

# FRANKLIN KNOLLS HOMEOWNERS ASSOCIATION, INC.

## Minutes of the Annual Membership Meeting

**Date:** November 14, 2018

**Place:** Warner Middle School, 30303 14 Mile Rd, Farmington Hills, MI.

**Attendance:** See attached resident sign in sheet.

Board members:

Matt Mularoni	-	President
Katherine Demeter	-	Vice President
Scott Wood	-	Treasurer
Lisa Sturm	-	Secretary
Milt Levine	-	Member at large and Water Operator
Mark Giles	-	Member at large
Mike Sturm	-	Member at large
Carol Lundberg	-	Member at large
Brian Ginsburg	-	Member at large

### **Item I. Call meeting to order.**

The listed Board members were present at 7:00 p.m., in accordance with the original Notice of Meeting distributed by regular mail and received on October 31, 2018 in accordance with our bylaws.

Before proceeding with the agenda FKHA President Matt Mularoni read the usual instructions to the members regarding silencing cell phones and when requesting the floor to speak loudly and indicate name and lot number for the record. He then reminded the audience that as stipulated in Art III, section 3 a member household whose account is over 90 days in default is not entitled to vote.

Having reached the minimum quorum of 23 members (households) in attendance the meeting was called to order at 7:03 p.m. In addition, 6 proxy votes were presented.

The meeting proceeded with introductions of the FKHA board members.

**Guest Speaker:** Timothy Tutak – Coordinator for the Farmington Area CERT (Community Emergency Response Team) program. Tim reviewed the following points with the residents:

1. Be Prepared – Not Scared! Create a Go-Bag – pack a bag of clothing, toiletries and items to have ‘ready at the go’ in the event of a disaster or emergency. Keep your medication organized and ready to go as well.
2. Stock up on extra non-perishable food and water. Keep a case of water in your car at all times.
3. Remain educated. Take a women’s self defense class, CPR, first aid, etc. offered through the city.
4. Michigan has few disasters -we are lucky.
5. Tune into 1650 a.m. radio in the event of an emergency. It is the Farmington Hills radio station. It would alert residents where to go to take shelter if necessary.

## **Item II Approval of the minutes of the November 16, 2017 Annual Meeting.**

The minutes of this meeting were distributed to every household by mail last spring. The chairman then asked for comments or corrections to the minutes as printed.

There being no comments M. Mularoni called for a motion of approval. L. Operti, lot 101 made a motion to approve and L. Olsen, lot 50 seconded the motion that the minutes be accepted as presented. Put to the vote the minutes were approved with no objections and duly signed.

## **Item III. Treasurer's Report: Recap**

Scott Wood, Treasurer, Lot 127 presented the annual report consisting of the Balance Sheet as of September 30, 2018, followed by the Statement of Revenues, Expenses and Net Assets for the year ended September 30, 2018. S. Wood shared that our net assets total \$167,357 (\$132,335 in cash, \$7,621 in accounts receivable and \$27,401 in permanent assets). S. Wood reviewed the Statement of Revenues, Expenses and Net Assets next. The total revenues = \$59,226 and the total operating expenses for the year ending September 30, 2018 were = \$36,967. Therefore, we were \$(22,259) expenses over revenue. Refer to attachment for details. M. Sturm, lot 081, made a motion to accept and L. Operti, lot 101 seconded the motion. There being no further discussion the treasurer's report recap for 2017-2018 was approved.

## **Item IV. Old Business**

**a.) Neighborhood Watch Update:** L. Sturm, Neighborhood Watch coordinator gave an update. She encouraged all residents to sign up to be a part of the neighborhood watch program which is just that -neighbors watching out for each other and alerting the police department as necessary (911 if emergency and 248-871-2600 for non-emergency or concerns). She also shared that Franklin Knolls was given a Beautification Award at the city's award event for our annual participation in the Earth Day clean up event. Lisa also reviewed tips on recycling and local recycling drop off options for different items. She reminded everyone 'NO PLASTIC bags in our recycling bins!!'.

**b) Water system update:** M. Levine, Lot 111, shared that all the water tests have returned excellent results and the water is of high quality. Water testing has been conducted regularly and on time and follows all standards and regulations. Milt noted the new pump is working well and the new well extends into a deeper aquifer. The water is very high quality.

All residents were given 2 back flow preventers per household to attach to their front and back yard spigot. This device prevents possible contamination from backflow that could get into the water supply.

Resident L. Operti, lot 101, reminded the community about the importance of letting your neighbors know when you are flushing your line. This is a courtesy so that they know not to use their water during that time frame to prevent sediment and/or air from getting into their system. A resident inquired how often should they flush their lines. The answer is two times a year to start, and then once per year after that.

Milt reminded the residents he is always available for questions.

**c) Community Events** – L. Sturm, Lot 081, updated on our past Summer Pump House party had very low attendance, likely due to the date being moved due to rain on the scheduled date. Only 2 residents showed up. Other community events this past year included the subdivision-wide garage sale in June 2018 where about 10

houses participated. Also, in April approximately 10 residents turned out to participate in the annual Earth Day cleanup, where trash is collected from the 3 major streets surrounding FK (NW Hwy; Middlebelt Rd. and 14 Mile Rd.).

#### **Item V. New Business.**

a) **Under Ground Sprinkler Systems (refer also to hand-out):** Scott Wood shared that prior inquiries from residents about underground sprinkler systems and if they could be used has resulted in the board researching this subject. The bylaws, DEQ permission and the potential impact on our overall water pressure were evaluated. A resident contacted our current DEQ representative who stated that she felt that we had the capacity to allow at least a limited number of sprinkler systems in the neighborhood if we desired to do so. She stated that the decision would be our internal decision. There have been conflicting points of views about whether or not we have the capacity needed for sprinkler system from the DEQ over the years, depending on the rep. Regardless, any current and potential new underground sprinkler systems do have to be registered with the DEQ and we would have to institute a robust tracking program. The board is bringing it in front of the community for a discussion and potential vote for approval. If approved there would be a lottery draw to allow 5 residents to proceed with installation (6 residents submitted their names for consideration). The Pros and cons were discussed. The conclusion was that there were more questions and concerns expressed such that this subject was not ready for a vote. K. Beacham, lot 120 made a motion to table the vote. M. Van Dyke, lot 55 seconded this. Therefore, it was decided that the board would reconvene with our DEQ representative and gather more information before proceeding with the potential drawing. It was agreed we would hold a special session in the Spring of 2019 with the residents to discuss further.

b) **Financial Management update.** S. Wood reported that all accounts continue to be carried on Quick Books and the system is in good working condition. Statements are sent monthly to all homeowners in arrears to ensure that they are continuously updated as to the condition of their account and notified of all action taken. All accounting records are audited by an outside CPA. The balance sheet as of September 30, 2018 was approved.

c) **Annual 2017/2018 Budget.** S. Wood reviewed the Fiscal Year (FY)18 Budget with the FY18 Actual Results, along with the FY19 Budget (proposed). We budgeted \$65, 050 for FY18 and our actual total expenses were \$37, 472. We budgeted \$73,050 for FY19, which is very close to the FY18 budget. L. Operti, lot 101, asked if there were any large expenses expected this year. S. Wood said no, it was mostly smaller expenses expected. There was a question from resident D. Zanetti, lot 105 about the increase in budget for Legal (\$5000 to \$8000). It was to cover expected expenses over updating our bylaws and debt collections involving potential water shut downs. D. Wagner, lot 54, inquired if we are taking these people to court. The answer is yes, that process is still being adhered to. Another question arose about the difference between the allotted funding for Expense 002 Misc, Repair & Mtce vs. 003 Generator Maintenance. That was explained because this allows for closer budgetary tracking of the new generator. The increase in insurance budget allocation from \$10,000 to \$12,000 was questioned, and it was explained increased coverage options are being evaluated. J. Levine, lot 111 asked if the landscape budget was to provide for increased plant materials at the entrances and islands. There is not a large-scale plan for that, although since we do have a new landscaping contractor now there is the expectation our property will improve.

The budget for landscaping did increase from \$5000 to \$8000. There being no further discussion a motion was made for approval of the FY19 proposed budget by M. Mularoni, lot 125 and it was seconded by S. Ashcroft, lot 128. The vote was carried and the budget sheet for the year ending September 30, 2018 was approved.

d) **Nominations to the Board:** No new residents submitted a Willingness-to-Serve form. Discussion was opened for the residents with any questions. There were no questions.

e) **Slate of Officers for 2018-2019 Board of Directors:** M. Mularoni presented the proposal for the 2018-2019 Board as follows:

President - Matt Mularoni  
Vice-president - K. Demeter  
Treasurer - Scott Wood  
Secretary - Lisa Sturm  
Member at large - Carol Lundberg  
Member at large - Brian Ginsberg  
Member at large - Milt Levine (also Water Operator)  
Member at large - Mike Sturm

f) **Vote for officers:** M. Van Dyke, lot 55 made a motion to accept the slate as presented and T. Starn, lot 088 seconded to accept the slate as presented by M. Mularoni. The vote carried with no abstentions or rejections.

g) **Installation of officers:** Pursuant to the previous point, the Board of Directors was considered installed in their respective offices.

h) **Items from the floor:** J. Skwarczynski, lot 034 inquired as to where her shut off valve was. Our plumbing contractor D'Angelo can always be contacted. D. Zanetti, lot 105 brought up speeders and drivers cutting through the subdivision again. Residents were encouraged to contact the FHPD non-emergency number with issues. S. Ashcroft, lot 128, expressed concern over children in the dark at the school bus stop. L. Olsen, lot 050 expressed concerns over walking her dogs by a house with two large dogs behind an electric fence. She said she has seen one of the dogs break through and charge after a smaller dog. Another resident expressed concern over a large bush on the property of the house on the northeast corner of Lochmoor and Briarcrest Knoll that can obstruct your view when trying to turn. J. Levine, lot 111, wanted to alert other residents about 5 Star Landscaping, stating they took money from them but never returned to provide service. M. Williams, lot 063 recommended this information be turned into the Better Business Bureau.

M. Mularoni, Lot 125, FKHA President, thanked everyone in attendance for coming to the meeting, noting that it is the people that make FK such a great community to live in.

**Item # VI. Adjournment.** There being no further issues brought forward M. Mularoni presented a motion to adjourn the meeting. K. Haydu, lot 147 made a motion to close the meeting and M. McDevit, lot 042 seconded the motion. The motion carried, and the assembly voted to adjourn the meeting at 8:46 p.m.

Respectfully submitted

*Lisa Sturm*

Secretary

Approved

*Matt Mularoni*

President

Sign in Sheet-On file with Secretary

Attachments:

Annual Budget & Actual

Balance Sheet

Statement of Revenues, Expenses and net Assets