

PHEASANT RUN ROAD MAINTENANCE ASSOCIATION, INC.
BOARD OF DIRECTORS
MEETING SUMMARY
JUNE 8, 2011
6:30 PM

A regular meeting of the Pheasant Run Road Maintenance Association, Inc., Board of Directors was held at the Administration Building, Leisure Services Conference Room on Wednesday June 8, 2011.

Members Present: Debbie Bilbrey-Honsowetz, Canton Township, Tom Casari, Canton Township, Mark Waldbauer, Pheasant View, Craig Stephens (via conference call), Fairways, Pete Sandys, Fairway Pines

Members Absent: None

Others: Tim Kljun, Roadway Manager, Deborah Dooley, Canton Township

I. Call to Order

Mr. Casari called the meeting to order at 6:35 p.m.

a. **Approval of Meeting Minutes:**

- i. April 20, 2011 Meeting Minutes
Motion by Sandys, supported by Stephens to approve the minutes for April 20, 2011 as presented. Motion carried unanimously.
- ii. May 2, 2011 Meeting Minutes
Deferred to next meeting for approval.

II. Financial Activity Review:

- a. Current Reports - Financials for the end of May 2011

Mr. Kljun forwarded all members the financials for the end of May 2011. There were no comments on the financials.

Mr. Kljun presented the update cash flow projections going forward. Mr. Kljun stated as of the end of May the reserve account is \$278,112. The reserve decreases towards the end of December. This projection is based on the 10% increase of the members' assessments in August. The reserve projections will be sent to all Board members monthly along with the financials via email in the future. Mr. Kljun stated it indicates the reserve will be exhausted by November 2012. The financials show the items in black are projected and the items in blue are actual. The financials show the separation of money within four categories: administration cost, Canton expenses, general maintenance expenses, and the projected reserve expenses.

Mr. Casari stated the 4th year matches Mr. Stephens' simulation program. Mr. Casari stated the PRRMA budget expenses are increased slightly; approximately \$4,400 and the revenues have increased \$8,000 over what was projected. Mr. Kljun stated that is for the administrative

expenses and Mr. Casari is correct. However, we are not over budget on the total. The total we projected is \$26,992 and we have June and July yet.

Mr. Stephens stated the annual expenses for the year is \$370,000. There is an income of approximately \$275,000 and a projected \$87,000 from the reserve. With an increase of 10% in the dues for 2012, we should just be able to cover our expenses. Mr. Stephens stated we will have to be very careful next year. Mr. Kljun stated the reserve will not be exhausted, but it will be at a low number. Mr. Stephens stated it was discussed and agreed by all that we would try to maintain \$50,000 in the reserve.

Mr. Casari stated since we have done so many repairs on the sidewalks the last two years that he is hopeful we might not have any sidewalk repairs in 2012. This will give us an additional \$20,000.

Mr. Stephens stated the road repair invoice is received in August or September and we receive 50% of our income in November. Mr. Casari stated we could end up with a cash flow problem if we are not careful. Mr. Stephens stated Mr. Kljun will have the projected cash flow for next year and we will have to examine that carefully. We will have projected approximately \$90,000 at the end of this year; we should have approximately \$310,000 by August of 2012, excluding expenses.

- b. Review RFQ's for auditor and select auditor for 2011/2012.

Mr. Kljun submitted the RFQ to the following contractors including Myler & Szczyпка: Robert A. Bovitz, Edward J. Forsyth, Cole, Newton & Duran and Grant, Millman & Johnson. There were no responses from the listed contractors with the exception of Mylar & Szczyпка. Mr. Kljun stated Myler & Szczyпка have been PRRMA's auditors since its conception. They submit the scope of work which they will provide to PRRMA annually. Mr. Kljun stated his recommendation is Myler & Szczyпка. Mr. Kljun stated Myler & Szczyпка's proposal increased \$300 from 2010. The estimated fees are \$2,325. Mr. Sandys stated this is not a full audit, but satisfies the IRS.

Motion by Sandys, supported by Waldbauer to approve Myler and Szczyпка as auditors for 2011-2012. Motion carried unanimously.

III. Unfinished Business:

- a. Road Repairs
 - i. Update on sidewalk, curb and paving repairs.

Mr. Casari stated he spoke with Mr. Balon and Spalding DeDecker has marked the sidewalks, but did not have time to measure, but will tomorrow. Mr. Casari stated Mr. Balon stated he feels that the \$30,900 is a good number for sidewalks, but there are a couple of items that are an issue. Mr. Casari stated there is an area in Fairways that has a dip in the sidewalk, approximately three flags. In order to repair the dip, it will include 16 flags. The reason is the homeowner has recently sodded his lawn, added additional topsoil, causing the sod to be raised quite a bit above the sidewalk. Mr. Balon put this area on hold and did not mark.

Mr. Casari stated in addition, Mr. Balon is figuring the flags to be 4'x5', approximately 20 square feet. There are dips, ponding, and some cracks in several of the driveway areas where those flags are quite a bit larger at 4'x8' or 9' at 6 inches thick, adding additional square footage

at approximately \$1,200. The upper limit cost would be \$32,000. Mr. Casari stated the paving is still under \$270,000. Mr. Casari stated the ponding issues do not pose an immediate threat, but can become ice in winter. This is a change and he will know the exact number tomorrow for sure. All trip hazards were marked, however ponding issues were left unmarked. Mr. Stephens stated his scale indicated number 1's must be done, 2's would like to be done and 3's are discretionary. Mr. Stephens stated if the 3's have not been marked, we can remove the 3's and not mark. Mr. Stephens stated he has a number of homeowners that complained about ponding. Mr. Stephens stated the homeowner complaints must be done. He would like the address for the 16 flags. Mr. Casari stated he will inquire if all the 3 priorities have been marked. If not we can eliminate those. If any 2's have not been marked we can eliminate those also. Mr. Casari stated he will get the address for the 16 flags for Mr. Stephens.

Mr. Sandys stated in Fairway Pines has three flags that pond. He can wait till next year on those. Mr. Casari stated he will let everyone know the status on the marking.

Mr. Casari stated we can take the \$2,170 for curb repair and put in paving, which should allow us to do everything. All Board members agree with using \$32,000 for sidewalks.

Mr. Sandys inquired if the homeowner resods and raised the grade around the sidewalk, who is responsible if it creates ponding? Mr. Stephens stated if the sod is level with the concrete it should still drain away. Mr. Casari stated it is the winter that might create the problem.

Mr. Kljun stated he has allocated the work being performed to the specific subdivisions. Mr. Casari stated the sidewalks will also be defined by subdivision.

Mr. Kljun stated as part of the roadway repair at the Highlands and Cherry Hill intersection does that require PRRMA to change the walkways to ADA compliant. Mr. Casari stated no, they are filling a pothole at that intersection only.

Mr. Stephens stated the catch basin on Mornington Court that does not go anywhere. During the heavy rains it was full but not flooded. Mr. Stephens inquired if the grade had been inspected. Mr. Casari stated no, but it will be done.

Mr. Casari stated they should be done with the sidewalks before Liberty Fest.

Mr. Waldbauer stated the minutes we just approved stated the PRRMA managers would handle sidewalks, with the exception of the ramps. Spalding DeDecker is now completely involved in the process and we are right back where we were one year ago and it makes him uneasy. Mr. Casari stated originally Hard Rock wanted to come in to repair sidewalks in May. As things happened they were not able to complete in May.

ii. Status on communications to residents.

Mr. Casari stated the notices went out today to residents for the sidewalk repairs. Mr. Waldbauer stated he is emailing his homeowners with phone calls to follow up. Mr. Sands inquired when the seal coating will begin. Mr. Casari stated possibly August and they will be doing less seal coating this year.

b. Transfer of DTE meter Glengarry/Beck to Canton Township.

Mr. Casari stated he spoke with Brad, and Brad spoke with Paul. The service will be switched. Fairway's currently receives the bill, and Canton pays it. The bill should come to PRRMA and PRRMA pays it with Canton reimbursing PRRMA. Mr. Stephens stated we could leave things as they are and bring the bill to PRRMA. Mr. Casari stated that portion would be put to Canton's cost. Mr. Kljun stated that is the way it has been done in the past. Mr. Casari stated Canton began to pay for Summit from Glengarry to Beck in August 2009. Mr. Casari stated Canton owes for two years. Mr. Stephens stated he will find out the exact cost. Mr. Kljun stated it is customary for Canton to pay 100% of their apportionment in January.

IV. New Business:

Mr. Waldbauer stated Pheasant View's annual HOA annual meeting is Tuesday in the lower level of the Administration building. Mr. Waldbauer stated he is the only one running on the ballot and is probably running unopposed. That will leave a Board of three and we need to find out if that constitutes a quorum. He is hoping there will be nominations and elections from the floor. This may affect PRRMA. Mr. Sandys stated he believes it could be turned over to PRRMA or a separate management organization with a 25% addition to their dues. Mr. Waldbauer stated even if you hire a management company you still have to have a board to give them direction. Either way you have to seat a board. Mr. Kljun stated let us assume you cannot seat a board and PRRMA assumes the responsibility for the maintenance of the common areas, you then do not have to seat a board. PRRMA could hire someone to sit in your chair. Mr. Casari stated PRRMA would continue to operate minus a representative of Pheasant View, but our responsibilities would be the same. The only issue is that there would not be a voice in the room to set construction cost, etc. Mr. Kljun stated someone would have to manage the finances separate from PRRMA. Mr. Waldbauer stated there will need to be one to handle annual assessments. PRRMA would be the one to send annual assessments to individual homeowners.

Mr. Stephens stated there are some homeowners who do not want signs on their grass. They are not willing to communicate or discuss it. Mr. Casari stated the road right of way comes under the jurisdiction of PRRMA and we do not need their permission. One foot nearest the home from the sidewalk to the curb is PRRMA jurisdiction. Mr. Stephens stated he will discuss with his board and ask for a resolution at the next PRRMA meeting.

Mr. Kljun stated the stop sign, at Cypress and Muirfield Drive; parts are in and scheduled to be installed today or tomorrow. Mr. Kljun stated the stop signs at Glengarry and Canton Center is being hit by the landscapers and the base could be damaged. Mr. Sandys stated he will look at it.

V. Other Business:

- a. Set next meeting date.

The next PRRMA meeting is Monday, July 25, 2011 at 5:30 p.m. This will be our budget meeting.

I. Adjournment:

Motion by Sandys, supported by Stephens to adjourn at 7:40 p.m. Motion carried unanimously.