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**The Ridge**  
***Federal Way, WA***



Report #: 20326-6  
Beginning: January 1, 2024  
Expires: December 31, 2024

**RESERVE STUDY**  
**Update "With-Site-Visit"**

September 15, 2023

# Welcome to your Reserve Study!

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

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

In this Report, you will find three key results:

- **Component List**

Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.

- **Reserve Fund Strength**

A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.

- **Reserve Funding Plan**

A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

## Questions?

Please contact your Project Manager directly.



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## Table of Contents

<b>Executive Summary</b>	<b>4</b>
Executive Summary (Component List)	5
<b>Introduction, Objectives, and Methodology</b>	<b>6</b>
Which Physical Assets are Funded by Reserves?	7
How do we establish Useful Life and Remaining Useful Life estimates?	7
How do we establish Current Repair/Replacement Cost Estimates?	7
How much Reserves are enough?	8
How much should we contribute?	9
What is our Recommended Funding Goal?	9
<b>Site Inspection Notes</b>	<b>10</b>
<b>Projected Expenses</b>	<b>11</b>
Annual Reserve Expenses Graph	11
<b>Reserve Fund Status &amp; Recommended Funding Plan</b>	<b>12</b>
Annual Reserve Funding Graph	12
30-Yr Cash Flow Graph	13
Percent Funded Graph	13
<b>Table Descriptions</b>	<b>14</b>
Reserve Component List Detail	15
Fully Funded Balance	16
Component Significance	17
30-Year Reserve Plan Summary	18
30-Year Reserve Plan Summary (Alternate Funding Plan)	19
30-Year Income/Expense Detail	20
<b>Accuracy, Limitations, and Disclosures</b>	<b>26</b>
<b>Terms and Definitions</b>	<b>27</b>
<b>Component Details</b>	<b>28</b>
General Community	29
Main Park	37
Tennis & Basketball Court	44
Picnic Park	51
Inspections and Studies	53

**The Ridge**

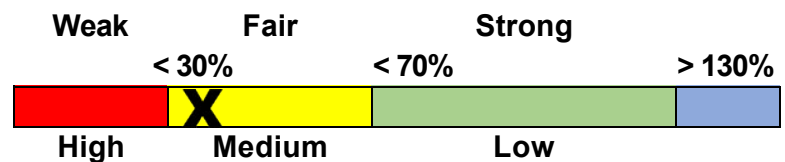
Federal Way, WA

Level of Service: **Update "With-Site-Visit"**Report #: **20326-6**

# of Units: 229

**January 1, 2024 through December 31, 2024****Findings & Recommendations****as of January 1, 2024**

<b>Starting Reserve Balance</b> .....	<b>\$.97,918</b>
<b>Current Fully Funded Reserve Balance</b> .....	<b>\$273,111</b>
<b>Percent Funded</b> .....	<b>35.9 %</b>
<b>Average Reserve (Deficit) or Surplus Per Unit</b> .....	<b>(\$765)</b>
<b>Recommended 2024 100% Monthly "Full Funding" Contributions</b> .....	<b>\$2,900</b>
<b>2024 "Baseline Funding" minimum to keep Reserves above \$0</b> .....	<b>\$2,660</b>
<b>Most Recent Budgeted Contribution Rate</b> .....	<b>\$2,500</b>

**Reserve Fund Strength: 35.9%****Risk of Special Assessment:****Economic Assumptions:**Net Annual "After Tax" Interest Earnings Accruing to Reserves ..... **1.00 %**Annual Inflation Rate ..... **3.00 %**

- This is a Update "With-Site-Visit", meeting all requirements of the Revised Code of Washington (RCW). This study was prepared by, or under the supervision of a credentialed Reserve Specialist (RS™).
- Your Reserve Fund is currently 35.9 % Funded. This means the association's special assessment & deferred maintenance risk is currently Medium. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of such Reserve cash flow problems. The current annual deterioration of your reserve components is \$25,742 - see Component Significance table.
- Based on this starting point and your anticipated future expenses, our recommendation is to budget Reserve Contributions to within the Baseline to 100% range as noted above. The 100% "Full" contribution rate is designed to gradually achieve these funding objectives by the end of our 30-year report scope.
- No assets appropriate for Reserve designation known to be excluded. See appendix for component information and the basis of our assumptions. "Baseline Funding" in this report is as defined within the RCW, "to maintain the reserve account balance above zero throughout the thirty-year study period, without special assessments." Funding plan contribution rates, and reserves deficit or (surplus) are presented as an aggregate total, assuming average percentage of ownership. The actual ownership allocation may vary - refer to your governing documents, and assessment computational tools to adjust for any variation.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
<b>General Community</b>			
102 Island Curbs - Repair/Replace	5	0	\$10,000
175 Irrigation/Electric System - Repair	5	0	\$4,500
200 Entry Monuments: Brick - Replace	35	5	\$60,000
206 Wood Fencing - Seal/Paint	6	3	\$26,500
210 Mailboxes/Stands - Repair/Replace	25	13	\$46,150
<b>Main Park</b>			
192 Park Sign - Repair/Replace	30	5	\$5,000
340 Play Equipment: - Replace	20	15	\$112,450
341 Play Chips - Replenish	3	0	\$5,150
342 Playground Border - Repair/Replace	20	6	\$5,000
346 Site Furnishings - Replace	20	9	\$7,800
350 Pavilion Structure - Repair/Replace	30	14	\$36,550
<b>Tennis &amp; Basketball Court</b>			
318 Tennis Court - Bench & Net Posts	20	0	\$3,500
319 Tennis Court - Fence	30	0	\$10,700
320 Tennis Court - Clean/Recoat	5	0	\$8,100
322 Tennis Court - Asphalt Reconstruct	30	0	\$64,700
323 Basketball Court - Clean/Recoat	5	0	\$1,975
324 Basketball Court - Reconstruct	30	3	\$10,400
330 Basketball Hoops-Replace	30	3	\$5,575
<b>Picnic Park</b>			
193 Park Sign - Repair/Replace	20	5	\$4,000
349 Site Furniture - Repair/Replace	20	9	\$1,300

**20 Total Funded Components**

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



## Introduction



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

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



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

## Methodology



For this [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



RESERVE COMPONENT "FOUR-PART TEST"

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

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

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

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

In this order...

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

## How much Reserves are enough?

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

Adequacy is measured in a two-step process:

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



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

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

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



## How much should we contribute?



RESERVE FUNDING PRINCIPLES

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

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

## What is our Recommended Funding Goal?

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



FUNDING OBJECTIVES

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

## Site Inspection Notes

During our site visit on 9/2/2023, we visually inspected all visible common areas, while compiling a photographic inventory, noting: general exterior observations, make & model information where appropriate, apparent levels of care and maintenance, exposure to weather elements and other factors that may affect the components useful life.

The overall community looks well cared for and appreciated by the homeowners. The yards and exterior appearance of homes is reflective of a well cared for neighborhood. The parks are well maintained in general and the community looks sharp. The brick monument signs at the entrances and the parks are looking a little dated and the Board may wish to start considering replacement options. This doesn't need to happen right away but it may be a good idea to start the discussions as prominent features like may take some time for the community to come to consensus on replacement. The tennis court is ready for replacement due to tree root damage. The remainder of the community is looking in great condition especially considering the age of the community.



# 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.

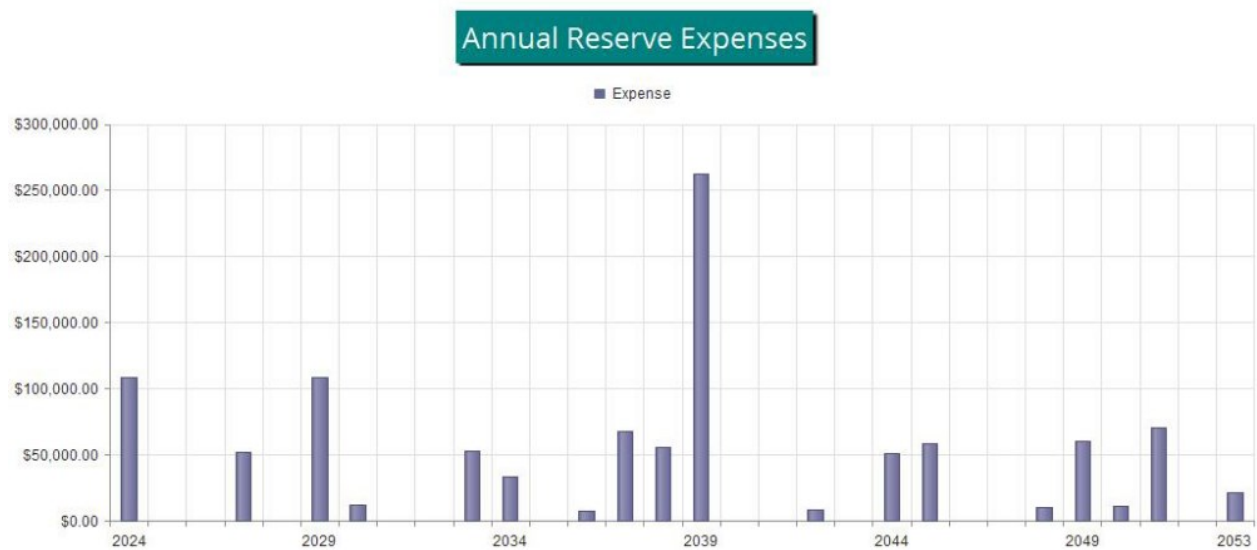


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$97,918 as-of the start of your Fiscal Year on 1/1/2024. As of that date, your Fully Funded Balance is computed to be \$273,111 (see Fully Funded Balance Table). This figure represents the deteriorated value of your common area components.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$2,900 per month this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary Table and the Cash Flow Detail Table.

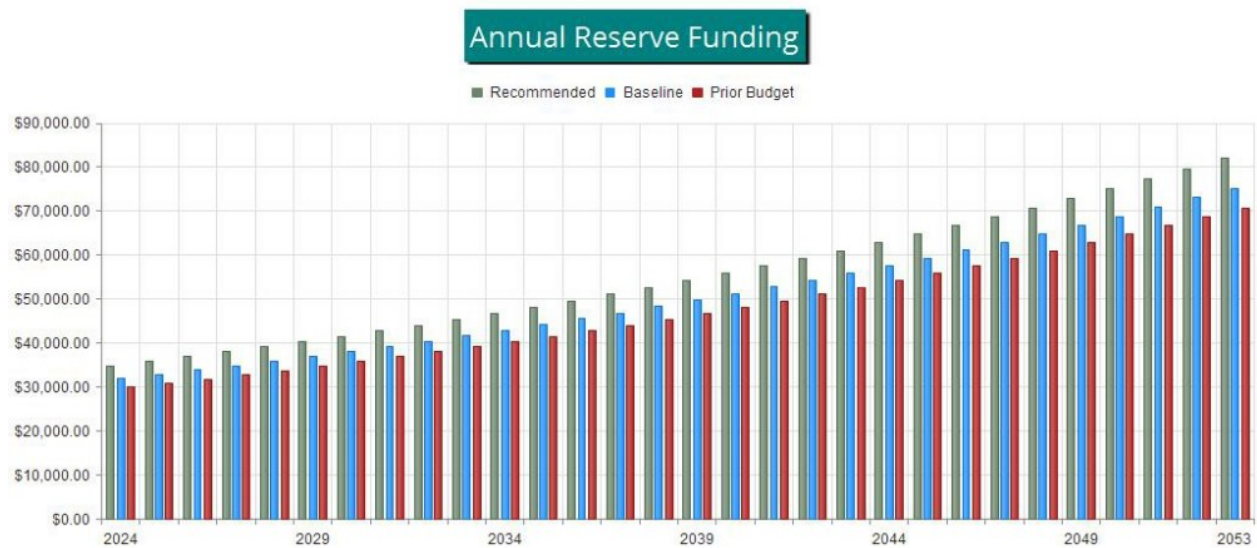


Figure 2

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

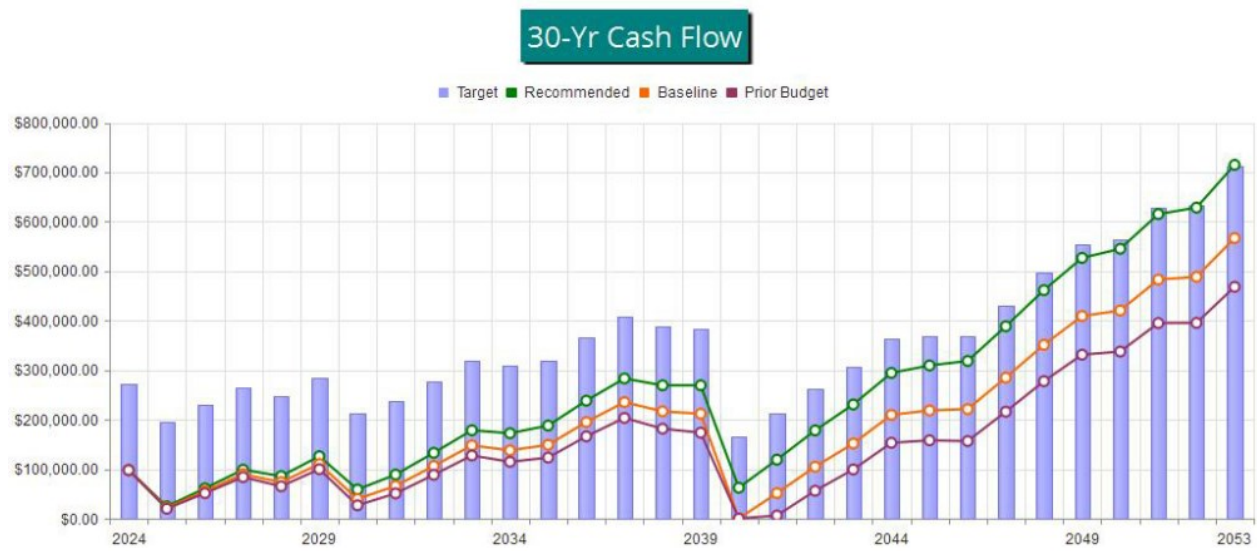


Figure 3

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

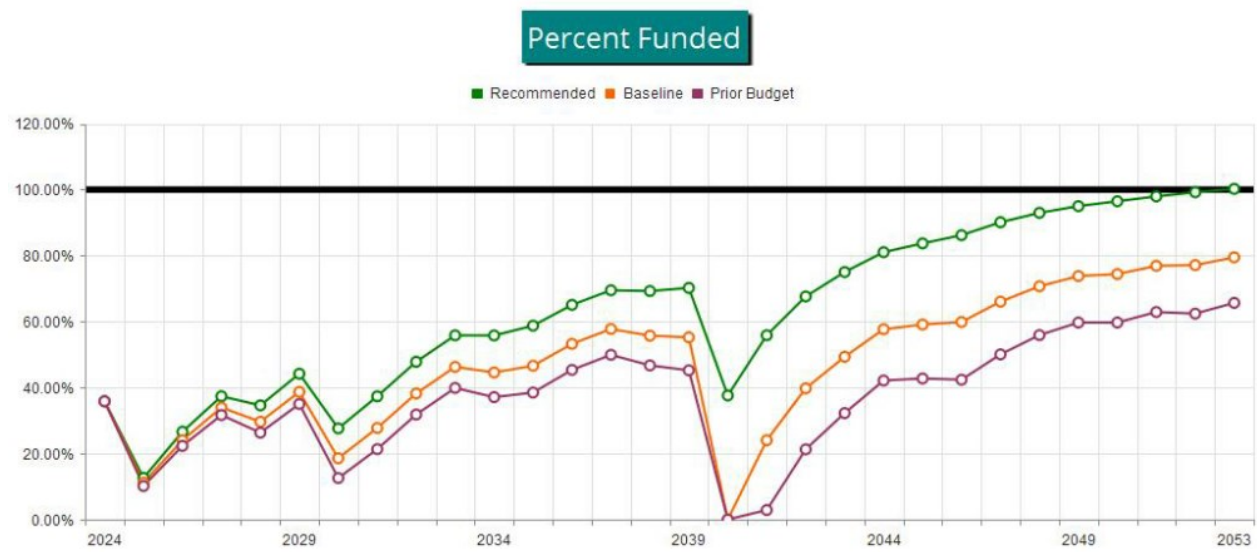


Figure 4





## Table Descriptions

Executive Summary is a summary of your Reserve Components

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

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

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

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

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





## Reserve Component List Detail

Report # 20326-6  
With-Site-Visit

#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate	
					Best Case	Worst Case
General Community						
102	Island Curbs - Repair/Replace	~ 2,610 LF	5	0	\$8,500	\$11,500
175	Irrigation/Electric System - Repair	Extensive system	5	0	\$3,400	\$5,600
200	Entry Monuments: Brick - Replace	(6) brick monuments	35	5	\$51,000	\$69,000
206	Wood Fencing - Seal/Paint	~ 3,750 LF	6	3	\$20,300	\$32,700
210	Mailboxes/Stands - Repair/Replace	(229) boxes, (34) stands	25	13	\$40,500	\$51,800
Main Park						
192	Park Sign - Repair/Replace	2 signs	30	5	\$4,000	\$6,000
340	Play Equipment: - Replace	3 pieces	20	15	\$106,100	\$118,800
341	Play Chips - Replenish	~103 CY	3	0	\$4,600	\$5,700
342	Playground Border - Repair/Replace	~240 LF	20	6	\$4,000	\$6,000
346	Site Furnishings - Replace	(6) pieces	20	9	\$6,600	\$9,000
350	Pavilion Structure - Repair/Replace	~ 760 SF	30	14	\$33,700	\$39,400
Tennis & Basketball Court						
318	Tennis Court - Bench & Net Posts	1 bench / 2 posts	20	0	\$3,000	\$4,000
319	Tennis Court - Fence	~ 360 LF	30	0	\$9,000	\$12,400
320	Tennis Court - Clean/Recoat	~ 7,200 SF	5	0	\$7,000	\$9,200
322	Tennis Court - Asphalt Reconstruct	~ 7,200 SF	30	0	\$50,600	\$78,800
323	Basketball Court - Clean/Recoat	~ 1,680 SF	5	0	\$1,700	\$2,250
324	Basketball Court - Reconstuct	~ 1,680 SF	30	3	\$8,400	\$12,400
330	Basketball Hoops-Replace	(2) assemblies	30	3	\$4,730	\$6,420
Picnic Park						
193	Park Sign - Repair/Replace	1 sign	20	5	\$3,000	\$5,000
349	Site Furniture - Repair/Replace	1 bench	20	9	\$1,100	\$1,500
20 Total Funded Components						



#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
General Community								
102	Island Curbs - Repair/Replace	\$10,000	X	5	/	5	=	\$10,000
175	Irrigation/Electric System - Repair	\$4,500	X	5	/	5	=	\$4,500
200	Entry Monuments: Brick - Replace	\$60,000	X	30	/	35	=	\$51,429
206	Wood Fencing - Seal/Paint	\$26,500	X	3	/	6	=	\$13,250
210	Mailboxes/Stands - Repair/Replace	\$46,150	X	12	/	25	=	\$22,152
Main Park								
192	Park Sign - Repair/Replace	\$5,000	X	25	/	30	=	\$4,167
340	Play Equipment: - Replace	\$112,450	X	5	/	20	=	\$28,113
341	Play Chips - Replenish	\$5,150	X	3	/	3	=	\$5,150
342	Playground Border - Repair/Replace	\$5,000	X	14	/	20	=	\$3,500
346	Site Furnishings - Replace	\$7,800	X	11	/	20	=	\$4,290
350	Pavilion Structure - Repair/Replace	\$36,550	X	16	/	30	=	\$19,493
Tennis & Basketball Court								
318	Tennis Court - Bench & Net Posts	\$3,500	X	20	/	20	=	\$3,500
319	Tennis Court - Fence	\$10,700	X	30	/	30	=	\$10,700
320	Tennis Court - Clean/Recoat	\$8,100	X	5	/	5	=	\$8,100
322	Tennis Court - Asphalt Reconstruct	\$64,700	X	30	/	30	=	\$64,700
323	Basketball Court - Clean/Recoat	\$1,975	X	5	/	5	=	\$1,975
324	Basketball Court - Reconstruct	\$10,400	X	27	/	30	=	\$9,360
330	Basketball Hoops-Replace	\$5,575	X	27	/	30	=	\$5,018
Picnic Park								
193	Park Sign - Repair/Replace	\$4,000	X	15	/	20	=	\$3,000
349	Site Furniture - Repair/Replace	\$1,300	X	11	/	20	=	\$715
								\$273,111



#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
General Community					
102	Island Curbs - Repair/Replace	5	\$10,000	\$2,000	7.77 %
175	Irrigation/Electric System - Repair	5	\$4,500	\$900	3.50 %
200	Entry Monuments: Brick - Replace	35	\$60,000	\$1,714	6.66 %
206	Wood Fencing - Seal/Paint	6	\$26,500	\$4,417	17.16 %
210	Mailboxes/Stands - Repair/Replace	25	\$46,150	\$1,846	7.17 %
Main Park					
192	Park Sign - Repair/Replace	30	\$5,000	\$167	0.65 %
340	Play Equipment: - Replace	20	\$112,450	\$5,623	21.84 %
341	Play Chips - Replenish	3	\$5,150	\$1,717	6.67 %
342	Playground Border - Repair/Replace	20	\$5,000	\$250	0.97 %
346	Site Furnishings - Replace	20	\$7,800	\$390	1.52 %
350	Pavilion Structure - Repair/Replace	30	\$36,550	\$1,218	4.73 %
Tennis & Basketball Court					
318	Tennis Court - Bench & Net Posts	20	\$3,500	\$175	0.68 %
319	Tennis Court - Fence	30	\$10,700	\$357	1.39 %
320	Tennis Court - Clean/Recoat	5	\$8,100	\$1,620	6.29 %
322	Tennis Court - Asphalt Reconstruct	30	\$64,700	\$2,157	8.38 %
323	Basketball Court - Clean/Recoat	5	\$1,975	\$395	1.53 %
324	Basketball Court - Reconstuct	30	\$10,400	\$347	1.35 %
330	Basketball Hoops-Replace	30	\$5,575	\$186	0.72 %
Picnic Park					
193	Park Sign - Repair/Replace	20	\$4,000	\$200	0.78 %
349	Site Furniture - Repair/Replace	20	\$1,300	\$65	0.25 %
20	Total Funded Components			\$25,742	100.00 %



## 30-Year Reserve Plan Summary

Report # 20326-6  
With-Site-Visit

Fiscal Year Start: 2024

Interest:

1.00 %

Inflation:

3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date

Projected Reserve Balance Changes

% Increase									
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	In Annual Reserve Funding	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2024	\$97,918	\$273,111	35.9 %	Medium	16.00 %	\$34,800	\$0	\$613	\$108,625
2025	\$24,706	\$195,934	12.6 %	High	3.00 %	\$35,844	\$0	\$428	\$0
2026	\$60,978	\$229,122	26.6 %	High	3.00 %	\$36,919	\$0	\$798	\$0
2027	\$98,696	\$264,125	37.4 %	Medium	3.00 %	\$38,027	\$0	\$921	\$52,041
2028	\$85,603	\$247,419	34.6 %	Medium	3.00 %	\$39,168	\$0	\$1,057	\$0
2029	\$125,827	\$284,683	44.2 %	Medium	3.00 %	\$40,343	\$0	\$922	\$108,479
2030	\$58,613	\$212,228	27.6 %	High	3.00 %	\$41,553	\$0	\$737	\$12,120
2031	\$88,783	\$237,771	37.3 %	Medium	3.00 %	\$42,800	\$0	\$1,107	\$0
2032	\$132,689	\$277,513	47.8 %	Medium	3.00 %	\$44,084	\$0	\$1,554	\$0
2033	\$178,327	\$319,426	55.8 %	Medium	3.00 %	\$45,406	\$0	\$1,752	\$53,170
2034	\$172,316	\$308,839	55.8 %	Medium	3.00 %	\$46,768	\$0	\$1,800	\$33,027
2035	\$187,858	\$319,719	58.8 %	Medium	3.00 %	\$48,171	\$0	\$2,129	\$0
2036	\$238,158	\$366,013	65.1 %	Medium	3.00 %	\$49,616	\$0	\$2,605	\$7,343
2037	\$283,037	\$407,233	69.5 %	Medium	3.00 %	\$51,105	\$0	\$2,760	\$67,773
2038	\$269,129	\$388,581	69.3 %	Medium	3.00 %	\$52,638	\$0	\$2,690	\$55,285
2039	\$269,172	\$383,400	70.2 %	Low	3.00 %	\$54,217	\$0	\$1,656	\$262,790
2040	\$62,256	\$165,536	37.6 %	Medium	3.00 %	\$55,844	\$0	\$906	\$0
2041	\$119,005	\$213,050	55.9 %	Medium	3.00 %	\$57,519	\$0	\$1,484	\$0
2042	\$178,009	\$263,265	67.6 %	Medium	3.00 %	\$59,245	\$0	\$2,042	\$8,768
2043	\$230,528	\$307,272	75.0 %	Low	3.00 %	\$61,022	\$0	\$2,622	\$0
2044	\$294,172	\$362,983	81.0 %	Low	3.00 %	\$62,853	\$0	\$3,016	\$50,707
2045	\$309,335	\$369,532	83.7 %	Low	3.00 %	\$64,738	\$0	\$3,137	\$58,878
2046	\$318,332	\$369,297	86.2 %	Low	3.00 %	\$66,680	\$0	\$3,533	\$0
2047	\$388,545	\$431,180	90.1 %	Low	3.00 %	\$68,681	\$0	\$4,248	\$0
2048	\$461,474	\$496,444	93.0 %	Low	3.00 %	\$70,741	\$0	\$4,939	\$10,469
2049	\$526,685	\$554,452	95.0 %	Low	3.00 %	\$72,863	\$0	\$5,357	\$59,830
2050	\$545,075	\$564,976	96.5 %	Low	3.00 %	\$75,049	\$0	\$5,799	\$10,783
2051	\$615,140	\$627,999	98.0 %	Low	3.00 %	\$77,301	\$0	\$6,215	\$70,304
2052	\$628,352	\$633,322	99.2 %	Low	3.00 %	\$79,620	\$0	\$6,712	\$0
2053	\$714,684	\$712,984	100.2 %	Low	3.00 %	\$82,008	\$0	\$7,484	\$21,445



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

Report # 20326-6  
With-Site-Visit

Fiscal Year Start: 2024

Interest:

1.00 %

Inflation:

3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date

Projected Reserve Balance Changes

	% Increase									
	Starting	Fully			Special	In Annual		Loan or		
Year	Reserve	Funded	Percent		Assmt	Reserve	Reserve	Special	Interest	Reserve
	Balance	Balance	Funded		Risk	Funding	Funding	Assmts	Income	Expenses
2024	\$97,918	\$273,111	35.9 %	<div></div>	Medium	6.40 %	\$31,920	\$0	\$598	\$108,625
2025	\$21,812	\$195,934	11.1 %	<div></div>	High	3.00 %	\$32,878	\$0	\$384	\$0
2026	\$55,074	\$229,122	24.0 %	<div></div>	High	3.00 %	\$33,864	\$0	\$723	\$0
2027	\$89,661	\$264,125	33.9 %	<div></div>	Medium	3.00 %	\$34,880	\$0	\$815	\$52,041
2028	\$73,314	\$247,419	29.6 %	<div></div>	High	3.00 %	\$35,926	\$0	\$917	\$0
2029	\$110,157	\$284,683	38.7 %	<div></div>	Medium	3.00 %	\$37,004	\$0	\$748	\$108,479
2030	\$39,430	\$212,228	18.6 %	<div></div>	High	3.00 %	\$38,114	\$0	\$527	\$12,120
2031	\$65,951	\$237,771	27.7 %	<div></div>	High	3.00 %	\$39,258	\$0	\$860	\$0
2032	\$106,068	\$277,513	38.2 %	<div></div>	Medium	3.00 %	\$40,435	\$0	\$1,269	\$0
2033	\$147,772	\$319,426	46.3 %	<div></div>	Medium	3.00 %	\$41,648	\$0	\$1,427	\$53,170
2034	\$137,678	\$308,839	44.6 %	<div></div>	Medium	3.00 %	\$42,898	\$0	\$1,433	\$33,027
2035	\$148,982	\$319,719	46.6 %	<div></div>	Medium	3.00 %	\$44,185	\$0	\$1,719	\$0
2036	\$194,885	\$366,013	53.2 %	<div></div>	Medium	3.00 %	\$45,510	\$0	\$2,150	\$7,343
2037	\$235,202	\$407,233	57.8 %	<div></div>	Medium	3.00 %	\$46,876	\$0	\$2,258	\$67,773
2038	\$216,563	\$388,581	55.7 %	<div></div>	Medium	3.00 %	\$48,282	\$0	\$2,140	\$55,285
2039	\$211,700	\$383,400	55.2 %	<div></div>	Medium	3.00 %	\$49,730	\$0	\$1,057	\$262,790
2040	(\$303)	\$165,536	0.0 %	<div></div>	High	3.00 %	\$51,222	\$0	\$254	\$0
2041	\$51,173	\$213,050	24.0 %	<div></div>	High	3.00 %	\$52,759	\$0	\$779	\$0
2042	\$104,711	\$263,265	39.8 %	<div></div>	Medium	3.00 %	\$54,342	\$0	\$1,281	\$8,768
2043	\$151,566	\$307,272	49.3 %	<div></div>	Medium	3.00 %	\$55,972	\$0	\$1,804	\$0
2044	\$209,342	\$362,983	57.7 %	<div></div>	Medium	3.00 %	\$57,651	\$0	\$2,138	\$50,707
2045	\$218,424	\$369,532	59.1 %	<div></div>	Medium	3.00 %	\$59,381	\$0	\$2,197	\$58,878
2046	\$221,123	\$369,297	59.9 %	<div></div>	Medium	3.00 %	\$61,162	\$0	\$2,529	\$0
2047	\$284,814	\$431,180	66.1 %	<div></div>	Medium	3.00 %	\$62,997	\$0	\$3,178	\$0
2048	\$350,988	\$496,444	70.7 %	<div></div>	Low	3.00 %	\$64,887	\$0	\$3,799	\$10,469
2049	\$409,206	\$554,452	73.8 %	<div></div>	Low	3.00 %	\$66,833	\$0	\$4,146	\$59,830
2050	\$420,355	\$564,976	74.4 %	<div></div>	Low	3.00 %	\$68,838	\$0	\$4,514	\$10,783
2051	\$482,925	\$627,999	76.9 %	<div></div>	Low	3.00 %	\$70,904	\$0	\$4,854	\$70,304
2052	\$488,379	\$633,322	77.1 %	<div></div>	Low	3.00 %	\$73,031	\$0	\$5,273	\$0
2053	\$566,683	\$712,984	79.5 %	<div></div>	Low	3.00 %	\$75,222	\$0	\$5,963	\$21,445



## 30-Year Income/Expense Detail

Report # 20326-6  
With-Site-Visit

Fiscal Year	2024	2025	2026	2027	2028
Starting Reserve Balance	\$97,918	\$24,706	\$60,978	\$98,696	\$85,603
Annual Reserve Funding	\$34,800	\$35,844	\$36,919	\$38,027	\$39,168
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$613	\$428	\$798	\$921	\$1,057
Total Income	\$133,331	\$60,978	\$98,696	\$137,644	\$125,827
# Component					
<b>General Community</b>					
102 Island Curbs - Repair/Replace	\$10,000	\$0	\$0	\$0	\$0
175 Irrigation/Electric System - Repair	\$4,500	\$0	\$0	\$0	\$0
200 Entry Monuments: Brick - Replace	\$0	\$0	\$0	\$0	\$0
206 Wood Fencing - Seal/Paint	\$0	\$0	\$0	\$28,957	\$0
210 Mailboxes/Stands - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Main Park</b>					
192 Park Sign - Repair/Replace	\$0	\$0	\$0	\$0	\$0
340 Play Equipment: - Replace	\$0	\$0	\$0	\$0	\$0
341 Play Chips - Replenish	\$5,150	\$0	\$0	\$5,628	\$0
342 Playground Border - Repair/Replace	\$0	\$0	\$0	\$0	\$0
346 Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$0
350 Pavilion Structure - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Tennis &amp; Basketball Court</b>					
318 Tennis Court - Bench & Net Posts	\$3,500	\$0	\$0	\$0	\$0
319 Tennis Court - Fence	\$10,700	\$0	\$0	\$0	\$0
320 Tennis Court - Clean/Recoat	\$8,100	\$0	\$0	\$0	\$0
322 Tennis Court - Asphalt Reconstruct	\$64,700	\$0	\$0	\$0	\$0
323 Basketball Court - Clean/Recoat	\$1,975	\$0	\$0	\$0	\$0
324 Basketball Court - Reconstruct	\$0	\$0	\$0	\$11,364	\$0
330 Basketball Hoops-Replace	\$0	\$0	\$0	\$6,092	\$0
<b>Picnic Park</b>					
193 Park Sign - Repair/Replace	\$0	\$0	\$0	\$0	\$0
349 Site Furniture - Repair/Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$108,625	\$0	\$0	\$52,041	\$0
Ending Reserve Balance	\$24,706	\$60,978	\$98,696	\$85,603	\$125,827



<b>Fiscal Year</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>
Starting Reserve Balance	\$125,827	\$58,613	\$88,783	\$132,689	\$178,327
Annual Reserve Funding	\$40,343	\$41,553	\$42,800	\$44,084	\$45,406
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$922	\$737	\$1,107	\$1,554	\$1,752
Total Income	\$167,092	\$100,902	\$132,689	\$178,327	\$225,486
# Component					
<b>General Community</b>					
102 Island Curbs - Repair/Replace	\$11,593	\$0	\$0	\$0	\$0
175 Irrigation/Electric System - Repair	\$5,217	\$0	\$0	\$0	\$0
200 Entry Monuments: Brick - Replace	\$69,556	\$0	\$0	\$0	\$0
206 Wood Fencing - Seal/Paint	\$0	\$0	\$0	\$0	\$34,576
210 Mailboxes/Standards - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Main Park</b>					
192 Park Sign - Repair/Replace	\$5,796	\$0	\$0	\$0	\$0
340 Play Equipment: - Replace	\$0	\$0	\$0	\$0	\$0
341 Play Chips - Replenish	\$0	\$6,149	\$0	\$0	\$6,720
342 Playground Border - Repair/Replace	\$0	\$5,970	\$0	\$0	\$0
346 Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$10,177
350 Pavilion Structure - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Tennis &amp; Basketball Court</b>					
318 Tennis Court - Bench & Net Posts	\$0	\$0	\$0	\$0	\$0
319 Tennis Court - Fence	\$0	\$0	\$0	\$0	\$0
320 Tennis Court - Clean/Recoat	\$9,390	\$0	\$0	\$0	\$0
322 Tennis Court - Asphalt Reconstruct	\$0	\$0	\$0	\$0	\$0
323 Basketball Court - Clean/Recoat	\$2,290	\$0	\$0	\$0	\$0
324 Basketball Court - Reconstruct	\$0	\$0	\$0	\$0	\$0
330 Basketball Hoops-Replace	\$0	\$0	\$0	\$0	\$0
<b>Picnic Park</b>					
193 Park Sign - Repair/Replace	\$4,637	\$0	\$0	\$0	\$0
349 Site Furniture - Repair/Replace	\$0	\$0	\$0	\$0	\$1,696
Total Expenses	\$108,479	\$12,120	\$0	\$0	\$53,170
Ending Reserve Balance	\$58,613	\$88,783	\$132,689	\$178,327	\$172,316

<b>Fiscal Year</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>
Starting Reserve Balance	\$172,316	\$187,858	\$238,158	\$283,037	\$269,129
Annual Reserve Funding	\$46,768	\$48,171	\$49,616	\$51,105	\$52,638
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,800	\$2,129	\$2,605	\$2,760	\$2,690
<b>Total Income</b>	<b>\$220,885</b>	<b>\$238,158</b>	<b>\$290,380</b>	<b>\$336,902</b>	<b>\$324,457</b>
# Component					
<b>General Community</b>					
102 Island Curbs - Repair/Replace	\$13,439	\$0	\$0	\$0	\$0
175 Irrigation/Electric System - Repair	\$6,048	\$0	\$0	\$0	\$0
200 Entry Monuments: Brick - Replace	\$0	\$0	\$0	\$0	\$0
206 Wood Fencing - Seal/Paint	\$0	\$0	\$0	\$0	\$0
210 Mailboxes/Stands - Repair/Replace	\$0	\$0	\$0	\$67,773	\$0
<b>Main Park</b>					
192 Park Sign - Repair/Replace	\$0	\$0	\$0	\$0	\$0
340 Play Equipment: - Replace	\$0	\$0	\$0	\$0	\$0
341 Play Chips - Replenish	\$0	\$0	\$7,343	\$0	\$0
342 Playground Border - Repair/Replace	\$0	\$0	\$0	\$0	\$0
346 Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$0
350 Pavilion Structure - Repair/Replace	\$0	\$0	\$0	\$0	\$55,285
<b>Tennis &amp; Basketball Court</b>					
318 Tennis Court - Bench & Net Posts	\$0	\$0	\$0	\$0	\$0
319 Tennis Court - Fence	\$0	\$0	\$0	\$0	\$0
320 Tennis Court - Clean/Recoat	\$10,886	\$0	\$0	\$0	\$0
322 Tennis Court - Asphalt Reconstruct	\$0	\$0	\$0	\$0	\$0
323 Basketball Court - Clean/Recoat	\$2,654	\$0	\$0	\$0	\$0
324 Basketball Court - Reconstruct	\$0	\$0	\$0	\$0	\$0
330 Basketball Hoops-Replace	\$0	\$0	\$0	\$0	\$0
<b>Picnic Park</b>					
193 Park Sign - Repair/Replace	\$0	\$0	\$0	\$0	\$0
349 Site Furniture - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$33,027</b>	<b>\$0</b>	<b>\$7,343</b>	<b>\$67,773</b>	<b>\$55,285</b>
<b>Ending Reserve Balance</b>	<b>\$187,858</b>	<b>\$238,158</b>	<b>\$283,037</b>	<b>\$269,129</b>	<b>\$269,172</b>

<b>Fiscal Year</b>	<b>2039</b>	<b>2040</b>	<b>2041</b>	<b>2042</b>	<b>2043</b>
Starting Reserve Balance	\$269,172	\$62,256	\$119,005	\$178,009	\$230,528
Annual Reserve Funding	\$54,217	\$55,844	\$57,519	\$59,245	\$61,022
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,656	\$906	\$1,484	\$2,042	\$2,622
<b>Total Income</b>	<b>\$325,046</b>	<b>\$119,005</b>	<b>\$178,009</b>	<b>\$239,295</b>	<b>\$294,172</b>
# Component					
<b>General Community</b>					
102 Island Curbs - Repair/Replace	\$15,580	\$0	\$0	\$0	\$0
175 Irrigation/Electric System - Repair	\$7,011	\$0	\$0	\$0	\$0
200 Entry Monuments: Brick - Replace	\$0	\$0	\$0	\$0	\$0
206 Wood Fencing - Seal/Paint	\$41,286	\$0	\$0	\$0	\$0
210 Mailboxes/Stands - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Main Park</b>					
192 Park Sign - Repair/Replace	\$0	\$0	\$0	\$0	\$0
340 Play Equipment: - Replace	\$175,193	\$0	\$0	\$0	\$0
341 Play Chips - Replenish	\$8,024	\$0	\$0	\$8,768	\$0
342 Playground Border - Repair/Replace	\$0	\$0	\$0	\$0	\$0
346 Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$0
350 Pavilion Structure - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Tennis &amp; Basketball Court</b>					
318 Tennis Court - Bench & Net Posts	\$0	\$0	\$0	\$0	\$0
319 Tennis Court - Fence	\$0	\$0	\$0	\$0	\$0
320 Tennis Court - Clean/Recoat	\$12,620	\$0	\$0	\$0	\$0
322 Tennis Court - Asphalt Reconstruct	\$0	\$0	\$0	\$0	\$0
323 Basketball Court - Clean/Recoat	\$3,077	\$0	\$0	\$0	\$0
324 Basketball Court - Reconstruct	\$0	\$0	\$0	\$0	\$0
330 Basketball Hoops-Replace	\$0	\$0	\$0	\$0	\$0
<b>Picnic Park</b>					
193 Park Sign - Repair/Replace	\$0	\$0	\$0	\$0	\$0
349 Site Furniture - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$262,790</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,768</b>	<b>\$0</b>
<b>Ending Reserve Balance</b>	<b>\$62,256</b>	<b>\$119,005</b>	<b>\$178,009</b>	<b>\$230,528</b>	<b>\$294,172</b>

<b>Fiscal Year</b>	<b>2044</b>	<b>2045</b>	<b>2046</b>	<b>2047</b>	<b>2048</b>
Starting Reserve Balance	\$294,172	\$309,335	\$318,332	\$388,545	\$461,474
Annual Reserve Funding	\$62,853	\$64,738	\$66,680	\$68,681	\$70,741
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,016	\$3,137	\$3,533	\$4,248	\$4,939
<b>Total Income</b>	<b>\$360,041</b>	<b>\$377,210</b>	<b>\$388,545</b>	<b>\$461,474</b>	<b>\$537,154</b>
# Component					
<b>General Community</b>					
102 Island Curbs - Repair/Replace	\$18,061	\$0	\$0	\$0	\$0
175 Irrigation/Electric System - Repair	\$8,128	\$0	\$0	\$0	\$0
200 Entry Monuments: Brick - Replace	\$0	\$0	\$0	\$0	\$0
206 Wood Fencing - Seal/Paint	\$0	\$49,298	\$0	\$0	\$0
210 Mailboxes/Stands - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Main Park</b>					
192 Park Sign - Repair/Replace	\$0	\$0	\$0	\$0	\$0
340 Play Equipment: - Replace	\$0	\$0	\$0	\$0	\$0
341 Play Chips - Replenish	\$0	\$9,581	\$0	\$0	\$10,469
342 Playground Border - Repair/Replace	\$0	\$0	\$0	\$0	\$0
346 Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$0
350 Pavilion Structure - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Tennis &amp; Basketball Court</b>					
318 Tennis Court - Bench & Net Posts	\$6,321	\$0	\$0	\$0	\$0
319 Tennis Court - Fence	\$0	\$0	\$0	\$0	\$0
320 Tennis Court - Clean/Recoat	\$14,630	\$0	\$0	\$0	\$0
322 Tennis Court - Asphalt Reconstruct	\$0	\$0	\$0	\$0	\$0
323 Basketball Court - Clean/Recoat	\$3,567	\$0	\$0	\$0	\$0
324 Basketball Court - Reconstruct	\$0	\$0	\$0	\$0	\$0
330 Basketball Hoops-Replace	\$0	\$0	\$0	\$0	\$0
<b>Picnic Park</b>					
193 Park Sign - Repair/Replace	\$0	\$0	\$0	\$0	\$0
349 Site Furniture - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$50,707</b>	<b>\$58,878</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,469</b>
<b>Ending Reserve Balance</b>	<b>\$309,335</b>	<b>\$318,332</b>	<b>\$388,545</b>	<b>\$461,474</b>	<b>\$526,685</b>

<b>Fiscal Year</b>	<b>2049</b>	<b>2050</b>	<b>2051</b>	<b>2052</b>	<b>2053</b>
Starting Reserve Balance	\$526,685	\$545,075	\$615,140	\$628,352	\$714,684
Annual Reserve Funding	\$72,863	\$75,049	\$77,301	\$79,620	\$82,008
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$5,357	\$5,799	\$6,215	\$6,712	\$7,484
Total Income	\$604,905	\$625,923	\$698,656	\$714,684	\$804,177
# Component					
<b>General Community</b>					
102 Island Curbs - Repair/Replace	\$20,938	\$0	\$0	\$0	\$0
175 Irrigation/Electric System - Repair	\$9,422	\$0	\$0	\$0	\$0
200 Entry Monuments: Brick - Replace	\$0	\$0	\$0	\$0	\$0
206 Wood Fencing - Seal/Paint	\$0	\$0	\$58,864	\$0	\$0
210 Mailboxes/Stands - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Main Park</b>					
192 Park Sign - Repair/Replace	\$0	\$0	\$0	\$0	\$0
340 Play Equipment: - Replace	\$0	\$0	\$0	\$0	\$0
341 Play Chips - Replenish	\$0	\$0	\$11,440	\$0	\$0
342 Playground Border - Repair/Replace	\$0	\$10,783	\$0	\$0	\$0
346 Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$18,381
350 Pavilion Structure - Repair/Replace	\$0	\$0	\$0	\$0	\$0
<b>Tennis &amp; Basketball Court</b>					
318 Tennis Court - Bench & Net Posts	\$0	\$0	\$0	\$0	\$0
319 Tennis Court - Fence	\$0	\$0	\$0	\$0	\$0
320 Tennis Court - Clean/Recoat	\$16,960	\$0	\$0	\$0	\$0
322 Tennis Court - Asphalt Reconstruct	\$0	\$0	\$0	\$0	\$0
323 Basketball Court - Clean/Recoat	\$4,135	\$0	\$0	\$0	\$0
324 Basketball Court - Reconstruct	\$0	\$0	\$0	\$0	\$0
330 Basketball Hoops-Replace	\$0	\$0	\$0	\$0	\$0
<b>Picnic Park</b>					
193 Park Sign - Repair/Replace	\$8,375	\$0	\$0	\$0	\$0
349 Site Furniture - Repair/Replace	\$0	\$0	\$0	\$0	\$3,064
Total Expenses	\$59,830	\$10,783	\$70,304	\$0	\$21,445
Ending Reserve Balance	\$545,075	\$615,140	\$628,352	\$714,684	\$782,732



## Accuracy, Limitations, and Disclosures

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

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

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

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

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

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





## Terms and Definitions

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



## Component Details

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

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

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

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

## General Community

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

Quantity: Extensive GSF

Location: Sidewalks and rolled curbs along private roads, walkways/pads at park/mailboxes

Funded?: No. Association not responsible for maintenance of this component

History: None known

Comments: The concrete is holding up well although aged. Root uplift is a big concern of communities of this age and should be monitored. Majority of concrete is sidewalks throughout community. Observed general local cracking with evidence of past repairs in some areas from our limited visual review. The maintenance of this component belongs to the City of Federal Way.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

---

### Comp #: 102 Island Curbs - Repair/Replace

Quantity: ~ 2,610 LF

Location: Cul-de-sac islands located at cu-de-sacs throughout the community

Funded?: Yes.

History: Repaired occasionally, but no community wide replacement occurred.

Comments: The condition was varied. Some were new and fresh while others were older and moss covered. Some had been damaged by vehicles. We recommend inspecting the curbing on an annual basis and replacing as required. It may be cost effective to replace a number of linear feet on a less frequent basis.

This component was requested to be added by the Board as the community is in a long term process of replacing many of the curbs. At Board request, we are including funding to replace all of the traffic islands over a 30 year period. The budget allowance below provides funding for replacing 1/6 (435 LF) of the curbs every 5 years. At the end of the 30 year project, this component terminates and future repairs will be funded from operating.

Useful Life:  
5 years

Remaining Life:  
0 years



Best Case: \$ 8,500

Worst Case: \$ 11,500

Cost Source:

**Comp #: 120 Asphalt - Resurface****Quantity: ~ 102,000 GSF**

Location: Divisions 1, 2, 3, 4, 5, and 6

Funded?: No. The Association is not responsible for the maintenance of this component

History: None known

Comments: The maintenance responsibility of this component was transferred to the City of Federal Way at the end of 2019. No observations of the condition of the asphalt was noted during our site visit. For historical purposes, Divisions 4 and 6 have been public streets from the time of original construction. Divisions 1, 2, 3, and 5 were transferred to the City of Federal Way at the end of 2019. The City of Federal Way maintains this component in all six divisions.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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**Comp #: 160 Street Lights - Replace****Quantity: (49) concrete pole lights**

Location: Adjacent to roads throughout community

Funded?: No. Association not responsible for maintenance of this component

History: None known

Comments: These street lights are maintained by Puget Sound Energy (Intolight) and therefore are not the responsibility of the association to maintain, repair or replace including all bulb replacements. The heads on the street lights are looking a little aged and dated.

Maintenance requests can be made on-line at : <http://www.intolight.com/lightsout.html> or by phone 1-888-225-5773.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:



**Comp #: 169 Island Landscaping****Quantity: (17) islands**

Location: Throughout the community.

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

History: 2020: Renovated

Comments: The landscaping in the cul-de-sac islands is adequate and the community is reported to be satisfied with the condition. The community prefers to maintain these out of operating funds rather than reserve funds on an on-going basis.

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

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

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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**Comp #: 170 Landscape - Refurbish****Quantity: Extensive square feet**

Location: Throughout common areas

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

History: 2018: added large rocks

Comments: Landscape is in generally healthy condition from our limited visual review. No large scale projects planned.

Walk area each year with landscape contractor, and perhaps a landscape architect, to assess the overall health, function, and future needs of maintenance and refurbish to determine if supplemental reserve funding should be planned for.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 175 Irrigation/Electric System - Repair****Quantity: Extensive system**

Location: Throughout common area landscaping

Funded?: Yes.

History: None known

Comments: Our visual observation of the irrigation system was limited as the majority of system components are below grade. Association reports they have had various irrigation repairs and problems in the past. and have periodically made repairs as needed.

With a history of past repairs and know issues, we are including an allowance to help supplement the operating budget as noted below. Track timing and cost of repairs and adjust as needed in future updates.

Have your landscaper or irrigation specialist periodically unearth sections to check lines for any damage or deterioration. PVC can eventually become brittle and leak (typically not before the 40 year mark of life).

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

Useful Life:  
5 years

Remaining Life:  
0 years



Best Case: \$ 3,400

Worst Case: \$ 5,600

Cost Source: Client Cost History

---



**Comp #: 182 Drainage/Stormwater Sys - Maintain**

**Quantity: Extensive system**

Location: Throughout common areas

Funded?: No. Association not responsible for maintenance of this component

History: None known

Comments: An analysis of the drainage system is beyond the scope of a reserve study, as the vast majority of the drainage system is located below ground. Our observations were very limited to catch basin areas. No problems were reported to us. This component would be included in the road right-of-way transfer to City of Federal Way and maintenance of this component should be a City responsibility.

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

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

**Resource:**

Washington State Stormwater Manuals: <http://mrsc.org/Home/Explore-Topics/Environment/Water-Topics/Storm-and-Surface-Water-Management/Stormwater-Detention-Facility-Maintenance.aspx>

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 200 Entry Monuments: Brick - Replace****Quantity: (6) brick monuments**

Location: Adjacent to entries and exits

Funded?: Yes.

History: Ceramic lettering installed 2008.

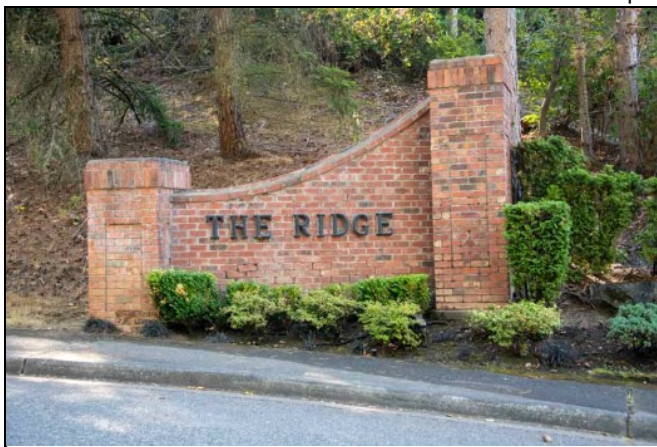
Comments: Generally aged and weathered conditions noted. Although legible, poor appearance at this time.

A general allowance for eventual replacement of the monument signs is factored at roughly the time frame below. Cost can vary depending on the scope of work and materials chosen. Timing of project is ultimately up to the board.

Typically brick is a low maintenance material, however, over the course of 30-40 years, mortar between bricks can become damaged or cracked and allow water to infiltrate into the walls. Although tuck pointing (grinding out small sections of existing mortar and installing new mortar) can be performed to restore, cost at this type of wall would outweigh cost/benefit of installing new monument walls. This component recommends planning for eventual complete removal and replacement of existing brick walls/lettering at the time frame shown here due to deterioration that will result from constant exposure and for aesthetic updating.

Useful Life:  
35 years

Remaining Life:  
5 years



Best Case: \$ 51,000

Worst Case: \$ 69,000

Cost Source: ARI Cost Database: Similar Project Cost History

---

**Comp #: 204 Wood Fencing - Replace****Quantity: ~ 3,750 LF**

Location: Common area fencing adjacent to SW 330th Street, 3rd Ave SW, 5th ave SW, 6th Ave SW at designated areas. See Association 2018 fencing rules for map.

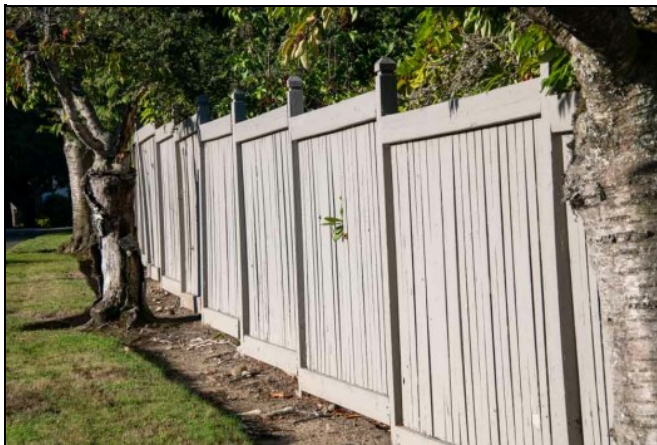
Funded?: No. Association not responsible for maintenance of this component

History: None known

Comments: The wood fencing along common areas is reportedly the adjacent owners responsibility to maintain and repair, as noted within the Association declarations.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

**Comp #: 206 Wood Fencing - Seal/Paint**

**Quantity: ~ 3,750 LF**

Location: Common area fencing adjacent to SW 330th Street, 3rd Ave SW, 5th ave SW, 6th Ave SW at designated areas. See Association 2018 fencing rules for map.

Funded?: Yes.

History: 2019: Fence stained

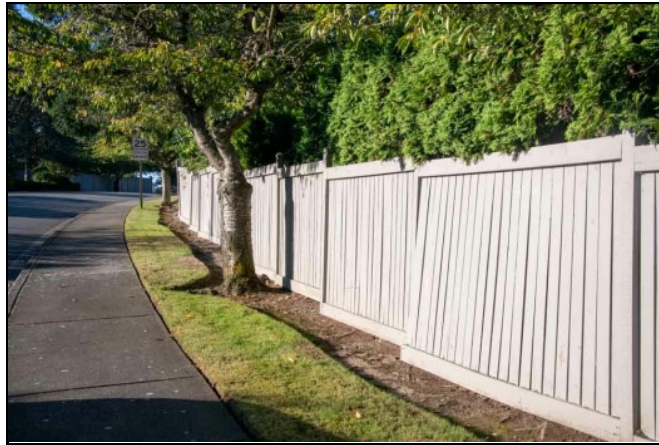
Comments: The fence stain is in good condition with no signs of fading, wear, or defect.

We are including funding for periodic painting of the common area fencing as noted below. Cost estimate for the common areas fence side only. Track cost and adjust as needed in future updates.

We recommend periodic inspections to ensure quality assurance. Regular uniform, professional paint/sealer applications are recommended for appearance, protection of wood and maximum design life. Remove any contact with ground and surrounding landscape; repair as needed and clean prior to sealer application. Pay particular attention to end grains of fence to help prevent water from wicking into wood; solid, full bodied product provides best protection.

Useful Life:  
6 years

Remaining Life:  
3 years



Best Case: \$ 20,300

Worst Case: \$ 32,700

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp #: 210 Mailboxes/Stand - Repair/Replace**

**Quantity: (229) boxes, (34) stands**

Location: Adjacent to roads throughout community

Funded?: Yes.

History: 2023: Board reports ongoing maintenance. 2012 boxes for ~\$34,500

Comments: Mailbox stands consist of wood bases and individual metal mailboxes. Some deterioration noted at the interface between the wood posts and ground/concrete surfaces. Overall, stable and functional but we recommend local repairs to the posts in the near future.

In our experience, it is best to plan for total replacement at roughly the time frame below due to constant usage and wear over time.

As routine maintenance, inspect regularly, clean by wiping down for appearance, change lock cylinders, lubricate hinges, and repair as needed from operating budget. Paint stands as needed as part of routine maintenance.

Useful Life:  
25 years

Remaining Life:  
13 years



Best Case: \$ 40,500

Worst Case: \$ 51,800

Cost Source: Inflated: Client Cost History

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## Main Park

**Comp #: 101 Park Concrete - Repair/Replace****Quantity: ~1,600 SF**

Location: The sidewalks and pavilion in Main Park

Funded?: No. Annual repair needs are below the reserves funding threshold.

History: None known

Comments: The park concrete was in aging but usable condition without obvious signs of major cracking or root uplift. Minor cracking was observed that corresponds to the age of the concrete.

Due to the general age and eventual wear, we suggest a periodic funding allowance to supplement the operating budget for periodic large-scale repair/replacements as reflected below.

As routine maintenance utilizing operating funds, inspect regularly, and pressure wash for appearance. Repair promptly as needed to prevent water penetrating into the base, which can cause further damage. Factors affecting the quality of the concrete include the preparation of the underlying soil and drainage, thickness and strength of the concrete used, steel reinforcement (none likely), and the amount and weight of vehicle traffic.

**Resources:**<https://mrsc.org/explore-topics/public-works/streets,-road-and-sidewalks/sidewalk-construction-maintenance-and-repair><https://www.sakrete.com/blog/post/5-key-considerations-for-small-concrete-repairs/><http://www.concretenetwork.com/cold-weather-concrete/weather.html>

Useful Life:  
8 years

Remaining Life:  
0 years



Best Case:

Worst Case:

Cost Source: Budget Allowance

**Comp #: 106 Gravel Areas - Refurbish/Replenish****Quantity: Moderate, foot paths**

Location: Foot paths in Main Park

Funded?: No. Annual costs best handled through operating budget

History: None known

Comments: The gravel path was functional at the time of the visit. Some tree roots were intruding onto the gravel. The gravel was a bit thin in locations. Inspect regularly and locally replenish as needed. At this time no predictable basis for large scale replenishment assuming proactive replenishment as needed.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

---

**Comp #: 171 Trees - Trim/Remove & Replace****Quantity: <20**

Location: Along west side of Main Park

Funded?: No. Operating expense in year of occurrence

History: None known

Comments: One large dead tree was observed and many mature living trees were also present. We did not attempt to ascertain the health of the trees at the time of our site visit.

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

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source: Budget Allowance

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**Comp #: 192 Park Sign - Repair/Replace****Quantity: 2 signs**

Location: The North and South sides of Main Park

Funded?: Yes.

History: None known

Comments: Two park signs were present at the park. While the current signs are massive brick signs that are solid and well built, the signs are a bit outdated and a more modern sign may be used to replace it in the future. The allowance below is a funding level to allow for a replacement sign to be built that is more of a modern style.

Reserves funding is recommended for regular intervals of replacement to maintain a consistent and quality appearance.

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

Useful Life:  
30 years

Remaining Life:  
5 years



Best Case: \$ 4,000

Worst Case: \$ 6,000

Cost Source: Budget Allowance

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**Comp #: 340 Play Equipment: - Replace****Quantity: 3 pieces**

Location: Common area at Main Park

Funded?: Yes.

History: 2019: Replaced for \$97,000

Comments: The play equipment had been replaced in 2019. The playground equipment is manufactured by Playworld Systems. It is robust play equipment consists of a combination of metal and plastic pieces. It is our experience that playground equipment should be replaced at around the 15 - 20 year point for safety, durability, and aesthetics.

Replacement cycles vary depending on the amount of use/abuse, however, expect extensive park area renovation at roughly the time frame listed below. Inspect for stability, damage and excessive wear, and utilize maintenance funds for any repairs needed between replacement cycles.

Useful Life:  
20 years

Remaining Life:  
15 years



Best Case: \$ 106,100

Worst Case: \$ 118,800

Cost Source: Inflated Client Cost History



**Comp #: 341 Play Chips - Replenish**

**Quantity: ~103 CY**

Location: The community playground at Main Park

Funded?: Yes.

History: None known

Comments: PM - Note field observations

Periodic replenishment of the play chips is warranted for safety purposes. Although ongoing refurbishing/replenishment should be part of the association's annual maintenance program, we recommend including a funding allowance in reserves for periodic larger projects to maintain safety. The National Safety Counsel and the Consumer Product Safety Commission recommend a minimum depth of 12 inches. Replenishment becomes necessary due to chip loss, compression, and exposure to the elements.

As routine maintenance, inspect regularly, agitate to reduce compression, and replenish low areas to maintain adequate coverage.

**Resources:**

<https://www.nsc.org/community-safety/safety-topics/child-safety/playground-safety>

<https://www.cpsc.gov/safety-education/safety-guides/playgrounds/public-playground-safety-checklist>

Useful Life:  
3 years

Remaining Life:  
0 years



Best Case: \$ 4,600

Worst Case: \$ 5,700

Cost Source: Budget Allowance

**Comp #: 342 Playground Border - Repair/Replace****Quantity: ~240 LF**

Location: The perimeters of the playground at Main Park

Funded?: Yes. Annual costs best handled through operating budget

History: None known

Comments: The playground border is made from pressure treated wood. It appears to have been in the ground for many years and the remaining usable life below is simply an estimate.

Inspect regularly, and repair promptly for safety purposes. Plan to replace the border at approximately the timeframe below.

Useful Life:  
20 yearsRemaining Life:  
6 years

Best Case: \$ 4,000

Worst Case: \$ 6,000

Cost Source: Budget Allowance

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**Comp #: 346 Site Furnishings - Replace****Quantity: (6) pieces**

Location: Pavilion and Playground at Main Park

Funded?: Yes.

History: 2012: composite benches installed.

Comments: The park bench is clean and well maintained. The bench is Frog Furnishings branded furniture. The picnic table at the playground is My-T-Coat. The picnic tables at the pavillion are unknown branded and significantly older. No reports of any plans to replace in the near future.

As routine maintenance, inspect regularly and repair/clean as needed to ensure functionality and a quality appearance.

Useful Life:  
20 yearsRemaining Life:  
9 years

Best Case: \$ 6,600

Worst Case: \$ 9,000

Cost Source:

**Comp #: 350 Pavilion Structure - Repair/Replace**

**Quantity: ~ 760 SF**

Location: Main Park

Funded?: Yes.

History: 2008, roof for \$4,000.

Comments: Pavilion structure is of heavy timber construction with exposed wood framing and asphalt shingle roof. Roof is reportedly CertainTeed Presidential product. Stable, attractive conditions. We did not observe any rot or other visible damage to the pavilion at the time of our site visit. The roof appeared in good condition but some moss/dirt was noticed on the roof and regular cleaning may not be a bad idea.

We recommend an allowance for significant repair/replacements to structure and roof as noted below due to exposure and eventual deterioration over time. Although timing of replacement is difficult to predict, we recommend replacement at the time shown below. Evaluate project as estimated useful life approaches zero years and adjust as needed. Paint as needed through operating or along with other painting projects, not as a separate component.

Inspect regularly, repair promptly as needed from operating budget; clean and paint structure as needed utilizing the general operating budget.

Useful Life:  
30 years

Remaining Life:  
14 years



Best Case: \$ 33,700

Worst Case: \$ 39,400

Cost Source: ARI Cost Database: Similar Project Cost History

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

**Quantity: Main & branch systems**

Location: Throughout Main Park

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

History: None known

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

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

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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## Tennis & Basketball Court

**Comp #: 318 Tennis Court - Bench & Net Posts****Quantity: 1 bench / 2 posts**

Location: The south side of Main Park

Funded?: Yes.

History: None known

Comments: The bench and net posts appeared to be in solid, sturdy condition with no signs of damage or other issues.

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

Useful Life:  
20 years

Remaining Life:  
0 years



Best Case: \$ 3,000

Worst Case: \$ 4,000

Cost Source: Budget Allowance

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**Comp #: 319 Tennis Court - Fence**

**Quantity: ~ 360 LF**

Location: Perimeter of tennis court at Main Park

Funded?: Yes.

History: None known

Comments: The tennis court fence was solid, secure, and functional, however, it is showing its age in that many people have run into it during tennis play. This has caused the chain link to warp.

Allowance for eventual replacement of the fencing factored below. Evaluate replacement during resurfacing or other similar projects.

Inspect regularly; clean and repair locally as needed as part of general maintenance, operating funding.

Useful Life:  
30 years

Remaining Life:  
0 years



Best Case: \$ 9,000

Worst Case: \$ 12,400

Cost Source: ARI Cost Database: Similar Project Cost History

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**Comp #: 320 Tennis Court - Clean/Recoat**

**Quantity: ~ 7,200 SF**

Location: Tennis and basketball courts at Main Park

Funded?: Yes.

History: 2015, reportedly resurfaced for \$7,800.

Comments: The tennis court and basketball courts are cleaned regularly by a homeowner. The allowance below will cover periodic cleaning between homeowner cleaning. The courts were clean and the striping was in good quality at the time of our visit.

Plan for regular cycles of repair, seal, and restripe at intervals shown here. For larger overlay/reconstruction needs, see separate component #322.

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

Useful Life:  
5 years

Remaining Life:  
0 years



Best Case: \$ 7,000

Worst Case: \$ 9,200

Cost Source: Inflated Client Cost History

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**Comp #: 322 Tennis Court - Asphalt Reconstruct**

**Quantity: ~ 7,200 SF**

Location: Tennis and basketball courts at Main Park

Funded?: Yes.

History: 2015, reportedly resurfaced, no rebuild. 2014, evaluation by Beynon.

Comments: The tennis court is suffering from significant root uplift due to the presence of the large nearby trees. The roots have uplifting the tennis court by about 2 to 3 inches in places, resulting in a surface that is not safe for tennis play. The community may wish to make the replacement of the court a priority to avoid injuries and limit liability.

In addition to periodic recoating/repairs projects (see separate component #320), plan for eventual total resurface. Repair base as needed at that time and ensure positive drainage. We have factored for reconstruction of the asphalt surfaces at 2 more recoating cycles. Evaluate project as useful life approaches zero years.

As routine maintenance, inspect regularly, clean as needed, and fill cracks from the operating budget. See previous component for cyclical seal coating and striping.

Useful Life:  
30 years

Remaining Life:  
0 years



Best Case: \$ 50,600

Worst Case: \$ 78,800

Cost Source: Previous estimate, inflation adjusted

**Comp #: 323 Basketball Court - Clean/Recoat**

**Quantity: ~ 1,680 SF**

Location: Tennis and basketball courts at Main Park

Funded?: Yes.

History: None known

Comments: The Board reports that a homeowner volunteer completes the cleaning of the court on an annual basis. The funding allowance below is for less often deep cleaning or as otherwise needed.

Plan for regular cycles of repair, seal, and restripe at intervals shown here. For larger overlay/resurface needs, see separate component #324.

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

Useful Life:  
5 years

Remaining Life:  
0 years



Best Case: \$ 1,700

Worst Case: \$ 2,250

Cost Source: ARI Cost Database: Similar Project Cost History

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**Comp #: 324 Basketball Court - Reconstuct**

**Quantity: ~ 1,680 SF**

Location: Tennis and basketball courts at Main Park

Funded?: Yes.

History: None known

Comments: The condition of the basketball court is aging. It is functional but the asphalt surface is showing signs of decay. The community may wish to consider replacement of the court in the near future.

In addition to periodic seal/repair projects (see separate component #323), plan for eventual total resurface. Repair base as needed at that time and ensure positive drainage.

As routine maintenance, inspect regularly, clean as needed, and fill cracks from the operating budget. See previous component for cyclical seal coating and striping.

Useful Life:  
30 years

Remaining Life:  
3 years



Best Case: \$ 8,400

Worst Case: \$ 12,400

Cost Source: ARI Cost Database: Similar Project Cost History

---

**Comp #: 330 Basketball Hoops-Replace**

**Quantity: (2) assemblies**

Location: Common area at Main Park

Funded?: Yes.

History: 2009: replaced.

Comments: The basketball hoops were in functional but aging condition. Some dirt and corrosion was noted on the background. The net showed signs of mildew. The post was showing signs of corrosion. Plan to complete with Court reconstruction.

Although this equipment can last for an extended time, we are including an allowance for periodic replacement for planning purposes. We have aligned replacement with asphalt refurbishment project for cost efficiency. Deterioration depends on use and wear and exposure to the elements. Evaluate replacement at play court resurfacing projects, as hoop replacement is ultimately up to the board at that time.

Inspect and repair as needed through operating budget.

Useful Life:  
30 years

Remaining Life:  
3 years



Best Case: \$ 4,730

Worst Case: \$ 6,420

Cost Source: ARI Cost Database: Similar Project Cost History

## Picnic Park

**Comp #: 193 Park Sign - Repair/Replace****Quantity: 1 sign**

Location: Picnic Park

Funded?: Yes.

History: None known

Comments: The park sign at the Picnic Park matches the entrance signs and the Main Park signs. Like the sign at main park, the picnic park sign is dated and unnecessarily massive in construction. The budget allowance below provides funds for replacement of the sign with one of newer construction styles and designs.

Reserves funding is recommended for regular intervals of replacement to maintain a consistent and quality appearance.

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

Useful Life:

20 years

Remaining Life:

5 years



Best Case: \$ 3,000

Worst Case: \$ 5,000

Cost Source: Budget Allowance

**Comp #: 349 Site Furniture - Repair/Replace**

**Quantity: 1 bench**

Location: Picnic Park lawn

Funded?: Yes.

History: None known

Comments: The picnic bench at the park was in good condition with no signs of wear. It appears to be Frog Furnishings branded furniture. The Board contact advised that no picnic tables are desired at the park to avoid attracting visitors from outside the community.

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

Useful Life:  
20 years

Remaining Life:  
9 years



Best Case: \$ 1,100

Worst Case: \$ 1,500

Cost Source: Budget Allowance

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## Inspections and Studies

**Comp #: 97 Legal Responsibility Matrix****Quantity: Review & report**

Location: Analysis of the governing documents to determine maintenance responsibilities and create a matrix.

Funded?: No. Elective - operating expense

History:

Comments: While this component does not meet the criteria for reserve funding, our experience in preparing well over 12,000 reserve studies in the Pacific NW indicates that most communities would benefit from a legal review of their governing documents, and drafting of a maintenance responsibility matrix. The purpose of a matrix is to delineate the common and limited common expense responsibilities of the community association vs. individual unit owners. Many governing documents allocate those responsibilities differently.

It is our strong recommendation that you factor the cost for review and creation of a matrix within an upcoming operating budget. Consult with your attorney or one specializing in general matters for community associations. The cost for such a study may be in the range of \$50 - \$200 per unit depending upon the complexity and scope of work.

Useful Life:

Remaining Life:

No Photo Available

Best Case:

Worst Case:

Cost Source:



**Comp #: 990 Ancillary Evaluations**

**Quantity: Specialty evaluations**

Location: To augment reserve planning.

Funded?: No. Operating expense in year of occurrence

History:

Comments: A reserve study is a budget model, limited to visual exterior observations and research. As there are some key details and factors of buildings and grounds hidden from view, it is prudent to conduct additional ancillary evaluations from time to time.

The purpose of these evaluations is to aid planning and assess for any basis of predictable funding that may be incorporated into the reserve study. We recommend that you periodically engage specialty evaluations in the following areas/fields as applicable to your property:

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

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

Useful Life:

Remaining Life:

No Photo Available

Best Case:

Worst Case:

Cost Source:

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

**Quantity: Annual update**

Location: The community common and limited common elements.

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

History: 2024 WSV; 2020 WSV; 2022 WSV

Comments: Per Washington State law (RCW), 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 reserves plan. Reserve Study costs are most appropriately factored within the annual operating budget, not as a reserves component.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

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