

# **Fallen Leaf Lake CSD - Fire Department**

## **Level 1 Reserve Study**



**Report Period - 7/1/2020 to 6/30/2021**

<b>Client Reference Number</b>	<b>20273</b>
<b>Property Type</b>	<b>Commercial</b>
<b>Number of Units</b>	<b>0</b>
<b>Fiscal Year End</b>	<b>6/30</b>
<b>Type of Study</b>	<b>Full Study</b>
<b>Date of Site Visit</b>	<b>4/29/2020</b>
<b>Prepared By</b>	<b>Eric Phillipps</b>
<b>Analysis Method</b>	<b>Cash Flow</b>
<b>Funding Goal</b>	<b>Full Funding</b>

**Report prepared on - Nov 30, 2020**



**Applied Reserve Analysis**  
TEL: (800) 500-8505 | Fax: (800) 500-7305  
[www.AppliedReserveAnalysis.com](http://www.AppliedReserveAnalysis.com)

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## Executive Summary - Fallen Leaf Lake CSD - Fire Department - ID # 20273

Information to complete this Full Study was gathered by performing an on-site visit of the common area elements. In addition, we may also have obtained information by contacting any vendors and/or contractors that have worked on the property recently, as well as communicating with the property representative (BOD Member and/or Community Manager). To the best of our knowledge, the conclusions and recommendations of this report are considered reliable and accurate insofar as the information obtained from these sources.

<b>Projected Starting Balance as of 7/1/2020</b>	<b>\$582,543</b>
<b>Ideal Reserve Balance as of 7/1/2020</b>	<b>\$800,415</b>
<b>Percent Funded as of 7/1/2020</b>	<b>73%</b>
<b>Recommended Reserve Contribution (per month)</b>	<b>\$9,820</b>
<b>Recommended Special Assessment</b>	<b>\$0</b>

### Property Details

Fallen Leaf Lake CSD - Fire Department is a Commercial community. Construction on the community was completed in 2002.

### Currently Programmed Projected

Projects programmed to occur this fiscal year (FY 2021) include: Brush Engine 93 - Replace (Comp #1905). We have programmed an estimated \$200,000 in reserve expenditures toward the completion of these projects. (See Page(s) 18 - 19)

### Significant Reserve Projects

The client's significant reserve projects include: Main Engine E9 - Replace (Comp #1901). Brush Engine 91 - Replace (Comp #1903). Brush Engine 9 - Replace (Comp #1904). Brush Engine 93 - Replace (Comp #1905). The fiscal significance of these components is approximately 28%, 19%, 19% and 11% respectively. A component's significance is calculated by dividing its replacement cost by its useful life. In this way, not only is a component's replacement cost considered but also the frequency of occurrence. These components most significantly contribute to the total monthly reserve contribution. As these components have a high level of fiscal significance the client should properly maintain them to ensure they reach their full useful lives. (See Page(s) 12 - 13)

### Reserve Funding

In comparing the projected starting reserve balance of \$582,543 versus the ideal reserve balance of \$800,414.58 we find the client's reserve fund to be approximately 73% funded. This indicates a strong reserve fund position. In order to continue to strengthen the account fund, we suggest adopting a monthly reserve contribution of \$9,820 (\$0/unit) per month.

# Introduction

## Reserve Study Purpose

The purpose of this Reserve Study is to provide the board with a budgeting tool to help ensure that there are adequate reserve funds available to perform future reserve projects. In this respect our estimates of the current and future Fully Funded balances are less significant than the recommended reserve contribution. The board should weigh carefully our recommendations when setting the Reserve Contribution. The detailed schedules will serve as an advanced warning that major projects will need to be addressed in the future. This will allow the client to have ample time to obtain competitive estimates and bids that will result in cost savings. It will also ensure the physical well-being of the property and ultimately enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to special assessments.

## Preparer's Credentials

This reserve study was prepared under the responsible charge of Eric Phillipps. Any persons assisting in the preparation of this study worked under his responsible charge and have appropriate experience and training. Mr. Phillipps has been preparing reserve studies since 2007 and has completed reserve studies in California, Washington, Oregon, Arizona and Idaho. Eric has worked for 25 years in the architectural/engineering fields as a reserve specialist/analyst, drafter/designer, project manager, supervisor & business owner. He has a wide range of experience in residential and commercial design, structural detailing, working with city and county governments and had Department of Defense clearance to manage conversion of plans & specifications for government military, aerospace and nuclear facilities. Prior to joining Applied Reserve Analysis, Eric worked as a reserve specialist/analyst for more than seven years in the Pacific Northwest, California and Arizona and prior to that as a project manager/drafter for a Seattle based Architect working on multiple building envelope waterproofing projects, which entailed forensic investigation through design/detailing to final construction for single-family housing, condominium & apartment complexes.

- Community Association Institute (CAI) Reserve Specialist (RS) designation #238
- Active member of Washington State chapter of CAI
- Has personally prepared over 1,000 reserve studies.
- Projects have ranged in size from small apartment-style condominium communities to 1000+ Planned Unit Communities.
- Clients have ranged from developers interested in setting initial reserve accounts for communities under construction to high-rise communities, worship facilities, college campus facilities and more.

## Budget Breakdown

Every client conducts their business within a budget. There are typically two main parts to this budget, the Operating budget and the Reserve budget. The operating budget typically includes all expenses that occur on an annual basis as well as general maintenance and repairs. Typical Operating budget line items include management fees, maintenance expenses, utilities, etc. The reserves are primarily made up of capital replacement items such as roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis. Typically, the reserve contribution makes up 15% - 40% of the client's total budget. Therefore, reserves are considered to be a major part of the overall monthly client assessment.

## Report Sections

The **Reserve Analysis Section** contains the evaluation of the client's reserve balance, income, and expenses. It includes a finding of the client's current reserve fund status (measured as percent funded) and a recommendation for an appropriate reserve allocation rate (also known as the funding plan).

The **Component Evaluation Section** contains information regarding the physical status and replacement cost of major common area components the client is responsible to maintain. It is important to understand that while the component inventory will remain relatively "stable" from year to year, the condition assessment and life estimates will most likely vary from year to year.

## General Information and Frequently Asked Questions

### Is it the law to have a Reserve Study conducted?

The Government requires reserve analyses in approximately 20 States. Even if it is not currently governed by your State, the chances are very good that the documents of the client require the client to have a reserve fund established. This doesn't mean a Reserve Study is required, but how are you going to know if you have enough funds in the reserve account if you don't have the proper information? Some associations look at the Reserve fund and think that \$500,000 is a lot of money and they are in good shape. What they don't know is that the roof is going to need to be replaced within 5 years, and the cost of the roof is going to exceed \$750,000. So while \$500,000 sounds like a lot of money, in reality it won't even cover the cost of a roof, let alone all the other amenities the client is responsible to maintain.

### Why is it important to perform a Reserve Study?

As previously mentioned, the reserve allocation makes up a significant portion of the total monthly assessment. This report provides the essential information that is needed to guide the Board of Directors in establishing the reserve portion of the total monthly assessment. The reserve fund is critical to the future of the client because it helps ensure that significant reserve projects can be completed on time with quality contractors. In this way deferred maintenance can be avoided as well as the lower property values that typically accompanies it. It is suggested that a third party professionally prepare the Reserve Study since there is no vested interest in the property.

### After we have a Reserve Study completed, what do we do with it?

Hopefully, you will not look at this report and think it is too cumbersome to comprehend. Our intention is to make this Reserve Study easy to read and understand. Please take the time to review it carefully and make sure the "main ingredients" (component information) are complete and accurate. If there are any components that the client feels should be added, removed, or altered as well as any other inaccuracies or changes that should be made, please inform us immediately so we may revise the report. In order to ensure the Board understands its role in the completion of this report, all reports are labeled as "DRAFT" until their input has been given and the report has been approved as finalized. **Note to user:** If this report has a "DRAFT" watermark it is not a finalized report and is not to be relied upon or used for budgeting purposes.

Once you feel the report is an accurate tool to work from, use it to help establish your budget for the upcoming fiscal year. The reserve allocation makes up a large portion of the total monthly assessment and this report should help you determine the correct amount of money to go into the reserve fund. Additionally, the Reserve Study should act as a guide to obtain proposals in advance of pending projects. This will give you an opportunity to shop around for the best price available.

### How often do we update or review the Reserve Study?

Unfortunately, there is a misconception that these reports are good for an extended period of time since the report has projections for the next 30 years. Just like any major line item in the budget, the Reserve Study should be professionally reviewed (Level III "no site visit" update study) each year before the budget is established. Invariably, some assumptions have to be made during the compilation of this analysis. Anticipated events may not materialize and unpredictable circumstances could occur. Deterioration rates and repair/replacement costs will vary from causes that are unforeseen. Earned interest rates may vary from year to year. These variations could alter the results of the Reserve Study. Because of this projected future Fully Funded balances cannot be relied upon (in other words the Fully Funded balance for the current year of a report prepared 3 years earlier cannot be considered accurate or reliable). Therefore, this analysis should be professionally reviewed annually, and a "site visit" reserve study should be conducted at least once every three years.

### What is a "Reserve Component" versus an "Operating Component"?

A "Reserve" component is an item that is the responsibility of the client to maintain, has a limited useful life, predictable remaining useful life, typically occurs on a cyclical basis that exceeds 1 year, and costs above a minimum threshold amount. An "Operating" expense is typically a fixed expense that occurs on an annual basis. For instance, minor repairs to a roof for damage caused by high winds or other weather elements would be considered an "Operating" expense. However, if the entire roof needs to be replaced because it has reached the end of its life expectancy, then the replacement would be considered a reserve expense.

### What are the GREY areas of "maintenance" items that are often seen in a Reserve Study?

One of the most popular questions revolves around major "maintenance" items, such as painting the buildings or seal coating the asphalt. You may hear from your accountant that since painting or seal coating is not replacing a "capital" item, it cannot be considered a Reserve issue. However, it is the opinion of several major Reserve Study providers, including Applied Reserve Analysis, that these items are considered to be major expenses that occur on a cyclical basis. Therefore, it makes it very difficult to ignore a major expense that meets the criteria to be considered a reserve component. Once explained in this context, many accountants tend to agree and will include any expenses, such as these examples, as a reserve component.



## What are the GREY areas of major expenses that are not included in a Reserve Study?

Some components may appear to satisfy the requirements of being a reserve component but are still not included in the reserve study. Several Reserve Study providers, including Applied Reserve Analysis, limit the component list to physical components of the common area that are owned by the client. Certain elements of an client's common area, such as leased items, or non-physical components such as future reserve studies, financial audits, inspection reports etc. are not included in our reserve studies. In addition we typically do not fund for utility systems, plumbing, or components with an extended useful life. Associations that feel any of these components should be included in our reserve study should notify us with their request. These components will be added to help the client better plan and prepare their own budget and will not necessarily reflect the professional opinions of Applied Reserve Analysis.

## Information and Data Gathered

It is important for the client to understand that the information contained in this analysis is based on estimates and assumptions gathered from various sources. Estimated life expectancies and cycles are based upon conditions that were readily visible and accessible at the time of the site visit. No destructive or intrusive methods (such as entering the walls to inspect the condition of electrical wiring, plumbing lines, and telephone wires) were performed. In addition, environmental hazards (such as lead paint, asbestos, radon, etc.), construction defects, and acts of nature have also been excluded from this report. If problem areas were revealed, a reasonable effort has been made to include these items within the report. While every effort has been made to ensure accurate results, this report reflects the judgment of Applied Reserve Analysis and should not be construed as a guarantee or assurance of predicting future events.

## What happens during the Site Visit? (Site Visit Studies Only)

The Site Visit was conducted of the common areas as reported by client. There may be certain areas that are not located inside the community but still a part of the client's common area. This may include drainage easements or landscaped areas located outside of the community, such as across a street. It is the responsibility of the client to inform us of all common area locations. From our site visit we identified those common area components that we have determined require reserve funding. Based on information provided by the client, client's vendors, and our assessment of the components we have developed a component list and life and cost estimates.

## What is the Financial Analysis?

We project the starting balance by taking the most recent reserve fund balance as stated by the client and add expected reserve contributions to the end of the fiscal year. We then subtract the expenses of any pending projects. We compare this number to the Fully Funded Balance and arrive at the Percent Funded level. Based on that level of funding we then recommend a Funding Plan to help ensure the adequacy of funding in the future

**Percent Funded Breakdown:** The percentage of the current reserve fund balance versus the Fully Funded Balance. A "snapshot" indicator of the general strength of the account at the time of report preparation. Because many variables affect the Fully Funded balance it is more important to maintain the recommended reserve contribution or "cash flow" moving forward rather than striving to attain a certain Fully Funded figure.

### Measures of strength are as follows:

**0% - 30% Funded** is generally considered to be a "weak" financial position. Associations that fall into this category are subject to higher frequencies of special assessments and deferred maintenance, which could lead to lower property values. Furthermore, should components fail sooner than expected our recommendations may not be enough to get the community into a better financial position. In this case additional actions beyond our initial recommendations may be necessary to improve the financial strength of the reserve fund.

**31% - 69% Funded** is generally considered a "fair" financial position. The majority of associations fall into this category. While this doesn't represent financial strength and stability, the likelihood of special assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial position of the reserve fund.

**70% - 99% Funded** is generally considered a "strong" financial position. This indicates financial strength of a reserve fund and every attempt to maintain this level should be a goal of the client.

**100% Funded** is considered an "ideal" financial position. This means that the client theoretically has the exact amount of funds in the reserve account.

**100%+ Funded** is considered over-funded. This means that the client has more reserve funds than the theoretically ideal amount.

## Disclosures:

Information provided to the preparer of a reserve study by an official representative of the client regarding financial, historical, physical, quantitative or reserve project issues will be deemed reliable by the preparer. A reserve study will be a reflection of information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited.

A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. A site visit conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection.

The results of this study are based on the independent opinion of the preparer and his experience and research during the course of his career in preparing Reserve Studies. In addition any opinions of experts on certain components have been gathered through research within their industry and with client's actual vendors. There is no implied warranty or guarantee regarding our life and cost estimates/predictions. There is no implied warranty or guarantee in any of our work product. Our results and findings will vary from another preparer's results and findings. A Reserve Study is necessarily a work in progress and subsequent Reserve Studies will vary from prior studies.

Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the site visit. We did not destroy any landscape work, building walls, or perform any methods of intrusive investigation during the site visit. In these cases, information may have been obtained by contacting the contractor or vendor that has worked on the property. The physical analysis performed during this site visit is not intended to be exhaustive in nature and may include representative sampling.

The projected life expectancy of the major components and the funding needs of the reserves of the client are based upon the client performing appropriate routine and preventative maintenance for each major component. Failure to perform such maintenance can negatively impact the remaining useful life of the major components and dramatically increase the funding needs of the reserves of the client.

This Reserve Study assumes that all construction assemblies and components identified herein are built properly and are free from defects in materials and/or workmanship. Defects can lead to reduced useful life and premature failure. It was not the intent of this Reserve Study to inspect for or to identify defects. If defects exist, repairs should be made so that the construction components and assemblies at the community reach their full and expected useful lives.

We have assumed any and all components have been properly built and will reach normal, typical life expectancies. In general a reserve study is not intended to identify or fund for construction defects. We did not and will not look for or identify construction defects during our site visit.

**Site Visits:** Should a site visit have been performed during the preparation of this reserve study no invasive testing was performed. The physical analysis performed during the site visit was not intended to be exhaustive in nature and may have included representative sampling.

**Update Reserve Studies: Level II Studies:** Quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies. **Level III Studies:** In addition to the above we have not visited the property when completing a Level III "No Site Visit" study. Therefore we have not verified the current condition of the common area components.

**Insurance:** We carry general and professional liability insurance as well as workers' compensation insurance.

**Actual or Perceived Conflicts of Interest:** Unless otherwise stated there are no potential actual or perceived conflicts of interest that we are aware of.

**Inflation and Interest Rates:** The after tax interest rate used in the financial analysis may or may not be based on the clients reported after tax interest rate. If it is we have not verified or audited the reported rate. The interest rate may also be based on an amount we believe appropriate given the 30-year horizon of this study and may or may not reflect current or historical inflation rates.

## Funding Summary

### Beginning Assumptions

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# of units	0
Fiscal Year End	6/30
Budgeted Monthly Reserve Contribution	\$7,940
Projected Starting Reserve Balance	\$582,543
Ideal Starting Reserve Balance	\$800,415

### Economic Assumptions

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Current Inflation Rate	3.00%
Reported After-Tax Interest Rate	0.50%

### Current Reserve Status

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Current Balance as a % of Ideal Balance	73%
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### Recommendations

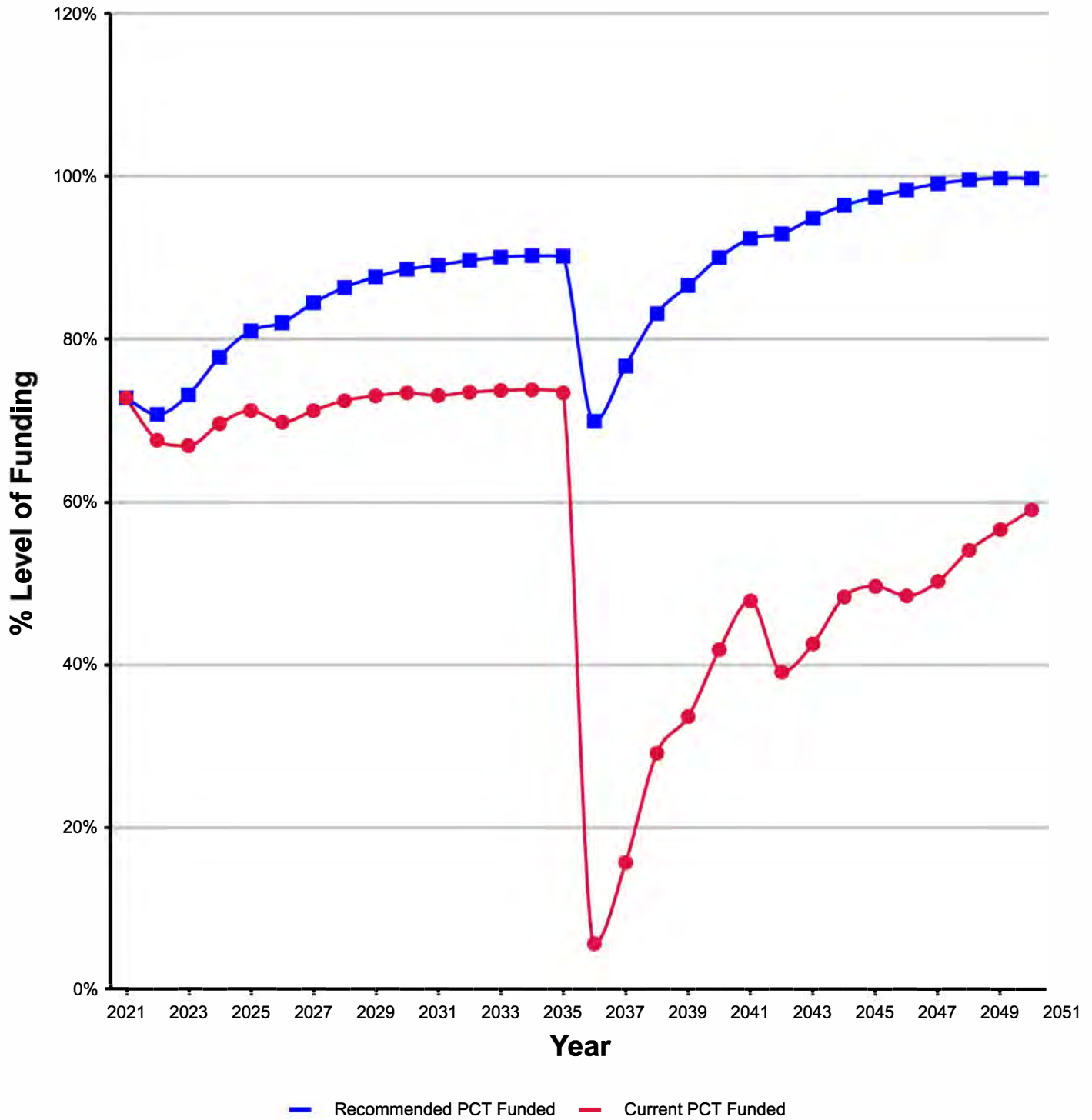
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Recommended Special Assessment	\$0
Recommended Monthly Reserve Contribution	\$9,820
Future Annual Increases	3.00%
For number of years:	30
Increases thereafter:	3.00%

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## Percent Funded - Graph



**DRAFT**

Fallen Leaf Lake CSD - Fire Department  
Prepared for FYE 6/30/2021  
Version 1.3

## Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
<b>Building Exterior</b>								
105	Comp Shingle Roofing - Replace	30	13	Approx 2,600 Square ft.	\$20,800	\$11,787	\$11,787	\$75.71
106	Comp Shingle Roofing - Replace	30	25	Approx 350 Square ft.	\$2,800	\$467	\$0	\$10.19
115	Skylights - Replace	30	13	(2) Skylights	\$1,400	\$793	\$793	\$5.10
201	Wood Siding - Stain	10	7	Approx 1,900 Square ft.	\$11,400	\$3,420	\$3,420	\$124.48
301	Wood Siding - Replace	40	23	Approx 1,900 Square ft.	\$38,000	\$16,150	\$0	\$103.73
501	Metal Doors - Replace	40	23	(3) Metal doors	\$3,750	\$1,594	\$0	\$10.24
503	Garage Doors - Replace	25	8	(3) Roll-up doors	\$7,500	\$5,100	\$5,100	\$32.76
505	Windows - Replace	40	23	(10) Windows	\$6,500	\$2,763	\$0	\$17.74
1602	Wall Mount Lights - Replace	25	8	(4) Assorted fixtures	\$1,000	\$680	\$680	\$4.37
<b>Subtotals:</b>					<b>\$93,150</b>	<b>\$42,753</b>	<b>\$21,780</b>	<b>\$384</b>
<b>Building Interior</b>								
701	Boiler - Replace	25	8	(1) Burnham boiler	\$4,000	\$2,720	\$2,720	\$17.47
703	Water Storage Tank - Replace	15	5	(1) Bradford White 50 gallon	\$1,500	\$1,000	\$1,000	\$10.92
710	Emergency Generator - Replace	30	14	(1) 20kW Generac generator	\$7,000	\$3,733	\$3,733	\$25.48
715	Garage Door Operators - Replace	20	3	(2) LiftMaster openers	\$2,500	\$2,125	\$2,125	\$13.65
716	Garage Door Operator - Replace	20	19	(1) LiftMaster openers	\$1,250	\$63	\$0	\$6.82
1401	Interior Wall/Ceiling Surfaces - Paint	20	5	Approx 3,500 Square ft.	\$3,500	\$2,625	\$2,625	\$19.11
1402	Laundry Equipment - Replace	25	8	(1) Maytag washer, (1) Maytag dryer	\$1,000	\$680	\$680	\$4.37
1403	Furniture - Update	10	3	Assorted furnishings	\$1,000	\$700	\$700	\$10.92
1404	Office Equipment - Upgrade	10	5	Computer/monitor, printer & phone	\$2,500	\$1,250	\$1,250	\$27.30
1405	Restrooms - Remodel	30	14	(2) Restrooms	\$3,000	\$1,600	\$1,600	\$10.92
1406	Kitchen - Refurbish	30	14	(1) Kitchen	\$5,000	\$2,667	\$2,667	\$18.20
1501	Carpeting - Replace	20	3	Approx 50 Square yds.	\$2,750	\$2,338	\$2,338	\$15.01
1502	Linoleum - Replace	20	3	Approx 600 Square ft.	\$4,500	\$3,825	\$3,825	\$24.57
1601	Interior Lighting - Replace	30	14	(43) Assorted fixtures	\$8,600	\$4,587	\$4,587	\$31.30
<b>Subtotals:</b>					<b>\$48,100</b>	<b>\$29,912</b>	<b>\$29,849</b>	<b>\$236</b>
<b>Vehicles</b>								
1901	Main Engine E9 - Replace	20	14	(1) Type 1 Engine	\$500,000	\$150,000	\$0	\$2,729.86
1902	Reserve Engine E91 - Replace	20	4	(1) Type 1 Engine	\$100,000	\$80,000	\$80,000	\$545.97
1903	Brush Engine 91 - Replace	20	14	(1) Brush Engine	\$350,000	\$105,000	\$105,000	\$1,910.90

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## Component Funding Information

ID	Component Name	UL	RUL	Quantity	Average Current Cost	Ideal Balance	Current Fund Balance	Monthly
1904	Brush Engine 9 - Replace	20	14	(1) Type III Engine	\$350,000	\$105,000	\$68,164	\$1,910.90
1905	Brush Engine 93 - Replace	20	0	(1) Type 6 Engine	\$200,000	\$200,000	\$200,000	\$1,091.95
1906	Brush Engine 92 - Replace (Federally Funded)	N/A	0	(1) Brush Engine	\$0	\$0	\$0	\$0.00
1907	Patrol / Utility Truck - Replace	20	1	(1) Ford	\$45,000	\$42,750	\$42,750	\$245.69
1908	C900 - Replace	8	1	(1) Chevy	\$40,000	\$35,000	\$35,000	\$545.97
1909	Fire Boat Engines - Maintain	20	15	(2) Propulsion motors	\$40,000	\$10,000	\$0	\$218.39
<b>Subtotals:</b>					<b>\$1,625,000</b>	<b>\$727,750</b>	<b>\$530,914</b>	<b>\$9,200</b>
<b>Grand Total:</b>					<b>\$1,766,250</b>	<b>\$800,415</b>	<b>\$582,543</b>	<b>\$9,820</b>

**Current Fund Balance as a percentage of Ideal Balance: 73%**

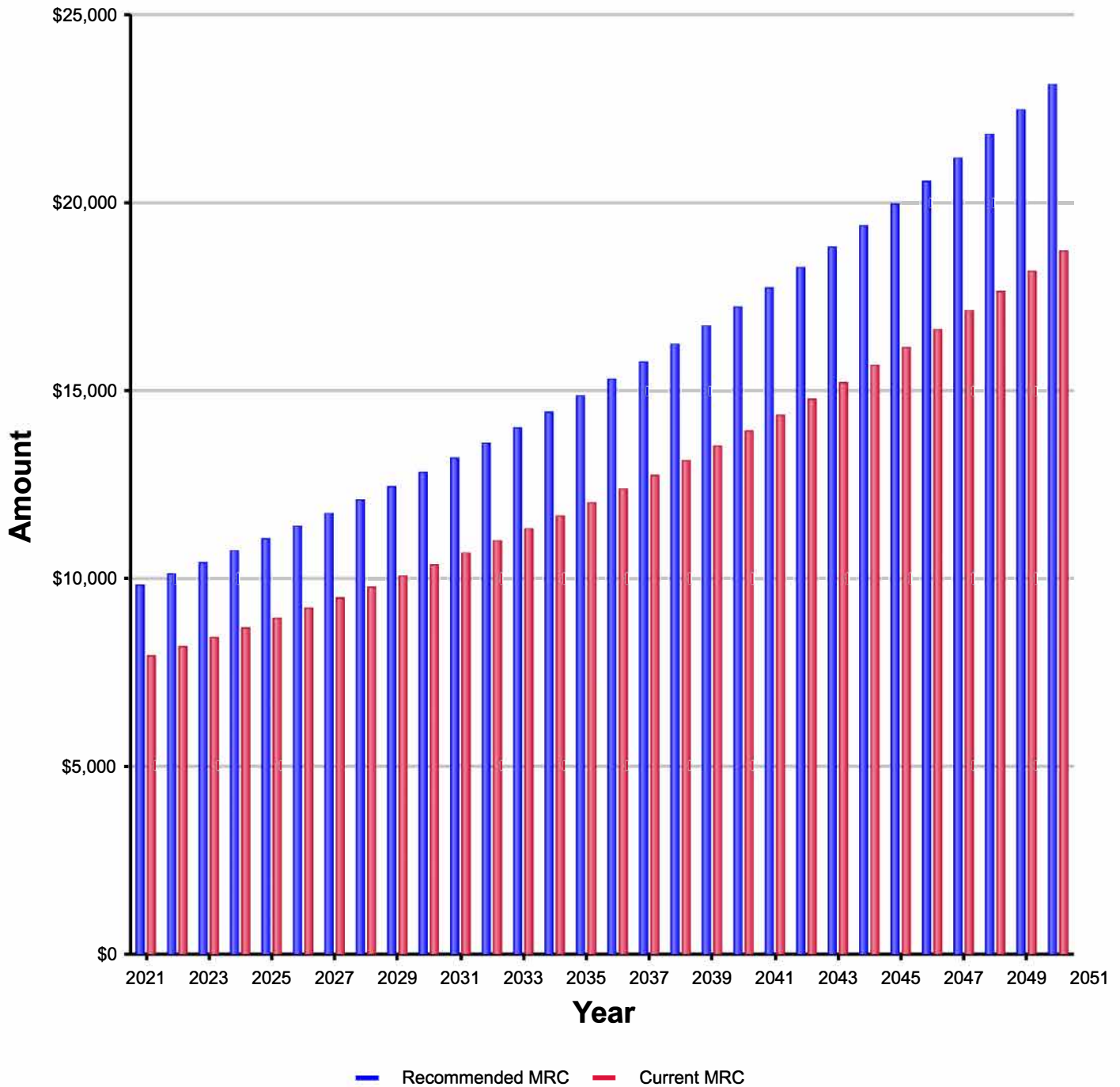
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## Yearly Summary

Year	Beginning Fully Funded Balance	Beginning Reserve Balance	Beginning % Funded	Reserve Contributions	Interest Income	Reserve Expenses	Ending Reserve Balance	Ending Fully Funded Balance
2021	\$800,415	\$582,543	73%	\$117,840	\$2,714	\$200,000	\$503,097	\$711,056
2022	\$711,056	\$503,097	71%	\$121,375	\$2,606	\$87,550	\$539,528	\$737,619
2023	\$737,619	\$539,528	73%	\$125,016	\$3,017	\$0	\$667,561	\$858,018
2024	\$858,018	\$667,561	78%	\$128,767	\$3,639	\$11,747	\$788,220	\$972,878
2025	\$972,878	\$788,220	81%	\$132,630	\$4,000	\$112,551	\$812,300	\$990,392
2026	\$990,392	\$812,300	82%	\$136,609	\$4,391	\$8,695	\$944,605	\$1,118,531
2027	\$1,118,531	\$944,605	84%	\$140,707	\$5,086	\$0	\$1,090,399	\$1,262,691
2028	\$1,262,691	\$1,090,399	86%	\$144,928	\$5,793	\$14,021	\$1,227,099	\$1,400,053
2029	\$1,400,053	\$1,227,099	88%	\$149,276	\$6,481	\$17,101	\$1,365,755	\$1,541,780
2030	\$1,541,780	\$1,365,755	89%	\$153,754	\$7,099	\$52,191	\$1,474,417	\$1,655,137
2031	\$1,655,137	\$1,474,417	89%	\$158,367	\$7,786	\$0	\$1,640,570	\$1,829,277
2032	\$1,829,277	\$1,640,570	90%	\$163,118	\$8,630	\$0	\$1,812,319	\$2,012,375
2033	\$2,012,375	\$1,812,319	90%	\$168,012	\$9,503	\$0	\$1,989,834	\$2,204,814
2034	\$2,204,814	\$1,989,834	90%	\$173,052	\$10,320	\$34,070	\$2,139,136	\$2,371,895
2035	\$2,371,895	\$2,139,136	90%	\$178,244	\$6,529	\$1,850,805	\$473,104	\$676,833
2036	\$676,833	\$473,104	70%	\$183,591	\$2,665	\$66,214	\$593,146	\$773,251
2037	\$773,251	\$593,146	77%	\$189,099	\$3,446	\$0	\$785,691	\$945,091
2038	\$945,091	\$785,691	83%	\$194,772	\$4,213	\$84,956	\$899,719	\$1,039,041
2039	\$1,039,041	\$899,719	87%	\$200,615	\$5,012	\$0	\$1,105,345	\$1,227,907
2040	\$1,227,907	\$1,105,345	90%	\$206,633	\$6,052	\$2,192	\$1,315,838	\$1,424,913
2041	\$1,424,913	\$1,315,838	92%	\$212,832	\$6,216	\$363,931	\$1,170,955	\$1,260,109
2042	\$1,260,109	\$1,170,955	93%	\$219,217	\$6,208	\$83,713	\$1,312,666	\$1,384,005
2043	\$1,384,005	\$1,312,666	95%	\$225,794	\$7,144	\$0	\$1,545,604	\$1,603,013
2044	\$1,603,013	\$1,545,604	96%	\$232,567	\$8,037	\$116,442	\$1,669,767	\$1,713,980
2045	\$1,713,980	\$1,669,767	97%	\$239,544	\$8,459	\$203,279	\$1,714,491	\$1,744,318
2046	\$1,744,318	\$1,714,491	98%	\$246,731	\$8,954	\$102,176	\$1,867,999	\$1,885,350
2047	\$1,885,350	\$1,867,999	99%	\$254,133	\$9,998	\$0	\$2,132,130	\$2,141,674
2048	\$2,141,674	\$2,132,130	100%	\$261,757	\$11,278	\$25,323	\$2,379,842	\$2,385,598
2049	\$2,385,598	\$2,379,842	100%	\$269,609	\$12,602	\$0	\$2,662,053	\$2,669,095
2050	\$2,669,095	\$2,662,053	100%	\$277,698	\$14,037	\$0	\$2,953,788	END

## Reserve Contributions - Graph

### Monthly Reserve Contributions



**DRAFT**

Fallen Leaf Lake CSD - Fire Department  
Prepared for FYE 6/30/2021  
Version 1.3

## Significant Components

ID #	Component Name	UL	RUL	Average Current	Significance: (Curr Cost/UL)	
					As \$	As %
Building Exterior						
105	Comp Shingle Roofing - Replace	30	13	\$20,800	\$693	0.77%
106	Comp Shingle Roofing - Replace	30	25	\$2,800	\$93	0.10%
115	Skylights - Replace	30	13	\$1,400	\$47	0.05%
201	Wood Siding - Stain	10	7	\$11,400	\$1,140	1.27%
301	Wood Siding - Replace	40	23	\$38,000	\$950	1.06%
501	Metal Doors - Replace	40	23	\$3,750	\$94	0.10%
503	Garage Doors - Replace	25	8	\$7,500	\$300	0.33%
505	Windows - Replace	40	23	\$6,500	\$163	0.18%
1602	Wall Mount Lights - Replace	25	8	\$1,000	\$40	0.04%
Building Interior						
701	Boiler - Replace	25	8	\$4,000	\$160	0.18%
703	Water Storage Tank - Replace	15	5	\$1,500	\$100	0.11%
710	Emergency Generator - Replace	30	14	\$7,000	\$233	0.26%
715	Garage Door Operators - Replace	20	3	\$2,500	\$125	0.14%
716	Garage Door Operator - Replace	20	19	\$1,250	\$63	0.07%
1401	Interior Wall/Ceiling Surfaces - Paint	20	5	\$3,500	\$175	0.19%
1402	Laundry Equipment - Replace	25	8	\$1,000	\$40	0.04%
1403	Furniture - Update	10	3	\$1,000	\$100	0.11%
1404	Office Equipment - Upgrade	10	5	\$2,500	\$250	0.28%
1405	Restrooms - Remodel	30	14	\$3,000	\$100	0.11%
1406	Kitchen - Refurbish	30	14	\$5,000	\$167	0.19%
1501	Carpeting - Replace	20	3	\$2,750	\$138	0.15%
1502	Linoleum - Replace	20	3	\$4,500	\$225	0.25%
1601	Interior Lighting - Replace	30	14	\$8,600	\$287	0.32%
Vehicles						
1901	Main Engine E9 - Replace	20	14	\$500,000	\$25,000	27.80%
1902	Reserve Engine E91 - Replace	20	4	\$100,000	\$5,000	5.56%
1903	Brush Engine 91 - Replace	20	14	\$350,000	\$17,500	19.46%
1904	Brush Engine 9 - Replace	20	14	\$350,000	\$17,500	19.46%
1905	Brush Engine 93 - Replace	20	0	\$200,000	\$10,000	11.12%
1906	Brush Engine 92 - Replace (Federally Funded)	N/A	0	\$0	\$0	0.00%
1907	Patrol / Utility Truck - Replace	20	1	\$45,000	\$2,250	2.50%
1908	C900 - Replace	8	1	\$40,000	\$5,000	5.56%

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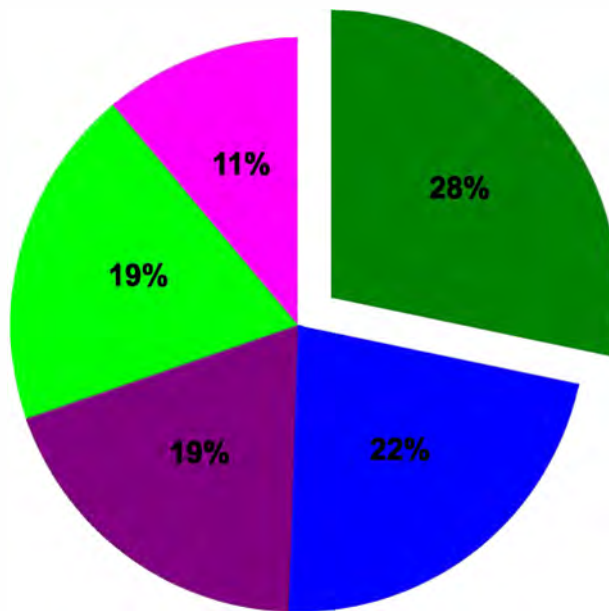
## Significant Components

ID #	Component Name	UL	RUL	Average Current	Significance: (Curr Cost/UL)	
					As \$	As %
1909	Fire Boat Engines - Maintain	20	15	\$40,000	\$2,000	2.22%

**D R A F T**

## Significant Components - Graph

- Main Engine E9 - Replace
- See Expanded Table For Breakdown
- Brush Engine 91 - Replace
- Brush Engine 9 - Replace
- Brush Engine 93 - Replace



ID #	Component Name	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Average Current	Significance: (Curr Cost/UL) AS %	
1901	Main Engine E9 - Replace	20	14	\$500,000	\$25,000	28%
1903	Brush Engine 91 - Replace	20	14	\$350,000	\$17,500	19%
1904	Brush Engine 9 - Replace	20	14	\$350,000	\$17,500	19%
1905	Brush Engine 93 - Replace	20	0	\$200,000	\$10,000	11%
All Other	See Expanded Table For Breakdown				\$70,000	22%

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## Yearly Cash Flow

Year	2021	2022	2023	2024	2025
<b>Starting Balance</b>	\$582,543	\$503,097	\$539,528	\$667,561	\$788,220
<i>Reserve Income</i>	\$117,840	\$121,375	\$125,016	\$128,767	\$132,630
<i>Interest Earnings</i>	\$2,714	\$2,606	\$3,017	\$3,639	\$4,000
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$703,097	\$627,078	\$667,561	\$799,967	\$924,850
<b>Reserve Expenditures</b>	\$200,000	\$87,550	\$0	\$11,747	\$112,551
<b>Ending Balance</b>	\$503,097	\$539,528	\$667,561	\$788,220	\$812,300

Year	2026	2027	2028	2029	2030
<b>Starting Balance</b>	\$812,300	\$944,605	\$1,090,399	\$1,227,099	\$1,365,755
<i>Reserve Income</i>	\$136,609	\$140,707	\$144,928	\$149,276	\$153,754
<i>Interest Earnings</i>	\$4,391	\$5,086	\$5,793	\$6,481	\$7,099
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$953,300	\$1,090,398	\$1,241,120	\$1,382,856	\$1,526,608
<b>Reserve Expenditures</b>	\$8,695	\$0	\$14,021	\$17,101	\$52,191
<b>Ending Balance</b>	\$944,605	\$1,090,399	\$1,227,099	\$1,365,755	\$1,474,417

Year	2031	2032	2033	2034	2035
<b>Starting Balance</b>	\$1,474,417	\$1,640,570	\$1,812,319	\$1,989,834	\$2,139,136
<i>Reserve Income</i>	\$158,367	\$163,118	\$168,012	\$173,052	\$178,244
<i>Interest Earnings</i>	\$7,786	\$8,630	\$9,503	\$10,320	\$6,529
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,640,570	\$1,812,318	\$1,989,834	\$2,173,206	\$2,323,909
<b>Reserve Expenditures</b>	\$0	\$0	\$0	\$34,070	\$1,850,805
<b>Ending Balance</b>	\$1,640,570	\$1,812,319	\$1,989,834	\$2,139,136	\$473,104

Year	2036	2037	2038	2039	2040
<b>Starting Balance</b>	\$473,104	\$593,146	\$785,691	\$899,719	\$1,105,345
<i>Reserve Income</i>	\$183,591	\$189,099	\$194,772	\$200,615	\$206,633
<i>Interest Earnings</i>	\$2,665	\$3,446	\$4,213	\$5,012	\$6,052
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$659,360	\$785,691	\$984,676	\$1,105,346	\$1,318,030
<b>Reserve Expenditures</b>	\$66,214	\$0	\$84,956	\$0	\$2,192
<b>Ending Balance</b>	\$593,146	\$785,691	\$899,719	\$1,105,345	\$1,315,838

Year	2041	2042	2043	2044	2045
<b>Starting Balance</b>	\$1,315,838	\$1,170,955	\$1,312,666	\$1,545,604	\$1,669,767
<i>Reserve Income</i>	\$212,832	\$219,217	\$225,794	\$232,567	\$239,544
<i>Interest Earnings</i>	\$6,216	\$6,208	\$7,144	\$8,037	\$8,459
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,534,886	\$1,396,380	\$1,545,604	\$1,786,208	\$1,917,770
<b>Reserve Expenditures</b>	\$363,931	\$83,713	\$0	\$116,442	\$203,279
<b>Ending Balance</b>	\$1,170,955	\$1,312,666	\$1,545,604	\$1,669,767	\$1,714,491

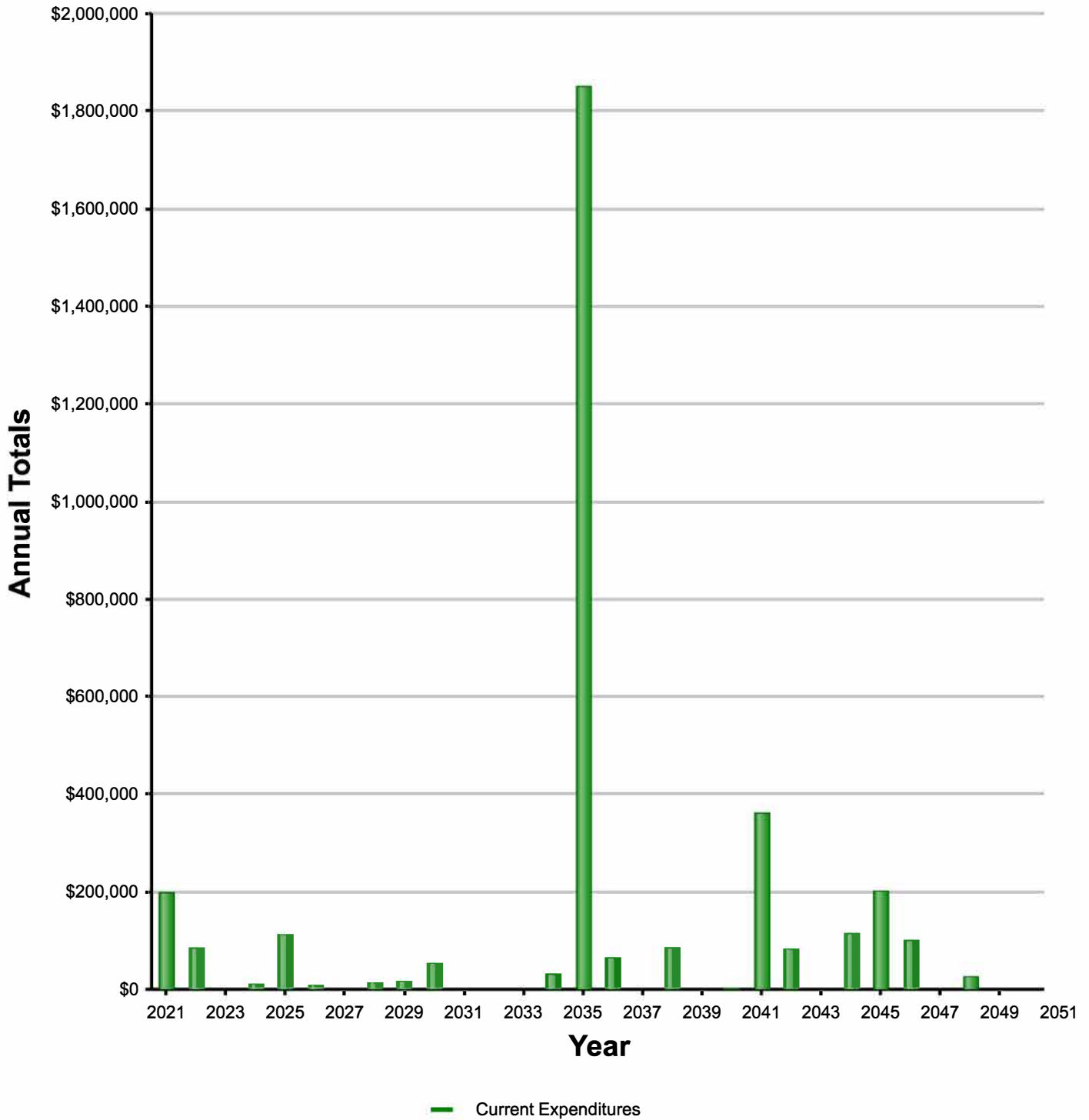
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## Yearly Cash Flow

Year	2046	2047	2048	2049	2050
<b>Starting Balance</b>	\$1,714,491	\$1,867,999	\$2,132,130	\$2,379,842	\$2,662,053
<i>Reserve Income</i>	\$246,731	\$254,133	\$261,757	\$269,609	\$277,698
<i>Interest Earnings</i>	\$8,954	\$9,998	\$11,278	\$12,602	\$14,037
<i>Special Assessments</i>	\$0	\$0	\$0	\$0	\$0
<b>Funds Available</b>	\$1,970,176	\$2,132,130	\$2,405,165	\$2,662,053	\$2,953,788
<b>Reserve Expenditures</b>	\$102,176	\$0	\$25,323	\$0	\$0
<b>Ending Balance</b>	\$1,867,999	\$2,132,130	\$2,379,842	\$2,662,053	\$2,953,788

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## Yearly Reserve Expenditures - Graph



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## Projected Expenditures By Year

Year	Subgroup	Comp. Id	Component Name	Projected Cost	Total Per Annum
2021	Vehicles	1905	Brush Engine 93 - Replace	\$200,000	\$200,000
2022	Vehicles	1907	Patrol / Utility Truck - Replace	\$46,350	
	Vehicles	1908	C900 - Replace	\$41,200	\$87,550
2023			No Expenditures Projected	\$0	\$0
2024	Building Interior	715	Garage Door Operators - Replace	\$2,732	
	Building Interior	1403	Furniture - Update	\$1,093	
	Building Interior	1501	Carpeting - Replace	\$3,005	
	Building Interior	1502	Linoleum - Replace	\$4,917	\$11,747
2025	Vehicles	1902	Reserve Engine E91 - Replace	\$112,551	\$112,551
2026	Building Interior	703	Water Storage Tank - Replace	\$1,739	
	Building Interior	1401	Interior Wall/Ceiling Surfaces - Paint	\$4,057	
	Building Interior	1404	Office Equipment - Upgrade	\$2,898	\$8,695
2027			No Expenditures Projected	\$0	\$0
2028	Building Exterior	201	Wood Siding - Stain	\$14,021	\$14,021
2029	Building Exterior	503	Garage Doors - Replace	\$9,501	
	Building Interior	701	Boiler - Replace	\$5,067	
	Building Interior	1402	Laundry Equipment - Replace	\$1,267	
	Building Exterior	1602	Wall Mount Lights - Replace	\$1,267	\$17,101
2030	Vehicles	1908	C900 - Replace	\$52,191	\$52,191
2031			No Expenditures Projected	\$0	\$0
2032			No Expenditures Projected	\$0	\$0
2033			No Expenditures Projected	\$0	\$0
2034	Building Exterior	105	Comp Shingle Roofing - Replace	\$30,546	
	Building Exterior	115	Skylights - Replace	\$2,056	
	Building Interior	1403	Furniture - Update	\$1,469	\$34,070
2035	Building Interior	710	Emergency Generator - Replace	\$10,588	
	Building Interior	1405	Restrooms - Remodel	\$4,538	
	Building Interior	1406	Kitchen - Refurbish	\$7,563	
	Building Interior	1601	Interior Lighting - Replace	\$13,008	
	Vehicles	1901	Main Engine E9 - Replace	\$756,295	
	Vehicles	1903	Brush Engine 91 - Replace	\$529,406	
	Vehicles	1904	Brush Engine 9 - Replace	\$529,406	\$1,850,805
2036	Building Interior	1404	Office Equipment - Upgrade	\$3,895	
	Vehicles	1909	Fire Boat Engines - Maintain	\$62,319	\$66,214
2037			No Expenditures Projected	\$0	\$0
2038	Building Exterior	201	Wood Siding - Stain	\$18,842	
	Vehicles	1908	C900 - Replace	\$66,114	\$84,956
2039			No Expenditures Projected	\$0	\$0
2040	Building Interior	716	Garage Door Operator - Replace	\$2,192	\$2,192
2041	Building Interior	703	Water Storage Tank - Replace	\$2,709	
	Vehicles	1905	Brush Engine 93 - Replace	\$361,222	\$363,931
2042	Vehicles	1907	Patrol / Utility Truck - Replace	\$83,713	\$83,713

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## Projected Expenditures By Year

Year	Subgroup	Comp. Id	Component Name	Projected Cost	Total Per Annum
2043			No Expenditures Projected	\$0	\$0
2044	Building Exterior	301	Wood Siding - Replace	\$74,996	
	Building Exterior	501	Metal Doors - Replace	\$7,401	
	Building Exterior	505	Windows - Replace	\$12,828	
	Building Interior	715	Garage Door Operators - Replace	\$4,934	
	Building Interior	1403	Furniture - Update	\$1,974	
	Building Interior	1501	Carpeting - Replace	\$5,427	
	Building Interior	1502	Linoleum - Replace	\$8,881	\$116,442
2045	Vehicles	1902	Reserve Engine E91 - Replace	\$203,279	\$203,279
2046	Building Exterior	106	Comp Shingle Roofing - Replace	\$5,863	
	Building Interior	1401	Interior Wall/Ceiling Surfaces - Paint	\$7,328	
	Building Interior	1404	Office Equipment - Upgrade	\$5,234	
	Vehicles	1908	C900 - Replace	\$83,751	\$102,176
2047			No Expenditures Projected	\$0	\$0
2048	Building Exterior	201	Wood Siding - Stain	\$25,323	\$25,323
2049			No Expenditures Projected	\$0	\$0
2050			No Expenditures Projected	\$0	\$0

## Component Evaluation

Comp # 105 Comp Shingle Roofing - Replace

### Subgroup: Building Exterior

**Location:** Rooftop of firehouse

**Quantity:** Approx 2,600 Square ft.

**Life Expectancy:** 30 **Remaining Life:** 13

**Best Cost:** \$15,600.00

\$6.00/Square ft.; Lower estimate to replace

**Worst Cost:** \$26,000.00

\$10.00/Square ft.; Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

This building was reportedly built in 2004. This type of roofing has an approximate useful life of 25-35 years. The remaining useful life is based on the installation date.



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Version 1.3

## Component Evaluation

Comp # 106 Comp Shingle Roofing - Replace

### Subgroup: Building Exterior

**Location:** Rooftop of storage unit

**Quantity:** Approx 350 Square ft.

**Life Expectancy:** 30 **Remaining Life:** 25

**Best Cost:** \$2,100.00

\$6.00/Square ft.; Lower estimate to replace

**Worst Cost:** \$3,500.00

\$10.00/Square ft.; Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

This storage unit was reportedly built around 2016. This type of roofing has an approximate useful life of 25-35 years. The remaining useful life is based on the installation date.



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## Component Evaluation

Comp # 115 Skylights - Replace

### Subgroup: Building Exterior

**Location:** Building rooftop

**Quantity:** (2) Skylights

**Life Expectancy:** 30 **Remaining Life:** 13

**Best Cost:** \$1,000.00

\$500/Each, Lower estimate to replace

**Worst Cost:** \$1,800.00

\$900/Each, Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Skylight replacement is timed to coincide with roof replacement for proper flashing and waterproofing integration.



**DRAFT**



## Component Evaluation

Comp # 201 Wood Siding - Stain

### Subgroup: Building Exterior

**Location:** Fire station and storage unit

**Quantity:** Approx 1,900 Square ft.

**Life Expectancy:** 10 **Remaining Life:** 7

**Best Cost:** \$7,600.00

\$4.00/Square ft.; Lower estimate to stain

**Worst Cost:** \$15,200.00

\$8.00/Square ft.; Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Wood siding will require regular cycles of stain. The last exterior staining project was completed in 2018. This component has an approximate useful life of 8-12 years. The remaining useful life is based on the prior project date.



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Version 1.3

## Component Evaluation

Comp # 301 Wood Siding - Replace

### Subgroup: Building Exterior

**Location:** Fire station and storage unit

**Quantity:** Approx 1,900 Square ft.

**Life Expectancy:** 40 **Remaining Life:** 23

**Best Cost:** \$28,500.00

\$15.00/Square ft.; Lower estimate to replace

**Worst Cost:** \$47,500.00

\$25.00/Square ft.; Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Although long lasting, wood siding will require eventual replacement. This component has an approximate useful life of 30-50 years. The remaining useful life is based on the installation date.



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## Component Evaluation

Comp # 501 Metal Doors - Replace

### Subgroup: Building Exterior

**Location:** Building exterior

**Quantity:** (3) Metal doors

**Life Expectancy:** 40 **Remaining Life:** 23

**Best Cost:** \$3,000.00

\$1,000/Each, Lower estimate to replace

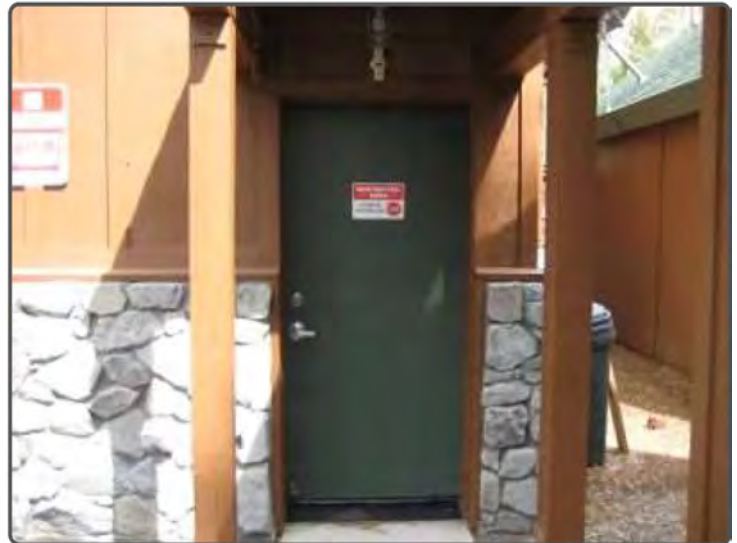
**Worst Cost:** \$4,500.00

\$1,500/Each, Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Functional condition observed. This component has an approximate useful life of 35-45 years. The remaining useful life is based on the installation date.



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## Component Evaluation

Comp # 503 Garage Doors - Replace

### Subgroup: Building Exterior

**Location:** Building exterior

**Quantity:** (3) Roll-up doors

**Life Expectancy:** 25 **Remaining Life:** 8

**Best Cost:** \$6,000.00

\$2,000/Each, Lower estimate to replace

**Worst Cost:** \$9,000.00

\$3,000/Each, Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Functional condition observed. This component has an approximate useful life of 20-30 years. The remaining useful life is based on the installation date.



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Version 1.3

## Component Evaluation

**Comp #**      **505**    **Windows - Replace**

### **Subgroup: Building Exterior**

**Location:** Building exterior

**Quantity:** (10) Windows

**Life Expectancy:** 40 **Remaining Life:** 23

**Best Cost:** \$5,000.00

\$500/Each, Lower estimate to replace

**Worst Cost:** \$8,000.00

\$800/Each, Higher estimate

**Source of Information:** In-House Costs Database

### **Observations:**

This component has an approximate useful life of 30-50 years and timed to coincide with siding replacement.



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## Component Evaluation

Comp # 701 Boiler - Replace

### Subgroup: Building Interior

**Location:** Utility closet

**Quantity:** (1) Burnham boiler

**Life Expectancy:** 25 **Remaining Life:** 8

**Best Cost:** \$3,000.00

Lower estimate to replace

**Worst Cost:** \$5,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Functional condition reported. This component has an approximate useful life of 20-30 years. The remaining useful life is based on the installation date.



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## Component Evaluation

Comp # 703 Water Storage Tank - Replace

### Subgroup: Building Interior

**Location:** Utility closet

**Quantity:** (1) Bradford White 50 gallon

**Life Expectancy:** 15 **Remaining Life:** 5

**Best Cost:** \$1,000.00

Lower estimate to replace

**Worst Cost:** \$2,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Functional condition reported. This component has an approximate useful life of 10-20 years. The remaining useful life is based on the assumed age.



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## Component Evaluation

Comp # 710 Emergency Generator - Replace

### Subgroup: Building Interior

**Location:** Outside shed

**Quantity:** (1) 20kW Generac generator

**Life Expectancy:** 30 **Remaining Life:** 14

**Best Cost:** \$5,000.00

Lower estimate to replace

**Worst Cost:** \$9,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Functional condition assumed. This component has an approximate useful life of 25-35 years. The remaining useful life is based on the installation date.



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## Component Evaluation

Comp # 715 Garage Door Operators - Replace

### Subgroup: Building Interior

**Location:** Above garage doors

**Quantity:** (2) LiftMaster openers

**Life Expectancy:** 20 **Remaining Life:** 3

**Best Cost:** \$2,000.00

\$1,000/Each, Lower estimate to replace

**Worst Cost:** \$3,000.00

\$1,500/Each, Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

No replacement history reported, assumed original. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the installation date.



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## Component Evaluation

Comp # 716 Garage Door Operator - Replace

### Subgroup: Building Interior

**Location:** Above garage doors

**Quantity:** (1) LiftMaster openers

**Life Expectancy:** 20 **Remaining Life:** 19

**Best Cost:** \$1,000.00

\$1,000/Each, Lower estimate to replace

**Worst Cost:** \$1,500.00

\$1,500/Each, Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

One garage door operator was recently replaced. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the installation date.



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## Component Evaluation

**Comp #** 1401 **Interior Wall/Ceiling Surfaces - Paint**

### **Subgroup: Building Interior**

**Location:** Building interior

**Quantity:** Approx 3,500 Square ft.

**Life Expectancy:** 20 **Remaining Life:** 5

**Best Cost:** \$1,750.00

\$0.50/Square ft.; Lower estimate to repaint

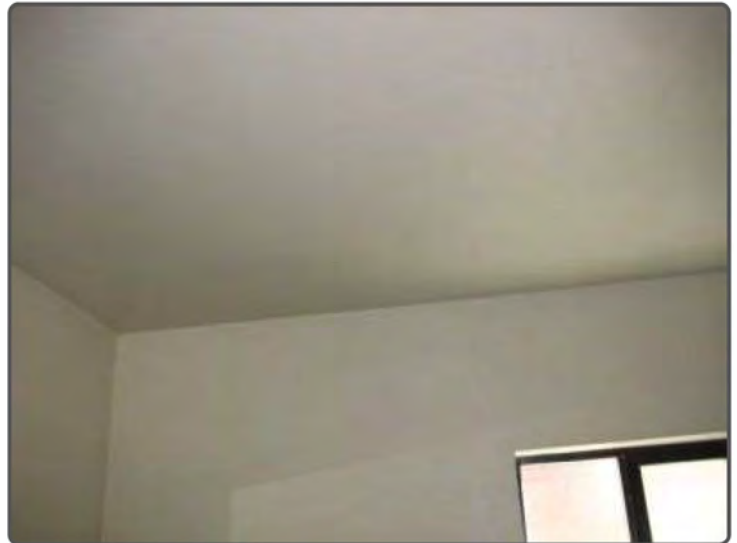
**Worst Cost:** \$5,250.00

\$1.50/Square ft.; Higher estimate

**Source of Information:** In-House Costs Database

### **Observations:**

Interior surfaces will require regular cycles of painting. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the assumed age.



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## Component Evaluation

Comp # 1402 Laundry Equipment - Replace

### Subgroup: Building Interior

**Location:** Laundry room

**Quantity:** (1) Maytag washer, (1) Maytag dryer

**Life Expectancy:** 25 **Remaining Life:** 8

**Best Cost:** \$500.00

Lower estimate to replace

**Worst Cost:** \$1,500.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

No replacement history reported, assumed original. This component has an approximate useful life of 20-30 years. The remaining useful life is based on the assumed age.



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## Component Evaluation

Comp # 1403 Furniture - Update

### Subgroup: Building Interior

**Location:** Main room

**Quantity:** Assorted furnishings

**Life Expectancy:** 10 **Remaining Life:** 3

**Best Cost:** \$500.00

Lower allowance to update

**Worst Cost:** \$1,500.00

Higher allowance

**Source of Information:** In-House Costs Database

### Observations:

This component represents a reserve allowance for as-needed replacement of interior furnishings.





## Component Evaluation

Comp # 1404 Office Equipment - Upgrade

### Subgroup: Building Interior

**Location:** Office

**Quantity:** Computer/monitor, printer & phone

**Life Expectancy:** 10 **Remaining Life:** 5

**Best Cost:** \$2,000.00

Lower allowance to replace

**Worst Cost:** \$3,000.00

Higher allowance

**Source of Information:** In-House Costs Database

### Observations:

Office equipment will require ongoing upgrades. This component represents a reserve allowance for as-needed replacement of office equipment.



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## Component Evaluation

Comp # 1405 Restrooms - Remodel

### Subgroup: Building Interior

**Location:** Upstairs and downstairs restrooms

**Quantity:** (2) Restrooms

**Life Expectancy:** 30 **Remaining Life:** 14

**Best Cost:** \$2,000.00

Lower estimate to remodel

**Worst Cost:** \$4,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Best to plan for regular cycles of restroom refurbishment to update sinks, counters, toilets, shower/tub, mirrors, etc.

### General Notes:

Quantity breakdown:

- (2) Vanity/sinks
- (2) Toilets
- (2) Mirrors
- (1) Shower/tub



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Fallen Leaf Lake CSD - Fire Department  
Prepared for FYE 6/30/2021  
Version 1.3

## Component Evaluation

Comp # 1406 Kitchen - Refurbish

### Subgroup: Building Interior

**Location:** Kitchen area

**Quantity:** (1) Kitchen

**Life Expectancy:** 30 **Remaining Life:** 14

**Best Cost:** \$4,000.00

Lower allowance to refurbish

**Worst Cost:** \$6,000.00

Higher allowance

**Source of Information:** In-House Costs Database

### Observations:

Best to plan for regular cycles of kitchen remodel (cabinets/countertops) and appliance updates. This component has an approximate useful life of 25-35 years. The remaining useful life is based on the installation date.



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## Component Evaluation

**Comp #** 1501 **Carpeting - Replace**

### **Subgroup: Building Interior**

**Location:** Main room & partial hallway

**Quantity:** Approx 50 Square yds.

**Life Expectancy:** 20 **Remaining Life:** 3

**Best Cost:** \$2,500.00

\$50/Square yd.; Lower estimate to replace

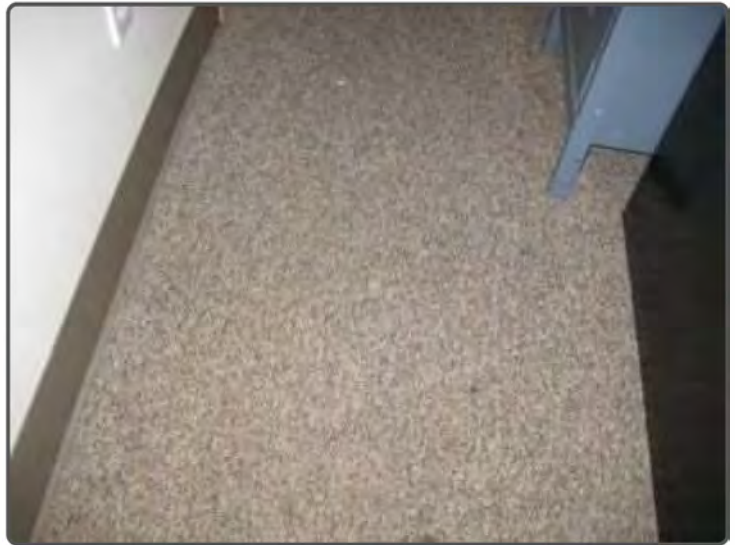
**Worst Cost:** \$3,000.00

\$60/Square yd.; Higher estimate

**Source of Information:** In-House Costs Database

### **Observations:**

Carpeting appears to be nearing the end of its useful life. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the installation date.



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## Component Evaluation

**Comp #** 1502 **Linoleum - Replace**

### **Subgroup: Building Interior**

**Location:** Kitchen, stairs, office, bedroom & restrooms

**Quantity:** Approx 600 Square ft.

**Life Expectancy:** 20 **Remaining Life:** 3

**Best Cost:** \$3,000.00

\$5.00/Square ft.; Lower estimate to replace

**Worst Cost:** \$6,000.00

\$10.00/Square ft.; Higher estimate

**Source of Information:** In-House Costs Database

### **Observations:**

Some random wear, but no significant damage observed. This component has an approximate useful life of 15-25 years. The remaining useful life is based on prior reserve study.



## Component Evaluation

Comp # 1601 Interior Lighting - Replace

### Subgroup: Building Interior

**Location:** Throughout building interior

**Quantity:** (43) Assorted fixtures

**Life Expectancy:** 30 **Remaining Life:** 14

**Best Cost:** \$4,300.00

\$100/Each, Lower estimate to replace

**Worst Cost:** \$12,900.00

\$300/Each, Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Although long lasting, interior light fixtures will require eventual replacement. This component has an approximate useful life of 25-35 years. The remaining useful life is based on the installation date.

### General Notes:

Quantity breakdown:  
(23) Fluorescent fixtures  
(10) Recessed fixtures  
(5) Ceiling fixtures  
(2) Ceiling fan fixtures  
(2) Exit signs  
(1) Emergency





## Component Evaluation

**Comp #** 1602 **Wall Mount Lights - Replace**

### **Subgroup: Building Exterior**

**Location:** Building exterior

**Quantity:** (4) Assorted fixtures

**Life Expectancy:** 25 **Remaining Life:** 8

**Best Cost:** \$800.00

\$200/Each, Lower estimate to replace

**Worst Cost:** \$1,200.00

\$300/Each, Higher estimate

**Source of Information:** In-House Costs Database

### **Observations:**

Functional condition reported. This component has an approximate useful life of 20-30 years. The remaining useful life is based on the installation date.



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## Component Evaluation

Comp # 1901 Main Engine E9 - Replace

### Subgroup: Vehicles

**Location:** Firehouse

**Quantity:** (1) Type 1 Engine

**Life Expectancy:** 20 **Remaining Life:** 14

**Best Cost:** \$450,000.00

Lower estimate to replace

**Worst Cost:** \$550,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

The Main Engine (E9) was purchased in 2015. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the purchase date.



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## Component Evaluation

Comp # 1902 Reserve Engine E91 - Replace

### Subgroup: Vehicles

**Location:** Firehouse

**Quantity:** (1) Type 1 Engine

**Life Expectancy:** 20 **Remaining Life:** 4

**Best Cost:** \$50,000.00

Lower estimate to replace

**Worst Cost:** \$150,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

The Reserve Engine (E91) was purchased in 1996. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the purchase date.



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## Component Evaluation

Comp # 1903 Brush Engine 91 - Replace

### Subgroup: Vehicles

**Location:** Firehouse

**Quantity:** (1) Brush Engine

**Life Expectancy:** 20 **Remaining Life:** 14

**Best Cost:** \$300,000.00

Lower estimate to replace

**Worst Cost:** \$400,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Brush Engine (91) was purchased in 2020. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the purchase date.



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## Component Evaluation

Comp # 1904 Brush Engine 9 - Replace

### Subgroup: Vehicles

**Location:** Firehouse

**Quantity:** (1) Type III Engine

**Life Expectancy:** 20 **Remaining Life:** 14

**Best Cost:** \$300,000.00

Lower estimate to replace

**Worst Cost:** \$400,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Brush Engine (9) was purchased in 2020. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the purchase date.



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## Component Evaluation

Comp # 1905 Brush Engine 93 - Replace

### Subgroup: Vehicles

**Location:** Firehouse

**Quantity:** (1) Type 6 Engine

**Life Expectancy:** 20 **Remaining Life:** 0

**Best Cost:** \$150,000.00

Lower estimate to replace

**Worst Cost:** \$250,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Brush Engine (91) was purchased in 1997. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the purchase date.



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## Component Evaluation

Comp # 1906 Brush Engine 92 - Replace (Federally Funded)

### Subgroup: Vehicles

**Location:** Firehouse

**Quantity:** (1) Brush Engine

**Life Expectancy:** N/A **Remaining Life:** 0

**Best Cost:** \$0.00

**Worst Cost:** \$0.00

**Source of Information:**

### Observations:

It is our understanding that Brush Engine (92) replacement is funded through Federal grants, therefore reserve funding is not required under this pattern of care.



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## Component Evaluation

Comp # 1907 Patrol / Utility Truck - Replace

### Subgroup: Vehicles

**Location:** Firehouse

**Quantity:** (1) Ford

**Life Expectancy:** 20 **Remaining Life:** 1

**Best Cost:** \$40,000.00

Lower estimate to replace

**Worst Cost:** \$50,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

The Ford patrol truck was purchased in 2002. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the purchase date.



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## Component Evaluation

Comp # 1908 C900 - Replace

### Subgroup: Vehicles

**Location:** Firehouse

**Quantity:** (1) Chevy

**Life Expectancy:** 8 **Remaining Life:** 1

**Best Cost:** \$35,000.00

Lower estimate to replace

**Worst Cost:** \$45,000.00

Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

The Chevy C900 was purchased in 2014. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the purchase date.



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## Component Evaluation

Comp # 1909 Fire Boat Engines - Maintain

### Subgroup: Vehicles

**Location:** Fire boat

**Quantity:** (2) Propulsion motors

**Life Expectancy:** 20 **Remaining Life:** 15

**Best Cost:** \$30,000.00

\$15,000/Engine, Lower estimate to maintain

**Worst Cost:** \$50,000.00

\$25,000/Engine, Higher estimate

**Source of Information:** In-House Costs Database

### Observations:

Although the Fire Boat is built to have an extended useful life, the propulsion motors will require eventual cycles of significant maintenance. This component has an approximate useful life of 15-25 years. The remaining useful life is based on the current condition.



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# Glossary of Commonly Used Words and Phrases

## (Provided by the National Reserve Study Standards of the Community Associations Institute)

**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** - Also referred to as an "Asset." 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) client responsibility, 2) with limited useful life expectancies, 3) have predictable remaining life expectancies, 4) above a minimum threshold cost, and 5) required by local codes.

**Component Full Funding** - When the actual (or projected) cumulative reserve balance for all components is equal to the fully funded balance.

**Component Inventory** - The task of selecting and quantifying reserve components. This task can be accomplished through on-site visual observations, review of client design and organizational documents, a review of established client precedents, and discussion with appropriate client representatives.

**Deficit** - An actual (or projected reserve balance), which is less than the fully funded balance.

**Effective Age** - The difference between useful life and remaining useful life (UL - RUL).

**Financial Analysis** - The portion of the 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 expenses over time is presented. The financial analysis is one of the two parts of the Reserve Study.

**Fully Funded Balance** - An indicator against which the actual (or projected) reserve balance can be compared. The reserve balance that is in direct proportion to the fraction of life "used up" of the current repair or replacement cost of a reserve component. This number is calculated for each component, and then summed together for a client total.  
$$FFB = \text{Current Cost} * \text{Effective Age} / \text{Useful Life}$$

**Fund Status** - The status of the reserve fund as compared to an established benchmark, such as percent funded.

**Funding Goals** - Independent of calculation methodology utilized, the following represent the basic categories of funding plan goals:

- Baseline Funding: Establishing a reserve-funding goal of keeping the reserve balance above zero.
- Component Full Funding: Setting a reserve funding goal of attaining and maintaining cumulative reserves at or near 100% funded.
- Threshold Funding: Establishing a reserve funding goal of keeping the reserve balance above a specified dollar or percent funded amount.

**Funding Plan** - An client's plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

### **Funding Principles -**

- Sufficient funds when required
- Stable contributions through the year
- Evenly distributed contributions over the years
- Fiscally responsible

**GSF** - Gross Square Feet

**Life and Valuation Estimates** - The task of estimating useful life, remaining useful life, and repair or replacement costs for the reserve components.

**LF** - Linear Feet

**Percent Funded** - The ratio, at a particular point in time (typically the beginning of the fiscal year), of the actual (or projected) reserve balance to the ideal fund balance, expressed as a percentage.

**Physical Analysis** - The portion of the Reserve Study where the component evaluation, 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 current fiscal year have a "0" 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 (typically the beginning of the fiscal year) that the client has identified for use to defray the future repair or replacement of those major components that the client is obligated to maintain. Also known as "reserves," "reserve accounts," or "cash reserves." In this report the reserve balance is based upon information provided and is not audited.

**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.

**Special Assessment** - An assessment levied on the members of a client in addition to regular assessments. Governing documents or local statutes often regulate special assessments.

**Surplus** - An actual (or projected) reserve balance that is greater than the fully funded balance.

**Useful Life (UL)** - Also known as "life expectancy." The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed and maintained in its present application of installation.