

Reserve Study for Hedgerow

**Maintaining the Physical and Financial Health of
Hedgerow Homeowners Association, Inc. by
Reserving for the Future**



Why Reserve?



Protects your investment

Preserves the appearance of the community

Reduces cost of maintenance

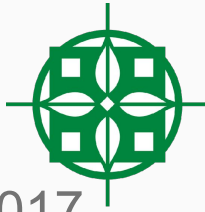
Fulfills fiduciary responsibilities

Consistent plan

Compliance with laws and accounting requirements

Peace of mind

Your Reserve Study



Physical Analysis

- On Site Inspection - September 12, 2017
- Quantification and Qualification of Reserve Components
- Cost and Life Analysis

Financial Analysis

- Cash Status of Reserve Fund
- 2.5% inflation, 1.2% interest
- Reserve Funding Projections

Report Issued - October 10, 2017

Summary of Results COMMON

Overview

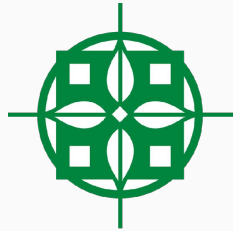


**\$51,586 actual Reserves as
of August 31, 2017**

**\$51,792 projected Reserves
as of December 31, 2017**

Summary of Results COMMON

Initial Adjustment



**Initial increase to
\$129,000 annually in
2018**

**74% adjustment in total
budget**

**Increase of average \$61
per owner, per month**

Summary of Results COMMON

Threshold Funding Years



Funding Goal: Maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures

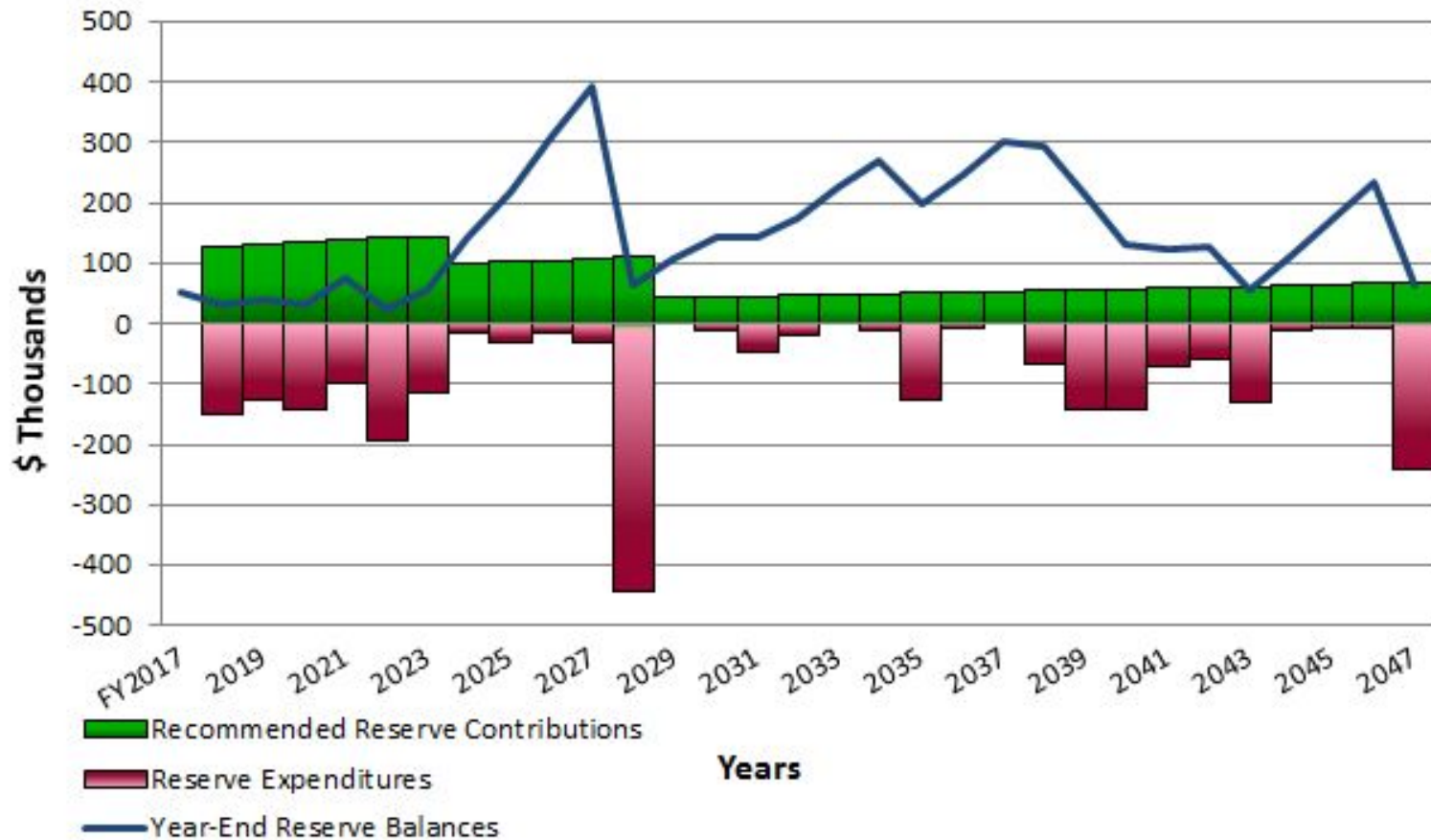
Threshold Funding Year(s):

2022 due to repaving

2028 due to replacement of the pool structure and deck

2043 due to subsequent repaving

2047 due to subsequent replacement of the tennis & basketball court



Bar chart depicting expenditures and reserve funds throughout 30-year study period

Summary of Results TOWNHOME

Overview



**\$4,370 actual Reserves as of
August 31, 2017**

**\$4,422 projected Reserves as
of December 31, 2017**

Summary of Results TOWNHOME

Initial Adjustment



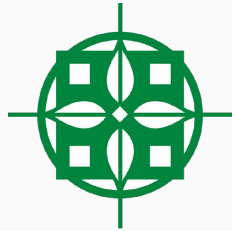
Initial increase to \$6,500
annually in 2018

3.7% adjustment in total
budget

Increase of average
\$16.41 per owner, per
month

Summary of Results TOWNHOME

Threshold Funding Years

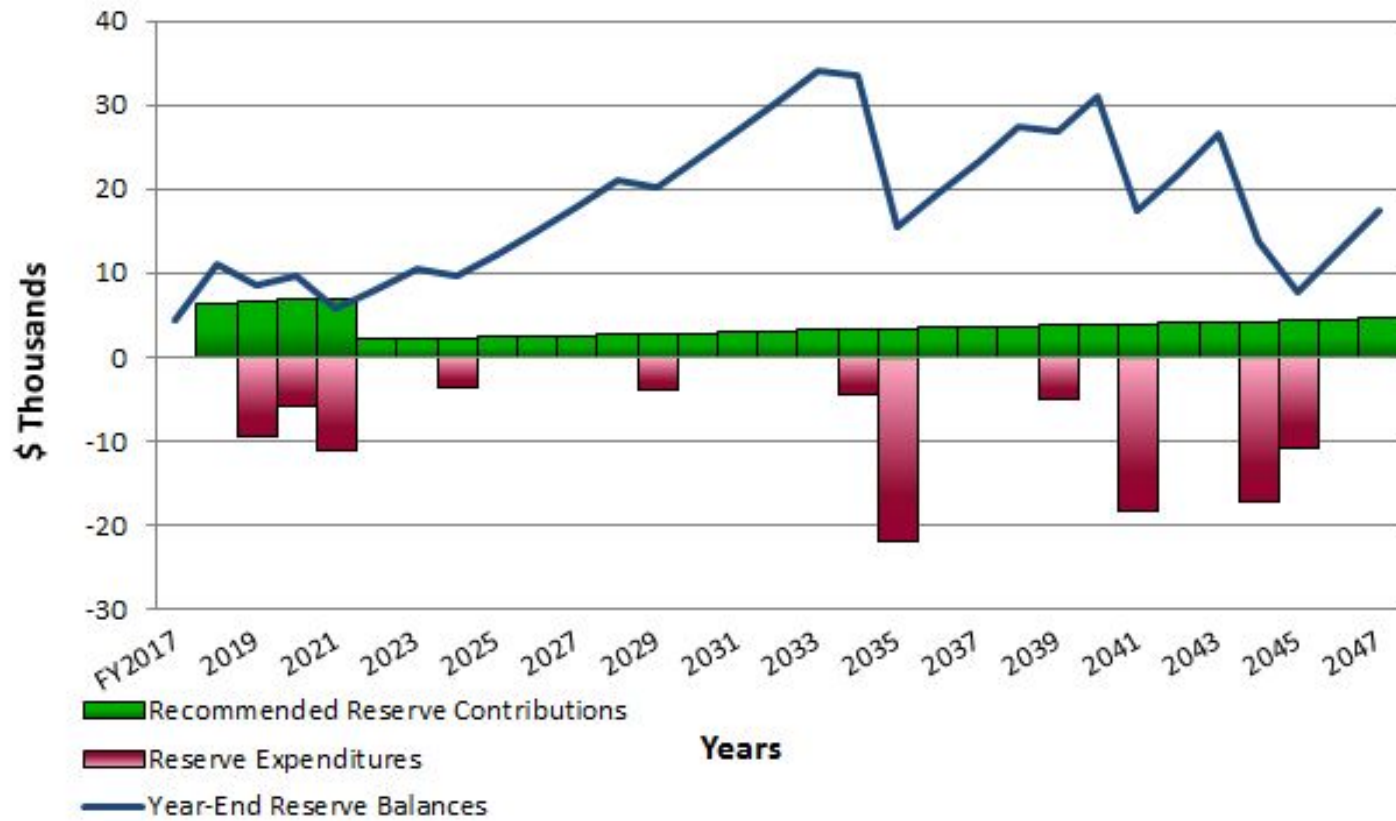
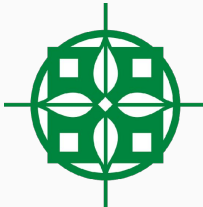


Funding Goal: Maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures

Threshold Funding Year(s):

2021 due to replacement of the trash corral fences

2045 due to replacement of the mailbox stations

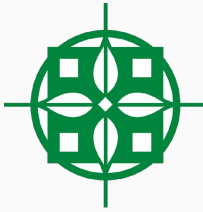


Bar chart depicting expenditures and reserve funds throughout 30-year study period

Significant Expenditures - First 5 Years



Upcoming Expenditures



Repaving of the streets and parking areas



Replacement of the plaster and tile finishes at the pool



Replacement of the roof at the clubhouse

Replacement of the fixtures at the clubhouse rest rooms



Townhome Trash Corral Fences



Townhome Mail Stations

Moving forward, next steps



- Establish a formal reserve policy
- Revisit investment strategy
- Discuss incorporating financing
- Document and record actual expenses
- Regularly update plan
- Talk to contractors and trade organizations to help plan future projects
- Form committees to oversee reserve plan and large capital projects