

# **WSG Reserve Study Presentation**

**Monday, Sept. 8, 2025**

**1:00 p.m. – 3:00 p.m.**

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**WORKING TO ENSURE THE  
FUTURE OF OUR  
COMMUNITY**





# Agenda

- 1 Purpose and history of WSG reserve studies
- 2 Results of latest Reserve Advisors study
- 3 WSG adaptation for capital spending plan
- 4 Recommendations

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# Purpose and History of WSG Reserve Studies

## Reserve Analysis Definition

Reserve analysis calculates funds required for capital repair, capital replacement, or unanticipated/unbudgeted maintenance of common property over time.

## Purpose of Reserve Analysis

Ensures HOAs maintain sufficient funds to cover these future expenses without imposing sudden large fees on members.

## WSG Reserve Study Recent History

- Criterium – Giles Engineers report of June 11, 2018
- Reserve Advisors report of September 18, 2024

# Common Area Capital Spending Components Included in Reserve Study

- Roofs
- Pavements (sidewalks and parking lots)
- Sewers and drains
- Front and back doors
- Siding
- Front Porches
- Garages

Note: these are for large-scale replacements/improvements not covered in the regular operational budget

## Weathersfield Service Group VI, Inc.

Inspected: May 14, 2024 • Revised on: September 18, 2024  
Pittsboro, NC

FULL RESERVE STUDY

Weathersfield





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## Recommended Expenditures and Timing from This RA Reserve Study Are Unworkable As-Is

- Some items are projected to be needed earlier than current inspections and warranties indicate (e.g., siding)
- Some items are listed for replacement as opposed to simple repair and maintenance (e.g., doors, porches)
- All of the expenditures and the timing would require as much as quadrupling HOA dues over the next 12-15 years





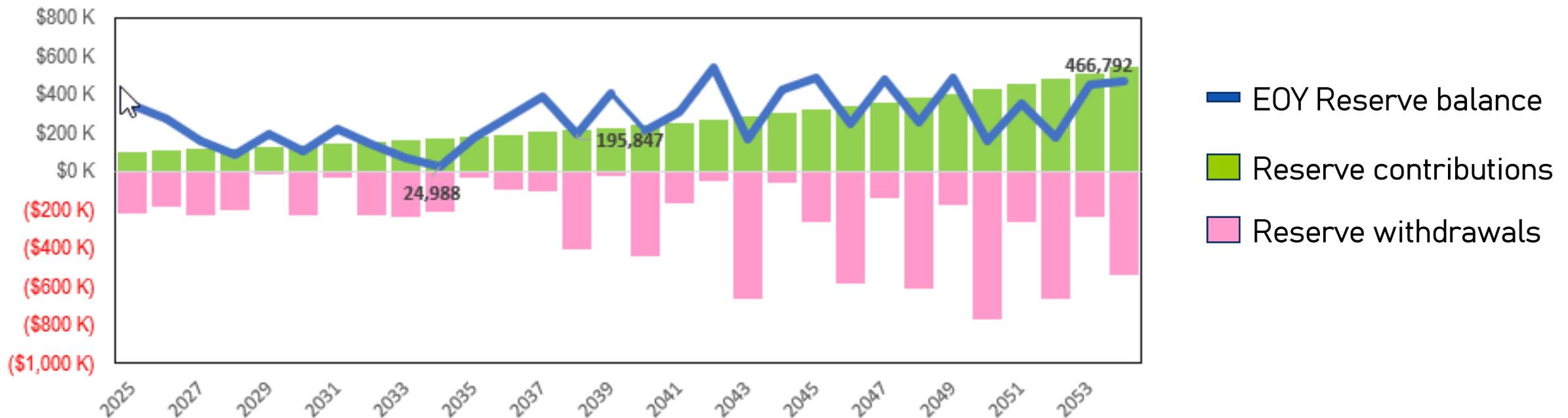
# Consequences of the Revised WSG Capital Plan

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- Unit roof replacement has begun and is prioritized in the early years
- Total paving and door replacement spending is reduced to what current experience dictates will be needed
- Siding has held up well with spot repairs; wholesale replacement should not be needed until at least 15 years from now
- Reserves contributions need to ramp up to double the current level over the next 15 years, likely paralleling the needed increase in WSG HOA dues

# Consequences for HOA Dues Increases

- This model calls for 4-4.5% increases in HOA dues per year (3.3% annual increase in operating expenses combined with 6.0% annual increase in Reserve Contributions)
- It works to keep a constant reserves balance **IF**
  - Capital project needs do not come faster than predicted
  - Capital project expense costs do not increase faster than assumed 3.5% inflation rate
  - Other operating costs (e.g., insurance, building maintenance (e.g., tree fall)) do not rise more than expected.



# Consequences for HOA Dues Increases

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- Covenants dictate that dues cannot be increased by more than inflation (southeast US CPI) plus 10% without a community vote
  - For example: 3.5% inflation plus 0.35 (10%) = 3.85% maximum dues increase
  - Therefore, the larger increase would require a community vote every year at current inflation levels

# Historical HOA Dues Increases in WSG

Year	Monthly WSG Dues (\$)	% Increase over previous year
2017	265	8.2*
2018	275	3.8*
2019	290	5.5*
2020	310	6.9*
2021	310	0
2022	335	8.1*
2023	360	7.5
2024	375	4.2
2025	387	3.2

4.8% increase  
per year on  
average

\* Community voted to exceed permissible maximum

# Recommendation on HOA Dues Increases

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- If WSG reserve contributions fall below a compounded 6% increase for consecutive years, dues will need to be increased accordingly to offset the deficit