

Jan 2012 Reserve Study Update

by Tom Tousignant

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5 Year Plan / Reserve

Montage at Mission Hills Homeowners' Association

	Year 1 2012	Year 2 2013	Year 3 2014
Potential Income			
Regular Assessments	\$245,760	\$256,819	\$268,376
Special Assessments	\$0	\$0	\$0
Interest & Other Income	\$3,138	\$1,943	\$1,806
Total Income	\$248,898	\$258,762	\$270,182
Projected Expenses			
Utilities	\$17,111	\$18,763	\$20,577
Landscape Maintenance	\$34,060	\$35,523	\$37,054
Entrance Fountains	\$1,680	\$1,714	\$1,748
Hardscape Maintenance	\$20,554	\$21,416	\$22,319
Administrative	\$150,363	\$157,615	\$163,170
Operating Expenses	\$223,768	\$235,031	\$244,867
Reserve Allocation	\$24,144	\$25,344	\$26,616
Total Expenses	\$247,912	\$260,375	\$271,483
Cash Flow (Reserves)			
Projected Reserves (start year)	\$118,740	\$101,130	\$88,448
Add: Special Assessments	\$0	\$0	\$0
Add: Reserve Contributions	\$24,144	\$25,344	\$26,616
Add: Interest Income	\$986	\$943	\$806
Less: Expense Disbursements	(\$42,740)	(\$38,969)	(\$42,334)
Cash Flow I Year End Reserves	\$101,130	\$88,448	\$73,536
Fully Funded Reserves (Ideal Reserves)	\$236,595	\$236,268	\$238,111
Percent Funded (%)	43%	37%	31%
Per Unit Costs / 5 Year Plan			
Total Projected Expenses	\$247,912	\$260,375	\$271,483
Less: Interest & other income	(\$3,138)	(\$1,943)	(\$1,806)
Total Exp (Less: Other income)	\$244,774	\$258,432	\$269,677
Number of Units / Members	128	128	128

\$ Per Unit / Month	\$161	\$170	\$177
\$ Per Unit (less interest & other income)	\$159	\$168	\$176

Assumptions / Comments

Contingency Allowance (Reserves)	0% Selected allowance (% c
Inflation Allowance (Operating Expenses)	4% Average annual inflation
Inflation Allowance Reserve Funding	5% Selected inflation rate us
Inflation Allowance Reserve Expenses	2% Selected inflation rate us
Interest Rate (Reserve Funds)	1.00% Thru 2014, then 2.00%
Annual updates of this study are required in order to reconcile your actual costs with th	

s Cash Flow

Year 4 2015	Year 5 2016	Annual Increase (% per Yr)
\$280,453	\$293,073	5%
\$0	\$0	
\$1,857	\$2,964	
<hr/> \$282,310	<hr/> \$296,037	
\$22,569	\$24,757	9%
\$38,657	\$40,336	5%
\$1,783	\$1,818	2%
\$23,263	\$24,250	3%
\$170,161	\$178,783	4%
<hr/> \$256,433	<hr/> \$269,945	4%
\$27,948	\$29,340	5%
<hr/> \$284,381	<hr/> \$299,285	4%
\$73,536	\$98,683	n/a
\$0	\$0	n/a
\$27,948	\$29,340	5%
\$857	\$1,964	n/a
(\$3,658)	(\$30,308)	n/a
<hr/> \$98,683	<hr/> \$99,679	n/a
\$243,143	\$299,310	n/a
41%	33%	n/a
\$284,381	\$299,285	4%
(\$1,857)	(\$2,964)	0%
<hr/> \$282,524	<hr/> \$296,321	n/a
128	128	n/a

\$185	\$195	5%
\$184	\$193	5%

of the Replacement Costs per Exhibit D)
n rate (Exhibit B) for the next 5 years
ised in Exhibit B (Reserve Allocation)
ised in Exhibit E (Reserves Expenses)

the projected expenses,