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RESERVE FUND STUDY

WATERFORD PARK ESTATES
~UPDATE~

FLOWER MOUND, TX

Prepared for:

WATERFORD PARK ESTATES HOMEOWNERS ASSOCIATION

C/o Mr. Carter Low

Community Management Group

409 Santa Fe Trail P.O. Box 104

Argyle, TX 76226

Date of Investigation: July 28, 2015
Investigator: Phillip Nieman, P.E.
Reviewed By: David H. Dotson, P.E., R.S.

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1.0 INTRODUCTION

WATERFORD PARK ESTATES HOMEOWNERS ASSOCIATION through Community Management Group, authorized Criterium – Dotson Engineers to conduct a Property Evaluation and Reserve Fund Study for WATERFORD PARK ESTATES, located just east of Morris Road and south of Dixon Lane in Flower Mound, TX. Studies of this nature are important to ensure that a community has sufficient funds for long-term, periodic capital expenditure requirements. Anticipating large expenditures over an extended period of time through a structured analysis and scheduling process assists the Association in meeting financial requirements without increasing the service fees above permitted maximums, borrowing the funds, or levying special financial assessments to the Homeowners.

Typically, a community association has two broad cash requirements: the general operating reserves and the capital repair and replacement reserves. In this report, we focus on those items falling under the capital repair and replacement reserve criteria. We have projected a capital repair and replacement reserve for thirty years. The first ten years are the most reliable. Such a study should be updated every three to five years.

A Reserve Study is a working tool and a fluid document over time. In addition to changing conditions, one of the primary reasons that we recommend a reserve study be updated every 3-5 years is so that items that fall outside the 30-year analysis today will be pulled into the calculations and required reserve funding when they are still about 30 years out, thus allowing sufficient time to accumulate funds without placing unnecessary burden on current residents.

This report is structured to analyze components of the community for which the Association is responsible and to assess a useful expected life and useful remaining life to those components. The anticipated scheduled repair or replacement of the component and the anticipated expense for the activity are then analyzed in conjunction with the current capital reserves funding program for the community. Funding program recommendations are made with the objective of limiting substantial cash excesses while minimizing financial burdens that can result from significant cash inadequacies.

This report is intended to be used as a tool to determine reserve fund allocation requirements for the community, to manage future Association obligations, and to inform the community of future financial needs in general. The report that follows has been prepared from the perspective of what an owner of this property would benefit from knowing. Some items, beyond those of immediate concern, may be discussed. Therefore, the report should be read in its entirety in order to fully understand all of the information that has been obtained.

2.0 EXECUTIVE SUMMARY

The development was constructed in 1998 and it consists of 133 single family homes.

The common property is generally in good condition. Based on our evaluation, the current level of funding of the reserve for this project is adequate for the short term and inadequate for long term needs. A more detailed analysis of the reserve fund has been provided in Appendix A.

Based on our observations, there are immediate material deficiencies. Those items are as follows:

- Accent light replacement

There are, of course, other capital expenditures to be expected over the next thirty years. Those items that will require attention are discussed later in this report. For your convenience, we have prepared the following summary of the condition of the major systems of the property.

3.0 PURPOSE & SCOPE

3.1 Purpose

The purpose of this study is to perform a reserve fund analysis and to determine a capital needs plan. It is intended to be used as a tool for the WATERFORD PARK ESTATES HOMEOWNERS ASSOCIATION in determining the allocation requirements into the reserve fund in order to meet future anticipated capital expenditures for the community.

This report forecasts obligations for the community thirty years into the future. It should be noted that events might occur that could have an effect on the underlying component or system useful life assumptions used in this study. Likewise, inevitable market fluctuations can have an impact on component or system replacement and repair costs. Therefore, a study such as this should be updated from time to time, usually on a three to five-year cycle, in order to reflect the most accurate needs and obligations of the community.

3.2 Scope

This study has been performed according to the scope as generally defined by WATERFORD PARK ESTATES HOMEOWNERS ASSOCIATION, Criterium-Dotson Engineers, and the standards of the Community Associations Institute. The findings and recommendations are based on a review of available documents; and an investigation of the site components.

The guidelines used to determine which physical components within the community are to be included in the component inventory are based on the following general criteria:

1. The component must be a common element, or the responsibility of the Association to replace.
2. The funding for replacement should be from one source only, not funded from another area of the budget or through a maintenance contract.
3. The cost of replacement should be high enough to make it financially unsound to fund it from the operating budget.
4. Components, such as touch-up painting, which are considered

deferred maintenance, are most appropriately funded from the Operating Budget instead of Reserves.

Our reserve study analysis included evaluating the following association property:

Site:

- Entrance monuments
- Accent lighting
- Perimeter fencing
- Pilasters
- Street lighting

Mechanical:

- Electric panels
- Irrigation controllers

The above list was obtained by our inspection of the site. No community asset list was provided.

This study estimates the funding levels required for maintaining the long term viability of the facility. Our approach involves:

1. Examining association managed equipment, components, and site facilities.
2. Predicting their remaining service life and, approximating how frequently they will require repair or replacement.
3. Estimating repair or replacement costs (in 2015 dollars) for each capital item.
4. Using data developed in Steps 1, 2 and 3 to project Capital Reserve balances for Years 1 through 30.

The statements in this report are opinions about the present condition of the subject community. They are based on visual evidence available during a diligent investigation of all reasonably accessible areas falling under the responsibility of the Association. We did not remove any surface materials, perform any destructive testing, or move any furnishings. This study is not an exhaustive technical evaluation. Such an evaluation would entail a significantly larger scope than this effort. For additional limitations, see Section 8.0.

3.3 Sources of Information

Onsite inspections of the property occurred on the following date:

- July 28, 2015

The following people were interviewed during our study:

- Mr. Carter Low, Community Management Group

The following documents were made available to us and reviewed:

- Reserve fund amount and funding rate

We based our cost estimates on some or all of the following:

- R.S. Means
- Our data files on similar projects
- Local contractors

For your reference, the following definitions may be helpful:

Excellent: Component or system is in "as new" condition, requiring no rehabilitation and should perform in accordance with expected performance.

Good: Component or system is sound and performing its function, although it may show signs of normal wear and tear. Some minor rehabilitation work may be required.

Adequate: A component or system is of a capacity that is defined as enough for what is required, sufficient, suitable, and/or conforms to standard construction practices.

Fair: Component or system falls into one or more of the following categories: a) Evidence of previous repairs not in compliance with commonly accepted practice, b) Workmanship not in compliance with commonly accepted standards, c) Component or system is obsolete, d) Component or system approaching end of expected performance. Repair or replacement is required to prevent further deterioration or to prolong expected life.

Poor: Component or system has either failed or cannot be relied upon to continue performing its original function as a result of having exceeded its expected performance, excessive deferred maintenance, or state of disrepair. Present condition could contribute to or cause the deterioration of other adjoining elements or systems. Repair or replacement is required.

All ratings are determined by comparison to other components of similar age and construction type. Further, some details of workmanship and materials will be examined more closely in higher quality components where such details typically become more relevant.

All directions (left, right, rear, etc.), when used, are taken from the viewpoint of an observer standing in front of a component and facing it.

Repair/Replacement Reserves - Non-annual maintenance items that will require significant expenditure over the life of the component. Included are items that will reach the end of their estimated useful life during the course of this forecast, or, in the opinion of the investigator, will require attention during that time.

WATERFORD PARK ESTATES was reportedly constructed in or around 1998.

3.4 Standards of Reference

4.0 DESCRIPTION

The fifty-eight acre community consists of 133 single family homes and is located northwest of the Dixon Lane / Morris Road intersection.

Community entrances and common areas are attractively landscaped and have an irrigation system with four (4) controllers at the following locations: behind entrance monuments at Windridge Lane, Crestridge Drive, Eastglen Drive, and Waterford Drive. Small electrical panels and meters are located at irrigation controller locations providing power to controllers and monument accent lighting.

Ornamental iron perimeter fencing borders the community at the south and east community boundaries. Ornamental iron fencing is spaced between 45 brick pilasters.

There are four (4) entrances to the community; three (3) off of Dixon Lane at the south (Windridge Lane, Crestridge Drive, and Eastglen Drive) and one (1) off of Morris Road at the east (Waterford Drive). Each monument is composed of a brick / stone wall with embedded cast-stone signage and brick pilasters at each end. Monuments are each equipped with fluorescent accent lights.

Street lighting is provided throughout the community by good quality, pole-mounted lights to be maintained by City or Utility provider, however, they typically will not assume responsibility for periodic cleaning/painting required of ornamental metal light poles and thus may require Capital reserves. There are a total of 21 streetlights.

5.0 OBSERVATIONS

The following key observations were made about the current condition of the common elements of the property.

Site

- Accent lighting is due for replacement
- Hairline cracks in cast stone signage observed
- Most of the perimeter fencing and pilasters are concealed by vegetation
- No other issues observed

Mechanical

- No issues with irrigation equipment or irrigation controllers observed

6.0 RESERVE FUND ANALYSIS

Using software developed by Criterium Engineers and KPMG Peat Marwick, we have analyzed capital reserves draw-down for the projected capital expenditures to determine the amount needed. The following is a projected reserve fund analysis for non-annual items as discussed in the report. This projection takes into consideration a reasonable return on invested moneys and inflation. Please review this thoroughly and let us know of any changes that may be desired.

The intent of this reserve fund projection is to help the Association develop a reserve fund to provide for anticipated repair or replacements of various system components during the next thirty years.

The capital items listed are those that are typically the responsibility of the association. However, association by-laws vary, and therefore, which components are the responsibilities of the owner and which are the responsibilities of the Association can vary. The Association should confirm that the items listed should be financed by the reserve fund.

This projection provides the following:

- An input sheet that defines all the criteria used for the financial alternatives, including the assumed inflation rate and rate of return on deposited reserve funds.
- A table that lists anticipated replacement and/or repair items complete with estimated remaining life expectancies, projected costs of replacement and/or repair, a frequency in years of when these items require replacement and/or repair, and a projection based on this frequency.
- A table and graph that represent end of year balances versus capital expenditures based on your current funding program and reserve balances, and alternatives to your current program. The provided graphs illustrate what effects the funding methods will have over the thirty-year study period versus the anticipated capital expenditures. Care should be taken in analyzing the graphs due to varying graphic scales that occur within each graph and between graphs.
- **Note that based on our developed list of capital items and taking inflation into account; the current funding is NOT adequate to meet long-term anticipated capital expenses of the community.**
- The Association should bear in mind that unanticipated expenditures can always arise and maintenance of a significant reserve fund balance can be viewed as a way to avoid special assessments.

We have included three alternatives to your current funding program and recommend that the board adopt an alternative that best reflects the objectives of the community. In summary they are as follows:

EXISTING FUNDING LEVEL:

We have assessed current Capital Reserve Fund balance and current level of contribution into capital reserves and determined that the Association's current financial status is adequate to meet the Association's short-term needs but it is NOT adequate for long-term financial needs of the community.

ALTERNATIVE # 1:

Minimum required funding for capital reserves over the duration without special assessments. This alternative begins with an increase in initial funding level followed by periodic increases every 3 years. This alternative creates an adequate fund balance throughout the study period.

ALTERNATIVE # 2

Minimum required contribution together with annual escalation in dues for capital reserves over the duration. This alternative also begins with an increase in initial funding rate followed by smaller annual increases. This alternative creates an adequate fund balance throughout the study period and also represents a solid approach.

ALTERNATIVE # 3

Alternative 3 reviews maintaining minimum level funding at current level over the duration of the funding period. This alternative requires a special assessment at years 14 and 21 but holds annual dues for capital reserve to a minimum. **This alternative is NOT recommended but shows what the financial impact will be without long-term planning.**

Addendum A lists estimated capital reserves for the next thirty years.

7.0 CONCLUSION

In summary, we consider the property to be in generally good condition when compared to others of similar age and construction type. While some components are in need of a repair and replacement program, the program can be prioritized and planned in conjunction with reserve strategies.

We feel that the reserve financials included with this report outline several possible strategies for the community to adopt given the current condition of the project as a whole. As time passes, it may become necessary to re-establish financial priorities and capital expenditure schedules given any unforeseen circumstances. We recommend and encourage this activity.

8.0 LIMITATIONS

The observations described in this study are valid on the date of the investigation and have been made under the conditions noted in the report. We prepared this study for the exclusive use of WATERFORD PARK ESTATES HOMEOWNERS ASSOCIATION and their representatives. Criterium-Dotson Engineers does not intend any other individual or party to rely upon this study without our express written consent. If another individual or party relies on this study, they shall indemnify and hold Criterium-Dotson Engineers harmless for any damages, losses, or expenses they may incur as a result of its use.

This study is limited to the visual observations made during our inspection. We did not remove surface materials, conduct any destructive or invasive testing, move furnishings or equipment, or undertake any digging or excavation. Accordingly, we cannot comment on the condition of systems that we could not see, such as buried structures and utilities, nor are we responsible for conditions that could not be seen or were not within the scope of our services at the time of the investigation. We did not undertake to completely assess the stability of structures or the underlying foundation soil since this effort would require excavation and destructive testing. Likewise, this is not a seismic assessment.

We did not investigate the following areas:

- Buried utilities or infrastructure
- Concealed structural members or systems

We do not render an opinion on uninvestigated portions of the community.

We did not perform any computations or other engineering analysis as part of this evaluation, nor did we conduct a comprehensive code compliance investigation. This study is not to be considered a warranty of condition, and no warranty is implied. The appendices are an integral part of this report and must be included in any review.

In our Reserve Fund Analysis, we have provided estimated costs. These costs are based on our general knowledge of building systems, construction components and the contracting and construction industry. When appropriate, we have relied on standard sources, such as Means Building Construction Cost Data, to develop estimates. However, for

items that we have developed costs (e.g.: structural repairs), no standard guide for developing such costs exists. Actual costs can vary significantly, based on the availability of qualified contractors to do the work, as well as many other variables. We cannot be responsible for the specific cost estimates provided.

We have performed no design work as part of this study, nor have we obtained competitive quotations or estimates from contractors as this also is beyond the scope of the project. The actual cost to remedy deficiencies and deferred maintenance items that we have identified may vary significantly from estimates and competitive quotations from contractors.

If you have any questions about this study or the reserve fund analysis, please feel free to contact us. Thank-you for the opportunity to be of assistance to you.

Thank you for the opportunity to be of service.

CRITERIUM-DOTSON ENGINEERS

Appendix A: RESERVE FUND PROJECTIONS

Reserve Study Worksheet - Existing Funding Levels

General Information:

1 Organization: **Waterford Park Estates Homeowners Association**
2 Address: **2409 Waterford Dr.
Flower Mound, Tx 75028**

3	Number of Homes	133
4	Age of Development (in years)	17
5a	Study Period (in years)	30
5b	Normal Fiscal Year starts:	January 1, 2016
5c	Partial Fiscal Year starts:	September 1, 2015
5d	Partial Year Length:	4 months
6	Site Inspection Date	July 28, 2015
7	Reserve Funds at start	\$73,840
8	Rate of Return on invested Reserve Funds (%)	1.0%
9	Inflation Rate (%)	3.0%
10	Yearly Threshold	\$0
11	Annual Maintenance Budget	\$0
12	Annual Maintenance Escalation Rate	0.0%
13	Target Funding Percentage	0.0%

	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year	Special Assessments		
					Years Out	Total/Year	Per Unit
Res. Fund Contrib. (First Year).....	\$400	\$1,600	\$3.01	\$12.03			
Res. Fund Contrib. (Remaining Years).....	\$400	\$4,800	\$3.01	\$36.09			
Final Balance Computed.....	(\$336,742)						
Average Capital Expenditure per year.....	\$18,685						

Fiscal Years:

Normal: Jan 2016	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Partial: Sep 2015 (4 months)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Beginning Reserve Fund Balance:	\$73,840	\$75,326	\$70,962	\$75,598	\$80,253	\$82,675	\$81,723	\$76,528	\$71,322	\$61,046	\$63,526	\$58,341	\$62,570	\$65,365	(\$75,271)
Revenue:	\$1,600	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800
Special Assessments:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$746	\$703	\$748	\$795	\$819	\$809	\$758	\$706	\$604	\$629	\$578	\$620	\$647	\$0	\$0
Capital Expenditures:	\$860	\$9,866	\$912	\$940	\$3,196	\$6,561	\$10,752	\$10,712	\$15,681	\$2,949	\$10,563	\$1,190	\$2,652	\$145,436	\$6,595
Ending Reserve Balance:	\$75,326	\$70,962	\$75,598	\$80,253	\$82,675	\$81,723	\$76,528	\$71,322	\$61,046	\$63,526	\$58,341	\$62,570	\$65,365	(\$75,271)	(\$77,066)
Percent Funded:	64.21%	55.77%	58.85%	58.00%	55.75%	52.30%	47.42%	43.71%	36.94%	38.82%	33.88%	35.73%	35.32%	-38.61%	-72.21%
Special Assessment Cost per Unit:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Fiscal Years:

Normal: Jan 2016	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Partial: Sep 2015 (4 months)	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Beginning Reserve Fund Balance:	(\$77,066)	(\$85,008)	(\$92,219)	(\$99,832)	(\$96,496)	(\$97,763)	(\$208,753)	(\$279,965)	(\$297,580)	(\$303,951)	(\$304,924)	(\$304,856)	(\$314,041)	(\$322,813)	(\$322,269)
Revenue:	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800
Special Assessments:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Expenditures:	\$12,742	\$12,011	\$12,413	\$1,464	\$6,067	\$115,790	\$76,012	\$22,416	\$11,170	\$5,773	\$4,732	\$13,985	\$13,572	\$4,256	\$19,273
Ending Reserve Balance:	(\$85,008)	(\$92,219)	(\$99,832)	(\$96,496)	(\$97,763)	(\$208,753)	(\$279,965)	(\$297,580)	(\$303,951)	(\$304,924)	(\$304,856)	(\$314,041)	(\$322,813)	(\$322,269)	(\$336,742)
Percent Funded:	-75.13%	-75.54%	-83.85%	-77.98%	-73.91%	-150.62%	-320.78%	-520.19%	-459.60%	-440.25%	-375.48%	-379.27%	-348.13%	-320.16%	-312.71%
Special Assessment Cost per Unit:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Reserve Study Worksheet - Alternative 1, Level Funding with Steps

*For the first 13 years of the study

General Information:

1 Organization: **Waterford Park Estates Homeowners Association**
2 Address: **2409 Waterford Dr.
Flower Mound, Tx 75028**

3	Number of Homes	133
4	Age of Development (in years)	17
5a	Study Period (in years)	30
5b	Normal Fiscal Year starts:	January 1, 2016
5c	Partial Fiscal Year starts:	September 1, 2015
5d	Partial Year Length:	4 months
6	Site Inspection Date	July 28, 2015
7	Reserve Funds at start	\$73,840
8	Rate of Return on invested Reserve Funds (%)	1.0%
9	Inflation Rate (%)	3.0%
10	Yearly Threshold	\$0
11	Annual Maintenance Budget	\$0
12	Annual Maintenance Escalation Rate	0.0%
13	Target Funding Percentage	0.0%

CURRENT FUNDING	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year	Special Assessments		
Res. Fund Contrib. (First Year).....	\$400	\$1,600	\$3.01	\$12.03	Years Out	Total/Year	Per Unit
Res. Fund Contrib. (Remaining Years).....	\$400	\$4,800	\$3.01	\$36.09			
Final Balance Computed.....	(\$336,742)						
Average Capital Expenditure.....	\$18,685						

ALTERNATIVE 1	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year	Special Assessments		
Monthly Amount, (First Year).....	\$1,142	\$13,699	\$8.58	\$103.00	Years Out	Total/Year	Per Unit
Monthly Amount, (Last Year).....	\$1,585	\$19,019	\$11.92	\$143.00			
Balance Required Final Year.....	\$18,685						
Final Balance Computed.....	\$64,763						
Average Capital Expenditure.....	\$18,685						

Fiscal Years:

Normal: Jan 2016	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Partial: Sep 2015 (4 months)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Beginning Reserve Fund Balance:	\$73,840	\$78,322	\$82,976	\$96,721	\$111,918	\$124,988	\$134,790	\$141,801	\$148,922	\$151,096	\$167,495	\$176,367	\$194,794	\$213,273	\$87,724
Revenue:	\$4,566	\$13,699	\$13,699	\$15,029	\$15,029	\$15,029	\$16,359	\$16,359	\$16,359	\$17,689	\$17,689	\$17,689	\$19,019	\$19,019	\$19,019
Special Assessments:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$775	\$822	\$958	\$1,108	\$1,238	\$1,335	\$1,404	\$1,474	\$1,496	\$1,658	\$1,746	\$1,929	\$2,112	\$869	\$1,001
Capital Expenditures:	\$860	\$9,866	\$912	\$940	\$3,196	\$6,561	\$10,752	\$10,712	\$15,681	\$2,949	\$10,563	\$1,190	\$2,652	\$145,436	\$6,595
Ending Reserve Balance:	\$78,322	\$82,976	\$96,721	\$111,918	\$124,988	\$134,790	\$141,801	\$148,922	\$151,096	\$167,495	\$176,367	\$194,794	\$213,273	\$87,724	\$101,150
Percent Funded:	66.76%	65.21%	75.30%	80.88%	84.28%	86.26%	87.87%	91.27%	91.44%	102.35%	102.43%	111.24%	115.26%	44.99%	94.78%
Special Assessment Cost per Unit:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Fiscal Years:

Normal: Jan 2016	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Partial: Sep 2015 (4 months)	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Beginning Reserve Fund Balance:	\$101,150	\$108,501	\$116,664	\$124,503	\$143,478	\$157,994	\$61,836	\$4,892	\$1,510	\$9,452	\$22,925	\$37,584	\$43,044	\$48,976	\$64,376
Revenue:	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019	\$19,019
Special Assessments:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$1,074	\$1,155	\$1,233	\$1,421	\$1,564	\$612	\$48	\$15	\$94	\$227	\$372	\$426	\$485	\$637	\$641
Capital Expenditures:	\$12,742	\$12,011	\$12,413	\$1,464	\$6,067	\$115,790	\$76,012	\$22,416	\$11,170	\$5,773	\$4,732	\$13,985	\$13,572	\$4,256	\$19,273
Ending Reserve Balance:	\$108,501	\$116,664	\$124,503	\$143,478	\$157,994	\$61,836	\$4,892	\$1,510	\$9,452	\$22,925	\$37,584	\$43,044	\$48,976	\$64,376	\$64,763
Percent Funded:	95.89%	95.56%	104.57%	115.95%	119.45%	44.61%	5.60%	2.64%	14.29%	33.10%	46.29%	51.98%	52.82%	63.96%	60.14%
Special Assessment Cost per Unit:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Reserve Study Worksheet - Alternative 2, Escalating Funding at 3% per Year

*For the first 15 years of the study

General Information:

1 Organization: **Waterford Park Estates Homeowners Association**
2 Address: **2409 Waterford Dr.
Flower Mound, Tx 75028**

3	Number of Homes	133
4	Age of Development (in years)	17
5a	Study Period (in years)	30
5b	Normal Fiscal Year starts:	January 1, 2016
5c	Partial Fiscal Year starts:	September 1, 2015
5d	Partial Year Length:	4 months
6	Site Inspection Date	July 28, 2015
7	Reserve Funds at start	\$73,840
8	Rate of Return on invested Reserve Funds (%)	1.0%
9	Inflation Rate (%)	3.0%
10	Yearly Threshold	\$0
11	Annual Maintenance Budget	\$0
12	Annual Maintenance Escalation Rate	0.0%
13	Target Funding Percentage	0.0%

CURRENT FUNDING	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year	Special Assessments		
Res. Fund Contrib. (First Year).....	\$400	\$1,600	\$3.01	\$12.03	Years Out	Total/Year	Per Unit
Res. Fund Contrib. (Remaining Years).....	\$400	\$4,800	\$3.01	\$36.09			
Final Balance Computed.....	(\$336,742)						
Average Capital Expenditure.....	\$18,685						

ALTERNATIVE 2	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year	Special Assessments		
Monthly Amount, (First Year).....	\$1,053	\$12,635	\$7.92	\$95.00	Years Out	Total/Year	Per Unit
Monthly Amount, (Last Year).....	\$1,902	\$22,820	\$14.30	\$171.58			
Balance Required Final Year.....	\$18,685						
Base Escalation %.....	3.00%						
Final Balance Computed.....	\$103,344						
Average Capital Expenditure.....	\$18,685						

Fiscal Years:

Normal: Jan 2016	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Partial: Sep 2015 (4 months)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Beginning Reserve Fund Balance:	\$73,840	\$77,963	\$81,923	\$95,359	\$109,308	\$121,536	\$130,918	\$136,605	\$142,846	\$144,603	\$159,721	\$167,800	\$185,940	\$203,316	\$77,199
Revenue:	\$4,212	\$13,014	\$13,404	\$13,807	\$14,221	\$14,647	\$15,087	\$15,539	\$16,006	\$16,486	\$16,980	\$17,490	\$18,014	\$18,555	\$19,112
Special Assessments:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$772	\$811	\$944	\$1,082	\$1,203	\$1,296	\$1,353	\$1,414	\$1,432	\$1,581	\$1,661	\$1,841	\$2,013	\$764	\$897
Capital Expenditures:	\$860	\$9,866	\$912	\$940	\$3,196	\$6,561	\$10,752	\$10,712	\$15,681	\$2,949	\$10,563	\$1,190	\$2,652	\$145,436	\$6,595
Ending Reserve Balance:	\$77,963	\$81,923	\$95,359	\$109,308	\$121,536	\$130,918	\$136,605	\$142,846	\$144,603	\$159,721	\$167,800	\$185,940	\$203,316	\$77,199	\$90,613
Percent Funded:	66.46%	64.38%	74.24%	78.99%	81.95%	83.78%	84.65%	87.55%	87.51%	97.60%	97.45%	106.18%	109.88%	39.60%	84.91%
Special Assessment Cost per Unit:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Fiscal Years:

Normal: Jan 2016	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Partial: Sep 2015 (4 months)	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Beginning Reserve Fund Balance:	\$90,613	\$98,532	\$107,864	\$117,498	\$138,920	\$156,558	\$64,224	\$11,143	\$11,663	\$23,546	\$40,999	\$59,678	\$69,198	\$79,231	\$98,773
Revenue:	\$19,685	\$20,275	\$20,884	\$21,510	\$22,156	\$22,820	\$22,820	\$22,820	\$22,820	\$22,820	\$22,820	\$22,820	\$22,820	\$22,820	\$22,820
Special Assessments:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$976	\$1,068	\$1,163	\$1,375	\$1,550	\$636	\$110	\$115	\$233	\$406	\$591	\$685	\$784	\$978	\$1,023
Capital Expenditures:	\$12,742	\$12,011	\$12,413	\$1,464	\$6,067	\$115,790	\$76,012	\$22,416	\$11,170	\$5,773	\$4,732	\$13,985	\$13,572	\$4,256	\$19,273
Ending Reserve Balance:	\$98,532	\$107,864	\$117,498	\$138,920	\$156,558	\$64,224	\$11,143	\$11,663	\$23,546	\$40,999	\$59,678	\$69,198	\$79,231	\$98,773	\$103,344
Percent Funded:	87.08%	88.36%	98.68%	112.27%	118.36%	46.34%	12.77%	20.39%	35.60%	59.19%	73.50%	83.57%	85.44%	98.13%	95.97%
Special Assessment Cost per Unit:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Reserve Study Worksheet - Alternative 3, Escalating Funding with Special Assessments

General Information:

1 Organization: **Waterford Park Estates Homeowners Association**
2 Address: **2409 Waterford Dr.
Flower Mound, Tx 75028**

3	Number of Homes	133
4	Age of Development (in years)	17
5a	Study Period (in years)	30
5b	Normal Fiscal Year starts:	January 1, 2016
5c	Partial Fiscal Year starts:	September 1, 2015
5d	Partial Year Length:	4 months
6	Site Inspection Date	July 28, 2015
7	Reserve Funds at start	\$73,840
8	Rate of Return on invested Reserve Funds (%)	1.0%
9	Inflation Rate (%)	3.0%
10	Yearly Threshold	\$0
11	Annual Maintenance Budget	\$0
12	Annual Maintenance Escalation Rate	0.0%
13	Target Funding Percentage	0.0%

CURRENT FUNDING	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year	Special Assessments
Res. Fund Contrib. (First Year).....	\$400	\$1,600	\$3.01	\$12.03	Years Out Total/Year Per Unit
Res. Fund Contrib. (Remaining Years).....	\$400	\$4,800	\$3.01	\$36.09	
Final Balance Computed.....	(\$336,742)				
Average Capital Expenditure.....	\$18,685				

ALTERNATIVE 3	Total/Month	Total Annual	Per Unit/Month	Per Unit/Year	Special Assessments
Monthly Amount, (First Year).....	\$400	\$4,800	\$3.01	\$36.09	Years Out Total/Year Per Unit
Monthly Amount, (Last Year).....	\$400	\$4,800	\$3.01	\$36.09	14 100,000.00 751.88
Balance Required Final Year.....	\$18,685				21 282,000.00 2,120.30
Base Escalation %.....	0.00%				
Final Balance Computed.....	\$54,846				
Average Capital Expenditure.....	\$18,685				

Fiscal Years:

Normal: Jan 2016	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Partial: Sep 2015 (4 months)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Beginning Reserve Fund Balance:	\$73,840	\$75,326	\$70,962	\$75,598	\$80,253	\$82,675	\$81,723	\$76,528	\$71,322	\$61,046	\$63,526	\$58,340	\$62,569	\$65,365	\$24,976
Revenue:	\$1,600	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800
Special Assessments:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$0
Investment Earnings:	\$746	\$703	\$748	\$795	\$819	\$809	\$758	\$706	\$604	\$629	\$578	\$619	\$647	\$247	\$232
Capital Expenditures:	\$860	\$9,866	\$912	\$940	\$3,196	\$6,561	\$10,752	\$10,712	\$15,681	\$2,949	\$10,563	\$1,190	\$2,652	\$145,436	\$6,595
Ending Reserve Balance:	\$75,326	\$70,962	\$75,598	\$80,253	\$82,675	\$81,723	\$76,528	\$71,322	\$61,046	\$63,526	\$58,340	\$62,569	\$65,365	\$24,976	\$23,412
Percent Funded:	64.21%	55.77%	58.85%	58.00%	55.75%	52.30%	47.42%	43.71%	36.94%	38.82%	33.88%	35.73%	35.32%	12.81%	21.94%
Special Assessment Cost per Unit:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$752	\$0

Fiscal Years:

Normal: Jan 2016	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Partial: Sep 2015 (4 months)	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Beginning Reserve Fund Balance:	\$23,412	\$15,625	\$8,498	\$894	\$4,272	\$3,035	\$175,786	\$105,620	\$88,884	\$83,339	\$83,189	\$84,090	\$75,654	\$67,550	\$68,776
Revenue:	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800
Special Assessments:	\$0	\$0	\$0	\$0	\$0	\$282,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Earnings:	\$155	\$84	\$9	\$42	\$30	\$1,740	\$1,046	\$880	\$825	\$824	\$833	\$749	\$669	\$681	\$543
Capital Expenditures:	\$12,742	\$12,011	\$12,413	\$1,464	\$6,067	\$115,790	\$76,012	\$22,416	\$11,170	\$5,773	\$4,732	\$13,985	\$13,572	\$4,256	\$19,273
Ending Reserve Balance:	\$15,625	\$8,498	\$894	\$4,272	\$3,035	\$175,786	\$105,620	\$88,884	\$83,339	\$83,189	\$84,090	\$75,654	\$67,550	\$68,776	\$54,846
Percent Funded:	13.81%	6.96%	0.75%	3.45%	2.29%	126.83%	121.02%	155.38%	126.02%	120.11%	103.57%	91.37%	72.85%	68.33%	50.93%
Special Assessment Cost per Unit:	\$0	\$0	\$0	\$0	\$0	\$2,120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Reserve Study Worksheet - Itemized Worksheet

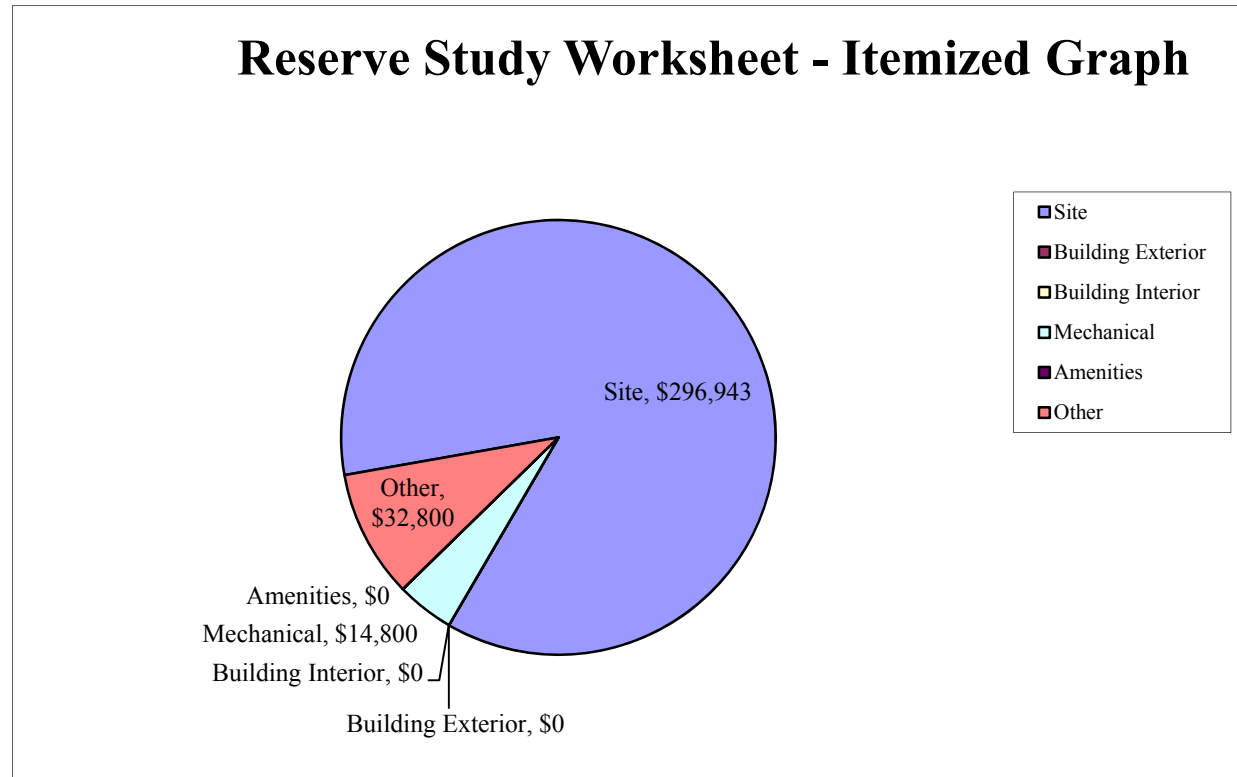
Capital Item To Be Replaced	Quantity	Unit cost	Reserve Requirement (*)	Beginning Balance	Frequency (yrs**)	Remaining Life (yrs)		Comments
Site								
Accent Lights, Monuments - Replacement	7 ea.	\$200.00	\$1,400.00	\$771.05	8	1	7 total	
Cast-Stone Signage Replacement	4 ea.	\$800.00	\$3,200.00	\$1,369.64	25	8		
Entrance Monument - Re-Paint Lettering	7 ea.	\$140.00	\$980.00	\$370.11	10	4		
Entrance Monument Repairs	7 ea.	\$750.00	\$5,250.00	\$991.36	10	7		
Entrance Monument Replacement	3 ea.	\$10,000.00	\$30,000.00	\$6,294.32	30	20		
Entrance Monument Replacement	4 ea.	\$10,000.00	\$40,000.00	\$7,553.19	30	21		
Pilaster Repairs	45 ea.	\$125.00	\$5,625.00	\$1,416.22	10	6		
Planter Bed Repairs	1 lot	\$1,000.00	\$1,000.00	\$104.91	12	10		
Tree Trimming	1 lot	\$6,000.00	\$6,000.00	\$0.00	10	10		
Wrought Iron Fencing - Clean/Prime/Paint (Periodic)	1,785 lin. ft.	\$4.10	\$7,318.50	\$3,948.43	7	1	Based on bid	
Wrought Iron Fencing Replacement	1,785 lin. ft.	\$55.00	\$98,175.00	\$41,711.29	40	13		
Wrought Iron Street Light - Clean, Prime, Paint	21 ea.	\$120.00	\$2,520.00	\$396.54	8	6		
Wrought Iron Street Light Replacement	21 ea.	\$1,250.00	\$26,250.00	\$5,507.53	30	20		
Building Exterior								
Building Interior								
Mechanical								
Electrical Panel Replacement - Site	4 ea.	\$1,200.00	\$4,800.00	\$2,182.03	18	5		
Irrigation Controller Replacement	4 ea.	\$650.00	\$2,600.00	\$681.88	12	7		
Amenities								
Other								
Reserve Study Updates	1 ea.	\$1,000.00	\$1,000.00	\$0.00	4	4		
Contingency	1 ea.	\$860.00	\$860.00	\$541.31	1	0		
Totals			\$236,978.50	\$73,839.81				
Total Over Term			\$344,542.50					

* Costs are typically 10%±

** Reserve study is based on a 30 year projection of non-annual maintenance

Reserve Study Worksheet - Itemized Graph

Categories	Totals
Site	\$296,943
Building Exterior	\$0
Building Interior	\$0
Mechanical	\$14,800
Amenities	\$0
Other	\$32,800
Total	\$344,543



Reserve Study Worksheet - Itemized Funding

Categories	Reserve Requirement	Beginning Balance	Balance Requiring Funding	Monthly Reserve Funding Required	Annual Reserve Funding Required
Site	\$227,719	\$70,435	\$157,284	\$1,237	\$14,844
Building Exterior	\$0	\$0	\$0	\$0	\$0
Building Interior	\$0	\$0	\$0	\$0	\$0
Mechanical	\$7,400	\$2,864	\$4,536	\$66	\$798
Amenities	\$0	\$0	\$0	\$0	\$0
Other	\$1,860	\$541	\$1,319	\$21	\$250
Totals	\$236,979	\$73,840	\$163,139	\$1,324	\$15,892

Reserve Study Worksheet - Annual Expense By Year

	Year: Year Number:	2015 1	2016 2	2017 3	2018 4	2019 5	2020 6	2021 7	2022 8	2023 9	2024 10	2025 11	2026 12	2027 13	2028 14	2029 15
Site																
Accent Lights, Monuments - Replacement		0	1,400	0	0	0	0	0	0	0	1,400	0	0	0	0	0
Cast-Stone Signage Replacement		0	0	0	0	0	0	0	0	3,200	0	0	0	0	0	0
Entrance Monument - Re-Paint Lettering		0	0	0	0	980	0	0	0	0	0	0	0	0	0	980
Entrance Monument Repairs		0	0	0	0	0	0	0	5,250	0	0	0	0	0	0	0
Entrance Monument Replacement		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entrance Monument Replacement		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pilaster Repairs		0	0	0	0	0	0	5,625	0	0	0	0	0	0	0	0
Planter Bed Repairs		0	0	0	0	0	0	0	0	0	0	1,000	0	0	0	0
Tree Trimming		0	0	0	0	0	0	0	0	0	0	6,000	0	0	0	0
Wrought Iron Fencing - Clean/Prime/Paint (Periodic)		0	7,319	0	0	0	0	0	0	7,319	0	0	0	0	0	0
Wrought Iron Fencing Replacement		0	0	0	0	0	0	0	0	0	0	0	0	0	98,175	0
Wrought Iron Street Light - Clean, Prime, Paint		0	0	0	0	0	0	2,520	0	0	0	0	0	0	0	2,520
Wrought Iron Street Light Replacement		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Building Exterior																
Building Interior																
Mechanical																
Electrical Panel Replacement - Site		0	0	0	0	0	4,800	0	0	0	0	0	0	0	0	0
Irrigation Controller Replacement		0	0	0	0	0	0	0	2,600	0	0	0	0	0	0	0
Amenities																
Other																
Reserve Study Updates		0	0	0	0	1,000	0	0	0	1,000	0	0	0	1,000	0	0
Contingency		860	860	860	860	860	860	860	860	860	860	860	860	860	860	860
Total Costs		860	9,579	860	860	2,840	5,660	9,005	8,710	12,379	2,260	7,860	860	1,860	99,035	4,360
Total Costs Adjusted For 3% Inflation		860	9,866	912	940	3,196	6,561	10,752	10,712	15,681	2,949	10,563	1,190	2,652	145,436	6,595

Reserve Study Worksheet - Annual Expense By Year

	Year:	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
	Year Number:	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Site																
Accent Lights, Monuments - Replacement		0	0	1,400	0	0	0	0	0	0	0	1,400	0	0	0	0
Cast-Stone Signage Replacement		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entrance Monument - Re-Paint Lettering		0	0	0	0	0	0	0	0	0	980	0	0	0	0	0
Entrance Monument Repairs		0	0	5,250	0	0	0	0	0	0	0	0	0	5,250	0	0
Entrance Monument Replacement		0	0	0	0	0	30,000	0	0	0	0	0	0	0	0	0
Entrance Monument Replacement		0	0	0	0	0	0	40,000	0	0	0	0	0	0	0	0
Pilaster Repairs		0	5,625	0	0	0	0	0	0	0	0	0	5,625	0	0	0
Planter Bed Repairs		0	0	0	0	0	0	0	1,000	0	0	0	0	0	0	0
Tree Trimming		0	0	0	0	0	6,000	0	0	0	0	0	0	0	0	0
Wrought Iron Fencing - Clean/Prime/Paint (Periodic)		7,319	0	0	0	0	0	0	7,319	0	0	0	0	0	0	7,319
Wrought Iron Fencing Replacement		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wrought Iron Street Light - Clean, Prime, Paint		0	0	0	0	0	0	0	2,520	0	0	0	0	0	0	0
Wrought Iron Street Light Replacement		0	0	0	0	0	26,250	0	0	0	0	0	0	0	0	0
Building Exterior																
Building Interior																
Mechanical																
Electrical Panel Replacement - Site		0	0	0	0	0	0	0	0	4,800	0	0	0	0	0	0
Irrigation Controller Replacement		0	0	0	0	2,600	0	0	0	0	0	0	0	0	0	0
Amenities																
Other																
Reserve Study Updates		0	1,000	0	0	0	1,000	0	0	0	1,000	0	0	0	1,000	0
Contingency		860	860	860	860	860	860	860	860	860	860	860	860	860	860	860
Total Costs		8,179	7,485	7,510	860	3,460	64,110	40,860	11,699	5,660	2,840	2,260	6,485	6,110	1,860	8,179
Total Costs Adjusted For 3% Inflation		12,742	12,011	12,413	1,464	6,067	115,790	76,012	22,416	11,170	5,773	4,732	13,985	13,572	4,256	19,273

Reserve Study Worksheet - Current Funding Levels

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments	Investment Earnings	Total Revenue	Capital Expenditures	Ending Balance
2015	1	\$73,840	\$1,600	\$0	\$746	\$2,346	\$860	\$75,326
2016	2	\$75,326	\$4,800	\$0	\$703	\$5,503	\$9,866	\$70,962
2017	3	\$70,962	\$4,800	\$0	\$748	\$5,548	\$912	\$75,598
2018	4	\$75,598	\$4,800	\$0	\$795	\$5,595	\$940	\$80,253
2019	5	\$80,253	\$4,800	\$0	\$819	\$5,619	\$3,196	\$82,675
2020	6	\$82,675	\$4,800	\$0	\$809	\$5,609	\$6,561	\$81,723
2021	7	\$81,723	\$4,800	\$0	\$758	\$5,558	\$10,752	\$76,528
2022	8	\$76,528	\$4,800	\$0	\$706	\$5,506	\$10,712	\$71,322
2023	9	\$71,322	\$4,800	\$0	\$604	\$5,404	\$15,681	\$61,046
2024	10	\$61,046	\$4,800	\$0	\$629	\$5,429	\$2,949	\$63,526
2025	11	\$63,526	\$4,800	\$0	\$578	\$5,378	\$10,563	\$58,341
2026	12	\$58,341	\$4,800	\$0	\$620	\$5,420	\$1,190	\$62,570
2027	13	\$62,570	\$4,800	\$0	\$647	\$5,447	\$2,652	\$65,365
2028	14	\$65,365	\$4,800	\$0	\$0	\$4,800	\$145,436	(\$75,271)
2029	15	(\$75,271)	\$4,800	\$0	\$0	\$4,800	\$6,595	(\$77,066)
2030	16	(\$77,066)	\$4,800	\$0	\$0	\$4,800	\$12,742	(\$85,008)
2031	17	(\$85,008)	\$4,800	\$0	\$0	\$4,800	\$12,011	(\$92,219)
2032	18	(\$92,219)	\$4,800	\$0	\$0	\$4,800	\$12,413	(\$99,832)
2033	19	(\$99,832)	\$4,800	\$0	\$0	\$4,800	\$1,464	(\$96,496)
2034	20	(\$96,496)	\$4,800	\$0	\$0	\$4,800	\$6,067	(\$97,763)
2035	21	(\$97,763)	\$4,800	\$0	\$0	\$4,800	\$115,790	(\$208,753)
2036	22	(\$208,753)	\$4,800	\$0	\$0	\$4,800	\$76,012	(\$279,965)
2037	23	(\$279,965)	\$4,800	\$0	\$0	\$4,800	\$22,416	(\$297,580)
2038	24	(\$297,580)	\$4,800	\$0	\$0	\$4,800	\$11,170	(\$303,951)
2039	25	(\$303,951)	\$4,800	\$0	\$0	\$4,800	\$5,773	(\$304,924)
2040	26	(\$304,924)	\$4,800	\$0	\$0	\$4,800	\$4,732	(\$304,856)
2041	27	(\$304,856)	\$4,800	\$0	\$0	\$4,800	\$13,985	(\$314,041)
2042	28	(\$314,041)	\$4,800	\$0	\$0	\$4,800	\$13,572	(\$322,813)
2043	29	(\$322,813)	\$4,800	\$0	\$0	\$4,800	\$4,256	(\$322,269)
2044	30	(\$322,269)	\$4,800	\$0	\$0	\$4,800	\$19,273	(\$336,742)

Reserve Study Worksheet - Current Funding Levels

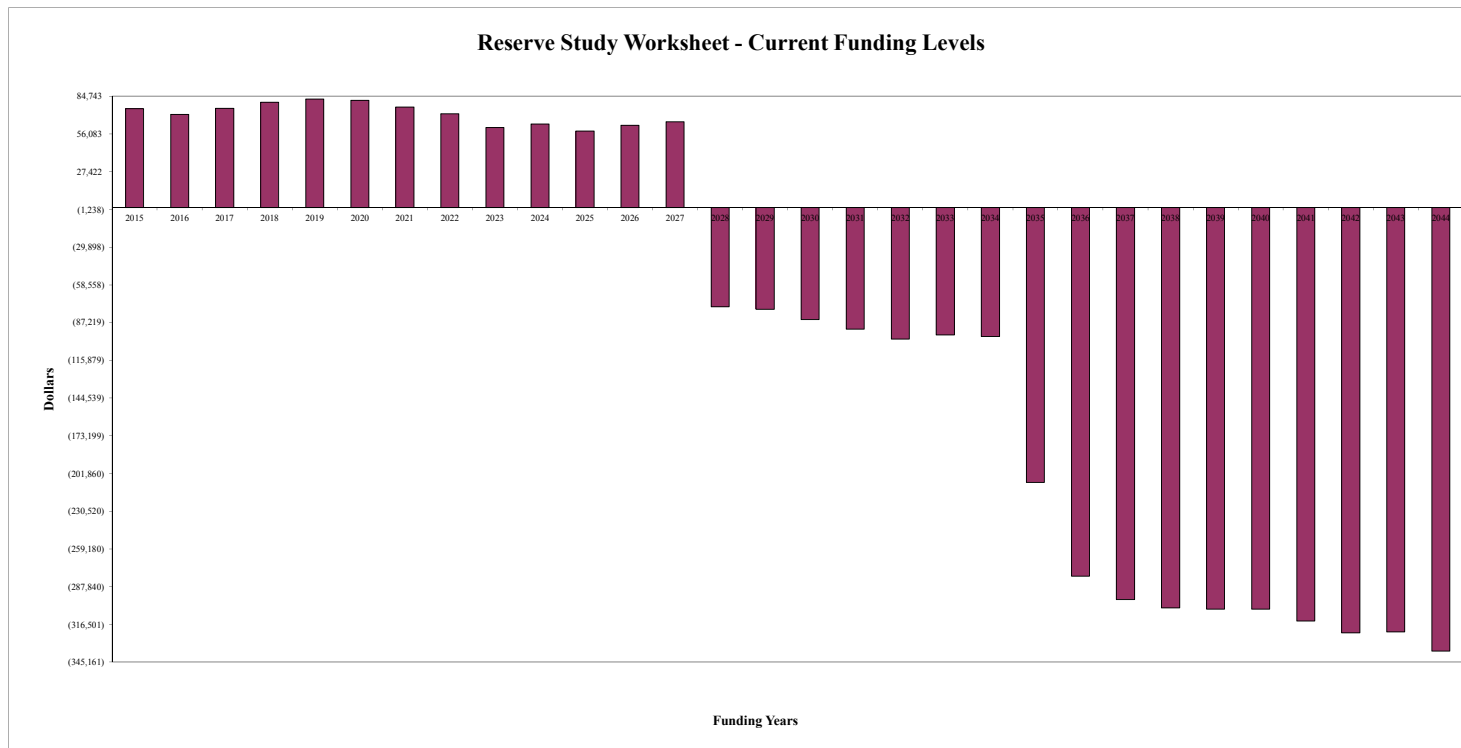
Beginning Balance as of start of year beginning Jan 2016: \$73,840

CONTRIBUTIONS		
FIRST YR	REM YRS	
\$1,600.00	\$4,800.00	per year
\$12.03	\$36.09	per unit per year
\$400.00	\$400.00	per month
\$3.01	\$3.01	per unit per month
Threshold:		\$0.00

Projected Annual Funding and Expenditures:

Year:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	75,326	70,962	75,598	80,253	82,675	81,723	76,528	71,322	61,046	63,526	58,341	62,570	65,365	(75,271)	(77,066)
Capital Expenditures:	860	9,866	912	940	3,196	6,561	10,752	10,712	15,681	2,949	10,563	1,190	2,652	145,436	6,595
Special Assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (all sources)	2,346	5,503	5,548	5,595	5,619	5,609	5,558	5,506	5,404	5,429	5,378	5,420	5,447	4,800	4,800
Target Funding Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Year:	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Year Number:	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
End of Year Reserve Fund Balance	(85,008)	(92,219)	(99,832)	(96,496)	(97,763)	(208,753)	(279,965)	(297,580)	(303,951)	(304,924)	(304,856)	(314,041)	(322,813)	(322,269)	(336,742)
Capital Expenditures:	12,742	12,011	12,413	1,464	6,067	115,790	76,012	22,416	11,170	5,773	4,732	13,985	13,572	4,256	19,273
Special Assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (all sources)	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800
Target Funding Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Reserve Study Worksheet - Alternative 1, Level Funding with Steps

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments	Investment Earnings	Total Revenue	Capital Expenditures	Ending Balance
2015	1	\$73,840	\$4,566	\$0	\$775	\$5,342	\$860	\$78,322
2016	2	\$78,322	\$13,699	\$0	\$822	\$14,521	\$9,866	\$82,976
2017	3	\$82,976	\$13,699	\$0	\$958	\$14,657	\$912	\$96,721
2018	4	\$96,721	\$15,029	\$0	\$1,108	\$16,137	\$940	\$111,918
2019	5	\$111,918	\$15,029	\$0	\$1,238	\$16,267	\$3,196	\$124,988
2020	6	\$124,988	\$15,029	\$0	\$1,335	\$16,364	\$6,561	\$134,790
2021	7	\$134,790	\$16,359	\$0	\$1,404	\$17,763	\$10,752	\$141,801
2022	8	\$141,801	\$16,359	\$0	\$1,474	\$17,833	\$10,712	\$148,922
2023	9	\$148,922	\$16,359	\$0	\$1,496	\$17,855	\$15,681	\$151,096
2024	10	\$151,096	\$17,689	\$0	\$1,658	\$19,347	\$2,949	\$167,495
2025	11	\$167,495	\$17,689	\$0	\$1,746	\$19,435	\$10,563	\$176,367
2026	12	\$176,367	\$17,689	\$0	\$1,929	\$19,618	\$1,190	\$194,794
2027	13	\$194,794	\$19,019	\$0	\$2,112	\$21,131	\$2,652	\$213,273
2028	14	\$213,273	\$19,019	\$0	\$869	\$19,888	\$145,436	\$87,724
2029	15	\$87,724	\$19,019	\$0	\$1,001	\$20,020	\$6,595	\$101,150
2030	16	\$101,150	\$19,019	\$0	\$1,074	\$20,093	\$12,742	\$108,501
2031	17	\$108,501	\$19,019	\$0	\$1,155	\$20,174	\$12,011	\$116,664
2032	18	\$116,664	\$19,019	\$0	\$1,233	\$20,252	\$12,413	\$124,503
2033	19	\$124,503	\$19,019	\$0	\$1,421	\$20,440	\$1,464	\$143,478
2034	20	\$143,478	\$19,019	\$0	\$1,564	\$20,583	\$6,067	\$157,994
2035	21	\$157,994	\$19,019	\$0	\$612	\$19,631	\$115,790	\$61,836
2036	22	\$61,836	\$19,019	\$0	\$48	\$19,067	\$76,012	\$4,892
2037	23	\$4,892	\$19,019	\$0	\$15	\$19,034	\$22,416	\$1,510
2038	24	\$1,510	\$19,019	\$0	\$94	\$19,113	\$11,170	\$9,452
2039	25	\$9,452	\$19,019	\$0	\$227	\$19,246	\$5,773	\$22,925
2040	26	\$22,925	\$19,019	\$0	\$372	\$19,391	\$4,732	\$37,584
2041	27	\$37,584	\$19,019	\$0	\$426	\$19,445	\$13,985	\$43,044
2042	28	\$43,044	\$19,019	\$0	\$485	\$19,504	\$13,572	\$48,976
2043	29	\$48,976	\$19,019	\$0	\$637	\$19,656	\$4,256	\$64,376
2044	30	\$64,376	\$19,019	\$0	\$641	\$19,660	\$19,273	\$64,763

Reserve Study Worksheet - Alternative 1, Level Funding with Steps

Beginning Balance as of start of year beginning Jan 2016: \$73,840

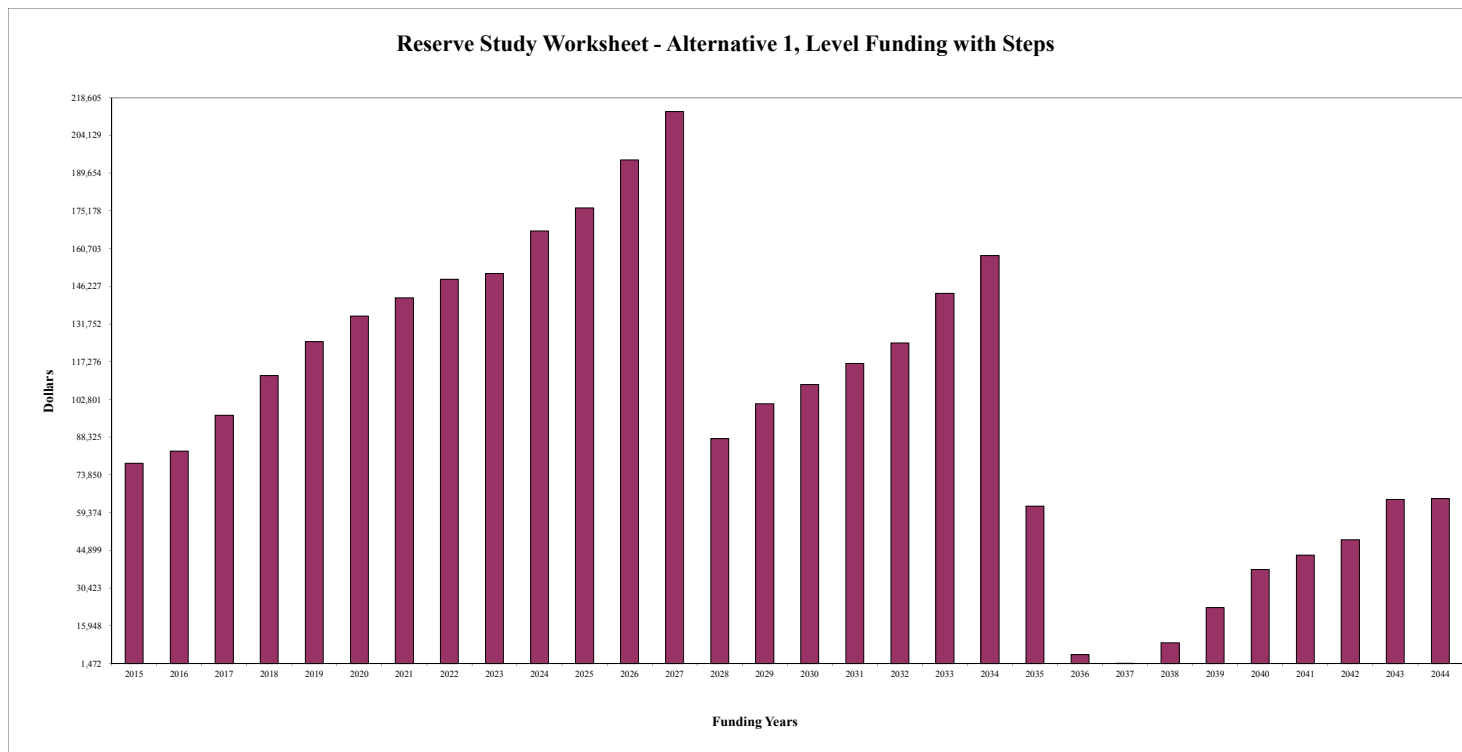
CONTRIBUTIONS		
FIRST YR	LAST YR	
\$13,699.00	\$19,019.00	per year
\$103.00	\$143.00	per unit per year
\$1,141.58	\$1,584.92	per month
\$8.58	\$11.92	per unit per month

SETTINGS (analyzed by unit/year)		
Starting amount (\$):	\$103.00	
Increment by (\$):	\$10.00	
Every	3	year
Frequency:	4	time
Threshold:	\$0.00	

Projected Annual Funding and Expenditures:

Year:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	78,322	82,976	96,721	111,918	124,988	134,790	141,801	148,922	151,096	167,495	176,367	194,794	213,273	87,724	101,150
Capital Expenditures:	860	9,866	912	940	3,196	6,561	10,752	10,712	15,681	2,949	10,563	1,190	2,652	145,436	6,595
Special Assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (all sources)	5,342	14,521	14,657	16,137	16,267	16,364	17,763	17,833	17,855	19,347	19,435	19,618	21,131	19,888	20,020
Target Funding Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Year:	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Year Number:	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
End of Year Reserve Fund Balance	108,501	116,664	124,503	143,478	157,994	61,836	4,892	1,510	9,452	22,925	37,584	43,044	48,976	64,376	64,763
Capital Expenditures:	12,742	12,011	12,413	1,464	6,067	115,790	76,012	22,416	11,170	5,773	4,732	13,985	13,572	4,256	19,273
Special Assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (all sources)	20,093	20,174	20,252	20,440	20,583	19,631	19,067	19,034	19,113	19,246	19,391	19,445	19,504	19,656	19,660
Target Funding Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Reserve Study Worksheet - Alternative 2, Escalating Funding at 3% per Year

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments	Investment Earnings	Total Revenue	Capital Expenditures	Ending Balance
2015	1	\$73,840	\$4,212	\$0	\$772	\$4,984	\$860	\$77,963
2016	2	\$77,963	\$13,014	\$0	\$811	\$13,825	\$9,866	\$81,923
2017	3	\$81,923	\$13,404	\$0	\$944	\$14,349	\$912	\$95,359
2018	4	\$95,359	\$13,807	\$0	\$1,082	\$14,889	\$940	\$109,308
2019	5	\$109,308	\$14,221	\$0	\$1,203	\$15,424	\$3,196	\$121,536
2020	6	\$121,536	\$14,647	\$0	\$1,296	\$15,944	\$6,561	\$130,918
2021	7	\$130,918	\$15,087	\$0	\$1,353	\$16,439	\$10,752	\$136,605
2022	8	\$136,605	\$15,539	\$0	\$1,414	\$16,954	\$10,712	\$142,846
2023	9	\$142,846	\$16,006	\$0	\$1,432	\$17,437	\$15,681	\$144,603
2024	10	\$144,603	\$16,486	\$0	\$1,581	\$18,067	\$2,949	\$159,721
2025	11	\$159,721	\$16,980	\$0	\$1,661	\$18,642	\$10,563	\$167,800
2026	12	\$167,800	\$17,490	\$0	\$1,841	\$19,331	\$1,190	\$185,940
2027	13	\$185,940	\$18,014	\$0	\$2,013	\$20,028	\$2,652	\$203,316
2028	14	\$203,316	\$18,555	\$0	\$764	\$19,319	\$145,436	\$77,199
2029	15	\$77,199	\$19,112	\$0	\$897	\$20,009	\$6,595	\$90,613
2030	16	\$90,613	\$19,685	\$0	\$976	\$20,660	\$12,742	\$98,532
2031	17	\$98,532	\$20,275	\$0	\$1,068	\$21,343	\$12,011	\$107,864
2032	18	\$107,864	\$20,884	\$0	\$1,163	\$22,047	\$12,413	\$117,498
2033	19	\$117,498	\$21,510	\$0	\$1,375	\$22,886	\$1,464	\$138,920
2034	20	\$138,920	\$22,156	\$0	\$1,550	\$23,706	\$6,067	\$156,558
2035	21	\$156,558	\$22,820	\$0	\$636	\$23,456	\$115,790	\$64,224
2036	22	\$64,224	\$22,820	\$0	\$110	\$22,931	\$76,012	\$11,143
2037	23	\$11,143	\$22,820	\$0	\$115	\$22,936	\$22,416	\$11,663
2038	24	\$11,663	\$22,820	\$0	\$233	\$23,053	\$11,170	\$23,546
2039	25	\$23,546	\$22,820	\$0	\$406	\$23,226	\$5,773	\$40,999
2040	26	\$40,999	\$22,820	\$0	\$591	\$23,411	\$4,732	\$59,678
2041	27	\$59,678	\$22,820	\$0	\$685	\$23,505	\$13,985	\$69,198
2042	28	\$69,198	\$22,820	\$0	\$784	\$23,605	\$13,572	\$79,231
2043	29	\$79,231	\$22,820	\$0	\$978	\$23,798	\$4,256	\$98,773
2044	30	\$98,773	\$22,820	\$0	\$1,023	\$23,843	\$19,273	\$103,344

Reserve Study Worksheet - Alternative 2, Escalating Funding at 3% per Year

Beginning Balance as of start of year beginning Jan 2016: \$73,840

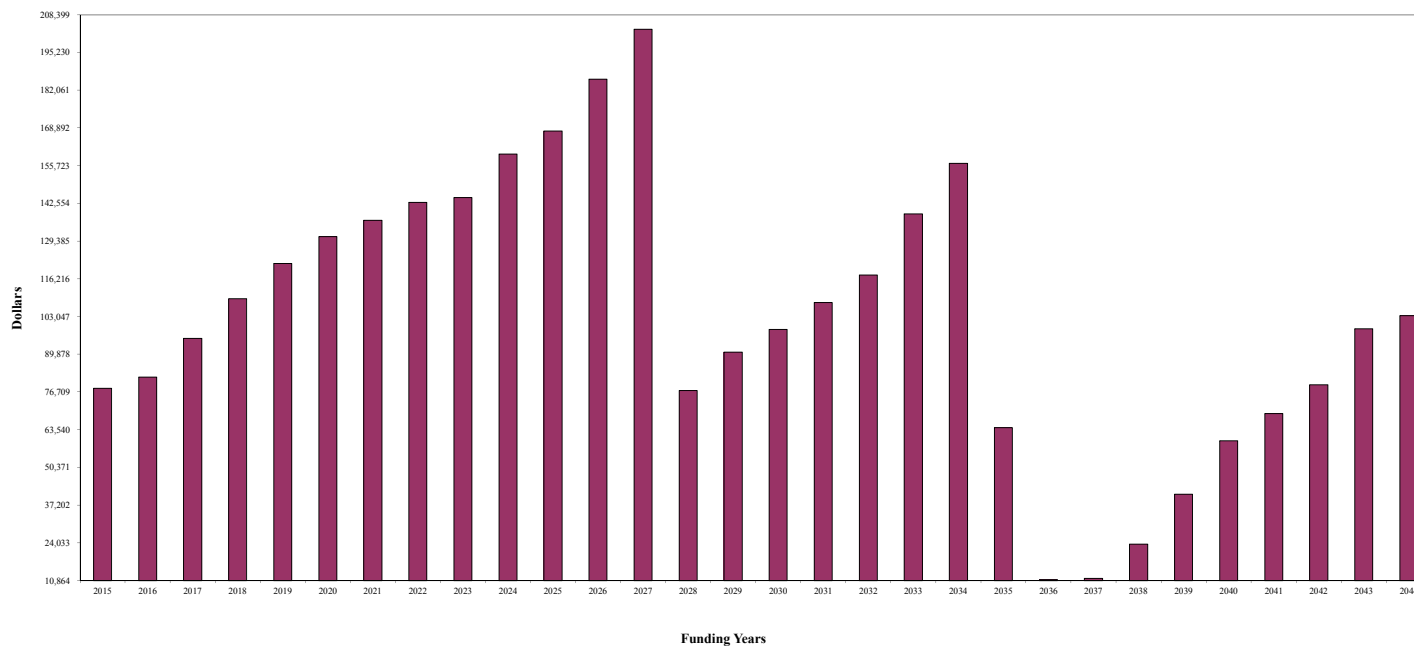
CONTRIBUTIONS	
FIRST YR	LAST YR
\$12,635.00	\$22,820.22
\$95.00	\$171.58
\$1,052.92	\$1,901.68
\$7.92	\$14.30
	per year
	per unit per year
	per month
	per unit per month

SETTINGS (analyzed by unit/year)	
Starting amount (\$):	\$95.00
Increment by (%):	3
Step (%):	0
Every	1 year
Frequency:	20 time
Threshold:	\$0.00

Projected Annual Funding and Expenditures:

Year:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	77,963	81,923	95,359	109,308	121,536	130,918	136,605	142,846	144,603	159,721	167,800	185,940	203,316	77,199	90,613
Capital Expenditures:	860	9,866	912	940	3,196	6,561	10,752	10,712	15,681	2,949	10,563	1,190	2,652	145,436	6,595
Special Assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (all sources)	4,984	13,825	14,349	14,889	15,424	15,944	16,439	16,954	17,437	18,067	18,642	19,331	20,028	19,319	20,009
Target Funding Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Year:	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Year Number:	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
End of Year Reserve Fund Balance	98,532	107,864	117,498	138,920	156,558	64,224	11,143	11,663	23,546	40,999	59,678	69,198	79,231	98,773	103,344
Capital Expenditures:	12,742	12,011	12,413	1,464	6,067	115,790	76,012	22,416	11,170	5,773	4,732	13,985	13,572	4,256	19,273
Special Assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (all sources)	20,660	21,343	22,047	22,886	23,706	23,456	22,931	22,936	23,053	23,226	23,411	23,505	23,605	23,798	23,843
Target Funding Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Reserve Study Worksheet - Alternative 2, Escalating Funding at 3% per Year



Reserve Study Worksheet - Alternative 3, Escalating Funding with Special Assessments

Year	Year Number	Beginning Reserve Fund Balance	Fee Revenue	Special Assessments	Investment Earnings	Total Revenue	Capital Expenditures	Ending Balance
2015	1	\$73,840	\$1,600	\$0	\$746	\$2,346	\$860	\$75,326
2016	2	\$75,326	\$4,800	\$0	\$703	\$5,503	\$9,866	\$70,962
2017	3	\$70,962	\$4,800	\$0	\$748	\$5,548	\$912	\$75,598
2018	4	\$75,598	\$4,800	\$0	\$795	\$5,595	\$940	\$80,253
2019	5	\$80,253	\$4,800	\$0	\$819	\$5,619	\$3,196	\$82,675
2020	6	\$82,675	\$4,800	\$0	\$809	\$5,609	\$6,561	\$81,723
2021	7	\$81,723	\$4,800	\$0	\$758	\$5,558	\$10,752	\$76,528
2022	8	\$76,528	\$4,800	\$0	\$706	\$5,506	\$10,712	\$71,322
2023	9	\$71,322	\$4,800	\$0	\$604	\$5,404	\$15,681	\$61,046
2024	10	\$61,046	\$4,800	\$0	\$629	\$5,429	\$2,949	\$63,526
2025	11	\$63,526	\$4,800	\$0	\$578	\$5,378	\$10,563	\$58,340
2026	12	\$58,340	\$4,800	\$0	\$619	\$5,419	\$1,190	\$62,569
2027	13	\$62,569	\$4,800	\$0	\$647	\$5,447	\$2,652	\$65,365
2028	14	\$65,365	\$4,800	\$100,000	\$247	\$105,047	\$145,436	\$24,976
2029	15	\$24,976	\$4,800	\$0	\$232	\$5,032	\$6,595	\$23,412
2030	16	\$23,412	\$4,800	\$0	\$155	\$4,955	\$12,742	\$15,625
2031	17	\$15,625	\$4,800	\$0	\$84	\$4,884	\$12,011	\$8,498
2032	18	\$8,498	\$4,800	\$0	\$9	\$4,809	\$12,413	\$894
2033	19	\$894	\$4,800	\$0	\$42	\$4,842	\$1,464	\$4,272
2034	20	\$4,272	\$4,800	\$0	\$30	\$4,830	\$6,067	\$3,035
2035	21	\$3,035	\$4,800	\$282,000	\$1,740	\$288,540	\$115,790	\$175,786
2036	22	\$175,786	\$4,800	\$0	\$1,046	\$5,846	\$76,012	\$105,620
2037	23	\$105,620	\$4,800	\$0	\$880	\$5,680	\$22,416	\$88,884
2038	24	\$88,884	\$4,800	\$0	\$825	\$5,625	\$11,170	\$83,339
2039	25	\$83,339	\$4,800	\$0	\$824	\$5,624	\$5,773	\$83,189
2040	26	\$83,189	\$4,800	\$0	\$833	\$5,633	\$4,732	\$84,090
2041	27	\$84,090	\$4,800	\$0	\$749	\$5,549	\$13,985	\$75,654
2042	28	\$75,654	\$4,800	\$0	\$669	\$5,469	\$13,572	\$67,550
2043	29	\$67,550	\$4,800	\$0	\$681	\$5,481	\$4,256	\$68,776
2044	30	\$68,776	\$4,800	\$0	\$543	\$5,343	\$19,273	\$54,846

Reserve Study Worksheet - Alternative 3, Escalating Funding with Special Assessments

Beginning Balance as of start of year beginning Jan 2016: \$73,840

CONTRIBUTIONS		
FIRST YR	LAST YR	
\$4,799.97	\$4,799.97	per year
\$36.09	\$36.09	per unit per year
\$400.00	\$400.00	per month
\$3.01	\$3.01	per unit per month

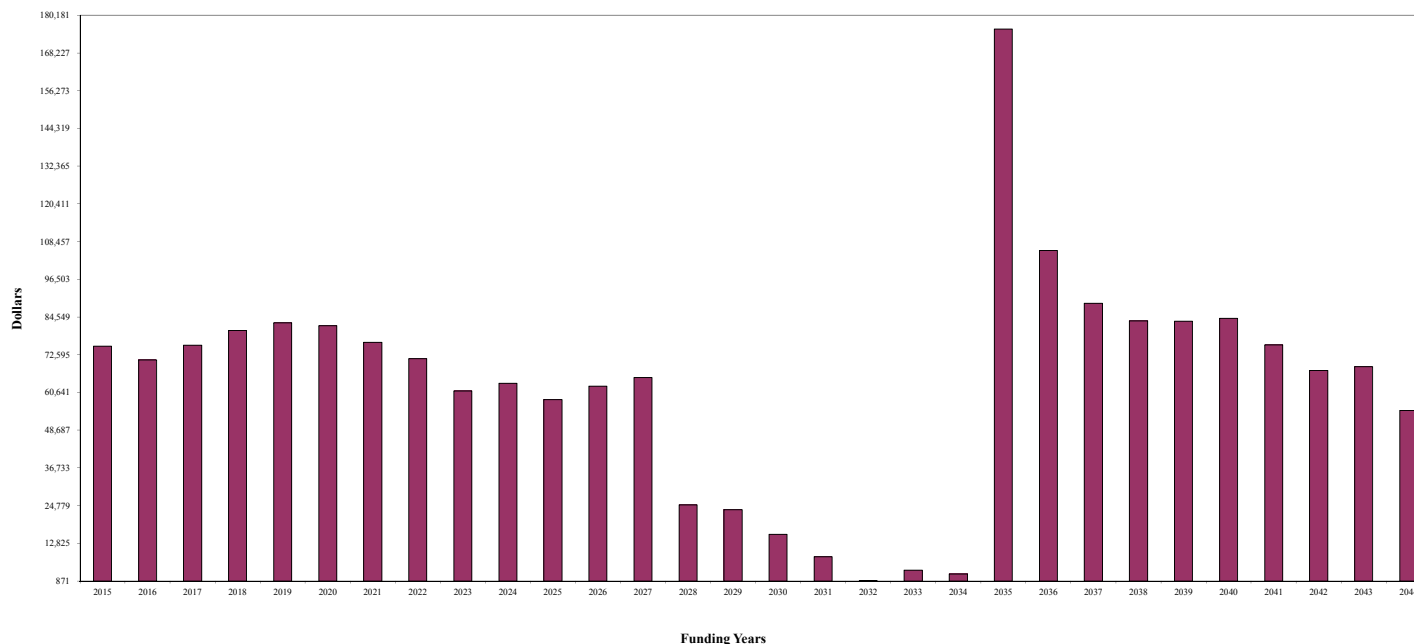
SETTINGS (analyzed by unit/year)		
Starting amount (\$):	\$36.09	
Increment by (%):	0	
Step (%):	0	
Every	3	year
Frequency:	3	time
Threshold:	\$0.00	

Projected Annual Funding and Expenditures:

Year:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Year Number:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
End of Year Reserve Fund Balance	75,326	70,962	75,598	80,253	82,675	81,723	76,528	71,322	61,046	63,526	58,340	62,569	65,365	24,976	23,412
Capital Expenditures:	860	9,866	912	940	3,196	6,561	10,752	10,712	15,681	2,949	10,563	1,190	2,652	145,436	6,595
Special Assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	100,000	-
Total Revenue (all sources)	2,346	5,503	5,548	5,595	5,619	5,609	5,558	5,506	5,404	5,429	5,378	5,419	5,447	105,047	5,032
Target Funding Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Year:	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Year Number:	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
End of Year Reserve Fund Balance	15,625	8,498	894	4,272	3,035	175,786	105,620	88,884	83,339	83,189	84,090	75,654	67,550	68,776	54,846
Capital Expenditures:	12,742	12,011	12,413	1,464	6,067	115,790	76,012	22,416	11,170	5,773	4,732	13,985	13,572	4,256	19,273
Special Assessment	-	-	-	-	-	282,000	-	-	-	-	-	-	-	-	-
Total Revenue (all sources)	4,955	4,884	4,809	4,842	4,830	288,540	5,846	5,680	5,625	5,624	5,633	5,549	5,469	5,481	5,343
Target Funding Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

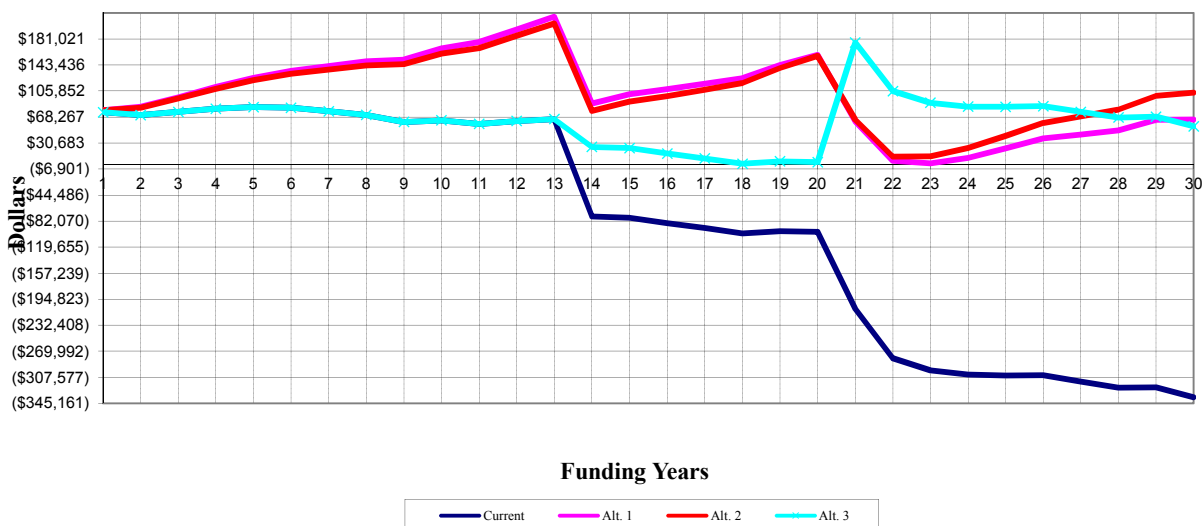
Reserve Study Worksheet - Alternative 3, Escalating Funding with Special Assessments



Summary of Reserve Ending Balances

<u>Year</u>	<u>Year Number</u>	<u>Yearly Expenditures</u>	<u>Current</u>	<u>Alt. 1</u>	<u>Alt. 2</u>	<u>Alt. 3</u>
2015	1	\$860	\$75,326	\$78,322	\$77,963	\$75,326
2016	2	\$9,866	\$70,962	\$82,976	\$81,923	\$70,962
2017	3	\$912	\$75,598	\$96,721	\$95,359	\$75,598
2018	4	\$940	\$80,253	\$111,918	\$109,308	\$80,253
2019	5	\$3,196	\$82,675	\$124,988	\$121,536	\$82,675
2020	6	\$6,561	\$81,723	\$134,790	\$130,918	\$81,723
2021	7	\$10,752	\$76,528	\$141,801	\$136,605	\$76,528
2022	8	\$10,712	\$71,322	\$148,922	\$142,846	\$71,322
2023	9	\$15,681	\$61,046	\$151,096	\$144,603	\$61,046
2024	10	\$2,949	\$63,526	\$167,495	\$159,721	\$63,526
2025	11	\$10,563	\$58,341	\$176,367	\$167,800	\$58,340
2026	12	\$1,190	\$62,570	\$194,794	\$185,940	\$62,569
2027	13	\$2,652	\$65,365	\$213,273	\$203,316	\$65,365
2028	14	\$145,436	(\$75,271)	\$87,724	\$77,199	\$24,976
2029	15	\$6,595	(\$77,066)	\$101,150	\$90,613	\$23,412
2030	16	\$12,742	(\$85,008)	\$108,501	\$98,532	\$15,625
2031	17	\$12,011	(\$92,219)	\$116,664	\$107,864	\$8,498
2032	18	\$12,413	(\$99,832)	\$124,503	\$117,498	\$894
2033	19	\$1,464	(\$96,496)	\$143,478	\$138,920	\$4,272
2034	20	\$6,067	(\$97,763)	\$157,994	\$156,558	\$3,035
2035	21	\$115,790	(\$208,753)	\$61,836	\$64,224	\$175,786
2036	22	\$76,012	(\$279,965)	\$4,892	\$11,143	\$105,620
2037	23	\$22,416	(\$297,580)	\$1,510	\$11,663	\$88,884
2038	24	\$11,170	(\$303,951)	\$9,452	\$23,546	\$83,339
2039	25	\$5,773	(\$304,924)	\$22,925	\$40,999	\$83,189
2040	26	\$4,732	(\$304,856)	\$37,584	\$59,678	\$84,090
2041	27	\$13,985	(\$314,041)	\$43,044	\$69,198	\$75,654
2042	28	\$13,572	(\$322,813)	\$48,976	\$79,231	\$67,550
2043	29	\$4,256	(\$322,269)	\$64,376	\$98,773	\$68,776
2044	30	\$19,273	(\$336,742)	\$64,763	\$103,344	\$54,846

Summary of Reserve Ending Balances



Appendix B: PHOTOGRAPHS

Location:
Waterford Park Estates
City, State

Photo Taken by:
Phillip Nieman, P.E.

Date:
July 28, 2015



Description:

Entrance
Monument

Photo Number

1



Description:

Entrance
Monument

Photo Number

2

Location:
Waterford Park Estates
City, State

Photo Taken by:
Phillip Nieman, P.E.

Date:
July 28, 2015



Description:

Entrance
Monument

Photo Number

3



Description:

Entrance
Monument

Photo Number

4

Location:
Waterford Park Estates
City, State

Photo Taken by:
Phillip Nieman, P.E.

Date:
July 28, 2015



Description:
Stone Planter Bed
Edging

Photo Number
5



Description:
Wrought Iron
Perimeter Fence

Photo Number
6

Location:
Waterford Park Estates
City, State

Photo Taken by:
Phillip Nieman, P.E.

Date:
July 28, 2015



Description:
Cast Stone Signage
Crack

Photo Number
7



Description:
Cast Stone Signage
Crack

Photo Number
8

Location:
Waterford Park Estates
City, State

Photo Taken by:
Phillip Nieman, P.E.

Date:
July 28, 2015



Description:
Wrought Iron
Perimeter Fencing
and Pilaster

Photo Number
9



Description:
Wrought Iron
Perimeter Fencing

Photo Number
10

Location:
Waterford Park Estates
City, State

Photo Taken by:
Phillip Nieman, P.E.

Date:
July 28, 2015



Description:
Wrought Iron
Perimeter Fencing
and Pilaster

Photo Number
11



Description:
Wrought Iron
Perimeter Fencing
and Pilaster

Photo Number
12

Location:
Waterford Park Estates
City, State

Photo Taken by:
Phillip Nieman, P.E.

Date:
July 28, 2015



Description:
Wrought Iron
Perimeter Fencing
and Pilaster

Photo Number
13



Description:
Irrigation
Controller

Photo Number
14

Location:
Waterford Park Estates
City, State

Photo Taken by:
Phillip Nieman, P.E.

Date:
July 28, 2015



Description:
Electric Panel and
Irrigation
Controller

Photo Number
15



Description:
Electric Panel and
Irrigation
Controller

Photo Number
16

Location:
Waterford Park Estates
City, State

Photo Taken by:
Phillip Nieman, P.E.

Date:
July 28, 2015



Description:
Electric Panel and
Irrigation
Controller

Photo Number
17



Description:
Electric Panel and
Irrigation
Controller

Photo Number
18

Location:
Waterford Park Estates
City, State

Photo Taken by:
Phillip Nieman, P.E.

Date:
July 28, 2015



Description:
Street Light

Photo Number
19

Appendix C: EXECUTIVE SUMMARY

**WATERFORD PARK ESTATES
CAPITAL RESERVE FUND STUDY
EXECUTIVE SUMMARY – AUGUST 2015**

WATERFORD PARK ESTATES HOMEOWNERS ASSOCIATION authorized Criterium–Dotson Engineers to conduct a Property Evaluation and Reserve Fund Study for Association Common Assets including common site assets, etc., located in Flower Mound, Texas. Studies of this nature are important to ensure a community has sufficient funds for long-term, periodic capital expenditure requirements. Anticipating large expenditures over an extended period of time through a structured analysis and scheduling process assists the Association in meeting financial requirements without increasing the service fees above permitted maximums, borrowing the funds, or levying special financial assessments to the Homeowners.

This report is structured to analyze components of the community for which the Association is responsible and to assess a useful expected life and useful remaining life for those components. The anticipated scheduled repair or replacement of the component and the anticipated expense for the activity are then analyzed in conjunction with the current capital reserves funding program for the community. Funding program recommendations are made with the objective of limiting substantial cash excesses while minimizing financial burdens that can result from significant cash inadequacies.

This report is intended to be used as a tool to determine reserve fund allocation requirements for the community, to manage future Association obligations, and to inform the community of future financial needs in general.

This investigation was performed on July 28, 2015 by Phillip Nieman, P.E. and reviewed by David Dotson, P.E., R.S. of Criterium–Dotson Engineers on behalf of WATERFORD PARK ESTATES HOMEOWNERS ASSOCIATION.

The facilities are, in general, in good condition. There are, of course, a few immediate needs and also significant anticipated capital expenditures to be expected over the next thirty years. Those items that will require attention are discussed in detail in the full report and can be found in their appropriate sections.

Based on our review of the facility assets, conditions and finances the current contribution level for capital reserves is adequate in the short-term but is NOT adequate to meet the long-term needs of the community. Both an immediate increase together with increases over time will be required to meet future capital needs. Alternatives have been presented to the Board for adequate future funding needs.

This report forecasts obligations for the community thirty years into the future. It should be noted that events may occur that could have an effect on the underlying component or system useful life assumptions used in this study. Likewise, inevitable market fluctuations can have an impact on component or system replacement and repair costs. As a result, a study such as this should be updated from time to time, usually on a three to five year cycle, in order to reflect the most accurate needs and obligations of the community.

Please note that the reserve fund study does not include typical annual maintenance items. Our assumption is that you already have an annual operating budget that provides for these typical, repetitive items. This includes miscellaneous repairs, maintenance, routine minor painting, etc. We have focused on those significant, non-annual items where careful financial planning is important.

Finally, please note that the estimates we have developed are based on 2015 dollars. Our reserve fund study does adjust for an estimated annual inflation and a given return on investment assuming that the indicated fund balances are maintained.

Thank you for the opportunity to be of service.

CRITERIUM-DOTSON ENGINEERS