

Per Lot – Assessment

	2014	2015	2016	2017	2018
Operations	300	310	310	310	395
General Reserves	145	145	145	145	145
Future Reserves	15	15	15	15	15
Water Base Rate	185	185	185	185	185
Total	645	655	655	655	740

Water Usage Calculated & Billed Quarterly

TIER	FROM	PER # CUBIC FEET (CF)	COST
1	0-2500	100	\$2.30
2	2501-3500	100	\$3.45
3	3501 and up	100	\$4.55

Operations and Water System Budget

	Actual 2014	Actual 2015	Actual 2016	Proposed 2017	Proposed 2018
Operations Income	529,772	536,267	544,102	501,550	623,225
Operations Expenses	550,226	500,716	534,859	501,550	623,225
Operations Income-Expenses	(20,454)	35,551	9,243	-	-
Water System Income	135,013	173,365	192,790	170,000	189,191
Water Operations Expenses	142,832	156,605	116,775	170,000	189,191
Water Income-Operations	(7,819)	16,760	76,015	-	-

Reserve Projects

Water Reserves		General Reserve Projects	
2016		2016	
Security Cameras - New	1,985	Security Cameras - New	652
Leak Detection	4,000	Reichel Restroom	3,509
Water Service Meters & Setters	57,168	Pool Pump	3,917
Well #5 Project	14,332	Pool Siding Down Payment	15,518
Bad Debt	8,217	Bad Debt	6,630
Business Taxes	5,315	Total	30,226
Total	91,017	2017	
2017		Pool Siding and Roof	60,000
Well #5 Project	750,000	Otter Beach Bulwark	20,000
Water Plan	31,000	Reichel Beach Bulwark	20,000
Total	781,000	Meadow Road	37,000
2018		Asphalt Patching	20,000
Well Pump/Motor #1 Replace	11,300	Gate Cameras	4,800
Water Service Meters - Replace (Ph.7)	6,953	Longmire Electrical Breakers	4,800
Water Meter Setters - Replace (Ph. 7)	23,051	Trails - Maintain/Repair	6,000
Total	41,304	Total	172,600
Impact Projects		2018	
2016 – None		Bridge - Rampart	11,845
2017 – None		Fence - Chain Link	10,300
2018 – None		Loop Restroom	24,205
Future Reserves Projects		Trails - Maintain/Repair	5,820
2016 – None		Ballfield 7 Field Upgrade	11,300
2017		Pool - Fence Replacement	23,175
Otter Beach Dock	16,821	Security Cameras - New	5,150
Kayak Dry Dock	2,000	Backhoe Major Update	10,000
Total	18,821	Office - Deck	8,034
2018 – None		Total	109,829

Reserves - Cash Balances					
	Actual 2014	Actual 2015	Actual 2016	Proposed 2017	Proposed 2018
Water Reserves					
Water Reserve Income Received	256,247	289,939	268,971	250,675	250,675
Water Reserve Previous Balance	89,812	163,814	334,717	511,975	(17,973)
Water Projects	(182,244)	(119,036)	(91,714)	(781,000)	(41,304)
Total Water Reserve	163,814	334,717	511,975	(18,350)	191,398
Water Reserve CD's	10,309	309	378	378	378
Total	174,123	335,025	512,353	(17,972)	191,776
General Reserves					
General Reserve Income Received	193,507	463,672	215,957	196,475	196,475
General Reserve Previous Balance	145,974	230,421	486,268	701,574	725,449
General Reserve Projects	(109,060)	(207,825)	(651)	(172,600)	(109,829)
Total General Reserves	230,421	486,268	701,574	725,449	812,095
General Reserve CD's	1,385,514	1,139,514	1,156,438	1,156,438	1,156,438
Total	1,615,935	1,625,783	1,858,013	1,881,888	1,968,533
Future Reserves					
Future Reserve Income Received	21,717	23,937	21,893	20,325	20,325
Future Reserve Previous Balance	48,433	70,150	71,196	93,089	94,593
Future Reserve Projects	-	(22,891)	-	(18,821)	-
Total Future Reserves	70,150	71,196	93,089	94,593	114,918
Future Reserve CD's	42,002	42,002	42,880	42,880	42,880
Total	112,152	113,198	135,968	137,472	157,798
Impact Fees					
Roads Previous Balance	35,691	129,201	126,727	126,778	126,778
Income	4,162	8,310	51	-	-
Projects	-	(10,784)	-	-	-
Roads CD's	89,348	89,348	89,348	89,348	89,348
Total Roads	129,201	126,727	126,778	126,778	126,778
Fire Protection Previous Balance	30,750	91,263	94,515	94,535	94,535
Income	1,629	3,252	20	-	-
Projects	-	-	-	-	-
Fire Protection CD's	58,885	58,885	58,885	58,885	58,885
Total Fire Protection	91,263	94,515	94,535	94,535	94,535
Parks Previous Balance	636	877	1,359	1,362	1,362
Income	241	482	3	-	-
Projects	-	-	-	-	-
Total Parks	877	1,359	1,362	1,362	1,362

Assessment and Reserve Funding Disclosure Summary Clearwood Community Association General Reserves

For Fiscal Year Beginning: 1/1/2018

of units: 1355

a)

<u>Budgeted Amounts:</u>	Total	Per Unit	
Reserve Contributions	\$196,475	\$145	per: Year
Operating Assessments	\$535,225	\$395	

<u>Recommended Amount:</u>	Total	Per Unit	
Reserve Contributions	\$370,500	\$273.43	per: Year
Funding Plan Objective	Full Funding		

b) Additional assessments that have been already scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members: None

c) Based on the most recent Reserve Study and other information available to the Board of Directors, will currently projected Reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years?
No

d) If the answer to c) is no, what additional assessments or other contributions to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment will be due	Average Amount of Special Onetime Special Assessment per unit
2038	\$4,141

e)

All computations/disclosures are based on the fiscal year start date of:	1/1/2018
Fully Funded Balance (based on Formula in RCW 64.34.020)	\$3,055,300
Projected Reserve Fund Balance:	\$1,881,888
Percent Funded:	61.6%
Reserve Deficit on a mathematical avg-per-unit basis:	\$866

f/g)

See attached 30-year Summary Tables, showing the projected Reserve Funding Plan, Reserve Balance, and Percent Funded for the current budgeted and the fully Reserve Funding Plans.

Table 1: 30-Year Current Funding Summary: 5-Year Example

Fiscal Year Start: 01/01/18

Interest:	1.0%	Inflation:	3.0%
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**Reserve Fund Strength Calculations
(All values as of Fiscal Year Start Date)**

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loans or Special Assmts	Interest Income	Reserve Expenses
2018	\$1,881,888	\$3,055,300	61.6%	Med	\$196,475	\$0	\$19,436	\$90,750
2019	\$2,007,049	\$3,324,831	60.4%	Med	\$202,369	\$0	\$18,384	\$556,458
2020	\$1,671,345	\$3,133,791	53.3%	Med	\$208,440	\$0	\$16,348	\$296,522
2021	\$1,599,612	\$3,208,772	49.9%	Med	\$214,694	\$0	\$15,599	\$308,422
2022	\$1,521,482	\$3,282,337	46.4%	Med	\$221,134	\$0	\$15,766	\$125,382

Table 5: 30-Year Reserve 100% Funding Summary 5-year example.

Fiscal Year Start: 01/01/18

Interest:	1.0%	Inflation:	3.0%
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**Reserve Fund Strength Calculations
(All values as of Fiscal Year Start Date)**

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loans or Special Assmts	Interest Income	Reserve Expenses
2018	\$1,881,888	\$3,055,300	61.6%	Med	\$370,500	\$0	\$20,311	\$90,750
2019	\$2,181,949	\$3,324,831	65.6%	Med	\$381,615	\$0	\$21,042	\$556,458
2020	\$2,028,148	\$3,133,791	64.7%	Med	\$393,063	\$0	\$20,860	\$296,522
2021	\$2,145,549	\$3,208,772	66.9%	Med	\$404,855	\$0	\$22,038	\$308,422
2022	\$2,264,021	\$3,282,337	69.0%	Med	\$417,001	\$0	\$24,209	\$125,382

Assessment and Reserve Funding Disclosure Summary Clearwood Community Association Water Reserves

For Fiscal Year Beginning 1/1/2018

of units: 1355

a)

<u>Budgeted Amounts:</u>	Total	Per Unit	
Reserve Contributions	\$250,675	\$185	per: Year
Operating Assessments	\$192,000	\$141.70	

Recommended Amount:	Total	Per Unit	
Reserve Contributions	\$492,500	\$363.47	per: Year
Funding Plan Objective	Full Funding		

b) Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members: None.

c) Based on the most recent Reserve Study and other information available to the Board of Directors, will currently projected Reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years?
No

d) If the answer to c) is no, what additional assessments or other contributions to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment will be due	Average Amount of onetime Special Assessment per unit
2030	\$1,000
2036	\$1,500
2042	\$1,100

e)

All computations/disclosures are based on the fiscal year start date of:	1/1/2018
Fully Funded Balance (based on formula defined in RCW 64.34.020)	\$5,754,316
Projected Reserve Fund Balance:	-\$17,972
Percent Funded:	-0.30%
Reserve Deficit on a mathematical avg-per-unit basis:	\$4,260

f/g) See attached 30-yr Summary Tables, showing the projected Reserve Funding Plan, Reserve Balance, and Percent Funded for the current budgeted and the fully funded Reserve Funding Plans.

Table 1: 30-Year Current Funding Summary 5-Year Example

Fiscal Year Start: 01/01/18

Interest:	1.0%	Inflation:	3.0%
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**Reserve Fund Strength Calculations
(All values as of Fiscal Year Start Date)**

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loans or Special Assmts	Interest Income	Reserve Expenses
2018	-\$17,972	\$5,754,316	-0.3%	High	\$250,675	\$0	\$0	\$670,760
2019	-\$438,057	\$5,472,094	0.0%	High	\$258,195	\$0	\$0	\$35,669
2020	-\$215,531	\$5,842,630	0.0%	High	\$265,941	\$0	\$0	\$63,792
2021	-\$13,381	\$6,202,609	0.0%	High	\$273,919	\$0	\$0	\$467,906
2022	-\$207,368	\$6,164,662	0.0%	High	\$282,137	\$0	\$0	\$39,111

Table 2: 30-Year Reserve 100% Funding Summary 5-Year example

7223-4 water

Fiscal Year Start: 01/01/18

Interest:	1.0%	Inflation:	3.0%
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**Reserve Fund Strength Calculations
(All values as of Fiscal Year Start Date)**

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loans or Special Assmts	Interest Income	Reserve Expenses
2018	-\$17,972	\$5,754,316	-0.3%	High	\$492,500	\$0	\$0	\$670,760
2019	-\$196,232	\$5,472,094	0.0%	High	\$507,275	\$0	\$398	\$35,669
2020	\$275,772	\$5,842,630	4.7%	High	\$522,493	\$0	\$5,074	\$63,792
2021	\$739,547	\$6,202,609	11.9%	High	\$538,168	\$0	\$7,782	\$467,906
2022	\$817,592	\$6,164,662	13.3%	High	\$554,313	\$0	\$10,801	\$39,111