

**Reserve Study  
Period 2023 through 2052  
Highlighted Points**

<b>Current Funding Level</b>	<b>31% of full funding</b>	<b>\$ 85,000</b>
<b>Ideal Funding Level</b>	<b>100%</b>	<b>\$276,881</b>

There are three kinds of funding levels for HOA’s and COA’s:

- Full Funding—establishes the goal is to achieve 100\$ fully funded reserve by the end of the projection period.
- Threshold Funding—sets out to keep the cash reserves above a specified dollar amount or percentage for the projection period
- Baseline Funding—establishes the goal of maintaining a reserve account balance above zero dollars throughout the study period.

Currently, this HOA is trying to move from Baseline Funding to somewhere beyond Threshold Funding. Essentially, the more dollars in reserve, the fewer Special Assessments or increases to the monthly/yearly unit assessment. We are not averse to Special Assessments for larger projects.

Since our currently funding level is at 31%, the Board thinks that with prudent use of our funds over the next five years, with a potential for another small Special Assessment for new gutters, we can begin to move well beyond 31%.

**Five-year Outlook for Required Maintenance**

The Reserve Study is a guiding tool for planned replacements and maintenance of the buildings and the common area. Based on the reserve analyst’s evaluation and expertise with construction and building maintenance in our area, John Brown (yes, his real name) has mapped out parts of the HOA that will need our attention and funding over the next thirty years. The estimates are based on the Useful Life of the components. These are, of course, estimates, and the Board can adjust the timelines within reasons if they see fit.

Here is what needs to be addressed in 2023-2028:

2023	Units 5 & 6	Roofs	\$ 13,650
2024	All Units	Clean, Caulk, Paint	\$133,900
	All Units	Gutters/Downspouts	\$ 35,844

2025	Common Area	Tree Trimming/Felling	\$ 3,183
2026	Units 5, 6, 7, 8	Garage Roofs	\$10, 654
2027	All Units	Chimney Flue Caps	\$ 1,780
	All Units	Deck Replacement 25%	\$ 61,481
	All Units	Deck Railings 25%	\$ 17, 516

### **What Other Assumptions Should We Make?**

- Even though the Reserve Analyst specializes in Oregon and Washington, prices for work in Lincoln County, and the coast in general, continue to rise, especially for roofing.
- The roofs are already funded through the Special Roof Assessment.
- Painting has been planned for and we are setting aside funds for that project.
- The continuing labor shortage all over Oregon has generally led to delays in scheduling work.
- Foundations should be professionally inspected every three to five years, and those inspections may lead to unplanned foundation work.
- We are considering side venting for the garages to mitigate moisture problems.
- Dry rot continues to be a major problem as we work through each unit with Excellence, Inc., the contractor working on Units 2, 3, 6, 21.
- Even though the Analyst has scheduled Deck railings for 2027, it is likely that we will be doing much of this work sooner.