

Coolidge Falls Homeowners' Annual Meeting

Saturday,
December 5, 2020

Attendance via Zoom: John Prokos, Joel Spiller, Bill Burdin, Laura Mann, Jeffrey Liber, Kathy Margerison, Danielle Black, Mike Rezendes and invited guest Attorney Gregory Sorg.

This year's Annual Coolidge Falls Homeowner Meeting was held via Zoom. John Prokos opened up the meeting at 1:00PM and allowed registrants to enter when a large majority had populated. Over 100 members registered for the meeting and approximately 75 attended. A quorum of 58 votes was achieved and 181 proxy votes were received. John welcomed everyone to the annual meeting and thanked them for registering and participating. He provided detailed instruction on how the meeting would proceed and what the protocols would be for discussion, asking questions and voting. Laura Mann acted as co-host and was responsible for calling upon homeowners with questions and allowing them into the forum.

Additionally, John gave a rundown of the detailed agenda and instructed our membership that limited time strictly governs the amount of discussion on each agenda item. He then introduced the board members.

John welcomed over 12 new homeowner's to Coolidge Falls and commented that 2020 has been a year of great change and similarly one of the most active, for homes bought and sold within the association.

Bill Burdin gave a detailed financial report:

Income from all sources exceeded \$473,000. Of that, \$375,000 came from homeowner dues. Approximately 90 percent of owners took advantage of the ten per cent discount offered for a single payment. Expenses are under control. However, Winget's new three-year contract for plowing and landscape service has risen by \$12,000 annually, Spectrum Cable expense has likewise risen about \$10,000, and the dumpster expense has exceeded the budgeted amount of \$7,500 by \$2,500.00 with another month to go. Next year \$12,000 will be budgeted for the dumpster. We saved \$4,000 on the shuttle service as we received a credit for last year's early service termination. But we are receiving less service for the same money. We saved \$1000.00 on electric due to LED lights Roland Mattison worked on a few years back. At year's end there will be \$155,000 in the road reserve.

After paying \$6,000 for the crack repair (incomplete due to weather) and \$1,600 for hydrant repair on Highview Road, we expect to have a surplus of \$11,000.00 for 2020. The Accounts Receivable are in good shape with about \$25,000 owed. Two owners are responsible for \$18,000 of that, for maintenance issues and legal fees. We expect to receive \$5,000 for dues owed from another owner by year's end. We have approximately \$245,000 on hand plus \$155,000 in the road reserve. We are in excellent financial condition.

Joel Spiller presented the Maintenance Committee Report and began by thanking Danielle Black and Mike Rezendes for their outstanding work. This has been quite the year of change and they both deserve major kudos for their continued efforts and dedication in maintaining Coolidge as one of the finest Associations in the area. Joel reported that the sewage system has been cleaned and inspected and that only a partial seal coating was completed this year. Overall, the conditions of our roads are good. Joel estimates that when the roads again require to be repaved, it would likely cost nearly \$500,000 as compared to \$300,000 when it was last completed.

Joel spoke about trash and recycling, its contamination and how the net effect is more money and increased fees. Joel reminded our members that tree cutting within the association is expressly prohibited and if there is a need for any tree work in and around your unit, you must contact the office and it will be handled from there.

Joel touched on the potential costs of hiring a security company to deal with the policing of the association due to the problems with Short Term Rentals (STR) on weekends and suggested that this may increase homeowner dues nearly \$250+ for 2021. Again, we have a competitive propane contract secured at \$1.17/gallon if you have a credit card on file. Joel urged all homeowners to get the price protection offered through White Mountain for \$45/year. Joel again thanked Mike and Danielle and the board for their support through this tough year.

John gave an overview of the Building and Landscape status and identified Danielle and Mike for their efforts and how their attention to detail support Coolidge in maintaining its status as a premier community.

There were no new homes built in 2020, there were however many renovations and some extensive remodeling. There are potentially 3 new homes slated to be built in 2021. John urged the homeowners to start early in gathering their permits and submitting their drawings for approval, citing that the town farms out submitted plans for review, and this often takes a large amount of time. Optimally being ready to start any new construction

5/1/21 would be most desirable to complete exterior work before the following winter season.

Coolidge generally allocates \$2500/year to tree planting and larger landscaping and this year because of the drought, and Danielle and Mike's recommendations, there was a slight cutback in the planting of new trees.

John took this opportunity to reach out to our membership and encourage anyone who has knowledge or expertise in an area in which we could benefit from their personal and professional education or interest, that they come forward and volunteer their experience to assist in the running of CHA.

The bus service provided by Loon will be limited to weekends only and will commence on Saturday, 12/12/20. The bus will run for the full week following Christmas and will also be available on MLK day. Two buses will be used to reduce crowding during the pandemic and masks must be worn at all times while riding the bus. The acquired GPS monitor will be employed again this year as it worked quite effectively last season.

Bill presented the dues:

In 2020 we had budgeted expenses of \$449,739 , for 2021 we have proposed a budget of \$474,500. This will mean an increase in dues of \$164.50 per unit.

The main culprits are:

Snow removal went up \$12,000

Dumpster up \$4,500

Insurance up \$1,500

Taxes up \$400

Spectrum up \$12,000

Categories that have been decreased are

Electricity for the grounds by \$1,000 and Shuttle by \$7,500 (accomplished by paying in two installments in 2021-2022 season)

We will use \$10,000 of the 2020 surplus to offset the dues increase to about \$125.00 instead of the \$164.50 mentioned above.

The 2021 dues for HOMES without the Discount \$3,562.93 and with the discount \$3,281.34.

The 2021 dues for LOTS without the discount \$2,684.32 and with discount \$2430.89.

Bill explained that the dues actually are the same as paid in 2015.

A discussion was had regarding homeowners' insurance and that those that rent their homes should discuss "Lessor's Liability" coverage to cover the acts of their tenants. Also, the number/percentage of homes being rented (over 20%) may adversely impact the Association's insurance premiums going forward (* and though not discussed at the meeting, the availability of mortgage money to new Coolidge buyers)

(**Also not mentioned at the meeting but the ownership should be aware that CHA should be named as an Additional Insured on the policies of those renting their homes.)

Erika Bzdel questioned how the potential increase in liability insurance would be prevented by limiting rentals to long term from short term if over 20% of the homes were still rented. Bill responded that our carrier may opt to not renew us, and we'd be forced into a substantially more expensive surplus line to get coverage resulting in a doubling or possible tripling of premium.

Jim Tartol asked if the dues increase for 2021 included coverage for a security officer and Bill explained that it does not.

Robert Glazer inquired why we still contract with Spectrum for cable when you can get it for free with the app. Jeff Liber replied that the current contract runs through 2025 and that the price of both cable and internet is a very favorable bargain for CHA.

Tom Quinn questioned at what level, for insurance purposes, is a home considered a rental. Bill Burdin responded if you make over \$2,000/year from renting the property.

Tom Quinn requested continuing the rental discussion on Saturday, February 27, 2021.

Kyle Turley inquired if introducing security was necessary and John responded that this can only be done with the approval of the members, as a way to control the excessive noise, parking and speeding problems CHA has been experiencing due to STR's on weekends.

Don Cody again questioned the 5-year Spectrum contract and voiced that the increase seemed significant considering you can stream content for far less.

Mike Palmer questioned whether Coolidge had searched outside of Loon for shuttle options. John confirmed that several options have been sought but

no local company was interested and Mark Krumm offered that his experience with such transportation is expensive and difficult to manage.

Joel Spiller made a motion to pass the budget as presented and it was seconded by Jeff Liber. The budget was unanimously approved via Zoom vote.

Kathy Margerison explained the voting process in both the election of directors and the appointment of officers. John Prokos, Laura Mann and Jeff Liber were up for election. Joel Spiller needed to be elected as Vice President.

Laura Mann asked that members raise their hands to nominate anyone not currently on the ballot and Mark Krumm was nominated by Erika Bzdel for the one year Director position currently held by Jeff Liber. This nomination was seconded by Gosia Moreau. John asked both Jeff and Mark to introduce themselves and give a summary of their experience and history within Coolidge Falls.

Roberta Lepore identified there might be confusion in the clarity of the Zoom question as did Kira Fabrizio, and there was a motion to revote and launch another poll. The question was re-clarified and relaunched.

Laura offered that a written report of voting results and homeowner proxies will be available by appointment at the office. Voting was completed by a poll, and John explained that the results would be reviewed and compared with a list of members and votes permitted under by laws, then any prior proxies would be added with the results reported later to the members.

(Final vote tally compiled after the meeting elected John Prokos as President, Joel Spiller as Vice President, Laura Mann and Jeff Liber as Directors.)

Laura Mann introduced the topic of and rationale for, the proposed STR ban and bylaw revisions. Mark Krumm volunteered to spearhead a rental committee along with Tom Quinn. Laura Mann and Jeff Liber will also be representatives on committee. The committee will include both renters and non-renters and is charged with creating an alternative proposal to the proposed STR ban, addressing noise, traffic and parking complaints, the negative changes in the CF environment due to the preponderance of renters, increased insurance costs for the Association, trash and recycling issues and rental requirements and compliance. They will be reporting back to the Board on or before 2/10/21 followed up by a Membership zoom meeting on 2/27/21 at 1:00 p.m.

Additionally, Laura explained that those who rent, cannot under our by-laws, be asked to pay more to cover extra trash, security and insurance costs incurred because of the current rental situation unless the by-laws were to be changed, that vote would need 75% membership approval.

CHA Attorney Greg Sorg was introduced and provided a detailed history of Coolidge Falls, it's formation as an association and the foundations upon which it was established, namely for no commercial use or time shares (STR's). A discussion of the proposed STR Ban ensued.

Peter Palmer questioned how the future votes will be tallied and asked how the proxies were being used and why Coolidge was paying an attorney for a history lesson and asked for a motion to adjourn the meeting.

Kyle Turley questioned Greg Sorg's description of Coolidge as timeshare and whether renting is a commercial usage.

Mark Krumm suggested using technology, the Lincoln Police combined with fees and fines to curb rental issues.

Alice Rich shared her summer experience during which at rented homes there were noisy parties, unpleasant people, her dog was hit by a renters car and the dumpster was overflowing.

Don Cody who was on the original rental committee stated that rental rules were intended to protect homeowners and that the association should look for workable solutions not condemnation.

Steve Toebbes commented that Mike and Danielle need not be the enforcers of rental rules.

Roberta Lepore added that these are unprecedented times and advised on not making long term decisions on short term problems.

Tom Quinn asked that the association not paint the issue with a broad brush and shared his personal homeownership story and his desire to share his home with future generations.

Paul Crockett said he is looking forward to Coolidge coming together as a community in handling this.

John Prokos requested a motion to continue the discussion at the February 27th meeting and the board should see an interim report for review on 2/10/21. The continued meeting will be devoted entirely to the STR issue.

John also asked everyone during this discussion to remember Coolidge Falls Homeowners Association's mission statement: ***Our purpose is to promote a congenial, valuable, attractive and pleasant residential community.***

Mark Krumm moved to adjourn the meeting until 2/27/21, Linda Ricciardelli seconded the motion and a show of hands voted to adjourn the meeting.

The meeting adjourned at 3:17 p.m to continue at 1PM on February 27, 2021.

Kathy Margerison
CHA Secretary