



**Valley Forge Towers South
Condominium Association**

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Dear Friends and Neighbors:

You will be receiving coupon books for the 2022 HOA fee payments. I am sure you, like my family, are aware that pandemic related inflation is at highs not experienced in decades. While economists say that this is “transitory” the bite out of our wallets is not. As a building, we have been similarly afflicted. Everything costs more. There are supply chain issues. There are few things more irksome than having to wait months for an item and having to pay much more for it. Wage rates are increasing as well.

To keep up with inflation and to move the community forward, the HOA fees will be increasing approximately 7.25% this year. Your exact percentage may vary as there are fixed items such as the Comcast bill, which are allocated on a per unit basis. After the beginning of the year a complete budget detail and explanation will be available

I believe the heavy lifting to get our community back to fiscal responsibility is done.

Last year, our first on the council, we scaled back spending wherever possible. We operated without an assistant manager and without a third maintenance person. For 2022 we have filled those positions. We are back to being fully staffed! With this level of staffing, we should be able to meet your needs on a timely basis. When we don't, please let us know.

During 2021 we **began** to address the capital needs of the building. We obtained a capital replacement reserve study that recommended we put away reserves of over \$900,000 per year to begin to address the aging building infrastructure. During 2019 and 2020 we fell short of funding the reserves by over \$400,000. Additionally, in early 2020, the association purchased two commercial units (115 and 116). The replacement reserves were utilized to fund the purchase. We have been informed by the Association Solicitor and our accountant that these reserve funds must be restored.

During 2021 we were able to fully fund our budgeted \$425,000 for reserves for the first time since 2018. For 2022 we are budgeting capital replacement reserve contributions at \$500,000. We intend to raise the replacement reserves each year until our targeted level of annual set asides is achieved. This is the first step in meeting the needs of this building.

Now that we have a year of operational experience we will look to achieve savings where we can. We accept the challenge of spending your money wisely, with a goal of improving the marketability and value of your residence. Toward these goals, Council has created a list of items we wish to begin addressing. These include, but are not limited to those items on the following page. We are looking for input on your building priorities.

Respectfully,

Mike Samuels

Issues Council Wishes to Research, Prioritize and Create Implementation Timeline 2022

Cost Savings

- 1) Review and renegotiate existing contracts
- 2) Seek energy and operating efficiencies

Building Interior

- 3) Trash compactor.
- 4) New Sanitary Pipes/lining options?
- 5) Storm Drain Lines/Condensate line bypass on first floor – current ones not sufficient size to remove water from roof.
- 6) Upgraded Electric – breaker panels on each floor
- 7) Investigate “Floodstop” or similar systems

Building Exterior

- 8) Cantilever beams
- 9) Water Infiltration
- 10) Balcony railings
- 11) The decorative pebbles on the balconies and the doors and overhangs outside are chipping off. Not only is it unsightly, but I also understand that they are made of asbestos. What do we need to do about that?
- 12) Exterior Paint
- 13) water quality testing/non-sodium-based water softener
- 14) air quality testing
- 15) sprinklers above the first floor (units/hallways)
- 16) convert dry standpipe to wet standpipe
- 17) Building Exterior – podium/vertical walls
- 18) 115/116 uses/uses of all of our owned spaces
- 19) First floor bathrooms - expand, improve, make ADA compliant
- 20) Facial/handprint/geofencing access to lobby
- 21) Maintenance personnel area

Garages

- 22) Whose job is it to make sure that the overhangs from the door to the garages are in good repair and secure, are they checked periodically? Community Association?
- 23) Upgraded Electric – individual metering for electric vehicles
- 24) Overhangs from the door to the garages

Electronic Infrastructure

- 25) Digital phone system for office (ring central, other)
- 26) Upgrade common area wireless
- 27) Wireless connection in elevators/elevator emergency phones
- 28) Research electronic and biometric entrance options

Note: The numbering is for ease of reference only. Does not indicate priority.