

Approved by the Board of Directors 7/27/19

- 1) An on-site reserve study update must be completed a minimum of every three years. Financial updates in the interim periods are optional. However, the ALA is responsible for maintaining a revised component list including all additions and dispositions annually.
- 2) The General Manager, staff, and Lake Operations Committee are responsible for confirming all assets identified on the component list of the reserve study are complete and accurate so that no items are duplicated or left off.
- 3) Accordingly, the component list of the reserve study must be compared to the fixed asset register to confirm both lists are complete and accurate.
- 4) The General Manager, staff, and Lake Operations Committee must also provide the necessary input to determine the realistic remaining useful life of each asset and make recommendations as required.
- 5) The reserve study should include all assets owned by the ALA with an estimated remaining useful life not to exceed the period covered by the reserve study. For example, if the reserve study sets forth a 30-year financial plan, any asset with a remaining useful life of greater than 30 years may be omitted. However, every asset with a remaining useful life of 30 years or less must be included.
- 6) To maintain comparability, the Reserve Study should be commissioned at the end of the calendar year and should cover all assets owned as of December 31 of that year. In addition, all capital projects that have had funding approved by the Board of Directors prior to December 31 must also be included whether or not work on the project has begun. Any future planned capital projects for which funding has not yet been approved by the Board of Directors are not to be included.

_____ President

_____ Secretary/Treasurer