

RIVERS RUN HOMEOWNERS ASSOCIATION
ANNUAL MEETING

Tuesday, September 12, 2017 - 5:30 pm
Greenwood Cove, Lecture Hall

Called to Order 5:30 pm

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

Community Members Present: R. & B. Alconero, D. Barsel, B. & M. Brent, T. & S. DeJong, B. & D. Doane, J. Driscoll, C. Galvin, H. Gertsen, C. Gnazzo, K. Hayes, J. & R. Hazzard, A. Kamm, M. Kastner, D. Linscott, J. Michel, L. Neisner, K. Petras, V. Phelps, L. Quinn, S Rausch, B. Reed, A. Sasiadek, E. Sayers, C. Schmalzbauer, W. & M. Schmitt, P. Stoeckl, J. & MJ. Thomas, F. & N. Weinstein, S. Wohlers

Guest Sign Language Interpreters Present: James Brown and Lauren Dearman.

Approval of 2016 Annual Meeting Notes; J. Galvin moved to approve, C. Kastner seconded. The motion was approved.

Welcome:

H. Maslich introduced the interpreters J. Brown and L. Dearman

H. Maslich reviewed the Annual Meeting Format and made the following comments:

The membership meeting is an opportunity for the members to make certain decisions that they are only allowed to make at annual meetings and tonight that decision is the election of two new Board members. The Homeowners Association needs a strong Board of Directors that understands its role and pursues it with passion and clarity in mind. The Board of Directors in your Association has responsibility for the common elements as well as the management of the Association's business affairs, all in accordance with the standards established within the governing documents created in 2005. You all have those documents in what we call the Offering Plan. To the extent that our Association is a non-profit association, the Board of Directors carries out these duties and responsibilities.

At this time, I'd like to introduce our Board of Directors. Linda McLaughlin is our Vice President. She is also in charge of our committee for rules and regulations. Jim Galvin is our Treasurer and numbers wizard. He helps us balance the budget. Wanda Fischer is our Secretary. She's taking down everything. Also, Wanda is in charge of our Hospitality Committee which is in charge of welcoming. Cy Kastner is our member at large and Cy heads up our Building and Grounds Committee. That is an extremely important committee as it has to do with our landscaping and our architectural consistency. I am Howard Maslich, the President, lucky enough to be the President of a board of extremely competent individuals. We are certainly lucky to have these folks on our Board of Directors.

New Community members - W. Fischer

Julia Eng moved into 403 November 18, 2016

Phil & Martha Brown moved into 603 on March 28, 2017

Patricia Stoeckl, moved into 702 on June 1, 2017

Jack Driscoll moved into 304 on September 1, 2017

Community members who left us - W. Fischer

Charles Wellers, 1003, moved out in November of 2016

Joanette Edgar, 304, moved out August 31, 2017

Board Accomplishments in the past year - H. Maslich

- Trees - We had Davey Tree and Landscape help us create a master maintenance plan for the trees. One of the things that we did was to put the trees into a reserve maintenance fund. So what that means is we are now looking at trees in the same way we would look at roofing and siding. So that in a year, we would make a contribution to the Reserve Fund that will be a line item articulated for the health of the trees. This will include treating them, preventing disease, treating disease, removing the ones that need it. There are other HOAs that do this and we think that's a good idea because, as I mentioned, we have a lot of trees and they are a great asset as far as the integrity of the Community.
- The Maslichs took over the Welcoming duties and we're going to continue to do that for new folks.
- KV Enterprises cleaned up gutters.
- We signed a three-year snow removal contract with Magic Plowing. Everybody seemed to like Magic Plowing. We had very minimal complaints with them.
- We renewed our Property Manager contract with Crofton. Jim Manetta at the end of the table is our Property Manager. He's the one you call if you have a problem.
- We had our previous lawyer, Jason DiPonzio, give us a talk last January. He spoke to the Community regarding the financial complaint with the New York State Attorney General's Office.
- We also closed the books for 2016 with Operating balance of \$49,363 and Maintenance Reserve with a balance of \$95,444.
- We received a bid from Broccolo for the five retention pond's maintenance, three separate touches that they were going to do. They have done them.
- Linda McLaughlin met with the developer of the new cottages and the architect to set up the plans for the new building.
- We have decided as a board only to require bidding on contracts over \$5,000. We could bid them if they're lower than \$5,000 but we thought that we should require bidding if it's more than \$5,000.
- We interviewed and hired a new lawyer, Pat Quigley with Harter Secrest & Emery. We had a committee set up that did an excellent job whittling down the attorneys and we accepted the attorney they recommended.
- Our sponsor obligation is \$10,800 a year and this year we decided that instead of waiting to the end of the year to get it, we would bill Christa and Morgan, Rivers Run LLC \$1,080 a month over ten months.
- In March of 2017, we asked the developer to remove the dead ash trees in the northern corner. Forty plus dead ash trees were cut down
- We updated the homeowner landscape requests for the groundskeepers. Cy and Marilyn did a great job on that.
- We requested bids for Sites 2 & 3 in the landscaping plan from four companies and we hired Pittsford Tree.
- In March, we agreed to have GJ Romig mulch the area as per usual.
- We received a road damage insurance claim of \$8,000 and change from Hosmer and we put that into our reserve account.

- Greenwood Cove and DGA Builders gave us a presentation about what they're doing up there
- Road crack sealing was completed.
- The triangle landscape design is done.
- We hired an academic arborist who didn't have any bias toward companies to give us an unbiased opinion of the tree situation. One of the things that was recommended and we are going to do is called root crown excavation.
- New Rivers Run tote bags have been developed by the Hospitality Committee. So we have new bags to put gifts in when we welcome new neighbors.
- We have developed a web site. Wanda has been involved in developing the riversruncottages.com web site. It has been updated and has our information on it.
- In August, we got the bush hogging done.
- We have a dubious beginning for cottage development. There are some stakes in the ground. Surveying has occurred.
- Variances approved:
 - 1401 replaced front door
 - 603 back patio awning
 - 1501 Screen house
 - 402 Remove bushes and plants
 - 1301 screen door
- 602,503,402 and 702 were all bought this past year. We have one cottage, 1003, for sale now.

Developer update - H. Maslich

- Christa/Morgan Rivers Run, LLC
 - For 2017. will pay \$10,800 a month for unbuilt lots and they are up to date on that
 - Pond maintenance, the three cuttings, just under \$4,000, was paid for by Christa/Morgan
 - Bush hogging of the fields, \$4,000, paid by Christa/Morgan
 - Forty plus dead ash trees removed, just under \$5,000 paid for by Christa/Morgan
 - Triangle design, planting and maintenance - Christa/Morgan
 - 2017 contribution by the sponsor should come in at around \$26,000
- News about new construction: The builder from Metro Legacy, the fellow that was here and talked to us, has a major health problem. That's holding things up. The latest communication is the following from the ReMax team: "The building permits are ready, engineering has been completed. The ReMax team will be meeting with Bob Morgan this week. ReMax will arrange to pick up the drawings, maps, etc this week so actual physical site work can be started quickly. We will get back to you as soon as we can." I am optimistic because although we've had a lot of stops and starts regarding cottages, the way I look at it is as a three-legged stool. You need all three legs. One leg is money another is the marketing and the third leg is the builder. In the past, one of those legs got wobbly. First it was the money, then it was the builder but now we have ReMax, a very aggressive company (they have like 135 workers that work for these two fellows) as the marketing leg, and we have Morgan's money and that's solid as the second leg. Then we have Mike, the builder from Metro Legacy, the builder as the third leg. With this new information, that leg might be a little wobbly. We will have to wait. We will let you know as soon as we can what's going on with that situation.

Proof of Notice of Meeting - Jim Manetta

The Board was given paper copies of the following mailings to the community that met the requirement of 30 days notice before the meeting

- July 14, 2017, Meeting notice and request for board candidates
- August 11, 2017, Reminder of the date and purpose of the meeting, names of the candidates; Mary Jane Thomas and Cy Kastner Proxy forms were included.

New Board Member Election - J. Manetta

J. Manetta introduced the candidates, Mary Jane Thomas and Cy Kastner. He called for additional nominations, then closed the nominations and the ballots were collected. There were 40 homes and the developer (he has one vote) represented; 31 present and 9 proxies. There were two board seats open and only two candidates for those seats. J. Manetta called for a show of hands for the two positions and the vote was unanimous for the two candidates.

Financial Review - J. Galvin

Rivers Run HOA Annual Meeting Financial Review

Time Warner Fee

For the past 2 years we have taken \$5 of the savings from the Time Warner Contract and created a homeowner funded landscape improvement fund. This year we saw 2 of the seven master plan projects completed. We were able to fund this using both cash on hand and a withdrawal from this fund in a 50-50 split. We envision completing more projects in the coming years as finances and construction allows until identified Master Plan projects are completed. As such I recommend we continue with this \$5 per month funding for landscaping in 2018. The current balance in this account is \$3158.20. A show of hands to continue the project indicated the majority wanted to continue funding the landscaping reserve via the \$5.00 contribution.

2018 HOA Monthly Fees

The proposed monthly fee will increase to \$285 in 2018. This is the continuing \$5 annual increase until 2020 when we have planned for the fee to cap out at \$295. Our vision is with build-out completed this monthly maintenance level should sustain both the operating and reserve budgets.

2017 Financial Review

At the end of August the HOA had cash balances of \$50,023 in the operating account and \$110,594 in the reserve account that consisted of \$107,436 in the Maintenance Reserve and \$3,158 in the homeowner funded landscape reserve. Our target for the Maintenance Reserve for year end is \$106,897 so our current position provides adequate coverage for any potential expenses remaining this year.

Switching to the operating budget, expenses remain on target through 8 months of operation. Current budget through August is \$139,597 with actual expenses totaling \$129,425. The exceptions reported in past months continue to remain in the positions previously stated with the 2 major exceptions being an anticipated savings of approximately \$7,500 in snow expenses and the offsetting overage of about \$7,000 in legal expenses. All other accounts appear to be tracking near budget.

2018 Proposed Budget

In the handout you have the 2017 budget as proposed, our estimates of where we will end 2017 in the grayed column and finally the 2018 proposed budget. As you can see by year we anticipate spending the money we receive from the HOA dues and

funding the shortfall by the \$10,800 we are receiving from the Sponsor. In 2018 our plan does not change significantly, but it reflects the dues increase and our legal expenses returning to more normal ranges. We planned small increases in the insurance, cable, management and insurance accounts and anticipated an increased cost for summer mowing and landscape maintenance since that contract will be up for renewal in 2018 and finally a larger increase in building repairs since we are seeing our buildings age and require more repairs. The result is an anticipated deficit of \$5,124 that will be funded by either new building HOA fees or continued Sponsor contributions on un-built lots. We anticipate the sponsor contribution to increase to \$11,520 that represents the same \$5 per un-built lot per month that we are asking from the homeowners. This number will be modified as new buildings are built and sold.

President's Comments

H. Maslich thanked our interpreters for their fine job tonight. He said the state of the union is good. Our books balance with a small surplus. We have a healthy reserve which is up to date. There is coverage until 2034. Our sponsor is meeting all current maintenance obligations. New units will be built. Howard said it has been an honor to serve. L. McLaughlin presented him a certificate of thanks from the community.

Open Forum

- B. Brent expressed appreciation of Howard's service.
- P. Stoeckl mentioned vehicles from the RIT Boat house speeding on the outer road and wondered what we can do about it. She was advised to get the plate number or car description; forward that information to L. McLaughlin who will contact the RIT Coach and the Coach will discipline the offender.
- S. Wohlers asked about repair of the gutters along the road which are cracked. It has been noticed and will be part of maintenance. We decided to wait on any road maintenance until all the building is over. We have before pictures for reference.
- D. Linscott asked if we have a preventative maintenance program\plan for the community. We do.
- K. Hayes would like someone to speak to the coach about the girls running and talking loudly at 5 a.m. L. Quinn mentioned that the skate boarders are back again.
- D. Linscott asked where we are in the process or when will we get back money from the Sponsor for previous years short fall. We have decided not to take legal action at this time.
- C. Gnazzo asked when the driveways and road will be sealed. Her driveway has not been sealed since she moved in. We plan on doing the sealing in 2018.

Adjournment

J. Galvin moved to adjourn, L. McLaughlin seconded, the motion was passed
Meeting adjourned at 6:20 p.m.

A brief meeting of the new Board of Directors was held following the annual meeting.
L. McLaughlin was elected President
C. Kastner was elected Vice President and remains chair of Buildings and Grounds
J. Galvin remains Treasurer and chair Finance and Social Committees
W. Fischer remains Secretary and chair of Hospitality and Communication Networks
M.J. Thomas is Member at Large and chair of the Policy Committee