

Historical Overview

- The Reserve Fund was established in 2020. For a three-year period, **Reserve Fund dues were set at \$50 per month for a standard unit.**
- Given the way we are structured as a community and perception that low reserves were being collected, we agreed during the 2021 Annual Meeting to have the board establish a task force to develop a Master Maintenance Plan to forecast anticipated expenditures we will face as our community ages.
- In 2022 task force developed a plan with a scope that considered builder and contractor provider estimated life and cost estimates for major items like siding, decks, windows, roofs, concrete and retaining walls over 30 years.
- The plan provided details as to the scope, estimated useful life and estimated cost for each of the items. As a bottom line, I shared that beginning in 2023 we would need to raise the annual **Reserve Fund dues to \$191 per month** for the standard unit. It is important to note that this number did not account for inflation, however, we it was agreed that the plan would be updated with new contractor estimates every five years instead.
- The plan was shared at the 2022 Annual Meeting and made available on the Lytham site. A virtual forum was held on January 18, 2023. An update MMP report was presented at the 2023 Annual Meeting.
- Based on the discussion, the board surveyed all members of the community and took **action to increase the Reserve Fund dues for 2023 to \$170 per month** for the standard unit. In November 2024 the board voted to keep **Reserve Fund dues for 2024** at \$170.

2024 Updates

- Roofs were replaced in eight of the twenty-two buildings due to wind/ hail damage under the former insurance contract terms with Security as follows:

Address (if applicable)	Building Type	Date Complete	Cost	2022 Est Replace	2024 Est Replace (Revised)
2 Marietta	Single Extended	Apr-24	\$18,075	2035	2049
10-12 Marietta	Double Extended	Apr-24	\$32,895	2035	2049
20-22 Marietta	Double Extended	May-24	\$33,395	2036	2049
30-32 Marietta	Double Extended	May-24	\$33,395	2041	2049
40-42 Marietta	Double Extended	Jun-24	\$34,025	2042	2049
50 Marietta	Single Extended	Apr-24	\$18,660	2039	2049
52 Marietta	Single Extended	Apr-24	\$18,650	2038	2049
85-87 Leamer	Double Standard	Jun-24	\$29,255	2039	2049

- The board elected to not replace down spouts and screens as covered by insurance. The money (\$10,115) received was retain in the Reserve Fund. In addition, Glen pursued warrantee funds on one of the Leamer Ct. buildings with an additional \$1400 that will go to the Reserve Fund.
- Glen had remaining (Olive Ct./ Leamer Ct.) roofs that were not replaced in 2024 inspected by Century Roofing. Repairs were made totaling \$450. Based on the inspection it became evident that the original roofs will only last 20 years on average. Several of these roofs may need to be replaced within 1-2 years.

- Revisions for building roof were made to the 2022 MMP were made as follows:
 - Roof life extended to 2049 on the roofs replaced in 2024. 25-year life estimate based on higher quality shingles that were used.
 - Roof lives reduced from 25 to 20 years for the buildings with original builder grade shingles.
 - Estimated roof replacement costs for all building were revised based on the replacement costs incurred in 2024 and agreed to by Glen (\$20K Single, \$35K Double)
- During 2023 the board reported investigation into water issues impacting the large retaining wall and a driveway needing replacement after only 6 years. When we developed the Master Maintenance Plan, we were informed by Jeff Hendrickson that the useful life of the retaining wall was 100 years thus it was not in scope. He also provided the estimated life of the driveways and sidewalks to be 35 years and we estimated that only 25% of the driveways/ walks would need to be replaced.
- Items NOT accounted for in the revised plan:
 - The large retaining walls were estimated by Jeff Hendrickson to have a useful life of 100 years and thus outside the scope of the MMP. In 2024 tiling was completed to redirect water impacting the walls and paid from the Operating Fund (\$8446 plus cost to repair landscape) however it was budgeted from the Reserve Fund. No clear understanding as to whether the water damage impacted the integrity or life expectancy of walls or updated replacement cost from the engineers.
 - Expenditures for replacement of exterior lamp post, deck fixtures, tree trimming, and refreshed landscape beds were paid from the Annual Operating Fund.
 - Board minutes from November 2023 to current suggest potential upcoming expenditures for landscaping, tree trimming, staking trees, vinyl fence repair, irrigation system, burying of cables and concrete repairs/ replacements. Based on the items inventory in the 2022 MMP all these items except for any concrete replacement would come from the Annual Operating Fund.
- Based on the above revisions Reserve Fund year end estimate the **adjusted annual Reserve Fund dues target is \$215 per month** for the standard unit to follow straight line average estimated cost for the remaining 28 years covered by the 2022 MMP.

Total Reserves Needed	\$	2,397,314
Less Current Reserves	\$	155,000
Remaining Accrual Needed	\$	2,242,314
Annual Accrual Needed	\$	80,083
Average Monthly Reserve Fund Dues	\$	215

- While we are 2-3 years away from fully updating the Master Maintenance Plan I offer to work with newly appointed Board and Jim should any additional adjustments need to be made to the 2022 MMP and provide a report each year at the Annual Meeting.