

MERCERTRIGIANI

Sample Budget Note – Reserves

This note to the _____ budget for Condominium Unit Owners Association is required by Section 55.1-1865 of the Virginia Condominium Act.

The Association reserve study was last updated in _____.

- The reserve study provides that:
 - The current estimated replacement cost of capital components: \$_____.
 - The estimated remaining life of capital components is set forth in the reserve study. As the reserve study shows, remaining useful life varies by component. Please see _____ for each component starting on page _____ of the attached table. For additional information, please see the reserve study, available to owners _____.
- As of the beginning of the _____ fiscal year,
 - The current amount of accumulated cash reserves is \$_____.
 - The expected contribution to the reserve fund is \$_____.
- The procedure used for estimation an accumulation of cash reserves is:

- The reserve study recommends that the Association maintain a MINIMUM of \$_____ for capital component reserves.
- As of the date of adoption of the budget, _____, 20____, the Association has \$_____ in cash in the reserve fund.