

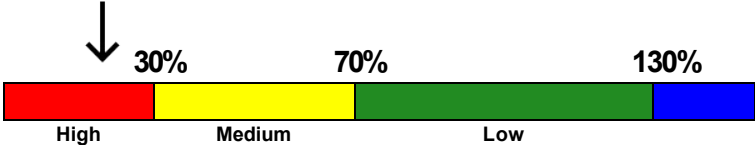
3- Minute Executive Summary

Association: Timberlake Water System **Assoc. #: 23247-6**
Location: Shelton, WA **# of Units: 1,377**
Report Period: October 1, 2020 through September 30, 2021

Findings/Recommendations as-of: October 1, 2020

Starting Reserve Balance	\$1,559,793
Current Fully Funded Reserve Balance	\$7,847,477
Percent Funded	19.9 %
Average Reserve (Deficit) or Surplus Per Unit	(\$4,566)
2020/2021 100% Annual "Full Funding" Contributions	\$554,000
2020/2021 70% Annual "Threshold Funding" Contributions	\$426,500
2020/2021 "Alternate/Baseline Funding" to keep Reserves above \$0	\$139,644
Recommended 2020/2021 Special Assessment	\$0
Most Recent Budgeted Contribution Rate	\$313,956

Reserves % Funded: 19.9%



Special Assessment Risk:

Economic Assumptions:

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

- This is a Update "No-Site-Visit" Reserve Study, meeting all requirements of the Revised Code of Washington (RCW). This study was prepared by, or under the supervision of a credentialed Reserve Specialist (RS 153). As a matter of record, we note your Fiscal Year has changed as compared to previous years. Now understood as October-September (10.1-9.30), no longer July-June (7.1-6.30).
- Your Reserve Fund is currently 19.9 % Funded. This means the association’s special assessment and/or deferred maintenance risk is currently High. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of Reserve cash flow problems.
- Based on this starting point and your anticipated future expenses, our recommendation is to budget Reserve Contributions to within the 70% to 100% range as noted above. The 100% “Full” and 70% contribution rates are designed to gradually achieve these funding objectives by the end of our 30-year report scope.
- No assets appropriate for Reserve designation known to be excluded. See appendix for important component information and the basis of our assumptions. "Alternate Funding" in this report is synonymous with Baseline Funding, as defined within the RCW " to maintain the reserve account balance above zero throughout the thirty-year study period, without special assessments." Funding plan contribution rates are presented as an

aggregate total, assuming average percentage of ownership. The actual ownership allocation may vary - refer to your governing documents.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Capacity/Filter				
106	Water System Plan - Update	6	2	\$57,300
901	Well Pump/Motor #1 - Replace	20	4	\$23,300
901	Well Pump/Motor #2 - Replace	10	0	\$23,300
901	Well Pump/Motor #3 - Replace	10	0	\$25,500
904	Well #1 Control - Replace	30	4	\$14,900
904	Well #2 Control - Replace	30	14	\$14,900
904	Well #3 Control - Replace	30	18	\$14,900
907	Filter System - Maintain/Replace	35	20	\$120,800
Store/Monitor				
910	Storage Tank, Steel - Replace	50	25	\$509,000
911	Storage Tank, Concrete - Replace	60	12	\$138,000
914	Storage Tank, Exterior - Recoat	10	5	\$23,900
915	Storage Tank, Exterior-Blast/Recoat	20	5	\$81,700
916	Storage Tank, Interior-Blast/Recoat	20	12	\$136,000
918	Reservoir Control System - Replace	30	15	\$35,000
919	Telemetry System - Replace	15	0	\$4,225
Treatment/Boost				
920	Hypochlorite Generator - Replace	30	12	\$40,350
922	Hypochlorite Cell - Replace	10	2	\$14,900
926	Treatment/Monitoring - Replace	20	5	\$21,250
930	Booster System, Primary - Replace	20	18	\$204,500
934	Booster System, Back Up - Maintain	10	1	\$6,335
Distribution				
940	Water Main Line Project, A-Replace	100	1	\$320,000
940	Water Main Line Project, B-Replace	100	6	\$420,000
940	Water Main Line Project, C-Replace	100	11	\$504,000
940	Water Main Line Project, D-Replace	100	16	\$588,000
945	Remaining Main Lines, E- Replace	100	46	\$2,424,000
945	Remaining Main Lines, F- Replace	100	47	\$2,424,000
945	Remaining Main Lines, G - Replace	100	48	\$2,424,000
945	Remaining Main Lines, H - Replace	100	49	\$2,424,000
946	Water Main Lines, 2009 - Replace	100	89	\$520,000
947	Water Main Lines, 2019/2020-Replace	100	99	\$201,600
950	Hydrants - Add/Replace	1	0	\$10,625
955	Pressure Reducing Valves - Replace	25	12	\$42,350
956	Water Meters - Replace	15	11	\$138,500
957	Water Meter Setters - Replace	45	26	\$256,000
Buildings/Site				
964	Building Roof - Replace	40	27	\$38,200
970	Chain Link Fence - Replace	30	9	\$11,700
Systems/Equipment				
980	Generator, 200 KW - Upgrade	40	37	\$122,000
994	Compact Tractor/Loader - Replace	25	1	\$39,250
995	Truck (1/3) - Replace	12	4	\$6,900
996	Truck - Replace	12	7	\$20,200

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
998	Leak Detector - Replace	12	0	\$4,735
999	Meter Reader System - Replace	5	0	\$4,225
42 Total Funded Components				

Note 1: Yellow highlighted line items are expected to require attention in this initial year, green highlighted items are expected to occur within the first-five years.