

**COLONIAL TRACE VILLAS
ANNUAL HOMEOWNERS' ASSOCIATION MEETING**

NOVEMBER 8, 2022

MINUTES

Call to Order

Pursuant to call, the Annual Members Meeting of the Colonial Trace Villas Homeowners' Association, Inc. was held on November 8, 2022, commencing at 6:30 PM at the V.F.W Post 10804 located at 111 Highway 57 North, Little River, South Carolina 29566.

Quorum

Keith Jester, President, formally opened the Meeting in accordance with the Declaration and By-Laws of the Association. Roll call was taken at the door in order to verify the establishment of a quorum.

Present in Person	23
Proxy	38
TOTAL	61

Proof of Mailing:

Keith Jester examined the Proof of Mailing of the Notice of the Annual Members Meeting, and the instruction was given to Pam Bane to file the Proof of Mailing Notice with the official Minutes of the meeting.

Approval of Minutes:

Mary Ann Prater (427) made a Motion to approve the Minutes of the November 10, 2021 meeting. Dave Weaver (513) seconded the Motion and it unanimously carried.

Report of Officers:

Chris MacCallum (494) gave the financial report. In 2021 the HOA insurance cost was around \$45,000.00. When we were working on the 2022 budget all the insurance companies were recommending around a 20% increase at renewal. We budgeted \$64,000 and the renewal was a little over \$80,000. The Board used the reserves to pay for the insurance and did not to raise the HOA fees to cover the overage. We are repaying the reserves on a monthly basis to reimburse it. Insurance is estimated to be around \$98,000 for the 2023 renewal. Any increase is primarily due to the insurance increases. Our insurance has already been sent out to market to see if we can obtain better pricing when we renew in 2023.

The cable cost has an automatic 5% increase in April every year. Internet for all the units is also included in our contract at a discounted rate. This increase reflects the budget in the handout you were given when you signed in tonight.

The Board has replenished the reserve fund from what we borrowed to pay the insurance.

Reserve account has \$142,865.61; Operating Account has \$9,127.30 and \$751.00 in Accounts Receivables for a total of \$152,743.91. The Board of Directors made a decision several years ago to never allow the Reserve account to go below \$30,000. The HOA received \$100,000 from the lawsuit for the leaks and \$82,000 was received from assessments for a total of \$182,000. Since the lawsuit was settled, the Association has spent \$433,000 on deck repairs. The Board of Directors over several years time, used \$250,000 of the monthly assessments collected to make these repairs. We couldn't allow the homes of the owners to have existing leaks which could turn disastrous over time.

A \$6,000 portion of the HOA fees goes into the capital reserves for the roof program. Bob Bates had a question about the miscellaneous expense of \$12,000. These are funds that were spent this year for deck repairs.

Election of Officers;

Margaret Bacon (461), Keith Jester (464), Winnie Price (489) and Virginia "Ginny" Taylor (495) submitted their names for nomination prior to the Annual Meeting. Keith Jester opened the floor for nominations and or volunteers. There were no nominations from the floor. Dennis Cyphers (436) made a Motion to close the nominations and the Motion was seconded and it unanimously carried. Dave Weaver (513), Jeff MacCallum (494) and Mary Ann Prater (427) volunteered to be the ballot inspectors and Freda Gore assisted. The results were announced and Marge Bacon, Virginia "Ginny" Taylor and Winnie Price were elected to the Board of Directors.

Old/Unfinished Business:

Susan Swak had concerns about the new roof that was put on. She said it didn't match all the others. The contractors got as close as they could to the other roofs but they no longer make that color. A question was asked if the roofers were finished. Keith Jester stated they were not and would be back to complete the work requested. Pat Rusack said she drove by at 4:00 pm and saw that the trim was indeed sitting between the buildings to finish the dormer and the peak. Keith Jester ensured everyone that he would not let them go without finishing the job.

Christine Taylor stated the gutters needed to be cleaned and was full of pine branches in the front and rear. Freda Gore said she would contact the contractor to have them done. Building 11, 12, & 13 don't have to be done because they are not bad.

Trudy Martin asked if they were going to do another roof replacement in 2022. Keith Jester said doesn't look likely for this year. Chris MacCallum said there is only \$67,000 in the reserve account at this time, and we will never take the reserves under \$30,000. However, it is possible we will do another roof replacement in 2023.

The HOA took out a tree near Trudy Martin's unit and the area is nothing but mud. Landscaping is waiting on this area to settle before they address this. Pam Bane will ask Tommy Hemingway to check into it. Mary Ann Prater stated that Hemingway's was working on yesterday.

Mark Burgee (474) asked at what year is the HOA in the 10 year plan roof replacement project. Mark Burgee stated that we are in year 12, but if proposed for 10 years, but on the 9th roof, and

still have 6 more to fix. Is there any anticipation of when they will be fixed? Chris MacCallum stated that we have spent \$400,000.00 on deck repairs. We had to delay the roof replacements during this time as we were not having issues with roof leaks, but had major issues with decks leaking. Funds are being contributed to the reserves on a monthly basis to try to build these up and as funds are available we will replace the remaining roofs. We are no longer adding an additional \$5.00 per unit per month to go towards reserves. The average cost for the deck repairs has been \$6,000.

There was discussion about how much has been spent on the insurance when the HOA has had no insurance claims. Pam Bane stated that the HOA has not had any claims in several years. Mr. Taylor asked if the Board asked the insurance company to come look at the decks to see if they would cover the cost of the repairs as an insurance claim. Pam Bane stated the insurance company is aware of the issue, but due to it being builder defects there is no coverage for the Association to be able to file a claim. The insurance will not pay for these types of repairs. They will pay if a building was to burn down, or a pipe burst and flooded a unit, things of this nature. You can't buy insurance for condominiums that will cover the cost of maintenance issues such as rotted wood. They also take into consideration the age of the roofs when a claim is filed for things such as storm damages. The HOA has had one loss in the past 10 to 15 years. We are not in a flood zone nor do we pay for flood insurance.

Mark Burgee noted that he has had a leak behind the soffit that still persists. He also expressed his concerns about too many people in the community doing whatever they wanted to do.

There was discussion about the Rules & Regulations Section 12: No athletic equipment, or grills under the car porch. Richard Utz (451) wanted to know if the Rules & Regulations allowed grills and bicycles. Keith Jester stated that bicycles are fine and are not considered as athletic equipment or toys. Grills are to be stored in the back of the unit and when in use must be 10 feet from the building.

Susan Szwak (433) wanted to know what was going on with the drainage system and if it was clogged. Keith Jester stated that the County Storm water Department and the Colonial Charters Drainage Committee have been out twice to look at the system. They advised us to contact an engineer and have them do a study to determine what needs to be done to correct the issues. We have contacted 17 engineers to see if anyone was willing to come in, we tried to no avail. An estimated cost is about \$13,400. Several owners have mentioned there is supposed to be a drain behind Building # 1, but have been unable to locate it. Mark Burgee said years ago, the Board installed a French drain behind Building #1. It is believed the Board members at that time installed it themselves.

New Business:

Freda Gore will post all Meeting Minutes going forward on the website for owner's access.

2023 Budget will increase to \$358.00 for those that have trash pickup and \$343.00 for the ones that do not include trash. There were no questions about the increase or the budget. A \$5.00 increase was also included for other things that are going up such as the cost of postage.

Adjournment:

There being no further business to discuss Richard Utz (451) made a Motion to Adjourn. The Motion was seconded by Mrs. Weaver (513) and it unanimously carried.

Respectfully Submitted,

Freda Gore, Recording Secretary