

RIVERS RUN HOMEOWNERS ASSOCIATION
ANNUAL MEETING

Tuesday, September 8, 2015 - 5:30 p.m.
Greenwood Cove Lecture Room

Board Members Present: H. Maslich, L. McLaughlin, J. Galvin, W. Fischer, C. Kastner, J. Manetta

Guest Speaker: Lindsay Morgan, Asset Manager, Morgan Management

Community Members Present: R. & B. Alconero, D. Barsel, B. & M. Brent, T. DeJong, B. & D. Doane, J. Edgar, C. Galvin, C. Gnazzo, K. Hayes, W. Hazzard, J. Jackson, A. Kamm, M. Kastner, M. Lays, D. Linscott, B. & S. McVay, L. Neisner, B. Vanfossen, K. Petras, D. & G. Phelps, L. Quinn, F. Radcliffe, S. & L. Rausch, B. Reid, W. & M. Schmitt, J. & MJ Thomas, F. & N. Weinstein, C. & J. Wellers, S. Wohlers and representative for L. Greene

Meeting Called to Order at 5:38 p.m.

J. Galvin moved for **approval of 2014 Annual Meeting Minutes**, L. McLaughlin seconded. The motion was passed.

Welcome:

H. Maslich explained that the Annual Meeting is a Membership Meeting. In a Membership Meeting, we require a quorum (simple majority) of the units to be present either in person or through a proxy. We had 39 at this meeting (31 units and 8 proxies). Each unit counts as one vote per household. Board members vote as members of the community, The developer also has only one vote. We had proxy from D. Christa.

H. Maslich introduced members of the Board.

H. Maslich introduced Lindsay Morgan, Asset Manager for Morgan Management since 2012. Besides Greenwood Cove, Morgan Management has 50 properties, 27,000 units across 13 States. Lindsay has a BS from Columbia University and MBA from Duke University.

L. Morgan described her job as analyzing properties to try to improve them and develop ways to improve problem properties occupancy. Morgan has managed multi-family units for 40 years. Their goals are high quality and customer service. In 2014 they were approached to become partners in Rivers Run. At that time, occupancy was 50%. Since early February this year it has been 30%. They stopped ancillary services because they couldn't afford 25 people working here. They wanted to keep it a senior facility. They reduced the rent, but people weren't coming in. This told them there was another issue. They had a market analysis done. It showed that people ages 55-74 were looking for townhouses and patio homes. Riparian didn't appeal to ages 74 plus. The age range at the Riparian was 85 to 90. Those people were looking for services, food, home care, and social services. Transportation also was an issue. The Riparian apartments are not conducive to people with declining health. Therefore, they

made the decision to make it a market rate facility. Anyone financially able and who can pass their background check can apply for entrance.

They will be making changes like enlarging the fitness center and moving it to the Cafe area. Down the road, they may add a movie theater and dog park close to the woods. The dining room eventually will be two or three loft apartments. They will keep H. Maslich informed. They plan to modernize (contemporary design), new carpets, painting. They think the changes will be well received. The rents will be: one bedroom \$900 to \$1000, 2 bedrooms \$1100 to \$1400. They believe Henrietta does have a market for high-end apartments. At some point, (probably one year) they will convert some of the common areas, like the art room, to high-end apartments. The old kitchen area is planned to become an Osher classroom. We are asked to refer friends. It will be a beautiful community.

In the Q&A period, L.Morgan said the sign by East River Road is temporary. They are working on new design that also will acknowledge Rivers Run. The dog park probably will be in the old Bocce court area. When it was pointed out that the Greenwood Cove (old Riparian) people don't feel they are getting information, she said they hope to have monthly meetings with concerned parties. There was a question about where the Osher food service would be if the Cafe is converted to an exercise equipment room. It was added that we use the Lecture Hall for community events and we asked if we would be able to use the new Osher lecture room (kitchen area). The Morgan goal is to maintain relationships. A concern was expressed about children moving in and causing disruption and safety issues in the community. The response was that children are not typically found in this type facility. If there are problems, Morgan Management will address them. L.Morgan said there will be no subsidized rentals. A request was made to keep the kitchen room flexible for different class needs. People felt that the Cottage Community should get as much consideration as Osher.

L.Morgan asked that people forward their concerns and questions to H. Maslich.

Rivers Run Update - H. Maslich — In the cottage buildout program, there were originally three options: 1) R. Henkel develop and get outside financing 2) Christa/Morgan finance and R. Henkel develop 3) Christa/Morgan finance and develop. It has been decided that Christa/Morgan will finance. The builder could be Christa or Henkel. They expect to begin a platform for a three-unit building by year end. One unit will be the model. The architecture will be the same as the rest of the community.

Year In Review H. Maslich

We contracted for a long-range maintenance plan, placed posted signs along the fence line, included a new rental policy in our Operating Plan, commissioned and received conceptual design for a long-range landscape plan, negotiated new features and reduced rates in our Time Warner plan, contracted for crack sealing in our roads, had some areas trim painted, renewed our insurance contract, made decision to salt outer rim road only, negotiated with Christa to commit to maintaining ponds and central path, completed a community foundation planting area survey, coordinated the community dryer vent cleaning program, requested information on shutter replacement, arranged for Isaac Heating to make icicle prevention presentation, the rental program on 702 was extended until April, 2016, had fields bush hogged reducing weeds at unsafe corners, repaired road damage in front of 201/304, approved 27 variances, and by the end of the year will have restored our reserve fund to it's proper position.

New People since last September - W. Fischer

204	Don & Aura Kamm	November, 2014
702	Stephen & Kay Spite	November, 2014
1502	John & Ruth Hazzard	December, 2014
1503	Pam Bonney	December, 2014
1501	Carol Schmalzbauer	March, 2015
502	Mo Mohtashemi	March, 2015

In Passing

301	George Quinn	March, 2015
1302	Bob Nolan	April, 2015
1503	Pam Bonney	August, 2015
204	Donald Kamm	September, 2015

Proof of Notice of Meeting - J. Manetta - Bylaws require we send notices of the Annual Meeting. A notice of the meeting and request for Board candidate nominations was sent out 6/24/15. On 8/3/15, a meeting notice, proxy forms, ballots and last year's minutes were sent.

Review of Finances - J. Galvin A copy of 2016 budget was available at the door. We believe our projections for future maintenance fit into the reserve fund. The fund is \$58,437 now, expected to be \$66,000 by year end. We took care of the 200-300 road maintenance problem, did some painting and still have the fund on target. We have \$16,000 in our operating account which is enough to pay this year's bills. Next year needs focus. We know our snow will exceed \$5,500 and have no contract for next year as yet. The other part of the 2016 budget of concern is tree maintenance and landscaping. J.Manetta has negotiated good insurances; increase only from \$17,600 to \$19,400, but we expect a total year-end shortfall of \$9,700 (Insurance increase and \$5,000 for snow). Through Amendment 8 provisions, Christa has responsibility to pay our shortfall until all units are built. We are negotiating now, but can't wait until year end. Therefore, we are asking owners to approve a one-time special assessment of not more than \$195.65 per unit. We only will utilize it to the extent it is needed. If we get the payment from Christa, we won't need it. We are hoping for no shortfall for 2016 but current projections predict up to a \$14,700 shortfall. We will not know the exact amount until we obtain new contracts to replace those expiring and whether or not Christa will contribute according to Amendment 8 provisions. We will adjust the budget in November when we have better numbers. The assessment would be due in January. The alternative would be to spread the shortfall into the monthly dues (approximately \$16.30 per month) which we do not want. If Christa doesn't pay, we will have to look at legal options.

L.McLaughlin called for a vote to give the Board authority to impose a special assessment not to exceed \$9,000 (\$195.65 per unit), to be used to the extent necessary, to be paid in one, two or three payments. The motion was passed 37 for, 1 against and 1 no vote.

Our Time Warner fee is going to drop \$5 per unit, per month. The Board proposes using that money to finance a landscaping fund. The money would not go into the normal landscaping bill but would be used to initiate the long-term landscaping plan. The proposal was passed, 35 for, 4 against.

Election of Board Position

There was only one candidate for the open board seat. A vote was taken by show of hands and J. Galvin was elected to a three-year term. Results: 39 yes, 0 no.

Misc. Updates

Two monthly meetings have been held between H. Maslich, J. Galvin and D. Christa.

Hosmer - C. Kastner - recapped issues with Hosmer last year; road damage and probably garage doors. Garage doors are not HOA responsibility. They are the individual homeowner's responsibility (inside the frame). If any individuals want to pursue, C.Kastner has pictures.

Road damage caused by Hosmer - we had several experts look at the road to advise us on what could be done. Their consensus is that there is nothing that can be done to repair. Fixing just spots would be cosmetic, wouldn't hold and could take the life out of the road. The only way to fix would be to resurface. In 2014, we had an engineering firm give us an estimate which correlated with the current estimates. To restore the entire road to original condition would be about \$90,000. We calculated how much road Hosmer damaged and came up with a figure around \$40,000. We have submitted a repair estimate of \$38,000 along with our calculations. They were supposed to reply by September 4. If we do not get a check, we will have to pursue legal options. The steps would be letter from lawyer, mediation, arbitration, last step court. We will keep the community posted along the way.

Winter Service beside plowing - Hosmer salted everything. It is expensive; 1) the salting itself and 2) grass damage. This year, we are asking people to let us try to salt only the circle road, not parking or sidewalks. We can ask for salting on demand if the conditions warrant it or we can ask for service to walks on a case by case basis. People who want to salt their own walk should send an email to C.Kastner, kastner2@rochester.rr.com.

Landscape Survey - H. Maslich - Full results will be sent to each unit. B. Vanfossen designed and analyzed the survey and gets our special thanks. 63% of population returned the survey. There was high priority on creating an attractive environment; half felt the landscape is important for resale, half think it is important to allow for individual design and half feel the variance process is important. 95% want the freedom to select their own flowers. The majority are not in favor of non-plant materials; 79% against fences, 67% no flags (except American). People were split evenly on large bushes. 75% approved providing walking area between plants for maintenance workers. 79% felt HOA should not pay for private, extra, difficult landscaping. There was no clear direction on contribution to landscaping. Most prefer grassy areas interspersed with meadows of wildflowers. 64% disagree with the "golf course look." Questions on the survey should be sent to H. Maslich, hmaslich@gmail.com.

President's Comments - In these trying times of uncertainty, we should support each other and stick together.

Open forum

Communication problem between the Board and the Community e.g.;
(L.McLaughlin responded to specific issues)

Wetlands - This area is the responsibility of RR Holding and we have been continually trying to communicate with C. Christa and the Army Corps of Engineers regarding the maintenance of the bank areas. It is our understanding that there was supposed to be a conference call between Christa and the Corp today (9/8/15).

Triangle maintenance - we haven't had a response from Christa, It is RR Holding's responsibility.

Salting damage repair - HOA is responsible. It is not in plower's contract. We are testing three spots: 1 letting rain wash, 1 seed and watering, 1 leave alone. We have to get the salt out before grass will grow although there are some areas which have repaired themselves. We need to go through one more winter. If anyone has ideas, email C. Kastner, kastner2@rochester.rr.com. It was suggested that Vermont successfully uses sand mixed with salt. We have a different drainage system which can't accommodate sand.

Hot Crack repairs - we found out 15 minutes before community did. Contractors make decisions and don't always communicate the way we would wish.

Regular communications - the Board can do this but often, there is no news. We are asking but waiting like the rest of the community for answers.

There was discussion about the possibility, location and follow up for monthly community meetings.

A suggestion was made that we have our lawyer meet with the community. This possibility will be investigated. People with questions for the lawyer should email them to L. McLaughlin at lmclaugh@rochester.rr.com

There was a suggestion for a sign at the Fairwood split saying Rivers Run left, Greenwood Cove, right.

Meeting Adjourned at 8:00 p.m.