

**2010 Budget  
West Loch Fairways**

		2009 Monthly	2010 Monthly	2010 Annual
<b>Operating Revenues</b>				
Community Association Dues	40110	33,443	37,964	455,568
Reserve Contribution	40112	3,997	5,236	62,832
Architectural Review Fees	40130	330	330	3,960
<b>Total Operating Revenues</b>		<b>37,770</b>	<b>43,530</b>	<b>522,360</b>
<b>Total Revenues</b>		<b>37,770</b>	<b>43,530</b>	<b>522,360</b>
<b>Operating Expenses</b>				
<b>Payroll</b>				
Wages-Manager	70040	4,375	4,594	55,128
Payroll Tax FICA	70060	147	351	4,212
Payroll Tax FUTA	70070	15	37	444
Payroll Tax SUTA	70080	-	23	276
Workers Comp Insurance	70090	258	258	3,096
TDI Insurance	70100	30	30	360
Mileage Reimbursement	70130	125	125	1,500
<b>Total Payroll</b>		<b>4,950</b>	<b>5,418</b>	<b>65,016</b>
<b>Administrative</b>				
Admin, General	70300	250	250	3,000
Admin, Newsletter	70303	350	350	4,200
Security, General	70305	241	241	2,892
Annual Assoc Meeting	70310	40	40	480
Property Mgmt-Contract	70800	2,844	2,844	34,128
Property Mgmt-Reimbursables	70810	1,800	1,800	21,600
Legal Fees-General	70900	600	600	7,200
Professional Fees - Other	71110	330	330	3,960
Accounting Fees-Audit/Tax	71150	120	120	1,440
<b>Total Administrative</b>		<b>6,575</b>	<b>6,575</b>	<b>78,900</b>
<b>Utilities &amp; Contract Services</b>				
Telephone, General	70307	178	180	2,160
Electricity-Common Areas	71200	900	2,500	30,000
Water & Sewer	71300	-	-	-
<b>Total Utilities/Contract Services</b>		<b>1,078</b>	<b>2,680</b>	<b>32,160</b>
<b>Repairs &amp; Maintenance</b>				
Repairs/Maint-Grounds	72125	700	700	8,400
Repairs/Maint-Electrical	72130	400	400	4,800
Repairs/Maint-Waterfall	72140	850	850	10,200
Repairs/Supplies/Tools/Equipment	72160	75	75	900
Tree Trimming	71950	2,500	4,200	50,400
Repairs/Maint-Landscape Contract	72200	14,734	15,470	185,640
<b>Total Repairs &amp; Maintenance</b>		<b>19,259</b>	<b>21,695</b>	<b>260,340</b>
<b>Insurance Exp &amp; Gen Others</b>				
Taxes-General Excise	72500	65	65	780
Real Property Tax	72600	700	700	8,400
Comprehensive Gen. Liability	72740	278	278	3,336
Commercial Umbrella	72760	263	278	3,336
Insurance-D&O	72770	605	605	7,260
<b>Total Insurance &amp; General</b>		<b>1,911</b>	<b>1,926</b>	<b>23,112</b>
<b>Total Operating Expenses</b>		<b>33,773</b>	<b>38,294</b>	<b>459,528</b>

This budget was prepared under the accrual method of accounting.

Approved on: Sept. 15, 2009

**2010 Budget  
West Loch Fairways**

<b>Non-Operating Expenses</b>				
Transfer to Reserves	76080	3,997	5,236	62,832
<b>Total Expenses</b>		37,770	43,530	522,360
<b>Net Income</b>		-	-	-
		2009	2010	
Association Dues/Month		\$44.59	\$52.73	
Reserve Contribution/Month		\$7.41	\$7.27	
<b>Total Association Dues/Month</b>		\$52.00	<b>\$60.00</b>	

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# West Loch Fairways 2010

## PROJECT DEFINITION REPORT

10/04/2009

### Project Information

Project: West Loch Fairways 2010  
Address: Fort Weaver Road  
City: Ewa Beach  
State: HI  
Zip: 96706-0000

Project Date: 1/01/1989  
Number of Phases: 1  
Number of Units: 720  
Number of Models: 0

### Property Description

A Reserve Study was prepared using the cash flow method of analysis for the West Loch Fairways Homeowners Association. The Reserve Study was prepared by the Managing Agent.

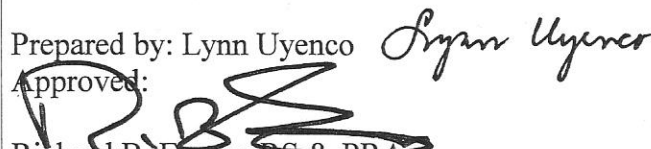
A Reserve Study was prepared using the cash flow method of analysis for West Loch Fairways. Operating experience and contractor bids were used to validate the replacement cost of certain major components. The Site Manager has extensive experience at the project. Meetings were conducted with the Site Manager to evaluate alternatives and to complete the Reserve Study. This Reserve Study has been prepared for the fiscal year ending Dec. 31, 2009. This study is an update of the FY '08 reserve study.

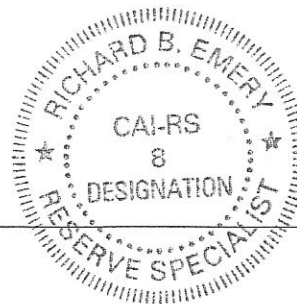
It is important to recognize that a reserve study is a financial forecast of future funds required to maintain the capital components of the project. Hawaii law requires directors of the association to use reasonable efforts to project inflation, interest income, component inventory, component life & remaining life, and replacement costs of the project's components for a 20 year period. From this information, contributions are determined to fund the statutory replacement reserves. By its nature, a Reserve Study is an estimate to be used for annual budgeting purposes. The Reserve Study is a requirement of HRS 514A-83.6 and HRS 514B-148. The reserve study is not an audit or quality inspection of the project.

Based on this Reserve Study, West Loch Fairways has adopted a funding plan based on the cash flow method that provides full funding. The Reserve Study reflects that the Association is fully funded and has complied with the reserve requirements of HRS 514A-83.6 and HRS 514B-148; provided however, the association implements the funding plan and the criteria used reflects the project's actual operating experience during the life of the funding plan. The Reserve Study Specialist has no relationship with the association, its Directors, its Site Manager and has prepared this report as an independent professional.

Prepared by: Lynn Uyenco

Approved:

  
Richard B. Emery, RS-8, PRA  
Reserve Specialist  
Professional Reserve Analyst



# West Loch Fairways 2010

## ANALYSIS DEFINITION REPORT

### 2010 Budget

#### Project Information

Project: West Loch Fairways 2010  
Address: Fort Weaver Road  
City: Ewa Beach  
State: HI  
Zip: 96706-0000

Project Date: 1/01/1989  
Analysis Date: 1/01/2010  
Number of Phases: 1  
Number of Units: 720  
Number of Models: 0

#### Analysis Parameters

Rate of Inflation: 3%  
Rate of Return on Investment: 4%  
Beginning Funds: \$270,000.00  
Loan/Special Assessment: No

Deferred Expenditures: No  
Contingency: 0%  
Contingency Time: None

#### Annual Contribution Factors

		2020:	0%
2011:	0%	2021:	0%
2012:	0%	2022:	0%
2013:	0%	2023:	0%
2014:	0%	2024:	0%
2015:	0%	2025:	0%
2016:	0%	2026:	0%
2017:	0%	2027:	0%
2018:	0%	2028:	0%
2019:	0%	2029:	0%

#### Additional Analysis Information

It is estimated that the reserve fund at year end will be approximately \$270,000. Beginning fund balances were provided by the association. Adjustments to the component data were made based on current operating information. It has been determined that the current contributions to reserves of \$62,832 annually provides fully-funded reserve balances. Interest earned on reserve contributions must remain in the reserve accounts to meet future funding requirements. The funding plan estimates an increase to reserve contributions as defined in the plan. This funding plan provides for fully funded reserve fund balances and complies with HRS 514A-83.6 and HRS 514B-148.

The funding plan was approved by the association's Board of Directors.

**West Loch Fairways 2010**  
**CASHFLOW PERCENT FUNDED SUMMARY PROJECTIONS**

**2010 Budget**

Year	Beginning Balance	Contribution	Average/ Unit/Mo	Interest Earned	Expenditures	Ending Balance
2010	270,000.00	62,832.00	7.27	12,254.89	3,000.00	342,086.89
2011	342,086.89	62,832.00	7.27	15,313.73	0.00	420,232.62
2012	420,232.62	62,832.00	7.27	18,066.87	18,260.00	482,871.49
2013	482,871.49	62,832.00	7.27	21,048.92	0.00	566,752.41
2014	566,752.41	62,832.00	7.27	24,466.02	0.00	654,050.43
2015	654,050.43	62,832.00	7.27	27,084.62	39,791.00	704,176.05
2016	704,176.05	62,832.00	7.27	28,554.31	64,076.00	731,486.36
2017	731,486.36	62,832.00	7.27	30,691.50	16,113.00	808,896.86
2018	808,896.86	62,832.00	7.27	33,846.71	20,522.00	885,053.57
2019	885,053.57	62,832.00	7.27	35,409.20	85,870.00	897,424.77
2020	897,424.77	62,832.00	7.27	37,872.63	2,721.00	995,408.40
2021	995,408.40	62,832.00	7.27	41,928.35	0.00	1,100,168.75
2022	1,100,168.75	62,832.00	7.27	41,483.10	194,795.00	1,009,688.85
2023	1,009,688.85	62,832.00	7.27	39,882.14	111,516.00	1,000,886.99
2024	1,000,886.99	62,832.00	7.27	42,079.35	3,063.00	1,102,735.34
2025	1,102,735.34	62,832.00	7.27	45,040.40	53,475.00	1,157,132.74
2026	1,157,132.74	62,832.00	7.27	47,942.26	24,371.00	1,243,536.00
2027	1,243,536.00	62,832.00	7.27	50,792.59	46,757.00	1,310,403.59
2028	1,310,403.59	62,832.00	7.27	54,029.06	31,035.00	1,396,229.65
2029	1,396,229.65	62,832.00	7.27	55,327.22	124,315.00	1,390,073.87
<b>Totals:</b>	<b>1,256,640.00</b>	<b>703,113.87</b>		<b>839,680.00</b>		



PROJECTEL EXPENDITURES  
2010 Budget

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Guard Shack Roof	3,000									
Irrigation System							43,523			
Irrigation System			2,148				2,418			13,211
Office Equipment						35,213				
Security Cameras - Phase I										
Security Cameras - Phase II							18,135			
Sidewalk Repairs										72,659
Visitor Parking - Overlay			16,112							
Visitor Parking - Seal								6,151		
Water Feature - Lighting						4,578				
Water Feature - Mechanical 1 Pump								9,962		
Water Feature - Mechanical 2 Pumps									20,522	
<b>Totals</b>	<b>3,000</b>		<b>18,260</b>			<b>39,791</b>	<b>64,076</b>	<b>16,113</b>	<b>20,522</b>	<b>85,870</b>

**PROJECTED EXPENDITURES**

**2010 Budget**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Light Standards - Replacement			101,050							
Light Standards - Replacement				111,516						
Office Equipment	2,721			3,063					3,448	
Security Cameras - Phase I						47,323				
Security Cameras - Phase II							24,371			
Sidewalk Repairs										97,676
Visitor Parking - Overlay								25,102		
Visitor Parking - Seal			7,131					8,267		
Walls - Moss Rock										26,639
Water Feature - Lighting						6,152				
Water Feature - Major Repairs			86,614							
Water Feature - Mechanical 1 Pump								13,388		
Water Feature - Mechanical 2 Pumps										27,587
<b>Totals</b>	<b>2,721</b>	<b>194,795</b>	<b>111,516</b>	<b>3,063</b>	<b>53,475</b>	<b>24,371</b>	<b>46,757</b>	<b>31,035</b>	<b>124,315</b>	





**West Loch Fairways 2010**  
**COMPONENT SUMMARY REPORT**

**2010 Budget**

Description	Starting Date	Useful Life (yr/mo)	Adj. Life (yr/mo)	Sched. Rpl. (m/yr)	Recur	Current Cost	Future Cost
<b><u>Amenities</u></b>							
Security Cameras - Phase I	6/01/2005	10/00	00/00	06/15	Y	30,000	35,213
Security Cameras - Phase II	6/01/2006	10/00	00/00	06/16	Y	15,000	18,135
<b>Sub Total:</b>						<b>45,000</b>	<b>53,348</b>
<b><u>Building</u></b>							
Guard Shack Roof	1/01/1989	20/00	+01/00	01/10	Y	3,000	3,000
<b>Sub Total:</b>						<b>3,000</b>	<b>3,000</b>
<b><u>Grounds</u></b>							
Irrigation System	6/01/2006	10/00	00/00	06/16	N	36,000	43,523
Irrigation System	6/01/2009	10/00	00/00	06/19	N	10,000	13,211
Light Standards - Replacement	6/01/2007	15/00	00/00	06/22	Y	70,000	101,050
Light Standards - Replacement	6/01/2008	15/00	00/00	06/23	Y	75,000	111,516
Sidewalk Repairs	6/01/2009	10/00	00/00	06/19	Y	55,000	72,659
Visitor Parking - Overlay	6/01/2012	15/00	00/00	06/12	Y	15,000	16,112
Visitor Parking - Seal	1/01/2007	05/00	+05/00	01/17	Y	5,000	6,151
Walls - Moss Rock	6/01/2009	20/00	00/00	06/29	Y	15,000	26,639
Water Feature - Lighting	6/01/2005	10/00	00/00	06/15	Y	3,900	4,578
Water Feature - Major Repairs	6/01/2007	15/00	00/00	06/22	Y	60,000	86,614
Water Feature - Mechanical 1 Pump	6/01/2007	10/00	00/00	06/17	Y	8,000	9,962
Water Feature - Mechanical 2 Pumps	6/01/2007	10/00	+01/00	06/18	Y	16,000	20,522
<b>Sub Total:</b>						<b>368,900</b>	<b>512,537</b>

**West Loch Airways 2010  
COMPONENT SUMMARY REPORT**

**2010 Budget**

<u>Description</u>	<u>Starting Date</u>	<u>Useful Life (yr/mo)</u>	<u>Adj. Life (yr/mo)</u>	<u>Sched. Rpl. (mo/yr)</u>	<u>Recur</u>	<u>Current Cost</u>	<u>Future Cost</u>
<u>Management Office</u>							
Office Equipment	6/01/2008	04/00	00/00	06/12	Y	2,000	2,148
<b>Sub Total:</b>						<b>2,000</b>	<b>2,148</b>
<b>Grand Total:</b>						<b>418,900</b>	<b>571,033</b>