



**Action Required**

Review identified: FDIC exposure at single bank, reserve coverage below target, single-bank concentration.

**RESERVE OVERVIEW**

<p>TOTAL RESERVES</p> <p><b>\$260,097</b></p> <p>2 accounts</p>	<p>FDIC STATUS</p> <p><b>Exposure Risk</b></p> <p>verify spread across banks</p>	<p>RESERVE COVERAGE</p> <p><b>5.7 mo</b></p> <p>vs 6 mo target</p>	<p>CAPITAL COVERAGE</p> <p><b>193%</b></p> <p>of \$135,000 in needs</p>
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**ACCOUNT DETAIL**

Account	Balance	Type	Purpose
Operating	\$35,736.33	Checking	Operating
Reserve Savings	\$224,360.91	Savings	Reserve
<b>Total Reserves</b>	<b>\$260,097.24</b>		<b>⚠️ FDIC Review</b>

**RESERVE HEALTH**



<p>TOTAL RESERVES</p> <p><b>\$260,097</b></p>	<p>ANNUAL BUDGET</p> <p><b>\$550,740</b></p>	<p>RESERVE COVERAGE</p> <p><b>5.7 mo</b></p>
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**CAPITAL & MAJOR REPAIR ITEMS**

Item	Estimated Cost
Roof Replacement 2030	\$135,000
<b>Total Capital Needs</b>	<b>\$135,000</b>

**FINDINGS & RISK FLAGS**

**CRITICAL**

### **FDIC Coverage at Risk**

Total reserves of \$260,097 exceed the \$250,000 FDIC limit and appear to be held at a single institution. Funds above \$250k per bank are uninsured. Spread balances across institutions or use an FDIC sweep account.

**HIGH**

### **Single-Bank Concentration Risk**

All \$260,097 in reserves are held at a single institution. A bank failure, fraud event, or account freeze would impact the entire reserve fund simultaneously. Uninsured funds above \$250k are at particular risk.

**HIGH**

### **Reserve Coverage Below Target — 5.7 Months**

Current reserves represent 5.7 months of operating budget. Most advisors suggest at least 6 months of operating coverage as a liquidity cushion. A formal reserve study is advised.

**MODERATE**

### **Estimated \$6,342/yr in Missed Yield**

Based on typical rates for these account types, reserves are estimated to be earning ~0.31% vs a market benchmark of 2.75%. Higher-yield insured options (HYSAs, brokered CDs) could recover this gap.

## **RECOMMENDED NEXT STEPS**

- 1** Distribute reserves across at least two institutions — this resolves both the FDIC coverage gap and single-bank concentration risk. Alternatively, use an FDIC sweep account to automate coverage.
- 2** Develop a contribution schedule to reach the 6-month operating coverage benchmark, and review assessment levels if the shortfall is structural.
- 3** Move excess checking balances into insured high-yield savings or money market accounts — current market rates of ~2.75% are available with full FDIC coverage.

### **MONTHLY HOA TREASURY REVIEW**

We track your reserves every month and flag issues before they become problems. Each review covers funding levels, cash runway, FDIC exposure, and capital planning — plus a 30-minute strategy call.

**Reply to get started**  
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