



CAPE GEORGE COLONY CLUB GENERAL OPERATIONS RESERVES

Port Townsend, Washington



STANDARD

LEVEL 2 RESERVE STUDY UPDATE WITH A SITE VISIT

With funding recommendations for the fiscal year ending 2018

Issued August, 2017

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EXECUTIVE SUMMARY

Cape George Colony Club, the Association, is a 662-member residential community located at Cape George Drive in Port Townsend, Washington. The Association was established in the mid-1960's. This Reserve Study meets the requirements of the Washington Homeowners' Association Act for a Level 2 Reserve Study update with a site visit, and was prepared by a Reserve Study Professional.

Background

The Association has 662 privately owned equivalent lots with 520 of those containing single family homes. The General Operations Reserves budgets funds for major repairs and replacement of its 9 miles of private roads and numerous buildings, including a Clubhouse, Workshop, Office and Maintenance garage. In addition, the Association owns a private water facilities and marina, both of which are addressed in separate reserve studies.

Financial Information

Reserve Account Balance on April 30, 2017	\$144,018
Annual Operating Budget	\$310,978
Association Defined Component Inclusion Threshold	\$ 3,000
Annual Budgeted Contribution Rate (2017)	\$56,726
Remaining Contribution for the Year	\$77,500
Planned or Implemented Special Assessment	None
Fully Funded Balance	\$523,677
Percent Funded at Time of Study	28%
Funding Status at Time of Study	Adequately Funded

Recommendations

Recommended 2018 Contribution	\$69,000
Recommended Contribution per Month	\$5,750
Average Contribution per Unit per Year	\$ 104
Average Contribution per Unit Per Month	\$ 9
Recommended Special Assessment	None
2018 Baseline Funding Plan Contribution Rate	\$62,300
2018 Full Funding Plan Contribution Rate	\$73,900

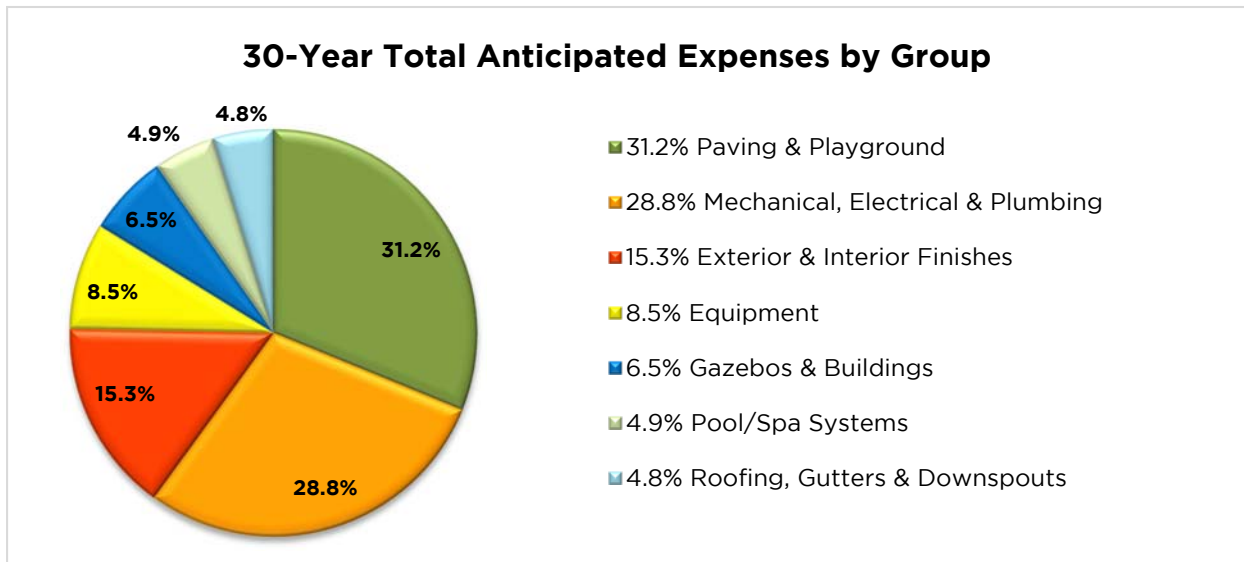
The recommended reserve contribution represents a Threshold Funding Plan to prevent special assessments over the course of the 30-year study **while maintaining a minimum reserve account balance of one year's contribution to reserves** and the percent funded between 46% and 70%. The fiscal year for the Reserve Study is a calendar year. Cost projection accuracy decreases into the distant future. Assumptions should be reconsidered and updated with each revision of the study.

There is no legal requirement to fund reserves. There is a requirement to have a current Reserve Study to know the recommended reserve contribution rate. Reserve Studies must be updated annually to reflect recent financial information, repairs or replacements, and to adjust for future repair costs. Every three years, the update must be based on a visual on-site inspection conducted by a Reserve Study Professional.

Estimated Major Repair or Replacement Summary

Projected Major Repair or Replacement Expenses Over the Next 30 Years

The following illustrates anticipated major repair or replacement expenses over the next 30 years. Changing the timing or costs of these items may result in changes to the recommended contribution. Independent design specifications and oversight are suggested for repairs to the building envelope. We further recommend that the planning stages for these repairs start at least one year before the estimated repair to obtain a scope of repair, select and schedule a contractor, and secure financing for the project.



The following chart illustrates which groups the component numbers are assigned to:

Number	Component Description	Group Name
2.0.0	Paving & Playground	Paving & Playground
3.0.0	Walkways	Paving & Playground
5.0.0	Railings	Gazebos & Buildings
6.0.0	Gazebos & Buildings	Gazebos & Buildings
7.0.0	Roofing, Gutters & Downspouts	Roofing, Gutters & Downspouts
8.0.0	Windows & Doors	Gazebos & Buildings
9.0.0	Exterior & Interior Finishes	Exterior & Interior Finishes
10.0.0	Miscellaneous	Roof Vents, Signage & Mailboxes
11.0.0	Equipment	Equipment
12.0.0	Furnishings	Exterior & Interior Finishes
13.0.0	Pool Systems	Pool/Spa Systems
14.0.0	Elevator Equipment	Elevator Maintenance
15.0.0	Plumbing & Mechanical Systems	Mechanical, Electrical & Plumbing
16.0.0	Electrical Systems	Mechanical, Electrical & Plumbing
18.0.0	Security Systems	Mechanical, Electrical & Plumbing
20.0.0	Reserve Studies	Reserve Studies



Five Year Major Repair or Replacement Summary from 2018 Through 2022

The following reserve funded expenses are expected to occur in the next five years at Cape George Colony Club.

Year	Component Major Repair or Replacement	Estimated Cost
1 (2018)	11.1.6 Toro Riding Mower - Replace	\$3,710
1 (2018)	12.1.1 Fitness Equipment - Contingency	\$3,500
1 (2018)	12.2.2 Pool Showers - Update	\$6,200
1 (2018)	18.1.1 Barrier Arm Operator - Replace	\$6,570
2 (2019)	6.2.1 Building Major Repair - Contingency	\$21,800
2 (2019)	9.6.1 Fitness Center Carpet - Replace	\$5,470
2 (2019)	15.3.1 Pool 250K Btu Heaters - Major Repair	\$4,810
3 (2020)	7.4.2 Clubhouse Comp. Shingle Roof - Replace	\$33,430
3 (2020)	11.1.1 John Deere 990 Tractor - Replace	\$7,900
3 (2020)	11.1.2 John Deere 990 Bucket - Replace	\$1,050
3 (2020)	11.1.3 John Deere 990, 8B Backhoe - Replace	\$1,310
3 (2020)	11.1.7 Rankin Brush Hog - Replace	\$4,360
3 (2020)	11.1.8 Snow Plow Attachment - Replace	\$4,590
3 (2020)	12.1.1 Fitness Equipment - Contingency	\$3,500
3 (2020)	12.1.2 Clubhouse Wood Furnishings - Update	\$4,190
3 (2020)	13.2.2 Pool & Wading Pool - Resurface	\$16,480
3 (2020)	15.6.2 Clubhouse Split System - Replace	\$6,460
4 (2021)	9.8.1 Clubhouse Exterior Surfaces - Paint	\$4,950
4 (2021)	12.1.3 Clubhouse Upholstered Furnishings - Update	\$9,870
5 (2022)	2.8.1 Playground - Replace	\$4,200
5 (2022)	7.4.1 Maint. Comp. Shingle Roof - Replace	\$3,250
5 (2022)	7.4.4 Workshop Comp. Shingle Roof - Replace	\$5,880
5 (2022)	11.1.9 Salt Spreader - Replace	\$6,890
5 (2022)	12.1.1 Fitness Equipment - Contingency	\$3,500
5 (2022)	12.1.4 Clubhouse Electronics - Upgrade	\$8,240
5 (2022)	12.1.6 Clubhouse Restrooms - Update	\$4,300
5 (2022)	12.1.7 Clubhouse Restroom Partitions - Replace	\$4,835
5 (2022)	13.2.4 Pool Deck - Recoat	\$2,310



INTRODUCTION

Purpose of a Reserve Study

The purpose of a Reserve Study is to recommend a reasonable annual reserve Contribution Rate made by an association to its reserve account. Reserve accounts are established to fund major repair, repair, and replacement of common elements, including limited common elements, expected to be necessary within the next thirty years. A Reserve Study is intended to project adequate funds for the replacement or major repair of any significant component of the property as it becomes necessary without relying on special assessments. It is a budget planning tool which identifies the current status of the reserve account and a stable and equitable Funding Plan to offset the anticipated future major shared expenditures.

Each reserve component is evaluated to determine the current condition, the remaining useful life, and the estimated replacement cost. This information is combined into a spreadsheet to determine funding requirements and establish the annual contribution rate needed to minimize special assessments. All costs and annual reserve fund balances are shown in constant dollars, and with adjustments for annual inflation and interest earned. Ideally, an even level of contributions is established that maintains a positive balance in the reserve account over the timeline the study examines.

A Reserve Study also calculates a “Fully Funded Balance”. Fully Funded Balance is the sum total of the reserve components’ depreciated value using a straight line depreciation method. To calculate each component’s depreciated value:

$$\text{Depreciated Value} = \text{Current Replacement Cost} \times \frac{\text{Effective Age}}{\text{Expected Useful Life}}$$

When assessed with the current reserve fund balance, the Fully Funded Balance yields a Percent Fully Funded. This acts as a measuring tool to assess an association’s ability to absorb unplanned expenses. These expenses could be emergency repairs not covered by insurance, or expenses that differ from the existing Reserve Study in terms of timing or cost.

The Fully Funded Balance is neither the present replacement cost of all of the Association’s reserve components, nor does it have a mathematical relationship to the recommended reserve contribution funding plans.



Three levels of Reserve Studies:

The first level, an initial Reserve Study, must be based upon a visual site inspection conducted by a Reserve Study Professional. This is also known as a full Level 1 Reserve Study with a site visit.

At least every three years, an updated Reserve Study must be prepared and based upon a visual site inspection conducted by a Reserve Study Professional. This is also known as a Level 2 update with a site visit.

Every year, the Association must update the Reserve Study. Except as noted above, the annual updates do not require a site visit. This is also known as a Level 3 update without a site visit.

This study is a Level 2 – Reserve Study update with a site visit.

Government Requirements for a Reserve Study

The content of a Reserve Study for a homeowners' association is regulated by the Washington State government (RCW 64.38.070 §2). The required content is:

- (a) A reserve component list, including any reserve component that would cost more than one percent of the annual budget of the association, not including the reserve account, for major maintenance, repair, or replacement. If one of these reserve components is not included in the Reserve Study, the study should provide commentary explaining the basis for its exclusion. The study must also include quantities and estimates for useful life of each reserve component, remaining useful life of each reserve component, and current repair and replacement cost for each component;
- (b) The date of the study, and a statement that the study meets the requirements of this section;
- (c) The following level of reserve study performed (i) Level I Full reserve study funding analysis and plan; (ii) Level II Update with visual site inspection; or (iii) Level III Update with no visual site inspection;
- (d) The association's reserve account balance;
- (e) The percentage of the fully funded balance that the reserve account is funded;
- (f) Special assessments already implemented or planned;
- (g) Interest and inflation assumptions;
- (h) Current reserve account contribution rates for a full funding plan and baseline funding plan;
- (i) A recommended reserve account contribution rate; a contribution rate for a full funding plan to achieve one hundred percent fully funded reserves by the end of the thirty-year study period, a baseline funding plan to maintain the reserve (fund) balance above zero throughout the thirty-year study period without special assessments, and a contribution rate recommended by the reserve study professional;



- (a) A projected reserve account balance for thirty years and a funding plan to pay for projected costs from those reserves without reliance on future unplanned special assessments; and
- (b) A statement on whether the reserve study was prepared with the assistance of a reserve study professional.

The Washington State government further requires the following disclosure in every Reserve Study (RCW 64.38.070 §3):

"This 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."

The full Washington Homeowners' Association Act may be reviewed on the Washington State Legislature's website at: <http://apps.leg.wa.gov/rcw/default.aspx?cite=64.38> and parts of 64.38.065 to 64.38.090 for the Reserve Study Amendment's portions. In April 2011, the Act was amended to change the required content within the Reserve Studies, add reporting of the Reserve Study results as part of the budget summary to owners, and extend the Reserve Study requirement to homeowners' associations with significant assets. For questions regarding the Act, we recommend contacting an attorney familiar with homeowners' associations' legal requirements.



Limitations and Assumptions of a Reserve Study

This Reserve Study is not a report on the condition of the assets maintained by the Association, or a detailed report of repairs necessary to the assets. It is also not an investigation into or comment on the quality of construction of the reserve components, or whether the construction complies with the building code or the requirements of the Washington Homeowners' Association Act.

The observations made by Reserve Consultants LLC are limited to a visual inspection of a sample of the reserve components. Unless informed otherwise, our assumption is that the components are constructed in substantial compliance with the building code and to industry standards, and that it will receive ordinary and reasonable repair and repair by the Association. These assumptions include that most reserve components will achieve their normal useful lives for similar components in the Pacific Northwest, and that they will be replaced when necessary to prevent damage to other reserve components.

This Reserve Study assumes that the assets will be maintained to keep a good level of appearance, with a special emphasis on retaining the original appearance of the assets to the greatest possible extent. The analysis also assumes that the Association will replace materials as they are required with good quality materials, installed by qualified, licensed, contractors. We further assume that the assets will experience the full typical useful life for the new materials installed.

The long term nature of this study requires that certain assumptions and predictions be made about future events. Since there can be no guarantee that these future events will occur as assumed, this analysis must be viewed in light of the circumstances under which it was conducted. Reasonable effort has been made to ensure that the conclusions of this report are based on reliable information and sound reasoning.

This report should be updated annually with actual major repair costs, reserve fund balances, etc. Every three years it should be updated with a site inspection and professional review. Regular updating will allow changes based on actual occurrences and adjustments for the cost of repairs to be incorporated into the annual reserve contributions. This will allow any savings or additional costs to be properly allocated among homeowners.



Our Approach to a Reserve Study

Reserve Consultants LLC employs a “Reasonable Approach” when evaluating reserve components in order to draft a study that is of greatest value to our clients. This means we attempt to predict, based on the costs involved and the client’s objectives, what a reasonable person will decide to have done when maintenance, repairs, or replacement become necessary. For example, a reasonable person will not replace a fence when it only needs to be repainted. The benefit of this is that reserve contributions are minimized to allow for what is most likely to occur. Our studies are not based on a worst case scenario, but rather on what we expect is most likely to occur. Our approach assumes minor problems will be corrected as they occur, before they become major problems.

Many sources were used in drafting this report. These include:

- Site visit and visual inspection of a sampling of the components;
- Input provided by association representatives;
- Review of a list of components the Association is responsible for;
- Generally accepted construction, maintenance, and repair guidelines.

The costs estimated for this Reserve Study are based on several sources

- Costs experienced by Cape George Colony Club;
- Costs experienced by other associations in the area;
- RS Means Building Construction Cost Data 2017.

Several factors may influence the actual costs that the Association will experience. The quality of replacement materials of items can significantly impact cost, as well as the timing between replacements. The use of Architects or independent construction managers to specify and oversee work may also cause additional expenses. Condominium associations typically experience higher costs than other comparable multifamily projects, in part due to the difficulty contractors have obtaining insurance to work on condominium buildings.



Inflation and Interest Rate Projections

When making estimates on the future inflation and interest rates, we use a staggered approach to more accurately reflect future economic projections.

For inflation, we use the construction industry inflation rates published by RS Means, which differ from the consumer inflation index. The average annual construction inflation increase since 1966 is 4.20%. We do not apply inflation to the annual reserve contribution in Year 0. Likewise, we do not apply inflation to the recommended reserve contribution in Year 1 since this is the first year at the recommended contribution rate. Inflation applied to the components on the inflated spreadsheet is compounded annually; the values are listed for each year at the bottom of the inflated spreadsheet.

For interest rates, we analyze the historical data provided by the Board of Governors of the Federal Reserve. The average annual interest rate since 1986 is 3.63%. The interest for associations is typically lower than average due to conservative investing options that are usually employed by associations. Interest is applied to Year 0 only in the constant spreadsheet so that the starting reserve fund balance in Year 1 is the same for both the constant and inflated spreadsheets, as illustrated on the following page.

Below is a chart of values applied for inflation and interest over the next 30 years for Cape George Colony Club.

Inflation and Interest Rate Projections

Years Applied	Contribution Inflation	Inflation	Interest
Year 0 (2017) through Year 1 (2018)	0%	2%	1%
Year 2 (2019) through Year 10 (2027)	3%	3%	2%
Year 11 (2028) through Year 30 (2047)	4%	4%	3%



Starting Reserve Fund Balance for Year 1 (2018)

The starting reserve fund balance for 2018 has been estimated by combining the following figures that were provided by an association representative:

\$144,018	reserve fund balance as of April 30, 2017
- (\$14,140)	anticipated remaining major repair expenses in 2017
+ \$ 0	planned special assessment in 2017
+ \$77,500*	minimum anticipated reserve contribution for 2017
+ \$ 85	projected interest on the 2017 reserve fund balance
\$207,463	estimated balance for the fiscal year beginning in 2018

*Note: The minimum anticipated reserve contribution includes:

- \$900 from the sales proceeds of the old 1-Ton Truck
- \$20,000 from the anticipated year-end excess cash transfer

\$56,000 from the year-end reserve assessment allocation Below is a summary of the anticipated remaining repair expenses for 2017.

Component Major Repair or Replacement	Estimated Cost
6.1.1 Clubhouse Gazebo - Replace	\$3,500
11.1.5 Ford Ranger XLT 1/2 Ton - Replace	\$7,000
11.4.1 Clubhouse Dish Sanitizer - Replace	\$3,640
Total Estimated Costs for 2017:	\$14,140

The actual or projected total reserve fund balance presented in the Reserve Study is based upon information provided to RCL and was not audited.



ASSOCIATION OVERVIEW

Cape George Colony Club, the Association, is a 662-member private residential community located in Port Townsend, Washington. It was established in the mid-1960. The community has 662 privately owned equivalent lots with 520 of those containing single family homes. The Association owns and maintains its 9 miles of private asphalt roads and numerous buildings, including a Clubhouse, Workshop, Office and Maintenance garage, an indoor swimming pool, fitness center, outdoor sports court and playground. The Association owns a private water system and marina, both of which are addressed in separate reserve studies.

The General Reserves shares several major repair or replacement expenses 50%/50% with the Water Reserves. These include the Maintenance Building, the John Deer 990 Tractor and accessories, the stakebed truck and the ½ Ton truck.

The major repair and replacement of the water facilities and marina assets are accomplished through separate reserve funds.

REVIEW OF GENERAL CONDITIONS

The overall appearance of the community was good. The asphalt paving was installed 5" – 6" thick, which has a life expectancy of approximately 50 years. There is limited traffic volume throughout the community, helping to prolong the asphalt's useful life.

The Clubhouse appeared to be regularly maintained, as was the Fitness Center. A large indoor pool is available for residents' use with an adjacent shower facility. The Clubhouse also features a large meeting space that was recently updated with new vinyl floor. An adjoining kitchen was clean and spacious. The Clubhouse and member Workshop are located next to the marina.

On site staff are able to handle much of the repair throughout the community. Expenses less than \$3,000 are handled with funds from the operating budget. We understand that minor and major repairs have been conducted on a regular basis.



COMPONENTS INCLUDED IN THE RESERVE STUDY

A note from the Cape George Colony Club Association:

RCW 64.383.70 requires “inclusion of a reserve component that would cost more than one percent of the annual budget of the association, not including the reserve account for major maintenance, repair or replacement.” One percent of the Cape George Colony Club’s, or the Association’s, budget would be \$5,660. The Association has elected to include any reserve component that would cost more than \$3,000. The general operating division is not a legal association but rather an operating department within the Association. If general operations were by definition an association, RCW 64.338.010(11), the component inclusion threshold would be \$3,110. General operations are only an operating department within the Association.

Component Funding Excluded from the Reserve Study

The following components may qualify for inclusion within the Reserve Study, but have been excluded from the budget because they are maintained with funds from the operating budget:

- 100 Gallon Tank - Replace
- Asphalt - Painting
- Barn Comp. Shingle Roof - Replace
- Barrier Arm - Repair
- Bus Barn Siding & Trim - Repair & Paint
- Bus Barns Wood Shake Roof - Replace
- Chainlink Fence - Replace
- Clubhouse Ceiling Tiles - Replace
- Clubhouse Doors & Hardware - Conting.
- Clubhouse Siding & Trim - Repair
- Fitness Center Interior Surfaces - Paint
- Mail Kiosk - Repair
- Maint. Siding & Trim - Repair & Paint
- Maint. Doors & Hardware - Contingency
- Monument Signs - Repair
- Office Blinds - Replace
- Office Ceramic Tiles - Replace
- Office Doors & Hardware - Contingency
- Office Gutters & DS - Replace
- Office Heaters - Replace
- Office Restrooms - Update
- Office Water Heater - Replace
- 200 Gallon Tank - Replace
- Asphalt - Minor Repairs
- Barn/Maint. Wood Fence - Replace
- BBQ/Fire Pit - Repair
- Benches & Tables - Repair
- Cable Fence - Replace
- Clubhouse Appliance - Contingency
- Clubhouse Water Heater - Replace
- Defibrillator - Replace
- Clubhouse Lighting - Replace
- Mail Boxes - Replace
- Maint. Interior Surfaces - Paint
- Maintenance Shop Gutters - Replace
- Maintenance Refrigerator - Replace
- Navy Anchor & Bell - Repair
- Office Ceiling Tiles - Replace
- Office Countertops - Replace
- Office Equipment - Update
- Office Furnishings - Update
- Office Millwork - Replace
- Office Siding & Trim - Repair & Paint
- Office Wood Deck - Replace



- Office Doors & Hardware - Contingency
- Office Gutters & DS - Replace
- Office Heaters - Replace
- Office Restrooms - Update
- Office Water Heater - Replace
- Parking Lot Gravel @ Maint. Shop - Replace
- Pool Bathroom Tile Flooring - Replace
- Pool Water Heater - Replace
- Sickle Bar Mow Attachment - Replace
- Split Rail Wood Fence - Replace
- Street/Parking Lighting - Replace
- Workshop Countertops - Replace
- Workshop Interior Surfaces - Paint
- Workshop Range - Replace
- Workshop Siding & Trim - Repair & Paint
- Workshop Tools & Equip. - Contingency
- Office Equipment - Update
- Office Furnishings - Update
- Office Millwork - Replace
- Office Siding & Trim - Repair & Paint
- Office Wood Deck - Replace
- Pool Deck - Repair
- Pool Filter - Replace
- Signage - Replace
- Speedair Compressor - Replace
- Sports Court - Resurface
- Wood Chipper - Replace
- Workshop Gutters & DS - Replace
- Workshop Millwork - Replace
- Workshop Wall Covering - Replace
- Workshop Wood Fence - Replace
- Workshop Vinyl Flooring - Replace

Adjustments to Component Reserve Recommendations

This reserve study provides updated information on the components from a prior reserve study completed by Reserve Data Analysis in 2014 which was updated in 2015 and 2016 by an association representative. All cost estimates were adjusted to reflect the actual inflation rate for construction work in the Pacific Northwest, and costs actually experienced by Cape George Colony Club or others in the area.

To complete the report, we were provided with a record of recent expenditures on reserve components. We use those figures, where applicable, for updating component cost projections, applying an appropriate inflation factor. Where updated figures from actual work performed are not available, cost projections from the previous reserve study are updated for inflation and rounded to the nearest \$10, using the RS Means 2016 to 2017 inflation figure of 1.25% for construction work.



RESERVE COMPONENT SUMMARY SHEETS



2.6.1 Asphalt - Overlay Phase 1

Repair Cycle:	50 years	Next Major Repair :	Year	12 (2029)
Quantity:	84,765 Square Feet	Unit Cost:	\$1.52	/ SF

Estimate: 84,765 SF X 100% X \$1.52/SF = \$128,843 + tax = \$140,440

Notes: Using the original construction plans and engineering drawings, the Association has determined that the existing 1993 pavement has a 5-6" asphalt thickness which has a life expectancy of approximately 50 years. Traffic volumes and types vary significantly between the association's primary and secondary roads and there is little commercial weight traffic. As a result, the association has requested that major asphalt overlays be divided into three phases. This phase includes Ridge Drive to Hemlock and Dennis Drive to Hemlock. The budget includes the estimated cost for a 1" overlay, bituminous prime coat, petromat reinforcement and engineering fees.

2.6.2 Asphalt - Overlay Phase 2

Repair Cycle:	50 years	Next Major Repair :	Year	17 (2034)
Quantity:	123,974 Square Feet	Unit Cost:	\$1.52	/ SF

Estimate: 123,974 SF X 100% X \$1.52/SF = \$188,752 + tax = \$205,740

Notes: Installed in 1993, this component includes asphalt on Cape George Drive, North Palmer Drive and South Palmer Drive. The budget includes the estimated cost for a 1" overlay, bituminous prime coat, petromat reinforcement and engineering fees. The roads were in serviceable condition at the time of our site visit.

2.6.3 Asphalt - Overlay Phase 3

Repair Cycle:	50 years	Next Major Repair :	Year	22 (2039)
Quantity:	83,315 Square Feet	Unit Cost:	\$1.52	/ SF

Estimate: 83,315 SF X 100% X \$1.52/SF = \$126,853 + tax = \$138,270

Notes: The asphalt on Sunset Drive and Saddle Drive to Johnson are included in this component. As with other paving on site, this asphalt was installed in 1993. The budget includes the estimated cost for a 1" overlay, bituminous prime coat, petromat reinforcement and engineering fees. No outstanding issues were reported with these sections of the roads.

2.6.4 Asphalt - Major Repairs

Repair Cycle:	5 years	Next Major Repair :	Year	9 (2026)
Quantity:	292,054 Square Feet	Unit Cost:	\$0.08	/ SF

Estimate: 292,054 SF X 100% X \$0.08/SF = \$23,364 + tax = \$25,470

Notes: We have budgeted to repair up to 5% of the asphalt each major repair cycle. The total quantity of asphalt has been updated to reflect the amount of asphalt budgeted in the three phases of asphalt overlays. The actual condition of the asphalt should be monitored through time and the estimates adjusted accordingly. Minor repairs are paid for with funds from the operating budget; the association does not have plans to seal coat the asphalt paving.

2.8.1 Playground - Replace

Repair Cycle:	22 years	Next Major Repair :	Year	5 (2022)
Quantity:	1 Lump Sum	Unit Cost:	\$4,200.00	/ LS

Estimate: \$4,200

Notes: The playground equipment was installed in approximately 2000 and includes: a wood/ metal jungle gym, a slide, a wood swing set with two swings, two horseshoe pits and one bike rack. No issues were reported with the equipment. We have adjusted the replacement date to reflect the next anticipated replacement. Replacement costs can vary, depending on the type of equipment installed and how many changes are made to the configuration of the play area.



6.1.1 Clubhouse Gazebo - Replace

Repair Cycle:	18 years	Next Major Repair :	Year	0 (2017)
Quantity:	1 Lump Sum	Unit Cost:	\$3,500.00	/ LS
Estimate:	\$3,500			
Notes:	Major repairs were completed on the Clubhouse gazebo in 2017. We have budgeted funds for future major repairs or replacement.			

6.1.2 Workshop Gazebo - Replace

Repair Cycle:	18 years	Next Major Repair :	Year	15 (2032)
Quantity:	1 Lump Sum	Unit Cost:	\$3,500.00	/ LS
Estimate:	\$3,500			
Notes:	The Workshop gazebo was installed in 2014. We have budgeted a lump sum for future major repairs or replacement of the gazebo after it has been in service for approximately 18 years.			

6.1.3 Memorial Park Gazebo - Replace

Repair Cycle:	18 years	Next Major Repair :	Year	6 (2023)
Quantity:	1 Lump Sum	Unit Cost:	\$3,500.00	/ LS
Estimate:	\$3,500			
Notes:	The Memorial Park gazebo has a lump sum budgeted for future major repairs or replacement of the gazebo after it has been in service for approximately 18 years.			

6.2.1 Building Major Repair - Contingency

Repair Cycle:	7 years	Next Major Repair :	Year	2 (2019)
Quantity:	1 Lump Sum	Unit Cost:	\$20,000.00	/ LS
Estimate:	1 LS X 100% X \$20,000.00/LS = \$20,000 + tax = \$21,800			
Notes:	The Association requested that we include a contingency to perform major repairs to the commonly maintained buildings on a 7 year cycle.			

7.3.2 Clubhouse Gutters - Replace

Repair Cycle:	20 years	Next Major Repair :	Year	9 (2026)
Quantity:	525 Linear Feet	Unit Cost:	\$6.50	/ LF
Estimate:	525 LF X 100% X \$6.50/LF = \$3,413 + tax = \$3,720			
Notes:	This component budgets for the replacement of the gutters and downspouts. No problems were reported at the time of our site visit. The next replacement has been adjusted to align with the replacement of the corresponding roof since the gutters will need to be removed to properly integrate flashing when the roofing is replaced.			



7.4.1 Maint. Comp. Shingle Roof - Replace

Repair Cycle:	20 years	Next Major Repair :	Year	5 (2022)
Quantity:	21 Roofing Squares	Unit Cost:	\$284.00	/ SQ

Estimate: 21 SQ X 50% X \$284.00/SQ = \$2,982 + tax = \$3,250

Notes: The roofing at the Maintenance building was Installed in 2002. This asset is shared between the water and general ops fund at 50% each. The roof was reported to be in good condition. The cost used on this component includes the removal and disposal of the existing material, and replacement with a similar asphalt composition shingle material. We have updated the replacement cycle to 20 years and reset the next replacement accordingly.

7.4.2 Clubhouse Comp. Shingle Roof - Replace

Repair Cycle:	20 years	Next Major Repair :	Year	3 (2020)
Quantity:	108 Roofing Squares	Unit Cost:	\$284.00	/ SQ

Estimate: 108 SQ X 100% X \$284.00/SQ = \$30,672 + tax = \$33,430

Notes: The previous report estimated that the roof was Installed in approximately 2000. There are reports that the West portion of the roof was replaced in 2003. The cost used on this component includes the total removal and disposal of the existing material and replacement with a similar grade asphalt composition shingle. We have updated the replacement cycle to 20 years and reset the next replacement accordingly.

7.4.3 Office Comp. Shingle Roof - Replace

Repair Cycle:	20 years	Next Major Repair :	Year	11 (2028)
Quantity:	12 Roofing Squares	Unit Cost:	\$284.00	/ SQ

Estimate: 12 SQ X 100% X \$284.00/SQ = \$3,408 + tax = \$3,710

Notes: The office roofing was installed in 2008. No issues were reported. The cost used on this component includes the removal and disposal of the existing material, and replacement with a similar asphalt composition shingle material. We have updated the replacement cycle to 20 years and reset the next replacement accordingly.

7.4.4 Workshop Comp. Shingle Roof - Replace

Repair Cycle:	20 years	Next Major Repair :	Year	5 (2022)
Quantity:	19 Roofing Squares	Unit Cost:	\$284.00	/ SQ

Estimate: 19 SQ X 100% X \$284.00/SQ = \$5,396 + tax = \$5,880

Notes: The Workshop's roof was Installed in approximately 2002. The roof is reportedly weathering well. The cost used on this component includes the removal and disposal of the existing material, and replacement with a similar asphalt composition shingle material. We have updated the replacement cycle to 20 years and reset the next replacement accordingly.

8.3.1 Maintenance Roll Up Door - Replace

Repair Cycle:	24 years	Next Major Repair :	Year	8 (2025)
Quantity:	2 Lump Sum	Unit Cost:	\$3,010.00	/ LS

Estimate: \$3,010

Notes: We have allocated 50% of this asset to general ops and water. There is one 12' x 10' door and one 10' x 10' door budgeted for replacement. They were installed in 2001. We have updated the repair cycle to reflect the next anticipated replacement date of 2024.



9.6.1 Fitness Center Carpet - Replace

Repair Cycle:	8 years	Next Major Repair :	Year	2 (2019)
Quantity:	132 Square Yards	Unit Cost:	\$38.00	/ SY

Estimate: 132 SY X 100% X \$38.00/SY = \$5,016 + tax = \$5,470

Notes: The Fitness Center carpet was reportedly installed in 2005. The carpet squares appeared to be wearing well. Carpet squares can be individually replaced as needed. Total replacement of the carpet is a discretionary expense. The timing and budget for replacement should be updated to meet the needs of the Association.

9.6.2 Office Carpet - Replace

Repair Cycle:	8 years	Next Major Repair :	Year	7 (2024)
Quantity:	415 Square Yards	Unit Cost:	\$38.00	/ SY

Estimate: 415 SY X 100% X \$38.00/SY = \$15,770 + tax = \$17,190

Notes: We understand that the Office carpet was installed in 2016. The carpet was in good condition at the time of our site visit. As with other discretionary components, the timing and budget should be adjusted to meet the needs of the Association.

9.8.1 Clubhouse Exterior Surfaces - Paint

Repair Cycle:	6 years	Next Major Repair :	Year	4 (2021)
Quantity:	5,682 Square Feet	Unit Cost:	\$0.80	/ SF

Estimate: 5,682 SF X 100% X \$0.80/SF = \$4,546 + tax = \$4,950

Notes: This component budgets funds to maintain the paint on the exterior of the Clubhouse, including the trim. Records indicate that the exterior was last painted in 2015 and appeared to be weathering well. We recommend maintaining a regular paint cycle to protect the exterior components from UV and moisture damage, which should help these components achieve their expected useful life

9.8.2 Clubhouse Interior Surfaces - Paint

Repair Cycle:	10 years	Next Major Repair :	Year	8 (2025)
Quantity:	12,526 Square Feet	Unit Cost:	\$0.77	/ SF

Estimate: 12,526 SF X 100% X \$0.77/SF = \$9,640 + tax = \$10,510

Notes: The interior of the Clubhouse was last painted in 2015. The paint was in good condition. This component

9.8.3 Office Interior Surfaces - Paint

Repair Cycle:	8 years	Next Major Repair :	Year	6 (2023)
Quantity:	4,018 Square Feet	Unit Cost:	\$0.77	/ SF

Estimate: 4,018 SF X 100% X \$0.77/SF = \$3,090 + tax = \$3,370

Notes: The Office interiors were last painted in 2015. We continue to budget for future interior painting every 8 years. This is a discretionary expense that should be updated to meet the timing and budgetary needs of the Association.



11.1.1 John Deere 990 Tractor - Replace

Repair Cycle:	12 years	Next Major Repair :	Year	3 (2020)
Quantity:	1 Lump Sum	Unit Cost:	\$7,900.00	/ LS

Estimate: \$7,900

Notes: This tractor is shared between the general ops and water reserve funding. We have allocated 50% of this asset to general ops and water. The John Deere tractor was purchased in 2004. The Association plans to replace it and the associated accessories in 2020.

11.1.2 John Deere 990 Bucket - Replace

Repair Cycle:	12 years	Next Major Repair :	Year	3 (2020)
Quantity:	1 Lump Sum	Unit Cost:	\$1,050.00	/ LS

Estimate: \$1,050

Notes: This accessory is shared between the general ops and water reserve funding. We have allocated 50% of this asset to general ops and water. Although this item falls below the \$3,000 threshold it is a part of the John Deere Tractor and will be replaced at the same time as a part of that purchase, currently anticipated in 2020. The bucket was purchased in 2004 with the tractor.

11.1.3 John Deere 990, 8B Backhoe - Replace

Repair Cycle:	12 years	Next Major Repair :	Year	3 (2020)
Quantity:	1 Lump Sum	Unit Cost:	\$1,310.00	/ LS

Estimate: \$1,310

Notes: This tractor is shared between the general ops and water reserve funding. We have allocated 50% of this asset to general ops and water. Although this items falls below the \$3,000 threshold it is a part of the John Deere Tractor purchased in 2004 and will be replaced at the same time as a part of that purchase, which is anticipated in 2020.

11.1.4 Ford Diesel Stakebed - Replace

Repair Cycle:	10 years	Next Major Repair :	Year	9 (2026)
Quantity:	1 Lump Sum	Unit Cost:	\$15,000.00	/ LS

Estimate: \$15,000

Notes: This component budgets funds to replace the Ford Diesel F-Super Duty white stakebed truck with a similar vehicle. This truck is shared between the general ops and water reserve funding. We have allocated 50% of this asset to general ops and water. No major issues were reported with the truck and replacement is budgeted in 2026.

11.1.5 Ford Ranger XLT 1/2 Ton - Replace

Repair Cycle:	7 years	Next Major Repair :	Year	0 (2017)
Quantity:	1 Lump Sum	Unit Cost:	\$7,000.00	/ LS

Estimate: \$7,000

Notes: The budget is for replacing a 1999 Ford Ranger XLT truck with a similar vehicle in 2017. This truck is shared between the general ops and water reserve funding. We have allocated 50% of this asset to general ops and water.



11.1.6 Toro Riding Mower - Replace

Repair Cycle:	7 years	Next Major Repair :	Year	1 (2018)
Quantity:	1 Each	Unit Cost:	\$3,400.00	/ EA
Estimate:	1 EA X 100% X \$3,400.00/EA = \$3,400 + tax = \$3,710			
Notes:	The mower was purchased in 2011. The replacement cycle has been updated to accurately reflect the next anticipated replacement date of 2018.			

11.1.7 Rankin Brush Hog - Replace

Repair Cycle:	20 years	Next Major Repair :	Year	3 (2020)
Quantity:	1 Each	Unit Cost:	\$4,000.00	/ EA
Estimate:	1 EA X 100% X \$4,000.00/EA = \$4,000 + tax = \$4,360			
Notes:	This component budgets funds to replace a rotary mower attachment that is estimated to have been purchased in 2000. The Association estimates the next replacement will not be necessary until 2020; the replacement cycle has been updated accordingly.			

11.1.8 Snow Plow Attachment - Replace

Repair Cycle:	15 years	Next Major Repair :	Year	3 (2020)
Quantity:	1 Each	Unit Cost:	\$4,210.00	/ EA
Estimate:	1 EA X 100% X \$4,210.00/EA = \$4,210 + tax = \$4,590			
Notes:	This component provides funds to replace the 8' wide snow plow that was purchased in 1997. We did not observe the snow plow while on site, but understand that it is in serviceable condition. The Association would like to budget for replacement by 2020.			

11.1.9 Salt Spreader - Replace

Repair Cycle:	15 years	Next Major Repair :	Year	5 (2022)
Quantity:	1 Each	Unit Cost:	\$6,320.00	/ EA
Estimate:	1 EA X 100% X \$6,320.00/EA = \$6,320 + tax = \$6,890			
Notes:	This component budgets funds to replace the Buyers Co. salt and sand spreader that was purchased in 2007. We did not observe the salt spreader while on site, but it is reportedly in good working order.			

11.4.1 Clubhouse Dish Sanitizer - Replace

Repair Cycle:	20 years	Next Major Repair :	Year	0 (2017)
Quantity:	1 Each	Unit Cost:	\$3,340.00	/ EA
Estimate:	1 EA X 100% X \$3,340.00/EA = \$3,340 + tax = \$3,640			
Notes:	The current Hobart commercial dish sanitizer was installed in 1996. We understand that the Association plans to replace the sanitizer this year.			



12.1.1 Fitness Equipment - Contingency

Repair Cycle:	2 years	Next Major Repair :	Year	1 (2018)
Quantity:	1 Lump Sum	Unit Cost:	\$3,500.00	/ LS

Estimate: \$3,500

Notes: This equipment is of varying ages and we have allocated \$5,000 over a period of 10 years (5 occurrences) for new additions and replacements as deemed necessary. Actual conditions should be monitored and this figure adjusted as required.

12.1.2 Clubhouse Wood Furnishings - Update

Repair Cycle:	14 years	Next Major Repair :	Year	3 (2020)
Quantity:	1 Lump Sum	Unit Cost:	\$4,190.00	/ LS

Estimate: \$4,190

Notes: This component provides funds to update the wood furniture in the Clubhouse, including end tables, a cocktail table, a 41" round table, a sofa table, a 6 drawer chest, a cabinet with doors and an audio cabinet. The repair cycle has been updated to match the next anticipated replacement in 2020. This is another discretionary item that should be adjusted as the Association sees fit.

12.1.3 Clubhouse Upholstered Furnishings - Update

Repair Cycle:	15 years	Next Major Repair :	Year	4 (2021)
Quantity:	1 Lump Sum	Unit Cost:	\$9,870.00	/ LS

Estimate: \$9,870

Notes: This component provides a budget to update the upholstered furniture, including: a sofa, a loveseat, three arm chairs, three wood arm chairs, fifty-eight folding chairs. Also included are eight folding plastic tables, three table lamps and one floor lamp. These components were last updated in 2006 according to records. We have updated the replacement cycle match the Association's next replacement date of 2021 for this component. This is a discretionary expense.

12.1.4 Clubhouse Electronics - Upgrade

Repair Cycle:	10 years	Next Major Repair :	Year	5 (2022)
Quantity:	1 Lump Sum	Unit Cost:	\$8,240.00	/ LS

Estimate: \$8,240

Notes: The electronics are listed as being installed in 2007. They include an audio/visual sound system, a 51" flatscreen television, a Sharp projector and a projector screen. This is a discretionary component that should be adjusted in terms of timing and budget to meet the needs of the Association.

12.1.5 Clubhouse Piano - Replace

Repair Cycle:	25 years	Next Major Repair :	Year	8 (2025)
Quantity:	1 Each	Unit Cost:	\$5,270.00	/ EA

Estimate: 1 EA X 100% X \$5,270.00/EA = \$5,270 + tax = \$5,740

Notes: The costs estimates for the piano were originally provided by the Association, and have been adjusted to allow for inflationary changes. No problems were reported with the piano.



12.1.6 Clubhouse Restrooms - Update

Repair Cycle:	25 years	Next Major Repair :	Year	5 (2022)
Quantity:	1 Lump Sum	Unit Cost:	\$4,300.00	/ LS
Estimate:	\$4,300			
Notes:	We did not observe the Clubhouse restrooms while on site, but it is reported that there re two wall-mounted urinals and four oval counter mounted sinks that were installed in 1992. The three tank style toilets were installed in 2009. We continue to budget funds for future fixture replacements as needed.			

12.1.7 Clubhouse Restroom Partitions - Replace

Repair Cycle:	30 years	Next Major Repair :	Year	5 (2022)
Quantity:	1 Lump Sum	Unit Cost:	\$4,835.00	/ LS
Estimate:	\$4,835			
Notes:	We did not observe the four toilet partitions while on site. We understand that they were installed in 1982 and are in serviceable condition. We continue to budget for their replacement by 2022.			

12.1.8 Clubhouse Vinyl Tile Flooring - Replace

Repair Cycle:	25 years	Next Major Repair :	Year	25 (2042)
Quantity:	3,800 Square Feet	Unit Cost:	\$6.16	/ SF
Estimate:	3,800 SF X 100% X \$6.16/SF = \$23,408 + tax = \$25,510			
Notes:	The vinyl tile was installed in 2017 for approximately \$25,500. It was in new condition. We have applied the experienced cost towards future replacement.			

12.1.9 Clubhouse Blinds - Replace

Repair Cycle:	12 years	Next Major Repair :	Year	11 (2028)
Quantity:	239 Square Feet	Unit Cost:	\$19.00	/ SF
Estimate:	239 SF X 100% X \$19.00/SF = \$4,541 + tax = \$4,950			
Notes:	In 2016 the Social Club replaced the existing blinds using their fund raising account. We have budgeted for future replacement. The blinds were raised at the time of our site visit, but we understand that they are in good condition.			

12.1.10 Clubhouse Millwork - Replace

Repair Cycle:	25 years	Next Major Repair :	Year	8 (2025)
Quantity:	97 Linear Feet	Unit Cost:	\$135.00	/ LF
Estimate:	97 LF X 100% X \$135.00/LF = \$13,095 + tax = \$14,270			
Notes:	The Clubhouse cabinets are laminated wood and were installed in 2000. There are 74 linear feet of base cabinets and 23 linear feet of wall cabinets.			



12.1.11 Clubhouse Countertops - Replace

Repair Cycle:	25 years	Next Major Repair :	Year	8 (2025)
Quantity:	74 Linear Feet	Unit Cost:	\$81.35	/ LF

Estimate: 74 LF X 100% X \$81.35/LF = \$6,020 + tax = \$6,560

Notes: The counter tops are scheduled to be replace with the cabinets. The actual cost of the countertops can vary widely, depending on the material used. We have budgeted funds to replace the countertops with a similar laminate product.

12.2.1 Pool Restrooms - Update

Repair Cycle:	25 years	Next Major Repair :	Year	17 (2034)
Quantity:	1 Lump Sum	Unit Cost:	\$3,370.00	/ LS

Estimate: \$3,370

Notes: This budget provides funds for in-house staff to replace three pedestal sinks and three tank style toilets that were installed in 2009. The bathrooms were clean and in serviceable condition at the time of our site visit.

12.2.2 Pool Showers - Update

Repair Cycle:	18 years	Next Major Repair :	Year	1 (2018)
Quantity:	4 Each	Unit Cost:	\$1,422.50	/ EA

Estimate: 4 EA X 100% X \$1,422.50/EA = \$5,690 + tax = \$6,200

Notes: The pool showers are acrylic fiberglass shower stalls with integral soap dishes and grab bars. We understand that the Association may look at replacing them as early as 2018.

13.2.1 Pool - Paint Surface

Repair Cycle:	8 years	Next Major Repair :	Year	8 (2025)
Quantity:	13,404 Square Feet	Unit Cost:	\$0.87	/ SF

Estimate: 13,404 SF X 100% X \$0.87/SF = \$11,661 + tax = \$12,710

Notes: The pool surface is painted with a two-part epoxy and was last painted in 2008. The maintenance cycle has been updated to match the anticipated future maintenance that will be required moving forward. Actual experienced costs may be less if in-house staff apply the paint, rather than contracting the work out.

13.2.2 Pool & Wading Pool - Resurface

Repair Cycle:	12 years	Next Major Repair :	Year	3 (2020)
Quantity:	2,100 Square Feet	Unit Cost:	\$7.20	/ SF

Estimate: 2,100 SF X 100% X \$7.20/SF = \$15,120 + tax = \$16,480

Notes: This component budgets to replaster 1,852 square feet of pool surface and to repair 220 linear feet of trim tile. Also included are funds to replaster 248 square feet of the wading pool and to repair 63 linear feet of trim tile. The main pool and wading pool were reportedly resurfaced in 2008 and were in good condition at the time of our site visit.



13.2.4 Pool Deck - Recoat

Repair Cycle:	7 years	Next Major Repair :	Year	5 (2022)
Quantity:	2,437 Square Feet	Unit Cost:	\$0.87	/ SF
Estimate:	2,437 SF X 100% X \$0.87/SF = \$2,120 + tax = \$2,310			
Notes:	The pool deck coating is a two-part epoxy coating that was reapplied in 2015 by in-house staff. We have reduced the maintenance cycle to reflect the anticipated future reapplication needs.			

15.3.1 Pool 250K BTU Heaters - Major Repair

Repair Cycle:	16 years	Next Major Repair :	Year	2 (2019)
Quantity:	2 Each	Unit Cost:	\$2,205.00	/ EA
Estimate:	2 EA X 100% X \$2,205.00/EA = \$4,410 + tax = \$4,810			
Notes:	Installed in approximately 2003, these 2 Dietrich heaters have been integrated into the upgraded environmental controls for the pool building and adjoining changing rooms. The next major maintenance has been moved up to 2019 per the Association and the maintenance cycle adjusted accordingly.			

15.3.2 Pool Dehumidifier - Replace

Repair Cycle:	10 years	Next Major Repair :	Year	10 (2027)
Quantity:	1 Each	Unit Cost:	\$116,500.00	/ EA
Estimate:	1 EA X 100% X \$116,500.00/EA = \$116,500 + tax = \$126,990			
Notes:	This component covers the Desert Aire model LC10R7NBETDLAED dehumidification system that was installed in 2017. We have budgeted for future replacement on a ten year cycle.			

15.3.3 Pool Heat Pump #1 - Replace

Repair Cycle:	14 years	Next Major Repair :	Year	6 (2023)
Quantity:	1 Each	Unit Cost:	\$9,000.00	/ EA
Estimate:	1 EA X 100% X \$9,000.00/EA = \$9,000 + tax = \$9,810			
Notes:	This component budgets funds for replacing the Aqua Cal H155 heat pump that was installed in 2009. No issues were reported at the time of our site visit.			

15.3.4 Pool Heat Pump #2 - Replace

Repair Cycle:	14 years	Next Major Repair :	Year	11 (2028)
Quantity:	1 Each	Unit Cost:	\$9,000.00	/ EA
Estimate:	1 EA X 100% X \$9,000.00/EA = \$9,000 + tax = \$9,810			
Notes:	This component budgets funds for the Aqua Cal H155 heat pump on the south end of the building, which was replaced in 2014. The Association reported that it was in good working order.			



15.4.1 Shoreline Berm - Major Repairs

Repair Cycle:	30 years	Next Major Repair :	Year	29 (2046)
Quantity:	1 Lump Sum	Unit Cost:	\$53,670.00	/ LS

Estimate: \$53,670

Notes: The berm was constructed to provide protection to shoreline facilities during storm-driven winter king tides. Major maintenance was performed on the berms in 2016. We have budgeted funds for future major maintenance on a 30-year cycle.

15.4.2 Site Drainage - Major Improvements

Repair Cycle:	25 years	Next Major Repair :	Year	25 (2042)
Quantity:	1 Lump Sum	Unit Cost:	\$16,000.00	/ LS

Estimate: \$16,000

Notes: It was reported that the drainage around the workshop will be modified in 2017 at an estimated cost of \$16,000. We have budgeted for future drainage modifications on a 25 year repair cycle.

15.5.1 Septic System - Major Repairs

Repair Cycle:	25 years	Next Major Repair :	Year	23 (2040)
Quantity:	1 Lump Sum	Unit Cost:	\$15,190.00	/ LS

Estimate: \$15,190

Notes: The septic system services the pool changing rooms, outdoor restroom facility at the southeast corner of the building and the Workshop sink. It was last serviced in 2015 and was reported to be in good working order. We continue to budget funds for major maintenance of the system.

15.6.1 Clubhouse Furnace - Replace

Repair Cycle:	18 years	Next Major Repair :	Year	11 (2028)
Quantity:	1 Each	Unit Cost:	\$3,040.00	/ EA

Estimate: 1 EA X 100% X \$3,040.00/EA = \$3,040 + tax = \$3,310

Notes: The forced air furnace was installed in 2010. No issues were reported, so we continue to budget for replacement or major maintenance at the end of the furnace's useful life.

15.6.2 Clubhouse Split System - Replace

Repair Cycle:	10 years	Next Major Repair :	Year	3 (2020)
Quantity:	1 Each	Unit Cost:	\$5,930.00	/ EA

Estimate: 1 EA X 100% X \$5,930.00/EA = \$5,930 + tax = \$6,460

Notes: The split system is a Lennox model # XP14-042-230-02 - 3.5 ton unit that was put into service in 2002. We continue to budget for replacement at the end of its anticipated useful life. No outstanding issues were reported.



18.1.1 Barrier Arm Operator - Replace

Repair Cycle:	20 years	Next Major Repair :	Year	1 (2018)
Quantity:	1 Each	Unit Cost:	\$6,030.00	/ EA
Estimate:	1 EA X 100% X \$6,030.00/EA = \$6,030 + tax = \$6,570			
Notes:	Records indicate that the barrier arm operator was installed in 1997. The Association would like to budget for replacement in 2020. No current problems were reported..			

18.1.2 Entrance Access Keypad - Replace

Repair Cycle:	12 years	Next Major Repair :	Year	9 (2026)
Quantity:	4 Each	Unit Cost:	\$2,200.00	/ EA
Estimate:	4 EA X 100% X \$2,200.00/EA = \$8,800 + tax = \$9,590			
Notes:	Keypads control entry to the Clubhouse, Workshop, Fitness room and Pool. The keypads were replaced in 2014. The keypad were in good working order. We continue to budget for replacement at the end of their anticipated useful life.			



FINANCIAL ANALYSIS & RESERVE CONTRIBUTION RECOMMENDATIONS

For budgeting purposes, we recommend that Cape George Colony Club set the contribution rate at \$69,000 for reserves beginning in 2018. This amount should increase annually with inflation. This amount is determined using the Cash Flow method with a Threshold Funding plan, to provide adequate reserves each time an expense is anticipated, with a minimum level of reserves (the threshold) equal to one year's contribution to reserves at all times during the study period while also maintaining the percent funded between 46% and 70%, so that no special assessments will be required. Cape George Colony Club should determine the best reserve funding level for their association based on their major repair or replacement needs and risk aversion.

Recommended 2018 Contribution	\$69,000
Recommended Contribution per Month	\$5,750
Average Contribution per Unit per Year	\$ 104
Average Contribution per Unit Per Month	\$ 9

The contribution as a percentage of average unit value is calculated to provide a way for owners, and prospective owners, to compare the reserve requirements of one association with that of another association or of single-family home ownership.

Typically, condominium associations in the Puget Sound area need to set aside from 1/2% to 1% of their average unit value, homeowners' associations need to put aside 1/3% to 1/2% and single family homeowners should put aside 1% to 2% each year.

FUNDING PLANS

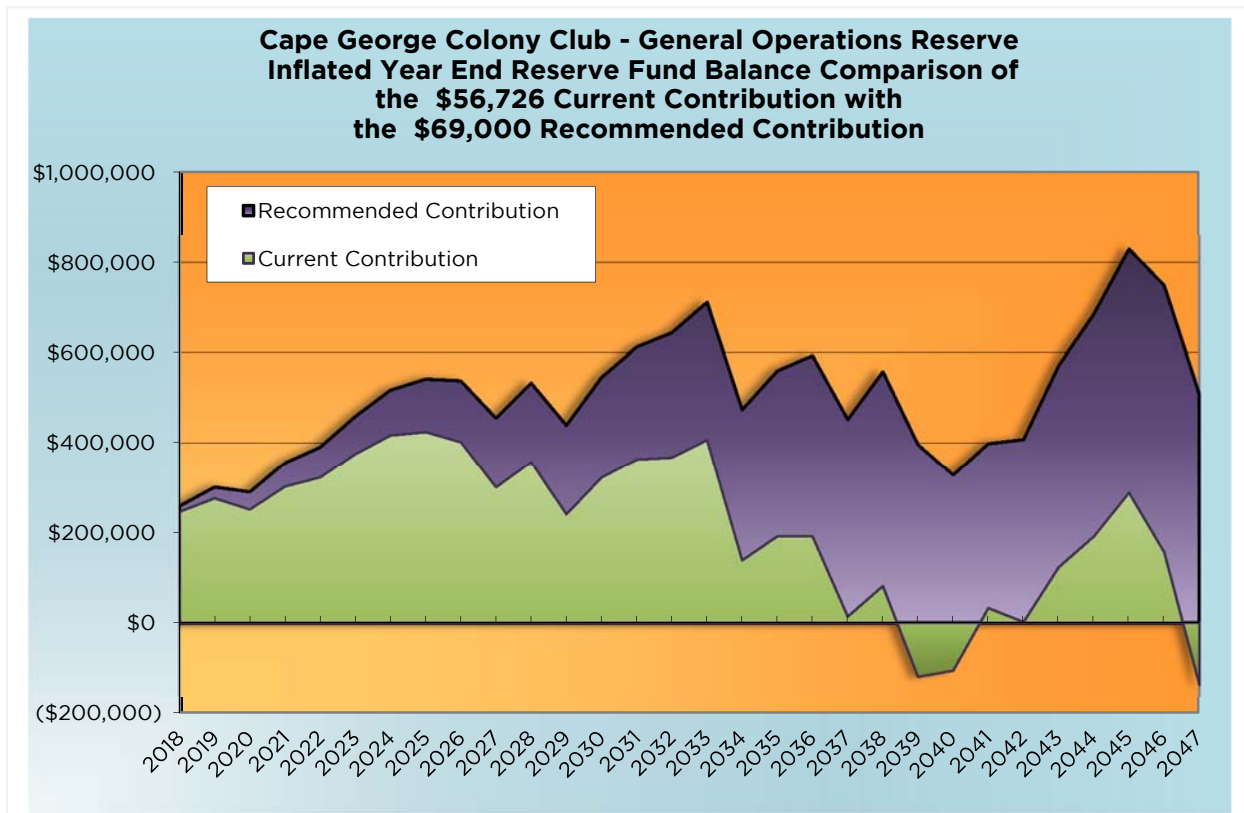
A starting annual contribution of \$69,000 is a Threshold Funding plan to provide funding as expenses are incurred over time, while maintaining a minimum reserve fund balance of one year's contribution to reserves and the percent funded between 46% and 70%. Absent specific instructions from clients, or unusual circumstances, this is our recommended funding plan.

An alternative strategy Cape George Colony Club could employ is Baseline Funding. This provides for necessary expenditures without maintaining a minimum reserve fund balance. To pursue such a strategy, the recommended Baseline Funding contribution rate would be \$62,300.

Cape George Colony Club could also consider contributions to obtain and maintain the level of reserves to be Fully Funded, so that the Percent Fully Funded is 100% by Year 30. The recommended Full Funding contribution rate would be \$73,900.

We recommend that Cape George Colony Club adopt a policy regarding their reserve funding which would address the level of funding that the Association would strive to maintain, as well as methods of investing reserve funds to best match risk with return and investment length with expected expenses.

Below is a graph illustrating the projected year end reserve fund balance using both the current budgeted annual contribution and the recommended funding.





Five Year Funding Plan Comparison

Below is a comparison of the fully funded balance and year end reserve fund balance using the budgeted reserve funding for 2017 and the three funding plans presented in the report. The calculations include inflated values, interest and special assessments through Year 5 (2022).

Cape George Colony Club - General Operations Reserve Five Year Funding Plan Comparison Including Inflated Values, Interest and Special Assessments

\$56,726 Current Funding Plan

Year	Annual Reserve Contribution	Special Assessment	Year End Reserve Balance	% Funded	Funding Status
1 (2018)	\$56,726	\$0	\$246,066	45%	Adequately Funded
2 (2019)	\$58,428	\$0	\$275,959	47%	Adequately Funded
3 (2020)	\$60,181	\$0	\$251,251	44%	Adequately Funded
4 (2021)	\$61,986	\$0	\$302,199	47%	Adequately Funded
5 (2022)	\$63,846	\$0	\$322,399	48%	Adequately Funded

\$62,300 Baseline Funding Plan

Year	Annual Reserve Contribution	Special Assessment	Year End Reserve Balance	% Funded	Funding Status
1 (2018)	\$62,300	\$0	\$253,356	46%	Adequately Funded
2 (2019)	\$64,169	\$0	\$289,194	49%	Adequately Funded
3 (2020)	\$66,094	\$0	\$270,724	47%	Adequately Funded
4 (2021)	\$68,077	\$0	\$328,213	52%	Adequately Funded
5 (2022)	\$70,119	\$0	\$355,269	53%	Adequately Funded

\$69,000 Recommended (Threshold) Funding Plan

Year	Annual Reserve Contribution	Special Assessment	Year End Reserve Balance	% Funded	Funding Status
1 (2018)	\$69,000	\$0	\$258,401	47%	Adequately Funded
2 (2019)	\$71,070	\$0	\$301,310	51%	Adequately Funded
3 (2020)	\$73,202	\$0	\$290,261	50%	Adequately Funded
4 (2021)	\$75,398	\$0	\$355,535	56%	Adequately Funded
5 (2022)	\$77,660	\$0	\$390,754	58%	Adequately Funded

\$73,900 Full Funding Plan

Year	Annual Reserve Contribution	Special Assessment	Year End Reserve Balance	% Funded	Funding Status
1 (2018)	\$73,900	\$0	\$265,014	49%	Adequately Funded
2 (2019)	\$76,117	\$0	\$313,153	53%	Adequately Funded
3 (2020)	\$78,401	\$0	\$307,591	53%	Adequately Funded
4 (2021)	\$80,753	\$0	\$378,620	59%	Adequately Funded
5 (2022)	\$83,175	\$0	\$419,871	62%	Well Funded



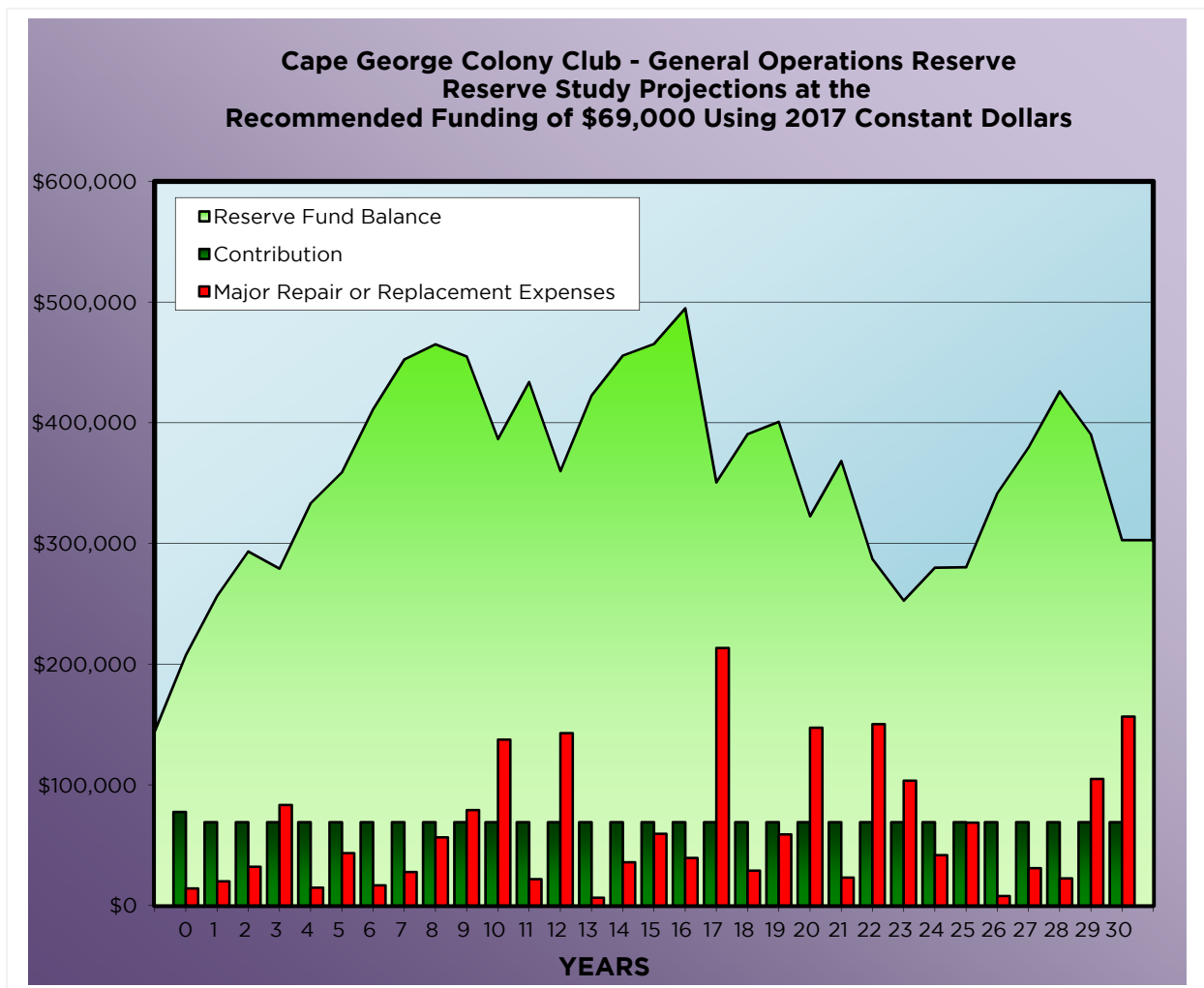
Reserve Study Projections using Constant Dollar Values

Below is a graph depicting the projected fiscal year end reserve fund balance over 30 years, the annual contribution and the anticipated yearly major repair or replacement expenses.

The year-end reserve fund balance is shown as a line graph in bright green. Our recommended funding plan is a threshold funding plan which ensures that the reserve account balance does not dip below a designated “threshold”, which is set to one year’s contribution to reserves while maintaining the percent funded between 46% and 70%.

The annual reserve fund contributions are shown as green bars. This chart depicts the annual contribution in constant dollars, so the contributions are constantly \$69,000 over the 30 year timeline of the study.

The anticipated yearly major repair or replacement expenses are shown as red bars, clearly illustrating the anticipated expenses over the next 30 years.





**Reserve Study Projections at the Starting Recommended Funding of \$69,000
Using Constant Dollar Values**



Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH CONSTANT DOLLARS

PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	1 2018	2 2019	3 2020	4 2021	5 2022
2.6.1	Asphalt - Overlay Phase 1	50	12					
2.6.2	Asphalt - Overlay Phase 2	50	17					
2.6.3	Asphalt - Overlay Phase 3	50	22					
2.6.4	Asphalt - Major Repairs	5	9					
2.8.1	Playground - Replace	22	5					\$4,200
6.1.1	Clubhouse Gazebo - Replace	18	0					
6.1.2	Workshop Gazebo - Replace	18	15					
6.1.3	Memorial Park Gazebo - Replace	18	6					
6.2.1	Building Major Repair - Contingency	7	2		\$21,800			
7.3.2	Clubhouse Gutters - Replace	20	9					
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					\$3,250
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3			\$33,430		
7.4.3	Office Comp. Shingle Roof - Replace	20	11					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					\$5,880
8.3.1	Maintenance Roll Up Door - Replace	24	8					
9.6.1	Fitness Center Carpet - Replace	8	2		\$5,470			
9.6.2	Office Carpet - Replace	8	7					
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4				\$4,950	
9.8.2	Clubhouse Interior Surfaces - Paint	10	8					
9.8.3	Office Interior Surfaces - Paint	8	6					
11.1.1	John Deere 990 Tractor - Replace	12	3			\$7,900		
11.1.2	John Deere 990 Bucket - Replace	12	3			\$1,050		
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3			\$1,310		
11.1.4	Ford Diesel Stakebed - Replace	10	9					
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0					
11.1.6	Toro Riding Mower - Replace	7	1	\$3,710				
11.1.7	Rankin Brush Hog - Replace	20	3			\$4,360		
11.1.8	Snow Plow Attachment - Replace	15	3			\$4,590		
11.1.9	Salt Spreader - Replace	15	5					\$6,890
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					
12.1.1	Fitness Equipment - Contingency	2	1	\$3,500		\$3,500		\$3,500
12.1.2	Clubhouse Wood Furnishings - Update	14	3			\$4,190		
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4				\$9,870	
12.1.4	Clubhouse Electronics - Upgrade	10	5					\$8,240
12.1.5	Clubhouse Piano - Replace	25	8					
12.1.6	Clubhouse Restrooms - Update	25	5					\$4,300
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					\$4,835
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					
12.1.9	Clubhouse Blinds - Replace	12	11					
12.1.10	Clubhouse Millwork - Replace	25	8					
12.1.11	Clubhouse Countertops - Replace	25	8					
12.2.1	Pool Restrooms - Update	25	17					
12.2.2	Pool Showers - Update	18	1	\$6,200				
13.2.1	Pool - Paint Surface	8	8					
13.2.2	Pool & Wading Pool - Resurface	12	3			\$16,480		
13.2.4	Pool Deck - Recoat	7	5					\$2,310
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2		\$4,810			
15.3.2	Pool Dehumidifier - Replace	10	10					
15.3.3	Pool Heat Pump #1 - Replace	14	6					
15.3.4	Pool Heat Pump #2 - Replace	14	11					
15.4.1	Shoreline Berm - Major Repairs	30	29					
15.4.2	Site Drainage - Major Improvements	25	25					
15.5.1	Septic System - Major Repairs	25	23					
15.6.1	Clubhouse Furnace - Replace	18	11					
15.6.2	Clubhouse Split System - Replace	10	3			\$6,460		
18.1.1	Barrier Arm Operator - Replace	20	1	\$6,570				
18.1.2	Entrance Access Keypad - Replace	12	9					
TOTAL EXPENDED BY YEAR				\$19,980	\$32,080	\$83,270	\$14,820	\$43,405
CARRY OVER RESERVES				\$207,463	\$256,483	\$293,403	\$279,133	\$333,313
ANNUAL RESERVE CONTRIB				\$69,000	\$69,000	\$69,000	\$69,000	\$69,000
RESERVE EXPENDITURES				\$19,980	\$32,080	\$83,270	\$14,820	\$43,405
ACCUMULATED RESERVES				\$256,483	\$293,403	\$279,133	\$333,313	\$358,908
INTEREST EARNED				\$0	\$0	\$0	\$0	\$0
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$256,483	\$293,403	\$279,133	\$333,313	\$358,908
STUDY YEAR				1 (2018)	2 (2019)	3 (2020)	4 (2021)	5 (2022)

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Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH CONSTANT DOLLARS

PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	6 2023	7 2024	8 2025	9 2026	10 2027
2.6.1	Asphalt - Overlay Phase 1	50	12					
2.6.2	Asphalt - Overlay Phase 2	50	17					
2.6.3	Asphalt - Overlay Phase 3	50	22					
2.6.4	Asphalt - Major Repairs	5	9				\$25,470	
2.8.1	Playground - Replace	22	5					
6.1.1	Clubhouse Gazebo - Replace	18	0					
6.1.2	Workshop Gazebo - Replace	18	15					
6.1.3	Memorial Park Gazebo - Replace	18	6	\$3,500				
6.2.1	Building Major Repair - Contingency	7	2				\$21,800	
7.3.2	Clubhouse Gutters - Replace	20	9				\$3,720	
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3					
7.4.3	Office Comp. Shingle Roof - Replace	20	11					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					
8.3.1	Maintenance Roll Up Door - Replace	24	8			\$3,010		
9.6.1	Fitness Center Carpet - Replace	8	2					\$5,470
9.6.2	Office Carpet - Replace	8	7		\$17,190			
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4					\$4,950
9.8.2	Clubhouse Interior Surfaces - Paint	10	8			\$10,510		
9.8.3	Office Interior Surfaces - Paint	8	6	\$3,370				
11.1.1	John Deere 990 Tractor - Replace	12	3					
11.1.2	John Deere 990 Bucket - Replace	12	3					
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3					
11.1.4	Ford Diesel Stakebed - Replace	10	9				\$15,000	
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0		\$7,000			
11.1.6	Toro Riding Mower - Replace	7	1			\$3,710		
11.1.7	Rankin Brush Hog - Replace	20	3					
11.1.8	Snow Plow Attachment - Replace	15	3					
11.1.9	Salt Spreader - Replace	15	5					
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					
12.1.1	Fitness Equipment - Contingency	2	1		\$3,500		\$3,500	
12.1.2	Clubhouse Wood Furnishings - Update	14	3					
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4					
12.1.4	Clubhouse Electronics - Upgrade	10	5					
12.1.5	Clubhouse Piano - Replace	25	8			\$5,740		
12.1.6	Clubhouse Restrooms - Update	25	5					
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					
12.1.9	Clubhouse Blinds - Replace	12	11					
12.1.10	Clubhouse Millwork - Replace	25	8			\$14,270		
12.1.11	Clubhouse Countertops - Replace	25	8			\$6,560		
12.2.1	Pool Restrooms - Update	25	17					
12.2.2	Pool Showers - Update	18	1					
13.2.1	Pool - Paint Surface	8	8			\$12,710		
13.2.2	Pool & Wading Pool - Resurface	12	3					
13.2.4	Pool Deck - Recoat	7	5					
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2					
15.3.2	Pool Dehumidifier - Replace	10	10					\$126,990
15.3.3	Pool Heat Pump #1 - Replace	14	6	\$9,810				
15.3.4	Pool Heat Pump #2 - Replace	14	11					
15.4.1	Shoreline Berm - Major Repairs	30	29					
15.4.2	Site Drainage - Major Improvements	25	25					
15.5.1	Septic System - Major Repairs	25	23					
15.6.1	Clubhouse Furnace - Replace	18	11					
15.6.2	Clubhouse Split System - Replace	10	3					
18.1.1	Barrier Arm Operator - Replace	20	1					
18.1.2	Entrance Access Keypad - Replace	12	9				\$9,590	
TOTAL EXPENDED BY YEAR				\$16,680	\$27,690	\$56,510	\$79,080	\$137,410
CARRY OVER RESERVES				\$358,908	\$411,228	\$452,538	\$465,028	\$454,948
ANNUAL RESERVE CONTRIB				\$69,000	\$69,000	\$69,000	\$69,000	\$69,000
RESERVE EXPENDITURES				\$16,680	\$27,690	\$56,510	\$79,080	\$137,410
ACCUMULATED RESERVES				\$411,228	\$452,538	\$465,028	\$454,948	\$386,538
INTEREST EARNED				\$0	\$0	\$0	\$0	\$0
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$411,228	\$452,538	\$465,028	\$454,948	\$386,538
STUDY YEAR				6 (2023)	7 (2024)	8 (2025)	9 (2026)	10 (2027)

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Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH CONSTANT DOLLARS

PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	11 2028	12 2029	13 2030	14 2031	15 2032
2.6.1	Asphalt - Overlay Phase 1	50	12		\$140,440			
2.6.2	Asphalt - Overlay Phase 2	50	17					
2.6.3	Asphalt - Overlay Phase 3	50	22					
2.6.4	Asphalt - Major Repairs	5	9				\$25,470	
2.8.1	Playground - Replace	22	5					
6.1.1	Clubhouse Gazebo - Replace	18	0					
6.1.2	Workshop Gazebo - Replace	18	15					\$3,500
6.1.3	Memorial Park Gazebo - Replace	18	6					
6.2.1	Building Major Repair - Contingency	7	2					
7.3.2	Clubhouse Gutters - Replace	20	9					
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3					
7.4.3	Office Comp. Shingle Roof - Replace	20	11	\$3,710				
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					
8.3.1	Maintenance Roll Up Door - Replace	24	8					
9.6.1	Fitness Center Carpet - Replace	8	2					
9.6.2	Office Carpet - Replace	8	7					\$17,190
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4					
9.8.2	Clubhouse Interior Surfaces - Paint	10	8					
9.8.3	Office Interior Surfaces - Paint	8	6				\$3,370	
11.1.1	John Deere 990 Tractor - Replace	12	3					\$7,900
11.1.2	John Deere 990 Bucket - Replace	12	3					\$1,050
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3					\$1,310
11.1.4	Ford Diesel Stakebed - Replace	10	9					
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0				\$7,000	
11.1.6	Toro Riding Mower - Replace	7	1					\$3,710
11.1.7	Rankin Brush Hog - Replace	20	3					
11.1.8	Snow Plow Attachment - Replace	15	3					
11.1.9	Salt Spreader - Replace	15	5					
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					
12.1.1	Fitness Equipment - Contingency	2	1					
12.1.2	Clubhouse Wood Furnishings - Update	14	3					
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4					
12.1.4	Clubhouse Electronics - Upgrade	10	5					\$8,240
12.1.5	Clubhouse Piano - Replace	25	8					
12.1.6	Clubhouse Restrooms - Update	25	5					
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					
12.1.9	Clubhouse Blinds - Replace	12	11	\$4,950				
12.1.10	Clubhouse Millwork - Replace	25	8					
12.1.11	Clubhouse Countertops - Replace	25	8					
12.2.1	Pool Restrooms - Update	25	17					
12.2.2	Pool Showers - Update	18	1					
13.2.1	Pool - Paint Surface	8	8					
13.2.2	Pool & Wading Pool - Resurface	12	3					\$16,480
13.2.4	Pool Deck - Recoat	7	5		\$2,310			
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2					
15.3.2	Pool Dehumidifier - Replace	10	10					
15.3.3	Pool Heat Pump #1 - Replace	14	6					
15.3.4	Pool Heat Pump #2 - Replace	14	11	\$9,810				
15.4.1	Shoreline Berm - Major Repairs	30	29					
15.4.2	Site Drainage - Major Improvements	25	25					
15.5.1	Septic System - Major Repairs	25	23					
15.6.1	Clubhouse Furnace - Replace	18	11	\$3,310				
15.6.2	Clubhouse Split System - Replace	10	3			\$6,460		
18.1.1	Barrier Arm Operator - Replace	20	1					
18.1.2	Entrance Access Keypad - Replace	12	9					
TOTAL EXPENDED BY YEAR				\$21,780	\$142,750	\$6,460	\$35,840	\$59,380
CARRY OVER RESERVES				\$386,538	\$433,758	\$360,008	\$422,548	\$455,708
ANNUAL RESERVE CONTRIB				\$69,000	\$69,000	\$69,000	\$69,000	\$69,000
RESERVE EXPENDITURES				\$21,780	\$142,750	\$6,460	\$35,840	\$59,380
ACCUMULATED RESERVES				\$433,758	\$360,008	\$422,548	\$455,708	\$465,328
INTEREST EARNED				\$0	\$0	\$0	\$0	\$0
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$433,758	\$360,008	\$422,548	\$455,708	\$465,328
STUDY YEAR				11 (2028)	12 (2029)	13 (2030)	14 (2031)	15 (2032)

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Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH CONSTANT DOLLARS

PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	16 2033	17 2034	18 2035	19 2036	20 2037
2.6.1	Asphalt - Overlay Phase 1	50	12					
2.6.2	Asphalt - Overlay Phase 2	50	17		\$205,740			
2.6.3	Asphalt - Overlay Phase 3	50	22					
2.6.4	Asphalt - Major Repairs	5	9				\$25,470	
2.8.1	Playground - Replace	22	5					
6.1.1	Clubhouse Gazebo - Replace	18	0			\$3,500		
6.1.2	Workshop Gazebo - Replace	18	15					
6.1.3	Memorial Park Gazebo - Replace	18	6					
6.2.1	Building Major Repair - Contingency	7	2	\$21,800				
7.3.2	Clubhouse Gutters - Replace	20	9					
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3					
7.4.3	Office Comp. Shingle Roof - Replace	20	11					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					
8.3.1	Maintenance Roll Up Door - Replace	24	8					
9.6.1	Fitness Center Carpet - Replace	8	2			\$5,470		
9.6.2	Office Carpet - Replace	8	7					
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4	\$4,950				
9.8.2	Clubhouse Interior Surfaces - Paint	10	8			\$10,510		
9.8.3	Office Interior Surfaces - Paint	8	6					
11.1.1	John Deere 990 Tractor - Replace	12	3					
11.1.2	John Deere 990 Bucket - Replace	12	3					
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3					
11.1.4	Ford Diesel Stakebed - Replace	10	9				\$15,000	
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0					
11.1.6	Toro Riding Mower - Replace	7	1					
11.1.7	Rankin Brush Hog - Replace	20	3					
11.1.8	Snow Plow Attachment - Replace	15	3			\$4,590		
11.1.9	Salt Spreader - Replace	15	5					\$6,890
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					\$3,640
12.1.1	Fitness Equipment - Contingency	2	1					
12.1.2	Clubhouse Wood Furnishings - Update	14	3		\$4,190			
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4				\$9,870	
12.1.4	Clubhouse Electronics - Upgrade	10	5					
12.1.5	Clubhouse Piano - Replace	25	8					
12.1.6	Clubhouse Restrooms - Update	25	5					
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					
12.1.9	Clubhouse Blinds - Replace	12	11					
12.1.10	Clubhouse Millwork - Replace	25	8					
12.1.11	Clubhouse Countertops - Replace	25	8					
12.2.1	Pool Restrooms - Update	25	17		\$3,370			
12.2.2	Pool Showers - Update	18	1				\$6,200	
13.2.1	Pool - Paint Surface	8	8	\$12,710				
13.2.2	Pool & Wading Pool - Resurface	12	3					
13.2.4	Pool Deck - Recoat	7	5				\$2,310	
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2			\$4,810		
15.3.2	Pool Dehumidifier - Replace	10	10					\$126,990
15.3.3	Pool Heat Pump #1 - Replace	14	6					\$9,810
15.3.4	Pool Heat Pump #2 - Replace	14	11					
15.4.1	Shoreline Berm - Major Repairs	30	29					
15.4.2	Site Drainage - Major Improvements	25	25					
15.5.1	Septic System - Major Repairs	25	23					
15.6.1	Clubhouse Furnace - Replace	18	11					
15.6.2	Clubhouse Split System - Replace	10	3					
18.1.1	Barrier Arm Operator - Replace	20	1					
18.1.2	Entrance Access Keypad - Replace	12	9					
TOTAL EXPENDED BY YEAR				\$39,460	\$213,300	\$28,880	\$58,850	\$147,330
CARRY OVER RESERVES				\$465,328	\$494,868	\$350,568	\$390,688	\$400,838
ANNUAL RESERVE CONTRIB				\$69,000	\$69,000	\$69,000	\$69,000	\$69,000
RESERVE EXPENDITURES				\$39,460	\$213,300	\$28,880	\$58,850	\$147,330
ACCUMULATED RESERVES				\$494,868	\$350,568	\$390,688	\$400,838	\$322,508
INTEREST EARNED				\$0	\$0	\$0	\$0	\$0
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$494,868	\$350,568	\$390,688	\$400,838	\$322,508
STUDY YEAR				16 (2033)	17 (2034)	18 (2035)	19 (2036)	20 (2037)

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Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH CONSTANT DOLLARS

PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	21 2038	22 2039	23 2040	24 2041	25 2042
2.6.1	Asphalt - Overlay Phase 1	50	12					
2.6.2	Asphalt - Overlay Phase 2	50	17					
2.6.3	Asphalt - Overlay Phase 3	50	22		\$138,270			
2.6.4	Asphalt - Major Repairs	5	9				\$25,470	
2.8.1	Playground - Replace	22	5					
6.1.1	Clubhouse Gazebo - Replace	18	0					
6.1.2	Workshop Gazebo - Replace	18	15					
6.1.3	Memorial Park Gazebo - Replace	18	6				\$3,500	
6.2.1	Building Major Repair - Contingency	7	2			\$21,800		
7.3.2	Clubhouse Gutters - Replace	20	9					
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					\$3,250
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3			\$33,430		
7.4.3	Office Comp. Shingle Roof - Replace	20	11					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					\$5,880
8.3.1	Maintenance Roll Up Door - Replace	24	8					
9.6.1	Fitness Center Carpet - Replace	8	2					
9.6.2	Office Carpet - Replace	8	7			\$17,190		
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4		\$4,950			
9.8.2	Clubhouse Interior Surfaces - Paint	10	8					
9.8.3	Office Interior Surfaces - Paint	8	6		\$3,370			
11.1.1	John Deere 990 Tractor - Replace	12	3					
11.1.2	John Deere 990 Bucket - Replace	12	3					
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3					
11.1.4	Ford Diesel Stakebed - Replace	10	9					
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0	\$7,000				
11.1.6	Toro Riding Mower - Replace	7	1		\$3,710			
11.1.7	Rankin Brush Hog - Replace	20	3			\$4,360		
11.1.8	Snow Plow Attachment - Replace	15	3					
11.1.9	Salt Spreader - Replace	15	5					
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					
12.1.1	Fitness Equipment - Contingency	2	1					
12.1.2	Clubhouse Wood Furnishings - Update	14	3					
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4					
12.1.4	Clubhouse Electronics - Upgrade	10	5					\$8,240
12.1.5	Clubhouse Piano - Replace	25	8					
12.1.6	Clubhouse Restrooms - Update	25	5					
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					\$25,510
12.1.9	Clubhouse Blinds - Replace	12	11			\$4,950		
12.1.10	Clubhouse Millwork - Replace	25	8					
12.1.11	Clubhouse Countertops - Replace	25	8					
12.2.1	Pool Restrooms - Update	25	17					
12.2.2	Pool Showers - Update	18	1					
13.2.1	Pool - Paint Surface	8	8				\$12,710	
13.2.2	Pool & Wading Pool - Resurface	12	3					
13.2.4	Pool Deck - Recoat	7	5					
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2					
15.3.2	Pool Dehumidifier - Replace	10	10					
15.3.3	Pool Heat Pump #1 - Replace	14	6					
15.3.4	Pool Heat Pump #2 - Replace	14	11					\$9,810
15.4.1	Shoreline Berm - Major Repairs	30	29					
15.4.2	Site Drainage - Major Improvements	25	25					\$16,000
15.5.1	Septic System - Major Repairs	25	23			\$15,190		
15.6.1	Clubhouse Furnace - Replace	18	11					
15.6.2	Clubhouse Split System - Replace	10	3			\$6,460		
18.1.1	Barrier Arm Operator - Replace	20	1	\$6,570				
18.1.2	Entrance Access Keypad - Replace	12	9	\$9,590				
TOTAL EXPENDED BY YEAR				\$23,160	\$150,300	\$103,380	\$41,680	\$68,690
CARRY OVER RESERVES				\$322,508	\$368,348	\$287,048	\$252,668	\$279,988
ANNUAL RESERVE CONTRIB				\$69,000	\$69,000	\$69,000	\$69,000	\$69,000
RESERVE EXPENDITURES				\$23,160	\$150,300	\$103,380	\$41,680	\$68,690
ACCUMULATED RESERVES				\$368,348	\$287,048	\$252,668	\$279,988	\$280,298
INTEREST EARNED				\$0	\$0	\$0	\$0	\$0
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$368,348	\$287,048	\$252,668	\$279,988	\$280,298
STUDY YEAR				21 (2038)	22 (2039)	23 (2040)	24 (2041)	25 (2042)

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Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH CONSTANT DOLLARS

PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	26 2043	27 2044	28 2045	29 2046	30 2047
2.6.1	Asphalt - Overlay Phase 1	50	12					
2.6.2	Asphalt - Overlay Phase 2	50	17					
2.6.3	Asphalt - Overlay Phase 3	50	22					
2.6.4	Asphalt - Major Repairs	5	9				\$25,470	
2.8.1	Playground - Replace	22	5		\$4,200			
6.1.1	Clubhouse Gazebo - Replace	18	0					
6.1.2	Workshop Gazebo - Replace	18	15					
6.1.3	Memorial Park Gazebo - Replace	18	6					
6.2.1	Building Major Repair - Contingency	7	2					\$21,800
7.3.2	Clubhouse Gutters - Replace	20	9				\$3,720	
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3					
7.4.3	Office Comp. Shingle Roof - Replace	20	11					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					
8.3.1	Maintenance Roll Up Door - Replace	24	8					
9.6.1	Fitness Center Carpet - Replace	8	2	\$5,470				
9.6.2	Office Carpet - Replace	8	7					
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4			\$4,950		
9.8.2	Clubhouse Interior Surfaces - Paint	10	8			\$10,510		
9.8.3	Office Interior Surfaces - Paint	8	6					\$3,370
11.1.1	John Deere 990 Tractor - Replace	12	3		\$7,900			
11.1.2	John Deere 990 Bucket - Replace	12	3		\$1,050			
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3		\$1,310			
11.1.4	Ford Diesel Stakebed - Replace	10	9				\$15,000	
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0			\$7,000		
11.1.6	Toro Riding Mower - Replace	7	1				\$3,710	
11.1.7	Rankin Brush Hog - Replace	20	3					
11.1.8	Snow Plow Attachment - Replace	15	3					
11.1.9	Salt Spreader - Replace	15	5					
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					
12.1.1	Fitness Equipment - Contingency	2	1					
12.1.2	Clubhouse Wood Furnishings - Update	14	3					
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4					
12.1.4	Clubhouse Electronics - Upgrade	10	5					
12.1.5	Clubhouse Piano - Replace	25	8					
12.1.6	Clubhouse Restrooms - Update	25	5					\$4,300
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					
12.1.9	Clubhouse Blinds - Replace	12	11					
12.1.10	Clubhouse Millwork - Replace	25	8					
12.1.11	Clubhouse Countertops - Replace	25	8					
12.2.1	Pool Restrooms - Update	25	17					
12.2.2	Pool Showers - Update	18	1					
13.2.1	Pool - Paint Surface	8	8					
13.2.2	Pool & Wading Pool - Resurface	12	3		\$16,480			
13.2.4	Pool Deck - Recoat	7	5	\$2,310				
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2					
15.3.2	Pool Dehumidifier - Replace	10	10					\$126,990
15.3.3	Pool Heat Pump #1 - Replace	14	6					
15.3.4	Pool Heat Pump #2 - Replace	14	11					
15.4.1	Shoreline Berm - Major Repairs	30	29				\$53,670	
15.4.2	Site Drainage - Major Improvements	25	25					
15.5.1	Septic System - Major Repairs	25	23					
15.6.1	Clubhouse Furnace - Replace	18	11				\$3,310	
15.6.2	Clubhouse Split System - Replace	10	3					
18.1.1	Barrier Arm Operator - Replace	20	1					
18.1.2	Entrance Access Keypad - Replace	12	9					
TOTAL EXPENDED BY YEAR				\$7,780	\$30,940	\$22,460	\$104,880	\$156,460
CARRY OVER RESERVES				\$280,298	\$341,518	\$379,578	\$426,118	\$390,238
ANNUAL RESERVE CONTRIB				\$69,000	\$69,000	\$69,000	\$69,000	\$69,000
RESERVE EXPENDITURES				\$7,780	\$30,940	\$22,460	\$104,880	\$156,460
ACCUMULATED RESERVES				\$341,518	\$379,578	\$426,118	\$390,238	\$302,778
INTEREST EARNED				\$0	\$0	\$0	\$0	\$0
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$341,518	\$379,578	\$426,118	\$390,238	\$302,778
STUDY YEAR				26 (2043)	27 (2044)	28 (2045)	29 (2046)	30 (2047)

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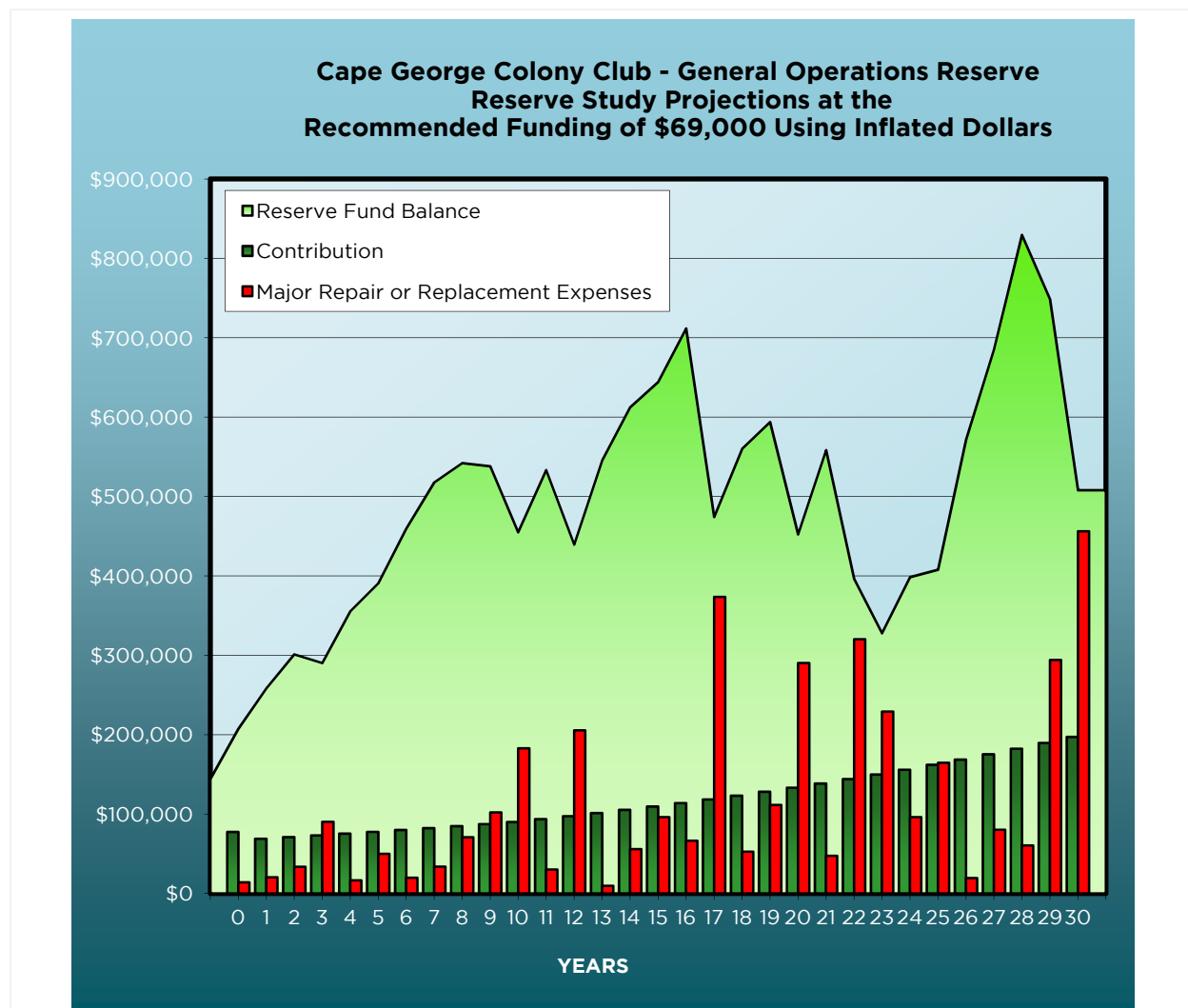
Reserve Study Projections using Inflated Dollar Values

Below is a graph depicting the projected fiscal year end reserve fund balance over 30 years, the annual contribution and the anticipated yearly major repair or replacement expenses.

The year-end reserve fund balance is shown as a line graph in bright green. Our recommended funding plan is a threshold funding plan which ensures that the reserve account balance does not dip below a designated “threshold”, which is set to one year’s contribution to reserves while also maintaining the percent funded between 46% and 70%.

The annual reserve fund contributions are shown as green bars. This chart depicts the annual contribution inflated each year, so the contributions gradually increase over the 30 year timeline of the study from the initial contribution of \$69,000.

The anticipated yearly major repair or replacement expenses are shown as red bars, clearly illustrating the anticipated expenses over the next 30 years.





**Reserve Study Projections at the Starting Recommended Funding of \$69,000
Using Inflated Dollar Values**



Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH INFLATED DOLLARS
PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	1 2018	2 2019	3 2020	4 2021	5 2022
2.6.1	Asphalt - Overlay Phase 1	50	12					
2.6.2	Asphalt - Overlay Phase 2	50	17					
2.6.3	Asphalt - Overlay Phase 3	50	22					
2.6.4	Asphalt - Major Repairs	5	9					
2.8.1	Playground - Replace	22	5					\$4,822
6.1.1	Clubhouse Gazebo - Replace	18	0					
6.1.2	Workshop Gazebo - Replace	18	15					
6.1.3	Memorial Park Gazebo - Replace	18	6					
6.2.1	Building Major Repair - Contingency	7	2		\$22,903			
7.3.2	Clubhouse Gutters - Replace	20	9					
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					\$3,731
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3			\$36,175		
7.4.3	Office Comp. Shingle Roof - Replace	20	11					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					\$6,750
8.3.1	Maintenance Roll Up Door - Replace	24	8					
9.6.1	Fitness Center Carpet - Replace	8	2		\$5,747			
9.6.2	Office Carpet - Replace	8	7					
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4				\$5,517	
9.8.2	Clubhouse Interior Surfaces - Paint	10	8					
9.8.3	Office Interior Surfaces - Paint	8	6					
11.1.1	John Deere 990 Tractor - Replace	12	3			\$8,549		
11.1.2	John Deere 990 Bucket - Replace	12	3			\$1,136		
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3			\$1,418		
11.1.4	Ford Diesel Stakebed - Replace	10	9					
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0					
11.1.6	Toro Riding Mower - Replace	7	1	\$3,784				
11.1.7	Rankin Brush Hog - Replace	20	3			\$4,718		
11.1.8	Snow Plow Attachment - Replace	15	3			\$4,967		
11.1.9	Salt Spreader - Replace	15	5					\$7,910
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					
12.1.1	Fitness Equipment - Contingency	2	1	\$3,570		\$3,787		\$4,018
12.1.2	Clubhouse Wood Furnishings - Update	14	3			\$4,534		
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4				\$11,001	
12.1.4	Clubhouse Electronics - Upgrade	10	5					\$9,460
12.1.5	Clubhouse Piano - Replace	25	8					
12.1.6	Clubhouse Restrooms - Update	25	5					\$4,936
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					\$5,551
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					
12.1.9	Clubhouse Blinds - Replace	12	11					
12.1.10	Clubhouse Millwork - Replace	25	8					
12.1.11	Clubhouse Countertops - Replace	25	8					
12.2.1	Pool Restrooms - Update	25	17					
12.2.2	Pool Showers - Update	18	1	\$6,324				
13.2.1	Pool - Paint Surface	8	8					
13.2.2	Pool & Wading Pool - Resurface	12	3			\$17,833		
13.2.4	Pool Deck - Recoat	7	5					\$2,652
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2		\$5,053			
15.3.2	Pool Dehumidifier - Replace	10	10					
15.3.3	Pool Heat Pump #1 - Replace	14	6					
15.3.4	Pool Heat Pump #2 - Replace	14	11					
15.4.1	Shoreline Berm - Major Repairs	30	29					
15.4.2	Site Drainage - Major Improvements	25	25					
15.5.1	Septic System - Major Repairs	25	23					
15.6.1	Clubhouse Furnace - Replace	18	11					
15.6.2	Clubhouse Split System - Replace	10	3			\$6,990		
18.1.1	Barrier Arm Operator - Replace	20	1	\$6,701				
18.1.2	Entrance Access Keypad - Replace	12	9					
TOTAL EXPENDED BY YEAR				\$20,380	\$33,703	\$90,108	\$16,518	\$49,830
CARRY OVER RESERVES				\$207,463	\$258,401	\$301,310	\$290,261	\$355,535
ANNUAL RESERVE CONTRIB				\$69,000	\$71,070	\$73,202	\$75,398	\$77,660
RESERVE EXPENDITURES				\$20,380	\$33,703	\$90,108	\$16,518	\$49,830
ACCUMULATED RESERVES				\$256,083	\$295,768	\$284,404	\$349,141	\$383,365
INTEREST EARNED				\$2,318	\$5,542	\$5,857	\$6,394	\$7,389
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$258,401	\$301,310	\$290,261	\$355,535	\$390,754
YEARS				0-1	2-10	11-30		
CONTRIBUTION INFLATION				0%	3%	4%		
COMPONENT COMPOUND INFLATION				2%	3%	4%	102%	105%
INTEREST RATE MULTIPLIER				1%	2%	3%	108%	111%
							115%	115%
							2%	2%

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Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH INFLATED DOLLARS
PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	6 2023	7 2024	8 2025	9 2026	10 2027
2.6.1	Asphalt - Overlay Phase 1	50	12					
2.6.2	Asphalt - Overlay Phase 2	50	17					
2.6.3	Asphalt - Overlay Phase 3	50	22					
2.6.4	Asphalt - Major Repairs	5	9				\$32,910	
2.8.1	Playground - Replace	22	5					
6.1.1	Clubhouse Gazebo - Replace	18	0					
6.1.2	Workshop Gazebo - Replace	18	15					
6.1.3	Memorial Park Gazebo - Replace	18	6	\$4,139				
6.2.1	Building Major Repair - Contingency	7	2				\$28,168	
7.3.2	Clubhouse Gutters - Replace	20	9				\$4,807	
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3					
7.4.3	Office Comp. Shingle Roof - Replace	20	11					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					
8.3.1	Maintenance Roll Up Door - Replace	24	8			\$3,776		
9.6.1	Fitness Center Carpet - Replace	8	2					\$7,280
9.6.2	Office Carpet - Replace	8	7		\$20,936			
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4					\$6,588
9.8.2	Clubhouse Interior Surfaces - Paint	10	8			\$13,184		
9.8.3	Office Interior Surfaces - Paint	8	6	\$3,985				
11.1.1	John Deere 990 Tractor - Replace	12	3					
11.1.2	John Deere 990 Bucket - Replace	12	3					
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3					
11.1.4	Ford Diesel Stakebed - Replace	10	9				\$19,382	
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0		\$8,526			
11.1.6	Toro Riding Mower - Replace	7	1			\$4,654		
11.1.7	Rankin Brush Hog - Replace	20	3					
11.1.8	Snow Plow Attachment - Replace	15	3					
11.1.9	Salt Spreader - Replace	15	5					
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					
12.1.1	Fitness Equipment - Contingency	2	1		\$4,263		\$4,522	
12.1.2	Clubhouse Wood Furnishings - Update	14	3					
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4					
12.1.4	Clubhouse Electronics - Upgrade	10	5					
12.1.5	Clubhouse Piano - Replace	25	8			\$7,201		
12.1.6	Clubhouse Restrooms - Update	25	5					
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					
12.1.9	Clubhouse Blinds - Replace	12	11					
12.1.10	Clubhouse Millwork - Replace	25	8			\$17,901		
12.1.11	Clubhouse Countertops - Replace	25	8			\$8,229		
12.2.1	Pool Restrooms - Update	25	17					
12.2.2	Pool Showers - Update	18	1					
13.2.1	Pool - Paint Surface	8	8			\$15,944		
13.2.2	Pool & Wading Pool - Resurface	12	3					
13.2.4	Pool Deck - Recoat	7	5					
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2					
15.3.2	Pool Dehumidifier - Replace	10	10					\$169,007
15.3.3	Pool Heat Pump #1 - Replace	14	6	\$11,600				
15.3.4	Pool Heat Pump #2 - Replace	14	11					
15.4.1	Shoreline Berm - Major Repairs	30	29					
15.4.2	Site Drainage - Major Improvements	25	25					
15.5.1	Septic System - Major Repairs	25	23					
15.6.1	Clubhouse Furnace - Replace	18	11					
15.6.2	Clubhouse Split System - Replace	10	3					
18.1.1	Barrier Arm Operator - Replace	20	1					
18.1.2	Entrance Access Keypad - Replace	12	9				\$12,391	
TOTAL EXPENDED BY YEAR				\$19,723	\$33,725	\$70,890	\$102,180	\$182,875
CARRY OVER RESERVES				\$390,754	\$459,439	\$517,779	\$542,245	\$538,170
ANNUAL RESERVE CONTRIB				\$79,990	\$82,390	\$84,861	\$87,407	\$90,029
RESERVE EXPENDITURES				\$19,723	\$33,725	\$70,890	\$102,180	\$182,875
ACCUMULATED RESERVES				\$451,021	\$508,104	\$531,750	\$527,473	\$445,325
INTEREST EARNED				\$8,418	\$9,675	\$10,495	\$10,697	\$9,835
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$459,439	\$517,779	\$542,245	\$538,170	\$455,160
YEARS				0-1	2-10	11-30		
CONTRIBUTION INFLATION				0%	3%	4%		3%
COMPONENT COMPOUND INFLATION				2%	3%	4%		133%
INTEREST RATE MULTIPLIER				1%	2%	3%		2%

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Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH INFLATED DOLLARS
PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	11 2028	12 2029	13 2030	14 2031	15 2032	
2.6.1	Asphalt - Overlay Phase 1	50	12		\$202,159				
2.6.2	Asphalt - Overlay Phase 2	50	17						
2.6.3	Asphalt - Overlay Phase 3	50	22						
2.6.4	Asphalt - Major Repairs	5	9				\$39,655		
2.8.1	Playground - Replace	22	5						
6.1.1	Clubhouse Gazebo - Replace	18	0						
6.1.2	Workshop Gazebo - Replace	18	15					\$5,667	
6.1.3	Memorial Park Gazebo - Replace	18	6						
6.2.1	Building Major Repair - Contingency	7	2						
7.3.2	Clubhouse Gutters - Replace	20	9						
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5						
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3						
7.4.3	Office Comp. Shingle Roof - Replace	20	11	\$5,135					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5						
8.3.1	Maintenance Roll Up Door - Replace	24	8						
9.6.1	Fitness Center Carpet - Replace	8	2						
9.6.2	Office Carpet - Replace	8	7					\$27,834	
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4						
9.8.2	Clubhouse Interior Surfaces - Paint	10	8						
9.8.3	Office Interior Surfaces - Paint	8	6				\$5,247		
11.1.1	John Deere 990 Tractor - Replace	12	3					\$12,792	
11.1.2	John Deere 990 Bucket - Replace	12	3					\$1,700	
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3					\$2,121	
11.1.4	Ford Diesel Stakebed - Replace	10	9						
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0				\$10,898		
11.1.6	Toro Riding Mower - Replace	7	1					\$6,007	
11.1.7	Rankin Brush Hog - Replace	20	3						
11.1.8	Snow Plow Attachment - Replace	15	3						
11.1.9	Salt Spreader - Replace	15	5						
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0						
12.1.1	Fitness Equipment - Contingency	2	1						
12.1.2	Clubhouse Wood Furnishings - Update	14	3						
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4						
12.1.4	Clubhouse Electronics - Upgrade	10	5					\$13,342	
12.1.5	Clubhouse Piano - Replace	25	8						
12.1.6	Clubhouse Restrooms - Update	25	5						
12.1.7	Clubhouse Restroom Partitions - Replace	30	5						
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25						
12.1.9	Clubhouse Blinds - Replace	12	11	\$6,851					
12.1.10	Clubhouse Millwork - Replace	25	8						
12.1.11	Clubhouse Countertops - Replace	25	8						
12.2.1	Pool Restrooms - Update	25	17						
12.2.2	Pool Showers - Update	18	1						
13.2.1	Pool - Paint Surface	8	8						
13.2.2	Pool & Wading Pool - Resurface	12	3					\$26,685	
13.2.4	Pool Deck - Recoat	7	5		\$3,325				
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2						
15.3.2	Pool Dehumidifier - Replace	10	10						
15.3.3	Pool Heat Pump #1 - Replace	14	6						
15.3.4	Pool Heat Pump #2 - Replace	14	11	\$13,578					
15.4.1	Shoreline Berm - Major Repairs	30	29						
15.4.2	Site Drainage - Major Improvements	25	25						
15.5.1	Septic System - Major Repairs	25	23						
15.6.1	Clubhouse Furnace - Replace	18	11	\$4,581					
15.6.2	Clubhouse Split System - Replace	10	3				\$9,671		
18.1.1	Barrier Arm Operator - Replace	20	1						
18.1.2	Entrance Access Keypad - Replace	12	9						
TOTAL EXPENDED BY YEAR				\$30,146	\$205,484	\$9,671	\$55,800	\$96,148	
CARRY OVER RESERVES				\$455,160	\$533,251	\$439,519	\$545,679	\$612,313	
ANNUAL RESERVE CONTRIB				\$93,631	\$97,376	\$101,271	\$105,322	\$109,534	
RESERVE EXPENDITURES				\$30,146	\$205,484	\$9,671	\$55,800	\$96,148	
ACCUMULATED RESERVES				\$518,644	\$425,143	\$531,119	\$595,200	\$625,699	
INTEREST EARNED				\$14,607	\$14,376	\$14,560	\$17,113	\$18,570	
SPECIAL ASSESSMENT									
YEAR-END BALANCE				\$533,251	\$439,519	\$545,679	\$612,313	\$644,269	
YEARS		0-1	2-10	11-30	11 (2028)	12 (2029)	13 (2030)	14 (2031)	15 (2032)
CONTRIBUTION INFLATION		0%	3%	4%	4%	4%	4%	4%	4%
COMPONENT COMPOUND INFLATION		2%	3%	4%	138%	144%	150%	156%	162%
INTEREST RATE MULTIPLIER		1%	2%	3%	3%	3%	3%	3%	3%

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Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH INFLATED DOLLARS
PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	16 2033	17 2034	18 2035	19 2036	20 2037
2.6.1	Asphalt - Overlay Phase 1	50	12					
2.6.2	Asphalt - Overlay Phase 2	50	17		\$360,319			
2.6.3	Asphalt - Overlay Phase 3	50	22					
2.6.4	Asphalt - Major Repairs	5	9				\$48,246	
2.8.1	Playground - Replace	22	5					
6.1.1	Clubhouse Gazebo - Replace	18	0			\$6,375		
6.1.2	Workshop Gazebo - Replace	18	15					
6.1.3	Memorial Park Gazebo - Replace	18	6					
6.2.1	Building Major Repair - Contingency	7	2	\$36,711				
7.3.2	Clubhouse Gutters - Replace	20	9					
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3					
7.4.3	Office Comp. Shingle Roof - Replace	20	11					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					
8.3.1	Maintenance Roll Up Door - Replace	24	8					
9.6.1	Fitness Center Carpet - Replace	8	2			\$9,963		
9.6.2	Office Carpet - Replace	8	7					
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4	\$8,336				
9.8.2	Clubhouse Interior Surfaces - Paint	10	8			\$19,143		
9.8.3	Office Interior Surfaces - Paint	8	6					
11.1	John Deere 990 Tractor - Replace	12	3					
11.1.2	John Deere 990 Bucket - Replace	12	3					
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3					
11.1.4	Ford Diesel Stakebed - Replace	10	9				\$28,414	
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0					
11.1.6	Toro Riding Mower - Replace	7	1					
11.1.7	Rankin Brush Hog - Replace	20	3					
11.1.8	Snow Plow Attachment - Replace	15	3			\$8,360		
11.1.9	Salt Spreader - Replace	15	5					\$13,573
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					\$7,171
12.1.1	Fitness Equipment - Contingency	2	1					
12.1.2	Clubhouse Wood Furnishings - Update	14	3		\$7,338			
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4				\$18,696	
12.1.4	Clubhouse Electronics - Upgrade	10	5					
12.1.5	Clubhouse Piano - Replace	25	8					
12.1.6	Clubhouse Restrooms - Update	25	5					
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					
12.1.9	Clubhouse Blinds - Replace	12	11					
12.1.10	Clubhouse Millwork - Replace	25	8					
12.1.11	Clubhouse Countertops - Replace	25	8					
12.2.1	Pool Restrooms - Update	25	17		\$5,902			
12.2.2	Pool Showers - Update	18	1				\$11,744	
13.2.1	Pool - Paint Surface	8	8	\$21,403				
13.2.2	Pool & Wading Pool - Resurface	12	3					
13.2.4	Pool Deck - Recoat	7	5				\$4,376	
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2			\$8,761		
15.3.2	Pool Dehumidifier - Replace	10	10					\$250,172
15.3.3	Pool Heat Pump #1 - Replace	14	6					\$19,326
15.3.4	Pool Heat Pump #2 - Replace	14	11					
15.4.1	Shoreline Berm - Major Repairs	30	29					
15.4.2	Site Drainage - Major Improvements	25	25					
15.5.1	Septic System - Major Repairs	25	23					
15.6.1	Clubhouse Furnace - Replace	18	11					
15.6.2	Clubhouse Split System - Replace	10	3					
18.1.1	Barrier Arm Operator - Replace	20	1					
18.1.2	Entrance Access Keypad - Replace	12	9					
TOTAL EXPENDED BY YEAR				\$66,450	\$373,559	\$52,602	\$111,476	\$290,242
CARRY OVER RESERVES				\$644,269	\$711,776	\$474,216	\$560,111	\$593,828
ANNUAL RESERVE CONTRIB				\$113,916	\$118,472	\$123,211	\$128,140	\$133,265
RESERVE EXPENDITURES				\$66,450	\$373,559	\$52,602	\$111,476	\$290,242
ACCUMULATED RESERVES				\$691,736	\$456,689	\$544,826	\$576,775	\$436,852
INTEREST EARNED				\$20,040	\$17,527	\$15,286	\$17,053	\$15,460
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$711,776	\$474,216	\$560,111	\$593,828	\$452,312
YEARS	0-1	2-10	11-30	16 (2033)	17 (2034)	18 (2035)	19 (2036)	20 (2037)
CONTRIBUTION INFLATION	0%	3%	4%	4%	4%	4%	4%	4%
COMPONENT COMPOUND INFLATION	2%	3%	4%	168%	175%	182%	189%	197%
INTEREST RATE MULTIPLIER	1%	2%	3%	3%	3%	3%	3%	3%

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Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH INFLATED DOLLARS
PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	21 2038	22 2039	23 2040	24 2041	25 2042
2.6.1	Asphalt - Overlay Phase 1	50	12					
2.6.2	Asphalt - Overlay Phase 2	50	17					
2.6.3	Asphalt - Overlay Phase 3	50	22		\$294,621			
2.6.4	Asphalt - Major Repairs	5	9				\$58,699	
2.8.1	Playground - Replace	22	5					
6.1.1	Clubhouse Gazebo - Replace	18	0					
6.1.2	Workshop Gazebo - Replace	18	15					
6.1.3	Memorial Park Gazebo - Replace	18	6				\$8,066	
6.2.1	Building Major Repair - Contingency	7	2			\$48,309		
7.3.2	Clubhouse Gutters - Replace	20	9					
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					\$7,790
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3			\$74,081		
7.4.3	Office Comp. Shingle Roof - Replace	20	11					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					\$14,093
8.3.1	Maintenance Roll Up Door - Replace	24	8					
9.6.1	Fitness Center Carpet - Replace	8	2					
9.6.2	Office Carpet - Replace	8	7			\$38,093		
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4		\$10,547			
9.8.2	Clubhouse Interior Surfaces - Paint	10	8					
9.8.3	Office Interior Surfaces - Paint	8	6		\$7,181			
11.1.1	John Deere 990 Tractor - Replace	12	3					
11.1.2	John Deere 990 Bucket - Replace	12	3					
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3					
11.1.4	Ford Diesel Stakebed - Replace	10	9					
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0	\$14,342				
11.1.6	Toro Riding Mower - Replace	7	1		\$7,905			
11.1.7	Rankin Brush Hog - Replace	20	3			\$9,662		
11.1.8	Snow Plow Attachment - Replace	15	3					
11.1.9	Salt Spreader - Replace	15	5					
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					
12.1.1	Fitness Equipment - Contingency	2	1					
12.1.2	Clubhouse Wood Furnishings - Update	14	3					
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4					
12.1.4	Clubhouse Electronics - Upgrade	10	5					\$19,750
12.1.5	Clubhouse Piano - Replace	25	8					
12.1.6	Clubhouse Restrooms - Update	25	5					
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					\$61,143
12.1.9	Clubhouse Blinds - Replace	12	11			\$10,969		
12.1.10	Clubhouse Millwork - Replace	25	8					
12.1.11	Clubhouse Countertops - Replace	25	8					
12.2.1	Pool Restrooms - Update	25	17					
12.2.2	Pool Showers - Update	18	1					
13.2.1	Pool - Paint Surface	8	8				\$29,292	
13.2.2	Pool & Wading Pool - Resurface	12	3					
13.2.4	Pool Deck - Recoat	7	5					
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2					
15.3.2	Pool Dehumidifier - Replace	10	10					
15.3.3	Pool Heat Pump #1 - Replace	14	6					
15.3.4	Pool Heat Pump #2 - Replace	14	11					\$23,513
15.4.1	Shoreline Berm - Major Repairs	30	29					
15.4.2	Site Drainage - Major Improvements	25	25					\$38,349
15.5.1	Septic System - Major Repairs	25	23			\$33,661		
15.6.1	Clubhouse Furnace - Replace	18	11					
15.6.2	Clubhouse Split System - Replace	10	3			\$14,315		
18.1.1	Barrier Arm Operator - Replace	20	1	\$13,461				
18.1.2	Entrance Access Keypad - Replace	12	9	\$19,648				
TOTAL EXPENDED BY YEAR				\$47,450	\$320,254	\$229,089	\$96,057	\$164,638
CARRY OVER RESERVES				\$452,312	\$558,394	\$396,391	\$327,911	\$398,490
ANNUAL RESERVE CONTRIB				\$138,596	\$144,140	\$149,905	\$155,902	\$162,138
RESERVE EXPENDITURES				\$47,450	\$320,254	\$229,089	\$96,057	\$164,638
ACCUMULATED RESERVES				\$543,458	\$382,280	\$317,207	\$387,755	\$395,990
INTEREST EARNED				\$14,937	\$14,110	\$10,704	\$10,735	\$11,917
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$558,394	\$396,391	\$327,911	\$398,490	\$407,908
YEARS				0-1	2-10	11-30		
CONTRIBUTION INFLATION				0%	3%	4%		
COMPONENT COMPOUND INFLATION				2%	3%	4%		
INTEREST RATE MULTIPLIER				1%	2%	3%		
				21 (2038)	22 (2039)	23 (2040)	24 (2041)	25 (2042)
				4%	4%	4%	4%	4%
				205%	213%	222%	230%	240%
				3%	3%	3%	3%	3%

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Cape George Colony Club - General Operations Reserve

Reserve Study Projections at Recommended Funding of \$69,000

Reserve Consultants LLC

30-YEAR SPREADSHEET WITH INFLATED DOLLARS
PER YEAR EXPENSES IN 2017 DOLLARS

DATE: 10-Aug-17

#	COMPONENT NAME	REPAIR CYCLE	NEXT REPAIR	26 2043	27 2044	28 2045	29 2046	30 2047
2.6.1	Asphalt - Overlay Phase 1	50	12					
2.6.2	Asphalt - Overlay Phase 2	50	17					
2.6.3	Asphalt - Overlay Phase 3	50	22					
2.6.4	Asphalt - Major Repairs	5	9				\$71,416	
2.8.1	Playground - Replace	22	5		\$10,888			
6.1.1	Clubhouse Gazebo - Replace	18	0					
6.1.2	Workshop Gazebo - Replace	18	15					
6.1.3	Memorial Park Gazebo - Replace	18	6					
6.2.1	Building Major Repair - Contingency	7	2					\$63,571
7.3.2	Clubhouse Gutters - Replace	20	9				\$10,431	
7.4.1	Maint. Comp. Shingle Roof - Replace	20	5					
7.4.2	Clubhouse Comp. Shingle Roof - Replace	20	3					
7.4.3	Office Comp. Shingle Roof - Replace	20	11					
7.4.4	Workshop Comp. Shingle Roof - Replace	20	5					
8.3.1	Maintenance Roll Up Door - Replace	24	8					
9.6.1	Fitness Center Carpet - Replace	8	2	\$13,635				
9.6.2	Office Carpet - Replace	8	7					
9.8.1	Clubhouse Exterior Surfaces - Paint	6	4			\$13,346		
9.8.2	Clubhouse Interior Surfaces - Paint	10	8			\$28,336		
9.8.3	Office Interior Surfaces - Paint	8	6					\$9,827
11.1.1	John Deere 990 Tractor - Replace	12	3		\$20,480			
11.1.2	John Deere 990 Bucket - Replace	12	3		\$2,722			
11.1.3	John Deere 990, 8B Backhoe - Replace	12	3		\$3,396			
11.1.4	Ford Diesel Stakebed - Replace	10	9				\$42,059	
11.1.5	Ford Ranger XLT 1/2 Ton - Replace	7	0			\$18,873		
11.1.6	Toro Riding Mower - Replace	7	1				\$10,403	
11.1.7	Rankin Brush Hog - Replace	20	3					
11.1.8	Snow Plow Attachment - Replace	15	3					
11.1.9	Salt Spreader - Replace	15	5					
11.4.1	Clubhouse Dish Sanitizer - Replace	20	0					
12.1.1	Fitness Equipment - Contingency	2	1					
12.1.2	Clubhouse Wood Furnishings - Update	14	3					
12.1.3	Clubhouse Upholstered Furnishings - Update	15	4					
12.1.4	Clubhouse Electronics - Upgrade	10	5					
12.1.5	Clubhouse Piano - Replace	25	8					
12.1.6	Clubhouse Restrooms - Update	25	5					\$12,539
12.1.7	Clubhouse Restroom Partitions - Replace	30	5					
12.1.8	Clubhouse Vinyl Tile Flooring - Replace	25	25					
12.1.9	Clubhouse Blinds - Replace	12	11					
12.1.10	Clubhouse Millwork - Replace	25	8					
12.1.11	Clubhouse Countertops - Replace	25	8					
12.2.1	Pool Restrooms - Update	25	17					
12.2.2	Pool Showers - Update	18	1					
13.2.1	Pool - Paint Surface	8	8					
13.2.2	Pool & Wading Pool - Resurface	12	3		\$42,723			
13.2.4	Pool Deck - Recoat	7	5	\$5,758				
15.3.1	Pool 250K BTU Heaters - Major Repair	16	2					
15.3.2	Pool Dehumidifier - Replace	10	10					\$370,315
15.3.3	Pool Heat Pump #1 - Replace	14	6					
15.3.4	Pool Heat Pump #2 - Replace	14	11					
15.4.1	Shoreline Berm - Major Repairs	30	29				\$150,487	
15.4.2	Site Drainage - Major Improvements	25	25					
15.5.1	Septic System - Major Repairs	25	23					
15.6.1	Clubhouse Furnace - Replace	18	11				\$9,281	
15.6.2	Clubhouse Split System - Replace	10	3					
18.1.1	Barrier Arm Operator - Replace	20	1					
18.1.2	Entrance Access Keypad - Replace	12	9					
TOTAL EXPENDED BY YEAR				\$19,393	\$80,209	\$60,554	\$294,077	\$456,253
CARRY OVER RESERVES				\$407,908	\$571,613	\$685,349	\$829,565	\$748,487
ANNUAL RESERVE CONTRIB				\$168,623	\$175,368	\$182,383	\$189,678	\$197,265
RESERVE EXPENDITURES				\$19,393	\$80,209	\$60,554	\$294,077	\$456,253
ACCUMULATED RESERVES				\$557,138	\$666,773	\$807,177	\$725,166	\$489,500
INTEREST EARNED				\$14,476	\$18,576	\$22,388	\$23,321	\$18,570
SPECIAL ASSESSMENT								
YEAR-END BALANCE				\$571,613	\$685,349	\$829,565	\$748,487	\$508,070
YEARS	0-1	2-10	11-30	26 (2043)	27 (2044)	28 (2045)	29 (2046)	30 (2047)
CONTRIBUTION INFLATION	0%	3%	4%	4%	4%	4%	4%	4%
COMPONENT COMPOUND INFLATION	2%	3%	4%	249%	259%	270%	280%	292%
INTEREST RATE MULTIPLIER	1%	2%	3%	3%	3%	3%	3%	3%

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30 Year Summary at the Starting Recommended Funding of \$69,000 Using Inflated Dollar Values

Inflation & Interest Assumptions						Percent Funded			
		Inflation	Interest						
		Years 0-1	0%	1%			Fully Funded		100% and above
		Years 2-10	3%	2%			Well Funded		60% 99%
		Years 11-30	4%	3%			Adequately Funded		25% to 59%
							At Risk for Special Assessment		0% to 24%
Fiscal Year End	Fiscal Year Beginning Reserve Balance	Recommended Annual Reserve Contribution	Projected Reserve Expenditures	Special Assessment	Projected Interest Earned	Fiscal Year End Reserve Balance	Projected Fully Funded Balance		% Funded
1 (2018)	\$207,463	\$69,000	(\$20,380)	\$0	\$2,318	\$258,401	\$545,466		47%
2 (2019)	\$258,401	\$71,070	(\$33,703)	\$0	\$5,542	\$301,310	\$586,374		51%
3 (2020)	\$301,310	\$73,202	(\$90,108)	\$0	\$5,857	\$290,261	\$574,939		50%
4 (2021)	\$290,261	\$75,398	(\$16,518)	\$0	\$6,394	\$355,535	\$637,086		56%
5 (2022)	\$355,535	\$77,660	(\$49,830)	\$0	\$7,389	\$390,754	\$676,006		58%
6 (2023)	\$390,754	\$79,990	(\$19,723)	\$0	\$8,418	\$459,439	\$747,669		61%
7 (2024)	\$459,439	\$82,390	(\$33,725)	\$0	\$9,675	\$517,779	\$809,876		64%
8 (2025)	\$517,779	\$84,861	(\$70,890)	\$0	\$10,495	\$542,245	\$839,699		65%
9 (2026)	\$542,245	\$87,407	(\$102,180)	\$0	\$10,697	\$538,170	\$841,991		64%
10 (2027)	\$538,170	\$90,029	(\$182,875)	\$0	\$9,835	\$455,160	\$767,557		59%
11 (2028)	\$455,160	\$93,631	(\$30,146)	\$0	\$14,607	\$533,251	\$846,734		63%
12 (2029)	\$533,251	\$97,376	(\$205,484)	\$0	\$14,376	\$439,519	\$762,769		58%
13 (2030)	\$439,519	\$101,271	(\$9,671)	\$0	\$14,560	\$545,679	\$870,764		63%
14 (2031)	\$545,679	\$105,322	(\$55,800)	\$0	\$17,113	\$612,313	\$941,333		65%
15 (2032)	\$612,313	\$109,534	(\$96,148)	\$0	\$18,570	\$644,269	\$978,785		66%
16 (2033)	\$644,269	\$113,916	(\$66,450)	\$0	\$20,040	\$711,776	\$1,050,614		68%
17 (2034)	\$711,776	\$118,472	(\$373,559)	\$0	\$17,527	\$474,216	\$828,141		57%
18 (2035)	\$474,216	\$123,211	(\$52,602)	\$0	\$15,286	\$560,111	\$915,504		61%
19 (2036)	\$560,111	\$128,140	(\$111,476)	\$0	\$17,053	\$593,828	\$952,873		62%
20 (2037)	\$593,828	\$133,265	(\$290,242)	\$0	\$15,460	\$452,312	\$820,877		55%
21 (2038)	\$452,312	\$138,596	(\$47,450)	\$0	\$14,937	\$558,394	\$926,211		60%
22 (2039)	\$558,394	\$144,140	(\$320,254)	\$0	\$14,110	\$396,391	\$773,064		51%
23 (2040)	\$396,391	\$149,905	(\$229,089)	\$0	\$10,704	\$327,911	\$708,119		46%
24 (2041)	\$327,911	\$155,902	(\$96,057)	\$0	\$10,735	\$398,490	\$776,150		51%
25 (2042)	\$398,490	\$162,138	(\$164,638)	\$0	\$11,917	\$407,908	\$785,021		52%
26 (2043)	\$407,908	\$168,623	(\$19,393)	\$0	\$14,476	\$571,613	\$942,213		61%
27 (2044)	\$571,613	\$175,368	(\$80,209)	\$0	\$18,576	\$685,349	\$1,051,861		65%
28 (2045)	\$685,349	\$182,383	(\$60,554)	\$0	\$22,388	\$829,565	\$1,191,189		70%
29 (2046)	\$829,565	\$189,678	(\$294,077)	\$0	\$23,321	\$748,487	\$1,113,410		67%
30 (2047)	\$748,487	\$197,265	(\$456,253)	\$0	\$18,570	\$508,070	\$880,040		58%

Note: The long term nature of this study requires that certain assumptions and predictions be made about future events. Since there can be no guarantee that these future events will occur as assumed, this analysis must be viewed in light of the circumstances under which it was conducted. Reasonable effort has been made to ensure that the conclusions of this report are based on reliable information and sound reasoning.



FULLY FUNDED BALANCE CALCULATIONS

RCW 64.38.070 (j) states that a reserve study shall include: “Projected reserve account balance for thirty years and a funding plan to pay for projected costs from those reserves without reliance on future unplanned special assessments”.

Furthermore, RCW 64.38.070 (e) stipulates that a reserve study shall include “The percentage of the fully funded balance that the reserve account is funded”.

“Fully funded balance” means the current value of the deteriorated portion, not the total replacement value, of all the reserve components. The fully funded balance for each reserve component is calculated by multiplying the current replacement cost of that reserve component by its effective age, then dividing the result by that reserve component’s useful life. The sum total of all reserve components’ fully funded balances is the association’s fully funded balance. RCW 64.38.010 (9)

$$FFB = \text{the sum of } \frac{\text{replacement cost} * \text{effective age}}{\text{useful life}} \text{ for all reserve components}$$

The **percent fully funded** relates to how much the building has deteriorated, or been used up, compared to the cost of making it new again. Another way of thinking of this is the percent fully funded illustrates how much you should have saved thus far to pay for the future replacement of a component, based on the replacement cost and how many years you have to save.

For example, if you have a roof that will last 10 years and cost \$100,000 to replace:

- To pay for the future replacement in 10 years, you should save \$10,000 each year to have enough money to cover the replacement cost.
- When it is 2 years old, it is 20% used up, and the Fully Funded Balance for its future replacement is \$20,000. If you have saved \$10,000 for the future replacement in 2 years, you are 50% fully funded. If you have saved \$20,000, you are 100% fully funded.
- When the roof is 8 years old it will be 80% deteriorated, and its Fully Funded Balance would be \$80,000. If you have saved only \$10,000 by Year 8 you are 13% fully funded. If you have saved \$20,000, you are at 25%, and at \$80,000 you are at 100% fully funded.

In effect the percent fully funded is a measure of how well an association can withstand the risk of unexpected expenses. Such unexpected expenses include: emergency expenses not covered by insurance, expenses that are more expensive than predicted, and expenses that are required earlier than anticipated.

A higher percent funded means more money is in the bank, and that lowers the risk of special assessment when unexpected expenses occur. A poorly funded association would have less money available for unexpected expenses, and a higher risk of a special assessment to generate the needed funds.



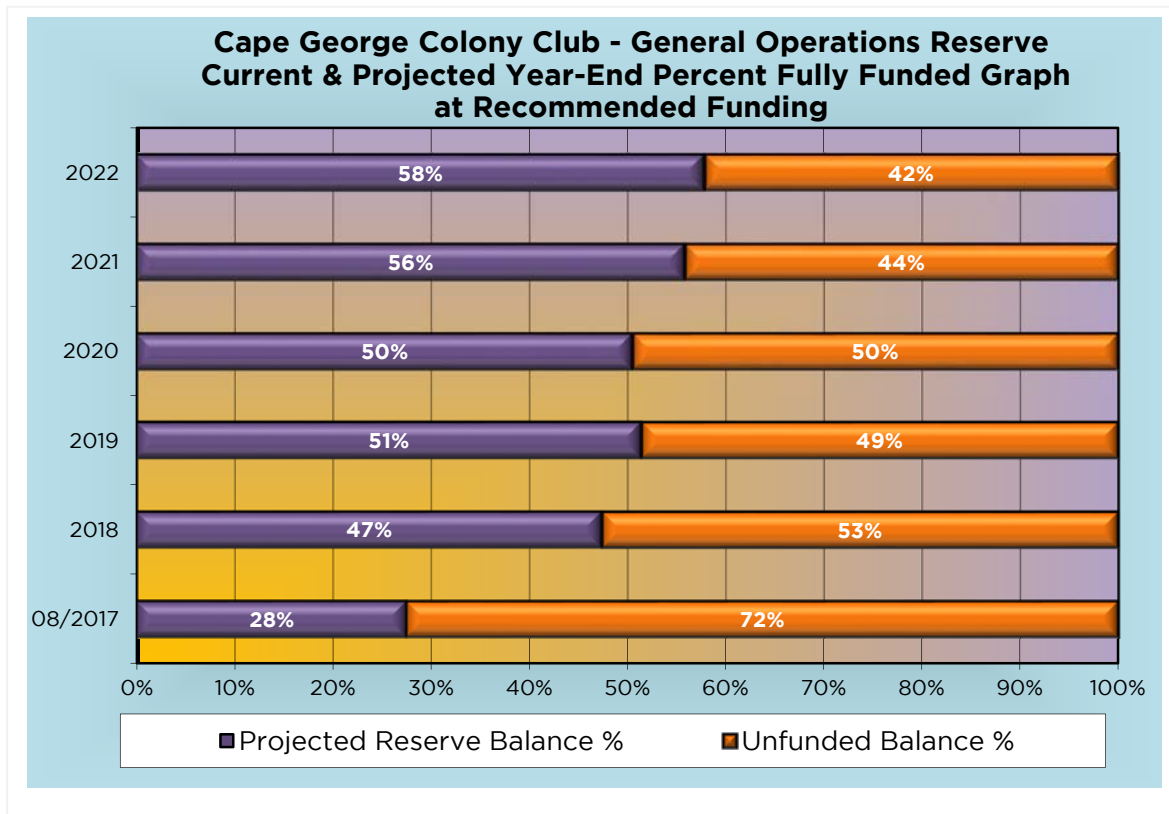
We typically recommend that an association select a minimum reserve account balance (or Threshold) it wants to maintain, and select a contribution rate to maintain that minimum rather than try to build their account to 100% fully funded. We typically recommend that an association consider a threshold equal to the recommended annual reserve contribution because this is the average major repair or replacement expense over the thirty years. However, each association must judge their unique risk tolerance.

The Fully Funded Balance for Cape George Colony Club is \$523,677. The actual current funding is \$144,018. The Association is approximately 28% funded. This means that based on a straight line savings for each reserve component, the Association saved 28% of the accumulated depreciation of the reserve components.

Percent Funded	Considered
100% or more	Fully Funded
60% to 99%	Reasonably Well Funded
25% to 59%	Adequately Funded
24% or less	At High Risk for a Special Assessment

At 28%, Cape George Colony Club is considered adequately funded.

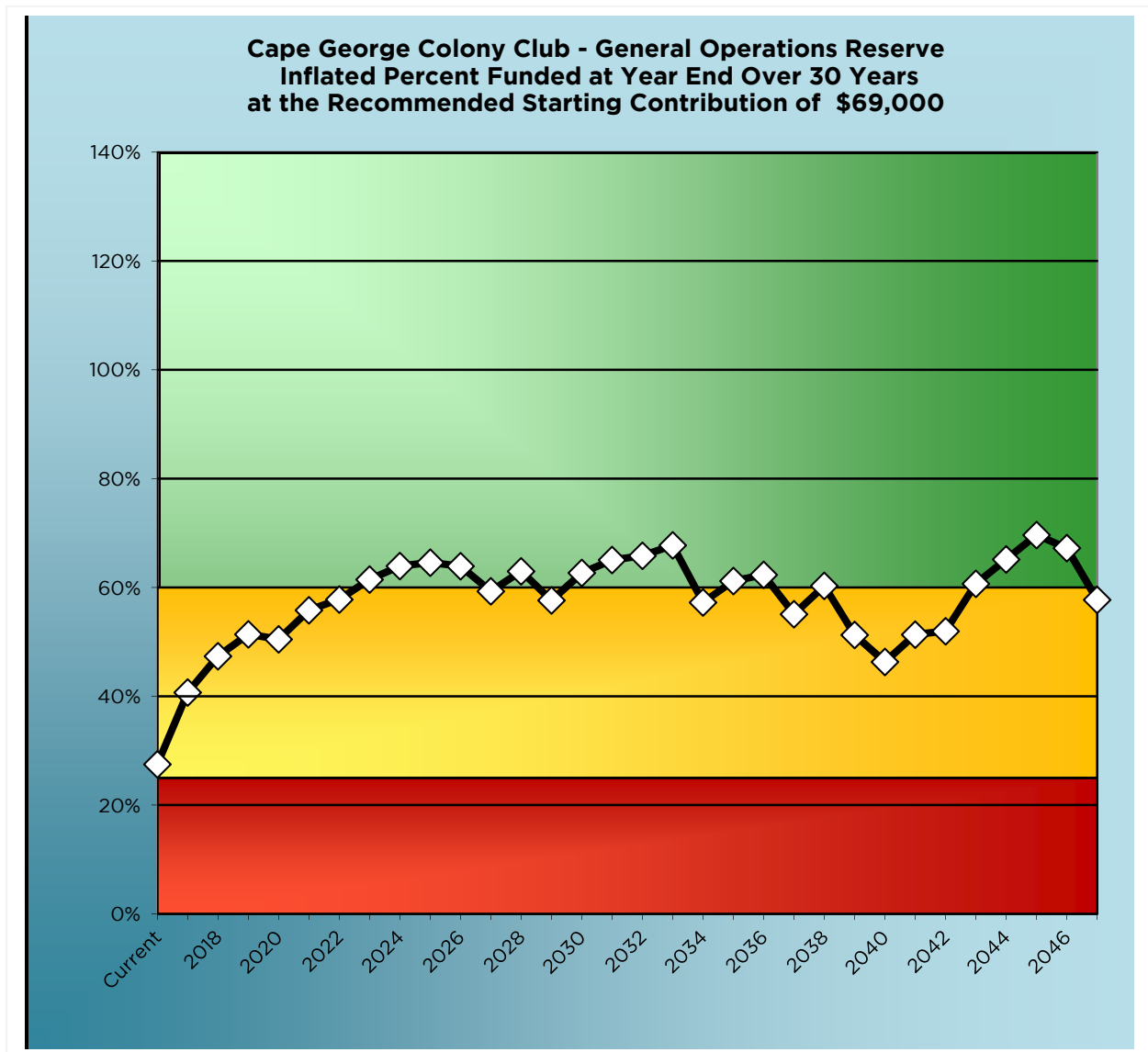
Below is a graph with the current and projected year-end percent fully funded calculated at the recommended starting annual reserve contribution of \$69,000.





The following chart illustrates the projected percent funded at year end over the next 30 years at the recommended starting contribution rate of \$69,000. The values include interest and inflation rate assumptions.

Note: The long term nature of this study requires that certain assumptions and predictions be made about future events. Since there can be no guarantee that these future events will occur as assumed, this analysis must be viewed in light of the circumstances under which it was conducted. Reasonable effort has been made to ensure that the conclusions of this report are based on reliable information and sound reasoning.





FULLY FUNDED BALANCE CALCULATION TABLE



Fully Funded Balance Calculations

Cape George Colony Club - General Operations Reserve

$$FFB = \text{the sum of } \frac{\text{replacement cost} * \text{effective age}}{\text{useful life}} \text{ for all reserve components}$$

Component Description	Quantity	Unit	Repair Cycle (Useful Life)	Remaining Useful Life	Effective Age	Current Replacement Cost	Fully Funded Balance
2.6.1 Asphalt - Overlay Phase 1	84765	SF	50	12	38	\$ 140,440	\$ 106,734
2.6.2 Asphalt - Overlay Phase 2	123974	SF	50	17	33	\$ 205,740	\$ 135,788
2.6.3 Asphalt - Overlay Phase 3	83315	SF	50	22	28	\$ 138,270	\$ 77,431
2.6.4 Asphalt - Major Repairs	292054	SF	5	9	-	\$ 25,470	\$ -
2.8.1 Playground - Replace	1	LS	22	5	17	\$ 4,200	\$ 3,245
6.1.1 Clubhouse Gazebo - Replace	1	EA	18	0	18	\$ 3,500	\$ 3,500
6.1.2 Workshop Gazebo - Replace	1	EA	18	15	3	\$ 3,500	\$ 583
6.1.3 Memorial Park Gazebo - Replace	1	EA	18	6	12	\$ 3,500	\$ 2,333
6.2.1 Building Major Repair - Contingency	1	LS	7	2	5	\$ 21,800	\$ 15,571
7.3.2 Clubhouse Gutters - Replace	525	LF	20	9	11	\$ 3,720	\$ 2,046
7.4.1 Maint. Comp. Shingle Roof - Replace	21	SQ	20	5	15	\$ 3,250	\$ 2,438
7.4.2 Clubhouse Comp. Shingle Roof - Replace	108	SQ	20	3	17	\$ 33,430	\$ 28,416
7.4.3 Office Comp. Shingle Roof - Replace	12	SQ	20	11	9	\$ 3,710	\$ 1,670
7.4.4 Workshop Comp. Shingle Roof - Replace	19	SQ	20	5	15	\$ 5,880	\$ 4,410
8.3.1 Maintenance Roll Up Door - Replace	2	EA	24	8	16	\$ 3,010	\$ 2,007
9.6.1 Fitness Center Carpet - Replace	132	SY	8	2	6	\$ 5,470	\$ 4,103
9.6.2 Office Carpet - Replace	415	SY	8	7	1	\$ 17,190	\$ 2,149
9.8.1 Clubhouse Exterior Surfaces - Paint	5682	SF	6	4	2	\$ 4,950	\$ 1,650
9.8.2 Clubhouse Interior Surfaces - Paint	12526	SF	10	8	2	\$ 10,510	\$ 2,102
9.8.3 Office Interior Surfaces - Paint	4018	SF	8	6	2	\$ 3,370	\$ 843
11.1.1 John Deere 990 Tractor - Replace	1	EA	12	3	9	\$ 7,900	\$ 5,925
11.1.2 John Deere 990 Bucket - Replace	1	EA	12	3	9	\$ 1,050	\$ 788
11.1.3 John Deere 990, 8B Backhoe - Replace	1	EA	12	3	9	\$ 1,310	\$ 983
11.1.4 Ford Diesel Stakebed - Replace	1	EA	10	9	1	\$ 15,000	\$ 1,500
11.1.5 Ford Ranger XLT 1/2 Ton - Replace	1	EA	7	0	7	\$ 7,000	\$ 7,000
11.1.6 Toro Riding Mower - Replace	1	EA	7	1	6	\$ 3,710	\$ 3,180
11.1.7 Rankin Brush Hog - Replace	1	EA	20	3	17	\$ 4,360	\$ 3,706
11.1.8 Snow Plow Attachment - Replace	1	EA	15	3	12	\$ 4,590	\$ 3,672
11.1.9 Salt Spreader - Replace	1	EA	15	5	10	\$ 6,890	\$ 4,593
11.4.1 Clubhouse Dish Sanitizer - Replace	1	EA	20	0	20	\$ 3,640	\$ 3,640
12.1.1 Fitness Equipment - Contingency	1	LS	2	1	1	\$ 3,500	\$ 1,750
12.1.2 Clubhouse Wood Furnishings - Update	1	LS	14	3	11	\$ 4,190	\$ 3,292
12.1.3 Clubhouse Upholstered Furnishings - Update	1	LS	15	4	11	\$ 9,870	\$ 7,238
12.1.4 Clubhouse Electronics - Upgrade	1	LS	10	5	5	\$ 8,240	\$ 4,120
12.1.5 Clubhouse Piano - Replace	1	EA	25	8	17	\$ 5,740	\$ 3,903
12.1.6 Clubhouse Restrooms - Update	1	LS	25	5	20	\$ 4,300	\$ 3,440
12.1.7 Clubhouse Restroom Partitions - Replace	1	LS	30	5	25	\$ 4,835	\$ 4,029
12.1.8 Clubhouse Vinyl Tile Flooring - Replace	3800	SF	25	25	-	\$ 25,510	\$ -
12.1.9 Clubhouse Blinds - Replace	239	SF	12	11	1	\$ 4,950	\$ 413
12.1.10 Clubhouse Millwork - Replace	97	LF	25	8	17	\$ 14,270	\$ 9,704
12.1.11 Clubhouse Countertops - Replace	74	LF	25	8	17	\$ 6,560	\$ 4,461
12.2.1 Pool Restrooms - Update	1	LS	25	17	8	\$ 3,370	\$ 1,078
12.2.2 Pool Showers - Update	4	EA	18	1	17	\$ 6,200	\$ 5,856
13.2.1 Pool - Paint Surface	13404	SF	8	8	-	\$ 12,710	\$ -
13.2.2 Pool & Wading Pool - Resurface	2100	SF	12	3	9	\$ 16,480	\$ 12,360
13.2.4 Pool Deck - Recoat	2437	SF	7	5	2	\$ 2,310	\$ 660
15.3.1 Pool 250K BTU Heaters - Major Repair	2	EA	16	2	14	\$ 4,810	\$ 4,209
15.3.2 Pool Dehumidifier - Replace	1	EA	10	10	-	\$ 126,990	\$ -
15.3.3 Pool Heat Pump #1 - Replace	1	EA	14	6	8	\$ 9,810	\$ 5,606
15.3.4 Pool Heat Pump #2 - Replace	1	EA	14	11	3	\$ 9,810	\$ 2,102
15.4.1 Shoreline Berm - Major Repairs	1	LS	30	29	1	\$ 53,670	\$ 1,789
15.4.2 Site Drainage - Major Improvements	1	LS	25	25	-	\$ 16,000	\$ -



Fully Funded Balance Calculations

Cape George Colony Club - General Operations Reserve

Continued

Component Description	Quantity	Unit	Repair Cycle (Useful Life)	Remaining Useful Life	Effective Age	Current Replacement Cost	Fully Funded Balance
15.5.1 Septic System - Major Repairs	1	LS	25	23	2	\$ 15,190	\$ 1,215
15.6.1 Clubhouse Furnace - Replace	1	EA	18	11	7	\$ 3,310	\$ 1,287
15.6.2 Clubhouse Split System - Replace	1	EA	10	3	7	\$ 6,460	\$ 4,522
18.1.1 Barrier Arm Operator - Replace	1	EA	20	1	19	\$ 6,570	\$ 6,242
18.1.2 Entrance Access Keypad - Replace	4	EA	12	9	3	\$ 9,590	\$ 2,398
FULLY FUNDED BALANCE						Total	\$ 523,677

CURRENT RESERVE BALANCE = \$144,018

PERCENT FULLY FUNDED = 28%

August 10, 2017

ABBREVIATION KEY

EA each
BLDG building(s)
FIXT fixture(s)

LF linear foot
LS lump sum
SF square feet

SQ roofing square
SY square yard
ZN zone



DISCLOSURES

- 1 - Reserve Consultants LLC also provides construction inspection services for condominiums, and does design and construction oversight for major repair projects, including roofing, decks and building envelope replacement.
- 2 - No shareholder or employee of Reserve Consultants LLC has any interest in, or obligation to, any construction company, management company, or development entity that creates condominiums.
- 3 - Reserve Consultants LLC has been a member of Community Association Institute since about 1993, and has worked with a variety of management companies, associations and other types of clients in Washington State.
- 4 - This report and analysis is based upon observations of the visible and apparent condition of the building and its major components on the date of the inspection. Although care has been taken in the performance of this inspection, Reserve Consultants LLC (and/or its representatives) make no representations regarding latent or concealed defects which may exist and no warranty or guarantee is expressed or implied. This report is made only in the best exercise of our ability and judgment. Conclusions in this report are based on estimates of the age and normal working life of various items of equipment and appliances. Predictions of life expectancy and the balance of useful life are necessarily based on industry and/or statistical comparisons. It is essential to understand that actual conditions can alter the useful life of any item. The previous use or misuse, irregularity of servicing, faulty manufacture, unfavorable conditions, acts of god, and unforeseen circumstances make it impossible to state precisely when each item would require replacement. The client herein should be aware that certain components within the above referenced property may function consistent with their purpose at the time of inspection, but due to their nature, are subject to deterioration without notice.
- 5 - Unless otherwise noted, all reserve components are assumed to meet the building code requirements in force at the time of construction. Any on-site inspection should not be considered a project audit or quality inspection.
- 6 - Conclusions reached in this report assume responsible ownership and competent management of the property. Information provided by others is believed to be reliable. Information provided by others was not audited; we assume no responsibility for accuracy thereof.
- 7 - The reserve study is a reflection of information provided to the consultant and assembled for the association's use, not for the purpose of performing an audit, quality/forensic analyses or background checks of historical records.



APPENDIX - GLOSSARY OF TERMS

Baseline Funding (contribution rate) – A Reserve Contribution Rate that is constant, increasing with inflation, to provide funds for all anticipated Reserve Expenses so that no special assessments are required for 30 years, but with no contingency some years.

Building Codes - Nationally recognized standards used to gauge the acceptability of a particular material or building procedure. Typically, if something is built to "code," it is acceptable to all concerned. Some often used codes are International Building Code (IBC) (applicable to most multifamily housing), International Residential Code (IRC) (applicable to one and two family structures), Washington Energy Code, National Electric Code (NEC), Uniform Plumbing Code (UPC), and the National Fire Protection Association Standards (NFPA). These are usually amended slightly by each city or county.

Building Component – see "Reserve Component".

Component Number - A number assigned to each building component that allows grouping of like components. Based roughly on Construction Industry Standards.

Common Elements – Those portions of the building which are owned collectively by all Unit owners in a condominium, and for which the association is responsible.

"Contribution Rate" means, in a Reserve Study as described in RCW64.38, the amount contributed to the reserve account so that the association will have cash reserves to pay major maintenance, repair, or replacement costs without the need of a special assessment. RCW 64.38.010 (6)

Constant Dollars - Pretends that inflation does not exist. Shows all costs and contributions in today's dollars, no matter how far in the future they occur.

"Effective Age" means the difference between the useful life and the remaining useful life. RCW 64.38.010 (7)

"Fully Funded Balance" means the value of the deteriorated portion of all the reserve components. The fully funded balance for each reserve component is calculated by multiplying the current replacement cost of that reserve component by its effective age, then dividing the result by that reserve component's useful life. The sum total of all reserve components' fully funded balances is the association's fully funded balance. RCW 64.38.010 (9)

Fully Funded (contribution rate) - A Reserve Contribution Rate that is constant, increasing with inflation, that will bring the Reserve Account balance up to the "Fully Funded Balance" level and keep it there.

Inflated Dollars - As opposed to constant dollars, inflated dollars recognize that costs in the future will probably be higher than today because each dollar will buy fewer goods and services. A rate of inflation must be assumed and applied to all future costs. Also referred to as future cost.



Inflation Multiplier - 100% plus the assumed rate of inflation. Thus, for an assumed yearly inflation rate of 5%, the "multiplier" would be 105% or 1.05 if expressed as a decimal number rather than as a percentage. Each successive year the previous year's "multiplier" is multiplied by this number to arrive at the next year's "multiplier."

Interest Rate Multiplier - The assumed rate of interest earned on the average annual reserve bank account balance. Thus, 4% interest would be 0.04 expressed as a decimal number. A rate of interest earned must be assumed for all future years. Typically this is lower than the rate of inflation.

Limited Common Element - those common elements which are assigned exclusively to one or some Units. Unit owners may be responsible for the cost to repair and maintain limited common elements, so those costs may not appear in a Reserve Study.

Next Repair - the next time the "Repair Cycle" starts with work on a component.

Percent Fully Funded - The percentage of the "Fully Funded Balance" which the current condominium Reserve Account actually has in it.

RCW - the Revised Code of Washington. RCW 64.38 is the Washington Homeowners' Act, the statute that governs homeowners' associations.

"Remaining useful life" means the estimated time, in years, that a reserve component can be expected to continue to serve its intended function. RCW 64.38.010 (14)

Repair Cycle - the frequency of maintenance, major repair or replacement of a component to reach or extend its Useful Life. Often shorter than the full "Useful Life" for repairs that occur in lieu of complete replacement.

"Replacement cost" means the current cost of replacing, repairing, or restoring a reserve component to its original functional condition. RCW 64.38.010 (15)

Reserve Account - Money set aside for future repair and replacement projects. For condominiums, the RCW requires a separate Reserve Account be maintained to hold reserves to fund repair or replacement of Reserve Components.

"Reserve components" means common elements whose cost of maintenance, repair, or replacement is infrequent, significant, and impractical to include in an annual budget. RCW 64.38.010 (16)

Reserve Contribution - The amount of money saved to fund "replacement Costs" for maintenance and repairs of Common Elements. See "Contribution Rate". Current contributions and recommended contributions may be different.

Reserve Specialist - A designation for those professionals who have met the standards established by Community Associations Institute (www.caionline.org) for Reserve Study providers.

Reserve Study - A physical assessment of a building and a subsequent report which estimates the anticipated major maintenance, repair, and replacement costs, whose infrequent and significant nature make them impractical to be included in an annual budget, which will need to be repaired or replaced over the next 30 years. It



provides estimates of these replacement costs and details expected annual expenditures. It is used to calculate the Reserve Contribution Rate required to maintain a facility in good condition both functionally and cosmetically. The Washington Condominium Act sets out requirements for annual reserve studies.

"Reserve study professional" means an independent person suitably qualified by knowledge, skill, experience, training, or education to prepare a reserve study in accordance with RCW 64.38. RCW 64.38.010 (17)

Special Assessment - A levy against all unit owners that is necessary when a needed repair/replacement/upgrade has not been planned for, and for which insufficient money has been saved.

Threshold Funding (contribution rate) - A Reserve Contribution Rate that is constant, increasing with inflation, to provide funds for all anticipated Reserve Expenses for the life of the study, but leaving a minimum level of Reserves (the "threshold") at all times. Our default minimum threshold is one year's contribution.

Typ. - Abbreviation for 'typical'; used on photographs and in text to refer to a problem that is shown or described once, but applies to many locations.

Typical Life - An average expected life for an average building component. As in any statistical average, there is a range of years over which each individual item might fall. This is the same as "Useful life"

"Useful life" means the estimated time, in years, that a reserve component can be expected to serve its intended function. RCW 64.38.010 (20)

Year End Reserve Balance or Reserve Fund Balance - What is projected to be left in the reserve account after the expected yearly expenses and contributions are added to the prior year's carryover balance. Assumes that the reserve contributions and expenses occur as predicted.

Yearly Expenses - The total labor and material costs associated with all of the repairs/maintenance that are scheduled in that particular year.

30 Year Spreadsheet - A summary listing each building component and its yearly cost to maintain/repair over the next 30 years. It also lists the annual reserve fund balance, reserve contributions, reserve expenses and bank interest earned on any reserve fund balance.



APPENDIX - EVALUATOR'S CREDENTIALS

Denise Dana

Principal, Reserve Consultants LLC
B.S. Education, M. Architecture
Washington Registered Architect, #8702
LEED Accredited Professional

Denise Dana first obtained licensure as an Architect and became a LEED accredited professional in 2003. She is currently a licensed Architect in the State of Washington and is certified by the National Council of Architectural Registration Boards. With over fifteen years of experience in architecture, her resume includes a variety of project types ranging from residential to corporate. She has worked through all phases of construction including design development, construction documentation and construction administration with project budgets varying from a few thousand dollars to over sixty million dollars. Denise has been conducting reserve studies since joining Reserve Consultants in 2008; in 2011 she was recognized as a "Reserve Specialist" by the Community Associations Institute.