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## Update "No-Site-Visit" Reserve Study



### Meadows at Rock Creek HOA Maple Valley, WA

**Report #: 23235-4**  
**For Period Beginning: January 1, 2020**  
**Expires: December 31, 2020**

**Date Prepared: July 16, 2019**



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**Hello, and welcome to your Reserve Study!**

**T**his Report is a valuable budget planning tool, for with it you control the future of your association. It contains all the fundamental information needed to understand your current and future Reserve obligations, the most significant expenditures your association will face.

**W**ith respect to Reserves, this Report will tell you "where you are," and "where to go from here."

In this Report, you will find...

- 1) A List of What you're Reserving For**
- 2) An Evaluation of your Reserve Fund Size and Strength**
- 3) A Recommended Multi-Year Reserve Funding Plan**

**More Questions?**

Visit our website at [www.ReserveStudy.com](http://www.ReserveStudy.com) or call us at:

253-661-5437



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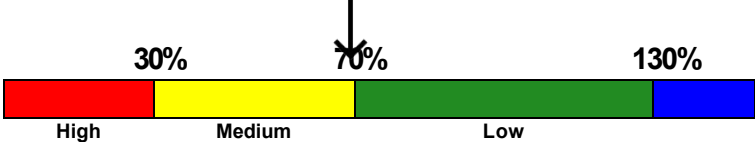
## 3- Minute Executive Summary

**Association:** Meadows at Rock Creek HOA **Assoc. #: 23235-4**  
**Location:** Maple Valley, WA **# of Units: 278**  
**Report Period:** January 1, 2020 through December 31, 2020

**Findings/Recommendations as-of: January 1, 2020**

Starting Reserve Balance . . . . .	\$116,833
Current Fully Funded Reserve Balance . . . . .	\$165,220
Percent Funded . . . . .	70.7 %
Average Reserve Deficit or (Surplus) Per Unit . . . . .	\$174
Recommended 2020 100% Monthly "Full Funding" Contributions . . . . .	\$2,807
Recommended 2020 70% Monthly "Threshold Funding" Contributions . . . . .	\$2,585
2020 "Alternate / Baseline Funding" minimum to keep Reserves above \$0 . . . . .	\$2,230
Most Recent Budgeted Contribution Rate . . . . .	\$306

**Reserves % Funded: 70.7%**



**Special Assessment Risk:**

**Economic Assumptions:**

**Net Annual "After Tax" Interest Earnings Accruing to Reserves . . . . .** 1.00 %  
**Annual Inflation Rate . . . . .** 3.00 %

- This is a Update "No-Site-Visit" Reserve Study, meeting or exceeding all requirements of the RCW. This study was prepared by, or under the supervision of a credentialed Reserve Specialist (RS™).
- Your Reserve Fund is currently 70.7 % Funded. This means the association’s special assessment & deferred maintenance risk is currently Low. 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.
- 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. "Alternate Funding" in this report is synonymous with Baseline Funding, 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 are presented as an aggregate total, assuming average percentage of ownership. The actual ownership allocation may vary - refer to your governing documents.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Inventory Appendix				
120	Asphalt Access Tracts - Resurface	25	9	\$50,500
121	Asphalt Paths/Court - Resurface	35	19	\$23,500
122	Asphalt Sports Court - Seal	5	3	\$1,250
140	Wood Fence - Replace/Repair (a)	20	15	\$24,000
140	Wood Fence - Replace/Repair (b)	20	17	\$23,500
140	Wood Fence - Replace/Repair (c)	20	18	\$15,600
141	Wood Fence - Clean/Stain	2	0	\$10,100
155	Chain Link Fence - Replace	40	36	\$6,900
160	Lamp Posts - Replace	25	9	\$11,200
170	Landscape/Trees - Refurbish	5	2	\$5,300
171	Bark - Replenish	1	0	\$7,950
175	Irrigation System - Repair/Replace	5	2	\$3,150
200	Monuments/Signs - Replace/Refurbish	25	9	\$10,750
205	Mailboxes - Replace	20	4	\$34,000
330	Basketball Equipment - Replace	30	14	\$2,650
340	Play Equipment - Replace (a)	20	19	\$31,800
340	Play Equipment - Replace (b)	20	1	\$31,800
340	Play Equipment - Replace (c)	20	16	\$21,500
342	Exercise Stations - Repair/Replace	20	19	\$10,900
346	Benches - Repair/Replace	25	9	\$11,650
<b>20 Total Funded Components</b>				

Note 1: Yellow highlighted line items are expected to require attention in this initial year, green 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 [Update No-Site-Visit Reserve Study](#), we started with a review of your prior Reserve Study, then looked into recent Reserve expenditures, evaluated how expenditures are handled (ongoing maintenance vs Reserves), and researched any well-established association

precedents. We updated and adjusted your Reserve Component List on the basis of time elapsed since the last Reserve Study and interviews with association representatives.

## *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.

## 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.

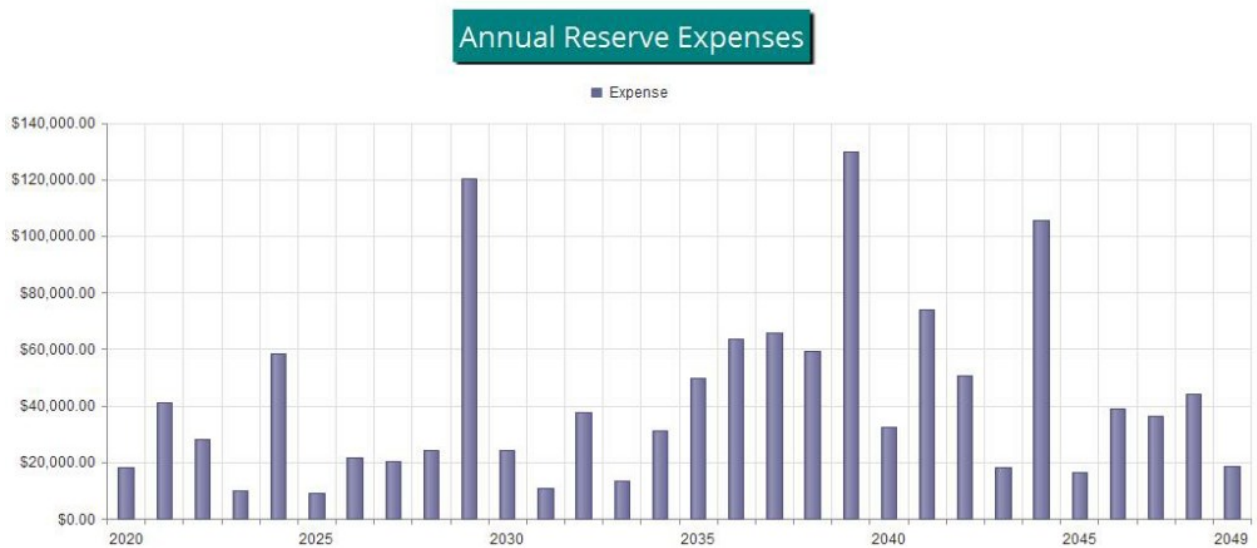


Figure 1

## Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$116,833 as-of the start of your Fiscal Year on 1/1/2020. As of that date, your Fully Funded Balance is computed to be \$165,220 (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 \$2,807 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.

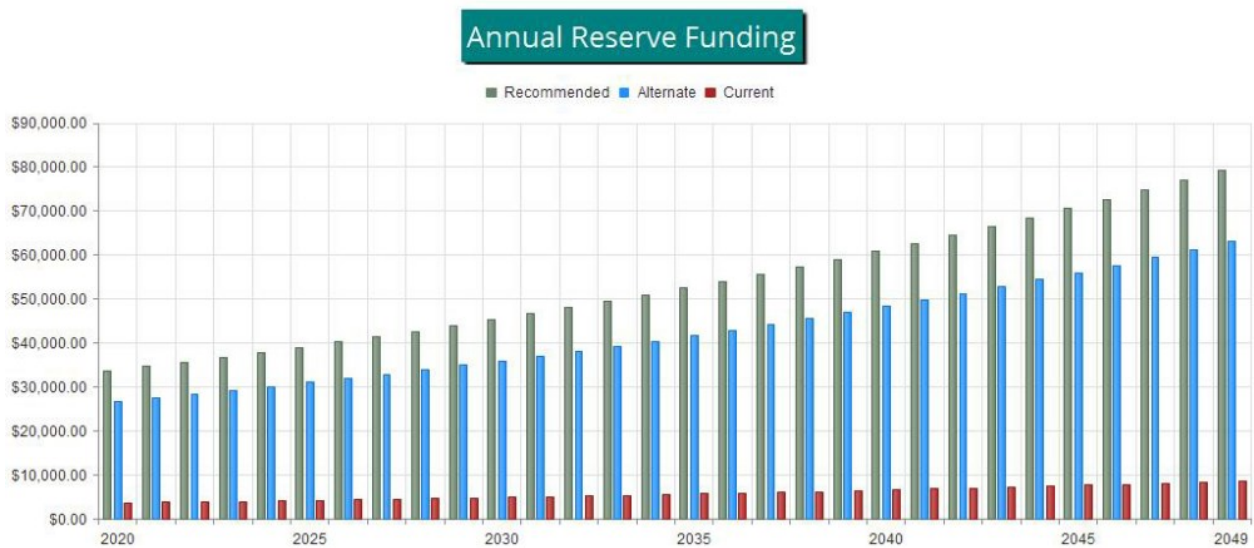


Figure 2

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.

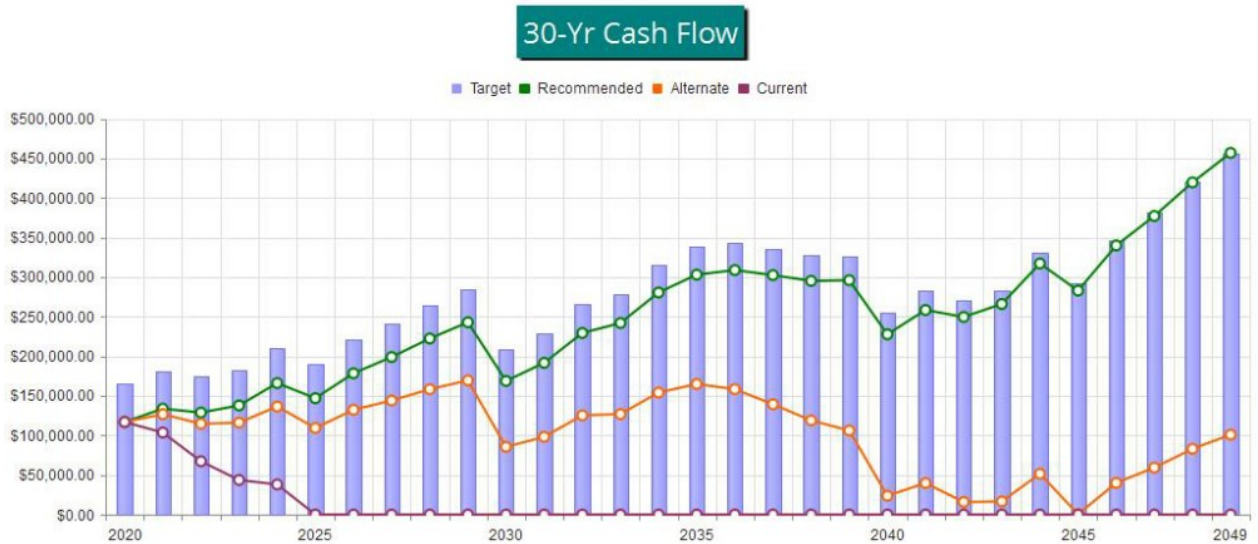


Figure 3

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

## Table Descriptions

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 association 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 association, 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.

# Reserve Component List Detail

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# Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate		
				Best Case	Worst Case	
Inventory Appendix						
120	Asphalt Access Tracts - Resurface	~ 21,300 GSF asphalt	25	9	\$45,000	\$56,000
121	Asphalt Paths/Court - Resurface	~ 6,440 GSF asphalt	35	19	\$20,000	\$27,000
122	Asphalt Sports Court - Seal	~ 930 GSF asphalt	5	3	\$1,000	\$1,500
140	Wood Fence - Replace/Repair (a)	~ 650 LF, 6' wood	20	15	\$21,000	\$27,000
140	Wood Fence - Replace/Repair (b)	~ 790 LF, 6' wood	20	17	\$22,000	\$25,000
140	Wood Fence - Replace/Repair (c)	~ 530 LF, 6' wood	20	18	\$13,600	\$17,600
141	Wood Fence - Clean/Stain	~ 16,200 GSF, one side	2	0	\$9,200	\$11,000
155	Chain Link Fence - Replace	~ 295 LF vinyl coated	40	36	\$5,600	\$8,200
160	Lamp Posts - Replace	~ (7) metal assemblies	25	9	\$7,400	\$15,000
170	Landscape/Trees - Refurbish	Shrubs, grass, trees, etc	5	2	\$4,200	\$6,400
171	Bark - Replenish	Extensive areas	1	0	\$7,400	\$8,500
175	Irrigation System - Repair/Replace	Lines, valves, etc.	5	2	\$2,100	\$4,200
200	Monuments/Signs - Replace/Refurbish	(4) stone mnmt, (2) signs	25	9	\$8,500	\$13,000
205	Mailboxes - Replace	~ (20) metal clusters	20	4	\$30,000	\$38,000
330	Basketball Equipment - Replace	~ (1) steel assembly	30	14	\$2,100	\$3,200
340	Play Equipment - Replace (a)	~ (1) metal structure	20	19	\$29,800	\$33,800
340	Play Equipment - Replace (b)	~ (1) wood structure	20	1	\$29,800	\$33,800
340	Play Equipment - Replace (c)	~ (1) wood structure	20	16	\$16,000	\$27,000
342	Exercise Stations - Repair/Replace	~ (3) wood/metal stations	20	19	\$9,900	\$11,900
346	Benches - Repair/Replace	~(11) benches, (1) picnic	25	9	\$9,300	\$14,000
20 Total Funded Components						

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Inventory Appendix								
120	Asphalt Access Tracts - Resurface	\$50,500	X	16	/	25	=	\$32,320
121	Asphalt Paths/Court - Resurface	\$23,500	X	16	/	35	=	\$10,743
122	Asphalt Sports Court - Seal	\$1,250	X	2	/	5	=	\$500
140	Wood Fence - Replace/Repair (a)	\$24,000	X	5	/	20	=	\$6,000
140	Wood Fence - Replace/Repair (b)	\$23,500	X	3	/	20	=	\$3,525
140	Wood Fence - Replace/Repair (c)	\$15,600	X	2	/	20	=	\$1,560
141	Wood Fence - Clean/Stain	\$10,100	X	2	/	2	=	\$10,100
155	Chain Link Fence - Replace	\$6,900	X	4	/	40	=	\$690
160	Lamp Posts - Replace	\$11,200	X	16	/	25	=	\$7,168
170	Landscape/Trees - Refurbish	\$5,300	X	3	/	5	=	\$3,180
171	Bark - Replenish	\$7,950	X	1	/	1	=	\$7,950
175	Irrigation System - Repair/Replace	\$3,150	X	3	/	5	=	\$1,890
200	Monuments/Signs - Replace/Refurbish	\$10,750	X	16	/	25	=	\$6,880
205	Mailboxes - Replace	\$34,000	X	16	/	20	=	\$27,200
330	Basketball Equipment - Replace	\$2,650	X	16	/	30	=	\$1,413
340	Play Equipment - Replace (a)	\$31,800	X	1	/	20	=	\$1,590
340	Play Equipment - Replace (b)	\$31,800	X	19	/	20	=	\$30,210
340	Play Equipment - Replace (c)	\$21,500	X	4	/	20	=	\$4,300
342	Exercise Stations - Repair/Replace	\$10,900	X	1	/	20	=	\$545
346	Benches - Repair/Replace	\$11,650	X	16	/	25	=	\$7,456
								\$165,220

# Component Significance

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#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
Inventory Appendix					
120	Asphalt Access Tracts - Resurface	25	\$50,500	\$2,020	6.99 %
121	Asphalt Paths/Court - Resurface	35	\$23,500	\$671	2.32 %
122	Asphalt Sports Court - Seal	5	\$1,250	\$250	0.87 %
140	Wood Fence - Replace/Repair (a)	20	\$24,000	\$1,200	4.15 %
140	Wood Fence - Replace/Repair (b)	20	\$23,500	\$1,175	4.07 %
140	Wood Fence - Replace/Repair (c)	20	\$15,600	\$780	2.70 %
141	Wood Fence - Clean/Stain	2	\$10,100	\$5,050	17.48 %
155	Chain Link Fence - Replace	40	\$6,900	\$173	0.60 %
160	Lamp Posts - Replace	25	\$11,200	\$448	1.55 %
170	Landscape/Trees - Refurbish	5	\$5,300	\$1,060	3.67 %
171	Bark - Replenish	1	\$7,950	\$7,950	27.52 %
175	Irrigation System - Repair/Replace	5	\$3,150	\$630	2.18 %
200	Monuments/Signs - Replace/Refurbish	25	\$10,750	\$430	1.49 %
205	Mailboxes - Replace	20	\$34,000	\$1,700	5.88 %
330	Basketball Equipment - Replace	30	\$2,650	\$88	0.31 %
340	Play Equipment - Replace (a)	20	\$31,800	\$1,590	5.50 %
340	Play Equipment - Replace (b)	20	\$31,800	\$1,590	5.50 %
340	Play Equipment - Replace (c)	20	\$21,500	\$1,075	3.72 %
342	Exercise Stations - Repair/Replace	20	\$10,900	\$545	1.89 %
346	Benches - Repair/Replace	25	\$11,650	\$466	1.61 %
20	Total Funded Components			\$28,891	100.00 %



# 30-Year Reserve Plan Summary

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Fiscal Year Start: 2020

Interest: 1.00 %

Inflation: 3.00 %

Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)	Projected Reserve Balance Changes
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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2020	\$116,833	\$165,220	70.7 %	Low	\$33,684	\$0	\$1,252	\$18,050
2021	\$133,719	\$181,343	73.7 %	Low	\$34,695	\$0	\$1,312	\$40,943
2022	\$128,783	\$175,264	73.5 %	Low	\$35,735	\$0	\$1,332	\$28,114
2023	\$137,736	\$183,134	75.2 %	Low	\$36,807	\$0	\$1,518	\$10,053
2024	\$166,009	\$210,791	78.8 %	Low	\$37,912	\$0	\$1,564	\$58,583
2025	\$146,902	\$190,268	77.2 %	Low	\$39,049	\$0	\$1,626	\$9,216
2026	\$178,360	\$220,981	80.7 %	Low	\$40,220	\$0	\$1,886	\$21,553
2027	\$198,913	\$240,943	82.6 %	Low	\$41,427	\$0	\$2,105	\$20,170
2028	\$222,275	\$263,995	84.2 %	Low	\$42,670	\$0	\$2,324	\$24,449
2029	\$242,821	\$284,430	85.4 %	Low	\$43,950	\$0	\$2,057	\$120,104
2030	\$168,724	\$208,082	81.1 %	Low	\$45,268	\$0	\$1,801	\$24,258
2031	\$191,535	\$229,332	83.5 %	Low	\$46,627	\$0	\$2,103	\$11,005
2032	\$229,260	\$266,069	86.2 %	Low	\$48,025	\$0	\$2,355	\$37,783
2033	\$241,857	\$277,563	87.1 %	Low	\$49,466	\$0	\$2,610	\$13,511
2034	\$280,423	\$315,674	88.8 %	Low	\$50,950	\$0	\$2,916	\$31,311
2035	\$302,978	\$337,906	89.7 %	Low	\$52,479	\$0	\$3,057	\$49,777
2036	\$308,737	\$343,135	90.0 %	Low	\$54,053	\$0	\$3,054	\$63,466
2037	\$302,378	\$335,812	90.0 %	Low	\$55,675	\$0	\$2,986	\$65,949
2038	\$295,090	\$327,144	90.2 %	Low	\$57,345	\$0	\$2,954	\$59,415
2039	\$295,974	\$326,422	90.7 %	Low	\$59,065	\$0	\$2,617	\$130,022
2040	\$227,634	\$254,473	89.5 %	Low	\$60,837	\$0	\$2,429	\$32,600
2041	\$258,299	\$282,275	91.5 %	Low	\$62,662	\$0	\$2,538	\$73,947
2042	\$249,553	\$269,937	92.4 %	Low	\$64,542	\$0	\$2,576	\$50,777
2043	\$265,894	\$282,754	94.0 %	Low	\$66,478	\$0	\$2,914	\$18,157
2044	\$317,129	\$331,265	95.7 %	Low	\$68,473	\$0	\$2,998	\$105,807
2045	\$282,793	\$292,714	96.6 %	Low	\$70,527	\$0	\$3,112	\$16,646
2046	\$339,786	\$346,657	98.0 %	Low	\$72,643	\$0	\$3,583	\$38,926
2047	\$377,085	\$381,138	98.9 %	Low	\$74,822	\$0	\$3,981	\$36,429
2048	\$419,459	\$421,151	99.6 %	Low	\$77,067	\$0	\$4,379	\$44,157
2049	\$456,748	\$456,388	100.1 %	Low	\$79,379	\$0	\$4,893	\$18,735

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

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Fiscal Year Start: 2020

Interest:

1.00 %

Inflation:

3.00 %

<b>Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)</b>	<b>Projected Reserve Balance Changes</b>
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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2020	\$116,833	\$165,220	70.7 %	Low	\$26,760	\$0	\$1,217	\$18,050
2021	\$126,760	\$181,343	69.9 %	Medium	\$27,563	\$0	\$1,206	\$40,943
2022	\$114,587	\$175,264	65.4 %	Medium	\$28,390	\$0	\$1,153	\$28,114
2023	\$116,015	\$183,134	63.3 %	Medium	\$29,241	\$0	\$1,262	\$10,053
2024	\$136,465	\$210,791	64.7 %	Medium	\$30,119	\$0	\$1,228	\$58,583
2025	\$109,229	\$190,268	57.4 %	Medium	\$31,022	\$0	\$1,207	\$9,216
2026	\$132,242	\$220,981	59.8 %	Medium	\$31,953	\$0	\$1,381	\$21,553
2027	\$144,023	\$240,943	59.8 %	Medium	\$32,911	\$0	\$1,511	\$20,170
2028	\$158,275	\$263,995	60.0 %	Medium	\$33,899	\$0	\$1,637	\$24,449
2029	\$169,363	\$284,430	59.5 %	Medium	\$34,916	\$0	\$1,274	\$120,104
2030	\$85,447	\$208,082	41.1 %	Medium	\$35,963	\$0	\$917	\$24,258
2031	\$98,070	\$229,332	42.8 %	Medium	\$37,042	\$0	\$1,116	\$11,005
2032	\$125,224	\$266,069	47.1 %	Medium	\$38,153	\$0	\$1,260	\$37,783
2033	\$126,854	\$277,563	45.7 %	Medium	\$39,298	\$0	\$1,404	\$13,511
2034	\$154,045	\$315,674	48.8 %	Medium	\$40,477	\$0	\$1,594	\$31,311
2035	\$164,805	\$337,906	48.8 %	Medium	\$41,691	\$0	\$1,615	\$49,777
2036	\$158,335	\$343,135	46.1 %	Medium	\$42,942	\$0	\$1,488	\$63,466
2037	\$139,298	\$335,812	41.5 %	Medium	\$44,230	\$0	\$1,290	\$65,949
2038	\$118,870	\$327,144	36.3 %	Medium	\$45,557	\$0	\$1,125	\$59,415
2039	\$106,136	\$326,422	32.5 %	Medium	\$46,924	\$0	\$649	\$130,022
2040	\$23,687	\$254,473	9.3 %	High	\$48,332	\$0	\$317	\$32,600
2041	\$39,735	\$282,275	14.1 %	High	\$49,781	\$0	\$278	\$73,947
2042	\$15,847	\$269,937	5.9 %	High	\$51,275	\$0	\$162	\$50,777
2043	\$16,507	\$282,754	5.8 %	High	\$52,813	\$0	\$340	\$18,157
2044	\$51,503	\$331,265	15.5 %	High	\$54,398	\$0	\$259	\$105,807
2045	\$353	\$292,714	0.1 %	High	\$56,029	\$0	\$201	\$16,646
2046	\$39,939	\$346,657	11.5 %	High	\$57,710	\$0	\$496	\$38,926
2047	\$59,218	\$381,138	15.5 %	High	\$59,442	\$0	\$710	\$36,429
2048	\$82,941	\$421,151	19.7 %	High	\$61,225	\$0	\$919	\$44,157
2049	\$100,928	\$456,388	22.1 %	High	\$63,062	\$0	\$1,237	\$18,735

# 30-Year Income/Expense Detail

23235-4  
NSV

Fiscal Year	2020	2021	2022	2023	2024
Starting Reserve Balance	\$116,833	\$133,719	\$128,783	\$137,736	\$166,009
Annual Reserve Contribution	\$33,684	\$34,695	\$35,735	\$36,807	\$37,912
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,252	\$1,312	\$1,332	\$1,518	\$1,564
<b>Total Income</b>	<b>\$151,769</b>	<b>\$169,725</b>	<b>\$165,850</b>	<b>\$176,062</b>	<b>\$205,484</b>
# Component					
<b>Inventory Appendix</b>					
120 Asphalt Access Tracts - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt Paths/Court - Resurface	\$0	\$0	\$0	\$0	\$0
122 Asphalt Sports Court - Seal	\$0	\$0	\$0	\$1,366	\$0
140 Wood Fence - Replace/Repair (a)	\$0	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (b)	\$0	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (c)	\$0	\$0	\$0	\$0	\$0
141 Wood Fence - Clean/Stain	\$10,100	\$0	\$10,715	\$0	\$11,368
155 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
160 Lamp Posts - Replace	\$0	\$0	\$0	\$0	\$0
170 Landscape/Trees - Refurbish	\$0	\$0	\$5,623	\$0	\$0
171 Bark - Replenish	\$7,950	\$8,189	\$8,434	\$8,687	\$8,948
175 Irrigation System - Repair/Replace	\$0	\$0	\$3,342	\$0	\$0
200 Monuments/Signs - Replace/Refurbish	\$0	\$0	\$0	\$0	\$0
205 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$38,267
330 Basketball Equipment - Replace	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (a)	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (b)	\$0	\$32,754	\$0	\$0	\$0
340 Play Equipment - Replace (c)	\$0	\$0	\$0	\$0	\$0
342 Exercise Stations - Repair/Replace	\$0	\$0	\$0	\$0	\$0
346 Benches - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$18,050</b>	<b>\$40,943</b>	<b>\$28,114</b>	<b>\$10,053</b>	<b>\$58,583</b>
Ending Reserve Balance	\$133,719	\$128,783	\$137,736	\$166,009	\$146,902

<b>Fiscal Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Starting Reserve Balance	\$146,902	\$178,360	\$198,913	\$222,275	\$242,821
Annual Reserve Contribution	\$39,049	\$40,220	\$41,427	\$42,670	\$43,950
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,626	\$1,886	\$2,105	\$2,324	\$2,057
<b>Total Income</b>	<b>\$187,576</b>	<b>\$220,466</b>	<b>\$242,445</b>	<b>\$267,270</b>	<b>\$288,828</b>
# Component					
<b>Inventory Appendix</b>					
120 Asphalt Access Tracts - Resurface	\$0	\$0	\$0	\$0	\$65,891
121 Asphalt Paths/Court - Resurface	\$0	\$0	\$0	\$0	\$0
122 Asphalt Sports Court - Seal	\$0	\$0	\$0	\$1,583	\$0
140 Wood Fence - Replace/Repair (a)	\$0	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (b)	\$0	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (c)	\$0	\$0	\$0	\$0	\$0
141 Wood Fence - Clean/Stain	\$0	\$12,060	\$0	\$12,794	\$0
155 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
160 Lamp Posts - Replace	\$0	\$0	\$0	\$0	\$14,613
170 Landscape/Trees - Refurbish	\$0	\$0	\$6,518	\$0	\$0
171 Bark - Replenish	\$9,216	\$9,493	\$9,777	\$10,071	\$10,373
175 Irrigation System - Repair/Replace	\$0	\$0	\$3,874	\$0	\$0
200 Monuments/Signs - Replace/Refurbish	\$0	\$0	\$0	\$0	\$14,026
205 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
330 Basketball Equipment - Replace	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (a)	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (b)	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (c)	\$0	\$0	\$0	\$0	\$0
342 Exercise Stations - Repair/Replace	\$0	\$0	\$0	\$0	\$0
346 Benches - Repair/Replace	\$0	\$0	\$0	\$0	\$15,201
<b>Total Expenses</b>	<b>\$9,216</b>	<b>\$21,553</b>	<b>\$20,170</b>	<b>\$24,449</b>	<b>\$120,104</b>
Ending Reserve Balance	\$178,360	\$198,913	\$222,275	\$242,821	\$168,724

<b>Fiscal Year</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>
Starting Reserve Balance	\$168,724	\$191,535	\$229,260	\$241,857	\$280,423
Annual Reserve Contribution	\$45,268	\$46,627	\$48,025	\$49,466	\$50,950
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,801	\$2,103	\$2,355	\$2,610	\$2,916
<b>Total Income</b>	<b>\$215,793</b>	<b>\$240,265</b>	<b>\$279,640</b>	<b>\$293,934</b>	<b>\$334,289</b>
# Component					
<b>Inventory Appendix</b>					
120 Asphalt Access Tracts - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt Paths/Court - Resurface	\$0	\$0	\$0	\$0	\$0
122 Asphalt Sports Court - Seal	\$0	\$0	\$0	\$1,836	\$0
140 Wood Fence - Replace/Repair (a)	\$0	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (b)	\$0	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (c)	\$0	\$0	\$0	\$0	\$0
141 Wood Fence - Clean/Stain	\$13,574	\$0	\$14,400	\$0	\$15,277
155 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
160 Lamp Posts - Replace	\$0	\$0	\$0	\$0	\$0
170 Landscape/Trees - Refurbish	\$0	\$0	\$7,557	\$0	\$0
171 Bark - Replenish	\$10,684	\$11,005	\$11,335	\$11,675	\$12,025
175 Irrigation System - Repair/Replace	\$0	\$0	\$4,491	\$0	\$0
200 Monuments/Signs - Replace/Refurbish	\$0	\$0	\$0	\$0	\$0
205 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
330 Basketball Equipment - Replace	\$0	\$0	\$0	\$0	\$4,008
340 Play Equipment - Replace (a)	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (b)	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (c)	\$0	\$0	\$0	\$0	\$0
342 Exercise Stations - Repair/Replace	\$0	\$0	\$0	\$0	\$0
346 Benches - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$24,258</b>	<b>\$11,005</b>	<b>\$37,783</b>	<b>\$13,511</b>	<b>\$31,311</b>
Ending Reserve Balance	\$191,535	\$229,260	\$241,857	\$280,423	\$302,978

<b>Fiscal Year</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>
Starting Reserve Balance	\$302,978	\$308,737	\$302,378	\$295,090	\$295,974
Annual Reserve Contribution	\$52,479	\$54,053	\$55,675	\$57,345	\$59,065
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,057	\$3,054	\$2,986	\$2,954	\$2,617
<b>Total Income</b>	<b>\$358,514</b>	<b>\$365,844</b>	<b>\$361,039</b>	<b>\$355,389</b>	<b>\$357,656</b>
# Component					
<b>Inventory Appendix</b>					
120 Asphalt Access Tracts - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt Paths/Court - Resurface	\$0	\$0	\$0	\$0	\$41,207
122 Asphalt Sports Court - Seal	\$0	\$0	\$0	\$2,128	\$0
140 Wood Fence - Replace/Repair (a)	\$37,391	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (b)	\$0	\$0	\$38,842	\$0	\$0
140 Wood Fence - Replace/Repair (c)	\$0	\$0	\$0	\$26,558	\$0
141 Wood Fence - Clean/Stain	\$0	\$16,208	\$0	\$17,195	\$0
155 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
160 Lamp Posts - Replace	\$0	\$0	\$0	\$0	\$0
170 Landscape/Trees - Refurbish	\$0	\$0	\$8,760	\$0	\$0
171 Bark - Replenish	\$12,386	\$12,757	\$13,140	\$13,534	\$13,940
175 Irrigation System - Repair/Replace	\$0	\$0	\$5,206	\$0	\$0
200 Monuments/Signs - Replace/Refurbish	\$0	\$0	\$0	\$0	\$0
205 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
330 Basketball Equipment - Replace	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (a)	\$0	\$0	\$0	\$0	\$55,761
340 Play Equipment - Replace (b)	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (c)	\$0	\$34,501	\$0	\$0	\$0
342 Exercise Stations - Repair/Replace	\$0	\$0	\$0	\$0	\$19,113
346 Benches - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$49,777</b>	<b>\$63,466</b>	<b>\$65,949</b>	<b>\$59,415</b>	<b>\$130,022</b>
Ending Reserve Balance	\$308,737	\$302,378	\$295,090	\$295,974	\$227,634

<b>Fiscal Year</b>	<b>2040</b>	<b>2041</b>	<b>2042</b>	<b>2043</b>	<b>2044</b>
Starting Reserve Balance	\$227,634	\$258,299	\$249,553	\$265,894	\$317,129
Annual Reserve Contribution	\$60,837	\$62,662	\$64,542	\$66,478	\$68,473
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$2,429	\$2,538	\$2,576	\$2,914	\$2,998
<b>Total Income</b>	<b>\$290,899</b>	<b>\$323,499</b>	<b>\$316,671</b>	<b>\$335,286</b>	<b>\$388,600</b>
# Component					
<b>Inventory Appendix</b>					
120 Asphalt Access Tracts - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt Paths/Court - Resurface	\$0	\$0	\$0	\$0	\$0
122 Asphalt Sports Court - Seal	\$0	\$0	\$0	\$2,467	\$0
140 Wood Fence - Replace/Repair (a)	\$0	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (b)	\$0	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (c)	\$0	\$0	\$0	\$0	\$0
141 Wood Fence - Clean/Stain	\$18,242	\$0	\$19,353	\$0	\$20,531
155 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
160 Lamp Posts - Replace	\$0	\$0	\$0	\$0	\$0
170 Landscape/Trees - Refurbish	\$0	\$0	\$10,155	\$0	\$0
171 Bark - Replenish	\$14,359	\$14,789	\$15,233	\$15,690	\$16,161
175 Irrigation System - Repair/Replace	\$0	\$0	\$6,036	\$0	\$0
200 Monuments/Signs - Replace/Refurbish	\$0	\$0	\$0	\$0	\$0
205 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$69,115
330 Basketball Equipment - Replace	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (a)	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (b)	\$0	\$59,157	\$0	\$0	\$0
340 Play Equipment - Replace (c)	\$0	\$0	\$0	\$0	\$0
342 Exercise Stations - Repair/Replace	\$0	\$0	\$0	\$0	\$0
346 Benches - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$32,600</b>	<b>\$73,947</b>	<b>\$50,777</b>	<b>\$18,157</b>	<b>\$105,807</b>
Ending Reserve Balance	\$258,299	\$249,553	\$265,894	\$317,129	\$282,793

<b>Fiscal Year</b>	<b>2045</b>	<b>2046</b>	<b>2047</b>	<b>2048</b>	<b>2049</b>
Starting Reserve Balance	\$282,793	\$339,786	\$377,085	\$419,459	\$456,748
Annual Reserve Contribution	\$70,527	\$72,643	\$74,822	\$77,067	\$79,379
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,112	\$3,583	\$3,981	\$4,379	\$4,893
<b>Total Income</b>	<b>\$356,432</b>	<b>\$416,012</b>	<b>\$455,888</b>	<b>\$500,905</b>	<b>\$541,019</b>
# Component					
<b>Inventory Appendix</b>					
120 Asphalt Access Tracts - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt Paths/Court - Resurface	\$0	\$0	\$0	\$0	\$0
122 Asphalt Sports Court - Seal	\$0	\$0	\$0	\$2,860	\$0
140 Wood Fence - Replace/Repair (a)	\$0	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (b)	\$0	\$0	\$0	\$0	\$0
140 Wood Fence - Replace/Repair (c)	\$0	\$0	\$0	\$0	\$0
141 Wood Fence - Clean/Stain	\$0	\$21,782	\$0	\$23,108	\$0
155 Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
160 Lamp Posts - Replace	\$0	\$0	\$0	\$0	\$0
170 Landscape/Trees - Refurbish	\$0	\$0	\$11,773	\$0	\$0
171 Bark - Replenish	\$16,646	\$17,145	\$17,659	\$18,189	\$18,735
175 Irrigation System - Repair/Replace	\$0	\$0	\$6,997	\$0	\$0
200 Monuments/Signs - Replace/Refurbish	\$0	\$0	\$0	\$0	\$0
205 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
330 Basketball Equipment - Replace	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (a)	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (b)	\$0	\$0	\$0	\$0	\$0
340 Play Equipment - Replace (c)	\$0	\$0	\$0	\$0	\$0
342 Exercise Stations - Repair/Replace	\$0	\$0	\$0	\$0	\$0
346 Benches - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$16,646</b>	<b>\$38,926</b>	<b>\$36,429</b>	<b>\$44,157</b>	<b>\$18,735</b>
Ending Reserve Balance	\$339,786	\$377,085	\$419,459	\$456,748	\$522,285



## 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. James Talaga, company President, is a credentialed Reserve Specialist (#066). 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.

## Inventory Appendix

**Comp #: 100 Concrete - Repair/Replace**

**Quantity: Walkways, pads, etc.**

Location: Walkways, pads, etc. at common areas  
 Funded?: No. Useful life not predictable  
 History: No prior work reported/known  
 Comments: Left unfunded.  
 Useful Life:  
 Best Case:  
 Cost Source:

Remaining Life:  
 Worst Case:

**Comp #: 120 Asphalt Access Tracts - Resurface**

**Quantity: ~ 21,300 GSF asphalt**

Location: Ingress/egress tracts throughout community  
 Funded?: Yes.  
 History: No prior work reported/known  
 Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.  
 Useful Life: 25 years  
 Best Case: \$ 45,000  
     Lower allowance  
 Cost Source: ARI Cost Database: Similar Project  
 Cost History

Remaining Life: 9 years  
 Worst Case: \$56,000  
 Higher allowance

**Comp #: 121 Asphalt Paths/Court - Resurface**

**Quantity: ~ 6,440 GSF asphalt**

Location: Paths and play court within common area parks  
 Funded?: Yes.  
 History: None known  
 Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.  
 Useful Life: 35 years  
 Best Case: \$ 20,000  
     Lower allowance  
 Cost Source: ARI Cost Database: Similar Project  
 Cost History

Remaining Life: 19 years  
 Worst Case: \$27,000  
 Higher allowance

**Comp #: 122 Asphalt Sports Court - Seal**

**Quantity: ~ 930 GSF asphalt**

Location: Sports court  
 Funded?: Yes.  
 History: Sealed 2018 \$1,243.90  
 Comments: Our source reported that sports court was seal coated in 2018 at a cost of \$1,243.90. Created separate component accordingly.  
 Useful Life: 5 years  
 Best Case: \$ 1,000  
     Lower allowance  
 Cost Source: Client Cost History

Remaining Life: 3 years  
 Worst Case: \$1,500  
 Higher allowance

**Comp #: 140 Wood Fence - Replace/Repair (a)**

**Quantity: ~ 650 LF, 6' wood**

Location: Select partial perimeter of property along SE 268th St  
 Funded?: Yes.  
 History: Replaced 2015 \$20,647.03  
 Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.  
 Useful Life: 20 years  
 Best Case: \$ 21,000  
     Lower allowance  
 Cost Source: Inflated Client Cost History

Remaining Life: 15 years  
 Worst Case: \$27,000  
 Higher allowance

**Comp #: 140 Wood Fence - Replace/Repair (b)**

**Quantity: ~ 790 LF, 6' wood**

Location: Partial perimeter along SE 272nd St east of 228th Ave SE  
 Funded?: Yes.  
 History: Replaced 2017 \$19,725 + tax  
 Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.  
 Useful Life: 20 years  
 Best Case: \$ 22,000  
     Lower allowance  
 Cost Source: Inflated Client Cost History

Remaining Life: 17 years  
 Worst Case: \$25,000  
 Higher allowance

**Comp #: 140 Wood Fence - Replace/Repair (c)****Quantity: ~ 530 LF, 6' wood**

Location: Partial perimeter along SE 272nd St west of 228th Ave SE

Funded?: Yes.

History: Replaced 2018 \$14,204 + tax

Comments: Our source reported that fencing along SE 272nd west of 228th Ave SE was replaced in 2018 at a cost of \$14,204 + tax. Fencing along association which was recently annexed in along the southeastern corner of the property was removed, with no plans to replace. Adjusted quantity based on fencing which was replaced, reset remaining useful life and adjusted cost allowances accordingly.

Useful Life: 20 years

Remaining Life: 18 years

Best Case: \$ 13,600

Worst Case: \$17,600

Lower allowance

Higher allowance

Cost Source: Client Cost History

**Comp #: 141 Wood Fence - Clean/Stain****Quantity: ~ 16,200 GSF, one side**

Location: One side of perimeter fencing

Funded?: Yes.

History: One side stained in 2013, fence along SE 272nd St east of 228th Ave/play structures/arbors stained 2017 \$8,800 + tax.

Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.

Useful Life: 2 years

Remaining Life: 0 years

Best Case: \$ 9,200

Worst Case: \$11,000

Lower allowance

Higher allowance

Cost Source: Client Cost History

**Comp #: 155 Chain Link Fence - Replace****Quantity: ~ 295 LF vinyl coated**

Location: Within new playground

Funded?: Yes.

History: None known

Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.

Useful Life: 40 years

Remaining Life: 36 years

Best Case: \$ 5,600

Worst Case: \$8,200

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 157 Rockeries - Repair/Replace****Quantity: Extensive areas**

Location: Throughout community, mostly at perimeter easement areas

Funded?: No. Useful life not predictable

History: None known

Comments: Left unfunded.

Useful Life:

Remaining Life:

Best Case:

Worst Case:

Cost Source:

**Comp #: 160 Lamp Posts - Replace****Quantity: ~ (7) metal assemblies**

Location: Along common area boulevard and park

Funded?: Yes.

History: Assumed original, so installed about 2004

Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.

Useful Life: 25 years

Remaining Life: 9 years

Best Case: \$ 7,400

Worst Case: \$15,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 170 Landscape/Trees - Refurbish****Quantity: Shrubs, grass, trees, etc**

Location: Common areas: parks, along main boulevard and Kent Kangley, etc.

Funded?: Yes.

History: Periodic larger projects in the past

Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.

Useful Life: 5 years

Remaining Life: 2 years

Best Case: \$ 4,200

Worst Case: \$6,400

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 171 Bark - Replenish****Quantity: Extensive areas**

Location: Common landscaped areas

Funded?: Yes.

History: 2018 \$12,000.30, 2019 \$10,751.40

Comments: Cost inflated 3%, left remaining useful life a zero as this is an annually occurring expense. Association records indicate that bark was replenished in 2018 at a cost of \$12,000 and in 2019 for \$10,751.

Useful Life: 1 years

Remaining Life: 0 years

Best Case: \$ 7,400

Worst Case: \$8,500

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 175 Irrigation System - Repair/Replace****Quantity: Lines, valves, etc.**

Location: Common area landscaping

Funded?: Yes.

History: Local repairs in 2013 \$3,129

Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.

Useful Life: 5 years

Remaining Life: 2 years

Best Case: \$ 2,100

Worst Case: \$4,200

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 182 Detention Pond - Maintain****Quantity: ~ (1) large pond**

Location: Within Div. 1, Tract H

Funded?: No. Reportedly municipality responsibility to maintain, repair &amp; replace

History: None known

Comments: Left unfunded.

Useful Life:

Remaining Life:

Best Case:

Worst Case:

Cost Source:

**Comp #: 184 Drainage/Stormwater Sys - Maintain****Quantity: Drains, CB's, etc.**

Location: Throughout common areas and Association maintained property

Funded?: No. Useful life not predictable

History: In 2013 French drain/drainage improvements at Phase I, Tract A

Comments: Left unfunded.

Useful Life:

Remaining Life:

Best Case:

Worst Case:

Cost Source:

**Comp #: 200 Monuments/Signs - Replace/Refurbish****Quantity: (4) stone mnmt, (2) signs**

Location: At main boulevard off Kent-Kangley and at two corners of Blvd. and 270th/269th

Funded?: Yes.

History: Installed ~ 2004, local cleaning/repairs in 2012, lettering corrected 2018 \$3,125.27

Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study. Our source reported that the lettering on the monument signs was corrected in 2018 at a cost of \$3,125.27.

Useful Life: 25 years

Remaining Life: 9 years

Best Case: \$ 8,500

Worst Case: \$13,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 205 Mailboxes - Replace****Quantity: ~ (20) metal clusters**

Location: Adjacent to roadways

Funded?: Yes.

History: Replacement of (1) in 2008 &amp; (1) in 2013, otherwise assumed majority are original, so about 2004 installed

Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.

Useful Life: 20 years

Remaining Life: 4 years

Best Case: \$ 30,000

Worst Case: \$38,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 330 Basketball Equipment - Replace****Quantity: ~ (1) steel assembly**

Location: Common area park adjacent to asphalt court (Div. II, Tract B)

Funded?: Yes.

History: None known, so assumed original to 2004

Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.

Useful Life: 30 years

Remaining Life: 14 years

Best Case: \$ 2,100

Worst Case: \$3,200

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 340 Play Equipment - Replace (a)****Quantity: ~ (1) metal structure**

Location: Community park off of 228th Ave SE

Funded?: Yes.

History: Replaced 2019 \$31,756.81

Comments: Our source reported that play equipment within park off of 228th Ave SE was replaced in 2019 at a cost of \$31,756.81. Split play equipment into separate components accordingly.

Useful Life: 20 years

Remaining Life: 19 years

Best Case: \$ 29,800

Worst Case: \$33,800

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 340 Play Equipment - Replace (b)****Quantity: ~ (1) wood structure**

Location: Common area park off of 228th PI SE

Funded?: Yes.

History: None known

Comments: Our source reported plans to replace this equipment within 1-2 years following the recent replacement of the equipment at the park along 228th Ave SE. Created separate component accordingly.

Useful Life: 20 years

Remaining Life: 1 years

Best Case: \$ 29,800

Worst Case: \$33,800

Lower allowance

Higher allowance

Cost Source: Client Cost History

**Comp #: 340 Play Equipment - Replace (c)****Quantity: ~ (1) wood structure**

Location: New park at homes annexed in 2016

Funded?: Yes.

History: Installed ~ 2016

Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.

Useful Life: 20 years

Remaining Life: 16 years

Best Case: \$ 16,000

Worst Case: \$27,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 342 Exercise Stations - Repair/Replace****Quantity: ~ (3) wood/metal stations**

Location: Common area along main boulevard

Funded?: Yes.

History: Replaced 2019 \$10,860

Comments: Our source reported that exercise stations were replaced in 2019 at a cost of \$10,860. Reset remaining useful life and adjusted cost allowances accordingly.

Useful Life: 20 years

Remaining Life: 19 years

Best Case: \$ 9,900

Worst Case: \$11,900

Lower allowance

Higher allowance

Cost Source: Client Cost History

**Comp #: 346 Benches - Repair/Replace****Quantity: ~(11) benches, (1) picnic**

Location: Common areas including parks, along main boulevard, etc.

Funded?: Yes.

History: Wood seats/back replaced in 2012 with poly materials, metal structures original so assumed 2004 install

Comments: Cost inflated 3% per year, reduced remaining useful life by 2 years from 2018 reserve study.

Useful Life: 25 years

Remaining Life: 9 years

Best Case: \$ 9,300

Worst Case: \$14,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project

Cost History

**Comp #: 905 Electrical - Repair/Replace**

**Quantity: Minimal systems**

Location: Entry area lighting, post lamps, etc.  
Funded?: No. Useful life not predictable  
History: None known, assumed original to 2004 construction  
Comments: Left unfunded.  
Useful Life:  
Best Case:  
Cost Source:

Remaining Life:  
Worst Case:

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

**Quantity: Annual update**

Location: Common elements of association  
Funded?: No. Annual cost; best handled as operating expense  
History: 2015 WSV, 2016 NSV, 2018 WSV, 2020 NSV  
Comments: Left unfunded.  
Useful Life:  
Best Case:  
Cost Source:

Remaining Life:  
Worst Case:

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