the money. Associations (unless they are very large) have no employees and, therefore, have no Worker's Comp insurance. One claim from an injured, uninsured worker can cost an Association a large amount.

Fourth, this is a budget and every budget will evolve over time. In the included spreadsheets an expense may be shown for the year 2026. That expense may occur in that year or it may need to be moved up a year or back a year. Half of it may be spent in 2026 and the other half in another year. The expense may be a little more or a little less. But, as a whole, this report

presents a plan for your Association to meet its expenses for the next 20 years.

Fifth, building the Reserve Fund requires a plan and discipline. The contribution to the Reserve is at least as important as paying any other obligation, only you are paying this amount to yourself for actual, unavoidable, important future expenses. When a Reserve project is accomplished, payment for that project should be made from the Reserve Fund bank account.

Sixth, in order for the ownership to understand more fully how the Reserve Fund works, a separate annual budget should be prepared for the Reserve Fund when the Operating budget is prepared each year. The Operating budget should have only one line for the Reserve showing the transfer from the Operating Fund to the Reserve Fund. On the Operating budget, the total income and total expenses (including the contribution to the Reserve Fund) should be equal each year.

The Reserve budget is different. Each year you will have the “Reserve income” from the transfer from the Operating Fund. Some years you will have large expenses (often much larger than the income). Other years you may have no expenses. This is the normal fluctuation for a Reserve Fund, where you are trying to have the income and expenses equal over a long period of time. The goal of this report is to assist you in establishing a fully funded Reserve Fund.

The 2023 Operating budget calls for fees of \$79,650, up from \$61,600 in 2022. The total budgeted Operating expenses for 2023 are \$49,218. Therefore, the contribution to the Reserve Fund **from the 2023 fees** is the difference, \$30,432. This is a good start toward a continuing contribution to the Reserve Fund. You have also designated your “leftover funds” from 2022 (in the amount of \$13,884) for the Reserve, giving a total starting point of \$45,247 for the Reserve Fund. While emptying the Operating Fund to build up the Reserve Fund is admirable, it is not something you would ordinarily do as a practical matter. You always want to keep a cushion (typically two to three months’ worth of fee income) in the Operating Fund.

Seventh (and lastly), from about 2008 (with the crash of the real estate market) and 2020 (with the advent of the pandemic), two of the underlying assumptions of this report were that the interest rate that you would earn on the Reserve Fund would be 1% and that the inflation factor for future projects would be 2%. These assumptions were fairly stable for the past decade, but we have entered a period when inflationary pressures have altered those assumptions. While it is hoped that inflation will eventually return to the Federal Reserve’s 2% target, the current conditions require an adjustment, so the inflation rate in this report for 2023 and 2024 is 6% with 3% inflation in all subsequent years. With increased inflation, the interest rate may climb also, but a 1% rate is used. When this report is reviewed in five years, those assumptions will be revisited.

FINDINGS

As to the body of this Report, it is made up of four sections. The brief descriptions below of the various sections should help you understand the body of the report. It will probably be helpful for you to flip back to the section being described as you read the descriptions that follow.

Notes to Westminister Village Reserve for Year Ending 12/31/22

The first section on pages 6 to 32 shows a listing of the items for which the Association is responsible. There is a brief discussion of each item and quantification, if relevant. The quantification was done by measuring the item. For each item there is a best, worst and an average case for the cost. The costs are estimated by discussions with your present contractors, by discussions with other contractors and by referral to similar costs for other Associations in the Atlanta area.

Table 1 - Calculation of Reserve Requirements

The second section on pages 33 through 35, entitled "Calculation of Reserve Requirements", is a spreadsheet that takes the information from the narrative and determines how your present condition compares to your needs for the best, worst and average cases. It gives you a "snapshot" of the Association's Reserve Fund as of 12/31/22, the end of your last fiscal year. If you look at the first category, **Roof and Gutter Replacement**, the first column is the **End of Year Balance**. This is the prorated share of the Reserve for this category. The **Normal Life**, **Remaining Life** and **Cost Now** are self-explanatory. The **Cost Then** is the cost of doing the work including inflation when it is done in the future. **Today's Balance Should Be** is the amount you should have saved toward doing this work. The **Excess(Deficit)** is whether you have saved enough money. In the case of **Roof and Gutter Replacement** there is a deficit of \$2568 for the best case and a deficit of \$2803 for the worst case. The **Annual Requirement** is the amount that you should be saving each year, while **This Year's Budget Provision Including Interest** is the prorated share of the Reserve contributions made through your fees.

At the bottom of the spreadsheet are the totals. At the end of 2022 you had \$0 in the Reserve Fund. In the average case at that time, you should have had \$171,341, which gives a deficit of \$171,341 (\$963 per home for the 178 homes). You should have been contributing \$28,848 per year (\$13.51 per home per month) to the Reserve, but for 2023 you are contributing \$45,247 (\$21.18 per home per month) to the Reserve Fund. As noted above, the actual contribution from the 2023 fee is \$30,432. A plan to eliminate the deficit completely and build the contribution to an appropriate and consistent level is discussed below.

The last two sections are two Tables that look at the Reserve Fund over the next twenty years from different angles. The Tables assume the average case.

Table 2 - Projected Reserve Funds Flow

The Table on pages 36 and 37, entitled "Projected Reserve Funds Flow", shows how the balance in your Reserve Account will fluctuate over the next 20 years. The top portion shows the Reserve expenditures. The bottom section shows how the balance fluctuates. Notice at the bottom that in the column under 2023 you begin with \$0 (the balance as of the end of 2022), you subtract \$21,925 (the expenses for 2023), you add \$30,432 (the contribution out of fees for 2023), you add \$13,884 the leftover funds from 2022 and \$156 (the interest earned at 1% after taxes) to get \$22,547. An increase of \$40 per home per year is shown in 2023 with further increases of \$6 per home per year in every year thereafter.

Notice that with the increases to the Reserve contribution, the bottom line, "**Ending Reserve**

Balance", shows that there will be sufficient cash to cover average case expenses in all years. Compare that to the bottom line "**Ending Balance with NO INCREASE**", where the Reserve will fall below zero near the end of the 20-year period. With the increases, you will have a Reserve Fund of \$332,167 at the end of 2042. That seems like a lot. Is it necessary?

Table 3 - Prorated Reserve Requirements

The last spreadsheet on pages 38 and 39, entitled "Prorated Reserve Requirements", answers that question. It is a little intimidating at first glance, but it is really fairly simple. It takes the lump sum expenses from the Table 2 spreadsheet and divides them evenly, adjusted for inflation, over the life of each category. If you look at the line for **Roof and Gutter Replacement** you will see that in 2023, as an Association, you need to contribute \$453 to the Reserve for this category. In 2024 that amount increases by 6% to \$480. Then in 2025 it increases by 3% to \$494. By doing this, both the current owners and the future owners are contributing essentially the same amounts each year. You will also note that the contribution needed in many categories drops after the first few years (see **Exterior Rehab** or **Asphalt Repairs/Seal-Coating** from 2023 to 2024). This is because with the current deficit, you cannot amortize the next replacement cost over the full life of the category. Once that replacement is made, the following replacement can be amortized over the full life. Note- If the inflation rate increases or decreases, the annual contribution will need to be adjusted.

The two bottom lines (**Accumulated Requirement** and **Ending Reserve Balance**) are compared on the last line (**Surplus(+)/Deficit(-)**) so that you can see whether you are really saving enough to pay for everything as it is needed. Even with the proposed increases, the deficit grows through 2027 and then begins to shrink until you are fully funded at the end of the 20-year period.

RECOMMENDATIONS

1. Increase the contribution to the Reserve Fund by \$40 per home per year in 2024 and then by an additional \$6 per home per year every year for the rest of the 20-year period. Note: Increases in Operating expenses could cause increases to the fee.
2. Re-evaluate the amount contributed to the Reserve every few years to see if the assumptions are still correct. This report is not a warranty or guarantee of the condition of the items included. All observations were visual and no testing was done.
3. Provide a copy or a summary of this report to the ownership.

NOTES TO WESTMINISTER VILLAGE RESERVE FOR YEAR ENDING 12/31/22

Category- Notes

Quantity

Unit Cost

Extension

Best Case

Worst Case

Average Case

Roof and Gutter Replacement - 35-year normal life. Architectural fiberglass-reinforced shingles with a nominal life of 40 years were installed at the clubhouse.



Shingles seldom have an actual life as long as the nominal life, so a life of 35 years is used in this report. This category covers the replacement of the shingles when they reach the end of their life.



The roof of the clubhouse has shingle over ridge vents (indicated in the previous photo by the red arrows), which are the most effective in allowing warm air to escape the attic. A properly installed ridge vent with proper air intake provided by your perforated vinyl soffit increases energy efficiency and prolongs the life of the roof.

When replacement is necessary, it is recommended that you use the "tear off" method, which means that the old shingles are completely removed before the new shingles are applied. While it is not essential that the old shingles be removed before applying a second roof, it is necessary for the warranty on the new shingles, it does give a longer life to the new roof and also allows defects in the decking and flashing to be clearly seen. It is also recommended that you continue to use a shingle of at least of the quality of the 40-year architectural shingles when the roofing is done. A water-barrier membrane should be placed in the roof valleys (indicated in the previous photo by the yellow line) and in other locations where leaks tend to develop.

One issue to consider is the roof penetration for the plumbing vent at the rear of the clubhouse. During the roofing installation, a plumbing vent flashing (i.e., a plumbing boot as seen in the first photo) is slid down over the vent with a rubber seal that fits snugly around the pipe to make a water-tight assembly, but the rubber seal often has a shorter life than the shingles. To protect the seal, a rain collar, an additional seal was slid down to cover the original seal during the last roofing project. This additional seal is a "sacrificial" layer.

There are approximately 132 LF (linear feet) of 5" prefinished aluminum gutters and 3"x4" downspouts installed at the clubhouse.



Aluminum gutters do not rust as galvanized steel gutters do. The principal cause of failure for aluminum gutters is physical damage from tree limbs and ladders. The gutters were installed using the older-style gutter spikes (long nails driven through the upper lip of the gutter) and ferrules (i.e., spacer tubes), as indicated in the previous photo by the red arrow, rather than the preferred method of using concealed hangers. Concealed hangers use screws to attach the gutters and are less likely to pull loose. Gutter spikes will often pull out over time unless they

penetrate the ends of the rafters. Reattachment can best be accomplished with the use of concealed hangers, one of which is indicated by the yellow arrow in the previous photo. The guttering should have a long life, but the sealant at the gutter joints will sometimes fail. When sealant failure occurs, causing leaking at a joint, the old sealant should be removed and new sealant applied.

Guttering and roofing are not directly related but they each have about the same life, and many roofing contractors also do guttering work, so it makes sense to bring the guttering into the roofing project to achieve an economy of scale. This was not done during the last roofing project. There is some gutter deformity but they are still adequate and could last until the next roofing project. The gutters would add about \$600 to the cost if done this way or two to three times as much if done separately.

Roofing is measured in "squares" (SQ) with a square being 100 square feet. The cost for the roofing is more than it would be for a large project. Some of the roof decking will also need to be replaced during re-roofing. The best case is expected to be 5%. The worst case is expected to be 10%.

16 SQ of roofing plus 132 LF of guttering

Best case	\$350 per SQ	\$6310
Worst case	\$400 per SQ	\$7425
Average case		\$6868

Exterior Rehab - 6-year normal life. Most of the exterior materials used for the clubhouse are prefinished and do not require painting: vinyl siding, guttering, vinyl shutters, vinyl soffit and trim, vinyl windows. This category includes washing the vinyl siding and painted surfaces, surface preparation, caulking and painting of all previously painted areas of the clubhouse. This category also includes funding to paint the interior of the pool restrooms because they get more use than the interior of the clubhouse. The paint in the restrooms is currently in good condition.



The surfaces that require painting are the exterior doors, the door jambs, the wood front columns, vinyl shutters, the aluminum rear columns (including the wood posts at the pool fence), and the chimney pan and flue. The paint on the door jambs at the storage room is failing (seen in the photo on the left), and the door jamb is deteriorating at the bottom. The paint on the precast aluminum base for the rear column seen in right photo is failing.



The chimney at the clubhouse has a sheet metal chimney pan at the top that acts as its roof. The top of the pan (see next photo) is formed so that water does not pond and it is painted which extends its life almost indefinitely. The chimney pan at Westminister Village is in good condition, but some of the paint is peeling off the flue as indicated by the red arrow. The eventual replacement of the pan would be funded by the **Infrastructure** category.



The vinyl siding is still in good condition. As vinyl siding ages, it will exhibit chalking. Chalking is a normal occurrence, and it is caused by oxidation. If a white substance comes off on your hand when you wipe the surface, that is chalking. Washing of the vinyl siding is included in the costs below as part of the **Exterior Rehab** project. This will help remove any chalking on the surface

of the siding, as well as mildew, algae, and other environmental contaminants. Over time, you will find that the sides of the buildings that receive the greatest amounts of direct sun will fade. The vinyl siding does not require painting, but it can be painted, and painting may help to extend the life of the siding (see the **Vinyl Siding** category also). Replacement of single pieces of damaged siding would be covered by this category. This is not an obvious area and replacement would be difficult, so a small piece could be applied as a patch.



This category also covers the painting of the painted wood fencing at the property entrance, the tennis court light poles, and the metal handrails at the clubhouse. In the next photo, you can see that the paint is failing at some of the railings and rust has developed. These are welded steel railings and they can be repaired, if needed, rather than replaced. Proper prep work will be required before painting is done.



The pool and playground fences are prefinished steel and do not require painting but will fade over time. Many Associations eventually paint these fences. If you elect to do that, the cost would be added to this category. The eventual replacement of the fencing is covered by the **Amenity Fencing** category.

There are EIFS (synthetic stucco) caps at the main entrance and clubhouse signs should also be included in this category. EIFS is a foamboard base covered with fiberglass mesh and then a thin coating. It has a long life if not subjected to physical abuse. Repairs to the EIFS would be covered by the **Masonry** category.

It is essential that the painting be done in a timely fashion. This means that painting should be done while the previous paint film is still in good condition. If the paint begins to fail there will be serious repercussions- the paint surface will be ugly around the edges where it failed; the failed edge of the paint will have a tendency to peel further letting moisture get behind the paint causing deterioration and the paint film will tend to have a splotchy and uneven appearance.

The costs below include \$500 (best case) to \$1000 (worst case) for minor repairs (generally carpentry) to the exterior surfaces.

Best case	\$5400
Worst case	\$7600
Average case	\$6500

Clubhouse Interior Rehab -15-year normal life. The clubhouse has an indefinite life and the roofing, gutters and exterior painting are covered in other categories. This category provides a fund to replace the flooring, repaint the interior (excluding the restrooms, which are included in the **Exterior Rehab** category), replace the tables and chairs, replace the light fixtures and battery backed-up emergency/exit lights, replacement of HVAC components and renovate other miscellaneous items. It is understood that work is needed on the HVAC system, and a cost for that work is included in 2024 in the attached tables.



The clubhouse has a medium-sized interior area. There is laminate flooring in the main area and tile in the hallway and restrooms. The flooring and interior paint are in good condition. The tables and chairs are utilitarian and seem to receive light use.

These items have different useful lives and would not necessarily be done at the same time. The life of these items will depend on the amount of use for each of these areas and aesthetic considerations.

320 SF of laminate flooring	\$6/SF	\$ 1,920
	\$8/SF	\$ 2,560
Tile floor allowance		\$ 750
		\$ 1,000
Interior painting		\$ 2,000
		\$ 3,000
Furniture		\$ 1,000
		\$ 2,000
HVAC		\$ 8,000
		\$10,000
Lights fixtures, emergency lights, ceiling fans and misc.		\$ 1,000
		\$ 2,000
Total of Costs	Best case	\$14,670
	Worst case	\$20,560
	Average case	\$17,615

Asphalt Pavement - 28-year normal life. This category and the next provide funding for the asphalt at the property that is the Association's responsibility. It is understood that the streets are dedicated to the County so there is no provision for their repair, but this category and the next category cover the asphalt in the parking lot at the amenity area. This category covers the complete repaving of the parking lot with the exception of the concrete portion of the parking area, which is covered by the **Masonry** category.



The standard construction of asphalt pavement is compacted soil with four to six inches of well compacted base (i.e., crushed granite) and then asphalt layers totaling three to four inches. The durability of asphalt is determined at least as much by the strength and stability of the soil and base as it is by the quality of the asphalt pavement. The asphalt is in fair condition.

Asphalt pavement is typically bounded by some type of curbing. Most streets have concrete curbing. Curbing is not essential, but asphalt is strengthened during application by compaction and curbing enhances compaction at the edges. There is no curbing at the amenity parking lot.

When the parking lot is re-paved, the technique used is generally to overlay the pavement with two additional inches of asphalt, but some Associations will have a one-inch layer applied. This looks good for a short time but then cracks appear in the same locations as the existing cracks. This is called reflective cracking.

The parking lot at the amenity area has been overlaid once, probably when the concrete parking area was added. If the parking lot is overlaid again, this will make the asphalt two inches higher than the concrete portion of the parking lot. When paving is needed again, there are three approaches. (1) Pave up to the concrete and have a two-inch difference in elevation between the new asphalt surface and both the concrete pavement and the sidewalk to the pool. The asphalt could be tapered down at the concrete. (2) Mill (grind down) two inches of asphalt and then build it back up to the existing level. (3) Remove all of the asphalt and replace it in the same way as the original asphalt was placed.

Each of these approaches has pros and cons, and the cost is a major factor for the last option.

Option (1) without tapering would work but would probably be cosmetically unacceptable. Tapering the asphalt requires the asphalt to be tapered down to zero, and asphalt is not intended to be applied in layers less than one inch. The asphalt could break apart or wear away at the thinner edges as has occurred in areas with the previous overlay.

Option (2) could be done but the project is so small that the minimum charge for milling would probably make it impractical. If possible, it requires large bulky equipment and is a noisy, dusty process, but it allows the new asphalt to be placed at the same level as the existing asphalt pavement. The large, bulky equipment would not be able to mill in the parking lot. Small "mini-millers" that are more troublesome to operate would need to be used.

Option (3) would be the best option even though it would cost about three times as much as option (1).

The costs below assume that you will use Option (3). It is a relatively small area so the cost would not be prohibitive.

If option (3) is used (in whole or in part), the new asphalt will consist of a 2½" layer of binder asphalt for strength followed by a 1" to 1½" layer of Type F (topping) asphalt to give a smooth appearance. If one of the other options is used, the best technique for repaving is called a Perma-flex Overlay. This is a two-layer technique with each layer being one inch thick. The bottom layer is primarily asphalt-coated coarse gravel (called Perma-flex) that bridges the existing cracks and reduces the likelihood that reflective cracking will appear. It is then topped

with a layer of regular (Type F) asphalt.

This category funds the total paving of the amenity parking area. You can delay this repaving by repairing and replacing areas as needed, but this will become too unattractive at some point in time. Asphalt is measured in square yards (SY).

570 SY of asphalt pavement

Best case	\$40/SY	\$22,800
Worst case	\$45/SY	\$25,650
Average case		\$24,225

Asphalt Repairs/Seal-Coating - 5-year normal life. As the asphalt pavement ages, repairs are necessary. With normal asphalt deterioration as the large cracks intersect, problem areas develop. The problem areas can be seen because they are cracking in a pattern known as “alligatoring” because of the resemblance to the pattern on an alligator’s skin. There is some minor cracking at the amenity parking lot, but it does not qualify as alligatoring.

Cracking is undesirable and will result in problems over time. In addition, when pieces of the asphalt chip away along the cracks, it may indicate that the asphalt is flexing when vehicles drive over it and could indicate a problem with the base under the asphalt.

The asphalt pavement at the Westminister Village amenity area has not been seal-coated previously, but that cost is included in the costs below. Seal-coating is a black coating that is like paint for asphalt. Seal-coating is primarily aesthetic but it does tend to extend the life of the asphalt by shielding it from ultra-violet sunshine. The value of the additional life is probably worth what the seal-coating costs. That is, you should not expect to receive a cost benefit from sealing, but it can make the area more attractive. Aesthetics should be considered, however, because seal-coating would make the Association’s asphalt look markedly different from the asphalt that the county is responsible for, which will not be seal-coated. The average time between seal-coating applications is 5 years. Most properties receive the maximum life from seal-coating with two coats, the first squeegeed to penetrate into cracks.

There are three basic types of seal-coating: petroleum-based, asphalt-based and coal-tar-based. Until about 10 years ago the seal-coating used was generally the coal-tar-based product. The asphalt-based seal-coating was developed as a more “environmentally friendly” product, but it is not as durable as the coal tar-based product and it costs about 10% more. Recently the petroleum-based products have become more popular. They are about 10% more than the asphalt-based products but are as durable as the coal-tar seal-coating. If seal-coating was desired, there would be some logistical issues to consider, because the asphalt could not be driven over until it was completely dry. Drying time would depend on the weather and the amount of sunshine on the asphalt pavement.

The asphalt area is small, so the costs for repairs, seal-coating and striping at the amenity area will be minimum charges by vendors, which will be \$1500-\$2000 for repairs. Seal-coating with

striping would cost around \$2000-2500.

Best case	\$3500
Worst case	\$4500
Average case	\$4000

Landscape Rehab - 5-year normal life. This category provides a fund for large landscape issues (i.e., landscape renovations and tree removal) at the property entrances, at the amenity area, and in the common areas. Much of the plant material at Westminister Village is well tended and attractive, but there are some issues that need to be addressed. As the plant material grows and matures some of it will prosper and other plants will decline.

There is a large amount of ivy growing at the right side of the entrance (see the next photo). Removal of the ivy would be a normal maintenance activity, but a project to eliminate the ivy around the brickwork and install different plant material would be a project under this category.



When plant material is installed, consider the eventual size. One of the evergreen trees outside the pool fence has grown through the fencing. Spacing between plants is also important.



There are many trees in the natural areas at Westminster Village in addition to the trees that were planted as part of the landscaping. Most of the trees in these natural areas will not cause a problem, but there will occasionally be dead trees that need to be removed. Tree removal (particularly trees that are very large or in hard to access areas) is generally more than can be absorbed in the Operating budget so it is funded from the Reserve.

This category funds repairs to the surface drainage and erosion issues in the common areas. These issues tend to develop problems over time as water flow is altered by nature (i.e., plant material declining or dying) or by people changing something that then directs water in a different path. The sooner such problems are addressed, the less costly they will be. While the grass on the south-facing (exit) side of Westminster Village Boulevard gets sufficient sunlight, the north facing side gets only sparse sunlight, insufficient for the strip of grass. This area by the entrance road in the next photo below is being eroded by water flow coming off the hill. There are specific varieties of grass that perform better in shady conditions or there are other types of ground cover.



This same condition also exists at the area beyond the far end of the parking lot. As the trees in the natural area continue to grow, the shade will increase.

There is a difference between the work that would be covered by this category and landscape categories in the Operating budget. Landscape improvements are generally funded by the Operating Fund and include the installation of new plant material, and this Reserve category for **Landscape Rehab** is meant to fund the replacement of plant material that was already there.

The amounts below are not intended to fund a complete replacement of the common plant material but will allow necessary larger-scale work to be done. This amount may need to be adjusted to match a more conservative or more aggressive approach.

Best case	\$15,000
Worst case	\$25,000
Average case	\$20,000

Masonry Rehab - 5-year normal life for repairs. This is a category for periodic repairs to the pool deck, the walkways at the amenity area, the brick columns for the wood fencing, the brick monuments for the signage, the brick walls at the entrance, and the EIFS caps for the signage monuments, and the concrete portion of the parking lot at the amenity area. The concrete retaining wall for the parking lot and the concrete retaining wall between the pool and the tennis court would be covered in this category for issues related to cosmetic issues. If they were to fail in their duties as retaining walls, the remediation would be covered as under the **Infrastructure** category.

One issue to look for is the presence of efflorescence and liming. Liming is caused by water penetrating and dissolving calcium that is then deposited on the surface of the brick as a hard crust, and it can look similar to another condition, efflorescence. Efflorescence is the buildup of salts on the surface caused by moisture intrusion, generally from the top surfaces of the structure. Water penetrates, dissolves salts that are then deposited on the surface as the water evaporates, creating a cosmetic issue of white dust. Efflorescence can be removed by brushing it off the masonry, but it will come back unless the water penetration is prevented. Liming will become worse if not addressed, and it can be difficult to remove without an acid-based masonry cleaner.



Also included is work on the EIFS details at the property. EIFS (i.e., “exterior finish and insulation system” synthetic stucco) is not actually masonry, but masons are typically the contractors who work with it. There caps of the brick signage monuments are made of EIFS (see the next photo). The EIFS should be cleaned and painted at each **Exterior Rehab** project. Repairs to the EIFS would be covered by this category.



The largest single item in this category is the replacement of the pool deck at a cost of about \$40,000. Pool decks generally have a life of thirty to forty years depending on the quality of the original concrete and the workmanship. Replacing the pool deck is usually done when the pool is being re-plastered because the demolition of the pool deck sends a lot of debris into the pool. The pool deck is in good condition and it is unlikely that it will be replaced in this twenty-year period.



Some Associations will have a surface coating applied, but that is often not cost efficient because the coating is expensive (about 40% of the cost of a new pool deck), entails some additional maintenance expenses, and can flake off if it does not bond properly. Also, as problems develop in the original deck (such as cracking), that causes issues in the coating.

These items should only be repaired by qualified workers. An ugly masonry repair is ugly for a

long time. This category assumes that you will accumulate various repairs to create a larger project to achieve an economy of scale.

Best case	\$4000
Worst case	\$6000
Average case	\$5000

Infrastructure - 7-year normal life. This category provides a fund for plumbing fixtures in the clubhouse restrooms, the common electrical systems at the amenity area and entrance, the plumbing systems for the irrigation, the water heater, replacement of the exterior clubhouse lighting, and for correcting potential structural issues at the entrance and amenity areas. Also included is the low voltage lighting at the property entrance.

There should be a backflow-preventer valve (BPV) for the irrigation system and for the pool. The purpose of a BPV is to prevent (possibly contaminated) water from flowing back into the County water lines during periods of low pressure. The correct operation of the BPV needs to be checked annually as an Operating expense but repair would be funded from this category if needed.

The replacement of the sheet metal chimney pan and shroud at the clubhouse chimney are covered by this category. The chimney pan at the Westminster Village clubhouse is currently in good condition.

This category also deals with structural issues, which can include issues with the foundation of the clubhouse. It can also include issues at the amenity area and entrance that are the result of settlement. There are concrete retaining walls at the pool parking lot and between the pool and the tennis court. Repairs to these walls due to issues with the concrete would be covered by the **Masonry** category. Repairs to these walls due to structural or settlement issues would be covered by this category.



The original irrigation system is inoperable, but all of the plant material is well established and does not require irrigation. There are some annual flower beds at the center island but you could use perennial flowers instead. Perennials do not bloom as long as annuals, but they can be quite effective.

There is a CCTV system at the amenity area. Replacement of components of this system would be covered by this category.

There is an access control system at the clubhouse, and there is also a magnetic lock with a card reader at the pool gate. It is understood that this system has become unreliable and probably needs to be replaced. A cost for this work is included in 2023 in the attached tables. Newer systems can be designed with cellular service so that they can be programmed remotely. Replacement of this system would be covered by this category.

Best case	\$5000
Worst case	\$9000
Average case	\$7000

Playground Equipment - 25-year normal life. The playground equipment is located in the area beside the pool and clubhouse. The play center is a metal and plastic structure. It was installed around 2006 and is still in good condition. You may want to consider pressure washing it during each **Exterior Rehab** project. There is also a swing set and one bench that are in good condition.



Some of the rubberized coating is torn, leaving the steel underneath exposed (see the next photo). The steel is rusting in this area.



The playground area is bordered by 4-foot prefinished metal fencing. The replacement of the fencing is covered by the **Amenity Fencing** category.

Wood timbers were installed for steps to the area and at the base of the fencing to help keep contain the mulch. The wood timbers are deteriorating and will need to be replaced soon, especially the steps. Alternatives to wood timbers are concrete for the stairs and plastic border sections for the perimeter of the area, both of which would have longer lives.



Also included is an allowance to refresh the wood chip mulch in the playground area. Many Associations are switching to rubber mulch rather than wood chips. It cushions better and does not deteriorate as quickly, but it would cost more than the wood chip mulch.

These prices include an estimate of the labor to remove the old equipment and install the new.

The cost shown on the attached tables indicates the total that will be spent over a twenty-five-year period.

	Play center		\$18,000
			\$22,000
	Swing set		\$ 3,000
			\$ 4,000
	Bench		\$ 400
			\$ 500
	180 LF of wood border timbers	\$8/LF	\$ 1,440
		\$10/LF	\$ 1,800
	Concrete steps		\$ 2,000
			\$ 3,000
	Mulch allowance		\$ 3,000
			\$ 5,000
Total of Costs	Best case		\$27,840
	Worst case		\$36,300
	Average case		\$32,070

Pool Surface - 18-year normal life. Over about eighteen years the plaster surface of the pool erodes to the point where it is rough and pitted. The pits in the surface are ideal habitat for various types of algae. When the surface becomes rough, the pool needs to be replastered. The plaster surface for Westminister pool was plastered prior to the 2022 pool season and is in very good condition.



There are several types of plaster that can be used for a pool. All of them use white Portland cement, so the difference is other components. The first type is standard plaster that adds fine marble aggregate to make the plaster with a life of about nine years. The second type is an upgrade that uses fine quartz aggregate instead of marble that is about 20% more expensive but lasts about eleven years. The third type is Pebble Tec, an exposed aggregate surface where

the surface is tiny natural stones and glass beads. This surface is about twice as expensive but has a life about twice that of standard plaster. In speaking with Swanson Pool Solutions, your contractor since 2022, this is the type of plaster you have.

When plastering is done, the water must be drained and then refilled. The water must be monitored and chemically balanced to ensure that the plaster cures correctly and then that the water is properly treated for swimming. Each of these steps has a cost so the plaster techniques with the longer lives do save money because this needs to be done less frequently.

Regardless of the type of plaster used, the process involves correcting localized problems (i.e., hollow areas where the bonding of the plaster has failed) and then applying an additional layer of plaster. This builds up the surface so that after four or five plastering projects, all the plaster is removed down to the concrete shell and you start over.

The costs below cover the replastering of the pool. With a pebble surface, the waterline tile is typically replaced at each plastering project.

	Plaster surface	\$26,000
		\$30,000
	50% of waterline tile	\$ 4,500
		\$ 5,500
Total of Costs	Best case	\$30,500
	Worst case	\$35,500
	Average case	\$33,000

Pool Equipment - 8-year normal life. Includes replacement of the pool pumps and motors, two sand filters, and the chlorination equipment. Also included in this category is an allowance for work on the piping of the re-circulating system and some electrical wiring. In speaking with Swanson Pool Solutions, the equipment is in good condition.



The pumps and motors are single speed equipment. Health Departments in metro Atlanta, but not yet in Coweta County, are being pressured by the federal government to promote energy efficiency for community pools. Single speed motors are no longer being manufactured but will still be available for a while. Eventually, the single-speed pumps and motors will need to be changed over to a variable-speed motors as an energy conserving measure. This will also require the replacement of the pumps. That equipment is about twice as expensive as the present equipment but is likely to pay for itself during its lifetime in lower energy costs.

The chlorination system consists of two Hayward salt chlorination systems hooked up in series. Each system has a cell (a tube that is piped into the circulation system) and a controller that supplies the electrical charge. It was installed in 2022 by Swanson. With a salt system, a small amount of salt (just like table salt) is added to the water. As the water circulates through the pump house, the water flows through the two cells, indicated by the red arrows in the previous photo. There are metal plates in the cells which receive a small amount of electrical current that generates chlorine ions from the salt and sanitizes the water. Then the ions recombine to become salt. The salt is not used up but it does become diluted by rain so that additional salt must be added during the swimming season. The cells will typically be replaced at least once before the controller must be replaced. Salt systems do not work when the water is cold so there is a standard chlorinator as a backup that pumps liquid chlorine.

Many Associations choose to cover their pools with safety covers in the off-season, but it is not required. The initial purchase of a pool cover would be an Operating expense, but the replacement of that pool cover would be a Reserve expense.

This equipment is replaced as needed, so this category assumes that this amount will be spent over an 8-year period. The filter cost below is one-third of the total cost because the filters should last 24 years.

	Pumps and motors	\$4000
		\$5000
	2 sand filters	\$1500
		\$2000
	Chlorination	\$4000
		\$4500
	Misc. – Railings, piping, electrical	\$2000
		\$3000
Total of Costs	Best case	\$11,500
	Worst case	\$14,500
	Average case	\$13,000

Pool Furniture - 5-year normal life. Whether correct or not, many residents (and potential purchasers) judge a property by the condition of the pool furniture. It is often difficult to squeeze sufficient funding from the Operating budget to replace all of the furniture at one time so the furniture is often mismatched. At the time of our site visit, the pool furniture was a combination

of older, mostly damaged slingback chairs (see the photo on the left) and newer slingback chairs in good condition. The Association has included the replacement of the pool furniture in the 2023 budget.



	24 chaise lounges	\$250@	\$6000
		\$300@	\$7200
	36 chairs	\$125@	\$4500
		\$175@	\$6300
	6 tables	\$200@	\$1200
		\$250@	\$1500
	12 umbrellas	\$150@	\$1800
		\$175@	\$2100
Total of Costs	Best case		\$13,500
	Worst case		\$17,100
	Average case		\$15,300

Amenity Fencing - 30-year normal life. This category covers the replacement of the 210 linear feet (LF) of 6-foot tall, pre-finished steel fencing at the pool area and the 180 LF of 4-foot metal fencing at the playground area. The fencing is still in good condition and could have a long life if protected from physical abuse. The fencing at the playground area is leaning and can be adjusted.

The fencing has not been painted, and it is fading, particularly the fence posts at the pool. If painting is desired, it would be added to the **Exterior Rehab** category.

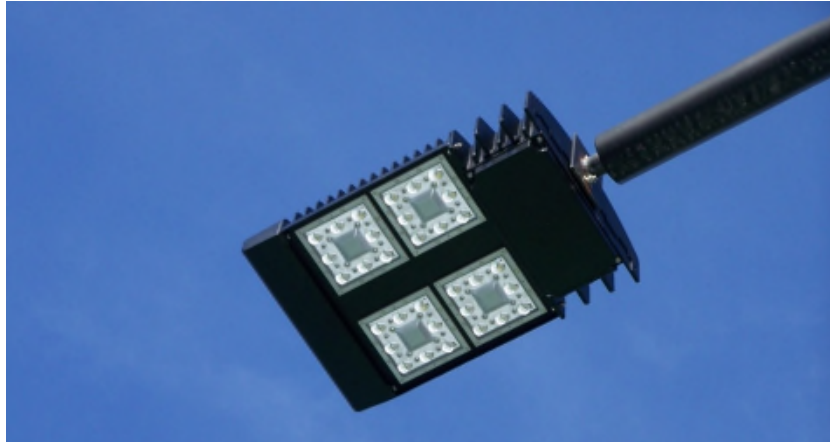


	180 LF of 4-foot fencing	\$22/LF	\$3960
		\$26/LF	\$4680
	210 LF of 6-foot fencing	\$28/LF	\$5880
		\$32/LF	\$6720
Total of Costs	Best case		\$ 9,840
	Worst case		\$11,400
	Average case		\$10,620

Tennis Court Lights – 35-year normal life. There are eight 1000-watt halide lights on four poles at the tennis courts. The poles have an indefinite life. The painting of the poles would be covered by the **Exterior Rehab** category. The pole seen in the next photo has been discolored by rust developing on the arm of the light fixture.



The bulbs and parts of these lights will still be available for some time, but the industry is moving to a newer generation of LED tennis court lighting (see the next photo from another of our clients). The fixtures are twice as expensive as the lights you now have, but they are much less expensive to operate. If the courts are often used at night, the LED fixtures would be a cost savings in the long run. The costs below are for the LED light fixtures.



8 lights

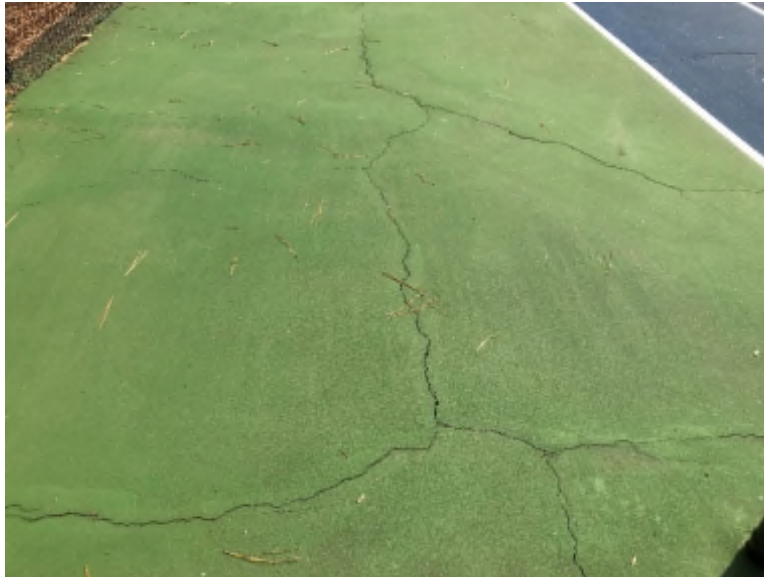
Best case	\$1200 each	\$ 9,600
Worst case	\$1500 each	\$12,000
Average case		\$10,800

Tennis Court Surface - 5-year normal life. This category provides funding for the reapplication of the colored surface of the tennis court, the restriping of the court, and the replacement of the net.



The tennis court at Westminister Village is in fair condition, but there are many cracks. Cracks generally appear in tennis courts after 10 to 15 years in the joints between sections of the

asphalt pavement. As seen in the next photo, there are cracks that are not at the joints, and some of the cracks are intersecting. The cracking will get worse.



The cracks are easy to repair if a short-term approach is acceptable. Basic crack repair during the application of the colored surface is only effective for about a year before the cracks begin to reappear. There are crack repair techniques that are guaranteed for five years, but the cost is high (between \$11 and \$15 per linear foot). The cost of this type of crack repair can be prohibitive if there are numerous cracks.

At the end of the thirty to forty-year life of the court, it will need to be completely rehabbed. There are several methods for this that involve re-paving, but each method costs about \$30,000 to \$35,000. With the paving techniques a path (i.e., a road) would need to be created to reach the court either beside the playground or below and behind the pool. This road building and remedial work afterwards would be an additional cost. Another technique takes a different approach. California Sports Surfaces makes a cushioned mat, Premier Court, which is applied over old courts after prep work to the court. The mat is color coated every five years just as the asphalt surface, but the mat has no cracks. It is guaranteed for twenty-five years. One of our clients has had courts with Premier Court for fifteen years and is still pleased. The cost at \$35,000 is generally competitive with the other techniques.

The cost below includes the cost to resurface the court and replace the net plus contributions toward the major rehab of the court that could be needed during the latter part of this twenty-year period depending on your tolerance for the cracking. After the major rehab, the amount for the major rehab would be halved.

Normal re-coating	\$2500
	\$3500
Toward major rehab	\$6000
	\$8000

Total of Costs	Best case	\$ 8,500
	Worst cast	\$11,500
	Average case	\$10,000

Tennis Court Fence – 35-year normal life. You have 349 linear feet (LF) of 10-foot tall, vinyl-coated chain-link fencing at the tennis court. This category funds the replacement of the fencing when it reaches the end of its life.



The poles should last indefinitely, but the fence fabric will need to be replaced. The existing fence is good quality, but at the tennis courts, there is only has a tension wire to hold the chain-link fabric at the bottom. This can be unsatisfactory where there is vigorous play (i.e., with people crashing into the fence). A horizontal pole at the bottom can sometimes help keep the fence from curling.



The poles are painted galvanized steel. Generally, the fence posts have an indefinite life, but they will need to be repainted when the fabric is replaced. The fencing is usually replaced as part of the major tennis court project.

349 LF of fencing			
	Best case	\$12/LF	\$4188
	Worst case	\$16/LF	\$5584
	Average case		\$4886

Signage - 20-year normal life. The main signage for Westminister Village consists of three large signs at the main entrance and one sign at the rear entrance. One sign is mounted to either side of a brick monument in the middle of the main entrance road. The third is mounted to a brick monument on the north side of the entrance. The signs are made of a routed acrylic material. The gold lettering will wear off but can be repainted. The main entrance signs are in good condition. The rear entrance sign is mounted to a brick monument. This category funds the refurbishment and replacement of the entrance signage. The brick monuments are covered by the **Masonry** category.



There is also some miscellaneous signage. There is a changeable sign in front of the clubhouse that is in fair condition, and there are metal signs at the amenity area that are in poor condition. A cost to replace these signs is included in 2023 in the attached tables.



130 SF of entrance/clubhouse signs	\$100/SF	\$13,000
	\$125/SF	\$16,250
Repainting signage		\$ 2,250
		\$ 3,000
Miscellaneous signage		\$ 1,000
		\$ 2,000
Total of Costs	Best case	\$16,250
	Worst case	\$21,250
	Average case	\$18,750

Wood Fencing – 24-year normal life. This category covers the replacement of the 337 linear feet (LF) of domed wood fencing along either side of the entrance road. The wood fencing is in fair to poor condition.



The fencing appears to be original with the property which would make it about twenty-five years old. Some of the pickets are warped and others are deterioration on the top edge as seen in the next photo.



Individual damaged pickets and sections can be replaced to extend the life of the fencing, but this category covers the total replacement of the fencing. The fencing has been stained, and the re-staining of the fence would be covered by the **Exterior Rehab** category.

337 LF of wood fencing

Best case	\$24/LF	\$8088
Worst case	\$28/LF	\$9436
Average case		\$8762

Vinyl Siding – 45-year normal life. This category covers the replacement of the 8200 square feet (SF) of vinyl siding on the clubhouse. Vinyl siding varies in quality and, therefore, life but the warranty for vinyl siding is generally fifty years. The life assigned in this report is forty-five years. When the replacement is needed, you could consider other types of material as new products are frequently introduced into the industry. The clubhouses at most of the newer properties have a fibered cement (i.e., Hardie) siding. Hardie siding was considerably more expensive when first introduced but the cost has come down so that it is only a little more expensive than vinyl siding.

When this is necessary, it is likely that the other accessories (i.e., windows, doors, shutters, columns) will also need to be replaced, so an allowance of \$4000 to \$6000 is included.

1465 SF of vinyl siding

Best case	\$4/SF+\$4000	\$ 9,860
Worst case	\$5/SF+\$6000	\$13,325
Average case		\$11,593

WESTMINISTER VILLAGE HOMEOWNERS ASSOCIATION, Est. 1997										
Table 1 - Calculation of Reserve Requirements										
For the Budget Year Ended: December 31, 2022										
		End of Yr	Normal	Remaining	Cost	Cost	Today's	Excess	Annual	This Year's
		Balance	Life	Life	Now	Then	Balance	(Deficit)	Requirement	Budget
							Should be			Provision
										with Interest
Roof and Gutter Replacement	Best Case	0	37	32	6,310	19,000	2,568	-2,568	514	
Replacement of 16 SQ of shingles and 132 LF of guttering at the clubhouse	Average Case	0	35	30	6,868	18,750	2,679	-2,679	536	840
	Worst Case	0	33	28	7,425	18,500	2,803	-2,803	561	
Exterior Rehab	Best Case	0	7	2	5,400	6,100	4,357	-4,357	871	
Washing, repairs and painting of exterior surfaces at clubhouse, restroom interiors, wood fencing	Average Case	0	6	1	6,468	6,818	5,681	-5,681	1,136	1,782
	Worst Case	0	5	0	7,535	7,535	7,535	-7,535	1,507	
Clubhouse Interior Rehab	Best Case	0	17	12	14,670	23,000	6,765	-6,765	1,353	
Painting of interior of clubhouse, replacement of flooring, HVAC, lighting, tables and chairs, etc	Average Case	0	15	10	17,615	25,500	8,500	-8,500	1,700	2,666
	Worst Case	0	13	8	20,560	28,000	10,769	-10,769	2,154	
Asphalt Pavement	Best Case	0	30	17	22,800	41,000	17,767	-17,767	1,367	
Repaving of the existing 570 SY of asphalt at the amenity parking lot	Average Case	0	28	15	24,225	41,000	19,036	-19,036	1,464	2,297
	Worst Case	0	26	13	25,650	41,000	20,500	-20,500	1,577	
Asphalt Repairs/Seal-Coating	Best Case	0	6	2	3,500	3,900	2,600	-2,600	650	
Repairs to the 570 SY of asphalt in the amenity area. Also includes seal-coating.	Average Case	0	5	1	4,000	4,200	3,360	-3,360	840	1,317
	Worst Case	0	4	0	4,500	4,500	4,500	-4,500	1,125	
Landscape Rehab	Best Case	0	6	4	15,000	18,500	6,167	-6,167	3,083	
Replacement of horticulturally inappropriate plant material and tree removal. Also drainage issues.	Average Case	0	5	3	20,000	23,250	9,300	-9,300	4,650	7,293
	Worst Case	0	4	2	25,000	28,000	14,000	-14,000	7,000	
Masonry Rehab	Best Case	0	6	5	4,000	5,100	850	-850	850	
Repairs to brick monuments and walls, concrete walkways, pool deck and EIFS elements	Average Case	0	5	4	5,000	6,100	1,220	-1,220	1,220	1,914
	Worst Case	0	4	3	6,000	7,100	1,775	-1,775	1,775	
Infrastructure	Best Case	0	8	6	5,000	6,500	1,625	-1,625	813	
Repair/replacement of common electrical systems, plumbing fixtures, structural issues, BPV	Average Case	0	7	5	7,000	8,750	2,500	-2,500	1,250	1,961
	Worst Case	0	6	4	9,000	11,000	3,667	-3,667	1,833	

Page 2		End of Yr	Normal	Remaining	Cost	Cost	Today's	Excess	Annual	This Year's
		Balance	Life	Life	Now	Then	Balance	(Deficit)	Requirement	Budget
							Should be			Provision
										with Interest
Playground Equipment	Best Case	0	27	12	27,840	43,000	23,889	-23,889	1,593	
Replacement of the play center,	Average Case	0	25	10	32,070	46,500	27,900	-27,900	1,860	2,917
swing set and bench. Also	Worst Case	0	23	8	36,300	50,000	32,609	-32,609	2,174	
includes mulch.										
Pool Surface	Best Case	0	20	19	30,500	58,000	2,900	-2,900	2,900	
Replastering the surface of the	Average Case	0	18	17	33,000	59,000	3,278	-3,278	3,278	5,141
pool and replacement of the	Worst Case	0	16	15	35,500	60,000	3,750	-3,750	3,750	
waterline tile										
Pool Equipment	Best Case	0	9	5	11,500	14,500	6,444	-6,444	1,611	
Replacement of the pumps,	Average Case	0	8	4	13,000	16,000	8,000	-8,000	2,000	3,137
motors, filters and chlorination	Worst Case	0	7	3	14,500	17,500	10,000	-10,000	2,500	
equipment										
Pool Furniture	Best Case	0	6	0	13,500	13,500	13,500	-13,500	2,250	
Replacement of the pool	Average Case	0	5	0	15,300	15,300	15,300	-15,300	3,060	4,799
furniture.	Worst Case	0	4	0	17,100	17,100	17,100	-17,100	4,275	
Amenity Fencing	Best Case	0	32	22	9,840	21,000	6,563	-6,563	656	
Replacement of the 210 LF of	Average Case	0	30	20	10,620	21,000	7,000	-7,000	700	1,098
fencing at the pool area and the	Worst Case	0	28	18	11,400	21,000	7,500	-7,500	750	
180 LF at the playground area										
Tennis Court Lights	Best Case	0	37	14	9,600	16,000	9,946	-9,946	432	
Replacement of the 8 light	Average Case	0	35	12	10,800	16,750	11,007	-11,007	479	751
fixtures at the tennis courts	Worst Case	0	33	10	12,000	17,500	12,197	-12,197	530	
Tennis Court Surface	Best Case	0	6	3	8,500	10,000	5,000	-5,000	1,667	
Crack repair, reapplication of the	Average Case	0	5	2	10,000	11,000	6,600	-6,600	2,200	3,451
surface, striping, and nets at	Worst Case	0	4	1	11,500	12,000	9,000	-9,000	3,000	
the tennis court										
Tennis Court Fence	Best Case	0	37	14	4,188	6,900	4,289	-4,289	186	
Replacement of the 349 LF of	Average Case	0	35	12	4,886	7,550	4,961	-4,961	216	338
chain-link fencing at the	Worst Case	0	33	10	5,584	8,200	5,715	-5,715	248	
tennis court										
Signage	Best Case	0	22	12	16,250	25,000	11,364	-11,364	1,136	
Replacement of the main entrance	Average Case	0	20	10	18,750	27,000	13,500	-13,500	1,350	2,117
and clubhouse signage and	Worst Case	0	18	8	21,250	29,000	16,111	-16,111	1,611	
the miscellaneous signage										

Page 3		End of Yr	Normal	Remaining	Cost	Cost	Today's	Excess		Annual	This Year's
		Balance	Life	Life	Now	Then	Balance	(Deficit)		Requirement	Budget
							Should be				Provision
											with Interest
Wood Fencing	Best Case	0	26	3	8,088	9,600	8,492	-8,492		369	
Replacement of the 337 LF of	Average Case	0	24	2	8,762	9,800	8,983	-8,983		408	640
domed wood fencing along	Worst Case	0	22	1	9,436	10,000	9,545	-9,545		455	
the entrance street											
Vinyl Siding	Best Case	0	50	25	9,860	22,502	11,251	-11,251		450	
Replacement of the 1465 SF of	Average Case	0	45	20	11,593	22,565	12,536	-12,536		501	786
vinyl siding on the clubhouse	Worst Case	0	40	15	13,325	22,627	14,142	-14,142		566	
TOTALS	Best Case	0					146,336	-146,336		22,752	
	Average Case						171,341	-171,341		28,848	45,247
	Worst Case						203,218	-203,218		37,391	
Per UNIT for AVERAGE case		0					963	-963		162	254
Per UNIT Per Month Contribution THIS YEAR										13.51	21.18

WESTMINISTER VILLAGE HOMEOWNERS ASSOCIATION, Est. 1997												
Table 2 - Projected Reserve Funds Flow												
2023 through 2042 of Average Case												
RESERVE CATEGORIES	NORMAL LIFE	REMAINING LIFE	COST NOW	YEARS								
				2023	2024	2025	2026	2027	2028	2029	2030	2031
Roof and Gutter Replacement	35	30	6,868									
Exterior Rehab	6	1	6,468		6,818						8,600	
Clubhouse Interior Rehab	15	10	17,615		9,600							
Asphalt Pavement	28	15	24,225									
Asphalt Repairs/Seal-Coating	5	1	4,000		4,200					4,900		
Landscape Rehab	5	3	20,000				23,250					27,000
Masonry Rehab	5	4	5,000					6,100				
Infrastructure	7	5	7,000	2,500					5,700			
Playground Equipment	25	10	32,070									
Pool Surface	18	17	33,000									
Pool Equipment	8	4	13,000					16,000				
Pool Furniture	5	0	15,300	15,300					17,500			
Amenity Fencing	30	20	10,620									
Tennis Court Lights	35	12	10,800									
Tennis Court Surface	5	2	10,000			3,400					4,700	
Tennis Court Fence	35	12	4,886									
Signage	20	10	18,750	4,125								
Wood Fencing	24	2	8,762			9,800						
Vinyl Siding	45	20	11,593									
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Yearly Expenditures				21,925	20,618	13,200	23,250	22,100	23,200	4,900	13,300	27,000
Prior Reserve Balance				0	22,547	39,757	65,633	82,645	102,010	121,478	160,586	192,584
Yearly Expenditures				21,925	20,618	13,200	23,250	22,100	23,200	4,900	13,300	27,000
Yearly Contribution				30,432	30,432	30,432	30,432	30,432	30,432	30,432	30,432	30,432
Interest Added				156	276	456	574	709	844	1,116	1,338	1,474
Increases- \$40 per home per year in 2024 and then \$6 per year in every year thereafter				13,884	7,120	8,188	9,256	10,324	11,392	12,460	13,528	14,596
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Ending Reserve Balance				22,547	39,757	65,633	82,645	102,010	121,478	160,586	192,584	212,086
Ending Reserve Balance with NO INCREASE				22,547	32,637	50,218	57,801	66,595	74,343	100,574	118,529	122,814

WESTMINISTER VILLAGE HOMEOWNERS ASSOCIATION, Est. 1997				ASSUMPTIONS- Interest Rate=1%							
Table 2 - Projected Reserve Funds Flow				Tax Rate=30%							
2023 through 2042 of Average Case				Inflation Rate=6% and 3%							
Page 2											
RESERVE CATEGORIES	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Roof and Gutter Replacement											
Exterior Rehab					10,300						12,300
Clubhouse Interior Rehab		12,500									
Asphalt Pavement							41,000				
Asphalt Repairs/Seal-Coating			5,600					0			
Landscape Rehab					31,000					36,000	
Masonry Rehab	7,100					8,200					9,500
Infrastructure				11,000							13,000
Playground Equipment		46,500									
Pool Surface									59,000		
Pool Equipment				20,000							
Pool Furniture		20,500					24,000				
Amenity Fencing											
Tennis Court Lights				16,750							
Tennis Court Surface				47,000					5,400		
Tennis Court Fence				7,550							
Signage		21,000									
Wood Fencing											
Vinyl Siding											
Yearly Expenditures	7,100	100,500	5,600	102,300	41,300	8,200	65,000	0	64,400	36,000	34,800
Prior Reserve Balance	212,086	252,839	200,899	245,235	193,580	204,066	249,033	238,192	293,806	286,034	307,882
Yearly Expenditures	7,100	100,500	5,600	102,300	41,300	8,200	65,000	0	64,400	36,000	34,800
Yearly Contribution	30,432	30,432	30,432	30,432	30,432	30,432	30,432	30,432	30,432	30,432	30,432
Interest Added	1,757	1,396	1,704	1,345	1,418	1,731	1,655	2,042	1,988	2,140	2,309
Increases- \$40 per home per year in 2	15,664	16,732	17,800	18,868	19,936	21,004	22,072	23,140	24,208	25,276	26,344
Ending Reserve Balance	252,839	200,899	245,235	193,580	204,066	249,033	238,192	293,806	286,034	307,882	332,167
Ending Reserve Balance with NO INCF	147,169	77,640	103,189	31,540	20,816	43,349	8,842	39,548	5,619	51	-4,347

WESTMINISTER VILLAGE HOMEOWNERS ASSOCIATION, Est. 1997													
Table 3 - Prorated Reserve Requirements													
2023 through 2042 of Average Case													
** EXPENSES **	YEARS												
RESERVE CATEGORIES	NORMAL LIFE	REMAINING LIFE	COST NOW	COST THEN	TODAY'S BALANCE	2023	2024	2025	2026	2027	2028	2029	2030
Roof and Gutter Replacement	35	30	6,868	18,750	0	453	480	494	509	524	540	556	573
Exterior Rehab	6	1	6,468	6,818	0	7,041	1,362	1,403	1,445	1,488	1,533	1,579	1,626
Clubhouse Interior Rehab	15	10	17,615	25,500	0	2,285	2,422	2,495	2,570	2,647	2,726	2,808	2,892
Asphalt Pavement	28	15	24,225	41,000	0	2,305	2,443	2,516	2,592	2,669	2,749	2,832	2,917
Asphalt Repairs/Seal-Coating	5	1	4,000	4,200	0	4,346	965	994	1,023	1,054	1,086	1,118	1,152
Landscape Rehab	5	3	20,000	23,250	0	7,641	8,099	8,342	5,176	5,331	5,491	5,656	5,825
Masonry Rehab	5	4	5,000	6,100	0	1,471	1,559	1,606	1,654	1,360	1,400	1,442	1,486
Infrastructure	7	5	7,000	8,750	0	1,670	1,770	1,823	1,877	1,934	1,453	1,497	1,542
Playground Equipment	25	10	32,070	46,500	0	4,164	4,414	4,546	4,683	4,823	4,968	5,117	5,271
Pool Surface	18	17	33,000	59,000	0	2,868	3,040	3,132	3,225	3,322	3,422	3,525	3,630
Pool Equipment	8	4	13,000	16,000	0	3,843	4,073	4,195	4,321	2,318	2,387	2,459	2,532
Pool Furniture	5	0	15,300	15,300	0	18,777	3,685	3,796	3,910	4,027	4,148	4,272	4,401
Amenity Fencing	30	20	10,620	21,000	0	838	888	915	942	971	1,000	1,030	1,061
Tennis Court Lights	35	12	10,800	16,750	0	1,217	1,290	1,328	1,368	1,409	1,452	1,495	1,540
Tennis Court Surface	5	2	10,000	11,000	0	5,565	5,899	2,472	2,546	2,623	2,701	2,782	2,866
Tennis Court Fence	35	12	4,886	7,550	0	549	582	600	618	636	655	675	695
Signage	20	10	18,750	27,000	0	2,425	2,570	2,647	2,727	2,809	2,893	2,980	3,069
Wood Fencing	24	2	8,762	9,800	0	4,919	5,214	639	659	678	699	720	741
Vinyl Siding	45	20	11,593	22,565	0	905	959	988	1,018	1,048	1,080	1,112	1,146
Yearly Requirement					0	73,280	51,715	44,932	42,863	41,671	42,383	43,654	44,964
Less Expenses Paid						21,925	20,618	13,200	23,250	22,100	23,200	4,900	13,300
Accumulated Requirement						51,355	82,452	114,184	133,796	153,368	172,550	211,305	242,969
** INCOME **													
Prior Reserve Balance					Beg. Bal.	0	22,547	39,757	65,633	82,645	102,010	121,478	160,586
Yearly Contribution						44,316	37,552	38,620	39,688	40,756	41,824	42,892	43,960
Yearly Expenditures						21,925	20,618	13,200	23,250	22,100	23,200	4,900	13,300
Interest Added						156	276	456	574	709	844	1,116	1,338
Ending Reserve Balance						22,547	39,757	65,633	82,645	102,010	121,478	160,586	192,584
Surplus(+)/Deficit(-)						-28,808	-42,695	-48,551	-51,151	-51,358	-51,072	-50,719	-50,385

WESTMINISTER VILLAGE HOMEOWNERS ASSOCIATION, Est. 1997												
Table 3 - Prorated Reserve Requirements												
2023 through 2042 of Average Case												
Page 2												
	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
RESERVE CATEGORIES												
Roof and Gutter Replacement	590	608	626	645	664	684	705	726	747	770	793	817
Exterior Rehab	1,675	1,725	1,777	1,830	1,885	1,942	2,000	2,060	2,122	2,185	2,251	2,319
Clubhouse Interior Rehab	2,979	3,068	2,249	2,316	2,386	2,457	2,531	2,607	2,685	2,766	2,849	2,934
Asphalt Pavement	3,004	3,095	3,187	3,283	3,382	3,483	3,587	2,483	2,558	2,634	2,713	2,795
Asphalt Repairs/Seal-Coating	1,186	1,222	1,259	1,296	1,335	1,375	1,417	1,459	1,503	1,548	1,594	1,642
Landscape Rehab	6,000	6,180	6,366	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,064	8,306
Masonry Rehab	1,530	1,576	1,623	1,672	1,722	1,774	1,827	1,882	1,938	1,997	2,057	2,118
Infrastructure	1,588	1,635	1,684	1,735	1,787	1,841	1,896	1,953	2,011	2,072	2,134	2,198
Playground Equipment	5,429	5,592	2,956	3,045	3,136	3,230	3,327	3,427	3,530	3,636	3,745	3,857
Pool Surface	3,739	3,851	3,967	4,086	4,209	4,335	4,465	4,599	4,737	4,549	4,686	4,826
Pool Equipment	2,608	2,687	2,767	2,850	2,936	3,024	3,115	3,208	3,304	3,403	3,505	3,611
Pool Furniture	4,533	4,669	4,809	4,953	5,101	5,255	5,412	5,575	5,742	5,914	6,091	6,274
Amenity Fencing	1,092	1,125	1,159	1,194	1,229	1,266	1,304	1,343	1,384	1,425	1,468	1,512
Tennis Court Lights	1,586	1,634	1,683	1,733	938	966	995	1,025	1,056	1,087	1,120	1,154
Tennis Court Surface	2,952	3,040	3,131	3,225	3,322	3,422	3,524	3,630	3,739	3,851	3,967	4,086
Tennis Court Fence	716	738	760	782	420	433	446	459	473	487	502	517
Signage	3,161	3,256	1,957	2,016	2,076	2,138	2,203	2,269	2,337	2,407	2,479	2,553
Wood Fencing	764	786	810	834	859	885	912	939	967	996	1,026	1,057
Vinyl Siding	1,180	1,215	1,252	1,289	1,328	1,368	1,409	1,451	1,495	1,540	1,586	1,633
Yearly Requirement	46,313	47,702	44,022	45,343	45,470	46,834	48,239	48,474	49,928	51,096	52,629	54,208
Less Expenses Paid	27,000	7,100	100,500	5,600	102,300	41,300	8,200	65,000	0	64,400	36,000	34,800
Accumulated Requirement	262,281	302,884	246,406	286,148	229,318	234,851	274,890	258,364	308,292	294,988	311,617	331,025
** INCOME **												
Prior Reserve Balance	192,584	212,086	252,839	200,899	245,235	193,580	204,066	249,033	238,192	293,806	286,034	307,882
Yearly Contribution	45,028	46,096	47,164	48,232	49,300	50,368	51,436	52,504	53,572	54,640	55,708	56,776
Yearly Expenditures	27,000	7,100	100,500	5,600	102,300	41,300	8,200	65,000	0	64,400	36,000	34,800
Interest Added	1,474	1,757	1,396	1,704	1,345	1,418	1,731	1,655	2,042	1,988	2,140	2,309
Ending Reserve Balance	212,086	252,839	200,899	245,235	193,580	204,066	249,033	238,192	293,806	286,034	307,882	332,167
Surplus(+)/Deficit(-)	-50,195	-50,045	-45,507	-40,913	-35,738	-30,785	-25,857	-20,172	-14,486	-8,954	-3,735	1,142