

3- Minute Executive Summary

Association: Big Sky HOA **Assoc. #: 13144-3**
 Main
Location: Simi Valley, CA **# of Units:771**
Report Period: June 1, 2017 through May 31, 2018

Findings/Recommendations as-of: June 1, 2017

Projected Starting Reserve Balance	\$1,681,692
Current Fully Funded Reserve Balance	\$641,213
Average Reserve (Surplus) Per Unit	(\$1,350)
Percent Funded	262.3 %
2017 Recommended Monthly Contributions	\$8,353
2017 Recommended Special Assessments for Reserves	\$0
Most Recent Reserve Contribution	\$7,300

Economic Assumptions:

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

This is an Update "No-Site-Visit" Reserve Study, based on a prior Report prepared by Association Reserves for your 2016/2017 Fiscal Year. No site inspection was performed as part of this Reserve Study.

This Reserve Study was prepared by or under the supervision of a credentialed Reserve Specialist (RS).

Because your Reserve Fund is above 130% at 262.3 % Funded, this represents a surplus Reserve Status and a low risk of special assessments. In perspective, while current percent funded may be in surplus, the current contributions will need to graduate at a relatively strong annual percentage increase in order to avoid a large, uncomfortable jump in contributions in later years.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to maintain your Reserve contributions in the 2017/2018 fiscal year followed by gradually bringing contributions back to normal levels.

Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".

No assets appropriate for Reserve designation were excluded.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
General Common Area			
201 Asphalt - Remove/Replace (Parking)	28	15	\$48,900
202 Asphalt - Seal/Repair	5	2	\$4,545
206 Special/Stamped Concrete - Replace	20	8	\$158,000
306 Exhaust Fan - Replace	10	7	\$1,615
321 Landscape Lights - Replace	15	12	\$11,095
403 Mailboxes & Posts - Replace	20	17	\$139,000
406 Dog Stations - Replace	15	8	\$5,150
507 Split Rail Concrete Fence - Repair	1	0	\$40,400
701 Front Doors - Replace	20	8	\$3,535
708 Trash Gates - Replace	20	8	\$2,525
1001 Backflow Devices - Partial Replace	3	0	\$15,050
1002 Irrigation Pumps - Replace (A)	10	0	\$109,050
1002 Irrigation Pumps - Replace (B)	10	7	\$36,350
1002 Irrigation Pumps - Replace (C)	10	10	\$18,200
1003 IQ Irrigation Controllers - Replace	12	9	\$214,500
1004 Backflow Enclosures - Replace	30	18	\$50,000
1004 Pump Enclosures - Replace	20	8	\$78,250
1004 Time Clock Enclosure - Replace (SS)	30	27	\$10,595
1004 Time Clock Enclosures - Replace	25	13	\$70,700
1005 Irrigation System - Refurbish	1	0	\$35,350
1009 Landscaping - Refurbish	1	0	\$33,000
1114 Mailboxes - Repaint	10	7	\$50,550
1114 Mailboxes Stands - Repaint	10	7	\$50,550
1115 Waterscape Building - Repaint	10	7	\$7,575
1207 Waterscape Filter - Replace	8	5	\$1,770
1210 Waterscape Pump - Replace (large)	10	5	\$18,950
1210 Waterscape Pump - Replace (small)	8	5	\$2,020
1302 Cap Sheet Roof - Replace	20	8	\$2,575
1304 Tile Roof - Replace Underlayment	30	18	\$22,550
1402 Monument Signs - Refurbish	10	7	\$10,000
1808 Trees - Trim/Remove/Replace	1	0	\$35,000
31 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.