

**Canterbury Place Condominiums**  
**Budget Options Under Review for Fiscal Year**  
**July 2025-June 2026**

Please find attached a copy of the April Town Hall Meeting Summary and proposed budgets for Fiscal Year 2025-26 which are currently being reviewed by the Board. This information is being distributed to the Co-Owners for their review.

These are one year budget proposals. Following public review, the Board of Directors will vote on a budget which they feel best meets the needs of the community in the upcoming year. This budget will be distributed in the second Annual Meeting information packet which will be mailed in the first week of June.

At the Annual Meeting, the Budget selected by the Board of Directors will be voted on by the Co-Owners of the Regime. It will be a simple yes or no vote. Per our By-Laws ARTICLE IV Section 1, Paragraph (r), should the proposed budget not receive the approval of a majority of Co-Owners present or represented by proxy, the motion would fail.

Should the original motion fail, the current budget would remain in effect until changed by the Board with the approval of the Co-Owners at a new meeting of the Council.

# **Canterbury Place Condominiums Council of Co-Owners, Inc.**

## **April Town Hall Meeting Synopsis**

On April 7, 2025, and April 9, 2025, the Board of Directors held two Town Hall Meetings. The purpose of the meetings was to provide a preview of the Canterbury Place 2025-26 Fiscal Year budget, a review of the current Reserve Fund along with future scheduled maintenance projects, and a review of the Reserve Study completed by Reserve Advisors last year. The primary focus of the meetings was to review funding options for the upcoming replacement of roofs for the remaining 12 buildings which were not replaced following the 2023 windstorm.

Projections in 2024 indicated that there would be insufficient funding in the Reserve Fund to complete this required maintenance project. At that time the Board authorized an increase in funding to the Reserve Fund of 10%, raising the annual Reserve contribution to \$66,000. The Board also authorized an updated Reserve Study by Reserve Advisors, Inc. to review the scheduled maintenance needs of the community over the next 30 years, and to determine a funding plan which would eliminate the need for Special Assessments to cover maintenance costs in the future.

### **Facts Presented:**

1. A recent inspection of the remaining 12 buildings revealed the roofs to be in poor condition with replacement shingles necessary in the next 2-3 years.
2. The cost of replacing the roofs is estimated to be between \$550,000 and \$600,000.
3. The Reserve Fund does not have sufficient funding to complete this project.
4. Additional funding to the Reserve Fund will be required to fund the replacement of the remaining roofs and future required maintenance needs of the community.
5. Insufficient funding of the Reserve Fund over the past 15-20 years has led to a cash flow issue with insufficient funding to complete future capital maintenance projects.

### **RESERVE STUDY REPORT:**

Reserve Advisors inspected the community's physical and financial assets and developed a recommended maintenance and funding schedule for the next 30 years. This allows the Board of Directors to better plan for future maintenance and its associated costs.

The Reserve Study Executive Summary was as follows:

### **Funding Goal:**

The Funding Goal of this Reserve Study is to maintain reserves above an adequate, but not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes these threshold funding years in 2041 and 2047 due to the replacement of the roofs. In addition, the Reserve Funding Plan recommends 2053 year end accumulated reserves of approximately \$1,136,500.

We judge this amount of accumulated reserves in 2053 necessary to fund the likely replacement of the roofs after 2053.

**Recommended Reserve Funding:**

Reserve Advisors recommends the following in order to achieve a stable and equitable Cash Flow Methodology Funding Plan:

1. Phased increases of \$24,000 from 2025 through 2027.
2. Inflationary increases from 2028 through 2047.
3. Stable contributions to the Reserve Fund of \$246,500 from 2048 through 2052.
4. Inflationary increases thereafter through 2053, the limit of this study's Cash Flow Analysis.
5. The initial recommended adjustment in Reserve Contributions of \$24,000 represents an average monthly increase of \$20.83 per owner, and about a 5.6% adjustment in the 2024 total Operating Budget.

**Positives and Negatives of the Reserve Advisors Option:**

The positive aspects of the Reserve Advisors Option are:

1. Provides Full Funding of the Reserve Fund in three years, providing a positive cash flow, and meets the scheduled maintenance needs of the community.
2. It has no projected Co-Owner Assessments for the next 30 years.
3. The negative aspect of the Reserve Advisors Option is that the additional funding to the Reserve Fund raises HOA maintenance fees an average of \$40 per month over the next three years (2025, 2026, 2027), followed by nominal inflationary increases of 3% per year.

**OTHER FUNDING OPTIONS****10% Additional Funding Option:**

Another funding option discussed in the meeting was to continue adding 10% additional funding to the Reserve Fund for the next 10 years.

**Positives and Negatives of the 10% Funding Option:**

1. Provides a steady increase in funding to the Reserve Fund over a 10 year period.
2. Provides for lower maintenance assessments initially before rising to those of the Reserve Advisors plan in year 9 or 10.
3. A negative aspect of the 10% Option is that it will require a Co-Owner Special Assessment of approximately \$1,000 to \$2,000 in fiscal year 2027-2028 as the fund will not be fully funded to pay for the scheduled roof replacements.

**Do Nothing and Monitor Year to Year:**

This option does not increase funding to the Reserve Fund and the Board would review funding options and maintenance needs each fiscal year. Since the Reserve Fund will be insufficiently funded for major maintenance or renovation projects, the costs would be shifted to the Co-Owners through Special Assessments.

Example:

Roof Replacement Cost = \$550,000

Divided by 96 Co-Owners

Co-Owner Special Assessment =\$5,729

**Conclusion:**

- The roofs on the remaining 12 buildings will most likely need to be replaced in the summer of 2028 or increased maintenance costs will be incurred due to roof leaks and damage to the drywall of affected units.
- We must come up with additional funding to complete the replacement of these remaining roofs.
- It appears that we have three options available to increase funding to cover this and future maintenance needs of the community.

**In Summary Our Options Are:**

**Option #1:** Adopt the Reserve Advisors funding recommendation of adding \$24,000 to the Reserve Fund in years 2025, 2026, and 2027 which fully funds the Reserve Fund and projected maintenance needs of the community for the next 30 years. This increased funding along with normal inflationary adjustments to the budget will add approximately \$40 per month to the maintenance fees during years 2025, 2026, and 2027.

**Option #2:**

Adopt the 10% Additional Funding Plan through year 9 or 10 which will gradually increase HOA rates but will require a Special Assessment of approximately \$1,000-\$1,500 in January of 2027.

**Option #3:**

Review the Reserve Fund and maintenance needs of the community each year and provide minimum or no additional funding to the Reserve Fund to keep HOA Maintenance fees near their current rates, only increasing with adjustments for inflation. This option will shift the cost of future capital maintenance and repairs to the Co-Owners in the form of Special Assessments.

Respectfully Submitted:

Doug Atwell, Treasurer  
Canterbury Place Condominiums  
Council of Co-Owners, Inc.

Canterbury Place Condominiums Council of Homeowners, Inc.

Proposed Budget FY 2025-2026

Budget Options 1-3

Version 2.0 05/20/2025	Budget 2025-2026 Budget Options			
	Current Budget	Reserve Advisors	10% Over 10	Pay as You Go
	Fiscal Year 2024-25	Budget Option 1	Budget Option 2	Budget Option 3
<b>INCOME</b>				
<b>4010 Transfer from Reserve</b>	\$ -	\$ 65,000	\$ 65,000	\$ 65,000
<b>4103 Late Fees</b>	\$ 1,500	\$ 500	\$ 500	\$ 500
<b>4107 Condo Fees</b>	\$ 431,502	\$ 464,727	\$ 447,467	\$ 440,995
<i>Annual Maintenance Dues</i>	\$ 431,502	\$ 464,727	\$ 447,467	\$ 440,995
<i>Special Assessment</i>	\$ -	\$ -	\$ -	\$ -
<b>4200 Other Income</b>	\$ 900	\$ 1,271	\$ 1,131	\$ 1,004
<i>4009 Guest Rental Fee</i>	\$ 900	\$ 900	\$ 900	\$ 900
<i>4209 Misc Income</i>	\$ -	\$ 371	\$ 231	\$ 104
<i>4402 Interest Income</i>	\$ -	\$ -	\$ -	\$ -
<b>TOTAL INCOME</b>	<b>\$ 433,902</b>	<b>\$ 531,498</b>	<b>\$ 514,098</b>	<b>\$ 507,499</b>
<b>EXPENSE</b>				
<b>5000 General Expenses</b>	\$ 5,500	\$ 6,000	\$ 6,000	\$ 6,000
<i>5016 Professional Fees</i>	\$ 5,500	\$ 6,000	\$ 6,000	\$ 6,000
<b>5200 Utilities</b>	\$ 121,536	\$ 133,450	\$ 133,450	\$ 133,450
<i>5012 Telephone</i>	\$ 527	\$ 550	\$ 550	\$ 550
<i>5201 Water and Sewer</i>	\$ 113,707	\$ 125,000	\$ 125,000	\$ 125,000
<i>5202 Gas and Electric</i>	\$ 7,302	\$ 7,900	\$ 7,900	\$ 7,900
<b>5920 Insurance</b>	\$ 102,093	\$ 93,912	\$ 93,912	\$ 93,912
<i>5921 Building</i>	\$ 102,093	\$ 93,912	\$ 93,912	\$ 93,912
<b>6010 Maintenance &amp; Repairs</b>	\$ 116,973	\$ 120,186	\$ 120,186	\$ 120,186
<i>5104 Maintenance</i>	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000
<i>5105 Cleaning</i>	\$ 1,500	\$ -	\$ -	\$ -
<i>5107 Pool and Supplies</i>	\$ 6,306	\$ 6,306	\$ 6,306	\$ 6,306
<i>5110 Plumbing</i>	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
<i>5111 Electrical</i>	\$ 500	\$ 500	\$ 500	\$ 500
<i>5112 Heat &amp; Air</i>	\$ 500	\$ 500	\$ 500	\$ 500
<i>5114 Landscaping</i>	\$ 67,086	\$ 69,500	\$ 69,500	\$ 69,500
<i>5115 Exterminator</i>	\$ 10,200	\$ 12,500	\$ 12,500	\$ 12,500
<i>5222 Maintenance Supplies</i>	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800
<i>5228 Snow Removal</i>	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
<i>6014 Fire &amp; Safety</i>	\$ 80	\$ 80	\$ 80	\$ 80

Canterbury Place Condominiums Council of Homeowners, Inc.

Proposed Budget FY 2025-2026

Budget Options 1-3

EXPENSE (CONTINUED)	Current	Option #1	Option #2	Option #3
<b>6011 Administrative</b>	<b>\$ 21,800</b>	<b>\$ 22,950</b>	<b>\$ 22,950</b>	<b>\$ 22,950</b>
5020 Management Fee	\$ 21,000	\$ 22,050	\$ 22,050	\$ 22,050
5023 Office Supplies	\$ 800	\$ 900	\$ 900	\$ 900
<b>6100 Construction and Renovation</b>	<b>\$ -</b>	<b>\$ 65,000</b>	<b>\$ 65,000</b>	<b>\$ 65,000</b>
6119 Construction Other	\$ -	\$ -	\$ -	\$ -
Building Painting	\$ -	\$ 65,000	\$ 65,000	\$ 65,000
Landscaping Replacement	\$ -	\$ -	\$ -	\$ -
<b>6500 Reserve Transfer</b>	<b>\$ 66,000</b>	<b>\$ 90,000</b>	<b>\$ 72,600</b>	<b>\$ 66,000</b>
Annual Reserve Transfer	\$ 66,000	\$ 90,000	\$ 72,600	\$ 66,000
Special Assessment Transfer	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENSE</b>	<b>\$ 433,902</b>	<b>\$ 531,498</b>	<b>\$ 514,098</b>	<b>\$ 507,498</b>
Income	\$ 433,902	\$ 531,498	\$ 514,098	\$ 507,499
Expense	\$ 433,902	\$ 531,498	\$ 514,098	\$ 507,498
<b>NET INCOME</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

Annual Increase 16.2% 7.7% 3.7% 2.2%

**Maintenance Rates 2025-26**

	Current Monthly Rate	Option #1 Monthly Rate	Option #2 Monthly Rate	Option #3 Monthly Rate
<b>Maintenance Fee: One Car Garage</b>	<b>\$ 368</b>	<b>\$ 397</b>	<b>\$ 382</b>	<b>\$ 377</b>
Monthly Increase	\$ 51	\$ 28	\$ 14	\$ 8
<b>Maintenance Fee: Two Car Garage</b>	<b>\$ 386</b>	<b>\$ 415</b>	<b>\$ 400</b>	<b>\$ 394</b>
Monthly Increase	\$ 54	\$ 30	\$ 14	\$ 8
<b>Projected Assessment in 2028*</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500</b>	<b>\$ 6,000</b>

**\* Projected With Current Information**

Actual Value May be Higher or Lower Based on Finances at the Time