

RR HOA Annual Meeting Minutes
Tuesday, September 13, 2022
Via Zoom

11th Annual HOA Meeting Call to Order: 5:03 p.m.

Board members present: L. McLaughlin, C. Kastner, M.J. Thomas, J. Michels, C. Lee and E. O'Connell with Crofton Perdue

Community members present per Roll Call: G. Robbins, J. Birk, L. Lee, M. Hayes, C. Petersen, K. Hayes, J. Eng, V. Michaels, K. and S. Reed, S. McVay, W. Fischer, A. Dwyer, B. and B. Lindholm, A. Drenk, L. Musgraves, D. Stephenson, M. Carlson, M. Mayernik, M. Horyczun, J. and C. Galvin, J. Thomas, L. and S. Rausch, R. and L. Biedenbach and K. Petras

Approval of September 14, 2021 RR HOA Board Meeting Minutes: M.J. Thomas moved to approve; C. Kastner seconded. The motion was passed 5-0.

Welcome:

L. McLaughlin reviewed the meeting format and introduced and thanked current Board Members, thanked Julian Thomas for assistance with the presentation and introduced and welcomed E. O'Connell to his first meeting.

Proof of Notice of Meeting: E. O'Connell reported that two meeting notices had been sent out and the ballots were mailed on August 23. It was advised that 42 out of 58 ballots were returned and we had a quorum.

Year Summary Reports:

M.J. Thomas introduced Community Changes since our last HOA Meeting. Please see page 4 of the attached Annual Meeting Presentation ("AMP") for names.

Linda McLaughlin recognized Committees and Social Event Contact Persons (pages 3 and 5 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 6 of the attached AMP).

Financial Review – J. Michels:

2022 Financial Review:

Financial Report Year to Date: J. Michels

- At the end of August 2022, the HOA reported cash balances of \$44,969.31 in the operating account and \$214,696.55 in the Maintenance Reserve account.
- Budget operating expenses for August 2022 were \$28,995.55. We are under budget at month end by \$2,814.08 after all reserve deposits have been made in full and under budget year-to-date by \$22,353.87.
- The individual accounts within the budget show no significant variance to plan though some timing issues exist. Overall, the individual categories show on target except for building repairs & supply, which is under budget due to the payment of insurance money received in 2022 for the previous year's accident expenditures which were paid out of the building repair & supply category in 2021.

2023 Proposed Budget:

- We are proposing a budget with anticipated revenues of \$318,768 and expenses of \$320,162. This will leave a small shortfall of \$1,394 which will be adjusted throughout the year. This year we have made our review of the Maintenance Reserve account and determined that the funded level must be increased. As such, we are proposing to transfer \$63,000 from the Operating account to the Maintenance Reserve account to meet large anticipated expenses starting in 2027 such as driveway resurfacing, main roadway repairs, and new roofs for five buildings containing twenty units that were built in 2006. To meet these expenses, we are increasing our monthly HOA fees by \$40 from \$345 per unit per month to \$385. The cable and internet fees will remain the same as the current year.
- We have tried to obtain multi-year contracts to stabilize costs, but continue to find our contractors unwilling to commit to more than a single year because of their claim for increasing costs. Further, we are continuing discussions regarding cost reduction approaches and have made some decisions. These include (1) performing painting of entrance ways and front doors for all units in 2022 rather than incurring increased costs associated with spreading this work over multiple years, and (2) seeking bids for an LED light conversion on our street lights which should have a four-year break-even of installation cost versus energy savings.

What to Expect in 2023 and Beyond:

We anticipate financial pressure in all expense categories and must continue to attempt to find creative solutions for these and other challenges that develop to keep our living costs reasonable. As such, we welcome suggestions from the community to help achieve these goals.

Finance Questions and Answers:

L. Musgraves: What was the reserve amount two years ago? I thought it was \$150,000 when I moved in.

A. In 2019 it was \$174,890.41; in 2021 it was \$188,028

M. Carlson: What process was used to determine the cost of roofing, etc.?

A. Crofton measured the buildings' roofs and used an average cost per square foot from contractors they work with and cost information the Board researched from workers who had just worked on RR site.

Q. When will you reforecast again?

A. The plan is for Crofton to reforecast every three years.

Q. Why not a special assessment?

J. Michels: We're trying to minimize the need for a special assessment. I recommend that they be done more frequently.

L. McLaughlin: They should now be done every year. The roofs should be evaluated in the fall and looked at annually with an in-depth reforecast in three years.

Q. What is the life expectancy of our roofing?

E. O'Connell: The current roof is supposedly a 25-year roof; however, they could last 20 years or longer, it depends on the product quality. When the roofing is replaced, there will be more ice and water shielding and flashing. The new roofing will have a standard life span of 30-35 years. It is expensive, but will be better than the original product.

J. Galvin: We talked to roofing contractors on new buildings 800/900/100.

C. Kastner: We re-evaluated the reserve fund, noticed significant changes upward and have to increase HOA fees. There is no real insight for 2024. I'd call attention to the RRHO 2023 budget. There is an opportunity to cut costs through the fertilization, snow and summer amounts.

J. Michels: I encourage the community to help us think of ideas to trim budget and feel expenses can be cut. We will listen to ideas and evaluate them, not just dismiss. There are good suggestions in proposals and others that may need further work in different areas. I don't like using lawn chemicals as several Master level landscapers have recommended lowering or eliminating their use. We have discussed going every other year. Can cut \$6,000 per year, but we need more ideas. Natural, native plants do not require any pesticides. This morning I listened to an Evan Dawson's WXXI recorded podcast that aired this past week regarding the relation between pesticides and Parkinson's disease and I encourage the community to listen to it.

L. McLaughlin: An email will be sent out to the community looking for volunteers interested in participating, discussing and evaluating potential areas of savings.

L. Musgraves: Denver was having concerns with weeding. The only use of grass was in front yard. The use of spreading and native plants is worth looking at and still leaves a manicured look.

L. McLaughlin: The proposed HOA fee is to \$385 and \$73 totaling \$458 per month in 2023.

Mail-In Ballot Election Results – E. O'Connell:

Ballots were mailed to each homeowner with a self-addressed, stamped envelope and were requested to be returned by September 9. Forty-two ballots were received by Crofton Purdue who opened and tallied the ballots. L. McLaughlin and C. Lee were elected to three-year terms. There were no write in candidates.

Board President Comments – L. McLaughlin:
Social Committee

- Our Social Committee needs input from the community for future ideas.
- The Social Committee is looking for input and as such is looking at having a potential Fireside Chat/pizza party in October (see J. Galvin's note below) for the community to discuss ideas on social events here at RR. All residents are encouraged to participate.

Community Handbook, Section 3

- Email updates were sent out recently regarding Section 3. Please note there is a variance required for any changes that may affect the structural integrity of the building.
- Any flowers planted by the homeowner are to be maintained by the homeowner.
- Variances are required to extend the patio.
- Nothing may be attached to the outside of an individual unit without an approved variance.

Parking Spaces

- Additional parking spaces are at a premium. There is no opportunity to create any new spaces and we ask that the available spaces be available for visitors and vendors.

Community Open Forum:

M. Horyczun: Thanked the Board for the great work being done. Hope Linda is President again. Remember the concert at the boat house gazebo on October 2.

M. Horyczun: What is going on across the street (East River Road)?

A. The building is not RIT related although the Town of Henrietta's website says it is student housing. It will be similar to The Hill and The Lodge. In addition, there will be light industry and offices in the second phase. The bulldozing of cattails in the wetlands is for a turning lane and a sidewalk. That area is part of the East River Road improvement plan. A park-like/fresh air area or retention pond is required. On

Lehigh Station Road, there will also be student and disabled individual housing. No commercial establishments like Starbucks.

M. Carlson: It is student approved housing like The Hill (market rate).

A. The Cove was 55+ when ownership changed hands, but is now market rate.

Comment: An RIT ID entitles you to discounts at Park Point restaurants and provides a membership to the Henrietta BJ's.

S. McVay: There is also a Better Me program at RIT and I'll check to see if still active.

Q. Are there social events for new people?

A. Great idea. Pre-Covid, we had an annual meet and greet at the meeting hall or club room. The Social Committee could schedule this, but the Hospitality Committee may be better.

J. Thomas: What is Crofton's hourly rate for work?

E. O'Connell: The rate is \$62 per hour with a ½ hour minimum charge, plus mileage.

Q. Will there be a traffic light?

A. No, stop signs and turn lane.

J. Galvin: The Social Committee is extending an invitation to a pizza party on October 5th about 4:00. This will be an informational meeting as we really need the help of the community. Covid or the community changed focus so we would like as many members as possible to attend in order to address the needs of the community.

M.J. Thomas: Will this be held indoors or outdoors?

A. In the lecture hall at Greenwood Cove. Masks are optional.

L. McLaughlin thanked the community and E. O'Connell from Crofton Perdue. Any additional comments or questions may be directed to L. McLaughlin or any Board Member.

Community Meeting Adjourned at 6:44 p.m.