



Liberty Park Condominium Association

2020 Reserve Analysis

September 2020

Reserve Strategy

The goal of the Reserve Study is to maintain reserves above an adequate level, not excessive threshold during one or more years of significant expenditure. The reserve analysis suggests these threshold years are 2030-2031 and 2045-2046 due to the replacement of roofing and siding.



Cash Status of Reserve Fund

- \$165,303 as of January 1, 2020
- 2020 budgeted Reserve Contributions of \$38,127
- Need to achieve >\$700K in Reserve Funds by 2030



Prioritization

These projects should be prioritized based on current conditions and useful life:

- Asphalt repairs and seal-coating
- Concrete repairs and replacement where deterioration exists
- Roof and shingle replacement at end of useful life



Reserve Funding

We recommend the following in order to achieve a stable and equitable Funding Plan:

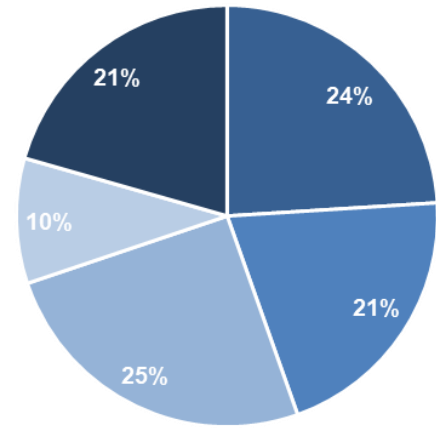
- Currently, Association dues are \$235/ month per unit for water, sewer, garbage removal, exterior maintenance and upkeep, insurance, professional management and reserve.
- To achieve adequate reserve levels by 2030, increase dues by \$45/ month per unit to ensure proper funding for both reserve and operational expenses.
 - Current Reserve = \$30/ month per unit
 - 2021 Reserve = \$80/ month per unit

Budget Breakdown

The proposed increase in monthly dues will increase funding to the reserve as well as off-set increases to operational expenses, particularly utilities (+5%) and insurance (+12%).

> \$235/ unit per month

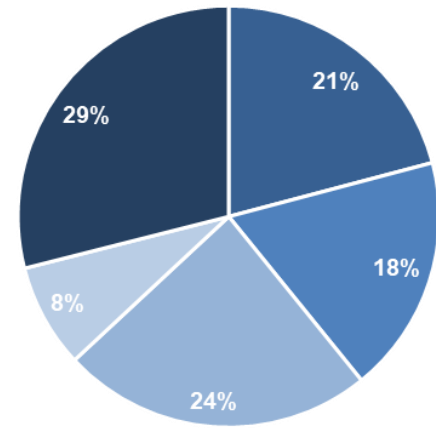
- Utilities
- Maintenance
- Insurance
- Administration
- Reserve



2020 Current Budget

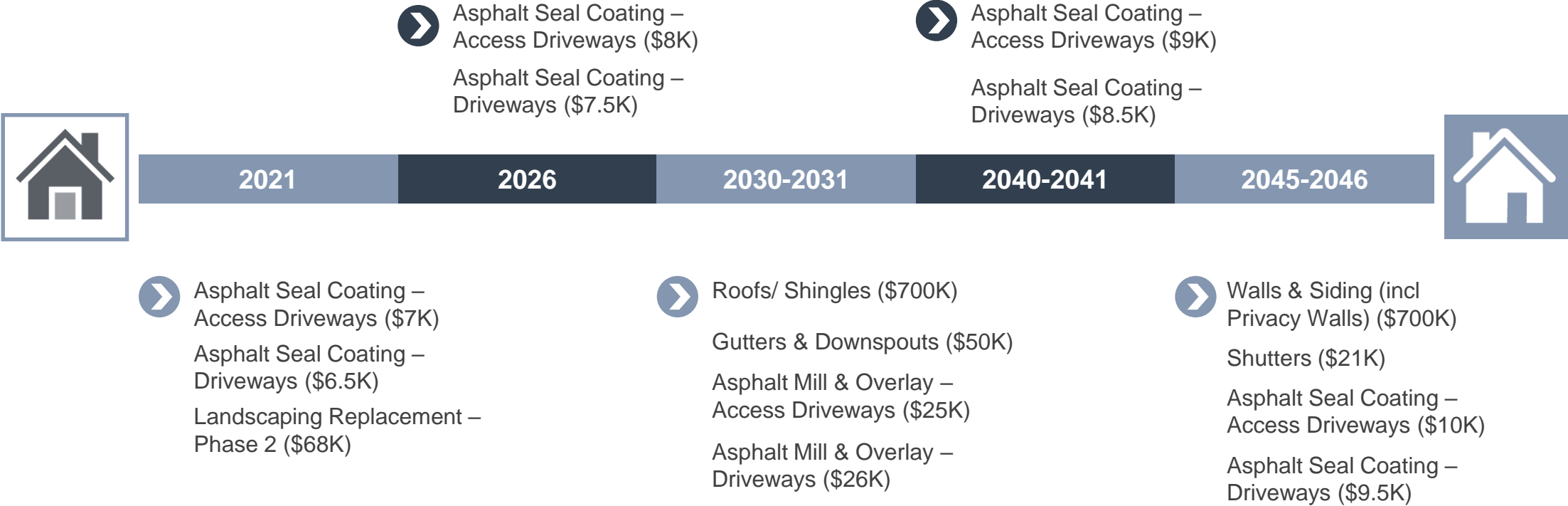
> \$280/ unit per month

- Utilities
- Maintenance
- Insurance
- Administration
- Reserve



2021 Proposed Budget

Timeline for Prioritized Capital Expenditures



Dates and costs are approximate and subject to change.

Variables that may affect the Reserve Funding Plan include, but are not limited to:

- Deferred or accelerated capital projects based on Board discretion
- Changes in interest rates or reserve investments
- Changes in local construction inflation rate
- Changes to maintenance programs
- Fluctuations in weather conditions
- Advances in technology

What's Covered by the Association

Responsibility of Association	Responsibility of Association & Homeowner (Association Repairs/ Replaces; Charged Back to Homeowner)	Responsibility of Homeowner	Responsibility of Others
Entire Replacement – Roofing & Shingles	Pipes that Service Single Unit	Electrical Systems	Light Poles & Fixtures (City of Northfield)
Entire Replacement – Siding	Windows	Heating, Ventilating and Air Conditioning Units	Mailbox Stations (United States Postal Service)
Entire Replacement – Privacy Walls	Exterior Doors	Interiors	Sidewalks on Independence Drive (City of Northfield)
Vinyl Shutters	Garage Doors	Pipes within Unit	Street System, Independence Drive (City of Northfield)
Asphalt Access Driveways & Driveways		Windows	Walking Paths (City of Northfield)
Concrete Driveway Aprons		Interior Doors	
Concrete Sideways, Stoops & Patios			
Landscaping			
Gutters & Downspouts			
Garage Lights			
Brick Masonry Veneer			
Irrigation System			