ANNUAL MEETING - Rivers Run Homeowners Association
September 2, 2014, in the Riparian Lecture Hall

Call to Order: 5:45 p.m.

Present: 30 Cottage owners present, 8 proxies and the developer (need 26 votes to pass resolutions)
Board Members: H. Maslich, L. McLaughlin, J. Galvin, W. Fischer and J. Manetta from Crofton Management. J. Thomas absent

Handouts at the Door:

Agenda
HOA Board Activity Summary
Budget Analysis
Address List (note F. Weinstein email should be freddnatd1@gmail.com
Lease of Cottages
Offering Plan statement
Variance Request form
Direct Debit Payment Authorization form
Emergency Contact form
2013 Annual Meeting Minutes

Welcome:

H. Maslich introduced members of the Board and explained the requirements of an annual meeting.

P.Tobin gave an update of Rivers Run LLC. The initial plan was to build 64 units. That has shrunk to 62 because of requests for larger, two-car garage units. Building 1500 has been started. To date, $11.5 million worth of real estate has been sold. Eighteen units were sold in 2011-2012, nine in 2013-2014, averaging $266,000 per unit. There are four units (buildings) left to be built. Activity has been great. Prices have been raised to keep up with construction costs. The increases are $25 thousand to $35 thousand per cottage.

Building 15 is coming along and will be back to being ahead of schedule. The roof trusses will be delivered September 3. The purchaser for unit 1501 has backed out but 1502 and 1503 are sold.

The Riparian is at 75 percent occupancy with five enriched living members. P.Tobin would like 95 percent occupancy but recognizes there is more competition here than at the Living Communities facility at Oneonta which is running at 96 percent occupancy.

W.Fischer welcomed our new community members: Margie and Brian Brent, 1001, who came in September, 2013; Jan and Chuck Wellers, 1003, who came in November, 2013; and Clara Gnazzo, 1002, who came in August, 2014. Also mentioned were Lenore Greene, 702, who is currently in California and Edna and Will Sayers, 701, who are in the process of moving in.

Members we lost this year were Audrey Peterson, 303; Betty Brennan, 204, Maggie Robbins, 603; and Janet Hanan, 502.

H.Maslich read the definition of an HOA and responsibilities of the HOA Board of Directors. He then reviewed the activities of our Board this year. (Details in handout at the meeting) These included:

- Approval of Variance requests (14 received)
- Policy definitions and clarification
- Contract status: Snow removal, landscape maintenance, chemical applications, refuse collection, summer mowing and pruning and contract for analysis and long-range plan for pavement maintenance.
- Hired Fingerlakes Tree and Landscape to replace diseased trees. They have been removed and will be replaced by the end of October. We have hired Fingerlakes to prune the ornamental trees next year.
- Finance: We are committed to staying within the plan of raising HOA fees $5 per unit, per month, next year. If current projections remain accurate, we can stay on that schedule. The Board made the decision that if we we exceed that, we will go with a one-time special assessment to cover any shortfall. This year the shortfall was caused by snow.
- Hunting Issue: We have purchased 14 "No Trespassing" signs which Crofton will post. We have met with the DEC and sheriff.

Proof of Notice of Meeting - J.Manetta
Our bylaws require three notifications. These were made by mailings to owners on July 31, August 6, and August 23, 2014

Approval of 2013 Annual Meeting Notes was passed

Review of Finances: Overall, finances are in order. Periodically, we will review road maintenance plan to be sure we contribute enough monthly to cover the costs. We are projecting that we will be built out in 2019, projecting road and roof expenses over the next 20 years. We will obtain a professional estimate of certain long-term repairs and will review it every three to five years. Our current balance in the maintenance reserve account is slightly ahead of our initial contribution schedule. J. Galvin referred to the budget handout and mentioned the 2015 highlights: Cable/internet - Time Warner did not bill one month in 2013 and billed that additional payment in 2014. Generally, Time Warner is a wash each year. Legal expenses will decrease because we won't spend as much this year. The biggest shortfall is snow removal. The snow removal shortfall will be covered with a special assessment. Other accounts are running as they should and

are on schedule. We have enough cash on hand for minor expense overages for the remainder of the year.

Special Assessment: $29,851 spent to date for snow removal. We expect November and December to be $6,700, making year total $36,565. This gives us a shortfall of $6,565. Based on 43 units, this would be $152.67 per unit. It will be due November 1. It can be split between November 1 and December 1. Make checks payable to Rivers Run HOA and send to Crofton. Crofton will send reminder email.

Vote on Special Assessment: Passed, 100 percent yes

Rental Policy: L. McLaughlin reviewed the history; that the policy was turned down in 2012 because there was no provision for additional rentals if we reached the allowed percentage of rentals. There is a definition of the rental policy in our handbook. We are now voting on the wording around the ten percent restriction. It is necessary because many mortgage companies do not want to award mortgage money to places with no defined policy. Some place a restriction between 15 and 20 percent. We are placing the limit at 10 percent. This policy gives banks a comfort level. Their feeling is that values are affected by rentals because owners tend to take better care of their property than renters.

H.Maslich stated that we have no renters right now. At 10 percent, we could have four. At build out, we could have six. We don't expect this to become an issue here because of age restrictions and cost. He pointed out that the owner is still responsible in a rental situation as if they were living here. It was mentioned that 702 has several qualified people interested, but they haven't sold their own homes yet. The owner of 702 is asking $1,500 per month in rent.

Vote on Rental Policy: Passed, 38 yes and one negative vote

New Board Member Elections: H. Maslich and C. Kastner candidates. They were elected by 100 percent of the voters. Each will serve a three-year term. The HOA officers positions were decided at the Board meeting immediately following this meeting: all retained their present positions with C. Kastner becoming member at large and chairman of the Building and Grounds committee.

H.Maslich gave special thanks to J. Thomas for his past service leading us through the transition of Board responsibilities from the Developer. He also gave thanks to all our committees and their members for stepping up and supporting our activities. He urged people to consider joining one of the committees because fresh ideas are always needed. He then thanked Jim Manetta, Sandy Lisk, all the Crofton team, Chad Estabrook, and Pat Tobin for all their assistance.

Open Forum:

F.Weinstein - Dryer vent man told him he has a mesh screen on his roof vent and he should have a flap. He spoke to someone about getting it changed. C. Kastner said he had them come back and they corrected the issue on all cottages who had hired them and they all now have flapper doors. L. Goodwin mentioned we should stay with the same company next year. L. McLaughlin will coordinate the program next year.

J.Weller said the cable service is not always available. She called Time Warner and they took the time off her bill. She wondered if we are paying for service we are not getting. J.Manetta said there is a set price for each unit. We get a bulk rate which is about half the individual rate. Add ons are extra charges for the owner. L.McLaughlin replaced her cable box when she had problems.

C.Gnazzo asked about the condition of her lawn and drive. P.Tobin has said he will fix the Building 10 lawn and pavement problems.

S.Rausch asked if the weeds in the lots of Buildings 8 and 9 could be trimmed. They are getting to be a danger to visibility at the corner. C. Kastner asked that the whole field not be bush hogged since we have planted wild flowers in there. Previously, P. Tobin has said he would cut a swath along the edge if that was the HOA preference. L. McLaughlin will contact P. Tobin with the HOA request.

N.Weinstein requested that the lawn contract specifically state that the weeds behind 1800 be cut back to the original line.

K.Petras asked if we have auto pay for monthly fees, do we have to refile. J. Manetta said no if through Crofton. If you have it through your bank, you will have to notify them.

F.Weinstein asked if anything could be done about the poison ivy in the woods. They are not our property. He should ask P. Tobin

M.Brent asked if we know anything more about the power line status. L.McLaughlin said we think we are 95 percent OK. but the Chili people (Krenzers) are still debating with the state according to the web site. Everyone else has signed off.

Adjourn : H. Maslich moved to adjourn. D. Phelps seconded. Motion Passed at 6:55 p.m.