CAPE GEORGE COLONY CLUB MARINA

Port Townsend, Washington

Level 2 Reserve Study Update with a Site Visit

2024 FUNDING RECOMMENDATIONS

Issued July, 2023

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Next Update: **Level 3** study by July 2024

RESERVE CONSULTANTS LLC

CONTENTS

ABBREVIATION KEY

EA each

BLDG building(s)

FIXT fixture(s)

LF linear foot

LS lump sum

SF square feet

SQ roofing square

SY square yard

ZN zone

EXECUTIVE SUMMARY

This Reserve Study meets the requirements of the Washington Homeowners' Association Act and the Washington Uniform Common Interest Owner Act for a Level 2 Reserve Study Update with a Site Visit, and was prepared by an independent Reserve Study Professional.

Cape George Colony Club - Marina is part of a residential community located in Port Townsend, Washington. The Marina includes 65 moorage slips, parking for boats and trailers, racks for storage of kayaks and other small craft, as well as a cleaning and cooking station for marine catch. The marina basin and channel were put into service in 1967 and underwent major expansion in 1997.

CAPE GEORGE COLONY CLUB MARINA RESERVE FUND STATUS	
CAPE GEORGE COLONY CLUB MARINA'S FISCAL YEAR	a calendar year
PROJECTED RESERVE ACCOUNT BALANCE ON **DECEMBER 31, 2023**	$151,900 [1]
FULLY FUNDED BALANCE @ FISCAL YEAR-END 2023	$954,596 [2]
PERCENT FUNDED BALANCE @ FISCAL YEAR-END 2023	16% [3]
FUNDING STATUS – RISK OF SPECIAL ASSESSMENT @ FISCAL YEAR-END	Highest Risk
2023 PLANNED OR IMPLEMENTED SPECIAL ASSESSMENT	$0
COMPONENT INCLUSION THRESHOLD VALUE	$800

CAPE GEORGE COLONY CLUB MARINA CURRENT AND RECOMMENDED RESERVE CONTRIBUTIONS	
CURRENT BUDGETED ANNUAL CONTRIBUTION TO RESERVES	$31,388
2024 RECOMMENDED ANNUAL CONTRIBUTION RATE	**$225,000 [4]**
2024 RECOMMENDED SPECIAL ASSESSMENT	none
2024 AVERAGE CONTRIBUTION PER UNIT PER YEAR	$340
2024 AVERAGE CONTRIBUTION PER UNIT PER MONTH	$28
2024 BASELINE FUNDING PLAN CONTRIBUTION RATE	$199,200
2024 FULL FUNDING PLAN CONTRIBUTION RATE	$199,200

[1] The actual or projected total reserve fund balance presented in the Reserve Study is based on information provided by the Association representative and was not audited by RCL.

[2] The fully funded balance for each reserve component is calculated by multiplying the current replacement cost of that reserve component by its effective age, then dividing the result by that reserve component's useful life. The sum total of all reserve components' fully funded balances is the association's fully funded balance as defined by Washington State law. The fully funded balance changes from year to year.

[3] The percent fully funded acts as a measuring tool to assess an association's ability to absorb unplanned expenses. These expenses could be emergency repairs not covered by insurance, or expenses that differ from the existing Reserve Study in terms of timing or cost.

[4] To help ensure the Association has the appropriate funds for the anticipated expenses over the next 30 years, we have provided recommended funding plans with a constant contribution to reserves that increases annually for inflation.

FULLY FUNDED BALANCE CALCULATION @ FISCAL YEAR END 2023

$954,596
Current Fully Funded Balance

$151,900
Current Reserve Fund Balance

16%
Current Percent Fully Funded

$$\text{FULLY FUNDED BALANCE} = \textit{THE SUM OF } \frac{\text{REPLACEMENT COST X EFFECTIVE AGE}}{\text{USEFUL LIFE}} \textit{ FOR ALL RESERVE COMPONENTS}$$

FINANCIAL OVERVIEW FOR 2024

$151,900
2024 Estimated Starting Balance

27%
2024 Estimated Percent Funded w/the Recommended Funding Plan

$101,556
2024 Estimated Reserve Expenditures

RESERVE CONTRIBUTION COMPARISON 2023 VS 2024

2023

$31,388
Association Budgeted Contribution

$110,500
Recommended Contribution to Reserves

28%
% of 2021 Recommended Contribution Budgeted In 2023

2024

$225,000
Recommended Contribution to Reserves

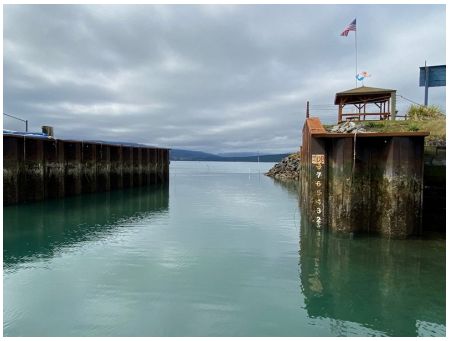
617%
% Increase Between 2024 Recommended & 2023 Budgeted Contribution to Reserves

The recommended reserve contribution represents a Threshold Funding Plan to prevent special assessments over the course of the 30-year study **while maintaining a minimum reserve account balance of at least $149,000 and the percent funded above 27%.** Washington State law requires an up-to-date Reserve Study with a current recommended reserve contribution rate.

ASSOCIATION OVERVIEW

Cape George Colony Club - Marina is part of a residential community located in Port Townsend, Washington. The Marina includes 65 moorage slips, parking for boats and trailers, racks for storage of kayaks and other small craft, as well as a cleaning and cooking station for marine catch. The marina basin and channel were put into service in 1967 and underwent major expansion in 1997.

Additional components maintained with funds from reserves include a gravel road and parking areas, elevated wood decks, and gangways. Major dock repair projects and infrastructure for water supply and the electrical system are also maintained with funds from reserves.



REVIEW OF GENERAL CONDITIONS

It appeared that regular maintenance is completed at Cape George Colony Club Marina. It was reported that major repairs are best to be completed in one project due to the cost of mobilization. The Association is planning on completing a complete dock rebuild project in 2026.

The Association is planning on replacing the wood deck with an aluminum framed and fiberglass grating deck. The concrete boat ramp appeared worn and with damaged sections. The boat ramp is anticipated to be replaced in 2026.

The Association completed annual dredging on the channel and is an operating expense, while dredging the basin is not as frequent and is budgeted through the Reserve Study.

The cleaning station appeared a bit worn and weathered. No issues were reported with the north or south helix mooring buoy. No problems were reported with the electrical or water supply systems.

COMPONENT LIST

Each reserve component is evaluated to determine the current condition, the remaining useful life, and the estimated replacement cost. Reserve studies for homeowners' associations are required to include any reserve component that would cost more than one percent of the annual budget of the association, not including the reserve account, for major maintenance, repair, or replacement (RCW 64.38.070). While the law defines the inclusion threshold to be 1% of the operating budget, or $800 (1% of $79,950), components valued less than the legal threshold may be included to better capture reserve funding for Cape George Colony Club Marina.

The component list is based on information provided by Cape George Colony Club Marina. Reserve Consultants LLC does not provide legal interpretations of governing documents. It is the responsibility of Cape George Colony Club Marina to ensure that the component list is complete and complies with their governing documents. Many factors may influence the actual costs that an association will experience. The quality of replacement materials of items can significantly impact cost, as well as the timing between replacements. The use of consultants to specify and oversee work may also cause additional expenses.

COMPONENT DESCRIPTION	MAINT. CYCLE	REMAINING USEFUL LIFE	NEXT MAINT. YEAR	CURRENT REPLACEMENT COST
2.1.1 Cleaning Station - Replace	25	1	2024	$8,000
2.1.2 Wood Deck, Elevated- Replace North & South	20	2	2025	$49,400
2.3.1 Marina Water Supply System - Contingency	20	23	2046	$3,780
2.5.1 Electrical System - Contingency	20	15	2038	$25,210
2.6.1 Gravel - Replace with Asphalt	5	2	2025	$31,510
2.6.2 Rock Jetties - Maintain	40	1	2024	$71,430
2.8.1 Dock Structure, Decking & Floats - Replace - Phase 1	20	3	2026	$236,300
2.8.2 Dock Structure, Decking & Floats - Replace - Phase 2	20	4	2027	$236,300
2.8.3 Dock Structure, Decking & Floats - Replace - Phase 3	20	5	2028	$236,300
2.8.4 Wood Pilings - Replace	30	27	2050	$195,330
2.8.5 Wood Pile - Jacketing, Phase 1	35	1	2024	$13,740
2.8.6 Wood Pile - Jacketing, Phase 2	35	2	2025	$27,480
2.8.7 Wood Pile - Jacketing, Phase 3	30	3	2026	$41,220
2.8.8 North Gangway - Replace	35	7	2030	$11,910
2.8.9 South Gangway - Replace	35	12	2035	$11,910
2.9.1 Helix Mooring Buoy North - Replace	10	2	2025	$2,530
2.9.2 Helix Mooring Buoy South - Replace	10	2	2025	$2,530
2.9.3 Basin - Complete Dredging	40	22	2045	$114,680
2.9.4 Basin - Partial Dredging	20	18	2041	$37,810
3.3.1 Concrete Boat Ramp - Replace	50	3	2026	$48,000
3.3.2 Ecology Block at Marina Road - Replace	5	2	2025	$37,810

COMPONENTS EXCLUDED FROM THIS STUDY

Components that individual unit owners are responsible to maintain, repair, and/or replace are not included in the study or funding projections. We recommend that common interest properties establish a clear definition of these components, as well as policies and processes regarding maintenance of these "owner responsibility" items.

OPERATING BUDGET	UNIT OWNER RESPONSIBILITY
The following components may qualify for inclusion in the Reserve Study, but are excluded because the Association elects to maintain them with funds from the operating budget:	There are items that individual unit owners are responsible to maintain and pay for, including, but not limited to:
• dock decking repairs • barrier arm – replace • dock carts – replace • storage boxes – replace • cleaning station - replace • marina signs - replace • wood deck railing - replace • security wall chain link fence – replace	

ADJUSTMENTS TO COMPONENT RESERVE RECOMMENDATIONS

This reserve study provides updated information on the components from prior reserve studies. All cost estimates were adjusted to reflect the actual inflation rate for construction work in Washington State, and costs actually experienced by Cape George Colony Club Marina or others in the area. To complete the report, we were provided with a record of recent expenditures on reserve components.

We use those figures, where applicable, for updating component cost projections, applying an appropriate inflation factor. Where updated figures from actual work performed are not available, cost projections from the previous reserve study are updated for inflation and rounded to the nearest $10, using the RS Means 2021 to 2023 inflation figure of 23.81% for construction work.

SIX YEARS AT A GLANCE (2023 - 2028)

Below is a comprehensive list of reserve funded expenses that are expected to occur this fiscal year and the following five years at Cape George Colony Club Marina.

2023 (YEAR 0) ANTICIPATED MAINTENANCE	ESTIMATED COST
Total Estimated Expenses for 2023	**$0**

2024 (YEAR 1) ANTICIPATED MAINTENANCE	ESTIMATED COST
2.1.1 Cleaning Station - Replace	**$8,720**
2.6.2 Rock Jetties - Maintain	**$77,859**
2.8.5 Wood Pile - Jacketing, Phase 1	**$14,977**
Total Estimated Expenses for 2024	**$101,556**

2025 (YEAR 2) ANTICIPATED MAINTENANCE	ESTIMATED COST
2.1.2 Wood Deck, Elevated- Replace North & South	**$56,000**
2.6.1 Gravel - Replace with Asphalt	**$35,720**
2.8.6 Wood Pile - Jacketing, Phase 2	**$31,151**
2.9.1 Helix Mooring Buoy North - Replace	**$2,868**
2.9.2 Helix Mooring Buoy South - Replace	**$2,868**
3.3.2 Ecology Block at Marina Road - Replace	**$42,861**
Total Estimated Expenses for 2025	**$171,468**

2026 (YEAR 3) ANTICIPATED MAINTENANCE	ESTIMATED COST
2.8.1 Dock Structure, Decking & Floats - Replace - Phase 1	**$278,584**
2.8.7 Wood Pile - Jacketing, Phase 3	**$48,596**
3.3.1 Concrete Boat Ramp - Replace	**$56,589**
Total Estimated Expenses for 2026	**$383,769**

2027 (YEAR 4) ANTICIPATED MAINTENANCE	ESTIMATED COST
2.8.2 Dock Structure, Decking & Floats - Replace - Phase 2	**$289,728**
Total Estimated Expenses for 2027	**$289,728**

2028 (YEAR 5) ANTICIPATED MAINTENANCE	ESTIMATED COST
2.8.3 Dock Structure, Decking & Floats - Replace - Phase 3	**$301,317**
Total Estimated Expenses for 2028	**$301,317**

PROJECTED RESERVE ACCOUNT BALANCE

FOR EACH FUNDING PLAN OVER NEXT 5 YEARS

$225,000 RECOMMENDED (THRESHOLD) FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2024)	$225,000	$0	$277,480	27%	Moderate Risk
2 (2025)	$234,000	$0	$347,731	36%	Moderate Risk
3 (2026)	$243,360	$0	$214,260	30%	Moderate Risk
4 (2027)	$253,094	$0	$182,525	34%	Moderate Risk
5 (2028)	$263,218	$0	$148,513	43%	Moderate Risk

$31,388 CURRENT FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2024)	$31,388	$0	$82,901	8%	Highest Risk
2 (2025)	$32,644	$0	($55,924)	-6%	Highest Risk
3 (2026)	$33,949	$0	($349,821)	-50%	Highest Risk
4 (2027)	$35,307	$0	($254,421)	-48%	Highest Risk
5 (2028)	$36,720	$0	($264,597)	-77%	Highest Risk

$199,200 BASELINE FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2024)	$199,200	$0	$251,552	25%	Moderate Risk
2 (2025)	$207,168	$0	$293,987	30%	Moderate Risk
3 (2026)	$215,455	$0	$130,917	19%	Highest Risk
4 (2027)	$224,073	$0	$67,715	13%	Highest Risk
5 (2028)	$233,036	$0	$273	0%	Highest Risk

$199,200 FULL FUNDING PLAN

YEAR	ANNUAL RESERVE CONTRIBUTION	SPECIAL ASSESSMENT	YEAR END RESERVE BALANCE	PERCENT FUNDED	SPECIAL ASSESSMENT RISK LEVEL
1 (2024)	$199,200	$0	$251,552	25%	Moderate Risk
2 (2025)	$207,168	$0	$293,987	30%	Moderate Risk
3 (2026)	$215,455	$0	$130,917	19%	Highest Risk
4 (2027)	$224,073	$0	$67,715	13%	Highest Risk
5 (2028)	$233,036	$0	$273	0%	Highest Risk

PERCENT FUNDED

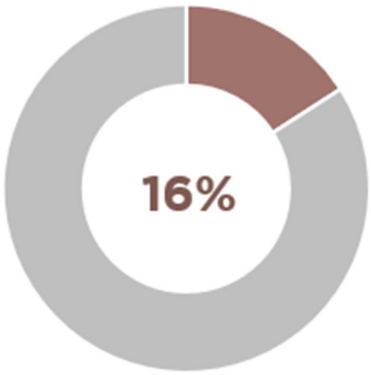
The "percent funded" is a measure of how much the Association should have saved in their reserve account compared to the projected cost for all the components the Association is responsible for and relates to the level of deterioration compared to the cost to repair or replace the component.

We typically recommend a contribution rate to meet a minimum reserve account balance (threshold) goal instead of a 100% funded rate.

We usually recommend that an association consider a threshold equal to the recommended annual reserve contribution because this is the average maintenance expense over the thirty years. However, each association must judge their unique risk tolerance.

The Fully Funded Balance for Cape George Colony Club Marina is $954,596 . The actual current funding is $151,900 . The Association is approximately 16% funded.

This means that based on a straight-line savings for each reserve component, the Association saved 16% of the accumulated depreciation of the reserve components.



At 16% percent funded, Cape George Colony Club Marina
is considered to be at
Highest Risk for a special assessment.

EXAMPLE OF PERCENT FUNDED FOR ROOF REPLACEMENT

SCENARIO	ANALYSIS

For a deck membrane that lasts 10 years and costs $100,000 to replace:
• Save $10,000 each year, for 10 years
• Year 2, the membrane has deteriorated 20%.
  o If you have $20,000 saved it is fully funded.
  o If you have $10,000 saved it is 50% funded.
• Year 8, the membrane has deteriorated 80%.
  o If you have $80,000 saved it is fully funded.
  o If you have $20,000 saved it is 25% funded. If you have $10,000 saved it is 13% funded.
	A. In effect, the percent funded is a measure of how well an association can withstand the risk of unexpected expenses. Such unexpected expenses include: emergency expenses not covered by insurance, expenses that are higher than predicted, and expenses that are required earlier than anticipated.
	B. A higher percent funded means more money is in the bank which lowers the risk of special assessment if something unexpected occurs. A poorly funded Association has less cash on hand, therefore much higher risk of special assessment for unplanned expenses.
	C. By analyzing deterioration cycles and cash flow needs, we determine how much money should be steadily contributed, over a 30 year period, to fund the repair and replacement needs of the components included in the study. Budgeting to maintain a minimum balance, or threshold, helps to ensure that a special assessment will not be required if an unexpected expense arises.

DEFICIT OR SURPLUS IN RESERVE FUNDING

RCW 64.90.550 §2(l) requires that the reserve study include the amount of any current deficit or surplus in reserve funding expressed on a dollars per unit basis. This is calculated by subtracting the community's reserve account balance as of the date of the study from the fully funded balance, and then multiplying the result by the fraction or percentage of the common expenses of the community allocable to each unit.

The fully funded balance calculates how much money should be saved for future maintenance based on the age of each component and the cost for future maintenance. In other words, the fully funded balance assumes that money will be saved every year for the next maintenance of a component to ensure special assessments are not required to fund future maintenance. The intent of RCW 64.90.550 §2 (l) is to show each unit's "share" of the surplus or deficit in reserve funding.

If the reserve account balance is:

- **equal to** the fully funded balance, Cape George Colony Club Marina would be considered as 100% fully funded. There would be neither a surplus nor deficit.
- **less than** the fully funded balance, there is a deficit meaning Cape George Colony Club Marina would be thought behind on saving for future maintenance.
- **more than** the fully funded balance, there is a surplus meaning Cape George Colony Club Marina would be deemed ahead on saving for future maintenance.

The Recommended Funding Plan is based on Threshold Funding, a reserve contribution rate that is constant (increasing annually with inflation) to provide funds for all anticipated reserve expenses for the life of the study but leaving a minimum level of reserves (the "threshold") at all times. The threshold provides a monetary cushion in the reserve account to help ensure that a special assessment is not required for the duration of the study, even in years when there are significant withdrawals from the reserve account. Primary consideration is given to cash needed to cover expenses and the threshold; the percent funded is typically targeted to be 80%.

SUMMARY	
PROJECTED RESERVE ACCOUNT BALANCE AS OF DECEMBER 31, 2023	$151,900
CURRENT FULLY FUNDED BALANCE	$954,596
RESERVE FUND (DEFICIT)	($802,696)
NUMBER OF UNITS	662
AVERAGE (DEFICIT) PER UNIT	($1,213)
ALL UNITS PAY EQUALLY INTO RESERVES	

FUNDING PLANS

THRESHOLD FUNDING PLAN $225,000	BASELINE FUNDING PLAN $199,200	FULL FUNDING PLAN $199,200
Special Assessment none in 2024 Contribution Accelerator Years 2 -10 : 0.0% Years 11 – 30 : 0.0% Contribution Adjustment $107,347 in 2029	Special Assessment none in 2024 Contribution Accelerator Years 2 -10 - None Years 11 – 30 - None Contribution Adjustment None	Special Assessment none in 2024 Contribution Accelerator Years 2 -10 - None Years 11 – 30 - None Contribution Adjustment None
RECOMMENDED	**OPTIONAL STRATEGY**	**100% FUNDED BY YEAR 30**
initial annual contribution of $225,000	initial annual contribution of $199,200	initial annual contribution of $199,200
meets yearly projected reserve expenses	meets annual reserve expenses with no minimum balance requirement	most flexibility for cost variables and unplanned expenses
maintains minimum reserve balance equal to annual contribution amount	less flexibility with cost variables and unplanned expenses	lowest risk for special assessment

The Threshold Funding Plan is the **RECOMMENDED FUNDING PLAN** for Cape George Colony Club Marina, balancing cashflow and anticipated expenses over 30 years while maintaining a minimum reserve account balance of at least $149,000 and the percent funded above 27%. Cost projection accuracy decreases into the distant future. Assumptions should be reconsidered and updated with each revision of the study.

ALTERNATIVE FUNDING STRATEGIES

In addition to an annual contribution to reserves that increases every year to keep up with inflation, a variety of funding strategies are available. These strategies are not typically employed, but are options that provide additional flexibility in developing a custom funding plan to fit the unique needs of a community.

Special assessments – additional lump-sum contributions to either cover the cost of anticipated expenses, or to help increase the reserve account balance.

- Recommended special assessment: none in 2024

Contribution accelerators – an additional increase to the annual reserve contribution above the applied inflation rate. Our system can accommodate up to two rates. The ranges are grouped with the same percentage increase in Years 2 - 10 and in Years 11 – 30.

- Budgeted accelerator in Years 2 -10 : 0.0%
- Budgeted accelerator in Years 11 – 30 : 0.0%

Contribution adjustments – stepped increase or decrease in the reserve contribution to provide appropriate funding over the 30-year span of the report.

- Allocated contribution adjustments: $107,347 in 2029

COMPARISON OF FULLY FUNDED BALANCE AND FUNDING PLANS

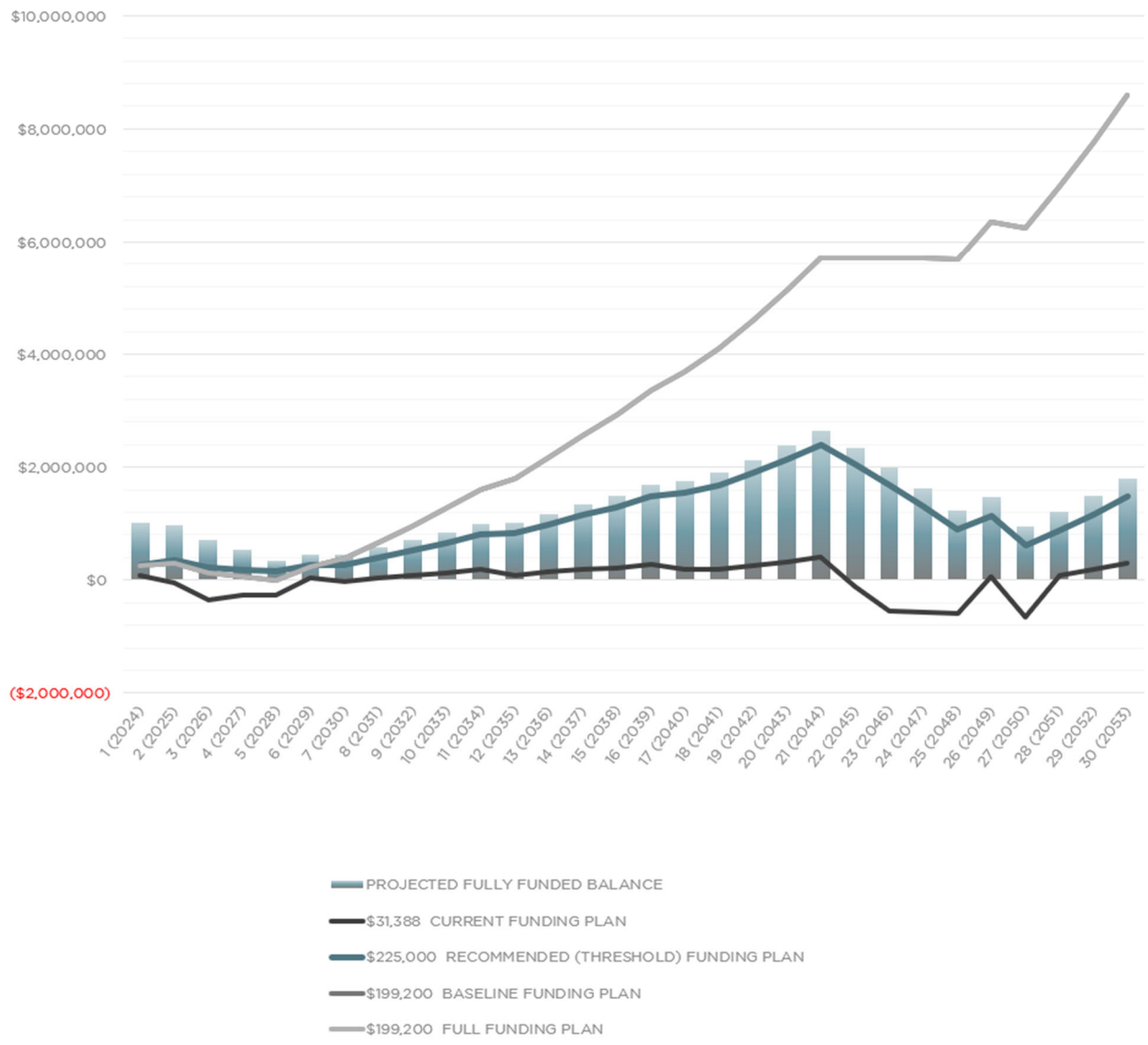
The following graph illustrates the projected Fully Funded Balance, along with the

- Current Budgeted Contribution to reserves (Current Funding Plan)
- Recommended Funding Plan (Threshold Funding Plan)
- Baseline Funding Plan
- Full Funding Plan

If any of the following special funding strategies are employed:

- **Special assessments** are calculated in all the funding plans.
- **Contribution accelerators** are only applied to the Recommended (Threshold) Funding Plan.
- **Contribution adjustments** are only applied to the Recommended (Threshold) Funding Plan.

Note: If the funding plans are similar or identical, only one line will be visible on some parts of the graph where the lines intersect.



PROJECTED RESERVE ACCOUNT BALANCES
FOR FUNDING PLANS OVER 30 YEARS

Per RCW 64.90.550 §2 (j) of the Washington Uniform Common Interest Ownership Act (WUCIOA), the projected reserve account balance for each of the funding plans over the next 30 years is provided, along with the current funding plan projections. The values in the Recommended Funding Plan include the previously mentioned recommended adjustment(s) in the annual reserve contribution, if applicable.

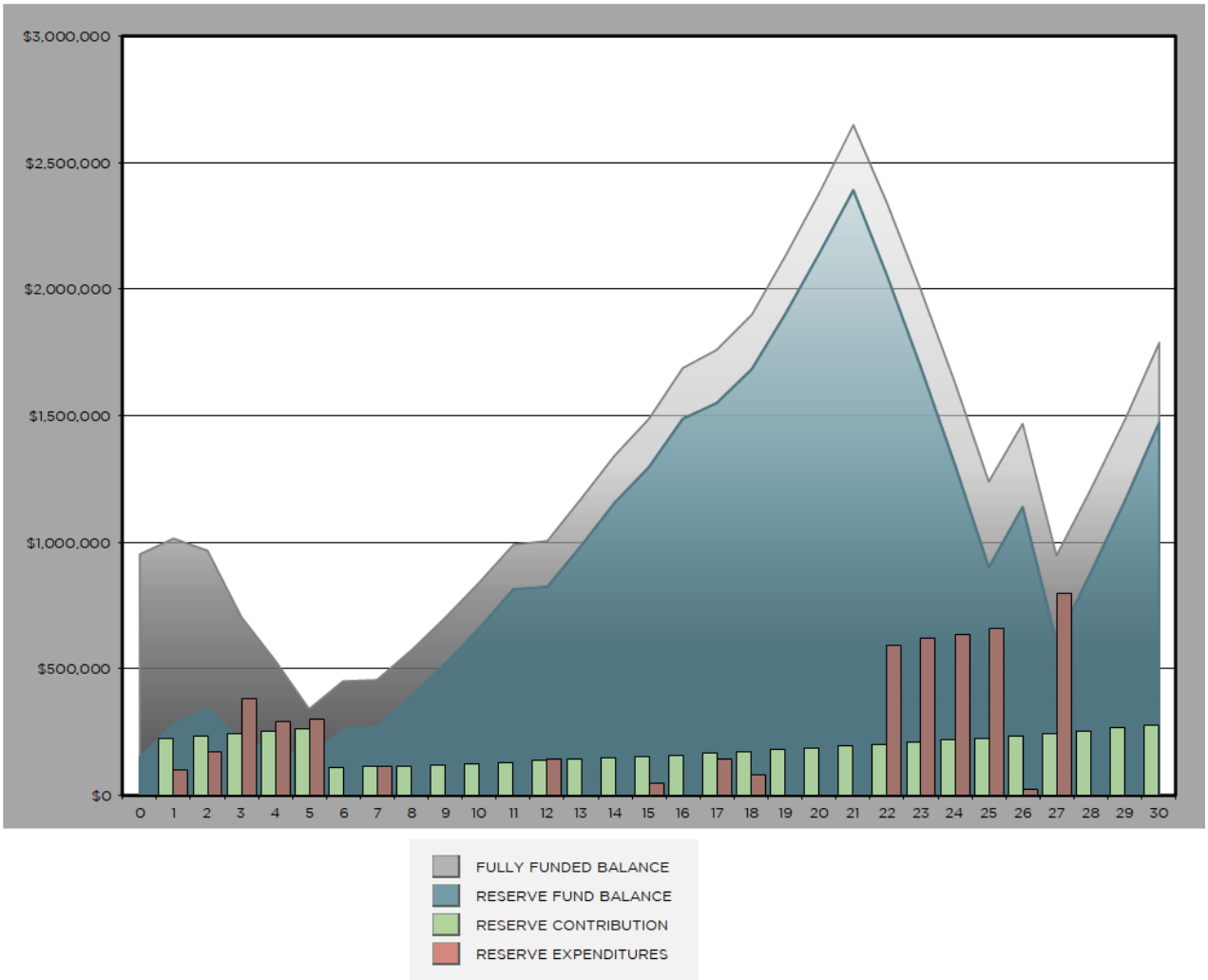
FISCAL YEAR END	$225,000 RECOMMENDED (THRESHOLD) FUNDING PLAN	$31,388 CURRENT FUNDING PLAN	$199,200 BASELINE FUNDING PLAN	$199,200 FULL FUNDING PLAN
1 (2024)	$277,480	$82,901	$251,552	$251,552
2 (2025)	$347,731	($55,924)	$293,987	$293,987
3 (2026)	$214,260	($349,821)	$130,917	$130,917
4 (2027)	$182,525	($254,421)	$67,715	$67,715
5 (2028)	$148,513	($264,597)	$273	$273
6 (2029)	$260,915	$38,666	$245,666	$245,666
7 (2030)	$267,041	($33,651)	$393,578	$393,578
8 (2031)	$391,275	$41,821	$668,827	$668,827
9 (2032)	$523,317	$86,360	$961,575	$961,575
10 (2033)	$663,550	$133,752	$1,272,682	$1,272,682
11 (2034)	$812,376	$184,139	$1,603,049	$1,603,049
12 (2035)	$823,607	$91,062	$1,807,013	$1,807,013
13 (2036)	$987,224	$144,220	$2,175,100	$2,175,100
14 (2037)	$1,160,653	$200,742	$2,565,307	$2,565,307
15 (2038)	$1,296,187	$212,614	$2,930,522	$2,930,522
16 (2039)	$1,489,478	$275,164	$3,367,017	$3,367,017
17 (2040)	$1,550,747	$198,278	$3,685,665	$3,685,665
18 (2041)	$1,682,248	$183,858	$4,089,396	$4,089,396
19 (2042)	$1,905,279	$252,835	$4,600,218	$4,600,218
20 (2043)	$2,141,124	$326,113	$5,140,154	$5,140,154
21 (2044)	$2,390,395	$403,900	$5,710,586	$5,710,586
22 (2045)	$2,054,022	($116,875)	$5,713,251	$5,713,251
23 (2046)	$1,689,157	($545,790)	$5,706,141	$5,706,141
24 (2047)	$1,308,805	($557,467)	$5,703,139	$5,703,139
25 (2048)	$902,040	($579,766)	$5,694,234	$5,694,234
26 (2049)	$1,139,205	$61,185	$6,350,726	$6,350,726
27 (2050)	$605,593	($651,563)	$6,258,906	$6,258,906
28 (2051)	$878,317	$91,634	$6,996,926	$6,996,926
29 (2052)	$1,168,161	$189,225	$7,776,657	$7,776,657
30 (2053)	$1,475,968	$293,068	$8,600,075	$8,600,075

RESERVE STUDY PROJECTIONS USING INFLATED DOLLAR VALUES

The recommended contribution to reserves is primarily based on cashflow over thirty years to ensure that there will be enough funds in reserves to cover anticipated expenses without the need of a special assessment. Monitoring the Fully Funded Balance helps anticipate future financial liabilities and the community's potential risk for a special assessment. The inflated scenario includes annual increases in the reserve contribution to keep up with inflation.

- **Teal Area Graph:** The fiscal year-end running reserve fund balance is shown as a line graph in teal.
- **Grey Area Graph:** The anticipated fully funded balance is shown as a line graph in grey.
- **Mint Green Bars:** The annual reserve fund contributions are shown as mint green bars.
- **Brick Red Bars:** The anticipated yearly reserve expenditures are shown as brick red bars, depicting the anticipated expenses over the next 30 years.

RECOMMENDED FUNDING PLAN STARTING AT $225,000



RESERVE 30 YEAR SUMMARY AT THE RECOMMENDED FUNDING PLAN STARTING AT $225,000

INFLATION & INTEREST ASSUMPTIONS[1]

	CONTRIBUTION INFLATION	COMPONENT INFLATION	INTEREST
Years 0-1	0.0%	9.0%	1.0%
Years 2-10	4.0%	4.0%	2.5%
Years 11-30	4.0%	4.0%	2.5%

SPECIAL ASSESSMENT RISK

Nominal Risk	100% +
Low Risk	70% to 99%
Moderate Risk	25% to 69%
Highest Risk	0% to 24%

FISCAL YEAR END	FISCAL YEAR BEGINNING RESERVE BALANCE	RECOMMMENDED ANNUAL RESERVE CONTRIBUTION[2]	AVERAGE CONTRIBUTION PER UNIT PER MONTH[3]	PROJECTED RESERVE EXPENDITURES	SPECIAL ASSESSMENT	PROJECTED INTEREST EARNED	FISCAL YEAR END RESERVE BALANCE	PROJECTED FULLY FUNDED BALANCE	PERCENT FUNDED
1 (2024)	$151,900	$225,000	$28	($101,556)	$0	$2,136	$277,480	$1,016,467	27%
2 (2025)	$277,480	$234,000	$29	($171,468)	$0	$7,719	$347,731	$966,270	36%
3 (2026)	$347,731	$243,360	$31	($383,769)	$0	$6,938	$214,260	$704,988	30%
4 (2027)	$214,260	$253,094	$32	($289,728)	$0	$4,899	$182,525	$530,882	34%
5 (2028)	$182,525	$263,218	$33	($301,317)	$0	$4,087	$148,513	$341,719	43%
6 (2029)	$148,513	$107,347	$14	($0)	$0	$5,055	$260,915	$449,944	58%
7 (2030)	$260,915	$111,641	$14	($112,032)	$0	$6,518	$267,041	$454,248	59%
8 (2031)	$267,041	$116,106	$15	($0)	$0	$8,127	$391,275	$574,690	68%
9 (2032)	$391,275	$120,751	$15	($0)	$0	$11,291	$523,317	$704,040	74%
10 (2033)	$523,317	$125,581	$16	($0)	$0	$14,653	$663,550	$842,819	79%
11 (2034)	$663,550	$130,604	$16	($0)	$0	$18,221	$812,376	$991,573	82%
12 (2035)	$812,376	$135,828	$17	($144,794)	$0	$20,197	$823,607	$1,006,085	82%
13 (2036)	$823,607	$141,261	$18	($0)	$0	$22,356	$987,224	$1,170,757	84%
14 (2037)	$987,224	$146,912	$18	($0)	$0	$26,517	$1,160,653	$1,346,994	86%
15 (2038)	$1,160,653	$152,788	$19	($47,585)	$0	$30,331	$1,296,187	$1,487,872	87%
16 (2039)	$1,296,187	$158,900	$20	($0)	$0	$34,391	$1,489,478	$1,687,353	88%
17 (2040)	$1,489,478	$165,256	$21	($141,520)	$0	$37,534	$1,550,747	$1,758,891	88%
18 (2041)	$1,550,747	$171,866	$22	($80,279)	$0	$39,914	$1,682,248	$1,900,355	89%
19 (2042)	$1,682,248	$178,740	$23	($0)	$0	$44,290	$1,905,279	$2,133,812	89%
20 (2043)	$1,905,279	$185,890	$23	($0)	$0	$49,956	$2,141,124	$2,382,905	90%
21 (2044)	$2,141,124	$193,326	$24	($0)	$0	$55,945	$2,390,395	$2,648,511	90%
22 (2045)	$2,390,395	$201,059	$25	($592,301)	$0	$54,869	$2,054,022	$2,339,253	88%
23 (2046)	$2,054,022	$209,101	$26	($620,178)	$0	$46,212	$1,689,157	$1,996,831	85%
24 (2047)	$1,689,157	$217,465	$27	($634,829)	$0	$37,012	$1,308,805	$1,633,428	80%
25 (2048)	$1,308,805	$226,164	$28	($660,223)	$0	$27,294	$902,040	$1,237,758	73%
26 (2049)	$902,040	$235,210	$30	($23,246)	$0	$25,201	$1,139,205	$1,471,206	77%
27 (2050)	$1,139,205	$244,619	$31	($799,771)	$0	$21,541	$605,593	$945,755	64%
28 (2051)	$605,593	$254,403	$32	($0)	$0	$18,320	$878,317	$1,207,675	73%
29 (2052)	$878,317	$264,580	$33	($0)	$0	$25,265	$1,168,161	$1,489,036	78%
30 (2053)	$1,168,161	$275,163	$35	($0)	$0	$32,644	$1,475,968	$1,790,973	82%

[1] The long term nature of this study requires that certain assumptions and predictions be made about future events. Since there can be no guarantee that these future events will occur as assumed, this analysis must be viewed in light of the circumstances under which it was conducted. Reasonable effort has been made to ensure that the conclusions of this report are based on reliable information and sound reasoning.

[2] The Recommended Annual Reserve Contribution includes inflation and any applicable recommended adjustments.

[3] The Average Contribution Per Unit Per Month reflects the Recommended Annual Reserve Contribution divided by the total number of units in the community.

PURPOSE OF A RESERVE STUDY

The purpose of a Reserve Study is to recommend a reasonable annual reserve contribution rate made by a common interest community to its reserve account. Reserve accounts are established to fund major maintenance, repair, and replacement of common elements, including limited common elements, expected within the next thirty years. A Reserve Study is intended to project availability of adequate funds for the replacement or major repair of any significant component of the property as it becomes necessary without relying on special assessments. It is a budget planning tool which identifies the current status of the reserve account and a stable and equitable Funding Plan to offset the anticipated future major shared expenditures. Each reserve component is evaluated to determine the current condition, the remaining useful life, and the estimated replacement cost. This information is combined into a spreadsheet to determine funding requirements and establish the annual contribution rate needed to minimize the potential for special assessments. All costs and annual reserve fund balances are shown with adjustments for annual inflation and interest earned. Ideally, an even level of contributions is established that maintains a positive balance in the reserve account over the timeline the study examines. Annual updates are key to keeping up with current trends in component pricing, inflation and interest rates, actual timing of maintenance experienced and the community's risk tolerance.

A Reserve Study also calculates a theoretical "Fully Funded Balance". Fully Funded Balance is the sum total of the reserve components' depreciated value using a straight-line depreciation method.

To calculate each component's depreciated value:

$$Depreciated\ Value = Current\ Replacement\ Cost \times \frac{Effective\ Age}{Expected\ Useful\ Life}$$

By comparing the actual current reserve fund balance, to the theoretical Fully Funded Balance a Percent Fully Funded is derived.

OUR APPROACH TO A RESERVE STUDY

Reserve Consultants LLC employs a "Reasonable Approach" when evaluating reserve components to draft a study that is of greatest value to our clients. This means we attempt to predict, based on the costs involved and the client's objectives, what a reasonable person will decide to have done when maintenance, repairs, or replacement become necessary. For example, a reasonable person will not replace a fence when it only needs to be repainted. The benefit of this is that reserve contributions are minimized to allow for what is most likely to occur. Our studies are not based on a worst-case scenario, but rather on what we expect is most likely to occur. Our approach assumes minor repairs will be completed as they occur before they become major problems.

LEVELS OF RESERVE STUDIES

Level 1: The first level, an initial Reserve Study, must be based upon a visual site inspection conducted by a Reserve Study Professional. This is also known as a full Level 1 Reserve Study with a site visit.

Level 2: Thereafter at least every three years, an updated Reserve Study must be prepared, which again is based upon a visual site inspection conducted by a Reserve Study Professional. This is also known as a Level 2 update with a site visit.

Level 3: As noted earlier, the Association is required to update its Reserve Study every year. However, in two of the three years, the annual updates do not require a site visit. This is also known as a Level 3 update without a site visit.

Level 4: The Community Associations Institute defines a Level 4 reserve study for communities under construction as a Preliminary, Community Not Yet Constructed reserve study.

This study is a Level 2 Reserve Study Update with a Site Visit

The next required update for Cape George Colony Club Marina is a **Level 3 study by July, 2024.**

SOURCES USED IN COMPILING THIS REPORT

Reserve Consultants LLC has provided reserve studies and construction services since 1992 and base component repair and replacement costs on this extensive experience and information provided by the Association. Sources used include:

- Site visit and visual inspection of a sampling of the components
- Input provided by association representatives;
- Review of a list of components the community is responsible for;
- Generally accepted construction, maintenance, and repair guidelines

The current replacement cost is an estimate and actual costs may vary. Material selection, timing of the work, and requirements for Architectural services or construction management can impact cost projections. Expenses related to common interest communities are typically higher than other multi-family construction types, often due to the elevated insurance requirements contractors must carry. All estimates assume that a licensed and bonded contractor will be utilized to complete the work due to liability issues. Regional cost factors are applied as appropriate.

GOVERNMENT REQUIREMENTS FOR A RESERVE STUDY

The Washington State government requires that the following disclosure be included in every Reserve Study (RCW 64.34.382§3 & RCW 64.38.070§3):

> **"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."**

The requirements of RCW 64.34 (Condo Act) and RCW 64.38 (Homeowners' Association Act) can be found on the Washington State Legislature's website. Effective July 1, 2018, the Washington Uniform Common Interest Ownership Act (WUCIOA) has impacted all common interest communities. Our reserve studies also comply with WUCIOA. WUCIOA requires the following disclosure in every Reserve Study (RCW 64.90.550 § 3):

> **"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."**

We understand that common interest properties are to follow the budget ratification process outlined in RCW 64.90.525. Specifically,

> "Within thirty days after adoption of any proposed budget for the common interest community, the board must provide a copy of the budget to all the unit owners and set a date for a meeting of the unit owners to consider ratification of the budget not less than fourteen nor more than fifty days after providing the budget. Unless at that meeting the unit owners of units to which a majority of the votes in the association are allocated or any larger percentage specified in the declaration reject the budget, the budget and the assessments against the units included in the budget are ratified, whether or not a quorum is present."

RCW 64.90.525 §2 states that the copy of the budget must include:

(d) the current amount of regular assessments budgeted for contribution to the reserve account;

(e) A statement of whether the association has a reserve study that meets the requirements of RCW 64.90.550 of this act and, if so, the extent to which the budget meets or deviates from the recommendations of that reserve study; and

(f) The current deficiency or surplus in reserve funding expressed on a per unit basis.

Reserve Consultants will prepare a Reserve Disclosure that covers the requirements of RCW 64.90.525 §2 (d) – (f) **if requested within one year of when the draft report of the Reserve Study was issued**. Once Cape George Colony Club Marina has **provided the required information in RCL's format**, the Reserve Disclosure will be compiled at no additional charge for inclusion with the budget ratification package.

LIMITATIONS AND ASSUMPTIONS OF A RESERVE STUDY

This Reserve Study is not a report on the condition of the assets maintained by Cape George Colony Club Marina, or a detailed report of necessary maintenance to the assets. It is also not an investigation into or comment on the quality of construction of the reserve components, or whether the construction complies with the building code or the requirements of Washington State requirements common interest properties, including the Washington Uniform Common Interest Ownership Act (WUCIOA).

The component list is based on information provided by Cape George Colony Club Marina. Reserve Consultants LLC does not provide legal interpretations of governing documents or auditing services on account information provided.

The observations made by Reserve Consultants LLC are limited to a visual inspection of a sample of the reserve components. Unless informed otherwise, our assumption is that the components are constructed in substantial compliance with the building code and to industry standards, and that it will receive ordinary and reasonable maintenance and repair by Cape George Colony Club Marina. These assumptions include that most reserve components will achieve their normal useful lives for similar components in the Pacific Northwest, and that they will be replaced when necessary to prevent damage to other reserve components.

This Reserve Study assumes that the assets will be maintained to keep a good level of appearance, with a special emphasis on retaining the original appearance of the assets to the greatest possible extent. The analysis also assumes that Cape George Colony Club Marina will replace materials as they are required with good quality materials, installed by qualified, licensed, contractors. We further assume that the assets will experience the full typical useful life for the new materials installed.

The long-term nature of this study requires that certain assumptions and predictions be made about future events. Since there can be no guarantee that these future events will occur as assumed, this analysis must be viewed considering the circumstances under which it was conducted. A reasonable effort has been made to ensure that the conclusions of this report are based on reliable information and sound reasoning.

This report should be updated annually with actual repair costs, reserve fund balances, etc. Every three years it should be updated with a site inspection and professional review. Regular updating will allow changes based on actual occurrences and adjustments for the cost of repairs to be incorporated into the annual reserve contributions. This will allow any savings or additional costs to be properly allocated among unit owners.

INFLATION AND INTEREST RATE PROJECTIONS

When making estimates on the future inflation and interest rates, we use a staggered approach to more accurately reflect future economic projections.

For inflation, we use the construction industry inflation rates published by RS Means, which differ from the consumer inflation index. The average annual construction inflation increase since 1993 is 4.11%. We do not apply inflation to the recommended reserve contribution in Year 1 since this is the first year at the recommended contribution rate. Inflation applied to the components on the inflated spreadsheet is compounded annually; the values are listed for each year at the bottom of the inflated spreadsheet.

For interest rates, we analyze the historical data provided by the Board of Governors of the Federal Reserve. The average annual interest rate since 1993 is 2.44%. The interest for common interest properties is typically lower than average due to conservative investing options that are usually employed by common interest properties.

CONTRIBUTION & EXPENSE INFLATION AND INTEREST PROJECTIONS

YEARS APPLIED	CONTRIBUTION ACCELERATOR	RESERVE CONTRIBUTION INFLATION	RESERVE EXPENSE INFLATION	INTEREST RATE
Year 0 (2023)	0%	0%	0%	1.0%
Year 1 (2024)	0%	9.0%	9.0%	1.0%
Year 2 (2025) through Year 10 (2033)	0%	4.0%	4.0%	2.5%
Year 11 (2034) through Year 30 (2052)	0%	4.0%	4.0%	2.5%

A contribution accelerator applies an additional annual increase to the reserve contribution above the inflation rate assumption to help increase the reserve fund balance without the need for a special assessment. This is not a strategy that is typically employed.

DISCLOSURES

1. Reserve Consultants LLC also provides construction inspection services for common interest properties and does design and construction oversight for major repair projects, including roofing, decks and building envelope replacement.

2. No shareholder or employee of Reserve Consultants LLC has any interest in, or obligation to, any construction company, management company, or development entity that creates common interest properties; nor is there any involvement with Cape George Colony Club Marina which could result in a conflict of interest.

3. Reserve Consultants LLC has been a member of the Community Associations Institute since about 1993, and has worked with a variety of management companies, common interest properties, and other types of clients in Washington State.

4. This report and analysis are based upon observations of the visible and apparent condition of the building and its major components on the date of the inspection. Although care has been taken in the performance of this inspection, Reserve Consultants LLC (and/or its representatives) make no representations regarding latent or concealed defects which may exist, and no warranty or guarantee is expressed or implied. This report is made only in the best exercise of our ability and judgment. Conclusions in this report are based on estimates of the age and normal working life of various items of equipment and appliances. Predictions of life expectancy and the balance of useful life are necessarily based on industry and/or statistical comparisons. It is essential to understand that actual conditions can alter the useful life of any item. The previous use or misuse, irregularity of servicing, faulty manufacture, unfavorable conditions, acts of God, and unforeseen circumstances make it impossible to state precisely when each item would require replacement. The client herein should be aware that certain components within the above referenced property may function consistent with their purpose at the time of inspection, but due to their nature, are subject to deterioration without notice.

5. Unless otherwise noted, all reserve components are assumed to meet the building code requirements in force at the time of construction. Any on-site inspection should not be considered a project audit or quality inspection.

6. Conclusions reached in this report assume responsible ownership and competent management of the property. Information provided by others is believed to be reliable. Information provided by others was not audited; we assume no responsibility for accuracy thereof.

7. The reserve study reflects information provided to the consultant and assembled for Cape George Colony Club Marina's use, not for the purpose of performing an audit, quality/forensic analyses or background checks of historical record.

GLOSSARY OF TERMS

Allocated Interests - the following interests allocated to each unit: (a) In a condominium, the undivided interest in the common elements, the common expense liability, and votes in the association; (b) In a cooperative, the common expense liability, the ownership interest, and votes in the association; and (c) In a plat community and miscellaneous community, the common expense liability and the votes in the association, and also the undivided interest in the common elements if owned in common by the unit owners rather than an association. RCW 64.90.010 §2.

Assessment - all sums chargeable by the association against a unit, including any assessments levied pursuant to RCW 64.90.480, fines or fees levied or imposed by the association pursuant to this chapter or the governing documents, interest and late charges on any delinquent account, and all costs of collection incurred by the association in connection with the collection of a delinquent owner's account, including reasonable attorneys' fees. RCW 64.90.010 §3.

Association or **Unit Owners Association** - the unit owners association organized under RCW 64.90.400 of WUCIOA and, to the extent necessary to construe sections of this chapter made applicable to common interest communities pursuant to RCW 64.90.080, 64.90.090, or 64.90.095 of WUCIOA, the association organized or created to administer such common interest communities. RCW §64.90.010 §4.

Baseline Funding Plan – A reserve contribution rate that is constant, increasing with inflation, to provide funds for all anticipated reserve expenses so that no special assessments are required for 30 years, but with no excess funds some years.

Board - the body, regardless of name, designated in the declaration, map, or organizational documents, with primary authority to manage the affairs of the association. RCW §64.90.010 §6.

Building Codes - Nationally recognized standards used to gauge the acceptability of a particular material or building procedure. Typically, if something is built to "code," it is acceptable to all concerned. Some often used codes are International Building Code (IBC) (applicable to most multifamily housing), International Residential Code (IRC) (applicable to one and two family structures), Washington Energy Code, National Electric Code (NEC), Uniform Plumbing Code (UPC), and the National Fire Protection Association Standards (NFPA). These are usually amended slightly by each city or county.

Building Component – see "Reserve Component".

Component Number - A number assigned to each building component that allows grouping of like components. The numbers are based roughly on the Construction Specification Institute system.

Common Elements - (a) In a condominium or cooperative, all portions of the common interest community other than the units; (b) In a plat community or miscellaneous community, any real estate other than a unit within a plat community or miscellaneous community that is owned or leased either by the association or in common by the unit owners rather than an association; and (c) In all common interest communities, any other interests in real estate for the benefit of any unit owners that are subject to the declaration. RCW §64.90.010 §7.

Common Expense - any expense of the association, including allocations to reserves, allocated to all of the unit owners in accordance with common expense liability. RCW §64.90.010 §8.

Common Expense Liability - the liability for common expenses allocated to each unit pursuant to RCW 64.90.235. RCW §64.90.010 §9.

Common Interest Community - real estate described in a declaration with respect to which a person, by virtue of the person's ownership of a unit, is obligated to pay for a share of real estate taxes, insurance premiums, maintenance, or improvement of, or services or other expenses related to, common elements, other units, or other real estate described in the declaration. "Common interest community" does not include an arrangement described in RCW 64.90.110 or RCW 64.90.115. A common interest community may be a part of another common interest community. RCW §64.90.010 §10.

Contribution Rate - the amount contributed to the reserve account so that the association will have cash reserves to pay major maintenance, repair, or replacement costs without the need for a special assessment. RCW 64.34.020 (10), RCW 64.38.010 (6)

Constant Dollars - costs and contributions are provided in today's dollars, no matter how far in the future they occur. Inflation and interest are not factored in.

Effective Age - the difference between the useful life and the remaining useful life. RCW 64.34.020 §19, RCW 64.38.010 §7 & RCW §64.90.010 §21.

Full Funding Plan - a reserve funding goal of achieving one hundred percent fully funded reserves by the end of the thirty-year study period described under RCW64.90.550 of WUCIOA, in which the reserve account balance equals the sum of the estimated costs required to maintain, repair, or replace the deteriorated portions of all reserve components. RCW §64.90.010 §25.

Fully Funded Balance - the current value of the deteriorated portion, not the total replacement value, of all the reserve components. The fully funded balance for each reserve component is calculated by multiplying the current replacement cost of that reserve component by its effective age, then dividing the result by that reserve component's useful life. The sum total of all reserve components' fully funded balances is the association's fully funded balance. RCW 64.34.020 §22, RCW 64.38.010 §10 & RCW §64.90.010 §26.

Inflated Dollars - as opposed to constant dollars, inflated dollars recognize that costs in the future will probably be higher than today because each dollar will buy fewer goods and services. A rate of inflation must be assumed and applied to all future costs. Also referred to as future cost.

Inflation Multiplier - 100% plus the assumed rate of inflation. Thus, for an assumed yearly inflation rate of 5%, the "multiplier" would be 105% or 1.05 if expressed as a decimal number rather than as a percentage. Each successive year the previous year's "multiplier" is multiplied by this number to arrive at the next year's "multiplier."

Interest Rate Multiplier - The assumed rate of interest earned on the average annual reserve bank account balance. Thus, 4% interest would be 0.04 expressed as a decimal number. A rate of interest earned must be assumed for all future years. Typically this is lower than the rate of inflation.

Limited Common Element - a portion of the common elements allocated by the declaration or by operation of RCW 64.90.210 §1(b) or §2 for the exclusive use of one or more, but fewer than all, of the unit owners. RCW §64.90.010 §30.

Unit owners may be responsible for the cost to repair and maintain limited common elements, so those costs may not appear in a Reserve Study.

Maintenance Cycle – the frequency of maintenance on a component to reach or extend its Useful Life. Often shorter than the full "Useful Life" for repairs that occur in lieu of complete replacement.

Next Repair – the next time the "Repair Cycle" starts with work on a component.

Nominal Reserve Costs – the current estimated total replacement costs of the reserve components are less than fifty percent of the annual budgeted expense of the association, excluding contributions to the reserve funds, for a condominium or cooperative containing horizontal unit boundaries and less than seventy five percent of the annual budgeted expenses of the association, excluding contributions to the reserve fund for all other common interest communities. RCW §64.90.010 §34.

Percent Fully Funded – The percentage of the "Fully Funded Balance" which the current condominium Reserve Account actually has in it.

RCW – the Revised Code of Washington.

RCW 64.34 is the Washington Condominium Act, the statute that governs 'New Act' common interest properties formed between July 1, 1990 and June 30, 2018.

RCW 64.38 is the Washington Homeowners' Act, the statute that governs homeowners' common interest properties formed prior to June 30, 2018.

RCW 64.90 is the Washington Uniform Common Interest Ownership Act (**WUCIOA**) and governs common interest properties formed after July 1, 2018 and requires all common interest properties in Washington State to comply with RCW 64.90.525.

Remaining useful life - the estimated time, in years, that a reserve component can be expected to continue to serve its intended function. RCW 64.34.020 §31, RCW 64.38.010 §15. Or the estimated time before a reserve component will require major maintenance, repair or replacement to perform its intended function. RCW §64.90.010 §44.

Replacement Cost - the current cost of replacing, repairing, or restoring a reserve component to its original functional condition. RCW 64.34.020 §32, RCW 64.38.010 §16.

Or the estimated total cost to maintain, repair, or replace a reserve component to its original functional condition. RCW §64.90.010 §45.

Reserve Account - Money set aside for future repair and replacement projects. For common interest properties, the RCW requires a separate Reserve Account to be maintained to hold reserves to fund repair or replacement of Reserve Components.

Reserve Component - common elements whose cost of maintenance, repair, or replacement is infrequent, significant, and impractical to include in an annual budget. RCW 64.34.020 §34, RCW 64.38.010 §18

Or a physical component of the common interest community which the association is obligated to maintain, repair, or replace, which has an estimated useful life of less than thirty years, and for which the cost of such maintenance, repair or replacement is infrequent, significant, and impractical to include in an annual budget. RCW §64.90.010 §46.

Reserve Contribution Rate - The amount of money saved to fund replacement costs for maintenance and repairs of common elements. See "Contribution Rate". Current contributions and Recommended contributions may be different.

Reserve Specialist – A designation for those professionals who have met the standards established by Community Associations Institute (www.caionline.org) for Reserve Study providers.

Reserve Study - A physical assessment of a building and a subsequent report which estimates the anticipated major maintenance, repair, and replacement costs, whose infrequent and significant nature make them impractical to be included in an annual budget, which will need to be repaired or replaced over the next 30 years. It provides estimates of these replacement costs and details of expected annual expenditure. It is used to calculate the Reserve Contribution Rate required to maintain a facility in good condition both functionally and cosmetically. The Washington Condominium Act sets out requirements for annual reserve studies.

Reserve Study Professional - means an independent person suitably qualified by knowledge, skill, experience, training, or education to prepare a reserve study in accordance with RCW 64.34.020 §35, RCW 64.38.010 §17, RCW 64.90.545 and RCW 64.90.550. For the purposes of WUCIOA," independent" means a person who is not an employee, officer, or director, and has no pecuniary interest in the declarant, association, or any other party for whom the reserve study is prepared. RCW §64.90.010 §47.

Roofing Square - A roofing industry term meaning 100 square feet.

Special Assessment - A levy against all unit owners that is necessary when a needed repair/replacement/upgrade has not been planned for, and for which insufficient money has been saved.

Threshold Funding (contribution rate) – A Reserve Contribution Rate that is constant, increasing with inflation, to provide funds for all anticipated Reserve Expenses for the life of the study, but leaving a minimum level of Reserves (the "threshold") at all times. Our default minimum threshold is one year's contribution.

Typ. - Abbreviation for 'typical'; used on photographs and in text to refer to a problem that is shown or described once but applies to many locations.

Typical Life - An average expected life for an average building component. As in any statistical average, there is a range of years over which each individual item might fall. This is the same as "Useful life".

Useful life - means the estimated time, in years, that a reserve component can be expected to serve its intended function. RCW 64.34.020 §40 & RCW 64.38.010 §20 or the estimated time during which a reserve component is expected to perform its intended function without major maintenance, repair or replacement. RCW §64.90.010 §59.

Year End Reserve Balance or Reserve Fund Balance - What is projected to be left in the reserve account after the expected yearly expenses and contributions are added to the prior year's carryover balance. Assumes that the reserve contributions and expenses occur as predicted.

Yearly Expenses - The total labor and material costs associated with all the repairs/maintenance that are scheduled in that particular year.

30 Year Spreadsheet - A summary listing each building component and its yearly cost to maintain/repair over the next 30 years. It also lists the annual reserve fund balance, reserve contributions, reserve expenses and bank interest earned on the calculated reserve fund balance.

EVALUATORS' CREDENTIALS

Mahria Sooter

Principal
Reserve Consultants LLC

B.A. Springfield College, MA

Reserve Specialist, #380

Mahria joined Reserve Consultants in 2016. Mahria holds a Bachelor of Arts degree from Springfield College, MA. In 2019, the Condominium Associations Institute recognized Mahria as a 'Reserve Specialist.' She has over 20 years of experience with marketing and various aspects of integrated communication in the construction industry. In 2018, Mahria received a certificate of completion from the King County Dispute Resolution Center for Basic Mediation Training providing her the skills to assist Associations with identifying and effectively communicating interests and goals. Mahria's attention to detail lends well to providing clear and concise recommendations that clients can utilize to make informed decisions.

Kyle Michael

Associate
Reserve Consultants LLC

B.S. University of Portland, OR

Kyle recently joined the Reserve Consultants team as Project Manager and Reserve Professional. He holds a Bachelor of Science in Electrical Engineering from the University of Portland in Oregon. He served in the Air Force as a Civil Engineering Officer from 2018-2021. Kyle has managed various construction projects both stateside and in Africa.

APPENDIX A

CAPE GEORGE COLONY CLUB MARINA

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $225,000
AND COMPOUND INFLATION

18-Jul-23

			STARTING RESERVE BALANCE	$151,900	$277,480	$347,731	$214,260	$182,525
			ANNUAL RESERVE CONTRIBUTION	$225,000	$234,000	$243,360	$253,094	$263,218
			ESTIMATED INTEREST EARNED	$2,136	$7,719	$6,938	$4,899	$4,087
			SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
			ACCUMULATED CREDITS	**$379,036**	**$519,199**	**$598,029**	**$472,253**	**$449,830**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	1 **2024**	2 **2025**	3 **2026**	4 **2027**	5 **2028**
2.1.1	Cleaning Station - Replace	25	1	$8,720				
2.1.2	Wood Deck, Elevated- Replace North & South	20	2		$56,000			
2.3.1	Marina Water Supply System - Contingency	20	23					
2.5.1	Electrical System - Contingency	20	15					
2.6.1	Gravel - Replace with Asphalt	5	2		$35,720			
2.6.2	Rock Jetties - Maintain	40	1	$77,859				
2.8.1	Dock Structure, Decking & Floats - Replace - Phase 1	20	3			$278,584		
2.8.2	Dock Structure, Decking & Floats - Replace - Phase 2	20	4				$289,728	
2.8.3	Dock Structure, Decking & Floats - Replace - Phase 3	20	5					$301,317
2.8.4	Wood Pilings - Replace	30	27					
2.8.5	Wood Pile - Jacketing, Phase 1	35	1	$14,977				
2.8.6	Wood Pile - Jacketing, Phase 2	35	2		$31,151			
2.8.7	Wood Pile - Jacketing, Phase 3	30	3			$48,596		
2.8.8	North Gangway - Replace	35	7					
2.8.9	South Gangway - Replace	35	12					
2.9.1	Helix Mooring Buoy North - Replace	10	2		$2,868			
2.9.2	Helix Mooring Buoy South - Replace	10	2		$2,868			
2.9.3	Basin - Complete Dredging	40	22					
2.9.4	Basin - Partial Dredging	20	18					
3.3.1	Concrete Boat Ramp - Replace	50	3			$56,589		
3.3.2	Ecology Block at Marina Road - Replace	5	2		$42,861			
0	0	0	0					
0	0	0	0					
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$101,556**	**$171,468**	**$383,769**	**$289,728**	**$301,317**
	ACCUMULATED CREDITS			$379,036	$519,199	$598,029	$472,253	$449,830
	ACCUMULATED DEBITS			$101,556	$171,468	$383,769	$289,728	$301,317
	YEAR-END BALANCE			**$277,480**	**$347,731**	**$214,260**	**$182,525**	**$148,513**

YEARS	1	2-10	11-30	1 (2024)	2 (2025)	3 (2026)	4 (2027)	5 (2028)
CONTRIBUTION INFLATION	0.0%	4.0%	4.0%	0.0%	4.0%	4.0%	4.0%	4.0%
COMPONENT COMPOUND INFLATION	9.0%	4.0%	4.0%	109%	113%	118%	123%	128%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	1.0%	2.5%	2.5%	2.5%	2.5%

APPENDIX A

CAPE GEORGE COLONY CLUB MARINA

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $225,000
AND COMPOUND INFLATION

								18-Jul-23
			STARTING RESERVE BALANCE	$148,513	$260,915	$267,041	$391,275	$523,317
			ANNUAL RESERVE CONTRIBUTION	$107,347	$111,641	$116,106	$120,751	$125,581
			ESTIMATED INTEREST EARNED	$5,055	$6,518	$8,127	$11,291	$14,653
			SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
			ACCUMULATED CREDITS	**$260,915**	**$379,073**	**$391,275**	**$523,317**	**$663,550**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	6 **2029**	7 **2030**	8 **2031**	9 **2032**	10 **2033**
2.1.1	Cleaning Station - Replace	25	1					
2.1.2	Wood Deck, Elevated- Replace North & South	20	2					
2.3.1	Marina Water Supply System - Contingency	20	23					
2.5.1	Electrical System - Contingency	20	15					
2.6.1	Gravel - Replace with Asphalt	5	2		$43,459			
2.6.2	Rock Jetties - Maintain	40	1					
2.8.1	Dock Structure, Decking & Floats - Replace - Phase 1	20	3					
2.8.2	Dock Structure, Decking & Floats - Replace - Phase 2	20	4					
2.8.3	Dock Structure, Decking & Floats - Replace - Phase 3	20	5					
2.8.4	Wood Pilings - Replace	30	27					
2.8.5	Wood Pile - Jacketing, Phase 1	35	1					
2.8.6	Wood Pile - Jacketing, Phase 2	35	2					
2.8.7	Wood Pile - Jacketing, Phase 3	30	3					
2.8.8	North Gangway - Replace	35	7		$16,426			
2.8.9	South Gangway - Replace	35	12					
2.9.1	Helix Mooring Buoy North - Replace	10	2					
2.9.2	Helix Mooring Buoy South - Replace	10	2					
2.9.3	Basin - Complete Dredging	40	22					
2.9.4	Basin - Partial Dredging	20	18					
3.3.1	Concrete Boat Ramp - Replace	50	3					
3.3.2	Ecology Block at Marina Road - Replace	5	2		$52,147			
0	0	0	0					
0	0	0	0					
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$0**	**$112,032**	**$0**	**$0**	**$0**
			ACCUMULATED CREDITS	$260,915	$379,073	$391,275	$523,317	$663,550
			ACCUMULATED DEBITS	$0	$112,032	$0	$0	$0
			YEAR-END BALANCE	**$260,915**	**$267,041**	**$391,275**	**$523,317**	**$663,550**

YEARS	1	2-10	11-30	6 (2029)	7 (2030)	8 (2031)	9 (2032)	10 (2033)
CONTRIBUTION INFLATION	0.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
COMPONENT COMPOUND INFLATION	9.0%	4.0%	4.0%	133%	138%	143%	149%	155%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

APPENDIX A

CAPE GEORGE COLONY CLUB MARINA

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $225,000
AND COMPOUND INFLATION

18-Jul-23

				STARTING RESERVE BALANCE	$663,550	$812,376	$823,607	$987,224	$1,160,653
				ANNUAL RESERVE CONTRIBUTION	$130,604	$135,828	$141,261	$146,912	$152,788
				ESTIMATED INTEREST EARNED	$18,221	$20,197	$22,356	$26,517	$30,331
				SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
				ACCUMULATED CREDITS	**$812,376**	**$968,401**	**$987,224**	**$1,160,653**	**$1,343,772**
#	COMPONENT NAME		MAINT. CYCLE	NEXT MAINT.	11 **2034**	12 **2035**	13 **2036**	14 **2037**	15 **2038**
2.1.1	Cleaning Station - Replace		25	1					
2.1.2	Wood Deck, Elevated- Replace North & South		20	2					
2.3.1	Marina Water Supply System - Contingency		20	23					
2.5.1	Electrical System - Contingency		20	15					$47,585
2.6.1	Gravel - Replace with Asphalt		5	2		$52,874			
2.6.2	Rock Jetties - Maintain		40	1					
2.8.1	Dock Structure, Decking & Floats - Replace - Phase 1		20	3					
2.8.2	Dock Structure, Decking & Floats - Replace - Phase 2		20	4					
2.8.3	Dock Structure, Decking & Floats - Replace - Phase 3		20	5					
2.8.4	Wood Pilings - Replace		30	27					
2.8.5	Wood Pile - Jacketing, Phase 1		35	1					
2.8.6	Wood Pile - Jacketing, Phase 2		35	2					
2.8.7	Wood Pile - Jacketing, Phase 3		30	3					
2.8.8	North Gangway - Replace		35	7					
2.8.9	South Gangway - Replace		35	12		$19,985			
2.9.1	Helix Mooring Buoy North - Replace		10	2		$4,245			
2.9.2	Helix Mooring Buoy South - Replace		10	2		$4,245			
2.9.3	Basin - Complete Dredging		40	22					
2.9.4	Basin - Partial Dredging		20	18					
3.3.1	Concrete Boat Ramp - Replace		50	3					
3.3.2	Ecology Block at Marina Road - Replace		5	2		$63,445			
0	0		0	0					
0	0		0	0					
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES				**$0**	**$144,794**	**$0**	**$0**	**$47,585**
				ACCUMULATED CREDITS	$812,376	$968,401	$987,224	$1,160,653	$1,343,772
				ACCUMULATED DEBITS	$0	$144,794	$0	$0	$47,585
				YEAR-END BALANCE	**$812,376**	**$823,607**	**$987,224**	**$1,160,653**	**$1,296,187**

YEARS	1	2-10	11-30	11 (2034)	12 (2035)	13 (2036)	14 (2037)	15 (2038)
CONTRIBUTION INFLATION	0.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
COMPONENT COMPOUND INFLATION	9.0%	4.0%	4.0%	161%	168%	175%	181%	189%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

APPENDIX A

CAPE GEORGE COLONY CLUB MARINA

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $225,000
AND COMPOUND INFLATION

18-Jul-23

			STARTING RESERVE BALANCE	$1,296,187	$1,489,478	$1,550,747	$1,682,248	$1,905,279
			ANNUAL RESERVE CONTRIBUTION	$158,900	$165,256	$171,866	$178,740	$185,890
			ESTIMATED INTEREST EARNED	$34,391	$37,534	$39,914	$44,290	$49,956
			SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
			ACCUMULATED CREDITS	**$1,489,478**	**$1,692,267**	**$1,762,527**	**$1,905,279**	**$2,141,124**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	16 **2039**	17 **2040**	18 **2041**	19 **2042**	20 **2043**
2.1.1	Cleaning Station - Replace	25	1					
2.1.2	Wood Deck, Elevated- Replace North & South	20	2					
2.3.1	Marina Water Supply System - Contingency	20	23					
2.5.1	Electrical System - Contingency	20	15					
2.6.1	Gravel - Replace with Asphalt	5	2		$64,329			
2.6.2	Rock Jetties - Maintain	40	1					
2.8.1	Dock Structure, Decking & Floats - Replace - Phase 1	20	3					
2.8.2	Dock Structure, Decking & Floats - Replace - Phase 2	20	4					
2.8.3	Dock Structure, Decking & Floats - Replace - Phase 3	20	5					
2.8.4	Wood Pilings - Replace	30	27					
2.8.5	Wood Pile - Jacketing, Phase 1	35	1					
2.8.6	Wood Pile - Jacketing, Phase 2	35	2					
2.8.7	Wood Pile - Jacketing, Phase 3	30	3					
2.8.8	North Gangway - Replace	35	7					
2.8.9	South Gangway - Replace	35	12					
2.9.1	Helix Mooring Buoy North - Replace	10	2					
2.9.2	Helix Mooring Buoy South - Replace	10	2					
2.9.3	Basin - Complete Dredging	40	22					
2.9.4	Basin - Partial Dredging	20	18			$80,279		
3.3.1	Concrete Boat Ramp - Replace	50	3					
3.3.2	Ecology Block at Marina Road - Replace	5	2		$77,191			
0	0	0	0					
0	0	0	0					
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$0**	**$141,520**	**$80,279**	**$0**	**$0**
	ACCUMULATED CREDITS			$1,489,478	$1,692,267	$1,762,527	$1,905,279	$2,141,124
	ACCUMULATED DEBITS			$0	$141,520	$80,279	$0	$0
	YEAR-END BALANCE			**$1,489,478**	**$1,550,747**	**$1,682,248**	**$1,905,279**	**$2,141,124**

YEARS	1	2-10	11-30	16 (2039)	17 (2040)	18 (2041)	19 (2042)	20 (2043)
CONTRIBUTION INFLATION	0.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
COMPONENT COMPOUND INFLATION	9.0%	4.0%	4.0%	196%	204%	212%	221%	230%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

APPENDIX A

CAPE GEORGE COLONY CLUB MARINA

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $225,000
AND COMPOUND INFLATION

18-Jul-23

			STARTING RESERVE BALANCE	$2,141,124	$2,390,395	$2,054,022	$1,689,157	$1,308,805
			ANNUAL RESERVE CONTRIBUTION	$193,326	$201,059	$209,101	$217,465	$226,164
			ESTIMATED INTEREST EARNED	$55,945	$54,869	$46,212	$37,012	$27,294
			SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
			ACCUMULATED CREDITS	**$2,390,395**	**$2,646,323**	**$2,309,335**	**$1,943,634**	**$1,562,263**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	21 **2044**	22 **2045**	23 **2046**	24 **2047**	25 **2048**
2.1.1	Cleaning Station - Replace	25	1					
2.1.2	Wood Deck, Elevated- Replace North & South	20	2		$122,703			
2.3.1	Marina Water Supply System - Contingency	20	23			$9,765		
2.5.1	Electrical System - Contingency	20	15					
2.6.1	Gravel - Replace with Asphalt	5	2		$78,266			
2.6.2	Rock Jetties - Maintain	40	1					
2.8.1	Dock Structure, Decking & Floats - Replace - Phase 1	20	3			$610,413		
2.8.2	Dock Structure, Decking & Floats - Replace - Phase 2	20	4				$634,829	
2.8.3	Dock Structure, Decking & Floats - Replace - Phase 3	20	5					$660,223
2.8.4	Wood Pilings - Replace	30	27					
2.8.5	Wood Pile - Jacketing, Phase 1	35	1					
2.8.6	Wood Pile - Jacketing, Phase 2	35	2					
2.8.7	Wood Pile - Jacketing, Phase 3	30	3					
2.8.8	North Gangway - Replace	35	7					
2.8.9	South Gangway - Replace	35	12					
2.9.1	Helix Mooring Buoy North - Replace	10	2		$6,284			
2.9.2	Helix Mooring Buoy South - Replace	10	2		$6,284			
2.9.3	Basin - Complete Dredging	40	22		$284,849			
2.9.4	Basin - Partial Dredging	20	18					
3.3.1	Concrete Boat Ramp - Replace	50	3					
3.3.2	Ecology Block at Marina Road - Replace	5	2		$93,915			
0	0	0	0					
0	0	0	0					
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$0**	**$592,301**	**$620,178**	**$634,829**	**$660,223**
	ACCUMULATED CREDITS			$2,390,395	$2,646,323	$2,309,335	$1,943,634	$1,562,263
	ACCUMULATED DEBITS			$0	$592,301	$620,178	$634,829	$660,223
	YEAR-END BALANCE			**$2,390,395**	**$2,054,022**	**$1,689,157**	**$1,308,805**	**$902,040**

YEARS	1	2-10	11-30	21 (2044)	22 (2045)	23 (2046)	24 (2047)	25 (2048)
CONTRIBUTION INFLATION	0.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
COMPONENT COMPOUND INFLATION	9.0%	4.0%	4.0%	239%	248%	258%	269%	279%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

APPENDIX A

CAPE GEORGE COLONY CLUB MARINA

30-YEAR RESERVE STUDY PROJECTIONS
WITH STARTING RECOMMENDED FUNDING OF $225,000
AND COMPOUND INFLATION

18-Jul-23

			STARTING RESERVE BALANCE	$902,040	$1,139,205	$605,593	$878,317	$1,168,161
			ANNUAL RESERVE CONTRIBUTION	$235,210	$244,619	$254,403	$264,580	$275,163
			ESTIMATED INTEREST EARNED	$25,201	$21,541	$18,320	$25,265	$32,644
			SPECIAL ASSESSMENT	$0	$0	$0	$0	$0
			ACCUMULATED CREDITS	**$1,162,451**	**$1,405,364**	**$878,317**	**$1,168,161**	**$1,475,968**
#	COMPONENT NAME	MAINT. CYCLE	NEXT MAINT.	26 **2049**	27 **2050**	28 **2051**	29 **2052**	30 **2053**
2.1.1	Cleaning Station - Replace	25	1	$23,246				
2.1.2	Wood Deck, Elevated- Replace North & South	20	2					
2.3.1	Marina Water Supply System - Contingency	20	23					
2.5.1	Electrical System - Contingency	20	15					
2.6.1	Gravel - Replace with Asphalt	5	2		$95,223			
2.6.2	Rock Jetties - Maintain	40	1					
2.8.1	Dock Structure, Decking & Floats - Replace - Phase 1	20	3					
2.8.2	Dock Structure, Decking & Floats - Replace - Phase 2	20	4					
2.8.3	Dock Structure, Decking & Floats - Replace - Phase 3	20	5					
2.8.4	Wood Pilings - Replace	30	27		$590,286			
2.8.5	Wood Pile - Jacketing, Phase 1	35	1					
2.8.6	Wood Pile - Jacketing, Phase 2	35	2					
2.8.7	Wood Pile - Jacketing, Phase 3	30	3					
2.8.8	North Gangway - Replace	35	7					
2.8.9	South Gangway - Replace	35	12					
2.9.1	Helix Mooring Buoy North - Replace	10	2					
2.9.2	Helix Mooring Buoy South - Replace	10	2					
2.9.3	Basin - Complete Dredging	40	22					
2.9.4	Basin - Partial Dredging	20	18					
3.3.1	Concrete Boat Ramp - Replace	50	3					
3.3.2	Ecology Block at Marina Road - Replace	5	2		$114,262			
0	0	0	0					
0	0	0	0					
	TOTAL ANTICIPATED ANNUAL RESERVE EXPENSES			**$23,246**	**$799,771**	**$0**	**$0**	**$0**
	ACCUMULATED CREDITS			$1,162,451	$1,405,364	$878,317	$1,168,161	$1,475,968
	ACCUMULATED DEBITS			$23,246	$799,771	$0	$0	$0
	YEAR-END BALANCE			**$1,139,205**	**$605,593**	**$878,317**	**$1,168,161**	**$1,475,968**

YEARS	1	2-10	11-30	26 (2049)	27 (2050)	28 (2051)	29 (2052)	30 (2053)
CONTRIBUTION INFLATION	0.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
COMPONENT COMPOUND INFLATION	9.0%	4.0%	4.0%	291%	302%	314%	327%	340%
INTEREST RATE MULTIPLIER	1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

APPENDIX B

CAPE GEORGE COLONY CLUB MARINA

COMPONENT SUMMARY

FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-23

2.1.1 Cleaning Station - Replace — Site

Maintenance Cycle: 25 years
Quantity: 1 Lump Sum
Estimate: $8,000
Next Maintenance: Year 1 (2024)
Unit Cost: $8,000.00 / LS

The cooking/cleaning station appeared to be in good condition. The station is an 8'x10' wood structure with a wood shingle roofing and was constructed in 2000. At the request of the Association the next maintenance year has been moved to 2024 and the cost increased to $8,000. This component budgets funds to repair or replace the structure. It was reported that the Association anticipates replacing the structure using volunteer labor. The budgeted amount may require adjustment if a licensed contractor is hired to complete this work.

FUTURE MAINTENANCE	
YEAR	COST
1 (2024)	$8,720
26 (2049)	$23,246

2.1.2 Wood Deck, Elevated- Replace North & South — Site

Maintenance Cycle: 20 years
Quantity: 290 Square Feet
Estimate: 290 SF X 100% X $156.14/SF = $45,280 + tax = $49,400
Next Maintenance: Year 2 (2025)
Unit Cost: $156.14 / SF

The wood elevated deck appeared weathered and some minor repairs needed. The Association plans on replacing the wood deck with aluminum framing with a fiberglass deck grating in 2025 for $49,400. This component budgets funds to replace the wood elevated deck when it has reached the end of its anticipated useful life. The deck and railing were installed in 2005. The deck is cleaned and sealed as needed by maintenance staff.

FUTURE MAINTENANCE	
YEAR	COST
2 (2025)	$56,000
22 (2045)	$122,703

2.3.1 Marina Water Supply System - Contingency — Site

Maintenance Cycle: 20 years
Quantity: 1 Lump Sum
Estimate: $3,780
Next Maintenance: Year 23 (2046)
Unit Cost: $3,780.00 / LS

No issues were reported with the Marina water supply system. This component budgets contingency funds to address any issues with the water supply system. Replacement of the water system was previously budgeted through the dock structure replacement and that is now being addressed during the dock project anticipated in 2026. Repairs were completed in 2019 at a cost of about $4,000. The next maintenance year is set to fund about 20 years after the new system has been installed.

FUTURE MAINTENANCE	
YEAR	COST
23 (2046)	$9,765

2.5.1 Electrical System - Contingency — Site

Maintenance Cycle: 20 years
Quantity: 1 Lump Sum
Estimate: $25,210
Next Maintenance: Year 15 (2038)
Unit Cost: $25,210.00 / LS

No issues were reported with the Marina electrical system. This component budgets funds for major repairs to the electrical system. The Association completed a major electrical system upgrade project in 2019 for about $110,000. The projecct included a new electrical panel, replacing electrical supply outlets and pedestals at the Marina. The electrical system was originally installed in 1992.

FUTURE MAINTENANCE	
YEAR	COST
15 (2038)	$47,585

APPENDIX B

CAPE GEORGE COLONY CLUB MARINA

COMPONENT SUMMARY

FUTURE MAINTENANCE WITH INFLATED ESTIMATES

18-Jul-23

2.6.1 Gravel - Replace with Asphalt — Site

Maintenance Cycle: 5 years
Quantity: 1 Lump Sum
Estimate: $31,510
Next Maintenance: Year 2 (2025)
Unit Cost: $31,510.00 / LS

The gravel rock pavement at the Marina boat storage area, Marina drive, and workshop appeared to be in good condition with no issues reported by the Association. This component budgets funds to replace the gravel rock pavements. The gravel rock pavement at the Marina boat storage area, Marina drive and workshop was replaced in 2019 at a cost of $13,880. Previously, the Association representative indicated plans to replace the gravel rock pavement with asphalt, however it was not mentioned if this was still planned. The component budgets $25,000 for asphalt pavement of the current gravel pavement areas.

FUTURE MAINTENANCE	
YEAR	COST
2 (2025)	$35,720
7 (2030)	$43,459
12 (2035)	$52,874
17 (2040)	$64,329
22 (2045)	$78,266
Repeat Every 5 Years	

2.6.2 Rock Jetties - Maintain — Site

Maintenance Cycle: 40 years
Quantity: 1 Lump Sum
Estimate: $71,430
Next Maintenance: Year 1 (2024)
Unit Cost: $71,430.00 / LS

No issues were reported with the rock jetties. This component budgets funds for the maintenance of the rock jetties, including repairs and replacement.

FUTURE MAINTENANCE	
YEAR	COST
1 (2024)	$77,859

2.8.1 Dock Structure, Decking & Floats - Replace - Phase 1 — Site

Maintenance Cycle: 20 years
Quantity: 65 Lump Sum
Estimate: $236,300
Next Maintenance: Year 3 (2026)
Unit Cost: $236,300.00 / LS

This component budgets funds for the replacement of the Marina dock structures. The replacement project is divided into three phases. The budget provides funds for Phase 1 to replace the dock structure, associated decking and floats, and about 16′ of water delivery system. Minor repairs and replacements of small decking sections are completed regularly and are funded annually through the operating budget. The Association began an in-house replacement of dock floats in 2010.

FUTURE MAINTENANCE	
YEAR	COST
3 (2026)	$278,584
23 (2046)	$610,413

2.8.2 Dock Structure, Decking & Floats - Replace - Phase 2 — Site

Maintenance Cycle: 20 years
Quantity: 65 Lump Sum
Estimate: $236,300
Next Maintenance: Year 4 (2027)
Unit Cost: $236,300.00 / LS

This component budgets funds for the replacement of the Marina dock structures. The replacement project is divided into three phases. The budget provides funds for Phase 2 to replace the dock structure, associated decking and floats, and about 16′ of water delivery system. Minor repairs and replacements of small decking sections are completed regularly and are funded annually through the operating budget. The Association began an in-house replacement of dock floats in 2010.

FUTURE MAINTENANCE	
YEAR	COST
4 (2027)	$289,728
24 (2047)	$634,829

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2.8.3 Dock Structure, Decking & Floats - Replace - Phase 3 — Site

Maintenance Cycle: 20 years
Quantity: 65 Lump Sum
Estimate: $236,300
Next Maintenance: Year 5 (2028)
Unit Cost: $236,300.00 / LS

This component budgets funds for the replacement of the Marina dock structures. The replacement project is divided into three phases. The budget provides funds for Phase 3 to replace the dock structure, associated decking and floats, and about 16′ of water delivery system. Minor repairs and replacements of small decking sections are completed regularly and are funded annually through the operating budget. The Association began an in-house replacement of dock floats in 2010.

FUTURE MAINTENANCE	
YEAR	COST
5 (2028)	$301,317
25 (2048)	$660,223

2.8.4 Wood Pilings - Replace — Site

Maintenance Cycle: 30 years
Quantity: 35 Each
Estimate: 35 EA X 100% X $5,115.36/EA = $179,038 + tax = $195,330
Next Maintenance: Year 27 (2050)
Unit Cost: $5,115.36 / EA

This component budgets funds to replace the wood pilings at the end of their anticiapted useful life. The pilings were originally installed in 1996. This component budgets for replacing all pilings when they have reached the approximate end of useful life.

FUTURE MAINTENANCE	
YEAR	COST
27 (2050)	$590,286

2.8.5 Wood Pile - Jacketing, Phase 1 — Site

Maintenance Cycle: 35 years
Quantity: 5 Each
Estimate: 5 EA X 100% X $2,518.79/EA = $12,594 + tax = $13,740
Next Maintenance: Year 1 (2024)
Unit Cost: $2,518.79 / EA

Previously the Association reported plans to install wood pile jacketing over the existing wood pilings in 3 phases over three consecutive years to extend their useful life. This component budgets funds to install 5 jacketing's in Phase 1.

FUTURE MAINTENANCE	
YEAR	COST
1 (2024)	$14,977

2.8.6 Wood Pile - Jacketing, Phase 2 — Site

Maintenance Cycle: 35 years
Quantity: 10 Each
Estimate: 10 EA X 100% X $2,518.79/EA = $25,188 + tax = $27,480
Next Maintenance: Year 2 (2025)
Unit Cost: $2,518.79 / EA

Previously the Association reported plans to install wood pile jacketing over the existing wood pilings in 3 phases over three consecutive years to extend their useful life. This component budgets funds to install 10 jacketing's in Phase 2.

FUTURE MAINTENANCE	
YEAR	COST
2 (2025)	$31,151

2.8.7 Wood Pile - Jacketing, Phase 3 — Site

Maintenance Cycle: 30 years
Next Maintenance: Year 3 (2026)
Quantity: 15 Each
Unit Cost: $2,518.79 / EA
Estimate: 15 EA X 100% X $2,518.79/EA = $37,782 + tax = $41,220

Previously the Association reported plans to install wood pile jacketing over the existing wood pilings in 3 phases over three consecutive years to extend their useful life. This component budgets funds to install 15 jacketing's in Phase 3.

FUTURE MAINTENANCE	
YEAR	COST
3 (2026)	$48,596

2.8.8 North Gangway - Replace — Site

Maintenance Cycle: 35 years
Next Maintenance: Year 7 (2030)
Quantity: 90 Square Feet
Unit Cost: $121.30 / SF
Estimate: 90 SF X 100% X $121.30/SF = $10,917 + tax = $11,910

The North gangway appeared to be stable, in good condition with no issues reported by the Association. This component budgets funds to replace the North gangway at the end of its anticipated useful life. The current gangway was installed in 2002.

FUTURE MAINTENANCE	
YEAR	COST
7 (2030)	$16,426

2.8.9 South Gangway - Replace — Site

Maintenance Cycle: 35 years
Next Maintenance: Year 12 (2035)
Quantity: 90 Square Feet
Unit Cost: $121.30 / SF
Estimate: 90 SF X 100% X $121.30/SF = $10,917 + tax = $11,910

The North gangway appeared to be stable, in good condition with no issues reported by the Association. This component budgets funds to replace the South gangway at the end of its anticipated useful life. The south gangway was replaced in 1990.

FUTURE MAINTENANCE	
YEAR	COST
12 (2035)	$19,985

2.9.1 Helix Mooring Buoy North - Replace — Site

Maintenance Cycle: 10 years
Next Maintenance: Year 2 (2025)
Quantity: 1 Each
Unit Cost: $2,318.97 / EA
Estimate: 1 EA X 100% X $2,318.97/EA = $2,319 + tax = $2,530

The Association reported plans to hire a diver to inspect the buoy. This component budgets funds to replace the north helix mooring buoy.

FUTURE MAINTENANCE	
YEAR	COST
2 (2025)	$2,868
12 (2035)	$4,245
22 (2045)	$6,284

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2.9.2 Helix Mooring Buoy South - Replace — Site

Maintenance Cycle: 10 years
Next Maintenance: Year 2 (2025)
Quantity: 1 Each
Unit Cost: $2,318.97 / EA
Estimate: 1 EA X 100% X $2,318.97/EA = $2,319 + tax = $2,530

The Association reported plans to hire a diver to inspect the buoy. This component budgets funds to replace the south helix mooring buoy.

FUTURE MAINTENANCE	
YEAR	COST
2 (2025)	$2,868
12 (2035)	$4,245
22 (2045)	$6,284

2.9.3 Basin - Complete Dredging — Site

Maintenance Cycle: 40 years
Next Maintenance: Year 22 (2045)
Quantity: 1 Lump Sum
Unit Cost: $114,680.00 / LS
Estimate: $114,680

No issues were reported with the Marina basin or the channel. The Association is in the process of obtaining a new permit, since the current permit (NWS-213-108b) expires in June. This component budgets funds to completely dredge the Marina basin and the channel. The basin was placed in service in 1997.

FUTURE MAINTENANCE	
YEAR	COST
22 (2045)	$284,849

2.9.4 Basin - Partial Dredging — Site

Maintenance Cycle: 20 years
Next Maintenance: Year 18 (2041)
Quantity: 1 Lump Sum
Unit Cost: $37,810.00 / LS
Estimate: $37,810

The Association reported partial dredging was completed in 2021. The master Army Corps of Engineers dredging permit (NWS-213-108b), both partial basin and annual channel, expires in June. The Association is working to obtaining a new permit. This component budgets funds for partial dredging of the basin. Channel dredging is completed annually and is paid for out of the operating budget.

FUTURE MAINTENANCE	
YEAR	COST
18 (2041)	$80,279

3.3.1 Concrete Boat Ramp - Replace — Concrete

Maintenance Cycle: 50 years
Next Maintenance: Year 3 (2026)
Quantity: 1,900 Square Feet
Unit Cost: $23.16 / SF
Estimate: 1,900 SF X 100% X $23.16/SF = $43,996 + tax = $48,000

The concrete boat ramp appeared worn with damaged sections. The Association reported plans to replace it in 2026 for $48,000. This component budgets funds to replace the concrete boat ramp at the end of its anticipated useful life. Previously, due to environmental restrictions the ramp cannot be poured and cured in the Marina. The original ramp was installed in 1992

FUTURE MAINTENANCE	
YEAR	COST
3 (2026)	$56,589

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3.3.2 Ecology Block at Marina Road - Replace — Concrete

Maintenance Cycle: 5 years
Next Maintenance: Year 2 (2025)
Quantity: 1 Lump Sum
Unit Cost: $37,810.00 / LS
Estimate: $37,810

The ecology block at Marina Road seemed to be in fair condition with areas of erosion noted. This component budgets funds to replace damaged sections to prevent further erosion of the ecology block.

FUTURE MAINTENANCE	
YEAR	COST
2 (2025)	$42,861
7 (2030)	$52,147
12 (2035)	$63,445
17 (2040)	$77,191
22 (2045)	$93,915
Repeat Every 5 Years	