



AGENDA
Minturn Fitness Center Board Meeting
Wednesday, January 24, 2024
2:00 PM via Virtual Link

Zoom Link: <https://us02web.zoom.us/j/88470227320>

Zoom Call-In Information: 1 651 372 8299 or 1 301 715 8592 **Webinar ID:** 884 7022 7320

1. CALL TO ORDER

2. APPROVAL OF REGULAR AGENDA

Opportunity for amendment or deletions to the agenda.

3. APPROVAL OF REGULAR AGENDA

Opportunity for amendment or deletions to the agenda.

[A.](#) Approval of Minutes from 10-17-2023

4. STAFF REPORTS

[A.](#) MFC Reserve Study Overview

5. BUSINESS ITEMS

Items may be old or new and may require review or action by the Board.

[A.](#) Quarterly Financial Review

6. DISCUSSION / DIRECTION ITEMS

[A.](#) On-Going By-Laws Discussion; Sec 3.04 Recovery of Costs

7. FUTURE AGENDA ITEMS

8. ADJOURN

Agenda
October 17, 2023
Minturn Fitness Center

**Minturn Fitness Center
Board Meeting
Tuesday, October 17, 2023 | 1:00 pm
Join Zoom Meeting:**

<https://us02web.zoom.us/j/87993959887?pwd=NXZiUy9ua0tzeTNsaFhwRzVQUW56Zz09>

**Dial by your location: +1 301 715 8592 US or +1 651 372 8299 US
Meeting ID: 879 9395 9887**

OFFICIAL MINUTES

Board Members: Bryan Rooney, President; Brian Rodine, Vice President; Michelle Metteer, Secretary; Tiffany Hoversten, Treasurer; and Terry Armistead. Note: Amy Roberts was excused absent.

Minutes by: Jay Brunvand, town of Minturn Clerk

1) Call to order

The meeting was called to order at 1:02pm by Board President Bryan Rooney.

2) Roll Call

Board Members: Bryan Rooney, President; Brian Rodine, Vice President; Michelle Metteer, Secretary; Tiffany Hoversten, Treasurer; and Terry Armistead. Note: Amy Roberts was excused absent.

3) Approval of the Agenda

Tiffany H. requested to remove FY 23-24 Budget approval items as that is not done this time of year.

Motion by Terry A., second by Tiffany H., to approve the agenda as amended. Motion passed 5-0. Note: Amy Roberts was excused absent.

4) Board Comments

Michelle M. noted how nice the center looks. Tom Priest has made several good changes.

Terry A. stated that the Center is clean and the changes implemented are nice. She stated David Miller, Head Coach, has also contributed to the achievements. She said with the changes made, things flow much better throughout.

Tiffany H. asked if Tom P. could attend the meetings. Bryan R. stated Tom P. is out of the country and not able to attend, he should be at the next meeting.

- 5) Prior Business
 - a) Approval of Minutes from the 04-11-2023 Board Meeting

Motion by Tiffany H., second by Terry A., to approve the minutes of the April 11, 2023 Board Meeting as presented. Motion passed 5-0. Note: Amy Roberts was excused absent.

Note: the July 11, 2023 Board Meeting was held as a brief work session due to a lack of quorum. Therefore, there are no minutes.

- 6) New Business
 - a) Financials Update
 - i) FY2023-24 Budget Presentation

Tiffany H. updated the year-to-date budget for 2023-24. She stated we are in a positive cash position and identified individual line items that had a variance from budget. She noted some minor concerns with a drop in hockey team revenue, wages appears to show an increase due to the staff changeover. She stated expenses are near spot on. Still looking at athlete income transfer which will be transferred in the next short while. She stated Tom P. is looking at the cost of cleaning and bidding this out for a potential cost cut.

Terry A. asked regarding the SSCV athletes and if the cycling is included. Tiffany H. stated any athlete 14 or over in a full-time program is included in the calculation; the cycling is not a full time program.

Bryan Rooney noted fall trainer schedules and returning trainers.

Tiffany H. continued by stating the cash position and cash flow remain strong without any backfilling support.

Amy Roberts joined the meeting at 1:20pm.

Michelle M. noted that since the shuffle of equipment, the center seems to hold more attendees comfortably.

- ii) FY2023-24 Budget Approval

This item was removed.

- b) Review of MFC Bylaws Section 3.04 Recovery of Costs

Michelle M. noted this is something that has been brought up in the past as a discussion item but

not really discussed.

Brian Rodine felt it important to achieve the goals of a cash reserve for the capital improvement plan that was recently completed.

Terry A. expressed concern that this is the first cash positive position for the Center and wanted to make sure our funding goals are met and maintained.

Discussion ensued as to the capital advances contributed by the Club. Tiffany H. noted that she is tracking the cash advances made by the Club; she will have this information available for the January meeting. It was noted the SSCV numbers were not always factored in as revenue to the Center and the effect of COVID closures should also be factored. She stated the January discussion should also include revisiting the recent reserve study. Tiffany H. asked when the Town would need to know a number if they were asked to assist with a contribution for the reserves. Michelle M. outlined the town's budget process/timeline and that we have made a strong effort to fund town assets to maintain them. It was felt the MFC Board would need to review the SSCV and the COVID factors as well as the bylaws before they should consider a financial ask from the Town. It was felt some of the cash reserves included in the study were somewhat aggressive. It was noted the study is requesting upwards of \$76,000 annually and a fully funded reserve would be approximately \$600,000.

Michelle M. noted the bylaws state the reserve would be adopted by the board. Because of the financial standing of the MFC, this has historically not been done. It was noted, other than revenues, the bylaws don't clearly identify where the funds would come from. It was noted any funding contribution from the town would need to be discussed at the Council level before a commitment could be made. Terry A. expressed the importance of the Council having a number to discuss. She and Brian Rodine felt they could take a number to the Council during comments and propose it to be on a future agenda for consideration. Bryan Rooney asked Tiffany H. if the Club was in a position to contribute. Tiffany H. proposed the current MFC revenue surplus be contributed on behalf of the Club and then the town contribute additional cash.

Discussion ensued as to how the original discussion ensued in 2014 and that the Club was willing to take on all the risk of an unknown operation. It was noted the original town funds came from an agreement with Battle Mtn. Now that the Center is being run as a business and the Club is paying per student it is able to show proper revenues allocated from the student body. It was noted several times that the bylaws do not match the current operation on all fronts. Terry A. noted she felt the bylaws indicate any annual cash surpluses would be put back into the Center based on the contribution percentages established.

Amy R. felt a budget line item showing the expense for reserve funding and then pay back of the Club and Town; then we could "reinvest" surpluses to fund the capital reserve.

Discussion ensued as to what information the Board would need to discuss this further in January. Tiffany H. asked if carrying back the amounts of annual student contributions for each year back to 2014 and the COVID effect was the complete direction. This was appropriate and further to use Tom Priest and his expertise to review the capital needs of the center. The Board agreed that would

be the need and direction for the January 2024 continued discussion.

Brian Rodine excused himself from the meeting at 2:34pm.

c) Affirmation of Conflict-of-Interest Policy

Michelle M. noted this is an annual signed document the is included within the bylaws. If all can sign and forward them to her.

7) Future Meetings: Agenda discussion topics for upcoming Board meetings

This information would be discussed at the January 2024 Board Meeting

- Review repayment to SSCV to include SSCV contributions based on student count
- Review reserve study with Tom P
- Review bylaws as relates to the section on operations.
- Include the review of the Minturn citizen use of the gym over the past few years or even from inception.

8) Future Meeting Dates: (second Tuesday after each quarter)

- January 9, 2024 1:00pm
- April 9, 2024 1:00pm – Fiscal Year Budget Approval

9) Adjourn

Motion by Michell M., second by Terry A., to adjourn at 2:40pm

These minutes were approved by motion on: _____

From: Mouse369@protonmail.com
To: [Michelle Metteer](#)
Cc: [Bryan Rooney](#)
Subject: RE: MFC 47744-0-ReserveStudy.pdf
Date: Wednesday, October 18, 2023 12:36:43 PM

Michelle, Bryan,

Reviewed and revised. A fully funded reserve as denoted in the study is certainly unrealistic and the requirements are very far fetched.

Per review an amount of \$125k-\$130k is more than enough over the next five years.

Key items to focus on in order of priority -

1. Gym Equipment - Keiser gear is dated and frequency of failures increase. Additionally the build and install did not consider repair and replacement when pneumatic lines were installed. Current annual budget allots \$3k for new equipment. Hopeful acquisition of equipment from Park Hyatt will offset costs near term. However, it will not provide substitute for Keiser repair and replace. Critical vulnerability is failure of one of the two primary compressors, located in the mechanical room. Failure of one will drop all towers offline. Which highlights the obvious, that alternative equipment choices vice Keiser will need to be considered. With the significant increase in general membership, utilization rate of equipment has more than doubled, thus functional gear will be imperative to sustain revenue from membership as well as SSCV.
2. Asphalt seal and repair - currently due per normal seal and repair cycle. Overall the asphalt, certain sections of sidewalk and removal and or repair of at least three to four walkway light posts is needed.
3. Building wood siding stain/repair and heat tape - 2-3 years out.
4. Mechanical - 1. Water heaters. 2. Not listed but likely replacement of Fob(passport) door scanner, 3. Future heater repair and or partial replacement. Compressor motor recently replaced, and have proven to be the weak link in the system design/install.

\$125-\$130k is the cumulative estimate for all above listed items with obvious variance pending on scope of repair or replacement. As we are seeing, various items break/malfunction almost daily, door strut, Keiser cam/pulley etc. This overall cost doesn't kick in substantially for another two to three years and is a five to six year outlay. Present revenue is admittedly inadequate to generate the required amount. Which brings about the previously discussed need for donation campaign. The gym capacity will not support a heavy membership drive to help offset the future reserve requirements. That course of action will negatively impact both current SSC V athletes and general members. Front room flooring will certainly provide the much needed space to mitigate membership growth and increased equipment acquisition.

I think the adjusted amount is a realistic long term figure to achieve and maintain, with initial accumulation rate of about %15-%20 annually. That will of course need to increase to offset annual expenditures. Fortunately at the five year mark we should be fairly healthy with this plan in place and be able to reduce annual contributions by 5 to 10%.

Hope this provides a more palatable and achievable goal for the MFC.

Cheers,
Tom

Sent with [Proton Mail](#) secure email.

----- Original Message -----

On Wednesday, October 18th, 2023 at 9:31 AM, Michelle Metteer <manager@minturn.org> wrote:

Thanks so much. Electronic copy attached.

Michelle Metteer
Town Manager
Minturn, Colorado

From: Mouse369@protonmail.com <Mouse369@protonmail.com>
Sent: Wednesday, October 18, 2023 12:14 AM
To: Michelle Metteer <manager@minturn.org>
Cc: Bryan Rooney <brooney@skiclubvail.org>
Subject: Re: MFC 47744-0-ReserveStudy.pdf

Michelle,

Absolutely. If you could please forward me an electronic copy of the study, as my paper copy is at the gym. Per the previous email I sent you with revised estimates on reserve requirements, I will review again based on update to front room, the inbound equipment from Park Hyatt BC, and a more thorough understanding of deficient areas of the facility.

Cheers,

Tom

Sent from [Proton Mail](#) for iOS

On Tue, Oct 17, 2023 at 22:56, Michelle Metteer <manager@minturn.org> wrote:

Hi Tom,

The MFC Board had a robust discussion relating to the creation of a capital reserve for the facility. For the Board's January 9th meeting, we are hopeful you can prepare a memo reviewing the Reserve Study and making recommendations as to the most pertinent needs of the facility. The Board feels a \$600k reserve is excessive given current budget of the facility and we will look to you to better understand how best to move forward with capital improvements. Is this something you can help with?

Michelle Metteer
Town Manager
Minturn, CO
970-827-5645 e8

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Minturn Fitness Center
Minturn, CO



Report #: 47744-0
Beginning: May 1, 2023
Expires: April 30, 2024

RESERVE STUDY
"Full"

July 10, 2023

Welcome to your Reserve Study!

A Reserve Study is a valuable tool to help you budget responsibly for your property. This report contains all the information you need to avoid surprise expenses, make informed decisions, save money, and protect property values.

Regardless of the property type, it's a fact of life that the very moment construction is completed, every major building component begins a predictable process of physical deterioration. The operative word is "predictable" because planning for the inevitable is what a Reserve Study by **Association Reserves** is all about!

In this Report, you will find three key results:

- **Component List**
Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.
- **Reserve Fund Strength**
A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.
- **Reserve Funding Plan**
A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

Questions?

Please contact your Project Manager directly.



Est. 1986

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Reserve Study Executive Summary

Full

Minturn Fitness Center
 Minturn, CO
 Level of Service: "Full"

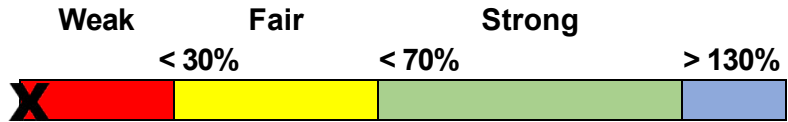
Report #: **47744-0**
 # of Units: 1
May 1, 2023 through **April 30, 2024**

Findings & Recommendations

as of May 1, 2023

Starting Reserve Balance	\$0
Fully Funded Reserve Balance	\$579,612
Annual Rate (Cost) of Deterioration	\$74,616
Percent Funded	0.0 %
Recommended 2023 Annual "Fully Funding" Contributions	\$105,000
Alternate/Baseline Annual Minimum Contributions to Keep Reserves Above \$0	\$76,200
Recommended 2023 Special Assessments for Reserves	\$0
Most Recent Annual Reserve Contribution Rate	\$0

Reserve Fund Strength: 0.0%



Risk of Special Assessment:

High Medium Low

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	1.00 %
Annual Inflation Rate	3.00 %

- This "Full", (original, created "from scratch"), is based on our site inspection on 5/11/2023.
- The Reserve Study was reviewed by a credentialed Reserve Specialist (RS).
- Your Reserve Fund is currently 0.0 % Funded. This means the client's special assessment & deferred maintenance risk is currently High.
- Based on this starting point and your anticipated future expenses, our recommendation is to budget the Annual Reserve contributions at \$105,000 with 3% annual increases along with a one-time special assessment of \$0 in order to be within the 70% to 130% level as noted above. 100% "Full" contribution rates are designed to achieve these funding objectives by the end of our 30-year report scope.
- The goal of the Reserve Study is to help the client offset inevitable annual deterioration of the common area components. The Reserve Study will guide the client to establish an appropriate Reserve Contribution rate that offsets the annual deterioration of the components and 'keep pace' with the rate of ongoing deterioration. No assets appropriate for Reserve designation were excluded. See appendix for component details; the basis of our assumptions.
- We recommend that this Reserve Study be updated annually, with a With-Site-Visit Reserve Study every three years. Clients that update their Reserve Study annually with a No-Site-Visit Reserve Study reduce their risk of special assessment by ~ 35%.
- Please watch this 5-minute video to understand the key results of a Reserve Study - <https://youtu.be/u83t4BRRIRE>

Executive Summary Table **Report # 47744-0**
Full

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Sites and Grounds			
21090 Concrete Walkways - Repair - 5%	5	1	\$1,400
21190 Asphalt - Seal/Repair	3	0	\$28,500
21200 Asphalt - Resurface	20	10	\$85,400
21610 Sign - Refurbish	30	20	\$5,900
21670 Bollard Lights - Replace	30	20	\$8,000
Building Exteriors			
23020 Ext. Lights - Replace	25	15	\$1,500
23310 Wood Siding – Repair/Restain	5	2	\$16,150
23320 Wood Siding - Replace	50	40	\$168,100
23410 Metal Siding - Repair/Replace	60	50	\$19,500
23440 Windows - Replace	30	20	\$351,000
23600 Roof: Metal - Replace	40	30	\$225,200
23650 Gutters/Downspouts - Replace	30	20	\$2,050
23660 Heat Tape - Replace	10	4	\$2,800
25070 Garage Doors - Replace	20	10	\$14,000
Building Interiors			
24240 Community Room Kitchen - Remodel	20	10	\$9,200
24250 Community Room Appliances - Replace	10	0	\$17,100
24290 Check-In/Office - Remodel	10	1	\$21,850
24290 Community Room - Remodel	10	3	\$27,500
24290 Cycling Studio - Remodel	10	4	\$10,650
24290 Fitness Room - Remodel	10	3	\$86,500
24290 Hallways - Remodel	10	3	\$14,950
24290 Locker Rooms - Remodel	10	3	\$44,150
24290 Yoga Room - Remodel	10	4	\$34,250
24310 Offices - Remodel	10	3	\$8,550
Mechanical			
25020 Keypad Entry - Replace	12	2	\$2,150
25180 Furnace - Replace	20	10	\$4,500
25190 Condensers - Replace	20	10	\$24,000
25210 Reznor MAU - Replace	25	15	\$37,500
25410 Fire Control Panel - Update	20	10	\$10,000
25460 Water Heaters - Replace	15	5	\$60,000
25570 Irrigation Clocks - Replace	15	5	\$2,000

31 Total Funded Components

Introduction



A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.



Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology



For this [Full Reserve Study](#), we started with a review of your Governing Documents, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents. We

performed an on-site inspection to quantify and evaluate your common areas, creating your Reserve Component List *from scratch*.

Which Physical Assets are Funded by Reserves?

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve



Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

How do we establish Useful Life and Remaining Useful Life estimates?

- 1) Visual Inspection (observed wear and age)
- 2) Association Reserves database of experience
- 3) Client History (install dates & previous life cycle information)
- 4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

- 1) Actual client cost history, or current proposals
- 2) Comparison to Association Reserves database of work done at similar associations
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

- 1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
- 2) Compare that to the Reserve Fund Balance, and express as a percentage.



Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

How much should we contribute?



RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

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 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*



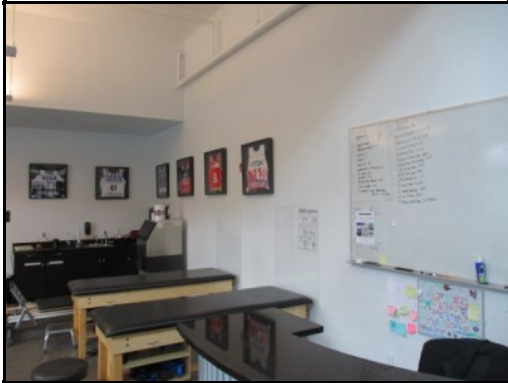
FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Site Inspection Notes

During our site visit on 5/11/2023 we visually inspected the common area assets and were able to see a majority of the common areas.

Please see photo appendix for component details; the basis of our assumptions.



Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses as defined by your Reserve Component List. A summary of these expenses are shown in the 30-Year Reserve Plan Summary Table, while details of the projects that make up these expenses are shown in the 30-Year Income/Expense Detail.

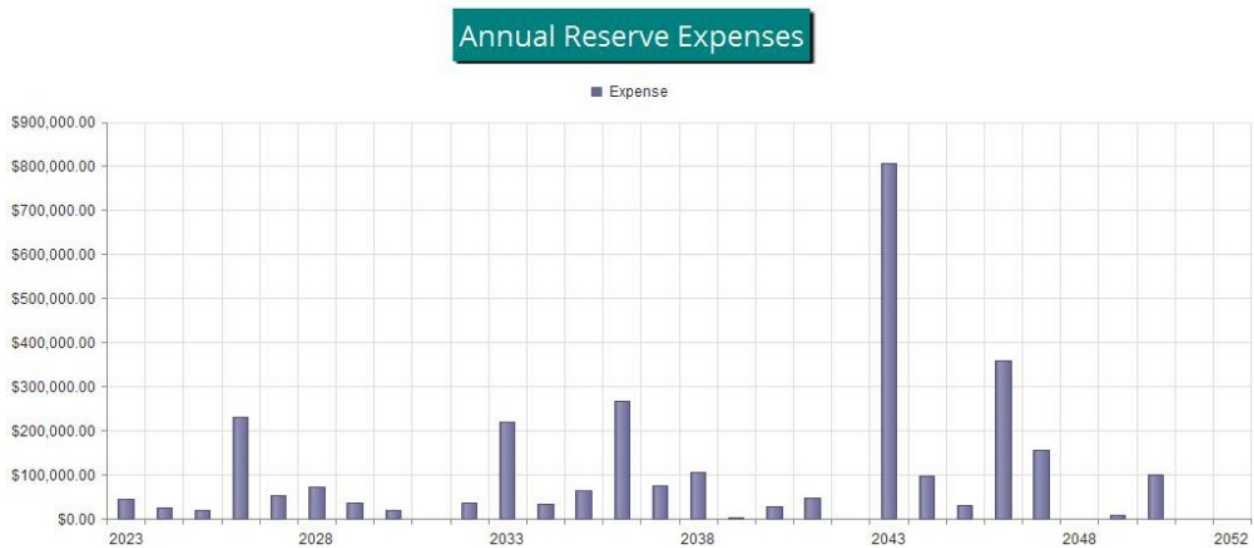


Figure 1

Reserve Fund Status

As of 5/1/2023 your Reserve Fund balance is projected to be \$0 and your Fully Funded Balance is computed to be \$579,612 (see the Fully Funded Balance Table). The Fully Funded Balance represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 0.0 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending Annual budgeted contributions of \$105,000 along with a one-time special assessment of \$0. The overall 30-Year Plan, in perspective, is shown below in the Annual Reserve Funding (Fig. 2). This same information is shown numerically in both the 30-Year Reserve Plan Summary Table and the 30-Year Income/Expense Detail.

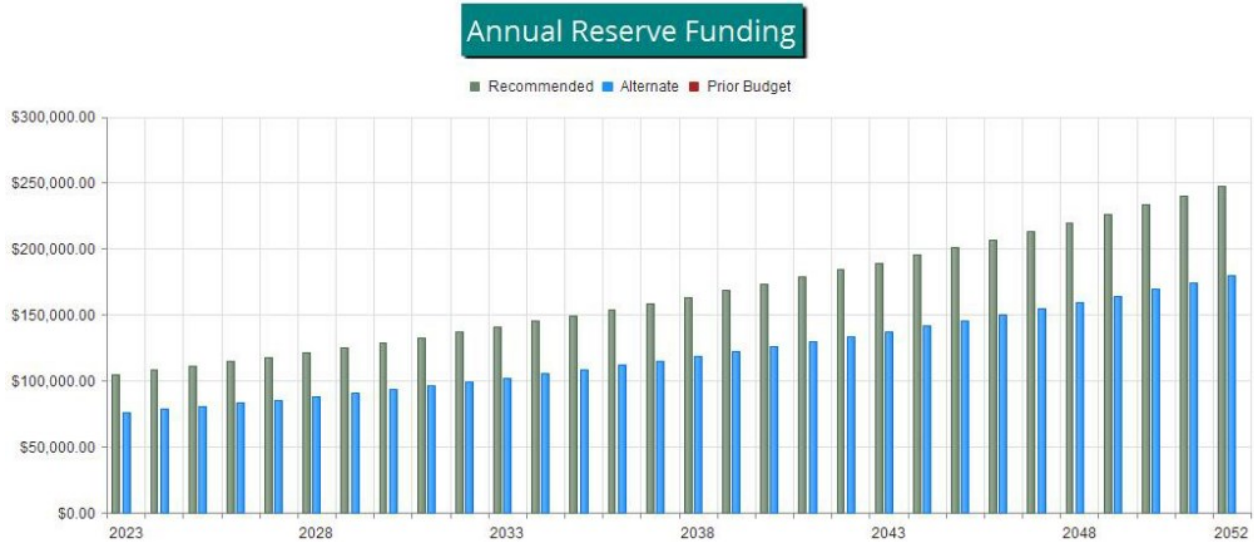


Figure 2

The reserve balance under our recommended Full Funding Plan, an alternate Baseline Funding Plan, and at your current budgeted contribution rate, compared to your always—changing Fully Funded Balance target is shown in the 30-Yr Cash Flow (Fig. 3).

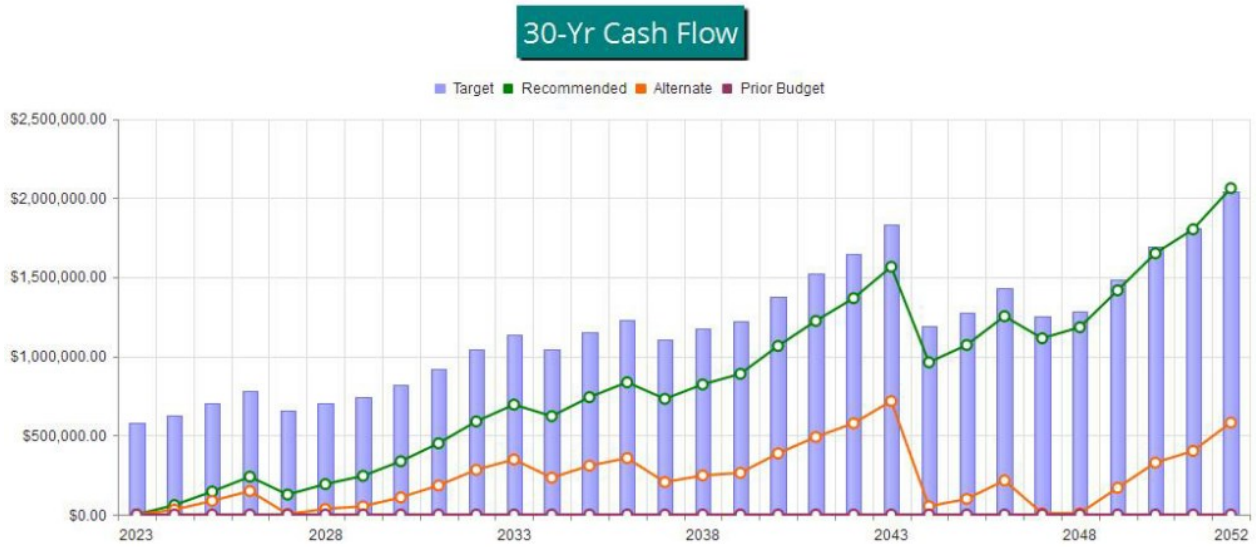


Figure 3

The information from Figure 3 is plotted on a Percent Funded scale in Figure 4. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan. A client that has a percent funded level of <30% may experience an ~ 20%-60% chance risk of special assessment. A client that is between 30% and 70% may experience an ~ 20%-5% chance risk of special assessment. A client that has a percent funded of >70% may experience an ~ <1% chance risk of special assessment.

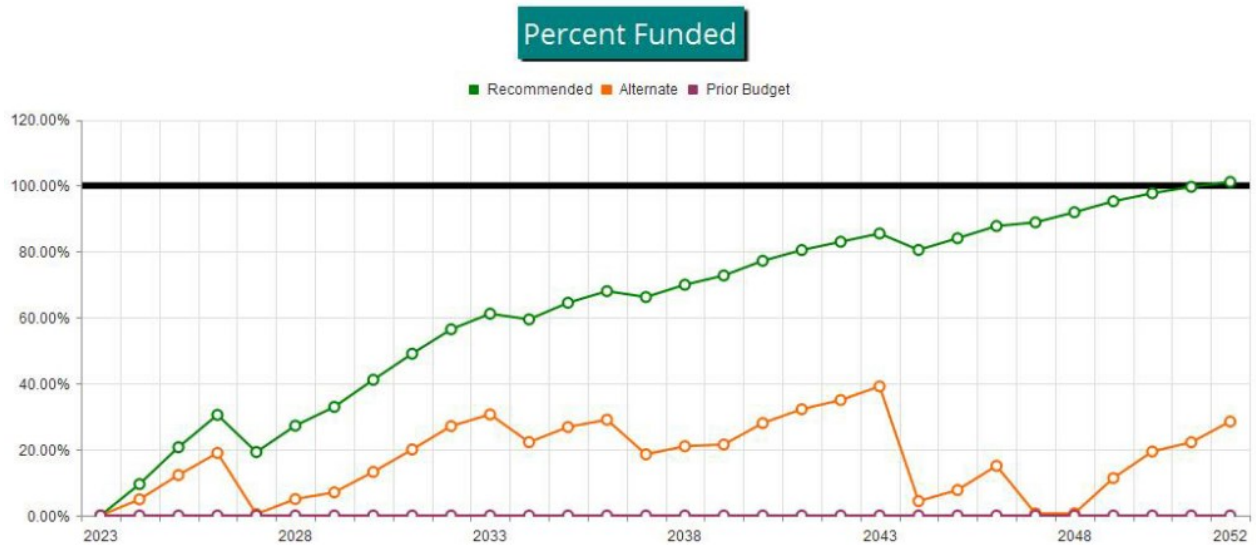


Figure 4

Table Descriptions

Executive Summary is a summary of your Reserve Components

Reserve Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the property total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the property, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.



Reserve Component List Detail

**Report # 47744-0
Full**

#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate	
					Best Case	Worst Case
Sites and Grounds						
21090	Concrete Walkways - Repair - 5%	5% of ~ 1600 GSF	5	1	\$1,200	\$1,600
21190	Asphalt - Seal/Repair	~ 19000 GSF	3	0	\$19,000	\$38,000
21200	Asphalt - Resurface	~ 19000 GSF	20	10	\$75,900	\$94,900
21610	Sign - Refurbish	~ (1) Sign	30	20	\$5,000	\$6,800
21670	Bollard Lights - Replace	~ (10) Fixtures	30	20	\$7,000	\$9,000
Building Exteriors						
23020	Ext. Lights - Replace	~ (6) Lights	25	15	\$1,200	\$1,800
23310	Wood Siding – Repair/Restain	~ 6500 GSF	5	2	\$12,900	\$19,400
23320	Wood Siding - Replace	~ 6500 GSF	50	40	\$142,200	\$194,000
23410	Metal Siding - Repair/Replace	~ 600 GSF	60	50	\$18,000	\$21,000
23440	Windows - Replace	~ (120) Windows	30	20	\$292,500	\$409,500
23600	Roof: Metal - Replace	~ 11300 GSF	40	30	\$202,700	\$247,700
23650	Gutters/Downspouts - Replace	~ 160 LF	30	20	\$1,900	\$2,200
23660	Heat Tape - Replace	~ 160 LF	10	4	\$2,500	\$3,100
25070	Garage Doors - Replace	~ (4) Doors	20	10	\$12,000	\$16,000
Building Interiors						
24240	Community Room Kitchen - Remodel	~ (1) Area	20	10	\$8,200	\$10,200
24250	Community Room Appliances - Replace	~ (5) Appliances	10	0	\$13,400	\$20,800
24290	Check-In/Office - Remodel	~ (1) Area	10	1	\$17,700	\$26,000
24290	Community Room - Remodel	~ (1) Room	10	3	\$21,900	\$33,100
24290	Cycling Studio - Remodel	~ (1) Room	10	4	\$9,000	\$12,300
24290	Fitness Room - Remodel	~ (1) Area	10	3	\$74,200	\$98,800
24290	Hallways - Remodel	~ (1) Area	10	3	\$13,100	\$16,800
24290	Locker Rooms - Remodel	~ (2) Rooms	10	3	\$38,300	\$50,000
24290	Yoga Room - Remodel	~ (1) Room	10	4	\$29,700	\$38,800
24310	Offices - Remodel	~ (2) Offices	10	3	\$7,100	\$10,000
Mechanical						
25020	Keypad Entry - Replace	~ (1) System	12	2	\$1,800	\$2,500
25180	Furnace - Replace	~ (1) Unit	20	10	\$4,000	\$5,000
25190	Condensers - Replace	~ (4) Units	20	10	\$20,000	\$28,000
25210	Reznor MAU - Replace	~ (1) Unit	25	15	\$30,000	\$45,000
25410	Fire Control Panel - Update	~ (1) Panel	20	10	\$8,000	\$12,000
25460	Water Heaters - Replace	~ (2) Tanks	15	5	\$50,000	\$70,000
25570	Irrigation Clocks - Replace	~ (1) Controller	15	5	\$1,500	\$2,500

31 Total Funded Components

Fully Funded Balance **Report # 47744-0**
Full

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Sites and Grounds								
21090	Concrete Walkways - Repair - 5%	\$1,400	X	4	/	5	=	\$1,120
21190	Asphalt - Seal/Repair	\$28,500	X	3	/	3	=	\$28,500
21200	Asphalt - Resurface	\$85,400	X	10	/	20	=	\$42,700
21610	Sign - Refurbish	\$5,900	X	10	/	30	=	\$1,967
21670	Bollard Lights - Replace	\$8,000	X	10	/	30	=	\$2,667
Building Exteriors								
23020	Ext. Lights - Replace	\$1,500	X	10	/	25	=	\$600
23310	Wood Siding – Repair/Restain	\$16,150	X	3	/	5	=	\$9,690
23320	Wood Siding - Replace	\$168,100	X	10	/	50	=	\$33,620
23410	Metal Siding - Repair/Replace	\$19,500	X	10	/	60	=	\$3,250
23440	Windows - Replace	\$351,000	X	10	/	30	=	\$117,000
23600	Roof: Metal - Replace	\$225,200	X	10	/	40	=	\$56,300
23650	Gutters/Downspouts - Replace	\$2,050	X	10	/	30	=	\$683
23660	Heat Tape - Replace	\$2,800	X	6	/	10	=	\$1,680
25070	Garage Doors - Replace	\$14,000	X	10	/	20	=	\$7,000
Building Interiors								
24240	Community Room Kitchen - Remodel	\$9,200	X	10	/	20	=	\$4,600
24250	Community Room Appliances - Replace	\$17,100	X	10	/	10	=	\$17,100
24290	Check-In/Office - Remodel	\$21,850	X	9	/	10	=	\$19,665
24290	Community Room - Remodel	\$27,500	X	7	/	10	=	\$19,250
24290	Cycling Studio - Remodel	\$10,650	X	6	/	10	=	\$6,390
24290	Fitness Room - Remodel	\$86,500	X	7	/	10	=	\$60,550
24290	Hallways - Remodel	\$14,950	X	7	/	10	=	\$10,465
24290	Locker Rooms - Remodel	\$44,150	X	7	/	10	=	\$30,905
24290	Yoga Room - Remodel	\$34,250	X	6	/	10	=	\$20,550
24310	Offices - Remodel	\$8,550	X	7	/	10	=	\$5,985
Mechanical								
25020	Keypad Entry - Replace	\$2,150	X	10	/	12	=	\$1,792
25180	Furnace - Replace	\$4,500	X	10	/	20	=	\$2,250
25190	Condensers - Replace	\$24,000	X	10	/	20	=	\$12,000
25210	Reznor MAU - Replace	\$37,500	X	10	/	25	=	\$15,000
25410	Fire Control Panel - Update	\$10,000	X	10	/	20	=	\$5,000
25460	Water Heaters - Replace	\$60,000	X	10	/	15	=	\$40,000
25570	Irrigation Clocks - Replace	\$2,000	X	10	/	15	=	\$1,333
								\$579,612

Component Significance **Report # 47744-0**
Full

#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
Sites and Grounds					
21090	Concrete Walkways - Repair - 5%	5	\$1,400	\$280	0.38 %
21190	Asphalt - Seal/Repair	3	\$28,500	\$9,500	12.73 %
21200	Asphalt - Resurface	20	\$85,400	\$4,270	5.72 %
21610	Sign - Refurbish	30	\$5,900	\$197	0.26 %
21670	Bollard Lights - Replace	30	\$8,000	\$267	0.36 %
Building Exteriors					
23020	Ext. Lights - Replace	25	\$1,500	\$60	0.08 %
23310	Wood Siding – Repair/Restain	5	\$16,150	\$3,230	4.33 %
23320	Wood Siding - Replace	50	\$168,100	\$3,362	4.51 %
23410	Metal Siding - Repair/Replace	60	\$19,500	\$325	0.44 %
23440	Windows - Replace	30	\$351,000	\$11,700	15.68 %
23600	Roof: Metal - Replace	40	\$225,200	\$5,630	7.55 %
23650	Gutters/Downspouts - Replace	30	\$2,050	\$68	0.09 %
23660	Heat Tape - Replace	10	\$2,800	\$280	0.38 %
25070	Garage Doors - Replace	20	\$14,000	\$700	0.94 %
Building Interiors					
24240	Community Room Kitchen - Remodel	20	\$9,200	\$460	0.62 %
24250	Community Room Appliances - Replace	10	\$17,100	\$1,710	2.29 %
24290	Check-In/Office - Remodel	10	\$21,850	\$2,185	2.93 %
24290	Community Room - Remodel	10	\$27,500	\$2,750	3.69 %
24290	Cycling Studio - Remodel	10	\$10,650	\$1,065	1.43 %
24290	Fitness Room - Remodel	10	\$86,500	\$8,650	11.59 %
24290	Hallways - Remodel	10	\$14,950	\$1,495	2.00 %
24290	Locker Rooms - Remodel	10	\$44,150	\$4,415	5.92 %
24290	Yoga Room - Remodel	10	\$34,250	\$3,425	4.59 %
24310	Offices - Remodel	10	\$8,550	\$855	1.15 %
Mechanical					
25020	Keypad Entry - Replace	12	\$2,150	\$179	0.24 %
25180	Furnace - Replace	20	\$4,500	\$225	0.30 %
25190	Condensers - Replace	20	\$24,000	\$1,200	1.61 %
25210	Reznor MAU - Replace	25	\$37,500	\$1,500	2.01 %
25410	Fire Control Panel - Update	20	\$10,000	\$500	0.67 %
25460	Water Heaters - Replace	15	\$60,000	\$4,000	5.36 %
25570	Irrigation Clocks - Replace	15	\$2,000	\$133	0.18 %
31	Total Funded Components			\$74,616	100.00 %

30-Year Reserve Plan Summary Report # 47744-0 Full

Fiscal Year Start: 2023

Interest: 1.00 %	Inflation: 3.00 %
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Reserve Fund Strength: as-of Fiscal Year Start Date	Projected Reserve Balance Changes
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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase		Loan or Special Assmts	Interest Income	Reserve Expenses
					In Annual Reserve Funding	Reserve Funding			
2023	\$0	\$579,612	0.0 %	High	0.00 %	\$105,000	\$0	\$298	\$45,600
2024	\$59,698	\$626,887	9.5 %	High	3.00 %	\$108,150	\$0	\$1,023	\$23,948
2025	\$144,924	\$700,188	20.7 %	High	3.00 %	\$111,395	\$0	\$1,918	\$19,414
2026	\$238,821	\$782,731	30.5 %	Medium	3.00 %	\$114,736	\$0	\$1,822	\$229,637
2027	\$125,743	\$653,669	19.2 %	High	3.00 %	\$118,178	\$0	\$1,587	\$53,687
2028	\$191,822	\$704,482	27.2 %	High	3.00 %	\$121,724	\$0	\$2,177	\$71,875
2029	\$243,848	\$740,681	32.9 %	Medium	3.00 %	\$125,375	\$0	\$2,900	\$35,702
2030	\$336,422	\$817,897	41.1 %	Medium	3.00 %	\$129,137	\$0	\$3,929	\$19,862
2031	\$449,625	\$916,497	49.1 %	Medium	3.00 %	\$133,011	\$0	\$5,185	\$0
2032	\$587,820	\$1,041,349	56.4 %	Medium	3.00 %	\$137,001	\$0	\$6,407	\$37,186
2033	\$694,042	\$1,134,566	61.2 %	Medium	3.00 %	\$141,111	\$0	\$6,573	\$220,671
2034	\$621,055	\$1,044,598	59.5 %	Medium	3.00 %	\$145,345	\$0	\$6,808	\$32,183
2035	\$741,024	\$1,149,171	64.5 %	Medium	3.00 %	\$149,705	\$0	\$7,876	\$63,660
2036	\$834,945	\$1,227,653	68.0 %	Medium	3.00 %	\$154,196	\$0	\$7,822	\$266,759
2037	\$730,204	\$1,102,584	66.2 %	Medium	3.00 %	\$158,822	\$0	\$7,755	\$75,403
2038	\$821,378	\$1,174,247	69.9 %	Medium	3.00 %	\$163,587	\$0	\$8,545	\$105,163
2039	\$888,347	\$1,220,893	72.8 %	Low	3.00 %	\$168,494	\$0	\$9,759	\$2,247
2040	\$1,064,354	\$1,378,535	77.2 %	Low	3.00 %	\$173,549	\$0	\$11,430	\$26,693
2041	\$1,222,639	\$1,519,426	80.5 %	Low	3.00 %	\$178,755	\$0	\$12,937	\$48,519
2042	\$1,365,812	\$1,645,874	83.0 %	Low	3.00 %	\$184,118	\$0	\$14,646	\$0
2043	\$1,564,576	\$1,830,015	85.5 %	Low	3.00 %	\$189,642	\$0	\$12,624	\$805,616
2044	\$961,226	\$1,193,939	80.5 %	Low	3.00 %	\$195,331	\$0	\$10,154	\$96,270
2045	\$1,070,440	\$1,273,571	84.1 %	Low	3.00 %	\$201,191	\$0	\$11,609	\$30,945
2046	\$1,252,295	\$1,427,167	87.7 %	Low	3.00 %	\$207,227	\$0	\$11,821	\$358,502
2047	\$1,112,840	\$1,252,404	88.9 %	Low	3.00 %	\$213,443	\$0	\$11,474	\$154,899
2048	\$1,182,858	\$1,286,660	91.9 %	Low	3.00 %	\$219,847	\$0	\$12,987	\$0
2049	\$1,415,692	\$1,486,176	95.3 %	Low	3.00 %	\$226,442	\$0	\$15,321	\$7,656
2050	\$1,649,799	\$1,688,620	97.7 %	Low	3.00 %	\$233,235	\$0	\$17,247	\$99,181
2051	\$1,801,101	\$1,807,839	99.6 %	Low	3.00 %	\$240,232	\$0	\$19,300	\$0
2052	\$2,060,634	\$2,037,912	101.1 %	Low	3.00 %	\$247,439	\$0	\$21,944	\$0

30-Year Income/Expense Detail **Report # 47744-0**
Full

Fiscal Year	2023	2024	2025	2026	2027
Starting Reserve Balance	\$0	\$59,698	\$144,924	\$238,821	\$125,743
Annual Reserve Funding	\$105,000	\$108,150	\$111,395	\$114,736	\$118,178
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$298	\$1,023	\$1,918	\$1,822	\$1,587
Total Income	\$105,298	\$168,871	\$258,236	\$355,380	\$245,509
# Component					
Sites and Grounds					
21090 Concrete Walkways - Repair - 5%	\$0	\$1,442	\$0	\$0	\$0
21190 Asphalt - Seal/Repair	\$28,500	\$0	\$0	\$31,143	\$0
21200 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
21610 Sign - Refurbish	\$0	\$0	\$0	\$0	\$0
21670 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
Building Exteriors					
23020 Ext. Lights - Replace	\$0	\$0	\$0	\$0	\$0
23310 Wood Siding – Repair/Restain	\$0	\$0	\$17,134	\$0	\$0
23320 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
23410 Metal Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
23440 Windows - Replace	\$0	\$0	\$0	\$0	\$0
23600 Roof: Metal - Replace	\$0	\$0	\$0	\$0	\$0
23650 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$0	\$0
23660 Heat Tape - Replace	\$0	\$0	\$0	\$0	\$3,151
25070 Garage Doors - Replace	\$0	\$0	\$0	\$0	\$0
Building Interiors					
24240 Community Room Kitchen - Remodel	\$0	\$0	\$0	\$0	\$0
24250 Community Room Appliances - Replace	\$17,100	\$0	\$0	\$0	\$0
24290 Check-In/Office - Remodel	\$0	\$22,506	\$0	\$0	\$0
24290 Community Room - Remodel	\$0	\$0	\$0	\$30,050	\$0
24290 Cycling Studio - Remodel	\$0	\$0	\$0	\$0	\$11,987
24290 Fitness Room - Remodel	\$0	\$0	\$0	\$94,521	\$0
24290 Hallways - Remodel	\$0	\$0	\$0	\$16,336	\$0
24290 Locker Rooms - Remodel	\$0	\$0	\$0	\$48,244	\$0
24290 Yoga Room - Remodel	\$0	\$0	\$0	\$0	\$38,549
24310 Offices - Remodel	\$0	\$0	\$0	\$9,343	\$0
Mechanical					
25020 Keypad Entry - Replace	\$0	\$0	\$2,281	\$0	\$0
25180 Furnace - Replace	\$0	\$0	\$0	\$0	\$0
25190 Condensers - Replace	\$0	\$0	\$0	\$0	\$0
25210 Reznor MAU - Replace	\$0	\$0	\$0	\$0	\$0
25410 Fire Control Panel - Update	\$0	\$0	\$0	\$0	\$0
25460 Water Heaters - Replace	\$0	\$0	\$0	\$0	\$0
25570 Irrigation Clocks - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$45,600	\$23,948	\$19,414	\$229,637	\$53,687
Ending Reserve Balance	\$59,698	\$144,924	\$238,821	\$125,743	\$191,822

Fiscal Year	2028	2029	2030	2031	2032
Starting Reserve Balance	\$191,822	\$243,848	\$336,422	\$449,625	\$587,820
Annual Reserve Funding	\$121,724	\$125,375	\$129,137	\$133,011	\$137,001
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$2,177	\$2,900	\$3,929	\$5,185	\$6,407
Total Income	\$315,723	\$372,124	\$469,487	\$587,820	\$731,228
# Component					
Sites and Grounds					
21090 Concrete Walkways - Repair - 5%	\$0	\$1,672	\$0	\$0	\$0
21190 Asphalt - Seal/Repair	\$0	\$34,030	\$0	\$0	\$37,186
21200 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
21610 Sign - Refurbish	\$0	\$0	\$0	\$0	\$0
21670 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
Building Exteriors					
23020 Ext. Lights - Replace	\$0	\$0	\$0	\$0	\$0
23310 Wood Siding – Repair/Restain	\$0	\$0	\$19,862	\$0	\$0
23320 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
23410 Metal Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
23440 Windows - Replace	\$0	\$0	\$0	\$0	\$0
23600 Roof: Metal - Replace	\$0	\$0	\$0	\$0	\$0
23650 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$0	\$0
23660 Heat Tape - Replace	\$0	\$0	\$0	\$0	\$0
25070 Garage Doors - Replace	\$0	\$0	\$0	\$0	\$0
Building Interiors					
24240 Community Room Kitchen - Remodel	\$0	\$0	\$0	\$0	\$0
24250 Community Room Appliances - Replace	\$0	\$0	\$0	\$0	\$0
24290 Check-In/Office - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Community Room - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Cycling Studio - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Fitness Room - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Hallways - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Locker Rooms - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Yoga Room - Remodel	\$0	\$0	\$0	\$0	\$0
24310 Offices - Remodel	\$0	\$0	\$0	\$0	\$0
Mechanical					
25020 Keypad Entry - Replace	\$0	\$0	\$0	\$0	\$0
25180 Furnace - Replace	\$0	\$0	\$0	\$0	\$0
25190 Condensers - Replace	\$0	\$0	\$0	\$0	\$0
25210 Reznor MAU - Replace	\$0	\$0	\$0	\$0	\$0
25410 Fire Control Panel - Update	\$0	\$0	\$0	\$0	\$0
25460 Water Heaters - Replace	\$69,556	\$0	\$0	\$0	\$0
25570 Irrigation Clocks - Replace	\$2,319	\$0	\$0	\$0	\$0
Total Expenses	\$71,875	\$35,702	\$19,862	\$0	\$37,186
Ending Reserve Balance	\$243,848	\$336,422	\$449,625	\$587,820	\$694,042

Fiscal Year	2033	2034	2035	2036	2037
Starting Reserve Balance	\$694,042	\$621,055	\$741,024	\$834,945	\$730,204
Annual Reserve Funding	\$141,111	\$145,345	\$149,705	\$154,196	\$158,822
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$6,573	\$6,808	\$7,876	\$7,822	\$7,755
Total Income	\$841,726	\$773,207	\$898,605	\$996,963	\$896,781
# Component					
Sites and Grounds					
21090 Concrete Walkways - Repair - 5%	\$0	\$1,938	\$0	\$0	\$0
21190 Asphalt - Seal/Repair	\$0	\$0	\$40,634	\$0	\$0
21200 Asphalt - Resurface	\$114,770	\$0	\$0	\$0	\$0
21610 Sign - Refurbish	\$0	\$0	\$0	\$0	\$0
21670 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
Building Exteriors					
23020 Ext. Lights - Replace	\$0	\$0	\$0	\$0	\$0
23310 Wood Siding – Repair/Restain	\$0	\$0	\$23,026	\$0	\$0
23320 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
23410 Metal Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
23440 Windows - Replace	\$0	\$0	\$0	\$0	\$0
23600 Roof: Metal - Replace	\$0	\$0	\$0	\$0	\$0
23650 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$0	\$0
23660 Heat Tape - Replace	\$0	\$0	\$0	\$0	\$4,235
25070 Garage Doors - Replace	\$18,815	\$0	\$0	\$0	\$0
Building Interiors					
24240 Community Room Kitchen - Remodel	\$12,364	\$0	\$0	\$0	\$0
24250 Community Room Appliances - Replace	\$22,981	\$0	\$0	\$0	\$0
24290 Check-In/Office - Remodel	\$0	\$30,246	\$0	\$0	\$0
24290 Community Room - Remodel	\$0	\$0	\$0	\$40,385	\$0
24290 Cycling Studio - Remodel	\$0	\$0	\$0	\$0	\$16,109
24290 Fitness Room - Remodel	\$0	\$0	\$0	\$127,028	\$0
24290 Hallways - Remodel	\$0	\$0	\$0	\$21,955	\$0
24290 Locker Rooms - Remodel	\$0	\$0	\$0	\$64,836	\$0
24290 Yoga Room - Remodel	\$0	\$0	\$0	\$0	\$51,806
24310 Offices - Remodel	\$0	\$0	\$0	\$12,556	\$0
Mechanical					
25020 Keypad Entry - Replace	\$0	\$0	\$0	\$0	\$3,252
25180 Furnace - Replace	\$6,048	\$0	\$0	\$0	\$0
25190 Condensers - Replace	\$32,254	\$0	\$0	\$0	\$0
25210 Reznor MAU - Replace	\$0	\$0	\$0	\$0	\$0
25410 Fire Control Panel - Update	\$13,439	\$0	\$0	\$0	\$0
25460 Water Heaters - Replace	\$0	\$0	\$0	\$0	\$0
25570 Irrigation Clocks - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$220,671	\$32,183	\$63,660	\$266,759	\$75,403
Ending Reserve Balance	\$621,055	\$741,024	\$834,945	\$730,204	\$821,378

Fiscal Year	2038	2039	2040	2041	2042
Starting Reserve Balance	\$821,378	\$888,347	\$1,064,354	\$1,222,639	\$1,365,812
Annual Reserve Funding	\$163,587	\$168,494	\$173,549	\$178,755	\$184,118
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$8,545	\$9,759	\$11,430	\$12,937	\$14,646
Total Income	\$993,510	\$1,066,600	\$1,249,333	\$1,414,332	\$1,564,576
# Component					
Sites and Grounds					
21090 Concrete Walkways - Repair - 5%	\$0	\$2,247	\$0	\$0	\$0
21190 Asphalt - Seal/Repair	\$44,402	\$0	\$0	\$48,519	\$0
21200 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
21610 Sign - Refurbish	\$0	\$0	\$0	\$0	\$0
21670 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
Building Exteriors					
23020 Ext. Lights - Replace	\$2,337	\$0	\$0	\$0	\$0
23310 Wood Siding – Repair/Restain	\$0	\$0	\$26,693	\$0	\$0
23320 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
23410 Metal Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
23440 Windows - Replace	\$0	\$0	\$0	\$0	\$0
23600 Roof: Metal - Replace	\$0	\$0	\$0	\$0	\$0
23650 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$0	\$0
23660 Heat Tape - Replace	\$0	\$0	\$0	\$0	\$0
25070 Garage Doors - Replace	\$0	\$0	\$0	\$0	\$0
Building Interiors					
24240 Community Room Kitchen - Remodel	\$0	\$0	\$0	\$0	\$0
24250 Community Room Appliances - Replace	\$0	\$0	\$0	\$0	\$0
24290 Check-In/Office - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Community Room - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Cycling Studio - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Fitness Room - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Hallways - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Locker Rooms - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Yoga Room - Remodel	\$0	\$0	\$0	\$0	\$0
24310 Offices - Remodel	\$0	\$0	\$0	\$0	\$0
Mechanical					
25020 Keypad Entry - Replace	\$0	\$0	\$0	\$0	\$0
25180 Furnace - Replace	\$0	\$0	\$0	\$0	\$0
25190 Condensers - Replace	\$0	\$0	\$0	\$0	\$0
25210 Reznor MAU - Replace	\$58,424	\$0	\$0	\$0	\$0
25410 Fire Control Panel - Update	\$0	\$0	\$0	\$0	\$0
25460 Water Heaters - Replace	\$0	\$0	\$0	\$0	\$0
25570 Irrigation Clocks - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$105,163	\$2,247	\$26,693	\$48,519	\$0
Ending Reserve Balance	\$888,347	\$1,064,354	\$1,222,639	\$1,365,812	\$1,564,576

Fiscal Year	2043	2044	2045	2046	2047
Starting Reserve Balance	\$1,564,576	\$961,226	\$1,070,440	\$1,252,295	\$1,112,840
Annual Reserve Funding	\$189,642	\$195,331	\$201,191	\$207,227	\$213,443
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$12,624	\$10,154	\$11,609	\$11,821	\$11,474
Total Income	\$1,766,842	\$1,166,711	\$1,283,240	\$1,471,342	\$1,337,757
# Component					
Sites and Grounds					
21090 Concrete Walkways - Repair - 5%	\$0	\$2,604	\$0	\$0	\$0
21190 Asphalt - Seal/Repair	\$0	\$53,018	\$0	\$0	\$57,935
21200 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
21610 Sign - Refurbish	\$10,656	\$0	\$0	\$0	\$0
21670 Bollard Lights - Replace	\$14,449	\$0	\$0	\$0	\$0
Building Exteriors					
23020 Ext. Lights - Replace	\$0	\$0	\$0	\$0	\$0
23310 Wood Siding - Repair/Restain	\$0	\$0	\$30,945	\$0	\$0
23320 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
23410 Metal Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
23440 Windows - Replace	\$633,945	\$0	\$0	\$0	\$0
23600 Roof: Metal - Replace	\$0	\$0	\$0	\$0	\$0
23650 Gutters/Downspouts - Replace	\$3,703	\$0	\$0	\$0	\$0
23660 Heat Tape - Replace	\$0	\$0	\$0	\$0	\$5,692
25070 Garage Doors - Replace	\$0	\$0	\$0	\$0	\$0
Building Interiors					
24240 Community Room Kitchen - Remodel	\$0	\$0	\$0	\$0	\$0
24250 Community Room Appliances - Replace	\$30,885	\$0	\$0	\$0	\$0
24290 Check-In/Office - Remodel	\$0	\$40,647	\$0	\$0	\$0
24290 Community Room - Remodel	\$0	\$0	\$0	\$54,274	\$0
24290 Cycling Studio - Remodel	\$0	\$0	\$0	\$0	\$21,649
24290 Fitness Room - Remodel	\$0	\$0	\$0	\$170,715	\$0
24290 Hallways - Remodel	\$0	\$0	\$0	\$29,505	\$0
24290 Locker Rooms - Remodel	\$0	\$0	\$0	\$87,134	\$0
24290 Yoga Room - Remodel	\$0	\$0	\$0	\$0	\$69,623
24310 Offices - Remodel	\$0	\$0	\$0	\$16,874	\$0
Mechanical					
25020 Keypad Entry - Replace	\$0	\$0	\$0	\$0	\$0
25180 Furnace - Replace	\$0	\$0	\$0	\$0	\$0
25190 Condensers - Replace	\$0	\$0	\$0	\$0	\$0
25210 Reznor MAU - Replace	\$0	\$0	\$0	\$0	\$0
25410 Fire Control Panel - Update	\$0	\$0	\$0	\$0	\$0
25460 Water Heaters - Replace	\$108,367	\$0	\$0	\$0	\$0
25570 Irrigation Clocks - Replace	\$3,612	\$0	\$0	\$0	\$0
Total Expenses	\$805,616	\$96,270	\$30,945	\$358,502	\$154,899
Ending Reserve Balance	\$961,226	\$1,070,440	\$1,252,295	\$1,112,840	\$1,182,858

Fiscal Year	2048	2049	2050	2051	2052
Starting Reserve Balance	\$1,182,858	\$1,415,692	\$1,649,799	\$1,801,101	\$2,060,634
Annual Reserve Funding	\$219,847	\$226,442	\$233,235	\$240,232	\$247,439
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$12,987	\$15,321	\$17,247	\$19,300	\$21,944
Total Income	\$1,415,692	\$1,657,455	\$1,900,282	\$2,060,634	\$2,330,017
# Component					
Sites and Grounds					
21090 Concrete Walkways - Repair - 5%	\$0	\$3,019	\$0	\$0	\$0
21190 Asphalt - Seal/Repair	\$0	\$0	\$63,307	\$0	\$0
21200 Asphalt - Resurface	\$0	\$0	\$0	\$0	\$0
21610 Sign - Refurbish	\$0	\$0	\$0	\$0	\$0
21670 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
Building Exteriors					
23020 Ext. Lights - Replace	\$0	\$0	\$0	\$0	\$0
23310 Wood Siding – Repair/Restain	\$0	\$0	\$35,874	\$0	\$0
23320 Wood Siding - Replace	\$0	\$0	\$0	\$0	\$0
23410 Metal Siding - Repair/Replace	\$0	\$0	\$0	\$0	\$0
23440 Windows - Replace	\$0	\$0	\$0	\$0	\$0
23600 Roof: Metal - Replace	\$0	\$0	\$0	\$0	\$0
23650 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$0	\$0
23660 Heat Tape - Replace	\$0	\$0	\$0	\$0	\$0
25070 Garage Doors - Replace	\$0	\$0	\$0	\$0	\$0
Building Interiors					
24240 Community Room Kitchen - Remodel	\$0	\$0	\$0	\$0	\$0
24250 Community Room Appliances - Replace	\$0	\$0	\$0	\$0	\$0
24290 Check-In/Office - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Community Room - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Cycling Studio - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Fitness Room - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Hallways - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Locker Rooms - Remodel	\$0	\$0	\$0	\$0	\$0
24290 Yoga Room - Remodel	\$0	\$0	\$0	\$0	\$0
24310 Offices - Remodel	\$0	\$0	\$0	\$0	\$0
Mechanical					
25020 Keypad Entry - Replace	\$0	\$4,637	\$0	\$0	\$0
25180 Furnace - Replace	\$0	\$0	\$0	\$0	\$0
25190 Condensers - Replace	\$0	\$0	\$0	\$0	\$0
25210 Reznor MAU - Replace	\$0	\$0	\$0	\$0	\$0
25410 Fire Control Panel - Update	\$0	\$0	\$0	\$0	\$0
25460 Water Heaters - Replace	\$0	\$0	\$0	\$0	\$0
25570 Irrigation Clocks - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$7,656	\$99,181	\$0	\$0
Ending Reserve Balance	\$1,415,692	\$1,649,799	\$1,801,101	\$2,060,634	\$2,330,017



Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Bryan Farley, R.S., president of the Colorado LLC, is a credentialed Reserve Specialist (#260). All work done by Association Reserves is performed under his Responsible Charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

Per NRSS, information provided by official representative(s) of the client, vendors, and suppliers regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable, and is not intended to be used for the purpose of any type of audit, quality/forensic analysis, or background checks of historical records. As such, information provided to us has not been audited or independently verified.

Estimates for interest and inflation have been included, because including such estimates are more accurate than ignoring them completely. When we are hired to prepare Update reports, the client is considered to have deemed those previously developed component quantities as accurate and reliable, whether established by our firm or other individuals/firms (unless specifically mentioned in our Site Inspection Notes). During inspections our company standard is to establish measurements within 5% accuracy, and our scope includes visual inspection of accessible areas and components and does not include any destructive or other testing. Our work is done only for budget purposes. Uses or expectations outside our expertise and scope of work include, but are not limited to, project audit, quality inspection, and the identification of construction defects, hazardous materials, or dangerous conditions. Identifying hidden issues such as but not limited to plumbing or electrical problems are also outside our scope of work. Our estimates assume proper original installation & construction, adherence to recommended preventive maintenance, a stable economic environment, and do not consider frequency or severity of natural disasters. Our opinions of component Useful Life, Remaining Useful Life, and current or future cost estimates are not a warranty or guarantee of actual costs or timing.

Because the physical and financial status of the property, legislation, the economy, weather, owner expectations, and usage are all in a continual state of change over which we have no control, we do not expect that the events projected in this document will all occur exactly as planned. This Reserve Study is by nature a "one-year" document in need of being updated annually so that more accurate estimates can be incorporated. It is only because a long-term perspective improves the accuracy of near-term planning that this Report projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of expense projections and the funding necessary to prepare for those estimated expenses.



Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)
Effective Age	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
Fully Funded Balance (FFB)	The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.
Inflation	Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on the "30-yr Income/Expense Detail" table.
Interest	Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.
Percent Funded	The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life (RUL)	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
Useful Life (UL)	The estimated time, in years, that a common area component can be expected to serve its intended function.

Component Details

The primary purpose of the photographic appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The photographs herein represent a wide range of elements that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding:

- 1) Common are maintenance, repair & replacement reasonability
- 2) Components must have a limited life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of annual operating expenses).

Some components are recommended for reserve funding, while others are not. The components that meet these criteria in our judgment are shown with corresponding maintenance, repair or replacement cycles to the left of the photo (UL = Useful Life or how often the project is expected to occur, RUL = Remaining Useful Life or how many years from our reporting period) and a representative market cost range termed "Best Cost" and "Worst Cost" below the photo. There are many factors that can result in a wide variety of potential cost; we are attempting to represent a market average for budget purposes. Where there is no UL, the component is expected to be a one-time expense. Where no pricing, the component deemed inappropriate for Reserve Funding.

Sites and Grounds

Comp #: 21090 Concrete Walkways - Repair - 5%

Quantity: 5% of ~ 1600 GSF

Location: Common Areas

Funded?: Yes.

History:

Comments: Concrete sidewalks determined to be in fair condition typically exhibit minor changes in slope and a moderate percentage of cracking and surface wear. Trip hazards may be increasing in frequency and severity and should be closely monitored to prevent further risks. The Rocky Mountain Region is home to expansive soils. One of the causes of concrete damage in this type of soil moisture. Expansive soils tend to swell in size when wet and contract as they dry out. As the soil expands and contracts it can create enough force to cause major damage to sidewalks. Repair any trip and fall hazards immediately to ensure safety. As routine maintenance inspect regularly pressure wash for appearance and repair promptly as needed to prevent water penetrating into the base and causing further damage. In our experience larger repair/replacement expenses emerge as the community ages. Although difficult to predict timing cost and scope we suggest a rotating funding allowance to supplement the operating/maintenance budget for periodic larger repairs. Adjust as conditions actual expense patterns dictate within future reserve study updates.

Useful Life:
5 years

Remaining Life:
1 years



Best Case: \$ 1,200

Worst Case: \$ 1,600

Cost Source: Allowance

Comp #: 21190 Asphalt - Seal/Repair

Quantity: ~ 19000 GSF

Location: Common Areas

Funded?: Yes.

History:

Comments: Asphalt seal was observed to be in older condition at the time of the inspection. The seal appeared to be weathered and faded. Exposed aggregate and a gravelly texture was noted. Plan to seal the asphalt soon. Regular cycles of seal coating (along with any needed repair) has proven to be the best program in our opinion for the long term care of lower traffic asphalt areas such as these. The primary reason to seal coat asphalt pavement is to protect the pavement from the deteriorating effects of sun and water. When asphalt pavement is exposed the asphalt oxidizes or hardens which causes the pavement to become more brittle. As a result the pavement will be more likely to crack because it is unable to bend and flex when subjected to traffic and temperature changes. A seal coat combats this situation by providing a waterproof membrane which not only slows down the oxidation process but also helps the pavement to shed water preventing it from entering the base material. Seal coat also provides uniform appearance concealing the inevitable patching and repairs which accumulate over time. Seal coat ultimately extends useful life of asphalt postponing the asphalt resurfacing which can be one of the larger cost items in this study (see component #21200 for asphalt resurfacing costs). Repair asphalt before seal coating. Surface preparation and dry weather during and following application is key to lasting performance. The ideal conditions are a warm sunny day with low humidity rain can cause major problems when seal coating and should never be done when showers are threatening. Incorporate any striping and curb repair into this project. Fill cracks and clean oil stains promptly in between cycles as routine maintenance. Prior to a seal coat application the areas will be cleaned with push blowers and wire brooms. Be aware that sealcoat will not adhere to heavily saturated oil spots. Vendors typically recommend infrared patching on areas with saturated oil spots to ensure adherence of sealcoat.

Useful Life:
3 years

Remaining Life:
0 years



Best Case: \$ 19,000

Worst Case: \$ 38,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21200 Asphalt - Resurface

Quantity: ~ 19000 GSF

Location: Common Areas

Funded?: Yes.

History:

Comments: Asphalt pavement determined to be in fair condition typically exhibits a mostly uniform surface but with minor to moderate raveling and surface wear. If present crack patterns are normal for the age of the asphalt and not extreme and there are no signs of advanced deterioration such as large block cracking patterns "alligatoring" or potholes. Overall appears to be aging normally and still up to an appropriate aesthetic standard. Useful life below assumes regular seal coating and repairs. The lack of seal coating and repairs can greatly decrease the asphalt's useful life. Resurfacing is typically one of the larger expense items in a reserve study. When need to resurface is apparent within a couple of years consult with geotechnical engineer for recommendations specifications / scope of work and project oversight. As routine maintenance keep surfaces clean and free of debris ensure that drains are free flowing repair cracks and clean oil stains promptly. Assuming proactive maintenance plan to resurface at roughly the time frame below. If regular maintenance and sealing is deferred client may need more extensive repair and replacement projects. Funding below assumes that asphalt has adequate subgrade as well as asphalt fill depth. If fill depth is less than 2" client may need to consider a remove and replacement project which can increase costs by 50% or more. Further resources: Pavement Surface Condition Field Rating Manual for Asphalt Pavement. <http://co-asphalt.com/resources/maintenance-and-preservation/>

Useful Life:
20 years

Remaining Life:
10 years



Best Case: \$ 75,900

Worst Case: \$ 94,900

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21610 Sign - Refurbish

Quantity: ~ (1) Sign

Location: Entry Area

Funded?: Yes.

History:

Comments: Signage determined to be in fair condition typically exhibits acceptable appearance and aesthetics in keeping with local area but with more weathering and wear showing on surfaces. If present landscaping and lighting are still in serviceable condition. At this stage signage may be becoming more dated and diminishing in appeal. As routine maintenance inspect regularly clean/touch-up and repair as an Operating expense. Plan to refurbish or replace at the interval below. Timing and scope of refurbishing or replacement projects is subjective but should always be scheduled in order to maintain good curb appeal. In our experience most clients choose to refurbish or replace signage periodically in order to maintain good appearance and aesthetics in keeping with local area often before signage is in poor physical condition. If present concrete walls are expected to be painted and repaired as part of refurbishing but not fully replaced unless otherwise noted. Costs can vary significantly depending on style/type desired and may include additional costs for design work landscaping lighting water features etc. Reserve Study updates should incorporate any estimates or information collected regarding potential projects.

Useful Life:
30 years

Remaining Life:
20 years



Best Case: \$ 5,000

Worst Case: \$ 6,800

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 21670 Bollard Lights - Replace

Quantity: ~ (10) Fixtures

Location: Walkways

Funded?: Yes.

History:

Comments: Local damage noted. Bollard lights determined to be in fair condition typically exhibit somewhat faded/worn appearance but overall assembly is sturdy and aging normally. Serviceable physical condition and still appropriate for aesthetic standards. Inspected during daylight hours assumed to be in functional operating condition. As routine maintenance inspect repair/change bulbs as needed. Best to plan for large scale replacement at roughly the time frame below for cost efficiency and consistent quality/appearance throughout client. Replacement costs can vary greatly estimates shown here are based on replacement with a comparable size and design unless otherwise noted.

Useful Life:
30 years

Remaining Life:
20 years



Best Case: \$ 7,000

Worst Case: \$ 9,000

Cost Source: ARI Cost Database: Similar Project Cost History

Building Exteriors

Comp #: 23020 Ext. Lights - Replace

Quantity: ~ (6) Lights

Location: Building Exteriors

Funded?: Yes.

History:

Comments: Exterior lights determined to be in fair condition typically exhibit more moderate signs of wear and age but are generally believed to be aging normally with no unusual conditions noted. Observed during daylight hours but assumed to be in functional operating condition. As routine maintenance clean by wiping down with an appropriate cleaner change bulbs and repair as needed. Best practice is to plan for replacement of all lighting together at roughly the time frame below for cost efficiency and consistent quality/appearance throughout development. Should be coordinated with exterior painting projects whenever possible. Individual replacements should be considered an Operating expense. If available an extra supply of replacement fixtures should be kept on-site to allow for prompt replacement.

Useful Life:
25 years

Remaining Life:
15 years



Best Case: \$ 1,200

Worst Case: \$ 1,800

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 23310 Wood Siding – Repair/Restain

Quantity: ~ 6500 GSF

Location: Building Exteriors

Funded?: Yes.

History:

Comments: Stained exterior surfaces determined to be in fair condition typically exhibit some minor to moderate signs of wear and age such as chalking peeling blistering etc. Problems tend to develop in more exposed areas first. Hairline cracks may be present at this stage. Overall appearance is satisfactory. As routine maintenance inspect regularly (including sealants) repair locally and touch-up as needed. Typical seal cycles can vary greatly depending upon many factors including type of material sealed surface preparations quality of material application methods weather conditions during application moisture beneath seal and exposure to weather conditions. Proper sealant/caulking is critical to preventing water intrusion and resulting damage to the building structure. Incorrect installations of sealant are common and can greatly decrease its useful life. Inspect sealant more frequently as it ages to determine if it is failing. Typical sealant problems include failure of sealant to adhere to adjacent materials and tearing/splitting of the sealant itself. As sealants age and are exposure to ultra-violet sunlight they will dry out harden and lose their elastic ability. Remove and replace sealant as signs of failure begin to appear. Proper cleaning prep work and proper installation are critical for a long lasting sealant/caulking. Do not install sealant in locations that would block water drainage from behind the siding. Repair areas as needed prior to project. For best results the client may want to consult with a building envelope specialist or waterproofing contractor to specify types of materials to be used and define complete scope of work before bidding. Best practice is to coordinate this type of work with other projects whenever practical such as balcony sealing planter waterproofing etc.

Useful Life:
5 years

Remaining Life:
2 years



Best Case: \$ 12,900

Worst Case: \$ 19,400

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 23320 Wood Siding - Replace

Quantity: ~ 6500 GSF

Location: Building Exteriors

Funded?: Yes.

History:

Comments: Wood siding determined to be in fair condition typically exhibits some color fading and inconsistency with minor isolated locations showing more advanced surface wear cracking splintering etc. Project costs can vary depending upon materials chosen and the condition of the underlying structural framing when exposed. We recommend the Board conduct research well in advance in order to define scope timing and costs including plan for some margin of contingency. Siding is horizontal clapboard. Surface was painted. No view of the critical underlying waterproofing was available as part of our limited visual review. Replacement may ultimately be needed due to the failure of the underlying waterproofing degrading over the decades and/or the end of the useful life of the siding materials from general aging. Many factors influence the useful life including exposure to (or protection from) wind driven rain and the quality of the waterproofing and flashing beneath the siding. Evaluate the siding and the critical underlying waterproofing (typically building paper or house-wrap) more frequently as the remaining useful life approaches zero years. Adjust remaining useful life as dictated by the evaluation. Align with window replacement for cost efficiencies and building envelope integrity when practical. Inspect annually and repair locally as needed using general maintenance funds. Keep the wood siding painted to protect the wood from decay caused by water. Another item that greatly influences useful life is the thoroughness of the original painting. Wood siding will last longer if each piece was painted on all six sides. Typically wood siding is painted on the two sides that are exposed and not on the back ends or top. Since we perform only a visual review we were unable to confirm the extents of the painting. It is reasonable to presume that not all six sides are painted. If the siding is not painted on all sides water can infiltrate and be absorbed into the wood on the unpainted sides which over time will lead to cupping warping and decay limiting its useful life.

Useful Life:
50 years

Remaining Life:
40 years



Best Case: \$ 142,200

Worst Case: \$ 194,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 23360 CMU Siding - Seal

Quantity: ~ (200) GSF

Location: Exteriors

Funded?: No. Component funded through Operating Budget

History:

Comments: Concrete masonry units (CMU) were installed as cladding. CMU nominal size was 8x8x16 (inches). No view of the critical underlying waterproofing was available as part of our limited visual review. CMU is typically a relatively low maintenance material. If properly installed, mortar between CMU can require repointing after approximately 50 years of life. Repointing involves grinding out small sections of existing mortar, installing new mortar, and continuing on until all the mortar has been replaced. If moisture penetration is a problem, a sealer (clear) can be applied to limit the amount of water that is absorbed by the CMU and mortar. A reserve study's limited visual review does not provide an adequate evaluation of the masonry as a basis for the timing and costs of CMU repairs. Although an investigation of CMU and mortar is prudent, we recommend having a masonry specialist thoroughly inspect and evaluate all the CMU and mortar. Their recommendations (timing and costs) can be used as the basis for any reserve funding.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 23410 Metal Siding - Repair/Replace

Quantity: ~ 600 GSF

Location: Exteriors

Funded?: Yes.

History:

Comments: Metal surfaces were observed to be in fair condition. No broken or missing sections observed. No rust and corrosion was observed. Slight fading and weathering noted. Replacement may ultimately be needed due to the failure of the underlying waterproofing degrading over the decades, and/or the end of the useful life of the siding materials from general aging. Many factors influence the useful life, including exposure to (or protection from) wind driven rain, and the quality of the waterproofing and flashing beneath the siding. Evaluate the siding and the critical underlying waterproofing (typically building paper or house-wrap) more frequently as the remaining useful life approaches zero years. Adjust remaining useful life as dictated by the evaluation. Align with other exterior replacements for cost efficiencies and building envelope integrity when practical. Inspect annually and repair locally as needed using general maintenance funds. Metal panel can have a finish that is either field applied or factory applied. Most have factory applied finish, which can last much longer than a field-applied finish. We assume that it is long lasting factory finish. Many factors influence the useful life, including exposure to (or protection from) wind driven rain, quality of the siding material, and quality of the waterproofing and flashing beneath the siding. Almost all waterproofing systems will degrade over time (years or decades) as it ages. Project costs can vary depending upon materials chosen and the condition of the underlying structural framing when exposed. We recommend the Board conduct research well in advance in order to define scope, timing and costs, including plan for some margin of contingency.

Useful Life:
60 years

Remaining Life:
50 years



Best Case: \$ 18,000

Worst Case: \$ 21,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 23440 Windows - Replace

Quantity: ~ (120) Windows

Location: Common Areas

Funded?: Yes.

History:

Comments: Windows and doors determined to be in fair condition typically exhibit normal signs of wear for their age, including more surface wear to framework and hardware, but no advanced corrosion or other concerns. At this stage, windows and doors are believed to be functional and aging normally, but more advanced technology may be available. Unless otherwise noted, this component refers only to exterior windows and doors. All are assumed to have been compliant with applicable building codes at time of installation. Inspect regularly for leaks and cracks around frame and repair as needed. For operable windows, clean tracks and ensure hardware is functional to prevent accidental damage during opening/closing. With ordinary care and maintenance, useful life is typically long but often difficult to predict. Many factors affect useful life including quality of window currently installed, waterproofing details, exposure to wind and rain, etc. Individual windows and doors should be replaced as an Operating expense if damaged or broken. Plan for comprehensive replacement of all areas (unless otherwise noted) at the approximate interval shown here. Costs are based on replacement with good quality, impact-resistant models.

Useful Life:
30 years

Remaining Life:
20 years



Best Case: \$ 292,500

Worst Case: \$ 409,500

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 23600 Roof: Metal - Replace

Quantity: ~ 11300 GSF

Location: Building Exteriors

Funded?: Yes.

History:

Comments: Roofing consists of standing seam metal roof. Typically metal roofs are either Pro-Panel seamed roofs or Standing Seam roofs. Pro Panel roofs are installed with exposed metal screws and fasteners while Standing Seam will snap lock panels over the mechanical seam with no penetrations to the underlayment. Advantages of metal roofs include long life expectancies with relatively low need to repair. Metal roofing is typically a long-lived component assuming it was properly installed and is properly maintained. As routine maintenance many manufacturers recommend inspections at least twice annually (once in the fall before the rainy season and again in the spring) and after large storm events. Promptly replace any damaged/missing sections or conduct any other repair needed to ensure waterproof integrity of roof. We recommend having roof inspected in greater detail (including conditions of sub-surface materials) by an independent roofing consultant prior to replacement. There is a wealth of information available through organizations such as the Roof Consultant Institute <http://www.rci-online.org> and the National Roofing Contractors client (NRCA) <http://www.nrca.net/>. If the roof has a warranty be sure to review terms and conduct proper inspections/repairs as needed to keep warranty in force.

Useful Life:
40 years

Remaining Life:
30 years



Best Case: \$ 202,700

Worst Case: \$ 247,700

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 23650 Gutters/Downspouts - Replace

Quantity: ~ 160 LF

Location: Building Exteriors

Funded?: Yes.

History:

Comments: Gutters and downspouts determined to be in fair condition typically exhibit some normal wear and tear but drainage away from the roof and building appears to be adequate. Generally believed to be aging normally. Gutters and downspouts are assumed to be functioning properly unless otherwise noted. As routine maintenance inspect regularly keep gutters and downspouts free of debris. If buildings are located near trees keep trees trimmed back to avoid accumulation of leaves on the roof surface which will accumulate in the gutters and increase maintenance requirements while reducing life expectancy. Repair or replace individual sections as needed as an Operating expense. We generally recommend that the gutters and downspouts be replaced when the roof is being resurfaced/replaced. National Roofing Contractor client (NRCA) roofing standard includes installing eave flashings at the gutters. We suggest to plan for total replacement of gutter and downspouts at the same intervals as roof replacement for cost efficiency. Unless otherwise noted costs shown here assume replacement with similar type as are currently in place.

Useful Life:
30 years

Remaining Life:
20 years



Best Case: \$ 1,900

Worst Case: \$ 2,200

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 23660 Heat Tape - Replace

Quantity: ~ 160 LF

Location: Building Exteriors

Funded?: Yes.

History:

Comments: The heat tape was reported to be in fair condition. No stripped or ripped taped noted or reported. Heat tape was observed along the edges of the roof and the downspouts. Heat tape generally follows the length of the gutter and downspouts. Heat cables when installed and functioning properly will help offset the likelihood of an ice dam. Heat tape on average creates an output between 50-70°F. When installed in the gutters the heat cables can keep your gutters and downspouts from collecting and freezing with ice and snow melt.

Useful Life:
10 years

Remaining Life:
4 years



Best Case: \$ 2,500

Worst Case: \$ 3,100

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 25070 Garage Doors - Replace

Quantity: ~ (4) Doors

Location: Common Area

Funded?: Yes.

History:

Comments: Door determined to be in fair condition typically exhibit minor to moderate corrosion or rust hardware may show some wear and corrosion but gate(s) operate properly and connections and supports appear to be secure. Fair appearance overall. Garage doors should have a long life expectancy under normal circumstances. Should be inspected and repaired as-needed as an Operating expense to ensure good function. Be sure to inspect internal components (springs tracks etc.) for damage and deterioration. Doors should ideally be replaced in all areas at the same time to maintain consistent appearance and obtain better pricing through economies of scale. There are a wide variety of styles available and costs can vary greatly. Estimates shown here are based on replacement with type comparable to existing doors.

Useful Life:
20 years

Remaining Life:
10 years



Best Case: \$ 12,000

Worst Case: \$ 16,000

Cost Source: ARI Cost Database: Similar Project Cost History

Building Interiors

Comp #: 24150 Fitness Equipment (All) - Replace

Quantity: ~ (38) Pieces

Location: Building Interiors
Funded?: No. Client requested component not included in Reserve Study.
History:

Comments: Includes (6) Squat Racks (2) Full Weight Sets (3) Ellipticals (3) Row Machines (1) Pelotons (16) Spin Machines (7) Treadmills. The client requested the component not be included in the Reserve Study.

Useful Life:

Remaining Life:



Best Case:

Worst Case:

Cost Source:

Comp #: 24240 Community Room Kitchen - Remodel

Quantity: ~ (1) Area

Location: Building Interiors
Funded?: Yes.
History:
Comments: Includes (36) GSF of Counters, (10) LF of Base Cabinets, (10) LF of Wall Cabinets.

Kitchen area was observed to be in fair condition. Counters and cabinets were clean and mostly free of issues. Fixtures appeared to be in fair condition. Kitchen materials typically have an extended useful life. However many clients choose to refurbish the kitchen periodically for aesthetic updating. This may include refurbishment/refinishing of kitchen cabinets and countertops replacement of sinks installation/replacement of under-cabinet lighting etc. Should ideally be coordinated with replacement of the kitchen appliances. Best practice is to coordinate this project with other amenity areas such as bathrooms or other amenity rooms.

Useful Life:
20 years

Remaining Life:
10 years



Best Case: \$ 8,200

Worst Case: \$ 10,200

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 24250 Community Room Appliances - Replace

Quantity: ~ (5) Appliances

Location: Building Interiors

Funded?: Yes.

History:

Comments: Includes (1) Mini Fridge, (1) Microwave, (1) Coffee Maker, (1) Ice Machine, (1) True Cooler.

Individual appliances were not tested during inspection and are assumed to be in functional operating condition unless otherwise noted. Useful life can vary greatly depending on level of use quality care and maintenance etc. Funding recommendation shown here is for replacing with comparable quality commercial-grade appliances. Costs shown here include replacement of all appliances at one time. Minimal or no subjective/aesthetic value for commercial kitchen appliances. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted remaining useful life expectancy is based primarily on original installation or last replacement/purchase date our experience with similar appliances and assuming normal amount of usage and good preventive maintenance.

Useful Life:
10 years

Remaining Life:
0 years



Best Case: \$ 13,400

Worst Case: \$ 20,800

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 24290 Check-In/Office - Remodel

Quantity: ~ (1) Area

Location: Building Interiors

Funded?: Yes.

History:

Comments: Includes (480 GSF) Surfaces, (12 GSY) Carpet, (48 GSF) Countertops, (24 LF) Base Cabinets, (3) Computers, (2) Printers.

Area was observed to be in fair condition. Flooring was mostly clean and free of any major issues. Fixtures appeared to be in good condition. Remodeling is prudent in order to maintain an attractive desirable appearance for existing owners as well as potential buyers and other guests. Typical projects often include replacement of finishes and furnishings artwork lighting etc. Life estimates can vary greatly depending on level of wear and preferences of client. Costs can vary greatly depending on types of materials selected for replacement. Many clients choose to work with design personnel to maintain a coordinated attractive aesthetic. Funding recommendation shown here is for remodeling to an appropriate standard for this client. Life and cost estimates should be re-evaluated during future Reserve Study updates.

Useful Life:
10 years

Remaining Life:
1 years



Best Case: \$ 17,700

Worst Case: \$ 26,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 24290 Community Room - Remodel

Quantity: ~ (1) Room

Location: Building Interiors

Funded?: Yes.

History:

Comments: Includes (1840 GSF) Surfaces & Ceiling, (44 GSY) Carpet, (6) Lights, (4) Sofa, (2) Coffee Tables, (1) True Cooler.

Room was observed to be in fair condition. Flooring was mostly clean and free of any major issues. Fixtures appeared to be in good condition. Remodeling is prudent in order to maintain an attractive desirable appearance for existing owners as well as potential buyers and other guests. Typical projects often include replacement of finishes and furnishings artwork lighting etc. Life estimates can vary greatly depending on level of wear and preferences of client. Costs can vary greatly depending on types of materials selected for replacement. Many clients choose to work with design personnel to maintain a coordinated attractive aesthetic. Funding recommendation shown here is for remodeling to an appropriate standard for this client. Life and cost estimates should be re-evaluated during future Reserve Study updates.

Useful Life:
10 years

Remaining Life:
3 years



Best Case: \$ 21,900

Worst Case: \$ 33,100

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 24290 Cycling Studio - Remodel

Quantity: ~ (1) Room

Location: Building Interiors

Funded?: Yes.

History:

Comments: Includes (1604 GSF) Surfaces & Ceiling, (308 GSF) Fitness Flooring, (4) Lights, (1) Desk, (1) TV.

Room was observed to be in fair condition. Flooring was mostly clean and free of any major issues. Fixtures appeared to be in good condition. Remodeling is prudent in order to maintain an attractive desirable appearance for existing owners as well as potential buyers and other guests. Typical projects often include replacement of finishes and furnishings artwork lighting etc. Life estimates can vary greatly depending on level of wear and preferences of client. Costs can vary greatly depending on types of materials selected for replacement. Many clients choose to work with design personnel to maintain a coordinated attractive aesthetic. Funding recommendation shown here is for remodeling to an appropriate standard for this client. Life and cost estimates should be re-evaluated during future Reserve Study updates.

Useful Life:
10 years

Remaining Life:
4 years



Best Case: \$ 9,000

Worst Case: \$ 12,300

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 24290 Fitness Room - Remodel

Quantity: ~ (1) Area

Location: Building Interiors

Funded?: Yes.

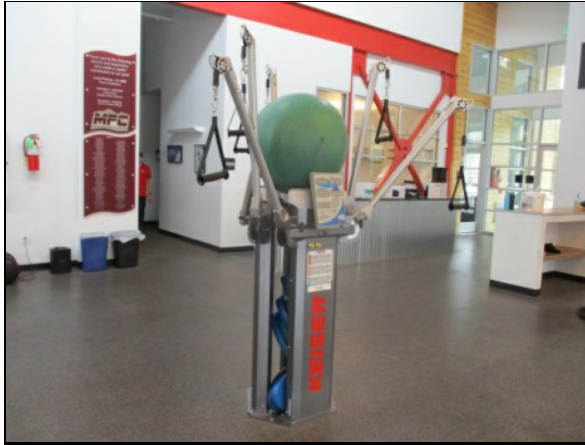
History:

Comments: Includes (10210 GSF) Surfaces & Ceiling, (4834 GSF) Fitness Flooring, (17) Lighting, (3) Gym Lights, (5) TVs.

Room was observed to be in fair condition. Flooring was mostly clean and free of any major issues. Fixtures appeared to be in good condition. Remodeling is prudent in order to maintain an attractive desirable appearance for existing owners as well as potential buyers and other guests. Typical projects often include replacement of finishes and furnishings artwork lighting etc. Life estimates can vary greatly depending on level of wear and preferences of client. Costs can vary greatly depending on types of materials selected for replacement. Many clients choose to work with design personnel to maintain a coordinated attractive aesthetic. Funding recommendation shown here is for remodeling to an appropriate standard for this client. Life and cost estimates should be re-evaluated during future Reserve Study updates.

Useful Life:
10 years

Remaining Life:
3 years



Best Case: \$ 74,200

Worst Case: \$ 98,800

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 24290 Hallways - Remodel

Quantity: ~ (1) Area

Location: Building Interiors

Funded?: Yes.

History:

Comments: Includes (3783 GSF) Surfaces & Ceiling, (48 GSY) Carpet, (5) Lights.

Areas were observed to be in fair condition. Flooring was mostly clean and free of any major issues. Fixtures appeared to be in good condition. Remodeling is prudent in order to maintain an attractive desirable appearance for existing owners as well as potential buyers and other guests. Typical projects often include replacement of finishes and furnishings artwork lighting etc. Life estimates can vary greatly depending on level of wear and preferences of client. Costs can vary greatly depending on types of materials selected for replacement. Many clients choose to work with design personnel to maintain a coordinated attractive aesthetic. Funding recommendation shown here is for remodeling to an appropriate standard for this client. Life and cost estimates should be re-evaluated during future Reserve Study updates.

Useful Life:
10 years

Remaining Life:
3 years



Best Case: \$ 13,100

Worst Case: \$ 16,800

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 24290 Locker Rooms - Remodel

Quantity: ~ (2) Rooms

Location: Building Interiors

Funded?: Yes.

History:

Comments: Includes (1760 GSF) Surfaces & Ceiling, (880 GSF) Tile, (44) Lockers.

Rooms were observed to be in fair condition. Flooring was mostly clean and free of any major issues. Fixtures appeared to be in good condition. Remodeling is prudent in order to maintain an attractive desirable appearance for existing owners as well as potential buyers and other guests. Typical projects often include replacement of finishes and furnishings artwork lighting etc. Life estimates can vary greatly depending on level of wear and preferences of client. Costs can vary greatly depending on types of materials selected for replacement. Many clients choose to work with design personnel to maintain a coordinated attractive aesthetic. Funding recommendation shown here is for remodeling to an appropriate standard for this client. Life and cost estimates should be re-evaluated during future Reserve Study updates.

Useful Life:
10 years

Remaining Life:
3 years



Best Case: \$ 38,300

Worst Case: \$ 50,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 24290 Yoga Room - Remodel

Quantity: ~ (1) Room

Location: Building Interiors

Funded?: Yes.

History:

Comments: Includes (2232 GSF) Surfaces, (4) Lights, (1) Projector, (1) Screen, (961 GSF) Wood Floors.

Room was observed to be in fair condition. Flooring was mostly clean and free of any major issues. Fixtures appeared to be in good condition. Remodeling is prudent in order to maintain an attractive desirable appearance for existing owners as well as potential buyers and other guests. Typical projects often include replacement of finishes and furnishings artwork lighting etc. Life estimates can vary greatly depending on level of wear and preferences of client. Costs can vary greatly depending on types of materials selected for replacement. Many clients choose to work with design personnel to maintain a coordinated attractive aesthetic. Funding recommendation shown here is for remodeling to an appropriate standard for this client. Life and cost estimates should be re-evaluated during future Reserve Study updates.

Useful Life:
10 years

Remaining Life:
4 years



Best Case: \$ 29,700

Worst Case: \$ 38,800

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 24310 Offices - Remodel

Quantity: ~ (2) Offices

Location: Building Interiors

Funded?: Yes.

History:

Comments: Includes (1400 GSF) Surfaces & Ceiling, (22 GSY) Carpet, (2) Lights, (2) Desks, (4) Chairs, (2) Mini Fridges.

Office was observed to be in fair condition. Flooring was mostly clean and free of any major issues. Fixtures and equipment appeared to be in good condition. Periodic office remodeling is prudent in order to maintain an attractive functional workspace for personnel. Typical projects often include replacement of room finishes and furnishings and may also include replacement of IT equipment phones office supplies storage units etc. Life estimates can vary greatly depending on level of use and preferences of client. If the office is used as a "public" area for hosting potential buyers and other important visitors remodeling should be a high priority. Schedule and cost estimates should be re-evaluated during future Reserve Study updates and adjusted as needed based on any new information obtained.

Useful Life:
10 years

Remaining Life:
3 years



Best Case: \$ 7,100

Worst Case: \$ 10,000

Cost Source: ARI Cost Database: Similar Project Cost History

Mechanical

Comp #: 25020 Keypad Entry - Replace

Quantity: ~ (1) System

Location: Common Areas

Funded?: Yes.

History:

Comments: Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance. Card/fob reader devices were/were observed to be functional during site inspection. Due to use, exposure, and advancements in technology, plan to replace devices and control system at the approximate interval shown here. Individual readers can often be replaced as an Operating expense due to damage or localized failures. To ensure a functional, compatible system and obtain better pricing, plan on replacing all devices together as one project.

Useful Life:
12 years

Remaining Life:
2 years



Best Case: \$ 1,800

Worst Case: \$ 2,500

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 25180 Furnace - Replace

Quantity: ~ (1) Unit

Location: Mechanical Room

Funded?: Yes.

History:

Comments: Includes (1) Carrier Furnace (M: 56TPS5A120E241122, S: 4513A5513). Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance. We recommend that routine repairs and maintenance such as filter replacements, system flushing, etc. be budgeted as an Operating expense. Useful life can often be extended with proactive service and maintenance. Unless otherwise noted, funding for system with same size/capacity as the current system. For split systems, we recommend budgeting to replace the entire system (condensing unit and air handler) together in order to obtain better unit pricing and ensure maximum efficiency, refrigerant compatibility, etc. If additional costs are expected during replacement, such as for system reconfiguration or expansion, ductwork repairs, electrical work, etc. costs should be re-evaluated and adjusted as needed during future Reserve Study updates.

Useful Life:
20 years

Remaining Life:
10 years



Best Case: \$ 4,000

Worst Case: \$ 5,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 25190 Condensers - Replace

Quantity: ~ (4) Units

Location:

Funded?: Yes.

History:

Comments: Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance. We recommend that routine repairs and maintenance such as filter replacements, system flushing, etc. be budgeted as an Operating expense. Useful life can often be extended with proactive service and maintenance. Unless otherwise noted, funding for system with same size/capacity as the current system. For split systems, we recommend budgeting to replace the entire system (condensing unit and air handler) together in order to obtain better unit pricing and ensure maximum efficiency, refrigerant compatibility, etc. If additional costs are expected during replacement, such as for system reconfiguration or expansion, ductwork repairs, electrical work, etc. costs should be re-evaluated and adjusted as needed during future Reserve Study updates.

Useful Life:
20 years

Remaining Life:
10 years



Best Case: \$ 20,000

Worst Case: \$ 28,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 25210 Reznor MAU - Replace

Quantity: ~ (1) Unit

Location: Mechanical Room

Funded?: Yes.

History:

Comments: Includes (1) Reznor 300,000 BTU Makeup Air Unit (M: CAUA300-S-2, S: EBMK78X3N58603X) (2013). Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted remaining useful life expectancy is based primarily on original installation or last replacement/purchase date our experience with similar systems/components and assuming normal amount of usage and good preventive maintenance. We recommend that routine repairs and maintenance such as filter replacements system flushing etc. be budgeted as an Operating expense. Useful life can often be extended with proactive service and maintenance. Unless otherwise noted funding for system with same size/capacity as the current system. For split systems we recommend budgeting to replace the entire system (condensing unit and air handler) together in order to obtain better unit pricing and ensure maximum efficiency refrigerant compatibility etc. If additional costs are expected during replacement such as for system reconfiguration or expansion ductwork repairs electrical work etc. costs should be re-evaluated and adjusted as needed during future Reserve Study updates.

Useful Life:
25 years

Remaining Life:
15 years



Best Case: \$ 30,000

Worst Case: \$ 45,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 25410 Fire Control Panel - Update

Quantity: ~ (1) Panel

Location: Mechanical Room

Funded?: Yes.

History:

Comments: Includes (1) Vigilant Fire Panel. Our inspection is for planning and budgeting purposes only fire alarm equipment is assumed to have been designed and installed properly and is assumed to comply with all relevant building codes. Regular testing and inspections should be conducted as an Operating expense. In many cases manufacturers discontinue support of equipment after a certain number of years which may limit availability of replacement parts as the system ages. Cost estimates assume that existing wiring can be re-used and that only panel and devices will be replaced. If wiring requires replacement estimates should be increased accordingly but in our experience wiring should have an indefinite useful life. Cost estimates are based on quantity and type of existing equipment not including any expansion or upgrades which may be required. We recommend reviewing system components with fire alarm vendor on a regular basis. If expansion of system is found to be required the Reserve Study should be updated and any additional costs should be factored accordingly.

Useful Life:
20 years

Remaining Life:
10 years



Best Case: \$ 8,000

Worst Case: \$ 12,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 25460 Water Heaters - Replace

Quantity: ~ (2) Tanks

Location: Mechanical Room

Funded?: Yes.

History:

Comments: Includes (2) Bradford White Magnum Series 100 Gallon, 199,000 BTU Water Heaters (M: PDV100S2003N, S: LD34331209, LD 34331210). Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted remaining useful life expectancy is based primarily on original installation or last replacement/purchase date our experience with similar systems/components and assuming normal amount of usage and good preventive maintenance. Water heater life expectancies can vary greatly depending on level of use type of technology amount of preventive maintenance and other factors. Should be inspected and repaired as needed by servicing vendor or maintenance staff. Unless otherwise noted expected to be functional. Plan to replace at the approximate interval shown below. When evaluating replacements we recommend choosing high-efficiency or tankless models if possible in order to minimize energy usage.

Useful Life:
15 years

Remaining Life:
5 years



Best Case: \$ 50,000

Worst Case: \$ 70,000

Cost Source: ARI Cost Database: Similar Project Cost History

Comp #: 25570 Irrigation Clocks - Replace

Quantity: ~ (1) Controller

Location: Common Areas

Funded?: Yes.

History:

Comments: Includes (1) Rainbird ESP-Me. Minimal or no subjective/aesthetic value for this component. Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted remaining useful life expectancy is based primarily on original installation or last replacement/purchase date our experience with similar systems/components and assuming normal amount of usage and good preventive maintenance. Irrigation controllers should have a relatively long life expectancy under normal circumstances. Replacement is often required due to lack of available replacement parts lightning strikes etc. as opposed to complete failure of existing equipment. Exposure to the elements can affect overall life expectancy and controllers should be located in protected areas or within protective enclosures whenever possible. When evaluating replacement options the client should consider replacement with smart" models (i.e. respond to projected weather data) to minimize unnecessary water usage. Payback period for efficient controllers that minimize water use is typically very short

Useful Life:
15 years

Remaining Life:
5 years



Best Case: \$ 1,500

Worst Case: \$ 2,500

Cost Source: ARI Cost Database: Similar Project Cost History

MFC
 FY 2023-2024 Financial File
 Forecast v. Budget

	2023-2024 FORECAST	2023-2024 BUDGET	Variance
Revenue			
Annual Memberships	24,794	21,500	3,294
Monthly Memberships	89,153	79,000	10,153
Corporate Memberships	4,000	5,400	(1,400)
SSCV Athletes	58,000	45,000	13,000
Group Classes		-	
Personal Training	31,446	24,500	6,946
Drop Ins	2,445	2,500	(55)
Team Drop In (Hockey)	5,617	15,500	(9,883)
Memberships Other	-	200	(200)
Membership Revenue	215,455	193,600	21,855
Rental Revenue	-	100	(100)
Grants & Donations	-	-	-
Misc Revenue, Merch & Equip	75	150	(75)
MFC Revenue	215,530	193,850	21,680
Payroll Expense			
Trainer Wages	36,048	30,800	5,248
Admin/Other Wages	47,794	44,500	3,294
Payroll Taxes	7,189	6,500	689
Worker's Comp Insurance	1,162	659	503
Total Payroll	92,193	82,459	9,734
Operating Expense			
Dues and Fees	9,383	9,100	283
Credit Card Fees	6,262	6,000	262
Insurance	13,609	10,900	2,709
Staff Training	-	-	-
Advertising Expense	3,017	2,200	817
Miscellaneous Expense	-	-	-
Maintenance & Repair	20,953	18,000	2,953
Software & Computer	1,088	1,700	(612)
Photocopy	-	-	-
Equipment	5,534	7,500	(1,966)
General, Office & Cleaning Supplies	1,789	2,300	(511)
Professional Cleaning Services	10,418	9,500	918
Telephone & Internet & TV	10,064	8,300	1,764
Utilities (water, electric, trash, etc.)	22,000	23,000	(1,000)
Uniforms	-	-	-
Operating Expense	104,117	98,500	5,617
Total Expenses	196,310	180,959	15,351
Operating Income	19,220	12,891	6,329

	2023/2024	2022/2023	2021/2022	23/24-22/23	22/23-21/22
	BUDGET	ACTUAL	ACTUAL	Variance	Variance
Revenue					
Annual Memberships	21,500	20,054	11,128	1,446	8,926
Monthly Memberships	79,000	82,792	46,128	(3,792)	36,664
Corporate Memberships	5,400	7,400	3,400	(2,000)	4,000
SSCV Athlete Memberships	45,000	45,000	40,750	-	4,250
Personal Training	24,500	21,117	20,989	3,383	128
Drop Ins	2,500	2,130	3,125	370	(995)
Team Drop Ins	15,500	19,020	5,750	(3,520)	13,270
Memberships Other	200	-	-	200	-
Membership Revenue	193,600	197,513	131,270	(3,913)	62,330
Rental Revenue	100	100	80	-	20
Grants & Donations		5,000	-	(5,000)	5,000
Misc Revenue, Merch & Equip	150	150	7	-	143
MFC Revenue	193,850	202,763	131,357	(8,913)	67,493
Payroll Expense					
Trainer Wages	30,800	33,493	21,910	(2,693)	11,583
Admin/Other Wages	44,500	41,309	44,858	3,191	(3,549)
Payroll Taxes	6,500	6,030	5,755	470	275
Worker's Comp Insurance	659	628	1,030	31	(402)
Total Payroll	82,459	81,460	73,553	999	8,906
Operating Expense					
Dues and Fees	9,100	12,618	10,534	(3,518)	2,084
Credit Card Fees	6,000	4,949	3,757	1,051	1,192
Insurance	10,900	8,932	11,932	1,968	(3,000)
Advertising Expense	2,200	537	1,426	1,663	(889)
Miscellaneous Expense	-	-	-	-	-
Maintenance & Repair	18,000	9,069	11,601	8,931	(2,532)
Software & Computer	1,700	1,606	690	94	916
Equipment	7,500	2,414	6,605	5,086	(4,191)
General, Office & Cleaning Supplies	2,300	2,261	2,243	39	18
Professional Cleaning Services	9,500	6,622	3,466	2,878	3,156
Telephone & Internet & TV	8,300	8,777	9,525	(477)	(748)
Utilities (water, electric, trash, etc.)	23,000	20,773	28,750	2,227	(7,977)
Uniforms	-	-	-	-	-
Operating Expense	98,500	78,557	90,529	19,943	(11,972)
Total Expenses	180,959	160,017	164,082	20,942	(3,066)
Operating Income	12,891	42,745	(32,725)	(29,854)	75,470

MFC
 FY 2023-2024 Financial File
 2023/2024 Monthly P&L Actual

	May 2023A	June 2023A	July 2023A	August 2023A	September 2023A	October 2023A	November 2023A	December 2023A	January 2024A	February 2024A	March 2024A	April 2024A	Total YTD 2024A	
Revenue														
Annual Memberships	2,182	2,152	-	3,576	4,643	1,434	1,834	1,640					17,461	
Monthly Memberships	10,169	7,512	7,402	7,919	7,807	7,220	8,948	6,843					63,820	
Corporate Memberships	200	-	1,500		300			2,000					4,000	
SSCV Athlete Memberships	-	-	-											
Group Classes	1,760	1,280											3,040	
Personal Training	260	130	3,427	2,920	3,840	4,432	1,190	4,264					20,463	
Daily & Class Drop Ins / Open Gym	450	-	230	100	80	205	100	340					1,505	
Team Drop Ins/Hockey Team													-	
Discounts	-	-											-	
Cycling Studio?			-	-	-								-	
Memberships-Other													-	
Membership Revenue	15,021	11,074	12,559	14,515	16,670	13,291	12,072	15,087	-	-	-	-	110,289	-
Rental Revenue	-												-	
Grants & Donations							5,000						5,000	
Misc Revenue, Merch & Equip	25	50											75	
MFC Revenue	15,046	11,124	12,559	14,515	16,670	13,291	17,072	15,087	-	-	-	-	115,364	-
Payroll Expense														
Trainer Wages	2,590	1,660	3,600	1,895	2,950	4,481	3,605	3,600					24,381	
Admin/Other Wages	5,365	3,424	4,710	5,207	4,265	2,445	2,925	4,354					32,694	
Payroll Taxes	725	424	542	646	526	607	595	725					4,789	
Worker's Comp Insurance	-	510			419								929	
Total Payroll	8,679	6,017	8,852	7,748	8,160	7,533	7,125	8,679	-	-	-	-	62,793	-
Operating Expense														
Dues and Fees	(1,049)	464	464	635	2,472	478	354	2,398					6,216	
Credit Card Fees	714	476	401	518	484	535	512	457					4,097	
Insurance	46	46		1,542	134	50	7,409	50					9,277	
Staff Training	-	-											-	
Advertising Expense	591	-				639	1,054						2,284	
Miscellaneous Expense	-	-											-	
Maintenance & Repair	-	2,976			6,286	5,045	195	450					14,952	
Software & Computer	-	14	3	388	7	6	-	3					421	
Equipment	173	144	224	2,185	391		970	138					4,225	
General, Office & Cleaning Supplies	245	64	337	201				84					931	
Professional Cleaning Services	1,514	-	757	795	795		2,325	1,200					7,386	
Telephone & Internet & TV	859	859	730	1,005	860	860	862	862					6,897	
Utilities (water, electric, trash, etc.)	5,612	999	1,124	1,283	1,223	1,226	977	1,224					13,669	
Uniforms	-												-	
Operating Expense	8,705	6,043	4,040	8,552	12,652	8,839	14,658	6,866	-	-	-	-	70,355	-
Total Expenses	17,384	12,060	12,892	16,300	20,812	16,372	21,783	15,545	-	-	-	-	133,149	-
Operating Income	(2,338)	(936)	(333)	(1,785)	(4,142)	(3,081)	(4,711)	(458)	-	-	-	-	(17,785)	-

SSCV Cash Contributions to fund MFC Operations

22-23 Cash Transfers		21-22 Cash Transfers		20-21 Cash Transfers		19-20 Cash Transfers		18-19 Cash Transfers		17-18 Cash Transfers		16-17 Cash Transfers		14-15 Cash Transfers	
		5/25/2021	\$5,000	5/13/2020	\$2,500	5/20/2019	\$5,000	5/15/2018	\$5,000	5/1/2017	\$2,500	6/30/2016	\$5,000	9/9/2014	\$100,000
		6/14/2021	\$5,000	6/1/2020	\$5,000	5/28/2019	\$10,000	5/30/2018	\$5,000	5/15/2017	\$5,000	10/6/2016	\$5,000		
		7/2/2021	\$5,000	7/1/2020	\$5,000	6/18/2019	\$2,500	6/13/2018	\$5,000	5/30/2017	\$2,500	12/6/2016	\$5,000		
		7/16/2021	\$5,000	8/18/2020	\$5,000	6/27/2019	\$2,500	8/1/2018	\$10,000	7/3/2017	\$5,000	1/26/2017	\$5,000		
7/28/2022	\$5,000	7/26/2021	\$5,000	8/24/2020	\$2,500	8/26/2019	\$2,500	11/21/2018	\$5,000			2/14/2017	\$5,000		
		8/25/2021	\$5,000	9/16/2020	\$5,000	10/11/2019	\$2,500	12/28/2018	\$2,500			3/16/2017	\$5,000		
		9/3/2021	\$8,500	10/5/2020	\$5,000	11/14/2019	\$2,500	2/22/2019	\$2,500			3/24/2017	\$5,000		
		9/14/2021	\$5,000	10/23/2020	\$5,000	11/27/2019	\$2,500	3/28/2019	\$2,500			4/24/2017	\$2,500		
		9/21/2021	\$2,250	11/2/2020	\$5,000	12/18/2019	\$2,500								
10/24/2022	\$40,000	10/12/2021	\$5,000	11/12/2020	\$5,000	2/4/2020	\$2,500								
		11/10/2021	\$5,000	11/27/2020	\$5,000	2/13/2020	\$5,000								
		11/22/2021	\$5,000	12/8/2020	\$5,000	2/14/2020	\$5,000								
		12/14/2021	\$5,000	12/19/2020	\$10,000	3/3/2020	\$2,500								
		12/23/2021	\$5,000	1/12/2021	\$5,000	3/12/2020	\$2,500								
		1/31/2022	\$2,500	1/15/2021	\$5,000	3/26/2020	\$2,500								
				2/4/2021	\$5,000	4/3/2020	\$2,500								
				2/11/2021	\$5,000	4/27/2020	\$2,500								
				3/2/2021	\$5,000										
				4/12/2021	\$5,000										
				4/27/2021	\$2,500										
Total	\$45,000	Total	\$73,250	Total	\$97,500	Total	\$57,500	Total	\$37,500	Total	\$15,000	Total	\$37,500	Total	\$100,000

less SSCV memberships \$32,500

TOTAL \$377,500

SSCV Cash Contributions to Fund MFC Operations	\$377,500
14-15 SSCV Athlete Memberships (151 athletes)	\$37,750
15-16 SSCV Athlete Memberships (159 athletes)	\$39,750
16-17 SSCV Athlete Memberships (172 athletes)	\$43,000
17-18 SSCV Athlete Memberships (169 athletes)	\$42,250
18-19 SSCV Athlete Memberships (148 athletes)	\$37,000
19-20 SSCV Athlete Memberships (161 athletes)	\$40,250
20-21 SSCV Athlete Memberships (160 athletes)	\$40,000
Total Retroactive SSCV Athlete Memberships	\$280,000
Net SSCV Cash Contributions to Fund MFC Operations	\$97,500

MFC Historical Financial Performance

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	Total
Revenue	\$91,141	\$108,452	\$116,483	\$138,644	\$124,799	\$100,484	\$53,001	\$131,357	\$202,763	\$864,360
Expense	\$139,750	\$133,208	\$156,902	\$146,338	\$155,329	\$164,054	\$150,692	\$164,082	\$160,017	\$1,210,355
Net Income	-\$48,609	-\$24,756	-\$40,419	-\$7,694	-\$30,531	-\$63,571	-\$97,691	-\$32,725	\$42,745	-\$345,995

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Revenue							
Annual Memberships	28,558	21,746	23,573	15,648	1,691	11,128	20,054
Monthly Memberships	26,548	36,192	37,377	34,860	15,250	46,128	82,792
Corporate Memberships	4,590	4,760	6,460	5,100	1,700	3,400	7,400
SSCV Athlete Memberships						40,750	45,000
Group Classes	11,360	11,535	9,664	6,038	2,525	0	0
Personal Training	31,809	39,536	33,406	39,894	22,982	20,989	21,117
Sports Psych	0	0	420	645	0	0	0
Punch Cards	0	0	0	400	0	0	0
Daily & Class Drop Ins / Open Gym	2,086	5,845	5,610	6,765	3,820	3,125	2,130
Team Drop Ins / Hockey Team						5,750	19,020
Discounts	0	0	0	0	0	0	0
Cycling	0	0	0	0	0	0	0
Memberships Other	0	1,855	0	1,010	930	0	0
Membership Revenue	104,951	121,468	116,510	110,360	48,898	131,270	197,513
Rental Revenue	12,000	7,650	4,050	108	0	80	100
Conferences/Donations	0	7,263	-838	-12,598	0	0	5,000
Misc Revenue, Merch & Equip	-468	2,263	5,078	2,615	4,103	7	150
MFC Revenue	116,483	138,644	124,799	100,484	53,001	131,357	202,763
Payroll Expense							
Trainer Wages					16,927	21,910	33,493
Admin/Other Wages					34,565	44,858	41,309
Wages & Taxes	74,597	65,187	67,504	72,712	0	0	0
Payroll Taxes					4,395	5,755	6,030
Worker's Comp Insurance	897	1,121	614	1,270	635	1,030	628
Total Payroll	75,494	66,308	68,118	73,982	56,522	73,553	81,460
Operating Expense							
Dues and Fees	6,384	4,145	6,986	9,418	10,022	10,534	12,618
Credit Card Fees	4,577	5,059	4,470	4,448	2,792	3,757	4,949
Insurance	8,130	8,480	8,230	8,738	9,351	11,932	8,932
Staff Training	0	350	459	411	50	0	0
Advertising Expense	4,122	1,537	1,065	868	477	1,426	537
Miscellaneous Expense	0	0	1,638	259	0	0	0
Maintenance & Repair	11,296	6,889	9,893	16,328	7,606	11,601	9,069
Software & Computer	0		25	836	600	690	1,606
Photocopy	1,376	2,517	2,424	1,625	1,603	0	0
Equipment	1,746	7,111	7,894	7,056	8,323	6,605	2,414
General, Office & Cleaning Supplies	2,830	4,190	4,884	3,633	5,648	2,243	2,261
Professional Cleaning Services	0	0	0	0	11,025	3,466	6,622
Telephone & Internet & TV	7,453	5,905	6,868	5,884	7,385	9,525	8,777
Utilities (water, electric, trash, etc.)	32,493	32,321	30,878	30,200	28,732	28,750	20,773
Uniforms	1,000	1,526	1,500	370	556	0	0
Operating Expense	81,408	80,030	87,212	90,072	94,170	90,529	78,557
Total Expenses	156,902	146,338	155,329	164,054	150,692	164,082	160,017
Operating Income	-40,419	-7,694	-30,530	-63,571	-97,691	-32,725	42,745

MFC
 FY 23-24 Financial File
 Balance Sheet

	12/21/2023	12/31/2022	\$ Change
Current Assets			
Cash	29,732	49,577	(19,845)
A/R	115	(30)	145
Total Current Assets	29,847	49,547	(19,700)
Fixed Assets	1,934,432	1,934,432	-
Total Assets	1,964,279	1,983,979	(19,700)
Current Liabilities			
Accounts Payable	-	-	-
Credit Cards	-	-	-
Total Current Liabilities	-	-	-
Long Term Liabilities			
Advance from Joint Venture	(38,250)	(38,250)	-
Total Liabilities	(38,250)	(38,250)	-
Long Term Liabilities & Equity	2,002,529	2,022,229	(34,417)
Total Liabilities & Equity	1,964,279	1,983,979	(19,700)

Bylaws of the Minturn Fitness Center

These Bylaws are based in part on provisions of the Colorado Revised Nonprofit Corporation Act (the “Act”) and provisions of the Articles of Incorporation of the Minturn Fitness Center, a Colorado nonprofit corporation (the “Nonprofit”), which were in effect when these Bylaws were adopted. If and to the extent that any conflict exists between these Bylaws and the Act, the Act will control. If and to the extent that there is any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation will control. In interpreting and following these Bylaws, reference also should be made to the then-current provisions of the Act and the Articles of Incorporation.

Article One Introduction

Section 1.01 Purpose

The purpose of the Nonprofit is to fund, construct, maintain, and participate in the management of a fitness center for the benefit of the residents of the Town of Minturn, a Colorado municipal corporation (the “Town”) and the Vail Valley, and a training center for the Ski and Snowboard Club Vail, a Colorado nonprofit corporation. The fitness and training center will be referred to in these Bylaws as the “Center.” The Center may provide programming, training, rehabilitation services, and sell concessions for a fee.

The Nonprofit has no capital stock. The Nonprofit has no members. The Town of Minturn, through its Town Council (the “Council”) and the Ski and Snowboard Club Vail (the “Club”), as Incorporators, have certain rights to appoint Directors under these Bylaws.

Section 1.02 Name

The name of the Nonprofit is the **Minturn Fitness Center**.

Section 1.03 Seal

The Nonprofit may, but is not required to, adopt a corporate seal. A seal used to be required in Colorado to transfer real estate owned by a corporation, but a seal is no longer required for any purpose under Colorado law.

Section 1.04 Fiscal Year

The fiscal year of the Nonprofit will end December 31 each year.

Article Two Board of Directors

The Nonprofit's business will be managed by a Board of Directors (the "Board"), as provided in this Article.

Section 2.01 Number and Qualifications

The Board will be comprised of six Directors. The initial Directors, or their successors, have been appointed and are serving as of the date of the adoption of these Bylaws. To qualify as a Director, each Director must review and agree to adhere to the Bylaws and its addenda and the other policies and procedures established by the Board. Voting Directors must be natural persons, eighteen years of age or older. Honorary Directors appointed pursuant to Section 2.12 may be of any age.

Section 2.02 Appointment of Voting Directors

The number of directors will be six. Three of these Directors (the "Council Directors") will be appointed by the Council in accordance with its rules of procedure and three of these Directors (the "Club Directors") will be appointed by the Club in accordance with its rules of procedure.

Beginning July 2015, the Directors will be appointed by the Council and the Club to serve in staggered three-year terms. At the time of the Director's appointment, each Director will be assigned to one of three classes of Directors, namely, Class "A," Class "B," or Class "C." Each Class will consist of two Directors, one of which will be a Council Director and one of which will be a Club Director. Each Director will hold office for a term of three years, except that, for the classes of Directors appointed in 2015, the term of the Directors in Class A will expire on July 1, 2016 and every three years thereafter, the term of the Directors in Class B will expire on July 1, 2017 and every three years thereafter, and the term of the Director in Class C will expire on July 1, 2018 and every three years thereafter. Notwithstanding the foregoing, each Director will hold office until his or her successor is appointed and qualified. Directors may serve an unlimited number of Terms in succession.

Neither the Council nor the Club may assign its right to appoint Directors without the unanimous approval of the entire Board.

If the Town is incorporated into another municipality or governmental or public authority, its right to appoint Directors will succeed to whichever authority has jurisdiction over the premises of the Center.

If the Club dissolves, merges with another entity whereby the non-party entity is the surviving entity, or converts to a for-profit form of organization, or if the Club, as a nonprofit corporation, otherwise ceases to exist, the Town or its successor will thereafter have the exclusive right to appoint all Directors.

Section 2.03 Removal and Resignation

Any Director appointed by the Council may be removed by the Council and any director appointed by the Club may be removed by the club for cause. Cause shall include: (a) a director

who is a member of the Council no longer being on Council, (b) a director appointed by Council or the Club no longer being employed by Council or the Club, or (c) a director appointed by Council or the Club having their duties and responsibilities reassigned by either Council or the Club. Any Director may resign at any time, effective upon delivery of, or upon the terms stated in, a written letter or notice of resignation.

Section 2.04 Vacancies

A vacancy on the Board will be filled by the organization that appointed the Director, namely, the Council or the Club, as the case may be. A Director appointed to fill a vacancy will be appointed for the unexpired term of his or her predecessor.

Section 2.05 Place of Meetings

Meetings of the Board, whether annual, regular or special, will be held within 25 miles of the Town of Minturn at an ADA compliant facility. Any Director meeting, including special meetings, may also take place, in whole or in part, in person or by virtual meeting technology, including by telephone, Skype, or other such technology that permits each participant in the meeting to monitor and fully participate in all deliberations and proceedings.

Section 2.06 Annual Meeting

The Board will meet on the second Tuesday of June of each year, or another date and time in the month of June, as determined by the Board, to elect officers, consider and approve the annual budget for the Nonprofit's operations, to consider and approve the annual appropriations for capital improvements and investments, and to consider any other matters properly before the Board. Failure to hold the annual meeting will not cause the Nonprofit to be dissolved. Notice of the annual meeting must be given to the members of the Board, but no less than five and no more than 30 days prior to the annual meeting.

Section 2.07 Meeting Notice

Notice of regular meetings will be deemed to be given when the Board adopts a regular meeting schedule (such as the second Tuesday of each month at 12:00 pm at the Nonprofit's primary place of business). Notice of other meetings may be given by regular mail, fax, or email and will be deemed given if received at least five days before the date of the meeting. The business to be transacted at and the purpose of any special meeting of the Board should be specified in the notice in general terms. No lawful act of the Board, appropriately adopted, will be invalid if the matter acted upon at a special meeting reasonably relates to the contents of the notice.

Section 2.08 Waiver of Notice

Notice of any meeting may be waived either orally or in writing by any Director at any time.

Section 2.09 Quorum and Voting

Subject to the provisions below concerning action with respect to certain extraordinary matters, the presence of no less than two Council Directors and two Club Directors will constitute a quorum for the transaction of business. Except as otherwise provided in these Bylaws, the act of the majority of the Directors present at a meeting at which a quorum is present will be the act of

the Board. If there is a tie vote, the matter voted upon will be deemed to have failed. A Director may appoint another Voting Director as his or her proxy for purposes of determining a quorum and for purposes of voting on a particular proposal, but the appointment must be in writing, must describe the particular proposal to be voted upon, must direct the vote to be cast by the proxy, and must be subscribed by the Director giving such proxy.

Section 2.10 Action without a Meeting

Any action that may be taken at a meeting of the Directors may be taken by unanimous written consent of all of the Directors.

Section 2.11 Unanimous Decision on Certain Extraordinary Matters

The unanimous vote or consent of all of the Directors will be required to encumber or dispose of any real property owned by the Company, to incur over \$15,000 in debt, or to amend or repeal these Bylaws.

Section 2.12 Honorary Directors

The Board may appoint honorary Directors, who may not vote as Directors, but may attend and otherwise participate in all meetings of the Board. The term of office of an honorary Director will be as specified by the Board.

**Article Three
Budgeting and Operations**

Section 3.01 Annual Budget, Maintenance Reserves, and Insurance

The Board of Directors will, at its annual meeting, adopt a budget (“Budget”) for the operation of the Center. The Budget will include an amount to be placed in a separate capital reserve account dedicated exclusively to the repair of the Center and maintenance, upgrade, and replacement of its equipment. A capital reserve account schedule (2014 – 2024) will be adopted by the Board and a line item for contributions to the capital reserve account will be included in every Budget approved by the Board. The Budget will include provisions for the center to maintain adequate insurance. The Budget will include amounts for audits, tax counseling, and other professional fees that may be required to comply with regulations imposed by the IRS, the Colorado Department of Revenue, or other regulators or authorities with jurisdiction over the Nonprofit, the Center, its finances, and its operations.

Section 3.02 Insurance

The Nonprofit will maintain adequate insurance for the Center, including as follows:

Insurance Item	Amount
Building and Equipment	\$2.5 Million
General Liability	\$1 Million/Occurrence/\$2 Million Overall
D&O	As determined by the Board
Workers Comp & Unemployment	As legally required

The Board shall, on an annual basis evaluate the insurance policies and amounts and adjust as needed to account for inflation, changes in operations or activities undertaken by the Center, for any other reasonable purpose. The provision of this insurance is not a waiver of any governmental immunity that may otherwise apply.

Section 3.03 Revenue from Membership Dues, Use Fees, and Sales

Income to the Nonprofit from Membership Dues, use fees, and sales will be used exclusively to fund operations of and maintenance, repair, replacement, or enhancements to the Center, its equipment, its offerings, and its facilities. Remittance of these funds for any other otherwise-lawful, tax exempt and nonprofit purposes may only be made upon the unanimous consent or resolution of the Board. The Board, upon unanimous vote, may authorize a distribution of income to Club and Town in equal amounts, so long as said distribution complies with applicable tax laws and does not violate the tax exempt status of the Nonprofit.

Section 3.04 Recovery of Costs

At such time that the annual Budget foresees revenues in excess of expenses (including making contributions to the capital reserve account), the Board shall budget payments to Club and/or Town for purposes of reimbursing operating capital contributions to the Nonprofit and out-of-pocket costs previously absorbed by the Club and the Town. Reimbursements shall be made in the following order:

1. Club shall be reimbursed for advances of operational capital made to the Nonprofit during periods when expenses were in excess of revenues. Operational capital advances shall directly relate to operation of the Center and its programs that are equally available to Club participants and Minturn residents. Operational capital advances shall not relate to programs or personnel that are exclusively for the benefit of Club participants. The Club shall maintain records of operational capital contributions made to Nonprofit and shall submit such records for Board review and approval on an annual basis as part of the Board's adoption of the Budget.
2. Club and Town shall be reimbursed for out-of-pocket costs absorbed by those entities related to land acquisition, design and construction of the Center. Club shall be reimbursed \$161,500 and Town shall be reimbursed \$45,000 of out-of-pocket costs related to the Center. Reimbursements of out-of-pocket costs shall be made pro-rata (78% to Club and 22% to Town).

Reimbursement payments shall only be made at the end of the Nonprofit's fiscal year when actual revenue in excess of expenses is available. No reimbursement item described herein shall bear or accrue interest. No reimbursement item shall be deemed a debt entitled to be repaid by any date certain.

Section 3.05 Programming Plan

The Board will prepare and approve an annual programming plan for the Center. The Plan will include hours of operation, target for number of hours of group programming available to the public and the type of group programming, and times when portions of the Center will be closed to the members or the public for Club-related purposes.

Section 3.06 Membership Rates; Town Residents

The Center will offer membership rates at a fee reasonably calculated to facilitate use and membership of the Center by the general public. Town residency will apply to any person residing within the Minturn Zip Code, 81645, as well as any business owners whose business is located in Minturn, any police and fire department employees assigned to the Town and their families. Residents will receive access to the Center and certain programming at the Center at reduced rates. The Nonprofit will offer to the public use or membership plans on a daily, monthly, and annual basis. Family memberships will be offered. There will be no initiation fee for residents of the Town. Residency may be established with a driver’s license or utility bill in the name of the applicant. The Town may designate persons who are entitled to use basic Center facilities and programming without charge: (i) full-time Town employees, and (ii) police and fire department employees who are primarily assigned to work in Minturn.

Section 3.07 Non-Discrimination

The Nonprofit will prohibit discrimination against and harassment of any employee, member, or any applicant for employment or membership because of race, color, national or ethnic origin, age, religion, disability, sex, sexual orientation, gender identity and expression, veteran status (special disabled veterans, disabled veterans and Vietnam-era veterans), or any other characteristic protected under applicable federal or state law. All personnel who are responsible for hiring and promoting employees and for the development and implementation of Center programs or activities are charged to support this effort and to respond promptly and appropriately to any concerns that are brought to their attention.

**Article Four
Center Property**

Section 4.01 Property.

Unless otherwise specifically agreed to, the real property, improvements, and personal property inside the Center are the property of the Nonprofit. The Board may authorize, in writing, the Club or the Town to locate personal property or equipment for the exclusive use of its or their members or constituents. Such “individual” property shall be noted in the minutes of the Board

Section 4.02 Dissolution.

(a) Personal Property

Upon dissolution of the Nonprofit, the personal property within the Center will be (i) sold in whole or in part with the proceeds distributed in equal portions to the Town and to the Club, or (ii) distributed in kind, in whole or in part, in equal proportions to the Town and to the Club. To receive distribution of property upon dissolution, the Town and the Club must be tax-exempt, nonprofit entities. If one does not qualify as a tax exempt, nonprofit entity, the undistributed property will be distributed to the other.

(b) Real Property

Upon dissolution of the Nonprofit, the real property and fixtures of the Nonprofit will be distributed to the Town.

**Article Five
Officers**

Section 5.01 Officers

The officers of the Nonprofit will consist of a president, secretary, and treasurer, and other officers and agents deemed necessary by the Board, including any vice president, each of whom will be elected by the Board at its annual meeting. The offices of treasurer and secretary may be held by the same person. The President and the Treasurer may not both be Council Directors or both be Club Directors. The offices of President and Vice-President shall alternate between a Council Director and a Club Director every two calendar years. Upon unanimous vote of the Board, a Council Director or a Club Director may continue serving as President or Vice-President for a period in excess of two years.

Officer vacancies will be filled by the Board, and the new officer will hold office until a successor is chosen and qualified. If there is a deadlock with respect to the appointment of the president, then there will be no president, so long as there is a deadlock, and the Council Directors and the Club Directors will each appoint a senior vice president, who, together, will jointly serve as executive officers of the Nonprofit. The officers must undertake their duties at all times in conformance with the directives of the Board, as expressed in its duly enacted resolutions and consents and in accordance with the annual budgets and appropriations approved by the Board at its annual meeting.

Section 5.02 President

The president will be the chief executive and manager of the Nonprofit and will in general oversee the day-to-day business and affairs of the Nonprofit, subject to the direction and control of the Board. The president will carry out the directives of the Board, as expressed in its duly enacted resolutions and consents and in accordance with the annual budgets and appropriations approved by the Board at its annual meeting. The President may be a voting Director, if so appointed by the Council or the Club. Otherwise, the President will serve as an *ex officio*, non-voting member of the Board, facilitate all meetings of the Board, and, as necessary and appropriate, facilitate Committee meetings. The President is responsible for keeping the Board apprised of material information concerning the performance of the Nonprofit in general.

The President will manage and implement any agreements entered into by the Nonprofit with respect to the management of the Nonprofit's facilities, subject to his or her duty of loyalty to the Nonprofit.

Section 5.03 Vice-Presidents

Vice-presidents, if any, will perform the duties set forth by the president or by the Board. If the Nonprofit has more than one vice-president, the senior vice-president will perform all the duties incumbent upon the President during the absence or disability of the President.

Section 5.04 Secretary

The secretary will keep, or will cause to be kept, a true and complete record of the proceedings of the Board. The secretary will be custodian of the records (and of the seal of the Nonprofit and will see that the seal is placed on documents whenever required, if the Nonprofit has obtained a seal). The secretary will give all notices and perform other duties as the Bylaws or the Board require.

Section 5.05 Treasurer

The treasurer will keep correct and complete records of account, showing accurately at all times the financial condition of the Nonprofit. The treasurer will be the legal custodian of all monies, notes, securities and other valuables that may from time to time come into the possession of the Nonprofit. If there is no treasurer, the secretary will assume these duties.

Section 5.06 Absent Officer

In case of the absence of any officer of the Nonprofit or for any other reason that the Board may deem sufficient, the Board may transfer the powers or duties of that officer to any other officer or to any Director or employee of the Nonprofit, provided that the majority of the full Board concurs.

Section 5.07 Compensation

Officers will receive no compensation unless otherwise authorized by the Board.

**Article Six
Committees**

Section 6.01 Director Committees

The Board may designate and appoint one or more committees, each of which will have at least one Director. Committees will have the authority of the Board to manage the Nonprofit as may be authorized by the Board, except that no committee can amend the Bylaws; change the committee membership or the Directors of the Nonprofit; amend the Articles of Incorporation; adopt a plan to merge or consolidate with another corporation, or adopt a plan to convert to another type of entity; authorize the sale, lease, exchange or mortgage of all or substantially all of the Nonprofit's assets outside the ordinary course of business; distribute the assets of the Nonprofit; or amend any resolution of the Board.

Section 6.02 Other Committees

The Board may appoint committees that lack authority to manage the Nonprofit. The Board may also remove committee members if, in their judgment, removal is in the best interests of the Nonprofit.

Article Seven
Nonprofit Policies and Procedures.

The Board may adopt certain policies and procedures (“Policies and Procedures”) as standard operating practices of the Company, including those policies and procedures set forth on the attached Exhibits A through E, which are incorporated in these Bylaws as if set out in full.

Article Eight
Negotiable Instruments, Deeds and Contracts.

The President and Treasurer may jointly sign checks, instruments, and other written contracts that bind the Nonprofit, provided however, that the following transactions may only be entered into by these officers with the express authorization of the requisite number of Directors:

- (a) Conveyance or encumbrance of any (i) real property or (ii) personal property in excess of \$15,000;
- (b) Any single expenditure or series of related expenditures that is in excess of \$15,000 that is not expressly authorized in an annual budget of the Nonprofit approved by the Board;
- (c) Any agreement or written contract that purportedly binds the Nonprofit to a term in excess of one year;
- (d) Any employment, compensation, rental, independent contractor, or other agreement in excess of \$15,000 that is not expressly authorized in an annual budget of the company approved by the Board.

Article Nine
General Provisions

Section 9.01 No Private Inurement

No part of the net earnings of the Nonprofit may inure to the benefit of, or be distributable to, its Directors, officers or other private persons, except that the Nonprofit may be authorized to pay reasonable compensation for services rendered and to make payments and distributions for the Nonprofit's charitable purposes to the extent consistent with law, the Articles of Incorporation and these Bylaws. The Nonprofit may not carry on any other activities not permitted to corporations exempt from federal income tax under IRC § 501(c)(3).

Section 9.02 Indemnification

The Nonprofit waives all personal liability of its Directors, officers, employees, and volunteers for any breach of fiduciary duty owed to the nonprofit, and the Nonprofit must pay their legal

defense costs in advance arising from all acts within the scope of their official functions for the Nonprofit, except for the following: breach of loyalty, acts or omissions in bad faith, intentional misconduct, known violations of law, loans to any officer or Director, or any transaction when the Director obtained an improper financial benefit. The nonprofit also waives all personal liability of its Directors or officers for any injury to persons or property arising out of a tort committed by an employee unless the Director or officer was personally involved in this tort, or committed a criminal offense, pursuant to CRS § 7-128-402. The Nonprofit hereby adopts the provisions regarding Director liability and indemnification in the Colorado Business Nonprofit Act at CRS §§ 7-108-401 through 7-108-501, and CRS §§ 7-109-101 through 7-109-110, and incorporating CRS §§ 13-21-115.7 and 13-21-116, which generally provide that any Director who is not compensated by a nonprofit will be immune from civil liability for any act or omission which results in damage or injury if the Director was acting within the scope of his or her official functions.

*End of Bylaws
Execution and Certification Page Follows Immediately*