

**Village Glen Home Owners Association
2025 Annual Meeting**

FIVE YEAR FINANCIAL PROJECTIONS

	YEAR						
	2025	2026	2027	2028	2029	2030	2031
	ACTUAL	Budget	Projected	Projected	Projected	Projected	Projected
Inflation	12/31/25		(+4%)	(+4%)	(+4%)	(+4%)	(+4%)
Revenue							
Percent Dues Increase	0%	0%	5%	0%	0%	0%	0%
Lots 1-36 (\$765 till 2027 then \$803)	27,601	27,540	28,908	28,908	28,908	28,908	28,908
Lots 37 - 40 (\$435 till 2027 then \$456)	1,740	1,740	1,824	1,824	1,824	1,824	1,824
(Add'l Reserve assessment \$100 in 2026)	6,000	4,000	4,000	0	0	0	0
Less Early Payment Incentives (8%)	(2,336)	(2,336)	(2,448)	(2,448)	(2,448)	(2,448)	(2,448)
Total Revenue	33,005	30,944	32,284	28,284	28,284	28,284	28,284
<i>Additional reserve assessment of \$100 per homeowner to fund reserves in 2026. If operating surplus continues to happen, dues will not be increased starting in 2027 as stated.</i>							
Operating Expenses							
Irrigation Controller (PG&E)	30	31	32	34	35	36	38
Irrigation Water (City of A.G.)	3,476	3,600	3,744	3,894	4,050	4,211	4,380
Green Waste (S.County)	417	420	437	454	472	491	511
Landscape Service	14,800	12,000	12,480	12,979	13,498	14,038	14,600
Legal Fees & Reserve Plan	0	0	0	0	0	0	0
Bookkeeping & Tax Filing	1,400	1,400	1,456	1,514	1,575	1,638	1,703
Admin. Supplies, PO Box, Misc.	350	370	385	400	416	433	450
Website & Annual Meeting	750	750	780	811	844	877	912
Liability & D&O Insurance	2,950	2,950	3,068	3,191	3,318	3,451	3,589
Total Operating Expenses (1)	24,173	21,521	22,382	23,277	24,208	25,177	26,184
<i>Landscape Service was changed in August 2025. Reduction of \$374/month.</i>							
Reserve Fund							
Required Reserve Balance (Year End)	18,339	19,073	19,835	20,629	21,454	22,312	23,205
Reserve Balance (First of Year)	6,806	15,106	17,106	15,056	15,056	15,056	17,056
Reserve Expenses (Actual/Planned)	-300	4,000	8,050	2000	2,000	0	3,000
Required Reserve Assessment (2)	8,000	6,000	6,000	2,000	2,000	2,000	2,000
Assessment Per HomeOwner	200	150	150	50	50	50	50
YE Reserve Fund Percent Funded	82%	90%	76%	73%	70%	76%	69%
Reserve Balance End of Year	15,106	17,106	15,056	15,056	15,056	17,056	16,056
<i>Due to surplus in operating in 2024, \$1000 was moved from checking to reserves in 2025. Total reserve expenditures for 2025- \$700 (net expenditures (\$300)); recommending \$100/homeowner in special reserve assessment for years 2026-2027 to ensure funded % stays above 75%</i>							
Operating Fund							
Operation Fund Balance (YE)	12,814	16,237	20,139	23,145	25,221	26,328	26,428
Continue to maintain sufficient working capital to address cash flow in 1st Quarter.							
Summary							
Total Revenue	33,005	30,944	32,284	28,284	28,284	28,284	28,284
Total Expenses (1. Operating Expenses + 2. Reserve Assessment)	32,173	27,521	28,382	25,277	26,208	27,177	28,184
Operating Surplus (Overspend)	832	3,423	3,902	3,007	2,076	1,107	100
<i>Surplus will be refunded to homeowners as "Surplus Refund" when deemed appropriate by the Board; If financial numbers come in as forecasted per this document, \$2000 will be transferred from Checking account to fund reserve account in 2026; overspends will be resolved in next financial year.</i>							

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Homeowner Dues Projections

	Years						
	2023	2024	2025	2026	2027	2028	2029
Homeowner Dues (Lots 1 - 36)	\$765	\$765	\$765	\$765	\$803	\$803	\$803
Reserve Assessment (\$50 Included in Dues)	\$50	\$100	\$200	\$150	\$150	\$50	\$50
Early Payment Incentive	(\$61)	(\$61)	(\$61)	(\$61)	(\$64)	(\$64)	(\$64)
Surplus Refund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Dues if paid by Jan 31	\$704	\$704	\$704	\$704	\$739	\$739	\$739
Total Dues if paid in Installments	\$765	\$765	\$765	\$765	\$803	\$803	\$803
+							
Homeowner Dues (Lots 37-40)	\$435	\$435	\$435	\$435	\$456	\$456	\$456
Reserve Assessment (\$50 Included in Dues)	\$50	\$100	\$150	\$150	\$150	\$50	\$50
Early Payment Incentive	(\$35)	(\$35)	(\$35)	(\$35)	(\$36)	(\$36)	(\$36)
Surplus Refund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Dues if paid by Jan 31	\$400	\$400	\$400	\$400	\$420	\$420	\$420
Total Dues if paid in Installments	\$435	\$435	\$435	\$435	\$456	\$456	\$456
Need to fund reserves. Reserve fund target to be 70-75%. In 2024 at 38%. Recommending special assessment to all homeowners of \$100 in 2026-2027							

2026 Operating Budget (\$)

Revenue:

Dues	\$29,280	
Less: Early Payment Incentive	(\$2,336)	
Plus: Additional Reserve Assessment (\$150 per HO)	\$6,000	
Less: Surplus Rebate	\$0	
Net Dues		\$30,944
Interest On Reserve Savings Account		\$0
Total Net Revenue:		\$30,944

Expenses:

Irrigation Controller (PG&E)	\$30	
Irrigation Water (City of Arroyo Grande)	\$3,600	
Green Waste Pick-Up (South County Services)	\$420	
Common Landscape Services (GLM))	\$12,000	
Legal Services	\$0	
Bookkeeping & Tax Filing Service	\$1,400	
Administrative Supplies, PO Box	\$370	
VGHOA Website & Annual Meeting Facility	\$750	
VGHOA Liability and D&O Insurance	\$2,950	
Total Expenses:		\$21,520
Less Contribution To Reserve: (\$150.00 Per Homeowner)		\$6,000
Less Working Capital Fund Increase:		\$0
Estimated Operations Surplus		\$3,424

Table 3: 20 Year Reserve Fund Plan

			Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20
	First 9 YRS	Next 11yrs	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Starting Reserve Balance			\$ 14,085	\$ 10,707	\$ 9,440	\$ 6,805	\$ 15,105	\$ 17,105	\$ 15,055	\$ 15,055	\$ 15,055	\$ 17,055	\$ 16,105	\$ 9,375	\$ 11,645	\$ 14,515	\$ 14,385	\$ 14,155	\$ 12,025	\$ 14,895	\$ 16,390	\$ 17,010	\$ 19,880
Reserve Assessment			\$ 1,800	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00
Per Homeowner	50	70		\$ 50	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00
Special Assessments				\$ -	\$ 2,000	\$ 6,000	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal			\$ 15,885	\$ 12,707	\$ 13,440	\$ 14,805	\$ 21,105	\$ 23,105	\$ 17,055	\$ 17,055	\$ 17,055	\$ 19,105	\$ 18,975	\$ 12,245	\$ 14,515	\$ 17,385	\$ 17,255	\$ 17,025	\$ 14,895	\$ 17,765	\$ 19,260	\$ 19,880	\$ 22,750
Reserve Component	Useful Life (YRS)	Remaining Life (YRS)																					
Trees					\$ 1,975.00		\$ 2,000.00	\$ 2,000.00															
Cluster Mailboxes	20	10		\$ 1,200.00									\$ 4,600.00										
Drainage Basin Slopes	5	3		\$ 1,585.00	\$ 4,800.00	\$ 700.00		\$ 3,000.00				\$ 3,000.00				\$ 3,000.00					\$ 2,250.00		
Drainage Basin Fence	30	15																\$ 2,500.00					
VG Entryway Sign	20	14															\$ 3,100.00			\$ 1,375.00			
Irrigation Controller Valves	10	10	\$ 2,991	\$ 482.94	\$ 859.47		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00			\$ 2,500.00										\$ 2,500.00
Sprinkler System Pipes & Hoses	10	10	\$ 2,189				\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00			\$ 2,500.00					\$ 2,500.00					\$ 2,500.00
Irrigation Controller	20	5						\$ 1,050.00															
Irrigation Controller Box	25	11												\$ 600.00									
Interest/add'l deposits			\$ (2)	-\$ 1.00	-\$ 1,000.00	-\$ 1,000.00																	
Subtotal			\$ 5,178	\$ 3,267	\$ 6,634	\$ (300)	\$ 4,000	\$ 8,050	\$ 2,000	\$ 2,000	\$ -	\$ 3,000	\$ 9,600	\$ 600	\$ -	\$ 3,000	\$ 3,100	\$ 5,000	\$ -	\$ 1,375	\$ 2,250	\$ -	\$ 5,000
Ending Reserve Balance			\$ 10,707	\$ 9,440	\$ 6,805	\$ 15,105	\$ 17,105	\$ 15,055	\$ 15,055	\$ 15,055	\$ 17,055	\$ 16,105	\$ 9,375	\$ 11,645	\$ 14,515	\$ 14,385	\$ 14,155	\$ 12,025	\$ 14,895	\$ 16,390	\$ 17,010	\$ 19,880	\$ 17,750
Reserve Fund Target				\$ 17,286	\$ 17,805	\$ 18,339	\$ 19,072	\$ 19,835	\$ 20,629	\$ 21,454	\$ 22,312	\$ 23,204	\$ 24,133	\$ 25,098	\$ 26,102	\$ 27,146	\$ 28,232	\$ 29,361	\$ 30,535	\$ 31,757	\$ 33,027	\$ 34,348	\$ 35,722
Percent Funded				53%	38%	82%	90%	76%	73%	70%	76%	69%	39%	46%	56%	53%	50%	41%	49%	52%	52%	58%	50%