



AHCA Newsletter August, 2017

An official publication of the Arbor Hills Condominium Association, <http://www.arbor-hills.org>

Arbor Hills is a diverse community, and so is the current AHCA Board. Please welcome new Board member, David (Yugang) Wang, who will be replacing Fan Wu (Director). Current board is looking forward to his participation. Board wants to express appreciation to her service, her calm and peace-making voice will be missed. Keep your AHCA board diverse and elect new board members in October to preserve diversity.

AHCA Board thanks volunteers who participated in Love-A-Park: Kilburn Park playground; special Playground volunteer work day, which was scheduled for Sunday, August 27, 1-3 pm.

Volunteers needed in September to tag trees between street and sidewalk, whose branches need pruning. The pruning of branches is needed because of safety of sidewalk pedestrian. Residents should be able to walk on sidewalk without being hit in their head or poked in their eyes by the lower branches of the trees. The lowest branch of a full grown tree should be at 8' height. The volunteers will be provided with the retired city forester, Paul Bairley's guidelines for pruning small and full grown trees. His recommendations are posted on website and were sent to each home owner this year. Before pruning your tree, please check out his recommendations.

AHCA need volunteers to participate in Streets Speed control committee to make recommendations on effective and economical deterrents to lower the cars speed to 15 mph on AHCA streets. Board members regularly receive complaints from the residents about the speeding vehicles, both commercial and non-commercial. The Ann Arbor city schools will open after Labor Day. Please send your suggestions to control the vehicles' speed by writing to the Board or at board@arbor-hills.org or MMI at mmi@meadowmgmt.com

The official June, and July Newsletters are posted on the website, and so would be the future issues. The Current board will make efforts to communicate information through newsletters in timely manner. Any Board member can make its own private statement on the social media but his/her statement on any social media is not the official position of the Board. Newsletter provides you with the official position of the board or via email/letter to the residents.

Pruning and dead trees removal took place by Guardian Tree Experts Company. Some tree withstand pruning only in Fall, therefore left over pruning work will be completed in Fall, 2017

Special election meeting was held at Holiday Inn on Aug 14, 2017, and the election result was in favor of keeping the current board. The recall petitioners needed 101 votes, and there were not enough votes for the removal of all board members.

Incomplete and improper reserve study was directed by the 2015 AHCA Board.

1. This Board directed the Michigan Reserve Associates, who conducted the study, to include wasteful spending of asphalt seal coat at the cost of \$21,002.76 every four years.
2. The board directed to omit the cost for all components of storm water drain management system (wetland, street storm drains, sump pump drains, etc.), and emergency overflow system maintenance.

3. There are nine ponds in total, five are very large and rest four is small. The reserve study is taking care of ponds dredging and routine maintenance too infrequently. From the City Hall Storm Management officials, we have learnt that Ann Arbor now receives 17% more rain.
4. Reserve study is posted on website and check out the page 3 for the inventory of Reserve components

Is the current board fiscally responsible Board? The first table given below shows the \$100 association dues increase in 2016 and again in 2017. So, both this board and the previous board had to increase association dues to meet the increased reserve requirements and to take care of common elements.

Arbor Hills Year-to-Year Comparitive Budgets & Compliance				
		2015	2016	2017
Income				
	Association Dues	\$106,000	\$126,000	\$146,000
	Interest Income			\$3,000
	Late Fees			\$1,200
	Total Income	\$106,000	\$126,000	\$150,200
Expense				
	Adminstrative	\$22,420	\$21,650	\$20,070
	Insurance	\$5,000	\$4,200	\$4,200
	Utilities	\$5,150	\$5,350	\$5,190
	Maintenance	\$28,863	\$27,300	\$28,465
	Project expense	\$967	\$8,000	\$29,775
	Reserve expense	\$43,100	\$59,000	\$62,000
	Community events	\$500	\$500	\$500
	Total Expenses	\$106,000	\$126,000	\$150,200

Second Table below shows \$100 association dues increase/home X 200 homes in Arbor Hills gives \$20,000 increase in income. Please note that every dollar of this \$20,000 increase in income, plus some more, is going towards project expense, \$21,775, to take care of common elements that have not been cared for years.

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Expense				<u>Chg wrt 2015</u>
	Adminstrative	\$22,420	\$21,650	\$20,070 (\$1,580)
	Insurance	\$5,000	\$4,200	\$4,200 \$0
	Utilities	\$5,150	\$5,350	\$5,190 (\$160)
	Maintenance	\$28,863	\$27,300	\$28,465 \$1,165
	Project expense	\$967	\$8,000	\$29,775 \$21,775
	Reserve expense	\$43,100	\$59,000	\$62,000 \$3,000
	Community events	\$500	\$500	\$500 \$0
	Total Expenses	\$106,000	\$126,000	\$150,200 \$24,200
	Actual Project Exp.	\$96,516	\$11,344	\$10,544 as of 7/31

- **Previous board only budgeted \$967 for projects in 2015, and ended up spending \$96,516 on projects, almost “100 times more” than what was budgeted!**

Table 3 below shows ponds project initiated by the board in CY2015, and was contracted for \$45,318. Of this amount, only \$11,330 was paid in CY2015, the remaining \$33,988 was paid from reserves on June 29, 2016, lowering the net reserve increase not only in CY2015 but also in CY2016. The truth is that there is no uncontrolled spending by the current Board; the allegations in the distributed flyers were fabricated.

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	Total Expenses	\$106,000	\$126,000	\$150,200	\$24,200
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	Reserves at start of year	\$328,826	\$314,204	\$348,273	
	Reserves at end of year	\$314,204	\$348,273	\$419,196	as of 7/31
	Net Reserves Contribution	(\$14,622)	\$34,069	\$70,923	as of 7/31

Board wants every resident to take fear out of their mind that the current board is spending association dues uncontrollably, and emptying the reserve fund. The Board wants to assure all residents that the reserve fund had a **CONTINUOUS, HEALTHY GROWTH OVER THE LAST 14 MONTHS!** **Two key financial Indicators, i.e., total equity and reserves funds are shown in the graph given below.**

Total Equity – this is the bottom line, the net worth!

Reserves– this is our savings for long-term expenses



The drop in June 2016 is due to the payment of 2015 projects, e.g. pond- C.

Current board requests all residents to do the following if any flyer about Arbor Hills Board actions is delivered to you

1. Don't trust data in any flyers, posting on social media, or google neighbors group email, if it does not identify writer of flyer information, and source of data cited in the flyer.
2. We ask the residents to verify all data by requesting financial reports. Don't let ex-board members, who are self-appointed experts, misguide you? You have every right to question any conclusion or claim if the data source is questionable. Any resident can request financial reports or reports submitted by the professional Civil Engineering Company or Ann Arbor City expert's reports or their statements for maintenance from the MMI Company.
3. The authentic source of financial data is monthly financial reports from MMI, AHCA's Management Company. Second authentic source is year-end certified report from Guizdala Accounting Company since 2014-2016. Any resident, who makes up false data, draws false conclusions leading to fear mongering should be called upon to explain the data by the Board and all responsible residents.
4. Any resident who claims to be an expert is assessing the timeliness and quality of common areas maintenance should be asked to give a professional proof instead of misguiding and confusing the residents with their opinions.
5. Refer to and check bylaws, master deed and two master deed amendments posted on the Arbor Hills website before drawing conclusions. Arming with data coming from professionals and education is the key.

What kind of Association is AHCA? What master deed and Bylaws say about the participative decision making by residents? How many open meetings must be held by the board?

1. The AHCA is a corporation where every homeowner has one vote, but it is managed by the elected and volunteer Board of directors. It is not a cooperative entity, where every decision taken up by the board has to be brought to the residents for voting or approval. Because we are corporation, bylaws don't require board to go to the community before taking up major or minor decisions. Board takes the decisions to improve, maintain and protect the value of common community property, enhance safety of its residents and value of their property. So the Board requests the residents to take time to read the newsletter and offer volunteer help.
2. If the residents want transparent system and participation in every decision then they have to change AHCA bylaws, and make this association from corporation to cooperative. The change in bylaws requires a meeting of residents and ratification of petition to change the bylaws by 133 residents. Attorneys will rewrite the bylaws and cost of rewriting has to be incurred by Association through association dues.
3. Always remember that board members are volunteers who are elected to the board by you. The board collectively takes decision to spend association dues wisely for the maintenance of common elements. It is the duty of the board that timely maintenance of the common areas is done so that safety of residents and their homes is never compromised.
4. The current board complies with the bylaws requirement of holding number of open and annual meetings. On top of open meetings, board holds extra monthly meetings with MMI, Management Company; the board takes decisions on the common elements maintenance bids, selecting the contractor, alt/Mod forms requests approval, and residents' concerns. Board is responsible, sensible, and will hire professionals, if needed, before spending association dues.
5. Any resident can send their concern and questions to the board via email or US postal mail, and your concern will be acknowledged within three business days. MMI or board will reply to your concern right away if the answer is available, otherwise MMI or board will try to obtain answer. Board and MMI will address your concern either through official newsletter or via official email/letter as soon as possible.

Streets Crack sealing work was completed in the first week of August. The MMI and board apologize for missed recyclable pick-up that day. The work was originally scheduled earlier in the week, and then the contractor changed the date. It was an oversight on part of management.

The herbicide expense category in financial statement is specified incorrectly. It was pointed out to the MMI, but it was not corrected before sending it out to the residents. The \$3000 expense is incurred in performing the routine maintenance of the common elements like ponds berms and slopes, storm water storage drains, etc. No herbicide was used by the contractor.

The Board president asked many questions about the Pond H and other ponds maintenance study to the Atwell Construction Company engineer, Todd Pascoe. His response was that Atwell did not review anything in 2015.

Walk-through inspection of homes exteriors, yard, tree and side walk took place in July, 2017. The deadline to fix the outlined repairs is specified in the letter. Please undertake specified repairs in the specified time in the letter mailed to you. After the deadline the homeowners will be cited for violation of repairs, if not completed by deadline.

Certificate of appreciation were also sent to those homeowners who have maintained their homes beautifully. Your care increases the value of not only your home but also of all the Arbor Hills homes. Your home exterior landscape, natural areas or common areas grow at their best when you plant native trees, shrubs, wildflowers, vines, ferns, grasses, rushes, and sedges. The residents can find more useful information on many landscape topics at <http://www.a2gov.org/departments/Parks-Recreation/nap/Pages/NaturalAreaPreservation.aspx>

Comcast Agreement benefits every resident of AHCA because it lessens the need for increases in association dues **in coming years.** The Board has right to sign an agreement with the Comcast Company. The Board weighed the benefits and the rights of the residents, and decided that agreement does not impinge on the rights of any resident.

1. What restrictions are placed on AHCA Board and residents by the agreement? The agreement prevents AHCA to become Internet Service provider. The Agreement requires the Board to provide the residents' names of each unit upon request by Comcast. This information is accessible through public domain databases to everyone anyway.
2. After the agreement was signed it was reviewed by a lawyer, Evan Alexander, and the summary of his legal opinion has been shared with the residents in Summer/July newsletter.
3. You can request a copy of the agreement from MMI by email.
4. Residents retain the right to choose any service provider for the Internet, TV, and/or phone services.
5. The Comcast agreement adds \$35,000 to general purpose funds.
6. Each service providers has proprietary equipment and FCC takes care of any health risk posed by any Wi-Fi or telecommunications media. Just as Comcast installed co-axial cable wiring at its expense, other service provider(s) must extend their transmission media to serve AHCA residents who sign up with them.
7. Some agreement terms are not applicable in detached site-condo communities. A notice to Comcast is planned to clarify some these points, to help in making language in the Agreement less inappropriate or confusing, especially if legal interpretation might be required.
8. Can AHCA get out of the Comcast Agreement? The Agreement can be terminated by giving 60 days' notice to the other party. In case of dispute, arbitrators' decision is final.

Ice-cream social was held on Friday, Aug. 11, 7-9pm, and was a huge success. The Board may consider doing it again in September. Residents and children enjoyed several different ice-cream flavors, such as: chocolate, superman, chocolate with cookie dough, and strawberry.



Residents expressed good feelings about the Ice-cream social, and were happy to see that community got together to enjoy ice-cream on a beautiful day. The AHCA Board thanks Ice-cream Social volunteers: Josephine Walcutt, George Walcutt, Fan Wu, Usha Jindal, Bavneet Brar's son, David Yugang's son, and many other residents.



Residents' children can't play in their back yards - Storm water Drainage Needed

The storm water drainage basin behind Elsinore Street is overflowing and extending beyond its boundary. The extra water is nearing homes surrounding this wetland. There are many factors contributing to the drainage problem such as, excess storm water run-off from M14/US23 towards Lochaven wetland has been increasing over last several years that flows into this basin, too much standing water has killed too many surrounding trees so less water evaporates, and 17% more rain that has been falling over last few years.

This wetland needs drainage relief which may come by providing second drainage outlet to pond H. The inspection of the area and discussions were held with the City engineer, Jerry Hancock, and Atwell Engineering's Todd Pascoe. Every effort is being made by David Friedrich of MMI to keep the cost as well scope of the work to minimum. The 2017 budget had set aside funds for dead trees and debris removal. But engineering and creation of second outlet cost is not part of the current year budget but attention to this wetland is urgent as water level does reach inside residents' property.

Meadow Management

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