

**Cole Mill Townes Homeowners Association
Minutes of Annual Meeting
November 30, 2021 – Conducted Via Zoom**

HOMEOWNERS IN ATTENDANCE

Bruce Lewis, HOA Board Member
Angie Padget, HOA Board Member
Sharon Terry, HOA Board Member
Jeannette Porter
Cherie Wilson
Chris McLeod
Brad Boswell
Jai Bradford
Jim Alrutz
Valinda Hicks
Daryl Teddy
Jamie Beasley (by proxy held by Jeannette Porter)
Colleen Schwoerke (proxy for Stephen Sachs)
Jim Pellichen (proxy for Michelle Pellichen)
Proxies Submitted to Bruce
 Bianca Lupan
 Phyllis Dalton

WELCOME – Bruce Lewis, HOA President

QUORUM

Bruce indicated that it takes 14 for a quorum on the first round. Angie reported that 16 homeowners were present (including the 5 proxies), so a quorum was reached.

BUDGETS

On 11/1/2021, Bruce sent out a summary of the 2021 budget, including expenditures through 10/31/2021, and the 2022 budget (see 1st attachment).

Referencing this document, he began with a review of the 2021 budget, starting with the roofs. He reported that, per the three year plan, two roofs were to be replaced this year. The roof on the 200 building was completed in Spring 2021; it was chosen because it had a leak and our practice is to replace the roof rather than just do a repair. The 300 building roof replacement is scheduled to begin Monday (12/6). Collins Roofing, our contractor, recommended that the 300 building is in the most need, which is why it was chosen as the second building to get a new roof this year. We are on schedule to finish the remaining roofs by 2023.

Bruce then turned to the 2021 operating expenditures, indicating that he had received the November financial statement from Arnold just this morning and after his review he concluded that the operating budget is tracking well. He complimented Arnold for the accuracy of these expense estimates. The only expenditure that went over its budget was pine straw, which cost twice as much this year as last. That shortage will be made up from small surpluses in other lines, including the snow removal line, which looks like it will not be touched this year. As always, any final surplus in the operating budget will be carried over into next year's budget.

Next, Bruce took up the topic of the deferred maintenance funds in the 2021 budget. He noted that last year the HOA approved higher dues that generated \$8,000 in this year's budget, specifically for deferred maintenance projects. He reported that the Board prioritized four projects for these funds, where the need was most. First, repairing siding on the dormers that are in the worst shape (801, 1101 and 1103); the first two of these have been done, the third one will be completed by the end of December. Second, trimming trees/bushes behind the 800 and 400 buildings. This has been finished.

At this point, Cherie Wilson interrupted with several complaints. She said that the trees behind her unit had not been trimmed back enough and that she wanted to know who did this trimming. Bruce indicated that it was Todd & Sons Tree Service, a contractor we've used for years. Cherie also complained that people's things are sitting out in the grass behind the 400 building. She complained that when the gutters on the front of her house were cleaned the workers left a mess on the side of her garage [*Post-this-meeting note: Cherie was apparently referring to an incident from two years ago; at the time she instantly reported it to Bruce and he immediately had the workers clean it up that same afternoon.*] Cherie said she had purchased a townhome to have the exterior of her home/lawn taken care of by the HOA dues. Bruce noted that is exactly what is happening. But, he reiterated that we are short on funds to accommodate everyone's requests because we went for years without increasing dues, and now we don't have enough money to get everything done at once. At this point the roofs are the top priority, along with the projects prioritized by the Board from the deferred maintenance monies added to the budget last year. Chris said that Bruce and the Board have set up priorities and she wants to caution that we don't shoot the messenger.

A discussion of our lawn maintenance service ensued. Bruce appointed Cherie to a committee to evaluate our lawn maintenance service and propose a change, if warranted, for consideration by the Board. Jeanette and Valinda agreed to serve on this committee also.

Bruce then resumed reporting on the deferred maintenance projects funded in the 2021 budget. The third project was a basic repair of the decks. This was chosen as one of the prioritized deferred maintenance projects because the Board clarified that the HOA would not be responsible for the decks. Since Allenton Management had done rudimentary repairs on the decks in the past, this project was to bring the decks up to a basic level before the HOA ceased this support. This decision was explained to the HOA members via email last Spring.

Bruce noted that the fourth deferred maintenance project to be paid out of 2021 funds is planting new trees to replace the Bradford Pears that were removed last Winter on Culpepper. Our landscape maintenance contractor has recommended that we don't replace all four of those trees. Instead, he recommended that two trees be planted on the side of Culpepper in front of the 300 building; he recommended these be Crepe Myrtles. The reason he recommended planting new trees only on this one side was due to the presence of an existing large tree on the other side near one of the spots where a Bradford Pear was removed (and the new tree would be planted), and the small space available for the other tree on that side. Bruce does not have a final cost for this project yet, and a contract for this work has not been let. Colleen, representing Stephen Sachs (the owner of unit 203), complained that they were told there would be a tree replaced in front of their unit. Jeanette said she thinks the homeowners should have a discussion of the type of trees that are planted, as well as how many and their locations. She also thought that we should use someone other than our current landscaper for these trees. Since she held Jamie's proxy for this meeting, Jeanette advised that Jamie does not want a crepe myrtle in her yard because the flower petals are dirty and fall on cars. Bruce asked Jeanette to consult with homeowners and make a proposal for consideration by the Board.

Bruce then moved on to the next agenda item, the 2022 budget. He announced that the monthly dues, commencing 1/1/2022, will be \$330/month; all of the increase will go for roof replacement. He indicated that the operating budget for 2022 will be the same as 2021. The deferred maintenance budget has been reduced by \$2,004 in 2022 to hold down the increase in dues. Bruce said he would like to see the deferred maintenance funds in 2022 put toward pressure washing and more tree timing. Bruce noted that two more buildings will be slated for new roofs in 2022, per the three-year plan. The 2022 budget calls for \$42,476 for next year's roofs (not included in this figure is an estimated \$3,707 carryover from 2021).

Brad noted that the roof fund is budgeted at approximately \$42.5k for next year, but it was only approximately \$32.2k in 2021 (see attachments). Brad asked why the roof fund needs to be 30% higher than last year? Bruce answered by saying that the budgeted amount in 2021 only bought one roof. We had a carryover in the roof fund of approximately \$33k from 2020 (because we only did one unit in 2020) and this carryover essentially paid for the second roof in 2021; the actual cost for the two roofs in 2021 is approximately \$61.4k (see 2nd attachment). Bruce noted that in 2022 almost all of the money for the roofs will come from the dues because there will be minimal carryover, thus the need for this increase. He said that the estimated cost for roof replacements in 2022 is actually low because one of the targets is the 1100 building, which needs only two unit roofs replaced (the other unit roof is the one done in 2020). Collins Roofing recommended replacing the rest of the unit roofs on the 1100 building as soon as possible, so the new shingles would match the ones on the already-replaced roof. In 2023 the estimated cost to replace the roofs on the last two buildings will be approximately \$63.1k. At that point we will not have much carryover, so the dues will have to go up again that year to finish the three-year roof plan.

ELECTION OF BOARD FOR 2022

Bruce indicated that the CMT By-Laws require a Board of at least three and no more than seven HOA members. He said that he, Angie and Sharon had agreed to stay on the Board for 2022. It was agreed by unanimous consent that these members would stay on the Board. Bruce asked if anyone else wanted to join the Board. Cherie Wilson said she did. A motion was made and seconded, to elect Cherie to the Board, and it carried. The CMT Board for 2022 will consist of Bruce Lewis, Sharon Terry, Angie Padget, and Cherie Wilson.

OTHER BUSINESS

Jim Pellichen suggested that tree limbs should be trimmed before a roof is replaced. He noted that if limbs above a roof are trimmed that will reduce moisture on the roof. Bruce agreed that would be good practice, but the question is can we afford it. The 300 building, which is getting a new roof next Monday, doesn't seem to have too many overhanging tree limbs. We will try to do that for the units scheduled for roof replacement in 2022 using deferred maintenance funds. In the future, Bruce would like to have a line item in the budget for trees to be trimmed every year. We will try to incorporate that in the 2023 budget.

Daryl asked if he could trim bushes on the perimeter of his lot and put the limbs out by the sidewalk along Rose-of-Sharon. Bruce said yes, he would get them removed.

Bruce indicated that he has provided a revised design to Allenton Management for a redo of the CMT webpage(s) on the Allenton website. This design would better organize the CMT page(s) (with subpages) and include more information (end-of year financial statements, minutes from all HOA and Board meetings, policy clarifications, etc.). Brad indicated that some documents on the CMT page are password protected. Bruce said he has also asked that this password protection be removed.

Bruce said that Arnold will send a letter via email formally announcing the 2022 dues. Early in 2022, the finalized 2021 CMT financial statement will be sent to all homeowners via email. Bruce will send out an email announcing the lawn maintenance review committee soon.

Jeanette asked that people please slow down when driving in and out of CMT.

MEETING ADJOURNED

ATTACHMENTS (on the following pages)

2021 Budget/Expenditures and 2022 Budget & Dues (sent out on 11/1/2021)

Roof Replacement Plan, Dues and Budget

Cole Mill Townes

11/1/2021

2021 Budget/Expenditures and 2022 Budget & Dues

	2021	2021	2022
	Actual	Budget	Budget
INCOME	Mo Dues:	\$300	\$330
HOA Dues Payment		82,800	91,080
Other income		0	0
TOTAL INCOME		82,800	91,080
	Expenditures		
OPERATING EXPENSE	To 10/31/2021		
Maintenance	4,937	6,500	6,500
Exterminating	920	1,000	1,000
Lawn Maintenance	21,111	24,000	24,000
Pine Straw/Mulch	4,994	4,000	4,000
Insurance	550	550	550
Management	3,000	3,600	3,600
Water/Sewer	523	600	600
Electricity	1,018	1,225	1,225
Snow Removal	0	800	800
Legal/Accounting	265	250	265
Miscellaneous Expense	0	75	64
TOTAL OPERATING EXPENSE	37,318	42,600	42,604
DEFERRED MAINTENANCE	0	8,004	6,000
ROOF RESERVE FUND	32,007	32,196	42,476
TOTAL ANNUAL BUDGET		82,800	91,080

Dues Components in 2022	
Operating Expense	\$154
Deferred Maintenance	\$22
Roof Reserve	\$154
Monthly Dues:	\$330

Cole Mill Townes - Roof Replacement Schedule, Dues & Budget

12/1/2021

Roof Replacement Schedule

<u>Year</u>	<u># Buildings</u>	<u># Units</u>	<u>Projected Cost</u>
< 2021	1.33	3	\$23,134
2021	2	8	\$61,402
2022	1.67	5	\$44,900
2023	2	7	\$63,126
Totals:	7	23	\$192,562

Monthly Dues

<u>Year</u>	<u>%Increase</u>	<u>\$Increase</u>	<u>Dues</u>
2020	15%	\$29	\$222
2021	35%	\$78	\$300
2022	10.0%	\$30	\$330
2023	To Be Determined		

Annual Budget

Roof Reserve

<u>Year</u>	<u>Budget</u>	<u>Balance*</u>
2020	\$16,671	\$32,913
2021	\$32,196	\$3,707
2022	\$42,476	\$1,283
2023	To Be Determined	
*At End of FY		

Operating

<u>Year</u>	<u>Op Exp</u>	<u>Def Maint</u>
2020	\$42,600	\$0
2021	\$42,600	\$8,004
2022	\$42,604	\$6,000
2023	To Be Determined	