

RESERVE ANALYSIS REPORT

Sample Church Association

Denver, Colorado

Version 1

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Sample Church Association

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Preface

This preface is intended to provide an introduction to the enclosed reserve analysis as well as detailed information regarding the reserve analysis report format, reserve fund goals/objectives and calculation methods. The following sections are included in this preface:

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◆ ◆ ◆ ◆ INTRODUCTION TO RESERVE BUDGETING ◆ ◆ ◆ ◆

The Board of Directors of an association has a legal and fiduciary duty to maintain the community in a good state of repair. Individual unit property values are significantly impacted by the level of maintenance and upkeep provided by the association as well as the amount of the regular assessment charged to each owner.

A prudent plan must be implemented to address the issues of long-range maintenance, repair and replacement of the common areas. Additionally, the plan should recognize that the value of each unit is affected by the amount of the regular assessment charged to each unit.

There is a fine line between “not enough,” “just right” and “too much.” Each member of an association should contribute to the reserve fund for their proportionate amount of “depreciation” (or “use”) of the reserve components. Through time, if each owner contributes his “fair share” into the reserve fund for the depreciation of the reserve components, then the possibility of large increases in regular assessments or special assessments will be minimized.

An accurate reserve analysis and a “healthy” reserve fund are essential to protect and maintain the association's common areas and the property values of the individual unit owners. A comprehensive reserve analysis is one of the most significant elements of any association's long-range plan and provides the critical link between sound business judgment and good fiscal planning. The reserve analysis provides a “financial blueprint” for the future of an association.

◆ ◆ ◆ ◆ UNDERSTANDING THE RESERVE ANALYSIS ◆ ◆ ◆ ◆

In order for the reserve analysis to be useful, it must be understandable by a variety of individuals. Board members (from seasoned, experienced Board members to new Board members), property managers, accountants, attorneys and even homeowners may ultimately review the reserve analysis. The reserve analysis must be detailed enough to provide a comprehensive analysis, yet simple enough to enable less experienced individuals to understand the results.

There are four key bits of information that a comprehensive reserve analysis should provide: Budget, Percent Funded, Projections and Inventory. This information is described as follows:

Budget

Amount recommended to be transferred into the reserve account for the fiscal year for which the reserve analysis was prepared. In some cases, the reserve analysis may present two or more funding plans based on different goals/objectives. The Board should have a clear understanding of the differences among these funding goals/objectives prior to implementing one of them in the annual budget.

Percent Funded

Measure of the reserve fund “health” (expressed as a percentage) as of the beginning of the fiscal year for which the

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reserve analysis was prepared. This figure is the ratio of the actual reserve fund on hand to the fully funded balance. A reserve fund that is “100% funded” means the association has accumulated the proportionately correct amount of money, to date, for the reserve components it maintains.

Projections

Indicate the “level of service” the association will provide the membership as well as a “road map” for the fiscal future of the association. The projections define the timetables for repairs and replacements, such as when the buildings will be painted or when the asphalt will be seal coated. The projections also show the financial plan for the association – when an underfunded association will “catch up” or how a properly funded association will remain fiscally “healthy.”

Inventory

Complete listing of the reserve components. Key bits of information are available for each reserve component, including placed-in-service date, useful life, remaining life, replacement year, quantity, current cost of replacement, future cost of replacement and analyst’s comments.

◆ ◆ ◆ ◆ RESERVE FUNDING GOALS / OBJECTIVES ◆ ◆ ◆ ◆

There are four reserve funding goals/objectives which may be used to develop a reserve funding plan that corresponds with the risk tolerance of the association: Full Funding, Baseline Funding, Threshold Funding and Statutory Funding. These goals/objectives are described as follows:

Full Funding

Describes the goal/objective to have reserves on hand equivalent to the value of the deterioration of the each reserve component. The objective of this funding goal is to achieve and/or maintain a 100% percent funded reserve fund. The component calculation method or cash flow calculation method is typically used to develop a full funding plan.

Baseline Funding

Describes the goal/objective to have sufficient reserves on hand to never completely run out of money. The objective of this funding goal is to simply pay for all reserve expenses as they come due without regard to the association’s percent funded. The cash flow calculation method is typically used to develop a baseline funding plan.

Threshold Funding

Describes the goal/objective other than the 100% level (full funding) or just staying cash-positive (baseline funding). This threshold goal/objective may be a specific percent funded target or a cash balance target. Threshold funding is often a value chosen between full funding and baseline funding. The cash flow calculation method is typically used to develop a threshold funding plan.

Statutory Funding

Describes the pursuit of an objective as described or required by local laws or codes. The component calculation method or cash flow calculation method is typically used to develop a statutory funding plan.

◆ ◆ ◆ ◆ RESERVE FUNDING CALCULATION METHODS ◆ ◆ ◆ ◆

There are two funding methods which can be used to develop a reserve funding plan based on a reserve funding goal/objective: Component Calculation Method and Cash Flow Calculation Method. These calculation methods are described as follows:

Component Calculation Method

This calculation method develops a funding plan for each individual reserve component. The sum of the funding plan for each component equals the total funding plan for the association. This method is often referred to as the “straight line”

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method and is widely believed to be the most conservative reserve funding method. This method structures a funding plan that enables the association to pay all reserve expenditures as they come due, enables the association to achieve the ideal level of reserves in time, and then enables the association to maintain the ideal level of reserves through time. The following is a detailed description of the component calculation method:

Step 1: Calculation of fully funded balance for each component

The fully funded balance is calculated for each component based on its age, useful life and current cost. The actual formula is as follows:

$$\text{Fully Funded Balance} = \frac{\text{Age}}{\text{Useful Life}} \times \text{Current Cost}$$

Step 2: Distribution of current reserve funds

The association's current reserve funds are assigned to (or distributed amongst) the reserve components based on each component's remaining life and fully funded balance as follows:

Pass 1: Components are organized in remaining life order, from least to greatest, and the current reserve funds are assigned to each component up to its fully funded balance, until reserves are exhausted.

Pass 2: If all components are assigned their fully funded balance and additional funds exist, they are assigned in a "second pass." Again, the components are organized in remaining life order, from least to greatest, and the remaining current reserve funds are assigned to each component up to its current cost, until reserves are exhausted.

Pass 3: If all components are assigned their current cost and additional funds exist, they are assigned in a "third pass." Components with a remaining life of zero years are assigned double their current cost.

Distributing, or assigning, the current reserve funds in this manner is the most efficient use of the funds on hand – it defers the make-up period of any underfunded reserves over the lives of the components with the largest remaining lives.

Step 3: Developing a funding plan

After step 2, all components have a "starting" balance. A calculation is made to determine what funding would be required to get from the starting balance to the future cost over the number of years remaining until replacement. The funding plan incorporates the annual contribution increase parameter to develop a "stair stepped" contribution.

For example, if an association needs to accumulate \$100,000 in ten years, \$10,000 could be contributed each year. Alternatively, the association could contribute \$8,723 in the first year and increase the contribution by 3% each year thereafter until the tenth year.

In most cases, this rate should match the inflation parameter. Matching the annual contribution increase parameter to the inflation parameter indicates, in theory, that member contributions should increase at the same rate as the cost of living (inflation parameter). Due to the "time value of money," this creates the most equitable distribution of member contributions through time.

Using an annual contribution increase parameter that is greater than the inflation parameter will reduce the burden to the current membership at the expense of the future membership. Using an annual contribution increase parameter that is less than the inflation parameter will increase the burden to the current membership to the benefit of the future membership. The following chart shows a comparison:

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	<u>0% Increase</u>	<u>3% Increase</u>	<u>10% Increase</u>
Year 1	\$10,000.00	\$8,723.05	\$6,274.54
Year 2	\$10,000.00	\$8,984.74	\$6,901.99
Year 3	\$10,000.00	\$9,254.28	\$7,592.19
Year 4	\$10,000.00	\$9,531.91	\$8,351.41
Year 5	\$10,000.00	\$9,817.87	\$9,186.55
Year 6	\$10,000.00	\$10,112.41	\$10,105.21
Year 7	\$10,000.00	\$10,415.78	\$11,115.73
Year 8	\$10,000.00	\$10,728.25	\$12,227.30
Year 9	\$10,000.00	\$11,050.10	\$13,450.03
Year 10	\$10,000.00	\$11,381.60	\$14,795.04
TOTAL	<u>\$100,000.00</u>	<u>\$100,000.00</u>	<u>\$100,000.00</u>

This parameter is used to develop a funding plan only; it does not mean that the reserve contributions must be raised each year. There are far more significant factors that will contribute to a total reserve contribution increase or decrease from year to year than this parameter.

One of the major benefits of using this calculation method is that for any single component (or group of components), the accumulated balance and reserve funding can be precisely calculated. For example, using this calculation method, the reserve analysis can indicate the exact amount of current reserve funds "in the bank" for the roofs and the amount of money being funded towards the roofs each month. This information is displayed on the Management / Accounting Summary and Charts as well as elsewhere within the report.

The component calculation method is typically used for well-funded associations (greater than 65% funded) with a goal/objective of full funding.

Cash Flow Calculation Method

This calculation method develops a funding plan based on current reserve funds and projected expenditures during a specific timeframe (typically 30 years). This funding method structures a funding plan that enables the association to pay for all reserve expenditures as they come due, but is not necessarily concerned with the ideal level of reserves through time.

This calculation method tests reserve contributions against reserve expenditures through time to determine the minimum contribution necessary (baseline Funding) or some other defined goal/objective (full funding, threshold funding or statutory funding).

Unlike the component calculation method, this calculation method cannot precisely calculate the reserve funding for any single component (or group of components). In order to work-around this issue to provide this bookkeeping information, a formula has been applied to component method results to calculate a reasonable breakdown. This information is displayed on the Management / Accounting Summary and Charts as well as elsewhere within the report.

The cash flow calculation method is typically used for under-funded associations (less than 65% funded) with a goal/objective of full funding, threshold funding, baseline funding or statutory funding.

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◆ ◆ ◆ ◆ READING THE RESERVE ANALYSIS ◆ ◆ ◆ ◆

In some cases, the reserve analysis may be a lengthy document of one hundred pages or more. A complete and thorough review of the reserve analysis is always a good idea. However, if time is limited, it is suggested that a thorough review of the summary pages be made. If a “red flag” is raised in this review, the reader should then check the detail information, of the component in question, for all relevant information. In this section, a description of most of the summary or report sections is provided along with comments regarding what to look for and how to use each section.

Executive Summary

Provides general information about the client, global parameters used in the calculation of the reserve analysis as well as the core results of the reserve analysis.

Client Information

Provides various client information including fiscal year for which the reserve analysis was prepared, number of units, phasing, etc.

Global Parameters

Displays the calculation parameters that were used to calculate the reserve analysis including inflation, annual contribution increase, investment rate, tax rate and contingency.

Community Profile

Provides brief description of the community, as well as other “global” type comments.

Budget

Provides recommended funding for the fiscal year for which the reserve analysis was prepared. Indicates the reserve funding from the membership, anticipated interest contribution and the total contribution

Sample Homeowners Association Executive Summary Component Calculation Method			
Client Information:		Global Parameters:	
Account Number	99999	Inflation Rate	2.00%
Version Number	1	Annual Contribution Increase	2.00%
Analysis Date	3/18/2014	Investment Rate	1.00%
Fiscal Year	6/1/2014 to 5/31/2015	Taxes on Investments	30.00%
Number of Units	187	Contingency	3.00%
Phasing	8 of 8		
Community Profile:			
This community consists of 187 attached units with private roadways, pool area and extensive landscaped areas.			
For budgeting purposes, unless otherwise indicated, we have used June 1995 as the average placed-in-service date for aging the original components in this community.			
ARS site visits: March 1, 2014; January 2011; February 2006; April 2008; March 2005; March 2003; March 2002; April 2001 and March 2000			
Adequacy of Reserves as of June 1, 2014:			
Anticipated Reserve Balance		\$865,450.00	
Fully Funded Reserve Balance		\$1,011,228.83	
Percent Funded		85.58%	
Recommended Funding for the 2014-2015 Fiscal Year:			
	Annual	Monthly	Per Unit Per Month
Member Contribution	\$110,659	\$9,221.58	\$55.22
Interest Contribution	\$5,977	\$498.09	\$2.98
Total Contribution	\$116,636	\$9,719.66	\$58.20
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Adequacy of Reserves

Displays the results of calculations with regard to the “health” of the reserve fund as of the beginning of the fiscal year for which the reserve analysis was prepared. Provides the anticipated reserve balance, fully funded reserve balance and the percent funded.

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Calculation of percent funded

Summary displays all reserve components, shown here in “category” order. Provides the remaining life, useful life, current cost and the fully funded balance at the beginning of the fiscal year for which the reserve analysis was prepared.

Reserve Components
All components are displayed (shown here in “category” order).

Lifespans
Remaining life and useful life are displayed. And, these columns are conveniently sub totaled to show range.

Sample Homeowners Association
Calculation of Percent Funded
Sorted by Category

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
010 Streets				
Streets - Asphalt, Overlay / Major Rehab	8	27	\$101,867.50	\$71,564.91
Streets - Asphalt, Repair	0	4	\$3,621.75	\$3,621.75
Streets - Asphalt, Seal Coat	0	4	\$5,926.50	\$5,926.50
Streets - Concrete, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Sub Total	0-8	4-27	\$111,245.75	\$81,113.16
020 Roofs				
Roofs - Tile				
Sub Total				
030 Painting				
Painting - Cabana Interior				
Painting - Red Curbs				
Painting - Stucco				
Painting - Woodwork & Trim				
Painting - Wrought Iron, Buildings				
Painting - Wrought Iron, Pool Area				
Sub Total				
040 Fencing				
Fencing - Wrought Iron, Pool Area				
Railing - Wrought Iron, Buildings				
Sub Total				
050 Lighting				
Lighting - Buildings				
Lighting - Grounds				
Sub Total				
060 Pool Area				
Cabana - Ceramic Tile				
Cabana - Doors				
Cabana - Plumbing Fixtures				
Cabana - Restroom Partitions				
Cabana - Water Heater				
Pool - Filter				
Pool - Heater				
Pool - Replaster & Tile Replace				
Pool Area - Barbecues				
Sub Total				

Sample Homeowners Association
Calculation of Percent Funded
Sorted by Category

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
Pool Area - Ceramic Tile	2	21	\$8,591.63	\$7,773.38
Pool Area - Concrete Deck, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Pool Area - Furniture (Refurbish)	0	12	\$9,255.00	\$9,255.00
Pool Area - Furniture (Replace)	6	25	\$17,315.00	\$13,159.40
Pool Area - Mastic	0	4	\$5,131.50	\$5,131.50
Spa - Filter	0	13	\$1,350.00	\$1,350.00
Spa - Heater	0	10	\$3,050.00	\$3,050.00
Spa - Replaster & Tile Replace	3	8	\$5,250.00	\$3,126.40
Sub Total	0-6	4-25	\$91,747.38	\$71,964.53
070 Decks				
Decks - Clean & Top Coat	2	5	\$30,480.00	\$18,288.00
Decks - Resurface	2	13	\$65,227.20	\$54,720.81
Sub Total	2	5-13	\$95,707.20	\$73,008.81
080 Misc (Buildings)				
Fire Extinguisher Cabinets	2	21	\$27,825.00	\$24,804.05
Utility Closet Doors	2	21	\$73,900.00	\$69,861.00
Sub Total	2	21	\$101,525.00	\$91,855.95
090 Misc (Grounds)				
Landscape - Irrigation Controllers	0	12	\$29,000.00	\$29,000.00
Landscape - Renovation, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Mailboxes	2	21	\$37,200.00	\$33,857.14
Sub Total	0-2	12-21	\$66,200.00	\$62,657.14
100 Termite Control				
Termite Control	n.a.	n.a.	\$0.00	\$100,000.00
Sub Total	n.a.	n.a.	\$0.00	\$100,000.00
Contingency	n.a.	n.a.	n.a.	\$29,453.27
Total	0-11	2-30	\$1,001,533.70	\$1,011,228.83
Anticipated Reserve Balance				\$85,450.00
Percent Funded				85.58%

Current Cost
Displays the current cost to replace or otherwise maintain each component. This column is conveniently sub totaled.

Fully Funded Balance
Displays the fully funded balance for each component. This column is conveniently sub totaled.

The total current cost to replace or otherwise maintain all components, total fully funded balance, anticipated reserve balance and percent funded are provided at the bottom of this summary. Also shown is the range of reserve component remaining lives and useful lives.

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Management / Accounting Summary and Charts

Summary displays all reserve components, shown here in “category” order. Provides the assigned reserve funds at the beginning of the fiscal year for which the reserve analysis was prepared along with the monthly member contribution, interest contribution and total contribution for each component and category. Pie charts show graphically how the total reserve fund is distributed amongst the reserve component categories and how each category is funded on a monthly basis.

Balance at FYB
Shows the amount of reserve funds assigned to each reserve component. And, this column is conveniently sub totaled.

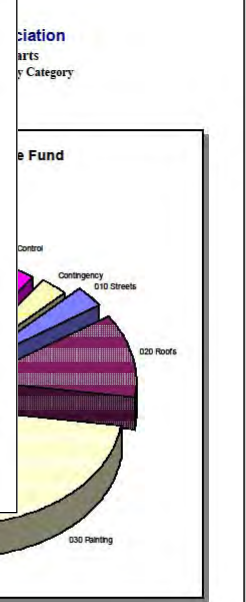
Sample Homeowners Association
Management / Accounting Summary
Component Calculation Method; Sorted by Category

	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
010 Streets				
Streets - Asphalt, Overlay / Major Rehab	\$17,637.90	\$948.09	\$13.37	\$983.07
Streets - Asphalt, Repair	\$3,021.75	\$78.20	\$0.25	\$78.45
Streets - Asphalt, Seal Coat	\$5,026.50	\$127.96	\$0.41	\$128.37
Streets - Concrete, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Sub Total	\$27,186.15	\$1,155.84	\$14.04	\$1,169.88
020 Roofs				
Roofs - Tile				
Sub Total				
030 Painting				
Painting - Cabana Interior				
Painting - Red Curbs				
Painting - Stucco				
Painting - Woodwork & Trim				
Painting - Wrought Iron, Buildings				
Painting - Wrought Iron, Pool Area				
Sub Total				
040 Fencing				
Fencing - Wrought Iron, Pool Area				
Railing - Wrought Iron, Buildings				
Sub Total				
050 Lighting				
Lighting - Buildings				
Lighting - Grounds				
Sub Total				
060 Pool Area				
Cabana - Ceramic Tile				
Cabana - Doors				
Cabana - Plumbing Fixtures				
Cabana - Restroom Partitions				
Cabana - Water Heater				
Pool - Filter				

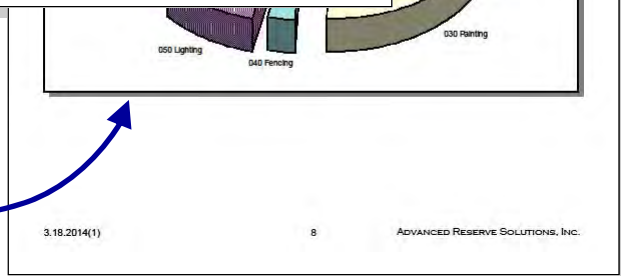
Sample Homeowners Association
Management / Accounting Summary
Component Calculation Method; Sorted by Category

	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
Pool - Heater	\$3,250.00	\$24.60	\$0.08	\$24.68
Pool - Replaster & Tile Replace	\$7,070.58	\$146.76	\$4.61	\$151.37
Pool Area - Barbecues	\$1,010.00	\$29.98	\$0.69	\$30.67
Pool Area - Ceramic Tile	\$7,773.38	\$43.27	\$4.69	\$47.95
Pool Area - Concrete Deck, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Pool Area - Furniture (Refurbish)	\$0,255.00	\$70.05	\$0.23	\$70.27
Pool Area - Furniture (Replace)	\$13,159.40	\$74.76	\$7.94	\$82.70
Pool Area - Mastic	\$5,131.50	\$110.79	\$0.36	\$111.15
Spa - Filter	\$1,350.00	\$12.11	\$0.04	\$12.15
Spa - Heater	\$2,600.00	\$27.38	\$0.09	\$27.44
Spa - Replaster & Tile Replace	\$3,126.40	\$64.12	\$2.04	\$66.15
Sub Total	\$71,964.53	\$710.19	\$30.10	\$740.28
070 Decks				
Decks - Clean & Top Coat	\$18,288.00	\$639.52	\$12.44	\$651.96
Decks - Resurfacing	\$54,720.81	\$606.93	\$33.05	\$640.58
Sub Total	\$73,008.81	\$1,046.45	\$46.09	\$1,092.54
080 Misc (Buildings)				
Fire Extinguisher Cabinets	\$24,094.05	\$130.11	\$15.07	\$154.19
Utility Closet Doors	\$66,891.60	\$372.15	\$40.32	\$412.47
Sub Total	\$91,855.95	\$511.26	\$55.40	\$566.86
090 Misc (Grounds)				
Landscape - Irrigation Controllers	\$20,000.00	\$219.48	\$0.71	\$220.19
Landscape - Renovation, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Mailboxes	\$33,657.14	\$187.33	\$20.30	\$207.63
Sub Total	\$62,657.14	\$406.82	\$21.00	\$427.82
100 Termite Control				
Termite Control	\$100,000.00	\$0.00	\$58.52	\$58.52
Sub Total	\$100,000.00	\$0.00	\$58.52	\$58.52
Contingency	\$25,207.28	\$268.59	\$15.81	\$284.20
Total	\$865,450.00	\$3,221.58	\$498.09	\$9,719.66

Monthly Funding
Displays the monthly funding for each component from the members and interest. Total monthly funding is also indicated. And, these columns are conveniently sub totaled.



Pie Charts
Show graphically how the reserve fund is distributed amongst the reserve components and how the components are funded.



Preface

Projections and Charts

Summary displays projections of beginning reserve balance, member contribution, interest contribution, expenditures and ending reserve balance for each year of the projection period (shown here for 30 years). The two columns on the right-hand side provide the fully funded ending balance and the percent funded for each year. Charts show the same information in an easy-to-understand graphic format.

**Sample Homeowners Association
Projections**
Component Calculation Method

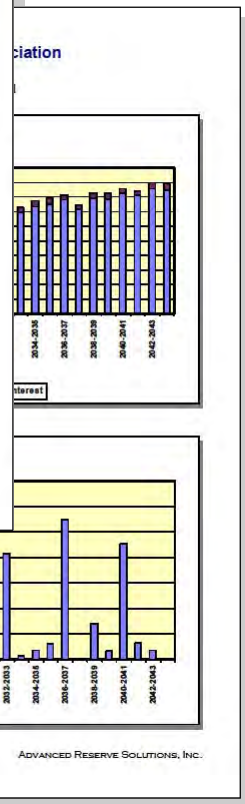
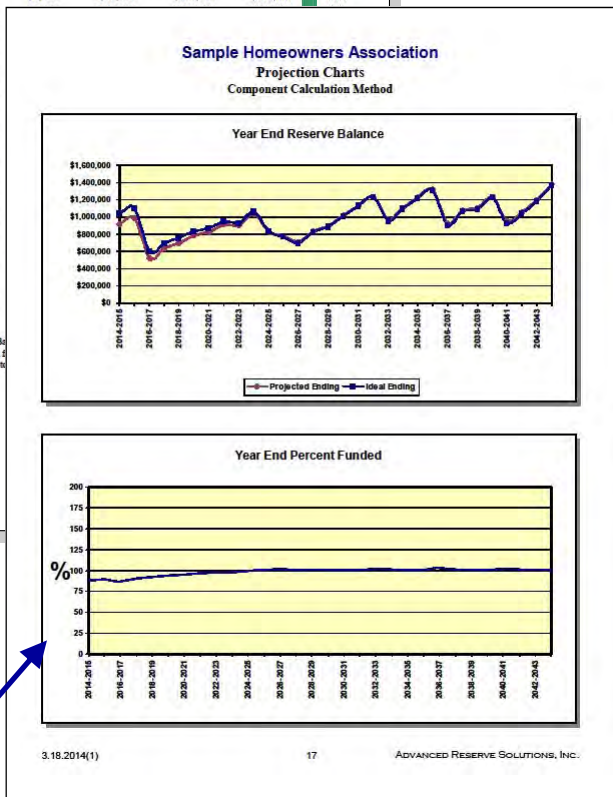
Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2014-2015	\$865,450	\$110,659	\$5,977	\$54,980	\$917,106	\$1,046,139	88%
2015-2016	\$917,106	\$111,857	\$6,482	\$45,317	\$990,127	\$1,104,068	90%
2016-2017	\$990,127	\$118,806	\$3,175	\$501,549	\$518,559	\$598,939	87%
2017-2018	\$518,559	\$115,807	\$3,960	\$7,715	\$630,610	\$698,915	90%
2018-2019	\$630,610	\$116,508	\$4,431	\$52,973	\$968,577	\$755,512	94%
2019-2020	\$968,577	\$116,723	\$5,037	\$34,761	\$785,576	\$834,243	94%
2020-2021	\$785,576	\$118,645	\$5,331	\$80,731	\$828,821	\$898,170	92%
2021-2022	\$828,821	\$121,026	\$5,925	\$40,530	\$915,241	\$948,147	96%
2022-2023	\$915,241	\$123,506					
2023-2024	\$907,080	\$125,898					
2024-2025	\$1,037,322	\$128,436					
2025-2026	\$825,894	\$127,755					
2026-2027	\$780,089	\$125,648					
2027-2028	\$713,358	\$119,373					
2028-2029	\$631,897	\$131,689					
2029-2030	\$696,194	\$131,038					
2030-2031	\$1,013,798	\$137,575					
2031-2032	\$1,130,818	\$141,510					
2032-2033	\$1,237,543	\$143,162					
2033-2034	\$973,396	\$138,591					
2034-2035	\$1,104,489	\$147,134					
2035-2036	\$1,222,966	\$149,242					
2036-2037	\$1,317,743	\$155,808					
2037-2038	\$629,828	\$142,178					
2038-2039	\$1,078,962	\$157,913					
2039-2040	\$1,102,377	\$157,111					
2040-2041	\$1,234,892	\$165,390					
2041-2042	\$952,393	\$161,588					
2042-2043	\$1,056,301	\$171,747					
2043-2044	\$1,200,105	\$169,289					

NOTE: In some cases, the projected Ending Balance Expenditures. This is a result of the provision of contingency is continually adjusted according to

3.18.2014(1)

Improved format makes the numbers as easy to read and understand as possible. The color-coded bar indicates the reserve fund status:

Green: Good
Yellow: Fair
Red: Poor



Charts
Show graphically the reserve funding plan through time.

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Component Detail

Summary provides detailed information about each reserve component. These pages display all information about each reserve component as well as comments from site observations and historical information regarding replacement or other maintenance.

Lifespan Information

Displays placed-in-service date, useful life, remaining life and replacement year.

Cost Information

Displays quantity, unit cost, percentage of replacement, current cost and future cost.

Calculation Results

Displays assigned reserves and funding requirements.

Streets - Asphalt, Seal Coat

Category	010 Streets	Quantity	65,860 sq. ft.
Photo Date	January 2011	Unit Cost	\$0.090
		% of Replacement	100.00%
		Current Cost	\$5,928.50
		Future Cost	\$6,415.03
Placed In Service	11/09	Assigned Reserves at FYB	\$5,928.50
Useful Life	4	Monthly Member Contribution	\$127.96
Remaining Life	0	Monthly Interest Contribution	\$0.41
Replacement Year	2014-2015	Total Monthly Contribution	\$128.37

Painting - Woodwork & Trim

Category	030 Painting	Quantity	31,575 sq. ft.
Photo Date	January 2011	Unit Cost	\$0.920
		% of Replacement	100.00%
		Current Cost	\$28,048.00
		Future Cost	\$30,222.58
Placed In Service	06/12	Assigned Reserves at FYB	\$14,524.50
Useful Life	4	Monthly Member Contribution	\$834.91
Remaining Life	2	Monthly Interest Contribution	\$10.54
Replacement Year	2016-2017	Total Monthly Contribution	\$855.95

Pool - Replaster & Tile Replace

Category	060 Pool Area	Quantity	1 pool
Photo Date	January 2011	Unit Cost	\$15,075.000
		% of Replacement	100.00%
		Current Cost	\$15,075.00
		Future Cost	\$16,844.02
Placed In Service	01/10	Assigned Reserves at FYB	\$7,070.58
Useful Life	10	Monthly Member Contribution	\$146.76
Remaining Life	5	Monthly Interest Contribution	\$4.61
Replacement Year	2019-2020	Total Monthly Contribution	\$151.37

Comments

The association seal coated and restriped for a total cost of \$5,975. The association seal coated and restriped for a total cost of \$6,000.

The current cost used for this component is adjusted for inflation where applicable.

Asphalt surfaces should be seal coated on

3.18.2014(1)

The association painted the woodwork and between July and November 2000 for a total cost of \$30,000. The association was in the process of painting the cabana interior (excluded) for a total cost of \$30,000 throughout the community by the end of the year.

The current cost used for this component is adjusted for inflation where applicable.

For budgeting purposes, we have used the current cost.

The inventory for this component has been reviewed as of March 2000 site visit, we believe this inventory is accurate.

3.18.2014(1)

1,020 sq. ft. of replastering @ \$12.50 = \$12,750.00
 135 lin. ft. of trim tile @ \$15.00 = \$2,025.00
 25 lin. ft. of step tile @ \$12.00 = \$300.00
TOTAL = \$15,075.00

The pool and spa were replastered in March 2000 for a total cost of approximately \$6,700. The association acid washed the pool in June 2002 for a total cost of \$675. The association replastered the pool and spa (including replacement of the mastic directly adjacent to the pool and spa) in January 2010 for a total cost of \$16,900.

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Comments
Useful information from site observations and historical expenses included here.

Photos
Optional inclusion of photos adds an additional layer of detail the reserve analysis.

Preface

◆ ◆ ◆ ◆ GLOSSARY OF KEY TERMS ◆ ◆ ◆ ◆

Annual Contribution Increase Parameter

The rate used in the calculation of the funding plan. This rate is used on an annual compounding basis. This rate represents, in theory, the rate the association expects to increase contributions each year.

In most cases, this rate should match the inflation parameter. Matching the annual contribution increase parameter to the inflation parameter indicates, in theory, that member contributions should increase at the same rate as the cost of living (inflation parameter). Due to the “time value of money,” this creates the most equitable distribution of member contributions through time.

This parameter is used to develop a funding plan only; it does not mean that the reserve contributions must be raised each year. There are far more significant factors that will contribute to a total reserve contribution increase or decrease from year to year than this parameter. See the description of “reserve funding calculation methods” in this preface for more detail on this parameter.

Anticipated Reserve Balance (or Reserve Funds)

The amount of money, as of a certain point in time, held by the association to be used for the repair or replacement of reserve components. This figure is “anticipated” because it is calculated based on the most current financial information available as of the analysis date, which is almost always prior to the fiscal year beginning date for which the reserve analysis is prepared.

Assigned Funds (and “Fixed” Assigned Funds)

The amount of money, as of the fiscal year beginning date for which the reserve analysis is prepared, that a reserve component has been assigned.

The assigned funds are considered “fixed” when the normal calculation process is bypassed and a specific amount of money is assigned to a reserve component. For example, if the normal calculation process assigns \$10,000 to the roofs, but the association would like to show \$20,000 assigned to roofs, “fixed” funds of \$20,000 can be assigned.

Cash Flow Calculation Method

Reserve funding calculation method developed based on total annual expenditures. A more detailed description of the actual calculation process is included in the “reserve funding calculation methods” section of the preface.

Component Calculation Method

Reserve funding calculation method developed based on each individual component. A more detailed description of the actual calculation process is included in the “reserve funding calculation methods” section of the preface.

Contingency Parameter

The rate used as a built-in buffer in the calculation of the funding plan. This rate will assign a percentage of the reserve funds, as of the fiscal year beginning, as contingency funds and will also determine the level of funding toward the contingency each month.

Current Replacement Cost

The amount of money, as of the fiscal year beginning date for which the reserve analysis is prepared, that a reserve component is expected to cost to replace.

Fiscal Year

Indicates the budget year for the association for which the reserve analysis was prepared. The fiscal year beginning (FYB) is the first day of the budget year; the fiscal year end (FYE) is the last day of the budget year.

Fully Funded Reserve Balance (or Ideal Reserves)

The amount of money that should theoretically have accumulated in the reserve fund as of a certain point in time. Fully funded reserves are calculated for each reserve component based on the current replacement cost, age and useful life:

Preface

$$\text{Fully Funded Reserves} = \frac{\text{Age}}{\text{Useful Life}} \times \text{Current Replacement Cost}$$

The fully funded reserve balance is the sum of the fully funded reserves for each reserve component.

An association that has accumulated the fully funded reserve balance does not have all of the funds necessary to replace all of its reserve components immediately; it has the proportionately appropriate reserve funds for the reserve components it maintains, based on each component's current replacement cost, age and useful life.

Future Replacement Cost

The amount of money, as of the fiscal year during which replacement of a reserve component is scheduled, that a reserve component is expected to cost to replace. This cost is calculated using the current replacement cost compounded annually by the inflation parameter.

Global Parameters

The financial parameters used to calculate the reserve analysis. See also "inflation parameter," "annual contribution increase parameter," "investment rate parameter" and "taxes on investments parameter."

Inflation Parameter

The rate used in the calculation of future costs for reserve components. This rate is used on an annual compounding basis. This rate represents the rate the association expects to the cost of goods and services relating to their reserve components to increase each year.

Interest Contribution

The amount of money contributed to the reserve fund by the interest earned on the reserve fund and member contributions.

Investment Rate Parameter

The gross rate used in the calculation of interest contribution (interest earned) from the reserve balance and member contributions. This rate (net of the taxes on investments parameter) is used on a monthly compounding basis. This parameter represents the weighted average interest rate the association expects to earn on their reserve fund investments.

Membership Contribution

The amount of money contributed to the reserve fund by the association's membership.

Monthly Contribution (and "Fixed" Monthly Contribution)

The amount of money, for the fiscal year which the reserve analysis is prepared, that a reserve component will be funded.

The monthly contribution is considered "fixed" when the normal calculation process is bypassed and a specific amount of money is funded to a reserve component. For example, if the normal calculation process funds \$1,000 to the roofs each month, but the association would like to show \$500 funded to roofs each month, a "fixed" contribution of \$500 can be assigned.

Number of Units (or other assessment basis)

Indicates the number of units for which the reserve analysis was prepared. In "phased" developments (see phasing), this number represents the number of units, and corresponding common area components, that existed as of a certain point in time.

For some associations, assessments and reserve contributions are based on a unit of measure other than the number of units. Examples include time-interval weeks for timeshare resorts or lot acreage for commercial/industrial developments.

Preface

One-Time Replacement

Used for components that will be budgeted for only once.

Percent Funded

A measure, expressed as a percentage, of the association's reserve fund "health" as of a certain point in time. This number is the ratio of the anticipated reserve fund balance to the fully funded reserve balance:

$$\text{Percent Funded} = \frac{\text{Anticipated Reserve Fund Balance}}{\text{Fully Funded Reserve Balance}}$$

An association that is 100% funded does not have all of the reserve funds necessary to replace all of its reserve components immediately; it has the proportionately appropriate reserve funds for the reserve components it maintains, based on each component's current replacement cost, age and useful life.

Percentage of Replacement

The percentage of the reserve component that is expected to be replaced.

For most reserve components, this percentage should be 100%. In some cases, this percentage may be more or less than 100%. For example, fencing which is shared with a neighboring community may be set at 50%.

Phasing

Indicates the number of phases for which the reserve analysis was prepared and the total number of phases expected at build-out (i.e. Phase 4 of 7). In phased developments, the first number represents the number of phases, and corresponding common area components, that existed as of a certain point in time. The second number represents the number of phases that are expected to exist at build-out.

Placed-In-Service Date

The date (month and year) that the reserve component was originally put into service or last replaced.

Remaining Life

The length of time, in years, until a reserve component is scheduled to be replaced.

Remaining Life Adjustment

The length of time, in years, that a reserve component is expected to last in excess (or deficiency) of its useful life for the current cycle of replacement.

If the current cycle of replacement for a reserve component is expected to be greater than or less than the "normal" life expectancy, the reserve component's life should be adjusted using a remaining life adjustment.

For example, if wood trim is painted normally on a 4 year cycle, the useful life should be 4 years. However, when it comes time to paint the wood trim and it is determined that it can be deferred for an additional year, the useful life should remain at 4 years and a remaining life adjustment of +1 year should be used.

Replacement Year

The fiscal year that a reserve component is scheduled to be replaced.

Reserve Components

Line items included in the reserve analysis.

Taxes on Investments Parameter

The rate used to offset the investment rate parameter in the calculation of the interest contribution. This parameter represents the marginal tax rate the association expects to pay on interest earned by the reserve funds and member contributions.

Preface

Total Contribution

The sum of the membership contribution and interest contribution.

Useful Life

The length of time, in years, that a reserve component is expected to last each time it is replaced. See also “remaining life adjustment.”

◆ ◆ ◆ ◆ LIMITATIONS OF RESERVE ANALYSIS ◆ ◆ ◆ ◆

This reserve analysis is intended as a tool for the association’s Board of Directors to be used in evaluating the association’s current physical and financial condition with regard to reserve components. The results of this reserve analysis represent the independent opinion of the preparer. There is no implied warranty or guarantee of this work product.

For the purposes of this reserve analysis, it has been assumed that all components have been installed properly, no construction defects exist and all components are operational. Additionally, it has been assumed that all components will be maintained properly in the future.

The representations set forth in this reserve analysis are based on the best information and estimates of the preparer as of the date of this analysis. These estimates are subject to change. This reserve analysis includes estimates of replacement costs and life expectancies as well as assumptions regarding future events. Some estimates are projections of future events based on information currently available and are not necessarily indicative of the actual future outcome. The longer the time period between the estimate and the estimated event, the more likely the possibility of error and/or discrepancy. For example, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the preparation of this reserve analysis. Therefore, the actual replacement costs and remaining lives may vary from this reserve analysis and the variation may be significant. Additionally, inflation and other economic events may impact this reserve analysis, particularly over an extended period of time and those events could have a significant and negative impact on the accuracy of this reserve analysis and, further, the funds available to meet the association’s obligation for repair, replacement or other maintenance of major components during their estimated useful life. Furthermore, the occurrence of vandalism, severe weather conditions, earthquakes, floods, acts of nature or other unforeseen events cannot be predicted and/or accounted for and excluded when assessing life expectancy, repair and/or replacement costs of the components.

Sample Church Association

Executive Summary

Directed Cash Flow Calculation Method

Client Information:

Account Number	80630
Version Number	1
Analysis Date	02/09/2017
Fiscal Year	1/1/2017 to 12/31/2017
Number of Unit	1
Phasing	1 of 1

Global Parameters:

Inflation Rate	2.00 %
Annual Contribution Increase	2.00 %
Investment Rate	0.20 %
Taxes on Investments	30.00 %
Contingency	2.00 %

Community Profile:

Sample Church Association is a 1 unit association comprised of 1 building with common areas that include but are not limited to; asphalt parking, roof, exterior siding, windows, interior paint, interior carpet, administrative offices, lighting and audio/visual equipment and common area landscaping.

This community was originally built in 1978. Major refurbishments were made in 2013. For budgeting purposes, unless otherwise indicated, we have used January 1978 as the average placed in service date for aging the original components included in this analysis.

ARS, Inc. field inspections conducted October 12, 2016.

Adequacy of Reserves as of January 1, 2017:

Anticipated Reserve Balance	\$179,850.00
Fully Funded Reserve Balance	\$275,514.68
Percent Funded	65.28%

Recommended Funding for the 2017 Fiscal Year:	Annual	Monthly	Per Unit
			Per Month
Member Contribution	\$86,600	\$7,216.67	\$7,216.67
Interest Contribution	\$196	\$16.33	\$16.33
Total Contribution	\$86,796	\$7,232.99	\$7,232.99

Sample Church Association

Preparer's Disclosure Statement

THIS RESERVE ANALYSIS REFLECTS THE COMPONENTS AS THEY WERE INTENDED TO HAVE BEEN DESIGNED AND CONSTRUCTED. THIS ANALYSIS DOES NOT INCLUDE ANY EXPENDITURES ANTICIPATED FOR REPAIRS REQUIRED DUE TO DEFECTIVE CONDITIONS.

In April 2011, Richard Hirschman was awarded the Reserve Specialist (RS) designation from Community Associations Institute (CAI). Mr. Hirschman was the two hundredth twenty first (#221) person in the United States to receive this professional designation.

The RS designation was developed by CAI for professional reserve analysts who wish to confirm to their peers and/or clients that they have demonstrated a basic level of competency within the industry. The RS designation is awarded to reserve analysts who are dedicated to the highest standards of professionalism and reserve analysis preparation.

Consultant certifies that:

- 1) Consultant has no other involvement with association which could result in actual or perceived conflicts of interest.
- 2) Consultant made field inspection of community on October 12, 2016. Component inventories were developed by actual field inventory, representative sampling, take-offs of scaled plans, provided by the association's previous reserve analysis prepared by another firm or provided by the association.
Component conditional assessments were developed by actual field observation and representative sampling.
- 3) Financial assumptions used in this analysis are listed on the Executive Summary and further explained in the Preface of this report.
- 4) Consultant is a Reserve Specialist (RS) designee.
- 5) There are no material issues known to consultant at this time which would cause a distortion of the association's situation.

Sample Church Association

Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
<u>005 Access Security</u>				
Access Security - System	8	12	\$25,000.00	\$8,333.33
Sub Total	8	12	\$25,000.00	\$8,333.33
<u>010 Parking</u>				
Parking - Asphalt, Overlay	19	23	\$178,807.50	\$31,096.96
Parking - Asphalt, Repair	4	5	\$6,556.28	\$1,311.26
Parking - Asphalt, Seal Coat	4	5	\$28,609.20	\$5,721.84
Sub Total	4-19	5-23	\$213,972.98	\$38,130.05
<u>015 Concrete</u>				
Concrete - Unfunded	n.a.	n.a.	\$0.00	\$0.00
Sub Total	n.a.	n.a.	\$0.00	\$0.00
<u>020 Roof</u>				
Roof - Elastomeric	18	20	\$116,006.40	\$11,600.64
Sub Total	18	20	\$116,006.40	\$11,600.64
<u>025 Windows</u>				
Windows - Replacement	26	30	\$71,700.00	\$9,560.00
Sub Total	26	30	\$71,700.00	\$9,560.00
<u>030 Siding</u>				
Siding - Metal	36	40	\$85,536.00	\$8,553.60
Siding - Stone, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Siding - Stucco, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Sub Total	36	40	\$85,536.00	\$8,553.60
<u>035 Doors</u>				
Doors - Building Exterior, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Sub Total	n.a.	n.a.	\$0.00	\$0.00
<u>040 Lighting</u>				
Lighting - Building Exterior, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Lighting - Building Interior, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Lighting - Grounds	20	24	\$14,400.00	\$2,400.00
Sub Total	20	24	\$14,400.00	\$2,400.00
<u>045 Furniture</u>				
Furniture - Building Interior	0	4	\$6,135.00	\$6,135.00
Furniture - Guest Chairs	4	8	\$24,500.00	\$12,250.00

Sample Church Association

Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
Sub Total	0-4	4-8	\$30,635.00	\$18,385.00
<u>050 Painting</u>				
Painting - Building Exterior	2	6	\$13,365.00	\$8,910.00
Painting - Building Interior	4	8	\$42,912.10	\$21,456.05
Sub Total	2-4	6-8	\$56,277.10	\$30,366.05
<u>055 Floor Cover</u>				
Floor Cover - Carpet	4	8	\$61,184.00	\$30,592.00
Floor Cover - Concrete, Unfunded	n.a.	n.a.	\$0.00	\$0.00
Floor Cover - Linolium	20	24	\$2,736.00	\$456.00
Floor Cover - Rubber	18	22	\$0.00	\$0.00
Floor Cover - Tile	26	30	\$9,184.00	\$1,224.53
Sub Total	4-26	8-30	\$73,104.00	\$32,272.53
<u>060 Interior</u>				
Cabinets & Counters	24	28	\$64,094.00	\$9,156.29
Sub Total	24	28	\$64,094.00	\$9,156.29
<u>065 Plumbing Fixtures</u>				
Plumbing Fixtures	26	30	\$19,000.00	\$2,533.33
Plumbing Fixtures - Restroom Partitions	20	24	\$10,500.00	\$1,750.00
Sub Total	20-26	24-30	\$29,500.00	\$4,283.33
<u>070 Equipment</u>				
Equipment - Auditorium	0	4	\$52,000.00	\$52,000.00
Equipment - Basketball Hoops	12	16	\$4,000.00	\$1,000.00
Equipment - Childrens Rooms, Projectors	12	16	\$2,800.00	\$700.00
Equipment - Club K-3 Room	12	16	\$5,000.00	\$1,250.00
Equipment - Door Openers, Garage	10	14	\$2,400.00	\$685.71
Equipment - Fire Control Panel	14	18	\$2,500.00	\$555.56
Equipment - Fireplace Insert	18	22	\$3,500.00	\$636.36
Equipment - HP Designjet	4	8	\$5,000.00	\$2,500.00
Equipment - HVAC, Package Units	0	5	\$18,000.00	\$18,000.00
Equipment - Label Makers	4	8	\$2,400.00	\$1,200.00
Equipment - Lift Station	26	30	\$20,000.00	\$2,666.67
Equipment - Sky Jack Lift	11	18	\$5,000.00	\$1,944.44
Equipment - Televisions	10	14	\$5,400.00	\$1,542.86
Equipment - Verge Room	12	16	\$27,000.00	\$6,750.00
Equipment - Water Heater	16	20	\$4,000.00	\$800.00

Sample Church Association

Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
Sub Total	0-26	4-30	\$159,000.00	\$92,231.60
<u>075 Appliances</u>				
Appliances - Warming Center	0	4	\$3,540.00	\$3,540.00
Sub Total	0	4	\$3,540.00	\$3,540.00
<u>080 Monument Sign</u>				
Monument Sign	27	30	\$10,000.00	\$1,000.00
Sub Total	27	30	\$10,000.00	\$1,000.00
<u>085 Trash Structure</u>				
Trash Structure	12	16	\$1,200.00	\$300.00
Sub Total	12	16	\$1,200.00	\$300.00
Contingency	n.a.	n.a.	n.a.	\$5,402.25
Total	0-36	4-40	\$953,965.48	\$275,514.68
Anticipated Reserve Balance				\$179,850.00
Percent Funded				65.28%

Sample Church Association
Management / Accounting Summary
Directed Cash Flow Calculation Method; Sorted by Category

	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
<u>005 Access Security</u>				
Access Security - System	\$8,333.33	\$189.22	\$1.08	\$190.30
Sub Total	\$8,333.33	\$189.22	\$1.08	\$190.30
<u>010 Parking</u>				
Parking - Asphalt, Overlay	\$0.00	\$881.49	\$0.59	\$882.08
Parking - Asphalt, Repair	\$1,311.26	\$109.42	\$0.23	\$109.64
Parking - Asphalt, Seal Coat	\$5,721.84	\$477.45	\$0.97	\$478.42
Sub Total	\$7,033.10	\$1,468.36	\$1.79	\$1,470.15
<u>015 Concrete</u>				
Concrete - Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Sub Total	\$0.00	\$0.00	\$0.00	\$0.00
<u>020 Roof</u>				
Roof - Elastomeric	\$0.00	\$598.45	\$0.40	\$598.85
Sub Total	\$0.00	\$598.45	\$0.40	\$598.85
<u>025 Windows</u>				
Windows - Replacement	\$0.00	\$274.27	\$0.19	\$274.46
Sub Total	\$0.00	\$274.27	\$0.19	\$274.46
<u>030 Siding</u>				
Siding - Metal	\$0.00	\$256.84	\$0.18	\$257.02
Siding - Stone, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Siding - Stucco, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Sub Total	\$0.00	\$256.84	\$0.18	\$257.02
<u>035 Doors</u>				
Doors - Building Exterior, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Sub Total	\$0.00	\$0.00	\$0.00	\$0.00
<u>040 Lighting</u>				
Lighting - Building Exterior, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Lighting - Building Interior, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Lighting - Grounds	\$0.00	\$68.03	\$0.05	\$68.08
Sub Total	\$0.00	\$68.03	\$0.05	\$68.08
<u>045 Furniture</u>				
Furniture - Building Interior	\$6,135.00	\$125.75	\$0.09	\$125.84

Sample Church Association
Management / Accounting Summary
Directed Cash Flow Calculation Method; Sorted by Category

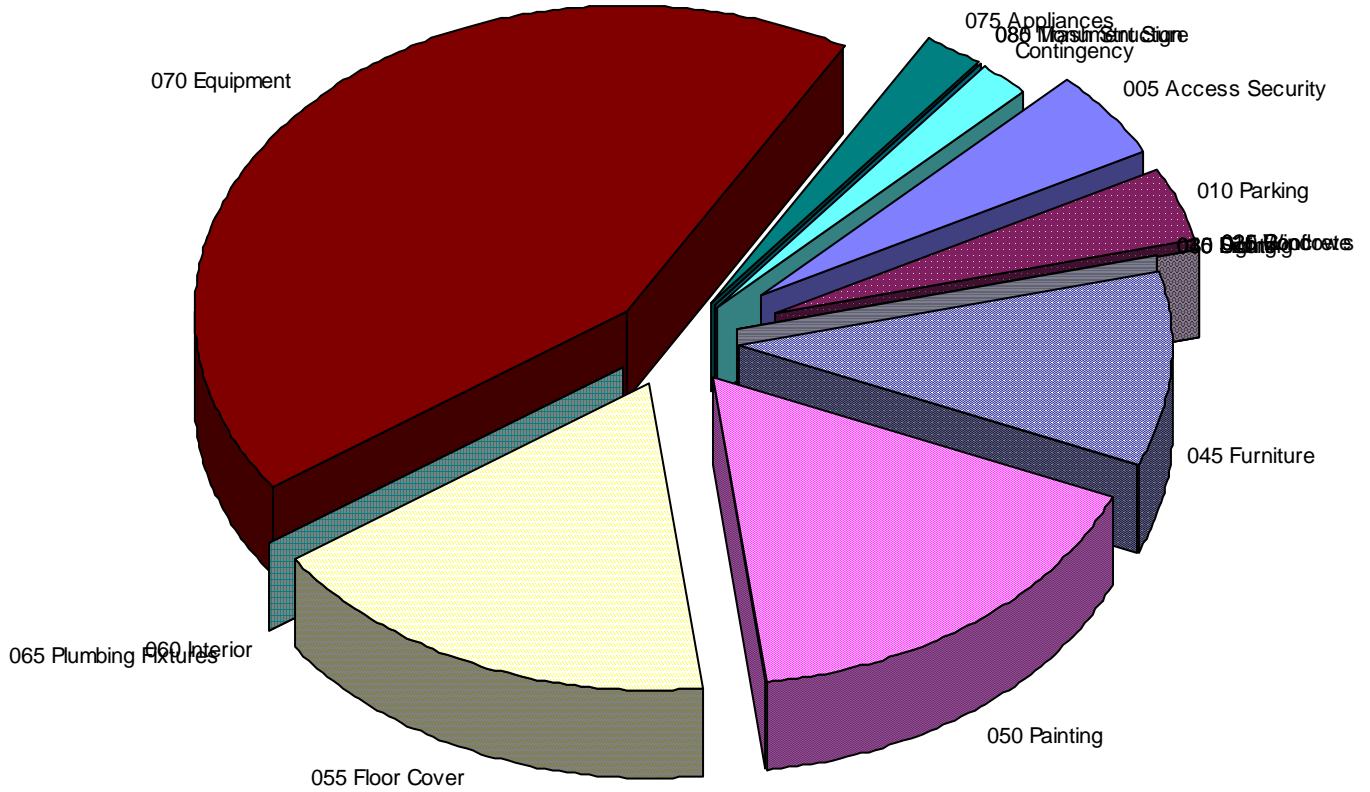
	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
Furniture - Guest Chairs	\$12,250.00	\$268.91	\$1.58	\$270.49
Sub Total	\$18,385.00	\$394.66	\$1.67	\$396.33
<u>050 Painting</u>				
Painting - Building Exterior	\$8,910.00	\$192.29	\$1.15	\$193.44
Painting - Building Interior	\$21,456.05	\$471.00	\$2.78	\$473.78
Sub Total	\$30,366.05	\$663.29	\$3.93	\$667.22
<u>055 Floor Cover</u>				
Floor Cover - Carpet	\$30,592.00	\$671.55	\$3.96	\$675.51
Floor Cover - Concrete, Unfunded	\$0.00	\$0.00	\$0.00	\$0.00
Floor Cover - Linolium	\$0.00	\$12.92	\$0.01	\$12.93
Floor Cover - Rubber	\$0.00	\$0.00	\$0.00	\$0.00
Floor Cover - Tile	\$0.00	\$35.13	\$0.02	\$35.15
Sub Total	\$30,592.00	\$719.61	\$3.99	\$723.60
<u>060 Interior</u>				
Cabinets & Counters	\$0.00	\$261.13	\$0.18	\$261.31
Sub Total	\$0.00	\$261.13	\$0.18	\$261.31
<u>065 Plumbing Fixtures</u>				
Plumbing Fixtures	\$0.00	\$72.68	\$0.05	\$72.73
Plumbing Fixtures - Restroom Partitions	\$0.00	\$49.60	\$0.03	\$49.63
Sub Total	\$0.00	\$122.28	\$0.08	\$122.36
<u>070 Equipment</u>				
Equipment - Auditorium	\$52,000.00	\$1,065.86	\$0.72	\$1,066.58
Equipment - Basketball Hoops	\$0.00	\$29.36	\$0.02	\$29.38
Equipment - Childrens Rooms, Projectors	\$0.00	\$20.56	\$0.01	\$20.56
Equipment - Club K-3 Room	\$0.00	\$36.71	\$0.03	\$36.73
Equipment - Door Openers, Garage	\$685.71	\$15.83	\$0.09	\$15.92
Equipment - Fire Control Panel	\$0.00	\$16.01	\$0.01	\$16.02
Equipment - Fireplace Insert	\$0.00	\$18.06	\$0.01	\$18.07
Equipment - HP Designjet	\$2,500.00	\$54.88	\$0.32	\$55.20
Equipment - HVAC, Package Units	\$18,000.00	\$297.85	\$0.20	\$298.05
Equipment - Label Makers	\$1,200.00	\$26.34	\$0.16	\$26.50
Equipment - Lift Station	\$0.00	\$76.51	\$0.05	\$76.55
Equipment - Sky Jack Lift	\$1,944.44	\$27.08	\$0.25	\$27.33

Sample Church Association
Management / Accounting Summary
Directed Cash Flow Calculation Method; Sorted by Category

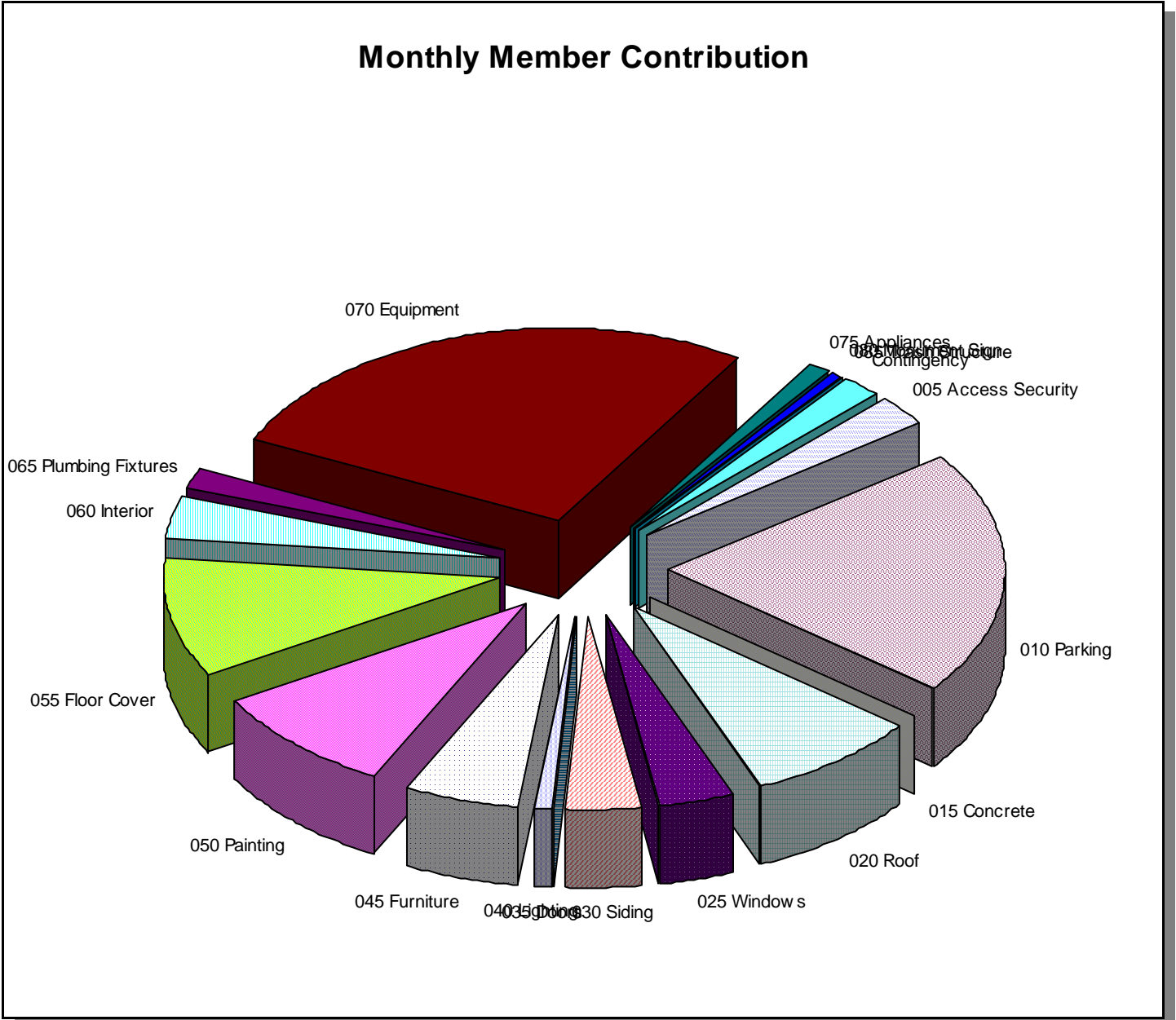
	Balance at Fiscal Year Beginning	Monthly Member Contribution	Monthly Interest Contribution	Total Monthly Contribution
Equipment - Televisions	\$1,542.86	\$35.62	\$0.20	\$35.82
Equipment - Verge Room	\$0.00	\$198.21	\$0.14	\$198.35
Equipment - Water Heater	\$0.00	\$22.81	\$0.02	\$22.83
Sub Total	\$77,873.02	\$1,941.69	\$2.21	\$1,943.90
<u>075 Appliances</u>				
Appliances - Warming Center	\$3,540.00	\$72.56	\$0.05	\$72.61
Sub Total	\$3,540.00	\$72.56	\$0.05	\$72.61
<u>080 Monument Sign</u>				
Monument Sign	\$0.00	\$37.15	\$0.03	\$37.18
Sub Total	\$0.00	\$37.15	\$0.03	\$37.18
<u>085 Trash Structure</u>				
Trash Structure	\$201.04	\$7.63	\$0.03	\$7.66
Sub Total	\$201.04	\$7.63	\$0.03	\$7.66
Contingency	\$3,526.47	\$141.50	\$0.50	\$142.00
Total	\$179,850.00	\$7,216.67	\$16.33	\$7,232.99

Sample Church Association
Management / Accounting Charts
Directed Cash Flow Calculation Method; Sorted by Category

Distribution of Current Reserve Fund



Sample Church Association
Management / Accounting Charts
 Directed Cash Flow Calculation Method; Sorted by Category



Sample Church Association

Annual Expenditure Detail

Sorted by Description

2017 Fiscal Year

Appliances - Warming Center	\$3,540.00
Equipment - Auditorium	\$52,000.00
Equipment - HVAC, Package Units	\$18,000.00
Furniture - Building Interior	\$6,135.00

Sub Total \$79,675.00

2019 Fiscal Year

Painting - Building Exterior	\$13,904.95
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Sub Total \$13,904.95

2021 Fiscal Year

Appliances - Warming Center	\$3,831.81
Equipment - Auditorium	\$56,286.47
Equipment - HP Designjet	\$5,412.16
Equipment - Label Makers	\$2,597.84
Floor Cover - Carpet	\$66,227.53
Furniture - Building Interior	\$6,640.72
Furniture - Guest Chairs	\$26,519.59
Painting - Building Interior	\$46,449.44
Parking - Asphalt, Repair	\$7,096.72
Parking - Asphalt, Seal Coat	\$30,967.52

Sub Total \$252,029.80

2022 Fiscal Year

Equipment - HVAC, Package Units	\$19,873.45
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Sub Total \$19,873.45

2025 Fiscal Year

Access Security - System	\$29,291.48
Appliances - Warming Center	\$4,147.67
Equipment - Auditorium	\$60,926.29
Furniture - Building Interior	\$7,188.13
Painting - Building Exterior	\$15,659.23

Sub Total \$117,212.80

2026 Fiscal Year

Parking - Asphalt, Repair	\$7,835.36
Parking - Asphalt, Seal Coat	\$34,190.64

Sub Total \$42,026.00

Sample Church Association

Annual Expenditure Detail

Sorted by Description

2027 Fiscal Year

Equipment - Door Openers, Garage	\$2,925.59
Equipment - HVAC, Package Units	\$21,941.90
Equipment - Televisions	\$6,582.57

Sub Total \$31,450.06

2028 Fiscal Year

Equipment - Sky Jack Lift	\$6,216.87
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Sub Total \$6,216.87

2029 Fiscal Year

Appliances - Warming Center	\$4,489.58
Equipment - Auditorium	\$65,948.57
Equipment - Basketball Hoops	\$5,072.97
Equipment - Childrens Rooms, Projectors	\$3,551.08
Equipment - Club K-3 Room	\$6,341.21
Equipment - HP Designjet	\$6,341.21
Equipment - Label Makers	\$3,043.78
Equipment - Verge Room	\$34,242.53
Floor Cover - Carpet	\$77,596.11
Furniture - Building Interior	\$7,780.66
Furniture - Guest Chairs	\$31,071.92
Painting - Building Interior	\$54,422.92
Trash Structure	\$1,521.89

Sub Total \$301,424.42

2031 Fiscal Year

Equipment - Fire Control Panel	\$3,298.70
Painting - Building Exterior	\$17,634.83
Parking - Asphalt, Repair	\$8,650.87
Parking - Asphalt, Seal Coat	\$37,749.23

Sub Total \$67,333.63

2032 Fiscal Year

Equipment - HVAC, Package Units	\$24,225.63
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Sub Total \$24,225.63

2033 Fiscal Year

Appliances - Warming Center	\$4,859.66
Equipment - Auditorium	\$71,384.86
Equipment - Water Heater	\$5,491.14

Sample Church Association
Annual Expenditure Detail
Sorted by Description

Furniture - Building Interior	\$8,422.04
Sub Total	\$90,157.70
2035 Fiscal Year	
Equipment - Fireplace Insert	\$4,998.86
Roof - Elastomeric	\$165,685.71
Sub Total	\$170,684.57
2036 Fiscal Year	
Parking - Asphalt, Overlay	\$260,488.76
Parking - Asphalt, Repair	\$9,551.25
Parking - Asphalt, Seal Coat	\$41,678.20
Sub Total	\$311,718.22
2037 Fiscal Year	
Access Security - System	\$37,148.68
Appliances - Warming Center	\$5,260.25
Equipment - Auditorium	\$77,269.26
Equipment - HP Designjet	\$7,429.74
Equipment - HVAC, Package Units	\$26,747.05
Equipment - Label Makers	\$3,566.27
Floor Cover - Carpet	\$90,916.21
Floor Cover - Linolium	\$4,065.55
Furniture - Building Interior	\$9,116.29
Furniture - Guest Chairs	\$36,405.71
Lighting - Grounds	\$21,397.64
Painting - Building Exterior	\$19,859.69
Painting - Building Interior	\$63,765.12
Plumbing Fixtures - Restroom Partitions	\$15,602.45
Sub Total	\$418,549.92
2041 Fiscal Year	
Appliances - Warming Center	\$5,693.87
Cabinets & Counters	\$103,091.18
Equipment - Auditorium	\$83,638.74
Equipment - Door Openers, Garage	\$3,860.25
Equipment - Televisions	\$8,685.56
Furniture - Building Interior	\$9,867.76
Parking - Asphalt, Repair	\$10,545.36
Parking - Asphalt, Seal Coat	\$46,016.10

Sample Church Association

Annual Expenditure Detail

Sorted by Description

Sub Total	\$271,398.81
2042 Fiscal Year	
Equipment - HVAC, Package Units	\$29,530.91
Sub Total	\$29,530.91
2043 Fiscal Year	
Equipment - Lift Station	\$33,468.36
Floor Cover - Tile	\$15,368.67
Painting - Building Exterior	\$22,365.23
Plumbing Fixtures	\$31,794.94
Windows - Replacement	\$119,984.08
Sub Total	\$222,981.29
2044 Fiscal Year	
Monument Sign	\$17,068.86
Sub Total	\$17,068.86
2045 Fiscal Year	
Appliances - Warming Center	\$6,163.23
Equipment - Auditorium	\$90,533.26
Equipment - Basketball Hoops	\$6,964.10
Equipment - Childrens Rooms, Projectors	\$4,874.87
Equipment - Club K-3 Room	\$8,705.12
Equipment - HP Designjet	\$8,705.12
Equipment - Label Makers	\$4,178.46
Equipment - Verge Room	\$47,007.65
Floor Cover - Carpet	\$106,522.83
Furniture - Building Interior	\$10,681.18
Furniture - Guest Chairs	\$42,655.09
Painting - Building Interior	\$74,711.00
Trash Structure	\$2,089.23
Sub Total	\$413,791.14
2046 Fiscal Year	
Equipment - Sky Jack Lift	\$8,879.22
Parking - Asphalt, Repair	\$11,642.93
Parking - Asphalt, Seal Coat	\$50,805.50
Sub Total	\$71,327.65

Sample Church Association

Projections

Directed Cash Flow Calculation Method

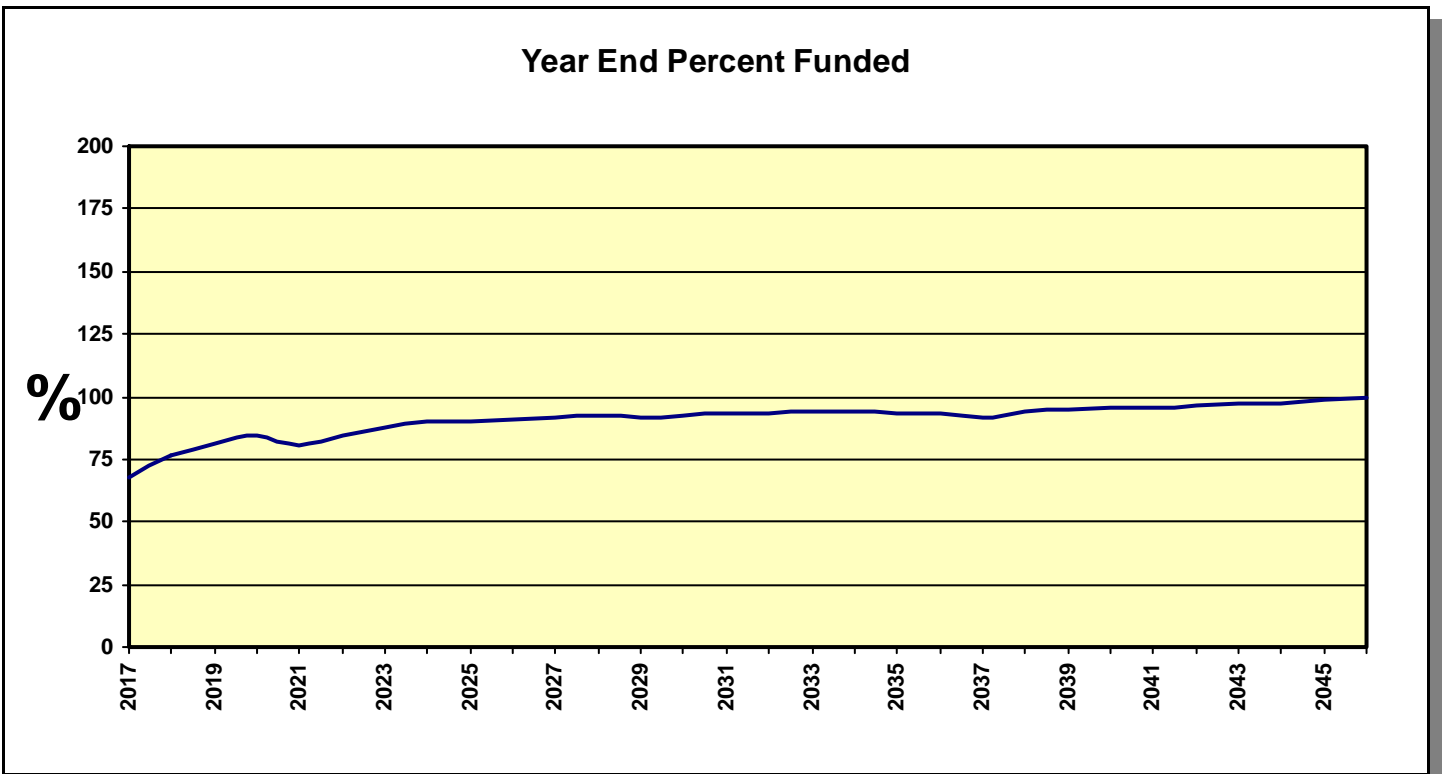
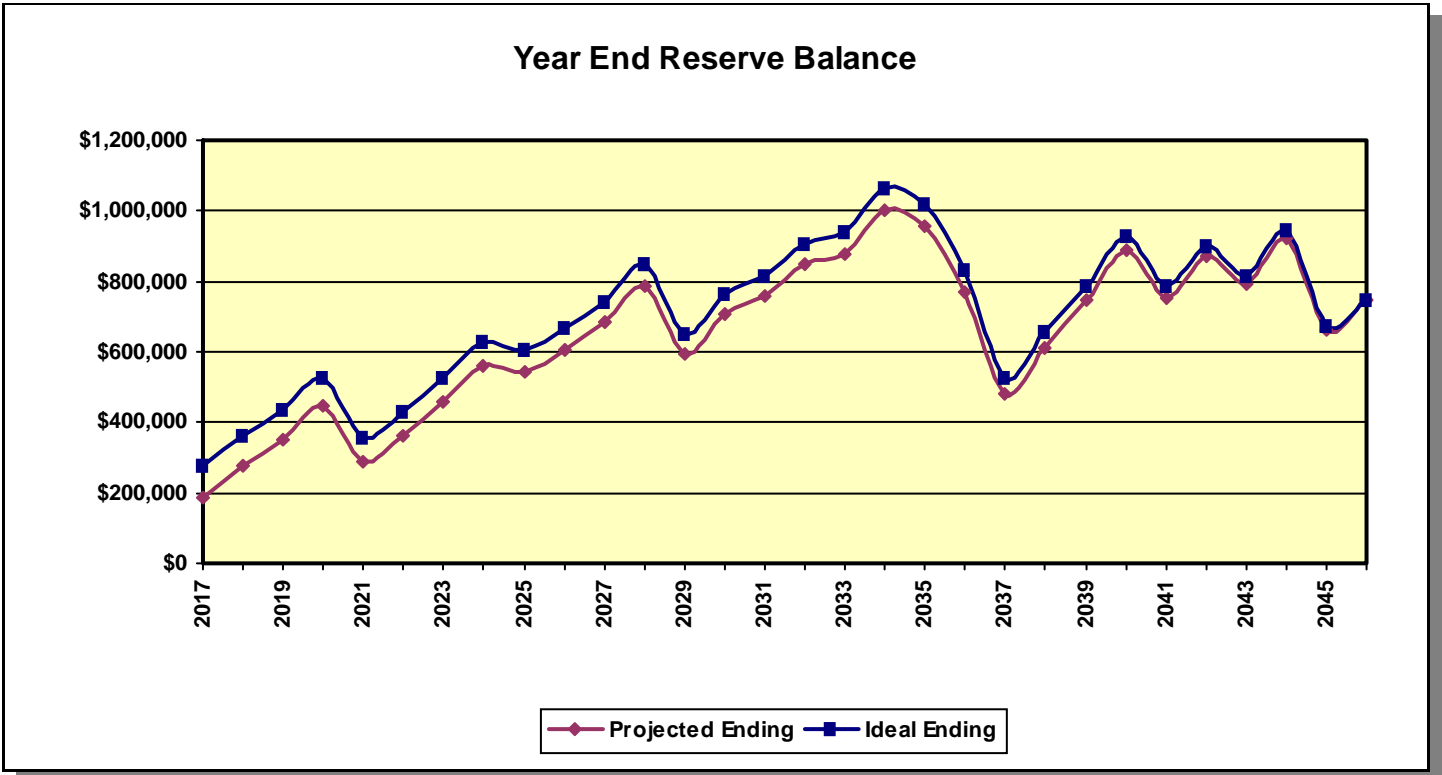
Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2017	\$179,850	\$86,600	\$196	\$79,675	\$186,971	\$275,826	68%
2018	\$186,971	\$88,332	\$319	\$0	\$275,622	\$360,592	76%
2019	\$275,622	\$90,099	\$424	\$13,905	\$352,240	\$434,171	81%
2020	\$352,240	\$91,901	\$552	\$0	\$444,693	\$525,305	85%
2021	\$444,693	\$93,739	\$330	\$252,030	\$286,732	\$357,699	80%
2022	\$286,732	\$95,613	\$435	\$19,873	\$362,907	\$429,958	84%
2023	\$362,907	\$97,526	\$571	\$0	\$461,004	\$526,055	88%
2024	\$461,004	\$99,476	\$710	\$0	\$561,189	\$625,823	90%
2025	\$561,189	\$101,466	\$687	\$117,213	\$546,129	\$607,423	90%
2026	\$546,129	\$103,495	\$773	\$42,026	\$608,371	\$668,701	91%
2027	\$608,371	\$105,565	\$876	\$31,450	\$683,362	\$744,064	92%
2028	\$683,362	\$107,676	\$1,018	\$6,217	\$785,839	\$849,081	93%
2029	\$785,839	\$109,830	\$749	\$301,424	\$594,993	\$650,997	91%
2030	\$594,993	\$112,026	\$905	\$0	\$707,925	\$764,524	93%
2031	\$707,925	\$114,267	\$971	\$67,334	\$755,829	\$812,277	93%
2032	\$755,829	\$116,552	\$1,100	\$24,226	\$849,255	\$907,886	94%
2033	\$849,255	\$118,883	\$1,140	\$90,158	\$879,121	\$938,902	94%
2034	\$879,121	\$121,261	\$1,309	\$0	\$1,001,691	\$1,066,472	94%
2035	\$1,001,691	\$123,686	\$1,244	\$170,685	\$955,936	\$1,021,189	94%
2036	\$955,936	\$126,160	\$983	\$311,718	\$771,361	\$830,488	93%
2037	\$771,361	\$128,683	\$577	\$418,550	\$482,071	\$527,090	91%
2038	\$482,071	\$131,257	\$760	\$0	\$614,087	\$655,391	94%
2039	\$614,087	\$133,882	\$946	\$0	\$748,916	\$788,614	95%
2040	\$748,916	\$136,559	\$1,137	\$0	\$886,612	\$926,904	96%
2041	\$886,612	\$139,291	\$951	\$271,399	\$755,455	\$788,046	96%
2042	\$755,455	\$142,076	\$1,108	\$29,531	\$869,109	\$900,550	97%
2043	\$869,109	\$144,918	\$998	\$222,981	\$792,044	\$816,588	97%
2044	\$792,044	\$147,816	\$1,181	\$17,069	\$923,972	\$947,778	97%
2045	\$923,972	\$150,773	\$811	\$413,791	\$661,765	\$671,494	99%
2046	\$661,765	\$153,788	\$926	\$71,328	\$745,151	\$748,689	100%

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

Sample Church Association

Projection Charts

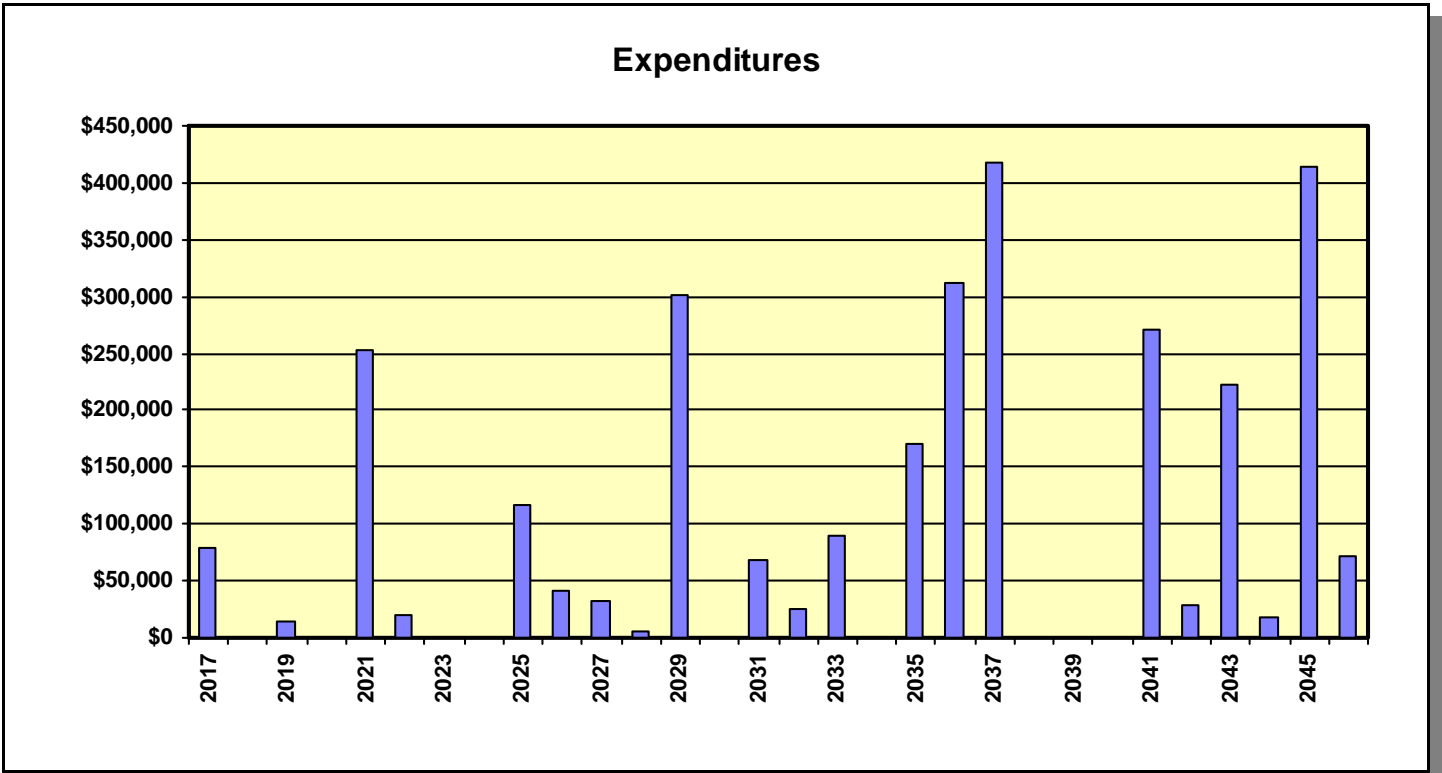
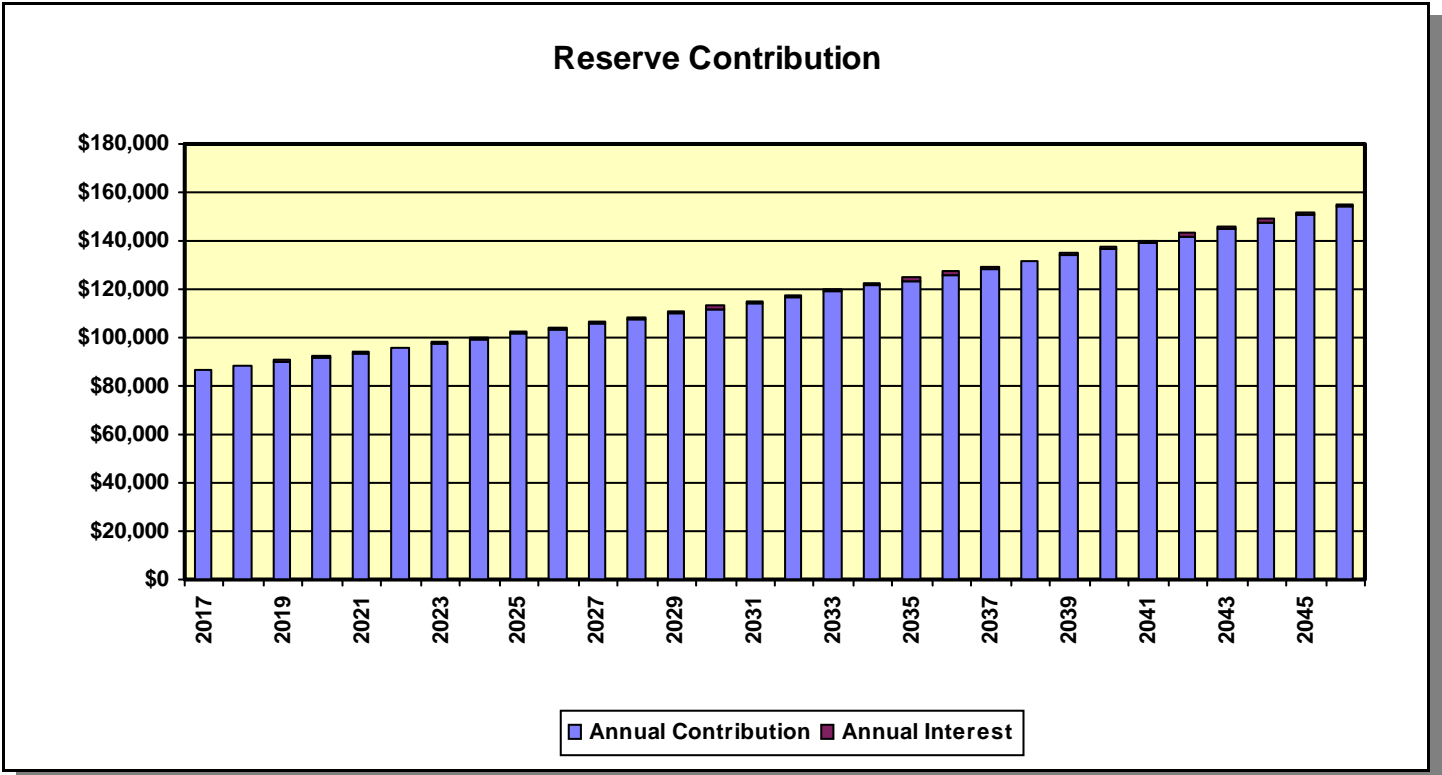
Directed Cash Flow Calculation Method



Sample Church Association

Projection Charts

Directed Cash Flow Calculation Method



Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Access Security - System

Category	005 Access Security	Quantity	1 system
		Unit Cost	\$25,000.00
		% of Replacement	100.00%
		Current Cost	\$25,000.00
Placed In Service	01/13	Future Cost	\$29,291.48
Useful Life	12		
		Assigned Reserves at FYB	\$8,333.33
Remaining Life	8	Monthly Member Contribution	\$189.22
Replacement Year	2025	Monthly Interest Contribution	\$1.08
		Total Monthly Contribution	\$190.30

Comments:



Typical surveillance system includes camera, monitor and time-elapsd VCR. Surveillance systems can vary greatly in price. We have used an average replacement cost for this component. We can add in actual costs if available.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Parking - Asphalt, Overlay

Category	010 Parking	Quantity	119,205 sq. ft.
		Unit Cost	\$1.500
		% of Replacement	100.00%
		Current Cost	\$178,807.50
Placed In Service	01/13	Future Cost	\$260,488.76
Useful Life	23		
		Assigned Reserves at FYB	\$0.00
Remaining Life	19	Monthly Member Contribution	\$881.49
Replacement Year	2036	Monthly Interest Contribution	\$0.59
		Total Monthly Contribution	\$882.08

Comments:



This is the asphalt parking located in the within the community.

The placed in service date for this component has been provided by the client.

Most asphalt areas can be expected to last approximately 20 to 25 years before it will become necessary for an overlay to be applied or other major rehabilitation to be completed. It will be necessary to adjust manhole and valve covers at the time the overlay is applied or other major rehabilitation is completed.

Deflection testing should be conducted by an independent consultant near the end of the estimated useful life to determine the condition of the asphalt and estimated remaining life before the overlay or other major rehabilitation is required. In addition to this service, a consultant may be obtained to prepare the application specifications, and to work with the contractor during actual installation. It is recommended that the client obtain bids for such a consultation near the end of the estimated useful life. As costs vary, a provision for this consulting has not been included in this cost estimate. Should the client request, this cost can be incorporated into this analysis.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Parking - Asphalt, Repair

Category	010 Parking	Quantity	119,205 sq. ft.
		Unit Cost	\$5.500
		% of Replacement	1.00%
		Current Cost	\$6,556.28
Placed In Service	01/16	Future Cost	\$7,096.72
Useful Life	5		
		Assigned Reserves at FYB	\$1,311.26
Remaining Life	4	Monthly Member Contribution	\$109.42
Replacement Year	2021	Monthly Interest Contribution	\$0.23
		Total Monthly Contribution	\$109.64

Comments:



It is estimated that a percentage of the asphalt areas will require repair or replacement. The actual condition of the asphalt should be monitored through time and these estimates adjusted accordingly.

We have budgeted for the asphalt to be repaired on the same cycle and in conjunction with the seal coating of the asphalt.

The placed in service date for this component has been provided by the client.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Parking - Asphalt, Seal Coat

Category	010 Parking	Quantity	119,205 sq. ft.
		Unit Cost	\$0.240
		% of Replacement	100.00%
		Current Cost	\$28,609.20
Placed In Service	01/16	Future Cost	\$30,967.52
Useful Life	5		
		Assigned Reserves at FYB	\$5,721.84
Remaining Life	4	Monthly Member Contribution	\$477.45
Replacement Year	2021	Monthly Interest Contribution	\$0.97
		Total Monthly Contribution	\$478.42

Comments:



Asphalt surfaces should be seal coated within 3 years of their initial installation. Thereafter, a 3 to 5 year cycle should be observed and adjusted according to the client's particular needs.

The unit cost includes any restriping that may be necessary.

The placed in service date for this component has been provided by the client.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Concrete - Unfunded		One Time Replacement	
Category	015 Concrete	Quantity	1 comment
		Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/13	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



Typically, budgeting for concrete repairs as a reserve component is excluded as it is anticipated that any repairs required will be addressed immediately due to safety concerns. Good maintenance practice would not allow the need for repairs to accumulate to a point that they would become a major expense. Minor repairs, as needed, should be addressed immediately as a maintenance issue using the client's operating and/or reserve contingency funds. Should the client desire, funding for this component can be included.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Roof - Elastomeric

Category	020 Roof	Quantity	13,568 sq. ft.
		Unit Cost	\$8.550
		% of Replacement	100.00%
		Current Cost	\$116,006.40
Placed In Service	01/15	Future Cost	\$165,685.71
Useful Life	20		
		Assigned Reserves at FYB	\$0.00
Remaining Life	18	Monthly Member Contribution	\$598.45
Replacement Year	2035	Monthly Interest Contribution	\$0.40
		Total Monthly Contribution	\$598.85

Comments:



In order to ensure a high quality installation, the client may wish to obtain the services of an independent roofing consultant to work with the client and the roofing contractor providing installation. Consultants are available for the preparation of installation specifications and, if desired, to work with the contractor during the installation process. Fees for these services vary based on the size of the project and detail required by the client, and have not been included in the cost used for this component. Should the client desire, a provision for a consultant can be incorporated into this analysis.

The cost and placed in service date for this component has been provided by the client.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Windows - Replacement

Category	025 Windows	Quantity	1 total
		Unit Cost	\$71,700.00
		% of Replacement	100.00%
		Current Cost	\$71,700.00
		Future Cost	\$119,984.08
Placed In Service	01/13		
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	26	Monthly Member Contribution	\$274.27
Replacement Year	2043	Monthly Interest Contribution	\$0.19
		Total Monthly Contribution	\$274.46

Comments:



This is for the replacement of the windows within the building.

12 doors, glass	@	\$700.00	=	\$8,400.00
3 roll-up garage doors, glass	@	\$2,000.00	=	\$6,000.00
30 windows, small	@	\$500.00	=	\$15,000.00
36 windows, medium	@	\$700.00	=	\$25,200.00
19 windows, large	@	\$900.00	=	\$17,100.00
		TOTAL	=	\$71,700.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Siding - Metal

Category	030 Siding	Quantity	9,504 sq. ft.
		Unit Cost	\$9.000
		% of Replacement	100.00%
		Current Cost	\$85,536.00
Placed In Service	01/13	Future Cost	\$174,483.80
Useful Life	40		
		Assigned Reserves at FYB	\$0.00
Remaining Life	36	Monthly Member Contribution	\$256.84
Replacement Year	2053	Monthly Interest Contribution	\$0.18
		Total Monthly Contribution	\$257.02

Comments:



This is painted metal siding located around the building.

Sample Church Association

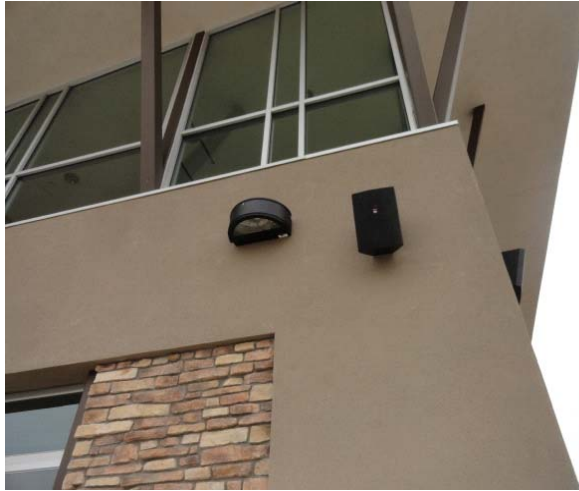
Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Siding - Stone, Unfunded

Category	030 Siding	Quantity	1,188 sq. ft.
		Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/13	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



This is the stone siding located on the building. Stone siding can last a very long time and therefore complete replacement has not been included in this analysis.

It is anticipated that not all of the stone siding will need replacement at one time. Therefore, budgeting for this component has been excluded as future maintenance can be completed by the client on an as needed basis. This component is listed for inventory purposes only.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Siding - Stucco, Unfunded

Category	030 Siding	Quantity	1,188 sq. ft.
		Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/13	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



This is the stucco siding located on the building.

It is anticipated that not all of the stucco siding will need replacement at one time. Therefore, budgeting for this component has been excluded as future maintenance can be completed by the client on an as needed basis. This component is listed for inventory purposes only.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Doors - Building Exterior, Unfunded

Category	035 Doors	Quantity	8 total
		Unit Cost	\$0.000
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/13	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



These are metal exterior utility doors located on the building.

It is anticipated that not all of the doors will need to be replaced at one time. Therefore, budgeting for this component has been excluded as it can be budgeted for in the client's operating budget or funded by the reserve contingency. This component is listed for inventory purposes only.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Lighting - Building Exterior, Unfunded

Category	040 Lighting	Quantity	11 total
		Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/13	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



These are the exterior lighting fixtures located on the exterior areas of the building.

It is anticipated that not all of the exterior lighting will need to be replaced at one time. Therefore, budgeting for this component has been excluded as it can be budgeted for in the client's operating budget or funded by the reserve contingency. This component is listed for inventory purposes only.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Lighting - Building Interior, Unfunded

Category	040 Lighting	Quantity	1 comment
		Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/13	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



These refers to the interior lighting fixtures located on the interior common areas of the building.

It is anticipated that not all of the exterior lighting will need to be replaced at one time. Therefore, budgeting for this component has been excluded as it can be budgeted for in the client's operating budget or funded by the reserve contingency. This component is listed for inventory purposes only.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Lighting - Grounds

Category	040 Lighting	Quantity	8 total
		Unit Cost	\$1,800.00
		% of Replacement	100.00%
		Current Cost	\$14,400.00
		Future Cost	\$21,397.64
Placed In Service	01/13		
Useful Life	24		
		Assigned Reserves at FYB	\$0.00
Remaining Life	20	Monthly Member Contribution	\$68.03
Replacement Year	2037	Monthly Interest Contribution	\$0.05
		Total Monthly Contribution	\$68.08

Comments:



These are 20' painted metal pole fixtures located in the parking area.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Furniture - Building Interior

Category	045 Furniture	Quantity	1 total
		Unit Cost	\$20,450.00
		% of Replacement	30.00%
		Current Cost	\$6,135.00
		Future Cost	\$6,640.72
Placed In Service	01/13		
Useful Life	4		
		Assigned Reserves at FYB	\$6,135.00
Remaining Life	0	Monthly Member Contribution	\$125.75
Replacement Year	2017	Monthly Interest Contribution	\$0.09
		Total Monthly Contribution	\$125.84

Comments:



This is the furniture located throughout the building (not including the guest chairs). It is anticipated that not all of the furniture will need replacement at one time. Therefore, we have budgeted for 30% of the furniture to be replaced every 4 years. This component should be monitored over time and the replacement percentage and useful life adjusted accordingly.

43	desk chairs	@	\$200.00	=	\$8,600.00
21	desks	@	\$450.00	=	\$9,450.00
3	chairs, leather	@	\$550.00	=	\$1,650.00
1	couch, leather	@	\$750.00	=	\$750.00
			TOTAL	=	\$20,450.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Furniture - Guest Chairs

Category	045 Furniture	Quantity	700 total
		Unit Cost	\$35.000
		% of Replacement	100.00%
		Current Cost	\$24,500.00
Placed In Service	01/13	Future Cost	\$26,519.59
Useful Life	8		
		Assigned Reserves at FYB	\$12,250.00
Remaining Life	4	Monthly Member Contribution	\$268.91
Replacement Year	2021	Monthly Interest Contribution	\$1.58
		Total Monthly Contribution	\$270.49

Comments:



These are the guest chairs located in the building.

The cost for this component has been provided by the client.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Painting - Building Exterior

Category	050 Painting	Quantity	1 total
		Unit Cost	\$13,365.00
		% of Replacement	100.00%
		Current Cost	\$13,365.00
Placed In Service	01/13	Future Cost	\$13,904.95
Useful Life	6		
		Assigned Reserves at FYB	\$8,910.00
Remaining Life	2	Monthly Member Contribution	\$192.29
Replacement Year	2019	Monthly Interest Contribution	\$1.15
		Total Monthly Contribution	\$193.44

Comments:



This is the painting of the exterior surfaces of the building.

The placed in service date have been provided by the client.

9,504	metal siding	@	\$1.25	=	\$11,880.00
1,188	stucco siding	@	\$1.25	=	\$1,485.00
			TOTAL	=	\$13,365.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Painting - Building Interior

Category	050 Painting	Quantity	1 total
		Unit Cost	\$42,912.100
		% of Replacement	100.00%
		Current Cost	\$42,912.10
		Future Cost	\$46,449.44
Placed In Service	01/13	Assigned Reserves at FYB	\$21,456.05
Useful Life	8	Monthly Member Contribution	\$471.00
Remaining Life	4	Monthly Interest Contribution	\$2.78
Replacement Year	2021	Total Monthly Contribution	\$473.78

Comments:



This includes all of the interior painting areas within the building. It is our understanding that touch ups to the interior painting are performed on an ongoing basis.

The placed in service date for this component has been provided by the client.

2,211 sq. ft. - executive offices	@	\$1.10	=	\$2,432.10
4,540 sq. ft. - administration upstairs	@	\$1.10	=	\$4,994.00
1,474 sq. ft. - administration downstairs	@	\$1.10	=	\$1,621.40
5,125 sq. ft. - atrium	@	\$1.10	=	\$5,637.50
2,100 sq. ft. - verge room	@	\$1.10	=	\$2,310.00
1,102 sq. ft. - purple room	@	\$1.10	=	\$1,212.20
1,102 sq. ft. - blue room	@	\$1.10	=	\$1,212.20
1,120 sq. ft. - orange room	@	\$1.10	=	\$1,232.00
1,120 sq. ft. - yellow room	@	\$1.10	=	\$1,232.00
2,626 sq. ft. - childrens hallways	@	\$1.10	=	\$2,888.60
2,730 sq. ft. - club K-3	@	\$1.10	=	\$3,003.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

4,676	sq. ft. - outside auditorium	@	\$1.10	=	\$5,143.60
4,620	sq. ft. - auditorium	@	\$1.10	=	\$5,082.00
227	sq. ft. - executive restroom	@	\$1.10	=	\$249.70
1,536	sq. ft. - warming center	@	\$1.10	=	\$1,689.60
753	sq. ft. - childrens restrooms	@	\$1.10	=	\$828.30
264	sq. ft. - family restroom	@	\$1.10	=	\$290.40
1,685	sq. ft. - common restrooms	@	\$1.10	=	\$1,853.50
			TOTAL	=	<u>\$42,912.10</u>

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Floor Cover - Carpet

Category	055 Floor Cover	Quantity	1 total
		Unit Cost	\$61,184.00
		% of Replacement	100.00%
		Current Cost	\$61,184.00
		Future Cost	\$66,227.53
Placed In Service	01/13	Assigned Reserves at FYB	\$30,592.00
Useful Life	8	Monthly Member Contribution	\$671.55
Remaining Life	4	Monthly Interest Contribution	\$3.96
Replacement Year	2021	Total Monthly Contribution	\$675.51

Comments:



This includes all of the interior carpeting within the building.

77 sq. yds. - executive offices	@	\$32.00	=	\$2,464.00
212 sq. yds. - administration upstairs	@	\$32.00	=	\$6,784.00
80 sq. yds. - administration downstairs	@	\$32.00	=	\$2,560.00
150 sq. yds. - verge room	@	\$32.00	=	\$4,800.00
16 sq. yds. - purple room	@	\$32.00	=	\$512.00
16 sq. yds. - blue room	@	\$32.00	=	\$512.00
22 sq. yds. - orange room	@	\$32.00	=	\$704.00
22 sq. yds. - yellow room	@	\$32.00	=	\$704.00
84 sq. yds. - childrens hallways	@	\$32.00	=	\$2,688.00
158 sq. yds. - club K-3	@	\$32.00	=	\$5,056.00
254 sq. yds. - outside auditorium	@	\$32.00	=	\$8,128.00
821 sq. yds. - auditorium	@	\$32.00	=	\$26,272.00
		TOTAL	=	\$61,184.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Floor Cover - Concrete, Unfunded

Category	055 Floor Cover	Quantity	2,925 sq. ft.
		Unit Cost	\$0.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/13	Future Cost	\$0.00
Useful Life	n.a.		
		Assigned Reserves at FYB	\$0.00
Remaining Life	n.a.	Monthly Member Contribution	\$0.00
Replacement Year	n.a.	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



This is the concrete located in the atrium within the building.

It is the intention of the client not to replace this component; therefore, budgeting has been excluded. This component is listed for inventory purposes only.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Floor Cover - Linolium

Category	055 Floor Cover	Quantity	456 sq. ft.
		Unit Cost	\$6.000
		% of Replacement	100.00%
		Current Cost	\$2,736.00
		Future Cost	\$4,065.55
Placed In Service	01/13		
Useful Life	24		
		Assigned Reserves at FYB	\$0.00
Remaining Life	20	Monthly Member Contribution	\$12.92
Replacement Year	2037	Monthly Interest Contribution	\$0.01
		Total Monthly Contribution	\$12.93

Comments:



This is for the replacement of the tile located in the restrooms of the building.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Floor Cover - Rubber

Category	055 Floor Cover	Quantity	1 total
		Unit Cost	\$6,132.00
		% of Replacement	0.00%
		Current Cost	\$0.00
Placed In Service	01/13	Future Cost	\$0.00
Useful Life	22		
		Assigned Reserves at FYB	\$0.00
Remaining Life	18	Monthly Member Contribution	\$0.00
Replacement Year	2035	Monthly Interest Contribution	\$0.00
		Total Monthly Contribution	\$0.00

Comments:



This is the rubber flooring located in the purple, blue, orange and yellow rooms within the building.

The placed in service date for this component has been provided by the client.

238 sq. ft. - purple room	@	\$7.00	=	\$1,666.00
238 sq. ft. - blue room	@	\$7.00	=	\$1,666.00
200 sq. ft. - orange room	@	\$7.00	=	\$1,400.00
200 sq. ft. - yellow room	@	\$7.00	=	\$1,400.00
		TOTAL	=	\$6,132.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Floor Cover - Tile

Category	055 Floor Cover	Quantity	656 sq. ft.
		Unit Cost	\$14.000
		% of Replacement	100.00%
		Current Cost	\$9,184.00
Placed In Service	01/13	Future Cost	\$15,368.67
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	26	Monthly Member Contribution	\$35.13
Replacement Year	2043	Monthly Interest Contribution	\$0.02
		Total Monthly Contribution	\$35.15

Comments:



This is for the replacement of the tile located in the restrooms of the building.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Cabinets & Counters

Category	060 Interior	Quantity	1 total
		Unit Cost	\$64,094.00
		% of Replacement	100.00%
		Current Cost	\$64,094.00
		Future Cost	\$103,091.18
Placed In Service	01/13		
Useful Life	28		
		Assigned Reserves at FYB	\$0.00
Remaining Life	24	Monthly Member Contribution	\$261.13
Replacement Year	2041	Monthly Interest Contribution	\$0.18
		Total Monthly Contribution	\$261.31

Comments:



These are the wood cabinets and laminated counters located throughout the building.

ADMINISTRATION UPSTAIRS

10	lin. ft. of base cabinets	@	\$450.00	=	\$4,500.00
10	lin. ft. of wall cabinets	@	\$300.00	=	\$3,000.00
10	lin. ft. of laminated counters	@	\$42.00	=	\$420.00

ADMINISTRATION DOWNSTAIRS

15	lin. ft. of base cabinets	@	\$450.00	=	\$6,750.00
15	lin. ft. of wall cabinets	@	\$300.00	=	\$4,500.00
15	lin. ft. of laminated counters	@	\$42.00	=	\$630.00

PURPLE/BLUE/ORANGE/YELLOW

24	lin. ft. of base cabinets	@	\$450.00	=	\$10,800.00
26	lin. ft. of wall cabinets	@	\$300.00	=	\$7,800.00
40	lin. ft. of laminated counters	@	\$42.00	=	\$1,680.00
20	lin. ft. of pantry cabinets	@	\$550.00	=	\$11,000.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

WARMING CENTER				
13	lin. ft. of base cabinets	@	\$450.00 =	\$5,850.00
18	lin. ft. of wall cabinets	@	\$300.00 =	\$5,400.00
18	lin. ft. of laminated counters	@	\$42.00 =	\$756.00
RESTROOMS				
24	lin. ft. of laminated counters	@	\$42.00 =	\$1,008.00
			TOTAL =	<u>\$64,094.00</u>

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Plumbing Fixtures

Category	065 Plumbing Fixtures	Quantity	1 total
		Unit Cost	\$19,000.00
		% of Replacement	100.00%
		Current Cost	\$19,000.00
		Future Cost	\$31,794.94
Placed In Service	01/13		
Useful Life	30		
Remaining Life	26	Assigned Reserves at FYB	\$0.00
Replacement Year	2043	Monthly Member Contribution	\$72.68
		Monthly Interest Contribution	\$0.05
		Total Monthly Contribution	\$72.73

Comments:



These are the plumbing fixtures located in the restrooms, childrens rooms and warming center within the building.

9 sinks, counter	@	\$350.00	=	\$3,150.00
1 sinks, wall	@	\$450.00	=	\$450.00
14 toilets, tank type	@	\$600.00	=	\$8,400.00
4 sinks, childrens rooms	@	\$450.00	=	\$1,800.00
4 elkay drinking fountains	@	\$1,200.00	=	\$4,800.00
1 sinks, double stainless	@	\$400.00	=	\$400.00
		TOTAL	=	\$19,000.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Plumbing Fixtures - Restroom Partitions

Category	065 Plumbing Fixtures	Quantity	1 total
		Unit Cost	\$10,500.00
		% of Replacement	100.00%
		Current Cost	\$10,500.00
Placed In Service	01/13	Future Cost	\$15,602.45
Useful Life	24		
		Assigned Reserves at FYB	\$0.00
Remaining Life	20	Monthly Member Contribution	\$49.60
Replacement Year	2037	Monthly Interest Contribution	\$0.03
		Total Monthly Contribution	\$49.63

Comments:



These are metal partitions with a baked enamel finish located in the main common restrooms.

BAKED ENAMEL:

8 toilet partitions	@	\$1,200.00	=	\$9,600.00
2 urinal partitions	@	\$450.00	=	\$900.00
		TOTAL	=	\$10,500.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Auditorium

Category	070 Equipment	Quantity	1 total
		Unit Cost	\$260,000.00
		% of Replacement	20.00%
		Current Cost	\$52,000.00
		Future Cost	\$56,286.47
Placed In Service	01/13	Assigned Reserves at FYB	\$52,000.00
Useful Life	4	Monthly Member Contribution	\$1,065.86
Remaining Life	0	Monthly Interest Contribution	\$0.72
Replacement Year	2017	Total Monthly Contribution	\$1,066.58

Comments:



This is the equipment located in auditorium room, to include; sound, lighting, projector, screens, amps, audio and video distribution, band equipment, speakers, sound board, lighting board, wireless mics, cameras.

The cost for this component has been provided by the client.

It is anticipated that not all of the equipment in the auditorium will need replacement at one time. Therefore, we have budgeted for 20% of the equipment to be replaced every 4 years. This component should be monitored over time and the replacement percentage and useful life adjusted according.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Basketball Hoops

Category	070 Equipment	Quantity	2 total
		Unit Cost	\$2,000.00
		% of Replacement	100.00%
		Current Cost	\$4,000.00
		Future Cost	\$5,072.97
Placed In Service	01/13		
Useful Life	16		
		Assigned Reserves at FYB	\$0.00
Remaining Life	12	Monthly Member Contribution	\$29.36
Replacement Year	2029	Monthly Interest Contribution	\$0.02
		Total Monthly Contribution	\$29.38

Comments:



These are the two basketball hoops located in the parking lot of the church.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Childrens Rooms, Projectors

Category	070 Equipment	Quantity	4 total
		Unit Cost	\$700.000
		% of Replacement	100.00%
		Current Cost	\$2,800.00
		Future Cost	\$3,551.08
Placed In Service	01/13		
Useful Life	16		
		Assigned Reserves at FYB	\$0.00
Remaining Life	12	Monthly Member Contribution	\$20.56
Replacement Year	2029	Monthly Interest Contribution	\$0.01
		Total Monthly Contribution	\$20.56

Comments:



These are the projectors located in childrens rooms (purple, blue, orange & yellow).

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Club K-3 Room

Category	070 Equipment	Quantity	1 total
		Unit Cost	\$5,000.00
		% of Replacement	100.00%
		Current Cost	\$5,000.00
		Future Cost	\$6,341.21
Placed In Service	01/13		
Useful Life	16		
		Assigned Reserves at FYB	\$0.00
Remaining Life	12	Monthly Member Contribution	\$36.71
Replacement Year	2029	Monthly Interest Contribution	\$0.03
		Total Monthly Contribution	\$36.73

Comments:



This is the equipment located in Club K-3 room, to include; projector, screens and lighting.

The cost and placed in service date for this component has been provided by the client.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Door Openers, Garage

Category	070 Equipment	Quantity	3 total
		Unit Cost	\$800.00
		% of Replacement	100.00%
		Current Cost	\$2,400.00
		Future Cost	\$2,925.59
Placed In Service	01/13		
Useful Life	14		
		Assigned Reserves at FYB	\$685.71
Remaining Life	10	Monthly Member Contribution	\$15.83
Replacement Year	2027	Monthly Interest Contribution	\$0.09
		Total Monthly Contribution	\$15.92

Comments:



These are for the replacement of the garage door openers located inside the atrium.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Fire Control Panel

Category	070 Equipment	Quantity	1 panel
		Unit Cost	\$2,500.00
		% of Replacement	100.00%
		Current Cost	\$2,500.00
		Future Cost	\$3,298.70
Placed In Service	01/13		
Useful Life	18		
		Assigned Reserves at FYB	\$0.00
Remaining Life	14	Monthly Member Contribution	\$16.01
Replacement Year	2031	Monthly Interest Contribution	\$0.01
		Total Monthly Contribution	\$16.02

Comments:



This is for the replacement of the fire control panel located in the roof access equipment room.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Fireplace Insert

Category	070 Equipment	Quantity	1 total
		Unit Cost	\$3,500.00
		% of Replacement	100.00%
		Current Cost	\$3,500.00
		Future Cost	\$4,998.86
Placed In Service	01/13		
Useful Life	22		
		Assigned Reserves at FYB	\$0.00
Remaining Life	18	Monthly Member Contribution	\$18.06
Replacement Year	2035	Monthly Interest Contribution	\$0.01
		Total Monthly Contribution	\$18.07

Comments:



These are for the replacement of the two sided natural gas fireplace insert located inside the atrium.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - HP Designjet

Category	070 Equipment	Quantity	1 printer
		Unit Cost	\$5,000.00
		% of Replacement	100.00%
		Current Cost	\$5,000.00
Placed In Service	01/13	Future Cost	\$5,412.16
Useful Life	8		
		Assigned Reserves at FYB	\$2,500.00
Remaining Life	4	Monthly Member Contribution	\$54.88
Replacement Year	2021	Monthly Interest Contribution	\$0.32
		Total Monthly Contribution	\$55.20

Comments:



This is a HP Designjet Z5200 post script printer located in the executive office.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - HVAC, Package Units

Category	070 Equipment	Quantity	12 total
		Unit Cost	\$7,500.00
		% of Replacement	20.00%
		Current Cost	\$18,000.00
		Future Cost	\$19,873.45
Placed In Service	01/06	Assigned Reserves at FYB	\$18,000.00
Useful Life	5	Monthly Member Contribution	\$297.85
Remaining Life	0	Monthly Interest Contribution	\$0.20
Replacement Year	2017	Total Monthly Contribution	\$298.05

Comments:



According to the client the HVAC units vary in their placed in service dates. It is anticipated that not all of the HVAC units will need replacement at one time. Therefore, we have budgeted for 20% of the units to be replaced every 5 years. This component should be monitored over time and the replacement percentage and useful life adjusted accordingly.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Label Makers

Category	070 Equipment	Quantity	8 total
		Unit Cost	\$300.00
		% of Replacement	100.00%
		Current Cost	\$2,400.00
		Future Cost	\$2,597.84
Placed In Service	01/13	Assigned Reserves at FYB	\$1,200.00
Useful Life	8	Monthly Member Contribution	\$26.34
Remaining Life	4	Monthly Interest Contribution	\$0.16
Replacement Year	2021	Total Monthly Contribution	\$26.50

Comments:



These are label makers for the registration and identification of children and adults. The cost for this component has been provided by the client.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Lift Station

Category	070 Equipment	Quantity	1 total
		Unit Cost	\$20,000.00
		% of Replacement	100.00%
		Current Cost	\$20,000.00
Placed In Service	01/13	Future Cost	\$33,468.36
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	26	Monthly Member Contribution	\$76.51
Replacement Year	2043	Monthly Interest Contribution	\$0.05
		Total Monthly Contribution	\$76.55

Comments:



This is a Garaventa two stop portable lift station located outside of the auditorium.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Sky Jack Lift

Category	070 Equipment	Quantity	1 total
		Unit Cost	\$5,000.00
		% of Replacement	100.00%
		Current Cost	\$5,000.00
		Future Cost	\$6,216.87
Placed In Service	01/10	Assigned Reserves at FYB	\$1,944.44
Useful Life	18	Monthly Member Contribution	\$27.08
Remaining Life	11	Monthly Interest Contribution	\$0.25
Replacement Year	2028	Total Monthly Contribution	\$27.33

Comments:



This is for the replacement of the Sky Jack Lift located in the building. This equipment was purchased used and the cost has been provided by the client. The actual date this component was placed into service is not available. For budgeting purposes, this date has been estimated based on its condition at our most recent site visit.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Televisions

Category	070 Equipment	Quantity	1 total
		Unit Cost	\$5,400.00
		% of Replacement	100.00%
		Current Cost	\$5,400.00
		Future Cost	\$6,582.57
Placed In Service	01/13		
Useful Life	14		
		Assigned Reserves at FYB	\$1,542.86
Remaining Life	10	Monthly Member Contribution	\$35.62
Replacement Year	2027	Monthly Interest Contribution	\$0.20
		Total Monthly Contribution	\$35.82

Comments:



This is for the replacement of the televisions located in the building.

3 outside auditorium	@	\$600.00	=	\$1,800.00
2 atrium	@	\$1,200.00	=	\$2,400.00
1 administration upstairs	@	\$600.00	=	\$600.00
1 warming center	@	\$600.00	=	\$600.00
		TOTAL	=	\$5,400.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Verge Room

Category	070 Equipment	Quantity	1 total
		Unit Cost	\$27,000.00
		% of Replacement	100.00%
		Current Cost	\$27,000.00
		Future Cost	\$34,242.53
Placed In Service	01/13		
Useful Life	16		
		Assigned Reserves at FYB	\$0.00
Remaining Life	12	Monthly Member Contribution	\$198.21
Replacement Year	2029	Monthly Interest Contribution	\$0.14
		Total Monthly Contribution	\$198.35

Comments:



This is the equipment located in the verge room, to include; sound, lighting, projector, screens tv's, playstations, sound board, wireless mics, musical equipment and in-ear system.

The cost for this component has been provided by the client.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Equipment - Water Heater

Category	070 Equipment	Quantity	2 heaters
		Unit Cost	\$2,000.00
		% of Replacement	100.00%
		Current Cost	\$4,000.00
		Future Cost	\$5,491.14
Placed In Service	01/13		
Useful Life	20		
		Assigned Reserves at FYB	\$0.00
Remaining Life	16	Monthly Member Contribution	\$22.81
Replacement Year	2033	Monthly Interest Contribution	\$0.02
		Total Monthly Contribution	\$22.83

Comments:



These are Rinnai tankless natural gas hot water heaters located in the roof access equipment room.

The placed in service date for this component was provided by the equipment sticker on the heater.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Appliances - Warming Center

Category	075 Appliances	Quantity	1 total
		Unit Cost	\$8,850.00
		% of Replacement	40.00%
		Current Cost	\$3,540.00
		Future Cost	\$3,831.81
Placed In Service	01/13	Assigned Reserves at FYB	\$3,540.00
Useful Life	4	Monthly Member Contribution	\$72.56
Remaining Life	0	Monthly Interest Contribution	\$0.05
Replacement Year	2017	Total Monthly Contribution	\$72.61

Comments:



These are the appliances located in the warming center.

It is anticipated that not all of the appliances in the warming center will need replacement at one time. Therefore, we have budgeted for 40% of the equipment to be replaced every 4 years. This component should be monitored over time and the replacement percentage and useful life adjusted according.

1 oven/range	@	\$850.00	=	\$850.00
1 washer	@	\$850.00	=	\$850.00
1 dryer	@	\$850.00	=	\$850.00
1 refrigerator/freezer	@	\$1,200.00	=	\$1,200.00
1 microwave oven	@	\$200.00	=	\$200.00
1 grandmaster coffee maker	@	\$4,500.00	=	\$4,500.00
1 marlo stainless sink	@	\$400.00	=	\$400.00
		TOTAL	=	\$8,850.00

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Monument Sign

Category	080 Monument Sign	Quantity	1 sign
		Unit Cost	\$10,000.00
		% of Replacement	100.00%
		Current Cost	\$10,000.00
Placed In Service	01/14	Future Cost	\$17,068.86
Useful Life	30		
		Assigned Reserves at FYB	\$0.00
Remaining Life	27	Monthly Member Contribution	\$37.15
Replacement Year	2044	Monthly Interest Contribution	\$0.03
		Total Monthly Contribution	\$37.18

Comments:

This is a stone monument sign located at the entrance to the church.

Sample Church Association

Component Detail

Directed Cash Flow Calculation Method; Sorted by Category

Trash Structure

Category	085 Trash Structure	Quantity	2 total
		Unit Cost	\$600.00
		% of Replacement	100.00%
		Current Cost	\$1,200.00
Placed In Service	01/13	Future Cost	\$1,521.89
Useful Life	16		
		Assigned Reserves at FYB	\$201.04
Remaining Life	12	Monthly Member Contribution	\$7.63
Replacement Year	2029	Monthly Interest Contribution	\$0.03
		Total Monthly Contribution	\$7.66

Comments:



This is a stone trash enclosure with painted metal doors. We have only budgeted for the replacement of the doors. It is anticipated that the stone enclosure will not need replacement.

Sample Church Association

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Number of components included in this reserve analysis is 44.