

# Cherry Hill Village Homeowners Association

## Board of Directors Meeting

Monday, March 21, 2016

Location: Canton Human Services Building

### MEETING MINUTES

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

President Barb Babut called the meeting to order at 6:05 p.m.

Directors Present: Ms. Barb Babut, Mr. Leland Ropp, Mr. Craig Crady, Mr. Bobby Kopke, Mr. Mike Sielaff, Mr. Jack Ventimiglia and Ms. Monica Wolfson

Directors Absent: Ms. Bridgette Cramton, Mr. Rick Miller, Ms. Colleen O'Sullivan, Mr. Stanley Szczotka

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 Wolfson seconded to approve the agenda with the addition of 9.4 - Agreement With Commercial Property Owner, 9.5 – Steps, and 9.6 – Agenda Format. 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 Ropp moved and Director Wolfson seconded to approve the minutes of the meeting of January 18, 2016 as published. The motion was unanimously approved.

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

CHV I - Management reported that there were no material negative variances in expenses for February 2016; the overall year-to-date variance is negative by \$1,512.63. Operating equity stood at \$44,530.32; reserve fund equity stood at \$318,900.31.

CHV II - Management reported that there was one material negative variance in expenses for January 2016; Fire Sprinkler expense is over budget by \$13,519.47. For the year-to-date period, Fire Sprinkler expense is over budget by the same amount. For the year-to-date period, Insurance expense is over budget by \$2,430.12. The overall year-to-date variance is negative by \$13,149.83. Operating equity stood at \$25,632.08; reserve fund equity stood at (\$932,696.70).

The negative variance in Fire Sprinkler expense is the result of a casualty loss at building 41E. An exterior fire suppression pipe froze and burst. Management is pursuing a claim against the monitoring service provider for failing to communicate a signal for loss of heat in the fire suppression equipment closet.

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.

Director Ropp moved and Director Crady seconded to approve the February 2016 financial reports. The motion was unanimously approved.

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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 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 and that management secured a proposal from Townsend Signs for Mr. Veri. Management will inquire of the sign maker vendor (Townsend Signs) to see if Mr. Veri has contracted them to make needed street signs.

Director Babut moved to engage legal counsel to inform Mr. Veri of his responsibilities as Successor Developer. The motion was unanimously approved.

9. **New Business**

9.1 Record Email Approval of CHV II Fire Suppression System Repairs

On February 17, 2016, Director Ropp sent the following information to all directors via email:

In the January meeting the need to do repairs on leaking and painted sprinkler heads and bring the antifreeze levels up to recommended levels was identified as an urgent need that needed to be done now. The cost range was so large that it was decided to go ahead with the first 9 most urgent buildings so we could have a better overall idea of total cost. These were completed yesterday. The initial 9 buildings cost a little under \$17,000 dollars (which was at the low end of the cost range). The projected costs to complete all the buildings this year is approximately \$42,000. In addition we have \$5,000 dollars in insurance payments and \$3,000 dollars to complete DeRose crawl space water problems, bringing the total for over budget items to \$50,000 dollars. The attached proposal outlines three options for meeting this overage. I think we can choose which of the three options to use to cover the out of budget items till the March meeting. However Jeff would like a go ahead to complete the sprinkler repairs. I will make the following motion.

Motion: Approve completing sprinkler head repairs and bringing antifreeze levels up to acceptable levels within the projected range of total cost of \$42,000 dollars. The decision on how to cover this cost will be deferred till the March meeting. The motion was seconded by Director Babut and approved.

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9.2 Decide How to Fund CHV II Over Budget Condition Resulting Primarily from Unanticipated Fire Suppression System Repairs

Having discussed three alternative plans to fund the CHV II over budget condition resulting from extensive unanticipated fire suppression system repairs, it was moved by Director Babut and seconded by Director Wolfson to fund the over budget condition as follows:

Deferrals:

1. Concrete & Masonry, \$15,200 – defer to 2017
2. Landscaping & Mulch, \$5,000 – defer to 2017
3. Balconies (Repairs), \$12,000 – defer to 2017

Anticipated under budget conditions in current year expense accounts:

1. Water & Sewer, \$10,000
2. Building Repairs, \$8,000

The motion was unanimously approved.

Management will confer with Absolute Fire Protection to see if Absolute will attest, at the conclusion of the 2016 repairs that such repair work fulfills the 2016 equipment inspection requirement.

9.3 Act Upon Herriman's Management Service Renewal Proposal

Management is to make the following revisions to the agreement for the term April 1, 2016 to March 31, 2019:

1. Revise management attendance at evening board meetings – to ten annually
2. Make provisions for either a part-time or no Site Manager beginning in 2017
3. Change the language on CHV I rates – there is both a stated total amount and a “per unit” amount. Delete the former.

9.4 Agreement With Commercial Property Owner

Having discussed the inequities in costs incurred by CHV for infrastructure used by the commercial parcel east of Independence St., it was moved by Director Ropp and seconded by Director Crady to engage legal counsel to research the feasibility of expecting the commercial property owner to contribute toward costs incurred by CHV for sidewalks, street and alley used by it and its customers. The motion was unanimously approved.

9.5 Steps

A rental inspection of a CHV II unit resulted in a determination that certain exterior steps are out of code. They were installed a number of years ago, however, it is believed that there has been no material change in the steps since they were installed. Management is to pursue a claim against the Contractor.

9.6 Agenda Format

Management is to create board meeting agendas that separate CHV I and CHV II issues.

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10. **Directors' Remarks**

There were no additional remarks.

11. **Next Meeting**

The next Board meeting shall be Monday, April 18, 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.