

**BIRCH BAY VILLAGE COMMUNITY CLUB, INC.**

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**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**

**Birch Bay Village Community Club, Inc.**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors and Members  
Birch Bay Village Community Club, Inc.  
Blaine, Washington

### ***Opinion***

We have audited the financial statements of Birch Bay Village Community Club, Inc., which comprise the balance sheet as of December 31, 2022, and the related statements of revenues and expenses, changes in fund balance, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Birch Bay Village Community Club, Inc. as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Birch Bay Village Community Club, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Birch Bay Village Community Club, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Birch Bay Village Community Club, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Birch Bay Village Community Club, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the supplementary information on future major repairs and replacements on pages 12 through 28 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board who 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Milwaukie, Oregon  
December 29, 2023

A handwritten signature in black ink, appearing to read "Summitt-60", is written over a horizontal line.

**Birch Bay Village Community Club, Inc.**

**Balance Sheet**

**December 31, 2022**

	Operating Fund	Replacement Fund	Total
<b>ASSETS</b>			
Cash, including interest bearing deposits	\$ 1,922,286	\$ 21,977	\$ 1,944,263
Investments	-	3,452,310	3,452,310
Accounts receivable, net of allowance for doubtful accounts of \$3,681	55,445	-	55,445
Interest receivable	-	15,303	15,303
Income tax refund receivable	10,200	-	10,200
Inventory	19,873	-	19,873
Prepaid insurance	69,226	-	69,226
Prepaid income tax expense	6,000	-	6,000
Other prepaid expenses	38,261	-	38,261
Property and equipment, net of accumulated depreciation of \$3,920,782	1,836,048	-	1,836,048
Right-of-use assets	6,587	-	6,587
Interfund balance	596,965	(596,965)	-
Total assets	\$ 4,560,891	\$ 2,892,625	\$ 7,453,516
 <b>LIABILITIES AND FUND BALANCE</b>			
Accounts payable	\$ 135,648	\$ -	\$ 135,648
Assessments received in advance	1,921,627	-	1,921,627
Other fees received in advance	7,058	-	7,058
Deferred contributions	7,436	-	7,436
Refundable deposits	83,675	-	83,675
Lease liabilities	6,587	-	6,587
Contract liabilities	-	2,874,618	2,874,618
Total liabilities	2,162,031	2,874,618	5,036,649
Fund balance	2,398,860	18,007	2,416,867
Total liabilities and fund balance	\$ 4,560,891	\$ 2,892,625	\$ 7,453,516

The accompanying notes are an integral part of these financial statements.

**Birch Bay Village Community Club, Inc.**  
**Statement of Revenues and Expenses**  
**For the Year Ended December 31, 2022**

	Operating Fund	Replacement Fund	Total
<b>REVENUES</b>			
Regular assessments	\$ 1,006,229	\$ 1,159,822	\$ 2,166,051
Marina income	441,114	-	441,114
Transfer fees	36,603	-	36,603
Golf course income	111,272	-	111,272
Snack shack income	41,787	-	41,787
Yard maintenance income	32,100	-	32,100
Maintenance income	1,965	-	1,965
Interest income	4,053	50,355	54,408
Member late fees and partial payment fees	20,335	-	20,335
Swimming pool income	17,850	-	17,850
Clubhouse rental fees	3,000	-	3,000
Other income	39,345	-	39,345
Total revenues	1,755,653	1,210,177	2,965,830
<b>EXPENSES</b>			
Property maintenance	322,848	-	322,848
Major repairs and replacements			
Marina	-	1,052,734	1,052,734
General	-	5,000	5,000
Golf	243,681	-	243,681
Marina	196,607	-	196,607
Parks	12,174	-	12,174
Pool	60,292	-	60,292
Roads and drainage	50,937	-	50,937
Clubhouse	6,729	-	6,729
Snack shack	160,580	-	160,580
Security	392,787	-	392,787
Administration and office expense	486,145	-	486,145
Depreciation	246,992	-	246,992
Amortized premium on investments	-	2,408	2,408
Income taxes	5,358	-	5,358
Total expenses	2,185,130	1,060,142	3,245,272
Excess of revenues over (under) expenses	\$ (429,477)	\$ 150,035	\$ (279,442)

The accompanying notes are an integral part of these financial statements.

**Birch Bay Village Community Club, Inc.**  
**Statement of Changes in Fund Balance**  
**For the Year Ended December 31, 2022**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
Fund balance, as of December 31, 2021, as previously stated	\$ 2,682,260	\$ 13,624	\$ 2,695,884
Prior period adjustment	<u>425</u>	<u>-</u>	<u>425</u>
Fund balance, as of December 31, 2021, as restated	2,682,685	13,624	2,696,309
Excess of revenues over (under) expenses	(429,477)	150,035	(279,442)
Interfund transfers	<u>145,652</u>	<u>(145,652)</u>	<u>-</u>
Fund balance, as of December 31, 2022	<u>\$ 2,398,860</u>	<u>\$ 18,007</u>	<u>\$ 2,416,867</u>

The accompanying notes are an integral part of these financial statements.

**Birch Bay Village Community Club, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2022**

	Operating Fund	Replacement Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Excess of revenues over (under) expenses	\$ (429,477)	\$ 150,035	\$ (279,442)
Adjustments to reconcile excess of revenues over (under) expenses to net cash provided (used) by operating activities:			
Depreciation expense	246,992	-	246,992
Amortized discounts on investments	-	(143)	(143)
Amortized premiums on investments	-	1,805	1,805
Decrease (Increase) in assets:			
Accounts receivable, net of allowance for doubtful accounts	(8,159)	-	(8,159)
Interest receivable	2,642	(4,801)	(2,159)
Income tax refund receivable	(1,920)	-	(1,920)
Inventory	(7,957)	-	(7,957)
Prepaid insurance	(3,625)	-	(3,625)
Prepaid income tax expense	(6,000)	-	(6,000)
Other prepaid expenses	(28,592)	-	(28,592)
Right-of-use assets	2,910	-	2,910
Increase (Decrease) in liabilities:			
Accounts payable	(708,567)	-	(708,567)
Assessments received in advance	1,407,734	-	1,407,734
Other fees received in advance	961	-	961
Refundable deposits	1,900	-	1,900
Lease liabilities	(2,910)	-	(2,910)
Contract liabilities	-	(337,071)	(337,071)
Net cash provided (used) by operating activities	465,932	(190,175)	275,757
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property and equipment	(184,214)	-	(184,214)
Purchase of investments	-	(4,037,802)	(4,037,802)
Maturity of investments	-	3,404,000	3,404,000
Transfer of investments	402,547	(402,547)	-
Net cash provided (used) from investing activities	218,333	(1,036,349)	(818,016)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interfund balance	98,982	(98,982)	-
Interfund transfer	145,652	(145,652)	-
Net cash provided (used) by financing activities	244,634	(244,634)	-
<b>NET INCREASE (DECREASE) IN CASH</b>	928,899	(1,471,158)	(542,259)
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	993,387	1,493,135	2,486,522
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	\$ 1,922,286	\$ 21,977	\$ 1,944,263

Income taxes paid amounted to \$14,000.

The accompanying notes are an integral part of these financial statements.



**Birch Bay Village Community Club, Inc.**  
**Notes to Financial Statements**  
**December 31, 2022**

**Note 1 - Nature of Organization**

Birch Bay Village Community Club, Inc. (“The Club”) was organized in 1966 and is subject to the provisions of Washington Nonprofit Corporation Law and the Washington Homeowners’ Association Act. The Club is responsible for the operation and maintenance of the common property within the development including, paved roads, common area lots, undeveloped acreage, tidelands, golf course, cart paths, and recreational facilities. The development consists of 1129 residential units located in Blaine, Washington.

**Note 2 - Summary of Significant Accounting Policies**

**Accounting Method**

The Club prepares its year-end financial statements on the accrual basis of accounting. Under this method of accounting, revenue is recognized when earned, and expenses are recognized when goods or services are received, whether paid or not.

**Fund Accounting**

The Club'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 Club maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

**Operating Fund** - This fund is used to account for financial resources available for the general operations of the Club.

**Replacement Fund** - This fund is used to accumulate financial resources designated for future major repairs and replacements.

**Member Assessments**

The Club members are subject to annual assessments to provide funds for the Club’s operating expenses, future capital acquisitions, and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Club’s performance obligations related to its operating assessments are satisfied over time on a daily pro-rata basis using the input method. 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 members. The Club’s policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are two months past due and to retain legal counsel on the properties of homeowners whose assessments are 18 months or more delinquent. Any excess assessments at year-end are retained by the Club for use in future years. The Club 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 Club’s control. The balances of assessments receivable as of the beginning and end of the year are \$42,991 and \$51,807, respectively and are reported in accounts receivable. Non-member accounts receivable as of the beginning and end of the year are \$7,976 and \$7,319, respectively.

**Allowance for Doubtful Accounts**

The Club has provided for an allowance for doubtful accounts as of December 31, 2022. The Club generally considers assessments receivable collectible until the unit has filed for bankruptcy.

**Contract Liabilities**

The Club recognizes revenue from members as the related performance obligations are satisfied. A contract liability is recorded when the Club has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balances of contract liabilities as of the beginning and end of the year are \$3,211,689 and \$2,874,618, respectively.

**Birch Bay Village Community Club, Inc.**  
**Notes to Financial Statements – Continued**  
**December 31, 2022**

**Note 2 - Summary of Significant Accounting Policies (continued)**

Cash Equivalents

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

Valuation of Inventory

The Club reports its inventory at the lower of cost or market and uses the first in, first out method.

Use of Estimates

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

Capitalization and Depreciation

The Club records capitalized assets at cost and depreciation on the straight-line basis over the estimated useful life of the asset.

Leases

The Club leases office space and equipment. The Club determines if an arrangement is a lease at inception. Operating lease assets and liabilities are recognized at the lease commencement date. Operating lease liabilities represent the present value of minimum lease payments not yet paid. Operating lease assets represent the right to use an underlying asset and are based upon the operating lease liabilities adjusted for prepayments, lease incentives and impairment, if any. To determine the present value of lease payments, the Club uses a risk-free rate, such as a U.S. Treasury rate as the discount rate for all leases.

The lease term is 5 years with options to renew for varying terms at the Club's sole discretion. Generally, lease terms include the initial contractual term as well as any options to extend the lease when it is reasonably certain that the Club will exercise that option. Leases with an initial term of 12 months or less are not recorded on the balance sheet. Operating lease payments are charged over the lease term to lease amortization interest expense, which are reported with office expenses. The Club's lease agreements do not contain any residual value guarantees or material restrictive covenants. For additional information on leases, see Note 12 of the financial statements.

**Note 3 - Income Taxes**

The Club may be taxed either as homeowner associations or as nonexempt membership organizations. For the year ended December 31, 2022, the Club elected to be taxed as a homeowner association. Under that election, the Club generally is taxed only on non-exempt income, such as interest earnings, at applicable federal tax rates. The Club files returns in the U.S. federal jurisdiction. Tax filings are generally subject to federal examination for three years after they are filed.

**Note 4 - Future Major Repairs and Replacements**

The Club's governing documents require funds to be accumulated for future major repairs and replacements. Accumulated funds of \$2,874,618, which are reported as contract liabilities and \$18,007, which are reported as the replacement fund balance at December 31, 2022, are generally not available for operating purposes. The Washington Homeowners' Associations Act restricts the permanent transfer of funds from the replacement fund. The Club levied reserve assessments of \$822,751 for the year ended December 31, 2022.

The Club engaged a consultant who conducted studies dated in the May 2023 to estimate the remaining useful lives and the replacement costs of the common property components. The excerpts included in the unaudited Supplementary Information on Future Major Repairs and Replacements are based on the studies.

**Birch Bay Village Community Club, Inc.**  
**Notes to Financial Statements – Continued**  
**December 31, 2022**

**Note 4 - Future Major Repairs and Replacements (continued)**

The Club is funding for such major repairs and replacements over the estimated useful lives of the components based on the study's estimates of current replacement costs, considering amounts previously accumulated in the replacement fund.

Funds are being accumulated in the replacement fund based on estimates of future needs for repairs and replacements of common property components. Actual expenditures and investment income, however, may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, however, the Club has the right to increase regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available.

**Note 5 - Investments**

The Club's investments consist of bonds and certificates of deposit (CDs). The Club has 16 long-term certificates of deposit with maturity values between \$44,000 and \$245,000 and terms between 13 months and 36 months bearing interest rates of 0.5% to 2.8%. The Club also has bonds with a total face value of \$500,000 earning interest at a rate of 3.0% and maturing in April 2049. The Club has the positive intent and ability to hold these investments to maturity. Investments are carried on the Club's books at cost plus unamortized discounts and premiums, plus capitalized interest. Interest earned, but not yet received as of December 31, 2022 is \$15,303.

**Note 6 - Concentrations of Credit Risk**

The Club maintains its cash, CD, and bond balances in four financial institutions located in the Blaine, Washington area. The cash and CD balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 at each institution. The bonds totaling \$500,000, are insured by AGM, that provides financial guaranty insurance for U.S. municipal bonds. As of December 31, 2022, the Club's cash balances not federally insured totaled \$1,612,724. The Club holds cash and invests in CDs in various banks, which are managed by one of the financial institutions, and each of the various banks has a balance of less than \$250,000, thus keeping these federally insured.

**Note 7 - Property and Equipment**

Real property and common areas acquired by the original homeowners from the developer are not capitalized on the Club's financial statements. Although these properties are owned by the Club, the assets are not recognized under generally accepted accounting principles, due to the fact that the Club will not, in the ordinary course of business, dispose of the property. Capitalized improvements to these assets are reported in the financial statements. Common areas are restricted to use by Club members, their tenants, and guests. The Club's formal policy is to expense all personal property acquisitions and improvements to the common areas costing less than \$5,000. Capitalized personal property and equipment includes furnishings and equipment necessary for the Club's operations and use of facilities. Property and equipment as of December 31, 2022 included:

Maintenance, lot service and roads	\$ 2,203,757
Marina	1,872,842
Parks, recreation and pool	572,154
Administration	378,775
Security	309,241
Golf course	360,743
Land and building	59,318
Accumulated depreciation	<u>(3,920,782)</u>
Total	<u><u>\$ 1,836,048</u></u>

Depreciation expense for the year ended December 31, 2022 was \$246,992.

**Birch Bay Village Community Club, Inc.**  
**Notes to Financial Statements – Continued**  
**December 31, 2022**

**Note 8 - Interfund Balance**

As of December 31, 2022, \$596,965 of operating fund cash was held in the replacement fund.

**Note 9 - Deferred Contributions**

During the year 2018, contributions were received to pay for accessibility projects, including a pool lift that was purchased in 2018. Deferred contributions will be used for other pool access improvements in the future.

**Note 10 - Refundable Deposits**

As of December 31, 2022, refundable deposits consisted of:

Construction deposits	\$ 61,400
Key deposits	\$ 21,700
Fuel-card deposits	\$ 200
Clubhouse deposits	\$ 300
Heater deposits	\$ 75

**Note 11 - Recently Adopted Accounting Standards**

On January 1, 2022, the Club adopted ASU 2016-02, “Leases,” which provides guidance for the recognition of lease agreements. The Club adopted the standard using the modified retrospective approach, which provides a method for recording existing leases at adoption that approximates the results of a full retrospective approach. In addition, the Club elected the transition package of practical expedients permitted within the standard, which allowed it to carry forward the historical lease classification, and applied the transition option which does not require application of the guidance to comparative periods in the year of adoption.

The adoption of the standard resulted in the recognition of operating lease assets and operating lease liabilities of approximately \$9,254 as of January 1, 2022. The adoption of this standard did not materially affect the Club’s statements of revenues and expenses and changes in fund balance or cash flows.

**Note 12 - Lease Commitments**

The Club leases a photocopier under a non-cancellable five-year operating lease, which expires in April 2025. The Club pays \$245 per month including annual interest on lease liabilities of \$259.

The Club’s lease is considered an operating lease and recorded through a right-of-use asset and lease liability on the balance sheet. Lease liability is recorded at a present value with a risk-free discount rate of 0.37% that is equal to the 5-year Treasury Bill rate on the date the lease was effective. The lease liability will be reduced as lease payments are made throughout the life of the lease. The right-of-use asset will be reduced as lease expense is recognized throughout the life of the lease. The total lease expense will be equal to the total lease component payments made for the lease.

The Club adopted new lease accounting guidance on January 1, 2022 as discussed in Note 11. Amounts in the tables below only include required payments through the noncancelable lease term.

Future minimum lease payments for the photocopier lease over the next three years are as follows:

<u>Year</u>	<u>Present Value of Lease Payments</u>	<u>Interest Expense</u>	<u>Total</u>
2023	\$ 2,921	\$ 19	\$ 2,940
2024	\$ 2,931	\$ 9	\$ 2,940
2025	\$ 735	\$ 0	\$ 735

**Birch Bay Village Community Club, Inc.**  
**Notes to Financial Statements – Continued**  
**December 31, 2022**

**Note 13 - Transfer Fees**

Transfer fees are collected when a unit is sold to a new owner or when a unit is rented to a new tenant and are used to pay for related administrative costs. Transfer fees of \$28,203 related to sales and \$8,400 related to rentals were received in 2022.

**Note 14 - Other Income**

Other income includes construction fees, advertisement income, fines and traffic citation income, notary fees, gate access charges, rebates and discounts, returned check fees, pickleball fees, and other miscellaneous income.

**Note 15 - Prior Period Adjustment**

During the year ended December 31, 2022, the Club recorded a prior period increase of \$425 to the operating fund to reclassify right-of-use asset from other fixed assets as of December 31, 2021.

**Note 16 - Interfund Transfers**

During the year 2022, the Club transferred \$145,652 from the replacement fund to the operating fund for the purchase of fixed assets included as components in the reserve study that are reported as assets in the operating fund.

**Note 17 - Employee Benefit Plan**

The Club maintains a Simple IRA Employee Benefit Plan which allows employees to defer certain amounts of compensation for income tax purposes under Section 408(p) of the Internal Revenue Code. Under the plan, the Club contributes 2% of the qualified employee's total salary. Qualified employees are regular employees who work at least 30 hours per week. The Club's contribution to the plan totaled \$9,758 for the year ended December 31, 2022.

**Note 18 - Contingencies and Concentrations**

The Club's legal counsel has advised there are several matters of pending litigation, claims or assessments related to homeowner assessment lien foreclosure and covenant violation disputes. There are no matters that, in the opinion of management, will have a material adverse effect on the financial position, results of operations or cash flows of the Club. As a member-owned club, the Club's assessments receivable are due from members that live principally in the community.

**Note 19 - 2023 Dock Special Assessment**

At the August 18, 2022 board meeting, the Board of Directors approved borrowing up to \$3,500,000 to help fund the dock replacement project. The membership voted on and ratified a one-time \$3,100 per lot special assessment at the October 20, 2022 meeting. The assessment is due on January 1, 2023. Payment plans are subject to board approval. At the February 16, 2023 board meeting, ownership approved to cancel borrowing funds from the bank.

**Note 20 - Date of Board of Directors' Review**

In preparing the financial statements, the Club has evaluated events and transactions for potential recognition or disclosure through December 29, 2023, the date the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

**Birch Bay Village Community Club, Inc.**  
**Supplementary Information on Future Major Repairs**  
**And Replacements (Unaudited)**  
**December 31, 2022**

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The Club engaged a consultant who conducted reserve study updates without a site visit dated in May 2023 to estimate the remaining useful lives and the replacement costs of the components of common property. The consultant obtains estimates from the club, its contractors, assorted vendors, specialist and independent contractors, the Community Association Institute, and various construction pricing and scheduling manuals including, but not limited to: Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, RS Means Repair & Remodeling Cost Data, National Construction Estimator, National Repair & Remodel Estimator, Dodge Cost Manual and McGraw-Hill Professional. Additionally, costs are obtained from numerous vendor catalogues, actual quotations or historical costs, and their own experience in the field of property management and reserve study preparation. Replacement costs were based on the estimated costs to repair or replace the common property components on the dates of the studies assuming an annual inflation rate of 8.0% for 2023 and 2024 and 5% thereafter, and a rate of return on investments of 0.17% which includes a provision for income taxes for the general and roads and drainage components, and 0.14% which includes a provision for income taxes for the marina components. The studies used the current assessment funding methods with a negative threshold for roads and drainage components of \$(813,602), a negative threshold for general components of \$(69,263), and a negative threshold for marina components of \$(11,558) and a special assessment in 2023 of \$3,500,000.

The attached excerpt on pages 13 to 28 includes significant information about the components of common property. The reserve study should be read in its entirety.

**Replacement Funding Summary for the Year Ended December 31, 2022:**

Current year's assessments		
Reserve assessments levied	\$	822,751
Amount recommended by reserve study		<u>612,342</u>
Difference	\$	<u>210,409</u>
Replacement fund balance at end of year	\$	<u>18,007</u>
Contract liabilities at end of year	\$	<u>2,874,618</u>

See Independent Auditor's Report

**Birch Bay Village - General Assets Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2023</b>	
Pool Equipment Replacement	29,865
<b>Total for 2023</b>	<b>\$29,865</b>
 <b>Replacement Year 2024</b>	
325 D Mower	27,994
3555D Lawn Mower	79,315
Capital Building Fund	116,640
Clubhouse Outdoor Grill	5,832
Dodge Ram	25,078
Dump Trailer	15,163
Dump Truck	43,740
Gate Opener/Reader/Panel System	25,078
Golf Carts	37,325
Golf Course Bridge	46,656
Jacobsen Greens King V Roller	29,160
Kubota Excavator & Buckets	34,992
Maintenance Truck	46,656
Office Equipment Update	11,664
Office Furniture Update	9,331
One Cart & Enclosure	6,532
Perimeter Chain Link Fence Replacement	204,120
Pool Solar Heating System Replacement	22,162
Pool Winter Cover Replacement	20,995
Pro Shop Outdoor Grills	5,832
Pro Shop Refurbish	34,992
Recreation Bathrooms - Replacement Phase 1	46,656
Ryan GA 30 Aerator	5,832
Security Equipment	23,328
Siding Replacement Fund	8,165
Toro 3100	15,746
Toro 3150 Greens Master	25,661
Toro 5200 Reel Master	20,412
Turf Aerator	5,832
Wood Deck Replacement - Sunset Park	20,644
Wood Fence Replacement	17,496
Wood Stairs - Replacement	58,320
Workman Sprayer	14,580
Zero Turn Mower	18,079



**Birch Bay Village - General Assets Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2024 continued...</b>	
Zero Turn Mower	5,832
<b>Total for 2024</b>	<b>\$1,135,839</b>
 <b>Replacement Year 2025</b>	
Admin Building Refurbish	12,597
Dakota Top Dresser	22,045
Ford Escape	30,233
Maintenance Building - Interior	25,194
Play Courts - Fence Replacement	76,842
Play Equipment Replacement - Sanddollar	34,642
Prius Security Vehicle	29,603
Recreation Bathrooms - Replacement Phase 2	50,388
<b>Total for 2025</b>	<b>\$281,546</b>
 <b>Replacement Year 2026</b>	
Recreation Bathrooms - Replacement Phase 3	52,908
Utility Carts	28,438
<b>Total for 2026</b>	<b>\$81,346</b>
 <b>Replacement Year 2027</b>	
Clubhouse Interior Refurbish	27,777
Covered BBQ Area - Kwann	14,583
FOB System	13,888
Golf Cart Paths	13,888
Guard House Refurbish	10,416
Pool Deck Resurface	111,107
Pool Fence Replacement	12,499
Prius Security Vehicle	41,665
<b>Total for 2027</b>	<b>\$245,823</b>
 <b>Replacement Year 2028</b>	
Covered BBQ Area - Sandollar	15,312
Maintenance Building - Roof Replacement	27,998
<b>Total for 2028</b>	<b>\$43,309</b>
 <b>Replacement Year 2029</b>	
Chipper	7,656

**Birch Bay Village - General Assets Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2029 continued...</b>	
Covered BBQ Area - Sunset	16,077
Office Equipment Update	15,312
Play Courts - Renovate	92,022
Play Equipment Replacement - Lighthouse	42,108
Pool Interior Paint	159,244
Siding Replacement Fund	10,718
Toro 3100	20,671
Zero Turn Mower	7,656
Zero Turn Mower	23,733
<b>Total for 2029</b>	<b>\$395,197</b>
<b>Replacement Year 2030</b>	
Admin Building - Window & Door Replacement	8,039
Clubhouse - Roof Replacement	32,155
Maintenance Building - Window & Door Replacement	19,293
Play Equipment Replacement - Sunrise	44,213
Prius Security Vehicle	37,782
Pro Shop Building - Roof Replacement	12,862
<b>Total for 2030</b>	<b>\$154,344</b>
<b>Replacement Year 2031</b>	
One Cart & Enclosure	9,454
Pro Shop Outdoor Grills	8,441
Speed Reader Sign/Radar Guns	33,763
Utility Carts	36,295
<b>Total for 2031</b>	<b>\$87,952</b>
<b>Replacement Year 2032</b>	
Dodge Ram	38,110
Golf Cart Paths	17,725
Toro 5200 Reel Master	31,019
Trailer	10,635
<b>Total for 2032</b>	<b>\$97,490</b>
<b>Replacement Year 2033</b>	
Prius Security Vehicle	55,835
Skid Steer	55,835

**Birch Bay Village - General Assets Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2033 continued...</b>	
Smithco Trap Rack	12,098
Tractor	126,559
Utility Truck Workman	37,051
<b>Total for 2033</b>	<b>\$287,378</b>
<b>Replacement Year 2034</b>	
Capital Building Fund	195,423
Dump Truck	73,284
FOB System	19,542
Golf Carts	62,535
Maintenance Truck	78,169
Office Equipment Update	19,542
Office Furniture Update	15,634
Play Courts - Renovate	117,445
Pro Shop Refurbish	58,627
Security Equipment	39,085
Siding Replacement Fund	13,680
Toro 3100	26,382
Toro 3150 Greens Master	42,993
Zero Turn Mower	9,771
Zero Turn Mower	30,291
<b>Total for 2034</b>	<b>\$802,402</b>
<b>Replacement Year 2035</b>	
Admin Building Refurbish	20,519
Ford Escape	49,247
Maintenance Building - Interior	41,039
Pool Building - Roof Replacement	27,084
Pool Equipment Replacement	56,742
Prius Security Vehicle	48,221
Workman Sprayer	25,649
<b>Total for 2035</b>	<b>\$268,500</b>
<b>Replacement Year 2036</b>	
325 D Mower	51,709
Gate Opener/Reader/Panel System	46,323
Toro 3100 Greensmaster	127,048

**Birch Bay Village - General Assets Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2036 continued...</b>	
Utility Carts	46,323
<b>Total for 2036</b>	<b>\$271,402</b>
 <b>Replacement Year 2037</b>	
3555D Lawn Mower	153,834
Clubhouse Interior Refurbish	45,245
Golf Cart Paths	22,623
Jacobsen Greens King V Roller	56,557
<b>Total for 2037</b>	<b>\$278,258</b>
 <b>Replacement Year 2038</b>	
Above Ground Storage Tanks	77,200
Maintenance Yard Fence Replacement	28,504
One Cart & Enclosure	13,302
Pro Shop Outdoor Grills	11,877
<b>Total for 2038</b>	<b>\$130,883</b>
 <b>Replacement Year 2039</b>	
Kubota Excavator & Buckets	74,824
Office Equipment Update	24,941
Play Courts - Renovate	149,893
Pool Building - Locker Rooms & Entrance Areas	37,412
Pool Interior Paint	259,391
Pool Solar Heating System Replacement	47,389
Pool Winter Cover Replacement	44,895
Prius Security Vehicle	74,824
Siding Replacement Fund	17,459
Toro 3100	33,671
Zero Turn Mower	12,471
Zero Turn Mower	38,659
<b>Total for 2039</b>	<b>\$815,830</b>
 <b>Replacement Year 2040</b>	
Dodge Ram	56,305
Prius Security Vehicle	61,543
Toro 5200 Reel Master	45,830
<b>Total for 2040</b>	<b>\$163,678</b>

**Birch Bay Village - General Assets Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2041</b>	
FOB System	27,498
Speed Reader Sign/Radar Guns	54,996
Utility Carts	59,121
<b>Total for 2041</b>	<b>\$141,614</b>
<b>Replacement Year 2042</b>	
Covered BBQ Area - Kwann	30,316
Golf Cart Paths	28,873
Guard House Refurbish	21,655
<b>Total for 2042</b>	<b>\$80,844</b>
<b>Replacement Year 2043</b>	
Covered BBQ Area - Sandollar	31,832
Dakota Top Dresser	53,054
<b>Total for 2043</b>	<b>\$84,886</b>
<b>Replacement Year 2044</b>	
Capital Building Fund	318,323
Chipper	15,916
Clubhouse Outdoor Grill	15,916
Covered BBQ Area - Sunset	33,424
Dump Trailer	41,382
Dump Truck	119,371
Golf Carts	101,863
Maintenance Truck	127,329
Office Equipment Update	31,832
Office Furniture Update	25,466
Play Courts - Renovate	191,306
Pro Shop Refurbish	95,497
Security Equipment	63,665
Siding Replacement Fund	22,283
Toro 3100	42,974
Toro 3150 Greens Master	70,031
Trailer	19,099
Turf Aerator	15,916
Wood Fence Replacement	47,748
Zero Turn Mower	15,916

**Birch Bay Village - General Assets Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2044 continued...</b>	
Zero Turn Mower	49,340
<b>Total for 2044</b>	<b>\$1,464,598</b>
 <b>Replacement Year 2045</b>	
Admin Building Refurbish	33,424
Ford Escape	80,217
Maintenance Building - Interior	66,848
One Cart & Enclosure	18,717
Play Equipment Replacement - Sanddollar	91,916
Play Equipment Replacement - Sunrise	91,916
Prius Security Vehicle	78,546
Prius Security Vehicle	100,272
Pro Shop Outdoor Grills	16,712
Tractor	227,283
Utility Truck Workman	66,538
<b>Total for 2045</b>	<b>\$872,389</b>
 <b>Replacement Year 2046</b>	
Utility Carts	75,454
Wood Deck Replacement - Light House Park	44,568
Workman Sprayer	43,869
<b>Total for 2046</b>	<b>\$163,891</b>
 <b>Replacement Year 2047</b>	
Admin Building - Roof Replacement	53,910
Clubhouse Interior Refurbish	73,700
Golf Cart Paths	36,850
Pool Equipment Replacement	101,900
<b>Total for 2047</b>	<b>\$266,360</b>
 <b>Replacement Year 2048</b>	
325 D Mower	92,862
Dodge Ram	83,189
FOB System	38,692
Gate Opener/Reader/Panel System	83,189
Toro 5200 Reel Master	67,712
<b>Total for 2048</b>	<b>\$365,643</b>

**Birch Bay Village - General Assets Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2049</b>	
Office Equipment Update	40,627
Play Courts - Renovate	244,161
Play Equipment Replacement - Lighthouse	111,724
Pool Interior Paint	422,520
Recreation Bathrooms - Replacement Phase 1	162,508
Ryan GA 30 Aerator	20,313
Siding Replacement Fund	28,439
Skid Steer	121,881
Toro 3100	54,846
Wood Deck Replacement - Sunset Park	71,906
Wood Stairs - Replacement	203,135
Zero Turn Mower	20,313
Zero Turn Mower	62,972
<b>Total for 2049</b>	<b>\$1,565,346</b>
<b>Replacement Year 2050</b>	
3555D Lawn Mower	290,077
Jacobsen Greens King V Roller	106,646
Prius Security Vehicle	100,247
Pro Shop Building - Window & Door Replacement	76,785
Recreation Bathrooms - Replacement Phase 2	170,633
Toro 3100 Greensmaster	251,546
<b>Total for 2050</b>	<b>\$995,934</b>
<b>Replacement Year 2051</b>	
Prius Security Vehicle	134,374
Recreation Bathrooms - Replacement Phase 3	179,165
Speed Reader Sign/Radar Guns	89,582
Utility Carts	96,301
<b>Total for 2051</b>	<b>\$499,422</b>
<b>Replacement Year 2052</b>	
Golf Cart Paths	47,031
One Cart & Enclosure	26,337
Pro Shop Outdoor Grills	23,515
<b>Total for 2052</b>	<b>\$96,883</b>

**Birch Bay Village - General Assets Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2053</b>	
Maintenance Building - Roof Replacement	94,810
Smithco Trap Rack	32,099
<b>Total for 2053</b>	<b>\$126,908</b>
 <b>Replacement Year 2054</b>	
Capital Building Fund	518,515
Dump Truck	194,443
Golf Carts	165,925
Kubota Excavator & Buckets	155,554
Maintenance Truck	207,406
Office Equipment Update	51,851
Office Furniture Update	41,481
Perimeter Chain Link Fence Replacement	907,400
Play Courts - Renovate	311,618
Pool Solar Heating System Replacement	98,518
Pool Winter Cover Replacement	93,333
Pro Shop Refurbish	155,554
Security Equipment	103,703
Siding Replacement Fund	36,296
Toro 3100	69,999
Toro 3150 Greens Master	114,073
Zero Turn Mower	25,926
Zero Turn Mower	80,370
<b>Total for 2054</b>	<b>\$3,331,965</b>



**Birch Bay Village Community - Marina Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2023</i>	
<b>Replacement Year 2024</b>	
Dock Replacement - Complete by 2024	3,380,157
<b>Total for 2024</b>	<b><u>\$3,380,157</u></b>
<b>Replacement Year 2025</b>	
Miscellaneous Major Maintenance & Repair	37,791
<b>Total for 2025</b>	<b><u>\$37,791</u></b>
<i>No Replacement in 2026</i>	
<b>Replacement Year 2027</b>	
Dredging	208,325
Fuel Dock Underground Tank Replacement	83,330
<b>Total for 2027</b>	<b><u>\$291,655</u></b>
<i>No Replacement in 2028</i>	
<i>No Replacement in 2029</i>	
<b>Replacement Year 2030</b>	
Piling Replacement - Outside of Dock Replacement	168,813
<b>Total for 2030</b>	<b><u>\$168,813</u></b>
<b>Replacement Year 2031</b>	
Dredging	253,220
<b>Total for 2031</b>	<b><u>\$253,220</u></b>
<i>No Replacement in 2032</i>	
<i>No Replacement in 2033</i>	
<i>No Replacement in 2034</i>	
<b>Replacement Year 2035</b>	
Dredging	307,791
Miscellaneous Major Maintenance & Repair	61,558
<b>Total for 2035</b>	<b><u>\$369,349</u></b>

**Birch Bay Village Community - Marina Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2036</i>	
<b>Replacement Year 2037</b>	
Gangway Replacement	316,717
<b>Total for 2037</b>	<b><u>\$316,717</u></b>
<i>No Replacement in 2038</i>	
<b>Replacement Year 2039</b>	
Dredging	374,122
<b>Total for 2039</b>	<b><u>\$374,122</u></b>
<b>Replacement Year 2040</b>	
Launch Ramp Dock Replacement	130,943
<b>Total for 2040</b>	<b><u>\$130,943</u></b>
<i>No Replacement in 2041</i>	
<i>No Replacement in 2042</i>	
<b>Replacement Year 2043</b>	
Dredging	454,747
<b>Total for 2043</b>	<b><u>\$454,747</u></b>
<i>No Replacement in 2044</i>	
<b>Replacement Year 2045</b>	
Miscellaneous Major Maintenance & Repair	100,272
<b>Total for 2045</b>	<b><u>\$100,272</u></b>
<i>No Replacement in 2046</i>	
<b>Replacement Year 2047</b>	
Dredging	552,748
<b>Total for 2047</b>	<b><u>\$552,748</u></b>
<i>No Replacement in 2048</i>	
<i>No Replacement in 2049</i>	

**Birch Bay Village Community - Marina Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2050</i>	
<b>Replacement Year 2051</b>	
Dredging	671,869
<b>Total for 2051</b>	<b><u>\$671,869</u></b>
<i>No Replacement in 2052</i>	
<b>Replacement Year 2053</b>	
Guest/Fuel Dock Replacement	617,279
<b>Total for 2053</b>	<b><u>\$617,279</u></b>
<i>No Replacement in 2054</i>	

**Birch Bay Village Community - Roads & Drainage Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2023</b>	
Drainage Pipe Replacement - 2023	80,000
<b>Total for 2023</b>	<b>\$80,000</b>
<b>Replacement Year 2024</b>	
Anti-Backflow Valve	29,160
Asphalt Paving - Resurface Phase 1	991,440
Asphalt Paving - Seal Coat Application Phase 1	204,120
Overflow Pump & Conveyance System	408,240
<b>Total for 2024</b>	<b>\$1,632,960</b>
<b>Replacement Year 2025</b>	
Asphalt Paving - Seal Coat Application Phase 2	220,450
Culvert Drain System - Maintenance	31,493
<b>Total for 2025</b>	<b>\$251,942</b>
<b>Replacement Year 2026</b>	
Culvert Drain System - Maintenance	33,067
<b>Total for 2026</b>	<b>\$33,067</b>
<b>Replacement Year 2027</b>	
Culvert Drain System - Maintenance	34,721
<b>Total for 2027</b>	<b>\$34,721</b>
<b>Replacement Year 2028</b>	
Culvert Drain System - Maintenance	36,457
<b>Total for 2028</b>	<b>\$36,457</b>
<b>Replacement Year 2029</b>	
Asphalt Paving - Resurface Phase 2	1,301,510
Asphalt Paving - Seal Coat Application Phase 3	267,958
Culvert Drain System - Maintenance	38,280
<b>Total for 2029</b>	<b>\$1,607,747</b>
<b>Replacement Year 2030</b>	
Culvert Drain System - Maintenance	40,194
<b>Total for 2030</b>	<b>\$40,194</b>

**Birch Bay Village Community - Roads & Drainage Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2031</b>	
Culvert Drain System - Maintenance	42,203
<b>Total for 2031</b>	<b>\$42,203</b>
<b>Replacement Year 2032</b>	
Culvert Drain System - Maintenance	44,314
<b>Total for 2032</b>	<b>\$44,314</b>
<b>Replacement Year 2033</b>	
Culvert Drain System - Maintenance	46,529
<b>Total for 2033</b>	<b>\$46,529</b>
<b>Replacement Year 2034</b>	
Asphalt Paving - Resurface Phase 3	1,661,093
Asphalt Paving - Seal Coat Application Phase 1	341,990
Culvert Drain System - Maintenance	48,856
Seagate Culvert	635,124
<b>Total for 2034</b>	<b>\$2,687,062</b>
<b>Replacement Year 2035</b>	
Asphalt Paving - Seal Coat Application Phase 2	359,089
Culvert Drain System - Maintenance	51,298
<b>Total for 2035</b>	<b>\$410,388</b>
<b>Replacement Year 2036</b>	
Culvert Drain System - Maintenance	53,863
<b>Total for 2036</b>	<b>\$53,863</b>
<b>Replacement Year 2037</b>	
Culvert Drain System - Maintenance	56,557
<b>Total for 2037</b>	<b>\$56,557</b>
<b>Replacement Year 2038</b>	
Culvert Drain System - Maintenance	59,384
<b>Total for 2038</b>	<b>\$59,384</b>
<b>Replacement Year 2039</b>	
Anti-Backflow Valve	62,354

**Birch Bay Village Community - Roads & Drainage Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2039 continued...</b>	
Asphalt Paving - Seal Coat Application Phase 3	436,475
Culvert Drain System - Maintenance	62,354
<b>Total for 2039</b>	<b>\$561,182</b>
<b>Replacement Year 2040</b>	
Culvert Drain System - Maintenance	65,471
<b>Total for 2040</b>	<b>\$65,471</b>
<b>Replacement Year 2041</b>	
Culvert Drain System - Maintenance	68,745
<b>Total for 2041</b>	<b>\$68,745</b>
<b>Replacement Year 2042</b>	
Culvert Drain System - Maintenance	72,182
<b>Total for 2042</b>	<b>\$72,182</b>
<b>Replacement Year 2043</b>	
Culvert Drain System - Maintenance	75,791
<b>Total for 2043</b>	<b>\$75,791</b>
<b>Replacement Year 2044</b>	
Asphalt Paving - Seal Coat Application Phase 1	557,065
Culvert Drain System - Maintenance	79,581
<b>Total for 2044</b>	<b>\$636,646</b>
<b>Replacement Year 2045</b>	
Asphalt Paving - Seal Coat Application Phase 2	584,918
Culvert Drain System - Maintenance	83,560
<b>Total for 2045</b>	<b>\$668,478</b>
<b>Replacement Year 2046</b>	
Culvert Drain System - Maintenance	87,738
<b>Total for 2046</b>	<b>\$87,738</b>
<b>Replacement Year 2047</b>	
Culvert Drain System - Maintenance	92,125
<b>Total for 2047</b>	<b>\$92,125</b>

**Birch Bay Village Community - Roads & Drainage Level 3a Study 2023  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2048</b>	
Culvert Drain System - Maintenance	96,731
<b>Total for 2048</b>	<b>\$96,731</b>
<b>Replacement Year 2049</b>	
Asphalt Paving - Seal Coat Application Phase 3	710,972
Culvert Drain System - Maintenance	101,567
<b>Total for 2049</b>	<b>\$812,539</b>
<b>Replacement Year 2050</b>	
Culvert Drain System - Maintenance	106,646
<b>Total for 2050</b>	<b>\$106,646</b>
<b>Replacement Year 2051</b>	
Culvert Drain System - Maintenance	111,978
<b>Total for 2051</b>	<b>\$111,978</b>
<b>Replacement Year 2052</b>	
Culvert Drain System - Maintenance	117,577
<b>Total for 2052</b>	<b>\$117,577</b>
<b>Replacement Year 2053</b>	
Culvert Drain System - Maintenance	123,456
<b>Total for 2053</b>	<b>\$123,456</b>
<b>Replacement Year 2054</b>	
Anti-Backflow Valve	129,629
Asphalt Paving - Resurface Phase 1	4,407,374
Asphalt Paving - Seal Coat Application Phase 1	907,400
Culvert Drain System - Maintenance	129,629
<b>Total for 2054</b>	<b>\$5,574,031</b>