

THE NOBLE PARK HOMEOWNERS ASSOCIATION
RESERVE FUND AND PLANNING POLICY
Adopted July 30, 2025

Purpose: To adopt a policy for NPHOA to ensure that the Association has planned appropriately for future maintenance and replacement of NPHOA common areas without imposing unexpected financial burdens on homeowners.

1. Common Areas for Study.

The Association is obligated to maintain, repair, replace or improve (a) the NPHOA Common Areas as defined in Article 11.1 of the NPHOA Covenants and (b) areas adjacent to city-owned concrete multi-use paths and city fire lane areas in Outlots A and B as referenced in Exhibit B of the NPHOA Declaration of Covenants, Conditions and Restrictions of the Noble Park Subdivision.

2. Reserve Plan Elements.

- A. The Study. A reserve study prepared that assesses the current condition of the common areas and estimates the future repair and replacement costs. The study must be based on a physical examination of the common areas and a financial analysis to evaluate the Association's ability to the funding requirements. An internally conducted reserve study shall be sufficient.
- B. Funding Plan. The plan must outline a funding strategy to ensure that sufficient funds are available to cover the project costs identified in the reserve study. This includes setting aside a portion of the Associations' budget each year for repairs to the common areas, and build up the reserve funds for maintenance and replacement.

The Board of Directors has established a "Model to Project Annual Dues and Fence Reserves Fulfillment" plan to guide its planning and budgeting efforts. The Model projects the required annual investments for periodic maintenance and replacement of the NPHOA perimeter fence in year 35 of the plan. The Model and Plan will be reviewed each year and updated as needed.

- C. Projected Sources of Funding. The plan should detail all sources of funding for the reserves account, including any special assessments or other funding mechanisms that may be needed.
- D. Physical and Financial Analysis. The reserve study should include a physical and financial analysis. The physical analysis should evaluate the age, condition and estimated remaining life of the asset. The financial analysis should evaluate the Association's ability to meet its funding needs.

3. Reserve Plan Review and Updates.

Interim updates may consist of a physical analysis, a financial analysis, or both. A visual examination must be made of the common areas.

A physical analysis includes

- a) Significant additions or replacements to the common elements since the last reserve study;
- b) Wear and tear to common elements due to unseasonable weather or lack of maintenance; and,
- c) Technological or product development improvements that could result in cost savings;

A financial analysis includes

- a) An evaluation of the estimated remaining life of each area;
 - b) Substantial increases in the cost of materials and labor;
 - c) Any scheduled maintenance, repairs or replacements that the Association deferred or accelerated;
 - d) Whether reserve income was received as planned;
 - e) Whether the reserve expenditures were incurred as planned;
 - f) The Association's selected method of funding reserves;
 - g) The adequacy of existing reserve funds;
 - h) Projected future reserve needs;
 - i) Projected future reserve income; and,
 - j) The ability to meet future reserve needs under the existing funding plan.
4. Transparency and Communication. The Association should communicate the reserve study and funding plan to the homeowners.
 5. The Association's first reserve study will be conducted no later than December 31, 2025, and the Association plans to update its reserve study at least every five (5) years.
 6. The Association may independently elect to apply funds from its operating account to maintenance, repair or replacement costs otherwise covered by reserve funds.
 7. The Association will invest all reserve funds in accordance with the Association's policy regarding investment of reserve funds.

The Noble Park Homeowners Association

By: 
Mike Ciufolo, President

This Reserve Fund and Planning Policy was adopted by the Board of Directors on the 30th day of July, 2025, effective the 30th day of July, 2025 and is attested to by the Secretary of The Noble Park Homeowners Association.


Carol Ciufolo, Secretary