



Northern Terrace Homeowners Association

November 30, 2016

Dear Homeowner:

Enclosed for your review are the 2017 Budget and a Summary of the latest Reserve Study for Northern Terrace.

A Budget Ratification Meeting has been scheduled for **December 14, 2016 at 10:30 AM**. The meeting will be held at **The Northern Terrace Clubhouse 7610 Silver Run Peak, Las Vegas, NV 89166**. In accordance with Nevada law, NRS 116.31151 (3), "Unless at that meeting a majority of all units' owners, or any larger vote specified in the declaration, reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present."

There will be no increase in the monthly Assessment. The monthly assessment for all non-gated residents is \$104.60. Gated residents, Andover/Emery, will pay \$127.60 per month. No Special Assessments are anticipated, at this time, for 2017. The Operating Budget contains estimates for the day-to-day operation of the Association.

The anticipated Reserve amount is \$1,173,473.09 as of January 1, 2017. The Reserve expenditures for 2017 are expected to be \$34,170.00, per the Reserve Study however, the only expense needed would be \$6,120.00 (see enclosed Reserve pages). The amount of cash reserves that are required per the Reserve Study at the end of 2017 is \$1,559,146.00. The Reserve account will be funded \$27,000.00 per month for the 2017 Budget year. The anticipated Reserve monies as of December 31, 2017 is expected to be \$1,491,353.09. The Reserve Study has been prepared by CS Consulting Ltd. (an independent reserve study company). The study is produced by using the Base Line Funding method.

Per NRS116 attached is a copy of the Association's Collection Policy, Investment Policy, Penalty Policy with Fine Schedule and the Collection Company Schedule of Fees. Homeowners who become more than 60 days delinquent on any past due obligation to the Association will be subject to a \$50.00 Pre-collection Processing Fee.

Per NRS116 the Community Manager shall provide notice to each unit's owner that the board is aware of all legal requirements pursuant to the applicable laws and regulations. To comply with such attached is a copy of the Executive Board Awareness form.

AT THE DIRECTION OF
THE BOARD OF DIRECTORS

Sincerely,



Community Association Manager



FirstService
RESIDENTIAL

Clubhouse

nevada.fsrconnect.com/NorthernTerrace

7610 Silver Run Peak | Las Vegas, NV | 89166

phone: 702.737.8580 fax: 702.737.3360



BUDGET RATIFICATION MEETING



December 14, 2016 – 10:30AM

Association Clubhouse, 7610 Silver Run Peak, Las Vegas NV 89166

- I. Call to Order / Introductions
- II. Homeowner Open Forum
In accordance with NRS116.3108.4(c) this portion of the meeting is devoted to unit owners' comments and discussion.
- III. 2017 Budget Ratification
In accordance with Nevada law, NRS 116.31151 (3), "Unless at that meeting a majority of all units' owners, or any larger vote specified in the declaration, reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present."
- IV. Adjournment

Unit owners are permitted to receive a copy of the minutes or a summary of the minutes in electronic format at no charge to the unit owner, or in paper format at a cost of \$.25 per page for the first ten pages, and \$.10 per page thereafter.



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**Northern Terrace Homeowners Association
Budget - 2017**

Description	CurrentMonthly ApprovedBudget	CurrentAnnual ApprovedBudget	12 Month YTD Average	ProposedMonthly Budget	ProposedAnnual Budget	MonthlyUnit Cost
REVENUE						
Assessments- Operating	72174	866088	55316	87757.33	1053088	104.6
Collection/Recovery Fees- Operating	0	0	7	0	0	0
Insurance Claim Income- Operating	0	0	610	0	0	0
Late Fees- Operating	0	0	396	0	0	0
Fines- Operating	0	0	1712	0	0	0
Key Fobs/Cards- Operating	0	0	4	0	0	0
Int - Financial - Operating	0	0	12	0	0	0
Other Revenue - Operating	0	0	38	0	0	0
**TOTAL REVENUE	72174	866088	58095	87757.33	1053088	104.6
EXPENSES						
**SALARY AND BENEFITS						
Payroll - Clubhouse Employees- Operating	15417	185000	8655	22000	264000	26.22
Payroll Administrative Fees- Operating	1250	15000	1390	5600	67200	6.67
**TOTAL SALARY AND BENEFITS	16667	200000	10045	27600	331200	32.9
**LANDSCAPING						
LS - Contract- Operating	7083	85000	4600	7690	92280	9.17
LS - Flower & Plant Replacements- Operating	625	7500	36	150	1800	0.18
LS - Irrigation- Operating	250	3000	181	155	1860	0.18
LS - Other/Doggie Bags- Operating	83	1000	296	55	660	0.07
**TOTAL LANDSCAPING	8041	96500	5113	8050	96600	9.59
**REPAIRS AND MAINTENANCE						
R/M - General- Operating	2542	30500	1921	2000	24000	2.38
R/M - Pest Control- Operating	250	3000	86	250	3000	0.3
Graffiti Removal- Operating	42	500	0	200	2400	0.24
R/M - Lighting Supply- Operating	167	2000	11	76	912	0.09
R/M - Lighting Repairs- Operating	1033	13000	438	400	4800	0.48
R/M - Clubhouse- Operating	417	5000	14	260	3120	0.31
R/M - Fitness Equipment- Operating	333	4000	176	200	2400	0.24
Janitorial Services- Operating	1492	17900	900	1580	18960	1.88
R/M - Gate- Operating	0	0	41	150	1800	0.18
R/M - Pedestrian Gate- Operating	333	4000	131	150	1800	0.18
R/M - Signs- Operating	125	1500	8	25	300	0.03
R/M - Street Cleaning- Operating	83	1000	0	0	0	0
Pool/Spa Service Contract- Operating	2167	26000	1151	1609.5	19314	1.92
Pool/Spa Repairs & Supplies- Operating	250	3000	282	300	3600	0.36
Pool Permits- Operating	187	2246	187	190	2280	0.23
R/M - Plumbing- Operating	167	2000	59	60	720	0.07
R/M - Clubhouse Supplies - Ink, paper- Operating	83	1000	1	50	600	0.06
R/M - Building- Operating	292	3500	25	55	660	0.07
**TOTAL REPAIRS AND MAINTENANCE	10013	120146	5431	7555.5	90666	9.01
**UTILITIES						
Electricity- Common Area- Operating	2667	32000	1402	2545.83	30550	3.03
Water- Operating	5500	66000	4123	6825	81900	8.13
Sewer- Operating	458	5500	283	450	5400	0.54
Gas- Operating	1000	12000	742	858.75	10305	1.02
Telephone- Operating	250	3000	50	55	660	0.07
Cable/Internet Service- Operating	333	4000	482	500	6000	0.6
Trash Service- Operating	250	3000	143	150	1800	0.18
**TOTAL UTILITIES	10458	125500	7225	11384.58	136615	13.57

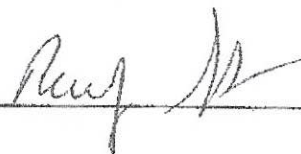
**COMMUNITY SAFETY						
Alarm Contract/Security System- Operating	333	4000	518	250	3000	0.3
**TOTAL COMMUNITY SAFETY	333	4000	518	250	3000	0.3
**ADMINISTRATIVE						
Bad Debt - Assessments- Operating	292	3500	194	200	2400	0.24
Annual Business Licenses- Operating	17	200	0	0	0	0
Resident Agent- Operating	17	200	0	250	3000	0.3
Secretary of State Filing- Operating	2	25	9	50	600	0.06
Collection Cost- Operating	0	0	186	0	0	0
Reserve Study Preparation- Operating	333	4000	0	0	0	0
Management Fees- Operating	3960	47520	3071	4725	56700	5.63
Office Supplies - Envelopes & Labels- Operating	83	1000	181	0	0	0
Copies- Operating	292	3500	744	0	0	0
Coupon Books- Operating	219	2625	224	0	0	0
Postage- Operating	292	3500	465	0	0	0
Community Events- Operating	292	3500	0	583.33	7000	0.7
Fire Permits/Fees- Operating	7	80	6	4.17	50	0
Audit & Tax Service- Operating	167	2000	0	10.42	125	0.01
Legal Fees- Operating	917	11000	2656	416.67	5000	0.5
Fire Safety & Sprinkler Monitoring- Operating	167	2000	140	166.67	2000	0.2
Miscellaneous Expenses- Operating	250	3000	555	575	6900	0.69
Mgmt Other - E-Stmnts, Photo, 1099s- Operating	183	2200	123	0	0	0
Record Storage- Operating	50	600	22	150	1800	0.18
**TOTAL ADMINISTRATIVE	7540	90450	8576	7131.25	85575	8.5
**TAXES AND INSURANCE						
Sales/Use Tax Liability- Operating	0	0	6	0	0	0
Ins - Liability & Property- Operating	624	7485	470	495	5940	0.59
Ins - Crime- Operating	42	500	24	26	312	0.03
Ins - Directors & Officers- Operating	333	4000	185	225	2700	0.27
Ins - Workmens Comp- Operating	67	800	34	40	480	0.05
**TOTAL TAXES AND INSURANCE	1066	12785	719	786	9432	0.94
**RESERVE						
Reserve Transfer- Operating	18059	216707	13850	25000	300000	29.8
Excess Transfer- Operating	0	0	15833	0	0	0
**TOTAL RESERVE	18059	216707	29683	25000	300000	29.8
**TOTAL EXPENSES	72177	866088	67310	87757.33	1053088	104.6

Northern Terrace Homeowners Association
Cost Center Budget - 2017

Description	CurrentMonthly ApprovedBudget	CurrentAnnual ApprovedBudget	12 Month YTD Average	ProposedMonthly Budget	ProposedAnnual Budget	MonthlyUnit Cost
REVENUE						
Assessments- Andover & Emery - NOTE	4853	58236	3233	4854	58248	23
Miscellaneous Revenue- Andover & Emery - NOTE	0	0	21	0	0	0
**TOTAL REVENUE	4853	58236	3254	4854	58248	23
EXPENSES						
**LANDSCAPING						
LS - Contract- Andover & Emery - NOTE	1000	12000	653	1100	13200	5.21
LS - Flower & Plant Replacements- Andover & Emery - NOTE	83	1000	0	0	0	0
LS - Irrigation- Andover & Emery - NOTE	83	1000	12	14	168	0.07
LS - Other/Doggie Bags- Andover & Emery - NOTE	33	400	17	20	240	0.09
**TOTAL LANDSCAPING	1199	14400	682	1134	13608	5.37
**REPAIRS AND MAINTENANCE						
R/M - General- Andover & Emery - NOTE	83	1000	0	100	1200	0.47
Graffiti Removal- Andover & Emery - NOTE	42	500	0	25	300	0.12
R/M - Lighting Repairs- Andover & Emery - NOTE	83	1000	63	70	840	0.33
R/M - Gate- Andover & Emery - NOTE	333	4000	284	100	1200	0.47
R/M - Signs- Andover & Emery - NOTE	25	300	5	15	180	0.07
R/M - Street Cleaning- Andover & Emery - NOTE	83	1000	0	0	0	0
**TOTAL REPAIRS AND MAINTENANCE	649	7800	352	310	3720	1.47
**UTILITIES						
Electricity - Common Area- Andover & Emery - NOTE	357	4285	201	210	2520	1
Water- Andover & Emery - NOTE	1087	13042	519	600	7200	2.84
Telephone- Andover & Emery - NOTE	47	558	0	0	0	0
**TOTAL UTILITIES	1491	17885	720	810	9720	3.84
**ADMINISTRATIVE						
Miscellaneous Expenses- Andover & Emery - NOTE	83	1000	0	100	1200	0.47
**TOTAL ADMINISTRATIVE	83	1000	0	100	1200	0.47
**TAXES AND INSURANCE						
Ins - Crime- Andover & Emery - NOTE	8	100	0	0	0	0
Ins - Directors & Officers- Andover & Emery - NOTE	67	800	0	0	0	0
**TOTAL TAXES AND INSURANCE	75	900	0	0	0	0
**RESERVE						
Reserve Transfer- Andover & Emery - NOTE	1354	16251	902	2500	30000	11.85
Excess Transfer- Andover & Emery - NOTE	0	0	1667	0	0	0
**TOTAL RESERVE	1354	16251	2569	2500	30000	11.85
**TOTAL EXPENSES	4851	58236	4323	4854	58248	23



Attested and Approved By:



President – Northern Terrace Homeowners Association

Attested and Approved By:



Secretary – Northern Terrace Homeowners Association

Introduction

Reserve Study Purpose

The purpose of this Reserve Study is to provide the board with a budgeting tool to help ensure that there are adequate reserve funds available to perform future reserve projects. In this respect our estimates of the current and future Fully Funded balances are less significant than the recommended reserve contribution. The board should weigh carefully our recommendations when setting the Reserve Contribution. The detailed schedules will serve as an advanced warning at major projects will need to be addressed in the future. This will allow the Board of Directors to have ample time to obtain competitive estimates and bids that will result in cost savings to the individual homeowners. It will also ensure the physical well-being of the property and ultimately enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to special assessments.

Preparer's Credentials

After working for a notable national reserve study provider Mr. Forney started Complex Solutions Ltd. in 2001. Complex Solutions provides reserve study consulting services to clients primarily in California, Nevada and Utah.

- Nevada permit number RSS.0000004
- Board member of The Association of Professional Reserve Analysts (APRA)
- Holds the APRA "Professional Reserve Analyst" designation
- Personally has prepared over 1,000 reserve studies.
- Created the proprietary software and databases used to prepare Complex Solutions' reserve studies. This proprietary software gives Complex Solutions the freedom and ability to create reports tailored to the individual clients needs. This software is also used under license by Aspen Reserve Specialties, an affiliate in Denver, CO.
- Projects have ranged in size from small apartment-style condominium communities to 1000+ Planned Unit Communities.
- Clients have ranged from developers interested in setting initial reserve accounts for communities under construction to high-rise communities, even an aero park (small airport).
- Active member of three local chapters of CAI (Nevada, Utah, and Channel Islands, CA).
- Gold Sponsor of the Nevada chapter of CAI, Platinum Sponsor of the Utah chapter of CAI.
- Guest speaker at two CAI events
- (3) Articles published in Community Interests.
- Member of the Las Vegas High-rise and Condominiums Association
- Member of CAMEO (Community Association Management Executive Offices)

Budget Breakdown

Every association conducts their business within a budget. There are typically two main parts to this budget, the Operating budget and the Reserve budget. The operating budget typically includes all expenses that occur on an annual basis as well as general maintenance and repairs. Typical Operating budget line items include management fees, maintenance expenses, utilities, etc. The reserves are primarily made up of capital replacement items such as roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis. Typically, the reserve contribution makes up 15% - 40% of the association's total budget. Therefore, reserves are considered to be a major part of the overall monthly association assessment.

Report Sections

The **Reserve Analysis Section** contains the evaluation of the association's reserve balance, income, and expenses. It includes a finding of the client's current reserve fund status (measured as percent funded) and a recommendation for an appropriate reserve allocation rate (also known as the funding plan).

The **Component Evaluation Section** contains information regarding the physical status and replacement cost of major common area components the association is responsible to maintain. It is important to understand that while the component inventory will remain relatively "stable" from year to year, the condition assessment and life estimates will most likely vary from year to year.

Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
Andover								
206	Vehicle Gates - Repaint (Andover)	5	0	(4) Vehicle Gates	\$1,800	\$1,800	\$1,800	\$38.99
207	Wrought Iron Fencing - Repaint (Andover)	5	0	Approx 37 Linear ft.	\$450	\$450	\$450	\$9.75
401	Asphalt - Major Rehab. (Andover)	30	25	Approx 112,725 Sq.ft.	\$140,900	\$23,483	\$0	\$508.62
402	Asphalt - Preventive Maint. (Andover)	5	0	Approx 106,925 Sq.ft.	\$13,350	\$13,350	\$13,350	\$289.15
403	Concrete - Repair/Replace (Andover)	15	10	Extensive Sq.ft.	\$6,000	\$2,000	\$0	\$43.32
504	Vehicle Gates - Replace (Andover)	25	20	(4) Vehicle Gates	\$16,400	\$3,280	\$0	\$71.04
505	Vehicle Gate Hinges - Replace (Andover)	8	3	(8) Gate Hinges	\$2,800	\$1,750	\$0	\$37.90
506	Phone Entry System - Replace (Andover)	10	5	(1) Entry System	\$4,500	\$2,250	\$0	\$48.73
507	Vehicle Gate Operators - Replace (Andover)	10	5	(4) Gate Operators	\$14,000	\$7,000	\$0	\$151.61
590	Pedestrian Gate Locks - Replace (Andover)	10	5	(1) Lock	\$750	\$375	\$0	\$8.12
1002	Wrought Iron Fencing - Replace (Andover)	20	15	Approx 37 Linear ft.	\$2,225	\$556	\$0	\$12.05
1306	Park Furniture - Replace (Andover)	9	4	(2) Items	\$1,000	\$556	\$0	\$12.03
1609	Street Light Fixtures - Replace (Andover)	25	20	(23) Street Lights	\$20,125	\$4,025	\$0	\$87.18
					\$224,300	\$60,875	\$15,600	\$1,318
Common Area								
207	Wrought Iron Fencing - Repaint	5	0	Approx 1,596 Linear ft.	\$15,950	\$15,950	\$15,950	\$345.46
401	Asphalt - Major Rehab.	30	25	Approx 1,327,350 Sq.ft	\$1,659,175	\$276,529	\$0	\$5,989.29
401	Asphalt - Major Rehab. (Parking Lot)	30	23	Approx 18,600 Sq.ft.	\$27,900	\$6,510	\$0	\$100.71
402	Asphalt - Preventive Maint. (Parking Lot)	5	0	Approx 18,600 Sq.ft.	\$2,313	\$2,313	\$2,313	\$50.09
402	Asphalt - Preventive Maintenance	5	0	Approx 1,327,350 Sq.ft	\$165,913	\$165,913	\$165,913	\$3,593.47
403	Concrete - Repair/Replace	15	10	Extensive Sq.ft.	\$27,500	\$9,167	\$0	\$198.54
590	Trash Enclosure Gates - Replace	15	10	(1) Set of 5' gates	\$3,000	\$1,000	\$0	\$21.66
801	Monuments - Refurbish	18	13	(24) Signs	\$65,000	\$18,056	\$0	\$391.06
1002	Wrought Iron Fencing - Replace	20	15	Approx 1,596 Sq.ft.	\$87,780	\$21,945	\$0	\$475.30
1301	Play Structure - Replace	18	13	(1) Play Structure	\$25,000	\$6,944	\$0	\$150.41
1306	Park Furniture - Replace	9	4	(8) Items	\$4,000	\$2,222	\$0	\$48.13
1604	Pole Light Fixtures - Replace	20	15	(12) Pole lights	\$10,500	\$2,625	\$0	\$56.85
1605	Bollard Lights - Replace	18	13	(18) Bollard lights	\$13,500	\$3,750	\$0	\$81.22



1812	Landscaping - Renovate	10	5	Moderate Sq.ft.	\$60,000	\$30,000	\$0	\$649.76
					\$2,167,530	\$562,923	\$184,175	\$12,152
Emery								
206	Vehicle Gates - Repaint (Emery)	5	0	(4) Vehicle Gates	\$1,800	\$1,800	\$1,800	\$38.99
207	Wrought Iron Fencing - Repaint (Emery)	5	0	Approx 65 Linear ft.	\$813	\$813	\$813	\$17.60
401	Asphalt - Major Rehab. (Emery)	30	25	Approx 150,775 Sq.ft.	\$188,450	\$31,408	\$0	\$680.27
402	Asphalt - Preventive Maint. (Emery)	5	0	Approx 144,475 Sq.ft.	\$18,038	\$18,038	\$18,038	\$390.67
403	Concrete - Repair/Replace (Emery)	15	10	Extensive Sq.ft.	\$8,000	\$2,667	\$0	\$57.76
504	Vehicle Gates - Replace (Emery)	25	20	(4) Vehicle Gates	\$16,400	\$3,280	\$0	\$71.04
505	Vehicle Gate Hinges - Replace (Emery)	8	3	(8) Gate Hinges	\$2,800	\$1,750	\$0	\$37.90
506	Phone Entry System - Replace (Emery)	10	5	(1) Entry System	\$4,500	\$2,250	\$0	\$48.73
507	Vehicle Gate Operators - Replace (Emery)	10	5	(4) Gate Operators	\$14,000	\$7,000	\$0	\$151.61
590	Pedestrian Gate Locks - Replace	10	5	(2) Locks	\$1,500	\$750	\$0	\$16.24
1002	Wrought Iron Fencing - Replace (Emery)	20	15	Approx 65 Linear ft.	\$3,575	\$894	\$0	\$19.36
1306	Park Furniture - Replace (Emery)	9	4	(5) Items	\$2,500	\$1,389	\$0	\$30.08
1609	Street Light Fixtures - Replace (Emery)	25	20	(25) Street Lights	\$21,875	\$4,375	\$0	\$94.76
					\$284,250	\$76,413	\$20,650	\$1,655
Pool Areas								
303	Rock Façade - Repair	15	10	Approx 4,650 Sq.ft.	\$6,988	\$2,329	\$0	\$50.45
603	Pool Deck - Reseal	4	0	Approx 24,000 Sq.ft.	\$24,000	\$24,000	\$24,000	\$649.76
1101	Adult Pool - Resurface	10	5	(1) Pool	\$17,500	\$8,750	\$0	\$189.51
1101	Family Pool - Resurface	10	5	(1) Family Pool	\$12,000	\$6,000	\$0	\$129.95
1102	Spa - Resurface	5	0	(1) Spa	\$3,500	\$3,500	\$3,500	\$75.81
1103	Wader - Resurface	5	0	(1) Wader	\$3,250	\$3,250	\$3,250	\$70.39
1104	Pool Heaters - Replace	10	5	(2) Pool Heaters	\$18,000	\$9,000	\$0	\$194.93
1105	Spa Heater - Replace	10	5	(1) Spa Heater	\$3,250	\$1,625	\$0	\$35.20
1107	Pool/Spa Filters - Replace	12	7	(6) Filters	\$7,500	\$3,125	\$0	\$67.68
1110	Pool/Spa Pumps - Partial Replace	10	5	(5) Pumps	\$1,400	\$700	\$0	\$15.16
1120	Cabana Umbrellas - Replace	5	1	(12) Cabana Umbrellas	\$9,000	\$7,200	\$7,200	\$194.93
1121	Pool/Patio Chairs - Replace	5	1	(156) Total Chairs	\$35,000	\$28,000	\$7,385	\$758.06
					\$141,388	\$97,479	\$45,335	\$2,432
Rec. Building Exteriors								
106	Pitched Roof - Tile - Replace	25	20	Approx 19,200 Sq.ft.	\$52,800	\$10,560	\$0	\$228.72
212	Railings - Repaint	5	3	Approx 335 Linear ft.	\$1,670	\$668	\$0	\$36.17
501	Clubhouse Windows/Doors - Replace	30	25	See General Notes	\$65,000	\$10,833	\$0	\$234.64

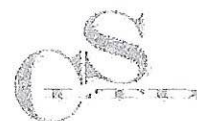


705	HVAC Condensers - Replace	15	10	(6) Condensers	\$21,000	\$7,000	\$0	\$151.61
706	HVAC Furnaces - Replace	25	20	(6) Furnaces	\$18,000	\$3,600	\$0	\$77.97
1003	Rallings - Replace	30	25	Approx 335 Linear ft.	\$10,888	\$1,815	\$0	\$39.30
1304	Drinking Fountains - Replace	7	2	(4) Drinking Fountains	\$2,800	\$2,000	\$0	\$43.32
1305	Barbecues - Replace	8	3	(1) Barbecue	\$3,750	\$2,344	\$0	\$50.76
1306	Barbecue Island - Refurbish	18	13	See General Notes	\$9,000	\$2,500	\$0	\$54.15
1306	Patio Furniture - Partial Replace	5	1	(33) Items	\$8,500	\$6,600	\$0	\$184.10
1602	Exterior Building Lights - Replace	20	15	(117) Light Fixtures	\$20,475	\$5,119	\$0	\$110.87
					\$213,883	\$53,238	\$0	\$1,212

Rec. Building Interiors

508	Electronic Access System - Replace	15	10	(1) System	\$20,000	\$6,667	\$0	\$144.39
703	Water Heaters - Replace	12	7	(2) Water Heaters	\$3,550	\$1,479	\$0	\$32.04
901	Fire Protection Panel - Replace	15	10	(1) Fire Protection System	\$6,000	\$2,000	\$0	\$43.32
902	Fire Protection System - Renovate	20	15	(1) System	\$22,500	\$5,625	\$0	\$121.83
903	Camera System - Replace	10	5	(1) 9-Camera system	\$15,000	\$7,500	\$0	\$162.44
1304	Drinking Fountains - Replace (Clubhouse)	9	4	(4) Drinking Fountains	\$2,800	\$1,556	\$0	\$33.69
1405	Furniture - Replace	10	5	See General Notes	\$17,500	\$8,750	\$0	\$189.51
1406	Fitness Equipment - Replace	10	5	(10) Pieces	\$20,000	\$10,000	\$0	\$216.59
1407	Cardio Equipment - Replace	6	1	(7) Pieces	\$47,500	\$39,583	\$0	\$857.33
1407	Cardio Equipment - Replace (Elliptical)	3	0	(3) LifeFitness 91Xi	\$20,250	\$20,250	\$20,250	\$730.98
1413	Restrooms - Remodel (Activity Bldg)	18	13	(2) Restrooms	\$6,000	\$1,667	\$0	\$36.10
1413	Restrooms - Remodel (Clubhouse)	18	13	(2) Restrooms	\$10,000	\$2,778	\$0	\$60.16
1413	Restrooms - Remodel (Pool Building)	18	13	(2) Restrooms	\$12,000	\$3,333	\$0	\$72.20
1414	Locker Rooms - Remodel (Clubhouse)	18	13	(2) Locker rooms	\$22,000	\$6,111	\$0	\$132.36
1415	Office - Remodel	18	13	See General Notes	\$10,000	\$2,778	\$0	\$60.16
1417	Kitchen - Remodel	18	13	(1) Kitchen	\$12,500	\$3,472	\$0	\$75.20
1418	Office Equipment - Allowance	4	2	See General Notes	\$2,250	\$1,125	\$0	\$60.92
1419	Music System - Replace	15	10	(1) System	\$6,000	\$2,000	\$0	\$43.32
1420	Children's Activity Room - Remodel	14	9	(1) Activity Room	\$10,000	\$3,571	\$0	\$77.35
1490	TVs - Replace	6	1	(3) TVs	\$4,500	\$3,750	\$0	\$81.22
					\$270,350	\$133,995	\$20,250	\$3,231
					\$3,301,700	\$984,923	\$286,010	\$22,000

Current Fund Balance as a percentage of Ideal Balance: **29%**



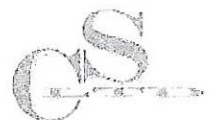
Yearly Summary

Year	Fully Funded Balance	Starting Reserve Balance	% Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance
2014	\$984,923	\$286,010	29%	\$264,000	\$2,836	\$271,425	\$281,421
2015	\$944,149	\$281,421	30%	\$271,920	\$3,652	\$107,635	\$449,358
2016	\$1,077,131	\$449,358	42%	\$280,078	\$5,894	\$5,358	\$729,972
2017	\$1,325,915	\$729,972	55%	\$288,480	\$8,611	\$34,170	\$992,894
2018	\$1,559,146	\$992,894	64%	\$297,134	\$11,273	\$38,605	\$1,262,696
2019	\$1,801,664	\$1,262,696	70%	\$306,048	\$11,712	\$499,734	\$1,080,722
2020	\$1,583,560	\$1,080,722	68%	\$315,230	\$11,990	\$89,554	\$1,318,389
2021	\$1,788,677	\$1,318,389	74%	\$324,687	\$14,486	\$77,544	\$1,580,018
2022	\$2,019,812	\$1,580,018	78%	\$334,427	\$17,389	\$32,518	\$1,899,316
2023	\$2,311,978	\$1,899,316	82%	\$344,460	\$20,594	\$43,123	\$2,221,248
2024	\$2,609,938	\$2,221,248	85%	\$354,794	\$21,843	\$448,750	\$2,149,134
2025	\$2,507,232	\$2,149,134	86%	\$365,438	\$22,996	\$85,615	\$2,451,953
2026	\$2,783,910	\$2,451,953	88%	\$376,401	\$26,206	\$63,090	\$2,791,470
2027	\$3,100,778	\$2,791,470	90%	\$387,693	\$28,154	\$365,621	\$2,841,695
2028	\$3,124,496	\$2,841,695	91%	\$399,324	\$30,536	\$3,403	\$3,268,152
2029	\$3,531,225	\$3,268,152	93%	\$411,303	\$30,215	\$932,256	\$2,777,414
2030	\$3,002,935	\$2,777,414	92%	\$423,643	\$29,391	\$127,253	\$3,103,194
2031	\$3,297,731	\$3,103,194	94%	\$436,352	\$33,366	\$0	\$3,572,912
2032	\$3,742,512	\$3,572,912	95%	\$449,442	\$37,944	\$41,148	\$4,019,151
2033	\$4,168,631	\$4,019,151	96%	\$462,926	\$42,064	\$126,954	\$4,397,186
2034	\$4,529,840	\$4,397,186	97%	\$476,813	\$42,969	\$716,620	\$4,200,350
2035	\$4,305,538	\$4,200,350	98%	\$491,118	\$43,984	\$135,336	\$4,600,114
2036	\$4,684,563	\$4,600,114	98%	\$505,851	\$48,633	\$24,047	\$5,130,551
2037	\$5,201,269	\$5,130,551	99%	\$508,381	\$53,675	\$83,621	\$5,608,986
2038	\$5,684,140	\$5,608,986	99%	\$510,922	\$58,462	\$89,951	\$6,088,419
2039	\$6,187,367	\$6,088,419	98%	\$513,477	\$35,852	\$5,552,647	\$1,085,102
2040	\$1,091,874	\$1,085,102	99%	\$516,044	\$12,900	\$118,073	\$1,495,973
2041	\$1,454,271	\$1,495,973	103%	\$518,625	\$17,303	\$65,750	\$1,966,151
2042	\$1,894,971	\$1,966,151	104%	\$521,218	\$22,075	\$58,731	\$2,450,712
2043	\$2,370,065	\$2,450,712	103%	\$523,824	\$27,251	\$0	\$3,001,787



Yearly Cash Flow

Year	2014	2015	2016	2017	2018
Starting Balance	\$286,010	\$281,421	\$449,358	\$729,972	\$992,894
Reserve Income	\$264,000	\$271,920	\$280,078	\$288,480	\$297,134
Interest Earnings	\$2,836	\$3,652	\$5,894	\$8,611	\$11,273
Special Assessments	\$0	\$0	\$0	\$0	\$0
Funds Available	\$552,846	\$556,993	\$735,330	\$1,027,063	\$1,301,301
Reserve Expenditures	\$271,425	\$107,635	\$5,358	\$34,170	\$38,605
Ending Balance	\$281,421	\$449,358	\$729,972	\$992,894	\$1,262,696
Year	2019	2020	2021	2022	2023
Starting Balance	\$1,262,696	\$1,080,722	\$1,318,389	\$1,580,018	\$1,899,316
Reserve Income	\$306,048	\$315,230	\$324,687	\$334,427	\$344,460
Interest Earnings	\$11,712	\$11,990	\$14,486	\$17,389	\$20,594
Special Assessments	\$0	\$0	\$0	\$0	\$0
Funds Available	\$1,580,457	\$1,407,943	\$1,657,561	\$1,931,834	\$2,264,371
Reserve Expenditures	\$499,734	\$89,554	\$77,544	\$32,518	\$43,123
Ending Balance	\$1,080,722	\$1,318,389	\$1,580,018	\$1,899,316	\$2,221,248
Year	2024	2025	2026	2027	2028
Starting Balance	\$2,221,248	\$2,149,134	\$2,451,953	\$2,791,470	\$2,841,695
Reserve Income	\$354,794	\$365,438	\$376,401	\$387,693	\$399,324
Interest Earnings	\$21,843	\$22,996	\$26,206	\$28,154	\$30,536
Special Assessments	\$0	\$0	\$0	\$0	\$0
Funds Available	\$2,597,884	\$2,537,568	\$2,854,559	\$3,207,316	\$3,271,555
Reserve Expenditures	\$448,750	\$86,615	\$63,090	\$365,621	\$3,403
Ending Balance	\$2,149,134	\$2,451,953	\$2,791,470	\$2,841,695	\$3,268,152
Year	2029	2030	2031	2032	2033
Starting Balance	\$3,268,152	\$2,777,414	\$3,103,194	\$3,572,912	\$4,019,151
Reserve Income	\$411,303	\$423,643	\$436,352	\$449,442	\$462,926
Interest Earnings	\$30,215	\$29,391	\$33,366	\$37,944	\$42,064
Special Assessments	\$0	\$0	\$0	\$0	\$0
Funds Available	\$3,709,670	\$3,230,447	\$3,572,912	\$4,060,299	\$4,524,140
Reserve Expenditures	\$932,256	\$127,253	\$0	\$41,148	\$126,954
Ending Balance	\$2,777,414	\$3,103,194	\$3,572,912	\$4,019,151	\$4,397,186



Projected Reserve Expenditures by Year

Year	Subgroup	Comp. Id	Component Name	Projected Cost	Total Per Annum
2014	Andover	206	Vehicle Gates - Repaint (Andover)	\$1,800	
	Emery	206	Vehicle Gates - Repaint (Emery)	\$1,800	
	Common Area	207	Wrought Iron Fencing - Repaint	\$15,950	
	Emery	207	Wrought Iron Fencing - Repaint (Emery)	\$813	
	Andover	207	Wrought Iron Fencing - Repaint (Andover)	\$450	
	Common Area	402	Asphalt - Preventive Maintenance	\$165,913	
	Emery	402	Asphalt - Preventive Maint. (Emery)	\$18,038	
	Common Area	402	Asphalt - Preventative Maint. (Parking Lot)	\$2,313	
	Andover	402	Asphalt - Preventive Maint. (Andover)	\$13,350	
	Pool Areas	603	Pool Deck - Reseal	\$24,000	
	Pool Areas	1102	Spa - Resurface	\$3,500	
	Pool Areas	1103	Wader - Resurface	\$3,250	
	Rec. Building Interiors	1407	Cardio Equipment - Replace (Elliptical)	\$20,250	\$271,425
2015	Pool Areas	1120	Cabana Umbrellas - Replace	\$9,270	
	Pool Areas	1121	Pool/Patio Chairs - Replace	\$36,050	
	Rec. Building Exteriors	1306	Patio Furniture - Partial Replace	\$8,755	
	Rec. Building Interiors	1407	Cardio Equipment - Replace	\$48,925	
	Rec. Building Interiors	1490	TVs - Replace	\$4,635	\$107,635
2016	Rec. Building Exteriors	1304	Drinking Fountains - Replace	\$2,971	
	Rec. Building Interiors	1418	Office Equipment - Allowance	\$2,387	\$5,358
2017	Rec. Building Exteriors	212	Railings - Repaint	\$1,825	
	Emery	505	Vehicle Gate Hinges - Replace (Emery)	\$3,060	
	Andover	505	Vehicle Gate Hinges - Replace (Andover)	\$3,060	
	Rec. Building Exteriors	1305	Barbecues - Replace	\$4,098	
	Rec. Building Interiors	1407	Cardio Equipment - Replace (Elliptical)	\$22,128	\$34,170
2018	Pool Areas	603	Pool Deck - Reseal	\$27,012	
	Rec. Building Interiors	1304	Drinking Fountains - Replace (Clubhouse)	\$3,151	
	Common Area	1306	Park Furniture - Replace	\$4,502	
	Andover	1306	Park Furniture - Replace (Andover)	\$1,126	
	Emery	1306	Park Furniture - Replace (Emery)	\$2,814	\$38,605