

Kirkway of Scio Homeowners Association (HOA)
Annual Meeting Minutes
Tuesday, October 26, 2021
(Held via Zoom)

Mary Sherrill, Association President, called the meeting to order at 6:37 pm.

Other Board Members Present: Bob Brewster (Treasurer), David Shefferly (Secretary), & Josh Landuyt (Member-at-large)

Welcome & Introduction of HOA Members Present (15) by Address & Owner:

- + 300 Sedgewood Ln, 319 Sedgewood Ln, 6522 Wisteria Trace, & 399 Sedgewood Ln (4) AASBIP Representatives: Steven Lucchesi and Ryan Lucchesi, Chair AASBIP Board
- + 388 Sedgewood Ln, Michael & Gretchen Wheeler
- + 380 Sedgewood Ln, David Shefferly II
- + 376 Sedgewood Ln, Brian Nuskowski
- + 360 Sedgewood Ln, Josh Landuyt
- + 360 Sedgewood Ln, Mary Sherrill
- + 336 Sedgewood Ln, Bob Brewster
- + 320 Sedgewood Ln, Hiral Satishchandran
- + 316 Sedgewood Ln, Kim Slack & Peggy Yokom
- + 312 Sedgewood Ln, Laurel Kosel
- + 304 Sedgewood Ln, Hazem Zebda
- + 395 Sedgewood Ln, Marc Volger

Approval of Minutes from 2019 Annual Meeting

Marc Volger moved to approve & Bob Brewster seconded. Those present approved.

Mary Sherrill gave President's Report & Updates:

- Our HOA Post Office box has been closed. Communication should be directed to the HOA via Prosight Management Group. Email communication to the Board is also available via 'contacts' on our webpage: Kirkway of Scio.org.
- Board Approvals since last annual meeting included: (1) a fence for 360 Sedgewood Ln; (2) Tree removal in the common area behind 356 Sedgewood Ln; (3) a fence for 376 Sedgewood Ln; (4) a screened-in porch for 316 Sedgewood Ln; and (5) a solar light at the mailbox shelter.

Scott Benz, Prosight Management Group (PMG), gave Treasurer's Report:

- Scott provided screen shots with explanation of our HOA financial position utilizing the HOA Balance Sheet & the Statement of Revenues & Expenses for the period ending 6/30/2021 (distributed). He emphasized that our expenses were minimal, and did not exceed our budget. In 2020, \$9993.95 had been transferred to our reserve account based on a recommendation from the accountant who prepares our tax return. The recommendation suggested that the amount being maintained in our checking account was ample and exceeded levels necessary to meet expenses.
- Mary asked for a motion to 'forego an annual audit' of our accounts based on our current financial position and the very small number of transactions being undertaken on an ongoing basis. It was noted that \$2,000 is budgeted for the audit each year. Discussion ensued relative to the necessity for a full audit with a suggestion that a compilation be undertaken in lieu of the audit. Scott explained that due to the size of our HOA a full audit is required unless the HOA specifically votes to forego it. He noted that a compilation (approximate cost around \$500) could be undertaken at any time at the request of the Board. Also, the Board and/or any member of the HOA may arrange with PMG to review the financials and transactions. Scott emphasized that their new software system also provides

for Board members to receive monthly (rather than quarterly) reports including lists/specifics on all transactions. David Shefferly moved to forego the annual audit (via the chat on zoom) and Bob Brewster seconded. Those present approved the motion, no 'nays' were noted.

- Mary asked that the HOA consider an increase to the annual HOA fees (due in April/May 2022) in view of our current reserves position. Currently each owner pays \$605 annually, and the minimal increase to at least \$725 was suggested. Mary expressed concern that our roads are almost 20 years old, and it is expected that repaving will occur upon conclusion of the AASBIP construction in 3 to 4 years. She emphasized that Scott had been asked to provide a quick estimate of the cost of repaving/resurfacing our streets (approximately 40,000 sq feet) based on current prices. Scott noted that based on current prices around \$3.75/sq foot, repaving may approach \$150,000. He suggested that estimates be secured periodically so the Board had the opportunity to revise expectations of costs. Scott emphasized that some of the associations PMG managed had to take out loans to meet rising costs of construction. A discussion ensued. Steven noted that several less costly options should be explored other than resurfacing, and he concurred with Scott that contractors should be approached to provide cost estimates perhaps yearly. Brian also noted that consideration of curb replacement must be factored into any estimate as it would significantly impact the cost. When the time approached for the work, Brian asked that the Board give consideration to financing any shortage of funds for the repaving via a loan option that could be paid by residents as a future obligation and addition to the assessment over a fixed period of time. Marc noted his concern that given rising costs, we should consider a higher association fee of \$750. He noted that this would be only the 3rd increase in fees since inception of the Kirkway HOA. Mary agreed that this change may not cover all the anticipated costs. However, the assessment increase would result in a targeted overall reserve contribution of \$15,000/year (current level + additional transfers from available operating funds) beginning with the end of this year (2021). Thus, positioning our HOA much closer to the needed funds level. Marc moved to increase the annual HOA fees to \$750, and Bob Brewster seconded. Those present approved the motion, no 'nays' were noted.
- Steven asked about the status of current payment of HOA fees. Mary responded that there were 7 homeowners who were pending payment of dues for 2021 (past due as of June 2021). Two of these homeowners are in arrears for more than one year. Second notices had recently been sent out by PMG. If there are not responses, Mary emphasized that the Board would seek out legal assistance to assure payment plus late fees & reimbursement of attorney fees. The Board has had to do this in the past, and is familiar with the process.

Landscaping, Contract & Vendor Updates:

- Mary reported that the contract for Snow Removal is being continued with Great Outdoors for this winter. In addition to the streets, the contractor has been asked to remove snow from the sidewalk bordering the playpark as the school bus pick up area is now in this location. David Shefferly responded (via the zoom chat) that he would be the contact for snow removal this season. David also continues as the contact with Yard Pro, our landscaping contractor.
- Mary thanked Marc Volger for his willingness to trim/remove the declining trees on the border of our property on Staebler between Wisteria Trace and the bridge. Bob Brewster and Josh Landuyt also volunteered to work with Marc.
- The playground area is in need of remulching come this Spring 2022. It was emphasized that a 'special' type/blend of mulch appropriate for children's health and safety would need to be used. Mary asked for volunteers to lead/complete this task. Marc sighted a probable source (i.e., Best Block) for the mulch, and volunteered to coordinate/lead this effort. Steven suggested he also may have sourcing contacts for possible cost reduction. Bob also volunteered to help with this effort. Steven also commented that the students could be made available to help with the mulching come Spring.
- Mary noted that the Board had been contacted about concerns about the condition of the cul-de-sac. Mary acknowledged that the care and trimming of shrubs had been identified as an issue this year. Hopefully, continued emphasis with Yard Pro had addressed some of the issues. Jessica ONeal clarified that the height of the trees resulted in very poor visibility for drivers navigating the street. Kim Slack noted that the primary issue was the

safety concern presented by the physical height of trees and layout of this area. Bob Brewster volunteered together with Marc to closely review the area, including the height of trees, and to come up with a resolution to the concerns referenced.

Ann Arbor Student Building Industry Program (AASBIP) Update:

Steven Lucchesi noted that the students and program was back in gear after the hiatus during the pandemic. He introduced his son, Ryan, who is currently AASBIP Board Chair and on-site lead for the program. Ryan reported that work on the house at 6522 Wisteria Trace (corner of Sedgewood & Wisteria) is progressing nicely. The students feel good about being back. It is planned that the roof will be on before the holiday break in December with completion of the build at the end of the school year in the Spring of 2022. Steven reported that the next lot identified for build was in the cul-de-sac (i.e., 300 Sedgewood), then 399 Sedgewood. He continues to work through issues with Scio Township on repositioning the trailer to the easement off of Staebler to allow for building on the lot at 319 Sedgewood. As an aside, Mary noted that the original trailer used by the builders of the HOA sat on the easement off Staebler Road. Steven also noted that the AASBI is looking for possible land availability and sites for future AASBIP builds. He encouraged folks who may have leads to contact him.

Election of Board Members

Mary thanked Bob Brewster and Josh Landuyt for their service to the Board and noted that they were not continuing for another term. Only one nomination had been received from Marc Volger to serve. Both David and Mary were willing to continue. Currently two additional volunteers are needed to fill the five-member Board. In response to a question from Steven, Mary responded that the five-person Board tried to meet at quarterly intervals and handled most communications via email. Laurel Kosel and Hazem Zebda volunteered to complete the slate. Bob Brewster moved that the Board slate be accepted and Brian Nuskowski seconded. The Board slate was approved.

Adjournment

Mary asked if anyone present had additional questions/concerns. There were none.

Steven Lucchesi moved that the meeting be adjourned, and Bob seconded. Mary adjourned the meeting at 7:29 pm

Respectfully submitted,
Mary Sherrill for the Board