

Minutes of the Victorian Gables HOA

Annual Membership Meeting, October 22, 2017

2:00 pm at Unit #33

Board:

Present:

Ernestine Munsey, President, #33
MarthaJayne Vaughan, Vice President, #1
Veronica Arnold, Secretary, #20
Ed Voelkel, Treasurer, #7
Virgil Hancher, Director, #8
Nancy Kauffman, Director, #37
Bill Miles, Architectural Committee & Sign Committee, #12
Chris Joitel, Architectural Committee, & Sign Committee, #12
Kammi Eckhoff, Landscape Chair, #2

Absent:

Scott Novogoratz, Director, #39
Ron Segul, Landscape Committee Member, #30

Homeowners Present (23 Units): MarthaJayne Vaughan, #1; Paul & Kammie Eckhoff, #2; Richard Coupe, #3; Karen Habel, #4; Ed Voelkel, #7; Virgil Hancher, #8; Ida White, #9; Ellen Eihausen, #10; Shara Stills, #11; Bill Miles & Chris Voitel, #12; Marilyn Jensen, #14; Roger Cavender, #17; Chris Bailey, #18; Jerry & Veronica Arnold, #20; Tommy McDonald, #24; David & Carol Hodson, #26; Mark & Melody Watkins, #28; Doug Ouren, #31; Ida Sinden, #32; Ernestine Munsey, #33; Jane Meyer, #34; Joan Kohut, #35; and John Lansaw & Nancy Kauffman, #37.

Homeowners Represented by Proxy (13 Units): Ken & Audry Landt, #5; Mert Mercier, #6; Jerry Dolph, #13; Peggy Dalke, #15; Bonnie & John Geter, #19; Ken & Esther Osborn, #22; Dolores Wagner, #23; Jim & Mary Lou Lewis, #25; Sallie Wilke, #27; Ron Segul, #30; LaVonne Armstrong, #38; Scott Novogoratz, #39; and Peter Hall & Debbie Janes, #40.

Absent/No Proxy (4 Units): Gene Hammond, #16; Jack Meyer, #21; Andreas Gavalton, #29; and Prue Kaley, #36.

Call to Order: The meeting was called to order at 2:00 pm by the President, Ernestine Munsey. A quorum was present, with 90% of homeowners represented either in person or by proxy. The Minutes of the October 23, 2016, meeting were approved as distributed.

Treasurer's Report: Ed Voelkel presented the Treasurer's Report:

Total income year to date:	\$105,924
Total expenses year to date:	<u>\$ 84,827</u>
Net	\$ 21,097

A motion to accept the Treasurer's Report was seconded and approved. (Note: Full financial statements are on file and available from the Treasurer, Ed Voelkel, 970-207-9857, edvlkwd@aol.com.)

The Treasurer distributed to Members: (1) Notice of HOA Dues for 2018, (2) Income/Expenses by Category 1/1/2017 -10/21/2017 HOA Budget for 2017 a/o October 21, 2017, and (3) Asset Allocations was distributed to members. Copies will be delivered to or mailed to those not present.

Election of Officers: The officers' slate was presented, and there being no nominations from the floor the slate was elected by acclamation.

Slate of officers:

President, Scott Novogoratz, #39

Vice President, Chris Bailey, #18

Secretary, Veronica Arnold, #20

Treasurer, Ed Voelkel, #7

Director at Large, Tommy McDonald, #24, Term 2018-2020. (replacing Virgil Hancher)

Doug Ouren, #31, was appointed to complete the remaining two year term of Scott Novogoratz as Director at Large, effective January 1, 2018. Appointment expires in 2019.

Director at Large, Nancy Kauffman's term expires in 2018, (#37).

All homeowners were encouraged to support the incoming Board and to participate to the extent possible.

A lively discussion took place throughout the meeting. Most comments and questions dealt with financial matters. A list of the major subjects discussed can be found below.

The meeting ended with a round of applause and a thank you for the Board.

Adjournment: The meeting was adjourned at 2:55 pm.

Respectfully submitted by:

Veronica Arnold
Secretary

Ernestine Munsey
President

Major Topics of discussion:

--How money is spent. Possibility of shifting maintenance and replacement costs away from the HOA to homeowners. There was no support for this model. One homeowners noted that he and others are no longer able to get up on a ladder and prefer the shared maintenance model.

--How the Board determines how much to increase the assessments; a percentage based on a multi-year review versus a flat rate based on the Ten-Year Forecast & actual increases in large ticket expenditures such as insurance, water rates, etc.;

--Different management models are possible, but any changes to the present Governing Documents would require a thorough review of all documents to be certain those changes do not violate Colorado Secretary of State regulations and that they are in compliance with all Colorado State Senate and House Bills which apply to HOAs. Any documents changes would require 60% written approval by homeowners, based on Colorado State requirements and VGHOA Governing Documents. These written approvals must be kept as a matter of record.

--Current VGHOA's Governing Documents are in compliance with the Colorado Secretary of State regulations and all Colorado State Senate and House Bills.

--Property management vs. self-managed. Based on inquiries several years ago, cost to hire a property manager at that time would have been \$800 per unit/per year and the HOA would have to give up the check book and our autonomy;

--Difficulty of finding contractors because of HOA's small size and many building projects in and around Fort Collins. The Board has managed to develop a good relationship with many contractors, but they are not always available when we have work to be done. The Board requires each contractor to show proof of insurance, a copy of their License, and to sign a Lien Waiver after the work is complete.

--This year's HOA insurance went up from \$13,449.00 to \$20,659 which was a \$6,210 increase. The Board negotiated a \$5,042 savings which brings the total cost down to \$15,607.00. Travelers Insurance will be our carrier but American Family will remain our agent. Method of payment has changed from 12 payments to 10 payments. Homeowners will not notice changes which are all administrative.

--Affordability of assessments and changing demographic among population.

--Request by one member for an outside Audit which it was noted would cost about \$10,000 as companies do not reduce their rates for non-profits. VGHOA is not required to have an outside audit because our annual budget is less than the required bottom line which was \$225,000 several years ago.

However, HOA books are open for review and an internal audit will be performed annually.

--Transparency. All board meetings are open to homeowners and the Minutes reflect decisions made.

--The Board keeps two Public Disclosure Binders which are in accordance with SB-05-100. As required these binders include a copy of the Budget, Assessments, Maintenance Reserve Fund, Audit, Governing Documents, Minutes for full year, Policy Statements, and General Disclosure for Current Year. All of these documents have been distributed to homeowners for their personal files.

--There was support for the Replacement Reserve Fund which was established in 2011 with an initial deposit of \$10,000. The HOA is required by Colorado House Bill 09-1359 to have a Funding Plan. VGHOA chose the Threshold Funding Plan rather than Full Funding because we did not have \$622,000 to meet the Full Funding model. The Board will update this Study.

--An in house Reserve Fund Study was conducted in 2011. The minimum amount to hire a professional to do this Study was \$5,000 plus per diem so the Board opted to do the Study which is available for review by interested homeowners.

--The Ten Year Forecast and the Replacement Reserve Fund were established as a result of House Bill 09-1359.

--One homeowners said she prefers the member meetings in a home rather than in a larger facility because it is easier to hear.

Note: A quick review of Minutes from previous meetings will show that all of the information discussed at the meeting has been distributed to homeowners. If you cannot find, or have not kept, your Minutes and would like to know more, let a Board member know because the Board has records dating back to 1994.