

RIVERS RUN HOMEOWNERS ASSOCIATION ANNUAL MEETING

Tuesday, September 10, 2019 - 5:30 p.m.
Greenwood Cove, Lecture Hall

Board Members Present: L. McLaughlin, C. Kastner, J. Galvin, MaryJane Thomas and Stacey Brandon and Connie Simmons with Crofton Perdue

Board Members Absent: W. Fischer

Interpreters: Dawn Zuppelli and Kalyna Sytch w\Sigh Language Connection, Inc

Community Members Present: B. & R. Alconero, S. Braiman, B. Brent, S. Courter, J. Driscoll, J. Dwyer, J. Eng, C. Galvin, H. Gertsen, C. Gnazzo, K. Hayes, M. Hayes & L. Nabor, R. & J. Hazard, J. Jackson, A. Kamm, M. Kastner, C. & L. Lee, D. Linscott, B. & M. Peters, K. Petras, S. Quinn, S. & L. Rausch, S. & K. Reed, T. Rios, E. Sayers, C. Schmalzbauer, M. & W Schmitt, P. Stoeckl, J. Thomas, S. Wohlers, N. & F. Weinstein.

Meeting Called to Order at 5:35 p.m. by L. McLaughlin

Approval of September 11, 2018 Annual Meeting Minutes – Motion to approve by J. Galvin, seconded by C. Kastner approved by all.

Proof of Notice of Meeting: S. Brandon present proof of the mailing that went out to all RR Homeowners via US Mail on August 9, 2019 and a reminder sent via Email on August 23, 2019.

We had a HOA quorum: 32 units attending, 12 proxies for a total of 44 of the 48 units represented at the Annual Meeting.

Welcome

- L. McLaughlin reviewed Annual Meeting Agenda and introduced the current Board of Directors present and the new property manager, Stacey Brandon with Crofton Perdue.
- MJ Thomas Introduced new Community Members since the last annual meeting
 - 1802 RR – Beverly Maville-Letter
 - 603 RR – Sam Baxter and Lisa Van Rosendael
 - 1702 RR – Teresa Rios
- MJ Thomas recognized those members who moved out or we lost since our last annual meeting
 - Deborah Barsel – Moved out of 1802
 - Phillips & Martha Brown – Moved out of 603
 - Lois Quinn – 301 passed away

Election – Two (2) board of director seats up for election, term 3 years

S. Brandon with Crofton Perdue presented the known nominees, call for additional nominations, none presented, nominations closed and a call for vote was made. The two (2) candidates won by unanimous vote: L. McLaughlin and C. Lee

Year Summary and Report

C. Kastner presented a summary review of what was accomplished or worked by the HOA Board on during the past year. Some of the major points are:

- Pond Maintenance Committee (J. Driscoll, C. Lee & J. Galvin) – Jim Galvin, Working with the Town of Henrietta to take over the flow operation\maintenance of the ponds that allows the water to flow between ponds and finally exit into the Genesee River. Public information meeting on Sept 11.
- Signs Installed - Stop sign, 4 speed limit signs, 1 No Parking Sign and 3 No Smoking Signs
- Renewed bids and secured contract – Disposal, Snow Removal, Insurance, Tree Maintenance Chemical & Fertilization, Retention Pond ground maintenance
- Development Road hot crack sealed
- Wood Rot Repair – 21 units being scheduled; Benjamin Carpentry Inc, Kevin VanVranken, scheduled to start week of Sept 16. RR 401, 404, 501, 504, 601, 602, 603, 604, 701, 703; 201, 203, 301, 302, 304; 1002, 1102, 1301, 1302, 1303, 1602; plus, repair original work 1401 and 1801
- Section 3 of the RR HOA Handbook updated; Responsibility matrix updated
- RR HOA budget forecast, Reserve fund reviewed, continuous monitoring and updating of the actual 2019 budget
- Work in progress: Working with RR Holding to repair asphalt pathways, two triangle beds along pathway out for bid
- Drainage issues behind building 400 and between building 500\600 – Received 3 bids, meeting with contractor, determining what is need vs what can wait, review of financial
- Created, distributed, compiled the 2019 landscaping forms and communicated to GJ Romig
- Working with RR Holding on new buildings and the 2018 amendment filing
- Reviewed nine (9) requests for variances, approved seven (7) variances
- Participated on various HOA committees: social activities, buildings and grounds, hospitality and policy
- Responded to individual problems, issues and requests
- On site walk around with various contractors to review work to be done – Retention ponds, yearly inspection of buildings\grounds, ground maintenance crew
- Work with Greenwood Cove new management team to strengthen\improve relationship
- Work with RR Holding – Website, New Construction plans, bush hogging, sponsor fees

C. Kastner reported on Reviewed and expensed 47 “work orders” submitted by 25 residents totaling \$3,971.01

Review Finances, 2019 to-date & 2020 proposed Budget - Jim Galvin

2019 Financial Review:

At the end of August 2019, the HOA reported cash balances of \$32,772.85 in the operating account, and \$147,116.71 in the Reserve Account. Maintenance Reserve account balances remain on target with our established funding schedule to cover long-term expenses.

The budget through 8 months ending August 2019 shows operations within budget. Budget expenses for the first 8 months of 2019 estimated at \$147,621 shows an actual expenditure of \$139,120. Individual accounts within the budget, with the exception of legal where we spent \$10,183, and Fertilization where our retention pond bank maintenance expense of \$6445 was charged show no major variance from our planned expenditures. We anticipate to recoup the retention pond expense from our sponsor.

For the remainder of the year we will continue to proceed with our plan to complete projects that were previously placed on our list of repairs from our property review. The largest of these expenses will be for the remaining repair of wood rot. We will continue to spend excess operating cash we accumulated in anticipation of performing these tasks. We anticipate our largest variances for the remainder of the year will be in legal (\$5000) and Waste Management (\$1,550) offset by savings in our snow maintenance account (\$3000) and additional sponsor contribution for the remainder.

2020 Proposed Budget:

We are proposing a budget with anticipated revenues of \$246,829 and expenses of \$261,303. This shortfall will be covered as much as possible by our remaining excess cash but we cannot rule out a possible special assessment by year end 2020. This proposed shortfall is caused by the final year of our 3 year tree maintenance program to assure the approximate 131 trees now on our property grow into fine mature specimens despite our challenging soil conditions. The major point of concern in the budget for next year is how to pay for the drainage issues we have identified and continued escalation of costs for contract services.

HOA Fee Pie Chart:

Looking at the Pie Chart to see how we spend your HOA fees you can see there is little room for savings. All in all, the only category that has any opportunity for savings falls into the Other Landscaping Projects category representing only about 6% of our budget in total. We do not anticipate and additional expenditures for our trees in 2020.

What to Expect in 2020 and beyond:

In the coming years we will face a number of challenges.

- We are going to see continued financial pressure in all expense categories. We previously negotiated contracts with extended terms to lock in costs but as these contracts expire the costs have been increasing at a greater rate than inflation. For example: Our very favorable Snow removal contract was renewed this season however for only a 2-year period and at a substantial increase. A very positive consideration is he is one of the few contractors who will allow us to self-manage our salt applications saving us thousands in the past 3 years.
- We wanted to cap our HOA fees at \$295, but we fear this will prove to be impossible unless we are willing to substantially compromise services. A review of HOA fees for properties having less than 75 units show us well positioned near the middle of the pack. 12 of the 34 properties identified had fees in excess of ours and ranged to \$450. While we are certainly reluctant to continue raising HOA fees any reasonable increase should have little impact on sales potential.
- Some residents and your Social Committee run and plan on continuing to run, a variety of programs for the community that are totally self funded. We have received a number of compliments and positive feedback from community members and real estate agents on our

programs and our newsletter. For this to continue we need more people to step up to run programs and participate or they will disappear.

- Finally, our contract with Time Warner/ Spectrum will expire in March 2021. We currently have a great rate for services that I'm sure will increase when our contract ends. While this fee is not included in your HOA fee we all think of it as part of our fee since it is paid together. So over the next few weeks if you have any suggestions your board is all ears. What we would like to know is what you feel is a reasonable price you are willing to pay for what we have now. We feel that going community wide to a streaming service will be much too difficult for many present community members. We know that going to individual service will have a significant cost increase, probably double or more than what the current service is presently costing us. So please share your thoughts with us to help us make a decision that will extend reasonable services with maximum benefits to us all.

So, we will continue to attempt to find creative solutions for these and the myriad of other challenges that develop to keep the cost of living in our community reasonable. We need more people to volunteer for committees, to run a program, to serve on the board. We need some fresh voices and new energy to come forward and work cooperatively to bring this community into the next decade.

Board President Comments

L. McLaughlin welcomed Cheryl Lee as the newest member of the RR Board of Directors and bid farewell to Wanda Fischer and thanked her for her contribution and all the hard work she has done for the HOA over the past 8 years. We want to thank her and wish her well.

Community Open Forum

Follow-up Action:

- Check and make sure a door tag is left on the unit when work is done and what they did. (Crofton)
- Will email homeowners when they receive a work order request that they have received the request and it is being processed. (Crofton)
- If pesticides are being spread prior notification needs to be given. (Crofton)
- Contact Birchcrest regarding Japanese Maples at 1401 and 1601 and 1803 red bud trees bark peeling. (Crofton)
- 1601 RR – Spectrum wire sticking out of back foundation annual bed needs to be taken care of. (Crofton)
- Wood Rot Repair on 21 units will begin the week of September 16th. Crofton will notify all homeowners regarding when Benjamin Carpentry will be on site.

Motion to Adjourn was made by J. Galvin and seconded by C. Kastner, all in favor....

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Adjournment 7:10 pm