KIPCON

Reserve Study

Lake Community Property Owners Association (Barry Lake)

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September 13, 2024

J. Scott Ghysels
76 Wawayanda Road
Highland Lakes, New Jersey 07422

Reference: Lake Community POA (Barry Lake)
Reserve Study
Kipcon Project No. 15887-01

Dear Scott:

Attached please find Kipcon's Reserve Study, which has been prepared for the Lake Community Property Owners Association (Barry Lake) located in Highland Lakes, New Jersey..

In a significant milestone for community associations in New Jersey, Governor Phil Murphy signed into law Bill S2760/A4384[1] on January 8th, 2024. This legislation not only mandates the preparation of Reserve Studies but also establishes vital funding requirements with a goal of adequate funding. At Kipcon, we understand the importance of this new law, and we are fully committed to its compliance.

The law requires that Reserve Studies be prepared in conformance with the Reserve Study Standards[2] of the Community Associations Institute (CAI) as well as this legislation. One of the legislative requirements, which is in addition to the National Reserve Study Standards is that the Study include "the anticipated costs associated with building maintenance" which have also been included. It is required that all studies be "performed or overseen" by an individual who holds the Reserve Specialist (RS™) of CAI or a New Jersey licensed engineer or architect. The attached report is crafted to align with both the Reserve Study Standards of CAI as well as the new legislation.

We sincerely appreciate the opportunity to work with you to develop a funding plan that will provide lasting physical and financial safety for your community. Please feel free to reach out to us to discuss your specific needs further.

Thank you once again for selecting Kipcon Inc.

Very truly yours,

KIPCON INCORPORATED

Jodi Smallwood

Jodi Smallwood, R.S., EBP
Project Manager

[1] State of New Jersey Structural Integrity/Reserve Study Legislation S2760/A4384, January 8, 2024
[2] Community Associations Institute Reserve Study Standards, RSS-RS05202

Reserve Study

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PURPOSE OF STUDY

A **Reserve Study** is a budget planning tool which identifies the common area components that the Association is responsible for replacing. The purpose is to provide a funding plan that offsets the anticipated future major common area replacement expenditures within your community. The study consists of two parts: Physical Analysis and Financial Analysis.

Physical Analysis

The **Physical Analysis** includes the Component Inventory, Condition Assessment, and Life and Valuation estimates. This is provided on Page **12** of this report.

Financial Analysis

The **Financial Analysis** includes the current status of the reserves and a recommended Funding Plan including the projected reserve income and expense over a period of time. This is provided on Page **8** of this report.

The National Reserve Study Standards of the Community Associations Institute defines what is included within each level of service. The report prepared by Kipcon is a Full Reserve Study (Level I) in conformance with the New Jersey Legislative Requirements, as well as the current version of the Reserve Study Standards of the Community Associations Institute (CAI)[3].

In preparing the **Physical Analysis**…

- Kipcon performed a site visit to perform a visual evaluation of all accessible common and limited common elements. This included a visual observation of any common element structural elements as defined within the NJ legislation as the Primary Load Bearing System. The visual observations are not intended to evaluate structural deterioration or installation safety but rather to give a cursory overview of the condition of these visually observable components relating to the need for ongoing maintenance and is not a substitute for a structural evaluation as described within the legislative requirements. If a periodic structural inspection has been prepared, this will be the basis for the recommendations included within this study and should be provided by the client. [4] These visual observations will be the basis for the estimated remaining useful lives used in the study.

[3] Community Associations Institute Reserve Study Standards, RSS-RS05202

[4] The Reserve Study is not prepared by a structural engineer and is not intended to replace a periodic inspection as defined within the New Jersey Structural Integrity legislation.

Reserve Study

- Kipcon determined the replacement costs of each component. These costs include both the removal of the existing component as well as the installation of a replacement component of similar quality.

- Kipcon determined which components should be included within the Study. This determination is based on the description of the common elements of the community provided to us.

- Kipcon utilized field measurements, satellite imagery and/or design drawings (if provided) to quantify common element components.

- Kipcon included additional components observed which are Long Life Components with an estimated remaining life of more than 30 years from the date of this study. This will not include the cost of replacement and is intended to act as a guide for inclusion when their replacement is anticipated to occur within 30 years. This list is not all inclusive and should be reviewed as each future study is prepared.

- Kipcon prepared a **Component Inventory** which includes all components as well as their quantities, and estimated replacement costs. These costs will include both the removal of the existing component as well as the installation of a replacement component of similar quality. If an alternative material or equipment substitute is available that provides an extended useful life or a savings in energy costs this will be noted in our report for further evaluation if requested.

- Kipcon has included, as required by the new legislation, “the anticipated costs associated with building maintenance” as well as, for each component, a description of the type and frequency of the recommended maintenance within the notes for each component. As recognized by the drafters of the legislation, maintenance is a critical item and is intended to provide guidance for the components to attain their full useful lives and thereby minimize long term life cycle costs.

The **Financial Analysis** portion of the report is based on the results of the Physical Analysis. In preparing the Financial Analysis…

- Kipcon prepared multiple projected 30-year funding plans. Each funding plan is presented both in tabular as well as graphical formats.

- Kipcon has included both the Full and Baseline Funding models as well as a projection of the current funding. Typically, all plans will include an estimated inflationary increase in replacement costs of 2% and interest on the Reserve Funds of 1%. However, based on conversation with Board President and that the community has no reserve funds we recommend adding the inflation and interest factor on the next study.

- A Threshold Funding plan has not been included because there is no current contribution.

HOW TO USE THIS STUDY

While the primary use of this study is to establish a recommendation of how much to set aside in your budget each year to provide adequate funding for common area replacements, it is also an excellent tool for planning these replacements.

It is recommended that the following information be reviewed in the study. We have included a checklist below to confirm that each item has been reviewed:

In the **Key Figures** section on Page **5** of this report, confirm the following information:

- ☐ Reserve Balance
- ☐ Projected beginning date of the community's budget year (typically the same as the calendar year)
- ☐ Current Annual Contribution
- ☐ Prior Year Common Expense Assessment

In the **Physical Analysis** section which starts on Page **12** of this report, review the following:

- ☐ Whether the list of components reflects the common elements of the community as described within the community's governing documents.
- ☐ Whether the list of components and their Estimated Remaining Useful Lives reflect both components recently replaced as well as any components which are planned to be replaced. If any components have recently been replaced and it is not reflected in the list, please provide both the replacement year and the actual replacement cost.
- ☐ Whether a maintenance contract exists for any of the components (which was not previously provided) as this may have an impact on the Reserve Requirements and should be provided for our review.

Reserve Study

KEY FIGURES

Level of Service Provided Level I - Reserve Study

Community Description

Number of Units	627 Residential Units
Number of Buildings:	2 Common Buildings
Age of Community:	Approximately 47 Years

Financial Information

Beginning Reserve Balance:	$0
Source of Beginning Reserve Balance:	J. Scott Ghysels
Current Annual Contribution:	$0

Inspection Information

Date of Inspection:	July 29, 2024
Client Contact:	J. Scott Ghysels

EXECUTIVE SUMMARY

The Financial Analysis portion of this study is based on the results of multiple Funding Analysis plans used to develop a specific funding plan for your community. The results can be seen in the following graphical presentation and will be explained in greater detail in the Financial Analysis portion of this report.

In each case, we have taken the Physical Analysis results, which can be found on Page **12** of this report and projected the cash flow requirements for each component 30 years into the future.

The recommendations portion of this report includes our recommended updating period of 3 years. The cost for these updates is also included within the Funding Plans.

Funding Goal	Contribution Per Year	Minimum Amount in Fund During 30-Year Projection Period
Current Funding	$0	($10,539,703)
Full Funding	$359,475	$46,767
Baseline Funding	$353,320	$0

Reserve Study

Summary of Funding Goals

The Funding Goal definitions are presented below in order of most conservative to most risky, starting with Full Funding as the most conservative and Baseline Funding as the most risky. While it is nationally recognized that Adequate Funding is theoretically defined as not requiring any other sources of funds during the project periods or Baseline Funding, this Funding Goal is also considered the riskiest and not recommended, as it can result in a deficit if minor changes occur with any of the Physical Analysis variables described within this study.

A determination of what is Adequate for your community should be discussed with all parties involved, including the preparer of this Study.

Full Funding Analysis

The Full Funding Analysis plan is based on fully funding each component. For example, a component with a $100,000 replacement cost and a 10-year life would be funded at $10,000/year ($100,000/10 years). This type of evaluation would be performed for each component, and the yearly costs would be added together to determine the annual funding required. This methodology is also known as the Component Method, and it is the most conservative funding goal.

Threshold Funding Analysis

Threshold Funding is based on establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount. The amount to be used as the Threshold is based on many variables including the risk tolerance of the community.

Baseline Funding Analysis

Baseline Funding Analysis is a reserve funding goal which allows the reserve cash balance to be $0 during the lowest point in the cash flow projection. This is the funding goal with the greatest risk due to the variabilities encountered in the timing of component replacements and repair and replacement costs. Baseline funding is also the measurement used within the legislation to determine if adequate funding is provided.

Current Funding Analysis

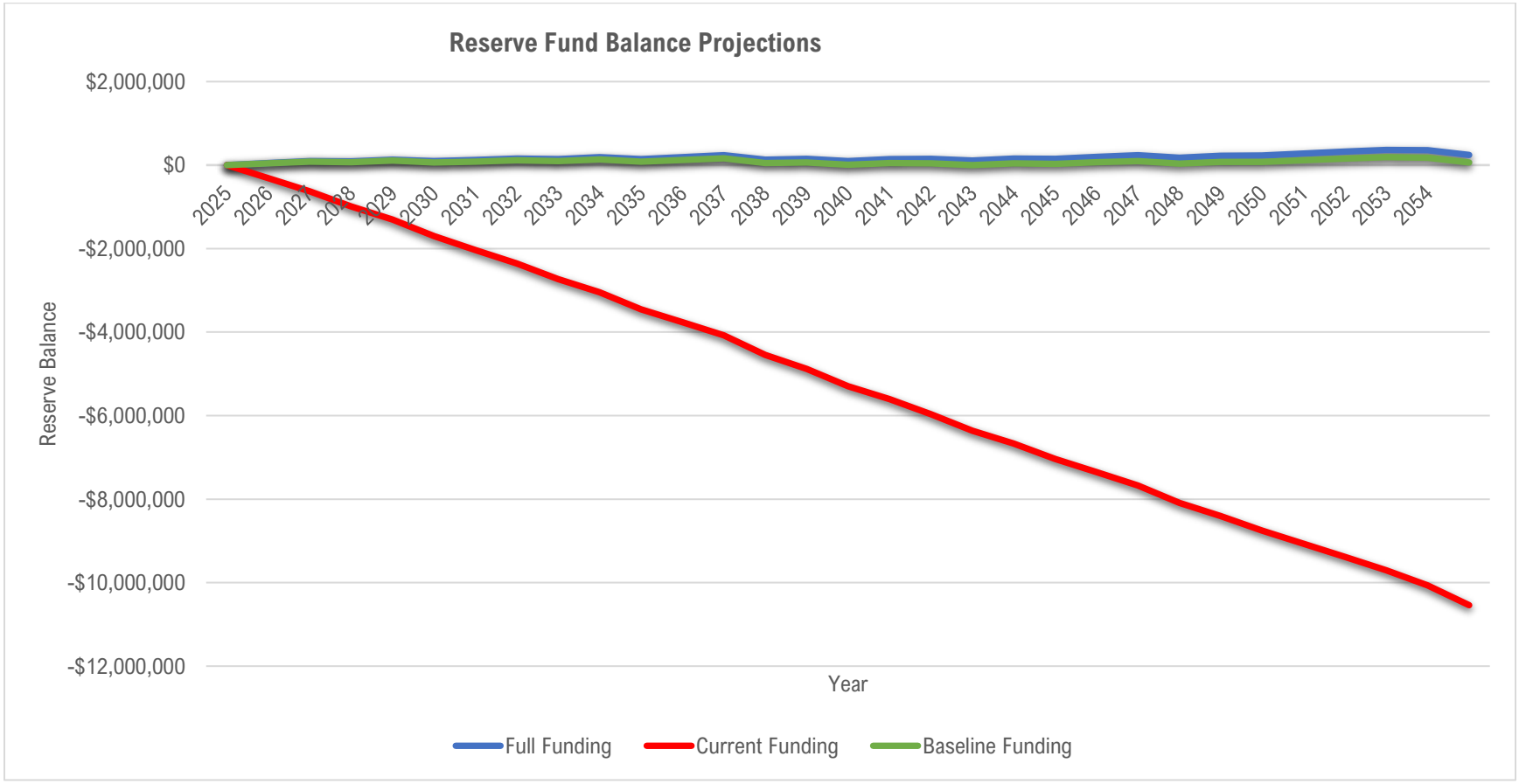
The Current Funding Analysis is based on maintaining the current annual funding to determine whether this will cause a deficit at some time during the 30-year cash flow period. If the current annual contribution will eventually cause the fund balance to drop below $0, underfunding is occurring.

FINANCIAL ANALYSIS

The Cash Flow Graph, which is provided on Page **9** of this report, and the Cash Flow Chart, which is provided on Page **11**, contain the Projected Thirty (30) Year Cash Flow of the reserve requirements for the Lake Community POA (Barry Lake) .

All Funding Plans are based on the Beginning Balance provided by Mr. Scott Ghysels and the calculated expenditures.

Funding Plan Cash Flow Projections Graph



Conclusions & Recommendations

This Reserve Study indicates that the Association's reserves are underfunded, as it will result in a deficit within the 30-year projection period used in the funding plans and as required within the legislation. The Association currently is not contributing anything to the reserve fund. Therefore, the reserve fund balance will reach a deficit by 2025. Kipcon has shown a baseline (the riskiest) and a full funding scenario. As part of these analyses, it is recommended that the Association increase their annual contribution in-2025 to $353,320 for baseline and $359,475 for full funding. Please note that since there is currently no contribution to the reserve fund Kipcon could not provide an incremental threshold funding plan .However, we can develop a threshold funding recommendation based on a lowest balance that the Association can implement to keep their reserve fund healthy. These should be discussed with Kipcon so the Association can choose the best funding scenario for their community.

To maintain funding at what has been determined to be an adequate level, it is recommended that this report be updated every 5 years. This is based on a combination of factors including the community's age, the type of components, and the current funding level.

We would like to remind you that the Reserve Study, while important, is only one of the steps you must take to properly maintain your community financially, aesthetically, and safely. Other steps include ongoing periodic inspections by an engineer and the implementation of the preventive maintenance schedule.

Funding Plan Cash Flow Projections Chart

		CURRENT FUNDING ANALYSIS		FULL FUNDING ANALYSIS			BASELINE FUNDING ANALYSIS	
Year Beginning	Annual Expenditure	Annual Contribution	Reserve Fund Balance	Required Annual Contribution	Adjusted Required Annual Contribution	Reserve Fund Balance	Annual Contribution	Reserve Fund Balance
	Pooling Factor:					100%		98.29%
	Begin Balance:		$0			$0		$0
2025	$312,708	$0	($312,707)	$391,373	$359,475	$46,767	$353,320	$40,612
2026	$312,708	$0	($625,415)	$395,998	$359,475	$93,534	$353,320	$81,224
2027	$367,117	$0	($992,532)	$408,203	$359,475	$85,892	$353,320	$67,428
2028	$312,708	$0	($1,305,240)	$381,983	$359,475	$132,659	$353,320	$108,040
2029	$396,187	$0	($1,701,427)	$391,930	$359,475	$95,947	$353,320	$65,173
2030	$334,646	$0	($2,036,073)	$368,890	$359,475	$120,776	$353,320	$83,847
2031	$322,708	$0	($2,358,781)	$365,105	$359,475	$157,543	$353,320	$114,460
2032	$371,152	$0	($2,729,933)	$366,152	$359,475	$145,866	$353,320	$96,628
2033	$312,708	$0	($3,042,641)	$358,646	$359,475	$192,633	$353,320	$137,240
2034	$409,682	$0	($3,452,323)	$360,867	$359,475	$142,426	$353,320	$80,878
2035	$312,708	$0	($3,765,031)	$353,460	$359,475	$189,193	$353,320	$121,490
2036	$312,708	$0	($4,077,739)	$353,748	$359,475	$235,960	$353,320	$162,103
2037	$469,277	$0	($4,547,016)	$354,789	$359,475	$126,158	$353,320	$46,146
2038	$334,258	$0	($4,881,274)	$350,612	$359,475	$151,375	$353,320	$65,208
2039	$412,523	$0	($5,293,797)	$350,517	$359,475	$98,327	$353,320	$6,005
2040	$312,708	$0	($5,606,505)	$349,235	$359,475	$145,094	$353,320	$46,618
2041	$356,996	$0	($5,963,501)	$349,333	$359,475	$147,573	$353,320	$42,942
2042	$396,262	$0	($6,359,763)	$349,150	$359,475	$110,786	$353,320	$0
2043	$312,708	$0	($6,672,471)	$348,790	$359,475	$157,553	$353,320	$40,612
2044	$366,024	$0	($7,038,495)	$348,826	$359,475	$151,004	$353,320	$27,908
2045	$312,708	$0	($7,351,203)	$348,708	$359,475	$197,771	$353,320	$68,521
2046	$322,708	$0	($7,673,911)	$348,719	$359,475	$234,538	$353,320	$99,133
2047	$417,832	$0	($8,091,743)	$348,733	$359,475	$176,181	$353,320	$34,621
2048	$312,708	$0	($8,404,451)	$348,649	$359,475	$222,948	$353,320	$75,233
2049	$351,899	$0	($8,756,350)	$348,655	$359,475	$230,524	$353,320	$76,655
2050	$312,708	$0	($9,069,058)	$348,638	$359,475	$277,291	$353,320	$117,267
2051	$312,708	$0	($9,381,766)	$348,639	$359,475	$324,058	$353,320	$157,879
2052	$320,437	$0	($9,702,203)	$348,641	$359,475	$363,096	$353,320	$190,762
2053	$366,996	$0	($10,069,199)	$348,643	$359,475	$355,575	$353,320	$177,086
2054	$470,504	$0	($10,539,703)	$348,640	$359,475	$244,546	$353,320	$59,903
TOTAL		**$0**		**$10,784,272**	**$10,784,250**		**$10,599,607**	

PHYSICAL ANALYSIS

The following represents the Physical Analysis portion of the Reserve Study. This analysis is based on the Component Inventory which incorporates a Condition Assessment of each specific component. The Condition Assessment is presented using the Estimated Remaining Life of each component with accompanying notes which also include preventive maintenance suggestions. Also included is the estimated replacement cost for each component.

Component Schedule

Summary of Replacement Reserve Needs

Effective Date: January 1, 2025

CATEGORY	RESERVE REQUIREMENT PRESENT DOLLARS	BEGINNING BALANCE	BALANCE REQUIRING FUNDING	ANNUAL RESERVE FUNDING REQUIRED	FULL FUNDING BALANCE	PERCENT FUNDED
Sitework totals	$366,841	$0	$366,841	$298,814	$58,886	The Percent Funded and Funding Goal are based on fully funding each component within the schedule. Please review the report for various funding strategies
Building Exterior totals	$230,272	$0	$230,272	$20,111	$112,539	
Building Interior totals	$132,111	$0	$132,111	$13,430	$60,957	
Recreation totals	$89,715	$0	$89,715	$7,698	$30,448	
Mechanical totals	$46,078	$0	$46,078	$6,348	$22,008	
Electrical totals	$44,759	$0	$44,759	$4,538	$21,880	
Miscellaneous totals	$17,000	$0	$17,000	$567	$8,500	
Maintenance totals	$63,550	$0	$63,550	$39,867	$10,423	
GRAND TOTALS	**$990,326**	**$0**	**$990,326**	**$391,373**	**$325,641**	**0.00%**

Sitework

Component	Quantity	Unit Cost	Reserve Requirement Present Dollars	Beginning Balance	Estimated Useful Life	Estimated Remaining Useful Life	Annual Reserve Funding Required	Full Funding Balance	Notes
Pavement Roadway 3.33%	9,335 SY	$30.00	$280,050	$0	1	1	$280,050	$0	1
Pavement Parking Lot - Clubhouse	1,556 SY	$30.00	$46,680	$0	20	3	$15,560	$39,678	1
Asphalt Walkway, Clubhouse	43 SY	$45.99	$1,978	$0	30	15	$132	$989	2
Dumpster Concrete Pads	144 SF	$20.00	$2,880	$0	30	15	$192	$1,440	3
Dumpster Segmental Block Enclosure	324 SF	$0.00	$0	$0	50	40	$0	$0	4
Dumpster Metal Gates	1 LS	$500.00	$500	$0	25	20	$25	$100	5
4' Chainlink Fence - Club House	825 LF	$19.68	$16,236	$0	25	13	$1,249	$7,793	6
4' Chainlink Fence - Beach House	700 LF	$19.68	$13,776	$0	25	13	$1,060	$6,612	6
Concrete Bollards	8 EA	$0.00	$0	$0	75	40	$0	$0	7
Wood Retaining Wall -	24 LF	$76.07	$1,826	$0	20	10	$183	$913	8
Flagpole	1 EA	$0.00	$0	$0	50	35	$0	$0	9
Wall Sign	1 EA	$2,500.00	$2,500	$0	15	8	$312	$1,167	10
Bulletin Board	1 EA	$415.70	$416	$0	15	8	$52	$194	11
Dam	1 LS	$0.00	$0	$0	100	53	$0	$0	12
TOTALS			**$366,841**	**$0**			**$298,814**	**$58,886**	

Building Exterior

Component	Quantity	Unit Cost	Reserve Requirement Present Dollars	Beginning Balance	Estimated Useful Life	Estimated Remaining Useful Life	Annual Reserve Funding Required	Full Funding Balance	Notes
Roof - Clubhouse	53 SQ	$835.62	$44,288	$0	12	5	$8,858	$25,835	13
Roof Shingles - Clubhouse	21 SQ	$550.00	$11,550	$0	30	14	$825	$6,160	13
Roof, Beach House	13 SQ	$550.00	$7,150	$0	30	15	$477	$3,575	13
Gutters Beach House	70 LF	$8.00	$560	$0	30	15	$37	$280	14
Downspouts Beach House & Clubhouse	50 LF	$7.00	$350	$0	30	15	$23	$175	14
Brick Repointing - Clubhouse	3,000 SF	$15.00	$45,000	$0	25	13	$3,462	$21,600	15
Siding Shingles - Clubhouse	450 SF	$17.37	$7,816	$0	40	20	$391	$3,908	16
Siding shingles Beach House	1,260 SF	$17.37	$21,884	$0	40	30	$729	$5,471	16
Windows and Doors - Clubhouse	1 LS	$30,000.00	$30,000	$0	40	20	$1,500	$15,000	17
Windows and Doors, Beach House	1 LS	$6,500.00	$6,500	$0	40	20	$325	$3,250	17
Deck and Stairs - Clubhouse	1 LS	$27,000.00	$27,000	$0	30	15	$1,800	$13,500	18
Rail Fence - Clubhouse	23 LF	$68.22	$1,569	$0	25	13	$121	$753	19
Concrete Steps -Clubhouse	1 LS	$2,309.08	$2,309	$0	30	15	$154	$1,155	20
Paver, Walkway Beach House	816 SF	$23.15	$18,888	$0	35	18	$1,049	$9,174	21
Concrete Patio, Beach House	327 SF	$16.00	$5,232	$0	30	15	$349	$2,616	22
Wood Benches, Beach House	23 SF	$7.66	$176	$0	30	15	$12	$88	23
TOTALS			**$230,272**	**$0**			**$20,111**	**$112,539**	

Building Interior

Component	Quantity	Unit Cost	Reserve Requirement Present Dollars	Beginning Balance	Estimated Useful Life	Estimated Remaining Useful Life	Annual Reserve Funding Required	Full Funding Balance	Notes
Wood Flooring	3,750 SF	$13.55	$50,827	$0	25	13	$3,910	$24,397	24
Carpet, Clubhouse	450 SF	$48.75	$21,938	$0	12	6	$3,656	$10,969	24
Ceramic Tiles	300 SF	$12.00	$3,600	$0	30	15	$240	$1,800	24
Stage Clubhouse	300 SF	$13.55	$4,066	$0	25	13	$313	$1,952	25
Drop Ceiling Panels Clubhouse	4,400 SF	$7.20	$31,680	$0	20	10	$3,168	$15,840	26
Bathroom Refurbishment Clubhouse	1 LS	$10,000.00	$10,000	$0	15	7	$1,429	$5,333	27
Bathroom Refurbishment Beach House	1 LS	$10,000.00	$10,000	$0	15	14	$714	$667	27
TOTALS			**$132,111**	**$0**			**$13,430**	**$60,957**	

Recreation

Component	Quantity	Unit Cost	Reserve Requirement Present Dollars	Beginning Balance	Estimated Useful Life	Estimated Remaining Useful Life	Annual Reserve Funding Required	Full Funding Balance	Notes
Basketball Court	267 SY	$30.00	$8,010	$0	20	10	$801	$4,005	28
Basketball Poles	2 EA	$5,183.64	$10,367	$0	25	13	$797	$4,976	28
Bench	3 EA	$2,296.73	$6,890	$0	20	10	$689	$3,445	29
Dock	1 LS	$107.32	$107	$0	20	10	$11	$54	30
Floating Dock(Dive Platforms)	200 SF	$97.95	$19,590	$0	20	10	$1,959	$9,795	30
Life Guard Stand	1 EA	$3,700.00	$3,700	$0	10	5	$740	$1,850	31
Picnic Table	8 EA	$700.00	$5,600	$0	15	8	$700	$2,613	32
Ping Pong Table	1 EA	$450.00	$450	$0	15	8	$56	$210	33
Tot Lot	1 LS	$35,000.00	$35,000	$0	20	18	$1,944	$3,500	34
TOTALS			**$89,715**	**$0**			**$7,698**	**$30,448**	

Mechanical

Component	Quantity	Unit Cost	Reserve Requirement Present Dollars	Beginning Balance	Estimated Useful Life	Estimated Remaining Useful Life	Annual Reserve Funding Required	Full Funding Balance	Notes
Clubhouse Security System	1 LS	$5,000.00	$5,000	$0	10	5	$1,000	$2,500	35
Hot water Heaters	1 LS	$2,616.00	$2,616	$0	10	5	$523	$1,308	36
Split Type Air Conditioner Fukitsu AQU24RLXFZH	1 EA	$3,500.00	$3,500	$0	15	8	$437	$1,633	37
Split Type Air Conditioner Fukitsu AQU36RLXB	2 EA	$5,500.00	$11,000	$0	15	8	$1,375	$5,133	37
Split Type Air Conditioner Fukitsu ASU12RLF1	1 EA	$2,750.00	$2,750	$0	15	8	$344	$1,283	37
Split Type Air Conditioner Rheem SA166OAJ1NA	2 EA	$4,000.00	$8,000	$0	15	8	$1,000	$3,733	37
Furnace System, Bard	2 EA	$3,500.00	$7,000	$0	25	13	$538	$3,360	37
Wall-Mounted Air Conditioning Unit	1 EA	$1,500.00	$1,500	$0	15	8	$187	$700	37
Refrigerator	2 EA	$2,356.20	$4,712	$0	10	5	$942	$2,356	38
TOTALS			**$46,078**	**$0**			**$6,348**	**$22,008**	

Electrical

Component	Quantity	Unit Cost	Reserve Requirement Present Dollars	Beginning Balance	Estimated Useful Life	Estimated Remaining Useful Life	Annual Reserve Funding Required	Full Funding Balance	Notes
Fluorescent Lights	18 EA	$310.00	$5,580	$0	20	10	$558	$2,790	39
Recessed Lights	18 EA	$237.50	$4,275	$0	20	10	$427	$2,138	39
Wall Sconces	12 EA	$188.00	$2,256	$0	20	10	$226	$1,128	39
Track Lighting Strip	2 EA	$195.45	$391	$0	20	10	$39	$195	39
Wall Mounted lights	8 EA	$441.51	$3,532	$0	30	15	$235	$1,766	40
Pole Mounted Floodlight	4 EA	$1,464.21	$5,857	$0	30	15	$390	$2,928	40
Ceiling Fan	11 EA	$614.86	$6,763	$0	20	10	$676	$3,382	41
Electric Sign	1 EA	$15,000.00	$15,000	$0	15	8	$1,875	$7,000	42
Fire Exit Signs	5 EA	$221.03	$1,105	$0	20	10	$111	$553	43
TOTALS			**$44,759**	**$0**			**$4,538**	**$21,880**	

Miscellaneous

Component	Quantity	Unit Cost	Reserve Requirement Present Dollars	Beginning Balance	Estimated Useful Life	Estimated Remaining Useful Life	Annual Reserve Funding Required	Full Funding Balance	Notes
Unseen Contingency	1 LS	$17,000.00	$17,000	$0	60	30	$567	$8,500	44
TOTALS			**$17,000**	**$0**			**$567**	**$8,500**	

Maintenance

Component	Quantity	Unit Cost	Reserve Requirement Present Dollars	Beginning Balance	Estimated Useful Life	Estimated Remaining Useful Life	Annual Reserve Funding Required	Full Funding Balance	Notes
Sealcoating Asphalt Pavement Roadways 3.33%	9,335 SY	$3.22	$30,059	$0	1	1	$30,059	$0	45
Sealcoating Asphalt Pavement, Basketball	2,400 SY	$3.22	$7,728	$0	5	3	$2,576	$3,091	45
Beach Sand Replacement	1 LS	$1,600.00	$1,600	$0	1	1	$1,600	$0	46
Gravel Replacement Beach House Parking Lot	1,778 SY	$8.25	$14,663	$0	10	5	$2,933	$7,331	47
Reserve Study Update	1 LS	$8,500.00	$8,500	$0	5	5	$1,700	$0	48
Bldg./Site Maintenance	1 LS	$1,000.00	$1,000	$0	1	1	$1,000	$0	49
TOTALS			**$63,550**	**$0**			**$39,867**	**$10,423**	

Reserve Study

Notes

1. The unit cost shown represents milling and a 2'' overlay (after compaction) of the asphalt pavement on the roadways throughout the community and the clubhouse parking lot. It also includes 6% for engineering and 15% for any additional work that is typically required in these projects, including curbing repairs and localized full depth replacement. The pavement throughout the community and the clubhouse parking lot are nearing the end of its typical useful life, overall, the condition was observed to be poor to fair. The roads have been separated in this study to replace 3.33% per year. 3.33% per year allows for full replacement of the roadways over the 30 year period. The percentage was discussed and approved by Board President Scott Ghysels. The roads and parking lots should be inspected annually, and crackfill should be applied annually to help extend the life of the pavement.

2. The unit cost shown represents the removal and replacement of the asphalt walkway from the parking lot to the clubhouse. It includes surface course milling, disposal of debris, sub-base preparation (tack coat) and overlay. The walkway was in fair condition and should be regularly inspected for hazards.

3. The unit cost shown represents the removal and replacement of the concrete dumpster pads located at the clubhouse. The costs shown represent the removal and replacement of the 6'' reinforced concrete dumpster pad. The pads were observed to be in fair condition and replaced on an as needed basis. The pads should be regularly inspected for hazards.

4. There is a segmental wall for the dumpster enclosure. The enclosure was observed to be in good condition and therefore the estimated remaining useful life has been placed outside the 30 years of this reserve study and the cost has been set to zero. The wall should be regularly inspected for cracks and other hazards.

5. The lump sum cost shown represents the removal and replacement of the metal dumpster enclosure gates. The gates were observed to be in good condition. The gates should be regularly inspected for hazards.

6. The unit cost shown represents the removal and replacement of the chain link fence located around the perimeter of the clubhouse and beach house recreation areas. The fences were observed to be in poor to fair condition and replaced on an as needed basis. The fences should be regularly inspected for hazards.

7. There are concrete bollards located at the clubhouse and beach house. The bollards were observed to be in good condition and the remaining useful life was set outside the 30 year window. Therefore the cost has been set to zero. A cost should be added once the bollards replacement falls within the study period.

8. The unit cost shown represents replacement of the wood perimeter around the clubhouse electric sign. The wood was observed to be in fair condition. The wood should be regularly treated with a water-resistant substance.

Reserve Study

9. The flagpole located at the clubhouse was observed to be in good condition and replacement is set outside the replacement of the 30 year study therefore the cost has been set to zero. The cost should be added once the replacement of the flagpole is within the study period.

10. The unit cost shown represents the removal and replacement of the wood sign located on the clubhouse building. The sign was observed to be in good condition and replaced as needed.

11. The unit cost shown represents the removal and replacement of the bulletin board located at the beach house. It was observed to be in poor condition and replaced as needed. A water resistant substance should be regularly applied to the wood.

12. The community has two dams located in the lakes owned by the community. There were no issues reported with the dams and they have been regularly maintained and repaired. The replacement for the dams falls outside the 30-year reserve study period but should be added once it falls inside the 30-year period.

13. The unit cost shown represents the removal and replacement of the clubhouse and beach house roof (flat Modified Bituminous and Asphalt Shingles). It also includes 6% for engineering and 15% for any additional work that is typically required in these types of projects. The shingles were observed to be in fair to good condition. The flat roof wasn't accessible during the site visit. Board President Scott Ghysels indicated the roof was completed 20 years ago. The flat roof remaining useful life has been extended to provide the association time to develop funds needed.

14. Aluminum gutters and downspouts are installed on the roof of the clubhouse and beach house. The unit cost shown represents the removal and replacement of the gutters and downspouts. Typically, it is recommended that the gutters and downspouts be replaced at the time of roof replacement. The estimated useful life has been adjusted to match up with the useful life of the asphalt shingles. The gutters should be cleaned at least once annually to ensure continued proper operation.

15. The unit cost shown represents the repointing of the clubhouse brick facade. The brick was observed to be in fair to good condition and repointed on an as needed basis. The brick should be regularly inspected for hazards.

16. The unit cost shown represents the removal and the replacement of the facade shingles located on the clubhouse and beach house. The shingles were observed to be in fair to good condition and replaced as needed. The shingles should be regularly inspected for hazards.

17. The lump sum cost shown represents the various styles of windows and doors located in the clubhouse and beach house. In general, the doors and windows were observed to be in fair to good condition. Some of the basement windows in the clubhouse have been boarded up and are not planned to be replaced. The windows and doors are replaced on an as needed basis.

Reserve Study

18. The lump sum cost shown represents the removal and replacement of the wood and composite deck, ramp and stairs located at eh clubhouse entrances. The deck was observed to be in good condition and replaced as needed. A water-resistant substance should be regularly applied to the wood portions.

19. The unit cost shown represents the tubular metal fence and rail surrounding the concrete stairs to the clubhouse basement. The rail was observed to be in good condition and replaced on an as needed basis.

20. The unit cost shown represents the concrete steps and landing located in the clubhouse. The concrete was observed to be in good condition and replaced on an as needed basis. The concrete should be regularly inspected for hazards.

21. The unit cost shown represents the removal and replacement of the paver walkway located around the beach house. The paver walkway was observed to be in good condition and replaced as needed. The paver walkway should be regularly inspected for hazards.

22. The unit cost shown represents removal and replacement of the concrete in the covered patio located in front of the beach house. The patio was observed to be in good condition and replaced as needed. The patio should be inspected regularly for hazards.

23. The unit cost shown represents the removal and replacement of the built in wood benches along either side of the beach house patio. The benches were observed to be in good condition and a water resistance substance should be regularly applied.

24. The unit costs shown represent the various types of flooring found in the clubhouse and beach houses. The flooring was observed to be in good condition and replaced as needed. The flooring should be regularly inspected.

25. The unit cost shown represents the removal and replacement of the stage located in the clubhouse and was observed to be in good condition. The wood should be regularly treated to extend the useful life.

26. The unit cost shown represents the removal and replacement of the drop ceilings located in the clubhouse. The drop ceilings were observed to be in good condition and replaced as needed.

27. The lump sum cost shown represents a calculated cost for the bathroom refurbishments in the clubhouse and beach house. The bathrooms were observed to be in good condition and refurbished as needed. The bathrooms should be regularly inspected for hazards.

28. The unit cost shown represents the removal and replacement of the basketball court, backstops, and poles. The court was observed to be in good condition and replaced as needed. The court should be sealcoated regularly.

29. The unit cost shown represents the replacement of the benches located at the beach and basketball court. The benches were observed to be in good condition and replaced as needed. The benches should be regularly powerwashed.

30. The unit cost shown represents the replacement of the docks located at the beach. The docks were observed from the beach to be in good condition and replaced as needed. The docks should be regularly inspected, and a UV protection should be applied regularly.

31. The unit cost shown represents the replacement of the lifeguard stand located at the beach. The lifeguard stand was observed to be in good condition and replaced as needed. A water-resistant substance should be applied to the lifeguard stand regularly.

32. The unit cost shown represents the replacement of the wood picnic tables located at the beach. The picnic tables were observed to be in fair to good condition and replaced as needed. A water-resistant substance should be regularly applied to the picnic tables.

33. The unit cost shown represents the replacement of the ping pong table located at the beach house. The ping pong table was observed to be in good condition and replaced as needed. Keep the table clean, dry, and protected when not in use.

34. The lump sum cost shown represents removal and replacement of the modular playground components (swings, tunnels, slides, platforms, activity center, and rubber boarder). The playground was recently replaced. The playground should be regularly inspected for hazards and powerwashed.

35. The lump sum cost represents the replacement of the security system including cameras. No issues were ported with the system, and it is replaced as needed.

36. The lump sum cost shown represents the removal and replacement of the hot water heater located in the clubhouse and beach house. The hot water heater should be regularly inspected for proper operation and replaced as needed.

37. The unit cost shown represents the removal and replacement of the various components of the HVAC System and replaced on an as needed basis. No issues were reported with the systems. The air filters should be inspected monthly to determine if they require replacement. Any condensate drain lines should be inspected regularly to ensure no leaks or clogs are evident. The motors should be inspected twice annually to ensure proper operation.

38. The unit cost shown represents replacement of the refrigerators located in the clubhouse and beach house. No issues were reported with the units, and they are replaced as needed.

39. The unit costs shown represent removal and replacement of the interior light fixtures (which include fluorescent lights, recessed lights, wall scones, and regular 60 w fixtures) located in the clubhouse and beach house. No issues were reported with the lighting, and they are replaced as needed. They should be regularly inspected for proper operation.

40. The unit costs shown represents removal and replacement of the exterior light fixtures (which include spotlights, wall scones and pole mounted) located in the clubhouse and beach house. No issues were reported with the lighting, and they are replaced as needed. They should be regularly inspected for proper operation.

41. The unit cost shown represents the removal and replacement of the ceiling fans located in the clubhouse and beach house. No issues were reported with the fans, and they should be regularly inspected for proper operation. The fans are replaced as needed.

42. The unit cost shown represents the removal and replacement of the electric sign located at the clubhouse. The sign was not working during the site visit. It was assumed to be a connection issue and would be addressed. The sign will be replaced as needed.

43. The unit cost shown represents the removal and replacement of the fire exit signs located in the clubhouse. No issues were reported, and the lights are replaced on an as needed basis. The lights should be regularly inspected for proper operations.

44. There are many common area components within a building that are not able to be observed. These include wiring, piping, etc. A contingency amount of $17,000 (or 5% of the total clubhouse & beach house replacement costs) has been included in this Reserve Study for the replacement of these types of components, as well as the fuses and main electrical control panel. These components should be monitored, and this contingency amount should be adjusted in the future to better represent the money that is being spent on replacements of these components.

45. The unit cost shown represents the sealcoating of the community roadways and basketball court. Typically, it is recommended that asphalt be sealcoated 2 years after pavement installation and every 5 years thereafter. However, the roadways have been set to sealcoat 3% every year.

46. The lump sum cost shown represents the annual replacement of the beach sand and was provided by Board President Scott Ghysels.

47. The unit cost shown represents the replacement of the beach house parking lot gravel. The gravel was observed to be sparse during the site visit and should be replaced as soon as funds become available.

Reserve Study

48. It is of critical importance that this Reserve Study be updated on a regular basis in order to be reflective of the changing condition of the common area components included within this report. As described within the report, it is our recommendation that this reserve study be updated in three years. The fee included reflects the approximate cost for this Study to be updated at that time.

49. Typical ongoing building and site maintenance has been included as a line item within this Reserve Study, as is now required by NJ Bill S2760. Typical building and site maintenance represents approximately 5% of the overall replacement costs of all common elements[1]. It should be noted that any components which are included in this maintenance section have been excluded from this maintenance calculation. An amount of $1,100 has been included (over the 30 year projection period), which is based on 5% of the approximately $650,000 of common area components which are NOT covered under a maintenance contract.

[1] State of New Jersey Structural Integrity/Reserve Study Legislation S2760/A4384, January 8, 2024

EXPENDITURES BY YEAR

2025	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**
2026	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**
2027	Pavement Roadway 3.33%	$280,050
	Pavement Parking Lot - Clubhouse	$46,680
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Sealcoating Asphalt Pavement, Basketball	$7,728
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$367,117**
2028	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**
2029	Pavement Roadway 3.33%	$280,050
	Roof - Clubhouse	$44,288
	Life Guard Stand	$3,700
	Clubhouse Security System	$5,000
	Hot water Heaters	$2,616
	Refrigerator	$4,712
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Reserve Study Update	$8,500
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	Gravel Replacement Beach House Parking Lot	$14,663
	TOTALS	**$396,188**
2030	Pavement Roadway 3.33%	$280,050
	Carpet, Clubhouse	$21,938
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$334,647**
2031	Pavement Roadway 3.33%	$280,050
	Bathroom Refurbishment Clubhouse	$10,000
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$322,709**
2032	Pavement Roadway 3.33%	$280,050
	Wall Sign	$2,500
	Bulletin Board	$416
	Picnic Table	$5,600
	Ping Pong Table	$450
	Split Type Air Conditioner Fukitsu AQU24RLXFZH	$3,500
	Split Type Air Conditioner Fukitsu AQU36RLXB	$11,000
	Split Type Air Conditioner Fukitsu ASU12RLF1	$2,750
	Split Type Air Conditioner Rheem SA166OAJ1NA	$8,000
	Wall-Mounted Air Conditioning Unit	$1,500
	Electric Sign	$15,000
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Sealcoating Asphalt Pavement, Basketball	$7,728
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$371,153**

Reserve Study

2033	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**
2034	Pavement Roadway 3.33%	$280,050
	Wood Retaining Wall -	$1,826
	Drop Ceiling Panels Clubhouse	$31,680
	Basketball Court	$8,010
	Bench	$6,890
	Dock	$107
	Floating Dock(Dive Platforms)	$19,590
	Fluorescent Lights	$5,580
	Ceiling Fan	$6,763
	Recessed Lights	$4,275
	Wall Sconces	$2,256
	Track Lighting Strip	$391
	Fire Exit Signs	$1,105
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Reserve Study Update	$8,500
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$409,683**
2035	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**
2036	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**
2037	Pavement Roadway 3.33%	$280,050
	4' Chainlink Fence - Club House	$16,236
	4' Chainlink Fence - Beach House	$13,776
	Brick Repointing - Clubhouse	$45,000
	Rail Fence - Clubhouse	$1,569
	Wood Flooring	$50,827
	Stage Clubhouse	$4,066
	Basketball Poles	$10,367
	Furnace System, Bard	$7,000
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Sealcoating Asphalt Pavement, Basketball	$7,728
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$469,278**
2038	Pavement Roadway 3.33%	$280,050
	Roof Shingles - Clubhouse	$11,550
	Bathroom Refurbishment Beach House	$10,000
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$334,259**

Reserve Study

2039	Pavement Roadway 3.33%	$280,050
	Asphalt Walkway, Clubhouse	$1,978
	Dumpster Concrete Pads	$2,880
	Deck and Stairs - Clubhouse	$27,000
	Concrete Steps -Clubhouse	$2,309
	Roof, Beach House	$7,150
	Gutters Beach House	$560
	Downspouts Beach House & Clubhouse	$350
	Concrete Patio, Beach House	$5,232
	Wood Benches, Beach House	$176
	Ceramic Tiles	$3,600
	Life Guard Stand	$3,700
	Clubhouse Security System	$5,000
	Hot water Heaters	$2,616
	Refrigerator	$4,712
	Wall Mounted lights	$3,532
	Pole Mounted Floodlight	$5,857
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Reserve Study Update	$8,500
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	Gravel Replacement Beach House Parking Lot	$14,663
	TOTALS	**$412,524**

2040	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**

2041	Pavement Roadway 3.33%	$280,050
	Roof - Clubhouse	$44,288
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$356,997**

2042	Pavement Roadway 3.33%	$280,050
	Paver, Walkway Beach House	$18,888
	Carpet, Clubhouse	$21,938
	Tot Lot	$35,000
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Sealcoating Asphalt Pavement, Basketball	$7,728
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$396,263**

2043	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**

2044	Pavement Roadway 3.33%	$280,050
	Dumpster Metal Gates	$500
	Siding Shingles - Clubhouse	$7,816
	Windows and Doors - Clubhouse	$30,000
	Windows and Doors, Beach House	$6,500
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Reserve Study Update	$8,500
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$366,025**

Reserve Study

2045	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**

2046	Pavement Roadway 3.33%	$280,050
	Bathroom Refurbishment Clubhouse	$10,000
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$322,709**

2047	Pavement Roadway 3.33%	$280,050
	Pavement Parking Lot - Clubhouse	$46,680
	Wall Sign	$2,500
	Bulletin Board	$416
	Picnic Table	$5,600
	Ping Pong Table	$450
	Split Type Air Conditioner Fukitsu AQU24RLXFZH	$3,500
	Split Type Air Conditioner Fukitsu AQU36RLXB	$11,000
	Split Type Air Conditioner Fukitsu ASU12RLF1	$2,750
	Split Type Air Conditioner Rheem SA166OAJ1NA	$8,000
	Wall-Mounted Air Conditioning Unit	$1,500
	Electric Sign	$15,000
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Sealcoating Asphalt Pavement, Basketball	$7,728
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$417,833**

2048	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**

2049	Pavement Roadway 3.33%	$280,050
	Life Guard Stand	$3,700
	Clubhouse Security System	$5,000
	Hot water Heaters	$2,616
	Refrigerator	$4,712
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Reserve Study Update	$8,500
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	Gravel Replacement Beach House Parking Lot	$14,663
	TOTALS	**$351,900**

2050	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**

2051	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$312,709**

2052	Pavement Roadway 3.33%	$280,050
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Sealcoating Asphalt Pavement, Basketball	$7,728
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$320,437**

Reserve Study

2053	Pavement Roadway 3.33%	$280,050
	Roof - Clubhouse	$44,288
	Bathroom Refurbishment Beach House	$10,000
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$366,997**

2054	Pavement Roadway 3.33%	$280,050
	Wood Retaining Wall -	$1,826
	Siding shingles Beach House	$21,884
	Drop Ceiling Panels Clubhouse	$31,680
	Carpet, Clubhouse	$21,938
	Basketball Court	$8,010
	Bench	$6,890
	Dock	$107
	Floating Dock(Dive Platforms)	$19,590
	Fluorescent Lights	$5,580
	Ceiling Fan	$6,763
	Recessed Lights	$4,275
	Wall Sconces	$2,256
	Track Lighting Strip	$391
	Fire Exit Signs	$1,105
	Unseen Contingency	$17,000
	Sealcoating Asphalt Pavement Roadways 3.33%	$30,059
	Reserve Study Update	$8,500
	Bldg./Site Maintenance	$1,000
	Beach Sand Replacement	$1,600
	TOTALS	**$470,505**

SUPPLEMENTARY INFORMATION

Please note that no structural or invasive engineering evaluation was performed as part of this Reserve Study and that the structural system of the building is not included as a component within the Reserve Study. Kipcon has only reviewed each observable component to estimate based on its condition the estimated remaining average useful life of that grouping of components.

Kipcon's observations as part of this project were cursory in nature as a Reserve Study is meant to be a budgetary tool only. It is recommended that a more detailed evaluation of the common element structural components be reviewed periodically. It should also be recognized that Preventive Maintenance should be included within the community budgetary planning as well as Corrective Maintenance that is observed to be required during the periodic inspections.

Kipcon takes no responsibility for the evaluation of any part of this community as the Reserve Study is for budgetary purposes only.

DISCLOSURES

In accordance with the National Reserve Study Standards of the Community Associations Institute, the following disclosures are provided regarding the preparation of this Reserve Study.

General. Kipcon Incorporated is not aware of any involvement with the Lake Community POA (Barry Lake) which could result in any actual or perceived conflicts of interest which would influence the preparation of this study.

Physical Analysis. The on-site observations which were performed in the preparation of this study were cursory in nature and only included the accessible common and limited common elements. In addition, no field measurements were taken to confirm or provide quantities unless specifically outlined within this report.

Financial Analysis. Unless specifically noted within this report, Kipcon Incorporated has not utilized any assumptions regarding interest, inflation, taxes, or any other outside economic factors.

Personnel Credentials. This study has been prepared under the direction of a Kipcon staff member who has obtained the Reserve Specialist (RS) designation from the Community Associations Institute (CAI). A comprehensive curriculum vitae can be provided on request.

Completeness. Kipcon Incorporated is not aware of any material issues which, if not disclosed, would cause a distortion of the Association's situation.

Reliance on Client Data. Information provided by the official representative of the Association regarding financial, physical, quantity, or historical issues will be deemed reliable by Kipcon Incorporated.

Replacement Costs. The replacement costs used within this study are based on commonly used cost estimation guides. They are budgetary in nature and Kipcon does not accept responsibility for replacement costs which do not match with actual replacement costs when the work is performed.

Scope. This Reserve Study will reflect information provided to Kipcon Incorporated and assembled for the Association's use, not for the purpose of performing an engineering evaluation, audit, quality/forensic analyses, or background checks of historical records.

Reserve Balance. The actual or projected total presented in this Reserve Study is based upon the information provided and was not audited.

Reserve Projects. Information provided to Kipcon Incorporated about the reserve project will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection.

Reserve Study Updates. The items which are included in the Component Inventory are based on information provided in the report being updated and are reliant on the validity of the previously developed Reserve Study. The quantities have not been confirmed by Kipcon Incorporated unless specifically noted. It is assumed that the quantities in the previously developed Reserve Study have been deemed accurate by the Association. No components have been added to or removed from the most recent Component Inventory unless specifically indicated in the Notes section of this report.

Preventive Maintenance. The art and science of proactively preserving buildings, equipment, and grounds from premature deterioration through a cyclical process of recurring inspections and key tasks. It is the method used to reduce component deterioration, resulting in no increases in costs, a reduction in the potential for accidents, and maximizing the useful life of the community asset.

GLOSSARY OF ABBREVIATIONS

Abbreviation	Definition	Abbreviation	Definition
Avg.	Average	Lg.	Long, Length
B.F.	Board Feet	L.S.	Lump Sum
Bit/Bitum.	Bituminous	Maint.	Maintenance
Bldg.	Building	Mat., Mat'l.	Material
Brk.	Brick	Max.	Maximum
Calc.	Calculated	MBF	Thousand Board Feet
C.C.F.	Hundred Cubic Feet	M.C.F.	Thousand Cubic Feet
C.F.	Cubic Feet	Min.	Minimum
C.L.F.	Hundred Lineal Feet	Misc.	Miscellaneous
Col.	Column	M.L.F.	Thousand Lineal Feet
Conc.	Concrete	M.S.F	Thousand Square Feet
Cont.	Continuous, Continued	M.S.Y.	Thousand Square Yards
C.S.F.	Hundred Square Feet	NA	Not Available/Applicable
Cu. Ft.	Cubic Feet	No.	Number
C.Y.	Cubic Yard	O.C.	On Center
DHW	Domestic Hot Water	P.E.	Professional Engineer
Diam.	Diameter	Ply.	Plywood
Ea.	Each	Pr.	Pair
Est.	Estimated	PVC	Polyvinyl Chloride
Ext.	Exterior	Pvmt.	Pavement
Fig.	Figure	Quan., Qty.	Quantity
Fin.	Finished	R.C.P.	Reinforced Concrete Pipe
Fixt.	Fixture	Reinf.	Reinforced
Flr.	Floor	Req'd	Required
FRP	Fiberglass Reinforced Plastic	Sch., Sched.	Schedule
Ft.	Foot, Feet	S.F.	Square Feet
Galv.	Galvanized	Sq.	Square
Ht.	Height	Std.	Standard
Htrs.	Heaters	S.Y.	Square Yards
HVAC	Heating, Ventilation and AC	Sys.	System
HW	Hot Water	T & G	Tongue and Groove
In.	Inch	Th., Thk.	Thick
Int.	Interior	Tot.	Total
Inst.	Installation	Unfin.	Unfinished
Insul.	Insulation	V.C.T.	Vinyl Composition Tile
lb.	Pound	Vent.	Ventilator
L.F.	Lineal Feet	Yd.	Yard

Reserve Study

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