

**OAKLAND HILLS CONDOMINIUM ASSOCIATION**  
**Board Meeting Minutes**  
**August 15, 2017**

The Board Meeting of the Oakland Hills Condominium Association was called to order at approximately 4:00pm, August 15, 2017 at Gardner Management Group offices.

1. **Roll Call:**

1. Board members in attendance: *Joy McClendon (Secretary, Website Committee), Mike McLean (Infrastructure Committee), Larry Smith (Vice President, Landscape Committee), Linda Teare (President), Tom Welsh (Treasurer, Finance Committee)*
2. Gardner Management in attendance: *Calvin Johnson*
3. Absent: *Jack Gesmundo (AVB, Member at Large), Ryan Gardner (Gardner Management)*
4. Other Invited Attendees: *Carl Dyszkiewicz, Finance Committee Member, Larry Shelton, Infrastructure Committee Member*

2. **Record of Board work since previous meeting (on 6/21/2017):**

1. June 21, 2017 Board Meeting Minutes were approved.
2. An OHC Board of Directors Policies and Procedures document (which outlines Board operating processes) was approved and placed on the Website (under Board Meeting Minutes.)
3. An additional \$320 (above the previously approved \$375) for professional cement cleaning and sealing by the clubhouse was approved.
4. An expense of \$130 was approved for the removal of two trees by Gardner Management (approximately 2 hours of work) located on Hollow Creek Trail and Oak Meadow Cove.
5. With AVB endorsement, the Board approved removing the *Clubhouse Office and Information* sign to eventually be replaced by a smaller *Clubhouse* only sign. Gardner removed the sign which was concreted into the ground.

3. **Reports from Individual Committees:**

**Finance Committee** – Tom Welsh, Finance Committee Chair and Carl Dyszkiewicz, Finance Committee Member, presented on behalf of the committee.

1. **Operating Reports:**

From the **Month Ended** July 31, 2017 Financial Report.

Summary:

Revenue:	Actual \$ 38,862	Budget: \$ 37,552	\$1,310 Fav
Expenses:	Actual \$ 28,511	Budget: \$ 41,256	\$12,745 Fav
Net Income:	Actual \$ 10,351	Budget: \$ -3,704	\$14,055 Fav

Comments:

- Revenue favorability was driven by Association Dues received from more occupied homes (\$457 Fav) and receipt of buy-in and late fees (\$853 Fav).

- The expense favorability can be largely attributed to favorability in Pool Maintenance and Siding Cleaning and timing. Tree and sign favorability are related to timing of budget vs expense and will be reduced over time (e.g., Trees are planted in the fall.)
- Noted expense items:
  1. Pool Maintenance \$1,101 Fav
  2. Siding Cleaning \$2,125 Fav
  3. Trees \$4,250 Fav (will reduce when expenses incurred)
  4. Sign repair/replace \$675 Fav (will reduce when invoices paid)
  5. Maintenance GMC (\$885) Unfav

From the **Seven Months** Ended July 31, 2017 Financial Report.

Summary:

Revenue:	Actual \$ 262,664	Budget: \$ 262,862	(\$198) UnFav
Expenses:	Actual \$ 224,329	Budget: \$ 252,015	\$27,686 Fav
Net Income:	Actual \$ 38,335	Budget: \$ 10,847	\$27,488 Fav

Comments:

- Revenue is on track and close to the breakeven point with Association Dues \$269 Fav and Buy-In and Late Fees (\$467) Unfav.
- Other Maintenance and Repair is (\$3,000) Unfav driven by unplanned Infrastructure items including: Garage door repairs (\$1,162), lightning damage (\$2,006), and plumbing issues (\$973).
- Overall Expense favorability is driven by favorability in a few areas including GMC work orders, utilities, property insurance, and irrigation.
- Noted expense items:
  1. Legal – Master Deed Revisions (\$802) Unfav will likely end as unfavorable as more work is pending.
  2. GMC Work Orders \$3,307 Fav being managed well by Gardner
  3. Property Insurance \$5,405 Fav anticipated \$4,500 Fav at year end.
  4. Utilities \$5,967 Fav Almost all favorable, but the budget is spread evenly throughout the year and we anticipate this will level out to some extent.
  5. Irrigation \$2,139 Fav being managed well.

**Long-term Capital Plan Reserve** as of July 31, 2017.

Summary:

Cash Reserve (GMC):	\$ 86,232
Investment Account (Raymond James):	\$302,278
Total LTCP Reserve 7/31/2017:	\$388,510

Comments:

- Monthly resident contribution from dues (\$75 per unit) are approx. \$10,000 per month
- Estimated year-end Reserve balance \$435,000 compared to our LTCP projection of \$425,298
- Net return on Raymond James investment account for the first 3 months .8% (or 3% pa)
- Last two capital expenditures:
  - Coach Lights \$20,758 (\$21,535 in our plan over 2016, 2017 and 2018)
  - Carpet \$6,056 (Net after insurance proceeds)

2. **Reserve Fund Tax Liability:** There is now a potential tax liability from the income being generated from the invested Reserve fund. We will be paying \$1,200 in estimated taxes (to the US Treasury) quarterly on our investment income (\$585 on 9/15 and \$585 on 12/15.) Discussion followed on where this liability should be accounted for. **Decision:** It will be put against the **Reserve Fund** where the income is being generated from.
3. **Transfer to Raymond James:** There was discussion on when to transfer funds to the Raymond James investment account from the Mercantile Cash Reserve managed by GMC. **Decision:** When the Mercantile Cash Reserve Account is greater than \$75,000 we will transfer the amount in excess of \$50,000 to Raymond James. We will move no less than \$25,000 at a time and will maintain a minimum balance in the Mercantile Cash Reserve account of \$50,000. Tom Welsh and Linda Teare, as our OHC Investment Representatives, must provide notification in writing to Gardner Management before a transfer occurs. Any pending expenses need to be considered before a transfer is requested.
4. **Charter Service Fee:** A question was raised by Tom Welsh regarding the amount we are currently paying for Charter Cable Service (\$152) and what we are getting for that amount. **Action Item:** Calvin will ask Charter for clarification of what is included in our service. Whether or not we request a change to the service will depend on the AV proposal decision.

**Infrastructure Committee** – Mike McLean presented on behalf of the committee.

1. **Cement Cleaning at the Pool:** Hadaway has been awarded the work to clean the patio cement and the front entrance/sidewalk areas at the clubhouse. Hadaway will perform the cleaning on Monday 8/21 (which should be completed before the clubhouse reservation at 6pm on that day.) Sealer has been purchased by Mike McLean and volunteers will apply it when cleaning is completed.
2. **Flooding at Hollow Creek Trail and Oakland Drive:** Flooding over the sidewalk after an intense rain continues to be an issue. Drainage which should occur in a couple of hours has been seen for as long as 12 hours. AVB has indicated in a note to Linda that they have done all of the work they plan to with regard to this issue. **Action Item:** Mike indicated it would be an easy fix to install additional drains and he will get a bid to complete the work.
3. **Clubhouse Office Area Remodel:** AVB has now vacated the office area. There are holes left in the walls due to removing shelving and fixtures and there was discussion on whether AVB would be making repairs or contributing to the remodel expense. The Board agreed we need to proceed with the room remodel and not wait for AVB. Mike was provided with the names of 3 contractors from AVB. One had a disconnected phone number so Mike added another contractor and has contacted all 3 who have indicated they are interested but are currently busy. As a result, Mike indicated it is likely the room remodel won't be completed by year end. Linda reminded us that the carpet will only be stored until December. We may need to retrieve the carpet and store it somewhere in the clubhouse. Suggestions for the area have been developed

by the team ranging from a simple open space to an enhanced entertainment room. A recommendation was made to start with fixing the room to create a single space with basic functionality (to include folding tables and chairs only) and living with that for a period of time to gauge usage. There was discussion around obtaining input at the October Community meeting. Linda would like to be able to provide a progress report at that time. Mike will continue to contact the potential contractors and work with the team on proposals.

4. **Curb Repairs:** The team has completed an inventory of the curbs needing repairs. There are 31 sections that need repair. Five of these are on Hallow Creek Trail in the new construction area and should be taken care of by AVB. We will need to mark the locations needing repair.
5. **AV Proposal:** Larry Shelton met with Ed Buday regarding the AV in the clubhouse. There are various options available including simply replacing the broken component through redesigning the sound system completely. Carl, Larry and Mike need some time to go through the various AV proposals being developed before coming back to the board with a proposal. Everyone agreed that wifi in the clubhouse is desirable and should be included in any proposal presented.
6. **Faded Cedar Shake Siding:** A proposal was presented to paint two units as a test of the painting option to improve the appearance of the faded cedar siding. The estimate obtained from Dave Roberts painting is \$1,950 for 2 units. The units to include in the test are Linden's (Oakland Hills Circle) and one of the triplexes. The paint should last for 8 years, which will help us achieve our long-term goal for siding replacement by adding back some UV protection. **Decision:** The board approved this proposal and agreed the funds should be taken from our operating expense budget. We should go through winter and summer in 2018 and see what happens to the painted units before committing to further painting.
7. **Carriage Light Bulbs:** Existing bulbs are failing at an unacceptable rate (20% of the published life expectancy.) Gardner Management agreed to speak with the supplier and we are currently waiting for a response.
8. **Snow Removal:** A suggestion was made to use only a snow blower on the sidewalks (vs a plow) to avoid damage. **Action Item:** Gardner will send an email to supplier asking about this alternative.
9. **Siding Washing:** We need to contact the suppliers now to be able to book this process for next spring (2018). We would like to get two estimates from the same companies. **Action Item:** Mike will speak with Calvin about this.
10. **Clubhouse Locks:** A discussion occurred about whether or not we should have common locks installed on the clubhouse now that AVB has exited the sales office. **Decision:** We will not change the locks on the clubhouse.
11. **Communication:** A communication regarding dog waste was approved by Linda and distributed by Gardner. If GMC receives additional complaints, they will send out a reminder immediately. The reminder to remove Christmas lights in a timely manner will be distributed at a later date.

**Landscape Committee** – Larry Smith presented on behalf of the committee.

1. **Tree Report:** Nine Linden trees all showing stress were treated with special organic fertilizer. One Maple tree was also treated. Trees at the South entrance and 2 trees north of Hollow Creek Trail and Oakland Drive were removed.

There are dead limbs and branches on several trees bordering the Oakland Drive sidewalk. The city has marked two large Oak trees for trimming which hang over the street. It is hoped that they will also provide trimming of these trees over the sidewalk. The trimming will occur in the fall or later when the trees are dormant.

**Decision:** The board approved a proposal to spend a total of \$1350 for 3 Evergreens – 9 ft Norway Spruces (\$350 each) and 1 Maple tree (\$300). The Maple tree to be removed and replaced is on Selly Oak and the Evergreens are near the South Entrance

2. **Water Feature Cleaning and Fish Kill:** R&A cleaning was completed in July which improved the water feature streams. The waterfall basin needs additional cleaning and removal of plants. Pond #5 will be checked for further treatment. A meeting with R&A is scheduled to discuss the contract and assure we are receiving all contracted services. The fish kill recently experienced was likely caused by heat stress and oxygen depletion. GMC cleaned fish three times from two ponds. (Chemicals used in the ponds are labeled un-harmful to aquatic life.)
3. **Invasive Species Report:** The Loosestrife spraying was successful. Some horsetail has been discovered around the root-ball of a few newer evergreens. This likely came with the tree when planted.
4. **New Tree Supplier:** An interview was conducted with Murray Landscape Co. a potential new tree supplier. Calvin Johnson, GMC, also attended the interview. This supplier has the potential to provide consulting services in addition to the trees themselves.
5. **Other:** Two members of the Landscape Committee (Maxwell and Linden) will tag exposed metal tree stakes left in the common area near the Oakland Drive sidewalk for removal by GMC. These stakes impede mowing and are a hazard. (Other tree stakes behind Hollow Creek Trail will also be removed.)

**Website Committee** – Joy McClendon presented on behalf of the committee.

1. **Email Rejections from Website Email Distributions:** We are once again experiencing email rejections to select users from the Website. Previously, Petur (Website developer and support) had modified the address string being sent from our website to include additional information to correct the problem. While this provided a temporary fix, it appears the problem has reappeared

and is related to the fact that our server is on the “black list” for select email providers (msn, live, Hotmail and icloud). Petur has made a request to have our server removed from this list.

**2. Recent Website Updates:**

- A new version of the LARA Condo Buyer’s Handbook has been placed on the website public page.
- An updated version of the Architectural Review Form has been placed on the Website including a “View/Print” button at the top.
- Added a “last updated” date on the Resident Resources (i.e., Volunteers) page.
- Announcements and recent updates now appear at the top of the Resident’s main menu.

**3. Committee Request: Action Item:** The following Policies and Procedures documents are out of date and should be updated with current committee membership:

- Infrastructure Committee
- Finance Committee
- Website Committee (after 8/15)
- OHC Board (after 8/15)

**4. Outstanding Enhancements and Tasks:**

- Update the GALLERY Page (accessed from the Home page) to remove individual unit internal pictures and focus on the clubhouse and exterior shots.
- Develop a Residents only gallery to post event pictures (e.g., BBQ, Potlucks) and other pictures of common interest. Accessed off the Residents Main page.
- Complete the annual website review based on the website content and data source document (stored on the Website Committee area) and make any required updates.
- Place an instruction sentence at the top of the Clubhouse Reservation list (e.g., “Contact Gardner Management at [info@gardnermi.com](mailto:info@gardnermi.com) to reserve the clubhouse.”)
- Continue to investigate/test options to print the Resident Directory. (Add instructions as needed and a notice about out of date information.)
- Continue to investigate a Search tool, which will search across documents (including Archived documents.)

**5. New Website Committee Chair:** It is proposed that Linda Teare take over as the Website Committee Chair as Joy is exiting the OHC Board. (See Board Resignation below.)

**6. Website Budget/Expense Information:**

2017 Budget: \$1500 (Annual)  
Hosting Cost: \$50/month (\$600/year)  
YTD Expense as of July 31, 2017: \$450

#### 4. Old Business:

1. **Master Deed and By-law changes:** Joy suggested that we change the by-laws to allow the Board to appoint an interim Board member when someone resigns vs requiring a full community vote as they state now. **Action Item:** Linda will contact Ryan to see if he can find wording which can be provided to the legal team.
2. **Clubhouse Usage Fee:** Linda presented a proposal regarding implementing a Clubhouse usage fee. The fee would be \$50 for use of the main Gathering room and include use of the kitchen facilities. There would be no fee for use of the smaller Meeting room (former AVB office) which would not include kitchen privileges. The fee would be implemented January 2018 and the process will be managed by GMC. Cancellations less than 48 hours from the reservation date would incur a cancellation fee. The Oakland Hills handbook would need to be modified to reflect this new process. **Decision:** The proposal was approved. 3-Yes, 1-No. Linda will present this new fee and process at the October 11<sup>th</sup> Community meeting.
3. **Board Resignation:** Joy McClendon notified Linda Teare on June 12th that she is resigning from the OHC Board due to other commitments. This was Joy's last Board meeting. **Decision:** The Board unanimously voted Mike McLean as the new Board Secretary and appointed Linda Teare as the Website Committee chair.
1. **Proposal for cutting of the natural area:** The Board received a proposal from a group of co-owners to allow cutting of the natural area at the west end of the large pond, to be completed at their own expense. The co-owners intent for the cutting is to restore water views for these selected units. **Decision:** The board approved the proposal contingent on the repair of any damage to existing lawns during the cutting process and the confirmation of support of the neighbors on either side (2 units to the North and 2 units to the South.) **Action Item:** Linda Teare will follow up with the co-owners to communicate this decision and obtain the required confirmation.

#### 5. New Business:

1. **Fall Community Meeting: Wednesday, October 11, 2017 5:00pm** at the OHC Clubhouse.
2. **Clubhouse Cleaning and Calendar Update:** The clubhouse reservation calendar is now being updated on a more frequent basis which is a welcome improvement. We are still hearing concerns over a lack of cleaning by co-owners after events. A suggestion was made to create a reservation checklist to be provided at the time of a reservation which includes specific cleaning items that must be completed following an event (including removing trash.)
3. **Leaf Pickup:** Tom Welsh obtained information from the city regarding implementing a leaf pickup in our neighborhood (covered under the property taxes we are already paying.) Discussion followed regarding liability based on the waiver required by the city (since our streets are

privately owned.) Areas in question included liability, snow removal, street sweeping and trash pickup. **Action Item:** Tom agreed to follow up for clarification on these items.

6. **Next Meeting: September 27, 2017 3:00pm** at the **Gardner Management Offices**
  
7. **Residents in attendance:** Carl Dyszkiewicz - 8888 Oakland Hills Circle, Jacque Jennings-Carter – 8800 Oakland Hills Circle, Larry Shelton – 2344 Selly Oak
  
8. **Adjournment:** The meeting was adjourned at approximately 6:50pm.

*Minutes Submitted by Joy McClendon, OHC Board Secretary*