



Revised 11/14/2023

*Members of the Association of
Professional Reserve Analysts
/ Reserve Specialist designation
from CAI*

October 10, 2023

Board of Directors
Reserve at Gearhart Homeowners' Association
5400 Sheridan Drive
Gearhart, Oregon 97138
Dear Board of Directors,

We have been engaged by the Board of Directors of Reserve at Gearhart Homeowners' Association to perform a Maintenance Plan Update and a Level III: Reserve Study Update with No Visual Site Inspection for the Association.

At the request of the Association, the reserve study has been broken up into 2 studies, one for the Common Areas and one for the Community Septic System. The information for the Community Septic System is based on the report completed in 2007 by Smith & Associates, Inc. This report was updated in 2020. The funding scenario for the septic system has been increased to 40 years to incorporate items with a useful life greater than 30 years.

The suggested contribution for 2024 is as follows:

Common Areas	\$	31,366
Septic System		<u>34,805</u>
Total	\$	<u><u>66,171</u></u>

If you have any questions concerning this reserve study, please do not hesitate to call.

Sincerely,

A handwritten signature in black ink, appearing to read "David T. Schwindt", written in a cursive style.

David T. Schwindt, CPA RS PRA

12300 SE MALLARD WAY, SUITE 275
MILWAUKIE, OR 97222

503.227.1165 phone ♦ 503.227.1423 fax
rss@schwindtco.com

RESERVE AT GEARHART HOMEOWNER'S ASSOCIATION

MAINTENANCE PLAN UPDATE

RESERVE STUDY

LEVEL III: UPDATE WITH NO VISUAL SITE INSPECTION

BUDGET YEAR

January 1, 2024 to December 31, 2024



RESERVE AT GEARHART HOMEOWNER'S ASSOCIATION

	<p><u>Non-Septic System</u></p> <p><u>Executive Summary</u></p> <p><u>Year of Report:</u> January 1, 2024 to December 31, 2024</p> <p><u>Number of Units:</u></p>	
	<p>130 Units</p> <p><u>Parameters:</u></p> <p>Beginning Balance: \$295,028</p> <p>Year 2024 Suggested Contribution: \$31,366</p> <p>Year 2024 Projected Interest Earned: \$5,512</p> <p>Inflation: 4.00%</p>	
		<p>Annual Increase to Suggested Contribution: 4.00%</p> <p>Lowest Cash Balance Over 30 Years (Threshold): \$157,259</p> <p>Average Reserve Assessment per Unit: \$120.64</p> <p>Prior Year's Actual Contribution: \$30,160</p>

TABLE OF CONTENTS
Reserve at Gearhart Homeowner's Association

Disclosure Information 4

MAINTENANCE PLAN

Maintenance Plan 9

RESERVE STUDY

Property Description 21

Cash Flow Method-Threshold Funding Model Summary Non Septic 22

Cash Flow Method-Threshold Funding Model Projection Non Septic 23

Component Summary By Category 24

Component Summary By Group 26

Annual Expenditure Detail 27

Detail Report 35

Additional Disclosures 56

**Reserve at Gearhart Homeowner's Association
Maintenance Plan Update
Reserve Study Update – Offsite
Disclosure Information
2024**

We have conducted an offsite reserve study update and maintenance plan update for the Reserve at Gearhart Homeowner's Association for the year beginning January 1, 2024 in accordance with guidelines established by Community Associations Institute and the American Institute of Certified Public Accountants.

This reserve study and maintenance plan is in compliance with the legislative changes made in 2007 to ORS Chapters 94 and 100.

In addition to providing the reserve study and maintenance plan, we also provide tax, bookkeeping and review/audit services to the Association.

The Oregon Coast environment (salt water, high winds, ect) has a negative effect on building components. Not performing regular inspections and maintenance on Association's assets may accelerate damage and reduce the useful life of assets with an already shortened life cycle.

Schwindt and Company believes that every association should have a complete building envelope inspection within 12 months of completion of all construction. This inspection must be performed by a licensed building envelope inspector. Ongoing inspections of the property should be performed by a licensed inspector, with the exception of a roof inspection which may be performed by a licensed roofing contractor.

Associations should have a complete building envelope study conducted every 3-5 years. If the Association chooses not to engage a qualified engineer or architect to perform a building envelope inspection, the Association should be 100% funded using the fully funded method of funding to ensure funds are available to pay for unexpected costs.

Assumptions used for inflation, interest, and other factors are detailed on page 23 and 65. Income tax factors were not considered due to the uncertainty of factors affecting net taxable income and the election of tax forms to be filed.

David T. Schwindt, the representative in charge of this report, is a designated Reserve Study Specialist, Professional Reserve Analyst, and Certified Public Accountant licensed in the states of Oregon, Washington, California, and Arizona.

All information regarding the useful life and cost of reserve components was derived from the developer, Association, local vendors, and/or from various construction pricing and scheduling manuals.

The terms *RS Means*, *National Construction Estimator*, and *Fannie Mae Expected Useful Life Tables and Forms* refer to construction industry estimating databases that are used throughout the industry to establish cost estimates and useful life estimates for common building components and products. We suggest that the Association obtain firm bids for these services.

Increases in Roofing and Painting Costs

Over the last several years, roofing, painting, and other costs have increased at a dramatic pace. Schwindt and Company has noted this in our reserve studies. We were not sure if this was a temporary price increase or the new normal in pricing. We are now of the opinion that these increased prices will most likely continue. Roofing costs have nearly doubled and painting costs have increased 50%. It is still possible to keep the increases to a minimum if Associations can find a vendor that will perform the work at a reduced price, however, these vendors are becoming rare.

The main reason for increased prices aside from normal cost increases appears to be the availability of labor. Many workers

left the industry during the downturn and have not reentered the job market thus driving up wage costs to attract qualified workers. Roofers and painters are also seeing increased demand for their services due to aging association property. These factors have created the perfect storm for increased prices.

These increases are being built into cost estimates and required contributions. Associations have seen an increase in the suggested reserve contributions beginning with the 2018/2019 budget years and depending on the year the roofing and painting projects occur, the increases may be substantial. As of 2020, we are seeing the prices remain at the elevated rate.

In December 2022, the average annual inflation rate was 6.45%. Experts are not sure if this increase is temporary due to supply chain issues or if this will be a long-term increase. At this time, Schwindt and Company is recommending an inflation rate of 4% in reserve studies. We will continue to monitor the inflation rate throughout this period. More information can be found at https://inflationdata.com/Inflation/Inflation_Rate/HistoricalInflation.aspx.

Currently, the price of oil has fluctuated greatly, and there are ongoing issues with the supply chain. As of now, it is unknown when these factors will be resolved, making it difficult to predict prices. We recommend the Association begin the replacement process several years out, including inspection, creation of a scope of work, and a competitive bidding process. For large projects, associations may choose to sign contracts a year before the work is to occur so that they can get scheduled during the spring and summer.

According to Section 3.5 of the Declaration, the Association shall maintain, repair and replace, as required, all improvements within the Common Areas and the Community Septic System. This includes the fences lighting, lighting fixtures, and pruning of planted and landscaped areas.

An earthquake insurance deductible is not included in the reserve study.

Many reserve studies do not include components such as the structural building envelope, plumbing (including water supply and piping), electrical systems, and water/sewer systems because they are deemed to be beyond the usual 30-year threshold and reserve study providers are generally not experts in determining the estimated useful lives and replacement costs of such assets. Associations that are 20+ years in age should consider adding funding for these components because the eventual cost may be one of the largest expenditures in the study. Because the eventual replacement costs and determination of the estimated useful life of such components depend on several factors, it is advisable to hire experts to advise the Association on such matters. Schwindt and Company believes the best way to determine costs and lives associated with these components is to perform an inspection of the applicable components which should include information about the component, steps to take to lengthen the estimated useful life, projected estimated useful life, and estimated replacement costs. This inspection should be conducted by experts and should include a written report. This information will allow the reserve study provider and the Association to include appropriate costs, lives, and projected expenditures in the study. Schwindt and Company believes that the cost of these inspections should be included in the reserve study as a funded component.

We are not aware of any material issues which, if not disclosed, would cause a material distortion of this report.

Certain information, such as the beginning balance of reserve funds and other information as detailed on the component detail reports, was provided by Association representatives and is deemed to be reliable by us. This reserve study is a reflection of the information provided to us and cannot be used for the purpose of performing an audit, a quality/forensic analysis, or background checks of historical records.

Site visits should not be considered a project audit or quality inspection of the Association's property. A site visit does not evaluate the condition of the property to determine the useful life or needed repairs. Schwindt and Company suggests that the Association perform a building envelope inspection to determine the condition, performance, and useful life of all the components.

Certain costs outlined in the reserve study are subjective and, as a result, are for planning purposes only. The Association should obtain firm bids at the time of work. Actual costs will depend upon the scope of work as defined at the time the repair, replacement, or restoration is performed. All estimates relating to future work are good faith estimates and projections are based on the estimated inflation rate, which may or may not prove accurate. All future costs and life

expectancies should be reviewed and adjusted annually.

This reserve study, unless specifically stated in the report, assumes no fungi, mold, asbestos, lead paint, urea-formaldehyde foam insulation, termite control substances, other chemicals, toxic wastes, radon gas, electro-magnetic radiation, other potentially hazardous materials (on the surface or sub-surface), or termites on the property. The existence of any of these substances may adversely affect the accuracy of this reserve study. Schwindt and Company assumes no responsibility regarding such conditions, as we are not qualified to detect substances, determine the impact, or develop remediation plans/costs.

Since destructive testing was not performed, this reserve study does not attempt to address latent and/or patent defects. Neither does it address useful life expectancies that are abnormally short due either to improper design, installation nor to subsequent improper maintenance. This reserve study assumes all components will be reasonably maintained for the remainder of their life expectancy.

Physical Analysis:

New projects generally include information provided by developers and/or refer to drawings.

Full onsite reserve studies generally include field measurements and do not include destructive testing. Drawings are usually not available for existing projects.

Onsite updates generally include observations of physical characteristics but do not include field measurements.

The client is considered to have deemed previously developed component quantities as accurate and reliable. The current work is reliant on the validity of prior reserve studies.

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.



RESERVE AT GEARHART HOMEOWNER'S ASSOCIATION

MAINTENANCE PLAN

BUDGET YEAR

January 1, 2024 to December 31, 2024

**Reserve at Gearhart Homeowner's Association
Executive Summary of Maintenance Plan**

Regular maintenance of common elements is necessary to insure the maximum useful life and optimum performance of components. Of particular concern are items that may present a safety hazard to residents or guests if they are not maintained in a timely manner and components that perform a water-proofing function.

This maintenance plan is a cyclical plan that calls for maintenance at regular intervals. The frequency of the maintenance activity and the cost of the activity at the first instance follow a short descriptive narrative. This maintenance plan should be reviewed on an annual basis when preparing the annual operating budget for the Association.

Checklists, developed by Reed Construction Data, Inc., can be photocopied or accessed from the RS Means website:

<http://www.rsmeans.com/supplement/67346.asp>

They can be used to assess and document the existing condition of an Association's common elements and to track the carrying out of planned maintenance activities.

**Reserve at Gearhart Homeowner's Association
Maintenance Plan Update
2024**

Pursuant to Oregon State Statutes Chapters 94 and 100, which require a maintenance plan as an integral part of the reserve study, the maintenance procedures are as follows:

The Board of Directors should refer to this maintenance plan each year when preparing the annual operating budget for the Association to ensure that annual maintenance costs are included in the budget for the years that they are scheduled.

Property Inspection

Schwindt and Company recommends that a provision for the annual inspection of common area components be included in the maintenance plan for all associations. This valuable management tool will help to ensure that all components achieve a maximum useful life expectancy and that they function as intended throughout their lifespan.

The inspection should be performed by a qualified professional and should include a written summary of conclusions with specific recommendations for any needed repairs or maintenance.

We suggest that the Association obtain firm bids for this service.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

Roof Inspection

Schwindt and Company recommends that a provision for the periodic inspection and maintenance of roofing and related components be included in the maintenance plan for all associations.

The frequency of this inspection will vary based on the age, condition, complexity, and remaining useful life of the roof system. As the roof components become older, the Association is well advised to consider increasing the frequency of this critical procedure.

The inspection should be performed by a qualified roofing professional and should include a written summary of conclusions with specific recommendations for any needed repairs or maintenance. Recommended maintenance should be performed promptly by a licensed roofing contractor.

We suggest that the Association obtain firm bids for this service.

This expense should be included in the annual operating budget for the Association.

Frequency: Refer to roof warranty for frequency

Lighting: Exterior & Common Area Interior – Inspection/Maintenance

Note: Replacement of flickering or burned-out bulbs should be immediate.

Lighting is a crucial element in the provision of safety and security. All lighting systems should be inspected frequently and care must be taken to identify and correct deficiencies.

Various fixture types may be used according to area needs. Lighting systems should be designed to provide maximum, appropriate illumination at minimal energy expenditures. Lighting maintenance processes should include a general awareness of factors that cause malfunctions in lighting systems, such as dirt accumulation and lumen depreciation. It is important to fully wash, rather than dry-wipe, exterior surfaces to reclaim light and prevent further deterioration.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Repairs and inspections should be completed by a qualified professional.

This expense should be included in the annual operating budget for the Association as general property maintenance expense.

Frequency: Bi-Weekly

Community Building

The community building may experience heavy traffic that can have a dramatic impact on the life expectancy of the equipment. Preventive maintenance is critical. Consult the manufacturers of exercise and weight equipment for specific maintenance. The overall condition of the floors and mats should be reviewed for deficiencies such as excessive wear, stains, tears, and tripping hazards. The overall condition of the following should be reviewed: walls/ceilings, lighting fixture protection, exercise/weight equipment; location of signs and fire safety devices, fire extinguishers, and trash receptacles. Mirrors and glass should be reviewed for cracked/broken surfaces or rough edges.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

This expense should be included in the annual operating budget for the Association as general property maintenance expense.

Frequency: Monthly

Community Building – Kitchen–Review

Common area kitchenettes and dining areas may contain pieces of equipment that can jeopardize life safety if preventive maintenance is neglected. The following monthly checklist includes common cooking equipment and dining furniture.

Review the electrical outlet load for fire safety (per manufacturer and code); check that paper/flammable materials are positioned away from heat sources; insure there is an accessible route, and there is sufficient visibility of emergency exits.

A fire extinguisher review should include: tag currency, placement, housing condition, hose condition, and overall condition.

Equipment, such as dishwashers, garbage disposals, stoves, refrigerators, and sinks should undergo review. *Note: Always follow manufacturer's guidelines.* For each item, check overall condition, switches, timer, piping and valves for leaks, wiring, pilots, doors, gaskets, and belts where applicable. Gas connections should be checked.

The flooring systems should be reviewed for deficiencies such as excessive wear, stains, and tripping hazards.

Review the exhaust system for hood function and condition, grease trap function, cleanliness and condition, filter condition, exhaust duct condition, and fan function and condition

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Frequency: Monthly

Common Play Area – Review

As play areas, surfaces, and equipment vary widely, a general safety and maintenance protocol will be included in the maintenance plan. Management should work with their insurance company to identify additional specific recommendations and should consult manufacturer's specifications. Note deficiencies and required maintenance and repairs after completion of the review.

Generally, in order to maintain a safe playing area, the following should be reviewed: signage visibility and currency; accessible safety/first aid equipment location; fence condition for protruding or loose parts, holes or inoperable gates; and overall condition of grounds for deficiencies such as vandalism, debris buildup, trash, or tripping hazards.

Grass play areas should be reviewed for deficiencies: such as overgrowth; exposed soil; excess fertilization (granules left on surface); contamination from foreign substances; rodent infestation (e.g., gopher holes); root encroachment; depressions or other tripping hazards, such as rocks, elevated sprinkler heads, hoses, field markers, and/or exposed irrigation pipes.

This expense should be included in the annual operating budget for the Association as general property maintenance expense.

Frequency: Monthly

Hot Water Heater – Common Area Only – Inspection/Maintenance

Maintenance of the hot water heater includes regularly scheduled inspections and maintenance.

The water heater and related components should be checked for water leaks and fuel supply leaks. The water heater and related components should also be checked for proper operation and settings. Filters should be changed and all components serviced as required. The surrounding area should be cleaned at

the time of servicing.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Inspections and maintenance should be performed by a qualified, licensed service provider.

We understand that this expense should be included in the annual operating budget for the Association.

Frequency: Monthly to Annually

Property Entrance - Review

The property entrance is a significant reflection on the development as a whole and is often the first stop in the development for residents, prospective residents or buyers, and visitors. The area should be consistently clean, functional, and accessible. In addition to serving as a point of initial access, the main entry may feature mailboxes which should be secure and operational.

Mailboxes: Review overall condition and function of locks; proper lubrication of working parts; cleanliness of face plates; security of housing, in compliance with current postal regulations; accuracy and visibility of signage/accessibility of tactile lettering, where required; condition and function of slots and depositories for outgoing mail and packages.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

This expense should be included in the annual operating budget for the Association as general property maintenance expense.

Frequency: Monthly

Windows & Doors

These maintenance procedures should also be performed on the common area buildings including the community building. This expense for the common buildings should be included in the Association's operating budget and may be considered part of the annual property inspection.

Exterior window and door casings, sashes, and frames should be inspected annually for twisting, cracking, deterioration, or other signs of distress. Hardware and weather stripping should be checked for proper operation and fit. Gaskets and seals should be reviewed for signs of moisture intrusion. Weep holes should be cleaned. These building envelope components should be repaired and replaced as necessary.

Frequency: Monthly

Fence – Inspection

The wood split rail fence and wooded picket fence should be checked semi-annually for overall integrity and safety. The overall condition of the fence should be checked for deficiencies such as vegetation

encroachment, debris buildup, holes, sagging areas, missing segments, rot, fungus, and/or vandalism.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Frequency: Semiannually

Gutters & Downspouts

Schwindt & Company recommends that all gutters and downspouts be cleaned, visually inspected, and repaired as required.

This important maintenance procedure will help to ensure that the gutters and downspouts are free-flowing at all times, thus preventing the backup of water within the drainage system. Such backup can lead to water ingress issues along the roof edges, around scuppers or other roof penetrations, and at sheet metal flashing or transition points that rely on quick and continuous discharge of water from surrounding roof surfaces to maintain a watertight building exterior.

This expense should be included in the annual operating budget for the Association.

Frequency: Semiannually, more often if necessary

Exterior Walls

The siding, trim, and other wood building components should be inspected for loose, missing, cracked or otherwise damaged components. Sealant joints should be checked for missing or cracked sealant.

Painted surfaces should be checked for paint deterioration, bubbling, or other signs of deterioration.

Any penetrations of the building envelope such as utility lines and light fixtures should be checked annually for signs of water intrusion. Hose bibs should be checked for leaks and other failures. Each hose bib should be shut off and drained during the winter to prevent damage from freezing.

Annual inspections to check for signs of water intrusion should be made of the building envelope interfaces such as where the windows intersect with the walls and where the walls intersect with the roof.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

Inspections should be made by a qualified professional.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

Fire Extinguishers – Common Areas Only

The following annual preventive maintenance checklist is for the fire extinguishers located in the

common areas, such as community building. This inspection and certification must be conducted by a licensed specialty contractor and should be scheduled in advance to ensure that the date on extinguishers will not expire. Monthly inspections of fire extinguishers' general condition, housing, and locations per code should be conducted as part of preventive maintenance procedures in areas that include common kitchen areas, and restrooms. In addition to the annual preventive maintenance tasks outlined below, check the pressure and weight of each extinguisher in the facility every 6 months, according to its manufacturer's label. If the pressure is below the recommended minimum or if the extinguisher has been used, it should be recharged. Consult the National Fire Protect Association's (NFPA) Standard 10 for the specific requirements regarding the proper locations of fire extinguishers and signage.

Annual preventive maintenance checklist consists of the following: certification; housing condition; hose condition; proper location per code; count per code; and overall condition.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

Lawn Irrigation System

Periodic maintenance to the lawn irrigation system should be anticipated with this type of component. These maintenance procedures will include replacement of the control mechanism, replacement of damaged piping, upgrading of sprinkler heads and valve components, and any other work that is advised by repair professionals.

In recent years, improvements have been made to this type of system which has increased the efficiency of the water distribution process. Such improvements can be expected to continue to be made and the owners of such systems are well advised to plan on periodic upgrades to maintain the efficiency of their systems.

Lawn irrigation systems also require periodic testing to ensure proper operation. Sometimes this testing is mandated by ordinance or building codes. All work on lawn irrigation systems must be performed by licensed contractors who specialize in this type of work.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

Sewer Laterals – Inspection/Maintenance

All drain lines in the facility connect to the main drain, which is referred to as the "sewer", beyond the foundation. All sewer lines outside of the foundation have cleanout points at various locations. Reaming from these points requires the use of a high power hose, hydro-jet, or power equipment. Sewer laterals should be annually reamed from clean-out points by in-house personnel.

Inspections and maintenance should be performed by a qualified, licensed service provider.

This expense should be included in the annual operating budget for the Association.

Frequency: Annually

Storm Drains

Storm drains or sewers are underground systems used to collect and dispose of surface water. They carry large quantities of water away from paved surface areas, and should be kept clean to prevent the accumulation of dirt and debris. They should be cleaned and flushed annually to ensure blockages are removed and piping is functional. If drains tend to become clogged frequently, they should be inspected and cleaned more often.

Deficiencies, required maintenance, and required repairs after completion of the review should be noted by the maintenance contractor and/or association representatives.

This expense should be included in the annual operating budget for the Association as a general property maintenance expense.

Frequency: Annually

Asphalt – Seal Coating

Maintenance of asphalt paving includes the periodic application of an asphalt emulsion sealer or “seal coat”. This procedure is typically performed every 4 to 7 years, depending on a variety of factors that can affect the useful life of the sealer.

Vehicle traffic is one such factor, and associations that have asphalt paving that carries considerable vehicle traffic should consider a maintenance program that calls for seal coating of asphalt driving surfaces as frequently as every 4 years.

This maintenance procedure involves thoroughly cleaning all pavements, filling of any surface cracks and patching of any locally damaged pavement surfaces. The emulsion sealer is then applied.

Parking area demarcation lines will need to be renewed each time a seal coat is applied. The component expense includes the cost of this work as well as the seal coating cost.

This work should be performed by a licensed paving contractor.

This expense is included in the reserve study for the Association.

Frequency: Every 6 years

Community Building - Interior Paint

The interior painted surfaces of the community building should be cleaned, repaired as required, primed and painted with premium quality interior house paint in accordance with the manufacturer’s specifications. The work should be performed by a qualified, licensed painting contractor.

This expense is included in the reserve study for the Association.

Frequency: Every 10 years

Cedar Shingle Siding - Maintenance

Maintenance of the exterior cedar shingle siding includes regularly scheduled cleaning and inspection of the surface areas for cracks, deterioration of the base material, and failure of caulking or other sealant materials that serve a waterproofing function. Any organic growth should be removed to prevent deterioration of the cedar shingles.

This expense is included in the reserve study for the Association.

We suggest that the Association obtain bids for this service.

Frequency: Every 5 years

Metal Rail Painting

The exterior railings located at the community building should be cleaned and painted on a periodic basis to prevent deterioration of the metal material due to rust and oxidation.

The work should be performed by a qualified, licensed painting contractor.

This expense is included in the reserve study for the Association.

Frequency: Every 10 years

Concrete Pavement

Maintenance of the concrete pavement should include cleaning the surface areas with pressure washing equipment. The pavement should also be visually reviewed for signs of undue stress and cracking. Noticeable cracks should be filled with a suitable concrete crack filler to prevent penetration of moisture below the concrete surface which will undermine the integrity of the base material over time.

This expense should be included in the annual operating budget for the Association as a general property maintenance expense.

Frequency: Annually

Community Septic System

The community septic system should be inspected and maintained annually or as needed. At the time of installation, a preliminary financial plan was created with projected maintenance and repairs. Annual repairs are assumed to be included in the operating budget for the Association. The maintenance procedures and renewals with a useful life of 5 years or greater are included in the reserve study for the Association.

We recommend the Association contract with a service provider.

This maintenance plan is designed to preserve and extend the useful life of assets and is dependent

upon proper inspection and follow up procedures.

RESERVE AT GEARHART HOMEOWNER'S ASSOCIATION

RESERVE STUDY

LEVEL III: UPDATE WITH NO VISUAL SITE INSPECTION

BUDGET YEAR

January 1, 2024 to December 31, 2024

Reserve at Gearhart Homeowner's Association
Category Detail Index

Asset ID	Description	Replacement	Page
Roofing			
1010	Roof: Asphalt Shingle - Replacement	2025	50
1002	Roof: Community Building - Replacement	2042	51
Siding			
1001	Shingle Siding - Replacement/Repair	2027	52
Painting			
1012	Common Property - Paint/Stain/Sealing	2026	39
1039	Community Building Interior - Paint	2024	39
Building Components			
1043	Decking: Community Building - Replacement	2033	40
Gutters and Downspouts			
1003	Gutters and Downspouts - Replacement	2027	44
Streets/Asphalt			
1035	Asphalt - Overlay	2038	35
1057	Asphalt - Seal Coat (Parking Lot)	2024	35
1034	Asphalt - Seal Coat (Sheridan Dr)	2025	36
1056	Asphalt - Striping	2027	36
Fencing/Security			
1017	Split Rail Fencing - Repairs	2024	52
1053	Split Rail Fencing - Repairs Carryover	2024	53
Equipment			
1032	Gas Fireplace - Repair/Upgrade	2025	43
1033	Water Heater - Replacement	2025	54
Railings			
1007	Metal Railings - Replacement	2042	48
Interior Furnishings			
1031	Kitchenette - Renewal	2030	46
1029	Powder Room - Renewal	2030	50

Reserve at Gearhart Homeowner's Association
Category Detail Index

Asset ID	Description	Replacement	Page
Lighting			
1006	Building Light Fixtures - Replacement	2036	38
1016	Street Light Fixtures - Replacement	2040	53
Grounds Components			
1052	Barkdust - Carryover	2024	37
1038	Barkdust - Replacement	2024	37
1008	Concrete Walkways - Partial Replacement	2037	40
1047	Electrical Control Boxes - Renewal/Replacement	2025	43
1049	Electrical Utility Line - Renewal/Replacement	2031	43
1015	Gazebo - Replacement/Removal	2042	44
1044	Landscape Renewal	2024	46
1051	Landscape Renewal Carryover	2024	47
1009	Picnic Tables, Benches, BBQ and Trash Cans - Ren..	2024	48
1011	Playground Equipment - Replacement	2035	49
1048	Street Signs & Posts - Replacement	2024	54
Mailboxes			
1030	Mailboxes - Renewal	2047	47
Doors and Windows			
1005	Doors: Community Building Front - Replacement	2030	41
1054	Doors: Community Building Rear - Replacement	2042	41
1046	Doors: Septic Entry - Replacement	2030	42
1045	Doors: Septic Garage - Replacement	2027	42
1004	Windows - Replacement	2030	55
Inspections			
1042	Building Envelope Inspection	2025	38
Contingency			
1041	Insurance Deductible	2024	45
1055	Reserve Study Update - Offsite	2024	50
	Total Funded Assets	40	
	Total Unfunded Assets	<u>0</u>	
	Total Assets	40	

Reserve at Gearhart Homeowner's Association Property Description

Reserve at Gearhart Homeowner's Association consists of 130 single family lots located in Gearhart, Oregon. The Association shall provide exterior improvements upon the community building, pump house, and common areas. The individual homeowners are responsible for all maintenance and repairs of their interior and exterior home and the private property adjacent to the homes.

This study uses information supplied by the developer, Association, local vendors, and various construction pricing and scheduling manuals to determine useful lives and replacement costs.

The Oregon Coast environment (salt water, high winds, ect) has a negative effect on building components. Not performing regular inspections and maintenance on Association's assets may accelerate damage and reduce the useful life of assets with an already shortened life cycle.

A site visit was performed by Schwindt and Company in 2018. Schwindt and Company did not investigate components for defects, materials, design or workmanship. This investigation would ordinarily be considered in a complete building envelope inspection. Our condition assessment considers if the component is wearing as intended. All components are considered to be in fair condition and appear to be wearing as intended unless noted otherwise in the component detail.

Funds are being accumulated in the replacement fund based on estimates of future need for repairs and replacement of common property components. Actual expenditures, investment income, and provisions for income taxes may vary from estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future funding needs.

If additional funds are needed, the Association has the right, subject to board approval, to increase regular assessments and/or levy special assessments. Otherwise it may delay repairs or replacements until funds are available.

Reserve at Gearhart Homeowner's Association

Gearhart, Oregon

Cash Flow Method-Threshold Funding Model Summary Non Septic

Report Date	October 10, 2023
Account Number	2gearh
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	130

<i>Report Parameters</i>	
Inflation	4.00%
Annual Assessment Increase	4.00%
Interest Rate on Reserve Deposit	2.00%
2024 Beginning Balance	\$295,028

Threshold Funding**Fully Reserved Model Summary**

- This study utilizes the cash flow method and the threshold funding model, which establishes a reserve funding goal that keeps the reserve balance above a specified dollar or percent funded amount. The threshold method assumes that the threshold method is funded with a positive threshold balance, therefore, "fully reserved".
- The following items were not included in the analysis because they have useful lives greater than 30 years: grading/drainage; foundation/footings; sanitary sewage and storm drains; telephone, cable, and internet lines.
- This funding scenario begins with a contribution of **\$31,366** in **2024** and increases **4.00%** each year for the remaining years of the study. A minimum balance of **\$157,259** is maintained.
- The purpose of this study is to ensure that adequate replacement funds are available when components reach the end of their useful life. Components will be replaced as required, not necessarily in their expected replacement year. This analysis should be updated annually.

GCE: Cash Flow Method - Threshold Funding Model Non Septic Summary of Calculations

Required Biannual Contribution	\$15,683.00
<i>\$120.64 per unit biannually</i>	
Average Net Biannual Interest Earned	<u>\$2,756.19</u>
Total Biannual Allocation to Reserves	\$18,439.19
<i>\$141.84 per unit biannually</i>	

Reserve at Gearhart Homeowner's Association
Cash Flow Method-Threshold Funding Model Projection Non Septic

Beginning Balance: \$295,028

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2024	31,366	5,512	44,266	287,641	242,536	119%
2025	32,621	5,108	57,947	267,422	230,325	116%
2026	33,925	5,379	25,224	281,503	253,193	111%
2027	35,282	4,697	74,256	247,226	227,535	109%
2028	36,694	5,224	14,776	274,369	264,367	104%
2029	38,162	5,780	15,367	302,943	303,782	100%
2030	39,688	5,501	58,972	289,161	301,411	96%
2031	41,276	4,993	71,682	263,747	287,598	92%
2032	42,927	5,600	17,286	294,987	325,745	91%
2033	44,644	5,883	35,703	309,811	351,172	88%
2034	46,429	6,286	31,833	330,693	383,623	86%
2035	48,287	6,521	42,432	343,069	408,409	84%
2036	50,218	6,809	41,923	358,172	436,859	82%
2037	52,227	7,451	26,601	391,248	484,610	81%
2038	54,316	4,398	213,119	236,842	342,610	69%
2039	56,488	4,748	42,913	255,166	374,355	68%
2040	58,748	3,234	138,273	178,875	310,934	58%
2041	61,098	3,373	56,787	186,560	332,337	56%
2042	63,542	3,242	72,827	180,517	339,991	53%
2043	66,083	3,016	79,956	169,660	347,963	49%
2044	68,727	3,497	47,121	194,763	393,504	49%
2045	71,476	4,027	47,935	222,330	443,245	50%
2046	74,335	4,477	55,268	245,874	490,704	50%
2047	77,308	2,813	163,811	162,184	430,665	38%
2048	80,401	3,729	36,861	209,453	503,880	42%
2049	83,617	3,435	101,170	195,334	505,215	39%
2050	86,961	2,668	127,705	157,259	482,463	33%
2051	90,440	2,710	90,133	160,276	501,470	32%
2052	94,057	3,876	37,876	220,333	579,323	38%
2053	97,820	5,109	39,391	283,871	662,602	43%

Reserve at Gearhart Homeowner's Association
Component Summary By Category

Description	Date in Service	Next Occurrence	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Roofing								
Roof: Asphalt Shingle - Replacement	2007	2025	15	3	1	750 SF	8.00	6,000
Roof: Community Building - Replacement	2022	2042	20	0	18	1,100 SF	10.37	11,407
Roofing - Total								<u>\$17,407</u>
Siding								
Shingle Siding - Replacement/Repair	2007	2027	20	0	3	2,200 SF	21.60	47,520
Siding - Total								<u>\$47,520</u>
Painting								
Community Building Interior - Paint	2007	2024	10	0	0	1 Total	3,042.84	3,043
Common Property - Paint/Stain/Sealing	2021	2026	5	0	2	1 Total	10,690.06	10,690
Painting - Total								<u>\$13,733</u>
Building Components								
Decking: Community Building - Replacement	2008	2033	25	0	9	255 SF	44.60	11,374
Building Components - Total								<u>\$11,374</u>
Gutters and Downspouts								
Gutters and Downspouts - Replacement	2007	2027	20	0	3	300 LF	11.66	3,499
Gutters and Downspouts - Total								<u>\$3,499</u>
Streets/Asphalt								
Asphalt - Seal Coat (Parking Lot)	2008	2024	6	10	0	2,450 SF	0.75	1,837
Asphalt - Seal Coat (Sheridan Dr)	2008	2025	6	11	1	33,760 SF	0.75	25,320
Asphalt - Striping	2022	2027	6	-1	3	1 Total	1,080.00	1,080
Asphalt - Overlay	2008	2038	30	0	14	36,210 SF	3.05	110,440
Streets/Asphalt - Total								<u>\$138,678</u>
Fencing/Security								
Split Rail Fencing - Repairs	2021	2024	1	0	0	1 Total	3,275.25	3,275
Split Rail Fencing - Repairs Carryover	2022	2024	1	0	0	1 Total	2,571.00	2,571
Fencing/Security - Total								<u>\$5,846</u>
Equipment								
Gas Fireplace - Repair/Upgrade	2007	2025	15	3	1	1 Total	3,042.84	3,043
Water Heater - Replacement	2007	2025	15	3	1	1 Total	1,399.68	1,400
Equipment - Total								<u>\$4,443</u>
Railings								
Metal Railings - Replacement	2022	2042	20	0	18	1 Total	2,376.00	2,376
Railings - Total								<u>\$2,376</u>

Reserve at Gearhart Homeowner's Association Component Summary By Category

Description	Date in Service	Next Occurrence	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Interior Furnishings								
Kitchenette - Renewal	2007	2030	25	-2	6	1 Total	3,042.84	3,043
Powder Room - Renewal	2007	2030	25	-2	6	1 Total	1,521.43	<u>1,521</u>
Interior Furnishings - Total								<u>\$4,564</u>
Lighting								
Building Light Fixtures - Replacement	2021	2036	15	0	12	9 Each	114.10	1,027
Street Light Fixtures - Replacement	2019	2040	20	1	16	26 Each	1,917.00	<u>49,842</u>
Lighting - Total								<u>\$50,869</u>
Grounds Components								
Barkdust - Carryover	2023	2024	1	0	0	1 Total	0.00	0
Barkdust - Replacement	2023	2024	1	0	0	1 Total	4,245.70	4,246
Landscape Renewal	2021	2024	1	0	0	1 Total	4,245.70	4,246
Landscape Renewal Carryover	2021	2024	1	0	0	1 Total	4,984.00	4,984
Picnic Tables, Benches, BBQ and Trash Can..	2007	2024	15	0	0	11 Each	760.70	8,368
Street Signs & Posts - Replacement	2008	2024	10	0	0	1 Total	5,832.00	5,832
Electrical Control Boxes - Renewal/Replace..	2008	2025	10	7	1	1 Total	6,415.20	6,415
Electrical Utility Line - Renewal/Replacement	2021	2031	10	0	7	1 Total	5,832.00	5,832
Playground Equipment - Replacement	2020	2035	15	0	11	1 Total	7,607.13	7,607
Concrete Walkways - Partial Replacement	2007	2037	30	0	13	880 SF	15.21@ 25%	3,345
Gazebo - Replacement/Removal	2022	2042	20	0	18	1 Total	5,832.00	<u>5,832</u>
Grounds Components - Total								<u>\$56,707</u>
Mailboxes								
Mailboxes - Renewal	2007	2047	40	0	23	1 Total	1,529.36	<u>1,529</u>
Mailboxes - Total								<u>\$1,529</u>
Doors and Windows								
Doors: Septic Garage - Replacement	2007	2027	20	0	3	1 Total	1,283.04	1,283
Doors: Community Building Front - Replace..	2007	2030	20	3	6	1 Each	1,866.24	1,866
Doors: Septic Entry - Replacement	2021	2030	9	0	6	2 Each	874.80	1,750
Windows - Replacement	2007	2030	20	3	6	19 Each	1,213.06	23,048
Doors: Community Building Rear - Replace..	2022	2042	20	0	18	1 Each	1,866.24	<u>1,866</u>
Doors and Windows - Total								<u>\$29,813</u>
Inspections								
Building Envelope Inspection	2020	2025	5	0	1	1 Total	909.79	<u>910</u>
Inspections - Total								<u>\$910</u>
Contingency								
Insurance Deductible	2018	2024	1	0	0	1 Total	5,000.00	5,000
Reserve Study Update - Offsite	2022	2024	1	0	0	1 Total	864.00	<u>864</u>
Contingency - Total								<u>\$5,864</u>
Total Asset Summary								<u>\$395,132</u>

**Reserve at Gearhart Homeowner's Association
Component Summary By Group**

Description	Date in Service	Next Occurrence	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Capital								
Asphalt - Overlay	2008	2038	30	0	14	36,210 SF	3.05	110,440
Building Light Fixtures - Replacement	2021	2036	15	0	12	9 Each	114.10	1,027
Decking: Community Building - Replacement	2008	2033	25	0	9	255 SF	44.60	11,374
Gutters and Downspouts - Replacement	2007	2027	20	0	3	300 LF	11.66	3,499
Mailboxes - Renewal	2007	2047	40	0	23	1 Total	1,529.36	1,529
Metal Railings - Replacement	2022	2042	20	0	18	1 Total	2,376.00	2,376
Playground Equipment - Replacement	2020	2035	15	0	11	1 Total	7,607.13	7,607
Roof: Asphalt Shingle - Replacement	2007	2025	15	3	1	750 SF	8.00	6,000
Roof: Community Building - Replacement	2022	2042	20	0	18	1,100 SF	10.37	11,407
Shingle Siding - Replacement/Repair	2007	2027	20	0	3	2,200 SF	21.60	47,520
Street Light Fixtures - Replacement	2019	2040	20	1	16	26 Each	1,917.00	49,842
Street Signs & Posts - Replacement	2008	2024	10	0	0	1 Total	5,832.00	5,832
Water Heater - Replacement	2007	2025	15	3	1	1 Total	1,399.68	1,400
Windows - Replacement	2007	2030	20	3	6	19 Each	1,213.06	23,048
Capital - Total								\$282,902
Non-Capital								
Asphalt - Seal Coat (Parking Lot)	2008	2024	6	10	0	2,450 SF	0.75	1,837
Asphalt - Seal Coat (Sheridan Dr)	2008	2025	6	11	1	33,760 SF	0.75	25,320
Asphalt - Striping	2022	2027	6	-1	3	1 Total	1,080.00	1,080
Barkdust - Carryover	2023	2024	1	0	0	1 Total	0.00	0
Barkdust - Replacement	2023	2024	1	0	0	1 Total	4,245.70	4,246
Building Envelope Inspection	2020	2025	5	0	1	1 Total	909.79	910
Common Property - Paint/Stain/Sealing	2021	2026	5	0	2	1 Total	10,690.06	10,690
Community Building Interior - Paint	2007	2024	10	0	0	1 Total	3,042.84	3,043
Concrete Walkways - Partial Replacement	2007	2037	30	0	13	880 SF	15.21@ 25%	3,345
Doors: Community Building Front - Replace..	2007	2030	20	3	6	1 Each	1,866.24	1,866
Doors: Community Building Rear - Replace..	2022	2042	20	0	18	1 Each	1,866.24	1,866
Doors: Septic Entry - Replacement	2021	2030	9	0	6	2 Each	874.80	1,750
Doors: Septic Garage - Replacement	2007	2027	20	0	3	1 Total	1,283.04	1,283
Electrical Control Boxes - Renewal/Replace..	2008	2025	10	7	1	1 Total	6,415.20	6,415
Electrical Utility Line - Renewal/Replacement	2021	2031	10	0	7	1 Total	5,832.00	5,832
Gas Fireplace - Repair/Upgrade	2007	2025	15	3	1	1 Total	3,042.84	3,043
Gazebo - Replacement/Removal	2022	2042	20	0	18	1 Total	5,832.00	5,832
Insurance Deductible	2018	2024	1	0	0	1 Total	5,000.00	5,000
Kitchenette - Renewal	2007	2030	25	-2	6	1 Total	3,042.84	3,043
Landscape Renewal	2021	2024	1	0	0	1 Total	4,245.70	4,246
Landscape Renewal Carryover	2021	2024	1	0	0	1 Total	4,984.00	4,984
Picnic Tables, Benches, BBQ and Trash Can..	2007	2024	15	0	0	11 Each	760.70	8,368
Powder Room - Renewal	2007	2030	25	-2	6	1 Total	1,521.43	1,521
Reserve Study Update - Offsite	2022	2024	1	0	0	1 Total	864.00	864
Split Rail Fencing - Repairs	2021	2024	1	0	0	1 Total	3,275.25	3,275
Split Rail Fencing - Repairs Carryover	2022	2024	1	0	0	1 Total	2,571.00	2,571
Non-Capital - Total								\$112,230
Total Asset Summary								\$395,132

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2024	
Asphalt - Seal Coat (Parking Lot)	1,837
Barkdust - Carryover	
Barkdust - Replacement	4,246
Community Building Interior - Paint	3,043
Insurance Deductible	5,000
Landscape Renewal	4,246
Landscape Renewal Carryover	4,984
Picnic Tables, Benches, BBQ and Trash Cans - Renewal	8,368
Reserve Study Update - Offsite	864
Split Rail Fencing - Repairs	3,275
Split Rail Fencing - Repairs Carryover	2,571
Street Signs & Posts - Replacement	5,832
Total for 2024	\$44,266
Replacement Year 2025	
Asphalt - Seal Coat (Sheridan Dr)	26,176
Barkdust - Replacement	4,389
Building Envelope Inspection	941
Electrical Control Boxes - Renewal/Replacement	6,632
Gas Fireplace - Repair/Upgrade	3,146
Landscape Renewal	4,389
Reserve Study Update - Offsite	893
Roof: Asphalt Shingle - Replacement	6,203
Split Rail Fencing - Repairs	3,386
Water Heater - Replacement	1,447
Total for 2025	\$57,601
Replacement Year 2026	
Barkdust - Replacement	4,538
Common Property - Paint/Stain/Sealing	11,425
Landscape Renewal	4,538
Reserve Study Update - Offsite	923
Split Rail Fencing - Repairs	3,500
Total for 2026	\$24,924
Replacement Year 2027	
Asphalt - Striping	1,193

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2027 continued...</i>	
Barkdust - Replacement	4,691
Doors: Septic Garage - Replacement	1,418
Gutters and Downspouts - Replacement	3,866
Landscape Renewal	4,691
Reserve Study Update - Offsite	955
Shingle Siding - Replacement/Repair	52,503
Split Rail Fencing - Repairs	3,619
Total for 2027	<u>\$72,935</u>
Replacement Year 2028	
Barkdust - Replacement	4,849
Landscape Renewal	4,849
Reserve Study Update - Offsite	987
Split Rail Fencing - Repairs	3,741
Total for 2028	<u>\$14,427</u>
Replacement Year 2029	
Barkdust - Replacement	5,013
Landscape Renewal	5,013
Reserve Study Update - Offsite	1,020
Split Rail Fencing - Repairs	3,867
Total for 2029	<u>\$14,914</u>
Replacement Year 2030	
Asphalt - Seal Coat (Parking Lot)	2,243
Barkdust - Replacement	5,183
Building Envelope Inspection	1,111
Doors: Community Building Front - Replacement	2,278
Doors: Septic Entry - Replacement	2,136
Kitchenette - Renewal	3,714
Landscape Renewal	5,183
Powder Room - Renewal	1,857
Reserve Study Update - Offsite	1,055
Split Rail Fencing - Repairs	3,998
Windows - Replacement	28,135
Total for 2030	<u>\$56,893</u>

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2031	
Asphalt - Seal Coat (Sheridan Dr)	31,954
Barkdust - Replacement	5,358
Common Property - Paint/Stain/Sealing	13,491
Electrical Utility Line - Renewal/Replacement	7,360
Landscape Renewal	5,358
Reserve Study Update - Offsite	1,090
Split Rail Fencing - Repairs	4,133
Total for 2031	\$68,744
Replacement Year 2032	
Barkdust - Replacement	5,539
Landscape Renewal	5,539
Reserve Study Update - Offsite	1,127
Split Rail Fencing - Repairs	4,273
Total for 2032	\$16,479
Replacement Year 2033	
Asphalt - Striping	1,457
Barkdust - Replacement	5,726
Decking: Community Building - Replacement	15,341
Landscape Renewal	5,726
Reserve Study Update - Offsite	1,165
Split Rail Fencing - Repairs	4,417
Total for 2033	\$33,833
Replacement Year 2034	
Barkdust - Replacement	5,920
Community Building Interior - Paint	4,243
Landscape Renewal	5,920
Reserve Study Update - Offsite	1,205
Split Rail Fencing - Repairs	4,567
Street Signs & Posts - Replacement	8,132
Total for 2034	\$29,986
Replacement Year 2035	
Barkdust - Replacement	6,120

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2035 continued...</i>	
Building Envelope Inspection	1,311
Electrical Control Boxes - Renewal/Replacement	9,247
Landscape Renewal	6,120
Playground Equipment - Replacement	10,965
Reserve Study Update - Offsite	1,245
Split Rail Fencing - Repairs	4,721
Total for 2035	<u>\$39,731</u>
Replacement Year 2036	
Asphalt - Seal Coat (Parking Lot)	2,738
Barkdust - Replacement	6,327
Building Light Fixtures - Replacement	1,530
Common Property - Paint/Stain/Sealing	15,930
Landscape Renewal	6,327
Reserve Study Update - Offsite	1,288
Split Rail Fencing - Repairs	4,881
Total for 2036	<u>\$39,021</u>
Replacement Year 2037	
Barkdust - Replacement	6,541
Concrete Walkways - Partial Replacement	5,154
Landscape Renewal	6,541
Reserve Study Update - Offsite	1,331
Split Rail Fencing - Repairs	5,046
Total for 2037	<u>\$24,612</u>
Replacement Year 2038	
Asphalt - Overlay	175,889
Barkdust - Replacement	6,762
Landscape Renewal	6,762
Reserve Study Update - Offsite	1,376
Split Rail Fencing - Repairs	5,216
Total for 2038	<u>\$196,005</u>
Replacement Year 2039	
Asphalt - Striping	1,778

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2039 continued...</i>	
Barkdust - Replacement	6,990
Doors: Septic Entry - Replacement	2,881
Landscape Renewal	6,990
Picnic Tables, Benches, BBQ and Trash Cans - Renewal	13,777
Reserve Study Update - Offsite	1,423
Split Rail Fencing - Repairs	5,393
Total for 2039	<u>\$39,231</u>
Replacement Year 2040	
Barkdust - Replacement	7,227
Building Envelope Inspection	1,549
Gas Fireplace - Repair/Upgrade	5,179
Landscape Renewal	7,227
Reserve Study Update - Offsite	1,471
Roof: Asphalt Shingle - Replacement	10,213
Split Rail Fencing - Repairs	5,575
Street Light Fixtures - Replacement	84,836
Water Heater - Replacement	2,382
Total for 2040	<u>\$125,657</u>
Replacement Year 2041	
Barkdust - Replacement	7,471
Common Property - Paint/Stain/Sealing	18,811
Electrical Utility Line - Renewal/Replacement	10,262
Landscape Renewal	7,471
Reserve Study Update - Offsite	1,520
Split Rail Fencing - Repairs	5,763
Total for 2041	<u>\$51,298</u>
Replacement Year 2042	
Asphalt - Seal Coat (Parking Lot)	3,343
Barkdust - Replacement	7,723
Doors: Community Building Rear - Replacement	3,395
Gazebo - Replacement/Removal	10,609
Landscape Renewal	7,723
Metal Railings - Replacement	4,322

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2042 continued...</i>	
Reserve Study Update - Offsite	1,572
Roof: Community Building - Replacement	20,751
Split Rail Fencing - Repairs	5,958
Total for 2042	\$65,396
Replacement Year 2043	
Asphalt - Seal Coat (Sheridan Dr)	47,617
Barkdust - Replacement	7,984
Landscape Renewal	7,984
Reserve Study Update - Offsite	1,625
Split Rail Fencing - Repairs	6,159
Total for 2043	\$71,370
Replacement Year 2044	
Barkdust - Replacement	8,254
Community Building Interior - Paint	5,916
Landscape Renewal	8,254
Reserve Study Update - Offsite	1,680
Split Rail Fencing - Repairs	6,368
Street Signs & Posts - Replacement	11,338
Total for 2044	\$41,810
Replacement Year 2045	
Asphalt - Striping	2,171
Barkdust - Replacement	8,533
Building Envelope Inspection	1,829
Electrical Control Boxes - Renewal/Replacement	12,894
Landscape Renewal	8,533
Reserve Study Update - Offsite	1,737
Split Rail Fencing - Repairs	6,583
Total for 2045	\$42,279
Replacement Year 2046	
Barkdust - Replacement	8,822
Common Property - Paint/Stain/Sealing	22,212

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2046 continued...</i>	
Landscape Renewal	8,822
Reserve Study Update - Offsite	1,795
Split Rail Fencing - Repairs	6,805
Total for 2046	\$48,456
Replacement Year 2047	
Barkdust - Replacement	9,120
Doors: Septic Garage - Replacement	2,756
Gutters and Downspouts - Replacement	7,516
Landscape Renewal	9,120
Mailboxes - Renewal	3,285
Reserve Study Update - Offsite	1,856
Shingle Siding - Replacement/Repair	102,074
Split Rail Fencing - Repairs	7,035
Total for 2047	\$142,763
Replacement Year 2048	
Barkdust - Replacement	9,428
Doors: Septic Entry - Replacement	3,885
Landscape Renewal	9,428
Reserve Study Update - Offsite	1,919
Split Rail Fencing - Repairs	7,273
Total for 2048	\$31,933
Replacement Year 2049	
Asphalt - Seal Coat (Sheridan Dr)	58,127
Barkdust - Replacement	9,747
Landscape Renewal	9,747
Reserve Study Update - Offsite	1,983
Split Rail Fencing - Repairs	7,519
Total for 2049	\$87,123
Replacement Year 2050	
Barkdust - Replacement	10,076
Building Envelope Inspection	2,159

**Reserve at Gearhart Homeowner's Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2050 continued...</i>	
Doors: Community Building Front - Replacement	4,429
Landscape Renewal	10,076
Playground Equipment - Replacement	18,054
Reserve Study Update - Offsite	2,051
Split Rail Fencing - Repairs	7,773
Windows - Replacement	54,700
Total for 2050	<u>\$109,318</u>
Replacement Year 2051	
Asphalt - Striping	2,650
Barkdust - Replacement	10,417
Building Light Fixtures - Replacement	2,520
Common Property - Paint/Stain/Sealing	26,228
Electrical Utility Line - Renewal/Replacement	14,309
Landscape Renewal	10,417
Reserve Study Update - Offsite	2,120
Split Rail Fencing - Repairs	8,036
Total for 2051	<u>\$76,696</u>
Replacement Year 2052	
Barkdust - Replacement	10,769
Landscape Renewal	10,769
Reserve Study Update - Offsite	2,191
Split Rail Fencing - Repairs	8,307
Total for 2052	<u>\$32,037</u>
Replacement Year 2053	
Barkdust - Replacement	11,133
Landscape Renewal	11,133
Reserve Study Update - Offsite	2,266
Split Rail Fencing - Repairs	8,588
Total for 2053	<u>\$33,120</u>

**Reserve at Gearhart Homeowner's Association
Detail Report**

Asphalt - Overlay		36,210 SF	@ \$3.05
Asset ID	1035	Asset Actual Cost	\$110,440.50
	Capital	Percent Replacement	100%
Category	Streets/Asphalt	Future Cost	\$175,889.43
Placed in Service	January 2008		
Useful Life	30		
Replacement Year	2038		
Remaining Life	14		

This component provides funding to overlay the asphalt parking lot at the community building and the street from Highland Lane to the entrance of the property.

Schwindt and Company estimated 36,210 square feet of asphalt.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The cost is based on a per square foot estimate from Coast Pavement.

Asphalt - Seal Coat (Parking Lot)		2,450 SF	@ \$0.75
Asset ID	1057	Asset Actual Cost	\$1,837.50
	Non-Capital	Percent Replacement	100%
Category	Streets/Asphalt	Future Cost	\$1,837.50
Placed in Service	January 2008		
Useful Life	6		
Adjustment	10		
Replacement Year	2024		
Remaining Life	0		

This component provides funding to seal coat the asphalt parking lot at the community building.

Schwindt and Company estimated 2,450 square feet of asphalt.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The cost is based on a per square foot estimate from Coast Pavement.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Asphalt - Seal Coat (Sheridan Dr)			
Asset ID	1034	33,760 SF	@ \$0.75
Category	Non-Capital	Asset Actual Cost	\$25,320.00
Placed in Service	Streets/Asphalt	Percent Replacement	100%
Useful Life	January 2008	Future Cost	\$26,175.82
Adjustment	6		
Replacement Year	11		
Remaining Life	2025		
	1		

This component provides funding to seal coat the the Sheridan Drive from Highland Lane to the entrance of the property.

Schwindt and Company estimated 33,760 square feet of asphalt.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The cost is based on a per square foot estimate from Coast Pavement.

Asphalt - Striping			
Asset ID	1056	1 Total	@ \$1,080.00
Category	Non-Capital	Asset Actual Cost	\$1,080.00
Placed in Service	Streets/Asphalt	Percent Replacement	100%
Useful Life	January 2022	Future Cost	\$1,193.26
Adjustment	6		
Replacement Year	-1		
Remaining Life	2027		
	3		

This component provides funding to stripe Sheridan Drive.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

According to the Association, this was done in 2022for \$1,000.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Barkdust - Carryover		1 Total	@ \$0.00
Asset ID	1052	Asset Actual Cost	
	Non-Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	
Placed in Service	January 2023		
Useful Life	1		
Replacement Year	2024		
Remaining Life	0		

This component provides funding for the replacement of the barkdust.

We have unique issues here with weather and elk intrusion when it comes to landscaping. Some years may be better than others in terms of renewal. But we would like to be able to roll the allowance into future years so that we have sufficient funds to complete necessary renewal as damage occurs.

2022 Budget	\$3,640+
<u>2022 Exp</u>	<u>\$0</u>
2023 Carryover	\$3,640
2023 Budget	\$3,931+
2023 Exp	\$2,090-
<u>Transfer to Landscape</u>	<u>\$5,481-</u>
2024 Carryover	\$0

Barkdust - Replacement		1 Total	@ \$4,245.70
Asset ID	1038	Asset Actual Cost	\$4,245.70
	Non-Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$4,245.70
Placed in Service	January 2023		
Useful Life	1		
Replacement Year	2024		
Remaining Life	0		

This component provides funding for the replacement of the barkdust.

In 2021 the Association spent \$6,930. In 2023, the Association spent \$2,090.

The cost and useful life assumptions are based on information provided by Lewis and Clark Landscaping.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Building Envelope Inspection

		1 Total	@ \$909.79
Asset ID	1042	Asset Actual Cost	\$909.79
	Non-Capital	Percent Replacement	100%
Category	Inspections	Future Cost	\$940.54
Placed in Service	July 2020		
Useful Life	5		
Replacement Year	2025		
Remaining Life	1		

This provision is for a building envelope inspection. Generally, the life of the building envelope is greater than 30 years. We recommend the Association perform an inspection to determine the current condition of the system. Once the condition is known, the reserve study should be updated.

Industry specialists recommend a building envelope inspection every 3-5 years.

Building Light Fixtures - Replacement

		9 Each	@ \$114.10
Asset ID	1006	Asset Actual Cost	\$1,026.92
	Capital	Percent Replacement	100%
Category	Lighting	Future Cost	\$1,530.29
Placed in Service	January 2021		
Useful Life	15		
Replacement Year	2036		
Remaining Life	12		

This component provides funding for the replacement of the community building attached light fixtures.

Schwindt and Company estimated 9 light fixtures.

In 2021 the Association spent \$434 on exterior building lights.

In 2022, the Association spent \$218 to replace the six lights above the mailboxes.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Common Property - Paint/Stain/Sealing

		1 Total	@ \$10,690.06
Asset ID	1012	Asset Actual Cost	\$10,690.06
	Non-Capital	Percent Replacement	100%
Category	Painting	Future Cost	\$11,424.92
Placed in Service	January 2021		
Useful Life	5		
Replacement Year	2026		
Remaining Life	2		

This component provides funding for painting the trim and caulking windows on the community building, pump house, and dosing house; painting the gazebo; staining and sealing the wood sections of the trash cans, picnic tables, benches, and playground equipment.

In 2021 the building were cleaned and painted for \$7,600. The playground was renewed for \$1,565.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Community Building Interior - Paint

		1 Total	@ \$3,042.84
Asset ID	1039	Asset Actual Cost	\$3,042.84
	Non-Capital	Percent Replacement	100%
Category	Painting	Future Cost	\$3,042.84
Placed in Service	January 2007		
Useful Life	10		
Replacement Year	2024		
Remaining Life	0		

This component provides funding for the painting of the interior of the community building.

Schwindt and Company estimated 2,000 square feet of interior walls.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Reserve at Gearhart Homeowner's Association Detail Report

Concrete Walkways - Partial Replacement

		880 SF	@ \$15.21
Asset ID	1008	Asset Actual Cost	\$3,345.41
	Non-Capital	Percent Replacement	25%
Category	Grounds Components	Future Cost	\$5,153.76
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This component provides funding for the partial replacement of the concrete sidewalks located at the community building.

Schwindt and Company estimated 880 square feet of concrete.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Decking: Community Building - Replacement

		255 SF	@ \$44.60
Asset ID	1043	Asset Actual Cost	\$11,374.02
	Capital	Percent Replacement	100%
Category	Building Components	Future Cost	\$15,340.61
Placed in Service	January 2008		
Useful Life	25		
Replacement Year	2033		
Remaining Life	9		

This provision is for the replacement of the decking at the community building. The deck covered by a roof which should extend its life.

Schwindt and Company estimated 255 square feet of decking.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The Association should obtain a bid to confirm this estimate.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Doors: Community Building Front - Replacement

		1 Each	@ \$1,866.24
Asset ID	1005	Asset Actual Cost	\$1,866.24
	Non-Capital	Percent Replacement	100%
Category	Doors and Windows	Future Cost	\$2,278.17
Placed in Service	January 2007		
Useful Life	20		
Adjustment	3		
Replacement Year	2030		
Remaining Life	6		

This component provides funding for the replacement of the front door located on the community building.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Doors: Community Building Rear - Replacement

		1 Each	@ \$1,866.24
Asset ID	1054	Asset Actual Cost	\$1,866.24
	Non-Capital	Percent Replacement	100%
Category	Doors and Windows	Future Cost	\$3,394.88
Placed in Service	January 2022		
Useful Life	20		
Replacement Year	2042		
Remaining Life	18		

This component provides funding for the replacement of the rear door located on the community building.

In 2022, the rear door at the Community Building was replaced for \$900 plus materials.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Doors: Septic Entry - Replacement

		2 Each	@ \$874.80
Asset ID	1046	Asset Actual Cost	\$1,749.60
	Non-Capital	Percent Replacement	100%
Category	Doors and Windows	Future Cost	\$2,135.79
Placed in Service	January 2021		
Useful Life	9		
Replacement Year	2030		
Remaining Life	6		

This component provides funding for the replacement of the septic entry doors located.

According to the Association, they were replaced in 2021 for \$1,010.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Doors: Septic Garage - Replacement

		1 Total	@ \$1,283.04
Asset ID	1045	Asset Actual Cost	\$1,283.04
	Non-Capital	Percent Replacement	100%
Category	Doors and Windows	Future Cost	\$1,417.59
Placed in Service	January 2007		
Useful Life	20		
Replacement Year	2027		
Remaining Life	3		

This component provides funding for the replacement of the septic garage door located.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Electrical Control Boxes - Renewal/Replacement

		1 Total	@ \$6,415.20
Asset ID	1047	Asset Actual Cost	\$6,415.20
	Non-Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$6,632.03
Placed in Service	January 2008		
Useful Life	10		
Adjustment	7		
Replacement Year	2025		
Remaining Life	1		

This provision is for the renewal or replacement of the electrical control boxes.
The cost and useful life are based on information from the Association.

Electrical Utility Line - Renewal/Replacement

		1 Total	@ \$5,832.00
Asset ID	1049	Asset Actual Cost	\$5,832.00
	Non-Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$7,359.92
Placed in Service	January 2021		
Useful Life	10		
Replacement Year	2031		
Remaining Life	7		

This provision is for the renewal or replacement of the electrical utility line.
In 2021, the Association spent \$4,000 to replace an electrical utility line for street lights.
The cost and useful life are based on information from the Association.

Gas Fireplace - Repair/Upgrade

		1 Total	@ \$3,042.84
Asset ID	1032	Asset Actual Cost	\$3,042.84
	Non-Capital	Percent Replacement	100%
Category	Equipment	Future Cost	\$3,145.69
Placed in Service	January 2007		
Useful Life	15		
Adjustment	3		
Replacement Year	2025		
Remaining Life	1		

This component provides funding for the repair and/or upgrade of the gas fireplace in the

Reserve at Gearhart Homeowner's Association Detail Report

Gas Fireplace - Repair/Upgrade continued...

community building.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Gazebo - Replacement/Removal

		1 Total	@ \$5,832.00
Asset ID	1015	Asset Actual Cost	\$5,832.00
	Non-Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$10,609.01
Placed in Service	January 2022		
Useful Life	20		
Replacement Year	2042		
Remaining Life	18		

This component provides funding for the replacement or removal of the gazebo.

In 2022, the Association spent \$4,000 on repairs and roof replacement.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Gutters and Downspouts - Replacement

		300 LF	@ \$11.66
Asset ID	1003	Asset Actual Cost	\$3,499.20
	Capital	Percent Replacement	100%
Category	Gutters and Downspouts	Future Cost	\$3,866.15
Placed in Service	January 2007		
Useful Life	20		
Replacement Year	2027		
Remaining Life	3		

This component provides funding for the replacement of the gutters and downspouts on the community building, pump house, and dosing house.

Reserve at Gearhart Homeowner's Association Detail Report

Gutters and Downspouts - Replacement continued...

Schwindt and Company estimated 300 linear feet of gutters and downspouts.

The useful life assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

The cost is based on a per linear foot estimate from a local vendor.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Insurance Deductible

		1 Total	@ \$5,000.00
Asset ID	1041	Asset Actual Cost	\$5,000.00
Category	Non-Capital	Percent Replacement	100%
Placed in Service	Contingency	Future Cost	\$5,000.00
Useful Life	January 2018		
Replacement Year	1		
Remaining Life	2024		
	0		

This provision is for the insurance deductible in the event a claim is made.

Many Associations include the insurance deductible in the reserve study as a component. Generally this amount is \$10,000 but can vary based on insurance coverages.

The insurance deductible component is only included as an expenditure in the first year of the study. This expenditure is not listed again during the 30 year cash flow projection.

Boards have asked if the inclusion of an insurance deductible in the study as a component can increase the suggested annual reserve contribution. As long as the Association has a threshold amount of greater than \$10,000 in the reserve study as a contingency in the first year of the study, the inclusion of the insurance deductible should not affect the suggested reserve contribution. In other words, if the cash flow projection shows an amount greater than \$10,000 as a contingency balance in the reserve cash flow model without the insurance deductible, the inclusion of the insurance component should not affect the suggested reserve contribution.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Kitchenette - Renewal

Asset ID	1031	1 Total	@ \$3,042.84
	Non-Capital	Asset Actual Cost	\$3,042.84
Category	Interior Furnishings	Percent Replacement	100%
Placed in Service	January 2007	Future Cost	\$3,714.48
Useful Life	25		
Adjustment	-2		
Replacement Year	2030		
Remaining Life	6		

This component provides funding for the renewal of the kitchenette in the community building. According to the Association, there is a sink, countertop, cabinets, and a refrigerator.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Landscape Renewal

Asset ID	1044	1 Total	@ \$4,245.70
	Non-Capital	Asset Actual Cost	\$4,245.70
Category	Grounds Components	Percent Replacement	100%
Placed in Service	January 2021	Future Cost	\$4,245.70
Useful Life	1		
Replacement Year	2024		
Remaining Life	0		

This provision is for the renewal of the landscaping.

In 2021, \$300 was spent on landscaping and \$2,000 was spent on irrigation repair and valve box moving on Sheridan.

The cost and useful life are based on information provided by the Association.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Landscape Renewal Carryover

Asset ID	1051	1 Total	@ \$4,984.00
	Non-Capital	Asset Actual Cost	\$4,984.00
Category	Grounds Components	Percent Replacement	100%
Placed in Service	January 2021	Future Cost	\$4,984.00
Useful Life	1		
Replacement Year	2024		
Remaining Life	0		

This provision is for the renewal of the landscaping.

We have unique issues here with weather and elk intrusion when it comes to landscaping. Some years may be better than others in terms of renewal. But we would like to be able to roll the allowance into future years so that we have sufficient funds to complete necessary renewal as damage occurs.

2021 Budget	\$3,500
<u>2021 Exp</u>	<u>\$2,300</u>
2022 Carryover	\$1,200
2022 Budget	\$3,640
<u>2022 Exp</u>	<u>\$0</u>
2023 Carryover	\$4,840
2023 Budget	\$3,931
2023 Exp	\$9,268
<u>Transfer from Bark</u>	<u>\$5,481+</u>
2024 Carryover	\$4,984

The cost and useful life are based on information provided by the Association.

Mailboxes - Renewal

Asset ID	1030	1 Total	@ \$1,529.36
	Capital	Asset Actual Cost	\$1,529.36
Category	Mailboxes	Percent Replacement	100%
Placed in Service	January 2007	Future Cost	\$3,285.10
Useful Life	40		
Replacement Year	2047		
Remaining Life	23		

This component provides funding for the renewal of the mailboxes.

According to the Association, they are considering the addition of more mailboxes.

The cost and useful life assumptions are based on accepted industry estimates as established

Reserve at Gearhart Homeowner's Association Detail Report

Mailboxes - Renewal continued...

by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Metal Railings - Replacement

		1 Total	@ \$2,376.00
Asset ID	1007	Asset Actual Cost	\$2,376.00
	Capital	Percent Replacement	100%
Category	Railings	Future Cost	\$4,322.19
Placed in Service	January 2022		
Useful Life	20		
Replacement Year	2042		
Remaining Life	18		

This component provides funding for the replacement of the metal railings located at the community building.

According to the Association, \$2,163 was spent in 2022.

Schwindt and Company estimated 57 linear feet.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Picnic Tables, Benches, BBQ and Trash Cans - Renewal

		11 Each	@ \$760.70
Asset ID	1009	Asset Actual Cost	\$8,367.70
	Non-Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$8,367.70
Placed in Service	January 2007		
Useful Life	15		
Replacement Year	2024		
Remaining Life	0		

This component provides funding for the renewal of the picnic tables, benches, BBQ stands, and trash cans on the property. There are 2 picnic tables near the community building and 3

**Reserve at Gearhart Homeowner's Association
Detail Report**

Picnic Tables, Benches, BBQ and Trash Cans - Renewal continued...

benches, 2 picnic tables, 2 BBQ stands, and 2 trash cans and the community park.

In 2023, the picnic tables were renewed for \$200 and the 2 trash can enclosures were removed and replaced with 1 new enclosure for \$258.

The tables and benches should be inspected and repaired on an annual basis.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Playground Equipment - Replacement		1 Total	@ \$7,607.13
Asset ID	1011	Asset Actual Cost	\$7,607.13
	Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$10,965.35
Placed in Service	January 2020		
Useful Life	15		
Replacement Year	2035		
Remaining Life	11		

This component provides funding for the replacement of the playground equipment.

The playground equipment should be inspected and repaired on an annual basis.

In 2021 the Association spent \$1,565.

In 2023, the rails on the playground equipment were cleaned and repainted.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Powder Room - Renewal

		1 Total	@ \$1,521.43
Asset ID	1029	Asset Actual Cost	\$1,521.43
	Non-Capital	Percent Replacement	100%
Category	Interior Furnishings	Future Cost	\$1,857.25
Placed in Service	January 2007		
Useful Life	25		
Adjustment	-2		
Replacement Year	2030		
Remaining Life	6		

This component provides funding for the renewal of the powder room. According to the Association, there is a sink and toilet.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Reserve Study Update - Offsite

		1 Total	@ \$864.00
Asset ID	1055	Asset Actual Cost	\$864.00
	Non-Capital	Percent Replacement	100%
Category	Contingency	Future Cost	\$864.00
Placed in Service	January 2022		
Useful Life	1		
Replacement Year	2024		
Remaining Life	0		

This provision is for an offsite reserve study update. If the Association chooses, an onsite update may be done for an additional cost.

Roof: Asphalt Shingle - Replacement

		750 SF	@ \$8.00
Asset ID	1010	Asset Actual Cost	\$6,000.00
	Capital	Percent Replacement	100%
Category	Roofing	Future Cost	\$6,202.80
Placed in Service	January 2007		
Useful Life	15		
Adjustment	3		
Replacement Year	2025		
Remaining Life	1		

This component provides funding for the replacement of the asphalt shingle roof on the pump

Reserve at Gearhart Homeowner's Association Detail Report

Roof: Asphalt Shingle - Replacement continued...

house, dosing house and gazebo.

According to the Association, there is 750 square feet of roofing.

In 2022, the Gazebo roof was replaced for about \$1,800 including a copper cap.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Roof: Community Building - Replacement

		1,100 SF	@ \$10.37
Asset ID	1002	Asset Actual Cost	\$11,407.00
	Capital	Percent Replacement	100%
Category	Roofing	Future Cost	\$20,750.52
Placed in Service	January 2022		
Useful Life	20		
Replacement Year	2042		
Remaining Life	18		

This component provides funding for the replacement of the shingle roof on the community building.

This was done in 2022 for \$10,500.

Schwindt and Company estimated 1,100 square feet of roofing.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Shingle Siding - Replacement/Repair

		2,200 SF	@ \$21.60
Asset ID	1001	Asset Actual Cost	\$47,520.00
	Capital	Percent Replacement	100%
Category	Siding	Future Cost	\$52,503.23
Placed in Service	January 2007		
Useful Life	20		
Replacement Year	2027		
Remaining Life	3		

This component provides funding for the replacement/repair of the shingle siding on the community building, pump house and dosing house.

Schwindt and Company estimated 2,200 square feet of shingle siding.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Split Rail Fencing - Repairs

		1 Total	@ \$3,275.25
Asset ID	1017	Asset Actual Cost	\$3,275.25
	Non-Capital	Percent Replacement	100%
Category	Fencing/Security	Future Cost	\$3,275.25
Placed in Service	January 2021		
Useful Life	1		
Replacement Year	2024		
Remaining Life	0		

This component provides funding for the repair of the cedar split rail fence. The fence was installed in 2007 for \$57,639. The fence should be regularly inspected. According to the Association, elk have been known to damage the fence.

In 2021, the Association spent \$13,420 on repairs.

In 2022, the Association spent \$1,234.50 on repairs.

In 2023, the Association spent \$2,035 on repairs.

According to the Association, there is 8,628 linear feet of fencing.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

**Reserve at Gearhart Homeowner's Association
Detail Report**

Split Rail Fencing - Repairs Carryover

Asset ID	1053	1 Total	@ \$2,571.00
	Non-Capital	Asset Actual Cost	\$2,571.00
Category	Fencing/Security	Percent Replacement	100%
Placed in Service	January 2022	Future Cost	\$2,571.00
Useful Life	1		
Replacement Year	2024		
Remaining Life	0		

This component provides funding for the repair of the cedar split rail fence. The fence was installed in 2007 for \$57,639. The fence should be regularly inspected. According to the Association, elk have been known to damage the fence.

In 2021, the Association spent \$13,420 on repairs.

In 2022, the Association spent \$1,234.50 on repairs.

In 2023, the Association spent \$2,035 on repairs.

According to the Association, there is 8,628 linear feet of fencing.

The useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Street Light Fixtures - Replacement

Asset ID	1016	26 Each	@ \$1,917.00
	Capital	Asset Actual Cost	\$49,842.00
Category	Lighting	Percent Replacement	100%
Placed in Service	January 2019	Future Cost	\$84,835.94
Useful Life	20		
Adjustment	1		
Replacement Year	2040		
Remaining Life	16		

This component provides funding for the replacement of the exterior street light fixtures. This includes the globe, ballast, starter, and required labor. According to the Association, exterior street lights were replaced in 2019.

According to the Association, there are 26 light structures with 1 fixture on each for a total of 26 light fixtures.

The original total cost in 2019 of the new light fixtures was \$1340 each. This included \$1200 for the fixture, \$90 for a tenon adapter and \$50 for primer. A new estimate of the same light fixture with today's cost is \$1549 for the fixture with primer and \$225 for a tenon adapter with

**Reserve at Gearhart Homeowner's Association
Detail Report**

Street Light Fixtures - Replacement continued...

primer.

The useful life assumptions are based on information provided by Ken Freed of Lighting Group Northwest.

Street Signs & Posts - Replacement

		1 Total	@ \$5,832.00
Asset ID	1048	Asset Actual Cost	\$5,832.00
	Capital	Percent Replacement	100%
Category	Grounds Components	Future Cost	\$5,832.00
Placed in Service	January 2008		
Useful Life	10		
Replacement Year	2024		
Remaining Life	0		

This provision is for the replacement of the street signs and posts.

In 2021, the Association spent \$2,625.

The cost and useful life are based on information from the Association.

In 2022 the Association spent \$1,250 for posts, materials and hardware to install the street signs.

In 2023, the Association replaced street sign at highlands Ln and Sheridan Dr for \$50.

Water Heater - Replacement

		1 Total	@ \$1,399.68
Asset ID	1033	Asset Actual Cost	\$1,399.68
	Capital	Percent Replacement	100%
Category	Equipment	Future Cost	\$1,446.99
Placed in Service	January 2007		
Useful Life	15		
Adjustment	3		
Replacement Year	2025		
Remaining Life	1		

This component provides funding for the replacement of the water heater in the community building.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be

**Reserve at Gearhart Homeowner's Association
Detail Report**

Water Heater - Replacement continued...

updated to reflect the actual component cost.

Windows - Replacement			
Asset ID	1004	19 Each	@ \$1,213.06
	Capital	Asset Actual Cost	\$23,048.06
Category	Doors and Windows	Percent Replacement	100%
Placed in Service	January 2007	Future Cost	\$28,135.43
Useful Life	20		
Adjustment	3		
Replacement Year	2030		
Remaining Life	6		

This component provides funding for the replacement of the windows located on the community building, and pump house.

Schwindt and Company estimated 19 windows.

The cost and useful life assumptions are based on accepted industry estimates as established by RS Means and/or The National Construction Estimator.

Note: This is a provision for an anticipated expense. Should the Association find that the cost of this item is greater than or less than the amount provided for herein, this study should be updated to reflect the actual component cost.

Additional Disclosures

Levels of Service

The following three categories describe the various types of Reserve Studies from exhaustive to minimal.

I. Full: A Reserve Study in which the following five Reserve Study tasks are performed:

- Component Inventory
- Condition Assessment (based upon on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

II. Update, With Site Visit/On-Site Review: A Reserve Study update in which the following five Reserve Study tasks are performed:

- Component Inventory (verification only, not quantification)
- Condition Assessment (based on on-site visual observations)
- Life and Valuation Estimates
- Fund Status
- Funding Plan

III. Update, No Site Visit/Off-Site Review: A Reserve Study update with no on-site visual observations in which the following three Reserve Study tasks are performed:

- Life and Valuation Estimates
- Fund Status
- Funding Plan

IV. Preliminary, Community Not Yet Constructed. A reserve study prepared before construction, that is generally used for budget estimates. It is based on design documents such as the architectural and engineering plans. The following three tasks are performed to prepare this type of study:

- Component inventory
- Life and valuation estimates
- Funding Plan

Terms and Definitions

CAPITAL IMPROVEMENTS: Additions to the association's common elements that previously did not exist. While these components should be added to the reserve study for future replacement, the cost of construction should not be taken from the reserve fund.

CASH FLOW METHOD: A method of developing a reserve *Funding Plan* where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve *Funding Plans* are tested against the anticipated schedule of reserve expenses until the desired *Funding Goal* is achieved.

COMPONENT: The individual line items in the *Reserve Study* developed or updated in the *Physical Analysis*. These elements form the building blocks for the *Reserve Study*. *Components* typically are: 1) association responsibility; 2) with limited *Useful Life* expectancies; 3) predictable *Remaining Useful Life* expectancies; 4)

above a minimum threshold cost, and 5) as required by local codes.

COMPONENT INVENTORY: The task of selecting and quantifying reserve *Components*. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s) of the Association or cooperative.

COMPONENT METHOD: A method of developing a reserve *Funding Plan* where the total contribution is based on the sum of contributions for individual *Components*. See *Cash Flow Method*.

CONDITION ASSESSMENT: The task of evaluating the current condition of the *Component* based on observed or reported characteristics.

CURRENT REPLACEMENT COST: See *Replacement Cost*.

DEFICIT: An actual or projected *Reserve Balance* that is less than the *Fully Funded Balance*. The opposite would be a *Surplus*.

EFFECTIVE AGE: The difference between *Useful Life* and *Remaining Useful Life*. Not always equivalent to chronological age since some *Components* age irregularly. Used primarily in computations.

FINANCIAL ANALYSIS: The portion of a *Reserve Study* where the current status of the reserves (measured as cash or *Percent Funded*) and a recommended reserve contribution rate (reserve *Funding Plan*) are derived, and the projected reserve income and expense over time is presented. The *Financial Analysis* is one of the two parts of a *Reserve Study*.

FULLY FUNDED: 100% Funded. When the actual or projected *Reserve Balance* is equal to the *Fully Funded Balance*.

FULLY FUNDED BALANCE (FFB): Total accrued depreciation, an indicator against which actual or projected *Reserve Balance* can be compared. The *Reserve Balance* that is in direct proportion to the fraction of life “used up” of the current repair or *Replacement Cost*. This number is calculated for each *Component*, then added together for an association total. Two formulas can be utilized, depending on the provider’s sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent.

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

or

$$\text{FFB} = (\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) + [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Interest Rate})^{\text{Remaining Life}}] - [(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \text{Inflation Rate})^{\text{Remaining Life}}]$$

FUND STATUS: The status of the reserve fund as compared to an established benchmark such as percent funding. The Association appears to be adequately funded as the threshold method, reducing the potential risk of a special assessment.

FUNDING GOALS: Independent of the methodology utilized, the following represent the basic categories of *Funding Plan* goals:

- **Baseline Funding:** Establishing a reserve funding goal of keeping the reserve cash balance above zero.

- **Full Funding:** Setting a reserve funding goal of attaining and maintaining reserves at or near 100% funded.
- **Statutory Funding:** Establishing a reserve funding goal of setting aside the specific minimum amount of reserves required by local statutes.
- **Threshold Funding:** Establishing a reserve funding goal of keeping the *Reserve Balance* above a specified dollar or *Percent Funded* amount. Depending on the threshold, this may be more or less conservative than fully funding.

FUNDING PLAN: An association's plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

FUNDING PRINCIPLES:

- Sufficient Funds When Required
- Stable Contribution Rate over the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

LIFE AND VALUATION ESTIMATES: The task of estimating *Useful Life*, *Remaining Useful Life*, and repair or *Replacement Costs* for the reserve *Components*.

PERCENT FUNDED: The ratio at a particular point of time (typically the beginning of the Fiscal Year) of the actual or projected *Reserve Balance* to the *Fully Funded Balance*, expressed as a percentage.

PHYSICAL ANALYSIS: The portion of the *Reserve Study* where the *Component Inventory*, *Condition Assessment*, and *Life and Valuation Estimate* tasks are performed. This represents one of the two parts of the *Reserve Study*.

REMAINING USEFUL LIFE (RUL): Also referred to as "Remaining Life" (RL). The estimated time, in years, that a reserve *Component* can be expected to continue to serve its intended function. Projects anticipated to occur in the initial year have "zero" *Remaining Useful Life*.

REPLACEMENT COST: The cost of replacing, repairing, or restoring a reserve *Component* to its original functional condition. The *Current Replacement Cost* would be the cost to replace, repair, or restore the *Component* during that particular year.

RESERVE BALANCE: Actual or projected funds as of a particular point in time that the Association has identified for use to defray the future repair or replacement of those major *Components* which the Association is obligated to maintain. Also known as reserves, reserve accounts, or cash reserves. Based upon information provided and not audited.

RESERVE PROVIDER: An individual that prepares *Reserve Studies*.

RESERVE STUDY: A budget planning tool that identifies the current status of the reserve fund and a stable and equitable *Funding Plan* to offset the anticipated future major common area expenditures. The *Reserve Study* consists of two parts: the *Physical Analysis* and the *Financial Analysis*.

RESPONSIBLE CHARGE: A reserve specialist in *Responsible Charge* of a *Reserve Study* shall render regular and effective supervision to those individuals performing services that directly and materially affect the quality and competence rendered by the reserve specialist. A reserve specialist shall maintain such records as are reasonably necessary to establish that the reserve specialist exercised regular and effective supervision of a

Reserve Study of which he was in *Responsible Charge*. A reserve specialist engaged in any of the following acts or practices shall be deemed not to have rendered the regular and effective supervision required herein:

- The regular and continuous absence from principal office premises from which professional services are rendered, except for the performance of fieldwork or presence in a field office maintained exclusively for a specific project;
- The failure to personally inspect or review the work of subordinates where necessary and appropriate;
- The rendering of a limited, cursory, or perfunctory review of plans or projects in lieu of an appropriate, detailed review;
- The failure to personally be available on a reasonable basis or with adequate advance notice for consultation and inspection where circumstances require personal availability.

SPECIAL ASSESSMENT: An assessment levied on the members of an association in addition to regular assessments. *Special Assessments* are often regulated by governing documents or local statutes.

SURPLUS: An actual or projected *Reserve Balance* greater than the *Fully Funded Balance*.

The opposite would be a *Deficit*.

USEFUL LIFE (UL): Total *Useful Life* or depreciable life. The estimated time, in years, that a *Reserve Component* can be expected to serve its intended function if properly constructed in its present application or installation.

RESERVE AT GEARHART HOMEOWNERS' ASSOCIATION - SEPTIC

RESERVE STUDY

LEVEL III: UPDATE WITH NO VISUAL SITE INSPECTION

BUDGET YEAR

January 1, 2024 to December 31, 2024

**RESERVE AT GEARHART HOMEOWNERS' ASSOCIATION -
SEPTIC**

	<p align="center"><u>Executive Summary</u></p> <p align="center"><u>Year of Report:</u></p> <p align="center">January 1, 2024 to December 31, 2024</p> <p align="center"><u>Number of Units:</u></p> <p align="center">130 Units</p> <p align="center"><u>Parameters:</u></p>	
	<p align="center">Beginning Balance: \$269,641</p> <p align="center">Year 2024 Suggested Contribution: \$34,805</p> <p align="center">Year 2024 Projected Interest Earned: \$5,822</p> <p align="center">Inflation: 4.00%</p> <p align="center">Annual Increase to Suggested Contribution: 5.75%</p> <p align="center">Lowest Cash Balance Over 30 Years (Threshold): \$199,356</p>	
	<p align="center">Average Reserve Assessment per Unit: \$22.31</p>	

TABLE OF CONTENTS
Reserve at Gearhart Homeowners' Association - Septic

RESERVE STUDY

Cash Flow Method - Threshold Funding Model Summary 6

Cash Flow Method - Threshold Funding Model Projection 7

Component Summary By Category 9

Annual Expenditure Detail 11

Detail Report 17

**Reserve at Gearhart Homeowners' Association - Septic
Category Detail Index**

Asset ID	Description	Replacement	Page
Equipment			
1051	Septic Emergency Generator - Replacement	2032	34
Septic System			
1028	AX100 POD - AX-VENT	2037	17
1026	AX100 POD - AX100	2037	17
1029	AX100 POD - AXP13	2028	17
1027	AX100 POD - AXVFA150AG	2037	18
1030	AX100 POD - Carbon	2028	18
1009	Anoxic Tank - FL30-4B	2029	19
1011	Anoxic Tank - HV200BC-H	2037	19
1012	Anoxic Tank - MF1A	2028	19
1014	Anoxic Tank - Misc.	2037	20
1013	Anoxic Tank - PVU72-1819	2037	20
1010	Anoxic Tank - RR30-48	2037	21
1008	Anoxic Tank - Tank	2057	21
1045	Drip Irrigation - 1700-20(NDS)	2029	21
1044	Drip Irrigation - AVBOX	2028	22
1043	Drip Irrigation - Air Vents	2027	22
1039	Drip Irrigation - Drip Line	2037	23
1042	Drip Irrigation - GeoVac 75-502	2029	23
1047	Drip Irrigation - Mag-Meter	2037	23
1046	Drip Irrigation - Manifolds	2057	24
1040	Drip Irrigation - Misc. Fittings	2029	24
1041	Drip Irrigation - SVLV-200	2029	25
1038	Electrical - Control Panel	2025	25
1031	Final Dosing Tank	2057	25
1032	Final Dosing Tank - FL30-4B	2029	26
1036	Final Dosing Tank - HV200BC-H	2037	26
1035	Final Dosing Tank - P5001512-20	2028	27
1034	Final Dosing Tank - PVU-C	2037	27
1033	Final Dosing Tank - RR30-48	2037	27
1015	Rec/Blend Tanks	2057	28
1016	Rec/Blend Tanks - FL30-4B	2029	28
1025	Rec/Blend Tanks - FS RR3036	2037	29
1020	Rec/Blend Tanks - HV200BC-H	2037	29
1019	Rec/Blend Tanks - P500712	2029	29

**Reserve at Gearhart Homeowners' Association - Septic
Category Detail Index**

Asset ID	Description	Replacement	Page
<i>Septic System Continued...</i>			
1023	Rec/Blend Tanks - PB-C	2029	30
1018	Rec/Blend Tanks - PVU95-1819	2037	30
1017	Rec/Blend Tanks - RR30-48	2037	31
1024	Rec/Blend Tanks - RSV4U	2037	31
1022	Rec/Blend Tanks - V6402A	2028	31
1005	STEP Collection - 1* HDPE	2057	32
1004	STEP Collection - 2* HDPE	2057	32
1003	STEP Collection - 3* HDPE	2057	33
1006	STEP Collection - Air Release Valves	2027	33
1007	STEP Collection - Clean Outs	2057	33
1049	Tank 1 - Pumping	2028	34
1050	Tank 4 - Pumping	2028	35
1048	Tanks 2 and 3 - Pumping	2037	35
	Total Funded Assets	47	
	Total Unfunded Assets	<u>0</u>	
	Total Assets	47	

Reserve at Gearhart Homeowners' Association - Septic
Gearhart, Oregon
Cash Flow Method - Threshold Funding Model Summary

Report Date	October 10, 2023
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	130

<i>Report Parameters</i>	
Inflation	4.00%
Annual Assessment Increase	5.75%
Interest Rate on Reserve Deposit	2.00%
2024 Beginning Balance	\$269,641

Threshold Funding
Fully Reserved Model Summary

- This study utilizes the cash flow method and the threshold funding model, which establishes a reserve funding goal that keeps the reserve balance above a specified dollar or percent funded amount. The threshold method assumes that the threshold method is funded with a positive threshold balance, therefore, "fully reserved".
- The following items were not included in the analysis because they have useful lives greater than 30 years: grading/drainage; foundation/footings; storm drains; telephone, cable, and internet lines.
- This funding scenario begins with a contribution of **\$34,805** in **2024** and increases **5.75%** each year for the remaining years of the study. A minimum balance of **\$199,356** is maintained.
- The purpose of this study is to ensure that adequate replacement funds are available when components reach the end of their useful life. Components will be replaced as required, not necessarily in their expected replacement year. This analysis should be updated annually.

Cash Flow Method - Threshold Funding Model Summary of Calculations

Required Monthly Contribution	\$2,900.42
<i>\$22.31 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$485.16</u>
Total Monthly Allocation to Reserves	\$3,385.57
<i>\$26.04 per unit monthly</i>	

**Reserve at Gearhart Homeowners' Association - Septic
Cash Flow Method - Threshold Funding Model Projection**

Beginning Balance: \$269,641

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2024	34,805	5,822		310,268	623,262	50%
2025	36,806	5,963	34,700	318,337	651,018	49%
2026	38,923	6,850		364,110	717,529	51%
2027	41,161	7,522	13,696	399,095	774,076	52%
2028	43,527	7,489	51,553	398,560	796,355	50%
2029	46,030	7,664	43,713	408,541	829,639	49%
2030	48,677	8,777		465,995	911,591	51%
2031	51,476	9,967		527,438	998,772	53%
2032	54,436	10,965	13,569	579,271	1,077,486	54%
2033	57,566	12,310	494	648,652	1,175,062	55%
2034	60,876	13,756		723,284	1,279,253	57%
2035	64,376	14,264	51,365	750,560	1,336,481	56%
2036	68,078	15,892		834,529	1,451,796	57%
2037	71,992	3,289	710,455	199,356	835,325	24%
2038	76,132	4,773	4,012	276,249	931,468	30%
2039	80,510	6,181	13,520	349,419	1,024,245	34%
2040	85,139	7,981		442,538	1,137,577	39%
2041	90,034	9,914		542,486	1,258,337	43%
2042	95,211	11,582	20,085	629,195	1,366,050	46%
2043	100,686	12,007	88,693	653,195	1,409,849	46%
2044	106,475	14,345		774,015	1,550,897	50%
2045	112,598	15,316	76,032	825,896	1,621,899	51%
2046	119,072	17,968		962,937	1,778,337	54%
2047	125,919	20,203	30,011	1,079,048	1,913,483	56%
2048	133,159	23,111	5,939	1,229,379	2,082,879	59%
2049	140,816	24,416	95,780	1,298,831	2,169,577	60%
2050	148,913	27,839		1,475,582	2,363,474	62%
2051	157,475	31,500		1,664,558	2,569,412	65%
2052	166,530	34,813	29,730	1,836,170	2,757,123	67%
2053	176,105	38,960	1,082	2,050,153	2,986,772	69%
2054	186,231	43,411		2,279,796	3,231,551	71%
2055	196,940	45,891	112,546	2,410,080	3,374,085	71%
2056	208,264	50,916		2,669,260	3,644,582	73%
2057	220,239	9,266	2,329,107	569,658	1,509,049	38%
2058	232,903	10,662	167,206	646,017	1,542,110	42%
2059	246,295	15,126	29,624	877,813	1,725,442	51%
2060	260,456	20,557		1,158,827	1,953,014	59%

**Reserve at Gearhart Homeowners' Association - Septic
Cash Flow Method - Threshold Funding Model Projection**

Beginning Balance: \$269,641

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2061	275,433	26,392		1,460,652	2,196,032	67%
2062	291,270	31,769	44,008	1,739,683	2,409,598	72%
2063	308,018	38,439	1,602	2,084,538	2,682,669	78%

Reserve at Gearhart Homeowners' Association - Septic Component Summary By Category

Description	Date in Service	Next Occurrence	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Equipment								
Septic Emergency Generator - Replacement	2021	2032	10	1	8	1 Total	9,914.40	9,914
Equipment - Total								\$9,914
Septic System								
AX100 POD - AX-VENT	2007	2037	30	0	13	12 Units	86.92	1,043
AX100 POD - AX100	2007	2037	30	0	13	12 Units	22,361.59	268,339
AX100 POD - AXPG13	2007	2028	10	11	4	12 Units	108.73	1,305
AX100 POD - AXVFA150AG	2007	2037	30	0	13	2 Units	1,981.91	3,964
AX100 POD - Carbon	2007	2028	5	16	4	2 Units	91.75	183
Anoxic Tank - FL30-4B	2007	2029	20	2	5	4 Units	108.43	434
Anoxic Tank - HV200BC-H	2007	2037	30	0	13	2 Units	163.49	327
Anoxic Tank - MF1A	2007	2028	5	16	4	4 Units	40.86	163
Anoxic Tank - Misc.	2007	2037	30	0	13	1 Unit	33,365.54	33,366
Anoxic Tank - PVU72-1819	2007	2037	30	0	13	1 Unit	588.90	589
Anoxic Tank - RR30-48	2007	2037	30	0	13	4 Units	315.63	1,263
Anoxic Tank - Tank	2007	2057	50	0	33	1 Unit	61,726.26	61,726
Drip Irrigation - 1700-20(NDS)	2007	2029	20	2	5	20 Units	75.07	1,501
Drip Irrigation - AVBOX	2007	2028	10	11	4	42 Units	15.84	665
Drip Irrigation - Air Vents	2007	2027	20	0	3	42 Units	25.01	1,050
Drip Irrigation - Drip Line	2007	2037	30	0	13	80,000 Units	0.81	64,800
Drip Irrigation - GeoVac 75-502	2019	2029	10	0	5	2 Units	3,753.63	7,507
Drip Irrigation - Mag-Meter	2007	2037	30	0	13	2 Units	4,003.86	8,008
Drip Irrigation - Manifolds	2007	2057	50	0	33	40 Units	1,459.74	58,390
Drip Irrigation - Misc. Fittings	2007	2029	20	2	5	1 Unit	1,309.59	1,310
Drip Irrigation - SVLV-200	2007	2029	20	2	5	26 Units	250.24	6,506
Electrical - Control Panel	2007	2025	10	8	1	1 Unit	33,365.54	33,366
Final Dosing Tank	2007	2057	50	0	33	1 Unit	65,304.71	65,305
Final Dosing Tank - FL30-4B	2007	2029	20	2	5	6 Units	154.98	930
Final Dosing Tank - HV200BC-H	2007	2037	30	0	13	6 Units	163.49	981
Final Dosing Tank - P5001512-20	2007	2028	15	6	4	6 Units	1,501.45	9,009
Final Dosing Tank - PVU-C	2007	2037	30	0	13	3 Units	710.68	2,132
Final Dosing Tank - RR30-48	2007	2037	30	0	13	6 Units	315.63	1,894
Rec/Blend Tanks	2007	2057	50	0	33	2 Units	64,562.32	129,125
Rec/Blend Tanks - FL30-4B	2007	2029	20	2	5	9 Units	154.98	1,395
Rec/Blend Tanks - FS RR3036	2007	2037	30	0	13	2 Units	1,042.66	2,085
Rec/Blend Tanks - HV200BC-H	2007	2037	30	0	13	8 Units	163.49	1,308
Rec/Blend Tanks - P500712	2007	2029	20	2	5	12 Units	1,132.76	13,593
Rec/Blend Tanks - PB-C	2007	2029	20	2	5	6 Units	458.77	2,753
Rec/Blend Tanks - PVU95-1819	2007	2037	30	0	13	4 Units	710.68	2,843
Rec/Blend Tanks - RR30-48	2007	2037	30	0	13	6 Units	315.63	1,894
Rec/Blend Tanks - RSV4U	2007	2037	30	0	13	2 Units	709.01	1,418
Rec/Blend Tanks - V6402A	2007	2028	15	6	4	6 Units	385.54	2,313
STEP Collection - 1* HDPE	2007	2057	50	0	33	3,500 Units	25.01	87,535
STEP Collection - 2* HDPE	2007	2057	50	0	33	3,500 Units	32.85	114,975

**Reserve at Gearhart Homeowners' Association - Septic
Component Summary By Category**

Description	Date in Service	Next Occurrence	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
<i>Septic System continued...</i>								
STEP Collection - 3* HDPE	2007	2057	50	0	33	2,800 Units	35.59	99,652
STEP Collection - Air Release Valves	2007	2027	20	0	3	13 Units	855.82	11,126
STEP Collection - Clean Outs	2007	2057	50	0	33	20 Units	1,084.37	21,687
Tank 1 - Pumping	2007	2028	15	6	4	1 Unit	15,214.24	15,214
Tank 4 - Pumping	2007	2028	15	6	4	1 Unit	15,214.24	15,214
Tanks 2 and 3 - Pumping	2007	2037	30	0	13	1 Unit	30,428.49	30,428
Septic System - Total								<u>\$1,190,613</u>
Total Asset Summary								<u>\$1,200,527</u>

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2024</i>	
Replacement Year 2025	
Electrical - Control Panel	34,700
Total for 2025	<u>\$34,700</u>
<i>No Replacement in 2026</i>	
Replacement Year 2027	
Drip Irrigation - Air Vents	1,182
STEP Collection - Air Release Valves	12,515
Total for 2027	<u>\$13,696</u>
Replacement Year 2028	
AX100 POD - AXP13	1,526
AX100 POD - Carbon	215
Anoxic Tank - MF1A	191
Drip Irrigation - AVBOX	778
Final Dosing Tank - P5001512-20	10,539
Rec/Blend Tanks - V6402A	2,706
Tank 1 - Pumping	17,799
Tank 4 - Pumping	17,799
Total for 2028	<u>\$51,553</u>
Replacement Year 2029	
Anoxic Tank - FL30-4B	528
Drip Irrigation - 1700-20(NDS)	1,827
Drip Irrigation - GeoVac 75-502	9,134
Drip Irrigation - Misc. Fittings	1,593
Drip Irrigation - SVLV-200	7,916
Final Dosing Tank - FL30-4B	1,131
Rec/Blend Tanks - FL30-4B	1,697
Rec/Blend Tanks - P500712	16,538
Rec/Blend Tanks - PB-C	3,349
Total for 2029	<u>\$43,713</u>

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2030</i>	
<i>No Replacement in 2031</i>	
Replacement Year 2032	
Septic Emergency Generator - Replacement	13,569
Total for 2032	\$13,569
Replacement Year 2033	
AX100 POD - Carbon	261
Anoxic Tank - MF1A	233
Total for 2033	\$494
<i>No Replacement in 2034</i>	
Replacement Year 2035	
Electrical - Control Panel	51,365
Total for 2035	\$51,365
<i>No Replacement in 2036</i>	
Replacement Year 2037	
AX100 POD - AX-VENT	1,737
AX100 POD - AX100	446,804
AX100 POD - AXVFA150AG	6,600
Anoxic Tank - HV200BC-H	544
Anoxic Tank - Misc.	55,556
Anoxic Tank - PVU72-1819	981
Anoxic Tank - RR30-48	2,102
Drip Irrigation - Drip Line	107,897
Drip Irrigation - Mag-Meter	13,333
Final Dosing Tank - HV200BC-H	1,633
Final Dosing Tank - PVU-C	3,550
Final Dosing Tank - RR30-48	3,153
Rec/Blend Tanks - FS RR3036	3,472
Rec/Blend Tanks - HV200BC-H	2,178
Rec/Blend Tanks - PVU95-1819	4,733
Rec/Blend Tanks - RR30-48	3,153

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2037 continued...</i>	
Rec/Blend Tanks - RSV4U	2,361
Tanks 2 and 3 - Pumping	50,666
Total for 2037	\$710,455
Replacement Year 2038	
AX100 POD - AXP13	2,259
AX100 POD - Carbon	318
Anoxic Tank - MF1A	283
Drip Irrigation - AVBOX	1,152
Total for 2038	\$4,012
Replacement Year 2039	
Drip Irrigation - GeoVac 75-502	13,520
Total for 2039	\$13,520
<i>No Replacement in 2040</i>	
<i>No Replacement in 2041</i>	
Replacement Year 2042	
Septic Emergency Generator - Replacement	20,085
Total for 2042	\$20,085
Replacement Year 2043	
AX100 POD - Carbon	387
Anoxic Tank - MF1A	344
Final Dosing Tank - P5001512-20	18,980
Rec/Blend Tanks - V6402A	4,874
Tank 1 - Pumping	32,054
Tank 4 - Pumping	32,054
Total for 2043	\$88,693
<i>No Replacement in 2044</i>	
Replacement Year 2045	
Electrical - Control Panel	76,032
Total for 2045	\$76,032

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2046</i>	
Replacement Year 2047	
Drip Irrigation - Air Vents	2,589
STEP Collection - Air Release Valves	27,422
Total for 2047	\$30,011
Replacement Year 2048	
AX100 POD - AXP13	3,344
AX100 POD - Carbon	470
Anoxic Tank - MF1A	419
Drip Irrigation - AVBOX	1,705
Total for 2048	\$5,939
Replacement Year 2049	
Anoxic Tank - FL30-4B	1,156
Drip Irrigation - 1700-20(NDS)	4,002
Drip Irrigation - GeoVac 75-502	20,013
Drip Irrigation - Misc. Fittings	3,491
Drip Irrigation - SVLV-200	17,345
Final Dosing Tank - FL30-4B	2,479
Rec/Blend Tanks - FL30-4B	3,718
Rec/Blend Tanks - P500712	36,237
Rec/Blend Tanks - PB-C	7,338
Total for 2049	\$95,780
<i>No Replacement in 2050</i>	
<i>No Replacement in 2051</i>	
Replacement Year 2052	
Septic Emergency Generator - Replacement	29,730
Total for 2052	\$29,730
Replacement Year 2053	
AX100 POD - Carbon	572
Anoxic Tank - MF1A	510
Total for 2053	\$1,082

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2054</i>	
Replacement Year 2055	
Electrical - Control Panel	112,546
Total for 2055	<u>\$112,546</u>
<i>No Replacement in 2056</i>	
Replacement Year 2057	
Anoxic Tank - Tank	225,201
Drip Irrigation - Manifolds	213,028
Final Dosing Tank	238,256
Rec/Blend Tanks	471,096
STEP Collection - 1* HDPE	319,361
STEP Collection - 2* HDPE	419,473
STEP Collection - 3* HDPE	363,568
STEP Collection - Clean Outs	79,124
Total for 2057	<u>\$2,329,107</u>
Replacement Year 2058	
AX100 POD - AXP13	4,951
AX100 POD - Carbon	696
Anoxic Tank - MF1A	620
Drip Irrigation - AVBOX	2,524
Final Dosing Tank - P5001512-20	34,182
Rec/Blend Tanks - V6402A	8,777
Tank 1 - Pumping	57,728
Tank 4 - Pumping	57,728
Total for 2058	<u>\$167,206</u>
Replacement Year 2059	
Drip Irrigation - GeoVac 75-502	29,624
Total for 2059	<u>\$29,624</u>
<i>No Replacement in 2060</i>	
<i>No Replacement in 2061</i>	
Replacement Year 2062	
Septic Emergency Generator - Replacement	44,008
Total for 2062	<u>\$44,008</u>

**Reserve at Gearhart Homeowners' Association - Septic
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2063	
AX100 POD - Carbon	847
Anoxic Tank - MF1A	754
Total for 2063	<u>\$1,602</u>

**Reserve at Gearhart Homeowners' Association - Septic
Detail Report**

AX100 POD - AX-VENT

		12 Units	@ \$86.92
Asset ID	1028	Asset Actual Cost	\$1,043.04
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,736.74
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the AX-VENT of the AX100 POD.

These are individual vents for AX100's.

The cost and useful life are based on information from Smits & Associates, Inc.

AX100 POD - AX100

		12 Units	@ \$22,361.59
Asset ID	1026	Asset Actual Cost	\$268,339.08
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$446,804.29
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the AX100 POD.

These are complete AX100 POD's.

The cost and useful life are based on information from Smits & Associates, Inc.

AX100 POD - AXPG13

		12 Units	@ \$108.73
Asset ID	1029	Asset Actual Cost	\$1,304.76
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,526.38
Placed in Service	January 2007		
Useful Life	10		
Adjustment	11		
Replacement Year	2028		
Remaining Life	4		

This provision is for the AXPG13 of the AX100 POD.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

AX100 POD - AXPG13 continued...

These are AdvianTex pressure gauge assemblies.

The cost and useful life are based on information from Smits & Associates, Inc.

AX100 POD - AXVFA150AG

		2 Units	@ \$1,981.91
Asset ID	1027	Asset Actual Cost	\$3,963.82
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$6,600.05
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the AXVFA150AG of the AX100 POD.

These are above ground vent fan and carton filter assembly.

The cost and useful life are based on information from Smits & Associates, Inc.

AX100 POD - Carbon

		2 Units	@ \$91.75
Asset ID	1030	Asset Actual Cost	\$183.50
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$214.67
Placed in Service	January 2007		
Useful Life	5		
Adjustment	16		
Replacement Year	2028		
Remaining Life	4		

This provision is for the carbon of the AX100 POD.

This is for the carbon in ventilation systems.

The cost and useful life are based on information from Smits & Associates, Inc.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Anoxic Tank - FL30-4B		4 Units	@ \$108.43
Asset ID	1009	Asset Actual Cost	\$433.72
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$527.69
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	5		

This provision is for the FL30-4B of the anoxic tank.

These are 30" (dia) lid with 4 bolts (green).

The cost and useful life are based on information from Smits & Associates, Inc.

Anoxic Tank - HV200BC-H		2 Units	@ \$163.49
Asset ID	1011	Asset Actual Cost	\$326.98
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$544.44
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the HV200BC-H of the anoxic tank.

This is a 2" hose and valve assembly for P50 pumps.

The cost and useful life are based on information from Smits & Associates, Inc.

Anoxic Tank - MF1A		4 Units	@ \$40.86
Asset ID	1012	Asset Actual Cost	\$163.44
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$191.20
Placed in Service	January 2007		
Useful Life	5		
Adjustment	16		
Replacement Year	2028		
Remaining Life	4		

This provision is for the MF1A of the anoxic tank.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Anoxic Tank - MFIA continued...

This is a single float (A type).

The cost and useful life are based on information from Smits & Associates, Inc.

Anoxic Tank - Misc.		1 Unit	@ \$33,365.54
Asset ID	1014	Asset Actual Cost	\$33,365.54
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$55,556.08
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for miscellaneous items of the anoxic tank.

This includes carbon & alkalinity feed equipment.

The cost and useful life are based on information from Smits & Associates, Inc.

Anoxic Tank - PVU72-1819		1 Unit	@ \$588.90
Asset ID	1013	Asset Actual Cost	\$588.90
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$980.56
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the PVU72-1819 of the anoxic tank.

This is a biotube pump vault.

The cost and useful life are based on information from Smits & Associates, Inc.

**Reserve at Gearhart Homeowners' Association - Septic
Detail Report**

Anoxic Tank - RR30-48

		4 Units	@ \$315.63
Asset ID	1010	Asset Actual Cost	\$1,262.52
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$2,102.19
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the RR30-48 of the anoxic tank.

These are 30" (dia) x 48" ultra rib riser.

The cost and useful life are based on information from Smits & Associates, Inc.

Anoxic Tank - Tank

		1 Unit	@ \$61,726.26
Asset ID	1008	Asset Actual Cost	\$61,726.26
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$225,200.92
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	33		

This provision is for the anoxic tank.

This is a 30,000 gallon tank.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - 1700-20(NDS)

		20 Units	@ \$75.07
Asset ID	1045	Asset Actual Cost	\$1,501.40
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,826.68
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	5		

This provision is for the 1700-20(NDS) of the drip irrigation system.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Drip Irrigation - 1700-20(NDS) continued...

These are 2" Tru-Union spring check valves.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - AVBOX

		42 Units	@ \$15.84
Asset ID	1044	Asset Actual Cost	\$665.28
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$778.28
Placed in Service	January 2007		
Useful Life	10		
Adjustment	11		
Replacement Year	2028		
Remaining Life	4		

This provision is for the AVBOX of the drip irrigation system.

These are 10" valve boxes for air vents.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - Air Vents

		42 Units	@ \$25.01
Asset ID	1043	Asset Actual Cost	\$1,050.42
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,181.58
Placed in Service	January 2007		
Useful Life	20		
Replacement Year	2027		
Remaining Life	3		

This provision is for the air vents of the drip irrigation system.

These are air vents on all drip cell high points.

The cost and useful life are based on information from Smits & Associates, Inc.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Drip Irrigation - Drip Line

		80,000 Units	@ \$0.81
Asset ID	1039	Asset Actual Cost	\$64,800.00
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$107,896.76
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the drip line of the drip irrigation system.

This is for pressure compensating w/ 12" spacing.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - GeoVac 75-502

		2 Units	@ \$3,753.63
Asset ID	1042	Asset Actual Cost	\$7,507.26
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$9,133.73
Placed in Service	January 2019		
Useful Life	10		
Replacement Year	2029		
Remaining Life	5		

This provision is for the GeoVac 75-502 of the drip irrigation system.

These are self cleaning VAC/Drip flush assemblies.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - Mag-Meter

		2 Units	@ \$4,003.86
Asset ID	1047	Asset Actual Cost	\$8,007.72
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$13,333.44
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the Mag-meter of the drip irrigation system.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Drip Irrigation - Mag-Meter continued...

These are 2" mag meter for flow with converter.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - Manifolds

		40 Units	@ \$1,459.74
Asset ID	1046	Asset Actual Cost	\$58,389.60
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$213,027.51
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	33		

This provision is for the manifolds of the drip irrigation system.

There are 20 feed and 20 flush factory fab. manifolds.

The cost and useful life are based on information from Smits & Associates, Inc.

Drip Irrigation - Misc. Fittings

		1 Unit	@ \$1,309.59
Asset ID	1040	Asset Actual Cost	\$1,309.59
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,593.32
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	5		

This provision is for the miscellaneous fittings of the drip irrigation system.

This is for various slip adapters and couplers.

The cost and useful life are based on information from Smits & Associates, Inc.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Drip Irrigation - SVLV-200

		26 Units	@ \$250.24
Asset ID	1041	Asset Actual Cost	\$6,506.24
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$7,915.84
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	5		

This provision is for the SVLV-200 of the drip irrigation system.

These are the control valves.

The cost and useful life are based on information from Smits & Associates, Inc.

Electrical - Control Panel

		1 Unit	@ \$33,365.54
Asset ID	1038	Asset Actual Cost	\$33,365.54
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$34,700.16
Placed in Service	January 2007		
Useful Life	10		
Adjustment	8		
Replacement Year	2025		
Remaining Life	1		

This provision is for the control panel used to operate the treatment system.

This is a custom remote telemetry control panel.

The cost and useful life are based on information from Smits & Associates, Inc.

Final Dosing Tank

		1 Unit	@ \$65,304.71
Asset ID	1031	Asset Actual Cost	\$65,304.71
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$238,256.47
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	33		

This provision is for the final dosing tank.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Final Dosing Tank continued...

The tank holds up to 30,000 gallons.

The cost and useful life are based on information from Smits & Associates, Inc.

Final Dosing Tank - FL30-4B		6 Units	@ \$154.98
Asset ID	1032	Asset Actual Cost	\$929.88
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,131.34
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	5		

This provision is for the FL30-4B of the final dosing tank.

These are 30" (dia) lid with 4 bolts (green).

The cost and useful life are based on information from Smits & Associates, Inc.

Final Dosing Tank - HV200BC-H		6 Units	@ \$163.49
Asset ID	1036	Asset Actual Cost	\$980.94
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,633.34
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the HV200BC-H of the final dosing tank.

These are 2" hose and valve assemblies for P50 pumps.

The cost and useful life are based on information from Smits & Associates, Inc.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Final Dosing Tank - P5001512-20

		6 Units	@ \$1,501.45
Asset ID	1035	Asset Actual Cost	\$9,008.70
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$10,538.90
Placed in Service	January 2007		
Useful Life	15		
Adjustment	6		
Replacement Year	2028		
Remaining Life	4		

This provision is for the P5001512-20 of the final dosing tank.

These are pump max 50' heads.

The cost and useful life are based on information from Smits & Associates, Inc.

Final Dosing Tank - PVU-C

		3 Units	@ \$710.68
Asset ID	1034	Asset Actual Cost	\$2,132.04
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$3,550.00
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the PVU-C of the final dosing tank.

This is a custom biotube pump vault.

The cost and useful life are based on information from Smits & Associates, Inc.

Final Dosing Tank - RR30-48

		6 Units	@ \$315.63
Asset ID	1033	Asset Actual Cost	\$1,893.78
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$3,153.28
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the RR30-48 of the final dosing tank.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Final Dosing Tank - RR30-48 continued...

These are 30" (dia) x 48" ultra rib riser.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks		2 Units	@ \$64,562.32
Asset ID	1015	Asset Actual Cost	\$129,124.64
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$471,095.89
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	33		

This provision is for rec/blend tanks.

These are 30,000 gallon tanks.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - FL30-4B		9 Units	@ \$154.98
Asset ID	1016	Asset Actual Cost	\$1,394.82
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$1,697.01
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	5		

This provision is for the FL30-4B of the rec/blend tanks.

These are a 30" (dia) lid with 4 bolts (green).

The cost and useful life are based on information from Smits & Associates, Inc.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Rec/Blend Tanks - FS RR3036

		2 Units	@ \$1,042.66
Asset ID	1025	Asset Actual Cost	\$2,085.32
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$3,472.21
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the FS RR3036 of the rec/blend tanks.

These are 30" (dia) x (36" flow splitter basins (custom).

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - HV200BC-H

		8 Units	@ \$163.49
Asset ID	1020	Asset Actual Cost	\$1,307.92
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$2,177.78
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the HV200BC-H of the rec/blend tanks.

These are 2' hose and valve assemblies for P50 pumps.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - P500712

		12 Units	@ \$1,132.76
Asset ID	1019	Asset Actual Cost	\$13,593.12
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$16,538.11
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	5		

This provision is for the P500712 of the rec/blend tanks.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Rec/Blend Tanks - P500712 continued...

These are pump max 50' heads.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - PB-C		6 Units	@ \$458.77
Asset ID	1023	Asset Actual Cost	\$2,752.62
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$3,348.98
Placed in Service	January 2007		
Useful Life	20		
Adjustment	2		
Replacement Year	2029		
Remaining Life	5		

This provision is for the PB-C of the rec/blend tanks.

These are 24" watertight enclosures for distributing valves.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - PVU95-1819		4 Units	@ \$710.68
Asset ID	1018	Asset Actual Cost	\$2,842.72
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$4,733.34
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the PVU95-1819 of the rec/blend tanks.

This is a biotube pump vault.

The cost and useful life are based on information from Smits & Associates, Inc.

**Reserve at Gearhart Homeowners' Association - Septic
Detail Report**

Rec/Blend Tanks - RR30-48

		6 Units	@ \$315.63
Asset ID	1017	Asset Actual Cost	\$1,893.78
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$3,153.28
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the RR30-48 of the rec/blend tanks.

These are a 30" (dia) x 48" ultra rib riser.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - RSV4U

		2 Units	@ \$709.01
Asset ID	1024	Asset Actual Cost	\$1,418.02
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$2,361.11
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This provision is for the RSV4U of the rec/blend tanks.

These are 4" recirc/splitter valve with U4000S Unions.

The cost and useful life are based on information from Smits & Associates, Inc.

Rec/Blend Tanks - V6402A

		6 Units	@ \$385.54
Asset ID	1022	Asset Actual Cost	\$2,313.24
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$2,706.16
Placed in Service	January 2007		
Useful Life	15		
Adjustment	6		
Replacement Year	2028		
Remaining Life	4		

This provision is for the V6402A of the rec/blend tanks.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Rec/Blend Tanks - V6402A continued...

These are 6000 series distributing valve assembly, 2 outlet.

The cost and useful life are based on information from Smits & Associates, Inc.

STEP Collection - 1* HDPE

		3,500 Units	@ \$25.01
Asset ID	1005	Asset Actual Cost	\$87,535.00
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$319,361.04
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	33		

This provision is for the 1* HDPE components of the STEP collection.

This includes service laterals and valve connections.

The cost and useful life are based on information from Smits & Associates, Inc.

STEP Collection - 2* HDPE

		3,500 Units	@ \$32.85
Asset ID	1004	Asset Actual Cost	\$114,975.00
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$419,472.61
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	33		

This provision is for the 2* HDPE components of the STEP collection.

This includes the installation of HDPE Pipes, Valves, and Fittings.

The cost and useful life are based on information from Smits & Associates, Inc.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

STEP Collection - 3* HDPE

		2,800 Units	@ \$35.59
Asset ID	1003	Asset Actual Cost	\$99,652.00
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$363,568.47
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	33		

This provision is for the 3* HDPE components of the STEP collection.

This includes the installation of HDPE Pipes, Valves, and Fittings.

The cost and useful life are based on information from Smits & Associates, Inc.

STEP Collection - Air Release Valves

		13 Units	@ \$855.82
Asset ID	1006	Asset Actual Cost	\$11,125.66
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$12,514.85
Placed in Service	January 2007		
Useful Life	20		
Replacement Year	2027		
Remaining Life	3		

This provision is for the air release valves of the STEP collection..

This includes air release assemblies.

The cost and useful life are based on information from Smits & Associates, Inc.

STEP Collection - Clean Outs

		20 Units	@ \$1,084.37
Asset ID	1007	Asset Actual Cost	\$21,687.40
	Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$79,123.90
Placed in Service	January 2007		
Useful Life	50		
Replacement Year	2057		
Remaining Life	33		

This provision is for the STEP collection clean outs.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

STEP Collection - Clean Outs continued...

These are end of line fittings to clean out of insert pig to clean.

The cost and useful life are based on information from Smits & Associates, Inc.

Septic Emergency Generator - Replacement

		1 Total	@ \$9,914.40
Asset ID	1051	Asset Actual Cost	\$9,914.40
	Capital	Percent Replacement	100%
Category	Equipment	Future Cost	\$13,568.54
Placed in Service	January 2021		
Useful Life	10		
Adjustment	1		
Replacement Year	2032		
Remaining Life	8		

This provision is for the replacement of the emergency septic generator installed in 2021.

The cost in 2021 below:

Gas line installation	\$3,400
Emergency generator	\$5,500
Electrical and gas installation for generator	\$5,000

The cost and useful life are based on information from the Association.

Tank 1 - Pumping

		1 Unit	@ \$15,214.24
Asset ID	1049	Asset Actual Cost	\$15,214.24
	Non-Capital	Percent Replacement	100%
Category	Septic System	Future Cost	\$17,798.51
Placed in Service	January 2007		
Useful Life	15		
Adjustment	6		
Replacement Year	2028		
Remaining Life	4		

This component provides funding for the pumping of tank 3.

Cost and useful life assumptions are based on information provided by John Smits of Registered Environmental Health Specialist.

Reserve at Gearhart Homeowners' Association - Septic Detail Report

Tank 4 - Pumping

Asset ID	1050	1 Unit	@ \$15,214.24
		Asset Actual Cost	\$15,214.24
Category	Non-Capital	Percent Replacement	100%
	Septic System	Future Cost	\$17,798.51
Placed in Service	January 2007		
Useful Life	15		
Adjustment	6		
Replacement Year	2028		
Remaining Life	4		

This component provides funding for the pumping of tank 4.

Cost and useful life assumptions are based on information provided by John Smits of Registered Environmental Health Specialist.

Tanks 2 and 3 - Pumping

Asset ID	1048	1 Unit	@ \$30,428.49
		Asset Actual Cost	\$30,428.49
Category	Non-Capital	Percent Replacement	100%
	Septic System	Future Cost	\$50,665.67
Placed in Service	January 2007		
Useful Life	30		
Replacement Year	2037		
Remaining Life	13		

This component provides funding for the pumping of tanks 2 and 3.

Cost and useful life assumptions are based on information provided by John Smits of Registered Environmental Health Specialist.