

Woodlands of Livonia Homeowners Association Minutes of Board of Directors Meeting 11.30.10

Location: Arlis Olson residence
Convened: 7: 10 p.m.
Adjourned: 8:55 p.m.

Present: Ken Grasso (President), Kate Steffens (Vice President), Deb Anderson (Director)
Arlis Olson (Secretary/Treasurer), Jason Huff (Ultimate Lawn & Sprinkler)

Notes: Agenda Items appear in large boldface type. Information, Discussion and Decisions sections appear in bold. Abbreviations are as follows: HOA- Homeowners association, HO- homeowner, BMA- Board Member Anderson, BMG- Board Member Grasso, BMS- Board Member Steffens, TO- Treasurer Olson.

Review of Minutes

Decision

- Motion to approve minutes of 11.04.10 by BMS, second BMG, carried unanimously.

Treasurers Report

Information

- TO reviewed the 2010 actual expenses to date and budget variances, status of checking and money market accounts and projections for cash flow through December.
- TO reviewed aged receivables of \$1,516.00 noting that amount included credits for several residents that overpaid or prepaid their dues. Therefore, the actual receivable amount was \$1,895.00 which was comprised of four HOs with outstanding dues and late fees.
- TO reviewed the aged payables of \$1,524.94 which consisted of Connexus Energy - \$997.44 for electrical use; Arlis Olson - \$352.50 - reimbursement for HOA flags - (15) 3'x5' and (1) 10'x15'; and Heriberto Torres - \$175 for the remaining holiday lights services. The Connexus Energy amount is an Autopay item therefore Board action is not required. The Torres amount is on the aged payable list but by the terms of the agreement will not be approved until the lights are removed in early 2011. The only item requiring action is the Arlis Olson payable.

Discussion

- Board members reviewed the status of the HOs with unpaid dues and late fees. One HO is dealing with financial issues and had indicated he would remain current with future dues and will bring the past due amount balance down in the coming months, however, notification was recently received of the home being sold at a Sheriff's sale and the HO has not responded to an email request for information. TO was directed to send a letter to the HO indicating if we do not receive payments soon, legal action will commence. Another HO paid the first quarter dues but not the assessed late fee; has not paid the second, third or fourth quarter dues and late fees. The HOA attorney became involved

and sent a demand letter to the HO which did not result in payment—TO was instructed to notify the attorney to begin court action for obtaining a judgment against the HO. The other HO has reduced his past due balance to \$32.25. The HO has been paying on a monthly basis but the 1st Quarter dues will be invoiced soon which will obviously increase the amounts due—BMA and/or TO will attempt to meet with the HO. The remaining HO will be sent another past due notice that will include December late fees if payment is not received in the next few days.

Decision

- Motion by BMA to approve payment to Arlis Olson - \$352.50; second BMS, carried unanimously

Ultimate Lawn Care appearance

Information

- The Board previously accepted the bids of Ultimate Lawn Care & Sprinkler for the 2011 lawn care & irrigation services on the condition that a meeting be held to review the Board's expectations. Jason Huff appeared before the Board to answer questions.

Discussion / Decision

- Jason indicated that due to medical issues his father sold his interest in the lawn care business and Jason is now the owner and the person that will be responsible for all services to the HOA. There was general discussion about the level and quality of service that was expected and specifically about the height of the grass cutting, extent of cutting/trimming along the edges of the trails in the common areas and shutting down the mowing equipment if pedestrians are encountered along the trails. Jason acknowledged that improvements in the services can be made and was receptive to working with the Board to make sure all issues are satisfactorily addressed. He further suggested that since he will now be the person onsite doing the mowing, the weekly or bi-weekly irrigation checks could be eliminated as he will be able to observe how the systems are operating when he mows. The elimination of those checks could save the HOA upwards of \$700, depending on the exact number of checks accomplished. The Board appreciated Jason's willingness to work with them on service improvements and were comfortable moving forward with him for the 2011 services. They further felt that the weekly or bi-weekly irrigation system checks can be eliminated from the irrigation systems service work scope.

Status of legal issues

Information

- BMG reported that following the last BOD meeting he had a telephone conversation with the HOA attorney concerning the HO that constructed a shed without following proper approval procedures. BMG also provided the attorney with pertinent documents. The attorney felt the HOA has solid grounds to proceed with legal action in the matter. However, due to the Thanksgiving holiday and other commitments further action has not occurred. BMG will follow-up with the attorney.

2011 Annual Budget approval

Information

- TO presented a 2011 Annual Budget that had been updated based upon discussion at the previous BOD meeting. TO also presented a 2011 income projection to compare to the budget.

Discussion

- Board members reviewed the budget as presented in the amount of \$98,675 and the income projection in the amount of \$96,216. They felt the budget was appropriate for the year and should be approved. The shortfall between the budget and income projection was not seen as a big concern as we typically have been ending under budget the last couple of years and we currently have a favorable cash position. A dues increase is not necessary at this time, but the likelihood of one in the next couple of years may be necessary if expenses continue to rise or a major project is necessary.

Decision

- Motion by BMS to adopt the 2011 budget in the amount of \$98,675, second by BMA, carried unanimously.

Information / Miscellaneous

Information

- a. Garbage & recycling service— At the last BOD meeting, TO was instructed to contact ACE regarding the renewal process for the existing contract and report back to the Board. ACE is willing to renew the contract for another two year term at the same rates as we currently paying; however, the actual contract document has not been received.
- b. Flag Pole replacement—TO reported that he had ordered new US flags for the HOA display locations for next year but wanted to get the Board's approval for the purchase of 6' fiberglass poles for the County 4 entrance median. Three of the poles were broken off in a fall windstorm and an additional 3- 4 poles have splintered and need to be replaced in the spring. The replacement pole supply is exhausted. TO indicated that there is a price break at a quantity of six and another at twelve.
- c. HOA notifications—TO reported that he had been contacted by a HO that wants to organize a development wide event and asked if a notice of the event could be included in the quarterly dues mailing. Another option would be to send out an email to the HOA distribution list.
- d. Brush Pile—It had previously been determined that the brush pile near the HOA garage could be burned during the winter months. However, due to the current size of the pile there are concerns that if it were burned it may not be able to be controlled. TO reported that he had obtained a quote to chip up the brush pile from a tree service that has done a considerable amount of work for residents in the development. The quote was \$500 to chip up the pile (assuming the chips could be sprayed into the woods), \$25 per tree to remove the large trees within the pile if they cannot be chipped and \$100 to remove certain other trees in the vicinity that are in danger of falling over the trail.
- e. Trail Repair Fund Reserve—BMG suggested that, in light of the projected positive cash situation for year end, an additional contribution of \$5,000 should be made to the reserve fund.

Discussion/Decision

- a. Garbage & recycling service— TO will advise the Board of the actual terms of the renewal contract once it is received and the Board will act via email. The two year contract renewal document was received and the Board was advised by email of the terms-- \$6.25/month/location for garbage and \$2.96/month/location for recycling---100 locations or residences. Taxes and fuel surcharges are additional. The renewal is effective January 1, 2011.
- b. Flag Pole replacement— Board members agreed that there should be a supply of replacement poles on hand and authorized TO to proceed with the purchase of twelve new poles at an estimated cost of \$250.
- c. HOA notifications—Board members felt that notifications distributed with the quarterly dues invoices or via the HOA email distribution list should be limited to HOA sanctioned events/issues or other items such as crime/vandalism alerts, lost pets, lost/found items, etc. In the past, events organized by individuals or other groups have printed flyers and placed them in the newspaper receptacles and that should continue to be the method of getting the word out.
- d. Trail Repair Fund Reserve—Motion by BMA to increase the fund by \$5,000 at year end, second by BMS, carried unanimously.

Email Motions

- Motion by BMA on 12-02-10 to accept the two year garbage & recycling service contract from ACE; second by BMS, carried unanimously.
- Motion by BMS on 12-23-10 to approve payments to Joel Rademacher - \$635.40 for mailbox repairs and construction of (6) assemblies for future use and Arlis Olson – \$938.88 (\$625 for 4th Quarter treasurer services, \$248.88 for twelve flag poles for the County Road 4 entrance median and \$65 for irrigation pump repairs), second by BMA, carried unanimously..
- Motion by BMS on 12-23-10 to accept the contract reduction of \$540 offered by Mulch Renew as they had included three private garden areas in their original bid, second by BMA, carried unanimously. Contract totals now \$10,540 for specified services, \$1,022 for alternate bid plant materials, plus appropriate taxes.

Meeting Adjourned 8:55p.m. 11-30-10

Minutes prepared by Arlis Olson, approved on January 11, 2011 by:

Ken Grasso
Kate Steffens
Deb Anderson