



**ACCURATE RESERVE PROFESSIONALS, LLC**

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## **Level I – FULL Reserve Study Report** **For Fiscal Year Beginning January 1, 2025**



## **Yodelin POA - Common Areas**

**Leavenworth, WA**  
**January 22, 2025**





## Reserve Study Summary for Yodelin POA - Common Areas

50 Units

For Fiscal Year Beginning January 1, 2025

Overview	
Starting Reserve Balance	\$6,500
Fully Funded Balance	\$8,225
Percent Funded	79%
Reserve Fund Strength (Weak, Fair or Strong)	Strong
Total Surplus or (Deficit) of Reserve Funding	\$(1,725)
Surplus or (Deficit) on a Per Unit Average Basis***	\$(35)
Current Reserve Contribution Based on Last Approved Budget	
Current Reserve Contribution Rate, Annually	\$6,500
Current Special Assessment For Reserves, Annually	n/a
Does Current Contribution Meet or Exceed Range in Study Below?	Yes
Reserve Study Funding Plan Options Beginning January 1, 2025	
100% Full Funding Contribution Rate, Annually	\$5,625
Baseline Funding Contribution Rate, Annually	\$5,500
Recommended Annual Special Assessment	n/a

### Study Description & Assumptions

This is a Level I Full reserve study. As part of this report, a site visit was performed on June 25, 2024. This report assumes a 3% annual inflation rate and 1% interest rate. Taxes on interest income and other outside factors are not included.

### Property Description

Yodelin POA - Common Areas consists of 50 assessment paying lots located in Leavenworth, WA. It was constructed in or around 1968.

### Recommended Funding Plan

We recommend that the association budget for annual reserve contributions of \$5,500 per year in 2025.

### Recommended Special Assessment(s)

No special assessments are recommended at this time.

### Other Notes

None.

\*\*\*Current surplus or deficit is calculated on an average per unit. If the association calculates its assessments based on a fraction or percentage that varies by unit, it should calculate the current deficit or surplus based on that schedule. To do so, subtract the association's starting reserve balance above from the fully funded balance, and multiply the resulting number by the fraction or percentage allocable to each unit.

**Yodelin POA - Common Areas  
Component List**

Asset ID	Description	<i>Useful Life</i>	<i>Adjustment</i>	<i>Remaining Life</i>	<i>Current Cost</i>
<b>Grounds</b>					
1015	Roads - Maintain	Unfunded			
1048	Gravel Areas - Replenish	5		4	\$500
1135	Landscape - Refurbish Allotment	Unfunded			
<b>Equipment &amp; Mechanical</b>					
5020	Surveillance System - Replace	8		7	\$1,000
5055	Skid Steer - Replace	25		23	\$100,000
<b>Professional</b>					
6010	Reserve Study - Annual Update	Unfunded			

# An Introduction to Your Reserve Study

## The Purpose of Your Reserve Study

The purpose of your reserve study is to develop a budgetary model to assist the association with preparing for the maintenance, repair and replacement of the assets which are under the association's responsibility. The report provides both estimated timeframes in which these projects are expected to occur as well as a cost allowance for the project. A reserve study consists of two parts; the physical analysis and the financial analysis. The physical analysis includes the component inventory and associated information including useful life, remaining useful life and cost allowances. The financial analysis includes the association's current reserve fund status (the percent funded) and funding recommendations.

## Reserve Study Standards

This report is prepared in accordance with the National Reserve Study Standards (NRSS) by Community Associations Institute (CAI). First published in 1998, the NRSS provides guidelines related to the preparation of reserve studies including what information is included and how calculations are prepared. The full NRSS can be viewed at [National Reserve Study Standards](#) and an explanation of the NRSS is available at [NRSS Explanation](#).

## Types of Reserve Studies

There are four types of reserve studies under National Reserve Study Standards:

- **Level I Full** – This is the initial report prepared by the association. This report includes a site visit in which a non-intrusive basic visual review is conducted and association assets are counted, measured and/or quantified. A useful life, remaining useful life and cost allowances are assigned to the association's assets and a funding plan is developed accordingly. A Full study is typically only prepared once as the quantities and other data can be used in future reports.
- **Level II With-Site-Visit** – This report includes a site visit in which a non-intrusive basic visual review is conducted. No assets are quantified as this process was previously completed during the Full study process. The remaining useful life and cost allowances are updated for the association's assets and the funding plan is updated accordingly. After the initial full study, most associations perform a with-site-visit report every third year; this cycle is required for Washington State associations with significant assets.
- **Level III No-Site-Visit** – This report does not include a site visit. The remaining useful life and cost allowances are updated for the association's assets and the funding plan is updated. The No-Site-Visit update is primarily based on the current reserve account balance, projects completed since the last report, current industry costs, and any proposals the association may have received for upcoming projects.
- **Level IV Preliminary, Community Not Yet Constructed** – This report is prepared for communities that are in the development phase and have not yet been constructed. The component list is typically developed using building and site plans along with details provided by the developer. A useful life, remaining useful life and cost allowances are assigned to the association's assets and a funding plan is developed accordingly.

## What Components are Included

National Reserve Study Standards provide for a three-part test to determine which items are funded within a reserve study. First, the component needs to be an item that the association is responsible to maintain, repair and replace. It cannot be an item that an owner or other party is responsible for. Next, the item must be "predictable" in that it has a predictable useful life (i.e. we need to be able to determine how long, on average, the item will last), and a remaining useful life (i.e. we need to be able to determine how much longer until that item requires replacement). Lastly, the cost to maintain, repair and replace the component must be above a minimum cost which is typically defined as 1% or more of the annual operating budget, however some associations may opt to define a different funding threshold. Using 1% of the annual operating budget, an association with a \$100,000 annual budget would have a \$1,000 reserve funding

threshold.

One consideration that is not included within the NRSS three-part test are significant expenses which occur annually. Some associations opt to include annual expenses that exceed the 1% funding threshold in their study, however it is our opinion that these expenses are best handled through the operating budget. From an administrative and practical standpoint it is most advantageous to budget and pay for those expenses through the operating account, particularly in states such as Washington State which feature statutory limitations regarding reserve fund disbursements.

The intent of funding for reserve components is to maintain, repair or replace those exact components in the future. Capital improvements are not included within a reserve study and reserve funds should not be used accordingly. A capital improvement is the addition of an item that does not previously exist, such as installing a swimming pool when one was not previously present. Repurposing an existing item into something new is also considered a capital improvement; an example would be converting a janitorial closet in the clubhouse into an additional restroom. Replacing an existing item with an upgraded but like-kind product is not considered a capital improvement and reserve funds may be used in this instance; an example would be replacement of a wood deck with a composite (Trex®) material.

### **How Are Costs Determined**

The cost allowances within a reserve study are determined in a number of ways. First, the association's prior cost history or recent vendor proposals are generally the best predictor of future costs as they are specific to your community. When a cost history is unavailable, a number of methods to determine costs may be used by the reserve study provider including, but not limited to research with vendors (including the association's vendors) and/or industry average costs. When industry average costs are used, they are adjusted based on the geographical location and current economical market of each client.

### **Fully Funded Balance Calculation**

One of the most common questions related to a reserve study is how the fully funded balance is calculated. Contrary to popular belief, the fully funded balance is *not* the cost to replace all the association's assets today. Rather, it is the total accumulated deterioration of the association's assets. Let's take the example of a roof. If the roof lasts 30 years and costs \$30,000 to replace, the association would save \$1,000 per year so that it would have the \$30,000 it needs to replace the roof by the 30th year. If the roof is two years old, the association would need \$2,000 on hand to be 100% funded, meaning that it had the exact amount of cash on hand that the roof had deteriorated to date. If the association only saved \$1,000 by the second year, it would then be 50% funded instead. The reserve study calculates the deterioration of each of the association's assets through the date of the study, taking into consideration their age and replacement cost allowances, and the cumulative total of those numbers is the association's fully funded balance.

### **Reserve Fund Strength, Also Known As Percent Funded**

The association's percent funded is calculated by comparing the association's current reserve balance against the fully funded balance, which we defined above. Generally speaking, an association that is less than 30% funded is considered to have a weak reserve account balance and thus a high risk of requiring a special assessment. Associations which are between 30% and 69% funded are considered to have a moderate funding position and therefore a medium risk of a special assessment. Association's which are 70% or more funded have a strong funding position and a low risk of requiring a special assessment. One of the many goals of your reserve study is to help the association achieve, and keep, a strong funding position with a low risk of a special assessment.

### **How to Pay for Reserve Projects**

The question of reserve expenses is not if they will occur, but when they will occur. The best and most cost-effective way to ensure that funds are available for these expenses is to save for future projects through regular contributions to the reserve fund. This not only ensures that funds are available as projects arise, thus reducing the chances of deferred

maintenance, but it is also the most equitable to ownership groups over time. If a person owns a unit for one year, they contribute toward one year of reserves. The same goes for a person who owns their unit for five years, or for 30 years. If the association does not fund the reserve account through regular contributions and instead assesses a special assessment or takes out a loan for the project, the current ownership group is unfairly burdened with paying the full project cost even though previous owners enjoyed the use of those assets.

Properly reserving for anticipated maintenance, repair and replacement projects also results in lower overall costs to the association. Inadequate reserve funds often result in deferred maintenance, which can cause higher project costs and risk potential damage to association assets. For example, deferring an exterior paint project may result in increased future costs due to the additional prep work required to address peeling paint, repairs to exposed wood which has started to decay, etc. There are also administrative expenses associated with levying a special assessment and interest expenses associated with taking out a loan, both of which are avoided when adequate reserve funds are available.

### **Preventive Maintenance Manual**

Preventive maintenance is a critical aspect of properly maintaining association assets and achieving their longest useful life. National Reserve Study Standards (NRSS) recommends that a preventive maintenance manual be prepared by each community and updated regularly. Preparation of such manual is beyond the scope of standard reserve study services and should be prepared independently by the association. Additional resources are available within Community Associations Institute's Best Practices: Community Association Maintenance at [www.condosafety.com](http://www.condosafety.com). The preventive maintenance manual should incorporate maintenance of all common elements, not just those included within the reserve study. Some preventive maintenance projects, such as asphalt sealcoating for example, may be funded within the association's reserve study. Other projects, such as gutter cleaning, are most commonly funded through the annual operating budget. Additional preventive maintenance projects identified by the maintenance manual may be added to the reserve study as needed provided they are significant in cost and do not occur annually, as annual expenditures are generally best handled through the annual operating budget. Any preventive maintenance contracts reported by client are notated on the appropriate components within the component detail inventory toward the rear of this report; common contracts include the maintenance of pool equipment, elevators, fire alarm/sprinkler equipment and HVAC equipment.

### **Report Sections**

This report was designed to provide clear, distinct chapters for the different funding plan options so the association can easily compare and select a funding plan to follow. Your report includes separate sections detailing the Full Funding plan, 70% Funding plan, Baseline Funding plan, as well as data illustrating the reserve funding projections based on the association's current contribution rate. The different funding options are also summarized in the Report Summary at the beginning of this study. In rare instances, associations with unique funding scenarios may not have a 70% Funding option available; in those cases the 70% Funding chapter has been omitted.



# Annual Expenditure Charts

The data within this section represents the association's projected expenses over the 30 year scope of this report. These expenses are projected to occur independent of which funding plan the association chooses to follow (Full, 70% or Baseline), and the charts are particularly helpful to the association in planning near term projects (i.e. within the next 1-5 years).

This section also includes a deterioration summary, which shows the total deterioration of the association's assets on an annual basis. It is important that the association consider this data when selecting an annual reserve contribution, as contributing significantly less than the annual deterioration rate means that the association's assets are deteriorating at a faster rate than the association is reserving.

**Yodelin POA - Common Areas**  
 Leavenworth, WA  
**Year By Year Spread Sheet**

ID Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Grounds</b>										
1015 Roads - Maintain	<i>Unfunded</i>									
1048 Gravel Areas - Replenish					563					652
1135 Landscape - Refurbish Allotment	<i>Unfunded</i>									
<b>Grounds Total:</b>					<b>563</b>					<b>652</b>
<b>Equipment &amp; Mechanical</b>										
5020 Surveillance System - Replace								1,230		
5055 Skid Steer - Replace										
<b>Equipment &amp; Mechanical Total:</b>								<b>1,230</b>		
<b>Professional</b>										
6010 Reserve Study - Annual Update	<i>Unfunded</i>									
<b>Year Total:</b>					<b>563</b>			<b>1,230</b>		<b>652</b>

**Yodelin POA - Common Areas**  
 Leavenworth, WA  
**Year By Year Spread Sheet**

ID Description	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
<b>Grounds</b>										
1015 Roads - Maintain	<i>Unfunded</i>									
1048 Gravel Areas - Replenish					756					877
1135 Landscape - Refurbish Allotment	<i>Unfunded</i>									
<b>Grounds Total:</b>					<b>756</b>					<b>877</b>
<b>Equipment &amp; Mechanical</b>										
5020 Surveillance System - Replace						1,558				
5055 Skid Steer - Replace										
<b>Equipment &amp; Mechanical Total:</b>						<b>1,558</b>				
<b>Professional</b>										
6010 Reserve Study - Annual Update	<i>Unfunded</i>									
<b>Year Total:</b>					<b>756</b>	<b>1,558</b>				<b>877</b>

**Yodelin POA - Common Areas**  
 Leavenworth, WA  
**Year By Year Spread Sheet**

ID Description	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
<b>Grounds</b>										
1015 Roads - Maintain	<i>Unfunded</i>									
1048 Gravel Areas - Replenish					1,016					1,178
1135 Landscape - Refurbish Allotment	<i>Unfunded</i>									
<b>Grounds Total:</b>					<b>1,016</b>					<b>1,178</b>
<b>Equipment &amp; Mechanical</b>										
5020 Surveillance System - Replace				1,974						
5055 Skid Steer - Replace				197,359						
<b>Equipment &amp; Mechanical Total:</b>				<b>199,332</b>						
<b>Professional</b>										
6010 Reserve Study - Annual Update	<i>Unfunded</i>									
<b>Year Total:</b>				<b>199,332</b>	<b>1,016</b>					<b>1,178</b>

**Yodelin POA - Common Areas**  
 Leavenworth, WA  
**Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2025</i>	
<i>No Replacement in 2026</i>	
<i>No Replacement in 2027</i>	
<i>No Replacement in 2028</i>	
<b>Replacement Year 2029</b>	
Gravel Areas - Replenish	563
<b>Total for 2029</b>	<u>\$563</u>
<i>No Replacement in 2030</i>	
<i>No Replacement in 2031</i>	
<b>Replacement Year 2032</b>	
Surveillance System - Replace	1,230
<b>Total for 2032</b>	<u>\$1,230</u>
<i>No Replacement in 2033</i>	
<b>Replacement Year 2034</b>	
Gravel Areas - Replenish	652
<b>Total for 2034</b>	<u>\$652</u>
<i>No Replacement in 2035</i>	
<i>No Replacement in 2036</i>	
<i>No Replacement in 2037</i>	
<i>No Replacement in 2038</i>	
<b>Replacement Year 2039</b>	
Gravel Areas - Replenish	756
<b>Total for 2039</b>	<u>\$756</u>
<b>Replacement Year 2040</b>	
Surveillance System - Replace	1,558
<b>Total for 2040</b>	<u>\$1,558</u>

**Yodelin POA - Common Areas**  
 Leavenworth, WA  
**Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2041</i>	
<i>No Replacement in 2042</i>	
<i>No Replacement in 2043</i>	
<b>Replacement Year 2044</b>	
Gravel Areas - Replenish	877
<b>Total for 2044</b>	<u>\$877</u>
<i>No Replacement in 2045</i>	
<i>No Replacement in 2046</i>	
<i>No Replacement in 2047</i>	
<b>Replacement Year 2048</b>	
Surveillance System - Replace	1,974
Skid Steer - Replace	197,359
<b>Total for 2048</b>	<u>\$199,332</u>
<b>Replacement Year 2049</b>	
Gravel Areas - Replenish	1,016
<b>Total for 2049</b>	<u>\$1,016</u>
<i>No Replacement in 2050</i>	
<i>No Replacement in 2051</i>	
<i>No Replacement in 2052</i>	
<i>No Replacement in 2053</i>	
<b>Replacement Year 2054</b>	
Gravel Areas - Replenish	1,178
<b>Total for 2054</b>	<u>\$1,178</u>

**Yodelin POA - Common Areas  
Deterioration Summary**

Asset ID	Description	Useful Life	Current Cost	Annual Deterioration
1015	Roads - Maintain	Unfunded		
1048	Gravel Areas - Replenish	5	\$500	\$100
1135	Landscape - Refurbish Allotment	Unfunded		
5020	Surveillance System - Replace	8	\$1,000	\$125
5055	Skid Steer - Replace	25	\$100,000	\$4,000
6010	Reserve Study - Annual Update	Unfunded		
Total Annual Deterioration of Association Assets				\$4,225



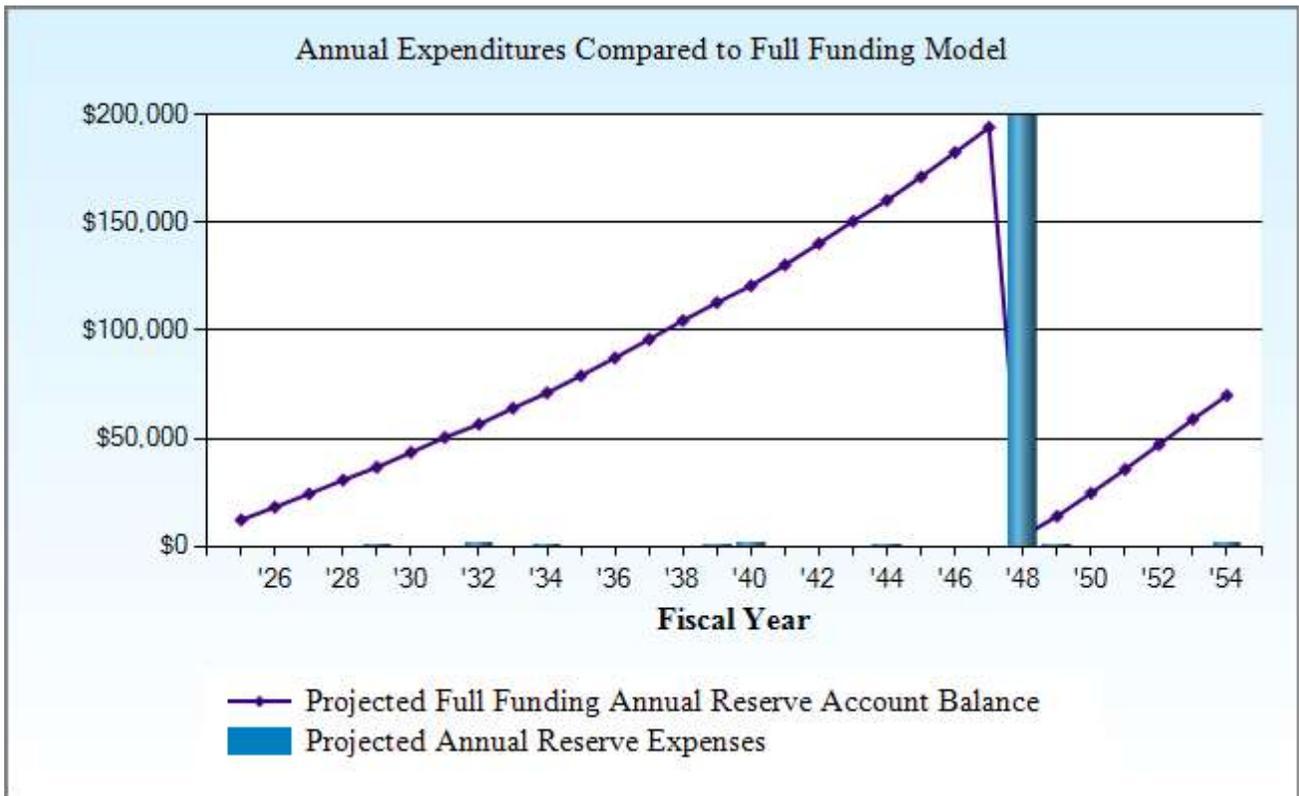
# Full Funding Model

The data within this section represents the 100% full funding model. In this model the association works to fund the reserve account to a level in which the reserve account balance equals the fully funded balance, thus achieving 100% funding. This is accomplished over the 30 year scope of the report. Following this funding model is recommended, as it puts the association at the lowest risk of requiring a special assessment should a project occur earlier than projected or cost more than anticipated.

**Yodelin POA - Common Areas  
Full Funding Model Projection**

Beginning Balance: \$6,500

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	101,500	5,625	121		12,246	12,823	95%
2026	104,545	5,766	180		18,192	17,691	103%
2027	107,681	5,910	241		24,343	22,838	107%
2028	110,912	6,058	304		30,704	28,278	109%
2029	114,239	6,209	364	563	36,714	33,445	110%
2030	117,666	6,364	431		43,509	39,493	110%
2031	121,196	6,523	500		50,533	45,874	110%
2032	124,832	6,686	560	1,230	56,549	51,336	110%
2033	128,577	6,854	634		64,036	58,389	110%
2034	132,434	7,025	704	652	71,113	65,146	109%
2035	136,408	7,200	783		79,097	72,949	108%
2036	140,500	7,380	865		87,342	81,161	108%
2037	144,715	7,565	949		95,856	89,801	107%
2038	149,056	7,754	1,036		104,646	98,886	106%
2039	153,528	7,948	1,118	756	112,956	107,656	105%
2040	158,134	8,147	1,195	1,558	120,740	116,060	104%
2041	162,878	8,350	1,291		130,382	126,525	103%
2042	167,764	8,559	1,389		140,330	137,514	102%
2043	172,797	8,773	1,491		150,594	149,048	101%
2044	177,981	8,992	1,587	877	160,297	160,247	100%
2045	183,320	9,217	1,695		171,209	172,914	99%
2046	188,820	9,448	1,807		182,464	186,197	98%
2047	194,484	9,684	1,921		194,069	200,122	97%
2048	200,319	9,926	47	199,332	4,709	9,402	50%
2049	206,329	10,174	139	1,016	14,006	17,483	80%
2050	212,518	10,428	244		24,678	27,119	91%
2051	218,894	10,689	354		35,721	37,318	96%
2052	225,461	10,956	467		47,144	48,104	98%
2053	232,225	11,230	584		58,958	59,503	99%
2054	239,191	11,511	693	1,178	69,984	70,330	100%



This chart compares the projected yearly reserve balance within the full funding plan against the cumulative expenses anticipated within that year.



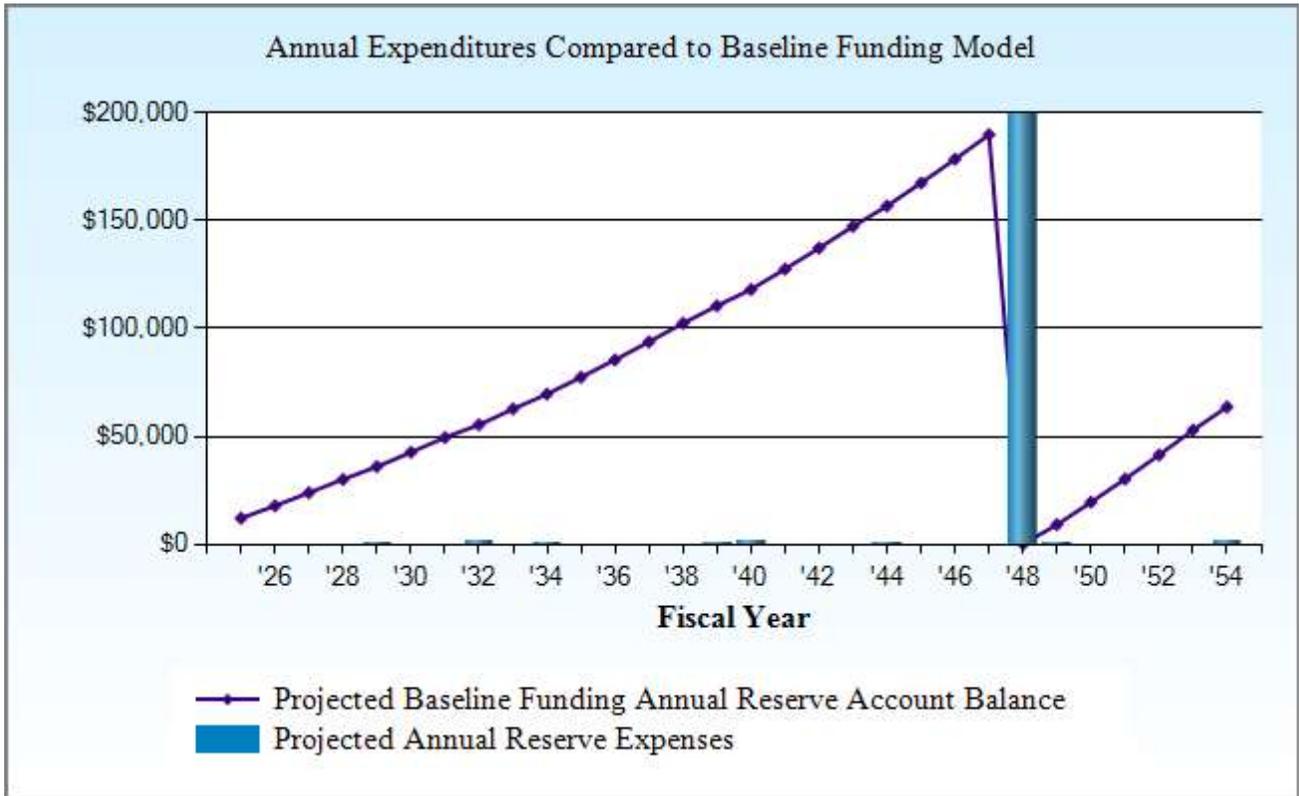
# Baseline Funding Model

The data within this section represents the baseline funding model. In this model, the association funds reserves at a level in which the reserve balance is not projected to drop below zero over the 30 year scope of this report. Baseline funding has the highest risk of a special assessment. Under this model, if a project comes in just slightly over budget, or occurs earlier than anticipated, the association has a high risk of requiring a special assessment.

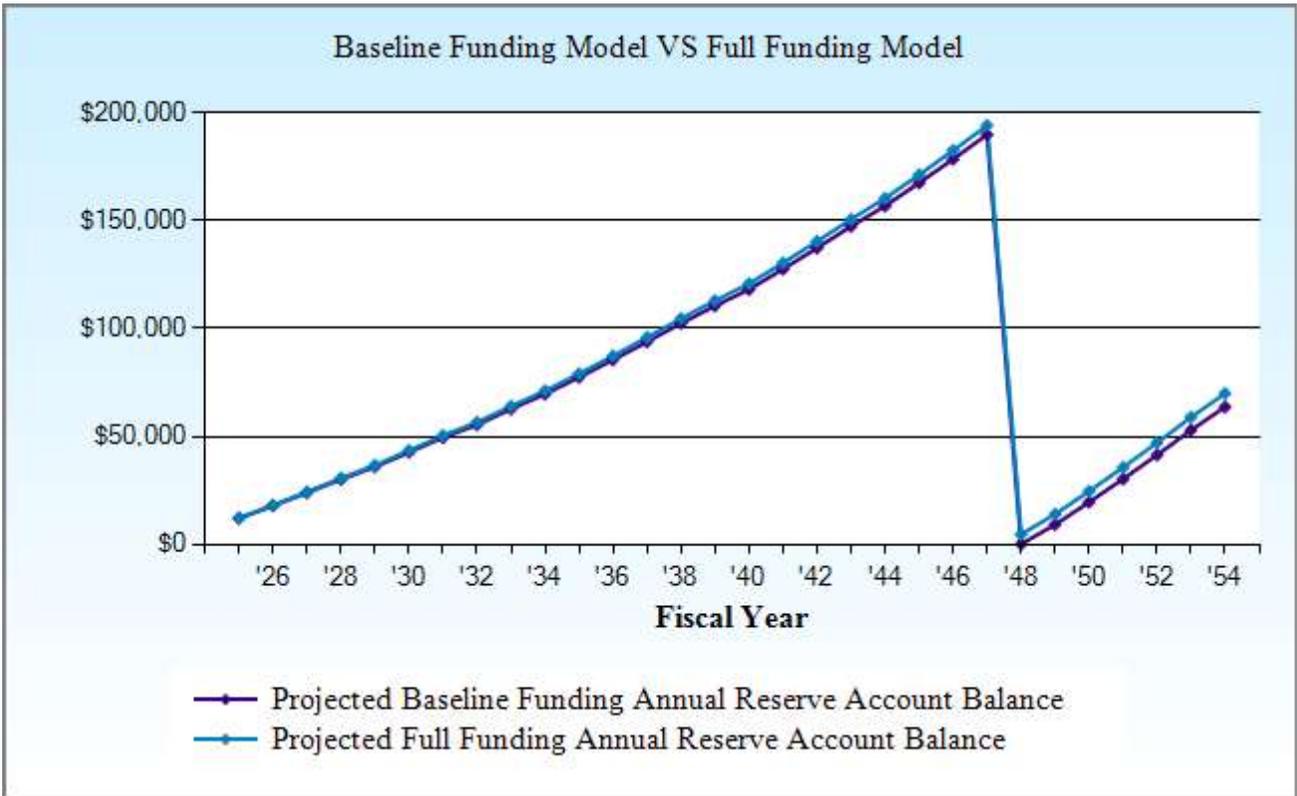
**Yodelin POA - Common Areas  
Baseline Funding Model Projection**

Beginning Balance: \$6,500

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	101,500	5,500	120		12,120	12,823	95%
2026	104,545	5,637	178		17,935	17,691	101%
2027	107,681	5,778	237		23,951	22,838	105%
2028	110,912	5,923	299		30,172	28,278	107%
2029	114,239	6,071	357	563	36,037	33,445	108%
2030	117,666	6,223	423		42,683	39,493	108%
2031	121,196	6,378	491		49,552	45,874	108%
2032	124,832	6,538	549	1,230	55,408	51,336	108%
2033	128,577	6,701	621		62,730	58,389	107%
2034	132,434	6,869	689	652	69,636	65,146	107%
2035	136,408	7,040	767		77,443	72,949	106%
2036	140,500	7,216	847		85,507	81,161	105%
2037	144,715	7,397	929		93,832	89,801	104%
2038	149,056	7,582	1,014		102,428	98,886	104%
2039	153,528	7,771	1,094	756	110,538	107,656	103%
2040	158,134	7,966	1,169	1,558	118,115	116,060	102%
2041	162,878	8,165	1,263		127,543	126,525	101%
2042	167,764	8,369	1,359		137,271	137,514	100%
2043	172,797	8,578	1,458		147,307	149,048	99%
2044	177,981	8,793	1,552	877	156,775	160,247	98%
2045	183,320	9,012	1,658		167,446	172,914	97%
2046	188,820	9,238	1,767		178,450	186,197	96%
2047	194,484	9,469	1,879		189,798	200,122	95%
2048	200,319	9,705	2	199,332	173	9,402	2%
2049	206,329	9,948	91	1,016	9,195	17,483	53%
2050	212,518	10,197	194		19,586	27,119	72%
2051	218,894	10,452	300		30,338	37,318	81%
2052	225,461	10,713	411		41,461	48,104	86%
2053	232,225	10,981	524		52,966	59,503	89%
2054	239,191	11,255	630	1,178	63,674	70,330	91%



This chart compares the projected yearly reserve balance within the Baseline Funding model against the cumulative expenses anticipated within that year.



This chart compares the projected annual reserve account balances between the Baseline Funding model and the Full Funding model.



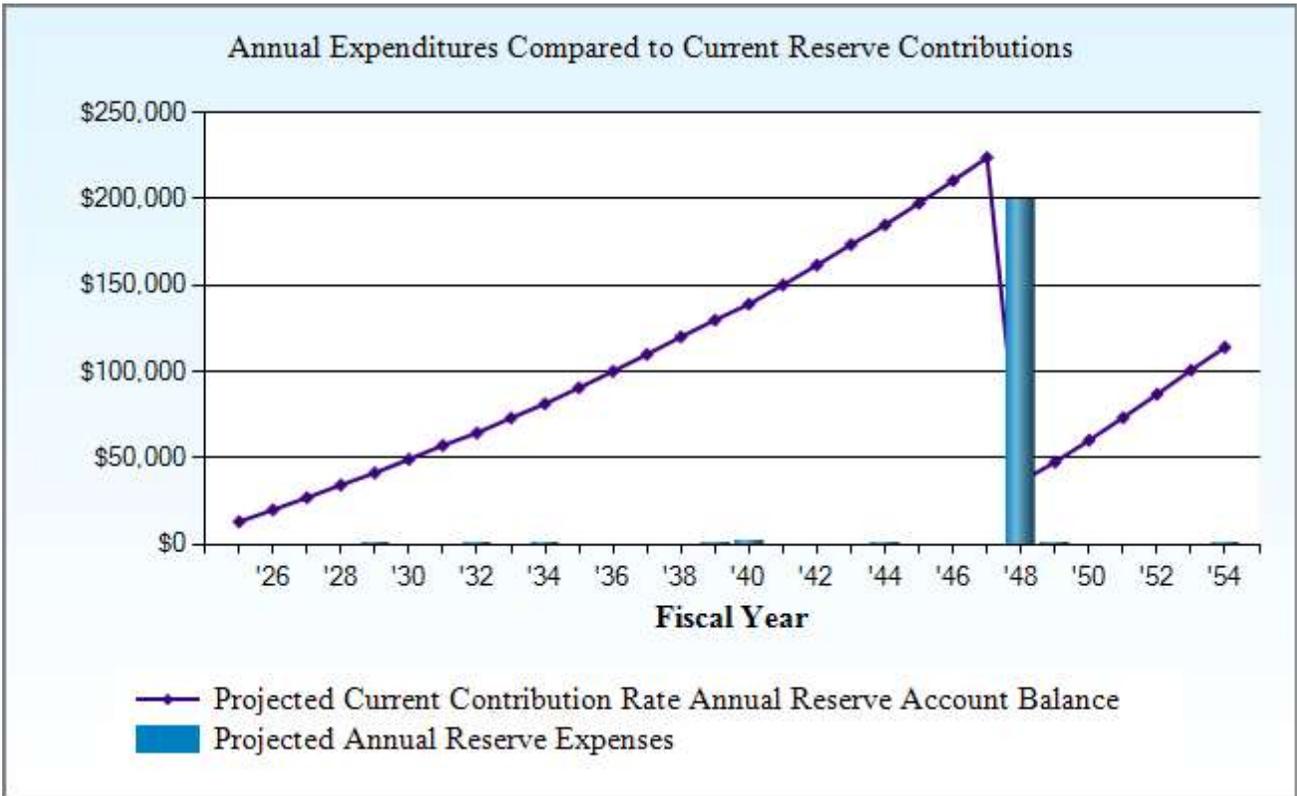
# Current Funding Model

The data within this section represents the association's current funding model, based on the most recent annual budget. This data is helpful in determining whether current contribution rates are sufficient to meet the association's funding goals over time.

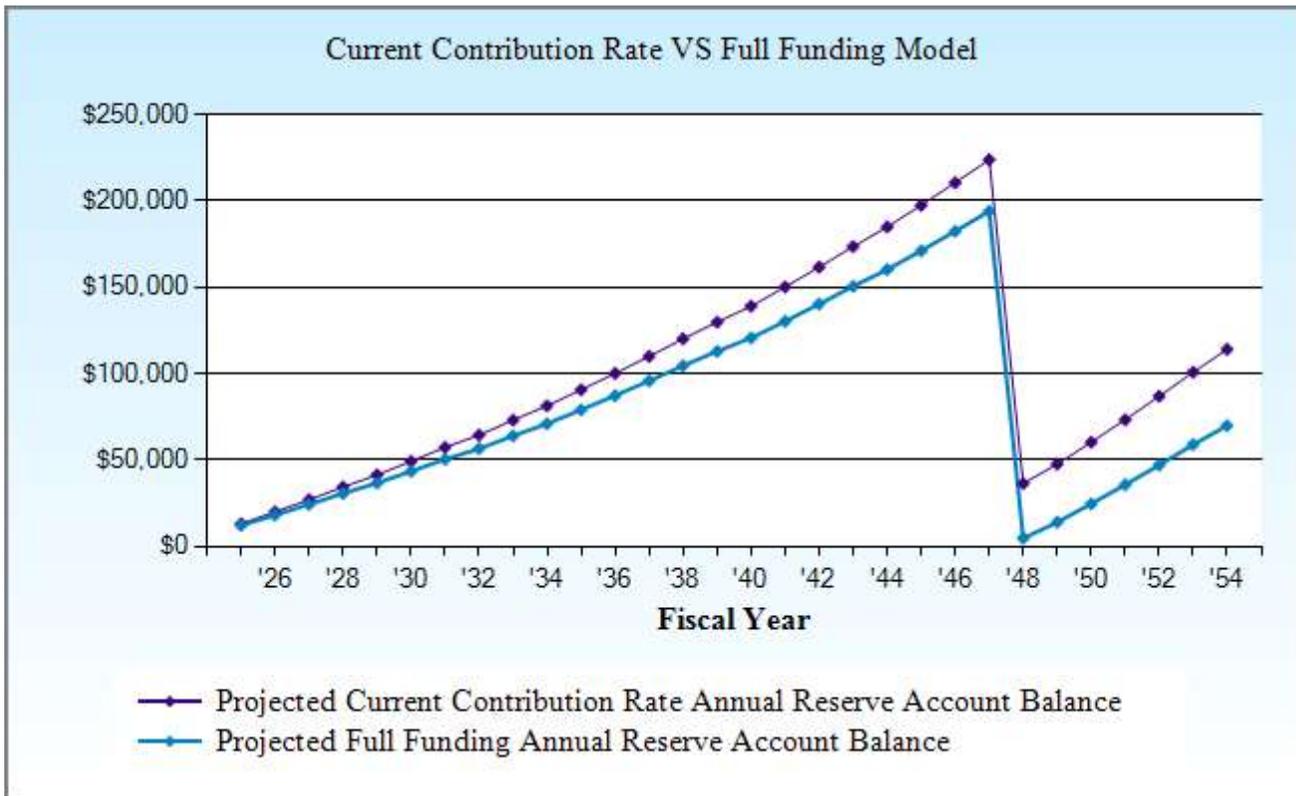
**Yodelin POA - Common Areas  
Current Funding Model Projection**

Beginning Balance: \$6,500

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	101,500	6,500	130		13,130	12,823	102%
2026	104,545	6,662	198		19,990	17,691	113%
2027	107,681	6,829	268		27,088	22,838	119%
2028	110,912	7,000	341		34,428	28,278	122%
2029	114,239	7,175	410	563	41,451	33,445	124%
2030	117,666	7,354	488		49,293	39,493	125%
2031	121,196	7,538	568		57,399	45,874	125%
2032	124,832	7,726	639	1,230	64,535	51,336	126%
2033	128,577	7,920	725		73,179	58,389	125%
2034	132,434	8,118	806	652	81,451	65,146	125%
2035	136,408	8,321	898		90,669	72,949	124%
2036	140,500	8,529	992		100,189	81,161	123%
2037	144,715	8,742	1,089		110,021	89,801	123%
2038	149,056	8,960	1,190		120,171	98,886	122%
2039	153,528	9,184	1,286	756	129,885	107,656	121%
2040	158,134	9,414	1,377	1,558	139,118	116,060	120%
2041	162,878	9,649	1,488		150,255	126,525	119%
2042	167,764	9,891	1,601		161,747	137,514	118%
2043	172,797	10,138	1,719		173,604	149,048	116%
2044	177,981	10,391	1,831	877	184,949	160,247	115%
2045	183,320	10,651	1,956		197,556	172,914	114%
2046	188,820	10,917	2,085		210,558	186,197	113%
2047	194,484	11,190	2,217		223,966	200,122	112%
2048	200,319	11,470	361	199,332	36,465	9,402	388%
2049	206,329	11,757	472	1,016	47,677	17,483	273%
2050	212,518	12,051	597		60,325	27,119	222%
2051	218,894	12,352	727		73,404	37,318	197%
2052	225,461	12,661	861		86,925	48,104	181%
2053	232,225	12,977	999		100,901	59,503	170%
2054	239,191	13,302	1,130	1,178	114,155	70,330	162%



This chart compares the projected yearly reserve balance at the association's current contribution rate against the cumulative expenses anticipated within that year.



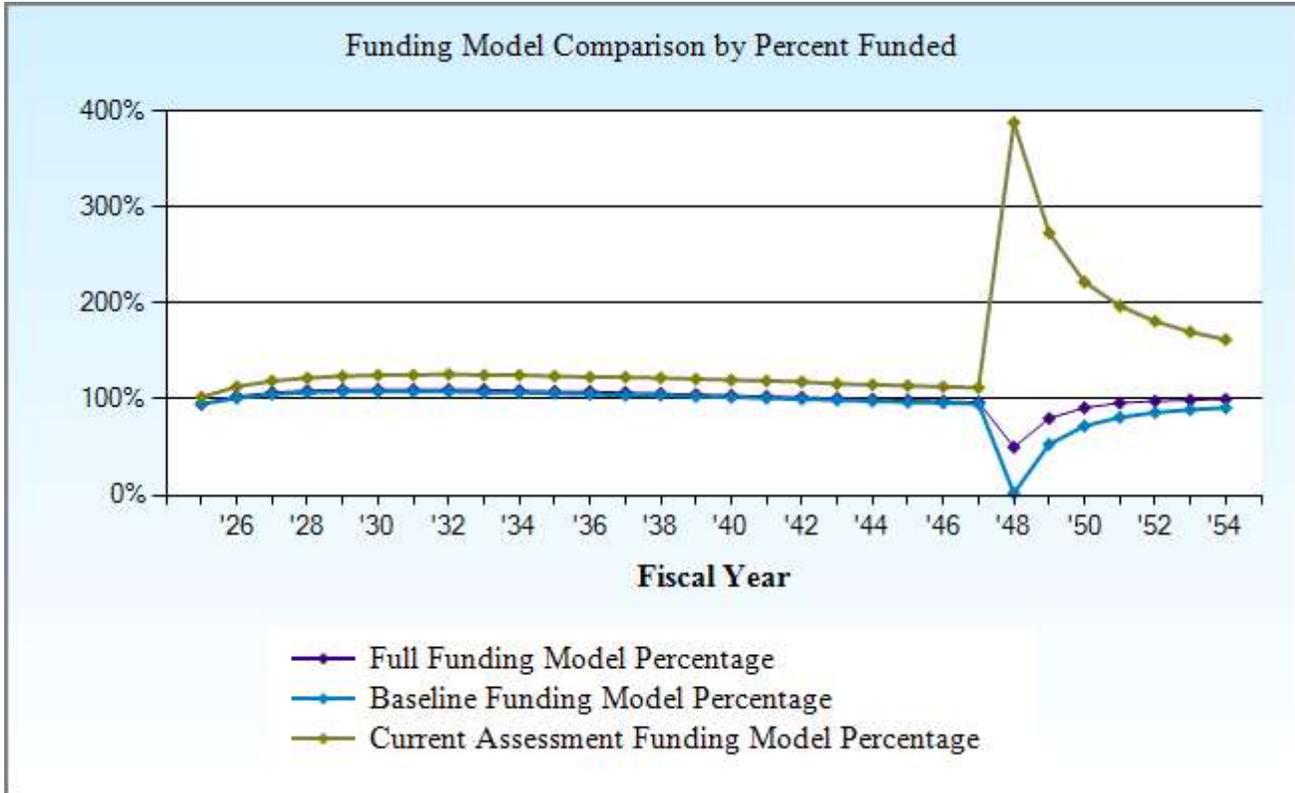
This chart compares the projected annual reserve account balances between the association's current contribution rate and the Full Funding model.



# Comparison Charts

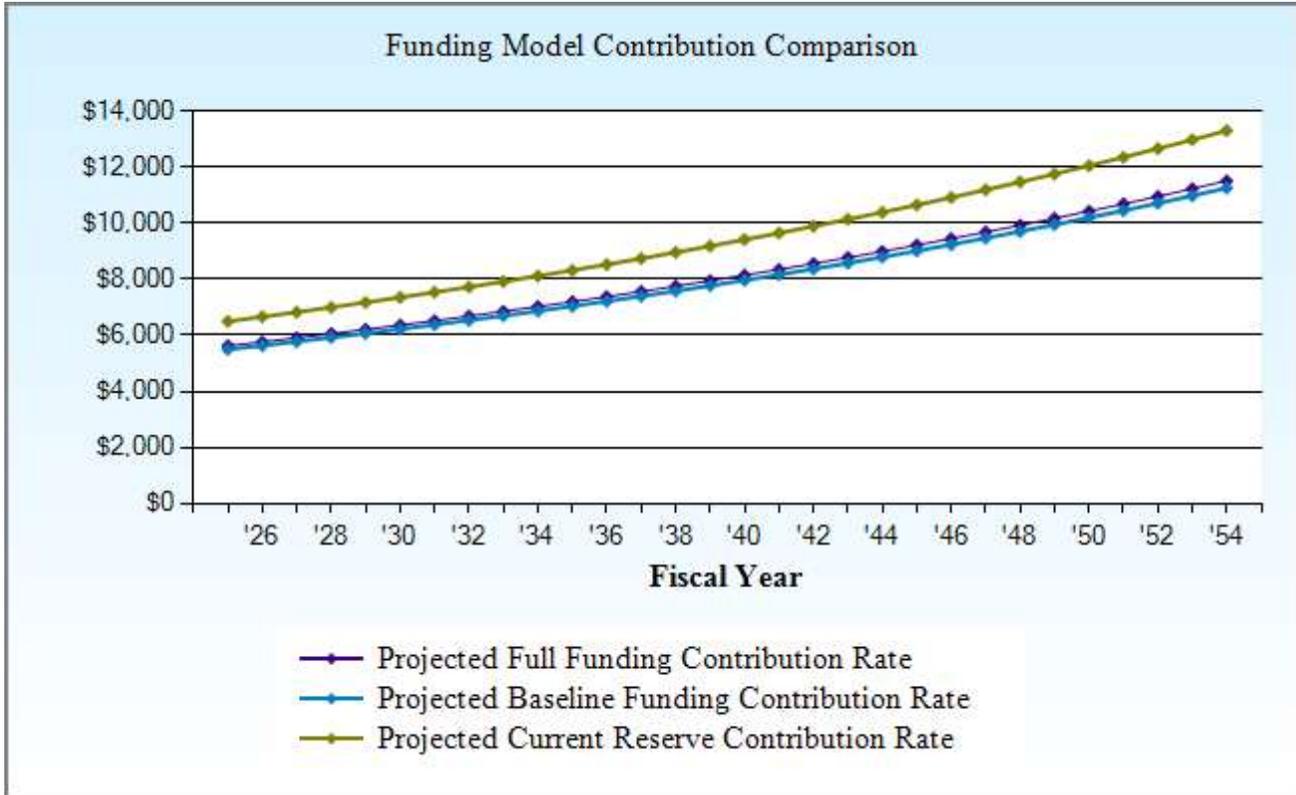
The charts within this section represent a visual comparison of the funding models included within this report. Each chart features a descriptive title indicating the data which is being compared and are extremely helpful for the association in comparing its current funding plan to the plans included within the study.

**Yodelin POA - Common Areas  
Funding Model Comparison by Percent Funded**



This chart compares the association's projected percent funded on an annual basis between the Full and Baseline funding models, along with the association's current contribution rate, over 30 years.

**Yodelin POA - Common Areas  
Funding Model Assessment Comparison Chart**



This chart compares the projected contribution rate between the Full and Baseline funding models, along with the association's current contribution rate, over 30 years.



# Component Detail Report

The following section features a detailed breakdown of each of the association's reserve components. This section details component history, quantities, useful life, remaining useful life and cost breakdowns, among other important data. For Level I Full and Level II With-Site-Visit reports, this section also features maintenance recommendations and photographs of the components.

**Yodelin POA - Common Areas  
Index of Funded Components**

Asset ID	Description	Replacement	Page
1015	Roads - Maintain	2025	29
1048	Gravel Areas - Replenish	2029	30
1135	Landscape - Refurbish Allotment	2025	31
5020	Surveillance System - Replace	2032	32
5055	Skid Steer - Replace	2048	33
6010	Reserve Study - Annual Update	2025	34
	Total Funded Assets	3	
	Total Unfunded Assets	<u>3</u>	
	Total Assets	6	

**Yodelin POA - Common Areas  
Detail Report by Category**

**Roads - Maintain**

Asset ID	1015	1 Allowance	
Category	Grounds	Asset Actual Cost	
Placed in Service	January 1968	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Roadway throughout association (partial asphalt and partial gravel)

Component History: No history reported

Client reported that all roadways throughout the association are public and thus not the responsibility of the association to maintain, repair or replace. No reserve funding included accordingly.

**Yodelin POA - Common Areas  
Detail Report by Category**

**Gravel Areas - Replenish - 2029**

Asset ID	1048	1 Allowance	@ \$500.00
Category	Grounds	Asset Actual Cost	\$500.00
Placed in Service	January 2024	Percent Replacement	100%
Useful Life	5	Future Cost	\$562.75
Replacement Year	2029		
Remaining Life	4		



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work including amount of gravel purchased.

Cost Source: Accurate Reserve Professionals, LLC Database

Location: Access road at water system area

Component History: No history reported, an in-service date of 2024 has been used as no current plans to replenish gravel reported

Gravel coverage appeared generally sparse at the time of our site visit. This component factors periodic replenishment of gravel areas at water system access road. Cost can vary significantly based on quantity purchased, frequency of replenishment, etc., therefore cost may vary from range used within this report.

**Yodelin POA - Common Areas  
Detail Report by Category**

**Landscape - Refurbish Allotment**

Asset ID	1135	1 Allowance	
Category	Grounds	Asset Actual Cost	
Placed in Service	January 1968	Percent Replacement	100%
No Useful Life		Future Cost	



Location: Common area open space tracts including Tract A in Phase 1 and Tracts A & B in Phase 3

Component History: No history reported

Landscaping within association is primarily left within its natural state. No expenses expected to affect reserves at this time therefore no reserve funding included. Update future reserve studies should need for funding arise.

**Yodelin POA - Common Areas  
Detail Report by Category**

**Surveillance System - Replace - 2032**

Asset ID	5020	1 Allowance	@ \$1,000.00
		Asset Actual Cost	\$1,000.00
		Percent Replacement	100%
Category	Equipment & Mechanical	Future Cost	\$1,229.87
Placed in Service	January 2024		
Useful Life	8		
Replacement Year	2032		
Remaining Life	7		



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on final scope of work.

Cost Source: Client Cost History

Location: At water system area

Component History: Installed 2024 ~ \$1k

Evaluation of the quality and function of a surveillance system is beyond the scope of a reserve study. System was not tested at the time of our site visit, however no problems reported by client. Surveillance systems are usually replaced at 5-8 year intervals to maintain functionality and utilize current technology. Surveillance equipment typically includes cameras, a DVR and a computer screen. Some systems feature online web access to videos and may require internet equipment. System cost varies significantly based on the number of cameras, installation requirements (wired or wireless) and quality of video (clarity, night vision, etc.). A mid-range allowance has been included here, track actual association expenses and update future reserve study data as necessary.

**Yodelin POA - Common Areas  
Detail Report by Category**

**Skid Steer - Replace - 2048**

		1 Each	@ \$100,000.00
Asset ID	5055	Asset Actual Cost	\$100,000.00
		Percent Replacement	100%
Category	Equipment & Mechanical	Future Cost	\$197,358.65
Placed in Service	January 2023		
Useful Life	25		
Replacement Year	2048		
Remaining Life	23		



Cost Range: The allowance included here is a basic flat fee allowance. Actual cost may vary based on equipment selected and accessories purchased, if any.

Cost Source: Client Cost History

Location: Stored within garage at community member's home

Component History: Purchased 2023 ~ \$100k

Client reports that skid steer is primarily used for winter snow maintenance. Replacement cycles for equipment varies based on community needs, preferences and frequency of use. Since equipment is used seasonally, we have used a 25 year useful life for the purposes of this report.

**Yodelin POA - Common Areas  
Detail Report by Category**

**Reserve Study - Annual Update**

Asset ID	6010	1 Ann Update	
Category	Professional	Asset Actual Cost	
Placed in Service	January 2025	Percent Replacement	100%
No Useful Life		Future Cost	



**Time for your annual update, contact us today!**

Component History: 2025 FULL

It is recommended that this study is updated annually. Some states, including Washington and Oregon, feature statutes which require that studies be updated on an annual basis for many communities (consult with your legal counsel if you have questions about whether an update is required for your community). Some governing documents may also require that the study be updated annually. Regardless of any state requirements for updates, it is prudent to update your report annually to adjust for constantly changing information including, but not limited to, actual reserve account balance, actual project costs, vendor estimates, economic and market changes, etc. The cost to update your study annually is best treated through the operating budget, therefore no reserve funding included.

Key:

FULL = Level 1 Full Reserve Study

WSV = Level 2 With-Site-Visit Reserve Study

NSV = Level 3 No-Site-Visit Reserve Study

PCNYC = Level 4 Preliminary, Community Not Yet Constructed Reserve Study

# Common Terms & Definitions

A portion of this information is from the National Reserve Study Standards (NRSS) published by Community Associations Institute, dated 07/2023. A link to the full National Reserve Study Standards document can be found here: [National Reserve Study Standards](#)

<b>ADEQUATE RESERVES</b>	A replacement reserve fund and equitable multi-year funding plan which together provide for the reliable and timely execution of major repair and replacement projects as defined within National Reserve Study Standards without reliance on additional supplemental funding.
<b>ALLOWANCE (QUANTITY)</b>	When used in reference to quantity, the term allowance means that the component could not be reasonably quantified to assign a unit cost and therefore a flat cost allowance has been used.
<b>ALLOWANCE (COST)</b>	When used in reference to cost, the term allowance refers to the cost range assigned to that component. For example, the cost allowance for replacement of a roof may be \$4.00 per square foot to \$6.00 per square foot.
<b>CAPITAL IMPROVEMENT</b>	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.
<b>CASH FLOW METHOD</b>	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.
<b>COMMON AREA</b>	Areas identified within the association's governing documents that the association is obligated to maintain, repair or replace.
<b>COMPONENT</b>	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. These components comprise the common elements of the community and typically are: 1. association responsibility, 2. predictable in nature, and 3. above a minimum threshold cost. It should be noted that in certain jurisdictions there may be statutory requirements for including components or groups of components in the reserve study.
<b>COMPONENT INVENTORY</b>	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, review of association precedents, and discussion with appropriate representative(s) of the association.
<b>COMPONENT METHOD</b>	A method of developing a reserve funding plan where the total contribution is based on the sum of contributions for the individual components.
<b>CONDITION ASSESSMENT</b>	The task of evaluating the current condition of the component based on

observed or reported characteristics.

**CY**

Cubic yards.

**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 (funding plan) are derived, and the projected reserve income and expense over a period of time are presented. The financial analysis is one of the two parts of a reserve study.

**FULLY FUNDED**

100 percent funded. When the actual (or projected) reserve balance is equal to the fully funded balance.

**FULLY FUNDED BALANCE (FFB)** An indicator against which the 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, and then summed for an association total.

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

Example: For a component with a \$10,000 current replacement cost, a 10-year useful life and effective age of 4 years the fully funded balance would be \$4,000.

**FUND STATUS**

The status of the reserve fund reported in terms of cash or percent funded.

**FUNDING GOALS**

Independent of methodology used, the following represent the basic categories of funding plan goals. They are presented in order of greatest risk to least risk. Risk includes, but is not limited to, cash problems, special assessments, and deferred maintenance.

- **Baseline Funding:** Establishing a reserve funding goal of allowing the reserve cash balance to never be below zero during the cash flow projection. This is the funding goal with the greatest risk due to the variabilities encountered in the timing of component replacements and repair and replacement costs.
- **Threshold Funding:** Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount. Depending on the threshold selected, this funding goal may be weaker or stronger than “Fully Funded” with respective higher risk or less risk of cash problems.
- **Full Funding:** Setting a reserve funding goal to attain and maintain reserves at or near 100 percent funded. This is the most conservative funding goal.

It should be noted that in certain jurisdictions there may be statutory funding requirements that would dictate the minimum requirements for funding.

<b>FUNDING PLAN</b>	An association's plan to provide income to a reserve fund to offset anticipated expenditures from that fund. The plan must be a minimum of twenty (20) years.
<b>FUNDING PRINCIPLES</b>	The reserve study must provide a funding plan addressing these principles: <ul style="list-style-type: none"><li>• Sufficient funds when required.</li><li>• Stable contribution rate over the years.</li><li>• Equitable contribution rate over the years.</li><li>• Fiscally responsible.</li></ul>
<b>GSF</b>	Gross square feet.
<b>GSY</b>	Gross square yards.
<b>INITIAL YEAR</b>	The first fiscal year of the financial analysis or funding plan.
<b>LIFE ESTIMATES</b>	The task of estimating the useful life and remaining useful life of the reserve components.
<b>LF</b>	Lineal feet.
<b>MAINTENANCE</b>	Maintenance is the process of maintaining or preserving an item, or the state of being maintained. Maintenance is often defined in three ways, preventive maintenance, corrective maintenance and deferred maintenance.
<b>PERCENT FUNDED</b>	The ratio, at a particular point in time related to the fiscal year end, of the actual (or projected) reserve balance to the fully funded balance, expressed as a percentage. While percent funded is an indicator of an association's reserve fund size, it should be viewed in the context of how it is changing due to the association's reserve funding plan in light of the association's risk tolerance.
<b>PERIODIC STRUCTURAL INSPECTION</b>	Structural system inspections aimed at identifying issues when they become evident. This inspection is outside of the scope of a reserve study and is to be conducted by client independently, with the results of such inspection incorporated in the reserve study as applicable.
<b>PHYSICAL ANALYSIS</b>	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.
<b>REMAINING USEFUL LIFE (RUL)</b>	Also referred to as "remaining life" (RL). The estimated time, in years, that a reserve component can be expected to serve its intended function. Projects expected to occur in the initial year have zero remaining useful life.
<b>REPLACEMENT COST</b>	The cost to replace, repair, or restore the component to its original functional condition during that particular year, including all related expenses (including

but not limited to shipping, engineering and design, permits, installation, disposal, etc.).

<b>RESERVE BALANCE</b>	Actual or projected funds, as of a particular point in time that the association has identified, to defray the future repair or replacement cost of those major components that the association is obligated to maintain or replace. Also known as reserves, reserve accounts, cash reserves. Based on information provided and not audited.
<b>RESERVE PROVIDER</b>	An individual who prepares reserve studies. In many instances the reserve provider will possess a specialized designation such as the Reserve Specialist (RS) designation provided by Community Associations Institute (CAI). This designation indicates that the provider has shown the necessary skills to perform a reserve study that conforms to these standards.
<b>RESERVE STUDY</b>	A budget planning tool which identifies the components that the association is responsible to maintain, repair or replace, 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 is conducted for budget and cash flow purposes only and tasks outside the scope of a reserve study include, but are not limited to, construction evaluation, intrusive or destructive testing, preventive maintenance plans and structural or safety evaluations.
<b>SPECIAL ASSESSMENT</b>	A temporary assessment levied on the members of an association in addition to regular assessments. Note that special assessments are often regulated by governing documents or local statutes.
<b>USEFUL LIFE (UL)</b>	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.
<b>VALUATION ESTIMATES</b>	The task of estimating the current cost for the reserve components.

## Disclosures

The report was prepared by, or with the oversight of, Karen McDonald, CMCA, AMS, PCAM, RS, Reserve Study Specialist (RS) # 355 through Community Associations Institute, on behalf of Accurate Reserve Professionals, LLC ("ARP") and is subject to all terms, conditions, limitations and disclaimers of any contracts between client and ARP regarding this report and the services provided by ARP for client in connection with this report.

As of the date of this report, there are no known conflicts of interest involving ARP and the client for which this report was prepared. ARP has no familial or marital relationship with client, no ownership interest in client, and no ongoing business relationship with client.

Any site visit work performed in the process of preparing this report included a limited non-invasive visual walk through of areas identified by client, and reliance by ARP upon client's representations that such areas constituted a representative sampling of the organization's common areas. No destructive testing was performed. Unless otherwise noted, and in addition to any information provided directly by client, the component list and quantities for Level IV Preliminary Community Not Yet Constructed reports are developed using plans and drawings. Level I Full report component lists are developed using field measurements, other technology available (satellite imagery, etc.) and data provided by client. All quantities are an approximate estimate and may not be exact. Any site visit is not considered a site inspection, project audit or quality inspection of any areas or projects. Structural integrity evaluations are beyond the scope of a reserve study and were not performed as part of this report. ARP lacks information to incorporate necessary corrective maintenance costs and timing for structural work, if any, unless provided by client.

If this report is an update of a prior reserve study, it is reliant on the validity of the prior study(s) and ARP cannot guarantee the accuracy of this report.

This report attempts to include all reserve components identified by client, including best efforts to note any unfunded components within the inventory appendix.

Any information provided by client regarding financial information, physical conditions, quantities, historical issues, components, designs, and current and prior reserve projects, is relied upon by ARP as accurate, true and correct, in preparing this report (the "**Provided Information**"). ARP can only be aware of preventive maintenance plans or programs that have been disclosed by the client. This report is for the client's sole use and shall not be used by or relied upon by third parties for any purpose. Use of the Provided Information by ARP is not intended to validate the accuracy of such information and this report is not an audit, quality/forensics analysis or a background check of the client's historical records, preventive maintenance plan(s) or the Provided Information.

The actual or projected starting balance within this Reserve Study is based upon information provided by client and was not audited or verified in any way. To the best of ARP's knowledge and based upon the information provided to ARP by client, at the time of generating this report there are no known material issues excluded from this report which would affect the data provided.

For Level II With-Site-Visit and Level III No-Site-Visit reports, the client is considered to have deemed the previously developed component quantities as accurate and reliable. This data is not audited or verified in any way for these reports.

The report is for client's internal use and based on the Provided information and may not be relied upon by third parties for any reason. Visual inspections are to verify existence and appearance of assets. ARP does not

guarantee the accuracy of the information in the reports, and Client may not fully rely on the final figures in the report, due to a variety of factors outside of ARP's control and knowledge, including but not limited to reliance on information provided by Client and other third parties that may be inaccurate, incomplete, or inadequate, hidden damages, latent defects, economic factors, labor and material costs, environmental factors, deferred maintenance, and other such factors.

## **Washington State Client Disclosures**

This reserve study report meets the requirements of RCW 64.34.382, 64.38.070 and 64.90.550.

### **Washington State Client Disclosure for Clients Under RCW 64.34.682 and 64.38.070**

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

### **Washington State Client Disclosure for Clients Under RCW 64.90.550**

"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."