

<b>MIDDLE ISLAND PROPERTY OWNERS ASSOCIATION PROPOSED RESERVE FUNDS BUDGETS FOR 2018</b>	<b>Projected Fund Balance 1/1/2018</b>	<b>2018 Reserve Contributions (see note 1)</b>	<b>2018 Reserve Expenditures Budget</b>	<b>Projected Fund Balance 12/31/2018</b>
<b>Gravel Roads and Bridges Reserve Fund</b> Comprehensive repair/rebuilding of gravel roads Trials of different gravel road maintenance strategies, consults Signage Bridges	\$ 99,666	\$ 11,500 \$ 10,000 \$ 500 \$ 1,000	\$ 23,500 \$ - \$ 22,500 \$ 1,000	\$ 87,666
<b>Paved Roads Reserve Fund</b> Repaving Signage Resolve ponding, erosion on East Beach Drive	\$ 22,922	\$ 4,213 \$ 3,413 \$ 400 \$ 400	\$ 5,000 \$ - \$ - \$ 5,000	\$ 22,135
<b>BH Creek Docks and Bulkhead Reserve Fund</b> Fixed Dock and Ramp - deck, railing, ramp, rip-rap Floating dock Bulkhead - assumes bulkhead will be replaced w/ pier to dock Bollards and signage Waterproofing treatment <sup>2</sup>	\$ 7,528	\$ 5,750 \$ 750 \$ 2,000 \$ 2,000 \$ 500 \$ 500	\$ 1,000 \$ - \$ - \$ - \$ - \$ 1,000	\$ 12,278
<b>Beach Access and Parking Areas Reserve Fund</b> Finish gravel (blue slate #57) for parking areas Plank replacement Waterproofing treatment <sup>2</sup> Signage	\$ 22,165	\$ 3,520 \$ 1,120 \$ 1,500 \$ 900	\$ 3,500 \$ 2,000 \$ 1,500 \$ -	\$ 22,185
<b>General Reserve Fund</b> Cart Truck, tractor Paint boathouse (50%) Mag lock/prox card system, BH Creek dock & Beach access <sup>3</sup>	\$ 130,803	\$ 3,600 \$ 600 \$ 3,000 \$ - \$ -	\$ 5,200 \$ - \$ - \$ 1,000 \$ 4,200	\$ 129,203
<b>Cape Creek Dock Reserve Fund</b> Replacement of dock, ramp, equipment <sup>3</sup> Rebuild Marina Launch Ramp, install scour protection <sup>3</sup> Signage Paint boathouse (50%) Waterproofing treatment <sup>2</sup> Surveillance equipment	\$ 100,922	\$ 6,575 \$ 2,500 \$ 2,175 \$ 100 \$ 1,500 \$ 300	\$ 101,000 \$ 65,000 \$ 35,000 \$ 1,000 \$ - \$ -	\$ 5,697
<b>TOTAL RESERVE FUND BALANCES</b>	\$ 384,006			\$ 279,164
<b>TOTAL RESERVE CONTRIBUTIONS AND EXPENDITURES</b>		\$ 35,158	\$ 139,200	

<sup>1</sup> A reserve study will be conducted in 2018 prior to formulating the 2019 budget to reassess replacement costs, customary useful life, remaining useful life, and appropriate reserve contribution. The previous study was conducted in 2014/5 as part of due diligence prior to turnover.

<sup>2</sup> These items were moved from operating expense to reserve expense in 2017, with compensating adjustment of annual contribution to reserve fund. Ongoing change in reserve contribution will be determined by the planned reserve study.

<sup>3</sup> Subject to Board review of concept, specifications, procurement method, and bids