

## 3- Minute Executive Summary

**Association:** Big Sky HOA **Assoc. #:** 13144-2  
**Location:** Simi Valley, CA  
**# of Units:** 771  
**Report Period:** June 1, 2016 through May 31, 2017

**Results as-of 6/1/2016:**

<b>Projected Starting Reserve Balance:</b> .....	<b>\$2,400,000</b>
<b>Fully Funded Reserve Balance:</b> .....	<b>\$1,202,103</b>
<b>Average Reserve Surplus Per Unit:</b> .....	<b>\$1,554</b>
<b>Percent Funded:</b> .....	<b>199.7%</b>
<b>Recommended 2016/2017 monthly Reserve Contribution:</b> .....	<b>\$10,000</b>
<b>Recommended 2016/2017 Special Assessment for Reserves:</b> .....	<b>\$0</b>
<b>Most Recent Reserve Contribution Rate:</b> .....	<b>\$10,000</b>

**Economic Assumptions:**

**Net Annual “After Tax” Interest Earnings Accruing to Reserves**.....1.00%  
**Annual Inflation Rate** .....3.00%

- This is an “Update With-Site-Visit” Reserve Study, based on a prior Report prepared by Association Reserves for your 2015/2016 Fiscal Year. The information in this Reserve Study is based on our site inspection on March 25, 2016.
- This Reserve Study was prepared by, or under the supervision of, a credentialed Reserve Specialist (RS).
- Because your Reserve Fund is above 130% at 199.7% Funded, this represents a surplus Reserve Fund position. While Reserve Fund strength is desired, for fairness, stable cash flow and efficiency, it’s best not to remain in a surplus position too long.
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to maintain your Reserve contributions.
- Your multi-year Funding Plan is designed to return you to the 100% level, or “Fully Funded” rapidly, without large cash flow volatility.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
<b>General Common Area</b>					
201	Asphalt - Remove/Replace (Parking)	28	16	\$48,450	\$77,748
202	Asphalt - Seal/Repair	5	3	\$4,500	\$4,917
206	Special/Stamped Concrete - Replace	20	9	\$156,500	\$204,197
306	Exhaust Fan - Replace	10	8	\$1,600	\$2,027
321	Landscape Lights - Replace	15	13	\$11,000	\$16,154
403	Mailboxes & Posts - Replace	20	18	\$137,500	\$234,085
406	Dog Stations - Replace	15	9	\$5,100	\$6,654
507	Split Rail Concrete Fence - Repair	1	1	\$40,000	\$41,200
507	Split Rail Concrete Fence - Repair Project	N/A	0	\$300,000	\$0
701	Front Doors - Replace	20	9	\$3,500	\$4,567
708	Trash Gates - Replace	20	9	\$2,500	\$3,262
1001	Backflow Devices - Partial Replace	3	1	\$14,900	\$15,347
1002	Irrigation Pumps - Replace (A)	10	0	\$126,000	\$169,333
1002	Irrigation Pumps - Replace (B)	10	8	\$36,000	\$45,604
1003	IQ Irrigation Controllers - Replace	12	10	\$212,500	\$285,582
1004	Backflow Enclosures - Replace	30	19	\$49,500	\$86,799
1004	Pump Enclosures - Replace	20	9	\$77,500	\$101,120
1004	Time Clock Enclosures - Replace	25	14	\$70,000	\$105,881
1004	Time Clock Enclosures - Replace (SS)	30	28	\$10,500	\$24,023
1005	Irrigation System - Refurbish	1	0	\$35,000	\$36,050
1107	Galvanized Fence - Repaint (50%)	5	2	\$163,500	\$173,457
1114	Mailboxes - Repaint	10	8	\$50,000	\$63,339
1114	Mailboxes Stands - Repaint	10	8	\$50,000	\$63,339
1115	Waterscape Building - Repaint	10	8	\$7,500	\$9,501
1207	Waterscape Filter - Replace	8	6	\$1,750	\$2,090
1210	Waterscape Pump - Replace (large)	10	3	\$18,750	\$20,489
1210	Waterscape Pump - Replace (small)	8	6	\$2,000	\$2,388
1302	Cap Sheet Roof - Replace	20	9	\$2,550	\$3,327
1304	Tile Roof - Replace Underlayment	30	19	\$22,300	\$39,103
1402	Monument Signs - Refurbish	10	8	\$12,500	\$15,835
<b>Glenmeadow</b>					
201	Asphalt - Remove/Replace	28	17	\$420,000	\$694,196
202	Asphalt - Seal/Repair	5	3	\$20,300	\$22,182
206	Stamped Concrete - Replace	20	0	\$94,500	\$170,678
503	Metal Fence/Rail - Replace	24	14	\$7,400	\$11,193
503	Vehicle Gates - Replace	24	14	\$42,000	\$63,529
504	Vehicle Gates - Repair	8	1	\$2,000	\$2,060
704	Intercoms - Replace	15	0	\$8,000	\$12,464
705	Gate Operator - Replace	12	2	\$26,000	\$27,583
1107	Metal Fence/Rail - Repaint	5	3	\$3,500	\$3,825
39	Total Funded Components				

Note 1: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: highlighted line items are expected to require attention in the initial year