

*****DRAFT MINUTES*****
COLONIAL FOREST
ANNUAL HOMEOWNER MEETING
February 8, 2020

BOARD MEMBERS PRESENT: Marie Alba (Secretary), Josh Dreyer (At Large), Jon Farrington (President), Val Krzyzaniak (Treasurer), Jess Salazar (At Large), Leona Staats (Landscape Liaison), Patricia Ward (At Large)

TARGA MANAGEMENT: Mark Pierovich

There were many homeowners represented (including proxies) but a quorum was not reached, thus the meeting became informational only.

Introduction and Review of 2019 Minutes

After the Board introduced themselves, Jon Farrington reviewed the 2019 Annual Meeting minutes, significant accomplishments over the last year, and upcoming 2020 projects:

- Two buildings were re-sided and two more will be completed in 2020.
- There were substantial improvements to curbs. Around 45% of curbs were replaced in 2019. The remaining curbs will be replaced in 2020, plus seal coating.
- Issues with the front and back gates are hopefully resolved. Residents are encouraged to report malfunctions.
- There were some tree removals and a couple more trees will be removed in 2020. Jan Barber asked about the tree between Buildings 5 & 6. Leona Staats confirmed that it is on the list to be removed.
- Most of all of the grounds were edged last fall, which will help with drainage.
- Remaining railroad tie steps will be replaced in 2020.
- All dryer vents will be professionally cleaned in 2020. This is an exterior projects and residents do not need to be home. There could be noise and residents will be notified ahead of time.
- One of the Colonial Forest maintenance employees, Dave Reetz, was on medical leave for a few months and retired in January. Ted St. Clair is now the lead and has done an exceptional job of maintaining the entire complex. A new employee, Kameron Moore, started 2/3/20. Ted and Kameron do many things for the Association beyond landscaping efforts such mowing and edging. They assist with repairs, light bulb replacement, cleanup after storms, replacing damaged signs, etc. External landscaping services are expensive. Bids for maintaining our community are higher than the cost of our two full-time employees. For example, a bid to just mow an average residential lawn was \$150.
- There have been no Targa rate increases in the last few years.

- Roofs will be treated for moss control with zinc or baking soda. Plants will not be affected.

After review, a motion was made and seconded to approve the 2019 Annual Meeting minutes as written; all those in attendance approved.

Contact Forms

Mark encouraged everyone to complete the contact form before leaving. All information is kept confidential.

Maintenance Truck

The truck is over 30 years old and required several repairs in 2019. The truck will be replaced in 2020 with a used diesel truck.

Rentals

Mark explained that since we are an owner-occupied community, only two units are rented: 1) the unit in Building 15, Unit 6, which is owned and rented by the Association; and 2) the unit that is permitted to be rented via a lottery. The lottery rental is necessary so that Colonial Forest can qualify for FHA loans. Jess explained that 85% of sales are FHA loans. In addition, VA loans are excellent transactions now.

Cable TV

Jon explained that all owners receive basic cable, which saves everyone \$50-\$60 per month. In addition, all units receive two high-definition receivers.

Insurance Policy

Mark explained that Colonial Forest's master policy is brokered through Rice Insurance, LLC. Each owner's individual policy should have a HO6 loss assessment of \$10K. Rice Insurance searches for the best possible rates for the complex. He works with the broker to determine if a claim should be submitted to the insurance company, or if it would be prudent to pay cash and avoid a rate increase. Residents are encouraged to contact Mark first to determine if something is covered by the master policy or not. Jess encouraged everyone to use their cell phone to video record the inside of their unit and all contents for insurance purposes.

2020 Budget

Val Krzyzaniak went over the budget that was mailed to all homeowners prior to the meeting and explained the major components of each item. He explained that he tries to avoid big increases if the only purpose is to increase reserves. His goal is to keep dues increases below 3.0% if possible. The dues increase from 2019 to 2020 is 2.0%. The increase was supposed to be 2.5% but Targa's calculation included the Colonial Forest

rental unit, for which dues are not collected, thus the budget was divided by 155 units instead of 154. The result was that every unit is paying \$2.00/month less than originally calculated. The 2021 budget will factor in this error and the increase could be around 3.0%.

Notable line items include:

- Reserve study—a periodic planning tool, mandated by state law, and done by an outside independent consultant to identify when major common area expenditures might occur and the current status of reserve funds.
- Repairs & Maintenance—several line items are \$3K each. Every year there is a certain amount of ebb and flow among these expenditures but it works out in total by year end.
- Beauty bark—not budgeted for 2020. The cost is approximately \$5K and it does not last very long due to raking, weed eating, and deterioration. There have been complaints in the past about the odor.
- Utilities—a little difficult to budget because some bills are every 2 months, resulting in six bills per year, and sometimes there are five bills in a year.
- Capital expenditures—are long range, big projects. \$80K is budgeted for re-siding two buildings, and \$60K for curbs and crack repair.
- Truck—to be replaced in 2020. The plan is for \$15K/year for three years. The purchase will be a used diesel truck with a hydraulic bed lift.

Jess owns Benchmark Realty and pointed out that Colonial Forest is different from other condominium complexes in that there has never been an assessment due to a strong Board of Directors and expenditure foresight and planning. He mentioned a different complex that is currently facing a \$16,000 assessment on every unit. Colonial Forest reserves are healthy and he and pointed out that some complexes are now faced with 18% dues increases in order to catch up. He also mentioned that in order to compete with the market, there could be a future budget increase in maintenance crew wages. It is difficult to find good employees and there have been challenges recently passing drug testing, etc.

Open Discussion

Angel Torres (Bldg 26, Unit 2) expressed appreciation for the tree removal on the south side of his building. He mentioned that Unit 5 in his building is currently in foreclosure and the power has been turned off. Consequently, it is very dark on both sides of the unit. In addition, an upstairs bedroom window has been open for a very long time. The Board will discuss options at the next monthly Board meeting.

Hank Lazzar (Bldg 21, Unit 3) pointed out that the streets are becoming quite crowded because many residents are parking on the street instead of their assigned parking spaces. Jon explained that the Rules & Regulations are currently being revised and will include clarification of where to park and how long guest vehicles can remain parked on the streets. Unfortunately, some units such as Ron Maesner (Bldg 26, Unit 6) do not have an extra parking stall. The rules will also include damaged cars and cars that are not being driven. Leona brought up recent issues of friends or family of residents parking their cars on the street while on vacation. The new rules will address this issue also.

Kevin Goering (Bldg 17, Unit 4) expressed concern that he almost hit a lady as he backed out of his driveway because she was walking in the street instead of the sidewalk.

Ken Pratt (Bldg 22, Unit 4) mentioned that the curbs and sidewalks are getting slippery. The Board will address this at the next monthly meeting. Jon pointed out that several areas of sidewalk that were raised due to tree roots have been repaired.

Jess recommended that neighbors take a picture of their building and label each unit with names and phones. Getting to know your neighbors is always a benefit. In addition, Jess suggested purchasing Ring doorbells. If seven or more are installed, Ring will set up a community.

Bob Darrigan (Bldg 1, Unit 2) mentioned that several years ago, each unit was required to have a key on file in case of emergency. Mark explained that it was too much of a liability and keys are no longer required.

Bob also mentioned the need to clean the gutters at Building 1 on both levels. Leona said she asked Ted to check Buildings 1, 2 and 3. Mark explained that Ted worked alone for more than four months and it was not safe for him to do ladder work by himself.

Bob thanked the Board for a job well done and he also offered to provide free transportation if it snows to doctor appointments, get groceries, etc.

Erica Gibson (Bldg 27, Unit 3) asked about the benefits of a reserve study. Jess explained that it is state mandated. He is concerned that many complexes could become ghettos in the next ten years or so. Mark explained that reserve studies give costs and life expectancies. Some assessments can be taken care of over a few years and not all at once. Jon stated that some lenders require a reserve study, thus the need to keep current.

Erica also asked about yard sales. The Board has not sponsored a yard sale for several years now. However, any resident can organize and advertise a sale. The Board will ensure that the gates are open for the event.

Jess gave a real estate update. There were six units sold in 2019. The community is changing and there are more children than before. He suggested the idea of creating a play area close to where the truck is parked.

Elections

There were two Board openings. No residents expressed a desire to run so the two Board members with expired terms, Jess Salazar and Jon Farrington, expressed a desire to remain on the Board.

Respectfully submitted,

Marie Alba
Colonial Forest Board Secretary