

Victorian Gables Homeowner Association

Annual Meeting

December 14, 2024

Agenda

Reports (60 min)

- o Architecture Committee Report (Kathy)
- o Landscape Committee Report (Kammi)
 - o Insurance Committee Report (Karen)
 - o Treasurer's Report (Ted)
- o 2024 Budget & Vote (Ted & Scott)
- o President's Report (Scott)

Questions and Concerns (15 min)

Nominations and Election (15 min)

- o Nominations for Officers and Directors (Dale & LeAnn)

Vote

Adjourn



Your Board

Officers:

President, Scott Novogoratz (#39)

Vice President, Paul Eckhoff (#2)

Treasurer, Ted Huston (#21)

Secretary, Open (#)

-

Directors-At-Large:

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

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

Dale Noel (#12) – term expires at the end of 2026

Architecture Committee

Kathy Fay

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.

VGHOA Architectural Committee

Completed Projects

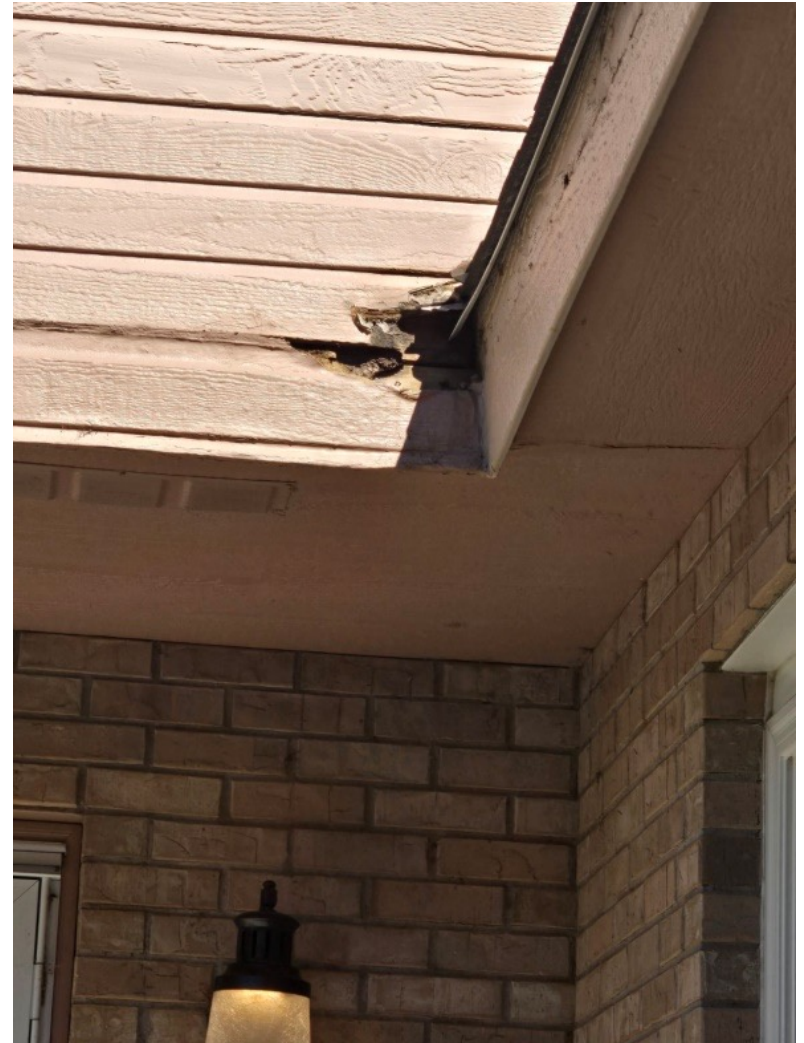
Roof and Gutter project on 38 units finished on time and under budgeted amount

New window wells (11) on 4 units.

Policy #113 on website

Replacement of 2 garage doors due to failure, temporary repairs of others (#22, #23)

Repairs on 2 units (siding and damaged trim)







Pending

2024 Projects

- Any remaining issues re: roofs/gutters/skylight replacements
- Maintenance Request Form on website for landscaping issues or exterior building concerns

2025 Tasks

Garage Doors

32 doors need to be replaced

Coordinate with painting to avoid painting twice or having doors unpainted for an extended period of time.

Volume discount for multiple replacements. 2024 average was \$2137.50 per door. Current quote for 10 doors or more is \$1819 per door; a savings of 15%

2025 Tasks

Painting & Light Fixtures

- 38 units need to be painted, including windows on most but not all. Priority on condition/age, other painting needs (garage doors, window trim condition, or siding repairs, etc.)
- Committee is pursuing volume discount but paint cost has increased.
- Light fixtures not previously budgeted for; most are dated and original. Some have replaced at owners expense with approval.

2025 Tasks

Concrete & Fences

- Some driveways/sidewalks have cracks or spalling or uneven sections.
- Quotes in process; last estimate was about \$10,000/driveway.
- Some fences need to be replaced or repaired as they were not done at the same time as others.

Proposed 2025 Architecture Funding

Budget of Approximately \$74,000

- No increase in dues and specific allocation of roof/gutter project.
- Continues past practice of underfunding capital replacement needs by 38% (\$28,000).
- Owners have indicated prolonged project of repainting units was not ideal and that it would be better if repainting could be completed in 2-3 years maximum.
- Some work postponed or delayed due to other more pressing issues.
- Costs for garage door, paint, new lights likely to be \$9600 per building (\$3600 + \$5000 + \$1000)

Considerations for Each Owner

- Consider some increase in dues to keep up. Everything has to be taken care of sometime...either monthly dues or special assessments when conditions require them.
- Consider a motion to allow the Board to retain any surplus from roof/gutter project and not require payment by owners who's assessment did not cover the costs. NOTE: Roof/Gutter project assessments were based on actual individual bids and did not include any contingency amount (normally 10% at least). Additional negotiating resulted in the lower costs.
- Consider self funding with your neighbor to accelerate projects if extended timelines are not desired.

Landscape Committee

Kammi Eckhoff

Overview

- Roadway
 - Road crack seal and seal coat in October
- Xeriscape areas are thriving
- Garage Sale
 - Only 1 participant (if there is no more participation, event will be cancelled)
- Tree removal
 - Behind #26 Cottonwood
 - #18-Waiting for action from Condos

Added 10 trees to the area

- 2 Austrian Pine
 - 1 Canadian Red Cherry
 - 2 Japanese Lilac
 - 2 Oak Chinkapin
 - 1 buckeye Yello
 - 2 radiant Crab
-
- They will be watered through the winter by Evergreen.

Landscape/Snow removal

- Evergreen is our landscape/snow removal contractor
 - Sprinkler system is getting old and needing more repairs/replacement
 - Watering 2x's/week at night
- Snow Removal
 - Evergreen will not shovel between vehicles on driveways or near front step if you have pots/decorative items that can be broken-please keep those areas clear
- Contact me with any concerns

Annual Neighborhood Potluck



Many Thanks

To all who have helped out with the xeriscape this year, Glenns, Noels, and?

To Steve Hansen for tree duty while we were out of town.

To all of you who have brought landscape items to my attention that need to be addressed

Insurance Committee

Karen Habel

Insurance Committee

Loss Assessment

- Loss Assessment permitted most of us to file damage claims and recover a significant portion of the roof replacement cost

Insurance Committee

Renewal & Annual Premium

Policy Renewed November 24, 2024

- Liability (property & medical) \$63,358
- Community Assoc Management Liability \$1,865
- Umbrella \$2,340
- Worker's Compensation \$325

Rates predicted to increase 39% in 2025

Insurance Committee

Proposed Covenant Change

- Change Covenants to permit individual homeowner get their own insurance to cover the exterior.
- This would:
 - In insurance jargon, change your policy type from an HO6 (condo) to an HO3 (homeowner covering both interior and exterior).
 - You would select the insurance to cover the exterior of your unit.
 - No longer have option for Loss Assessment

Treasurer's Report

Ted Huston

Summary Report

- Through 12 Dec 2024

INCOME		YEAR-TO-DATE	ANNUAL BUDGET
Dues, \$5560/unit/y		\$222,400	\$222,400
Interest		\$6,701	\$3,000
Transfer Fees		\$200	\$0
Special Assessments		\$687,950	\$0
	Total Income	\$917,251	\$225,400
EXPENSES			
Landscape		\$33,129	\$37,094
Maintenance		\$14,290	\$19,950
Operating		\$105,041	\$123,411
Replacement		\$690,270	\$56,150
	Total Expenses	\$842,730	\$236,605
	Surplus/Deficit	\$74,521	\$11,205

Summary Report

• Through 12 Dec 2024

Assets	31-Dec-23 Year-to-Date	
Maintenance Reserve		
Independent Financial Checking	\$4,170.91	\$10,033.27
Independent Financial Money Mkt	\$0.00	\$32,130.59
FNBO Money Mkt	\$11,623.20	\$47,330.94
Sub-Total	\$15,794.11	\$89,494.80
Insurance Reserve		
Treasury I Bond	\$5,410.00	\$5,610.00
CDs	\$5,720.83	\$5,987.01
FNBO Money Mkt	\$6,964.23	\$7,045.85
Sub-Total	\$18,095.06	\$18,642.86
Replacement Reserve		
CDs	\$79,110.92	\$82,820.27
Treasury I bond xxAAA	\$5,410.00	\$5,610.00
FNBO Money Mkt	\$10,723.86	\$7,087.46
Sub-Total	\$95,244.78	\$95,517.73
Total Assets	\$129,133.95	\$203,655.39

Balance Sheet

• Through 12 Dec 2024

	31-Dec-2021 Actual	31-Dec-2022 Actual	31-Dec-2023 Actual	12-Dec-2024 Actual	31-Dec-2024 Expected
Assets					
Cash and Cash Equivalents	\$ 16,273.86	\$ 27,283.33	\$ 33,482.20	\$ 103,628.11	\$ 74,307.71
Term Investments	\$ 105,201.89	\$ 92,840.94	\$ 95,651.75	\$ 100,027.28	\$ 100,371.28
Prepaid Expenses (Insurance)	\$ 20,874.94	\$ 25,648.53	\$ 44,244.95	\$ 64,565.77	\$ 61,030.47
Receivables (Delinquent Dues)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assets	\$ 142,350.69	\$ 145,772.80	\$ 173,378.90	\$ 268,221.16	\$ 235,709.46
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Loans	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Dues	\$ 6,625.00	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ 6,625.00	\$ -	\$ -	\$ -	\$ -
ASSETS - LIABILITIES	\$ 135,725.69	\$ 145,772.80	\$ 173,378.90	\$ 268,221.16	\$ 235,709.46
Reserve Funds					
Maintenance Reserve	\$ 9,648.86	\$ 13,555.93	\$ 8,194.11	\$ 89,494.80	\$ 12,163.80
Toward Tree Removal at #26 in 2028			\$ 1,000.00	\$ -	\$ -
Toward Road Sealcoat in 2024			\$ 6,600.00	\$ -	\$ -
Replacement Reserve	\$ 87,915.10	\$ 89,095.04	\$ 95,244.78	\$ 95,517.73	\$ 143,867.03
Insurance Reserve	\$ 17,286.79	\$ 17,473.30	\$ 18,095.06	\$ 18,642.86	\$ 18,648.16
Prepaid Expenses (Insurance)	\$ 20,874.94	\$ 25,648.53	\$ 44,244.95	\$ 64,565.77	\$ 61,030.47
Total Reserve Funds	\$ 135,725.69	\$ 145,772.80	\$ 173,378.90	\$ 268,221.16	\$ 235,709.46

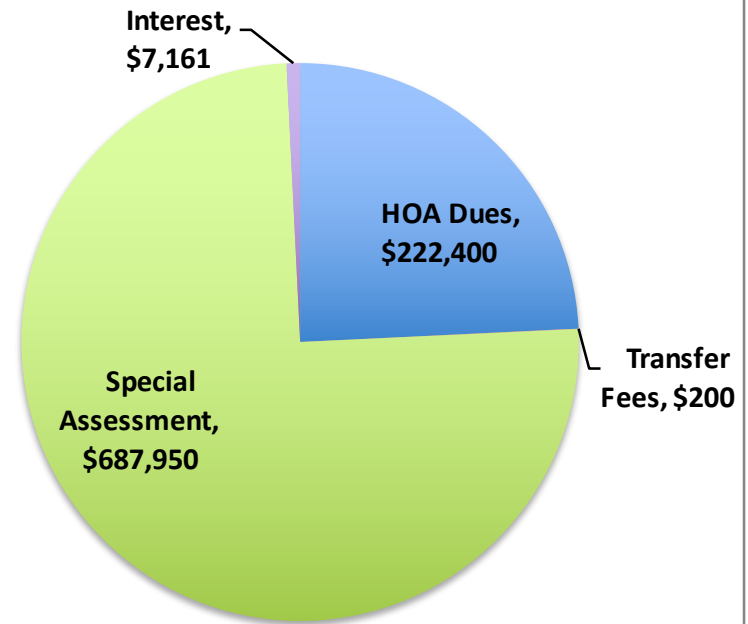
Where VGHOA's Money Comes from and Goes to

2024 Projected Income & Expenses

2024 Income

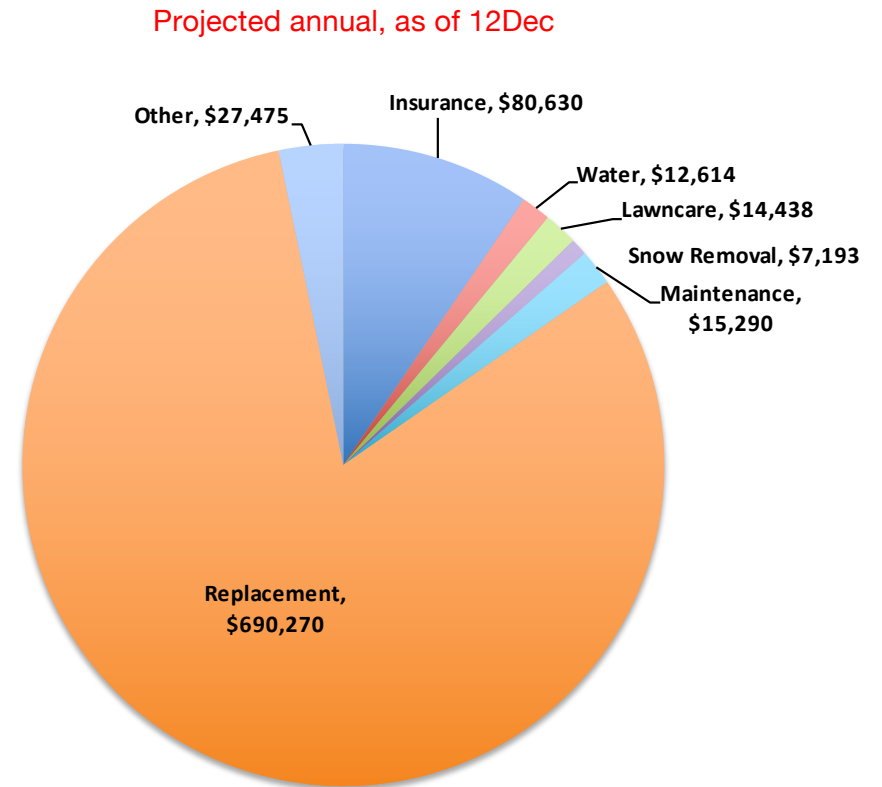
HOA Dues	\$222,400	24.2%
Transfer Fees	\$200	0.0%
Special Assessment	\$687,950	75.0%
Interest	\$7,161	0.8%
Total Income	\$917,711	

Projected annual, as of 12Dec



2024 Expenses

Insurance	\$80,630	9.5%
Water	\$12,614	1.5%
Lawncare	\$14,438	1.7%
Snow Removal	\$7,193	0.8%
Maintenance	\$15,290	1.8%
Replacement	\$690,270	81.4%
Other	\$27,475	3.2%
Total Expenses	\$847,910	

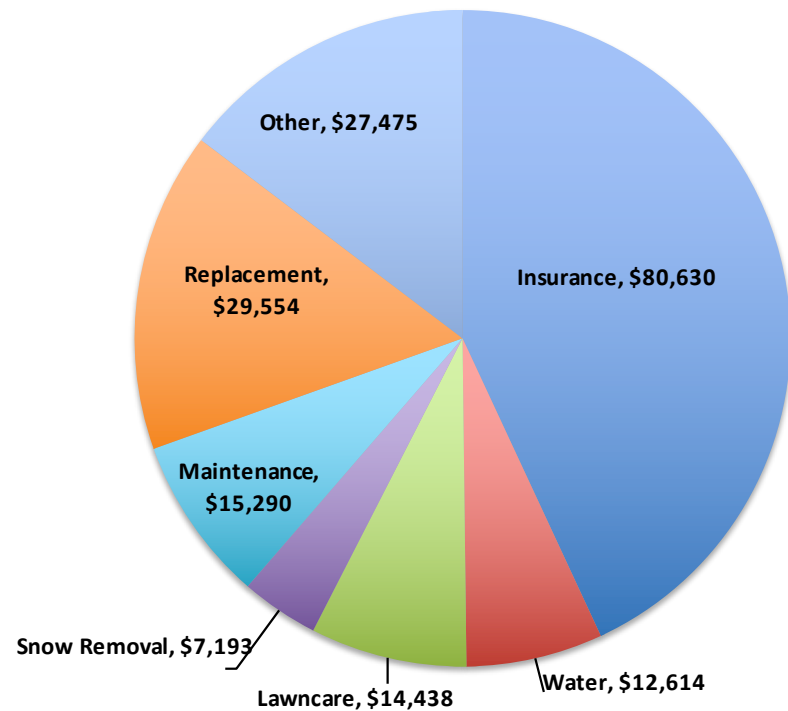


2024 Expenses *

Insurance	\$80,630	43.1%
Water	\$12,614	6.7%
Lawncare	\$14,438	7.7%
Snow Removal	\$7,193	3.8%
Maintenance	\$15,290	8.2%
Replacement *	\$29,554	15.8%
Other	\$27,475	14.7%
Total Expenses	\$187,194	

* Excluding roof+gutters

Projected annual, as of 12Dec



Assuring VGHOA is Fully Funded

And Avoiding Special Assessments Except for Something Totally Unexpected

Replacement Reserve Funding

- Current Replacement Reserve Fund balance is ~\$95,500.
- 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	\$720,000	15	\$48,000	45%
Gutters	\$40,000	15	\$2,667	3%
Skylights	\$97,500	15	\$6,500	6%
Concrete (Driveways, sidewalks, etc)	\$265,000	40	\$6,625	6%
Window Wells	\$166,400	50	\$3,328	3%
Painting (complete)	\$100,000	10	\$10,000	9%
Private Road/Asphalt	\$300,000	30	\$10,000	9%
Infrastructure (Sprinkler system, electrical/water service, etc)	\$89,000	30	\$2,967	3%
Siding (New 2024)	\$80,000	30	\$2,667	3%
Exterior Lights (New 2024)	\$20,000	30	\$667	1%
Trees	\$75,000	50	\$1,500	1%
Garage Doors	\$84,000	20	\$4,200	4%
Decks	\$130,000	25	\$5,200	5%
Fences and Gates	\$36,000	25	\$1,440	1%
TOTAL	<u>\$2,202,900</u>		<u>\$105,760</u>	

Replacement Reserve Funding

- We have been spending ~\$35,000/y toward replacements for the past few years.
- 2024 (excluding roof+gutters) spending will be ~\$29,500.
- 2025 proposed spending will be ~\$75,000, well short of \$105,760.
- **To get to \$105,760 would require adding ~\$190/quarter to annual dues.**
- Proposed adding ~\$48,000 per year to Replacement Reserve

Insurance Reserve Funding

- Current Insurance Reserve Fund balance is ~\$18,600.
- Our insurance policy deductible is \$10,000/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 2025 Budget

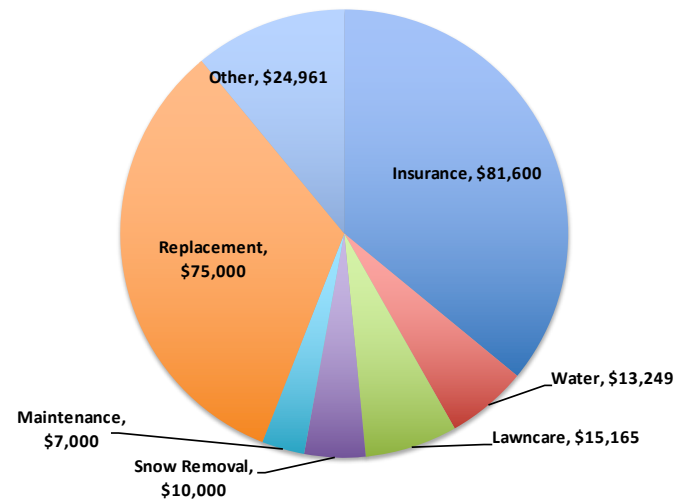
	2024		Projected 2025	
	Budget	Expected Annual	Budget	Comment
Income				
HOA Dues	\$222,400	\$222,400	\$222,400	2024: \$1390 per quarter; 2025: \$1390 per qtr, 0% increase - \$5560/yr/unit
Special Assessments	\$0	\$659,950	\$0	Reconcile under/overpayments? Net -\$28,000 YES
Transfer Fees	\$0	\$200	\$0	
Interest	\$3,000	\$7,049	\$5,000	
Total Income	\$225,400	\$889,599	\$227,400	
Expenses				
<u>Operating</u>				
Insurance	\$98,100	\$80,630	\$81,600	24-25 policies are 10% increase over 23-24 policy cost; expect 25-26 policies, paid in Nov2025, to increase by 20%
Other (Trash, Water, etc)	\$25,311	\$28,138	\$27,760	
Operating Sub-Total	\$123,411	\$108,768	\$109,360	
<u>Landscape</u>				
Landscape Sub-Total	\$37,094	\$36,544	\$36,615	
<u>Maintenance</u>				
Maintenance Sub-Total	\$19,950	\$17,590	\$7,000	
<u>Reserve Funding</u>				
Addition to Replacement Reserve	\$0	\$49,000	\$48,000	Need \$18K per roof over 15y; begin again in 2039;
(Withdrawal from Reserves)	(\$11,350)	(\$11,350)	(\$49,000)	Use \$49K from 2024 surplus
Replacement Expenses in Current Year				
Replacement Expense Sub-Total	\$56,150	\$689,312	\$75,000	
Reserve Funding Sub-Total	\$44,800	\$728,962	\$74,000	Should be at least \$102K to meet 30y replacement plan
Total Expenses	\$225,255	\$891,864	\$226,975	
Surplus/(Deficit)	\$145	(\$2,265)	\$425	

Dues to remain at \$1390/qtr

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

Proposed 2025 Expenses

Insurance	\$81,600	36.0%
Water	\$13,249	5.8%
Lawncare	\$15,165	6.7%
Snow Removal	\$10,000	4.4%
Maintenance	\$7,000	3.1%
Replacement	\$75,000	33.1%
Other	\$24,961	11.0%
Total Expenses	\$226,975	



Trash Contract Changes

- Fort Collins is now enforcing “**PAYT**=Pay as You Throw”
- You must specify cart size for trash and recycle
 - Trash cart cost varies by size (\$19 to \$57)
 - Recycle carts cost nothing
- Yard debris option
- Dues includes \$19/mo for trash, you will pay for extra
- Policy #106 will be updated

Proposed 2025 Budget

- Dues

- \$1,390 per quarter
- \$5,560 per year
- \$0 per month increase

- ❖ Risks

- We are not fully funding for replacements
- Shorter time frame for new roofs
- Aging buildings

Proposed 2025 Budget

- Dues remain at \$5560 per year
- Costs per home per year:
 - Insurance (all policies): \$2,040
 - Landscape: \$ 915
 - Maintenance: \$ 175
 - Replacements: \$1,875
 - Other: \$ 555

2025 Budget Vote

Spending priorities

Recommend leaving dues at \$1390/quarter

President's Comments

Accomplishments

- Demonstrated ability to handle large projects efficiently & effectively
- Special group of leaders in place who can get things done

President's Comments

What kind of community do we want?

- Curb appeal
- Updates and improvements
- ~\$30,000/year below Replacement Plan
(~\$750/year/unit, or ~\$190/qtr/unit)

Amendments to the Budget

- A. Do not reconcile over/under payments for roofs
- B. Additional funding for replacements

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

Questions and Concerns

Officers Election

Nominations Committee

LeAnn Payton, (Director-at-Large, 2023-2025)
Dale Noel, (Director-at-Large, 2024-2026)

Ballot

Officers:

President, Scott Novogoratz (#39)

Vice President, Paul Eckhoff, (#2)

Treasurer, Ted Huston (#21)

Secretary, Jackson Hulett (#37)

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Director-At-Large:

Ron Segul (#30) – (3 years) 2025-2027

Election