

**Forrest Groves Estates Homeowners Association
Board of Directors Meeting**

Zoom link: <https://zoom.us/j/98574091879?pwd=ZzcwUnJnQWJVTFI5TkZWTgrNStlQT09>

MINUTES

Thursday, March 16, 2023 7:00 p.m.

Call to Order: 7:02 pm

Board Attendance: Stan Dunlap, Beth Gordon, Dave Kasper, Jen Redfern, *Tracy Davis*

Guest Attendance: David Bowen, Dave Rahn, Tim Wheeler, Mary Dunlap, Barbara Beevers

- Motion to approve February 2023 Board Minutes
- Motion – Dave K Second -- Beth
- Accepted Jill Corr's resignation as Secretary due to health issues
- Approved Tracy Davis to complete secretary's term for Jill Corr through the July Annual Meeting

REPORTS **

Finance Report: David Bowen / Beth Gordon

February Financial Report: available at <https://forrestgrovesestates.communitysite.com/>

As of Feb 28, 2023

Cash in the operating account was \$29,427 and \$9,004 in the reserve account for a combined total or **\$38,431**.

Total Current Assets:	Operating	37,585 (incl. assessments receivable & pre-paid)
	Reserve	9,004
	Total	\$46,589

Accounts receivable as of 2/28/23 were \$6,680. As of 3/8/23 this balance was paid down by \$1,350.

Overall, excess of revenue/expenses for the eight months ended was \$23,376 and better than budget by \$8,198.

Notes on variances >or< \$100:

\$875 variance in legal fees was due to counsel on the covenants project

\$137 variance in sewer/lab testing due to timing

\$592 variance in tractor maintenance was to replace windshield

Negative \$9 in trash & recycling was due to applied credits for reduced services

Overall, deficiency of revenue over expenses for the eight months ended was \$999 and better than budget by \$251 due to savings in the reserve study project.

- **FUND BALANCE – RESERVE FUND**

A standard recommendation in the Reserve Industry suggests that about one fourth to one third of an HOA's available funds be held in Reserve. FGEHA reserve is now at under 10% funded. Based on the completion of the asset component and reserve study conducted by Robbie Pepper of Facilities Advisors, Association infrastructure assets (sewer, water, roads, bridge, equipment) are preliminarily valued at just over \$200,000. Based on a projected annual inflation rate of 4%, over the next 20 years, replacement costs could exceed \$350-\$400,000. Rather than having to impose a Special Assessment to meet the needs as they arise, two years ago the Board was finally able to establish a Reserve Fund. The Association has been able to fund it for about \$10,000, but more will need to be added over time. Adding about \$15-17,000 per year to the Reserve Fund would move us toward a safer level of reserve funding. One proposal that could be used to fund that would be to add a \$25-30/month assessment to the reserve. This is under discussion and your input would be appreciated. Other options may be available and will be explored (see below STRs).

- Preliminary look at Budget for 2023-24 – priorities are to make sure that funds are available to accomplish Board goals and meet the needs of Members, especially during this time of rising costs. A formal preliminary budget will be presented at the April Board Meeting.

Committee Reports

- WAP Update – It's going to be an exciting spring this year! Once all of this snow melts, I think we will have some cleanup to do!!
Our **neighborhood cleanup weekend** will be **May 20-21**. We will have the big chipper (Target Rental) and the 30 cubic yard dumpster on the "tennis court". As in the past, we can start placing the branches on the east side trying to keep them fairly tidy for those who live next door. We have had a neighbor volunteer to tow a trailer around the area to collect your slash. Volunteers to work with him would be appreciated. Let us know if you could help. Please **DO NOT** leave branches on the "tennis court" after May 21. Trim them down and put them in the regular dumpsters.
Your **reporting of hours** spent both on your own property as well as the neighborhood will be especially important for us to stay in WAP and the blessings of assistance for fire mitigation.
Thanks! See you soon!

Water and Sewer Report: Dave Kasper

- Updates – Fred Stephenson reported a problem with the electrical outlets and a dead heater in the Rowland well house. Since it is not urgent, repairs are scheduled to be completed in early April as the snow melts and things begin to thaw. Fred will check on a double-lined container for the chlorination process and perhaps add a de-humidifier. Tim will check status tomorrow. Olin Kane is an electrical engineer, Suggestion to ask Olin about the needs of the Rowland well house when he returns. If we need an electrician, ask Jacob Bleth or Michael Rossback who are contractors. Stan as a list of contractors also.

Road & Trash/Recycling Report: Jen Redfern (with an assist by Stan)

- Roads –149" of snow so far this season (as of 3/16/23) compared to 30yr average of 120"; the last 2 years were just under 100".
- Snowplow drivers update; much appreciation to our **volunteer** drivers. Tim will grade road by entrance with road base (by lagoon) when things thaw.
- Thanks to Jen's efforts, the WM invoice has been adjusted after weather issues prevented emptying the recycle bin
- No recent dumpster fires... YAY. THANK YOU!
- Janie at Waste Management has the date for our reservation of a 30 yard dumpster for the weekend of May 20-21 with drop off on the 19th and pickup on the 22nd. To be placed in the same area as the recycling bin, to the right, with enough room left to place a chipper next to the dumpster on the right. We have also received a credit for 1/2 of December and the month of January for our recycling dumpster.
- Also, Tim and Olin have been putting in extra time cleaning up and maintaining our roads during this slushy period. We greatly appreciate their hard work.

Old Business

- Update on the **Reserve Study** process – Stan
 - FGEHA Assets, life expectancy and cost info. as well as the full report and supplement from Facilities Advisors is now on the FGEHA website

Amended and Restated Covenants – follow-up. There was a Special Meeting, March 9 to discuss the Covenants.

Although about 90% of the proposed Covenants have been agreed to by the Board and participants, action on wording needs to be completed on Association Maintenance (roads, water and sewer mainlines and individual lines on owner property) and also on Rentals – Short-term and Long-Term. One idea under discussion was to cap the STRs at no more than 25% of FGE. This would help protect the feeling of our small neighborhood and grandfather in existing STR owners provided they remain in compliance with the Policy and Rules. A Verification form was solicited from Owners and Rental Agents to ensure current Policy and Rules are being followed. Several concerns surfaced and were addressed, e.g. posting of tax rate on all websites and advertising for a

March 2023 Board Meeting MINUTES

Rental, as well as having that info posted in the rental home. Also missing from some was the FGEHA expectations and rules for rental guests. DORA has highlighted the importance of the HOA having accurate contact information for all renters, especially in case of an emergency. In order to clarify sentiment among the Members, there was discussion about offering Zoom open meetings to gather Member input. Timeline TBD – still under discussion. From the STR Verification Forms, the following summary was generated.

- **FGEHA Short-Term Rental Summary 2022**

- Rental Units 9
- Reservations 197
- Total nights 1,172
- Total Rent * \$ 330,809
- Ave Per Night \$ 282
- Range \$100 - \$540
- Ave Per stay \$ 1,679
- Ave Per owner \$ 36,757
- Range \$4,399 - \$ 70,277

*excluding rental agent fees & maintenance

Stan expressed concern about the variations in tax collection reported by one rental agent – wide variation in amount reported - not standardized at the 6.9% required for LaPlata County. Now that DORA/HOA has authorized HOAs charging fees for Short-Term rentals, there was discussion about possibly charging an Owner License fee and a Rental Agent fee -- \$500 was suggested as a possible starting point for discussion. With the 9 current STRs, that could generate \$18,000. Also, Stan suggested a \$25 HOA Reservation fee be charged to each rental to be paid by the renter along with the other fees, which, based on the nearly 200 Reservations this year could amount to about \$5,000 for the Association. Another suggestion was to simply make the HOA Reservation Fee (or something like that) be a percentage (similar to a Tax). For example, a fee of 4% of this year's \$330,000 would have generated approx. \$13,000. If these funds were designated for the Reserve Fund, this combination of funding could reduce or eliminate the need for a \$30/month Reserve Fee to be paid by each lot owner.

David Bowen reported that Master Association at Purgatory charges an HOA Resort Fee of between 0.5% and 4% as a transaction fee for community improvement. Discussion continued about a fixed rate flat fee versus a percentage fee, as well as a one- or two-year License. Perhaps, FGEHA should have a lottery if there are available slots to determine who gets one.

It's important to take more time to get this right since it will impact FGE for as long time.

New Business

- Meet N Greet – Sunday, June 4, 2023 Treasure Island 2:00 ; bring an hors d'oeuvre to share.
- Annual Meeting –tentatively Saturday July 8 or 15, 2023 1:00 Treasure Island – arrangements to be made for people who can't attend in person to participate either by Zoom or phone. Details pending.
- Jill Corr has resigned from her position as Board Secretary due to health reasons. Our best wishes for good health for her.

Tracy Davis has told us that she is willing to finish the term through the Annual Meeting. Thank You, Tracy.

- Welcome to River dent, the newest member of FGEHA.
- HELP WANTED: There will be two Board openings for next fiscal year.

Motion to Adjourn: Dave Second: Beth Adjourned 8:27 pm

Next Board Meeting: Thursday, April 20th – 7:00 pm – Zoom