



Valhalla Management Association

342 Elton Hills Drive NW, Rochester, MN 55901

(507) 288-8347 Fax (507) 529-2840

www.valhallacondos.com

May 30, 2025

NOTICE

TO: All Owners of Record
Valhalla Three Association
Rochester, Minnesota

Subject: Annual Meeting of Owners 2025
Valhalla Three Association

Time/Place: Thursday, June 19, 2025 – 6:00PM – Valhalla Party Room

Valhalla Three Association will hold the **Annual Meeting of Owners on Thursday, June 19, 2025, at 6:00PM**. The Annual Meeting of Owners is a time for review and discussion regarding the affairs of the association. The agenda is attached.

1. New Business: To facilitate an effective meeting, please submit any new business to the Valhalla Management Association (VMA) office by **Monday, June 16, 2025, at 5:00PM**.
2. Board of Directors Nomination Form: If you are interested in serving on the Valhalla Three Association board, please return the attached nomination form to the VMA office by **Monday, June 16, 2025, at 5:00PM**.
3. Proxy Form: If you are unable to attend the Annual Meeting of Owners, please complete and sign the attached proxy form. Completed proxy forms ensure the association has a quorum for the annual meeting. If there is not a >40% quorum, the annual meeting will be rescheduled to a later date. You or the person you designate as your proxy must submit the completed and signed proxy form to the VMA office or to a current Valhalla Three Director at least three (3) days prior to the meeting which is **Monday, June 16, 2025, at 5:00PM**. Please be sure the individual you designate as your proxy will attend the annual meeting in person.

New business, board nomination forms, and completed and signed proxy forms may be submitted to the VMA Office in person during business hours, in the drop box, or emailed to: gm@valhallacondos.com.

It is very important that you attend the meeting or submit a proxy to ensure we can proceed with association business.

Thank you,

Brian Kroeger, President
Valhalla Three Association
Enclosures

Valhalla Three Association Proxy

Signed proxy form must be received by the Valhalla Management Office or a current Valhalla Three Director at least three (3) days prior to the Valhalla Three Association Annual Meeting

I hereby appoint and constitute _____ (print name) to represent me at the Annual Meeting of the Valhalla Three Association to be held on **Thursday, June 19, 2025**, and at any and all adjournments thereof, and hereby grant the above named person full power and authority to act for me at said meeting(s) and in my name and stead to vote in said association standing in my name on the association's books with like authority and effect as I might do if personally present at any such meeting(s).

Owner Printed Name: _____

Owner Signature: _____

Unit #: _____

Date: _____

Comments or other concerns you may have:

Accredited by: _____

Date: _____

Amended Valhalla Three Association Bylaws dated July 26, 2022:

3.3 Voting by Proxy. An Owner may cast the vote which is allocated to the Owner's Unit and be counted as present at any meeting of the Owners by executing a written proxy naming another Person entitled to act on that Owner's behalf and delivering the same to the Board of Directors or the Association's management company at least three (3) days before the commencement of any such meeting. All proxies shall remain in effect until the earliest of the following events: (i) revocation by the granting Owner by written notice or by personally attending and voting at the meeting for which the proxy is effective, (ii) eleven months after the date of the proxy, unless otherwise provided in the proxy, (iii) the time at which the granting Owner is no longer an Owner.

**Valhalla Three Association
2025 Board of Directors Nomination**

Valhalla Three Association is seeking nominations for the Board of Directors. There are **Three (3)** open Director positions in 2025. All owners (Resident/Non- Resident Owners) are eligible. Please complete the nomination form to be added to the election ballot. Please do not include resumes or other attachments. **Nominations must be received by the Valhalla Management Association (VMA) Office by Monday, June 16, at 5:00PM.** Please drop off nomination form at the VMA Office or email to: gm@valhallacondos.com.

Name: _____ Unit #: _____

Email: _____

Phone: _____ Date: _____

Valhalla Three Association

2025 Annual Meeting

THURSDAY, JUNE 19, 2025

6:00PM

VALHALLA PARTY ROOM

AGENDA

- I. Roll Call
- II. Proof of Notice of Meeting
- III. Reports of Officers
 - a. Secretary's Report – 2024 Annual Meeting Minutes – February 28, 2024
 - b. President's Report
 - c. Treasurer's Report
- IV. General Manager Report
- V. Unfinished Business
- VI. New Business
 - a. 2025 Budget
- VII. Nomination and Election of New Directors
 - a. Presentation of Written Nominations
 - b. Nominations from the Floor
 - c. Vote
- VIII. Discussion from the Floor
- IX. Announcements
- X. Adjournment

Valhalla Management Office

Roll Call

Valhalla 3

| Unit# | Owner | | Owner | | %Ownership | Present | Proxy |
|-------|---------------|-----------|-----------|--------|------------|---------|-------|
| | Last | First | Last | First | | | |
| 11 | Stehr | Kathleen | | | 4.5% | | |
| 12 | Kroeger | Brian | Kroeger | Jenney | 3.9% | | |
| 13 | Starcke | Rod | | | 3.1% | | |
| 14 | Otterness | Chad | Otterness | Anita | 4.5% | | |
| 15 | Nelson | Leon | | | 4.5% | | |
| 16 | Kroeger | Brian | Kroeger | Jenney | 3.9% | | |
| 17 | Raygor | Benjamin | Raygor | Dan | 3.9% | | |
| 18 | Bienko | Laurie | | | 4.5% | | |
| 21 | Hawley | Justin | Hawley | Katie | 4.5% | | |
| 22 | Drath | Carole | | | 3.9% | | |
| 23 | Kroeger | Brian | Kroeger | Jenney | 3.9% | | |
| 24 | Bekele | Genet | Seyfu | Meles | 4.5% | | |
| 25 | Kirkland | Larry | Kirkland | Sean | 4.5% | | |
| 26 | Kroeger | Brian | Kroeger | Jenney | 3.9% | | |
| 27 | Radhakrishnan | Vighnesh | | | 3.9% | | |
| 28 | Zerigian | Rose | | | 4.5% | | |
| 31 | Chhugani | Bhaves | | | 4.5% | | |
| 32 | Loftus | Jeff | | | 3.9% | | |
| 33 | Schwartz | Kathy | | | 3.9% | | |
| 34 | Holecek | Christine | | | 4.5% | | |
| 35 | Kroeger | Brian | Kroeger | Jenney | 4.5% | | |
| 36 | Ziemann | Darlene | | | 3.9% | | |
| 37 | Boyd | Russell | | | 3.9% | | |
| 38 | Tyce | Gertrude | | | 4.5% | | |

100.0%

Totals:

Total Representation:

Building Three Annual Meeting
February 28, 2024
5:30 p.m.

Present: Brian Kroeger, Jenny Kroeger, Laurie Bienko, Kathy Schwartz in person and five owners by proxy representing 52.2 % of Building Three.

- Also present: Chris Robson - General Manager.
- Meeting was called to order at 5:30 p.m.

President Brian Kroeger led the reading of the minutes from the Annual Meeting on March 13, 2023. The motion was made to approve the minutes by Laurie Bienko and seconded by Jenny Kroeger. The motion was passed unanimously.

Presidents Report: Brian Kroeger

- Boiler update: Last year our boiler system was modified by adding a shut on / shut off valve to turn the system on and / or off as needed when the weather changes in the Spring and Fall. This past year (2023) we had some incidents when the boiler temporarily shut off due to a water sensor issue and has to be reset.
- We received two quotes to have this repaired: MMC - \$10,000 and Superior - \$8,500. Since the boiler repair was so expensive and it only happened a couple of times the members voted not to repair the boiler at this time and just to have maintenance come and reset the boiler.
- Reconstruction of the front entry steps has been completed.
- Drainage located on the west side of Building Three has been repaired and new top patch has been applied for top soil growth this Spring.
- Roof leak located on the balcony ceiling of Unit 35 has been repaired and the cost was covered by Merit Roofing Construction.
- However, when the balcony ceiling was exposed it was noted that several 2 X 6 wood planks show dry rot. Management is working with Merit Roofing Construction to get this repair covered by them as well as the balcony ceiling leak.
- Currently, Building Three has one \$25,000 CD earning a 5% plus rate of return.
- There was no HOA fee increase this year.
- There was no planned assessment for this year.
- Financially, Building Three is in good shape.

New Director: Brian Kroeger was re-elected to the Building Board.

Building Three Board Positions:

- Russell Boyd - Treasurer - Term ending - 2024.
- Kathy Schwartz - Secretary - Term ending - 2025.
- Brian Kroeger - President - Term ending - 2026.

The motion was made by Laurie Bienko and seconded by Brian Kroeger to adjourn the meeting.

- Motion passed.
- Meeting was adjourned at 6:04 p.m.

Minutes Respectfully Submitted By:

- Kathy Schwartz - Secretary

Valhalla Three Association
Letter from the President
May 13, 2025

Dear fellow home owners,

The following letter is a brief review of events that occurred in 2024 and the decisions that will affect the 2025 budget. In 2024, our hot water heater began to leak. Unfortunately required immediate replacement. Three quotes were obtained. 1st Class Plumbing was the lowest bid at \$15,600 and was selected to replace the heater on 11-14-2024.

Total association income for 2024 is \$117,061 The total estimated budget needed in 2025 which includes an estimated 5% increase will be \$123,175. Items that are included in the **5%** increase would include staff salaries, utility costs and fees as well as Building 3's share of overall Valhalla expenses.

The yearly HOA/assessment amount is based on the need to replace funds into our Reserve account for the upcoming 2025 year. The current on-going project(s) (is/are) as follows:

| | |
|--|-----------------|
| Replacement of Hot Water Heater - 1st Class Plumbing | \$15,600 |
| Excavate/ tie-in drainage - Evans Companies | \$6,155 |
| Trim/Fertilize - Building 3 Trees - Olson Tree Services | \$899 |
| Windows install - Unit 34 - (Patio and Kitchen) - Weather Shield | <u>\$5,778</u> |
| Total expenses incurred and projected | \$28,432 |
| : | |
| Special Assessment - Due May 14th 2025 (Not included) | \$10,248 |

Current reserve and operating account balances as May 1st 2025:

| | |
|-------------------------------|--------------------|
| Checking (operating expenses) | \$44,578.24 |
| Reserve 1 | \$49,356.35 |
| Reserve 2 | <u>\$5,000.00</u> |
| Total Cash on Hand | \$98,934.59 |

The Board of Directors of the Building 3 Association has reviewed the budget expenses and reserve balance. We are proposing a **5%** increase in the HOA fee. No further assessment will be required at this time to meet our required 2025 reserve fund balance. Lastly, we have also decided to only partially install unit 34 windows with plans to complete in 2026.

The proposed building HOA increase are as follows:

- Ownership 4.5% = \$492.75
- Ownership 3.9% = \$427.05
- Ownership 3.1% = \$339.44

I realize that this is a significant HOA amount increase for the upcoming year. Unfortunately, this assessment is necessary in order to keep us on track towards adequately funding our projects and preparing for a potentially large insurance increase as well. If you have any questions or concerns, please feel free to contact any one of the following board members:

| | | |
|------------------|-----------|--|
| Brian Kroeger - | President | brkroeger@yahoo.com |
| Russell Boyd - | Treasurer | russdrascal@gmail.com |
| Kathy Schwartz - | Secretary | schwartz.kathym@yahoo.com |



Sincerely,
Brian Kroeger

Valhalla Association Three
2025 Annual Budget

| Income | 2023 Budget | 2023 Actual | % Difference | 2024 Budget | 2024 Actual | % Difference | 2025 Budget | Budget % Change | Budget \$ Change |
|---------------------------------------|--------------------|--------------------|---------------------|--------------------|--------------------|---------------------|--------------------|----------------------------|-----------------------------|
| 4010 Association Income | \$125,141 | \$118,509 | -5.3% | \$125,141 | \$124,214 | -0.7% | \$125,141 | 0.0% | \$0 |
| 4015 Garage Rentals | \$4,800 | \$4,450 | -7.3% | \$4,900 | \$4,421 | -9.8% | \$4,900 | 0.0% | \$0 |
| 4020 Reserved Parking | \$720 | \$360 | -50.0% | \$425 | \$240 | -43.5% | \$425 | 0.0% | \$0 |
| 4080 Coin-Op | <u>\$5,233</u> | <u>\$3,315</u> | <u>-36.7%</u> | <u>\$3,100</u> | <u>\$2,969</u> | <u>-4.2%</u> | <u>\$3,100</u> | <u>0.0%</u> | <u>\$0</u> |
| Total | \$135,894 | \$126,634 | -6.8% | \$133,566 | \$131,844 | -1.3% | \$133,566 | 0.0% | \$0 |
| Building Operating Expenses | 2023 Budget | 2023 Actual | % Difference | 2024 Budget | 2024 Actual | % Difference | 2025 Budget | Budget % Change | Budget \$ Change |
| 5015 Building upkeep | \$3,300 | \$6,064 | 83.7% | \$3,500 | \$4,833 | 38.1% | \$5,000 | 42.9% | \$1,500 |
| 5020 Supplies and Services | \$3,300 | \$3,655 | 10.8% | \$3,600 | \$5,156 | 43.2% | \$4,500 | 25.0% | \$900 |
| 5025 Building equipment | \$800 | \$2,750 | 243.8% | \$800 | \$23,059 | 2782.3% | \$4,000 | 400.0% | \$3,200 |
| 5030 Garbage Removal | \$4,712 | \$4,516 | -4.2% | \$4,712 | \$4,908 | 4.2% | \$4,901 | 4.0% | \$188 |
| 5035 Parking Lot | \$63 | \$360 | 472.0% | \$63 | \$0 | -100.0% | \$63 | 0.0% | \$0 |
| 5040 Caretaker Supplies | \$200 | \$46 | -77.0% | \$100 | \$34 | -65.8% | \$100 | 0.0% | \$0 |
| 5055 Grounds | \$3,770 | \$8,098 | 114.8% | \$4,712 | \$4,291 | -8.9% | \$4,627 | -1.8% | -\$85 |
| 5060 Snow | \$2,236 | \$2,013 | -10.0% | \$2,236 | \$488 | -78.2% | \$2,236 | 0.0% | \$0 |
| 5065 Garages | \$200 | \$181 | -9.3% | \$200 | \$1,238 | 519.2% | \$800 | 300.0% | \$600 |
| 5070 Supplies (grounds) | \$60 | \$5 | -92.2% | \$60 | \$18 | -69.4% | \$60 | 0.0% | \$0 |
| 5300 Misc. Building Expense | \$150 | \$313 | 108.6% | \$150 | \$0 | -100.0% | \$0 | -100.0% | -\$150 |
| 5410 Electric | \$2,700 | \$2,944 | 9.1% | \$3,100 | \$4,404 | 42.1% | \$5,000 | 61.3% | \$1,900 |
| 5415 Gas | \$9,600 | \$11,349 | 18.2% | \$12,000 | \$8,479 | -29.3% | \$12,000 | 0.0% | \$0 |
| 5420 Water | \$1,300 | \$1,426 | 9.7% | \$1,500 | \$1,255 | -16.3% | \$1,500 | 0.0% | \$0 |
| 5425 Sewer | \$3,500 | \$4,315 | 23.3% | \$4,500 | \$3,521 | -21.8% | \$4,500 | 0.0% | \$0 |
| 5430 Storm Water Fees | \$800 | \$781 | -2.4% | \$825 | \$850 | 3.0% | \$875 | 6.1% | \$50 |
| 5435 Utility Tax | \$250 | \$239 | -4.3% | \$250 | \$227 | -9.3% | \$250 | 0.0% | \$0 |
| 7200 Reserves | <u>\$10,656</u> | <u>\$5,481</u> | <u>-48.6%</u> | <u>\$0</u> | <u>\$0</u> | <u>0.0%</u> | <u>\$13,357</u> | <u>100.0%</u> | <u>\$13,357</u> |
| Total Building Expenses | \$47,597 | \$54,537 | 14.6% | \$42,308 | \$62,761 | 48.3% | \$63,768 | 50.7% | \$8,104 |
| Shared Expenses | 2023 Budget | 2023 Actual | % Difference | 2024 Budget | 2024 Actual | % Difference | 2025 Budget | Budget % Change | Budget \$ Change |
| 5500 Rec Expenses | \$226 | \$564 | 149.5% | \$408 | \$0 | -100.0% | \$0 | -100.0% | -\$408 |
| 5510 Electric | \$1,257 | \$1,055 | -16.1% | \$1,225 | \$1,794 | 46.4% | \$1,885 | 53.8% | \$660 |
| 5515 Gas | \$565 | \$606 | 7.2% | \$628 | \$358 | -43.0% | \$628 | 0.0% | \$0 |
| 5520 Water | \$107 | \$90 | -16.1% | \$107 | \$102 | -4.6% | \$107 | 0.0% | \$0 |
| 5525 Sewer | \$283 | \$199 | -29.6% | \$245 | \$230 | -6.3% | \$245 | 0.0% | \$0 |
| 5530 Storm Water Fees | \$113 | \$107 | -5.6% | \$113 | \$118 | 4.5% | \$113 | 0.0% | \$0 |
| 5535 Utility Tax | \$107 | \$86 | -19.8% | \$104 | \$71 | -31.3% | \$119 | 15.2% | \$16 |
| 5540 Indoor Pool | \$817 | \$643 | -21.2% | \$220 | \$2,029 | 822.7% | \$314 | 42.9% | \$94 |
| 5545 Outdoor Pool | \$1,319 | \$1,880 | 42.5% | \$817 | \$735 | -10.0% | \$817 | 0.0% | \$0 |
| 5550 Party Room | \$25 | \$1 | -94.8% | \$25 | \$13 | -50.0% | \$31 | 25.0% | \$6 |
| 5555 Exercise Room | \$126 | \$67 | -46.9% | \$126 | \$10 | -92.4% | \$314 | 150.0% | \$188 |
| 5560 Maint. Equip Repair/Replacmt | \$220 | \$286 | 30.0% | \$251 | \$602 | 139.5% | \$251 | 0.0% | \$0 |
| 5565 Supplies (rec) | \$157 | \$143 | -9.2% | \$157 | \$15 | -90.5% | \$157 | 0.0% | \$0 |
| 5610 Accounting | \$754 | \$566 | -24.9% | \$754 | \$2,939 | 289.8% | \$754 | 0.0% | \$0 |
| 5615 Legal | \$1,257 | \$1,478 | 17.6% | \$754 | \$975 | 29.3% | \$754 | 0.0% | \$0 |
| 6110 Bank Fees | \$157 | \$38 | -76.0% | \$157 | \$36 | -77.2% | \$63 | -60.0% | -\$94 |
| 6115 Payroll | \$27,669 | \$27,950 | 1.0% | \$27,051 | \$26,169 | -3.3% | \$26,540 | -1.9% | -\$512 |
| 6120 Payroll Taxes | \$12,150 | \$11,988 | -1.3% | \$12,879 | \$9,982 | -22.5% | \$12,658 | -1.7% | -\$221 |
| 6140 Employee Benefits/Retirement | \$2,577 | \$2,479 | -3.8% | \$3,530 | \$4,299 | 21.8% | \$3,502 | -0.8% | -\$28 |
| 6145 HOA Blanket Ins/Fidelity bond | \$9,424 | \$8,618 | -8.6% | \$9,424 | \$13,178 | 39.8% | \$15,707 | 66.7% | \$6,283 |
| 6150 Vehicle Expenses | \$377 | \$235 | -37.6% | \$377 | \$397 | 5.2% | \$377 | 0.0% | \$0 |
| 6155 Office Expenses | \$1,885 | \$3,122 | 65.6% | \$1,382 | \$632 | -54.3% | \$1,382 | 0.0% | \$0 |
| 6156 Contracted Office Support/Serv | \$628 | \$646 | 2.9% | \$942 | \$1,373 | 45.7% | \$942 | 0.0% | \$0 |
| 6160 Office Equipment | \$94 | \$90 | -4.5% | \$188 | \$71 | -62.4% | \$188 | 0.0% | \$0 |
| 6165 Intercom/Security/Office Phone | \$1,900 | \$2,065 | 8.7% | \$1,962 | \$1,471 | -25.1% | \$1,962 | 0.0% | \$0 |
| 6170 Maintenance Emergency Cell Phone | \$107 | \$85 | -20.3% | \$107 | \$52 | -50.9% | \$107 | 0.0% | \$0 |
| 6175 Bulk TV/Internet Service | \$12,961 | \$13,086 | 1.0% | \$13,130 | \$13,277 | 1.1% | \$13,130 | 0.0% | \$0 |
| 6180 Misc. Expenses | \$157 | \$103 | -34.5% | \$126 | \$9 | -92.5% | \$126 | 0.0% | \$0 |
| 6190 Uniforms | <u>\$126</u> | <u>\$123</u> | <u>-2.2%</u> | <u>\$126</u> | <u>\$98</u> | <u>-22.0%</u> | <u>\$126</u> | <u>0.0%</u> | <u>\$0</u> |
| Total Shared Expenses | \$77,544 | \$78,399 | 1.1% | \$77,316 | \$81,034 | 4.8% | \$83,300 | 7.7% | \$5,984 |
| Total Expenses | \$125,141 | \$132,935 | 6.2% | \$119,624 | \$143,795 | 20.2% | \$147,069 | 22.9% | \$14,088 |

Valhalla Association Three
2025 Annual Budget

| | | |
|-------------------------------------|-----------|-----------------|
| Operating Reserves (2 months) | | \$13,883 |
| <u>Total Reserve Required (10%)</u> | | <u>\$48,908</u> |
| <u>Total Reserve Requirements</u> | | <u>\$62,791</u> |
| Reserve Balances | 4/30/2025 | \$49,356 |
| Operating Account Balance | 4/30/2025 | \$35,496 |
| CD | | \$25,000 |
| <u>Assessment to Pay</u> | | <u>-\$3,638</u> |
| Total Balance | | \$106,214 |
| Reserve Shortage/Overage | | -\$43,423 |

| | | <u>2025</u> | | | | |
|-------------------|--------------------|--------------------------|----------------|---------------------------|--------------------------|------------------------|
| | | <u>Suggested</u> | | | | |
| | | <u>Increase/Decrease</u> | | | | |
| <u># of units</u> | <u>Ownership %</u> | <u>2024 HOA</u> | <u>ase</u> | <u>2025 Suggested HOA</u> | <u>2025 Approved HOA</u> | <u>2025 Assessment</u> |
| 12 | 4.5% | \$469.28 | \$82.23 | \$551.51 | \$492.74 | -\$1,954.04 |
| 11 | 3.9% | \$406.71 | \$71.26 | \$477.97 | \$427.05 | -\$1,693.50 |
| <u>1</u> | <u>3.1%</u> | <u>\$323.28</u> | <u>\$56.65</u> | <u>\$379.93</u> | <u>\$339.44</u> | <u>-\$1,346.12</u> |
| 24 | | \$125,141 | | \$147,069 | \$131,398 | -\$43,423 |

2025 REPLACEMENT RESERVE WORKSHEET
VALHALLA BUILDING #3

| ITEM | YEAR PURCHASED | COST | LIFETIME YEARS | YEARS IN SERVICE | ANNUAL RESERVE | RESERVE REQUIRED |
|-----------------------------------|----------------|---------|----------------|------------------|----------------|------------------|
| 1 Building Roof | 2008 | 193,804 | 50 | 17 | 3,876 | 65,893 |
| 2 Garage Roof (8 stalls) | 2018 | 34,714 | 12 | 7 | 2,893 | 20,250 |
| 3 Parking Lot Overlay | 2021 | 20,733 | 10 | 4 | 2,073 | 8,293 |
| 4 Parking Lot Seal Coat | 2021 | 2,744 | 5 | 4 | 549 | 2,195 |
| 5 Water Heater | 2013 | 10,533 | 10 | 12 | 1,053 | 10,533 |
| 6 Painting & Stucco Seal | 2003 | 21,620 | 15 | 22 | 1,441 | 21,620 |
| 7 Water Softener | 1997 | 9,424 | 20 | 28 | 471 | 9,424 |
| 8 Common Area Glass | 1969 | 15,799 | 35 | 56 | 451 | 15,799 |
| 9 Gutters & Downspouts (6) | 2008 | 4,657 | 25 | 17 | 186 | 3,167 |
| 10 Carpet | 1995 | 16,298 | 10 | 30 | 1,630 | 16,298 |
| 11 Common Area Paint | 1994 | 15,966 | 10 | 31 | 1,597 | 15,966 |
| 12 Sewer & Water Lines (150 ft) | 1969 | 6,652 | 30 | 56 | 222 | 6,652 |
| 13 Washers & Dryers | 2011 | 9,978 | 10 | 14 | 998 | 9,978 |
| 14 Common Area Sidewalks/Steps | 1969 | 37,319 | 30 | 56 | 1,244 | 37,319 |
| 15 Boiler | 2017 | 27,718 | 25 | 8 | 1,109 | 8,870 |
| 16 Windows (4 L.R. garden) | See Detail | 15,524 | 25 | | 621 | 13,661 |
| 17 Windows (24 kitchen) | See Detail | 29,280 | 25 | | 1,171 | 21,082 |
| 18 Windows (35 bedroom) | See Detail | 42,700 | 25 | | 1,708 | 31,866 |
| 19 Patio Doors (20) | See Detail | 55,440 | 25 | | 2,218 | 47,346 |
| 20 Balconies/Patios (20) | See Detail | 56,220 | 25 | | 2,249 | 50,148 |
| 21 Garage Repair (per stall) | See Detail | 20,000 | 25 | | 800 | 16,400 |
| 22 Garage Doors (8 single stalls) | See Detail | 9,760 | 25 | | 390 | 9,760 |
| 23 Front Retaining Wall | 1990 | 4,158 | 20 | 35 | 208 | 4,158 |
| 24 Garbage Enclosure Structure | 1990 | 3,326 | 20 | 35 | 166 | 3,326 |
| 25 Entry Security System | 2020 | 3,881 | 10 | 5 | 388 | 1,941 |
| 26 Security Cameras | 2020 | 6,098 | 7 | 5 | 871 | 4,356 |

| | | | |
|------------------------|---------|---|------------------|
| Building #3 - 24 Units | 674,346 | TOTALS | |
| 1 - Efficiency | | RESERVE AMOUNTS FOR RECREATION BUILDING | \$30,584 |
| 11 - 1 Bedrooms | | RESERVE AMOUNTS FOR COMMON EQUIPMENT | \$22,719 |
| 12 - 2 Bedrooms | | | \$1,164 |
| | | | \$34,037 |
| | | | \$456,300 |
| | | | \$22,719 |
| | | | \$10,057 |
| | | | \$489,077 |

Building Three Non-Operating Expense Reserve Items Report

| Garden Picture Windows | | | | | | | |
|------------------------|------------|-----------------|------|------------------|---------------|-----------------|----------|
| Unit | Yr Purch'd | Cost | Life | Years in Service | Annual | Required | 2025 |
| 11 | 2004 | \$ 3,881 | 25 | 21 | \$ 155 | \$ 3,260 | \$ 3,881 |
| 13 | 1995 | \$ 3,881 | 25 | 30 | \$ 155 | \$ 3,881 | |
| 15 | 2004 | \$ 3,881 | 25 | 21 | \$ 155 | \$ 3,260 | |
| 17 | 2004 | <u>\$ 3,881</u> | 25 | 21 | <u>\$ 155</u> | <u>\$ 3,260</u> | |
| | | \$ 15,524 | | | \$ 621 | \$ 13,661 | |

| Kitchen Windows | | | | | | | |
|-----------------|------------|----------------|------|------------------|--------------|---------------|---------|
| Unit | Yr Purch'd | Cost | Life | Years in Service | Annual | Required | 2025 |
| 11 | 1995 | \$1,220 | 25 | 30 | \$ 49 | \$ 1,220 | \$1,220 |
| 12 | 2006 | \$1,220 | 25 | 19 | \$ 49 | \$ 927 | |
| 13 | 1995 | \$1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 14 | 2014 | \$1,220 | 25 | 11 | \$ 49 | \$ 537 | |
| 15 | 2018 | \$1,220 | 25 | 7 | \$ 49 | \$ 342 | |
| 16 | 2007 | \$1,220 | 25 | 18 | \$ 49 | \$ 878 | |
| 17 | 1995 | \$1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 18 | 2006 | \$1,220 | 25 | 19 | \$ 49 | \$ 927 | |
| 21 | 2007 | \$1,220 | 25 | 18 | \$ 49 | \$ 878 | |
| 22 | 1995 | \$1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 23 | 2015 | \$1,220 | 25 | 10 | \$ 49 | \$ 488 | |
| 24 | 2007 | \$1,220 | 25 | 18 | \$ 49 | \$ 878 | |
| 25 | 2015 | \$1,220 | 25 | 10 | \$ 49 | \$ 488 | |
| 26 | 2012 | \$1,220 | 25 | 13 | \$ 49 | \$ 634 | |
| 27 | 1995 | \$1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 28 | 1995 | \$1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 31 | 2003 | \$1,220 | 25 | 22 | \$ 49 | \$ 1,074 | |
| 32 | 2019 | \$1,220 | 25 | 6 | \$ 49 | \$ 293 | |
| 33 | 2020 | \$1,220 | 25 | 5 | \$ 49 | \$ 244 | |
| 34 | 1995 | \$1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 35 | 2003 | \$1,220 | 25 | 22 | \$ 49 | \$ 1,074 | |
| 36 | 1995 | \$1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 37 | 2009 | \$1,220 | 25 | 16 | \$ 49 | \$ 781 | |
| 38 | 2007 | <u>\$1,220</u> | 25 | 18 | <u>\$ 49</u> | <u>\$ 878</u> | |
| | | \$ 29,280 | | | \$ 1,171 | \$ 21,082 | |

| Bedroom Windows | | | | | | | | |
|-----------------|---------------|-----------|-----------------|------|-----------|--------------|-----------------|----------|
| Unit | Yr Purch'd | # in Unit | Cost | Life | Remaining | Annual | Required | 2025 |
| 11 | 1995 | 2 | \$ 2,440 | 25 | 30 | \$ 98 | \$ 2,440 | \$ 1,220 |
| 12 | 2006 | 1 | \$ 1,220 | 25 | 19 | \$ 49 | \$ 927 | |
| 13 | Efficiency | | | | | | | |
| 14 | 2014 | 2 | \$ 2,440 | 25 | 11 | \$ 98 | \$ 1,074 | |
| 15 | 1995 | 2 | \$ 2,440 | 25 | 30 | \$ 98 | \$ 2,440 | |
| 16 | 1995 | 1 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 17 | 1995 | 1 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 18 | 2005 | 2 | \$ 2,440 | 25 | 20 | \$ 98 | \$ 1,952 | |
| 21 | 2007 | 2 | \$ 2,440 | 25 | 18 | \$ 98 | \$ 1,757 | |
| 22 | 2006 | 1 | \$ 1,220 | 25 | 19 | \$ 49 | \$ 927 | |
| 23 | 2015 | 1 | \$ 1,220 | 25 | 10 | \$ 49 | \$ 488 | |
| 24 | 2011 | 2 | \$ 2,440 | 25 | 14 | \$ 98 | \$ 1,366 | |
| 25 | 2015 | 2 | \$ 2,440 | 25 | 10 | \$ 98 | \$ 976 | |
| 26 | 2012 | 1 | \$ 1,220 | 25 | 13 | \$ 49 | \$ 634 | |
| 27 | 1995 | 1 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 28 | 1995 | 2 | \$ 2,440 | 25 | 30 | \$ 98 | \$ 2,440 | |
| 31 | 2013 | 2 | \$ 2,440 | 25 | 12 | \$ 98 | \$ 1,171 | |
| 32 | 1995 | 1 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 33 | 2020 | 1 | \$ 1,220 | 25 | 5 | \$ 49 | \$ 244 | |
| 34 | 1995 | 2 | \$ 2,440 | 25 | 30 | \$ 98 | \$ 2,440 | |
| 35 | 2005 | 2 | \$ 2,440 | 25 | 20 | \$ 98 | \$ 1,952 | |
| 36 | 1995 | 1 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 37 | 2009 | 1 | \$ 1,220 | 25 | 16 | \$ 49 | \$ 781 | |
| 38 | 2007 | <u>2</u> | <u>\$ 2,440</u> | 25 | 18 | <u>\$ 98</u> | <u>\$ 1,757</u> | |
| | | 35 | \$ 42,700 | | | \$ 1,708 | \$ 31,866 | |

| Balcony/Patios | | | | | | | 2025 |
|----------------|------------|-----------|------|------------------|----------|-----------|----------|
| Unit | Yr Purch'd | Cost | Life | Years in Service | Annual | Required | |
| 12 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | \$ 2,811 |
| 14 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 16 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 18 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 21 | 2019 | \$ 2,811 | 25 | 6 | \$ 112 | \$ 675 | |
| 22 | 2016 | \$ 2,811 | 25 | 9 | \$ 112 | \$ 1,012 | |
| 23 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 24 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 25 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 26 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 27 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 28 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 31 | 2019 | \$ 2,811 | 25 | 6 | \$ 112 | \$ 675 | |
| 32 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 33 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 34 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 35 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 36 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 37 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| 38 | 1995 | \$ 2,811 | 25 | 30 | \$ 112 | \$ 2,811 | |
| | | \$ 56,220 | | | \$ 2,249 | \$ 50,148 | |

| Patio Doors | | | | | | | 2025 |
|-------------|-------------|-----------|------|------------------|----------|-----------|---------|
| Unit | Yr Purch'd | Cost | Life | Years in Service | Annual | Required | |
| 11 | Garden View | | | | | | \$2,772 |
| 12 | 2002 | \$ 2,772 | 25 | 23 | \$ 111 | \$ 2,550 | |
| 13 | Garden View | | | | | | |
| 14 | 2007 | \$ 2,772 | 25 | 18 | \$ 111 | \$ 1,996 | |
| 15 | Garden View | | | | | | |
| 16 | 2001 | \$ 2,772 | 25 | 24 | \$ 111 | \$ 2,661 | |
| 17 | Garden View | | | | | | |
| 18 | 2002 | \$ 2,772 | 25 | 23 | \$ 111 | \$ 2,550 | |
| 21 | 2007 | \$ 2,772 | 25 | 18 | \$ 111 | \$ 1,996 | |
| 22 | 2001 | \$ 2,772 | 25 | 24 | \$ 111 | \$ 2,661 | |
| 23 | 2008 | \$ 2,772 | 25 | 17 | \$ 111 | \$ 1,885 | |
| 24 | 2007 | \$ 2,772 | 25 | 18 | \$ 111 | \$ 1,996 | |
| 25 | 2004 | \$ 2,772 | 25 | 21 | \$ 111 | \$ 2,328 | |
| 26 | 2003 | \$ 2,772 | 25 | 22 | \$ 111 | \$ 2,439 | |
| 27 | 2004 | \$ 2,772 | 25 | 21 | \$ 111 | \$ 2,328 | |
| 28 | 2004 | \$ 2,772 | 25 | 21 | \$ 111 | \$ 2,328 | |
| 31 | 2003 | \$ 2,772 | 25 | 22 | \$ 111 | \$ 2,439 | |
| 32 | 2001 | \$ 2,772 | 25 | 24 | \$ 111 | \$ 2,661 | |
| 33 | 2004 | \$ 2,772 | 25 | 21 | \$ 111 | \$ 2,328 | |
| 34 | 1995 | \$ 2,772 | 25 | 30 | \$ 111 | \$ 2,772 | |
| 35 | 2003 | \$ 2,772 | 25 | 22 | \$ 111 | \$ 2,439 | |
| 36 | 2005 | \$ 2,772 | 25 | 20 | \$ 111 | \$ 2,218 | |
| 37 | 2004 | \$ 2,772 | 25 | 21 | \$ 111 | \$ 2,328 | |
| 38 | 2003 | \$ 2,772 | 25 | 22 | \$ 111 | \$ 2,439 | |
| | | \$ 55,440 | | | \$ 2,218 | \$ 47,346 | |

| Garage Doors | | | | | | | |
|--------------|------------|-----------------|------|------------------|--------------|-----------------|----------|
| Stall # | Yr Purch'd | Cost | Life | Years in Service | Annual | Required | 2025 |
| 5 | 1995 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | \$ 1,220 |
| 6 | 1995 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 7 | 1995 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 8 | 1995 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 1 | 1995 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 2 | 1995 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 3 | 1995 | \$ 1,220 | 25 | 30 | \$ 49 | \$ 1,220 | |
| 4 | 1995 | <u>\$ 1,220</u> | 25 | 30 | <u>\$ 49</u> | <u>\$ 1,220</u> | |
| | | \$ 9,760 | | | \$ 390 | \$ 9,760 | |

| Garage Repair | | | | | | | |
|---------------|------------|-----------------|------|------------------|---------------|-----------------|----------|
| Stall # | Yr Purch'd | Cost | Life | Years in Service | Annual | Required | 2025 |
| 5 | 1995 | \$ 2,500 | 25 | 30 | \$ 100 | \$ 2,500 | \$ 2,500 |
| 6 | 2018 | \$ 2,500 | 25 | 7 | \$ 100 | \$ 700 | |
| 7 | 2018 | \$ 2,500 | 25 | 7 | \$ 100 | \$ 700 | |
| 8 | 1995 | \$ 2,500 | 25 | 30 | \$ 100 | \$ 2,500 | |
| 1 | 1995 | \$ 2,500 | 25 | 30 | \$ 100 | \$ 2,500 | |
| 2 | 1995 | \$ 2,500 | 25 | 30 | \$ 100 | \$ 2,500 | |
| 3 | 1995 | \$ 2,500 | 25 | 30 | \$ 100 | \$ 2,500 | |
| 4 | 1995 | <u>\$ 2,500</u> | 25 | 30 | <u>\$ 100</u> | <u>\$ 2,500</u> | |
| | | \$ 20,000 | | | \$ 800 | \$ 16,400 | |

Balance Sheet (Period Change)

Page 1

Building 03

Period = Jan 2024-Dec 2024

Book = Cash

| ACCOUNT | BALANCE CURRENT PERIOD | BEGINNING BALANCE | NET CHANGE |
|--------------------------------------|---------------------------|----------------------|------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash | | | |
| Operating Cash | 19,469.40 | 2,054.66 | 17,414.74 |
| Reserve Fund Cash | 28,920.44 | 0.00 | 28,920.44 |
| Total Cash | 48,389.84 | 2,054.66 | 46,335.18 |
| Intercompany Clearing | -2,405.24 | 0.00 | -2,405.24 |
| Accounts Receivable | -1,348.11 | 0.00 | -1,348.11 |
| Total Accounts Receivable | -3,753.35 | 0.00 | -3,753.35 |
| Short Term Investments | 24,668.73 | 0.00 | 24,668.73 |
| Shop Inventory | 18.52 | 0.00 | 18.52 |
| Total Current Assets | 69,323.74 | 2,054.66 | 67,269.08 |
| TOTAL ASSETS | 69,323.74 | 2,054.66 | 67,269.08 |
| LIABILITIES AND CAPITAL | | | |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts Payable | 10,516.35 | 0.00 | 10,516.35 |
| Prepaid Fees | 1,109.99 | 0.00 | 1,109.99 |
| Key Deposit | 415.00 | 0.00 | 415.00 |
| Garage Remote Deposit | -300.00 | 0.00 | -300.00 |
| Total Current Liabilities | 11,741.34 | 0.00 | 11,741.34 |
| TOTAL LIABILITIES | 11,741.34 | 0.00 | 11,741.34 |
| CAPITAL | | | |
| Bank Transfer | -542.63 | 0.00 | -542.63 |
| Opening Balance Equity | 105,689.43 | 0.00 | 105,689.43 |
| Retained Earnings | 21,870.61 | 2,054.66 | 19,815.95 |
| Prior Years Retained Earnings | -69,435.01 | 0.00 | -69,435.01 |
| TOTAL CAPITAL | 57,582.40 | 2,054.66 | 55,527.74 |
| TOTAL LIABILITIES AND CAPITAL | 69,323.74 | 2,054.66 | 67,269.08 |

**Valhalla Management Association
342 Elton Hills Drive
Rochester, MN 55901
Insurance Coverage 2024-2025**

Property

A. Blanket Building & Business Personal Property Limit of \$47,854,000

1. Building Coverage – Inflation Guard 4%
2. \$5,000 deductible per building, per occurrence.
3. 100% Replacement Cost Provision- no depreciation.
4. Removal of Co-Insurance
5. Special Coverage Form
6. \$172,000 Blanket Contents - Included in total building limit above.
7. Business Income- Actual Loss Sustained (12 Months) - 72 Hour Waiting Period
8. Improvements and Betterments Included
9. Inland Marine Coverage (Sander, Plow, Skid Loader)
10. Ordinance or Law Coverages per Building
11. Coverage A- “Undamaged Portion” = Limit of the Building Value
12. Coverage B - “Demolition” & Coverage C - “The Increased Cost of Construction = Combined \$250,000
13. \$25,000 Water & Sewer Backup
14. \$25,000 Pollution Clean-Up
15. Leased Office Copy Machine
16. Equipment Breakdown Coverage Included at Building Limit

Liability

A. \$2,000,000 General Aggregate, \$4,000,000 Per Occurrence

1. Broad Form Liability
2. Bodily Injury and Property Damage
3. Personal and Advertising Injury
4. Products/Completed Operations
5. Medical Expenses \$10,000
6. Damage to Premises Rented to You \$100,000
7. Condominium Directors & Officers Liability Included
8. Hired & Non-Owned Automobile Coverage
9. Pool Areas Included
10. Parking Areas Included
11. Cyber Coverage \$100,000 Aggregate Limit
12. Employee Benefits Liability \$1,000,000
13. Employment Practices Liability (\$5,000 deductible) \$1,000,000 Per Claim/\$1,000,000 Aggregate

Crime

A. Money and Securities- all risk coverage \$25,000 inside and \$5,000 Outside of Premises. \$25,000 in employee dishonesty coverage included.

B. \$1,800,000 Blanket Fidelity Bond

Auto Liability

A. CSL \$1,000,000

B. Symbol 1 Included- Any Auto Owned, Borrowed, Rented, Hired.

Workers' Compensation

- Employer's Liability Limits

- Each Accident \$500,000//Disease- Policy Limit \$500,000//Disease – Each Employee \$500,000

Umbrella Liability

A. \$1,000,000 Each Occurrence, \$1,000,000 Aggregate (except with respect to "covered autos")

Valhalla Three Association

2025 Annual Meeting

THURSDAY, JUNE 19, 2025

6:00PM

VALHALLA PARTY ROOM

No pending litigation or judgments to which the Association is a party at this time.

Valhalla Three Association

2025 Annual Meeting

THURSDAY, JUNE 19, 2025

6:00PM

VALHALLA PARTY ROOM

No past due assessments within 60 days prior to meeting date.