

# **Victorian Gables Homeowner Association**

Annual Meeting  
December 16, 2023 at 3:00 p.m.

# Ground Rules

- Silence your cell phones
- Permit presenters to finish presentations
- Hold questions until presenter asks for questions

# Agenda

- **Reports (60 min)**

- Approve Minutes (LeAnn)
- President's Report (Scott)
- Architecture Committee Report (Ron)
  - Aging Infrastructure (Scott, Dale)
  - Painting (Kathy)
- Landscape Committee Report (Kammi)
- Insurance Committee Report (Karen)
- Treasurer's Report (Ted)
- 2024 Budget & Vote (Ted & Scott)
- Trash (Scott & Ted)

- **Questions and Concerns (15 min)**

- **Nominations and Election (15 min)**

- Nominations for Officers and Directors (Mark & LeAnn)
- Officer and Director Elections (Mark & LeAnn)

# Approve Minutes

# Your Board

## Officers:

President, Scott Novogoratz (#39)

Vice President, Dale Noel (#12)

Treasurer, Ted Huston (#21)

Secretary, Open (#)

## Directors-At-Large:

Kammi Eckhoff (#2) - term expires at the end of 2023

Mark Cunningham (#36) - term expires at end of 2024

LeAnn Payton (#23) – term expires at the end of 2025

# President's Comments

Scott Novogoratz (#39)



# HOA Challenges

- Rising Insurance Costs
- Rising Cost for Exterior Maintenance
- Roofs
  - Insurers Don't Want Risk for Old Roofs
  - Roofs are Wearing Rapidly





# HOA Insurance Cost Change Over Time

Table 1

	2020	2021	2022	Expected 2023 (from Dec 2022)	Actual 2023	Expected 2024
<b>Insurance</b>	<b>\$20,000</b>	<b>\$23,600</b>	<b>\$28,542</b>	<b>\$34,250</b>	<b>\$ 62,000</b>	<b>\$ 80,600</b>

# Architecture Committee

Ron Segul (#30)

Steve Hansen (#28)

Dale Noel (#12)

Kathy & Nat Fay (#22)

**While we try to assess exterior problems, it's unlikely we catch everything. If you notice anything that doesn't seem to be right, let us know.**

# Architecture

- **2023 Accomplishments**
  - **More window wells replaced, 16 this year, 17 to go**
  - **3 Skylights, 2 Garage Doors replaced**
  - **Roof repairs**
  - **2 Gutters and 7 larger Downspouts installed**
  - **1 Fence replaced, 1 Fence & 2 Decks repaired**
  - **Total cost: \$40,400**

# Aging Infrastructure: Roofs!

- Colorado environment is hard on roofs
- Next year, 5 HOA buildings' roofs will be 20 yrs old, youngest 2 will be 13 yrs old
- Cost of each building's roof today is \$30,000  
x20 roofs is \$600,000
- Our replacement reserve fund is now at \$90,000.  
3 roofs would deplete it completely. We don't want special assessment.
- What to do? One thing: build up replacement reserves much faster.

# Painting History

## Whole Unit

Units 1-10	1997	2005	2014**
Units 11-20	1998	2006	2015**
Units 21-30	1999	2007	2016**
Units 31-40	2000	2008	2017**

8 yrs

9 yrs

## 1<sup>st</sup> Floor Windows

Units 1-28	2013	
Units 29-40		2014

## Basement Windows

Units 1-21		2014
Units 22-40		2015

\*\*In 2013, decision was made to only paint what was needed vs all faces of a unit

In 2019 & 2020 Concerted effort to address fascia painting, caulking and painting touch-ups needed to all units.





- Regular exterior painting not only enhances curb appeal but also protects against the elements, prevents rot, and increases property value.
- Factors that affect the frequency of painting include climate & exposure, quality of paint & previous paint job, color choice, and maintenance & cleaning.
- Industry recommends painting every 3-7 years for wood siding, 2-5 years for trim & accents





# Where We Are Now

- Time for Update?

At last year's annual meeting, some residents voiced a desire to explore new choices for paint colors. Color consultant was used to analyze community buildings (brick) and come up with selections. Past trends are always coming around...closest match to current color was Sherwin Williams 2023 Color of the Year

- Color Palette vs Current Color

Simulations included in survey packets, large size examples are available to view, and a sample deck of all colors can be checked out (20 decks available) for close up comparisons.

- Survey to direct decisions

Only 4 questions and we want all units to complete one so the Architectural Committee and the Board can make residents choices part of planning.

Questions?

# **Landscape Committee**

Kammi Eckhoff (#2)

# Community Picnic



- **Sept. 9 with about 30 people in attendance in the yard of Mark and Joy Cunningham, who also provided awning shade, tables, and lawn games.**
- **Thanks Mark and Joy for making this a successful event.**

# 2023

- Trees trimmed
- Lawncare
- Weeded xeriscape areas (ongoing process until grasses are established)
- Signs and posts replaced
- Community garage sale
- Road crack seal

# **Snow**

- **Please remember to keep your areas by your front door clear in the winter.**
- **Snow shovelers WILL NOT move items such as flowerpots to remove snow due to liability.**
- **They will not shovel between cars in the driveways.**

# **Thanks to all who have helped**

- **Weeding/clearing drains-Nancy & Tom Glenn, Diane & Dale Noel, Jackson Hulett, Mark Cunningham**
- **Mulch-Scott Novogoratz**
- **Shoveling-Dale & Diane Noel, Ellen Eihausen, Ted Huston, Mark Cunningham, Paul Eckhoff, John Mercier, Ron & Denese Segul**
- **Dirt for window wells-Ted Huston, Steve Hansen, Paul Eckhoff**
- **Community Picnic space-Mark & Joy Cunningham**
- **AND anyone I have forgot to mention-YOU are appreciated**

# 2024 Projects

- Road Seal Coat



- Native grasses in area by Dunbar mailboxes
- Remove tree at Unit 18
- Tree replacements
- Help needed to tend xeriscape areas



# **Insurance Committee**

Committee: Karen Habel (#4)  
Dale Noel (#12)

# HOA insurance and its cost

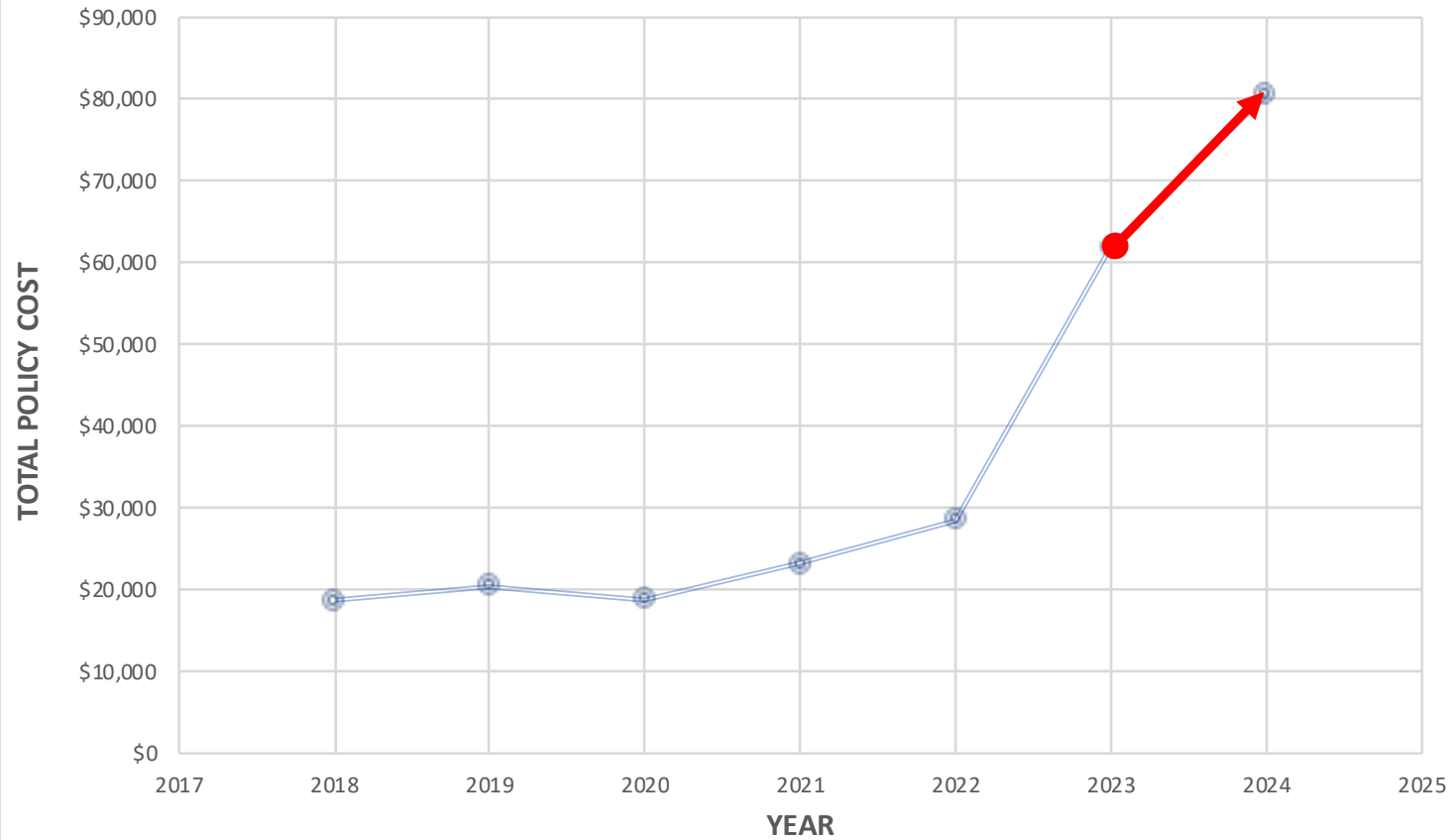
- Our 4 insurance policies and the premiums for next year

Property and Liability	\$57,385
Directors & Officers / Crime	\$1,874
Umbrella	\$2,340
Worker's Compensation	\$352
Total Cost	\$61,951

- Costs put into 3 perspectives

- Average % increase/yr 2017-2022: 20%, this year: 117%
- % of total HOA budget: 30%
- Your cost per year as one owner: \$1,549

# Insurance Costs



# HOA insurance deductibles, and owner loss assessment insurance

- Deductibles
  - Wind/Hail: \$85,450 (10% of building replacement value)
  - All other perils: \$5,000
- Owner of damaged unit pays lesser of repair or deductible
- Loss assessment coverage in homeowner's insurance
  - We recommend increase to: \$90,000
  - Look at HOA website under "loss assessment coverage"

# Insurance Reserve Funding

- Current Insurance Reserve Fund balance is ~\$17,900.
- Our insurance policy deductible is \$5,000/event.
- Do we need to increase the Reserve?
- Do we need this Reserve at all?
- One-time transfer to offset increased costs of insurance?

The Association may set up a reserve fund to help pay those deductibles that are not the responsibility of individual owners.

-Declaration of Covenants, Article XI, Section 9

# Treasurer's Report

Ted Huston (#21)

# Summary Report

- Through 30 Nov 2023

INCOME	YEAR-TO-DATE	ANNUAL BUDGET
Dues, \$3700/unit/y	\$148,000	\$148,000
Interest	\$3,137	\$1,400
Transfer Fees	\$0	\$0
<b>Total Income</b>	<b>\$151,080</b>	<b>\$149,400</b>
<b>EXPENSES</b>		
Landscape	\$24,334	\$38,193
Maintenance	\$9,701	\$13,800
Operating	\$22,781	\$58,260
Replacement	\$35,750	\$35,976
<b>Total Expenses</b>	<b>\$92,791</b>	<b>\$146,003</b>
<b>Surplus/Deficit</b>	<b>\$58,289</b>	<b>\$3,397</b>

# Summary Report

• Through 30 Nov 2023

Assets		Year-to-Date	31-Dec-22
Maintenance Reserve			
Independent Financial Checking		\$47,047.51	\$6,338.71
FNBO Money Market xx605	1.46% APY	\$22,351.50	\$7,217.22
<b>Sub-Total</b>		<b>\$69,399.01</b>	<b>\$13,555.93</b>
Insurance Reserve	APY Maturity Date		
Treasury I bond xxAAB	3.38% 9/1/52	\$5,324.00	\$5,040.00
Independent Financial CD xx6506	5.15% 5/15/24	\$5,649.70	
FNBO Money Market xx596	1.46%	\$6,955.66	\$6,859.91
FNBO CD xx1549	0.50% 1/11/26	\$0.00	\$5,573.39
<b>Sub-Total</b>		<b>\$17,929.36</b>	<b>\$17,473.30</b>
Replacement Reserve	APY Maturity Date		
Independent Financial CD xx2737	1.31% 7/11/23	\$0.00	\$19,888.87
Independent Financial CD xx5704	2.52% 11/17/23	\$0.00	\$20,649.40
Independent Financial CD xx6512	5.15% 5/15/24	\$20,338.87	
Independent Financial CD xx6734	5.25% 12/20/24	\$10,585.47	
Independent Financial CD xx6736	5.25% 12/20/24	\$10,585.47	
Independent Financial CD xx8392	5.15% 6/14/24	\$10,147.44	
Independent Financial CD xx8418	5.15% 6/14/24	\$10,147.44	
Treasury I bond xxAAA	3.38% 9/1/52	\$5,324.00	\$5,040.00
FNBO Money Market xx604	1.46%	\$6,963.35	\$6,867.49
FNBO CD xx1476	2.75% 4/21/24	\$17,050.15	\$16,585.10
FNBO CD xx1550	0.50% 1/11/26	\$0.00	\$20,064.18
<b>Sub-Total</b>		<b>\$91,142.19</b>	<b>\$89,095.04</b>
<b>Total Assets</b>		<b>\$178,470.56</b>	<b>\$120,124.27</b>



# Balance Sheet

- Through 30 Nov 2023

## Assets

	31-Dec-2020 Actual	31-Dec-2021 Actual	31-Dec-2022 Actual	30-Nov-2023 Actual	31-Dec-2023 Expected
Cash and Cash Equivalents	\$ 11,615.63	\$ 16,273.86	\$ 27,283.33	\$ 83,318.02	\$ 35,780.02
Term Investments	\$ 103,826.75	\$ 105,201.89	\$ 92,840.94	\$ 95,152.54	\$ 95,644.54
Prepaid Expenses (Insurance)	\$ 2,637.00	\$ 20,874.94	\$ 25,648.53	\$ 352.00	\$ 40,816.80
Receivables (Delinquent Dues)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Assets</b>	<b>\$ 118,079.38</b>	<b>\$ 142,350.69</b>	<b>\$ 145,772.80</b>	<b>\$ 178,822.56</b>	<b>\$ 172,241.36</b>

## Liabilities

Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Loans	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Dues	\$ -	\$ 6,625.00	\$ -	\$ -	\$ -
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 6,625.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## ASSETS - LIABILITIES

<b>\$ 118,079.38</b>	<b>\$ 135,725.69</b>	<b>\$ 145,772.80</b>	<b>\$ 178,822.56</b>	<b>\$ 172,241.36</b>
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## Reserve Funds

Maintenance Reserve	\$ 11,615.63	\$ 9,648.86	\$ 13,555.93	\$ 61,799.01	\$ 10,495.01
Toward Tree Removal at #26 in 2028				\$ 1,000.00	\$ 1,000.00
Toward Road Sealcoat in 2024				\$ 6,600.00	\$ 6,600.00
Replacement Reserve	\$ 86,791.56	\$ 87,915.10	\$ 89,095.04	\$ 91,142.19	\$ 95,236.19
Insurance Reserve	\$ 17,035.19	\$ 17,286.79	\$ 17,473.30	\$ 17,929.36	\$ 18,093.36
Prepaid Expenses (Insurance)	\$ 2,637.00	\$ 20,874.94	\$ 25,648.53	\$ 352.00	\$ 40,816.80
<b>Total Reserve Funds</b>	<b>\$ 118,079.38</b>	<b>\$ 135,725.69</b>	<b>\$ 145,772.80</b>	<b>\$ 178,822.56</b>	<b>\$ 172,241.36</b>

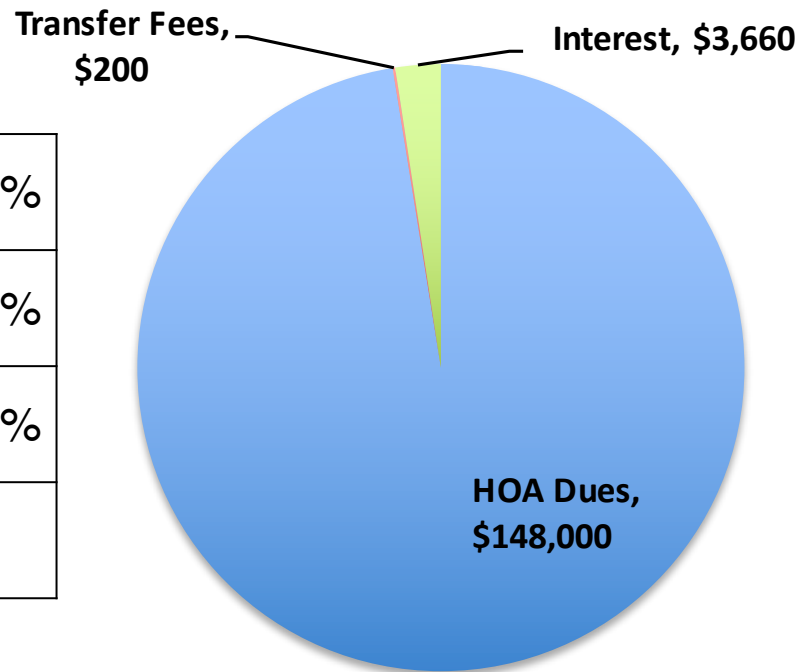
# **Where VGHOA's Money Comes from and Goes to**

2023 Projected Income & Expenses

# 2023 Income

Projected annual, as of 30Nov

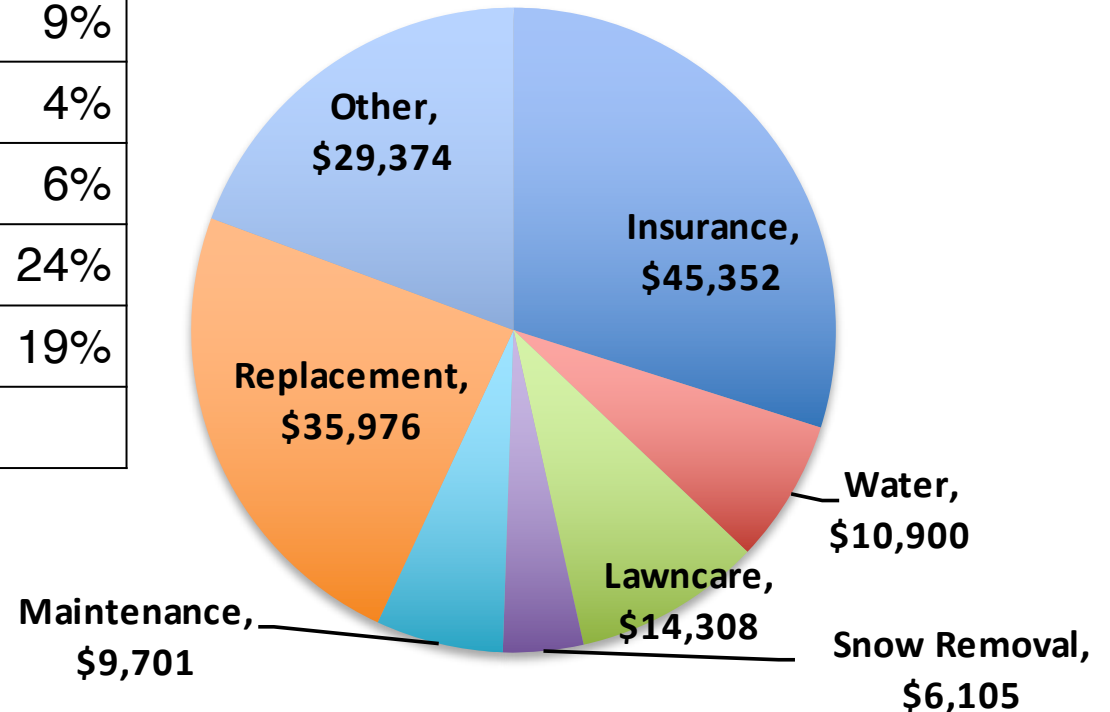
HOA Dues	\$148,000	97.5%
Transfer Fees	\$200	0.1%
Interest	\$3660	2.4%
<b>Total Income</b>	<b>\$151,860</b>	



# 2023 Expenses

Projected annual, as of 30Nov

Insurance	\$45,352	30%
Water	\$10,900	7%
Lawncare	\$14,308	9%
Snow Removal	\$6,105	4%
Maintenance	\$9,701	6%
Replacement	\$35,976	24%
Other	\$29,374	19%
<b>Total Expenses</b>	<b>\$151,716</b>	



# **Assuring VGHOA is Fully Funded**

And Avoiding Special Assessments Except for  
Something Totally Unexpected

# Replacement Reserve Funding

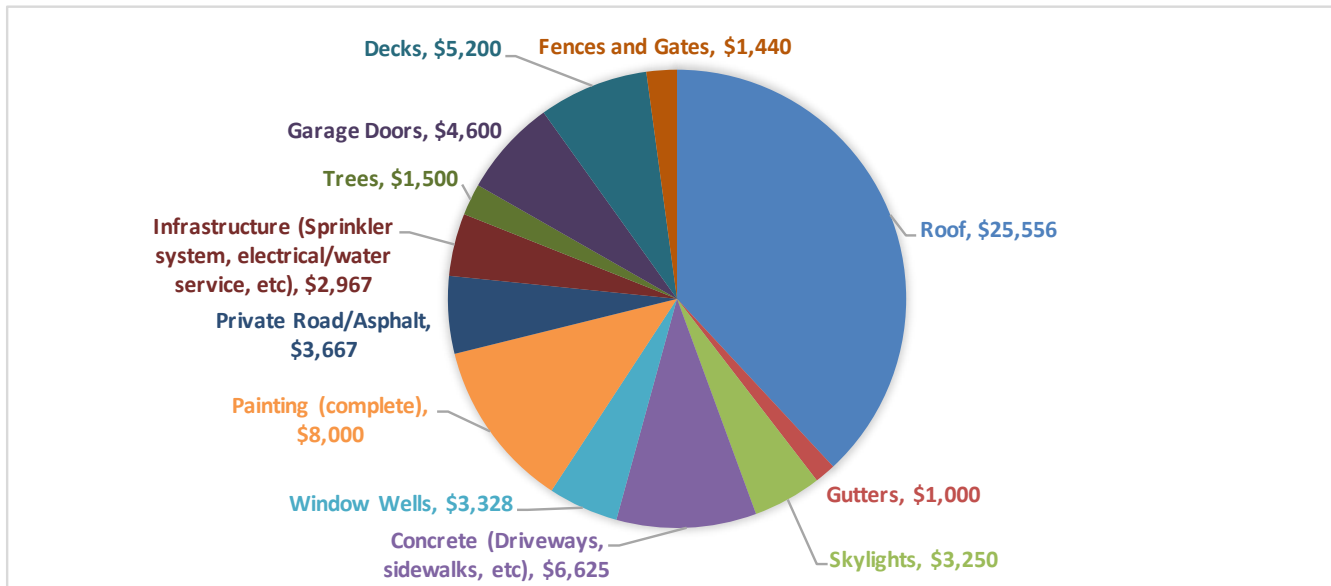
- Current Replacement Reserve Fund balance is ~\$91,000.
- Our priorities for determining which replacements to pursue are:
  1. Safety.
  2. Avoiding Extra Expense from Failing to Act.
  3. Replace as Item Wears Out.
  4. Concern or Impact to Homeowner

# Replacement Reserve Funding

- Special assessments for known replacement items can be avoided if:
  - Reserve fund is funded appropriately.
  - Replacement schedule is maintained.
- Some expenses can be spread over several years.
- Others will need to be done all at once. These will:
  - Draw down our Replacement Reserve Fund.
  - Use all or most of a year's allotment.

# 30 Year Replacement Plan

	Expected Replacement Cost *	Useful Life (Yrs)	Cost/Y	
Roof	\$460,000	18	\$25,556	38%
Gutters	\$30,000	30	\$1,000	1%
Skylights	\$97,500	30	\$3,250	5%
Concrete (Driveways, sidewalks, etc)	\$265,000	40	\$6,625	10%
Window Wells	\$166,400	50	\$3,328	5%
Painting (complete)	\$80,000	10	\$8,000	12%
Private Road/Asphalt	\$110,000	30	\$3,667	5%
Infrastructure (Sprinkler system, electrical/water service, etc)	\$89,000	30	\$2,967	4%
Trees	\$75,000	50	\$1,500	2%
Garage Doors	\$92,000	20	\$4,600	7%
Decks	\$130,000	25	\$5,200	8%
Fences and Gates	\$36,000	25	\$1,440	2%
<b>TOTAL</b>	<b>\$1,630,900</b>		<b>\$67,132</b>	





# Replacement Reserve Funding

- We have been spending ~\$35,000/y toward replacements for the past few years.
- 2023 spending will be ~\$36,000.
- 2024 proposed spending will be ~\$56,150, well short of \$67,150.
- **To get to \$67,150 would require adding ~\$70/quarter to annual dues.**

# Insurance Reserve Funding

- Current Insurance Reserve Fund balance is ~\$17,900.
- Our insurance policy deductible is \$5,000/event.
- Do we need to increase the Reserve?
- Do we need this Reserve at all?
- One-time transfer to offset increased costs of insurance?

The Association may set up a reserve fund to help pay those deductibles that are not the responsibility of individual owners.

-Declaration of Covenants, Article XI, Section 9

# Proposed 2024 Budget

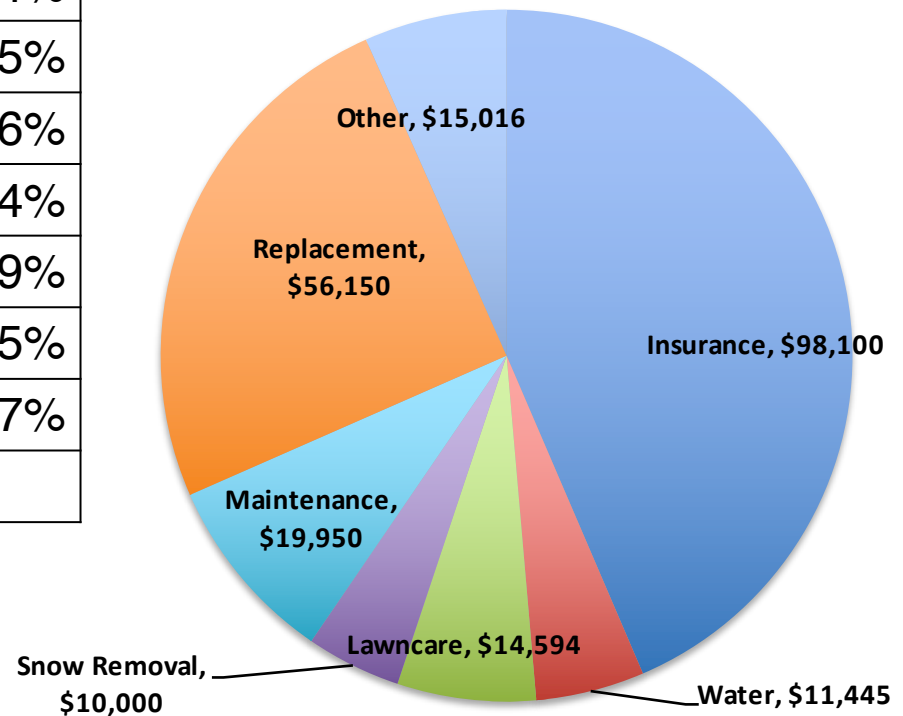
	2023		Projected 2024	
	Budget	Expected Annual	Budget	Comment
<b>Income</b>				
HOA Dues	\$148,000	\$148,000	\$222,400	2023: \$925 per qtr; 2024: \$1390 per qtr (\$5560 per year), \$155/mo or 50% increase
Transfer Fees	\$0	\$200	\$0	
Interest	\$1,400	\$3,661	\$3,000	
<b>Total Income</b>	<b>\$149,400</b>	<b>\$151,861</b>	<b>\$225,400</b>	
<b>Expenses</b>				
<b>Operating</b>				
Insurance	\$34,250	\$45,352	\$98,100	30% increase over 23-24 policies, (Pay \$45,000 required for 2023 policies in 2023, and \$17,000 balance in 2024, finance charges of \$500?)
Other (Trash, Water, etc)	\$34,250	\$34,756	\$32,949	
<b>Operating Sub-Total</b>	<b>\$58,260</b>	<b>\$68,856</b>	<b>\$123,411</b>	
<b>Landscape</b>				
<b>Landscape Sub-Total</b>	<b>\$38,193</b>	<b>\$25,833</b>	<b>\$37,094</b>	
<b>Maintenance</b>				
<b>Maintenance Sub-Total</b>	<b>\$13,800</b>	<b>\$9,701</b>	<b>\$19,950</b>	
<b>Reserve Funding</b>				
<b>Reserve Funding Sub-Total</b>	<b>\$35,750</b>	<b>\$47,326</b>	<b>\$44,800</b>	
<b>Total Expenses</b>	<b>\$146,003</b>	<b>\$151,716</b>	<b>\$225,255</b>	
<b>Surplus/(Deficit)</b>	<b>\$3,397</b>	<b>\$145</b>	<b>\$145</b>	

**Dues increase to \$1390/qtr**

**Visit**  
<https://victoriangables.org/secure-owner-portal/financials/>  
**For details of budget proposal**

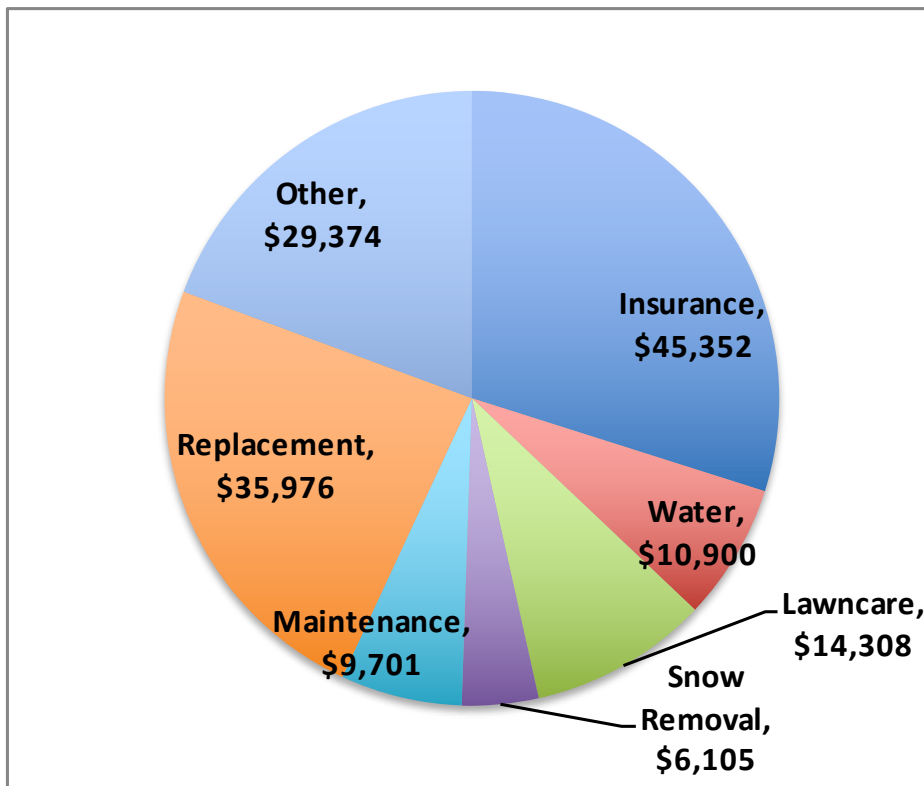
# Proposed 2024 Expenses

Insurance	\$98,100	44%
Water	\$11,445	5%
Lawncare	\$14,594	6%
Snow Removal	\$10,000	4%
Maintenance	\$19,950	9%
Replacement	\$56,150	25%
Other	\$15,016	7%
<b>Total Expenses</b>	<b>\$225,255</b>	

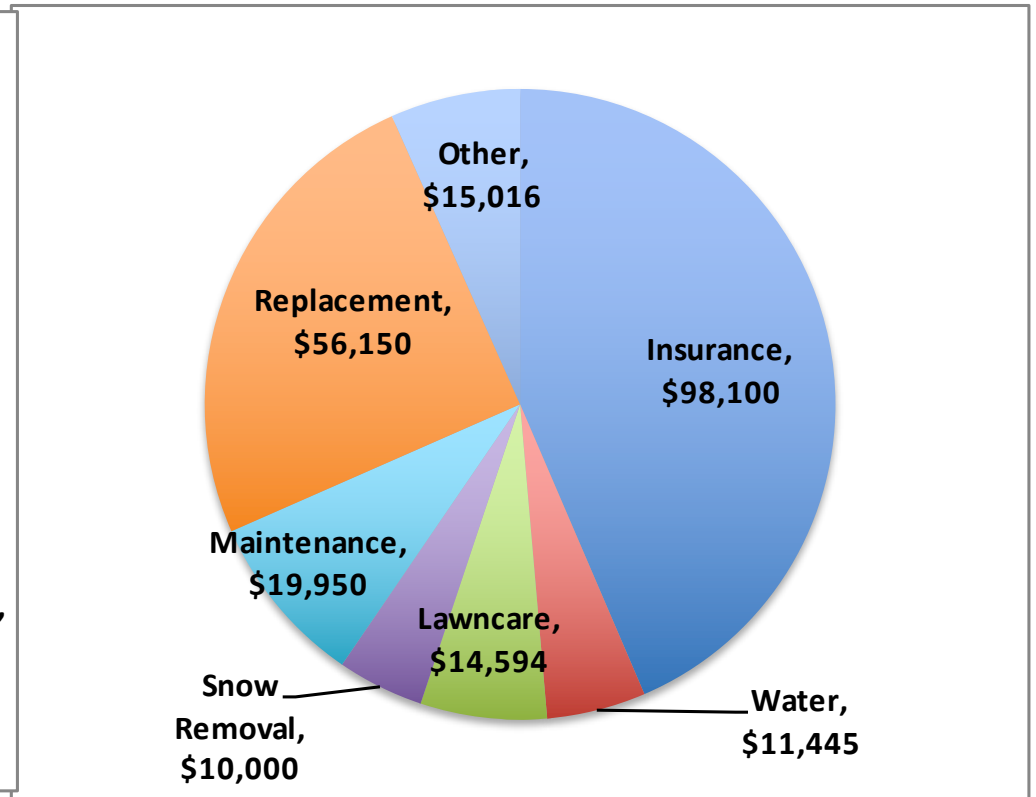


# 2023 v 2024 Expenses

2023, Actual



2024, Proposed



# Proposed 2024 Budget

- Dues increase to
  - \$1390 per quarter
  - \$5560 per year
  - \$155 per month increase
  - 50% increase over 2023 dues
  
- ❖ Primary drivers of this are
  - Insurance cost +117% over 2023
  - Shorter time frame for new roofs

# Proposed 2024 Budget

- Dues increase to \$5560 per year
- Costs per home per year:
  - Insurance (all policies): \$1,549
  - Landscape: \$927
  - Painting and repairs: \$499
  - Replacements: \$1,404

# 2024 Budget Vote

## Spending priorities

**Recommend increasing dues to \$1390/quarter**

Any increase greater than fifteen percent (15%) shall require Owner approval at the membership meeting. Owner approval shall require a vote held according to the voting requirements of Article II, Membership.

-Declaration of Covenants, Article IV, Section 4



# Trash Contract Changes

- Fort Collins will begin enforcing “**PAYT**=Pay as You Throw”
- Current RAM contract cost is ~\$20/home/month
- You must specify cart size for trash and recycle
  - Trash cart cost varies by size (\$12.50 to \$37.50)
- Yard debris options
- Monthly billing for services to individual homes?
- Policy #106 will be updated

# Questions and Concerns

# **Officers Election**

# Nominations Committee

Mark Cunningham, (Director-at-Large, 2022-2025)

LeAnn Payton, (Director-at-Large, 2023-2026)

# Ballot

## Officers:

President, Scott Novogoratz (#39)

Vice President, Paul Eckhoff, (#2)

Treasurer, Ted Huston (#21)

Secretary, ?? (# )

## Director-At-Large:

Dale Noel (#12) – (3 years) 2024-2026

**Election**