## SPECIAL MEETING CRYSTAL POND BOARD OF DIRECTORS

Thursday, March 13, 2025 Ypsilanti Township Hall 7200 S. Huron River Drive Ypsilanti MI 48197 6 p.m.

Per Bylaws, Article IX: MEETINGS: Section 4: Special Meetings: It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors.... No business shall be transacted at a special meeting except as stated in the notice

President Patrick McGahan called the meeting to order at 6:10 p.m. and advised those in attendance that the meeting was "informal" and for the purpose of discussing Crystal Pond Condominium Association's financial situation. Handouts were distributed to those in attendance.

Patrick introduced the current Board members in attendance: Scott Lange (Vice-President), Debbie Chamberlain (Treasurer) and Roxann Repasy (PR Officer and Acting Secretary). Also present at the meeting were Mahyar Sadri and Justin Mays from Level Up Property Management.

Patrick gave a brief history of Crystal Pond Condominium Association:

- Started in 2000
- Several contractors (one in prison, one no experience)
- Several banks/land holding companies
- Township took over in 2012-2013 and hired Lombardo Homes to complete the community
- September 2024 we hired Level Up as property management company
- January 2025 we hired Hirzel Long as our attorney. (specialize in HOA law)
- Reserve Fund has been established

Scott Lange provided updates on current projects as well as upcoming projects:

- Sprinklers are all on one system. April Rain will be regulating the timers so watering is 2-3 times a week (not 2-3 times a day)
- Two roofs will be repaired in the Spring. After a down-payment, vendor is allowing monthly payments (no interest)
- Power washing/gutter cleaning is scheduled for early June. After a down-payment, vendor is allowing monthly payments (no interest)
- Meadows Lawn Care will provide summer maintenance again this year. Scott has a very good working relationship with them, and they are more than willing to repair damages, correct problems etc. We are not obligated to pay the entire monthly balance if we are unable to do so
- True Green will be providing fertilization (5 applications)
- Middle pond will be focus of next Community Clean Up day.
- Some issues by co-owners could be community wide (sewer, gutters, roofs). These items have been included in the Lombardo Punch List. Scott thanked the committee for their hard work in getting this list completed.

A co-owner thanked the current board for its accomplishments and all we are doing especially considering what we had to start with. The additional communication from the Board is very helpful.

Debbie Chamberlain presented a PowerPoint presentation:

- Fiscal Year to Date Revenue/Expenses
  - In December a large outstanding balance was paid by a co-owner so a reserve fund was established.
- Expenses outstanding in November 2024
- Expenses through February 2025

- Urgent repairs (known and as a result of reserve study)
  - shotty workmanship:
    - Roofs 5 years (not 25 years)
    - Gutters (one caused black mold due to leaking through foundation)
    - Driveways (holes underneath)
    - Sidewalks (both repair & completion)
- Monthly May-October Projected General Operating Expenses
- Why Increase?
  - \$200 a month dues = (\$17,653) monthly deficit
  - \$300 a month dues = (\$8,653) monthly deficit
  - \$400 a month dues \$347 monthly balance

Patrick reiterated that we cannot continue to be "in the red" each month. We need to invest in ourselves. The Board has researched several options, but the only answer is a dues increase. An assessment is a onetime fix that would not alleviate the monthly deficit. This is the hand we have been dealt, and we have to move forward based on where we are. **We have no alternative but to increase dues to \$400 per month effective May 1, 2025.** 

Justin Mays will be adjusting the notices on Level Up to reflect the increase.

The meeting was then opened for discussion:

- Q: Can we "opt out" from HOA and/or have 2 separate HOAS?
- **A:** No. All co-owners must be members of the HOA. At this time there are no plans to create two associations.
- **Q**: Can we pay for our own repairs and have the HOA reimburse us?
- A: No. The HOA cannot disburse funds to co-owners. It is the responsibility of the HOA to provide maintenance. Since we are an HOA, many contractors will not perform outside work for an individual co-owner.
- **Q.** Can we have a "community shed" with mowers, tools etc., and co-owners can maintain their own lawns to reduce the expense of summer maintenance?
- **A**. No. People join HOAs so they do not have to do their own maintenance.
- Q. Can we do some cleanup within the community to cut down on lawn maintenance?
- A. The Beautification Committee held 2 "Community Clean Up Days" last year. The focus was on cleanup of the front pond, but only a few co-owners participated. A Board member rented equipment for the second clean-up day.
- Q. Based on expenses, and/or the Lombardo settlement, could dues go down?
- **A.** Yes. The Board will be reviewing P/L monthly. Establishing a larger reserve fund (federal requirement is 10% of annual budget). This will also put us in a better position for lower-cost insurance, as well as the possibility of other financial assistance if necessary. The Lombard funds are not guaranteed but if/when received will be used for payment of remaining repairs or reimbursement for repairs made.
- **Q.** Isn't the Township responsible for maintenance of ditches etc within the community? **A.** No. We are private property.

Patrick thanked everyone for attending and announced that future meeting will be held at the Township Hall.

Meeting adjourned at 7:10 pm.

Submitted by:

Roxann Repasy PR Officer/ Acting Secretary Dated: 3/17/2025