MINUTES OF THE VICTORIAN GABLES HOMEOWNERS' ASSOCIATION
2nd QUARTER BOARD MEETING 2026

Date/Time/Location: April 6, 2026, 6:30 p.m. at Unit #21 and by Zoom Video conference
Victorian Gables Patio Homes HOA

Present:

Scott Novogoratz, President #39
Ted Huston, Treasurer #21
LeAnn Payton, At-Large Director #23
Dale Noel, At -Large Director #12
Karen Habel, Insurance Comm Chair #4
Ande Wahl, Secretary #31
Kathy Fay, Architecture Comm Chair #22 (via Zoom)
Nat Fay, Architecture Comm Chair #22 (via Zoom)

The meeting opened with guests from Brown & Brown Insurance, Kären and Brad, who presented a comparison between Honeycomb and Travelers Insurance policies for the HOA. They discussed several key differences, including wind and hail deductibles, noting that Honeycomb offers a 5% deductible while Travelers offers a 10% deductible. The 5% deductible was identified as more favorable for homeowners, particularly for resale value and aligning with traditional mortgage lender expectations.

They also compared annual premiums, highlighting that Honeycomb provides more than $7,000 in annual savings, with a premium estimate of $64,050.43 compared to Travelers at $71,367. In addition, they reviewed the companies' financial strength ratings from A.M. Best, where Honeycomb holds an A- rating and Travelers holds an A++ rating. Brown & Brown emphasized that, as a publicly traded company, they maintain a policy of only working with insurers that meet or exceed an A rating. However, they are selling Honeycomb with an A-, or less than A, rating.

CALL TO ORDER: The meeting was called to order at 6:53 p.m.

MINUTES FROM LAST MEETING: Unanimous approval of minutes from 1st quarter's meeting on a motion by LeAnn and seconded by Ted.

TREASURER'S REPORT: Ted distributed the 2026 first-quarter Summary Report, Expense Details, and Balance Sheet through March 2026; these documents have also been posted on the website.

Ted noted that several CD investments are up for renewal this quarter. Current rates are approximately 3% for 3–5 month terms, compared to about 1% for CDs longer than one year.

Based on these rates, the board agreed that shorter-term CDs offer a better return on investment at this time and approved moving forward with that approach.
Dale motioned for acceptance and LeAnn seconds the report; unanimous approval from Board.

ARCHITECTURE REPORT: Kathy stated painting is starting earlier than last year. Painting units 7 and 8—is scheduled April 17 to begin. The painters plan to complete two buildings per month, with an estimated four months to finish all buildings. Soffit repairs will be completed prior to the start of painting.

The brick wall between the garages at #37 and #38 has detached, and several areas require tuckpoint repairs (at #36, #12, and where else??). The brick mason, originally expected this week (2nd week of April), has been delayed by one week and is now scheduled to begin work April 18 & 19.

Several maintenance issues were also noted. Roof flashing damage, causing water to overflow into the gutter, and a post or tree is currently supporting part of the roof overhang. There were trees downed in May's snowstorm that were leaning against a few buildings. Fence conditions were discussed, including anticipated challenges with replacing patio gates due to partial owner responsibility.

LANDSCAPE REPORT: Kammi contacted Evergreen Landscape and Sprinkler to initiate seasonal services, with lawn care beginning in the third week of March and irrigation system activation scheduled for mid-May.

Yard waste pickup will start on the first Tuesday in April.

Estes Valley Asphalt has been invited to attend the next board meeting to discuss the road project.

INSURANCE COMMITTEE REPORT: Presented Brown & Brown's comparative review of the two insurance companies, highlighting the value and ease of transfer at the beginning of the meeting.

PRESIDENT'S REPORT: The covenant change, (to permit insurance policy underwriters with A- ratings to be included), was approved unanimously, with 25 votes in favor and none opposed.

NEW TOPICS
Replacement Reserve Funding Discussion

The board discussed the need to improve replacement reserve planning, with emphasis on developing more practical 5–10 year projections while still recognizing longer-term planning models that extend up to 30 years.

A key unresolved issue was what percentage of projected future expenses should be funded in advance. For example, if $500,000 is expected within five years, the board has not yet determined whether reserves should target full funding, partial funding, or another threshold.

A formal reserve study was recommended to help define component lifespans, replacement costs, and funding benchmarks, though it was noted that such a study would guide rather than strictly dictate annual funding levels.

Concerns were raised by Karen about the accuracy of current cost estimates, particularly that they do not account for inflation and require refinement to better reflect actual future expenses.

The discussion also highlighted the uneven nature of reserve spending, with large, infrequent costs creating volatility. To address this, the board could consider whether some expenses be done over multiple years to reduce spikes in dues such as painting.

Estimated reserve needs could exceed $800,000 over the next 15 years, not including additional infrastructure such as roads and brickwork, while current reserves may be insufficient.

The board discussed the importance of stabilizing dues and reducing large fluctuations, particularly given homeowner sensitivity to increases and the impact of inflation, estimated at around 3%.

The board agreed on the need for clearer short- and medium-term projections, improved cost modeling, and a detailed year-by-year reserve funding plan. These topics will be further developed and brought forward for continued discussion at the next meeting.

Budget Surplus Disposition There will be a budget surplus related to proceeding with Honeycomb insurance; the amount is about $22,000 due to the difference between the budgeted amount, $86,000, versus the expected actual cost of about $64,000. The board discussed how to allocate the budget surplus.

There was discussion of immediate and near-term capital items that could potentially absorb the surplus. These included fence repairs, painting and garage-related work and brick repairs. Dale suggested using the surplus this year to address some of these deferred maintenance items.

Kathy emphasized the importance of distinguishing between large, long-lasting capital expenses and shorter-term planning needs, suggesting a structured approach: one category for major capital items and another for 5–10 year planning priorities. The board agreed not to make a final decision during this meeting and to revisit the issue in October as part of the formal budget process and to allow for a more complete review of priorities and financial needs.

PRIOR TOPICS

Tree Removal Next to Unit 18: Scott reported that he has contacted the new property management company responsible for The Gables property regarding removal of the tree. He is awaiting a response and will provide an update at the next meeting.

Policy #111 - Collections policy has been adopted.

Insurance Change will go into effect transferring to Honeycomb from Travelers with Brown & Brown transferring policy.

The board also agreed to transition to Honeycomb Insurance, which will reduce premium costs compared to the current Travelers policy. Additionally, the board discussed moving the insurance policy payment date earlier in the year, as more funds are typically available during the first and second quarters.

Financial review is requested for Diane Noel and Ande Wahl. Information to be provided at next meeting

ANNOUNCEMENT: Next board meeting is scheduled for July 8, 2026

Adjournment 8:09