

## 3- Minute Executive Summary

**Association:** Clearwood HOA **#:** 7223-4 hoa  
**Location:** Yelm, WA **# of Units:** 1355  
**Report Period:** January 1, 2016 through December 31, 2016

**Findings/Recommendations as-of 1/1/2016:**

Projected Starting Reserve Balance: .....	\$1,589,045
Current Fully Funded Reserve Balance: .....	\$2,809,876
Average Reserve Deficit (Surplus) Per Unit:.....	\$901
100% 2016 Annual "Full Funding" Contributions:.....	\$370,500
70% Annual "Threshold Funding" Contributions:.....	\$332,500
Baseline contributions (min to keep Reserves above \$0:.....	\$259,000
Recommended 2016 Special Assessment for Reserves:.....	\$0

**Most Recent Budgeted Reserve Contribution Rate:..... \$196,475**



**Economic Assumptions:**

**Net Annual "After Tax" Interest Earnings Accruing to Reserves.....0.60%**  
**Annual Inflation Rate.....3.00%**

- This is an "Update With-Site-Visit" Reserve Study, based on our site inspection on December 3, 2014 and meets or exceeds all requirements of the RCW. This study was prepared by a credentialed Reserve Specialist (RS™).
- Your Reserve Fund is currently 57% Funded. This means the association's special assessment & deferred maintenance risk is currently in the medium range. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of such Reserve cash flow problems.
- Based on this starting point and your anticipated future expenses, our recommendation is to increase your Reserve contributions to within the 70% to 100% level as noted above. 100% "Full" and 70% contribution rates are designed to achieve these funding objectives *by the end* of our 30-year report scope. No assets appropriate for Reserve designation were knowingly excluded. See photo appendix for component information and site visit notes; the basis of our assumptions.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
<b>Community Property</b>				
100	Spillways, Concrete-Repair/Replace	40	9	\$50,000
100	Spillways, Gates & Weirs - Replace	25	9	\$5,300
102	Bridge - Arch	10	4	\$11,750
103	Bridge - Blue Lake, Lower Spillway	10	2	\$6,200
104	Bridge - Blue Lake, Upper Spillway	10	2	\$6,200
105	Bridge - Bear Island	10	2	\$4,250
106	Bridge - Brookside	10	2	\$8,400
108	Bridge - Blue Lake, Inlet	10	2	\$4,250
109	Bridge - Longmire	10	4	\$18,500
111	Bridge - Rampart	10	2	\$11,500
112	Bridge - Reichel	10	2	\$5,100
114	Beach bulkheads Longmire	15	1	\$11,000
114	Beach bulkheads Madrona	15	4	\$11,000
114	Beach bulkheads Otter	15	7	\$11,000
114	Beach bulkheads Reichel	15	10	\$11,000
114	Beach bulkheads Sunset	15	13	\$11,000
114	Beach bulkheads Windy	15	16	\$11,000
115	Cabana - Division 7	25	20	\$15,500
117	Cabana - Hi Lo	25	14	\$15,500
118	Cabana - Longmire	25	4	\$15,500
119	Cabana - Madrona	25	22	\$15,500
120	Cabana - Otter Beach	25	18	\$15,500
122	Cabana - Pool	25	16	\$15,500
123	Cabana - Reichel	25	20	\$23,000
124	Cabana - Sunset	25	12	\$15,500
125	Cabana - Vine Lane	25	4	\$15,500
126	Cabana - Windy	25	13	\$15,500
130	Dock - Blue Lk Fishing (1 of 4)	30	1	\$23,300
130	Dock - Blue Lk Fishing (2 of 4)	30	3	\$23,300
130	Dock - Blue Lk Fishing (3 of 4)	30	5	\$23,300
130	Dock - Blue Lk Fishing (4 of 4)	30	7	\$23,300
130	Dock - Clear Lake	30	29	\$21,000
131	Dock - Horseshoe (a - right)	30	1	\$21,850
132	Dock - Horseshoe (b - left)	30	18	\$20,000
133	Dock - Horseshoe (c - rear)	30	27	\$22,500
134	Dock - Longmire (fish, swim)	30	9	\$38,000
135	Dock - Madrona (fish, swim)	30	19	\$25,000
136	Dock - Otter (fishing)	30	1	\$36,500
137	Dock - Otter (swim)	30	13	\$8,550
139	Dock - Reichel (swim)	30	15	\$8,550
140	Dock - Sunset (fish, swim)	30	20	\$25,500
141	Dock - Windy (fish, swim)	30	24	\$35,500
145	Fence - Chain Link	3	2	\$10,000
146	Fence - Front and Back Gates	20	12	\$17,000
148	Fence - Office	20	17	\$5,500
150	Restroom - Well #4	20	9	\$7,500
151	Restroom - Blue Water	20	17	\$7,500

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#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
152	Restroom - Loop	20	0	\$23,500
153	Restroom - Rampart	20	11	\$7,500
154	Restroom - Hi-Lo	20	11	\$7,500
155	Restrooms - Longmire	20	15	\$15,000
156	Restroom - Madrona	20	15	\$7,500
157	Restroom - Otter Beach	20	13	\$15,000
158	Restroom - Perimeter	20	10	\$7,500
160	Restroom - Sports Court	20	7	\$7,500
161	Restroom - Reichel	20	8	\$15,000
162	Restroom - Sunset	20	8	\$7,500
163	Restroom - Windy	20	9	\$7,500
164	Restroom - Woodside	20	11	\$7,500
170	Trails - Maintain/Repair	4	1	\$5,650
180	Reichel Beach Sprinkler System	N/A	1	\$8,150
185	Basketball Court - Longmire	40	25	\$8,000
185	Tennis - Longmire (replace)	40	4	\$22,500
185	Tennis - Longmire (seal)	10	4	\$7,350
186	Tennis & Bsktbl - Hi Lo (replace)	40	11	\$43,000
187	Tennis - Rampart (replace)	40	4	\$30,000
188	Ballfield 7 Field Upgrade	N/A	0	\$11,000
190	Mailboxes - Replace Big Fir	20	4	\$24,000
190	Mailboxes - Replace Blue Hills Loop	20	6	\$30,000
190	Mailboxes - Replace Blue Lake Court	20	8	\$38,000
190	Mailboxes - Replace Front Gate	20	0	\$16,000
190	Mailboxes - Replace Longmire	20	2	\$15,000

### Roads

200	Road Project D-1: Resurface	30	1	\$235,000
201	Road Project D-2: Resurface	30	4	\$180,000
202	Road Project D-3: Resurface	30	7	\$180,000
203	Road Project D-4: Resurface	30	10	\$235,000
204	Road Project D-5a: Resurface	30	13	\$222,000
204	Road Project D-5b: Resurface	30	16	\$222,000
205	Road Project D-6: Resurface	30	19	\$265,000
206	Road Project D-7: Resurface	30	22	\$130,000
207	Road Project 8: Resurface	30	23	\$330,000
208	Road Project 9: Resurface	30	24	\$330,000
209	Road Project 10: Resurface	30	25	\$595,000
210	Road Project 11: Resurface	30	26	\$595,000
211	Roads replaced in 2002	30	16	\$235,000
212	Roads replaced in 2009	30	23	\$405,000

### Playgrounds, Parks

214	Playground Equip - Vine Lane	15	8	\$4,500
215	Playground Equip - Pool	15	5	\$22,500

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#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
216	Playground Equip - Perimeter	20	9	\$33,500
217	Playground Equip - Reichel Beach	10	4	\$16,000
218	Playground Equip - Hi Lo	20	13	\$21,500
<b>Pool</b>				
220	Pool - Bldg Interior Remodel	5	1	\$5,650
221	Pool - Bldg Siding	40	5	\$31,000
224	Pool - Deck Resurface	12	7	\$46,500
225	Pool - Deck Resurface (wood)	18	5	\$13,500
226	Pool - Fence Replacement	20	1	\$22,500
227	Pool - Bldg Roof (front)	20	11	\$6,750
228	Pool - Bldg Roof (rear)	20	1	\$6,750
229	Pool - Heaters	15	14	\$7,500
230	Pool/Spa - Filters	20	0	\$6,750
231	Spa - Heater	20	19	\$2,500
232	Spa - Resurface	8	7	\$5,650
233	Pool - Bldg Exterior Paint/Seal	5	0	\$5,050
238	Pool - Winter Cover/Blanket	12	4	\$16,000
240	Pools - Replaster	20	19	\$31,000
241	Pool/Spa - Tile & Coping	40	18	\$18,500
242	Pool Plumbing - Repair	10	9	\$10,600
<b>Security</b>				
290	Security Cameras	8	0	\$5,000
290	Security Cameras	8	2	\$5,000
290	Security Cameras	8	4	\$5,000
290	Security Cameras	8	6	\$5,000
291	Security - Card Readers	15	13	\$23,500
292	Security - Gate Operators	15	7	\$12,500
296	Security - Sally Arm System	12	1	\$5,500
297	Security - Spikes	15	10	\$6,750
<b>Maintenance Building</b>				
300	Maintenance Bldg - Ext Paint	10	5	\$5,900
302	Maintenance Bldg - Ovr rhd Bay Doors	20	16	\$6,750
306	Maintenance Bldg - Roof	20	12	\$10,000
308	Maintenance Bldg - Shop Heaters	20	3	\$7,050
309	Maintenance Bldg Carport	50	47	\$90,000
<b>Maintenance Equipment</b>				
310	Backhoe Major Update	N/A	2	\$5,300
310	Maint Equip - Backhoe	20	2	\$67,500
311	Maint Equip - Boom Lift Genie Prtbl	20	6	\$16,000

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
316	Maint Equip - Bobcat Excavator	15	8	\$48,000
317	Maint Equip - John Deere Mower	12	2	\$7,350
320	Maint Equip - Kubota Tractor	20	3	\$22,500
321	Maint Equip - Fuel Tank & Pumps	40	18	\$25,500
322	Maint Equip - Kubota RTV (old)	12	0	\$18,000
323	Maint Equip - Kubota RTV (newer)	10	7	\$18,000
327	Maint Equip - Sander (old)	15	1	\$7,850
328	Maint Equip - Sander (newer)	15	9	\$7,850
329	Maint Equip - Plow (old)	15	1	\$6,750
330	Maint Equip - Plow (new)	15	9	\$6,750
332	Maint Equip - Street Sweeper	10	3	\$20,000
333	Maint Equip - Vac Truck	12	3	\$42,000
338	Maint Equip - Truck 2010 Ford F350	10	5	\$42,000
339	Maint Equip - Truck 1999 Ford F450	10	1	\$28,000
341	Maint Equip - Truck 2008 Ford F150	10	8	\$21,000
342	Maint Equip - Truck 1999 Dakota	10	9	\$24,000
343	Flatbed Trailer for Excavator	10	7	\$5,150
344	Paint Striper	10	9	\$6,300
<b>Office</b>				
360	Office Bldg - Carpet, Paint	12	2	\$5,650
361	Office Bldg - Roof	30	11	\$5,650
362	Office Bldg - Structure	30	11	\$39,500
364	Office - Deck	25	1	\$7,800
365	Office Computer Upgrade	5	2	\$13,500
146	<b>Total Funded Components</b>			

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

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

Cross reference component numbers with photographic inventory appendix.