

Developing the Plan

Identify all Components

Determine Components For Which Reserves Should Be Established

Determine Useful Lives

Select Reserve Method

COMPONENT METHOD

A reserve line item is provided for each component which includes the cost to replace, remaining useful life, and funding required in each future year.

- Description
- Quantity
- Unit Cost
- Reserve Requirement (PV)
- Beginning Balance
- Estimated Useful Life
- Estimated Remaining Life
- Annual Reserve Funding Required

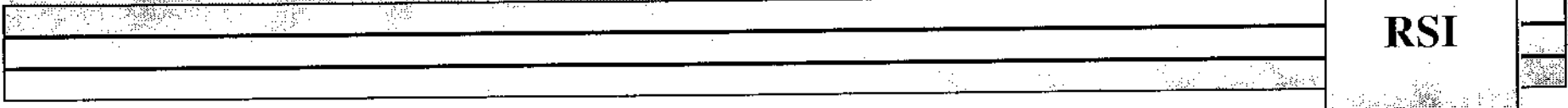


Presentation to Residents

POOLING METHOD

Requires rolling up individual component projected costs into a single reserve line item and adjusting that single line item for future changes in component projections

- Reserve Requirement (PV)
- Beginning Balance
- Estimated Useful Life Range
- Estimated Remaining Life Range
- Annual Reserve Funding Required



Annual Expenditures

November 18, 2003

Shorewalk Community, Inc. (2ND DRAFT)

Year	Amount	Item Description
2005	410	Pool House Plumbing and Electrical Contingency
	359	Common Area Picnic Table
	20,500	Concrete Maintenance Contingency
	25,625	Concrete Street and Easement Replacement
	1,538	Guttering Contingency
	1,743	Pool - Steel Perimeter Fence Maintenance
	1,538	Pool Furniture Replacement Contingency
	4,613	Painting - Building 8 - Trim Only
	4,613	Painting - Building 9 - Trim Only
	2,563	Painting - Building 16A
	2,563	Painting - Building 16B
	2,563	Painting - Building 17
	2,563	Painting - Building 18A
	2,563	Painting - Building 18B
	2,563	Painting - Building 20
	4,664	Painting - Building 31 - Trim Only
	7,739	Painting - Building 37 - Trim Only

Annual Expenditures

November 18, 2003

Shorewalk Community, Inc. (2ND DRAFT)

Year	Amount	Item Description
	3,075	Erosion Control - Lakeside Rip Rap Replacement
	30,750	Window/Door Replacement Contingency
	12,300	Siding Maintenance and Repair Contingency
	7,688	Sealing - Exposed Aggregate Driveways and Patios
	7,175	Deck Staining - Building 31
	7,175	Deck Staining - Building 37
	1,486	Board Walk - Power Wash and Stain
	769	Board Walk - Ongoing Repair and Maintenance
	2,153	Dock Power Washing and Staining - Dock B
	487	Dock Power Washing and Staining - Dock C
	461	Dock Power Washing and Staining - Dock D
	32,800	Deck Staining - Ongoing Contingency
	25,625	Railroad Tie Retaining Wall Replacement
	3,075	Wood Replacement Contingency
	6,150	Landscaping Contingency
	<u>229,882</u>	
2006	2,627	Chimneys - Cap Replacement Contingency
	4,413	Concrete Driveway Replacement (1 Car Drives)
	13,448	Concrete Driveway Replacement (2 Car Drives)
	26,266	Concrete Street and Easement Replacement
	21,013	Deck Repair Contingency

Annual Expenditures

November 18, 2003

Shorewalk Community, Inc. (2ND DRAFT)

Year	Amount	Item Description
	263	Entranceway Electrical Maintenance Contingency
	525	External Lighting Contingency
	1,576	Miscellaneous Pool Fixtures and Equipment
	946	Pool Ladders
	8,405	Roofing Repair and Maintenance Contingency
	2,101	Sewer and Water Line Contingency
	1,051	Street Signs - Maintenance
	2,311	Wooden Privacy Fencing Replacement
	4,045	Painting - Building 24A
	2,627	Painting - Building 24B
	2,627	Painting - Building 25A
	2,627	Painting - Building 25B
	4,045	Painting - Building 27
	15,759	Garage Door Replacement Contingency
	1,681	Chimney - Frame and Siding Maintenance
	2,206	Dock Power Washing and Staining - Dock A
	683	Dock Power Washing and Staining - Dock E
	683	Dock Power Washing and Staining - Dock F
	26,266	Railroad Tie Retaining Wall Replacement
	8,405	Carpet Replacement - Buildings 8, 9, 10
	<u>156,596</u>	

Annual Expenditures

November 18, 2003

Shorewalk Community, Inc. (2ND DRAFT)

Year	Amount	Item Description
2007	19,929	Asphalt - Parking and Streets
	1,400	Building 3 - Interior Painting
	431	Pool House Plumbing and Electrical Contingency
	13,784	Concrete Driveway Replacement (2 Car Drives)
	21,538	Concrete Maintenance Contingency
	26,922	Concrete Street and Easement Replacement
	2,692	Pool Concrete Decking Replacement Contingency
	1,292	Pool Equipment - Pump
	1,292	Pool Equipment - Sand Filters
	4,846	Painting - Building 10 - Trim Only
	7,312	Painting - Building 32 - Trim Only
	5,869	Painting - Building 33 - Trim Only
	5,869	Painting - Building 34 - Trim Only
	5,869	Painting - Building 35 - Trim Only
	9,638	Painting - Building 36 - Trim Only
	8,131	Painting - Building 38 - Trim Only
	10,230	Painting - Building 39 - Trim Only
	10,230	Painting - Building 40 - Trim Only
	3,231	Erosion Control - Lakeside Rip Rap Replacement
	32,307	Window/Door Replacement Contingency
	1,615	Gazebo - Repair and Maintenance Contingency
	12,923	Siding Maintenance and Repair Contingency

Annual Expenditures

November 18, 2003

Shorewalk Community, Inc. (2ND DRAFT)

Year	Amount	Item Description
	34,461	Deck Staining - Ongoing Contingency
	22,615	Roofing Replacement - Building 12
	26,922	Railroad Tie Retaining Wall Replacement
	3,231	Wood Replacement Contingency
	6,461	Landscaping Contingency
	<u>301,041</u>	
2008	2,898	Asphalt - Path Replacement
	993	Clubhouse Painting - Building 3 - Trim Only
	2,318	Concrete Driveway Replacement (1 Car Drives)
	14,129	Concrete Driveway Replacement (2 Car Drives)
	27,595	Concrete Street and Fasement Replacement
	22,076	Deck Repair Contingency
	276	Entranceway Electrical Maintenance Contingency
	1,490	Entranceway Signage Painting Contingency
	552	External Lighting Contingency
	1,656	Guttering Contingency
	1,656	Miscellaneous Pool Fixtures and Equipment
	4,360	Painting - Building 1 - Trim Only
	1,656	Pool Furniture Replacement Contingency
	8,831	Roofing Repair and Maintenance Contingency
	2,208	Sewer and Water Line Contingency

Annual Expenditures*November 18, 2003**Shorewalk Community, Inc. (2ND DRAFT)*

Year	Amount	Item Description
	2,428	Wooden Privacy Fencing Replacement
	6,568	Painting - Building 2 - Trim Only
	5,243	Painting - Building 5 - Trim Only
	6,568	Painting - Building 6 - Trim Only
	5,243	Painting - Building 7 - Trim Only
	993	Painting - Building 11 - Trim Only
	8,499	Painting - Building 12
	7,098	Painting - Building 13
	7,098	Painting - Building 14
	4,250	Painting - Building 15
	4,250	Painting - Building 19
	4,250	Painting - Building 21
	5,376	Painting - Building 23
	5,376	Painting - Building 26
	16,557	Garage Door Replacement Contingency
	22,076	Tennis Court - Asphalt Base Overlay
	166	Painting - Bridge By Pool
	828	Board Walk - Ongoing Repair and Maintenance
	1,766	Chimney - Frame and Siding Maintenance
	3,300	Deck Staining - Building 23
	3,091	Deck Staining - Building 24A
	2,760	Deck Staining - Building 25A

Annual Expenditures

November 18, 2003

Shorewalk Community, Inc. (2ND DRAFT)

Year	Amount	Item Description
	2,760	Deck Staining - Building 25B
	3,091	Deck Staining - Building 27
	3,422	Deck Staining - Building 26
	19,317	Roofing Replacement - Building 13
	11,590	Roofing Replacement - Building 15
	17,661	Roofing Replacement - Building 28
	27,595	Railroad Tie Retaining Wall Replacement
	1,104	Entranceway Brick Wall Maintenance-Point Entrance
	3,300	Painting - Building 4 - Trim Only
	<u>306,314</u>	

2009

2,829	Chimneys - Cap Replacement Contingency
453	Pool House Plumbing and Electrical Contingency
4,752	Concrete Driveway Replacement (1 Car Drives)
14,482	Concrete Driveway Replacement (2 Car Drives)
22,628	Concrete Maintenance Contingency
28,285	Concrete Street and Fasement Replacement
5,318	Entranceway Wooden Signage Replacement
3,960	Pool - Painting
4,582	Street Signs - Wooden Panel
5,510	Painting - Building 22
5,646	Painting - Building 28

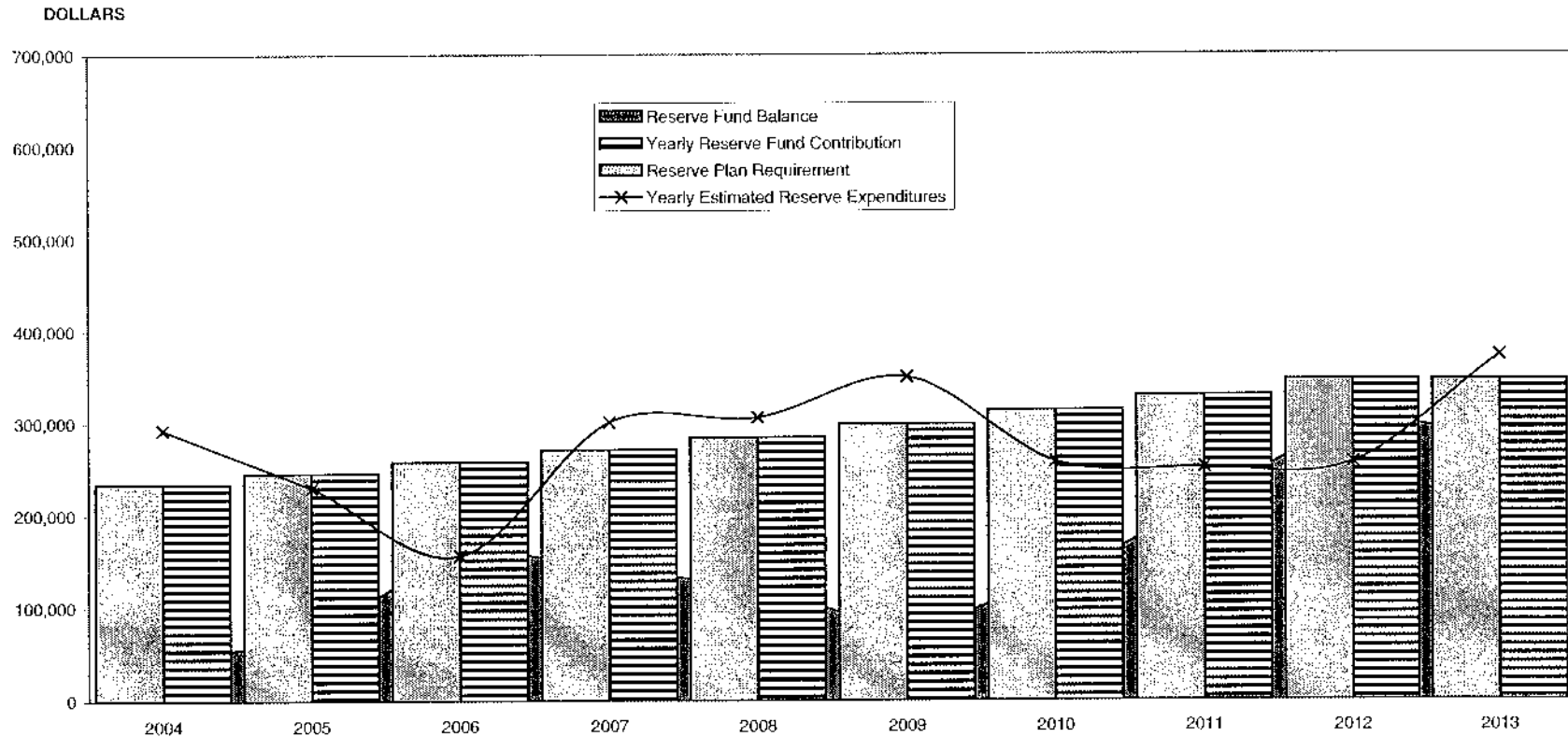
Annual Expenditures

November 18, 2003

Shorewalk Community, Inc. (2ND DRAFT)

Year	Amount	Item Description
	5,646	Painting - Building 30
	5,318	Painting - Building 29
	3,394	Erosion Control - Lakeside Rip Rap Replacement
	33,942	Window/Door Replacement Contingency
	13,577	Siding Maintenance and Repair Contingency
	8,486	Sealing - Exposed Aggregate Driveways and Patios
	11,880	Deck Staining - Building 38
	11,880	Deck Staining - Building 39
	11,880	Deck Staining - Building 40
	735	Dock Power Washing and Staining - Dock G
	1,810	Deck Staining - Building 24B
	36,205	Deck Staining - Ongoing Contingency
	18,103	Roofing Replacement - Building 22
	18,103	Roofing Replacement - Building 26
	13,577	Roofing Replacement - Building 29
	18,103	Roofing Replacement - Building 30
	28,285	Railroad Tie Retaining Wall Replacement
	3,394	Wood Replacement Contingency
	509	Signage Replacement - Point Entranceway
	6,788	Landscaping Contingency
	<u>350,058</u>	

COMPARATIVE RESERVE FUNDING AND EXPENDITURE ANALYSIS YEARS 1 THROUGH 10



Description	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
YEARLY CONTRIBUTION	234,371	246,090	258,394	271,314	284,879	299,123	314,080	329,784	346,273	346,273
ESTIMATED EXPENDITURES	293,153	229,882	156,596	301,041	306,314	350,058	258,084	251,467	256,979	372,613
RESERVE PLAN REQUIREMENTS	234,371	246,090	258,394	271,314	284,879	299,123	314,080	329,784	346,273	346,273
INVESTMENT INCOME (3%)	2,000	1,508	3,393	2,409	1,635	1,053	1,396	3,552	6,090	5,482
RESERVE FUND BALANCE	46,692	64,408	169,599	142,281	122,481	72,599	129,991	211,860	307,244	286,386

COMPARATIVE RESERVE FUNDING AND EXPENDITURE ANALYSIS YEARS 11 THROUGH 20



Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
YEARLY CONTRIBUTION	346,273	346,273	346,273	346,273	346,273	346,273	346,273	346,273	346,273	346,273
ESTIMATED EXPENDITURES	227,087	282,328	275,467	442,075	325,521	360,699	340,026	284,126	370,715	507,539
RESERVE PLAN REQMN'T	346,273	346,273	346,273	346,273	346,273	346,273	346,273	346,273	346,273	346,273
INVESTMENT INCOME (3%)	9,222	11,417	13,884	11,426	12,392	12,331	12,888	15,138	14,859	10,467
RESERVE FUND BALANCE	414,794	490,156	574,846	490,470	523,614	521,519	540,654	617,939	608,356	457,557

SHOREWALK COMMUNITY, INC.
PROJECTED RESERVE FUNDING INCREASE - YEARS 2004 THROUGH 2013

<u>YEAR</u>	<u>PROJECTED RESERVE FEES</u>	<u>% INCREASE</u>	<u>ANNUAL RESERVE INCREASE</u>	<u>AVERAGE INCREASE IN MONTHLY RESERVE FEES</u>	<u>AVERAGE CUMULATIVE RESERVE MONTHLY INCREASE</u>
2004	\$ 234,371.00	\$ -	\$ -	\$ 58.00	\$ 58.00
2005	246,089.55	5.00%	11,718.55	4.42	62.42
2006	258,394.03	5.00%	12,304.48	4.64	67.06
2007	271,313.73	5.00%	12,919.70	4.87	71.93
2008	284,879.42	5.00%	13,565.69	5.12	77.05
2009	299,123.39	5.00%	14,243.97	5.37	82.42
2010	314,079.56	5.00%	14,956.17	5.64	88.06
2011	329,783.53	5.00%	15,703.98	5.92	93.98
2012	346,272.71	5.00%	16,489.18	6.22	100.20
2013	346,272.71	0.00%	0.00	0.00	100.20

58
 12
 116
 58
 696