

NEW COLUMBIA OWNERS ASSOCIATION
MAINTENANCE PLAN UPDATE
RESERVE STUDY UPDATE
LEVEL III: UPDATE WITH NO VISUAL SITE INSPECTION
2012

DRAFT

NEW COLUMBIA OWNERS ASSOCIATION

Executive Summary

Year of Report:

January 1, 2012 to December 31, 2012

Number of Units:

854 Units

Parameters:

Beginning Balance: \$165,000

Year 2012 Suggested Contribution: \$76,500

Year 2012 Projected Interest Earned: \$108

Inflation: 2.5%

Annual Increase to Suggested Contribution: 3.5%

Lowest Cash Balance Over 30 Years (Threshold): \$57,432

Average Reserve Assessment per Unit: \$7.46

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Prior Year's Actual Contribution: \$74,329

**New Columbia Owners Association
Maintenance Plan Update
Reserve Study Update
Disclosure Information
2012**

We have conducted a reserve study update and maintenance plan update for the New Columbia Owners Association for the year beginning January 1, 2012 in accordance with guidelines established by Community Associations Institute and the American Institute of Certified Public Accountants.

This Reserve Study Update and Maintenance Plan Update is in compliance with the legislative changes made in 2007 to ORS Chapters 94 and 100.

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

Article IV, Section 4.10.1.1 of the Association's Declaration states, "the Association shall be responsible for maintenance and repair of the Common Areas (including all improvements and any utilities thereon, to the extent such utilities are not maintained by governmental authorities). Maintenance of the Common Areas shall include maintaining, repairing, and replacing of grass, sod, trees, shrubs, and bushes in a neat, clean, and attractive condition and the maintenance and repair of all underground sprinkler systems."

Article IV, Section 4.10.1.2 of the Association's Declaration states, "In connection with the Conditions of Approval, as defined in Section 7.12.1, the Declarant has entered into, or will be entering into, maintenance agreements with the City of Portland for operation and maintenance of portions of the Property. Declarant may, at its election and from time to time, assign any or all such maintenance agreements to the Association and the Association shall accept such assignment without condition, shall faithfully perform all of its obligations thereunder, and shall indemnify Declarant from any claim, cause of action, damage, cost, or expense arising from the Association's performance under such maintenance agreement. Until such time as the operation and maintenance agreements are assigned to the Association, Declarant hereby reserves the right to enter any Lot or Common Area to perform any activity Declarant deems necessary to its performance under such agreements."

Article 7, Section 7.6 of the Association's Declaration states, "Each Owner shall maintain such Owner's Lot(s) and improvements thereon in a clean and attractive condition, in good repair and in such fashion as not to create a fire hazard. Such maintenance shall include, without limitation, painting, repair, replacement and care for roofs, gutters, downspouts, exterior building surfaces, walks and other exterior improvements and glass surfaces. In addition, each Owner shall keep all shrubs, trees, grass and plantings of every kind on such Owner's Lot neatly trimmed, properly cultivated and free of trash, weeds and other unsightly material. Damage caused by fire, flood, storm, earthquake, riot, vandalism, or other causes shall likewise be the responsibility of each Owner and shall be repaired within a reasonable period of time."

Article XII, Section 12.1 of the Association's Bylaws states, "The necessary work to maintain, repair or replace any improvements on the New Columbia Common Areas shall be the responsibility of the Association. The Association shall have the right, to be exercised by the Board of Directors, to have access to each Lot as may be necessary for the maintenance, repair or replacement of any improvements on the New Columbia Common Areas to make emergency repairs necessary for the public safety, or to abate any nuisance existing in any residence."

Assumptions used for inflation, interest, and other factors are detailed on page 1-2. Income tax factors were not considered due variables 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.

All information regarding the useful lives and costs of reserve components were derived by the vendors, the Association's prior reserve study provided by Donna Kelly of Housing Authority of Portland, and various construction pricing and scheduling manuals.

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.

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.

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

This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require both homeowners and multi-family building owners to pay a special assessment their share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component.

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New Columbia Owners Association

Portland, Oregon

Category Detail Index

Asset ID	Description	Replacement	Page
Grounds Components			
1005	Alleys - Storm Drain Pavers	2055	1-11
1031	Alleys - Storm Drain Pavers - Maintenance	2016	1-11
1009	Alleys Concrete Sidewalk - Partial Replacement	2028	1-12
1030	Concrete Pavement - Maintenance	2012	1-12
1006	Concrete Sidewalk Partial Replacement - Block 19..	2028	1-13
1007	Concrete Sidewalk Partial Replacement - Block 20..	2028	1-14
1008	Concrete Sidewalk Partial Replacement - Other co..	2028	1-14
1010	Concrete Sidewalk Partial Replacement - Pedestria..	2028	1-15
1033	Irrigation System Upgrades I	2013	1-16
1034	Irrigation System Upgrades II	2014	1-16
Common Area Lighting			
1002	Exterior Lights - Pole only	2025	1-18
1003	Exterior Lights Electrical - Ballasts	2020	1-18
Asphalt Pavement			
1028	Alleys - Asphalt - Overlay	2031	1-20
1029	Alleys - Asphalt - Seal Coat (I)	2013	1-20
1032	Alleys - Asphalt - Seal Coat (II)	2038	1-21
Park & Playground Equipment			
1015	Pocket Park - Picnic Tables	2012	1-23
1021	Pocket Park - Argo	2030	1-23
1020	Pocket Park - Bellatrix	2030	1-24
1014	Pocket Park - Benches	2012	1-24
1016	Pocket Park - Decorative Metal Fence	2025	1-25
1023	Pocket Park - Double Shifter	2030	1-25
1025	Pocket Park - Homestead	2030	1-26
1018	Pocket Park - Play Structure	2030	1-26
1017	Pocket Park - Rubber Tiles	2025	1-27
1026	Pocket Park - Satellite Binocular	2030	1-27
1019	Pocket Park - Spica	2030	1-28
1022	Pocket Park - Supernova	2030	1-28
1024	Pocket Park - Triple Shifter	2030	1-29
1027	Pocket Park - Ziggy	2030	1-29
	Total Funded Assets	29	
	Total Unfunded Assets	<u>0</u>	
	Total Assets	29	

NEW COLUMBIA OWNERS ASSOCIATION

MAINTENANCE PLAN UPDATE

2012

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**New Columbia 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.

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**New Columbia Owners Association
Maintenance Plan Update
2012**

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.

Landscape Irrigation System Upgrades

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

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

Lawn irrigation systems also require periodic testing to insure proper operation. Sometimes this testing is mandated by ordinance or building codes. All such testing and any routine maintenance is assumed to be included in the operating budget.

All work on lawn irrigation systems must be performed by licensed contractors who specialize in this type of work.

The irrigation system is maintained by Rob Hamrick of TruGreen.

According to Rob, the clock and software for the irrigation system will need upgrades and/or replacement in 2014 for \$72,000.

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

Frequency: Every 10 years, beginning in 2014

Playground Equipment Maintenance

The playground equipment should be visually inspected each year to check for loose or broken parts. Particular attention should be paid to any item which may present a safety hazard when children are playing on or around the equipment. Repair of any defective conditions should be completed immediately to insure safe operation and maximum useful life of these components.

Other maintenance to be expected will include cleaning, lubricating and touch up painting of exposed, painted surfaces to prevent rust and surface oxidation.

This work should be performed periodically throughout the year.

The expense for this maintenance is assumed to be included in the annual operating budget for the Association.

Frequency: Annually.

Lighting: Exterior – Inspection/Maintenance

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

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

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

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

Repairs and inspections should be completed by a qualified professional.

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

Frequency: Bi-Weekly

Concrete Pavement Maintenance

Maintenance of the concrete pavement will include cleaning and pressure washing the exposed surfaces to maintain appearances and to insure that the walking surfaces are free of slippery surface deposits that may create a safety hazard.

Cracks caused by settling or heaving of the ground should be examined and repaired to insure that no trip hazard is present on the walking surfaces. These cracks should be filled with a suitable concrete patching compound to prevent water intrusion below the surface of the concrete which can undermine the integrity of the base material, thereby causing further settling.

This cost is included in the reserve study as Concrete Pavement – Maintenance.

Frequency: Every 4 years, beginning in 2012

Asphalt Seal Coating – Alleys

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

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

This maintenance procedure involves thoroughly cleaning all pavements, filling of any surface cracks and patching of any locally damaged pavement surfaces. The emulsion sealer is then applied, typically with a vehicle mounted spraying system or for small areas a roller application is sometimes used.

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

This work should be performed by a licensed paving contractor.

This cost is included in the reserve study as Alleys – Asphalt – Seal Coating.

Frequency: Every 7 years beginning in 2013

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

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NEW COLUMBIA OWNERS ASSOCIATION
RESERVE STUDY UPDATE
LEVEL III: UPDATE WITH NO VISUAL SITE INSPECTION
2012

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New Columbia Owners Association Property Description

New Columbia Owners Association is a Planned Unit Development (P.U.D.) that manages and maintains land and improvements for the owners of dwellings within the New Columbia development. The property is located in Portland, Oregon and was constructed in the year 2005. The Association is not responsible for the maintenance, repair and replacement of any part of the individual unit owners home or improvements on their private property.

The Association will maintain a variety of infrastructure improvements including but not limited to asphalt and concrete pavement, common area lighting, park areas and playground equipment and the lawn irrigation system.

The individual homeowners are responsible for all maintenance and repair of their homes.

This study uses information supplied by the Association's prior reserve study provided by Donna Kelly of Housing Authority of Portland in 2006, vendors, and various construction pricing and scheduling manuals to determine useful lives and replacement costs.

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 the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future funding needs.

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

New Columbia Owners Association
 Portland, Oregon
Cash Flow Method - Threshold Funding Model Summary

Report Date	November 14, 2011
Account Number	2NEWCO
Budget Year Beginning	January 01, 2012
Budget Year Ending	December 31, 2012
Total Units	854

<i>Report Parameters</i>	
Inflation	2.50%
Annual Assessment Increase	3.50%
Interest Rate on Reserve Deposit	0.10%
Tax Rate on Interest	0.00%
Contingency	0.00%
2012 Beginning Balance	\$165,000.00

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. It is assumed that the threshold method is funded with a positive threshold balance, therefore, "fully reserved."
- The following items were not included in the analysis because they have useful lives greater than 30 years: *grading/drainage, foundation/footings, sanitary sewage and storm drains, telephone, cable, and Internet lines.*
- *This funding scenario begins with an initial contribution of \$76,500 in 2012 and increases 3.50% each year to for the remaining years of the study.* A minimum balance of \$57,432 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.

Cash Flow Method - Threshold Funding Model Summary of Calculations

Required Monthly Contribution	\$6,375.00
<i>\$7.46 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$8.97</u>
Total Monthly Allocation to Reserves	\$6,383.97
<i>\$7.48 per unit monthly</i>	

New Columbia Owners Association
 Portland, Oregon
Cash Flow Method - Threshold Funding Model Projection

Beginning Balance: \$165,000

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves
2012	76,500	108	98,822	142,786
2013	79,177	65	121,127	100,901
2014	81,949	105	40,126	142,829
2015	84,817	189		227,835
2016	87,786	215	60,369	255,467
2017	90,858	305		346,629
2018	94,038	398		441,065
2019	97,329	422	71,656	467,160
2020	100,736	329	193,219	375,006
2021	104,262	432		479,699
2022	107,911	538		588,149
2023	111,688	599	50,112	650,323
2024	115,597	610	103,197	663,334
2025	119,643	482	246,640	536,818
2026	123,830	496	107,998	553,146
2027	128,164	623		681,933
2028	132,650	410	343,551	471,443
2029	137,293	546		609,281
2030	142,098	398	288,731	463,046
2031	147,071		552,685	57,432
2032	152,219	77	63,152	146,575
2033	157,547	67	165,396	138,792
2034	163,061	161	65,751	236,264
2035	168,768	257	70,697	334,592
2036	174,675	330	98,921	410,676
2037	180,788	509		591,973
2038	187,116	527	166,694	612,922
2039	193,665	718		807,305
2040	200,443	719	197,298	811,169
2041	207,459	924		1,019,551

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Grounds Components								
Alleys - Storm Drain Pavers	2005	2055	50	0	43	3,350 SF	27.69	92,761
Alleys - Storm Drain Pavers - Maintenance	2005	2016	10	1	4	1 TOTAL	16,151.05	16,151
Alleys Concrete Sidewalk - Partial Replace..	2005	2028	25	-2	16	6,660 SF	10.25	68,265
Concrete Pavement - Maintenance	2005	2012	4	3	0	94,000 SF	0.41	38,540
Concrete Sidewalk Partial Replacement - B..	2005	2028	25	-2	16	780 SF	10.25	7,995
Concrete Sidewalk Partial Replacement - B..	2005	2028	25	-2	16	1,080 SF	10.25	11,070
Concrete Sidewalk Partial Replacement - ..	2005	2028	25	-2	16	7,090 SF	10.25	72,672
Concrete Sidewalk Partial Replacement - P..	2005	2028	25	-2	16	3,208 SF	10.25	32,882
Irrigation System Upgrades I	2005	2013	10	-2	1	1 Total	76,384.80	38,192
Irrigation System Upgrades II	2005	2014	10	-1	2	1 Total	76,384.80	38,192
Grounds Components - Total								\$416,722
Common Area Lighting								
Exterior Lights - Pole only	2005	2025	20	0	13	20 Each	904.24	18,808
Exterior Lights Electrical - Ballasts	2005	2020	15	0	8	288 Each	139.11	40,064
Common Area Lighting - Total								\$58,872
Asphalt Pavement								
Alleys - Asphalt - Overlay	2005	2031	25	1	19	258,000 SF	1.34	345,720
Alleys - Asphalt - Seal Coat (I)	2005	2013	7	1	1	258,000 SF	0.31	79,980
Alleys - Asphalt - Seal Coat (II)	2031	2038	7	7	26	258,000 SF	0.34	87,720
Asphalt Pavement - Total								\$513,420
Park & Playground Equipment								
Pocket - Picnic Tables	2005	2012	7	0	0	10 EA	3,014.11	30,141
Pocket Park - Argo	2005	2030	25	0	18	1 EA	4,521.16	4,521
Pocket Park - Bellatrix	2005	2030	25	0	18	1 EA	34,894.15	34,894
Pocket Park - Benches	2005	2012	7	0	0	20 EA	1,507.05	30,141
Pocket Park - Decorative Metal Fence	2005	2025	20	0	13	60 LF	60.29	3,617
Pocket Park - Double Shifter	2005	2030	25	0	18	1 EA	8,926.41	8,926
Pocket Park - Homestead	2005	2030	25	0	18	1 EA	25,098.29	25,098
Pocket Park - Play Structure	2005	2030	25	0	18	2 EA	39,415.32	78,831
Pocket Park - Rubber Tiles	2005	2025	20	0	13	10,800 SF	14.49	156,492
Pocket Park - Satellite Binocular	2005	2030	25	0	18	1 EA	2,254.78	2,255
Pocket Park - Spica	2005	2030	25	0	18	4 EA	3,182.21	12,729
Pocket Park - Supernova	2005	2030	25	0	18	1 EA	7,123.74	7,124
Pocket Park - Triple Shifter	2005	2030	25	0	18	1 EA	8,630.79	8,631
Pocket Park - Ziggy	2005	2030	25	0	18	1 EA	2,115.67	2,116
Park & Playground Equipment - Total								\$405,516
Total Asset Summary								\$1,394,530

New Columbia Owners Association
Portland, Oregon
Component Summary By Group

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Capital								
Alleys - Asphalt - Overlay	2005	2031	25	1	19	258,000 SF	1.34	345,720
Alleys - Storm Drain Pavers	2005	2055	50	0	43	3,350 SF	27.69	92,761
Alleys Concrete Sidewalk - Partial Replace..	2005	2028	25	-2	16	6,660 SF	10.25	68,265
Concrete Sidewalk Partial Replacement - B..	2005	2028	25	-2	16	780 SF	10.25	7,995
Concrete Sidewalk Partial Replacement - B..	2005	2028	25	-2	16	1,080 SF	10.25	11,070
Concrete Sidewalk Partial Replacement - ..	2005	2028	25	-2	16	7,090 SF	10.25	72,672
Concrete Sidewalk Partial Replacement - P..	2005	2028	25	-2	16	3,208 SF	10.25	32,882
Exterior Lights - Pole only	2005	2025	20	0	13	20 Each	904.24	18,808
Exterior Lights Electrical - Ballasts	2005	2020	15	0	8	288 Each	139.11	40,064
Irrigation System Upgrades I	2005	2013	10	-2	1	1 Total	76,384.80	38,192
Irrigation System Upgrades II	2005	2014	10	-1	2	1 Total	76,384.80	38,192
Pocket - Picnic Tables	2005	2012	7	0	0	10 EA	3,014.11	30,141
Pocket Park - Argo	2005	2030	25	0	18	1 EA	4,521.16	4,521
Pocket Park - Bellatrix	2005	2030	25	0	18	1 EA	34,894.15	34,894
Pocket Park - Benches	2005	2012	7	0	0	20 EA	1,507.05	30,141
Pocket Park - Decorative Metal Fence	2005	2025	20	0	13	60 LF	60.29	3,617
Pocket Park - Double Shifter	2005	2030	25	0	18	1 EA	8,926.41	8,926
Pocket Park - Homestead	2005	2030	25	0	18	1 EA	25,098.29	25,098
Pocket Park - Play Structure	2005	2030	25	0	18	2 EA	39,415.32	78,831
Pocket Park - Rubber Tiles	2005	2025	20	0	13	10,800 SF	14.49	156,492
Pocket Park - Satellite Binocular	2005	2030	25	0	18	1 EA	2,254.78	2,255
Pocket Park - Spica	2005	2030	25	0	18	4 EA	3,182.21	12,729
Pocket Park - Supernova	2005	2030	25	0	18	1 EA	7,123.74	7,124
Pocket Park - Triple Shifter	2005	2030	25	0	18	1 EA	8,630.79	8,631
Pocket Park - Ziggy	2005	2030	25	0	18	1 EA	2,115.67	2,116
Capital - Total								\$1,172,139
Non-Capital								
Alleys - Asphalt - Seal Coat (I)	2005	2013	7	1	1	258,000 SF	0.31	79,980
Alleys - Asphalt - Seal Coat (II)	2031	2038	7	7	26	258,000 SF	0.34	87,720
Alleys - Storm Drain Pavers - Maintenance	2005	2016	10	1	4	1 TOTAL	16,151.05	16,151
Concrete Pavement - Maintenance	2005	2012	4	3	0	94,000 SF	0.41	38,540
Non-Capital - Total								\$222,391
Total Asset Summary								\$1,394,530

Description	Remaining Life	Beginning Balance	Assessment Distributed	Interest Distributed	Expenditures	Ending Balance
Grounds Components						
Concrete Pavement - Maintenance	0	33,074	5,459	8	38,540	0
Irrigation System Upgrades I	1	6,073	4,733	7		10,813
Irrigation System Upgrades II	2	5,398	4,207	6		9,611
Alleys - Storm Drain Pavers - Maintenance	4	1,868	1,456	2		3,325
Alleys Concrete Sidewalk - Partial Replace..	16	3,775	2,943	4		6,722
Concrete Sidewalk Partial Replacement - B..	16	442	345			787
Concrete Sidewalk Partial Replacement - B..	16	612	477	1		1,090
Concrete Sidewalk Partial Replacement - ..	16	4,019	3,133	4		7,156
Concrete Sidewalk Partial Replacement - P..	16	1,819	1,417	2		3,238
Alleys - Storm Drain Pavers	43	<u>2,360</u>	<u>1,839</u>	<u>3</u>		<u>4,202</u>
Grounds Components - Total		\$59,440	\$26,008	\$37	\$38,540	\$46,945
Common Area Lighting						
Exterior Lights Electrical - Ballasts	8	3,398	2,648	4		6,049
Exterior Lights - Pole only	13	<u>1,196</u>	<u>932</u>	<u>1</u>		<u>2,130</u>
Common Area Lighting - Total		\$4,594	\$3,580	\$5		\$8,179
Asphalt Pavement						
Alleys - Asphalt - Seal Coat (I)	1	12,717	9,912	14		22,643
Alleys - Asphalt - Overlay	19	16,914	13,183	19		30,116
Alleys - Asphalt - Seal Coat (II)	26					0
Asphalt Pavement - Total		<u>\$29,631</u>	<u>\$23,095</u>	<u>\$33</u>		<u>\$52,759</u>
Park & Playground Equipment						
Pocket - Picnic Tables	0	25,866	4,269	6	30,141	0
Pocket Park - Benches	0	25,866	4,269	6	30,141	0
Pocket Park - Decorative Metal Fence	13	230	179			410
Pocket Park - Rubber Tiles	13	9,953	7,758	11		17,722
Pocket Park - Argo	18	230	179			410
Pocket Park - Bellatrix	18	1,775	1,384	2		3,161
Pocket Park - Double Shifter	18	454	354			809
Pocket Park - Homestead	18	1,277	995	1		2,274
Pocket Park - Play Structure	18	4,011	3,126	4		7,142
Pocket Park - Satellite Binocular	18	115	89			204
Pocket Park - Spica	18	648	505	1		1,153
Pocket Park - Supernova	18	362	283			645
Pocket Park - Triple Shifter	18	439	342			782
Pocket Park - Ziggy	18	<u>108</u>	<u>84</u>			<u>192</u>
Park & Playground Equipment - Total		\$71,335	\$23,816	\$34	\$60,282	\$34,903
Grand - Total		<u>\$165,000</u>	<u>\$76,500</u>	<u>\$108</u>	<u>\$98,822</u>	<u>\$142,786</u>

**New Columbia Owners Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2012	
Concrete Pavement - Maintenance	38,540
Pocket - Picnic Tables	30,141
Pocket Park - Benches	30,141
Total for 2012	<u>\$98,822</u>
Replacement Year 2013	
Alleys - Asphalt - Seal Coat (I)	81,979
Irrigation System Upgrades I	39,147
Total for 2013	<u>\$121,127</u>
Replacement Year 2014	
Irrigation System Upgrades II	40,126
Total for 2014	<u>\$40,126</u>
<i>No Replacement in 2015</i>	
Replacement Year 2016	
Alleys - Storm Drain Pavers - Maintenance	17,828
Concrete Pavement - Maintenance	42,541
Total for 2016	<u>\$60,369</u>
<i>No Replacement in 2017</i>	
<i>No Replacement in 2018</i>	
Replacement Year 2019	
Pocket - Picnic Tables	35,828
Pocket Park - Benches	35,828
Total for 2019	<u>\$71,656</u>
Replacement Year 2020	
Alleys - Asphalt - Seal Coat (I)	97,448
Concrete Pavement - Maintenance	46,957
Exterior Lights Electrical - Ballasts	48,814
Total for 2020	<u>\$193,219</u>

**New Columbia Owners Association
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2021</i>	
<i>No Replacement in 2022</i>	
Replacement Year 2023	
Irrigation System Upgrades I	50,112
Total for 2023	\$50,112
Replacement Year 2024	
Concrete Pavement - Maintenance	51,832
Irrigation System Upgrades II	51,365
Total for 2024	\$103,197
Replacement Year 2025	
Exterior Lights - Pole only	25,927
Pocket Park - Decorative Metal Fence	4,987
Pocket Park - Rubber Tiles	215,726
Total for 2025	\$246,640
Replacement Year 2026	
Alleys - Storm Drain Pavers - Maintenance	22,821
Pocket - Picnic Tables	42,589
Pocket Park - Benches	42,588
Total for 2026	\$107,998
<i>No Replacement in 2027</i>	
Replacement Year 2028	
Alleys Concrete Sidewalk - Partial Replacement	101,340
Concrete Pavement - Maintenance	57,213
Concrete Sidewalk Partial Replacement - Block 19 Common Gre..	11,869
Concrete Sidewalk Partial Replacement - Block 20 Common Gre..	16,433
Concrete Sidewalk Partial Replacement - Other common greens	107,883
Concrete Sidewalk Partial Replacement - Pedestrian Connections	48,814
Total for 2028	\$343,551
<i>No Replacement in 2029</i>	

**New Columbia Owners Association
Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2030	
Pocket Park - Argo	7,051
Pocket Park - Bellatrix	54,423
Pocket Park - Double Shifter	13,922
Pocket Park - Homestead	39,145
Pocket Park - Play Structure	122,949
Pocket Park - Satellite Binocular	3,517
Pocket Park - Spica	19,853
Pocket Park - Supernova	11,111
Pocket Park - Triple Shifter	13,461
Pocket Park - Ziggy	3,300
Total for 2030	<u>\$288,731</u>
Replacement Year 2031	
Alleys - Asphalt - Overlay	552,685
Total for 2031	<u>\$552,685</u>
Replacement Year 2032	
Concrete Pavement - Maintenance	63,152
Total for 2032	<u>\$63,152</u>
Replacement Year 2033	
Irrigation System Upgrades I	64,147
Pocket - Picnic Tables	50,624
Pocket Park - Benches	50,624
Total for 2033	<u>\$165,396</u>
Replacement Year 2034	
Irrigation System Upgrades II	65,751
Total for 2034	<u>\$65,751</u>
Replacement Year 2035	
Exterior Lights Electrical - Ballasts	70,697
Total for 2035	<u>\$70,697</u>
Replacement Year 2036	
Alleys - Storm Drain Pavers - Maintenance	29,213

**New Columbia Owners Association
Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2036 continued...</i>	
Concrete Pavement - Maintenance	69,708
Total for 2036	<u>\$98,921</u>
<i>No Replacement in 2037</i>	
Replacement Year 2038	
Alleys - Asphalt - Seal Coat (II)	166,694
Total for 2038	<u>\$166,694</u>
<i>No Replacement in 2039</i>	
Replacement Year 2040	
Concrete Pavement - Maintenance	76,945
Pocket - Picnic Tables	60,177
Pocket Park - Benches	60,176
Total for 2040	<u>\$197,298</u>

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**New Columbia Owners Association
Detail Report by Category**

Alleys - Storm Drain Pavers		3,350 SF	@ \$27.69
Asset ID	1005	Asset Cost	\$92,761.50
	Capital	Percent Replacement	100%
	Grounds Components	Future Cost	\$268,221.74
Placed in Service	July 2005		
Useful Life	50		
Replacement Year	2055		
Remaining Life	43		

This component provides funding for the replacement of the Storm Drain Pavers located in the Alleys. The New Columbia reserve study lists the useful life of the pavers at 25 years and estimates the cost to replace them at \$80,400 of \$24 per square feet.

The estimated useful life of the Storm Drain Pavers is based on the recommendations of John Manson a Senior Project Manager at the Housing Authority of Portland.

The area was provided in the Association's reserve study prior to 2007.

Alleys - Storm Drain Pavers - Maintenance		1 TOTAL	@ \$16,151.05
Asset ID	1031	Asset Cost	\$16,151.05
	Non-Capital	Percent Replacement	100%
	Grounds Components	Future Cost	\$17,827.74
Placed in Service	January 2005		
Useful Life	10		
Adjustment	1		
Replacement Year	2016		
Remaining Life	4		

This provision funds for the washing and vacuum cleaning of the Storm Drain Pavers once every 10 years.

The estimated cost and useful life of this component was provided by John Manson a Senior Project Manager at the Housing Authority of Portland.

**New Columbia Owners Association
Detail Report by Category**

Alleys Concrete Sidewalk - Partial Replacement

		33,300 SF	@ \$10.25
Asset ID	1009	Asset Cost	\$68,265.00
	Capital	Percent Replacement	20%
	Grounds Components	Future Cost	\$101,339.78
Placed in Service	July 2005		
Useful Life	25		
Adjustment	-2		
Replacement Year	2028		
Remaining Life	16		

This provision funds for the partial replacement of 20% of the concrete sidewalk portion of the alleys every 25 years.

Since the expected useful life of a typical concrete sidewalk installation is greater than 30 years, this component only provides funding for the replacement of a percentage of the total amount of sidewalk area.

The New Columbia Capital Reserve Study prior to 2007 has indicated that there are approximately 33,300 square feet (SF) of alley sidewalk area.

The cost is based on per square feet estimates provided by Coast Pavement. The Association should obtain a bid to confirm this estimate.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

Concrete Pavement - Maintenance

		94,000 SF	@ \$0.41
Asset ID	1030	Asset Cost	\$38,540.00
	Non-Capital	Percent Replacement	100%
	Grounds Components	Future Cost	\$38,540.00
Placed in Service	July 2005		
Useful Life	4		
Adjustment	3		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the periodic maintenance and repair of the concrete

**New Columbia Owners Association
Detail Report by Category**

Concrete Pavement - Maintenance continued...

pavement surfaces.

Maintenance includes cleaning the exposed surfaces areas with a light pressure washing to remove dirt, and surface deposits that may create a slip hazard and repairing of cracks to eliminate trip hazards and to prevent water intrusion below the surface of the concrete.

The cost is based on per square feet estimate provided by Verhaalen, Painting, Inc. The Association should obtain a bid to confirm this estimate.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The area was provided in the Association's reserve study prior to 2007.

Concrete Sidewalk Partial Replacement - Block 19 Common Green

		3,900 SF	@ \$10.25
Asset ID	1006	Asset Cost	\$7,995.00
	Capital	Percent Replacement	20%
	Grounds Components	Future Cost	\$11,868.62
Placed in Service	July 2005		
Useful Life	25		
Adjustment	-2		
Replacement Year	2028		
Remaining Life	16		

This provision funds for the partial replacement of 20% of the concrete sidewalks portions of the Block 19 common green every 25 years.

Since the expected useful life of a typical concrete sidewalk installation is greater than 30 years, this component only provides funding for the replacement of a percentage of the total amount of sidewalk area.

The New Columbia Capital Reserve Study has indicated that there are approximately 3,900 square feet (SF) of sidewalk area at Block 19.

The cost is based on per square feet estimates provided by Coast Pavement. The Association should obtain a bid to confirm this estimate.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

**New Columbia Owners Association
Detail Report by Category**

Concrete Sidewalk Partial Replacement - Block 20 Common Green

		5,400 SF	@ \$10.25
Asset ID	1007	Asset Cost	\$11,070.00
	Capital	Percent Replacement	20%
	Grounds Components	Future Cost	\$16,433.48
Placed in Service	July 2005		
Useful Life	25		
Adjustment	-2		
Replacement Year	2028		
Remaining Life	16		

This provision funds for the partial replacement of 20% of the concrete sidewalks portions of the Block 20 common green every 25 years.

Since the expected useful life of a typical concrete sidewalk installation is greater than 30 years, this component only provides funding for the replacement of a percentage of the total amount of sidewalk area.

The New Columbia Capital Reserve Study has indicated that there are approximately 5,400 square feet (SF) of sidewalk area at Block 20.

The cost is based on per square feet estimates provided by Coast Pavement. The Association should obtain a bid to confirm this estimate.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

Concrete Sidewalk Partial Replacement - Other common greens

		35,450 SF	@ \$10.25
Asset ID	1008	Asset Cost	\$72,672.50
	Capital	Percent Replacement	20%
	Grounds Components	Future Cost	\$107,882.73
Placed in Service	July 2005		
Useful Life	25		
Adjustment	-2		
Replacement Year	2028		
Remaining Life	16		

This provision funds for the partial replacement of 20% of the concrete sidewalks portions of

**New Columbia Owners Association
Detail Report by Category**

Concrete Sidewalk Partial Replacement - Other common greens continued...

the other common greens every 25 years.

Since the expected useful life of a typical concrete sidewalk installation is greater than 30 years, this component only provides funding for the replacement of a percentage of the total amount of sidewalk area.

The New Columbia Capital Reserve Study has indicated that there are approximately 35,450 square feet (SF) of sidewalk area at the other common greens.

The cost is based on per square feet estimates provided by Coast Pavement. The Association should obtain a bid to confirm this estimate.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

Concrete Sidewalk Partial Replacement - Pedestrian Connections

		16,040 SF	@ \$10.25
Asset ID	1010	Asset Cost	\$32,882.00
	Capital	Percent Replacement	20%
	Grounds Components	Future Cost	\$48,813.51
Placed in Service	July 2005		
Useful Life	25		
Adjustment	-2		
Replacement Year	2028		
Remaining Life	16		

This provision funds for the partial replacement of 20% of the concrete sidewalks portions of the public pedestrian connections every 25 years.

Since the expected useful life of a typical concrete sidewalk installation is greater than 30 years, this component only provides funding for the replacement of a percentage of the total amount of sidewalk area.

The New Columbia Capital Reserve Study has indicated that there are approximately 16,040 square feet (SF) of sidewalk areas at pedestrian connections.

The cost is based on per square feet estimates provided by Coast Pavement. The Association should obtain a bid to confirm this estimate.

The useful life assumption is based on estimates established on RS Means and/or the National

**New Columbia Owners Association
Detail Report by Category**

Concrete Sidewalk Partial Replacement - Pedestrian Connections continued...

Estimator.

Irrigation System Upgrades I		1 Total	@ \$76,384.80
Asset ID	1033	Asset Cost	\$38,192.40
	Capital	Percent Replacement	50%
	Grounds Components	Future Cost	\$39,147.21
Placed in Service	January 2005		
Useful Life	10		
Adjustment	-2		
Replacement Year	2013		
Remaining Life	1		

This provision provides funding for upgrades to the irrigation. The original system was installed in 2005.

The irrigation system is maintained by Rob Hamrick of TruGreen.

According to Rob, the clock and software for the irrigation system will need upgrades and or replacement in 2014 for \$72,000.

Because the original system will last approximately 9 years, a 10 years useful life is use for another upgrade. If the Association decides that the useful life should be longer, this component will need to be revised.

Irrigation System Upgrades II		1 Total	@ \$76,384.80
Asset ID	1034	Asset Cost	\$38,192.40
	Capital	Percent Replacement	50%
	Grounds Components	Future Cost	\$40,125.89
Placed in Service	January 2005		
Useful Life	10		
Adjustment	-1		
Replacement Year	2014		
Remaining Life	2		

This provision provides funding for upgrades to the irrigation. The original system was installed in 2005.

**New Columbia Owners Association
Detail Report by Category**

Irrigation System Upgrades II continued...

The irrigation system is maintained by Rob Hamrick of TruGreen.

According to Rob, the clock and software for the irrigation system will need upgrades and or replacement in 2014 for \$72,000.

Because the original system will last approximately 9 years, a 10 years useful life is use for another upgrade. If the Association decides that the useful life should be longer, this component will need to be revised.

Grounds Components - Total Current Cost \$416,722

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**New Columbia Owners Association
Detail Report by Category**

Exterior Lights - Pole only		208 Each	@ \$904.24
Asset ID	1002	Asset Cost	\$18,808.19
	Capital	Percent Replacement	10%
	Common Area Lighting	Future Cost	\$25,927.30
Placed in Service	July 2005		
Useful Life	20		
Replacement Year	2025		
Remaining Life	13		

This provision funds for the partial replacement of exterior common area lighting poles. The expected useful life of the component is greater than the scope of this reserve study. This provision is a contingency for replacement of the poles due to accidents or vandalism.

Note: This component provides funding for the poles only, one of three parts included in the common area lighting.

The New Columbia Reserve Study provided by Donna Kelley provided a quantity of 208 light poles.

The estimated cost to replace the poles was taken from the New Columbia Reserve Study. The Association should obtain a bid to confirm this estimate.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

Exterior Lights Electrical - Ballasts		288 Each	@ \$139.11
Asset ID	1003	Asset Cost	\$40,063.68
	Capital	Percent Replacement	100%
	Common Area Lighting	Future Cost	\$48,813.70
Placed in Service	July 2005		
Useful Life	15		
Replacement Year	2020		
Remaining Life	8		

This component provides funding for the replacement of exterior common area lighting ballasts.

The New Columbia Reserve Study lists the useful life of the ballasts at 60,000 of continuous use, assuming that the lights should only be on 50% of the time, it was calculated to give them a useful life of 14 years.

**New Columbia Owners Association
Detail Report by Category**

Exterior Lights Electrical - Ballasts continued...

The New Columbia Reserve Study provided by Donna Kelley provided a quantity of 288 ballasts light.

Note: This component provides funding for the ballasts only.

The cost to replace the ballasts is based on an estimate provided by John Manson a Senior Project Manager at the Housing Authority of Portland.

Common Area Lighting - Total Current Cost **\$58,872**

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**New Columbia Owners Association
Detail Report by Category**

Alleys - Asphalt - Overlay		258,000 SF	@ \$1.34
Asset ID	1028	Asset Cost	\$345,720.00
	Capital	Percent Replacement	100%
	Asphalt Pavement	Future Cost	\$552,685.34
Placed in Service	July 2005		
Useful Life	25		
Adjustment	1		
Replacement Year	2031		
Remaining Life	19		

This component provides funding for asphalt overlay.

Area was provided in the Association's reserve study prior to 2007.

The cost is based on per square feet estimates provided by Coast Pavement. The Association should obtain a bid to confirm this estimate.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

Alleys - Asphalt - Seal Coat (I)		258,000 SF	@ \$0.31
Asset ID	1029	Asset Cost	\$79,980.00
	Non-Capital	Percent Replacement	100%
	Asphalt Pavement	Future Cost	\$81,979.50
Placed in Service	July 2005		
Useful Life	7		
Adjustment	1		
Replacement Year	2013		
Remaining Life	1		

Maintenance of asphalt paving includes the periodic application of an asphalt emulsion sealer or "seal coat" as it is commonly known. This procedure is typically performed every 4-7 years depending on a variety of factors that can affect the useful life of the sealer.

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

This maintenance procedure involves thoroughly cleaning all pavements, filling of any surface cracks and patching of any locally damaged pavement surfaces. The emulsion sealer is then applied, typically with a vehicle mounted spraying system or for small areas a roller

**New Columbia Owners Association
Detail Report by Category**

Alleys - Asphalt - Seal Coat (I) continued...

application is sometimes used. Asphalt contractors recommend seal coating immediately after performing an overlay (skim coat). This will help insure the prevention of water penetration which can lead to damage and deterioration.

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

The cost is based on per square feet estimates provided by Coast Pavement. The Association should obtain a bid to confirm this estimate.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

Area was provided in the Association's reserve study prior to 2007.

Alleys - Asphalt - Seal Coat (II)		258,000 SF	@ \$0.34
Asset ID	1032	Asset Cost	\$87,720.00
	Non-Capital	Percent Replacement	100%
	Asphalt Pavement	Future Cost	\$166,693.67
Placed in Service	July 2031		
Useful Life	7		
Adjustment	7		
Replacement Year	2038		
Remaining Life	26		

This provision provides funding for seal coating of the asphalt alleys every 7 years after the overlay scheduled in the year 2031.

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

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

This maintenance procedure involves thoroughly cleaning all pavements filling of any surface cracks and patching of any locally damaged pavement surfaces. The emulsion sealer is then applied, typically with a vehicle mounted spraying system or for small areas a roller application is sometimes used. Asphalt contractors recommend seal coating immediately after performing an overlay (skim coat). This will help insure the prevention of water penetration

**New Columbia Owners Association
Detail Report by Category**

Alleys - Asphalt - Seal Coat (II) continued...

which can lead to damage and deterioration.

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

The cost is based on per square feet estimates provided by Coast Pavement. The Association should obtain a bid to confirm this estimate.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The area was provided in the Association's reserve study prior to 2007.

Asphalt Pavement - Total Current Cost **\$513,420**

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**New Columbia Owners Association
Detail Report by Category**

Pocket - Picnic Tables		10 EA	@ \$3,014.11
Asset ID	1015	Asset Cost	\$30,141.10
	Capital	Percent Replacement	100%
	Park & Playground Equipment	Future Cost	\$30,141.10
Placed in Service	July 2005		
Useful Life	7		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the replacement of the picnic tables located in Pocket Park

According to the Association, some picnic tables are damaged and will need replacement in 2012.

The New Columbia Reserve Study provided by Donna Kelley provided an estimated cost of \$26,000 to replace these picnic tables. There are 10 picnic tables.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

Pocket Park - Argo		1 EA	@ \$4,521.16
Asset ID	1021	Asset Cost	\$4,521.16
	Capital	Percent Replacement	100%
	Park & Playground Equipment	Future Cost	\$7,051.47
Placed in Service	July 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	18		

This component provides funding for the replacement of the Argo piece of the Kompan Play Equipment located in Pocket Park.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The New Columbia Reserve Study provided by Donna Kelley provided a cost of \$3,900 to replace the argo.

**New Columbia Owners Association
Detail Report by Category**

Pocket Park - Bellatrix		1 EA	@ \$34,894.15
Asset ID	1020	Asset Cost	\$34,894.15
	Capital	Percent Replacement	100%
	Park & Playground Equipment	Future Cost	\$54,422.96
Placed in Service	July 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	18		

This component provides funding for the replacement of the Bellatrix piece of the Kompan Play Equipment located in Pocket Park.

The New Columbia Reserve Study provided by Donna Kelley provided an estimated cost of \$30,100 to replace Bellatrix piece.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

Pocket Park - Benches		20 EA	@ \$1,507.05
Asset ID	1014	Asset Cost	\$30,141.00
	Capital	Percent Replacement	100%
	Park & Playground Equipment	Future Cost	\$30,141.00
Placed in Service	July 2005		
Useful Life	7		
Replacement Year	2012		
Remaining Life	0		

This component provides funding for the replacement of the benches located in Pocket Park.

According to the Association, some benches will need replacement in 2012.

The New Columbia Reserve Study provided by Donna Kelley provided an estimated cost of \$26,000 to replace benches.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

**New Columbia Owners Association
Detail Report by Category**

Pocket Park - Decorative Metal Fence		60 LF	@ \$60.29
Asset ID	1016	Asset Cost	\$3,617.40
	Capital	Percent Replacement	100%
Park & Playground Equipment		Future Cost	\$4,986.63
Placed in Service	July 2005		
Useful Life	20		
Replacement Year	2025		
Remaining Life	13		

This component provides funding for the replacement of the decorative metal fence located in Pocket Park.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The New Columbia Reserve Study provided by Donna Kelley provided an area of 60 lineal feet with an estimated cost of \$52 per lineal feet to replace the fence.

Pocket Park - Double Shifter		1 EA	@ \$8,926.41
Asset ID	1023	Asset Cost	\$8,926.41
	Capital	Percent Replacement	100%
Park & Playground Equipment		Future Cost	\$13,922.15
Placed in Service	July 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	18		

This component provides funding for the replacement of the Double Shifter piece of the Kompan Play Equipment located in Pocket Park.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The New Columbia Reserve Study provided by Donna Kelley provided an estimated cost of \$7,700 to replace the double shifter.

**New Columbia Owners Association
Detail Report by Category**

Pocket Park - Homestead		1 EA	@ \$25,098.29
Asset ID	1025	Asset Cost	\$25,098.29
	Capital	Percent Replacement	100%
	Park & Playground Equipment	Future Cost	\$39,144.77
Placed in Service	July 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	18		

This component provides funding for the replacement of the Homestead piece of the Kompan Play Equipment located in Pocket Park.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The New Columbia Reserve Study provided by Donna Kelley provided an estimated cost of \$21,650 to replace the homestead piece.

Pocket Park - Play Structure		2 EA	@ \$39,415.32
Asset ID	1018	Asset Cost	\$78,830.64
	Capital	Percent Replacement	100%
	Park & Playground Equipment	Future Cost	\$122,948.89
Placed in Service	July 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	18		

This component provides funding for the replacement of the play structure piece of the Hags Play Equipment located in Pocket Park.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The New Columbia Reserve Study provided by Donna Kelley provided a quantity of 2 play structure. An estimated cost of \$68,000 was provided to replace the two play structures.

**New Columbia Owners Association
Detail Report by Category**

Pocket Park - Rubber Tiles		10,800 SF	@ \$14.49
Asset ID	1017	Asset Cost	\$156,492.00
	Capital	Percent Replacement	100%
Park & Playground Equipment		Future Cost	\$215,725.95
Placed in Service	July 2005		
Useful Life	20		
Replacement Year	2025		
Remaining Life	13		

This component provides funding for the replacement of the rubber tiles located in Pocket Park.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The New Columbia Reserve Study provided by Donna Kelley provided an area of 10,800 square feet of rubber tiles. An estimated cost of \$12.50 per square feet was provided to replace the rubber tiles.

Pocket Park - Satellite Binocular		1 EA	@ \$2,254.78
Asset ID	1026	Asset Cost	\$2,254.78
	Capital	Percent Replacement	100%
Park & Playground Equipment		Future Cost	\$3,516.69
Placed in Service	July 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	18		

This component provides funding for the replacement of the Satellite Binocular piece of the Kompan Play Equipment located in Pocket Park.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The New Columbia Reserve Study provided by Donna Kelley provided a cost of \$1,945 to replace the satellite binocular.

**New Columbia Owners Association
Detail Report by Category**

Pocket Park - Spica		4 EA	@ \$3,182.21
Asset ID	1019	Asset Cost	\$12,728.84
	Capital	Percent Replacement	100%
	Park & Playground Equipment	Future Cost	\$19,852.65
Placed in Service	July 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	18		

This component provides funding for the replacement of the Spica piece of the Kompan Play Equipment located in Pocket Park.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The New Columbia Reserve Study provided by Donna Kelley a quantity of four spica. An estimated cost of \$2,745 was provided to replace each spica.

Pocket Park - Supernova		1 EA	@ \$7,123.74
Asset ID	1022	Asset Cost	\$7,123.74
	Capital	Percent Replacement	100%
	Park & Playground Equipment	Future Cost	\$11,110.60
Placed in Service	July 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	18		

This component provides funding for the replacement of the Super Nova piece of the Kompan Play Equipment located in Pocket Park.

The useful life assumption is based on estimates established on RS Means and/or the National Estimator.

The New Columbia Reserve Study provided by Donna Kelley provided a cost of \$6,145 to replace the supernova.

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.

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