

FGEHA Annual Meeting

7 15 23 MINUTES

1:00 Saturday, July 15, 2023

- a) Location: Ramada owned by the Thomas family – Bea, Gene and Vicki 117-119 Verde Lane
In person attendance: Bea Thomas, Gene Thomas, Vicki Thomas, Dave Rahn, Mike Riley, Susette Ross, Troy Ross, Olin Kane, Maile Kane, Stan Dunlap, Mary Dunlap, Tracy Davis, Dave Kasper, Andy Arnold
Zoom – in attendance: Beth Gordon, Jennifer Mack, plus one unidentified person, calling in from I Phone

There being a quorum of the Board (Stan Dunlap, Dave Kasper, Beth Gordon, Tracy Davis) and a 20% attendance of voting members, the Meeting was called to order at 1:07 p.m.

- b) Proof of Meeting notice – Quarterly Newsletters – January, April & July Newsletters, 6 “email blasts” monthly January - July;
Email to all owners July 14, 2023, with Agenda, Zoom Invitation, copy of Annual Meeting Minutes from July 16, 2022, Budget history and FY 2024 balanced Budget, and composite copy of reports from officers.
- c) A Vote on approval of Minutes from the 2022 Annual Meeting
Motion to Approve: Dave Kasper; Second Tracy Davis
No discussion was offered. Approved
- d) Presentation of most recent fiscal yearend financial reports
Deferred into the Committee reports
- e) Presentation of the Audit review/report (if conducted)
There was no additional audit performed for this fiscal year.
- f) Presentation of next year’s budget
Since this had been emailed to all members, this was approved. This included a Board vote at the June Board meeting to authorize the carry-forward of retained earnings from FY 2023 and an authorization to transfer \$5,000 from Operating into the Reserve Account. Discussion continued under presentation of year-end financial report.
- g) Reports of Officers

President report

It’s been quite a year. After spending the previous fiscal year re-writing and updating the FGEHA Bylaws, creating new Policies and Rules to align with the Bylaws and all the mandates from the State of Colorado for the Colorado Common Interest Ownership Act (commonly called CCIOA), we knew it was time to clean up, update and restate the FGEHA Covenants, which have been scattered around between documents from 1970, 1991, 1994 and 1997. I very much appreciate the hard work and insights of the FGEHA Board and the dozen or so Members who contributed to the process, especially Dave Rahn. The

Amended and Restated Protective Covenants were adopted by a majority of the Members in May and went into effect on July 1, 2023.

Like any document that tries to reflect a variety of viewpoints, there were many compromises and that usually means that not everyone would be pleased with the final result. The key issue was to determine the kind of community we want Forrest Groves Estates to be, the community where we chose to buy and settle in. Up until about 20 years ago, roughly a third of the lots were owned by people who lived here year-round, with a couple rented full time and the remainder used as summer vacation homes by the owners. Over the course of the last decade, we have seen an increase in the number of both owners who live here year-round and those who decided to rent their homes on a short-term basis, so people could come here and enjoy all the features that we cherish. The renters come here on vacation, to relax and have a good time. They really didn't know what's important to the people who live here and voluntarily work hard to protect our aging infrastructure and the quality of life we treasure. While most behave themselves, unfortunately, that has meant for some that, since they were unaware of our priorities, they either don't know or appreciate the care needed to protect our Forrest Groves Estates home. Speeding, lack of control of or clean-up after pets, and a concerning lack of respect for our residents and their privacy, have caused concern. Along with restrictions from CCIOA, all these things have forced the Board to exercise its fiduciary responsibility to all owners by adopting Policies and Rules regarding use of homes as Short-Term Rentals. Those Policies and Rules have run with the Association fiscal year – July 1st to June 30th. I am recommending to the new Board which will convene right after this meeting, that they review the Policies and Rules and align them with the calendar year. This will allow owners and rental agencies that have approved licenses to keep them in effect until December 31 of this year at which time the new Policies and Rules will go into effect.

For background, in 2022, our nine Short-Term Rentals have generated nearly 200 rentals, nearly 1200 rental nights, \$330,000 in total rent, for an average per night stay of \$282 within a range of \$100 to \$540, and an average stay costing renters \$1,679. Average per owner is \$36,757, ranging between \$4,399 and \$70,277. Needless to say, keeping up with this has become quite a challenge. We appreciate the volunteer hours donated to the community clean-up cause by 2 of the 9 owners. Volunteerism is a significant part of life in the neighborhood. It is also what helps us keep the dues assessment low during a time when costs keep rising. Full summary is in the March Minutes on the FGEHA website.

We will have five long-term rentals in the subdivision this year.

You will hear more in the financial report about the details. Several line items went way over budget this year, specifically water testing to comply with new regulations from the State and legal fees for the development of the Covenants. Fortunately, some of the line items remained under budget, such as water parts and maintenance. Also, road expense was down a bit this year. We are beginning to see the results of our efforts to reduce dust by "firming up" the roads over the past 6 years with the lignosulfonate (tree sap) blend.

I am very grateful that we were able to set up the Reserve Account last year. We can pay for recent issues in the sewer system from the Reserve, without having to do a Special Assessment. With savings in several Operating Expense line items, we will be able to apply the line item transfer of \$5k from Operating to Reserve, so it will not be necessary to have a Special Assessment this year to help protect our infrastructure long term.

The FGEHA Board and volunteers have had a busy year, actively dealing with issues that have come up. The 165" of snow we had was about five feet more than last year. There were also a variety of water/sewer related issues.

A giant THANK YOU to this year's officers -- Dave Kasper, 1st Vice President for water & sewer, Jen Redfern 2nd Vice president for roads and trash/recycling, and Beth Gordon as treasurer -- for their work during the past year. Also thanks to Jill Corr who unfortunately had to step down from the Board due to health concerns and to Tracy Davis who filled in as secretary the last few months. We are grateful to have two Members step up to be on the Board this year. They are Andy Arnold and Jenn Mack. There are many tasks for them, but their first challenge will be to identify priorities for the Association. One early task will be updating the Policies and Rules to align with the Covenants, including how to handle concerns about short-term rentals. The new Board will meet briefly at the end of this meeting to select Officers and set dates for regular Board Meetings throughout the year.

Thanks also go to our volunteer snow-blowing drivers. They were trained and coordinated by Tim Wheeler; Michael Rossback, Bob Ewing, Ryan Brooks and Olin Kane.

Tremendous thanks to Olin for diagnosing and solving problems with our tractors and water & sewer systems, and then MacGivering the fixable materials, or ordering and replacing broken or outdated equipment as needed. Hard to imagine what we would do without him. Thank you, Olin. He was ably assisted by Dave Kasper in wrestling with 100+ pound aspirators and replacing the battery in the transceiver on the water tank among other jobs.

Thanks to Mary Dunlap who has served as our liaison to the Wildfire Adapted Partnership (WAP) and facilitating the community clean-up weekend by securing grant funding to help with the expense of the chipper. We will need a volunteer to replace her, so feel free to step up. Please, if you have not sent in your volunteer hours on fire mitigation/clean-up, drop your form in the pouch on the bulletin board or email them to fgehoa@gmail.com

Thanks also to the two-dozen people who pitched in to gather and chip 40 cubic yards of tree limbs and other clean-up jobs.

Other than that, after serving three terms as Treasurer, seven years as Bookkeeper and two years as FGEHA President, I am looking forward to stepping back from the Board and letting new blood and new ideas work their way into serving the Association. I will be available to answer questions but will not impose my perspective on their efforts. I ask all of you to support them as they work to serve you and guide the Association.

Now let's get more details on the finances. Beth Gordon and our Bookkeeper/Accountant, David Bowen.

Financial Report FY 23

Treasurer, Beth Gordon and Bookkeeper, David Bowen

As accrued for the 12 month period beginning July 1, 2022 and ending June 30, 2023

FY23 Report:

Income: \$99,899.00

Assessments	\$98,496.00
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Trash/Recycling Usage	\$1361.00
Interest and Other	\$42.00
Reserves	
Total	\$99,899.00

Higher than budgeted spending was realized in the following categories:

- The \$316 variance in year ending insurance expense was due to increased premiums upon renewal.
- The year ended variances in miscellaneous office expense were due to recording of the covenants and increases in software and office supplies, the year ended over budget in these categories by \$535.
- The \$2,500 increase in year ended legal fees was due to the covenants update process.
- The \$3,845 year ended variance in water testing fees was due to state mandated periodic testing.
- The \$354 and \$254 year ended variance in tractor parts and tractor fuel were due to above average snowfall.
- The \$8,237 year ended variance in depreciation is a non-budgeted and non-cash expense for tax reporting.

Less than budgeted spending was realized overall

- Overall, excess of revenue over expenses for the twelve months ended was \$1,879 and better than budget by \$1,879.

The increase in annual assessments last year was critical to maintaining a balanced budget in the face of increasing costs for services and increased demands for repairs, maintenance, and legal fees.

The Board voted to retain earnings to carry over to FY24 operating fund. Totaling \$5000.00

FY24 Budget: Income

Income: \$100,296.00

Assessments	\$98,496.00
Trash/Recycling Usage	\$1361.00
Interest and Other	\$42
Reserves	
Total	\$99,899.00

The board will continue to look for ways to enhance our reserve fund to offset any emergency expenditure. Results of the reserve study we had completed indicated a significant gap in actual v. recommended reserve fund amount for a subdivision of our size and our existing infrastructure. There are sufficient funds in the retained earnings of FY23 to allow for transferring \$5,000 from Operating to Reserve. This will be accomplished by the President.

FGEHA Annual water & sewer report 2022-23

- July 22. A bad motor on the new Verde well pump, combined with a leak at the end of Verde Lane was causing problems keeping the Verde tank full. This led to several interruptions in water service on the Verde side. The motor was replaced under warranty (The pump was new)

& the leak was identified & repaired by the home owner in mid-August, remediating the problem

<https://mail.google.com/mail/u/0?ui=2&ik=a16a234037&attid=0.1&permmsgid=msg-f:1742261970957282342&th=182dc2081c94ac26&view=att&disp=safe>

- September 22. An alternator that switches the 2 blower pumps to the lagoon went out. Olin replaced it with a new one. The pumps were down for about a week, so when they switched back on it caused a foul smell. We remained in compliance during the interruption
- September 22. The Rowland well was jet-rodded by Roto-rooter & Ball Septic cleaned the lift stations & contact chamber for fall preventative maintenance
- September 22. Batteries in the transmitter on top of the Verde tank were replaced
- October 22. Olin replaced both starter motors to the blowers in the influent house after one had become intermittent. They were very old
- October 22. Tim installed a foam seal on the Verde tank lid
- November 22. Power outages were a suspected culprit in causing the sump pump starter motors to become inoperable & nearly filling the main lift station tank. Olin rebooted the system & it functioned normally
- November 22. The State of Colorado is wondering why the amount of well flow does not match the influent. It may be that there are a few houses that have water but no sewer. They might think it's a break in the sewer line & its something we may need to reconcile with the state in 2023
- March 23. An outlet in the Rowland well house was corroded & not functioning. It had the space heater plugged into it. There are a few scorched outlets in the Rowland well house-possibly caused by chlorine inadequately contained. The chlorine is stored there & the fumes are corrosive. Fred suggested a Gemini a double containment Gamini chlorine solution tank & a dehumidifier & a thorough inspection of the electrical components for corrosion.
- March 23. Colorado Department of Public Health & Environment issued Forrest Groves a reduced monitoring waiver based on our prior results of our sampling. Our previous sampling schedule was every 3 years for inorganic chemicals & fluoride. Now we will only be required to perform these tests every 9 years with the next scheduled test in 2029. This will reduce our costs for testing
- April 23. There was no power in the effluent house. The problem was identified as a faulty circuit breaker located in the influent house. Olin replaced the breaker & purchased a spare
- April 23. A homeowner on High trails found a leak on a valve in his yard. He repaired the leak & evidence of the successful repair were reflected in the flow chart data.
- May 23. An alarm at the influent house alerted us to a problem with the sump pumps at the main lift station. The starter motor on one of the pumps was inoperable. We ran the system off one pump while awaiting a new starter motor. Olin replaced the starter motor.
- June 23. The #2 aspirator motor was not working. Olin & Dave pulled the aspirator out of the lagoon. Olin replaced the motor with a new one. He also replaced the water bearing, which has a five-year maintenance schedule. After inspecting the old water bearing, Olin did not find any significant wear, causing him to question the need for a five-year replacement timeline.
- June 23. Roto Rooter jet rodded the main sewer line on the Rowland side, & Ball septic cleaned the main lift station for our Spring preventative maintenance. Their prices for this service went up significantly

- June 23. The starter motor for the other sump pump in the main lift station went out. We repeated the procedure from May & ran the lift station off of 1 pump while Olin ordered another starter motor
- June 23. The battery to the transmitter at the Verde tank was replaced.

FGEHA Secretary Report 7.15.23 Tracy Davis

In March, the FGEHOA Secretary stepped down for personal reasons and I was asked to sit on the board until July 2023. A large focus for the board, over and above the usual work of running a neighborhood during this period, was updating the FGEHOA covenants. Our neighbor Dave Rahn along with our board President Stan Dunlap did painstaking research and editing to prepare a new document. The proposed covenants went before our attorney to check/recheck for any legal concerns. After a focus committee proposed changes and updates, extra meetings were held to which all member owners were invited, and the board, with a number of interested homeowners, discussed the new covenants. Homeowners then voted and approved the covenants to be initiated in July 2023. Stan Dunlap as board President and I as board Secretary signed the new document and it was filed with La Plata County Clerk & Recorder. May the covenant changes serve our community well. In the coming months our board will be revising the rules and policies, and homeowners are always invited to attend board meetings to provide input.

Respectfully,
Tracy Davis

FGEHA Report – Roads, Trash/Recycling Jen Redfern No written report

Roads -- After seven years of upgrading, roads are in firmest shape so far. The bid for this year included allowance for delivery of 10 loads of road-base. After visual inspection, it was decided that only 3 loads were required, resulting in a savings of several thousand dollars. Concerns had been expressed by several homeowners not wanting the dust mitigation materials on the roads in front of their house. (Dust mitigation liquid consists of approximately 85% lignosulfonate from tree sap and 15% mag chloride.) Concern was also expressed by one homeowner who wished to have the mitigation materials and whose road was not sprayed. The Board will need to review prior to next year's road work.

Trash – several incidents this year: one dumpster fire caused by warm fireplace ashes, one collapsed lid apparently caused by a bear using it as a trampoline, and one crushed dumpster apparently crushed by driver error. Both dumpsters dumped twice a week (Mondays & Thursdays), May through October; one dumped once week November – April. Reminder not to leave trash on top of or next to a full dumpster. Wait a few days and try again.

Limbs, branches and other such materials should NOT be left on the tennis court until just prior to a scheduled community clean-up day.

Recycling – Waste Management has not been able to sell any many recycled materials consequently has reduced our collection to once every other Wednesday.

- h) Announcement of new Board members
Since there were two volunteers and two openings, no election was necessary this year. The Board is happy to welcome Andy Arnold and Jennifer Mack replacing Tracy Davis and Stan Dunlap.
- i) Unfinished business – none presented
- j) New business – none presented

Adjournment was approved at 1:52