

**PHEASANT RUN ROAD MAINTENANCE ASSOCIATION, INC.**  
**BOARD OF DIRECTORS**  
**MEETING SUMMARY**  
**May 7, 2019**  
**5:30 p.m.**

A regular meeting of the Pheasant Run Road Maintenance Association, Inc., Board of Directors was held at the Administration Building, Leisure Services Conference Room on Tuesday, May 7, 2019.

**Members Present:** Hayden Notestine, Fairway Pines, Bill Serchak, Canton Township, Chad Hetherington, Fairways

**Members Absent:** Greg Hohenberger, Canton Township, Kevin Whitaker, Pheasant View

**Others:** Tim Kljun, Roadway Manager, Deborah Dooley, Secretary, Rich Rickert, Fairway Pines

**I. Call to Order**

Mr. Bill Serchak called the meeting to order at 5:34 pm.

- a. Approval of Agenda  
Motion by Notestine, supported by Hetherington to approve the agenda as presented. Motion carried by all members present.
- b. Approval of Minutes
  1. February 26, 2019  
Motion by Hetherington, supported by Notestine to approve the February 26, 2019 PRRMA Board Meeting Minutes as presented. Motion carried by all members present.

**II. Financial Activity Review**

- a. Current Reports  
Mr. Kljun stated the financial documents for last month were emailed to Board Members. He distributed an updated Balance Sheet for May 7, 2019. Mr. Kljun stated the current checking account is \$6,631.26, accounts receivable is \$57,936.67, including the association dues for the 2nd quarter. He stated the total operating accounts is \$64,567.93. He stated the Reserve Account is \$586,297.08.

Mr. Kljun stated the current liabilities are a function of long term project, fertilization of trees along PRRMA roadway mediums, including Summit Parkway and insurance premium each month totaling \$16,064.33.

Mr. Kljun stated in the first 4 months of this year PRRMA has started and completed the first crack sealing project in Pheasant View. He stated this cost has been paid totaling \$18,960.

Mr. Kljun stated at the last meeting Mr. Maltese inquired on the amount of interest PRRMA was receiving from Huntington Bank interest. Mr. Maltese stated Capital One accounts are getting an substantial amount more than Huntington Bank. Mr. Kljun stated he investigated and his finding were those were only on personal accounts. Mr. Kljun stated he went to Huntington Bank in February and they agreed to increase the interest rate from .06% to 2.5% immediately including March and April. Mr. Kljun stated the interest was budgeted for this year of \$105. He stated PRRMA received for March and April a total of \$1,086.06 in interest. He stated this will continue.

Mr. Kljun stated PRRMA received an IRS refund of \$287.43. He stated when PRRMA was involved in the fiscal year from August to July, PRRMA had made payments of \$287.43. He stated the IRS sent this money back to PRRMA since we changed our fiscal year back to January through December. He stated fundamentally PRRMA pays no taxes annually.

Mr. Kljun stated there was an accident in Pheasant View at the intersection of Southwick and Crowndale and a sign was destroyed. He stated the road was icy. He stated the driver called their insurance agency and reported this accident and damage. He stated the insurance company contacted Pheasant View Association and Mr. Kljun received a check for the damage and replacement to the sign for \$1,899. Mr. Serchak stated if there is a police report usually funds can be recovered.

b. Cash Flow Analysis

Mr. Kljun distributed a cash disbursements journal for the period from January 1, 2019 through May 7, 2019. He stated a total of \$41,172.55 has been spent for operations.

Mr. Kljun stated the cash receipts journal from January 1 to May 7, 2019 for the first quarter has received \$144,301.96 in dues from all associations including Canton. He stated the second quarter is due May 31, 2019. He stated as soon as he receives a dues check he immediately deposits and PRRMA begins accruing interest.

Mr. Kljun stated he feels there will be some heavy cost for the crack sealing soon. He stated it is still projected that the reverse will conclude at the end of 2019 at \$220,392. Mr. Hetherington inquired if PRRMA will be doing a lot of crack sealing in areas that will have roadwork scheduled soon. Mr. Serchak stated no these areas will not be included in road work. He stated he asked Spalding DeDecker to exclude those crack sealed areas in the bid.

Mr. Notestine inquired if PRRMA has a policy on the reserve account minimum. Mr. Kljun stated yes, the Board decided in 2016, the reserve minimum is \$220,000-\$320,000. He stated last year the Board discussed in an effort to complete two years of work a required \$600,000 would be needed. He stated with

no increase in contributions required. Mr. Kljun stated it is projected to spend \$369,290 on roadwork in 2019 and over \$260,000 in 2020.

Mr. Kljun stated the primary insurance policy is required by the Roadway Reciprocal Agreement. He stated the annual cost is \$1,760.00 (paid in full) for a One Million Dollar insurance policy. He stated the second insurance is an umbrella insurance which is also required by the Roadway Reciprocal Agreement and cost annually \$2,068.00 (paid monthly) for Four Million Dollars. He stated this will give PRRMA a total of Five Million Dollars in insurance coverage. Mr. Kljun stated the deductible is \$2,500 per event for the primary insurance and the umbrella.

Mr. Kljun stated PRRMA carries another insurance policy, not required, but for our own benefit, is Worker's Compensation. He stated the cost is \$580 per year and is protection for PRRMA. He stated this policy protects PRRMA if a company hired by PRRMA does not have insurance. He stated they would come back on PRRMA. He stated this would protect PRRMA in the case of a company who lets their insurance lapse. He stated annually the insurance company audits PRRMA. He stated they want to know how much money PRRMA has spent on contractors servicing PRRMA. He stated upon their review they rebate a portion of the \$580.00.

Mr. Rickert inquired if PRRMA has had any claims they have had to defend. Mr. Kljun stated no, PRRMA has not had any claims.

### **III. Other Business**

- a. Yearly standardized schedule for PRRMA activities
  - i. Street Sweeping

Mr. Serchak stated he is not sure if this has been done by DPW. He stated we will call for street sweeping soon. He stated the Township will probably be losing its sweeper due to age. He stated it is 20 years old and they will not replace. He stated in future years PRRMA may want to contact a sweeper contractor.
  - ii. Road crack/Roundup

Mr. Kljun stated Oakley is assigned two times per year for road crack/Roundup without PRRMA's intervention. He asked Oakley to provide this service in April and September as per the agreement with PRRMA Board members.
- b. Bids out for road work, due date 5/15

Mr. Serchak stated Spalding DeDecker sent the bids out 3 or 4 weeks. He stated he was surprised to not receive anything back as of yet. He stated he did receive a notice from Nagle that they were interested in bidding this project. He stated, in general, bidding is tight right now and we may get fill in work. He stated as soon as he gets the bids he will send out via email to the Board. Mr. Serchak stated we

can add more sidewalks. Mr. Notestine inquired if Spalding DeDecker marked sidewalks to be replaced. Mr. Serchak stated right now he gave Spalding DeDecker a quantity and they will oversee replacements. He stated PRRMA did almost all the sidewalks two years ago. He stated currently we are going by complaints for this year. He stated we did not intend Spalding DeDecker to walk entire subs. He stated HOA's can take a look for hazards. Mr. Rickert inquired if this is liability to PRRMA for trip and falls. Mr. Serchak stated PRRMA has never had an issue regarding a trip and fall. He stated Townships were forced to take responsibility for sidewalks in 1999. He stated he will ask Township attorney how a trip and fall on a private road is addressed. Mr. Kljun stated he will contact PRRMA's insurance underwriter and ask this question. Mr. Serchak stated if any hazards are seen please let me know about them.

- c. Irrigation maintenance and operations along Summit Boulevard  
Mr. Serchak stated this area has been maintained by the Township (via Reliable Landscaping), however the Township will not maintain any longer. He stated this includes the entire Summit Boulevard from Palmer to Glengarry. Mr. Kljun stated this is actually a golf course responsibility. He stated all controllers are on the golf course. Mr. Serchak stated he will research and leave this on the agenda. Mr. Kljun stated this cost is not built into the cost for the Canton to PRRMA.
- d. Next Meeting Date  
The next meeting date is Tuesday, June 4, 2019 at 5:30 pm.

#### IV. Adjournment

Motion by Notestine, supported by Hetherington to adjourn at 6:36 pm. Motion carried by all members present.