

*River Pines*

# *Condominium Association*

***Welcome  
To  
The River Pines  
2014 Information Meeting***



# *Condominium Association*

## Agenda

- Current Board of Directors
- Board Support Personnel
- Financial status
- Social Committee report
- Tree Management Project
- Porches vs Decks
- Betterments & Improvements
- Annual Projects report



*River Pines*



# *Condominium Association*

## Current Board of Directors



*Ed LeFevre - President*

*River Pines*

# *Condominium Association*

## Current Board of Directors



*Jan Hall – Vice President*



*River Pines*

# *Condominium Association*

## Current Board of Directors



*Barb Lee - Treasurer*



*River Pines*



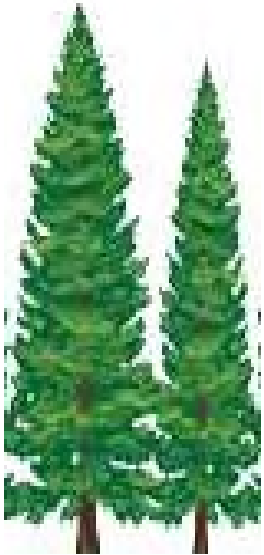
# *Condominium Association*

## Current Board of Directors



*Gene Kerwin - Secretary*

*River Pines*



# *Condominium Association*

## Current Board of Directors



*Paul Pardee - Director*

*River Pines*



# *Condominium Association*

## Current Board of Directors



*Joyce Brandemihl - Director*



*River Pines*



# *Condominium Association*

## Current Board of Directors



*Dennis Connolly - Director*

# *Condominium Association*

## Board Support Personnel

Bob Goodman

Site Manager

John Fahrner

Administration and  
Finance Manager

Greg Nothnagel

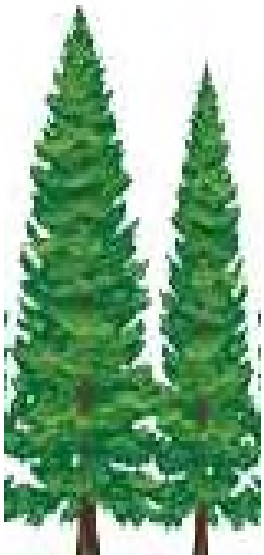
Maintenance



*River Pines*

# *Condominium Association*

McShane and Associates



*River Pines*

# *Condominium Association*

Inside McShane and Associates



*River Pines*

# *Condominium Association*

President – Lloyd Silberman (9 years)





# *Condominium Association*

Inside McShane and Associates



Service – Mikki Coliton (8 years)

- Receives and assigns work orders (7,000/yr)
- Makes sure contractors complete work orders
- Gets co-owner feedback and follows up
- Generates reports for Board meetings
- Serves On her condo Board







# *Condominium Association*

Inside McShane and Associates



Accounting – John Kaye (23 years)

- Processes monthly co-owner payments
- Pays contractors
- Prepares financial reports
- Manages real estate closing information
- Lives in Tempe, AZ



# *Condominium Association*

Inside McShane and Associates



Manager – Courtney Trzos (1+ years)

- Helps co-owners with issues
- Prepares materials for Board meetings
- Ensures contracts are in place
- Tag teams with Lloyd Silberman





# *Condominium Association*

Inside McShane and Associates



## **Customer Service – Yael Duer (1+ years)**

- First stop for many day to day issues
- Can direct you to others, if necessary
- Coordinates new resident reporting





# *Condominium Association*

## Financial Status

### **Operating Budget -**

Budget	\$1,177,000
Spent (4/30/14)	394,273
Committed	<u>651,535</u>
Balance	\$ 132,049

Approximately 12.2% to be spent

# *Condominium Association*

## Financial Status

### **Reserve Fund -**

Planned	\$439,661
Spent (4/30/14)	81,895
Committed	<u>75,154</u>
Balance	\$282,613

Approximately 64.3% to be spent



# Condominium Association

## Financial Status

### Reserve Fund –

Balance (5-16-14)	\$689,168.42
2013 Spending	547,874.00
2014 Projected	436,663.00
2014 Contributions	474,662.00



# *Condominium Association*

## Audit Report for 2013

Owens and Strussione Auditors has finished the 2013 Audit of our Financial Operations

There were no negative comments regarding our financial transactions



# *Condominium Association*

## Audit Report for 2013

Copies of the Audit Report are available and if there are not enough, please leave your name with John Fahrner and we'll get a copy to you



# *Condominium Association*

## Social Committee Report

Ladies Spring Luncheon

May 31, 2014

12:30 PM

Rocky's of Northville



# *Condominium Association*

## Social Committee Report

*Reminder –*

3rd Saturday Breakfasts at  
Luigis of Farmington – 9:30 am

(Exception – During July  
Farmington Founders Festival)





# *Condominium Association*

## Tree Management Project

- *The management of trees within our complex is a big job*
- *The Grounds Committee and the Board have been wrestling with this issue for past several years*

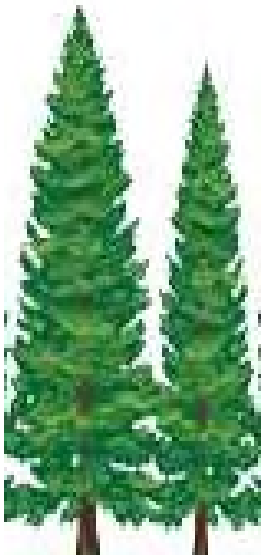


# *Condominium Association*

## Tree Management Project

- *We find that many condo sites have lots of trees but they do not have a program for tree management*
- *Tree species selection is important as they can become overgrown over the years*





# *Condominium Association*

## Tree Management Project

- *We have over 1,400 trees that were planted by the Builder*
- *Many have overgrown the area in which they were planted*
- *Many are approaching their useful life and will begin dying*

# *Condominium Association*

## Tree Management Project

*River Pines*





# *Condominium Association*

## Tree Management Project

*River Pines*



# *Condominium Association*

## Tree Management Project

*River Pines*





# *Condominium Association*

## Tree Management Project

*River Pines*



# *Condominium Association*

## Tree Management Project

- *Many residents feel the River Birch trees are a nuisance because of dropping leaves and branches*
- *We have approximately 25 Maple trees that are diseased and need to be removed*





# *Condominium Association*

## Tree Management Project

- *We have consulted the professionals with the question “How do we manage a site as large as River Pines”*
- *Surprisingly there is no magic formula or pattern program to follow*



# *Condominium Association*

## Tree Management Project

- *So, we must develop our own strategy and plan*
- *We do not want trees tearing up the roofs of our units*
- *We do not want trees falling on the roof of any unit.*



# *Condominium Association*

## Tree Management Project

- *We have decided on a 3 Phase approach*
  - *Phase 1 – Trees around the front and between units*
  - *Phase 2 – Street trees along the curb line*
  - *Phase 3 – Yard trees toward the back of units*



# *Condominium Association*

## Tree Management Project

- *With the help of Bob Eix and Greenlawn, our landscape contractor, we have surveyed and determined the course of action for Phase 1*



# *Condominium Association*

## Tree Management Project

- *Phase 1 will consist of:*
  - Removing 60 trees
  - Replace 8 trees
  - Trim 15 trees



# *Condominium Association*

## Tree Management Project

- *Remember, we are removing trees because they have overgrown the area*
- *There are other trees in the immediate area so your yard will not look like a football field*





# *Condominium Association*

## Tree Management Project

- *Once the trees are removed and the grass replaced we will evaluate the appearance and new trees may be required*
- *This will be a Grounds Committee recommendation and the Board will make the final decision*

# *Condominium Association*

## Tree Management Project

- *We expect to get started with this project during the summer of 2014*
- *Phase I will cost about \$33,000*
- *The total cost for this project is estimated to be between \$100K and \$150K*





# *Condominium Association*

## Porches and Decks

Anticipated life of treated wood porches and decks is estimated at 20 to 25 years



# *Condominium Association*

## Porches and Decks

Our decks range in age from 15 years to 25 years

Therefore we need to consider a porch deck replacement strategy and plan



# *Condominium Association*

## Porches and Decks

Jan Hall is Chairperson of our  
Architectural Committee

-She has been working on  
developing our strategy



*River Pines*

# *Condominium Association*

Porches and Decks

*Jan Hall*



# *Condominium Association*

## Porches and Decks

Master deed has always defined all units as having either a porch or a deck for the front entrance



# *Condominium Association*

## Porches and Decks

In 2004, the Association issued a policy that stated..... the Association would take over the maintenance and repair of front entry decks/porches





# *Condominium Association*

## Porches and Decks

Presently, we inspect approx. 120 front entry porches/decks each year:

- Replace horizontal boards as required
- Power wash and stain
- On average, we replace 1-2 complete decks/porches each year

# *Condominium Association*

## Porches and Decks

However:

- All “C” type units have porches.
- All others have front entry decks





# *Condominium Association*

## Porches and Decks

According to the Master Deed, the Association is responsible for repair/replacement of all front porches.

The co-owner is responsible for repair/replacement of all decks (front entry or otherwise)



# *Condominium Association*

## Porches and Decks

Based on the definitions in the Master Deed, the revised policy is as follows:

- Inspect approx. 120 front porches/decks per year
- Power wash and stain
- If more than 50% of the horizontal boards require replacement then the Association will replace the front porch as required and the co-owner will be responsible for the replacement of the front deck.



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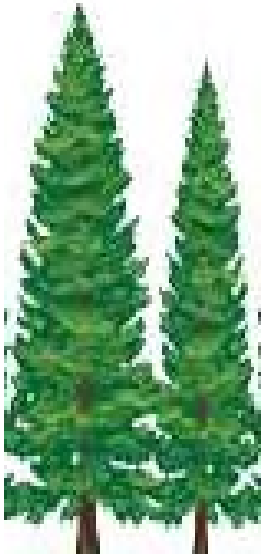
## Porches and Decks

With this change, there will be no dues increase to fund the automatic replacement of front entry porches as experience has shown we only replace 1 -2 per year

We will not paint any new entry porches or decks



*River Pines*



# *Condominium Association*

Betterments  
and  
Improvements

# *Condominium Association*

## Betterments and Improvements

Since 2004 the Association Property Insurance policy with the McCredie Agency has included Betterment and Improvements insurance coverage

You recently received a letter from McShane and McCredie indicating this coverage has been cancelled effective May 15, 2014.





# *Condominium Association*

## Betterments and Improvements

I'm sure your question is: Why?

Our Management Company and our Board Attorney presented some new information regarding the risk the association is taking by providing this coverage.



# *Condominium Association*

## Betterments and Improvements

With the B&I coverage virtually everything outside and inside your unit is insured against damage except for personal property

Any repair or replacement cost over an above our deductible, \$5,000, is a insurable event.



# *Condominium Association*

## Betterments and Improvements

Many inside facilities such as your finished basement, furnace, hot water heater, sump pump, etc. are your responsibility for maintenance, repair and/or replacement

Failure of the furnace, water heater or sump pump can cause significant damage to a finished basement.





# *Condominium Association*

## Betterments and Improvements

The Board of Directors does not feel we can mandate and require proof that you are maintaining this equipment

Failure to maintain this equipment usually results in basement damage



# *Condominium Association*

## Betterments and Improvements

We have learned that other associations with B&I coverage have experience minor claims and in some cases “large” damage claims

In a couple of cases these claims resulted in a significant increase in the cost of the annual property insurance premium

# *Condominium Association*

## Betterments and Improvements

As mentioned in our letter other associations have seen their premium costs increase 2 or 3 times the original amount

Our annual insurance premium is approximately \$85,000



# *Condominium Association*

## Betterments and Improvements

A premium increase of \$170,000 would mean an increase in your dues of \$40 per month

In almost all cases this situation would be the result of failure to maintain your equipment properly.



# *Condominium Association*

## Betterments and Improvements

As mentioned earlier .....The Board does not feel it can mandate your equipment be maintained properly

Therefore, the Board has removed the Betterments and Improvements coverage from the association's property insurance policy



# *Condominium Association*

## Betterments and Improvements

So, what does this mean to you ???

If you have a finished basement and it becomes damaged, the cost of repairs will be your responsibility

This is also true for all your personal property within your unit





# *Condominium Association*

## Betterments and Improvements

So, what do you need to do ???

Contact your insurance company and insure all the betterments and improvements made to your unit

Be sure your policy covers the association deductible of \$5,000

# *Condominium Association*

## Betterments and Improvements

Many of you already have Betterments and Improvements coverage but you need to verify this with your insurance company





# *Condominium Association*

## Betterments and Improvements

### Unit Inspection Check List

- Recently you received a Unit Inspection Check List
- The purpose of this is to minimize damage to your unit due to failure of equipment that is your responsibility



# *Condominium Association*

## Betterments and Improvements

### Unit Inspection Check List

- It is not a mandatory program but it could save you a lot stress and cost due to property damage
- Things like the furnace, water heater and sump pumps are difficult to determine the expected life



# *Condominium Association*

## Betterments and Improvements

### Unit Inspection Check List

- In most cases the furnace will last 20 years but premature failures of circuit boards and blower motors may mean you should replace a furnace earlier than 20 years
- It's up to you.....



# *Condominium Association*

## Betterments and Improvements

### Unit Inspection Check List

.....but if it fails and you are not home  
you can be faced with significant  
damage and repair costs

- Water heaters and Sump Pumps  
also have a limited life
- Water heaters very often do not last  
20 years



# *Condominium Association*

## Betterments and Improvements

### Unit Inspection Check List

- Sump Pump life is dependant on how often it operates.
- Some last only 10 years and others go 20 years



# *Condominium Association*

## Betterments and Improvements

### Unit Inspection Check List

- So you have to make a judgment of how often your pump operates and then determine when to replace it.
- And have the items on the check list checked so that you can repair or replace them before they fail.



# *Condominium Association*

## Annual Projects Report

Painting

Roofing – None scheduled this year

Concrete driveways, walks and gutters

Asphalt roads

Mulching tree and shrub beds

Feral Cats





# *Condominium Association*

## Annual Projects Report

Painting – The 2014 painting project started April 19<sup>th</sup>

- American Euro has been consistent over the years with their quality
- We are spending approximately \$104,000 this year



# *Condominium Association*

## Annual Projects Report

Roofing – There is no roof replacement scheduled for this year.



# *Condominium Association*

## Annual Projects Report

Concrete – Driveways, sidewalks and gutters

- We are surveying the concrete and do not know the extent of damages as a result of the extremely cold winter



# *Condominium Association*

## Annual Projects Report

Asphalt – This summer we are scheduled to repave the following streets

- River Pines Ct
- River Ridge Tr. (between Blue Spruce and Lone Pine)



# *Condominium Association*

## Annual Projects Report

Mulching – We will mulch tree and shrub beds this summer or early fall.

This amounts to enlarging the beds due to growth and installing new mulch



# *Condominium Association*

## Annual Projects Report

Feral Cats – We were asked about the status of Feral Cats within River Pines and the policy of the board.

- We still have Feral Cats living within the complex
- Our policy continues to be to ask our Co-Owners –

**DO NOT FEED THE ANIMALS**



# *Condominium Association*

## Closing

We hope this has been an informative meeting

Thanks for coming and participating in the discussion

If you have any questions we'll take them *NOW*

