

**Reserve Study Update**  
**Finance Advisory Committee**  
**TVPOA Board**  
**Updated August 14, 2023**



## Why Did We Do A Reserve Study?

### **Common Area Asset Management Covers Many Perspectives:**

- Initial Construction or Purchase of New Amenity
- Regular Repair and Maintenance
- *Major Repair and Replacement of Existing Assets (Key Focus of Reserve Study)*

### **Align Board's Fiduciary Responsibility & Property Owner Common Interest:**

- Maximize Individual Owner's Property Values
- Maximize Owner Enjoyment and Benefit
- Fulfill Mandated Service Levels
- Minimize Special Assessments and Debt
- Investment Policy for Reserves
- Comply with Financial Accounting Standards Board (FASB 972)
- Anticipate Future Needs (A Separate Fund from Reserves)

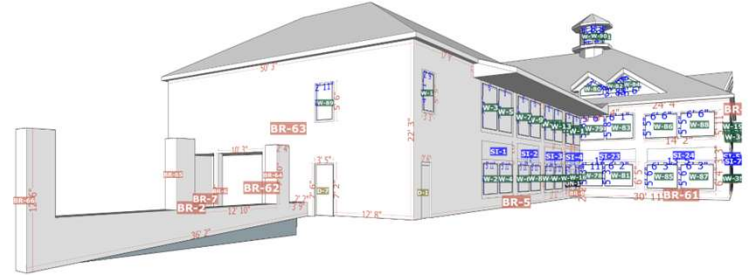


### **Reserve Study Key Concepts:**

- Components (Water System, Sewer System, Roads, Buildings, Golf Courses.....)
- Useful Life (Years)
- Remaining Useful Life (Useful Life less Years Since Installation)
- Current Cost of Replacement
- Future Cost of Replacement (Current Cost Adjusted for Inflation)
- Inflation (4% Long Term)
- Return on Investment (0.75% Long Term)
- 30 Year Cash Flow Model (Reserve Balance, Contributions, Expenditures, Inflation, and Interest Earned)



## Example Building Component- Yacht Club



Areas	Siding	Other
Facades	1241 ft <sup>2</sup>	8700 ft <sup>2</sup>
Openings	1039 ft <sup>2</sup>	1962 ft <sup>2</sup>
Trims*	204 ft <sup>2</sup>	81 ft <sup>2</sup>
Unknown (no photos)*	0 ft <sup>2</sup>	16 ft <sup>2</sup>
Total	2484 ft <sup>2</sup>	10759 ft <sup>2</sup>

\*Any trim or unknown material that touches siding is included in the 'Siding' column. If it does not touch siding, then it's included in the 'Other' column.

Openings	Siding	Other
Quantity	23	47
Tops Length	176' 5"	168'
Sills Length	34' 10"	361' 6"
Sides Length	50' 2"	465' 11"
Total Perimeter	261' 4"	995' 5"

Corners	Siding	Other
Inside Qty	1	-
Inside Length	3'	-
Outside Qty	8	-
Outside Length	13'	-

Accessories	Siding	Other
Shutter Qty	0	0
Shutter Area	0 ft <sup>2</sup>	0 ft <sup>2</sup>
Vents Qty	0	0
Vents Area	0 ft <sup>2</sup>	0 ft <sup>2</sup>

Trim	Siding	Other
Level Starter	368' 11"	710' 6"
Sloped Trim	-	261' 9"
Vertical Trim	109' 4"	1720' 6"

Roofline	Length	Avg. Depth	Soffit Area
Eaves Fascia	650' 5"	-	-
Level Frieze Board	884' 4"	7' 3"	2032 ft <sup>2</sup>
Rakes Fascia	176' 8"	-	-
Sloped Frieze Board	24' 1"	2'	248 ft <sup>2</sup>

### SIDING WASTE TOTALS

Siding & Trim Only*	Area	Squares
Zero Waste	1449 ft <sup>2</sup>	14 1/2
+ 10%	1596 ft <sup>2</sup>	16
+ 18%	1712 ft <sup>2</sup>	17 1/4

+ Openings < 20ft <sup>2</sup>	Area	Squares
Zero Waste	1904 ft <sup>2</sup>	19 1/4
+ 10%	2096 ft <sup>2</sup>	21
+ 18%	2250 ft <sup>2</sup>	22 3/4

+ Openings < 33ft <sup>2</sup>	Area	Squares
Zero Waste	2107 ft <sup>2</sup>	21 1/4
+ 10%	2319 ft <sup>2</sup>	23 3/4
+ 18%	2489 ft <sup>2</sup>	25

\*The first three rows of the Siding Waste Factor table are calculated using the total ft<sup>2</sup> of siding facades, ft<sup>2</sup> of trim touching siding, and ft<sup>2</sup> of unknown touching siding.

Roof	Area	Total	Length
Roof Facets	14195 ft <sup>2</sup>	44	-
Ridges / Hips	-	33	694' 9"
Valleys	-	34	370' 10"
Rakes	-	24	176' 8"
Eaves	-	32	650' 5"
Flashing	-	14	120' 3"
Step Flashing	-	13	34' 6"
Drip Edge/Perimeter	-	-	827' 1"

Roof Pitch*	Area	Percentage
9/12	7093 ft <sup>2</sup>	49.97%
8/12	4237 ft <sup>2</sup>	29.85%
0/12	2474 ft <sup>2</sup>	17.43%
4/12	371 ft <sup>2</sup>	2.61%

\* Only top 4 values shown. Reference Roof Pitch page for all values.

### Example Waste Factor Calculations

	Zero Waste	+5%	+10%	+15%	+20%
Area	14195 ft <sup>2</sup>	14905 ft <sup>2</sup>	15615 ft <sup>2</sup>	16324 ft <sup>2</sup>	17034 ft <sup>2</sup>
Squares	142	149 1/4	156 1/4	163 3/4	170 3/4

The table above provides the total roof area of a given property using waste percentages as noted. Please consider that area values and specific waste factors can be influenced by the size and complexity of the property, captured image quality, specific roofing techniques, and your own level of expertise. Additional square footage for Hip, Ridge, and Starter shingles are not included in this waste factor and will require additional materials. This table is only intended to make common waste calculations easier and should not be interpreted as recommendations.



## Reserve Study Key Findings:

- Current Replacement Cost of POA Assets Exceeds \$400 Million (Including Land & Fairways)
- Each Property Owner has a De Facto Ownership of Approximately \$60,000 in the Association
- Assets That Require Reserves Exceed \$376 Million and 2/3rds of that Amount is Water & Sewer
  - ***Our Highest Value Assets are Those Property Owners Just Expect to be There – Typically Owned by a City or County***
- Facilities Advisor International (FAI) Recommends \$8-10 Million Per Year Contribution to Reserves

Reserve Study - Today's Replacement Cost:						
	2022 \$ Mils	4% Inflation-1 Yr	Asset Additions/Subtractions	2023 \$ Mils	Change %	Comments
Water System	\$ 150.7	\$ 156.7	\$ 0.6	\$ 157.3	0.4%	Water Storage/Pump
Sewer System	\$ 86.9	\$ 90.4	\$ -	\$ 90.4	0.0%	
Roads	\$ 57.3	\$ 59.6	\$ 1.0	\$ 60.6	1.7%	Chota Road
Buildings	\$ 30.2	\$ 31.4	\$ (4.0)	\$ 27.4	-12.7%	Tanasi Burnt
Golf (Excl Fairways)	\$ 21.1	\$ 21.9	\$ 0.7	\$ 22.6	3.2%	Bunker/Equipment
Boat Docks	\$ 6.3	\$ 6.6	\$ 0.8	\$ 7.4	12.2%	Various Docks
Equipment	\$ 4.9	\$ 5.1	\$ 0.3	\$ 5.4	5.9%	YC Elevator
Vehicles	\$ 2.0	\$ 2.1	\$ -	\$ 2.1	0.0%	
Recreation	\$ 1.3	\$ 1.4	\$ 0.7	\$ 2.1	51.8%	Pickle Plex
Fuel-Marine	\$ 0.2	\$ 0.2	\$ -	\$ 0.2	0.0%	
PWC Docks	\$ 0.2	\$ 0.2	\$ -	\$ 0.2	0.0%	
Signs	\$ 0.2	\$ 0.2	\$ -	\$ 0.2	0.0%	
<b>Total</b>	<b>\$ 361.3</b>	<b>\$ 375.8</b>	<b>\$ 0.1</b>	<b>\$ 375.9</b>	<b>0.0%</b>	

*Note PPE on Balance Sheet ~ \$34M  
Sewer, Water, Roads, & Some Buildings  
Transferred from Cooper*





## **Changes since original Reserve Study-October 2022**

Tanasi Clubhouse removed from Reserve Study

This includes the structure, furniture, roof replacement, paint, and building renovation.

Tanasi will drive total Reserve Replacement from \$376M to \$383M when complete.

Added the following capital items since October 2022:

- Pavement replacement-various
- Golf equipment
- Pickleplex
- Kahite kitchen renovation
- Tanasi P-Dock
- Water Storage Tank-Chota
- 2022 Water Meter Replacement
- Pump Station Booster
- Yacht Club Elevator
- Chota Concrete Road Replacement
- Golf Maintenance Turbine Blowers
- Kahite Docks