

RR HOA Annual Meeting Minutes
Tuesday, September 14, 2021
Via Zoom

10th Annual HOA Meeting Call to Order: 5:03 p.m.

Board members present: L. McLaughlin, J. Galvin, C. Kastner, M.J. Thomas, C. Lee and M. Hayward and C. Simmons with Crofton Purdue

Community members present per Roll Call: D. Linscott, L. Lee, C. Andrews and J.M. Smeenk, J. Eng, J. Michaels, W. Fischer, A. Dwyer, P. Stoeckl, B. and B. Lindholm, A. Drenk, L. Musgraves, M. Carlson, J. Engdahl, J. Thomas, L. and S. Rausch, R. Biedenbach, T. Rios, F. Weinstein and K. Petras

Interpreters: Melanie Anania and Lisa Ondra with Sign Language Connection, Inc.

Approval of September 8, 2020 RR HOA Board Meeting Minutes: C. Kastner moved to approve; M.J. Thomas seconded. The motion was passed.

Proof of Notice of Meeting: M. Hayward reported that the ballots were mailed on August 11. It was advised that 41 out of 58 ballots were returned and we had a quorum.

Welcome:

L. McLaughlin reviewed meeting format and introduced and thanked current Board Members, introduced ASL interpreters and thanked Julian Thomas for assistance with presentation.

Year Summary Reports:

M.J. Thomas introduced Community Changes since our last HOA Meeting. Please see pages 4 and 5 of the attached Annual Meeting Presentation (“AMP”) for names.

Linda McLaughlin recognized Committees and Social Event Contact Person (pages 3 and 6 of the attached AMP). Should there be interest in any other area, please contact a Board Member.

C. Kastner presented the 2021 in Review Summary (page 7 of the attached AMP).

Financial Review – J. Galvin:

2021 Financial Review:

At the end of August 2021, the HOA reported cash balances of \$42,334.05 in the operating account, and \$195,690.54 in the Reserve Account. The budget through 8 months ending August 2021 shows operations within budget. Budget expenses for the first 8 months of 2021, estimated at \$187,250, shows an actual expenditure of \$166,945. Individual accounts are within budget and show no major variance from the plan. However, 2 accounts (Spectrum and Taxes) had bills paid in December of 2020 and account for about \$7,000 in reduced expenses in this year. The remainder of difference between actual and estimated expenses is attributed primarily to timing of expected expenditures within the budget.

For the remainder of the year we will complete the repair and maintenance items identified on the recent property review, power washing and staining both gazebos, review and perform needed maintenance on the five retention ponds and complete our tree maintenance program. We will conclude negotiations on the Spectrum service contract. Some of the identified repairs on the property review such as storm grate repairs will be funded from the maintenance reserve. Barring any significant unexpected expenses, we do not expect any deficit from 2020 operations.

2022 Proposed Budget:

We are proposing a budget with anticipated revenues of \$290,928 and expenses of \$289,011. On pages 8-10 of the attached AMP, I'm sure you noticed this requires an increase in Homeowner Association Dues to \$345 per unit per month. It is not without serious consideration we have taken this step, but as we have mentioned previously, our buildings and grounds are aging, requiring ever increasing maintenance. Funding for our service contracts continues to increase year over year despite actively seeking bids and considering alternatives wherever possible to maintain or reduce these costs. In addition, our preliminary review of our maintenance reserve plan indicates that the roof replacement estimates in our maintenance reserve is underfunded based on current quotes for replacement being received by Crofton. As a result, we have increased our Maintenance Reserve contribution this year by \$9,000. This increase accounts for the majority of the \$13,920 the HOA will receive from the increase in dues. There may be some other categories that will need additional funding, but none to the extent of roofing replacement. A full study and revision to the maintenance reserve plan will be undertaken this winter to develop a more accurate picture of our long term funding needs. You may also be asking why are we increasing dues now when we have a substantial cash balance in our operating account. The answer to that question is until we identify our reserve needs we want to keep the flexibility to move money into the reserve only if necessary. If we have excess funds after the study is completed, we can use any excess to maintain or reduce future HOA dues.

As you can see from the graph previously emailed, the categories where any savings might be realized are few in our budget. We currently bid contracts, with the help of our property managers, wherever possible and look for the best prices and value for our HOA. However, it has become increasingly difficult to find contractors willing to take on new jobs because of the difficult job market and the ever-increasing and fluctuating costs for supplies and payroll. Through it all we need funding to provide services to maintain the property at the levels our members expect.

What to Expect in 2021 and beyond:

Now that we are completely built out we expect to have a full review of our long term maintenance program to make sure we are reasonably funding future requirements. The final buildings, approximately 21% of our inventory, were completed in the last two years and this gives us some flexibility in deferring some of the planned long term maintenance over a greater period of time. We will use this advantage to help offset some of the escalating replacement costs, but we must be responsible in our planning and not ignore the need for the present owners to fund their share of the future costs.

The challenges of continued financial pressure in all expense categories are very real, and since we are fully built out and have no opportunity for developing additional buildings, we must rely on either increasing fees or decreasing services to fund our needs.

Your board remains committed to finding creative solutions for these and the myriad of other challenges that define a Homeowner Association Community to keep the cost of living in our community reasonable. More than ever, we need people to volunteer for committees, to run a program, to serve on the board. We hope to find some fresh voices with new energy and ideas to come forward and work cooperatively to bring this community into the future.

Mail-In Ballot Election Results – M. Hayward:

Ballots were mail to each homeowner with a self-addressed stamped envelope, and were requested to be returned by September 21. Forty-one ballots were received by Crofton Purdue who opened and tallied the ballots. J. Michels received 41 votes; there were no write in candidates.

Board President Comments:

- L. McLaughlin thanked Jim Galvin for nine years of service on the Board.
- Recognized that our community has grown from eight unites in 2014 to 58 in 2021; have not been able to meet all community members yet, but hopeful that the upcoming year provides the opportunity to do so.

- Thank you to all community members for being eyes and ears for the Board and keeping RR safe and happy now and for years to come.
- A reminder to all that a variance is required for all common area work which includes the addition of trees, any changes to the lawn area or foundation beds and any work that might alter or attach to the outside of the unit such as windows, doors and/or patios. Please contact Crofton or a Board member for assistance.
- Birchcrest scheduled to be here on Wednesday, September 15 to bush hog the retention ponds.
- Magic Seal will be here on Tuesday, October 12 to seal pavement cracks.
- Encourage everyone to participate with Social Committee events, if interested.
- Two project initiatives:
 - Convert street lights to LED; checking to determine if cost effective and if grants are available
 - Considering installation of security cameras throughout the community on perimeter locations. If interested in assisting with research, please contact C. Kastner.

Community Open Forum:

Q. J. Thomas – what is the per camera basis cost?

A. C. Kastner – preliminary costs to install and cover the loop road would be \$150/month.

Q. C. Andrews – Is the Spectrum contract final?

A. L. McLaughlin and J. Galvin – the final contract was just sent to Spectrum for review and signature; the old rate continues until the new contract is in effect.

P. Stoekl – please send a reminder to the RIT Boathouse regarding obeying the posted speed limit.

Q: D. Linscott – can the mold and moss be cleaned off her unit?

A: Your unit was not on the walk-around list, but will be reviewed when the power wash crew is on site.

Diane announced that she will be moving next week – either Saturday or Sunday; thanks to Linda for all she's done; will be moving to Richmond...please stop by if travelling in the area.

Q. R. Biedenbach – A tree was removed along the path behind Cottage 1701 and weeds are now growing. Will it be replaced?

A. L. McLaughlin – a replacement has not been determined yet.

A. K. Petras – the area was hand mowed on Monday, but still needs to be dealt with.

Q. R. Biedenbach – What is the status of the curb box in the driveway of Cottage 1701?

A. L. McLaughlin – RR Holding has been contacted numerous times, email have been read, but no response. Perhaps it is time to contact their attorney.

Q. C. Lee on behalf of community member – Can the walk-around list be shared with the community in order for residents to know what items have been placed on the list for their unit and to determine if the work has been completed.

A. Good idea; the document's formatting needs to be cleaned up before distribution.

Q. L. Musgraves – The area behind 902 was mowed today; however, the flags are still there. Who removes the flags? Also, the water authority made a note to lower a water cap in front yard as it is removed with weekly lawn mowing. Who should be contacted?

A. L. McLaughlin – 1) the flags have been there over a month and can be removed by the homeowner.
2) M. Hayward (Crofton) will reach out to MCWA.

L. McLaughlin thanked the community, M. Haywood and C. Simmons from Crofton and ASL interpreters for attending. Any additional comments or questions may be directed to any Board Member.

Community Meeting Adjourned at 6:01 p.m.