

### 3- Minute Executive Summary

Association: High Pines Home Owners Association Assoc. #: 25507-1  
Location: Monument, CO # of Units: 62  
Report Period: January 1, 2017 through December 31, 2017

#### *Findings/Recommendations as-of: January 1, 2017:*

Projected Starting Reserve Balance: .....	\$23,758
Currently Fully Funded Reserve Balance: .....	\$2,325
Average Reserve Surplus Per Unit: .....	(\$346)
Percent Funded: .....	1,021.8 %
Recommended 2017 Monthly "Full Funding Contributions": .....	\$0
Most Recent Reserve Contribution Rate: .....	\$1,550

#### *Economic Assumptions:*

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

• This is a Update "With-Site-Visit" Reserve Study, based on a prior Report prepared by Association Reserves for your 2014 Fiscal Year. We performed the site inspection on 12/15/2016. It was prepared by a credentialed Reserve Specialist (RS #260). Since the completion of the 2014 Reserve Study, the client has reduced their total number of assets, which has greatly reduced the overall Fully Funded Balance.

• Your Reserve Fund is currently 1,021.8 % Funded. This means the association's special assessment & deferred maintenance risk is currently low. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of such Reserve cash flow problems.

• Based on this starting point and your anticipated future expenses, our recommendation is to decrease your Reserve contributions in order to be within the 70% to 130% level as noted above. 100% "Full" contribution rates are designed to achieve these funding objectives by the end of our 30-year report scope. With the elimination of the common area responsibilities, we project that the client should be able to reduce their contribution rate and still be able to achieve a 100% ideal balance at the end of a 30 year timeframe.

• No assets appropriate for Reserve designation were excluded. See photo appendix for component details; the basis of our assumptions.

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#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Inventory				
2165	Concrete Panel Fence - Replace - 5%	10	9	\$3,250
2181	Sign/Monument - Refurbish/Replace	30	15	\$4,000

**2 Total Funded Components**

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

Note 2: Yellow highlighted line items are expected to require attention in this initial year.