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## 2014 CEEP Conference

Respected Attendee,

Thank you for joining us at this year's conference, Greater Than we Can Imagine.

Again, we are affirming our suggestion that **True Stewardship starts with a Financial Plan**, and to us, **Luke 14:28** sets this issue in perspective:

*And indeed, which of you here, intending to build a tower, would not first sit down and work out the cost to see if he had enough to complete it?*

Often overlooked aspects of the true stewardship are the long-term costs and cycles associated with the replacement of capital assets like parking lots, roofs, windows, carpeting, kitchens, HVAC systems, vehicles, and computers naming just a few. Understanding the costs and cycles associated with these replacements is the foundation for establishing a long-term funding plan to insure adequate **Replacement Reserves**.

These concepts are at the core of **Miller-Dodson's** service, and as a nationally recognized leader in this field, we have helped thousands of clients.

**Miller-Dodson** provides an easy to use and understand **Replacement Reserve Study** that will identify your facility's predictable capital replacement costs and formulate a customized annual funding plan to meet those expenses.

We are available during the Conference to answer your questions at Booth 22.

Alternatively, you can give us a call, drop us an email, or visit our website. If you are already interested in a **no-cost proposal** for a Reserve Study, please click the "Proposal" button in the upper right corner of [www.mdareerves.com](http://www.mdareerves.com).

We hope that this has sparked your interest in **Replacement Reserves**, and we thank you for considering **Miller-Dodson, Capital Reserve Consultants**.

Sincerely,

William I. Scrivens, RS  
Reserve Specialist

[wscrivens@mdareerves.com](mailto:wscrivens@mdareerves.com)

*Our long-term planning skills spill over to  
our commitment to others ... ask about*

Alexandria, VA  
Annapolis, MD  
Atlanta, GA  
Charleston, SC  
Colorado Springs, CO  
Columbus, OH  
Philadelphia, PA  
Virginia Beach, VA

Time Talent Treasure  
**T3** with Haiti

*you do many things in this life, with dedication, a few of them you get to do well*



## REFERENCE LIST RELIGIOUS AND EDUCATIONAL FACILITIES

### **Archdiocese of Baltimore**

320 Cathedral Street  
Baltimore, MD 21201  
Contact: Mr. Nolan McCoy  
410.547.5366

### **Saint John the Evangelist Church and School**

689 Ritchie Highway  
Severna Park, MD 21146  
Contact: Mr. Al Jones  
410.647.4884

### **Saint Elizabeth Ann Seton Church**

1800 Seton Drive  
Crofton, MD 21114  
Contact: Mr. Jack O'Malley  
410.721.5770

### **School of the Incarnation**

2601 Symphony Lane  
Gambrills, MD 21054  
Contact: Ms. Emily Mehler  
410.519.2285

### **Wilde Lake Interfaith Center**

10431 Twin Rivers Road  
Columbia, MD 21044  
Contact: Ms. Margo Duke  
410.730.7920

### **Temple Emanu-EL and Pre-School**

8500 Hillcrest Avenue  
Dallas, TX 75225  
Contact: Mr. Randy Crosland  
214.706.0000

### **Edenton Street United Methodist Church**

228 West Edenton Street  
Raleigh, NC 27603  
Contact: Mr. Dan Johnson  
919.832.7535

### **Elmbrook Church**

777 South Barker Road  
Brookfield, WI 53045  
Contact: Ms. Joy Peterson  
262.786.7051

### **Wilshire Baptist Church and Early Childhood Learning Center**

4316 Abrams Road  
Dallas, TX 75214  
Contact: Mr. Paul Johnson  
214.452.3157

### **Dumbarton United Methodist Church**

3133 Dumbarton Avenue, NW  
Washington, DC 20007  
Contact: Mr. David Cook  
609.915.3063

### **Vanderbilt Presbyterian Church and Learning Center**

12250 Piper Boulevard  
Naples, FL 34110  
Contact: Mr. Rudy Zant  
239.597.5410

### **Burke Presbyterian Church**

5690 Oak Leather Drive  
Burke, VA 22015  
Contact: Mr. J. Richard Gauthey  
703.764.0456

### **Grove Baptist Church and Marriner Christian Academy**

5910 West Norfolk Road  
Portsmouth, VA 23703  
Contact: Dr. Curry-Williams  
757.967.9618

### **Bradley Hills Presbyterian Church**

6601 Bradley Boulevard  
Bethesda, MD 20817  
Contact: Mr. Farid Beltran  
301.365.2850



**MILLER + DODSON ASSOCIATES, INC.** is nationally recognized as one of the leading firms in the Reserve Study field, serving community associations, resorts, country clubs and golf courses, religious institutions, and educational facilities for clients throughout the United States, the Caribbean, and Mexico. Headquartered in Annapolis, Maryland, the firm provides expert professional services through its Maryland staff and through its network of Reserve Specialists located in: Atlanta, Georgia; Charleston, South Carolina; Columbus, Ohio; Denver, Colorado; New Haven, Connecticut; and Virginia Beach, Virginia.

**HISTORY:** The firm of **MILLER + DODSON ASSOCIATES, INC.** and its principals possess a long and successful history assisting community associations with the proper planning of their Capital Reserves. Begun in 1985 as R.J. Moore & Associates, the present firm was established in October 2002 when principals Peter B. Miller and James W. Dodson, Jr., acquired the assets of the Reserve Study Division of its predecessor company. This important transition allowed the firm to focus its efforts on the Reserve Study field and to provide more effective, responsive services to its clients. Miller+Dodson Associates currently performs between 350 and 450 Reserve Studies annually.

**EXPERIENCE:** **MILLER + DODSON ASSOCIATES, INC.** experience spans a wide and diverse clientele, from small condominium and home owner associations to high-rise condominiums and large-scale communities, such as the Reston Association in Northern Virginia, Ford's Colony, and South Riding Proprietary. Other clients include distinctive communities such as Belfair, Brays Island Plantation Colony, Colleton River Plantation, Callawassie Island and Kiawah Island in the South Carolina Lowcountry, and numerous other communities throughout the United States and abroad.

The Firm is also honored to have been selected by some of the top development entities in the United States such as Centex Homes, Lennar Homes/US Homes, The Timbers Company, and others to provide Reserve Studies for their new communities as part of their orderly transition to the Homeowner Boards of Directors. The Firm possesses extensive experience in the timeshare industry providing services for communities ranging from a small nine-unit condominium on North Carolina's Outer Banks to high-end fractional ownership communities such as the Esperanza Resort in Cabo San Lucas, Mexico and the Timbers Club in Snowmass Village, Colorado.

#### THE PRINCIPALS

**Peter B. Miller, RS** Mr. Miller is a graduate of the College of Architecture and Urban Studies at Virginia Tech and has over 30 years experience in the fields of architecture, historic restoration, and technical inspections. His professional experience with Reserve Studies and community associations dates to the early 1980's. A frequent author and national lecturer on the subject of Capital Reserves, Mr. Miller has earned the professional designation of Reserve Specialist (RS). He served as the 2004 President of the Washington Metropolitan Chapter of CAI and also served on the Board of Directors of the South Carolina CAI Chapter. In addition, he was Vice-Chair of the CAI National Reserve Professionals Designation Committee from 2002 to 2005. Mr. Miller was the 2002-2003 Recipient of CAI National's "Award for Excellence in Chapter Leadership" and was one of the recipients of the 2004 CAI National President's Award. Mr. Miller has performed over 300 reserve studies and supervised over 5,000 studies. Mr. Miller is also a member of the Urban Land Institute and the Congress for the New Urbanism.

**James W. Dodson, Jr., RS** Mr. Dodson is a graduate of Stanford University with a Masters Degree in Civil Engineering and also attended the Executive Education Program at Harvard Graduate School of Business, Cambridge, Massachusetts. He has over thirty years of diversified experience as a Professional Engineer (Texas license) in the management of complex projects, as well as extensive involvement in planning, programming, design, construction, operations, maintenance, and tenant relations in both domestic and international markets. Mr. Dodson has earned the designation of Reserve Specialist through the Community Associations Institute (CAI). Mr. Dodson has personally conducted over 200 reserve studies and supervised over 5,000 studies.

**Staff profiles and references available upon request.**

## FAQ

### What are the basic 'nuts and bolts' of a Reserve Study?

#### DETERMINE APPROPRIATE LEVEL OF SERVICE

**Level 1**, Reserve Study is an initial Study in which all five tasks are performed:

- Develop an Inventory of Reservable Components.
- Perform Condition Assessments.
- Establish Usable Lives and Replacement Cost Estimates.
- Report the Current Funding Status.
- Provide a Projected Funding Plan.

**Level 2**, Update to an existing Reserve Study, with Site Visit/On-Site Review

- Modify an Existing Component Inventory.
- Perform Condition Assessments.
- Establish Usable Lives and Replacement Cost Estimates.
- Report the Current Funding Status.
- Provide a Projected Funding Plan.

**Level 3**, Update to an existing Reserve Study, with No Site Visit/On-Site Review

- Establish Usable Lives and Replacement Cost Estimates.
- Report the Current Funding Status.
- Provide a Projected Funding Plan.

#### PHYSICAL ANALYSIS

- **Component Inventory:** Quantify the type and number of each component.
- **Condition Assessment:** Evaluate the physical condition and use of each component.
- **Useful Life:** Determine the normal and remaining life of each component.
- **Replacement Cost:** Establish a realistic replacement cost of each component.

#### FINANCIAL ANALYSIS

- Report on the Current Funding Status based on the facility's Fiscal Year using the Opening Balance and Current Funding as provided by the Client.
- Provide a Projected Funding Plan, typically modeled using the **Cash Flow Method**.

#### COORDINATION WITH CLIENT

- Review and incorporate the Client's input, paying particular attention to the preferential use and purposes of the facility.

#### CONTINUED SERVICES

- Meet with membership to present the Study and Recommendations.
- Develop recommendations for a **Strategic Funding Plan**.
- Provide annual or other future Updates to the Reserve Study.

**Level 2, Reserve Study Updates are recommended normally every 3 to 5 years.**

## REPLACEMENT RESERVES, ready or not!

- ✓ **STABILIZE YOUR ANNUAL BUDGET.** We have an obligation to maintain our facility in a manner that ensures the long-term generational transfer of the facility and its components. The systematic establishment of Reserve Funding for a normal anticipated expense can help us meet this obligation and minimize unexpected funding surprises in an annual budget.
- ✓ **PROTECT YOUR BRICK AND MORTAR ASSETS.** A Reserve Fund provides for the planned replacement of our facility's major capital items, like roofs, repaving, HVAC equipment and more. Members expect their leadership to fulfill the obligation to replace worn or obsolete items. Funding Replacement Reserves allows for the aesthetic as well as the functional qualities of the facility to be maintained by being financially prudent about the funding for those replacements.
- ✓ **PROVIDE FOR SCHEDULED REPLACEMENTS.** Long-term financial forecasting for the replacement of capital assets allows for the strategic planning of donations and fundraisers, while reducing the need to find emergency funds by added donations, loans, or other means. Anticipating the financial needs of our facility allows for the proper allocation of replacement funding early in the life of a facility and the facility's components.
- ✓ **GUARD YOUR MISSIONARY WORK.** As we all know, some are able to give more than others, and those who do give, often give even more when asked. However, sometimes an unexpected expense can be larger than even the most generous contributors, and our missionary funding can be put at risk. Planning for the replacement of capital assets allows the funds to be allocated within the annual budget for what can and should be normal anticipated expenses.

**Developed in the mid 1980's by Community Association's Institute (CAI), the practices and guidelines used in a Reserve Study are well established. The Reserve Study is a regular part of a Community Association's annual budget and a valuable tool in their long-term financial plan. This important tool can provide the same benefits to your Church or Private School!**

*"One of the primary business duties of any facility is to maintain and preserve the property's value by maintaining an aesthetic and functional standard. A replacement reserve fund has a tremendous impact on a facility's future, regardless of age, size, or architectural type."\**

\* A paraphrased excerpted from the CAI's *Guide for Association Practitioners #24*.



What is a Reserve Study?  
Who are we?



<http://bcove.me/nc0o69t7>

What kind of property uses a Reserve Study?  
Who are our clients?



<http://bcove.me/stt373hj>

Who conducts a Reserve Study?  
Reserve Specialist (RS) what does this mean?



<http://bcove.me/81ch7kjt>

When should a Reserve Study be updated?  
What are the different types of Reserve Studies?



<http://bcove.me/ixis1yxm>

What is in a Reserve Study and what is out?  
Improvement vs Component, is there a difference?



<http://bcove.me/81ch7kjt>

What is my role as a Community Manager?  
Will the report help me explain Reserves to my clients?



<http://bcove.me/fazwdk3h>

What is my role as a Board Member?  
Will a Reserve Study meet my community's needs?



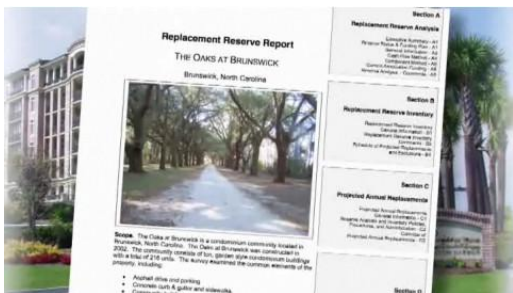
<http://bcove.me/n6nwnktv>

Community dues, how can a Reserve Study help?  
Will a study help keep my property competitive?



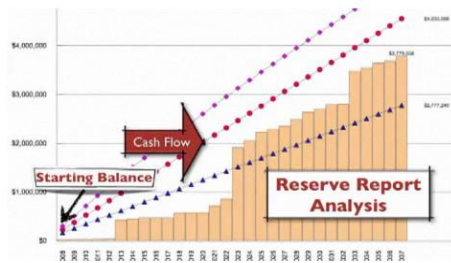
<http://bcove.me/2vfih1tz>

How do I read the report?  
Will I have a say in what the report contains?



<http://bcove.me/wb2fugb1>

Where do the numbers come from?  
Cumulative expenditures and funding, what?



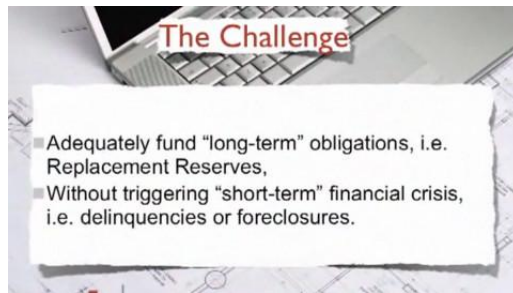
<http://bcove.me/7buer3n8>

How are interest and inflation addressed?  
What should we look at when considering inflation?



<http://bcove.me/s2tmtj9b>

A community needs more help, where do we go?  
What is a Strategic Funding Plan?



<http://bcove.me/iqul31vq>