



CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

Port Townsend, Washington

Standard Level 3 Reserve Study update without a site visit

2022 FUNDING RECOMMENDATIONS

Issued September, 2021, Revised July 2022

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Next Update: **Level 3** study by **September, 2022**

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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



EXECUTIVE SUMMARY

This Reserve Study meets the requirements of the Washington Homeowners' Association Act and the Washington Unified Common Interest Owner Act for a Level 3 Reserve Study update without a site visit, and was prepared by an independent Reserve Study Professional.

Cape George Colony Club General Operations is a 662-unit residential community located along 61 Cape George Drive in Port Townsend, Washington. Construction of Cape George Colony Club General Operations was completed in about 1967. The General Operations Reserves budget funds for major repairs and replacement of its 9 miles of private roads and numerous buildings, including an Office Building, Maintenance Garage, Workshop, and Clubhouse. The Association also owns private water facilities and a marina that are funded with separate reserve accounts and reserve studies.

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS RESERVE FUND STATUS

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS'S FISCAL YEAR	a calendar year
RESERVE ACCOUNT BALANCE ON JULY 30, 2021	\$321,127 ¹
FULLY FUNDED BALANCE YEAR 2021	\$800,310 ²
PERCENT FUNDED AT TIME OF STUDY	40% ³
FUNDING STATUS - RISK OF SPECIAL ASSESSMENT	Moderate Risk
2021 PLANNED OR IMPLEMENTED SPECIAL ASSESSMENT	None
COMPONENT INCLUSION THRESHOLD VALUE	\$3,399

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS CURRENT AND RECOMMENDED RESERVE CONTRIBUTIONS

CURRENT BUDGETED ANNUAL CONTRIBUTION TO RESERVES	\$57,845
2022 RECOMMENDED ANNUAL CONTRIBUTION RATE	\$92,500
2022 RECOMMENDED CONTRIBUTION PER MONTH	\$7,708
2022 AVERAGE CONTRIBUTION PER UNIT PER YEAR	\$140
2022 AVERAGE CONTRIBUTION PER UNIT PER MONTH	\$12
2022 BASELINE FUNDING PLAN CONTRIBUTION RATE	\$85,400
2022 FULL FUNDING PLAN CONTRIBUTION RATE	\$101,400

¹ The actual or projected total reserve fund balance presented in the Reserve Study is based on information provided by the Association representative and was not audited by RCL.

² 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 as defined in RCW 64.38.010 §9 & RCW §64.90.010 §26. The fully funded balance changes from year to year.

³ The percent fully funded 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.



FINANCIAL OVERVIEW FOR 2022

\$457,130

2022 Estimated Starting Balance

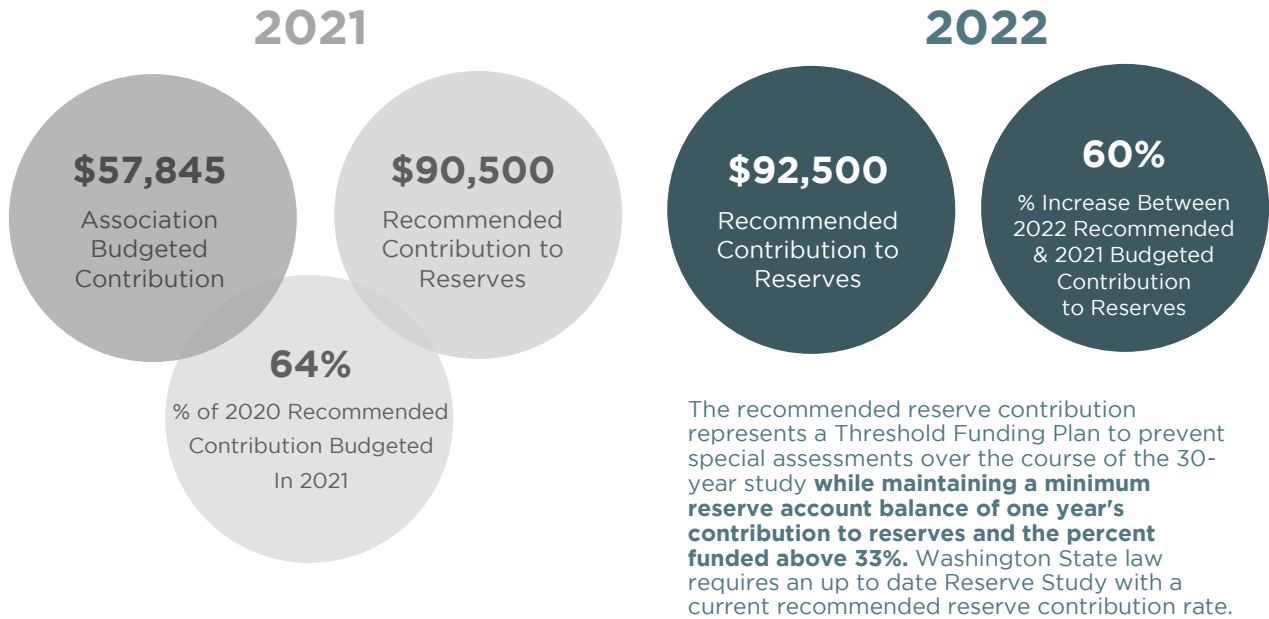
55%

2022 Estimated Percent Funded w/the Recommended Funding Plan

\$105,664

2022 Estimated Reserve Expenditures

RESERVE CONTRIBUTION COMPARISON 2021 VS 2022



ESTIMATED STARTING RESERVE FUND BALANCE FOR 2022

BALANCE CALCULATIONS

The fiscal year for Cape George Colony Club General Operations is a calendar year.

\$321,127	Reserve Fund Balance as of July 30, 2021
(\$3,560)	Anticipated Remaining Reserve Expenses In 2021
\$0	Planned Special Assessment In 2021
\$138,747	Remaining Reserve Contributions For 2021
\$816	Projected Interest on the 2021 Reserve Fund Balance
\$457,130	ESTIMATED STARTING BALANCE FOR FISCAL YEAR 2022

SUMMARY OF THE ANTICIPATED REMAINING MAINTENANCE EXPENSES FOR 2021

COMPONENT DESCRIPTION	ESTIMATED COST
12.1.1 Fitness Equipment - Contingency	\$3,560
Total Estimated Costs for 2021	\$3,560



ASSOCIATION OVERVIEW

Cape George Colony Club General Operations is a 662-unit residential community located in Port Townsend, Washington. Construction was completed in about 1967. The General Operations Reserves budget funds for major repairs and replacement of its 9 miles of private roads and numerous buildings, including an Office Building, Maintenance Garage, Workshop, and Clubhouse. The Association also owns private water facilities and a marina that are funded with separate reserve accounts and reserve studies.

The General Reserves shares several major repair or replacement expenses 50%/50% with the Water Facilities Reserves. These include the Maintenance Building, the John Deere 990 Tractor and accessories, the stakebed truck and the ½ Ton truck. The major repair and replacement of the marina and water facilities assets are budgeted through separate reserve funds.

Images are from file photos taken at the last site visit.



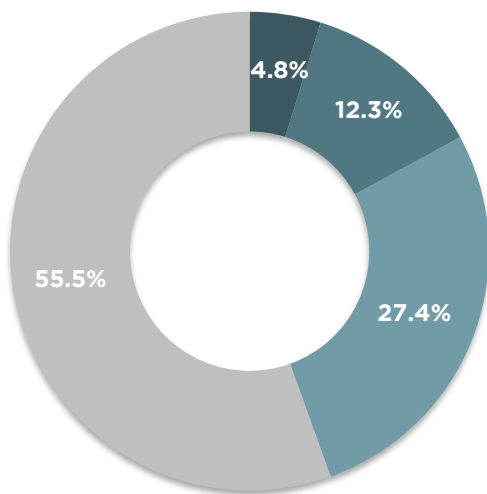


COMPONENT SUMMARY

Each reserve component is evaluated to determine the current condition, the remaining useful life, and the estimated replacement cost. Reserve studies for homeowners' associations are required to include 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 (RCW 64.38.070). While the law defines the inclusion threshold to be 1% of the operating budget, or \$3,399, components valued less than the legal threshold may be included to better capture reserve funding for Cape George Colony Club General Operations.

ANTICIPATED EXPENSES¹ ALLOCATED OVER 30 YEARS FOR CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

The components listed below provide examples for each category and may or may not pertain specifically to components that Cape George Colony Club General Operations is responsible for maintaining.



PRIMARY EXPENSES

4.8% LIFE SAFETY: plumbing, drainage, HVAC, electrical, lighting, & fire suppression

12.3% EXTERIOR ENVELOPE: structural components, guardrails, decks, siding, chimney chases, roofing, gutters & downspouts, doors, windows, skylights, caulking, & exterior finishes

27.4% POOL/SPA: resurfacing, water treatment & dedicated equipment for the pool & spa

SECONDARY EXPENSES - Discretionary

55.5% SECONDARY including paving, docks, fencing, walkways, signage, mailboxes, kitchen & laundry equipment, interior flooring & paint, furniture, intercom, security systems, reserve studies²

The total anticipated Primary and Secondary expenses over the next 30 years are illustrated to help the community understand the ratio of obligatory and elective maintenance. The ratio for the first five years is provided later in the report to assist with budgeting refinements.

Primary Expenses are maintenance expenses that should not be deferred due to the potential consequences of postponing upkeep of these components.

Secondary Expenses are maintenance expenses that could potentially be deferred since the timing of maintenance is typically discretionary.

¹ Not all components that are the individual unit owners' responsibility are described in the report. Items maintained with funds from the annual operating and/or individual unit owners are not included in the reserve fund analysis.

² While reserve study annual updates are required by law, there is no penalty for not completing an annual update and the lack of an annual update does not necessarily pose a risk to public safety.



COMPONENT LIST

The component list is based on information provided by Cape George Colony Club General Operations. Reserve Consultants LLC does not provide legal interpretations of governing documents. It is the responsibility of Cape George Colony Club General Operations to ensure that the component list is complete and complies with their governing documents. Many 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.

 Primary Expenses  Secondary (Discretionary) Expenses

COMPONENT DESCRIPTION		MAINT. CYCLE	REMAINING USEFUL LIFE	NEXT MAINT. YEAR	CURRENT REPLACEMENT COST
2.2.1 Site Drainage - Major Improvements	Site	25	21	2042	\$16,800
2.6.1 Asphalt - Overlay Phase 1	Site	50	8	2029	\$162,520
2.6.2 Asphalt - Overlay Phase 2	Site	50	13	2034	\$237,700
2.6.3 Asphalt - Overlay Phase 3	Site	50	18	2039	\$159,740
2.6.4 Asphalt - Major Repairs	Site	5	5	2026	\$28,000
2.7.1 Sports Court - Resurface	Site	10	8	2029	\$8,650
2.8.1 Playground - Replace	Site	22	3	2024	\$4,580
6.1.1 Clubhouse Gazebo - Replace	Ext Envelope	18	3	2024	\$3,560
6.1.2 Workshop Gazebo - Replace	Ext Envelope	18	11	2032	\$3,560
6.1.3 Memorial Park Gazebo - Replace	Ext Envelope	18	2	2023	\$3,560
6.2.1 Building Major Repair - Contingency	Ext Envelope	7	5	2026	\$20,360
7.3.2 Clubhouse Gutters - Replace	Ext Envelope	20	5	2026	\$4,150
7.4.1 Maint. Comp. Shingle Roof - Replace	Ext Envelope	20	1	2022	\$5,820
7.4.2 Clubhouse Roof - Replace Phase 1	Ext Envelope	20	19	2040	\$35,950
7.4.3 Clubhouse Roof - Replace Phase 2	Ext Envelope	20	4	2025	\$23,960
7.4.4 Office Comp. Shingle Roof - Replace	Ext Envelope	20	20	2041	\$6,660
7.4.5 Workshop Comp. Shingle Roof - Replace	Ext Envelope	20	1	2022	\$10,550
8.3.1 Maintenance Roll Up Door - Replace	Ext Envelope	24	4	2025	\$3,050
9.8.1 Clubhouse Exterior Surfaces - Paint	Ext Envelope	6	3	2024	\$19,510
10.4.1 Monument Signs - Update	Specialties	10	9	2030	\$13,870
10.5.1 Mailbox Structure - Colony	Specialties	20	20	2041	\$32,500
10.5.2 Mailbox Structure - Village	Specialties	20	1	2022	\$20,360
11.0.1 Office Copier - Contingency	Equipment	8	1	2022	\$7,630
11.1.1 John Deere 990 Tractor - Replace	Equipment	15	14	2035	\$12,720
11.1.2 Ford Diesel Stakebed - Replace	Equipment	10	3	2024	\$15,000
11.1.3 Ford Ranger Xlt 1/2 Ton - Replace	Equipment	7	4	2025	\$9,670
11.1.4 Toro Riding Mower - Replace	Equipment	7	5	2026	\$4,140
11.1.5 Snowplow Attachment - Replace	Equipment	15	4	2025	\$5,110
11.4.1 Clubhouse Dish Sanitizer - Replace	Equipment	20	1	2022	\$4,050
12.1.1 Fitness Equipment - Contingency	Finishes/Furnishings	2	0	2021	\$3,560



COMPONENT LIST CONTINUED

Primary Expenses
 Secondary (Discretionary) Expenses

COMPONENT DESCRIPTION		MAINT. CYCLE	REMAINING USEFUL LIFE	NEXT MAINT. YEAR	CURRENT REPLACEMENT COST
12.1.2 Clubhouse Wood Furnishings - Update	Finishes/Furnishings	14	13	2034	\$4,580
12.1.3 Clubhouse Upholstered Furnishings - Update	Finishes/Furnishings	15	3	2024	\$10,180
12.1.4 Clubhouse Electronics - Upgrade	Finishes/Furnishings	10	1	2022	\$8,650
12.1.5 Clubhouse Piano - Replace	Finishes/Furnishings	25	4	2025	\$5,550
12.1.6 Clubhouse Restrooms - Update	Finishes/Furnishings	25	1	2022	\$4,580
12.1.7 Clubhouse Restroom Partitions - Replace	Finishes/Furnishings	30	1	2022	\$5,090
12.1.8 Clubhouse Vinyl Flooring - Replace	Finishes/Furnishings	25	21	2042	\$28,460
12.1.9 Clubhouse Blinds - Replace	Finishes/Furnishings	12	7	2028	\$5,520
12.1.10 Clubhouse Millwork - Replace	Finishes/Furnishings	25	4	2025	\$15,900
12.1.11 Clubhouse Countertops - Replace	Finishes/Furnishings	25	4	2025	\$7,320
12.2.1 Fitness Center Carpet - Replace	Finishes/Furnishings	8	4	2025	\$6,150
12.2.2 Office Carpet - Replace	Finishes/Furnishings	8	3	2024	\$19,340
12.2.3 Clubhouse Interior Surfaces - Paint	Finishes/Furnishings	10	4	2025	\$18,020
12.2.4 Pool Room Interior Surfaces - Paint	Finishes/Furnishings	10	6	2027	\$10,180
12.2.5 Office Interior Surfaces - Paint	Finishes/Furnishings	8	2	2023	\$5,780
13.1.1 Pool Restrooms - Update	Pool/Spa	25	13	2034	\$3,560
13.1.2 Pool Showers - Update	Pool/Spa	18	15	2036	\$6,910
13.2.1 Pool - Paint Surface	Pool/Spa	8	1	2022	\$0
13.2.2 Pool & Wading Pool - Resurface	Pool/Spa	12	2	2023	\$70,000
13.2.3 Pool Deck - Recoat	Pool/Spa	7	1	2022	\$4,330
13.2.4 Pool 250K BTU Heaters - Major Repair	Pool/Spa	16	14	2035	\$12,010
13.2.5 Pool Dehumidifier - Replace	Pool/Spa	10	9	2030	\$141,520
13.2.6 Pool Heat Pump #1 - Replace	Pool/Spa	14	2	2023	\$12,300
13.2.7 Pool Heat Pump #2 - Replace	Pool/Spa	14	7	2028	\$10,930
15.4.1 Shoreline Berm - Major Repairs	Life Safety	30	25	2046	\$55,980
15.4.2 Septic System - Replace	Life Safety	30	1	2022	\$30,540
15.5.1 Septic System - Major Repairs	Life Safety	25	19	2040	\$16,290
15.6.1 Clubhouse Furnace - Replace	Life Safety	18	7	2028	\$3,690
15.6.2 Clubhouse Split System - Replace	Life Safety	10	5	2026	\$7,200
18.1.1 Barrier Arm Operator - Replace	Security	20	2	2023	\$16,000
18.1.2 Entrance Access Keypad - Replace	Security	12	5	2026	\$10,690



COMPONENTS EXCLUDED FROM THIS STUDY

Components that individual unit owners are responsible to maintain, repair, and/or replace are not included in the study or funding projections. We recommend the Association establish a clear definition of these components, as well as policies and processes regarding maintenance of these "owner responsibility" items.

OPERATING BUDGET

The following components may qualify for inclusion in the Reserve Study, but are excluded because the Association elects to maintain them with funds from the operating budget:

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- | | |
|--|--|
| <ul style="list-style-type: none"> • 100 gallon propane tank - replace • 200 gallon propane tank - replace • 300 gallon propane tank - replace • asphalt - striping • asphalt - minor repairs • barn comp. shingle roof - replace • barn/maint. wood fence - replace • barrier arm - repair • bbq/fire pit - repair • bus barn siding & trim - repair & paint • benches & tables - repair • bus barns wood shake roof - replace • cable fence - replace • chainlink fence - replace • clubhouse appliance - contingency • clubhouse ceiling tiles - replace • clubhouse water heater - replace • clubhouse doors & hardware - conting. • defibrillator - replace • clubhouse siding & trim - repair • clubhouse lighting - replace • fitness center interior surfaces - paint • maint. interior surfaces - paint • maint. siding & trim - repair & paint • maintenance shop gutters - replace | <ul style="list-style-type: none"> • workshop tools & equip. - contingency • maint. doors & hardware - contingency • maintenance refrigerator - replace • office blinds - replace • office ceiling tiles - replace • office ceramic tiles - replace • office countertops - replace • office doors & hardware - contingency • pool deck - repair • pool bathroom tile flooring - replace • pool filter - replace • non-monument signs - replace • air compressor - replace • split rail wood fence - replace • sports court - resurface • street/parking lighting - replace • wood chipper - replace • workshop countertops - replace • workshop gutters & downspts - replace • workshop interior surfaces - paint • workshop millwork - replace • workshop range - replace • workshop wall covering - replace • workshop siding & trim - repair & paint • workshop wood fence - replace |
|--|--|
-



ADJUSTMENTS TO COMPONENT RESERVE RECOMMENDATIONS

This reserve study provides updated information on the components from prior reserve studies. All cost estimates were adjusted to reflect the actual inflation rate for construction work in Washington State, 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 2020 to 2021 inflation figure of 1.79% for construction work.



FIVE YEARS AT A GLANCE (2022 - 2026)

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

2022 (YEAR 1) ANTICIPATED MAINTENANCE		ESTIMATED COST
7.4.1	Maint. Comp. Shingle Roof - Replace	\$6,053
7.4.5	Workshop Comp. Shingle Roof - Replace	\$10,972
10.5.2	Mailbox Structure - Village	\$21,174
11.0.1	Office Copier - Contingency	\$7,935
11.4.1	Clubhouse Dish Sanitizer - Replace	\$4,212
12.1.4	Clubhouse Electronics - Upgrade	\$8,996
12.1.6	Clubhouse Restrooms - Update	\$4,763
12.1.7	Clubhouse Restroom Partitions - Replace	\$5,294
13.2.3	Pool Deck - Recoat	\$4,503
15.4.2	Septic System - Replace	\$31,762
Total Estimated Expenses for 2022 (YEAR 1)		\$105,664
Primary Expenses		\$53,290 50%
Secondary Expenses		\$52,374 50%

2023 (YEAR 2) ANTICIPATED MAINTENANCE		ESTIMATED COST
6.1.3	Memorial Park Gazebo - Replace	\$3,813
12.1.1	Fitness Equipment - Contingency	\$3,813
12.2.5	Office Interior Surfaces - Paint	\$6,192
13.2.2	Pool & Wading Pool - Resurface	\$74,984
13.2.6	Pool Heat Pump #1 - Replace	\$13,176
18.1.1	Barrier Arm Operator - Replace	\$17,139
Total Estimated Expenses for 2023 (YEAR 2)		\$119,117
Primary Expenses		\$91,973 77%
Secondary Expenses		\$27,144 23%

2024 (YEAR 3) ANTICIPATED MAINTENANCE		ESTIMATED COST
2.8.1	Playground - Replace	\$5,053
6.1.1	Clubhouse Gazebo - Replace	\$3,928
9.8.1	Clubhouse Exterior Surfaces - Paint	\$21,526
11.1.2	Ford Diesel Stakebed - Replace	\$16,550
12.1.3	Clubhouse Upholstered Furnishings - Update	\$11,232
12.2.2	Office Carpet - Replace	\$21,339
Total Estimated Expenses for 2024 (YEAR 3)		\$79,628
Primary Expenses		\$25,454 32%
Secondary Expenses		\$54,174 68%

**FIVE YEARS AT A GLANCE CONTINUED****2025 (YEAR 4) ANTICIPATED MAINTENANCE ESTIMATED COST**

7.4.3 Clubhouse Roof - Replace Phase 2	\$27,229
8.3.1 Maintenance Roll Up Door - Replace	\$3,466
11.1.3 Ford Ranger Xlt 1/2 Ton - Replace	\$10,989
11.1.5 Snowplow Attachment - Replace	\$5,807
12.1.1 Fitness Equipment - Contingency	\$4,046
12.1.5 Clubhouse Piano - Replace	\$6,307
12.1.10 Clubhouse Millwork - Replace	\$18,069
12.1.11 Clubhouse Countertops - Replace	\$8,319
12.2.1 Fitness Center Carpet - Replace	\$6,989
12.2.3 Clubhouse Interior Surfaces - Paint	\$20,479

Total Estimated Expenses for 2025 (YEAR 4) \$111,700

Primary Expenses	\$30,695	27%
Secondary Expenses	\$81,005	73%

2026 (YEAR 5) ANTICIPATED MAINTENANCE ESTIMATED COST

2.6.4 Asphalt - Major Repairs	\$32,775
6.2.1 Building Major Repair - Contingency	\$23,832
7.3.2 Clubhouse Gutters - Replace	\$4,858
11.1.4 Toro Riding Mower - Replace	\$4,846
15.6.2 Clubhouse Split System - Replace	\$8,428
18.1.2 Entrance Access Keypad - Replace	\$12,513

Total Estimated Expenses for 2026 (YEAR 5) \$87,252

Primary Expenses	\$37,118	43%
Secondary Expenses	\$50,134	57%



PROJECTED RESERVE ACCOUNT BALANCE

FOR EACH FUNDING PLAN OVER NEXT 5 YEARS

\$94,500 RECOMMENDED (THRESHOLD) FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2022)	\$94,500	\$0	\$367,707	45%	Moderate Risk
2 (2023)	\$97,335	\$0	\$353,062	44%	Moderate Risk
3 (2024)	\$100,255	\$0	\$380,956	45%	Moderate Risk
4 (2025)	\$103,263	\$0	\$380,054	45%	Moderate Risk
5 (2026)	\$106,361	\$0	\$406,954	46%	Moderate Risk

\$57,845 CURRENT FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2022)	\$57,845	\$0	\$418,351	52%	Moderate Risk
2 (2023)	\$59,580	\$0	\$366,586	46%	Moderate Risk
3 (2024)	\$61,368	\$0	\$355,475	42%	Moderate Risk
4 (2025)	\$63,209	\$0	\$313,608	37%	Moderate Risk
5 (2026)	\$65,105	\$0	\$297,513	34%	Moderate Risk

\$88,800 BASELINE FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2022)	\$88,800	\$0	\$361,993	45%	Moderate Risk
2 (2023)	\$91,464	\$0	\$341,303	43%	Moderate Risk
3 (2024)	\$94,208	\$0	\$362,855	43%	Moderate Risk
4 (2025)	\$97,034	\$0	\$355,299	42%	Moderate Risk
5 (2026)	\$99,945	\$0	\$375,226	43%	Moderate Risk

\$103,600 FULL FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2022)	\$103,600	\$0	\$376,830	47%	Moderate Risk
2 (2023)	\$106,708	\$0	\$371,833	46%	Moderate Risk
3 (2024)	\$109,909	\$0	\$409,854	49%	Moderate Risk
4 (2025)	\$113,207	\$0	\$419,572	50%	Moderate Risk
5 (2026)	\$116,603	\$0	\$457,609	52%	Moderate Risk



PERCENT FUNDED

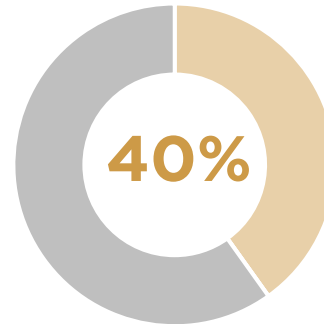
The "percent funded" is a measure of how much the Association should have saved in their reserve account compared to the projected cost for all the components the Association is responsible for, and relates to the level of deterioration compared to the cost to repair or replace the component.

We typically recommend a contribution rate to meet a minimum reserve account balance (threshold) goal instead of a 100% funded rate.

We usually recommend that an association consider a threshold equal to the recommended annual reserve contribution because this is the average maintenance expense over the thirty years. However, each association must judge their unique risk tolerance.

The Fully Funded Balance for Cape George Colony Club General Operations is \$800,310. The actual current funding is \$321,127. The Association is approximately 40% funded.

This means that based on a straight-line savings for each reserve component, the Association saved 40% of the accumulated depreciation of the reserve components.



At 40%, Cape George Colony Club General Operations is considered to be at **moderate risk for a special assessment.**

EXAMPLE OF PERCENT FUNDED FOR ROOF REPLACEMENT

SCENARIO	ANALYSIS
<p>For a roof that lasts 10 years and costs \$100,000 to replace:</p> <ul style="list-style-type: none"> • Save \$10,000 each year, for 10 years • Year 2, the roof has deteriorated 20%. <ul style="list-style-type: none"> ○ If you have \$20,000 saved it is fully funded. ○ If you have \$10,000 saved it is 50% funded. • Year 8, the roof has deteriorated 80%. <ul style="list-style-type: none"> ○ If you have \$80,000 saved it is fully funded. ○ If you have \$20,000 saved it is 25% funded. If you have \$10,000 saved it is 13% funded. 	<ul style="list-style-type: none"> A. In effect, the percent 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 higher than predicted, and expenses that are required earlier than anticipated. B. A higher percent funded means more money is in the bank which lowers the risk of special assessment if something unexpected occurs. A poorly funded Association has less cash on hand, therefore much higher risk of special assessment for unplanned expenses. C. By analyzing deterioration cycles and cash flow needs, we determine how much money should be steadily contributed, over a 30 year period, to fund the repair and replacement needs of the components included in the study. Budgeting to maintain a minimum balance, or threshold, helps to ensure that a special assessment will not be required if an unexpected expense arises.



FULLY FUNDED BALANCE CALCULATIONS



FULLY FUNDED BALANCE = THE SUM OF $\frac{\text{REPLACEMENT COST X EFFECTIVE AGE}}{\text{USEFUL LIFE}}$ FOR ALL RESERVE COMPONENTS

		COMPONENT DESCRIPTION	QTY	UNIT	MAINT. CYCLE (USEFUL LIFE)	REMAINING USEFUL LIFE	EFFECTIVE AGE	CURRENT REPLACEMENT COST	FULLY FUNDED BALANCE
100%	2.2.1	Site Drainage - Major Improvements	1	LS	25	21	4	\$16,800	\$2,688
100%	2.6.1	Asphalt - Overlay Phase 1	84765	SF	50	8	42	\$162,520	\$136,517
100%	2.6.2	Asphalt - Overlay Phase 2	123974	SF	50	13	37	\$237,700	\$175,898
100%	2.6.3	Asphalt - Overlay Phase 3	83315	SF	50	18	32	\$159,740	\$102,234
5%	2.6.4	Asphalt - Major Repairs	292054	SF	5	5	-	\$28,000	\$0
100%	2.7.1	Sports Court - Resurface	1	EA	10	8	2	\$8,650	\$1,730
100%	2.8.1	Playground - Replace	1	LS	22	3	19	\$4,580	\$3,955
100%	6.1.1	Clubhouse Gazebo - Replace	1	EA	18	3	15	\$3,560	\$2,967
100%	6.1.2	Workshop Gazebo - Replace	1	EA	18	11	7	\$3,560	\$1,384
100%	6.1.3	Memorial Park Gazebo - Replace	1	EA	18	2	16	\$3,560	\$3,164
100%	6.2.1	Building Major Repair - Contingency	1	LS	7	5	2	\$20,360	\$5,817
100%	7.3.2	Clubhouse Gutters - Replace	525	LF	20	5	15	\$4,150	\$3,113
50%	7.4.1	Maint. Comp. Shingle Roof - Replace	21	SQ	20	1	19	\$5,820	\$5,529
60%	7.4.2	Clubhouse Roof - Replace Phase 1	108	SQ	20	19	1	\$35,950	\$1,798
40%	7.4.3	Clubhouse Roof - Replace Phase 2	108	SQ	20	4	16	\$23,960	\$19,168
100%	7.4.4	Office Comp. Shingle Roof - Replace	12	SQ	20	20	-	\$6,660	\$0
100%	7.4.5	Workshop Comp. Shingle Roof - Replace	19	SQ	20	1	19	\$10,550	\$10,023
50%	8.3.1	Maintenance Roll Up Door - Replace	2	EA	24	4	20	\$3,050	\$2,542
100%	9.8.1	Clubhouse Exterior Surfaces - Paint	5682	SF	6	3	3	\$19,510	\$9,755
100%	10.4.1	Monument Signs - Update	5	EA	10	9	1	\$13,870	\$1,387
100%	10.5.1	Mailbox Structure - Colony	1	EA	20	20	-	\$32,500	\$0
100%	10.5.2	Mailbox Structure - Village	1	EA	20	1	19	\$20,360	\$19,342
100%	11.0.1	Office Copier - Contingency	1	EA	8	1	7	\$7,630	\$6,676
50%	11.1.1	John Deere 990 Tractor - Replace	1	EA	15	14	1	\$12,720	\$848
50%	11.1.2	Ford Diesel Stakebed - Replace	1	EA	10	3	7	\$15,000	\$10,500
50%	11.1.3	Ford Ranger Xlt 1/2 Ton - Replace	1	EA	7	4	3	\$9,670	\$4,144
100%	11.1.4	Toro Riding Mower - Replace	1	EA	7	5	2	\$4,140	\$1,183
100%	11.1.5	Snowplow Attachment - Replace	1	EA	15	4	11	\$5,110	\$3,747
100%	11.4.1	Clubhouse Dish Sanitizer - Replace	1	EA	20	1	19	\$4,050	\$3,848
100%	12.1.1	Fitness Equipment - Contingency	1	LS	2	0	2	\$3,560	\$3,560



FULLY FUNDED BALANCE CALCULATIONS CONTINUED



FULLY FUNDED BALANCE = THE SUM OF $\frac{\text{REPLACEMENT COST} \times \text{EFFECTIVE AGE}}{\text{USEFUL LIFE}}$ FOR ALL RESERVE COMPONENTS

COMPONENT DESCRIPTION			QTY	UNIT	MAINT. CYCLE (USEFUL LIFE)	REMAINING USEFUL LIFE	EFFECTIVE AGE	CURRENT REPLACEMENT COST	FULLY FUNDED BALANCE
100%	12.1.2	Clubhouse Wood Furnishings - Update	1	LS	14	13	1	\$4,580	\$327
100%	12.1.3	Clubhouse Upholstered Furnishings - Update	1	LS	15	3	12	\$10,180	\$8,144
100%	12.1.4	Clubhouse Electronics - Upgrade	1	LS	10	1	9	\$8,650	\$7,785
100%	12.1.5	Clubhouse Piano - Replace	1	EA	25	4	21	\$5,550	\$4,662
100%	12.1.6	Clubhouse Restrooms - Update	1	LS	25	1	24	\$4,580	\$4,397
100%	12.1.7	Clubhouse Restroom Partitions - Replace	1	LS	30	1	29	\$5,090	\$4,920
100%	12.1.8	Clubhouse Vinyl Flooring - Replace	3800	SF	25	21	4	\$28,460	\$4,554
100%	12.1.9	Clubhouse Blinds - Replace	239	SF	12	7	5	\$5,520	\$2,300
100%	12.1.10	Clubhouse Millwork - Replace	97	LF	25	4	21	\$15,900	\$13,356
100%	12.1.11	Clubhouse Countertops - Replace	74	LF	25	4	21	\$7,320	\$6,149
100%	12.2.1	Fitness Center Carpet - Replace	132	SY	8	4	4	\$6,150	\$3,075
100%	12.2.2	Office Carpet - Replace	415	SY	8	3	5	\$19,340	\$12,088
100%	12.2.3	Clubhouse Interior Surfaces - Paint	12526	SF	10	4	6	\$18,020	\$10,812
100%	12.2.4	Pool Room Interior Surfaces - Paint	1	LS	10	6	4	\$10,180	\$4,072
100%	12.2.5	Office Interior Surfaces - Paint	4018	SF	8	2	6	\$5,780	\$4,335
100%	13.1.1	Pool Restrooms - Update	1	LS	25	13	12	\$3,560	\$1,709
100%	13.1.2	Pool Showers - Update	4	EA	18	15	3	\$6,910	\$1,152
100%	13.2.1	Pool - Paint Surface	13404	SF	8	1	7	\$0	\$0
100%	13.2.2	Pool & Wading Pool - Resurface	2100	SF	12	2	10	\$70,000	\$58,333
100%	13.2.3	Pool Deck - Recoat	2437	SF	7	1	6	\$4,330	\$3,711
100%	13.2.4	Pool 250K BTU Heaters - Major Repair	2	EA	16	14	2	\$12,010	\$1,501
100%	13.2.5	Pool Dehumidifier - Replace	1	EA	10	9	1	\$141,520	\$14,152
100%	13.2.6	Pool Heat Pump #1 - Replace	1	EA	14	2	12	\$12,300	\$10,543
100%	13.2.7	Pool Heat Pump #2 - Replace	1	EA	14	7	7	\$10,930	\$5,465
100%	15.4.1	Shoreline Berm - Major Repairs	1	LS	30	25	5	\$55,980	\$9,330
100%	15.4.2	Septic System - Replace	1	LS	30	1	29	\$30,540	\$29,522
100%	15.5.1	Septic System - Major Repairs	1	LS	25	19	6	\$16,290	\$3,910
100%	15.6.1	Clubhouse Furnace - Replace	1	EA	18	7	11	\$3,690	\$2,255
100%	15.6.2	Clubhouse Split System - Replace	1	EA	10	5	5	\$7,200	\$3,600
100%	18.1.1	Barrier Arm Operator - Replace	1	EA	20	2	18	\$16,000	\$14,400
100%	18.1.2	Entrance Access Keypad - Replace	4	EA	12	5	7	\$10,690	\$6,236
FULLY FUNDED BALANCE								Total	\$800,310

CURRENT RESERVE BALANCE = \$321,127

PERCENT FULLY FUNDED = 40%



DEFICIT OR SURPLUS IN RESERVE FUNDING

RCW 64.90.550 §2(l) requires that the reserve study include the amount of any current deficit or surplus in reserve funding expressed on a dollars per unit basis. This is calculated by subtracting the community's reserve account balance as of the date of the study from the fully funded balance, and then multiplying the result by the fraction or percentage of the common expenses of the community allocable to each unit.

The fully funded balance calculates how much money should be saved for future maintenance based on the age of each component and the cost for future maintenance. In other words, the fully funded balance assumes that money will be saved every year for the next maintenance of a component to ensure special assessments are not required to fund future maintenance. The intent of RCW 64.90.550 §2 (l) is to show each unit's "share" of the surplus or deficit in reserve funding.

If the reserve account balance is:

- **equal to** the fully funded balance, Cape George Colony Club would be considered as 100% fully funded. There would be neither a surplus nor deficit.
- **less than** the fully funded balance, there is a deficit meaning Cape George Colony Club would be thought behind on saving for future maintenance.
- **more than** the fully funded balance, there is a surplus meaning Cape George Colony Club would be deemed ahead on saving for future maintenance.

The Recommended Funding Plan is based on Threshold Funding, a reserve contribution rate that is constant (increasing annually 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. The threshold provides a monetary cushion in the reserve account to help ensure that a special assessment is not required for the duration of the study, even in years when there are significant withdrawals from the reserve account. Primary consideration is given to cash needed to cover expenses and the threshold; the percent funded is typically targeted to be 80%.

SUMMARY

RESERVE ACCOUNT BALANCE AS OF JULY 30, 2021	\$321,127
CURRENT FULLY FUNDED BALANCE	\$800,310
RESERVE FUND DEFICIT	(\$479,183)
NUMBER OF UNITS	662
AVERAGE DEFICIT PER UNIT	(\$724)

ALL UNITS PAY EQUALLY INTO RESERVES

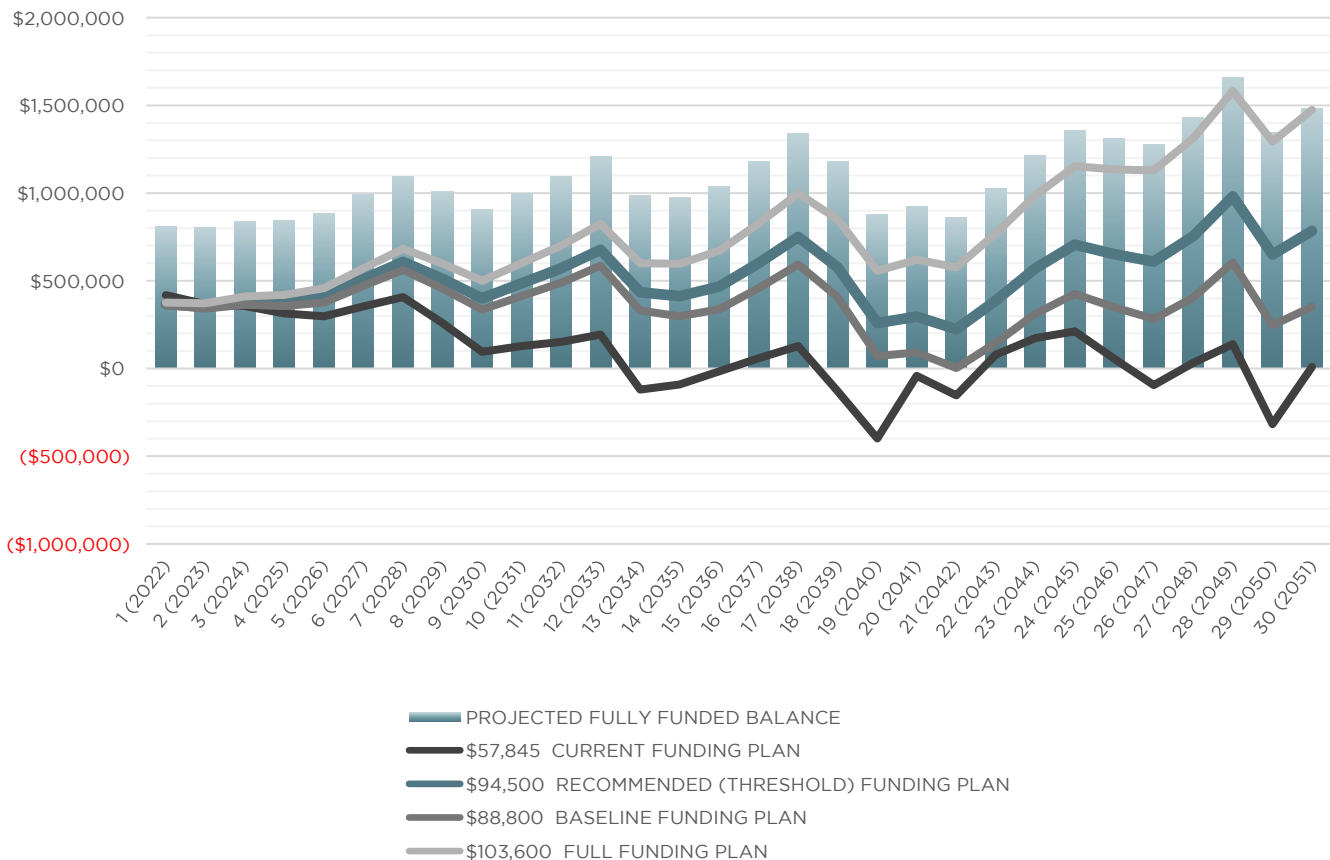


FUNDING PLANS

THRESHOLD FUNDING PLAN \$92,500	BASELINE FUNDING PLAN \$85,400	FULL FUNDING PLAN \$101,400
RECOMMENDED	OPTIONAL STRATEGY	100% FUNDED BY YEAR 30
initial annual contribution of \$92,500	initial annual contribution of \$85,400	initial annual contribution of \$101,400
meets yearly projected reserve expenses	meets annual reserve expenses with no minimum balance requirement	most flexibility for cost variables and unplanned expenses
maintains minimum reserve balance equal to annual contribution amount	less flexibility with cost variables and unplanned expenses	lowest risk for special assessment

The Threshold Funding Plan is the **RECOMMENDED FUNDING PLAN** for Cape George Colony Club General Operations, balancing cashflow and anticipated expenses over 30 years while maintaining a minimum reserve account balance of one year's contribution to reserves and the percent funded above 33%. Cost projection accuracy decreases into the distant future. Assumptions should be reconsidered and updated with each revision of the study.

COMPARISON OF FULLY FUNDED BALANCE AND FUNDING PLANS





PROJECTED RESERVE ACCOUNT BALANCES

FOR FUNDING PLANS OVER 30 YEARS

Per RCW 64.90.550 §2 (j) of the Washington Unified Common Interest Owners Act (WUCIOA), the projected reserve account balance for each of the funding plans over the next 30 years is provided, along with the current funding plan projections.

FISCAL YEAR END	\$94,500 RECOMMENDED (THRESHOLD) FUNDING PLAN	\$57,845 CURRENT FUNDING PLAN	\$88,800 BASELINE FUNDING PLAN	\$103,600 FULL FUNDING PLAN
1 (2022)	\$367,707	\$418,351	\$361,993	\$376,830
2 (2023)	\$353,062	\$366,586	\$341,303	\$371,833
3 (2024)	\$380,956	\$355,475	\$362,855	\$409,854
4 (2025)	\$380,054	\$313,608	\$355,299	\$419,572
5 (2026)	\$406,954	\$297,513	\$375,226	\$457,609
6 (2027)	\$509,010	\$354,460	\$469,972	\$571,332
7 (2028)	\$607,896	\$406,050	\$561,204	\$682,439
8 (2029)	\$510,718	\$259,303	\$456,011	\$598,055
9 (2030)	\$398,963	\$95,621	\$335,868	\$499,689
10 (2031)	\$485,180	\$127,466	\$413,312	\$599,912
11 (2032)	\$570,848	\$151,917	\$488,973	\$701,556
12 (2033)	\$677,678	\$193,673	\$585,181	\$825,341
13 (2034)	\$434,668	(\$119,575)	\$330,904	\$600,316
14 (2035)	\$412,446	(\$90,691)	\$296,738	\$597,163
15 (2036)	\$466,570	(\$17,054)	\$338,207	\$671,491
16 (2037)	\$599,746	\$57,755	\$457,980	\$826,063
17 (2038)	\$749,223	\$127,093	\$593,271	\$998,190
18 (2039)	\$577,258	(\$129,930)	\$406,296	\$850,187
19 (2040)	\$258,897	(\$398,792)	\$72,061	\$557,165
20 (2041)	\$295,196	(\$42,683)	\$91,582	\$620,253
21 (2042)	\$223,851	(\$152,642)	\$2,508	\$577,213
22 (2043)	\$386,106	\$77,820	\$146,037	\$769,364
23 (2044)	\$571,674	\$173,310	\$311,834	\$986,496
24 (2045)	\$705,419	\$211,042	\$424,712	\$1,153,556
25 (2046)	\$652,081	\$55,448	\$349,358	\$1,135,366
26 (2047)	\$609,281	(\$95,571)	\$283,337	\$1,129,637
27 (2048)	\$754,824	\$32,705	\$404,397	\$1,314,264
28 (2049)	\$981,195	\$139,072	\$604,963	\$1,581,834
29 (2050)	\$649,083	(\$317,897)	\$245,659	\$1,293,130
30 (2051)	\$784,911	\$9,990	\$352,844	\$1,474,686

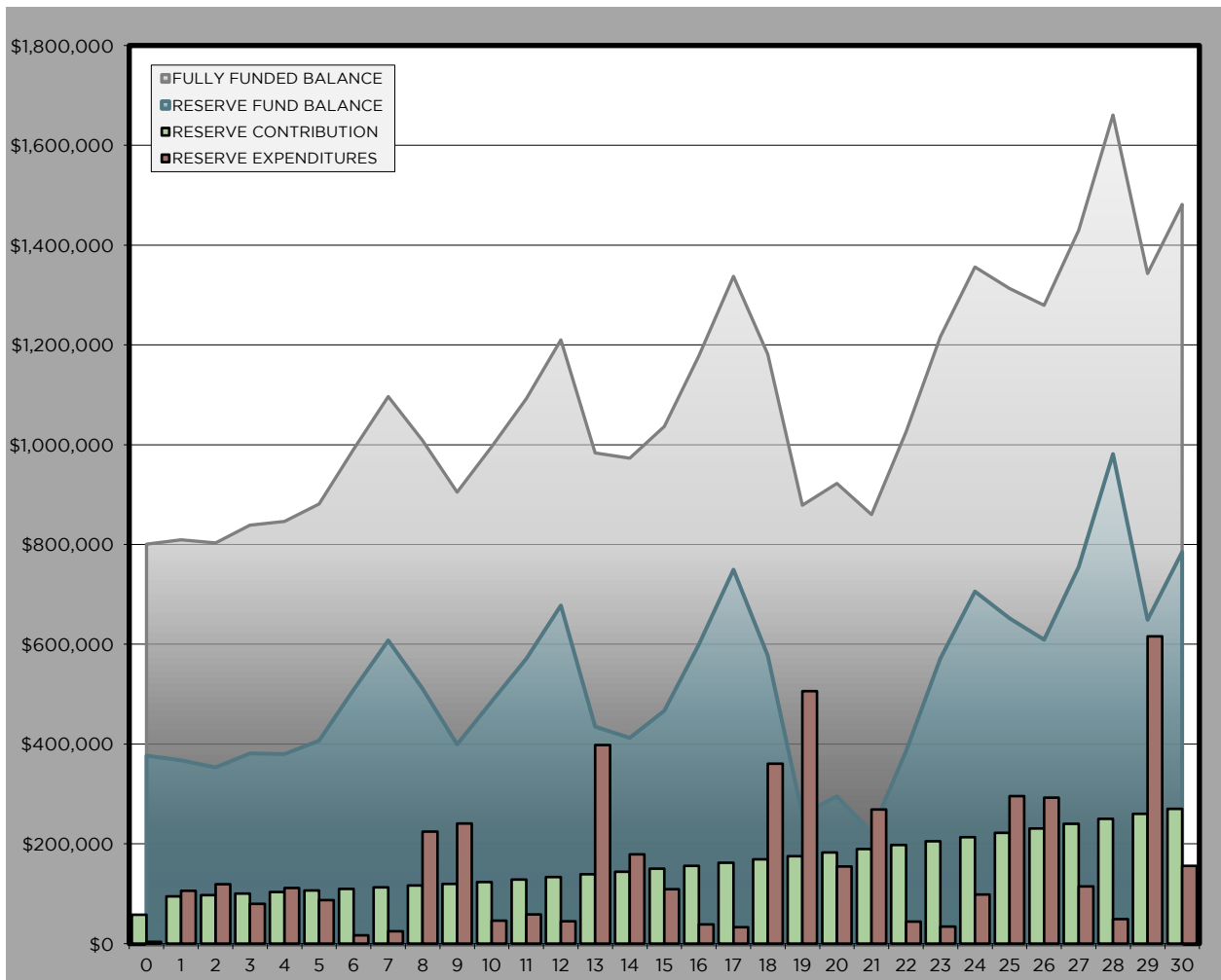


RESERVE STUDY PROJECTIONS USING INFLATED DOLLAR VALUES

The recommended contribution to reserves is primarily based on cashflow over thirty years to ensure a that there will be enough funds in reserves to cover anticipated expenses without the need of a special assessment. Monitoring the Fully Funded Balance helps anticipate future financial liabilities and the community’s potential risk for a special assessment. The inflated scenario includes annual increases in the reserve contribution to keep up with inflation.

- **Teal Area Graph:** The fiscal year-end running reserve fund balance is shown as a line graph in teal.
- **Grey Area Graph:** The anticipated fully funded balance is shown as a line graph in grey.
- **Mint Green Bars:** The annual reserve fund contributions are shown as mint green bars.
- **Brick Red Bars:** The anticipated yearly reserve expenditures are shown as brick red bars, depicting the anticipated expenses over the next 30 years.

RECOMMENDED FUNDING PLAN STARTING AT \$92,500





RESERVE 30 YEAR SUMMARY AT THE RECOMMENDED FUNDING PLAN STARTING AT \$92,500

INFLATION & INTEREST ASSUMPTIONS¹

	INFLATION	INTEREST
Years 0-1	0%	1%
Years 2-10	3%	2%
Years 11-30	4%	3%

SPECIAL ASSESSMENT RISK

Nominal Risk	100% +
Low Risk	70% to 99%
Moderate Risk	25% to 69%
Highest Risk	0% to 24%

FISCAL YEAR END	FISCAL YEAR BEGINNING RESERVE BALANCE	RECOMMENDED ANNUAL RESERVE CONTRIBUTION ²	AVERAGE CONTRIBUTION PER UNIT PER MONTH ³	PROJECTED RESERVE EXPENDITURES	SPECIAL ASSESSMENT	PROJECTED INTEREST EARNED	FISCAL YEAR END RESERVE BALANCE	PROJECTED FULLY FUNDED BALANCE	PERCENT FUNDED
1 (2022)	\$377,014	\$94,500	\$12	(\$105,664)	\$0	\$1,857	\$367,707	\$809,068	45%
2 (2023)	\$367,707	\$97,335	\$12	(\$119,117)	\$0	\$7,136	\$353,062	\$802,919	44%
3 (2024)	\$353,062	\$100,255	\$13	(\$79,628)	\$0	\$7,268	\$380,956	\$838,735	45%
4 (2025)	\$380,956	\$103,263	\$13	(\$111,700)	\$0	\$7,535	\$380,054	\$846,295	45%
5 (2026)	\$380,054	\$106,361	\$13	(\$87,252)	\$0	\$7,792	\$406,954	\$881,353	46%
6 (2027)	\$406,954	\$109,551	\$14	(\$16,565)	\$0	\$9,069	\$509,010	\$991,056	51%
7 (2028)	\$509,010	\$112,838	\$14	(\$25,010)	\$0	\$11,058	\$607,896	\$1,096,389	55%
8 (2029)	\$607,896	\$116,223	\$15	(\$224,476)	\$0	\$11,075	\$510,718	\$1,008,435	51%
9 (2030)	\$510,718	\$119,710	\$15	(\$240,472)	\$0	\$9,007	\$398,963	\$904,956	44%
10 (2031)	\$398,963	\$123,301	\$16	(\$45,838)	\$0	\$8,754	\$485,180	\$996,208	49%
11 (2032)	\$485,180	\$128,233	\$16	(\$58,171)	\$0	\$15,606	\$570,848	\$1,092,224	52%
12 (2033)	\$570,848	\$133,362	\$17	(\$44,984)	\$0	\$18,451	\$677,678	\$1,209,842	56%
13 (2034)	\$677,678	\$138,697	\$17	(\$398,146)	\$0	\$16,439	\$434,668	\$983,759	44%
14 (2035)	\$434,668	\$144,245	\$18	(\$178,985)	\$0	\$12,519	\$412,446	\$972,740	42%
15 (2036)	\$412,446	\$150,015	\$19	(\$108,881)	\$0	\$12,990	\$466,570	\$1,036,530	45%
16 (2037)	\$466,570	\$156,015	\$20	(\$38,598)	\$0	\$15,758	\$599,746	\$1,178,505	51%
17 (2038)	\$599,746	\$162,256	\$20	(\$32,714)	\$0	\$19,936	\$749,223	\$1,337,608	56%
18 (2039)	\$749,223	\$168,746	\$21	(\$360,314)	\$0	\$19,603	\$577,258	\$1,181,261	49%
19 (2040)	\$577,258	\$175,496	\$22	(\$506,214)	\$0	\$12,357	\$258,897	\$878,777	29%
20 (2041)	\$258,897	\$182,516	\$23	(\$154,405)	\$0	\$8,189	\$295,196	\$922,265	32%
21 (2042)	\$295,196	\$189,816	\$24	(\$268,832)	\$0	\$7,671	\$223,851	\$859,575	26%
22 (2043)	\$223,851	\$197,409	\$25	(\$44,168)	\$0	\$9,014	\$386,106	\$1,025,810	38%
23 (2044)	\$386,106	\$205,305	\$26	(\$33,892)	\$0	\$14,154	\$571,674	\$1,216,013	47%
24 (2045)	\$571,674	\$213,518	\$27	(\$98,646)	\$0	\$18,873	\$705,419	\$1,356,391	52%
25 (2046)	\$705,419	\$222,058	\$28	(\$295,458)	\$0	\$20,062	\$652,081	\$1,313,189	50%
26 (2047)	\$652,081	\$230,941	\$29	(\$292,381)	\$0	\$18,641	\$609,281	\$1,279,253	48%
27 (2048)	\$609,281	\$240,178	\$30	(\$114,795)	\$0	\$20,159	\$754,824	\$1,429,784	53%
28 (2049)	\$754,824	\$249,785	\$31	(\$49,069)	\$0	\$25,655	\$981,195	\$1,660,628	59%
29 (2050)	\$981,195	\$259,777	\$33	(\$615,982)	\$0	\$24,093	\$649,083	\$1,342,702	48%
30 (2051)	\$649,083	\$270,168	\$34	(\$155,532)	\$0	\$21,192	\$784,911	\$1,481,774	53%

¹The 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.

²The Recommended Annual Reserve Contribution includes inflation and any applicable recommended adjustments.

³The Average Contribution Per Unit Per Month reflects the Recommended Annual Reserve Contribution divided by the total number of units in the community.



PURPOSE OF A RESERVE STUDY

The purpose of a Reserve Study is to recommend a reasonable annual reserve contribution rate made by a common interest community to its reserve account. Reserve accounts are established to fund major maintenance, repair, and replacement of common elements, including limited common elements, expected within the next thirty years. A Reserve Study is intended to project availability of 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 the potential for special assessments. All costs and annual reserve fund balances are shown 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. Annual updates are key to keeping up with current trends in component pricing, inflation and interest rates, actual timing of maintenance experienced and the community's risk tolerance.

A Reserve Study also calculates a theoretical "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:

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

By comparing the actual current reserve fund balance, to the theoretical Fully Funded Balance a Percent Fully Funded is derived.

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 problem.



LEVELS OF RESERVE STUDIES

Level 1: 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.

Level 2: Thereafter at least every three years, an updated Reserve Study must be prepared, which again is 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.

Level 3: As noted earlier, the Association is required to update its Reserve Study every year. However, in two of the three years, the annual updates do not require a site visit. This is also known as a Level 3 update without a site visit.

Level 4: The Community Associations Institute defines a Level 4 reserve study for communities under construction as a Preliminary, Community Not Yet Constructed reserve study.

This study
is a Level 3
Reserve Study
update without a
site visit.

The next required update
for Cape George Colony
Club General Operations
is a **Level 3 study by
September, 2022.**

SOURCES USED IN COMPILING THIS REPORT

Reserve Consultants LLC has provided reserve studies and construction services since 1992 and base component repair and replacement costs on this extensive experience and information provided by the Association. Sources used include:

- Review of previous reserve study report(s);
- Input provided by association representatives;
- Review of a list of components the community is responsible for;
- Generally accepted construction, maintenance, and repair guidelines

The current replacement cost is an estimate and actual costs may vary. Material selection, timing of the work, and requirements for Architectural services or construction management can impact cost projections. Expenses related to common interest communities are typically higher than other multi-family construction types, often due to the elevated insurance requirements contractors must carry. All estimates assume that a licensed and bonded contractor will be utilized to complete the work due to liability issues. Regional cost factors are applied as appropriate.



GOVERNMENT REQUIREMENTS FOR A RESERVE STUDY

- (a) The content of a Reserve Study for a homeowners' association is regulated by the Washington State government (RCW 64.38.070 §2).
- (b) 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;
- (c) The date of the study, and a statement that the study meets the requirements of this section;
- (d) 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;
- (e) The association's reserve account balance;
- (f) The percentage of the fully funded balance that the reserve account is funded;
- (g) Special assessments already implemented or planned;
- (h) Interest and inflation assumptions;
- (i) Current reserve account contribution rates for a full funding plan and baseline funding plan;
- (j) 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;
- (k) 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
- (l) **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.

Effective July 1, 2018, the Washington Unified Common Interest Act (WUCIOA) has impacted common interest communities. Our reserve studies also comply with WUCIOA.



RCW 64.90.550 §2 states that a reserve study must include:

- (a) A reserve component list, including any reserve component, the replacement cost of which exceeds one percent of the annual budget of the association, excluding contributions to the reserves for that reserve component. If one of these reserve components is not included in the reserve study, the study must explain the basis for its exclusion. The study must also include quantities and estimates for the useful life of each reserve component, the remaining useful life of each reserve component, and current major replacement costs for each reserve component;
- (b) The date of the study and a disclosure as to whether the study meets the requirements of this section;
- (c) The following level of reserve study performed:
 - a. Level I: Full reserve study funding analysis and plan;
 - b. Level II: Update with visual site inspection; or
 - c. Level III: Update with no visual site inspection;
- (d) The association's reserve account balance;
- (e) The percentage of the fully funded balance to which 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 a baseline funding plan;
- (i) A recommended reserve account 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 recommended reserve account contribution rate for a baseline funding plan to maintain the reserve account balance above zero throughout the thirty-year study period without special assessments, and a reserve account contribution rate recommended by the reserve study professional;
- (j) A projected reserve account balance for thirty years based on each funding plan presented in the reserve study;
- (k) A disclosure on whether the reserve study was prepared with the assistance of a reserve study professional, and whether the reserve study professional was independent; and
- (l) A statement of the amount of any current deficit or surplus in reserve funding expressed on a dollar per unit basis. The amount is calculated by subtracting the association's reserve account balance as of the date of the study from the fully funded balance, and then multiplying the result by the fraction or percentage of the common expenses of the association allocable to each unit; except that if the fraction or percentage of the common expenses of the association allocable vary by unit, the association must calculate any current deficit or surplus in a manner that reflects the variation.

In addition, the WUCIOA requires the following disclosure in every Reserve Study (RCW 64.90.550 §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 the association to (1) defer major maintenance, repair, or replacement, (2) increase future reserve contributions, (3) borrow funds to pay for major maintenance, repair, or replacement, or (4) impose special assessments for the cost of major maintenance, repair, or replacement."

Furthermore, RCW 64.90.550 §2 states that the budget must include:

- (d) the current amount of regular assessments budgeted for contribution to the reserve account; extent to which the budget meets or deviates from the recommendations of that reserve study; and
- (e) A statement of whether the association has a reserve study that meets the requirements of RCW 64.90.550 of this act and, if so, the
- (f) The current deficiency or surplus in reserve funding expressed on a per unit basis.

RCW 64.90.550 §2 (d) - (f) requirements are covered by the reserve disclosure that is prepared with each reserve study when the Association is ready to ratify the budget.



LIMITATIONS AND ASSUMPTIONS OF A RESERVE STUDY

This Reserve Study is not a report on the condition of the assets maintained by Cape George Colony Club General Operations, or a detailed report of necessary maintenance 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 and the Washington Common Interest Ownership Act (WUCIOA).

The component list is based on information provided by Cape George Colony Club. Reserve Consultants LLC does not provide legal interpretations of governing documents or auditing services on account information provided.

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 maintenance and repair by Cape George Colony Club. 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 Cape George Colony Club 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 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 unit owners.



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 1990 is 3.07%. 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 1990 is 2.82%. The interest for associations is typically lower than average due to conservative investing options that are usually employed by associations.

INFLATION AND INTEREST RATE PROJECTIONS

YEARS APPLIED	RESERVE CONTRIBUTION INFLATION	RESERVE EXPENSE INFLATION	INTEREST RATE
Year 0 (2021)	0%	0%	0.5%
Year 1 (2022)	0%	4%	0.5%
Year 2 (2023) through Year 10 (2031)	3%	3%	2%
Year 11 (2032) through Year 30 (2051)	4%	4%	3%



RESERVE DISCLOSURE

RCW 64.38.025 states that within thirty days after adoption of any proposed budget for the association, the board of directors shall provide a summary of the budget to all the unit owners and shall set a date for a meeting of the unit owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary. As part of the summary of the budget to all owners, the board of directors shall disclose the reserve disclosure as outlined in RCW 64.38.025 §4,

which we refer to as the Reserve Disclosure. Below is a sample of the Reserve Disclosure we will compile when the association is ready to provide a summary of the budget to the unit owners. Please contact RCL one week before the Association plans on sending the budget summary to unit owners and we will issue a completed Reserve Disclosure at no additional charge within one year of issuing the draft of the reserve study report.

FUNDING INFORMATION	
\$104,000	Proposed annual contribution to reserves for the fiscal year ending in 2022 per the budget.
\$610,000	Projected fiscal year end 2021 reserve balance per the budget.
\$128,000	Budgeted annual contribution to reserves for the current year ending in 2021.

INFORMATION FROM THE MOST RECENT RESERVE STUDY	
62%	Percent fully funded as of the date of the most recent reserve study (2021).
\$104,000	Recommended annual contribution to reserves for the fiscal year ending in 2022.
Threshold	Type of funding plan used for recommended annual funding per the most recent reserve study.
\$609,414	Projected fiscal year end 2021 reserve balance per the most recent reserve study.
Yes	Based upon the most recent reserve study (2021), will the Association have funds to meet obligations for the next 30 years at the current contribution rate* ?

* We assume the current contribution rate will be adjusted annually for inflation. Not doing so may cause a failure to meet obligations.

ANTICIPATED RESERVE FUNDING SHORTFALLS OVER THE NEXT 30 YEARS

\$128,000 CURRENT FISCAL YEAR RESERVE CONTRIBUTION			\$104,000 PROPOSED ANNUAL RESERVE CONTRIBUTION		
FISCAL YEAR END	PROJECTED FUNDING SHORTFALL	AVERAGE SHORTFALL PER UNIT PER YEAR	FISCAL YEAR END	PROJECTED FUNDING SHORTFALL	AVERAGE SHORTFALL PER UNIT PER YEAR
	None			None	

PROPOSED ADDITIONAL REGULAR OR SPECIAL ASSESSMENT FOR FISCAL YEAR END 2022

No	Is additional funding (Regular or Special Assessment) planned in the proposed budget?	
N/A	Amount of additional Regular or Special Assessment.	The purpose for the additional funding:
N/A	Average amount per unit per year.	
N/A	Average amount per unit per month.	
N/A	Date assessment is due.	

COMPARISON OF FISCAL YEAR END PROJECTIONS FOR NEXT FIVE YEARS

\$128,000 CURRENT RESERVE CONTRIBUTION			\$104,000 RECOMMENDED RESERVE CONTRIBUTION			\$104,000 PROPOSED RESERVE CONTRIBUTION		
FISCAL YEAR END	RESERVE ACCOUNT BALANCE	PERCENT FULLY FUNDED	FISCAL YEAR END	RESERVE ACCOUNT BALANCE	PERCENT FULLY FUNDED	FISCAL YEAR END	RESERVE ACCOUNT BALANCE	PERCENT FULLY FUNDED
2022	\$717,247	70%	2022	\$693,007	68%	2022	\$693,007	68%
2023	\$864,751	79%	2023	\$815,059	74%	2023	\$815,059	74%
2024	\$1,017,160	86%	2024	\$940,758	80%	2024	\$940,758	80%
2025	\$1,178,771	93%	2025	\$1,074,353	85%	2025	\$1,074,353	85%
2026	\$553,627	98%	2026	\$419,838	74%	2026	\$419,838	74%

CONTRIBUTIONS AND EXPENSES ARE BOTH INFLATED FOR THE 5 YEAR PROJECTION CALCULATIONS.



RCW 64.90.525 §2 of the WUCIOA requires that the budget disclosure include:

- (d) The current amount of regular assessments budgeted for contribution to the reserve account;
- (e) A statement of whether the association has a reserve study that meets the requirements of RCW 64.90.550 of this act and, if so, the extent to which the budget meets or deviates from the recommendations of that reserve study; and
- (f) The current deficiency or surplus in reserve funding expressed on a per unit basis

Below is a sample of the Reserve Disclosure we will compile when the association is ready to provide a summary of the budget to the unit owners. Please contact RCL one week before the Association plans on sending the budget summary to unit owners and we will issue a completed WUCIOA Reserve Disclosure at no additional charge within one year of issuing the draft of the reserve study report.

FUNDING INFORMATION								
✓	Sample does have a current reserve study that complies with RCW 64.90.550 (WUCIOA).							
✓	Sample does have a current reserve study that complies with RCW 64.34.382 (Condominium Act).							
\$128,000	The current regular reserve assessments budgeted for annual contribution to the reserve account.							
\$104,000	The Recommended annual contribution to reserves for the fiscal year ending in 2022.*							
\$104,000	The Proposed annual contribution to reserves for the fiscal year ending in 2022 per the budget.							
✓	The proposed budget does meet or exceed the reserve study recommendations.							
\$0	Difference between the Proposed and Recommended annual contribution to reserves.							
*The Recommended annual contribution represents Threshold Funding, which ensures there is enough cash over 30 years to cover anticipated reserve expenses, but does not necessarily represent a plan that achieves 100% Fully Funded.								
At the time of the most recent reserve study Sample was 62% fully funded. For comparison, the average percent funded for Reserve Consultants LLC clients since 2014 is 60%.								
CURRENT (DEFICIENCY) IN RESERVE FUNDS COMPARED TO THE FULLY FUNDED BALANCE ON A PER UNIT BASIS								
\$610,000	The projected fiscal year end 2021 reserve balance per the budget.							
\$971,499	The projected fiscal year end 2021 Fully Funded Balance per the reserve study.							
(\$361,499)	The total (deficiency) in reserves, compared to the Fully Funded Balance.							
UNIT NUMBER	ALLOCATED INTEREST	(DEFICIENCY) PER UNIT	UNIT NUMBER	ALLOCATED INTEREST	(DEFICIENCY) PER UNIT	UNIT NUMBER	ALLOCATED INTEREST	(DEFICIENCY) PER UNIT
A101	8.0787%	(\$29,209)	208	4.8397%	(\$17,496)	308	4.9295%	(\$17,820)
A102	7.5583%	(\$27,323)	209	4.8397%	(\$17,496)	309	4.9295%	(\$17,820)
A103	9.0827%	(\$32,834)	300	1.9574%	(\$7,076)	400	3.0472%	(\$7,401)
A201	7.7574%	(\$28,043)	301	2.1370%	(\$7,725)	401	2.2268%	(\$8,050)
A202	7.4748%	(\$27,097)	302	2.1998%	(\$7,952)	402	2.2896%	(\$8,277)
A203	8.7815%	(\$31,745)	303	2.2896%	(\$8,277)	403	2.3794%	(\$8,602)
A301	8.0787%	(\$29,209)	304	3.0798%	(\$11,153)	404	3.1696%	(\$11,458)
A302	7.5583%	(\$27,323)	305	3.2594%	(\$11,753)	405	3.3491%	(\$12,107)
A303	9.1784%	(\$33,172)	306	3.1087%	(\$11,231)	406	3.1985%	(\$11,585)
A401	8.4585%	(\$30,578)	307	3.1426%	(\$11,360)	407	2.3707%	(\$8,568)
COLUMN TOTAL	100.00%	(\$361,499)	COLUMN TOTAL	30.88%	(\$11,638)	COLUMN TOTAL	41.79%	(\$15,068)
			GRAND TOTAL	172.64%	(\$624,097)			

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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; nor is there any involvement with Cape George Colony Club which could result in a conflict of interest.
3. Reserve Consultants LLC has been a member of the Community Associations 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. Any on-site inspection should not be considered a project audit or quality inspection.
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 record.



EVALUATOR'S CREDENTIALS

Denise Dana

Principal
Reserve Consultants LLC

B.S. Education,
M. Architecture

Washington Registered
Architect, #8702

LEED Accredited Professional
Reserve Specialist, #291

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 twenty 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.



Glossary of Terms

Allocated Interests - the following interests allocated to each unit: (a) In a condominium, the undivided interest in the common elements, the common expense liability, and votes in the association; (b) In a cooperative, the common expense liability, the ownership interest, and votes in the association; and (c) In a plat community and miscellaneous community, the common expense liability and the votes in the association, and also the undivided interest in the common elements if owned in common by the unit owners rather than an association. RCW 64.90.010 §2.

Assessment - all sums chargeable by the association against a unit, including any assessments levied pursuant to RCW 64.90.480, fines or fees levied or imposed by the association pursuant to this chapter or the governing documents, interest and late charges on any delinquent account, and all costs of collection incurred by the association in connection with the collection of a delinquent owner's account, including reasonable attorneys' fees. RCW 64.90.010 §3.

Association or Unit Owners Association - the unit owners association organized under RCW 64.90.400 of WUCIOA and, to the extent necessary to construe sections of this chapter made applicable to common interest communities pursuant to RCW 64.90.085, 64.90.095, or 64.90.100 of WUCIOA, the association organized or created to administer such common interest communities. RCW 64.90.010 §4)

Baseline Funding Plan - 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 excess funds some years.

Board - the body, regardless of name, designated in the declaration, map, or organizational documents, with primary authority to manage the affairs of the association. RCW 64.90.010 §6.

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. The numbers are based roughly on the Construction Specification Institute system.

Common Elements - (a) In a condominium or cooperative, all portions of the common interest community other than the units; (b) In a plat community or miscellaneous community, any real estate other than a unit within a plat community or miscellaneous community that is owned or leased either by the association or in common by the unit owners rather than an association; and (c) In all common interest communities, any other interests in real estate for the benefit of any unit owners that are subject to the declaration. RCW 64.90.010 §7.

Common Expense - any expense of the association, including allocations to reserves, allocated to all of the unit owners in accordance with common expense liability. RCW 64.90.010 §8.

Common Expense Liability - the liability for common expenses allocated to each unit pursuant to RCW 64.90.040 of RCW. RCW 64.90.010 §9.

Common Interest Community - real estate described in a declaration with respect to which a person, by virtue of the person's ownership of a unit, is obligated to pay for a share of real estate taxes, insurance premiums, maintenance, or improvement of, or services or other expenses related to, common elements, other units, or other real estate described in the declaration. "Common interest community" does not include an arrangement described in RCW 64.90.110 or RCW 64.90.115. A common interest community may be a part of another common interest community. RCW 64.90.010 §10.

Contribution Rate - in a Reserve Study as described in RCW 64.38, 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 - costs and contributions are provided in today's dollars, no matter how far in the future they occur. Inflation and interest are not factored in.



Effective Age - the difference between the useful life and the remaining useful life. RCW 64.38.010 §7 & RCW §64.90.010 §21.

Full Funding Plan - a reserve funding goal of achieving one hundred percent fully funded reserves by the end of the thirty-year study period described under RCW64.90.550 of WUCIOA, in which the reserve account balance equals the sum of the estimated costs required to maintain, repair, or replace the deteriorated portions of all reserve components. RCW §64.90.010 §25.

Fully Funded Balance - 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 & RCW §64.90.010 §26.

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 - a portion of the common elements allocated by the declaration or by operation of RCW 64.90.210 §1(b) or §2 for the exclusive use of one or more, but fewer than all, of the unit owners. RCW §64.90.010 §30.

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.

Maintenance Cycle - the frequency of maintenance on 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.

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

Nominal Reserve Costs - the current estimated total replacement costs of the reserve components are less than fifty percent of the annual budgeted expense of the association, excluding contributions to the reserve funds, for a condominium or cooperative containing horizontal unit boundaries and less than seventy five percent of the annual budgeted expenses of the association, excluding contributions to the reserve fund for all other common interest communities. RCW §64.90.010 §34.

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 formed prior to June 30, 2018.

RCW 64.90 is the Uniform Common Interest Ownership Act (**WUCIOA**) and governs common interest properties formed after July 1, 2018 and requires all common interest properties in Washington State to comply with RCW 64.90.525.

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

Or the estimated time before a reserve component will require major maintenance, repair or replacement to perform its intended function. RCW §64.90.010 §44.

Replacement Cost - the current cost of replacing, repairing, or restoring a reserve component to its original functional condition. RCW 64.38.010 §15.

Or the estimated total cost to maintain, repair, or replace a reserve component to its original functional condition. RCW §64.90.010 §45.

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 Component - 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.

Or a physical component of the common interest community which the association is obligated to maintain, repair, or replace, which has an estimated useful life of less than thirty years, and for which the cost of such maintenance, repair or replacement is infrequent, significant, and impractical to include in an annual budget. RCW §64.90.010 §46.

Reserve Contribution Rate - 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, RCW 64.90.545 and RCW 64.90.550. For the purposes of WUCIOA, "independent" means a person who is not an employee, officer, or director, and has no pecuniary interest in the declarant, association, or any other party for whom the reserve study is prepared. RCW §64.90.010 §47.

Roofing Square - A roofing industry term meaning 100 square feet.

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 or the estimated time during which a reserve component is expected to perform its intended function without major maintenance, repair or replacement. RCW §64.90.010 §59.

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 the calculated reserve fund balance.



APPENDIX A

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF \$94,500
AND COMPOUND INFLATION

					18-Jul-22				
STARTING RESERVE BALANCE					\$377,014	\$367,707	\$353,062	\$380,956	\$380,054
ANNUAL RESERVE CONTRIBUTION					\$94,500	\$97,335	\$100,255	\$103,263	\$106,361
ESTIMATED INTEREST EARNED					\$1,857	\$7,136	\$7,268	\$7,535	\$7,792
SPECIAL ASSESSMENT					\$0	\$0	\$0	\$0	\$0
ACCUMULATED CREDITS					\$473,371	\$472,179	\$460,584	\$491,754	\$494,206
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	1 2022	2 2023	3 2024	4 2025	5 2026	
2.2.1	Site Drainage - Major Improvements	25	21						
2.6.1	Asphalt - Overlay Phase 1	50	8						
2.6.2	Asphalt - Overlay Phase 2	50	13						
2.6.3	Asphalt - Overlay Phase 3	50	18						
2.6.4	Asphalt - Major Repairs	5	5					\$32,775	
2.7.1	Sports Court - Resurface	10	8						
2.8.1	Playground - Replace	22	3			\$5,053			
6.1.1	Clubhouse Gazebo - Replace	18	3			\$3,928			
6.1.2	Workshop Gazebo - Replace	18	11						
6.1.3	Memorial Park Gazebo - Replace	18	2		\$3,813				
6.2.1	Building Major Repair - Contingency	7	5					\$23,832	
7.3.2	Clubhouse Gutters - Replace	20	5					\$4,858	
7.4.1	Maint. Comp. Shingle Roof - Replace	20	1	\$6,053					
7.4.2	Clubhouse Roof - Replace Phase 1	20	19						
7.4.3	Clubhouse Roof - Replace Phase 2	20	4				\$27,229		
7.4.4	Office Comp. Shingle Roof - Replace	20	20						
7.4.5	Workshop Comp. Shingle Roof - Replace	20	1	\$10,972					
8.3.1	Maintenance Roll Up Door - Replace	24	4				\$3,466		
9.8.1	Clubhouse Exterior Surfaces - Paint	6	3			\$21,526			
10.4.1	Monument Signs - Update	10	9						
10.5.1	Mailbox Structure - Colony	20	20						
10.5.2	Mailbox Structure - Village	20	1	\$21,174					
11.0.1	Office Copier - Contingency	8	1	\$7,935					
11.1.1	John Deere 990 Tractor - Replace	15	14						
11.1.2	Ford Diesel Stakebed - Replace	10	3			\$16,550			
11.1.3	Ford Ranger Xlt 1/2 Ton - Replace	7	4				\$10,989		
11.1.4	Toro Riding Mower - Replace	7	5					\$4,846	
11.1.5	Snowplow Attachment - Replace	15	4				\$5,807		
11.4.1	Clubhouse Dish Sanitizer - Replace	20	1	\$4,212					
12.1.1	Fitness Equipment - Contingency	2	0		\$3,813		\$4,046		
12.1.2	Clubhouse Wood Furnishings - Update	14	13						
12.1.3	Clubhouse Upholstered Furnishings - Update	15	3			\$11,232			
12.1.4	Clubhouse Electronics - Upgrade	10	1	\$8,996					
12.1.5	Clubhouse Piano - Replace	25	4				\$6,307		
12.1.6	Clubhouse Restrooms - Update	25	1	\$4,763					
12.1.7	Clubhouse Restroom Partitions - Replace	30	1	\$5,294					
12.1.8	Clubhouse Vinyl Flooring - Replace	25	21						
12.1.9	Clubhouse Blinds - Replace	12	7						
12.1.10	Clubhouse Millwork - Replace	25	4				\$18,069		
12.1.11	Clubhouse Countertops - Replace	25	4				\$8,319		
12.2.1	Fitness Center Carpet - Replace	8	4					\$6,989	
12.2.2	Office Carpet - Replace	8	3			\$21,339			
12.2.3	Clubhouse Interior Surfaces - Paint	10	4				\$20,479		
12.2.4	Pool Room Interior Surfaces - Paint	10	6						
12.2.5	Office Interior Surfaces - Paint	8	2		\$6,192				
13.1.1	Pool Restrooms - Update	25	13						
13.1.2	Pool Showers - Update	18	15						
13.2.1	Pool - Paint Surface	8	1						
13.2.2	Pool & Wading Pool - Resurface	12	2		\$74,984				
13.2.3	Pool Deck - Recoat	7	1	\$4,503					
13.2.4	Pool 250K BTU Heaters - Major Repair	16	14						
13.2.5	Pool Dehumidifier - Replace	10	9						
13.2.6	Pool Heat Pump #1 - Replace	14	2		\$13,176				
13.2.7	Pool Heat Pump #2 - Replace	14	7						
15.4.1	Shoreline Berm - Major Repairs	30	25						
15.4.2	Septic System - Replace	30	1	\$31,762					
15.5.1	Septic System - Major Repairs	25	19						
15.6.1	Clubhouse Furnace - Replace	18	7						
15.6.2	Clubhouse Split System - Replace	10	5					\$8,428	
18.1.1	Barrier Arm Operator - Replace	20	2		\$17,139				
18.1.2	Entrance Access Keypad - Replace	12	5					\$12,513	
TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES				\$105,664	\$119,117	\$79,628	\$111,700	\$87,252	
ACCUMULATED CREDITS				\$473,371	\$472,179	\$460,584	\$491,754	\$494,206	
ACCUMULATED DEBITS				\$105,664	\$119,117	\$79,628	\$111,700	\$87,252	
YEAR-END BALANCE				\$367,707	\$353,062	\$380,956	\$380,054	\$406,954	
YEARS	1	2-10	11-30	1 (2022)	2 (2023)	3 (2024)	4 (2025)	5 (2026)	
CONTRIBUTION INFLATION	0%	3%	4%	0%	3%	3%	3%	3%	
COMPONENT COMPOUND INFLATION	4%	3%	4%	104%	107%	110%	114%	117%	
INTEREST RATE MULTIPLIER	0.5%	2%	3%	1%	2%	2%	2%	2%	

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APPENDIX A

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF \$94,500
AND COMPOUND INFLATION

					18-Jul-22				
					6	7	8	9	10
					2027	2028	2029	2030	2031
				STARTING RESERVE BALANCE	\$406,954	\$509,010	\$607,896	\$510,718	\$398,963
				ANNUAL RESERVE CONTRIBUTION	\$109,551	\$112,838	\$116,223	\$119,710	\$123,301
				ESTIMATED INTEREST EARNED	\$9,069	\$11,058	\$11,075	\$9,007	\$8,754
				SPECIAL ASSESSMENT	\$0	\$0	\$0	\$0	\$0
				ACCUMULATED CREDITS	\$525,575	\$632,906	\$735,194	\$639,435	\$531,018
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.						
2.2.1	Site Drainage - Major Improvements	25	21						
2.6.1	Asphalt - Overlay Phase 1	50	8				\$207,874		
2.6.2	Asphalt - Overlay Phase 2	50	13						
2.6.3	Asphalt - Overlay Phase 3	50	18						
2.6.4	Asphalt - Major Repairs	5	5						\$37,995
2.7.1	Sports Court - Resurface	10	8				\$11,064		
2.8.1	Playground - Replace	22	3						
6.1.1	Clubhouse Gazebo - Replace	18	3						
6.1.2	Workshop Gazebo - Replace	18	11						
6.1.3	Memorial Park Gazebo - Replace	18	2						
6.2.1	Building Major Repair - Contingency	7	5						
7.3.2	Clubhouse Gutters - Replace	20	5						
7.4.1	Maint. Comp. Shingle Roof - Replace	20	1						
7.4.2	Clubhouse Roof - Replace Phase 1	20	19						
7.4.3	Clubhouse Roof - Replace Phase 2	20	4						
7.4.4	Office Comp. Shingle Roof - Replace	20	20						
7.4.5	Workshop Comp. Shingle Roof - Replace	20	1						
8.3.1	Maintenance Roll Up Door - Replace	24	4						
9.8.1	Clubhouse Exterior Surfaces - Paint	6	3					\$25,703	
10.4.1	Monument Signs - Update	10	9					\$18,273	
10.5.1	Mailbox Structure - Colony	20	20						
10.5.2	Mailbox Structure - Village	20	1						
11.0.1	Office Copier - Contingency	8	1					\$10,052	
11.1.1	John Deere 990 Tractor - Replace	15	14						
11.1.2	Ford Diesel Stakebed - Replace	10	3						
11.1.3	Ford Ranger Xlt 1/2 Ton - Replace	7	4						
11.1.4	Toro Riding Mower - Replace	7	5						
11.1.5	Snowplow Attachment - Replace	15	4						
11.4.1	Clubhouse Dish Sanitizer - Replace	20	1						
12.1.1	Fitness Equipment - Contingency	2	0	\$4,292					
12.1.2	Clubhouse Wood Furnishings - Update	14	13						
12.1.3	Clubhouse Upholstered Furnishings - Update	15	3						
12.1.4	Clubhouse Electronics - Upgrade	10	1						
12.1.5	Clubhouse Piano - Replace	25	4						
12.1.6	Clubhouse Restrooms - Update	25	1						
12.1.7	Clubhouse Restroom Partitions - Replace	30	1						
12.1.8	Clubhouse Vinyl Flooring - Replace	25	21						
12.1.9	Clubhouse Blinds - Replace	12	7			\$6,855			
12.1.10	Clubhouse Millwork - Replace	25	4						
12.1.11	Clubhouse Countertops - Replace	25	4						
12.2.1	Fitness Center Carpet - Replace	8	4						
12.2.2	Office Carpet - Replace	8	3						
12.2.3	Clubhouse Interior Surfaces - Paint	10	4						
12.2.4	Pool Room Interior Surfaces - Paint	10	6	\$12,273					
12.2.5	Office Interior Surfaces - Paint	8	2						\$7,843
13.1.1	Pool Restrooms - Update	25	13						
13.1.2	Pool Showers - Update	18	15						
13.2.1	Pool - Paint Surface	8	1						
13.2.2	Pool & Wading Pool - Resurface	12	2						
13.2.3	Pool Deck - Recoat	7	1				\$5,538		
13.2.4	Pool 250K BTU Heaters - Major Repair	16	14						
13.2.5	Pool Dehumidifier - Replace	10	9					\$186,444	
13.2.6	Pool Heat Pump #1 - Replace	14	2						
13.2.7	Pool Heat Pump #2 - Replace	14	7			\$13,573			
15.4.1	Shoreline Berm - Major Repairs	30	25						
15.4.2	Septic System - Replace	30	1						
15.5.1	Septic System - Major Repairs	25	19						
15.6.1	Clubhouse Furnace - Replace	18	7			\$4,582			
15.6.2	Clubhouse Split System - Replace	10	5						
18.1.1	Barrier Arm Operator - Replace	20	2						
18.1.2	Entrance Access Keypad - Replace	12	5						
TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES					\$16,565	\$25,010	\$224,476	\$240,472	\$45,838
ACCUMULATED CREDITS					\$525,575	\$632,906	\$735,194	\$639,435	\$531,018
ACCUMULATED DEBITS					\$16,565	\$25,010	\$224,476	\$240,472	\$45,838
YEAR-END BALANCE					\$509,010	\$607,896	\$510,718	\$398,963	\$485,180
YEARS	1	2-10	11-30		6 (2027)	7 (2028)	8 (2029)	9 (2030)	10 (2031)
CONTRIBUTION INFLATION	0%	3%	4%		3%	3%	3%	3%	3%
COMPONENT COMPOUND INFLATION	4%	3%	4%		121%	124%	128%	132%	136%
INTEREST RATE MULTIPLIER	0.5%	2%	3%		2%	2%	2%	2%	2%

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CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF \$94,500
AND COMPOUND INFLATION

		18-Jul-22							
		STARTING RESERVE BALANCE	\$485,180	\$570,848	\$677,678	\$434,668	\$412,446		
		ANNUAL RESERVE CONTRIBUTION	\$128,233	\$133,362	\$138,697	\$144,245	\$150,015		
		ESTIMATED INTEREST EARNED	\$15,606	\$18,451	\$16,439	\$12,519	\$12,990		
		SPECIAL ASSESSMENT	\$0	\$0	\$0	\$0	\$0		
		ACCUMULATED CREDITS	\$629,019	\$722,662	\$832,814	\$591,431	\$575,451		
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	11 2032	12 2033	13 2034	14 2035	15 2036	
2.2.1	Site Drainage - Major Improvements	25	21						
2.6.1	Asphalt - Overlay Phase 1	50	8						
2.6.2	Asphalt - Overlay Phase 2	50	13			\$362,825			
2.6.3	Asphalt - Overlay Phase 3	50	18						
2.6.4	Asphalt - Major Repairs	5	5					\$46,227	
2.7.1	Sports Court - Resurface	10	8						
2.8.1	Playground - Replace	22	3						
6.1.1	Clubhouse Gazebo - Replace	18	3						
6.1.2	Workshop Gazebo - Replace	18	11	\$5,024					
6.1.3	Memorial Park Gazebo - Replace	18	2						
6.2.1	Building Major Repair - Contingency	7	5		\$29,882				
7.3.2	Clubhouse Gutters - Replace	20	5						
7.4.1	Maint. Comp. Shingle Roof - Replace	20	1						
7.4.2	Clubhouse Roof - Replace Phase 1	20	19						
7.4.3	Clubhouse Roof - Replace Phase 2	20	4						
7.4.4	Office Comp. Shingle Roof - Replace	20	20						
7.4.5	Workshop Comp. Shingle Roof - Replace	20	1						
8.3.1	Maintenance Roll Up Door - Replace	24	4						
9.8.1	Clubhouse Exterior Surfaces - Paint	6	3					\$32,210	
10.4.1	Monument Signs - Update	10	9						
10.5.1	Mailbox Structure - Colony	20	20						
10.5.2	Mailbox Structure - Village	20	1						
11.0.1	Office Copier - Contingency	8	1						
11.1.1	John Deere 990 Tractor - Replace	15	14				\$20,192		
11.1.2	Ford Diesel Stakebed - Replace	10	3			\$22,896			
11.1.3	Ford Ranger Xlt 1/2 Ton - Replace	7	4	\$13,647					
11.1.4	Toro Riding Mower - Replace	7	5		\$6,076				
11.1.5	Snowplow Attachment - Replace	15	4						
11.4.1	Clubhouse Dish Sanitizer - Replace	20	1						
12.1.1	Fitness Equipment - Contingency	2	0						
12.1.2	Clubhouse Wood Furnishings - Update	14	13			\$6,991			
12.1.3	Clubhouse Upholstered Furnishings - Update	15	3						
12.1.4	Clubhouse Electronics - Upgrade	10	1	\$12,207					
12.1.5	Clubhouse Piano - Replace	25	4						
12.1.6	Clubhouse Restrooms - Update	25	1						
12.1.7	Clubhouse Restroom Partitions - Replace	30	1						
12.1.8	Clubhouse Vinyl Flooring - Replace	25	21						
12.1.9	Clubhouse Blinds - Replace	12	7						
12.1.10	Clubhouse Millwork - Replace	25	4						
12.1.11	Clubhouse Countertops - Replace	25	4						
12.2.1	Fitness Center Carpet - Replace	8	4		\$9,026				
12.2.2	Office Carpet - Replace	8	3	\$27,293					
12.2.3	Clubhouse Interior Surfaces - Paint	10	4				\$28,606		
12.2.4	Pool Room Interior Surfaces - Paint	10	6						
12.2.5	Office Interior Surfaces - Paint	8	2						
13.1.1	Pool Restrooms - Update	25	13			\$5,434			
13.1.2	Pool Showers - Update	18	15					\$11,408	
13.2.1	Pool - Paint Surface	8	1						
13.2.2	Pool & Wading Pool - Resurface	12	2				\$111,122		
13.2.3	Pool Deck - Recoat	7	1					\$7,149	
13.2.4	Pool 250K BTU Heaters - Major Repair	16	14				\$19,065		
13.2.5	Pool Dehumidifier - Replace	10	9						
13.2.6	Pool Heat Pump #1 - Replace	14	2						
13.2.7	Pool Heat Pump #2 - Replace	14	7						
15.4.1	Shoreline Berm - Major Repairs	30	25						
15.4.2	Septic System - Replace	30	1						
15.5.1	Septic System - Major Repairs	25	19						
15.6.1	Clubhouse Furnace - Replace	18	7						
15.6.2	Clubhouse Split System - Replace	10	5					\$11,887	
18.1.1	Barrier Arm Operator - Replace	20	2						
18.1.2	Entrance Access Keypad - Replace	12	5						
TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES				\$58,171	\$44,984	\$398,146	\$178,985	\$108,881	
ACCUMULATED CREDITS				\$629,019	\$722,662	\$832,814	\$591,431	\$575,451	
ACCUMULATED DEBITS				\$58,171	\$44,984	\$398,146	\$178,985	\$108,881	
YEAR-END BALANCE				\$570,848	\$677,678	\$434,668	\$412,446	\$466,570	
YEARS		1	2-10	11-30	11 (2032)	12 (2033)	13 (2034)	14 (2035)	15 (2036)
CONTRIBUTION INFLATION		0%	3%	4%	4%	4%	4%	4%	4%
COMPONENT COMPOUND INFLATION		4%	3%	4%	141%	147%	153%	159%	165%
INTEREST RATE MULTIPLIER		0.5%	2%	3%	3%	3%	3%	3%	3%

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CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF \$94,500
AND COMPOUND INFLATION

					18-Jul-22				
					2037	2038	2039	2040	2041
STARTING RESERVE BALANCE					\$466,570	\$599,746	\$749,223	\$577,258	\$258,897
ANNUAL RESERVE CONTRIBUTION					\$156,015	\$162,256	\$168,746	\$175,496	\$182,516
ESTIMATED INTEREST EARNED					\$15,758	\$19,936	\$19,603	\$12,357	\$8,189
SPECIAL ASSESSMENT					\$0	\$0	\$0	\$0	\$0
ACCUMULATED CREDITS					\$638,344	\$781,937	\$937,572	\$765,111	\$449,601
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.		16 2037	17 2038	18 2039	19 2040	20 2041
2.2.1	Site Drainage - Major Improvements	25	21						
2.6.1	Asphalt - Overlay Phase 1	50	8						
2.6.2	Asphalt - Overlay Phase 2	50	13						
2.6.3	Asphalt - Overlay Phase 3	50	18				\$296,653		
2.6.4	Asphalt - Major Repairs	5	5						\$56,242
2.7.1	Sports Court - Resurface	10	8				\$16,064		
2.8.1	Playground - Replace	22	3						
6.1.1	Clubhouse Gazebo - Replace	18	3						
6.1.2	Workshop Gazebo - Replace	18	11						
6.1.3	Memorial Park Gazebo - Replace	18	2						\$7,151
6.2.1	Building Major Repair - Contingency	7	5					\$39,323	
7.3.2	Clubhouse Gutters - Replace	20	5						
7.4.1	Maint. Comp. Shingle Roof - Replace	20	1						
7.4.2	Clubhouse Roof - Replace Phase 1	20	19					\$69,433	
7.4.3	Clubhouse Roof - Replace Phase 2	20	4						
7.4.4	Office Comp. Shingle Roof - Replace	20	20						\$13,378
7.4.5	Workshop Comp. Shingle Roof - Replace	20	1						
8.3.1	Maintenance Roll Up Door - Replace	24	4						
9.8.1	Clubhouse Exterior Surfaces - Paint	6	3						
10.4.1	Monument Signs - Update	10	9					\$26,788	
10.5.1	Mailbox Structure - Colony	20	20						\$65,281
10.5.2	Mailbox Structure - Village	20	1						
11.0.1	Office Copier - Contingency	8	1			\$13,625			
11.1.1	John Deere 990 Tractor - Replace	15	14						
11.1.2	Ford Diesel Stakebed - Replace	10	3						
11.1.3	Ford Ranger Xlt 1/2 Ton - Replace	7	4				\$17,958		
11.1.4	Toro Riding Mower - Replace	7	5					\$7,996	
11.1.5	Snowplow Attachment - Replace	15	4					\$9,869	
11.4.1	Clubhouse Dish Sanitizer - Replace	20	1						
12.1.1	Fitness Equipment - Contingency	2	0						
12.1.2	Clubhouse Wood Furnishings - Update	14	13						
12.1.3	Clubhouse Upholstered Furnishings - Update	15	3				\$18,905		
12.1.4	Clubhouse Electronics - Upgrade	10	1						
12.1.5	Clubhouse Piano - Replace	25	4						
12.1.6	Clubhouse Restrooms - Update	25	1						
12.1.7	Clubhouse Restroom Partitions - Replace	30	1						
12.1.8	Clubhouse Vinyl Flooring - Replace	25	21						
12.1.9	Clubhouse Blinds - Replace	12	7					\$10,661	
12.1.10	Clubhouse Millwork - Replace	25	4						
12.1.11	Clubhouse Countertops - Replace	25	4						
12.2.1	Fitness Center Carpet - Replace	8	4						\$12,353
12.2.2	Office Carpet - Replace	8	3					\$37,353	
12.2.3	Clubhouse Interior Surfaces - Paint	10	4						
12.2.4	Pool Room Interior Surfaces - Paint	10	6		\$17,479				
12.2.5	Office Interior Surfaces - Paint	8	2				\$10,734		
13.1.1	Pool Restrooms - Update	25	13						
13.1.2	Pool Showers - Update	18	15						
13.2.1	Pool - Paint Surface	8	1						
13.2.2	Pool & Wading Pool - Resurface	12	2						
13.2.3	Pool Deck - Recoat	7	1						
13.2.4	Pool 250K BTU Heaters - Major Repair	16	14						
13.2.5	Pool Dehumidifier - Replace	10	9					\$273,329	
13.2.6	Pool Heat Pump #1 - Replace	14	2		\$21,119				
13.2.7	Pool Heat Pump #2 - Replace	14	7						
15.4.1	Shoreline Berm - Major Repairs	30	25						
15.4.2	Septic System - Replace	30	1						
15.5.1	Septic System - Major Repairs	25	19					\$31,462	
15.6.1	Clubhouse Furnace - Replace	18	7						
15.6.2	Clubhouse Split System - Replace	10	5						
18.1.1	Barrier Arm Operator - Replace	20	2						
18.1.2	Entrance Access Keypad - Replace	12	5			\$19,089			
TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES					\$38,598	\$32,714	\$360,314	\$506,214	\$154,405
ACCUMULATED CREDITS					\$638,344	\$781,937	\$937,572	\$765,111	\$449,601
ACCUMULATED DEBITS					\$38,598	\$32,714	\$360,314	\$506,214	\$154,405
YEAR-END BALANCE					\$599,746	\$749,223	\$577,258	\$258,897	\$295,196
YEARS	1	2-10	11-30		16 (2037)	17 (2038)	18 (2039)	19 (2040)	20 (2041)
CONTRIBUTION INFLATION	0%	3%	4%		4%	4%	4%	4%	4%
COMPONENT COMPOUND INFLATION	4%	3%	4%		172%	179%	186%	193%	201%
INTEREST RATE MULTIPLIER	0.5%	2%	3%		3%	3%	3%	3%	3%

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APPENDIX A

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF \$94,500
AND COMPOUND INFLATION

						18-Jul-22				
						2042	2043	2044	2045	2046
STARTING RESERVE BALANCE						\$295,196	\$223,851	\$386,106	\$571,674	\$705,419
ANNUAL RESERVE CONTRIBUTION						\$189,816	\$197,409	\$205,305	\$213,518	\$222,058
ESTIMATED INTEREST EARNED						\$7,671	\$9,014	\$14,154	\$18,873	\$20,062
SPECIAL ASSESSMENT						\$0	\$0	\$0	\$0	\$0
ACCUMULATED CREDITS						\$492,683	\$430,274	\$605,566	\$804,065	\$947,539
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	21	22	23	24	25		
				2042	2043	2044	2045	2046		
2.2.1	Site Drainage - Major Improvements	25	21	\$35,095						
2.6.1	Asphalt - Overlay Phase 1	50	8							
2.6.2	Asphalt - Overlay Phase 2	50	13							
2.6.3	Asphalt - Overlay Phase 3	50	18							
2.6.4	Asphalt - Major Repairs	5	5							\$68,427
2.7.1	Sports Court - Resurface	10	8							
2.8.1	Playground - Replace	22	3							\$11,193
6.1.1	Clubhouse Gazebo - Replace	18	3	\$7,437						
6.1.2	Workshop Gazebo - Replace	18	11							
6.1.3	Memorial Park Gazebo - Replace	18	2							
6.2.1	Building Major Repair - Contingency	7	5							
7.3.2	Clubhouse Gutters - Replace	20	5							\$10,142
7.4.1	Maint. Comp. Shingle Roof - Replace	20	1	\$12,158						
7.4.2	Clubhouse Roof - Replace Phase 1	20	19							
7.4.3	Clubhouse Roof - Replace Phase 2	20	4				\$56,302			
7.4.4	Office Comp. Shingle Roof - Replace	20	20							
7.4.5	Workshop Comp. Shingle Roof - Replace	20	1	\$22,039						
8.3.1	Maintenance Roll Up Door - Replace	24	4							
9.8.1	Clubhouse Exterior Surfaces - Paint	6	3	\$40,756						
10.4.1	Monument Signs - Update	10	9							
10.5.1	Mailbox Structure - Colony	20	20							
10.5.2	Mailbox Structure - Village	20	1	\$42,532						
11.0.1	Office Copier - Contingency	8	1							\$18,646
11.1.1	John Deere 990 Tractor - Replace	15	14							
11.1.2	Ford Diesel Stakebed - Replace	10	3			\$33,892				
11.1.3	Ford Ranger Xlt 1/2 Ton - Replace	7	4							\$23,632
11.1.4	Toro Riding Mower - Replace	7	5							
11.1.5	Snowplow Attachment - Replace	15	4							
11.4.1	Clubhouse Dish Sanitizer - Replace	20	1	\$8,460						
12.1.1	Fitness Equipment - Contingency	2	0							
12.1.2	Clubhouse Wood Furnishings - Update	14	13							
12.1.3	Clubhouse Upholstered Furnishings - Update	15	3							
12.1.4	Clubhouse Electronics - Upgrade	10	1	\$18,070						
12.1.5	Clubhouse Piano - Replace	25	4							
12.1.6	Clubhouse Restrooms - Update	25	1							
12.1.7	Clubhouse Restroom Partitions - Replace	30	1							
12.1.8	Clubhouse Vinyl Flooring - Replace	25	21	\$59,452						
12.1.9	Clubhouse Blinds - Replace	12	7							
12.1.10	Clubhouse Millwork - Replace	25	4							
12.1.11	Clubhouse Countertops - Replace	25	4							
12.2.1	Fitness Center Carpet - Replace	8	4							
12.2.2	Office Carpet - Replace	8	3							
12.2.3	Clubhouse Interior Surfaces - Paint	10	4					\$42,344		
12.2.4	Pool Room Interior Surfaces - Paint	10	6							
12.2.5	Office Interior Surfaces - Paint	8	2							
13.1.1	Pool Restrooms - Update	25	13							
13.1.2	Pool Showers - Update	18	15							
13.2.1	Pool - Paint Surface	8	1							
13.2.2	Pool & Wading Pool - Resurface	12	2							
13.2.3	Pool Deck - Recoat	7	1			\$9,407				
13.2.4	Pool 250K BTU Heaters - Major Repair	16	14							
13.2.5	Pool Dehumidifier - Replace	10	9							
13.2.6	Pool Heat Pump #1 - Replace	14	2							
13.2.7	Pool Heat Pump #2 - Replace	14	7	\$22,833						
15.4.1	Shoreline Berm - Major Repairs	30	25							\$136,805
15.4.2	Septic System - Replace	30	1							
15.5.1	Septic System - Major Repairs	25	19							
15.6.1	Clubhouse Furnace - Replace	18	7							\$9,018
15.6.2	Clubhouse Split System - Replace	10	5							\$17,595
18.1.1	Barrier Arm Operator - Replace	20	2			\$34,761				
18.1.2	Entrance Access Keypad - Replace	12	5							
TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES						\$268,832	\$44,168	\$33,892	\$98,646	\$295,458
ACCUMULATED CREDITS						\$492,683	\$430,274	\$605,566	\$804,065	\$947,539
ACCUMULATED DEBITS						\$268,832	\$44,168	\$33,892	\$98,646	\$295,458
YEAR-END BALANCE						\$223,851	\$386,106	\$571,674	\$705,419	\$652,081
YEARS	1	2-10	11-30	21 (2042)	22 (2043)	23 (2044)	24 (2045)	25 (2046)		
CONTRIBUTION INFLATION	0%	3%	4%	4%	4%	4%	4%	4%		
COMPONENT COMPOUND INFLATION	4%	3%	4%	209%	217%	226%	235%	244%		
INTEREST RATE MULTIPLIER	0.5%	2%	3%	3%	3%	3%	3%	3%		

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APPENDIX A

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF \$94,500
AND COMPOUND INFLATION

					18-Jul-22				
STARTING RESERVE BALANCE					\$652,081	\$609,281	\$754,824	\$981,195	\$649,083
ANNUAL RESERVE CONTRIBUTION					\$230,941	\$240,178	\$249,785	\$259,777	\$270,168
ESTIMATED INTEREST EARNED					\$18,641	\$20,159	\$25,655	\$24,093	\$21,192
SPECIAL ASSESSMENT					\$0	\$0	\$0	\$0	\$0
ACCUMULATED CREDITS					\$901,662	\$869,619	\$1,030,264	\$1,265,065	\$940,443
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	26 2047	27 2048	28 2049	29 2050	30 2051	
2.2.1	Site Drainage - Major Improvements	25	21						
2.6.1	Asphalt - Overlay Phase 1	50	8						
2.6.2	Asphalt - Overlay Phase 2	50	13						
2.6.3	Asphalt - Overlay Phase 3	50	18						
2.6.4	Asphalt - Major Repairs	5	5						\$83,252
2.7.1	Sports Court - Resurface	10	8			\$23,779			
2.8.1	Playground - Replace	22	3						
6.1.1	Clubhouse Gazebo - Replace	18	3						
6.1.2	Workshop Gazebo - Replace	18	11				\$10,178		
6.1.3	Memorial Park Gazebo - Replace	18	2						
6.2.1	Building Major Repair - Contingency	7	5	\$51,746					
7.3.2	Clubhouse Gutters - Replace	20	5						
7.4.1	Maint. Comp. Shingle Roof - Replace	20	1						
7.4.2	Clubhouse Roof - Replace Phase 1	20	19						
7.4.3	Clubhouse Roof - Replace Phase 2	20	4						
7.4.4	Office Comp. Shingle Roof - Replace	20	20						
7.4.5	Workshop Comp. Shingle Roof - Replace	20	1						
8.3.1	Maintenance Roll Up Door - Replace	24	4			\$8,384			
9.8.1	Clubhouse Exterior Surfaces - Paint	6	3		\$51,569				
10.4.1	Monument Signs - Update	10	9					\$39,653	
10.5.1	Mailbox Structure - Colony	20	20						
10.5.2	Mailbox Structure - Village	20	1						
11.0.1	Office Copier - Contingency	8	1						
11.1.1	John Deere 990 Tractor - Replace	15	14					\$36,365	
11.1.2	Ford Diesel Stakebed - Replace	10	3						
11.1.3	Ford Ranger Xlt 1/2 Ton - Replace	7	4						
11.1.4	Toro Riding Mower - Replace	7	5	\$10,522					
11.1.5	Snowplow Attachment - Replace	15	4						
11.4.1	Clubhouse Dish Sanitizer - Replace	20	1						
12.1.1	Fitness Equipment - Contingency	2	0						
12.1.2	Clubhouse Wood Furnishings - Update	14	13		\$12,106				
12.1.3	Clubhouse Upholstered Furnishings - Update	15	3						
12.1.4	Clubhouse Electronics - Upgrade	10	1						
12.1.5	Clubhouse Piano - Replace	25	4					\$15,867	
12.1.6	Clubhouse Restrooms - Update	25	1	\$11,640					
12.1.7	Clubhouse Restroom Partitions - Replace	30	1						
12.1.8	Clubhouse Vinyl Flooring - Replace	25	21						
12.1.9	Clubhouse Blinds - Replace	12	7						
12.1.10	Clubhouse Millwork - Replace	25	4					\$45,457	
12.1.11	Clubhouse Countertops - Replace	25	4					\$20,927	
12.2.1	Fitness Center Carpet - Replace	8	4			\$16,906			
12.2.2	Office Carpet - Replace	8	3		\$51,120				
12.2.3	Clubhouse Interior Surfaces - Paint	10	4						
12.2.4	Pool Room Interior Surfaces - Paint	10	6	\$25,873					
12.2.5	Office Interior Surfaces - Paint	8	2	\$14,690					
13.1.1	Pool Restrooms - Update	25	13						
13.1.2	Pool Showers - Update	18	15						
13.2.1	Pool - Paint Surface	8	1						
13.2.2	Pool & Wading Pool - Resurface	12	2	\$177,910					
13.2.3	Pool Deck - Recoat	7	1					\$12,379	
13.2.4	Pool 250K BTU Heaters - Major Repair	16	14						\$35,709
13.2.5	Pool Dehumidifier - Replace	10	9				\$404,594		
13.2.6	Pool Heat Pump #1 - Replace	14	2						\$36,571
13.2.7	Pool Heat Pump #2 - Replace	14	7						
15.4.1	Shoreline Berm - Major Repairs	30	25						
15.4.2	Septic System - Replace	30	1						
15.5.1	Septic System - Major Repairs	25	19						
15.6.1	Clubhouse Furnace - Replace	18	7						
15.6.2	Clubhouse Split System - Replace	10	5						
18.1.1	Barrier Arm Operator - Replace	20	2						
18.1.2	Entrance Access Keypad - Replace	12	5					\$30,562	
TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES					\$292,381	\$114,795	\$49,069	\$615,982	\$155,532
ACCUMULATED CREDITS					\$901,662	\$869,619	\$1,030,264	\$1,265,065	\$940,443
ACCUMULATED DEBITS					\$292,381	\$114,795	\$49,069	\$615,982	\$155,532
YEAR-END BALANCE					\$609,281	\$754,824	\$981,195	\$649,083	\$784,911
YEARS	1	2-10	11-30	26 (2047)	27 (2048)	28 (2049)	29 (2050)	30 (2051)	
CONTRIBUTION INFLATION	0%	3%	4%	4%	4%	4%	4%	4%	4%
COMPONENT COMPOUND INFLATION	4%	3%	4%	254%	264%	275%	286%	297%	
INTEREST RATE MULTIPLIER	0.5%	2%	3%	3%	3%	3%	3%	3%	3%

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APPENDIX B

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

COMPONENT SUMMARY

FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-22

2.2.1 Site Drainage - Major Improvements Site

Maintenance Cycle: 25 years

Next Maintenance: Year 21 (2042)

Quantity: 1 Lump Sum

Unit Cost: \$16,800.00 / LS

Estimate: \$16,800

2021 Notes: The component number has been updated from 15.4.2 to 2.2.1 to better conform to our new numbering system.

FUTURE MAINTENANCE	
YEAR	COST
21 (2042)	\$35,095

Previous Notes: The Association reported no issues with site drainage at the time of our site visit. The budget provides funds for future drainage modifications.

2.6.1 Asphalt - Overlay Phase 1 Site

Maintenance Cycle: 50 years

Next Maintenance: Year 8 (2029)

Quantity: 84,765 Square Feet

Unit Cost: \$1.76 / SF

Estimate: 84,765 SF X 100% X \$1.76/SF = \$149,102 + tax = \$162,520

2021 Notes: No new updates were reported.

FUTURE MAINTENANCE	
YEAR	COST
8 (2029)	\$207,874

Previous Notes: The asphalt pavement throughout the property seemed to be in good condition, with some areas from Ridge Drive to Hemlock noted to have large dips. The Association is considering asphalt repairs for this section in the near future. The existing 1993 pavement has a 5"-6" asphalt thickness, according to the original construction plans and engineering drawings, 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 estimated cost for a 1" overlay, bituminous prime coat, petromat reinforcement and engineering fees is budgeted accordingly.

2.6.2 Asphalt - Overlay Phase 2 Site

Maintenance Cycle: 50 years

Next Maintenance: Year 13 (2034)

Quantity: 123,974 Square Feet

Unit Cost: \$1.76 / SF

Estimate: 123,974 SF X 100% X \$1.76/SF = \$218,070 + tax = \$237,700

2021 Notes: No new updates were reported.

FUTURE MAINTENANCE	
YEAR	COST
13 (2034)	\$362,825

Previous Notes: This component includes the asphalt pavement 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. No outstanding issues were reported with these sections of the roads.

2.6.3 Asphalt - Overlay Phase 3 Site

Maintenance Cycle: 50 years

Next Maintenance: Year 18 (2039)

Quantity: 83,315 Square Feet

Unit Cost: \$1.76 / SF

Estimate: 83,315 SF X 100% X \$1.76/SF = \$146,551 + tax = \$159,740

2021 Notes: No new updates were reported.

FUTURE MAINTENANCE	
YEAR	COST
18 (2039)	\$296,653

Previous Notes: This component funds for asphalt overlay of Sunset Drive and Saddle Drive. The asphalt pavement was installed in 1993. 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.

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

COMPONENT SUMMARY

FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-22

2.6.4 Asphalt - Major Repairs Site

Maintenance Cycle: 5 years **Next Maintenance:** Year 5 (2026)
Quantity: 292,054 Square Feet **Unit Cost:** \$1.76 / SF
Estimate: 292,054 SF X 5% X \$1.76/SF = \$25,686 + tax = \$28,000

2021 Notes: The Association reported completing the maintenance in 2021 for a cost of \$28,000; the estimated cost has been updated accordingly. The cost of this maintenance has been paid for out of reserves.

FUTURE MAINTENANCE	
YEAR	COST
5 (2026)	\$32,775
10 (2031)	\$37,995
15 (2036)	\$46,227
20 (2041)	\$56,242
25 (2046)	\$68,427
Repeat Every 5 Years	

Previous Notes: The Association reported spending about \$10,000 annually on asphalt repairs throughout the property. The asphalt from Ridge Drive to Hemlock was noted to need repairs. The Association indicated plans to repair this section of asphalt pavement in the near future. The budget provides funds to repair up to 5% of the asphalt each major repair cycle. Estimates should be adjusted according to the actual condition of the asphalt noted during routine monitoring.

2.7.1 Sports Court - Resurface Site

Maintenance Cycle: 10 years **Next Maintenance:** Year 8 (2029)
Quantity: 1 Lump Sum **Unit Cost:** \$8,650.00 / LS
Estimate: \$8,650

2021 Notes: No new updates were reported.

FUTURE MAINTENANCE	
YEAR	COST
8 (2029)	\$11,064
18 (2039)	\$16,064
28 (2049)	\$23,779

Previous Notes: The sport court was previously resurfaced but began bubbling up after 5 days of completion. The contractor power washed the surface off and will resurface the court again. The Association paid \$6,500 for the initial work. The Association does not anticipate further expenses for the sport court surface in 2020. The maintenance cycle has been reset. The sports court was donated to the Association in December of 2012 at a reported value of \$11,600.

2.8.1 Playground - Replace Site

Maintenance Cycle: 22 years **Next Maintenance:** Year 3 (2024)
Quantity: 1 Lump Sum **Unit Cost:** \$4,580.00 / LS
Estimate: \$4,580

2021 Notes: No new updates were reported.

FUTURE MAINTENANCE	
YEAR	COST
3 (2024)	\$5,053
25 (2046)	\$11,193

Previous Notes: The playground equipment was reportedly in working condition. The Association has requested moving the replacement date to 2024. The 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. 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 Ext Envelope

Maintenance Cycle: 18 years **Next Maintenance:** Year 3 (2024)
Quantity: 1 Lump Sum **Unit Cost:** \$3,560.00 / LS
Estimate: \$3,560

2021 Notes: No new updates were reported.

FUTURE MAINTENANCE	
YEAR	COST
3 (2024)	\$3,928
21 (2042)	\$7,437

Previous Notes: The Clubhouse gazebo appeared to be stable and in good condition at the time of our site visit. The budget provides funds major repairs of the structure. The Association requested that moving the next maintenance year for major repairs or replacement to 2024.



APPENDIX B

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

COMPONENT SUMMARY

FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-22

6.1.2 Workshop Gazebo - Replace Ext Envelope

Maintenance Cycle: 18 years

Quantity: 1 Lump Sum

Estimate: \$3,560

Next Maintenance: Year 11 (2032)

Unit Cost: \$3,560.00 / LS

2021 Notes: No new updates were reported.

Previous Notes: The Workshop gazebo appeared to be in good condition. The gazebo was installed in 2014. The budget provides a lump sum for future major repairs or replacement of the gazebo after it has been in service for approximately 18 years (2032).

FUTURE MAINTENANCE	
YEAR	COST
11 (2032)	\$5,024
29 (2050)	\$10,178

6.1.3 Memorial Park Gazebo - Replace Ext Envelope

Maintenance Cycle: 18 years

Quantity: 1 Lump Sum

Estimate: \$3,560

Next Maintenance: Year 2 (2023)

Unit Cost: \$3,560.00 / LS

2021 Notes: No new updates were reported.

Previous Notes: The Memorial Park Gazebo seemed to be weathering well at the time of our site visit. The budget allows for major repairs or replacement of the structure.

FUTURE MAINTENANCE	
YEAR	COST
2 (2023)	\$3,813
20 (2041)	\$7,151

6.2.1 Building Major Repair - Contingency Ext Envelope

Maintenance Cycle: 7 years

Quantity: 1 Lump Sum

Estimate: \$20,360

Next Maintenance: Year 5 (2026)

Unit Cost: \$20,360.00 / LS

2021 Notes: No new updates were reported.

Previous Notes: The Association reported replacing about half of the Workshop building's exterior siding to the south side in 2019 at a cost of about \$5,000, and they anticipate spending another \$5,000 to replace the remaining 50% in 2020. Funds have been included in the 2020 budget accordingly. The budget continues to save for major building repairs with a lump sum amount for future repairs. The next maintenance year was reset.

FUTURE MAINTENANCE	
YEAR	COST
5 (2026)	\$23,832
12 (2033)	\$29,882
19 (2040)	\$39,323
26 (2047)	\$51,746

7.3.2 Clubhouse Gutters - Replace Ext Envelope

Maintenance Cycle: 20 years

Quantity: 525 Linear Feet

Estimate: 525 LF X 100% X \$7.25/LF = \$3,806 + tax = \$4,150

Next Maintenance: Year 5 (2026)

Unit Cost: \$7.25 / LF

2021 Notes: No new updates were reported.

Previous Notes: This component budgets for the replacement of the gutters and downspouts on the Clubhouse. The gutters and downspouts were reported to be functioning properly.

FUTURE MAINTENANCE	
YEAR	COST
5 (2026)	\$4,858
25 (2046)	\$10,142

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

COMPONENT SUMMARY

FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-22

7.4.1 Maint. Comp. Shingle Roof - Replace Ext Envelope

Maintenance Cycle: 20 years

Next Maintenance: Year 1 (2022)

Quantity: 21 Roofing Squares

Unit Cost: \$508.52 / SQ

Estimate: 21 SQ X 50% X \$508.52/SQ = \$5,339 + tax = \$5,820

2021 Notes: No new updates were reported.

Previous Notes: The asphalt shingles of the Maintenance Building were installed in 2002. This reserve component is shared between the water and general ops fund at 50% each. The budget provides funds to remove the existing roof and install new composition roofing shingles. The unit cost per roofing square was updated.

FUTURE MAINTENANCE	
YEAR	COST
1 (2022)	\$6,053
21 (2042)	\$12,158

7.4.2 Clubhouse Roof - Replace Phase 1 Ext Envelope

Maintenance Cycle: 20 years

Next Maintenance: Year 19 (2040)

Quantity: 108 Roofing Squares

Unit Cost: \$508.98 / SQ

Estimate: 108 SQ X 60% X \$508.98/SQ = \$32,982 + tax = \$35,950

2021 Notes: No new updates were reported.

Previous Notes: The Association reported plans replace a portion of the roof Clubhouse located over the pool area in 2020, about 60% of the total roof area, and the remaining roof portion as Phase 2 in 2025. Due to the COVID-19 restrictions the roof replacement had not been completed at the time of the site visit. Records show that the main section of the roof was installed in approximately 2000 and the west portion of the roof was replaced in 2003. The component provides funds to replace 60% of the total clubhouse roof. The unit cost per roofing square was updated.

FUTURE MAINTENANCE	
YEAR	COST
19 (2040)	\$69,433

7.4.3 Clubhouse Roof - Replace Phase 2 Ext Envelope

Maintenance Cycle: 20 years

Next Maintenance: Year 4 (2025)

Quantity: 108 Roofing Squares

Unit Cost: \$508.83 / SQ

Estimate: 108 SQ X 40% X \$508.83/SQ = \$21,981 + tax = \$23,960

2021 Notes: No new updates were reported.

Previous Notes: The main Clubhouse roof was installed in approximately 2000. The West portion of the roof was reportedly replaced in 2003. The Association is planning to replace a portion of the roof in 2020 as Phase 1 and the remaining portion in 2025. No issues were reported with this portion of the roof. The component provides funds to replace about 40% of the total Clubhouse roof. The unit cost per roofing square was updated.

FUTURE MAINTENANCE	
YEAR	COST
4 (2025)	\$27,229
24 (2045)	\$56,302

7.4.4 Office Comp. Shingle Roof - Replace Ext Envelope

Maintenance Cycle: 20 years

Next Maintenance: Year 20 (2041)

Quantity: 12 Roofing Squares

Unit Cost: \$509.17 / SQ

Estimate: 12 SQ X 100% X \$509.17/SQ = \$6,110 + tax = \$6,660

2021 Notes: The Association reported that the roof of the office building was replaced in 2021 and has been paid for out of reserves. The budget has been reset to fund future roof replacements.

Previous Notes: The Association plans to replace the office roof in 2021. The unit cost per roofing square was updated. The office roofing was installed in 2008. The budget provides funds to remove the existing roofing material and install new composition roofing shingles of the office building.

FUTURE MAINTENANCE	
YEAR	COST
20 (2041)	\$13,378

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

COMPONENT SUMMARY

FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-22

7.4.5 Workshop Comp. Shingle Roof - Replace Ext Envelope

Maintenance Cycle: 20 years

Next Maintenance: Year 1 (2022)

Quantity: 19 Roofing Squares

Unit Cost: \$509.42 / SQ

Estimate: 19 SQ X 100% X \$509.42/SQ = \$9,679 + tax = \$10,550

2021 Notes: No new updates were reported.

Previous 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. The unit cost per square was updated.

FUTURE MAINTENANCE	
YEAR	COST
1 (2022)	\$10,972
21 (2042)	\$22,039

8.3.1 Maintenance Roll Up Door - Replace Ext Envelope

Maintenance Cycle: 24 years

Next Maintenance: Year 4 (2025)

Quantity: 2 Lump Sum

Unit Cost: \$3,050.00 / LS

Estimate: \$3,050

2021 Notes: No new updates were reported.

Previous Notes: The roll up door for the maintenance building was reported to be functioning properly. The budget allocates 50% of this asset to general operations and 50% to the water facilities fund for replacing one 12' x 10' door and one 10' x 10' door. The doors were installed in 2001.

FUTURE MAINTENANCE	
YEAR	COST
4 (2025)	\$3,466
28 (2049)	\$8,384

9.8.1 Clubhouse Exterior Surfaces - Paint Ext Envelope

Maintenance Cycle: 6 years

Next Maintenance: Year 3 (2024)

Quantity: 5,682 Square Feet

Unit Cost: \$3.15 / SF

Estimate: 5,682 SF X 100% X \$3.15/SF = \$17,898 + tax = \$19,510

2021 Notes: No new updates were reported.

Previous Notes: The exterior paint of the Clubhouse seemed to be weathering well. 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. To help ensure these components achieve their expected useful life, we recommend maintaining a regular paint cycle to protect the exterior components from UV and moisture damage. The Association has requested the next cycle be moved to 2024. The unit cost was increased to current painting costs experienced in the Pacific Northwest.

FUTURE MAINTENANCE	
YEAR	COST
3 (2024)	\$21,526
9 (2030)	\$25,703
15 (2036)	\$32,210
21 (2042)	\$40,756
27 (2048)	\$51,569

10.4.1 Monument Signs - Update Specialties

Maintenance Cycle: 10 years

Next Maintenance: Year 9 (2030)

Quantity: 5 Each

Unit Cost: \$2,544.95 / EA

Estimate: 5 EA X 100% X \$2,544.95/EA = \$12,725 + tax = \$13,870

2021 Notes: No new updates were reported.

Previous Notes: This component was added to the reserve budget in 2020 to fund for replacing the monument signs. Sign updates were previously funded through the operating budget and in 2020 the Association reported updating signs at a cost of \$2,500. The budget allows for updates of five signs.

FUTURE MAINTENANCE	
YEAR	COST
9 (2030)	\$18,273
19 (2040)	\$26,788
29 (2050)	\$39,653



APPENDIX B

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

COMPONENT SUMMARY

FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-22

10.5.1 Mailbox Structure - Colony

Specialties

Maintenance Cycle: 20 years

Next Maintenance: Year 20 (2041)

Quantity: 1 Lump Sum

Unit Cost: \$32,500.00 / LS

Estimate: \$32,500

2021 Notes: The mailbox kiosk was expanded and asphalt and barriers were added to the area in 2021 for an updated cost of \$32,500 due to a change in the scope of work. This expense has been paid for out of reserves.

FUTURE MAINTENANCE	
YEAR	COST
20 (2041)	\$65,281

Previous Notes: At the request of the Association this component was added to the reserve budget in 2020 to fund for replacing the mailbox structure labeled "Colony." The current mailbox kiosks appeared to be in fair condition and the Association indicated plans to address the mailbox kiosk in the near future.

10.5.2 Mailbox Structure - Village

Specialties

Maintenance Cycle: 20 years

Next Maintenance: Year 1 (2022)

Quantity: 1 Lump Sum

Unit Cost: \$20,360.00 / LS

Estimate: \$20,360

2021 Notes: No new updates were reported.

FUTURE MAINTENANCE	
YEAR	COST
1 (2022)	\$21,174
21 (2042)	\$42,532

Previous Notes: At the request of the Association this component was added to the reserve budget in 2020 to fund for replacing the mailbox structure labeled "Village." The current mailbox kiosks appeared to be in fair condition and the Association indicated plans to address the mailbox kiosk in the near future.

11.0.1 Office Copier - Contingency

Equipment

Maintenance Cycle: 8 years

Next Maintenance: Year 1 (2022)

Quantity: 1 Lump Sum

Unit Cost: \$7,630.00 / LS

Estimate: \$7,630

2021 Notes: No new updates were reported.

FUTURE MAINTENANCE	
YEAR	COST
1 (2022)	\$7,935
9 (2030)	\$10,052
17 (2038)	\$13,625
25 (2046)	\$18,646

Previous Notes: The Association indicated plans to replace the Kyocera copier in 2022. The copier was purchased in October of 2017 for \$4,653. The machine was originally leased in 2012 and is expected to be replaced by 2022. The lump sum amount has been increased at the request of the Association.

11.1.1 John Deere 990 Tractor - Replace

Equipment

Maintenance Cycle: 15 years

Next Maintenance: Year 14 (2035)

Quantity: 1 Lump Sum

Unit Cost: \$12,720.00 / LS

Estimate: \$12,720

2021 Notes: No new updates were reported.

FUTURE MAINTENANCE	
YEAR	COST
14 (2035)	\$20,192
29 (2050)	\$36,365

Previous Notes: The tractor was repaired, and associated equipment replaced in 2020 at a cost of about \$10,500 to the general ops fund. This tractor is a shared cost between the general ops and water reserve fund. The budget allocates 50% of these assets to general ops and 50% to water facilities. The John Deere tractor was purchased in 2004. This component was modified in 2020 to budget for replacing the tractor as well as the bucket and backhoe attachments that were previously budgeted in their own components, 11.1.2 and 11.1.3. The budget amount was increased at the request of the Association, and the maintenance cycle has been updated.

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FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-22

11.1.2 Ford Diesel Stakebed - Replace Equipment

Maintenance Cycle: 10 years

Quantity: 1 Lump Sum

Estimate: \$15,000

Next Maintenance: Year 3 (2024)

Unit Cost: \$15,000.00 / LS

2021 Notes: The Association reported plans to purchase a new Ford truck in 2024 at an updated cost of \$15,000.

Previous Notes: The truck was reported to be in working condition in 2020. The component allows for replacement of the Ford Diesel F-Super Duty white stakebed truck with a similar vehicle. Funding for the truck is shared between the general ops and water reserve fund. The budget allocates 50% of this asset to general ops and 50% water facilities. Replacement is budgeted in 2022 and the funded amount was reduced at the request of the Association. No major issues were reported with the truck.

FUTURE MAINTENANCE	
YEAR	COST
3 (2024)	\$16,550
13 (2034)	\$22,896
23 (2044)	\$33,892

11.1.3 Ford Ranger Xlt 1/2 Ton - Replace Equipment

Maintenance Cycle: 7 years

Quantity: 1 Lump Sum

Estimate: \$9,670

Next Maintenance: Year 4 (2025)

Unit Cost: \$9,670.00 / LS

2021 Notes: No new updates were reported.

Previous Notes: The Ford Ranger was reportedly in working condition. The truck was purchased in October of 2017 for \$9,220. This truck is a shared expense between the general ops and water facilities. The budget allocates 50% of this asset to general ops and 50% to water facilities.

FUTURE MAINTENANCE	
YEAR	COST
4 (2025)	\$10,989
11 (2032)	\$13,647
18 (2039)	\$17,958
25 (2046)	\$23,632

11.1.4 Toro Riding Mower - Replace Equipment

Maintenance Cycle: 7 years

Quantity: 1 Each

Estimate: 1 EA X 100% X \$3,798.17/EA = \$3,798 + tax = \$4,140

Next Maintenance: Year 5 (2026)

Unit Cost: \$3,798.17 / EA

2021 Notes: No new updates were reported.

Previous Notes: The equipment appeared to be in very good condition. The riding mower was replaced in 2019. The maintenance cycle has been reset to a full cycle.

FUTURE MAINTENANCE	
YEAR	COST
5 (2026)	\$4,846
12 (2033)	\$6,076
19 (2040)	\$7,996
26 (2047)	\$10,522

11.1.5 Snowplow Attachment - Replace Equipment

Maintenance Cycle: 15 years

Quantity: 1 Each

Estimate: 1 EA X 100% X \$4,688.07/EA = \$4,688 + tax = \$5,110

Next Maintenance: Year 4 (2025)

Unit Cost: \$4,688.07 / EA

2021 Notes: No new updates were reported.

Previous Notes: The snowplow was reported to be in working condition in 2020. The budget provides funds to replace the 8' wide snowplow that was purchased in 1997. The next maintenance year has been moved out to 2025 at the request of the Association.

FUTURE MAINTENANCE	
YEAR	COST
4 (2025)	\$5,807
19 (2040)	\$9,869



APPENDIX B

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FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-22

11.4.1 Clubhouse Dish Sanitizer - Replace Equipment

Maintenance Cycle: 20 years

Next Maintenance: Year 1 (2022)

Quantity: 1 Each

Unit Cost: \$3,715.60 / EA

Estimate: 1 EA X 100% X \$3,715.60/EA = \$3,716 + tax = \$4,050

2021 Notes: No new updates were reported.

Previous Notes: The Hobart commercial dish sanitizer was installed in 1996 and was reported to be in working condition. The Association expects this will need to be replaced by 2022. The budget was updated accordingly.

FUTURE MAINTENANCE	
YEAR	COST
1 (2022)	\$4,212
21 (2042)	\$8,460

12.1.1 Fitness Equipment - Contingency Finishes/Furnishings

Maintenance Cycle: 2 years

Next Maintenance: Year 0 (2021)

Quantity: 1 Lump Sum

Unit Cost: \$3,560.00 / LS

Estimate: \$3,560

2021 Notes: The Association reported that updates to the fitness equipment are budgeted in 2021 but have not yet been paid for out of reserves.

Previous Notes: The fitness equipment was reported to be functioning properly at the time of the site visit. The equipment is of varying ages and the budget allocates funds for new additions and replacements. The Association did not report spending funds in 2018 or 2019 as expected; the next maintenance year has been reset.

FUTURE MAINTENANCE	
YEAR	COST
0 (2021)	\$3,560
2 (2023)	\$3,813
4 (2025)	\$4,046
6 (2027)	\$4,292

12.1.2 Clubhouse Wood Furnishings - Update Finishes/Furnishings

Maintenance Cycle: 14 years

Next Maintenance: Year 13 (2034)

Quantity: 1 Lump Sum

Unit Cost: \$4,580.00 / LS

Estimate: \$4,580

2021 Notes: No new updates were reported.

Previous Notes: The Association reported plans to update the Clubhouse wood furnishings in 2020. The update was not completed at the time of our site visit. The budget provides funds to update various 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. Updating furniture is a discretionary consideration that may be adjusted to meet the needs of the Association.

FUTURE MAINTENANCE	
YEAR	COST
13 (2034)	\$6,991
27 (2048)	\$12,106

12.1.3 Clubhouse Upholstered Furnishings - Update Finishes/Furnishings

Maintenance Cycle: 15 years

Next Maintenance: Year 3 (2024)

Quantity: 1 Lump Sum

Unit Cost: \$10,180.00 / LS

Estimate: \$10,180

2021 Notes: No new updates were reported.

Previous Notes: The upholstered furniture in the Clubhouse appeared to be in good condition. The budget provides funds to replace various furniture items of the Clubhouse, including: a sofa, a loveseat, three armchairs, three wood armchairs, fifty-eight folding chairs. Also included are eight folding plastic tables, three table lamps and one floor lamp. According to Association records the furniture was updated in 2006. The next replacement year was updated. This is a discretionary expense and may be adjusted to meet the needs of the Association.

FUTURE MAINTENANCE	
YEAR	COST
3 (2024)	\$11,232
18 (2039)	\$18,905



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12.1.4 Clubhouse Electronics - Upgrade Finishes/Furnishings

Maintenance Cycle: 10 years

Next Maintenance: Year 1 (2022)

Quantity: 1 Lump Sum

Unit Cost: \$8,650.00 / LS

Estimate: \$8,650

2021 Notes: No new updates were reported.

Previous Notes: The electronics located at the Clubhouse were reported to be in functioning condition. An audio/visual sound system, a 51" flatscreen television, a Sharp projector and a projector screen were installed in 2007.

FUTURE MAINTENANCE	
YEAR	COST
1 (2022)	\$8,996
11 (2032)	\$12,207
21 (2042)	\$18,070

12.1.5 Clubhouse Piano - Replace Finishes/Furnishings

Maintenance Cycle: 25 years

Next Maintenance: Year 4 (2025)

Quantity: 1 Each

Unit Cost: \$5,091.74 / EA

Estimate: 1 EA X 100% X \$5,091.74/EA = \$5,092 + tax = \$5,550

2021 Notes: No new updates were reported.

Previous Notes: The piano seemed to be in good condition with no issues reported. The replacement cost was provided by the Association.

FUTURE MAINTENANCE	
YEAR	COST
4 (2025)	\$6,307
29 (2050)	\$15,867

12.1.6 Clubhouse Restrooms - Update Finishes/Furnishings

Maintenance Cycle: 25 years

Next Maintenance: Year 1 (2022)

Quantity: 1 Lump Sum

Unit Cost: \$4,580.00 / LS

Estimate: \$4,580

2021 Notes: No new updates were reported.

Previous Notes: The clubhouse restrooms appeared to be clean and in good condition. The budget provides funds to update the restroom interiors, wall-mounted urinals and four oval counter mounted sinks that were installed in 1992. The three tank style toilets were installed in 2009.

FUTURE MAINTENANCE	
YEAR	COST
1 (2022)	\$4,763
26 (2047)	\$11,640

12.1.7 Clubhouse Restroom Partitions - Replace Finishes/Furnishings

Maintenance Cycle: 30 years

Next Maintenance: Year 1 (2022)

Quantity: 1 Lump Sum

Unit Cost: \$5,090.00 / LS

Estimate: \$5,090

2021 Notes: No new updates were reported.

Previous Notes: The restroom toilet partitions seemed to be stable and clean. The partitions were installed in 1982. The budget allows for replacing four partitions.

FUTURE MAINTENANCE	
YEAR	COST
1 (2022)	\$5,294

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12.1.8 Clubhouse Vinyl Flooring - Replace Finishes/Furnishings

Maintenance Cycle: 25 years

Next Maintenance: Year 21 (2042)

Quantity: 3,800 Square Feet

Unit Cost: \$6.87 / SF

Estimate: 3,800 SF X 100% X \$6.87/SF = \$26,106 + tax = \$28,460

2021 Notes: No new updates were reported.

Previous Notes: The vinyl flooring appeared to be in very good condition. The flooring was installed in 2017 at a cost of about \$25,500. The budget allows for future replacement of the vinyl flooring when it has reached the approximate end of its useful life.

FUTURE MAINTENANCE	
YEAR	COST
21 (2042)	\$59,452

12.1.9 Clubhouse Blinds - Replace Finishes/Furnishings

Maintenance Cycle: 12 years

Next Maintenance: Year 7 (2028)

Quantity: 239 Square Feet

Unit Cost: \$21.19 / SF

Estimate: 239 SF X 100% X \$21.19/SF = \$5,064 + tax = \$5,520

2021 Notes: No new updates were reported.

Previous Notes: The Clubhouse blinds seemed to be wearing well. The blinds were replaced in 2016. The component established a budget to replace the blinds when they have reached the approximate end of their useful life. The timing and budget may be adjusted at the Association's discretion.

FUTURE MAINTENANCE	
YEAR	COST
7 (2028)	\$6,855
19 (2040)	\$10,661

12.1.10 Clubhouse Millwork - Replace Finishes/Furnishings

Maintenance Cycle: 25 years

Next Maintenance: Year 4 (2025)

Quantity: 97 Linear Feet

Unit Cost: \$150.38 / LF

Estimate: 97 LF X 100% X \$150.38/LF = \$14,587 + tax = \$15,900

2021 Notes: No new updates were reported.

Previous Notes: The Clubhouse laminate wood cabinets appeared to be clean and in good condition. The cabinets were installed in 2000. The budget provides funds to replace about 74 linear feet of base cabinets and 23 linear feet of wall cabinets.

FUTURE MAINTENANCE	
YEAR	COST
4 (2025)	\$18,069
29 (2050)	\$45,457

12.1.11 Clubhouse Countertops - Replace Finishes/Furnishings

Maintenance Cycle: 25 years

Next Maintenance: Year 4 (2025)

Quantity: 74 Linear Feet

Unit Cost: \$90.75 / LF

Estimate: 74 LF X 100% X \$90.75/LF = \$6,716 + tax = \$7,320

2021 Notes: No new updates were reported.

Previous Notes: The Clubhouse counter tops appeared to be clean and in good condition. The replacement cost of the countertops can vary widely, depending on the material used. The budget provides funds to replace the counter tops with a similar laminate product. The next maintenance year is set in conjunction with the kitchen cabinets replacement.

FUTURE MAINTENANCE	
YEAR	COST
4 (2025)	\$8,319
29 (2050)	\$20,927

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18-Jul-22

12.2.1 Fitness Center Carpet - Replace Finishes/Furnishings

Maintenance Cycle: 8 years

Next Maintenance: Year 4 (2025)

Quantity: 132 Square Yards

Unit Cost: \$42.74 / SY

Estimate: 132 SY X 100% X \$42.74/SY = \$5,642 + tax = \$6,150

2021 Notes: The component number has been updated from 9.6.1 to 12.2.1 to better conform to our new numbering system.

FUTURE MAINTENANCE	
YEAR	COST
4 (2025)	\$6,989
12 (2033)	\$9,026
20 (2041)	\$12,353
28 (2049)	\$16,906

Previous Notes: The Fitness Center carpet appeared to be in good condition. The carpet was installed in 2005. In 2020 the Association requested that the next replacement be moved to 2025.

12.2.2 Office Carpet - Replace Finishes/Furnishings

Maintenance Cycle: 8 years

Next Maintenance: Year 3 (2024)

Quantity: 415 Square Yards

Unit Cost: \$42.75 / SY

Estimate: 415 SY X 100% X \$42.75/SY = \$17,741 + tax = \$19,340

2021 Notes: The component number has been updated from 9.6.2 to 12.2.2 to better conform to our new numbering system.

FUTURE MAINTENANCE	
YEAR	COST
3 (2024)	\$21,339
11 (2032)	\$27,293
19 (2040)	\$37,353
27 (2048)	\$51,120

Previous Notes: The office carpet seemed to be wearing well. The carpet was installed in 2016. This component budgets for the replacement of the office carpet and the timing and amount may be adjusted at the discretion of the Association.

12.2.3 Clubhouse Interior Surfaces - Paint Finishes/Furnishings

Maintenance Cycle: 10 years

Next Maintenance: Year 4 (2025)

Quantity: 12,526 Square Feet

Unit Cost: \$1.32 / SF

Estimate: 12,526 SF X 100% X \$1.32/SF = \$16,534 + tax = \$18,020

2021 Notes: The component number has been updated from 9.8.2 to 12.2.3 to better conform to our new numbering system.

FUTURE MAINTENANCE	
YEAR	COST
4 (2025)	\$20,479
14 (2035)	\$28,606
24 (2045)	\$42,344

Previous Notes: The Clubhouse interior appeared to be clean and in very good condition. The interior of the Clubhouse was last painted in 2015. This is a discretionary component that should be updated to meet the needs of the Association. The unit cost was increased to current painting costs experienced in the Pacific Northwest.

12.2.4 Pool Room Interior Surfaces - Paint Finishes/Furnishings

Maintenance Cycle: 10 years

Next Maintenance: Year 6 (2027)

Quantity: 1 Lump Sum

Unit Cost: \$10,180.00 / LS

Estimate: \$10,180

2021 Notes: The component number has been updated from 9.8.3 to 12.2.4 to better conform to our new numbering system.

FUTURE MAINTENANCE	
YEAR	COST
6 (2027)	\$12,273
16 (2037)	\$17,479
26 (2047)	\$25,873

Previous Notes: The pool room appeared to be clean and in good condition. The budget provides a lump sum to fund for repairs and painting of the interior drywall. The budgeted amount is based on maintenance costs reported in 2017 in the amount of \$10,254.37.

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12.2.5 Office Interior Surfaces - Paint Finishes/Furnishings

Maintenance Cycle: 8 years

Next Maintenance: Year 2 (2023)

Quantity: 4,018 Square Feet

Unit Cost: \$1.32 / SF

Estimate: 4,018 SF X 100% X \$1.32/SF = \$5,304 + tax = \$5,780

2021 Notes: The component number has been updated from 9.8.4 to 12.2.5 to better conform to our new numbering system.

FUTURE MAINTENANCE

YEAR	COST
2 (2023)	\$6,192
10 (2031)	\$7,843
18 (2039)	\$10,734
26 (2047)	\$14,690

Previous Notes: The office interiors seemed to be good condition. The upstairs area has been updated to provide more meeting and storage space. The interiors were last painted in 2015. The unit cost was increased to current painting costs experienced in the Pacific Northwest.

13.1.1 Pool Restrooms - Update Pool/Spa

Maintenance Cycle: 25 years

Next Maintenance: Year 13 (2034)

Quantity: 1 Lump Sum

Unit Cost: \$3,560.00 / LS

Estimate: \$3,560

2021 Notes: The component number has been updated from 12.2.1 to 13.1.1 to better conform to our new numbering system.

FUTURE MAINTENANCE

YEAR	COST
13 (2034)	\$5,434

Previous Notes: The pool restrooms appeared to be clean and in good condition. The reserve allowance is intended for in-house staff to replace three pedestal sinks and three tank style toilets that were installed in 2009.

13.1.2 Pool Showers - Update Pool/Spa

Maintenance Cycle: 18 years

Next Maintenance: Year 15 (2036)

Quantity: 4 Each

Unit Cost: \$1,584.86 / EA

Estimate: 4 EA X 100% X \$1,584.86/EA = \$6,339 + tax = \$6,910

2021 Notes: The component number has been updated from 12.2.2 to 13.1.2 to better conform to our new numbering system.

FUTURE MAINTENANCE

YEAR	COST
15 (2036)	\$11,408

Previous Notes: The pool showers appeared to be in good condition. The acrylic fiberglass shower stalls with integral soap dishes and grab bars were installed in 2018 at a cost of about \$6,200.

13.2.1 Pool - Paint Surface Pool/Spa

Maintenance Cycle: 8 years

Next Maintenance: Year 1 (2022)

Quantity: 13,404 Square Feet

Unit Cost: \$0.00 / SF

Estimate: 13,404 SF X 100% X \$0.00/SF = \$0 + tax = \$0

2021 Notes: At the request of the Association, the budget has been set to \$0, and this component can be removed from future studies.

FUTURE MAINTENANCE

YEAR	COST
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Previous Notes: The pool was closed due to COVID-19 restrictions at the time of the site visit. The Association reported plans to repaint the pool surface in 2022. The next maintenance year and unit cost have been updated. The pool surface is painted with a two-part epoxy and was last painted in 2008. The project cost may decrease if in-house staff apply the paint, rather than contracting the work out.

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13.2.2 Pool & Wading Pool - Resurface Pool/Spa

Maintenance Cycle: 12 years

Next Maintenance: Year 2 (2023)

Quantity: 2,100 Square Feet

Unit Cost: \$30.58 / SF

Estimate: 2,100 SF X 100% X \$30.58/SF = \$64,218 + tax = \$70,000

2021 Notes: The Association reported plans to resurface the pool and wading pool in 2023 for an updated estimated cost of \$70,000.

FUTURE MAINTENANCE	
YEAR	COST
2 (2023)	\$74,984
14 (2035)	\$111,122
26 (2047)	\$177,910

Previous Notes: The pool appeared to be clean. The resurfacing project was delayed due to COVID-19 restrictions. The Association has requested to move the next maintenance year out to 2022 to align with component 13.2.2 Pool - Paint Surface. The budget allows for plastering 1,852 square feet of pool surface and to repair 220 linear feet of trim tile. Funds are included to plaster 248 square feet of the wading pool and to repair 63 linear feet of trim tile.

13.2.3 Pool Deck - Recoat Pool/Spa

Maintenance Cycle: 7 years

Next Maintenance: Year 1 (2022)

Quantity: 2,437 Square Feet

Unit Cost: \$1.63 / SF

Estimate: 2,437 SF X 100% X \$1.63/SF = \$3,972 + tax = \$4,330

2021 Notes: No new updates were reported.

FUTURE MAINTENANCE	
YEAR	COST
1 (2022)	\$4,503
8 (2029)	\$5,538
15 (2036)	\$7,149
22 (2043)	\$9,407
29 (2050)	\$12,379

Previous Notes: The pool deck appeared to be clean with no chipping or cracking noted. The surface coating is a two-part epoxy coating that was reapplied in 2015 by in-house staff. The budget allows for resurfacing the pool deck to keep the walking area safe. The unit cost was updated to reflect the current cost for deck recoating.

13.2.4 Pool 250K BTU Heaters - Major Repair Pool/Spa

Maintenance Cycle: 16 years

Next Maintenance: Year 14 (2035)

Quantity: 2 Lump Sum

Unit Cost: \$12,010.00 / LS

Estimate: \$12,010

2021 Notes: The component number has been updated from 15.3.1 to 13.2.4 to better conform to our new numbering system.

FUTURE MAINTENANCE	
YEAR	COST
14 (2035)	\$19,065
30 (2051)	\$35,709

Previous Notes: The two Dietrich heaters were replaced in 2019 at a cost of \$11,800. The heaters were reported to be in good condition and functioning properly. The heaters are integrated into the upgraded environmental controls for the pool building and adjoining changing rooms. The maintenance cycle has been reset.

13.2.5 Pool Dehumidifier - Replace Pool/Spa

Maintenance Cycle: 10 years

Next Maintenance: Year 9 (2030)

Quantity: 1 Each

Unit Cost: \$129,834.86 / EA

Estimate: 1 EA X 100% X \$129,834.86/EA = \$129,835 + tax = \$141,520

2021 Notes: The component number has been updated from 15.3.2 to 13.2.5 to better conform to our new numbering system.

FUTURE MAINTENANCE	
YEAR	COST
9 (2030)	\$186,444
19 (2040)	\$273,329
29 (2050)	\$404,594

Previous Notes: The dehumidification system was reported to be having issues periodically. Repairs to the Desert Aire model LC10R7NBETDLAED dehumidification system were completed in 2020 at a cost of about \$10,00 spent on parts. The next maintenance year has been reset. The budget provides funds to replace the dehumidification system when it has reached the approximate end of its useful life.

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13.2.6 Pool Heat Pump #1 - Replace

Pool/Spa

Maintenance Cycle: 14 years

Next Maintenance: Year 2 (2023)

Quantity: 1 Each

Unit Cost: \$11,284.40 / EA

Estimate: 1 EA X 100% X \$11,284.40/EA = \$11,284 + tax = \$12,300

2021 Notes: The component number has been updated from 15.3.3 to 13.2.6 to better conform to our new numbering system.

Previous Notes: The Association replaced the Aqua Cal H155 heat pump in December of 2017 for \$11,262.97. The budget provides funds to replace the equipment when it has reached the approximate end of its useful life.

FUTURE MAINTENANCE	
YEAR	COST
2 (2023)	\$13,176
16 (2037)	\$21,119
30 (2051)	\$36,571

13.2.7 Pool Heat Pump #2 - Replace

Pool/Spa

Maintenance Cycle: 14 years

Next Maintenance: Year 7 (2028)

Quantity: 1 Each

Unit Cost: \$10,027.52 / EA

Estimate: 1 EA X 100% X \$10,027.52/EA = \$10,028 + tax = \$10,930

2021 Notes: The component number has been updated from 15.3.4 to 13.2.7 to better conform to our new numbering system.

Previous 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 pumps were reported to be functioning properly.

FUTURE MAINTENANCE	
YEAR	COST
7 (2028)	\$13,573
21 (2042)	\$22,833

15.4.1 Shoreline Berm - Major Repairs

Life Safety

Maintenance Cycle: 30 years

Next Maintenance: Year 25 (2046)

Quantity: 1 Lump Sum

Unit Cost: \$55,980.00 / LS

Estimate: \$55,980

2021 Notes: No new updates were reported.

Previous Notes: The berm appeared to be weathering well. 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.

FUTURE MAINTENANCE	
YEAR	COST
25 (2046)	\$136,805

15.4.2 Septic System - Replace

Life Safety

Maintenance Cycle: 30 years

Next Maintenance: Year 1 (2022)

Quantity: 1 Lump Sum

Unit Cost: \$30,540.00 / LS

Estimate: \$30,540

2021 Notes: The Association reported replacing the septic system may not be necessary. The budget has been moved to 2022 to financially prepare the Association in the event that it is determined that replacement is required.

Previous Notes: This component was added to the 2020 reserve study to fund for replacement of the septic system.

FUTURE MAINTENANCE	
YEAR	COST
1 (2022)	\$31,762



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FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-22

15.5.1 Septic System - Major Repairs

Life Safety

Maintenance Cycle: 25 years

Next Maintenance: Year 19 (2040)

Quantity: 1 Lump Sum

Unit Cost: \$16,290.00 / LS

Estimate: \$16,290

2021 Notes: No new updates were reported.

Previous Notes: The septic system services the Clubhouse and was reported to be functioning properly. The system was serviced in 2015. The budget funds for major repairs of the system.

FUTURE MAINTENANCE	
YEAR	COST
19 (2040)	\$31,462

15.6.1 Clubhouse Furnace - Replace

Life Safety

Maintenance Cycle: 18 years

Next Maintenance: Year 7 (2028)

Quantity: 1 Each

Unit Cost: \$3,385.32 / EA

Estimate: 1 EA X 100% X \$3,385.32/EA = \$3,385 + tax = \$3,690

2021 Notes: No new updates were reported.

Previous Notes: The forced air furnace was inspected in 2020 and was reported to be in working condition. The equipment was installed in 2010. This component establishes a budget for replacement or major maintenance when the furnace has reached the approximate end of useful life.

FUTURE MAINTENANCE	
YEAR	COST
7 (2028)	\$4,582
25 (2046)	\$9,018

15.6.2 Clubhouse Split System - Replace

Life Safety

Maintenance Cycle: 10 years

Next Maintenance: Year 5 (2026)

Quantity: 1 Each

Unit Cost: \$6,605.50 / EA

Estimate: 1 EA X 100% X \$6,605.50/EA = \$6,606 + tax = \$7,200

2021 Notes: No new updates were reported.

Previous Notes: The Association reported the Lennox model # XP14-042-230-02 - 3.5 ton split system was inspected in 2020 with no issues noted. The unit was installed in 2002. The next maintenance year was reset at the request of the Association. The budget allows for replacement when the unit has reached the approximate end of its useful life.

FUTURE MAINTENANCE	
YEAR	COST
5 (2026)	\$8,428
15 (2036)	\$11,887
25 (2046)	\$17,595

18.1.1 Barrier Arm Operator - Replace

Security

Maintenance Cycle: 20 years

Next Maintenance: Year 2 (2023)

Quantity: 1 Each

Unit Cost: \$14,680.00 / EA

Estimate: 1 EA X 100% X \$14,680.00/EA = \$14,680 + tax = \$16,000

2021 Notes: The Association reported plans to replace the barrier arm operator in 2023 for an updated estimated cost of \$16,000.

Previous Notes: The Association anticipates replacing the barrier arm operator in 2020. The barrier arm restricts car access to the Marina. Replacement was delayed due to COVID-19 restrictions. Funds have been budgeted accordingly. The existing barrier arm operator was installed in 1997.

FUTURE MAINTENANCE	
YEAR	COST
2 (2023)	\$17,139
22 (2043)	\$34,761



APPENDIX B

CAPE GEORGE COLONY CLUB GENERAL OPERATIONS

COMPONENT SUMMARY

FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-22

18.1.2 Entrance Access Keypad - Replace

Security

Maintenance Cycle: 12 years

Next Maintenance: Year 5 (2026)

Quantity: 4 Each

Unit Cost: \$2,451.83 / EA

Estimate: 4 EA X 100% X \$2,451.83/EA = \$9,807 + tax = \$10,690

2021 Notes: No new updates were reported.

Previous Notes: The entry control keypads to the Clubhouse, Workshop, Fitness Room and Pool were reported to be functioning properly. The keypads were replaced in 2014. The budget allows for replacing the keypads when they have reached the approximate end of their useful life.

FUTURE MAINTENANCE	
YEAR	COST
5 (2026)	\$12,513
17 (2038)	\$19,089
29 (2050)	\$30,562