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“Do-It-Yourself” Reserve Study

Sunland Division 17 O.A. Sequim, WA

Report #: 19544-7
For Period Beginning: January 1, 2019
Expires: December 31, 2019

Date Prepared: July 3, 2018

Hello, and welcome to your Reserve Study!

We don't want you to be surprised. This Report is designed to help you anticipate, and prepare for, the major common area expenses your association will face. Inside you will find:

- 1) **The Reserve Component List** (the “Scope and Schedule” of your Reserve projects) – telling you what your association is Reserving for, what condition they are in now, and what they'll cost to replace.
- 2) **An Evaluation of your current Reserve Fund Size and Strength** (Percent Funded). This tells you your financial starting point, revealing your risk of deferred maintenance and special assessments.
- 3) **A Recommended Multi-Year Reserve Funding Plan**, answering the question... “What do we do now?”

More Questions?

Visit our website at www.ReserveStudy.com or call us at:

253/661-5437

Relax, it's from



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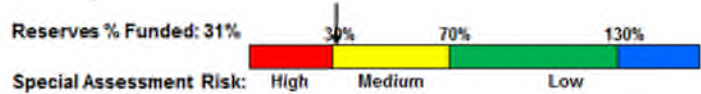
3- Minute Executive Summary

Association: Sunland Division 17 O.A. **#:** 19544-7
Location: Sequim, WA **# of Units:** 133
Report Period: January 1, 2019 through December 31, 2019

Findings/Recommendations as-of 1/1/2019:

Projected Starting Reserve Balance:	\$358,421
Current Fully Funded Reserve Balance:	\$1,164,196
Average Reserve Deficit (Surplus) Per Unit:	\$6,058
Recommended 2019 Annual "Full Funding" Contributions:	\$216,000
Alternate minimum contribs* to keep Reserves above \$0:	\$79,590
Recommended 2019 Special Assessment for Reserves:	\$0

Most Recent Budgeted Reserve Contribution Rate: \$103,600



Economic Assumptions:

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

- This Reserve Study is based on the information provided to our firm, shown in the attached appendix, without oversight or review by Association Reserves personnel. This study was prepared by, or under the supervision of a credentialed Reserve Study Specialist (RS™)
- Your Reserve Fund is currently 31% Funded. This means the association's special assessment & deferred maintenance risk is currently high/medium/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 2019 Annual Reserve Contributions of \$216,000. This 100% "Full" contribution rate is designed to achieve the funding objective *by the end of* our 30-year report scope.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Repl. Cost Estimate
1	Roof Replacement - Phase 1	50	32	\$110,000
2	Roof Replacement - Phase 2	50	33	\$192,500
3	Roof Replacement - Phase 3	50	35	\$231,500
4	Roof Replacement - Phase 4	50	37	\$447,000
5	Roof Replacement - Phase 5	50	38	\$314,000
6	Roof Replacement - Phase 6	35	26	\$184,800
7	Roof Replacement - Phase 7	35	34	\$316,800
8	Privacy Fence Replace - Phase 1	28	10	\$10,600
9	Privacy Fence Replace - Phase 2	28	11	\$19,000
10	Privacy Fence Replace - Phase 3	28	13	\$22,600
11	Privacy Fence Replace - Phase 4	28	15	\$44,200
12	Privacy Fence Replace - Phase 5	28	16	\$30,500
13	Privacy Fence Replace - Phase 6	20	11	\$14,000
14	Privacy Fence Replace - Phase 7	20	19	\$24,000
15	Siding Replacement - Phase 1	56	38	\$95,600
16	Siding Replacement - Phase 2	56	39	\$167,300
17	Siding Replacement - Phase 3	56	41	\$204,400
18	Siding Replacement - Phase 4	56	43	\$398,100
19	Siding Replacement - Phase 5	56	44	\$276,100
20	Siding Replacement - Phase 6	56	47	\$167,300
21	Siding Replacement - Phase 7	56	55	\$286,800
22	Painting - Phase 1	14	10	\$28,800
23	Painting - Phase 2	14	11	\$50,400
24	Painting - Phase 3	14	13	\$61,200
25	Painting - Phase 4	14	14	\$118,800
26	Painting - Phase 5	14	0	\$82,800
27	Painting - Phase 6	14	4	\$50,400
28	Painting - Phase 7	14	12	\$100,800
29	Windows/Slider Replace - Phase 1	35	17	\$32,000
30	Windows/Slider Replace - Phase 2	35	18	\$56,000
31	Windows/Slider Replace - Phase 3	35	20	\$64,000
32	Windows/Slider Replace - Phase 4	35	22	\$120,000
33	Windows/Slider Replace - Phase 5	35	23	\$88,000
34	Windows/Slider Replace - Phase 6	35	26	\$56,000
35	Windows/Slider Replace - Phase 7	35	34	\$96,000
36	Replace Light Poles - Phase 1	25	7	\$1,200
37	Replace Light Poles - Phase 2	25	8	\$2,100
38	Replace Light Poles - Phase 3	25	10	\$2,400
39	Replace Light Poles - Phase 4	25	12	\$4,500
40	Replace Light Poles - Phase 5	25	13	\$3,300
41	Replace Light Poles - Phase 6	25	16	\$2,100
42	Replace Light Poles - Phase 7	25	24	\$3,600
43	Concrete Repairs	1	0	\$10,000
44	Mulch Beds	3	2	\$27,000
45	Cluster Mailbox Cover	28	17	\$4,000
46	Entrance Sign	25	7	\$2,000
46	Total Funded Components			

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 [Do-It-Yourself Reserve Study Kit](#), the client has provided the Reserve Component List, Reserve Balance, and values for interest and inflation. We then calculated Reserve Fund strength (Percent Funded) and developed a Funding Plan using the cash-flow methodology, designed to Fully Fund the association’s Reserves.

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 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 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?



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 FUNDING PRINCIPLES

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. Your *first five years* of projected Reserve expenses total \$221,261. Adding the next five years, your *first ten years* of projected Reserve expenses are \$354,908. Please be aware of your near-term expenses, which are typically projected more accurately than the more distant projections.

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 Table 5, while details of the projects that make up these expenses are shown in Table 6.

Annual Reserve Expenses

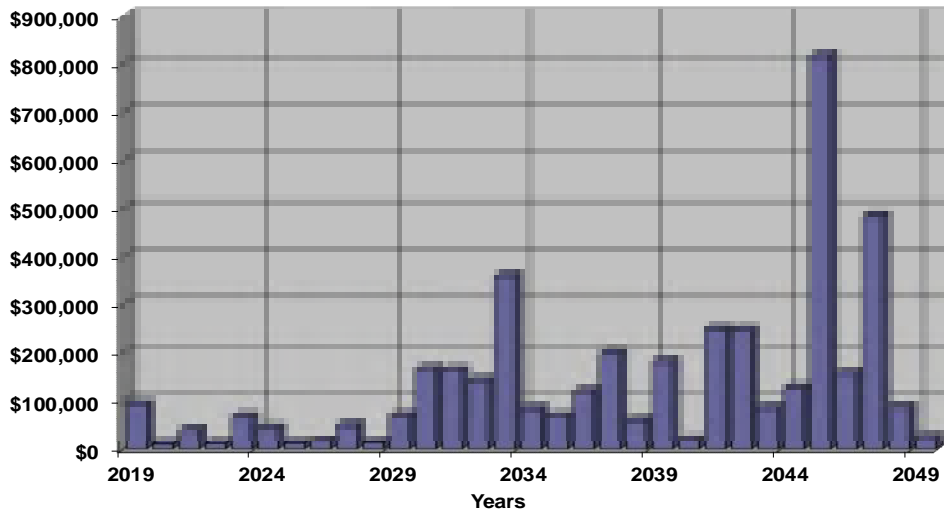


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$358,421 as-of the start of your Fiscal Year on January 1, 2019. As of January 1, 2019, your Fully Funded Balance is computed to be \$1,164,196 (see Table 3). This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 31% Funded. Across the country approx 20% of associations in this range experience special assessments or deferred maintenance.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$216,000/month this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both Table 5 and Table 6.

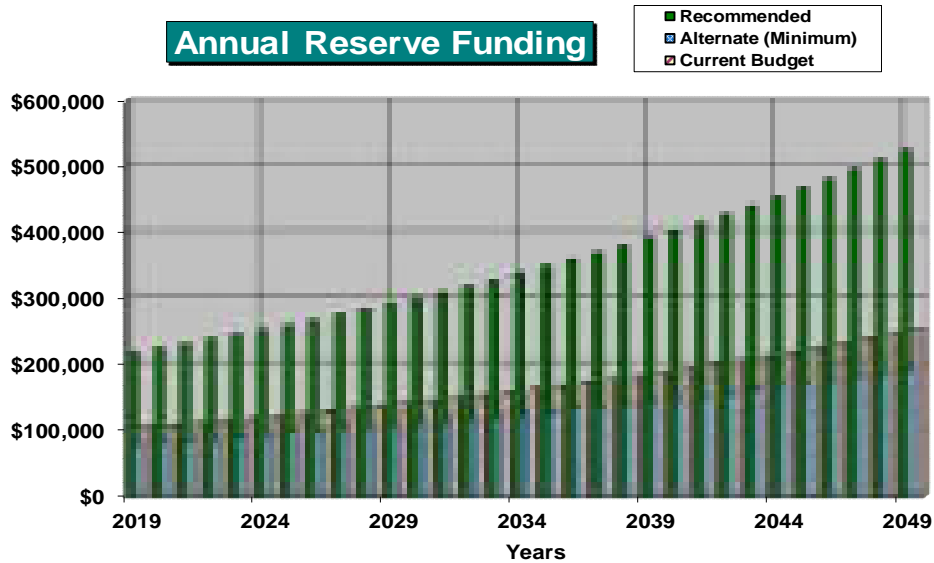


Figure 2

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, compared to your always-changing Fully Funded Balance target.

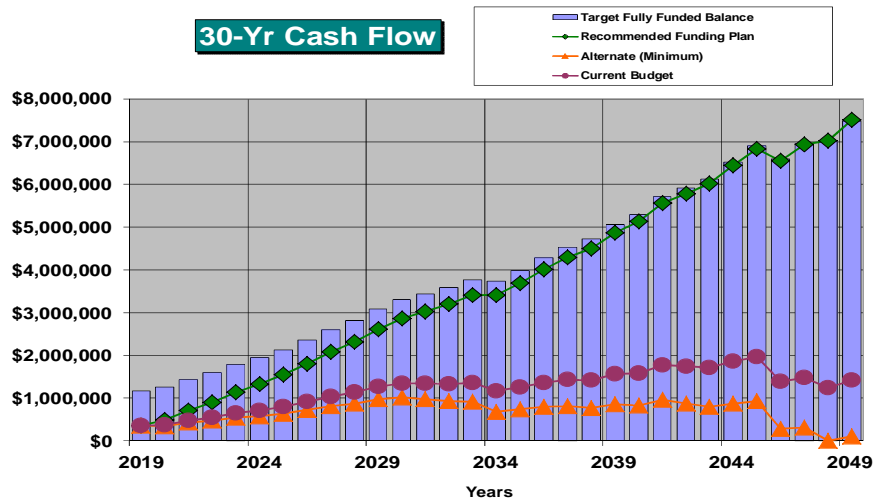


Figure 3

This figure shows this same information, plotted on a [Percent Funded](#) scale.

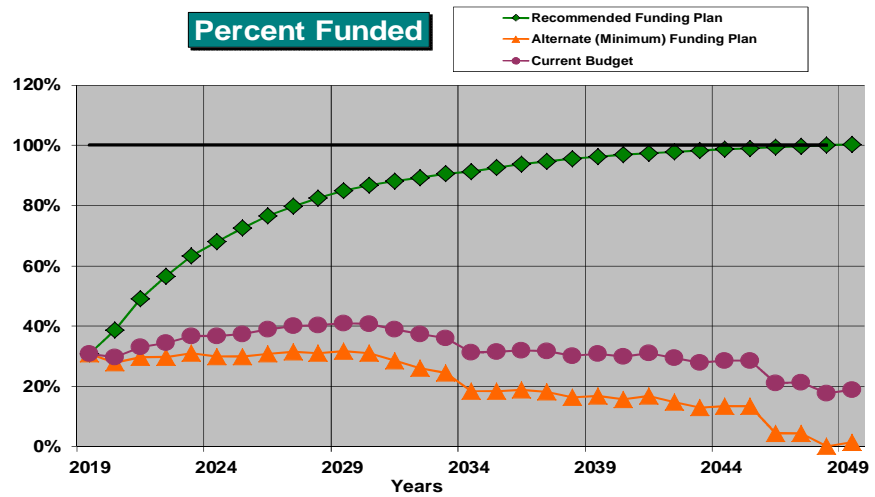


Figure 4

Table Descriptions

The tabular information in this Report is broken down into six tables.

Table 1 is a summary of your Reserve Components (your Reserve Component List), the information found in Table 2.

Table 2 is your Reserve Component List, which forms the foundation of this Reserve Study. This table represents the information from which all other tables are derived.

Table 3 shows the calculation of your Fully Funded Balance, the measure of your current Reserve component deterioration. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Table 4 shows the significance of each component to Reserve 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 Useful Life, then that component's percentage of the total is displayed.

Table 5: This table 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 for each year.

Table 6: This table shows the cash flow detail for the next 30 years. This table makes it possible to see which components are projected to require repair or replacement each year, and the size of those individual expenses.

Table 2: Reserve Component List Detail

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#	Component	Quantity	Useful Life	Rem. Useful Life	Current Repl. Cost Estimate
1	Roof Replacement - Phase 1	4 Duplexes	50	32	\$110,000
2	Roof Replacement - Phase 2	7 Duplexes	50	33	\$192,500
3	Roof Replacement - Phase 3	7 Duplexes + 1 Triplex	50	35	\$231,500
4	Roof Replacement - Phase 4	12 Duplexes + 3 Triplexes	50	37	\$447,000
5	Roof Replacement - Phase 5	10 Duplexes + 1 Triplex	50	38	\$314,000
6	Roof Replacement - Phase 6	7 Duplexes	35	26	\$184,800
7	Roof Replacement - Phase 7	12 Duplexes	35	34	\$316,800
8	Privacy Fence Replace - Phase 1	4 Duplexes	28	10	\$10,600
9	Privacy Fence Replace - Phase 2	7 Duplexes	28	11	\$19,000
10	Privacy Fence Replace - Phase 3	7 Duplexes + 1 Triplex	28	13	\$22,600
11	Privacy Fence Replace - Phase 4	12 Duplexes + 3 Triplexes	28	15	\$44,200
12	Privacy Fence Replace - Phase 5	10 Duplexes + 1 Triplex	28	16	\$30,500
13	Privacy Fence Replace - Phase 6	7 Duplexes	20	11	\$14,000
14	Privacy Fence Replace - Phase 7	12 Duplexes	20	19	\$24,000
15	Siding Replacement - Phase 1	4 Duplexes	56	38	\$95,600
16	Siding Replacement - Phase 2	7 Duplexes	56	39	\$167,300
17	Siding Replacement - Phase 3	7 Duplexes + 1 Triplex	56	41	\$204,400
18	Siding Replacement - Phase 4	12 Duplexes + 3 Triplexes	56	43	\$398,100
19	Siding Replacement - Phase 5	10 Duplexes + 1 Triplex	56	44	\$276,100
20	Siding Replacement - Phase 6	7 Duplexes	56	47	\$167,300
21	Siding Replacement - Phase 7	12 Duplexes	56	55	\$286,800
22	Painting - Phase 1	4 Duplexes	14	10	\$28,800
23	Painting - Phase 2	7 Duplexes	14	11	\$50,400
24	Painting - Phase 3	7 Duplexes + 1 Triplex	14	13	\$61,200
25	Painting - Phase 4	12 Duplexes + 3 Triplexes	14	14	\$118,800
26	Painting - Phase 5	10 Duplexes + 1 Triplex	14	0	\$82,800
27	Painting - Phase 6	7 Duplexes	14	4	\$50,400
28	Painting - Phase 7	12 Duplexes	14	12	\$100,800
29	Windows/Slider Replace - Phase 1	4 Duplexes	35	17	\$32,000
30	Windows/Slider Replace - Phase 2	7 Duplexes	35	18	\$56,000
31	Windows/Slider Replace - Phase 3	7 Duplexes + 1 Triplex	35	20	\$64,000
32	Windows/Slider Replace - Phase 4	12 Duplexes + 3 Triplexes	35	22	\$120,000
33	Windows/Slider Replace - Phase 5	10 Duplexes + 1 Triplex	35	23	\$88,000
34	Windows/Slider Replace - Phase 6	7 Duplexes	35	26	\$56,000
35	Windows/Slider Replace - Phase 7	12 Duplexes	35	34	\$96,000
36	Replace Light Poles - Phase 1	4 Poles	25	7	\$1,200
37	Replace Light Poles - Phase 2	7 Poles	25	8	\$2,100
38	Replace Light Poles - Phase 3	8 Poles	25	10	\$2,400
39	Replace Light Poles - Phase 4	15 Poles	25	12	\$4,500
40	Replace Light Poles - Phase 5	11 Poles	25	13	\$3,300
41	Replace Light Poles - Phase 6	7 Poles	25	16	\$2,100
42	Replace Light Poles - Phase 7	12 Poles	25	24	\$3,600
43	Concrete Repairs	\$10,000 / yr.	1	0	\$10,000
44	Mulch Beds	Mulch all beds every 3/yr	3	2	\$27,000
45	Cluster Mailbox Cover	Wood Cover	28	17	\$4,000
46	Entrance Sign	Wooden Entrance Sign	25	7	\$2,000
46	Total Funded Components				

Table 3: Fully Funded Balance

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#	Component	Current				Useful Life =	Fully Funded Balance
		Cost Estimate	X	Effective Age /			
1	Roof Replacement - Phase 1	\$110,000	X	18 /	50 =	\$39,600	
2	Roof Replacement - Phase 2	\$192,500	X	17 /	50 =	\$65,450	
3	Roof Replacement - Phase 3	\$231,500	X	15 /	50 =	\$69,450	
4	Roof Replacement - Phase 4	\$447,000	X	13 /	50 =	\$116,220	
5	Roof Replacement - Phase 5	\$314,000	X	12 /	50 =	\$75,360	
6	Roof Replacement - Phase 6	\$184,800	X	9 /	35 =	\$47,520	
7	Roof Replacement - Phase 7	\$316,800	X	1 /	35 =	\$9,051	
8	Privacy Fence Replace - Phase 1	\$10,600	X	18 /	28 =	\$6,814	
9	Privacy Fence Replace - Phase 2	\$19,000	X	17 /	28 =	\$11,536	
10	Privacy Fence Replace - Phase 3	\$22,600	X	15 /	28 =	\$12,107	
11	Privacy Fence Replace - Phase 4	\$44,200	X	13 /	28 =	\$20,521	
12	Privacy Fence Replace - Phase 5	\$30,500	X	12 /	28 =	\$13,071	
13	Privacy Fence Replace - Phase 6	\$14,000	X	9 /	20 =	\$6,300	
14	Privacy Fence Replace - Phase 7	\$24,000	X	1 /	20 =	\$1,200	
15	Siding Replacement - Phase 1	\$95,600	X	18 /	56 =	\$30,729	
16	Siding Replacement - Phase 2	\$167,300	X	17 /	56 =	\$50,788	
17	Siding Replacement - Phase 3	\$204,400	X	15 /	56 =	\$54,750	
18	Siding Replacement - Phase 4	\$398,100	X	13 /	56 =	\$92,416	
19	Siding Replacement - Phase 5	\$276,100	X	12 /	56 =	\$59,164	
20	Siding Replacement - Phase 6	\$167,300	X	9 /	56 =	\$26,888	
21	Siding Replacement - Phase 7	\$286,800	X	1 /	56 =	\$5,121	
22	Painting - Phase 1	\$28,800	X	4 /	14 =	\$8,229	
23	Painting - Phase 2	\$50,400	X	3 /	14 =	\$10,800	
24	Painting - Phase 3	\$61,200	X	1 /	14 =	\$4,371	
25	Painting - Phase 4	\$118,800	X	0 /	14 =	\$0	
26	Painting - Phase 5	\$82,800	X	14 /	14 =	\$82,800	
27	Painting - Phase 6	\$50,400	X	10 /	14 =	\$36,000	
28	Painting - Phase 7	\$100,800	X	2 /	14 =	\$14,400	
29	Windows/Slider Replace - Phase 1	\$32,000	X	18 /	35 =	\$16,457	
30	Windows/Slider Replace - Phase 2	\$56,000	X	17 /	35 =	\$27,200	
31	Windows/Slider Replace - Phase 3	\$64,000	X	15 /	35 =	\$27,429	
32	Windows/Slider Replace - Phase 4	\$120,000	X	13 /	35 =	\$44,571	
33	Windows/Slider Replace - Phase 5	\$88,000	X	12 /	35 =	\$30,171	
34	Windows/Slider Replace - Phase 6	\$56,000	X	9 /	35 =	\$14,400	
35	Windows/Slider Replace - Phase 7	\$96,000	X	1 /	35 =	\$2,743	
36	Replace Light Poles - Phase 1	\$1,200	X	18 /	25 =	\$864	
37	Replace Light Poles - Phase 2	\$2,100	X	17 /	25 =	\$1,428	
38	Replace Light Poles - Phase 3	\$2,400	X	15 /	25 =	\$1,440	
39	Replace Light Poles - Phase 4	\$4,500	X	13 /	25 =	\$2,340	
40	Replace Light Poles - Phase 5	\$3,300	X	12 /	25 =	\$1,584	
41	Replace Light Poles - Phase 6	\$2,100	X	9 /	25 =	\$756	
42	Replace Light Poles - Phase 7	\$3,600	X	1 /	25 =	\$144	
43	Concrete Repairs	\$10,000	X	1 /	1 =	\$10,000	
44	Mulch Beds	\$27,000	X	1 /	3 =	\$9,000	
45	Cluster Mailbox Cover	\$4,000	X	11 /	28 =	\$1,571	
46	Entrance Sign	\$2,000	X	18 /	25 =	\$1,440	
						\$1,164,196	

Table 4: Component Significance

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#	Component	Useful Life	Current		Deterioration Significance
			Repl. Cost Estimate	Deterioration Cost/yr	
1	Roof Replacement - Phase 1	50	\$110,000	\$2,200	1.5%
2	Roof Replacement - Phase 2	50	\$192,500	\$3,850	2.7%
3	Roof Replacement - Phase 3	50	\$231,500	\$4,630	3.2%
4	Roof Replacement - Phase 4	50	\$447,000	\$8,940	6.2%
5	Roof Replacement - Phase 5	50	\$314,000	\$6,280	4.3%
6	Roof Replacement - Phase 6	35	\$184,800	\$5,280	3.6%
7	Roof Replacement - Phase 7	35	\$316,800	\$9,051	6.2%
8	Privacy Fence Replace - Phase 1	28	\$10,600	\$379	0.3%
9	Privacy Fence Replace - Phase 2	28	\$19,000	\$679	0.5%
10	Privacy Fence Replace - Phase 3	28	\$22,600	\$807	0.6%
11	Privacy Fence Replace - Phase 4	28	\$44,200	\$1,579	1.1%
12	Privacy Fence Replace - Phase 5	28	\$30,500	\$1,089	0.8%
13	Privacy Fence Replace - Phase 6	20	\$14,000	\$700	0.5%
14	Privacy Fence Replace - Phase 7	20	\$24,000	\$1,200	0.8%
15	Siding Replacement - Phase 1	56	\$95,600	\$1,707	1.2%
16	Siding Replacement - Phase 2	56	\$167,300	\$2,988	2.1%
17	Siding Replacement - Phase 3	56	\$204,400	\$3,650	2.5%
18	Siding Replacement - Phase 4	56	\$398,100	\$7,109	4.9%
19	Siding Replacement - Phase 5	56	\$276,100	\$4,930	3.4%
20	Siding Replacement - Phase 6	56	\$167,300	\$2,988	2.1%
21	Siding Replacement - Phase 7	56	\$286,800	\$5,121	3.5%
22	Painting - Phase 1	14	\$28,800	\$2,057	1.4%
23	Painting - Phase 2	14	\$50,400	\$3,600	2.5%
24	Painting - Phase 3	14	\$61,200	\$4,371	3.0%
25	Painting - Phase 4	14	\$118,800	\$8,486	5.9%
26	Painting - Phase 5	14	\$82,800	\$5,914	4.1%
27	Painting - Phase 6	14	\$50,400	\$3,600	2.5%
28	Painting - Phase 7	14	\$100,800	\$7,200	5.0%
29	Windows/Slider Replace - Phase 1	35	\$32,000	\$914	0.6%
30	Windows/Slider Replace - Phase 2	35	\$56,000	\$1,600	1.1%
31	Windows/Slider Replace - Phase 3	35	\$64,000	\$1,829	1.3%
32	Windows/Slider Replace - Phase 4	35	\$120,000	\$3,429	2.4%
33	Windows/Slider Replace - Phase 5	35	\$88,000	\$2,514	1.7%
34	Windows/Slider Replace - Phase 6	35	\$56,000	\$1,600	1.1%
35	Windows/Slider Replace - Phase 7	35	\$96,000	\$2,743	1.9%
36	Replace Light Poles - Phase 1	25	\$1,200	\$48	0.0%
37	Replace Light Poles - Phase 2	25	\$2,100	\$84	0.1%
38	Replace Light Poles - Phase 3	25	\$2,400	\$96	0.1%
39	Replace Light Poles - Phase 4	25	\$4,500	\$180	0.1%
40	Replace Light Poles - Phase 5	25	\$3,300	\$132	0.1%
41	Replace Light Poles - Phase 6	25	\$2,100	\$84	0.1%
42	Replace Light Poles - Phase 7	25	\$3,600	\$144	0.1%
43	Concrete Repairs	1	\$10,000	\$10,000	6.9%
44	Mulch Beds	3	\$27,000	\$9,000	6.2%
45	Cluster Mailbox Cover	28	\$4,000	\$143	0.1%
46	Entrance Sign	25	\$2,000	\$80	0.1%
46	Total Funded Components			\$145,004	100.0%

Fiscal Year Start: 01/01/19

Interest:	1.0%	Inflation:	3.0%
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Reserve Fund Strength Calculations
(All values as of Fiscal Year Start Date)

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contrbns.	Loans or Special Assmts	Interest Income	Reserve Expenses
2019	\$358,421	\$1,164,196	30.8%	Med	\$216,000	\$0	\$4,220	\$92,800
2020	\$485,841	\$1,252,892	38.8%	Med	\$222,480	\$0	\$5,947	\$10,300
2021	\$703,967	\$1,433,705	49.1%	Med	\$229,154	\$0	\$8,026	\$39,253
2022	\$901,894	\$1,594,736	56.6%	Med	\$236,029	\$0	\$10,191	\$10,927
2023	\$1,137,187	\$1,794,526	63.4%	Med	\$243,110	\$0	\$12,304	\$67,981
2024	\$1,324,620	\$1,946,442	68.1%	Med	\$250,403	\$0	\$14,349	\$42,893
2025	\$1,546,479	\$2,133,798	72.5%	Low	\$257,915	\$0	\$16,771	\$11,941
2026	\$1,809,225	\$2,363,850	76.5%	Low	\$265,653	\$0	\$19,428	\$16,234
2027	\$2,078,072	\$2,601,732	79.9%	Low	\$273,622	\$0	\$22,002	\$49,531
2028	\$2,324,166	\$2,817,965	82.5%	Low	\$281,831	\$0	\$24,699	\$13,048
2029	\$2,617,647	\$3,083,939	84.9%	Low	\$290,286	\$0	\$27,405	\$69,615
2030	\$2,865,724	\$3,305,473	86.7%	Low	\$298,995	\$0	\$29,454	\$166,662
2031	\$3,027,510	\$3,439,718	88.0%	Low	\$307,964	\$0	\$31,135	\$164,390
2032	\$3,202,220	\$3,586,531	89.3%	Low	\$317,203	\$0	\$33,046	\$142,595
2033	\$3,409,875	\$3,766,587	90.5%	Low	\$326,719	\$0	\$34,084	\$360,904
2034	\$3,409,774	\$3,733,766	91.3%	Low	\$336,521	\$0	\$35,521	\$84,442
2035	\$3,697,374	\$3,991,493	92.6%	Low	\$346,617	\$0	\$38,541	\$68,360
2036	\$4,014,171	\$4,280,497	93.8%	Low	\$357,015	\$0	\$41,513	\$120,658
2037	\$4,292,042	\$4,531,494	94.7%	Low	\$367,726	\$0	\$43,969	\$198,163
2038	\$4,505,574	\$4,717,597	95.5%	Low	\$378,757	\$0	\$46,866	\$59,619
2039	\$4,871,577	\$5,059,612	96.3%	Low	\$390,120	\$0	\$49,983	\$182,417
2040	\$5,129,263	\$5,293,261	96.9%	Low	\$401,824	\$0	\$53,453	\$18,603
2041	\$5,565,937	\$5,710,741	97.5%	Low	\$413,878	\$0	\$56,743	\$249,093
2042	\$5,787,465	\$5,911,676	97.9%	Low	\$426,295	\$0	\$59,043	\$246,698
2043	\$6,026,104	\$6,129,691	98.3%	Low	\$439,084	\$0	\$62,311	\$86,190
2044	\$6,441,308	\$6,528,413	98.7%	Low	\$452,256	\$0	\$66,346	\$126,464
2045	\$6,833,445	\$6,906,722	98.9%	Low	\$465,824	\$0	\$66,887	\$816,485
2046	\$6,549,671	\$6,595,041	99.3%	Low	\$479,798	\$0	\$67,413	\$158,156
2047	\$6,938,727	\$6,961,751	99.7%	Low	\$494,192	\$0	\$69,757	\$484,125
2048	\$7,018,550	\$7,013,667	100.1%	Low	\$509,018	\$0	\$72,627	\$87,193

Table 6: 30-Year Income/Expense Detail (yrs 0 through 4)

19544-7

Fiscal Year	2019	2020	2021	2022	2023
Starting Reserve Balance	\$358,421	\$485,841	\$703,967	\$901,894	\$1,137,187
Annual Reserve Contribution	\$216,000	\$222,480	\$229,154	\$236,029	\$243,110
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$4,220	\$5,947	\$8,026	\$10,191	\$12,304
Total Income	\$578,641	\$714,267	\$941,147	\$1,148,114	\$1,392,601
# Component					
1 Roof Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
2 Roof Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
3 Roof Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
4 Roof Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
5 Roof Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
6 Roof Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
7 Roof Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
8 Privacy Fence Replace - Phase 1	\$0	\$0	\$0	\$0	\$0
9 Privacy Fence Replace - Phase 2	\$0	\$0	\$0	\$0	\$0
10 Privacy Fence Replace - Phase 3	\$0	\$0	\$0	\$0	\$0
11 Privacy Fence Replace - Phase 4	\$0	\$0	\$0	\$0	\$0
12 Privacy Fence Replace - Phase 5	\$0	\$0	\$0	\$0	\$0
13 Privacy Fence Replace - Phase 6	\$0	\$0	\$0	\$0	\$0
14 Privacy Fence Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
15 Siding Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
16 Siding Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
17 Siding Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
18 Siding Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
19 Siding Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
20 Siding Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
21 Siding Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
22 Painting - Phase 1	\$0	\$0	\$0	\$0	\$0
23 Painting - Phase 2	\$0	\$0	\$0	\$0	\$0
24 Painting - Phase 3	\$0	\$0	\$0	\$0	\$0
25 Painting - Phase 4	\$0	\$0	\$0	\$0	\$0
26 Painting - Phase 5	\$82,800	\$0	\$0	\$0	\$0
27 Painting - Phase 6	\$0	\$0	\$0	\$0	\$56,726
28 Painting - Phase 7	\$0	\$0	\$0	\$0	\$0
29 Windows/Slider Replace - Phase 1	\$0	\$0	\$0	\$0	\$0
30 Windows/Slider Replace - Phase 2	\$0	\$0	\$0	\$0	\$0
31 Windows/Slider Replace - Phase 3	\$0	\$0	\$0	\$0	\$0
32 Windows/Slider Replace - Phase 4	\$0	\$0	\$0	\$0	\$0
33 Windows/Slider Replace - Phase 5	\$0	\$0	\$0	\$0	\$0
34 Windows/Slider Replace - Phase 6	\$0	\$0	\$0	\$0	\$0
35 Windows/Slider Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
36 Replace Light Poles - Phase 1	\$0	\$0	\$0	\$0	\$0
37 Replace Light Poles - Phase 2	\$0	\$0	\$0	\$0	\$0
38 Replace Light Poles - Phase 3	\$0	\$0	\$0	\$0	\$0
39 Replace Light Poles - Phase 4	\$0	\$0	\$0	\$0	\$0
40 Replace Light Poles - Phase 5	\$0	\$0	\$0	\$0	\$0
41 Replace Light Poles - Phase 6	\$0	\$0	\$0	\$0	\$0
42 Replace Light Poles - Phase 7	\$0	\$0	\$0	\$0	\$0

Table 6: 30-Year Income/Expense Detail (yrs 0 through 4)**19544-7**

Fiscal Year	2019	2020	2021	2022	2023
43 Concrete Repairs	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
44 Mulch Beds	\$0	\$0	\$28,644	\$0	\$0
45 Cluster Mailbox Cover	\$0	\$0	\$0	\$0	\$0
46 Entrance Sign	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$92,800	\$10,300	\$39,253	\$10,927	\$67,981
Ending Reserve Balance:	\$485,841	\$703,967	\$901,894	\$1,137,187	\$1,324,620

Table 6: 30-Year Income/Expense Detail (yrs 5 through 9)

19544-7

Fiscal Year	2024	2025	2026	2027	2028
Starting Reserve Balance	\$1,324,620	\$1,546,479	\$1,809,225	\$2,078,072	\$2,324,166
Annual Reserve Contribution	\$250,403	\$257,915	\$265,653	\$273,622	\$281,831
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$14,349	\$16,771	\$19,428	\$22,002	\$24,699
Total Income	\$1,589,372	\$1,821,166	\$2,094,306	\$2,373,696	\$2,630,695
# Component					
1 Roof Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
2 Roof Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
3 Roof Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
4 Roof Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
5 Roof Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
6 Roof Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
7 Roof Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
8 Privacy Fence Replace - Phase 1	\$0	\$0	\$0	\$0	\$0
9 Privacy Fence Replace - Phase 2	\$0	\$0	\$0	\$0	\$0
10 Privacy Fence Replace - Phase 3	\$0	\$0	\$0	\$0	\$0
11 Privacy Fence Replace - Phase 4	\$0	\$0	\$0	\$0	\$0
12 Privacy Fence Replace - Phase 5	\$0	\$0	\$0	\$0	\$0
13 Privacy Fence Replace - Phase 6	\$0	\$0	\$0	\$0	\$0
14 Privacy Fence Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
15 Siding Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
16 Siding Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
17 Siding Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
18 Siding Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
19 Siding Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
20 Siding Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
21 Siding Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
22 Painting - Phase 1	\$0	\$0	\$0	\$0	\$0
23 Painting - Phase 2	\$0	\$0	\$0	\$0	\$0
24 Painting - Phase 3	\$0	\$0	\$0	\$0	\$0
25 Painting - Phase 4	\$0	\$0	\$0	\$0	\$0
26 Painting - Phase 5	\$0	\$0	\$0	\$0	\$0
27 Painting - Phase 6	\$0	\$0	\$0	\$0	\$0
28 Painting - Phase 7	\$0	\$0	\$0	\$0	\$0
29 Windows/Slider Replace - Phase 1	\$0	\$0	\$0	\$0	\$0
30 Windows/Slider Replace - Phase 2	\$0	\$0	\$0	\$0	\$0
31 Windows/Slider Replace - Phase 3	\$0	\$0	\$0	\$0	\$0
32 Windows/Slider Replace - Phase 4	\$0	\$0	\$0	\$0	\$0
33 Windows/Slider Replace - Phase 5	\$0	\$0	\$0	\$0	\$0
34 Windows/Slider Replace - Phase 6	\$0	\$0	\$0	\$0	\$0
35 Windows/Slider Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
36 Replace Light Poles - Phase 1	\$0	\$0	\$1,476	\$0	\$0
37 Replace Light Poles - Phase 2	\$0	\$0	\$0	\$2,660	\$0
38 Replace Light Poles - Phase 3	\$0	\$0	\$0	\$0	\$0
39 Replace Light Poles - Phase 4	\$0	\$0	\$0	\$0	\$0
40 Replace Light Poles - Phase 5	\$0	\$0	\$0	\$0	\$0
41 Replace Light Poles - Phase 6	\$0	\$0	\$0	\$0	\$0
42 Replace Light Poles - Phase 7	\$0	\$0	\$0	\$0	\$0

Table 6: 30-Year Income/Expense Detail (yrs 5 through 9)**19544-7**

Fiscal Year	2024	2025	2026	2027	2028
43 Concrete Repairs	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048
44 Mulch Beds	\$31,300	\$0	\$0	\$34,203	\$0
45 Cluster Mailbox Cover	\$0	\$0	\$0	\$0	\$0
46 Entrance Sign	\$0	\$0	\$2,460	\$0	\$0
Total Expenses	\$42,893	\$11,941	\$16,234	\$49,531	\$13,048
Ending Reserve Balance:	\$1,546,479	\$1,809,225	\$2,078,072	\$2,324,166	\$2,617,647

Table 6: 30-Year Income/Expense Detail (yrs 10 through 14)

19544-7

Fiscal Year	2029	2030	2031	2032	2033
Starting Reserve Balance	\$2,617,647	\$2,865,724	\$3,027,510	\$3,202,220	\$3,409,875
Annual Reserve Contribution	\$290,286	\$298,995	\$307,964	\$317,203	\$326,719
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$27,405	\$29,454	\$31,135	\$33,046	\$34,084
Total Income	\$2,935,339	\$3,194,172	\$3,366,610	\$3,552,469	\$3,770,678
# Component					
1 Roof Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
2 Roof Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
3 Roof Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
4 Roof Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
5 Roof Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
6 Roof Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
7 Roof Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
8 Privacy Fence Replace - Phase 1	\$14,246	\$0	\$0	\$0	\$0
9 Privacy Fence Replace - Phase 2	\$0	\$26,300	\$0	\$0	\$0
10 Privacy Fence Replace - Phase 3	\$0	\$0	\$0	\$33,189	\$0
11 Privacy Fence Replace - Phase 4	\$0	\$0	\$0	\$0	\$0
12 Privacy Fence Replace - Phase 5	\$0	\$0	\$0	\$0	\$0
13 Privacy Fence Replace - Phase 6	\$0	\$19,379	\$0	\$0	\$0
14 Privacy Fence Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
15 Siding Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
16 Siding Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
17 Siding Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
18 Siding Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
19 Siding Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
20 Siding Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
21 Siding Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
22 Painting - Phase 1	\$38,705	\$0	\$0	\$0	\$0
23 Painting - Phase 2	\$0	\$69,765	\$0	\$0	\$0
24 Painting - Phase 3	\$0	\$0	\$0	\$89,874	\$0
25 Painting - Phase 4	\$0	\$0	\$0	\$0	\$179,696
26 Painting - Phase 5	\$0	\$0	\$0	\$0	\$125,242
27 Painting - Phase 6	\$0	\$0	\$0	\$0	\$0
28 Painting - Phase 7	\$0	\$0	\$143,717	\$0	\$0
29 Windows/Slider Replace - Phase 1	\$0	\$0	\$0	\$0	\$0
30 Windows/Slider Replace - Phase 2	\$0	\$0	\$0	\$0	\$0
31 Windows/Slider Replace - Phase 3	\$0	\$0	\$0	\$0	\$0
32 Windows/Slider Replace - Phase 4	\$0	\$0	\$0	\$0	\$0
33 Windows/Slider Replace - Phase 5	\$0	\$0	\$0	\$0	\$0
34 Windows/Slider Replace - Phase 6	\$0	\$0	\$0	\$0	\$0
35 Windows/Slider Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
36 Replace Light Poles - Phase 1	\$0	\$0	\$0	\$0	\$0
37 Replace Light Poles - Phase 2	\$0	\$0	\$0	\$0	\$0
38 Replace Light Poles - Phase 3	\$3,225	\$0	\$0	\$0	\$0
39 Replace Light Poles - Phase 4	\$0	\$0	\$6,416	\$0	\$0
40 Replace Light Poles - Phase 5	\$0	\$0	\$0	\$4,846	\$0
41 Replace Light Poles - Phase 6	\$0	\$0	\$0	\$0	\$0
42 Replace Light Poles - Phase 7	\$0	\$0	\$0	\$0	\$0

Table 6: 30-Year Income/Expense Detail (yrs 10 through 14)**19544-7**

Fiscal Year	2029	2030	2031	2032	2033
43 Concrete Repairs	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126
44 Mulch Beds	\$0	\$37,374	\$0	\$0	\$40,840
45 Cluster Mailbox Cover	\$0	\$0	\$0	\$0	\$0
46 Entrance Sign	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$69,615	\$166,662	\$164,390	\$142,595	\$360,904
Ending Reserve Balance:	\$2,865,724	\$3,027,510	\$3,202,220	\$3,409,875	\$3,409,774

Table 6: 30-Year Income/Expense Detail (yrs 15 through 19)

19544-7

Fiscal Year	2034	2035	2036	2037	2038
Starting Reserve Balance	\$3,409,774	\$3,697,374	\$4,014,171	\$4,292,042	\$4,505,574
Annual Reserve Contribution	\$336,521	\$346,617	\$357,015	\$367,726	\$378,757
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$35,521	\$38,541	\$41,513	\$43,969	\$46,866
Total Income	\$3,781,816	\$4,082,532	\$4,412,700	\$4,703,737	\$4,931,197
# Component					
1 Roof Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
2 Roof Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
3 Roof Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
4 Roof Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
5 Roof Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
6 Roof Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
7 Roof Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
8 Privacy Fence Replace - Phase 1	\$0	\$0	\$0	\$0	\$0
9 Privacy Fence Replace - Phase 2	\$0	\$0	\$0	\$0	\$0
10 Privacy Fence Replace - Phase 3	\$0	\$0	\$0	\$0	\$0
11 Privacy Fence Replace - Phase 4	\$68,862	\$0	\$0	\$0	\$0
12 Privacy Fence Replace - Phase 5	\$0	\$48,944	\$0	\$0	\$0
13 Privacy Fence Replace - Phase 6	\$0	\$0	\$0	\$0	\$0
14 Privacy Fence Replace - Phase 7	\$0	\$0	\$0	\$0	\$42,084
15 Siding Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
16 Siding Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
17 Siding Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
18 Siding Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
19 Siding Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
20 Siding Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
21 Siding Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
22 Painting - Phase 1	\$0	\$0	\$0	\$0	\$0
23 Painting - Phase 2	\$0	\$0	\$0	\$0	\$0
24 Painting - Phase 3	\$0	\$0	\$0	\$0	\$0
25 Painting - Phase 4	\$0	\$0	\$0	\$0	\$0
26 Painting - Phase 5	\$0	\$0	\$0	\$0	\$0
27 Painting - Phase 6	\$0	\$0	\$0	\$85,803	\$0
28 Painting - Phase 7	\$0	\$0	\$0	\$0	\$0
29 Windows/Slider Replace - Phase 1	\$0	\$0	\$52,891	\$0	\$0
30 Windows/Slider Replace - Phase 2	\$0	\$0	\$0	\$95,336	\$0
31 Windows/Slider Replace - Phase 3	\$0	\$0	\$0	\$0	\$0
32 Windows/Slider Replace - Phase 4	\$0	\$0	\$0	\$0	\$0
33 Windows/Slider Replace - Phase 5	\$0	\$0	\$0	\$0	\$0
34 Windows/Slider Replace - Phase 6	\$0	\$0	\$0	\$0	\$0
35 Windows/Slider Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
36 Replace Light Poles - Phase 1	\$0	\$0	\$0	\$0	\$0
37 Replace Light Poles - Phase 2	\$0	\$0	\$0	\$0	\$0
38 Replace Light Poles - Phase 3	\$0	\$0	\$0	\$0	\$0
39 Replace Light Poles - Phase 4	\$0	\$0	\$0	\$0	\$0
40 Replace Light Poles - Phase 5	\$0	\$0	\$0	\$0	\$0
41 Replace Light Poles - Phase 6	\$0	\$3,370	\$0	\$0	\$0
42 Replace Light Poles - Phase 7	\$0	\$0	\$0	\$0	\$0

Table 6: 30-Year Income/Expense Detail (yrs 15 through 19)**19544-7**

Fiscal Year	2034	2035	2036	2037	2038
43 Concrete Repairs	\$15,580	\$16,047	\$16,528	\$17,024	\$17,535
44 Mulch Beds	\$0	\$0	\$44,627	\$0	\$0
45 Cluster Mailbox Cover	\$0	\$0	\$6,611	\$0	\$0
46 Entrance Sign	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$84,442	\$68,360	\$120,658	\$198,163	\$59,619
Ending Reserve Balance:	\$3,697,374	\$4,014,171	\$4,292,042	\$4,505,574	\$4,871,577

Table 6: 30-Year Income/Expense Detail (yrs 20 through 24)

19544-7

Fiscal Year	2039	2040	2041	2042	2043
Starting Reserve Balance	\$4,871,577	\$5,129,263	\$5,565,937	\$5,787,465	\$6,026,104
Annual Reserve Contribution	\$390,120	\$401,824	\$413,878	\$426,295	\$439,084
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$49,983	\$53,453	\$56,743	\$59,043	\$62,311
Total Income	\$5,311,680	\$5,584,540	\$6,036,558	\$6,272,802	\$6,527,498
# Component					
1 Roof Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
2 Roof Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
3 Roof Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
4 Roof Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
5 Roof Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
6 Roof Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
7 Roof Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
8 Privacy Fence Replace - Phase 1	\$0	\$0	\$0	\$0	\$0
9 Privacy Fence Replace - Phase 2	\$0	\$0	\$0	\$0	\$0
10 Privacy Fence Replace - Phase 3	\$0	\$0	\$0	\$0	\$0
11 Privacy Fence Replace - Phase 4	\$0	\$0	\$0	\$0	\$0
12 Privacy Fence Replace - Phase 5	\$0	\$0	\$0	\$0	\$0
13 Privacy Fence Replace - Phase 6	\$0	\$0	\$0	\$0	\$0
14 Privacy Fence Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
15 Siding Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
16 Siding Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
17 Siding Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
18 Siding Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
19 Siding Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
20 Siding Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
21 Siding Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
22 Painting - Phase 1	\$0	\$0	\$0	\$0	\$58,544
23 Painting - Phase 2	\$0	\$0	\$0	\$0	\$0
24 Painting - Phase 3	\$0	\$0	\$0	\$0	\$0
25 Painting - Phase 4	\$0	\$0	\$0	\$0	\$0
26 Painting - Phase 5	\$0	\$0	\$0	\$0	\$0
27 Painting - Phase 6	\$0	\$0	\$0	\$0	\$0
28 Painting - Phase 7	\$0	\$0	\$0	\$0	\$0
29 Windows/Slider Replace - Phase 1	\$0	\$0	\$0	\$0	\$0
30 Windows/Slider Replace - Phase 2	\$0	\$0	\$0	\$0	\$0
31 Windows/Slider Replace - Phase 3	\$115,591	\$0	\$0	\$0	\$0
32 Windows/Slider Replace - Phase 4	\$0	\$0	\$229,932	\$0	\$0
33 Windows/Slider Replace - Phase 5	\$0	\$0	\$0	\$173,676	\$0
34 Windows/Slider Replace - Phase 6	\$0	\$0	\$0	\$0	\$0
35 Windows/Slider Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
36 Replace Light Poles - Phase 1	\$0	\$0	\$0	\$0	\$0
37 Replace Light Poles - Phase 2	\$0	\$0	\$0	\$0	\$0
38 Replace Light Poles - Phase 3	\$0	\$0	\$0	\$0	\$0
39 Replace Light Poles - Phase 4	\$0	\$0	\$0	\$0	\$0
40 Replace Light Poles - Phase 5	\$0	\$0	\$0	\$0	\$0
41 Replace Light Poles - Phase 6	\$0	\$0	\$0	\$0	\$0
42 Replace Light Poles - Phase 7	\$0	\$0	\$0	\$0	\$7,318

Table 6: 30-Year Income/Expense Detail (yrs 20 through 24)**19544-7**

Fiscal Year	2039	2040	2041	2042	2043
43 Concrete Repairs	\$18,061	\$18,603	\$19,161	\$19,736	\$20,328
44 Mulch Beds	\$48,765	\$0	\$0	\$53,287	\$0
45 Cluster Mailbox Cover	\$0	\$0	\$0	\$0	\$0
46 Entrance Sign	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$182,417	\$18,603	\$249,093	\$246,698	\$86,190
Ending Reserve Balance:	\$5,129,263	\$5,565,937	\$5,787,465	\$6,026,104	\$6,441,308

Table 6: 30-Year Income/Expense Detail (yrs 25 through 29)

19544-7

Fiscal Year	2044	2045	2046	2047	2048
Starting Reserve Balance	\$6,441,308	\$6,833,445	\$6,549,671	\$6,938,727	\$7,018,550
Annual Reserve Contribution	\$452,256	\$465,824	\$479,798	\$494,192	\$509,018
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$66,346	\$66,887	\$67,413	\$69,757	\$72,627
Total Income	\$6,959,909	\$7,366,156	\$7,096,882	\$7,502,676	\$7,600,195
# Component					
1 Roof Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
2 Roof Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
3 Roof Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
4 Roof Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
5 Roof Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
6 Roof Replacement - Phase 6	\$0	\$398,538	\$0	\$0	\$0
7 Roof Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
8 Privacy Fence Replace - Phase 1	\$0	\$0	\$0	\$0	\$0
9 Privacy Fence Replace - Phase 2	\$0	\$0	\$0	\$0	\$0
10 Privacy Fence Replace - Phase 3	\$0	\$0	\$0	\$0	\$0
11 Privacy Fence Replace - Phase 4	\$0	\$0	\$0	\$0	\$0
12 Privacy Fence Replace - Phase 5	\$0	\$0	\$0	\$0	\$0
13 Privacy Fence Replace - Phase 6	\$0	\$0	\$0	\$0	\$0
14 Privacy Fence Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
15 Siding Replacement - Phase 1	\$0	\$0	\$0	\$0	\$0
16 Siding Replacement - Phase 2	\$0	\$0	\$0	\$0	\$0
17 Siding Replacement - Phase 3	\$0	\$0	\$0	\$0	\$0
18 Siding Replacement - Phase 4	\$0	\$0	\$0	\$0	\$0
19 Siding Replacement - Phase 5	\$0	\$0	\$0	\$0	\$0
20 Siding Replacement - Phase 6	\$0	\$0	\$0	\$0	\$0
21 Siding Replacement - Phase 7	\$0	\$0	\$0	\$0	\$0
22 Painting - Phase 1	\$0	\$0	\$0	\$0	\$0
23 Painting - Phase 2	\$105,526	\$0	\$0	\$0	\$0
24 Painting - Phase 3	\$0	\$0	\$135,943	\$0	\$0
25 Painting - Phase 4	\$0	\$0	\$0	\$271,806	\$0
26 Painting - Phase 5	\$0	\$0	\$0	\$189,440	\$0
27 Painting - Phase 6	\$0	\$0	\$0	\$0	\$0
28 Painting - Phase 7	\$0	\$217,384	\$0	\$0	\$0
29 Windows/Slider Replace - Phase 1	\$0	\$0	\$0	\$0	\$0
30 Windows/Slider Replace - Phase 2	\$0	\$0	\$0	\$0	\$0
31 Windows/Slider Replace - Phase 3	\$0	\$0	\$0	\$0	\$0
32 Windows/Slider Replace - Phase 4	\$0	\$0	\$0	\$0	\$0
33 Windows/Slider Replace - Phase 5	\$0	\$0	\$0	\$0	\$0
34 Windows/Slider Replace - Phase 6	\$0	\$120,769	\$0	\$0	\$0
35 Windows/Slider Replace - Phase 7	\$0	\$0	\$0	\$0	\$0
36 Replace Light Poles - Phase 1	\$0	\$0	\$0	\$0	\$0
37 Replace Light Poles - Phase 2	\$0	\$0	\$0	\$0	\$0
38 Replace Light Poles - Phase 3	\$0	\$0	\$0	\$0	\$0
39 Replace Light Poles - Phase 4	\$0	\$0	\$0	\$0	\$0
40 Replace Light Poles - Phase 5	\$0	\$0	\$0	\$0	\$0
41 Replace Light Poles - Phase 6	\$0	\$0	\$0	\$0	\$0
42 Replace Light Poles - Phase 7	\$0	\$0	\$0	\$0	\$0

Table 6: 30-Year Income/Expense Detail (yrs 25 through 29)**19544-7**

Fiscal Year	2044	2045	2046	2047	2048
43 Concrete Repairs	\$20,938	\$21,566	\$22,213	\$22,879	\$23,566
44 Mulch Beds	\$0	\$58,228	\$0	\$0	\$63,627
45 Cluster Mailbox Cover	\$0	\$0	\$0	\$0	\$0
46 Entrance Sign	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$126,464	\$816,485	\$158,156	\$484,125	\$87,193
Ending Reserve Balance:	\$6,833,445	\$6,549,671	\$6,938,727	\$7,018,550	\$7,513,002

Accuracy, Limitations, and Disclosures

Washington disclosure, per RCW:

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.

Because we have no control over future events, we do not expect that all the events we anticipated will occur as planned. We expect that inflationary trends will continue, and we expect Reserve funds to continue to earn interest, so we believe that reasonable estimate for these figures are much more accurate than ignoring these economic realities. We can control measurements, which we attempt to establish within 5% accuracy through a combination of on-site measurements, drawing, and satellite imagery. The starting Reserve Balance and interest rate earned on deposited Reserve funds that you provided to us were considered reliable and were not confirmed historical Reserve project reliable, and we have considered the representation made by its vendors and suppliers to also be accurate and reliable. Component Useful Life, Remaining Useful Life, and Current Cost estimates assume a stable economic environment and lack of natural disasters.

Because the physical condition of your components, the association's Reserve balance, the economic environment, and legislative environment change each year, this Reserve Study is by nature a "one-year" document. Because a long-term perspective improves the accuracy of near-term planning, this Report projects expenses for the next 30 years. It is our recommendation and that of the Financial Accounting Standards Board (FASB) that your Reserve Study be updated each year as part of the annual budget process.

Association Reserves WA, LLC and its employee have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. James D. Talaga R.S., company president, is a credentialed Reserve Specialist (#66). All work done by Association Reserves WA, LLC is performed under his Responsible Charge. There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the association's situation.

Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)

Effective Age: The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.

Fully Funded Balance (FFB): 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.

$$\text{FFB} = (\text{Current Cost} \times \text{Effective Age}) / \text{Useful Life}$$

Inflation: 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 Table 6.

Interest: 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.

Percent Funded: 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.

Remaining Useful Life (RUL): The estimated time, in years, that a common area component can be expected to continue to serve its intended function.

Useful Life (UL): The estimated time, in years, that a common area component can be expected to serve its intended function.

Do-It-Yourself Worksheets

Note: Any questions relating to the information contained in this Appendix should be directed to the contact person indicated on the following page, not Association Reserves.

Certification:

Yes - we've elected to do it ourselves! We accept full responsibility for the accuracy of the information provided below and in the Component List. We understand that DIYReserveStudy.com will not verify the accuracy of the information submitted. We also acknowledge that DIYReserveStudy.com will not be responsible for updates or revisions to the Reserve Study Report required as a result of errors, omissions, or changes in the information that we provide to you.

Your Name:

Company or Title:

Your address:

City: State: Zip:

email address:

Telephone: Date:

Part 1: Association Information *(as you would like it to appear on the report)*

Association Name: # Units:

City, ST Zipcode:

Part 2: Budget & Reserve Balance Information

FY End:
 This Report should cover the 12-month reporting period beginning:
 and ending:

(Note: this period should coincide with the Association's Fiscal Year)

Our total current budgeted assmt income is: \$ per (mo/qtr/yr)

Our total current budgeted Reserve contrib is: \$ per (mo/qtr/yr)

Our projected Reserve balance as-of the start date above will be: \$

Do interest earnings remain in the Reserve Account?

If yes, what is the net after tax annual interest rate? %

#	Component Name	Quantity/Description	UL	RUL	Current Cost
1	Roof Replacement - Phase 1	4 Duplexes	50	32	\$110,000
2	Roof Replacement - Phase 2	7 Duplexes	50	33	\$192,500
3	Roof Replacement - Phase 3	7 Duplexes + 1 Triplex	50	35	\$231,500
4	Roof Replacement - Phase 4	12 Duplexes + 3 Triplexes	50	37	\$447,000
5	Roof Replacement - Phase 5	10 Duplexes + 1 Triplex	50	38	\$314,000
6	Roof Replacement - Phase 6	7 Duplexes	35	26	\$184,800
7	Roof Replacement - Phase 7	12 Duplexes	35	34	\$316,800
8	Privacy Fence Replace - Phase 1	4 Duplexes	28	10	\$10,600
9	Privacy Fence Replace - Phase 2	7 Duplexes	28	11	\$19,000
10	Privacy Fence replace - Phase 3	7 Duplexes + 1 Triplex	28	13	\$22,600
11	Privacy Fence Replace - Phase 4	12 Duplexes + 3 Triplexes	28	15	\$44,200
12	Privacy Fence Replace - Phase 5	10 Duplexes + 1 Triplex	28	16	\$30,500
13	Privacy Fence Replace - Phase 6	7 Duplexes	20	11	\$14,000
14	Privacy Fence Replace - Phase 7	12 Duplexes	20	19	\$24,000
15	Siding Replacement - Phase 1	4 Duplexes	56	38	\$95,600
16	Siding Replacement - Phase 2	7 Duplexes	56	39	\$167,300
17	Siding Replacement - Phase 3	7 Duplexes + 1 Triplex	56	41	\$204,400
18	Siding Replacement - Phase 4	12 Duplexes + 3 Triplexes	56	43	\$398,100
19	Siding Replacement - Phase 5	10 Duplexes + 1 Triplex	56	44	\$276,100
20	Siding Replacement - Phase 6	7 Duplexes	56	47	\$167,300
21	Siding Replacement - Phase 7	12 Duplexes	56	55	\$286,800
22	Painting - Phase 1	4 Duplexes	14	10	\$28,800
23	Painting - Phase 2	7 Duplexes	14	11	\$50,400
24	Painting - Phase 3	7 Duplexes + 1 Triplex	14	13	\$61,200
25	Painting - Phase 4	12 Duplexes + 3 Triplexes	14	14	\$118,800
26	Painting - Phase 5	10 Duplexes + 1 Triplex	14	0	\$82,800
27	Painting - Phase 6	7 Duplexes	14	4	\$50,400
28	Painting - Phase 7	12 Duplexes	14	12	\$100,800
29	Windows/Slider Replace - Ph 1	4 Duplexes	35	17	\$32,000
30	Window/Slider Replace - Ph 2	7 Duplexes	35	18	\$56,000
31	Window/Slider Replace - Ph 3	7 Duplexes + 1 Triplex	35	20	\$64,000
32	Windows/ Slider Replace - Ph 4	12 Duplexes + 3 Triplexes	35	22	\$120,000
33	Window/Slider Replace - Ph 5	10 Duplexes + 1 Triplex	35	23	\$88,000
34	Window/Slider Replace - Ph 6	7 Duplexes	35	26	\$56,000
35	Window/Slider Replace - Ph 7	12 Duplexes	35	34	\$96,000
36	Replace Light Poles - Ph 1	4 Poles	25	7	\$1,200
37	Replace Light Poles - Ph 2	7 Poles	25	8	\$2,100
38	Replace Light Poles - Ph 3	8 Poles	25	10	\$2,400

#	Component Name	Quantity/Description	UL	RUL	Current Cost
39	Replace Light Poles - Ph 4	15 Poles	25	12	\$4,500
40	Replace Light Poles - Ph 5	11 Poles	25	13	\$3,300
41	Replace Light Poles - Ph 6	7 Poles	25	16	\$2,100
42	Replace Light Poles - Ph 7	12 Poles	25	24	\$3,600
43	Concrete Repairs	\$10,000/Year	1	0	\$10,000
44	Mulch Beds	Mulch all beds every three years	3	2	\$27,000
45	Cluster Mail Box Cover	Wooden Cover	28	17	\$4,000
46	Entrance Sign	Wooden Entrance Sign	25	7	\$2,000
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