

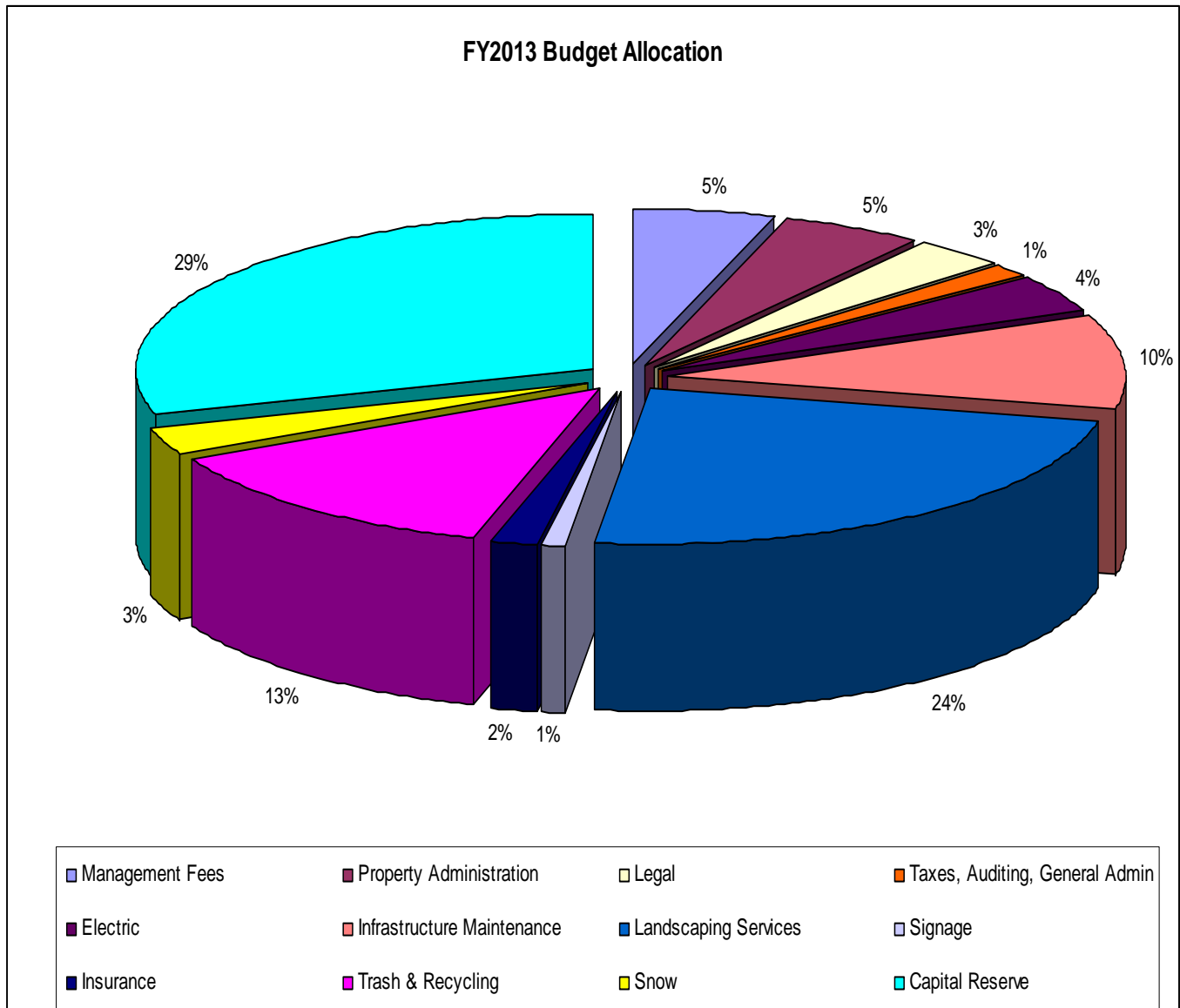
Ridgewood Cluster FY2013 Treasurer's Report

Overall Standing

The Ridgewood HOA remains financially sound. In 2011, the HOA completed a 5-year capital reserve study with a licensed civil engineering consultant. The study confirmed that our long term capital projects fund will sustain our maintenance needs over the next 20 years, even as our neighborhood ages and requires significant infrastructure maintenance and replacement.

We also concluded that the HOA should take a more proactive approach to maintaining its current assets to help keep property appearances (and values) as high as possible, and the cluster areas safe and properly operational. With this in mind we will be performing annual street, light, structure and sidewalk maintenance.

Here is how our \$1200 assessment breaks down for FY2013:



Reserve Funds

A portion of the annual assessment is allocated to the capital reserves fund. This fund covers non-annual capital projects such as street paving, sidewalk replacement, lighting replacement, the tot lot and other non-regularly occurring capital projects. The fund also covers emergency projects, such as the winters of 2009 and 2010 where we saw substantial accumulations of snow, resulting in the need for removal equipment rental and tree damage. The reserve fund can cover these emergency expenses so that the HOA can continue to operate over the long term without having to create special project assessments, common among other clusters in Reston.

The objective of funding the capital reserve accounts is to meet anticipated capital expenditures per the capital reserve study, and maintain a minimum acceptable balance in the reserve accounts for emergencies (such as storm damaged trees). The minimum balance will help avoid special assessments prevalent in clusters that do not fund the reserve accounts to adequate levels.

- Fiscal year-end 2012 estimated balance of approximately \$157,000¹
- Fiscal year-end 2013 estimated balance of approximately \$20,000²

Planned major capital expenditure projects:

<u>Project</u>	<u>Cost</u>	<u>Repair/Replace FY</u>
Paving, Sidewalk/Curb Repair, Paths	\$150,000	Spring/Summer 2012
Infrastructure Repairs	\$ 20,000	Fall/Winter 2012
Lighting Maintenance	\$ 20,000	Fall/Winter 2013
Tree Maintenance	\$ 20,000	Winter 2014
Mailbox Maintenance	\$ 15,000	Spring 2014

Fiscal Year 2012 Annual Assessment

In FY2012, the HOA moved to quarterly payments. For the upcoming year, this service will continue with four equal payments of \$300.

The cluster board is committed to maintaining our standing in terms of dues relative to its peers in Reston. To do that, we must maintain high standards of funding capital reserves and avoid special assessments to cover emergencies and unexpected occurrences.

Our dues continue to be competitive among all Reston homeowner's associations, especially when you factor in the trash collection and lawn care.

Your assessment covers the mowing, edging and trimming of your lawns in-season. When valued and contracted separately, these services would conservatively be valued at more than \$500. This of course doesn't include the time you'll save by not having to landscape yourself! In FY2013, we will continue to have trash collected twice a week from in front of our properties and recycling once per week. Valued separately, this service would cost owners approximately \$300 annually.

¹ Estimated balance as of June 30, 2012.

² Estimated balance as of June 30, 2013, after paving, sidewalk/curb repair, path replacement and structure improvements totaling approximately \$170,000 (and replacement funds of \$36,000 during the same period).