

River Pines of Farmington Condominium Association



***Annual Meeting
September 21, 2011***

River Pines of Farmington Condominium Association



***Welcome..... to the
River Pines
2011 Annual Meeting***

Agenda

- ❖ Current Board of Directors
- ❖ Nominations for 2011 – 2012
Board of Directors
- ❖ Voting
- ❖ Delinquencies
- ❖ Financial status
- ❖ Social Committee report
- ❖ Grounds Committee report



Agenda (Cont'd)

- ❖ Architectural Committee report
- ❖ Update of annual projects
- ❖ Update of reserve projects
- ❖ Questions



Current Board of Directors

Ed LeFevre

President

Jan Hall

Vice President

Tom Cornell

Treasurer

Gene Kerwin

Secretary

Shirley Niesyto

Director

Paul Pardee

Director

Bob Eix

Director



Nominations and Election New Members for the Board of Directors



Lloyd Silberman
President
McShane and Associates

Directors Positions Expiring

Ed LeFevre

Gene Kerwin

Paul Pardee

Bob Eix



Nominations for the Board

Ed LeFevre

Paul Pardee

Dennis Connolly

Barbara Lee



Nominations for the Board

Comments from the
Nominees.....

Voting.....



Departing Board Members

Bob Eix

Gene Kerwin



Departing Board Members

Bob Eix

Bob has served on the board
at various times since
2000, which is shortly after
he and Sue moved into
River Pines



Departing Board Members



Bob is finishing a full 2 year term and says he “Needs a break”

Bob’s experience and expertise has been extremely valuable to the board and to River Pines

Departing Board Members



The projects that Bob has
been involved in are just
too numerous to mention

Let me assure you there
have been many

Departing Board Members

You can easily say that Bob has been involved in nearly all of the projects that have happened over the years



Departing Board Members

He has always been active
on the GC and the ACC
committees



Departing Board Members



I don't know if Bob plans to be involved with the committees in the future but I hope so.....

One thing is for sure.....He is not bashful and let's you know what he thinks..... and he is usually right

Departing Board Members

So.....Thanks Bob for all
your help over the years.



We really appreciate it.....

Departing Board Members

Gene Kerwin

Gene has actually been on the board for the past 7 years.

In 2004 he was appointed to the board to fill an unexpired term



Departing Board Members

In 2005 Gene was elected to a 2 year term and now completes 3 consecutive terms in office

Gene has served as our Secretary during his time on the board



Departing Board Members

He moves around the site
with his “walking stick” and
looks somewhat like
“Father Time”.



Departing Board Members

His experience and expertise
has also been very
valuable to the board and
to River Pines

Thanks Gene.....

We appreciate your
contribution



River Pines Collection Activities

Lloyd Silberman



River Pines Collection Activities

❖ On average, 5-15 co-owners are late with their payments every month. This is very low compared to other associations McShane manages.

❖ Late fees of \$30 per month plus legal fees are charged against the account; notices sent out monthly.



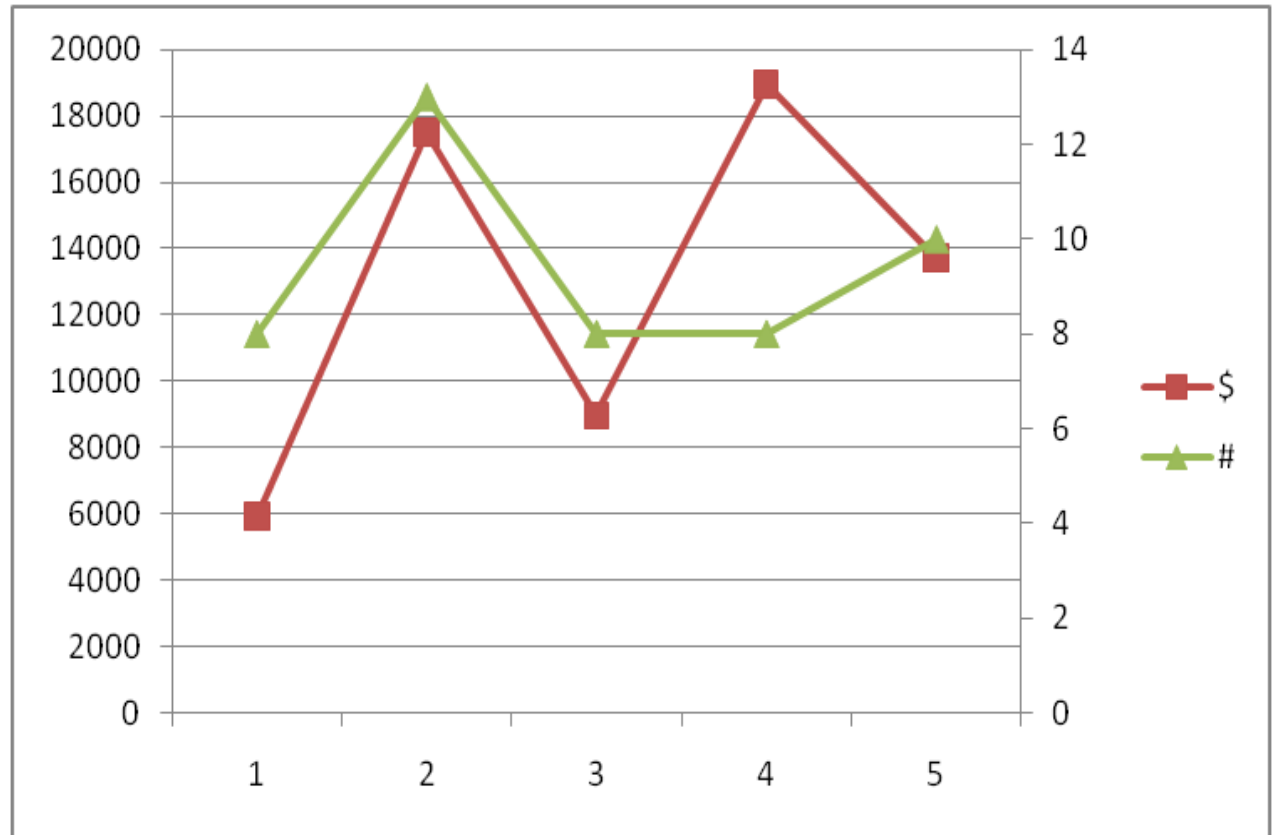
River Pines Collection Activities

- ❖ Liens placed on units for non payment after 90 days and referred to attorney.
- ❖ Board considers foreclosure or other legal strategies on a case by case basis.
- ❖ Only \$2,200 written off as uncollectable since April, 2009.



River Pines Collection Activities

History of Co-owner Delinquencies



Financial Status -

Operating Budget -

| | |
|-----------------|-----------------|
| Budget | \$1,139,526 |
| Spent (8/31/11) | 764,738 |
| Committed | 307,513 |
| Balance | <hr/> \$ 67,276 |

Approximately 6.7 % to be spent



Financial Status -

Reserve Fund -

| | |
|-----------------|-------------------|
| Planned | \$ 485,594 |
| Spent (8/31/11) | 367,487 |
| Committed | 154,947 |
| Balance | <hr/> \$ (56,840) |

Approximately -11.7% overspent



Social Committee Report



Marianne Boschma will bring
us up to date with the
activities of the Social
Committee

Grounds Committee Report



Jan Hall will provide an
update on the Grounds
Committee activities

Grounds Committee Report



Grounds Committee Report



- ❖ Overgrown Shrubbery
- ❖ Tree Removal
- ❖ General Site Maintenance

Architectural Control Committee Report



Paul Pardee will report on
the projects that ACC have
been involved with this
past year and what's
coming

Architectural Control Committee Report



- ❖ Some Accomplishments – January thru August
- ❖ Chimney Cap Specs.
- ❖ Work Orders Closed – 566
- ❖ Modification Requests Processed
- ❖ Newsletter – Sump Pumps

Architectural Control Committee Report

New Ideas

- ❖ Communication Committee
- ❖ Newsletter article on
“Egress Windows”



Annual Projects Report

Each year we spend the winter months planning our annual projects

Each year we spend the summer months implementing those plans.



Annual Projects Report

These projects include –

- ❖ Unit Painting
- ❖ Concrete replacement of driveways, sidewalks and gutters
- ❖ Asphalt repair, replacement and crack sealing
- ❖ Gutter cleaning and replacement
- ❖ Tree and shrub maintenance



Annual Projects Report

Annual Projects (Continued) –

- ❖ Window repair and replacement
- ❖ Roof inspection, repair and replacement
- ❖ Deck repair, replacement and staining
- ❖ Chimney cap inspection and replacement



Annual Projects Report

Each year we learn a little more about each of the projects

There is new technology, new materials and/or new methods of repair

We update our specifications and bid documents with what we have learned



Annual Projects Report

Bob Goodman, our Site Manager, works with the Contractors, Architectural Control committee (ACC) and the Grounds committee (GC) to coordinate these activities



Annual Projects Report



During the summer Bob is busy coordinating with the contractors and doing follow up on co-owner work orders



Annual Projects Report

John Fahrner, our Admin and Finance Manager, is involved in tracking the cost of these projects from year to year and making sure we are providing adequate funding in the -

Operating budget
Reserve Plan



Annual Projects Report

John is the person that is managing the funds in both the operating budget and the reserve plan.

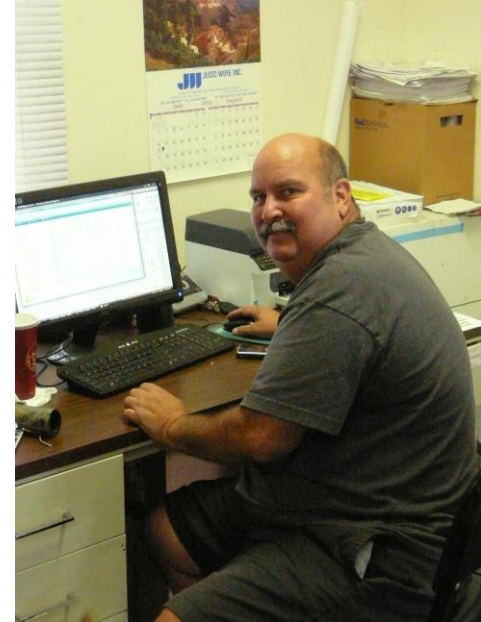
He makes sure we know why we are spending more or less than what was projected

He makes recommendations to the Board for any corrective action required



Annual Projects Report

Planning and managing these projects takes considerable attention to detail to make sure we are in control of the process



Annual Projects Report

Work Orders –

The top 6 areas of expense –

- ❖ Roof repairs or replacements
- ❖ Windows
- ❖ Tree removal
- ❖ Gutters and downspouts
- ❖ Basement repairs
- ❖ Garage door repair



Annual Projects Report

Painting –

Again this year applied (2) coats of stain to all units.

We painted 48 units this summer

We have done touch up on window sills of units painted in 2008 and inspecting others



Annual Projects Report

Roof Replacement –



Annual Projects Report

Roof Replacement –

We have replaced (49) unit roofs this year and spent almost \$320,000.

This is twice the number planned for 2011

The extreme and extended heat this summer has been very difficult on our roofs



Annual Projects Report

Our Plan - 25 roofs per year



| | | | |
|------|----|------|----|
| 2000 | 4 | 2006 | 32 |
| 2001 | 0 | 2007 | 16 |
| 2002 | 40 | 2008 | 23 |
| 2003 | 24 | 2009 | 30 |
| 2004 | 39 | 2010 | 26 |
| 2005 | 32 | 2011 | 49 |

Annual Projects Report

Averaged – 25.5 roofs per year

We have 48 roofs left to do



| | |
|------|----|
| 2012 | 16 |
| 2013 | 15 |
| 2014 | 15 |
| 2015 | 2 |

Annual Projects Report

Roof Replacement –

We have spent \$1.8 million

Average cost = \$6,458 per unit

We expect 20 to 25 years from
the new roofs



Annual Projects Report

Roof Replacement –

Based on a (14) year roof life--
\$40 of your dues goes to the
reserve fund every month for
roof replacement



Annual Projects Report

Window Repair & Replacement

In 2009 - we spent \$102,237 repairing and replacing windows

In 2010 – we spent \$49,000

In 2011 - we have spent and committed \$59,389 and we expect to be \$20,000 under our cost projection (\$79,000).



Annual Projects Report

Irrigation System -

We have pumped a little over 11 million gallons of water through the month of August.

This is about 2 million gallons more than last year due to the July and August weather.



Annual Projects Report

Irrigation System -

In the month of July, with all the +90° days, we pumped over 4.7 million gallons of water on the lawns trying to keep them green.



Reserve Projects

We have (45) specific line items or projects in our reserve plan.

We are not going to go through the entire list tonight.

All of these projects require time for planning, scheduling and implementation.



Reserve Projects

Maintenance Building Expansion

As we told you at the Spring
Information Meeting.....

This project has not been
approved by the Board of
Directors



Reserve Projects

Maintenance Building Expansion

Therefore, we have not
cancelled this project because
it was never approved



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Reserve Projects

Maintenance Building Expansion

Through the Info Meeting and our Newsletter we wanted to let you know what was being considered

In retrospect, that may have been a mistake



Reserve Projects

Maintenance Building Expansion

Through the efforts of a few.....
a petition was circulated and
supported with inaccurate
information resulting in 114 co-
owners signing their objection
to the project



Reserve Projects

Maintenance Building Expansion

“Dues increase or an assessment is required”

“This was never considered as a method to fund this project”



Reserve Projects



“Perfectly healthy trees...”

“The pine trees on both sides of the Maintenance Building are infected with Pine Wilt disease and dying. At least half the trees are expected to be dead in (5) years”

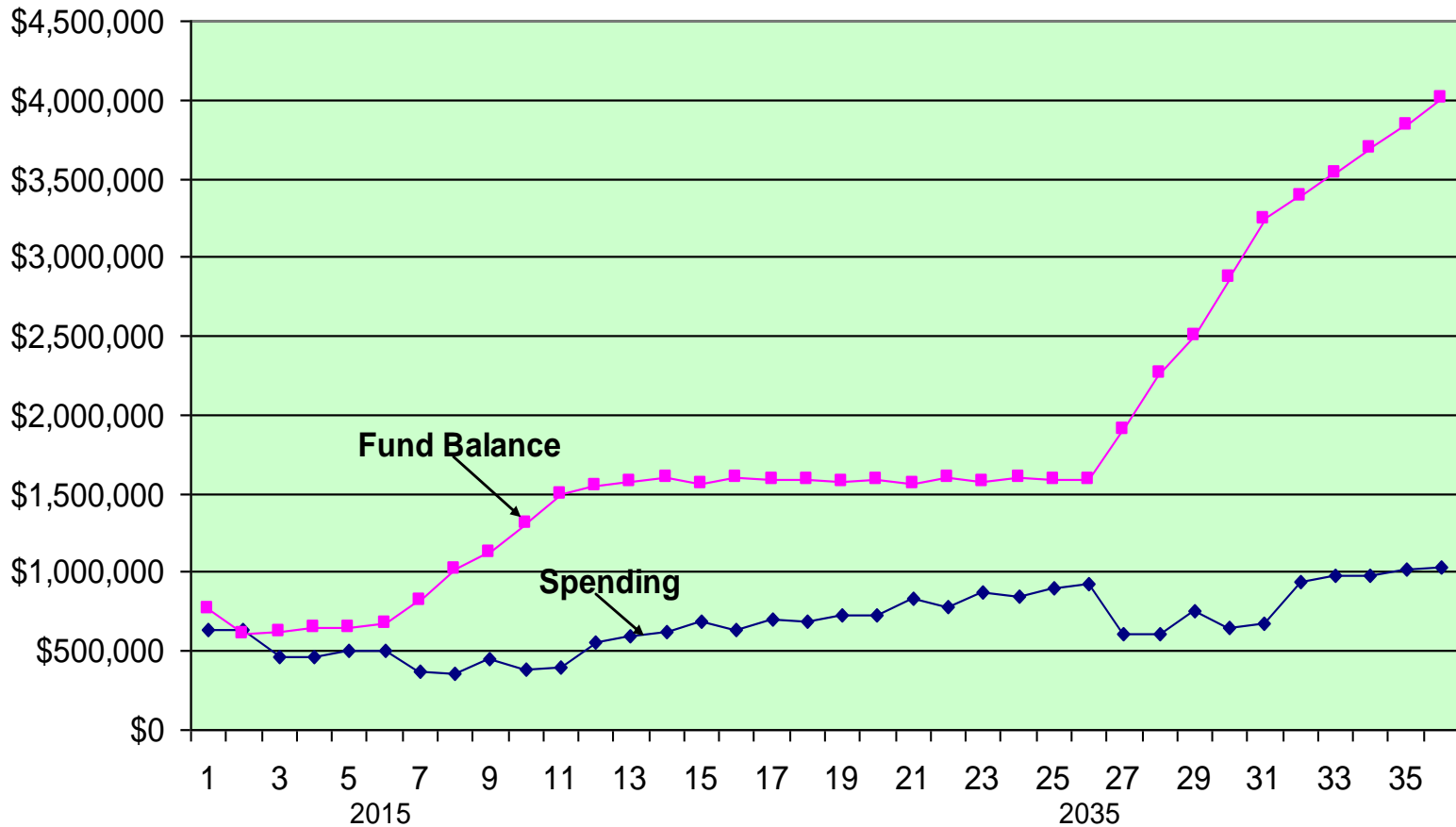
Reserve Projects

Over the 35 year reserve plan
we are planning replacements
that are estimated to cost over
\$25 million

The following chart shows our
projected spending and the
resulting reserve fund balance



2011 Reserve Fund Update 6 Spending vs Reserves Balance



Reserve Projects

Our fund balance is leveling off
and actually beginning to climb

In 2015 the fund balance makes
a significant upward move due
to the completion of the Phase
One roofing project



Asphalt Paving Project

We inspected our asphalt roads again this year and find that we have very little repair work to do other than crack sealing

However we are seeing more cracks particularly next to the curbs and cutters

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Asphalt Paving Project

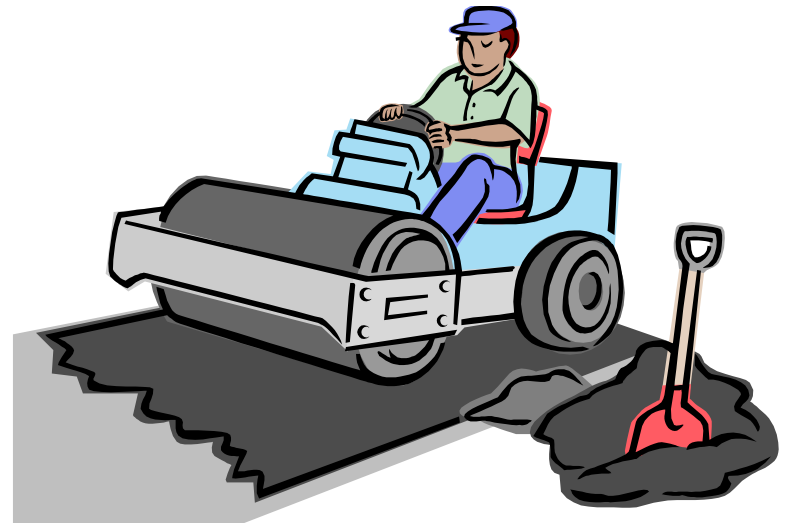
We had planned to continue our road repaving project but the Architectural Committee (ACC) and the Board decided to delay this project one year

The Board did not feel repaving was necessary on the streets that were scheduled



Asphalt Paving Project

The Board will look at the project in 2012 and re-evaluate the repaving strategy



Association Governing Documents

There are (3) governing documents in a condominium association

- ❖ The Consolidated Master Deed
- ❖ Condominium Bylaws
- ❖ Board Rules and Regulations



Association Governing Documents

We talked about this last year at the Annual Meeting but we have many new co-owners

Everyone should take the time to check over these documents

Knowing the rules will save you and the Board a lot of time dealing with violations



Association Governing Documents

All co-owners must have a copy of these documents

You were given a copy of these documents when you purchased your unit



Association Governing Documents

Replacement documents can be obtained from our Web Site at:

www.riverpinescondominiums.com

You may also obtain a copy from
McShane and Associates



Association Governing Documents

Living in a condominium is different than living in a private home

Many things you would do in a private home now require approval of the Board of Directors



Association Governing Documents

Approval by the Board of Directors is given in writing and getting an “OK” from a board member is not “board approval”

To be safe.....Submit a Modification Request and obtain board approval



River Pines Web Site

www.riverpinescondominiums.com

Remember to check our web site.

This site is provided for your benefit
and is a great source of
information



Questions

Hopefully we have provided all the answers but just in case we have not.... we will open the meeting now for your Questions--



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Meeting Adjourned

We trust this has been an
informative evening.....

Drive safely going home.....

Good Night

