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**Mission Bay Community Center**  
***Polson, WA***



Report #: 48795-0  
Beginning: January 1, 2024  
Expires: December 31, 2024

**RESERVE STUDY**  
**"Full"**

December 8, 2023

# Welcome to your Reserve Study!

**A** Reserve Study is a valuable tool to help you budget responsibly for your property. This report contains all the information you need to avoid surprise expenses, make informed decisions, save money, and protect property values.

**R**egardless of the property type, it's a fact of life that the very moment construction is completed, every major building component begins a predictable process of physical deterioration. The operative word is "predictable" because planning for the inevitable is what a Reserve Study by **Association Reserves** is all about!

In this Report, you will find three key results:

- **Component List**  
Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.
- **Reserve Fund Strength**  
A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.
- **Reserve Funding Plan**  
A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

## Questions?

Please contact your Project Manager directly.



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Mission Bay Community Center -  
Polson, WA  
Level of Service: "Full"

Report #: 48795-0  
# of Units: 1

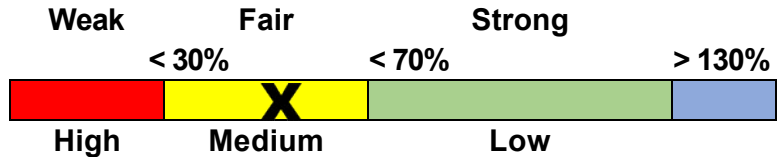
January 1, 2024 through December 31, 2024

Findings & Recommendations

as of January 1, 2024

|  |           |
|--|-----------|
| Starting Reserve Balance                                       | \$245,595 |
| Current Fully Funded Reserve Balance                           | \$464,199 |
| Percent Funded   | 52.9 %    |
| Average Reserve Deficit or (Surplus) Per Unit                  | \$218,604 |
| Recommended 2024 100% Monthly "Full Funding" Contributions     | \$4,200   |
| Recommended 2024 70% Monthly "Threshold Funding" Contributions | \$3,660   |
| 2024 "Baseline Funding" minimum to keep Reserves above \$0     | \$3,100   |
| Most Recent Budgeted Contribution Rate                         | \$2,820   |

Reserve Fund Strength: 52.9%



Risk of Special Assessment:

Economic Assumptions:

|   |        |
|---|--------|
| Net Annual "After Tax" Interest Earnings Accruing to Reserves | 1.00 % |
| Annual Inflation Rate   | 3.00 % |

- This is a "Full", meeting all requirements of the Revised Code of Washington (RCW). This study was prepared by, or under the supervision of a credentialed Reserve Specialist (RS™).
- Your Reserve Fund is currently 52.9 % Funded. This means the association's special assessment & deferred maintenance risk is currently Medium. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of such Reserve cash flow problems. The current annual deterioration of your reserve components is \$36,511 - see Component Significance table.
- Based on this starting point and your anticipated future expenses, our recommendation is to budget Reserve Contributions to within the 70% to 100% range as noted above. The 100% "Full" and 70% contribution rates are designed to gradually achieve these funding objectives by the end of our 30-year report scope.
- No assets appropriate for Reserve designation known to be excluded. See appendix for component information and the basis of our assumptions. "Baseline Funding" in this report is as defined within the RCW, "to maintain the reserve account balance above zero throughout the thirty-year study period, without special assessments." Funding plan contribution rates, and reserves deficit or (surplus) are presented as an aggregate total, assuming average percentage of ownership. The actual ownership allocation may vary - refer to your governing documents, and assessment computational tools to adjust for any variation.

| # Component                             | Useful Life (yrs) | Rem. Useful Life (yrs) | Current Average Cost |
|---|-------------------|------------------------|----------------------|
| <b>Site &amp; Grounds</b>               |                   |                        |                      |
| 100 Concrete/Masonry - Maintain/Repair  | 10                | 0                      | \$2,500              |
| 112 Metal Site Rail - Repair/Replace    | 30                | 12                     | \$11,500             |
| 113 Metal Site Rail - Paint             | 10                | 2                      | \$2,900              |
| 120 Parking Lot - Resurface             | 30                | 9                      | \$23,000             |
| 121 Parking Lot - Repair & Seal         | 5                 | 2                      | \$3,800              |
| 140 Rope and Pillar Fence - Repair (a)  | 15                | 0                      | \$5,200              |
| 140 Rope and Pillar Fence - Repair (b)  | 15                | 2                      | \$10,400             |
| 140 Wood Fence - Repair/Replace         | 20                | 2                      | \$4,150              |
| 143 Trellis/Arbor - Repair/Replace      | 25                | 3                      | \$11,600             |
| 143 Trellis/Arbor - Stain               | 3                 | 3                      | \$2,000              |
| 149 Garbage Enclosure - Repair/Replace  | 20                | 2                      | \$2,750              |
| 171 Trees - Trim/Remove & Replace       | 5                 | 2                      | \$2,000              |
| 173 Irrigation Pump- Repair/Replace     | 10                | 0                      | \$900                |
| 190 Community Signs - Repair/Replace    | 30                | 9                      | \$4,000              |
| <b>Pool</b>                             |                   |                        |                      |
| 301 Pool Deck - Repair/Replace          | 30                | 9                      | \$56,000             |
| 302 Pool Furniture - Replace            | 15                | 8                      | \$6,750              |
| 303 Pool - Resurface                    | 15                | 9                      | \$30,500             |
| 304 Pool - Retile                       | 30                | 9                      | \$16,300             |
| 307 Pool Heater - Replace               | 10                | 9                      | \$5,800              |
| 312 Pool Cover - Maintain/Replace       | 10                | 6                      | \$4,000              |
| <b>Recreation</b>                       |                   |                        |                      |
| 320 Tennis Court Fence - Repair/Replace | 30                | 9                      | \$14,000             |
| 323 Tennis Court - Resurface            | 40                | 19                     | \$38,250             |
| 324 Tennis Court - Repair/Seal/Stripe   | 6                 | 3                      | \$19,000             |
| <b>Building Exterior</b>                |                   |                        |                      |
| 400 Steep Slope Roof - Repair/Replace   | 25                | 4                      | \$37,850             |
| 406 Gutters - Repair/Replace            | 40                | 19                     | \$5,000              |
| 410 Siding - Ext Renovation             | 50                | 29                     | \$108,250            |
| 412 Exteriors - Caulk & Paint           | 10                | 3                      | \$17,500             |
| 415 Windows - Repair/Replace            | 25                | 4                      | \$37,500             |
| 420 Exterior Lights - Replace           | 20                | 0                      | \$1,900              |
| <b>Building Interior</b>                |                   |                        |                      |
| 350 Elliptical - Repair/Replace         | 20                | 5                      | \$3,350              |
| 350 Recumbent Bike - Repair/Replace     | 20                | 5                      | \$3,250              |
| 350 Rowing Machine - Repair/Replace     | 20                | 19                     | \$3,000              |
| 350 Treadmills - Repair/Replace         | 20                | 11                     | \$7,000              |

| # Component                             | Useful Life (yrs) | Rem. Useful Life (yrs) | Current Average Cost |
|---|-------------------|------------------------|----------------------|
| 350 Universal Gym - Repair/Replace      | 25                | 4                      | \$5,000              |
| 430 Carpet-Maintain/Replace             | 20                | 2                      | \$53,750             |
| 431 Tile -Maintain/Replace              | 40                | 22                     | \$8,650              |
| 440 Interiors - Paint                   | 10                | 3                      | \$31,850             |
| 450 Furniture & Décor-Replace           | 30                | 9                      | \$30,000             |
| 455 Bathrooms - Refurbish               | 30                | 9                      | \$20,000             |
| 470 Kitchen - Refurbish                 | 30                | 9                      | \$15,000             |
| 750 Office Furniture - Maintain/Replace | 10                | 2                      | \$3,000              |
| 751 Office Equipment - Repair/Replace   | 5                 | 2                      | \$2,500              |
| 752 Folding Tables/Chairs - Replace     | 25                | 6                      | \$2,000              |
| 753 Printer/Scanner - Replace           | 10                | 2                      | \$4,750              |
| <b>Systems &amp; Evaluations</b>        |                   |                        |                      |
| 480 Furnace - Repair/Replace            | 15                | 6                      | \$6,400              |
| 485 Water Heaters - Replace             | 15                | 6                      | \$2,900              |
| 916 AC Units - Repair/Replace           | 15                | 6                      | \$27,000             |
| 945 Surveillance System-Repair/Replace  | 10                | 2                      | \$2,500              |

**48 Total Funded Components**

Note 1: Yellow highlighted line items are expected to require attention in this initial year, light blue highlighted items are expected to occur within the first-five years.

## Introduction



A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.



Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

## Methodology



For this [Full Reserve Study](#), we started with a review of your Governing Documents, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents. We

performed an on-site inspection to quantify and evaluate your common areas, creating your Reserve Component List *from scratch*.

## *Which Physical Assets are Funded by Reserves?*

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve



RESERVE COMPONENT "FOUR-PART TEST"

Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

## *How do we establish Useful Life and Remaining Useful Life estimates?*

- 1) Visual Inspection (observed wear and age)
- 2) Association Reserves database of experience
- 3) Client History (install dates & previous life cycle information)
- 4) Vendor Evaluation and Recommendation

## *How do we establish Current Repair/Replacement Cost Estimates?*

In this order...

- 1) Actual client cost history, or current proposals
- 2) Comparison to Association Reserves database of work done at similar associations
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks



## How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

- 1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
- 2) Compare that to the Reserve Fund Balance, and express as a percentage.



Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

## How much should we contribute?



RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

## What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*



FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

**Site Inspection Notes**

During our site visit on 8/21/2023, we visually inspected all visible common areas, while compiling a photographic inventory, noting: general exterior observations, make & model information where appropriate, apparent levels of care and maintenance, exposure to weather elements and other factors that may affect the components useful life.



## Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away.

The figure below summarizes the projected future expenses at your association as defined by your Reserve Component List. A summary of these expenses are shown in the 30-yr Summary Table, while details of the projects that make up these expenses are shown in the Cash Flow Detail Table.

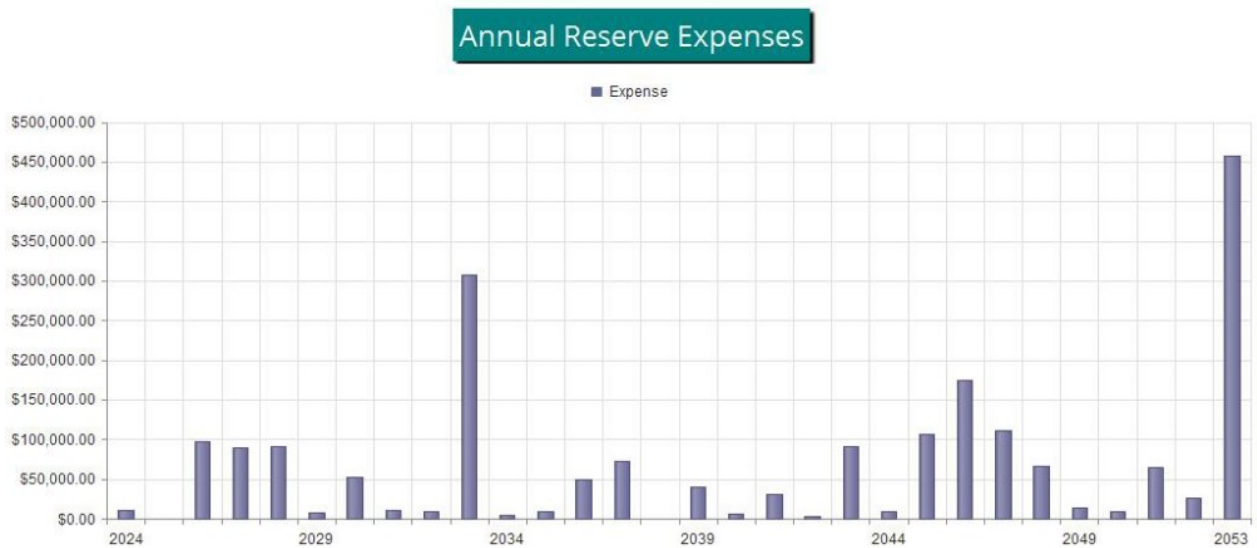


Figure 1

## Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$245,595 as-of the start of your Fiscal Year on 1/1/2024. As of that date, your Fully Funded Balance is computed to be \$464,199 (see Fully Funded Balance Table). This figure represents the deteriorated value of your common area components.

## Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$4,200 per month this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary Table and the Cash Flow Detail Table.

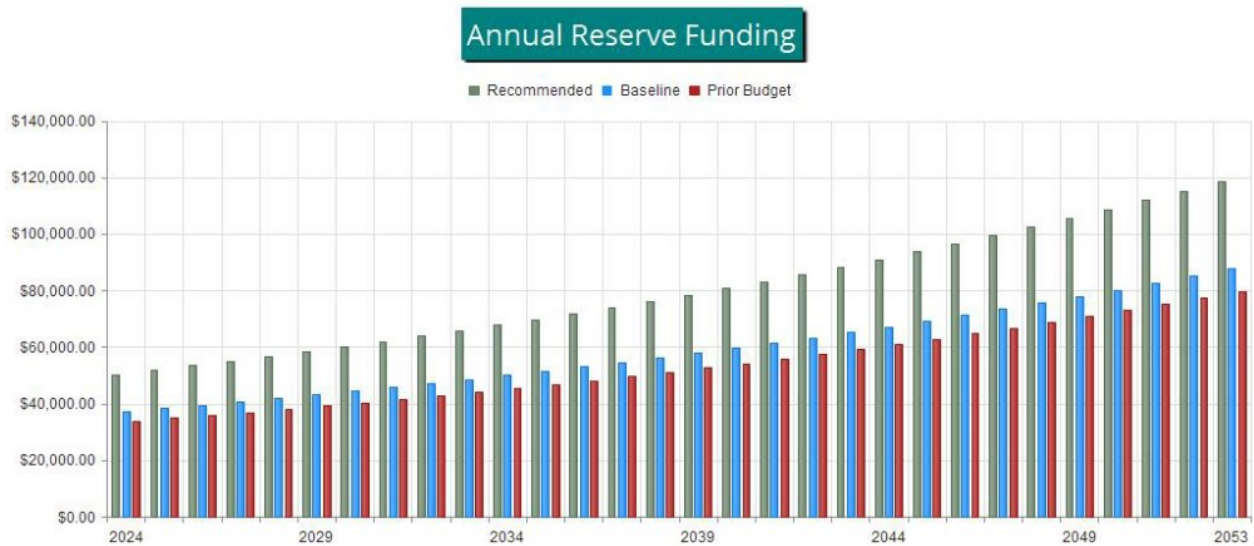


Figure 2

The following chart shows your Reserve balance under our recommended Full Funding Plan, an alternate Baseline Funding Plan, and at your current budgeted contribution rate (assumes future increases), compared to your always-changing Fully Funded Balance target.

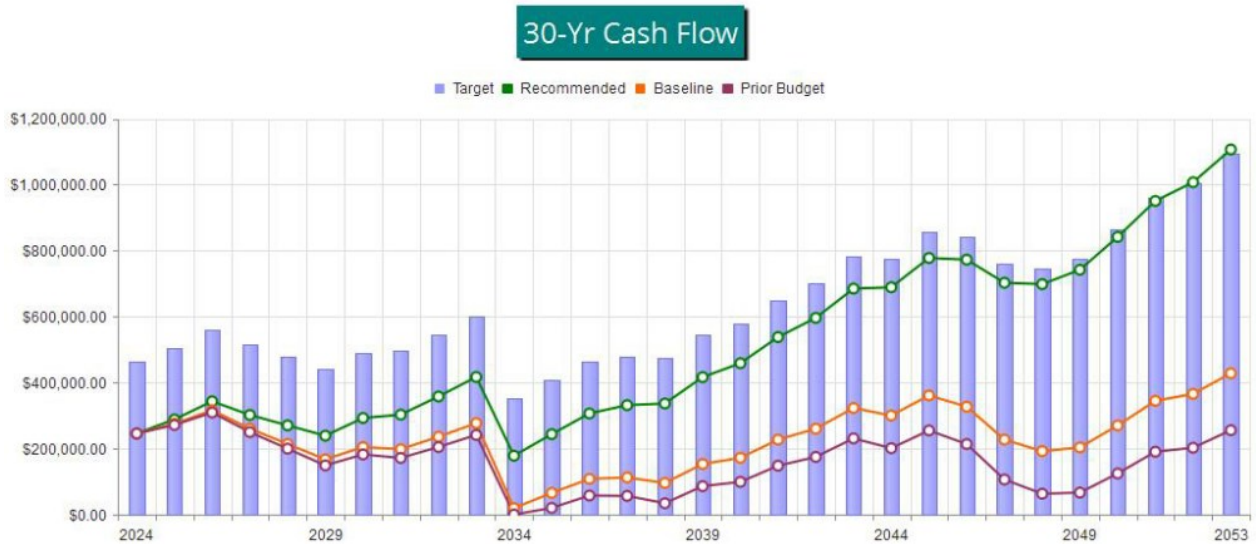


Figure 3

This figure shows the same information plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan.

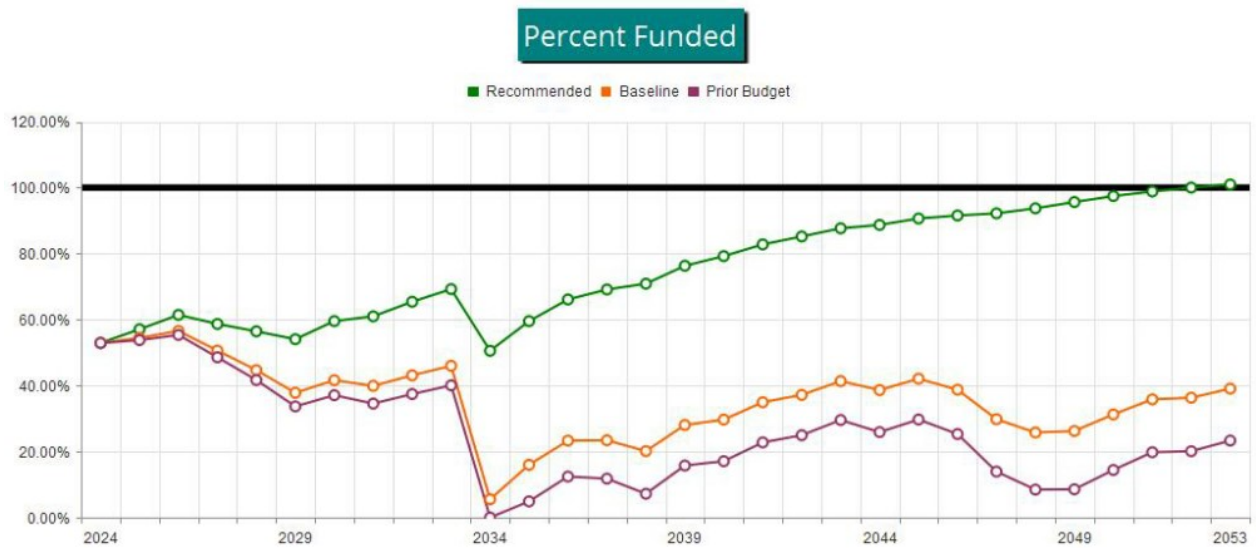


Figure 4



Executive Summary is a summary of your Reserve Components

Reserve Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the property total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the property, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

| #                         | Component                           | Quantity                 | Useful Life | Rem.<br>Useful Life | Current Cost Estimate |            |
|---------------------------|-------------------------------------|--------------------------|-------------|---------------------|-----------------------|------------|
|                           |                                     |                          |             |                     | Best Case             | Worst Case |
| <b>Site &amp; Grounds</b> |                                     |                          |             |                     |                       |            |
| 100                       | Concrete/Masonry - Maintain/Repair  | Sidewalks, steps, walls  | 10          | 0                   | \$2,000               | \$3,000    |
| 112                       | Metal Site Rail - Repair/Replace    | ~155 LF                  | 30          | 12                  | \$10,000              | \$13,000   |
| 113                       | Metal Site Rail - Paint             | ~155 LF                  | 10          | 2                   | \$2,200               | \$3,600    |
| 120                       | Parking Lot - Resurface             | ~8,410 SF                | 30          | 9                   | \$21,000              | \$25,000   |
| 121                       | Parking Lot - Repair & Seal         | ~8,410 SF                | 5           | 2                   | \$3,500               | \$4,100    |
| 140                       | Rope and Pillar Fence - Repair (a)  | ~135 LF wood pillars     | 15          | 0                   | \$3,600               | \$6,800    |
| 140                       | Rope and Pillar Fence - Repair (b)  | ~270 LF wood pillars     | 15          | 2                   | \$7,200               | \$13,600   |
| 140                       | Wood Fence - Repair/Replace         | ~140 LF board            | 20          | 2                   | \$3,500               | \$4,800    |
| 143                       | Trellis/Arbor - Repair/Replace      | ~300 SF                  | 25          | 3                   | \$9,600               | \$13,600   |
| 143                       | Trellis/Arbor - Stain               | ~300 SF                  | 3           | 3                   | \$1,500               | \$2,500    |
| 149                       | Garbage Enclosure - Repair/Replace  | ~75 SF wood board        | 20          | 2                   | \$2,500               | \$3,000    |
| 171                       | Trees - Trim/Remove & Replace       | ~ (24) various species   | 5           | 2                   | \$1,500               | \$2,500    |
| 173                       | Irrigation Pump- Repair/Replace     | Century 2 HP             | 10          | 0                   | \$800                 | \$1,000    |
| 190                       | Community Signs - Repair/Replace    | (1) Large (2) Small      | 30          | 9                   | \$3,000               | \$5,000    |
| <b>Pool</b>               |                                     |                          |             |                     |                       |            |
| 301                       | Pool Deck - Repair/Replace          | ~3,680 SF                | 30          | 9                   | \$48,000              | \$64,000   |
| 302                       | Pool Furniture - Replace            | ~(39) pieces             | 15          | 8                   | \$4,500               | \$9,000    |
| 303                       | Pool - Resurface                    | ~1,400 SF                | 15          | 9                   | \$22,000              | \$39,000   |
| 304                       | Pool - Retile                       | ~180 LF                  | 30          | 9                   | \$13,800              | \$18,800   |
| 307                       | Pool Heater - Replace               | Pentair Mastertemp 400   | 10          | 9                   | \$5,400               | \$6,200    |
| 312                       | Pool Cover - Maintain/Replace       | ~15' x 60', 15' x 28'    | 10          | 6                   | \$3,400               | \$4,600    |
| <b>Recreation</b>         |                                     |                          |             |                     |                       |            |
| 320                       | Tennis Court Fence - Repair/Replace | ~460 LF chain link       | 30          | 9                   | \$11,000              | \$17,000   |
| 323                       | Tennis Court - Resurface            | ~13,000 SF               | 40          | 19                  | \$35,000              | \$41,500   |
| 324                       | Tennis Court - Repair/Seal/Stripe   | ~13,000 SF               | 6           | 3                   | \$16,000              | \$22,000   |
| <b>Building Exterior</b>  |                                     |                          |             |                     |                       |            |
| 400                       | Steep Slope Roof - Repair/Replace   | ~6,875 SF                | 25          | 4                   | \$34,400              | \$41,300   |
| 406                       | Gutters - Repair/Replace            | ~310 LF                  | 40          | 19                  | \$4,000               | \$6,000    |
| 410                       | Siding - Ext Renovation             | ~4,650 SF                | 50          | 29                  | \$81,500              | \$135,000  |
| 412                       | Exteriors - Caulk & Paint           | ~4,650 SF                | 10          | 3                   | \$14,000              | \$21,000   |
| 415                       | Windows - Repair/Replace            | (23) windows & (7) doors | 25          | 4                   | \$30,000              | \$45,000   |
| 420                       | Exterior Lights - Replace           | ~(20) fixtures           | 20          | 0                   | \$1,400               | \$2,400    |
| <b>Building Interior</b>  |                                     |                          |             |                     |                       |            |
| 350                       | Elliptical - Repair/Replace         | ~(1) Precor EFX576i      | 20          | 5                   | \$2,700               | \$4,000    |
| 350                       | Recumbent Bike - Repair/Replace     | ~(1) Precor C486i        | 20          | 5                   | \$2,500               | \$4,000    |
| 350                       | Rowing Machine - Repair/Replace     | ~(1) FDR-02              | 20          | 19                  | \$2,000               | \$4,000    |
| 350                       | Treadmills - Repair/Replace         | ~(2) Precor C956i        | 20          | 11                  | \$6,000               | \$8,000    |
| 350                       | Universal Gym - Repair/Replace      | ~(1) pieces              | 25          | 4                   | \$4,000               | \$6,000    |
| 430                       | Carpet-Maintain/Replace             | ~800 SY                  | 20          | 2                   | \$49,000              | \$58,500   |
| 431                       | Tile -Maintain/Replace              | ~1,080 SF                | 40          | 22                  | \$6,500               | \$10,800   |
| 440                       | Interiors - Paint                   | ~9,100 SF                | 10          | 3                   | \$27,300              | \$36,400   |
| 450                       | Furniture & Décor-Replace           | Furniture, art, etc.     | 30          | 9                   | \$20,000              | \$40,000   |
| 455                       | Bathrooms - Refurbish               | (2) bathrooms            | 30          | 9                   | \$15,000              | \$25,000   |



| #                                | Component                           | Quantity                     | Useful Life | Rem.<br>Useful Life | Current Cost Estimate |            |
|----------------------------------|-------------------------------------|------------------------------|-------------|---------------------|-----------------------|------------|
|                                  |                                     |                              |             |                     | Best Case             | Worst Case |
| 470                              | Kitchen - Refurbish                 | Appliances, cabinets, etc    | 30          | 9                   | \$10,000              | \$20,000   |
| 750                              | Office Furniture - Maintain/Replace | Various pieces               | 10          | 2                   | \$2,000               | \$4,000    |
| 751                              | Office Equipment - Repair/Replace   | PC, deskjet, etc.            | 5           | 2                   | \$2,000               | \$3,000    |
| 752                              | Folding Tables/Chairs - Replace     | ~(8) Tables ~(52) Chairs     | 25          | 6                   | \$1,800               | \$2,200    |
| 753                              | Printer/Scanner - Replace           | (1) Sharp AR-M277            | 10          | 2                   | \$3,500               | \$6,000    |
| <b>Systems &amp; Evaluations</b> |                                     |                              |             |                     |                       |            |
| 480                              | Furnace - Repair/Replace            | Lennox<br>CBX40UHV/Venmar HE | 15          | 6                   | \$5,400               | \$7,400    |
| 485                              | Water Heaters - Replace             | ~(3) 50-gal AO Smith         | 15          | 6                   | \$2,400               | \$3,400    |
| 916                              | AC Units - Repair/Replace           | (2) Lennox XP25 4 Ton        | 15          | 6                   | \$24,000              | \$30,000   |
| 945                              | Surveillance System-Repair/Replace  | Cameras, DVR, Etc            | 10          | 2                   | \$2,000               | \$3,000    |
| 48                               | Total Funded Components             |                              |             |                     |                       |            |

| #                         | Component                           | Current Cost Estimate | X | Effective Age | / | Useful Life | = | Fully Funded Balance |
|---------------------------|-------------------------------------|-----------------------|---|---------------|---|-------------|---|----------------------|
| <b>Site &amp; Grounds</b> |                                     |                       |   |               |   |             |   |                      |
| 100                       | Concrete/Masonry - Maintain/Repair  | \$2,500               | X | 10            | / | 10          | = | \$2,500              |
| 112                       | Metal Site Rail - Repair/Replace    | \$11,500              | X | 18            | / | 30          | = | \$6,900              |
| 113                       | Metal Site Rail - Paint             | \$2,900               | X | 8             | / | 10          | = | \$2,320              |
| 120                       | Parking Lot - Resurface             | \$23,000              | X | 21            | / | 30          | = | \$16,100             |
| 121                       | Parking Lot - Repair & Seal         | \$3,800               | X | 3             | / | 5           | = | \$2,280              |
| 140                       | Rope and Pillar Fence - Repair (a)  | \$5,200               | X | 15            | / | 15          | = | \$5,200              |
| 140                       | Rope and Pillar Fence - Repair (b)  | \$10,400              | X | 13            | / | 15          | = | \$9,013              |
| 140                       | Wood Fence - Repair/Replace         | \$4,150               | X | 18            | / | 20          | = | \$3,735              |
| 143                       | Trellis/Arbor - Repair/Replace      | \$11,600              | X | 22            | / | 25          | = | \$10,208             |
| 143                       | Trellis/Arbor - Stain               | \$2,000               | X | 0             | / | 3           | = | \$0                  |
| 149                       | Garbage Enclosure - Repair/Replace  | \$2,750               | X | 18            | / | 20          | = | \$2,475              |
| 171                       | Trees - Trim/Remove & Replace       | \$2,000               | X | 3             | / | 5           | = | \$1,200              |
| 173                       | Irrigation Pump- Repair/Replace     | \$900                 | X | 10            | / | 10          | = | \$900                |
| 190                       | Community Signs - Repair/Replace    | \$4,000               | X | 21            | / | 30          | = | \$2,800              |
| <b>Pool</b>               |                                     |                       |   |               |   |             |   |                      |
| 301                       | Pool Deck - Repair/Replace          | \$56,000              | X | 21            | / | 30          | = | \$39,200             |
| 302                       | Pool Furniture - Replace            | \$6,750               | X | 7             | / | 15          | = | \$3,150              |
| 303                       | Pool - Resurface                    | \$30,500              | X | 6             | / | 15          | = | \$12,200             |
| 304                       | Pool - Retile                       | \$16,300              | X | 21            | / | 30          | = | \$11,410             |
| 307                       | Pool Heater - Replace               | \$5,800               | X | 1             | / | 10          | = | \$580                |
| 312                       | Pool Cover - Maintain/Replace       | \$4,000               | X | 4             | / | 10          | = | \$1,600              |
| <b>Recreation</b>         |                                     |                       |   |               |   |             |   |                      |
| 320                       | Tennis Court Fence - Repair/Replace | \$14,000              | X | 21            | / | 30          | = | \$9,800              |
| 323                       | Tennis Court - Resurface            | \$38,250              | X | 21            | / | 40          | = | \$20,081             |
| 324                       | Tennis Court - Repair/Seal/Stripe   | \$19,000              | X | 3             | / | 6           | = | \$9,500              |
| <b>Building Exterior</b>  |                                     |                       |   |               |   |             |   |                      |
| 400                       | Steep Slope Roof - Repair/Replace   | \$37,850              | X | 21            | / | 25          | = | \$31,794             |
| 406                       | Gutters - Repair/Replace            | \$5,000               | X | 21            | / | 40          | = | \$2,625              |
| 410                       | Siding - Ext Renovation             | \$108,250             | X | 21            | / | 50          | = | \$45,465             |
| 412                       | Exteriors - Caulk & Paint           | \$17,500              | X | 7             | / | 10          | = | \$12,250             |
| 415                       | Windows - Repair/Replace            | \$37,500              | X | 21            | / | 25          | = | \$31,500             |
| 420                       | Exterior Lights - Replace           | \$1,900               | X | 20            | / | 20          | = | \$1,900              |
| <b>Building Interior</b>  |                                     |                       |   |               |   |             |   |                      |
| 350                       | Elliptical - Repair/Replace         | \$3,350               | X | 15            | / | 20          | = | \$2,513              |
| 350                       | Recumbent Bike - Repair/Replace     | \$3,250               | X | 15            | / | 20          | = | \$2,438              |
| 350                       | Rowing Machine - Repair/Replace     | \$3,000               | X | 1             | / | 20          | = | \$150                |
| 350                       | Treadmills - Repair/Replace         | \$7,000               | X | 9             | / | 20          | = | \$3,150              |
| 350                       | Universal Gym - Repair/Replace      | \$5,000               | X | 21            | / | 25          | = | \$4,200              |
| 430                       | Carpet-Maintain/Replace             | \$53,750              | X | 18            | / | 20          | = | \$48,375             |
| 431                       | Tile -Maintain/Replace              | \$8,650               | X | 18            | / | 40          | = | \$3,893              |
| 440                       | Interiors - Paint                   | \$31,850              | X | 7             | / | 10          | = | \$22,295             |
| 450                       | Furniture & Décor-Replace           | \$30,000              | X | 21            | / | 30          | = | \$21,000             |
| 455                       | Bathrooms - Refurbish               | \$20,000              | X | 21            | / | 30          | = | \$14,000             |
| 470                       | Kitchen - Refurbish                 | \$15,000              | X | 21            | / | 30          | = | \$10,500             |

| #                     | Component                           | Current Cost Estimate | X | Effective Age | / | Useful Life | = | Fully Funded Balance |
|-----------------------|-------------------------------------|-----------------------|---|---------------|---|-------------|---|----------------------|
| 750                   | Office Furniture - Maintain/Replace | \$3,000               | X | 8             | / | 10          | = | \$2,400              |
| 751                   | Office Equipment - Repair/Replace   | \$2,500               | X | 3             | / | 5           | = | \$1,500              |
| 752                   | Folding Tables/Chairs - Replace     | \$2,000               | X | 19            | / | 25          | = | \$1,520              |
| 753                   | Printer/Scanner - Replace           | \$4,750               | X | 8             | / | 10          | = | \$3,800              |
| Systems & Evaluations |                                     |                       |   |               |   |             |   |                      |
| 480                   | Furnace - Repair/Replace            | \$6,400               | X | 9             | / | 15          | = | \$3,840              |
| 485                   | Water Heaters - Replace             | \$2,900               | X | 9             | / | 15          | = | \$1,740              |
| 916                   | AC Units - Repair/Replace           | \$27,000              | X | 9             | / | 15          | = | \$16,200             |
| 945                   | Surveillance System-Repair/Replace  | \$2,500               | X | 8             | / | 10          | = | \$2,000              |
|                       |                                     |                       |   |               |   |             |   | \$464,199            |

| #                         | Component                           | Useful Life (yrs) | Current Cost Estimate | Deterioration Cost/Yr | Deterioration Significance |
|---------------------------|-------------------------------------|-------------------|-----------------------|-----------------------|----------------------------|
| <b>Site &amp; Grounds</b> |                                     |                   |                       |                       |                            |
| 100                       | Concrete/Masonry - Maintain/Repair  | 10                | \$2,500               | \$250                 | 0.68 %                     |
| 112                       | Metal Site Rail - Repair/Replace    | 30                | \$11,500              | \$383                 | 1.05 %                     |
| 113                       | Metal Site Rail - Paint             | 10                | \$2,900               | \$290                 | 0.79 %                     |
| 120                       | Parking Lot - Resurface             | 30                | \$23,000              | \$767                 | 2.10 %                     |
| 121                       | Parking Lot - Repair & Seal         | 5                 | \$3,800               | \$760                 | 2.08 %                     |
| 140                       | Rope and Pillar Fence - Repair (a)  | 15                | \$5,200               | \$347                 | 0.95 %                     |
| 140                       | Rope and Pillar Fence - Repair (b)  | 15                | \$10,400              | \$693                 | 1.90 %                     |
| 140                       | Wood Fence - Repair/Replace         | 20                | \$4,150               | \$208                 | 0.57 %                     |
| 143                       | Trellis/Arbor - Repair/Replace      | 25                | \$11,600              | \$464                 | 1.27 %                     |
| 143                       | Trellis/Arbor - Stain               | 3                 | \$2,000               | \$667                 | 1.83 %                     |
| 149                       | Garbage Enclosure - Repair/Replace  | 20                | \$2,750               | \$138                 | 0.38 %                     |
| 171                       | Trees - Trim/Remove & Replace       | 5                 | \$2,000               | \$400                 | 1.10 %                     |
| 173                       | Irrigation Pump- Repair/Replace     | 10                | \$900                 | \$90                  | 0.25 %                     |
| 190                       | Community Signs - Repair/Replace    | 30                | \$4,000               | \$133                 | 0.37 %                     |
| <b>Pool</b>               |                                     |                   |                       |                       |                            |
| 301                       | Pool Deck - Repair/Replace          | 30                | \$56,000              | \$1,867               | 5.11 %                     |
| 302                       | Pool Furniture - Replace            | 15                | \$6,750               | \$450                 | 1.23 %                     |
| 303                       | Pool - Resurface                    | 15                | \$30,500              | \$2,033               | 5.57 %                     |
| 304                       | Pool - Retile                       | 30                | \$16,300              | \$543                 | 1.49 %                     |
| 307                       | Pool Heater - Replace               | 10                | \$5,800               | \$580                 | 1.59 %                     |
| 312                       | Pool Cover - Maintain/Replace       | 10                | \$4,000               | \$400                 | 1.10 %                     |
| <b>Recreation</b>         |                                     |                   |                       |                       |                            |
| 320                       | Tennis Court Fence - Repair/Replace | 30                | \$14,000              | \$467                 | 1.28 %                     |
| 323                       | Tennis Court - Resurface            | 40                | \$38,250              | \$956                 | 2.62 %                     |
| 324                       | Tennis Court - Repair/Seal/Stripe   | 6                 | \$19,000              | \$3,167               | 8.67 %                     |
| <b>Building Exterior</b>  |                                     |                   |                       |                       |                            |
| 400                       | Steep Slope Roof - Repair/Replace   | 25                | \$37,850              | \$1,514               | 4.15 %                     |
| 406                       | Gutters - Repair/Replace            | 40                | \$5,000               | \$125                 | 0.34 %                     |
| 410                       | Siding - Ext Renovation             | 50                | \$108,250             | \$2,165               | 5.93 %                     |
| 412                       | Exteriors - Caulk & Paint           | 10                | \$17,500              | \$1,750               | 4.79 %                     |
| 415                       | Windows - Repair/Replace            | 25                | \$37,500              | \$1,500               | 4.11 %                     |
| 420                       | Exterior Lights - Replace           | 20                | \$1,900               | \$95                  | 0.26 %                     |
| <b>Building Interior</b>  |                                     |                   |                       |                       |                            |
| 350                       | Elliptical - Repair/Replace         | 20                | \$3,350               | \$168                 | 0.46 %                     |
| 350                       | Recumbent Bike - Repair/Replace     | 20                | \$3,250               | \$163                 | 0.45 %                     |
| 350                       | Rowing Machine - Repair/Replace     | 20                | \$3,000               | \$150                 | 0.41 %                     |
| 350                       | Treadmills - Repair/Replace         | 20                | \$7,000               | \$350                 | 0.96 %                     |
| 350                       | Universal Gym - Repair/Replace      | 25                | \$5,000               | \$200                 | 0.55 %                     |
| 430                       | Carpet-Maintain/Replace             | 20                | \$53,750              | \$2,688               | 7.36 %                     |
| 431                       | Tile -Maintain/Replace              | 40                | \$8,650               | \$216                 | 0.59 %                     |
| 440                       | Interiors - Paint                   | 10                | \$31,850              | \$3,185               | 8.72 %                     |
| 450                       | Furniture & Décor-Replace           | 30                | \$30,000              | \$1,000               | 2.74 %                     |
| 455                       | Bathrooms - Refurbish               | 30                | \$20,000              | \$667                 | 1.83 %                     |
| 470                       | Kitchen - Refurbish                 | 30                | \$15,000              | \$500                 | 1.37 %                     |

| #                                | Component                           | Useful Life (yrs) | Current Cost Estimate | Deterioration Cost/Yr | Deterioration Significance |
|----------------------------------|-------------------------------------|-------------------|-----------------------|-----------------------|----------------------------|
| 750                              | Office Furniture - Maintain/Replace | 10                | \$3,000               | \$300                 | 0.82 %                     |
| 751                              | Office Equipment - Repair/Replace   | 5                 | \$2,500               | \$500                 | 1.37 %                     |
| 752                              | Folding Tables/Chairs - Replace     | 25                | \$2,000               | \$80                  | 0.22 %                     |
| 753                              | Printer/Scanner - Replace           | 10                | \$4,750               | \$475                 | 1.30 %                     |
| <b>Systems &amp; Evaluations</b> |                                     |                   |                       |                       |                            |
| 480                              | Furnace - Repair/Replace            | 15                | \$6,400               | \$427                 | 1.17 %                     |
| 485                              | Water Heaters - Replace             | 15                | \$2,900               | \$193                 | 0.53 %                     |
| 916                              | AC Units - Repair/Replace           | 15                | \$27,000              | \$1,800               | 4.93 %                     |
| 945                              | Surveillance System-Repair/Replace  | 10                | \$2,500               | \$250                 | 0.68 %                     |
| 48                               | Total Funded Components             |                   |                       | \$36,511              | 100.00 %                   |

# 30-Year Reserve Plan Summary

Report # 48795-0  
Full

Fiscal Year Start: 2024

Interest: 1.00 %

Inflation: 3.00 %

|   |                                   |
|---|-----------------------------------|
| Reserve Fund Strength: as-of Fiscal Year Start Date | Projected Reserve Balance Changes |
|---|-----------------------------------|

| Year | Starting Reserve Balance | Fully Funded Balance | Percent Funded | Special Assmt Risk | % Increase                |                 | Loan or Special Assmts | Interest Income | Reserve Expenses |
|------|--------------------------|----------------------|----------------|--------------------|---------------------------|-----------------|------------------------|-----------------|------------------|
|      |                          |                      |                |                    | In Annual Reserve Funding | Reserve Funding |                        |                 |                  |
| 2024 | \$245,595                | \$464,199            | 52.9 %         | Medium             | 48.94 %                   | \$50,400        | \$0                    | \$2,668         | \$10,500         |
| 2025 | \$288,163                | \$504,917            | 57.1 %         | Medium             | 3.00 %                    | \$51,912        | \$0                    | \$3,156         | \$0              |
| 2026 | \$343,231                | \$558,799            | 61.4 %         | Medium             | 3.00 %                    | \$53,469        | \$0                    | \$3,224         | \$98,133         |
| 2027 | \$301,791                | \$514,383            | 58.7 %         | Medium             | 3.00 %                    | \$55,073        | \$0                    | \$2,859         | \$89,549         |
| 2028 | \$270,174                | \$478,673            | 56.4 %         | Medium             | 3.00 %                    | \$56,726        | \$0                    | \$2,545         | \$90,435         |
| 2029 | \$239,009                | \$442,212            | 54.0 %         | Medium             | 3.00 %                    | \$58,427        | \$0                    | \$2,656         | \$7,651          |
| 2030 | \$292,442                | \$491,194            | 59.5 %         | Medium             | 3.00 %                    | \$60,180        | \$0                    | \$2,974         | \$52,897         |
| 2031 | \$302,700                | \$496,351            | 61.0 %         | Medium             | 3.00 %                    | \$61,986        | \$0                    | \$3,301         | \$10,208         |
| 2032 | \$357,779                | \$546,978            | 65.4 %         | Medium             | 3.00 %                    | \$63,845        | \$0                    | \$3,872         | \$8,551          |
| 2033 | \$416,945                | \$602,219            | 69.2 %         | Medium             | 3.00 %                    | \$65,761        | \$0                    | \$2,975         | \$307,405        |
| 2034 | \$178,276                | \$352,728            | 50.5 %         | Medium             | 3.00 %                    | \$67,733        | \$0                    | \$2,108         | \$4,569          |
| 2035 | \$243,548                | \$409,143            | 59.5 %         | Medium             | 3.00 %                    | \$69,765        | \$0                    | \$2,748         | \$9,690          |
| 2036 | \$306,372                | \$463,494            | 66.1 %         | Medium             | 3.00 %                    | \$71,858        | \$0                    | \$3,188         | \$49,830         |
| 2037 | \$331,589                | \$479,691            | 69.1 %         | Medium             | 3.00 %                    | \$74,014        | \$0                    | \$3,339         | \$72,472         |
| 2038 | \$336,470                | \$474,662            | 70.9 %         | Low                | 3.00 %                    | \$76,235        | \$0                    | \$3,763         | \$0              |
| 2039 | \$416,467                | \$545,786            | 76.3 %         | Low                | 3.00 %                    | \$78,522        | \$0                    | \$4,373         | \$40,819         |
| 2040 | \$458,543                | \$578,706            | 79.2 %         | Low                | 3.00 %                    | \$80,877        | \$0                    | \$4,981         | \$6,419          |
| 2041 | \$537,982                | \$649,803            | 82.8 %         | Low                | 3.00 %                    | \$83,304        | \$0                    | \$5,668         | \$30,908         |
| 2042 | \$596,045                | \$699,620            | 85.2 %         | Low                | 3.00 %                    | \$85,803        | \$0                    | \$6,402         | \$3,405          |
| 2043 | \$684,845                | \$781,125            | 87.7 %         | Low                | 3.00 %                    | \$88,377        | \$0                    | \$6,865         | \$91,270         |
| 2044 | \$688,817                | \$776,494            | 88.7 %         | Low                | 3.00 %                    | \$91,028        | \$0                    | \$7,329         | \$9,572          |
| 2045 | \$777,601                | \$857,851            | 90.6 %         | Low                | 3.00 %                    | \$93,759        | \$0                    | \$7,747         | \$106,595        |
| 2046 | \$772,513                | \$843,753            | 91.6 %         | Low                | 3.00 %                    | \$96,572        | \$0                    | \$7,372         | \$173,886        |
| 2047 | \$702,570                | \$762,021            | 92.2 %         | Low                | 3.00 %                    | \$99,469        | \$0                    | \$7,001         | \$110,718        |
| 2048 | \$698,322                | \$745,062            | 93.7 %         | Low                | 3.00 %                    | \$102,453       | \$0                    | \$7,198         | \$66,066         |
| 2049 | \$741,907                | \$775,813            | 95.6 %         | Low                | 3.00 %                    | \$105,526       | \$0                    | \$7,914         | \$13,819         |
| 2050 | \$841,529                | \$863,593            | 97.4 %         | Low                | 3.00 %                    | \$108,692       | \$0                    | \$8,957         | \$8,626          |
| 2051 | \$950,551                | \$961,718            | 98.8 %         | Low                | 3.00 %                    | \$111,953       | \$0                    | \$9,785         | \$65,084         |
| 2052 | \$1,007,205              | \$1,007,069          | 100.0 %        | Low                | 3.00 %                    | \$115,312       | \$0                    | \$10,564        | \$26,540         |
| 2053 | \$1,106,541              | \$1,095,986          | 101.0 %        | Low                | 3.00 %                    | \$118,771       | \$0                    | \$9,412         | \$458,116        |

# 30-Year Reserve Plan Summary (Alternate Funding Plan)

Report # 48795-0  
Full

Fiscal Year Start: 2024

Interest: 1.00 %

Inflation: 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date

Projected Reserve Balance Changes

| Year | Starting Reserve Balance | Fully Funded Balance | Percent Funded | Special Assmt Risk | % Increase                |                 | Loan or Special Assmts | Interest Income | Reserve Expenses |
|------|--------------------------|----------------------|----------------|--------------------|---------------------------|-----------------|------------------------|-----------------|------------------|
|      |                          |                      |                |                    | In Annual Reserve Funding | Reserve Funding |                        |                 |                  |
| 2024 | \$245,595                | \$464,199            | 52.9 %         | Medium             | 9.93 %                    | \$37,200        | \$0                    | \$2,601         | \$10,500         |
| 2025 | \$274,897                | \$504,917            | 54.4 %         | Medium             | 3.00 %                    | \$38,316        | \$0                    | \$2,954         | \$0              |
| 2026 | \$316,167                | \$558,799            | 56.6 %         | Medium             | 3.00 %                    | \$39,465        | \$0                    | \$2,882         | \$98,133         |
| 2027 | \$260,381                | \$514,383            | 50.6 %         | Medium             | 3.00 %                    | \$40,649        | \$0                    | \$2,370         | \$89,549         |
| 2028 | \$213,851                | \$478,673            | 44.7 %         | Medium             | 3.00 %                    | \$41,869        | \$0                    | \$1,904         | \$90,435         |
| 2029 | \$167,190                | \$442,212            | 37.8 %         | Medium             | 3.00 %                    | \$43,125        | \$0                    | \$1,858         | \$7,651          |
| 2030 | \$204,521                | \$491,194            | 41.6 %         | Medium             | 3.00 %                    | \$44,419        | \$0                    | \$2,012         | \$52,897         |
| 2031 | \$198,056                | \$496,351            | 39.9 %         | Medium             | 3.00 %                    | \$45,751        | \$0                    | \$2,168         | \$10,208         |
| 2032 | \$235,767                | \$546,978            | 43.1 %         | Medium             | 3.00 %                    | \$47,124        | \$0                    | \$2,562         | \$8,551          |
| 2033 | \$276,903                | \$602,219            | 46.0 %         | Medium             | 3.00 %                    | \$48,538        | \$0                    | \$1,481         | \$307,405        |
| 2034 | \$19,517                 | \$352,728            | 5.5 %          | High               | 3.00 %                    | \$49,994        | \$0                    | \$424           | \$4,569          |
| 2035 | \$65,366                 | \$409,143            | 16.0 %         | High               | 3.00 %                    | \$51,493        | \$0                    | \$867           | \$9,690          |
| 2036 | \$108,036                | \$463,494            | 23.3 %         | High               | 3.00 %                    | \$53,038        | \$0                    | \$1,101         | \$49,830         |
| 2037 | \$112,346                | \$479,691            | 23.4 %         | High               | 3.00 %                    | \$54,629        | \$0                    | \$1,039         | \$72,472         |
| 2038 | \$95,542                 | \$474,662            | 20.1 %         | High               | 3.00 %                    | \$56,268        | \$0                    | \$1,242         | \$0              |
| 2039 | \$153,053                | \$545,786            | 28.0 %         | High               | 3.00 %                    | \$57,956        | \$0                    | \$1,624         | \$40,819         |
| 2040 | \$171,814                | \$578,706            | 29.7 %         | High               | 3.00 %                    | \$59,695        | \$0                    | \$1,994         | \$6,419          |
| 2041 | \$227,084                | \$649,803            | 34.9 %         | Medium             | 3.00 %                    | \$61,486        | \$0                    | \$2,435         | \$30,908         |
| 2042 | \$260,096                | \$699,620            | 37.2 %         | Medium             | 3.00 %                    | \$63,331        | \$0                    | \$2,914         | \$3,405          |
| 2043 | \$322,936                | \$781,125            | 41.3 %         | Medium             | 3.00 %                    | \$65,230        | \$0                    | \$3,113         | \$91,270         |
| 2044 | \$300,010                | \$776,494            | 38.6 %         | Medium             | 3.00 %                    | \$67,187        | \$0                    | \$3,303         | \$9,572          |
| 2045 | \$360,928                | \$857,851            | 42.1 %         | Medium             | 3.00 %                    | \$69,203        | \$0                    | \$3,438         | \$106,595        |
| 2046 | \$326,974                | \$843,753            | 38.8 %         | Medium             | 3.00 %                    | \$71,279        | \$0                    | \$2,769         | \$173,886        |
| 2047 | \$227,136                | \$762,021            | 29.8 %         | High               | 3.00 %                    | \$73,417        | \$0                    | \$2,094         | \$110,718        |
| 2048 | \$191,930                | \$745,062            | 25.8 %         | High               | 3.00 %                    | \$75,620        | \$0                    | \$1,976         | \$66,066         |
| 2049 | \$203,460                | \$775,813            | 26.2 %         | High               | 3.00 %                    | \$77,889        | \$0                    | \$2,366         | \$13,819         |
| 2050 | \$269,896                | \$863,593            | 31.3 %         | Medium             | 3.00 %                    | \$80,225        | \$0                    | \$3,071         | \$8,626          |
| 2051 | \$344,565                | \$961,718            | 35.8 %         | Medium             | 3.00 %                    | \$82,632        | \$0                    | \$3,550         | \$65,084         |
| 2052 | \$365,663                | \$1,007,069          | 36.3 %         | Medium             | 3.00 %                    | \$85,111        | \$0                    | \$3,968         | \$26,540         |
| 2053 | \$428,202                | \$1,095,986          | 39.1 %         | Medium             | 3.00 %                    | \$87,664        | \$0                    | \$2,441         | \$458,116        |

| Fiscal Year                             | 2024      | 2025      | 2026      | 2027      | 2028      |
|---|-----------|-----------|-----------|-----------|-----------|
| Starting Reserve Balance                | \$245,595 | \$288,163 | \$343,231 | \$301,791 | \$270,174 |
| Annual Reserve Funding                  | \$50,400  | \$51,912  | \$53,469  | \$55,073  | \$56,726  |
| Recommended Special Assessments         | \$0       | \$0       | \$0       | \$0       | \$0       |
| Interest Earnings                       | \$2,668   | \$3,156   | \$3,224   | \$2,859   | \$2,545   |
| Total Income                            | \$298,663 | \$343,231 | \$399,924 | \$359,723 | \$329,444 |
| # Component                             |           |           |           |           |           |
| <b>Site &amp; Grounds</b>               |           |           |           |           |           |
| 100 Concrete/Masonry - Maintain/Repair  | \$2,500   | \$0       | \$0       | \$0       | \$0       |
| 112 Metal Site Rail - Repair/Replace    | \$0       | \$0       | \$0       | \$0       | \$0       |
| 113 Metal Site Rail - Paint             | \$0       | \$0       | \$3,077   | \$0       | \$0       |
| 120 Parking Lot - Resurface             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 121 Parking Lot - Repair & Seal         | \$0       | \$0       | \$4,031   | \$0       | \$0       |
| 140 Rope and Pillar Fence - Repair (a)  | \$5,200   | \$0       | \$0       | \$0       | \$0       |
| 140 Rope and Pillar Fence - Repair (b)  | \$0       | \$0       | \$11,033  | \$0       | \$0       |
| 140 Wood Fence - Repair/Replace         | \$0       | \$0       | \$4,403   | \$0       | \$0       |
| 143 Trellis/Arbor - Repair/Replace      | \$0       | \$0       | \$0       | \$12,676  | \$0       |
| 143 Trellis/Arbor - Stain               | \$0       | \$0       | \$0       | \$2,185   | \$0       |
| 149 Garbage Enclosure - Repair/Replace  | \$0       | \$0       | \$2,917   | \$0       | \$0       |
| 171 Trees - Trim/Remove & Replace       | \$0       | \$0       | \$2,122   | \$0       | \$0       |
| 173 Irrigation Pump- Repair/Replace     | \$900     | \$0       | \$0       | \$0       | \$0       |
| 190 Community Signs - Repair/Replace    | \$0       | \$0       | \$0       | \$0       | \$0       |
| <b>Pool</b>                             |           |           |           |           |           |
| 301 Pool Deck - Repair/Replace          | \$0       | \$0       | \$0       | \$0       | \$0       |
| 302 Pool Furniture - Replace            | \$0       | \$0       | \$0       | \$0       | \$0       |
| 303 Pool - Resurface                    | \$0       | \$0       | \$0       | \$0       | \$0       |
| 304 Pool - Retile                       | \$0       | \$0       | \$0       | \$0       | \$0       |
| 307 Pool Heater - Replace               | \$0       | \$0       | \$0       | \$0       | \$0       |
| 312 Pool Cover - Maintain/Replace       | \$0       | \$0       | \$0       | \$0       | \$0       |
| <b>Recreation</b>                       |           |           |           |           |           |
| 320 Tennis Court Fence - Repair/Replace | \$0       | \$0       | \$0       | \$0       | \$0       |
| 323 Tennis Court - Resurface            | \$0       | \$0       | \$0       | \$0       | \$0       |
| 324 Tennis Court - Repair/Seal/Stripe   | \$0       | \$0       | \$0       | \$20,762  | \$0       |
| <b>Building Exterior</b>                |           |           |           |           |           |
| 400 Steep Slope Roof - Repair/Replace   | \$0       | \$0       | \$0       | \$0       | \$42,601  |
| 406 Gutters - Repair/Replace            | \$0       | \$0       | \$0       | \$0       | \$0       |
| 410 Siding - Ext Renovation             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 412 Exteriors - Caulk & Paint           | \$0       | \$0       | \$0       | \$19,123  | \$0       |
| 415 Windows - Repair/Replace            | \$0       | \$0       | \$0       | \$0       | \$42,207  |
| 420 Exterior Lights - Replace           | \$1,900   | \$0       | \$0       | \$0       | \$0       |
| <b>Building Interior</b>                |           |           |           |           |           |
| 350 Elliptical - Repair/Replace         | \$0       | \$0       | \$0       | \$0       | \$0       |
| 350 Recumbent Bike - Repair/Replace     | \$0       | \$0       | \$0       | \$0       | \$0       |
| 350 Rowing Machine - Repair/Replace     | \$0       | \$0       | \$0       | \$0       | \$0       |
| 350 Treadmills - Repair/Replace         | \$0       | \$0       | \$0       | \$0       | \$0       |
| 350 Universal Gym - Repair/Replace      | \$0       | \$0       | \$0       | \$0       | \$5,628   |
| 430 Carpet-Maintain/Replace             | \$0       | \$0       | \$57,023  | \$0       | \$0       |
| 431 Tile -Maintain/Replace              | \$0       | \$0       | \$0       | \$0       | \$0       |
| 440 Interiors - Paint                   | \$0       | \$0       | \$0       | \$34,803  | \$0       |
| 450 Furniture & Décor-Replace           | \$0       | \$0       | \$0       | \$0       | \$0       |
| 455 Bathrooms - Refurbish               | \$0       | \$0       | \$0       | \$0       | \$0       |
| 470 Kitchen - Refurbish                 | \$0       | \$0       | \$0       | \$0       | \$0       |
| 750 Office Furniture - Maintain/Replace | \$0       | \$0       | \$3,183   | \$0       | \$0       |
| 751 Office Equipment - Repair/Replace   | \$0       | \$0       | \$2,652   | \$0       | \$0       |
| 752 Folding Tables/Chairs - Replace     | \$0       | \$0       | \$0       | \$0       | \$0       |
| 753 Printer/Scanner - Replace           | \$0       | \$0       | \$5,039   | \$0       | \$0       |
| <b>Systems &amp; Evaluations</b>        |           |           |           |           |           |
| 480 Furnace - Repair/Replace            | \$0       | \$0       | \$0       | \$0       | \$0       |
| 485 Water Heaters - Replace             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 916 AC Units - Repair/Replace           | \$0       | \$0       | \$0       | \$0       | \$0       |
| 945 Surveillance System-Repair/Replace  | \$0       | \$0       | \$2,652   | \$0       | \$0       |



| <b>Fiscal Year</b>     | <b>2024</b> | <b>2025</b> | <b>2026</b> | <b>2027</b> | <b>2028</b> |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Total Expenses         | \$10,500    | \$0         | \$98,133    | \$89,549    | \$90,435    |
| Ending Reserve Balance | \$288,163   | \$343,231   | \$301,791   | \$270,174   | \$239,009   |

| Fiscal Year                             | 2029      | 2030      | 2031      | 2032      | 2033      |
|---|-----------|-----------|-----------|-----------|-----------|
| Starting Reserve Balance                | \$239,009 | \$292,442 | \$302,700 | \$357,779 | \$416,945 |
| Annual Reserve Funding                  | \$58,427  | \$60,180  | \$61,986  | \$63,845  | \$65,761  |
| Recommended Special Assessments         | \$0       | \$0       | \$0       | \$0       | \$0       |
| Interest Earnings                       | \$2,656   | \$2,974   | \$3,301   | \$3,872   | \$2,975   |
| Total Income                            | \$300,093 | \$355,596 | \$367,987 | \$425,496 | \$485,681 |
| <b># Component</b>                      |           |           |           |           |           |
| <b>Site &amp; Grounds</b>               |           |           |           |           |           |
| 100 Concrete/Masonry - Maintain/Repair  | \$0       | \$0       | \$0       | \$0       | \$0       |
| 112 Metal Site Rail - Repair/Replace    | \$0       | \$0       | \$0       | \$0       | \$0       |
| 113 Metal Site Rail - Paint             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 120 Parking Lot - Resurface             | \$0       | \$0       | \$0       | \$0       | \$30,010  |
| 121 Parking Lot - Repair & Seal         | \$0       | \$0       | \$4,674   | \$0       | \$0       |
| 140 Rope and Pillar Fence - Repair (a)  | \$0       | \$0       | \$0       | \$0       | \$0       |
| 140 Rope and Pillar Fence - Repair (b)  | \$0       | \$0       | \$0       | \$0       | \$0       |
| 140 Wood Fence - Repair/Replace         | \$0       | \$0       | \$0       | \$0       | \$0       |
| 143 Trellis/Arbor - Repair/Replace      | \$0       | \$0       | \$0       | \$0       | \$0       |
| 143 Trellis/Arbor - Stain               | \$0       | \$2,388   | \$0       | \$0       | \$2,610   |
| 149 Garbage Enclosure - Repair/Replace  | \$0       | \$0       | \$0       | \$0       | \$0       |
| 171 Trees - Trim/Remove & Replace       | \$0       | \$0       | \$2,460   | \$0       | \$0       |
| 173 Irrigation Pump- Repair/Replace     | \$0       | \$0       | \$0       | \$0       | \$0       |
| 190 Community Signs - Repair/Replace    | \$0       | \$0       | \$0       | \$0       | \$5,219   |
| <b>Pool</b>                             |           |           |           |           |           |
| 301 Pool Deck - Repair/Replace          | \$0       | \$0       | \$0       | \$0       | \$73,067  |
| 302 Pool Furniture - Replace            | \$0       | \$0       | \$0       | \$8,551   | \$0       |
| 303 Pool - Resurface                    | \$0       | \$0       | \$0       | \$0       | \$39,796  |
| 304 Pool - Retile                       | \$0       | \$0       | \$0       | \$0       | \$21,268  |
| 307 Pool Heater - Replace               | \$0       | \$0       | \$0       | \$0       | \$7,568   |
| 312 Pool Cover - Maintain/Replace       | \$0       | \$4,776   | \$0       | \$0       | \$0       |
| <b>Recreation</b>                       |           |           |           |           |           |
| 320 Tennis Court Fence - Repair/Replace | \$0       | \$0       | \$0       | \$0       | \$18,267  |
| 323 Tennis Court - Resurface            | \$0       | \$0       | \$0       | \$0       | \$0       |
| 324 Tennis Court - Repair/Seal/Stripe   | \$0       | \$0       | \$0       | \$0       | \$24,791  |
| <b>Building Exterior</b>                |           |           |           |           |           |
| 400 Steep Slope Roof - Repair/Replace   | \$0       | \$0       | \$0       | \$0       | \$0       |
| 406 Gutters - Repair/Replace            | \$0       | \$0       | \$0       | \$0       | \$0       |
| 410 Siding - Ext Renovation             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 412 Exteriors - Caulk & Paint           | \$0       | \$0       | \$0       | \$0       | \$0       |
| 415 Windows - Repair/Replace            | \$0       | \$0       | \$0       | \$0       | \$0       |
| 420 Exterior Lights - Replace           | \$0       | \$0       | \$0       | \$0       | \$0       |
| <b>Building Interior</b>                |           |           |           |           |           |
| 350 Elliptical - Repair/Replace         | \$3,884   | \$0       | \$0       | \$0       | \$0       |
| 350 Recumbent Bike - Repair/Replace     | \$3,768   | \$0       | \$0       | \$0       | \$0       |
| 350 Rowing Machine - Repair/Replace     | \$0       | \$0       | \$0       | \$0       | \$0       |
| 350 Treadmills - Repair/Replace         | \$0       | \$0       | \$0       | \$0       | \$0       |
| 350 Universal Gym - Repair/Replace      | \$0       | \$0       | \$0       | \$0       | \$0       |
| 430 Carpet-Maintain/Replace             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 431 Tile -Maintain/Replace              | \$0       | \$0       | \$0       | \$0       | \$0       |
| 440 Interiors - Paint                   | \$0       | \$0       | \$0       | \$0       | \$0       |
| 450 Furniture & Décor-Replace           | \$0       | \$0       | \$0       | \$0       | \$39,143  |
| 455 Bathrooms - Refurbish               | \$0       | \$0       | \$0       | \$0       | \$26,095  |
| 470 Kitchen - Refurbish                 | \$0       | \$0       | \$0       | \$0       | \$19,572  |
| 750 Office Furniture - Maintain/Replace | \$0       | \$0       | \$0       | \$0       | \$0       |
| 751 Office Equipment - Repair/Replace   | \$0       | \$0       | \$3,075   | \$0       | \$0       |
| 752 Folding Tables/Chairs - Replace     | \$0       | \$2,388   | \$0       | \$0       | \$0       |
| 753 Printer/Scanner - Replace           | \$0       | \$0       | \$0       | \$0       | \$0       |
| <b>Systems &amp; Evaluations</b>        |           |           |           |           |           |
| 480 Furnace - Repair/Replace            | \$0       | \$7,642   | \$0       | \$0       | \$0       |
| 485 Water Heaters - Replace             | \$0       | \$3,463   | \$0       | \$0       | \$0       |
| 916 AC Units - Repair/Replace           | \$0       | \$32,239  | \$0       | \$0       | \$0       |
| 945 Surveillance System-Repair/Replace  | \$0       | \$0       | \$0       | \$0       | \$0       |
| Total Expenses                          | \$7,651   | \$52,897  | \$10,208  | \$8,551   | \$307,405 |
| Ending Reserve Balance                  | \$292,442 | \$302,700 | \$357,779 | \$416,945 | \$178,276 |

| <b>Fiscal Year</b>                      | <b>2024</b>      | <b>2025</b>      | <b>2026</b>      | <b>2027</b>      | <b>2028</b>      |
|---|------------------|------------------|------------------|------------------|------------------|
| Starting Reserve Balance                | \$178,276        | \$243,548        | \$306,372        | \$331,589        | \$336,470        |
| Annual Reserve Funding                  | \$67,733         | \$69,765         | \$71,858         | \$74,014         | \$76,235         |
| Recommended Special Assessments         | \$0              | \$0              | \$0              | \$0              | \$0              |
| Interest Earnings                       | \$2,108          | \$2,748          | \$3,188          | \$3,339          | \$3,763          |
| <b>Total Income</b>                     | <b>\$248,118</b> | <b>\$316,062</b> | <b>\$381,419</b> | <b>\$408,942</b> | <b>\$416,467</b> |
| <b># Component</b>                      |                  |                  |                  |                  |                  |
| <b>Site &amp; Grounds</b>               |                  |                  |                  |                  |                  |
| 100 Concrete/Masonry - Maintain/Repair  | \$3,360          | \$0              | \$0              | \$0              | \$0              |
| 112 Metal Site Rail - Repair/Replace    | \$0              | \$0              | \$16,396         | \$0              | \$0              |
| 113 Metal Site Rail - Paint             | \$0              | \$0              | \$4,135          | \$0              | \$0              |
| 120 Parking Lot - Resurface             | \$0              | \$0              | \$0              | \$0              | \$0              |
| 121 Parking Lot - Repair & Seal         | \$0              | \$0              | \$5,418          | \$0              | \$0              |
| 140 Rope and Pillar Fence - Repair (a)  | \$0              | \$0              | \$0              | \$0              | \$0              |
| 140 Rope and Pillar Fence - Repair (b)  | \$0              | \$0              | \$0              | \$0              | \$0              |
| 140 Wood Fence - Repair/Replace         | \$0              | \$0              | \$0              | \$0              | \$0              |
| 143 Trellis/Arbor - Repair/Replace      | \$0              | \$0              | \$0              | \$0              | \$0              |
| 143 Trellis/Arbor - Stain               | \$0              | \$0              | \$2,852          | \$0              | \$0              |
| 149 Garbage Enclosure - Repair/Replace  | \$0              | \$0              | \$0              | \$0              | \$0              |
| 171 Trees - Trim/Remove & Replace       | \$0              | \$0              | \$2,852          | \$0              | \$0              |
| 173 Irrigation Pump- Repair/Replace     | \$1,210          | \$0              | \$0              | \$0              | \$0              |
| 190 Community Signs - Repair/Replace    | \$0              | \$0              | \$0              | \$0              | \$0              |
| <b>Pool</b>                             |                  |                  |                  |                  |                  |
| 301 Pool Deck - Repair/Replace          | \$0              | \$0              | \$0              | \$0              | \$0              |
| 302 Pool Furniture - Replace            | \$0              | \$0              | \$0              | \$0              | \$0              |
| 303 Pool - Resurface                    | \$0              | \$0              | \$0              | \$0              | \$0              |
| 304 Pool - Retile                       | \$0              | \$0              | \$0              | \$0              | \$0              |
| 307 Pool Heater - Replace               | \$0              | \$0              | \$0              | \$0              | \$0              |
| 312 Pool Cover - Maintain/Replace       | \$0              | \$0              | \$0              | \$0              | \$0              |
| <b>Recreation</b>                       |                  |                  |                  |                  |                  |
| 320 Tennis Court Fence - Repair/Replace | \$0              | \$0              | \$0              | \$0              | \$0              |
| 323 Tennis Court - Resurface            | \$0              | \$0              | \$0              | \$0              | \$0              |
| 324 Tennis Court - Repair/Seal/Stripe   | \$0              | \$0              | \$0              | \$0              | \$0              |
| <b>Building Exterior</b>                |                  |                  |                  |                  |                  |
| 400 Steep Slope Roof - Repair/Replace   | \$0              | \$0              | \$0              | \$0              | \$0              |
| 406 Gutters - Repair/Replace            | \$0              | \$0              | \$0              | \$0              | \$0              |
| 410 Siding - Ext Renovation             | \$0              | \$0              | \$0              | \$0              | \$0              |
| 412 Exteriors - Caulk & Paint           | \$0              | \$0              | \$0              | \$25,699         | \$0              |
| 415 Windows - Repair/Replace            | \$0              | \$0              | \$0              | \$0              | \$0              |
| 420 Exterior Lights - Replace           | \$0              | \$0              | \$0              | \$0              | \$0              |
| <b>Building Interior</b>                |                  |                  |                  |                  |                  |
| 350 Elliptical - Repair/Replace         | \$0              | \$0              | \$0              | \$0              | \$0              |
| 350 Recumbent Bike - Repair/Replace     | \$0              | \$0              | \$0              | \$0              | \$0              |
| 350 Rowing Machine - Repair/Replace     | \$0              | \$0              | \$0              | \$0              | \$0              |
| 350 Treadmills - Repair/Replace         | \$0              | \$9,690          | \$0              | \$0              | \$0              |
| 350 Universal Gym - Repair/Replace      | \$0              | \$0              | \$0              | \$0              | \$0              |
| 430 Carpet-Maintain/Replace             | \$0              | \$0              | \$0              | \$0              | \$0              |
| 431 Tile -Maintain/Replace              | \$0              | \$0              | \$0              | \$0              | \$0              |
| 440 Interiors - Paint                   | \$0              | \$0              | \$0              | \$46,773         | \$0              |
| 450 Furniture & Décor-Replace           | \$0              | \$0              | \$0              | \$0              | \$0              |
| 455 Bathrooms - Refurbish               | \$0              | \$0              | \$0              | \$0              | \$0              |
| 470 Kitchen - Refurbish                 | \$0              | \$0              | \$0              | \$0              | \$0              |
| 750 Office Furniture - Maintain/Replace | \$0              | \$0              | \$4,277          | \$0              | \$0              |
| 751 Office Equipment - Repair/Replace   | \$0              | \$0              | \$3,564          | \$0              | \$0              |
| 752 Folding Tables/Chairs - Replace     | \$0              | \$0              | \$0              | \$0              | \$0              |
| 753 Printer/Scanner - Replace           | \$0              | \$0              | \$6,772          | \$0              | \$0              |
| <b>Systems &amp; Evaluations</b>        |                  |                  |                  |                  |                  |
| 480 Furnace - Repair/Replace            | \$0              | \$0              | \$0              | \$0              | \$0              |
| 485 Water Heaters - Replace             | \$0              | \$0              | \$0              | \$0              | \$0              |
| 916 AC Units - Repair/Replace           | \$0              | \$0              | \$0              | \$0              | \$0              |
| 945 Surveillance System-Repair/Replace  | \$0              | \$0              | \$3,564          | \$0              | \$0              |
| <b>Total Expenses</b>                   | <b>\$4,569</b>   | <b>\$9,690</b>   | <b>\$49,830</b>  | <b>\$72,472</b>  | <b>\$0</b>       |
| Ending Reserve Balance                  | \$243,548        | \$306,372        | \$331,589        | \$336,470        | \$416,467        |

| Fiscal Year                             | 2039      | 2040      | 2041      | 2042      | 2043      |
|---|-----------|-----------|-----------|-----------|-----------|
| Starting Reserve Balance                | \$416,467 | \$458,543 | \$537,982 | \$596,045 | \$684,845 |
| Annual Reserve Funding                  | \$78,522  | \$80,877  | \$83,304  | \$85,803  | \$88,377  |
| Recommended Special Assessments         | \$0       | \$0       | \$0       | \$0       | \$0       |
| Interest Earnings                       | \$4,373   | \$4,981   | \$5,668   | \$6,402   | \$6,865   |
| Total Income                            | \$499,362 | \$544,401 | \$626,953 | \$688,250 | \$780,087 |
| # Component                             |           |           |           |           |           |
| <b>Site &amp; Grounds</b>               |           |           |           |           |           |
| 100 Concrete/Masonry - Maintain/Repair  | \$0       | \$0       | \$0       | \$0       | \$0       |
| 112 Metal Site Rail - Repair/Replace    | \$0       | \$0       | \$0       | \$0       | \$0       |
| 113 Metal Site Rail - Paint             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 120 Parking Lot - Resurface             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 121 Parking Lot - Repair & Seal         | \$0       | \$0       | \$6,281   | \$0       | \$0       |
| 140 Rope and Pillar Fence - Repair (a)  | \$8,101   | \$0       | \$0       | \$0       | \$0       |
| 140 Rope and Pillar Fence - Repair (b)  | \$0       | \$0       | \$17,190  | \$0       | \$0       |
| 140 Wood Fence - Repair/Replace         | \$0       | \$0       | \$0       | \$0       | \$0       |
| 143 Trellis/Arbor - Repair/Replace      | \$0       | \$0       | \$0       | \$0       | \$0       |
| 143 Trellis/Arbor - Stain               | \$3,116   | \$0       | \$0       | \$3,405   | \$0       |
| 149 Garbage Enclosure - Repair/Replace  | \$0       | \$0       | \$0       | \$0       | \$0       |
| 171 Trees - Trim/Remove & Replace       | \$0       | \$0       | \$3,306   | \$0       | \$0       |
| 173 Irrigation Pump- Repair/Replace     | \$0       | \$0       | \$0       | \$0       | \$0       |
| 190 Community Signs - Repair/Replace    | \$0       | \$0       | \$0       | \$0       | \$0       |
| <b>Pool</b>                             |           |           |           |           |           |
| 301 Pool Deck - Repair/Replace          | \$0       | \$0       | \$0       | \$0       | \$0       |
| 302 Pool Furniture - Replace            | \$0       | \$0       | \$0       | \$0       | \$0       |
| 303 Pool - Resurface                    | \$0       | \$0       | \$0       | \$0       | \$0       |
| 304 Pool - Retile                       | \$0       | \$0       | \$0       | \$0       | \$0       |
| 307 Pool Heater - Replace               | \$0       | \$0       | \$0       | \$0       | \$10,170  |
| 312 Pool Cover - Maintain/Replace       | \$0       | \$6,419   | \$0       | \$0       | \$0       |
| <b>Recreation</b>                       |           |           |           |           |           |
| 320 Tennis Court Fence - Repair/Replace | \$0       | \$0       | \$0       | \$0       | \$0       |
| 323 Tennis Court - Resurface            | \$0       | \$0       | \$0       | \$0       | \$67,072  |
| 324 Tennis Court - Repair/Seal/Stripe   | \$29,601  | \$0       | \$0       | \$0       | \$0       |
| <b>Building Exterior</b>                |           |           |           |           |           |
| 400 Steep Slope Roof - Repair/Replace   | \$0       | \$0       | \$0       | \$0       | \$0       |
| 406 Gutters - Repair/Replace            | \$0       | \$0       | \$0       | \$0       | \$8,768   |
| 410 Siding - Ext Renovation             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 412 Exteriors - Caulk & Paint           | \$0       | \$0       | \$0       | \$0       | \$0       |
| 415 Windows - Repair/Replace            | \$0       | \$0       | \$0       | \$0       | \$0       |
| 420 Exterior Lights - Replace           | \$0       | \$0       | \$0       | \$0       | \$0       |
| <b>Building Interior</b>                |           |           |           |           |           |
| 350 Elliptical - Repair/Replace         | \$0       | \$0       | \$0       | \$0       | \$0       |
| 350 Recumbent Bike - Repair/Replace     | \$0       | \$0       | \$0       | \$0       | \$0       |
| 350 Rowing Machine - Repair/Replace     | \$0       | \$0       | \$0       | \$0       | \$5,261   |
| 350 Treadmills - Repair/Replace         | \$0       | \$0       | \$0       | \$0       | \$0       |
| 350 Universal Gym - Repair/Replace      | \$0       | \$0       | \$0       | \$0       | \$0       |
| 430 Carpet-Maintain/Replace             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 431 Tile -Maintain/Replace              | \$0       | \$0       | \$0       | \$0       | \$0       |
| 440 Interiors - Paint                   | \$0       | \$0       | \$0       | \$0       | \$0       |
| 450 Furniture & Décor-Replace           | \$0       | \$0       | \$0       | \$0       | \$0       |
| 455 Bathrooms - Refurbish               | \$0       | \$0       | \$0       | \$0       | \$0       |
| 470 Kitchen - Refurbish                 | \$0       | \$0       | \$0       | \$0       | \$0       |
| 750 Office Furniture - Maintain/Replace | \$0       | \$0       | \$0       | \$0       | \$0       |
| 751 Office Equipment - Repair/Replace   | \$0       | \$0       | \$4,132   | \$0       | \$0       |
| 752 Folding Tables/Chairs - Replace     | \$0       | \$0       | \$0       | \$0       | \$0       |
| 753 Printer/Scanner - Replace           | \$0       | \$0       | \$0       | \$0       | \$0       |
| <b>Systems &amp; Evaluations</b>        |           |           |           |           |           |
| 480 Furnace - Repair/Replace            | \$0       | \$0       | \$0       | \$0       | \$0       |
| 485 Water Heaters - Replace             | \$0       | \$0       | \$0       | \$0       | \$0       |
| 916 AC Units - Repair/Replace           | \$0       | \$0       | \$0       | \$0       | \$0       |
| 945 Surveillance System-Repair/Replace  | \$0       | \$0       | \$0       | \$0       | \$0       |
| Total Expenses                          | \$40,819  | \$6,419   | \$30,908  | \$3,405   | \$91,270  |
| Ending Reserve Balance                  | \$458,543 | \$537,982 | \$596,045 | \$684,845 | \$688,817 |

| <b>Fiscal Year</b>                      | <b>2044</b>      | <b>2045</b>      | <b>2046</b>      | <b>2047</b>      | <b>2048</b>      |
|---|------------------|------------------|------------------|------------------|------------------|
| Starting Reserve Balance                | \$688,817        | \$777,601        | \$772,513        | \$702,570        | \$698,322        |
| Annual Reserve Funding                  | \$91,028         | \$93,759         | \$96,572         | \$99,469         | \$102,453        |
| Recommended Special Assessments         | \$0              | \$0              | \$0              | \$0              | \$0              |
| Interest Earnings                       | \$7,329          | \$7,747          | \$7,372          | \$7,001          | \$7,198          |
| <b>Total Income</b>                     | <b>\$787,174</b> | <b>\$879,108</b> | <b>\$876,457</b> | <b>\$809,040</b> | <b>\$807,973</b> |
| <b># Component</b>                      |                  |                  |                  |                  |                  |
| <b>Site &amp; Grounds</b>               |                  |                  |                  |                  |                  |
| 100 Concrete/Masonry - Maintain/Repair  | \$4,515          | \$0              | \$0              | \$0              | \$0              |
| 112 Metal Site Rail - Repair/Replace    | \$0              | \$0              | \$0              | \$0              | \$0              |
| 113 Metal Site Rail - Paint             | \$0              | \$0              | \$5,557          | \$0              | \$0              |
| 120 Parking Lot - Resurface             | \$0              | \$0              | \$0              | \$0              | \$0              |
| 121 Parking Lot - Repair & Seal         | \$0              | \$0              | \$7,281          | \$0              | \$0              |
| 140 Rope and Pillar Fence - Repair (a)  | \$0              | \$0              | \$0              | \$0              | \$0              |
| 140 Rope and Pillar Fence - Repair (b)  | \$0              | \$0              | \$0              | \$0              | \$0              |
| 140 Wood Fence - Repair/Replace         | \$0              | \$0              | \$7,952          | \$0              | \$0              |
| 143 Trellis/Arbor - Repair/Replace      | \$0              | \$0              | \$0              | \$0              | \$0              |
| 143 Trellis/Arbor - Stain               | \$0              | \$3,721          | \$0              | \$0              | \$4,066          |
| 149 Garbage Enclosure - Repair/Replace  | \$0              | \$0              | \$5,269          | \$0              | \$0              |
| 171 Trees - Trim/Remove & Replace       | \$0              | \$0              | \$3,832          | \$0              | \$0              |
| 173 Irrigation Pump- Repair/Replace     | \$1,626          | \$0              | \$0              | \$0              | \$0              |
| 190 Community Signs - Repair/Replace    | \$0              | \$0              | \$0              | \$0              | \$0              |
| <b>Pool</b>                             |                  |                  |                  |                  |                  |
| 301 Pool Deck - Repair/Replace          | \$0              | \$0              | \$0              | \$0              | \$0              |
| 302 Pool Furniture - Replace            | \$0              | \$0              | \$0              | \$13,322         | \$0              |
| 303 Pool - Resurface                    | \$0              | \$0              | \$0              | \$0              | \$62,000         |
| 304 Pool - Retile                       | \$0              | \$0              | \$0              | \$0              | \$0              |
| 307 Pool Heater - Replace               | \$0              | \$0              | \$0              | \$0              | \$0              |
| 312 Pool Cover - Maintain/Replace       | \$0              | \$0              | \$0              | \$0              | \$0              |
| <b>Recreation</b>                       |                  |                  |                  |                  |                  |
| 320 Tennis Court Fence - Repair/Replace | \$0              | \$0              | \$0              | \$0              | \$0              |
| 323 Tennis Court - Resurface            | \$0              | \$0              | \$0              | \$0              | \$0              |
| 324 Tennis Court - Repair/Seal/Stripe   | \$0              | \$35,346         | \$0              | \$0              | \$0              |
| <b>Building Exterior</b>                |                  |                  |                  |                  |                  |
| 400 Steep Slope Roof - Repair/Replace   | \$0              | \$0              | \$0              | \$0              | \$0              |
| 406 Gutters - Repair/Replace            | \$0              | \$0              | \$0              | \$0              | \$0              |
| 410 Siding - Ext Renovation             | \$0              | \$0              | \$0              | \$0              | \$0              |
| 412 Exteriors - Caulk & Paint           | \$0              | \$0              | \$0              | \$34,538         | \$0              |
| 415 Windows - Repair/Replace            | \$0              | \$0              | \$0              | \$0              | \$0              |
| 420 Exterior Lights - Replace           | \$3,432          | \$0              | \$0              | \$0              | \$0              |
| <b>Building Interior</b>                |                  |                  |                  |                  |                  |
| 350 Elliptical - Repair/Replace         | \$0              | \$0              | \$0              | \$0              | \$0              |
| 350 Recumbent Bike - Repair/Replace     | \$0              | \$0              | \$0              | \$0              | \$0              |
| 350 Rowing Machine - Repair/Replace     | \$0              | \$0              | \$0              | \$0              | \$0              |
| 350 Treadmills - Repair/Replace         | \$0              | \$0              | \$0              | \$0              | \$0              |
| 350 Universal Gym - Repair/Replace      | \$0              | \$0              | \$0              | \$0              | \$0              |
| 430 Carpet-Maintain/Replace             | \$0              | \$0              | \$102,991        | \$0              | \$0              |
| 431 Tile -Maintain/Replace              | \$0              | \$0              | \$16,574         | \$0              | \$0              |
| 440 Interiors - Paint                   | \$0              | \$0              | \$0              | \$62,859         | \$0              |
| 450 Furniture & Décor-Replace           | \$0              | \$0              | \$0              | \$0              | \$0              |
| 455 Bathrooms - Refurbish               | \$0              | \$0              | \$0              | \$0              | \$0              |
| 470 Kitchen - Refurbish                 | \$0              | \$0              | \$0              | \$0              | \$0              |
| 750 Office Furniture - Maintain/Replace | \$0              | \$0              | \$5,748          | \$0              | \$0              |
| 751 Office Equipment - Repair/Replace   | \$0              | \$0              | \$4,790          | \$0              | \$0              |
| 752 Folding Tables/Chairs - Replace     | \$0              | \$0              | \$0              | \$0              | \$0              |
| 753 Printer/Scanner - Replace           | \$0              | \$0              | \$9,101          | \$0              | \$0              |
| <b>Systems &amp; Evaluations</b>        |                  |                  |                  |                  |                  |
| 480 Furnace - Repair/Replace            | \$0              | \$11,906         | \$0              | \$0              | \$0              |
| 485 Water Heaters - Replace             | \$0              | \$5,395          | \$0              | \$0              | \$0              |
| 916 AC Units - Repair/Replace           | \$0              | \$50,228         | \$0              | \$0              | \$0              |
| 945 Surveillance System-Repair/Replace  | \$0              | \$0              | \$4,790          | \$0              | \$0              |
| <b>Total Expenses</b>                   | <b>\$9,572</b>   | <b>\$106,595</b> | <b>\$173,886</b> | <b>\$110,718</b> | <b>\$66,066</b>  |
| Ending Reserve Balance                  | \$777,601        | \$772,513        | \$702,570        | \$698,322        | \$741,907        |

| Fiscal Year                             | 2049      | 2050      | 2051        | 2052        | 2053        |
|---|-----------|-----------|-------------|-------------|-------------|
| Starting Reserve Balance                | \$741,907 | \$841,529 | \$950,551   | \$1,007,205 | \$1,106,541 |
| Annual Reserve Funding                  | \$105,526 | \$108,692 | \$111,953   | \$115,312   | \$118,771   |
| Recommended Special Assessments         | \$0       | \$0       | \$0         | \$0         | \$0         |
| Interest Earnings                       | \$7,914   | \$8,957   | \$9,785     | \$10,564    | \$9,412     |
| Total Income                            | \$855,348 | \$959,177 | \$1,072,289 | \$1,133,081 | \$1,234,723 |
| # Component                             |           |           |             |             |             |
| <b>Site &amp; Grounds</b>               |           |           |             |             |             |
| 100 Concrete/Masonry - Maintain/Repair  | \$0       | \$0       | \$0         | \$0         | \$0         |
| 112 Metal Site Rail - Repair/Replace    | \$0       | \$0       | \$0         | \$0         | \$0         |
| 113 Metal Site Rail - Paint             | \$0       | \$0       | \$0         | \$0         | \$0         |
| 120 Parking Lot - Resurface             | \$0       | \$0       | \$0         | \$0         | \$0         |
| 121 Parking Lot - Repair & Seal         | \$0       | \$0       | \$8,441     | \$0         | \$0         |
| 140 Rope and Pillar Fence - Repair (a)  | \$0       | \$0       | \$0         | \$0         | \$0         |
| 140 Rope and Pillar Fence - Repair (b)  | \$0       | \$0       | \$0         | \$0         | \$0         |
| 140 Wood Fence - Repair/Replace         | \$0       | \$0       | \$0         | \$0         | \$0         |
| 143 Trellis/Arbor - Repair/Replace      | \$0       | \$0       | \$0         | \$26,540    | \$0         |
| 143 Trellis/Arbor - Stain               | \$0       | \$0       | \$4,443     | \$0         | \$0         |
| 149 Garbage Enclosure - Repair/Replace  | \$0       | \$0       | \$0         | \$0         | \$0         |
| 171 Trees - Trim/Remove & Replace       | \$0       | \$0       | \$4,443     | \$0         | \$0         |
| 173 Irrigation Pump - Repair/Replace    | \$0       | \$0       | \$0         | \$0         | \$0         |
| 190 Community Signs - Repair/Replace    | \$0       | \$0       | \$0         | \$0         | \$0         |
| <b>Pool</b>                             |           |           |             |             |             |
| 301 Pool Deck - Repair/Replace          | \$0       | \$0       | \$0         | \$0         | \$0         |
| 302 Pool Furniture - Replace            | \$0       | \$0       | \$0         | \$0         | \$0         |
| 303 Pool - Resurface                    | \$0       | \$0       | \$0         | \$0         | \$0         |
| 304 Pool - Retile                       | \$0       | \$0       | \$0         | \$0         | \$0         |
| 307 Pool Heater - Replace               | \$0       | \$0       | \$0         | \$0         | \$13,668    |
| 312 Pool Cover - Maintain/Replace       | \$0       | \$8,626   | \$0         | \$0         | \$0         |
| <b>Recreation</b>                       |           |           |             |             |             |
| 320 Tennis Court Fence - Repair/Replace | \$0       | \$0       | \$0         | \$0         | \$0         |
| 323 Tennis Court - Resurface            | \$0       | \$0       | \$0         | \$0         | \$0         |
| 324 Tennis Court - Repair/Seal/Stripe   | \$0       | \$0       | \$42,204    | \$0         | \$0         |
| <b>Building Exterior</b>                |           |           |             |             |             |
| 400 Steep Slope Roof - Repair/Replace   | \$0       | \$0       | \$0         | \$0         | \$89,196    |
| 406 Gutters - Repair/Replace            | \$0       | \$0       | \$0         | \$0         | \$0         |
| 410 Siding - Ext Renovation             | \$0       | \$0       | \$0         | \$0         | \$255,098   |
| 412 Exteriors - Caulk & Paint           | \$0       | \$0       | \$0         | \$0         | \$0         |
| 415 Windows - Repair/Replace            | \$0       | \$0       | \$0         | \$0         | \$88,371    |
| 420 Exterior Lights - Replace           | \$0       | \$0       | \$0         | \$0         | \$0         |
| <b>Building Interior</b>                |           |           |             |             |             |
| 350 Elliptical - Repair/Replace         | \$7,014   | \$0       | \$0         | \$0         | \$0         |
| 350 Recumbent Bike - Repair/Replace     | \$6,805   | \$0       | \$0         | \$0         | \$0         |
| 350 Rowing Machine - Repair/Replace     | \$0       | \$0       | \$0         | \$0         | \$0         |
| 350 Treadmills - Repair/Replace         | \$0       | \$0       | \$0         | \$0         | \$0         |
| 350 Universal Gym - Repair/Replace      | \$0       | \$0       | \$0         | \$0         | \$11,783    |
| 430 Carpet-Maintain/Replace             | \$0       | \$0       | \$0         | \$0         | \$0         |
| 431 Tile -Maintain/Replace              | \$0       | \$0       | \$0         | \$0         | \$0         |
| 440 Interiors - Paint                   | \$0       | \$0       | \$0         | \$0         | \$0         |
| 450 Furniture & Décor-Replace           | \$0       | \$0       | \$0         | \$0         | \$0         |
| 455 Bathrooms - Refurbish               | \$0       | \$0       | \$0         | \$0         | \$0         |
| 470 Kitchen - Refurbish                 | \$0       | \$0       | \$0         | \$0         | \$0         |
| 750 Office Furniture - Maintain/Replace | \$0       | \$0       | \$0         | \$0         | \$0         |
| 751 Office Equipment - Repair/Replace   | \$0       | \$0       | \$5,553     | \$0         | \$0         |
| 752 Folding Tables/Chairs - Replace     | \$0       | \$0       | \$0         | \$0         | \$0         |
| 753 Printer/Scanner - Replace           | \$0       | \$0       | \$0         | \$0         | \$0         |
| <b>Systems &amp; Evaluations</b>        |           |           |             |             |             |
| 480 Furnace - Repair/Replace            | \$0       | \$0       | \$0         | \$0         | \$0         |
| 485 Water Heaters - Replace             | \$0       | \$0       | \$0         | \$0         | \$0         |
| 916 AC Units - Repair/Replace           | \$0       | \$0       | \$0         | \$0         | \$0         |
| 945 Surveillance System-Repair/Replace  | \$0       | \$0       | \$0         | \$0         | \$0         |
| Total Expenses                          | \$13,819  | \$8,626   | \$65,084    | \$26,540    | \$458,116   |
| Ending Reserve Balance                  | \$841,529 | \$950,551 | \$1,007,205 | \$1,106,541 | \$776,607   |



## Accuracy, Limitations, and Disclosures

"The reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special assessment your share of common expenses for the cost of major maintenance, repair or replacement of a reserve component."

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Christian Colunga, company President, is a credentialed Reserve Specialist (#208). All work done by Association Reserves WA, LLC is performed under his responsible charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

Per NRSS, information provided by official representative(s) of the client, vendors, and suppliers regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable, and is not intended to be used for the purpose of any type of audit, quality/forensic analysis, or background checks of historical records. As such, information provided to us has not been audited or independently verified.

Estimates for interest and inflation have been included, because including such estimates are more accurate than ignoring them completely. When we are hired to prepare Update reports, the client is considered to have deemed those previously developed component quantities as accurate and reliable, whether established by our firm or other individuals/firms (unless specifically mentioned in our Site Inspection Notes). During inspections our company standard is to establish measurements within 5% accuracy, and our scope includes visual inspection of accessible areas and components and does not include any destructive or other testing. Our work is done only for budget purposes. Uses or expectations outside our expertise and scope of work include, but are not limited to: project audit, quality inspection, and the identification of construction defects, hazardous materials, or dangerous conditions. Identifying hidden issues such as but not limited to, plumbing or electrical problems are also outside our scope of work. Our estimates assume proper original installation & construction, adherence to recommended preventive maintenance, a stable economic environment, and do not consider frequency or severity of natural disasters. Our opinions of component Useful Life, Remaining Useful Life, and current or future cost estimates are not a warranty or guarantee of actual costs or timing.

Because the physical and financial status of the property, legislation, the economy, weather, owner expectations, and usage are all in a continual state of change over which we have no control, we do not expect that the events projected in this document will all occur exactly as planned. This Reserve Study is by nature a "one-year" document in need of being updated annually so that more accurate estimates can be incorporated. It is only because a long-term perspective improves the accuracy of near-term planning that this Report projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of expense projections and the funding necessary to prepare for those estimated expenses.

In this engagement our compensation is not contingent upon our conclusions, and our liability in any matter involving this Reserve Study is limited to our fee for services rendered.



## Terms and Definitions

|                                    |  |
|------------------------------------|--|
| <b>BTU</b>                         | British Thermal Unit (a standard unit of energy)   |
| <b>DIA</b>                         | Diameter   |
| <b>GSF</b>                         | Gross Square Feet (area). Equivalent to Square Feet  |
| <b>GSY</b>                         | Gross Square Yards (area). Equivalent to Square Yards  |
| <b>HP</b>                          | Horsepower   |
| <b>LF</b>                          | Linear Feet (length)   |
| <b>Effective Age</b>               | The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.  |
| <b>Fully Funded Balance (FFB)</b>  | The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.   |
| <b>Inflation</b>                   | Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on the "30-yr Income/Expense Detail" table.   |
| <b>Interest</b>                    | Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary. |
| <b>Percent Funded</b>              | The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.  |
| <b>Remaining Useful Life (RUL)</b> | The estimated time, in years, that a common area component can be expected to continue to serve its intended function.   |
| <b>Useful Life (UL)</b>            | The estimated time, in years, that a common area component can be expected to serve its intended function.   |





## Component Details

The primary purpose of the Component Details appendix is to provide the reader with the basis of our funding assumptions resulting from our research and analysis. The information presented here represents a wide range of components that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding.

- 1) Common area repair & replacement responsibility
- 2) Component must have a limited useful life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of Annual operating expenses).

Not all your components may have been found appropriate for reserve funding. In our judgment, the components meeting the above four criteria are shown with the Useful Life (how often the project is expected to occur), Remaining Useful Life (when the next instance of the expense will be) and representative market cost range termed “Best Cost” and “Worst Cost”. There are many factors that can result in a wide variety of potential costs, and we have attempted to present the cost range in which your actual expense will occur.

Where no Useful Life, Remaining Useful Life, or pricing exists, the component was deemed inappropriate for Reserve Funding.

## Site & Grounds

### Comp #: 100 Concrete/Masonry - Maintain/Repair

Quantity: Sidewalks, steps, walls

Location: The walkways, patios, court walls, and curbs surrounding the clubhouse.

Funded?: Yes. Annual repair needs are below the reserves funding threshold.

History: None known.

Comments: Concrete sidewalks and patio appeared to be in good condition with localized areas of cracking observed at the Northwest portion of the community center entrance and at the patio steps, one larger area of cracking observed at the ADA ramp in the pool area (see photo), with spalling adjacent to the spa area.

In our experience, as the community ages larger repair/replacement expenses may emerge that cannot be comfortably absorbed into the operating budget. Plan on repairs roughly at the timing below to prevent advanced deterioration.

As routine maintenance, inspect regularly and pressure wash for appearance. Repair any trip hazards (1/2" difference in height) immediately to ensure safety. Repair promptly, as needed, to prevent water penetrating into the base, which can cause further damage. Factors affecting the quality and service life of the concrete include the preparation of the underlying soil and drainage, thickness and strength of the concrete used, steel reinforcement (none likely), amount and weight of vehicle traffic, and tree roots.

#### Resources:

<https://mrsc.org/explore-topics/public-works/streets,-road-and-sidewalks/sidewalk-construction-maintenance-and-repair>

<https://www.sakrete.com/blog/post/5-key-considerations-for-small-concrete-repairs/>

<http://www.concretenetwork.com/cold-weather-concrete/weather.html>

Useful Life:  
10 years

Remaining Life:  
0 years



Best Case: \$ 2,000

Worst Case: \$ 3,000

Cost Source: Budget Allowance

**Comp #: 110 Site Stairs - Repair/Replace**

**Quantity: ~85 SF**

Location: The building entrance.

Funded?: No. No predictable large-scale repairs or replacements

History: None known.

Comments: Stairs appeared to be in good to fair condition with minor cracking observed at step from pool deck to back patio.

At this time, there are no predictable large-scale repairs or replacements to form a basis for reserves funding. If conditions change, and significant repair needs emerge, funding can be included within reserve study updates.

As routine maintenance, inspect regularly, and perform any repairs as a general maintenance expense. Concrete is a fairly low maintenance material, however, small cracking is typical of concrete as it ages.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 112 Metal Site Rail - Repair/Replace**

**Quantity: ~155 LF**

Location: The community walkways, ramps, and stairs.

Funded?: Yes. The useful life is not predictable.

History: Assumed original to construction 2003

Comments: Site rail appeared to be in good condition with no obvious signs of surface corrosion or instability noted.

We suggest planning for total replacement at approximately the time shown below. As the remaining useful life approaches zero years, evaluate the rails, and adjust the remaining useful life accordingly.

Routinely inspect for stability, security, and appearance. Repair locally, as needed, with operating funds.

Useful Life:

30 years

Remaining Life:

12 years



Best Case: \$ 10,000

Worst Case: \$ 13,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 113 Metal Site Rail - Paint**

**Quantity: ~155 LF**

Location: The community walkways and stairs.

Funded?: Yes.

History: Reported 2017

Comments: Site railing paint appeared in good condition with no significant blistering or chipping noted.

Evaluate regularly to determine the most appropriate timing for repainting. When practical, we recommend including rail painting with the painting of the exterior building surfaces (component #533) for cost efficiency.

Touch up paint, and secure any fasteners, as needed, as part of general maintenance. If corrosion is found, apply a rust inhibitor to prevent corrosion and extend the useful life.

Useful Life:  
10 years

Remaining Life:  
2 years



Best Case: \$ 2,200

Worst Case: \$ 3,600

Cost Source: ARI Cost Database: Similar Project Cost History

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**Comp #: 120 Parking Lot - Resurface**

**Quantity: ~8,410 SF**

Location: The community center parking areas.

Funded?: Yes.

History: None known.

Comments: Asphalt parking areas appeared to be in good/fair condition with no significant cracking observed.

The useful life below assumes regular repairs and seal coating (see component #121). The lack of repairs and seal coating can greatly decrease the asphalt's useful life. Resurfacing is typically one of the larger expense items in a reserve study. When the need to resurface is becoming apparent, consult with a geotechnical engineer for recommendations, specifications/scope of work, and project oversight.

As routine maintenance, keep surfaces clean and free of debris, ensure that drains are free flowing, repair cracks, and clean oil stains promptly. Assuming proactive maintenance, plan to resurface at roughly the time frame below.

Resources:

Pavement Surface Condition Field Rating Manual for Asphalt Pavement:

<https://www.wsdot.wa.gov/publications/manuals/fulltext/m0000/AsphaltPavements.pdf>

Washington Asphalt Pavement Association: <http://www.asphaltwa.com/>

Useful Life:  
30 years

Remaining Life:  
9 years



Best Case: \$ 21,000

Worst Case: \$ 25,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 121 Parking Lot - Repair & Seal**

**Quantity: ~8,410 SF**

Location: The community center parking areas.

Funded?: Yes.

History: Sealed 2021 ~\$3,800 + curb repairs ~\$5,150

Comments: Asphalt parking lot was sealed and recently striped. No major fading to seal coat or cracking of the asphalt noted.

We recommend regular cycles of seal coating, along with needed repairs, for the long-term care of asphalt paving with low traffic and low speed to extend the useful life. The primary reason to seal coat asphalt pavement is to protect the pavement from the deteriorating effects of sun and water. When asphalt pavement is exposed, the asphalt oxidizes or hardens, and this causes the pavement to become increasingly brittle. As a result, the pavement will become more likely to crack, as it is unable to bend and flex when subjected to traffic (weight) and temperature changes (thermal expansion and contraction). A seal coat combats this situation by providing a waterproof membrane, which not only slows down the oxidation process, but also helps the pavement shed water. Seal coating also provides uniform appearance, and conceals the inevitable patching and repairs which accumulate over time, ultimately extending the useful life of asphalt before more costly resurfacing is needed (see component #120).

Repairing asphalt before seal coating is imperative. Surface preparation and dry weather during and following application is key to lasting performance.

Resources:

Asphalt Pavement Maintenance Best Practices Handbook: <http://www.cee.mtu.edu/~balkire/CE5403/AsphaltPaveMaint.pdf>

Asphalt Seal Coat Treatments General Overview: <https://www.wsdot.wa.gov/research/reports/fullreports/136.1.pdf>

Other: <http://www.pavementinteractive.org/article/bituminous-surface-treatments/>

Useful Life:  
5 years

Remaining Life:  
2 years



Best Case: \$ 3,500

Worst Case: \$ 4,100

Cost Source: Estimate Provided by Client - Treasure State Concrete, Inc.

**Comp #: 140 Rope and Pillar Fence - Repair (a)**

**Quantity: ~135 LF wood pillars**

Location: The community center perimeters.

Funded?: Yes.

History: None known

Comments: Stained pillar and rope fence appeared generally intact with the exception of one post leaning (see photo) and another damaged and laying on the ground.

Plan to replace the fence at roughly the time frame below. Typical failures occur from deterioration through the end grains, and contact with the ground and surrounding landscape.

As routine maintenance, inspect regularly for any damage, and repair as needed. Avoid unnecessary contact with the ground, sprinkler patterns, and surrounding vegetation. Regular cycles of stain/paint will help to maintain appearance. Painting or staining the fence has a higher overall life cycle cost, but may extend life in addition to an aesthetic benefit.

Useful Life:  
15 years

Remaining Life:  
0 years



Best Case: \$ 3,600

Worst Case: \$ 6,800

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 140 Rope and Pillar Fence - Repair (b)**

**Quantity: ~270 LF wood pillars**

Location: The community entrance.

Funded?: Yes.

History: None known

Comments: Unstained pillar and rope fence appeared generally intact no obvious signs of damage or major instability observed.

Plan to replace the fence at roughly the time frame below. Typical failures occur from deterioration through the end grains, and contact with the ground and surrounding landscape.

As routine maintenance, inspect regularly for any damage, and repair as needed. Avoid unnecessary contact with the ground, sprinkler patterns, and surrounding vegetation. Regular cycles of stain/paint will help to maintain appearance. Painting or staining the fence has a higher overall life cycle cost, but may extend life in addition to an aesthetic benefit.

Useful Life:  
15 years

Remaining Life:  
2 years



Best Case: \$ 7,200

Worst Case: \$ 13,600

Cost Source: ARI Cost Database: Similar Project Cost History

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**Comp #: 140 Wood Fence - Repair/Replace**

**Quantity: ~140 LF board**

Location: The community perimeters.

Funded?: Yes.

History: None known.

Comments: Wooded fence appeared to be generally intact with one gate separated from the remainder of the fence aligned with the next reserve study to . Per the board this is the old gate that was recently replaced and will be disposed of soon.

Plan to replace the fence at roughly the time frame below. Typical failures occur from deterioration through the end grains, and contact with the ground and surrounding landscape.

As routine maintenance, inspect regularly for any damage, and repair as needed. Avoid unnecessary contact with the ground, sprinkler patterns, and surrounding vegetation. Regular cycles of stain/paint will help to maintain appearance. Painting or staining the fence has a higher overall life cycle cost, but may extend life in addition to an aesthetic benefit.

Useful Life:  
20 years

Remaining Life:  
2 years



Best Case: \$ 3,500

Worst Case: \$ 4,800

Cost Source: ARI Cost Database: Similar Project Cost History

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**Comp #: 142 Wood Fence - Paint**

**Quantity: ~1,680 SF/~140 LF**

Location: The community perimeters.

Funded?: No. Costs are best handled with operating funds.

History: None known.

Comments: Paint appeared in fair condition with no widespread blistering or chipping observed. As project costs are projected to be too low we recommend paint as needed through operating budget.

Regular sealer applications are recommended for the appearance, protection, and maximum useful life of the wood. Actual timing of staining will vary based on exposure, and quality of material and application. In our experience, quality solid-bodied stain typically produces the best result. Remove any unnecessary contact with the ground, surrounding landscape, and sprinkler patterns. Repair as needed, and clean prior to sealer application.

There are three general options for finishing wood fences. The first, and least expensive, option is to leave it unfinished. The second option is regular cycles of penetrating water repellent (typically clear or semi-transparent). The third option is painting or staining. The second option typically has a shorter useful life, and perhaps a lower life-cycle cost than staining/painting. Left unfinished, the wood will "gray" from its exposure to weather and often exhibit mildew - the lesser appearance may adversely affect marketability, however. The third option is to apply a penetrating stain that is similar to painting, in that it will extend the life of the wood fence. The costs for applying the penetrating water repellent can be much less than staining, but needs to be done more often (every two to three years). Using a quality solid-bodied stain is often thought to best balance the objectives of the association and is, therefore, factored below.

If the wood is cedar, the Western Red Cedar Lumber Association (WRCLA) has additional information available on their website: <https://www.realcedar.com/>

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 143 Trellis/Arbor - Repair/Replace**

**Quantity: ~300 SF**

Location: The community common area.

Funded?: Yes.

History: Assumed original to construction ~2003/4

Comments: PM - Note field observations (stability, deterioration, type of materials, stained/painted, etc). Access was not provided to the top of the trellis, which is typically where the deterioration is most common.

Expect to replace the wood at roughly the time frame shown below. Evaluate it as the remaining useful life approaches zero years, and adjust its life accordingly.

Inspect periodically, and repair as needed. Clean and paint/stain as part of the exterior surfaces paint work (component #533), or as a general maintenance item. Consider installing a metal cap flashing at the top of the wood framing to extend the useful life.

Useful Life:  
25 years

Remaining Life:  
3 years



Best Case: \$ 9,600

Worst Case: \$ 13,600

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 143 Trellis/Arbor - Stain**

**Quantity: ~300 SF**

Location: The community common area.

Funded?: Yes.

History: Assumed original to construction ~2021

Comments: Stain appeared in fair condition with no major fading observed. Stain regularly to maintain waterproof coating and extend the life of the trellis.

Expect to replace the wood at the timing of the previous component # 143 Trellis/Arbor - Repair/Replace.

Inspect periodically, and repair as needed. Clean and paint/stain as part of the exterior surfaces paint work (component #533).

Useful Life:  
3 years

Remaining Life:  
3 years



Best Case: \$ 1,500

Worst Case: \$ 2,500

Cost Source: Budget Allowance

**Comp #: 149 Garbage Enclosure - Repair/Replace**

**Quantity: ~75 SF wood board**

Location: The parking lot.

Funded?: Yes.

History: None known.

Comments: No significant deterioration noted nor any recent repairs noted. The enclosure was painted with recent fence project. Repair/replacement aligned with next site visit to reevaluate life.

A general rotating funding allowance is factored below for repairs/replacement. Track the actual history and expenses, and adjust this component accordingly in reserve study updates.

These garbage enclosures are subject to abuse. It is reasonable to expect repairs at relatively small intervals due to misuse, although it is difficult to predict the precise scope and timing of such repairs. We suggest at the next replacement to consider a more durable enclosure material such as steel posts and rails. By utilizing such materials, the enclosure can better withstand regular abuse, reduce repair costs, and increase its useful life. A less expensive option is to install concrete wheel stops (typically used at the front of parking spaces) to prevent the container or vehicles from impacting the enclosure.

Useful Life:  
20 years

Remaining Life:  
2 years



Best Case: \$ 2,500

Worst Case: \$ 3,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 165 Grounds Lighting - Repair/Replace**

**Quantity: ~ (1) fixture**

Location: Along the community walkways.

Funded?: No. Cost projected to be too small for reserve funding

History: None known.

Comments: The ground lighting was observed during daylight hours and is assumed to be functional. No problems were reported. Cost projected too small for reserve funding repair and replace as needed through operating budget.

As routine maintenance, inspect, and repair/change bulbs, as needed. Some local replacement may be needed from time to time - use general operating funds.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 170 Landscape - Maintain/Refurbish**

**Quantity: Turf, shrubs, etc.**

Location: Throughout the community.

Funded?: No. Costs are best handled with operating funds.

History: None known.

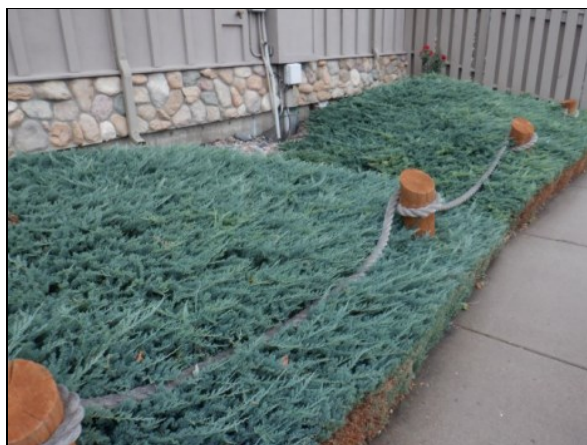
Comments: The landscape appeared to be generally healthy and well-maintained. No obvious signs of decay or damage noted during our site inspection.

Landscape maintenance is currently funded through the operating budget. As associations age, many find the need or desire for large-scale refurbishment projects not covered within the maintenance contract, and they allocate funds within reserves. These types of projects can include bed renovations, major replanting, large-scale bark or mulch replacements, turf renovations, drainage improvements, irrigation system extensions/replacement, etc.

Walk the landscaped areas each year with the community's landscape contractor, and perhaps a landscape architect, to assess the overall health, function, and future needs of maintenance and refurbish to determine if supplemental reserves funding should be planned.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 171 Trees - Trim/Remove & Replace**

**Quantity: ~ (24) various species**

Location: Throughout the community.

Funded?: Yes.

History: None known.

Comments: There were no specific problems with the trees observed or reported at this time. The community trees are generally immature. With many near the community center which may eventually cause a hazard from falling limbs or intrusive roots.

Funding below is a placeholder for tree trimming/maintenance or an arborist report to determine long-term maintenance needs.

This component may be utilized for larger tree removal/trimming projects which do not occur on an annual basis. If the community has not already done so, consult with a qualified arborist to assess the current plantings and to prepare a long term plan for the care and management of the community's trees, balancing aesthetics with the protection of the association's assets. Tree roots can be damaging to walkways, irrigation, underground utilities, and building structures. Track actual expenses, and adjust accordingly in reserve study updates.

Useful Life:  
5 years

Remaining Life:  
2 years



Best Case: \$ 1,500

Worst Case: \$ 2,500

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 173 Irrigation Pump- Repair/Replace**

**Quantity: Century 2 HP**

Location: Near main entrance of community

Funded?: Yes. There are no predictable large-scale costs at this time.

History: None known

Comments: Added funding for irrigation pump as provided by board president. The pump is reported to be in operational condition however that we should budget for replacement in the near future. Plan to replace roughly at the cycle below.

Useful Life:  
10 years

Remaining Life:  
0 years



Best Case: \$ 800

Worst Case: \$ 1,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 173 Irrigation System - Repair/Replace**

**Quantity: Heads, lines, timers, etc**

Location: Throughout the community.

Funded?: No. There are no predictable large-scale costs at this time.

History: None known.

Comments: Our visual observation of the irrigation system was limited, as the majority of the components are below grade. There were no reports of repairs or problems. At the time of this study, no information (plans and/or specifications) was provided to us regarding the extent of the irrigation system.

There are no predictable large-scale costs at this time. Have your landscaper or irrigation specialist periodically unearth sections to check lines for any damage or deterioration. PVC can eventually become brittle and leak (typically not before the 40 year mark of life).

As routine maintenance, inspect, test, and repair the system, as needed, as part of the operating budget. Follow proper winterization and spring startup procedures. If properly installed and bedded without defect, the lines could last for many years. Controls for the system can vary greatly in number, cost, and life expectancy - typically each controller is less than \$500. Other elements (i.e. sprinkler heads, valves) within this system are generally lower cost, and have a failure rate that is difficult to predict. These elements are better suited to be handled with operating funds, not reserves.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 180 Drainage & Stormwater - Maintain**

**Quantity: Catchbasins, drains, etc.**

Location: Throughout the community.

Funded?: No. There is no predictable large-scale repair/replacement at this time.

History: None known.

Comments: An analysis of the drainage system is beyond the scope of a reserve study, as the vast majority of the drainage system is located below ground. Our observations were very limited to catch basin areas. No problems were observed or reported to us.

There is no predictable large-scale repair/replacement at this time. Local repairs should be performed as part of general maintenance. If problems become known from a professional evaluation, funding can be included in future reserve studies.

As routine maintenance, inspect regularly, and keep drains/grates free of debris to ensure water drains as intended. Maintenance schedules on stormwater systems depend on the condition of the system itself, and the amount of sediment and debris moving around on site. Stormwater inspections usually consist of inspecting the catch basins and manholes, and ensuring vaults and control structures are properly functioning. Evaluation of the drainage system can include the visual review of the interior drain lines with the use of a miniature remote camera. Clean out the drain lines and basins as often as needed in order to prevent decreased drainage capacity. Repair as needed. The responsibility of keeping the stormwater system in good working order falls on the association.

Resource:

Municipal Research and Services Center - Washington State Stormwater Manuals

<https://mrsc.org/explore-topics/environment/water-topics/storm-and-surface-water-drainage-utilities>

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:



**Comp #: 190 Community Signs - Repair/Replace**

**Quantity: (1) Large (2) Small**

Location: The community entrance and around the community center.

Funded?: Yes.

History: None known.

Comments: Signs appeared in good to fair condition with legible lettering and slight fading to the paint and minor organic growth noted. Plan on replacement roughly at the timing below.

Inspect periodically, repair, clean, and touch up for appearance, as needed, using operating funds.

Useful Life:  
30 years

Remaining Life:  
9 years



Best Case: \$ 3,000

Worst Case: \$ 5,000

Cost Source: Budget Allowance

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## Pool

**Comp #: 301 Pool Deck - Repair/Replace**

**Quantity: ~3,680 SF**

Location: The pool perimeter.

Funded?: Yes.

History: None known.

Comments: Pool deck appeared generally intact with no large-scale cracking or trip hazards noted.

Plan for total replacement as shown below based upon our experience with similar communities. There are a variety of topical resurface products that may be of lower cost if the base is solid and coating is feasible. Research the community's options thoroughly prior to the anticipated replacement. Total slab replacement is factored below for financial planning purposes.

Inspect periodically, and repair as needed with operating funds.

Useful Life:  
30 years

Remaining Life:  
9 years



Best Case: \$ 48,000

Worst Case: \$ 64,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 302 Pool Furniture - Replace**

**Quantity: ~(39) pieces**

Location: The pool deck.

Funded?: Yes.

History: Reported 2017

Comments: Pool furniture appeared in good condition with no major fraying of woven seats or damage noted. Metal tables and chairs did not show significant wear or damage to paint. We recommend regular intervals of replacement as noted below to maintain function and appearance.

Inspect regularly, and repair or replace any damaged pieces promptly to ensure safety. Store the furniture inside during the off-season, if possible, to extend the useful life.

Useful Life:  
15 years

Remaining Life:  
8 years



Best Case: \$ 4,500

Worst Case: \$ 9,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 303 Pool - Resurface**

**Quantity: ~1,400 SF**

Location: The pool surface.

Funded?: Yes.

History: None known.

Comments: Pool surface appeared generally intact with no major decay or rough surface observed.

Plan to resurface the pool at the time frame below. Incorporate re-tiling every other resurface cycle - see component #304.

Proactive cleaning, proper chemical balance, and the use of a cover when possible are keys to achieving a maximum service life of the plaster. There are a variety of pool surface types - plan in advance as the cost and life cycle can vary.

Resources:

<https://www.nationalplastererscouncil.com/pool-resurfacing/>

Useful Life:  
15 years

Remaining Life:  
9 years



Best Case: \$ 22,000

Worst Case: \$ 39,000

Cost Source: ARI Cost Database: Similar Project Cost History

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**Comp #: 304 Pool - Retile**

**Quantity: ~180 LF**

Location: The pool waterline.

Funded?: Yes.

History: None known.

Comments: Pool tile generally appeared intact with efflorescence observed throughout.

It is best to plan for regular intervals of tile replacement. We have timed tile work to coincide with every other pool resurface project for cost efficiency and consistency - see component #303.

Inspect regularly, clean, and repair as part of routine maintenance.

Useful Life:  
30 years

Remaining Life:  
9 years



Best Case: \$ 13,800

Worst Case: \$ 18,800

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 307 Pool Heater - Replace**

**Quantity: Pentair Mastertemp 400**

Location: The pool equipment room.

Funded?: Yes.

History: 2023 Heater and Filter ~\$5,800

Comments: The pool heater is a Pentair Mastertemp 400 gas heater which was reportedly installed in 2023 by Cabin Care LLC. No problems were observed or reported to us. Provide regular service, and maintain as recommended by the manufacturer.

Useful Life:  
10 years

Remaining Life:  
9 years



Best Case: \$ 5,400

Worst Case: \$ 6,200

Cost Source: Estimate Provided by Client - Cabin Care LLC

**Comp #: 309 Pool Equipment - Repair/Replace**

**Quantity: Filters, pumps, etc.**

Location: The pool equipment room.

Funded?: No. Costs are best handled with operating funds.

History: None known.

Comments: The pool equipment is assumed to be functional. No significant issues or repairs were reported to us during our site visit.

The cost of replacing the equipment individually is typically too small for reserves funding. If replaced individually, use operating funds. This component can factor replacement as a group, and may include some plumbing or other repair work as well.

Provide regular service and maintain the equipment as recommended by the manufacturer.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 312 Pool Cover - Maintain/Replace**

**Quantity: ~15' x 60', 15' x 28'**

Location: The pool.

Funded?: Yes.

History: Reported 2019

Comments: Pool cover was rolled up at the time of our site inspection, however no damage or other issues reported.

A pool cover can provide cost savings for temperature differentials, reduce cleaning costs, and provide safety. We suggest planning to replace it at regular intervals to maintain proper functionality. A winter mesh safety cover anchored into the pool deck is a good option.

Inspect regularly, repair locally if needed, and properly store when not in use.

Useful Life:  
10 years

Remaining Life:  
6 years



Best Case: \$ 3,400

Worst Case: \$ 4,600

Cost Source: Budget Allowance

**Comp #: 313 Spa Cover - Maintain/Replace**

**Quantity: ~9' x 12'**

Location: The pool area.

Funded?: No. Costs are projected to be too small for reserve funding

History: No major projects known

Comments: Thermal spa cover appeared in fair condition with no major tears or damage observed. As costs are projected to be small we recommend replacing

A pool cover can provide cost savings for temperature differentials, reduce cleaning costs, and provide safety. We suggest planning to replace it at regular intervals to maintain proper functionality. A winter mesh safety cover anchored into the pool deck is a good option.

Inspect regularly, repair locally if needed, and properly store when not in use.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 315 Patio Heater - Replace**

**Quantity: Metal/Propane**

Location: Pool area

Funded?: No. Costs are best handled with operating funds.

History: No major projects known

Comments: Propane patio heater was observed with no obvious signs of instability and with no reported recent replacement. Replace as needed through operating funds as costs are projected to be too low for reserve funding.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

## Recreation

**Comp #: 320 Tennis Court Fence - Repair/Replace**

**Quantity: ~460 LF chain link**

Location: The tennis court perimeters.

Funded?: Yes.

History: None known.

Comments: Chain link fence appeared generally stable with vines growing over the western portion of the fence.

With ordinary care and maintenance, and if not damaged or abused, anticipate the service life in the range of the court surface before replacement is needed.

Inspect regularly, clean, and repair when needed as part of general maintenance.

Useful Life:  
30 years

Remaining Life:  
9 years



Best Case: \$ 11,000

Worst Case: \$ 17,000

Cost Source: ARI Cost Database: Similar Project Cost History



**Comp #: 323 Tennis Court - Resurface**

**Quantity: ~13,000 SF**

Location: The tennis court.

Funded?: Yes.

History: None known.

Comments: Minor cracking observed in localized areas and one crack running down the center of the courts from north to south of the court.

In addition to periodic seal/repair projects (see component #324), plan for an eventual total resurface of the tennis court. Repair the base as needed at that time to ensure positive drainage. As routine maintenance, inspect regularly, clean as needed, and fill cracks with operating funds. See component #324 for cyclical seal coating and striping.

Useful Life:  
40 years

Remaining Life:  
19 years



Best Case: \$ 35,000

Worst Case: \$ 41,500

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 324 Tennis Court - Repair/Seal/Stripe**

**Quantity: ~13,000 SF**

Location: The tennis court.

Funded?: Yes.

History: None known.

Comments: Surface coating and striping appeared generally in good condition with no major fading or chipping of surface seal noted.

Plan for regular cycles of repair, seal, and restripe at intervals shown here. For larger overlay/resurface needs, see separate component #323.

Inspect regularly and locally repair, as needed, with operating funds. As with any asphalt or concrete surface, preventing water from entering the base is critical, so repair cracks promptly.

Useful Life:  
6 years

Remaining Life:  
3 years



Best Case: \$ 16,000

Worst Case: \$ 22,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 346 Site Furniture - Repair/Replace**

**Quantity: ~ (3) pieces**

Location: The community playground.

Funded?: No. Costs are best handled with operating funds.

History: None known.

Comments: Three woven benches appeared in good condition with no major fraying or damage noted. Costs are projected too small to be handled through reserve budget, replace as needed through operating budget.

Inspect regularly, and repair as needed with operating funds. Clean with an appropriate cleaner (refinish if desired) using operating funds.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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## Building Exterior

### Comp #: 400 Steep Slope Roof - Repair/Replace

Quantity: ~6,875 SF

Location: The clubhouse roof.

Funded?: Yes.

History: None known.

Comments: Roof ventilation (the lack of which can greatly reduce the roof's useful life) was observed at the gables and ridge. Ridge venting appeared to be provided by continuous ridge vents. Portions of roof flashing were visible at the rake, headwall, and chimney with woven-valley flashing. Diverter (kick-out) flashing was not observed. Gutters blocked the view of the eaves, so eave flashing was not confirmed. Debris and moss were observed on the roof surface near gutter terminations. A reserve study conducts a limited visual review for budget purposes, and many of the critical waterproofing and ventilation items of the roof are not readily viewable. For a full evaluation have a professional roof consultant/contractor perform a thorough up-close survey of your entire roof system, including attic inspection (if any). No obvious wear, or loss of granule or shingles observed.

As routine maintenance, many manufacturers recommend inspections at least twice annually (once in the fall before the rainy season, and again in the spring), and after large storm events. Promptly replace any damaged/missing sections and complete any other repairs needed to ensure the waterproof integrity of the roof. Keep the roof surface, gutters, and downspouts clear and free of moss and/or debris.

At the time of re-roofing, we recommend that you hire a professional consultant to evaluate the existing roof, specify the new roof materials/design, and provide installation oversight. We recommend that all associations hire qualified consultants whenever they are considering having work performed on any building envelope (waterproofing) components including the roof, walls, windows, decks, exterior painting, and caulking/sealant.

#### Resources:

National Roofing Contractors Association (NRCA) <http://www.nrca.net/>

Asphalt Roofing Manufacturers Association (ARMA) <http://www.asphaltroofing.org/>

International Institute of Building Enclosure Consultants <https://iibec.org/>

Western States Roofing Contractors Association (WSRCA) <https://wsrca.com/>

Useful Life:  
25 years

Remaining Life:  
4 years



Best Case: \$ 34,400

Worst Case: \$ 41,300

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 402 Skylights-Repair/Replace**

**Quantity: (2) fixtures**

Location: The clubhouse roof.

Funded?: No. Cost projected to be too small for reserve funding

History: None known.

Comments: Observation of the skylights did not reveal any obvious signs of leaks or organic growth. No current water leaks or other problems were reported by the association.

Inspect the skylights with the ongoing roof inspections, and repair as needed to maintain the waterproof integrity. Review the skylight conditions with a consultant or roof contractor while evaluating the roofing project.

Resource:

<https://www.veluxusa.com/help/installation-help/service-and-maintenance>

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 406 Gutters - Repair/Replace**

**Quantity: ~310 LF**

Location: The clubhouse perimeters.

Funded?: Yes.

History: None known.

Comments: Based on our limited visual inspection, the metal gutters and downspouts appeared functional.

We recommend planning for a total replacement of the gutters and downspouts at the same intervals as roof replacement for cost efficiency. Evaluate these components at the time of the project to determine if replacement or re-use is the better value.

As routine maintenance, inspect regularly, and keep gutters and downspouts free of debris.

Useful Life:  
40 years

Remaining Life:  
19 years



Best Case: \$ 4,000

Worst Case: \$ 6,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 410 Siding - Ext Renovation**

**Quantity: ~4,650 SF**

Location: The clubhouse exterior walls, underlying waterproofing components, and structural components.

Funded?: Yes.

History: None known.

Comments: The fiber cement siding is horizontal clapboard or shingle with some areas of wood trim and board and batten; the surfaces is painted (see component #533 for exterior painting). The actual siding manufacturer was not confirmed. No view of the critical underlying waterproofing was available as part of our limited visual review.

Replacement may ultimately be needed due to the failure of the underlying waterproofing components degrading over the decades, and/or the end of the useful life of the siding materials from general aging. Many factors influence the useful life, including exposure to (or protection from) wind driven rain, and the quality of the waterproofing and flashing beneath the siding. Evaluate the siding and the critical underlying waterproofing (typically building paper or house-wrap) more frequently as the remaining useful life approaches zero years. Adjust the remaining useful life as dictated by the evaluation. When practical, align siding replacement with window replacement for cost efficiencies and building envelope integrity. Inspect annually and repair locally, as needed, using general operating maintenance funds.

The leading manufacturer of fiber-cement siding (James Hardie Siding) currently provides either a 30-year non-prorated or 50-year prorated limited warranty on their products. A local James Hardie representative suggests planning for ~50-year total service life of siding.

Project costs can vary depending upon materials chosen and the condition of the underlying structural framing when exposed. We recommend the Board conduct research well in advance in order to define the scope, timing, and costs; including a plan for some margin of contingency.

Useful Life:  
50 years

Remaining Life:  
29 years



Best Case: \$ 81,500

Worst Case: \$ 135,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 412 Exteriors - Caulk & Paint**

**Quantity: ~4,650 SF**

Location: The clubhouse exterior walls.

Funded?: Yes.

History: Reported 2017

Comments: Paint appeared in good condition with no major fading, peeling, or blistering observed.

Typical Northwest paint cycles vary greatly depending upon many factors including the type of material painted, surface preparation, quality of the primer/paint/stain, application methods, weather conditions during the application process, moisture beneath the surface, and exposure to weather conditions. Repair areas, as needed, prior to painting/caulking. As routine maintenance, inspect regularly (including sealants), repair locally, and touch-up paint, as needed, using operating funds.

Proper sealant/caulking is critical to keeping water out of the walls, and preventing water damage. Incorrect installation of sealants is very common, and can greatly decrease its useful life. Inspect sealants (more frequently as they age) to determine if failing is occurring. Typical sealant problems include failure of the sealant to adhere to adjacent materials, and tearing/splitting of the sealant itself. As sealants age, and due to exposure to ultraviolet sunlight, they will dry out, harden, and lose their elastic ability. Remove and replace all sealants at the time sealant failure begins to appear. Proper cleaning, prep work, and installation technique (shape, size, tooling of joint) are critical for a long lasting sealant/caulking. Do not install sealant in locations that would block water drainage from behind the siding (e.g. at head flashings).

Resources:

American Coatings Association: <http://www.paint.org/>

Master Paint Institute: <http://www.paintinfo.com/>

Useful Life:  
10 years

Remaining Life:  
3 years



Best Case: \$ 14,000

Worst Case: \$ 21,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 415 Windows - Repair/Replace**

**Quantity: (23) windows & (7) doors**

Location: The clubhouse exterior walls.

Funded?: Yes.

History: None known.

Comments: The clubhouse windows are vinyl framed horizontal sliders and fixed operation. Head flashing was not observed. The weep holes and sealants were not observed in the few windows sampled for our study. No observation of the critical underlying waterproofing details and flashing was part of our limited visual review. The underlying details and flashing are critical to maintaining the waterproofing of the building envelope and preventing structural damage as a result of water infiltration. A reserve study is a budget model, limited to visual exterior observation and research. It is outside the scope of our services, and the purpose of a reserve study, to assess the adequacy of the building envelope performance, as many of the key details are hidden from view. Periodic reviews by an architect, building envelope professional, etc. are prudent.

Many factors affect the useful life, including the quality of the window (design pressure rating), waterproofing and flashing details, building movement, and exposure to the elements, including wind driven rain. Those same variables, along with glazing and frame materials, can also greatly affect the appropriate choice and replacement costs. You can learn more about window design here: <http://rci-online.org/wp-content/uploads/2010-04-hinjosa.pdf>

Inspect regularly, including sealant, if any, and repair as needed. Typical sealant failures include a lack of adhesion to adjacent materials, tearing/splitting of the sealant itself, and loss of elastic ability. Loss of elastic ability can be caused by exposure to ultraviolet light, and general aging. Remove and replace all sealants as signs of failure begin to appear. Proper cleaning, prep work, and installation of specified joint design are critical for lasting performance. Keep weep holes free and clear to allow proper drainage of water that gets into the window frame. Do not block (caulk or seal) the gap at the top of head flashing, as this allows water that gets behind the siding to drain out.

We recommend the board conduct research well in advance of this project to help better define timing and costs (scope of work, material specifications, etc.). Further, we recommend that you hire a professional consultant (architect, engineer, building envelope consultant) to evaluate the existing windows, design and specify new installation requirements, assist with the bid process, and observe the construction to increase the likelihood of proper installation. We recommend all associations hire qualified consultants whenever they are considering having work performed on any high-risk building envelope components (roof, walls, windows, decks, exterior painting and caulking/sealant).

Resource:

Fenestration & Glazing Industry Alliance (formerly AAMA): <https://fgiaonline.org/>

Useful Life:  
25 years

Remaining Life:  
4 years



Best Case: \$ 30,000

Worst Case: \$ 45,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 417 Exterior Doors - Replace**

**Quantity: ~(11) doors**

Location: The clubhouse exterior walls.

Funded?: No. Large-scale repairs or replacements are not predictable.

History: None known.

Comments: No widespread problems with the clubhouse exterior doors were observed or reported.

There is no predictable large-scale repair or replacement of doors.

Inspect periodically, and repair as needed with operating funds to maintain appearance, security, and operation. Touch up paint, as needed, between painting cycles.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 420 Exterior Lights - Replace**

**Quantity: ~(20) fixtures**

Location: The clubhouse.

Funded?: Yes.

History: None known.

Comments: The clubhouse exterior lights were observed during daylight hours and are assumed to be functional. Minor chipping of paint of light fixtures observed, however no major surface rust or damage noted.

It is best to plan for large-scale replacement of these fixtures at roughly the time frame indicated below - timed to coincide with exterior painting projects for cost efficiency, and a consistent quality appearance throughout the community. A mid-range replacement allowance is factored below for planning purposes.

As routine maintenance, inspect, and repair/change bulbs, as needed.

Useful Life:  
20 years

Remaining Life:  
0 years



Best Case: \$ 1,400

Worst Case: \$ 2,400

Cost Source: Budget Allowance



**Comp #: 514 Chimney Covers & Caps - Replace**

**Quantity: (2) covers & (4) caps**

Location: The building rooftop.

Funded?: No. Useful life not predictable

History: None known

Comments: Covers and chimney caps appeared in fair condition with minor fading to the metal paint. Covers were placed on top of a masonry structure which did not exhibit advanced signs of deterioration. As this is covered the useful life is unpredictable.

Replacement cycles are typically timed to coincide with re-roofing. Review the condition of chimney covers and flue caps with a consultant while evaluating the roofing project.

As routine maintenance, inspect and clean during roof maintenance. Repair locally, as needed.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

## Building Interior

**Comp #: 350 Elliptical - Repair/Replace**

**Quantity: ~ (1) Precor EFX576i**

Location: The fitness center

Funded?: Yes.

History: Reported 2009

Comments: Elliptical appeared in fair condition with no recent issues or repairs reported.

There is no predictable expectation of total simultaneous replacement at this time, however, we suggest setting aside funding for partial replacement at the interval indicated below.

Inspect regularly, clean for appearance, and maintain and repair promptly with operating funds to ensure safety.

Useful Life:  
20 years

Remaining Life:  
5 years



Best Case: \$ 2,700

Worst Case: \$ 4,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 350 Recumbent Bike - Repair/Replace**

**Quantity: ~ (1) Precor C486i**

Location: The fitness center

Funded?: Yes.

History: Reported 2009

Comments: Recumbent bike appeared in fair condition with no recent issues or repairs reported.

There is no predictable expectation of total simultaneous replacement at this time, however, we suggest setting aside funding for partial replacement at the interval indicated below.

Inspect regularly, clean for appearance, and maintain and repair promptly with operating funds to ensure safety.

Useful Life:  
20 years

Remaining Life:  
5 years



Best Case: \$ 2,500

Worst Case: \$ 4,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 350 Rowing Machine - Repair/Replace**

**Quantity: ~ (1) FDR-02**

Location: The fitness center

Funded?: Yes.

History: Rowing Machine 2023 ~\$3,000

Comments: Rowing machine appeared in good, like-new condition with no recent issues or repairs reported. The association reported installation of a new rowing machine at the cost of \$3,000.

There is no predictable expectation of total simultaneous replacement at this time, however, we suggest setting aside funding for partial replacement at the interval indicated below.

Inspect regularly, clean for appearance, and maintain and repair promptly with operating funds to ensure safety.

Useful Life:  
20 years

Remaining Life:  
19 years



Best Case: \$ 2,000

Worst Case: \$ 4,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 350 Treadmills - Repair/Replace**

**Quantity: ~(2) Precor C956i**

Location: The fitness center

Funded?: Yes.

History: Reported 2015

Comments: Treadmills appeared in fair condition and were observed to be in operational condition with no recent issues or repairs reported. Aligned life with next site inspection to reevaluate replacement.

There is no predictable expectation of total simultaneous replacement at this time, however, we suggest setting aside funding for partial replacement at the interval indicated below.

Inspect regularly, clean for appearance, and maintain and repair promptly with operating funds to ensure safety.

Useful Life:  
20 years

Remaining Life:  
11 years



Best Case: \$ 6,000

Worst Case: \$ 8,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 350 Universal Gym - Repair/Replace**

**Quantity: ~(1) pieces**

Location: The fitness center

Funded?: Yes.

History: Reported 2003

Comments: Equipment appeared in fair condition with no recent issues or repairs reported. Aligned life with next site inspection to reevaluate replacement.

There is no predictable expectation of total simultaneous replacement at this time, however, we suggest setting aside funding for partial replacement at the interval indicated below.

Inspect regularly, clean for appearance, and maintain and repair promptly with operating funds to ensure safety.

Useful Life:  
25 years

Remaining Life:  
4 years



Best Case: \$ 4,000

Worst Case: \$ 6,000

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 430 Carpet-Maintain/Replace**

**Quantity: ~800 SY**

Location: The clubhouse interiors.

Funded?: Yes.

History: None known.

Comments: Carpet was in generally fair condition with no significant wear or fraying observed. Extended to next site inspection to reevaluate the life.

Actual replacement costs can vary greatly based upon the carpet and pad material chosen. A wide variety of types and quality are available - a funding allowance is factored below for financial planning purposes.

As part of an ongoing maintenance program, vacuum regularly, and professionally clean as needed. Replacement is best timed just after repainting for cost efficiency, and to maintain a quality appearance.

Useful Life:  
20 years

Remaining Life:  
2 years



Best Case: \$ 49,000

Worst Case: \$ 58,500

Cost Source: Budget Allowance

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**Comp #: 431 Tile -Maintain/Replace**

**Quantity: ~1,080 SF**

Location: The clubhouse interiors.

Funded?: Yes.

History: Assumed original to construction ~2003/4

Comments: The tile flooring and grout were observed to be generally intact and functional.

With ordinary care and maintenance, tile can last for an extended period of time. Tile may eventually need to be replaced, however, due to grouting issues or appearance considerations.

As part of ongoing maintenance, inspect periodically, replace any damaged tiles, clean, repair, and seal grout using general operating funds.

The Ceramic Tile Institute of America (CTIOA) endorses the use of specific product(s) for tile and stone flooring to enhance slip resistance, particularly when wet.

Resource:

CTIOA: [www.ctioa.org](http://www.ctioa.org)

Useful Life:  
40 years

Remaining Life:  
22 years



Best Case: \$ 6,500

Worst Case: \$ 10,800

Cost Source: Budget Allowance

**Comp #: 440 Interiors - Paint**

**Quantity: ~9,100 SF**

Location: The clubhouse interior walls and ceilings.

Funded?: Yes.

History: Reported 2017

Comments: Interior paint appeared in good condition with no obvious fading or damage observed throughout the clubhouse.

Regular cycles of professional painting are recommended to maintain a pleasant appearance, and are best timed prior to any flooring replacement.

Keep touch-up paint on site for in between cycle paint projects.

Useful Life:  
10 years

Remaining Life:  
3 years



Best Case: \$ 27,300

Worst Case: \$ 36,400

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 443 Interior Doors - Replace**

**Quantity: Wood/Glass doors**

Location: The clubhouse interiors.

Funded?: No. Large-scale repairs or replacements are not predictable.

History: None known.

Comments: No widespread damage or wear of the interior clubhouse doors were observed during our limited visual review.

With ordinary care, and adequate maintenance, there is no predictable expectation to replace these on a cyclical basis. If the need to repair or replace doors in large-scale becomes known, funding can be added to future reserve studies.

As routine maintenance, inspect periodically, and repair or replace as needed using general maintenance funds. Clean and paint with other interior building surfaces.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 445 Interior Lights - Replace**

**Quantity: Chandeliers/Fixtures/etc.**

Location: Wall and ceiling mounted within the clubhouse.

Funded?: No. Costs are best handled with operating funds.

History: None known.

Comments: The interior lights were an assortment of ambient lights, exit lights, and emergency lighting, and generally appear to be functional.

With ordinary care and maintenance, there is no predictable expectation to replace all fixtures simultaneously. If the community desires or requires an upgrade, reserves funds can be included within a future reserve study.

As routine maintenance, inspect, and repair/change bulbs as needed. Evaluate the community's needs each year, and replace individual fixtures as needed using operating funds.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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**Comp #: 450 Furniture & Décor-Replace**

**Quantity: Furniture, art, etc.**

Location: The clubhouse interiors.

Funded?: Yes.

History: None known.

Comments: Fabric/leather couches appeared in good to fair condition with no significant wear or fading observed. The wooden stained tables, chairs, and cabinets in the great room did not reflect any significant wear to sealant or scratches of the surface.

Prudent financial planning suggests setting aside funds for periodic large-scale refurbishing to maintain consistent aesthetics and marketability. The costs can vary greatly depending upon the scope of work. Adjust the costs below when a better estimate of replacements becomes known.

As routine maintenance, inspect regularly, and clean/repair promptly utilizing operating funds.

Useful Life:  
30 years

Remaining Life:  
9 years



Best Case: \$ 20,000

Worst Case: \$ 40,000

Cost Source: Budget Allowance

**Comp #: 455 Bathrooms - Refurbish**

**Quantity: (2) bathrooms**

Location: The clubhouse.

Funded?: Yes.

History: Assumed original to construction ~2003/4

Comments: The restrooms are assumed to be functional with no reported issues or repairs. Stalls, lockers, and tiles appeared to be dated with no significant wear.

Clean and maintain as needed to extend the useful life. Simple, durable materials typically have an extended useful life, however, many communities choose to refurbish restrooms periodically for aesthetic updating and/or function. Doing so may include lockers/stalls (reface or replace), sinks, counter tops, lighting, ventilation, etc.

Useful Life:  
30 years

Remaining Life:  
9 years



Best Case: \$ 15,000

Worst Case: \$ 25,000

Cost Source: Budget Allowance

**Comp #: 470 Kitchen - Refurbish**

**Quantity: Appliances, cabinets, etc**

Location: Off of the Great Room and kitchenette

Funded?: Yes.

History: Assumed original to construction ~2003/4

Comments: Appliances at both the kitchen and office kitchenette appeared to be in functional condition with no reported replacements in recent history. The cabinets were a light wood which was sealed with no significant scratched or obvious disrepair noted.

Clean and maintain, as needed, to extend the useful life. Simple, durable materials typically have an extended useful life, however, many communities choose to refurbish the kitchen periodically for aesthetic purposes and/or function. Doing so may include the cabinets (reface or replace), sinks, counter tops, lighting, ventilation, etc.

Useful Life:  
30 years

Remaining Life:  
9 years



Best Case: \$ 10,000

Worst Case: \$ 20,000

Cost Source: Budget Allowance

**Comp #: 471 TV-Repair/Replace**

**Quantity: (1) pieces**

Location: The clubhouse kitchen.

Funded?: No. Cost projected to be too small for reserve funding

History: None known.

Comments: Fitness room television was observed to be in operational condition. Costs projected too small for reserve funding, replace as needed out of operating budget.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 750 Office Furniture - Maintain/Replace**

**Quantity: Various pieces**

Location: The office.

Funded?: Yes.

History: None known.

Comments: Office equipment appeared to be in fair condition with no obvious damage or deterioration noted.

Prudent financial planning suggests setting aside funds for periodic large-scale refurbishing to maintain consistent aesthetics and marketability. The costs can vary greatly depending upon scope of work. Adjust the costs below when a better estimate of replacements becomes known.

As routine maintenance, inspect regularly, and clean/repair promptly utilizing operating funds.

Useful Life:  
10 years

Remaining Life:  
2 years



Best Case: \$ 2,000

Worst Case: \$ 4,000

Cost Source: Budget Allowance

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**Comp #: 751 Office Equipment - Repair/Replace**

**Quantity: PC, deskjet, etc.**

Location: The office

Funded?: Yes.

History: None known.

Comments: The office equipment is assumed to function properly, commercial copier funded for separately in component #753. No problems were reported at the time of our site visit.

Although it is difficult to predict the timing, cost, and scope of future replacement, we suggest a general funding allowance for periodic upgrades and significant repair/replacements. Cost and timing can vary greatly depending on the choices made.

Expect some local repair/replacement utilizing operating funds in between overhaul cycles. The costs can vary greatly due to the number and quality of the equipment.

Another option is to set up a lease arrangement with a vendor. Typically, the lease covers hardware, maintenance, and operation costs for a given time period (usually 10 years). At the end of the lease, there may be an option of purchasing the existing system for a nominal fee, or installing new hardware with either another lease option or outright purchase.

Useful Life:  
5 years

Remaining Life:  
2 years



Best Case: \$ 2,000

Worst Case: \$ 3,000

Cost Source: Budget Allowance

**Comp #: 752 Folding Tables/Chairs - Replace**

**Quantity: ~ (8) Tables ~ (52) Chairs**

Location: Office/Storage

Funded?: Yes.

History: No major projects known

Comments: No problems, damage, or major replacement reported of upholstered chairs. Life extended as chairs/tables see limited use.

Plan for cyclical replacement as shown for cost efficiency/consistent quality/appearance.

Useful Life:  
25 years

Remaining Life:  
6 years



Best Case: \$ 1,800

Worst Case: \$ 2,200

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 753 Printer/Scanner - Replace**

**Quantity: (1) Sharp AR-M277**

Location: Office Closet behind reception

Funded?: Yes.

History: No major projects known

Comments: Added in funding for commercial copier as association contact reported that they owned outright. The copier was reported to be in functional condition with no major issues or recent repairs reported.

Service as needed out of the operating budget and plan on replacement roughly at the timing below.

Useful Life:  
10 years

Remaining Life:  
2 years



Best Case: \$ 3,500

Worst Case: \$ 6,000

Cost Source: Budget Allowance

## Systems & Evaluations

**Comp #: 480 Furnace - Repair/Replace**

**Quantity: Lennox  
CBX40UHV/Venmar HE**

Location: The clubhouse.

Funded?: Yes.

History: Manufacture date 2015

Comments: Air handler and exchanger were reported to be in functional condition with no recent issues or repairs reported.

We have factored replacement below at the typical service life expectancy per the American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE) standards. With proactive service and maintenance, the useful life can often be extended. Have a service vendor evaluate the unit(s) periodically and adjust the useful life/remaining useful life as indicated within reserve study updates. Treat routine maintenance and local repair/replacement needs below the association's reserves funding threshold (~1% of annual operating expenses, not including reserves) as a general operating and maintenance expense. If larger repair needs emerge (e.g. compressor, coil), funding can also be factored in reserves to extend the total life.

Air conditioning manufacturers are required to cease all production utilizing R22 refrigerant (AC Freon) by Jan 1, 2020 in favor of more environmentally friendly products (currently R410A). There are currently no reported service restrictions by the EPA for existing R22 units. New equipment utilizing R410A is readily available. When replacement of your system is necessary, a changeover to R410A may necessitate replacement of the refrigerant lines as they use different lubricants for the compressors (costs of refrigerant lines is not included in our allowances below - discuss this and other potential costs with your service vendor). Evaluate all options for annualized costs and environmental impact as well as comfort.

Resources:

American Society of Heating, Refrigerating and Air-Conditioning Engineers: <https://www.ashrae.org/http://home.howstuffworks.com/ac2.htm>

Useful Life:  
15 years

Remaining Life:  
6 years



Best Case: \$ 5,400

Worst Case: \$ 7,400

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 485 Water Heaters - Replace**

**Quantity: ~(3) 50-gal AO Smith**

Location: The clubhouse utility closet.

Funded?: Yes.

History: Assumed 2015.

Comments: The EES 52 917 electric water heaters are manufactured by AO Smith. No problems were reported at the time of our visit.

Plan to replace the water heater at the approximate time shown below. Due to the many variables that affect the useful life, we have used a relatively conservative projection.

Regular maintenance should include annual flushing and changing the sacrificial anode rod every few years. All water heater tanks fail. Failure is typically a leak in the tank's metal wall caused by corrosion, and results in an unchecked constant flow of water onto the floor until the leak is observed, and the water valve is shut off. If not observed quickly, this can allow a significant amount of water to damage the building/finishes adjacent to and beneath the water heater tank.

Almost all water tanks should be replaced preemptively. Determining when they will fail is not an exact science, and it is best to err on the side of caution. Adjust the useful life based on specific knowledge of your situation. Extending the useful life increases the risk of a flood event. Most locations require a permit when replacing your water heater. Contact the local building department to see if a permit is required at your location.

There are many ways to limit the water damage of a failed water tank. One option includes installing a pan underneath the water heater tank. The pan must have a drain line attached, which is sloped downhill from the pan to the exterior of the building. Water alarms are also available. The least expensive water alarm (similar to a smoke detector) operates on a 9-volt battery, and is placed on the floor next to the water heater tank. When water comes in contact, the alarm sounds. If someone hears it, and knows what to do, they can limit the damage. There are also more expensive options, such as alarms that will shut off the water supply. Ask your plumbing vendor for a list of options.

At the time of replacement, consider installing a tankless (or on-demand) heater since it is projected to have a lower life cycle cost. Tankless heaters typically use less energy and have a longer life, since their life is not limited by a leak in a corroded tank. Tankless heaters do cost more to buy and install, but the higher cost will be offset by their longer life and reduced energy use. The most common limitation which prevents installing a tankless heater is that they require more power (electric amperage). Check to see if you have enough electrical amps before replacing your water heater.

Some utility companies offer rebates or other programs to assist with hot water heater replacement if doing so will conserve energy. We recommend that you check with your local utility provider prior to replacement to confirm whether such a program exists for your association. When considering new equipment which is covered by a rebate, we recommend the association perform an annualized cost analysis by comparing the upfront installation cost, total useful life of the product, and annual energy savings when making a decision.

Resource:

<https://www.lowes.com/n/how-to/water-heater-maintenance>

Useful Life:  
15 years

Remaining Life:  
6 years



Best Case: \$ 2,400

Worst Case: \$ 3,400

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 610 Well Casings - Replace**

**Quantity: ~ (2) Well Casings**

Location:

Funded?: No.

History: Assumed drilled 2003

Comments: Two well caps were observed on the West and East sides of the property. The association reports that these wells are used for irrigation and stormwater overflow with no plan on replacing in the future. No funding included in this study.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 901 Plumbing - Repair/Replace**

**Quantity: Supply & drain lines**

Location: Throughout the community.

Funded?: No. Large-scale repairs or replacements are not predictable prior to a systems evaluation.

History: None known.

Comments: Plumbing systems are generally considered life limited by the engineering community. The costs for systems replacement can vary widely depending upon the specifications, site conditions, unit repairs after install, hazardous material handling, etc. No major issues or repairs reported.

See the previous component for a recommended plumbing evaluation. Until a qualified engineering firm has performed an evaluation of your plumbing systems, and provided specific recommendations, there is no predictable basis for system replacement reserves funding at this time.

Manufacturing defects become apparent from time to time, and certain site conditions (e.g. galvanic corrosion, dissimilar metals in contact with piping, chemical reactions, etc.) can contribute to premature deterioration of the plumbing systems.

Treat minor repairs as an ongoing maintenance expense.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:



**Comp #: 916 AC Units - Repair/Replace**

**Quantity: (2) Lennox XP25 4 Ton**

Location: North side of the building

Funded?: Yes.

History: Manufactured date 2015

Comments: Lennox air conditioning units appeared to be in pair/operating condition with no obvious signs of disrepair observed or issues reported.

We have factored replacement below at the typical service life expectancy per the American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE) standards. With proactive service and maintenance, the useful life can often be extended. Have service vendors evaluate the unit(s) periodically and adjust the useful life/remaining useful life as indicated within reserve study updates. Treat routine maintenance and local repair/replacement needs below the association's reserves funding threshold (~1% of annual operating expenses, not including reserves) as a general operating and maintenance expense. If larger repair needs emerge (e.g. compressor, coil), funding can also be factored in reserves to extend the total life.

Air conditioning manufacturers are required to cease all production utilizing R22 refrigerant (AC Freon) by Jan 1, 2020 in favor of more environmentally friendly products (currently R410A). There are currently no reported service restrictions by the EPA for existing R22 units. New equipment utilizing R410A is readily available. When replacement of your system is necessary, a changeover to R410A may necessitate replacement of the refrigerant lines as they use different lubricants for the compressors (costs of refrigerant lines is not included in our allowances below - discuss this and other potential costs with your service vendor). Evaluate all options for annualized costs and environmental impact as well as comfort.

**Resources:**

American Society of Heating, Refrigerating and Air-Conditioning Engineers: <https://www.ashrae.org/>  
<http://home.howstuffworks.com/ac2.htm>

Useful Life:  
15 years

Remaining Life:  
6 years



Best Case: \$ 24,000

Worst Case: \$ 30,000

Cost Source: Budget Allowance

**Comp #: 920 Electrical System - Maintain/Repair**

**Quantity: Main & branch systems**

Location: Throughout the community.

Funded?: No. Large-scale repairs or replacements are not predictable.

History: None known.

Comments: The majority of the electrical system is not visible for review. Analysis of the electrical system, beyond a limited visual review, is not within the scope of a reserve study. No large issues or problems/defects were reported.

We recommend periodic evaluation by engineer/master electrician to evaluate the system(s) for safety, code-compliance, maintenance, and repair and replacement needs. Any predictable expenses identified that meet the criteria for reserves funding can be included in the reserves plan. Some electrical system components are known to be life limited. Manufacturing defects become known from time to time, and certain site conditions can contribute to premature deterioration of electrical components.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 945 Surveillance System-Repair/Replace**

**Quantity: Cameras, DVR, Etc**

Location: Throughout the community.

Funded?: Yes.

History: No major projects known

Comments: The surveillance system appeared operational at time of our site visit. The association reported that the system was functional with no recent issues or repairs. Reevaluate life at time of next site inspection.

Although it is difficult to predict the timing, cost, and scope of future replacement, we suggest a general funding allowance for periodic upgrades and significant repair/replacements. Costs and timing can vary greatly depending upon the number and quality of the cameras, and other system specifications. Expect some local repair/replacement maintained with operating funds in between overhaul cycles.

Another option is to set up a lease arrangement with the vendor. Typically, the lease covers hardware, maintenance, and operation costs for a given time period (usually 10 years). At the end of the lease, there may be an option of purchasing the existing system for a nominal fee, or installing new hardware with either another lease option or outright purchase.

Useful Life:  
10 years

Remaining Life:  
2 years



Best Case: \$ 2,000

Worst Case: \$ 3,000

Cost Source: Budget Allowance

**Comp #: 990 Ancillary Evaluations**

**Quantity: Specialty evaluations**

Location: To augment reserve planning.

Funded?: No. Operating expense in the year of occurrence.

History: None known.

Comments: A reserve study is a budget model, limited to visual exterior observations and research. As there are some key details and factors of buildings and grounds hidden from view, it is prudent to conduct additional ancillary evaluations from time to time. The purpose of these evaluations is to aid planning and assess for any basis of predictable funding that may be incorporated into the reserve study. We recommend that you periodically engage specialty evaluations in the following areas/fields as applicable to your property:

- Civil Engineering review: Soils & drainage, pavement specifications, below grade waterproofing
- Arborist: Trees & landscape - plan of care and life cycle forecast
- Legal Responsibility Matrix: Governing document review for clear expense delineation between the association and unit owners
- Legal Governing Document review periodically to incorporate changes in law over time and best practices
- Investment consultant: Maximize return and cash flow management while protecting principal
- Insurance policy & coverage review: Understand what is and is not covered and by whom (association vs. owner policies)
- Masonry consultant: Assess mortar condition and waterproofing, and provide forecast and recommendations
- Energy Audit: Typically conducted by a utility company, HVAC vendor or consulting engineer to assess efficiency, and cost benefit to retrofit existing equipment. WA Clean Building Performance Standard is a new law in Washington for residential buildings 20,000 GSF and larger - see the Dept. of Commerce for more information. Rules and compliance are not yet fully formed.
- Surveillance: Have local law enforcement visit the community to assess potential risks and provide suggestions for security and safety. This is typically completed free of charge. This assessment can help guide a service vendor in the bid process.

Note: There are several other important professional evaluations to augment reserves planning that are of heightened importance such as Life-Safety and/or Building Envelope & Structural issues, and Plumbing. Those components are addressed separately within this report.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 995 Building Envelope & Structure**

**Quantity: Inspection**

Location: The exterior walls, underlying waterproofing components, and structural components.

Funded?: No. Costs are best handled with operating funds.

History: None known.

Comments: A reserve study is a budget model, limited to visual exterior observations and research. It is outside the scope of our services, and the purpose of a reserve study, to assess the adequacy of the building envelope and structural performance, as many of the key details are hidden from view. Many associations are required to have annual inspections by a qualified engineer or architect to assess the physical condition of the improvements - check your governing documents for any such requirements. Any areas of concern observable from our limited exterior observations, and cycles for repair and replacement, have been stated in the various component field notes throughout this report. We highly recommend regular professional specialty inspections by a qualified engineering, architectural, or building envelope consulting firm to evaluate the performance of the building envelope and structural components.

Many associations are required by their Declaration to have annual inspections by a qualified architect or engineer to assess the physical condition of the building envelope enclosure. The building envelope inspection typically covers at minimum the roofs, decks, siding, windows, doors, sealants/caulking, and flashings. As the building ages, and the waterproofing typically deteriorates, provide more frequent inspections.

Building envelope inspections can be either visual or intrusive. An intrusive investigation (where finished materials are removed to view and better understand the underlying systems, conditions and performance) should be of greater benefit, since a visual review provides only a limited amount of information derived from surface observations.

In addition, we recommend the association annually survey residents to inquire about conditions only visible from the unit interiors that the association may not be aware of. Survey questions may include, but are not limited to, water intrusion/organic growth (particularly at windows and doors, skylights, water heaters, plumbing fixtures, etc), cracking or any other movement of drywall or structural members, and any other general building concerns. Such surveys can be key in identifying potential concerns early, thus increasing the opportunity to conduct repairs before advanced deterioration/damage and, therefore, larger expenses occur.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 999 Reserve Study - Update**

**Quantity: Annual update**

Location: The community common and limited common elements.

Funded?: No. Costs are best handled with operating funds.

History: 2024 FULL

Comments: Reserve studies with site inspections by an independent reserve study professional are recommended every 3-5 years to assess changes in condition (i.e., physical, economic, governmental, etc), and the resulting effect on the community's long-term reserves plan. Studies should also be updated annually. Reserve Study costs are most appropriately factored within the annual operating budget, not as a reserves component.

Thank you for choosing Association Reserves!

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

