

Washington Office
505 South 336th Street #620
Federal Way, WA 98003

Tel: (253) 661-5437
Fax: (253) 661-5430
www.reservestudy.com



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Update "With-Site-Visit" Reserve Study



South Bay Community Association Port Ludlow, WA

Report #: 23316-1
For Period Beginning: August 1, 2017
Expires: June 30, 2018

Date Prepared: August 2, 2017

Hello, and welcome to your Reserve Study!

This 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.

With 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 or call us at:

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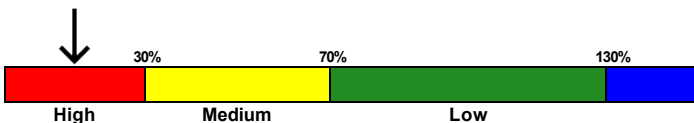
3- Minute Executive Summary

Association: South Bay Community Association **Assoc. #: 23316-1**
Location: Port Ludlow, WA **# of Units: 579**
Report Period: August 1, 2017 through June 30, 2018

Findings/Recommendations as-of: August 1, 2017

Starting Reserve Balance	\$142,716
Current Fully Funded Reserve Balance	\$955,068
Percent Funded	14.9 %
Average Reserve Deficit or (Surplus) Per Unit	\$1,403
2017 100% Monthly "Full Funding" Contributions	\$9,800
2017 70% Monthly "Threshold Funding" Contributions	\$8,680
2017 Baseline contributions to keep Reserves above \$0	\$7,969
Recommended FY 2017 and 2018 Special Assessments	\$173,700
Most Recent Budgeted Contribution Rate	\$6,716

Reserves % Funded: 14.9%



Special Assessment Risk:

Economic Assumptions:

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

• This is an "Update With-Site-Visit" Reserve Study, based on our on-site inspection on June 7, 2017 and meets or exceeds all requirements of the RCW. This study was prepared by, or under the supervision of a credentialed Reserve Specialist (RS 153).

• It is our understanding that a previously approved loan to facilitate recent FY 2016/2017 exterior repairs has a current principal balance of \$298,000 as of 8.1.2017. Going forward, servicing of that debt is entirely outside of maintenance reserves so no impact is factored within our report. Therefore, your Reserve Fund is currently 14.9 % Funded. This means the association's special assessment & deferred maintenance risk is currently High. 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, we are forced to recommend levy of Special Assessments of \$173,700 in each FY 2017/2018 and FY 2018/2019. Additionally, our recommendation is to substantially increase your Reserve contributions to within the 70% to 100% level as noted above. 100% "Full" and 70% contribution rates are designed to 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.

Executive Summary

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#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Site/Grounds				
120	Asphalt - Resurface	35	7	\$151,000
121	Asphalt - Seal/Repair	5	2	\$25,000
252	Storage Building Roof - Replace	25	2	\$3,700
270	Pole Lights - Replace	40	12	\$33,000
Recreation				
402	Pool - Resurface	10	6	\$24,000
403	Spa - Resurface	5	1	\$4,000
404	Pool/Spa Tile/Coping - Replace	20	6	\$16,000
410	Pool/Spa Filters - Replace	20	12	\$3,700
411	Pool/Spa Heat Pumps - Replace	15	10	\$20,000
412	Spa Auxiliary Heater - Replace	5	0	\$3,000
413	Pool Auxiliary Heater - Replace	5	3	\$3,000
414	Pool/Spa Pump Controls - Replace	10	5	\$4,200
420	Pool Furniture - Replace	10	2	\$3,000
430	Patio Furniture - Replace	10	4	\$14,000
440	Exercise Equipment-Partial Replace	5	1	\$12,500
450	Tennis Courts - Repair/Top Coat	8	4	\$24,000
460	Gazebo Structure - Partial Replace	10	5	\$4,000
462	Gazebo Roof - Replace	25	19	\$3,000
Building Exterior				
504	Bay Club Metal Roof - Replace	40	12	\$350,000
505	Bay Club Roof - One-time Repair	0	0	\$13,200
506	Bay Club Roof - Seal	5	0	\$5,300
508	Bay Club Roof - Clean	2	1	\$8,000
510	Bay Club Gutters/Downspouts-Replace	30	29	\$9,500
515	Skylights - Replace	40	12	\$18,000
540	Exterior Surfaces-Clean/Seal/Paint	10	9	\$48,000
542	Exterior Siding - Repair/Replace	40	39	\$225,000
544	Windows/SGD's - Replace	40	39	\$175,000
Building Interior				
600	Carpet/Vinyl - Replace	12	1	\$60,000
602	Tile Floor - Replace	36	1	\$24,500
604	Wood Floor - Replace	36	13	\$51,000
606	Wood Floor - Refinish	12	1	\$15,300
610	Interior Surfaces - Paint/Refinish	12	1	\$45,600
614	Interior Lights - Replace	24	13	\$60,000
618	Common Areas - Partial Refurbish	6	1	\$30,000
620	Bathrooms/Locker Rooms - Refurbish	36	1	\$45,000
630	Kitchen - Refurbish	25	8	\$20,000
632	Dishwasher - Replace	20	0	\$3,500
633	Gas Oven/Vent - Replace	15	0	\$5,000
634	Ice Machine - Replace	15	3	\$3,500
635	Cooking/Holding Oven - Replace	20	11	\$6,000
636	Commercial Refrigerator - Replace	10	8	\$5,000
637	Electric Double Oven - Replace	15	13	\$4,000

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Systems/Equipment				
816	Fire Alarm Panel - Replace	20	15	\$3,500
818	ADA Door Operators - Replace	15	8	\$6,500
832	Water Heaters, Commercial - Replace	15	12	\$16,000
838	Heat Pump, Pool Room - Add/Replace	20	0	\$21,000
840	Duct Furnaces - Replace	20	1	\$90,000
850	Alarm/Surveillance System - Replace	10	2	\$10,000
852	Telephone System - Replace	8	4	\$3,500
854	Office Equipment - Partial Replace	5	4	\$10,000

50 Total Funded Components

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 With-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 performed an on-site inspection to evaluate your common areas, updating and adjusting your Reserve Component List as appropriate.

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



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

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

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

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

How much Reserves are enough?

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

Adequacy is measured in a two-step process:

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



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

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

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

How much should we contribute?



RESERVE FUNDING PRINCIPLES

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

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

What is our Recommended Funding Goal?

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



FUNDING OBJECTIVES

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

Site Inspection Notes

Our site inspection was conducted to update information that appeared in our prior reserve study, an WSV report prepared for the association's 2014/2015 fiscal year. The component inventory was analyzed for completeness and accuracy. All components were re-inspected and checked for appropriateness for reserve funding using the standard four-part test.

During our site visit on June 6, 2017, we noted current condition, materials, apparent levels of care and maintenance as well as exposure to weather elements.

During our site inspection and subsequent research we were informed which components were being handled from the operational maintenance budget, not reserves.

The reader is directed to the attached and detailed Photographic Inventory Appendix (Photo Pages) to gain a comprehensive understanding of the basis of our recommendations for this year's report.

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.

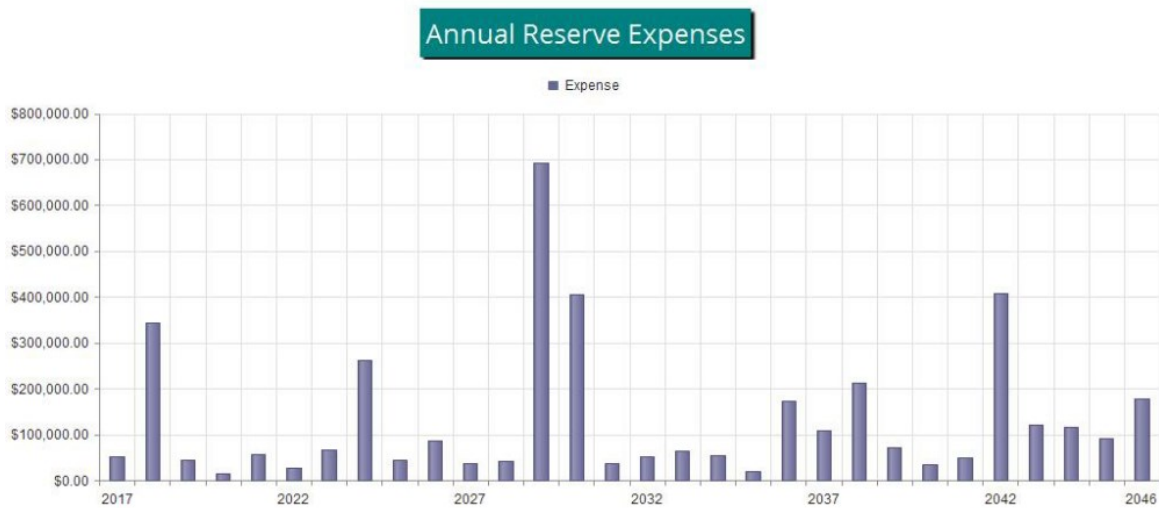


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$142,716 as-of the start of your Report Period on 8/1/2017. As of that date, your Fully Funded Balance is computed to be \$955,068 (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 \$9,800 per month this Fiscal Year plus Special Assessment of \$173,700. 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.

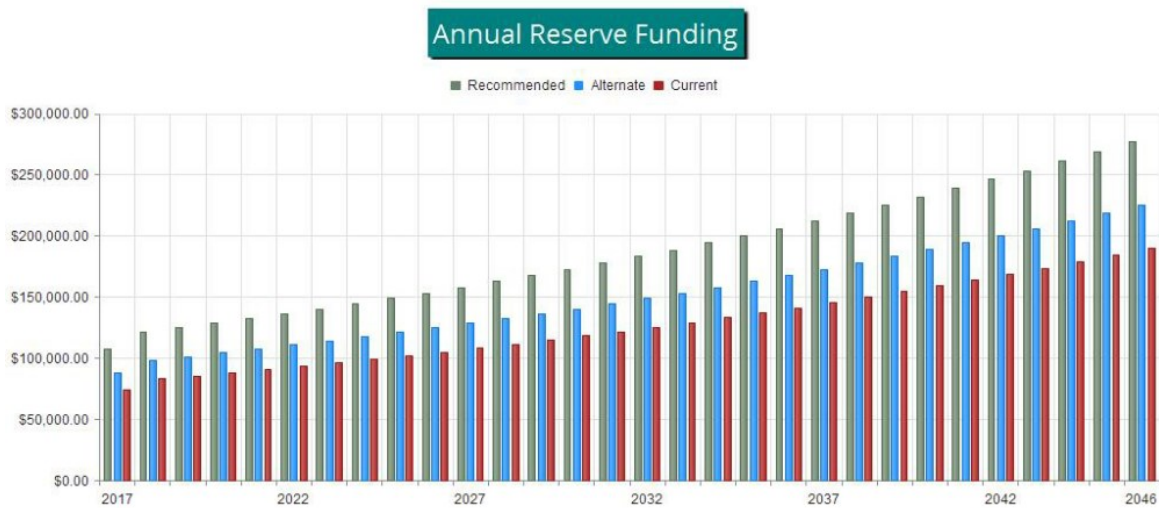


Figure 2

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.

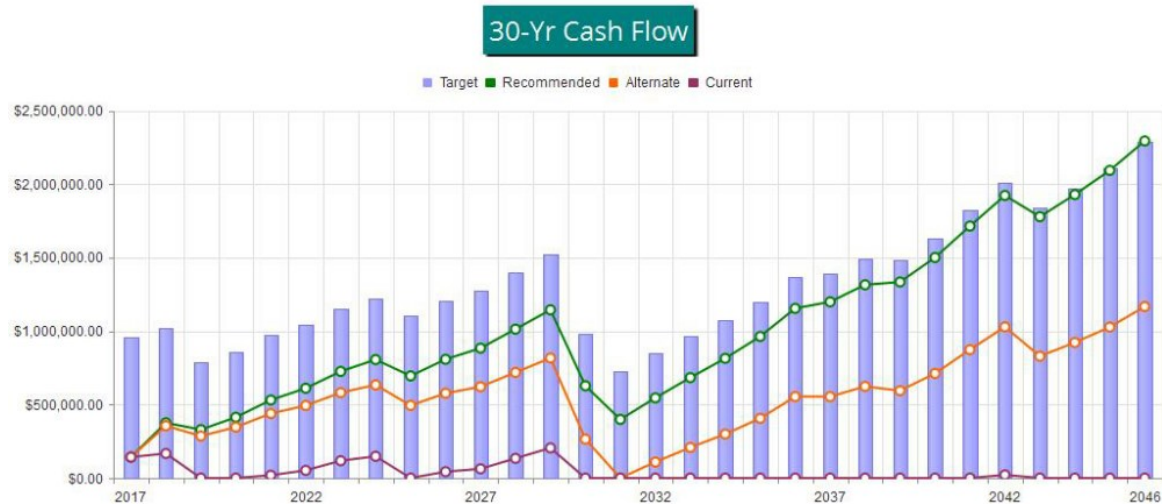


Figure 3

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

The tabular information in this Report is broken down into nine tables, not all which may have been chosen by your Project Manager to appear in your report. Tables are listed in the order in which they appear in your Report.

Executive Summary is a summary of your Reserve Components

Budget Summary is a management and accounting tool, summarizing groupings of your Reserve Components.

Analysis Summary provides a summary of the starting financial information and your Project Manager's Financial Analysis decision points.

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.

Acct/Tax Summary provides information on each Component's proportionate portion of key totals, valuable to accounting professionals primarily during tax preparation time of year.

30-Yr 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.

Cash Flow 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

23316-1
WSV

#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate	
					Best Case	Worst Case
Site/Grounds						
120	Asphalt - Resurface	Approx 60,400 square feet	35	7	\$135,900	\$166,100
121	Asphalt - Seal/Repair	Approx 60,400 square feet	5	2	\$20,000	\$30,000
252	Storage Building Roof - Replace	Approx 615 square feet	25	2	\$3,200	\$4,200
270	Pole Lights - Replace	(11) metal	40	12	\$30,800	\$35,200
Recreation						
402	Pool - Resurface	Approx 800 SF surface	10	6	\$22,000	\$26,000
403	Spa - Resurface	Approx 100 SF surface	5	1	\$3,000	\$5,000
404	Pool/Spa Tile/Coping - Replace	Approx 160 linear feet	20	6	\$12,800	\$19,200
410	Pool/Spa Filters - Replace	(2) assorted, media	20	12	\$3,400	\$4,000
411	Pool/Spa Heat Pumps - Replace	(2) AquaCal SQ 156	15	10	\$18,000	\$22,000
412	Spa Auxiliary Heater - Replace	(1) Coates, 24 KW	5	0	\$2,500	\$3,500
413	Pool Auxiliary Heater - Replace	(1) Coates, 24 KW	5	3	\$2,500	\$3,500
414	Pool/Spa Pump Controls - Replace	(4) Emotron PSP20	10	5	\$3,600	\$4,800
420	Pool Furniture - Replace	(10) assorted	10	2	\$2,500	\$3,500
430	Patio Furniture - Replace	(30) assorted	10	4	\$12,000	\$16,000
440	Exercise Equipment-Partial Replace	(4) of (17), assorted	5	1	\$10,000	\$15,000
450	Tennis Courts - Repair/Top Coat	Approx 19,000 square feet	8	4	\$20,000	\$28,000
460	Gazebo Structure - Partial Replace	(1) wood, large	10	5	\$3,000	\$5,000
462	Gazebo Roof - Replace	Approx 580 square feet	25	19	\$2,800	\$3,200
Building Exterior						
504	Bay Club Metal Roof - Replace	Approx 21,900 square feet	40	12	\$300,000	\$400,000
505	Bay Club Roof - One-time Repair	Approx 21,900 square feet	0	0	\$12,200	\$14,200
506	Bay Club Roof - Seal	Approx 21,900 square feet	5	0	\$4,300	\$6,300
508	Bay Club Roof - Clean	Approx 21,900 square feet	2	1	\$7,000	\$9,000
510	Bay Club Gutters/Downspouts-Replace	Approx 950 linear feet	30	29	\$7,600	\$11,400
515	Skylights - Replace	(8) large, assorted	40	12	\$16,400	\$19,600
540	Exterior Surfaces-Clean/Seal/Paint	Approx 18,250 GSF	10	9	\$41,000	\$55,000
542	Exterior Siding - Repair/Replace	Approx 18,250 GSF	40	39	\$180,000	\$270,000
544	Windows/SGD's - Replace	Extensive quantity	40	39	\$150,000	\$200,000
Building Interior						
600	Carpet/Vinyl - Replace	Approx 1,200 SY	12	1	\$48,000	\$72,000
602	Tile Floor - Replace	Approx 980 square feet	36	1	\$19,600	\$29,400
604	Wood Floor - Replace	Approx 3,400 square feet	36	13	\$40,800	\$61,200
606	Wood Floor - Refinish	Approx 3,400 square feet	12	1	\$11,900	\$18,700
610	Interior Surfaces - Paint/Refinish	Approx 37,700 GSF	12	1	\$38,000	\$53,200
614	Interior Lights - Replace	(104) assorted	24	13	\$50,000	\$70,000
618	Common Areas - Partial Refurbish	Extensive square feet	6	1	\$20,000	\$40,000
620	Bathrooms/Locker Rooms - Refurbish	(2) each	36	1	\$40,000	\$50,000
630	Kitchen - Refurbish	Extensive quantity	25	8	\$15,000	\$25,000
632	Dishwasher - Replace	(1) commercial	20	0	\$3,000	\$4,000
633	Gas Oven/Vent - Replace	(1) Thermador six-burner	15	0	\$4,000	\$6,000
634	Ice Machine - Replace	(1) Manitowoc	15	3	\$3,000	\$4,000
635	Cooking/Holding Oven - Replace	(1) Alto Shaam	20	11	\$5,000	\$7,000
636	Commercial Refrigerator - Replace	(1) Turbo Air	10	8	\$4,000	\$6,000

#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate	
					Best Case	Worst Case
637	Electric Double Oven - Replace	(1) Miele HP398BP2	15	13	\$3,500	\$4,500
Systems/Equipment						
816	Fire Alarm Panel - Replace	(1) Fire Lite MS-5UD	20	15	\$3,000	\$4,000
818	ADA Door Operators - Replace	(3) operators/controls	15	8	\$6,000	\$7,000
832	Water Heaters, Commercial - Replace	(2) assorted	15	12	\$13,000	\$19,000
838	Heat Pump, Pool Room - Add/Replace	(1) Trane, 10 ton	20	0	\$18,000	\$24,000
840	Duct Furnaces - Replace	(6) assorted	20	1	\$72,000	\$108,000
850	Alarm/Surveillance System - Replace	(6) camera system	10	2	\$8,000	\$12,000
852	Telephone System - Replace	(1) Samsung DS-5021D	8	4	\$3,000	\$4,000
854	Office Equipment - Partial Replace	Extensive equipment	5	4	\$8,000	\$12,000
50	Total Funded Components					

Fully Funded Balance

23316-1
WSV

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Site/Grounds								
120	Asphalt - Resurface	\$151,000	X	28	/	35	=	\$121,472
121	Asphalt - Seal/Repair	\$25,000	X	3	/	5	=	\$15,467
252	Storage Building Roof - Replace	\$3,700	X	23	/	25	=	\$3,425
270	Pole Lights - Replace	\$33,000	X	28	/	40	=	\$23,229
Recreation								
402	Pool - Resurface	\$24,000	X	4	/	10	=	\$9,830
403	Spa - Resurface	\$4,000	X	4	/	5	=	\$3,277
404	Pool/Spa Tile/Coping - Replace	\$16,000	X	14	/	20	=	\$11,297
410	Pool/Spa Filters - Replace	\$3,700	X	8	/	20	=	\$1,500
411	Pool/Spa Heat Pumps - Replace	\$20,000	X	5	/	15	=	\$6,798
412	Spa Auxiliary Heater - Replace	\$3,000	X	5	/	5	=	\$2,801
413	Pool Auxiliary Heater - Replace	\$3,000	X	2	/	5	=	\$1,255
414	Pool/Spa Pump Controls - Replace	\$4,200	X	5	/	10	=	\$2,141
420	Pool Furniture - Replace	\$3,000	X	8	/	10	=	\$2,432
430	Patio Furniture - Replace	\$14,000	X	6	/	10	=	\$8,541
440	Exercise Equipment-Partial Replace	\$12,500	X	4	/	5	=	\$10,240
450	Tennis Courts - Repair/Top Coat	\$24,000	X	4	/	8	=	\$12,288
460	Gazebo Structure - Partial Replace	\$4,000	X	5	/	10	=	\$2,039
462	Gazebo Roof - Replace	\$3,000	X	6	/	25	=	\$732
Building Exterior								
504	Bay Club Metal Roof - Replace	\$350,000	X	28	/	40	=	\$246,364
505	Bay Club Roof - One-time Repair	\$13,200	X	0	/	0	=	\$12,100
506	Bay Club Roof - Seal	\$5,300	X	5	/	5	=	\$4,949
508	Bay Club Roof - Clean	\$8,000	X	1	/	2	=	\$4,353
510	Bay Club Gutters/Downspouts-Replace	\$9,500	X	1	/	30	=	\$345
515	Skylights - Replace	\$18,000	X	28	/	40	=	\$12,670
540	Exterior Surfaces-Clean/Seal/Paint	\$48,000	X	1	/	10	=	\$5,224
542	Exterior Siding - Repair/Replace	\$225,000	X	1	/	40	=	\$6,122
544	Windows/SGD's - Replace	\$175,000	X	1	/	40	=	\$4,761
Building Interior								
600	Carpet/Vinyl - Replace	\$60,000	X	11	/	12	=	\$55,567
602	Tile Floor - Replace	\$24,500	X	35	/	36	=	\$23,937
604	Wood Floor - Replace	\$51,000	X	23	/	36	=	\$32,786
606	Wood Floor - Refinish	\$15,300	X	11	/	12	=	\$14,170
610	Interior Surfaces - Paint/Refinish	\$45,600	X	11	/	12	=	\$42,231
614	Interior Lights - Replace	\$60,000	X	11	/	24	=	\$27,783
618	Common Areas - Partial Refurbish	\$30,000	X	5	/	6	=	\$25,492
620	Bathrooms/Locker Rooms - Refurbish	\$45,000	X	35	/	36	=	\$43,967
630	Kitchen - Refurbish	\$20,000	X	17	/	25	=	\$13,703
632	Dishwasher - Replace	\$3,500	X	20	/	20	=	\$3,223
633	Gas Oven/Vent - Replace	\$5,000	X	15	/	15	=	\$4,612
634	Ice Machine - Replace	\$3,500	X	12	/	15	=	\$2,827
635	Cooking/Holding Oven - Replace	\$6,000	X	9	/	20	=	\$2,733
636	Commercial Refrigerator - Replace	\$5,000	X	2	/	10	=	\$1,045

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
637	Electric Double Oven - Replace	\$4,000	X	2	/	15	=	\$558
Systems/Equipment								
816	Fire Alarm Panel - Replace	\$3,500	X	5	/	20	=	\$892
818	ADA Door Operators - Replace	\$6,500	X	7	/	15	=	\$3,078
832	Water Heaters, Commercial - Replace	\$16,000	X	3	/	15	=	\$3,300
838	Heat Pump, Pool Room - Add/Replace	\$21,000	X	20	/	20	=	\$19,340
840	Duct Furnaces - Replace	\$90,000	X	19	/	20	=	\$86,100
850	Alarm/Surveillance System - Replace	\$10,000	X	8	/	10	=	\$8,106
852	Telephone System - Replace	\$3,500	X	4	/	8	=	\$1,792
854	Office Equipment - Partial Replace	\$10,000	X	1	/	5	=	\$2,177
								\$955,068

Component Significance

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#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
Site/Grounds					
120	Asphalt - Resurface	35	\$151,000	\$4,314	4.86 %
121	Asphalt - Seal/Repair	5	\$25,000	\$5,000	5.64 %
252	Storage Building Roof - Replace	25	\$3,700	\$148	0.17 %
270	Pole Lights - Replace	40	\$33,000	\$825	0.93 %
Recreation					
402	Pool - Resurface	10	\$24,000	\$2,400	2.71 %
403	Spa - Resurface	5	\$4,000	\$800	0.90 %
404	Pool/Spa Tile/Coping - Replace	20	\$16,000	\$800	0.90 %
410	Pool/Spa Filters - Replace	20	\$3,700	\$185	0.21 %
411	Pool/Spa Heat Pumps - Replace	15	\$20,000	\$1,333	1.50 %
412	Spa Auxiliary Heater - Replace	5	\$3,000	\$600	0.68 %
413	Pool Auxiliary Heater - Replace	5	\$3,000	\$600	0.68 %
414	Pool/Spa Pump Controls - Replace	10	\$4,200	\$420	0.47 %
420	Pool Furniture - Replace	10	\$3,000	\$300	0.34 %
430	Patio Furniture - Replace	10	\$14,000	\$1,400	1.58 %
440	Exercise Equipment-Partial Replace	5	\$12,500	\$2,500	2.82 %
450	Tennis Courts - Repair/Top Coat	8	\$24,000	\$3,000	3.38 %
460	Gazebo Structure - Partial Replace	10	\$4,000	\$400	0.45 %
462	Gazebo Roof - Replace	25	\$3,000	\$120	0.14 %
Building Exterior					
504	Bay Club Metal Roof - Replace	40	\$350,000	\$8,750	9.86 %
505	Bay Club Roof - One-time Repair	0	\$13,200	\$0	0.00 %
506	Bay Club Roof - Seal	5	\$5,300	\$1,060	1.19 %
508	Bay Club Roof - Clean	2	\$8,000	\$4,000	4.51 %
510	Bay Club Gutters/Downspouts-Replace	30	\$9,500	\$317	0.36 %
515	Skylights - Replace	40	\$18,000	\$450	0.51 %
540	Exterior Surfaces-Clean/Seal/Paint	10	\$48,000	\$4,800	5.41 %
542	Exterior Siding - Repair/Replace	40	\$225,000	\$5,625	6.34 %
544	Windows/SGD's - Replace	40	\$175,000	\$4,375	4.93 %
Building Interior					
600	Carpet/Vinyl - Replace	12	\$60,000	\$5,000	5.64 %
602	Tile Floor - Replace	36	\$24,500	\$681	0.77 %
604	Wood Floor - Replace	36	\$51,000	\$1,417	1.60 %
606	Wood Floor - Refinish	12	\$15,300	\$1,275	1.44 %
610	Interior Surfaces - Paint/Refinish	12	\$45,600	\$3,800	4.28 %
614	Interior Lights - Replace	24	\$60,000	\$2,500	2.82 %
618	Common Areas - Partial Refurbish	6	\$30,000	\$5,000	5.64 %
620	Bathrooms/Locker Rooms - Refurbish	36	\$45,000	\$1,250	1.41 %
630	Kitchen - Refurbish	25	\$20,000	\$800	0.90 %
632	Dishwasher - Replace	20	\$3,500	\$175	0.20 %
633	Gas Oven/Vent - Replace	15	\$5,000	\$333	0.38 %
634	Ice Machine - Replace	15	\$3,500	\$233	0.26 %
635	Cooking/Holding Oven - Replace	20	\$6,000	\$300	0.34 %
636	Commercial Refrigerator - Replace	10	\$5,000	\$500	0.56 %
637	Electric Double Oven - Replace	15	\$4,000	\$267	0.30 %

# Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
Systems/Equipment				
816 Fire Alarm Panel - Replace	20	\$3,500	\$175	0.20 %
818 ADA Door Operators - Replace	15	\$6,500	\$433	0.49 %
832 Water Heaters, Commercial - Replace	15	\$16,000	\$1,067	1.20 %
838 Heat Pump, Pool Room - Add/Replace	20	\$21,000	\$1,050	1.18 %
840 Duct Furnaces - Replace	20	\$90,000	\$4,500	5.07 %
850 Alarm/Surveillance System - Replace	10	\$10,000	\$1,000	1.13 %
852 Telephone System - Replace	8	\$3,500	\$438	0.49 %
854 Office Equipment - Partial Replace	5	\$10,000	\$2,000	2.25 %
50 Total Funded Components			\$88,715	100.00 %

30-Year Reserve Plan Summary

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WSV

Fiscal Year Start: 2017					Interest: 1.00 %		Inflation: 3.00 %	
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)					Projected Reserve Balance Changes			
	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2017	\$142,716	\$955,068	14.9 %	High	\$107,800	\$173,700	\$2,592	\$51,000
2018	\$375,808	\$1,016,787	37.0 %	Medium	\$121,128	\$173,700	\$3,524	\$344,947
2019	\$329,212	\$786,114	41.9 %	Medium	\$124,762	\$0	\$3,712	\$44,240
2020	\$413,446	\$861,072	48.0 %	Medium	\$128,505	\$0	\$4,719	\$15,845
2021	\$530,826	\$970,434	54.7 %	Medium	\$132,360	\$0	\$5,706	\$57,964
2022	\$610,928	\$1,042,690	58.6 %	Medium	\$136,331	\$0	\$6,679	\$28,402
2023	\$725,536	\$1,150,647	63.1 %	Medium	\$140,421	\$0	\$7,655	\$67,464
2024	\$806,148	\$1,224,787	65.8 %	Medium	\$144,633	\$0	\$7,503	\$263,193
2025	\$695,091	\$1,102,824	63.0 %	Medium	\$148,972	\$0	\$7,512	\$43,704
2026	\$807,871	\$1,206,648	67.0 %	Medium	\$153,441	\$0	\$8,454	\$86,115
2027	\$883,651	\$1,273,374	69.4 %	Medium	\$158,045	\$0	\$9,480	\$38,033
2028	\$1,013,143	\$1,395,205	72.6 %	Low	\$162,786	\$0	\$10,784	\$42,219
2029	\$1,144,494	\$1,520,062	75.3 %	Low	\$167,669	\$0	\$8,858	\$693,205
2030	\$627,816	\$981,944	63.9 %	Medium	\$172,700	\$0	\$5,132	\$406,637
2031	\$399,010	\$726,756	54.9 %	Medium	\$177,881	\$0	\$4,720	\$36,302
2032	\$545,308	\$849,383	64.2 %	Medium	\$183,217	\$0	\$6,140	\$51,413
2033	\$683,253	\$964,272	70.9 %	Low	\$188,713	\$0	\$7,485	\$64,991
2034	\$814,461	\$1,072,892	75.9 %	Low	\$194,375	\$0	\$8,884	\$54,544
2035	\$963,176	\$1,199,931	80.3 %	Low	\$200,206	\$0	\$10,583	\$19,578
2036	\$1,154,388	\$1,371,326	84.2 %	Low	\$206,212	\$0	\$11,761	\$173,597
2037	\$1,198,764	\$1,393,891	86.0 %	Low	\$212,399	\$0	\$12,563	\$108,909
2038	\$1,314,816	\$1,488,569	88.3 %	Low	\$218,771	\$0	\$13,238	\$213,004
2039	\$1,333,821	\$1,483,820	89.9 %	Low	\$225,334	\$0	\$14,166	\$72,812
2040	\$1,500,508	\$1,628,425	92.1 %	Low	\$232,094	\$0	\$16,066	\$34,538
2041	\$1,714,131	\$1,822,044	94.1 %	Low	\$239,057	\$0	\$18,176	\$48,787
2042	\$1,922,576	\$2,012,205	95.5 %	Low	\$246,228	\$0	\$18,496	\$409,124
2043	\$1,778,176	\$1,842,496	96.5 %	Low	\$253,615	\$0	\$18,525	\$121,847
2044	\$1,928,469	\$1,969,330	97.9 %	Low	\$261,224	\$0	\$20,097	\$117,062
2045	\$2,092,728	\$2,110,811	99.1 %	Low	\$269,060	\$0	\$21,921	\$90,373
2046	\$2,293,336	\$2,290,114	100.1 %	Low	\$277,132	\$0	\$23,537	\$177,921

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

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WSV

Fiscal Year	2017	2018	2019	2020	2021
Starting Reserve Balance	\$142,716	\$375,808	\$329,212	\$413,446	\$530,826
Annual Reserve Contribution	\$107,800	\$121,128	\$124,762	\$128,505	\$132,360
Recommended Special Assessments	\$173,700	\$173,700	\$0	\$0	\$0
Interest Earnings	\$2,592	\$3,524	\$3,712	\$4,719	\$5,706
Total Income	\$426,808	\$674,159	\$457,686	\$546,670	\$668,892
# Component					
Site/Grounds					
120 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Seal/Repair	\$0	\$0	\$26,523	\$0	\$0
252 Storage Building Roof - Replace	\$0	\$0	\$3,925	\$0	\$0
270 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
Recreation					
402 Pool - Resurface	\$0	\$0	\$0	\$0	\$0
403 Spa - Resurface	\$0	\$4,120	\$0	\$0	\$0
404 Pool/Spa Tile/Coping - Replace	\$0	\$0	\$0	\$0	\$0
410 Pool/Spa Filters - Replace	\$0	\$0	\$0	\$0	\$0
411 Pool/Spa Heat Pumps - Replace	\$0	\$0	\$0	\$0	\$0
412 Spa Auxiliary Heater - Replace	\$3,000	\$0	\$0	\$0	\$0
413 Pool Auxiliary Heater - Replace	\$0	\$0	\$0	\$3,278	\$0
414 Pool/Spa Pump Controls - Replace	\$0	\$0	\$0	\$0	\$0
420 Pool Furniture - Replace	\$0	\$0	\$3,183	\$0	\$0
430 Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$15,757
440 Exercise Equipment-Partial Replace	\$0	\$12,875	\$0	\$0	\$0
450 Tennis Courts - Repair/Top Coat	\$0	\$0	\$0	\$0	\$27,012
460 Gazebo Structure - Partial Replace	\$0	\$0	\$0	\$0	\$0
462 Gazebo Roof - Replace	\$0	\$0	\$0	\$0	\$0
Building Exterior					
504 Bay Club Metal Roof - Replace	\$0	\$0	\$0	\$0	\$0
505 Bay Club Roof - One-time Repair	\$13,200	\$0	\$0	\$0	\$0
506 Bay Club Roof - Seal	\$5,300	\$0	\$0	\$0	\$0
508 Bay Club Roof - Clean	\$0	\$8,240	\$0	\$8,742	\$0
510 Bay Club Gutters/Downspouts-Replace	\$0	\$0	\$0	\$0	\$0
515 Skylights - Replace	\$0	\$0	\$0	\$0	\$0
540 Exterior Surfaces-Clean/Seal/Paint	\$0	\$0	\$0	\$0	\$0
542 Exterior Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
544 Windows/SGD's - Replace	\$0	\$0	\$0	\$0	\$0
Building Interior					
600 Carpet/Vinyl - Replace	\$0	\$61,800	\$0	\$0	\$0
602 Tile Floor - Replace	\$0	\$25,235	\$0	\$0	\$0
604 Wood Floor - Replace	\$0	\$0	\$0	\$0	\$0
606 Wood Floor - Refinish	\$0	\$15,759	\$0	\$0	\$0
610 Interior Surfaces - Paint/Refinish	\$0	\$46,968	\$0	\$0	\$0
614 Interior Lights - Replace	\$0	\$0	\$0	\$0	\$0
618 Common Areas - Partial Refurbish	\$0	\$30,900	\$0	\$0	\$0
620 Bathrooms/Locker Rooms - Refurbish	\$0	\$46,350	\$0	\$0	\$0
630 Kitchen - Refurbish	\$0	\$0	\$0	\$0	\$0
632 Dishwasher - Replace	\$3,500	\$0	\$0	\$0	\$0
633 Gas Oven/Vent - Replace	\$5,000	\$0	\$0	\$0	\$0
634 Ice Machine - Replace	\$0	\$0	\$0	\$3,825	\$0
635 Cooking/Holding Oven - Replace	\$0	\$0	\$0	\$0	\$0
636 Commercial Refrigerator - Replace	\$0	\$0	\$0	\$0	\$0
637 Electric Double Oven - Replace	\$0	\$0	\$0	\$0	\$0
Systems/Equipment					
816 Fire Alarm Panel - Replace	\$0	\$0	\$0	\$0	\$0
818 ADA Door Operators - Replace	\$0	\$0	\$0	\$0	\$0
832 Water Heaters, Commercial - Replace	\$0	\$0	\$0	\$0	\$0
838 Heat Pump, Pool Room - Add/Replace	\$21,000	\$0	\$0	\$0	\$0
840 Duct Furnaces - Replace	\$0	\$92,700	\$0	\$0	\$0
850 Alarm/Surveillance System - Replace	\$0	\$0	\$10,609	\$0	\$0
852 Telephone System - Replace	\$0	\$0	\$0	\$0	\$3,939
854 Office Equipment - Partial Replace	\$0	\$0	\$0	\$0	\$11,255
Total Expenses	\$51,000	\$344,947	\$44,240	\$15,845	\$57,964

Fiscal Year	2017	2018	2019	2020	2021
Ending Reserve Balance	\$375,808	\$329,212	\$413,446	\$530,826	\$610,928

Fiscal Year	2022	2023	2024	2025	2026
Starting Reserve Balance	\$610,928	\$725,536	\$806,148	\$695,091	\$807,871
Annual Reserve Contribution	\$136,331	\$140,421	\$144,633	\$148,972	\$153,441
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$6,679	\$7,655	\$7,503	\$7,512	\$8,454
Total Income	\$753,938	\$873,612	\$958,284	\$851,575	\$969,767
# Component					
Site/Grounds					
120 Asphalt - Resurface	\$0	\$0	\$185,711	\$0	\$0
121 Asphalt - Seal/Repair	\$0	\$0	\$30,747	\$0	\$0
252 Storage Building Roof - Replace	\$0	\$0	\$0	\$0	\$0
270 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
Recreation					
402 Pool - Resurface	\$0	\$28,657	\$0	\$0	\$0
403 Spa - Resurface	\$0	\$4,776	\$0	\$0	\$0
404 Pool/Spa Tile/Coping - Replace	\$0	\$19,105	\$0	\$0	\$0
410 Pool/Spa Filters - Replace	\$0	\$0	\$0	\$0	\$0
411 Pool/Spa Heat Pumps - Replace	\$0	\$0	\$0	\$0	\$0
412 Spa Auxiliary Heater - Replace	\$3,478	\$0	\$0	\$0	\$0
413 Pool Auxiliary Heater - Replace	\$0	\$0	\$0	\$3,800	\$0
414 Pool/Spa Pump Controls - Replace	\$4,869	\$0	\$0	\$0	\$0
420 Pool Furniture - Replace	\$0	\$0	\$0	\$0	\$0
430 Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$0
440 Exercise Equipment-Partial Replace	\$0	\$14,926	\$0	\$0	\$0
450 Tennis Courts - Repair/Top Coat	\$0	\$0	\$0	\$0	\$0
460 Gazebo Structure - Partial Replace	\$4,637	\$0	\$0	\$0	\$0
462 Gazebo Roof - Replace	\$0	\$0	\$0	\$0	\$0
Building Exterior					
504 Bay Club Metal Roof - Replace	\$0	\$0	\$0	\$0	\$0
505 Bay Club Roof - One-time Repair	\$0	\$0	\$0	\$0	\$0
506 Bay Club Roof - Seal	\$6,144	\$0	\$0	\$0	\$0
508 Bay Club Roof - Clean	\$9,274	\$0	\$9,839	\$0	\$10,438
510 Bay Club Gutters/Downspouts-Replace	\$0	\$0	\$0	\$0	\$0
515 Skylights - Replace	\$0	\$0	\$0	\$0	\$0
540 Exterior Surfaces-Clean/Seal/Paint	\$0	\$0	\$0	\$0	\$62,629
542 Exterior Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
544 Windows/SGD's - Replace	\$0	\$0	\$0	\$0	\$0
Building Interior					
600 Carpet/Vinyl - Replace	\$0	\$0	\$0	\$0	\$0
602 Tile Floor - Replace	\$0	\$0	\$0	\$0	\$0
604 Wood Floor - Replace	\$0	\$0	\$0	\$0	\$0
606 Wood Floor - Refinish	\$0	\$0	\$0	\$0	\$0
610 Interior Surfaces - Paint/Refinish	\$0	\$0	\$0	\$0	\$0
614 Interior Lights - Replace	\$0	\$0	\$0	\$0	\$0
618 Common Areas - Partial Refurbish	\$0	\$0	\$36,896	\$0	\$0
620 Bathrooms/Locker Rooms - Refurbish	\$0	\$0	\$0	\$0	\$0
630 Kitchen - Refurbish	\$0	\$0	\$0	\$25,335	\$0
632 Dishwasher - Replace	\$0	\$0	\$0	\$0	\$0
633 Gas Oven/Vent - Replace	\$0	\$0	\$0	\$0	\$0
634 Ice Machine - Replace	\$0	\$0	\$0	\$0	\$0
635 Cooking/Holding Oven - Replace	\$0	\$0	\$0	\$0	\$0
636 Commercial Refrigerator - Replace	\$0	\$0	\$0	\$6,334	\$0
637 Electric Double Oven - Replace	\$0	\$0	\$0	\$0	\$0
Systems/Equipment					
816 Fire Alarm Panel - Replace	\$0	\$0	\$0	\$0	\$0
818 ADA Door Operators - Replace	\$0	\$0	\$0	\$8,234	\$0
832 Water Heaters, Commercial - Replace	\$0	\$0	\$0	\$0	\$0
838 Heat Pump, Pool Room - Add/Replace	\$0	\$0	\$0	\$0	\$0
840 Duct Furnaces - Replace	\$0	\$0	\$0	\$0	\$0
850 Alarm/Surveillance System - Replace	\$0	\$0	\$0	\$0	\$0
852 Telephone System - Replace	\$0	\$0	\$0	\$0	\$0
854 Office Equipment - Partial Replace	\$0	\$0	\$0	\$0	\$13,048
Total Expenses	\$28,402	\$67,464	\$263,193	\$43,704	\$86,115
Ending Reserve Balance	\$725,536	\$806,148	\$695,091	\$807,871	\$883,651

Fiscal Year	2027	2028	2029	2030	2031
Starting Reserve Balance	\$883,651	\$1,013,143	\$1,144,494	\$627,816	\$399,010
Annual Reserve Contribution	\$158,045	\$162,786	\$167,669	\$172,700	\$177,881
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$9,480	\$10,784	\$8,858	\$5,132	\$4,720
Total Income	\$1,051,176	\$1,186,713	\$1,321,021	\$805,647	\$581,611
# Component					
Site/Grounds					
120 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Seal/Repair	\$0	\$0	\$35,644	\$0	\$0
252 Storage Building Roof - Replace	\$0	\$0	\$0	\$0	\$0
270 Pole Lights - Replace	\$0	\$0	\$47,050	\$0	\$0
Recreation					
402 Pool - Resurface	\$0	\$0	\$0	\$0	\$0
403 Spa - Resurface	\$0	\$5,537	\$0	\$0	\$0
404 Pool/Spa Tile/Coping - Replace	\$0	\$0	\$0	\$0	\$0
410 Pool/Spa Filters - Replace	\$0	\$0	\$5,275	\$0	\$0
411 Pool/Spa Heat Pumps - Replace	\$26,878	\$0	\$0	\$0	\$0
412 Spa Auxiliary Heater - Replace	\$4,032	\$0	\$0	\$0	\$0
413 Pool Auxiliary Heater - Replace	\$0	\$0	\$0	\$4,406	\$0
414 Pool/Spa Pump Controls - Replace	\$0	\$0	\$0	\$0	\$0
420 Pool Furniture - Replace	\$0	\$0	\$4,277	\$0	\$0
430 Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$21,176
440 Exercise Equipment-Partial Replace	\$0	\$17,303	\$0	\$0	\$0
450 Tennis Courts - Repair/Top Coat	\$0	\$0	\$34,218	\$0	\$0
460 Gazebo Structure - Partial Replace	\$0	\$0	\$0	\$0	\$0
462 Gazebo Roof - Replace	\$0	\$0	\$0	\$0	\$0
Building Exterior					
504 Bay Club Metal Roof - Replace	\$0	\$0	\$499,016	\$0	\$0
505 Bay Club Roof - One-time Repair	\$0	\$0	\$0	\$0	\$0
506 Bay Club Roof - Seal	\$7,123	\$0	\$0	\$0	\$0
508 Bay Club Roof - Clean	\$0	\$11,074	\$0	\$11,748	\$0
510 Bay Club Gutters/Downspouts-Replace	\$0	\$0	\$0	\$0	\$0
515 Skylights - Replace	\$0	\$0	\$25,664	\$0	\$0
540 Exterior Surfaces-Clean/Seal/Paint	\$0	\$0	\$0	\$0	\$0
542 Exterior Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
544 Windows/SGD's - Replace	\$0	\$0	\$0	\$0	\$0
Building Interior					
600 Carpet/Vinyl - Replace	\$0	\$0	\$0	\$88,112	\$0
602 Tile Floor - Replace	\$0	\$0	\$0	\$0	\$0
604 Wood Floor - Replace	\$0	\$0	\$0	\$74,895	\$0
606 Wood Floor - Refinish	\$0	\$0	\$0	\$22,469	\$0
610 Interior Surfaces - Paint/Refinish	\$0	\$0	\$0	\$66,965	\$0
614 Interior Lights - Replace	\$0	\$0	\$0	\$88,112	\$0
618 Common Areas - Partial Refurbish	\$0	\$0	\$0	\$44,056	\$0
620 Bathrooms/Locker Rooms - Refurbish	\$0	\$0	\$0	\$0	\$0
630 Kitchen - Refurbish	\$0	\$0	\$0	\$0	\$0
632 Dishwasher - Replace	\$0	\$0	\$0	\$0	\$0
633 Gas Oven/Vent - Replace	\$0	\$0	\$0	\$0	\$0
634 Ice Machine - Replace	\$0	\$0	\$0	\$0	\$0
635 Cooking/Holding Oven - Replace	\$0	\$8,305	\$0	\$0	\$0
636 Commercial Refrigerator - Replace	\$0	\$0	\$0	\$0	\$0
637 Electric Double Oven - Replace	\$0	\$0	\$0	\$5,874	\$0
Systems/Equipment					
816 Fire Alarm Panel - Replace	\$0	\$0	\$0	\$0	\$0
818 ADA Door Operators - Replace	\$0	\$0	\$0	\$0	\$0
832 Water Heaters, Commercial - Replace	\$0	\$0	\$22,812	\$0	\$0
838 Heat Pump, Pool Room - Add/Replace	\$0	\$0	\$0	\$0	\$0
840 Duct Furnaces - Replace	\$0	\$0	\$0	\$0	\$0
850 Alarm/Surveillance System - Replace	\$0	\$0	\$14,258	\$0	\$0
852 Telephone System - Replace	\$0	\$0	\$4,990	\$0	\$0
854 Office Equipment - Partial Replace	\$0	\$0	\$0	\$0	\$15,126
Total Expenses	\$38,033	\$42,219	\$693,205	\$406,637	\$36,302
Ending Reserve Balance	\$1,013,143	\$1,144,494	\$627,816	\$399,010	\$545,308

Fiscal Year	2032	2033	2034	2035	2036
Starting Reserve Balance	\$545,308	\$683,253	\$814,461	\$963,176	\$1,154,388
Annual Reserve Contribution	\$183,217	\$188,713	\$194,375	\$200,206	\$206,212
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$6,140	\$7,485	\$8,884	\$10,583	\$11,761
Total Income	\$734,666	\$879,451	\$1,017,720	\$1,173,966	\$1,372,361
# Component					
Site/Grounds					
120 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Seal/Repair	\$0	\$0	\$41,321	\$0	\$0
252 Storage Building Roof - Replace	\$0	\$0	\$0	\$0	\$0
270 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
Recreation					
402 Pool - Resurface	\$0	\$38,513	\$0	\$0	\$0
403 Spa - Resurface	\$0	\$6,419	\$0	\$0	\$0
404 Pool/Spa Tile/Coping - Replace	\$0	\$0	\$0	\$0	\$0
410 Pool/Spa Filters - Replace	\$0	\$0	\$0	\$0	\$0
411 Pool/Spa Heat Pumps - Replace	\$0	\$0	\$0	\$0	\$0
412 Spa Auxiliary Heater - Replace	\$4,674	\$0	\$0	\$0	\$0
413 Pool Auxiliary Heater - Replace	\$0	\$0	\$0	\$5,107	\$0
414 Pool/Spa Pump Controls - Replace	\$6,543	\$0	\$0	\$0	\$0
420 Pool Furniture - Replace	\$0	\$0	\$0	\$0	\$0
430 Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$0
440 Exercise Equipment-Partial Replace	\$0	\$20,059	\$0	\$0	\$0
450 Tennis Courts - Repair/Top Coat	\$0	\$0	\$0	\$0	\$0
460 Gazebo Structure - Partial Replace	\$6,232	\$0	\$0	\$0	\$0
462 Gazebo Roof - Replace	\$0	\$0	\$0	\$0	\$5,261
Building Exterior					
504 Bay Club Metal Roof - Replace	\$0	\$0	\$0	\$0	\$0
505 Bay Club Roof - One-time Repair	\$0	\$0	\$0	\$0	\$0
506 Bay Club Roof - Seal	\$8,257	\$0	\$0	\$0	\$0
508 Bay Club Roof - Clean	\$12,464	\$0	\$13,223	\$0	\$14,028
510 Bay Club Gutters/Downspouts-Replace	\$0	\$0	\$0	\$0	\$0
515 Skylights - Replace	\$0	\$0	\$0	\$0	\$0
540 Exterior Surfaces-Clean/Seal/Paint	\$0	\$0	\$0	\$0	\$84,168
542 Exterior Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
544 Windows/SGD's - Replace	\$0	\$0	\$0	\$0	\$0
Building Interior					
600 Carpet/Vinyl - Replace	\$0	\$0	\$0	\$0	\$0
602 Tile Floor - Replace	\$0	\$0	\$0	\$0	\$0
604 Wood Floor - Replace	\$0	\$0	\$0	\$0	\$0
606 Wood Floor - Refinish	\$0	\$0	\$0	\$0	\$0
610 Interior Surfaces - Paint/Refinish	\$0	\$0	\$0	\$0	\$0
614 Interior Lights - Replace	\$0	\$0	\$0	\$0	\$0
618 Common Areas - Partial Refurbish	\$0	\$0	\$0	\$0	\$52,605
620 Bathrooms/Locker Rooms - Refurbish	\$0	\$0	\$0	\$0	\$0
630 Kitchen - Refurbish	\$0	\$0	\$0	\$0	\$0
632 Dishwasher - Replace	\$0	\$0	\$0	\$0	\$0
633 Gas Oven/Vent - Replace	\$7,790	\$0	\$0	\$0	\$0
634 Ice Machine - Replace	\$0	\$0	\$0	\$5,959	\$0
635 Cooking/Holding Oven - Replace	\$0	\$0	\$0	\$0	\$0
636 Commercial Refrigerator - Replace	\$0	\$0	\$0	\$8,512	\$0
637 Electric Double Oven - Replace	\$0	\$0	\$0	\$0	\$0
Systems/Equipment					
816 Fire Alarm Panel - Replace	\$5,453	\$0	\$0	\$0	\$0
818 ADA Door Operators - Replace	\$0	\$0	\$0	\$0	\$0
832 Water Heaters, Commercial - Replace	\$0	\$0	\$0	\$0	\$0
838 Heat Pump, Pool Room - Add/Replace	\$0	\$0	\$0	\$0	\$0
840 Duct Furnaces - Replace	\$0	\$0	\$0	\$0	\$0
850 Alarm/Surveillance System - Replace	\$0	\$0	\$0	\$0	\$0
852 Telephone System - Replace	\$0	\$0	\$0	\$0	\$0
854 Office Equipment - Partial Replace	\$0	\$0	\$0	\$0	\$17,535
Total Expenses	\$51,413	\$64,991	\$54,544	\$19,578	\$173,597
Ending Reserve Balance	\$683,253	\$814,461	\$963,176	\$1,154,388	\$1,198,764

Fiscal Year	2037	2038	2039	2040	2041
Starting Reserve Balance	\$1,198,764	\$1,314,816	\$1,333,821	\$1,500,508	\$1,714,131
Annual Reserve Contribution	\$212,399	\$218,771	\$225,334	\$232,094	\$239,057
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$12,563	\$13,238	\$14,166	\$16,066	\$18,176
Total Income	\$1,423,725	\$1,546,825	\$1,573,320	\$1,748,668	\$1,971,363
# Component					
Site/Grounds					
120 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Seal/Repair	\$0	\$0	\$47,903	\$0	\$0
252 Storage Building Roof - Replace	\$0	\$0	\$0	\$0	\$0
270 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
Recreation					
402 Pool - Resurface	\$0	\$0	\$0	\$0	\$0
403 Spa - Resurface	\$0	\$7,441	\$0	\$0	\$0
404 Pool/Spa Tile/Coping - Replace	\$0	\$0	\$0	\$0	\$0
410 Pool/Spa Filters - Replace	\$0	\$0	\$0	\$0	\$0
411 Pool/Spa Heat Pumps - Replace	\$0	\$0	\$0	\$0	\$0
412 Spa Auxiliary Heater - Replace	\$5,418	\$0	\$0	\$0	\$0
413 Pool Auxiliary Heater - Replace	\$0	\$0	\$0	\$5,921	\$0
414 Pool/Spa Pump Controls - Replace	\$0	\$0	\$0	\$0	\$0
420 Pool Furniture - Replace	\$0	\$0	\$5,748	\$0	\$0
430 Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$28,459
440 Exercise Equipment-Partial Replace	\$0	\$23,254	\$0	\$0	\$0
450 Tennis Courts - Repair/Top Coat	\$43,347	\$0	\$0	\$0	\$0
460 Gazebo Structure - Partial Replace	\$0	\$0	\$0	\$0	\$0
462 Gazebo Roof - Replace	\$0	\$0	\$0	\$0	\$0
Building Exterior					
504 Bay Club Metal Roof - Replace	\$0	\$0	\$0	\$0	\$0
505 Bay Club Roof - One-time Repair	\$0	\$0	\$0	\$0	\$0
506 Bay Club Roof - Seal	\$9,572	\$0	\$0	\$0	\$0
508 Bay Club Roof - Clean	\$0	\$14,882	\$0	\$15,789	\$0
510 Bay Club Gutters/Downspouts-Replace	\$0	\$0	\$0	\$0	\$0
515 Skylights - Replace	\$0	\$0	\$0	\$0	\$0
540 Exterior Surfaces-Clean/Seal/Paint	\$0	\$0	\$0	\$0	\$0
542 Exterior Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
544 Windows/SGD's - Replace	\$0	\$0	\$0	\$0	\$0
Building Interior					
600 Carpet/Vinyl - Replace	\$0	\$0	\$0	\$0	\$0
602 Tile Floor - Replace	\$0	\$0	\$0	\$0	\$0
604 Wood Floor - Replace	\$0	\$0	\$0	\$0	\$0
606 Wood Floor - Refinish	\$0	\$0	\$0	\$0	\$0
610 Interior Surfaces - Paint/Refinish	\$0	\$0	\$0	\$0	\$0
614 Interior Lights - Replace	\$0	\$0	\$0	\$0	\$0
618 Common Areas - Partial Refurbish	\$0	\$0	\$0	\$0	\$0
620 Bathrooms/Locker Rooms - Refurbish	\$0	\$0	\$0	\$0	\$0
630 Kitchen - Refurbish	\$0	\$0	\$0	\$0	\$0
632 Dishwasher - Replace	\$6,321	\$0	\$0	\$0	\$0
633 Gas Oven/Vent - Replace	\$0	\$0	\$0	\$0	\$0
634 Ice Machine - Replace	\$0	\$0	\$0	\$0	\$0
635 Cooking/Holding Oven - Replace	\$0	\$0	\$0	\$0	\$0
636 Commercial Refrigerator - Replace	\$0	\$0	\$0	\$0	\$0
637 Electric Double Oven - Replace	\$0	\$0	\$0	\$0	\$0
Systems/Equipment					
816 Fire Alarm Panel - Replace	\$0	\$0	\$0	\$0	\$0
818 ADA Door Operators - Replace	\$0	\$0	\$0	\$12,828	\$0
832 Water Heaters, Commercial - Replace	\$0	\$0	\$0	\$0	\$0
838 Heat Pump, Pool Room - Add/Replace	\$37,928	\$0	\$0	\$0	\$0
840 Duct Furnaces - Replace	\$0	\$167,427	\$0	\$0	\$0
850 Alarm/Surveillance System - Replace	\$0	\$0	\$19,161	\$0	\$0
852 Telephone System - Replace	\$6,321	\$0	\$0	\$0	\$0
854 Office Equipment - Partial Replace	\$0	\$0	\$0	\$0	\$20,328
Total Expenses	\$108,909	\$213,004	\$72,812	\$34,538	\$48,787
Ending Reserve Balance	\$1,314,816	\$1,333,821	\$1,500,508	\$1,714,131	\$1,922,576

Fiscal Year	2042	2043	2044	2045	2046
Starting Reserve Balance	\$1,922,576	\$1,778,176	\$1,928,469	\$2,092,728	\$2,293,336
Annual Reserve Contribution	\$246,228	\$253,615	\$261,224	\$269,060	\$277,132
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$18,496	\$18,525	\$20,097	\$21,921	\$23,537
Total Income	\$2,187,300	\$2,050,316	\$2,209,790	\$2,383,709	\$2,594,006
# Component					
Site/Grounds					
120 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Seal/Repair	\$0	\$0	\$55,532	\$0	\$0
252 Storage Building Roof - Replace	\$0	\$0	\$8,219	\$0	\$0
270 Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
Recreation					
402 Pool - Resurface	\$0	\$51,758	\$0	\$0	\$0
403 Spa - Resurface	\$0	\$8,626	\$0	\$0	\$0
404 Pool/Spa Tile/Coping - Replace	\$0	\$34,505	\$0	\$0	\$0
410 Pool/Spa Filters - Replace	\$0	\$0	\$0	\$0	\$0
411 Pool/Spa Heat Pumps - Replace	\$41,876	\$0	\$0	\$0	\$0
412 Spa Auxiliary Heater - Replace	\$6,281	\$0	\$0	\$0	\$0
413 Pool Auxiliary Heater - Replace	\$0	\$0	\$0	\$6,864	\$0
414 Pool/Spa Pump Controls - Replace	\$8,794	\$0	\$0	\$0	\$0
420 Pool Furniture - Replace	\$0	\$0	\$0	\$0	\$0
430 Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$0
440 Exercise Equipment-Partial Replace	\$0	\$26,957	\$0	\$0	\$0
450 Tennis Courts - Repair/Top Coat	\$0	\$0	\$0	\$54,910	\$0
460 Gazebo Structure - Partial Replace	\$8,375	\$0	\$0	\$0	\$0
462 Gazebo Roof - Replace	\$0	\$0	\$0	\$0	\$0
Building Exterior					
504 Bay Club Metal Roof - Replace	\$0	\$0	\$0	\$0	\$0
505 Bay Club Roof - One-time Repair	\$0	\$0	\$0	\$0	\$0
506 Bay Club Roof - Seal	\$11,097	\$0	\$0	\$0	\$0
508 Bay Club Roof - Clean	\$16,750	\$0	\$17,770	\$0	\$18,853
510 Bay Club Gutters/Downspouts-Replace	\$0	\$0	\$0	\$0	\$22,387
515 Skylights - Replace	\$0	\$0	\$0	\$0	\$0
540 Exterior Surfaces-Clean/Seal/Paint	\$0	\$0	\$0	\$0	\$113,115
542 Exterior Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
544 Windows/SGD's - Replace	\$0	\$0	\$0	\$0	\$0
Building Interior					
600 Carpet/Vinyl - Replace	\$125,627	\$0	\$0	\$0	\$0
602 Tile Floor - Replace	\$0	\$0	\$0	\$0	\$0
604 Wood Floor - Replace	\$0	\$0	\$0	\$0	\$0
606 Wood Floor - Refinish	\$32,035	\$0	\$0	\$0	\$0
610 Interior Surfaces - Paint/Refinish	\$95,476	\$0	\$0	\$0	\$0
614 Interior Lights - Replace	\$0	\$0	\$0	\$0	\$0
618 Common Areas - Partial Refurbish	\$62,813	\$0	\$0	\$0	\$0
620 Bathrooms/Locker Rooms - Refurbish	\$0	\$0	\$0	\$0	\$0
630 Kitchen - Refurbish	\$0	\$0	\$0	\$0	\$0
632 Dishwasher - Replace	\$0	\$0	\$0	\$0	\$0
633 Gas Oven/Vent - Replace	\$0	\$0	\$0	\$0	\$0
634 Ice Machine - Replace	\$0	\$0	\$0	\$0	\$0
635 Cooking/Holding Oven - Replace	\$0	\$0	\$0	\$0	\$0
636 Commercial Refrigerator - Replace	\$0	\$0	\$0	\$11,440	\$0
637 Electric Double Oven - Replace	\$0	\$0	\$0	\$9,152	\$0
Systems/Equipment					
816 Fire Alarm Panel - Replace	\$0	\$0	\$0	\$0	\$0
818 ADA Door Operators - Replace	\$0	\$0	\$0	\$0	\$0
832 Water Heaters, Commercial - Replace	\$0	\$0	\$35,541	\$0	\$0
838 Heat Pump, Pool Room - Add/Replace	\$0	\$0	\$0	\$0	\$0
840 Duct Furnaces - Replace	\$0	\$0	\$0	\$0	\$0
850 Alarm/Surveillance System - Replace	\$0	\$0	\$0	\$0	\$0
852 Telephone System - Replace	\$0	\$0	\$0	\$8,008	\$0
854 Office Equipment - Partial Replace	\$0	\$0	\$0	\$0	\$23,566
Total Expenses	\$409,124	\$121,847	\$117,062	\$90,373	\$177,921
Ending Reserve Balance	\$1,778,176	\$1,928,469	\$2,092,728	\$2,293,336	\$2,416,085

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

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.
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 the "30-yr Income/Expense Detail" table.
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.

Component Details

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

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

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

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

Site/Grounds

Comp #: 103 Concrete/Curb - Repair/Replace**Quantity: Extensive square feet**

Location: Sidewalks, patios, curbing, etc...

Funded?: No. Annual cost best handled as operating expense

History: \$2,600 for 2013 sidewalk repair, \$2,400 for curb repair in 2011

Evaluation: Assorted concrete surfaces and curbing are in generally fair condition. Minor areas with local cracking, damage and prior repair were noted. Previous expense history includes at least \$2,600 for 2013 sidewalk repair and another \$2,400 for curb repair in 2011. Also, small addition of concrete between the kitchen and storage building was noted (cost unknown). Going forward, repair needs should be evaluated at least annually and provided from general maintenance funds, not as a cyclical reserve component. Ensure that repair of any trip and fall hazards takes place immediately to help provide for safety.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 120 Asphalt - Resurface

Quantity: Approx 60,400 square feet

Location: Asphalt private drive and parking areas

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Varying condition but advancing deterioration and marginal appearance in some areas. Proactive maintenance, repair and regular cycles of seal coating (see Component #121) will help prolong the need for this more expensive project. Regular maintenance should also include cleaning of debris from vegetation, catch basins and also oil stains from vehicles. Fill cracks promptly to prevent water from penetrating the sub-base. This component factors the eventual need to resurface/overlay with new asphalt at roughly the 30-40 year time frame below.

Useful Life:
35 years

Remaining Life:
7 years



Best Case: \$ 135,900

Worst Case: \$ 166,100

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 121 Asphalt - Seal/Repair**Quantity: Approx 60,400 square feet**

Location: Asphalt private drive and parking areas

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: FY 2015 partial seal \$5,900, FY 2014 partial repair/replace \$24,600, FY 2010 patch and repair \$6,120 and stripe \$1,184
Evaluation: Overall general deterioration and fading of most asphalt surface was illustrated. Also, areas with loss of asphalt binders and previous patching/local repair were indicated. Research indicated previous history of maintenance includes; FY 2015 partial seal \$5,900, FY 2014 partial repair/replace \$24,600, FY 2010 patch and repair \$6,120 and stripe \$1,184 Regular cycles for timely seal coating (every 4-5 years) of all asphalt surfaces along with any needed repair has proven to be the best program in our opinion for the long term care of asphalt. Seal coating provides limited benefits against damaging weather elements while bridging small surface cracks and providing uniform appearance over the inevitable patching and repairs needed over time. Incorporate any restriping and time curb repair where possible to coincide with this project. Fill cracks and clean oil stains promptly in between cycles.

Useful Life:
5 years

Remaining Life:
2 years



Best Case: \$ 20,000

Worst Case: \$ 30,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 170 Landscape - Refurbish**Quantity: Extensive landscaping**

Location: Common areas

Funded?: No. Annual cost best handled as operating expense

History:

Evaluation: Extensive grounds with pleasing aesthetic. Although typically funded as ongoing maintenance item, this component may be used to set aside funds for larger expenses that do not occur on an annual basis, such as large scale plantings, common area landscape improvement projects, extensive bark mulch every two/three years, extensive gravel replenishment, etc...No stated desire to fund at this time, these types of expenses may be incorporated into future reserve study updates as conditions merit. If electing to add supplemental reserve funding in the future, carefully track needs and expense patterns to form basis.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 175 Irrigation System - Repair/Replace**Quantity: Extensive systems**

Location: Throughout common area landscaping

Funded?: No. Annual cost best handled as operating expense

History:

Evaluation: No widespread problems reported. As routine maintenance, inspect regularly, test system, repair as needed from operating budget. Follow proper winterization and spring start-up procedures. Under normal circumstances, the elements within this component are generally low cost and have a typical failure rate that is difficult to predict and are best suited to be handled thru the operating budget.

Useful Life:

0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 182 Drainage/Storm System - Replace**Quantity: Extensive systems**

Location: Throughout community

Funded?: No. Useful life not predictable or extended

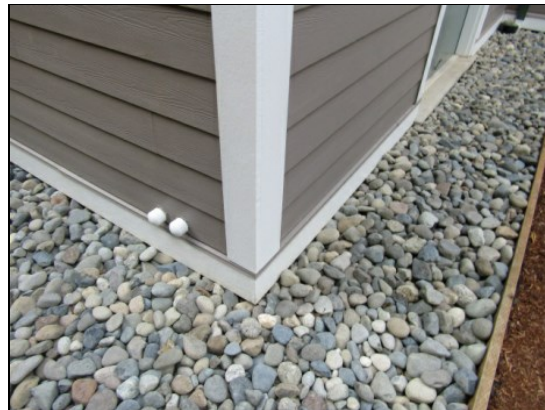
History: Extensive one-time exterior building curtain drain improvements in FY 2016 at expense of \$37,000

Evaluation: Systems include those upon asphalt drive, parking and yard areas. Research indicated extensive one-time exterior building curtain drain improvements in FY 2016 at expense of \$37,000. Inspect regularly, keep drains and grates free of debris and free flowing to ensure water evacuating as designed. Pump out sediments if needed utilizing mobile evacuator service; fund from operating budget. We assume any spot repairs will also be handled as maintenance items and not as cyclical reserve projects. No expectation of further large scale repairs/replacement for the foreseeable future.

Useful Life:

0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 190 Trees - Remove/Trim**Quantity: Extensive trees**

Location: Throughout common areas

Funded?: No. Annual cost best handled as operating expense

History: At least \$3,300 in FY 2013, \$1,500 in FY 2015 and \$2,700 in FY 2016 as operating expenses

Evaluation: Large mature trees upon site. Recent historical tree trim/remove project costs includes at least \$3,300 in FY 2013, \$1,500 in FY 2015 and \$2,700 in FY 2016 as operating expenses. Consult with local arborist for long term plan for the care and management of the trees within common area, balancing aesthetics with protection of association assets. Adjust in future reserve study updates as conditions warrant.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 200 Entry Sign - Replace**Quantity: (1) composite**

Location: Main entrance to community

Funded?: No. Cost projected to be too small

History: Reportedly refurbished in 2011 at minor expense of only \$800

Evaluation: Fair, legible condition. Sign was reportedly refurbished in 2011 at minor expense of only \$800. No plans for any design change or significant upgrade for the foreseeable future. Regularly inspect, clean, paint, and repair as needed. Utilize operating budget to sustain; no reserve funding needed for such small expenses.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 202 Entry Monument - Repair/Replace

Quantity: (1) masonry, 4'x6'

Location: Main entrance to Port Ludlow Villages

Funded?: No. Useful life not predictable or extended

History:

Evaluation: Note; image below is from our previous 2014 site inspection. One location for Port Ludlow Villages with a brick monument upon SBCA property where some maintenance responsibility may or may not exist. In any event, maintenance and care for masonry is typically limited to only cleaning and perhaps spot replacement of mortar unless damaged by accident or vandalism. No reserve funding suggested.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 212 Garbage Enclosure - Replace

Quantity: (1) cement/metal, ~9'x9'

Location: Adjacent to asphalt private drive and parking areas

Funded?: No. Annual cost best handled as operating expense

History:

Evaluation: No significant damage or deterioration for durable concrete structure. Metal gates are overdue for routine maintenance. Include cleaning, treatment for spot corrosion and repainting for metal work as operating budget items. No expectation of large scale expenses assuming ordinary maintenance takes place soon.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 240 Wood Fence/Screen - Replace

Quantity: Approx 40 linear feet

Location: Near shed and trash enclosure

Funded?: No. Cost projected to be too small

History: Sections were replaced in 2010 and added in 2013

Evaluation: Small quantity of mechanical equipment screens and fencing in fair condition. Sections were replaced in 2010 and added in 2013. As routine maintenance, inspect regularly for any damage, repair and replace as needed from operating budget. Too small an expense to merit reserve designation.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 250 Storage Building - Maintain/Repair

Quantity: (1) 16'x30'

Location: Common area West of Bay Club

Funded?: No. Sustain along with other similar component groupings

History:

Evaluation: Fair, stable condition with installation of this "shed" reportedly occurring in 1994. Inspect regularly, clean, repair and paint along same cycles as the Bay Club exterior and/or from operating budget. No anticipation of separate large scale repair needs with this understanding (except regarding roof shingles - see next component).

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 252 Storage Building Roof - Replace**Quantity: Approx 615 square feet**

Location: Common area West of Bay Club

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Only general deterioration as expected was noted from our grade level observation. No current problems or previous repair history was reported. We recommend professional inspections at least twice annually and after wind storms, promptly replacing damaged/missing shingles or any other repair as may be needed to ensure that the waterproof integrity of the building is maintained. Keep gutters and downspouts clear and free of debris to allow water to evacuate from rooftops as designed. Plan for roof replacement intervals at the 20-25 year mark of life as indicated below. Include small quantity of gutter/downspout within this component.

Useful Life:
25 yearsRemaining Life:
2 years

Best Case: \$ 3,200

Worst Case: \$ 4,200

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 270 Pole Lights - Replace**Quantity: (11) metal**

Location: Parking lot locations

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Generally fair condition. As routine maintenance, inspect, repair/change bulbs as needed. Anticipate eventual replacement of assemblies (poles, fixtures, wiring) at roughly the time frame below to ensure uniform functionality and contemporary appearance.

Useful Life:
40 yearsRemaining Life:
12 years

Best Case: \$ 30,800

Worst Case: \$ 35,200

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Recreation

Comp #: 400 Pool Deck - Resurface**Quantity: Moderate square feet**

Location: Perimeter of indoor pool/spa

Funded?: No. Useful life not predictable or extended

History:

Evaluation: Pool concrete deck structure appears to be stable without significant cracking or damage. No present type of traffic coating that would require significant maintenance expense intervals; no current plans to apply such. Maintain caulking, expansion joints and drainage covers as operating budget items. No reserve funding needs for the foreseeable future.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 402 Pool - Resurface**Quantity: Approx 800 SF surface**

Location: Pool /spa area, indoor

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Pool and spa resurfaced in FY 2013/2014 at a combined expense of ~\$27,000

Evaluation: Fair appearance and condition for plaster. Pool and spa were resurfaced in FY 2013/2014 at a combined expense of ~\$27,000. Previous pool resurface project reportedly occurred in 2003. In addition to timely cleaning and maintenance, plan for regular intervals of pool resurfacing to maintain a quality appearance..

Useful Life:
10 years

Remaining Life:
6 years



Best Case: \$ 22,000

Worst Case: \$ 26,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 403 Spa - Resurface**Quantity: Approx 100 SF surface**

Location: Pool /spa area, indoor

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Pool and spa resurfaced in FY 2013/2014 at a combined expense of ~\$27,000

Evaluation: Likewise good appearance. Best to plan for more frequent resurfacing intervals due to Best to plan for more frequent resurfacing intervals due to higher temperatures and chemical concentrations. Inspect regularly and ensure compliance with VGBA to provide safety.

Useful Life:
5 years

Remaining Life:
1 years



Best Case: \$ 3,000

Worst Case: \$ 5,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 404 Pool/Spa Tile/Coping - Replace**Quantity: Approx 160 linear feet**

Location: Perimeter surfaces of pool/spa

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Some general aging and fading but overall fair condition for pool/spa perimeter coping and fill level tiles with no significant cracking or damage observed. Best to plan for integrated intervals of replacement to maintain a quality appearance. Clean and provide minor repair as part of routine maintenance regimen.

Useful Life:
20 years

Remaining Life:
6 years



Best Case: \$ 12,800

Worst Case: \$ 19,200

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 410 Pool/Spa Filters - Replace**Quantity: (2) assorted, media**

Location: Pool/spa utility room adjacent to pool

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Reportedly replaced last in 2009

Evaluation: Hayward spa and Purex pool filters are assumed to be functioning and in operating order. Reportedly replaced last in 2009 with no reported problems at this time. Inspect regularly, replace media, backwash and repair as routine maintenance.

Anticipate replacement intervals as factored below.

Useful Life:

20 years

Remaining Life:

12 years



Best Case: \$ 3,400

Worst Case: \$ 4,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 411 Pool/Spa Heat Pumps - Replace**Quantity: (2) AquaCal SQ 156**

Location: Exterior location adjacent to pool/spa room

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Heat pumps installed in 2012

Evaluation: Fair condition with no reported problems at present (thermostats were previously replaced under warranty). Electric heat pumps were installed in 2012 as part of ~\$18,000 efficiency improvement project, providing primary heating of indoor pool and spa. Regular inspections, maintenance and repairs are assumed. Plan for typical replacement interval at roughly the time frame indicated below.

Useful Life:

15 years

Remaining Life:

10 years



Best Case: \$ 18,000

Worst Case: \$ 22,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 412 Spa Auxiliary Heater - Replace**Quantity: (1) Coates, 24 KW**

Location: Pool/spa utility room adjacent to pool

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Replaced last in FY 2012

Evaluation: Spa electric heater was replaced last in 2012 and is now considered auxiliary heater. Typical replacement interval of between the 5-10 year mark of life is projected below.

Useful Life:
5 yearsRemaining Life:
0 years

Best Case: \$ 2,500

Worst Case: \$ 3,500

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 413 Pool Auxiliary Heater - Replace**Quantity: (1) Coates, 24 KW**

Location: Pool/spa utility room adjacent to pool

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Replaced last in FY 2016

Evaluation: Pool electric heater was replaced last in FY 2016 at reported expense of only \$2,200. Typical replacement interval of between the 5-10 year mark of life is projected below.

Useful Life:
5 yearsRemaining Life:
3 years

Best Case: \$ 2,500

Worst Case: \$ 3,500

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 414 Pool/Spa Pump Controls - Replace

Quantity: (4) Emotron PSP20

Location: Pool/spa utility room adjacent to pool
Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding
History: Replacement was included in expense of ~\$6,300 in 2012 project to comply with VGBSA
Evaluation: No reported problems with automatic pump shut-off controls (anti-entrapment). Replacement was included in expense of ~\$6,300 in 2012 project to comply with VGBSA. Anticipate integrated replacement needs to maintain contemporary functionality in the future.

Useful Life:
10 years

Remaining Life:
5 years



Best Case: \$ 3,600

Worst Case: \$ 4,800

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 416 Pool/Spa Pumps/Valves - Replace

Quantity: (4) pumps, assorted

Location: Pool/spa utility room adjacent to pool
Funded?: No. Annual cost best handled as operating expense
History:
Evaluation: No leaks or operational problems indicated; all assumed to be functioning and in operating order. Some individual replacement since our previous 2014 site inspection was apparent. Typical failure rate of these types of components is difficult to predict and the individual repair/replacement costs are too small to merit reserve funding status anyway (pumps are typically \$500-\$1,000 each to replace). No anticipation of all-at-once replacements nor upgrade to much more costly VFD (Variable Frequency Drive) pumps, no reserve funding suggested at this time.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 418 Pool/Spa Covers/Reel - Replace

Quantity: (2) blankets, assorted

Location: Pool /spa area, indoor

Funded?: No. Annual cost best handled as operating expense

History:

Evaluation: Not unrolled for close inspection. Polypropylene covers and metal reel appear older. In any event, individual replacement is assumed as operational budget item for these simple covers and the non-motorized reel.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 420 Pool Furniture - Replace

Quantity: (10) assorted

Location: Pool /spa area, indoor

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Small groupings noted for limited indoor space. Inspect regularly, clean to maintain appearance and repair promptly as needed from operating budget. Somewhat subjective cost and timing but long term budgeting should include intervals of future replacement as anticipated below.

Useful Life:
10 years

Remaining Life:
2 years



Best Case: \$ 2,500

Worst Case: \$ 3,500

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 430 Patio Furniture - Replace**Quantity: (30) assorted**

Location: Patio and storage shed

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Reportedly replaced last in FY 2011/2012 at an expense of ~\$13,500

Evaluation: Outdoor patio furniture was mostly stacked and otherwise stored when we inspected on 6.7.2017. Reportedly replaced last in FY 2011/2012 at an expense of ~\$13,500. Inspect regularly, clean to maintain appearance and repair promptly as needed from operating budget. Wide range of expense is possible; eventual replacement of similar quantity/quality is factored below.

Useful Life:
10 years

Remaining Life:
4 years



Best Case: \$ 12,000

Worst Case: \$ 16,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 440 Exercise Equipment-Partial Replace**Quantity: (4) of (17), assorted**

Location: Exercise room

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: 2010 \$1,025 (1), 2013 \$12,500 (4)

Evaluation: Varying ages and types of residential or light commercial quality equipment with some also appearing donated. FY 2013/2014 cardio equipment replacements of \$12,500 included; (2) treadmills, (1) elliptical trainer and (1) recombinate bike. Stair stepper was replaced in 2010 at ~\$1,000. We noted another older treadmill, stair stepper and the assorted strength equipment as well. Inspect all regularly, clean for appearance, maintain and repair promptly as needed from operating budget to ensure safety. Although no anticipation of all-at-once replacement, we recommend setting aside some funding for the appropriate type of commercial quality exercise equipment to maintain this important community asset. Track needs and expense patterns, adjusting in future reserve updates as conditions merit.

Useful Life:
5 years

Remaining Life:
1 years



Best Case: \$ 10,000

Worst Case: \$ 15,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 450 Tennis Courts - Repair/Top Coat**Quantity: Approx 19,000 square feet**

Location: Off site; near Port Ludlow Golf Club

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: 2013/2014 for \$22,900

Evaluation: Note; SBCA is not owner of these tennis courts but rather has a long term lease. Your Association is reportedly entirely responsible for amenity maintenance expenses. Minor local cracking but otherwise fair appearance and condition of playing surface. Completion of repair and acrylic surface treatment (top coat) project occurred last in FY 2013/2014 at expense of \$22,900. Previously provided information regarding historical projects included; prior RDA reserve study indicated 2009 "resurface" and your FY 2012 depreciation schedule indicates "tennis court improvements" of \$14,500 in 2003. In any event, plan for similar future maintenance projects for repair and top coat roughly every 6-8 years. Keep clean as part of routine maintenance.

Useful Life:
8 years

Remaining Life:
4 years



Best Case: \$ 20,000

Worst Case: \$ 28,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 452 Tennis Courts - Resurface**Quantity: Approx 19,000 square feet**

Location: Off site; near Port Ludlow Golf Club

Funded?: No. BOD/Management direction to exclude since long term lease, not ownership at present

History:

Evaluation: In addition to timely intervals of top coating, ordinarily one should anticipate significant expense for eventual need to overlay (resurface) asphalt tennis courts (roughly \$70,000-\$80,000 every 30-40 years). BOD/Management direction to exclude such since long term lease, not ownership at present.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 456 Tennis Court Fence - Replace**Quantity: Approx 560 linear feet**

Location: Off site; near Port Ludlow Golf Club

Funded?: No. BOD/Management direction to exclude since long term lease, not ownership at present

History:

Evaluation: Generally fair condition with no significant corrosion or instability noted at this time. Sturdy component that can last for extended period of time if not damaged or abused. Clean, repair as needed from operating funds. Expectation for long term replacement needs, so normally reserve funding would be factored (roughly \$15,000 every 30-40 years). BOD/Management direction to exclude such since long term lease, not ownership at present.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 460 Gazebo Structure - Partial Replace**Quantity: (1) wood, large**

Location: Common area East of Bay Club

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Wood deck/2011 and entry stairs/2013

Evaluation: Fair, stable condition for this substantial construction. Wood deck was reportedly replaced in 2011 and entry stairs in 2013 (by on-site staff). No anticipation of total replacement needs; some allowance for partial repair/replacement is factored below. Continue to treat clean, stain or spot repairs as operating expense (see next component regarding roof shingles).

Useful Life:

10 years

Remaining Life:

5 years



Best Case: \$ 3,000

Worst Case: \$ 5,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 462 Gazebo Roof - Replace

Quantity: Approx 580 square feet

Location: Common area East of Bay Club

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Replaced last in 2011 at expense of \$2,000

Evaluation: Fair condition where observed; roof was reportedly replaced last in 2011 at expense of \$2,000. Anticipate frequent cleaning, maintenance in this heavily treed location to achieve typical useful life of 20-25 years.

Useful Life:
25 years

Remaining Life:
19 years



Best Case: \$ 2,800

Worst Case: \$ 3,200

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Building Exterior

Comp #: 504 Bay Club Metal Roof - Replace**Quantity: Approx 21,900 square feet**

Location: Rooftop of Bay Club

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Durable metal roof without advanced deterioration noted during our limited scope visual inspection. Some local repair was reportedly needed in previous years due to water infiltration (primarily transition flashing issues). More one-time roof repair is planned for FY 2017/2018; see next component. As routine maintenance, we recommend professional inspections at least twice annually and after wind storms, promptly repairing as may be needed to ensure that the water proof integrity of the buildings is maintained. Regular cleaning regimen is also important to sustain and provide for quality appearance. Typical useful life of either similar metal roofing (and the underlying water proof membrane) or alternately a quality dimensional shingle in this application is 35-45 years. As project draws near, consider future replacement with a quality dimensional shingle for cost efficiency and ease of maintenance/repair. For now, cost of replacement with similar metal roof is factored below.

Useful Life:
40 years

Remaining Life:
12 years



Best Case: \$ 300,000

Worst Case: \$ 400,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

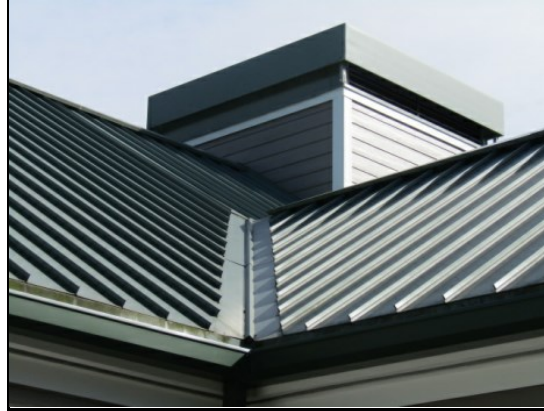
Comp #: 505 Bay Club Roof - One-time Repair**Quantity: Approx 21,900 square feet**

Location: Rooftop of Bay Club

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: As already mentioned, one-time roof repair is planned for FY 2017/2018. Expense of roughly \$13,200 is assumed to remedy roof leaks at some valleys.

Useful Life:
0 yearsRemaining Life:
0 years

Best Case: \$ 12,200

Worst Case: \$ 14,200

Lower allowance

Higher allowance

Cost Source: Estimate Provided by Client

Comp #: 506 Bay Club Roof - Seal**Quantity: Approx 21,900 square feet**

Location: Rooftop of Bay Club

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: In addition to one-time repairs already factored for FY 2017/2018, your further needs/plans for preventative maintenance to occur every five years. Cyclical reserve funding is factored going forward with input from Management.

Useful Life:
5 yearsRemaining Life:
0 years

Best Case: \$ 4,300

Worst Case: \$ 6,300

Lower allowance

Higher allowance

Cost Source: Estimate Provided by Client

Comp #: 508 Bay Club Roof - Clean**Quantity: Approx 21,900 square feet**

Location: Rooftop of Bay Club

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Last event was FY 2015/2016 at cost of \$5,940

Evaluation: Significant historical expense to clean metal roof in recent years. Last event was FY 2015/2016 at cost of \$5,940.

Cyclical reserve funding is factored going forward with input from Management (next event deferred until FY 2018/2019).

Useful Life:
2 yearsRemaining Life:
1 years

Best Case: \$ 7,000

Worst Case: \$ 9,000

Lower allowance

Higher allowance

Cost Source: Estimate Provided by Client

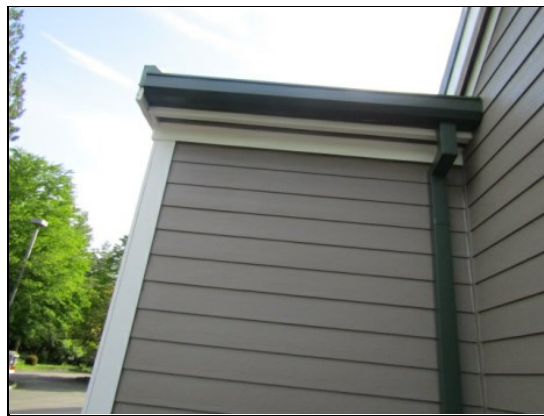
Comp #: 510 Bay Club Gutters/Downspouts-Replace**Quantity: Approx 950 linear feet**

Location: Perimeter of Bay Club

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Replacement of Clubhouse gutters and downspouts was reportedly part of FY 2016/2017 exterior repairs. Segregated expense was apparently \$22,000 but likely included improvements for drainage as opposed to simple replacement. Inspect regularly, keep free of debris to ensure water evacuating from rooftops as designed and repair as needed from general operating funds. Best to plan for replacement to ensure appearance and performance.

Useful Life:
30 yearsRemaining Life:
29 years

Best Case: \$ 7,600

Worst Case: \$ 11,400

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 515 Skylights - Replace

Quantity: (8) large, assorted

Location: Rooftop of building

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: No problems nor previous pattern of replacement expense reported for these large skylights. No significant damage or fogging noted from our grade level observations. Inspect regularly, repair promptly as needed to maintain water proof integrity of building. We suggest planning for replacement at least every roof replacement cycle to ensure quality construction, waterproofing and cost efficiency. Track needs, expense patterns and adjust in future reserve study updates as conditions warrant.

Useful Life:
40 years

Remaining Life:
12 years



Best Case: \$ 16,400

Worst Case: \$ 19,600

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 524 Site Metal Rail - Replace

Quantity: Approx 160 linear feet

Location: Rear patio, Southwest

Funded?: No. Useful life not predictable or extended

History:

Evaluation: Fair condition without significant corrosion, structural damage or deterioration observed. Sturdy construction that can last for very extended period with ordinary care and maintenance. Inspect regularly for stability and tighten connections, repair promptly as needed to ensure safety. Clean periodically for appearance and paint along with other exterior building surfaces, no need for separate funding. No expectation of large scale replacement within the scope of this reserve study, therefore no reserve funding recommended.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 540 Exterior Surfaces-Clean/Seal/Paint

Quantity: Approx 18,250 GSF

Location: Exterior painted surfaces

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Exterior painting was evidently part of FY 2016/2017 ~\$835,000 repairs

Evaluation: Much improved since our previous 2014 site visit; good condition with ample coverage noted. Exterior painting was evidently part of FY 2016/2017 ~\$835,000 repairs. Segregated expense was reportedly \$48,000. Going forward, we recommend cleaning and refinishing intervals to include all exterior building painted surfaces as appropriate for purposes of long term planning. This approach will ensure cost efficiency, best appearance and weatherproofing performance. We also recommend regular professional inspections with prompt repair and touch- up as needed to ensure that material protection and waterproof integrity of the building is maintained. Typical Northwest paint cycles are between five to ten years depending upon surface preparation, material quality, application methods, site and weather conditions. Maintenance of caulking with high quality product is important part of surface preparation. Repair any siding/trim necessary prior to painting. Anticipate cleaning, sealing and painting utilizing quality materials and workmanship at level indicated below.

Useful Life:
10 years

Remaining Life:
9 years



Best Case: \$ 41,000

Worst Case: \$ 55,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 542 Exterior Siding - Repair/Replace

Quantity: Approx 18,250 GSF

Location: Building exterior surfaces

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Replacement was part of FY 2016/2017 ~\$835,000 repairs

Evaluation: As new condition for Clubhouse exterior cladding (siding); now primarily consisting of cement fiber products.

Replacement was part of FY 2016/2017 ~\$835,000 repairs; we assume proper installation with adequate underlying moisture barrier. Small amount of older wood shingle and assorted trim at Storage Building is still in fair, stable condition. When correctly installed, siding is a durable, long lived product assuming proper care and maintenance (timely cleaning, caulking and refinishing).

We recommend regular professional inspections with prompt repair as needed to ensure weather tightness is maintained. For purposes of long term planning, we assume eventual replacement of siding, underlying weatherproofing at roughly 40 years as factored below. Such project is timed to coincide with future clean/paint/seal interval for cost efficiency and quality waterproofing.

Note; cost may vary significantly depending upon any underlying structural repair needs.

Useful Life:
40 years

Remaining Life:
39 years



Best Case: \$ 180,000

Worst Case: \$ 270,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 544 Windows/SGD's - Replace

Quantity: Extensive quantity

Location: Exterior building elevations

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Replacement was part of FY 2016/2017 ~\$835,000 repairs

Evaluation: Vast majority are newer; replacement was part of FY 2016/2017 ~\$835,000 repairs. If properly installed without defect, most windows and glass doors have a service life of 20 to 30 years or more. We recommend the Board provide for regular professional inspections of windows and glass doors, penetrations, sealants and adjacent structure by a highly qualified contractor or engineer to assess repair needs and timing to help prevent structural damage to building. Going forward, prudent planning suggests anticipation for eventual window replacement (glass, frames, etc..) during siding replacement project for quality weatherproofing. Adjust funding assumptions in future reserve study updates as conditions dictate (i.e. if patterns of significant and/or more urgent replacement needs become apparent). Carefully track needs and any actual expense patterns to facilitate accurate budget forecasting.

Useful Life:
40 years

Remaining Life:
39 years



Best Case: \$ 150,000

Worst Case: \$ 200,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Building Interior

Comp #: 600 Carpet/Vinyl - Replace**Quantity: Approx 1,200 SY**

Location: Bay Club interior

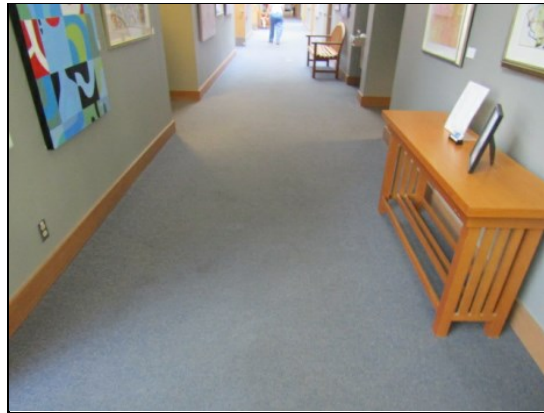
Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Vast majority of interior flooring is older carpeting with some general aging, fading and wear but clean condition and without damage. Research indicated last large scale replacement has not occurred since 2004 or perhaps earlier. A few subsequent and minor local replacements were noted, such as conference room in 2010. As part of ongoing maintenance program, continue to vacuum carpet and clean as needed. Community benefits from proactive care and gentle use. Timing and expense are somewhat subjective by nature but periodic needs for aesthetic updating are not. No specific near term plans were expressed. For purposes of long term planning and to maintain a quality appearance, we recommend planning for replacement at roughly the 10-12 year time frame below.

Useful Life:
12 years

Remaining Life:
1 years



Best Case: \$ 48,000

Worst Case: \$ 72,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 602 Tile Floor - Replace**Quantity: Approx 980 square feet**

Location: Bay Club interior, bathrooms and locker rooms

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Your current plans are to replace tile flooring soon but no preliminary bids or specification were provided. Long term planning assumes replacement interval needs with similar as factored below. Clean, seal grout and provide minor repair as operating expenses

Useful Life:
36 years

Remaining Life:
1 years



Best Case: \$ 19,600

Worst Case: \$ 29,400

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 604 Wood Floor - Replace**Quantity: Approx 3,400 square feet**

Location: Bay Club interior, auditorium

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Without advanced deterioration at present. Replacement intervals are factored for this high profile area at roughly the time frame below. See next component regarding intervals of refinishing - add that expense for total project cost.

Useful Life:
36 years

Remaining Life:
13 years



Best Case: \$ 40,800

Worst Case: \$ 61,200

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 606 Wood Floor - Refinish**Quantity: Approx 3,400 square feet**

Location: Bay Club interior, auditorium

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Reportedly refinished last in 2004 at an expense of ~\$12,000

Evaluation: Majority with general deterioration and fading. Auditorium wood floor was reportedly refinished last in 2004 at an expense of ~\$12,000; small stage has apparently been refinished since our 2014 site inspection. No current plans for large scale FY 2017/2018 project. Anticipate future intervals of professional resurfacing of wood as factored below. If needed, more frequent refinishing of stage should be provided in between from operating funds.

Useful Life:
12 yearsRemaining Life:
1 years

Best Case: \$ 11,900

Worst Case: \$ 18,700

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

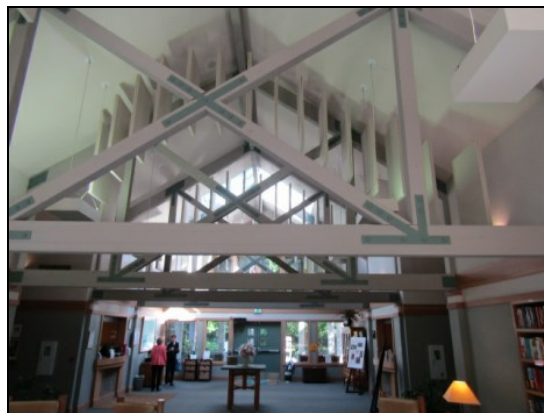
Comp #: 610 Interior Surfaces - Paint/Refinish**Quantity: Approx 37,700 GSF**

Location: Bay Club interior, common painted and finished surfaces

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Condition varies to some degree but general deterioration and fading for most areas with large scale painting project perhaps occurring last in 2007; definitive timeline or cost history was not provided. Smaller projects, such as exercise room was painted in FY 2013 and conference room in 2011. Going forward, regular cycles of uniform painting and refinishing of interior wood work are recommended to maintain quality appearance; typical useful life cycles are 8-12 years. Time projects prior to flooring replacement or refinishing for maximum aesthetic impact, logistics and cost efficiencies. Keep touch-up paint on site for in between cycle projects.

Useful Life:
12 yearsRemaining Life:
1 years

Best Case: \$ 38,000

Worst Case: \$ 53,200

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 614 Interior Lights - Replace

Quantity: (104) assorted

Location: Bay Club interior ilocations

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Fluorescent fixtures and stage lighting in FY 2008/2009 at an expense of ~\$61,000

Evaluation: Vary ages and types noted but overall condition is fair. Previous project history reportedly includes replacement of fluorescent fixtures and stage lighting in FY 2008/2009 at an expense of ~\$61,000. Subsequent newer stage lighting reported in FY 2016 at expense of \$5,300; other smaller projects have likely occurred since 1989 as well. No large scale replacements are currently planned for the near term. In our experience, a comprehensive lighting retrofit is warranted at roughly 20-25 year intervals for contemporary functionality, energy efficiency and quality appearance. Plan projects to coincide with interior painting for cost efficiency. Clean, change bulbs regularly and anticipate some local repair/replacement needs periodically as general maintenance expense.

Useful Life:
24 years

Remaining Life:
13 years



Best Case: \$ 50,000

Worst Case: \$ 70,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 618 Common Areas - Partial Refurbish**Quantity: Extensive square feet**

Location: Bay Club interior

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: This component recommends setting aside funding for future periodic remodeling and aesthetic updating. Majority of furnishings are older but generally fair and functional; community has benefited from gentle use. It is our understanding that in 2010 banquet tables were replaced at an expense of \$11,000 and also conference room furniture (\$7,000). Research for this update confirmed deferred renovations of great room furnishings are now likely in the near term but no definitive or specific plans have been developed as yet. Extensive redesign (\$100,000 +) is atypical but many communities replace such items as furniture groupings, wall coverings, window treatments, artwork, cabinetry, décor, etc... at regular intervals to maintain these important community areas. Timing and expense by nature are subjective; track desires, needs and expense patterns and adjust in future reserve study updates as conditions warrant.

Useful Life:

6 years

Remaining Life:

1 years



Best Case: \$ 20,000

Worst Case: \$ 40,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 620 Bathrooms/Locker Rooms - Refurbish**Quantity: (2) each**

Location: Bay Club interior

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Your current plans for FY 2018/2019 renovation projects are still being developed. Scope may include items such as vanities, showers, lockers, lighting, fixtures, stall partitions, wall tile work, etc... Timing and expense are subjective by nature; adjust funding levels in future reserve updates as conditions merit.

Useful Life:

36 years

Remaining Life:

1 years



Best Case: \$ 40,000

Worst Case: \$ 50,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 630 Kitchen - Refurbish**Quantity: Extensive quantity**

Location: Bay club kitchen

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Adequate performance assumed and no significant problems at present. Typical useful life of commercial equipment such as food prep island, cabinetry, counters, etc...is 15-25 years. For now, no specific plans or specifications were expressed so "budget placeholder" for significant, integrated replacements and modest design changes factored below. Adjust in future reserve study updates as conditions merit. See next components regarding major appliances.

Useful Life:

25 years

Remaining Life:

8 years



Best Case: \$ 15,000

Worst Case: \$ 25,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 632 Dishwasher - Replace**Quantity: (1) commercial**

Location: Bay club kitchen

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Reportedly installed last in 1992

Evaluation: Old commercial equipment is functioning but beyond the typical use life of 20 years (reportedly installed last in 1992). No preliminary bids or plans for FY 2017/2018 replacement; anticipate needs at anytime.

Useful Life:

20 years

Remaining Life:

0 years



Best Case: \$ 3,000

Worst Case: \$ 4,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 633 Gas Oven/Vent - Replace**Quantity: (1) Thermador six-burner**

Location: Bay club kitchen

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Reportedly installed last in 2002

Evaluation: Thermador six-burner gas oven was reportedly installed last in either 2002 or 2010; current working assumption is that equipment is more likely older. Anticipate needs every 8-15 years as factored below.

Useful Life:
15 yearsRemaining Life:
0 years

Best Case: \$ 4,000

Worst Case: \$ 6,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 634 Ice Machine - Replace**Quantity: (1) Manitowoc**

Location: Storage Shed

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Reportedly purchased in 2005

Evaluation: Unit reportedly purchased in 2005 (we assume as new equipment). For purposes of long term planning, anticipate replacement every 12-15 years as factored below.

Useful Life:
15 yearsRemaining Life:
3 years

Best Case: \$ 3,000

Worst Case: \$ 4,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 635 Cooking/Holding Oven - Replace**Quantity: (1) Alto Shaam**

Location: Bay club kitchen

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Reportedly installed last in 2008

Evaluation: Alto Shaam food warmer was reportedly installed last in 2008. No reported problems; anticipate needs every 15-20 years as factored below.

Useful Life:
20 yearsRemaining Life:
11 years

Best Case: \$ 5,000

Worst Case: \$ 7,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 636 Commercial Refrigerator - Replace**Quantity: (1) Turbo Air**

Location: Bay club kitchen

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Reportedly installed last in 2015 at expense of \$3,700. Previous Hobart refrigerator was replaced in 2010.

Evaluation: No reported problems; Turbo Air TSR-49SD refrigerator was reportedly installed last in 2015 at expense of \$3,700.

Note that previous Hobart refrigerator was replaced in 2010. Regardless, anticipate needs at more conventional 8-10 years as factored below.

Useful Life:
10 yearsRemaining Life:
8 years

Best Case: \$ 4,000

Worst Case: \$ 6,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 637 Electric Double Oven - Replace**Quantity: (1) Miele HP398BP2**

Location: Bay club kitchen

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Reportedly installed last in 2015 at expense of \$3,100. Previous Thermador double oven was replaced in 2007.

Evaluation: No reported problems; Miele HP398BP2 electric double oven was reportedly installed last in 2015 at expense of \$3,100. Note that previous Thermador double oven was replaced in 2007. Regardless, anticipate needs at more conventional 10-15 years as factored below.

Useful Life:
15 years

Remaining Life:
13 years



Best Case: \$ 3,500

Worst Case: \$ 4,500

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 650 Entry/Utility Doors - Replace**Quantity: Moderate quantity**

Location: Common areas, exterior and interior

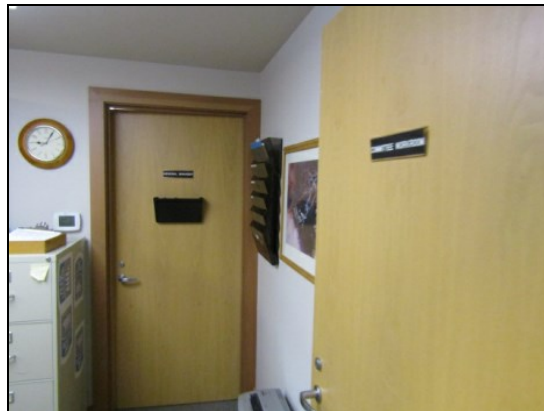
Funded?: No. Annual cost best handled as operating expense

History:

Evaluation: Assorted age, condition, type and exposure to weathering elements; overall condition is fair. Main entry doors were reportedly replaced in 2012; no cost history was provided. Inspect regularly, repair hardware and replace individual doors as needed from maintenance budget. Clean and refinish if needed along with other building surfaces, no separate funding. No expectation for large scale replacement for the foreseeable future so no reserve funding recommended.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Systems/Equipment

Comp #: 800 Plumbing - Repair/Replace**Quantity: Extensive systems**

Location: Throughout common areas of community

Funded?: No. Useful life not predictable or extended

History:

Evaluation: No widespread problems are reported (such as; corrosion, sediment, pressure issues, occlusions, etc...) nor significant previous repair history. Assessing the plumbing systems is beyond the scope of a reserve study. Regular professional inspections should be undertaken to evaluate replacement needs and to minimize the risk of significant water damage incidents and expense to the association. If installed per architectural specifications and local building codes, there is no predictable time frame for large scale repair/replacement expenses within the scope of our report. Treat minor repairs as ongoing maintenance expense. Funding may be incorporated into future reserve study updates when remaining life of plumbing appears to be less than thirty years. No reserve funding suggested at this time.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 802 Electrical - Repair/Replace

Quantity: Extensive systems

Location: Throughout common and limited common areas

Funded?: No. Useful life not predictable or extended

History:

Evaluation: Assessing the electrical systems is also beyond the scope of our services. No significant problems reported at this time. If installed per architectural specifications and local building codes, there is no predictable time frame for large scale repair/replacement expenses within the scope of our report. Treat minor repairs as ongoing maintenance expense. We recommend routine inspections (including infrared or thermographic testing) to assess conditions on an ongoing basis, along with regular maintenance of cleaning, tightening connections, etc... Funding may be incorporated into future reserve study updates if conditions change. No reserve funding suggested at this time.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 816 Fire Alarm Panel - Replace

Quantity: (1) Fire Lite MS-5UD

Location: Bay Club electric closet

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Replaced in 2012 at an expense of \$3,000

Evaluation: It is our understanding that panel was replaced in 2012 at an expense of \$3,000. Assumed to be operating as designed; professional inspections are recommended and indicated. Prudent planning suggests setting aside funding for periodic panel replacement to maintain functionality and offset parts obsolescence at the roughly the interval indicated below.

Useful Life:
20 years

Remaining Life:
15 years



Best Case: \$ 3,000

Worst Case: \$ 4,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 818 ADA Door Operators - Replace**Quantity: (3) operators/controls**

Location: Main entry area and two bathrooms, Bay Club Building Entry areas of buildings

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Installed in FY 2010/2011 at a reported expense of only \$3,400

Evaluation: ADA door operators were installed in FY 2010/2011 at both bathrooms and the main entry at a reported expense of only \$3,400. No reported problems or performance issues with existing system. Typical useful life is somewhat driven by usage but assume roughly 10-15 years as projected below.

Useful Life:
15 yearsRemaining Life:
8 years

Best Case: \$ 6,000

Worst Case: \$ 7,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 832 Water Heaters, Commercial - Replace**Quantity: (2) assorted**

Location: Storage building, Bay Club attic

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Both units were replaced last in FY 2014/2015 at total expense of \$15,400

Evaluation: Both units were replaced last in FY 2014/2015 at total expense of \$15,400. Current equipment schedule includes A.O. Smith brand, 65 gallon, 305K BTU input gas unit providing hot water for commercial kitchen. Assumed 50 gallon unit in the attic of the Bay Club was not physically verified. Water heaters (or boilers) are recommended for proactive replacement at the 10-15 year interval. Anticipate such to help prevent water damage incidents and maintain smooth operations.

Useful Life:
15 yearsRemaining Life:
12 years

Best Case: \$ 13,000

Worst Case: \$ 19,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 834 Water Heaters - Replace**Quantity: (3) assorted**

Location: Storage building, pool/spa equipment room, etc...

Funded?: No. Cost projected to be too small

History:

Evaluation: This component represents less costly water heaters. Bradford White 50 gallon electric unit in pool/spa equipment room was replaced in 2013; no cost history was provided. Also, two smaller (6 and 10 gallon) units are apparently deployed. In any event, same recommendations regarding proactive replacements will apply here as well. Provide individual replacements (under \$3,000) as an operating expense.

Useful Life:

0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 838 Heat Pump, Pool Room - Add/Replace**Quantity: (1) Trane, 10 ton**

Location: Common area

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Your current plans to add heat pump for Pool Room in FY 2017/2018 at preliminary expense of \$21,000

Evaluation: No image available since equipment is not yet installed. Your current plans to add heat pump for Pool Room in FY 2017/2018 at preliminary expense of \$21,000. It is our understanding old duct furnace will be utilized as secondary heat source. Future intervals of heat pump replacement are factored below.

Useful Life:

20 years

Remaining Life:

0 years

No Photo Available

Best Case: \$ 18,000

Worst Case: \$ 24,000

Lower allowance

Higher allowance

Cost Source: Estimate Provided by Client

Comp #: 840 Duct Furnaces - Replace**Quantity: (6) assorted**

Location: Bay Club attics, common areas

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: These older units with general deterioration but still functional at the moment. Equipment is already well beyond the typical 15-20 year service life expectation. No preliminary bids or proactive plans for next replacement to occur; anticipate replacement needs at anytime in the near future. We recommend regular professional maintenance and repairs. Plan for regular intervals of replacement at typical life expectancy indicated below. Note; consideration may be given to transition to more efficient heat pumps but we only factored like-kind replacement at this time. If electing upgrade, anticipate total project cost closer to \$126,000. Adjust in future reserve study updates as conditions merit.

Useful Life:
20 years

Remaining Life:
1 years



Best Case: \$ 72,000

Worst Case: \$ 108,000

Lower allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 847 Dryer/Washer- Replace**Quantity: (2) assorted**

Location: Pool/spa equipment room

Funded?: No. Cost projected to be too small

History:

Evaluation: Mismatched dryer and washer of varying ages. Provide minor replacement expense (\$1,000-\$2,000 for both) for new equipment (either heavy duty residential or light commercial type) from operating funds when needed.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 849 Exhaust Fans - Replace**Quantity: Small quantity**

Location: Pool room, exercise room, etc...

Funded?: No. Cost projected to be too small

History:

Evaluation: Some recent replacement indicated; assorted exhaust fans are assumed to be operating as designed. Care and maintenance of fans is typically limited to simple maintenance and periodic minor replacement expense.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 850 Alarm/Surveillance System - Replace**Quantity: (6) camera system**

Location: Common areas

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Installation last in FY2009/2010 at expense of \$12,000

Evaluation: Systems include access alarm and six-camera, internet surveillance equipment. No reported problems at present; large scale installation last in June 2010 (FY2009/2010) at a reported expense of \$12,000. Inspect regularly for performance, spot repair as needed utilizing general operating funds. Equipment schedule with varying individual life cycles but intervals of integrated replacement due to technological upgrades/obsolescence is recommended.

Useful Life:
10 years

Remaining Life:
2 years



Best Case: \$ 8,000

Worst Case: \$ 12,000

Lower allowance

Higher allowance

Cost Source: Client Cost History/Similar Project Cost History

Comp #: 852 Telephone System - Replace**Quantity: (1) Samsung DS-5021D**

Location: Reception, office, kitchen, etc...

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History: Replaced last in 2013 at an expense of \$3,500

Evaluation: Fair condition; replaced last in FY 2013/2014 at an expense of ~\$3,500. Assume integrated replacement intervals as factored below.

Useful Life:
8 yearsRemaining Life:
4 years

Best Case: \$ 3,000

Worst Case: \$ 4,000

Lower allowance

Higher allowance

Cost Source: Client Cost History

Comp #: 854 Office Equipment - Partial Replace**Quantity: Extensive equipment**

Location: Manager's office, reception area, etc...

Funded?: Yes. Meets National Reserve Study Standards criteria for Reserve Funding

History:

Evaluation: Equipment schedule currently owned includes at least servers, computers, monitors and small printers/all-in-ones. In any event, research with Management confirmed likely needs, expense events as factored below. Track needs, actual expense patterns and adjust in future reserve study updates as conditions warrant.

Useful Life:
5 yearsRemaining Life:
4 years

Best Case: \$ 8,000

Worst Case: \$ 12,000

Lower allowance

Higher allowance

Cost Source: Estimate Provided by Client

Comp #: 860 Wood Shop Equipment - Replace**Quantity: Extensive quantity**

Location: Wood Shop

Funded?: No. Annual cost best handled as operating expense

History:

Evaluation: Wood shop was clean and well organized when we inspected on 6.7.2017. Equipment schedule of varying ages includes larger pieces such as assorted types of power saws (table, radial arm, band and scroll) as well as lathe, jointer and drill press. Going forward, timely individual replacements from the operating budget are assumed adequate to maintain safe functionality. Also, supplementary community or committee donations are sometimes utilized to maintain at some associations.

Useful Life:

0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 864 Emergency Equipment - Replace**Quantity: Extensive quantity**

Location: Emergency control room

Funded?: No. Annual cost best handled as operating expense

History:

Evaluation: We noted assorted types of radio equipment of varying ages, computer and monitor among others in the emergency control room. Defibrillator is located in office. Evaluate needs annually and replace as needed from operating funds.

Useful Life:

0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 874 Entertainment Equipment - Replace**Quantity: Extensive equipment**

Location: Conference room, auditorium, class room, exercise room, etc...

Funded?: No. Annual cost best handled as operating expense

History:

Evaluation: Assorted ages and sizes for the T.V.s were noted. Other individual equipment such as projectors, screens, mixing boards, PA sound system components were replaced last over significant time period. No reported problems or needs for large scale replacement were indicated for the near term. Life cycles and usage patterns vary considerably. Individual replacements are relatively low cost and should simply be provided from annual operating funds when need or desire arises. Track expense history carefully; adjust in future reserve study updates as conditions merit.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 876 Small Equipment/Tools - Replace**Quantity: Moderate equipment**

Location: Utility closets, Storage Building

Funded?: No. Annual cost best handled as operating expense

History:

Evaluation: Assorted small tools/equipment such as floor buffer, power washer, portable generator and leaf blower don't merit reserve designation. Evaluate such minor replacement needs as ongoing maintenance and provide from annual operating funds.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Professional/Special Projects

Comp #: 999 Reserve Study Update**Quantity: Annual update**

Location: Common areas

Funded?: No. Annual cost best handled as operating expense

History:

Evaluation: Per Washington law (RCW), condominium and HOA reserve studies are to be updated annually, with site inspections by an independent reserve study professional to occur no less than every three years to assess changes in condition (i.e., physical, economic, governmental, etc...) and the resulting effect on the community's long-term reserve plan. Your corporation may be otherwise structured but in any event, reserve study updates would most appropriately be factored within the operating budget, not as reserve component.

Useful Life:
0 years

Remaining Life:



Best Case:

Worst Case:

Cost Source: