

THE PONDEROSA PINES PROPERTY OWNERS ASSOCIATION
MAINTENANCE PLAN
RESERVE STUDY
LEVEL I: FULL RESERVE STUDY FUNDING ANALYSIS
2014



THE PONDEROSA PINES PROPERTY OWNERS ASSOCIATION

Executive Summary

Year of Report:

January 01, 2014 to December 31, 2014

Number of Units:

490 Units

Parameters:

Beginning Balance: \$0

Year 2014 Suggested Contribution: \$80,000

Year 2014 Projected Interest Earned: \$0

Inflation: 2.50%

Annual Increase to Suggested Contribution: 0.00%

Lowest Cash Balance Over 30 Years (Threshold): \$16,699

Average Reserve Assessment per Unit: \$13.61

Prior Year's Actual Contribution: \$0

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**The Ponderosa Pines Property Owners Association
Maintenance Plan
Reserve Study – Onsite
Disclosure Information
2014**

We have conducted an onsite reserve study and maintenance plan for The Ponderosa Pines Property Owners Association for the year beginning January 01, 2014, 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.

We have no other involvement with the Association other than providing the reserve study and maintenance plan.

Assumptions used for inflation, interest, and other factors are detailed in page 16. Income tax factors were not considered due to the uncertainty of factors affecting net taxable income and the election of tax form 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.

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.

According to the Association, the insurance deductible is funded for in the operating budget.

According to the Association, the Association is responsible for the maintenance, repair and replacement of the common areas. This includes the gravel roads, paved roads, mailboxes, and equipment used to maintain the common areas.

This reserve study does not include funding or components for the water company.

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. This site visit does not evaluate the condition of the property to determine the useful life or needed repairs. Schwindt & Company suggests that the Association perform a building envelope inspection to determine the condition, performance, and the 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 or 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 & 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.

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 homeowners to pay on demand (as a special assessment) their share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.

THE PONDEROSA PINES PROPERTY OWNERS ASSOCIATION

MAINTENANCE PLAN

2014

The Ponderosa Pines Property Owners 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.

**The Ponderosa Pines Property Owners Association
Maintenance Plan
2014**

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 & 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 & 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– Inspection/Maintenance

Note: Replacement of flickering or burned-out bulbs or lamps 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 and lamp 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

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

Doors

These maintenance procedures should be performed on the common area buildings. 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 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. These building envelope components should be repaired and replaced as necessary.

Frequency: Monthly

Fence–Inspection

The fence located in the common area of the property 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, 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

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

Trees - Maintenance

The Association will be responsible for trimming trees in the common area throughout the property. Trees and shrubs should be kept clear of the building components.

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

This expense should be included in the Association's operating budget.

Frequency: Annually

Exterior Siding (Common Building) Maintenance – Painting

Maintenance of the exterior siding includes regularly scheduled cleaning and inspection of the surface areas for cracks, peeling paint or other sealants, deterioration of the base material, and failure of caulking or other sealant materials that serve a waterproofing function.

This maintenance provision is for the periodic painting of the exterior siding. The siding should be cleaned, repaired as required, and primed and painted with premium quality exterior house paint in accordance with the siding 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 6 years

Asphalt – Chip Sealing

Maintenance of asphalt paving includes the periodic application of chip seal. 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 sealing 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.

This work should be performed by a licensed paving contractor.

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

Frequency: Every 5 years, beginning in 2018

This maintenance plan is designed to preserve and extend the useful life of assets and is dependent upon proper inspection and follow up procedures.

THE PONDEROSA PINES PROPERTY OWNERS ASSOCIATION

RESERVE STUDY

LEVEL I: FULL RESERVE STUDY FUNDING ANALYSIS

2014

The Ponderosa Pines Property Owners Association
Category Detail Index

Asset ID	Description	Replacement	Page
Streets/Asphalt			
1027	Asphalt - Chip Seal	2018	27 of 50
1026	Gravel Road - Maintenance I	2014	27 of 50
1031	Gravel Road - Maintenance II	2023	28 of 50
Equipment			
1011	Brush Sweeper - Replacement	2028	29 of 50
1007	Chevrolet Pickup - Replacement (Used)	2017	29 of 50
1006	Ford Dump Truck - Replacement (Used)	2019	30 of 50
1010	Front Loader Bucket - Repair	2028	30 of 50
1024	Fuel Pump - Repair	2018	31 of 50
1023	Fuel Tank - Replacement	2038	31 of 50
1015	Fuel Tank: Truck - Replacement	2028	32 of 50
1005	Grader - Replacement	2030	32 of 50
1014	Grader Chains - Replacement	2024	33 of 50
1018	Laptop Computer - Replacement	2014	33 of 50
1029	Miscellaneous Tools - Replacement	2018	34 of 50
1009	Rear Blade - Replacement (Tractor)	2028	34 of 50
1017	Road Drag - Replacement	Unfunded	34 of 50
1002	Roller - Replacement	Unfunded	35 of 50
1008	Rotary Mower/Brush Hog - Replacement	2025	35 of 50
1016	Set of Wheels & Tires - Replacement (Chevrolet)	2017	36 of 50
1038	Set of Wheels & Tires - Replacement (Dump Truck)	2017	37 of 50
1004	Snow Blower - Replacement	2023	37 of 50
1012	Snow Plow - Replacement	2040	38 of 50
1003	Tractor - Replacement (Used)	2028	38 of 50
1001	Water Truck - Replacement	Unfunded	39 of 50
Grounds Components			
1039	Information Booth - Replacement	2015	40 of 50
1037	Moument Signs - Replacement	2030	40 of 50
1036	Wood Tables - Replacement	2023	40 of 50
Mailboxes			
1021	Mail Box Cover: Roof - Replacement	2031	42 of 50
1032	Mail Box Cover: Siding - Repair/Paint	2017	42 of 50
1033	Mail Box: Fence - Repair/Paint	2017	43 of 50

**The Ponderosa Pines Property Owners Association
Category Detail Index**

Asset ID	Description	Replacement	Page
<i>Mailboxes Continued...</i>			
1022	Mailboxes - Replacement	2041	43 of 50
Signs			
1028	Signs - Replacement	2016	44 of 50
Roads Dept Shop/Commons @ N. Sugar Pine Way			
1013	Fuel Storage Shed - Replacement	2028	45 of 50
1035	Garage/Storage: Metal Roof - Replacement	2040	45 of 50
1019	Garage/Storage: Siding - Paint/Repair	2019	46 of 50
1020	Metal Shed - Replacement	2040	46 of 50
	Total Funded Assets	33	
	Total Unfunded Assets	<u>3</u>	
	Total Assets	36	

The Ponderosa Pines Property Owners Association
Property Description

The Ponderosa Pines Property Owners Association consists of 490 single family home units located in La Pine, Oregon. The Association was formed in the 1970's. The Association shall provide maintenance, repair and replacement of the commons areas, including the mail area, 13 miles of gravel roads, 1.6 miles of paved asphalt roads, common storage buildings, and common equipment. The individual homeowners are responsible for all maintenance and repairs of their home and the adjacent private property.

This reserve study does not include funding or components for the water company.

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

A site visit was performed by Schwindt & Company in 2013. Schwindt and Company did not investigate components as to condition and estimated useful life.

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 however, may vary from estimated amounts, and 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 to increase regular assessments and to levy special assessments; otherwise the Association may delay repairs or replacements until funds are available.

The Ponderosa Pines Property Owners Association
 La Pine, Oregon
Cash Flow Method - Threshold Funding Model Summary

Report Date	September 25, 2013
Account Number	2pppoa
Budget Year Beginning	January 01, 2014
Budget Year Ending	December 31, 2014
Total Units	490

<i>Report Parameters</i>	
Inflation	2.50%
Interest Rate on Reserve Deposit	0.10%
2014 Beginning Balance	

**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 **\$80,000** in **2014** and increases **0.00%** until **2019**. In **2019** the contribution is **\$52,000** and remains constant each year for the remaining years of the study. A minimum balance of **\$16,699** is maintained.
- The purpose of this study is to insure 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.

<i>Cash Flow Method - Threshold Funding Model Summary of Calculations</i>	
Required Monthly Contribution	\$6,666.67
<i>\$13.61 per unit monthly</i>	
Average Net Monthly Interest Earned	
Total Monthly Allocation to Reserves	\$6,666.67
<i>\$13.61 per unit monthly</i>	

**The Ponderosa Pines Property Owners Association
Cash Flow Method - Threshold Funding Model Projection**

Beginning Balance: \$0

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves
2014	80,000		55,500	24,500
2015	80,000	8	59,962	44,545
2016	80,000	28	59,886	64,688
2017	80,000	26	81,628	63,086
2018	80,000		126,387	16,699
2019	52,000	17	28,285	40,431
2020	52,000	68	580	91,919
2021	52,000	120		144,039
2022	52,000	166	5,848	190,357
2023	52,000	65	153,735	88,687
2024	52,000	116	1,069	139,734
2025	52,000	160	7,918	183,975
2026	52,000	212	672	235,515
2027	52,000	260	3,860	283,915
2028	52,000	112	199,936	136,091
2029	52,000	160	4,345	183,906
2030	52,000	163	48,849	187,220
2031	52,000	206	9,210	230,216
2032	52,000	253	5,147	277,323
2033	52,000	126	179,049	150,400
2034	52,000	174	4,645	197,929
2035	52,000	221	5,039	245,111
2036	52,000	273		297,385
2037	52,000	285	40,233	309,437
2038	52,000	119	218,675	142,881
2039	52,000	134	37,079	157,936
2040	52,000	151	35,366	174,721
2041	52,000	160	43,241	183,639
2042	52,000	206	5,590	230,255
2043	52,000	19	239,430	42,845

**The Ponderosa Pines Property Owners Association
Component Summary By Category**

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Streets/Asphalt								
Asphalt - Chip Seal	2013	2018	5	0	4	1 Total	47,000.00	47,000
Gravel Road - Maintenance I	2013	2014	1	0	0	1 Total	55,000.00	55,000
Gravel Road - Maintenance II	2023	2023	5	0	9	1 Total	55,000.00	55,000
Streets/Asphalt - Total								<u>\$157,000</u>
Equipment								
Brush Sweeper - Replacement	2008	2028	20	0	14	1 Total	3,000.00	3,000
Chevrolet Pickup - Replacement (Used)	1997	2017	20	0	3	1 Total	15,000.00	15,000
Ford Dump Truck - Replacement (Used)	1999	2019	20	0	5	1 Total	20,000.00	20,000
Front Loader Bucket - Repair	2008	2028	20	0	14	1 Total	1,500.00	1,500
Fuel Pump - Repair	1988	2018	30	0	4	1 Total	2,500.00	2,500
Fuel Tank - Replacement	2008	2038	30	0	24	1 Total	300.00	300
Fuel Tank: Truck - Replacement	2008	2028	20	0	14	1 Total	1,000.00	1,000
Grader - Replacement	1980	2030	50	0	16	1 Total	28,906.00	28,906
Grader Chains - Replacement	2008	2024	10	6	10	1 Total	835.00	835
Laptop Computer - Replacement	1999	2014	3	12	0	1 Total	500.00	500
Miscellaneous Tools - Replacement	2013	2018	5	0	4	1 Total	10,000.00	10,000
Rear Blade - Replacement (Tractor)	2008	2028	20	0	14	1 Total	1,000.00	1,000
Road Drag - Replacement		<i>Unfunded</i>						
Roller - Replacement		<i>Unfunded</i>						
Rotary Mower/Brush Hog - Replacement	2008	2025	15	2	11	1 Total	1,035.00	1,035
Set of Wheels & Tires - Replacement (Che..)	2012	2017	5	0	3	1 Total	1,300.00	1,300
Set of Wheels & Tires - Replacement (Du..)	2012	2017	5	0	3	1 Total	1,500.00	1,500
Snow Blower - Replacement	2008	2023	15	0	9	1 Total	6,100.00	6,100
Snow Plow - Replacement	2010	2040	30	0	26	1 Total	7,492.00	7,492
Tractor - Replacement (Used)	2008	2028	20	0	14	1 Total	20,000.00	20,000
Water Truck - Replacement		<i>Unfunded</i>						
Equipment - Total								<u>\$121,968</u>
Grounds Components								
Information Booth - Replacement	2000	2015	15	0	1	1 Total	3,500.00	3,500
Moument Signs - Replacement	2000	2030	30	0	16	1 Total	500.00	500
Wood Tables - Replacement	2008	2023	15	0	9	5 Each	400.00	2,000
Grounds Components - Total								<u>\$6,000</u>
Mailboxes								
Mail Box Cover: Roof - Replacement	2011	2031	20	0	17	1,053 SF	1.00	1,053
Mail Box Cover: Siding - Repair/Paint	2011	2017	6	0	3	2,000 SF	0.75	1,500
Mail Box: Fence - Repair/Paint	2011	2017	6	0	3	1 Total	1,000.00	1,000
Mailboxes - Replacement	2011	2041	30	0	27	16 Each	1,200.00	19,200
Mailboxes - Total								<u>\$22,753</u>

**The Ponderosa Pines Property Owners Association
Component Summary By Category**

Description	<i>Date in Service</i>	<i>Replacement Year</i>	<i>Useful</i>	<i>Adjustment</i>	<i>Remaining</i>	<i>Units</i>	<i>Unit Cost</i>	<i>Current Cost</i>
Signs								
Signs - Replacement	2013	2016	3	0	2	1 Total	2,000.00	<u>2,000</u>
Signs - Total								\$2,000
Roads Dept Shop/Commons @ N. Sugar Pine Way								
Fuel Storage Shed - Replacement	1988	2028	40	0	14	1 Total	1,000.00	1,000
Garage/Storage: Metal Roof - Replacement	2000	2040	40	0	26	2,340 SF	2.60	6,084
Garage/Storage: Siding - Paint/Repair	2013	2019	6	0	5	1,500 SF	2.00	3,000
Metal Shed - Replacement	2010	2040	30	0	26	1 Total	2,000.00	<u>2,000</u>
Roads Dept Shop/Commons @ N. Sugar Pine Way - Total								\$12,084
Total Asset Summary								<u>\$321,805</u>

**The Ponderosa Pines Property Owners Association
Component Summary By Year**

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Gravel Road - Maintenance I	2013	2014	1	0	0	1 Total	55,000.00	55,000
Laptop Computer - Replacement	1999	2014	3	12	0	1 Total	500.00	500
Information Booth - Replacement	2000	2015	15	0	1	1 Total	3,500.00	3,500
Signs - Replacement	2013	2016	3	0	2	1 Total	2,000.00	2,000
Chevrolet Pickup - Replacement (Used)	1997	2017	20	0	3	1 Total	15,000.00	15,000
Mail Box Cover: Siding - Repair/Paint	2011	2017	6	0	3	2,000 SF	0.75	1,500
Mail Box: Fence - Repair/Paint	2011	2017	6	0	3	1 Total	1,000.00	1,000
Set of Wheels & Tires - Replacement (Che..	2012	2017	5	0	3	1 Total	1,300.00	1,300
Set of Wheels & Tires - Replacement (Du..	2012	2017	5	0	3	1 Total	1,500.00	1,500
Asphalt - Chip Seal	2013	2018	5	0	4	1 Total	47,000.00	47,000
Fuel Pump - Repair	1988	2018	30	0	4	1 Total	2,500.00	2,500
Miscellaneous Tools - Replacement	2013	2018	5	0	4	1 Total	10,000.00	10,000
Ford Dump Truck - Replacement (Used)	1999	2019	20	0	5	1 Total	20,000.00	20,000
Garage/Storage: Siding - Paint/Repair	2013	2019	6	0	5	1,500 SF	2.00	3,000
Gravel Road - Maintenance II	2023	2023	5	0	9	1 Total	55,000.00	55,000
Snow Blower - Replacement	2008	2023	15	0	9	1 Total	6,100.00	6,100
Wood Tables - Replacement	2008	2023	15	0	9	5 Each	400.00	2,000
Grader Chains - Replacement	2008	2024	10	6	10	1 Total	835.00	835
Rotary Mower/Brush Hog - Replacement	2008	2025	15	2	11	1 Total	1,035.00	1,035
Brush Sweeper - Replacement	2008	2028	20	0	14	1 Total	3,000.00	3,000
Front Loader Bucket - Repair	2008	2028	20	0	14	1 Total	1,500.00	1,500
Fuel Storage Shed - Replacement	1988	2028	40	0	14	1 Total	1,000.00	1,000
Fuel Tank: Truck - Replacement	2008	2028	20	0	14	1 Total	1,000.00	1,000
Rear Blade - Replacement (Tractor)	2008	2028	20	0	14	1 Total	1,000.00	1,000
Tractor - Replacement (Used)	2008	2028	20	0	14	1 Total	20,000.00	20,000
Grader - Replacement	1980	2030	50	0	16	1 Total	28,906.00	28,906
Moument Signs - Replacement	2000	2030	30	0	16	1 Total	500.00	500
Mail Box Cover: Roof - Replacement	2011	2031	20	0	17	1,053 SF	1.00	1,053
Fuel Tank - Replacement	2008	2038	30	0	24	1 Total	300.00	300
Garage/Storage: Metal Roof - Replacement	2000	2040	40	0	26	2,340 SF	2.60	6,084
Metal Shed - Replacement	2010	2040	30	0	26	1 Total	2,000.00	2,000
Snow Plow - Replacement	2010	2040	30	0	26	1 Total	7,492.00	7,492
Mailboxes - Replacement	2011	2041	30	0	27	16 Each	1,200.00	19,200
Roller - Replacement	<i>Unfunded</i>							
Water Truck - Replacement	<i>Unfunded</i>							
Road Drag - Replacement	<i>Unfunded</i>							
Total Asset Summary								\$321,805

**The Ponderosa Pines Property Owners Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2014	
Gravel Road - Maintenance I	55,000
Laptop Computer - Replacement	500
Total for 2014	<u>\$55,500</u>
Replacement Year 2015	
Gravel Road - Maintenance I	56,375
Information Booth - Replacement	3,587
Total for 2015	<u>\$59,962</u>
Replacement Year 2016	
Gravel Road - Maintenance I	57,784
Signs - Replacement	2,101
Total for 2016	<u>\$59,886</u>
Replacement Year 2017	
Chevrolet Pickup - Replacement (Used)	16,153
Gravel Road - Maintenance I	59,229
Laptop Computer - Replacement	538
Mail Box Cover: Siding - Repair/Paint	1,615
Mail Box: Fence - Repair/Paint	1,077
Set of Wheels & Tires - Replacement (Chevrolet)	1,400
Set of Wheels & Tires - Replacement (Dump Truck)	1,615
Total for 2017	<u>\$81,628</u>
Replacement Year 2018	
Asphalt - Chip Seal	51,879
Fuel Pump - Repair	2,760
Gravel Road - Maintenance I	60,710
Miscellaneous Tools - Replacement	11,038
Total for 2018	<u>\$126,387</u>
Replacement Year 2019	
Ford Dump Truck - Replacement (Used)	22,628
Garage/Storage: Siding - Paint/Repair	3,394
Signs - Replacement	2,263
Total for 2019	<u>\$28,285</u>

**The Ponderosa Pines Property Owners Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2020	
Laptop Computer - Replacement	580
Total for 2020	<u>\$580</u>
<i>No Replacement in 2021</i>	
Replacement Year 2022	
Set of Wheels & Tires - Replacement (Chevrolet)	1,584
Set of Wheels & Tires - Replacement (Dump Truck)	1,828
Signs - Replacement	2,437
Total for 2022	<u>\$5,848</u>
Replacement Year 2023	
Asphalt - Chip Seal	58,697
Gravel Road - Maintenance II	68,687
Laptop Computer - Replacement	624
Mail Box Cover: Siding - Repair/Paint	1,873
Mail Box: Fence - Repair/Paint	1,249
Miscellaneous Tools - Replacement	12,489
Snow Blower - Replacement	7,618
Wood Tables - Replacement	2,498
Total for 2023	<u>\$153,735</u>
Replacement Year 2024	
Grader Chains - Replacement	1,069
Total for 2024	<u>\$1,069</u>
Replacement Year 2025	
Garage/Storage: Siding - Paint/Repair	3,936
Rotary Mower/Brush Hog - Replacement	1,358
Signs - Replacement	2,624
Total for 2025	<u>\$7,918</u>
Replacement Year 2026	
Laptop Computer - Replacement	672
Total for 2026	<u>\$672</u>

**The Ponderosa Pines Property Owners Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2027	
Set of Wheels & Tires - Replacement (Chevrolet)	1,792
Set of Wheels & Tires - Replacement (Dump Truck)	2,068
Total for 2027	<u>\$3,860</u>
Replacement Year 2028	
Asphalt - Chip Seal	66,410
Brush Sweeper - Replacement	4,239
Front Loader Bucket - Repair	2,119
Fuel Storage Shed - Replacement	1,413
Fuel Tank: Truck - Replacement	1,413
Gravel Road - Maintenance II	77,714
Miscellaneous Tools - Replacement	14,130
Rear Blade - Replacement (Tractor)	1,413
Signs - Replacement	2,826
Tractor - Replacement (Used)	28,259
Total for 2028	<u>\$199,936</u>
Replacement Year 2029	
Laptop Computer - Replacement	724
Mail Box Cover: Siding - Repair/Paint	2,172
Mail Box: Fence - Repair/Paint	1,448
Total for 2029	<u>\$4,345</u>
Replacement Year 2030	
Grader - Replacement	42,911
Information Booth - Replacement	5,196
Moument Signs - Replacement	742
Total for 2030	<u>\$48,849</u>
Replacement Year 2031	
Garage/Storage: Siding - Paint/Repair	4,565
Mail Box Cover: Roof - Replacement	1,602
Signs - Replacement	3,043
Total for 2031	<u>\$9,210</u>

**The Ponderosa Pines Property Owners Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2032	
Laptop Computer - Replacement	780
Set of Wheels & Tires - Replacement (Chevrolet)	2,028
Set of Wheels & Tires - Replacement (Dump Truck)	2,339
Total for 2032	\$5,147
Replacement Year 2033	
Asphalt - Chip Seal	75,137
Gravel Road - Maintenance II	87,926
Miscellaneous Tools - Replacement	15,987
Total for 2033	\$179,049
Replacement Year 2034	
Grader Chains - Replacement	1,368
Signs - Replacement	3,277
Total for 2034	\$4,645
Replacement Year 2035	
Laptop Computer - Replacement	840
Mail Box Cover: Siding - Repair/Paint	2,519
Mail Box: Fence - Repair/Paint	1,680
Total for 2035	\$5,039
<i>No Replacement in 2036</i>	
Replacement Year 2037	
Chevrolet Pickup - Replacement (Used)	26,469
Garage/Storage: Siding - Paint/Repair	5,294
Set of Wheels & Tires - Replacement (Chevrolet)	2,294
Set of Wheels & Tires - Replacement (Dump Truck)	2,647
Signs - Replacement	3,529
Total for 2037	\$40,233
Replacement Year 2038	
Asphalt - Chip Seal	85,010
Fuel Tank - Replacement	543

**The Ponderosa Pines Property Owners Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2038 continued...</i>	
Gravel Road - Maintenance II	99,480
Laptop Computer - Replacement	904
Miscellaneous Tools - Replacement	18,087
Snow Blower - Replacement	11,033
Wood Tables - Replacement	3,617
Total for 2038	<u>\$218,675</u>
Replacement Year 2039	
Ford Dump Truck - Replacement (Used)	37,079
Total for 2039	<u>\$37,079</u>
Replacement Year 2040	
Garage/Storage: Metal Roof - Replacement	11,561
Metal Shed - Replacement	3,801
Rotary Mower/Brush Hog - Replacement	1,967
Signs - Replacement	3,801
Snow Plow - Replacement	14,237
Total for 2040	<u>\$35,366</u>
Replacement Year 2041	
Laptop Computer - Replacement	974
Mail Box Cover: Siding - Repair/Paint	2,922
Mail Box: Fence - Repair/Paint	1,948
Mailboxes - Replacement	37,398
Total for 2041	<u>\$43,241</u>
Replacement Year 2042	
Set of Wheels & Tires - Replacement (Chevrolet)	2,595
Set of Wheels & Tires - Replacement (Dump Truck)	2,995
Total for 2042	<u>\$5,590</u>
Replacement Year 2043	
Asphalt - Chip Seal	96,181
Garage/Storage: Siding - Paint/Repair	6,139
Gravel Road - Maintenance II	112,552

**The Ponderosa Pines Property Owners Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2043 continued...</i>	
Miscellaneous Tools - Replacement	20,464
Signs - Replacement	4,093
Total for 2043	<u>\$239,430</u>

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Asphalt - Chip Seal

		1 Total	@ \$47,000.00
Asset ID	1027	Asset Cost	\$47,000.00
	Non-Capital	Percent Replacement	100%
	Streets/Asphalt	Future Cost	\$51,879.21
Placed in Service	January 2013		
Useful Life	5		
Replacement Year	2018		
Remaining Life	4		

This component funds for a chip seal of the road in the common area. According to Tri County, if the Association maintains the roads and traffic doesn't significantly change, an overlay may not be needed. The Association should monitor the condition of the paved roads.

This work should be performed by a licensed paving contractor.

Schwindt and Company estimated 168,960 square feet of asphalt.

The cost is per the Association.

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

Gravel Road - Maintenance I

		1 Total	@ \$55,000.00
Asset ID	1026	Asset Cost	\$55,000.00
	Non-Capital	Percent Replacement	100%
	Streets/Asphalt	Future Cost	\$55,000.00
Placed in Service	January 2013		
Useful Life	1		
Replacement Year	2014		
Remaining Life	0		

This component funds for maintenance of the roads and cul-de-sacs in the Association.

According to the Association there is approximately 13 miles of gravel roads.

The cost estimate is from the Association.

The life estimate is from the Association; they estimate that after a yearly process over 5 years, they will revise the maintenance schedule and cost.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Brush Sweeper - Replacement		1 Total	@ \$3,000.00
Asset ID	1011	Asset Cost	\$3,000.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$4,238.92
Placed in Service	January 2008		
Useful Life	20		
Replacement Year	2028		
Remaining Life	14		

This component funds for the replacement of the brush roller sweeper for the tractor. It is timed to be replaced when the tractor is replaced, in the event that it will not fit the mountings of the new tractor.

The cost estimate is per the Association.

The useful life assumption is 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 cost.

Chevrolet Pickup - Replacement (Used)		1 Total	@ \$15,000.00
Asset ID	1007	Asset Cost	\$15,000.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$16,153.36
Placed in Service	January 1997		
Useful Life	20		
Replacement Year	2017		
Remaining Life	3		

This component funds for the replacement of the Chevrolet pickup. This assumes it is replaced with a used vehicle.

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.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Ford Dump Truck - Replacement (Used)		1 Total	@ \$20,000.00
Asset ID	1006	Asset Cost	\$20,000.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$22,628.16
Placed in Service	January 1999		
Useful Life	20		
Replacement Year	2019		
Remaining Life	5		

This component funds for the replacement of the Ford dump truck.

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.

Front Loader Bucket - Repair		1 Total	@ \$1,500.00
Asset ID	1010	Asset Cost	\$1,500.00
	Non-Capital	Percent Replacement	100%
	Equipment	Future Cost	\$2,119.46
Placed in Service	January 2008		
Useful Life	20		
Replacement Year	2028		
Remaining Life	14		

This component funds for the repair of the front loader bucket for the tractor. It is timed to be replaced when the tractor is replaced, in the event that it will not fit the mountings of the new tractor.

The cost estimate is per the Association.

The useful life assumption is 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 cost.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Fuel Pump - Repair		1 Total	@ \$2,500.00
Asset ID	1024	Asset Cost	\$2,500.00
	Non-Capital Equipment	Percent Replacement	100%
Placed in Service	January 1988	Future Cost	\$2,759.53
Useful Life	30		
Replacement Year	2018		
Remaining Life	4		

This component funds for the repair of the fuel pump (age unknown).

The cost estimate is based on an estimate from Bob at Pump, Pipe and Tank Service (541) 535-6542. Replacement of the pump is estimate at \$4,500 - \$5,500; installation costs of electric, piping and anti-siphon from the tank of \$1,000 to \$2,000, and mileage, travel and shipping.

The cost is based on information from the Association.

The Association should obtain a bid to confirm this cost.

Fuel Tank - Replacement		1 Total	@ \$300.00
Asset ID	1023	Asset Cost	\$300.00
	Capital Equipment	Percent Replacement	100%
Placed in Service	January 2008	Future Cost	\$542.62
Useful Life	30		
Replacement Year	2038		
Remaining Life	24		

This component funds for the replacement of the 500 gallon fuel tank for gasoline.

The cost estimate is per the Association.

The useful life assumption is 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 cost.

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.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Fuel Tank: Truck - Replacement

		1 Total	@ \$1,000.00
Asset ID	1015	Asset Cost	\$1,000.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$1,412.97
Placed in Service	January 2008		
Useful Life	20		
Replacement Year	2028		
Remaining Life	14		

This component funds for the replacement of the 120 gallon fuel tank mounted on the Chevrolet pickup.

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.

Grader - Replacement

		1 Total	@ \$28,906.00
Asset ID	1005	Asset Cost	\$28,906.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$42,911.12
Placed in Service	January 1980		
Useful Life	50		
Replacement Year	2030		
Remaining Life	16		

This component funds for the replacement of the Galion MA550 road grader.

The cost estimate is per the Association.

The useful life assumption is 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 cost.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Grader Chains - Replacement		1 Total	@ \$835.00
Asset ID	1014	Asset Cost	\$835.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$1,068.87
Placed in Service	January 2008		
Useful Life	10		
Adjustment	6		
Replacement Year	2024		
Remaining Life	10		

This component funds for the replacement of the chains for the grader.

The cost estimate is per the Association.

The useful life estimate is from Bob at Les Schwab (Sherwood).

This component is an estimate. If the actual cost and/or life of this component is determined to be different from this estimate, the reserve study should be updated to reflect the actual cost and/or life.

Laptop Computer - Replacement		1 Total	@ \$500.00
Asset ID	1018	Asset Cost	\$500.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$500.00
Placed in Service	January 1999		
Useful Life	3		
Adjustment	12		
Replacement Year	2014		
Remaining Life	0		

This component funds for the replacement of the computer equipment. Currently it is a desktop but will be replaced with a laptop.

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.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Miscellaneous Tools - Replacement

		1 Total	@ \$10,000.00
Asset ID	1029	Asset Cost	\$10,000.00
	Non-Capital	Percent Replacement	100%
	Equipment	Future Cost	\$11,038.13
Placed in Service	January 2013		
Useful Life	5		
Replacement Year	2018		
Remaining Life	4		

This component funds for the replacement of tools (all tools under \$1,000).

The cost and useful life estimates are from the Association.

Rear Blade - Replacement (Tractor)

		1 Total	@ \$1,000.00
Asset ID	1009	Asset Cost	\$1,000.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$1,412.97
Placed in Service	January 2008		
Useful Life	20		
Replacement Year	2028		
Remaining Life	14		

This component funds for the replacement of the rear blade. It is timed to be replaced when the tractor is replaced, in the event that it will not fit the mountings of the new tractor.

The cost estimate is per the Association.

The useful life assumption is 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 cost.

Road Drag - Replacement

		1 Total	@ \$1,000.00
Asset ID	1017	Asset Cost	
	Capital		
	Equipment	Future Cost	
Placed in Service	January 2000		
Useful Life	30		
Replacement Year	2030		
Remaining Life	16		

This component funds for the replacement of the road drag.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Road Drag - Replacement continued...

The cost estimate is per the Association.

The useful life assumption is 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 cost.

According to the Association, this will not be replaced.

Roller - Replacement		1 Total	@ \$2,000.00
Asset ID	1002	Asset Cost	
	Capital		
	Equipment	Future Cost	
Placed in Service	January 1970		
Useful Life	50		
Replacement Year	2020		
Remaining Life	6		

This component funds for the replacement of the roller used to level & compact the gravel roads

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 cost.

According to the Association, this will not be replaced.

Rotary Mower/Brush Hog - Replacement		1 Total	@ \$1,035.00
Asset ID	1008	Asset Cost	\$1,035.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$1,358.01
Placed in Service	January 2008		
Useful Life	15		
Adjustment	2		
Replacement Year	2025		
Remaining Life	11		

This component funds for the replacement of the King Cutter rotary mower.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Rotary Mower/Brush Hog - Replacement continued...

The cost estimate is per the Association.

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 cost.

Set of Wheels & Tires - Replacement (Chevrolet)

		1 Total	@ \$1,300.00
Asset ID	1016	Asset Cost	\$1,300.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$1,399.96
Placed in Service	January 2012		
Useful Life	5		
Replacement Year	2017		
Remaining Life	3		

This component funds for the replacement of the wheel and tire set for the Chevrolet truck.

The wheels should have a life in excess of 30 years; so the current cost estimate reflects replacing the tires.

The cost estimate is based on an estimate for 10 ply tires from Bob at Les Schwab (Sherwood).

The useful life assumption is 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 cost.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Set of Wheels & Tires - Replacement (Dump Truck)

		1 Total	@ \$1,500.00
Asset ID	1038	Asset Cost	\$1,500.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$1,615.34
Placed in Service	January 2012		
Useful Life	5		
Replacement Year	2017		
Remaining Life	3		

This component funds for the replacement of the wheel and tire set for the dump truck.

The wheels should have a life in excess of 30 years; so the current cost estimate reflects replacing the tires.

The cost estimate is based on information from the Association.

The useful life assumption is 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 cost.

Snow Blower - Replacement

		1 Total	@ \$6,100.00
Asset ID	1004	Asset Cost	\$6,100.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$7,618.06
Placed in Service	January 2008		
Useful Life	15		
Replacement Year	2023		
Remaining Life	9		

This component is for the Massey Ferguson snow blower.

The cost and useful life estimate is from an estimate by Mark at Fischer Mill Supply. He noted that with consistent maintenance, including greasing all bearings, the equipment should have a 10 to 15 year life.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Snow Plow - Replacement

		1 Total	@ \$7,492.00
Asset ID	1012	Asset Cost	\$7,492.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$14,236.99
Placed in Service	January 2010		
Useful Life	30		
Replacement Year	2040		
Remaining Life	26		

This component funds for the replacement of the snow plow.

The cost estimate is per the Association.

The useful life assumption is 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 cost

Tractor - Replacement (Used)

		1 Total	@ \$20,000.00
Asset ID	1003	Asset Cost	\$20,000.00
	Capital	Percent Replacement	100%
	Equipment	Future Cost	\$28,259.48
Placed in Service	January 2008		
Useful Life	20		
Replacement Year	2028		
Remaining Life	14		

This component funds for the replacement of the Massey Ferguson tractor. According to the Association it will be replaced with a used one.

The cost is per the Association.

The useful life is based on an estimate from Mark at Fischer Mill Supply, Inc.

The Association should obtain a bid to confirm this cost.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Water Truck - Replacement		1 Total	@ \$37,500.00
Asset ID	1001	Asset Cost	
	Capital		
	Equipment	Future Cost	
Placed in Service	January 1970		
Useful Life	30		
Adjustment	20		
Replacement Year	2020		
Remaining Life	6		

This component funds for the replacement of the water truck.

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 cost.

According to the Association, this will not be replaced.

Equipment - Total Current Cost	\$121,968
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**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Information Booth - Replacement

		1 Total	@ \$3,500.00
Asset ID	1039	Asset Cost	\$3,500.00
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	\$3,587.50
Placed in Service	January 2000		
Useful Life	15		
Replacement Year	2015		
Remaining Life	1		

This provision is for the replacement of the information booth.

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.

Moument Signs - Replacement

		1 Total	@ \$500.00
Asset ID	1037	Asset Cost	\$500.00
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	\$742.25
Placed in Service	January 2000		
Useful Life	30		
Replacement Year	2030		
Remaining Life	16		

This provision is for the replacement of the 2 entrance signs.

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.

Wood Tables - Replacement

		5 Each	@ \$400.00
Asset ID	1036	Asset Cost	\$2,000.00
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	\$2,497.73
Placed in Service	January 2008		
Useful Life	15		
Replacement Year	2023		
Remaining Life	9		

This provision is for the replacement of the wood picnic tables in the common area.

Schwindt and Company estimated 5 tables.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Wood Tables - Replacement continued...

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.

Grounds Components - Total Current Cost	\$6,000
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**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Mail Box Cover: Roof - Replacement			
Asset ID	1021	1,053 SF	@ \$1.00
	Non-Capital	Asset Cost	\$1,053.00
	Mailboxes	Percent Replacement	100%
Placed in Service	January 2011	Future Cost	\$1,602.26
Useful Life	20		
Replacement Year	2031		
Remaining Life	17		

This component funds for the replacement of the roof of the wood enclosure for the mailboxes. This assumes it is done in house.

Schwindt and Company estimated 1,053 square feet of roofing.

The cost is based on information from the Association.

The useful life assumption is 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 cost.

Mail Box Cover: Siding - Repair/Paint			
Asset ID	1032	2,000 SF	@ \$0.75
	Non-Capital	Asset Cost	\$1,500.00
	Mailboxes	Percent Replacement	100%
Placed in Service	January 2011	Future Cost	\$1,615.34
Useful Life	6		
Replacement Year	2017		
Remaining Life	3		

This component funds for the painting and repair of the siding of the hardi plank wood enclosure for the mailboxes.

Schwindt and Company estimated 1,053 square feet of siding.

The cost is based on information from the Association.

The useful life assumption is 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 cost.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Mail Box: Fence - Repair/Paint		1 Total	@ \$1,000.00
Asset ID	1033	Asset Cost	\$1,000.00
	Non-Capital	Percent Replacement	100%
	Mailboxes	Future Cost	\$1,076.89
Placed in Service	January 2011		
Useful Life	6		
Replacement Year	2017		
Remaining Life	3		

This component funds for the painting and repair of the fence at the mailboxes.

Schwindt and Company estimated 85 lineal feet of fencing.

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.

Mailboxes - Replacement		16 Each	@ \$1,200.00
Asset ID	1022	Asset Cost	\$19,200.00
	Capital	Percent Replacement	100%
	Mailboxes	Future Cost	\$37,397.76
Placed in Service	January 2011		
Useful Life	30		
Replacement Year	2041		
Remaining Life	27		

This component funds for the replacement of the mailboxes on Ponderosa Way.

Schwindt and Company estimated 16 mailboxes.

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.

Mailboxes - Total Current Cost	\$22,753
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**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Fuel Storage Shed - Replacement

		1 Total	@ \$1,000.00
Asset ID	1013	Asset Cost	\$1,000.00
	Capital	Percent Replacement	100%
Roads Dept Shop/Commons @ N. Sugar Pine Way		Future Cost	\$1,412.97
Placed in Service	January 1988		
Useful Life	40		
Replacement Year	2028		
Remaining Life	14		

This component is for the repair and replacement of the metal fuel (gasoline) storage shed.

The cost estimate is per the Association.

The useful life assumption is 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 cost.

Garage/Storage: Metal Roof - Replacement

		2,340 SF	@ \$2.60
Asset ID	1035	Asset Cost	\$6,084.00
	Capital	Percent Replacement	100%
Roads Dept Shop/Commons @ N. Sugar Pine Way		Future Cost	\$11,561.38
Placed in Service	January 2000		
Useful Life	40		
Replacement Year	2040		
Remaining Life	26		

This component funds for the replacement of the metal roof on the garage/storage area off Sugar Pine.

Schwindt and Company estimated 2,340 square feet of roofing.

The assumption is based on accepted industry estimates as established by RS Means and/or The National Construction Estimator. The cost is based on information from the Association. The Association should obtain a bid to confirm this estimate.

**The Ponderosa Pines Property Owners Association
Detail Report by Category**

Garage/Storage: Siding - Paint/Repair

		1,500 SF	@ \$2.00
Asset ID	1019	Asset Cost	\$3,000.00
	Capital	Percent Replacement	100%
Roads Dept Shop/Commons @ N. Sugar Pine Way		Future Cost	\$3,394.22
Placed in Service	January 2013		
Useful Life	6		
Replacement Year	2019		
Remaining Life	5		

This component funds for the painting and repair of the garage/storage area off Sugar Pine.

Schwindt and Company estimated 1,500 square feet of siding.

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.

Metal Shed - Replacement

		1 Total	@ \$2,000.00
Asset ID	1020	Asset Cost	\$2,000.00
	Capital	Percent Replacement	100%
Roads Dept Shop/Commons @ N. Sugar Pine Way		Future Cost	\$3,800.58
Placed in Service	January 2010		
Useful Life	30		
Replacement Year	2040		
Remaining Life	26		

This component funds for the replacement of the 12x24 metal shed off Sugar Pine. This is used to store equipment.

According to the Association, this was purchased in 2010 for \$1,000.

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 cost.

**Roads Dept Shop/Commons @ N. Sugar Pine Way
Total Current Cost**

\$12,084

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

Terms and Definitions

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 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.

FUNDING GOALS: Independent of 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 which 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 which 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 performance of field work 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.