Sherwood Park
Owners Association

9 June 2026
Sherwood Park Homeowners
Riverdale, UT 84405
RE: Reserve Savings & Need for Capital Assessment

To whom it may concern,
Over the past several years, hard work has gone into maintaining Sherwood Park as a safe, attractive, & financially stable place to live. As the Board continues reviewing the Association's long-term financial health, it continues to become clear that the HOA is at a critical point where proactive action is necessary to protect both the property values and the future condition of the Community.

We hope you all will take the time to review the below contents pertaining to some of the HOAs financials. As discussed at the 2025 Annual Owners Meeting there is a rising concern for the HOAs financial future, especially pertaining to Savings Reserves. **These funds are set aside as per State Law** to help finance the HOAs larger maintenance projects such as roof replacement, siding replacement, main line water replacement, pool resurfacing, concrete replacement, asphalt repairs/replacement, & other items classified as Reserve Expenses.

The HOA has a savings plan in place. In 2025 that savings plan was interrupted due to the unexpected water leak expense that reduced the savings plan by $30,000, other reserve expenses were also reduced to accommodate the water utility expense which totaled $90,218.17 for the 2025 year. Reducing the savings plan by $30,000 is a significant amount, especially considering the HOA is already significantly underbudget with the Reserve Expense Funds. **Unfortunately, the HOA currently is only 12% funded.**

Below are projected expenses & the estimated costs that are planned for 2026-2030. All items are always inspected and if no replacement/repair is needed, the item is pushed and inspected the following year to ensure the HOA gets the longest life expectancy of each item. Note all numbers are estimates & subject to change based on actual numbers when work is to be completed.

2026 Reserve Expenses	
B2 Roof Replacement	$94,480.00
B10 Roof Replacement-Repairs instead (See 2028)	$2408.00
Siding Repairs	$5,000.00
Pool Heater Replacement	$7,000.00
Water Line Repairs	$5,000.00
Insurance Reimbursement	$5,720.00
	$119,608.00

2027 Reserve Expenses	
B3 Roof Replacement	$82,584.00

Siding Repairs	$5,000.00
B5 Garage Finish Roof Replacement	$15,000.00
Asphalt Replacement/Repairs	$25,000.00
Water Line Repairs	$5,000.00
	$132,584.00

2028 Reserve Expenses	
Siding Repairs	$50,000.00
B2 Flat Roof Replacement	$100,935.00
B10 Roof Replacement	$45,000.00
	$195,935.00

2029 Reserve Expenses	
Asphalt Replacement	$156,370.00
	$156,370.00

2030 Reserve Expenses	
B12 Roof Replacement	$37,000.00
Asphalt Replacement	$75,000.00
	$132,686.00

The total expenses with associated changes are estimated to be $737,183.00 The HOA currently has a Reserve Balance as of March 31, 2026 of $185,565.98. The HOA should have $2,033,817 if fully funded. As long as the current Savings plan is not interrupted the HOA will currently save $72,000 annually. The chart below takes into consideration the above numbers and (note an increase to the 2026 Reserve expenses was made on the below chart, as there may be a need to increase for some new reserve expenses.)

Dues $275 No Capital Assessment

Reserve Funds		2026	2027	2028	2029	2030
Beginning Balance	$198,000.00					
Savings Transfer Income		$72,000.00	$72,000.00	$72,000.00	$72,000.00	$72,000.00
Est Reserve Expenses		$130,000.00	$132,584.00	$195,935.00	$156,370.00	$132,686.0
Actual Expenses						
Balance		$140,000.00	$79,416.00	($44,519.00)	($128,889.00)	($189,575.00)

As many homeowners are aware, several of these projects have already been postponed in prior years to avoid additional financial burden on residents. However, continuing to delay these repairs will only increase future costs & create a greater risk of emergency failures, property damage, & declining property values. Without adding funding, current projections show the Reserve Fund balance becoming negative in 2028. The Board's responsibility is not only to address today's needs, but also to protect the long-term stability of the entire community.

The updated Reserve Study is recommending a Capital Assessment minimum of $5333 per Owner. We ask that you please take time to review the above important financial items. They will be discussed at the 2026 Annual Owners Meeting & a number for a Capital Assessment and time frame of assessment will be presented and voted on at that time. Please watch for upcoming correspondence with details on the 2026 Annual Owners Meeting. We strongly encourage all homeowners to attend, review the financial information carefully, and participate in this important decision for the community's future.

Thank you for your time, support, and continued commitment to Sherwood Park

Sherwood Park Owners Association Board
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