

Valhalla Fifteen Association – Board of Directors

Minutes

2025 Budget Review Meeting

June 5, 2025 – 6:00PM – Valhalla Party Room

Call to Order: President Jill Bailey called the meeting to order at 06:00PM.

- **Welcome Directors and Guests:** Jill Bailey
- **Building 15 Rec Area Reserve Account**
 - Discussion confirmed that Building 15 is responsible for 15.7% of only the main driveway and office parking lot portion of the upcoming VMA sealcoat project. Once all project expenses are paid and reconciled, any funds above the 15.7% responsibility will be returned to the Building 15 Rec Area Reserve Account.
- **Operating vs. Reserve Accounts**
 - Discussed prohibition on transferring or borrowing from replacement reserve accounts for operational expenses. Minnesota Statute MN515B.3-1141.a.(3) states: *The association shall keep the replacement reserves in an account or accounts separate from the association's operating funds, and **shall not use or borrow from the replacement reserves to fund the association's operating expenses**, provided that this restriction shall not affect the association's authority to pledge the replacement reserves as security for a loan to the association.*
 - Discussed opportunities to keep surplus operating funds (if applicable) in the Building 15 operating account, or a separate Building 15 operating account, for financial flexibility. If surplus funds are moved to the reserve account, the funds may be used only for replacement reserve expenses. It was noted there have been no recent surpluses in the Building 15 operating account.
- **2025 Budget Review:**
 - Discussion regarding the Building 15 2025 budget submitted to the board by the Valhalla Management Association (VMA) office at the May 19, 2025, board of directors meeting.
 - Jill Bailey provided the 2025 VMA shared expenses budget approved by the Master Board as reference for Building 15's portion of shared expenses.
 - Proposed budget increase of 11.05% is primarily due to anticipated increases in the HOA Blanket Insurance policy premiums.
 - Master Board passed shared expense budget with anticipated insurance premiums; however, bids for the master insurance policy were yet not finalized because companies bidding will not confirm premiums more than 30 days in advance.
 - Additional VMA investigation into the insurance premiums as individual building budgets were prepared demonstrated higher increases than anticipated in the VMA shared expenses budget.
 - Increases were added to categories 5015 Building Upkeep, 5025 Building Equipment, and 5055 Grounds for flexibility in meeting the insurance premium increase.
 - The proposed budget increases Building 15 monthly HOA dues by \$51.44/month for 1.6% units and \$57.87/month for 1.8% units.
 - Board discussed adjusting the Building 15 by lowering categories 5015 Building Upkeep, 5025 Building Equipment, and 5055 Grounds and increasing category 6145 HOA Blanket Insurance/Fidelity Bond for a more accurate representation of expenses. Motion by Carol Sabatke and seconded by Kay Aune to proceed with adjusting the budget to decrease categories 5015, 5025, and 5055 and increase 6145 with no change to the overall final budget amount and the 11.05% increase. Motion passed with all in favor except Kevin Castiglioni (left 7:00pm)
 - ◆ Email follow-up after meeting 06-05-25: Jill Bailey discovered that category 6145 HOA Blanket Insurance/Fidelity Bond cannot be changed because it was passed by the Master Board and feeds into every building's budget. Recommended passing budget as submitted to assure adequate funding for insurance increases.

- ◆ Motion by Danette Anderson and seconded by Pam Burton to accept budget originally submitted by VMA with increases in 5015 Building Upkeep, 5025 Building Equipment, and 5055 Grounds to accommodate insurance premium increases with overall budget increase of 11.05%. Email vote with all in favor; motion passed.

- **Annual Meeting of Owners**

- Scheduled for Thursday, June 26, 2025, at 6:00PM in the Valhalla Party Room

- **Adjournment:** Meeting adjourned at 07:16PM

Attendance:

X	Jill Bailey, President	X	Cynda Tischer
X	Christina Block, Vice-President	X	Sherry Day
X	Danette Anderson, Secretary		
X	Wayne Jasperson, Treasurer		
X	David Aries, Director		
X	Pam Burton, Director		
X	Carol Sabatke, Director		
X	Kevin Castiglioni, Director		
X	Kay Aune, Director		

X = Directors and Guests Present EA = Directors Absent (Excused) UA = Directors Absent (Unexcused)

Respectfully submitted,
Danette Anderson, Secretary

08-18-2025 – June 5, 2025 minutes approved by Valhalla Fifteen Association Board of Directors