

**Washington Office**  
505 South 336<sup>th</sup> St., Ste 620  
Federal Way, WA 98003

TEL 253/661-5437  
FAX 253/661-5430  
arwa@reservestudy.com  
www.reservestudy.com



**Corporate Office**  
Calabasas, CA

**Regional Offices**  
Phoenix, AZ  
San Francisco, CA  
Denver, CO  
Honolulu, HI  
Las Vegas, NV  
Miami, FL

## “Full” Reserve Study



## Rimrock Cove Coulee City, WA

**Report #: 26309-0**  
**For Period Beginning: January 1, 2015**  
**Expires: December 31, 2015**  
**Date Prepared: November 14, 2014**



---

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

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

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

**More Questions?**

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

253/661-5437

Relax, it's from



# Table of Contents

<b>3- Minute Executive Summary.....</b>	<b>i</b>
Reserve Study Summary .....	i
Reserve Component List – Table 1.....	ii
<b>Introduction, Objectives, and Methodology.....</b>	<b>1</b>
Which Physical Assets are Funded by Reserves? .....	2
How do we establish Useful Life and Remaining Useful Life estimates? .....	2
How do we establish Current Repair/Replacement Cost Estimates?.....	2
How much Reserves are enough? .....	3
How much should we contribute?.....	4
What is our Recommended Funding Goal?.....	4
<b>Projected Expenses.....</b>	<b>6</b>
Expense Graph – Figure 1.....	6
<b>Reserve Fund Status &amp; Recommended Funding Plan.....</b>	<b>7</b>
Funding Plan Graph – Figure 2.....	7
Cash Flow Graph – Figure 3.....	8
% Funded Graph – Figure 4.....	8
<b>Table Descriptions.....</b>	<b>9</b>
Reserve Component List Detail – Table 2.....	10
Contribution & Fund Breakdown – Table 3.....	12
Component Significance – Table 4.....	13
30 Year Reserve Plan Summary – Table 5.....	14
30 Year Reserve Plan Year by Year Detail – Table 6.....	15
<b>Accuracy, Limitations, and Disclosures.....</b>	<b>27</b>
<b>Terms and Definitions .....</b>	<b>29</b>
<b>Component Details.....</b>	<b>Appendix</b>

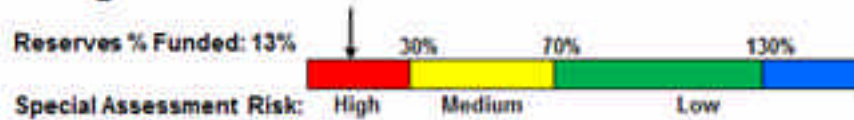
# 3- Minute Executive Summary

**Association:** Rimrock Cove **#:** 26309-0  
**Location:** Coulee City, WA **# of Units:** 192  
**Report Period:** January 1, 2015 through December 31, 2015

**Findings/Recommendations as-of 1/1/2015:**

Projected Starting Reserve Balance :.....	\$75,000
Current Fully Funded Reserve Balance : .....	\$599,424
Average Reserve Deficit (Surplus) Per Unit:.....	\$2,731
100% 2015 Annual "Full Funding" Contributions: .....	\$69,100
Baseline contributions (min to keep Reserves above \$0):.....	\$65,700
Recommended 2015 Special Assessment for Reserves:.....	\$0

Most Recent Budgeted Reserve Contribution Rate :..... \$44,932



**Economic Assumptions:**

**Net Annual "After Tax" Interest Earnings Accruing to Reserves.....**0.10%  
**Annual Inflation Rate .....**3.00%

- This is a "Full" Reserve Study, based on our site inspection on August 13, 2014 and meets or exceeds all requirements of the RCW. This study was prepared by a credentialed Reserve Specialist (RS™).
- Your Reserve Fund is currently 13% 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, our recommendation is to increase your Annual Reserve Contributions to \$69,100. Baseline funding as shown above is minimum contribution level to maintain reserves above \$0 throughout our 30-year reporting period. No assets appropriate for Reserve designation were excluded. See photo appendix for component details; the basis of our assumptions.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
<b>Site, Grounds</b>				
100	Concrete - Repair/Replace	N/A	0	\$0
120	Asphalt - Resurface	30	21	\$207,000
121	Asphalt - Seal/Repair/Stripe	5	3	\$24,840
155	Fence: Chain Link - Replace	40	25	\$25,320
190	Trees - Remove/Replace Yr 1	N/A	0	\$14,500
190	Trees - Remove/Replace Yr 2	N/A	1	\$14,500
190	Trees - Remove/Replace Yr 3	N/A	2	\$14,500
191	Trees - Trim	3	3	\$7,000
<b>Recreation</b>				
335	Basketball Court - Repair/Resurface	20	0	\$4,000
340	Play Sets - Partial Replace	8	4	\$6,000
400	Boat Dock System - Repair/Replace	N/A	5	\$35,000
405	EZ - Swim Docks	20	10	\$13,000
<b>Buildings</b>				
500	Bathroom Metal Roofs	40	20	\$8,100
550	Office / Mgr Unit - Replace	50	10	\$55,000
560	Office Deck, Wood - Replace	25	10	\$9,000
600	Maint. Building - Repair/Replace	50	10	\$35,000
755	Restroom Interiors - Refurbish	5	2	\$4,500
790	Resident Managers Unit - Refurbish	10	5	\$4,000
<b>Systems</b>				
930	Water System Distribution - Replace	60	21	\$406,000
931	Water System Storage - Replace	60	21	\$15,400
935	Well Pump - Replace	20	1	\$7,000
940	Sewage Lagoon Liners	30	14	\$150,000
945	Sewer Flow Meters	5	1	\$4,750
<b>Equipment</b>				
975	1/2 Ton Trucks - Replace	20	5	\$10,000
975	Ford Ranger - Replace	10	8	\$5,000
976	Gator - Replace	15	5	\$5,500
977	Kawasaki Mule - Replace	15	10	\$5,500
978	Yamaha Club Car	8	4	\$2,000
979	JD Tractor - Replace	15	13	\$17,000
980	JD Mower - Replace	15	6	\$7,000
30	Total Funded Components			

Note 1: a Useful Life of “N/A” means a one-time expense, not expected to repeat.

Note 2: **Yellow highlighted** line items are expected to require attention in the initial year, **green highlighted** items are expected to occur within the first five years.

Cross reference component numbers with photographic inventory appendix.

A reserve-funding threshold of ~\$2,000 is suggested for your association (expenses below this level expected to be factored within operating budget).

## 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

LEVELS OF SERVICE



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

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

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

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



RESERVE COMPONENT "FOUR-PART TEST"

### *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

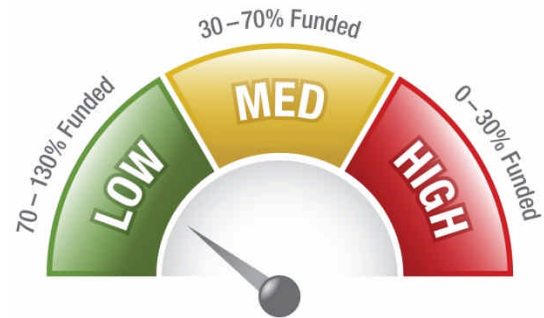


### *How much Reserves are enough?*

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.



**SPECIAL ASSESSMENT RISK**

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 August 13, 2014, we started with a brief meeting with manager, Dixon Poff. We then started the site inspection beginning with the roadway and general common areas. We visually inspected all visible common area while compiling a photographic inventory, noting: current condition, 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. We were not able to inspect the sewer or water distribution system as they are largely hidden systems.

During our site inspection we learned of project history within RRC and were provided some historical project data for our review. Of note, a potential significant expense exists at the shoreline areas: bulkhead, docks, etc... However, funding and timing was not predictable enough for inclusion in this year's reserve budget model. When the committee / community has more information, any predictable expenses should be included within reserve study updates.

The significant infrastructure (roads, water, sewer, marine) within RRC should be inspected / evaluated on an ongoing basis by appropriate specialized personnel to constantly refine needs and projections within this reserve budget model.



### Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Your *first five years* of projected Reserve expenses total \$109,491. Adding the next five years, your *first ten years* of projected Reserve expenses are \$247,528. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses at your association as defined by your Reserve Component List. A summary of these expenses are shown in Table 5, while details of the projects that make up these expenses are shown in Table 6.

### Annual Reserve Expenses

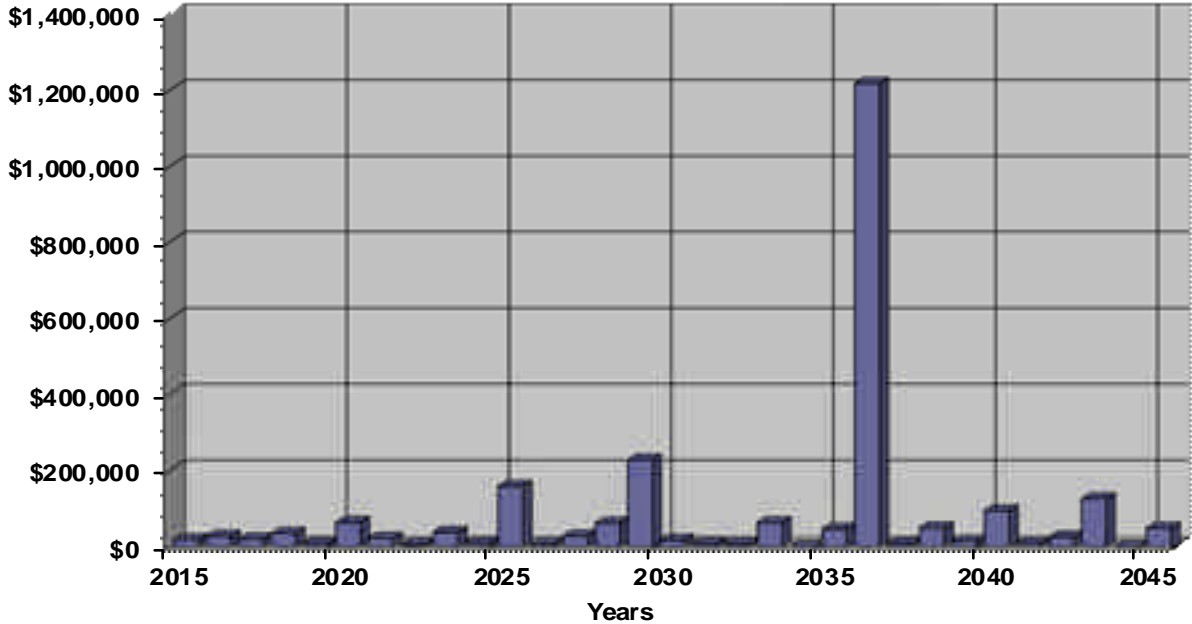


Figure 1

## Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$75,000 as-of the start of your Fiscal Year on January 1, 2015. As of January 1, 2015, your Fully Funded Balance is computed to be \$599,424 (see Table 3). This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 13% Funded. Across the country, approx 48% of associations in this range experience special assessments or deferred maintenance.

## Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$69,100 this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both Table 5 and Table 6.

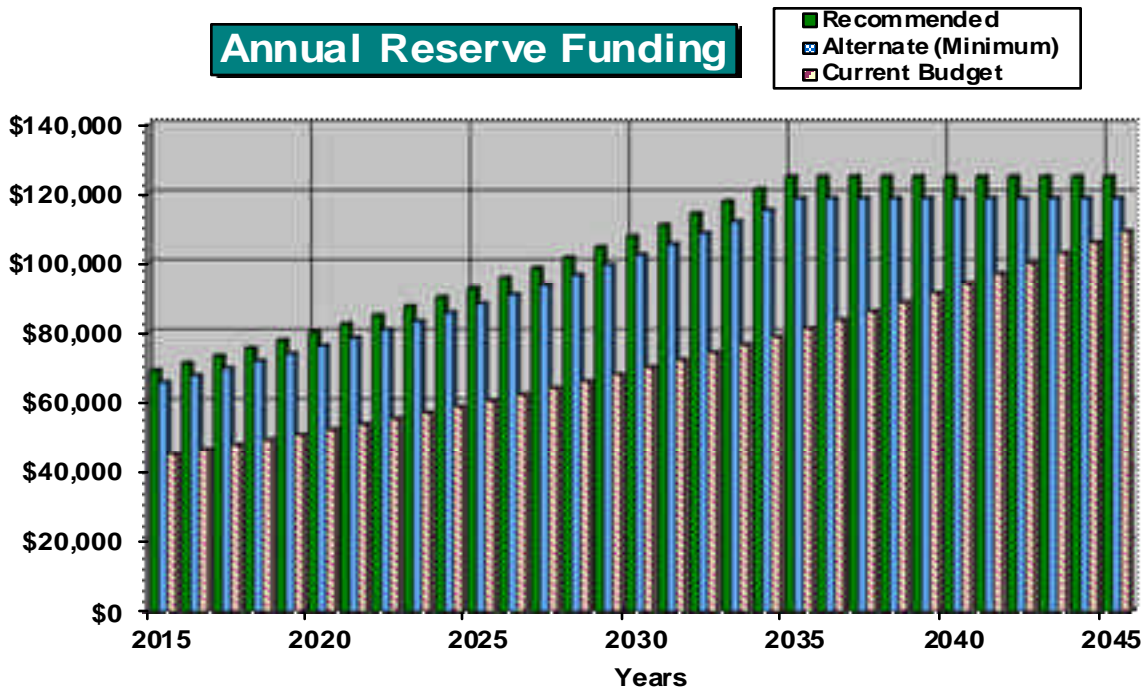


Figure 2

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

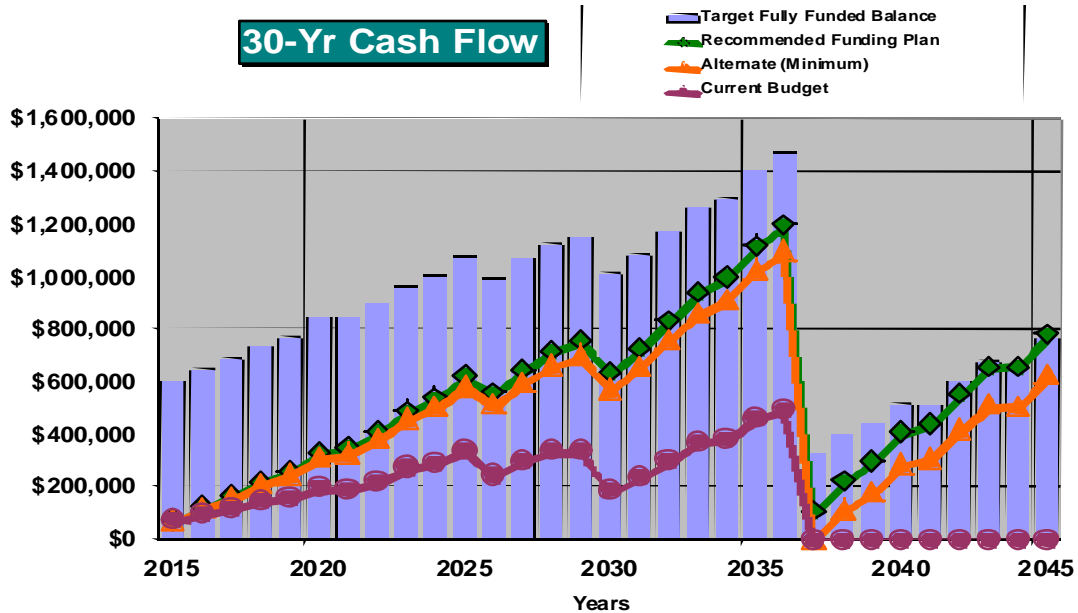


Figure 3

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

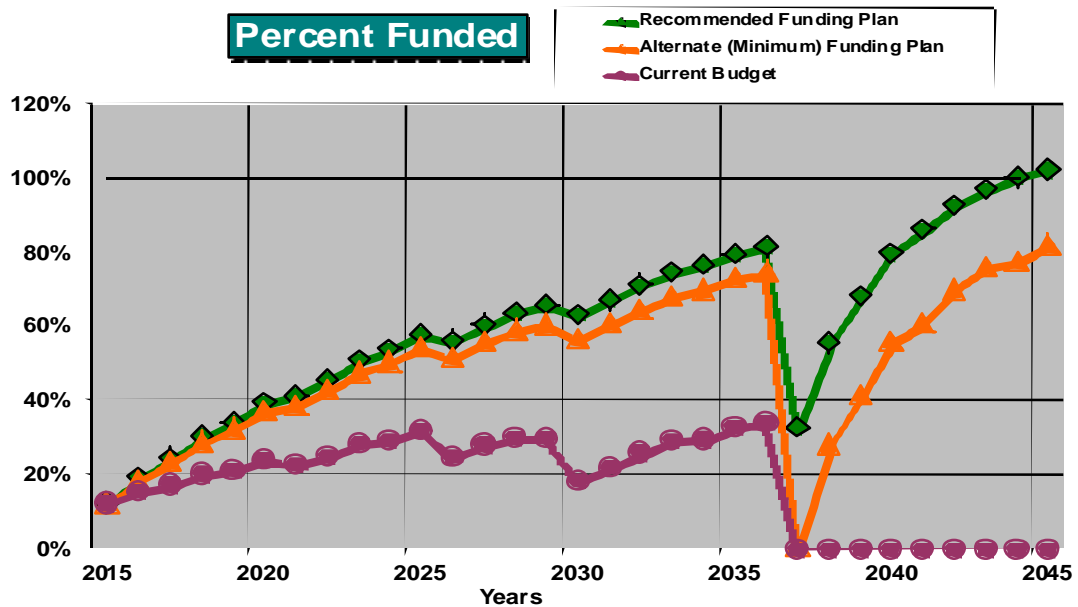


Figure 4

## **Table Descriptions**

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

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

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

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

Table 4 shows the significance of each component to Reserve needs of the association, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing Current Replacement Cost by Useful Life, then that component's percentage of the total is displayed.

Table 5: This table provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk for each year.

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

**Table 2: Reserve Component List Detail**

**26309-0**

#	Component	Quantity	Useful Life	Rem. Useful Life	[ --- Current Cost Estimate --- ]	
					Best Case	Worst Case
<b>Site, Grounds</b>						
100	Concrete - Repair/Replace	Moderate Sq Ft	N/A	0	\$0	\$0
120	Asphalt - Resurface	~138,000 Sq Ft	30	21	\$193,200	\$220,800
121	Asphalt - Seal/Repair/Stripe	~138,000 Sq Ft	5	3	\$20,700	\$28,980
155	Fence: Chain Link - Replace	~1,560 Lin Ft	40	25	\$21,840	\$28,800
190	Trees - Remove/Replace Yr 1	~305 trees* total	N/A	0	\$12,100	\$16,900
190	Trees - Remove/Replace Yr 2	~305 trees* total	N/A	1	\$12,100	\$16,900
190	Trees - Remove/Replace Yr 3	~305 trees* total	N/A	2	\$12,100	\$16,900
191	Trees - Trim	~305 trees* total	3	3	\$6,000	\$8,000
<b>Recreation</b>						
335	Basketball Court - Repair/Resurface	~1,280 Sq Ft, (2) hoops	20	0	\$3,000	\$5,000
340	Play Sets - Partial Replace	(2) wood sets, misc.	8	4	\$4,000	\$8,000
400	Boat Dock System - Repair/Replace	1660 SF dock, 375 LF beam	N/A	5	\$30,000	\$40,000
405	EZ - Swim Docks	(2) floating swim docks	20	10	\$12,000	\$14,000
<b>Buildings</b>						
500	Bathroom Metal Roofs	~ 1,800 Sq Ft	40	20	\$7,200	\$9,000
550	Office / Mgr Unit - Replace	1977 Champion mobile home	50	10	\$45,000	\$65,000
560	Office Deck, Wood - Replace	~ 400 Sq Ft	25	10	\$8,000	\$10,000
600	Maint. Building - Repair/Replace	~ 1,100 GSF	50	10	\$30,000	\$40,000
755	Restroom Interiors - Refurbish	(3) restrooms	5	2	\$3,000	\$6,000
790	Resident Managers Unit - Refurbish	~450 Sq Ft	10	5	\$3,000	\$5,000
<b>Systems</b>						
930	Water System Distribution - Replace	~5800 LF main,1400 svc	60	21	\$348,000	\$464,000
931	Water System Storage - Replace	8,800 gallon	60	21	\$13,200	\$17,600
935	Well Pump - Replace	(1) 15 hp submersible	20	1	\$6,000	\$8,000
940	Sewage Lagoon Liners	(2) 1/2 acre ponds	30	14	\$125,000	\$175,000
945	Sewer Flow Meters	(2) ISCO 4210	5	1	\$4,500	\$5,000
<b>Equipment</b>						
975	1/2 Ton Trucks - Replace	(2) 1/2 ton trucks	20	5	\$8,000	\$12,000
975	Ford Ranger - Replace	(1) 2002 Ford Ranger	10	8	\$4,500	\$5,500
976	Gator - Replace	(1) JD Gator	15	5	\$5,000	\$6,000
977	Kawasaki Mule - Replace	(1) 2011 2510 Diesel	15	10	\$5,000	\$6,000
978	Yamaha Club Car	(1) 1994 golf cart	8	4	\$1,500	\$2,500
979	JD Tractor - Replace	(1) John Deere 430	15	13	\$15,000	\$19,000
980	JD Mower - Replace	(1) 2006 JD zero turn	15	6	\$6,000	\$8,000



**Table 2: Reserve Component List Detail****26309-0**

#	Component	Quantity	Useful Life	Rem. Useful Life	[ --- Current Cost Estimate --- ]	
					Best Case	Worst Case
30	Total Funded Components					

**Table 3: Fully Funded Balance**

**26309-0**

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
<b>Site, Grounds</b>								
100	Concrete - Repair/Replace	\$0	X	0	/	0	=	\$0
120	Asphalt - Resurface	\$207,000	X	9	/	30	=	\$62,100
121	Asphalt - Seal/Repair/Stripe	\$24,840	X	2	/	5	=	\$9,936
155	Fence: Chain Link - Replace	\$25,320	X	15	/	40	=	\$9,495
190	Trees - Remove/Replace Yr 1	\$14,500	X	0	/	0	=	\$14,500
190	Trees - Remove/Replace Yr 2	\$14,500	X	0	/	0	=	\$7,250
190	Trees - Remove/Replace Yr 3	\$14,500	X	0	/	0	=	\$4,833
191	Trees - Trim	\$7,000	X	0	/	3	=	\$0
<b>Recreation</b>								
335	Basketball Court - Repair/Resurface	\$4,000	X	20	/	20	=	\$4,000
340	Play Sets - Partial Replace	\$6,000	X	4	/	8	=	\$3,000
400	Boat Dock System - Repair/Replace	\$35,000	X	0	/	0	=	\$5,833
405	EZ - Swim Docks	\$13,000	X	10	/	20	=	\$6,500
<b>Buildings</b>								
500	Bathroom Metal Roofs	\$8,100	X	20	/	40	=	\$4,050
550	Office / Mgr Unit - Replace	\$55,000	X	40	/	50	=	\$44,000
560	Office Deck, Wood - Replace	\$9,000	X	15	/	25	=	\$5,400
600	Maint. Building - Repair/Replace	\$35,000	X	40	/	50	=	\$28,000
755	Restroom Interiors - Refurbish	\$4,500	X	3	/	5	=	\$2,700
790	Resident Managers Unit - Refurbish	\$4,000	X	5	/	10	=	\$2,000
<b>Systems</b>								
930	Water System Distribution - Replace	\$406,000	X	39	/	60	=	\$263,900
931	Water System Storage - Replace	\$15,400	X	39	/	60	=	\$10,010
935	Well Pump - Replace	\$7,000	X	19	/	20	=	\$6,650
940	Sewage Lagoon Liners	\$150,000	X	16	/	30	=	\$80,000
945	Sewer Flow Meters	\$4,750	X	4	/	5	=	\$3,800
<b>Equipment</b>								
975	1/2 Ton Trucks - Replace	\$10,000	X	15	/	20	=	\$7,500
975	Ford Ranger - Replace	\$5,000	X	2	/	10	=	\$1,000
976	Gator - Replace	\$5,500	X	10	/	15	=	\$3,667
977	Kawasaki Mule - Replace	\$5,500	X	5	/	15	=	\$1,833
978	Yamaha Club Car	\$2,000	X	4	/	8	=	\$1,000
979	JD Tractor - Replace	\$17,000	X	2	/	15	=	\$2,267
980	JD Mower - Replace	\$7,000	X	9	/	15	=	\$4,200
								\$599,424

**Table 4: Component Significance**

**26309-0**

#	Component	Useful Life	Current Cost Estimate	Deterioration Cost/yr	Deterioration Significance
<b>Site, Grounds</b>					
100	Concrete - Repair/Replace	N/A	\$0	\$0	0.0%
120	Asphalt - Resurface	30	\$207,000	\$6,900	18.6%
121	Asphalt - Seal/Repair/Stripe	5	\$24,840	\$4,968	13.4%
155	Fence: Chain Link - Replace	40	\$25,320	\$633	1.7%
190	Trees - Remove/Replace Yr 1	N/A	\$14,500	\$0	0.0%
190	Trees - Remove/Replace Yr 2	N/A	\$14,500	\$0	0.0%
190	Trees - Remove/Replace Yr 3	N/A	\$14,500	\$0	0.0%
191	Trees - Trim	3	\$7,000	\$2,333	6.3%
<b>Recreation</b>					
335	Basketball Court - Repair/Resurface	20	\$4,000	\$200	0.5%
340	Play Sets - Partial Replace	8	\$6,000	\$750	2.0%
400	Boat Dock System - Repair/Replace	N/A	\$35,000	\$0	0.0%
405	EZ - Swim Docks	20	\$13,000	\$650	1.8%
<b>Buildings</b>					
500	Bathroom Metal Roofs	40	\$8,100	\$203	0.5%
550	Office / Mgr Unit - Replace	50	\$55,000	\$1,100	3.0%
560	Office Deck, Wood - Replace	25	\$9,000	\$360	1.0%
600	Maint. Building - Repair/Replace	50	\$35,000	\$700	1.9%
755	Restroom Interiors - Refurbish	5	\$4,500	\$900	2.4%
790	Resident Managers Unit - Refurbish	10	\$4,000	\$400	1.1%
<b>Systems</b>					
930	Water System Distribution - Replace	60	\$406,000	\$6,767	18.3%
931	Water System Storage - Replace	60	\$15,400	\$257	0.7%
935	Well Pump - Replace	20	\$7,000	\$350	0.9%
940	Sewage Lagoon Liners	30	\$150,000	\$5,000	13.5%
945	Sewer Flow Meters	5	\$4,750	\$950	2.6%
<b>Equipment</b>					
975	1/2 Ton Trucks - Replace	20	\$10,000	\$500	1.4%
975	Ford Ranger - Replace	10	\$5,000	\$500	1.4%
976	Gator - Replace	15	\$5,500	\$367	1.0%
977	Kawasaki Mule - Replace	15	\$5,500	\$367	1.0%
978	Yamaha Club Car	8	\$2,000	\$250	0.7%
979	JD Tractor - Replace	15	\$17,000	\$1,133	3.1%
980	JD Mower - Replace	15	\$7,000	\$467	1.3%
30	Total Funded Components			\$37,004	100.0%

**Table 5: 30-Year Reserve Plan Summary**

**26309-0**

**Fiscal Year Start: 01/01/15**

**Interest: 0.1%**

**Inflation: 3.0%**

**Reserve Fund Strength Calculations**  
(All values as of Fiscal Year Start Date)

**Projected Reserve Balance Changes**

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loansor Special Assmts	Interest Income	Reserve Expenses
2015	\$75,000	\$599,424	12.5%	High	\$69,100	\$0	\$100	\$18,500
2016	\$125,700	\$647,624	19.4%	High	\$71,173	\$0	\$148	\$27,038
2017	\$169,984	\$688,009	24.7%	High	\$73,308	\$0	\$197	\$20,157
2018	\$223,331	\$731,510	30.5%	Med	\$75,507	\$0	\$244	\$34,792
2019	\$264,290	\$765,832	34.5%	Med	\$77,773	\$0	\$299	\$9,004
2020	\$333,358	\$842,717	39.6%	Med	\$80,106	\$0	\$342	\$63,180
2021	\$350,625	\$847,107	41.4%	Med	\$82,509	\$0	\$381	\$22,388
2022	\$411,126	\$894,970	45.9%	Med	\$84,984	\$0	\$451	\$5,534
2023	\$491,027	\$962,993	51.0%	Med	\$87,534	\$0	\$516	\$37,800
2024	\$541,277	\$1,001,230	54.1%	Med	\$90,160	\$0	\$582	\$9,133
2025	\$622,885	\$1,071,589	58.1%	Med	\$92,865	\$0	\$591	\$157,910
2026	\$558,430	\$992,310	56.3%	Med	\$95,651	\$0	\$603	\$6,575
2027	\$648,109	\$1,068,066	60.7%	Med	\$98,520	\$0	\$684	\$27,802
2028	\$719,511	\$1,125,812	63.9%	Med	\$101,476	\$0	\$740	\$61,443
2029	\$760,283	\$1,152,271	66.0%	Med	\$104,520	\$0	\$699	\$226,888
2030	\$638,614	\$1,010,794	63.2%	Med	\$107,656	\$0	\$684	\$17,138
2031	\$729,816	\$1,082,846	67.4%	Med	\$110,885	\$0	\$782	\$7,622
2032	\$833,860	\$1,168,641	71.4%	Low	\$114,212	\$0	\$888	\$7,438
2033	\$941,522	\$1,259,036	74.8%	Low	\$117,638	\$0	\$969	\$62,718
2034	\$997,412	\$1,297,093	76.9%	Low	\$121,167	\$0	\$1,058	\$0
2035	\$1,119,638	\$1,402,839	79.8%	Low	\$124,802	\$0	\$1,159	\$46,236
2036	\$1,199,363	\$1,466,138	81.8%	Low	\$124,802	\$0	\$654	\$1,216,912
2037	\$107,907	\$327,605	32.9%	Med	\$124,802	\$0	\$166	\$8,622
2038	\$224,253	\$401,582	55.8%	Med	\$124,802	\$0	\$262	\$49,024
2039	\$300,294	\$438,355	68.5%	Med	\$124,802	\$0	\$356	\$14,230
2040	\$411,222	\$514,326	80.0%	Low	\$124,802	\$0	\$427	\$93,843
2041	\$442,608	\$512,899	86.3%	Low	\$124,802	\$0	\$500	\$10,244
2042	\$557,667	\$599,931	93.0%	Low	\$124,802	\$0	\$608	\$25,545
2043	\$657,532	\$676,279	97.2%	Low	\$124,802	\$0	\$657	\$125,470
2044	\$657,522	\$654,534	100.5%	Low	\$124,802	\$0	\$720	\$0

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

**26309-0**

Fiscal Year	2015	2016	2017	2018	2019
Starting Reserve Balance	\$75,000	\$125,700	\$169,984	\$223,331	\$264,290
Annual Reserve Contribution	\$69,100	\$71,173	\$73,308	\$75,507	\$77,773
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$100	\$148	\$197	\$244	\$299
<b>Total Income</b>	<b>\$144,200</b>	<b>\$197,021</b>	<b>\$243,489</b>	<b>\$299,083</b>	<b>\$342,362</b>
# Component					
<b>Site, Grounds</b>					
100 Concrete - Repair/Replace	\$0	\$0	\$0	\$0	\$0
120 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Seal/Repair/Stripe	\$0	\$0	\$0	\$27,143	\$0
155 Fence: Chain Link - Replace	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 1	\$14,500	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 2	\$0	\$14,935	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 3	\$0	\$0	\$15,383	\$0	\$0
191 Trees - Trim	\$0	\$0	\$0	\$7,649	\$0
<b>Recreation</b>					
335 Basketball Court - Repair/Resurface	\$4,000	\$0	\$0	\$0	\$0
340 Play Sets - Partial Replace	\$0	\$0	\$0	\$0	\$6,753
400 Boat Dock System - Repair/Replace	\$0	\$0	\$0	\$0	\$0
405 EZ - Swim Docks	\$0	\$0	\$0	\$0	\$0
<b>Buildings</b>					
500 Bathroom Metal Roofs	\$0	\$0	\$0	\$0	\$0
550 Office / Mgr Unit - Replace	\$0	\$0	\$0	\$0	\$0
560 Office Deck, Wood - Replace	\$0	\$0	\$0	\$0	\$0
600 Maint. Building - Repair/Replace	\$0	\$0	\$0	\$0	\$0
755 Restroom Interiors - Refurbish	\$0	\$0	\$4,774	\$0	\$0
790 Resident Managers Unit - Refurbish	\$0	\$0	\$0	\$0	\$0
<b>Systems</b>					
930 Water System Distribution - Replace	\$0	\$0	\$0	\$0	\$0
931 Water System Storage - Replace	\$0	\$0	\$0	\$0	\$0
935 Well Pump - Replace	\$0	\$7,210	\$0	\$0	\$0
940 Sewage Lagoon Liners	\$0	\$0	\$0	\$0	\$0
945 Sewer Flow Meters	\$0	\$4,893	\$0	\$0	\$0
<b>Equipment</b>					
975 1/2 Ton Trucks - Replace	\$0	\$0	\$0	\$0	\$0
975 Ford Ranger - Replace	\$0	\$0	\$0	\$0	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 0 through 4)****26309-0**

Fiscal Year	2015	2016	2017	2018	2019
976 Gator - Replace	\$0	\$0	\$0	\$0	\$0
977 Kawasaki Mule - Replace	\$0	\$0	\$0	\$0	\$0
978 Yamaha Club Car	\$0	\$0	\$0	\$0	\$2,251
979 JD Tractor - Replace	\$0	\$0	\$0	\$0	\$0
980 JD Mower - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$18,500	\$27,038	\$20,157	\$34,792	\$9,004
Ending Reserve Balance:	\$125,700	\$169,984	\$223,331	\$264,290	\$333,358

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

**26309-0**

Fiscal Year	2020	2021	2022	2023	2024
Starting Reserve Balance	\$333,358	\$350,625	\$411,126	\$491,027	\$541,277
Annual Reserve Contribution	\$80,106	\$82,509	\$84,984	\$87,534	\$90,160
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$342	\$381	\$451	\$516	\$582
<b>Total Income</b>	<b>\$413,805</b>	<b>\$433,515</b>	<b>\$496,562</b>	<b>\$579,077</b>	<b>\$632,019</b>
# Component					
<b>Site, Grounds</b>					
100 Concrete - Repair/Replace	\$0	\$0	\$0	\$0	\$0
120 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Seal/Repair/Stripe	\$0	\$0	\$0	\$31,467	\$0
155 Fence: Chain Link - Replace	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 1	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 2	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 3	\$0	\$0	\$0	\$0	\$0
191 Trees - Trim	\$0	\$8,358	\$0	\$0	\$9,133
<b>Recreation</b>					
335 Basketball Court - Repair/Resurface	\$0	\$0	\$0	\$0	\$0
340 Play Sets - Partial Replace	\$0	\$0	\$0	\$0	\$0
400 Boat Dock System - Repair/Replace	\$40,575	\$0	\$0	\$0	\$0
405 EZ - Swim Docks	\$0	\$0	\$0	\$0	\$0
<b>Buildings</b>					
500 Bathroom Metal Roofs	\$0	\$0	\$0	\$0	\$0
550 Office / Mgr Unit - Replace	\$0	\$0	\$0	\$0	\$0
560 Office Deck, Wood - Replace	\$0	\$0	\$0	\$0	\$0
600 Maint. Building - Repair/Replace	\$0	\$0	\$0	\$0	\$0
755 Restroom Interiors - Refurbish	\$0	\$0	\$5,534	\$0	\$0
790 Resident Managers Unit - Refurbish	\$4,637	\$0	\$0	\$0	\$0
<b>Systems</b>					
930 Water System Distribution - Replace	\$0	\$0	\$0	\$0	\$0
931 Water System Storage - Replace	\$0	\$0	\$0	\$0	\$0
935 Well Pump - Replace	\$0	\$0	\$0	\$0	\$0
940 Sewage Lagoon Liners	\$0	\$0	\$0	\$0	\$0
945 Sewer Flow Meters	\$0	\$5,672	\$0	\$0	\$0
<b>Equipment</b>					
975 1/2 Ton Trucks - Replace	\$11,593	\$0	\$0	\$0	\$0
975 Ford Ranger - Replace	\$0	\$0	\$0	\$6,334	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 5 through 9)****26309-0**

Fiscal Year	2020	2021	2022	2023	2024
976 Gator - Replace	\$6,376	\$0	\$0	\$0	\$0
977 Kawasaki Mule - Replace	\$0	\$0	\$0	\$0	\$0
978 Yamaha Club Car	\$0	\$0	\$0	\$0	\$0
979 JD Tractor - Replace	\$0	\$0	\$0	\$0	\$0
980 JD Mower - Replace	\$0	\$8,358	\$0	\$0	\$0
Total Expenses	\$63,180	\$22,388	\$5,534	\$37,800	\$9,133
Ending Reserve Balance:	\$350,625	\$411,126	\$491,027	\$541,277	\$622,885



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

**26309-0**

Fiscal Year	2025	2026	2027	2028	2029
Starting Reserve Balance	\$622,885	\$558,430	\$648,109	\$719,511	\$760,283
Annual Reserve Contribution	\$92,865	\$95,651	\$98,520	\$101,476	\$104,520
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$591	\$603	\$684	\$740	\$699
<b>Total Income</b>	<b>\$716,341</b>	<b>\$654,684</b>	<b>\$747,313</b>	<b>\$821,726</b>	<b>\$865,502</b>
# Component					
<b>Site, Grounds</b>					
100 Concrete - Repair/Replace	\$0	\$0	\$0	\$0	\$0
120 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Seal/Repair/Stripe	\$0	\$0	\$0	\$36,478	\$0
155 Fence: Chain Link - Replace	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 1	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 2	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 3	\$0	\$0	\$0	\$0	\$0
191 Trees - Trim	\$0	\$0	\$9,980	\$0	\$0
<b>Recreation</b>					
335 Basketball Court - Repair/Resurface	\$0	\$0	\$0	\$0	\$0
340 Play Sets - Partial Replace	\$0	\$0	\$8,555	\$0	\$0
400 Boat Dock System - Repair/Replace	\$0	\$0	\$0	\$0	\$0
405 EZ - Swim Docks	\$17,471	\$0	\$0	\$0	\$0
<b>Buildings</b>					
500 Bathroom Metal Roofs	\$0	\$0	\$0	\$0	\$0
550 Office / Mgr Unit - Replace	\$73,915	\$0	\$0	\$0	\$0
560 Office Deck, Wood - Replace	\$12,095	\$0	\$0	\$0	\$0
600 Maint. Building - Repair/Replace	\$47,037	\$0	\$0	\$0	\$0
755 Restroom Interiors - Refurbish	\$0	\$0	\$6,416	\$0	\$0
790 Resident Managers Unit - Refurbish	\$0	\$0	\$0	\$0	\$0
<b>Systems</b>					
930 Water System Distribution - Replace	\$0	\$0	\$0	\$0	\$0
931 Water System Storage - Replace	\$0	\$0	\$0	\$0	\$0
935 Well Pump - Replace	\$0	\$0	\$0	\$0	\$0
940 Sewage Lagoon Liners	\$0	\$0	\$0	\$0	\$226,888
945 Sewer Flow Meters	\$0	\$6,575	\$0	\$0	\$0
<b>Equipment</b>					
975 1/2 Ton Trucks - Replace	\$0	\$0	\$0	\$0	\$0
975 Ford Ranger - Replace	\$0	\$0	\$0	\$0	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 10 through 14)****26309-0**

Fiscal Year	2025	2026	2027	2028	2029
976 Gator - Replace	\$0	\$0	\$0	\$0	\$0
977 Kawasaki Mule - Replace	\$7,392	\$0	\$0	\$0	\$0
978 Yamaha Club Car	\$0	\$0	\$2,852	\$0	\$0
979 JD Tractor - Replace	\$0	\$0	\$0	\$24,965	\$0
980 JD Mower - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$157,910	\$6,575	\$27,802	\$61,443	\$226,888
Ending Reserve Balance:	\$558,430	\$648,109	\$719,511	\$760,283	\$638,614

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

**26309-0**

Fiscal Year	2030	2031	2032	2033	2034
Starting Reserve Balance	\$638,614	\$729,816	\$833,860	\$941,522	\$997,412
Annual Reserve Contribution	\$107,656	\$110,885	\$114,212	\$117,638	\$121,167
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$684	\$782	\$888	\$969	\$1,058
<b>Total Income</b>	<b>\$746,953</b>	<b>\$841,483</b>	<b>\$948,960</b>	<b>\$1,060,130</b>	<b>\$1,119,638</b>
# Component					
<b>Site, Grounds</b>					
100 Concrete - Repair/Replace	\$0	\$0	\$0	\$0	\$0
120 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Seal/Repair/Stripe	\$0	\$0	\$0	\$42,288	\$0
155 Fence: Chain Link - Replace	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 1	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 2	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 3	\$0	\$0	\$0	\$0	\$0
191 Trees - Trim	\$10,906	\$0	\$0	\$11,917	\$0
<b>Recreation</b>					
335 Basketball Court - Repair/Resurface	\$0	\$0	\$0	\$0	\$0
340 Play Sets - Partial Replace	\$0	\$0	\$0	\$0	\$0
400 Boat Dock System - Repair/Replace	\$0	\$0	\$0	\$0	\$0
405 EZ - Swim Docks	\$0	\$0	\$0	\$0	\$0
<b>Buildings</b>					
500 Bathroom Metal Roofs	\$0	\$0	\$0	\$0	\$0
550 Office / Mgr Unit - Replace	\$0	\$0	\$0	\$0	\$0
560 Office Deck, Wood - Replace	\$0	\$0	\$0	\$0	\$0
600 Maint. Building - Repair/Replace	\$0	\$0	\$0	\$0	\$0
755 Restroom Interiors - Refurbish	\$0	\$0	\$7,438	\$0	\$0
790 Resident Managers Unit - Refurbish	\$6,232	\$0	\$0	\$0	\$0
<b>Systems</b>					
930 Water System Distribution - Replace	\$0	\$0	\$0	\$0	\$0
931 Water System Storage - Replace	\$0	\$0	\$0	\$0	\$0
935 Well Pump - Replace	\$0	\$0	\$0	\$0	\$0
940 Sewage Lagoon Liners	\$0	\$0	\$0	\$0	\$0
945 Sewer Flow Meters	\$0	\$7,622	\$0	\$0	\$0
<b>Equipment</b>					
975 1/2 Ton Trucks - Replace	\$0	\$0	\$0	\$0	\$0
975 Ford Ranger - Replace	\$0	\$0	\$0	\$8,512	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 15 through 19)****26309-0**

Fiscal Year	2030	2031	2032	2033	2034
976 Gator - Replace	\$0	\$0	\$0	\$0	\$0
977 Kawasaki Mule - Replace	\$0	\$0	\$0	\$0	\$0
978 Yamaha Club Car	\$0	\$0	\$0	\$0	\$0
979 JD Tractor - Replace	\$0	\$0	\$0	\$0	\$0
980 JD Mower - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$17,138	\$7,622	\$7,438	\$62,718	\$0
Ending Reserve Balance:	\$729,816	\$833,860	\$941,522	\$997,412	\$1,119,638

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

**26309-0**

Fiscal Year	2035	2036	2037	2038	2039
Starting Reserve Balance	\$1,119,638	\$1,199,363	\$107,907	\$224,253	\$300,294
Annual Reserve Contribution	\$124,802	\$124,802	\$124,802	\$124,802	\$124,802
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,159	\$654	\$166	\$262	\$356
<b>Total Income</b>	<b>\$1,245,599</b>	<b>\$1,324,819</b>	<b>\$232,875</b>	<b>\$349,318</b>	<b>\$425,452</b>
# Component					
<b>Site, Grounds</b>					
100 Concrete - Repair/Replace	\$0	\$0	\$0	\$0	\$0
120 Asphalt - Resurface	\$0	\$385,081	\$0	\$0	\$0
121 Asphalt - Seal/Repair/Stripe	\$0	\$0	\$0	\$49,024	\$0
155 Fence: Chain Link - Replace	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 1	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 2	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 3	\$0	\$0	\$0	\$0	\$0
191 Trees - Trim	\$0	\$13,022	\$0	\$0	\$14,230
<b>Recreation</b>					
335 Basketball Court - Repair/Resurface	\$7,224	\$0	\$0	\$0	\$0
340 Play Sets - Partial Replace	\$10,837	\$0	\$0	\$0	\$0
400 Boat Dock System - Repair/Replace	\$0	\$0	\$0	\$0	\$0
405 EZ - Swim Docks	\$0	\$0	\$0	\$0	\$0
<b>Buildings</b>					
500 Bathroom Metal Roofs	\$14,630	\$0	\$0	\$0	\$0
550 Office / Mgr Unit - Replace	\$0	\$0	\$0	\$0	\$0
560 Office Deck, Wood - Replace	\$0	\$0	\$0	\$0	\$0
600 Maint. Building - Repair/Replace	\$0	\$0	\$0	\$0	\$0
755 Restroom Interiors - Refurbish	\$0	\$0	\$8,622	\$0	\$0
790 Resident Managers Unit - Refurbish	\$0	\$0	\$0	\$0	\$0
<b>Systems</b>					
930 Water System Distribution - Replace	\$0	\$755,280	\$0	\$0	\$0
931 Water System Storage - Replace	\$0	\$28,649	\$0	\$0	\$0
935 Well Pump - Replace	\$0	\$13,022	\$0	\$0	\$0
940 Sewage Lagoon Liners	\$0	\$0	\$0	\$0	\$0
945 Sewer Flow Meters	\$0	\$8,836	\$0	\$0	\$0
<b>Equipment</b>					
975 1/2 Ton Trucks - Replace	\$0	\$0	\$0	\$0	\$0
975 Ford Ranger - Replace	\$0	\$0	\$0	\$0	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 20 through 24)****26309-0**

Fiscal Year	2035	2036	2037	2038	2039
976 Gator - Replace	\$9,934	\$0	\$0	\$0	\$0
977 Kawasaki Mule - Replace	\$0	\$0	\$0	\$0	\$0
978 Yamaha Club Car	\$3,612	\$0	\$0	\$0	\$0
979 JD Tractor - Replace	\$0	\$0	\$0	\$0	\$0
980 JD Mower - Replace	\$0	\$13,022	\$0	\$0	\$0
Total Expenses	\$46,236	\$1,216,912	\$8,622	\$49,024	\$14,230
Ending Reserve Balance:	\$1,199,363	\$107,907	\$224,253	\$300,294	\$411,222

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

**26309-0**

Fiscal Year	2040	2041	2042	2043	2044
Starting Reserve Balance	\$411,222	\$442,608	\$557,667	\$657,532	\$657,522
Annual Reserve Contribution	\$124,802	\$124,802	\$124,802	\$124,802	\$124,802
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$427	\$500	\$608	\$657	\$720
<b>Total Income</b>	<b>\$536,451</b>	<b>\$567,911</b>	<b>\$683,077</b>	<b>\$782,992</b>	<b>\$783,044</b>
# Component					
<b>Site, Grounds</b>					
100 Concrete - Repair/Replace	\$0	\$0	\$0	\$0	\$0
120 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
121 Asphalt - Seal/Repair/Stripe	\$0	\$0	\$0	\$56,832	\$0
155 Fence: Chain Link - Replace	\$53,014	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 1	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 2	\$0	\$0	\$0	\$0	\$0
190 Trees - Remove/Replace Yr 3	\$0	\$0	\$0	\$0	\$0
191 Trees - Trim	\$0	\$0	\$15,549	\$0	\$0
<b>Recreation</b>					
335 Basketball Court - Repair/Resurface	\$0	\$0	\$0	\$0	\$0
340 Play Sets - Partial Replace	\$0	\$0	\$0	\$13,728	\$0
400 Boat Dock System - Repair/Replace	\$0	\$0	\$0	\$0	\$0
405 EZ - Swim Docks	\$0	\$0	\$0	\$0	\$0
<b>Buildings</b>					
500 Bathroom Metal Roofs	\$0	\$0	\$0	\$0	\$0
550 Office / Mgr Unit - Replace	\$0	\$0	\$0	\$0	\$0
560 Office Deck, Wood - Replace	\$0	\$0	\$0	\$0	\$0
600 Maint. Building - Repair/Replace	\$0	\$0	\$0	\$0	\$0
755 Restroom Interiors - Refurbish	\$0	\$0	\$9,996	\$0	\$0
790 Resident Managers Unit - Refurbish	\$8,375	\$0	\$0	\$0	\$0
<b>Systems</b>					
930 Water System Distribution - Replace	\$0	\$0	\$0	\$0	\$0
931 Water System Storage - Replace	\$0	\$0	\$0	\$0	\$0
935 Well Pump - Replace	\$0	\$0	\$0	\$0	\$0
940 Sewage Lagoon Liners	\$0	\$0	\$0	\$0	\$0
945 Sewer Flow Meters	\$0	\$10,244	\$0	\$0	\$0
<b>Equipment</b>					
975 1/2 Ton Trucks - Replace	\$20,938	\$0	\$0	\$0	\$0
975 Ford Ranger - Replace	\$0	\$0	\$0	\$11,440	\$0

**Table 6: 30-Year Income/Expense Detail (yrs 25 through 29)****26309-0**

Fiscal Year	2040	2041	2042	2043	2044
976 Gator - Replace	\$0	\$0	\$0	\$0	\$0
977 Kawasaki Mule - Replace	\$11,516	\$0	\$0	\$0	\$0
978 Yamaha Club Car	\$0	\$0	\$0	\$4,576	\$0
979 JD Tractor - Replace	\$0	\$0	\$0	\$38,895	\$0
980 JD Mower - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$93,843	\$10,244	\$25,545	\$125,470	\$0
Ending Reserve Balance:	\$442,608	\$557,667	\$657,532	\$657,522	\$783,044



## Accuracy, Limitations, and Disclosures

### Washington disclosure, per RCW:

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

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

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

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

Component quantities indicated in this Report were developed by Association Reserves unless otherwise noted in our “Site Inspection Notes” comments. No destructive or intrusive testing was performed. This Report and this site inspection were accomplished only for Reserve budget purposes (to help identify and address the normal deterioration of properly built and installed components with predictable life expectancies). The Funding Plan in this Report was developed using the cash-flow methodology to achieve the specified Funding Objective.

Association Reserves’ 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)

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

**Fully Funded Balance (FFB):** The value of the deterioration of the Reserve Components. This is the fraction of life “used up” of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.

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

**Inflation:** Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on Table 6.

**Interest:** Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.

**Percent Funded:** The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.

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

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

## Component Details

The primary purpose of the photographic appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The photographs herein represent a wide range of elements that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding.

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

Some components are recommended for reserve funding, while others are not. The components that meet these criteria in our judgment are shown with corresponding maintenance, repair or replacement cycles to the left of the photo (UL = Useful Life or how often the project is expected to occur, RUL = Remaining Useful Life or how many years from our reporting period) and a representative market cost range termed “Best Cost” and “Worst Cost” below the photo. There are many factors that can result in a wide variety of potential costs, we are attempting to represent a market average for budget purposes. Where there is no UL, the component is expected to be a one-time expense. Where no pricing, the component deemed inappropriate for Reserve Funding.

Client: 26309A Rimrock Cove O.A.

Comp # : 100      Concrete - Repair/Replace      Quantity : Moderate Sq Ft

Location : Bathrooms, site stairs

Funded? : Yes

History : Unknown

Evaluation : Slab at upper bathroom has settled several inches creating large (>1") longitudinal crack, full separation from main slab. Damaged portion ~400 square feet.

While larger repair/replacement expenses can emerge from time to time as the community ages, it is difficult to predict timing, cost and scope. We suggest funding for repair / replacement as needed out of the operating budget, not as cyclical reserve expense.

As routine maintenance, repair any cracking or spalling as needed to prevent water penetrating into the base and causing further damage. Monitor tree roots nearby.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

**Comp # : 106      Gravel Areas - Refurbish      Quantity: ~50,000 GSF**

Location : Marina, park area

Funded? : No Annual costs, best handled in operational budget

History

Evaluation : Generally good fair coverage observed. Some unevenness, but no major depressions or apparent need for large renovation observed. Profile for drainage appear adequate. Ongoing refurbishing/replenishment and local grading should be part of annual maintenance program - no predictable expectation for large scale funding needs at this time. Track expenses and make adjustments to this component in reserve study updates if needed.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

**Comp # : 112      Metal Site Rail - Repair/Replace      Quantity: ~80 Lin Ft**

Location : Adjacent to site stairs

Funded? : No Useful life not predictable, repair/replace as needed out of operating budget

History

Evaluation : Good, stable condition of this galvanized rail observed with no significant deterioration and/or damage evident. Sturdy item that can typically last for an extended period with ordinary care and maintenance. No reserve funding suggested at this time.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 120 Asphalt - Resurface

Quantity: ~138,000 Sq Ft

Location : Roadway of association

Funded? : Yes

History Installed between 2004 and 2006 with electrical work

Evaluation : Overall good condition noted. Some isolated lateral cracking; prior repair has failed. Some funding should be factored in operating budget for annual cleaning and local repair.

Useful life below assumes regular seal coating and repairs (see component #121). The lack of seal coating and repairs can greatly decrease the asphalt's useful life. When need to resurface is apparent (i.e. Loose material, rough, visible larger aggregate) within a couple of years , consult with geotechnical engineer for recommendations, specifications / scope of work and project oversight.

As routine maintenance each year, keep surfaces clean and free of debris, ensure that all areas drain positively, repair cracks, and clean oil stains promptly. Assuming proactive maintenance, plan to resurface at roughly the time frame below).

Further resources below:

Pavement Surface Condition Field Rating Manual for Asphalt Pavement.

<http://www.wsdot.wa.gov/NR/rdonly/res/4FE2F96D-BFE0-4484-812E-DD5164EB34F5/0/AsphaltPavementBook.pdf>

<http://www.asphaltwa.com/>

Washington Asphalt Pavement Association

<http://www.asphaltwa.com/>

Useful Life  
30 years

Remaining Life  
21 years



Best Case: \$193,200

Worst Case \$220,800

\$1.40/Sq Ft, Lower allowance to resurface (overlay)

\$1.60/Sq Ft, Higher allowance

Cost Source: Inflated Client Cost History , 5% per year

Client: 26309A Rimrock Cove O.A.

Comp # : 121 Asphalt - Seal/Repair/Stripe

Quantity: ~138,000 Sq Ft

Location : Roadway , parking areas of association

Funded? : Yes

History Last 2013

Evaluation : Generally , the surface condition of the asphalt coating appeared to be uniformly covered and intact. Some minor local cracking that should be repaired prior to winter.

Regular cycles of seal coating, along with needed repairs is a best practice for the long term care of lower traffic asphalt areas. We recommend regular asphalt seal coating cycles with repair as needed to extend the useful life of the asphalt.

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

Repairing asphalt before seal coating is imperative. Surface preparation and dry weather during and following application, is key to lasting performance. The ideal conditions are when the air and surface temperatures are 50 degrees and rising, with low humidity and calm wind. Seal coating should never be done when showers are threatening. Apply a Catatonic Slow Seal (CSS-1 or CSS-1h) diluted up to 50/50 with water. Application rates usually ranges from 0.10 to 0.15 gallons per square yard and is dependent on pavement texture, local conditions and traffic. Incorporate any striping and curb repair into this project. Fill cracks and clean oil stains promptly in between cycles as routine maintenance.

For further resources:

Best Practices Handbook on Asphalt Pavement Maintenance

<http://www.cee.nyu.edu/~balkire/CE5403/AsphaltPaveMaint.pdf>

For a general overview of Asphalt Seal Coat Treatments review this publication:

<http://www.wsdot.wa.gov/NR/rdonlyres/4A21ECE8-114B-434D-B967-0927541CE042/0/AsphaltSealCoats.pdf>

Other references:

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

Useful Life  
5 years

Remaining Life  
3 years





# Association Reserves Washington, LLC

# Component Details

Client: 26309A Rimrock Cove O.A.

---

Best Case: \$20,700

Worst Case \$28,980

\$0.15/Sq Ft, Lower allowance to clean/seal/stripe

\$0.21/Sq Ft, Higher allowance, more repairs, etc.

Cost Source: Inflated Client Cost History, 3% per year

---

**Comp # : 155 Fence: Chain Link - Replace**

Quantity: ~1,560 Lin Ft

Location : Perimeter of sewage treatment ponds

Funded? : Yes

History Assumed installed ~2000

Evaluation : Good, stable condition noted. No areas of damaged observed. With ordinary care and maintenance, plan to eventually replace this galvanized fence due to deterioration that will result from constant exposure to weather.

Inspect regularly ; clean and repair, stretch locally as needed as part of general maintenance, operating funding. This area is important to keep wildlife and unauthorized persons away from lagoon - liners can be damaged extensively if abused, and potential liability also exists.

Useful Life

40 years

Remaining Life

25 years



Best Case: \$21,840

Worst Case \$28,800

\$14/Lin Ft, Lower allowance to replace

\$18/Lin Ft, Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

---

Client: 26309A Rimrock Cove O.A.

Comp # : 156 Shoreline Protection-Repair/Replace Quantity: ~ 1,575 Lin Ft

Location : Beach and marina

Funded? : No Cost and timing not predictable at this time

History

Evaluation : There are a variety of shoreline protection measures employed at Rimrock Cove beach and marina perimeters, including: Floating log (~100 LF), boulder / rubble (~ 630 LF), concrete block (~ 420 LF) and fixed log bulkhead (~ 425 LF - pictured). Erosion has of earth has occurred in areas - can reportedly be filled in with rock "by hand" under existing permit. Beach area with concrete blocks reportedly stable.

Committee is discussing both short and long term needs and has spoken with EPA and Fisheries, but not the Army Corps of Engineers to date. Concrete bulkhead may be a possibility. Costs this project can vary widely, and are not yet defined enough for inclusion in the RRC reserve plan. Project is large scale, and likely that significant portion, or all, funded by special assessment.

Inspect regularly, repair as needed, install rock infill - fund within operating budget.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 160      Site Lighting - Replace      Quantity: Assorted fixtures

Location : Scattered common areas throughout association

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

History

Evaluation : Observed during daylight hours; assumed to be in functional operating condition. Minimal quantity does not merit cyclical reserve funding status.

As routine maintenance, inspect, repair/change bulbs and fixtures as needed; operating expense.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 170      Landscape - Refurbish      Quantity : Common lawn, plants  
Location : Common area open space tracts throughout community  
Funded? : No

History

Evaluation : Generally the condition of common area landscaping appeared healthy , with no large scale specific problems observed or identified by association contact. **Note: trees addressed separately herein.**

Ongoing maintenance needs typically funded within operating budget; this component may be utilized for setting aside funds for larger expenses that do not occur on an annual basis, such as: large scale plantings, turf renovation, bark/mulch replenishment, drainage improvements, etc... In our experience, landscape components will eventually need to be refurbished (new plantings, drainage, gravel, bark/mulch, etc...), but timing, scope and cost are unpredictable at this time.

Inclusion of reserve funding in a reserve study update is at the board's discretion.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 175      Irrigation System - Replace      Quantity: (4) zones (94) heads

Location : Along south tree line

Funded? : No Useful life not predictable, repair/replace as needed out of operating budget

History Proposed for 2014 (~\$15k)

Evaluation : After our site inspection in 2014, addition of irrigation system along south tree line to properly provide water for new and anticipated additional trees replacing the Lombardy poplars which are high-risk (see tree component herein #190) is anticipated. This work includes tying in new pump loop.

Other systems (7) installed over time and reported to have no significant issues. If properly installed and bedded, the lines themselves can last for many years. Therefore, there is no predictable expectation to replace existing systems in large scale - one time expense for new system in 2014.

Annual local replacement of heads, valves, controls, etc... should be factored in operating / maintenance budget, not reserves.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 190      Trees - Remove/Replace Yr 1      Quantity: ~305 trees\* total  
Location : Common areas  
Funded? : Yes

History

Evaluation : Trees are generally mature throughout community . An arborist review and report was compiled in 2012, identifying 14 species in the common areas, counting \*305 trees with trunks 6" and larger. Of those, Lombardy Poplar is the predominate species (151) and also noted as the most problematic / high-risk to threaten adjacent property and sewer and water lines below surface from root damage. Many trees noted to have been incorrectly topped, and are in poor condition as a result. Recommendation by arborist to remove all Lombardy Poplar trees and stumps; total # on "remove list", 195 trees. RRC cove has reportedly removed 50 trees in 2013-14, replacing with 7' to 8' fruit trees. Most of these were assessed as high risk of falling and damaging property . When considering priority for removal, the areas identified in the Trenchless Pipe Repair video scoping of having root invasion into sewer lines are also key . South property line is priority #1.

A qualified arborist assesses the appropriateness of plantings and creates a long term plan for the care and management of the trees within the community, balancing aesthetic and other attributes with protection of association assets.

Reserve funding below is for removal and replacement costs of 145 remaining high-risk trees identified, phased over three years,. 2015 - 2017

Expect some annual expenses going forward in the operating budget as well for ongoing care and maintenance. Again, consult with arborist for best practices. Track actual expenses and timing, adjust in reserve study updates if needed.

Useful Life

Remaining Life  
0 years



Best Case: \$12,100  
\$125/ea, Lower allowance to remove & grind stump,  
+ \$125/ea to replace ~ 1/3 of 145 trees

Worst Case \$16,900  
\$175/ea, Higher allowance to remove & grind  
stump, plus \$175/ to replace ~ 1/3 of 145 trees

Cost Source: Research with Kile Arboriculture, Dixon Poff

Client: 26309A Rimrock Cove O.A.

**Comp # : 190**      **Trees - Remove/Replace Yr 2**      Quantity: ~305 trees\* total  
Location : Common areas  
Funded? : Yes

History  
Evaluation : Second year of phased tree replacement

Useful Life

Remaining Life  
1 years



Best Case: \$12,100  
\$125/ea, Lower allowance to remove & grind stump,  
+ \$125/ea to replace ~ 1/3 of 145 trees

Worst Case \$16,900  
\$175/ea, Higher allowance to remove & grind  
stump, plus \$175/ to replace ~ 1/3 of 145 trees

Cost Source: Research with Kile Arboriculture, Dixon Poff

**Comp # : 190**      **Trees - Remove/Replace Yr 3**      Quantity: ~305 trees\* total  
Location :  
Funded? : Yes

History  
Evaluation : Third year of phased tree replacement

Useful Life

Remaining Life  
2 years



Best Case: \$12,100  
\$125/ea, Lower allowance to remove & grind stump,  
+ \$125/ea to replace ~ 1/3 of 145 trees

Worst Case \$16,900  
\$175/ea, Higher allowance to remove & grind  
stump, plus \$175/ to replace ~ 1/3 of 145 trees

Cost Source: Research with Kile Arboriculture, Dixon Poff

Client: 26309A Rimrock Cove O.A.

Comp # : 191 Trees - Trim

Quantity: ~305 trees\* total

Location : Throughout common areas

Funded? : Yes

History

Evaluation : This component factors professional tree trimming and related expenses every third year. \*tree quantity by Kile Arborist.

Useful Life  
3 years

Remaining Life  
3 years



Best Case: \$6,000  
Lower allowance to trim

Worst Case \$8,000  
Higher allowance

Cost Source: Client Cost History

Comp # : 195 Water Feature - Refurbish

Quantity: Bed, pump, etc.

Location : Common area near entrance

Funded? : No No predictable large scale expenses; treat as maintenance issue

History

Evaluation : No specific problems observed or reported to us. Pumps typically have unpredictable service life and are lower cost (<\$500)- thus does not merit reserve funding. Base material appears to be low maintenance concrete with no predictable large scale refurbishing anticipated at this time. Overall, no components in this area appearing to merit large scale reserve funding.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:



Client: 26309A Rimrock Cove O.A.

**Comp # : 200      Site Signage - Replace      Quantity : Assorted wood/metal**

Location : Entry locations, misc.

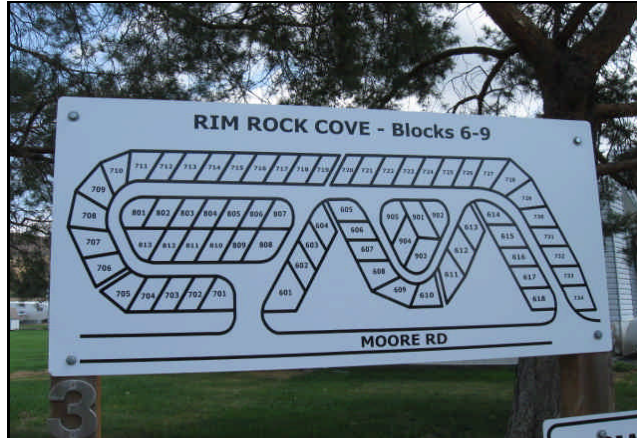
Funded? : No Cost projected to be individually too small for reserve funding

History

Evaluation : Generally stable, legible condition with no significant damage/deterioration noted. No expectation for need of large scale funding to replace all at once. Plan to replace as needed individually using operating funds.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

**Comp # : 205      Mailboxes - Replace      Quantity : Individual boxes**

Location : Adjacent to roadway within community

Funded? : No Useful life not predictable, repair/replace as needed out of operating budget

History

Evaluation : Varying condition - generally stable, functional. No predictable expectation for large scale replacement expenses all at once. Inspect regularly, clean by wiping down for appearance, change lock cylinders, lubricate hinges and repair / replace as needed from operating budget.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 335      Basketball Court - Repair/Resurface      Quantity: ~1,280 Sq Ft, (2) hoops

Location : Common area

Funded? : Yes

History

Evaluation : Extensive cracking at the time of our 2014 inspection. However, court appears to be generally level and may be able to be repaired with crack fill and topical coating or light pour. A repair allowance is factored. If replacement is needed cost will be significantly higher.

As routine maintenance, keep clean and seal cracks as they appear to keep water from penetrating into the base and causing further damage.

Useful Life  
20 years

Remaining Life  
0 years



Best Case: \$3,000  
Lower repair allowance

Worst Case \$5,000  
Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 26309A Rimrock Cove O.A.

Comp # : 340      Play Sets - Partial Replace

Quantity: (2) wood sets, misc.

Location : Park area

Funded? : Yes

History

Evaluation : Varying condition - mostly stable, but one post of the lighter colored wood set shows some rot at the base. Conduct repair soon to stabilize and extend life of this otherwise functional structure. Replacement cycles vary depending on the amount of use/abuse, exposure, etc... Generally plan for periodic large repair / partial replacement. Budget allowance below for one of the sets in like-kind. Commercial play sets are 2 to 3 times cost projected below but last longer.

Inspect regularly for stability, damage and excessive wear and utilize maintenance funds for any local repairs and minor replacement (i.e. swings, base, hardware) needed between replacement cycles.

Useful Life  
8 years

Remaining Life  
4 years



Best Case: \$4,000

Lower replacement allowance for one set

Worst Case \$8,000

Higher allowance; upgraded equipment, other park improvements

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 26309A Rimrock Cove O.A.

Comp # : 400 Boat Dock System - Repair/Replace Quantity: 1660 SF dock, 375 LF beam

Location : Common dock area

Funded? : Yes

History

Evaluation : Varying condition of components - recent replacement of wood decking with composite material. Steel supports in water appeared stable. Anchoring / tie system of docks is not an engineered system; steel cables were encased in (14) concrete piers which are attached to the side of ~375 Linear Feet of wood beam. Most are not level and the concrete / wood beam anchoring system has settled, pulling the beam toward the water. Some of the anchoring beam is treated, some is not.

Eventual replacement should be anticipated; defined by ongoing evaluation by qualified personnel (contractor, engineer, etc...). Although no design or firm timing for a repair / replacement project, cost will be significant and RRC would be prudent to start accumulating funds. Update within reserve budget as more information / design and costs becomes known - a funding allowance is shown below.

Useful Life

Remaining Life  
5 years



Best Case: \$30,000

Lower allowance to replace

Worst Case \$40,000

Higher allowance, better quality materials, more elaborate design

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 26309A Rimrock Cove O.A.

Comp # : 405      EZ - Swim Docks

Quantity: (2) floating swim docks

Location : Beach area

Funded? : Yes

History Placed into service ~2004 (~\$9k)

Evaluation : Did not observe up close. No significant problems - two cleats recently replaced. Brought in during off season. Plan for eventual replacement.

Useful Life  
20 years

Remaining Life  
10 years



Best Case: \$12,000

Worst Case \$14,000

Lower allowance to replace both

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 26309A Rimrock Cove O.A.

Comp # : 500 Bathroom Metal Roofs

Quantity : ~ 1,800 Sq Ft

Location : Restroom building roofs (3)

Funded? : Yes

History : Not known

Evaluation : Generally fair condition of field observed during our limited visual review - no visible compromise of seams, damage or advanced rust, etc... Manager does not think metal is original roof. Typical life of metal is in the 40 year range.

As routine maintenance, inspect closely at least twice annually (once in the fall before the rainy season and again in the spring) and after large storm events. Promptly replace any damaged/missing sections, fasteners and grommets or any other repair needed to ensure waterproof integrity of roof.

The National Roofing Contractors Association (NRCA) has additional information available on their web site <http://www.nrca.net/Consumers/>

Useful Life  
40 years

Remaining Life  
20 years



Best Case: \$7,200

Worst Case \$9,000

Lower allowance to replace

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 26309A Rimrock Cove O.A.

**Comp # : 523      Siding: Maintain, Repair      Quantity: ~ 2,000 GSF**

Location : Exterior walls of shop, storage, gables of restrooms  
Funded? : No Annual costs, best handled in operational budget

History

Evaluation : Various types of wood siding observed: plywood, T-111, channel, battens. All in fair condition - rear of maintenance shed in need of repair now. Surface was painted; some fading and surface checking. These are utility areas and it is our expectation that repair needs as they arise and regular painting can be funded within the Operating / Maintenance budget. No recommendation for reserves at this time.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

**Comp # : 535      Windows & Doors - Repair/Replace      Quantity: ~(22) wndws (7) doors**

Location : Restroom exterior walls  
Funded? : No Annual costs, best handled in operational budget

History

Evaluation : Fair, functional condition. Somewhat protected by roof overhang. Windows are non-thermal aluminum frame. These are utility areas and it is our expectation that repair needs as they arise and regular painting can be funded within the Operating / Maintenance budget. No recommendation for reserves at this time.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 550 Office / Mgr Unit - Replace

Quantity: 1977 Champion mobile home

Location : Near main entrance of community

Funded? : Yes

History Unknown install date (~\$30k)

Evaluation : Fair condition. Recent roof leaks patched - no other significant issues at this time. Windows are single pane aluminum. Useful life of similar manufactured units typically in the 30 to 50 year range. Allowance for replacement factored below for 2025.

Useful Life  
50 years

Remaining Life  
10 years



Best Case: \$45,000

Worst Case \$65,000

Lower allowance to replace with similar size; incl. set up

Higher allowance; upgraded

Cost Source: Research with Local Vendors

Comp # : 560 Office Deck, Wood - Replace

Quantity: ~ 400 Sq Ft

Location : Adjacent to office

Funded? : Yes

History None known

Evaluation : Deck in fair condition. General surface checking and signs of aging, but no rot or instability observed. Plan generally for about 25 year life cycles - timed for replacement below with office unit.

Repair as needed using maintenance funds in between replacement cycles.

Useful Life  
25 years

Remaining Life  
10 years



Best Case: \$8,000

Worst Case \$10,000

Lower allowance to replace

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History



Client: 26309A Rimrock Cove O.A.

**Comp # : 600      Maint. Building - Repair/Replace      Quantity: ~ 1,100 GSF**  
Location : SW quadrant of property  
Funded? : Yes

History

Evaluation : The maintenance building does not rest upon a foundation, appears out of plumb, and areas of repair needs / deterioration were observed. This is a utility area, but is essential function to house and protect maintenance equipment and tools. Our recommendation would be to eventually replace with a heated metal storage building on concrete slab.

Useful Life  
50 years

Remaining Life  
10 years



Best Case: \$30,000

Worst Case \$40,000

Lower allowance to replace building

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

**Comp # : 605      Sheds, Well House - Repair/Replace      Quantity: (3) small structures**  
Location : Scattered common areas  
Funded? : No Annual costs, best handled in operational budget

History

Evaluation : Varying condition. The well house has advanced deterioration of fascia, trim and rafter tails - repairs needed soon. Shed at sewer lagoon appears a bit weathered, but stable. Shed near maintenance shop is newer. It is our expectation that local repair / replacement of these small structures will be funded through annual operating / maintenance budget based upon need that year. No reserve funding for large scale repair / replace suggested at this time.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 650 Building Exteriors - Paint Quantity : Moderate GSF

Location : Restrooms, shop, sheds, etc..

Funded? : No Annual costs, best handled in operational budget

History

Evaluation : Painted surfaces were noted to be in generally fair condition. Regular cycles of painting are recommended to maintain appearance and protect surfaces, but we assume this is handled through operating / maintenance budget. No reserve funding suggested at this time.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Comp # : 710 Interior Walls & Ceilings - Paint Quantity : Moderate GSF

Location : Interior wall and ceiling surfaces: restrooms, office area, etc...

Funded? : No Annual costs, best handled in operational budget

History

Evaluation : Painted surfaces were noted to be in generally fair condition. Regular cycles of painting are recommended to maintain appearance and protect surfaces, but we assume this is handled through operating / maintenance budget. No reserve funding suggested at this time.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 755 Restroom Interiors - Refurbish Quantity: (3) restrooms  
Location : Restroom areas  
Funded? : Yes

History

Evaluation : Varying condition - most generally fair, stable. Some water intrusion / damage noted adjacent to one shower (see photo). These areas are utility in nature, but it is likely that some larger repair / replacement projects will be needed, and therefore reserve funding is suggested to supplement the operating budget that covers the annual needs at smaller expense.

Prudent planning suggests setting aside funds for periodic refurbishing which may include items such as: plumbing fixtures, stalls, wall repairs, showers, vanity area, lighting, heating, ventilation, accessories, décor, etc... As routine maintenance, inspect regularly, perform any needed local repairs promptly utilizing general operating funds.

Useful Life  
5 years

Remaining Life  
2 years



Best Case: \$3,000

Worst Case \$6,000

Lower allowance to refurbish one of three restrooms

Higher allowance; more extensive

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 26309A Rimrock Cove O.A.

**Comp # : 773 Washer/Dryer - Repair/Replace** Quantity: (2) washers (2) dryers

Location : Laundry rooms

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

History

Evaluation : Washers and dryers assumed to be functioning and in operating order, no problems reported. Too small of an asset to merit reserve funding for repair / replacement. Use maintenance funds as needed.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

**Comp # : 775 Water Heaters - Replace** Quantity: (3) water heaters

Location : Restrooms

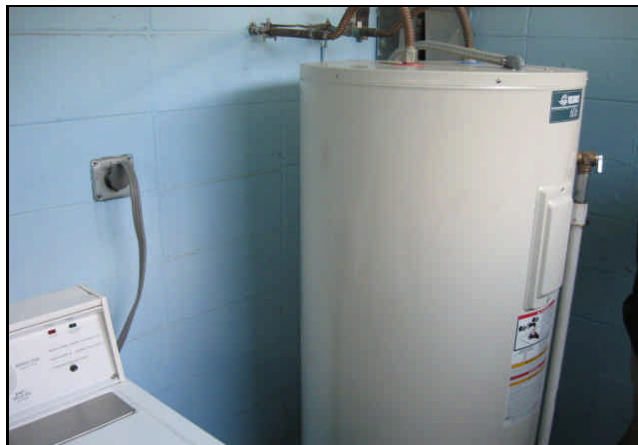
Funded? : No Cost projected to be too small for reserve funding

History

Evaluation : No reported problems or signs of leaks, corrosion, etc.. Best to plan for replacement as needed within the operating / maintenance budget, not as cyclical capital reserve projects.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

**Comp # : 780      Office Furn & Equip - Replace      Quantity: Desk, chairs, etc...**

Location : Building office

Funded? : No Annual costs, best handled in operational budget

History

Evaluation : Office furniture and equipment appear to be in functional condition. Small office with minimal furniture that should function for extended period if not damaged or abused. Anticipate periodic replacement will be funded as general operating/maintenance expense. No reserve funding suggested

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

**Comp # : 781      Office Fixtures - Replace      Quantity: HVAC, appliances, etc.**

Location : Building office

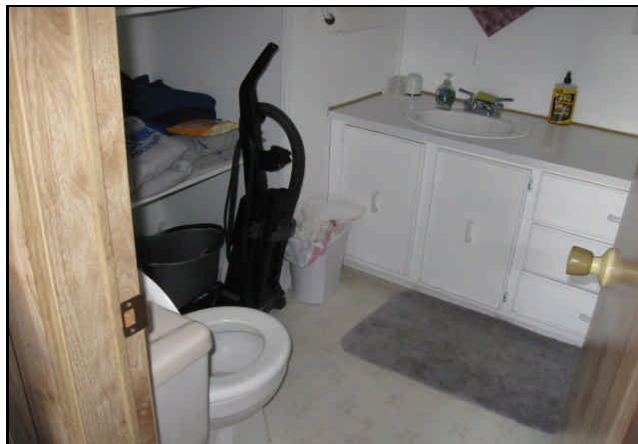
Funded? : No Annual costs, best handled in operational budget

History

Evaluation : There is a small bathroom off of the office, in addition to an HVAC unit, flooring and other misc. Fixtures. We expect any repair / replacement of fixtures handled out of operating budget in near term. Eventual replacement of structure is factored in this report: component #550.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 790 Resident Managers Unit - Refurbish Quantity: ~450 Sq Ft  
Location : Adjacent to office  
Funded? : Yes

History

Evaluation : Did not access interior at time of our 2014 site visit. Anticipate periodic need to replace some or all of: flooring, appliances, plumbing & lighting fixtures, etc... This component budgets an allowance for those types of projects. Expect annual expenses such as painting and local minor repair / replace funded as maintenance expense within operating budget.

Useful Life  
10 years

Remaining Life  
5 years



Best Case: \$3,000

Lower general funding allowance for partial refurbishing

Worst Case \$5,000

Higher general funding allowance for partial refurbishing

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 26309A Rimrock Cove O.A.

---

**Comp # : 905      Electrical System - Repair/Replace      Quantity : Electrical distribution**

Location : Throughout association

Funded? : No Useful life not predictable, repair/replace locally as needed out of operating budget

History Phased (III) replacement ~ 2004 - 2006 (~\$710k)

Evaluation : Distribution system was reportedly replaced in the mid 2000's due to failures of the original direct burial cable, and the communities need for increased service capacity , among other issues. The project was overseen by a Professional Engineer and there are currently no significant problems reported, or predictable expectation for large scale cyclical repair / replacement expenses within the 30-year scope of our report.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

---

Client: 26309A Rimrock Cove O.A.

Comp # : 930      Water System Distribution - Replace      Quantity: ~5800 LF main, 1400 svc  
Location : Throughout community  
Funded? : Yes

History : Assumed original - 1970's

Evaluation : No significant replacement history reported. Reported to be PVC piping, assumed installed and bedded correctly as there has not been history of significant repair / replacement needs. Forty to sixty year life typical - replacement timing to coincide with road work cycles (component #120). Periodic unearthing and inspection / testing is prudent to look for signs of pipe becoming brittle, cracked. Water audit, systems to monitor water loss will help identify problem areas. See: [http://www.epa.gov/ogwdw/pws/pdfs/analysis\\_wa-03\\_water\\_loss\\_doc\\_final\\_draft\\_v62.pdf](http://www.epa.gov/ogwdw/pws/pdfs/analysis_wa-03_water_loss_doc_final_draft_v62.pdf)

American Water Works Association (AWWA) also provides good resources: <http://www.awwa.org/>

Useful Life  
60 years

Remaining Life  
21 years



Best Case: \$348,000

Lower allowance to replace mains and service connections, valves, etc...

Worst Case \$464,000

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History



Client: 26309A Rimrock Cove O.A.

**Comp # : 931      Water System Storage - Replace      Quantity : 8,800 gallon**  
Location : Hillside location  
Funded? : Yes

History Assumed original, 1970's

Evaluation : No reported issues known. No system in place to monitor water loss however. Reported to be steel tank - plan for roughly 60 years of service life.

Useful Life  
60 years

Remaining Life  
21 years



Best Case: \$13,200

Worst Case \$17,600

Lower allowance to replace

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

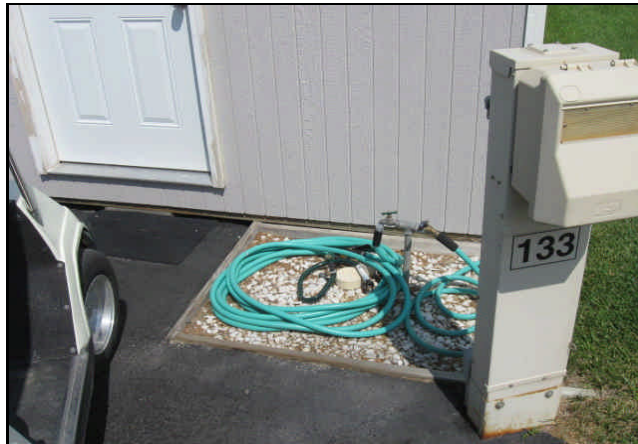
**Comp # : 932      Backflow Prevention at Hydrants      Quantity : ~150 hydrants**  
Location : Throughout community  
Funded? : No Cost projected to be too small for reserve funding

History

Evaluation : Reportedly backflow preventers need to be installed at hydrants due to potential backflow of hoses. Estimate of \$10 / avg. attachment each used below. Too small of a project for reserve funding - include as needed within operating / maintenance budget.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 935

Well Pump - Replace

Quantity: (1) 15 hp submersible

Location : Well

Funded? : Yes

History Replacement records 1978, 1990

Evaluation : Pump has been in service since 1990. Typical life is in the 15 to 20 year range, so expect replacement over the next few years.

Useful Life  
20 years

Remaining Life  
1 years



Best Case: \$6,000

Worst Case \$8,000

Lower allowance to replace pump, panel

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

Client: 26309A Rimrock Cove O.A.

Comp # : 940 Sewage Lagoon Liners Quantity: (2) 1/2 acre ponds  
Location : SW of community  
Funded? : Yes

History Installed ~1999 (~\$250k total project)

Evaluation : Material unknown - appears that it may be typical HDPE (high-density polyethylene). The small areas of the perimeter we visually inspected appeared intact with no noticeable punctures or breach of welded seams. Perimeters are fully exposed to weather. Geoelectric leach location can detect any holes in liner. Liner service life can vary widely, depending upon a number of factors. We have used 30 years as a beginning point - we highly recommend you contact Dept. Of Ecology for assistance with geoelectric testing to assess the current condition of the liner, then incorporate any change in estimated remaining life into reserve study update. Contact Megan Rounds 509.329.3458 or Don Nichols 509.329.3524, DOE engineers for assistance, further information.

Have professionally evaluated on regular basis. Maintain area surrounding, including fence (wildlife can cause great damage), and take care when removing any sludge not to damage liner.

DOE indicates current permit expires in Oct. Of 2015 and new must be applied for by April 2015. Their records indicate there is not a certified operator in place, and that is first priority. Contact Andy Oneal at DOE (operator assistance tech) at 509.329.3465 for certification process when person is identified that will be RRC operator.

Online RRC documents: [https://fortress.wa.gov/ecy/wqreports/public/f?p=110:302:4065015441284010::NO::P302\\_PERMIT\\_NUMBER:ST0005395](https://fortress.wa.gov/ecy/wqreports/public/f?p=110:302:4065015441284010::NO::P302_PERMIT_NUMBER:ST0005395)

DOE suggested that formation of a Public Utility District may be beneficial to the association, including access to grant monies. Contact Cynthia Wall 509.329.3537.

Useful Life  
30 years

Remaining Life  
14 years



Best Case: \$125,000

Worst Case \$175,000

Lower allowance to replace liners, remove sludge, etc...

Higher allowance; additional scope

Cost Source: Research with Local Vendor/Contractor, Dept of Ecology

Client: 26309A Rimrock Cove O.A.

Comp # : 941 Sewage Lagoons - Maintain, Repair Quantity: (2) 1/2 acre ponds

Location : SW of property

Funded? : No Useful life not predictable, repair/replace as needed out of operating budget

History Renovated ~1999

Evaluation : Color of lagoon water was bright green, indicating algae, good healthy condition. Partial perimeter that was observed did not exhibit holes or breaches in the liner. Regular maintenance should include inspection and local repair, management of vegetation - see resources below. Periodic measurement of sludge depth needs to be conducted, maintaining at least 18" of water above sludge. When less, some of the sludge needs to be removed and disposed of at approved location. Cost is not predictable at this time.

Resources:

<http://www.ianrpubs.unl.edu/pages/publicationD.jsp?publicationId=195#target2>

<http://www.ecy.wa.gov/programs/wq/wastewater/index.html>

Online RRC documents: [https://fortress.wa.gov/ecy/wqreports/public/f?p=110:302:4065015441284010::NO::P302\\_PERMIT\\_NUMBER:ST0005395](https://fortress.wa.gov/ecy/wqreports/public/f?p=110:302:4065015441284010::NO::P302_PERMIT_NUMBER:ST0005395)

DOE suggested that formation of a Public Utility District may be beneficial to the association, including access to grant monies. Contact Cynthia Wall 509.329.3537.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

Client: 26309A Rimrock Cove O.A.

Comp # : 942 Sewer System Piping -Repair/Replace Quantity: ~5,000 LF\*

Location : Sewage conveyance system throughout community

Funded? : No Total life of pipe unpredictable. Lined portions expected to have 50 yrs or more of life

History 2002 repairs / CIPP liner (~\$25k), video inspect & clean 2014, ~\$58k repair / liner expected 2014

Evaluation : Tree root invasion significant problem at this time. 2014 video inspection of entire system resulted in recommendation / proposal by Trenchless Pipe Repair to line 628 LF of pipe with CIPP and patch / install interfit connection lines for \$83,197. Subsequent second estimate by another provider significantly less. This represents an estimated 12.5% of the total pipe length in the park. \*total quantity per TPR. Our research with arborist Randy Kile indicates that unless trees and roots are completely removed in problem areas, ongoing issues, destruction of pipe is likely. The predominate tree species in the community, Lombardy Poplars are said to be the biggest problem; completely removing stumps / roots may destroy the pipe - see Tree component #190 in this report. Manager reports that remove and stump grind stated by TPR to be sufficient. Association should diligently research.

DOE indicates current permit expires in Oct. Of 2015 and new must be applied for by April 2015. Their records indicate there is not a certified operator in place, and that is first priority. Contact Andy Oneal at DOE (operator assistance tech) at 509.329.3465 for certification process when person is identified that will be RRC operator.

Online RRC documents: [https://fortress.wa.gov/ecy/wqreports/public/f?p=110:302:4065015441284010::NO::P302\\_PERMIT\\_NUMBER:ST0005395](https://fortress.wa.gov/ecy/wqreports/public/f?p=110:302:4065015441284010::NO::P302_PERMIT_NUMBER:ST0005395)

DOE suggested that formation of a Public Utility District may be beneficial to the association, including access to grant monies. Contact Cynthia Wall 509.329.3537.

At this time, assuming trees are mitigated soon, no further repairs or replacement is predictable at this time.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

# Association Reserves Washington, LLC

# Component Details

Client: 26309A Rimrock Cove O.A.

---

**Comp # : 945 Sewer Flow Meters**

Quantity: (2) ISCO 4210

Location : Lower restroom area, lagoon

Funded? : Yes

### History

Evaluation : Manager reports in functional condition. Lagoon meter is reportedly ~ 10 years old, other ~4 years old. Typical Useful Life is 10 or more years per our research with manufacturer.

Useful Life  
5 years

Remaining Life  
1 years



Best Case: \$4,500

Worst Case \$5,000

Lower allowance to replace one of two meters

Higher allowance

Cost Source: Research with Manufacturer

---

**Comp # : 975 1/2 Ton Trucks - Replace**

Quantity: (2) 1/2 ton trucks

Location : Maintenance area

Funded? : Yes

### History

Evaluation : Older (1982 & 1984) but running condition - kept on property . Manager indicates they would be replaced if they fail.

Useful Life  
20 years

Remaining Life  
5 years



Best Case: \$8,000

Worst Case \$12,000

Lower allowance to replace both

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

---

Client: 26309A Rimrock Cove O.A.

Comp # : 975 Ford Ranger - Replace

Quantity: (1) 2002 Ford Ranger

Location : All purpose

Funded? : Yes

History Purchsed used in 2013, used (~\$5,000)

Evaluation : Good condition reported. This component factors replacement about every 10 years, used vehicle.

Useful Life  
10 years

Remaining Life  
8 years



Best Case: \$4,500

Worst Case \$5,500

Lower allowance to replace

Higher allowance

Cost Source: Client Cost History

Comp # : 976 Gator - Replace

Quantity: (1) JD Gator

Location : All purpose

Funded? : Yes

History

Evaluation : Older unit - running condition. Replacement allowance for used factored below.

Useful Life  
15 years

Remaining Life  
5 years



Best Case: \$5,000

Worst Case \$6,000

Lower replacement allowance

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

# Association Reserves Washington, LLC

# Component Details

Client: 26309A Rimrock Cove O.A.

---

**Comp # : 977**      **Kawasaki Mule - Replace**

Quantity: (1) 2011 2510 Diesel

Location : Maintenance yard

Funded? : Yes

History 2011

Evaluation : Reported in good condition. Plan for eventual replacement. Treat repairs, parts, etc... as maintenance expense.

Useful Life  
15 years

Remaining Life  
10 years



Best Case: \$5,000

Worst Case \$6,000

Lower allowance to replace with used

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

---

**Comp # : 978**      **Yamaha Club Car**

Quantity: (1) 1994 golf cart

Location : All purpose

Funded? : Yes

History

Evaluation : Functional condition. Plan for cyclical replacement. Repair, replace batteries and other work using maintenance funds.

Useful Life  
8 years

Remaining Life  
4 years



Best Case: \$1,500

Worst Case \$2,500

Lower allowance to replace with used

Higher allowance

Cost Source: ARI Cost Database: Similar Project Cost History

---



# Association Reserves Washington, LLC

# Component Details

Client: 26309A Rimrock Cove O.A.

---

**Comp # : 979 JD Tractor - Replace**

Quantity: (1) John Deere 430

Location : Maintenance yard

Funded? : Yes

History Purchased 2013 (sed, 2002)

Evaluation : Reportedly in strong running condition - expected to serve community many years. Treat any repair needs as maintenance expense.

Useful Life  
15 years

Remaining Life  
13 years



Best Case: \$15,000

Worst Case \$19,000

Lower allowance to replace tractor and attachments

Higher allowance

Cost Source: Client Cost History

---

**Comp # : 980 JD Mower - Replace**

Quantity: (1) 2006 JD zero turn

Location : Maintenance yard

Funded? : Yes

History

Evaluation : Functional condition. New motor two years ago, 60" deck. RRC reportedly has contractor mow, so this unit is spot duty / backup.

Useful Life  
15 years

Remaining Life  
6 years



Best Case: \$6,000

Worst Case \$8,000

Lower allowance to replace; used

Higher allowance

Cost Source: Client Cost History

---

# Association Reserves Washington, LLC

# Component Details

Client: 26309A Rimrock Cove O.A.

---

**Comp # : 985      Maintenance Equipment - Replace      Quantity : Misc. equipment, tools**

Location : Maintenance area

Funded? : No Annual costs, best handled in operational budget

### History

Evaluation : No equipment individually valued > \$2,000 to meet the criteria for reserve funding. Include expense within annual operating / maintenance budget process when replacement pieces are needed or desired.

Useful Life

Remaining Life



Best Case:

Worst Case

Cost Source:

---