MARSALA AT TIBURON HOMEOWNERS ASSOCIATION, INC.

NAPLES, FLORIDA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

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THE DAVIS GROUP
Audit & Attestation Services, LLC

Jimmy C. Roberts III, CPA
Jimmy@thedavisgrouppa.com

4560 Via Royale #1
Fort Myers, FL 33919

Office: (239) 278-5209
Fax: (239) 278-4002

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

The Board of Directors
Marsala at Tiburon Homeowners Association, Inc.
Naples, Florida

Management is responsible for the accompanying financial statements of Marsala at Tiburon Homeowners Association, Inc., which comprise the balance sheet, as of December 31, 2024, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The supplementary information contained in the schedule of operating fund revenues and expenses – budget to actual is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on it.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information about future major repairs and replacements of common property on page 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have not audited, reviewed, or compiled the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on it.

The Davis Group Audit & Attestation Services LLC

THE DAVIS GROUP
AUDIT & ATTESTATION SERVICES LLC

February 10, 2025

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2024

	FUNDS		
	Operating	Replacement	Total
ASSETS			
Cash and cash equivalents	$ 38,631	$ 28,438	$ 67,069
Certificates of deposit	-	89,954	89,954
Utility deposit	40	-	40
Gate clicker inventory	1,791	-	1,791
Accounts receivable	55	3,000	3,055
Prepaid insurance	1,246	-	1,246
Prepaid expenses	158	-	158
Due from operating	-	12,500	12,500
Total assets	$ 41,921	$ 133,892	$ 175,813
LIABILITIES AND FUND BALANCES			
Accounts payable	$ 705	$ 4,645	$ 5,350
Assessments received in advance	25,794	-	25,794
Accrued expense	2,180	-	2,180
Contract liabilities (assessments received in advance - replacement)	-	106,049	- 106,049
Due to replacement	12,500	-	12,500
Total liabilities	41,179	110,694	151,873
FUND BALANCES	742	23,198	23,940
Total liabilities and fund balances	$ 41,921	$ 133,892	$ 175,813

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2024

	FUNDS		
	Operating	Replacement	Total
REVENUES			
Member dues	$ 118,160	$ 14,385	$ 132,545
Capital contributions	-	6,000	6,000
Insurance proceeds	-	8,864	8,864
Application fees	100	-	100
Bar code	415	-	415
Interest income	-	4,280	4,280
Total revenues	118,675	33,529	152,204
EXPENSES			
General and administrative	30,470	-	30,470
Insurance	8,558	-	8,558
Utilities	9,979	-	9,979
Maintenance	8,508	-	8,508
Grounds	48,267	-	48,267
Replacement	-	33,529	33,529
Total expenses	105,782	33,529	139,311
Excess of revenues over expenses	12,893	-	12,893
FUND BALANCES - January 1, 2024	349	10,698	11,047
Transfer	(12,500)	12,500	-
FUND BALANCES - December 31, 2024	$ 742	$ 23,198	$ 23,940

Read Independent Accountants' Compilation Report.
The accompanying notes are an integral
part of the financial statements.

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	FUNDS		
	Operating	Replacement	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Member dues received	$ 119,821	$ 37,837	$ 157,658
Capital contributions received	-	6,000	6,000
Insurance proceeds received	-	8,864	8,864
Application fees received	100	-	100
Bar code	415	-	415
Interest income	-	4,280	4,280
Cash paid for expenditures	(111,291)	(32,473)	(143,764)
Interfund (receivable)/payable	(5,373)	5,373	-
Net cash provided by operating activities	3,672	29,881	33,553
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of certificates of deposit	-	(35,000)	(35,000)
Reinvestment of certificates of deposit	-	(3,777)	(3,777)
Transfer	(12,500)	12,500	-
Net cash (used) by investing activities	(12,500)	(26,277)	(38,777)
Net (decrease) increase in cash	(8,828)	3,604	(5,224)
CASH AND CASH EQUIVALENTS - January 1, 2024	47,459	24,834	72,293
CASH AND CASH EQUIVALENTS - December 31, 2024	$ 38,631	$ 28,438	$ 67,069

	FUNDS		
	Operating	Replacement	Total
RECONCILIATION OF EXCESS OF REVENUES OVER EXPENSES TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Excess of revenues over expenses	$ 12,893	$ -	$ 12,893
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:			
(Increase) in gate clicker inventory	(1,610)	-	(1,610)
(Increase) decrease in accounts receivable	(55)	1,884	1,829
(Increase) in prepaid insurance	(541)	-	(541)
(Increase) in prepaid expenses	(158)	-	(158)
(Decrease) increase in accounts payable	(5,380)	1,056	(4,324)
Increase in assessments received in advance	1,716	-	1,716
Increase in accrued expense	2,180	-	2,180
Increase in contract liabilities (assessments received in advance - replacement)	-	21,568	21,568
Interfund (receivable)/payable	(5,373)	5,373	-
Total adjustments	(9,221)	29,881	20,660
Net cash provided by operating activities	$ 3,672	$ 29,881	$ 33,553

Read Independent Accountants’ Compilation Report.
The accompanying notes are an integral
part of the financial statements.

NOTE 1 - THE ASSOCIATION

Marsala at Tiburon Homeowners Assocation, Inc., (the "Association"), was incorporated on July 14, 2006, under the laws of Florida as a corporation not-for-profit, to preserve, operate, and maintain the common elements of Marsala at Tiburon Homeowners Association, Inc. The association consists of 56 homes and is located in Naples, Florida.

NOTE 2 - DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through February 10, 2025; the date that the financial statements were available to be issued.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Accounting

The Association prepares its financial statements on the accrual basis and presents them as separate funds based on its different funding policies for operations and replacement expenditures.

Property and Equipment

Ownership of the commonly owned assets is vested directly or indirectly in the members and certain assets are not deemed to be severable. As a result, commonly owned assets that have been deemed inseverable are not presented in the Association's financial statements.

Member Assessments and Revenue Recognition

Association members are subject to periodic assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligations related to its operating assessments are satisfied over time and recognized as collected. The performance obligations related to the replacement fund assessments are satisfied when these funds are expended for their designated purpose.

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of owners whose assessments are delinquent. The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association's control.

Inventory

The Association presents its inventory in accordance with ASC 330-Inventory. The Association's inventory balance consists of gate clickers held for resale. The Association presents its inventory balance at the lower of cost or net realizable value. As of December 31, 2024, the Association values its inventory at $1,791.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Funds

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. The assets of the Association are maintained and classified into separate funds to account for daily operations, deferred maintenance, or capital replacements.

The operating fund reflects the operating portion of monthly assessments paid by the owners to meet various day-to-day expenditures incurred in the administration, maintenance, and operation of the Association and recreational facilities.

The replacement fund is composed of the portion of the monthly assessments designated in the budget to fund future major repairs and replacements, as further discussed in Note 9.

Cash Flows

For purposes of the statement of cash flows, the Association considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

The Association made no cash payments for federal income taxes and no cash payments for state income taxes during the year ended December 31, 2024.

Contract Liabilities Assessments Received in Advance - Replacement

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (assessments received in advance – replacement) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement fund assessments.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 4 - CASH, CASH EQUIVALENTS AND CERTIFICATES OF DEPOSIT

The Association maintains its cash and cash equivalent balances at financial institutions with branches located in Southwest Florida. Accounts at the financial institutions are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. The reconciled book balance as of December 31, 2024, is $67,069 all of which is insured.

The Association maintains certificates of deposit at financial institutions with branches located in Southwest Florida. Accounts at these financial institutions are insured by the FDIC up to $250,000. The reconciled balance as of December 31, 2024, is $89,954 all of which is insured.

NOTE 5 - ACCOUNTS RECEIVABLE

Accounts receivable consist of maintenance fees billed which have not been collected by the Association as of December 31, 2024. The accounts receivable are considered collectible.

NOTE 6 - FAIR VALUE MEASUREMENTS

The Fair Value Measurements Topic of the FASB Accounting Standards Codification defines fair value, establishes a consistent framework for measuring fair value, and expands disclosure requirements for fair value measurements.

The Association measures the fair value of assets and liabilities, as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.
Level 2: Inputs other than quoted market prices included with Level 1 that are observable for an asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for an asset or liability. Level 3 inputs should be used to measure fair value to the extent that observable level 1 or 2 inputs are not available.

Generally accepted accounting principles require disclosure of an estimate of fair value of certain financial instruments. The Association's significant financial instruments are cash, accounts receivable, accounts payable, and other short-term assets and liabilities. For these financial instruments (level 1), carrying values approximate fair value, because of the short maturity of these instruments.

NOTE 7 - INCOME TAXES

The Association files its income tax return, as a homeowner's association, in accordance with Internal Revenue Code Section 528. Under that Section, the Association is not taxed on uniform assessments to members and other income received from Association members solely, as a function of their membership in the Association. The Association is taxed at the rate of 30% on its investment income and other non-exempt function income. The Association incurred no federal and no state income tax expense for the year ended December 31, 2024.

Management considers the likelihood of changes by taxing authorities in its filed income tax returns and recognizes a liability for or discloses potential changes that management believes are more likely than not to occur upon examination by tax authorities. Management has not identified any uncertain tax positions in its filed income tax returns that require recognition or disclosure in the accompanying financial statements. The Association's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

NOTE 8 - ASSESSMENTS RECEIVED IN ADVANCE

Assessments received in advance consist of unbilled maintenance fees which were received by the Association as of December 31, 2024.

NOTE 9 - REPLACEMENT FUND

The Association's replacement fund is utilized to accumulate funds for future major repairs and replacements, by an allocation of the maintenance fees charged to each owner specifically designated for the fund in the annual budget. Deductions from the fund are recorded as costs, as incurred, which are determined by the Board, to meet the objective for which the fund was established.

The following is a table of the activity in the replacement fund:

Components	Balance January 1, 2024	Additions To Fund	Transfers	Charges To Fund	Balance December 31, 2024
Pooled	$ 79,229	$ 35,953	$ -	$ 14,385	$ 100,797
Capital contributions	5,252	6,000	-	6,000	5,252
Insurance proceeds	-	8,864	-	8,864	-
Transfer from operating fund	10,698	-	12,500	-	23,198
Uncallocated Interest	-	4,280	-	4,280	-
	95,179	55,097	12,500	33,529	129,247
Contract liabilities (assessments received in advance - replacement)	(84,481)	(21,568)	-	-	(106,049)
Replacement fund balance	$ 10,698	$ 33,529	$ 12,500	$ 33,529	$ 23,198

Additions to fund include $4,280 of interest income.

During the year ended December 31, 2024, the Association funded major repairs and replacements based on the Board's estimates of current replacement costs. The 2025 statutory and approved budgeted cash flow funding is $37,632, as shown in the supplementary information on future major repairs and replacements. The components' actual replacement cost, useful lives, and investment income may vary from estimated amounts and the variation may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association, through its Board, has the power to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

NOTE 10 - COMMITMENTS

The Association has various contracts and commitments.

SUPPLEMENTARY INFORMATION

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION, INC.
SUPPLEMENTARY INFORMATION ON
FUTURE MAJOR REPAIRS AND REPLACEMENTS
DECEMBER 31, 2024
(Unaudited)

The Association's governing documents and the Florida Statutes require the Association to accumulate funds for future major repairs and replacements. As of December 31, 2024, the replacement fund contains approximately $130,000 which are held in separate bank accounts and are generally not available for operating fund related activity.

An independent engineering firm conducted a study in September 2024 to estimate the remaining useful lives and the replacement costs of the components of common property for the next thirty years. This study concludes the Association is in adherence with its funding requirements to maintain adequate reserves within the thirty-year period.

The following table is based on the study and presents significant information about the components of common property:

Components	Estimated Useful Lives	Estimated Remaining Useful Lives	Estimated Current Replacement Costs	2025 Statutory & Approved Budgeted Cash Flow Funding
Paint, Seal and Fountain resurface	7 Years	6 Years	$ 5,000	$ -
Concrete Restoration	30 Years	13 Years	21,000	-
Asphalt - resurface	20 Years	9 Years	107,100	-
Pavers - roadway entrance	40 Years	23 Years	195,000	-
Pavers - roadway and sidewalk	N/A Years	16 Years	41,500	-
Gate operators	8 Years	1 Year	22,500	-
Shared access control systems	20 Years	13 Years	26,000	-
Street light poles	30 Years	13 Years	60,800	-
Misc exterior lighting	20 Years	18 Years	30,000	-
Misc electrical panels	25 Years	8 Years	10,000	-
Recharge well #1	10 Years	5 Years	10,000	-
Recharge well #2	10 Years	9 Years	10,000	-
Irrigation & fountain equipment	10 Years	7 Years	30,000	-
Vehicular & pedestrian gates/fences	30 Years	13 Years	32,000	-
Mailboxes	30 Years	13 Years	72,800	-
Stormwater drainage cleaning/maint	18 Years	1 Year	15,000	-
Water use permit renewal	10 Years	1 Year	18,000	-
Reserve study review	5 Years	5 Years	5,000	-
Cash flow funding requirement			-	37,632
			$ 711,700	$ 37,632

Estimated future replacement costs as of the date the study was conducted are based on the assumption that the compounded annual rate of rate of inflation 3% compounded annual rate of inflation applied after 2025. The interest income earned on replacement funds is estimated to be 3% for the years 2025-2026 and 1.5% thereafter. Assessments were assumed to increase by 5% annually from 2025-2029 and then by 3% thereafter. The funding schedule provided by the study did not assume any capital calls.

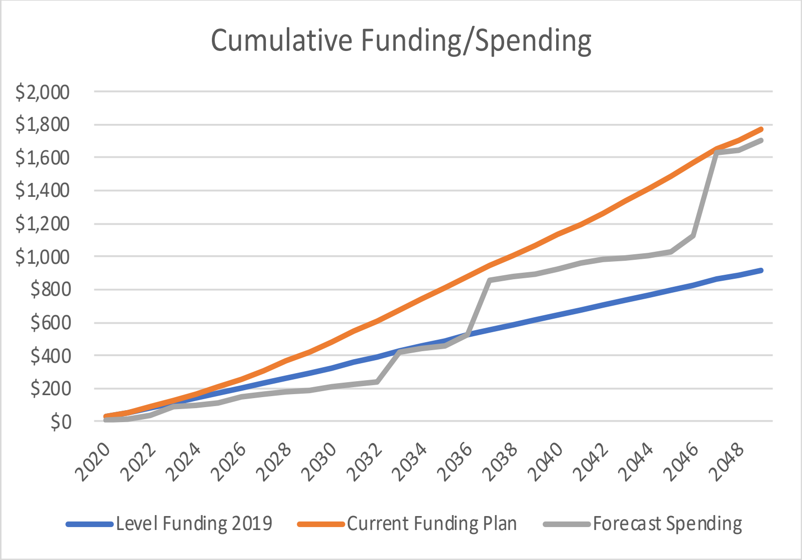
MARSALA AT TIBURON HOMEOWNERS ASSOCIATION, INC.
SCHEDULE OF OPERATING FUND REVENUES AND EXPENSES -
BUDGET TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2024

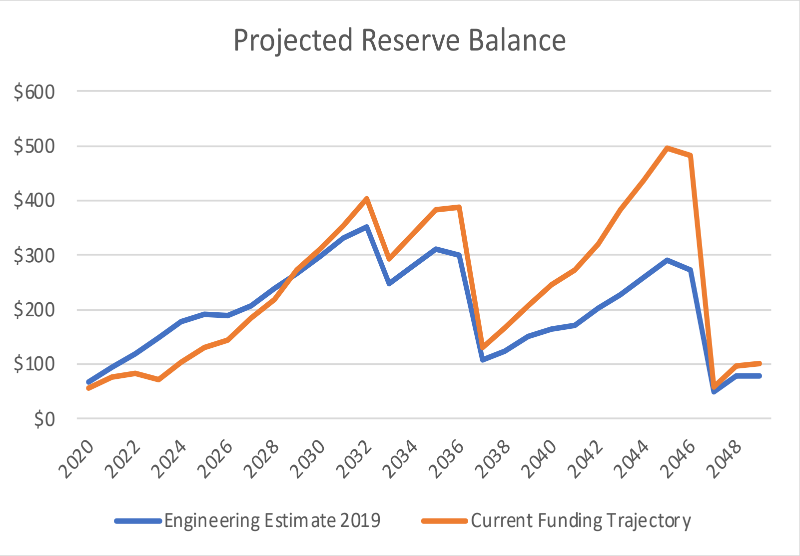
	Budget *(Unaudited)*	Actual	Variance Favorable (Unfavorable)
REVENUES			
Member dues	$ 118,160	$ 118,160	$ -
Application fees	-	100	100
Bar code	-	415	415
Total revenues	118,160	118,675	515
EXPENSES			
GENERAL AND ADMINISTRATIVE			
Contingency	3,180	600	2,580
Accounting services	4,008	4,008	-
Management fees	18,145	18,344	(199)
Legal	2,000	-	2,000
Office expense/records storage	1,588	1,376	212
Annual meeting	500	422	78
Bad debt	650	-	650
Administrative/website	5,000	5,720	(720)
Total general and administrative	35,071	30,470	4,601
INSURANCE	9,100	8,558	542
UTILITIES			
Electricity	11,200	9,602	1,598
Water/sewer	336	377	(41)
Total utilities	11,536	9,979	1,557

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION, INC.
SCHEDULE OF OPERATING FUND REVENUES AND EXPENSES -
BUDGET TO ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget *(Unaudited)*	Actual	Variance Favorable (Unfavorable)
MAINTENANCE			
Access control	3,600	2,467	1,133
Gate repairs/maintenance	1,500	3,566	(2,066)
Holiday decorations	2,150	2,050	100
Transponder	300	425	(125)
Total maintenance	7,550	8,508	(958)
GROUNDS			
Grounds repair	3,264	1,068	2,196
Well testing	840	1,186	(346)
Irrigation maintenance	5,000	2,171	2,829
Fountain repair/maintenance	1,200	1,040	160
Street light cleaning	2,040	630	1,410
Tree trimming/removal	2,500	4,290	(1,790)
Street/sidewalk cleaning	6,000	5,980	20
Landscape contract	25,397	25,085	312
Plant replacement/mulch	8,208	3,117	5,091
Mulch	-	3,700	(3,700)
Total grounds	54,449	48,267	6,182
Total operating fund expenses	117,706	105,782	11,924
Excess of revenues over expenses	$ 454	$ 12,893	$ 12,439

Marsala Homeowners Property Reserve Account – 2024 Update





Baseline: 2019 Forge study projected maintenance costs forward 30 years with 2% inflation and calculated a "30 year" level funding plan at $27,000 per year.

Recent History: Since 2021, the HOA has increased the quarterly contribution rates (2024 rate is $37,000 per year). The current model is inflated at 2% per year after 2024.

Since 2019, costs have been above plan as the HOA has charged some improvements (Cul-de-Sac lighting, Irrigation flow control, Fountain update) against the reserve that were not included in the 2019 study. In addition, the HOA has invested in replacements earlier than forecast by the 2019 study (Wells 1&2, Access Control update, Mailbox maintenance; Transponder replacement twice, etc). Future costs may be lower than originally forecast as a result.

This model shows planned future costs adjusted 5% annually for inflation starting 2025.

With this model, no assessment is included and the new reserve balance exceeds the original plan in 2027. At all times, reserve balance exceeds planned expenses. Future years show reserve balances covering planned expenses.

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
2019 Engineering Study															
Level Contributions + Interest	$27	$28	$28	$29	$30	$30	$30	$30	$31	$31	$32	$33	$33	$34	$32
Cumulative Funding	$27	$55	$83	$112	$142	$172	$202	$232	$263	$295	$326	$359	$392	$426	$457
Cumulative Spending Fcst	($11)	($11)	($14)	($14)	($14)	($31)	($64)	($76)	($76)	($80)	($80)	($80)	($93)	($229)	($229)
Engineering Fund Balance	$66	$94	$119	$148	$178	$191	$188	$207	$238	$265	$297	$330	$350	$248	$279
Current Member Rate															
Fcst Contributions+Interest	$27	$28	$34	$35	$40	$45	$50	$53	$55	$56	$59	$63	$65	$68	$64
Cumulative Funding	$27	$55	$89	$124	$164	$209	$259	$312	$366	$423	$482	$545	$610	$678	$742
Cumulative Spending Fcst	($6)	($13)	($41)	($87)	($97)	($114)	($150)	($163)	($183)	($187)	($207)	($227)	($243)	($421)	($441)
Projected Fund Balance	$57	$78	$84	$73	$103	$131	$145	$185	$220	$272	$311	$354	$403	$293	$337

Year	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
2019 Engineering Study															
Level Contributions + Interest	$32	$33	$33	$29	$29	$30	$30	$30	$31	$31	$32	$32	$32	$28	$28
Cumulative Funding	$490	$522	$555	$584	$613	$642	$672	$702	$733	$764	$796	$828	$860	$888	$916
Cumulative Spending Fcst	($229)	($274)	($497)	($512)	($512)	($528)	($552)	($552)	($556)	($556)	($556)	($606)	($861)	($861)	($888)
Engineering Fund Balance	$311	$299	$108	$123	$152	$165	$171	$201	$227	$258	$290	$273	$50	$77	$78
Current Member Rate															
Fcst Contributions+Interest	$66	$69	$71	$58	$60	$64	$66	$68	$70	$75	$78	$81	$80	$59	$61
Cumulative Funding	$809	$877	$948	$1,007	$1,067	$1,131	$1,197	$1,265	$1,335	$1,410	$1,488	$1,569	$1,649	$1,708	$1,769
Cumulative Spending Fcst	($461)	($525)	($853)	($875)	($895)	($922)	($960)	($980)	($989)	($1,009)	($1,029)	($1,123)	($1,627)	($1,647)	($1,704)
Projected Fund Balance	$384	$389	$131	$168	$208	$245	$273	$321	$382	$438	$496	$482	$58	$97	$101

SOCOTEC

Report of Reserve Study (Full)

MARSALA AT TIBURON
HOMEOWNERS ASSOCIATION, INC.

Marsala Way
Naples, Collier County, Florida

SOCOTEC Project Number VS235312

September 2024

SOCOTEC

September 30, 2024

Attn: Larry Pentz, Board Representative & Kathleen Dammert, LCAM
MARSALA AT TIBURON HOMEOWNERS ASSOCIATION, INC.
C/O: BUSINESS & MANAGEMENT SERVICES OF THE GULF COAST, LLC
P.O. Box 10189
Naples, FL 24101
Phone: 239.823.3550
Email: Larry.Pentz@gmail.com, GCBSLLC@aol.com

Subject: Report of Engineering Consulting Services
RESERVE STUDY (FULL) – MARSALA AT TIBURON HOA
Marsala Way
Naples, Collier County, Florida
SOCOTEC Project Number VS235312

Socotec Consulting Inc. (SOCOTEC) is pleased to present this reserve study (full) completed for Marsala At Tiburon Homeowners Association, Inc. (Marsala) located along Marsala Way in Naples, Collier County, Florida. Our services were completed in general accordance with our proposal dated December 18, 2023, and authorized by Mr. Lawrence C. Pentz, Board Member on June 6, 2024.

SOCOTEC has conducted our services in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. This report identifies each component observed, the estimated useful life, remaining life, and opinion of the current cost to replace/refurbish these items.

Our opinions of the repair and refurbishment costs for each line item are based on our experience with similar projects, known construction industry averages, historical cost data, or simple verbal estimates obtained from suppliers of different components. Opinions of cost information are inclusive of labor, material, appropriate overhead, general conditions, and profit.

This report is classified as a full reserve study under the guidelines of the Community Association Institute (CAI). SOCOTEC has no relationship with the subject Association that would result in actual or perceived conflicts of interest.

This report contains our opinion of the conditions observed. The actual useful life of the components may or may not be as long as estimated due to a variety of controllable and uncontrollable factors, such as weather, maintenance schedule, physical abuse, or abnormal wear. If such a case occurs, SOCOTEC should be contacted to provide additional review and revise this reserve study, if appropriate.

This reserve study is intended to provide guidance for the Association to plan their set-asides. The actual reserve set aside by the Association is solely at their discretion. This report should not be used for performing an audit, forensic analysis, or background checks of historical records.

SOCOTEC personnel completed an on-site inspection of the subject property on June 28, 2024, to evaluate the in-place condition of common area components and evaluate quantities. The on-site inspection should not be considered a project audit or quality inspection. Information provided by the official representative of the Association regarding financial, physical, quantity, or historical issues will be deemed reliable by SOCOTEC for this study and is assumed to be complete and correct.

Socotec Consulting, Inc.

Michael C. Vieira

Michael C. Vieira, E.I.
Project Engineer

Thomas E. Conrecode, P.E.
Principal Engineer
Florida Registration No. 46571

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PROJECT INFORMATION

Marsala is located north of Vanderbilt Beach Road and south of Immokalee Road, on the east side of Livingston Road, Naples, Florida. The Association is comprised of 56 single-family residential homes. In general, the Association is responsible for maintaining:

- Entrance monument sign and a decorative concrete fountain feature (paint, resurfacing, and restoration),
- Ingress/egress gates, gate operators, gate access system, and electrical panels,
- Pavement – Asphalt paved roadways and interlocking concrete paver roadway sections and sidewalks,
- Exterior site lighting,
- Mailboxes,
- Stormwater system, and
- Two recharge wells, associated irrigation equipment, and common landscaped areas.

We understand that the subject site and residential buildings were constructed circa 2007. The monument and fountain structures are likely conventionally built and supported on a shallow foundation, with pre-cast concrete elements. The structures' exteriors consist of painted pre-cast concrete, Portland cement stucco, and decorative stone and tile veneer.

Appendix A illustrates the subject site location with respect to the local vicinity, whereas Appendix B shows an aerial photograph of the subject site. Limited photographs collected during the time of our site visits are represented in Appendix C. Appendix D includes the 30-year Cash Flow (Pooled) Analysis reserve data sheets produced to determine the recommended annual reserve allocation based on the Cash Flow (Pooled) Analysis method.

You provided SOCOTEC with various documentation identifying projected reserve account information. Our services did not include uncovering building materials or performing invasive testing for the purposes of verifying in-place or constructed work

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FUNDING ANALYSIS

The **Cash Flow (Pooled) Funding Analysis** method consists of calculating reserve contributions where the contributions are designed to offset the variable annual expenditures from the reserve fund. Interest income is considered attributable to reserve accounts over the period of the analysis. The beginning balances are pooled together, and a yearly contribution rate is calculated to arrive at a positive cash flow and reserve account balance to adequately fund the future projected expenditures throughout the period of the analysis.

The Cash Flow Analysis method was approved for calculating reserve funding by a 2002 amendment to the Florida Administrative Code. The fund requirement estimated by the Cash Flow Analysis method can now be provided to the membership, on an annual basis as a fully funded figure. The analysis is to be completed as a portion of the Club's annual budget, including the total estimated useful lives, estimated remaining useful lives, and estimated replacement cost/deferred maintenance expenses of all assets in the reserve budget (minimum roofing, painting, paving and any other item with a replacement/repair cost over $10,000), and the estimated fund balance of the pooled reserve account as of the beginning of the period for which the budget will be in effect.

At the request of the Association's Representative, an initial 3% interest rate is added to the reserves and is included within Years 1 & 2, 2025 & 2026 of the analysis, and then an annual 1.5% interest rate is included thereafter. Also, as requested, a 3% inflation rate compounded annually is included in this analysis. We further understand that when a new resident purchases a home within Marsala, a contribution is made to the reserves, and an annual contribution beginning with $3,000 and increased annually by 3% was requested and included within this analysis.

We understand that the Association's projected starting reserve fund balance of $125,000 for the 2025 fiscal year is based on information provided to SOCOTEC and previous discussions with the Association's Representative. The actual or projected total reserve balance presented was not audited. The data spreadsheet completed for the Association depicting the Reserve Study results is located in Appendix D at the end of this report.

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30-YEAR CASH FLOW (POOLED) RESERVE SUMMARY

SITE DATA

Property Name:	Marsala At Tiburon Homeowners Association
Property Address:	Marsala Way
Total Buildings/Units:	0 Buildings / 56 Homeowners
Year of Construction:	Circa 2007
Budget Year Start:	January 1, 2025
Budget Year End:	December 31, 2025

ANALYSIS

Projected beginning of year reserve fund balance (1/1/2025):	$125,000
Total number of elements scheduled for reserve funding:	18
Number of components scheduled for replacement in 2025 budget year:	4
Cost of components scheduled for replacement in 2025 budget year:	$77,765
Projected annual reserve funding contributions (for 2024 Budget):	**$35,840**
***Planned & recommended annual 2025 reserve funding contribution:**	***$37,632** With a 5% annual increase for Years 2026 – 2029 and a 3% increase after.

Based on SOCOTEC's analysis of the current level of reserve funding for the subject Association including the "Requested Purchase of Home" annual contribution and the Association's planned annual increase, the Association currently appears to have **adequate** reserve funds. Therefore, we recommend the Association maintain its planned 5% annual reserve assessment increase beginning with an annual reserve assessment of $37,632 and then reducing its annual increase to 3% after 2029 to remain fully funded during the projected 30-year reserve schedule.

Funding Method	Amount	Minimum Balance Year or the First Year the Balance Falls Below $0	Minimum Balance Amount or the Amount at the First Year the Balance Falls below $0
Projected Funding (Uniform Annual) Contribution)	**$35,840**	**Year 13 2037**	**$-172**
***Planned & Recommended Funding W/ 5% & 3% Annual Increase**	**$37,632 + 5% Annual Increase & then 3% Annual Increase after 2029**	**Year 29 2053**	**$85,421**

*This value indicates the Association's currently planned funding with a 5% annual increase & then a 3% annual increase after 2029. SOCOTEC recommends this planned funding approach can be maintained.

BUILDING COMPONENTS

We understand that the golf course, bridges, and lakes are not the responsibility of Marsala. We further understand that some of the homeowners located adjacent to the golf course and preserve area have wood retaining walls that are also not the responsibility of Marsala.

Within Appendix D, each component's original service date, typical useful life, projected replacement date, approximate remaining useful life, and approximate replacement cost are listed in the table. The common component categories included in this study are summarized and described below.

Painting & Restoration

Paint, Seal, & Fountain Resurface - Budget - The Association is responsible for maintaining and recoating the exteriors of the entrance monument sign and fountain feature located adjacent to the ingress/egress gates. They are also responsible for the resurfacing of the fountain. Overall, the paint and fountain appeared to be in good to fair overall condition. For structures located near the Gulf of Mexico in the Southwest Florida region, we recommend the exteriors be recoated on a 7-year basis. Fountains such as this are typically resurfaced every 15 years or as needed. Therefore, we have allotted a budget for painting and resurfacing as needed.

Concrete Restoration - The Association is responsible for maintaining the concrete structures/elements on site including the entrance monument sign, the fountain feature, the concrete stormwater components, and the concrete roadway elements (curbs, transition ribbon beams, and, valley gutters). Overall, the concrete elements were observed to be in fair overall condition for their age. Typical concrete elements have a useful life of 30 years or more if maintained. Based on previous discussions with the Association's representative, we have allotted a concrete restoration budget to help fund repairs and maintenance as needed.

Pavement

Asphalt - Resurface - The Association is responsible for maintaining the asphaltic concrete paved roadways within the development. Asphalt roadways typically have a useful life of approximately 20 years before requiring resurfacing. We understand the second lift of asphalt was installed circa 2007 and repairs or resurfacing was completed circa 2013. The conditions of the roadways appeared to be in good condition at the time of our site visit and have been scheduled for resurfacing based on a 20-year useful life from 2013.

Interlocking Concrete Pavers – The Association is responsible for the maintenance and replacement of the interlocking concrete paver roadway sections and sidewalks. We understand the Association wishes to reserve for the replacement of the roadway pavers located at the entrance to the development, which experience a higher volume of traffic compared to the other roadway and walkway pavers. The area of pavers located at the entrance accounts for approximately 32% of the total roadway and walkway pavers.

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We further understand that the Association routinely cleans the pavers and replaces broken pavers as needed. Typically, interlocking concrete pavers can achieve a useful life of 40 years or more depending on their use, quality of manufacturing, and installation. Therefore, depending on the quality of the pavers installed, it could be expected that the walkway pavers and other roadway pavers not located at the entrance could achieve a useful life greater than 40 years. We understand that the pavers are original, and they appeared to be in good to fair overall condition. Per the Association's request, the entry roadways pavers have been included based on an approximate 40-year useful life and the remaining pavers for the sidewalk and sections of roadway pavers have been included as a budget of $41,500 for repairs and replacement of sections as needed beginning in 2040 with funding allocated every 5 years thereafter.

Electrical & Mechanical Systems

Gate Operators & Shared Access Control System - Four swing gates and two arm barrier gates, each with one operator, provide ingress/egress to and from the development. We understand all of the gate operators were replaced circa 2017 due to a lightning strike damaging the gate components and are typically replaced on an as-needed basis. Overall, the gate operators were functioning at the time of our site visit and appeared to be in good to fair overall condition.

We understand that the Master Association shares some of the financial responsibility for the gate access system. This was also replaced during that lighting strike in 2017 and appeared to be in good to fair overall condition. A reserve has been included for this item to help fund the Association's shared responsibility.

Exterior Site Lighting - The Association is responsible for the 16 roadway lampposts and the various common area landscape lighting. Exterior lighting fixtures have a typical useful life of approximately 20 to 30 years and are scheduled for replacement accordingly. We understand the landscape lighting was installed in 2018 and was accompanied with a 20-year warranty. We further understand that the Association installed additional landscape lighting in 2022. Therefore, based on discussions with the Association's representative, we have allocated a lighting budget for the main roadway light poles based on an approximate 30-year useful life and we have also allocated a Miscellaneous Exterior Lighting Budget based on a 20-year frequency for any landscape or other lighting repairs/replacement.

The exterior lighting appeared to be in good to fair overall condition with some locations of fading and peeling paint. Although the housing for these lights appeared to be in good to fair overall condition at the time of our site visit, the functionality of the lights could not be confirmed since our study was performed during the daytime hours.

Electrical Panels - The main electrical panels for the gates and irrigation equipment are located adjacent to the lake that is located south of the entrance to the development. There are also two smaller electrical panels, one for each of the irrigation recharge wells. Overall, the panels appeared to be in fair overall condition with some locations of corrosion observed. SOCOTEC recommends that any corroded fasteners be replaced as needed and that the corrosion on the metal panels is cleaned and coated in order to maintain their useful life.

Irrigation & Well Pumps/Controllers - Budgets – We understand the Association is responsible for the irrigation equipment, which includes two control panels, two submersible pumps, and two recharge wells each with a submersible pump. Typically, irrigation controllers achieve a useful life of approximately 20 years. However, we understand that the controllers were replaced circa 2016, approximately 10 years after being in service. Therefore, we have allotted a budget on a 10-year frequency to be utilized as needed to fund the replacement of the pumps and controllers. Separate budgets have been included for the wells to be utilized as needed for submersible pump replacements or any other well components/maintenance. Overall, the main irrigation equipment and wells appeared to be in good to fair overall condition.

Common Area Exteriors

Vehicular & Pedestrian Gates/Fence – The Association is responsible for the maintenance of the pedestrian gate, sections of fence located between the decorative columns, and the metal swing gates. Metal fences and gates typically have a useful life of approximately 30 years before requiring replacement. The fence and gates appeared to be in good overall condition with some areas showing signs of fading.

Mailboxes – The Association is responsible for the maintenance of the homeowners' mailboxes. Like most exterior metal components, the mailboxes have a typical useful life of approximately 30 years. We understand that the Association completes repairs as needed and the mailboxes appeared to be in good overall condition.

Stormwater Cleaning/Maintenance – The Association is responsible for the maintenance of the stormwater system. Typically, the concrete stormwater drainage and plumbing components will achieve a useful life of 40 years or more and are typically repaired as needed and not fully replaced. The concrete restoration budget can be utilized to address repairs as needed. However, we have also allocated this stormwater cleaning/maintenance budget based on an 18-year frequency, as requested, to be utilized as needed to clean, inspect, and perform additional maintenance to the stormwater drainage lines. Please keep in mind that if a major repair or replacement is warranted the budgets allocated may not be sufficient to cover all of the costs associated with a major repair or replacement project.

Water Use Permit Renewal & Reserve Study Review Budgets – The Association's representative requested that budgets be included for the renewal of the well water use permit which is required every 10 years with the first cycle occurring in 5 years and then every 10 years thereafter. They also requested a budget to update and complete new reserve studies every 5 years. These budgets have been included as discussed and requested.

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APPENDIX A

APPENDIX A: SITE VICINITY AERIAL

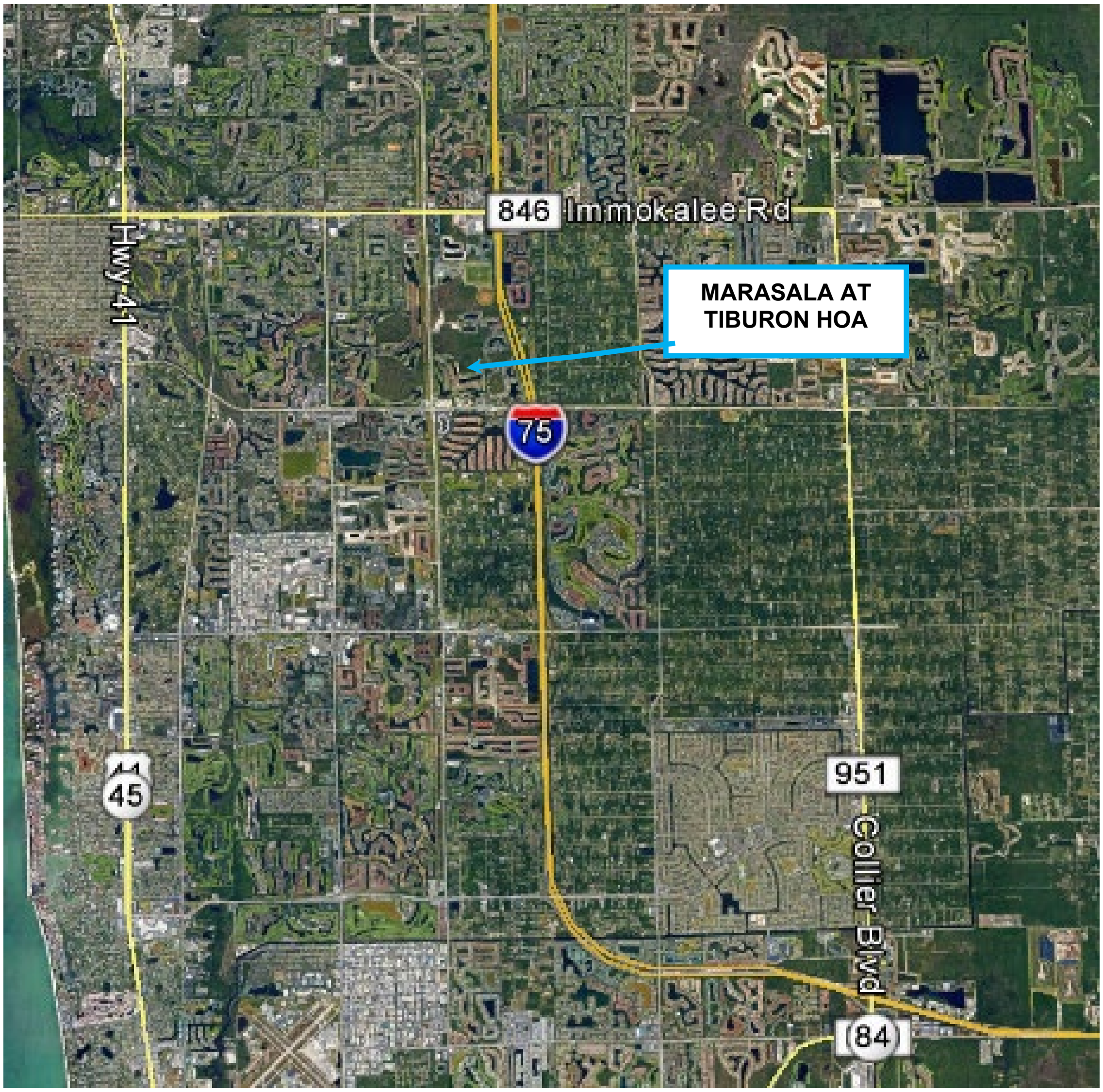

Image from Google Earth Pro.

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Report of Reserve Study (Full)

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION, INC.

Marsala Way
Naples, Collier County, Florida

SOCOTEC Project Number VS235312

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APPENDIX B

APPENDIX B: SITE AERIAL

Image from Google Earth Pro.

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Report of Reserve Study (Full)

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION, INC.

Marsala Way
Naples, Collier County, Florida

SOCOTEC Project Number VS235312

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APPENDIX C

APPENDIX C - SITE PHOTOGRAPHS

Marsala At Tiburon entrance monument sign.

Entrance fountain structure, entry/exit gates, and interlocking concrete roadway pavers.

APPENDIX C - SITE PHOTOGRAPHS

Entry fountain feature.

View of asphalt paved roadway, concrete paver sidewalk, and Association owned mailboxes.

APPENDIX C - SITE PHOTOGRAPHS

View of interlocking concrete paver roadways.

View of interlocking concrete paver roadway and typical common area landscaping.

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APPENDIX C - SITE PHOTOGRAPHS

View of irrigation control panels and associated equipment.

View of irrigation recharge well and associated control panel.

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APPENDIX C - SITE PHOTOGRAPHS

View of electrical panels.

View of Association owned light pole.

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APPENDIX D

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION
30-Year Cash Flow (Pooled) Funding Analysis

BUILDING COMPONENT/ELEMENT	ORIG SVC DATE	SVC LIFE (YRS)	REPLACEMENT DATE	REMAINING LIFE (YRS)	QUANTITY	UNITS	UNIT COSTS ($)	REPLACEMENT COST	RESERVE YEARS 2025 YEAR	2026 YEAR	2027 YEAR	2028 YEAR	2029 YEAR
PAINTING & RESTORATION									1	2	3	4	5
PAINT, SEAL, & FOUNTAIN RESURFACE - BUDGET	2023	7	2030	6	1	lump sum	$5,000	$5,000					
CONCRETE RESTORATION	2007	30	2037	13	1	lump sum	$21,000	$21,000					
PAINTING & WATERPROOFING - TOTAL REPLACEMENT COST								**$26,000**					
PAVEMENT									1	2	3	4	5
ASPHALT - RESURFACE	2013	20	2033	9	63,000	sq. ft.	$1.70	$107,100					
PAVERS - ROADWAY ENTRANCE	2007	40	2047	23	19,500	sq. ft.	$10	$195,000					
PAVERS - ROADWAY SECTIONS & SIDEWALK 10% REPAIR BDG	2007	NA	2040	16	1	lump sum	$41,500	$41,500					
PAVEMENT - TOTAL REPLACEMENT COST								**$343,600**					
ELECTRICAL & MECHANICAL SYSTEMS									1	2	3	4	5
GATE OPERATORS	2017	8	2025	1	6	each	$3,750	$22,500	$22,500				
SHARED ACCESS CONTROL SYSTEM	2017	20	2037	13	1	lump sum	$26,000	$26,000					
STREET LIGHT POLES	2007	30	2037	13	16	each	$3,800	$60,800					
MISCELLANEOUS EXTERIOR LIGHTING BUDGET	2022	20	2042	18	1	lump sum	$30,000	$30,000					
MISCELLANEOUS ELECTRICAL PANELS BUDGET	2007	25	2032	8	1	lump sum	$10,000	$10,000	$20,000				
RECHARGE WELL #1 EQUIPMENT BUDGET	2019	10	2029	5	1	lump sum	$10,000	$10,000					$10,000
RECHARGE WELL #2 EQUIPMENT BUDGET	2023	10	2033	9	1	lump sum	$10,000	$10,000					
IRRIGATION & FOUNTAIN EQUIPMENT - BUDGET	2021	10	2031	7	1	lump sum	$30,000	$30,000					
ELECTRICAL & MECHANICAL SYSTEMS - TOTAL REPLACEMENT COSTS								**$199,300**					
COMMON AREA EXTERIORS									1	2	3	4	5
VEHICULAR & PEDESTRIAN GATES/FENCE	2007	30	2037	13	1	lump sum	$32,000	$32,000					
MAILBOXES	2007	30	2037	13	56	each	$1,300	$72,800					
STORMWATER DRAINAGE CLEANING/MAINTENANCE	2007	18	2025	1	1	lump sum	$15,000	$15,000	$15,000				
WATER USE PERMIT RENEWAL	2015	10	2025	1	1	lump sum	$18,000	$18,000	$18,000				
RESERVE STUDY REVIEW	2024	5	2029	5	1	lump sum	$5,000	$5,000					$5,000
COMMON AREA EXTERIORS - TOTAL REPLACEMENT COST								**$142,800**					
								YEAR:	**2025**	**2026**	**2027**	**2028**	**2029**
								YEARLY TOTAL:	**$75,500**	**$0**	**$0**	**$0**	**$15,000**
								YEARLY TOTAL WITH REQUESTED 3% INFLATION:	**$77,765**	**$0**	**$0**	**$0**	**$17,389**
								BEGINNING OF YEAR BALANCE:	$125,000	$89,825	$133,242	$177,937	$225,373
								INTEREST (REQUESTED 3% FOR YEARS 1 & 2 WITH 1.5% THEREAFTER):	$3,750	$2,695	$1,999	$2,669	$3,381
								YEARLY ASSESSMENT WITH REQUESTED % ANNUAL INCREASE:	**$35,840**	**$37,632**	**$39,514**	**$41,489**	**$43,564**
								REQUESTED PURCHASE OF HOME CONTRIBUTION WITH 3% ANNUAL INCREASE:	**$3,000**	**$3,090**	**$3,183**	**$3,278**	**$3,377**
								RESERVE CASH OUTFLOW:	$77,765	$0	$0	$0	$17,389
								END OF YEAR BALANCE:	**$89,825**	**$133,242**	**$177,937**	**$225,373**	**$258,305**

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION
30-Year Cash Flow (Pooled) Funding Analysis

									RESERVE YEARS				
BUILDING COMPONENT/ELEMENT	ORIG SVC DATE	SVC LIFE (YRS)	REPLACEMENT DATE	REMAINING LIFE (YRS)	QUANTITY	UNITS	UNIT COSTS ($)	REPLACEMENT COST	2030 YEAR	2031 YEAR	2032 YEAR	2033 YEAR	2034 YEAR
PAINTING & RESTORATION									**6**	**7**	**8**	**9**	**10**
PAINT, SEAL, & FOUNTAIN RESURFACE - BUDGET	2023	7	2030	6	1	lump sum	$5,000	$5,000	$5,000				
CONCRETE RESTORATION	2007	30	2037	13	1	lump sum	$21,000	$21,000					
PAINTING & WATERPROOFING - TOTAL REPLACEMENT COST								**$26,000**					
PAVEMENT									**6**	**7**	**8**	**9**	**10**
ASPHALT - RESURFACE	2013	20	2033	9	63,000	sq. ft.	$1.70	$107,100				$107,100	
PAVERS - ROADWAY ENTRANCE	2007	40	2047	23	19,500	sq. ft.	$10	$195,000					
PAVERS - ROADWAY SECTIONS & SIDEWALK 10% REPAIR BDG	2007	NA	2040	16	1	lump sum	$41,500	$41,500					
PAVEMENT - TOTAL REPLACEMENT COST								**$343,600**					
ELECTRICAL & MECHANICAL SYSTEMS									**6**	**7**	**8**	**9**	**10**
GATE OPERATORS	2017	8	2025	1	6	each	$3,750	$22,500				$22,500	
SHARED ACCESS CONTROL SYSTEM	2017	20	2037	13	1	lump sum	$26,000	$26,000					
STREET LIGHT POLES	2007	30	2037	13	16	each	$3,800	$60,800					
MISCELLANEOUS EXTERIOR LIGHTING BUDGET	2022	20	2042	18	1	lump sum	$30,000	$30,000					
MISCELLANEOUS ELECTRICAL PANELS BUDGET	2007	25	2032	8	1	lump sum	$10,000	$10,000			$10,000		
RECHARGE WELL #1 EQUIPMENT BUDGET	2019	10	2029	5	1	lump sum	$10,000	$10,000					
RECHARGE WELL #2 EQUIPMENT BUDGET	2023	10	2033	9	1	lump sum	$10,000	$10,000				$10,000	
IRRIGATION & FOUNTAIN EQUIPMENT - BUDGET	2021	10	2031	7	1	lump sum	$30,000	$30,000		$30,000			
ELECTRICAL & MECHANICAL SYSTEMS - TOTAL REPLACEMENT COSTS								**$199,300**					
COMMON AREA EXTERIORS									**6**	**7**	**8**	**9**	**10**
VEHICULAR & PEDESTRIAN GATES/FENCE	2007	30	2037	13	1	lump sum	$32,000	$32,000					
MAILBOXES	2007	30	2037	13	56	each	$1,300	$72,800					
STORMWATER DRAINAGE CLEANING/MAINTENANCE	2007	18	2025	1	1	lump sum	$15,000	$15,000					
WATER USE PERMIT RENEWAL	2015	10	2025	1	1	lump sum	$18,000	$18,000	$18,000				
RESERVE STUDY REVIEW	2024	5	2029	5	1	lump sum	$5,000	$5,000					$5,000
COMMON AREA EXTERIORS - TOTAL REPLACEMENT COST								**$142,800**					
								YEAR:	**2030**	**2031**	**2032**	**2033**	**2034**
								YEARLY TOTAL:	**$23,000**	**$30,000**	**$10,000**	**$139,600**	**$5,000**
								YEARLY TOTAL WITH REQUESTED 3% INFLATION:	**$27,463**	**$36,896**	**$12,668**	**$182,146**	**$6,720**
								BEGINNING OF YEAR BALANCE:	$258,305	$283,065	$300,213	$343,342	$219,177
								INTEREST (REQUESTED 3% FOR YEARS 1 & 2 WITH 1.5% THEREAFTER):	$3,875	$4,246	$4,503	$5,150	$3,288
								YEARLY ASSESSMENT WITH REQUESTED % ANNUAL INCREASE:	**$44,871**	**$46,217**	**$47,603**	**$49,031**	**$50,502**
								REQUESTED PURCHASE OF HOME CONTRIBUTION WITH 3% ANNUAL INCREASE:	**$3,478**	**$3,582**	**$3,690**	**$3,800**	**$3,914**
								RESERVE CASH OUTFLOW:	$27,463	$36,896	$12,668	$182,146	$6,720
								END OF YEAR BALANCE:	**$283,065**	**$300,213**	**$343,342**	**$219,177**	**$270,162**

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION
30-Year Cash Flow (Pooled) Funding Analysis

									RESERVE YEARS				
BUILDING COMPONENT/ELEMENT	ORIG SVC DATE	SVC LIFE (YRS)	REPLACEMENT DATE	REMAINING LIFE (YRS)	QUANTITY	UNITS	UNIT COSTS ($)	REPLACEMENT COST	2035 YEAR	2036 YEAR	2037 YEAR	2038 YEAR	2039 YEAR
PAINTING & RESTORATION									**11**	**12**	**13**	**14**	**15**
PAINT, SEAL, & FOUNTAIN RESURFACE - BUDGET	2023	7	2030	6	1	lump sum	$5,000	$5,000			$5,000		
CONCRETE RESTORATION	2007	30	2037	13	1	lump sum	$21,000	$21,000			$21,000		
PAINTING & WATERPROOFING - TOTAL REPLACEMENT COST								**$26,000**					
PAVEMENT									**11**	**12**	**13**	**14**	**15**
ASPHALT - RESURFACE	2013	20	2033	9	63,000	sq. ft.	$1.70	$107,100					
PAVERS - ROADWAY ENTRANCE	2007	40	2047	23	19,500	sq. ft.	$10	$195,000					
PAVERS - ROADWAY SECTIONS & SIDEWALK 10% REPAIR BDG	2007	NA	2040	16	1	lump sum	$41,500	$41,500					
PAVEMENT - TOTAL REPLACEMENT COST								**$343,600**					
ELECTRICAL & MECHANICAL SYSTEMS									**11**	**12**	**13**	**14**	**15**
GATE OPERATORS	2017	8	2025	1	6	each	$3,750	$22,500					
SHARED ACCESS CONTROL SYSTEM	2017	20	2037	13	1	lump sum	$26,000	$26,000			$26,000		
STREET LIGHT POLES	2007	30	2037	13	16	each	$3,800	$60,800			$60,800		
MISCELLANEOUS EXTERIOR LIGHTING BUDGET	2022	20	2042	18	1	lump sum	$30,000	$30,000					
MISCELLANEOUS ELECTRICAL PANELS BUDGET	2007	25	2032	8	1	lump sum	$10,000	$10,000					
RECHARGE WELL #1 EQUIPMENT BUDGET	2019	10	2029	5	1	lump sum	$10,000	$10,000					$10,000
RECHARGE WELL #2 EQUIPMENT BUDGET	2023	10	2033	9	1	lump sum	$10,000	$10,000					
IRRIGATION & FOUNTAIN EQUIPMENT - BUDGET	2021	10	2031	7	1	lump sum	$30,000	$30,000					
ELECTRICAL & MECHANICAL SYSTEMS - TOTAL REPLACEMENT COSTS								**$199,300**					
COMMON AREA EXTERIORS									**11**	**12**	**13**	**14**	**15**
VEHICULAR & PEDESTRIAN GATES/FENCE	2007	30	2037	13	1	lump sum	$32,000	$32,000			$32,000		
MAILBOXES	2007	30	2037	13	56	each	$1,300	$72,800			$72,800		
STORMWATER DRAINAGE CLEANING/MAINTENANCE	2007	18	2025	1	1	lump sum	$15,000	$15,000					
WATER USE PERMIT RENEWAL	2015	10	2025	1	1	lump sum	$18,000	$18,000					
RESERVE STUDY REVIEW	2024	5	2029	5	1	lump sum	$5,000	$5,000					$5,000
COMMON AREA EXTERIORS - TOTAL REPLACEMENT COST								**$142,800**					
								YEAR:	**2035**	**2036**	**2037**	**2038**	**2039**
								YEARLY TOTAL:	**$0**	**$0**	**$217,600**	**$0**	**$15,000**
								YEARLY TOTAL WITH REQUESTED 3% INFLATION:	**$0**	**$0**	**$319,553**	**$0**	**$23,370**
								BEGINNING OF YEAR BALANCE:	$270,162	$330,264	$392,948	$138,752	$202,080
								INTEREST (REQUESTED 3% FOR YEARS 1 & 2 WITH 1.5% THEREAFTER):	$4,052	$4,954	$5,894	$2,081	$3,031
								YEARLY ASSESSMENT WITH REQUESTED % ANNUAL INCREASE:	**$52,017**	**$53,578**	**$55,185**	**$56,841**	**$58,546**
								REQUESTED PURCHASE OF HOME CONTRIBUTION WITH 3% ANNUAL INCREASE:	**$4,032**	**$4,153**	**$4,277**	**$4,406**	**$4,538**
								RESERVE CASH OUTFLOW:	$0	$0	$319,553	$0	$23,370
								END OF YEAR BALANCE:	**$330,264**	**$392,948**	**$138,752**	**$202,080**	**$244,825**

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION
30-Year Cash Flow (Pooled) Funding Analysis

BUILDING COMPONENT/ELEMENT	ORIG SVC DATE	SVC LIFE (YRS)	REPLACEMENT DATE	REMAINING LIFE (YRS)	QUANTITY	UNITS	UNIT COSTS ($)	REPLACEMENT COST	RESERVE YEARS 2040 YEAR	2041 YEAR	2042 YEAR	2043 YEAR	2044 YEAR
PAINTING & RESTORATION									**16**	**17**	**18**	**19**	**20**
PAINT, SEAL, & FOUNTAIN RESURFACE - BUDGET	2023	7	2030	6	1	lump sum	$5,000	$5,000					$5,000
CONCRETE RESTORATION	2007	30	2037	13	1	lump sum	$21,000	$21,000					
PAINTING & WATERPROOFING - TOTAL REPLACEMENT COST								**$26,000**					
PAVEMENT									**16**	**17**	**18**	**19**	**20**
ASPHALT - RESURFACE	2013	20	2033	9	63,000	sq. ft.	$1.70	$107,100					
PAVERS - ROADWAY ENTRANCE	2007	40	2047	23	19,500	sq. ft.	$10	$195,000					
PAVERS - ROADWAY SECTIONS & SIDEWALK 10% REPAIR BDG	2007	NA	2040	16	1	lump sum	$41,500	$41,500	$41,500				
PAVEMENT - TOTAL REPLACEMENT COST								**$343,600**					
ELECTRICAL & MECHANICAL SYSTEMS									**16**	**17**	**18**	**19**	**20**
GATE OPERATORS	2017	8	2025	1	6	each	$3,750	$22,500		$22,500			
SHARED ACCESS CONTROL SYSTEM	2017	20	2037	13	1	lump sum	$26,000	$26,000					
STREET LIGHT POLES	2007	30	2037	13	16	each	$3,800	$60,800					
MISCELLANEOUS EXTERIOR LIGHTING BUDGET	2022	20	2042	18	1	lump sum	$30,000	$30,000			$30,000		
MISCELLANEOUS ELECTRICAL PANELS BUDGET	2007	25	2032	8	1	lump sum	$10,000	$10,000					
RECHARGE WELL #1 EQUIPMENT BUDGET	2019	10	2029	5	1	lump sum	$10,000	$10,000					
RECHARGE WELL #2 EQUIPMENT BUDGET	2023	10	2033	9	1	lump sum	$10,000	$10,000				$10,000	
IRRIGATION & FOUNTAIN EQUIPMENT - BUDGET	2021	10	2031	7	1	lump sum	$30,000	$30,000		$30,000			
ELECTRICAL & MECHANICAL SYSTEMS - TOTAL REPLACEMENT COSTS								**$199,300**					
COMMON AREA EXTERIORS									**16**	**17**	**18**	**19**	**20**
VEHICULAR & PEDESTRIAN GATES/FENCE	2007	30	2037	13	1	lump sum	$32,000	$32,000					
MAILBOXES	2007	30	2037	13	56	each	$1,300	$72,800					
STORMWATER DRAINAGE CLEANING/MAINTENANCE	2007	18	2025	1	1	lump sum	$15,000	$15,000				$15,000	
WATER USE PERMIT RENEWAL	2015	10	2025	1	1	lump sum	$18,000	$18,000	$18,000				
RESERVE STUDY REVIEW	2024	5	2029	5	1	lump sum	$5,000	$5,000					$5,000
COMMON AREA EXTERIORS - TOTAL REPLACEMENT COST								**$142,800**					
								YEAR:	**2040**	**2041**	**2042**	**2043**	**2044**
								YEARLY TOTAL:	**$59,500**	**$52,500**	**$30,000**	**$25,000**	**$10,000**
								YEARLY TOTAL WITH REQUESTED 3% INFLATION:	**$95,480**	**$86,775**	**$51,073**	**$43,838**	**$18,061**
								BEGINNING OF YEAR BALANCE:	$244,825	$217,994	$201,415	$222,296	$252,795
								INTEREST (REQUESTED 3% FOR YEARS 1 & 2 WITH 1.5% THEREAFTER):	$3,672	$3,270	$3,021	$3,334	$3,792
								YEARLY ASSESSMENT WITH REQUESTED % ANNUAL INCREASE:	**$60,302**	**$62,111**	**$63,975**	**$65,894**	**$67,871**
								REQUESTED PURCHASE OF HOME CONTRIBUTION WITH 3% ANNUAL INCREASE:	**$4,674**	**$4,814**	**$4,959**	**$5,107**	**$5,261**
								RESERVE CASH OUTFLOW:	$95,480	$86,775	$51,073	$43,838	$18,061
								END OF YEAR BALANCE:	**$217,994**	**$201,415**	**$222,296**	**$252,795**	**$311,657**

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION
30-Year Cash Flow (Pooled) Funding Analysis

									RESERVE YEARS				
BUILDING COMPONENT/ELEMENT	ORIG SVC DATE	SVC LIFE (YRS)	REPLACEMENT DATE	REMAINING LIFE (YRS)	QUANTITY	UNITS	UNIT COSTS ($)	REPLACEMENT COST	2045 YEAR	2046 YEAR	2047 YEAR	2048 YEAR	2049 YEAR
PAINTING & RESTORATION									**21**	**22**	**23**	**24**	**25**
PAINT, SEAL, & FOUNTAIN RESURFACE - BUDGET	2023	7	2030	6	1	lump sum	$5,000	$5,000					
CONCRETE RESTORATION	2007	30	2037	13	1	lump sum	$21,000	$21,000					
PAINTING & WATERPROOFING - TOTAL REPLACEMENT COST								**$26,000**					
PAVEMENT									**21**	**22**	**23**	**24**	**25**
ASPHALT - RESURFACE	2013	20	2033	9	63,000	sq. ft.	$1.70	$107,100					
PAVERS - ROADWAY ENTRANCE	2007	40	2047	23	19,500	sq. ft.	$10	$195,000			$195,000		
PAVERS - ROADWAY SECTIONS & SIDEWALK 10% REPAIR BDG	2007	NA	2040	16	1	lump sum	$41,500	$41,500	$41,500				
PAVEMENT - TOTAL REPLACEMENT COST								**$343,600**					
ELECTRICAL & MECHANICAL SYSTEMS									**21**	**22**	**23**	**24**	**25**
GATE OPERATORS	2017	8	2025	1	6	each	$3,750	$22,500					$22,500
SHARED ACCESS CONTROL SYSTEM	2017	20	2037	13	1	lump sum	$26,000	$26,000					
STREET LIGHT POLES	2007	30	2037	13	16	each	$3,800	$60,800					
MISCELLANEOUS EXTERIOR LIGHTING BUDGET	2022	20	2042	18	1	lump sum	$30,000	$30,000					
MISCELLANEOUS ELECTRICAL PANELS BUDGET	2007	25	2032	8	1	lump sum	$10,000	$10,000					
RECHARGE WELL #1 EQUIPMENT BUDGET	2019	10	2029	5	1	lump sum	$10,000	$10,000					$10,000
RECHARGE WELL #2 EQUIPMENT BUDGET	2023	10	2033	9	1	lump sum	$10,000	$10,000					
IRRIGATION & FOUNTAIN EQUIPMENT - BUDGET	2021	10	2031	7	1	lump sum	$30,000	$30,000					
ELECTRICAL & MECHANICAL SYSTEMS - TOTAL REPLACEMENT COSTS								**$199,300**					
COMMON AREA EXTERIORS									**21**	**22**	**23**	**24**	**25**
VEHICULAR & PEDESTRIAN GATES/FENCE	2007	30	2037	13	1	lump sum	$32,000	$32,000					
MAILBOXES	2007	30	2037	13	56	each	$1,300	$72,800					
STORMWATER DRAINAGE CLEANING/MAINTENANCE	2007	18	2025	1	1	lump sum	$15,000	$15,000					
WATER USE PERMIT RENEWAL	2015	10	2025	1	1	lump sum	$18,000	$18,000					
RESERVE STUDY REVIEW	2024	5	2029	5	1	lump sum	$5,000	$5,000					$5,000
COMMON AREA EXTERIORS - TOTAL REPLACEMENT COST								**$142,800**					
								YEAR:	**2045**	**2046**	**2047**	**2048**	**2049**
								YEARLY TOTAL:	**$41,500**	**$0**	**$195,000**	**$0**	**$37,500**
								YEARLY TOTAL WITH REQUESTED 3% INFLATION:	**$77,202**	**$0**	**$384,849**	**$0**	**$78,517**
								BEGINNING OF YEAR BALANCE:	$311,657	$314,455	$396,757	$97,771	$181,548
								INTEREST (REQUESTED 3% FOR YEARS 1 & 2 WITH 1.5% THEREAFTER):	$4,675	$4,717	$5,951	$1,467	$2,723
								YEARLY ASSESSMENT WITH REQUESTED % ANNUAL INCREASE:	**$69,907**	**$72,004**	**$74,164**	**$76,389**	**$78,681**
								REQUESTED PURCHASE OF HOME CONTRIBUTION WITH 3% ANNUAL INCREASE:	**$5,418**	**$5,581**	**$5,748**	**$5,921**	**$6,098**
								RESERVE CASH OUTFLOW:	$77,202	$0	$384,849	$0	$78,517
								END OF YEAR BALANCE:	**$314,455**	**$396,757**	**$97,771**	**$181,548**	**$190,534**

MARSALA AT TIBURON HOMEOWNERS ASSOCIATION
30-Year Cash Flow (Pooled) Funding Analysis

									RESERVE YEARS				
BUILDING COMPONENT/ELEMENT	ORIG SVC DATE	SVC LIFE (YRS)	REPLACEMENT DATE	REMAINING LIFE (YRS)	QUANTITY	UNITS	UNIT COSTS ($)	REPLACEMENT COST	2050 YEAR	2051 YEAR	2052 YEAR	2053 YEAR	2054 YEAR
PAINTING & RESTORATION									**26**	**27**	**28**	**29**	**30**
PAINT, SEAL, & FOUNTAIN RESURFACE - BUDGET	2023	7	2030	6	1	lump sum	$5,000	$5,000		$5,000			
CONCRETE RESTORATION	2007	30	2037	13	1	lump sum	$21,000	$21,000					
PAINTING & WATERPROOFING - TOTAL REPLACEMENT COST								**$26,000**					
PAVEMENT									**26**	**27**	**28**	**29**	**30**
ASPHALT - RESURFACE	2013	20	2033	9	63,000	sq. ft.	$1.70	$107,100				$107,100	
PAVERS - ROADWAY ENTRANCE	2007	40	2047	23	19,500	sq. ft.	$10	$195,000					
PAVERS - ROADWAY SECTIONS & SIDEWALK 10% REPAIR BDG	2007	NA	2040	16	1	lump sum	$41,500	$41,500	$41,500				
PAVEMENT - TOTAL REPLACEMENT COST								**$343,600**					
ELECTRICAL & MECHANICAL SYSTEMS									**26**	**27**	**28**	**29**	**30**
GATE OPERATORS	2017	8	2025	1	6	each	$3,750	$22,500					
SHARED ACCESS CONTROL SYSTEM	2017	20	2037	13	1	lump sum	$26,000	$26,000					
STREET LIGHT POLES	2007	30	2037	13	16	each	$3,800	$60,800					
MISCELLANEOUS EXTERIOR LIGHTING BUDGET	2022	20	2042	18	1	lump sum	$30,000	$30,000					
MISCELLANEOUS ELECTRICAL PANELS BUDGET	2007	25	2032	8	1	lump sum	$10,000	$10,000					
RECHARGE WELL #1 EQUIPMENT BUDGET	2019	10	2029	5	1	lump sum	$10,000	$10,000					
RECHARGE WELL #2 EQUIPMENT BUDGET	2023	10	2033	9	1	lump sum	$10,000	$10,000				$10,000	
IRRIGATION & FOUNTAIN EQUIPMENT - BUDGET	2021	10	2031	7	1	lump sum	$30,000	$30,000		$30,000			
ELECTRICAL & MECHANICAL SYSTEMS - TOTAL REPLACEMENT COSTS								**$199,300**					
COMMON AREA EXTERIORS									**26**	**27**	**28**	**29**	**30**
VEHICULAR & PEDESTRIAN GATES/FENCE	2007	30	2037	13	1	lump sum	$32,000	$32,000					
MAILBOXES	2007	30	2037	13	56	each	$1,300	$72,800					
STORMWATER DRAINAGE CLEANING/MAINTENANCE	2007	18	2025	1	1	lump sum	$15,000	$15,000					
WATER USE PERMIT RENEWAL	2015	10	2025	1	1	lump sum	$18,000	$18,000	$18,000				
RESERVE STUDY REVIEW	2024	5	2029	5	1	lump sum	$5,000	$5,000					$5,000
COMMON AREA EXTERIORS - TOTAL REPLACEMENT COST								**$142,800**					
								YEAR:	**2050**	**2051**	**2052**	**2053**	**2054**
								YEARLY TOTAL:	**$59,500**	**$35,000**	**$0**	**$117,100**	**$5,000**
								YEARLY TOTAL WITH REQUESTED 3% INFLATION:	**$128,317**	**$77,745**	**$0**	**$275,954**	**$12,136**
								BEGINNING OF YEAR BALANCE:	$190,534	$152,398	$166,881	$262,025	$85,421
								INTEREST (REQUESTED 3% FOR YEARS 1 & 2 WITH 1.5% THEREAFTER):	$2,858	$2,286	$2,503	$3,930	$1,281
								YEARLY ASSESSMENT WITH REQUESTED % ANNUAL INCREASE:	**$81,041**	**$83,473**	**$85,977**	**$88,556**	**$91,213**
								REQUESTED PURCHASE OF HOME CONTRIBUTION WITH 3% ANNUAL INCREASE:	**$6,281**	**$6,470**	**$6,664**	**$6,864**	**$7,070**
								RESERVE CASH OUTFLOW:	$128,317	$77,745	$0	$275,954	$12,136
								END OF YEAR BALANCE:	**$152,398**	**$166,881**	**$262,025**	**$85,421**	**$172,849**