

OAKLAND HILLS CONDOMINIUM ASSOCIATION

Board Meeting Minutes

December 19, 2017

The Board Meeting of the Oakland Hills Condominium Association was called to order at approximately 3:00pm, December 19, 2017 at Gardner Management Group offices.

1. **Roll Call:**

1. Board members in attendance: *Mike McLean (Secretary, Infrastructure Committee), Larry Smith (Vice President, Landscape Committee), Linda Teare (President, Website Committee), Tom Welsh (Treasurer, Finance Committee).*
2. Gardner Management in attendance: *Calvin Johnson, Ryan Gardner*
3. Absent: *Jack Gesmundo (AVB, Member at Large).*
4. Proxy: Jack Gesmundo submitted an official voting proxy prior to the meeting, allowing the Board President, Linda Teare, to vote in his stead.
5. Committee Members Present: *Carl Dyszkiewicz Finance and Infrastructure Committee Member*
6. Residents in Attendance:
7. Guest:

2. **Record of Board work since previous meeting (11/21/2017):**

1. Nov. 21, 2017 Special Board Meeting Minutes approved and posted to the website.
2. Approved 2018 Tree Trimming Cost Estimate for work to be done in early 2018.
3. Approved Gardner to negotiate with Charter for new package including WiFi and new TV.
4. Amendment to Master Deed approved and communication sent to residents.

3. **Reports from Individual Committees:**

Finance Committee – Carl Dyszkiewicz Committee Member, and Tom Welsh Finance Committee Chair presented:

1. **Operating Reports:**

From the **Month Ended** Nov. 30, 2017 Financial Report.

Summary:

Revenue:	Actual \$ 38,405	Budget: \$ 37,552	\$853 Favorable
Expenses:	Actual \$ 27,612	Budget: \$ 43,396	\$15,784 Favorable
Net Income:	Actual \$ 10,793	Budget: \$ -5,844	\$16,637 Favorable

Noted expense items:

1. Snow Removal is \$12,250 Favorable but will be paid in Dec.
2. Pond & Irrigation is \$2607 Favorable but new pump will be paid for in Dec.
3. Pool – replace filter \$514 Unfavorable

For the **Eleven Months** Ended Nov. 30, 2017 Financial Report.

Revenue:	Actual \$ 414,414	Budget: \$ 413,068	\$1,346 Favorable
Expenses:	Actual \$ 370,640	Budget: \$ 393,927	\$23,287 Favorable
Net Income:	Actual \$ 43,774	Budget: \$ 19,142	\$24,633 Favorable

Noted expense items:

1. Other repair/maintenance is \$6,198 Unfavorable
2. Legal – Master Deed Revisions \$4143 Unfavorable
3. Siding Cleaning - \$3000 Favorable
4. Budget Contingency - \$6875 Favorable

Comments:

- The current favorable status will be offset somewhat by the Snow Removal contract and new water feature pump purchase payments in December.
- The year end 12 month status is expected to be \$5000 - \$7000 FAVORABLE.

Long-term Capital Plan Reserve as of Nov. 30, 2017.

- The total Reserve balance stands at \$422,310
- Net return on the Raymond James account for 7 months is \$4,877 (1.5%)
- The Finance and Infrastructure teams are working together to continually update LTCP expenditures and required Association dues requirements.

2. 2018 Budget:

Tom Welsh presented the proposed 2018 budget which was approved after in-depth review and discussion by the Board members.

Comments:

- One revision was made, to Pond Maintenance, increasing this line item from \$7500 to \$8500.
- Due to the favorable 2017 budget performance, no dues increase or special assessment will be required in 2018.
- Based on the favorable 2017 budget performance, the 2018 budget allows for an increased portion of the monthly fees be allotted to the Long Term Capital Reserve. The prior contribution of \$75 will be raised to \$85 without affecting monthly fees. This action will help offset unexpected or unplanned LTCP expenditures (e.g. the AVB office remodel and Cedar Shake siding painting) and maintain our “fully funded” goal for the plan.

Old Business:

1. **Remodel of Office Area:** As reported by Mike McLean: Material costs have exceeded the “cap” proposed in the original estimate by \$1370.37. A motion to approve the added costs was passed. The added material and labor was required due to increased material costs, unexpected revisions and added features such as the following:
 - High cost of materials (at this time)
 - New lumber for closet (could not use lumber from the old walls)
 - Added overhead lighting
 - Added lighting in closet
 - Added shelves and coat rack in closetThe new room will be completed before Jan 1.

2. **Soil Assessment – 8675 OHC:** The Intertek-PSI engineer, Musana Nabil is ready to inspect the premises as a first step. This action will be delayed until after the Holidays, as requested by the owner.

Musana will coordinate with Bruce VanderWeele (structural engineer from Design Consultants) as the investigative process moves forward.

New Business:

1. **Intra-Board Communication:** Linda Teare would like to work on improving communications within the Board. She will work on procedures for Board discussion and approval.
2. **Selly Oak – Island Landscaping Request:** It was agreed that proper ARC form(s) must be submitted. The Board expects the ARC to handle per proper procedure and to provide a decision on the redesign.
3. **Coyotes:** Residents have reported coyotes coming into the community during the day. Residents should not be feeding wildlife. The DNR has been contacted for advice. Larry Smith will draft a communication regarding feeding of wildlife and the current issue with coyotes.
4. **Investment Strategy:** As presented by Tom Welsh: Our current strategy is a 40/60 stock/bonds ratio. Bonds are showing short term losses right now, while the stock market is booming. Interest rates are expected to be raised by the Federal Reserve bonds should continue to show some loss . A motion was made to change to a 50/50 ratio. The motion was voted down 3 to 2. Ryan Gardner suggested that this type of action needs input from others than just the Board members. It was agreed to invite Ken Lampos to discuss potential options to the investment policy moving forward.
5. **Easement Formalization:** The sidewalk along Oakland Drive is a public walkway required by the City of Portage. An easement for the walk is stated in the Master Deed and was recorded before the actual installation and finalization of the walk. Now that the development is complete and no further changes expected, it is time to “formalize” the boundaries of the sidewalk easement via an official document signed by the President of the Association. Besides formalizing the easement boundaries, the document relieves the Association from any future repair or maintenance of the walk (except for snow removal) and helps with potential liability issues associated with use by the general public. It was agreed that the President (Linda Teare) should sign the document.
6. **Resident Challenge/Suggestion – Cost of Current Service:** Mike McLean suggested the Board needs a written procedure to answer cost challenges and suggestions for new vendors or contractors. Linda Teare volunteered to work on a procedure for use going forward.
7. **Next Meeting(s):** Feb. 19, 3:00 P.M. at the OAKLAND HILLS CLUBHOUSE meeting room.
8. **Adjournment:** The meeting was adjourned at approximately 5:30 P.M.

Minutes Submitted by Mike McLean, OHC Board Secretary