

CHERRY HILL VILLAGE HOMEOWNERS ASSOCIATION

Board of Directors Meeting Minutes

Monday, October 21, 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, Ms. Monica Wolfson, Mr. Leland Ropp, Mr. Jason Abate, Mr. Tim Bojanowski, Ms. Karen Davis, Mr. Rick Miller and 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 Babut seconded to approve the agenda as published. The motion was unanimously approved.

3. **Co-owner Comments**

There were no non-director owners present.

4. **Approval of Minutes of Preceding Meeting(s)** (September 16, 2019)

Director Ropp moved and Director Wolfson seconded to approve the minutes of the meeting of September 16, 2019, with the revision that management may award the contract for the evaluation of ponds to the lowest bidder – Nowak & Fraus Engineers or Soil & Materials Engineers. The motion was unanimously approved.

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

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

For the year-to-date period, CHV I has a positive variance of \$4,330 in comparing actual total results to budget (meaning both operating and reserves income and expense).

For the year-to-date period, CHV II has a negative variance of \$15,560 in comparing actual operating results to budget. There is a material negative variance in income from assessments in the amount of \$5,557. 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. Other voluntary debt payoffs in 2019 offset part of the resultant negative variance. In reserve fund transactions, concrete is over budget by \$18,685, however, the expense includes concrete budgeted for the preceding year as well as for the current year, with the preceding year budget not having been carried forward.

Director Babut moved and Director Wolfson 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 provided a detailed report of applications for modification approvals and the committee's actions on such applications.

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

Mr. McDuff highlighted several items from his recent weekly reports to the board including about the planting of new trees, having been done pursuant to industry standards for CHV's soil conditions.

Mr. McDuff reported that management is awaiting the receipt of the pond engineering proposal from SME.

Mr. McDuff is to contract holiday lights as was done last year.

Mr. Herriman provided an overview of other current matters.

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

8.1 Complaint to Quiet Title – Unbuilt Units 148-157

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.

Mr. Skowronski reported that the settlement agreement has not yet been finalized and that he continues to urge Bank of Ann Arbor to bring closure to this matter with terms it proposed and the CHV Board accepted.

8.2 River Hill Ridge – Roadway Easement Payment Obligations to CHV

Makower attorney Ed Lee proposed to Pulte Homes the cost-sharing allocation for 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. He is awaiting a reply.

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

9.1 CHV I and CHV II Contract Issues

Mr. McDuff provided an update on current contract work.

9.2 Discussion About Annual Meeting Presentations

Mr. Abate, Mr. Kyle, Mr. Miller and Ms. Woflson will not be seeking election.

9.3 Review/Approve Second Draft of Proposed 2020 Budget for CHV I

Director Ropp moved and Director Bojanowski seconded to approve the 2020 budget for CHV I, maintaining assessments at \$65.00 per month. The motion was unanimously approved. Management is to increase the shared allowance for mulch from \$8,000 to \$20,000, add an allowance for an updated reserve study and record the budget allowance for two new pond aerators.

9.4 Review/Approve Second Draft of Proposed 2020 Budget for CHV II

Director Ropp moved and Director Sielaff seconded to approve the 2020 budget for CHV II, with assessments remaining the same through October 2020, and in November 2020 to decrease assessments by \$50 from \$435 (the amount that owners whom did not pay off their proportionate share of debt currently pay) to \$385. The motion was unanimously approved. Management is to adjust the shared allowance for mulch (as an operating expense rather than a reserve expense), add an allowance for an updated reserve study, record the budget allowance for two new pond aerators, reduce the allowance for Other Grounds and reduce the allowance for Landscape Improvements to \$3,000 for plants only (with mulch being stated separately).

10. **Next Meeting**

The next Board meeting shall be Monday, November 18, 2019 (third Monday) at 6:00 p.m. at Canton Human Services Building.

11. **Executive Session**

An Executive Session followed.

The meeting was adjourned at 7:38 p.m.

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