

**Tuckaway Shores Condo Association**  
**Reserve Study**  
**Conducted by Superior Reserve Engineering & Consulting**  
April 7, 2021

**Executive Summary**

**Preface by the Tuckaway Condo Association**

The following pages provide an overview of the 2021 update to the 2018 reserve study conducted for the Association by Superior Reserve & Consulting.

A reserve study is a **tool to help plan the funding of an Association's reserve account** in order to offset projected capital improvements (e.g., roof replacements) based on when that work is anticipated. This reserve study represents recommendations based on our property's status as of 2021. (See last page for Professional Engineer Justin Maier's qualifications.)

It's important to keep in mind that it is a guide. It's also a **dynamic plan that will evolve** depending on the issues that arise and that are addressed each year as we cannot always predict when specific maintenance/repair/replacements will occur.

The study recommends **specific contributions** to the reserve fund each year, but these are **ideal and not always achievable**. Moving forward, the Tuckaway Shores Association **Finance Team** will annually review the Association's General Reserve Study and make recommendations to the Association's Board of Directors for any updates deemed viable including various available options to fund the reserve and when future studies may need to be conducted (typically every 3-6 years). The recommendations will then be assessed by the Board as part of its annual budgeting process.

The Finance Team will also work with the **Maintenance & Repair Team** each year to evaluate capital improvement needs and work completed and reassess/adjust the reserve study accordingly. They will also work to explore ways to proactively reduce maintenance/repair costs such as:

- Patching pavement
- Making sure downspouts are extended adequately away from the building
- Applying 10-year warranty sealant to chase covers to prevent leaks

It would not be productive or helpful for owners to review the complete study nor the funding plan without all the context that was available to the Board over multiple Board planning sessions and consultations with the vendor. It is also not feasible to provide owners with an updated version every time the plan changes.

**Questions and/or requests for further details** can be submitted to our property management company ([homeownerservices@pmcwi.com](mailto:homeownerservices@pmcwi.com)), who will forward to the Finance Team. **If any owner has knowledge or extensive** experience regarding any particular property component that's part of the study and would like to lend that expertise in some way, please also reach out to the our property management company.

The Pier 4 reserve study was also updated and reviewed by the Pier 4 Committee, which also manages the separate Pier 4 budget and HOA fee.

**Tuckaway Shores Homeowners' Association, Inc.**

**Property and Service Summary**

|                                                  |                                                                                    |
|--------------------------------------------------|------------------------------------------------------------------------------------|
| <b>Location:</b>                                 | Franklin, Wisconsin                                                                |
| <b>Property type:</b>                            | townhome condominium                                                               |
| <b>Number of residential buildings:</b>          | 25                                                                                 |
| <b>Number of units:</b>                          | 155                                                                                |
| <b>Number of stories:</b>                        | 2 (plus basements/garage)                                                          |
| <b>Year of construction:</b>                     | 1982                                                                               |
| <b>Date of inspection:</b>                       | April 7, 2021                                                                      |
| <b>Date of previous inspection:</b>              | December 18, 2017                                                                  |
| <b>Type of service:</b>                          | reserve study                                                                      |
| <b>Level of service:</b>                         | Full Study                                                                         |
| <b>Length of analysis:</b>                       | 30 years                                                                           |
| <b>2020-21 budgeted reserve contribution:</b>    | \$74,400                                                                           |
| <b>2021-22 recommended reserve contribution:</b> | \$116,000 = increase of \$41,600 (\$22.37 per home per month)                      |
| <b>Exterior features:</b>                        | wood balconies and decks, metal siding, asphalt shingle roofs                      |
| <b>Interior features:</b>                        | common interior stairwells and garage (pier 4 building only and funded separately) |
| <b>Garage features:</b>                          | heated concrete ramp at Pier 4                                                     |
| <b>Site features:</b>                            | asphalt and concrete pavement, docks, pedestrian bridges, lake, piers, gazebo      |
| <b>Completed projects:</b>                       | partial replacement of roofs, partial repaving                                     |
| <b>Upcoming projects:</b>                        | continued replacement of roofs, continued repaving                                 |



property overview



property overview



rear elevation



building overview

## General Association Component List

| <b>Reserve Component List</b>                      | Engineering Data Section | Replacement Year (red font if in 5 years or less) | Age (N/A = not available) | Useful Life (years) | Remaining Useful Life (years) | Replacement Cost without Inflation | % Included (blue font if less than 100%) | \$ Included | Number of Phases | Cost per Phase |
|----------------------------------------------------|--------------------------|---------------------------------------------------|---------------------------|---------------------|-------------------------------|------------------------------------|------------------------------------------|-------------|------------------|----------------|
| 2020-21 Reserve Expenses                           | -                        | 2021                                              | N/A                       | N/A                 | N/A                           | \$136,594                          | 100%                                     | \$136,594   | 1                | \$136,594      |
| <b>Exterior Building Components</b>                |                          |                                                   |                           |                     |                               |                                    |                                          |             |                  |                |
| Chimney Chase Covers - Coating (remaining)         | 2.221                    | 2023                                              | N/A                       | N/A                 | 2                             | \$53,200                           | 81%                                      | \$43,135    | 8                | \$5,392        |
| Chimney Chase Covers - Replacement                 | 2.221                    | 2031                                              | original                  | 25                  | 10                            | \$427,400                          | 100%                                     | \$427,400   | 10               | \$42,740       |
| Roofs - Shingles, Gutters and Downspouts (Pier 1)  | 2.441                    | 2023                                              | 2002                      | 25                  | 2                             | \$784,000                          | 7%                                       | \$53,699    | 1                | \$53,699       |
| Roofs - Shingles, Gutters and Downspouts (Pier 2)  | 2.441                    | 2025                                              | N/A                       | 25                  | 4                             | \$784,000                          | 5%                                       | \$42,959    | 1                | \$42,959       |
| Roofs - Shingles, Gutters and Downspouts (Pier 3)  | 2.441                    | 2022                                              | N/A                       | 25                  | 1                             | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 4)  | 2.441                    | 2024                                              | 2008                      | 25                  | 3                             | \$784,000                          | 7%                                       | \$53,699    | 1                | \$53,699       |
| Roofs - Shingles, Gutters and Downspouts (Pier 5)  | 2.441                    | 2035                                              | 2010                      | 25                  | 14                            | \$784,000                          | 8%                                       | \$59,068    | 1                | \$59,068       |
| Roofs - Shingles, Gutters and Downspouts (Pier 6)  | 2.441                    | 2034                                              | 2009                      | 25                  | 13                            | \$784,000                          | 7%                                       | \$53,699    | 1                | \$53,699       |
| Roofs - Shingles, Gutters and Downspouts (Pier 7)  | 2.441                    | 2032                                              | 2007                      | 25                  | 11                            | \$784,000                          | 7%                                       | \$53,699    | 1                | \$53,699       |
| Roofs - Shingles, Gutters and Downspouts (Pier 8)  | 2.441                    | 2046                                              | 2021                      | 25                  | 25                            | \$784,000                          | 8%                                       | \$64,438    | 1                | \$64,438       |
| Roofs - Shingles, Gutters and Downspouts (Pier 9)  | 2.441                    | 2044                                              | 2019                      | 25                  | 23                            | \$784,000                          | 7%                                       | \$53,699    | 1                | \$53,699       |
| Roofs - Shingles, Gutters and Downspouts (Pier 10) | 2.441                    | 2026                                              | N/A                       | 25                  | 5                             | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 11) | 2.441                    | 2028                                              | N/A                       | 25                  | 7                             | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 12) | 2.441                    | 2037                                              | 2012                      | 25                  | 16                            | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 13) | 2.441                    | 2038                                              | 2013                      | 25                  | 17                            | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 14) | 2.441                    | 2041                                              | 2016                      | 25                  | 20                            | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 15) | 2.441                    | 2045                                              | 2020                      | 25                  | 24                            | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 16) | 2.441                    | 2042                                              | 2017                      | 25                  | 21                            | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 17) | 2.441                    | 2039                                              | 2014                      | 25                  | 18                            | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 18) | 2.441                    | 2042                                              | 2017                      | 25                  | 21                            | \$784,000                          | 1%                                       | \$10,740    | 1                | \$10,740       |
| Roofs - Shingles, Gutters and Downspouts (Pier 19) | 2.441                    | 2027                                              | N/A                       | 25                  | 6                             | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 20) | 2.441                    | 2040                                              | 2015                      | 25                  | 19                            | \$784,000                          | 1%                                       | \$10,740    | 1                | \$10,740       |
| Roofs - Shingles, Gutters and Downspouts (Pier 21) | 2.441                    | 2040                                              | 2015                      | 25                  | 19                            | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 22) | 2.441                    | 2041                                              | 2016                      | 25                  | 20                            | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 23) | 2.441                    | 2038                                              | 2013                      | 25                  | 17                            | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 24) | 2.441                    | 2039                                              | 2014                      | 25                  | 18                            | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (Pier 25) | 2.441                    | 2029                                              | N/A                       | 25                  | 8                             | \$784,000                          | 3%                                       | \$21,479    | 1                | \$21,479       |
| Roofs - Shingles, Gutters and Downspouts (gazebo)  | 2.441                    | 2033                                              | N/A                       | 25                  | 12                            | \$784,000                          | 1%                                       | \$5,370     | 1                | \$5,370        |
| Siding - Metal (1)                                 | 2.761                    | 2027                                              | original                  | 35                  | 6                             | \$1,436,000                        | 100%                                     | \$1,436,000 | 10               | \$143,600      |
| Soffits and Fascia - Aluminum (1)                  | 2.891                    | 2027                                              | original                  | 35                  | 6                             | \$338,000                          | 100%                                     | \$338,000   | 10               | \$33,800       |
| <b>Garage Components</b>                           |                          |                                                   |                           |                     |                               |                                    |                                          |             |                  |                |
| Boiler - Pier 4 Ramp Snow Melt System              | 5.221                    | 2034                                              | 2009                      | 25                  | 13                            | \$7,000                            | 100%                                     | \$7,000     | 1                | \$7,000        |
| Ramp Snow Melt System - Pier 4                     | 5.621                    | 2024                                              | N/A                       | 25                  | 3                             | \$25,300                           | 100%                                     | \$25,300    | 1                | \$25,300       |

*Continued on next page*

## Reserve Component List

|                                                        | Engineering<br>Data<br>Section | Replacement<br>Year (red font if in<br>5 years or less) | Age<br>(N/A = not<br>available) | Useful<br>Life<br>(years) | Remaining<br>Useful Life<br>(years) | Replacement<br>Cost without<br>Inflation | % Included<br>(blue font if less<br>than 100%) | \$ Included | Number<br>of<br>Phases | Cost per<br>Phase |
|--------------------------------------------------------|--------------------------------|---------------------------------------------------------|---------------------------------|---------------------------|-------------------------------------|------------------------------------------|------------------------------------------------|-------------|------------------------|-------------------|
| <b>Site Components</b>                                 |                                |                                                         |                                 |                           |                                     |                                          |                                                |             |                        |                   |
| Bridges - Pedestrian (north)                           | 6.107                          | 2052                                                    | 2017                            | 35                        | 31                                  | \$175,000                                | 29%                                            | \$50,000    | 1                      | \$50,000          |
| Bridges - Pedestrian (small)                           | 6.107                          | 2054                                                    | 2019                            | 35                        | 33                                  | \$175,000                                | 26%                                            | \$45,000    | 1                      | \$45,000          |
| Bridges - Pedestrian (east)                            | 6.107                          | 2045                                                    | 2010                            | 35                        | 24                                  | \$175,000                                | 46%                                            | \$80,000    | 1                      | \$80,000          |
| Concrete Curbs and Gutters (2% every year)             | 6.121                          | 2022                                                    | varies                          | 1                         | 1                                   | \$109,000                                | 2%                                             | \$2,180     | 1                      | \$2,180           |
| Concrete Driveways (2% every year)                     | 6.141                          | 2022                                                    | varies                          | 1                         | 1                                   | \$220,000                                | 2%                                             | \$4,400     | 1                      | \$4,400           |
| Concrete Sidewalks, Stoops and Stairs (2% every year)  | 6.181                          | 2022                                                    | varies                          | 1                         | 1                                   | \$361,000                                | 2%                                             | \$7,220     | 1                      | \$7,220           |
| Light Poles and Fixtures - Streets                     | 6.601                          | 2028                                                    | original                        | 40                        | 7                                   | \$44,000                                 | 100%                                           | \$44,000    | 1                      | \$44,000          |
| Light Poles and Fixtures - Piers 10-25 (1)             | 6.602                          | 2030                                                    | original                        | 25                        | 9                                   | \$19,800                                 | 100%                                           | \$19,800    | 1                      | \$19,800          |
| Mail Cluster Box Stations                              | 6.621                          | 2042                                                    | 2017                            | 25                        | 21                                  | \$25,300                                 | 100%                                           | \$25,300    | 1                      | \$25,300          |
| Pavement Replacement (1) - Pier 1                      | 6.661                          | 2022                                                    | N/A                             | 25                        | 1                                   | \$448,000                                | 10%                                            | \$45,000    | 1                      | \$45,000          |
| Pavement Replacement (1) - Pier 2                      | 6.661                          | 2023                                                    | N/A                             | 25                        | 2                                   | \$448,000                                | 8%                                             | \$33,000    | 1                      | \$33,000          |
| Pavement Replacement (1) - Storage/RV Parking          | 6.661                          | 2023                                                    | N/A                             | 25                        | 2                                   | \$448,000                                | 6%                                             | \$26,000    | 1                      | \$26,000          |
| Pavement Replacement (1) - Pier 4 Driveway and Parking | 6.661                          | 2031                                                    | N/A                             | 25                        | 10                                  | \$448,000                                | 7%                                             | \$31,088    | 1                      | \$31,088          |
| Pavement Replacement (1) - Pier 6                      | 6.661                          | 2046                                                    | 2021                            | 25                        | 25                                  | \$448,000                                | 14%                                            | \$64,467    | 1                      | \$64,467          |
| Pavement Replacement (1) - Lagoon Court                | 6.661                          | 2024                                                    | N/A                             | 25                        | 3                                   | \$448,000                                | 10%                                            | \$45,000    | 1                      | \$45,000          |
| Pavement Replacement (1) - Shoreline Drive             | 6.661                          | 2031                                                    | N/A                             | 25                        | 10                                  | \$448,000                                | 10%                                            | \$43,719    | 1                      | \$43,719          |
| Pavement Replacement (1) - Island View Court           | 6.661                          | 2031                                                    | N/A                             | 25                        | 10                                  | \$448,000                                | 8%                                             | \$34,308    | 1                      | \$34,308          |
| Pavement Replacement (1) - Lakeland Drive              | 6.661                          | 2045                                                    | 2020                            | 25                        | 24                                  | \$448,000                                | 11%                                            | \$48,254    | 1                      | \$48,254          |
| Pavement Replacement (1) - Pier 10-25 Driveways        | 6.661                          | 2026                                                    | varies                          | 25                        | 5                                   | \$448,000                                | 16%                                            | \$72,217    | 1                      | \$72,217          |
| Piers (3 of 13 every 5 years)                          | 6.747                          | 2022                                                    | varies                          | 5                         | 1                                   | \$125,000                                | 23%                                            | \$28,846    | 1                      | \$28,846          |
| Lake Restoration (remaining)                           | 6.781                          | 2022                                                    | original                        | N/A                       | 1                                   | \$143,000                                | 60%                                            | \$85,800    | 5                      | \$17,160          |
| Lake Restoration (subsequent)                          | 6.781                          | 2047                                                    | 2017                            | 30                        | 26                                  | \$143,000                                | 100%                                           | \$143,000   | 10                     | \$14,300          |
| Retaining Walls - Pier 4 (1)                           | 6.901                          | 2024                                                    | original                        | 30                        | 3                                   | \$7,700                                  | 100%                                           | \$7,700     | 1                      | \$7,700           |
| Retaining Walls - Rebuild (1)                          | 6.902                          | 2026                                                    | N/A                             | N/A                       | 5                                   | \$16,000                                 | 100%                                           | \$16,000    | 1                      | \$16,000          |
| Signs (1)                                              | 6.961                          | 2027                                                    | N/A                             | 25                        | 6                                   | \$44,000                                 | 100%                                           | \$44,000    | 1                      | \$44,000          |

## Pier 4 Component List

This chart is included only to highlight components for which the general Association is not responsible.

## Reserve Component List

|                                              | Engineering<br>Data<br>Section | Replacement<br>Year (red font if in<br>5 years or less) | Age<br>(N/A = not<br>available) | Useful<br>Life<br>(years) | Remaining<br>Useful Life<br>(years) | Replacement<br>Cost without<br>Inflation | Flexibility |
|----------------------------------------------|--------------------------------|---------------------------------------------------------|---------------------------------|---------------------------|-------------------------------------|------------------------------------------|-------------|
| <b>Building System Components</b>            |                                |                                                         |                                 |                           |                                     |                                          |             |
| Boilers - Building Heat                      | 4.221                          | 2022                                                    | N/A                             | 20                        | 1                                   | \$18,000                                 | firm        |
| Fire Alarm System                            | 4.421                          | 2025                                                    | 1995                            | 30                        | 4                                   | \$24,300                                 | firm        |
| <b>Garage Components</b>                     |                                |                                                         |                                 |                           |                                     |                                          |             |
| Door and Operator - Garage                   | 5.371                          | 2038                                                    | 2018                            | 20                        | 17                                  | \$5,400                                  | deferrable  |
| Exhaust System - Garage Fans and Louvers (1) | 5.421                          | 2025                                                    | original                        | 40                        | 4                                   | \$10,000                                 | deferrable  |
| Fire Suppression System Heads - Garage       | 5.471                          | 2032                                                    | original                        | 50                        | 11                                  | \$3,000                                  | deferrable  |
| Lighting - Garage (1)                        | 5.521                          | 2025                                                    | N/A                             | 30                        | 4                                   | \$2,300                                  | deferrable  |

## Overview

(excerpted from Superior Reserve's study)

This reserve study is a *physical and financial analysis* of your property that determines what components of your property will eventually require either major repairs or restoration, or complete replacement. Large, one-time contributions (special assessments) for these projects can be eliminated with the development of a *reserve* through relatively smaller annual contributions. The physical analysis determines the existing quantities, conditions, useful lives and costs of the components. The financial analysis determines the existing financial situation of your property and the reserves necessary to offset the future expenses.

A reserve study is set up so owners pay for what wears out while they live there as opposed to potentially having to pay the full, much larger amount (usually via assessment) for something like a roof that may need to get replaced while the owner lives there, even if it's only for a few years.

In comparison, if you own a single family home, you cover the full cost of the needed repair whether you reduce the selling price by that cost (e.g., roof) or you pay for the repair to be done in order to sell the home.

### Reserve Component

Components in this reserve study meet the following requirements:

- responsibility of the property
- limited useful life expectancy
- predictable *remaining* useful life expectancy
- above a minimum threshold cost

Components that do not fulfill the above requirements are not included in this study.

### 30 Year Analysis

The analysis for this reserve study encompasses the next 30 years. The components of the property age each year. Those who enjoy the use of each component are financially responsible for what they enjoyed. This length of an analysis is necessary to analyze the aging of nearly all the major components of the property. The expectation is not that the current Homeowners, Board of Directors and/or Management will be present at the property in 30 years. Rather, the future analysis aids in determining the most accurate *current* contribution for the aging components.

### Funding Method

The funding method of this reserve study utilizes the *cash flow method*. With the cash flow method, contributions to the reserve fund are designed to offset variable annual expenditures. We experiment with different contribution scenarios until an ideal scenario is discovered to offset reserve expenditures. All expenses and contributions are *pooled* together. Our experience indicates that the cash flow method typically results in lower overall contributions than the *component method*, which typically segregates funds.

### Funding Goal

The funding goal of this reserve study is to maintain a reserve balance above a minimum *threshold* during the years of major expenditures. We assume a contingency reserve balance of not less than *approximately* ten percent (10%) of the expenditures in the **threshold funding year** (The year the reserve balance is at its lowest point). The Association can determine if it prefers a higher or lower contingency.

The ideal situation is when the threshold funding year is in the last year of the analysis. This provides the maximum amount of time that the property can save up for major expenses. A critical situation is when the threshold funding year is in the first few years of the analysis. This situation requires major initial reserve contributions to offset near-term expenditures.

### **Funding**

This reserve study assumes an ideal situation where all future costs are offset by annual contributions to the reserve fund. *We understand that this is not always possible.* Our experience suggests that major projects are funded through multiple means such as partially through the reserve fund and partial through either additional assessments or bank loans. The specific funding of the projects is determined by the property at the time of the event (this is not something we can forecast). The goal of the property should be to follow the recommended funding plan outlined in this reserve study. If the recommended reserve contributions are not feasible as determined by the Board of Director's judgment, this reserve study should then be used, at a minimum, to justify the need for an *increase* over the *current* reserve fund contribution.

### **Reserve Study Requirements**

Property Declarations occasionally define reserve study requirements. The state legislature may also define reserve study requirements. The following is a link to state reserve study requirements (the property should be aware more recent or pending legislation may exist since the date of this report):

<http://docs.legis.wisconsin.gov/statutes/statutes/703/163/7>

It is our intention that this reserve study complies with these requirements. The property should consult with their attorney on discrepancies between reserve study requirements. Contact us for any revision necessary to the reserve study to fulfill these requirements.

### **Cost estimates**

We obtain the cost estimates for replacements from the following sources:

- published sources (*RS Means* based on standard union labor rate)
- historical costs
- proprietary information

Our estimates are not guarantees of actual replacement costs. We base our estimates on our calculation of expected market rate for your specific location and specific situation. Multiple contractor bids will result in multiple cost estimates. *Multiple* contractor estimates will inevitably vary from our *single* estimate.

The property should verify the scope of work in the contractor's estimate is similar to what is noted on the Engineering Data page (Engineering Data pages are all the backup data pages found in the complete study). Common reasons for cost discrepancies include varying scopes of work and improvements over the existing components. Technological improvements also cause cost discrepancies – what may have been current technology at the time of the study could be obsolete at the time of replacement.

If the property receives an estimate that is higher than the estimate in this reserve study for the same scope of work, the property should use this study as a tool to negotiate a lower cost. If the property receives an estimate that is lower than the estimate in this reserve study for the same scope of work, the estimate is below the expected market rate.

### Long Lived Components

Components exist at the property that will not require replacement during the 30 year analysis. Although these long lived components will eventually require replacement, they do not fall within the scope of the analysis. Periodic updates of the study will eventually include their replacement. Frequent updates of the study will ensure the property has up to 30 years to plan for their eventual replacement. The following is a list of **common** long-lived components for the property:

- electrical systems
- foundations
- pipes within the building walls and subsurface
- structural frames

### Operating Budget

The operating budget provides funds necessary for the daily operation of the property. In general, the operating budget includes expenses that repeat from year to year, such as administrative expenses and cleaning. All the property components require maintenance. *This reserve study does not include maintenance costs that would traditionally fall under an operating budget.* We assume the property will fund normal annual maintenance through the operating budget. We also assume that the property will fund replacement of components below an estimated minimum threshold cost of \$2,000 through the operating budget. The following is a list of components that we assume the property will fund through the operating budget:

- beach sand
- crack repairing and patching of asphalt pavement
- fence at dumpster/RV parking
- garage floors
- gravel paths
- landscape
- picnic tables
- railings at stoops and stairs (replacement of individual railings is included with replacement of each set of stoops and stairs)
- refinishing of piers
- rest rooms in gazebos
- seal coating of asphalt pavement (for aesthetic purposes if desired) and striping
- valves
- wood rail fences

The items in the list above have a minimal (if any) impact on our recommended reserve fund contribution. If the property chooses to fund these expenses through reserves, updates of this reserve study would account for these expenses.

### **Homeowner Responsibility**

The property's Declaration assigns the responsibility of certain components to the homeowners. These are typically components where the use is solely enjoyed by the homeowner. The following is a list of components that are the responsibility of the homeowners as described to us during our meeting at the property:

- decks
- electrical systems within the individual homes
- garage doors
- heating, ventilating and air conditioning (HVAC) units serving the individual homes
- interiors of the individual homes
- patios
- pipes that branch off the common pipes to the individual home plumbing fixtures
- skylights
- windows and doors
- balconies
- exterior lights

We do not provide an opinion on the accuracy of this list. Historical practices for repairs and replacements occasionally conflict with what is stated in the Declaration. The property should consult with their attorney to verify the accuracy of the information in this list provided to us.

Although these components are maintained by the homeowners, Declarations typically allow the Board of Directors to have *architectural control* over replacement. This aids in keeping a uniform appearance throughout the property. Homeowner replacement projects with a high dollar value can be managed by the property but the expenses charged back to the homeowners. This simplifies complex projects by having one contractor and further ensures a uniform appearance.

### **Responsibility of Others**

We were informed that there are components within the property that are the responsibility of others. The following components are neither the responsibility of the property nor the homeowners:

- sidewalks parallel with Tuckaway Shores Drive
- Tuckaway Shores Drive

There are also components that are the sole responsibility of the Pier 4 homeowners:

- Building system components (boilers, life safety system)
- Garage components (except garage floor, which is the Association's responsibility)

### **Additional Assessments**

The objective of properly planned operating budgets and reserve contributions is to avoid additional assessments. However, additional assessments are necessary for unplanned costs such as code change requirements, unobservable conditions, property improvements, etc. We *do not* recommend the property fund these expenses through reserves. The property should consult with an attorney to determine if the property Bylaws have a provision for these types of expenses.

## Summary of Qualifications

Justin J. Maier, P.E., RS  
Partner

### Services

Justin J. Maier is a partner and co-founder of Superior Reserve Engineering and Consulting. Justin J. Maier provides *expert* reserve and transition studies, and property engineering reviews. Properties that have benefited from his experience include townhome associations, condominium associations, planned unit developments, marinas, resorts, hotels, churches and country clubs. These properties vary from complex high rise buildings to vintage buildings of historical significance. He has provided these services to *more than 2,100* properties throughout the United States and worldwide.



### Prior Experience

Prior to co-founding Superior Reserve with Nik J. Clark, Mr. Maier had conducted reserve and transition studies with Reserve Advisors for 14 years. During this time, he was the Director of Product Development where he oversaw the development, improvement and production efficiency of reserve and transition studies for the firm. He was the leading producer of reserve and transition studies. Mr. Maier was instrumental in improving the quality of reports both in content, clarity and appearance. Reserve Advisors experienced tremendous success based on the standard of reserve and transition study quality that he implemented.

Mr. Maier was a structural engineer for Wausau Window and Wall Systems. There he analyzed stresses in horizontal and vertical components of aluminum frame curtain wall window systems in projects throughout the United States for both wind pressure and suction loads. He was involved in field work to correct improperly installed system components.

Mr. Maier was an Assistant Engineer for Crest Consulting Engineers. His services required on-site field investigation of architectural and structural failures, analysis of the preexisting design and conditions, and determination of the design shortfalls or owner modifications that caused the failures. He designed remedial repairs, produced cost estimates for the repairs, prepared the specifications and oversaw the implementation of the repairs.

### Expert Witness

Through the expert witness of Mr. Maier, the Villages at Cumberland Trail in Columbus, Ohio and The Retreat Homeowners Association in Indianapolis, Indiana were able to successfully negotiate a settlement for their construction defects.

### Education

Milwaukee School of Engineering (MSOE) - Bachelors of Science in Architectural Engineering

### Professional Affiliations

Professional Engineer (P.E.) - licenses held in WI, IL, OH, NY, TX, DC, VA, MD, MI, MN, PA

Reserve Specialist (RS) - credential awarded by Community Association's Institute (CAI)

Certified Pool / Spa Operator - issued by the National Swimming Pool Foundation