

# RESERVE ANALYSIS REPORT

**Connecticut Condominium Association**

Sample, Connecticut

Version 1

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**ADVANCED RESERVE SOLUTIONS**

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# Connecticut Condominium Association

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# Preface

This preface is intended to provide an introduction to the enclosed reserve analysis as well as detailed information regarding the reserve analysis report format, reserve fund goals/objectives and calculation methods. The following sections are included in this preface:

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## ◆ ◆ ◆ ◆ INTRODUCTION TO RESERVE BUDGETING ◆ ◆ ◆ ◆

The Board of Directors of an association has a legal and fiduciary duty to maintain the community in a good state of repair. Individual unit property values are significantly impacted by the level of maintenance and upkeep provided by the association as well as the amount of the regular assessment charged to each owner.

A prudent plan must be implemented to address the issues of long-range maintenance, repair and replacement of the common areas. Additionally, the plan should recognize that the value of each unit is affected by the amount of the regular assessment charged to each unit.

There is a fine line between “not enough,” “just right” and “too much.” Each member of an association should contribute to the reserve fund for their proportionate amount of “depreciation” (or “use”) of the reserve components. Through time, if each owner contributes his “fair share” into the reserve fund for the depreciation of the reserve components, then the possibility of large increases in regular assessments or special assessments will be minimized.

An accurate reserve analysis and a “healthy” reserve fund are essential to protect and maintain the association's common areas and the property values of the individual unit owners. A comprehensive reserve analysis is one of the most significant elements of any association's long-range plan and provides the critical link between sound business judgment and good fiscal planning. The reserve analysis provides a “financial blueprint” for the future of an association.

## ◆ ◆ ◆ ◆ UNDERSTANDING THE RESERVE ANALYSIS ◆ ◆ ◆ ◆

In order for the reserve analysis to be useful, it must be understandable by a variety of individuals. Board members (from seasoned, experienced Board members to new Board members), property managers, accountants, attorneys and even homeowners may ultimately review the reserve analysis. The reserve analysis must be detailed enough to provide a comprehensive analysis, yet simple enough to enable less experienced individuals to understand the results.

There are four key bits of information that a comprehensive reserve analysis should provide: Budget, Percent Funded, Projections and Inventory. This information is described as follows:

### **Budget**

Amount recommended to be transferred into the reserve account for the fiscal year for which the reserve analysis was prepared. In some cases, the reserve analysis may present two or more funding plans based on different goals/objectives. The Board should have a clear understanding of the differences among these funding goals/objectives prior to implementing one of them in the annual budget.

### **Percent Funded**

Measure of the reserve fund “health” (expressed as a percentage) as of the beginning of the fiscal year for which the

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reserve analysis was prepared. This figure is the ratio of the actual reserve fund on hand to the fully funded balance. A reserve fund that is “100% funded” means the association has accumulated the proportionately correct amount of money, to date, for the reserve components it maintains.

### **Projections**

Indicate the “level of service” the association will provide the membership as well as a “road map” for the fiscal future of the association. The projections define the timetables for repairs and replacements, such as when the buildings will be painted or when the asphalt will be seal coated. The projections also show the financial plan for the association – when an underfunded association will “catch up” or how a properly funded association will remain fiscally “healthy.”

### **Inventory**

Complete listing of the reserve components. Key bits of information are available for each reserve component, including placed-in-service date, useful life, remaining life, replacement year, quantity, current cost of replacement, future cost of replacement and analyst’s comments.

## ◆ ◆ ◆ ◆ RESERVE FUNDING GOALS / OBJECTIVES ◆ ◆ ◆ ◆

There are four reserve funding goals/objectives which may be used to develop a reserve funding plan that corresponds with the risk tolerance of the association: Full Funding, Baseline Funding, Threshold Funding and Statutory Funding. These goals/objectives are described as follows:

### **Full Funding**

Describes the goal/objective to have reserves on hand equivalent to the value of the deterioration of each reserve component. The objective of this funding goal is to achieve and/or maintain a 100% percent funded reserve fund. The component calculation method or cash flow calculation method is typically used to develop a full funding plan.

### **Baseline Funding**

Describes the goal/objective to have sufficient reserves on hand to never completely run out of money. The objective of this funding goal is to simply pay for all reserve expenses as they come due without regard to the association’s percent funded. The cash flow calculation method is typically used to develop a baseline funding plan.

### **Threshold Funding**

Describes the goal/objective other than the 100% level (full funding) or just staying cash-positive (baseline funding). This threshold goal/objective may be a specific percent funded target or a cash balance target. Threshold funding is often a value chosen between full funding and baseline funding. The cash flow calculation method is typically used to develop a threshold funding plan.

### **Statutory Funding**

Describes the pursuit of an objective as described or required by local laws or codes. The component calculation method or cash flow calculation method is typically used to develop a statutory funding plan.

## ◆ ◆ ◆ ◆ RESERVE FUNDING CALCULATION METHODS ◆ ◆ ◆ ◆

There are two funding methods which can be used to develop a reserve funding plan based on a reserve funding goal/objective: Component Calculation Method and Cash Flow Calculation Method. These calculation methods are described as follows:

### **Component Calculation Method**

This calculation method develops a funding plan for each individual reserve component. The sum of the funding plan for each component equals the total funding plan for the association. This method is often referred to as the “straight line”

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method and is widely believed to be the most conservative reserve funding method. This method structures a funding plan that enables the association to pay all reserve expenditures as they come due, enables the association to achieve the ideal level of reserves in time, and then enables the association to maintain the ideal level of reserves through time. The following is a detailed description of the component calculation method:

### Step 1: Calculation of fully funded balance for each component

The fully funded balance is calculated for each component based on its age, useful life and current cost. The actual formula is as follows:

$$\text{Fully Funded Balance} = \frac{\text{Age}}{\text{Useful Life}} \times \text{Current Cost}$$

### Step 2: Distribution of current reserve funds

The association's current reserve funds are assigned to (or distributed amongst) the reserve components based on each component's remaining life and fully funded balance as follows:

Pass 1: Components are organized in remaining life order, from least to greatest, and the current reserve funds are assigned to each component up to its fully funded balance, until reserves are exhausted.

Pass 2: If all components are assigned their fully funded balance and additional funds exist, they are assigned in a "second pass." Again, the components are organized in remaining life order, from least to greatest, and the remaining current reserve funds are assigned to each component up to its current cost, until reserves are exhausted.

Pass 3: If all components are assigned their current cost and additional funds exist, they are assigned in a "third pass." Components with a remaining life of zero years are assigned double their current cost.

Distributing, or assigning, the current reserve funds in this manner is the most efficient use of the funds on hand – it defers the make-up period of any underfunded reserves over the lives of the components with the largest remaining lives.

### Step 3: Developing a funding plan

After step 2, all components have a "starting" balance. A calculation is made to determine what funding would be required to get from the starting balance to the future cost over the number of years remaining until replacement. The funding plan incorporates the annual contribution increase parameter to develop a "stair stepped" contribution.

For example, if an association needs to accumulate \$100,000 in ten years, \$10,000 could be contributed each year. Alternatively, the association could contribute \$8,723 in the first year and increase the contribution by 3% each year thereafter until the tenth year.

In most cases, this rate should match the inflation parameter. Matching the annual contribution increase parameter to the inflation parameter indicates, in theory, that member contributions should increase at the same rate as the cost of living (inflation parameter). Due to the "time value of money," this creates the most equitable distribution of member contributions through time.

Using an annual contribution increase parameter that is greater than the inflation parameter will reduce the burden to the current membership at the expense of the future membership. Using an annual contribution increase parameter that is less than the inflation parameter will increase the burden to the current membership to the benefit of the future membership. The following chart shows a comparison:

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	<u>0% Increase</u>	<u>3% Increase</u>	<u>10% Increase</u>
Year 1	\$10,000.00	\$8,723.05	\$6,274.54
Year 2	\$10,000.00	\$8,984.74	\$6,901.99
Year 3	\$10,000.00	\$9,254.28	\$7,592.19
Year 4	\$10,000.00	\$9,531.91	\$8,351.41
Year 5	\$10,000.00	\$9,817.87	\$9,186.55
Year 6	\$10,000.00	\$10,112.41	\$10,105.21
Year 7	\$10,000.00	\$10,415.78	\$11,115.73
Year 8	\$10,000.00	\$10,728.25	\$12,227.30
Year 9	\$10,000.00	\$11,050.10	\$13,450.03
Year 10	\$10,000.00	\$11,381.60	\$14,795.04
TOTAL	<u>\$100,000.00</u>	<u>\$100,000.00</u>	<u>\$100,000.00</u>

This parameter is used to develop a funding plan only; it does not mean that the reserve contributions must be raised each year. There are far more significant factors that will contribute to a total reserve contribution increase or decrease from year to year than this parameter.

One of the major benefits of using this calculation method is that for any single component (or group of components), the accumulated balance and reserve funding can be precisely calculated. For example, using this calculation method, the reserve analysis can indicate the exact amount of current reserve funds "in the bank" for the roofs and the amount of money being funded towards the roofs each month. This information is displayed on the Management / Accounting Summary and Charts as well as elsewhere within the report.

The component calculation method is typically used for well-funded associations (greater than 65% funded) with a goal/objective of full funding.

### **Cash Flow Calculation Method**

This calculation method develops a funding plan based on current reserve funds and projected expenditures during a specific timeframe (typically 30 years). This funding method structures a funding plan that enables the association to pay for all reserve expenditures as they come due, but is not necessarily concerned with the ideal level of reserves through time.

This calculation method tests reserve contributions against reserve expenditures through time to determine the minimum contribution necessary (baseline funding) or some other defined goal/objective (full funding, threshold funding or statutory funding).

Unlike the component calculation method, this calculation method cannot precisely calculate the reserve funding for any single component (or group of components). In order to work-around this issue to provide this bookkeeping information, a formula has been applied to component method results to calculate a reasonable breakdown. This information is displayed on the Management / Accounting Summary and Charts as well as elsewhere within the report.

The cash flow calculation method is typically used for under-funded associations (less than 65% funded) with a goal/objective of full funding, threshold funding, baseline funding or statutory funding.

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## ◆ ◆ ◆ ◆ READING THE RESERVE ANALYSIS ◆ ◆ ◆ ◆

In some cases, the reserve analysis may be a lengthy document of one hundred pages or more. A complete and thorough review of the reserve analysis is always a good idea. However, if time is limited, it is suggested that a thorough review of the summary pages be made. If a “red flag” is raised in this review, the reader should then check the detail information, of the component in question, for all relevant information. In this section, a description of most of the summary or report sections is provided along with comments regarding what to look for and how to use each section.

### Executive Summary

Provides general information about the client, global parameters used in the calculation of the reserve analysis as well as the core results of the reserve analysis.

#### **Client Information**

Provides various client information including fiscal year for which the reserve analysis was prepared, number of units, phasing, etc.

#### **Community Profile**

Provides brief description of the community, as well as other “global” type comments.

#### **Budget**

Provides recommended funding for the fiscal year for which the reserve analysis was prepared. Indicates the reserve funding from the membership, anticipated interest contribution and the total contribution

#### **Global Parameters**

Displays the calculation parameters that were used to calculate the reserve analysis including inflation, annual contribution increase, investment rate, tax rate and contingency.

**Sample Homeowners Association**  
Executive Summary  
Component Calculation Method

Client Information:		Global Parameters:	
Account Number	00000	Inflation Rate	2.00%
Version Number	1	Annual Contribution Increase	2.00%
Analysis Date	3/18/2014	Investment Rate	1.00%
Fiscal Year	6/1/2014 to 5/31/2015	Taxes on Investment	30.00%
Number of Units	167	Contingency	3.00%
Phasing	8 of 8		

**Community Profile:**  
This community consists of 167 attached units with private roadways, pool area and extensive landscaped areas. For budgeting purposes, unless otherwise indicated, we have used June 1995 as the average placed-in-service date for aging the original components in this community.  
ARS site visits: March 1, 2014; January 2011; February 2009; April 2006; March 2005; March 2003; March 2002; April 2001 and March 2000

**Adequacy of Reserves as of June 1, 2014:**

Anticipated Reserve Balance	\$860,450.00
Fully Funded Reserve Balance	\$1,011,228.83
Percent Funded	85.08%

**Recommended Funding for the 2014-2015 Fiscal Year:**

	Annual	Monthly	Per Unit Per Month
Member Contribution	\$110,659	\$9,221.58	\$55.22
Interest Contribution	\$5,977	\$498.09	\$2.98
Total Contribution	\$116,636	\$9,719.66	\$58.20

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#### **Adequacy of Reserves**

Displays the results of calculations with regard to the “health” of the reserve fund as of the beginning of the fiscal year for which the reserve analysis was prepared. Provides the anticipated reserve balance, fully funded reserve balance and the percent funded.

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## Calculation of Percent Funded

Summary displays all reserve components, shown here in “category” order. Provides the remaining life, useful life, current cost and the fully funded balance at the beginning of the fiscal year for which the reserve analysis was prepared.

### Reserve Components

All components are displayed (shown here in “category” order).

### Lifespans

Remaining life and useful life are displayed. And, these columns are conveniently sub totaled to show range.

**Sample Homeowners Association  
Calculation of Percent Funded  
Sorted by Category**

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
<b>010 Streets</b>				
Streets - Asphalt, Overlay / Major Rehab	8	27	\$101,867.50	\$71,564.91
Streets - Asphalt, Repair	0	4	\$3,621.75	\$3,621.75
Streets - Asphalt, Seal Coat	0	4	\$5,926.50	\$5,926.50
Streets - Concrete, Unfunded	n.a.	n.a.	\$0.00	\$0.00
<b>Sub Total</b>	<b>0-8</b>	<b>4-27</b>	<b>\$111,245.75</b>	<b>\$81,113.16</b>
<b>020 Roofs</b>				
Roofs - Tile				
<b>Sub Total</b>				
<b>030 Painting</b>				
Painting - Cabana Interior				
Painting - Red Curbs				
Painting - Stucco				
Painting - Woodwork & Trim				
Painting - Wrought Iron, Buildings				
Painting - Wrought Iron, Pool Area				
<b>Sub Total</b>				
<b>040 Fencing</b>				
Fencing - Wrought Iron, Pool Area				
Railing - Wrought Iron, Buildings				
<b>Sub Total</b>				
<b>050 Lighting</b>				
Lighting - Buildings				
Lighting - Grounds				
<b>Sub Total</b>				
<b>060 Pool Area</b>				
Cabana - Ceramic Tile				
Cabana - Doors				
Cabana - Plumbing Fixtures				
Cabana - Restroom Partitions				
Cabana - Water Heater				
Pool - Filter				
Pool - Heater				
Pool - Replaster & Tile Replace				
Pool Area - Barbecues				
<b>Sub Total</b>				

**Sample Homeowners Association  
Calculation of Percent Funded  
Sorted by Category**

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
Pool Area - Ceramic Tile	2	21	\$8,501.63	\$7,773.38
Pool Area - Concrete Deck, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Pool Area - Furniture (Refurbish)	0	12	\$9,255.00	\$9,255.00
Pool Area - Furniture (Replace)	6	25	\$17,315.00	\$13,159.40
Pool Area - Mastic	0	4	\$5,131.50	\$5,131.50
Spa - Filter	0	13	\$1,350.00	\$1,350.00
Spa - Heater	0	10	\$3,050.00	\$3,050.00
Spa - Replaster & Tile Replace	3	8	\$5,250.00	\$3,126.40
<b>Sub Total</b>	<b>0-6</b>	<b>4-25</b>	<b>\$91,747.38</b>	<b>\$71,964.53</b>
<b>070 Decks</b>				
Decks - Clean & Top Coat	2	5	\$30,480.00	\$18,288.00
Decks - Resurface	2	13	\$65,227.20	\$54,720.81
<b>Sub Total</b>	<b>2</b>	<b>5-13</b>	<b>\$95,707.20</b>	<b>\$73,008.81</b>
<b>080 Misc (Buildings)</b>				
Fire Extinguisher Cabinets	2	21	\$27,625.00	\$24,994.05
Utility Closet Doors	2	21	\$73,900.00	\$69,891.90
<b>Sub Total</b>	<b>2</b>	<b>21</b>	<b>\$101,525.00</b>	<b>\$94,885.95</b>
<b>090 Misc (Grounds)</b>				
Landscape - Irrigation Controllers	0	12	\$29,000.00	\$29,000.00
Landscape - Renovation, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Mailboxes	2	21	\$37,200.00	\$33,657.14
<b>Sub Total</b>	<b>0-2</b>	<b>12-21</b>	<b>\$66,200.00</b>	<b>\$62,657.14</b>
<b>100 Termite Control</b>				
Termite Control	n.a.	n.a.	\$0.00	\$100,000.00
<b>Sub Total</b>	<b>n.a.</b>	<b>n.a.</b>	<b>\$0.00</b>	<b>\$100,000.00</b>
Contingency	n.a.	n.a.	n.a.	\$29,453.27
<b>Total</b>	<b>0-11</b>	<b>2-30</b>	<b>\$1,091,533.70</b>	<b>\$1,011,228.83</b>
<b>Anticipated Reserve Balance</b>				<b>\$865,456.00</b>
<b>Percent Funded</b>				<b>85.58%</b>

### Current Cost

Displays the current cost to replace or otherwise maintain each component. This column is conveniently sub totaled.

### Fully Funded Balance

Displays the fully funded balance for each component. This column is conveniently sub totaled.

The total current cost to replace or otherwise maintain all components, total fully funded balance, anticipated reserve balance and percent funded are provided at the bottom of this summary. Also shown is the range of reserve component remaining lives and useful lives.

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## Management / Accounting Summary and Charts

Summary displays all reserve components, shown here in “category” order. Provides the assigned reserve funds at the beginning of the fiscal year for which the reserve analysis was prepared along with the monthly member contribution, interest contribution and total contribution for each component and category. Pie charts show graphically how the total reserve fund is distributed amongst the reserve component categories and how each category is funded on a monthly basis.

**Balance at FYB**  
Shows the amount of reserve funds assigned to each reserve component. And, this column is conveniently sub totaled.

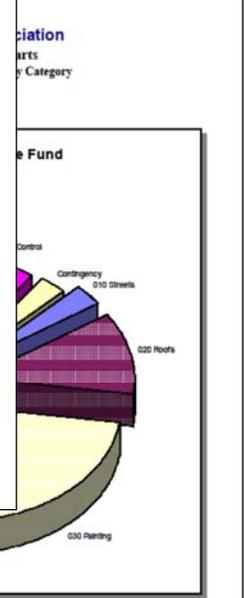
**Sample Homeowners Association**  
Management / Accounting Summary  
Component Calculation Method; Sorted by Category

	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
<b>010 Streets</b>				
Streets - Asphalt, Overlay / Major Rehab	\$17,837.90	\$949.09	\$13.37	\$963.07
Streets - Asphalt, Repair	\$3,821.75	\$78.20	\$0.25	\$78.45
Streets - Asphalt, Seal Coat	\$5,928.50	\$127.96	\$0.41	\$128.37
Streets - Concrete, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
<b>Sub Total</b>	<b>\$27,588.15</b>	<b>\$1,155.84</b>	<b>\$14.04</b>	<b>\$1,169.88</b>
<b>020 Roofs</b>				
Roofs - Tile				
<b>Sub Total</b>				
<b>030 Painting</b>				
Painting - Cabana Interior				
Painting - Red Curbs				
Painting - Stucco				
Painting - Woodwork & Trim				
Painting - Wrought Iron, Buildings				
Painting - Wrought Iron, Pool Area				
<b>Sub Total</b>				
<b>040 Fencing</b>				
Fencing - Wrought Iron, Pool Area				
Railing - Wrought Iron, Buildings				
<b>Sub Total</b>				
<b>050 Lighting</b>				
Lighting - Buildings				
Lighting - Grounds				
<b>Sub Total</b>				
<b>060 Pool Area</b>				
Cabana - Ceramic Tile				
Cabana - Doors				
Cabana - Plumbing Fixtures				
Cabana - Restroom Partitions				
Cabana - Water Heater				
Pool - Filter				
<b>Sub Total</b>				
<b>070 Decks</b>				
Decks - Clean & Top Coat	\$18,288.00	\$539.52	\$12.44	\$551.96
Decks - Resurfacing	\$94,720.81	\$306.93	\$33.65	\$340.58
<b>Sub Total</b>	<b>\$113,008.81</b>	<b>\$846.45</b>	<b>\$46.09</b>	<b>\$892.54</b>
<b>080 Misc (Buildings)</b>				
Fire Extinguisher Cabinets	\$24,994.05	\$139.11	\$15.07	\$154.19
Utility Closet Doors	\$95,881.90	\$372.15	\$40.32	\$412.47
<b>Sub Total</b>	<b>\$120,875.95</b>	<b>\$511.26</b>	<b>\$55.40</b>	<b>\$566.66</b>
<b>090 Misc (Grounds)</b>				
Landscape - Irrigation Controllers	\$20,000.00	\$219.48	\$0.71	\$220.19
Landscape - Renovation, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Mailboxes	\$33,657.14	\$187.33	\$20.30	\$207.63
<b>Sub Total</b>	<b>\$53,657.14</b>	<b>\$406.82</b>	<b>\$21.00</b>	<b>\$427.82</b>
<b>100 Termite Control</b>				
Termite Control	\$100,000.00	\$0.00	\$58.52	\$58.52
<b>Sub Total</b>	<b>\$100,000.00</b>	<b>\$0.00</b>	<b>\$58.52</b>	<b>\$58.52</b>
Contingency	\$25,207.28	\$268.59	\$15.61	\$284.20
<b>Total</b>	<b>\$865,450.00</b>	<b>\$9,221.58</b>	<b>\$498.09</b>	<b>\$9,719.66</b>

**Monthly Funding**  
Displays the monthly funding for each component from the members and interest. Total monthly funding is also indicated. And, these columns are conveniently sub totaled.

**Sample Homeowners Association**  
Management / Accounting Summary  
Component Calculation Method; Sorted by Category

	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
Pool - Heater	\$3,250.00	\$24.00	\$0.08	\$24.08
Pool - Replaster & Tile Replace	\$7,070.58	\$146.76	\$4.61	\$151.37
Pool Area - Barbecues	\$1,010.00	\$26.98	\$0.69	\$30.67
Pool Area - Ceramic Tile	\$7,773.38	\$43.27	\$4.69	\$47.96
Pool Area - Concrete Deck, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Pool Area - Furniture (Refurbish)	\$9,255.00	\$70.05	\$0.23	\$70.27
Pool Area - Furniture (Replace)	\$13,159.40	\$74.78	\$7.94	\$82.70
Pool Area - Mastic	\$5,131.50	\$110.79	\$0.36	\$111.15
Spa - Filter	\$1,350.00	\$12.11	\$0.04	\$12.15
Spa - Heater	\$2,200.00	\$27.36	\$0.09	\$27.44
Spa - Replaster & Tile Replace	\$3,128.40	\$54.12	\$2.04	\$56.15
<b>Sub Total</b>	<b>\$71,964.53</b>	<b>\$716.19</b>	<b>\$30.10</b>	<b>\$746.28</b>
<b>070 Decks</b>				
Decks - Clean & Top Coat	\$18,288.00	\$539.52	\$12.44	\$551.96
Decks - Resurfacing	\$94,720.81	\$306.93	\$33.65	\$340.58
<b>Sub Total</b>	<b>\$113,008.81</b>	<b>\$846.45</b>	<b>\$46.09</b>	<b>\$892.54</b>
<b>080 Misc (Buildings)</b>				
Fire Extinguisher Cabinets	\$24,994.05	\$139.11	\$15.07	\$154.19
Utility Closet Doors	\$95,881.90	\$372.15	\$40.32	\$412.47
<b>Sub Total</b>	<b>\$120,875.95</b>	<b>\$511.26</b>	<b>\$55.40</b>	<b>\$566.66</b>
<b>090 Misc (Grounds)</b>				
Landscape - Irrigation Controllers	\$20,000.00	\$219.48	\$0.71	\$220.19
Landscape - Renovation, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Mailboxes	\$33,657.14	\$187.33	\$20.30	\$207.63
<b>Sub Total</b>	<b>\$53,657.14</b>	<b>\$406.82</b>	<b>\$21.00</b>	<b>\$427.82</b>
<b>100 Termite Control</b>				
Termite Control	\$100,000.00	\$0.00	\$58.52	\$58.52
<b>Sub Total</b>	<b>\$100,000.00</b>	<b>\$0.00</b>	<b>\$58.52</b>	<b>\$58.52</b>
Contingency	\$25,207.28	\$268.59	\$15.61	\$284.20
<b>Total</b>	<b>\$865,450.00</b>	<b>\$9,221.58</b>	<b>\$498.09</b>	<b>\$9,719.66</b>



**Pie Charts**  
Show graphically how the reserve fund is distributed amongst the reserve components and how the components are funded.

# Preface

## Projections and Charts

Summary displays projections of beginning reserve balance, member contribution, interest contribution, expenditures and ending reserve balance for each year of the projection period (shown here for 30 years). The two columns on the right-hand side provide the fully funded ending balance and the percent funded for each year. Charts show the same information in an easy-to-understand graphic format.

**Sample Homeowners Association  
Projections  
Component Calculation Method**

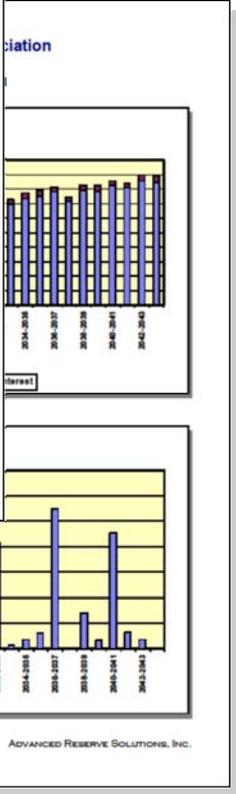
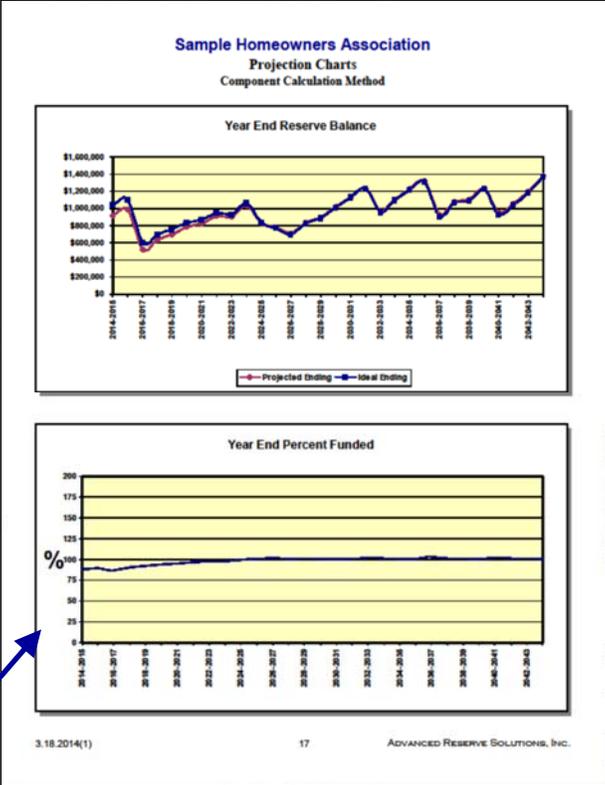
Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2014-2015	\$865,450	\$110,659	\$5,977	\$54,980	\$917,106	\$1,046,139	88%
2015-2016	\$917,106	\$111,857	\$6,482	\$45,317	\$990,127	\$1,104,098	90%
2016-2017	\$990,127	\$116,806	\$3,175	\$591,549	\$518,559	\$598,939	87%
2017-2018	\$518,559	\$115,807	\$3,900	\$7,715	\$630,610	\$698,915	90%
2018-2019	\$630,610	\$116,508	\$4,431	\$52,973	\$698,577	\$755,512	92%
2019-2020	\$698,577	\$116,723	\$5,037	\$34,701	\$785,578	\$834,243	94%
2020-2021	\$785,578	\$118,645	\$5,331	\$80,731	\$828,821	\$896,179	92%
2021-2022	\$828,821	\$121,028	\$5,925	\$40,530	\$915,241	\$949,147	96%
2022-2023	\$915,241	\$123,506					
2023-2024	\$907,080	\$125,898					
2024-2025	\$1,037,322	\$126,436					
2025-2026	\$825,894	\$127,755					
2026-2027	\$780,089	\$125,648					
2027-2028	\$713,358	\$119,373					
2028-2029	\$631,867	\$131,699					
2029-2030	\$696,194	\$131,038					
2030-2031	\$1,013,798	\$137,575					
2031-2032	\$1,130,018	\$141,510					
2032-2033	\$1,237,543	\$143,162					
2033-2034	\$973,396	\$138,561					
2034-2035	\$1,104,489	\$147,134					
2035-2036	\$1,222,996	\$149,242					
2036-2037	\$1,317,743	\$150,808					
2037-2038	\$926,828	\$142,178					
2038-2039	\$1,078,992	\$157,813					
2039-2040	\$1,102,377	\$157,111					
2040-2041	\$1,234,862	\$165,390					
2041-2042	\$952,393	\$161,588					
2042-2043	\$1,056,301	\$171,747					
2043-2044	\$1,200,105	\$169,299					

NOTE: In some cases, the projected Ending Balance Expenditures. This is a result of the provision of contingency is continually adjusted according to

3.18.2014(1)

Improved format makes the numbers as easy to read and understand as possible. The color-coded bar indicates the reserve fund status:

Green: Good  
Yellow: Fair  
Red: Poor



**Charts**  
Show graphically the reserve funding plan through time.

# Preface

## Component Detail

Summary provides detailed information about each reserve component. These pages display all information about each reserve component as well as comments from site observations and historical information regarding replacement or other maintenance.

### Lifespan Information

Displays placed-in-service date, useful life, remaining life and replacement year.

### Cost Information

Displays quantity, unit cost, percentage of replacement, current cost and future cost.

### Calculation Results

Displays assigned reserves and funding requirements.

**Streets - Asphalt, Seal Coat**

Category	010 Streets	Quantity	65,850 sq. ft.
Photo Date	January 2011	Unit Cost	\$0.090
		% of Replacement	100.00%
		Current Cost	\$5,926.50
		Future Cost	\$6,415.03
Placed In Service	11/09	Assigned Reserves at FYB	\$5,926.50
Useful Life	4	Monthly Member Contribution	\$127.96
Remaining Life	0	Monthly Interest Contribution	\$0.41
Replacement Year	2014-2015	Total Monthly Contribution	\$128.37

**Painting - Woodwork & Trim**

Category	030 Painting	Quantity	31,575 sq. ft.
Photo Date	January 2011	Unit Cost	\$0.620
		% of Replacement	100.00%
		Current Cost	\$20,949.00
		Future Cost	\$30,222.58
Placed In Service	06/12	Assigned Reserves at FYB	\$14,524.50
Useful Life	4	Monthly Member Contribution	\$634.91
Remaining Life	2	Monthly Interest Contribution	\$10.54
Replacement Year	2016-2017	Total Monthly Contribution	\$645.45

**Pool - Replaster & Tile Replace**

Category	060 Pool Area	Quantity	1 pool
Photo Date	January 2011	Unit Cost	\$15,075.000
		% of Replacement	100.00%
		Current Cost	\$15,075.00
		Future Cost	\$16,644.02
Placed In Service	01/10	Assigned Reserves at FYB	\$7,070.58
Useful Life	10	Monthly Member Contribution	\$146.79
Remaining Life	5	Monthly Interest Contribution	\$4.61
Replacement Year	2019-2020	Total Monthly Contribution	\$151.37

**Comments**

The association seal coated and restriped the streets for a total cost of \$5,926.50. The association repaired, seal coated and restriped the streets for a total cost of \$5,926.50. The association seal coated and restriped the streets for a total cost of \$5,926.50.

The current cost used for this component is adjusted for inflation where applicable.

Asphalt surfaces should be seal coated on a regular basis.

3.18.2014(1)

The association painted the woodwork and trim for a total cost of \$20,949.00. The association painted the woodwork and trim for a total cost of \$20,949.00.

The current cost used for this component is adjusted for inflation where applicable.

For budgeting purposes, we have used the current cost.

The inventory for this component has been reviewed and we believe this inventory is accurate.

3.18.2014(1)

The pool and spa were replastered in March 2000 for a total cost of approximately \$6,700. The association washed the pool in June 2002 for a total cost of \$675. The association replastered the pool and spa (including replacement of the mastic directly adjacent to the pool and spa) in January 2010 for a total cost of \$15,000.

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### Comments

Useful information from site observations and historical expenses included here.

### Photos

Optional inclusion of photos adds an additional layer of detail to the reserve analysis.

## Preface

### ◆ ◆ ◆ ◆ GLOSSARY OF KEY TERMS ◆ ◆ ◆ ◆

#### **Annual Contribution Increase Parameter**

The rate used in the calculation of the funding plan. This rate is used on an annual compounding basis. This rate represents, in theory, the rate the association expects to increase contributions each year.

In most cases, this rate should match the inflation parameter. Matching the annual contribution increase parameter to the inflation parameter indicates, in theory, that member contributions should increase at the same rate as the cost of living (inflation parameter). Due to the “time value of money,” this creates the most equitable distribution of member contributions through time.

This parameter is used to develop a funding plan only; it does not mean that the reserve contributions must be raised each year. There are far more significant factors that will contribute to a total reserve contribution increase or decrease from year to year than this parameter. See the description of “reserve funding calculation methods” in this preface for more detail on this parameter.

#### **Anticipated Reserve Balance (or Reserve Funds)**

The amount of money, as of a certain point in time, held by the association to be used for the repair or replacement of reserve components. This figure is “anticipated” because it is calculated based on the most current financial information available as of the analysis date, which is almost always prior to the fiscal year beginning date for which the reserve analysis is prepared.

#### **Assigned Funds (and “Fixed” Assigned Funds)**

The amount of money, as of the fiscal year beginning date for which the reserve analysis is prepared, that a reserve component has been assigned.

The assigned funds are considered “fixed” when the normal calculation process is bypassed and a specific amount of money is assigned to a reserve component. For example, if the normal calculation process assigns \$10,000 to the roofs, but the association would like to show \$20,000 assigned to roofs, “fixed” funds of \$20,000 can be assigned.

#### **Cash Flow Calculation Method**

Reserve funding calculation method developed based on total annual expenditures. A more detailed description of the actual calculation process is included in the “reserve funding calculation methods” section of the preface.

#### **Component Calculation Method**

Reserve funding calculation method developed based on each individual component. A more detailed description of the actual calculation process is included in the “reserve funding calculation methods” section of the preface.

#### **Contingency Parameter**

The rate used as a built-in buffer in the calculation of the funding plan. This rate will assign a percentage of the reserve funds, as of the fiscal year beginning, as contingency funds and will also determine the level of funding toward the contingency each month.

#### **Current Replacement Cost**

The amount of money, as of the fiscal year beginning date for which the reserve analysis is prepared, that a reserve component is expected to cost to replace.

#### **Fiscal Year**

Indicates the budget year for the association for which the reserve analysis was prepared. The fiscal year beginning (FYB) is the first day of the budget year; the fiscal year end (FYE) is the last day of the budget year.

#### **Fully Funded Reserve Balance (or Ideal Reserves)**

The amount of money that should theoretically have accumulated in the reserve fund as of a certain point in time. Fully funded reserves are calculated for each reserve component based on the current replacement cost, age and useful life:

## Preface

$$\text{Fully Funded Reserves} = \frac{\text{Age}}{\text{Useful Life}} \times \text{Current Replacement Cost}$$

The fully funded reserve balance is the sum of the fully funded reserves for each reserve component.

An association that has accumulated the fully funded reserve balance does not have all of the funds necessary to replace all of its reserve components immediately; it has the proportionately appropriate reserve funds for the reserve components it maintains, based on each component's current replacement cost, age and useful life.

### **Future Replacement Cost**

The amount of money, as of the fiscal year during which replacement of a reserve component is scheduled, that a reserve component is expected to cost to replace. This cost is calculated using the current replacement cost compounded annually by the inflation parameter.

### **Global Parameters**

The financial parameters used to calculate the reserve analysis. See also "inflation parameter," "annual contribution increase parameter," "investment rate parameter" and "taxes on investments parameter."

### **Inflation Parameter**

The rate used in the calculation of future costs for reserve components. This rate is used on an annual compounding basis. This rate represents the rate the association expects the cost of goods and services relating to their reserve components to increase each year.

### **Interest Contribution**

The amount of money contributed to the reserve fund by the interest earned on the reserve fund and member contributions.

### **Investment Rate Parameter**

The gross rate used in the calculation of interest contribution (interest earned) from the reserve balance and member contributions. This rate (net of the taxes on investments parameter) is used on a monthly compounding basis. This parameter represents the weighted average interest rate the association expects to earn on their reserve fund investments.

### **Membership Contribution**

The amount of money contributed to the reserve fund by the association's membership.

### **Monthly Contribution (and "Fixed" Monthly Contribution)**

The amount of money, for the fiscal year which the reserve analysis is prepared, that a reserve component will be funded.

The monthly contribution is considered "fixed" when the normal calculation process is bypassed and a specific amount of money is funded to a reserve component. For example, if the normal calculation process funds \$1,000 to the roofs each month, but the association would like to show \$500 funded to roofs each month, a "fixed" contribution of \$500 can be assigned.

### **Number of Units (or other assessment basis)**

Indicates the number of units for which the reserve analysis was prepared. In "phased" developments (see phasing), this number represents the number of units, and corresponding common area components, that existed as of a certain point in time.

For some associations, assessments and reserve contributions are based on a unit of measure other than the number of units. Examples include time-interval weeks for timeshare resorts or lot acreage for commercial/industrial developments.

## Preface

### **One-Time Replacement**

Used for components that will be budgeted for only once.

### **Percent Funded**

A measure, expressed as a percentage, of the association's reserve fund "health" as of a certain point in time. This number is the ratio of the anticipated reserve fund balance to the fully funded reserve balance:

$$\text{Percent Funded} = \frac{\text{Anticipated Reserve Fund Balance}}{\text{Fully Funded Reserve Balance}}$$

An association that is 100% funded does not have all of the reserve funds necessary to replace all of its reserve components immediately; it has the proportionately appropriate reserve funds for the reserve components it maintains, based on each component's current replacement cost, age and useful life.

### **Percentage of Replacement**

The percentage of the reserve component that is expected to be replaced.

For most reserve components, this percentage should be 100%. In some cases, this percentage may be more or less than 100%. For example, fencing which is shared with a neighboring community may be set at 50%.

### **Phasing**

Indicates the number of phases for which the reserve analysis was prepared and the total number of phases expected at build-out (i.e. Phase 4 of 7). In phased developments, the first number represents the number of phases, and corresponding common area components, that existed as of a certain point in time. The second number represents the number of phases that are expected to exist at build-out.

### **Placed-In-Service Date**

The date (month and year) that the reserve component was originally put into service or last replaced.

### **Remaining Life**

The length of time, in years, until a reserve component is scheduled to be replaced.

### **Remaining Life Adjustment**

The length of time, in years, that a reserve component is expected to last in excess (or deficiency) of its useful life for the current cycle of replacement.

If the current cycle of replacement for a reserve component is expected to be greater than or less than the "normal" life expectancy, the reserve component's life should be adjusted using a remaining life adjustment.

For example, if wood trim is painted normally on a 4 year cycle, the useful life should be 4 years. However, when it comes time to paint the wood trim and it is determined that it can be deferred for an additional year, the useful life should remain at 4 years and a remaining life adjustment of +1 year should be used.

### **Replacement Year**

The fiscal year that a reserve component is scheduled to be replaced.

### **Reserve Components**

Line items included in the reserve analysis.

### **Taxes on Investments Parameter**

The rate used to offset the investment rate parameter in the calculation of the interest contribution. This parameter represents the marginal tax rate the association expects to pay on interest earned by the reserve funds and member contributions.

## Preface

### **Total Contribution**

The sum of the membership contribution and interest contribution.

### **Useful Life**

The length of time, in years, that a reserve component is expected to last each time it is replaced. See also “remaining life adjustment.”

## ◆ ◆ ◆ ◆ LIMITATIONS OF RESERVE ANALYSIS ◆ ◆ ◆ ◆

This reserve analysis is intended as a tool for the association’s Board of Directors to be used in evaluating the association’s current physical and financial condition with regard to reserve components. The results of this reserve analysis represent the independent opinion of the preparer. There is no implied warranty or guarantee of this work product.

For the purposes of this reserve analysis, it has been assumed that all components have been installed properly, no construction defects exist and all components are operational. Additionally, it has been assumed that all components will be maintained properly in the future.

The representations set forth in this reserve analysis are based on the best information and estimates of the preparer as of the date of this analysis. These estimates are subject to change. This reserve analysis includes estimates of replacement costs and life expectancies as well as assumptions regarding future events. Some estimates are projections of future events based on information currently available and are not necessarily indicative of the actual future outcome. The longer the time period between the estimate and the estimated event, the more likely the possibility of error and/or discrepancy. For example, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the preparation of this reserve analysis. Therefore, the actual replacement costs and remaining lives may vary from this reserve analysis and the variation may be significant. Additionally, inflation and other economic events may impact this reserve analysis, particularly over an extended period of time and those events could have a significant and negative impact on the accuracy of this reserve analysis and, further, the funds available to meet the association’s obligation for repair, replacement or other maintenance of major components during their estimated useful life. Furthermore, the occurrence of vandalism, severe weather conditions, earthquakes, floods, acts of nature or other unforeseen events cannot be predicted and/or accounted for and are excluded when assessing life expectancy, repair and/or replacement costs of the components.

# Connecticut Condominium Association

## Executive Summary

### Directed Cash Flow Calculation Method

**Client Information:**

Account Number	20014
Version Number	1
Analysis Date	09/29/2017
Fiscal Year	1/1/2018 to 12/31/2018
Number of 61	61
Phasing	1 of 1

**Global Parameters:**

Inflation Rate	2.00%
Annual Contribution Increase	2.00%
Investment Rate	0.50%
Taxes on Investments	30.00%
Contingency	3.00%

**Community Profile:**

Condominium Association is located off of Any Road in Ridgefield, Connecticut. Community is comprised of 61 units ranging from (4) single family units to (13) townhouse units. Most unit buildings house (4) units. Units were constructed in approximately 1983.

ARS site visit: August 8, 2017

Many of the components within this community have been replaced, refurbished or otherwise maintained since original construction. For the purposes of this analysis, we have used the actual date of last replacement, refurbishment or other maintenance as the placed-in-service date for each component where this date is known; when unknown, the remaining service life has been estimated based on condition at our most recent site visit. For original components, we have used a placed-in-service date of original construction.

**Adequacy of Reserves as of January 1, 2018:**

Anticipated Reserve Balance	<b>\$91,700.00</b>
Fully Funded Reserve Balance	<b>\$455,521.57</b>
Percent Funded	<b>20.13%</b>

Recommended Funding for the 2018 Fiscal Year:	Annual	Monthly	Per 61 Per Month
Member Contribution	<b>\$99,000</b>	<b>\$8,250.00</b>	<b>\$135.25</b>
Interest Contribution	<b>\$480</b>	<b>\$40.04</b>	<b>\$0.66</b>
Total Contribution	<b>\$99,480</b>	<b>\$8,290.04</b>	<b>\$135.90</b>

# Connecticut Condominium Association

## Membership Disclosure Summary

Sorted by Category

Major Reserve Components	Current Cost	Assigned Reserves	Remaining Life Range	Useful Life Range
010 Asphalt and Concrete	\$229,298	\$66,807	1-7	1-18
020 Site	\$73,405	\$0	3-17	3-50
030 Building Exterior	\$676,472	\$0	2-18	2-50
040 Pool Area	\$65,175	\$22,222	2-15	8-40
Contingency	n.a.	\$2,671	n.a.	n.a.
Total	\$1,044,350	\$91,700	1-18	1-50

# Connecticut Condominium Association

## Note Pad

Approximate 2017 reserve contribution and expenses, Treasurer as of September 25, 2017:

\$38,000 reserve contribution from operating budget  
\$27,500 special assessment  
\$65,500 total contribution in 2017

\$47,000 capital expenditures

\$18,500 net increase in reserve funds

Expected reserve fund balance at end of 2017: \$91,700

Current specific unfunded components in reserve study:

Interior of maintenance building

Wood retaining wall at unit 35

(2) small concrete retaining walls at units 21-23

Small quantity of brick veneer on units 5,6,8,9,11,12

General unfunded components:

The following components are often repaired and/or replaced on an "as-needed" basis and not funded for a complete replacement at one time.

Concrete:

Typically, budgeting for concrete foundation repairs as a reserve component is excluded as it is anticipated that any repairs required will be addressed immediately due to safety concerns. Minor repairs, as needed, should be addressed immediately as a maintenance issue using the client's operating and/or reserve contingency funds. Should the client desire, funding for this component can be included.

The following components are often repaired and/or replaced on an "as-needed" basis and not fund for a complete replacement at one time.

Plumbing Pipes: Complete replacement of the plumbing pipes is expensive and requires removal of walls, ceilings and floors. Typically, budgeting for plumbing pipes repairs and/or replacements as a reserve component is excluded as it is anticipated that any repairs required will be addressed immediately due to safety concerns. There is no practical method to determine the remaining life of plumbing pipes. Most are completely enclosed so a complete visual inspection is not possible. Plumbing systems are built to last the legal life of a building. Most repairs and/or replacements are due to unforeseen issues, product defects, construction defects, improper installation, or from improper chemical treatments. Repairs to this type of system are done on an 'as-needed' basis. It is rare that a complete system of this type is replaced all at once.

Electrical Services (Lines/Meters): Complete replacement of the electrical service lines is expensive and requires removal of walls, ceilings and floors. Typically, budgeting for electrical repairs and/or replacements as a reserve component is excluded as it is anticipated that any repairs required will be addressed immediately due to safety concerns. There is no practical method to determine the remaining life of electrical service lines. Most are completely enclosed so a complete visual inspection is not possible. Electrical Service systems are built to last the legal life of a building. Most repairs and/or replacements are due to unforeseen issues, product defects, construction defects, or improper installation. Repairs to this type of system are done on an 'as-needed' basis. It is rare that a complete system of this type is replaced all at once.

Landscaping: Landscaping is an annual maintenance expense.

Exterior/Interior Lighting: Lighting not covered by reserve components is typically replaced on an 'as-needed' basis. Funding for routine replacements/repairs should come from either the reserve contingency and/or the annual operational budget.

# **Connecticut Condominium Association**

## **Note Pad**

Unit Windows/Window Frames: The unit windows are the responsibility of the individual unit owner.

Unit Doors: Responsibility of unit owner.

# Connecticut Condominium Association

## Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
<b><u>010 Asphalt and Concrete</u></b>				
Asphalt - Curb/Berm	3	18	\$26,600.00	\$22,166.67
Asphalt 1 - Maintenance, Initial	1	1	\$30,355.00	\$0.00
Asphalt 2 - Overlay	3	18	\$136,450.00	\$113,708.33
Asphalt 3 - Maintenance, After Overlay	7	3	\$25,355.00	\$0.00
Concrete - Sidewalks, Partial Replacement	2	2	\$10,537.50	\$0.00
<b>Sub Total</b>	<b>1-7</b>	<b>1-18</b>	<b>\$229,297.50</b>	<b>\$135,875.00</b>
<b><u>020 Site</u></b>				
Landscape Improvement	3	3	\$9,000.00	\$0.00
Lighting - Site	15	50	\$41,000.00	\$28,700.00
Mail Station	17	25	\$5,750.00	\$1,840.00
Signs	9	20	\$2,500.00	\$1,375.00
Stone Walls	3	3	\$15,155.00	\$0.00
<b>Sub Total</b>	<b>3-17</b>	<b>3-50</b>	<b>\$73,405.00</b>	<b>\$31,915.00</b>
<b><u>030 Building Exterior</u></b>				
Common Windows & Doors	15	50	\$5,500.00	\$3,850.00
Electric Meter Panels	3	3	\$11,025.00	\$0.00
Front Steps	10	45	\$69,000.00	\$53,666.67
Gutters & Downspouts	16	31	\$27,625.50	\$13,367.18
Railings	10	45	\$28,650.00	\$22,283.33
Roofs 1	16	25	\$129,773.33	\$46,718.40
Roofs 2	17	26	\$129,773.33	\$44,921.54
Roofs 3	18	27	\$133,705.85	\$44,568.62
Siding - Wood, Major Repairs	10	10	\$121,419.00	\$0.00
Siding - Wood, Minor Repairs	2	2	\$20,000.00	\$0.00
<b>Sub Total</b>	<b>2-18</b>	<b>2-50</b>	<b>\$676,472.00</b>	<b>\$229,375.73</b>
<b><u>040 Pool Area</u></b>				
Pool - Cover	6	10	\$3,000.00	\$1,200.00
Pool - Fencing	14	25	\$5,100.00	\$2,244.00
Pool - Filter	15	15	\$2,200.00	\$0.00
Pool - Furniture	4	8	\$2,400.00	\$1,200.00
Pool - Paver Deck	14	25	\$7,675.00	\$3,377.00
Pool - Pump	7	10	\$2,800.00	\$840.00
Pool - Resurfacing	2	18	\$25,000.00	\$22,222.22
Pool - Retaining Wall	14	25	\$2,000.00	\$880.00
Pool House Interior	5	40	\$15,000.00	\$13,125.00

**Connecticut Condominium Association**  
**Calculation of Percent Funded**  
Sorted by Category

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
<b>Sub Total</b>	<b>2-15</b>	<b>8-40</b>	<b>\$65,175.00</b>	<b>\$45,088.22</b>
Contingency	n.a.	n.a.	n.a.	\$13,267.62
<b>Total</b>	<b>1-18</b>	<b>1-50</b>	<b>\$1,044,349.50</b>	<b>\$455,521.57</b>
<b>Anticipated Reserve Balance</b>				<b>\$91,700.00</b>
<b>Percent Funded</b>				<b>20.13%</b>

**Connecticut Condominium Association**  
**Management / Accounting Summary**  
**Directed Cash Flow Calculation Method; Sorted by Category**

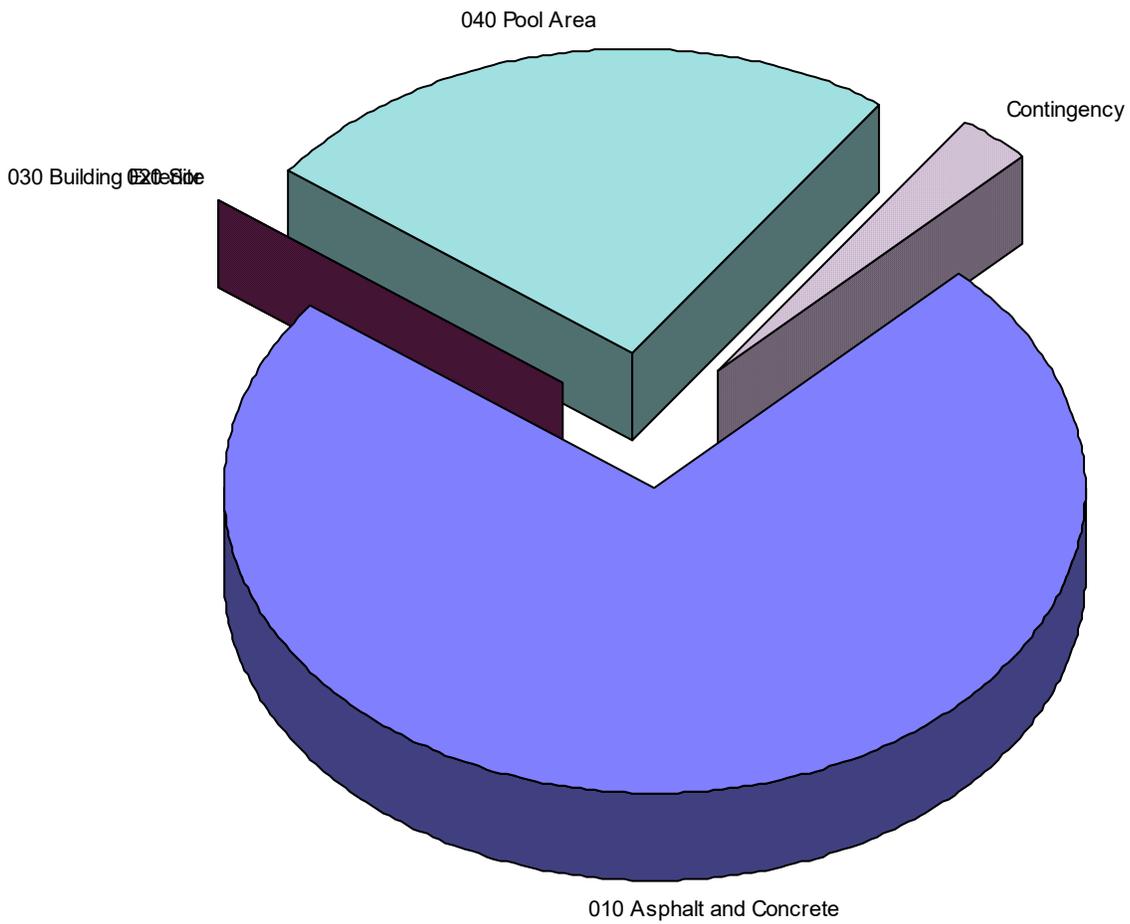
	<b>Balance at Fiscal Year Beginning</b>	<b>Monthly Member Contribution</b>	<b>Monthly Interest Contribution</b>	<b>Total Monthly Contribution</b>
<b><u>010 Asphalt and Concrete</u></b>				
Asphalt - Curb/Berm	\$22,166.67	\$93.80	\$5.49	\$99.29
Asphalt 1 - Maintenance, Initial	\$0.00	\$1,530.55	\$3.38	\$1,533.93
Asphalt 2 - Overlay	\$44,640.24	\$1,604.69	\$14.18	\$1,618.87
Asphalt 3 - Maintenance, After Overlay	\$0.00	\$191.69	\$0.42	\$192.11
Concrete - Sidewalks, Partial Replacement	\$0.00	\$267.83	\$0.59	\$268.41
<b>Sub Total</b>	<b>\$66,806.90</b>	<b>\$3,688.56</b>	<b>\$24.05</b>	<b>\$3,712.61</b>
<b><u>020 Site</u></b>				
Landscape Improvement	\$0.00	\$153.74	\$0.34	\$154.08
Lighting - Site	\$0.00	\$154.10	\$0.34	\$154.44
Mail Station	\$0.00	\$19.37	\$0.04	\$19.41
Signs	\$0.00	\$14.94	\$0.03	\$14.97
Stone Walls	\$0.00	\$258.88	\$0.57	\$259.45
<b>Sub Total</b>	<b>\$0.00</b>	<b>\$601.02</b>	<b>\$1.33</b>	<b>\$602.35</b>
<b><u>030 Building Exterior</u></b>				
Common Windows & Doors	\$0.00	\$20.67	\$0.05	\$20.72
Electric Meter Panels	\$0.00	\$188.33	\$0.42	\$188.74
Front Steps	\$0.00	\$373.98	\$0.82	\$374.81
Gutters & Downspouts	\$0.00	\$98.10	\$0.22	\$98.32
Railings	\$0.00	\$155.28	\$0.34	\$155.63
Roofs 1	\$0.00	\$460.85	\$1.02	\$461.87
Roofs 2	\$0.00	\$437.13	\$0.96	\$438.09
Roofs 3	\$0.00	\$428.67	\$0.95	\$429.62
Siding - Wood, Major Repairs	\$0.00	\$658.10	\$1.45	\$659.55
Siding - Wood, Minor Repairs	\$0.00	\$508.33	\$1.12	\$509.45
<b>Sub Total</b>	<b>\$0.00</b>	<b>\$3,329.45</b>	<b>\$7.35</b>	<b>\$3,336.80</b>
<b><u>040 Pool Area</u></b>				
Pool - Cover	\$0.00	\$26.25	\$0.06	\$26.31
Pool - Fencing	\$0.00	\$20.38	\$0.05	\$20.43
Pool - Filter	\$0.00	\$8.27	\$0.02	\$8.28
Pool - Furniture	\$0.00	\$31.00	\$0.07	\$31.06
Pool - Paver Deck	\$0.00	\$30.67	\$0.07	\$30.73
Pool - Pump	\$0.00	\$21.17	\$0.05	\$21.22
Pool - Resurfacing	\$22,222.22	\$88.72	\$5.49	\$94.21

**Connecticut Condominium Association**  
**Management / Accounting Summary**  
**Directed Cash Flow Calculation Method; Sorted by Category**

	<b>Balance at Fiscal Year Beginning</b>	<b>Monthly Member Contribution</b>	<b>Monthly Interest Contribution</b>	<b>Total Monthly Contribution</b>
Pool - Retaining Wall	\$0.00	\$7.99	\$0.02	\$8.01
Pool House Interior	\$0.00	\$156.24	\$0.34	\$156.58
<b>Sub Total</b>	<b>\$22,222.22</b>	<b>\$390.67</b>	<b>\$6.15</b>	<b>\$396.82</b>
Contingency	\$2,670.87	\$240.29	\$1.17	\$241.46
<b>Total</b>	<b>\$91,700.00</b>	<b>\$8,250.00</b>	<b>\$40.04</b>	<b>\$8,290.04</b>

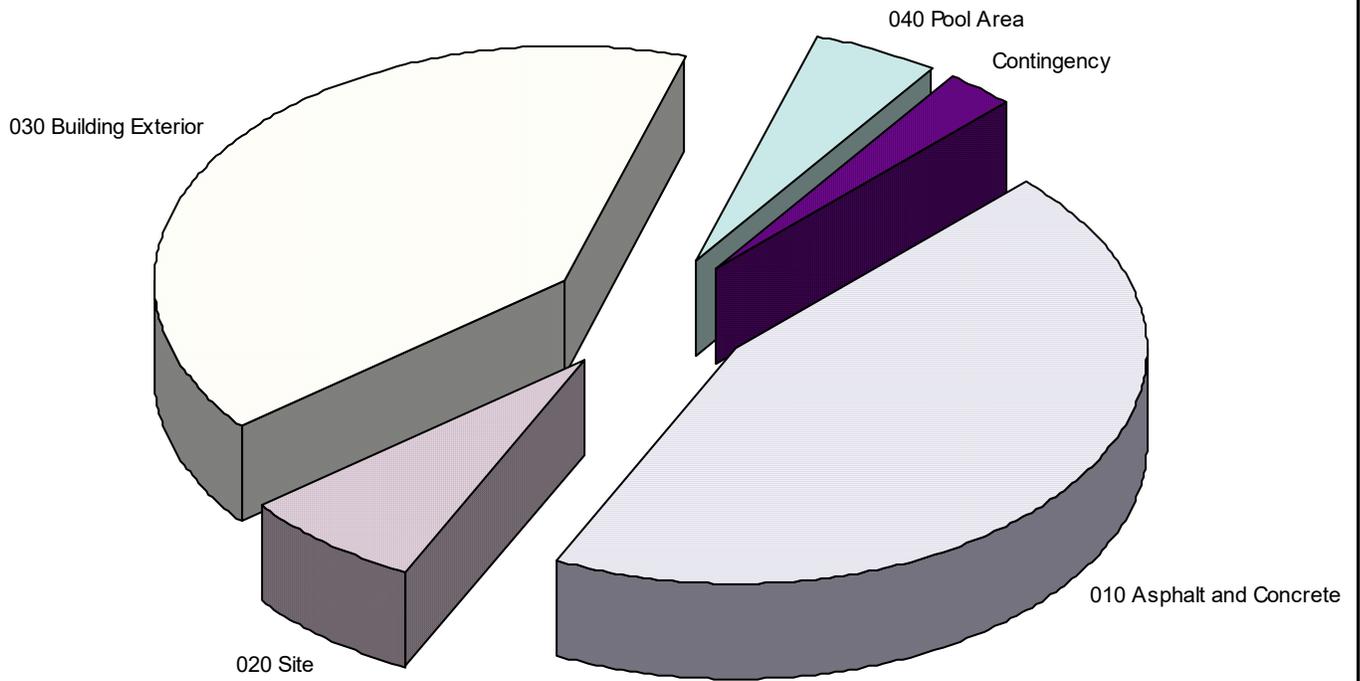
**Connecticut Condominium Association**  
**Management / Accounting Charts**  
**Directed Cash Flow Calculation Method; Sorted by Category**

**Distribution of Current Reserve Fund**



**Connecticut Condominium Association**  
**Management / Accounting Charts**  
**Directed Cash Flow Calculation Method; Sorted by Category**

**Monthly Member Contribution**



# Connecticut Condominium Association

## Annual Expenditure Detail

Sorted by Description

### 2019 Fiscal Year

Asphalt 1 - Maintenance, Initial \$30,962.10

**Sub Total** \$30,962.10

### 2020 Fiscal Year

Concrete - Sidewalks, Partial Replacement \$10,963.22

Pool - Resurfacing \$26,010.00

Siding - Wood, Minor Repairs \$20,808.00

**Sub Total** \$57,781.22

### 2021 Fiscal Year

Asphalt - Curb/Berm \$28,228.13

Asphalt 2 - Overlay \$144,801.83

Electric Meter Panels \$11,699.82

Landscape Improvement \$9,550.87

Stone Walls \$16,082.61

**Sub Total** \$210,363.26

### 2022 Fiscal Year

Concrete - Sidewalks, Partial Replacement \$11,406.13

Pool - Furniture \$2,597.84

Siding - Wood, Minor Repairs \$21,648.64

**Sub Total** \$35,652.61

### 2023 Fiscal Year

Pool House Interior \$16,561.21

**Sub Total** \$16,561.21

### 2024 Fiscal Year

Concrete - Sidewalks, Partial Replacement \$11,866.94

Electric Meter Panels \$12,415.94

Landscape Improvement \$10,135.46

Pool - Cover \$3,378.49

Siding - Wood, Minor Repairs \$22,523.25

Stone Walls \$17,066.99

**Sub Total** \$77,387.07

### 2025 Fiscal Year

Asphalt 3 - Maintenance, After Overlay \$29,124.93

Pool - Pump \$3,216.32

# Connecticut Condominium Association

## Annual Expenditure Detail

Sorted by Description

<b>Sub Total</b>	<b>\$32,341.25</b>
<b>2026 Fiscal Year</b>	
Concrete - Sidewalks, Partial Replacement	\$12,346.36
Siding - Wood, Minor Repairs	\$23,433.19
<b>Sub Total</b>	<b>\$35,779.55</b>
<b>2027 Fiscal Year</b>	
Electric Meter Panels	\$13,175.90
Landscape Improvement	\$10,755.83
Signs	\$2,987.73
Stone Walls	\$18,111.63
<b>Sub Total</b>	<b>\$45,031.09</b>
<b>2028 Fiscal Year</b>	
Asphalt 3 - Maintenance, After Overlay	\$30,907.60
Concrete - Sidewalks, Partial Replacement	\$12,845.15
Front Steps	\$84,110.62
Pool - Furniture	\$2,925.59
Railings	\$34,924.19
Siding - Wood, Major Repairs	\$148,009.08
Siding - Wood, Minor Repairs	\$24,379.89
<b>Sub Total</b>	<b>\$338,102.12</b>
<b>2030 Fiscal Year</b>	
Concrete - Sidewalks, Partial Replacement	\$13,364.10
Electric Meter Panels	\$13,982.37
Landscape Improvement	\$11,414.18
Siding - Wood, Minor Repairs	\$25,364.84
Stone Walls	\$19,220.20
<b>Sub Total</b>	<b>\$83,345.68</b>
<b>2031 Fiscal Year</b>	
Asphalt 3 - Maintenance, After Overlay	\$32,799.40
<b>Sub Total</b>	<b>\$32,799.40</b>
<b>2032 Fiscal Year</b>	
Concrete - Sidewalks, Partial Replacement	\$13,904.01
Pool - Fencing	\$6,729.34
Pool - Paver Deck	\$10,127.00
Pool - Retaining Wall	\$2,638.96

# Connecticut Condominium Association

## Annual Expenditure Detail

Sorted by Description

Siding - Wood, Minor Repairs	\$26,389.58
<b>Sub Total</b>	<b>\$59,788.88</b>
<b>2033 Fiscal Year</b>	
Common Windows & Doors	\$7,402.28
Electric Meter Panels	\$14,838.20
Landscape Improvement	\$12,112.82
Lighting - Site	\$55,180.60
Pool - Filter	\$2,960.91
Stone Walls	\$20,396.63
<b>Sub Total</b>	<b>\$112,891.44</b>
<b>2034 Fiscal Year</b>	
Asphalt 3 - Maintenance, After Overlay	\$34,806.98
Concrete - Sidewalks, Partial Replacement	\$14,465.73
Gutters & Downspouts	\$37,923.89
Pool - Cover	\$4,118.36
Pool - Furniture	\$3,294.69
Roofs 1	\$178,150.97
Siding - Wood, Minor Repairs	\$27,455.71
<b>Sub Total</b>	<b>\$300,216.32</b>
<b>2035 Fiscal Year</b>	
Mail Station	\$8,051.39
Pool - Pump	\$3,920.68
Pool - Resurfacing	\$35,006.04
Roofs 2	\$181,713.98
<b>Sub Total</b>	<b>\$228,692.08</b>
<b>2036 Fiscal Year</b>	
Concrete - Sidewalks, Partial Replacement	\$15,050.14
Electric Meter Panels	\$15,746.41
Landscape Improvement	\$12,854.22
Roofs 3	\$190,964.88
Siding - Wood, Minor Repairs	\$28,564.93
Stone Walls	\$21,645.07
<b>Sub Total</b>	<b>\$284,825.65</b>
<b>2037 Fiscal Year</b>	
Asphalt 3 - Maintenance, After Overlay	\$36,937.45

# Connecticut Condominium Association

## Annual Expenditure Detail

Sorted by Description

<b>Sub Total</b>	<b>\$36,937.45</b>
<b>2038 Fiscal Year</b>	
Concrete - Sidewalks, Partial Replacement	\$15,658.17
Siding - Wood, Major Repairs	\$180,422.25
Siding - Wood, Minor Repairs	\$29,718.95
<b>Sub Total</b>	<b>\$225,799.37</b>
<b>2039 Fiscal Year</b>	
Electric Meter Panels	\$16,710.22
Landscape Improvement	\$13,641.00
Stone Walls	\$22,969.92
<b>Sub Total</b>	<b>\$53,321.14</b>
<b>2040 Fiscal Year</b>	
Asphalt 3 - Maintenance, After Overlay	\$39,198.31
Concrete - Sidewalks, Partial Replacement	\$16,290.76
Pool - Furniture	\$3,710.35
Siding - Wood, Minor Repairs	\$30,919.59
<b>Sub Total</b>	<b>\$90,119.02</b>
<b>2041 Fiscal Year</b>	
Asphalt 2 - Overlay	\$215,167.90
<b>Sub Total</b>	<b>\$215,167.90</b>
<b>2042 Fiscal Year</b>	
Concrete - Sidewalks, Partial Replacement	\$16,948.91
Electric Meter Panels	\$17,733.02
Landscape Improvement	\$14,475.94
Siding - Wood, Minor Repairs	\$32,168.75
Stone Walls	\$24,375.87
<b>Sub Total</b>	<b>\$105,702.47</b>
<b>2043 Fiscal Year</b>	
Asphalt 3 - Maintenance, After Overlay	\$41,597.57
<b>Sub Total</b>	<b>\$41,597.57</b>
<b>2044 Fiscal Year</b>	
Concrete - Sidewalks, Partial Replacement	\$17,633.64
Pool - Cover	\$5,020.25
Siding - Wood, Minor Repairs	\$33,468.36

# Connecticut Condominium Association

## Annual Expenditure Detail

Sorted by Description

<b>Sub Total</b>	<b>\$56,122.26</b>
<b>2045 Fiscal Year</b>	
Electric Meter Panels	\$18,818.42
Landscape Improvement	\$15,361.98
Pool - Pump	\$4,779.28
Stone Walls	\$25,867.86
<b>Sub Total</b>	<b>\$64,827.55</b>
<b>2046 Fiscal Year</b>	
Asphalt 3 - Maintenance, After Overlay	\$44,143.67
Concrete - Sidewalks, Partial Replacement	\$18,346.04
Pool - Furniture	\$4,178.46
Siding - Wood, Minor Repairs	\$34,820.48
<b>Sub Total</b>	<b>\$101,488.65</b>
<b>2047 Fiscal Year</b>	
Signs	\$4,439.61
<b>Sub Total</b>	<b>\$4,439.61</b>

# Connecticut Condominium Association

## Projections

### Directed Cash Flow Calculation Method

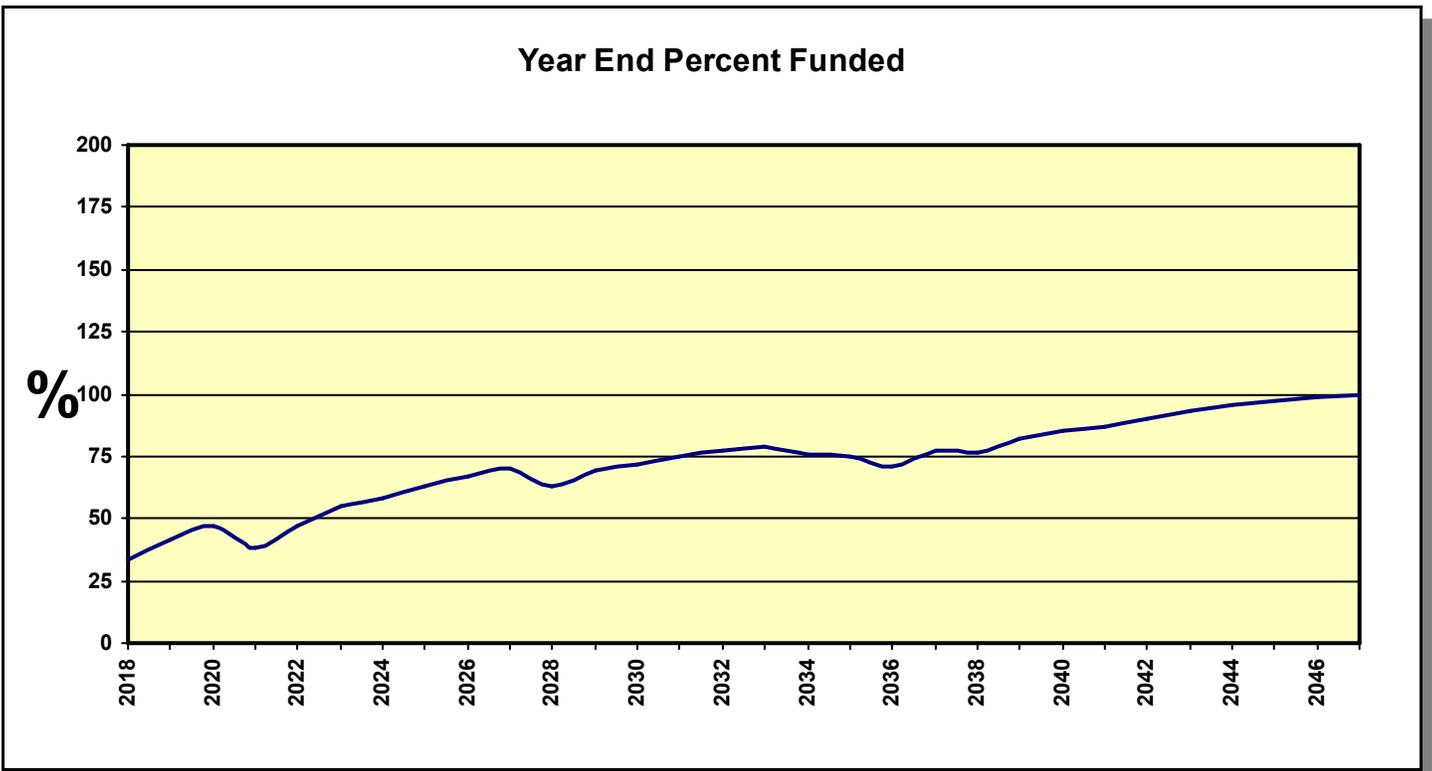
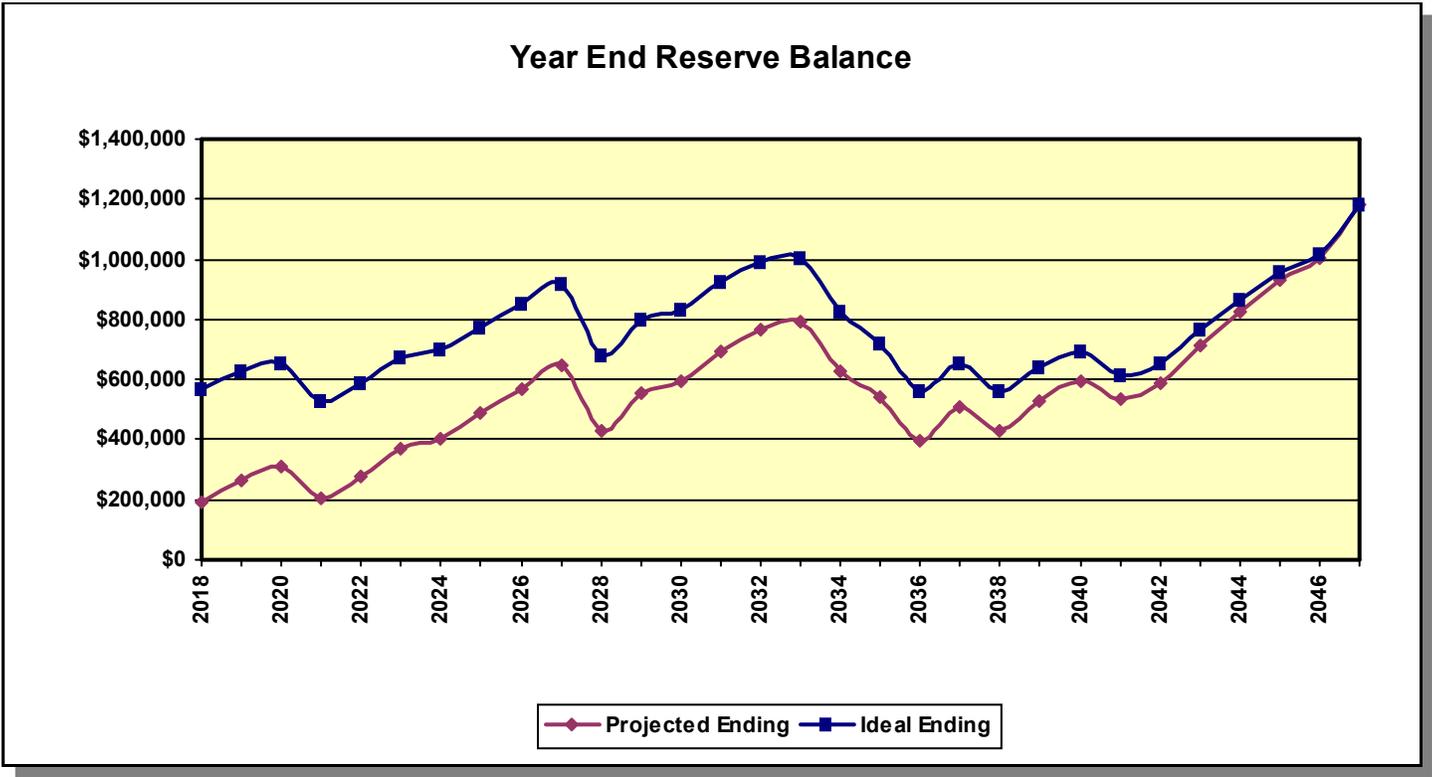
Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2018	\$91,700	\$99,000	\$480	\$0	\$191,180	\$571,176	33%
2019	\$191,180	\$100,980	\$724	\$30,962	\$261,922	\$626,217	42%
2020	\$261,922	\$103,000	\$881	\$57,781	\$308,022	\$656,009	47%
2021	\$308,022	\$105,060	\$511	\$210,363	\$203,229	\$526,150	39%
2022	\$203,229	\$107,161	\$760	\$35,653	\$275,497	\$588,530	47%
2023	\$275,497	\$109,304	\$1,083	\$16,561	\$369,323	\$674,146	55%
2024	\$369,323	\$111,490	\$1,202	\$77,387	\$404,628	\$699,396	58%
2025	\$404,628	\$113,720	\$1,488	\$32,341	\$487,494	\$774,337	63%
2026	\$487,494	\$115,994	\$1,770	\$35,780	\$569,479	\$849,064	67%
2027	\$569,479	\$118,314	\$2,028	\$45,031	\$644,791	\$917,501	70%
2028	\$644,791	\$120,680	\$1,269	\$338,102	\$428,638	\$682,773	63%
2029	\$428,638	\$123,094	\$1,700	\$0	\$553,432	\$800,602	69%
2030	\$553,432	\$125,556	\$1,850	\$83,346	\$597,492	\$835,308	72%
2031	\$597,492	\$128,067	\$2,185	\$32,799	\$694,945	\$925,938	75%
2032	\$694,945	\$130,628	\$2,436	\$59,789	\$768,221	\$992,193	77%
2033	\$768,221	\$133,241	\$2,511	\$112,891	\$791,082	\$1,007,006	79%
2034	\$791,082	\$135,906	\$1,939	\$300,216	\$628,710	\$827,891	76%
2035	\$628,710	\$138,624	\$1,625	\$228,692	\$540,267	\$722,955	75%
2036	\$540,267	\$141,396	\$1,123	\$284,826	\$397,960	\$559,916	71%
2037	\$397,960	\$144,224	\$1,497	\$36,937	\$506,744	\$656,482	77%
2038	\$506,744	\$147,109	\$1,221	\$225,799	\$429,275	\$559,044	77%
2039	\$429,275	\$150,051	\$1,559	\$53,321	\$527,563	\$643,397	82%
2040	\$527,563	\$153,052	\$1,779	\$90,119	\$592,276	\$693,360	85%
2041	\$592,276	\$156,113	\$1,573	\$215,168	\$534,793	\$615,583	87%
2042	\$534,793	\$159,235	\$1,760	\$105,702	\$590,086	\$653,942	90%
2043	\$590,086	\$162,420	\$2,184	\$41,598	\$713,092	\$763,158	93%
2044	\$713,092	\$165,668	\$2,569	\$56,122	\$825,207	\$862,097	96%
2045	\$825,207	\$168,982	\$2,937	\$64,828	\$932,298	\$956,721	97%
2046	\$932,298	\$172,361	\$3,189	\$101,489	\$1,006,360	\$1,017,631	99%
2047	\$1,006,360	\$175,809	\$3,795	\$4,440	\$1,181,524	\$1,184,687	100%

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

# Connecticut Condominium Association

## Projection Charts

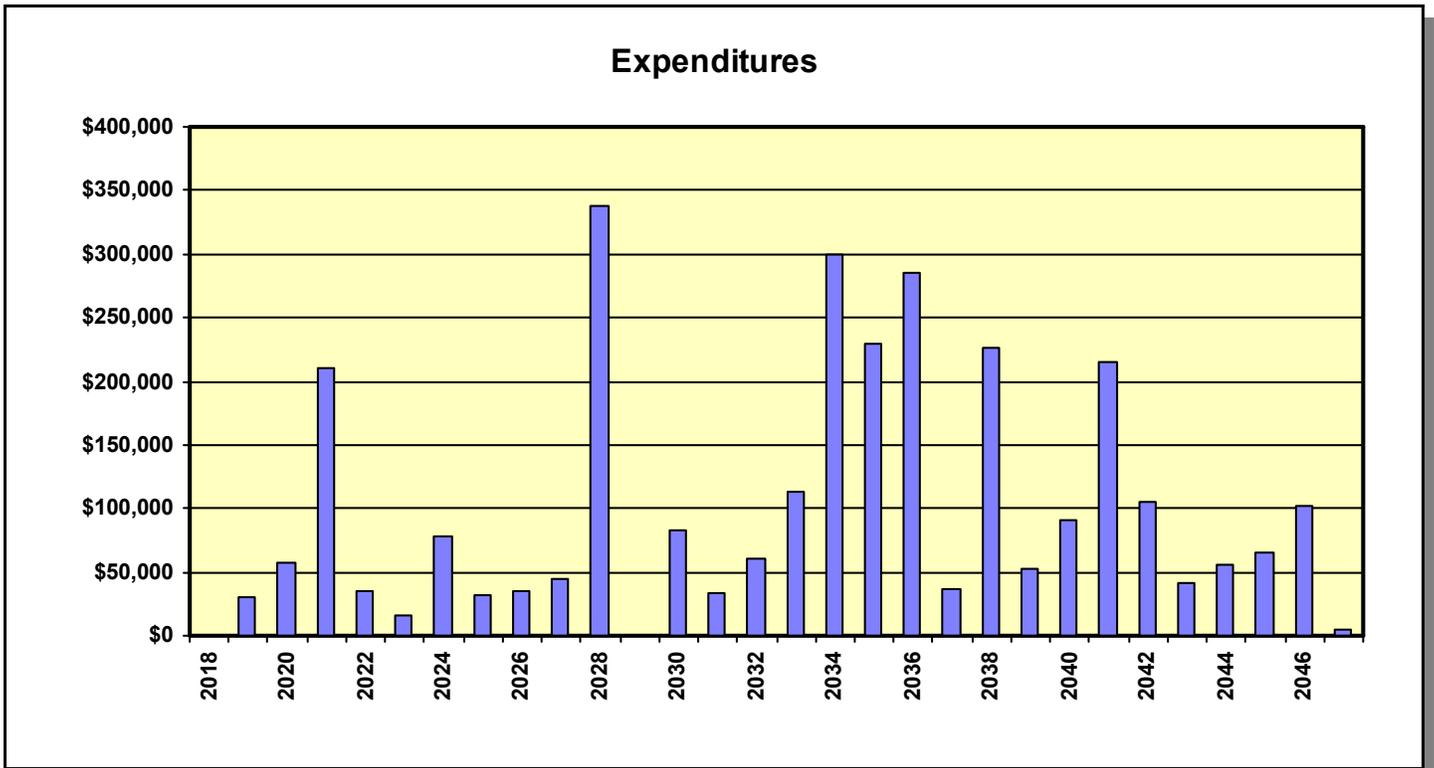
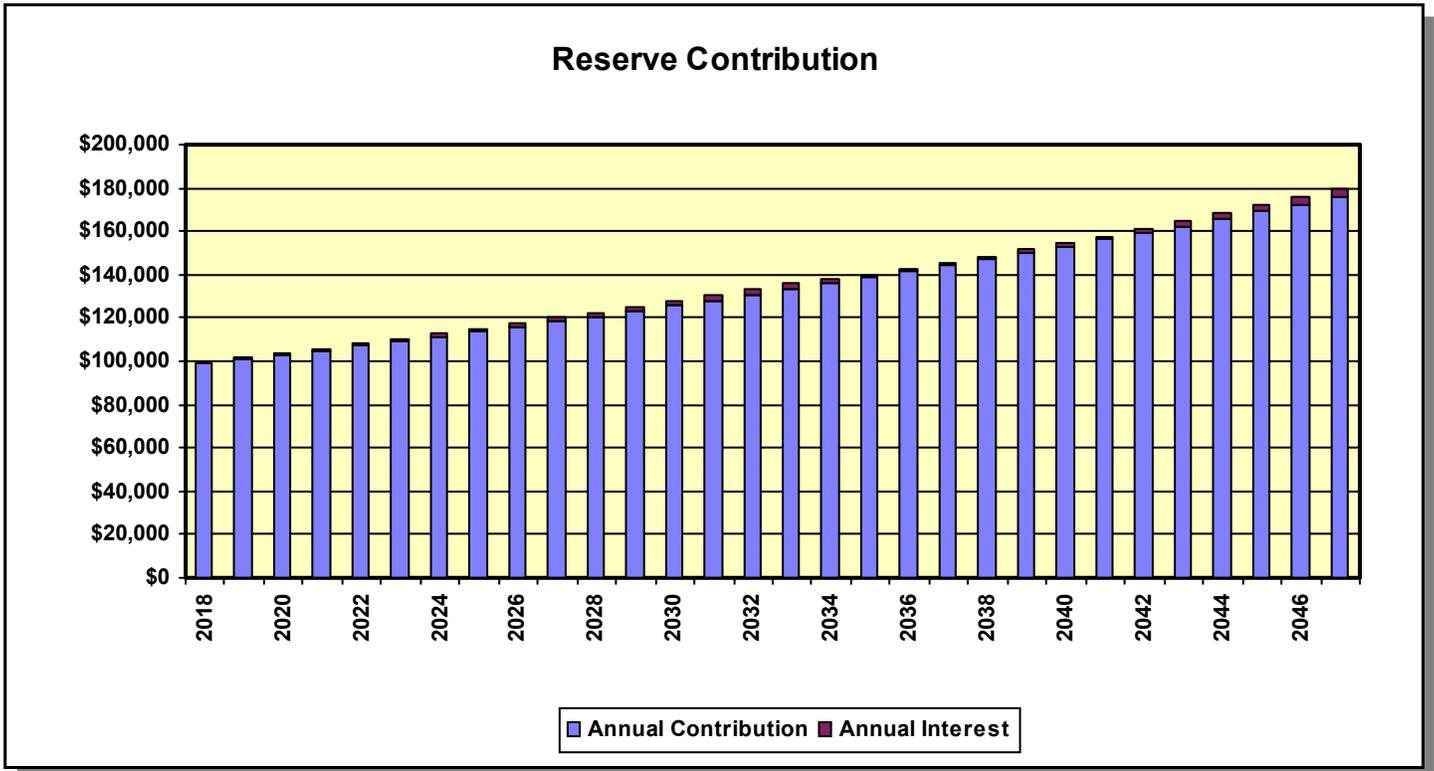
### Directed Cash Flow Calculation Method



# Connecticut Condominium Association

## Projection Charts

### Directed Cash Flow Calculation Method



# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Asphalt - Curb/Berm

Category	010 Asphalt and Concrete	Quantity	3,800 lin. ft.
Photo Date	August 2017	Unit Cost	\$7.000
		% of Replacement	100.00%
		Current Cost	\$26,600.00
Placed In Service	01/03	Future Cost	\$28,228.13
Useful Life	30		
Adjustment	-12	Assigned Reserves at FYB	\$22,166.67
Remaining Life	3	Monthly Member Contribution	\$93.80
Replacement Year	2021	Monthly Interest Contribution	\$5.49
		Total Monthly Contribution	\$99.29

Comments:



Asphalt curb/berm was installed during 2003 complete asphalt rebuild per client. Curb is in fair condition with many cracks evident during site inspection. It is wearing more quickly than typical likely due to challenging snow plowing conditions with steep grades in the community. Poor soil conditions may be another factor.

It is difficult to predict service life of curb/berm. Plowing and other mechanical damage may shorten life span. Additional landscaping repair will be required if curbs are replaced. Replacement of damaged sections should be considered when overlaying asphalt.

The remaining life of this component has been decreased due to its condition at our most recent site visit. Replacement coincides with asphalt overlay.

The cost of paving materials is volatile and correlated with the price of oil. With current low oil prices prevalent, costs may rise significantly in future if oil prices rise.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Asphalt 1 - Maintenance, Initial		One Time Replacement	
Category	010 Asphalt and Concrete	Quantity	1 asphalt maintenance
Photo Date	August 2017	Unit Cost	\$30,355.00
		% of Replacement	100.00%
		Current Cost	\$30,355.00
Placed In Service	01/18	Future Cost	\$30,962.10
Useful Life	1		
		Assigned Reserves at FYB	\$0.00
Remaining Life	1	Monthly Member Contribution	\$1,530.55
Replacement Year	2019	Monthly Interest Contribution	\$3.38
		Total Monthly Contribution	\$1,533.93

Comments:



Component is for regular maintenance of asphalt areas before asphalt overlay. Two year cycle is recommended due to current pavement condition. Asphalt is in fair condition. Many cracks in asphalt were evident during site inspection. Most cracks have been sealed. Pavement is degrading more quickly than typical. This is likely due to challenging snow plowing conditions with steep grades in community. High salt useage is also likely contributor.

Crack sealing and repair maintenaince should be evaluated annually. Sealing is recommended as cracks develop to reduce water penetration under asphalt and reduce freeze/thaw damage. Crack sealing this year is recommended.

With proper maintenance and minor repairs, asphalt areas can be expected to last approximately 20 to 25 years before it will become necessary for an overlay to be applied or other major rehabilitation to be completed. Complete seal coating is a common aesthetic pavement treatment. Seal coating is not budgeted because benefit is minimal and coating use is not common among associations.

109,000	asphalt crack sealing	@	\$0.10	=	\$10,355.00
1	misc. repair allowance	@	\$20,000.00	=	\$20,000.00
			<b>TOTAL</b>	<b>=</b>	<u>\$30,355.00</u>

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Asphalt 2 - Overlay

Category	010 Asphalt and Concrete	Quantity	1 overlay
Photo Date	August 2017	Unit Cost	\$136,450.00
		% of Replacement	100.00%
		Current Cost	\$136,450.00
Placed In Service	01/03	Future Cost	\$144,801.83
Useful Life	20		
Adjustment	-2	Assigned Reserves at FYB	\$44,640.24
Remaining Life	3	Monthly Member Contribution	\$1,604.69
Replacement Year	2021	Monthly Interest Contribution	\$14.18
		Total Monthly Contribution	\$1,618.87

Comments:



Asphalt was completely replaced in 2003 per client. Asphalt is in fair condition with many cracks evident during site inspection. Pavement is degrading more quickly than typical. This is likely due to challenging snow plowing conditions with steep grades in community. High salt usage is also likely contributor.

Overlay is recommended in next 2-4 years depending on winter weather. Repairs in damaged areas will be required in addition to overlay. Overlay will be more costly if delayed too long. Overlaying all streets and parking areas in one mobilization will save \$3000 per mobilization. No significant puddling was observed. Therefore, no significant regrading of streets and parking lots will be required.

Asphalt curbs/berms are sufficient to allow for a 1-1/2" overlay in most areas. Some berm installation by hand may be required. Condition of curb is fair and discussed in a separate component.

Pavement should be evaluated annually. Crack sealing maintenance should be evaluated annually. Crack sealing this year is recommended and listed as separate component.

The remaining life of this component has been decreased due to its condition at our most recent site visit.

The cost of paving materials is volatile and correlated with the price of oil. With current low oil prices prevalent, costs may rise significantly in future if oil prices rise.

# Connecticut Condominium Association

## Component Detail

### Directed Cash Flow Calculation Method; Sorted by Category

109,000	sq. ft. of 1.5" overlay	@	\$1.10	=	\$119,900.00
27	manhole cover & catch basin cover adjustment	@	\$450.00	=	\$12,150.00
3	water gate box cover adjustment	@	\$300.00	=	\$900.00
1	pavement marking allowance	@	\$3,500.00	=	\$3,500.00
			TOTAL	=	<u>\$136,450.00</u>

Most asphalt areas can be expected to last approximately 20 to 25 years before it will become necessary for an overlay to be applied or other major rehabilitation to be completed. It will be necessary to adjust manhole and valve covers at the time the overlay is applied or other major rehabilitation is completed.

Deflection testing should be conducted by an independent consultant near the end of the estimated useful life to determine the condition of the asphalt and estimated remaining life before the overlay or other major rehabilitation is required. In addition to this service, a consultant may be obtained to prepare the application specifications, and to work with the contractor during actual installation. It is recommended that the client obtain bids for such a consultation near the end of the estimated useful life. As costs vary, a provision for this consulting has not been included in this cost estimate. Should the client request, this cost can be incorporated into this analysis.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Asphalt 3 - Maintenance, After Overlay

Category	010 Asphalt and Concrete	Quantity	1 asphalt maintenance
Photo Date	August 2017	Unit Cost	\$25,355.00
		% of Replacement	100.00%
		Current Cost	\$25,355.00
Placed In Service	01/22	Future Cost	\$29,124.93
Useful Life	3		
		Assigned Reserves at FYB	\$0.00
Remaining Life	7	Monthly Member Contribution	\$191.69
Replacement Year	2025	Monthly Interest Contribution	\$0.42
		Total Monthly Contribution	\$192.11

Comments:



Component is for regular maintenance of asphalt areas before asphalt overlay. Two year cycle is recommended due to current pavement condition. Asphalt is in fair condition. Many cracks in asphalt were evident during site inspection. Most cracks have been sealed. Pavement is degrading more quickly than typical. This is likely due to challenging snow plowing conditions with steep grades in community. High salt useage is also likely contributor.

Crack sealing and repair maintenaince should be evaluated annually. Sealing is recommended as cracks develop to reduce water penetration under asphalt and reduce freeze/thaw damage. Crack sealing this year is recommended.

With proper maintenance and minor repairs, asphalt areas can be expected to last approximately 20 to 25 years before it will become necessary for an overlay to be applied or other major rehabilitation to be completed. Complete seal coating is a common aesthetic pavement treatment. Seal coating is not budgeted because benefit is minimal and coating use is not common among associations.

109,000	asphalt crack sealing	@	\$0.10	=	\$10,355.00
1	misc. repair allowance	@	\$15,000.00	=	\$15,000.00
			<b>TOTAL</b>	<b>=</b>	<b>\$25,355.00</b>

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Concrete - Sidewalks, Partial Replacement

Category	010 Asphalt and Concrete	Quantity	14,050 sq. ft.
Photo Date	August 2017	Unit Cost	\$15.000
		% of Replacement	5.00%
		Current Cost	\$10,537.50
Placed In Service	01/18	Future Cost	\$10,963.22
Useful Life	2		
		Assigned Reserves at FYB	\$0.00
Remaining Life	2	Monthly Member Contribution	\$267.83
Replacement Year	2020	Monthly Interest Contribution	\$0.59
		Total Monthly Contribution	\$268.41

Comments:



Original sidewalks are in fair condition with a percentage needing replacment every year. This percentage is currently estimated at 5%. Many cracks and spalling were evident during site inspection. Total concrete area is about 14,050 sq. ft. including mail box area. Approximately 22% of sidewalks have been replaced in recent years. It is recommended to replace an entire section or length of sidewalk so as not to create a patchwork. Partially replaced sections will need further repair in near future typically.

Component is for allowance to continue replacements on a 2-year cycle. Included are site-formed steps in sidewalks.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Landscape Improvement

Category	020 Site	Quantity	1 landscape allowance
Photo Date	August 2017	Unit Cost	\$9,000.00
		% of Replacement	100.00%
		Current Cost	\$9,000.00
Placed In Service	01/18	Future Cost	\$9,550.87
Useful Life	3		
		Assigned Reserves at FYB	\$0.00
Remaining Life	3	Monthly Member Contribution	\$153.74
Replacement Year	2021	Monthly Interest Contribution	\$0.34
		Total Monthly Contribution	\$154.08

Comments:



Component covers removal of trees/overgrown landscaping and replacement with new landscaping on three year interval. Cost allowance provided by client.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Lighting - Site

Category	020 Site	Quantity	41 post lights
Photo Date	August 2017	Unit Cost	\$1,000.00
		% of Replacement	100.00%
		Current Cost	\$41,000.00
Placed In Service	01/83	Future Cost	\$55,180.60
Useful Life	30		
Adjustment	+20	Assigned Reserves at FYB	\$0.00
Remaining Life	15	Monthly Member Contribution	\$154.10
Replacement Year	2033	Monthly Interest Contribution	\$0.34
		Total Monthly Contribution	\$154.44

Comments:



Component covers replacement of 41 post lights around association. Post lights are original per client. Pricing assumes that concrete bases and wiring does not have to be replaced.

The remaining life of this component has been extended due to lack of current problems.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Mail Station

Category	020 Site	Quantity	1 total
Photo Date	August 2017	Unit Cost	\$5,750.00
		% of Replacement	100.00%
		Current Cost	\$5,750.00
Placed In Service	01/10	Future Cost	\$8,051.39
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	17	Monthly Member Contribution	\$19.37
Replacement Year	2035	Monthly Interest Contribution	\$0.04
		Total Monthly Contribution	\$19.41

Comments:



Component covers (4) 16-unit pedestal mail boxes. Pricing assumes concrete base can be reused.

4 16 door cluster mailbox with pedestal	@	\$1,350.00	=	\$5,400.00
1 installation	@	\$350.00	=	\$350.00
		<b>TOTAL</b>	<b>=</b>	<u>\$5,750.00</u>

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Signs

Category	020 Site	Quantity	1 total
Photo Date	August 2017	Unit Cost	\$2,500.00
		% of Replacement	100.00%
		Current Cost	\$2,500.00
Placed In Service	01/07	Future Cost	\$2,987.73
Useful Life	20		
		Assigned Reserves at FYB	\$0.00
Remaining Life	9	Monthly Member Contribution	\$14.94
Replacement Year	2027	Monthly Interest Contribution	\$0.03
		Total Monthly Contribution	\$14.97

Comments:



Component covers replacement of signs and posts around association. Sign posts were painted in 2013 per client.

9 unit post signs	@	\$200.00	=	\$1,800.00
7 miscellaneous signs	@	\$100.00	=	\$700.00
		TOTAL	=	\$2,500.00

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Stone Walls

Category	020 Site	Quantity	1 total
Photo Date	August 2017	Unit Cost	\$151,550.00
		% of Replacement	10.00%
		Current Cost	\$15,155.00
Placed In Service	01/18	Future Cost	\$16,082.61
Useful Life	3		
		Assigned Reserves at FYB	\$0.00
Remaining Life	3	Monthly Member Contribution	\$258.88
Replacement Year	2021	Monthly Interest Contribution	\$0.57
		Total Monthly Contribution	\$259.45

Comments:



Component covers repair of stone retaining walls around association. Component is set up to repair 10% of retaining wall area every 3 years. Stones are reused so cost is essentially labor and minor materials.

Cost per square foot determined from similar projects and client experience.

2,681 sq. ft. stone retaining walls	@	\$50.00	=	\$134,050.00
175 sq. ft. stone wall along Prospect Ridge	@	\$100.00	=	\$17,500.00
		<b>TOTAL</b>	<b>=</b>	<u>\$151,550.00</u>

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Common Windows & Doors

Category	030 Building Exterior	Quantity	1 total
Photo Date	August 2017	Unit Cost	\$5,500.00
		% of Replacement	100.00%
		Current Cost	\$5,500.00
		Future Cost	\$7,402.28
Placed In Service	01/83	Assigned Reserves at FYB	\$0.00
Useful Life	40	Monthly Member Contribution	\$20.67
Adjustment	+10	Monthly Interest Contribution	\$0.05
Remaining Life	15	Total Monthly Contribution	\$20.72
Replacement Year	2033		

Comments:



Component covers pool house and maintenance building exterior windows and doors. Exterior siding and roofing are covered by other components.

The remaining life of this component has been extended due to its apparent infrequent use.

2 exterior 36"x80" doors with closer, pool restrooms	@	\$750.00	=	\$1,500.00
1 exterior 36"x80" door, pool equipment room	@	\$600.00	=	\$600.00
2 9-light exterior doors, maintenance building	@	\$650.00	=	\$1,300.00
3 windows	@	\$700.00	=	\$2,100.00
		TOTAL	=	\$5,500.00

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Electric Meter Panels

Category	030 Building Exterior	Quantity	1 partial replacement
Photo Date	August 2017	Unit Cost	\$73,500.00
		% of Replacement	15.00%
		Current Cost	\$11,025.00
Placed In Service	01/18	Future Cost	\$11,699.82
Useful Life	3		
		Assigned Reserves at FYB	\$0.00
Remaining Life	3	Monthly Member Contribution	\$188.33
Replacement Year	2021	Monthly Interest Contribution	\$0.42
		Total Monthly Contribution	\$188.74

Comments:



Component covers replacement of electric meter cabinets on three year interval. Some of the (20) cabinets have corroded in the 35 years since their original installation. Client identified (8) corroded cabinets in 2014 and has been replacing these over the last three years. Cabinet condition will be monitored and it is anticipated that 3 panels (15% of total) will need to be replaced every three years. Component should be monitored and allowance updated as meter cabinets are replaced.

Service contractor:  
Waterman Electric  
Pricing for 2, 3, and 4 meter cabinets from Waterman Electric proposal

4 single meter cabinets	@	\$2,250.00	=	\$9,000.00
2 double meter cabinets	@	\$3,000.00	=	\$6,000.00
6 triple meter cabinets	@	\$3,750.00	=	\$22,500.00
5 quadruple meter cabinets	@	\$4,250.00	=	\$21,250.00
2 quintuple meter cabinets	@	\$4,750.00	=	\$9,500.00
1 sextuple meter cabinet	@	\$5,250.00	=	\$5,250.00
		TOTAL	=	\$73,500.00

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Front Steps

Category	030 Building Exterior	Quantity	1 total
Photo Date	August 2017	Unit Cost	\$69,000.00
		% of Replacement	100.00%
		Current Cost	\$69,000.00
		Future Cost	\$84,110.62
Placed In Service	01/83	Assigned Reserves at FYB	\$0.00
Useful Life	30	Monthly Member Contribution	\$373.98
Adjustment	+15	Monthly Interest Contribution	\$0.82
Remaining Life	10	Total Monthly Contribution	\$374.81
Replacement Year	2028		

Comments:



Component covers solid precast concrete front steps for units. Concrete steps appear to be original to construction of association. No cracked steps were observed during site visit and none have been replaced per client. However, concrete has been eroded by salt usage and aggregate is exposed. Demolition cost will likely be high for these solid steps. Exact demolition cost is hard to predict and will likely need to be modified as association gains experience.

Useful life has been extended because no immediate need for replacement was observed in spite of age of steps.

6 precast landing only	@	\$750.00	=	\$4,500.00
30 landing & 1 step	@	\$1,000.00	=	\$30,000.00
11 landing & 2 steps	@	\$1,250.00	=	\$13,750.00
4 landing & 3 steps	@	\$1,500.00	=	\$6,000.00
3 landing & 4 steps	@	\$1,750.00	=	\$5,250.00
2 landing & 5 steps	@	\$2,000.00	=	\$4,000.00
2 landing & 8 steps	@	\$2,750.00	=	\$5,500.00
		TOTAL	=	\$69,000.00

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Gutters & Downspouts

Category	030 Building Exterior	Quantity	7,893 lin. ft.
Photo Date	August 2017	Unit Cost	\$3.500
		% of Replacement	100.00%
		Current Cost	\$27,625.50
		Future Cost	\$37,923.89
Placed In Service	01/03	Assigned Reserves at FYB	\$0.00
Useful Life	25	Monthly Member Contribution	\$98.10
Adjustment	+6	Monthly Interest Contribution	\$0.22
Remaining Life	16	Total Monthly Contribution	\$98.32
Replacement Year	2034		

Comments:



Component covers gutters on all buildings in association. Gutters were not replaced with roofs between 2007 and 2010 per client.

The actual date this component was placed into service is not available. For budgeting purposes, this date has been estimated based on its condition at our most recent site visit. The remaining life of this component has been extended in order to schedule this replacement in conjunction with reroofing.

units 1-14	1,238 lin. ft.
units 15-18	379 lin. ft.
units 19-20	250 lin. ft.
units 21-23	382 lin. ft.
unit 24	122 lin. ft.
unit 25	158 lin. ft.
units 26-28	513 lin. ft.
units 29-32	493 lin. ft.
units 33-35	447 lin. ft.
unit 36	192 lin. ft.

# Connecticut Condominium Association

## Component Detail

### Directed Cash Flow Calculation Method; Sorted by Category

units 37-42	707 lin. ft.
units 43-45	383 lin. ft.
unit 46	192 lin. ft.
units 47-48	332 lin. ft.
units 49-51	525 lin. ft.
units 52-55	512 lin. ft.
units 56-59	512 lin. ft.
units 60-63	512 lin. ft.
pool house	0 lin. ft.
maintenance building	44 lin. ft.
	<hr/>
	7,893 lin. ft.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Railings

Category	030 Building Exterior	Quantity	955 lin. ft.
Photo Date	August 2017	Unit Cost	\$30.000
		% of Replacement	100.00%
		Current Cost	\$28,650.00
		Future Cost	\$34,924.19
Placed In Service	01/83		
Useful Life	30		
Adjustment	+15	Assigned Reserves at FYB	\$0.00
Remaining Life	10	Monthly Member Contribution	\$155.28
Replacement Year	2028	Monthly Interest Contribution	\$0.34
		Total Monthly Contribution	\$155.63

Comments:



Component covers painted wrought iron railings for concrete front steps and some sidewalks. Railings appear to be original to construction of association. Minor corrosion at bottom of rail posts was observed during site visit. Railings are in remarkably good condition for high salt usage eroded by salt usage and aggregate is exposed. Railings with corroded posts have been repaired by welding new base plates on the posts. This strategy will extend railing life. Painting is part of operating budget.

Useful life has been extended because no immediate need for railing replacement was observed in spite of age of railings.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Roofs 1

Category	030 Building Exterior	Quantity	92,530 sq. ft.
Photo Date	August 2017	Unit Cost	\$4.250
		% of Replacement	33.00%
		Current Cost	\$129,773.33
Placed In Service	01/09	Future Cost	\$178,150.97
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	16	Monthly Member Contribution	\$460.85
Replacement Year	2034	Monthly Interest Contribution	\$1.02
		Total Monthly Contribution	\$461.87

Comments:



Component covers 1/3 of asphalt shingle roofs on all buildings in association. All roofs were replaced between 2007 and 2010 per client. Average placed-in-service date of January 1, 2009 used. Useful life set at 25 years for architectural shingles installed and experience with original new construction shingles installed.

units 1-14	17,500 sq. ft.
units 15-18	4,200 sq. ft.
units 19-20	3,300 sq. ft.
units 21-23	4,100 sq. ft.
unit 24	1,550 sq. ft.
unit 25	1,400 sq. ft.
units 26-28	4,900 sq. ft.
units 29-32	5,900 sq. ft.
units 33-35	5,000 sq. ft.
unit 36	2,150 sq. ft.
units 37-42	8,300 sq. ft.
units 43-45	5,200 sq. ft.
unit 46	2,150 sq. ft.

# Connecticut Condominium Association

## Component Detail

### Directed Cash Flow Calculation Method; Sorted by Category

units 47-48	3,600 sq. ft.
units 49-51	5,200 sq. ft.
units 52-55	5,700 sq. ft.
units 56-59	5,700 sq. ft.
units 60-63	5,700 sq. ft.
pool house	560 sq. ft.
maintenance building	420 sq. ft.
	<hr/>
	92,530 sq. ft.

In order to ensure a high quality installation, the client may wish to obtain the services of an independent roofing consultant to work with the client and the roofing contractor providing installation. Consultants are available for the preparation of installation specifications and, if desired, to work with the contractor during the installation process. Fees for these services vary based on the size of the project and detail required by the client, and have not been included in the cost used for this component. Should the client desire, a provision for a consultant can be incorporated into this analysis.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Roofs 2

Category	030 Building Exterior	Quantity	92,530 sq. ft.
Photo Date	August 2017	Unit Cost	\$4.250
		% of Replacement	33.00%
		Current Cost	\$129,773.33
		Future Cost	\$181,713.98
Placed In Service	01/09	Assigned Reserves at FYB	\$0.00
Useful Life	25	Monthly Member Contribution	\$437.13
Adjustment	+1	Monthly Interest Contribution	\$0.96
Remaining Life	17	Total Monthly Contribution	\$438.09
Replacement Year	2035		

Comments:



Component covers 1/3 of asphalt shingle roofs on all buildings in association. All roofs were replaced between 2007 and 2010 per client. Average placed-in-service date of January 1, 2009 used. Useful life set at 25 years for architectural shingles installed and experience with original new construction shingles installed.

units 1-14	17,500 sq. ft.
units 15-18	4,200 sq. ft.
units 19-20	3,300 sq. ft.
units 21-23	4,100 sq. ft.
unit 24	1,550 sq. ft.
unit 25	1,400 sq. ft.
units 26-28	4,900 sq. ft.
units 29-32	5,900 sq. ft.
units 33-35	5,000 sq. ft.
unit 36	2,150 sq. ft.
units 37-42	8,300 sq. ft.
units 43-45	5,200 sq. ft.
unit 46	2,150 sq. ft.

# Connecticut Condominium Association

## Component Detail

### Directed Cash Flow Calculation Method; Sorted by Category

units 47-48	3,600 sq. ft.
units 49-51	5,200 sq. ft.
units 52-55	5,700 sq. ft.
units 56-59	5,700 sq. ft.
units 60-63	5,700 sq. ft.
pool house	560 sq. ft.
maintenance building	420 sq. ft.
	<hr/>
	92,530 sq. ft.

In order to ensure a high quality installation, the client may wish to obtain the services of an independent roofing consultant to work with the client and the roofing contractor providing installation. Consultants are available for the preparation of installation specifications and, if desired, to work with the contractor during the installation process. Fees for these services vary based on the size of the project and detail required by the client, and have not been included in the cost used for this component. Should the client desire, a provision for a consultant can be incorporated into this analysis.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Roofs 3

Category	030 Building Exterior	Quantity	92,530 sq. ft.
Photo Date	August 2017	Unit Cost	\$4.250
		% of Replacement	34.00%
		Current Cost	\$133,705.85
		Future Cost	\$190,964.88
Placed In Service	01/09	Assigned Reserves at FYB	\$0.00
Useful Life	25	Monthly Member Contribution	\$428.67
Adjustment	+2	Monthly Interest Contribution	\$0.95
Remaining Life	18	Total Monthly Contribution	\$429.62
Replacement Year	2036		

Comments:



Component covers 1/3 of asphalt shingle roofs on all buildings in association. All roofs were replaced between 2007 and 2010 per client. Average placed-in-service date of January 1, 2009 used. Useful life set at 25 years for architectural shingles installed and experience with original new construction shingles installed.

units 1-14	17,500 sq. ft.
units 15-18	4,200 sq. ft.
units 19-20	3,300 sq. ft.
units 21-23	4,100 sq. ft.
unit 24	1,550 sq. ft.
unit 25	1,400 sq. ft.
units 26-28	4,900 sq. ft.
units 29-32	5,900 sq. ft.
units 33-35	5,000 sq. ft.
unit 36	2,150 sq. ft.
units 37-42	8,300 sq. ft.
units 43-45	5,200 sq. ft.
unit 46	2,150 sq. ft.

# Connecticut Condominium Association

## Component Detail

### Directed Cash Flow Calculation Method; Sorted by Category

units 47-48	3,600 sq. ft.
units 49-51	5,200 sq. ft.
units 52-55	5,700 sq. ft.
units 56-59	5,700 sq. ft.
units 60-63	5,700 sq. ft.
pool house	560 sq. ft.
maintenance building	420 sq. ft.
	<hr/>
	92,530 sq. ft.

In order to ensure a high quality installation, the client may wish to obtain the services of an independent roofing consultant to work with the client and the roofing contractor providing installation. Consultants are available for the preparation of installation specifications and, if desired, to work with the contractor during the installation process. Fees for these services vary based on the size of the project and detail required by the client, and have not been included in the cost used for this component. Should the client desire, a provision for a consultant can be incorporated into this analysis.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Siding - Wood, Major Repairs

Category	030 Building Exterior	Quantity	134,910 sq. ft.
Photo Date	August 2017	Unit Cost	\$30.000
		% of Replacement	3.00%
		Current Cost	\$121,419.00
Placed In Service	01/18	Future Cost	\$148,009.08
Useful Life	10		
		Assigned Reserves at FYB	\$0.00
Remaining Life	10	Monthly Member Contribution	\$658.10
Replacement Year	2028	Monthly Interest Contribution	\$1.45
		Total Monthly Contribution	\$659.55

Comments:



Component covers wood clapboard siding and trim on all buildings in association. Siding is original and has been maintained carefully per client. Useful life set at 10 years for major maintenance interval. Component assumes that 3% of siding will need to be replaced every 10 years. Recent maintenance includes replacing wood trim with PVC composite that should have lower life cycle costs. Typically, most major repairs will occur on south and west-facing elevations. Painting is part of operating budget.

units 1-14	19,290 sq. ft.
units 15-18	6,720 sq. ft.
units 19-20	5,380 sq. ft.
units 21-23	6,140 sq. ft.
unit 24	2,840 sq. ft.
unit 25	3,240 sq. ft.
units 26-28	8,320 sq. ft.
units 29-32	9,000 sq. ft.
units 33-35	6,520 sq. ft.
unit 36	3,200 sq. ft.
units 37-42	12,770 sq. ft.

# Connecticut Condominium Association

## Component Detail

### Directed Cash Flow Calculation Method; Sorted by Category

units 43-45	7,380 sq. ft.
unit 46	3,200 sq. ft.
units 47-48	3,780 sq. ft.
units 49-51	9,010 sq. ft.
units 52-55	8,870 sq. ft.
units 56-59	8,870 sq. ft.
units 60-63	8,870 sq. ft.
pool house	810 sq. ft.
maintenance building	700 sq. ft.
	<hr/>
	134,910 sq. ft.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Siding - Wood, Minor Repairs

Category	030 Building Exterior	Quantity	1 total
Photo Date	August 2017	Unit Cost	\$20,000.00
		% of Replacement	100.00%
		Current Cost	\$20,000.00
Placed In Service	01/18	Future Cost	\$20,808.00
Useful Life	2		
		Assigned Reserves at FYB	\$0.00
Remaining Life	2	Monthly Member Contribution	\$508.33
Replacement Year	2020	Monthly Interest Contribution	\$1.12
		Total Monthly Contribution	\$509.45

Comments:



Component covers wood clapboard siding and trim on all buildings in association. All is original and has been maintained carefully per client. Useful life set at 2 years for minor maintenance interval. Recent maintenance includes replacing wood trim with PVC composite that should have lower life cycle costs. Typically, most minor repairs will occur in high moisture areas. Painting is part of operating budget. Minor repair costs should be monitored and allowance adjusted over time based on association experience.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Pool - Cover

Category	040 Pool Area	Quantity	1 cover
Photo Date	August 2017	Unit Cost	\$3,000.00
		% of Replacement	100.00%
		Current Cost	\$3,000.00
		Future Cost	\$3,378.49
Placed In Service	01/14	Assigned Reserves at FYB	\$0.00
Useful Life	10	Monthly Member Contribution	\$26.25
Remaining Life	6	Monthly Interest Contribution	\$0.06
Replacement Year	2024	Total Monthly Contribution	\$26.31

#### Comments:



Component covers pool winter cover. Cover was not available during site visit. Pool cover was purchased in about 2014 per client.

Service contractor:  
Shoreline Pools, Stamford, CT 203-357-1544  
Dave Fallon Service Manager

Mr. Fallon described custom pool cover with a price range of \$2500-\$3000 for replacement.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Pool - Fencing

Category	040 Pool Area	Quantity	255 lin. ft.
Photo Date	August 2017	Unit Cost	\$20.000
		% of Replacement	100.00%
		Current Cost	\$5,100.00
Placed In Service	01/07	Future Cost	\$6,729.34
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	14	Monthly Member Contribution	\$20.38
Replacement Year	2032	Monthly Interest Contribution	\$0.05
		Total Monthly Contribution	\$20.43

#### Comments:



Component covers removal and replacement of black chain link pool fence.

Fence was in generally good condition during site visit. Section of fence at rear near gate needs repair.

# Connecticut Condominium Association

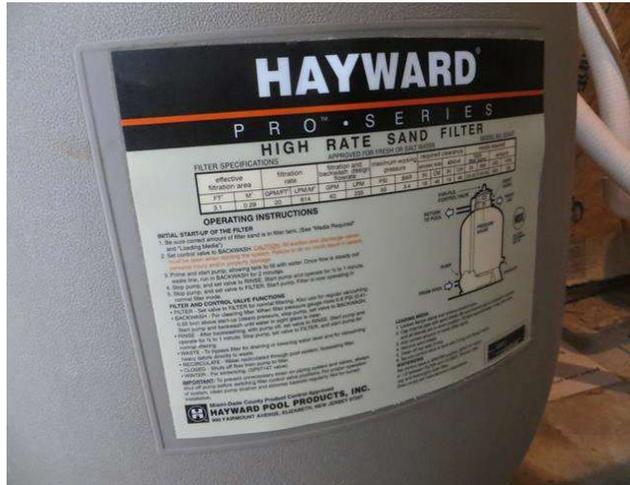
## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Pool - Filter

Category	040 Pool Area	Quantity	1 cartridge filter
Photo Date	August 2017	Unit Cost	\$2,200.00
		% of Replacement	100.00%
		Current Cost	\$2,200.00
Placed In Service	01/18	Future Cost	\$2,960.91
Useful Life	15		
		Assigned Reserves at FYB	\$0.00
Remaining Life	15	Monthly Member Contribution	\$8.27
Replacement Year	2033	Monthly Interest Contribution	\$0.02
		Total Monthly Contribution	\$8.28

Comments:



Component allowance covers pool filter. Pool filter will be replaced in early 2018 per client.

Current equipment:

Pool filter: Hayward high rate sand filter S244T

Service contractor: Shoreline Pools, Stamford, CT 203-357-1544; Dave Fallon, Service Manager

Mr. Fallon provided ball park pricing for filter replacement. He recommended that the current sand filter be replaced with a cartridge filter. A cartridge filter does not backwash to clean. Service technicians would remove cartridge and clean with a hose for reinsertion. Backwashing used pool water and can throw off water balance. Pumps can run at lower pressure which prolongs pump life. Cartridge filters remove particles to smaller 10-15 micron size and have a larger filtration area.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Pool - Furniture

Category	040 Pool Area	Quantity	1 total
Photo Date	August 2017	Unit Cost	\$2,400.00
		% of Replacement	100.00%
		Current Cost	\$2,400.00
		Future Cost	\$2,597.84
Placed In Service	01/14	Assigned Reserves at FYB	\$0.00
Useful Life	6	Monthly Member Contribution	\$31.00
Adjustment	+2	Monthly Interest Contribution	\$0.07
Remaining Life	4	Total Monthly Contribution	\$31.06
Replacement Year	2022		

Comments:



Component covers pool area furnishings.

The remaining life of this component has been extended due to its apparent infrequent use.

12 chaise lounges	@	\$150.00	=	\$1,800.00
7 chairs	@	\$50.00	=	\$350.00
2 planters	@	\$100.00	=	\$200.00
1 trash can	@	\$50.00	=	\$50.00
		<b>TOTAL</b>	<b>=</b>	<b>\$2,400.00</b>

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Pool - Paver Deck

Category	040 Pool Area	Quantity	1,535 sq. ft.
Photo Date	August 2017	Unit Cost	\$5.000
		% of Replacement	100.00%
		Current Cost	\$7,675.00
Placed In Service	01/07	Future Cost	\$10,127.00
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	14	Monthly Member Contribution	\$30.67
Replacement Year	2032	Monthly Interest Contribution	\$0.07
		Total Monthly Contribution	\$30.73

#### Comments:



Component covers re-setting paver pool deck. Pavers themselves will likely have long life due to lack of salt exposure and apparent low pool usage. Low pool usage will result in less chlorine on pavers and retaining wall.

Area of pavers near rear fence by pool house currently needs to be reset.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Pool - Pump

Category	040 Pool Area	Quantity	1 total
Photo Date	August 2017	Unit Cost	\$2,800.00
		% of Replacement	100.00%
		Current Cost	\$2,800.00
Placed In Service	01/15	Future Cost	\$3,216.32
Useful Life	10		
		Assigned Reserves at FYB	\$0.00
Remaining Life	7	Monthly Member Contribution	\$21.17
Replacement Year	2025	Monthly Interest Contribution	\$0.05
		Total Monthly Contribution	\$21.22

Comments:



Component allowance covers pool pump. Pool pump was replaced in 2015-2016 per client.

Current equipment:

- Pump/motor: Hayward Super Pump
- Chlorine feeder: Hayward CL2002S
- Stingl vacuum release safety switch SR-500

Service contractor: Shoreline Pools, Stamford, CT 203-357-1544; Dave Fallon, Service Manager

Mr. Fallon provided ball park pricing and recommendations for equipment replacements listed below. He recommended is a pump with integrated vacuum release. This would replace troublesome Stingl safety switch.

1 pool motor/pump with integral safety switch	@	\$2,500.00	=	\$2,500.00
1 chlorine feeder CL2200 inline	@	\$300.00	=	\$300.00
		<b>TOTAL</b>	<b>=</b>	<u>\$2,800.00</u>

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Pool - Resurfacing

Category	040 Pool Area	Quantity	1 resurfacing
Photo Date	August 2017	Unit Cost	\$25,000.00
		% of Replacement	100.00%
		Current Cost	\$25,000.00
Placed In Service	01/02	Future Cost	\$26,010.00
Useful Life	15		
Adjustment	+3	Assigned Reserves at FYB	\$22,222.22
Remaining Life	2	Monthly Member Contribution	\$88.72
Replacement Year	2020	Monthly Interest Contribution	\$5.49
		Total Monthly Contribution	\$94.21

Comments:



Component allowance covers plaster pool surface. No defects were noted in plaster during site visit, but it is difficult to judge without being in the pool. It has been about 15 years since traditional plaster was applied. Pool surface seems to have worn well. Per client, pool was resurfaced in 2004-2005 by company run by John Allen. Mr. Allen confirmed that traditional plaster was used. He thought the resurfacing was done in about 2002. In 2012, pool surface was examined based on questions from Shoreline Pools and estimate for resurfacing for about \$21,000 was received. It was determined that surface was acceptable at that time. Minor patching repairs were done per Mr. Allen.

Service contractor: Shoreline Pools, Stamford, CT 203-357-1544; Dave Fallon Service Manager

Mr. Fallon describes two plaster techniques available for current refinishing:

- Traditional plaster would cost about \$23-25,000. Typical useful life is 7-10 years. Life is difficult to predict due to aesthetic vs. functional judgements. Plaster may still be functioning, but may have visual defects.
- Aggregate plaster finish contains quartz which strengthens the plaster. Typical useful life is 10-15 years with same aesthetic caveats as traditional plaster. This is a heavy duty plaster with less wear. Cost would be about \$35,000.

The remaining life of this component has been extended due to its condition at our most recent site visit. Mr. Allen believes that due to issues near deep end return and some additional delamination in the deep end that the pool will need resurfacing in the next 2-3 years. Component replacement pricing is for traditional plaster finish.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Pool - Retaining Wall

Category	040 Pool Area	Quantity	100 sq. ft.
Photo Date	August 2017	Unit Cost	\$20.000
		% of Replacement	100.00%
		Current Cost	\$2,000.00
Placed In Service	01/07	Future Cost	\$2,638.96
Useful Life	25		
		Assigned Reserves at FYB	\$0.00
Remaining Life	14	Monthly Member Contribution	\$7.99
Replacement Year	2032	Monthly Interest Contribution	\$0.02
		Total Monthly Contribution	\$8.01

#### Comments:



Component covers re-setting decorative concrete block interlocking retaining wall. Concrete blocks themselves will likely have long life due to lack of salt exposure and apparent low pool usage. Low pool usage will result in less chlorine on pavers and retaining wall.

Retaining wall is approximately 60 ft long and 20" tall on average.  
Retaining wall was in good condition during site visit.

# Connecticut Condominium Association

## Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

### Pool House Interior

Category	040 Pool Area	Quantity	1 remodel
Photo Date	August 2017	Unit Cost	\$15,000.00
		% of Replacement	100.00%
		Current Cost	\$15,000.00
		Future Cost	\$16,561.21
Placed In Service	01/83	Assigned Reserves at FYB	\$0.00
Useful Life	30	Monthly Member Contribution	\$156.24
Adjustment	+10	Monthly Interest Contribution	\$0.34
Remaining Life	5	Total Monthly Contribution	\$156.58
Replacement Year	2023		

Comments:



Component covers remodeling of pool house interior. Paver pool deck, retaining wall, pool house exterior, equipment, and furnishings covered by other components. Painting is part of operating budget. The remaining life of this component has been extended due to its apparent infrequent use.

2 interior 36"x80" doors	@	\$250.00	=	\$500.00
2 toilets	@	\$400.00	=	\$800.00
1 urinal	@	\$400.00	=	\$400.00
2 sink & faucet	@	\$400.00	=	\$800.00
2 36"x36" fiberglass shower & valve	@	\$1,000.00	=	\$2,000.00
2 shower door	@	\$300.00	=	\$600.00
175 sq. ft. tile walls	@	\$7.00	=	\$1,225.00
170 sq. ft tile floors	@	\$10.00	=	\$1,700.00
1 lighting allowance	@	\$500.00	=	\$500.00
1 misc. carpentry & supervision	@	\$5,475.00	=	\$5,475.00
1 electric water heater	@	\$1,000.00	=	\$1,000.00
		TOTAL	=	\$15,000.00

# Connecticut Condominium Association

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Number of components included in this reserve analysis is 29.