

Serene Creek Run Association

Reserve Study – 2025

Serene Creek Run Association (SCRA) was established in 2004 with the first homes built in 2006.

The Association's common property assets were transferred from the developer in 2008. These assets include a wood frame house built in 1940 that serves as the Clubhouse; a concrete swimming pool and kiddie pool built in 2007 next to the Clubhouse, and a pond for fishing. This pond has an earthen dam. The Clubhouse, pool and pond are situated on 7.8 acres, adjacent to the subdivision.

A wooden dock and a wooden frame gazebo are also on the pond.

The subdivision has a large, lighted entrance sign at the corner of Riley Run Rd. and Cottontown Rd.

SCRA has determined that a financial reserve of at least \$75,000 is required for repair, replacement and restoration of the capital components as required. Primarily a major refinishing for the pool that is planned for 2027 or 2028.

Major expense items over the next 20 years could include the following:

1. Replace the metal roof on the Clubhouse. (The roof is currently in fair condition but is approaching the estimated useful life of a metal roof. (\$10,000)
2. Major electrical and plumbing repairs at the Clubhouse.
3. Replacement of pumps, filters, chlorine generators and other equipment at the pool. (Useful life of the pool pumps are estimated at 5 years. There are two main pumps with a replacement cost of \$5000 each)
4. Major resurfacing of the pool. The estimated life of the pool surface is 20-25 years. Resurfacing the pool, replacing the waterline tile and capstones and skimmer boxes is estimated at \$60,000.
5. Repair of the entrance sign.
6. Repair of the wood framing and flooring on the dock and the gazebo.
7. Replacement of pool furniture every 7 – 10 years. (\$4000)

Funding:

SCRA is funded entirely by fees paid by the current homeowners. An annual fee of \$900 (\$75 per month) is assessed to the owner of each lot.

There are 35 lots in Serene Creek Run for a total annual income of approximately \$32,000.

SCRA's fixed costs for annual maintenance of assets, grounds keeping, utilities, administration, insurance, government, legal and other miscellaneous expenses are approximately \$23,000.

That provides SCRA with up to \$9,000 annually to use for replenishing the reserve fund or to fund "projects" the Association may elect to do.

Any funds used from the reserve will be replenished from normal HOA fees collected from property owners.

This reserve study and funding details should be reviewed annually and revised as necessary.

SCRA Board of Directors

Rev 05 / April 2025

§ 55.1-2147. Annual budget; reserves for capital components.

A. Except to the extent provided in the declaration, the board of directors shall, prior to the commencement of the fiscal year, make available to lot owners either (i) the annual budget of the association or (ii) a summary of such annual budget.

B. Except to the extent otherwise provided in the declaration, the executive board shall:

1. Conduct at least once every five years a study to determine the necessity and amount of reserves required to repair, replace, and restore the capital components as defined in [§ 55.1-2100](#);

2. Review the results of that study at least annually to determine if reserves are sufficient; and

3. Make any adjustments the executive board deems necessary to maintain reserves, as appropriate.

C. To the extent that the reserve study conducted in accordance with this section indicates a need to budget for reserves, the association budget shall include:

1. The current estimated replacement cost, estimated remaining life, and estimated useful life of the capital components as defined in [§ 55.1-2100](#);

2. As of the beginning of the fiscal year for which the budget is prepared, the current amount of accumulated cash reserves set aside to repair, replace, or restore the capital components and the amount of the expected contribution to the reserve fund for that fiscal year;

3. A statement describing the procedures used for estimation and accumulation of cash reserves pursuant to this section and the extent to which the association is funding its reserve obligations consistent with the study currently in effect; and

4. A statement of the amount of reserves recommended in the study and the amount of current cash for replacement reserves.

2005, c. [436](#), § 55-471.1; 2019, cc. [33](#), [44](#), [712](#).