

## 2018 ANNUAL REPORT TO MEMBERSHIP

Shadow Woods Subdivision Association

October 16, 2018

This is the annual report to the membership of the Shadow Woods Subdivision Association (SWSA) required under the By-Laws of the Association. This report contains: a review of operations in 2018; details of committee reports including common area maintenance, storm drain update and capital improvements for 2018; spending for 2018; dues and budget for 2018; a proxy and a ballot for the election of members to the Board of Directors.

**The annual membership meeting of the Shadow Woods Subdivision Association will be held at Rochester Hills City Hall Room 221 on Wednesday, November 14, 2018 at 7:30pm. Please be prompt; doors will be locked at 7:45 PM.**

### Review of Operations for 2018

#### **Officers and Board members for 2018:**

President	Terry Lanker
Vice-President	Jeff Ouimet
Treasurer	Ravi Parameswaran
Secretary	Beth Tilove

#### **Committees**

Treasurer's Committee	Ravi Parameswaran
Social Committee	Chelsea Scally
Communication Committee	Beth Tilove & Chelsea Scally
Maintenance Committee	Steve Yuhasz
Capital Improvement Committee	Jeff Ouimet
Greeting Committee	Beth Tilove
Neighborhood Committee	Elizabeth Hunsanger
Safety & Security Committee	Doug Thedford
Storm Drains & Special Projects	Al Wolfe*

### General Operations

To avoid a future shortfall of funds, the board has developed a savings account for the Deferred Maintenance Fund. This fund has been established to pay for future dredging of the commons storm water basins, repairs to the Shadow Woods private storm sewer system, major cleanups following (ice) storms and/or other unexpected expenses. As of the end of September, the fund has a balance of \$ 90,424.82 as detailed on page 8 of this report.

\* Al Wolfe has tendered his resignation effective at the end of this fiscal year (12/31/2018). Al joined the board in April of 2002. We thank Al for all his contributions and 16 years of service.

### Common Areas

Shadow Woods residents, when informed about the proposed new development adjacent to the Winter Park Commons off of Brewster Road, have expressed concerns. This area is being developed by Robertson Brothers. Current plans are for some one story and some story and a half condos that would appeal to older residents. Robertson has conducted a meeting with residents and several conference calls with board members the last of which was Aug. 23<sup>rd</sup>. The subject of the last meeting was to clarify the initial drawings they submitted regarding changes to the Winter Park detention basin. Sharing the SWSA Winter Park storm water detention basin would be quite beneficial because it would require the clean out of the basin at no cost to SWSA. Additionally, the developer has also offered to pay \$40,000 toward the clean out of the North storm water detention basin. The impact of this development would be a minimal increase in traffic in and around our neighborhood. We will continue to monitor the situation to mitigate the traffic impact as the plan goes to the city for approval.

### **Committee Activities Reports:**

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**Communications Committee Activities**

**Subdivision Web Site** | Resident Matthew White has spent considerable time to update our website. His changes will be appearing soon. Visit [www.shadowwoods.com](http://www.shadowwoods.com) regularly for subdivision-related news, classified ads, and other important sub info.

**Subdivision Emails** | In order to facilitate contact between the Board and residents, we have established an email address for the Association, [shadowwoodsrh@gmail.com](mailto:shadowwoodsrh@gmail.com). Announcements, events, invitations and news are sent as needed. To be included in the distribution, send your email to the above address and ask to be added to the contact list. Please add [shadowwoodsrh@gmail.com](mailto:shadowwoodsrh@gmail.com) to your email contacts.

**Subdivision Newsletter** | A mini-newsletter is emailed weekly to the residents on our email contact list. This is the best way to stay informed of sub events and news.

**Subdivision on Facebook** | Residents of Shadow Woods are encouraged to “Like” our page on Facebook (<http://www.facebook.com>). Search for “Shadow Woods Subdivision”.

**New Resident Packet** | We hope to reach new residents with our New Resident Information Packet and a small gift. This packet includes deed restrictions and other information helpful to new residents. In the event you need a packet, or if you know someone who needs one, contact Beth Tilove at [shadowwoodsrh@gmail.com](mailto:shadowwoodsrh@gmail.com) or 248-375-1309.

**Social Committee**

The social committee is responsible for coordinating, managing and fiscally executing all of Shadow Woods social events. These events are regularly attended by many of our Shadow Woods families and provide a sense of community in our neighborhood.

**Shadow Woods Garage Sale** | The subdivision’s garage sale was held the fourth week in June: Thursday through Saturday. The Social Committee handled media advertisements for the sale, which is free of charge for those residents who wish to participate.

**Great Yards Contest** | This contest was held in 2017. It is scheduled to be held again in the summer of 2019.

**Social Events** | Our Social Committee hosted a Summer Barbeque for all residents and Halloween party & Easter Egg Hunt for young children.

**Neighborhood Committee – Deed Restrictions**

The neighborhood committee is responsible for assisting residents in the enforcement of the deed restrictions and city ordinances for the common good of all residents. Some of the recent investigations were in response to resident complaints. The neighborhood committee frequently surveys the subdivision and has sent over 480 letters and filed 32 complaints with the city asking residents to comply with the deed restrictions and city ordinances.

Whenever a city or state infraction has been committed, the proper authority should be contacted. The city ordinances can be found on the city’s web site and any resident can call the enforcement department at 248-656-4615 or submit a concern online to request an investigation. Please be aware that trash, rubbish or junk must be removed from properties within seven days as per city codes. Please send your concerns via email to [shadowwoodsrh@gmail.com](mailto:shadowwoodsrh@gmail.com) and your message will be forwarded to the appropriate board member.

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**Storm Drains & Special Projects Committee**

Our subdivision's yards have a network of some 31,253 lineal feet of storm sewers, 20 inlets and 118 manholes that collect both sump water and rain water runoff from homes and streets. This water eventually runs to the North and South detention basins which drain to the local water shed. We have found that our subdivision (not the city) is responsible for the maintenance of the subdivision's storm sewers and storm water detention basins. The city maintains only the storm sewer drains in the streets. A deferred maintenance budget item which includes storm sewers is included in this report.

Due to obstructions, we had to spend over \$8750 this year to replace 36 lineal feet of 8-inch sump water collection pipe at 835 Snowmass and 2740 Winter Park Court. This repair allowed six residents to once again properly pump their sump water into the subdivision's storm water drain system.

There are a total of fifty-three (53) 8-inch sump water collection pipes in the subdivision, many of which are up to 300 feet long. In 2018 we contracted for additional work with in-pipe cameras and found additional problems. All the pipes have now at least been partially inspected. Most of the problems can be rectified by "Hydro-Jetting". This work is being deferred to the future in order to conserve current operating funds. The current status is summarized on the document "*8-inch storm drains SWSD Address list V11aw.pdf*" at [www.shadowwoods.com](http://www.shadowwoods.com).

During the year we also contacted CMS energy to carry out the removal of two (2) gas lines which were intersecting the 8-inch sump water collection pipe in front of 574 Snowmass and 530 Sunlight. New sections of 8-inch pipe were installed where the intersecting gas line was removed and the landscaping was restored. This work was all done at no cost to SWSA. This issue was found via the 2017 in-pipe camera inspection.

In order to repair the broken steel grating over the Winter Park (south) storm water detention basin's outlet, we had a new grating fabricated and installed. The cost of this was \$2125. During the inspection and planning of the outlet replacement, it was brought to our attention that both storm water detention basins had a total of three 36-inch inlets that had no protective grating. This was seen by the board as a dangerous condition and was a violation of SWSA's "open space" agreement with the city. Three grates were then installed at a cost of \$5199.

The storm drain system is currently in marginal operating condition; the storm water detention basins have a limited life and will have to be cleaned by digging up and removing the sediment and overgrowth of organic material. This will return the basin to its designed/original water-holding capacity and prevent flooding. This is required by the city, county and state. This clean-up is a very expensive job in excess of \$30K per basin. The subdivision is responsible for this cost, not the city. It is our responsibility when the storm water detention basins reach their saturation. We ask all residents (and the contractors they hire) to keep the gratings and drains (at the road and in the backyards) clear of any debris and free flowing. Refrain from disposing of grass clippings, leaves, dirt, cement wash and cigarettes down the drain. Do not leave grass clippings or leaf debris on the streets because the rain will wash this debris into the storm drains as well. These improperly disposed items fill the storm water pipes and detention basins and lead to more clean-up expense for the subdivision. Water is the only element that belongs in the storm drain system.

**Safety & Security Committee**

Speeding on our subdivision streets continues to be a safety concern. This speeding is done both by cars driven by Shadow Woods residents and by cars taking our streets as a short cut to avoid congestion on nearby main roads. Speeders pose a risk to pedestrians, bicyclists, and people in their yards near the street.

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The City of Rochester Hills requested the Traffic Improvement Association (TIA) to perform a traffic study on Powderhorn Ridge road near the Adams entrance, an area of particular concern. The results of this study show this intersection is “not pedestrian or bike friendly due to northbound right turn vehicles turning onto Powderhorn Ridge into the same lane the pedestrians are using to get to/from the bike path on Adams Road”. (Ref. TIA study 6/30/2014). The Board continues to explore ways to improve safety at this intersection.

The committee reminds residents to keep their eyes and ears open and report incidents of theft or vandalism to the Oakland County Sheriff (Non-Emergency Phone 248-858-4950).

**Maintenance Committee**

The Maintenance Committee is responsible for planning and supervising the maintenance of approximately 30 acres of common areas owned by our association and the green belts along the adjoining roads. This maintenance is mandated and enforced by the City of Rochester Hills.

**Grounds Maintenance Services:** Our 2015 through 2018 contracted services with United Lawnscape have included mowing, weed whipping, fertilization, weed and crab grass control, insect control, and pruning of small trees and shrubs at all subdivision-owned areas. We are currently evaluating other companies and may select a new provider for 2019. Other routine services have been provided by Oakwood Property Maintenance which include a spring clean-up of all subdivision-owned areas, planting flowers, summer chemical weeding and manual weeding at our entrances, islands, and cul-de-sac mulched areas.

**Infrastructure Maintenance Services:** Precision Irrigation provided sprinkler valve box re-discovery services at all entrances and S&S Sprinkler Service added and replaced sprinklers on the third island in from Brewster on Powderhorn Ridge Road. Chairman Steve Yuhasz also purchased and adjusted many sprinkler heads to reduce watering waste; this included digging up some that were buried. K&S Tree Service removed some dying and weed-like trees and pruned the majority of the trees in Timberline Park (aka North Detention/common area). Mike’s Tree Surgeons and K & S Tree Service provided free wood chips and Oakwood Property Maintenance spread them on our nature trail in Shadow Woods Park and mulched around all tree beds along Tienken and Brewster Roads. Sprinkler rain sensors were purchased for Timberline and Telluride entrances and existing ones were relocated at the entrance off Brewster and Adams. Investigation of the electrical outlet infrastructure at each entrance and meter location has begun and will continue. The system is aging and repairs are being identified as necessary.

**Holiday Lighting:** Precision Irrigation provided this service at Adams, Brewster, and Timberline at Tienken entrances.

**Awareness:** Please note that the association is not obligated to remove fallen trees or debris from any resident’s yard. Additionally, damages incurred by trees, branches, etc. from commons areas are not covered by the Association, but rather your specific Homeowner’s Insurance Policy. Several large limbs fell down in the common areas and on the nature trail which were removed. Remember to stay safe when walking in these areas as falling limbs and trees are always a possibility. The Maintenance Committee attempts to handle hazardous standing dead trees and limbs, but no amount of trimming and removal is as good as personal awareness when walking through and near our wooded areas. Please pick up any trash or debris you see at any of our owned locations. Quite a bit of trash has been found on the islands as well as some in the common areas (including golf balls). **Thank You for Your Support!**

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**Capital Improvements Committee**

Work was completed at Keystone Park in 2017 with mixed results. The Canadian Hemlocks are doing well as some of the perennials. The deer browsed on the shrubs or used them as buck rubs. Some are alive, but most did not survive. We can attribute the failure to too many deer in our area and due to a resident drawing more deer to Keystone by feeding them. We will most likely move some of the planting to our islands if needed and plant grass in the area.

The five trees (Elms and Kentucky Coffee) that the city planted along the right-of-way on Timberline in front of Keystone Park are doing well. Some were rubbed by the deer in the fall and the City added tree guards to protect them from being rubbed again

Our entrance signs are showing their age structurally and in design. Engineers from the City surveyed our entrances and provided drawings showing where we may install new signs so they will not interfere with the sight lines of drivers. We narrowed down our design options and have requested quotes from potential suppliers. Our plan is to have new updated signs and new landscapes with lighting. Due to budget constraints, this project may be two to three years to complete.

**Treasurer's Committee**

The Treasurer's committee has the responsibility to assist the Treasurer in the collection of dues and assessments and to maintain detailed records of the members' dues status. These dues help us pay for the subdivision services we require. As stipulated in the subdivision By-Laws, in 2019 there will be a 6% per annum charge and a pass-through charge of \$20 per month in collection costs incurred from the HOA management company on all past due accounts.

The Board has renewed a contract for the services of the HOA management company, ACM Co., Inc., to meet the duties of the treasurer's committee (consisting of dues billing and collection). The expense of this contract is expected to be approximately \$5000 per year and is included in the 2019 budget.

**Budgeted Revenue:** Because some residents fail to pay their dues, the budget contains a line item reflecting 1% uncollected dues. This year the Board filed in Small Claims Court against 4 residents who consistently failed to pay their dues and the subdivision was able to recover over \$5900 of past dues and penalties. Please note that a two-year delinquency in dues may trigger a lien or a small claims court summons, in accordance with our By-Laws. Liens filed against your property are public records at the Oakland County Clerk's office.

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**Spending in 2018**

Our By-Laws stipulate that we have our Annual Meeting/Report issued for November; therefore, we are showing our expenses for the budget year October 1, 2017 through September 30, 2018.

**SWSA 2018 Budget Year Spending**

	Actual	Budget	
	10/1/2017 to	Allocation Amount	Over /
	9/30/2018		(Under)
<b>REVENUE</b>			
Dues Received	95,081	83,318	11,763
Interest, Lien & Debt	4,679	250	4,429
Other Income (CMS)	1,891	-	1,891
<b>TOTAL REVENUE</b>	<b>\$101,651</b>	<b>\$83,568</b>	<b>\$18,083</b>
<b>OPERATING EXPENSES</b>			
Administration	439	200	239
Annual Report	916	1,000	(84)
Bank Charges	307	-	307
Capital Improvements	650	10,000	(9,350)
Financial review	-	100	(100)
Grounds Maintenance	46,052	42,000	4,052
Holiday Lighting	2,670	2,300	370
Infrastructure Maint./Repair	32,205	15,000	17,205
Legal Services	960	-	960
Liability Insurance	2,513	1,687	826
Lien Filing Fees	44	150	(106)
Mich. Annual Report/Taxes	-	20	(20)
PO Box Rental	120	120	-
Subdivision Lighting-Poles	5,052	5,100	(48)
Subdivision-Electrical	833	1,100	(267)
Subdivision Events	1,500	1,500	-
Treasurers Comm./HOA	4,054	5,000	(946)
Water Utilities	1,688	3,000	(1,312)
Website-3 yr fees	-	-	-
Welcome Packet	74	50	24
<b>TOTAL EXPENSES</b>	<b>\$100,962</b>	<b>\$89,427</b>	<b>\$11,535</b>
<b>NET INCOME</b>	<b>\$689</b>	<b>-\$5,859</b>	

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**Projected 2019 Income and Expenditures**

In view of the additional income collected in the prior year the Board has voted to keep the 2019 dues at the 2018 level of \$205. This assessment will allow us to afford ongoing general operations, repair drains/basins and continue to build the deferred maintenance fund.

**SWSA 2019 Budget**  
**Oct. 1, 2018 to Sept. 30, 2019**

	Budget for 2019	
<b>REVENUE</b>		
Dues (for 419 homes)	\$	85,895
Less Uncollectible 1%		(859)
Interest, Lien & Debt Income		250
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<b>TOTAL REVENUE</b>	\$	85,286
<b>OPERATING EXPENSES</b>		
Administration		400
Annual Report Charges		1,000
Capital Improvements		10,000
Financial review		100
Grounds Maintenance		47,000
Holiday Lighting		3,000
Infrastructure Maintenance/Repair		5,000
Liability Insurance		2,513
Liens Filing Fees		100
Mich. Annual Report/Taxes		40
PO Box Rental		120
Subdivision Events		1,500
Subdivision Lighting - Pole Rental City		5,100
Subdivision - Electrical		1,100
Treasurers Com. / HOA Mgm. Co.		5,200
Water Utilities		2,000
Website (3 year fee due 2019)		120
Welcome Packet		50
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<b>TOTAL EXPENSES</b>	\$	84,343
<b>NET INCOME (LOSS)</b>		943
Operating Cash on hand 9/30/18		14,894
Less 2018 Deferred Maintenance Expense		0
<b>Operating Cash forward to 2019</b>	\$	14,894

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**Deferred Maintenance Fund:** This fund has been created to pay for future repairs to the private storm sewer system, dredging the commons storm water detention basins, major cleanups following (ice) storms and / or other unexpected expenses. At the end of the 2018 budget year (Sept. 30<sup>th</sup>) the fund contained \$90,424.82. These funds are held in a savings account at PNC bank. In past years, we have been able to add funds to this account. This year, due to the expense of sump pipe and basin repairs the board voted not to transfer any funds to avoid depleting the cash in the checking account to too low a level.

YEARS	ITEM OF DEFERRED MAINTENANCE	ESTIMATED ANNUAL AMOUNT
2012 to 2027	Dredging Commons Storm Water Basins \$30,000 / 15 years =	\$ 2000
2012 to 2030	Storm Sewer System (50 year life, installed 1980) \$180,000 / 18 years =	\$ 10,000
	TOTAL	\$ 12,000 per year

**2018 Annual Membership Meeting**

The By-Laws of the Shadow Woods Subdivision Association provide for at least one membership meeting to elect Directors and conduct such other appropriate business. The Board has called the **annual membership meeting on Wednesday, November 14, 2018 at 7:30pm to be held at Rochester Hills City Hall Room 221. Please be prompt; doors will be locked at 7:45 PM.** One of the purposes of this meeting is to elect members to serve on the Board of Directors. The names of the candidates running and their term lengths are on the ballot included with this mailing. The ballot may be presented at the membership meeting on November 14, 2018. Prior to November 14, 2018 ballots may be submitted to the association in the form of a proxy by mailing it to the address printed on the envelope provided. Postage is not included. **If you are unable to attend the annual meeting be sure to return the ballot in the envelopes provided.**

The form of the ballot allows secret balloting as required by the By-Laws. Please follow the directions on the ballot carefully. Find the ballot page, mark your ballot and insert in envelope marked "BALLOT". This will contain your secret vote. **Insert the signed page marked PROXY along with the sealed BALLOT envelope** into the large envelope with the address of the Association printed on it. The proxy must be included so that we can identify eligible voters. When received, proxies will be checked for eligible voters and the sealed ballots will be secured for subsequent counting. Only residents with their fees paid to date are eligible to vote.

It is important that you, the homeowner(s), vote on the election of Board members. Please plan to attend the Annual Meeting or **send in your proxy!!**

Respectfully Submitted,  
Board of Directors, Shadow Woods Subdivision Association  
October 16, 2018