



**2016  
RESERVE STUDY  
PARADISE SERVICE ASSOCIATES**

Grapeview, WA 98546  
Financial Year 01.2016—12.2016  
Level 3 | Reserve Study Update



## A New Strategy for Reserve Funding.

Our reserve study approach is simple. We provide you with the insight needed to make fast, accurate and informed decisions. We focus on understanding your situation and providing funding solutions that are designed with your goals in mind. By focusing on the detail and the big picture we provide the information you need to best manage your reserve fund and annual contributions.

As a long-term capital budget plan, the reserve study identifies the current status of the reserve fund and whether contributions to the fund are adequate to address future needs. The report helps the Association make necessary decisions regarding the development of their reserve fund and establish expectations in relation to the timing and cost of significant repair and replacement projects.

The reserve study recommends funding through smaller monthly contributions rather than risking large, unanticipated special assessments. Regular and ongoing reserve contributions are favored over special assessment as they help distribute expenses equally between current and future owners, and establish a stable contribution rate.

The reserve study contains 'forward looking' concepts which reflect expectations with respect to certain future events and potential financial performance. Although we believe at this time that the expectations reflected within the reserve study are reasonable, no assurances can be given that such expectations will prove correct. We recommend that the reserve study be updated annually to address changing circumstances and conditions.



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## EXECUTIVE SUMMARY [GENERAL]

### PROPERTY SUMMARY

ASSOCIATION NAME	Paradise Service Associates
LOCATION	Grapeview, WA 98546
YEAR CONSTRUCTED	1960s
NUMBER OF UNITS	228
FINANCIAL YEAR	2016 (January 1, 2016 - December 31, 2016)
REPORT LEVEL	Level 3 Update with Site Visit

### RESERVE FUND

PROJECTED STARTING BALANCE <sup>1</sup>	\$70,896
FULL FUNDED BALANCE, IDEAL	\$917,425
PERCENT FUNDED <sup>2</sup>	8%
INTEREST EARNED	0.02%
INFLATION RATE <sup>3</sup>	3.00%

### RESERVE CONTRIBUTIONS

CURRENT RESERVE FUND CONTRIBUTION	\$0
FULL FUNDING, MAXIMUM CONTRIBUTION	\$60,535
BASELINE FUNDING, MINIMUM CONTRIBUTION	\$55,027
SPECIAL ASSESSMENT	\$750,000

<sup>1</sup> Information in relation to the Association's finances were supplied by the Association's representative and is not audited.

<sup>2</sup> The ratio, at a particular point of time (the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage ([www.caionline.org](http://www.caionline.org)). Used to highlight the strength of the Association's reserve fund.

<sup>3</sup> Inflation rate is based upon the average annual increase of the Consumer Price Index (CPI) over the last 30-years, as published by the US Bureau of Labor Statistics ([www.labor.gov](http://www.labor.gov)).



## KEY INSIGHTS [GENERAL]

**\$70,896**

RESERVE ACCOUNT  
BALANCE

**\$0**

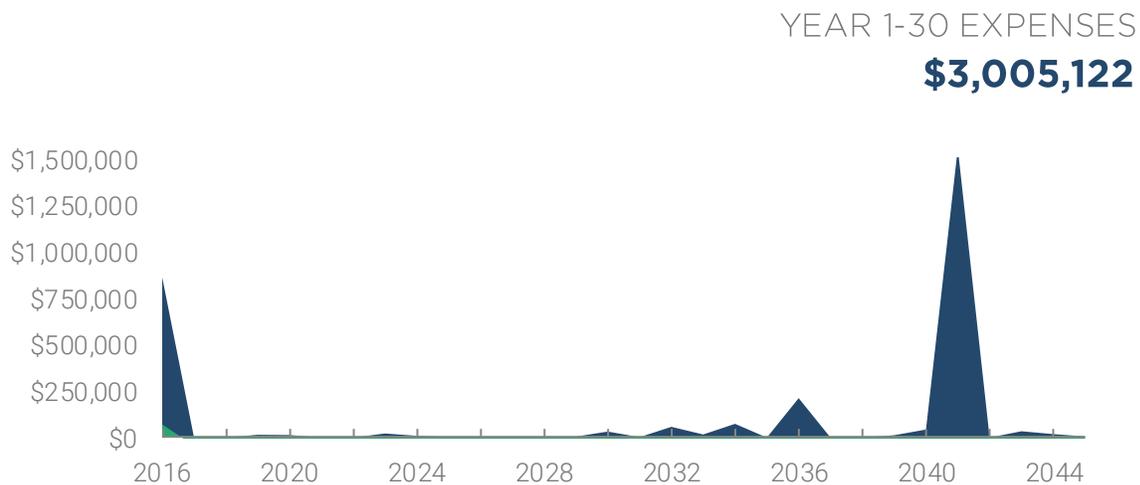
ANNUAL RESERVE  
CONTRIBUTION

**\$3,005,112**

PROJECTED EXPENSES  
OVER 30 YEARS

## CURRENT FUNDING STRATEGY [GENERAL]

Annual member contributions to the reserve fund are used to address those expenses too large or infrequent to be addressed through annual operating funds. The chart below highlights the outcome of continuing with the current funding strategy over the mid-to-long term.



STARTING BALANCE

**\$70,896**

ENDING BALANCE

**-\$2,177,919**

Note: Figures based upon the expectation that the Association will continue to increase member contributions by an inflationary rate of 3.00% annually. Year-over-year change the result of projected expenses on the Association's reserve account.



## CONTRIBUTION RANGE [GENERAL]

We recommend that reserve contributions be evenly distributed between members over the life of a community. To achieve this goal, we establish an ideal contribution range within which the Association should establish ongoing payments.

**\$55,027**

MINIMUM

BASELINE FUNDING

**\$60,535**

MAXIMUM

FULL FUNDING

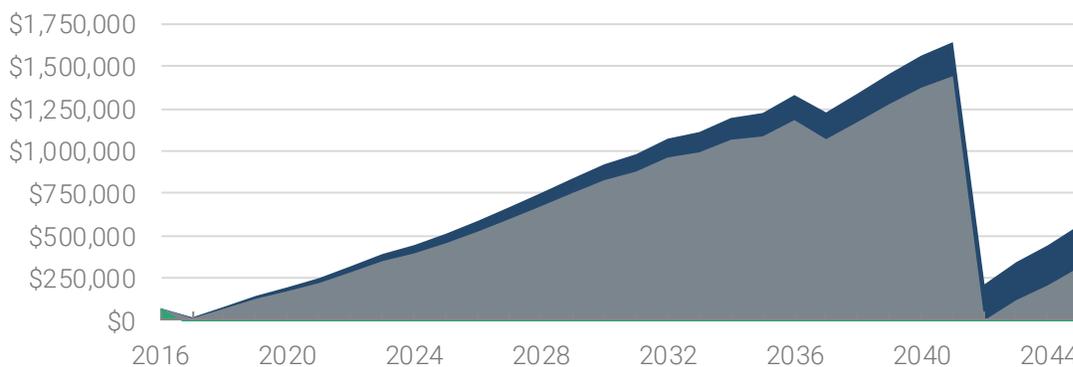


**\$0**

CURRENT FUNDING

## FUNDING STRATEGIES

The funding strategy chosen will have a direct impact on the growth of the Association's reserve fund. The chart below highlights the outcomes of the various funding strategies.



FULL FUNDING

**\$60,535**

BASELINE FUNDING

**\$55,027**

CURRENT FUNDING

**\$0**

Note: Figures based upon the expectation that the Association will continue to increase the contributions highlighted by an inflationary rate of 3.00% annually.

Special assessment of \$750,000 [2016] in addition to the Full, Baseline and Current annual contribution and funding calculations highlighted above.



## EXECUTIVE SUMMARY [WATER]

### PROPERTY SUMMARY

ASSOCIATION NAME	Paradise Service Associates
LOCATION	Grapeview, WA 98546
YEAR CONSTRUCTED	1960s
NUMBER OF UNITS	228
FINANCIAL YEAR	2016 (January 1, 2016 - December 31, 2016)
REPORT LEVEL	Level 3 Update without Site Visit

### RESERVE FUND

PROJECTED STARTING BALANCE <sup>1</sup>	\$198,212
FULL FUNDED BALANCE, IDEAL	\$373,025
PERCENT FUNDED <sup>2</sup>	53%
INTEREST EARNED	0.02%
INFLATION RATE <sup>3</sup>	3.00%

### RESERVE CONTRIBUTIONS

CURRENT RESERVE FUND CONTRIBUTION	\$40,962
FULL FUNDING, MAXIMUM CONTRIBUTION	\$22,452
BASELINE FUNDING, MINIMUM CONTRIBUTION	\$17,438
SPECIAL ASSESSMENT	\$0

<sup>1</sup> Information in relation to the Association's finances were supplied by the Association's representative and is not audited.

<sup>2</sup> The ratio, at a particular point of time (the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage ([www.caionline.org](http://www.caionline.org)). Used to highlight the strength of the Association's reserve fund.

<sup>3</sup> Inflation rate is based upon the average annual increase of the Consumer Price Index (CPI) over the last 30-years, as published by the US Bureau of Labor Statistics ([www.labor.gov](http://www.labor.gov)).



## KEY INSIGHTS

**\$198,212**

RESERVE ACCOUNT  
BALANCE

**\$40,962**

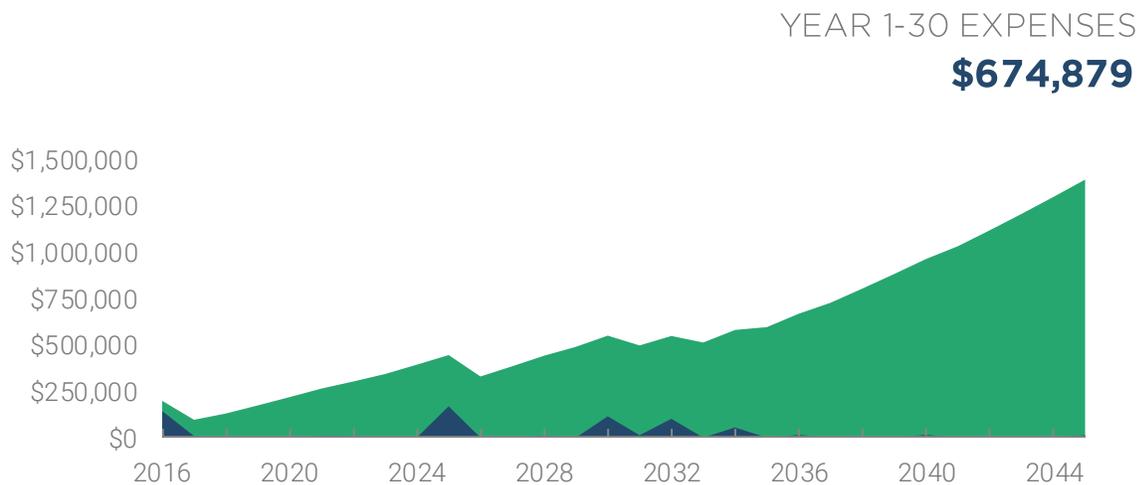
ANNUAL RESERVE  
CONTRIBUTION

**\$674,879**

PROJECTED EXPENSES  
OVER 30 YEARS

## CURRENT FUNDING STRATEGY

Annual member contributions to the reserve fund are used to address those expenses too large or infrequent to be addressed through annual operating funds. The chart below highlights the outcome of continuing with the current funding strategy over the mid-to-long term.



STARTING BALANCE

**\$198,212**

ENDING BALANCE

**\$1,391,729**

Note: Figures based upon the expectation that the Association will continue to increase member contributions by an inflationary rate of 3.00% annually. Year-over-year change the result of projected expenses on the Association's reserve account.



## CONTRIBUTION RANGE

We recommend that reserve contributions be evenly distributed between members over the life of a community. To achieve this goal, we establish an ideal contribution range within which the Association should establish ongoing payments.

**\$17,438**

MINIMUM  
BASELINE FUNDING

**\$22,452**

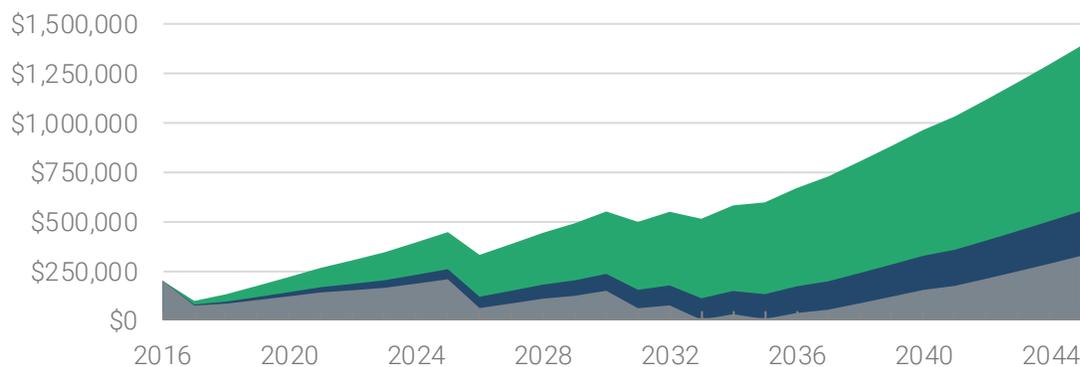
MAXIMUM  
FULL FUNDING



**\$40,962**  
CURRENT FUNDING

## FUNDING STRATEGIES

The funding strategy chosen will have a direct impact on the growth of the Association's reserve fund. The chart below highlights the outcomes of the various funding strategies.



FULL FUNDING  
**\$22,452**

BASELINE FUNDING  
**\$17,438**

CURRENT FUNDING  
**\$40,962**

Note: Figures based upon the expectation that the Association will continue to increase the contributions highlighted by an inflationary rate of 3.00% annually.



## METHODOLOGY

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*An important aspect of living in a common area development such as a cooperative, condominium, or homeowner Association is the community's ownership and commitment to maintain its common areas.*

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Association members have a vested interest in maintaining and preserving their investment. To meet these obligations, the Association should prudently prepare for the future and contribute funds into a reserve account. Periodic contributions provide the freedom to gradually accumulate for anticipated expenditures while limiting the need to raise large sums of money through alternative means, such as special assessments.

When implementing a policy to fund major repair or replacement, the Board must educate owners about the benefits of accumulating reserve funds in advance through periodic contributions. Benefits of a systematic accumulation of funds include:

- having assurance that funds for major repairs and replacements will be available when needed;
- development of an equitable method of charging current rather than future owners with the cost of the current use of assets;
- preservation of the market value of individual units; and
- compliance with the governing documents, statutes, mortgages, and other similar requirements.

A reserve study recommends the preferable mode of funding through smaller monthly contributions rather than facing large, unanticipated special assessments. The purpose of a reserve study is to avoid these situations by providing an Association with access to information and materials that will assist them in making timely and informed decisions about their reserve fund and contributions.

A reserve study is the sum of two parts: the physical and financial analysis. The physical analysis is a result of the on-site collection and review of data specific to the property's reserve components, common areas, and limited common areas. Through an onsite inspection and the use of source materials, the Reserve Specialist quantifies and establishes the reserve component inventory and assesses the physical condition of the Association's reserve components. Data from the physical analysis is used to define the scope and timing of future anticipated expenses.

The financial analysis evaluates the condition of the Association's reserve fund in relation to its



income and anticipated expenses. It appraises the adequacy of the reserve fund, and associated member contributions, against the current and future expenditures of the Association. To adequately forecast these expenditures over the 30-year projection period, current costs, projected inflation, and interest rates must be established. Recommendations are then provided to establish a reserve fund that addresses anticipated expenses, without having to resort to special assessments.

Due to the long-term nature of a reserve study, certain assumptions must be made. Every effort has been made to ensure that the recommendations are based upon reliable and experienced sources in the building industry. However, there can be no guarantee that events will occur at the predicted specific intervals, or that they will occur at all. Any reserve study must be viewed in the light of circumstances existing at the actual time of the study.

## PHYSICAL ANALYSIS

As part of this reserve study a comprehensive list of reserve components (major common and limited common elements) has been compiled. Estimates for the useful life, remaining life, plus current repair and replacement costs for each of these reserve components have been calculated. This list is not intended to be exhaustive. However, an inaccurate or incomplete list of components can have an adverse impact upon the Association's long-term funding plan.

### Site Inspection

A site inspection is conducted to assess the general condition of the property and its common areas. The on-site inspection is visual in nature, and no destructive or invasive testing is conducted. Observations are recorded using a representative sampling of the Association's common areas and reserve components. The component inventory and associated field measurements are also substantiated as part of the inspection.

### Reserve Components

Determination of what constitutes a reserve component is dependent on a number of factors. A four-part test is generally used to distinguish a reserve item from an operational or maintenance expense. A component is included as a reserve item only if it satisfies ALL criteria outlined below:

- It is part of the Association's common and limited common area responsibilities.
- It has a predictable useful service life.
- Its useful life fits within the projection period. This means that components with a life of 30 years or more may not be included as part of the report if it is determined that they will last beyond the projection period.
- Its cost for repair or replacement is too high to include as part of the operating budget.

The components of common property that an Association includes in its reserve funding plan are



also dependent on the type of project, the construction properties and the Association's applicable governing documents and state statutes.

### **Component Useful Life**

The useful life of a reserve component relates to the number of years it is expected to last, given reasonable care and maintenance. The prediction of reserve and building component life can be no more than an informed estimate based upon information made available at the time of the report's development. Consideration is given to vendor recommendations, material warranty information provided at the time of the report's development, along with other published sources. The data and service life estimates in this report are based on information gathered from various groups and industry sources as outlined below:

- Historical data and feedback from the Association;
- Management groups and maintenance managers;
- Manufacturer recommendations and industry standards;
- Published sources of service life data;
- Manufacturers' and suppliers' data.

### **Component Remaining Useful Life**

The remaining life of a reserve component refers to the number of years left before an item's expected repair or replacement. A component's remaining life is contingent upon the following factors:

- Age/years in service;
- Physical condition;
- Frequency and quality of inspections and maintenance;
- General use;
- Environment, impact of weather and building location;
- Installation methods that meets or exceed industry standards;
- Design and quality of materials used.

In addition to deterioration or anticipated failure of a component, the longevity may be impacted by obsolescence. The accuracy of the estimate is contingent upon reliable information made available at the time of the report's development. It is important to note that even with the highest degree of diligence and experience, outcomes will vary, and no guarantee can be given as to the timing or service life of the reserve components. All service life assessments in this report are based on the assumption that installation is carried out in accordance with manufacturer's recommendations and installation instructions, together with industry standards of workmanship.



## FINANCIAL ANALYSIS

An Association, like any business entity, must prepare financially for the replacement and repair of its assets. Reserve study funding analysis is an important part of the annual budget process. Reserve funding should be reviewed at least once annually to help determine the annual assessment to be charged to members. The following elements are used in the financial analysis.

### Recommended Funding Rate

We advocate a program of regular reserve fund contributions and promote a gradual means of reserving for future repair and replacement expenses. Recommended contributions are set at a level where they require only minor annual increases. The rate is designed to distribute the anticipated cost of common property ownership equitably between all members over the entire projection period.

### Fully Funded Balance

The Fully Funded balance is equal to the total depreciable cost of all the Association's reserve components. It is determined by dividing each reserve component's cost by its useful life, and multiplying that by the number of years the component has been in service (effectively its age). In essence, the depreciated or 'used up' value of a component is utilized to establish an amount that the Association should have saved by a particular time. The recommendations in this report are based upon a Full Funding plan, which sets the goal of achieving one hundred percent fully funded reserves by the end of the 30-year projection period. We advocate full funding as we feel that this approach provides a solid platform to address future needs, thus dramatically reducing the need for special assessment.

### Percent Funded

An Association's reserve fund status is assessed by comparing the ratio of actual or projected funds available versus how much they 'should have saved'. The result is presented as a percentage and is commonly known as "percent funded". In other words, percent funded is calculated by dividing the Association's current reserve fund balance by the fully funded balance. This equation is an industry measure of how well prepared an Association is to meet its current and future repair and replacement obligations. Percent funded highlights the strength of the Association's reserve account in relation to the anticipated costs of repair and replacement.

### Reserve Component Cost

Current cost estimates for reserve components are derived from a variety of sources but typically are based on cost data sourced from national construction estimators (R.S. Means) and vendor pricing acquired from regional contractors and suppliers. All cost estimates formulated from national estimators are based upon the latest specific geographical information for the area. Future



cost estimates are determined by applying the assumed annual inflation rate to the current cost of each component.

Individual cost estimates are for budgeting purposes only. Actual construction cost can vary significantly due to economies of scale, material availability, labor, seasonal considerations, and other factors beyond our control. We recommend that project costs be substantiated well in advance of the anticipated date of repair and replacement. A detailed evaluation by a qualified professional should also be undertaken to establish the scope and budget of each project.

Cost estimates do not account for permits, architectural, or project management fees that may be required. Allowances and contingencies must also be added to the total as the scope of work is defined.

### **Inflation Rate**

The effect of inflation on the cost of reserve components is a key factor in the financial projections. Historically, the cost of construction materials and labor rise at a higher rate than that experienced by the general economy. RSG has chosen to use an inflationary multiplier that is somewhat higher than the current general consumer index for inflation. The rate used is based upon the historical average of inflation over the last 30 years. This rate reflects a realistic appreciation of future costs for reserve components and assists the Association in adequately budgeting for increasing cost.

### **Interest Rate**

The interest rate used in this report is formulated on a conservative rate of return. Unless otherwise advised by the Association, an assumed net interest rate of 1.00% is used. RSG offers no guarantee or opinion in relation to investment decisions made by the Association or the rate of return achieved.

### **Current Reserve Fund Balance**

The analysis, recommendations, and financial projections made within this report are heavily reliant on information provided by the Association and its representatives. The starting reserve fund balance (current or projected) and member contribution totals are supplied by these sources. This information has not been audited nor have the financial projections or recommendations.

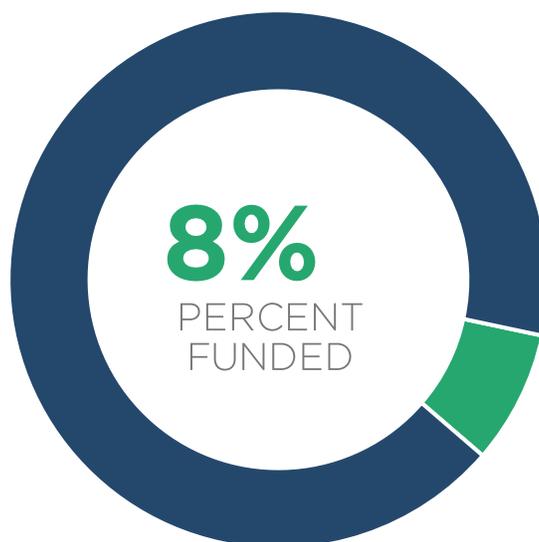


## FINANCIAL ANALYSIS [GENERAL]

*This section of the report is intended to provide the association with the awareness to adequately plan for the ongoing major maintenance, repair and replacement of their common property components. The recommendations included within this report represent one scenario, and are not intended to represent the only means of achieving the association's goals. We recommend that the Board of Directors use the following information as a guide in planning for their future objectives.*

### Percent Funded

The Percent Funded equation is the industry measure of how well prepared an association is to meet its current and future repair and replacement obligations. Percent funded highlights the strength of the association's reserve account in relation to its anticipated costs of repair and replacement. The higher the funded level, the less exposed an association is to market conditions, unanticipated expenses or events, and fluctuations in the general economy.



RESERVE FUND  
BALANCE  
**\$70,896**

IDEAL  
BALANCE  
**\$917,425**

An Association at or below a funding level of 30% has an increased risk of requiring special assessments to meet their ongoing obligations, as compared to Associations with higher funding levels. A level of funding at and above 60% is categorized as good or well funded. We recommend that associations look to achieve and maintain funding levels at and above 60%, with a preference to being 100% funded.



## **Funding Goals**

There is a range of funding alternatives available to the association. In our opinion the strategy chosen should not only meet the immediate needs and risk tolerance of current members, but also the longer term needs of the association.

The association needs to establish a reserve contribution rate which, at a minimum, meets their anticipated financial needs without having to resort to special assessment or deferred maintenance. In addition, the funding goal needs to be prudent enough to meet the expectations of current members while not unfairly burdening future owners.

The minimum funding goal needed to meet planned expenditure is Baseline Funding. Baseline Funding maintains the reserve account at or above zero dollars, but leaves the association with no contingency to address unanticipated outcomes. Threshold funding is a strategy designed to provide for this contingency by keeping cash reserves above a specific dollar amount or percent funded level.

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### **FULL FUNDING**

Establishes a goal of achieving one hundred percent fully funded reserves by the end of the projection period.

### **THRESHOLD FUNDING**

Sets out to keep the cash reserves above a specified dollar or percent funded amount for the duration of the projection period.

### **BASELINE FUNDING**

Establishes a goal of maintaining a reserve account balance above zero dollars throughout the study period.

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The reserve fund plan highlighted in this report is based upon the Full Funding program of reserve contributions. The Full Funding plan highlights an ideal level of contributions which will enable an association to be 100% funded by the end of the projection period. As stated previously, we recommend that the association implement a program that moves them toward and maintains a funding level of 60-100%.



## RESERVE COMPONENT LIST [GENERAL]

Component	Useful Life	Remaining Useful Life	Quantity	Unit of Measure	Unit Cost	Current Cost	Current Fully Funded Balance
Marina - Floating Dock & Fingers - Wood/Polystyrene Floats <sup>1</sup>	25	0	1	Lump Sum	\$650,650.00	\$650,650	\$650,650
Marina - Boat Basin, Dredge <sup>2</sup>	20	0	1	Lump Sum	\$100,100.00	\$100,100	\$100,100
Marina - Fixed Dock - Pier/Boardwalk, Wood Decking <sup>3</sup>	25	0	3,650	SF	\$21.50	\$78,475	\$78,475
Marina - Fixed Dock - Pier/Boardwalk, Steel Structure <sup>4</sup>	1	0	1	Lump Sum	\$1,502.00	\$1,502	\$1,502
Marina - Boat Launch, Concrete Ramp <sup>5</sup>	25	0	1	Lump Sum	\$15,015.00	\$15,015	\$15,015
Marina - Electrical, Dock	20	0	1	Allowance	\$12,012.00	\$12,012	\$12,012
Marina - Dock Fire Hose, Extinguisher Cabinet	25	0	1	Each	\$995.00	\$995	\$995
Community Park - Shelter, Clean & Paint	8	7	1	Lump Sum	\$1,502.00	\$1,502	\$188
Community Park - Shelter, Roof	25	24	3	Squares	\$385.00	\$1,155	\$46
Community Park - Shelter, Restrooms	25	24	2	Each	\$4,004.00	\$8,008	\$320
Community Park - Picnic Shelter, Clean & Paint	25	7	1	Lump Sum	\$1,001.00	\$1,001	\$721
Community Park - Picnic Shelter, Roof <sup>6</sup>	20	0	1	Each	\$5,665.00	\$5,665	\$5,665
Community Park - Picnic Tables	10	4	10	Each	\$1,215.00	\$12,150	\$7,290
Community Park - Maintenance Shed, Pre-Fab	25	14	1	Each	\$9,270.00	\$9,270	\$4,079
Community Park - Caretaker Shed, Pre-Fab	20	9	1	Each	\$2,675.00	\$2,675	\$1,471
Community Park - Caretaker Shed, Washer/Dryer/Counter	10	8	1	Allowance	\$3,003.00	\$3,003	\$601
Community Park - Recreational Playscape	20	18	1	Each	\$36,036.00	\$36,036	\$3,604
Community Park - Concrete Court, B'Ball Equipment	20	7	2	Each	\$2,645.00	\$5,290	\$3,439
General Site - Bike Rack	15	13	1	Each	\$630.00	\$630	\$84
General Site - Trash Receptacles	25	23	4	Each	\$475.00	\$1,900	\$152
General Site - Landscaping, Equipment	10	7	1	Allowance	\$10,100.00	\$10,100	\$3,030
General Site - Rockeries	10	8	1	Allowance	\$1,502.00	\$1,502	\$300
General Site - Gravel	5	3	1	Allowance	\$3,030.00	\$3,030	\$1,212
General Site - Fence, Chain Link 4'	30	3	750	LF	\$14.25	\$10,688	\$9,619
General Site - Fence, Chain Link 8' [BB Court]	30	16	240	LF	\$35.50	\$8,520	\$3,976
General Site - Fence, Chain Link, 3 tier barbed wire	30	16	1,200	LF	\$23.00	\$27,600	\$12,880
<b>TOTALS</b>						\$1,008,474	\$917,425

<sup>1</sup> Finger piers were listing or underwater as they extended onto the water at all locations. Estimates for future replacement, should be adjusted based upon a Master Plan, yet to be developed.

<sup>2</sup> Dredging of the entire inner cove marina to original bottom depths, together with removal and replacement of all floating docks and pilings, new boat launch and equipment, will be required to restore original water recreational activities.

It is unknown if a bathymetric survey has been prepared. It is unknown if any of the lagoon soil is contaminated. Quantities related to dredging, together with removal and disposal of debris, are unknown at this time.

The cost effectiveness of completing this work under one contract is likely the best case scenario. Long range planning, including prioritizing of projects for a new marina and supporting infrastructure is recommended under a new Master Plan. Underwater visual photos are not a part of the reserve study. We did not evaluate the marina or any of its facilities for compliance with fire protection standards nor ADA accessibility standards.



## RESERVE COMPONENT LIST [GENERAL]

- <sup>3</sup> Wood decking of the boardwalk currently includes "spot maintenance" replacement of wood boards as needed. A concrete deck surface in the future may become a viable alternative to the continued maintenance of decking replacement.
- <sup>4</sup> The fixed boardwalk is a steel structure with no visible corrosion and appears to be in good condition. We would however, for the record, recommend a visual inspection by a Structural Engineer.
- <sup>5</sup> Boat launch into the inner cove marina appears to be undermined where the concrete slab penetrates the water.
- <sup>6</sup> Ideally, picnic shelters, storage and restrooms (in very poor condition), should be included with the overall future Master Plan, however we have included some upgrades of restrooms, and replacement of roofs to be scheduled in the near future.



## RESERVE EXPENSES 1-10 YEARS [GENERAL]

Component	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Marina - Floating Dock & Fingers - Wood/Polystyrene Floats	\$650,650	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Boat Basin, Dredge	\$100,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Fixed Dock - Pier/Boardwalk, Wood Decking	\$78,475	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Fixed Dock - Pier/Boardwalk, Steel Structure	\$1,502	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Boat Launch, Concrete Ramp	\$15,015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Electrical, Dock	\$12,012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Dock Fire Hose, Extinguisher Cabinet	\$995	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Shelter, Clean & Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,847	\$0	\$0
Community Park - Shelter, Roof	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Shelter, Restrooms	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Picnic Shelter, Clean & Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,231	\$0	\$0
Community Park - Picnic Shelter, Roof	\$5,665	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Picnic Tables	\$0	\$0	\$0	\$0	\$13,675	\$0	\$0	\$0	\$0	\$0
Community Park - Maintenance Shed, Pre-Fab	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Caretaker Shed, Pre-Fab	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,490
Community Park - Caretaker Shed, Washer/Dryer/Counter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,804	\$0
Community Park - Recreational Playscape	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Concrete Court, B'Ball Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,506	\$0	\$0
General Site - Bike Rack	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Trash Receptacles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Landscaping, Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,422	\$0	\$0
General Site - Rockeries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,903	\$0
General Site - Gravel	\$0	\$0	\$0	\$3,311	\$0	\$0	\$0	\$0	\$3,838	\$0
General Site - Fence, Chain Link 4'	\$0	\$0	\$0	\$11,679	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 8' [BB Court]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link, 3 tier barbed wire	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Expenditure</b>	<b>\$864,414</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,989</b>	<b>\$13,675</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,006</b>	<b>\$9,545</b>	<b>\$3,490</b>

YEARS 1 THROUGH 10



## RESERVE EXPENSES 11-20 YEARS [GENERAL]

Component	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Marina - Floating Dock & Fingers - Wood/Polystyrene Floats	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Boat Basin, Dredge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Fixed Dock - Pier/Boardwalk, Wood Decking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Fixed Dock - Pier/Boardwalk, Steel Structure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Boat Launch, Concrete Ramp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Electrical, Dock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Dock Fire Hose, Extinguisher Cabinet	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Shelter, Clean & Paint	\$0	\$0	\$0	\$0	\$0	\$2,340	\$0	\$0	\$0	\$0
Community Park - Shelter, Roof	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Shelter, Restrooms	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Picnic Shelter, Clean & Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Picnic Shelter, Roof	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Picnic Tables	\$0	\$0	\$0	\$0	\$18,378	\$0	\$0	\$0	\$0	\$0
Community Park - Maintenance Shed, Pre-Fab	\$0	\$0	\$0	\$0	\$14,022	\$0	\$0	\$0	\$0	\$0
Community Park - Caretaker Shed, Pre-Fab	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Caretaker Shed, Washer/Dryer/Counter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,112	\$0
Community Park - Recreational Playscape	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$61,349	\$0
Community Park - Concrete Court, B'Ball Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Bike Rack	\$0	\$0	\$0	\$925	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Trash Receptacles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Landscaping, Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,694	\$0	\$0
General Site - Rockeries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,557	\$0
General Site - Gravel	\$0	\$0	\$0	\$4,450	\$0	\$0	\$0	\$0	\$5,158	\$0
General Site - Fence, Chain Link 4'	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 8' [BB Court]	\$0	\$0	\$0	\$0	\$0	\$0	\$13,672	\$0	\$0	\$0
General Site - Fence, Chain Link, 3 tier barbed wire	\$0	\$0	\$0	\$0	\$0	\$0	\$44,290	\$0	\$0	\$0
<b>Annual Expenditure</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,375</b>	<b>\$32,400</b>	<b>\$2,340</b>	<b>\$57,962</b>	<b>\$16,694</b>	<b>\$74,177</b>	<b>\$0</b>

YEARS 11 THROUGH 20



## RESERVE EXPENSES 21-30 YEARS [GENERAL]

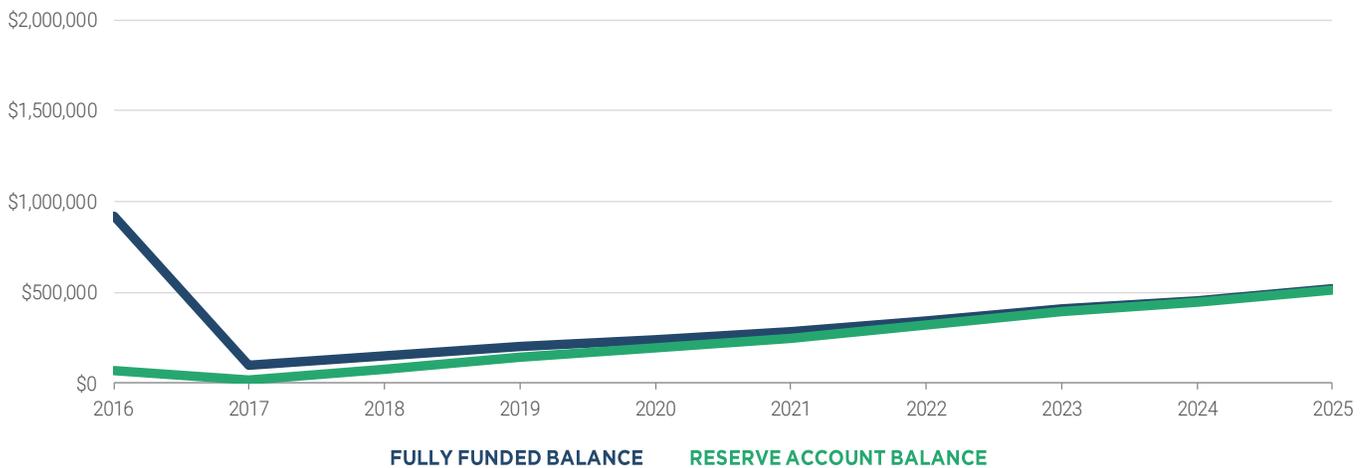
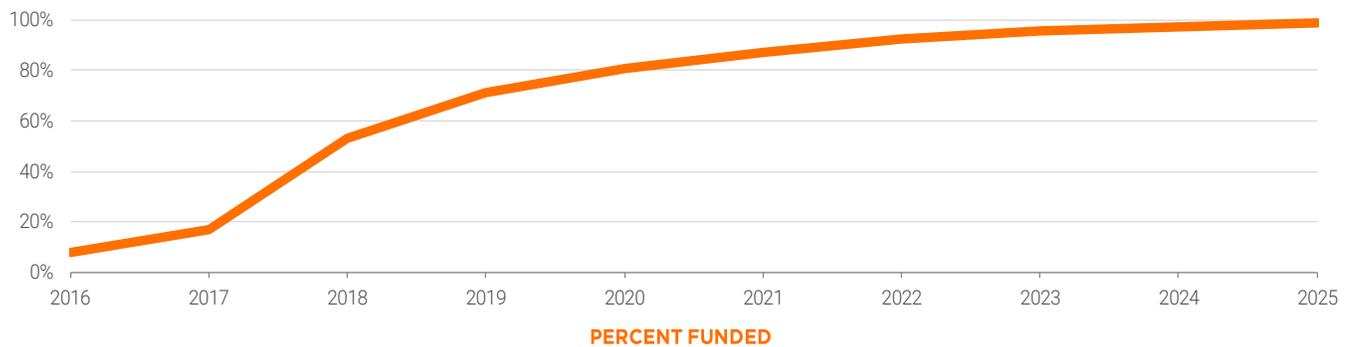
Component	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Marina - Floating Dock & Fingers - Wood/Polystyrene Floats	\$0	\$0	\$0	\$0	\$0	\$1,362,317	\$0	\$0	\$0	\$0
Marina - Boat Basin, Dredge	\$180,792	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Fixed Dock - Pier/Boardwalk, Wood Decking	\$0	\$0	\$0	\$0	\$0	\$164,309	\$0	\$0	\$0	\$0
Marina - Fixed Dock - Pier/Boardwalk, Steel Structure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Boat Launch, Concrete Ramp	\$0	\$0	\$0	\$0	\$0	\$31,438	\$0	\$0	\$0	\$0
Marina - Electrical, Dock	\$21,695	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marina - Dock Fire Hose, Extinguisher Cabinet	\$0	\$0	\$0	\$0	\$0	\$2,083	\$0	\$0	\$0	\$0
Community Park - Shelter, Clean & Paint	\$0	\$0	\$0	\$2,964	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Shelter, Roof	\$0	\$0	\$0	\$0	\$2,348	\$0	\$0	\$0	\$0	\$0
Community Park - Shelter, Restrooms	\$0	\$0	\$0	\$0	\$16,279	\$0	\$0	\$0	\$0	\$0
Community Park - Picnic Shelter, Clean & Paint	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Picnic Shelter, Roof	\$10,232	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Picnic Tables	\$0	\$0	\$0	\$0	\$24,698	\$0	\$0	\$0	\$0	\$0
Community Park - Maintenance Shed, Pre-Fab	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Caretaker Shed, Pre-Fab	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,304
Community Park - Caretaker Shed, Washer/Dryer/Counter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,871	\$0
Community Park - Recreational Playscape	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Park - Concrete Court, B'Ball Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,751	\$0	\$0
General Site - Bike Rack	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,441	\$0
General Site - Trash Receptacles	\$0	\$0	\$0	\$3,750	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Landscaping, Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,435	\$0	\$0
General Site - Rockeries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,436	\$0
General Site - Gravel	\$0	\$0	\$0	\$5,980	\$0	\$0	\$0	\$0	\$6,932	\$0
General Site - Fence, Chain Link 4'	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link 8' [BB Court]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Site - Fence, Chain Link, 3 tier barbed wire	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Expenditure</b>	<b>\$212,718</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,694</b>	<b>\$43,325</b>	<b>\$1,560,147</b>	<b>\$0</b>	<b>\$34,186</b>	<b>\$18,681</b>	<b>\$6,304</b>

YEARS 21 THROUGH 30



## FULL FUNDING PLAN 1-10 YEARS [GENERAL]

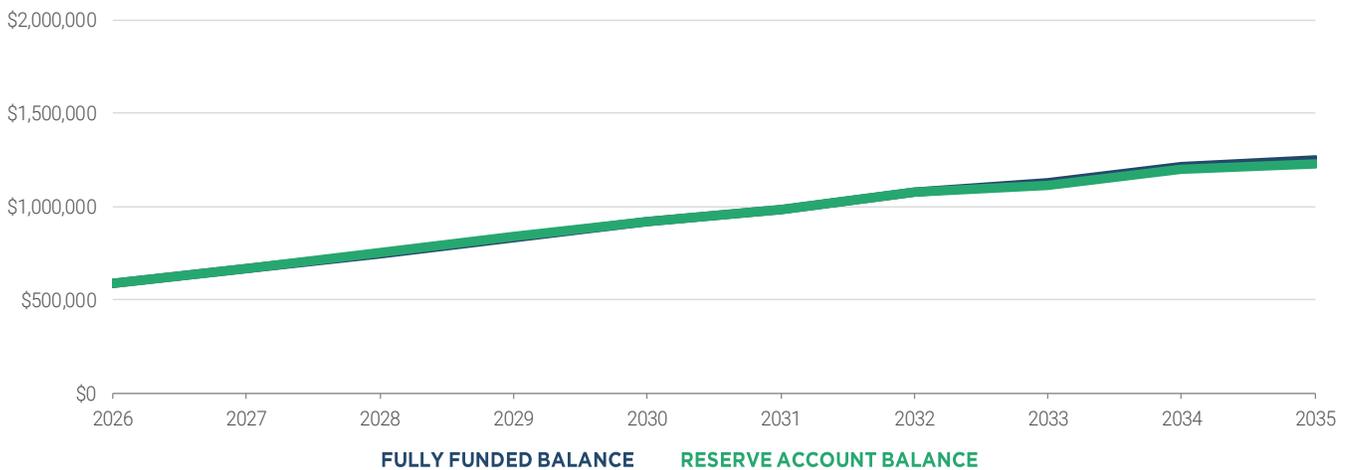
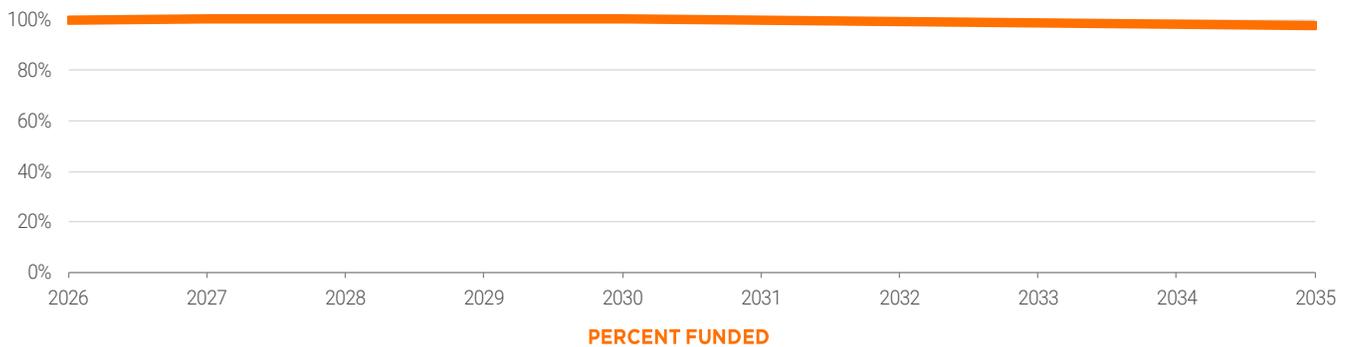
YEAR 1 - 10	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Fully Funded Balance	\$917,425	\$99,735	\$149,215	\$201,574	\$241,500	\$285,459	\$346,345	\$410,627	\$455,789	\$516,805
Percentage Funded (%)	8%	17%	53%	71%	81%	87%	92%	95%	98%	99%
Beginning Balance	\$70,896	\$17,026	\$79,386	\$143,630	\$194,822	\$249,324	\$319,558	\$391,911	\$444,438	\$511,673
Reserve Contribution	\$60,535	\$62,351	\$64,221	\$66,148	\$68,133	\$70,176	\$72,282	\$74,450	\$76,684	\$78,984
Avg Unit Contribution (mth)	\$22.13	\$22.79	\$23.47	\$24.18	\$24.90	\$25.65	\$26.42	\$27.21	\$28.03	\$28.87
Contribution Increase (%)		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment	\$750,000									
Interest Earned	\$9	\$10	\$22	\$34	\$44	\$57	\$71	\$84	\$96	\$110
Reserve Expenditures	\$864,414	\$0	\$0	\$14,989	\$13,675	\$0	\$0	\$22,006	\$9,545	\$3,490
<b>ENDING BALANCE</b>	<b>\$17,026</b>	<b>\$79,386</b>	<b>\$143,630</b>	<b>\$194,822</b>	<b>\$249,324</b>	<b>\$319,558</b>	<b>\$391,911</b>	<b>\$444,438</b>	<b>\$511,673</b>	<b>\$587,276</b>





## FULL FUNDING PLAN 11-20 YEARS [GENERAL]

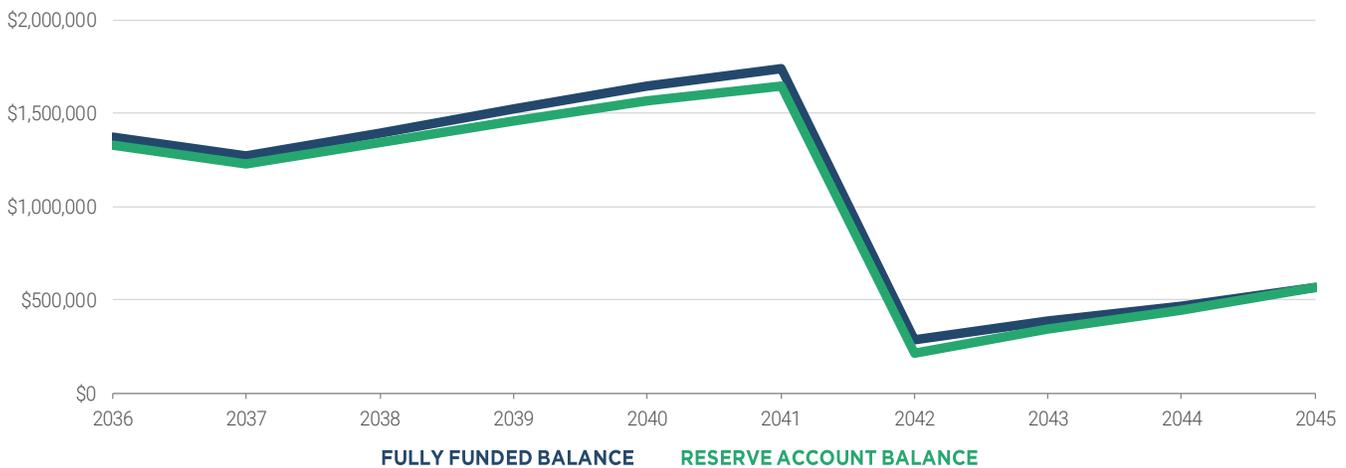
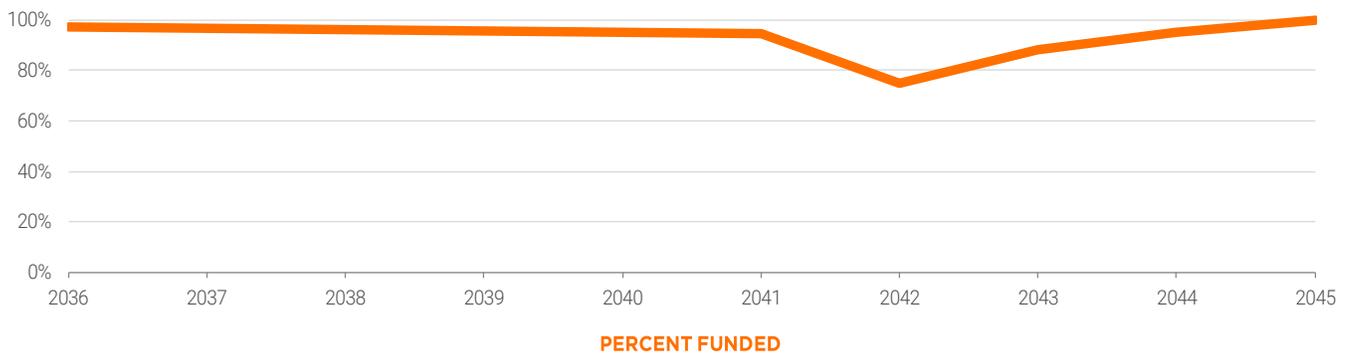
YEAR 11 - 20	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Fully Funded Balance	\$587,603	\$665,887	\$748,340	\$835,140	\$920,938	\$983,463	\$1,080,874	\$1,126,026	\$1,217,211	\$1,254,163
Percentage Funded (%)	100%	100%	101%	100%	100%	100%	99%	99%	98%	98%
Beginning Balance	\$587,276	\$668,756	\$752,692	\$839,160	\$922,859	\$982,214	\$1,074,391	\$1,113,788	\$1,197,380	\$1,226,503
Reserve Contribution	\$81,354	\$83,794	\$86,308	\$88,897	\$91,564	\$94,311	\$97,141	\$100,055	\$103,057	\$106,148
Avg Unit Contribution (mth)	\$29.73	\$30.63	\$31.55	\$32.49	\$33.47	\$34.47	\$35.50	\$36.57	\$37.67	\$38.80
Contribution Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	\$126	\$142	\$159	\$176	\$190	\$206	\$219	\$231	\$242	\$256
Reserve Expenditures	\$0	\$0	\$0	\$5,375	\$32,400	\$2,340	\$57,962	\$16,694	\$74,177	\$0
<b>ENDING BALANCE</b>	<b>\$668,756</b>	<b>\$752,692</b>	<b>\$839,160</b>	<b>\$922,859</b>	<b>\$982,214</b>	<b>\$1,074,391</b>	<b>\$1,113,788</b>	<b>\$1,197,380</b>	<b>\$1,226,503</b>	<b>\$1,332,907</b>





## FULL FUNDING PLAN 21-30 YEARS [GENERAL]

YEAR 21 - 30	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Fully Funded Balance	\$1,370,930	\$1,274,474	\$1,396,671	\$1,525,052	\$1,646,804	\$1,743,331	\$283,179	\$389,009	\$465,723	\$563,716
Percentage Funded (%)	97%	96%	96%	96%	95%	94%	75%	88%	95%	100%
Beginning Balance	\$1,332,907	\$1,229,777	\$1,342,647	\$1,458,918	\$1,565,997	\$1,646,049	\$212,834	\$343,438	\$443,797	\$563,716
Reserve Contribution	\$109,333	\$112,613	\$115,991	\$119,471	\$123,055	\$126,747	\$130,549	\$134,465	\$138,499	\$142,654
Avg Unit Contribution (mth)	\$39.96	\$41.16	\$42.39	\$43.67	\$44.98	\$46.33	\$47.72	\$49.15	\$50.62	\$52.14
Contribution Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	\$256	\$257	\$280	\$302	\$321	\$186	\$56	\$79	\$101	\$126
Reserve Expenditures	\$212,718	\$0	\$0	\$12,694	\$43,325	\$1,560,147	\$0	\$34,186	\$18,681	\$6,304
<b>ENDING BALANCE</b>	<b>\$1,229,777</b>	<b>\$1,342,647</b>	<b>\$1,458,918</b>	<b>\$1,565,997</b>	<b>\$1,646,049</b>	<b>\$212,834</b>	<b>\$343,438</b>	<b>\$443,797</b>	<b>\$563,716</b>	<b>\$700,193</b>





## FULL FUNDING PLAN | SUMMARY [GENERAL]

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2016	\$917,425	8%	\$70,896	\$60,535	\$750,000	\$9	\$864,414	\$17,026
2017	\$99,735	17%	\$17,026	\$62,351	\$0	\$10	\$0	\$79,386
2018	\$149,215	53%	\$79,386	\$64,221	\$0	\$22	\$0	\$143,630
2019	\$201,574	71%	\$143,630	\$66,148	\$0	\$34	\$14,989	\$194,822
2020	\$241,500	81%	\$194,822	\$68,133	\$0	\$44	\$13,675	\$249,324
2021	\$285,459	87%	\$249,324	\$70,176	\$0	\$57	\$0	\$319,558
2022	\$346,345	92%	\$319,558	\$72,282	\$0	\$71	\$0	\$391,911
2023	\$410,627	95%	\$391,911	\$74,450	\$0	\$84	\$22,006	\$444,438
2024	\$455,789	98%	\$444,438	\$76,684	\$0	\$96	\$9,545	\$511,673
2025	\$516,805	99%	\$511,673	\$78,984	\$0	\$110	\$3,490	\$587,276
2026	\$587,603	100%	\$587,276	\$81,354	\$0	\$126	\$0	\$668,756
2027	\$665,887	100%	\$668,756	\$83,794	\$0	\$142	\$0	\$752,692
2028	\$748,340	101%	\$752,692	\$86,308	\$0	\$159	\$0	\$839,160
2029	\$835,140	100%	\$839,160	\$88,897	\$0	\$176	\$5,375	\$922,859
2030	\$920,938	100%	\$922,859	\$91,564	\$0	\$190	\$32,400	\$982,214
2031	\$983,463	100%	\$982,214	\$94,311	\$0	\$206	\$2,340	\$1,074,391
2032	\$1,080,874	99%	\$1,074,391	\$97,141	\$0	\$219	\$57,962	\$1,113,788
2033	\$1,126,026	99%	\$1,113,788	\$100,055	\$0	\$231	\$16,694	\$1,197,380
2034	\$1,217,211	98%	\$1,197,380	\$103,057	\$0	\$242	\$74,177	\$1,226,503
2035	\$1,254,163	98%	\$1,226,503	\$106,148	\$0	\$256	\$0	\$1,332,907
2036	\$1,370,930	97%	\$1,332,907	\$109,333	\$0	\$256	\$212,718	\$1,229,777
2037	\$1,274,474	96%	\$1,229,777	\$112,613	\$0	\$257	\$0	\$1,342,647
2038	\$1,396,671	96%	\$1,342,647	\$115,991	\$0	\$280	\$0	\$1,458,918
2039	\$1,525,052	96%	\$1,458,918	\$119,471	\$0	\$302	\$12,694	\$1,565,997
2040	\$1,646,804	95%	\$1,565,997	\$123,055	\$0	\$321	\$43,325	\$1,646,049
2041	\$1,743,331	94%	\$1,646,049	\$126,747	\$0	\$186	\$1,560,147	\$212,834
2042	\$283,179	75%	\$212,834	\$130,549	\$0	\$56	\$0	\$343,438
2043	\$389,009	88%	\$343,438	\$134,465	\$0	\$79	\$34,186	\$443,797
2044	\$465,723	95%	\$443,797	\$138,499	\$0	\$101	\$18,681	\$563,716
2045	\$563,716	100%	\$563,716	\$142,654	\$0	\$126	\$6,304	\$700,193



## BASELINE FUNDING PLAN | SUMMARY [GENERAL]

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2016	\$917,425	8%	\$70,896	\$55,027	\$750,000	\$8	\$864,414	\$11,517
2017	\$99,735	12%	\$11,517	\$56,678	\$0	\$8	\$0	\$68,203
2018	\$149,215	46%	\$68,203	\$58,378	\$0	\$19	\$0	\$126,600
2019	\$201,574	63%	\$126,600	\$60,129	\$0	\$30	\$14,989	\$171,770
2020	\$241,500	71%	\$171,770	\$61,933	\$0	\$39	\$13,675	\$220,067
2021	\$285,459	77%	\$220,067	\$63,791	\$0	\$50	\$0	\$283,909
2022	\$346,345	82%	\$283,909	\$65,705	\$0	\$63	\$0	\$349,677
2023	\$410,627	85%	\$349,677	\$67,676	\$0	\$75	\$22,006	\$395,422
2024	\$455,789	87%	\$395,422	\$69,706	\$0	\$85	\$9,545	\$455,668
2025	\$516,805	88%	\$455,668	\$71,798	\$0	\$98	\$3,490	\$524,073
2026	\$587,603	89%	\$524,073	\$73,951	\$0	\$112	\$0	\$598,137
2027	\$665,887	90%	\$598,137	\$76,170	\$0	\$127	\$0	\$674,434
2028	\$748,340	90%	\$674,434	\$78,455	\$0	\$143	\$0	\$753,032
2029	\$835,140	90%	\$753,032	\$80,809	\$0	\$158	\$5,375	\$828,624
2030	\$920,938	90%	\$828,624	\$83,233	\$0	\$171	\$32,400	\$879,628
2031	\$983,463	89%	\$879,628	\$85,730	\$0	\$184	\$2,340	\$963,202
2032	\$1,080,874	89%	\$963,202	\$88,302	\$0	\$196	\$57,962	\$993,738
2033	\$1,126,026	88%	\$993,738	\$90,951	\$0	\$206	\$16,694	\$1,068,201
2034	\$1,217,211	88%	\$1,068,201	\$93,680	\$0	\$216	\$74,177	\$1,087,920
2035	\$1,254,163	87%	\$1,087,920	\$96,490	\$0	\$227	\$0	\$1,184,637
2036	\$1,370,930	86%	\$1,184,637	\$99,385	\$0	\$226	\$212,718	\$1,071,529
2037	\$1,274,474	84%	\$1,071,529	\$102,366	\$0	\$225	\$0	\$1,174,119
2038	\$1,396,671	84%	\$1,174,119	\$105,437	\$0	\$245	\$0	\$1,279,802
2039	\$1,525,052	84%	\$1,279,802	\$108,600	\$0	\$266	\$12,694	\$1,375,973
2040	\$1,646,804	84%	\$1,375,973	\$111,858	\$0	\$282	\$43,325	\$1,444,789
2041	\$1,743,331	83%	\$1,444,789	\$115,214	\$0	\$144	\$1,560,147	\$0
2042	\$283,179	0%	\$0	\$118,670	\$0	\$12	\$0	\$118,682
2043	\$389,009	31%	\$118,682	\$122,231	\$0	\$33	\$34,186	\$206,760
2044	\$465,723	44%	\$206,760	\$125,897	\$0	\$52	\$18,681	\$314,028
2045	\$563,716	56%	\$314,028	\$129,674	\$0	\$75	\$6,304	\$437,474



## CURRENT FUNDING PLAN | SUMMARY [GENERAL]

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2016	\$917,425	8%	\$70,896	\$0	\$750,000	\$3	\$864,414	-\$43,515
2017	\$99,735	0%	-\$43,515	\$0	\$0	\$0	\$0	-\$43,515
2018	\$149,215	0%	-\$43,515	\$0	\$0	\$0	\$0	-\$43,515
2019	\$201,574	0%	-\$43,515	\$0	\$0	\$0	\$14,989	-\$58,505
2020	\$241,500	0%	-\$58,505	\$0	\$0	\$0	\$13,675	-\$72,180
2021	\$285,459	0%	-\$72,180	\$0	\$0	\$0	\$0	-\$72,180
2022	\$346,345	0%	-\$72,180	\$0	\$0	\$0	\$0	-\$72,180
2023	\$410,627	0%	-\$72,180	\$0	\$0	\$0	\$22,006	-\$94,186
2024	\$455,789	0%	-\$94,186	\$0	\$0	\$0	\$9,545	-\$103,731
2025	\$516,805	0%	-\$103,731	\$0	\$0	\$0	\$3,490	-\$107,221
2026	\$587,603	0%	-\$107,221	\$0	\$0	\$0	\$0	-\$107,221
2027	\$665,887	0%	-\$107,221	\$0	\$0	\$0	\$0	-\$107,221
2028	\$748,340	0%	-\$107,221	\$0	\$0	\$0	\$0	-\$107,221
2029	\$835,140	0%	-\$107,221	\$0	\$0	\$0	\$5,375	-\$112,596
2030	\$920,938	0%	-\$112,596	\$0	\$0	\$0	\$32,400	-\$144,996
2031	\$983,463	0%	-\$144,996	\$0	\$0	\$0	\$2,340	-\$147,336
2032	\$1,080,874	0%	-\$147,336	\$0	\$0	\$0	\$57,962	-\$205,298
2033	\$1,126,026	0%	-\$205,298	\$0	\$0	\$0	\$16,694	-\$221,992
2034	\$1,217,211	0%	-\$221,992	\$0	\$0	\$0	\$74,177	-\$296,168
2035	\$1,254,163	0%	-\$296,168	\$0	\$0	\$0	\$0	-\$296,168
2036	\$1,370,930	0%	-\$296,168	\$0	\$0	\$0	\$212,718	-\$508,887
2037	\$1,274,474	0%	-\$508,887	\$0	\$0	\$0	\$0	-\$508,887
2038	\$1,396,671	0%	-\$508,887	\$0	\$0	\$0	\$0	-\$508,887
2039	\$1,525,052	0%	-\$508,887	\$0	\$0	\$0	\$12,694	-\$521,581
2040	\$1,646,804	0%	-\$521,581	\$0	\$0	\$0	\$43,325	-\$564,906
2041	\$1,743,331	0%	-\$564,906	\$0	\$0	\$0	\$1,560,147	-\$2,125,053
2042	\$283,179	0%	-\$2,125,053	\$0	\$0	\$0	\$0	-\$2,125,053
2043	\$389,009	0%	-\$2,125,053	\$0	\$0	\$0	\$34,186	-\$2,159,238
2044	\$465,723	0%	-\$2,159,238	\$0	\$0	\$0	\$18,681	-\$2,177,919
2045	\$563,716	0%	-\$2,177,919	\$0	\$0	\$0	\$6,304	-\$2,184,223

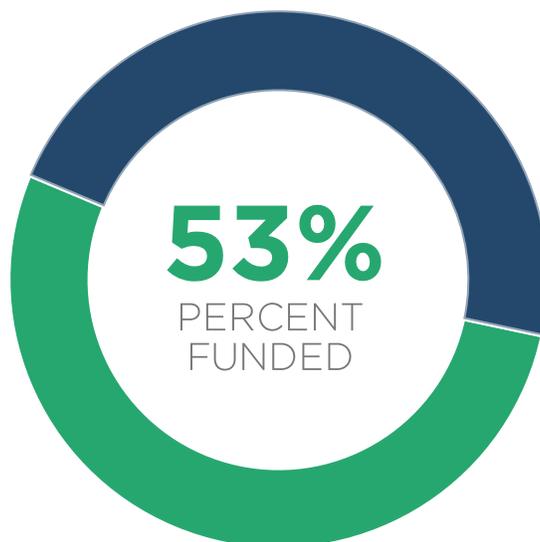


## FINANCIAL ANALYSIS [WATER]

*This section of the report is intended to provide the association with the awareness to adequately plan for the ongoing major maintenance, repair and replacement of their common property components. The recommendations included within this report represent one scenario, and are not intended to represent the only means of achieving the association's goals. We recommend that the Board of Directors use the following information as a guide in planning for their future objectives.*

### Percent Funded

The Percent Funded equation is the industry measure of how well prepared an association is to meet its current and future repair and replacement obligations. Percent funded highlights the strength of the association's reserve account in relation to its anticipated costs of repair and replacement. The higher the funded level, the less exposed an association is to market conditions, unanticipated expenses or events, and fluctuations in the general economy.



RESERVE FUND  
BALANCE  
**\$198,212**

IDEAL  
BALANCE  
**\$373,025**

An Association at or below a funding level of 30% has an increased risk of requiring special assessments to meet their ongoing obligations, as compared to Associations with higher funding levels. A level of funding at and above 60% is categorized as good or well funded. We recommend that associations look to achieve and maintain funding levels at and above 60%, with a preference to being 100% funded.



## **Funding Goals**

There is a range of funding alternatives available to the association. In our opinion the strategy chosen should not only meet the immediate needs and risk tolerance of current members, but also the longer term needs of the association.

The association needs to establish a reserve contribution rate which, at a minimum, meets their anticipated financial needs without having to resort to special assessment or deferred maintenance. In addition, the funding goal needs to be prudent enough to meet the expectations of current members while not unfairly burdening future owners.

The minimum funding goal needed to meet planned expenditure is Baseline Funding. Baseline Funding maintains the reserve account at or above zero dollars, but leaves the association with no contingency to address unanticipated outcomes. Threshold funding is a strategy designed to provide for this contingency by keeping cash reserves above a specific dollar amount or percent funded level.

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### **FULL FUNDING**

Establishes a goal of achieving one hundred percent fully funded reserves by the end of the projection period.

### **THRESHOLD FUNDING**

Sets out to keep the cash reserves above a specified dollar or percent funded amount for the duration of the projection period.

### **BASELINE FUNDING**

Establishes a goal of maintaining a reserve account balance above zero dollars throughout the study period.

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The reserve fund plan highlighted in this report is based upon the Full Funding program of reserve contributions. The Full Funding plan highlights an ideal level of contributions which will enable an association to be 100% funded by the end of the projection period. As stated previously, we recommend that the association implement a program that moves them toward and maintains a funding level of 60-100%.



## RESERVE COMPONENT LIST [WATER]

Component	Useful Life	Remaining Useful Life	Quantity	Unit of Measure	Unit Cost	Current Cost	Current Fully Funded Balance
Water System - Booster Station, Pumphouse <sup>1</sup>	40	0	1	Each	\$7,650.00	\$7,650	\$7,650
Water System - Well 1, Well Pump [7.5 HP]	15	1	1	Each	\$8,138.00	\$8,138	\$7,595
Water System - Well 1, Booster Pump [5 HP]	25	18	1	Each	\$5,425.00	\$5,425	\$1,519
Water System - Well 1 & 2, Pumphouse	40	18	1	Each	\$3,040.00	\$3,040	\$1,672
Water System - Well 2, Well Pump [15 HP]	15	0	1	Each	\$8,138.00	\$8,138	\$8,138
Water System - Well 2, Booster Pump [5 HP]	25	18	1	Each	\$5,425.00	\$5,425	\$1,519
Water System - Well 2, Replace	50	14	1	Each	\$75,956.00	\$75,956	\$54,688
Water System - Well 3, Pumphouse	40	30	1	Each	\$3,040.00	\$3,040	\$760
Water System - Well 3, Well Pump	15	5	1	Each	\$8,138.00	\$8,138	\$5,425
Water System - Well 3, Booster Pump [10 HP]	25	18	1	Each	\$10,851.00	\$10,851	\$3,038
Water System - Controls & Electrical	20	9	1	Allowance	\$5,425.00	\$5,425	\$2,984
Water System - Water Tanks, Cleaning No. 1 & 2 <sup>2</sup>	6	0	1	Lump Sum	\$7,280.00	\$7,280	\$7,280
Water System - Back Up Generator	30	0	1	Lump Sum	\$40,040.00	\$40,040	\$40,040
Water System - Pressure Reducing Station	30	0	1	Lump Sum	\$80,080.00	\$80,080	\$80,080
Water System - Water Tank [35,000 Gal.]	70	16	1	Each	\$55,055.00	\$55,055	\$42,471
Water System - Water Tank [79,000 Gal.]	70	9	1	Each	\$124,124.00	\$124,124	\$108,165
<b>TOTALS</b>						\$447,805	\$373,025

<sup>1</sup> Water system renovated in 2009 (from Board meeting records).

<sup>2</sup> Both water tanks cleaned in 2009 by Liquivision, Oregon. Liquivision recommends cleaning every 2-3 years, however majority of systems are cleaned every 5-10 years (per NWS Northwest Water System).



## RESERVE EXPENSES 1-10 YEARS [WATER]

Component	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Water System - Booster Station, Pumphouse	\$7,650	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 1, Well Pump [7.5 HP]	\$0	\$8,382	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 1, Booster Pump [5 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 1 & 2, Pumphouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 2, Well Pump [15 HP]	\$8,138	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 2, Booster Pump [5 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 2, Replace	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 3, Pumphouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 3, Well Pump	\$0	\$0	\$0	\$0	\$0	\$9,434	\$0	\$0	\$0	\$0
Water System - Well 3, Booster Pump [10 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Controls & Electrical	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,078
Water System - Water Tanks, Cleaning No. 1 & 2	\$7,280	\$0	\$0	\$0	\$0	\$0	\$8,693	\$0	\$0	\$0
Water System - Back Up Generator	\$40,040	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Pressure Reducing Station	\$80,080	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Water Tank [35,000 Gal.]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Water Tank [79,000 Gal.]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$161,954
<b>Annual Expenditure</b>	<b>\$143,188</b>	<b>\$8,382</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,434</b>	<b>\$8,693</b>	<b>\$0</b>	<b>\$0</b>	<b>\$169,032</b>

YEARS 1 THROUGH 10



## RESERVE EXPENSES 11-20 YEARS [WATER]

Component	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Water System - Booster Station, Pumphouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 1, Well Pump [7.5 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$13,059	\$0	\$0	\$0
Water System - Well 1, Booster Pump [5 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,236	\$0
Water System - Well 1 & 2, Pumphouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,175	\$0
Water System - Well 2, Well Pump [15 HP]	\$0	\$0	\$0	\$0	\$0	\$12,679	\$0	\$0	\$0	\$0
Water System - Well 2, Booster Pump [5 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,236	\$0
Water System - Well 2, Replace	\$0	\$0	\$0	\$0	\$114,890	\$0	\$0	\$0	\$0	\$0
Water System - Well 3, Pumphouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 3, Well Pump	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 3, Booster Pump [10 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,473	\$0
Water System - Controls & Electrical	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Water Tanks, Cleaning No. 1 & 2	\$0	\$0	\$10,380	\$0	\$0	\$0	\$0	\$0	\$12,394	\$0
Water System - Back Up Generator	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Pressure Reducing Station	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Water Tank [35,000 Gal.]	\$0	\$0	\$0	\$0	\$0	\$0	\$88,347	\$0	\$0	\$0
Water System - Water Tank [79,000 Gal.]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Expenditure</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,380</b>	<b>\$0</b>	<b>\$114,890</b>	<b>\$12,679</b>	<b>\$101,406</b>	<b>\$0</b>	<b>\$54,514</b>	<b>\$0</b>

YEARS 11 THROUGH 20



## RESERVE EXPENSES 21-30 YEARS [WATER]

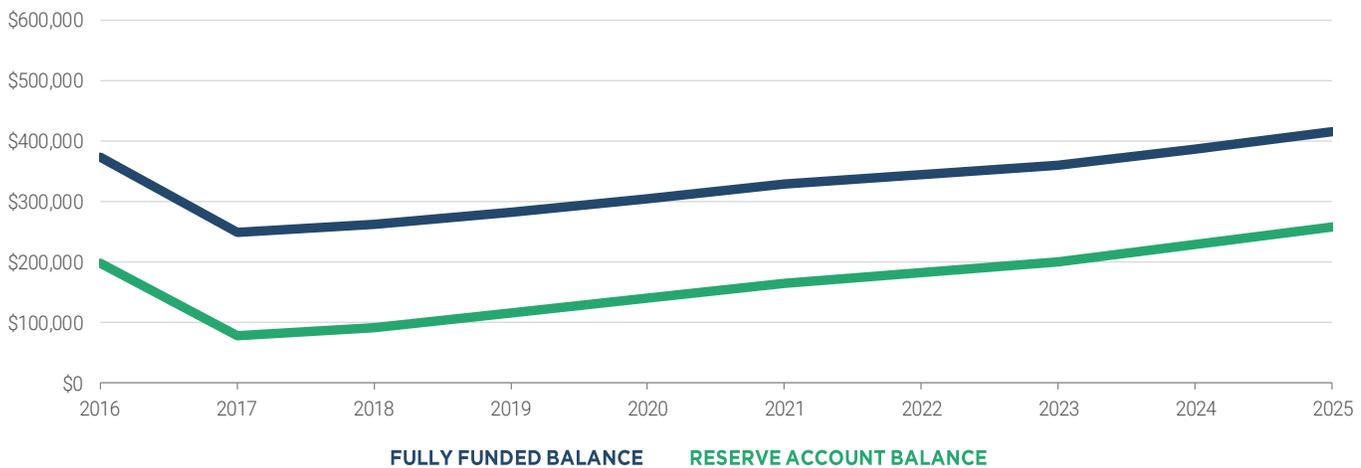
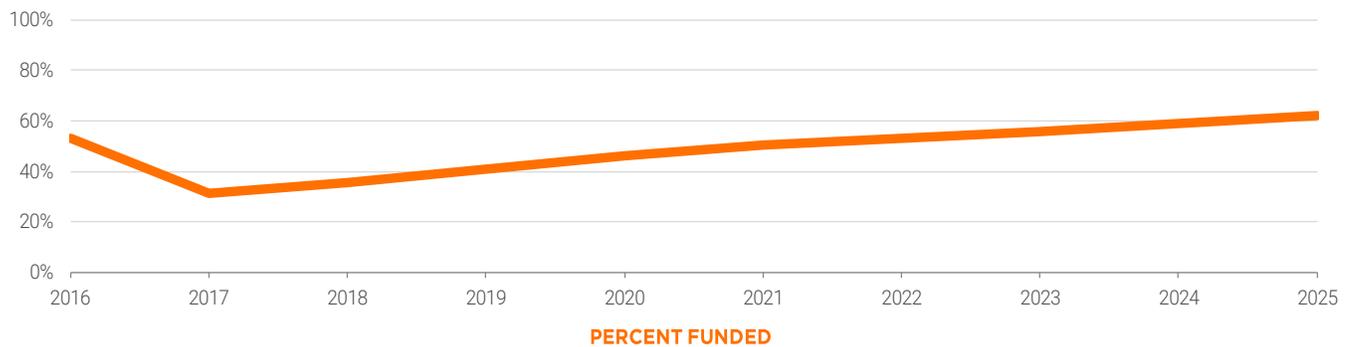
Component	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Water System - Booster Station, Pumphouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 1, Well Pump [7.5 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 1, Booster Pump [5 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 1 & 2, Pumphouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 2, Well Pump [15 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 2, Booster Pump [5 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 2, Replace	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 3, Pumphouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 3, Well Pump	\$14,698	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Well 3, Booster Pump [10 HP]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Controls & Electrical	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,784
Water System - Water Tanks, Cleaning No. 1 & 2	\$0	\$0	\$0	\$0	\$14,799	\$0	\$0	\$0	\$0	\$0
Water System - Back Up Generator	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Pressure Reducing Station	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Water Tank [35,000 Gal.]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System - Water Tank [79,000 Gal.]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Expenditure</b>	<b>\$14,698</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,799</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,784</b>

YEARS 21 THROUGH 30



## FULL FUNDING PLAN 1-10 YEARS [WATER]

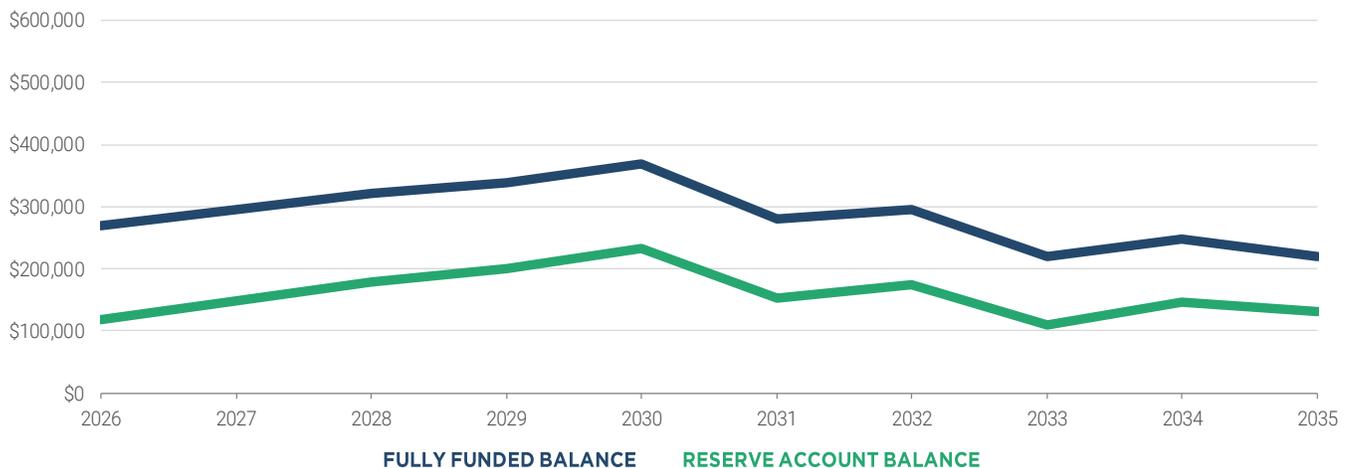
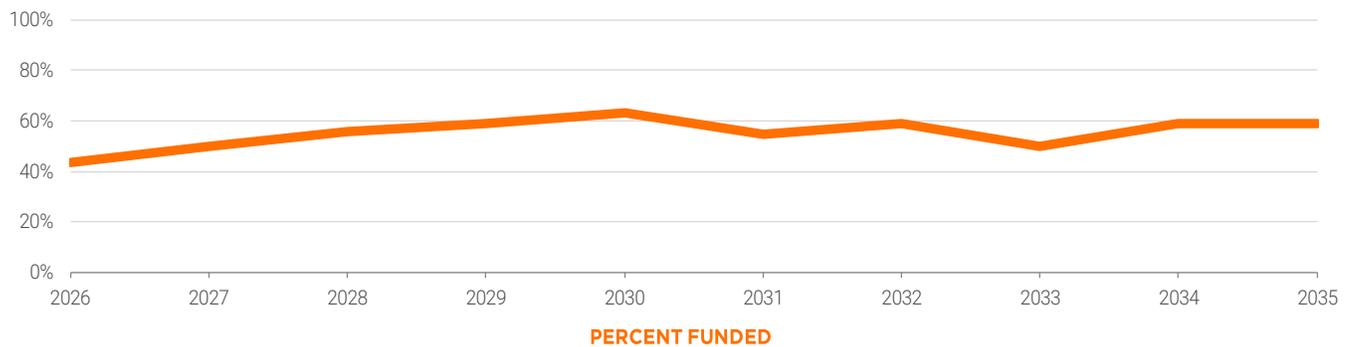
YEAR 1 - 10	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Fully Funded Balance	\$373,025	\$249,511	\$261,525	\$282,927	\$305,378	\$328,922	\$343,886	\$360,507	\$387,038	\$414,837
Percentage Funded (%)	53%	31%	35%	41%	46%	50%	53%	56%	59%	62%
Beginning Balance	\$198,212	\$77,503	\$92,264	\$116,104	\$140,663	\$165,964	\$182,592	\$200,747	\$228,403	\$256,892
Reserve Contribution	\$22,452	\$23,125	\$23,819	\$24,534	\$25,270	\$26,028	\$26,809	\$27,613	\$28,441	\$29,295
Avg Unit Contribution (mth)	\$8.21	\$8.45	\$8.71	\$8.97	\$9.24	\$9.51	\$9.80	\$10.09	\$10.40	\$10.71
Contribution Increase (%)		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	\$28	\$17	\$21	\$26	\$31	\$35	\$38	\$43	\$49	\$37
Reserve Expenditures	\$143,188	\$8,382	\$0	\$0	\$0	\$9,434	\$8,693	\$0	\$0	\$169,032
<b>ENDING BALANCE</b>	<b>\$77,503</b>	<b>\$92,264</b>	<b>\$116,104</b>	<b>\$140,663</b>	<b>\$165,964</b>	<b>\$182,592</b>	<b>\$200,747</b>	<b>\$228,403</b>	<b>\$256,892</b>	<b>\$117,192</b>





## FULL FUNDING PLAN 11-20 YEARS [WATER]

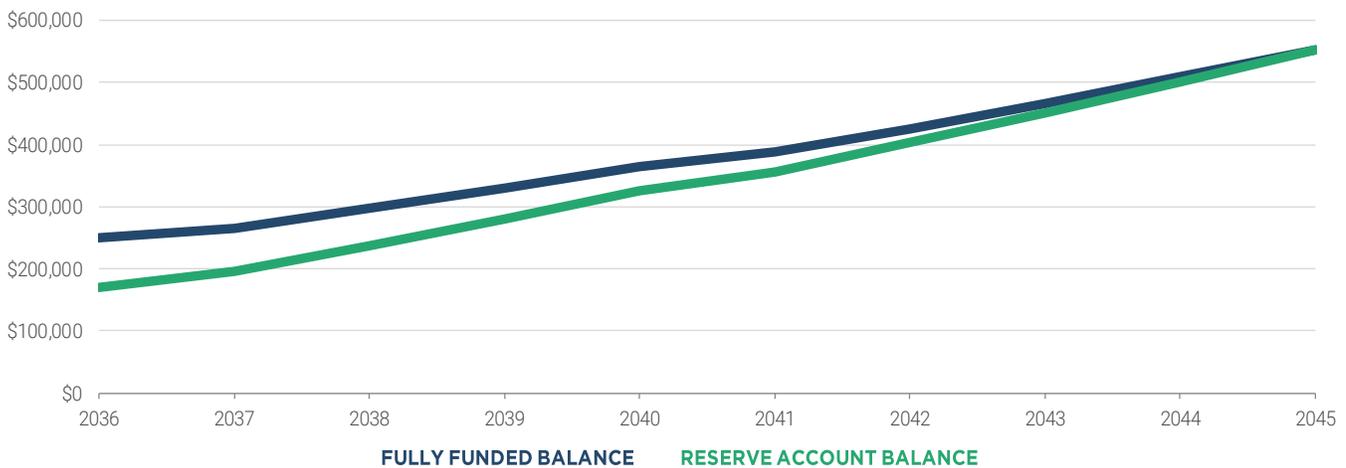
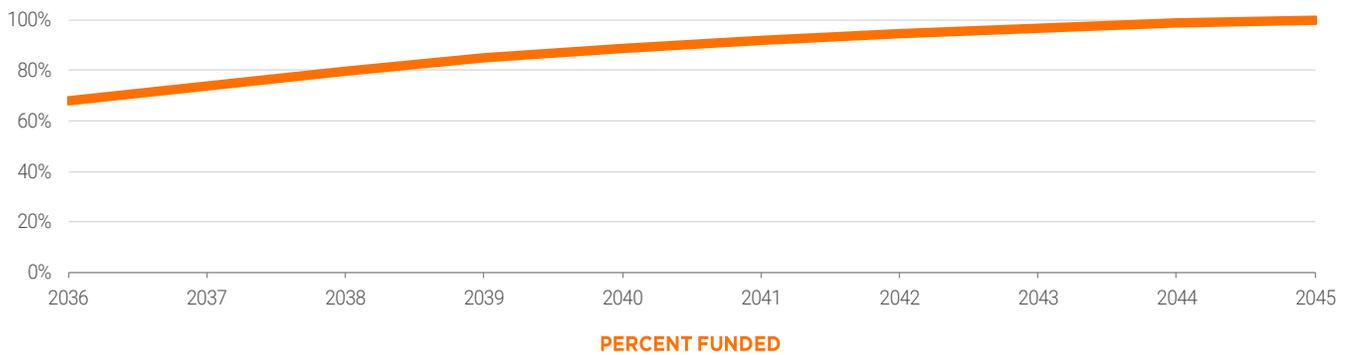
YEAR 11 - 20	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Fully Funded Balance	\$269,852	\$295,121	\$321,663	\$338,841	\$367,772	\$279,797	\$295,040	\$219,948	\$247,668	\$220,703
Percentage Funded (%)	43%	50%	55%	59%	63%	54%	59%	50%	59%	59%
Beginning Balance	\$117,192	\$147,392	\$178,504	\$200,173	\$233,188	\$152,296	\$174,630	\$109,281	\$146,416	\$130,153
Reserve Contribution	\$30,173	\$31,079	\$32,011	\$32,971	\$33,960	\$34,979	\$36,029	\$37,110	\$38,223	\$39,370
Avg Unit Contribution (mth)	\$11.03	\$11.36	\$11.70	\$12.05	\$12.41	\$12.78	\$13.17	\$13.56	\$13.97	\$14.39
Contribution Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	\$26	\$33	\$38	\$43	\$39	\$33	\$28	\$26	\$28	\$30
Reserve Expenditures	\$0	\$0	\$10,380	\$0	\$114,890	\$12,679	\$101,406	\$0	\$54,514	\$0
<b>ENDING BALANCE</b>	<b>\$147,392</b>	<b>\$178,504</b>	<b>\$200,173</b>	<b>\$233,188</b>	<b>\$152,296</b>	<b>\$174,630</b>	<b>\$109,281</b>	<b>\$146,416</b>	<b>\$130,153</b>	<b>\$169,552</b>





## FULL FUNDING PLAN 21-30 YEARS [WATER]

YEAR 21 - 30	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Fully Funded Balance	\$249,731	\$265,164	\$296,890	\$330,282	\$365,410	\$387,105	\$425,474	\$465,796	\$508,155	\$552,635
Percentage Funded (%)	68%	74%	80%	85%	89%	92%	95%	97%	99%	100%
Beginning Balance	\$169,552	\$195,441	\$237,251	\$280,323	\$324,695	\$355,604	\$402,689	\$451,194	\$501,161	\$552,635
Reserve Contribution	\$40,551	\$41,767	\$43,020	\$44,311	\$45,640	\$47,009	\$48,420	\$49,872	\$51,368	\$52,909
Avg Unit Contribution (mth)	\$14.82	\$15.27	\$15.72	\$16.20	\$16.68	\$17.18	\$17.70	\$18.23	\$18.77	\$19.34
Contribution Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Assessment										
Interest Earned	\$36	\$43	\$52	\$60	\$68	\$76	\$85	\$95	\$105	\$115
Reserve Expenditures	\$14,698	\$0	\$0	\$0	\$14,799	\$0	\$0	\$0	\$0	\$12,784
<b>ENDING BALANCE</b>	<b>\$195,441</b>	<b>\$237,251</b>	<b>\$280,323</b>	<b>\$324,695</b>	<b>\$355,604</b>	<b>\$402,689</b>	<b>\$451,194</b>	<b>\$501,161</b>	<b>\$552,635</b>	<b>\$592,875</b>





## FULL FUNDING PLAN | SUMMARY [WATER]

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2016	\$373,025	53%	\$198,212	\$22,452	\$0	\$28	\$143,188	\$77,503
2017	\$249,511	31%	\$77,503	\$23,125	\$0	\$17	\$8,382	\$92,264
2018	\$261,525	35%	\$92,264	\$23,819	\$0	\$21	\$0	\$116,104
2019	\$282,927	41%	\$116,104	\$24,534	\$0	\$26	\$0	\$140,663
2020	\$305,378	46%	\$140,663	\$25,270	\$0	\$31	\$0	\$165,964
2021	\$328,922	50%	\$165,964	\$26,028	\$0	\$35	\$9,434	\$182,592
2022	\$343,886	53%	\$182,592	\$26,809	\$0	\$38	\$8,693	\$200,747
2023	\$360,507	56%	\$200,747	\$27,613	\$0	\$43	\$0	\$228,403
2024	\$387,038	59%	\$228,403	\$28,441	\$0	\$49	\$0	\$256,892
2025	\$414,837	62%	\$256,892	\$29,295	\$0	\$37	\$169,032	\$117,192
2026	\$269,852	43%	\$117,192	\$30,173	\$0	\$26	\$0	\$147,392
2027	\$295,121	50%	\$147,392	\$31,079	\$0	\$33	\$0	\$178,504
2028	\$321,663	55%	\$178,504	\$32,011	\$0	\$38	\$10,380	\$200,173
2029	\$338,841	59%	\$200,173	\$32,971	\$0	\$43	\$0	\$233,188
2030	\$367,772	63%	\$233,188	\$33,960	\$0	\$39	\$114,890	\$152,296
2031	\$279,797	54%	\$152,296	\$34,979	\$0	\$33	\$12,679	\$174,630
2032	\$295,040	59%	\$174,630	\$36,029	\$0	\$28	\$101,406	\$109,281
2033	\$219,948	50%	\$109,281	\$37,110	\$0	\$26	\$0	\$146,416
2034	\$247,668	59%	\$146,416	\$38,223	\$0	\$28	\$54,514	\$130,153
2035	\$220,703	59%	\$130,153	\$39,370	\$0	\$30	\$0	\$169,552
2036	\$249,731	68%	\$169,552	\$40,551	\$0	\$36	\$14,698	\$195,441
2037	\$265,164	74%	\$195,441	\$41,767	\$0	\$43	\$0	\$237,251
2038	\$296,890	80%	\$237,251	\$43,020	\$0	\$52	\$0	\$280,323
2039	\$330,282	85%	\$280,323	\$44,311	\$0	\$60	\$0	\$324,695
2040	\$365,410	89%	\$324,695	\$45,640	\$0	\$68	\$14,799	\$355,604
2041	\$387,105	92%	\$355,604	\$47,009	\$0	\$76	\$0	\$402,689
2042	\$425,474	95%	\$402,689	\$48,420	\$0	\$85	\$0	\$451,194
2043	\$465,796	97%	\$451,194	\$49,872	\$0	\$95	\$0	\$501,161
2044	\$508,155	99%	\$501,161	\$51,368	\$0	\$105	\$0	\$552,635
2045	\$552,635	100%	\$552,635	\$52,909	\$0	\$115	\$12,784	\$592,875



## BASELINE FUNDING PLAN | SUMMARY [WATER]

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2016	\$373,025	53%	\$198,212	\$17,438	\$0	\$27	\$143,188	\$72,489
2017	\$249,511	29%	\$72,489	\$17,961	\$0	\$15	\$8,382	\$82,084
2018	\$261,525	31%	\$82,084	\$18,500	\$0	\$18	\$0	\$100,602
2019	\$282,927	36%	\$100,602	\$19,055	\$0	\$22	\$0	\$119,679
2020	\$305,378	39%	\$119,679	\$19,627	\$0	\$26	\$0	\$139,331
2021	\$328,922	42%	\$139,331	\$20,215	\$0	\$29	\$9,434	\$150,141
2022	\$343,886	44%	\$150,141	\$20,822	\$0	\$31	\$8,693	\$162,302
2023	\$360,507	45%	\$162,302	\$21,447	\$0	\$35	\$0	\$183,783
2024	\$387,038	47%	\$183,783	\$22,090	\$0	\$39	\$0	\$205,912
2025	\$414,837	50%	\$205,912	\$22,753	\$0	\$27	\$169,032	\$59,659
2026	\$269,852	22%	\$59,659	\$23,435	\$0	\$14	\$0	\$83,109
2027	\$295,121	28%	\$83,109	\$24,138	\$0	\$19	\$0	\$107,266
2028	\$321,663	33%	\$107,266	\$24,862	\$0	\$23	\$10,380	\$121,772
2029	\$338,841	36%	\$121,772	\$25,608	\$0	\$27	\$0	\$147,407
2030	\$367,772	40%	\$147,407	\$26,377	\$0	\$21	\$114,890	\$58,914
2031	\$279,797	21%	\$58,914	\$27,168	\$0	\$13	\$12,679	\$73,416
2032	\$295,040	25%	\$73,416	\$27,983	\$0	\$7	\$101,406	\$0
2033	\$219,948	0%	\$0	\$28,822	\$0	\$3	\$0	\$28,825
2034	\$247,668	12%	\$28,825	\$29,687	\$0	\$3	\$54,514	\$4,002
2035	\$220,703	2%	\$4,002	\$30,578	\$0	\$4	\$0	\$34,583
2036	\$249,731	14%	\$34,583	\$31,495	\$0	\$9	\$14,698	\$51,389
2037	\$265,164	19%	\$51,389	\$32,440	\$0	\$14	\$0	\$83,842
2038	\$296,890	28%	\$83,842	\$33,413	\$0	\$20	\$0	\$117,275
2039	\$330,282	36%	\$117,275	\$34,415	\$0	\$27	\$0	\$151,718
2040	\$365,410	42%	\$151,718	\$35,448	\$0	\$32	\$14,799	\$172,399
2041	\$387,105	45%	\$172,399	\$36,511	\$0	\$38	\$0	\$208,949
2042	\$425,474	49%	\$208,949	\$37,607	\$0	\$46	\$0	\$246,601
2043	\$465,796	53%	\$246,601	\$38,735	\$0	\$53	\$0	\$285,389
2044	\$508,155	56%	\$285,389	\$39,897	\$0	\$61	\$0	\$325,347
2045	\$552,635	59%	\$325,347	\$41,094	\$0	\$68	\$12,784	\$353,724



## CURRENT FUNDING PLAN | SUMMARY [WATER]

Year	Fully Funded Balance	Percentage Funded	Beginning Balance	Reserve Contribution	Special Assessment	Interest Earned	Reserve Expenditures	Ending Balance
2016	\$373,025	53%	\$198,212	\$40,962	\$0	\$29	\$143,188	\$96,015
2017	\$249,511	38%	\$96,015	\$42,191	\$0	\$23	\$8,382	\$129,847
2018	\$261,525	50%	\$129,847	\$43,457	\$0	\$30	\$0	\$173,334
2019	\$282,927	61%	\$173,334	\$44,760	\$0	\$39	\$0	\$218,133
2020	\$305,378	71%	\$218,133	\$46,103	\$0	\$48	\$0	\$264,284
2021	\$328,922	80%	\$264,284	\$47,486	\$0	\$57	\$9,434	\$302,393
2022	\$343,886	88%	\$302,393	\$48,911	\$0	\$65	\$8,693	\$342,676
2023	\$360,507	95%	\$342,676	\$50,378	\$0	\$74	\$0	\$393,127
2024	\$387,038	102%	\$393,127	\$51,889	\$0	\$84	\$0	\$445,101
2025	\$414,837	107%	\$445,101	\$53,446	\$0	\$77	\$169,032	\$329,592
2026	\$269,852	122%	\$329,592	\$55,050	\$0	\$71	\$0	\$384,713
2027	\$295,121	130%	\$384,713	\$56,701	\$0	\$83	\$0	\$441,497
2028	\$321,663	137%	\$441,497	\$58,402	\$0	\$93	\$10,380	\$489,612
2029	\$338,841	144%	\$489,612	\$60,154	\$0	\$104	\$0	\$549,870
2030	\$367,772	150%	\$549,870	\$61,959	\$0	\$105	\$114,890	\$497,043
2031	\$279,797	178%	\$497,043	\$63,817	\$0	\$105	\$12,679	\$548,287
2032	\$295,040	186%	\$548,287	\$65,732	\$0	\$106	\$101,406	\$512,718
2033	\$219,948	233%	\$512,718	\$67,704	\$0	\$109	\$0	\$580,532
2034	\$247,668	234%	\$580,532	\$69,735	\$0	\$118	\$54,514	\$595,871
2035	\$220,703	270%	\$595,871	\$71,827	\$0	\$126	\$0	\$667,824
2036	\$249,731	267%	\$667,824	\$73,982	\$0	\$139	\$14,698	\$727,248
2037	\$265,164	274%	\$727,248	\$76,201	\$0	\$153	\$0	\$803,602
2038	\$296,890	271%	\$803,602	\$78,487	\$0	\$169	\$0	\$882,258
2039	\$330,282	267%	\$882,258	\$80,842	\$0	\$185	\$0	\$963,285
2040	\$365,410	264%	\$963,285	\$83,267	\$0	\$200	\$14,799	\$1,031,953
2041	\$387,105	267%	\$1,031,953	\$85,765	\$0	\$215	\$0	\$1,117,933
2042	\$425,474	263%	\$1,117,933	\$88,338	\$0	\$232	\$0	\$1,206,504
2043	\$465,796	259%	\$1,206,504	\$90,988	\$0	\$250	\$0	\$1,297,742
2044	\$508,155	255%	\$1,297,742	\$93,718	\$0	\$269	\$0	\$1,391,729
2045	\$552,635	252%	\$1,391,729	\$96,530	\$0	\$287	\$12,784	\$1,475,761



## DISCLOSURES

As a guideline for establishing and spending reserves, it is assumed that the reserve study will be regularly updated to address the Association's changing physical and financial circumstances. As such this report is valid at the date shown and Reserve Study Group, LLC (RSG) cannot be held responsible for subsequent changes in physical/chemical environmental conditions and/or legislation over which we have no control.

This reserve study is based on visual inspections of the physical plant's major components. No invasive or destructive testing, or testing of materials was conducted during the inspections, or at any other time during the preparation of this report. It is assumed that all building and ancillary components have been designed and constructed properly and that life cycles will approximate normal industry performance standards. RSG shall not be responsible for accurate determination of remaining life expectancies of components that may have been improperly designed and constructed. Our opinions of the remaining life expectancy of the property's components do not represent a guarantee or warranty of performance in relation to the product, materials or workmanship.

Cost estimates used represent a preliminary opinion only and are neither a quote nor a warranty of actual costs that may be incurred. These estimates are based on typical cost data that may not fully characterize the scope of the underlying property conditions. It should be anticipated that actual cost outcomes will be impacted by varying physical and economic conditions, maintenance practices, changes in technology, and future regulatory actions.

The authors of this report make no representation or warranty, expressed or implied, with respect to the contents of this publication or any part thereof and cannot accept any legal responsibility or liability for any inaccuracies, errors or omissions contained in this publication or any part thereof. Our best professional judgment has been used, however certain facts forming the basis of this report are subject to professional interpretation and differing conclusions could be reached.

RSG nor any of its representatives, agents or employees maintain management roles or vested interest in, or have other business relationships with the Association. There is no perceived or actual conflicts of interest between RSG and the Association.

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



## GLOSSARY OF TERMS

### Component

The individual line items in the Reserve Study which are included in the Physical Analysis. These elements form the building blocks for the Reserve Study.

### Estimated Useful Life

The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed in its present application or installation.

### Fully Funded

When the actual (or projected) Reserve balance is equal to the Fully Funded Balance.

### Fully Funded Balance (FFB)

The Reserve balance that is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This number is calculated for each component, then summed together for an Association total.

$FFB = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$

### Percent Funded

The ratio, at a particular point of time, of the actual Reserve Balance to the Fully Funded Balance (FFB), expressed as a percentage.

### Remaining Useful Life

The estimated time, in years, that a Reserve Component can be expected to continue to service its intended function. Projects anticipated to occur in the initial year have a “zero” Remaining Life.

### Unit Cost Estimate

The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition. The Current Replacement Cost would be the cost to replace, repair, or restore the component during the current year.

### Unit of Measure

Various units of measure have been used to quantify the amounts and costs in relation to each reserve component. Below are the key units used as part of this report.

SF = Square Foot

LF = Linear Foot

SY = Square Yard

SQUARE = 100 Square Feet (Roofing)

Reserve Study Group, LLC  
701 Fifth Ave, Suite 4200, Seattle WA 98104  
[www.reserve.study](http://www.reserve.study)

