Revised
FULL RESERVE STUDY
Lake Waynoka
Property Owners Association

Lake Waynoka, Ohio

Inspected - April 14, 2017

Revised - June 27, 2017

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Lake Waynoka Property Owners Association
Lake Waynoka, Ohio

Dear Board of Directors of Lake Waynoka Property Owners Association:

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Full Reserve Study* of Lake Waynoka Property Owners Association in Lake Waynoka, Ohio and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, April 14, 2017.

This *Full Reserve Study* exceeds the Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a "Level I Full Reserve Study."

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. We recommend the Board budget for an Update to this Reserve Study in two years. We look forward to continuing to help Lake Waynoka Property Owners Association plan for a successful future.

As part of our long-term thinking and everyday commitment to our clients, we are available to answer any questions you may have regarding this study.

Respectfully submitted on June 27, 2017 by

Reserve Advisors, Inc.

Visual Inspection and Report by: Megan C. Konecny, PRA[1], RS[2]
Review by: Alan M. Ebert, PRA, RS, Director of Quality Assurance

[1]PRA (Professional Reserve Analyst) is the professional designation of the Association of Professional Reserve Analysts. Learn more about APRA at http://www.apra-usa.com.
[2] RS (Reserve Specialist) is the reserve provider professional designation of the Community Associations Institute (CAI) representing America's more than 300,000 condominium, cooperative and homeowners associations.

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1. RESERVE STUDY EXECUTIVE SUMMARY

Client: Lake Waynoka Property Owners Association (Lake Waynoka)
Location: Lake Waynoka, Ohio
Reference: 170077

Property Basics: Lake Waynoka Property Owners Association is a 2,400 acre planned unit development with over 4,000 lots and 1,635 current members. Development of the property occurred throughout the 1970s. The Association built the Bar/Lounge Building in the 1990s, replaced the outdoor pool area in 2001 and built the Recreation Center in 2004. In addition, the Association replaced the maintenance facility building in 2010 and built the boat maintenance building in 2016.

Reserve Components Identified: 39 Lake Reserve Components, eight Roads Reserve Components, 103 Improvement Reserve Components and 16 Campground Reserve Components.

Inspection Date: April 14, 2017.

Funding Goal: The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Lake Funding Plan recognizes a critical year in 2021 due to coordinated lake and dam repairs, and partial replacement of the recreation area docks. Our recommended Roads Funding Plan recognizes a critical year after 2047, the limit of this study's Cash Flow Analysis, due to subsequent replacement of Lake Waynoka Drive and the 2008 to 2017 paved roads. Our recommended Improvement Funding Plan recognizes a critical year in 2021 due to replacement of several significant pieces of maintenance equipment and vehicles. Our recommended Campground Funding Plan recognizes a critical year in 2021 due to the proposed expansion of water and sewer pipes to additional campsites.

Cash Flow Method: We use the Cash Flow Method to compute the Reserve Funding Plan. This method offsets future variable Reserve Expenditures with existing and future stable levels of reserve funding. Our application of this method also considers:

- current and future local costs of replacement
- 1.2% annual rate of return on invested reserves
- 1.6% future Inflation Rate for estimating Future Replacement Costs

Sources for *Local* Costs of Replacement: Our proprietary database, historical costs and published sources, i.e., R.S. Means, Incorporated.

Cash Status of Lakes Reserve Fund:

- $110,317 as of March 31, 2017
- 2017 budgeted Reserve Contributions of $95,000
- A potential deficit in reserves might occur by 2020 based upon continuation of the most recent annual reserve contribution of $95,000 and the identified Reserve Expenditures.

Cash Status of Roads Reserve Fund:

- $223,603 as of March 31, 2017
- 2017 budgeted Reserve Contributions of $166,500
- A potential deficit in reserves might occur by 2020 based upon continuation of the most recent annual reserve contribution of $166,500 and the identified Reserve Expenditures.

Cash Status of Improvement Reserve Fund:

- $145,684 as of March 31, 2017
- 2017 budgeted Reserve Contributions of $161,500
- A potential deficit in reserves might occur by 2020 based upon continuation of the most recent annual reserve contribution of $161,500 and the identified Reserve Expenditures.

Cash Status of Campground Reserve Fund:

- $17,791 as of March 31, 2017
- 2017 budgeted Reserve Contributions of $70,000

Project Prioritization: We recommend the Association prioritize the following projects in the next five years based on the conditions identified:

- Lake Expenditures: Ongoing sediment removal from the lake
- Lake Expenditures: Replacement of the wood docks at Little Turtle, Hiawatha, Geronimo, Quachita and Squaw Valley
- Roads Expenditures: Repaving the remaining chip and seal gravel roads with asphalt pavement
- Improvement Expenditures: Renovation of the Lodge/Restaurant building
- Improvement Expenditures: Replacement of the plaster finish at the pools
- Improvement Expenditures: Replacement of several pieces of maintenance equipment and vehicles
- Campground Expenditures: Proposed expansion of the subsurface water and sewer pipes at additional campsites

Recommended Lake Reserve Funding: We recommend the following in order to achieve a stable and equitable Funding Plan:

- 2017 budgeted Reserve Contributions of $95,000
- Contributions of $166,000 from 2018 through 2021
- Decrease to $151,000 by 2022 due to fully funding for replacement of coordinated lake and dam repairs
- Inflationary increases through 2047, the limit of this study's Cash Flow Analysis
- Initial adjustment of $71,000 is equivalent to an increase of $43.43 in the annual contributions per member

Recommended Roads Reserve Funding: We recommend the following in order to achieve a stable and equitable Funding Plan:

- 2017 budgeted Reserve Contributions of $166,500
- Increase to $400,000 in 2018
- Inflationary increases through 2047, the limit of this study's Cash Flow Analysis
- Initial adjustment of $233,500 is equivalent to an increase of $142.81 in the annual contributions per member

Recommended Improvement Reserve Funding: We recommend the following in order to achieve a stable and equitable Funding Plan:

- 2017 budgeted Reserve Contributions of $161,500
- Contributions of $218,000 from 2018 through 2021
- Decrease to $192,000 by 2022 due to fully funding for replacement of several significant pieces of mechanical equipment and vehicles
- Inflationary increases through 2047, the limit of this study's Cash Flow Analysis

- Initial adjustment of $56,500 is equivalent to an increase of $34.56 in the annual contributions per member

Recommended Campground Reserve Funding: We recommend the following in order to achieve a stable and equitable Funding Plan:

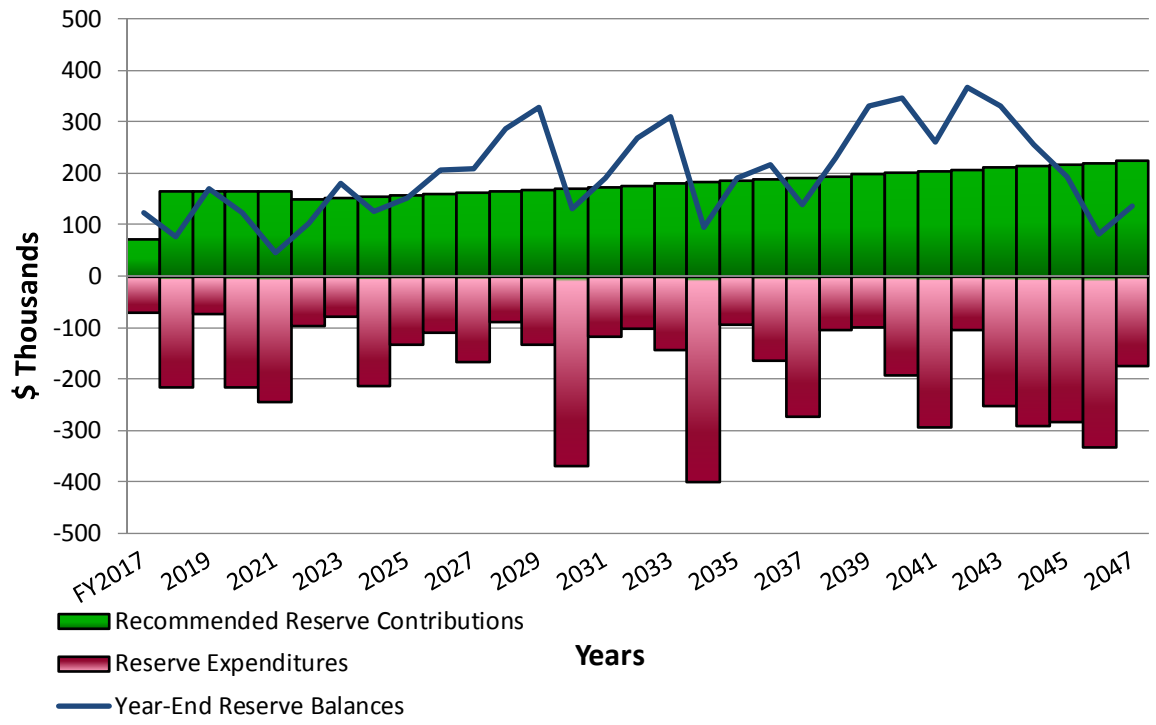
- 2017 budgeted Reserve Contributions of $70,000
- Contributions of $45,000 from 2018 through 2021
- Decrease to $38,000 by 2022 due to fully funding for the proposed expansion of water and sewer pipes to additional campgrounds
- Inflationary increases through 2047, the limit of this study's Cash Flow Analysis
- 2018 Reserve Contribution of $45,000 is equivalent to an average daily contribution of $1.09 per campsite[1]

[1] The 2018 Reserve Contribution is calculated based upon a 180 day season with an average of 230 campsites utilized daily

Lake Waynoka

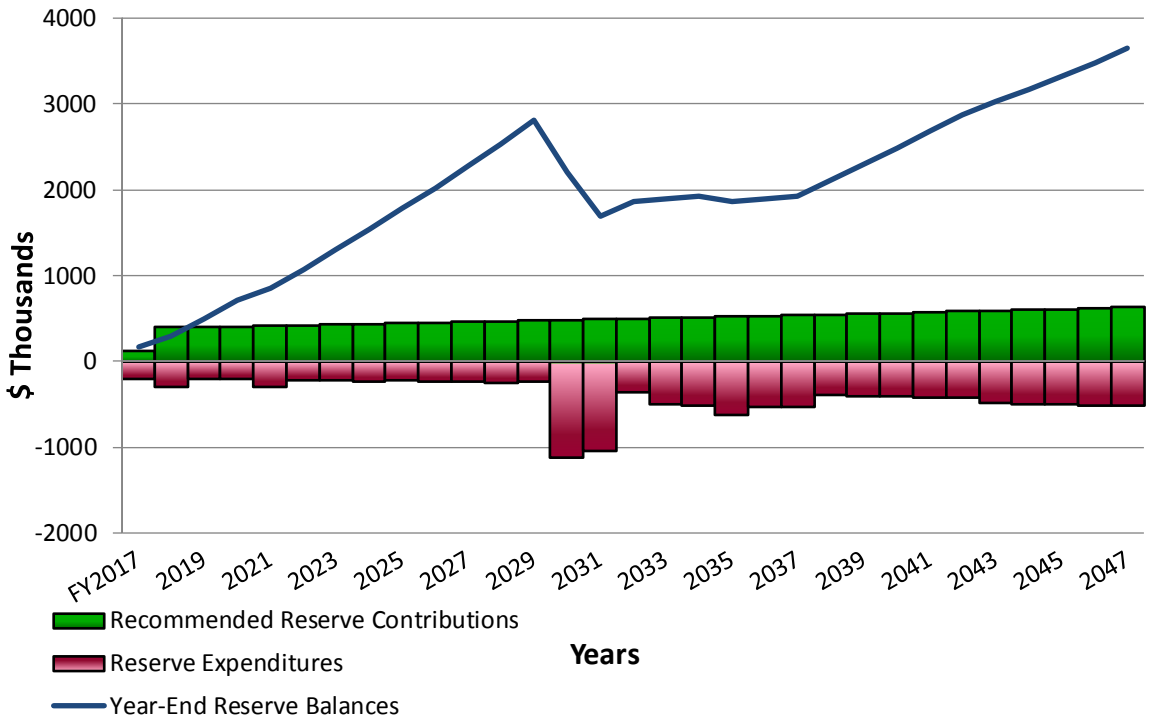
Recommended Lake Reserve Funding Table and Graph

Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2018	166,000	75,547	2028	166,100	287,430	2038	194,700	229,895
2019	166,000	170,757	2029	168,800	326,812	2039	197,800	331,787
2020	166,000	123,143	2030	171,500	132,048	2040	201,000	345,003
2021	166,000	45,067	2031	174,200	190,779	2041	204,200	260,368
2022	151,000	101,673	2032	177,000	269,143	2042	207,500	367,516
2023	153,400	179,758	2033	179,800	310,597	2043	210,800	330,461
2024	155,900	125,148	2034	182,700	95,717	2044	214,200	256,497
2025	158,400	152,361	2035	185,600	189,870	2045	217,600	192,924
2026	160,900	206,968	2036	188,600	215,945	2046	221,100	82,904
2027	163,500	207,686	2037	191,600	137,674	2047	224,600	134,930



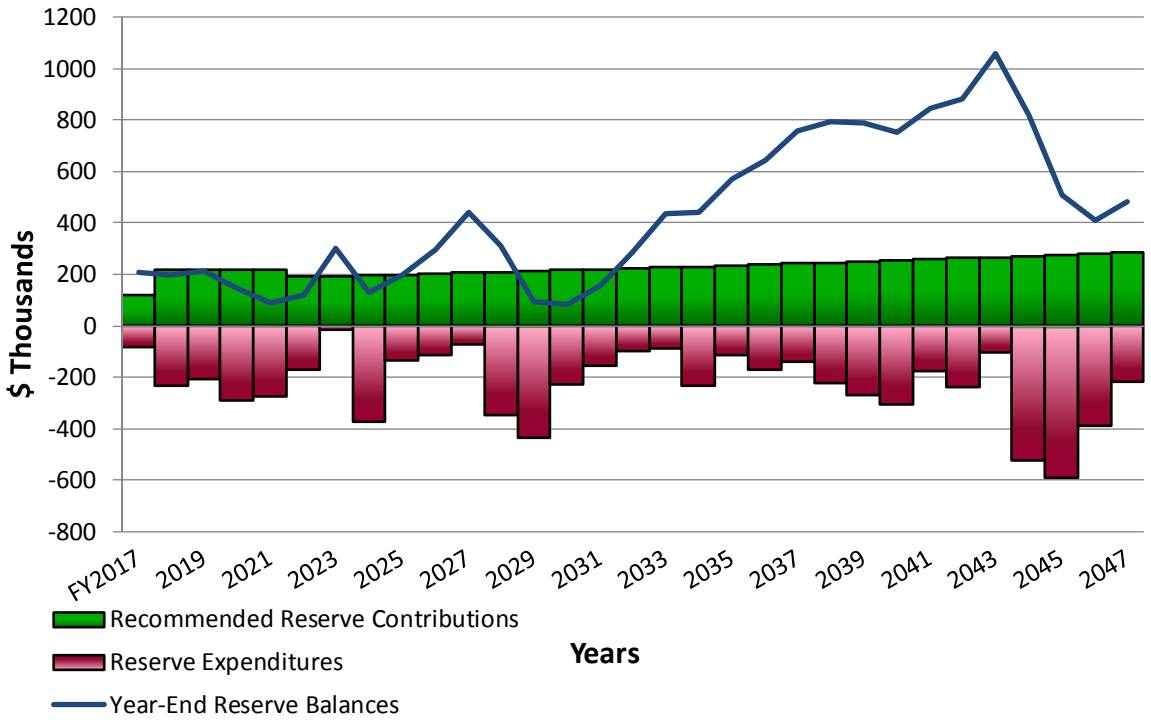
Lake Waynoka
Recommended Roads Reserve Funding Table and Graph

Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2018	400,000	290,165	2028	468,800	2,538,643	2038	549,400	2,110,099
2019	406,400	498,843	2029	476,300	2,809,591	2039	558,200	2,295,339
2020	412,900	713,305	2030	483,900	2,209,816	2040	567,100	2,485,329
2021	419,500	849,188	2031	491,600	1,691,679	2041	576,200	2,680,224
2022	426,200	1,074,562	2032	499,500	1,863,561	2042	585,400	2,880,080
2023	433,000	1,306,063	2033	507,500	1,901,615	2043	594,800	3,026,046
2024	439,900	1,536,984	2034	515,600	1,930,254	2044	604,300	3,175,531
2025	446,900	1,781,018	2035	523,800	1,861,902	2045	614,000	3,328,650
2026	454,100	2,024,592	2036	532,200	1,890,220	2046	623,800	3,485,423
2027	461,400	2,281,839	2037	540,700	1,929,554	2047	633,800	3,645,966



Lake Waynoka
Recommended Improvement Reserve Funding Table and Graph

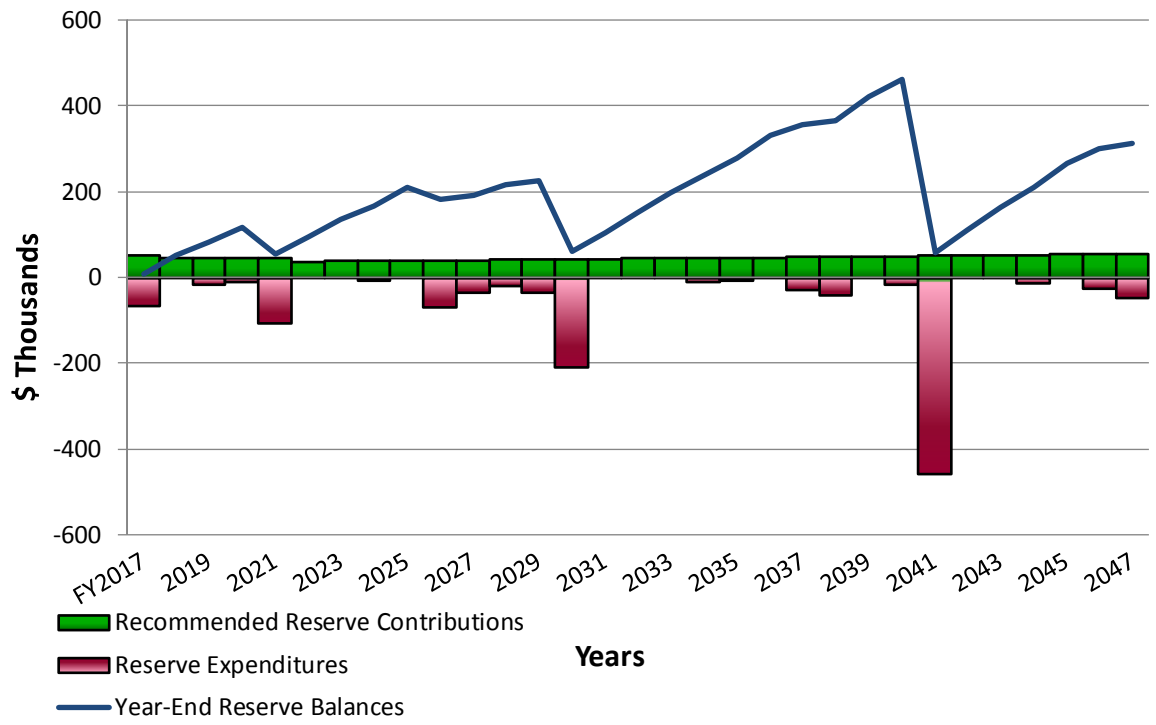
Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2018	218,000	196,784	2028	211,200	310,065	2038	247,500	793,579
2019	218,000	213,358	2029	214,600	95,112	2039	251,500	787,507
2020	218,000	146,139	2030	218,000	85,869	2040	255,500	749,641
2021	218,000	91,069	2031	221,500	154,444	2041	259,600	843,687
2022	192,000	117,593	2032	225,000	287,551	2042	263,800	882,073
2023	195,100	301,996	2033	228,600	434,082	2043	268,000	1,057,388
2024	198,200	129,069	2034	232,300	440,028	2044	272,300	818,106
2025	201,400	199,873	2035	236,000	569,270	2045	276,700	511,084
2026	204,600	296,691	2036	239,800	645,286	2046	281,100	411,042
2027	207,900	438,951	2037	243,600	759,557	2047	285,600	484,236



Lake Waynoka

Recommended Campground Reserve Funding Table and Graph

Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2018	45,000	51,885	2028	41,700	216,367	2038	48,900	366,539
2019	45,000	81,163	2029	42,400	225,105	2039	49,700	420,936
2020	45,000	116,012	2030	43,100	59,713	2040	50,500	461,138
2021	45,000	55,480	2031	43,800	104,492	2041	51,300	57,101
2022	38,000	94,374	2032	44,500	150,513	2042	52,100	110,199
2023	38,600	134,338	2033	45,200	197,790	2043	52,900	164,739
2024	39,200	166,954	2034	45,900	236,457	2044	53,700	209,156
2025	39,800	208,996	2035	46,600	279,548	2045	54,600	266,593
2026	40,400	182,517	2036	47,300	330,486	2046	55,500	300,120
2027	41,000	191,288	2037	48,100	355,203	2047	56,400	312,843



2. RESERVE STUDY REPORT

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Full Reserve Study* of

Lake Waynoka Property Owners Association
Lake Waynoka, Ohio

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, April 14, 2017.

We present our findings and recommendations in the following report sections and spreadsheets:

- **Identification of Property -** Segregates all property into several areas of responsibility for repair or replacement
- **Reserve Expenditures -** Identifies reserve components and related quantities, useful lives, remaining useful lives and future reserve expenditures during the next 30 years
- **Reserve Funding Plan -** Presents the recommended Reserve Contributions and year-end Reserve Balances for the next 30 years
- **Reserve Component Detail -** Describes the reserve components, includes photographic documentation of the condition of various property elements, describes our recommendations for repairs or replacement, and includes detailed solutions and procedures for replacements for the benefit of current and future board members
- **Methodology -** Lists the national standards, methods and procedures used to develop the Reserve Study
- **Definitions -** Contains definitions of terms used in the Reserve Study, consistent with national standards
- **Professional Service Conditions -** Describes Assumptions and Professional Service Conditions
- **Credentials and Resources**

IDENTIFICATION OF PROPERTY

Our investigation includes Reserve Components or property elements as set forth in your Declaration. The Expenditure tables in Section 3 list the elements contained in this study. Our analysis begins by segregating the property elements into several areas of responsibility for repair and replacement.

Our process of identification helps assure that future boards and the management team understand whether reserves, the operating budget or Members fund certain replacements and assists in preparation of the annual budget. We derive these segregated classes of property from our review of the information provided by the Association and through conversations with Management. These classes of property include:

- Reserve Components
- Long-Lived Property Elements
- Operating Budget Funded Repairs and Replacements
- Property Maintained by Members
- Property Maintained by Others

We advise the Board conduct an annual review of these classes of property to confirm its policy concerning the manner of funding, i.e., from reserves or the operating budget. The Reserve Study identifies Reserve Components as set forth in your Declaration or which were identified as part of your request for proposed services. Reserve Components are defined by CAI as property elements with:

- Lake Waynoka responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold

Long-Lived Property Elements may not have predictable Remaining Useful Lives or their replacement may occur beyond the 30-year scope of the study. The operating budget should fund infrequent repairs. Funding untimely or unexpected replacements from reserves will necessitate increases to Reserve Contributions. Periodic updates of this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan. We identify the following Long-Lived Property Elements as excluded from reserve funding at this time.

- Electrical Systems, Common (Excluding the Lodge/Restaurant Building)
- Foundations, Common
- Structural Frames, Common

The operating budget provides money for the repair and replacement of certain Reserve Components. The Association may develop independent criteria for use of operating and reserve funds. For purposes of calculating appropriate Reserve Contributions, we identify the following list of Operating Budget Funded Repairs and Replacements:

- General Maintenance to the Common Elements
- Expenditures less than $4,000 (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions.)
- Dam, Inspections
- Dam, Valves
- Entrance Signage, Flag Poles and Landscape
- Gravel Parking Areas
- Interior Building Elements, Art, Decorations, Plants, Mirrors, Etc.
- Interiors, Pump House
- Kitchen Equipment, Lodge/Restaurant Storage Shed
- Kitchen Equipment, Small Appliances
- Landscape
- Leased Office Equipment
- Light Fixtures and Poles, Front Gate and Parking Areas
- Maintenance and Boat Maintenance Buildings, Interior and Building Services Elements
- Maintenance Equipment, Hand Held Tools and Small Equipment
- Paint Finishes, Interior
- Paint Finishes, Touch Up
- Pipes, Interior Building, Domestic Water and Sanitary Waste, Common
- Playground Equipment (At the Request of Management)
- Rest Room Buildings, Docks and Picnic Areas
- Software Updates
- Virtual Servers

- Other Repairs normally funded through the Operating Budget

Certain items have been designated as the responsibility of the members to repair or replace at their cost. Property Maintained by Members, including items billed back to Members, relates to unit:

- Homes and Lots (Including Lake Shorelines)

Certain items have been designated as the responsibility of others to repair or replace. Property Maintained by Others relates to:

- Chapel (Lake Waynoka Community Chapel)
- Marina Equipment, Boats, Merchandise, Etc. (Private Commercial Owner)
- Sewer and Water Services, Including reservoir (Waynoka Regional Water and Sewer District)
- Water Tower (Waynoka Regional Water and Sewer District)

3. RESERVE EXPENDITURES and FUNDING PLAN

The tables following this introduction present:

Reserve Expenditures

- Line item numbers
- Total quantities
- Quantities replaced per phase (in a single year)
- Reserve component inventory
- Estimated first year of event (i.e., replacement, application, etc.)
- Life analysis showing
  - useful life
  - remaining useful life
- Unit cost of replacement
- 2017 local cost of replacement
- Total future costs of replacement anticipated during the next 30 years
- Schedule of estimated future costs for each reserve component including inflation

Reserve Funding Plan

- Reserves at the beginning of each year
- Total recommended reserve contributions
- Estimated interest earned from invested reserves
- Anticipated expenditures by year
- Anticipated reserves at year end
- Predicted reserves based on current funding level

Financial statements prepared by your association, by you or others might rely in part on information contained in this section. For your convenience, we have provided an electronic data file containing the tables of ***Reserve Expenditures*** and ***Reserve Funding Plan***.

Lake

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Explanatory Notes:

1) 1.6% is the estimated future Inflation Rate for estimating Future Replacement Costs.
2) FY2017 is Fiscal Year beginning January 1, 2017 and ending December 31, 2017.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	RUL = 0 FY2017	1 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027	11 2028	12 2029	13 2030	14 2031	15 2032
				Beach Elements																							
1.003	300	**300**	Square Feet	Docks, Wood	2020	to 25	3	40.00	12,000	12,000	**31,301**				12,585												
1.006	1	**1**	Allowance	Pavilion, Renovation (Incl. Site Furniture)	2027	to 20	10	20,000.00	20,000	20,000	**55,640**											23,441					
1.009	1	**1**	Allowance	Rest Room Building, Exterior Walls, Capital Repairs	2018	to 10	1	5,000.00	5,000	5,000	**18,012**		5,080										5,954				
1.012	1	**1**	Allowance	Rest Room Building, Plumbing Fixtures (Incl. Partitions)	2018	to 25	1	16,800.00	16,800	16,800	**42,452**		17,069														
1.015	22	**22**	Squares	Rest Room Building, Roof Assembly, Asphalt Shingles	2032	to 20	15	450.00	9,900	9,900	**12,561**																12,561
1.018	7	**7**	Each	Umbrellas, Metal	2034	15 to 20	17	6,000.00	42,000	42,000	**55,010**																
				Marina Elements																							
1.021	1	**1**	Allowance	Boat House, Renovation	2036	to 20	19	3,000.00	3,000	3,000	**4,056**																
1.024	1	**1**	Allowance	Boat Launch, Concrete	2018	to 45	1	40,000.00	40,000	40,000	**40,640**		40,640														
1.027	450	**450**	Square Feet	Docks, Wood, Boat Launch	2022	to 25	5	40.00	18,000	18,000	**48,466**						19,487										
1.030	2,200	**2,200**	Square Feet	Docks, Wood, Marina Slips	2037	to 25	20	40.00	88,000	88,000	**120,881**																
1.033	2	**2**	Each	Fuel Dispensers	2020	to 25	3	12,000.00	24,000	24,000	**62,602**				25,171												
1.036	1	**1**	Each	Marina Building, Building Services, Split System	2027	15 to 20	10	4,000.00	4,000	4,000	**10,927**											4,688					
1.039	1	**1**	Allowance	Marina Building, Exterior Walls, Capital Repairs (Incl. Windows and Doors)	2020	to 10	3	7,000.00	7,000	7,000	**26,029**				7,341										8,604		
1.042	1	**1**	Allowance	Marina Building, Interior Renovation	2020	to 20	3	15,000.00	15,000	15,000	**37,342**				15,732												
1.045	2	**2**	Each	Marina Building, Overhead Doors	2025	to 25	8	3,500.00	7,000	7,000	**7,948**									7,948							
1.048	23	**23**	Squares	Marina Building, Roof Assembly, Asphalt Shingles	2020	to 20	3	450.00	10,350	10,350	**25,766**				10,855												
1.054	1	**1**	Each	Patrol Boat	2036	15 to 20	19	15,000.00	15,000	15,000	**20,280**																
1.057	1	**1**	Each	Patrol Boat, Motor, 60-HP	2021	to 5	4	8,000.00	8,000	8,000	**52,131**					8,524					9,229					9,991	
				Lake and Dam Elements																							
1.063	1	**1**	Allowance	Dam, Capital Repairs	2021	to 4	4	10,000.00	10,000	10,000	**90,968**					10,656				11,354				12,098			
1.066	1	**1**	Allowance	Dam, Spillway and Walls, Concrete, Partial	2021	to 4	4	30,000.00	30,000	30,000	**272,907**					31,967				34,062				36,295			
1.069	1	**1**	Allowance	Lake, Erosion Control, Rip Rap, Replenishment, Common Areas	2018	to 1	1	10,000.00	10,000	10,000	**387,315**	10,160	10,323	10,488	10,656	10,826	10,999	11,175	11,354	11,536	11,720	11,908	12,098	12,292	12,489	12,688
1.072	6	**1**	Allowance	Lake, Sediment Removal, Phased	2018	to 6	1 to 6	50,000.00	50,000	300,000	**1,936,578**	50,800	51,613	52,439	53,278	54,130	54,996	55,876	56,770	57,678	58,601	59,539	60,492	61,459	62,443	63,442
1.075	2	**2**	Each	Sediment Removal Equipment, Boats, Motors, 60-HP	2021	to 5	4	8,000.00	16,000	16,000	**125,892**					17,049					18,457					19,982	
1.078	2	**1**	Each	Sediment Removal Equipment, Excavators, Phased (Purchased Used)	2020	10 to 15	3 to 10	35,000.00	35,000	70,000	**174,799**				36,707							41,021					
1.081	1	**1**	Allowance	Sediment Removal Equipment, Platform, Boats and Barges	2024	to 10	7	120,000.00	120,000	120,000	**475,484**							134,103									
				Dock and Picnic Area Elements																							
1.084	1	**1**	Allowance	Docks, Wood, Capital Repairs (Incl. Marina Docks)	2018	to 1	1	10,000.00	10,000	10,000	**387,315**	10,160	10,323	10,488	10,656	10,826	10,999	11,175	11,354	11,536	11,720	11,908	12,098	12,292	12,489	12,688
1.087	1,600	**1,600**	Square Feet	Docks, Wood, Little Turtle	2018	to 25	1	40.00	64,000	64,000	**161,722**	65,024															
1.090	300	**300**	Square Feet	Docks, Wood, Kiddie Corral	2027	to 25	10	40.00	12,000	12,000	**14,064**											14,064					
1.093	770	**770**	Square Feet	Docks, Wood, Tomahawk	2040	to 25	23	40.00	30,800	30,800	**44,372**																
1.096	960	**960**	Square Feet	Docks, Wood, Little Crow	2034	to 25	17	40.00	38,400	38,400	**50,295**																
1.099	800	**800**	Square Feet	Docks, Wood, Hiawatha	2020	to 25	3	40.00	32,000	32,000	**83,469**				33,561												

Lake

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	16 2033	17 2034	18 2035	19 2036	20 2037	21 2038	22 2039	23 2040	24 2041	25 2042	26 2043	27 2044	28 2045	29 2046	30 2047
				Beach Elements																						
1.003	300	**300**	Square Feet	Docks, Wood	2020	to 25	3	40.00	12,000	12,000	**31,301**													18,716		
1.006	1	**1**	Allowance	Pavilion, Renovation (Incl. Site Furniture)	2027	to 20	10	20,000.00	20,000	20,000	**55,640**															32,199
1.009	1	**1**	Allowance	Rest Room Building, Exterior Walls, Capital Repairs	2018	to 10	1	5,000.00	5,000	5,000	**18,012**						6,978									
1.012	1	**1**	Allowance	Rest Room Building, Plumbing Fixtures (Incl. Partitions)	2018	to 25	1	16,800.00	16,800	16,800	**42,452**											25,383				
1.015	22	**22**	Squares	Rest Room Building, Roof Assembly, Asphalt Shingles	2032	to 20	15	450.00	9,900	9,900	**12,561**															
1.018	7	**7**	Each	Umbrellas, Metal	2034	15 to 20	17	6,000.00	42,000	42,000	**55,010**		55,010													
				Marina Elements																						
1.021	1	**1**	Allowance	Boat House, Renovation	2036	to 20	19	3,000.00	3,000	3,000	**4,056**				4,056											
1.024	1	**1**	Allowance	Boat Launch, Concrete	2018	to 45	1	40,000.00	40,000	40,000	**40,640**															
1.027	450	**450**	Square Feet	Docks, Wood, Boat Launch	2022	to 25	5	40.00	18,000	18,000	**48,466**															28,979
1.030	2,200	**2,200**	Square Feet	Docks, Wood, Marina Slips	2037	to 25	20	40.00	88,000	88,000	**120,881**					120,881										
1.033	2	**2**	Each	Fuel Dispensers	2020	to 25	3	12,000.00	24,000	24,000	**62,602**													37,431		
1.036	1	**1**	Each	Marina Building, Building Services, Split System	2027	15 to 20	10	4,000.00	4,000	4,000	**10,927**													6,239		
1.039	1	**1**	Allowance	Marina Building, Exterior Walls, Capital Repairs (Incl. Windows and Doors)	2020	to 10	3	7,000.00	7,000	7,000	**26,029**								10,084							
1.042	1	**1**	Allowance	Marina Building, Interior Renovation	2020	to 20	3	15,000.00	15,000	15,000	**37,342**								21,610							
1.045	2	**2**	Each	Marina Building, Overhead Doors	2025	to 25	8	3,500.00	7,000	7,000	**7,948**															
1.048	23	**23**	Squares	Marina Building, Roof Assembly, Asphalt Shingles	2020	to 20	3	450.00	10,350	10,350	**25,766**								14,911							
1.054	1	**1**	Each	Patrol Boat	2036	15 to 20	19	15,000.00	15,000	15,000	**20,280**				20,280											
1.057	1	**1**	Each	Patrol Boat, Motor, 60-HP	2021	to 5	4	8,000.00	8,000	8,000	**52,131**									11,710					12,677	
				Lake and Dam Elements																						
1.063	1	**1**	Allowance	Dam, Capital Repairs	2021	to 4	4	10,000.00	10,000	10,000	**90,968**	12,891				13,736				14,637				15,596		
1.066	1	**1**	Allowance	Dam, Spillway and Walls, Concrete, Partial	2021	to 4	4	30,000.00	30,000	30,000	**272,907**	38,674				41,209				43,911				46,789		
1.069	1	**1**	Allowance	Lake, Erosion Control, Rip Rap, Replenishment, Common Areas	2018	to 1	1	10,000.00	10,000	10,000	**387,315**	12,891	13,098	13,307	13,520	13,736	13,956	14,180	14,406	14,637	14,871	15,109	15,351	15,596	15,846	16,099
1.072	6	**1**	Allowance	Lake, Sediment Removal, Phased	2018	to 6	1 to 6	50,000.00	50,000	300,000	**1,936,578**	64,457	65,488	66,536	67,601	68,682	69,781	70,898	72,032	73,184	74,355	75,545	76,754	77,982	79,230	80,497
1.075	2	**2**	Each	Sediment Removal Equipment, Boats, Motors, 60-HP	2021	to 5	4	8,000.00	16,000	16,000	**125,892**				21,632					23,419					25,353	
1.078	2	**1**	Each	Sediment Removal Equipment, Excavators, Phased (Purchased Used)	2020	10 to 15	3 to 10	35,000.00	35,000	70,000	**174,799**		45,842							51,229						
1.081	1	**1**	Allowance	Sediment Removal Equipment, Platform, Boats and Barges	2024	to 10	7	120,000.00	120,000	120,000	**475,484**		157,172										184,209			
				Dock and Picnic Area Elements																						
1.084	1	**1**	Allowance	Docks, Wood, Capital Repairs (Incl. Marina Docks)	2018	to 1	1	10,000.00	10,000	10,000	**387,315**	12,891	13,098	13,307	13,520	13,736	13,956	14,180	14,406	14,637	14,871	15,109	15,351	15,596	15,846	16,099
1.087	1,600	**1,600**	Square Feet	Docks, Wood, Little Turtle	2018	to 25	1	40.00	64,000	64,000	**161,722**											96,698				
1.090	300	**300**	Square Feet	Docks, Wood, Kiddie Corral	2027	to 25	10	40.00	12,000	12,000	**14,064**															
1.093	770	**770**	Square Feet	Docks, Wood, Tomahawk	2040	to 25	23	40.00	30,800	30,800	**44,372**								44,372							
1.096	960	**960**	Square Feet	Docks, Wood, Little Crow	2034	to 25	17	40.00	38,400	38,400	**50,295**		50,295													
1.099	800	**800**	Square Feet	Docks, Wood, Hiawatha	2020	to 25	3	40.00	32,000	32,000	**83,469**													49,908		

Lake

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Explanatory Notes:

1) 1.6% is the estimated future Inflation Rate for estimating Future Replacement Costs.
2) FY2017 is Fiscal Year beginning January 1, 2017 and ending December 31, 2017.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	RUL = 0 FY2017	1 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027	11 2028	12 2029	13 2030	14 2031	15 2032
1.102	1,000	**1,000**	Square Feet	Docks, Wood, Geronimo	2021	to 25	4	40.00	40,000	40,000	**106,006**					42,622										
1.105	2,480	**2,480**	Square Feet	Docks, Wood, Pontiac (Incl. Light Fixtures and Poles)	2030	to 25	13	45.00	111,600	111,600	**137,177**													137,177		
1.108	1,400	**1,400**	Square Feet	Docks, Wood, Quachita	2021	to 25	4	40.00	56,000	56,000	**148,408**					59,671										
1.111	770	**770**	Square Feet	Docks, Wood, Little Chief	2041	to 25	24	40.00	30,800	30,800	**45,082**															
1.114	2,480	**2,480**	Square Feet	Docks, Wood, Red Cloud (Incl. Light Fixtures and Poles)	2030	to 25	13	45.00	111,600	111,600	**137,177**													137,177		
1.117	400	**400**	Square Feet	Docks, Wood, Squaw Valley	2018	to 25	1	40.00	16,000	16,000	**40,430**		16,256													
1.120	1	**1**	Allowance	Pavilions, Renovation, Little Turtle (Incl. Site Furniture)	2046	to 30	29	20,000.00	20,000	20,000	**31,692**															
1.123	1	**1**	Allowance	Pavilions, Renovation, Kiddie Corral (Incl. Site Furniture)	2036	to 20	19	18,000.00	18,000	18,000	**24,336**															
		1	Allowance	2017 Reserve Expenditures	2017	N/A	0	70,000	70,000	70,000	**70,000**	70,000														
				Anticipated Expenditures, By Year							**$5,617,532**	70,000	215,189	72,259	215,367	245,079	95,269	76,994	212,329	132,842	108,436	165,255	89,309	133,081	369,001	117,394	101,379

Lake

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	16 2033	17 2034	18 2035	19 2036	20 2037	21 2038	22 2039	23 2040	24 2041	25 2042	26 2043	27 2044	28 2045	29 2046	30 2047
1.102	1,000	**1,000**	Square Feet	Docks, Wood, Geronimo	2021	to 25	4	40.00	40,000	40,000	**106,006**														63,384	
1.105	2,480	**2,480**	Square Feet	Docks, Wood, Pontiac (Incl. Light Fixtures and Poles)	2030	to 25	13	45.00	111,600	111,600	**137,177**															
1.108	1,400	**1,400**	Square Feet	Docks, Wood, Quachita	2021	to 25	4	40.00	56,000	56,000	**148,408**														88,737	
1.111	770	**770**	Square Feet	Docks, Wood, Little Chief	2041	to 25	24	40.00	30,800	30,800	**45,082**									45,082						
1.114	2,480	**2,480**	Square Feet	Docks, Wood, Red Cloud (Incl. Light Fixtures and Poles)	2030	to 25	13	45.00	111,600	111,600	**137,177**															
1.117	400	**400**	Square Feet	Docks, Wood, Squaw Valley	2018	to 25	1	40.00	16,000	16,000	**40,430**											24,174				
1.120	1	**1**	Allowance	Pavilions, Renovation, Little Turtle (Incl. Site Furniture)	2046	to 30	29	20,000.00	20,000	20,000	**31,692**														31,692	
1.123	1	**1**	Allowance	Pavilions, Renovation, Kiddie Corral (Incl. Site Furniture)	2036	to 20	19	18,000.00	18,000	18,000	**24,336**				24,336											
		1	Allowance	2017 Reserve Expenditures	2017	N/A	0	70,000	70,000	70,000	**70,000**															
				Anticipated Expenditures, By Year							**$5,617,532**	141,804	400,003	93,150	164,945	271,980	104,671	99,258	191,821	292,446	104,097	252,018	291,665	283,853	332,765	173,873

RESERVE FUNDING PLAN

Lake

CASH FLOW ANALYSIS

Lake Waynoka

Property Owners Association

Lake Waynoka, Ohio

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Reserves at Beginning of Year (Note 1)	110,317	123,549	75,547	170,757	123,143	45,067	101,673	179,758	125,148	152,361	206,968	207,686	287,430	326,812	132,048	190,779
	Total Recommended Reserve Contributions (Note 2)	**71,250**	**166,000**	**166,000**	**166,000**	**166,000**	**151,000**	**153,400**	**155,900**	**158,400**	**160,900**	**163,500**	**166,100**	**168,800**	**171,500**	**174,200**	**177,000**
Plus	**Estimated Interest Earned, During Year (Note 3)**	11,982	1,187	1,469	1,753	1,003	875	1,679	1,819	1,655	2,143	2,473	2,953	3,663	2,737	1,925	2,743
Less	**Anticipated Expenditures, By Year**	(70,000)	(215,189)	(72,259)	(215,367)	(245,079)	(95,269)	(76,994)	(212,329)	(132,842)	(108,436)	(165,255)	(89,309)	(133,081)	(369,001)	(117,394)	(101,379)
	Anticipated Reserves at Year End	$123,549	$75,547	$170,757	$123,143	$45,067	$101,673	$179,758	$125,148	$152,361	$206,968	$207,686	$287,430	$326,812	$132,048	$190,779	$269,143
						(NOTE 5)											
	Predicted Reserves based on 2017 funding level of: $95,000	123,549	4,121	27,048	(93,717)	(245,821)											

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
	Reserves at Beginning of Year	269,143	310,597	95,717	189,870	215,945	137,674	229,895	331,787	345,003	260,368	367,516	330,461	256,497	192,924	82,904
	Total Recommended Reserve Contributions	**179,800**	**182,700**	**185,600**	**188,600**	**191,600**	**194,700**	**197,800**	**201,000**	**204,200**	**207,500**	**210,800**	**214,200**	**217,600**	**221,100**	**224,600**
Plus	**Estimated Interest Earned, During Year**	3,458	2,423	1,703	2,420	2,109	2,192	3,350	4,037	3,611	3,745	4,163	3,501	2,680	1,645	1,299
Less	**Anticipated Expenditures, By Year**	(141,804)	(400,003)	(93,150)	(164,945)	(271,980)	(104,671)	(99,258)	(191,821)	(292,446)	(104,097)	(252,018)	(291,665)	(283,853)	(332,765)	(173,873)
	Anticipated Reserves at Year End	$310,597	$95,717	$189,870	$215,945	$137,674	$229,895	$331,787	$345,003	$260,368	$367,516	$330,461	$256,497	$192,924	$82,904	$134,930
																(NOTE 4)

Explanatory Notes:

1) Year 2017 starting reserves are as of March 31, 2017; FY2017 starts January 1, 2017 and ends December 31, 2017.

2) Reserve Contributions for 2017 are the remaining budgeted 9 annuals; 2018 is the first year of recommended contributions.

3) 1.2% is the estimated annual rate of return on invested reserves; 2017 is a partial year of interest earned.

4) Accumulated year 2047 ending reserves consider the need to fund for ongoing maintenance of the lake and subsequent dock replacements shortly after 2047, and the age, size, overall condition and complexity of the property.

5) Threshold Funding Year (reserve balance at critical point).

Roads

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Years 2017 to 2032

Explanatory Notes:

1) **1.6%** **is the estimated future Inflation Rate for estimating Future Replacement Costs.**
2) **FY2017 is Fiscal Year beginning January 1, 2017 and ending December 31, 2017.**

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Years Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	RUL = 0 FY2017	1 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027	11 2028	12 2029	13 2030	14 2031	15 2032
2.003	200	**7**	Each	Culverts, Phased	2018	30 to 40	1 to 30	3,500.00	23,345	700,000	**904,190**		23,719	24,098	24,484	24,875	25,273	25,678	26,089	26,506	26,930	27,361	27,799	28,243	28,695	29,155	29,621
2.006	630,500	**157,625**	Square Yards	Pavement, Asphalt, Crack Repair and Patch, Phased	2018	3 to 5	1 to 4	0.50	78,813	315,250	**2,340,879**		80,074			83,979			88,075		90,916		93,848		96,875		100,000
2.009	117,300	**58,650**	Square Yards	Pavement, Asphalt, Mill and Overlay, Lake Waynoka Drive, Phased	2030	to 25	13 to 14	12.00	703,800	1,407,600	**1,744,046**														865,102	878,944	
2.012	149,500	**14,950**	Square Yards	Pavement, Asphalt, Mill and Overlay, Existing Paved Roads 2008-2017, Phased (Excl. Lake Waynoka Dr.)	2033	to 25	16 to 25	12.00	179,400	1,794,000	**2,486,537**																
2.015	363,700	**18,185**	Square Yards	Pavement, Asphalt, Mill and Overlay, Proposed Paved Roads 2018-2037, Phased	2043	to 25	26 to 30+	12.00	218,220	4,364,400	**1,702,149**																
2.021	363,700	**60,617**	Square Yards	Pavement, Gravel, Chip and Seal, Maintain Existing Pavement, Phased	2018	to 6	1 to 6	1.20	72,740	436,440	**906,479**		73,904	75,086	76,288	77,508	78,748	80,008		82,589		85,253		88,003			92,295
2.024	363,700	**18,185**	Square Yards	Pavement, Gravel, Chip and Seal, Overlay with Asphalt Pavement, PROPOSED, Phased	2018	to 20	1 to 20	5.50	100,018	2,000,350	**2,373,054**		101,618	103,244	104,896	106,574	108,279	110,012	111,772	113,560	115,377	117,223	119,099	121,004	122,940	124,907	126,906
2.027	200	**67**	Each	Signage, Street Signs, Phased	2018	15 to 20	1 to 3	115.00	7,667	23,000	**38,401**		7,790														
		1	Allowance	2017 Reserve Expenditures	2017	N/A	0	194,375	194,375	194,375	**194,375**	194,375															
				Anticipated Expenditures, By Year							**$12,690,110**	194,375	287,105	202,428	205,668	292,936	212,300	215,698	225,936	222,655	233,223	229,837	240,746	237,250	1,113,612	1,033,006	348,822

Roads

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	16 2033	17 2034	18 2035	19 2036	20 2037	21 2038	22 2039	23 2040	24 2041	25 2042	26 2043	27 2044	28 2045	29 2046	30 2047
						Costs, $																				
2.003	200	**7**	Each	Culverts, Phased	2018	30 to 40	1 to 30	3,500.00	23,345	700,000	**904,190**	30,095	30,576	31,066	31,563	32,068	32,581	33,102	33,632	34,170	34,717	35,272	35,836	36,410	36,992	37,584
2.006	630,500	**157,625**	Square Yards	Pavement, Asphalt, Crack Repair and Patch, Phased	2018	3 to 5	1 to 4	0.50	78,813	315,250	**2,340,879**	101,600	103,226	104,877	106,555	108,260	109,992	111,752	113,540	115,357	117,203	119,078	120,983	122,919	124,886	126,884
2.009	117,300	**58,650**	Square Yards	Pavement, Asphalt, Mill and Overlay, Lake Waynoka Drive, Phased	2030	to 25	13 to 14	12.00	703,800	1,407,600	**1,744,046**															
2.012	149,500	**14,950**	Square Yards	Pavement, Asphalt, Mill and Overlay, Existing Paved Roads 2008-2017, Phased (Excl. Lake Waynoka Dr.)	2033	to 25	16 to 25	12.00	179,400	1,794,000	**2,486,537**	231,271	234,972	238,731	242,551	246,432	250,375	254,381	258,451	262,586	266,787					
2.015	363,700	**18,185**	Square Yards	Pavement, Asphalt, Mill and Overlay, Proposed Paved Roads 2018-2037, Phased	2043	to 25	26 to 30+	12.00	218,220	4,364,400	**1,702,149**											329,709	334,984	340,344	345,790	351,322
2.021	363,700	**60,617**	Square Yards	Pavement, Gravel, Chip and Seal, Maintain Existing Pavement, Phased	2018	to 6	1 to 6	1.20	72,740	436,440	**906,479**			96,797												
2.024	363,700	**18,185**	Square Yards	Pavement, Gravel, Chip and Seal, Overlay with Asphalt Pavement, PROPOSED, Phased	2018	to 20	1 to 20	5.50	100,018	2,000,350	**2,373,054**	128,936	130,999	133,095	135,225	137,388										
2.027	200	**67**	Each	Signage, Street Signs, Phased	2018	15 to 20	1 to 3	115.00	7,667	23,000	**38,401**		10,042	10,203	10,366											
		1	Allowance	2017 Reserve Expenditures	2017	N/A	0	194,375	194,375	194,375	**194,375**															
				Anticipated Expenditures, By Year							**$12,690,110**	491,902	509,815	614,769	526,260	524,148	392,948	399,235	405,623	412,113	418,707	484,059	491,803	499,673	507,668	515,790

RESERVE FUNDING PLAN

Roads

CASH FLOW ANALYSIS

Lake Waynoka

Property Owners Association

Lake Waynoka, Ohio

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Reserves at Beginning of Year (Note 1)	223,603	174,499	290,165	498,843	713,305	849,188	1,074,562	1,306,063	1,536,984	1,781,018	2,024,592	2,281,839	2,538,643	2,809,591	2,209,816	1,691,679
	Total Recommended Reserve Contributions (Note 2)	**124,875**	**400,000**	**406,400**	**412,900**	**419,500**	**426,200**	**433,000**	**439,900**	**446,900**	**454,100**	**461,400**	**468,800**	**476,300**	**483,900**	**491,600**	**499,500**
Plus	**Estimated Interest Earned, During Year (Note 3)**	20,396	2,771	4,706	7,230	9,319	11,474	14,199	16,957	19,789	22,697	25,684	28,750	31,898	29,937	23,269	21,204
Less	**Anticipated Expenditures, By Year**	(194,375)	(287,105)	(202,428)	(205,668)	(292,936)	(212,300)	(215,698)	(225,936)	(222,655)	(233,223)	(229,837)	(240,746)	(237,250)	(1,113,612)	(1,033,006)	(348,822)
	Anticipated Reserves at Year End	$174,499	$290,165	$498,843	$713,305	$849,188	$1,074,562	$1,306,063	$1,536,984	$1,781,018	$2,024,592	$2,281,839	$2,538,643	$2,809,591	$2,209,816	$1,691,679	$1,863,561
	Predicted Reserves based on 2017 funding level of: $166,500	174,499	55,264	19,784	(19,382)	(146,809)											

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
	Reserves at Beginning of Year	1,863,561	1,901,615	1,930,254	1,861,902	1,890,220	1,929,554	2,110,099	2,295,339	2,485,329	2,680,224	2,880,080	3,026,046	3,175,531	3,328,650	3,485,423
	Total Recommended Reserve Contributions	**507,500**	**515,600**	**523,800**	**532,200**	**540,700**	**549,400**	**558,200**	**567,100**	**576,200**	**585,400**	**594,800**	**604,300**	**614,000**	**623,800**	**633,800**
Plus	**Estimated Interest Earned, During Year**	22,456	22,854	22,617	22,378	22,782	24,093	26,275	28,513	30,808	33,163	35,225	36,988	38,792	40,641	42,533
Less	**Anticipated Expenditures, By Year**	(491,902)	(509,815)	(614,769)	(526,260)	(524,148)	(392,948)	(399,235)	(405,623)	(412,113)	(418,707)	(484,059)	(491,803)	(499,673)	(507,668)	(515,790)
	Anticipated Reserves at Year End	$1,901,615	$1,930,254	$1,861,902	$1,890,220	$1,929,554	$2,110,099	$2,295,339	$2,485,329	$2,680,224	$2,880,080	$3,026,046	$3,175,531	$3,328,650	$3,485,423	$3,645,966
																(NOTE 4)

Explanatory Notes:

1) Year 2017 starting reserves are as of March 31, 2017; FY2017 starts January 1, 2017 and ends December 31, 2017.

2) Reserve Contributions for 2017 are the remaining budgeted 9 annuals; 2018 is the first year of recommended contributions.

3) 1.2% is the estimated annual rate of return on invested reserves; 2017 is a partial year of interest earned.

4) Accumulated year 2047 ending reserves consider the need to fund for replacement of the Lake Waynoka Drive pavement shortly after 2047, and the age, size, overall condition and complexity of the property.

Improvement

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Explanatory Notes:

1) 1.6% is the estimated future Inflation Rate for estimating Future Replacement Costs.

2) FY2017 is Fiscal Year beginning January 1, 2017 and ending December 31, 2017.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Life Analysis, Years Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	RUL = 0 FY2017	1 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027	11 2028	12 2029	13 2030	14 2031	15 2032
				Security Elements																							
3.003	1	1	Each	Gates, Emergency Generator	2034	15 to 20	17	5,000.00	5,000	5,000	6,549																
3.006	1	1	Allowance	Gates, RFID Entry System (Incl. Computer)	2026	to 10	9	8,000.00	8,000	8,000	32,722										9,229						
3.009	6	6	Each	Gates, Swing Arms and Operators	2026	to 10	9	4,000.00	24,000	24,000	98,164										27,686						
3.012	2	1	Each	Patrol Vehicles, Phased	2021	to 10	4 to 9	35,000.00	35,000	70,000	275,389					37,294					40,375					43,710	
3.015	1	1	Each	Security Building, Building Services, Split System	2027	15 to 20	10	4,000.00	4,000	4,000	10,927											4,688					
3.018	1	1	Allowance	Security Building, Exterior Walls, Vinyl Siding (Incl. Windows and Doors)	2047	to 40	30	9,000.00	9,000	9,000	14,490																
3.021	1	1	Allowance	Security Building, Interior Renovation	2019	to 20	2	10,000.00	10,000	10,000	24,503			10,323													
3.024	5	5	Squares	Security Building, Roof Assembly, Asphalt Shingles	2029	to 20	12	450.00	2,250	2,250	2,722													2,722			
3.027	1	1	Allowance	Security System, Automatic Card Reading System, Administration and Security Buildings	2024	to 15	7	4,500.00	4,500	4,500	11,410								5,029								
3.030	1	1	Allowance	Security System, Camera System, Bar	2031	to 15	14	8,000.00	8,000	8,000	22,668															9,991	
3.033	1	1	Allowance	Security System, Camera System, Campgrounds	2029	to 15	12	6,000.00	6,000	6,000	16,469													7,259			
3.036	1	1	Allowance	Security System, Camera System, Front Gate	2031	to 15	14	14,000.00	14,000	14,000	39,668															17,484	
3.039	1	1	Allowance	Security System, Camera System, Lodge	2029	to 15	12	6,000.00	6,000	6,000	16,469													7,259			
3.042	1	1	Allowance	Security System, Camera System, Maintenance Facilities	2028	to 15	11	8,000.00	8,000	8,000	21,613												9,526				
3.045	1	1	Allowance	Security System, Camera System, Recreation Center	2030	to 15	13	13,000.00	13,000	13,000	36,254														15,979		
3.048	1	1	Allowance	Security System, Camera System, Restaurant (Budgeted for 2017 Installation)	2032	to 15	15	6,000.00	6,000	6,000	17,273																7,613
				Administration Building Elements (Incl. IT Components)																							
3.051	1	1	Each	Administration Building, Building Services, Split System	2030	15 to 20	13	5,000.00	5,000	5,000	6,146														6,146		
3.054	1	1	Allowance	Administration Building, Exterior Walls, Vinyl Siding (Incl. Windows and Doors)	2047	to 40	30	28,000.00	28,000	28,000	45,078																
3.057	2	1	Allowance	Administration Building, Interior Renovation, Phased	2022	to 20	5 to 15	20,000.00	20,000	40,000	76,771						21,652										25,377
3.060	28	28	Squares	Administration Building, Roof Assembly, Asphalt Shingles	2029	to 20	12	450.00	12,600	12,600	15,244													15,244			
3.063	21	4	Each	Information Technology, Computers and Point of Sales, Phased (Entire Community)	2018	to 5	1 to 5	1,500.00	6,000	31,500	232,391	6,096	6,194	6,293	6,393	6,496	6,600	6,705	6,812	6,921	7,032	7,145	7,259	7,375	7,493	7,613
3.066	2	2	Each	Information Technology, Servers	2020	to 5	3	6,000.00	12,000	12,000	92,933				12,585					13,625				14,750		
3.069	1	1	Allowance	Information Technology, Telephone System	2018	to 15	1	8,000.00	8,000	8,000	18,441	8,128															
3.070	1	1	Allowance	Weather Station	2030	to 15	13	3,000.00	3,000	3,000	8,367														3,688		
				Lodge/Restaurant Elements																							
3.072	87	87	Squares	Building Exterior, Roof Assembly, Asphalt Shingles (Incl. Flat Roof Section)	2028	to 20	11	450.00	39,150	39,150	46,619												46,619				
3.075	1	1	Allowance	Building Exterior, Walls, Capital Repairs (Incl. Balcony, Windows and Doors)	2019	to 10	2	25,000.00	25,000	25,000	91,501			25,806										30,246			
3.078	1	1	Allowance	Building Services, Electrical System, Upgrade	2022	to 50	5	25,000.00	25,000	25,000	27,065						27,065										
3.081	5	3	Each	Building Services, Split Systems, Phased	2021	15 to 20	4 to 13	6,000.00	18,000	30,000	66,828					19,180									22,125		
3.084	2	1	Allowance	Interior Renovations, Phased	2019	to 20	2 to 12	65,000.00	65,000	130,000	237,903			67,097										78,639			
3.087	4	1	Allowance	Kitchen Equipment, Phased	2019	10 to 20	2 to 17	21,500.00	21,500	86,000	163,882			22,194				24,027						26,011			
3.090	1	1	Each	Storage Shed	2028	15 to 20	11	10,000.00	10,000	10,000	11,908												11,908				
				Bar/Lounge Elements																							
3.093	35	35	Squares	Building Exterior, Roof Assembly, Asphalt Shingles	2020	to 20	3	450.00	15,750	15,750	39,208				16,518												
3.096	1	1	Allowance	Building Exterior, Walls, Capital Repairs (Incl. Windows and Doors)	2020	to 10	3	7,000.00	7,000	7,000	26,029				7,341										8,604		
3.099	1	1	Each	Building Services, Split System	2025	15 to 20	8	5,000.00	5,000	5,000	13,232									5,677							
3.102	2	1	Allowance	Interior Renovation, Phased (Incl. Site Furniture)	2024	to 20	7 to 7	40,000.00	40,000	80,000	106,104							44,701									

Improvement

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	16 2033	17 2034	18 2035	19 2036	20 2037	21 2038	22 2039	23 2040	24 2041	25 2042	26 2043	27 2044	28 2045	29 2046	30 2047
				Security Elements																						
3.003	1	1	Each	Gates, Emergency Generator	2034	15 to 20	17	5,000.00	5,000	5,000	6,549		6,549													
3.006	1	1	Allowance	Gates, RFID Entry System (Incl. Computer)	2026	to 10	9	8,000.00	8,000	8,000	32,722				10,816										12,677	
3.009	6	6	Each	Gates, Swing Arms and Operators	2026	to 10	9	4,000.00	24,000	24,000	98,164				32,448										38,030	
3.012	2	1	Each	Patrol Vehicles, Phased	2021	to 10	4 to 9	35,000.00	35,000	70,000	275,389				47,320					51,229					55,461	
3.015	1	1	Each	Security Building, Building Services, Split System	2027	15 to 20	10	4,000.00	4,000	4,000	10,927													6,239		
3.018	1	1	Allowance	Security Building, Exterior Walls, Vinyl Siding (Incl. Windows and Doors)	2047	to 40	30	9,000.00	9,000	9,000	14,490															14,490
3.021	1	1	Allowance	Security Building, Interior Renovation	2019	to 20	2	10,000.00	10,000	10,000	24,503							14,180								
3.024	5	5	Squares	Security Building, Roof Assembly, Asphalt Shingles	2029	to 20	12	450.00	2,250	2,250	2,722															
3.027	1	1	Allowance	Security System, Automatic Card Reading System, Administration and Security Buildings	2024	to 15	7	4,500.00	4,500	4,500	11,410							6,381								
3.030	1	1	Allowance	Security System, Camera System, Bar	2031	to 15	14	8,000.00	8,000	8,000	22,668														12,677	
3.033	1	1	Allowance	Security System, Camera System, Campgrounds	2029	to 15	12	6,000.00	6,000	6,000	16,469												9,210			
3.036	1	1	Allowance	Security System, Camera System, Front Gate	2031	to 15	14	14,000.00	14,000	14,000	39,668														22,184	
3.039	1	1	Allowance	Security System, Camera System, Lodge	2029	to 15	12	6,000.00	6,000	6,000	16,469												9,210			
3.042	1	1	Allowance	Security System, Camera System, Maintenance Facilities	2028	to 15	11	8,000.00	8,000	8,000	21,613											12,087				
3.045	1	1	Allowance	Security System, Camera System, Recreation Center	2030	to 15	13	13,000.00	13,000	13,000	36,254													20,275		
3.048	1	1	Allowance	Security System, Camera System, Restaurant (Budgeted for 2017 Installation)	2032	to 15	15	6,000.00	6,000	6,000	17,273															9,660
				Administration Building Elements (Incl. IT Components)																						
3.051	1	1	Each	Administration Building, Building Services, Split System	2030	15 to 20	13	5,000.00	5,000	5,000	6,146															
3.054	1	1	Allowance	Administration Building, Exterior Walls, Vinyl Siding (Incl. Windows and Doors)	2047	to 40	30	28,000.00	28,000	28,000	45,078															45,078
3.057	2	1	Allowance	Administration Building, Interior Renovation, Phased	2022	to 20	5 to 15	20,000.00	20,000	40,000	76,771										29,742					
3.060	28	28	Squares	Administration Building, Roof Assembly, Asphalt Shingles	2029	to 20	12	450.00	12,600	12,600	15,244															
3.063	21	4	Each	Information Technology, Computers and Point of Sales, Phased (Entire Community)	2018	to 5	1 to 5	1,500.00	6,000	31,500	232,391	7,735	7,859	7,984	8,112	8,242	8,374	8,508	8,644	8,782	8,923	9,065	9,210	9,358	9,508	9,660
3.066	2	2	Each	Information Technology, Servers	2020	to 5	3	6,000.00	12,000	12,000	92,933			15,969					17,288					18,716		
3.069	1	1	Allowance	Information Technology, Telephone System	2018	to 15	1	8,000.00	8,000	8,000	18,441	10,313														
3.070	1	1	Allowance	Weather Station	2030	to 15	13	3,000.00	3,000	3,000	8,367													4,679		
				Lodge/Restaurant Elements																						
3.072	87	87	Squares	Building Exterior, Roof Assembly, Asphalt Shingles (Incl. Flat Roof Section)	2028	to 20	11	450.00	39,150	39,150	46,619															
3.075	1	1	Allowance	Building Exterior, Walls, Capital Repairs (Incl. Balcony, Windows and Doors)	2019	to 10	2	25,000.00	25,000	25,000	91,501							35,449								
3.078	1	1	Allowance	Building Services, Electrical System, Upgrade	2022	to 50	5	25,000.00	25,000	25,000	27,065															
3.081	5	3	Each	Building Services, Split Systems, Phased	2021	15 to 20	4 to 13	6,000.00	18,000	30,000	66,828							25,523								
3.084	2	1	Allowance	Interior Renovations, Phased	2019	to 20	2 to 12	65,000.00	65,000	130,000	237,903							92,167								
3.087	4	1	Allowance	Kitchen Equipment, Phased	2019	10 to 20	2 to 17	21,500.00	21,500	86,000	163,882		28,160					30,486					33,004			
3.090	1	1	Each	Storage Shed	2028	15 to 20	11	10,000.00	10,000	10,000	11,908															
				Bar/Lounge Elements																						
3.093	35	35	Squares	Building Exterior, Roof Assembly, Asphalt Shingles	2020	to 20	3	450.00	15,750	15,750	39,208								22,690							
3.096	1	1	Allowance	Building Exterior, Walls, Capital Repairs (Incl. Windows and Doors)	2020	to 10	3	7,000.00	7,000	7,000	26,029								10,084							
3.099	1	1	Each	Building Services, Split System	2025	15 to 20	8	5,000.00	5,000	5,000	13,232											7,555				
3.102	2	1	Allowance	Interior Renovation, Phased (Incl. Site Furniture)	2024	to 20	7 to 7	40,000.00	40,000	80,000	106,104												61,403			

Improvement

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Explanatory Notes:

1) 1.6% **is the estimated future Inflation Rate for estimating Future Replacement Costs.**
2) **FY2017 is Fiscal Year beginning January 1, 2017 and ending December 31, 2017.**

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	RUL = 0 FY2017	1 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027	11 2028	12 2029	13 2030	14 2031	15 2032
				Recreation Center Elements																							
3.105	110	110	Squares	Building Exterior, Roof Assembly, Metal	2044	to 40	27	825.00	90,750	90,750	139,308																
3.108	1	1	Allowance	Building Exterior, Walls, Capital Repairs (Incl. Windows and Doors)	2020	to 10	3	25,000.00	25,000	25,000	92,965				26,219									30,730		
3.111	4	1	Allowance	Building Interior, Exercise Equipment, Phased	2018	5 to 10	1 to 7	15,000.00	15,000	60,000	288,183		15,240		15,732		16,239		16,763		17,304		17,862		18,438		19,033
3.114	3,000	3,000	Square Feet	Building Interior, Ceilings, Acoustical Tiles, Lights and Grid	2034	to 30	17	5.50	16,500	16,500	21,611																
3.117	950	950	Square Yards	Building Interior, Floor Coverings (Excl. Rest Rooms)	2034	to 30	17	50.00	47,500	47,500	62,214																
3.120	4	1	Allowance	Building Interior, Furniture, Phased (Incl. Gym Light Fixtures, Game Tables, Countertops, Etc.)	2019	to 20	2 to 17	12,500.00	12,500	50,000	95,279			12,903					13,969				15,123				
3.123	2	2	Each	Building Interior, Rest Rooms, Renovation (Incl. Finishes, Partitions and Plumbing Fixtures)	2029	to 25	12	40,000.00	80,000	80,000	96,786													96,786			
3.126	1	1	Allowance	Building Services, Sound System	2032	to 15	15	10,000.00	10,000	10,000	28,787																12,688
3.129	5	3	Each	Building Services, Split Systems, Exercise Room, Game Room and Rest Rooms, Phased	2022	15 to 20	5 to 14	6,000.00	18,000	30,000	67,898						19,487									22,479	
3.132	1	1	Each	Building Services, Split Systems, Gymnasium	2022	15 to 20	5	25,000.00	25,000	25,000	63,081						27,065										
3.135	1	1	Each	Indoor Pool, Equipment, Dehumidifier	2035	15 to 20	18	28,000.00	28,000	28,000	37,260																
3.138	2	1	Each	Indoor Pool, Equipment, Miscellaneous, Phased (Filters, Heaters, Pumps, Etc.)	2019	to 15	2 to 9	8,000.00	8,000	16,000	52,205			8,258							9,229						
3.141	550	550	Square Feet	Indoor Pool, Finishes, Plaster	2020	to 10	3	15.00	8,250	8,250	30,678				8,652									10,141			
				Outdoor Pool and Other Site Elements																							
3.144	7,600	7,600	Square Yards	Pavement, Asphalt, Mill and Overlay, Parking Area	2028	to 25	11	12.00	91,200	91,200	108,599												108,599				
3.150	1	1	Allowance	Pavilion, Renovation	2024	to 20	7	20,000.00	20,000	20,000	52,092								22,350								
3.153	1	1	Allowance	Playground Equipment	2024	15 to 20	7	35,000.00	35,000	35,000	138,683								39,113								
3.156	30,500	30,500	Square Feet	Pool, Concrete Deck, Inspections, Partial Replacements and Repairs	2024	to 10	7	1.20	36,600	36,600	194,772								40,901								45,708
3.159	6,500	6,500	Square Feet	Pool, Covers	2021	6 to 8	4	2.00	13,000	13,000	34,452					13,852											
3.162	450	450	Linear Feet	Pool, Fences, Aluminum (Incl. Masonry Wall Repairs)	2024	to 25	7	60.00	27,000	27,000	30,173								30,173								
3.165	2	1	Allowance	Pool, Furniture, Phased	2018	to 12	1 to 7	32,500.00	32,500	65,000	201,559		33,020						36,319					39,949			
3.168	1,250	1,250	Square Feet	Pool, Plaster Finish, Adult Pool	2025	to 10	8	15.00	18,750	18,750	75,483									21,289							
3.171	1,250	1,250	Square Feet	Pool, Plaster Finish, Kid Pool	2027	to 10	10	15.00	18,750	18,750	77,917											21,975					
3.174	4,000	4,000	Square Feet	Pool, Plaster Finish, Main Pool	2018	to 10	1	15.00	60,000	60,000	216,144		60,960										71,447				
3.177	1	1	Each	Pool, Water Feature, Diving Board, Renovation, Main Pool	2019	15 to 20	2	5,000.00	5,000	5,000	12,029			5,161													
3.180	1	1	Each	Pool, Water Feature, Mushroom Shower, Kid Pool	2019	15 to 20	2	8,000.00	8,000	8,000	19,247			8,258													
3.186	1	1	Each	Pool, Water Slide, Main Pool	2024	15 to 20	7	30,000.00	30,000	30,000	78,139								33,526								
3.189	1	1	Allowance	Pump House, Exterior Walls, Vinyl Siding (Incl. Windows and Doors)	2037	to 40	20	20,000.00	20,000	20,000	27,473																
3.192	1	1	Allowance	Pump House, Mechanical Equipment, Cartridge Replacements	2018	to 3	1	6,000.00	6,000	6,000	76,237		6,096			6,393			6,705			7,032		7,375			
3.195	2	1	Allowance	Pump House, Mechanical Equipment, Miscellaneous, Phased (Filters, Heaters, Pumps, Etc.)	2021	to 15	4 to 11	20,000.00	20,000	40,000	101,483					21,311							23,816				
3.198	28	28	Squares	Pump House, Roof Assembly, Asphalt Shingles	2021	to 20	4	450.00	12,600	12,600	31,868					13,426											
3.201	1,600	1,600	Square Yards	Tennis Courts, Color Coat	2018	to 5	1	8.00	12,800	12,800	81,873		13,005						14,304								
3.204	480	480	Linear Feet	Tennis Courts, Fence	2029	to 25	12	40.00	19,200	19,200	23,229													23,229			
3.207	6	6	Each	Tennis Courts, Light Poles and Fixtures	2029	to 25	12	2,500.00	15,000	15,000	18,147													18,147			
3.210	1,600	1,600	Square Yards	Tennis Courts, Surface	2029	to 25	12	35.00	56,000	56,000	67,751													67,751			

Improvement

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	16 2033	17 2034	18 2035	19 2036	20 2037	21 2038	22 2039	23 2040	24 2041	25 2042	26 2043	27 2044	28 2045	29 2046	30 2047
				Recreation Center Elements																						
3.105	110	110	Squares	Building Exterior, Roof Assembly, Metal	2044	to 40	27	825.00	90,750	90,750	139,308												139,308			
3.108	1	1	Allowance	Building Exterior, Walls, Capital Repairs (Incl. Windows and Doors)	2020	to 10	3	25,000.00	25,000	25,000	92,965								36,016							
3.111	4	1	Allowance	Building Interior, Exercise Equipment, Phased	2018	5 to 10	1 to 7	15,000.00	15,000	60,000	288,183		19,646		20,280		20,934		21,610		22,307		23,026		23,769	
3.114	3,000	3,000	Square Feet	Building Interior, Ceilings, Acoustical Tiles, Lights and Grid	2034	to 30	17	5.50	16,500	16,500	21,611		21,611													
3.117	950	950	Square Yards	Building Interior, Floor Coverings (Excl. Rest Rooms)	2034	to 30	17	50.00	47,500	47,500	62,214		62,214													
3.120	4	1	Allowance	Building Interior, Furniture, Phased (Incl. Gym Light Fixtures, Game Tables, Countertops, Etc.)	2019	to 20	2 to 17	12,500.00	12,500	50,000	95,279		16,372					17,724					19,188			
3.123	2	2	Each	Building Interior, Rest Rooms, Renovation (Incl. Finishes, Partitions and Plumbing Fixtures)	2029	to 25	12	40,000.00	80,000	80,000	96,786															
3.126	1	1	Allowance	Building Services, Sound System	2032	to 15	15	10,000.00	10,000	10,000	28,787															16,099
3.129	5	3	Each	Building Services, Split Systems, Exercise Room, Game Room and Rest Rooms, Phased	2022	15 to 20	5 to 14	6,000.00	18,000	30,000	67,898								25,932							
3.132	1	1	Each	Building Services, Split Systems, Gymnasium	2022	15 to 20	5	25,000.00	25,000	25,000	63,081								36,016							
3.135	1	1	Each	Indoor Pool, Equipment, Dehumidifier	2035	15 to 20	18	28,000.00	28,000	28,000	37,260			37,260												
3.138	2	1	Each	Indoor Pool, Equipment, Miscellaneous, Phased (Filters, Heaters, Pumps, Etc.)	2019	to 15	2 to 9	8,000.00	8,000	16,000	52,205	10,313							11,525							12,880
3.141	550	550	Square Feet	Indoor Pool, Finishes, Plaster	2020	to 10	3	15.00	8,250	8,250	30,678								11,885							
				Outdoor Pool and Other Site Elements																						
3.144	7,600	7,600	Square Yards	Pavement, Asphalt, Mill and Overlay, Parking Area	2028	to 25	11	12.00	91,200	91,200	108,599															
3.150	1	1	Allowance	Pavilion, Renovation	2024	to 20	7	20,000.00	20,000	20,000	52,092										29,742					
3.153	1	1	Allowance	Playground Equipment	2024	15 to 20	7	35,000.00	35,000	35,000	138,683		45,842										53,728			
3.156	30,500	30,500	Square Feet	Pool, Concrete Deck, Inspections, Partial Replacements and Repairs	2024	to 10	7	1.20	36,600	36,600	194,772						51,080							57,083		
3.159	6,500	6,500	Square Feet	Pool, Covers	2021	6 to 8	4	2.00	13,000	13,000	34,452														20,600	
3.162	450	450	Linear Feet	Pool, Fences, Aluminum (Incl. Masonry Wall Repairs)	2024	to 25	7	60.00	27,000	27,000	30,173															
3.165	2	1	Allowance	Pool, Furniture, Phased	2018	to 12	1 to 7	32,500.00	32,500	65,000	201,559				43,940						48,331					
3.168	1,250	1,250	Square Feet	Pool, Plaster Finish, Adult Pool	2025	to 10	8	15.00	18,750	18,750	75,483			24,951										29,243		
3.171	1,250	1,250	Square Feet	Pool, Plaster Finish, Kid Pool	2027	to 10	10	15.00	18,750	18,750	77,917					25,756										30,186
3.174	4,000	4,000	Square Feet	Pool, Plaster Finish, Main Pool	2018	to 10	1	15.00	60,000	60,000	216,144						83,737									
3.177	1	1	Each	Pool, Water Feature, Diving Board, Renovation, Main Pool	2019	15 to 20	2	5,000.00	5,000	5,000	12,029					6,868										
3.180	1	1	Each	Pool, Water Feature, Mushroom Shower, Kid Pool	2019	15 to 20	2	8,000.00	8,000	8,000	19,247					10,989										
3.186	1	1	Each	Pool, Water Slide, Main Pool	2024	15 to 20	7	30,000.00	30,000	30,000	78,139										44,613					
3.189	1	1	Allowance	Pump House, Exterior Walls, Vinyl Siding (Incl. Windows and Doors)	2037	to 40	20	20,000.00	20,000	20,000	27,473					27,473										
3.192	1	1	Allowance	Pump House, Mechanical Equipment, Cartridge Replacements	2018	to 3	1	6,000.00	6,000	6,000	76,237	7,735			8,112			8,508			8,923			9,358		
3.195	2	1	Allowance	Pump House, Mechanical Equipment, Miscellaneous, Phased (Filters, Heaters, Pumps, Etc.)	2021	to 15	4 to 11	20,000.00	20,000	40,000	101,483			26,614							29,742					
3.198	28	28	Squares	Pump House, Roof Assembly, Asphalt Shingles	2021	to 20	4	450.00	12,600	12,600	31,868									18,442						
3.201	1,600	1,600	Square Yards	Tennis Courts, Color Coat	2018	to 5	1	8.00	12,800	12,800	81,873		16,765					18,150					19,649			
3.204	480	480	Linear Feet	Tennis Courts, Fence	2029	to 25	12	40.00	19,200	19,200	23,229															
3.207	6	6	Each	Tennis Courts, Light Poles and Fixtures	2029	to 25	12	2,500.00	15,000	15,000	18,147															
3.210	1,600	1,600	Square Yards	Tennis Courts, Surface	2029	to 25	12	35.00	56,000	56,000	67,751															

Improvement

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Explanatory Notes:

1) 1.6% **is the estimated future Inflation Rate for estimating Future Replacement Costs.**
2) **FY2017 is Fiscal Year beginning January 1, 2017 and ending December 31, 2017.**

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Life Analysis, Years Remaining	Costs, $ Unit (2017)	Costs, $ Per Phase (2017)	Costs, $ Total (2017)	Costs, $ 30-Year Total (Inflated)	RUL = 0 FY2017	1 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027	11 2028	12 2029	13 2030	14 2031	15 2032
				Maintenance Facilities Elements																							
3.213	3,500	3,500	Square Feet	Boat Maintenance Building, Metal Roof and Siding (Incl. Windows and Doors)	2047	to 35	30	7.00	24,500	24,500	39,444															
3.216	2	2	Each	Boat Maintenace Building, Overhead Doors	2038	to 25	21	3,500.00	7,000	7,000	9,769															
3.219	1	1	Allowance	Maintenance Building, Fuel Tanks and Pumps	2018	to 25	1	50,000.00	50,000	50,000	126,345		50,800													
3.222	15,000	15,000	Square Feet	Maintenance Building, Metal Roofing and Siding (Incl. Windows and Doors)	2045	to 35	28	7.00	105,000	105,000	163,762															
3.225	5	5	Each	Maintenance Building, Overhead Doors	2032	to 25	15	3,500.00	17,500	17,500	22,205															22,205
				Maintenance Equipment Elements																						
3.228	1	1	Each	Bush Hog, John Deer 15-Foot	2022	15 to 20	5	6,000.00	6,000	6,000	14,738						6,496									
3.231	1	1	Each	Bush Hog, John Deer MX5	2031	15 to 20	14	6,000.00	6,000	6,000	17,001														7,493	
3.234	1	1	Each	Mower Z799, John Deere	2029	15 to 20	12	30,000.00	30,000	30,000	82,347													36,295		
3.237	1	1	Each	Mower, Kubota Z	2022	15 to 20	5	30,000.00	30,000	30,000	73,687						32,478									
3.240	1	1	Each	Road Grader, John Deer JD570A	2021	to 25	4	75,000.00	75,000	75,000	198,760					79,916										
3.243	1	1	Each	Snow Plow, Gledhill 12-Foot 12FH5R	2021	15 to 20	4	7,000.00	7,000	7,000	17,385					7,459										
3.246	1	1	Each	Snow Plow, Western 9-Foot	2023	15 to 20	6	6,000.00	6,000	6,000	15,382							6,600								
3.249	1	1	Each	Snow Plow, Western 10-Foot	2019	15 to 20	2	6,500.00	6,500	6,500	15,639			6,710												
3.252	1	1	Each	Snow Plow, Western MVP Plus	2028	15 to 20	11	5,000.00	5,000	5,000	13,877												5,954			
3.255	1	1	Each	Snow Plow, Western MVP3	2034	15 to 20	17	5,000.00	5,000	5,000	6,549															
3.258	1	1	Each	Tiller, Countyline 6-Foot	2033	15 to 20	16	4,000.00	4,000	4,000	5,157															
3.261	1	1	Each	Trac Loader, Case 933	2020	to 25	3	70,000.00	70,000	70,000	182,589				73,414											
3.264	1	1	Each	Tractor, Ford 5610	2020	to 25	3	30,000.00	30,000	30,000	78,252				31,463											
3.267	1	1	Each	Tractor, Ford 6610 (with Arm Mower)	2021	to 25	4	35,000.00	35,000	35,000	92,755					37,294										
3.270	1	1	Each	Tractor, John Deere 2040	2019	to 25	2	30,000.00	30,000	30,000	77,020			30,968												
3.273	1	1	Each	Tractor, John Deere 5083 (with Cab)	2040	to 25	23	35,000.00	35,000	35,000	50,422															
3.276	1	1	Each	Tractor, John Deere 5520 (with Cab)	2028	to 25	11	35,000.00	35,000	35,000	41,677												41,677			
3.279	1	1	Each	Tractor, Kubota MX5200	2041	to 25	24	30,000.00	30,000	30,000	43,911															
3.282	1	1	Each	Wood Chipper, Bandit 90	2025	to 20	8	25,000.00	25,000	25,000	67,376									28,385						
				Vehicle Elements																						
3.288	1	1	Each	Trailer, Eager Beaver, 1996	2027	to 20	10	25,000.00	25,000	25,000	69,550											29,301				
3.291	1	1	Each	Trailer, International, 1990	2022	to 20	5	9,000.00	9,000	9,000	23,127						9,743									
3.294	1	1	Each	Truck, Dump, Chevrolet ,1977	2020	to 25	3	50,000.00	50,000	50,000	130,421				52,439											
3.297	1	1	Each	Truck, Dump, International, 1998	2025	to 25	8	50,000.00	50,000	50,000	56,770									56,770						
3.300	1	1	Each	Truck, Pick-Up, Ford F-150, 1996	2021	to 20	4	30,000.00	30,000	30,000	75,878					31,967										
3.303	1	1	Each	Truck, Pick-Up, Ford F-250, 1992	2018	to 20	1	35,000.00	35,000	35,000	84,407		35,560													
3.306	1	1	Each	Truck, Pick-Up, Ford F-250, 1998	2024	to 20	7	35,000.00	35,000	35,000	92,841								39,113							
3.309	1	1	Each	Truck, Pick-Up, Ford F-250, 2016	2033	to 20	16	35,000.00	35,000	35,000	45,120															
3.312	1	1	Each	Truck, Pick-Up, GMC Sierra 3500, 2010	2030	to 20	13	35,000.00	35,000	35,000	43,022															43,022
3.315	1	1	Each	Truck, Pick-Up, GMC Sonoma, 1998	2020	to 20	3	35,000.00	35,000	35,000	87,129				36,707											
		1	Allowance	2017 Reserve Expenditures	2017	N/A	0	79,500	79,500	79,500	79,500	79,500														
				Anticipated Expenditures, By Year							$6,960,359	79,500	228,905	203,872	287,363	274,485	166,721	13,200	373,698	132,558	110,744	70,028	344,553	431,970	228,322	154,358	94,529

Improvement

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	16 2033	17 2034	18 2035	19 2036	20 2037	21 2038	22 2039	23 2040	24 2041	25 2042	26 2043	27 2044	28 2045	29 2046	30 2047
				Maintenance Facilities Elements																						
3.213	3,500	3,500	Square Feet	Boat Maintenance Building, Metal Roof and Siding (Incl. Windows and Doors)	2047	to 35	30	7.00	24,500	24,500	39,444															39,444
3.216	2	2	Each	Boat Maintenace Building, Overhead Doors	2038	to 25	21	3,500.00	7,000	7,000	9,769						9,769									
3.219	1	1	Allowance	Maintenance Building, Fuel Tanks and Pumps	2018	to 25	1	50,000.00	50,000	50,000	126,345											75,545				
3.222	15,000	15,000	Square Feet	Maintenance Building, Metal Roofing and Siding (Incl. Windows and Doors)	2045	to 35	28	7.00	105,000	105,000	163,762													163,762		
3.225	5	5	Each	Maintenance Building, Overhead Doors	2032	to 25	15	3,500.00	17,500	17,500	22,205															
				Maintenance Equipment Elements																						
3.228	1	1	Each	Bush Hog, John Deer 15-Foot	2022	15 to 20	5	6,000.00	6,000	6,000	14,738					8,242										
3.231	1	1	Each	Bush Hog, John Deer MX5	2031	15 to 20	14	6,000.00	6,000	6,000	17,001														9,508	
3.234	1	1	Each	Mower Z799, John Deere	2029	15 to 20	12	30,000.00	30,000	30,000	82,347												46,052			
3.237	1	1	Each	Mower, Kubota Z	2022	15 to 20	5	30,000.00	30,000	30,000	73,687					41,209										
3.240	1	1	Each	Road Grader, John Deer JD570A	2021	to 25	4	75,000.00	75,000	75,000	198,760														118,844	
3.243	1	1	Each	Snow Plow, Gledhill 12-Foot 12FH5R	2021	15 to 20	4	7,000.00	7,000	7,000	17,385							9,926								
3.246	1	1	Each	Snow Plow, Western 9-Foot	2023	15 to 20	6	6,000.00	6,000	6,000	15,382									8,782						
3.249	1	1	Each	Snow Plow, Western 10-Foot	2019	15 to 20	2	6,500.00	6,500	6,500	15,639					8,929										
3.252	1	1	Each	Snow Plow, Western MVP Plus	2028	15 to 20	11	5,000.00	5,000	5,000	13,877														7,923	
3.255	1	1	Each	Snow Plow, Western MVP3	2034	15 to 20	17	5,000.00	5,000	5,000	6,549		6,549													
3.258	1	1	Each	Tiller, Countyline 6-Foot	2033	15 to 20	16	4,000.00	4,000	4,000	5,157	5,157														
3.261	1	1	Each	Trac Loader, Case 933	2020	to 25	3	70,000.00	70,000	70,000	182,589													109,175		
3.264	1	1	Each	Tractor, Ford 5610	2020	to 25	3	30,000.00	30,000	30,000	78,252													46,789		
3.267	1	1	Each	Tractor, Ford 6610 (with Arm Mower)	2021	to 25	4	35,000.00	35,000	35,000	92,755														55,461	
3.270	1	1	Each	Tractor, John Deere 2040	2019	to 25	2	30,000.00	30,000	30,000	77,020												46,052			
3.273	1	1	Each	Tractor, John Deere 5083 (with Cab)	2040	to 25	23	35,000.00	35,000	35,000	50,422								50,422							
3.276	1	1	Each	Tractor, John Deere 5520 (with Cab)	2028	to 25	11	35,000.00	35,000	35,000	41,677															
3.279	1	1	Each	Tractor, Kubota MX5200	2041	to 25	24	30,000.00	30,000	30,000	43,911									43,911						
3.282	1	1	Each	Wood Chipper, Bandit 90	2025	to 20	8	25,000.00	25,000	25,000	67,376													38,991		
				Vehicle Elements																						
3.288	1	1	Each	Trailer, Eager Beaver, 1996	2027	to 20	10	25,000.00	25,000	25,000	69,550															40,249
3.291	1	1	Each	Trailer, International, 1990	2022	to 20	5	9,000.00	9,000	9,000	23,127										13,384					
3.294	1	1	Each	Truck, Dump, Chevrolet ,1977	2020	to 25	3	50,000.00	50,000	50,000	130,421													77,982		
3.297	1	1	Each	Truck, Dump, International, 1998	2025	to 25	8	50,000.00	50,000	50,000	56,770															
3.300	1	1	Each	Truck, Pick-Up, Ford F-150, 1996	2021	to 20	4	30,000.00	30,000	30,000	75,878									43,911						
3.303	1	1	Each	Truck, Pick-Up, Ford F-250, 1992	2018	to 20	1	35,000.00	35,000	35,000	84,407						48,847									
3.306	1	1	Each	Truck, Pick-Up, Ford F-250, 1998	2024	to 20	7	35,000.00	35,000	35,000	92,841												53,728			
3.309	1	1	Each	Truck, Pick-Up, Ford F-250, 2016	2033	to 20	16	35,000.00	35,000	35,000	45,120	45,120														
3.312	1	1	Each	Truck, Pick-Up, GMC Sierra 3500, 2010	2030	to 20	13	35,000.00	35,000	35,000	43,022															
3.315	1	1	Each	Truck, Pick-Up, GMC Sonoma, 1998	2020	to 20	3	35,000.00	35,000	35,000	87,129								50,422							
		1	Allowance	2017 Reserve Expenditures	2017	N/A	0	79,500	79,500	79,500	79,500															
				Anticipated Expenditures, By Year							$6,960,359	86,373	231,567	112,778	171,028	137,708	222,741	267,002	302,534	175,057	235,707	104,252	522,768	591,650	386,642	217,746

RESERVE FUNDING PLAN

Improvement

CASH FLOW ANALYSIS

Lake Waynoka

Property Owners Association

Lake Waynoka, Ohio

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Reserves at Beginning of Year (Note 1)	145,684	205,291	196,784	213,358	146,139	91,069	117,593	301,996	129,069	199,873	296,691	438,951	310,065	95,112	85,869	154,444
	Total Recommended Reserve Contributions (Note 2)	**121,125**	**218,000**	**218,000**	**218,000**	**218,000**	**192,000**	**195,100**	**198,200**	**201,400**	**204,600**	**207,900**	**211,200**	**214,600**	**218,000**	**221,500**	**225,000**
Plus	**Estimated Interest Earned, During Year (Note 3)**	17,982	2,398	2,446	2,144	1,415	1,245	2,503	2,571	1,962	2,962	4,388	4,467	2,417	1,079	1,433	2,636
Less	**Anticipated Expenditures, By Year**	(79,500)	(228,905)	(203,872)	(287,363)	(274,485)	(166,721)	(13,200)	(373,698)	(132,558)	(110,744)	(70,028)	(344,553)	(431,970)	(228,322)	(154,358)	(94,529)
	Anticipated Reserves at Year End	$205,291	$196,784	$213,358	$146,139	$91,069	$117,593	$301,996	$129,069	$199,873	$296,691	$438,951	$310,065	$95,112	$85,869	$154,444	$287,551
						(NOTE 5)											
	Predicted Reserves based on 2017 funding level of: $161,500	205,291	139,945	98,998	(26,432)	(140,412)											

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
	Reserves at Beginning of Year	287,551	434,082	440,028	569,270	645,286	759,557	793,579	787,507	749,641	843,687	882,073	1,057,388	818,106	511,084	411,042
	Total Recommended Reserve Contributions	**228,600**	**232,300**	**236,000**	**239,800**	**243,600**	**247,500**	**251,500**	**255,500**	**259,600**	**263,800**	**268,000**	**272,300**	**276,700**	**281,100**	**285,600**
Plus	**Estimated Interest Earned, During Year**	4,304	5,213	6,020	7,244	8,379	9,263	9,430	9,168	9,503	10,293	11,567	11,186	7,928	5,500	5,340
Less	**Anticipated Expenditures, By Year**	(86,373)	(231,567)	(112,778)	(171,028)	(137,708)	(222,741)	(267,002)	(302,534)	(175,057)	(235,707)	(104,252)	(522,768)	(591,650)	(386,642)	(217,746)
	Anticipated Reserves at Year End	$434,082	$440,028	$569,270	$645,286	$759,557	$793,579	$787,507	$749,641	$843,687	$882,073	$1,057,388	$818,106	$511,084	$411,042	$484,236
																(NOTE 4)

Explanatory Notes:

1) Year 2017 starting reserves are as of March 31, 2017; FY2017 starts January 1, 2017 and ends December 31, 2017.

2) Reserve Contributions for 2017 are the remaining budgeted 9 annuals; 2018 is the first year of recommended contributions.

3) 1.2% is the estimated annual rate of return on invested reserves; 2017 is a partial year of interest earned.

4) Accumulated year 2047 ending reserves consider the need to fund for replacement of the pool parking area and renovation of the tennis courts shortly after 2047, and the age, size, overall condition and complexity of the property.

5) Threshold Funding Year (reserve balance at critical point).

Campground

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Explanatory Notes:

1) 1.6% is the estimated future Inflation Rate for estimating Future Replacement Costs.
2) FY2017 is Fiscal Year beginning January 1, 2017 and ending December 31, 2017.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2017)	Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	RUL = 0 FY2017	1 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027	11 2028	12 2029	13 2030	14 2031	15 2032
4.003	261	**261**	Each	Campsites, Electrical Pedestals	2041	to 25	24	1,200.00	313,200	313,200	**458,428**																
4.006	1	**1**	Allowance	Campsites, Pipes, Sewer and Water, Remaining, PROPOSED	2021	N/A	4	100,000.00	100,000	100,000	**106,555**					106,555											
4.009	1	**1**	Each	Office Building, Building Services, Split System	2030	15 to 20	13	4,000.00	4,000	4,000	**4,917**														4,917		
4.012	1	**1**	Allowance	Office Building, Exterior Walls, Capital Repairs (Incl. Windows and Doors)	2027	to 10	10	4,000.00	4,000	4,000	**16,623**											4,688					
4.015	1	**1**	Allowance	Office Building, Interior Renovations	2027	to 20	10	20,000.00	20,000	20,000	**55,640**											23,441					
4.018	12	**12**	Squares	Office Building, Roof Assembly, Asphalt Shingles	2027	to 20	10	450.00	5,400	5,400	**15,023**											6,329					
4.021	1	**1**	Each	Office Building, Storage Shed	2030	15 to 20	13	5,000.00	5,000	5,000	**6,146**														6,146		
4.024	13,500	**13,500**	Square Yards	Pavement, Asphalt, Mill and Overlay	2030	to 25	13	12.00	162,000	162,000	**199,128**														199,128		
4.027	1	**1**	Allowance	Pavilion, Renovation (Incl. Site Furniture)	2029	to 20	12	30,000.00	30,000	30,000	**36,295**													36,295			
4.030	2	**1**	Allowance	Playground Equipment, Phased (Incl. Wood Rail Fences)	2019	15 to 20	2 to 11	16,000.00	16,000	32,000	**82,899**			16,516									19,052				
4.033	1	**1**	Allowance	Rest Room Buildings, Exterior Walls, Capital Repairs, Main (Incl. Windows and Doors)	2024	to 10	7	4,000.00	4,000	4,000	**15,849**								4,470								
4.036	1	**1**	Allowance	Rest Room Buildings, Exterior Walls, Capital Repairs, Satellite (Incl. Windows and Doors)	2024	to 10	7	3,500.00	3,500	3,500	**13,868**								3,911								
4.039	1	**1**	Allowance	Rest Room Buildings, Rest Rooms, Renovation, Main (Finishes, Partitions and Plumbing Fixtures)	2026	to 25	9	60,000.00	60,000	60,000	**69,214**										69,214						
4.042	1	**1**	Allowance	Rest Room Buildings, Rest Rooms, Renovation, Satellite (Partitions and Plumbing Fixtures)	2038	to 25	21	30,000.00	30,000	30,000	**41,869**																
4.045	24	**24**	Squares	Rest Room Buildings, Roof Assembly, Asphalt Shingles, Main	2020	to 20	3	450.00	10,800	10,800	**26,886**				11,327												
4.048	11	**11**	Squares	Rest Room Buildings, Roof Assembly, Asphalt Shingles, Satellite	2035	to 20	18	450.00	4,950	4,950	**6,587**																
1	Allowance	2017 Reserve Expenditures		2017	N/A	0	65,000	65,000	65,000	**65,000**	65,000																
		Anticipated Expenditures, By Year								**$1,220,927**	65,000	0	16,516	11,327	106,555	0	0	8,381	0	69,214	34,458	19,052	36,295	210,191	0	0

Campground

RESERVE EXPENDITURES

Lake Waynoka
Property Owners Association
Lake Waynoka, Ohio

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit (2017)	Costs, $ Per Phase (2017)	Total (2017)	30-Year Total (Inflated)	16 2033	17 2034	18 2035	19 2036	20 2037	21 2038	22 2039	23 2040	24 2041	25 2042	26 2043	27 2044	28 2045	29 2046	30 2047
4.003	261	**261**	Each	Campsites, Electrical Pedestals	2041	to 25	24	1,200.00	313,200	313,200	**458,428**									458,428						
4.006	1	**1**	Allowance	Campsites, Pipes, Sewer and Water, Remaining, PROPOSED	2021	N/A	4	100,000.00	100,000	100,000	**106,555**															
4.009	1	**1**	Each	Office Building, Building Services, Split System	2030	15 to 20	13	4,000.00	4,000	4,000	**4,917**															
4.012	1	**1**	Allowance	Office Building, Exterior Walls, Capital Repairs (Incl. Windows and Doors)	2027	to 10	10	4,000.00	4,000	4,000	**16,623**					5,495										6,440
4.015	1	**1**	Allowance	Office Building, Interior Renovations	2027	to 20	10	20,000.00	20,000	20,000	**55,640**															32,199
4.018	12	**12**	Squares	Office Building, Roof Assembly, Asphalt Shingles	2027	to 20	10	450.00	5,400	5,400	**15,023**															8,694
4.021	1	**1**	Each	Office Building, Storage Shed	2030	15 to 20	13	5,000.00	5,000	5,000	**6,146**															
4.024	13,500	**13,500**	Square Yards	Pavement, Asphalt, Mill and Overlay	2030	to 25	13	12.00	162,000	162,000	**199,128**															
4.027	1	**1**	Allowance	Pavilion, Renovation (Incl. Site Furniture)	2029	to 20	12	30,000.00	30,000	30,000	**36,295**															
4.030	2	**1**	Allowance	Playground Equipment, Phased (Incl. Wood Rail Fences)	2019	15 to 20	2 to 11	16,000.00	16,000	32,000	**82,899**					21,978									25,353	
4.033	1	**1**	Allowance	Rest Room Buildings, Exterior Walls, Capital Repairs, Main (Incl. Windows and Doors)	2024	to 10	7	4,000.00	4,000	4,000	**15,849**		5,239										6,140			
4.036	1	**1**	Allowance	Rest Room Buildings, Exterior Walls, Capital Repairs, Satellite (Incl. Windows and Doors)	2024	to 10	7	3,500.00	3,500	3,500	**13,868**		4,584										5,373			
4.039	1	**1**	Allowance	Rest Room Buildings, Rest Rooms, Renovation, Main (Finishes, Partitions and Plumbing Fixtures)	2026	to 25	9	60,000.00	60,000	60,000	**69,214**															
4.042	1	**1**	Allowance	Rest Room Buildings, Rest Rooms, Renovation, Satellite (Partitions and Plumbing Fixtures)	2038	to 25	21	30,000.00	30,000	30,000	**41,869**						41,869									
4.045	24	**24**	Squares	Rest Room Buildings, Roof Assembly, Asphalt Shingles, Main	2020	to 20	3	450.00	10,800	10,800	**26,886**								15,559							
4.048	11	**11**	Squares	Rest Room Buildings, Roof Assembly, Asphalt Shingles, Satellite	2035	to 20	18	450.00	4,950	4,950	**6,587**			6,587												
	1	Allowance		2017 Reserve Expenditures	2017	N/A	0	65,000	65,000	65,000	**65,000**															
				Anticipated Expenditures, By Year							**$1,220,927**	0	9,823	6,587	0	27,473	41,869	0	15,559	458,428	0	0	11,513	0	25,353	47,333

RESERVE FUNDING PLAN

Campground

CASH FLOW ANALYSIS

Lake Waynoka

Property Owners Association

Lake Waynoka, Ohio

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Reserves at Beginning of Year (Note 1)	17,791	6,537	51,885	81,163	116,012	55,480	94,374	134,338	166,954	208,996	182,517	191,288	216,367	225,105	59,713	104,492
	Total Recommended Reserve Contributions (Note 2)	**52,500**	**45,000**	**45,000**	**45,000**	**45,000**	**38,000**	**38,600**	**39,200**	**39,800**	**40,400**	**41,000**	**41,700**	**42,400**	**43,100**	**43,800**	**44,500**
Plus	**Estimated Interest Earned, During Year (Note 3)**	1,246	348	794	1,176	1,023	894	1,364	1,797	2,242	2,335	2,229	2,431	2,633	1,699	979	1,521
Less	**Anticipated Expenditures, By Year**	(65,000)	0	(16,516)	(11,327)	(106,555)	0	0	(8,381)	0	(69,214)	(34,458)	(19,052)	(36,295)	(210,191)	0	0
	Anticipated Reserves at Year End	$6,537	$51,885	$81,163	$116,012	$55,480	$94,374	$134,338	$166,954	$208,996	$182,517	$191,288	$216,367	$225,105	$59,713	$104,492	$150,513
						(NOTE 5)											

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
	Reserves at Beginning of Year	150,513	197,790	236,457	279,548	330,486	355,203	366,539	420,936	461,138	57,101	110,199	164,739	209,156	266,593	300,120
	Total Recommended Reserve Contributions	**45,200**	**45,900**	**46,600**	**47,300**	**48,100**	**48,900**	**49,700**	**50,500**	**51,300**	**52,100**	**52,900**	**53,700**	**54,600**	**55,500**	**56,400**
Plus	**Estimated Interest Earned, During Year**	2,077	2,590	3,078	3,638	4,090	4,305	4,697	5,261	3,091	998	1,640	2,230	2,837	3,380	3,656
Less	**Anticipated Expenditures, By Year**	0	(9,823)	(6,587)	0	(27,473)	(41,869)	0	(15,559)	(458,428)	0	0	(11,513)	0	(25,353)	(47,333)
	Anticipated Reserves at Year End	$197,790	$236,457	$279,548	$330,486	$355,203	$366,539	$420,936	$461,138	$57,101	$110,199	$164,739	$209,156	$266,593	$300,120	$312,843
																(NOTE 4)

Explanatory Notes:

1) Year 2017 starting reserves are as of March 31, 2017; FY2017 starts January 1, 2017 and ends December 31, 2017.

2) Reserve Contributions for 2017 are the remaining budgeted 9 annuals; 2018 is the first year of recommended contributions.

3) 1.2% is the estimated annual rate of return on invested reserves; 2017 is a partial year of interest earned.

4) Accumulated year 2047 ending reserves consider the need to fund for replacement of the asphalt pavement shortly after 2047, and the age, size, overall condition and complexity of the property.

5) Threshold Funding Year (reserve balance at critical point).

4. RESERVE COMPONENT DETAIL

The Reserve Component Detail of this *Full Reserve Study* includes *Enhanced Solutions and Procedures* for select significant components. This section describes the Reserve Components, documents specific problems and condition assessments, and may include detailed solutions and procedures for necessary capital repairs and replacements for the benefit of current and future board members. We advise the Board use this information to help define the scope and procedures for repair or replacement when soliciting bids or proposals from contractors. *However, the Report in whole or part is not and should not be used as a design specification or design engineering service*.

LAKE EXPENDITURES

Beach Elements

Docks, Wood

Line Item: 1.003

Quantity: Approximately 300 square feet of wood docks at the north end of the beach

History: Unknown

Condition: Fair to poor condition with wood deterioration evident

Weathered wood deck board

Damaged wood deck board

Useful Life: Up to 25 years

Component Detail Notes: The wood docks sit atop wood pilings. The height of the docks are manually adjustable at the piles to accommodate changes in water levels. Lake Waynoka should fund this activity through the operating budget when necessary.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost includes an allowance for removal and disposal of the existing docks, and installation of new docks. Lake Waynoka should fund annual repairs to displaced pilings through the operating budget.

Pavilion

Line Item: 1.006

Quantity: One wood frame pavilion that comprises approximately 1,225 square feet

History: The Association replaced the asphalt shingle roof assembly in 2007

Condition: Fair overall

Beach pavilion

Useful Life: Up to 20 years with periodic maintenance

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of the asphalt shingle roof assembly
- Replacement of up to fifty percent (50%) of the aluminum fascia and soffit
- Replacement of the cupola, light fixtures, picnic tables, grills, etc.
- Partial replacement of deteriorated concrete patio
- Partial replacement of deteriorated wood components

Rest Room Building, Exterior Walls

Line Item: 1.009

History: Original

Condition: Fair to poor condition with faded paint finishes and deterioration of the wood components evident

Beach rest room building

Wood column, note deterioration at base

Wood soffits, note faded finishes and wood deterioration

Useful Life: Up to 10 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for interim paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of up to twenty-five percent (25%) of the wood components
- Inspection of the concrete masonry units (CMU) including partial repointing of up to five percent (5%)
- Application of paint finish to the wood and CMU exterior surfaces
- Replacement of the wood shutters, light fixtures, etc.
- Partial replacement of deteriorated concrete sidewalks

Rest Room Building, Plumbing Fixtures

Line Item: 1.012

Quantity: Two common rest rooms located at beach rest room building. Each restroom includes three sinks, three toilets and metal partitions, and three showers.

History: Unknown

Condition: Fair to poor overall

Rest room overview

Rest room overview

Toilet partition, note rust and previous repairs

Useful Life: Renovations up to 25 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost includes an allowance for replacement of the light fixtures. The Association should fund paint applications through the operating budget.

Rest Room Building, Roof Assembly, Asphalt Shingles

Line Item: 1.015

Quantity: 22 *squares* [1]

History: The Association replaced the rest room building asphalt shingle roof assembly in 2012.

Condition: Good to fair condition.

Asphalt shingle roof assembly

Useful Life: Up to 20 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

[1] We quantify the roof area in squares where one square is equal to 100 square feet of surface area.

Umbrellas, Metal

Line Item: 1.018

Quantity: Seven metal umbrellas shade structures located at the beach

History: Donated in 2016

Condition: Good overall

Useful Life: 15- to 20-years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost includes an allowance for replacement of the associated picnic tables.

Marina Elements

Boat House

Line Item: 1.021

History: Installed in 2016

Condition: Good condition

Marina boat house

Useful Life: Up to 20 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for interim paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of the asphalt shingle roof assembly
- Partial replacement of deteriorated wood components

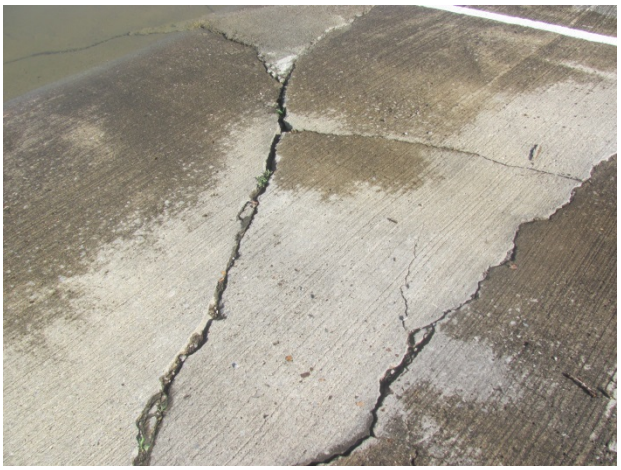
Boat Launch, Concrete

Line Item: 1.024

Quantity: 900 square feet

Condition: Fair to poor overall with extensive cracks evident

Marina boat launch



Significant cracks

Useful Life: Up to 45 years although interim deterioration of areas is common

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Docks, Wood

Line Items: 1.027 and 1.030

Quantity: Approximately 450 square feet of wood docks located near the boat launch at the north end of the marina and 2,200 square feet of wood docks for the marina slips

History: The age of the boat launch docks is unknown. We estimate that the docks for the marina slips were replaced in 2012. Management informs us that these docks were constructed by volunteers.

Condition: The boat launch docks are in fair condition with wood deterioration evident. The marina slip docks are in good to fair condition

Boat launch dock

Wood deterioration and rusted nail fasteners

Marina slip docks

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Fuel Dispensers

Line Item: 1.033

Quantity: Two each

History: Likely original

Condition: Reported satisfactory

Fuel dispenser

Useful Life: Up to 25 years

Component Detail Notes: The dispensers house fuel meters, filters and mechanical read-outs

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Marina Building, Building Services, Split System

Line Item: 1.036

Quantity: One *Comfort Aire* split system

History: Unknown

Condition: Reported satisfactory

Outside condensing unit

Useful Life: 15- to 20-years

Component Detail Notes: A split system air conditioner consists of an outside condensing unit, an interior evaporator coil, refrigerant lines and an interior furnace.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The condensing unit may require replacement prior to replacement of the related interior forced air unit. For purposes of this Reserve Study, we assume coordination of replacement of the interior forced air unit, evaporator coil, refrigerant lines and exterior condensing unit.

Marina Building, Exterior Walls

Line Item: 1.039

History: Original

Condition: Fair condition

Marina building front elevation

Marina building, rear elevation

Useful Life: Up to 10 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for interim paint applications and repairs through the operating budget. Our cost for renovation includes:

- Inspection of the CMU including partial repointing of up to five percent (5%)
- Replacement of up to twenty-five percent (25%) of the fascia and soffit
- Replacement of up to twenty-five percent of the windows and doors (excluding the overhead doors)

Marina Building, Interior Renovations

Line Item: 1.042

Condition: Fair condition

Marina building interior

Useful Life: Complete interior renovation every 20 years.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for interim paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of the laminate wood floors
- Replacement of the light fixtures
- Replacement of the plumbing fixtures
- Paint finishes to the walls and ceilings

Marina Building, Overhead Doors

Line Item: 1.045

Quantity: Two metal overhead doors

History: Unknown age

Condition: Fair overall

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Marina Building, Roof Assembly, Asphalt Shingles

Line Item: 1.048

Quantity: 23 squares

History: Age unknown

Condition: Fair to poor condition. We note stains and shingle deterioration

Asphalt shingle roof, note stains

Useful Life: Up to 20 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Patrol Boat

Line Items: 1.054 and 1.057

Quantity: One *Bentley* pontoon patrol boat with a 60-HP motor

History: Purchased in 2016

Condition: Good condition

Patrol boat

Useful Life: 15- to 20-years with interim motor replacements every five years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Lake and Dam Elements

Dam

Line Items: 1.063 and 1.066

Quantity: The earthen dam contains Lake Waynoka at the western corner of the community. The spillway contains a concrete ogee and slope protection near Lake Waynoka Drive.

History: The dam and spillway are original to the initial construction of the community and are of Class I designation by the State of Ohio.

Condition: Reported satisfactory

Dam overview

Concrete spillway

Concrete spillway

Useful Life: Dams and spill ways have very long useful lives due to their simple nature and design. Associations maintain these common elements through periodic inspections of the various components, including the embankment, spillway and valve controls of the dams by independent consulting engineers. The Associations should fund periodic inspections of the dam through the operating budget. We recommend that the Association budget a periodic allowance funded from reserves for capital repairs to the dam and spillway every four years in conjunction with dam inspections.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Lake, Erosion Control, Rip Rap, Replenishment, Common Areas

Line Item: 1.069

Quantity: Natural vegetation and stone rip rap along the common recreation area shorelines

History: The Association conducts annual replenishments of the rip rap

Condition: Good to fair with some erosion evident

Rip rap along the Little Crow recreation area shoreline

Erosion along the Little Crow recreation shoreline

Natural vegetation along the Hiawatha recreation area shoreline

Useful Life: Shorelines are subject to fluctuations in water levels, increased plant growth and migrating storm and ground water resulting in the need for annual erosion control measures.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Lake, Sediment Removal

Line Item: 1.072

Quantity: Lake Waynoka comprises 290 acres of water surface area

History: Management informs us that the Association annually removes sediment along twenty percent (20%) of the shoreline.

Condition: Satisfactory

Useful Life: Based on the visual condition, construction, adjacent deciduous trees and visibly apparent erosion, we recommend the Association anticipate the need to remove lake sediment up to every six years.

Component Detail Notes: The gradual build-up of natural debris, including tree leaves, branches and silt, may eventually change the topography of areas of the pond. Silt typically accumulates at inlets, outlets and areas of shoreline erosion. Sediment removal of lakes becomes necessary if this accumulation alters the quality of lake water or the functionality of the lakes as storm water management structures. Sediment removal is the optimal but also the most capital intensive method of pond management.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. At the request of Management, we include an annual allowance of $50,000 plus inflation. The actual volume of material to remove may vary dependent upon an invasive analysis at the time of removal. A visual inspection of a body of water cannot reveal the amount of accumulated silt. This is especially true on larger bodies of water. It is therefore inaccurate to assume an entire body of water will require sediment removal. It is more cost effective to spot remove in areas of intense silt accumulation as noted through bathymetric surveys. The amount or depth of silt is determined through prodding into the silt until a relatively solid base is found or through bathymetric surveys. A bathymetric survey establishes a base of data about the depth of the body of water over many locations against which the data of future surveys is compared. These invasive procedures are beyond the scope of a Reserve Study and require multiple visits to the site. We recommend Lake Waynoka contract with a local engineer for periodic bathymetric surveys. Future updates of the Reserve Study can incorporate future anticipated expenditures based on the results of the bathymetric surveys.

Unit costs per cubic yard to remove can vary significantly based on the type of equipment used, quantity of removed material and disposal of removed material. Sediment removal costs must also include mobilization, or getting the equipment to and from the site. Also, the portion of the overall cost to remove associated with

mobilization varies based on the volume removed. Costs for sediment disposal also vary depending on the site. Compact sites will require hauling and in some cases disposal fees.

Sediment Removal Equipment

Line Items: 1.075 through 1.081

Quantity: Sediment removal equipment include two pull-boats with 60-HP motors each, two excavators that rest atop a floating platform, and three barges.

History: The Association replaced the floating platform, boats and barges in 2014. In addition, the Association replaced the boat motors in 2016 and purchased a used excavator in 2015.

Condition: Reported satisfactory

Floating platform

Excavator

Useful Life:

- Boat Motors: Up to five years
- Excavators: 10- to 15-years
- Platform, boats and barges: Up to 10 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimates of cost and useful lives for the excavators is based upon the Association purchasing used equipment.

Dock and Picnic Area Elements

Docks, Wood

Line Items: 1.084 through 1.117

Quantity, History and Condition: The following chart outlines the quantities, ages and conditions of the recreation area docks by location:

Location	Quantity (Square Feet)	Age	Condition
Little Turtle	1,600	Unknown	Fair to Poor
Kiddie Corral	300	Estimated mid-2000s	Fair
Tomahawk	770	2015	Good
Little Crow	960	2009	Good to Fair
Hiawatha	800	Unknown	Fair to Poor
Geronimo	1,000	Unknown	Fair to Poor
Pontiac	2,480	Estimated mid-2000s	Fair
Quachita	1,400	Unknown	Fair to Poor
Little Chief	700	2016	Good
Red Cloud	2,480	Estimated mid-2000s	Fair
Squaw Valley	400	Unknown	Fair to Poor

Little Turtle dock

Little Turtle dock, note wood deterioration

Little Crow docks

Hiawatha dock, note wood deterioration and previous replacements

Pontiac docks

Useful Life: Up to 25 years with the benefit of annual inspections and partial replacements of deteriorated wood components

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost includes an allowance for replacement of the light fixtures and poles at the Pontiac and Red Cloud docks.

Pavilions

Line Items: 1.120 and 1.123

Quantity:

- Little Turtle: One wood frame pavilion with a metal roof that comprises approximately 1,575 square feet
- Kiddie Corral: Four wood frame pavilions with asphalt shingle roofs that comprise a total of approximately 800 square feet

History: The Association replaced the roof assemblies in 2016

Condition: Good overall

Little Turtle pavilion

Kiddie Corral pavilions

Useful Life:

- Little Turtle Pavilion: Up to 30 years with periodic maintenance
- Kiddie Corral Pavilion: Up to 20 years with periodic maintenance

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of the roof assemblies
- Replacement of up to fifty percent (50%) of the aluminum fascia and soffit
- Replacement of the light fixtures, picnic tables, grills, etc.
- Partial replacement of deteriorated concrete patio
- Partial replacement of deteriorated wood components

2017 Reserve Expenditures

Line Item: Last line item

Component Detail Notes: Lake Waynoka will expend $70,000 in Lake reserve expenditures in 2017. These expenditures relate to the following:

- General dock repair
- Shoreline rocking
- Dredging program

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

ROADS EXPENDITURES

Culverts

Line Item: 2.003

Quantity: Approximately 200 sections of metal and plastic culvert pipes carry storm water runoff under the streets. Members are responsible for culverts at individual lots. The culvert pipes range in size from 18-inches to five-feet in diameter.

History: Management informs us that the Association conducts annual culvert replacements. The majority of the culverts were replaced within the last 25 years.

Condition: We note isolated areas of clogged, rusted and crushed pipes and erosion of the soil around the culvert outlets.

Plastic culvert pipe

Metal culvert pipe, note rusted and crushed sections

Useful Life: 30- to 40-years

Component Detail Notes: Culvert replacements typical include the following activities:

- Replacement of the metal and plastic pipes
- Augmentation of the stone rip rap at the outlets
- Re-establishing plunge pools as needed
- Regrading ditch slopes as needed

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pavement, Asphalt, Crack Repair and Patch

Line Item: 2.006

Quantity: The roads comprise 630,500 square yards, or approximately 55 miles, of pavement throughout the community. This quantity excludes the roads at the campgrounds and the parking lot at the Recreation Center. See the "**Campground** and **Improvement *Reserve Expenditures***" for our recommendations on replacement of the pavement at these locations.

History: The roads at Lake Waynoka were originally constructed as gravel pavement with a chip and seal treatment. At the time of our inspection, approximately 266,800 square yards, or forty-two percent (42%) of the roads had been overlaid with asphalt pavement from 2007 to 2017. The remaining 363,700 square yards of roads are chip and seal pavement. Management and the Board inform us that the Association plans to overlay the remaining chip and seal pavement with asphalt pavement within the next 20 years, or by 2037.

Condition: Conditions varies based on age. We note cracks, edge deterioration and settlement primarily at Lake Waynoka Drive due to heavy vehicle traffic.

Useful Life: Three- to five-years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost includes an allowance for crack repairs and patching of up to two percent (2%) of the pavement. We account for a steadily increasing rate of pavement repairs as the Association continues to overlay the chip and seal pavement with asphalt pavement.

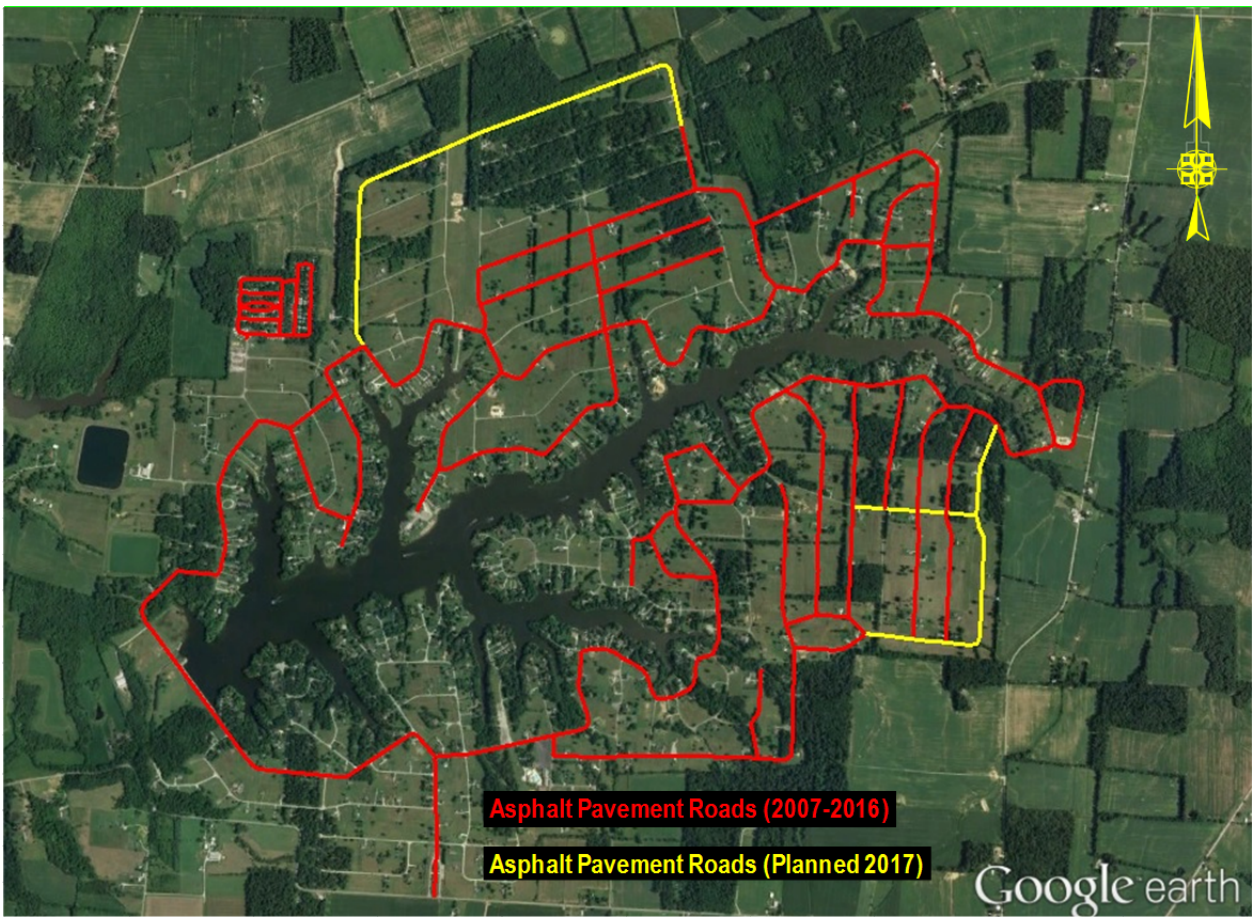
Pavement, Repaving

Line Items: 2.009 through 2.024

Quantity, History and Condition: As previously noted, the roads comprise 630,500 square yards, or approximately 55 miles, of pavement throughout the community. The following chart outlines the various pavement types, quantities, conditions and history:

Pavement Type	Quantity (mi)	Quantity (sy)	Condition	History
Lake Waynoka Drive	10	117,300	Fair	Heavy traffic, overlaid with asphalt pavement in 2007
Existing Paved Roads	13	149,500	Good to Fair	Moderate traffic, overlaid with asphalt pavement from 2008 to 2017
Existing Chip and Seal Roads	31	363,700	Fair	Light traffic, proposed asphalt pavement overlay from 2018 to 2037
Campground Roads	*Included with the* ***Campground Reserve Expenditures***			
Recreation Parking Area	*Included with the* ***Improvement Reserve Expenditures***			
Total	**54**	**630,500**		

The following diagram depicts an aerial photograph of the property. The graphic overlay displayed on the diagram represents roads that the Association has overlaid with asphalt pavement since 2007. The remaining roads have chip and seal pavement. Management and the Board inform us that the Association plans to overlay the remaining chip and seal pavement with asphalt pavement within the next 20 years, or by 2037.



Asphalt pavement at Lake Waynoka Drive, note previous crack repairs

Asphalt pavement at Lake Waynoka Drive, note previous crack repairs

Asphalt pavement at Lake Waynoka Drive, note isolated deterioration near Yuma Drive

Asphalt pavement at Lake Waynoka Drive, note isolated deterioration near Yuma Drive

Chip and seal pavement at Sitting Bull Drive, the Association plans to overlay this road with asphalt pavement in 2017

Chip and seal pavement at Yuma Drive, note loose gravel and previous pot hole repairs. The Association plans to overlay this road with asphalt pavement in 2017.

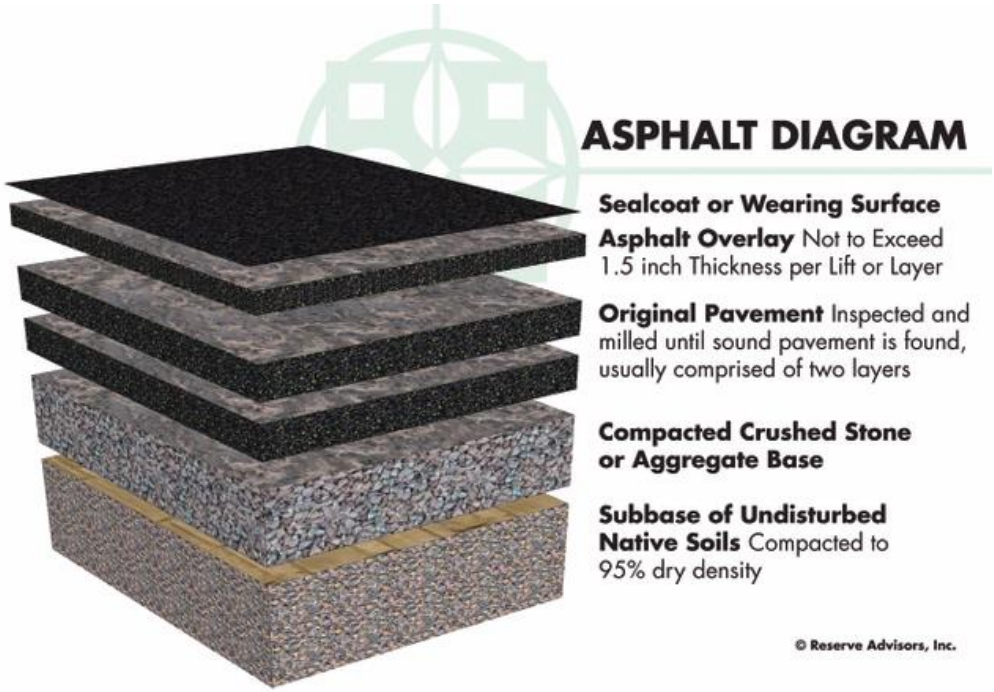
Typical chip and seal road

Chip and seal road, note edge deterioration

Useful Life:

- Asphalt pavement: Up to 25 years
- Chip and seal pavement: Up to six years

Component Detail Notes: The initial installation of asphalt uses at least two lifts, or two separate applications of asphalt, over the base course. The first lift is the binder course. The second lift is the wearing course. The wearing course comprises a finer aggregate for a smoother more watertight finish. The following diagram depicts these components:



The manner of repaving is either a mill and overlay or total replacement. A mill and overlay is a method of repaving where cracked, worn and failed pavement is mechanically removed or milled until sound pavement is found. A new layer of asphalt is overlaid atop the remaining base course of pavement. Total replacement includes the removal of all existing asphalt down to the base course of aggregate and native soil followed by the application of two or more new lifts of asphalt. We recommend mill and overlayment on asphalt pavement that exhibits normal deterioration and wear. We recommend total replacement of asphalt pavement that exhibits severe deterioration, inadequate drainage, pavement that has been overlaid multiple times in the past or where the configuration makes overlayment not possible. Based on the apparent visual condition and configuration of the asphalt pavement, we recommend the mill and overlay method for repaving at Lake Waynoka.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost for milling and overlayment includes area

patching of up to ten percent (10%). We account for a steadily decreasing rate of gravel pavement repairs as the Association continues to overlay the chip and seal pavement with asphalt pavement.

Signage, Street Signs

Line Item: 2.027

Quantity: Approximately 200 street signs

History: The Association replaced approximately sixty-six percent (66%), or 133 street signs from 2016 to 2017, and plans to replace the remaining older signs in 2018.

Useful Life: 15- to 20-years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

2017 Reserve Expenditures

Line Item: Last line item

Component Detail Notes: Lake Waynoka will expend $194,375 in Roads reserve expenditures in 2017. These expenditures relate to the following:

- Repair/replace street signs
- Upgrade location-wayfinding signs
- Road sealing
- Road paving
- Repaint Lake Waynoka Drive yellow line
- Road Repair

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

IMPROVEMENT EXPENDITURES

Security Elements

Gates, Emergency Generator

Line Item: 2.003

Quantity: One small *Kohler* generator operates the unmanned back gate during power outages

History: Replaced in 2016

Condition: Reported satisfactory

Emergency generator for the back gate

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost includes replacement of the transfer switch.

Gate, RFID Entry System

Line Item: 3.006

Quantity: Two RFID readers and one dedicated computer

History: Replaced in 2016

Condition: Reported satisfactory

RFID reader and swing arm gate

Useful Life: Up to 10 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Gates, Swing Arms and Operators

Line Item: 3.009

Quantity: Three swing arm gates and operators at both the front and rear gates

History: Replaced in 2016

Condition: Good overall

Rear swing arm gates and operators

Useful Life: Up to 10 years

Priority/Criticality: Not recommended to defer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Patrol Vehicles

Line Item: 3.012

Quantity: Two each

History: The Association purchased one vehicle in 2011 and one vehicle purchased in 2016

Condition: Reported satisfactory

Security vehicle

Useful Life: Up to 10 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Security Building, Building Services, Split System

Line Item: 3.015

Quantity: One *Frigidaire* split system

History: Replaced in 2009

Condition: Reported satisfactory

Outside condensing unit

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Security Building, Exterior Walls, Vinyl Siding

Line Item: 3.018

Quantity: Approximately 700 square feet of the exterior walls and 125 square feet of windows and doors

History: Replaced in 2009

Condition: Good to fair overall

Front building elevation

Rear building elevation

Useful Life: Up to 40 years

Component Detail Notes: The following diagram details the use of building wrap in a vinyl siding system:

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Security Building, Interior Renovations

Line Item: 3.021

Condition: Fair condition

Useful Life: Complete interior renovation every 20 years.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for interim paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of the vinyl floors
- Replacement of the light fixtures
- Replacement of the limited furnishings office workstations
- Replacement of the plumbing fixtures
- Paint finishes to the walls

Security Building, Roof Assembly, Asphalt Shingles

Line Item: 3.024

Quantity: Five squares

History: Replaced in 2009

Condition: Good to fair condition

Useful Life: To 20 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Security System

Line Items: 3.027 through 3.048

Quantity and History: The following chart outlines the components and ages of the security systems by location:

Location	Components	Year(s) of Installation
Administration and Security Buildings	Automated card reading system one access point at the Administration Building and two access points at the Security Building	Unknown
Bar	Four cameras, a multiplexer and a recorder	2016
Campgrounds	Four cameras and a recorder	2014
Front Gate	Eight cameras, a multiplexer and two recorders	2016
Lodge	Four cameras and a recorder	2014
Maintenance Facilities	Four cameras, a multiplexer and a recorder	Unknown
Recreation Center	Eight cameras, a multiplexer and a recorder	2015
Restaurant	Four cameras and a recorder	Proposed 2017 installation

Condition: Reported satisfactory

Useful Life: Up to 15 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Administration Building Elements

Administration Building, Building Services, Split System

Line Item: 3.051

Quantity: One split system

History: Replaced in 2012

Condition: Reported satisfactory

Outside condensing unit

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Administration Building, Exterior Walls, Vinyl Siding

Line Item: 3.054

Quantity: Approximately 3,400 square feet of the exterior walls and 200 square feet of windows and doors

History: Replaced in 2009

Condition: Good to fair overall

Administration building overview

Administration building overview

Useful Life: Up to 40 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Administration Building, Interior Renovations

Line Item: 3.057

Condition: Fair condition

Useful Life: Complete interior renovation every 20 years.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for interim paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of the carpet floor coverings
- Replacement of the acoustical ceiling tiles, light fixtures and grid
- Replacement of the office workstations
- Replacement of the kitchenette countertops and cabinets
- Replacement of the plumbing fixtures
- Paint finishes to the walls

Administration Building, Roof Assembly, Asphalt Shingles

Line Item: 3.060

Quantity: 28 squares

History: Replaced in 2009

Condition: Good to fair condition

Asphalt shingle roof overview

Useful Life: To 20 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Information Technology

Line Items: 3.063 through 3.069

Quantity and Useful life: The following chart outlines the information technology components, useful lives and quantifies:

Component	Useful life	Quantity
Computers and Point of Sales	to 5	21 computers total: eight at the Administration Building, four at the Security Building, two at the Recreation Center, two at the Bar, three at the Lodge, one at the Campgrounds and one at the maintenance facilities
Servers	to 5	Two physical servers and two virtual servers. The Association should replace the virtual servers through the operating budget.
Telephone System	to 15	One system

Condition: Reported satisfactory

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Weather Station

Line Item: 3.070

Quantity: The weather station includes a wind indicator and monitor

History: Replaced in 2015

Condition: Good condition

Useful Life: Up to 15 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Lodge/Restaurant Elements

Building Exterior, Roof Assembly, Asphalt Shingles

Line Item: 3.072

Quantity: 87 squares. This quantity includes the small flat roof section above the restaurant.

History: Replaced in 2008

Condition: Fair condition

Useful Life: Up to 20 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Building Exterior, Walls

Line Item: 3.075

History: Original

Condition: Fair to poor condition with significant deterioration of the wood components evident

Building overview

Wood balcony

Wood siding deterioration

Wood siding deterioration

Wood siding deterioration

Useful Life: Up to 10 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Renovations should include the following:

- Inspection of the painted CMU including partial repointing of up to five percent (5%)
- Replacement of up to fifty percent (50%) of the wood components (including the balcony)
- Replacement of up to fifty percent (50%) of the windows and doors
- Paint finish applications

Building Services, Electrical System

Line Item: 3.078

History: Primarily original to construction.

Condition: Reported unsatisfactory

Useful Life: Up to and sometimes beyond 50 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget to replace the main switchgear, distribution and circuit protection panels. Updates of this Reserve Study will consider possible changes in the scope and times of component replacements based on the conditions, including the need for replacement of the wires.

We recommend the Association conduct thermoscans of the distribution panels and circuit protection panels, and inspections of the transformers for any indications of arcing, burning or overheating on a regular basis, funded through the operating budget. Verification of the integrity of all connection points minimizes the potential for arcing and fires.

Building Services, Split Systems

Line Item: 3.081

Quantity: Five split systems

History: The Association replaced the majority of the outdoor condensing units within the last five years. The indoor furnaces are older at an unknown age.

Condition: Reported satisfactory

Outdoor condensing units

Rooftop condensing unit

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The Association should anticipate replacement of up to fifty percent (50%) of the split system components per event.

Interior Renovations

Line Item: 3.084

Condition: Fair to poor condition

Lodge interior

Restaurant dining room

Rest room

Useful Life: Complete interior renovation every 20 years.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Renovations should include the following:

- Replacement of the tile floor coverings in the lodge and kitchen
- Replacement of the carpet floor coverings in the restaurant dining room and various meeting rooms
- Replacement of the acoustical ceiling tiles and grid in the restaurant dining room and kitchen
- Replacement of the furnishings (primarily tables and chairs)
- Replacement of the light fixtures
- Paint finish applications

Kitchen Equipment

Line Item: 3.087

History: Components vary in age and condition

Kitchen equipment

Useful Life: 15- to 20-years

Component Detail Notes: Kitchen equipment includes:

- Exhaust hood
- Ice machine
- Dishwasher
- Flattop griddle
- Chargill
- Fryer
- Range with six burners and oven
- Pizza oven
- Ice cream machine
- Refrigerated prep table
- Freezer with two doors
- Freezer with three doors

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The Association should anticipate replacement of up to twenty-five percent (25%) of the kitchen equipment per event.

Storage Shed

Line Item: 3.090

Quantity: One each

History: Age unknown

Condition: Fair condition

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Bar/Lounge Elements

Building Exterior, Roof Assembly, Asphalt Shingles

Line Item: 3.093

Quantity: 35 squares

History: Unknown

Condition: Fair to poor condition with stains and shingle deterioration evident

Asphalt shingle roof, note stains and shingle deterioration

Useful Life: Up to 20 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Building Exterior, Walls

Line Item: 3.096

Quantity: 1,800 square of masonry façade, 500 square feet of vinyl siding, fascia and soffit, and 225 square feet of windows and doors

History: Original to the 1990s

Condition: Good to fair condition

Building overview

Building overview

Useful Life: Up to 10 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Renovations should include the following:

- Inspection of the split face CMU including partial repointing of up to five percent (5%)
- Replacement of up to twenty-five percent (25%) of the vinyl siding, soffit and fascia
- Replacement of up to twenty-five percent (25%) of the windows and doors

Building Services, Split System

Line Item: 3.099

Quantity: One split system

History: Unknown

Condition: Reported satisfactory

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Interior Renovations

Line Item: 3.102

Condition: Fair condition

Bar interior

Rest room

Useful Life: Complete interior renovation every 20 years.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Renovations should include the following:

- Replacement of the vinyl floor coverings
- Replacement of the acoustical ceiling tiles and grid
- Replacement of the light fixtures
- Replacement of the furniture and pool tables
- Renovation of the bar (including equipment)
- Renovation of the rest rooms
- Paint finish applications
- Replacement of the picnic tables, horseshoes and wood rail fences

Recreation Center Elements

Building Exterior, Roof Assembly, Metal

Line Item: 3.105

Quantity: 110 squares

History: Original to 2004

Condition: Good condition

Standing seam metal roof

Useful Life: Up to 40 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Building Exterior, Walls

Line Item: 3.108

Quantity: 5,400 square of masonry façade, 900 square feet of EIFS, 5,000 square feet of metal siding, fascia and soffit, and 600 square feet of windows and doors

History: Original to 2004

Condition: Good condition

Recreation center overview

Recreation center overview

Brick masonry and metal siding, note stains

EIFS overview, note soiled finishes

Useful Life: Up to 10 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Renovations should include the following:

- Inspection of the brick masonry including partial repointing of up to five percent (5%)
- Replacement of up to twenty-five percent (25%) of the metal siding, fascia and soffit
- Inspection and paint application of the EIFS including partial replacement of up to three (3%)
- Replacement of up to twenty-five percent (25%) of the windows and doors

Building Interior, Exercise Equipment

Line Item: 3.111

Quantity: The exercise room contains the following types of cardiovascular aerobic training equipment:

- Arc Trainers (2)
- Stairmaster (1)
- Treadmills (2)
- Stationary Cycles (3)
- Televisions (2)

The exercise room contains the following types of strength training equipment:

- Benches and Stretching Racks (4)
- Dumbbells
- Weight Training Machines (6)

History: The Association replaced all of the exercise equipment from 2013 to 2017

Conditions: Good overall

Exercise equipment

Useful Life: 5- to 10-years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The Association should anticipate replacement of up to twenty-five percent (25%) of the exercise equipment per event.

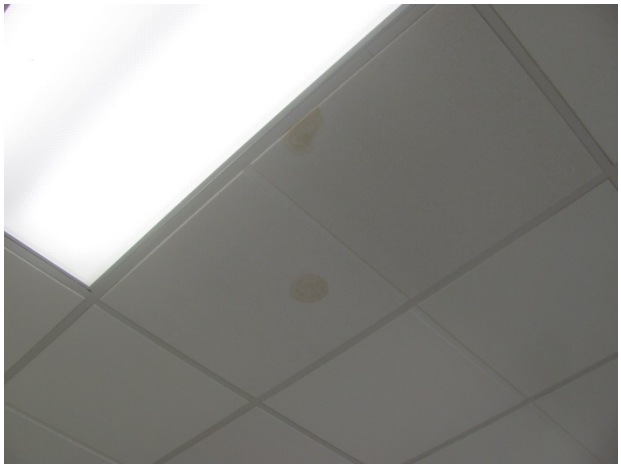
Building Interior, Ceilings, Acoustical Tiles, Lights and Grid

Line Item: 3.114

Quantity: 3,000 square feet through the building with the exception of the gymnasium.

History: Original to 2004

Condition: Good to fair overall with isolated stains evident



Stained ceiling tiles at the game room

Useful Life: Up to 30 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Building Interior, Floor Coverings

Line Item: 3.117

Quantity: 950 square yards. This quantity includes the: vinyl floor coverings in the gymnasium, game room and hallway; and the rubber floor coverings in the exercise room.

History: Original to 2004

Condition: Good to fair overall

Gymnasium vinyl floor coverings

Hallway vinyl floor coverings

Useful Life: Up to 30 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Building Interior, Furniture

Line Item: 3.120

History: Original to 2004

Condition: Good to fair overall

Game room furniture and game tables

Useful Life: Varies significantly up to 20 years

Component Detail Notes: Furnishings in the recreation center include:

- Benches and tables
- Game tables
- Arcade games
- Office furniture
- Sales counter
- Gymnasium light fixtures
- Gymnasium divider net
- Gymnasium score board

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We estimate the present replacement cost of these elements at approximately $50,000. Due to varied uses, ages and useful lives, we recommend the Association budget $12,500 plus inflation for phased replacements of up to twenty-five percent (25%) of the furnishings per event.

Building Interior, Rest Rooms

Line Item: 3.123

Quantity: Two rest rooms

History: Components are original to 2004

Condition: Good to fair overall

Rest room overview

Rest room lockers

Rest room tile floor coverings, note minor cracks

Useful Life: Renovations up to 25 years

Component Detail Notes: Components include:

- Tile floor and wall coverings
- Acoustical tiles, light fixtures and grid
- Metal lockers
- Plumbing fixtures

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Building Services, Sound System

Line Item: 3.126

History: Replaced in 2017

Condition: Reported in satisfactory condition

Useful Life: Up to 15 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Building Services, Split Systems

Line Items: 3.129 and 3.132

Quantity: Fire small split systems for the exercise room, game room and rest rooms, and one large *York* split system for the gymnasium

History: The small systems vary in age. The large gymnasium system is original to 2004

Condition: Reported satisfactory

Small condensing units

Large gymnasium condensing units

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The Association should anticipate replacement of up to fifty percent (50%) of the smaller split system components per event.

Indoor Pool, Equipment, Dehumidifier

Line Item: 3.135

History: The Association plans to replace the dehumidifier in 2017

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Indoor Pool, Mechanical Equipment, Miscellaneous

Line Item: 3.138

Quantity:

- Automatic chlorinator
- Controls
- Filters
- Heater
- Interconnected pipe, fittings and valves
- Pumps

History: Original

Condition: Reported satisfactory

Useful Life: Up to 15 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Failure of the pool mechanical equipment as a single event is unlikely. We consider interim replacement of motors and minor repairs as normal maintenance.

Indoor Pool, Finishes, Plaster

Line Item: 3.141

Quantity: 550 square feet based on the horizontal surface area of the pool and hot tub

History: Original

Condition: Fair overall

Indoor pool and hot tub

Useful Life: Up to 10 years

Component Detail Notes: Removal and replacement provides the opportunity to inspect the pool structures and to allow for partial repairs of the underlying concrete surfaces as needed. To maintain the integrity of the pool structures, we recommend the Association budget for the following

- Removal and replacement of the finishes
- Partial replacements of the scuppers and coping as needed
- Replacement of tiles as needed
- Replacement of joint sealants as needed
- Concrete structure repairs as needed

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Outdoor Pool and Other Site Elements

Asphalt Pavement, Repaving

Line Item: 3.144

Quantity: Approximately 7,600 square yards at the recreation center parking area

History: Unknown

Condition: Fair overall with cracks evident

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost for milling and overlayment includes area patching of up to ten percent (10%).

Pavilion

Line Item: 3.150

Quantity: One wood frame pavilion near the adult pool that comprises approximately 1,225 square feet

History: Installed in 2006

Condition: Good to fair overall

Pool pavilion

Useful Life: Up to 20 years with periodic maintenance

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of the asphalt shingle roof
- Replacement of up to fifty percent (50%) of the vinyl siding, and aluminum fascia and soffit
- Replacement of the light fixtures, picnic tables, etc.
- Partial replacements of the deteriorated concrete patio

Playground Equipment

Line Item: 3.153

Quantity: The playground equipment is located between the tennis courts and softball field

History: Replaced in the early 2000s

Condition: Good to fair overall

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pool, Concrete Deck

Line Item: 3.156

Quantity: 30,500 square feet. This quantity includes the surrounding concrete sidewalks and patios.

History: Original to 2001

Condition: Good to fair condition with isolated cracks evident

Concrete deck, note standing water

Minor concrete deck cracks

Minor concrete deck cracks

Useful Life: The useful life of a concrete pool deck is up to 60 years or more with timely repairs. We recommend the Association conduct inspections, partial replacements and repairs to the deck every 10 years.

Component Detail Notes: We recommend the Association budget for the following:

- Selective cut out and replacements of up to ten percent (10%) of concrete
- Crack repairs as needed
- Mortar joint repairs
- Caulk replacement

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pool, Covers

Line Item: 3.159

Quantity: 6,500 square feet

History: Unknown

Condition: Fair condition

Pool cover

Useful Life: Six- to eight-years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pool, Fences, Aluminum

Line Item: 3.162

Quantity: 450 linear feet

History: Original to 2001

Condition: Good to fair overall condition with isolated damage evident

Aluminum fence atop masonry wall

Damaged fence picket

Useful Life: Up to 25 years

Priority/Criticality: Not recommended to defer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pool, Furniture

Line Item: 3.165

Quantity:

- Chairs (90)
- Lounges (80)
- Tables (24)
- Picnic tables (25)
- Life guard chairs (2)
- Ladders and life safety equipment
- Light fixtures and poles (4)

History: Unknown

Condition: Fair overall

Useful Life: Up to 12 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend interim re-strapping, refinishing, cushion replacements, reupholstering and other repairs to the furniture as normal maintenance to maximize its useful life.

Pool, Plaster Finish

Line Items: 3.168 through 3.174

Quantity:

- Adult Pool: 1,250 square feet based on the horizontal surface area
- Kid Pool: 1,250 square feet based on the horizontal surface area with a zero depth entry
- Main Pool: 4,000 square feet based on the horizontal surface area

History: Unknown with the exception of the adult pool plaster finish that was replaced in 2015

Condition: Fair to poor overall condition. Management informs us that the Association will replace the plaster finish at the kid pool in 2017. The exception is the adult pool that is reported in good condition.

Kid pool

Main pool

Adult pool

Useful Life: Up to 10 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pool, Water Features

Line Item: 3.177 and 3.180

Quantity: Mushroom shower at the kid pool and a diving board at the main pool

History: Original to 2001

Conditions: Fair condition with finish deterioration evident

Mushroom shower at kid pool

Diving board at main pool, note finish deterioration

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pool, Water Slide

Line Item: 3.186

History: Original to 2001

Conditions: Fair overall

Water slide at main pool

Useful Life: Replacement at 15- to 20-years

Component Detail Notes: Safety is the major purpose for maintaining the water slide. We recommend an annual inspection of the water slide to identify and repair as normal maintenance loose connections and fasteners or damaged elements. We recommend the use of a specialist for the design or replacement of the water slide environment.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pump House, Exterior Walls, Vinyl Siding

Line Item: 3.189

Quantity: Approximately 2,000 square feet of vinyl siding at the exterior walls and 150 square feet of windows and doors

History: Replaced in 2001

Condition: Good to fair overall

Pool house overview

Useful Life: Up to 40 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pump House, Mechanical Equipment

Line Items: 3.192 and 3.195

Quantity:

- Automatic chlorinator
- Controls
- Filters (8)
- Heater (1)
- Interconnected pipe, fittings and valves
- Pumps (5)
- Electrical panel
- Exhaust fan

History: Original. The Association replaced the filter cartridges in 2015.

Condition: Reported satisfactory

Filters

Heater

Useful Life: Up to 15 years with interim replacements of the filter cartridges every three years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Failure of the pool mechanical equipment as a single event is unlikely. We consider interim replacement of motors and minor repairs as normal maintenance.

Pump House, Roof Assembly, Asphalt Shingles

Line Item: 3.198

Quantity: 28 squares

History: Replaced in 2001

Condition: Good to fair condition

Useful Life: Up to 20 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Tennis Courts, Color Coat

Line Item: 3.201

Quantity: 1,600 square yards comprising two tennis courts

History: Unknown

Condition: Fair to poor overall

Evidence of standing water

Previous crack repairs

Useful Life: Four- to six-years

Component Detail Notes: Prior to the application of the color coat, the Association should require the contractor to rout and fill all cracks with hot emulsion. This deters water infiltration and further deterioration of the asphalt playing surface.

Priority/Criticality: Not recommended to defer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Tennis Courts, Fence

Line Item: 3.204

Quantity: 480 linear feet

History: Replaced in 2004

Condition: Good to fair overall

Chain link fence, note isolated warping

Useful Life: Up to 25 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Tennis Courts, Light Poles and Fixtures

Line Item: 3.207

Quantity: Six each

History: Unknown

Condition: Fair to poor overall

Light fixtures and pole

Useful Life: Up to 25 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Tennis Courts, Surface

Line Item: 3.210

Quantity: 1,600 square yards of asphalt comprising two tennis courts

History: Replaced in 2004

Condition: Good to fair overall

Tennis courts

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Maintenance Facilities Elements

Boat Maintenance Building, Metal Roof and Siding

Line Item: 3.213

Quantity: Approximately 3,500 square feet

History: Original to 2016

Condition: Good condition

Boat maintenance building

Useful Life: Up to 35 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Boat Maintenance Building, Overhead Doors

Line Item: 3.216

Quantity: Two overhead metal garage doors

History: Original to 2016

Condition: Good overall

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Maintenance Building, Fuel Tanks and Pumps

Line Item: 3.219

Quantity: Two 500-gallon fuel tanks and one 300-gallon fuel tank

History: Unknown

Condition: Fair to poor overall

Fuel tanks and pumps

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Maintenance Building, Metal Roof and Siding

Line Item: 3.222

Quantity: Approximately 15,000 square feet

History: Original to 2010

Condition: Good condition

Maintenance building

Useful Life: Up to 35 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Maintenance Building, Overhead Doors

Line Item: 3.225

Quantity: Five overhead metal garage doors

History: Original to 2010

Condition: Good overall

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Maintenance Equipment and Vehicle Elements

Lake Waynoka maintains numerous pieces of maintenance equipment and vehicles to maintain the grounds. Specific discussion of each piece of equipment and vehicle is beyond the scope of this study. For budgetary purposes, we reviewed the age, condition, and remaining useful lives of each piece of equipment with Management to determine the estimated times of replacements based on existing use and condition.

We detail our recommendations on Line Items 3.228 through 3.315 of ***Reserve Expenditures***.

Maintenance equipment

Maintenance equipment

2017 Reserve Expenditures

Line Item: Last line item

Component Detail Notes: Lake Waynoka will expend $79,500 in Improvement reserve expenditures in 2017. These expenditures relate to the following:

- New lodge flooring
- Exercise equipment for Recreation Center
- Restaurant equipment upgrade and replacement
- Recreation Center general upkeep
- General Reserve replenishment to goal
- Patrol car radio
- Recreation Center repair

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

CAMPGROUND EXPENDITURES

Campsites, Electrical Pedestals

Line Item: 4.003

Quantity: 261 each

History: The Association replaced the electric pedestals in 2016 and upgraded the electrical service from 30 amps to 50 amps at this time.

Condition: Reported satisfactory

Electrical pedestal

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Campsites, Pipes, Sewer and Water

Line Item: 4.006

History: The Association expended approximately $110,000 in 2013 to install subsurface pipes that connect the outer campsites to the local public water and sewer systems.

Condition: Reported satisfactory

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We include a one-time allowance for the installation of subsurface pipes that connect the remaining campsites to the local public water and sewer systems.

Office Building, Building Services, Split System

Line Item: 4.009

Quantity: One *Goodman* split system

History: Unknown

Condition: Reported satisfactory

Outside condensing unit

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Office Building, Exterior Walls

Line Item: 4.012

History: Original

Condition: Good to fair condition

Office building front elevation

Office building, side and rear elevations

Useful Life: Up to 10 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for interim paint applications and repairs through the operating budget. Our cost for renovation includes:

- Inspection of the split-face concrete masonry units (CMU) including partial repointing of up to five percent (5%)
- Replacement of up to twenty-five percent (25%) of the vinyl siding, and the aluminum fascia and soffit
- Replacement of up to twenty-five percent of the windows and doors (including the garage door)

Office Building, Interior Renovations

Line Item: 4.015

Condition: Good to fair condition

Office building interior

Useful Life: Complete interior renovation every 20 years.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for interim paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of the vinyl floors
- Replacement of the acoustical ceiling tiles, light fixtures and grid
- Replacement of the front entrance counter

- Replacement of the limited furnishings
- Replacement of the plumbing fixtures
- Paint finishes to the walls

Office Building, Roof Assembly, Asphalt Shingles

Line Item: 4.018

Quantity: 12 squares

History: Replaced in 2007

Condition: Good to fair condition

Useful Life: To 20 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Office Building, Storage Shed

Line Item: 4.021

Quantity: One each

History: Age unknown

Condition: Good to fair condition

Storage shed

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Asphalt Pavement, Repaving

Line Item: 4.024

Quantity: Approximately 13,500 square yards

History: The Association overlaid the original gravel pavement with asphalt within the last 10 years.

Condition: Good to fair overall

Campground asphalt pavement road

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost for milling and overlayment includes area patching of up to ten percent (10%).

Pavilion

Line Item: 4.027

Quantity: One wood frame pavilion that comprises approximately 1,800 square feet

History: The Association replaced the asphalt shingle roof assembly in 2009

Condition: Fair overall

Campground pavilion

Useful Life: Up to 20 years with periodic maintenance

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of the asphalt shingle roof
- Replacement of up to fifty percent (50%) of the aluminum fascia and soffit
- Light Fixtures, Picnic Tables, Grills, Etc.
- Partial replacement of deteriorated concrete patio
- Partial replacement of deteriorated wood components

Playground Equipment

Line Item: 4.030

History and Condition: Various ages and conditions

Campground playground equipment

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We include an allowance in the unit cost for replacement of the wood rail fences.

Rest Room Buildings, Exterior Walls

Line Items: 4.033 and 4.036

Quantity: One main rest room building and four satellite rest room buildings

History: Original

Condition: Fair condition with isolated deterioration of the wood components and doors evident

Main campground rest room building

Satellite campground rest room building

Useful Life: Up to 10 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for interim paint applications and repairs through the operating budget. Our cost for renovation includes:

- Replacement of up to twenty-five percent (25%) of the siding, and the soffit and fascia
- Inspection of the CMU including partial repointing of up to five percent (5%)
- Application of paint finish to the wood and CMU exterior surfaces
- Replacement of up to twenty-five percent (25%) of the light fixtures, windows, doors, etc.

Rest Room Buildings, Rest Rooms

Line Items: 4.039 and 4.042

Quantity: The main rest room building includes tile floor and wall coverings, light fixtures, eight sinks, six toilets and metal partitions, and 10 showers. Each of the four satellite rest room buildings includes light fixtures, two sinks, and four toilets and metal partitions.

History: The Association replaced the sinks at the main rest room building in 2000 and all of the plumbing fixtures at the satellite rest rooms in 2013.

Condition: Fair overall

Main rest room overview

Main rest room overview

Useful Life: Renovations up to 25 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost includes an allowance for replacement of the light fixtures. The Association should fund paint applications through the operating budget.

Rest Room Buildings, Roof Assembly, Asphalt Shingles

Line Items: 4.045 and 4.048

Quantity:

- Main Building: 24 squares
- Satellite Buildings: 11 squares

History: The Association replaced the asphalt roofs at the satellite rest room buildings in 2015. The asphalt shingle roof at the main rest room building is older at an unknown age.

Condition:

- Main Building: Fair to poor condition with stains and shingle deterioration evident
- Satellite Buildings: Good to fair condition
- ***Useful Life:*** Up to 20 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

2017 Reserve Expenditures

Line Item: Last line item

Component Detail Notes: Lake Waynoka will expend $65,000 in Campground reserve expenditures in 2017. These expenditures relate to the following:

- Tree work
- Miscellaneous upgrades/labor
- Upgrade, loan repayment

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Reserve Study Update

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. Many variables change after the study is conducted that may result in significant overfunding or underfunding the reserve account. Variables that may affect the Reserve Funding Plan include, but are not limited to:

- Deferred or accelerated capital projects based on Board discretion
- Changes in the interest rates on reserve investments
- Changes in the *local* construction inflation rate
- Additions and deletions to the Reserve Component Inventory
- The presence or absence of maintenance programs
- Unusually mild or extreme weather conditions
- Technological advancements

Periodic updates incorporate these variable changes since the last Reserve Study or Update. We recommend the Board budget for an Update to this Reserve Study in two years. Budgeting for an Update demonstrates the Board's objective to continue fulfilling its fiduciary responsibility to maintain the commonly owned property and to fund reserves appropriately.

5. METHODOLOGY

Reserves for replacement are the amounts of money required for future expenditures to repair or replace Reserve Components that wear out before the entire facility or project wears out. Reserving funds for future repair or replacement of the Reserve Components is also one of the most reliable ways of protecting the value of the property's infrastructure and marketability.

Lake Waynoka can fund capital repairs and replacements in any combination of the following:

1. Increases in the operating budget during years when the shortages occur
2. Loans using borrowed capital for major replacement projects
3. Level monthly reserve assessments annually adjusted upward for inflation to increase reserves to fund the expected major future expenditures
4. Special assessments

We do not advocate special assessments or loans unless near term circumstances dictate otherwise. Although loans provide a gradual method of funding a replacement, the costs are higher than if the Association were to accumulate reserves ahead of the actual replacement. Interest earnings on reserves also accumulate in this process of saving or reserving for future replacements, thereby defraying the amount of gradual reserve collections. We advocate the third method of *Level Monthly Reserve Assessments* with relatively minor annual adjustments. The method ensures that Members pay their "fair share" of the weathering and aging of the commonly owned property each year. Level reserve assessments preserve the property and enhance the resale value of the homes.

This Reserve Study is in compliance with and exceeds the National standards[1] set forth by the Community Associations Institute (CAI) and the Association of Professional Reserve Analysts (APRA) fulfilling the requirements of a "Full Reserve Study." These standards require a Reserve Component to have a "predictable remaining Useful Life." Estimating Remaining Useful Lives and Reserve Expenditures beyond 30 years is often indeterminate. Long-Lived Property Elements are necessarily excluded from this analysis. We considered the following factors in our analysis:

- The Cash Flow Method to compute, project and illustrate the 30-year Reserve Funding Plan
- Local[2] costs of material, equipment and labor
- Current and future costs of replacement for the Reserve Components
- Costs of demolition as part of the cost of replacement
- Local economic conditions and a historical perspective to arrive at our estimate of long term future inflation for construction costs in Lake Waynoka, Ohio at an annual inflation rate. Isolated or regional markets of

[1] Identified in the APRA "Standards - Terms and Definitions" and the CAI "Terms and Definitions".
[2] See Credentials for addition information on our use of published sources of cost data.

greater construction (development) activity may experience slightly greater rates of inflation for both construction materials and labor.

- The past and current maintenance practices of Lake Waynoka and their effects on remaining useful lives
- Financial information provided by the Association pertaining to the cash status of the reserve fund and budgeted reserve contribution
- The anticipated effects of appreciation of the reserves over time in accord with a return or yield on investment of your cash equivalent assets. (We did not consider the costs, if any, of Federal and State Taxes on income derived from interest and/or dividend income).
- The Funding Plan excludes necessary operating budget expenditures. It is our understanding that future operating budgets will provide for the ongoing normal maintenance of Reserve Components.

Updates to this Reserve Study will continue to monitor historical facts and trends concerning the external market conditions.

6. DEFINITIONS

Definitions are derived from the standards set forth by the Community Associations Institute (CAI) representing America's 305,000 condominium and homeowners associations and cooperatives, and the Association of Professional Reserve Analysts, setting the standards of care for reserve study practitioners.

Cash Flow Method - A method of calculating Reserve Contributions where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Component Method - A method of developing a Reserve Funding Plan with the total contribution is based on the sum of the contributions for individual components.

Current Cost of Replacement - That amount required today derived from the quantity of a *Reserve Component* and its unit cost to replace or repair a Reserve Component using the most current technology and construction materials, duplicating the productive utility of the existing property at current *local* market prices for *materials*, *labor* and manufactured equipment, contractors' overhead, profit and fees, but without provisions for building permits, overtime, bonuses for labor or premiums for material and equipment. We include removal and disposal costs where applicable.

Fully Funded Balance - The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost similar to Total Accrued Depreciation.

Funding Goal (Threshold) - The stated purpose of this Reserve Study is to determine the adequate, not excessive, minimal threshold reserve balances.

Future Cost of Replacement - *Reserve Expenditure* derived from the inflated current cost of replacement or current cost of replacement as defined above, with consideration given to the effects of inflation on local market rates for materials, labor and equipment.

Long-Lived Property Component - Property component of Lake Waynoka responsibility not likely to require capital repair or replacement during the next 30 years with an unpredictable remaining Useful Life beyond the next 30 years.

Percent Funded - The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.

Remaining Useful Life - The estimated remaining functional or useful time in years of a *Reserve Component* based on its age, condition and maintenance.

Reserve Component - Property elements with: 1) Lake Waynoka responsibility; 2) limited Useful Life expectancies; 3) predictable Remaining Useful Life expectancies; and 4) a replacement cost above a minimum threshold.

Reserve Component Inventory - Line Items in ***Reserve Expenditures*** that identify a *Reserve Component*.

Reserve Contribution - An amount of money set aside or *Reserve Assessment* contributed to a *Reserve Fund* for future *Reserve Expenditures* to repair or replace *Reserve Components*.

Reserve Expenditure - Future Cost of Replacement of a Reserve Component.

Reserve Fund Status - The accumulated amount of reserves in dollars at a given point in time, i.e., at year end.

Reserve Funding Plan - The portion of the Reserve Study identifying the *Cash Flow Analysis* and containing the recommended Reserve Contributions and projected annual expenditures, interest earned and reserve balances.

Reserve Study - A budget planning tool that identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures.

Useful Life - The anticipated total time in years that a *Reserve Component* is expected to serve its intended function in its present application or installation.

7. PROFESSIONAL SERVICE CONDITIONS

Our Services - Reserve Advisors, Inc. will perform its services as an independent contractor in accordance with our professional practice standards. Our compensation is not contingent upon our conclusions.

Our inspection and analysis of the subject property is limited to visual observations and is noninvasive. We will inspect sloped roofs from the ground. We will inspect flat roofs where safe access (stairs or ladder permanently attached to the structure) is available. The report is based upon a "snapshot in time" at the moment of our observation. Conditions can change between the time of inspection and the issuance of the report. Reserve Advisors does not investigate, nor assume any responsibility for any existence or impact of any hazardous materials, structural, latent or hidden defects which may or may not be present on or within the property. Our opinions of estimated costs and remaining useful lives are not a guarantee of the actual costs of replacement, a warranty of the common elements or other property elements, or a guarantee of remaining useful lives.

We assume, without independent verification, the accuracy of all data provided to us. You agree to indemnify and hold us harmless against and from any and all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which we have relied upon as supplied by you or others under your direction, or which may result from any improper use or reliance on the report by you or third parties under your control or direction. Your obligation for indemnification and reimbursement shall extend to any controlling person of Reserve Advisors, Inc., including any director, officer, employee, affiliate, or agent. Liability of Reserve Advisors, Inc. and its employees, affiliates, and agents for errors and omissions, if any, in this work is limited to the amount of its compensation for the work performed in this engagement.

Report - Reserve Advisors, Inc. will complete the services in accordance with the Proposal. The Report represents a valid opinion of our findings and recommendations and is deemed complete. However, we will consider any additional information made available to us in the interest of promptly issuing a Revised Report if changes are requested within six months of receiving the Report. We retain the right to withhold a Revised Report if payment for services is not rendered in a timely manner. All files, work papers or documents developed by us during the course of the engagement remains our property.

Your Obligations - You agree to provide us access to the subject property during our on-site visual inspection and tour. You will provide to us to the best of your ability and if reasonably available, historical and budgetary information, the governing documents, and other information that we request and deem necessary to complete our Study. You agree to pay our actual attorneys' fees and any other costs incurred in the event we have to initiate litigation to collect on any unpaid balance for our services.

Use of Our Report and Your Name - Use of this Report is limited to only the purpose stated herein. Any use or reliance for any other purpose, by you or third parties, is invalid. Our Reserve Study Report in whole or part is not and cannot be used as a design specification, design engineering services or an appraisal. You may show our report in its entirety to those third parties who need to review the information contained herein. The Client and other third parties viewing this report should not reference our name or our report, in whole or in part, in any document prepared and/or distributed to third parties without our written consent. ***This report contains intellectual property developed by Reserve Advisors, Inc. specific to this engagement and***

cannot be reproduced or distributed to those who conduct reserve studies without the written consent of Reserve Advisors, Inc.

We reserve the right to include our client's name in our client lists, but we will maintain the confidentiality of all conversations, documents provided to us, and the contents of our reports, subject to legal or administrative process or proceedings. These conditions can only be modified by written documents executed by both parties.

Payment Terms, Due Dates and Interest Charges - The retainer payment is due upon authorization and prior to shipment of the report. The final payment of the fee is due immediately upon receipt of the Report. Subsequent changes to the report can be made for up to six months from the initial report date. Any outstanding balance after 30 days of the invoice date is subject to an interest charge of 1.5% per month. Any litigation necessary to collect an unpaid balance shall be venued in Milwaukee County Circuit Court in the State of Wisconsin.

CONDITIONS OF OUR SERVICE ASSUMPTIONS

To the best of our knowledge, all data set forth in this report are true and accurate. Although gathered from reliable sources, we make no guarantee nor assume liability for the accuracy of any data, opinions, or estimates identified as furnished by others that we used in formulating this analysis.

We did not make any soil analysis or geological study with this report; nor were any water, oil, gas, coal, or other subsurface mineral and use rights or conditions investigated.

Substances such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, environmental mold or other potentially hazardous materials could, if present, adversely affect the validity of this study. Unless otherwise stated in this report, the existence of hazardous substance, that may or may not be present on or in the property, was not considered. Our opinions are predicated on the assumption that there are no hazardous materials on or in the property. We assume no responsibility for any such conditions. We are not qualified to detect such substances, quantify the impact, or develop the remedial cost.

We have made a visual inspection of the property and noted visible physical defects, if any, in our report. Our inspection and analysis was made by employees generally familiar with real estate and building construction; however, we did not do any invasive testing. Accordingly, we do not opine on, nor are we responsible for, the structural integrity of the property including its conformity to specific governmental code requirements, such as fire, building and safety, earthquake, and occupancy, or any physical defects that were not readily apparent during the inspection.

Our opinions of the remaining useful lives of the property elements do not represent a guarantee or warranty of performance of the products, materials and workmanship.

8. CREDENTIALS

HISTORY AND DEPTH OF SERVICE

Founded in 1991, Reserve Advisors, Inc. is the leading provider of reserve studies, insurance appraisals, developer turnover transition studies, expert witness services, and other engineering consulting services. Clients include community associations, resort properties, hotels, clubs, non-profit organizations, apartment building owners, religious and educational institutions, and office/commercial building owners in 48 states, Canada and throughout the world.

The **architectural engineering consulting firm** was formed to take a leadership role in helping fiduciaries, boards, and property managers manage their property like a business with a long range master plan known as a Reserve Study.

Reserve Advisors employs the **largest staff of Reserve Specialists** with bachelor's degrees in engineering dedicated to Reserve Study services. Our principals are founders of Community Associations Institute's (CAI) Reserve Committee that developed national standards for reserve study providers. One of our principals is a Past President of the Association of Professional Reserve Analysts (APRA). Our vast experience with a variety of building types and ages, on-site examination and historical analyses are keys to determining accurate remaining useful life estimates of building components.

No Conflict of Interest - As consulting specialists, our **independent opinion** eliminates any real or perceived conflict of interest because we do not conduct or manage capital projects.

TOTAL STAFF INVOLVEMENT

Several staff members participate in each assignment. The responsible advisor involves the staff through a Team Review, exclusive to Reserve Advisors, and by utilizing the experience of other staff members, each of whom has served hundreds of clients. We conduct Team Reviews, an internal quality assurance review of each assignment, including: the inspection; building component costing; lifing; and technical report phases of the assignment. Due to our extensive experience with building components, we do not have a need to utilize subcontractors.

OUR GOAL

To help our clients fulfill their fiduciary responsibilities to maintain property in good condition.

VAST EXPERIENCE WITH A VARIETY OF BUILDINGS

Reserve Advisors has conducted reserve studies for a multitude of different communities and building types. We've analyzed thousands of buildings, from as small as a 3,500-square foot day care center to the 2,600,000-square foot 98-story Trump International Hotel and Tower in Chicago. We also routinely inspect buildings with various types of mechanical systems such as simple electric heat, to complex systems with air handlers, chillers, boilers, elevators, and life safety and security systems.

We're familiar with all types of building exteriors as well. Our well versed staff regularly identifies optimal repair and replacement solutions for such building exterior surfaces such as adobe, brick, stone, concrete, stucco, EIFS, wood products, stained glass and aluminum siding, and window wall systems.

OLD TO NEW

Reserve Advisors experience includes ornate and vintage buildings as well as modern structures. Our specialists are no strangers to older buildings. We're accustomed to addressing the unique challenges posed by buildings that date to the 1800's. We recognize and consider the methods of construction employed into our analysis. We recommend appropriate replacement programs that apply cost effective technologies while maintaining a building's character and appeal.

QUALIFICATIONS
THEODORE J. SALGADO
Principal Owner

CURRENT CLIENT SERVICES

Theodore J. Salgado is a co-founder of Reserve Advisors, Inc., which is dedicated to serving community associations, city and country clubs, religious organizations, educational facilities, and public and private entities throughout the United States. He is responsible for the production, management, review, and quality assurance of all reserve studies, property inspection services and consulting services for a nationwide portfolio of more than 6,000 clients. Under his direction, the firm conducts reserve study services for community associations, apartment complexes, churches, hotels, resorts, office towers and vintage architecturally ornate buildings.

PRIOR RELEVANT EXPERIENCE

Before founding Reserve Advisors, Inc. with John P. Poehlmann in 1991, Mr. Salgado, a professional engineer registered in the State of Wisconsin, served clients for over 15 years through American Appraisal Associates, the world's largest full service valuation firm. Mr. Salgado conducted facilities analyses of hospitals, steel mills and various other large manufacturing and petrochemical facilities and casinos.

He has served clients throughout the United States and in foreign countries, and frequently acted as project manager on complex valuation, and federal and state tax planning assignments. His valuation studies led to negotiated settlements on property tax disputes between municipalities and property owners.

Mr. Salgado has authored articles on the topic of reserve studies and facilities maintenance. He also co-authored *Reserves*, an educational videotape produced by Reserve Advisors on the subject of Reserve Studies and maintaining appropriate reserves. Mr. Salgado has also written in-house computer applications manuals and taught techniques relating to valuation studies.

EXPERT WITNESS

Mr. Salgado has testified successfully before the Butler County Board of Tax Revisions in Ohio. His depositions in pretrial discovery proceedings relating to reserve studies of Crestview Estates Condominium Association in Wauconda, Illinois, Rivers Point Row Property Owners Association, Inc. in Charleston, South Carolina and the North Shore Club Associations in South Bend, Indiana have successfully assisted the parties in arriving at out of court settlements.

EDUCATION - Milwaukee School of Engineering - B.S. Architectural Engineering

PROFESSIONAL AFFILIATIONS/DESIGNATIONS

American Association of Cost Engineers - Past President, Wisconsin Section
Association of Construction Inspectors - Certified Construction Inspector
Association of Professional Reserve Analysts - Past President & Professional Reserve Analyst (PRA)
Community Associations Institute - Member and Volunteer Leader of multiple chapters
Concordia Seminary, St. Louis - Member, National Steering Committee
Milwaukee School of Engineering - Member, Corporation Board
Professional Engineer, Wisconsin (1982) and North Carolina (2014)

Ted continually maintains his professional skills through American Society of Civil Engineers, ASHRAE, Association of Construction Inspectors, and continuing education to maintain his professional engineer licenses.

JOHN P. POEHLMANN, RS
Principal

John P. Poehlmann is a co-founder of Reserve Advisors, Inc. He is responsible for the finance, accounting, marketing, and overall administration of Reserve Advisors, Inc. He also regularly participates in internal Quality Control Team Reviews of Reserve Study reports.

Mr. Poehlmann directs corporate marketing, including business development, advertising, press releases, conference and trade show exhibiting, and electronic marketing campaigns. He frequently speaks throughout the country at seminars and workshops on the benefits of future planning and budgeting for capital repairs and replacements of building components and other assets.

PRIOR RELEVANT EXPERIENCE

Mr. Poehlmann served on the national Board of Trustees of Community Associations Institute. An international organization, Community Associations Institute (CAI) is a nonprofit 501(c)(3) trade association created in 1973 to provide education and resources to America's 335,000 residential condominium, cooperative and homeowner associations and related professionals and service providers.

He is a founding member of the Institute's Reserve Committee. The Reserve Committee developed national standards and the Reserve Specialist (RS) Designation Program for Reserve Study providers. Mr. Poehlmann has authored numerous articles on the topic of Reserve Studies, including Reserve Studies for the First Time Buyer, Minimizing Board Liability, Sound Association Planning Parallels Business Concepts, and Why Have a Professional Reserve Study. He is also a contributing author in Condo/HOA Primer, a book published for the purpose of sharing a wide background of industry knowledge to help boards in making informed decisions about their communities.

INDUSTRY SERVICE AWARDS

CAI Wisconsin Chapter Award
CAI National Rising Star Award
CAI Michigan Chapter Award

EDUCATION

University of Wisconsin-Milwaukee - Master of Science Management
University of Wisconsin - Bachelor of Business Administration

PROFESSIONAL AFFILIATIONS

Community Associations Institute (CAI) - Founding member of Reserve Committee; former member of National Board of Trustees; Reserve Specialist (RS) designation; Member of multiple chapters

Association of Condominium, Townhouse, & Homeowners Associations (ACTHA) – member

MEGAN C. KONECNY, PRA, RS
Responsible Advisor

CURRENT CLIENT SERVICES

Megan C. Konecny, an environmental/civil engineer, is an Advisor for Reserve Advisors. Ms. Konecny is responsible for the inspection and analysis of the condition of clients' property, and recommending engineering solutions to prolong the lives of the components. She also forecasts capital expenditures for the repair and/or replacement of the property components and prepares technical reports on assignments. She is responsible for conducting Life Cycle Cost Analysis and Capital Replacement Forecast services on apartments, townhomes, high rise condominium towers and planned unit developments. Ms. Konecny frequently serves as the Quality Assurance Review Coordinator for Multi-story, Recreational and Townhome communities.

The following is a partial list of clients served by Megan Konecny demonstrating her breadth of experiential knowledge of community associations in construction and related buildings systems.

Archbishop Spalding High School - A private high school located southwest of Annapolis, Maryland with an enrollment of 1,050 students. The property includes athletic facilities, an auditorium, gymnasium, library, cafeteria with kitchen, chapel, and approximately 50 classrooms.

Olympic Club - A private athletic club with historic clubhouses located in downtown San Francisco and overlooking the Pacific Ocean. Exclusive amenities include 45 holes of golf, swimming pools, gymnasiums, squash, handball and tennis courts and a fitness center. The United States Golf Association recognizes the Olympic Club as one of the first 100 golf clubs established in the United States. The Club has hosted five U.S Open Championships.

East Meadows - Community of 74 units in 17 single family style buildings and 12 three-story multiple unit buildings located in a wooded area west of Detroit, Michigan. Professional services included loan scenario development to assist the Association evaluate the most prudent method of financing its exterior restoration.

Park Lane Condominium Associations - A gated community located in Chicago suburb that includes 136 units in one intricate three-story building and 17 townhome style units in four buildings. The development includes under-building garage parking, an outdoor pool, tennis courts, and a unique sub level recreation center that features a roof top pergola.

Jonathan's Landing Golf Club - Located just north of West Palm Beach, Jonathan's Landing is a premier member owned, private club. Exclusive amenities include 54 holes of championship golf, two club houses and ten Har-Tur tennis courts.

University Club Tower - Located on an urban waterfront site in downtown Milwaukee, The University Club Tower offers breathtaking views of Lake Michigan. At 446 feet, the tower is the tallest residential building in Wisconsin. Exclusive amenities include a rooftop terrace, health club, community room with humidity controlled wine room and garage parking.

PRIOR RELEVANT EXPERIENCE

Before joining Reserve Advisors, Ms. Konecny attended Marquette University in Milwaukee, Wisconsin where she specialized in Environmental Engineering. There, she participated in the design of a Chicago subdivision that included preliminary grading of the site, design of the storm sewer system and stormwater management with Cowhey Gundmunson Ledger, Limited. Ms. Konecny also worked with Everitt Knitting where she provided inspection services and resolved production problems.

EDUCATION

Marquette University - B.S. Civil with emphasis in Environmental Engineering

PROFESSIONAL AFFILIATIONS / DESIGNATIONS

Reserve Specialist (RS) - Community Associations Institute
Professional Reserves Analyst (PRA) - Association of Professional Reserve Analysts
Director of the Board – Association of Professional Reserve Analysts

ALAN M. EBERT, P.E., PRA, RS
Director of Quality Assurance

CURRENT CLIENT SERVICES

Alan M. Ebert, a Professional Engineer, is the Director of Quality Assurance for Reserve Advisors. Mr. Ebert is responsible for the management, review and quality assurance of reserve studies. In this role, he assumes the responsibility of stringent report review analysis to assure report accuracy and the best solution for Reserve Advisors' clients.

Mr. Ebert has been involved with thousands of Reserve Study assignments. The following is a partial list of clients served by Alan Ebert demonstrating his breadth of experiential knowledge of community associations in construction and related buildings systems.

Brownsville Winter Haven Located in Brownsville, Texas, this unique homeowners association contains 525 units. The Association maintains three pools and pool houses, a community and management office, landscape and maintenance equipment, and nine irrigation canals with associated infrastructure.

Rosemont Condominiums This unique condominium is located in Alexandria, Virginia and dates to the 1940's. The two mid-rise buildings utilize decorative stone and brick masonry. The development features common interior spaces, multi-level wood balconies and common asphalt parking areas.

Stillwater Homeowners Association Located in Naperville, Illinois, Stillwater Homeowners Association maintains four tennis courts, an Olympic sized pool and an upscale ballroom with commercial-grade kitchen. The community also maintains three storm water retention ponds and a detention basin.

Birchfield Community Services Association This extensive Association comprises seven separate parcels which include 505 townhome and single family homes. This Community Services Association is located in Mt. Laurel, New Jersey. Three lakes, a pool, a clubhouse and management office, wood carports, aluminum siding, and asphalt shingle roofs are a few of the elements maintained by the Association.

Oakridge Manor Condominium Association Located in Londonderry, New Hampshire, this Association includes 104 units at 13 buildings. In addition to extensive roads and parking areas, the Association maintains a large septic system and significant concrete retaining walls.

Memorial Lofts Homeowners Association This upscale high rise is located in Houston, Texas. The 20 luxury units include large balconies and decorative interior hallways. The 10-story building utilizes a painted stucco facade and TPO roof, while an on-grade garage serves residents and guests.

PRIOR RELEVANT EXPERIENCE

Mr. Ebert earned his Bachelor of Science degree in Geological Engineering from the University of Wisconsin-Madison. His relevant course work includes foundations, retaining walls, and slope stability. Before joining Reserve Advisors, Mr. Ebert was an oilfield engineer and tested and evaluated hundreds of oil and gas wells throughout North America.

EDUCATION

University of Wisconsin-Madison - B.S. Geological Engineering

PROFESSIONAL AFFILIATIONS/DESIGNATIONS

Professional Engineering License – Wisconsin, North Carolina
Reserve Specialist (RS) **-** Community Associations Institute
Professional Reserve Analyst (PRA) **-** Association of Professional Reserve Analysts

RESOURCES

Reserve Advisors, Inc. utilizes numerous resources of national and local data to conduct its Professional Services. A concise list of several of these resources follows:

Association of Construction Inspectors, (ACI) the largest professional organization for those involved in construction inspection and construction project management. ACI is also the leading association providing standards, guidelines, regulations, education, training, and professional recognition in a field that has quickly become important procedure for both residential and commercial construction, found on the web at www.iami.org. Several advisors and a Principal of Reserve Advisors, Inc. hold Senior Memberships with ACI.

American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., (ASHRAE) the American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., devoted to the arts and sciences of heating, ventilation, air conditioning and refrigeration; recognized as the foremost, authoritative, timely and responsive source of technical and educational information, standards and guidelines, found on the web at www.ashrae.org. Reserve Advisors, Inc. actively participates in its local chapter and holds individual memberships.

Community Associations Institute, (CAI) America's leading advocate for responsible communities noted as the only national organization dedicated to fostering vibrant, responsive, competent community associations. Their mission is to assist community associations in promoting harmony, community, and responsible leadership.

Marshall & Swift / Boeckh, (MS/B) the worldwide provider of building cost data, co-sourcing solutions, and estimating technology for the property and casualty insurance industry found on the web at www. marshallswift.com.

R.S. Means CostWorks, North America's leading supplier of construction cost information. As a member of the Construction Market Data Group, Means provides accurate and up-to-date cost information that helps owners, developers, architects, engineers, contractors and others to carefully and precisely project and control the cost of both new building construction and renovation projects found on the web at www.rsmeans.com.

Reserve Advisors, Inc., library of numerous periodicals relating to reserve studies, condition analyses, chapter community associations, and historical costs from thousands of capital repair and replacement projects, and product literature from manufacturers of building products and building systems.