

*****Preliminary – Pending Approval*****
COLONIAL FOREST
2023 BUDGET RATIFICATION &
2023 ANNUAL HOMEOWNER MEETING MINUTES
December 11, 2022

BOARD MEMBERS PRESENT: Ken Pratt (President), Jess Salazar (Vice President), Val Krzyzaniak (Treasurer), Marie Alba (Secretary), Wanda Michael (At Large)

BOARD MEMBERS ABSENT: Joe Conner (At Large), John Warfel (At Large)

TARGA MANAGEMENT: Mark Pierovich

Roll call: Ken Pratt called the meeting to order at 2:00 p.m. and introduced the five Board members who were present.

Proof of meeting notice: To comply with regulations, Mark mailed the meeting notice to all homeowners.

Announcement of quorum: There were 26 homeowners in attendance plus nine proxies for a total of 35 homeowners represented. A quorum was not reached; thus, the meeting became informational only, and the 2023 budget will go into effect January 2023.

Approval of previous year's meeting minutes (2022): No changes to the 2022 minutes were expressed so Jess moved to approve the minutes as written; Jan Barber seconded and all in attendance approved.

Elections: Marie explained that because no annual meeting was held in 2021 due to COVID-19, the Board members at that time agreed to extend their terms. Thus, no elections were held at this meeting. In 2024, four Board members will be elected, and three in 2025.

Report of Officers/Committee Reports: Marie reported that the Board recently revised the Rules & Regulations (R&Rs). The last revision was in 2015. A copy of the new R&Rs will be mailed to all homeowners soon, along with an overview of changes. The new R&Rs will go into effect on January 15, 2023.

Old Business: There was no old business, so the discussion moved to New Business.

New Business: Jess mentioned that in the absence of our own maintenance staff, the Board has had to think “outside the box” and come up with good solutions. The Board contracted with Marcos at Natural Green Lawn Care to mow the lawns, trim bushes, and blow debris from the streets and sidewalks. During winter months, Marcos works every other Friday and will pick up homeowner yard debris. Homeowners should not use paper or plastic bags or boxes. Instead, please put all yard debris in a small garbage can or 5-gallon bucket and leave it on the curb for pickup on the Friday that Marcos will be here. Please do not include plastic pots, silk flowers, etc. in the debris container as these items

are not recyclable and Marcos cannot dispose of them. An alternate solution for individual residents is to sign up with Waste Management for a yard debris bin that is picked up weekly.

Michelle Brewick (Bldg 2, Unit 6) expressed concern that the landscape company does not blow the debris off the sidewalks around her unit. Jess pointed out that due to the many trees around Building 2, the sidewalks can be cleaned and within 48 hours they are messy again. He pointed out that the roofs in that area were recently cleaned and are already full of debris.

Anne Saquitne (Bldg 25, Unit 1) pointed out that the area behind Building 25 is seldom cleaned. Carolyn Hagerhjelm (Bldg 17, Unit 6) explained that the riding mower gauges the turf and leaves large ruts in the lawn around her building.

Jess took the action to follow up with Marcos regarding the concerns above.

Chelsea Thompson (Bldg 8, Unit 1) asked if there is a long-term plan for hiring full time employees. Jess expressed that we would continue with the current landscape service for now and assess the situation again in the spring.

Bob Darrigan (Bldg 1, Unit 2) expressed concern about real estate signs at the main entrance. He prefers that the signs be at the south gate only and asked that the signs be put up in an orderly manner. He understands that owners need to sell their unit, but he also wants our complex to look as classy as possible. Jess is a real estate agent and explained that Colonial Forest does not own the section of grass between the street and the sidewalk, so agents can put their signs in that area, and we cannot do anything about it. Bob volunteered to move all the signs to one area. Jess pointed out that we cannot control what agents put in property that is not ours.

Mark asked that residents always send him an email with any concerns. If residents send their concerns to Mark, he can act on them quickly or forward them to the Board for resolution.

Jan Barber (Bldg 5, Unit 5) mentioned that when she walks at night, she notices light bulbs that are out. Mark encouraged her to report them for replacement.

Anne Saquitne (Bldg 25, Unit 1) inquired about chimney and dryer vent cleaning. Marie explained that the Association contracts for dryer vent cleaning every 2-3 years, but not for chimney cleaning. Several years ago, a Board member at that time, Joni McKee, may have coordinated a group rate for chimney cleaning. Marie took the action to contact Joni McKee to see if she is willing to investigate chimney cleaning for the complex.

Val brought up cable TV and mentioned that two years ago Comcast offered to bundle internet with cable TV for all of Colonial Forest for an additional \$40.00 per month above what they currently charge us. But this would be a 100% coverage with no opt out ability for single units. Some residents pay more than \$40.00 for internet services. However, a small percentage of residents may not want to participate. Patty Nagy (Bldg 8, Unit 6) commented that she has Xfinity already and would be in favor of the bundle. Angel Torres (Bldg 26, Unit 2) commented that some people need high speed internet. Val explained that the offer is for ½ gigabit per second (Gbps), which is a big increase in speed. Kevin Goering (Bldg 17, Unit 4) commented that he receives internet with his phone services through T Mobile. Peggy Jeffcoat (Bldg 11, Unit 6) mentioned that she has Comcast and prefers to stay with that service.

Natalie Haggard (Bldg 2, Unit 4) pointed out that many people use streaming services now instead of cable. Val explained that we pay approximately \$90K for the entire campus to get high definition, which is about \$40-45/unit. The cost outside of the HOA would be approximately \$90/month. Susan Salmond (Bldg 27, Unit 6) suggested creating a presentation of options and offered to assist. Val took the action to create a survey that will help identify owner preferences.

Ratify 2023 Budget: Val explained that over his 20+ years as treasurer, his goal has been to keep dues steady without any big increases. In 2021, there was no increase due to COVID-19 restrictions. In 2022, the dues increase was 10-11%. In the past year there have been large expenses, mainly electrical and water damage due to leaking pipes. Consequently, there is a 13.12% increase in the 2023 budget.

Val went over the budget line by line. Here are some of the main points:

1. We purchased the Colonial Forest truck new in June of 2020 for \$63K. Because of the current used vehicle market, we sold it in July of 2022 for what we paid for it.
2. Targa raised their rates for Colonial Forest to \$21/unit. This was the first rate increase in ten years. Val noted that other management companies charge \$25-30/unit.
3. There are pros and cons associated with having our own maintenance staff. We can still bring in our own staff but hiring has been a challenge. Mark explained that we paid the previous staff \$22/hour and they eventually left for other jobs. Targa has been advertising for \$25/hour and there has been little to no response. Mark held a couple interviews, but the candidates were not qualified. Targa has over 20 openings and cannot find anyone, even at \$27-28/hour. Jess commented that he obtained three bids from landscape companies. Marcos' bid was 1/3 the amount of the other bids and he has been extremely accommodating.
4. The General Maintenance category increased over 100% because the campus is aging (going on 45 years old), and things are breaking.
5. Insurance for the complex is going up substantially due to several claims in the last year or so. The claims are mainly related to plumbing leaks and flooding. Mark explained that the State mandates that we must have a master insurance policy. Owners are responsible for a \$10K deductible via their HO6 personal property insurance policy. The HO6 covers personal belongings and hotel stay. The Colonial Forest master policy covers everything else. The damage to one unit this year was +/- \$100K.

Val mentioned water sensors that are available through Amazon. An alarm goes off if the sensor gets wet.

Marie stressed the importance of submitting the Owner Contact Form so residents can be reached in case of emergency.

6. There is approximately a 15% increase in utilities such as electricity, gas, water and sewer.
7. The budget includes adding \$25K/month to the reserves.
8. Roofs, siding, and roads will be addressed on an emerging basis, not as scheduled maintenance.

Bob Darrigan (Bldg 2, Unit 2) inquired about earthquake insurance. Mark explained that it is expensive and that only two of his ten associations have it. Colonial Forest dropped earthquake

insurance quite a while ago. Bob stated that Val does a great job with the budget and that he is extremely trustworthy. He thanked Val and the Board for their service.

Other Discussion: Angel Torres (Bldg 26, Unit 2) inquired about assigned parking spaces. Val explained that there are a few disabled parking spaces in the complex. Ken noted that there is only one reserved space and that is for Building 25, Unit 6, because that unit does not have a second parking stall. Jan Barber (Bldg 5, Unit 5) questioned if the fire department would have difficulty maneuvering through the tight spaces created by the many cars parked on the street. Hank Lazzar (Bldg 21, Unit 3) expressed concern that there are too many residents who are not parking in their assigned stalls.

Jess reported that on 11/22/22, he checked MLS and found 18 condos for sale in Federal Way. He created a matrix that compared the dues associated with those units to Colonial Forest. Colonial Forest's dues were lower in almost every case. He then mentioned that Quiet Forest II has not been performing routine maintenance like siding, roofs, etc. Their dues for the last three years have been around \$435/month and now they are facing a large assessment. Colonial Forest has been doing maintenance all along.

Anne Saquitne (Bldg 25, Unit 1) asked about exterior changes such as adding a window. Mark suggested submitting request for alterations and then he will forward the request to the Board.

Adjourn: Hank Lazzar (Bldg 21, Unit 3) moved to adjourn the meeting at 3:25 p.m. Jess seconded and all approved.

Respectfully submitted,

Marie Alba
Colonial Forest Board Secretary