

Meadow Brook Estates Reserve Study

Association Meeting
April 1, 2026



ADVANCED RESERVE SOLUTIONS

Planning for the Long-Term Financial Health of Meadow Brook Estates

- We will begin with:
 - What a reserve study is
 - Why reserve studies matter
 - What they provide to the association
 - How the study works as a planning tool
- We will then review the study results:
 - How the report is organized
 - Key findings from the executive summary
 - Current and future funding outlook

What a Reserve Study Is – and What It Is Not

WHAT IT IS

- A long-term capital planning tool
- An inventory of major common components
- A projection of repair and replacement costs over time
- A financial roadmap for maintaining the community

WHAT IT IS NOT

- Not a guarantee of exact future costs
- Not a step-by-step guide for performing repairs
- Not a prediction of the exact year a component will fail
- Not a substitute for routine inspections and maintenance

The goal is not perfect prediction — the goal is reducing uncertainty and avoiding financial surprises.

Why Reserve Studies Matter

- Buildings will age. Materials will deteriorate. Costs fluctuate.
- The question is not **if** major repairs will occur — it is **whether the Association will be financially prepared.**
 - Major capital components follow predictable life cycles that can be planned for.
 - Long-term planning helps avoid special assessments and financial surprises.
 - Adequate reserves support property values, buyer confidence, and lender requirements.
 - Reserve planning helps the board meet its fiduciary responsibility to the community.

Long-term planning is essential to effectively managing the Association's finances.

What Adequate Reserves Provide

Adequate reserves allow the association to maintain:

- Stable and predictable **assessments**
- Fair allocation of long-term repair and replacement costs across owners
- Timely and cost-effective capital replacement
- A sustainable financial structure
- Minimizes future financial shock to owners

Report Organization

Preface

- Introduction to reserve studies
- How to read the report

Executive Summary

- Community overview
- Key financial assumptions

Financial Analysis

- Reserve component balances
- Funding distribution charts

Funding Plan

- Annual expenditure schedule
- 30-year funding projections

Component Details

- Reserve component inventory
- Quantity, useful life, and cost

How Reserve Studies Work

Reserve studies follow three basic steps:

1. Identify Components

Inventory & condition is determined at site visit.

2. Estimate Life & Timing

Estimate useful life and replacement timing.

3. Plan Funding

Accumulate reserve funds gradually.

The objective is simple: understand what the Association owns, estimate when it will require replacement, and fund those costs gradually over time.

Example Reserve Component

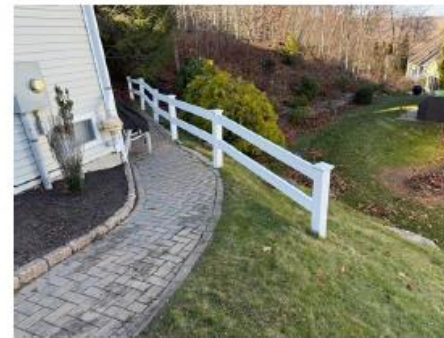
Component Identification

- Description
- Category

Site - Fence, Rail, Vinyl			
Category	005 Site	Quantity	4,400 lin. ft.
		Unit Cost	\$45.00
		% of Replacement	33.33%
		Current Cost	\$65,993.40
		Future Cost	\$88,689.61
Placed In Service	01/2011	Assigned Reserves at FYB	\$40,611.32
Useful Life	10	Monthly Member Contribution	\$167.03
Adjustment	+16	Monthly Interest Contribution	\$80.41
Remaining Life	10	Total Monthly Contribution	\$247.44
Replacement Year	2037		

Lifecycle

- Placed in service date
- Useful life
- Remaining life
- Replacement year



Financial Information

- Quantity
- Unit cost
- Replacement percentage
- Current and future replacement cost

Component Documentation

- Site photo
- Detailed scope description

Component budget allowance covers the periodic replacement of the Association's vinyl rail fencing installed over five construction phases and totaling approximately 4,400 linear feet. Vinyl fence systems provide long service life with minimal maintenance; however, prolonged exposure to ultraviolet light and seasonal temperature cycling eventually leads to brittleness, cracking, and color fading. Because the fencing was installed at different times and weathers at varying rates, full-system replacement is neither necessary nor practical. Instead, a phased replacement program has been adopted. Work under this component generally includes removal and disposal of deteriorated sections, installation of new vinyl posts and rails, and resetting or replacing associated hardware and footings. A periodic allowance is included to replace roughly one-third of the total fencing every ten (10) years, ensuring consistent condition throughout the community and accommodating the staggered installation history. Full replacement of all vinyl rail fencing at one time is currently unfunded.

The vinyl rail fencing was in good condition at the time of inspection. Fence posts were plumb, rails were intact, and only minor surface fading typical of age and sun exposure was observed. No widespread cracking, brittleness, or structural deficiencies were noted. Allowance should be adjusted, based on association experience, in future reserve study updates. Average placed-in-service date of 2011 used. Life adjustment given based on condition at site visit. Useful life reduced as the component is funded on a periodic partial-replacement cycle. A percentage of the component is replaced at regular intervals; full replacement of the entire component at one time is not currently funded.

Example Reserve Component

Some component details will also include additional measurements or quantities



9 post light (12 foot tall)	@	\$2,800.00	=	\$25,200.00
7 post lights (6 foot tall)	@	\$1,500.00	=	<u>\$10,500.00</u>
		TOTAL	=	\$35,700.00



Site - Post Lights			
Category	005 Site	Quantity	1 total
		Unit Cost	\$35,700.00
		% of Replacement	33.00%
		Current Cost	\$11,781.00
		Future Cost	\$13,259.62
Placed In Service	01/2024	Assigned Reserves at FYB	\$5,049.00
Useful Life	7	Monthly Member Contribution	\$95.64
Remaining Life	4	Monthly Interest Contribution	\$11.03
Replacement Year	2031	Total Monthly Contribution	\$106.67



Component budget allowance covers the periodic replacement of the Association's pole-mounted site lighting, including 12-foot roadway fixtures and 6-foot pedestrian-scale fixtures located at entry areas and along common pedestrian routes. The lighting system consists of decorative luminaires mounted on aluminum or composite poles. A mix of original and newer fixtures was observed, indicating that partial replacements have already occurred.

Replacement under this component includes removal and disposal of existing poles and fixtures; installation of new poles and luminaires of comparable type and configuration; and reconnection to existing electrical service. Due to mixed fixture ages and variable exposure, lighting replacement is modeled as a periodic program rather than a single event.

At the time of the site visit, pole-mounted lighting was generally in good to fair condition. Newer fixtures exhibited intact finishes and housings, while older fixtures showed faded paint and minor surface corrosion. All observed poles appeared structurally sound.

The placed-in-service date reflects the start of the periodic partial replacement allowance cycle and does not indicate the actual installation date of individual fixtures. Allowance assumptions should be reviewed and adjusted in future reserve study updates based on Association experience.

9 post light (12 foot tall)	@	\$2,800.00	=	\$25,200.00
7 post lights (6 foot tall)	@	\$1,500.00	=	<u>\$10,500.00</u>
		TOTAL	=	\$35,700.00

Primary Capital Cost Drivers

Largest common area capital drivers:

- Roofing systems - asphalt shingles
- Asphalt roads / driveways
- Siding
- Doors / windows



What is Unique About Meadow Brook Estates?

- 246 units constructed in 5 phases (2004-2019)
 - Not all components will be replaced at the same time
- Some components were not funded in the past
 - Catch basins
 - Storm water detention & retention basins
- Extensive infrastructure
 - 102+ catch basins and drainage system
 - Private roads and bridges
- Doors & windows are association responsibility
 - Adds to increase in member contribution

Phased Replacement Strategy

- Predictable project scheduling
- Financial stability
 - Avoids larger single-year spending spikes
- Fair rotation across the community
- Allows attention to the areas with the greatest need

Phased Replacement Strategy

- Roofing, asphalt Shingles, Gutters, and Skylights
 - 4% replacement annually starting in 2027
 - ~25-year full replacement cycle
- Asphalt Roads
 - Pavement preservation
 - 2028 & 2036 – phase 1
 - 2038 & 2046 – phase 2
 - Mill & Overlay
 - 2044 – phase 1
 - 2054 – phase 2

Phased Replacement Strategy

- Siding & Trim (Vinyl)
 - 14.3% replaced every 5 years starting in 2040
 - Full replacement every ~35 years
 - Future reserve study updates to determine percentage
- Windows & Doors
 - 14.3% replaced every 5 years starting in 2040
 - Full replacement every ~35 years
 - Future reserve study updates to determine percentage

Reserve Study Index

Located at the end of the report

Equipment - Mailboxes	89
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Roof - Asphalt Shingles (Annual Program)	66
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Site - Bridges, Roadway	38
Site - Bridges, Walkway	40
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Site - Fence, Chain Link	44

- Components are listed alphabetically
- Each asset is individually listed and cross-referenced
- Page numbers provided for quick **navigation**
- Provides full transparency and traceability

Financial Outlook for Meadow Brook Estates

Meadow Brook Estates Condominium Executive Summary Directed Cash Flow Method

Client Information

Account Number	20289
Version Number	2
Analysis Date	3/11/2026
Fiscal Year	1/1/2027 to 12/31/2027
Number of Units	246

Global Parameters

Inflation Rate	3.00%
Annual Contribution Increase	3.00%
Investment Rate	3.50%
Taxes on Investments	30.00%
Contingency	3.00%

Community Profile

Meadow Brook Estates Condominium is a residential community located off Meadow Brook Road in Oxford, Connecticut. The development consists of multiple wood-framed residential buildings constructed in 5 phases beginning in 2004. Buildings are constructed with poured concrete foundation walls, conventional wood framing, and architectural asphalt shingle roofing. Exterior finishes vary by unit type but generally consist of vinyl siding, vinyl-clad windows, and standard residential exterior trim components.

Units are served by individual asphalt driveways connecting to a private interior roadway network. The roadway system supports the association's stormwater infrastructure, consisting of 120+ catch basins (130 units for cleaning purposes), sedimentation chambers, and downstream detention ponds and basins located across both the Oxford and Seymour sections of the property. The system directs roof, driveway, roadway, and landscaped-surface stormwater runoff into a structured conveyance system that ultimately discharges into nearby regulated watercourses. A combination of dry wells, driveway drains, and yard drains supplements the primary conveyance infrastructure.

Landscaping consists of mature trees, foundation shrubs, lawn areas, and naturalized wooded buffers around the perimeters of the development. Detention basin access trails and sedimentation chamber access points require recurring vegetation management due to their location within densely wooded areas.

ARS site visits: November 20th & 25th, 2025
Reserve balance provided by client

Adequacy of Reserves as of January 1, 2027

Anticipated Reserve Balance	\$1,425,000.00
Fully Funded Reserve Balance	\$3,542,264.93
Percent Funded	40.23%

Funding for the 2027 Fiscal Year	Annual	Monthly	Per Unit Per Month
Member Contribution	\$500,000	\$41,666.67	\$169.38
Interest Contribution	\$31,414	\$2,617.80	\$10.64
Total Contribution	\$531,414	\$44,284.47	\$180.02

Executive Summary

This page summarizes the key assumptions used in the reserve funding projections.

Global Parameters

Inflation Rate	3.00%
Annual Contribution Increase	3.00%
Investment Rate	3.50%
Taxes on Investments	30.00%
Contingency	3.00%

- Inflation rate (3%) - Represents long-term construction cost growth.
- Investment rate (3.5%) - Represents expected earnings on reserve balances.
- Contingency (3%) - Provides a buffer for uncertainty in cost projections.

Executive Summary – Funding Snapshot

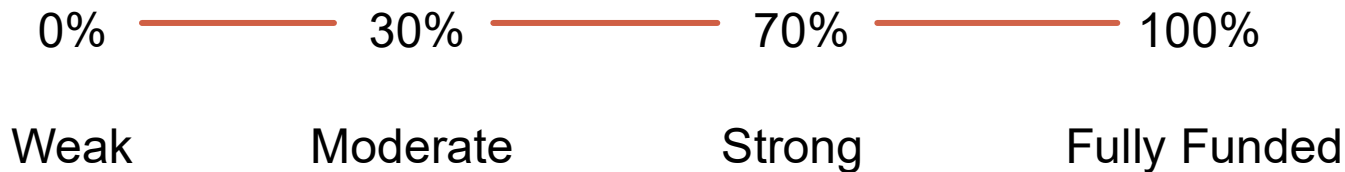
Adequacy of Reserves as of January 1, 2027

Anticipated Reserve Balance	\$1,425,000.00
Fully Funded Reserve Balance	\$3,542,264.93
Percent Funded	40.23%

Percent Funded as of 1/1/27: **40.23%**

Compares the Association's current reserve balance to the amount that should be accumulated based on component aging.

- Industry guidance often considers **70%+ strongly funded**
- 40.23% indicates moderate to elevated funding risk



What is the Fully Funded Balance?

Adequacy of Reserves as of January 1, 2027

Anticipated Reserve Balance	\$1,425,000.00
Fully Funded Reserve Balance	\$3,542,264.93
Percent Funded	40.23%

- The **fully funded balance** represents the accumulated depreciation of all reserve components to date
- It reflects how much should be set aside today if funding had occurred evenly over time
- It is a benchmark used to measure reserve strength
- It does not mean the Association must hold that full amount in cash

Fully Funded Balance = Accumulated Depreciation of All Reserve Components

How Percent Funded Is Calculated?

Adequacy of Reserves as of January 1, 2027

Anticipated Reserve Balance	\$1,425,000.00
Fully Funded Reserve Balance	\$3,542,264.93
Percent Funded	40.23%

	Remaining Life	Useful Life	Current Cost	Fully Funded Balance
020 Building Exterior				
Building Exterior - Doors, Entry	13	5	\$292,749.60	\$161,517.02
Building Exterior - Doors, Garage	7	2	\$64,879.09	\$45,133.28
Building Exterior - Doors, Patio	4	5	\$32,000.00	\$25,600.00
Building Exterior - Siding and Trim, Vinyl	13	5	\$694,122.00	\$382,963.86
Building Exterior - Siding, Masonry Veneer Repairs	10	15	\$9,009.00	\$5,544.00
Building Exterior - Windows	13	5	\$739,681.80	\$408,100.30

- Each component has a current replacement cost
- Each component has a useful life and remaining life
- The fully funded amount reflects the portion of cost that has aged or depreciated

Percent funded compares the current reserve balance to the total accumulated depreciation of all reserve components.

Where Does Meadow Brook Estates Stand Today?

Based on the reserve study analysis

- 30-year capital expenditure projections developed
- Anticipated reserve balance on 1/1/27: \$1,425,000
- Future capital expenditures
- Current annual member contribution: \$242,064
- 3% annual increase applied to both inflation and reserve contributions

The next slide summarizes the Association's current financial outlook.

Projections: Current Funding Level

Member
Contribution

Meadow Brook Estates Condominium
Projections
Current Funding Projections

Expenses

Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenses	Ending Balance	Fully Funded Balance	Percent Funded
2027	\$1,425,000	\$242,064	\$28,497	\$385,299	\$1,310,263	\$3,806,389	34%
2028	\$1,310,263	\$249,326	\$20,020	\$616,031	\$963,577	\$3,836,021	25%
2029	\$963,577	\$256,806	\$17,356	\$380,288	\$857,450	\$4,132,225	21%
2030	\$857,450	\$264,510	\$16,337	\$318,790	\$819,507	\$4,520,920	18%
2031	\$819,507	\$272,445	\$6,468	\$682,790	\$415,630	\$4,558,927	9%
2032	\$415,630	\$280,619	\$2,383	\$447,504	\$251,128	\$4,866,493	5%
2033	\$251,128	\$289,037	\$134	\$377,603	\$162,696	\$5,276,809	3%
2034	\$162,696	\$297,708	\$0	\$428,140	\$29,053	\$5,704,414	1%
2035	\$29,053	\$306,639	\$0	\$596,061	(\$270,950)	\$6,006,032	-5%
2036	(\$270,950)	\$315,839	\$0	\$1,131,804	(\$1,118,101)	\$5,761,529	-19%
2037	(\$1,118,101)	\$325,314	\$0	\$602,745	(\$1,434,492)	\$6,104,195	-24%
2038	(\$1,434,492)	\$335,073	\$0	\$736,645	(\$1,886,070)	\$6,341,997	-30%
2039	(\$1,886,070)	\$345,125	\$0	\$1,166,669	(\$2,779,350)	\$6,254,150	-44%
2040	(\$2,779,350)	\$355,479	\$0	\$3,242,762	(\$5,811,823)	\$4,439,537	-131%
2041	(\$5,811,823)	\$366,144	\$0	\$929,818	(\$6,538,395)	\$5,067,429	-129%
2042	(\$6,538,395)	\$377,128	\$0	\$569,412	(\$6,902,526)	\$6,140,947	-112%
2043	(\$6,902,526)	\$388,442	\$0	\$566,841	(\$7,261,602)	\$7,295,165	-100%
2044	(\$7,261,602)	\$400,095	\$0	\$2,734,954	(\$9,839,622)	\$6,256,103	-157%
2045	(\$9,839,622)	\$412,098	\$0	\$4,412,284	(\$14,188,269)	\$3,455,697	-411%
2046	(\$14,188,269)	\$424,461	\$0	\$1,214,881	(\$15,355,535)	\$4,008,703	-383%

Projected shortfall in
Fiscal year 2035

Current funding plan does not support long-term capital needs

Funding Options Overview

These options reflect different levels of funding risk and contribution increases.

- Baseline Strategy – ~48% funded in 30 years
 - Minimal increase / higher long-term funding risk
- Middle (Intermediate) Strategy – ~75% funded
 - Moderate increase / improved financial stability
- Recommended Strategy – 100% funded
 - Fully funded reserve plan / lowest long-term funding risk
 - Two different approaches available

0% ——— 30% ——— 70% ——— 100%

Weak

Moderate

Strong

Fully Funded

Funding Option I - 100% funded in 30 years

Two-Pronged Approach

Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenses	Ending Balance	Fully Funded Balance	Percent Funded
2027	\$1,425,000	\$500,000	\$31,414	\$385,299	\$1,571,115	\$3,806,389	41%
2028	\$1,571,115	\$515,000	\$29,487	\$616,031	\$1,499,571	\$3,836,021	39%
2029	\$1,499,571	\$530,450	\$33,730	\$380,288	\$1,683,462	\$4,132,225	41%
2030	\$1,683,462	\$546,364	\$39,990	\$318,790	\$1,951,025	\$4,520,920	43%
2031	\$1,951,025	\$562,754	\$37,786	\$682,790	\$1,868,775	\$4,558,927	41%
2032	\$1,868,775	\$579,637	\$41,768	\$447,504	\$2,042,676	\$4,866,493	42%
2033	\$2,042,676	\$597,026	\$48,005	\$377,603	\$2,310,105	\$5,276,809	44%
2034	\$2,310,105	\$614,937	\$53,582	\$428,140	\$2,550,483	\$5,704,414	45%
2035	\$2,550,483	\$633,385	\$55,586	\$596,061	\$2,643,394	\$6,006,032	44%
2036	\$2,643,394	\$652,387	\$44,828	\$1,131,804	\$2,208,804	\$5,761,529	38%
2037	\$2,208,804	\$671,958	\$47,390	\$602,745	\$2,325,408	\$6,104,195	38%
2038	\$2,325,408	\$1,473,425	\$56,023	\$736,645	\$3,118,211	\$6,341,997	49%
2039	\$3,118,211	\$1,517,628	\$65,512	\$1,166,669	\$3,534,681	\$6,254,150	57%
2040	\$3,534,681	\$1,563,157	\$24,906	\$3,242,762	\$1,879,081	\$4,439,537	42%
2041	\$1,879,981	\$1,610,051	\$41,745	\$929,818	\$2,601,960	\$5,067,429	51%
2042	\$2,601,960	\$1,658,353	\$69,110	\$569,412	\$3,760,011	\$6,140,947	61%
2043	\$3,760,011	\$1,708,103	\$98,429	\$566,841	\$4,999,702	\$7,295,165	69%
2044	\$4,999,702	\$1,759,347	\$76,005	\$2,734,954	\$4,100,099	\$6,256,103	66%
2045	\$4,100,099	\$1,812,127	\$12,753	\$4,412,284	\$1,512,695	\$3,455,697	44%
2046	\$1,512,695	\$1,866,491	\$28,481	\$1,214,881	\$2,192,785	\$4,008,703	55%
2047	\$2,192,785	\$1,922,485	\$50,573	\$1,028,902	\$3,136,942	\$4,827,751	65%
2048	\$3,136,942	\$1,980,160	\$82,393	\$715,137	\$4,484,358	\$6,057,954	74%
2049	\$4,484,358	\$2,039,565	\$117,770	\$661,838	\$5,979,854	\$7,436,930	80%
2050	\$5,979,854	\$2,100,752	\$62,605	\$4,411,722	\$3,731,489	\$4,936,004	76%
2051	\$3,731,489	\$2,163,774	\$64,396	\$2,119,795	\$3,839,864	\$4,850,247	79%
2052	\$3,839,864	\$2,228,688	\$100,652	\$794,526	\$5,374,678	\$6,228,347	86%
2053	\$5,374,678	\$2,295,548	\$139,808	\$779,518	\$7,030,516	\$7,725,977	91%
2054	\$7,030,516	\$2,364,415	\$157,610	\$1,748,289	\$7,804,251	\$8,316,404	94%
2055	\$7,804,251	\$2,435,347	\$99,370	\$4,904,949	\$5,434,019	\$5,642,046	96%
2056	\$5,434,019	\$2,508,407	\$125,951	\$1,495,240	\$6,573,137	\$6,573,211	100%

Recommended plan gradually strengthens reserves to fully funded status while maintaining positive reserve balances throughout the projection period.

Member contribution increase in year 1
Additional contribution increase in 2038

Percent funded improves steadily over time

Achieves 100% funded within the 30-year projection

Recommended Funding Plan

100% Funded – Two-Pronged

Recommended Contribution Level (FY 2027)

- Annual reserve contribution with 3% annual increase
 - \$500,000 starting in 2027
 - Increase to \$1,473,425 in 2038
- ≈ \$169 per unit per month in Year 1 (net increase of \$87)
- ≈ \$499 per unit per month increase in 2038 (net increase of \$417)

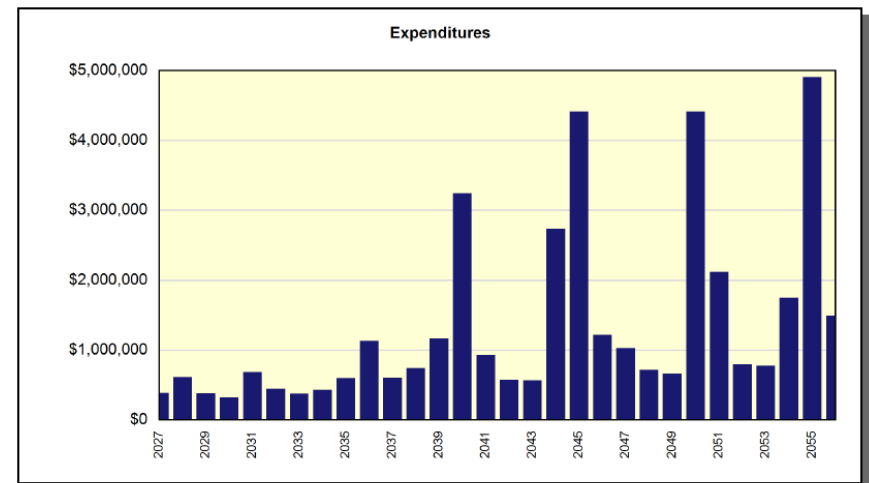
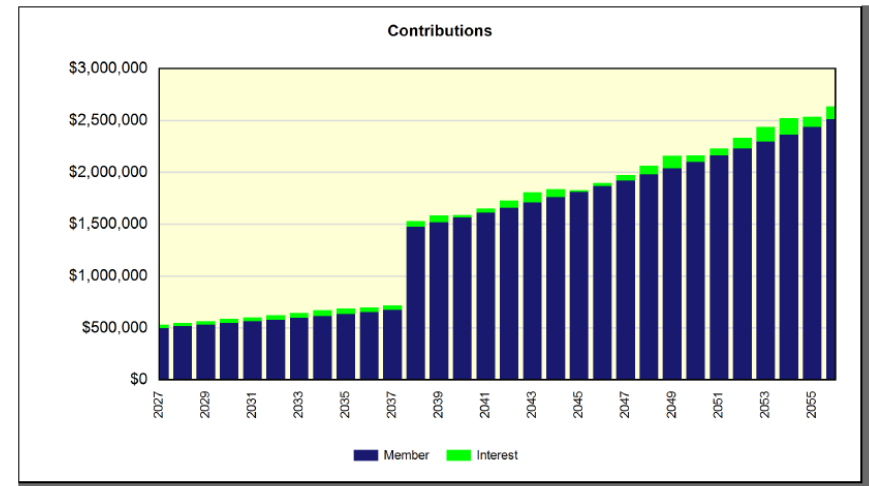
Long-term Outcome

- Achieves 100% funded status within 30 years
- Maintains a stable reserve balance throughout the projection

Projected Annual Reserve Expenditures

Page 20 of Report

- Displays projected capital contributions and capital spending by year
- Contributions reflect 3% annual increase with large increase in 2038
- Reflects inflation and component life cycles
- Expenditures occur in cycles, not evenly
- Peak years drive reserve funding requirements



Funding Option II - 100% funded in 30 years

Single-Pronged Approach

Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenses	Ending Balance	Fully Funded Balance	Percent Funded
2027	\$1,425,000	\$867,399	\$35,567	\$385,299	\$1,942,667	\$3,806,389	51%
2028	\$1,942,667	\$893,421	\$42,971	\$616,031	\$2,263,028	\$3,836,021	59%
2029	\$2,263,028	\$920,223	\$57,053	\$380,288	\$2,860,016	\$4,132,225	69%
2030	\$2,860,016	\$947,830	\$73,680	\$318,790	\$3,562,736	\$4,520,920	79%
2031	\$3,562,736	\$976,265	\$82,394	\$682,790	\$3,938,605	\$4,558,927	86%
2032	\$3,938,605	\$1,005,553	\$97,868	\$447,504	\$4,594,522	\$4,866,493	94%
2033	\$4,594,522	\$1,035,719	\$116,192	\$377,603	\$5,368,831	\$5,276,809	102%
2034	\$5,368,831	\$1,066,791	\$134,477	\$428,140	\$6,141,958	\$5,704,414	108%
2035	\$6,141,958	\$1,098,795	\$149,834	\$596,061	\$6,794,526	\$6,006,032	113%
2036	\$6,794,526	\$1,131,759	\$153,101	\$1,131,804	\$6,947,581	\$5,761,529	121%
2037	\$6,947,581	\$1,165,711	\$170,385	\$602,745	\$7,680,933	\$6,104,195	126%
2038	\$7,680,933	\$1,200,683	\$185,633	\$736,645	\$8,330,603	\$6,341,997	131%
2039	\$8,330,603	\$1,236,703	\$191,483	\$1,166,669	\$8,592,120	\$6,254,150	137%
2040	\$8,592,120	\$1,273,804	\$146,943	\$3,242,762	\$6,770,105	\$4,439,537	152%
2041	\$6,770,105	\$1,312,018	\$159,538	\$929,818	\$7,311,844	\$5,067,429	144%
2042	\$7,311,844	\$1,351,379	\$182,336	\$569,412	\$8,276,147	\$6,140,947	135%
2043	\$8,276,147	\$1,391,920	\$206,750	\$566,841	\$9,307,978	\$7,295,165	128%
2044	\$9,307,978	\$1,433,678	\$179,069	\$2,734,954	\$8,185,770	\$6,256,103	131%
2045	\$8,185,770	\$1,476,688	\$110,191	\$4,412,284	\$5,360,365	\$3,455,697	155%
2046	\$5,360,365	\$1,520,989	\$119,909	\$1,214,881	\$5,786,382	\$4,008,703	144%
2047	\$5,786,382	\$1,566,619	\$135,588	\$1,028,902	\$6,459,687	\$4,827,751	134%
2048	\$6,459,687	\$1,613,617	\$160,576	\$715,137	\$7,518,743	\$6,057,954	124%
2049	\$7,518,743	\$1,662,026	\$188,684	\$661,838	\$8,707,615	\$7,436,930	117%
2050	\$8,707,615	\$1,711,887	\$125,794	\$4,411,722	\$6,133,573	\$4,936,004	124%
2051	\$6,133,573	\$1,763,243	\$119,384	\$2,119,795	\$5,896,405	\$4,850,247	122%
2052	\$5,896,405	\$1,816,140	\$146,942	\$794,526	\$7,064,963	\$6,228,347	113%
2053	\$7,064,963	\$1,870,625	\$176,884	\$779,518	\$8,332,953	\$7,725,977	108%
2054	\$8,332,953	\$1,926,743	\$184,932	\$1,748,289	\$8,696,339	\$8,316,404	105%
2055	\$8,696,339	\$1,984,546	\$116,376	\$4,904,949	\$5,892,313	\$5,642,046	104%
2056	\$5,892,313	\$2,044,082	\$132,057	\$1,495,240	\$6,573,211	\$6,573,211	100%

Recommended plan gradually strengthens reserves to fully funded status while maintaining positive reserve balances throughout the projection period.

Member contribution
\$867,399

Percent funded overfunds to prepare for 2054 & beyond

Achieves 100% funded within the 30-year projection

Recommended Funding Plan

100% Funded – Single-Pronged

Recommended Contribution Level (FY 2027)

- Annual reserve contribution with 3% annual increase
 - \$867,399 starting in 2027
- ≈ \$294 per unit per month in Year 1
- Net increase of \$211 per unit from current contribution
 - Absolute minimum increase of \$802,894 results in 35% funded in 30 years with a net increase of \$190 per unit from current contributions

Long-term Outcome

- Achieves 100% funded status within 30 years
- Maintains a stable reserve balance throughout the projection

Conclusion – Planning for Long-Term Stability

- Meadow Brook Estates has **significant long-term capital responsibilities**
- The **phased replacement strategy** helps smooth capital expenditures over time
- The objective is **predictable funding, minimized special assessments, and long-term financial stability**

Conclusion – Planning for Long-Term Stability

- The reserve funding plan should reflect the community's **desired level of financial risk**
- **Current funding levels are not sufficient** to support long-term capital needs

The reserve study provides the information needed for the Board to make an informed funding decision.

Thank You!

Our goal is to help the association
plan for long-term financial stability
and sustainable capital funding



ADVANCED RESERVE SOLUTIONS

