

THE JONATHAN ASSOCIATION, INC.

CHASKA, MINNESOTA

**INDEPENDENT AUDITOR'S REPORT,
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED DECEMBER 31, 2011



THE JONATHAN ASSOCIATION, INC.
FOR THE YEAR ENDED DECEMBER 31, 2011

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Balance Sheet	2
Statement of Revenue, Expenses and Changes in Fund Balance	3
Statement of Cash Flows	4
Notes to Financial Statements	5
SUPPLEMENTARY INFORMATION	
Supplementary Information on Future Major Repairs and Replacements	9



Phone : 952.928.3011 | Fax : 952.925.0757 | www.cpmullen.com | 5912 West 35th Street | Minneapolis, MN 55416

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Jonathan Association, Inc.
Chaska, Minnesota

We have audited the accompanying balance sheet of The Jonathan Association, Inc. as of December 31, 2011, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended. These financial statements are the responsibility of the management of The Jonathan Association, Inc. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Jonathan Association, Inc. as of December 31, 2011, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the supplementary information on future major repairs and replacements on page 9 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, 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.

A handwritten signature in black ink, appearing to read "M. P. Mullen, CPA, PLLC".

Michael P. Mullen, CPA, PLLC

Minneapolis, Minnesota
February 16, 2012

CERTIFIED PUBLIC ACCOUNTANTS | LICENSED IN MINNESOTA, WISCONSIN AND FLORIDA

Member of The American Institute of Certified Public Accountants
The Minnesota Society of Certified Public Accountants and Community Associations Institute

THE JONATHAN ASSOCIATION, INC.

BALANCE SHEET

DECEMBER 31, 2011

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash	\$ 192,628	\$ 31,087	\$ 223,715
Assessments receivable-net	265,738		265,738
Promissory note receivable	12,836		12,836
Prepaid expenses	1,955		1,955
Land	238,799		238,799
Property and equipment-net	2,907		2,907
Due from operating		<u>162,051</u>	<u>162,051</u>
TOTAL ASSETS	<u>\$ 714,863</u>	<u>\$ 193,138</u>	<u>\$ 908,001</u>
<u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Accounts payable	\$ 22,864		\$ 22,864
Prepaid assessments	227,977		227,977
Due to replacement	<u>162,051</u>		<u>162,051</u>
TOTAL LIABILITIES	412,892		412,892
FUND BALANCE	<u>301,971</u>	<u>\$ 193,138</u>	<u>495,109</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 714,863</u>	<u>\$ 193,138</u>	<u>\$ 908,001</u>

The accompanying notes are an integral part of these financial statements

THE JONATHAN ASSOCIATION, INC.

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED DECEMBER 31, 2011

	OPERATING FUND	REPLACEMENT FUND	TOTAL
REVENUE			
Assessments	\$ 504,784	\$ 209,723	\$ 714,507
Other	14,607		14,607
Interest		629	629
Total Revenue	519,391	210,352	729,743
EXPENSES			
Management fees	37,080		37,080
Depreciation	4,208		4,208
Rubbish removal	2,862		2,862
Bad debts	77,450		77,450
Insurance	20,413		20,413
Utilities	10,717		10,717
Professional fees	64,735		64,735
Labor and related	103,582		103,582
Property taxes	10,155		10,155
Office and administrative	103,078		103,078
Lawn care and snow removal	147,093		147,093
Repair and maintenance	56,364		56,364
Replacement expenses		267,734	267,734
Total Expenses	637,737	267,734	905,471
(DEFICIENCY) OF REVENUE OVER EXPENSES	(118,346)	(57,382)	(175,728)
FUND BALANCE AT 12/31/10	420,317	250,520	670,837
FUND BALANCE AT 12/31/11	\$ 301,971	\$ 193,138	\$ 495,109

The accompanying notes are an integral part of these financial statements

THE JONATHAN ASSOCIATION, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2011

	OPERATING FUND	REPLACEMENT FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from owners	\$ 592,950	\$ 209,723	\$ 802,673
Cash paid to providers	(573,311)	(267,734)	(841,045)
Interest received		629	629
Net cash provided by (used in) operating activities	<u>19,639</u>	<u>(57,382)</u>	<u>(37,743)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Interfund borrowing	<u>112,051</u>	<u>(112,051)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	131,690	(169,433)	(37,743)
CASH AT BEGINNING OF YEAR	<u>60,938</u>	<u>200,520</u>	<u>261,458</u>
CASH AT END OF YEAR	<u>\$ 192,628</u>	<u>\$ 31,087</u>	<u>\$ 223,715</u>

The following schedule reconciles the (deficiency) of revenue over expenses to net cash provided by (used in) operating activities:

(Deficiency) of revenue over expenses	\$ (118,346)	\$ (57,382)	\$ (175,728)
Bad debts	77,450		77,450
Depreciation	4,208		4,208
(Increase) in assessments receivable	(80,730)		(80,730)
(Increase) in prepaid expenses	(230)		(230)
(Decrease) in accounts payable	(17,003)		(17,003)
Increase in prepaid assessments	154,290		154,290
Total adjustments	<u>137,985</u>	<u>-</u>	<u>137,985</u>
Net cash provided by (used in) operating activities	<u>\$ 19,639</u>	<u>\$ (57,382)</u>	<u>\$ (37,743)</u>

The accompanying notes are an integral part of these financial statements

THE JONATHAN ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 1 - ORGANIZATION

The Jonathan Association, Inc. (Association) is a Minnesota nonprofit corporation legally organized as a homeowners association. The Association was incorporated on June 2, 1971 and is responsible for maintaining and preserving the common property within the Jonathan New Town development.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pervasiveness of Estimates

The preparation of financial statements 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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fund Accounting

The Association's governing documents provide certain guidelines regarding its financial activities. Therefore, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds:

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

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

Interest earned

The Board's policy is for interest to remain in the fund in which it is earned.

Member Assessments

Association members are subject to either annual or monthly assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Any excess assessments at year-end are retained by the Association for use in future years.

Date of Management's Review

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through February 16, 2012, the date that the financial statements were available to be issued.

THE JONATHAN ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

Cash

The Association maintains cash in checking and money market savings accounts. Separate cash bank accounts are maintained for each fund. The Association considers all highly liquid investments with an original maturity of three months or less as cash.

Assessments Receivable

Assessments receivable at the balance sheet date totals \$340,738 and represents amounts due from unit owners. These past due balances include, but are not limited to, amounts for monthly assessments, late fees, legal collection fees and other various charges. Owner bankruptcy, unit foreclosure, conciliation court action and/or probate have contributed to the high delinquency amount.

As a result, the Board has established an allowance for doubtful accounts in the amount of \$75,000 that is netted against assessments receivable as shown on the Balance Sheet. The Association's policy is to charge a late fee, retain legal counsel and place liens on the property of homeowners whose assessments are delinquent. This may involve foreclosure on the property after other attempts of collection have failed.

Property and Equipment

The Association's policy is to capitalize all property and equipment to which it has title or other evidence of ownership with the exception of real property directly associated with the units.

Examples of capitalized property and equipment consists of common personal property and common real property to which it has title and that it can dispose of for cash while retaining the proceeds or that is used to generate significant cash flows from members on the basis of usage or from nonmembers.

Examples of property not capitalized consist of sidewalks, access roads, and greenbelts. Property and equipment acquired by the Association are recorded at cost and property contributed to the Association by the developer is recorded at estimated fair value at the date of contribution.

Depreciation expense for the year ended December 31, 2011 totaled \$4,208.

THE JONATHAN ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 3 - PROMISSORY NOTE RECEIVABLE

In 2006, the Association obtained a promissory note from Genesis Homes & Associates, LLC. The amount is due to the Association from the down payment of the garage construction that did not occur. The note accrued interest at a rate of 10% through March 15, 2008. Monthly payments are \$1,149. The balance of the promissory note as of September 30, 2006 was \$12,836, including accrued interest of \$779. The Association did not receive any payments nor accrue any interest on the note during the year ended December 31, 2011.

NOTE 4 - INCOME TAXES

The Association is an exempt organization under Section 501(c)(4) of the Internal Revenue Code. Under that code the Association pays income taxes only on income generated from unrelated business activities. During the year, the Association did not have income from such activities.

The Association's tax returns for the past three years remain open for examination by taxing authorities.

NOTE 5 - FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents contain provisions to accumulate funds for future major repairs and replacements. Accumulated funds, which aggregate \$193,138 at December 31, 2011, are generally not available for operating purposes.

In 2009, the Board updated the study, which estimates the remaining useful lives for all of the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. Estimates were determined based on industry information available to the Management Company, prior experience and knowledge of the property.

The Association 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. Actual expenditures, however, may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may or may not be adequate to meet future needs. If additional funds are needed, however, the Association has the right to pass special assessments or delay replacement or maintenance until funds are available. Special assessments require assent of two-thirds of the vote of each class of members. The effect on future assessments has not been determined at this time.

THE JONATHAN ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 6 - LITIGATION

The Jonathan is currently involved in litigation with members of two community associations that are part of The Jonathan. The Association members of these two communities are seeking to disassociate themselves from The Jonathan and are also seeking reimbursement of past assessments paid to The Jonathan.

In accordance with Statement of Accounting Standards Codification 450-30-25, the amount of the loss, if any that may be ultimately realized, has not been reflected in the accompanying financial statements. The probable outcome is not determinable at this time. The Jonathan has hired an attorney and incurred legal fees as a result of the litigation.

SUPPLEMENTARY INFORMATION

THE JONATHAN ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION ON
FUTURE MAJOR REPAIRS AND REPLACEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

In 2009, the Board updated the study, which estimates the remaining useful lives for all of the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. Estimates were determined based on industry information available to the management company, prior experience and knowledge of the property.

Estimated current replacement costs and estimated remaining useful lives have not been revised since the date of the study and do not take into account the effects of any expenditures or differences in the estimates.

The total replacement fund balance at December 31, 2011 is \$193,138. The board has not allocated the replacement fund balance to each component.

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

Reserve Advisors, Inc.

RESERVE FUNDING PLAN

CASH FLOW ANALYSIS

The Jonathan
Association
Charlotte, Minnesota

Individual Reserve Budgets & Cash Flows for the Next 30 Years

FY	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Reserves at Beginning of Year (Note 1)	N/A	183,931	182,777	66,875	84,860	45,713	61,000	123,421	263,388	411,981	583,166	662,294	807,384	984,845	1,104,842	1,192,970
Total Recommended Reserve Contributions (Note 2)	N/A	200,744	210,700	215,700	220,700	183,900	189,200	193,500	203,300	209,200	216,300	223,700	231,300	239,200	247,300	254,900
Plus Estimated Interest Earned, During Year (Note 3)	N/A	3,601	2,839	1,725	1,494	1,213	2,097	4,388	7,678	11,314	14,160	16,708	20,148	23,631	26,124	28,688
Less Anticipated Expenditures, By Year	N/A	(155,498)	(328,401)	(189,490)	(281,321)	(168,926)	(128,876)	(60,023)	(61,413)	(48,309)	(151,332)	(85,339)	(93,988)	(122,734)	(183,268)	(148,795)
Anticipated Reserves at Year End	\$183,931	182,777	66,916	84,880	45,713	61,000	123,421	263,388	411,981	583,166	662,294	807,384	984,846	1,104,842	1,192,970	1,329,693
Predicted Reserves based on 2009 funding level of \$200,744																

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

FY	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	
Reserves at Beginning of Year	1,328,603	1,540,545	1,371,314	806,300	682,375	69,324	221,190	384,191	363,538	533,883	574,291	517,974	585,948	682,541	838,043	
Total Recommended Reserve Contributions	284,400	273,400	282,700	292,300	302,200	175,400	181,000	187,200	193,800	200,200	207,300	214,000	221,000	228,000	235,000	
Plus Estimated Interest Earned, During Year	32,600	33,106	24,758	16,925	6,546	3,303	6,655	8,274	10,204	12,600	12,418	12,876	14,319	17,081	19,989	
Less Anticipated Expenditures, By Year	(85,078)	(475,737)	(872,472)	(483,150)	(923,797)	(28,437)	(44,654)	(186,127)	(33,359)	(172,482)	(275,735)	(147,704)	(170,024)	(70,359)	(174,501)	
Anticipated Reserves at Year End	1,540,545	1,371,314	806,300	682,375	69,324	221,190	384,191	363,538	533,883	574,291	517,974	585,948	682,541	838,043	929,151	
Predicted Reserves based on 2010 funding level of \$200,744																

Explanatory Notes:

- 1) Year 2009 starting reserves are as of October 30, 2009; FY 2010 starts October 31, 2009 and ends September 30, 2010.
- 2) Reserve Contributions for 2010 are budgeted; 2011 is the first year of recommended contributions.
- 3) 2.3% is the estimated annual rate of return on invested reserves.
- 4) Threshold Funding Year (reserve balance at critical point).
- 5) Accumulated year 2039 ending reserves consider the need to fund for subsequent walking path replacements and its age, size, overall condition and complexity of the property.

RESERVE EXPENDITURES

The Junction
Associates
Chico, Nevada

Estimated Dates:
1. 3.15.18 - 3.15.19
2. FY 2018 Fiscal Year beginning October 1, 2018 and ending September 30, 2019.

Line Item	Unit	Reserve Component Inventory	Estimated 18 Year of Requirement	Life Cycle, Years	Unit Replacement Cost	200 Cost of Total Project	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Chico, Nevada																				
Highland #12 Elements																				
71	100	Coal Power Plant	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
72	300	1200 Diesel Fuel	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
73	2	2 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
74	4	4 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
75	1	1 Diesel Engine	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
76	2	2 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
77	200	200 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
78	6	6 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
79	27	27 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
80	12	12 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
81	12	12 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
82	12	12 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
83	12	12 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
84	1	1 Diesel Engine	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
85	2	2 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
Altamont Wood Elements																				
86	200	200 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
87	3	3 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
88	3	3 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
89	4	4 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
90	4	4 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
91	4	4 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
92	2	2 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
93	2	2 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
94	1	1 Diesel Engine	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
Chico, Nevada																				
Chico, Nevada Elements																				
95	2	2 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
96	3	3 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
97	4	4 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
98	200	200 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
99	25	25 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
100	1000	1000 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
101	1000	1000 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
102	2	2 Diesel Engines	2011	16.1	2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

Reserve Advisors, Inc.

RESERVE EXPENDITURES

for
The Jonathan
Association
Chicago, Illinois

Revised: 12/22/2016
1. 2.1% is the assumed return rate for valuing future replacement costs.
2. FY 2016 is fiscal year beginning October 1, 2015 and ending September 30, 2016.

Line Item	Unit	Reserve Component Inventory	Estimated Replacement	Life Analysis, Unltd Remaining Years	Unit Cost	2016 Cost of Replacement	Total Cost of Replacement	2016	17	18	19	20	21	22	23	24	25	26	27	28	29	30			
101	1	10000	10000	10	10000	10000	10000																		
102	1	10000	10000	10	10000	10000	10000																		
103	1	10000	10000	10	10000	10000	10000																		
104	1	10000	10000	10	10000	10000	10000																		
105	1	10000	10000	10	10000	10000	10000																		
106	1	10000	10000	10	10000	10000	10000																		
107	1	10000	10000	10	10000	10000	10000																		
108	1	10000	10000	10	10000	10000	10000																		
109	1	10000	10000	10	10000	10000	10000																		
110	1	10000	10000	10	10000	10000	10000																		
111	1	10000	10000	10	10000	10000	10000																		
112	1	10000	10000	10	10000	10000	10000																		
113	1	10000	10000	10	10000	10000	10000																		
114	1	10000	10000	10	10000	10000	10000																		
115	1	10000	10000	10	10000	10000	10000																		
116	1	10000	10000	10	10000	10000	10000																		
117	1	10000	10000	10	10000	10000	10000																		
118	1	10000	10000	10	10000	10000	10000																		
119	1	10000	10000	10	10000	10000	10000																		
120	1	10000	10000	10	10000	10000	10000																		
121	1	10000	10000	10	10000	10000	10000																		
122	1	10000	10000	10	10000	10000	10000																		
123	1	10000	10000	10	10000	10000	10000																		
124	1	10000	10000	10	10000	10000	10000																		
125	1	10000	10000	10	10000	10000	10000																		
126	1	10000	10000	10	10000	10000	10000																		
127	1	10000	10000	10	10000	10000	10000																		
128	1	10000	10000	10	10000	10000	10000																		
129	1	10000	10000	10	10000	10000	10000																		
130	1	10000	10000	10	10000	10000	10000																		
131	1	10000	10000	10	10000	10000	10000																		
132	1	10000	10000	10	10000	10000	10000																		
133	1	10000	10000	10	10000	10000	10000																		
134	1	10000	10000	10	10000	10000	10000																		
135	1	10000	10000	10	10000	10000	10000																		
136	1	10000	10000	10	10000	10000	10000																		
137	1	10000	10000	10	10000	10000	10000																		
138	1	10000	10000	10	10000	10000	10000																		
139	1	10000	10000	10	10000	10000	10000																		
140	1	10000	10000	10	10000	10000	10000																		
141	1	10000	10000	10	10000	10000	10000																		
142	1	10000	10000	10	10000	10000	10000																		
143	1	10000	10000	10	10000	10000	10000																		
144	1	10000	10000	10	10000	10000	10000																		
145	1	10000	10000	10	10000	10000	10000																		
146	1	10000	10000	10	10000	10000	10000																		
147	1	10000	10000	10	10000	10000	10000																		
148	1	10000	10000	10	10000	10000	10000																		
149	1	10000	10000	10	10000	10000	10000																		
150	1	10000	10000	10	10000	10000	10000																		
151	1	10000	10000	10	10000	10000	10000																		
152	1	10000	10000	10	10000	10000	10000																		
153	1	10000	10000	10	10000	10000	10000																		
154	1	10000	10000	10	10000	10000	10000																		
155	1	10000	10000	10	10000	10000	10000																		
156	1	10000	10000	10	10000	10000	10000																		
157	1	10000	10000	10	10000	10000	10000																		
158	1	10000	10000	10	10000	10000	10000																		
159	1	10000	10000	10	10000	10000	10000																		
160	1	10000	10000	10	10000	10000	10000																		
161	1	10000	10000	10	10000	10000	10000																		
162	1	10000	10000	10	10000	10000	10000																		
163	1	10000	10000	10	10000	10000	10000																		
164	1	10000	10000	10	10000	10000	10000																		
165	1	10000	10000	10	10000	10000	10000																		
166	1	10000	10000	10	10000	10000	10000																		
167	1	10000	10000	10	10000	10000	10000																		
168	1	10000	10000	10	10000	10000	10000																		