Chestnut Run North HOA Annual Meeting

Mark and Linda Garcia’s home, 2855 Chestnut Run Drive

Wednesday, June 4, 2014; 7:00 pm

President’s Report:

1. Passed around sign-in sheet
2. Passed around sheet to confirm contact information
3. Recommended moving to e-mail versus paper system for HOA notifications, updates, etc. to save time, postage, etc.
4. The HOA continues to have a need for volunteers. Committees include:
	1. Road improvement
	2. Landscaping oversight for community areas
	3. Architectural review
	4. Social Planning
	5. Directory
	6. Welcome Committee

Treasurer’s Report:

1. Income
	1. 5 homes have not paid in 2014 and 2 have not paid in 2013 or 2014
	2. Our income depends on all paying and in a timely manner
2. Expenses
	1. Primary expense is island maintenance and includes irrigation, mowing, planting, mulching, fertilizer, etc. We have 8 islands with the primary expenses dedicated to front main island.
	2. Current largest expense is crushed entrance sign and tree removal
		1. Not covered by insurance
		2. Must stay within current parameters otherwise have to request variance due to change in township codes
	3. Mailings take time and money so want to move to e-mails
	4. Previously had social budget but was cut because income didn’t cover expenses.
	5. Because expenses are primarily in warmer months (March-October), trying to push HOA annual dues payments earlier in year to correspond with when we spend money
3. Previous dues were $175 but raised to $225 for 2014.
	1. However, expenses are about $228 per house
	2. It was noted that Chestnut Run South pays $350 per year

Front Entrance Project:

1. New front entrance sign ordered in May and will arrive in July
	1. Used same company as before and sign will be similar with small changes to color and font
2. Trees in island are too big and interfere with township plowing and salting.
	1. Initiated bid process to have trees removed and island re-landscaped
3. Estimated cost of sign and new landscaping is approximately $12-15k
	1. Deposit was paid from HOA reserve account
	2. Additional funds are required to pay balance and replenish reserve fund
		1. A special assessment of $250-300 was recommended
		2. All residents in attendance approved

Road Improvement Project:

1. We are required to maintain the roads within our neighborhood. If they deteriorate and become rubble, then Township will maintain the roads as a gravel road. We do not own roads but are required to maintain them, per Township ordinances
	1. Several years ago, many neighbors signed a petition to investigate the cost of re-paving. That petition is no longer valid.
2. There are two options for re-paving neighborhood roads:
	1. Oakland County Road Commission
	2. Bloomfield Township
3. Oakland County Road Commision (OCRC):
	1. Oversee and manage road project, including quality control
	2. Project is put out to bid by OCRC and choose lowest bid
		1. However, requirements include industrial equipment, etc. They do not use the same company that paves local driveways
	3. Issue a bond to cover cost and charge each homeowner 6% interest rate for 10 years
	4. Division of cost is by percentage of street frontage
	5. Homeowners must have 51% per street approval; for example, if 51% of Chestnut Run Drive approve and only 43% of Meadowood Lane, then only Chestnut Run Drive will be paved
4. Bloomfield Township
	1. Township oversees project but uses Oakland County as contractor of project
	2. Issue a bond to cover cost and charge each homeowner 1% over current rate (approximately 3-4%) for 15 years
	3. Division of cost is per house, not frontage
	4. 51% of all residents must approve; either pave all streets or none if threshold is not met
5. The HOA recommends financing through Bloomfield Township for fairness to all homeowners
	1. Current Michigan law states the road financing is a lien on the home and must be paid before a house sale
	2. Bloomfield Township advised the HOA that there is a measure under consideration at the state level to have the cost assigned to the house and would pass to the next homeowner with a house sale

Road Improvement Project Next Steps:

1. An “Expression of Interest” must be signed by 51% of homeowners to start the process.
	1. In order for OCRC to provide a price, the letter of intent must be signed and submitted.
	2. We are not obligated to proceed any further; this is just to get a price for the project
	3. However, the submission of the letter of intent does hold a place in line for paving. Currently they are holding spots for paving jobs for late 2015 and early 2016.
2. Within 30 days of submitting Expression of Interest, OCRC will start cost estimation process by evaluating roads, measuring distance, calculating asphalt needs, etc.
3. OCRC then submits their data to Bloomfield Township for pricing
4. Once Bloomfield Township determines pricing they will submit to HOA.
5. HOA must then have 51% of frontage—regardless of OCRC or Bloomfield Township financing decision—approve the project.
6. The Township will then hold a series of hearings

Election of New HOA Officers:

1. Lisa Najor, President
2. Sara Bicos, Vice-President
3. Treasurer, OPEN
4. Secretary, OPEN

Please let Lauren Eaton or Mark Garcia know if you are interested in either of the HOA positions or the committee positions.