

5116 Heather Drive  
Anacortes, WA 98221  
360.588.9956

# Funding Reserve Analysis *for* Glenhaven Lakes Club - Water System Level 3a Study 2024

August 20, 2024



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360.588.9956

August 20, 2024

Ms. Bekki Dodd  
Board of Directors  
664 Rainbow Drive  
Sedro Woolley WA 98284

Dear Ms. Bekki Dodd,

### **Introduction**

First, we would like to thank you for utilizing our services. Our approach is to provide the members, the board and management with understandable information to make informed decisions needed to best manage your reserve fund and annual contributions. We strive to understand the association's needs and design a funding strategy for meeting those needs based on a realistic approach to finances available and real-world workings of most associations. We live and work in the local area and work hard to keep up to date with costs in your association's neighborhood.

### **Included within the following pages you will find:**

Three funding models which detail how your association finances will look during the 30-year forecast window.

- Current Level of Contributions
- Baseline Funded
- Fully Funded (per the State of Washington RCW 64.34.380)

A list of the community components that the association is responsible for maintaining.

- Estimated current cost of replacement of each component.
- Timeline of estimated remaining life and estimated cost at replacement date per component.

Annual expenditure detail.

Expenses by item and by calendar year.

Average deficit or surplus from a Fully Funded Balance for the association and per member in dollar amount and percentage (based on equal percentage ownership for all units). This amount is calculated by subtracting the association's reserve account balance as of the date of the study (*Budget Year Beginning Date*) from the Fully Funded Balance. Also included is the same calculated amounts as projected at the end of the each study year (*Budget Year Ending Date*).

**What is our Recommended Funding Goal?** Maintaining the Reserve Fund at a level equal to the value of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up", the Reserve Fund grows proportionally. This is simple, responsible, and our recommendation.

Evidence shows that associations in the:

- 0-50% range are considered in **Poor** condition and at a high risk of special assessments or deferred maintenance.
- 60-80% range are considered in **Good** condition and should strive to gradually increase reserves.
- 90-130% range are considered in **Excellent** condition and enjoy a low risk of special assessments or deferred maintenance.

The attached funding study is limited in scope to those expense items listed in the attached Expense Detail Report. Expense items which have an expected life of more than 30 Years are not included in this reserve study unless payment for these long-lived items overlaps the 30 Years reserve study envelope.

# Glenhaven Lakes Club - Water System Level 3a Study 2024

## Executive Summary

Name Location Contributing Members Year Built Fiscal Year Ends		Glenhaven Lakes Club - Water System Level 3a Study 2024 Sedro Woolley, WA 756 1965 2024
Depth of Study Date of Study Last On-Site Inspection Date Inflation Rate for Projections		Level 3a Study ( <i>Without Site Visit</i> ) August 20, 2024 June 2, 2023 5%

## Reserve Account Summary

Reported Current Annual Reserve Contribution		\$222,426 per year
Estimated Fiscal Year Starting Balance		\$347,699
Fiscal Year Beginning Balance If Fully Funded		\$3,292,835 ( <i>ideal amount in reserves</i> )
Average Deficit/Surplus Per Member ( <i>As of Budget Year Beginning Date</i> )		-\$3,896    Percent Funded 11%



## 5 - Year Summary - Current vs. Baseline vs. Fully Funded (*As of Budget Year Ending Date*)

	<b>Current Funding Model</b> <i>Contribution amount supplied by Client</i>		<b>Baseline Funded Model</b> <i>Reserve account above \$0 within study timeframe</i>		<b>Fully Funded Model Recommended</b> <i>Achieve 100% funded within the 30 year study timeframe</i>	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
2024	\$333,687	10%	\$474,526	15%	\$570,331	18%
2025	\$347,913	11%	\$569,205	18%	\$767,282	25%
2026	\$458,664	15%	\$701,423	24%	\$1,008,590	34%
2027	\$219,860	9%	\$318,208	13%	\$848,480	35%
2028	\$502,804	21%	\$430,288	18%	\$1,198,456	50%
	<i>Contribution increases vary</i>		<i>Contribution set for minimum to maintain positive balance</i>		<i>Model goal is to achieve 100% funded by year 30</i>	

*The percentage figures above represent the percentage each model is above or below fully funded for the noted time period*

## Project Description

Glenhaven Lakes Club is a planned unit development (PUD) located in northern Sedro Woolley, Washington. The common elements include various buildings, equipment, a pool & clubhouse and the community water system. It was reported there are 1,191 home and lot owners and water service to 728 homes.

This year's report is a Level 3 Reserve financial update only and does not include a site inspection or revision to the community's assets. For this report we have relied on current information provided by management, previous reserve studies and field notes from our last site visit.

*(Report Note - material and labor costs appear to be continuing to increase in all construction categories. Many associations have reported dramatic cost differences in recent contractor bids on the same projects. We highly recommend associations request contractor bids on upcoming projects early in the process. Until such time as cost increases moderate all models will include an inflation factor of 5%).*

**Reserve Fund Status and Funding Plan Recommendation** - Based on our findings, the current level of funding of the reserve account is **just adequate to fund projected expenses for the near and mid term years.** We recommend the association gradually adopt a reserve funding plan based on the Fully Funding Model in order to ensure that adequate funding is available throughout the 30-year study period.

**Current Assessment Projection** - The initial reserve assessment is the association's reported current fiscal year funding level and projected out 30 years to illustrate the adequacy of the current funding over time.

Current Total Reported Annual Reserve Contribution - \$222,426

**Baseline Funded Model** - The goal of this funding method is to keep the reserve cash balance above zero. This means that while each individual component may not be fully funded, the reserve balance overall does not drop below zero during the projected period. A facility using this funding method must understand that even a minor reduction in a component's remaining useful life **or unplanned expenses** can result in a deficit in the reserve cash balance **and may require additional funding.**

Recommended Total Annual Reserve Contribution - \$360,843

**Fully Funded Model** - This is a straight-line funding model. It distributes the cash reserves to individual reserve components and then calculates what the reserve assessment and interest contribution (minus taxes) should be, again by each reserve component. The current annual assessment is then determined by summing all the individual component assessments. This is the most conservative funding model. It leads to or maintains a fully funded reserve position. (Please note that the Fully Funded Model incorporates funding parameters that seek to reach 100% funded at year 30 reserve study limit. The recommended contribution amount may be unusually high or low for the first few years depending on the current reserve account balance and upcoming expenses).

Recommended Total Annual Reserve Contribution - \$455,000

### **In this Reserve Study the following components are excluded:**

Power Lines – Generally utility companies.

Utility Main Lines – Generally utility companies or City.

Siding - The remaining useful life exceeds the 30-year scope of the study.

### **Depth of Study**

We have completed a Level 3 Reserve Study for your association. A field inspection was not made to verify the current status of the various reserve study components, their physical condition, and to verify component quantities.

### **Understanding the Budget Year**

Your study is based on the standard calendar year January 1 through December 31<sup>st</sup>. January is the "*budget year beginning*". This account balance is the starting point for determining the distribution of available funds for the year. Reserve contributions plus any addition income or deposits and interest for the 12-month period are calculated then projected expenses for the year are deducted. The result is the *budget year ending* balance estimated for December 31<sup>st</sup>.

### **Initial Reserves**

Initial reserves for this reserve study are estimated to be \$347,699 as of December 31, 2023. We have relied upon the client to provide the current (or projected) reserve balance, the estimated net-after-tax current rate of interest earnings, and to indicate if those earnings accrue to the reserve fund.

**Keeping Your Reserve Study Current**

We recommend that your reserve analysis study be updated on an annual basis due to fluctuating interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the facilities site and computations made subsequently in preparing this reserve analysis study are retained in our computer files.

**Conflict of Interest**

As the preparer of this reserve study, Pacific Crest Reserves certifies that we do not have any vested interests, financial interests, or other interests that would cause a conflict of interest in the preparation of this reserve study.

**Date of Physical Inspection**

The property was physically inspected by Pacific Crest Reserves on June 2, 2023.

Pacific Crest Reserves would like to thank the members and management for the opportunity to be of service in the preparation of the attached funding study. Again, please feel free to contact us if you have any questions.

Prepared by:

*Charlie Barefield*

Charlie Barefield  
Reserve Analyst Principal

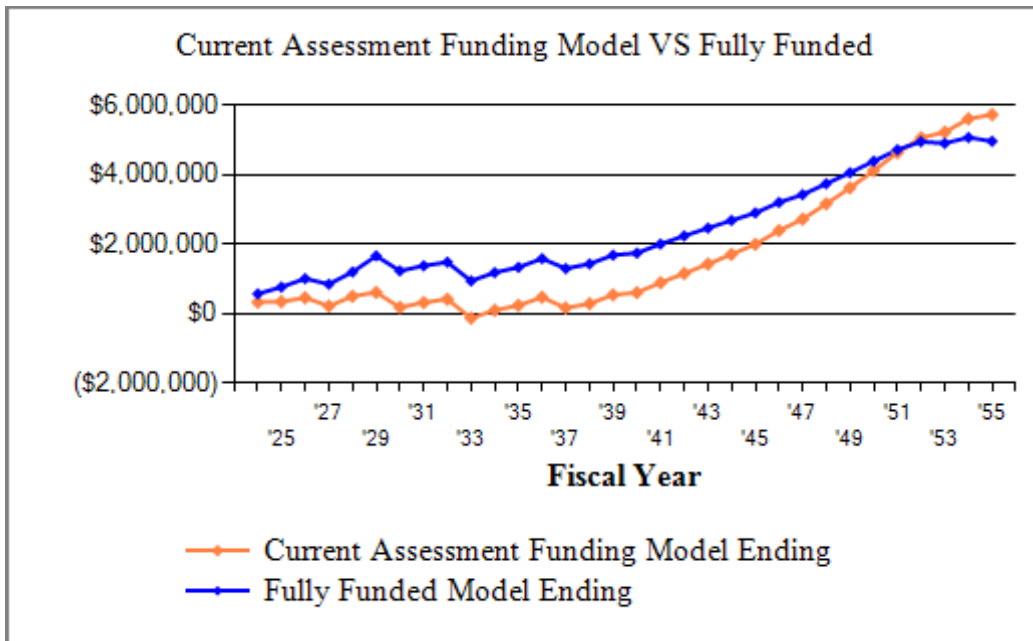
**Glenhaven Lakes Club - Water System Level 3a Study 2024**

Sedro Woolley, WA

**Current Assessment Projection Summary**

Report Date	August 20, 2024
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	756

<b>Report Parameters</b>	
Inflation	5.00%
Interest Rate on Reserve Deposit	2.50%
Tax Rate on Interest	30.00%
2024 Beginning Balance	\$347,699



**The Current Assessment Funding Model** is based on the current annual assessment, parameters, and reserve fund balance. Because it is calculated using the current annual assessment, it will give the accurate projection of how well the association is funded for the next 30 years of planned reserve expenditures. The monthly contribution noted is the Average Amount per lot.

**Current Assessment Funding Model Summary of Calculations**

Required Annual Contribution	\$222,426.00
<i>\$294.21 per unit annually</i>	
Average Net Annual Interest Earned	\$5,739.09
Total Annual Allocation to Reserves	\$228,165.09
<i>\$301.81 per unit annually</i>	

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Current Assessment Projection**

Beginning Balance: \$347,699

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2024	222,426	5,739	242,177	333,687	3,220,521	10%
2025	302,238	5,984	293,996	347,913	3,094,594	11%
2026	380,538	7,889	277,676	458,664	2,983,679	15%
2027	458,838	3,781	701,423	219,860	2,448,929	9%
2028	497,988	8,648	223,692	502,804	2,390,001	21%
2029	225,477	10,556	125,103	613,734	2,434,934	25%
2030	225,477	3,113	661,349	180,974	1,954,297	9%
2031	225,477	5,553	89,159	322,845	2,044,960	16%
2032	225,477	7,207	136,480	419,050	2,100,434	20%
2033	225,477		770,509	-125,982	1,492,685	
2034	225,477	1,741		101,236	1,682,579	6%
2035	225,477	4,114	91,602	239,225	1,786,021	13%
2036	225,477	8,132		472,835	1,988,242	24%
2037	225,477	2,873	534,136	167,049	1,668,231	10%
2038	236,751	4,995	118,380	290,414	1,766,365	16%
2039	248,588	9,320	6,403	541,920	1,984,749	27%
2040	261,018	10,470	204,634	608,775	2,003,850	30%
2041	274,069	15,326	7,059	891,110	2,229,482	40%
2042	287,772	19,903	41,586	1,157,199	2,428,455	48%
2043	302,161	24,524	57,999	1,425,885	2,620,570	54%
2044	317,269	29,332	67,054	1,705,431	2,811,603	61%
2045	333,132	34,314	77,784	1,995,093	2,999,966	67%
2046	349,789	41,035		2,385,917	3,278,703	73%
2047	367,278	46,714	83,837	2,716,072	3,482,228	78%
2048	385,642	54,280		3,155,994	3,783,719	83%
2049	404,924	62,134	10,430	3,612,622	4,089,365	88%
2050	425,171	70,661		4,108,454	4,421,565	93%
2051	446,429	79,509	11,499	4,622,893	4,758,920	97%
2052	468,750	86,881	127,012	5,051,513	4,992,791	101%
2053	492,188	89,636	421,657	5,211,679	4,930,245	106%
2054	516,797	96,245	228,785	5,595,936	5,080,142	110%
2055	542,637	98,280	522,581	5,714,273	4,940,286	116%



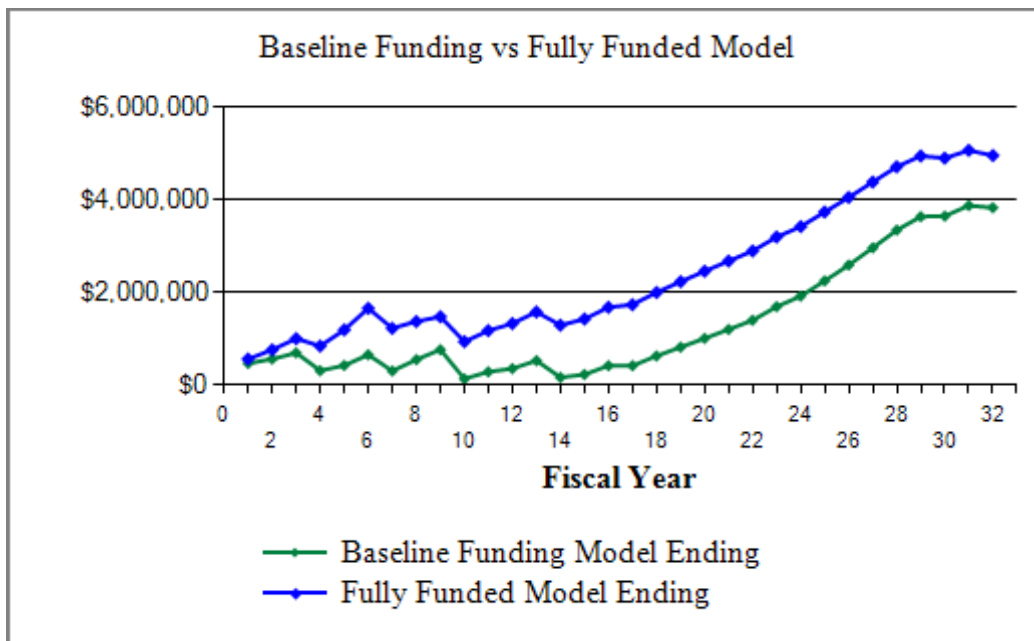
## Glenhaven Lakes Club - Water System Level 3a Study 2024

Sedro Woolley, WA

### Baseline Funding Model Summary

Report Date	August 20, 2024
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	756

<b>Report Parameters</b>	
Inflation	5.00%
Annual Assessment Increase	5.00%
Interest Rate on Reserve Deposit	2.50%
Tax Rate on Interest	30.00%
2024 Beginning Balance	\$347,699



The **Baseline Funding Model** calculates the minimum reserve assessments, with the restriction that the reserve balance is not allowed to go below \$0 or other predetermined baseline, during the period of time examined. All funds for planned reserve expenditures will be available on the first day of each fiscal year. The **Baseline Funding Model** allows the client to choose the level of conservative funding they desire by choosing the baseline dollar amount. The monthly contribution noted is the Average Amount per lot.

<b>Baseline Funding Model Summary of Calculations</b>	
Required Annual Contribution	\$360,843.04
<i>\$477.31 per unit annually</i>	
Average Net Annual Interest Earned	\$8,161.39
Total Annual Allocation to Reserves	\$369,004.43
<i>\$488.10 per unit annually</i>	

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Baseline Funding Model Projection**

Beginning Balance: \$347,699

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2024	360,843	8,161	242,177	474,526	3,220,521	15%
2025	378,885	9,790	293,996	569,205	3,094,594	18%
2026	397,829	12,064	277,676	701,423	2,983,679	24%
2027	312,735	5,473	701,423	318,208	2,448,929	13%
2028	328,371	7,401	223,692	430,288	2,390,001	18%
2029	344,790	11,375	125,103	661,349	2,434,934	27%
2030	307,049	5,373	661,349	312,423	1,954,297	16%
2031	322,402	9,549	89,159	555,215	2,044,960	27%
2032	338,522	13,252	136,480	770,509	2,100,434	37%
2033	139,857	2,447	770,509	142,304	1,492,685	10%
2034	146,849	5,060		294,214	1,682,579	17%
2035	154,192	6,244	91,602	363,048	1,786,021	20%
2036	161,901	9,187		534,136	1,988,242	27%
2037	169,997	2,975	534,136	172,972	1,668,231	10%
2038	178,496	4,079	118,380	237,167	1,766,365	13%
2039	187,421	7,318	6,403	425,503	1,984,749	21%
2040	196,792	7,309	204,634	424,971	2,003,850	21%
2041	206,632	10,930	7,059	635,473	2,229,482	29%
2042	216,963	14,190	41,586	825,040	2,428,455	34%
2043	227,812	17,410	57,999	1,012,263	2,620,570	39%
2044	239,202	20,727	67,054	1,205,138	2,811,603	43%
2045	251,162	24,124	77,784	1,402,640	2,999,966	47%
2046	263,720	29,161		1,695,522	3,278,703	52%
2047	276,906	33,050	83,837	1,921,642	3,482,228	55%
2048	290,752	38,717		2,251,110	3,783,719	59%
2049	305,289	44,554	10,430	2,590,524	4,089,365	63%
2050	320,554	50,944		2,962,022	4,421,565	67%
2051	336,582	57,524	11,499	3,344,629	4,758,920	70%
2052	353,411	62,493	127,012	3,633,520	4,992,791	73%
2053	371,081	62,702	421,657	3,645,646	4,930,245	74%
2054	389,635	66,614	228,785	3,873,110	5,080,142	76%
2055	409,117	65,794	522,581	3,825,440	4,940,286	77%

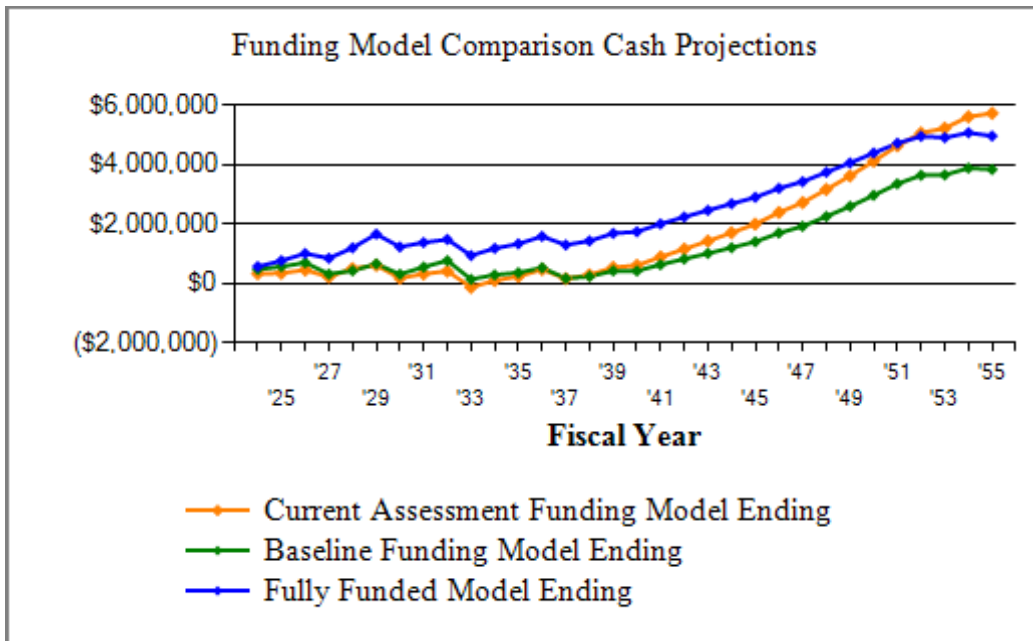
# Glenhaven Lakes Club - Water System Level 3a Study 2024

Sedro Woolley, WA

## Fully Funded Model Summary

Report Date	August 20, 2024
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	756

<b>Report Parameters</b>	
Inflation	5.00%
Interest Rate on Reserve Deposit	2.50%
Tax Rate on Interest	30.00%
2024 Beginning Balance	\$347,699



The **Fully Funded Model's** long-term objective is to provide a plan to a fully funded reserve position over the longest period of time practical. This is the most conservative funding model. The monthly contribution noted is the Average Amount per lot.

### **Fully Funded Model Summary of Calculations**

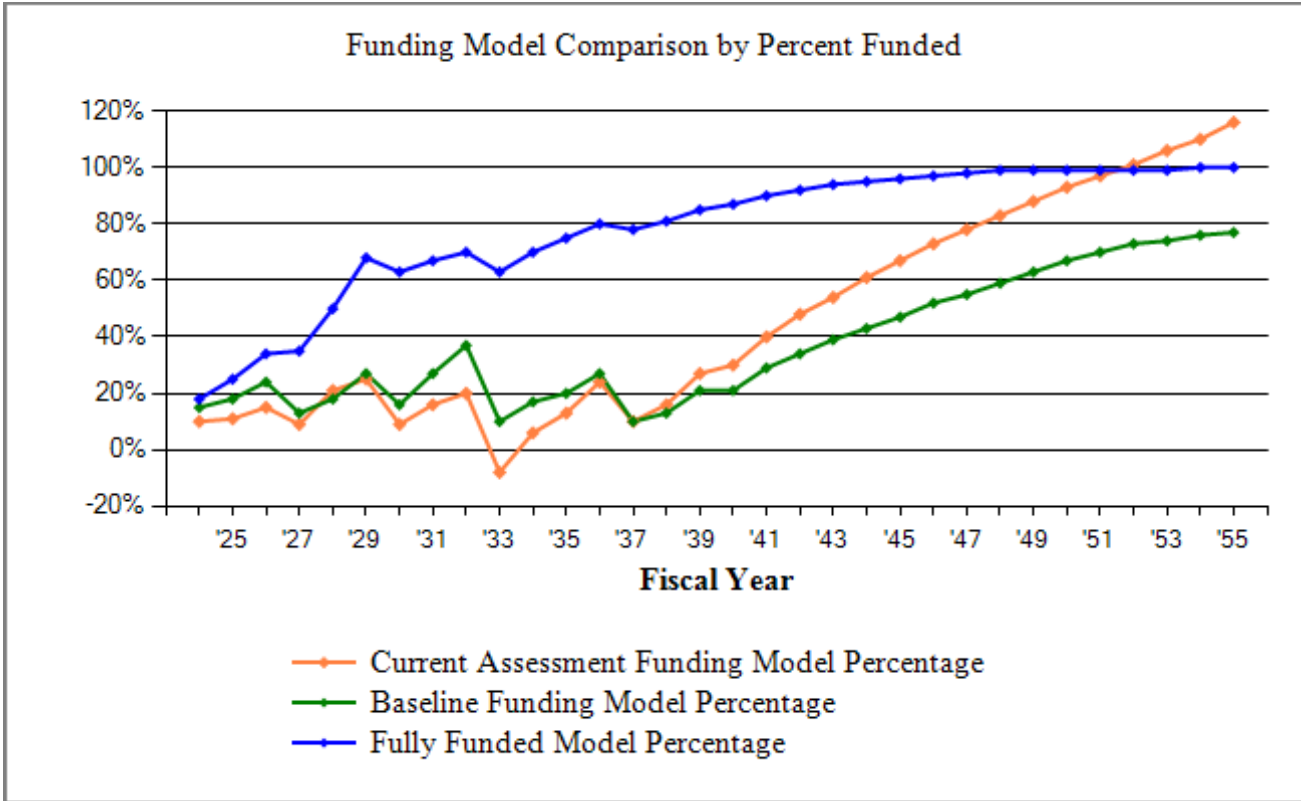
Required Annual Contribution	\$455,000.00
<i>\$601.85 per unit annually</i>	
Average Net Annual Interest Earned	\$9,809.14
Total Annual Allocation to Reserves	\$464,809.13
<i>\$614.83 per unit annually</i>	

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Fully Funded Model Projection**

Beginning Balance: \$347,699

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2024	455,000	9,809	242,177	570,331	3,220,521	18%
2025	477,750	13,196	293,996	767,282	3,094,594	25%
2026	501,637	17,347	277,676	1,008,590	2,983,679	34%
2027	526,719	14,593	701,423	848,480	2,448,929	35%
2028	553,055	20,612	223,692	1,198,456	2,390,001	50%
2029	558,586	28,559	125,103	1,660,497	2,434,934	68%
2030	210,000	21,160	661,349	1,230,308	1,954,297	63%
2031	212,100	23,682	89,159	1,376,931	2,044,960	67%
2032	214,221	25,457	136,480	1,480,129	2,100,434	70%
2033	216,363	16,205	770,509	942,188	1,492,685	63%
2034	218,527	20,313		1,181,028	1,682,579	70%
2035	220,712	22,927	91,602	1,333,065	1,786,021	75%
2036	222,919	27,230		1,583,214	1,988,242	80%
2037	225,148	22,299	534,136	1,296,526	1,668,231	78%
2038	227,400	24,597	118,380	1,430,143	1,766,365	81%
2039	229,674	28,935	6,403	1,682,348	1,984,749	85%
2040	231,971	29,919	204,634	1,739,605	2,003,850	87%
2041	234,290	34,420	7,059	2,001,255	2,229,482	90%
2042	236,633	38,435	41,586	2,234,738	2,428,455	92%
2043	239,000	42,275	57,999	2,458,014	2,620,570	94%
2044	241,390	46,066	67,054	2,678,416	2,811,603	95%
2045	243,803	49,778	77,784	2,894,213	2,999,966	96%
2046	246,242	54,958		3,195,412	3,278,703	97%
2047	248,704	58,805	83,837	3,419,084	3,482,228	98%
2048	251,191	64,230		3,734,504	3,783,719	99%
2049	253,703	69,611	10,430	4,047,388	4,089,365	99%
2050	256,240	75,313		4,378,942	4,421,565	99%
2051	258,802	80,959	11,499	4,707,204	4,758,920	99%
2052	274,330	84,954	127,012	4,939,477	4,992,791	99%
2053	290,790	84,151	421,657	4,892,761	4,930,245	99%
2054	308,238	87,014	228,785	5,059,227	5,080,142	100%
2055	326,732	85,109	522,581	4,948,488	4,940,286	100%

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Funding Model Comparison by Percent Funded**



The chart above compares the projected Reserve Percentage Funded of the three funding models (Current Assessment Funding Model, Baseline Funding Model and Fully Funded Model) over 30 years.

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2024</b>	
Water System - Main Lines Replacement	228,785
Water System - Pump House Renovations Phase 2	13,392
<b>Total for 2024</b>	<b><u>\$242,177</u></b>
<b>Replacement Year 2025</b>	
Water System - Fire Hydrants	34,020
Water System - Flatbed	26,082
Water System - Main Lines Replacement	185,132
Water System - Water Meters	48,762
<b>Total for 2025</b>	<b><u>\$293,996</u></b>
<b>Replacement Year 2026</b>	
Water System - Fire Hydrants	35,721
Water System - Main Lines Replacement	176,109
Water System - Water Line Valve	11,074
Water System - Water Meters	54,772
<b>Total for 2026</b>	<b><u>\$277,676</u></b>
<b>Replacement Year 2027</b>	
Water System - Dump Truck	11,252
Water System - Fire Hydrants	37,507
Water System - Main Lines Replacement	590,152
Water System - Water Meters	62,512
<b>Total for 2027</b>	<b><u>\$701,423</u></b>
<b>Replacement Year 2028</b>	
Water System - Fire Hydrants	39,382
Water System - Main Lines Replacement	113,421
Water System - Water Meters	70,888
<b>Total for 2028</b>	<b><u>\$223,692</u></b>
<b>Replacement Year 2029</b>	
Water System - Main Lines Replacement	97,122
Water System - Pickup	15,162
Water System - Water Line Valve	12,819
<b>Total for 2029</b>	<b><u>\$125,103</u></b>
<b>Replacement Year 2030</b>	
Water System - Main Lines Replacement	661,349
<b>Total for 2030</b>	<b><u>\$661,349</u></b>

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Annual Expenditure Detail**

Description	Expenditures
<b>Replacement Year 2031</b>	
Water System - Main Lines Replacement	33,767
Water System - Water Meters	55,392
<b>Total for 2031</b>	<b><u>\$89,159</u></b>
<b>Replacement Year 2032</b>	
Water System - Main Lines Replacement	44,570
Water System - Water Line Valve	14,840
Water System - Water Line Valve - Final	14,840
Water System - Water Meters	62,230
<b>Total for 2032</b>	<b><u>\$136,480</u></b>
<b>Replacement Year 2033</b>	
Water System - Main Lines Replacement	770,509
<b>Total for 2033</b>	<b><u>\$770,509</u></b>
<i>No Replacement in 2034</i>	
<b>Replacement Year 2035</b>	
Water System - Flatbed	42,485
Water System - Main Lines Replacement	49,117
<b>Total for 2035</b>	<b><u>\$91,602</u></b>
<i>No Replacement in 2036</i>	
<b>Replacement Year 2037</b>	
Water System - Fire Hydrants - On Going	5,808
Water System - Kubota Mini	61,095
Water System - Main Lines Replacement	467,233
<b>Total for 2037</b>	<b><u>\$534,136</u></b>
<b>Replacement Year 2038</b>	
Water System - Dump Trailer	14,968
Water System - Pump Replacement	103,412
<b>Total for 2038</b>	<b><u>\$118,380</u></b>
<b>Replacement Year 2039</b>	
Water System - Fire Hydrants - On Going	6,403
<b>Total for 2039</b>	<b><u>\$6,403</u></b>

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Annual Expenditure Detail**

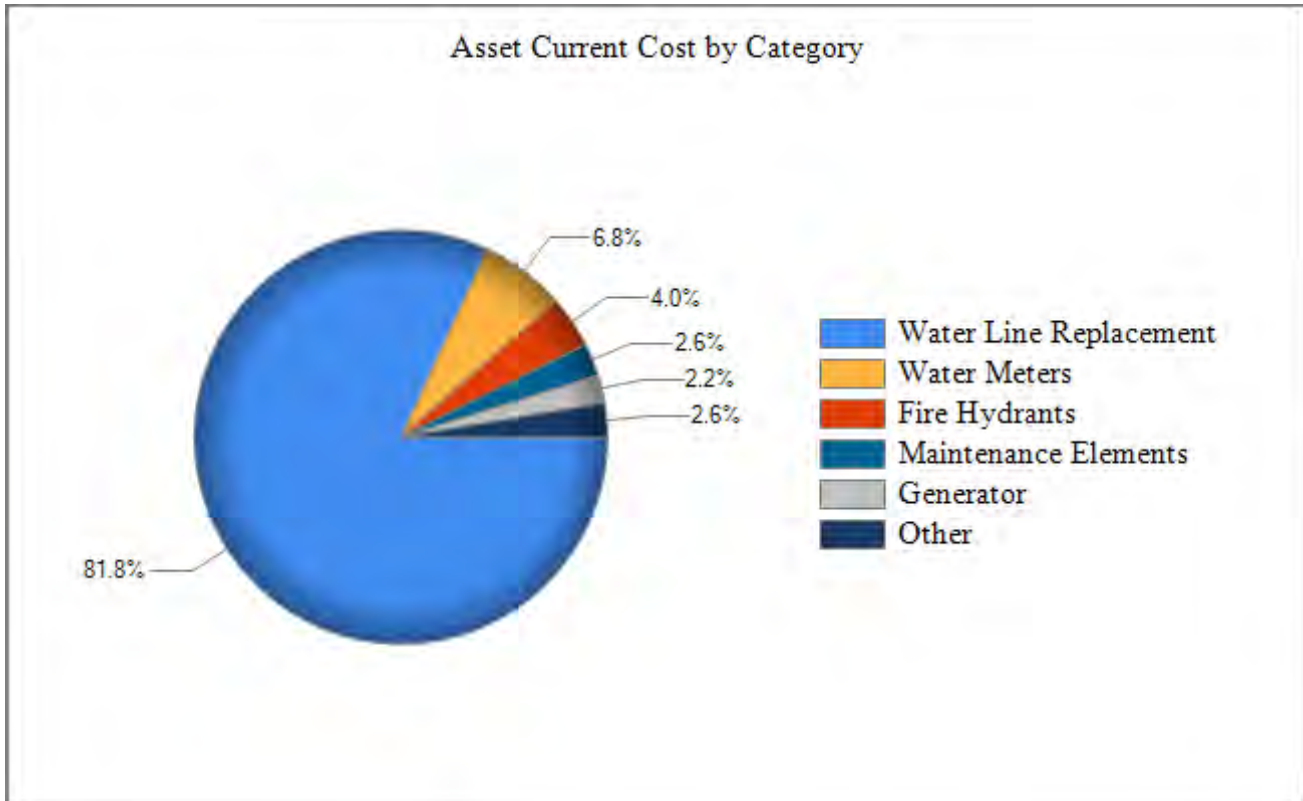
Description	Expenditures
<b>Replacement Year 2040</b>	
Water System - Emergency Generator	204,634
<b>Total for 2040</b>	<b><u>\$204,634</u></b>
<b>Replacement Year 2041</b>	
Water System - Fire Hydrants - On Going	7,059
<b>Total for 2041</b>	<b><u>\$7,059</u></b>
<b>Replacement Year 2042</b>	
Water System - Control Panels	18,194
Water System - Dump Truck	23,392
<b>Total for 2042</b>	<b><u>\$41,586</u></b>
<b>Replacement Year 2043</b>	
Water System - Concrete Storage Tanks	33,841
Water System - Fire Hydrants - On Going	7,783
Water System - Pump House Renovations Phase 1	16,375
<b>Total for 2043</b>	<b><u>\$57,999</u></b>
<b>Replacement Year 2044</b>	
Water System - Pickup	31,521
Water System - Pump House Renovations Phase 2	35,533
<b>Total for 2044</b>	<b><u>\$67,054</u></b>
<b>Replacement Year 2045</b>	
Water System - Fire Hydrants - On Going	8,581
Water System - Flatbed	69,203
<b>Total for 2045</b>	<b><u>\$77,784</u></b>
<i>No Replacement in 2046</i>	
<b>Replacement Year 2047</b>	
Water System - Backhoe	74,377
Water System - Fire Hydrants - On Going	9,460
<b>Total for 2047</b>	<b><u>\$83,837</u></b>
<i>No Replacement in 2048</i>	
<b>Replacement Year 2049</b>	
Water System - Fire Hydrants - On Going	10,430
<b>Total for 2049</b>	<b><u>\$10,430</u></b>



**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2050</i>	
<b>Replacement Year 2051</b>	
Water System - Fire Hydrants - On Going	11,499
<b>Total for 2051</b>	<b>\$11,499</b>
<b>Replacement Year 2052</b>	
Water System - Kubota Mini	127,012
<b>Total for 2052</b>	<b>\$127,012</b>
<b>Replacement Year 2053</b>	
Water System - Dump Trailer	31,118
Water System - Fire Hydrants - On Going	12,678
Water System - Main Lines Replacement	377,861
<b>Total for 2053</b>	<b>\$421,657</b>
<b>Replacement Year 2054</b>	
Water System - Main Lines Replacement	228,785
<b>Total for 2054</b>	<b>\$228,785</b>
<b>Replacement Year 2055</b>	
Water System - Fire Hydrants - On Going	13,977
Water System - Flatbed	112,725
Water System - Main Lines Replacement	185,132
Water System - Water Meters	210,747
<b>Total for 2055</b>	<b>\$522,581</b>

**Glenhaven Lakes Club - Water System Level 3a Study 2024**  
**Asset Current Cost by Category**



The above chart illustrates the current cost breakdown percentage of the Component Categories in this reserve study (highest percentage components listed at top, items less than 2% are listed as "Other"). Special attention should be given to those component categories which take up a bulk of the % of the current cost as these may require significant planning to adequately budget for their replacement. Refer to the Cash Flow Projections and the Annual Expenditure Report for the projected timeline of expected expenditures.

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Pump House Renovations Phase 1 - 2043**

Asset ID	1001A	1 Allowance	@ \$6,480.00
		Asset Actual Cost	\$6,480.00
		Percent Replacement	100%
Category	Pump House	Future Cost	\$16,374.64
Placed in Service	January 2023		
Useful Life	20		
Replacement Year	2043		
Remaining Life	19		



*It was reported this work was completed however no actual cost was reported. The cycle has been revised.*

Funds are included for updating and repair of the water system pump house.

**Water System - Pump House Renovations Phase 2 - 2024**

Asset ID	1001B	1 Allowance	@ \$13,392.00
		Asset Actual Cost	\$13,392.00
		Percent Replacement	100%
Category	Pump House	Future Cost	\$13,392.00
Placed in Service	January 1998		
Useful Life	20		
Adjustment	6		
Replacement Year	2024		
Remaining Life	0		

*It was reported this work was completed however no actual cost was reported. The cycle has been revised.*

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Control Panels - 2042**

Asset ID	1002	1 Allowance	@ \$7,560.00
		Asset Actual Cost	\$7,560.00
		Percent Replacement	100%
Category	Control Panels	Future Cost	\$18,194.04
Placed in Service	January 2022		
Useful Life	20		
Replacement Year	2042		
Remaining Life	18		

Funds are included for future replacement of the water system control panels.

**Water System - Main Lines Replacement - 2053**

Asset ID	1003A	1 Allowance	@ \$91,800.00
		Asset Actual Cost	\$91,800.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$377,861.25
Placed in Service	January 2023		
Useful Life	30		
Replacement Year	2053		
Remaining Life	29		

*It was reported this work was completed however no actual cost was reported. The cycle has been revised.*

Water system main line replacement is planned in phases through 2029.

**Water System - Main Lines Replacement - 2024**

Asset ID	1003B	1 Allowance	@ \$228,785.00
		Asset Actual Cost	\$228,785.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$228,785.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	1		
Replacement Year	2024		
Remaining Life	0		

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Main Lines Replacement - 2025**

Asset ID	1003C	1 Allowance @	\$185,132.00
		Asset Actual Cost	\$185,132.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$185,132.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	2		
Replacement Year	2025		
Remaining Life	1		

**Water System - Main Lines Replacement - 2026**

Asset ID	1003D	1 Allowance @	\$176,109.00
		Asset Actual Cost	\$176,109.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$176,109.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	3		
Replacement Year	2026		
Remaining Life	2		

**Water System - Main Lines Replacement - 2027**

Asset ID	1003E	1 Allowance @	\$590,152.00
		Asset Actual Cost	\$590,152.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$590,152.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	4		
Replacement Year	2027		
Remaining Life	3		

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Main Lines Replacement - 2028**

Asset ID	1003F	1 Allowance @	\$113,421.00
		Asset Actual Cost	\$113,421.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$113,421.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	5		
Replacement Year	2028		
Remaining Life	4		

**Water System - Main Lines Replacement - 2029**

Asset ID	1003G	1 Allowance @	\$97,122.00
		Asset Actual Cost	\$97,122.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$97,122.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	6		
Replacement Year	2029		
Remaining Life	5		

**Water System - Main Lines Replacement - 2030**

Asset ID	1003H	1 Allowance @	\$661,349.00
		Asset Actual Cost	\$661,349.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$661,349.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	7		
Replacement Year	2030		
Remaining Life	6		

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Main Lines Replacement - 2031**

Asset ID	1003I	1 Allowance @	\$33,767.00
		Asset Actual Cost	\$33,767.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$33,767.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	8		
Replacement Year	2031		
Remaining Life	7		

**Water System - Main Lines Replacement - 2032**

Asset ID	1003J	1 Allowance @	\$44,570.00
		Asset Actual Cost	\$44,570.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$44,570.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	9		
Replacement Year	2032		
Remaining Life	8		

**Water System - Main Lines Replacement - 2033**

Asset ID	1003K	1 Allowance @	\$770,509.00
		Asset Actual Cost	\$770,509.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$770,509.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	10		
Replacement Year	2033		
Remaining Life	9		

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Main Lines Replacement - 2037**

Asset ID	1003L	1 Allowance @	\$467,233.00
		Asset Actual Cost	\$467,233.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$467,233.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	14		
Replacement Year	2037		
Remaining Life	13		

**Water System - Main Lines Replacement - 2035**

Asset ID	1003L	1 Allowance @	\$49,117.00
		Asset Actual Cost	\$49,117.00
		Percent Replacement	100%
Category	Water Line Replacement	Future Cost	\$49,117.00
Placed in Service	January 1993		
Useful Life	30		
Adjustment	12		
Replacement Year	2035		
Remaining Life	11		

**Water System - Water Line Valve - 2026**

Asset ID	1005	1 Each @	\$10,044.00
		Asset Actual Cost	\$10,044.00
		Percent Replacement	100%
Category	Water Line Valves	Future Cost	\$11,073.51
Placed in Service	January 2023		
Useful Life	3		
Replacement Year	2026		
Remaining Life	2		

*It was reported this work was completed however no actual cost was reported. The cycle has been revised.*

Our understanding is one valve is replaced with each new water line replacment.



**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Water Line Valve - Final - 2032**

Asset ID	1006	1 Each @ \$10,044.00
		Asset Actual Cost \$10,044.00
		Percent Replacement 100%
Category	Water Line Valves	Future Cost \$14,839.56
Placed in Service	January 2015	
Useful Life	1	
Adjustment	16	
Replacement Year	2032	
Remaining Life	8	

**Water System - Water Meters - 2031**

Asset ID	1007A	1 Allowance @ \$39,366.00
		Asset Actual Cost \$39,366.00
		Percent Replacement 100%
Category	Water Meters	Future Cost \$55,391.91
Placed in Service	January 2023	
Useful Life	30	
Adjustment	-22	
Replacement Year	2031	
Remaining Life	7	

*It was reported this work was completed however no actual cost was reported. The cycle has been revised.*

**Water System - Water Meters - 2032**

Asset ID	1007B	1 Allowance @ \$42,120.00
		Asset Actual Cost \$42,120.00
		Percent Replacement 100%
Category	Water Meters	Future Cost \$62,230.42
Placed in Service	January 2023	
Useful Life	30	
Adjustment	-21	
Replacement Year	2032	
Remaining Life	8	

*It was reported this work was completed however no actual cost was reported. The cycle has been revised.*

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Water Meters - 2025**

Asset ID	1007C	1 Allowance @ \$46,440.00
		Asset Actual Cost \$46,440.00
		Percent Replacement 100%
Category	Water Meters	Future Cost \$48,762.00
Placed in Service	January 2015	
Useful Life	30	
Adjustment	-20	
Replacement Year	2025	
Remaining Life	1	

**Water System - Water Meters - 2026**

Asset ID	1007D	1 Allowance @ \$49,680.00
		Asset Actual Cost \$49,680.00
		Percent Replacement 100%
Category	Water Meters	Future Cost \$54,772.20
Placed in Service	January 2015	
Useful Life	30	
Adjustment	-19	
Replacement Year	2026	
Remaining Life	2	

**Water System - Water Meters - 2027**

Asset ID	1007E	1 Allowance @ \$54,000.00
		Asset Actual Cost \$54,000.00
		Percent Replacement 100%
Category	Water Meters	Future Cost \$62,511.75
Placed in Service	January 2015	
Useful Life	30	
Adjustment	-18	
Replacement Year	2027	
Remaining Life	3	

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Water Meters - 2028**

Asset ID	1007F	1 Allowance @ \$58,320.00
		Asset Actual Cost \$58,320.00
		Percent Replacement 100%
Category	Water Meters	Future Cost \$70,888.32
Placed in Service	January 2015	
Useful Life	30	
Adjustment	-17	
Replacement Year	2028	
Remaining Life	4	

**Water System - Pump Replacement - 2038**

Asset ID	1008	2 Allowance @ \$26,115.00
		Asset Actual Cost \$52,230.00
		Percent Replacement 100%
Category	Pump Replacement	Future Cost \$103,411.83
Placed in Service	January 2018	
Useful Life	20	
Replacement Year	2038	
Remaining Life	14	

**Water System - Fire Hydrants - 2083**

Asset ID	1009A	1 Allowance @ \$32,400.00
		Asset Actual Cost \$32,400.00
		Percent Replacement 100%
Category	Fire Hydrants	Future Cost \$576,386.30
Placed in Service	January 2023	
Useful Life	60	
Replacement Year	2083	
Remaining Life	59	

*It was reported this work was completed however no actual cost was reported. The cycle has been revised.*

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Fire Hydrants - 2083**

Asset ID	1009B	1 Allowance	@ \$6,655.00
		Asset Actual Cost	\$6,655.00
		Percent Replacement	100%
Category	Fire Hydrants	Future Cost	\$118,390.44
Placed in Service	January 2023		
Useful Life	60		
Replacement Year	2083		
Remaining Life	59		

Our understanding is fire hydrants are being replaced at the rate of two per year for a total of 57.

**Water System - Fire Hydrants - 2025**

Asset ID	1009C	1 Allowance	@ \$32,400.00
		Asset Actual Cost	\$32,400.00
		Percent Replacement	100%
Category	Fire Hydrants	Future Cost	\$34,020.00
Placed in Service	January 1965		
Useful Life	60		
Replacement Year	2025		
Remaining Life	1		

Our understanding is fire hydrants are being replaced at the rate of two per year for a total of 57.

**Water System - Fire Hydrants - 2026**

Asset ID	1009D	1 Allowance	@ \$32,400.00
		Asset Actual Cost	\$32,400.00
		Percent Replacement	100%
Category	Fire Hydrants	Future Cost	\$35,721.00
Placed in Service	January 1965		
Useful Life	60		
Adjustment	1		
Replacement Year	2026		
Remaining Life	2		

Our understanding is fire hydrants are being replaced at the rate of two per year for a total of 57.

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Fire Hydrants - 2028**

Asset ID	1009E	1 Allowance @ \$32,400.00
		Asset Actual Cost \$32,400.00
		Percent Replacement 100%
Category	Fire Hydrants	Future Cost \$39,382.40
Placed in Service	January 1965	
Useful Life	60	
Adjustment	3	
Replacement Year	2028	
Remaining Life	4	

Our understanding is fire hydrants are being replaced at the rate of two per year for a total of 57.

**Water System - Fire Hydrants - 2027**

Asset ID	1009E	1 Allowance @ \$32,400.00
		Asset Actual Cost \$32,400.00
		Percent Replacement 100%
Category	Fire Hydrants	Future Cost \$37,507.05
Placed in Service	January 1965	
Useful Life	60	
Adjustment	2	
Replacement Year	2027	
Remaining Life	3	

Our understanding is fire hydrants are being replaced at the rate of two per year for a total of 57.

**Water System - Fire Hydrants - On Going - 2037**

Asset ID	1009E	1 Allowance @ \$3,080.00
		Asset Actual Cost \$3,080.00
		Percent Replacement 100%
Category	Fire Hydrants	Future Cost \$5,807.80
Placed in Service	January 2023	
Useful Life	2	
Adjustment	12	
Replacement Year	2037	
Remaining Life	13	

*It was reported this work was completed however no actual cost was reported. The cycle has been revised.*

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Concrete Storage Tanks - 2043**

Asset ID	1010	1 Allowance @ \$13,392.00
		Asset Actual Cost \$13,392.00
		Percent Replacement 100%
Category	Storage Tanks	Future Cost \$33,840.92
Placed in Service	January 1965	
Useful Life	15	
Adjustment	63	
Replacement Year	2043	
Remaining Life	19	



The water system is supplied by two concrete storage tanks. Our understanding is these tanks are original and even though there is evidence of water leeching the tanks appear to be well maintained and reportedly have regular interior and exterior inspections.

**Water System - Emergency Generator - 2040**

Asset ID	1011	1 Allowance @ \$93,745.00
		Asset Actual Cost \$93,745.00
		Percent Replacement 100%
Category	Generator	Future Cost \$204,633.58
Placed in Service	January 2020	
Useful Life	20	
Replacement Year	2040	
Remaining Life	16	

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

*Water System - Emergency Generator continued...*



**Water System - Backhoe - 2047**

Asset ID	1012	1 Allowance @	\$24,215.00
		Asset Actual Cost	\$24,215.00
		Percent Replacement	100%
Category	Maintenance Elements	Future Cost	\$74,376.95
Placed in Service	January 2017		
Useful Life	40		
Adjustment	-10		
Replacement Year	2047		
Remaining Life	23		



**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Flatbed - 2025**

Asset ID	1013	1 Allowance @	\$24,840.00
		Asset Actual Cost	\$24,840.00
		Percent Replacement	100%
Category	Maintenance Elements	Future Cost	\$26,082.00
Placed in Service	January 2015		
Useful Life	10		
Replacement Year	2025		
Remaining Life	1		

**Water System - Kubota Mini - 2037**

Asset ID	1014	1 Allowance @	\$32,400.00
		Asset Actual Cost	\$32,400.00
		Percent Replacement	100%
Category	Maintenance Elements	Future Cost	\$61,095.03
Placed in Service	January 2022		
Useful Life	15		
Replacement Year	2037		
Remaining Life	13		

**Water System - Dump Truck - 2027**

Asset ID	1015	1 Allowance @	\$9,720.00
		Asset Actual Cost	\$9,720.00
		Percent Replacement	100%
Category	Maintenance Elements	Future Cost	\$11,252.11
Placed in Service	January 2012		
Useful Life	15		
Replacement Year	2027		
Remaining Life	3		





**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Detail Report by Category**

**Water System - Pickup - 2029**

Asset ID	1016	1 Allowance	@ \$11,880.00
		Asset Actual Cost	\$11,880.00
		Percent Replacement	100%
Category	Maintenance Elements	Future Cost	\$15,162.22
Placed in Service	January 2014		
Useful Life	15		
Replacement Year	2029		
Remaining Life	5		



**Water System - Dump Trailer - 2038**

Asset ID	1018	1 Allowance	@ \$7,560.00
		Asset Actual Cost	\$7,560.00
		Percent Replacement	100%
Category	Maintenance Elements	Future Cost	\$14,968.28
Placed in Service	January 2023		
Useful Life	15		
Replacement Year	2038		
Remaining Life	14		

*It was reported this work was completed however no actual cost was reported. The cycle has been revised.*

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Expenses by Item and by Calender Year**

Description	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Water System - Backhoe										
Water System - Concrete Storage Tanks										
Water System - Control Panels										
Water System - Dump Trailer										
Water System - Dump Truck				11,252						
Water System - Emergency Generator										
Water System - Fire Hydrants		34,020								
Water System - Fire Hydrants			35,721							
Water System - Fire Hydrants				37,507						
Water System - Fire Hydrants					39,382					
Water System - Fire Hydrants										
Water System - Fire Hydrants										
Water System - Fire Hydrants - On Going										
Water System - Flatbed		26,082								
Water System - Kubota Mini										
Water System - Main Lines Replacement	228,785									
Water System - Main Lines Replacement		185,132								
Water System - Main Lines Replacement			176,109							
Water System - Main Lines Replacement				590,152						
Water System - Main Lines Replacement					113,421					
Water System - Main Lines Replacement						97,122				
Water System - Main Lines Replacement							661,349			
Water System - Main Lines Replacement								33,767		
Water System - Main Lines Replacement									44,570	
Water System - Main Lines Replacement										770,509
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Pickup						15,162				
Water System - Pump House Renovations Pha..										
Water System - Pump House Renovations Pha..	13,392									
Water System - Pump Replacement										
Water System - Water Line Valve			11,074			12,819			14,840	
Water System - Water Line Valve - Final									14,840	
Water System - Water Meters		48,762								

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Expenses by Item and by Calender Year**

<b>Description</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>
Water System - Water Meters			54,772							
Water System - Water Meters				62,512						
Water System - Water Meters					70,888					
Water System - Water Meters								55,392		
Water System - Water Meters									62,230	
<b>Year Total:</b>	<b>242,177</b>	<b>293,996</b>	<b>277,676</b>	<b>701,423</b>	<b>223,692</b>	<b>125,103</b>	<b>661,349</b>	<b>89,159</b>	<b>136,480</b>	<b>770,509</b>

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Expenses by Item and by Calender Year**

Description	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Water System - Backhoe										
Water System - Concrete Storage Tanks										33,841
Water System - Control Panels								18,194		
Water System - Dump Trailer					14,968					
Water System - Dump Truck								23,392		
Water System - Emergency Generator							204,634			
Water System - Fire Hydrants										
Water System - Fire Hydrants										
Water System - Fire Hydrants										
Water System - Fire Hydrants										
Water System - Fire Hydrants										
Water System - Fire Hydrants - On Going				5,808		6,403		7,059		7,783
Water System - Flatbed		42,485								
Water System - Kubota Mini				61,095						
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement		49,117								
Water System - Main Lines Replacement				467,233						
Water System - Main Lines Replacement										
Water System - Pickup										
Water System - Pump House Renovations Pha..										16,375
Water System - Pump House Renovations Pha..										
Water System - Pump Replacement					103,412					
Water System - Water Line Valve										
Water System - Water Line Valve - Final										
Water System - Water Meters										

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Expenses by Item and by Calender Year**

<b>Description</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>	<b>2041</b>	<b>2042</b>	<b>2043</b>
Water System - Water Meters										
Water System - Water Meters										
Water System - Water Meters										
Water System - Water Meters										
Water System - Water Meters										
<b>Year Total:</b>		<b>91,602</b>		<b>534,136</b>	<b>118,380</b>	<b>6,403</b>	<b>204,634</b>	<b>7,059</b>	<b>41,586</b>	<b>57,999</b>

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Expenses by Item and by Calender Year**

Description	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Water System - Backhoe				74,377						
Water System - Concrete Storage Tanks										
Water System - Control Panels										
Water System - Dump Trailer										31,118
Water System - Dump Truck										
Water System - Emergency Generator										
Water System - Fire Hydrants										
Water System - Fire Hydrants										
Water System - Fire Hydrants										
Water System - Fire Hydrants										
Water System - Fire Hydrants										
Water System - Fire Hydrants - On Going		8,581		9,460		10,430		11,499		12,678
Water System - Flatbed		69,203								
Water System - Kubota Mini									127,012	
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										
Water System - Main Lines Replacement										377,861
Water System - Pickup	31,521									
Water System - Pump House Renovations Pha..										
Water System - Pump House Renovations Pha..	35,533									
Water System - Pump Replacement										
Water System - Water Line Valve										
Water System - Water Line Valve - Final										
Water System - Water Meters										

**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Expenses by Item and by Calender Year**

<b>Description</b>	<b>2044</b>	<b>2045</b>	<b>2046</b>	<b>2047</b>	<b>2048</b>	<b>2049</b>	<b>2050</b>	<b>2051</b>	<b>2052</b>	<b>2053</b>
Water System - Water Meters										
Water System - Water Meters										
Water System - Water Meters										
Water System - Water Meters										
Water System - Water Meters										
<b>Year Total:</b>	<b>67,054</b>	<b>77,784</b>		<b>83,837</b>		<b>10,430</b>		<b>11,499</b>	<b>127,012</b>	<b>421,657</b>





**Glenhaven Lakes Club - Water System Level 3a Study 2024  
Expenses by Item and by Calender Year**

<b>Description</b>	<b>2054</b>	<b>2055</b>
Water System - Water Meters		
Water System - Water Meters		
Water System - Water Meters		
Water System - Water Meters		
Water System - Water Meters		
<b>Year Total:</b>	<b>228,785</b>	<b>522,581</b>



Reserve Study Disclosure Form

In Compliance with RCW 64.34.308 and RCW 64.38.025 (2019)

Name of Association: Glenhaven Lakes Club - Water System

Current Year Reported Budget Contribution to Reserves: \$222,426

Recommended 2024 Contribution to Reserves, per study: \$455,000

Funding Plan Used for Recommendations: Full Funding

Projected Year End Reserve Balance at Current Funding Level: \$333,687
(Percentages below indicate the projected year end percentage level of the Reserve Fund vs Fully Funded at the Current Contribution Amount)

Projected Year End Balance If the account was Fully Funded: \$3,220,521

5 Year Balances

Table with 5 columns (2024-2028) and 4 rows (Estimates Per Study, Projected Year End Reserve Balances at Current Contribution Level, Projected Year End Reserve Balances at Recommended Funding Contribution Level, Projected Year End Fully Funded Reserves If Fully Funded, Percent Reserve is Fully Funded at Current Funding Level)

Based upon the most recent reserve study, will the association have funds to meet obligations for the next 30 years at the current contribution rate? Just adequate, and negative in some years.

To be Completed by Management

Proposed 2024 Budget's Contribution to Reserves: \_\_\_\_\_

Is Additional Funding (Regular or Special Assessment) Planned? Yes/No

When is it due? (Month/Year) \_\_\_\_\_

What is the Purpose? Description of Project(s): \_\_\_\_\_

Duration of Assessment: Start Date \_\_\_\_\_ End Date \_\_\_\_\_

Assessment Amount per Unit on Average: Per Month \_\_\_\_\_ Per Year \_\_\_\_\_

Author Name \_\_\_\_\_

# **Glenhaven Lakes Club - Water System Level 3a Study 2024**

## **Appendix - Disclosure, Definitions & Calculations**

### **Percent Funded**

Many reserve studies use the concept of "Percent Funded" to measure the reserve account balance against a theoretically perfect value. Percent Funded is often used as a measure of the "Financial Health" of an association. The assumption is, the higher the percentage, the greater the "Financial Health". The question of substance is simply: How much is enough? To answer the question, some understanding of Percent Funded is required. Percent Funded is the ratio of current cash reserves divided by the Fully Funded value at any instant in time. Fully Funded is defined as the present value of the sum of all Reserve Items divided by the expected life of each item. In essence, Fully Funded is simply the total of the average net present value of the association improvements. Reserve Items with a remaining life greater than the study life are not included in the calculation. For example; building framing, foundations, water lines, and other long-lived items that fall outside the envelope of the reserve study are excluded from the calculation. Percent Funded is then, the current reserve balance divided by the Fully Funded value multiplied by 100 (to give a percentage). The concept of percent funded is useful when the reserve study is comprehensive, but misleading when the reserve study is superficial or constrained. As a result, we recommend that the statement "Percent Funded" be used with caution.

### **Washington State Homeowners and Condominium Act Compliance with RCW 64.38 and RCW 64.34 (2019)**

This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to a reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require you to pay on demand as a special assessment your share of common expenses for the cost of major maintenance, repair, or replacement of a reserve component. A reserve component list (as applicable), including roofing, painting, paving, decks, siding, plumbing, windows, and any other reserve component that would cost more than one percent of the annual budget for major maintenance, repair, or replacement. If one of these reserve components is not included in the reserve study, the study should provide commentary explaining the basis for its exclusion. The study must also include quantities and estimates for the useful life of each reserve component, remaining useful life of each reserve component, and current repair and replacement cost for each component.

### **Disclosures Required by RCW 64.90.550.**

This Reserve Study meets all requirements of the Washington Uniform Common Interest Ownership Act.

- a) This Reserve Study was prepared with the assistance of a reserve study professional and that professional was independent;
- b) This Reserve Study includes all information required by RCW 64.90.550 Reserve Study – Contents; and
- c) 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 reserve account for the cost of such maintenance, repair, or replacement. The failure to include a component in a reserve study, or to provide contributions to a reserve account for a component, may, under some circumstances, require the association to (1) defer major maintenance, repair, or replacement, (2) increase future reserve contributions, (3) borrow funds to pay for major maintenance, repair, or replacement, or (4) impose special assessments for the cost of major maintenance, repair, or replacement.

### **Reserve Study Assumptions**

The below listed assumptions are implicit in this reserve study:

- Cost estimates and financial information are accurate and current.
- No unforeseen circumstances will cause a significant reduction of reserves.
- Sufficient comprehensive property insurance exists to protect from insurable risks.
- The association plans to continue to maintain the existing common areas and amenities.
- Reserve payments occur at the end of every calendar month.
- Expenses occur at the end of the expense year.

### **Inflation Estimate**

Inflation for the last year has been reviewed and a best fit regression analysis of the last 12 months has been used to determine future expense estimates. Based on the current economic conditions, the inflation rate will need to be closely monitored as this is a critical factor in reserve planning for future fund needs.

### **Impact of Component Life**

The projected life expectancy of the major components and the reserve funding needs of the association are closely tied. Performing the appropriate routine maintenance for each major component generally increases the components' useful life,

# **Glenhaven Lakes Club - Water System Level 3a Study 2024**

## **Appendix - Disclosure, Definitions & Calculations**

effectively moving the component expense into the future which reduces the reserve funding payments of the association. Failure to perform such maintenance can shorten the remaining useful lives of the major components, bringing the replacement expense closer to the present which increases the reserve funding payments of the association.

### **Study Method**

This reserve analysis study and the parameters under which it has been completed are based upon information provided to us in part by representatives of the association, its contractors, assorted vendors, specialist and independent contractors, the Community Association Institute, and various construction pricing and scheduling manuals including, but not limited to: Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, RS Means Repair & Remodeling Cost Data, National Construction Estimator, National Repair & Remodel Estimator, Dodge Cost Manual and McGraw-Hill Professional. Additionally, costs are obtained from numerous vendor catalogues, actual quotations or historical costs, and our own experience in the field of property management and reserve study preparation.

It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and that each estimated useful life will approximate that of the norm per industry standards and/or manufacturer's specifications. In some cases, estimates may have been used on assets, which have an indeterminable but potential liability to the association. The decision for the inclusion of these as well as all assets considered is left to the client.

We recommend that your reserve analysis study be updated on an annual basis due to fluctuating interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and computations made subsequently in preparing this reserve analysis study are retained in our computer files. Therefore, annual updates may be completed quickly and inexpensively each year.

### **Items Beyond the Scope of this Report**

Building or land appraisals for any purpose.

State or local zoning ordinance violations.

Building code violations.

Soils conditions, soils contamination or geological stability of site.

Engineering analysis or structural stability of site.

Air quality, asbestos, electromagnetic radiation, formaldehyde, lead, mercury, radon, water quality or other environmental hazards.

Invasions by pests, termites and any or all other destroying organisms, insects, birds, bats or animals to buildings or site. This study is not a pest inspection.

Adequacy or efficiency of any system or component on site.

### **Specifically excluded reserve items:**

Septic systems and septic tanks.

Buried or concealed portions of swimming pools, pool liners, Jacuzzis and spas or similar items.

Items concealed by signs.

Missing or omitted information supplied by the Client for the purposes of reserve study preparation.

Hidden improvements such as sewer lines, water lines, irrigation lines or other buried or concealed items.

### **Definitions:**

#### **Purpose of Distribution**

Distribution will have no real meaning for a cash flow model. But the nature of the Fully Funded Model requires it. Annuity payments are based on an accumulation of reserves for each component in the study. Because a study will rarely start with 'perfect' funding for each component, a starting point for each year must be established.

At the start of the study (The beginning fiscal date)

The beginning balance is used for distribution

Going through the components ordered by remaining life and starting with the least remaining life, the balance is assigned to the components by the value of fully funded for each component. Fully funded for components with no life left is the replacement value of the component.

## Glenhaven Lakes Club - Water System Level 3a Study 2024 Appendix - Disclosure, Definitions & Calculations

If after the last component there is still a balance remaining, the list of components is iterated again and the moneys are assigned at the replacement cost of each component.

If after the second pass on there are remaining funds then just the components being replaced are iterated and distribution is set to twice the replacement value.

If there are still funds after the above, they are considered excess funds.

In each following year of the projection

Money is accumulated from contributions and interest on deposit. Expenditures for replacement/repair of components is subtracted. This becomes the ending balance of the year. This money is distributed in the same manner as described above.

### Calculations:

#### Fully Funded Methods

#### Basic Fully Funded

There are two published methods of calculating Fully Funded. The first only considers the present value of a component. Present value in each period will change according to the inflation applied.

$$FullyFunded = ( Age / Useful Life ) * Present Value$$

#### Community Association Press Fully Funded

To account for inflation and interest earned on deposit the writers of '**RESERVE FUNDS: How & Why community Associations Invest Assets**' came up with:

$$Basic\_FF = ( Age / Useful Life ) * Present Value$$

$$CAI\_FF = Basic\_FF + Basic\_FF / (1 + interest)^{Remaining Life} - Basic\_FF / (1 + inflation)^{Remaining Life}$$