



# RESERVE DATA ANALYST

## **Sector 2A Snohomish Cascade Association**

Snohomish, WA

### **Level III Reserve Study Update (No Site-Visit)**

Fiscal Year: 2024

Report#: 17477

Version: Draft1

### **Reserve Data Analyst, Inc.**

[www.reservedataanalyst.com](http://www.reservedataanalyst.com)

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Report Date: December 11, 2023

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## Sector 2A Snohomish Cascade Association Introduction

Thank you for utilizing the services of Reserve Data Analyst for your reserve study. We strive to create a comprehensive report that can be utilized for your budgeting needs. If there are any questions, concerns, corrections, or revisions needed please do not hesitate to call or email us. While this study does have some explanations of the methodology used, we have kept it to a minimum for brevity. More detailed explanations of methodology & concepts are explained in our Reserve Study Guidebook available at the following link:



[www.reservedataanalyst.com/guidebook](http://www.reservedataanalyst.com/guidebook)

The recommendations for the allocation rates of the different funding models are only for the beginning year of this reserve study; all future years are projections which are educated guesses and have numerous assumptions (e.g., inflation, proper maintenance, proper installation, known reserve account balances, etc.) built into the models. The further out in time a reader of the study goes, the less reliable the projections are likely to be. Note that the recommendations for the first fiscal year in the study are based on current cost and current useful life estimate levels as opposed to future cost and future useful life projections which again are educated guesses.

From year to year the recommendations of the reserve analyst will typically change (sometimes significantly) based on variables such as what projects have been done, what projects has been deferred, changes to the allocation rate, changes to the starting balance, changes to the component list, actual inflation rate figure (versus projections), maintenance or lack of maintenance of components, etc. Annual updates to this report help to incorporate changes to these variables as they occur so revisions to the recommendations are less significant than if updates are done infrequently. .

There are a couple of tips to consider that will help you both navigate this study and understand the different sections within the study:

- ❏ **Study Navigation** - To navigate this study more easily, we recommend printing out the Table of Contents page at the beginning of the study and the Component Index page(s) at the rear of the study. We have found it easiest for most readers to have the PDF of this study open on their computer while referring to the printed-out Table of Contents and Component Index pages.

### **Within this reserve study you will find:**

- ❏ A list of common questions that a typical reader of our reserve study will have, as well as links to additional information on the topics: (*Reserve Study Knowledge Base*)
- ❏ A list of the site and building components that are reportedly the Client's responsibility along with their respective costs and quantity: (*The Component List*)
- ❏ A timeline of the estimated dates that we recommend funds be allocated to the repair/replacement project. (*Projected Expenditures - Chart, List & Spreadsheet*)
- ❏ Various funding models with different goals in mind. (*Summary Comments Page and Projections Page*)

## Sector 2A Snohomish Cascade Association Executive Summary

Name	Sector 2A Snohomish Cascade Association
Location	Snohomish, WA
Contributing Members	247
Base Year / Age	June 1, 1997
Fiscal Year Ends	December 31, 2024
Level of Service	Level III Reserve Study Update (No Site-Visit)
Prepared for Fiscal Year	2024
Last On-Site Inspection Date	January 12, 2023
Inflation Rate for Projections	3.00%
*Interest Rate for Projections	0.05%
*Tax Rate on Interest Earned	30.0%
Funding Plan Method	Inflation Adjusted Pooled Cash Flow Method

### Reserve Account Summary

<b>Current Percent Funded</b> <small>(as of January 1, 2024)</small>	<b>Fiscal Year Beginning Fully Funded Balance</b>	\$378,644
	<b>*Estimated FY Start Balance</b>	\$120,567
<h1>31.8%</h1>	<b>Total Reserve Account Surplus or (Deficit)</b>	(\$258,077)
	<b>Avg. Surplus or (Deficit) Per Contributing Member</b>	(\$1,045)
	<b>*Current Annual Reserve Allocation Rate</b>	\$60,000 per year
	<b>*Approved Special Assessments</b>	None in fiscal year 2024.
	<b>*Approved Loans</b>	None in fiscal year 2024.
<div style="display: flex; justify-content: space-around; font-size: small;"> <span style="background-color: #f8d7da; padding: 2px;">0-30% Low</span> <span style="background-color: #fff3cd; padding: 2px;">30-70% Fair</span> <span style="background-color: #d4edda; padding: 2px;">70-100% Good</span> </div>		

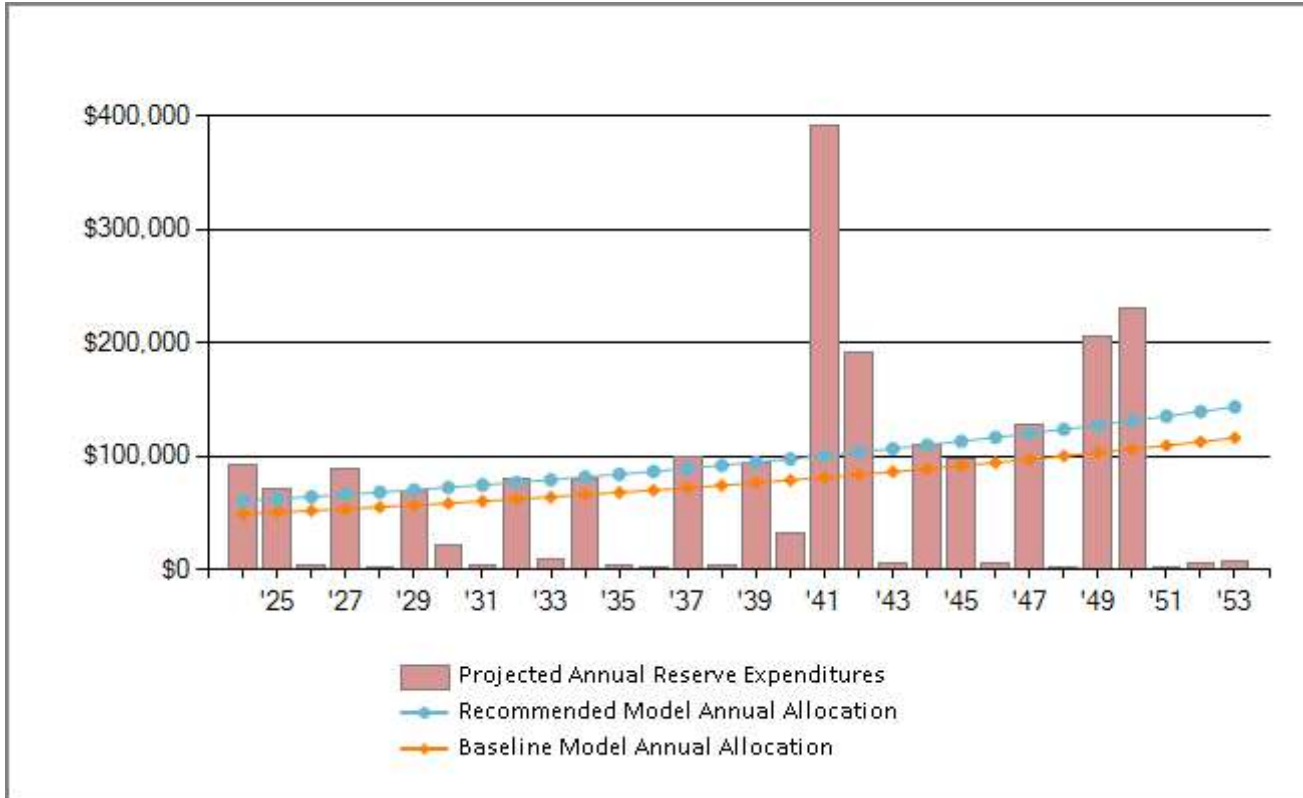
### 5-Year Summary - Annual Reserve Allocation Rates & Year End % Funded

	100% Funding Model		Recommended Funding Model		Baseline Funding Model		**Current Funding Model		
<b>2024</b>	308,713	100%	61,000	26%	49,383	23%	60,000	26%	<b>2024</b>
<b>2025</b>	55,172	101%	62,830	26%	50,864	18%	61,800	25%	<b>2025</b>
<b>2026</b>	56,827	102%	64,715	39%	52,390	29%	63,654	38%	<b>2026</b>
<b>2027</b>	65,200	102%	66,656	35%	53,962	21%	65,564	34%	<b>2027</b>
<b>2028</b>	67,156	101%	68,656	45%	55,581	30%	67,531	44%	<b>2028</b>
	Account is at least 100% funded each year.		Achieve 100% funded within the timeframe of this study.		Reserve account above \$0 within timeframe of study.		Current allocation rate has been supplied by the Client.		

\* Data supplied by the Client, assumed to be correct and not independently verified.

\*\*Any negative percent funded shown is for visual representation of deficiency.

## Sector 2A Snohomish Cascade Association Projected Annual Expenditures - Chart



The above chart provides a visual of the reserve account projected expenditures over the 30 years covered in this study. We suggest making a note of large expenditure years (peak years) when there will be significant projected expenditures related to one or more component projects that will require repair/replacement. These large but infrequent component expenses during “peak” years are typically the most difficult to budget for, as they are often overlooked, or ignored due to the perception that the expenses are far in the future and there will be time to budget for them later.

One of the greatest challenges when planning for reserve budgeting is creating and implementing a funding model that is stable and fair while also adequate to cover reserve project expenditures that are typically infrequent and erratic. This is particularly true for reserve accounts that drop to low levels of funding; there will be a need to catch up the reserve account to a more suitable level while also being as fair and stable as possible as time progresses.

We have created numerous funding models with various goals in mind; the above models (Recommended & Baseline) adhere to the principle of having stability going forward in time while also covering the projected annual reserve expenditures. Their respective annual allocation rates (lines on the chart) are shown compared to the annual reserve expenditures (columns on the chart) within the timeframe of the projections. Note the relative stableness of the annual funding model allocation rates versus the infrequent and erratic nature of the reserve expenditures.

# Sector 2A Snohomish Cascade Association Reserve Study Knowledge Base

## What is a Reserve Study?

A reserve study is a budgeting tool that can be utilized to make more informed budgeting decisions regarding a reserve account, it is an independent assessment of the adequacy of the reserve account balance and allocation rate utilizing a mathematical formula known as the “Percent Funded” calculation.

The Reserve Analyst develops funding models that:

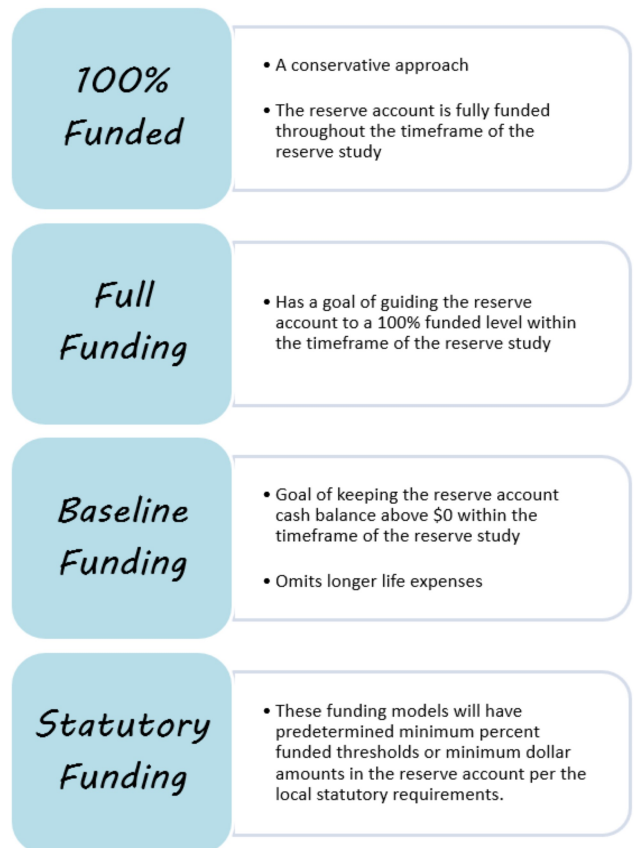
- Distribute the costs as fairly as possible over time
- Have stable budgets over time (i.e., limiting large fluctuations from one year to the next)
- Limit the risk for reliance on emergency financing or having to defer overdue projects

*A Reserve Study is an independent assessment of the reserve account and is not the Budget ....*

This study is not the budget, and it should not be revised to just reflect the budgeting decisions of the Client. An example of this is to push off overdue projects that the Client may not have the funds to complete. This report should reflect the replacement dates of the components utilizing average or historical records for the useful lives & costs for these projects; the useful lives can be updated to reflect actual on-site conditions as the components age and in updates to this report. Should the Client decide to make budgeting decisions such as deferring projects (typically due to a lack of funds) and that appear to be overdue carries its own risk with relation to scenarios like higher project costs later and marketability issues.

## How Much Should We Reserve?

There is no right or wrong answer to the question of “How Much Should We Reserve?” as the reserve contributions in all the funding models in this study are based on different funding goals. It is more appropriate to consider the risk levels associated with different funding models as each Client has different risk tolerances and challenges in enacting whatever funding model is most appropriate to them. In our opinion any funding model that projects the reserve account balance to dip to zero would not be appropriate or fiscally responsible as future emergency financing or deferring projects are typically the outcome. Below are some of the more common funding models utilized:



# Sector 2A Snohomish Cascade Association Reserve Study Knowledge Base

## About Percent Funded

Percent funded is a calculation of how much is in the reserve account versus an ideal amount known as the Fully Funded Balance. The different risk levels associated with the levels of funding are explained in more depth below.



The below video link explains the Percent Funded calculation in more detail:

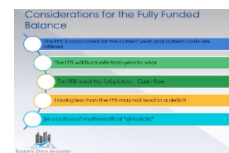


[www.reservedataanalyst.com/pf](http://www.reservedataanalyst.com/pf)

## About the Fully Funded Balance

The Fully Funded balance is a mathematical calculation that represents the accrued deterioration of a component or a group of components at a specific point in time. It is an answer to the question of "How much should be in a reserve account at a specific point in time?" When the reserve account balance is the same as the Fully Funded Balance the reserve account is considered Fully Funded (100% Funded) at that specific point in time.

The below video link provides a more in-depth explanation of the Fully Funded balance:



[www.reservedataanalyst.com/ffb](http://www.reservedataanalyst.com/ffb)

## Calculating Inflation in the Reserve Study

Inflationary factors impact the project costs over time and are the main driving force that must be overcome with diligent and steadfast budgeting towards reserves. Due to the compounding impact of inflation on costs, in a relatively short period of time, a reserve account can become severely underfunded if it is not considered in the budgeting scenarios. Follow the below link to learn more about how we calculate inflationary factors (escalation of the prices) in the reserve study and some of the tools we use in the process:



[www.reservedataanalyst.com/inf](http://www.reservedataanalyst.com/inf)

## Sector 2A Snohomish Cascade Association Reserve Study Knowledge Base

### Component Useful Life Estimates

The useful life of components in the reserve study are predominantly based on our experiences with many different types of organizations and their respective repair and replacement cycles with building and site components. In addition to our own experiences working with many organizations over the years there is ample data available online regarding useful life estimates of building and site components. It is important to note that the estimates in the reserve study are based on averages and are not specific to any one property. Follow the below link to view some of the various useful life tables that we utilize:



[www.reservedataanalyst.com/ul](http://www.reservedataanalyst.com/ul)

### Determining Component Project Costs

We utilize many sources for determining what is an appropriate component project cost in the reserve study. These can include:

- Client invoices, bids, estimates
- Our in-house database that is based on the collection of many Client invoices, bids, and estimates
- Cost manuals that, when used correctly, are very accurate for average cost figures

It's important to understand that unless we are provided actual project costs based on a client invoice/bid or estimate we utilize average costs figures that are not specific to any one Client. In the bidding process you will find that there is a ...

... large difference in price from one vendor to the next for a variety of reasons. We aim to be in the middle of these estimates unless we have Client data to incorporate into the reserve study. Future costs (projections) for the component expenses are simply inflated from current cost based on the inflation assumption in the reserve study. It is important to remember that our current recommendations are based on current project costs and not the inflated number that is utilized in the projections portion of the reserve study. The below link goes into this topic in more detail:



[www.reservedataanalyst.com/cost](http://www.reservedataanalyst.com/cost)

### National Reserve Study Standards

There are two recognized organizations that dictate national reserve study standards in the industry. The Community Association's Institute and the Association of Professional Reserve Analysts award designations to those reserve study professionals that meet education & work experience, adhere to the minimum report requirements, complete ongoing continuing education courses, and abide by ethical considerations in the field. The standards for both organizations can be viewed at the links below:



[www.reservedataanalyst.com/CAI](http://www.reservedataanalyst.com/CAI)



[www.reservedataanalyst.com/APRA](http://www.reservedataanalyst.com/APRA)



## Sector 2A Snohomish Cascade Association Reserve Study Knowledge Base

### What Components to Include in the Study?

Reserve expenses for components are major expenses which must be budgeted for in advance to provide the necessary funds in time for their occurrence. Reserve expenses are reasonably predictable both in terms of frequency and cost. They are expenses that when incurred would have a significant impact on the smooth operation of the budgetary process from one year to the next if they were not reserved for in advance.

A common concern when beginning this process is what components are to be included and funded for in the Reserve Study. Nationally recognized CAI Reserve Study Standards as well as APRA Standards of Practice dictate that the reserve components need to meet the following criteria:

- It's not already covered in the Operating Budget
- The component has a limited life expectancy
- The component has a reasonably defined remaining useful life
- As required by local statutes

### When to Complete Reserve Projects?

Components should be replaced when they are no longer functioning as designed. This is best determined by your component specific Vendor who can inspect and give their best professional advice on the condition assessment and timeframe on when/what needs to be done. Note that this reserve study is **not** a "to do list"; it is a budgeting document with recommendations for when we suggest having the funds allocated towards the projects ...

... If something fails earlier than projected than replace it, if it lasts longer (as determined by your component specific Vendor) then take their advice as they are the professionals in their specific field. Projects should be completed when they need to be completed regardless of our projections in the study. Note that this does not mean it would be appropriate to delay projects simply because funds are not available though as that is a budgeting decision not based on component specific Vendor recommendations. A common issue we see is the delay of projects simply because there is a lack of reserve funds available, only to have a much larger and more expensive project later due to collateral damage (e.g., not replacing a roof in a timely manner, which then leaks and causes siding damage).

### Ongoing Component Maintenance

While this reserve study has been developed to disclose and inform the Client of the predictable larger long-term project costs related to site and building components, there is also a need to complete regular inspections and repairs to virtually all components on much shorter cycles. These costs would typically be covered in the annual and ongoing Operating Budget.

Virtually all the components should receive regular cycles of inspection and repairs by a qualified Vendor. Failure to complete ongoing maintenance typically leads to shorter useful lives and higher costs later. RSMeans provides a free link to common building and site component items to inspect at various corresponding time frames.



[www.reservedataanalyst.com/RSmeans](http://www.reservedataanalyst.com/RSmeans)

## Sector 2A Snohomish Cascade Association Reserve Study Knowledge Base

### Recommendations Versus Projections

In the reserve study the Reserve Analyst' recommendations for the allocation rates of the different funding models apply only to the year the reserve study is being developed for. All projections in the study are future educated guesses with assumptions about a significant number of variables (e.g., inflation rate, financials, component useful life, component remaining useful life, proper maintenance, etc.).

Projections can be accurate or extremely inaccurate based on these assumptions; because of this we do not suggest giving much consideration to projections in the decision making for overall reserve budgeting. This may sound counterintuitive, but this is due to recommendations for the allocation rates, in the initial year of the study, being based on predominantly current known factors (e.g., *current costs, current inflation, current maintenance practices*) versus projections which are based on future assumptions to a variety of variables (e.g., *future costs, future inflation rates, and future maintenance practices*). Follow the below link to our website to learn more about recommendations versus projections.



[www.reservedataanalyst.com/projections](http://www.reservedataanalyst.com/projections)

### You Have a Study Now What?... Goal Setting

Adequately budgeting for reserves is often one of the more difficult tasks our clients face. Reserve component projects are infrequent and often years down the line, making it very easy to just “deal with it later”. We have found those that are most successful with reserve budgeting goals typically follow these simple ...

... rules when creating and implementing a reserve budget.

#### Actionable

Is your goal possible within the constraints & limitations of very important but often overlooked factors related to statutory requirements and the governing documents? What may seem very “Reasonable” to the Board may very well be illegal or against the governing documents.

#### Comprehensive

Your goal should be clear and specific, otherwise you won't be able to focus your efforts or feel truly motivated to achieve it. When drafting your goal, try to answer the four "W" questions - What do we want to accomplish? Why is this goal important? Who is involved? When is this goal set to occur?

#### Equitable

Your goal should be reasonable and attainable to be successful. In other words, it should stretch your abilities but remain possible. When you set an achievable goal, you may be able to identify previously overlooked opportunities or resources that can bring you closer to it. This often means that transitioning to a more stable financial track will take years of smaller goals being obtained. Severely underfunded reserve accounts typically develop after many years or decades; it's usually not reasonable for the answers to come quick or easily.

Follow the below link to our website to learn more about the ACE way to reserve budgeting.



<https://www.reservedataanalyst.com/ace>

# Sector 2A Snohomish Cascade Association Plat Map



## **Sector 2A Snohomish Cascade Association Reserve Analyst Comments**

### **Reserve Study Update Comments - Inflation**

Per the most recent construction cost data in this region the inflation rate has been 2.7% since the prior reserve study was performed for fiscal year 2023 2022 (construction cost inflation index link: <https://www.mortenson.com/cost-index#seattle-index> ). An inflation rate has been applied to the component project estimated costs in this reserve study update. Note that the above average inflation percent rate increase is for all construction jobs, actual individual component increases may be above or below this average (e.g. lumber prices have risen significantly more than the average).

Note that a historical average 3.0% has been applied to projections (future estimated project costs) in the reserve study as even though there will be time periods of inflation that are well above and below this historical average inflation rate, we would expect the long-term average to fall back in line with the historical average in the United States based on data going back over 100 years. To learn more about how inflation is applied to the reserve study please visit [www.reserveataanalyst.com/inf](http://www.reserveataanalyst.com/inf)

### **Comments on Fully Funded Balance Calculations (Fully Funded Balance Calculation Page)**

The Fully Funded balance calculations for each component (age & useful life) have been adjusted if a component has been superseded by another component, received a positive or negative life adjustment, been phased over a period of time or is overdue (e.g., has an age greater than the typical useful life of the component). These adjustments are needed so that the fully funded balance mathematical calculation for each component is accurate and appropriately contributes to the total fully funded balance calculation (located on the executive summary & projection pages) for all components in this reserve study.

### **Comments on Maintenance & Inspections**

The Client stated that they have been working with the Vendors for ongoing maintenance of components. Note that a lack of ongoing maintenance at any point in the past or future can significantly reduce the useful life of components. It is assumed that all proper maintenance has and will be completed per the component specific Vendor's recommendations (unless otherwise noted). It is assumed all inspections will be completed per local statute and are assumed to be paid for from the operational account, as reported by the Client (unless otherwise noted).

### **Comments on Assessment & Disclosure Form**

Included in the fee for this reserve study is an Assessment & Disclosure Form which complies with statutory requirements for common interest communities. Please follow the following link to complete the request form on our website: <https://www.reservedataanalyst.com/rad/>

Note that this form can only be requested after the budget has been voted on and approved by the Board and/or Community Membership. This disclosure is a requirement for Boards to provide to the membership annually.

### **Excluded Components**

Unless noted otherwise the below components have been excluded from funding in this reserve study. Note that the inclusion of any of these items later via a revision or update to this study will impact the funding strategies developed by the Reserve Analyst.

### **Not Client's Responsibility**

The below components are reportedly not the Client's responsibility per their interpretation of their governing

## Sector 2A Snohomish Cascade Association Reserve Analyst Comments

documents. Note that the Reserve Analyst does not interpret governing documents and have excluded items based on the Client's request and their interpretation of their own governing documents. If there is ambiguity or questions as to what specific wording means in the governing documents, we recommend consulting with a qualified and experienced attorney.

1. Utility Main Lines - Utility Companies / County
2. Asphalt Streets - County
3. Utility Lines - County
4. Streetlights - County
5. Public Sidewalks (31,900 sf abutting common area parcels) - County
6. Hydrants - County
7. Fencing at Private Lots (excluding Sno-Cascade Dr)- Lot Owner's Responsibility
8. Landscaping & Chain Link Fence at Puget Park Drive - County

### Operating Account Expense

The below components are reportedly paid for from the Operating Account and have not been included in this reserve study.

1. Storm Sewer System Maintenance - We recommend setting up an annual contract with a qualified Vendor.
2. Asphalt Crack Sealing - Complete Annually as needed.
3. Small Signage (at parks and native growth area)
4. Ongoing Landscaping
5. Minor Irrigation System Repairs
6. Baseball Field Upkeep

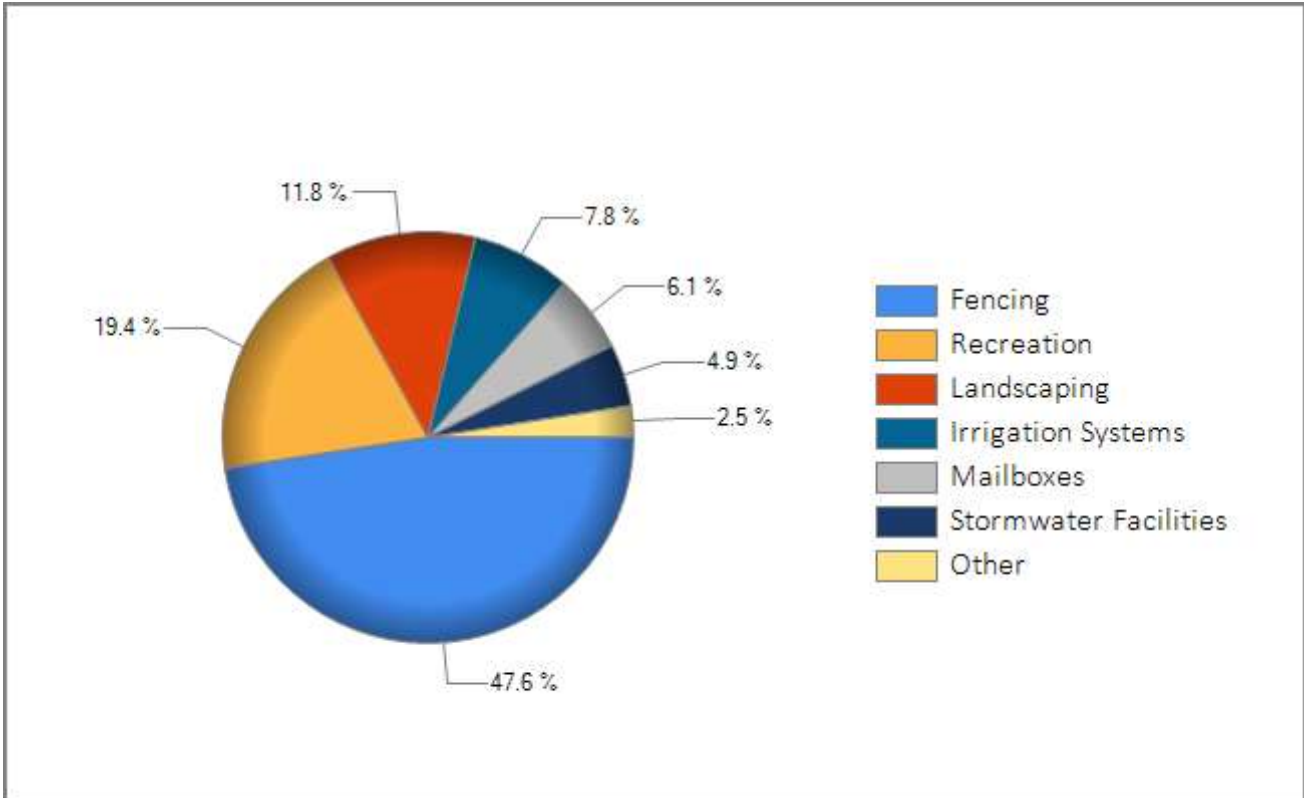
**Sector 2A Snohomish Cascade Association**  
**The Component List**

Report Date                    December 11, 2023  
 Beginning Fiscal Year        January 01, 2024  
 Account Number                17477

Version Number Draft1

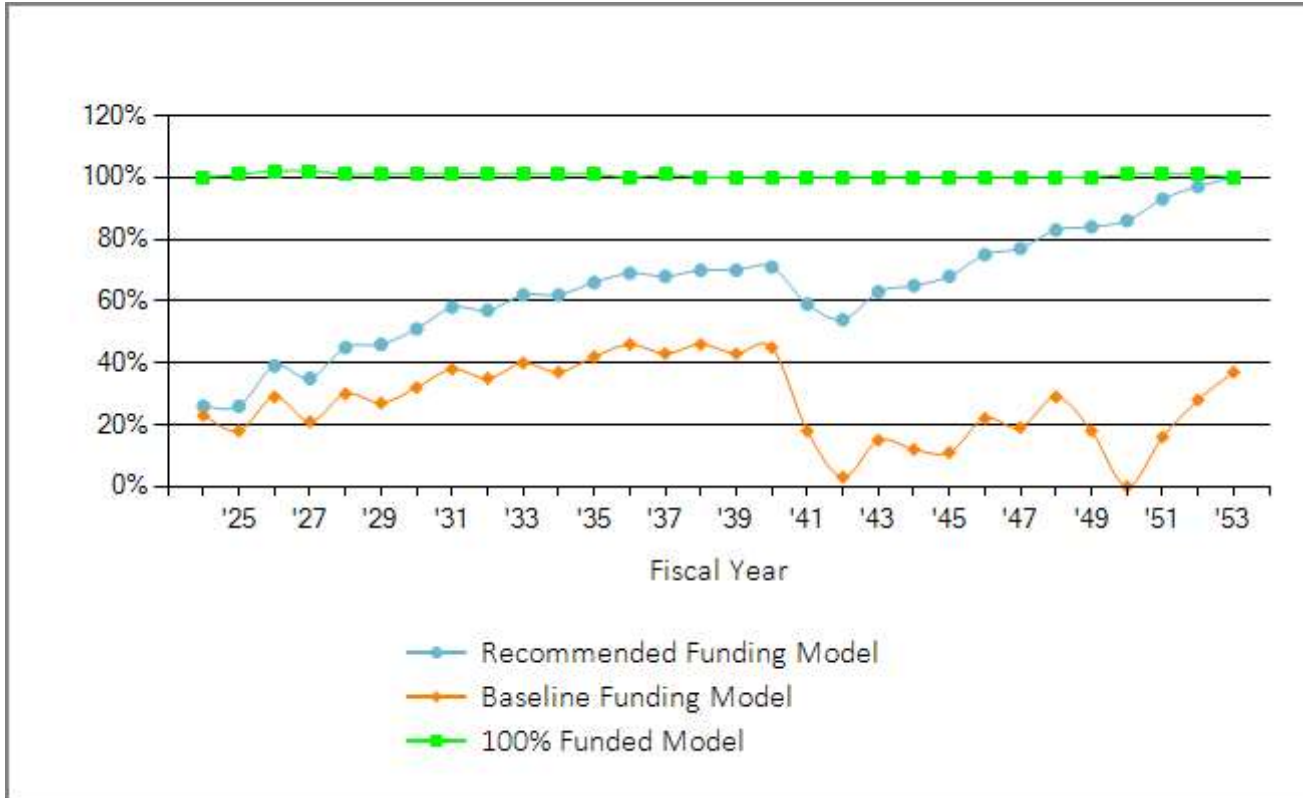
Component Description	Approx. Date In Service	Replacement Year	Useful Life	Adjustment	Remaining Ul	Units	Per Unit Cost And Percent Replacement	Current Cost
Asphalt - Overlay	1997	2024	25	0	0	4,113 sf	2.62	10,776
Asphalt - Sealcoat	2015	2024	5	0	0	4,113 sf	0.36	1,481
Baseball Backstop (chain link) - Replace	1997	2042	45	0	18	1 ea	9,518.33	9,518
Baseball Infield Fence (chain link) - Replace	1997	2042	45	0	18	152 lf	48.78	7,415
Concrete Curb - 20% Repair	1997	2024	5	15	0	227 lf	44.02@ 20%	1,999
Fence (chn link - NE Pond) - Replace	2010	2050	40	0	26	760 lf	55.05	41,838
Fence (chn link - NW Pond/2016) - Replace	2016	2056	40	0	32	430 lf	55.05	23,671
Fence (chn link - NW Pond/2023) - Replace	2023	2063	40	0	39	214 lf	52.22	11,175
Fence (chn link baseball 3.5') - Replace	1997	2037	40	0	13	345 lf	29.74	10,260
Fence (sno-cascade drive) - Paint/Stain	2016	2024	5	0	0	3,821 lf	10.11	38,630
Fence (sno-cascade drive) - Replace	2016	2041	25	0	17	3,821 lf	60.00	229,260
Irrigation Backflow Valve - Replace	1997	2024	25	0	0	1 ea	1,784.69	1,785
Irrigation Controller Panels - Replace	1997	2032	35	0	8	4 ea	892.34	3,569
Irrigation Controllers - Replace	2015	2030	15	0	6	4 ea	892.34	3,569
Irrigation Piping - 25% Replace	1997	2027	5	25	3	105,307 sf	2.00@ 25%	52,653
Irrigation Valves (in-ground) - 10% Replace	2019	2024	1	0	0	52 ea	297.45@ 10%	1,547
Landscape Drainage (boat park) - Refurbish	2020	2040	20	0	16	1 ls	17,670.17	17,670
Landscape Drainage (small park) - Refurbish	2022	2042	20	0	18	1 ls	41,080.00	41,080
Landscaping (gravel) - Replenish	2017	2024	5	0	0	2,451 sf	1.49	3,650
Landscaping - 25% Tree Care	1997	2024	5	20	0	111 ea	416.43@ 25%	11,556
Lights (pole) - Replace	1997	2027	30	0	3	1 ea	2,926.95	2,927
Mailbox Cluster (2009) - Replace	2009	2033	24	0	9	3 ea	1,888.75	5,666
Mailbox Cluster (2013) - Replace	2013	2037	24	0	13	1 ea	1,888.75	1,889
Mailbox Cluster (2015) - Replace	2015	2039	24	0	15	1 ea	1,888.75	1,889
Mailbox Cluster (2017) - Replace	2017	2041	24	0	17	2 ea	1,888.75	3,777
Mailbox Clusters (2021) - Replace	2021	2045	24	0	21	18 ea	1,888.75	33,997
Parking Bollards (boat park) - Replace	1997	2032	35	0	8	3 ea	1,189.79	3,569
Pavers (sand set) - Replace	1997	2024	25	0	0	145 sf	19.00	2,755
Playground Structure (boat park) - Replace	2022	2047	25	0	23	1 ea	61,620.00	61,620
Playground Structure (small park) - Replace	1997	2025	25	3	1	1 ea	61,620.00	61,620
Playground Surface (boat park) - Replenish	2023	2026	3	0	2	1,600 sf	1.13	1,807
Playground Surface (small park) - Replenish	2022	2025	3	0	1	1,271 sf	1.13	1,436
Playground Timber Edging (boat park) - Repl..	1997	2024	25	0	0	160 lf	28.76	4,601
Playground Timber Edging (small park) - Repl..	1997	2025	24	4	1	144 lf	28.76	4,141
Recreation - Benches (wood) - Replace	1997	2024	25	0	0	11 ea	892.34	9,816
Recreation - Picnic Table (wood) - Replace	1997	2024	25	0	0	3 ea	1,011.32	3,034
Retaining Walls (masonry) - Replace	2014	2054	40	0	30	67 sf	39.03	2,615
Retaining Walls (wood) - Replace	1997	2024	25	0	0	33 sf	28.76	949
Stormwater Pond (NE pond) - Refurbish	1997	2027	30	0	3	1 ea	23,795.83	23,796
Stormwater Pond (NW pond) - Refurbish	2015	2030	15	0	6	1 ea	13,682.61	13,683
<b>Total Asset Summary</b>								<b>\$768,690</b>

## Sector 2A Snohomish Cascade Association Current Cost by Category Chart



The above chart illustrates the current cost breakdown percentage of the Component Categories in this reserve study (highest percentage components listed at top). Special attention should be given to those component categories which take up a bulk of the % of the current cost as these may require significant planning to adequately budget for their replacement. These large expenses may be well into the future during "Peak Year" cycles. Refer to the Cash Flow Projections and the Annual Expenditure Report for the projected timeline of expected expenditures.

## Sector 2A Snohomish Cascade Association Projected Percent Funded Chart



The above chart compares the funding models by the percentage funded levels over the 30-year timeframe of this reserve study, as calculated at the end of each fiscal year.

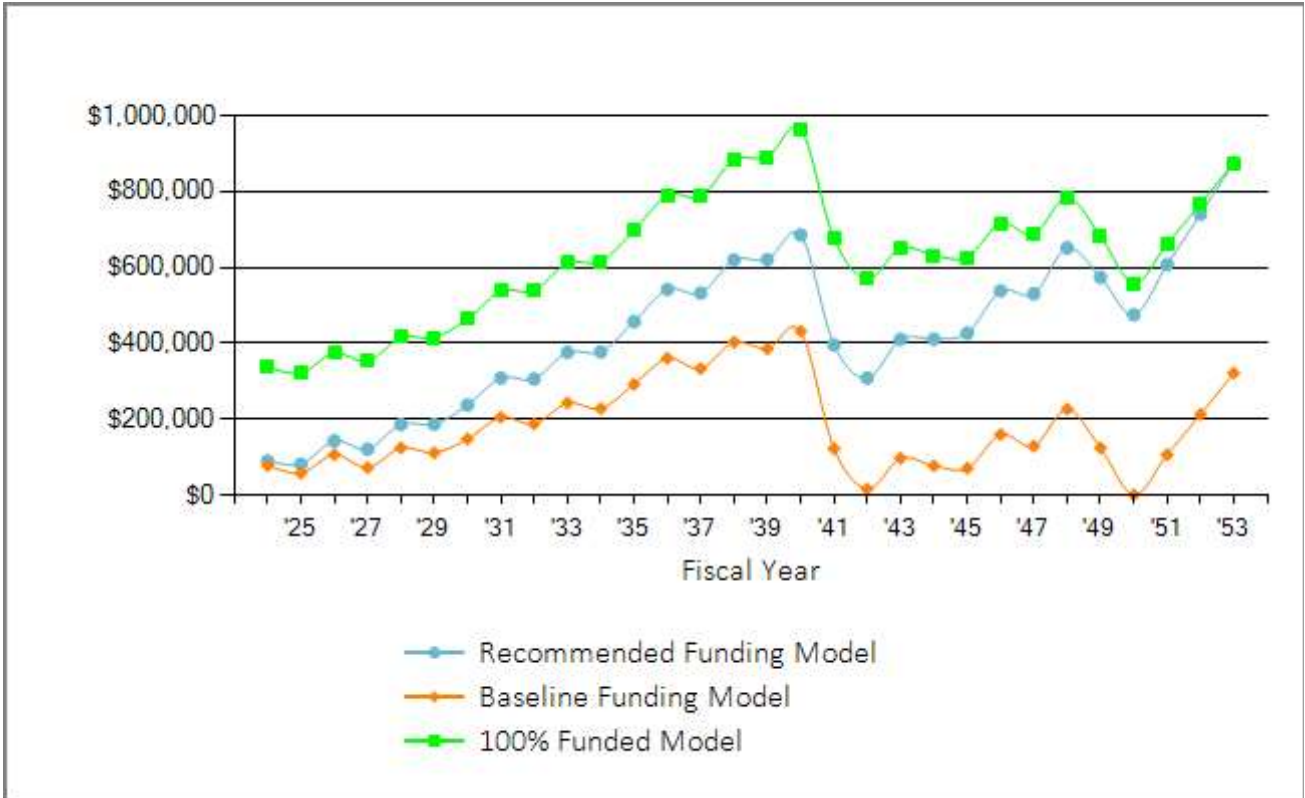
The Recommended Funding Model increase the Client's reserve account Percent Funded Level to 100% funding within the timeframe of this study. Once this 100% funded level is reached it is a good indicator that the Client is on track to meet its future obligations with minimal risk of reliance on emergency financing or having to defer projects that come due.

The Baseline Funding Model has only a goal of keeping the reserve account cash positive within the timeframe of the reserve study. This model carries significant risk for reliance on emergency financing and/or having to defer projects due to the common occurrence of components failing earlier than projected or costs increasing more rapidly than projected.

The 100% Funded Model assumes the reserve account is an average of 100% Funded in each year of the reserve study. This model minimizes risk for reliance on emergency financing and places the reserve account onto a low risk path for budgeting.



## Sector 2A Snohomish Cascade Association Projected Reserve Account Balance Chart



The chart above compares the annual year-end balance of the reserve account for the respective funding models over the 30 years covered in this reserve study. Projected reserve account balances will see large fluctuations from year to year due to projects occurring in any given year.

**Sector 2A Snohomish Cascade Association  
100% Funded - Summary**

Report Date	December 11, 2023
Account Number	17477
Version	Draft1
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	247

<i>Report Parameters</i>	
Inflation	3.00%
Annual Contribution Increase	3.00%
Interest Rate on Reserve Deposit	0.03%
Tax Rate Included in Interest Rate	
2024 Beginning Balance	\$120,567

This funding model has a goal of being a minimum of 100% funded, annually, over the timeframe of this reserve study. Allocation rates will fluctuate based on the expenditures projected in any given year. The initial year has a much higher allocation rate than subsequent years as the reserve account is currently underfunded and requires a significant cash injection in the initial fiscal year to elevate the reserve account to a 100% Funded track.

The following page provides the 30-year projections for this funding model.

<i>Full Funding Model 30 Year Summary of Calculations</i>	
Required Annual Contribution	\$308,712.72
Average Net Annual Interest Earned	<u>\$117.85</u>
Total Annual Allocation to Reserves	\$308,830.57

**Sector 2A Snohomish Cascade Association**  
**100% Funding - Year End Projections**

Begining Balance: \$120,567

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2024	768,690	3.0%	308,713		118	92,577	336,820	336,820	100%
2025	791,750	3.0%	55,172	-82.12%	112	70,806	321,299	317,738	101%
2026	815,503	3.0%	56,827	3.00%	131	3,558	374,699	368,661	102%
2027	839,968	3.0%	65,200	14.73%	123	88,427	351,595	344,925	102%
2028	865,167	3.0%	67,156	3.00%	145	3,357	415,540	409,788	101%
2029	891,122	3.0%	69,171	3.00%	145	70,332	414,523	409,351	101%
2030	917,856	3.0%	71,246	3.00%	162	22,447	463,484	460,015	101%
2031	945,391	3.0%	77,701	9.06%	188	3,668	537,706	533,386	101%
2032	973,753	3.0%	80,032	3.00%	188	79,992	537,935	532,245	101%
2033	1,002,966	3.0%	82,433	3.00%	214	9,411	611,171	605,724	101%
2034	1,033,055	3.0%	84,906	3.00%	215	81,035	615,257	609,653	101%
2035	1,064,046	3.0%	87,454	3.00%	244	4,643	698,312	694,459	101%
2036	1,095,968	3.0%	93,885	7.35%	276	2,205	790,269	786,459	100%
2037	1,128,847	3.0%	96,702	3.00%	276	99,545	787,701	783,164	101%
2038	1,162,712	3.0%	99,603	3.00%	309	5,073	882,539	879,343	100%
2039	1,197,594	3.0%	102,591	3.00%	312	94,648	890,794	888,484	100%
2040	1,233,521	3.0%	105,668	3.00%	337	33,141	963,658	963,658	100%
2041	1,270,527	3.0%	102,087	-3.38%	236	390,719	675,262	675,262	100%
2042	1,308,643	3.0%	84,704	-17.02%	199	191,036	569,130	567,976	100%
2043	1,255,574	3.0%	87,245	3.00%	228	5,230	651,373	650,929	100%
2044	1,293,241	3.0%	89,863	3.00%	221	109,575	631,882	631,033	100%
2045	1,332,038	3.0%	92,559	3.00%	219	98,216	626,443	624,443	100%
2046	1,371,999	3.0%	95,335	3.00%	251	5,715	716,314	715,202	100%
2047	1,413,159	3.0%	98,195	3.00%	240	128,232	686,518	684,827	100%
2048	1,455,554	3.0%	101,141	3.00%	275	3,144	784,790	784,790	100%
2049	1,499,221	3.0%	102,276	1.12%	239	205,512	681,792	681,792	100%
2050	1,544,197	3.0%	105,344	3.00%	195	230,350	556,980	552,675	101%
2051	1,590,523	3.0%	108,504	3.00%	232	3,436	662,281	656,037	101%
2052	1,638,239	3.0%	111,759	3.00%	269	6,824	767,485	761,720	101%
2053	1,687,386	3.0%	115,112	3.00%	306	7,904	874,999	872,251	100%

**Sector 2A Snohomish Cascade Association  
Recommended Funding - Summary**

Report Date	December 11, 2023
Account Number	17477
Version	Draft1
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	247

<i>Report Parameters</i>	
Inflation	3.00%
Interest Rate on Reserve Deposit	0.03%
Tax Rate Included in Interest Rate	
2024 Beginning Balance	\$120,567

We have developed a funding plan which will help steer the reserve account into a high funded range within the 30-year timeframe of this reserve study. This Recommended Funding Model requires the Client to allocate the recommended allocation amount into the reserve account with annual increases thereafter. In the following pages you will find the recommended allocation rates to the reserve account, annual projected expenditures and the percent funded of the reserve account if following this Recommended Funding Model.

In the initial year of this funding model the reserve contribution rate is higher due to the need to fund projects in the near future. After these projects have been adequately funded for the reserve allocation rate can be lowered (still increases annually to offset inflationary factors) while still reaching the goal of this particular funding model.

**This Recommended Funding Plan Considers 4 Basic Principles:**

1. There are adequate reserves when needed.
2. The budget should remain stable but increasing to offset inflationary factors.
3. The costs are fairly distributed over time.
4. The funding plan must allow the Client to be fiscally responsible.

The following page provides the 30-year projections for this funding model.

<i>Recommended Funding Model Summary of Calculations</i>	
Required Annual Contribution	\$61,000.00
Average Net Annual Interest Earned	<u>    \$31.15</u>
Total Annual Allocation to Reserves	\$61,031.15

**Sector 2A Snohomish Cascade Association  
Recommended Funding - Year End Projections**

Beginning Balance: \$120,567

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2024	768,690	3.0%	61,000		31	92,577	89,021	336,820	26%
2025	791,750	3.0%	62,830	3.00%	28	70,806	81,074	317,738	26%
2026	815,503	3.0%	64,715	3.00%	50	3,558	142,280	368,661	39%
2027	839,968	3.0%	66,656	3.00%	42	88,427	120,552	344,925	35%
2028	865,167	3.0%	68,656	3.00%	65	3,357	185,916	409,788	45%
2029	891,122	3.0%	70,716	3.00%	65	70,332	186,365	409,351	46%
2030	917,856	3.0%	72,837	3.00%	83	22,447	236,838	460,015	51%
2031	945,391	3.0%	75,022	3.00%	108	3,668	308,300	533,386	58%
2032	973,753	3.0%	77,273	3.00%	107	79,992	305,688	532,245	57%
2033	1,002,966	3.0%	79,591	3.00%	132	9,411	376,000	605,724	62%
2034	1,033,055	3.0%	81,979	3.00%	132	81,035	377,076	609,653	62%
2035	1,064,046	3.0%	84,438	3.00%	160	4,643	457,031	694,459	66%
2036	1,095,968	3.0%	86,971	3.00%	190	2,205	541,987	786,459	69%
2037	1,128,847	3.0%	89,581	3.00%	186	99,545	532,209	783,164	68%
2038	1,162,712	3.0%	92,268	3.00%	217	5,073	619,620	879,343	70%
2039	1,197,594	3.0%	95,036	3.00%	217	94,648	620,226	888,484	70%
2040	1,233,521	3.0%	97,887	3.00%	240	33,141	685,211	963,658	71%
2041	1,270,527	3.0%	100,824	3.00%	138	390,719	395,454	675,262	59%
2042	1,308,643	3.0%	103,848	3.00%	108	191,036	308,374	567,976	54%
2043	1,255,574	3.0%	106,964	3.00%	144	5,230	410,252	650,929	63%
2044	1,293,241	3.0%	110,173	3.00%	144	109,575	410,993	631,033	65%
2045	1,332,038	3.0%	113,478	3.00%	149	98,216	426,404	624,443	68%
2046	1,371,999	3.0%	116,882	3.00%	188	5,715	537,760	715,202	75%
2047	1,413,159	3.0%	120,389	3.00%	185	128,232	530,102	684,827	77%
2048	1,455,554	3.0%	124,000	3.00%	228	3,144	651,186	784,790	83%
2049	1,499,221	3.0%	127,720	3.00%	201	205,512	573,595	681,792	84%
2050	1,544,197	3.0%	131,552	3.00%	166	230,350	474,963	552,675	86%
2051	1,590,523	3.0%	135,499	3.00%	212	3,436	607,239	656,037	93%
2052	1,638,239	3.0%	139,564	3.00%	259	6,824	740,237	761,720	97%
2053	1,687,386	3.0%	143,750	3.00%	307	7,904	876,390	872,251	100%

**Sector 2A Snohomish Cascade Association  
Baseline Funding - Summary**

Report Date	December 11, 2023
Account Number	17477
Version	Draft1
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	247

<b>Report Parameters</b>	
Inflation	3.00%
Annual Contribution Increase	3.00%
Interest Rate on Reserve Deposit	0.03%
Tax Rate Included in Interest Rate	
2024 Beginning Balance	\$120,567

The Baseline Funding Model is considered a bare minimum approach which has a goal of keeping the reserve account balance above \$0 within the 30-year timeframe of this reserve study and *does not* take into consideration projected expenses that fall outside of the 30-year timeframe of the reserve study (i.e. longer life components are simply ignored).

This funding model carries a higher risk for reliance on emergency financing specifically in years when large component expenses occur earlier than projected or costs see significant increases. Additionally, in the future when longer life components come into the 30-year timeframe of future reserve studies their projected expenditures will have a significant impact on the allocation requirements to keep the reserve account cash positive going forward.

Should the Client have an interest in not funding longer life component projects (i.e. projects that are set to occur after the 30 year projections in this study) at this time then we suggest setting a goal of at least funding to the Baseline Funding Model which has the goal of only staying cash positive for the 30 year time-frame of the projections in this study.

In the initial year of this funding model the reserve contribution rate is higher due to the need to fund projects in the near future. After these projects have been adequately funded for the reserve allocation rate can be lowered (still increases annually to offset inflationary factors) while still reaching the goal of this particular funding model.

The following page provides the 30-year projections for this funding model.

<b>Baseline Threshold Funding Model Summary of Calculations</b>	
Required Annual Contribution	\$49,382.78
Average Net Annual Interest Earned	<u>\$27.08</u>
Total Annual Allocation to Reserves	\$49,409.86

**Sector 2A Snohomish Cascade Association  
Baseline Funding - Year End Projections**

Beginning Balance: \$120,567

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2024	768,690	3.0%	49,383		27	92,577	77,400	336,820	23%
2025	791,750	3.0%	50,864	3.00%	20	70,806	57,478	317,738	18%
2026	815,503	3.0%	52,390	3.00%	37	3,558	106,347	368,661	29%
2027	839,968	3.0%	53,962	3.00%	25	88,427	71,908	344,925	21%
2028	865,167	3.0%	55,581	3.00%	43	3,357	124,175	409,788	30%
2029	891,122	3.0%	57,248	3.00%	39	70,332	111,130	409,351	27%
2030	917,856	3.0%	58,966	3.00%	52	22,447	147,701	460,015	32%
2031	945,391	3.0%	60,735	3.00%	72	3,668	204,839	533,386	38%
2032	973,753	3.0%	62,557	3.00%	66	79,992	187,469	532,245	35%
2033	1,002,966	3.0%	64,433	3.00%	85	9,411	242,576	605,724	40%
2034	1,033,055	3.0%	66,366	3.00%	80	81,035	227,987	609,653	37%
2035	1,064,046	3.0%	68,357	3.00%	102	4,643	291,804	694,459	42%
2036	1,095,968	3.0%	70,408	3.00%	126	2,205	360,133	786,459	46%
2037	1,128,847	3.0%	72,520	3.00%	117	99,545	333,225	783,164	43%
2038	1,162,712	3.0%	74,696	3.00%	141	5,073	402,988	879,343	46%
2039	1,197,594	3.0%	76,937	3.00%	135	94,648	385,412	888,484	43%
2040	1,233,521	3.0%	79,245	3.00%	151	33,141	431,667	963,658	45%
2041	1,270,527	3.0%	81,622	3.00%	43	390,719	122,613	675,262	18%
2042	1,308,643	3.0%	84,071	3.00%	5	191,036	15,653	567,976	3%
2043	1,255,574	3.0%	86,593	3.00%	34	5,230	97,050	650,929	15%
2044	1,293,241	3.0%	89,191	3.00%	27	109,575	76,693	631,033	12%
2045	1,332,038	3.0%	91,867	3.00%	25	98,216	70,367	624,443	11%
2046	1,371,999	3.0%	94,623	3.00%	56	5,715	159,331	715,202	22%
2047	1,413,159	3.0%	97,461	3.00%	45	128,232	128,605	684,827	19%
2048	1,455,554	3.0%	100,385	3.00%	79	3,144	225,925	784,790	29%
2049	1,499,221	3.0%	103,397	3.00%	43	205,512	123,853	681,792	18%
2050	1,544,197	3.0%	106,498	3.00%		230,350	1	552,675	0%
2051	1,590,523	3.0%	109,693	3.00%	37	3,436	106,296	656,037	16%
2052	1,638,239	3.0%	112,984	3.00%	74	6,824	212,531	761,720	28%
2053	1,687,386	3.0%	116,374	3.00%	112	7,904	321,113	872,251	37%

**Sector 2A Snohomish Cascade Association  
Current Funding - Summary**

Report Date	December 11, 2023
Account Number	17477
Version	Draft1
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	247

<b>Report Parameters</b>	
Inflation	3.00%
Annual Contribution Increase	3.00%
Interest Rate on Reserve Deposit	0.03%
Tax Rate Included in Interest Rate	
2024 Beginning Balance	\$120,567

The Current Funding Model is based on the reserve allocation data supplied by the Client; it has not been independently verified and is assumed to be correct.

The following page provides the 30-year projections for this funding model. It is assumed the reserve allocation rate will have annual increases to offset inflationary factors.

<b>Current Assessment Funding Model Summary of Calculations</b>	
Required Annual Contribution	\$60,000.00
Average Net Annual Interest Earned	<u>    \$30.80</u>
Total Annual Allocation to Reserves	\$60,030.80



**Sector 2A Snohomish Cascade Association  
Current Funding - Year End Projections**

Beginning Balance: \$120,567

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2024	768,690	3.0%	60,000		31	92,577	88,021	336,820	26%
2025	791,750	3.0%	61,800	3.00%	28	70,806	79,043	317,738	25%
2026	815,503	3.0%	63,654	3.00%	49	3,558	139,187	368,661	38%
2027	839,968	3.0%	65,564	3.00%	41	88,427	116,365	344,925	34%
2028	865,167	3.0%	67,531	3.00%	63	3,357	180,602	409,788	44%
2029	891,122	3.0%	69,556	3.00%	63	70,332	179,889	409,351	44%
2030	917,856	3.0%	71,643	3.00%	80	22,447	229,165	460,015	50%
2031	945,391	3.0%	73,792	3.00%	105	3,668	299,394	533,386	56%
2032	973,753	3.0%	76,006	3.00%	103	79,992	295,512	532,245	56%
2033	1,002,966	3.0%	78,286	3.00%	128	9,411	364,515	605,724	60%
2034	1,033,055	3.0%	80,635	3.00%	127	81,035	364,242	609,653	60%
2035	1,064,046	3.0%	83,054	3.00%	155	4,643	442,808	694,459	64%
2036	1,095,968	3.0%	85,546	3.00%	184	2,205	526,333	786,459	67%
2037	1,128,847	3.0%	88,112	3.00%	180	99,545	515,081	783,164	66%
2038	1,162,712	3.0%	90,755	3.00%	210	5,073	600,973	879,343	68%
2039	1,197,594	3.0%	93,478	3.00%	210	94,648	600,013	888,484	68%
2040	1,233,521	3.0%	96,282	3.00%	232	33,141	663,386	963,658	69%
2041	1,270,527	3.0%	99,171	3.00%	130	390,719	371,968	675,262	55%
2042	1,308,643	3.0%	102,146	3.00%	99	191,036	283,177	567,976	50%
2043	1,255,574	3.0%	105,210	3.00%	134	5,230	383,292	650,929	59%
2044	1,293,241	3.0%	108,367	3.00%	134	109,575	382,217	631,033	61%
2045	1,332,038	3.0%	111,618	3.00%	138	98,216	395,757	624,443	63%
2046	1,371,999	3.0%	114,966	3.00%	177	5,715	505,185	715,202	71%
2047	1,413,159	3.0%	118,415	3.00%	173	128,232	495,541	684,827	72%
2048	1,455,554	3.0%	121,968	3.00%	215	3,144	614,580	784,790	78%
2049	1,499,221	3.0%	125,627	3.00%	187	205,512	534,882	681,792	78%
2050	1,544,197	3.0%	129,395	3.00%	152	230,350	434,079	552,675	79%
2051	1,590,523	3.0%	133,277	3.00%	197	3,436	564,118	656,037	86%
2052	1,638,239	3.0%	137,276	3.00%	243	6,824	694,813	761,720	91%
2053	1,687,386	3.0%	141,394	3.00%	290	7,904	828,593	872,251	95%

**Sector 2A Snohomish Cascade Association  
50% Funded By End of 2025 Model - Summary**

Report Date	December 11, 2023
Account Number	17477
Version	Draft1
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	247

<b><i>Report Parameters</i></b>	
Inflation	3.00%
Interest Rate on Reserve Deposit	0.03%
Tax Rate Included in Interest Rate	
2024 Beginning Balance	\$120,567

<b><i>Higher Annual % Allocation Model Summary of Calculations</i></b>	
Required Annual Contribution	\$60,000.00
Average Net Annual Interest Earned	<u>\$30.80</u>
Total Annual Allocation to Reserves	\$60,030.80

**Sector 2A Snohomish Cascade Association**  
**50% Funded By End of 2025 Model - Year End Projections**

Beginning Balance: \$120,567

Year	Asset Cost	Inflation Rate	Reserve Allocation	Allocation % Change	Net Interest	Projected Expenditures	Year End Acct. Balance	Year End FFB	Year End % Funded
2024	768,690	3.0%	60,000		31	92,577	88,021	336,820	26%
2025	791,750	3.0%	144,000	140.00%	56	70,806	161,271	317,738	51%
2026	815,503	3.0%	62,750	-56.42%	77	3,558	220,540	368,661	60%
2027	839,968	3.0%	64,633	3.00%	69	88,427	196,815	344,925	57%
2028	865,167	3.0%	66,571	3.00%	91	3,357	260,121	409,788	63%
2029	891,122	3.0%	68,569	3.00%	90	70,332	258,447	409,351	63%
2030	917,856	3.0%	70,626	3.00%	107	22,447	306,734	460,015	67%
2031	945,391	3.0%	72,744	3.00%	132	3,668	375,942	533,386	70%
2032	973,753	3.0%	74,927	3.00%	130	79,992	371,006	532,245	70%
2033	1,002,966	3.0%	77,175	3.00%	154	9,411	438,923	605,724	72%
2034	1,033,055	3.0%	79,490	3.00%	153	81,035	437,531	609,653	72%
2035	1,064,046	3.0%	81,875	3.00%	180	4,643	514,943	694,459	74%
2036	1,095,968	3.0%	84,331	3.00%	209	2,205	597,277	786,459	76%
2037	1,128,847	3.0%	86,861	3.00%	205	99,545	584,798	783,164	75%
2038	1,162,712	3.0%	89,466	3.00%	234	5,073	669,425	879,343	76%
2039	1,197,594	3.0%	92,150	3.00%	233	94,648	667,162	888,484	75%
2040	1,233,521	3.0%	94,915	3.00%	255	33,141	729,191	963,658	76%
2041	1,270,527	3.0%	97,762	3.00%	153	390,719	436,386	675,262	65%
2042	1,308,643	3.0%	100,695	3.00%	121	191,036	346,167	567,976	61%
2043	1,255,574	3.0%	103,716	3.00%	156	5,230	444,809	650,929	68%
2044	1,293,241	3.0%	106,828	3.00%	155	109,575	442,216	631,033	70%
2045	1,332,038	3.0%	110,033	3.00%	159	98,216	454,191	624,443	73%
2046	1,371,999	3.0%	113,333	3.00%	197	5,715	562,006	715,202	79%
2047	1,413,159	3.0%	116,733	3.00%	193	128,232	550,701	684,827	80%
2048	1,455,554	3.0%	120,235	3.00%	234	3,144	668,026	784,790	85%
2049	1,499,221	3.0%	123,843	3.00%	205	205,512	586,561	681,792	86%
2050	1,544,197	3.0%	127,558	3.00%	169	230,350	483,938	552,675	88%
2051	1,590,523	3.0%	131,385	3.00%	214	3,436	612,101	656,037	93%
2052	1,638,239	3.0%	135,326	3.00%	259	6,824	740,863	761,720	97%
2053	1,687,386	3.0%	139,386	3.00%	305	7,904	872,650	872,251	100%

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - List**

Description	Expenditures
<b>Replacement Year 2024</b>	
1001 Asphalt - Overlay	10,776
1002 Asphalt - Sealcoat	1,481
1005 Concrete Curb - 20% Repair	1,999
1009 Fence (sno-cascade drive) - Paint/Stain	38,630
1013 Irrigation Backflow Valve - Replace	1,785
1017 Irrigation Valves (in-ground) - 10% Replace	1,547
1019 Landscaping (gravel) - Replenish	3,650
1020 Landscaping - 25% Tree Care	11,556
1028 Pavers (sand set) - Replace	2,755
1033 Playground Timber Edging (boat park) - Replace	4,601
1035 Recreation - Benches (wood) - Replace	9,816
1036 Recreation - Picnic Table (wood) - Replace	3,034
1038 Retaining Walls (wood) - Replace	949
<b>Total for 2024</b>	<b>\$92,577</b>
<b>Replacement Year 2025</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	1,593
1030 Playground Structure (small park) - Replace	63,469
1032 Playground Surface (small park) - Replenish	1,479
1034 Playground Timber Edging (small park) - Replace	4,265
<b>Total for 2025</b>	<b>\$70,806</b>
<b>Replacement Year 2026</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	1,641
1031 Playground Surface (boat park) - Replenish	1,917
<b>Total for 2026</b>	<b>\$3,558</b>
<b>Replacement Year 2027</b>	
1016 Irrigation Piping - 25% Replace	57,536
1017 Irrigation Valves (in-ground) - 10% Replace	1,690
1021 Lights (pole) - Replace	3,198
1039 Stormwater Pond (NE pond) - Refurbish	26,002
<b>Total for 2027</b>	<b>\$88,427</b>
<b>Replacement Year 2028</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	1,741

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - List**

Description	Expenditures
<b><i>Replacement Year 2028 continued...</i></b>	
1032 Playground Surface (small park) - Replenish	1,616
<b>Total for 2028</b>	<b><u>\$3,357</u></b>
<b>Replacement Year 2029</b>	
1002 Asphalt - Sealcoat	1,717
1005 Concrete Curb - 20% Repair	2,317
1009 Fence (sno-cascade drive) - Paint/Stain	44,783
1017 Irrigation Valves (in-ground) - 10% Replace	1,793
1019 Landscaping (gravel) - Replenish	4,231
1020 Landscaping - 25% Tree Care	13,396
1031 Playground Surface (boat park) - Replenish	2,095
<b>Total for 2029</b>	<b><u>\$70,332</u></b>
<b>Replacement Year 2030</b>	
1015 Irrigation Controllers - Replace	4,262
1017 Irrigation Valves (in-ground) - 10% Replace	1,847
1040 Stormwater Pond (NW pond) - Refurbish	16,338
<b>Total for 2030</b>	<b><u>\$22,447</u></b>
<b>Replacement Year 2031</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	1,902
1032 Playground Surface (small park) - Replenish	1,766
<b>Total for 2031</b>	<b><u>\$3,668</u></b>
<b>Replacement Year 2032</b>	
1014 Irrigation Controller Panels - Replace	4,522
1016 Irrigation Piping - 25% Replace	66,700
1017 Irrigation Valves (in-ground) - 10% Replace	1,959
1027 Parking Bollards (boat park) - Replace	4,522
1031 Playground Surface (boat park) - Replenish	2,290
<b>Total for 2032</b>	<b><u>\$79,992</u></b>
<b>Replacement Year 2033</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	2,018

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - List**

Description	Expenditures
<b><i>Replacement Year 2033 continued...</i></b>	
1022 Mailbox Cluster (2009) - Replace	7,393
<b>Total for 2033</b>	<b><u>\$9,411</u></b>
<b>Replacement Year 2034</b>	
1002 Asphalt - Sealcoat	1,990
1005 Concrete Curb - 20% Repair	2,686
1009 Fence (sno-cascade drive) - Paint/Stain	51,916
1017 Irrigation Valves (in-ground) - 10% Replace	2,079
1019 Landscaping (gravel) - Replenish	4,905
1020 Landscaping - 25% Tree Care	15,530
1032 Playground Surface (small park) - Replenish	1,929
<b>Total for 2034</b>	<b><u>\$81,035</u></b>
<b>Replacement Year 2035</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	2,141
1031 Playground Surface (boat park) - Replenish	2,502
<b>Total for 2035</b>	<b><u>\$4,643</u></b>
<b>Replacement Year 2036</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	2,205
<b>Total for 2036</b>	<b><u>\$2,205</u></b>
<b>Replacement Year 2037</b>	
1008 Fence (chn link baseball 3.5') - Replace	15,068
1016 Irrigation Piping - 25% Replace	77,323
1017 Irrigation Valves (in-ground) - 10% Replace	2,271
1023 Mailbox Cluster (2013) - Replace	2,774
1032 Playground Surface (small park) - Replenish	2,108
<b>Total for 2037</b>	<b><u>\$99,545</u></b>
<b>Replacement Year 2038</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	2,340
1031 Playground Surface (boat park) - Replenish	2,734
<b>Total for 2038</b>	<b><u>\$5,073</u></b>

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - List**

Description	Expenditures
<b>Replacement Year 2039</b>	
1002 Asphalt - Sealcoat	2,307
1005 Concrete Curb - 20% Repair	3,114
1009 Fence (sno-cascade drive) - Paint/Stain	60,185
1017 Irrigation Valves (in-ground) - 10% Replace	2,410
1019 Landscaping (gravel) - Replenish	5,686
1020 Landscaping - 25% Tree Care	18,004
1024 Mailbox Cluster (2015) - Replace	2,943
<b>Total for 2039</b>	<b>\$94,648</b>
<b>Replacement Year 2040</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	2,482
1018 Landscape Drainage (boat park) - Refurbish	28,355
1032 Playground Surface (small park) - Replenish	2,304
<b>Total for 2040</b>	<b>\$33,141</b>
<b>Replacement Year 2041</b>	
1010 Fence (sno-cascade drive) - Replace	378,932
1017 Irrigation Valves (in-ground) - 10% Replace	2,557
1025 Mailbox Cluster (2017) - Replace	6,244
1031 Playground Surface (boat park) - Replenish	2,987
<b>Total for 2041</b>	<b>\$390,719</b>
<b>Replacement Year 2042</b>	
1003 Baseball Backstop (chain link) - Replace	16,204
1004 Baseball Infield Fence (chain link) - Replace	12,623
1016 Irrigation Piping - 25% Replace	89,639
1017 Irrigation Valves (in-ground) - 10% Replace	2,633
1041 Landscape Drainage (small park) - Refurbish	69,936
<b>Total for 2042</b>	<b>\$191,036</b>
<b>Replacement Year 2043</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	2,712
1032 Playground Surface (small park) - Replenish	2,518
<b>Total for 2043</b>	<b>\$5,230</b>

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - List**

Description	Expenditures
<b>Replacement Year 2044</b>	
1002 Asphalt - Sealcoat	2,674
1005 Concrete Curb - 20% Repair	3,610
1009 Fence (sno-cascade drive) - Paint/Stain	69,771
1017 Irrigation Valves (in-ground) - 10% Replace	2,794
1019 Landscaping (gravel) - Replenish	6,592
1020 Landscaping - 25% Tree Care	20,871
1031 Playground Surface (boat park) - Replenish	3,264
<b>Total for 2044</b>	<b>\$109,575</b>
<b>Replacement Year 2045</b>	
1015 Irrigation Controllers - Replace	6,640
1017 Irrigation Valves (in-ground) - 10% Replace	2,877
1026 Mailbox Clusters (2021) - Replace	63,245
1040 Stormwater Pond (NW pond) - Refurbish	25,454
<b>Total for 2045</b>	<b>\$98,216</b>
<b>Replacement Year 2046</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	2,964
1032 Playground Surface (small park) - Replenish	2,751
<b>Total for 2046</b>	<b>\$5,715</b>
<b>Replacement Year 2047</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	3,053
1029 Playground Structure (boat park) - Replace	121,612
1031 Playground Surface (boat park) - Replenish	3,567
<b>Total for 2047</b>	<b>\$128,232</b>
<b>Replacement Year 2048</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	3,144
<b>Total for 2048</b>	<b>\$3,144</b>
<b>Replacement Year 2049</b>	
1001 Asphalt - Overlay	22,563
1002 Asphalt - Sealcoat	3,100



**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - List**

Description	Expenditures
<b>Replacement Year 2049 continued...</b>	
1005 Concrete Curb - 20% Repair	4,184
1009 Fence (sno-cascade drive) - Paint/Stain	80,883
1013 Irrigation Backflow Valve - Replace	3,737
1017 Irrigation Valves (in-ground) - 10% Replace	3,239
1019 Landscaping (gravel) - Replenish	7,642
1020 Landscaping - 25% Tree Care	24,195
1028 Pavers (sand set) - Replace	5,768
1032 Playground Surface (small park) - Replenish	3,006
1033 Playground Timber Edging (boat park) - Replace	9,633
1034 Playground Timber Edging (small park) - Replace	8,670
1035 Recreation - Benches (wood) - Replace	20,552
1036 Recreation - Picnic Table (wood) - Replace	6,352
1038 Retaining Walls (wood) - Replace	1,987
<b>Total for 2049</b>	<b>\$205,512</b>
<b>Replacement Year 2050</b>	
1006 Fence (chn link - NE Pond) - Replace	90,227
1017 Irrigation Valves (in-ground) - 10% Replace	3,336
1030 Playground Structure (small park) - Replace	132,889
1031 Playground Surface (boat park) - Replenish	3,898
<b>Total for 2050</b>	<b>\$230,350</b>
<b>Replacement Year 2051</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	3,436
<b>Total for 2051</b>	<b>\$3,436</b>
<b>Replacement Year 2052</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	3,539
1032 Playground Surface (small park) - Replenish	3,285
<b>Total for 2052</b>	<b>\$6,824</b>
<b>Replacement Year 2053</b>	
1017 Irrigation Valves (in-ground) - 10% Replace	3,645
1031 Playground Surface (boat park) - Replenish	4,259
<b>Total for 2053</b>	<b>\$7,904</b>

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - Spreadsheet**

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Beginning Balance</b>	120,567	89,021	81,074	142,280	120,552	185,916	186,365	236,838	308,300	305,688
<b>Annual Reserve Account Contribution</b>	61,000	62,830	64,715	66,656	68,656	70,716	72,837	75,022	77,273	79,591
<b>Interest Earned</b>	31	28	50	42	65	65	83	108	107	132
<b>Expenditures</b>	92,577	70,806	3,558	88,427	3,357	70,332	22,447	3,668	79,992	9,411
<b>Fully Funded Balance</b>	336,820	317,738	368,661	344,925	409,788	409,351	460,015	533,386	532,245	605,724
<b>Percent Funded</b>	26%	26%	39%	35%	45%	46%	51%	58%	57%	62%
<b>Ending Reserve Account Balance</b>	89,021	81,074	142,280	120,552	185,916	186,365	236,838	308,300	305,688	376,000

ID	Description	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
1001	Asphalt - Overlay	10,776									
1002	Asphalt - Sealcoat	1,481					1,717				
1003	Baseball Backstop (chain link) - Replace										
1004	Baseball Infield Fence (chain link) - Replace										
1005	Concrete Curb - 20% Repair	1,999					2,317				
1006	Fence (chn link - NE Pond) - Replace										
1007	Fence (chn link - NW Pond/2016) - Replace										
1042	Fence (chn link - NW Pond/2023) - Replace										
1008	Fence (chn link baseball 3.5') - Replace										
1009	Fence (sno-cascade drive) - Paint/Stain	38,630					44,783				
1010	Fence (sno-cascade drive) - Replace										
1013	Irrigation Backflow Valve - Replace	1,785									
1014	Irrigation Controller Panels - Replace									4,522	
1015	Irrigation Controllers - Replace							4,262			
1016	Irrigation Piping - 25% Replace				57,536					66,700	
1017	Irrigation Valves (in-ground) - 10% Replace	1,547	1,593	1,641	1,690	1,741	1,793	1,847	1,902	1,959	2,018
1018	Landscape Drainage (boat park) - Refurbish										
1041	Landscape Drainage (small park) - Refurbish										
1019	Landscaping (gravel) - Replenish	3,650					4,231				
1020	Landscaping - 25% Tree Care	11,556					13,396				
1021	Lights (pole) - Replace				3,198						
1022	Mailbox Cluster (2009) - Replace										7,393
1023	Mailbox Cluster (2013) - Replace										
1024	Mailbox Cluster (2015) - Replace										

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - Spreadsheet**

ID Description	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
1025 Mailbox Cluster (2017) - Replace										
1026 Mailbox Clusters (2021) - Replace										
1027 Parking Bollards (boat park) - Replace									4,522	
1028 Pavers (sand set) - Replace	2,755									
1029 Playground Structure (boat park) - Replace										
1030 Playground Structure (small park) - Replace		63,469								
1031 Playground Surface (boat park) - Replenish			1,917			2,095			2,290	
1032 Playground Surface (small park) - Replenish		1,479			1,616			1,766		
1033 Playground Timber Edging (boat park) - Repla..	4,601									
1034 Playground Timber Edging (small park) - Repl..		4,265								
1035 Recreation - Benches (wood) - Replace	9,816									
1036 Recreation - Picnic Table (wood) - Replace	3,034									
1037 Retaining Walls (masonry) - Replace										
1038 Retaining Walls (wood) - Replace	949									
1039 Stormwater Pond (NE pond) - Refurbish				26,002						
1040 Stormwater Pond (NW pond) - Refurbish							16,338			
<b>Year Total:</b>	<b>92,577</b>	<b>70,806</b>	<b>3,558</b>	<b>88,427</b>	<b>3,357</b>	<b>70,332</b>	<b>22,447</b>	<b>3,668</b>	<b>79,992</b>	<b>9,411</b>

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - Spreadsheet**

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
<b>Beginning Balance</b>	376,000	377,076	457,031	541,987	532,209	619,620	620,226	685,211	395,454	308,374
<b>Annual Reserve Account Contribution</b>	81,979	84,438	86,971	89,581	92,268	95,036	97,887	100,824	103,848	106,964
<b>Interest Earned</b>	132	160	190	186	217	217	240	138	108	144
<b>Expenditures</b>	81,035	4,643	2,205	99,545	5,073	94,648	33,141	390,719	191,036	5,230
<b>Fully Funded Balance</b>	609,653	694,459	786,459	783,164	879,343	888,484	963,658	675,262	567,976	650,929
<b>Percent Funded</b>	62%	66%	69%	68%	70%	70%	71%	59%	54%	63%
<b>Ending Reserve Account Balance</b>	377,076	457,031	541,987	532,209	619,620	620,226	685,211	395,454	308,374	410,252

ID	Description	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1001	Asphalt - Overlay										
1002	Asphalt - Sealcoat	1,990					2,307				
1003	Baseball Backstop (chain link) - Replace									16,204	
1004	Baseball Infield Fence (chain link) - Replace									12,623	
1005	Concrete Curb - 20% Repair	2,686					3,114				
1006	Fence (chn link - NE Pond) - Replace										
1007	Fence (chn link - NW Pond/2016) - Replace										
1042	Fence (chn link - NW Pond/2023) - Replace										
1008	Fence (chn link baseball 3.5') - Replace				15,068						
1009	Fence (sno-cascade drive) - Paint/Stain	51,916					60,185				
1010	Fence (sno-cascade drive) - Replace								378,932		
1013	Irrigation Backflow Valve - Replace										
1014	Irrigation Controller Panels - Replace										
1015	Irrigation Controllers - Replace										
1016	Irrigation Piping - 25% Replace				77,323					89,639	
1017	Irrigation Valves (in-ground) - 10% Replace	2,079	2,141	2,205	2,271	2,340	2,410	2,482	2,557	2,633	2,712
1018	Landscape Drainage (boat park) - Refurbish							28,355			
1041	Landscape Drainage (small park) - Refurbish									69,936	
1019	Landscaping (gravel) - Replenish	4,905					5,686				
1020	Landscaping - 25% Tree Care	15,530					18,004				
1021	Lights (pole) - Replace										
1022	Mailbox Cluster (2009) - Replace										
1023	Mailbox Cluster (2013) - Replace				2,774						
1024	Mailbox Cluster (2015) - Replace						2,943				

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - Spreadsheet**

ID Description	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1025 Mailbox Cluster (2017) - Replace								6,244		
1026 Mailbox Clusters (2021) - Replace										
1027 Parking Bollards (boat park) - Replace										
1028 Pavers (sand set) - Replace										
1029 Playground Structure (boat park) - Replace										
1030 Playground Structure (small park) - Replace										
1031 Playground Surface (boat park) - Replenish		2,502			2,734			2,987		
1032 Playground Surface (small park) - Replenish	1,929			2,108			2,304			2,518
1033 Playground Timber Edging (boat park) - Repla..										
1034 Playground Timber Edging (small park) - Repl..										
1035 Recreation - Benches (wood) - Replace										
1036 Recreation - Picnic Table (wood) - Replace										
1037 Retaining Walls (masonry) - Replace										
1038 Retaining Walls (wood) - Replace										
1039 Stormwater Pond (NE pond) - Refurbish										
1040 Stormwater Pond (NW pond) - Refurbish										
<b>Year Total:</b>	<b>81,035</b>	<b>4,643</b>	<b>2,205</b>	<b>99,545</b>	<b>5,073</b>	<b>94,648</b>	<b>33,141</b>	<b>390,719</b>	<b>191,036</b>	<b>5,230</b>

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - Spreadsheet**

	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
<b>Beginning Balance</b>	410,252	410,993	426,404	537,760	530,102	651,186	573,595	474,963	607,239	740,237
<b>Annual Reserve Account Contribution</b>	110,173	113,478	116,882	120,389	124,000	127,720	131,552	135,499	139,564	143,750
<b>Interest Earned</b>	144	149	188	185	228	201	166	212	259	307
<b>Expenditures</b>	109,575	98,216	5,715	128,232	3,144	205,512	230,350	3,436	6,824	7,904
<b>Fully Funded Balance</b>	631,033	624,443	715,202	684,827	784,790	681,792	552,675	656,037	761,720	872,251
<b>Percent Funded</b>	65%	68%	75%	77%	83%	84%	86%	93%	97%	100%
<b>Ending Reserve Account Balance</b>	410,993	426,404	537,760	530,102	651,186	573,595	474,963	607,239	740,237	876,390

ID	Description	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
1001	Asphalt - Overlay						22,563				
1002	Asphalt - Sealcoat	2,674					3,100				
1003	Baseball Backstop (chain link) - Replace										
1004	Baseball Infield Fence (chain link) - Replace										
1005	Concrete Curb - 20% Repair	3,610					4,184				
1006	Fence (chn link - NE Pond) - Replace							90,227			
1007	Fence (chn link - NW Pond/2016) - Replace										
1042	Fence (chn link - NW Pond/2023) - Replace										
1008	Fence (chn link baseball 3.5') - Replace										
1009	Fence (sno-cascade drive) - Paint/Stain	69,771					80,883				
1010	Fence (sno-cascade drive) - Replace										
1013	Irrigation Backflow Valve - Replace						3,737				
1014	Irrigation Controller Panels - Replace										
1015	Irrigation Controllers - Replace		6,640								
1016	Irrigation Piping - 25% Replace										
1017	Irrigation Valves (in-ground) - 10% Replace	2,794	2,877	2,964	3,053	3,144	3,239	3,336	3,436	3,539	3,645
1018	Landscape Drainage (boat park) - Refurbish										
1041	Landscape Drainage (small park) - Refurbish										
1019	Landscaping (gravel) - Replenish	6,592					7,642				
1020	Landscaping - 25% Tree Care	20,871					24,195				
1021	Lights (pole) - Replace										
1022	Mailbox Cluster (2009) - Replace										
1023	Mailbox Cluster (2013) - Replace										
1024	Mailbox Cluster (2015) - Replace										

**Sector 2A Snohomish Cascade Association  
Projected Annual Expenditures - Spreadsheet**

ID	Description	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
1025	Mailbox Cluster (2017) - Replace										
1026	Mailbox Clusters (2021) - Replace		63,245								
1027	Parking Bollards (boat park) - Replace										
1028	Pavers (sand set) - Replace						5,768				
1029	Playground Structure (boat park) - Replace				121,612						
1030	Playground Structure (small park) - Replace							132,889			
1031	Playground Surface (boat park) - Replenish	3,264			3,567			3,898			4,259
1032	Playground Surface (small park) - Replenish			2,751			3,006			3,285	
1033	Playground Timber Edging (boat park) - Repla..						9,633				
1034	Playground Timber Edging (small park) - Repl..						8,670				
1035	Recreation - Benches (wood) - Replace						20,552				
1036	Recreation - Picnic Table (wood) - Replace						6,352				
1037	Retaining Walls (masonry) - Replace										
1038	Retaining Walls (wood) - Replace						1,987				
1039	Stormwater Pond (NE pond) - Refurbish										
1040	Stormwater Pond (NW pond) - Refurbish		25,454								
<b>Year Total:</b>		<b>109,575</b>	<b>98,216</b>	<b>5,715</b>	<b>128,232</b>	<b>3,144</b>	<b>205,512</b>	<b>230,350</b>	<b>3,436</b>	<b>6,824</b>	<b>7,904</b>

**Sector 2A Snohomish Cascade Association**  
**Fully Funded Balance Calculations (Beginning Fiscal Year)**

Asset ID	Description	Current Cost	x	Age	/	Useful Life	=	Fully Funded
1001	Asphalt - Overlay	\$10,776	x	25	/	25	=	\$10,776
1002	Asphalt - Sealcoat	\$1,481	x	5	/	5	=	\$1,481
1003	Baseball Backstop (chain link...	\$9,518	x	27	/	45	=	\$5,711
1004	Baseball Infield Fence (chain ...	\$7,415	x	27	/	45	=	\$4,449
1005	Concrete Curb - 20% Repair	\$1,999	x	20	/	20	=	\$1,999
1006	Fence (chn link - NE Pond) - ...	\$41,838	x	14	/	40	=	\$14,643
1007	Fence (chn link - NW Pond/2...	\$23,672	x	8	/	40	=	\$4,734
1042	Fence (chn link - NW Pond/2...	\$11,175	x	1	/	40	=	\$279
1008	Fence (chn link baseball 3.5')...	\$10,260	x	27	/	40	=	\$6,926
1009	Fence (sno-cascade drive) - P...	\$38,630	x	5	/	5	=	\$38,630
1010	Fence (sno-cascade drive) - R...	\$229,260	x	8	/	25	=	\$73,363
1013	Irrigation Backflow Valve - R...	\$1,785	x	25	/	25	=	\$1,785
1014	Irrigation Controller Panels - ...	\$3,569	x	27	/	35	=	\$2,754
1015	Irrigation Controllers - Replace	\$3,569	x	9	/	15	=	\$2,142
1016	Irrigation Piping - 25% Replace	\$52,654	x	27	/	30	=	\$47,388
1017	Irrigation Valves (in-ground) ...	\$1,547	x	1	/	1	=	\$1,547
1018	Landscape Drainage (boat pa...	\$17,670	x	4	/	20	=	\$3,534
1041	Landscape Drainage (small p...	\$41,080	x	2	/	20	=	\$4,108
1019	Landscaping (gravel) - Reple...	\$3,650	x	5	/	5	=	\$3,650
1020	Landscaping - 25% Tree Care	\$11,556	x	25	/	25	=	\$11,556
1021	Lights (pole) - Replace	\$2,927	x	27	/	30	=	\$2,634
1022	Mailbox Cluster (2009) - Repl...	\$5,666	x	15	/	24	=	\$3,541
1023	Mailbox Cluster (2013) - Repl...	\$1,889	x	11	/	24	=	\$866
1024	Mailbox Cluster (2015) - Repl...	\$1,889	x	9	/	24	=	\$708
1025	Mailbox Cluster (2017) - Repl...	\$3,777	x	7	/	24	=	\$1,102
1026	Mailbox Clusters (2021) - Re...	\$33,997	x	3	/	24	=	\$4,250
1027	Parking Bollards (boat park) -...	\$3,569	x	27	/	35	=	\$2,754
1028	Pavers (sand set) - Replace	\$2,755	x	25	/	25	=	\$2,755
1029	Playground Structure (boat p...	\$61,620	x	2	/	25	=	\$4,930
1030	Playground Structure (small ...	\$61,620	x	27	/	28	=	\$59,419
1031	Playground Surface (boat pa...	\$1,807	x	1	/	3	=	\$602
1032	Playground Surface (small pa...	\$1,436	x	2	/	3	=	\$957
1033	Playground Timber Edging (b...	\$4,601	x	25	/	25	=	\$4,601
1034	Playground Timber Edging (s...	\$4,141	x	27	/	28	=	\$3,993
1035	Recreation - Benches (wood)...	\$9,816	x	25	/	25	=	\$9,816



**Sector 2A Snohomish Cascade Association**  
**Fully Funded Balance Calculations (Beginning Fiscal Year)**

Asset ID	Description	Current Cost	x	Age	/	Useful Life	=	Fully Funded
1036	Recreation - Picnic Table (wo...	\$3,034	x	25	/	25	=	\$3,034
1037	Retaining Walls (masonry) - ...	\$2,615	x	10	/	40	=	\$654
1038	Retaining Walls (wood) - Rep...	\$949	x	25	/	25	=	\$949
1039	Stormwater Pond (NE pond) ...	\$23,796	x	27	/	30	=	\$21,416
1040	Stormwater Pond (NW pond...	\$13,683	x	9	/	15	=	\$8,210
Total Asset Summary:								<u>\$378,644</u>

## Sector 2A Snohomish Cascade Association About the Component Detail Reports Section

In the following Component Details Section of this reserve study you will find each component that has been listed within the Component List. This section has more detailed information for each component and reviewing it will often answer questions that arise regarding specific components within this reserve study. Below you will find an explanation of what and where this information is located.

1

Elevated Walkways/Hallways- Topcoat- 2019

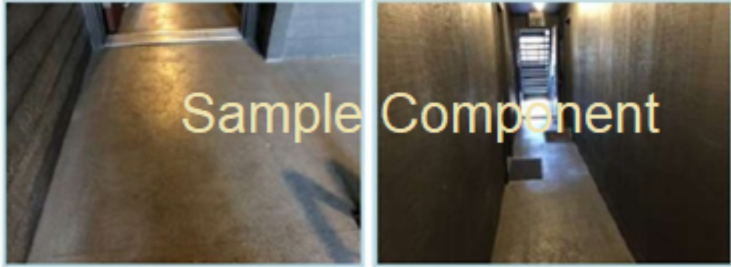
3

	Asset ID	1055	1,340 sf	@ \$4.75
			Asset Cost	\$6,365.00
			Percent Replacement	100%
			Future Cost	\$6,365.00

2

	Category	Decks/Porches/Patios
	Placed in Service	June 2012
	Useful Life	5
	Replacement Year	2019
	Remaining Life	0

4



Sample Component

5

This elastomeric surface type (at elevated walkways, covered staircases and covered hallways) needs to be top coated periodically for waterproof integrity, protection of surrounding structure and appearance. As routine maintenance, we strongly suggest annual professional inspections, with cleaning and repair as needed. Clean with mild solution such as TSP; bleach can be added if mold/mildew becomes a problem. Plan for regular intervals of professional maintenance top coating at the interval indicated.

1. Component Name and next Replacement Year as well as a unique Asset ID to cross reference with other sections within this reserve study.
2. This area has the category of the component, estimated placed in-service date (when last installed), the estimated useful life of the component (estimate of how long the component will last), the next replacement year in this reserve study and the remaining useful life (how many years before replacement is estimated to occur).
3. The area has the total measurement/unit count of the component, the cost per unit, the total asset cost (unit count X unit cost), the percent replacement (amount funded to be replaced in a cycle), and the future cost (estimated cost at the next replacement date).
4. Pictures of the component are included for Level I studies unless the Client has requested fewer pages in the study in which case we will omit them.
5. Specific comments about this component which can include explanations for adjustments to the useful life, phasing, maintenance of the component, Vendor recommendations, etc.

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**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Asphalt - Overlay - 2024**

		4,113 sf	@ \$2.62
Asset ID	1001	Asset Actual Cost	\$10,776.06
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	\$10,776.06
Placed in Service	June 1997		
Useful Life	25		
Replacement Year	2024		
Remaining Life	0		

Appears to be deteriorating at a rate typical of its age. As routine maintenance, keep surface clean, ensure that drains are clean and free flowing, repair cracks and clean oils stains promptly. Best to plan for eventual intervals of resurfacing (overlay).

If properly built, asphalt surfaces will deteriorate from the top down, which only requires the replacement of a layer of asphalt, or preferably the application of a layer on top of the existing asphalt (overlay). The asphalt overlay not only provides a new paving surface for a fraction of the cost of rebuilding the entire surface, but it is the only preventive maintenance technique that adds structural value while extending a pavement's service life.

Cost estimate assumes a 2 inch overlay over existing surfaces.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Asphalt - Sealcoat - 2024**

		4,113 sf	@ \$0.36
Asset ID	1002	Asset Actual Cost	\$1,480.68
		Percent Replacement	100%
Category	Asphalt Surfaces	Future Cost	\$1,480.68
Placed in Service	June 2015		
Useful Life	5		
Replacement Year	2024		
Remaining Life	0		

The primary reason to seal-coat is to protect the pavement from the deteriorating effects of sun and water, which causes the asphalt to harden, or oxidize; the pavement turns brittle. The seal-coat provides a waterproof membrane which slows the oxidation process and helps the pavement shed water, preventing the water to infiltrate the base material.

Proper drainage is vital for the longevity of asphalt surfaces. Standing water can seep through the asphalt and get into the sub-base and sub-grade below, significantly weakening the structural integrity of the road and causing premature failure.

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

*Asphalt - Sealcoat continued...*

Oil spills eat through the asphalt seal and should be cleaned up between seal coats. Power washing is recommended annually where needed and treated as an operating expense.

Cost estimate includes crack filling and 2 coats are to be applied. In years when an Overlay/Replacement project is set to occur sealcoats will typically be applied 12 months after the project is completed. We typically recommend funding for this component within the same year as the Overlay/Replacement project for cost efficiency with the Vendor.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Baseball Backstop (chain link) - Replace - 2042**

			1 ea	@ \$9,518.33
Asset ID	1003	Asset Actual Cost		\$9,518.33
		Percent Replacement		100%
Category	Recreation	Future Cost		\$16,204.32
Placed in Service	June 1997			
Useful Life	45			
Replacement Year	2042			
Remaining Life	18			

Baseball backstop appears to be deteriorating at a rate typical of its age. We recommend budgeting for replacement at the timeframe indicated. Wood areas should be replaced repairs as need from the Operating Account.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Baseball Infield Fence (chain link) - Replace - 2042**

			152 lf	@ \$48.78
Asset ID	1004	Asset Actual Cost		\$7,414.92
		Percent Replacement		100%
Category	Fencing	Future Cost		\$12,623.41
Placed in Service	June 1997			
Useful Life	45			
Replacement Year	2042			
Remaining Life	18			

Appears to be deteriorating at a rate typical of its age. Sturdy component that can last for extended

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

*Baseball Infield Fence (chain link) - Replace continued...*

period of time if not damaged or abused. Clean, repair as needed from operating funds. Best to plan for eventual replacement at roughly the time frame indicated.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Concrete Curb - 20% Repair - 2024		227 lf	@ \$44.02
Asset ID	1005	Asset Actual Cost	\$1,998.51
Category	Concrete Surfaces	Percent Replacement	20%
Placed in Service	June 1997	Future Cost	\$1,998.51
Useful Life	5		
Adjustment	15		
Replacement Year	2024		
Remaining Life	0		

Concrete curbs appear to be deteriorating at a rate typical of their age. This repair contingency has been included due to the likelihood of additional damage from roots and vehicles.

[This component has been set to cycle at 5 year increments after 20 years of age \(typically when roots and vehicles have caused significant damage\).](#)

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

Fence (chn link - NE Pond) - Replace - 2050		760 lf	@ \$55.05
Asset ID	1006	Asset Actual Cost	\$41,838.00
Category	Fencing	Percent Replacement	100%
Placed in Service	June 2010	Future Cost	\$90,227.46
Useful Life	40		
Replacement Year	2050		
Remaining Life	26		

Appears to be deteriorating at a rate typical of its age. Sturdy component that can last for extended period of time if not damaged or abused. Clean, repair as needed from operating funds. Best to plan for eventual replacement at roughly the time frame indicated.

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

*Fence (chn link - NE Pond) - Replace continued...*

\*Cost Source: Client Historical Records - cost provided by Client records for a section of the NW Pond fence which was replaced in 2023 - Inflated to Current Estimate

**Fence (chn link - NW Pond/2016) - Replace - 2056**

		430 lf	@ \$55.05
Asset ID	1007	Asset Actual Cost	\$23,671.50
		Percent Replacement	100%
Category	Fencing	Future Cost	\$60,956.07
Placed in Service	June 2016		
Useful Life	40		
Replacement Year	2056		
Remaining Life	32		

Appears to be deteriorating at a rate typical of its age. Sturdy component that can last for extended period of time if not damaged or abused. Clean, repair as needed from operating funds. Best to plan for eventual replacement at roughly the time frame indicated.

\*Cost Source: Client Historical Records - cost provided by Client records for other section of the NW Pond fence which was replaced in 2023 - Inflated to Current Estimate

**Fence (chn link - NW Pond/2023) - Replace - 2063**

		214 lf	@ \$52.22
Asset ID	1042	Asset Actual Cost	\$11,175.08
		Percent Replacement	100%
Category	Fencing	Future Cost	\$35,391.78
Placed in Service	June 2023		
Useful Life	40		
Replacement Year	2063		
Remaining Life	39		

Appears to be deteriorating at a rate typical of its age. Sturdy component that can last for extended period of time if not damaged or abused. Clean, repair as needed from operating funds. Best to plan for eventual replacement at roughly the time frame indicated.

\*Cost Source: Client Historical Records - Client provided records indicate the old wood fence was replaced with a chain link fence in 2023 for \$11,175.42 - Inflated to Current Estimate

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

*Fence (chn link - NW Pond/2023) - Replace continued...*

**Fence (chn link baseball 3.5') - Replace - 2037**

		345 lf	@ \$29.74
Asset ID	1008	Asset Actual Cost	\$10,260.30
		Percent Replacement	100%
Category	Fencing	Future Cost	\$15,067.60
Placed in Service	June 1997		
Useful Life	40		
Replacement Year	2037		
Remaining Life	13		

Chain link fence (3.5' high) at the baseball outfield appears to be deteriorating at a rate typical of its age. Sturdy component that can last for extended period of time if not damaged or abused. Clean, repair as needed from operating funds. Best to plan for eventual replacement at roughly the time frame indicated.

[Damaged observed in numerous areas.](#)

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Fence (sno-cascade drive) - Paint/Stain - 2024**

		3,821 lf	@ \$10.11
Asset ID	1009	Asset Actual Cost	\$38,630.31
		Percent Replacement	100%
Category	Fencing	Future Cost	\$38,630.31
Placed in Service	January 2016		
Useful Life	5		
Replacement Year	2024		
Remaining Life	0		

Regular sealer applications (stain/paint, etc.) on the timeline indicated are strongly recommended for appearance and protection of wood fencing. Remove any contact with ground and surrounding landscape and sprinkler patterns, repair as needed and clean prior to sealer application. Life of finish will vary depending upon surface preparation, material quality, application method and weather conditions.

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

*Fence (sno-cascade drive) - Paint/Stain continued...*

Cost estimate assumes both sides of the fence will be coated to adequately protect from the elements.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Fence (sno-cascade drive) - Replace - 2041**

		3,821 lf	@ \$60.00
Asset ID	1010	Asset Actual Cost	\$229,260.00
		Percent Replacement	100%
Category	Fencing	Future Cost	\$378,931.85
Placed in Service	January 2016		
Useful Life	25		
Replacement Year	2041		
Remaining Life	17		

Wood fencing (at Snohomish Cascade Drive) appears to be deteriorating at a rate typical of its age. As routine maintenance, inspect regularly for any damage, repair as needed. Avoid contact with ground and surrounding vegetation. Regular cycles of stain/paint will help to maintain appearance and maximize life. Plan to replace at roughly the time frame indicated.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Irrigation Backflow Valve - Replace - 2024**

		1 ea	@ \$1,784.69
Asset ID	1013	Asset Actual Cost	\$1,784.69
		Percent Replacement	100%
Category	Plumbing	Future Cost	\$1,784.69
Placed in Service	June 1997		
Useful Life	25		
Replacement Year	2024		
Remaining Life	0		

Reportedly in functional and in operating condition. As routine maintenance, inspect regularly, test system, repair as needed from operating budget. We recommend funding for this component at the time frame indicated.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records



**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Irrigation Controller Panels - Replace - 2032**

			4 ea @ \$892.34
Asset ID	1014	Asset Actual Cost	\$3,569.36
		Percent Replacement	100%
Category	Irrigation Systems	Future Cost	\$4,521.56
Placed in Service	June 1997		
Useful Life	35		
Replacement Year	2032		
Remaining Life	8		

Reported to be functioning properly with no significant repair/replacement history. We recommend funding for replacement at the timeframe indicated.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Irrigation Controllers - Replace - 2030**

			4 ea @ \$892.34
Asset ID	1015	Asset Actual Cost	\$3,569.36
		Percent Replacement	100%
Category	Irrigation Systems	Future Cost	\$4,262.00
Placed in Service	June 2015		
Useful Life	15		
Replacement Year	2030		
Remaining Life	6		

Reported to be functioning properly with no significant repair/replacement history. We recommend funding for replacement at the timeframe indicated.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Irrigation Piping - 25% Replace - 2027**

		105,307 sf	@ \$2.00
Asset ID	1016	Asset Actual Cost	\$52,653.50
		Percent Replacement	25%
Category	Irrigation Systems	Future Cost	\$57,535.90
Placed in Service	June 1997		
Useful Life	5		
Adjustment	25		
Replacement Year	2027		
Remaining Life	3		

No reported problems with the irrigation distribution piping at this time. As routine maintenance, inspect and test system regularly, perform any minor repairs as necessary from maintenance budget. Although the failure rate of the elements within this component are typically difficult to predict, prudent planning suggests setting aside funding, for larger scale refurbishing of irrigation systems (i.e. piping, valves, etc.), on a cyclical basis.

This component is for the replacement of the underground irrigation piping. Note that ongoing repairs and replacement of sprinkler heads are assumed to be paid from the Operating Account as needed.

This component has been set to cycle at 5 year increments after 30 years of age (typically when roots begin to cause significant damage) so that that there is a total replacement cycles within a 40 year time period.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Irrigation Valves (in-ground) - 10% Replace - 2024**

		52 ea	@ \$297.45
Asset ID	1017	Asset Actual Cost	\$1,546.74
		Percent Replacement	10%
Category	Landscaping	Future Cost	\$1,546.74
Placed in Service	June 2019		
Useful Life	1		
Replacement Year	2024		
Remaining Life	0		

The Client has stated that historically they replace about 5 in-ground irrigation valves per year. We recommend budgeting for this component at a timeframe and percentage that has been historically typical in the community.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

*Irrigation Valves (in-ground) - 10% Replace continued...*

**Landscape Drainage (boat park) - Refurbish - 2040**

			1 ls	@ \$17,670.17
Asset ID	1018	Asset Actual Cost		\$17,670.17
		Percent Replacement		100%
Category	Landscaping	Future Cost		\$28,355.44
Placed in Service	June 2020			
Useful Life	20			
Replacement Year	2040			
Remaining Life	16			

Assumed to have been properly designed with adequate provisions for the site drainage needs. This component is for a refurbishment of the current drainage system which will tend to clog and have root intrusion issues with time; these drainage systems typically require periodic refurbishment to adequately operate as designed. If after invasive testing is completed a larger scale replacement project is determined more appropriate then the costs can be included in future reserve studies. Cost estimate based on past experiences with similar sized communities.

\*Cost Source: Client Historical Records – Inflated to Current Estimate

**Landscape Drainage (small park) - Refurbish - 2042**

			1 ls	@ \$41,080.00
Asset ID	1041	Asset Actual Cost		\$41,080.00
		Percent Replacement		100%
Category	Landscaping	Future Cost		\$69,935.95
Placed in Service	June 2022			
Useful Life	20			
Replacement Year	2042			
Remaining Life	18			

Assumed to have been properly designed with adequate provisions for the site drainage needs. This component is for a refurbishment of the current drainage system which will tend to clog and have root intrusion issues with time; these drainage systems typically require periodic refurbishment to adequately operate as designed. If after invasive testing is completed a larger scale replacement project is determined more appropriate then the costs can be included in future reserve studies. Cost estimate based on past experiences with similar sized communities.

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

*Landscape Drainage (small park) - Refurbish continued...*

\*Cost Source: Client Historical Records – Inflated to Current Estimate

<b>Landscaping (gravel) - Replenish - 2024</b>		2,451 sf	@ \$1.49
Asset ID	1019	Asset Actual Cost	\$3,649.78
		Percent Replacement	100%
Category	Landscaping	Future Cost	\$3,649.78
Placed in Service	June 2017		
Useful Life	5		
Replacement Year	2024		
Remaining Life	0		

Gravel areas require regular cycles of replenishment. Inspect regularly, maintain any containment borders, control vegetation and fill in any low spots which may develop as needed using operating/maintenance funds. Plan for larger scale refurbish project with gravel at the time frame indicated.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

<b>Landscaping - 25% Tree Care - 2024</b>		111 ea	@ \$416.43
Asset ID	1020	Asset Actual Cost	\$11,555.87
		Percent Replacement	25%
Category	Landscaping	Future Cost	\$11,555.87
Placed in Service	June 1997		
Useful Life	5		
Adjustment	20		
Replacement Year	2024		
Remaining Life	0		

This component may be utilized for medium to large tree care projects which do not occur on an annual basis. If the Client has not already done so, we recommend consulting with a qualified arborist for a long term plan for the care and management of the trees on site; balancing aesthetics with protection of asset as well as following a plan which is most cost effective for long term budgeting of the reserve account.

These trees require regular trimming/thinning/root control and/or removal as they mature to

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

*Landscaping - 25% Tree Care continued...*

prevent damage to nearby walkways, roads, structures and underground piping. The provided cost estimate is based on our estimation for the total expected cost for each tree on site and based on similar sized sites (and tree count) we have worked with in the past. We suggest updating future reserve studies with actual cost figures and timeframes for projects.

This component has been set to cycle at 5 year increments after 25 years of age, when trees and roots have grown large enough that the cost to maintain the limbs and roots is significant. Cost assumes a qualified, licensed and insured professional complete the work.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

<b>Lights (pole) - Replace - 2027</b>		1 ea	@ \$2,926.95
Asset ID	1021	Asset Actual Cost	\$2,926.95
		Percent Replacement	100%
Category	Lighting	Future Cost	\$3,198.36
Placed in Service	June 1997		
Useful Life	30		
Replacement Year	2027		
Remaining Life	3		

Pole lights appear to be deteriorating at a rate typical of their age. Observed during daylight hours and 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. Cost estimated based on a licensed professional completing this replacement project.

This expense is only to replacement the pole and fixtures, not to rewire the whole system. It is assumed the wiring was appropriately installed and buried to a depth that has minimized the deterioration/damage to it. Should it be determined that the wiring also need to be redone this can be added into an update to this reserve study.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Mailbox Cluster (2009) - Replace - 2033**

		3 ea	@ \$1,888.75
Asset ID	1022	Asset Actual Cost	\$5,666.24
		Percent Replacement	100%
Category	Mailboxes	Future Cost	\$7,393.15
Placed in Service	January 2009		
Useful Life	24		
Replacement Year	2033		
Remaining Life	9		

Appears to be deteriorating at a rate typical of its age based on our visual inspection of this component. As routine maintenance, inspect regularly, clean by wiping down for appearance, change lock cylinders, lubricate hinges and repair as needed from operating budget. Best to plan for total replacement at roughly the time frame indicated due to constant usage and wear over time.

\*Cost Source: Client Historical Records – Inflated to Current Estimate

**Mailbox Cluster (2013) - Replace - 2037**

		1 ea	@ \$1,888.75
Asset ID	1023	Asset Actual Cost	\$1,888.75
		Percent Replacement	100%
Category	Mailboxes	Future Cost	\$2,773.69
Placed in Service	January 2013		
Useful Life	24		
Replacement Year	2037		
Remaining Life	13		

Appears to be deteriorating at a rate typical of its age based on our visual inspection of this component. As routine maintenance, inspect regularly, clean by wiping down for appearance, change lock cylinders, lubricate hinges and repair as needed from operating budget. Best to plan for total replacement at roughly the time frame indicated due to constant usage and wear over time.

\*Cost Source: Client Historical Records – Inflated to Current Estimate

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Mailbox Cluster (2015) - Replace - 2039**

		1 ea	@ \$1,888.75
Asset ID	1024	Asset Actual Cost	\$1,888.75
		Percent Replacement	100%
Category	Mailboxes	Future Cost	\$2,942.60
Placed in Service	January 2015		
Useful Life	24		
Replacement Year	2039		
Remaining Life	15		

Appears to be deteriorating at a rate typical of its age based on our visual inspection of this component. As routine maintenance, inspect regularly, clean by wiping down for appearance, change lock cylinders, lubricate hinges and repair as needed from operating budget. Best to plan for total replacement at roughly the time frame indicated due to constant usage and wear over time.

\*Cost Source: Client Historical Records – Inflated to Current Estimate

**Mailbox Cluster (2017) - Replace - 2041**

		2 ea	@ \$1,888.75
Asset ID	1025	Asset Actual Cost	\$3,777.49
		Percent Replacement	100%
Category	Mailboxes	Future Cost	\$6,243.62
Placed in Service	September 2017		
Useful Life	24		
Replacement Year	2041		
Remaining Life	17		

Appears to be deteriorating at a rate typical of its age based on our visual inspection of this component. As routine maintenance, inspect regularly, clean by wiping down for appearance, change lock cylinders, lubricate hinges and repair as needed from operating budget. Best to plan for total replacement at roughly the time frame indicated due to constant usage and wear over time.

\*Cost Source: Client Historical Records – Inflated to Current Estimate

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Mailbox Clusters (2021) - Replace - 2045**

		18 ea	@ \$1,888.75
Asset ID	1026	Asset Actual Cost	\$33,997.42
		Percent Replacement	100%
Category	Mailboxes	Future Cost	\$63,245.21
Placed in Service	June 2021		
Useful Life	24		
Replacement Year	2045		
Remaining Life	21		

Appears to be deteriorating at a rate typical of its age based on our visual inspection of this component. As routine maintenance, inspect regularly, clean by wiping down for appearance, change lock cylinders, lubricate hinges and repair as needed from operating budget. Best to plan for total replacement at roughly the time frame indicated due to constant usage and wear over time.

These mailboxes are still functional but dated looking and are no longer approved by the USPS. We recommend budgeting for replacement of all over the next 6 years, replacing with USPS approved mailbox clusters.

\*Cost Source: Client Historical Records – Inflated to Current Estimate

**Parking Bollards (boat park) - Replace - 2032**

		3 ea	@ \$1,189.79
Asset ID	1027	Asset Actual Cost	\$3,569.37
		Percent Replacement	100%
Category	Fencing	Future Cost	\$4,521.57
Placed in Service	June 1997		
Useful Life	35		
Replacement Year	2032		
Remaining Life	8		

Parking bollards at Boat Park were recently installed. We recommend budgeting for eventual replacement due to exposure to the elements and the likelihood that they will receive vehicular damage over time.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records



**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Pavers (sand set) - Replace - 2024**

		145 sf	@ \$19.00
Asset ID	1028	Asset Actual Cost	\$2,754.91
		Percent Replacement	100%
Category	Landscaping	Future Cost	\$2,754.91
Placed in Service	June 1997		
Useful Life	25		
Replacement Year	2024		
Remaining Life	0		

We recommend budgeting for replacement at the timeframe indicated as these sand set paver systems will typically become uneven with time due to settling, root intrusion, drainage issues and use.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Playground Structure (boat park) - Replace - 2047**

		1 ea	@ \$61,620.00
Asset ID	1029	Asset Actual Cost	\$61,620.00
		Percent Replacement	100%
Category	Recreation	Future Cost	\$121,612.40
Placed in Service	June 2022		
Useful Life	25		
Replacement Year	2047		
Remaining Life	23		

We recommend budgeting for replacement at the timeframe indicated to limit liability issues that arise from old structures that require ongoing repairs and have safety issues and before actual failure of the structure. There is a very wide range in cost figures for this type of component due to significant quality variations. The estimate in this reserve study is based on replacement with a similar quality structure.

\*Cost Source: Client Historical Records – Inflated to Current Estimate

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Playground Structure (small park) - Replace - 2025**

			1 ea	@ \$61,620.00
Asset ID	1030	Asset Actual Cost		\$61,620.00
		Percent Replacement		100%
Category	Recreation	Future Cost		\$63,468.60
Placed in Service	June 1997			
Useful Life	25			
Adjustment	3			
Replacement Year	2025			
Remaining Life	1			

Play structure appears to be deteriorating at a rate typical of its age. We recommend budgeting for replacement at the timeframe indicated to limit liability issues that arise from old structures that require ongoing repairs and have safety issues and before actual failure of the structure. There is a very wide range in cost figures for this type of component due to significant quality variations. The estimate in this reserve study is based on replacement with a similar quality structure.

Slight life adjustment as Client stated they will be replacing large Boat Park structures first then the Smaller Park play structures second at a later date.

\*Cost Source: Client Historical Records – Inflated to Current Estimate

**Playground Surface (boat park) - Replenish - 2026**

			1,600 sf	@ \$1.13
Asset ID	1031	Asset Actual Cost		\$1,807.36
		Percent Replacement		100%
Category	Recreation	Future Cost		\$1,917.43
Placed in Service	June 2023			
Useful Life	3			
Replacement Year	2026			
Remaining Life	2			

We recommend budgeting for replenishment at the time scale indicated to limit liability and safety issues.

The second play area at Boat Park is reportedly not being replaced and has not been included in this measurement.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Playground Surface (small park) - Replenish - 2025**

Asset ID	1032	1,271 sf	@ \$1.13
Category	Recreation	Asset Actual Cost	\$1,435.72
Placed in Service	June 2022	Percent Replacement	100%
Useful Life	3	Future Cost	\$1,478.79
Replacement Year	2025		
Remaining Life	1		

We recommend budgeting for replenishment at the time scale indicated to limit liability and safety issues.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Playground Timber Edging (boat park) - Replace - 2024**

Asset ID	1033	160 lf	@ \$28.76
Category	Landscaping	Asset Actual Cost	\$4,600.96
Placed in Service	June 1997	Percent Replacement	100%
Useful Life	25	Future Cost	\$4,600.96
Replacement Year	2024		
Remaining Life	0		

We recommend budgeting for replacement of these wood surfaces at the time frame indicated due to constant exposure to the elements.

[The second play area at Boat Park is reportedly not being replaced and has not been included in this measurement.](#)

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Playground Timber Edging (small park) - Replace - 2025**

		144 lf	@ \$28.76
Asset ID	1034	Asset Actual Cost	\$4,140.86
		Percent Replacement	100%
Category	Landscaping	Future Cost	\$4,265.09
Placed in Service	June 1997		
Useful Life	24		
Adjustment	4		
Replacement Year	2025		
Remaining Life	1		

We recommend budgeting for replacement of these wood surfaces at the time frame indicated due to constant exposure to the elements.

Adjustment given so this cycles with the playground structure replacement component.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Recreation - Benches (wood) - Replace - 2024**

		11 ea	@ \$892.34
Asset ID	1035	Asset Actual Cost	\$9,815.74
		Percent Replacement	100%
Category	Recreation	Future Cost	\$9,815.74
Placed in Service	June 1997		
Useful Life	25		
Replacement Year	2024		
Remaining Life	0		

We recommend planning for replacement at the time frame indicated due to constant exposure. Clean and inspect annually - paint/stain from paid for from the Operating budget as necessary.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Recreation - Picnic Table (wood) - Replace - 2024**

			3 ea	@ \$1,011.32
Asset ID	1036	Asset Actual Cost		\$3,033.95
		Percent Replacement		100%
Category	Recreation	Future Cost		\$3,033.95
Placed in Service	June 1997			
Useful Life	25			
Replacement Year	2024			
Remaining Life	0			

Picnic tables appear to be deteriorating at a rate typical of their age. We recommend for eventual replacement at the time frame indicated due to constant exposure. We recommend cleaning and inspecting annually - paint/stain and repair as needed paid for from the Operating account.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Retaining Walls (masonry) - Replace - 2054**

			67 sf	@ \$39.03
Asset ID	1037	Asset Actual Cost		\$2,614.74
		Percent Replacement		100%
Category	Landscaping	Future Cost		\$6,346.65
Placed in Service	June 2014			
Useful Life	40			
Replacement Year	2054			
Remaining Life	30			

Masonry retaining walls on site appear to be in generally fair and stable condition; no significant instability noted. We assume that retaining walls were designed and installed properly with adequate base and surrounding drainage. Monitor closely and if areas of instability emerge, consult with civil or geotechnical engineer for repair scope.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Retaining Walls (wood) - Replace - 2024**

		33 sf	@ \$28.76
Asset ID	1038	Asset Actual Cost	\$948.95
		Percent Replacement	100%
Category	Landscaping	Future Cost	\$948.95
Placed in Service	June 1997		
Useful Life	25		
Replacement Year	2024		
Remaining Life	0		

Wood retaining walls on site appear to be deteriorating at a rate typical of their age. We assume that these were designed and installed properly with adequate base and surrounding drainage. Monitor closely and if areas of deterioration emerge, consult with civil or geotechnical engineer for repair scope.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Stormwater Pond (NE pond) - Refurbish - 2027**

		1 ea	@ \$23,795.83
Asset ID	1039	Asset Actual Cost	\$23,795.83
		Percent Replacement	100%
Category	Stormwater Facilities	Future Cost	\$26,002.34
Placed in Service	June 1997		
Useful Life	30		
Replacement Year	2027		
Remaining Life	3		

The stormwater facilities are assumed to be functioning as designed. It has been our experience that it is best to budget for periodic refurbishment of these stormwater ponds which can include reseeded, regrading, sediment removal, vegetation removal, rodent control, concrete repair, invasive testing of the elements, etc. It has been our experience with similar size system that without periodic refurbishment there is a strong likelihood of much larger scale repairs/replacement of the elements of these systems at a much greater expense.

\*Cost Source: Reserve Data Analyst In-House Research & Cost Records

**Sector 2A Snohomish Cascade Association  
Component Detail Reports**

**Stormwater Pond (NW pond) - Refurbish - 2030**

			1 ea	@ \$13,682.61
Asset ID	1040	Asset Actual Cost		\$13,682.61
		Percent Replacement		100%
Category	Stormwater Facilities	Future Cost		\$16,337.75
Placed in Service	June 2015			
Useful Life	15			
Replacement Year	2030			
Remaining Life	6			

The stormwater facilities are assumed to be functioning as designed. It has been our experience that it is best to budget for periodic refurbishment of these stormwater ponds which can include reseeding, regrading, sediment removal, vegetation removal, rodent control, concrete repair, invasive testing of the elements, etc. It has been our experience with similar size system that without periodic refurbishment there is a strong likelihood of much larger scale repairs/replacement of the elements of these systems at a much greater expense.

[Cost estimate from prior work performed by the county.](#)

\*Cost Source: Client Historical Records – Inflated to Current Estimate

# Sector 2A Snohomish Cascade Association

## Definitions, Disclosure & Calculations Appendixes

### Definitions Index

#### Abbreviations

ea = each	FY = fiscal year	If or lin ft = lineal feet	ls = lump sum
RL = remaining life	sf or sq ft = square feet	sy or sq yd= square yard	
UL = useful life	100 sq ft = 1 square)	% = percent	

1. **Allocation %**  
A percentage of the total Reserve Allocation. See - Calculations Appendix
2. **Allocation Increase Rate**  
Expressed as a percentage rate that reflects the increase of a given year's Reserve Allocation over the previous year's Reserve Allocation and utilized only in the Cash Flow Analysis.
3. **Base Year**  
The year in which the governing documents were recorded and/or the buildings constructed (average year may be used for phases built over a period) and utilized to determine the approximate complex age. This parameter is provided for information only.
4. **Common Interest Development (CID)**  
Defined by shared property and restrictions in the deed on use of the property. A CID is governed by a mandatory Association of homeowners which administers the property and enforces its restrictions. The following are two typical CID subdivision types:
  - Condominium- In general, the recorded owner has title to the unit (or airspace). They are typically responsible for the interior of their individual unit/garage, all utilities that service their unit and any exclusive use common area associated with their unit.
  - Planned Development- In general, the recorded owner has title to the lot. They are typically responsible for the maintenance and repair of any structure or improvement located on their respective lot.

*\*Note- CIDs & subdivision types are general and may not apply or may vary, based on your local.*

5. **Component Inventory**  
The task of selecting and quantifying reserve items. This task can be accomplished through on-site visual observations, review of association design and organizational documents, review of established association precedents, and discussion with appropriate association representatives.
6. **Condition Assessment**  
The task of evaluating the current condition of the component based on observed or reported characteristics and normal documented in the field report for a Level 1 or Level 2 Reserve Study.
7. **Contingency Rate**  
Expressed as a percentage rate that reflects a factor added to the unit cost to prepare for an event that is liable to occur, but not with certainty.

8. **Current Cost**  
The current fiscal year's estimated cost to maintain, replace, repair, or restore a reserve component to its original functional condition. Sources utilized to obtain estimates may include: the association, its contractors, other contractors, specialists and independent consultants, the State department of Real Estate (or other state department as applicable), construction pricing and estimating manuals, and the preparer's own experience and/or database of costs formulated in the preparation of other reserve study reports. See - Calculations Appendix.
9. **Disbursement / Expenditures**  
The funds expected to be paid or expended from the Reserve Balance.
10. **Extended Cost**  
See - Calculations Appendix.
11. **Fiscal Year (FY)**  
A twelve-month period for which an organization plans the use of its funds. There are two distinct types:
  - Calendar Fiscal Year (ends December 31)
  - Non-Calendar Fiscal Year (does not end December 31)
12. **Full Funded Balance (FFB)**  
Total Accrued Depreciation. An indicator against which the FY Start Balance can be compared. The balance that is in direct proportion to the fraction of life "used up" of the cost. See - Calculations Appendix.
13. **Funding Goal**  
Independent of methodology utilized, the following represents the basic categories of funding plan goals:
  - Baseline Funding- Maintaining a Net Reserve Balance above zero for length of the study.
  - Full Funding- Maintaining a Reserve Balance at or near Percent Funded of 100%.
  - Statutory Funding- Maintaining a specified Reserve Balance/Percent Funded per statutes.
  - Threshold Funding- Establishing and maintaining a set predetermined Reserve Balance or Percent Funded.
14. **Funding Method (or Funding Plan)**  
An Association's plan to provide income to the reserve fund to offset expected disbursements from that fund. The following represents two (2) basic methodologies used to fund reserves:
  - Cash Flow Method- A method of developing a reserve funding plan where allocations to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.
  - Component Method- The component method develops a reserve-funding plan where the total contribution is based on the sum of contributions for individual components. The component method is the more conservative (typically higher reserve account balance) of the two funding options and assures that the association will achieve and maintain an ideal level of reserves over time. This method also allows for computations on individual components in the analysis. However, this method has also limitations with respects to variations in actual useful life of components and is much more time intensive to accurately follow this funding strategy.



## Sector 2A Snohomish Cascade Association Definitions, Disclosure & Calculations Appendixes

15. **Funding Plan**  
The combined Funding Method & Funding Goal.
16. **FY End Balance (same as next FY Start Balance)**  
The balance in reserves at end of applicable fiscal year. See - Calculations Appendix.
17. **FY Start Balance (same as prior year FY End Balance)**  
The balance in reserves at start of applicable fiscal year.
18. **Inflation Rate**  
Expressed as a percentage rate that reflects the increase of this year's costs over the previous year's costs. Also known as a 'cost increase factor'.
19. **Interest Earned**  
The annual earning of reserve funds that have been deposited into certificates of deposit (CDs), money market accounts or other investment vehicles. See - Calculations Appendix.
20. **Interest Rate**  
The ratio of the gain received from an investment and the investment over a period (usually one year), prior to any federal or state-imposed taxes.
21. **Interest Rate (net effective)**  
The ratio of the gain received from an investment and the investment over a period (usually one year), after any federal or state-imposed taxes.
22. **Levels of Service**  
**Level 1 Reserve Study** (Full or Comprehensive)- A Reserve Study in which the following five Reserve Study tasks are performed:
- Component Inventory
  - Condition Assessment (based upon on-site visual observations)
  - Life and Valuation Estimates
  - Fund Status
  - Funding Plan
- Level 2 Reserve Study** (Update, With-Site-Visit/On-Site Review)- A Reserve Study update in which the following five tasks are performed:
- Component Inventory (from prior study)
  - Condition Assessment (based upon on-site visual observations)
  - Life and Valuation Estimates
  - Fund Status
  - Funding Plan
- \*Note- Updates are reliant on the validity of prior Reserve Studies.
- Level 3 Reserve Study** (Update, No-Site-Visit/Off-Site Review)- A Reserve Study update with no on-site visual observations in which the following three tasks are performed:
- Component Inventory (from prior study)
  - Condition Assessment (based upon on-site visual observations)
  - Life and Valuation Estimates
  - Fund Status
  - Funding Plan
- \*Note- Updates are reliant on the validity of prior Reserve Studies.
23. **Percent Funded**  
A comparison of the Fully Funded Balance (ideal balance) to the Fiscal Year Actual Start Balance expressed as a percentage and used to provide a 'general indication' of reserve strength. See Calculations Appendix.
24. **Quantity**  
The number or amount of a reserve component or subcomponent.
25. **Remaining Life (RL)**  
The estimated time, in years, that a reserve component can be expected to continue to serve its intended function.
26. **Replacement %**  
A percentage of the total replacement for a reserve component or subcomponent. This parameter is normally 100%.
27. **Reserve Allocation**  
The amount to be annually budgeted towards reserves based on a Funding Plan.
28. **Reserve Component (or subcomponent)**  
The individual line items in the reserve study, developed or updated in the physical analysis that form the building blocks of the reserve study. They typically are:
- an association responsibility,
  - with limited useful life expectancies,
  - predictable remaining useful life expectancies,
  - above a minimum threshold cost,
  - and, as required by statutes.
29. **Restoration**  
Defined as to bring back to an unimpaired or improved condition. General types follow:
- Building- In general, funding utilized to defray the cost (in whole or part) of major building components that are not necessarily included as line items and may include termite treatment.
  - Irrigation System- In general, funding utilized to defray the cost (in whole or part) of sectional irrigation system areas including modernization to improve water management.
  - Landscape- In general, funding utilized to defray the cost (in whole or part) of sectional landscape areas including modernization to improve water conservation & drainage.
30. **Risk Factor (Percent Funded)**  
The associated risk of the availability of reserves to fund expenditures by interpreting the Percent Funded parameter as follows:
- 70% and above - LOW
  - 30% to 70% - MODERATE
  - 30% and below - HIGH
- \*High risk is associated with a higher risk for reliance on special assessments, loans and litigation.
31. **Unit Cost**  
The current fiscal year's estimated cost to maintain, replace, repair, or restore an individual "unit of measure" of a reserve component or subcomponent to its original functional condition.
32. **Unit of Measure**  
A system of units used in measuring a reserve component or subcomponent (i.e. each, lineal feet, square feet, etc.).
33. **Useful Life (UL)**  
Total Useful Life or Depreciable Life. The estimated time, in years, that a reserve item can be expected to serve its intended function if properly constructed and maintained in its present application or installation.

# Sector 2A Snohomish Cascade Association

## Definitions, Disclosure & Calculations Appendixes

### Disclosures Index

The below disclosures are in accordance with reserve study standards developed by CAI, APRA and statutory requirements.

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

This reserve study has been conducted to outline a financial plan for the proper and adequate budgeting of the Association component repair and/or replacement. This report should not be utilized for any other purpose and should not be considered or deemed appropriate or reliable for, but not limited to, any of the following:

- Building or land appraisals for any purpose
- State or local zoning ordinance violations
- Building code violations
- Soils conditions, soils contamination or geological stability of site
- Engineering analysis or structural stability of site
- Air quality, asbestos, electromagnetic radiation, formaldehyde, lead, mercury, or radon
- Water quality or other environmental hazards
- Invasions by termites and any or all other destroying organisms or insects
- Damage or destruction due to pests, birds, bats or animals to buildings or site
- Adequacy or efficiency of any system or component on site
- Specifically excluded reserve items
- Septic systems and septic tanks
- Buried or concealed portions of swing pools, pool liners, Jacuzzis/spas or similar items
- Items concealed by signs, carpets or other things
- Missing or omitted information supplied by the Association for the purposes of reserve study preparation
- Hidden improvements such as sewer lines, water lines, or other buried or concealed items

#### 2. **Qualifications**

We are a professional business in the market to prepare Reserve Studies. Our Reserve Analysts' are either designated with or working towards the RS and/or PRA designations which are given by the two leading industry organizations which require peer review, continuing education and provide resources to stay on top of industry trends.

#### 3. **Invasive Testing**

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

#### 4. **Conflicts of Interests**

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

#### 5. **Representative Sampling**

This study and report is based on observations of the visible and apparent conditions of a reasonable representative sampling of the property's elements at the time of inspection. Although due diligence was performed during the inspection phase, we make no representations regarding latent or concealed defects that may exist. The inspection did not constitute any invasive investigations and was not intended to determine whether applicable building components, systems, or equipment are adequate or in compliance with any specific or commonly accepted design requirement, building code, or specification. Such tasks as material testing, engineering analysis, destructive testing, or performance testing of building systems, components, or equipment are not considered as part of the scope of work, nor are they considered by the reserve study industry standard.

#### 6. **Reliance on Client & Vendor Data Provided**

Information provided to the preparer of a reserve study by an official representative of the association regarding financial, historical, physical, quantitative or reserve project issues will be deemed reliable by the preparer. A reserve study will reflect information provided to the preparer of the reserve study. The total of actual or projected reserves required as presented in the reserve study is based upon information provided that was not audited. A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. A site visit conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection. The results of this study are based on the independent opinion of the preparer and their experience and research during their career in preparing Reserve Studies. In addition, the opinions of experts on certain components have been gathered through research within their industry and with client's actual vendors. There is no implied warranty or guarantee regarding our life and cost estimates/predictions. There is no implied warranty or guarantee in any of our work product. Our results and findings will vary from another preparer's results and findings. A Reserve Study is necessarily a work in progress and subsequent Reserve Studies will vary from prior studies.

#### 7. **Update to Prior Reserve Studies**

Level II Studies: Quantities of major components as reported in previous reserve studies are deemed to be accurate and reliable. The reserve study relies upon the validity of previous reserve studies. Level III Studies: In addition to the above we have not visited the property when completing a Level III "No Site Visit" study. Therefore, we have not verified the current condition of the common area components. It is assumed all prior study component information related to quantities, condition assessments, useful life and remaining useful life are accurate.

#### 8. **Assumption Regarding Ongoing Maintenance**

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

## Sector 2A Snohomish Cascade Association Definitions, Disclosure & Calculations Appendixes

**9. Assumptions Regarding Defect in Design or Construction**  
This Reserve Study assumes that all construction assemblies and components identified herein are built properly and are free from defects in materials and/or workmanship. Defects can lead to reduced useful life and premature failure. It was not the intent of this Reserve Study to inspect for or to identify defects. If defects exist, repairs should be made so that the construction components and assemblies at the community reach their full and expected useful lives. We have assumed all components have been properly built and will reach normal, typical life expectancies. In general, a reserve study is not intended to identify or fund for construction defects. We did not and will not look for or identify construction defects during our site visit.

**10. Basis of Cost Estimates**  
Pricing used for the repair or replacement costs indicated in this report are derived from a variety of sources, e.g., recent contractor bids received by subject property HOA or prior clients, construction product vendor catalogs, internet, or national construction cost estimating publishers (RS Means / Marshall & Swift). The material and labor pricing provided are estimates and have been augmented, as necessary, to account for specific site conditions (i.e. material handling, scaffolding, etc.). The total expenses represent a useful guideline whereby reserve funds can be accumulated for future repairs and replacements. The estimated repair and replacement expenses, unless otherwise noted, do not include allowances for architectural, engineering, or permitting fees.

**11. Limitations on Report Use**  
A reserve study is not intended to be used to perform an audit, an analysis of quality, a forensic study or a background check of historical records. A site visit conducted in conjunction with a reserve study should not be deemed to be a project audit or quality inspection. This Reserve Study is provided as an aid for planning purposes and not as an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described. Additionally, other unanticipated expenses may arise that are not included within this reserve study. 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.

### 12. State Specific Disclosures

#### Washington State

*RCW 64.34.382 & WA State RCW 64.38.070*

This reserve study includes all aspects required per WA State RCW requirements outlined in the Washington Condominium Act and the Homeowners' Association Act.

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.

#### Washington State

*Disclosures Required by RCW 64.90.550.*

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

- a) This Reserve Study was prepared with the assistance of a reserve study professional and that professional was independent;
- b) This Reserve Study includes all information required by RCW 64.90.550 Reserve Study – Contents; and
- c) This reserve study should be reviewed carefully. It may not include all common and limited common element components that will require major maintenance, repair, or replacement in future years, and may not include regular contributions to 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 the association to (1) defer major maintenance, repair, or replacement, (2) increase future reserve contributions, (3) borrow funds to pay for major maintenance, repair, or replacement, or (4) impose special assessments for the cost of major maintenance, repair, or replacement.

# Sector 2A Snohomish Cascade Association

## Definitions, Disclosure & Calculations Appendixes

### Calculations Index

**1. Allocation % =**

Reserve Allocation (Component Method) / Total Reserve Allocation (Component Method) x 100

**2. Current Cost =**

Extended Cost (for a component without subcomponents)  
 i. -or-  
 Sum of subcomponent Extended Costs (for a component with subcomponents)

**3. Extended Cost =**

Quantity x Unit Cost x Replacement % x (1+Contingency Rate)

**4. FY End Balance (same as Next FY Start Balance) =**

Initial or current fiscal year-  
 Current Reserve Balance + Interest Earned + Reserve Allocation to Fund + Special Assessment to Fund + Funds Due from Operating - Approved Funds to Disburse - Disbursements

Subsequent fiscal years-

FY Start Balance + Interest Earned + (Reserve Allocation (from previous year) x (1 + Reserve Allocation Rate) - Disbursements

**5. Interest Earned=**

*Initial fiscal year-*

Current Reserve Balance x (Interest Rate (net effective)/12 x Number of funding months remaining in current fiscal year)

*Subsequent fiscal years-*

FY Start Balance x Interest Rate (net effective)

*Accumulation Function and Amount Function*

<https://www.reservedataanalyst.com/int>

**6. Percent Funded =**

(Reserve Account Balance / Fully Funded Balance) x 100

**7. Reserve Allocation (Component Method) =**

Current Cost / Useful Life

**8. Fully Funded Balance (FFB) =**

**Basic Fully Funded**

Fully Funded = Age/Useful Life \* Cost

Note that "Age" is adjusted for each year of the study (e.g. one year later also equates to an Age which is one year greater). We do not use the age from the first year of the study for future FFB calculations as this would not appropriately address the deterioration of the component over time (i.e. when providing future projections one can make a valid assumption that a component will deteriorate by one year if providing projections for one year later).

Cost (component project cost) is inflated for each year based on an annual inflation rate (compounding) given in this reserve study (e.g. a paint project "cost" may be \$1,000 in Year 1 of the study but will have a "cost" of \$1,030 in Year 2 of the study, and \$1,060.90 in Year 3 of the study, when utilizing an annual 3% inflation rate. Note that we do not use the "cost" (current project cost) from the first year of the study for future year's FFB calculations as this approach does not consider the impact of inflation on the project cost and will usually result in a significantly underfunded reserve account over time. This is also known as the Inflation Adjusted Cost Method

*\*\*Unless specifically noted otherwise we have utilized the above FFB formula and methodology in this reserve study.*

**Community Association Institute FFB Formula**

The Community Association Institute published the below FFB formula to account for inflation and interest earned on deposit ("present value" is based on the current cost only - with no inflation of the project cost) the writers of 'RESERVE FUNDS: How & Why community Associations Invest Assets' published:

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

$$CAI\_FF = Basic\_FF$$

$$+ Basic\_FF / (1 + interest)^{Remaining Life}$$

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

More mathematical information can be found at the following link: [www.reservedataanalyst.com/math](http://www.reservedataanalyst.com/math)

**Sector 2A Snohomish Cascade Association  
Component Index**

Asset ID	Description	Replacement	Page
1001	Asphalt - Overlay	2024	43
1002	Asphalt - Sealcoat	2024	43
1003	Baseball Backstop (chain link) - Replace	2042	44
1004	Baseball Infield Fence (chain link) - Replace	2042	44
1005	Concrete Curb - 20% Repair	2024	45
1006	Fence (chn link - NE Pond) - Replace	2050	45
1007	Fence (chn link - NW Pond/2016) - Replace	2056	46
1042	Fence (chn link - NW Pond/2023) - Replace	2063	46
1008	Fence (chn link baseball 3.5') - Replace	2037	47
1009	Fence (sno-cascade drive) - Paint/Stain	2024	47
1010	Fence (sno-cascade drive) - Replace	2041	48
1013	Irrigation Backflow Valve - Replace	2024	48
1014	Irrigation Controller Panels - Replace	2032	49
1015	Irrigation Controllers - Replace	2030	49
1016	Irrigation Piping - 25% Replace	2027	50
1017	Irrigation Valves (in-ground) - 10% Replace	2024	50
1018	Landscape Drainage (boat park) - Refurbish	2040	51
1041	Landscape Drainage (small park) - Refurbish	2042	51
1019	Landscaping (gravel) - Replenish	2024	52
1020	Landscaping - 25% Tree Care	2024	52
1021	Lights (pole) - Replace	2027	53
1022	Mailbox Cluster (2009) - Replace	2033	54
1023	Mailbox Cluster (2013) - Replace	2037	54
1024	Mailbox Cluster (2015) - Replace	2039	55
1025	Mailbox Cluster (2017) - Replace	2041	55
1026	Mailbox Clusters (2021) - Replace	2045	56
1027	Parking Bollards (boat park) - Replace	2032	56
1028	Pavers (sand set) - Replace	2024	57
1029	Playground Structure (boat park) - Replace	2047	57
1030	Playground Structure (small park) - Replace	2025	58
1031	Playground Surface (boat park) - Replenish	2026	58
1032	Playground Surface (small park) - Replenish	2025	59
1033	Playground Timber Edging (boat park) - Replace	2024	59
1034	Playground Timber Edging (small park) - Replace	2025	60
1035	Recreation - Benches (wood) - Replace	2024	60
1036	Recreation - Picnic Table (wood) - Replace	2024	61

**Sector 2A Snohomish Cascade Association  
Component Index**

Asset ID	Description	Replacement	Page
1037	Retaining Walls (masonry) - Replace	2054	61
1038	Retaining Walls (wood) - Replace	2024	62
1039	Stormwater Pond (NE pond) - Refurbish	2027	62
1040	Stormwater Pond (NW pond) - Refurbish	2030	63
	Total Funded Assets	40	
	Total Unfunded Assets	<u>0</u>	
	Total Assets	40	