



VOW HOA Budget Planning Meeting Minutes – October 26, 2016 and Reconvened November 16, 2016

A budget planning meeting was held October 26, 2016, at the Villages of Westminster clubhouse.

- Board members present: Corinne Picataggi, Paul Holt, Eric Myers, and Linda Cole.
- Non-Board members present: Pierre Forget of Berkley Realty Property Management.
- The President, Mrs. Picataggi, called the meeting to order at 7:05 p. m.

Mr. Forget presented a draft budget for 2017 showing anticipated income of \$215,590. Expected expenses included:

• General & Administrative	\$31,543.00
• Pool	\$33,175.00
• Community Room/Building	\$ 3,500.00
• Utilities	\$18,500.00
• Maintenance	\$21,650.00
• Contract Services	\$97,835.00
• Reserves	\$26,735.00

Because total expenses exceed total income by \$17,348.00 the Board discussed expenses that could be reduced in 2017. Mr. Forget indicated that Berkley may consider foregoing an anticipated 2% increase in management fees holding those fees to 2016 levels. However, it is anticipated that Trash Program Expense will increase by \$1,109 (2%) from \$54,891 to \$56,000. Mr. Forget indicated that he would draft a letter to Association members prescribing to the trash program detailing this cost increase for 2017. Also, the contractor operating and maintaining the community pool has a two-year contract and may consider maintaining 2017 costs at 2016 rates. The contractor responsible for lawn maintenance and landscaping would entertain maintaining 2017 costs at 2016 levels if the Board would guarantee a three-year contract. At this time, there is anticipated a \$1060 (3%) increase in this contract for 2017.

The Reserve Study that was finalized in 2016 recommends considering an inflation rate of three percent (3.0%) since the present value of money in 2016 is not anticipated to be the future value of money in 2017. The Reserve Study includes a contribution index rate of 3.0% per year to maintain a healthy reserve. The Board discussed an increase in assessment fees in 2017 to allow for this index.

The Board discussed individual line items that make up each expense and ways to reduce expenses or hold the budget to 2016 levels but the Board did not have a list of items that are included in each expense category. Mrs. Picataggi noted that the budget did not include costs recovered from the use of the community pool by 757swim. Mr. Forget indicated that he would include the ledger in financials to be distributed to the Board. Mr. Holt and Mr. Forget agreed to resubmit the 2017 budget based on

the discussions. The Board agreed to reconvene the 2017 budget meeting at 6:30 p.m. on Wednesday, November 16, 2016, to discuss the revised 2017 budget.

ADJOURNMENT

With no further business to discuss Mrs. Picataggi asked for a motion to adjourn. Motion to adjourn was made by Mrs. Cole and meeting was adjourned at 9:44 p. m. by Mrs. Picataggi.

RECONVENTION

The budget planning meeting was reconvened November 16, 2016, at the Villages of Westminster clubhouse.

- Board members present: Corinne Picataggi, Paul Holt, and Linda Cole.
- Non-Board members present: Pierre Forget of Berkley Realty Property Management.
- The President, Mrs. Picataggi, called the meeting to order at 6:35 p. m.

Mr. Forget resubmitted a balanced draft budget for 2017 showing anticipated income of \$221,392. Expected expenses included:

• General & Administrative	\$28,334.00
• Pool	\$32,275.00
• Community Room/Building	\$ 2,673.00
• Utilities	\$19,100.00
• Maintenance	\$15,500.00
• Contract Services	\$96,765.00
• Reserves	\$26,735.00

The Board noted that the Village's swim team, the Krakens, will be shown as a separate line item on the Association's financials, and that the Association has never sponsored the team monetarily. Mrs. Cole asked why there were no expenses noted for taxes. Mr. Forget indicated that these expenses of about \$25.00 per year were included in another category.

Mrs. Cole moved that the Board accept the 2017 budget as submitted. The motion passed 3-0.

ADJOURNMENT

With no further business to discuss Mrs. Picataggi asked for a motion to adjourn. Motion to adjourn was made by Mr. Holt and meeting was adjourned at 6:52 p. m. by Mrs. Picataggi.

Respectfully submitted,

Linda L. Cole,
Association Secretary

Approved as amended January 31, 2017