

# Cherry Hill Village Homeowners Association

## Board of Directors Meeting

Monday, January 18, 2016

Location: Canton Human Services Building

### MEETING MINUTES

#### 1. **Call to Order and Roll Call**

President Barb Babut called the meeting to order at 6:00 p.m.

Directors Present: Ms. Barb Babut, Mr. Leland Ropp, Ms. Bridgette Cramton, Mr. Craig Crady, Mr. Bobby Kopke, Mr. Rick Miller, Ms. Colleen O'Sullivan, Mr. Stanley Szczotka and Ms. Monica Wolfson

Directors Absent: Mr. Mike Sielaff and Mr. Jack Ventimiglia.

Also present: Mr. Dan Herriman and Mr. Jeff McDuff, on behalf of Herriman & Associates, Inc., Management Agent

#### 2. **Approval of Agenda**

Director Ropp moved and Director O'Sullivan seconded to approve the agenda as published. The motion was unanimously approved.

#### 3. **Co-owner Comments**

There were no non-director co-owners present.

#### 4. **Approval of Minutes of Preceding Meeting**

Director Babut moved and Director Cramton seconded to approve the minutes of the meeting of November 16, 2015 as published. The motion was unanimously approved.

#### 5. **Review of Preceding Month Financial Report**

CHV I - Management reported that there was one material negative variances in expenses for December 2015; the overall year-to-date variance is positive by \$57,668.13. Operating equity stood at \$41,859.29; reserve fund equity stood at \$293,727.97.

CHV II - Management reported that there was one material negative variance in expenses for December 2015; Gutters were over budget as a result of a contract with Allied Gutter to reconfigure certain gutters to direct discharges away from foundations beneath covered "multi-plex" porches. The overall year-to-date variance is, however, positive by \$26,427.93. Operating equity stood at \$29,085.75; reserve fund equity stood at (\$973,101.32).

CHV II's current year net income from operations is \$14,340.75. This is \$12,941 more than forecast largely due to the larger-than-forecast positive variance in Water & Sewer.

CHV II's current year net income from reserves transactions is \$178,372.46. Of that amount, \$105,795.28 was paid in principal on the Mutual of Omaha Bank loan, leaving "cash flow net income" of \$72,577.18. Had CHV II paid for concrete replacements that were deferred to 2016 (priced at \$22,296), "cash flow net income" would have been reduced to \$50,281.18. This is \$1,681.18 more than the forecast of \$48,600.

CHV II deferred the budgeted partial loan repayment to CHV of \$50,000, and is instead budgeted to pay \$50,000 toward principal owed to Mutual of Omaha Bank in 2016, rather than paying down the CHV I loan by the same amount. The Mutual of Omaha Bank loan interest rate (5.0%) is considerably higher than the rate charged to CHV II by CHV I, being 2.4%.

## **Cherry Hill Village Homeowners Association**

Board of Directors Meeting

Monday, January 18, 2016

### **MEETING MINUTES**

Page two

Director Ropp distributed an overview of each Association's financial position and results of operations and a schedule of "variable and deferrable" expense items, with a comparison of actual expenses versus budget.

It was noted that insurance expense for 2016 for CHV II will be about \$5,000 over budget.

Director Ropp moved and Director Crady seconded to approve the December 2015 financial reports. The motion was unanimously approved.

#### **6. Committee Reports**

There were no committee reports.

#### **7. Management Report**

Management reviewed current financial, administrative and maintenance topics. Items for which board action is requested appear under either Unfinished or New Business.

#### **8. Unfinished Business**

##### **8.1 Status of Water in Crawl Space – Bldg. 100 (tabled)**

Management installed two temporary sump pumps in the crawlspace beneath two CHV II units in Building 100. They have produced favorable results. Management will continue to monitor conditions and report on their observations. Management developed a cost estimate to install a vapor barrier system in each of two crawlspaces. The cost estimate is \$3,000 for each one.

It was moved by Director Ropp and seconded by Director Wolfson to authorize management to proceed to install a vapor barrier system in one unit's crawlspace and to install the "second leg" of a drainage system in the other unit's crawlspace. The motion was unanimously approved.

##### **8.2 Traffic Plan Proposal (tabled)**

Management reported it has urged Successor Developer and Builder Danny Veri to submit traffic plans to the Township and to install missing street signs. Management will request copies from the Township of whatever traffic plans it has on hand for CHV II.

##### **8.3 Vacant Lot – Delinquent Property Tax Issue**

Management reported that Canton Township responded to a letter from the Association's legal counsel and refuted several claims made by the Association, including that the Township forfeited unbuilt and non-existent units to the County based upon unpaid taxes that should not have been assessed. The Association recorded an "Affidavit of Facts Pertaining to Vacant Undeveloped Lots" on July 10, 2015 to put any person who may consider purchasing the former Units of the facts that materially affect title to the former Units and prevent any party from obtaining marketable title to such Units or the right to construct them.

#### **9. New Business**

##### **9.1 CHV II – Fire Suppression System Head Repairs and Glycol Replacement**

Site Manager Jeff McDuff made a presentation on CHV II fire suppression system head repair needs and needed glycol replacement. The presentation included detailed cost estimates for all buildings, a priority schedule and information on competitive pricing.

**Cherry Hill Village Homeowners Association**

Board of Directors Meeting

Monday, January 18, 2016

**MEETING MINUTES**

Page three

It was moved by Director Ropp and seconded by Director Wolfson to contract Absolute Fire Protection to perform recommended work on the nine buildings where fluid needs replaced. Once that is completed, given that the cost will not be fully known until the quantity of needed additional glycol is determined, the board will determine the next phase of work to be performed. The motion was unanimously approved.

Management will revise the CHV II welcome letter to include a directive to not paint fire suppression sprinkler heads.

10. **Directors' Remarks**

Director Colleen O'Sullivan declined the position of Board Vice President.

11. **Next Meeting**

The next Board meeting shall be Monday, February 15, 2016 at 6:00 p.m. at Canton Human Services Building at 6:00 p.m.

12. **Adjournment**

There being no further business, President Barb Babut adjourned the open portion of the meeting at 7:40 p.m.