



Effective January 2016
West Loch Fairways Homeowners Association
Budget - Maintenance Fee Schedule - Reserve Study Update

Your Association's Board of Directors approved the new fiscal year's budget, prepared on the accrual basis of accounting and monthly coupons for 2016. The Board also determines the late fee policy based on your association's governing documents and establishes a "priority of payments" plan which ensures the association is reimbursed first for expenses incurred or services provided to individual owners. The following are important points:

There will be NO INCREASE in total Association dues in 2016.

Priority of Payments Plan

1. Expense costs and attorney's fees
2. Late Fees
3. Fines
4. Special Assessments
5. Other
6. Regular Monthly Assessments *

*The balance remaining, if any, toward the payment of regular monthly assessments for 2016 (e.g. maintenance fees), is applied to the oldest balances first. Acceptance and applications of such payments will not be construed as a waiver of any rights the association shall have against the owner that is delinquent in payments.

PAYMENTS DUE

1. **Assessments are due on or before the 1st day of each month**
2. The grace period ends on the **15th** of each month
3. Full payment must be received by the grace period ending date - not based on the postmarked date
4. The association's governing documents require us to assess a late fee of \$20.00.
5. Late fee(s) will be applied if there is **\$10.00** remaining on the account

METHODS OF PAYMENT

1. Mail check or money order to Associa Hawaii, PO Box 60578, Phoenix AZ 85082-0578
IMPORTANT
Enclose the remittance stub, a check for each unit and ensure the account number is on each check.
Use a separate envelope for each payment.
2. Sign up for Direct Debit (application enclosed) which is an automatic deduction from your checking or savings account
3. Pay online using your debit or credit card for nominal convenience fee.
4. Bill-payer service with your financial institution which is an agreement between you and your bank. Go online to pay by credit card or E-check. If you have set up recurring payments online, be sure to adjust your amount annually if the fees have changed.

Important Reminders

This ensures your payment is credited to your account accurately and timely.

www.AssociaHawaii.com

MAIN OFFICE 737 Bishop Street, Mauka Tower, Suite 3100 | Honolulu, Hawaii 96813 | (808) 836-0911 | Fax (888) 608-4021

KONA 75-169 Hualalai Road | Kailua-Kona, Hawaii 96740 | (808) 329-6063 | Fax (808) 326-2486

KAUAI 4-1579 Kuhio Highway, Suite 102 | Kapaa, Hawaii 96746 | (808) 821-2122 | Fax (808) 821-2131

MAUI 375 Huku Lii Place, Suite 207 | Kihei, Hawaii 96753 | (808) 243-9565 | Fax (808) 244-7848

Delivering unsurpassed management and lifestyle services to communities worldwide.

- ❖ **PHOENIX, AZ** is the remittance address - mail payment with your statement or coupon.
- ❖ Write your **account number** on the check – can be found on your coupon or statement (example: 00123-4567).
- ❖ If you own more than 1 unit at the same association...
 - Enclose the remittance stub, a check for each unit and ensure the correct account number is written on the respective check.
 - Use separate envelopes for each remittance.

If you are using a **Bill Payment** service, please ensure your bank enters only your account number (as shown on the statement or coupon) in the check memo field as well. The same applies, if you are using the bank's **Online service** via your bank's website.

- ❖ Checks must be made payable to the Association (not Associa Hawaii).
- ❖ Checks should never be post-dated.
- ❖ Checks, whether you are writing them personally or using a bill payment service, should be mailed to:

**West Loch Fairways
c/o Associa Hawaii
PO Box 60578
Phoenix, AZ 85082-0578**

Your bill-payment service may issue a physical check or may send your payment electronically to the bank lockbox. Please instruct your bank to release the payment so that it is received before the grace period ending that was established by your association's Board of Directors. This is important so that you are not assessed a late fee due to inaccurate timing on the bank's part.

1. USPS DELIVERY

Fees are due on the 1st so please provide for ample time to have it mailed – the USPS had a news release noting that there may be delays in postal deliveries and may discontinue deliveries on Saturday so please plan accordingly and avoid using the grace period ending date as the due date – this will affect delivery time.

2. CERTIFIED MAIL

This type of mail is discouraged because the special handling required by the post office and the lockbox will delay its receipt and processing.

- 3. Any assessment payments mailed to any of our office locations and/or placed in any drop box or Depository will be mailed/forwarded to the Phoenix, AZ bank lockbox.

You can review your account status online 24/7 – go to www.associahawaii.com to create an account. If you have any questions regarding these important points, please contact our Customer Service Call Center at 808.836.0911, our toll free number at 1.800.241.5255 or email info@associahawaii.com.

**WEST LOCH FAIRWAYS HOMEOWNERS ASSOCIATION
2016 BUDGET**

Operation

Income

01 Operating Revenues

4070 Community Association Dues

4025 Reserves Contribution

Total 01 Operating Revenues

Total Income

Expense

01 - Payroll & Benefits

5300 Wages-Manager

5355 Payroll Tax FICA

5360 Payroll Tax FUTA

5365 Payroll Tax SUTA

5390 Workers' Comp Insurance

5399 TDI Insurance

6715 Mileage Reimbursement

Total 01 - Payroll & Benefits

02 - Administrative

5000 Admin-General Expenses & Supplies

5005 Admin-Annual Meeting

5225 Admin-Newsletter

7040 Property Mgmt-Contract

7035 Property Mgmt-Admin Svcs & Costs

5095 Property Mgmt-Payroll

7030 Legal Fees-General

7000 Accounting Fees-Audit/Tax

Total 02 - Administrative

03 - Utilities

6000 Electricity-Common Areas

6050 Telephone

Total 03 - Utilities

04 - Contract Services

6100 Landscape Maintenance Contract

6440 Security Alarm/Camera Maint Contrt

6160 Tree Trimming

Total 04 - Contract Services

05 - Repairs and Maintenance

6585 Reprs/Maint/Water Feature

6545 Reprs/Maint/Supl-Electrical

6200 Reprs/Maint/Supl-Irrigation

6620 Reprs/Maint/Supl-Grounds

Total 05 - Repairs and Maintenance

06 - Insurance, Taxes & Misc.

9015 Real Property Tax

9025 Taxes-General Excise

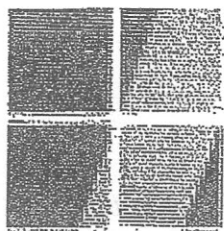
5460 Insurance-Package

5415 Insurance-D&O

2015	2016
MONTHLY	MONTHLY
BUDGET	BUDGET
41062	41062
5740	5740
46802	46802
46802	46802
4542	4542
360	360
10	10
30	30
45	295
35	35
120	130
5142	5402
560	800
47	47
300	150
3161	3161
2800	2800
152	152
800	800
112	112
7932	8022
2835	2216
198	170
3033	2386
19749	19926
265	265
0	0
20014	20191
400	200
660	700
500	550
500	650
2060	2100
1300	1300
230	230
21	21
820	900

2016 TOTAL FEES

TOTAL # OF HOMES	Community Association Dues	Reserve Contribution	2016 TOTAL FEES PER OWNER	Prior Year
720	57.03	7.97	65	65



Associa[®]

Hawaii

January 01, 2016

Prepared By

Sydney Uyener

Quality Check By

A. Billings



West Loch Fairways 2016 Analysis Report

A Reserve Study was prepared using the cash flow method of analysis for West Loch Fairways. This Reserve Study has been prepared for the fiscal year ending December 31, 2016. It is estimated that the reserve fund for the 2015 year-end at approximately \$420,000.00. The association will collect \$68,880.00 in contributions to the reserve fund in 2016. Interest earned on reserve contributions must remain in the reserve accounts to meet future funding requirements. This funding plan provides for fully funded reserve fund balances and complies with HRS 514B-148. The Reserve Study was approved by the association's Board of Directors as part of the 2016 budget.

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, reserve contributions are calculated 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 514B-148; provided however, the association implements the funding plan and the criteria used reflect the project's actual operating experience during the life of the funding plan. The Reserve Study Specialist has no conflict of interest with the association, its Directors, its Site Manager, and has prepared this report as an independent Reserve Study Professional.

West Loch Fairways 2016
Ewa Beach, HI
AHR Current Assessment Funding Model Summary

Report Date January 01, 2016

Budget Year Beginning January 01, 2016
Budget Year Ending December 31, 2016

Total Units 720

Report Parameters

Inflation 1.50%

Annual Assessment Increase 0.00%

Interest Rate on Reserve Deposit 2.00%

2016 Beginning Balance \$420,000.00

Current Assessment Funding Model Summary of Calculations

Required Annual Contribution \$68,880.00

\$95.67 per unit annually

Average Net Annual Interest Earned \$8,437.60

Total Annual Allocation to Reserves \$77,317.60

\$107.39 per unit annually

West Loch Fairways 2016
AHR Math View - Current Assessment Funding Model - Projection

Beginning Balance: \$420,000

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves
2016	582,100	68,880	8,438	67,000	430,318
2017	590,831	68,880	6,228	187,775	317,651
2018	599,694	68,880	7,422	15,453	378,499
2019	608,689	68,880	7,546	70,060	384,865
2020	617,820	68,880	8,014	53,068	408,691
2021	627,087	68,880	9,013	26,932	459,651
2022	636,493	68,880	10,090	24,056	514,565
2023	646,041	68,880	11,336	16,648	578,133
2024	655,731	68,880	10,575	118,282	539,306
2025	665,567	68,880	11,775	19,438	600,523
2026	675,551	68,880	12,111	63,830	617,685
2027	685,684	68,880	10,548	159,141	537,973
2028	695,969	68,880	9,578	127,931	488,500
2029	706,409	68,880	10,298	42,474	525,204
2030	717,005	68,880	10,280	80,064	524,300
2031	727,760	68,880	8,688	158,779	443,089
2032	738,676	68,880	8,970	63,449	457,490
2033	749,757	68,880	9,368	57,961	477,777
2034	761,003	68,880	9,443	74,518	481,581
2035	772,418	68,880	10,611	19,904	541,168

West Loch Fairways 2016
AHR Math View - Current Assessment Funding Model - Expenditure

Description	Expenditures
Replacement Year 2016	
Irrigation Major Repairs	15,000
Office Equipment	2,000
Visitor Parking - Overlay	50,000
Total for 2016	\$67,000
Replacement Year 2017	
Irrigation Major Repairs	15,225
Water Feature - Major Repairs	50,750
Irrigation Controller Boxes	30,450
Light Standards - Replacement Phase 1	91,350
Total for 2017	\$187,775
Replacement Year 2018	
Irrigation Major Repairs	15,453
Total for 2018	\$15,453
Replacement Year 2019	
Irrigation Major Repairs	15,685
Office Equipment	2,091
Sidewalk Repairs	20,914
Water Feature - Mechanical Pumps	31,370
Total for 2019	\$70,060
Replacement Year 2020	
Irrigation Major Repairs	15,920
Security Cameras	37,148
Total for 2020	\$53,068
Replacement Year 2021	
Irrigation Major Repairs	16,159
Visitor Parking - Seal	10,773
Total for 2021	\$26,932
Replacement Year 2022	
Irrigation Major Repairs	16,402
Office Equipment	2,187
Water Feature - Lighting	5,467
Total for 2022	\$24,056

West Loch Fairways 2016
AHR Math View - Current Assessment Funding Model - Expenditure

Description	Expenditures
Replacement Year 2023	
Irrigation Major Repairs	16,648
Total for 2023	\$16,648
Replacement Year 2024	
Irrigation Major Repairs	16,897
Sidewalk Repairs	22,530
Water Feature - Major Repairs	56,325
Walls - Moss Rock	22,530
Total for 2024	\$118,282
Replacement Year 2025	
Irrigation Major Repairs	17,151
Office Equipment	2,287
Total for 2025	\$19,438
Replacement Year 2026	
Irrigation Major Repairs	17,408
Visitor Parking - Seal	11,605
Water Feature - Mechanical Pumps	34,816
Total for 2026	\$63,830
Replacement Year 2027	
Irrigation Major Repairs	17,669
Electrical Boxes	35,456
Light Standards - Replacement Phase 2	106,015
Total for 2027	\$159,141
Replacement Year 2028	
Irrigation Major Repairs	17,934
Office Equipment	2,391
Light Standards - Replacement Phase 3	107,606
Total for 2028	\$127,931
Replacement Year 2029	
Irrigation Major Repairs	18,203
Sidewalk Repairs	24,271
Total for 2029	\$42,474
Replacement Year 2030	
Irrigation Major Repairs	18,476

West Loch Fairways 2016
AHR Math View - Current Assessment Funding Model - Expenditure

Description	Expenditures
Replacement Year 2030 continued...	
Security Cameras	43,111
Guard Shack Renovation	18,476
Total for 2030	\$80,064
Replacement Year 2031	
Irrigation Major Repairs	18,753
Office Equipment	2,500
Visitor Parking - Seal	12,502
Water Feature - Major Repairs	62,512
Visitor Parking - Overlay	62,512
Total for 2031	\$158,779
Replacement Year 2032	
Irrigation Major Repairs	19,035
Water Feature - Lighting	6,345
Irrigation Controller Boxes	38,070
Total for 2032	\$63,449
Replacement Year 2033	
Irrigation Major Repairs	19,320
Water Feature - Mechanical Pumps	38,641
Total for 2033	\$57,961
Replacement Year 2034	
Irrigation Major Repairs	19,610
Office Equipment	2,615
Sidewalk Repairs	26,147
Walls - Moss Rock	26,147
Total for 2034	\$74,518
Replacement Year 2035	
Irrigation Major Repairs	19,904
Total for 2035	\$19,904