

CHERRY HILL VILLAGE HOMEOWNERS ASSOCIATION

Board of Directors Meeting Minutes

Monday, June 17, 2019; 6:00 p.m.

Canton Human Services Building, 50430 School House Rd., 2nd Floor Conference Room

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

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

Present were Directors Ms. Barb Babut, Mr. Michael Kyle, Ms. Monica Wolfson, Mr. Leland Ropp, Mr. Jason Abate, Mr. Rick Miller. Absent: Mr. Tim Bojanowski, Ms. Karen Davis, Mr. Mike Sielaff.
Present for management: Jeff McDuff, Site Manager and Dan Herriman, Herriman & Associates, Inc., Management Agent

2. **Approval of Agenda**

Director Ropp moved and Director Miller 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(s)** (May 20, 2019)

Director Miller moved and Director Kyle seconded to approve the minutes of the meeting of May 20, 2019. The motion was unanimously approved.

5. **CHV I and CHV II - Review of Preceding Month Financial Report**

Director Ropp presented an overview of May and year-to-date financial results for both CHV I and CHV II. The financial reports reveal that:

CHV I experienced a negative variance in May, in comparing actual operating results (including reserves transactions) to budget, of \$2,557. For the year-to-date period, the variance is positive by \$1,911. Operating equity as of the end of the month was \$66,976 and reserve fund equity was \$650,929.

CHV II experienced a negative variance in May, in comparing actual operating results (excluding reserves transactions; there were no material variances in reserves transactions) to budget, of \$1,016. For the year-to-date period, the variance is negative by \$1,603. Operating equity as of the end of the month was \$72,575 and reserve fund equity was \$8,792. CHV II's year-to-date negative variance is more than explained as follows. Ten owners paid off their proportionate share of debt after the 2019 budget was approved but before January 1, 2019. Such proceeds were applied to the principal of the Association's loan in 2018. As a result, monthly assessment income in 2019 is \$1,290 (10 times the \$129 per month reduction) less than budget each month relative to those ten accounts.

Director Miller moved and Director Abate seconded to approve the financial reports. The motion was unanimously approved.

6. **CHV I and CHV II - Committee Reports, if any**

For the ADRC, President Babut reported there have been many recent applications, a number of which pertain to exterior paint color.

7. **CHV I and CHV II - Management Report**

Mr. McDuff highlighted several items from his recent weekly reports to the board. Mr. Herriman provided an overview of other current matters. Both provided additional information on "New Business" topics.

CHV I liquidated the savings account at Fifth Third Bank (\$76,311.40). The proceeds, together with an additional \$100,000 (apart from \$5.00 that was required for a member share account) were invested in a C.D. at Genisys Credit Union. The 13-month C.D. is for \$176,306.40 and bears a rate of 2.72% APY and matures on April 20, 2020.

CHV I owns a C.D. at Community Financial. The current value is \$306,899.10. The 13-month C.D. bears a rate of 2.80% APY and matures on April 26, 2020.

8. **CHV I and CHV II - Unfinished Business**

8.1 Complaint to Quiet Title – Unbuilt Units 148-157 (no change)

Makower attorney Todd Skowronski filed a lawsuit against Bank of Ann Arbor, the former “owner” of these former unbuilt units, on behalf of CHV II, to quiet title to the “lot”. This is a prerequisite to CHV II taking title to the property.

8.2 River Hill Ridge - Construction Traffic Issue (no change)

Makower attorney Ed Lee sent a letter to Pulte Homes on May 17, 2019 to thank Pulte for directing its River Hill Ridge contractors and subcontractors to utilize Ridge Road for access to and from the RHR property and that Pulte take any other appropriate measures to prevent construction traffic from using the roads in CHV. Such letter was a follow-up to Mr. Lee’s letter to Pulte Homes on April 10, 2019 and his follow-up telephone conversation with Pulte’s David Graham on May 7, 2019. Jeff McDuff will continue to take photos of construction traffic.

8.3 River Hill Ridge – Roadway Easement Payment Obligations to CHV

Makower attorney Ed Lee sent a letter to Pulte Homes on May 17, 2019 to follow-up with Pulte’s David Graham on their telephone conversation of May 7, 2019 regarding the use of CHV roads for ingress and egress by River Hill Ridge homeowners and River Hill Ridge’s obligation to share in the expenses relative to maintaining, repairing and replacing the roadways in CHV. Mr. Lee invited open dialogue as a prerequisite to drafting a proposed agreement. Mr. Lee is working to create a cost-sharing agreement satisfactory to CHV.

9. **CHV I and CHV II - New Business**

9.1 CHV I and CHV II Contract Issues

Mr. McDuff reported that asphalt specifications have been completed and the project will be sent out for bid in the next day or two.

9.2 Approve Date for 2019 Annual Meeting

Management is to proceed to secure a late October date at Workman Elementary, preferably October 21 or 29.

10. **Next Meeting**

The next Board meeting shall be Monday, July 15, 2019 (third Monday) at 6:00 p.m. at Canton Human Services Building. Such meeting may get cancelled if a violation issue is resolved and no hearing is necessary and if all directors vote via email to award the asphalt contract.

11. **Executive Session** (there was no Executive Session)

The meeting was adjourned at 6:52 p.m.