MT. OLIVE SHORES LOT OWNERS' ASSOCIATION OF POLK COUNTY, INC.
NOTICE AND AGENDA FOR SPECIAL MEMBERSHIP MEETING

NOTICE IS HEREBY GIVEN of the Special Membership Meeting of Mt. Olive Shores Lot Owners' Association of Polk County, Inc. ("Association") to be held on the following date and time at the following place:

DATE: **February 7, 2022**
TIME: **1:00 p.m.**
PLACE: **Gazebo #5**
5201 Island View Drive, Polk City, FL 33868

I. AGENDA: The Agenda for the meeting is as follows:

1. Calling of Meeting to Order
2. Roll Call/Certification of Proxies, Conformation of Quorum
3. Proof of Notice of Meeting
4. Vote to approve increase in assessments or waive or reduce reserve funding
5. Old Business
6. New Business
7. Adjournment

II. PURPOSE

The purpose of this meeting is to consider certain issues relevant to the Association's 2022 Annual Budget. Pursuant to Fla. Stat. 720.303, the Association is required to fully fund its reserve accounts unless the members vote in favor of waiving or reducing reserves.

In order to fully fund reserve accounts and other necessary expenses of the Association, the Association will need to increase annual assessments for 2022 above the limit allowed per Article IV, Section 3 of the Amended and Restated Declaration Amended and Restated Declaration of Restrictions for Mt. Olive Shores ("Declaration"). Article IV, Section 3 provides that the annual assessment may only be increased above the annual percentage adjustment in the Consumer Price Index, plus two percentage points, upon a vote of the members. Accordingly, this meeting of the members is being called to allow the members to vote whether to: (a) increase assessments above the threshold permitted per Article IV, Section 3 of the Declaration; or (b) waive or reduce reserve funding.

The proposed budgets are enclosed with this notice for your consideration. One budget provides for fully funding reserves and increasing assessments to $1074/per lot and the other budget provides for reducing reserves and setting assessments at $970 per lot.

III. PROXY

Enclosed with this notice is a limited proxy. In order to establish a quorum and conduct business at the membership meeting and for your vote to be counted on the foregoing issues, you

must submit your proxy prior to the meeting. Please complete, sign, and date the proxy form and return it to:

Mt. Olive Shores Lot Owners' Association, Inc.
Attention: JoAnna Likar, LCAM
EnProVera
330 Pauls Drive Ste. 200
Brandon, FL 33511

If you have questions, please contact the Association's community manager's office at 813-602-2355.

Dated this 24 day of January 2022
By Order of the Board of Directors

2022-2023 BUDGET INFORMATION

On February 7, at 1:00 P.M. prior to the scheduled Workshop Meeting there will be a Special Meeting to consider and adopt the budget for 2022-2023.

Prior to this meeting, the membership will hold a special vote to determine if the Association will fully fund our reserve requirement for this budget. The voting will begin at 10:00 A.M. and continue until 12:30 P.M. at the library gazebo on Island View Drive.

You will find a ballot, agenda and proxy in this mailing. Copies of two budgets are also included; one headed as "Budget Committee Proposed Budget" the other as "Fully Funded Reserves". If you lay them side-by-side and compare the "2022-2023 proposed budget columns" in each budget, you will see they are identical.

The only differences between the two budgets will be found on the back page after "Total Operating Expenses" have been tabulated. The Budget Committee Proposed budget shows a reduction, from last years reserve contribution, of $22,141, thus only contributing $52,166 for this year. Whereas, in the exact same location on the "Fully Funded Reserves" budget the reserve contribution of $87,000, that is required by our reserve study, increases last year's contribution by $12,693.

The per lot assessment to fund the "Budget Committee Proposed" budget is $970. The per lot assessment to fund the "Fully Funded Reserves" budget is $1,074. Therefore, the increase to fully fund our reserves above the $34,834 underfunding is $104 per lot.

I have also included two charts from our reserve study. One projects our contribution requirements out 30 years, the other projects maintenance and replacement expenses for the same 30 years. The full report is available for you to read or download from our web site. I encourage everyone who has not previously read the report to do so before you vote, there is considerable insight as to the future requirements necessary to support our infrastructure.

It is evident from the two charts that if we do not follow the contributions required in our reserve study chart that we will not have the funds in the future to meet the required "maintenance or replacement" expense when it is needed.

I understand this is a major increase. However, the future consequence of us not meeting our reserve contributions, when due, as contained in our reserve study, will be far more difficult for all of us to absorb.

Each year we pay an engineering firm to provide us with a report, that follows the State of Florida guidelines, to inform us of the amount we need to save (reserve) to have the funds necessary, when we need them, to maintain or replace our various infrastructure assets.

As much as I do not like the idea of this increase in assessments, I know and understand the need and the consequences of not funding it. I recommend the adoption of the "Fully Funded Reserves" budget.

This voting on the budget by all the members is necessitated because Florida Statutes does not permit a Board of Directors to reduce the reserve contribution below the amount required by a reserve study, only a vote by a quorum of the membership can do that. If you will not be available to vote in person, please complete your ballot and proxy and mail it to our management company or hand it to any board member in a sealed envelope. Please ensure we receive this ballot and proxy before the date of the voting, and mark it as budget in a separate envelope from the annual meeting voting on the new Board Members and the amendment.

Bill

APPENDIX C - RESERVE ESPENSES TABLE

Mt. Olive Shores

Estimated Inflation Rate 2.5%

Line Item	Reserve Component	Useful Life, Years	In Service Year(s)	Estimated Remaining Life, Years	1st Year of Work	2021 Unit Cost	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
						Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Stormwater System Inspection	10		10	2022	$ 24,250		$ 7,898	$ 4,178	$ 9,369	$ 4,939							$ 10,110	$ 5,349	$ 11,993	$ 6,322	
2	Outfall Pipe Lining	up to 60	2022	60	2022	$ 21,500		$ 22,588														
3	Stormwater System Repair/Replacement	up to 60	1985	24	2023	$ 617,390				$ 34,074					$ 38,552					$ 43,618		
4	Pavement Rehab	15 - 25	2017	17	2037	$ 666,469																
5	Street Signs	40	1988	8	2028	$ 8,400									$ 10,490							
6	PVC/Vinyl Fencing	25	2002	7	2027	$ 148,400								$ 180,811								
7	Entry/Exit Gates	25	2002/2008	12/13	2032	$ 8,000												$ 5,514	$ 5,652			
8	Gate Operators	15	2018/2019	13/14	2033	$ 18,000													$ 12,717	$ 13,035		
9	Entry Key Pad	10	2008	0	2022	$ 3,500		$ 3,677										$ 4,707				
10	Community Building Engineering Evaluation	NA	NA	NA	2022	$ 45,000		$ 47,278														
11	4390 - Rectangular Gazebo Rehab/Replace	40	1988	8	2028	$ 160,000									$ 199,818							
12	5964 - Gazebo Rehab/Replace	40	1988	8	2028	$ 54,625									$ 68,219							
13	8975 - Gazebo Rehab/Replace	40	1988	8	2028	$ 66,500									$ 83,049							
14	5201 - Community Building Rehab/Replace	40	1988	8	2028	$ 233,750									$ 291,922							
15	5201 - Restroom Building Remodel (not full replacement)	25	2011	14	2036	$ 48,750																$ 74,179
16	5075 - Prefabricated Maintenance Shed - Replace	20	2004	4	2024	$ 7,500					$ 8,486											
17	5075 - Prefabricated Maintenance Shed Restore Concrete Drive	20	2004	0	2020	$ 5,500	$ 5,638															
18	Painting - Common Area Buildings	7	2010	0	2022	$ 18,900		$ 19,857							$ 23,604							$ 28,057
19	Roofing - Common Area Buildings	20	2012	12	2024	$ 36,900				$ 40,731												
20	Furnishings	18	2000	0	2021	$ 25,000		$ 6,566		$ 6,899		$ 7,248		$ 7,615								
	Totals						$ 5,638	$ 107,865	$ 4,178	$ 91,072	$ 13,424	$ 7,248	$ -	$ 188,426	$ 715,654	$ -	$ -	$ 20,331	$ 23,717	$ 68,645	$ 6,322	$ 102,236

Line Item	Reserve Component	Useful Life, Years	In Service Year(s)	Estimated Remaining Life, Years	1st Year of Work	2021 Unit Cost	FY2037	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050	30 Year Cost of Work
						Year	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
1	Stormwater System Inspection	10		10	2022	$ 24,250						$ 12,942	$ 6,847	$ 15,352	$ 8,092						$ 103,390
2	Outfall Pipe Repair and Lining	up to 60	2022	60	2022	$ 21,500															$ 22,588
3	Stormwater System Repair/Replacement	up to 60	1985	24	2023	$ 617,390			$ 49,350					$ 55,834					$ 63,172		$ 284,599
4	Pavement Rehab	15 - 25	2017	17	2037	$ 666,469	$ 941,703														$ 941,703
5	Street Signs	40	1988	8	2028	$ 8,400															$ 10,490
6	PVC/Vinyl Fencing	25	2002	7	2027	$ 148,400															$ 180,811
7	Entry/Exit Gates	25	2002/2008	12/13	2032	$ 8,000															$ 11,166
8	Gate Operators	15	2018/2019	13/14	2033	$ 18,000											$ 35,060	$ 35,937			$ 96,749
9	Entry Key Pad	10	2008	0	2022	$ 3,500						$ 6,025									$ 14,410
10	Community Building Engineering Evaluation	NA	NA	NA	2022	$ 45,000															$ 47,278
11	4390 - Rectangular Gazebo Rehab/Replace	40	1988	8	2028	$ 160,000															$ 199,818
12	5964 - Gazebo Rehab/Replace	40	1988	8	2028	$ 54,625															$ 68,219
13	8975 - Gazebo Rehab/Replace	40	1988	8	2028	$ 66,500															$ 83,049
14	5201 - Community Building Rehab/Replace	40	1988	8	2028	$ 233,750															$ 291,922
15	5201 - Restroom Building Remodel (not full replacement)	25	2011	14	2036	$ 48,750															$ 74,179
16	5075 - Prefabricated Maintenance Shed - Replace	20	2004	4	2024	$ 7,500									$ 13,905						$ 22,390
17	5075 - Prefabricated Maintenance Shed Restore Concrete Drive	20	2004	0	2021	$ 5,500				$ 9,012											$ 14,650
18	Painting - Common Area Buildings	7	2010	0	2022	$ 18,900							$ 33,351							$ 39,644	$ 144,513
19	Roofing - Common Area Buildings	20	2012	12	2024	$ 36,900								$ 49,626							$ 90,357
20	Furnishings	18	2000	0	2021	$ 25,000															$ 28,328
	Totals						$ 941,703	$ -	$ 49,350	$ 9,012	$ -	$ 18,967	$ 40,198	$ 120,812	$ 21,997	$ -	$ 35,060	$ 35,937	$ 63,172	$ 39,644	$ 2,730,610

APPENDIX E - CASH FLOW FUNDING METHOD - INCREASED RESERVE AMOUNT

Mount Olive Shores

Year	1	2	3	4	5	6	7	8	9	10
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Beginning of Year Reserves	$ 496,183	$ 564,852	$ 546,811	$ 634,542	$ 638,047	$ 721,503	$ 813,894	$ 916,396	$ 833,446	$ 225,375
Recommended Reserve Contributions	$ 74,307	$ 87,000	$ 89,175	$ 91,404	$ 93,689	$ 96,032	$ 98,433	$ 100,893	$ 103,416	$ 106,001
Anticipated Interest Earned (0.5%)	$ -	$ 2,824	$ 2,734	$ 3,173	$ 3,190	$ 3,608	$ 4,069	$ 4,582	$ 4,167	$ 1,127
Projected Expenses	$ 5,638	$ 107,865	$ 4,178	$ 91,072	$ 13,424	$ 7,248	$ -	$ 188,426	$ 715,654	$ -
Projected Year End Reserves	$ 564,852	$ 546,811	$ 634,542	$ 638,047	$ 721,503	$ 813,894	$ 916,396	$ 833,446	$ 225,375	$ 332,502

Year	11	12	13	14	15	16	17	18	19	20
	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040
Beginning of Year Reserves	$ 332,502	$ 442,816	$ 536,066	$ 629,181	$ 680,688	$ 797,700	$ 822,381	$ 10,792	$ 139,998	$ 224,728
Recommended Reserve Contributions	$ 108,651	$ 111,367	$ 114,152	$ 117,005	$ 119,930	$ 122,929	$ 126,002	$ 129,152	$ 132,381	$ 135,690
Anticipated Interest Earned (0.5%)	$ 1,663	$ 2,214	$ 2,680	$ 3,146	$ 3,403	$ 3,988	$ 4,112	$ 54	$ 700	$ 1,124
Projected Expenses	$ -	$ 20,331	$ 23,717	$ 68,645	$ 6,322	$ 102,236	$ 941,703		$ 48,350	$ 9,012
Projected Year End Reserves	$ 442,816	$ 536,066	$ 629,181	$ 680,688	$ 797,700	$ 822,381	$ 10,792	$ 139,998	$ 224,728	$ 352,530

Year	21	22	23	24	25	26	27	28	29	30
	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050
Beginning of Year Reserves	$ 352,530	$ 493,375	$ 619,435	$ 728,458	$ 761,065	$ 896,394	$ 1,058,235	$ 1,189,760	$ 1,325,097	$ 1,438,009
Recommended Reserve Contributions	$ 139,083	$ 142,560	$ 146,124	$ 149,777	$ 153,521	$ 157,359	$ 161,293	$ 165,325	$ 169,459	$ 173,695
Anticipated Interest Earned (0.5%)	$ 1,763	$ 2,467	$ 3,097	$ 3,642	$ 3,805	$ 4,482	$ 5,291	$ 5,949	$ 6,625	$ 7,190
Projected Expenses	$ -	$ 18,967	$ 40,198	$ 120,812	$ 21,997	$ -	$ 35,060	$ 35,937	$ 63,172	$ 39,644
Projected Year End Reserves	$ 493,375	$ 619,435	$ 728,458	$ 761,065	$ 896,394	$ 1,058,235	$ 1,189,760	$ 1,325,097	$ 1,438,009	$ 1,579,250

2022-2023 Budget

BUDGET COMMITTEE - PROPOSED BUDGET

	FY 2021-2022 Budget	Expenses Dec 2020 - Nov 2021 YTD	Budget vs. Expenses Difference	2022-2023 Proposed Budget	Year to Year Budget Comparison	Notes
Administration						
7030 Bank Charges	0	0	0	0	0	
7031 Office Supplies	1,000	1,056	-56	1,000	0	
7032 Printing & Postage	10,500	7,025	3,475	10,500	0	
7033 Taxes & Fees	100	61	39	100	0	
7034 Management Fees	35,000	34,479	521	35,000	0	
7035 Web Page	1,400	790	610	1,400	0	
7036 Legal Fees	17,000	14,211	2,789	17,000	0	
7037 Accountant Fees	2,250	4,500	-2,250	2,250	0	
7038 Bad Debt	300	0	300	0	-300	
7039 Reserve study	2,250	6,970	-4,720	2,750	500	
Total Administration	**69,800**	**69,092**	**708**	**70,000**	**200**	
Maintenance						
7040 Lawn Maintenance	125,000	114,100	10,900	138,240	13,240	
7041 Yard Waste Pickup Serv	9,600	10,100	-500	9,600	0	
7042 Canal Maintenance	5,000	4,750	250	4,500	-500	
7043 Gate Maintenance	3,000	1,659	1,341	2,500	-500	
7044 Gazebo Maintenance	3,000	180	2,820	2,000	-1,000	
7045 Common Area & Signs	200	1,680	-1,480	200	0	
7046 Road Repairs	2,500	0	2,500	0	-2,500	
7047 Fence Repairs	1,000	2,796	-1,796	1,000	0	
7048 Tree Trimming	6,000	6,900	-900	6,000	0	
7049 Maintenance Supplies	2,000	1,148	852	1,000	-1,000	
7050 Restroom Cleaning	815	1,661	-846	2,000	1,185	
7051 Fence Washing	3,500	3,500	0	3,800	300	
7052 Pest control	1,100	1,952	-852	1,100	0	
7053 Capital Improvements	5,200	10,983	-5,783	0	-5,200	
7054 Culvert Repair	3,000	5,000	-2,000	0	-3,000	
Total Maintenance	**170,915**	**166,409**	**4,506**	**171,940**	**1,025**	
Utilities						
7060 Electric	6,050	4,599	1,451	6,050	0	
7061 Telephone (Gate)	660	525	135	660	0	
7062 Water	2,200	986	1,214	1,200	-1,000	
7063 Refuse Collection	20,330	20,077	253	22,700	2,370	
Total Utilities	**29,240**	**26,187**	**3,053**	**30,610**	**1,370**	
Insurance						
7070 Workers Comp	812	616	196	659	-153	
7071 Bond	1,374	0	1,374	1,374	0	
7072 Umbrella	1,000	1,081	-81	1,135	135	
7073 Liability Package	5,711	5,507	204	5,782	71	
7074 Directors & Officers	2,304	3,623	-1,319	3,877	1,573	
Total Insurance	**11,201**	**10,827**	**374**	**12,827**	**1,626**	
Other Expenses						
7080 Gate Clickers	0	334	-334	0	0	
7081 Miscellaneous/Unanticip	2,000	3,864	-1,864	2,000	0	
7082 Welcome Committee	300	9	291	300	0	

BUDGET COMMITTEE - PROPOSED BUDGET

		7083 Sunshine Committee	150	152	-2	150	0	
		7084 Memorial Fund	100	0	100	100	0	
		7085 Annual Meeting	500	0	500	500	0	
		7086 Advertising	500	0	500	0	-500	
		7087 Documents Committee	0	0	0	0	0	
	Total Other Expenses		**3,550**	**4,359**	**-809**	**3,050**	**-500**	
	Total Operating Expenses		**284,706**	**276,874**	**7,832**	**288,427**	**3,721**	
		8001 Reserves Contribution	74,307	65,604	8,703	52,166	-22,141	
	Operating Expenses + Reserves		**359,013**	**342,478**	**16,535**	**340,593**	**-18,420**	
		Contingency Fund Excess	-58,520			-13,657		
	Total Expenses		**300,493**	**342,478**	**16,535**	**326,936**	**26,443**	
	Assessment		892			970	78	
		CPI 11/30/2020 6.8% + 2%						
		=8.8% increase allowable	26,443	max increase allowed		326,936		
	Contigency Fund							
		Current Balance			105,948			
					92,291	4 mo. Maximum		
				Difference	13,657	over 4-months apply to budget		

2022-2023 Budget

FULLY FUNDED RESERVES

	FY 2021-2022 Budget	Expenses Dec 2020 - Nov 2021 YTD	Budget vs. Expenses Difference	2022-2023 Proposed Budget	Year to Year Budget Comparison	Notes
Administration						
7030 Bank Charges	0	0	0	0	0	
7031 Office Supplies	1,000	1,056	-56	1,000	0	
7032 Printing & Postage	10,500	7,025	3,475	10,500	0	
7033 Taxes & Fees	100	61	39	100	0	
7034 Management Fees	35,000	34,479	521	35,000	0	
7035 Web Page	1,400	790	610	1,400	0	
7036 Legal Fees	17,000	14,211	2,789	17,000	0	
7037 Accountant Fees	2,250	4,500	-2,250	2,250	0	
7038 Bad Debt	300	0	300	0	-300	
7039 Reserve study	2,250	6,970	-4,720	2,750	500	
Total Administration	**69,800**	**69,092**	**708**	**70,000**	**200**	
Maintenance						
7040 Lawn Maintenance	125,000	114,100	10,900	138,240	13,240	
7041 Yard Waste Pickup Serv	9,600	10,100	-500	9,600	0	
7042 Canal Maintenance	5,000	4,750	250	4,500	-500	
7043 Gate Maintenance	3,000	1,659	1,341	2,500	-500	
7044 Gazebo Maintenance	3,000	180	2,820	2,000	-1,000	
7045 Common Area & Signs	200	1,680	-1,480	200	0	
7046 Road Repairs	2,500	0	2,500	0	-2,500	
7047 Fence Repairs	1,000	2,796	-1,796	1,000	0	
7048 Tree Trimming	6,000	6,900	-900	6,000	0	
7049 Maintenance Supplies	2,000	1,148	852	1,000	-1,000	
7050 Restroom Cleaning	815	1,661	-846	2,000	1,185	
7051 Fence Washing	3,500	3,500	0	3,800	300	
7052 Pest control	1,100	1,952	-852	1,100	0	
7053 Capital Improvements	5,200	10,983	-5,783	0	-5,200	
7054 Culvert Repair	3,000	5,000	-2,000	0	-3,000	
Total Maintenance	**170,915**	**166,409**	**4,506**	**171,940**	**1,025**	
Utilities						
7060 Electric	6,050	4,599	1,451	6,050	0	
7061 Telephone (Gate)	660	525	135	660	0	
7062 Water	2,200	986	1,214	1,200	-1,000	
7063 Refuse Collection	20,330	20,077	253	22,700	2,370	
Total Utilities	**29,240**	**26,187**	**3,053**	**30,610**	**1,370**	
Insurance						
7070 Workers Comp	812	616	196	659	-153	
7071 Bond	1,374	0	1,374	1,374	0	
7072 Umbrella	1,000	1,081	-81	1,135	135	
7073 Liability Package	5,711	5,507	204	5,782	71	
7074 Directors & Officers	2,304	3,623	-1,319	3,877	1,573	
Total Insurance	**11,201**	**10,827**	**374**	**12,827**	**1,626**	
Other Expenses						
7080 Gate Clickers	0	334	-334	0	0	
7081 Miscellaneous/Unanticip	2,000	3,864	-1,864	2,000	0	
7082 Welcome Committee	300	9	291	300	0	

FULLY FUNDED RESERVES

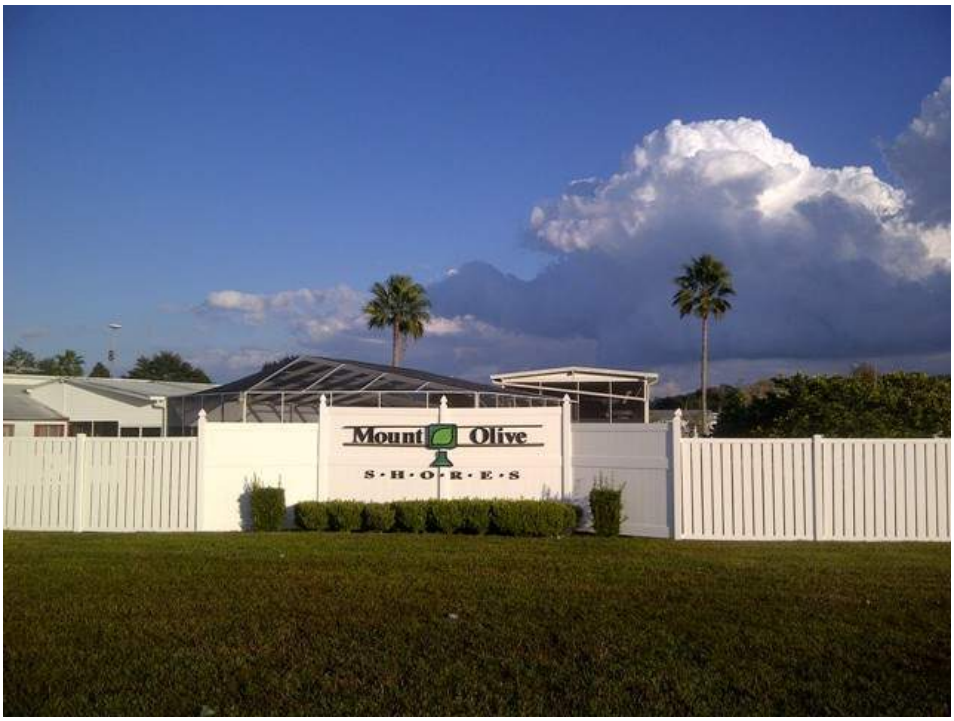
		7083 Sunshine Committee	150	152	-2	150	0	
		7084 Memorial Fund	100	0	100	100	0	
		7085 Annual Meeting	500	0	500	500	0	
		7086 Advertising	500	0	500	0	-500	
		7087 Documents Committee	0	0	0	0	0	
	Total Other Expenses		**3,550**	**4,359**	**-809**	**3,050**	**-500**	
	Total Operating Expenses		**284,706**	**276,874**	**7,832**	**288,427**	**3,721**	
		8001 Reserves Contribution	74,307	65,604	8,703	87,000	12,693	
	Operating Expenses + Reserves		**359,013**	**342,478**	**16,535**	**375,427**	**16,414**	
		Contingency Fund Excess	-58,520			-13,657		
	Total Expenses		**300,493**	**342,478**	**16,535**	**361,770**	**61,277**	
	Assessment		892			1,074	182	
		CPI 11/30/2020 6.8% + 2%						
		=8.8% increase allowable	26,443	max increase allowed		326,936		
	Contigency Fund							
		Current Balance			105,948			
					92,291	4 mo. Maximum		
				Difference	13,657	over 4-months apply to budget		

RESERVE STUDY REPORT

Prepared for:

Mount Olive Shores Homeowners Association

Polk City, Florida 33868



Prepared by:

Pennoni Associates, Inc

401 3rd Street SW
Winter Haven FL, 33884
(863) 324-1112

June 2020
Updated September 2021

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PROPERTY OVERVIEW

EXECUTIVE SUMMARY

The original site visits for this study report were conducted on January 20, 2020 and January 27, 2020. Follow up visits were conducted on June 24, 2021 and July 25, 2021 to review specific issues with the FDOT drainage from SR33. This study report covered all of the community's common property assets that will require reserve funding as observed during this non-invasive, visual inspection of the community. Supplemental financial information was provided by the Property Manager.

Mount Olive Shores is a Planned Unit Development of 337 lots. This community was established in 1985 and was developed in five phases through 1992. This Development contains the following common property components.

- Drainage System
- Roads
- Street Signs
- Entry Gate Systems
- Community Buildings
- Gazebos
- Furniture
- Maintenance Building
- Fencing

This report covers all the common property components. Photos of the major components taken during our site visits are included in Appendix A.

A Reserve Study comprises two parts, a Physical Analysis, and a Financial Analysis. The Physical Analysis includes an inventory of the components that are included in the Reserve Study, assessment of the current condition of these components, an estimate of their original useful life, an estimate of their remaining useful life, and the replacement cost of each component. The replacement cost of each component was estimated using published data showing costs for each component in 2021 dollars. Where work is proposed for future years, inflation at 2.5% per year was added to show the dollars needed when the work is recommended to be completed. The Financial Analysis consists of evaluating the clients current funding status for repairs and replacement and developing a funding plan for ongoing repair and replacement.

The intention of this Reserve Study is to forecast the Community's ability to repair or replace common property components as they wear out in future years. This study was based on a 30-year planning horizon for reserve related repairs and improvements. The study revealed that the current level of reserves funding set aside in your 2022 budget is adequate to serve as the base funding you need for any unexpected catastrophic issues. Based on our analysis, your current reserve funding level is not adequate to cover all the anticipated renewal and replacement costs for your existing common infrastructure and significant additional reserve funding will be needed to cover the costs of upgrading/replacing the common area buildings and repaving the community in the future.

Significant Changes since the last Reserve Study Update

1. When we requested information about your current reserves amount for this update, the number provided was about $160,000 lower than the figure that we were provided last year. This lower reserve amount had a significant effect on the projected reserve calculations.
2. Underground construction costs have increased over the past year while paving costs have slightly lowered. Using these higher construction costs, the 30-year total cost of construction has increased by about $36,000
3. The HOA Board significantly increased its reserve contribution last year.
4. Some work that was originally budgeted for the 2021 fiscal year has not been performed. This work has been rescheduled for the 2022 fiscal year.
5. New to this study update is the SR33 drainage issue. We met on site with representatives of FDOT and are currently working with your Attorney to get FDOT to resolve the drainage and erosion issues from the stormwater coming off SR33. While we feel that FDOT is responsible for handling this issue, we have estimated the cost for you to solve the problem by piping the ditch from your property line to the lake and have included this cost estimate in Exhibit B to the reserve study report. It is not included in the long-term cost projections at this time pending discussions with FDOT about handling these costs.

This Reserve Study complies with or exceeds all applicable statutes and national standards.

PROPERTY COMPONENT INVENTORY

The analysis began by separating the property components into five specific areas of responsibility for repair and replacement. These five classes of property are as follows:

- Reserve Components: Reserve components are amenities, facilities or infrastructure that the Association is responsible for maintaining, that have limited useful life expectancies, that have predictable remaining useful life expectancies, and that have a replacement cost above a minimum threshold. Some examples include streets, entry gate systems, some fences, roofs, and stormwater infrastructure.

- Long-Lived Components: Long-lived components are amenities, facilities or infrastructure that the Association is responsible for maintaining without predictable remaining useful life expectancies such as foundations and structural components of buildings.

- Operating Budget Components: Operating budget components are Association owned items that have minimal long-term costs that are generally funded through the operating budget as repairs and replacements. These items may include general maintenance to the common elements, expenses less than $1,000, infrequent replacements, irrigation system maintenance and landscaping, pond cleaning and maintenance, walls paint finishes, and other Repairs normally funded through the Operating Budget.

- Homeowner Components: Homeowner components are items that may be located on Association property but are the responsibility of the individual homeowner such as driveways, landscaping and mailboxes. The Homeowners are also responsible for the maintenance of vegetation within the road right of way drainage swales and easement drainage swales and for retaining the original design of these swales unchanged.

- Other Property Components: Other property components are utilities and other amenities that may be located on Association property but are the responsibility of others such as the electric grid, streetlights, water system, wastewater system, and meters.

CONDITION ASSESSMENT

Basis of Projected Costs

The projected cost used to develop this Reserve Study are based on the most recent available documented construction costs from FDOT and other standard sources. This 2021 update reflects significant cost increases for some of the expected work items. These cost increases are reflective of the significant rise in construction costs over the past year. It would be expected that some of these costs will decrease if the demand for construction eases, but it would be imprudent to count on such a decrease in costs at this time. Should there be a significant reduction in construction demand in the future, this Reserve Report can be updated to reflect any resulting cost reductions.

Storm System Structures and Piping

The storm water conveyance system serving the community was originally installed between 1985 and 1992. The pipe segment under the Phase 3 Causeway was repaired in 2008. The system collects storm water from the pavement and conducts it into the storm water system which consists of approximately 3,550 linear feet of 15", 18", 24", 30", 36" and 60" pipe, eight curb inlets, one manhole, twenty ditch bottom inlets, five mitered end sections and one overflow structure.

The stormwater system discharges into the lake system within the community and ultimately discharges to Mud Lake. Based on our research, this stormwater system is not under the jurisdiction of the Southwest Florida Water Management District (no site-specific permit, no routine inspections or reporting are required). The outfall weir was the subject of a Consent Agreement between SWFWMD and the original Developer of this project which allowed the Developer to make modifications to the weir. As SWFWMD could not prove that this weir was constructed after the enactment of their permitting rules on October 1, 1984, they allowed the weir to remain and be upgraded. Should the HOA ever decide to make modifications or repairs to this weir, it will only fall under SWFWMD jurisdiction if the weir elevations or function is changed to release or retain more water in the canals. At that time, you will be required to obtain a permit from SWFWMD to modify the weir.

The overall condition of the visible portions of the storm system is good. The useful life of these components is up to 60 years. Achieving this useful life typically requires routine inspection every 10 years and interim capital repairs or partial replacements every 15 to 25 years.

The Community should anticipate occasional displacement or failure of a storm structure or pipe and the surrounding pavement from erosion as time goes on. Erosion causes settlement around the collar

of the structures. Also, the joints in these structures will sometimes fail allowing soil to erode from around the sides and base of the structure. Left unrepaired, the entire structure will shift and need replacement. The Community should plan to repair or replace any displaced or failed catch basins concurrently with surrounding pavement or curbs and gutters. The exact times and amount of capital repairs or replacements are dependent upon variable natural forces. Mount Olive Shores should budget for some limited repairs every five years starting in 2023. For budgeting purposes, we recommend that you plan on spending 5% of the FY 2021 storm system replacement value (increased for inflation) every five years on stormwater system repairs. Our current estimate of the replacement cost of the stormwater system is $617,390 (see Exhibit "B").

We also recommend that you consider setting up a routine inspection program so that every part of the stormwater system is cleaned and televised every 10 years. These inspections should be performed during the driest part of the year because pipes full of water cannot be readily inspected. Some portions of your system such as the pipes under the causeway to Phase 3 are critical segments that cannot be readily inspected by conventional means and may require more expensive inspection methods. At current (2021) rates, we expect that the cost of cleaning and television inspecting all the stormwater system would be $24,250 (see Exhibit "B"). This effort can be broken down over four years as follows: Phase 1 (31%), Phases 2 and 3 (16%), Phase 4 (35%) and Phase 5 (18%).

Finally, this past year the HOA had the 60" outfall pipe cleaned and televised. This effort indicated several issues with the pipe that could result in pipe failure within the next 5 to 7 years. These issues included significant pipe separations, voids outside the pipe, an unsupported pipe segment downstream of the berm and significant erosion of the berm. It is highly recommended that the HOA contract to have this pipe repaired in the next fiscal year. The repairs should include epoxy lining of the pipe, grouting around the outside of the pipe, removal of the downstream pipe segment, installation of a mitered end section on the outfall side and rip rap of the downstream side of the berm. At current (2021) rates, we expect that the cost of these repairs would be $21,500 (see Exhibit "B").

Streets and Paving

The existing streets in the community were initially constructed between 1985 and 1992. It is our understanding that they were last resurfaced in 2017. The pavement network consists of approximately 12,655 linear feet of 20 feet wide streets and four (4) 100 feet diameter cul-de-sacs. The total pavement area is approximately 31,700 square yards.

The typical lifespan of properly constructed asphalt paving will range from 15 to 25 years depending on the usage. Pavement subject to heavy wheel loads or in areas with high water tables will have a shorter lifespan. The key to maintaining a quality asphalt pavement is the base construction. Based on our recent site visit, most of the base appears to be in good condition. The one significant area of base failure we noted was at the intersection of Northshore Drive and Northshore Drive which has been repaired since out original site visit. Given the existing condition of the pavement that is now three years old and the number of large RV's that use the streets, we recommend planning for a 20-year replacement cycle.

Reserves budgeting for pavement replacement should consist of two major components. The first major component is to set aside in reserves a portion of the replacement cost of the pavement for unforeseen repairs or maintenance. For a community of the size of Mount Olive Shores, we recommend that about 10% of the current pavement replacement cost be set aside in a reserve account for unforeseen repairs such as the one described above. Based on our current estimate of the cost to reconstruct the entire pavement network, that reserve amount should be about $72,000. These monies can be used as part of future pavement replacement efforts but should be restored within 3 years after the pavement restoration work is completed.

The second major component of reserves budgeting for pavement replacement is to plan for the complete replacement of the pavement. To maximize the life of the pavement, this pavement reconstruction effort should include funding to mill the existing pavement, repair/replace any areas of poor base structure, install new asphalt, seal coat the new asphalt one year after installation and install pavement markings. Based on current 2021 project bids, we estimate the total cost of pavement replacement to be $666,469 (see Exhibit "B").

Street Signs

There are 14 traffic-controlled intersections in the Mt. Olive Shores development that have stop and street name signs. The typical life of these signs is 25 to 40 years. They appear to still be readable and in good condition for signs that we understand were installed staring around 1988. After 25 years, the reflectivity of the stop signs usually fades out and the paint/lettering begins to wear away. Funding to replace these signs should be budgeted in the reserve program. The estimated 2021 replacement cost of these signs is $8,400. It is recommended that the Community consider replacing these signs in 2028.

PVC/Vinyl Fencing

There is 6’ tall PVC/vinyl fencing along the north, east, west and south boundaries of the Community totaling about 7,420 linear feet. This fencing has a typical lifespan of about 25 years. The existing fencing was reportedly installed in 2002. The estimated 2021 replacement cost of this fencing is $148,400. This cost includes removal, demolition and disposal of the existing fencing and is based on the economy of scale provided by replacing all the fencing at one time.

Entry/Exit Gates, Operators and Keypads

The entry/exit gate on Duey Road is constructed of chain link fencing and galvanized rails. This system has an expected life of 25 to 30 years absent any damage caused by an accident or mischief and has an estimated 2021 replacement cost of $4,000. This gate was placed into service in 2002 and should be budgeted for replacement in 2032. The operators for this gate were placed into service in 2018 with an expected life of 15 years. These operators have an estimated 2021 replacement cost of $9,000 and should be budgeted for replacement in 2033.

The entry/exit gate on Mt. Olive Road is constructed of galvanized rails and PVC panels. This system has an expected life of 25 years absent any damage caused by an accident or mischief and has an estimated 2021 replacement cost of $4,000. This gate was placed into service in 2008 and should be budgeted for replacement in 2033. The operators for this gate were placed into service in 2019 with an expected life of 15 years. These operators have an estimated 2021 replacement cost of $9,000 and should be budgeted for replacement in 2034.

The entry keypad was reported to be original to the development, but the previous Reserve Study dated its installation to 2008. In either case, it is well beyond its expected service life of 10 years. The keypad has an estimated 2021 replacement cost of $3,500 and should be budgeted for replacement in 2021 and every 10 years beyond 2021.

Common Area Building Major Rehabilitation or Replacement

The four original common area buildings were all constructed in 1988. These four buildings were constructed using a post and beam construction technique. A typical life span for this type of building is 40 years before significant rehabilitation or replacement should be required. This would make these structures due for significant work in 2028. During our initial evaluation of these buildings, we noted that the posts likely extend below the floor slab which may indicate that they were just buried in the ground with some concrete poured around each post. It is possible that the portions of these posts below the slab are starting to rot which would significantly impact their structural capability. It should also be noted that these existing buildings have weathered hurricane force winds several times over

the past 15 years. While these buildings have generally survived these winds, it would be prudent to have each structure evaluated with respect to the latest wind load design requirements. An evaluation of each building would determine whether short term improvements are needed to upgrade the buildings to handle wind loads. As such, we would recommend a much more detailed evaluation of the condition of each structure within the next year. The estimated 2021 cost of this detailed engineering evaluation is $45,000. The work would include a detailed inspection of the four buildings including excavation around some of the posts to determine their condition. This engineering evaluation would determine whether it would be possible to rehab and upgrade the buildings to meet current codes or if full replacement is required. For the purposes of this study, we have assumed that complete replacement of each of these four structures with code related updates to match their current use would be required as a worst-case scenario.

4390 Northshore Circle - Rectangular Gazebo – This building is an estimated 1,600 sf. The wood siding is in fair condition and no major areas of rot or decay were noted. The screened window openings were also in fair condition with only a few areas in need of repair. The electrical system appeared to be in good condition. At $100 per sf, the estimated 2021 replacement cost would be $160,000. Significant rehabilitation or replacement will be needed by 2028.

5964 Shoreline Drive - Gazebo – This building is a hexagonal structure of about 475 sf. A little more than half of the structure is on a concrete slab with the rest on a wood deck cantilevered over the stormwater pond. Portions of the wood deck are showing signs of significant decay. The overall structure of the building is in good condition but the portions of the posts that are below ground may be decaying. There are significant gaps between the wood screen frames and the posts that need to be filled. At $115 per sf, the estimated 2021 replacement cost would be $54,625. Significant rehabilitation or replacement will be needed by 2028.

8975 Island View Drive - Gazebo – This building is a hexagonal structure of about 475 sf that contains the office for the Community, a small library, and a meeting room. The overall structure of the building is in good condition but the portions of the posts that are below ground may be decaying. There are areas of decaying siding at the bottom of the exterior walls next to the concrete slab. This structure has electrical service and two window unit AC systems. At $140 per sf, the estimated 2021 replacement cost would be $66,500. Significant rehabilitation or replacement will be needed by 2028.

5201 Island View Drive - Community Building – This building is an estimated 2,125 sf. The screened window openings were also in fair condition with only a few areas in need of repair. The electrical system appeared to be in good condition. At $110 per sf, the estimated 2021 replacement cost would be $233,750. Significant rehabilitation or replacement will be needed by 2028. The Community Building restroom facility adjacent to this Community Building was constructed in 2011. This building is slab on grade construction with conventionally framed walls and roof trusses. At $130 per sf, the estimated 2021 replacement cost would be $48,750. The expected life span of this structure is 75 years making its replacement beyond the extent of this study. However, we do anticipate the need to remodel/upgrade the interior finishes of the building every 25 years and have estimated the 2021 cost of this remodel work to be $27,000.

Common Area Building Maintenance (Painting and Roofing)

The four common area buildings were reported in the previous reserve study to have been painted in 2010. Properly prepared and painted exteriors surfaces should normally have a life expectancy of 7 to 8 years which would have made it necessary to repaint them in 2017 or 2018. During our inspection, these painted surfaces appeared to still be in fair condition. We estimate the 2021 cost of cleaning, preparing the surface and repainting all the common area buildings to be $18,900. For the purposes of this report, we are recommending that these buildings be scheduled for painting in 2021 and every 8 years after these buildings are rehabbed or replaced in 2028.

The four common area buildings were reported to have been reroofed in 2012 with what appear to be dimensional asphalt shingles. This type of shingle has a typical life of 15 to 20 years, and these roofs were still in very good condition when we performed our site visits. We estimate the 2021 cost of reroofing all the common area buildings to be $36,900. Given the age of this roofing, it would be expected that the roofing would need to be replaced by 2032. However, as was noted above, these four buildings will require significant reconstruction or replacement by 2028. The costs noted above for the complete replacement of these buildings include the cost of new roofing. If this building reconstruction and replacement work ids performed in or around 2028, then there is no need to budget additional reroofing within the 30-year planning window for this study.

Common Area Building Furnishings

The tables, chairs, appliances, and other furnishings within the common area buildings are expected to have an average life span of about 15 years. The previous reserve study report noted that they were last replaced in 2000. During our site visit most of these furnishings still appeared to be in good condition so they appear to be functional well beyond the expected 15-year lifespan. We estimate the

2021 cost of replacing all the furnishings to be $25,000. This replacement cost is low enough that the Community could easily replace all the equipment in one year out of their existing reserves. However, for the purposes of this study, we have budget the replacement of these items in four separate years,

Prefabricated Maintenance Shed

The existing prefabricated maintenance shed was reportedly installed in 2004. These buildings have a typical life span of 20 years. During our original site visit we noted that the shed is in fair condition but that there were significant issues with the concrete slab around this shed. These concrete slab issues repaired. We estimate the 2021 cost of replacing this shed to be $7,500 and have that work scheduled to be completed in 2025.

FINANCIAL ANALYSIS

This Reserve Study provides both the component method or straight-line depreciation and the 30-year cash flow analysis or pooling method to project and illustrate the reserve funding plans. Your Treasurer provided to us a report indicating that you had cash reserves of $496,183 as of September 1, 2021, and that you are expected to add another $74,308 to reserves by the end of your fiscal year on March 31, 2022. Maintaining a healthy reserve fund is critical to be able to respond to emergency situations but $570,491 is about what we would recommend as your minimum reserve amount. In our previous study for the stormwater system, we recommended that you maintain a minimum reserve balance of $164,244 for stormwater system reserves. This minimum amount of reserve funding would be adequate to handle most emergency situations that the HOA might encounter.

A **component method** contribution of $364,181 for FY2021 and beyond can be used if you elect to fund your reserves in this manner. This reserve contribution is significantly higher than your budgeted reserve contribution of $74,308 for 2021 and would be continued annually until you have set aside adequate reserves to fund all of your anticipated renewal and replacement work for the useful life of each component (about 7 years). Straight line accounting is based on current costs and excludes both interest and inflation. Straight line accounting takes each individual line-item component listed in the reserve schedule breakdown and computes the annual contribution amount by taking the unfunded balance (current replacement cost minus projected year end reserve balance) and divides it by the remaining life of the components. This is the amount that should be contributed into the reserve accounts over the remaining life of the components. This plan utilizes straight line accounting formulas which generate a higher recommended reserve allocation. The existing reserve balances and contributions are allocated among their respective reserve components in Appendix D.

The **cash flow method** of developing a reserve funding plan is where the reserve contributions are designed to offset the variable annual reserve expenses. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired adequate or sufficient funding goal is achieved. The funding goal of the cash flow analysis is to keep the reserve balance above a sufficient but not excessive threshold when reserves are needed the most due to one or more years of significant expenses. For the Mount Olive Shores HOA, this threshold or critical point falls 2037 due to significant repair and replacement costs in those years (pavement). For the last update we analyzed two scenarios under this method of analysis. The HOA Board last year chose to adopt a significant increase in reserve funding (from $48,579 to $74,037). While this significant increase has improved

the HOA's long term reserve projections, the recent construction cost increases have outpaced this increased reserve contribution. At this point the HOA Board has two options as follows:

Implement Annual Cost of Living Increases – Limiting future reserve increases to the annual cost of living each year will fall short (negative reserve balances in 2037 through 2039) of maintaining a positive reserve balance through the 30-year planning period. However, because the recent construction cost increases are largely due to extremely high construction demand rather than material costs there is the potential for these costs to abate over the next few years which could reduce or eliminate the projected shortfalls. The HOA Board also has the option of rescheduling some of the proposed work as needed to mitigate some of these projected reserve fund shortfalls.

Budget Another Significant Reserve Amount Increase for 2022 – Increasing the reserve contribution to $87,000 for FY 2022 and by the amount of inflation each year thereafter would create a positive reserve amount projection over the next 30 years.

External market factors incorporated in this Reserve Study are an inflation rate of 2.5% and interest rate of 0.5%. Most community association bylaws provide that Association funds shall be held in a bank, with FDIC or similar insurance to cover all funds.

The actual timing of the events depicted may not occur exactly as projected and the pricing of these improvements can vary widely based on external factors. As an example, pavement resurfacing costs are closely related to oil prices. However, items that are within a high degree of accuracy are measurements and interest on reserves. Internal changes such as deferred or accelerated projects, interest and inflation rates are likely. Updates to the Reserve Study incorporate these changes. To ensure equity in the adopted funding plan, ongoing annual Board reviews and an update of this Reserve Study with an on-site visit is recommended anywhere from two- to three-years depending on the complexity of the community and changes in external market factors. However, we do want to note that it is recommended by the American Institute of Certified Public Accountants (AICPA) that your Reserve Study be updated annually.

TERMS AND DEFINITIONS

Cash Flow Method - A method of calculating Reserve contributions where contributions to the Reserve fund are designed to offset the variable annual expenditures from the Reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved.

Component - An individual line item in the Reserve Study developed or updated in the Physical Analysis. These elements form the building blocks of the Reserve Study. Components typically are: 1) Association responsibility, 2) with limited Useful Life expectancies, 3) predictable Remaining Useful Life expectancies, 4) above a minimum threshold cost, and 5) as required by local codes.

Component Assessment and Valuation - The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components. This task is accomplished either with or without onsite visual observations, based on Level of Service selected by the client.

Component Inventory - The task of selecting and quantifying Reserve Components. This task is accomplished through onsite visual observations, review of association design and organizational documents, and a review of established association precedents.

Component Method - A method of calculating Reserve contributions where the total reserve contribution is based on the sum of contributions for individual components.

Effective Age - The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computation.

Financial Analysis - The portion of a Reserve Study where current status of the Reserves (measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived. The Financial Analysis is one of the two parts of a Reserve Study.

Fully Funded - 100% Funded. When the actual (or projected) Reserve balance is equal to the Fully Funded Balance.

Fully Funded Balance (FFB) - Total Accrued Depreciation. An indicator against which Actual (or projected) Reserve balance can be compared. In essence, it is the Reserve balance that is proportional

to the current Repair/ replacement cost and the fraction of life "used up". This number is calculated for each component, them summed together for an association total. Two formulae can be utilized, depending on the provider's sensitivity to interest and inflation effects. Note: both yield identical results when interest and inflation are equivalent.

Funding Goals - Independent of methodology utilized, the following represent the basic categories of Funding Plan goals.

Baseline Funding - Establishing a Reserve funding goal of keeping the Reserve cash balance above zero.

Fully Funding - Setting a Reserve funding goal of attaining and maintaining Reserves at or near 100% funded.

Statutory Funding - Establishing a Reserve funding goal of setting aside the specific minimum amount of Reserves required by local statues.

Threshold Funding - Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold this may be more or less conservative than “Fully Funded".

Funding Plan - An Association's plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

Minimum Balance - A minimum Reserve balance established by the client.

Physical Analysis - The portion of the Reserve Study where the Component inventory, Condition Assessment and Life Adjustment and Valuation tasks are performed. This represents one of the two parts of the Reserve Study.

Remaining Useful Life (RUL) - Also referred to as "Remaining Life (RL). The estimated time, in years, that a reserve component can be expected to continue to serve its intended function. Replacements anticipated to occur in the initial or base year have "zero" Remaining Useful Life.

Reserve Assessments - The portion of assessments contributed to the Reserve Fund.

Reserve Balance - Actual or projected funds as of a particular point in time that the association has identified for use to defray the future repair or replacement of those major components which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves.

Special Assessment - An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by Governing Documents or local statutes.

Straight Line - A formula used to calculate the annual reserve fund contribution for a specific component. Projected replacement cost divided by the useful life equals the annual payment.

Useful Life (UL) - Total Useful Life or Depreciable Life. The estimated time, in years, that a reserve component can be expected to serve its intended function in its present application or installation.

DISCLOSURES AND LIMITATIONS

No destructive testing was performed. Latent defects in design or construction are excluded from this report. There are no material issues to our knowledge that have not been disclosed to the client that would affect the integrity of this Reserve Study report. Pennoni Associates has no interests with the client other than this Reserve Study.

Component quantities and estimates of costs indicated in this Report were developed by Pennoni Associates unless otherwise noted in our "Condition Assessment" comments. The sources for the costs outlined in the study include experience, historical information and R.S. Means, Incorporated. This report should be used for budget and planning purposes only.

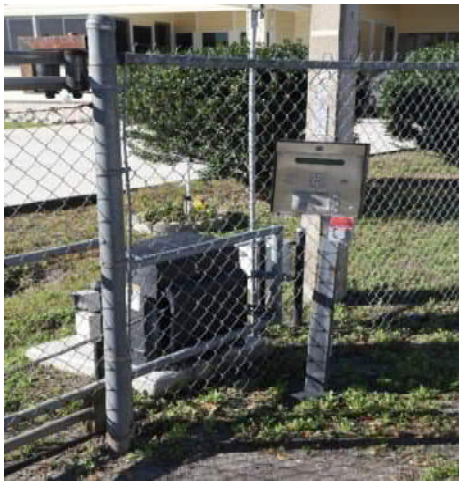
CREDENTIALS

Steven C. Shealey, PE
Licensed Professional Engineer: FL35626
Education: University of South Carolina - Bachelor of Science in Engineering
University of South Florida – Masters Public Administration

APPENDIX "A" - PHOTOS

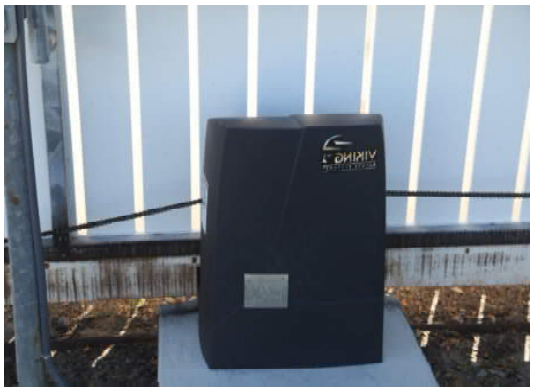
Entry Gates and Fencing

Duey Road Gate



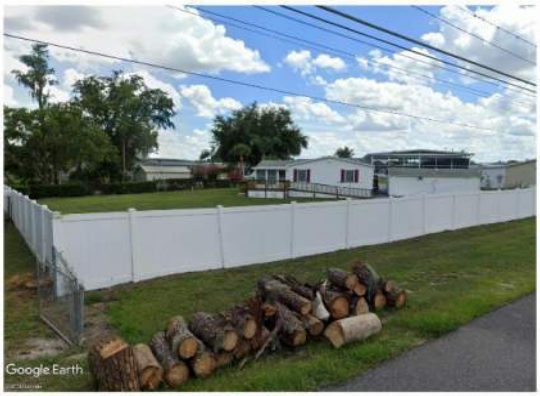
Duey Road Gate Operator

Mt Olive Road Gate



Mt Olive Road Gate Operator

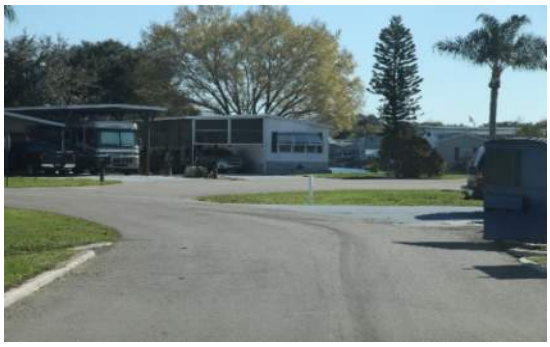
PVC Fencing and SR33 Sign



PVC Fencing Duey Road

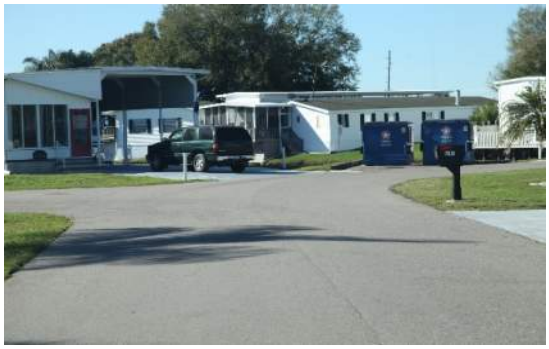
Entry Gates and Fencing

Typical Pavement Condition

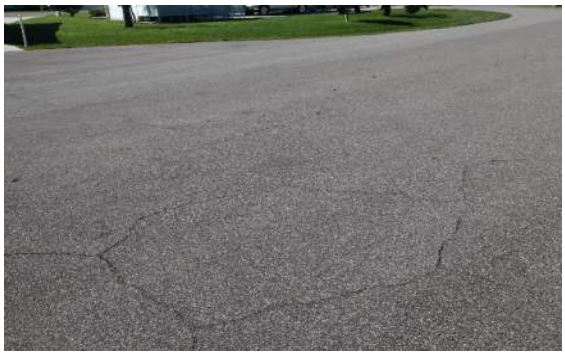


Typical Pavement Condition

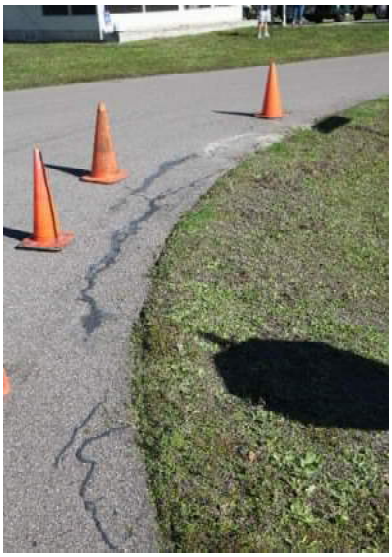
Typical Pavement Condition



Typical Pavement Condition

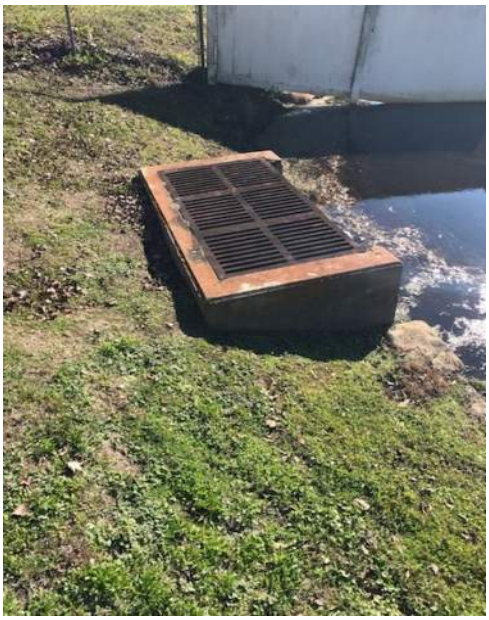


Typical Pavement Condition - Cracking

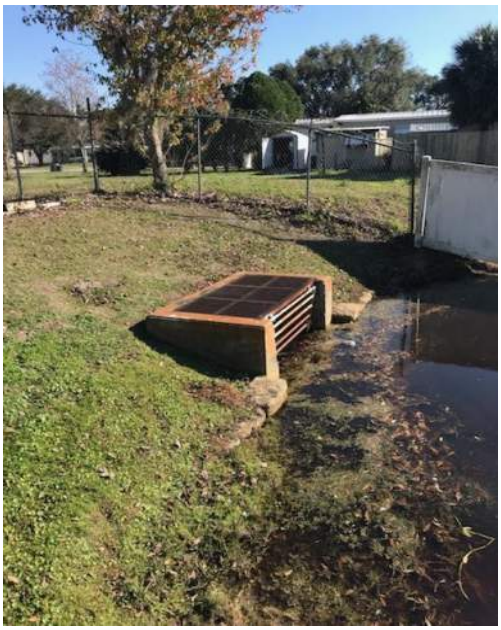


Typical Pavement Condition - Edge Spalling

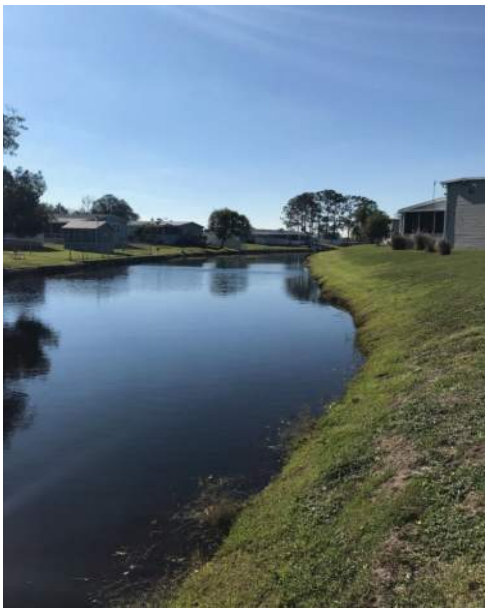
Drainage



Outfall Weir Structure

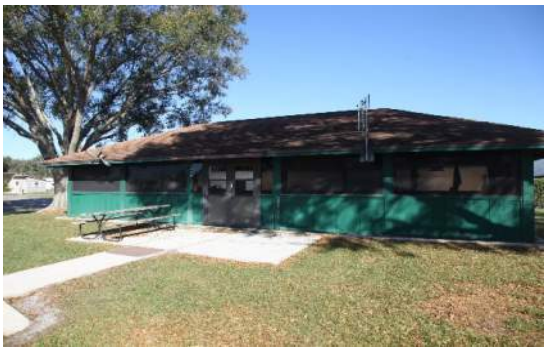


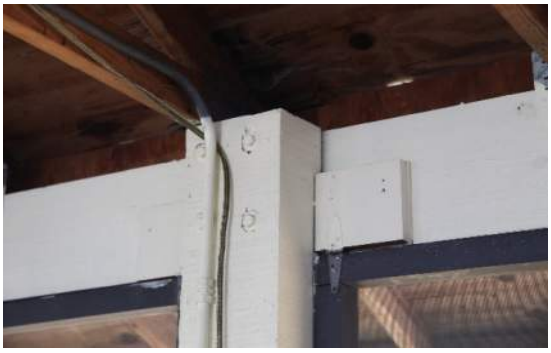
Outfall Weir Structure

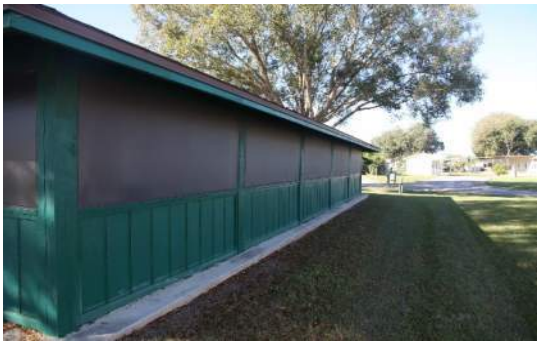


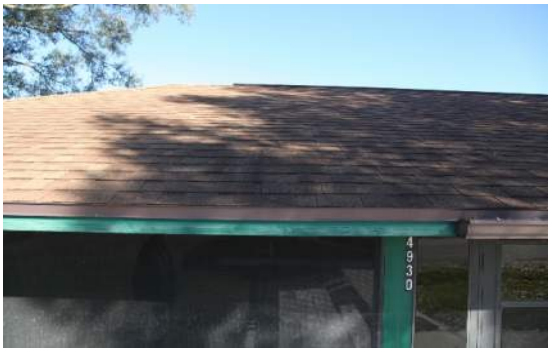
Stormwater Retention Pond

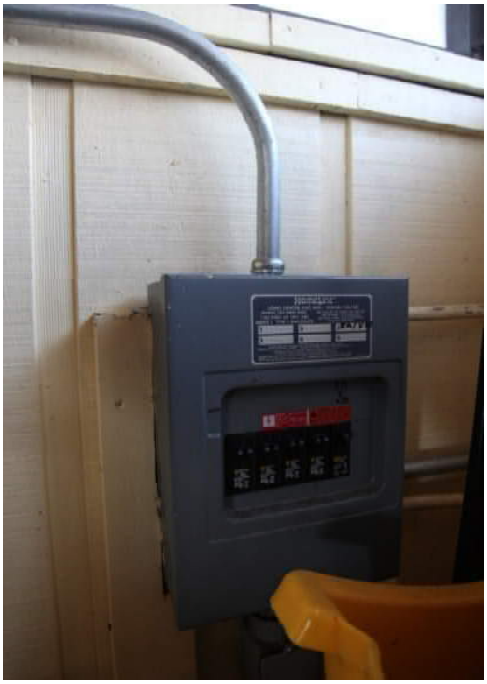
Buildings - 4390 Northshore Circle



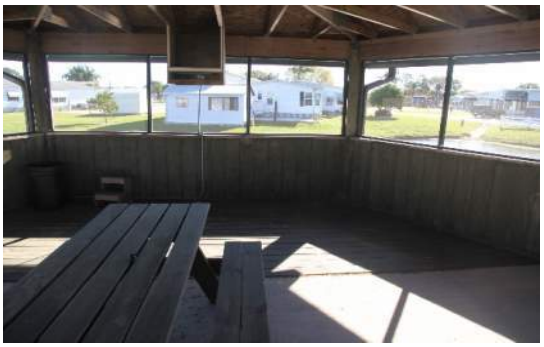


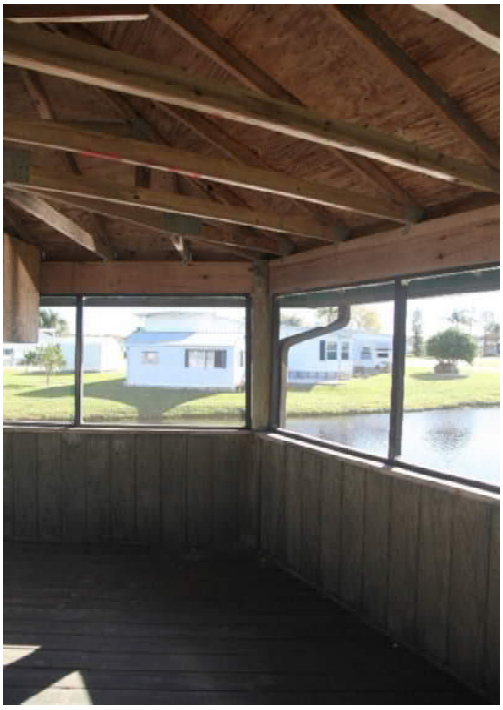


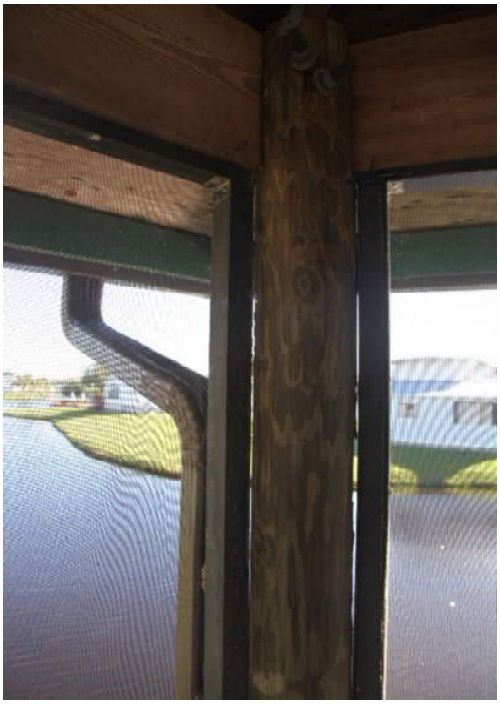


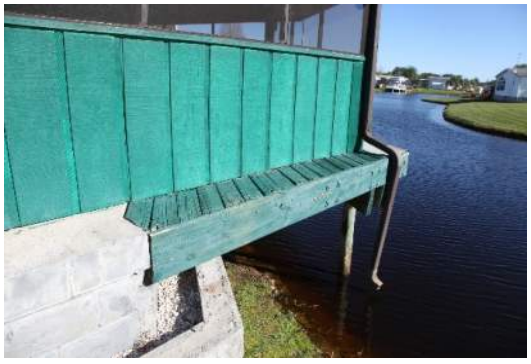


Buildings - 5964 Shoreline Drive

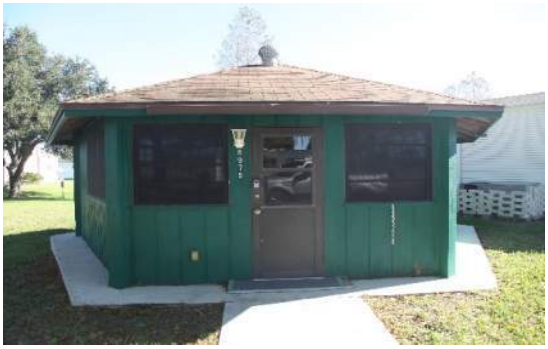


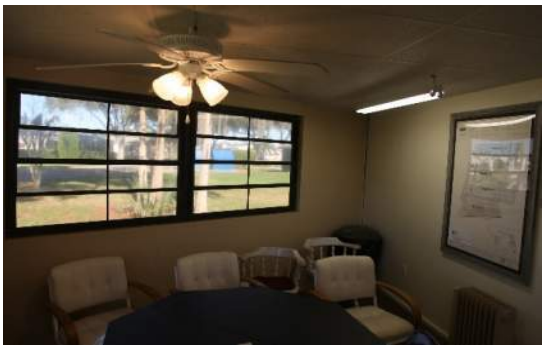


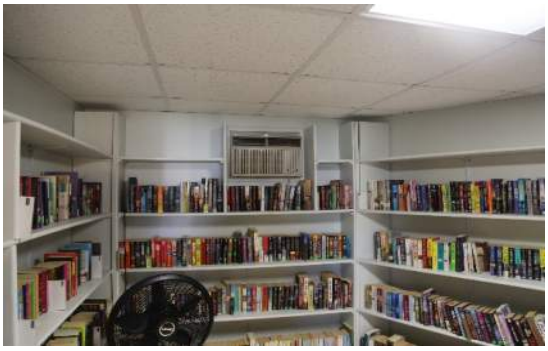


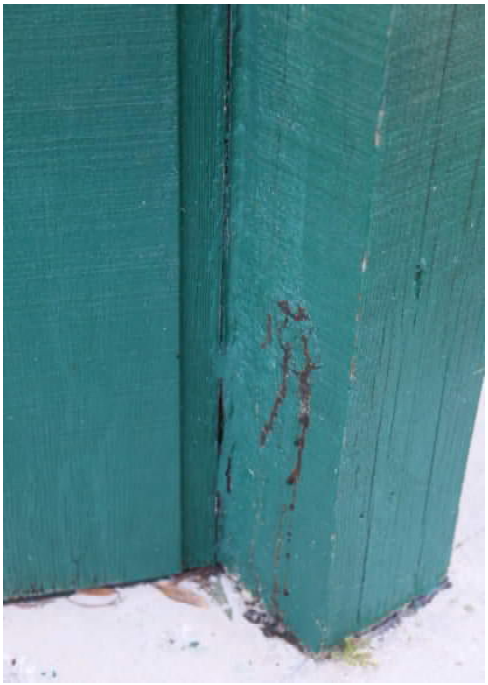


Buildings - 8975 Island View Drive

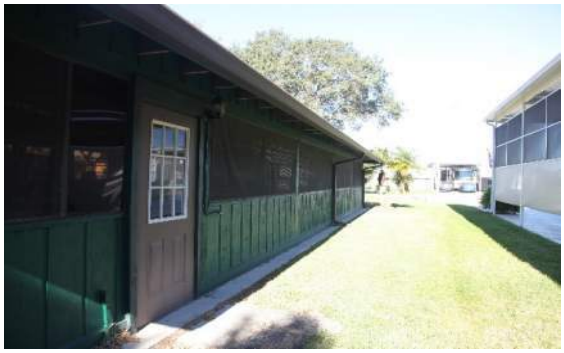


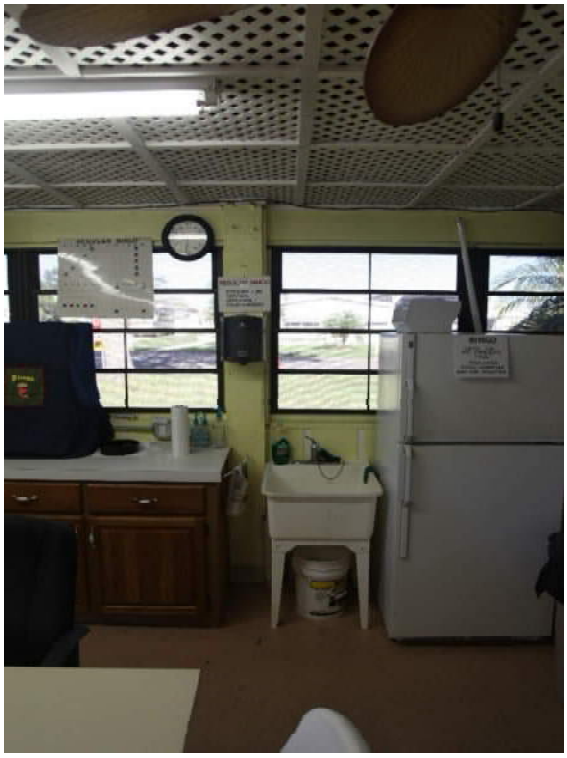


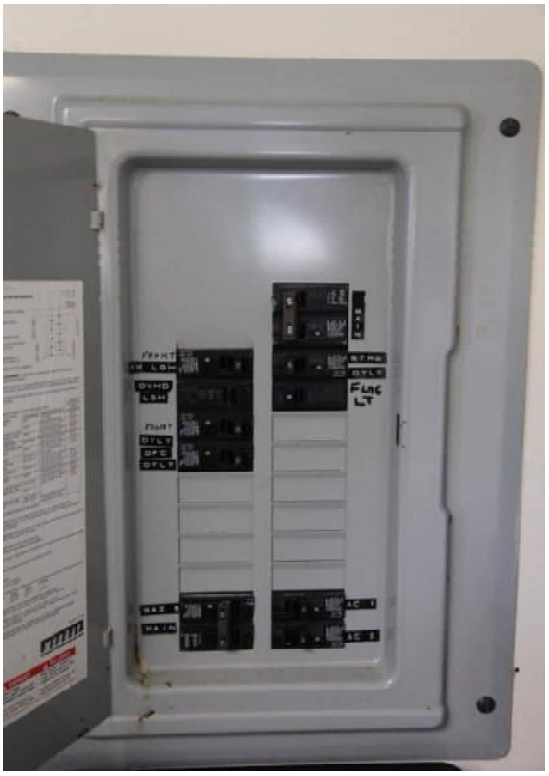




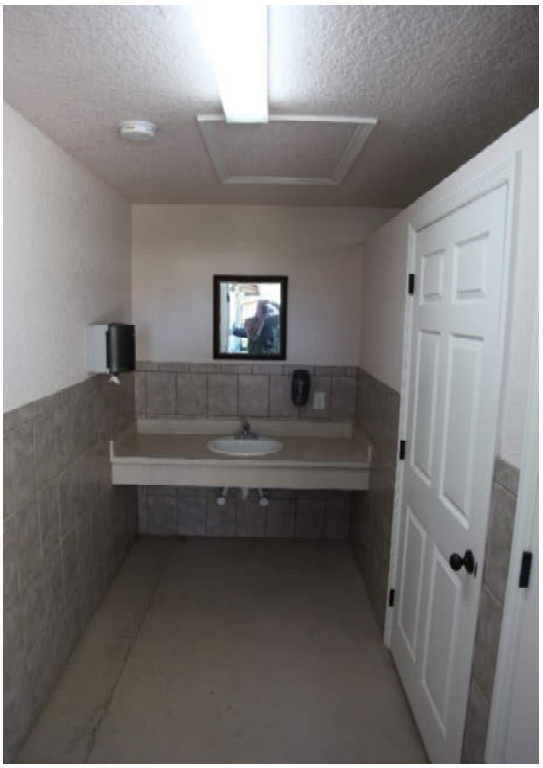
Buildings - 5201 Island View Drive - Community Center

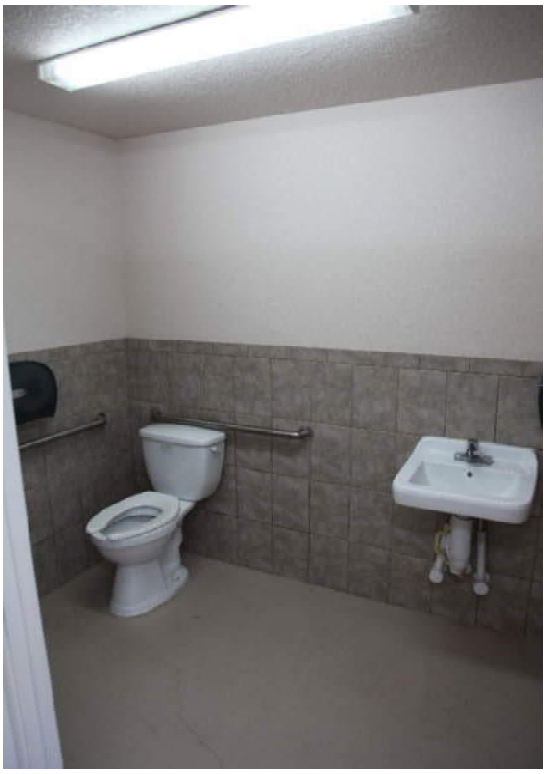


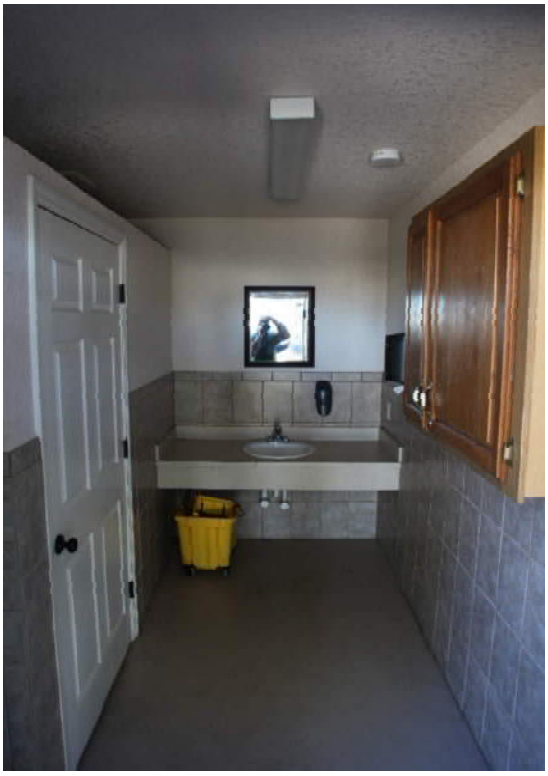


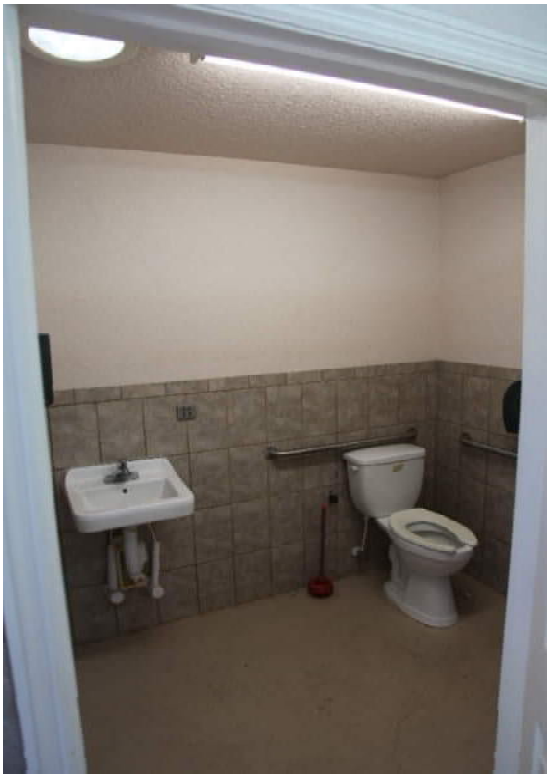


Buildings - 5201 Island View Drive - Restrooms

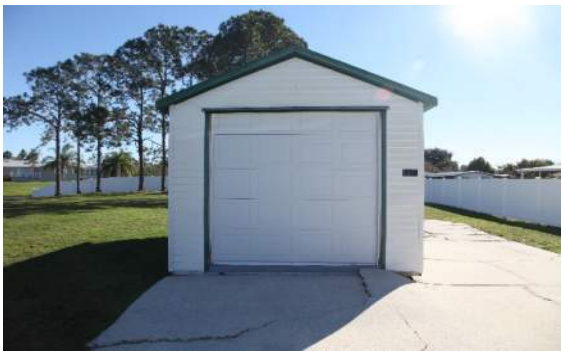


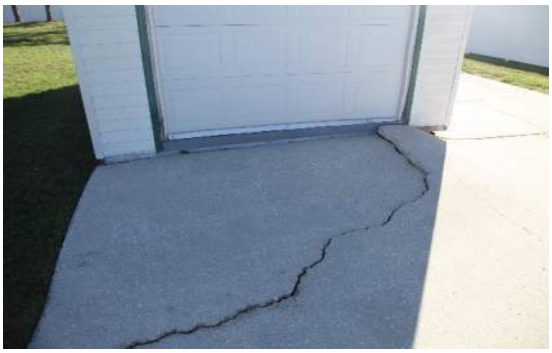


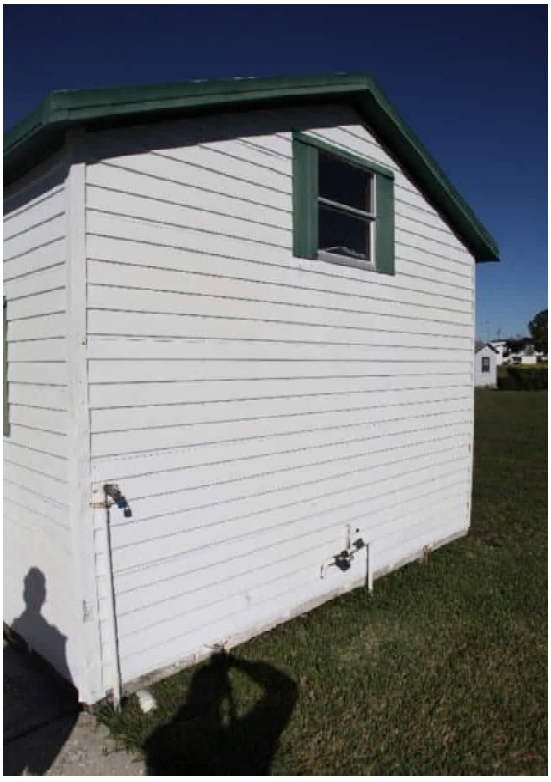




Buildings -Maintenance Shed







APPENDIX B - MT. OLIVE SHORES HOA INFRASTRUCTURE INVENTORY

Stormwater

Reserve Component	Quantity	Unit	Estimated 2021 Replacement Cost
Short Term Evaluation and Repairs			
Clean and Televise 15" Pipe	135	lf	$ 675
Clean and Televise 18" Pipe	1,225	lf	$ 7,350
Clean and Televise 24" Pipe	1,125	lf	$ 7,875
Clean and Televise 30" Pipe	785	lf	$ 6,280
Clean and Televise 36" Pipe	230	lf	$ 2,070
Repair/Line 60" Pipe	30	lf	$ 21,500
Short Term Evaluation and Repairs Subtotal			$ 45,750
Stormwater System			
Curb Inlets	8	ea	$ 48,000
Manholes	1	ea	$ 3,800
Ditch Bottom Inlets	20	ea	$ 94,000
Mitered End Sections	5	ea	$ 12,500
Outlet Structures	1	ea	$ 51,000
Junction Box	1	ea	$ 3,500
15" RCP	135	lf	$ 12,150
18" RCP	1,160	lf	$ 113,680
14" x 23" RCP	45	lf	$ 4,725
14" x 23" CMP	20	lf	$ 2,040
24" RCP	590	lf	$ 63,720
24" CMP	535	lf	$ 59,920
30" RCP	785	lf	$ 99,695
36" RCP	230	lf	$ 33,810
60"CMP	30	lf	$ 14,850
Stormwater System Subtotal			$ 617,390

Roads and Pavement

Reserve Component	Quantity	Unit	Estimated 2021 Replacement Cost
Milling	31,700	sy	$ 71,325
Base Restoration (25% of total area)	7,925	sy	$ 139,084
Resurfacing	3,600	tn	$ 414,000
Seal Coat and Striping	31,700	sy	$ 38,040
Maintenance of Traffic	6	DA	$ 4,020
Pavement Subtotal			$ 666,469
Street Signs	14	ea	$ 8,400

Fencing and Gates

Reserve Component	Quantity	Unit	Estimated 2021 Replacement Cost
PVC/Vinyl Fencing	7,420	lf	$ 148,400
Entry/Exit Gates	2	ea	$ 8,000

Gate Operators	4	ea	$ 18,000
Entry Key Pads	1	ea	$ 3,500
Fencing and Gates Subtotal			$ 177,900

Buildings

Reserve Component	Quantity	Unit	Estimated 2021 Replacement Cost
Community Building Engineering Evaluation	1	ls	$ 45,000
4390 - Rectangular Gazebo (est - 1,600 sf)	1,600	sf	$ 160,000
5964 - Gazebo (est - 475 sf)	475	sf	$ 54,625
8975 - Gazebo (est - 475 sf)	475	sf	$ 66,500
5201 - Community Building (est - 2,125 sf)	2,125	sf	$ 233,750
5201 - Restroom Building (est - 375 sf)	375	sf	$ 48,750
5075 - Prefabricated Maintenance Shed	1	ea	$ 7,500
5075 - Prefabricated Maintenance Shed (Concrete)	1	ls	$ 5,500
Exterior Painting - Community Buildings	5040	sf	$ 18,900
Roofing - Community Buildings	82	Squares	$ 36,900
Furnishings	1	ls	$ 25,000
Buildings Subtotal			$ 571,125

FDOT Outfall Ditch Improvments			
Mobilization / Field Office (10%)	1	LS	$ 6,135
Maintenance of Traffic	10	DA	$ 7,000
Sediment Barrier	300	LF	$ 300
Inlet Protection (Fabric)	2	EA	$ 200
Clearing and Grubbing	0.15	AC	$ 4,125
Removal of Existing Concrete	10	SY	$ 200
Regular Excavation	150	CY	$ 1,500
Embankment (Fill)	125	CY	$ 1,250
Inlets, DT BOT, Type F <10'	1	EA	$ 5,000
Manhole	1	EA	$ 5,000
Pipe Culvert, Optional Material Round 24" S/CD	20	LF	$ 3,000
Pipe Culvert, Optional Material Round 42" S/CD	105	LF	$ 25,200
Straight Concrete Endwall	1	EA	$ 6,000
Performance Turf, Sod	850	SY	$ 2,550
Contingency	1	LS	$ 17,540
FDOT Outfall Ditch Improvments Subtotal			$ 85,000

APPENDIX C - RESERVE ESPENSES TABLE
Mt. Olive Shores

Estimated Inflation Rate 2.5%

Line Item	Reserve Component	Useful Life, Years	In Service Year(s)	Estimated Remaining Life, Years	1st Year of Work	2021 Unit Cost	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
						Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Stormwater System Inspection	10		10	2022	$ 24,250		$ 7,898	$ 4,178	$ 9,369	$ 4,939							$ 10,110	$ 5,349	$ 11,993	$ 6,322	
2	Outfall Pipe Lining	up to 60	2022	60	2022	$ 21,500		$ 22,588														
3	Stormwater System Repair/Replacement	up to 60	1985	24	2023	$ 617,390				$ 34,074					$ 38,552					$ 43,618		
4	Pavement Rehab	15 - 25	2017	17	2037	$ 666,469																
5	Street Signs	40	1988	8	2028	$ 8,400									$ 10,490							
6	PVC/Vinyl Fencing	25	2002	7	2027	$ 148,400								$ 180,811								
7	Entry/Exit Gates	25	2002/2008	12/13	2032	$ 8,000												$ 5,514	$ 5,652			
8	Gate Operators	15	2018/2019	13/14	2033	$ 18,000													$ 12,717	$ 13,035		
9	Entry Key Pad	10	2008	0	2022	$ 3,500		$ 3,677										$ 4,707				
10	Community Building Engineering Evaluation	NA	NA	NA	2022	$ 45,000		$ 47,278														
11	4390 - Rectangular Gazebo Rehab/Replace	40	1988	8	2028	$ 160,000									$ 199,818							
12	5964 - Gazebo Rehab/Replace	40	1988	8	2028	$ 54,625									$ 68,219							
13	8975 - Gazebo Rehab/Replace	40	1988	8	2028	$ 66,500									$ 83,049							
14	5201 - Community Building Rehab/Replace	40	1988	8	2028	$ 233,750									$ 291,922							
15	5201 - Restroom Building Remodel (not full replacement)	25	2011	14	2036	$ 48,750																$ 74,179
16	5075 - Prefabricated Maintenance Shed - Replace	20	2004	4	2024	$ 7,500					$ 8,486											
17	5075 - Prefabricated Maintenance Shed Restore Concrete Drive	20	2004	0	2020	$ 5,500	$ 5,638															
18	Painting - Common Area Buildings	7	2010	0	2022	$ 18,900		$ 19,857							$ 23,604							$ 28,057
19	Roofing - Common Area Buildings	20	2012	12	2024	$ 36,900				$ 40,731												
20	Furnishings	18	2000	0	2021	$ 25,000		$ 6,566		$ 6,899		$ 7,248		$ 7,615								
	Totals						$ 5,638	$ 107,865	$ 4,178	$ 91,072	$ 13,424	$ 7,248	$ -	$ 188,426	$ 715,654	$ -	$ -	$ 20,331	$ 23,717	$ 68,645	$ 6,322	$ 102,236

Line Item	Reserve Component	Useful Life, Years	In Service Year(s)	Estimated Remaining Life, Years	1st Year of Work	2021 Unit Cost	FY2037	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050	30 Year Cost of Work
						Year	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
1	Stormwater System Inspection	10		10	2022	$ 24,250						$ 12,942	$ 6,847	$ 15,352	$ 8,092						$ 103,390
2	Outfall Pipe Repair and Lining	up to 60	2022	60	2022	$ 21,500															$ 22,588
3	Stormwater System Repair/Replacement	up to 60	1985	24	2023	$ 617,390			$ 49,350					$ 55,834					$ 63,172		$ 284,599
4	Pavement Rehab	15 - 25	2017	17	2037	$ 666,469	$ 941,703														$ 941,703
5	Street Signs	40	1988	8	2028	$ 8,400															$ 10,490
6	PVC/Vinyl Fencing	25	2002	7	2027	$ 148,400															$ 180,811
7	Entry/Exit Gates	25	2002/2008	12/13	2032	$ 8,000															$ 11,166
8	Gate Operators	15	2018/2019	13/14	2033	$ 18,000											$ 35,060	$ 35,937			$ 96,749
9	Entry Key Pad	10	2008	0	2022	$ 3,500						$ 6,025									$ 14,410
10	Community Building Engineering Evaluation	NA	NA	NA	2022	$ 45,000															$ 47,278
11	4390 - Rectangular Gazebo Rehab/Replace	40	1988	8	2028	$ 160,000															$ 199,818
12	5964 - Gazebo Rehab/Replace	40	1988	8	2028	$ 54,625															$ 68,219
13	8975 - Gazebo Rehab/Replace	40	1988	8	2028	$ 66,500															$ 83,049
14	5201 - Community Building Rehab/Replace	40	1988	8	2028	$ 233,750															$ 291,922
15	5201 - Restroom Building Remodel (not full replacement)	25	2011	14	2036	$ 48,750															$ 74,179
16	5075 - Prefabricated Maintenance Shed - Replace	20	2004	4	2024	$ 7,500									$ 13,905						$ 22,390
17	5075 - Prefabricated Maintenance Shed Restore Concrete Drive	20	2004	0	2021	$ 5,500				$ 9,012											$ 14,650
18	Painting - Common Area Buildings	7	2010	0	2022	$ 18,900							$ 33,351							$ 39,644	$ 144,513
19	Roofing - Common Area Buildings	20	2012	12	2024	$ 36,900								$ 49,626							$ 90,357
20	Furnishings	18	2000	0	2021	$ 25,000															$ 28,328
	Totals						$ 941,703	$ -	$ 49,350	$ 9,012	$ -	$ 18,967	$ 40,198	$ 120,812	$ 21,997	$ -	$ 35,060	$ 35,937	$ 63,172	$ 39,644	$ 2,730,610

APPENDIX D - COMPONENT METHOD FUNDING PLAN
Mt. Olive Shores

Line Item	Reserve Component	Useful Life, Years	Estimated Remaining Life, Years	1st Year of Replacement	2021 Unit Cost	Total Cost	Estimated March 31, 2022 Reserve Balance	Residual Cost/ Balance	2022 Reserve Contribution Needed
1	Stormwater System Inspection	10	10	2022	$ 24,250	$ 103,390	$ 21,601	$ 81,789	$ 8,179
2	Outfall Pipe Lining	up to 60	60	2022	$ 21,500	$ 22,588	$ 4,719	$ 17,869	$ 298
3	Stormwater System Repair/Replacement	up to 60	24	2023	$ 617,390	$ 284,599	$ 59,460	$ 225,139	$ 9,381
4	Pavement Rehab	15 - 25	17	2037	$ 666,469	$ 941,703	$ 196,745	$ 744,958	$ 43,821
5	Street Signs	40	8	2028	$ 8,400	$ 10,490	$ 2,192	$ 8,298	$ 1,037
6	PVC/Vinyl Fencing	25	7	2027	$ 148,400	$ 180,811	$ 37,776	$ 143,035	$ 20,434
7	Entry/Exit Gates	25	12.5	2032	$ 8,000	$ 11,166	$ 2,333	$ 8,833	$ 707
8	Gate Operators	15	13.5	2033	$ 18,000	$ 96,749	$ 20,213	$ 76,536	$ 5,669
9	Entry Key Pad	10	1	2021	$ 3,500	$ 14,410	$ 3,011	$ 11,399	$ 11,399
10	Community Building Engineering Evaluation	NA	1	2021	$ 45,000	$ 47,278	$ 9,878	$ 37,400	$ 37,400
11	4390 - Rectangular Gazebo Rehab/Replace	40	8	2028	$ 160,000	$ 199,818	$ 41,747	$ 158,071	$ 19,759
12	5964 - Gazebo Rehab/Replace	40	8	2028	$ 54,625	$ 68,219	$ 14,253	$ 53,966	$ 6,746
13	8975 - Gazebo Rehab/Replace	40	8	2028	$ 66,500	$ 83,049	$ 17,351	$ 65,698	$ 8,212
14	5201 - Community Building Rehab/Replace	40	8	2028	$ 233,750	$ 291,922	$ 60,990	$ 230,932	$ 28,867
15	5201 - Restroom Building Remodel (not full replacement)	25	14	2036	$ 48,750	$ 74,179	$ 15,498	$ 58,681	$ 4,192
16	5075 - Prefabricated Maintenance Shed - Replace	20	4	2024	$ 7,500	$ 22,390	$ 4,678	$ 17,712	$ 4,428
17	5075 - Prefabricated Maintenance Shed Restore Concrete Driv	20	1	2020	$ 5,500	$ 14,650	$ 3,061	$ 11,589	$ 11,589
18	Painting - Common Area Buildings	7	1	2021	$ 18,900	$ 144,513	$ 30,192	$ 114,321	$ 114,321
19	Roofing - Common Area Buildings	20	12	NA	$ 36,900	$ 90,357	$ 18,878	$ 71,479	$ 5,957
20	Furnishings	18	1	2021	$ 25,000	$ 28,328	$ 5,918	$ 22,410	$ 22,410
					Totals	$ 2,730,609	$ 570,491	$ 2,160,118	$ 364,805

APPENDIX E - CASH FLOW FUNDING METHOD - INCREASED RESERVE AMOUNT

Mount Olive Shores

Year	1	2	3	4	5	6	7	8	9	10
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Beginning of Year Reserves	$ 496,183	$ 564,852	$ 535,976	$ 612,547	$ 604,558	$ 676,178	$ 756,382	$ 846,337	$ 750,471	$ 129,105
Recommended Reserve Contributions	$ 74,307	$ 76,165	$ 78,069	$ 80,021	$ 82,021	$ 84,072	$ 86,173	$ 88,328	$ 90,536	$ 92,799
Anticipated Interest Earned (0.5%)	$ -	$ 2,824	$ 2,680	$ 3,063	$ 3,023	$ 3,381	$ 3,782	$ 4,232	$ 3,752	$ 646
Projected Expenses	$ 5,638	$ 107,865	$ 4,178	$ 91,072	$ 13,424	$ 7,248	$ -	$ 188,426	$ 715,654	$ -
Projected Year End Reserves	$ 564,852	$ 535,976	$ 612,547	$ 604,558	$ 676,178	$ 756,382	$ 846,337	$ 750,471	$ 129,105	$ 222,550

Year	11	12	13	14	15	16	17	18	19	20
	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040
Beginning of Year Reserves	$ 222,550	$ 318,782	$ 397,542	$ 475,747	$ 511,914	$ 613,145	$ 621,594	$ (206,692)	$ (94,659)	$ (27,588)
Recommended Reserve Contributions	$ 95,119	$ 97,497	$ 99,935	$ 102,433	$ 104,994	$ 107,619	$ 110,309	$ 113,067	$ 115,894	$ 118,791
Anticipated Interest Earned (0.5%)	$ 1,113	$ 1,594	$ 1,988	$ 2,379	$ 2,560	$ 3,066	$ 3,108	$ (1,033)	$ (473)	$ (138)
Projected Expenses	$ -	$ 20,331	$ 23,717	$ 68,645	$ 6,322	$ 102,236	$ 941,703		$ 48,350	$ 9,012
Projected Year End Reserves	$ 318,782	$ 397,542	$ 475,747	$ 511,914	$ 613,145	$ 621,594	$ (206,692)	$ (94,659)	$ (27,588)	$ 82,053

Year	21	22	23	24	25	26	27	28	29	30
	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050
Beginning of Year Reserves	$ 82,053	$ 204,224	$ 311,082	$ 400,365	$ 412,677	$ 527,145	$ 667,541	$ 777,024	$ 889,707	$ 979,338
Recommended Reserve Contributions	$ 121,761	$ 124,805	$ 127,925	$ 131,123	$ 134,401	$ 137,761	$ 141,205	$ 144,735	$ 148,354	$ 152,062
Anticipated Interest Earned (0.5%)	$ 410	$ 1,021	$ 1,555	$ 2,002	$ 2,063	$ 2,636	$ 3,338	$ 3,885	$ 4,449	$ 4,897
Projected Expenses	$ -	$ 18,967	$ 40,198	$ 120,812	$ 21,997	$ -	$ 35,060	$ 35,937	$ 63,172	$ 39,644
Projected Year End Reserves	$ 204,224	$ 311,082	$ 400,365	$ 412,677	$ 527,145	$ 667,541	$ 777,024	$ 889,707	$ 979,338	$ 1,096,653

APPENDIX E - CASH FLOW FUNDING METHOD - INCREASED RESERVE AMOUNT

Mount Olive Shores

Year	1	2	3	4	5	6	7	8	9	10
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Beginning of Year Reserves	$ 496,183	$ 564,852	$ 546,811	$ 634,542	$ 638,047	$ 721,503	$ 813,894	$ 916,396	$ 833,446	$ 225,375
Recommended Reserve Contributions	$ 74,307	$ 87,000	$ 89,175	$ 91,404	$ 93,689	$ 96,032	$ 98,433	$ 100,893	$ 103,416	$ 106,001
Anticipated Interest Earned (0.5%)	$ -	$ 2,824	$ 2,734	$ 3,173	$ 3,190	$ 3,608	$ 4,069	$ 4,582	$ 4,167	$ 1,127
Projected Expenses	$ 5,638	$ 107,865	$ 4,178	$ 91,072	$ 13,424	$ 7,248	$ -	$ 188,426	$ 715,654	$ -
Projected Year End Reserves	$ 564,852	$ 546,811	$ 634,542	$ 638,047	$ 721,503	$ 813,894	$ 916,396	$ 833,446	$ 225,375	$ 332,502

Year	11	12	13	14	15	16	17	18	19	20
	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040
Beginning of Year Reserves	$ 332,502	$ 442,816	$ 536,066	$ 629,181	$ 680,688	$ 797,700	$ 822,381	$ 10,792	$ 139,998	$ 224,728
Recommended Reserve Contributions	$ 108,651	$ 111,367	$ 114,152	$ 117,005	$ 119,930	$ 122,929	$ 126,002	$ 129,152	$ 132,381	$ 135,690
Anticipated Interest Earned (0.5%)	$ 1,663	$ 2,214	$ 2,680	$ 3,146	$ 3,403	$ 3,988	$ 4,112	$ 54	$ 700	$ 1,124
Projected Expenses	$ -	$ 20,331	$ 23,717	$ 68,645	$ 6,322	$ 102,236	$ 941,703		$ 48,350	$ 9,012
Projected Year End Reserves	$ 442,816	$ 536,066	$ 629,181	$ 680,688	$ 797,700	$ 822,381	$ 10,792	$ 139,998	$ 224,728	$ 352,530

Year	21	22	23	24	25	26	27	28	29	30
	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050
Beginning of Year Reserves	$ 352,530	$ 493,375	$ 619,435	$ 728,458	$ 761,065	$ 896,394	$ 1,058,235	$ 1,189,760	$ 1,325,097	$ 1,438,009
Recommended Reserve Contributions	$ 139,083	$ 142,560	$ 146,124	$ 149,777	$ 153,521	$ 157,359	$ 161,293	$ 165,325	$ 169,459	$ 173,695
Anticipated Interest Earned (0.5%)	$ 1,763	$ 2,467	$ 3,097	$ 3,642	$ 3,805	$ 4,482	$ 5,291	$ 5,949	$ 6,625	$ 7,190
Projected Expenses	$ -	$ 18,967	$ 40,198	$ 120,812	$ 21,997	$ -	$ 35,060	$ 35,937	$ 63,172	$ 39,644
Projected Year End Reserves	$ 493,375	$ 619,435	$ 728,458	$ 761,065	$ 896,394	$ 1,058,235	$ 1,189,760	$ 1,325,097	$ 1,438,009	$ 1,579,250