

# Adams Landing Condominium Association

## 2022 Annual Meeting



Welcome...we are glad you came!

# Adams Landing 2022 Candidates

- ▶ Tom Burke
- ▶ Valerie Holland
- ▶ Michael Ladd
- ▶ Rob Locher



# 2021-2022 Board of Directors

- ▶ President - Dave Khadra
- ▶ Vice President - Cathi Clayton
- ▶ Secretary - Michael Ladd
- ▶ Treasurer - Tom Burke
- ▶ Director - Pete Randazzo

# Committee Members

Thank  
you!

- ▶ Financial
- ▶ Landscape
- ▶ Communications
- ▶ Maintenance

# Manager's Report



- ▶ Challenges Moving Forward
- ▶ Major Projects Through 2029
- ▶ 2021 Financial Review and 2022 Projections

# Challenge – Inflation Rate

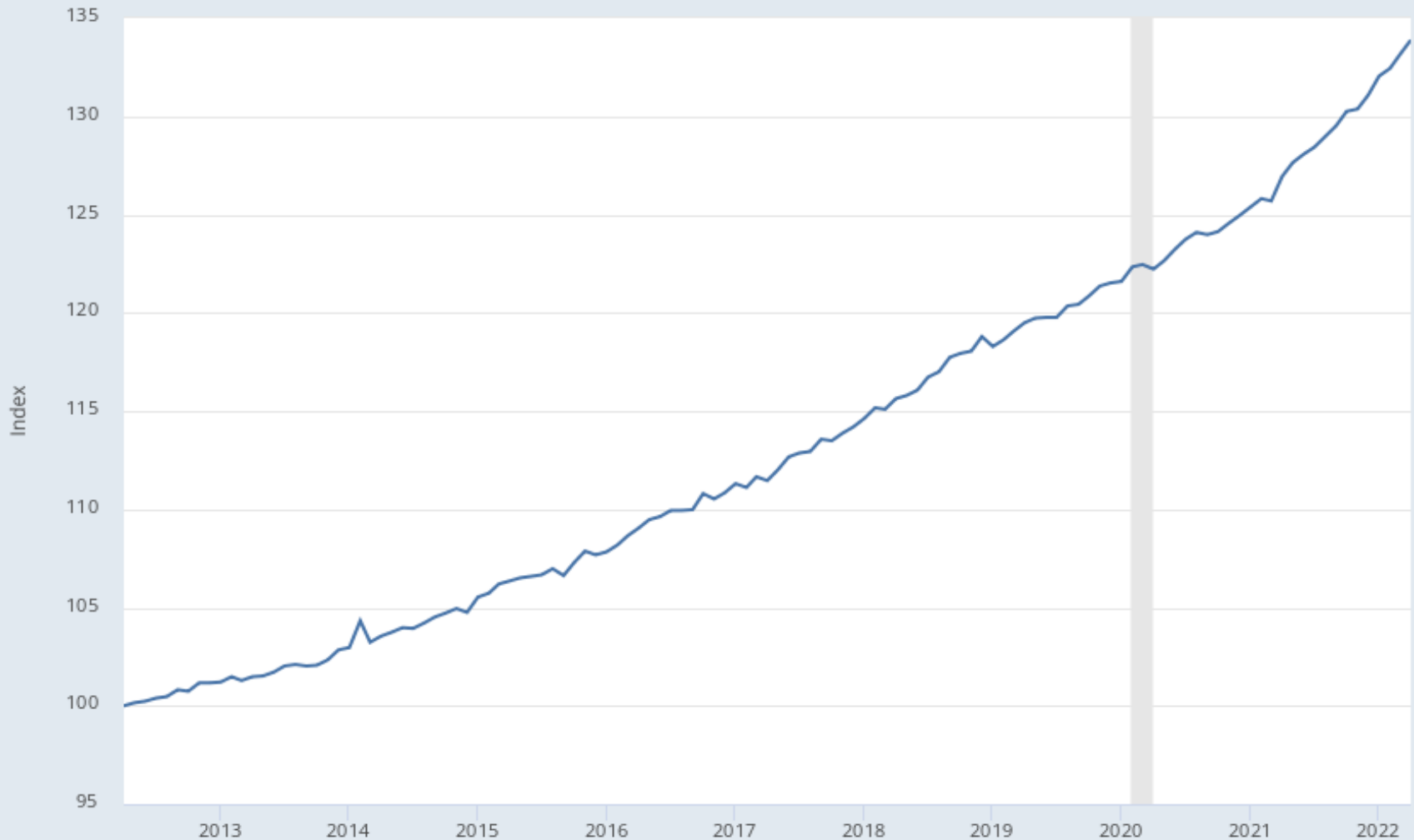
## Purchasing Power of \$100,000 at a 6% Inflation Rate



# Challenges – Rising Labor Costs

**FRED** 

— Average Hourly Earnings of All Employees, Construction, Apr 2012=100



*Shaded areas indicate U.S. recessions.*

Source: U.S. Bureau of Labor Statistics

[myf.red/g/PzwV](https://myf.red/g/PzwV)

# Challenges – Rising Material Costs



Shaded areas indicate U.S. recessions.

Source: U.S. Bureau of Labor Statistics

[myf.red/g/PzWC](https://myf.red/g/PzWC)



# Challenges – Labor and Supply Chain

## **Shanghai lockdown exposes global supply chain strains**

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Knock-on effects from disruptions in China could hit ports in Europe and the US when sea freight starts moving again

Labor and Materials Shortages Prompt New Approaches to Building and Design

# Challenges – Snug Harbor Wall

STATE OF MICHIGAN  
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

ADAMS LANDING CONDOMINIUM  
ASSOCIATION, a Michigan Non-Profit  
Corporation,

Plaintiff,

v

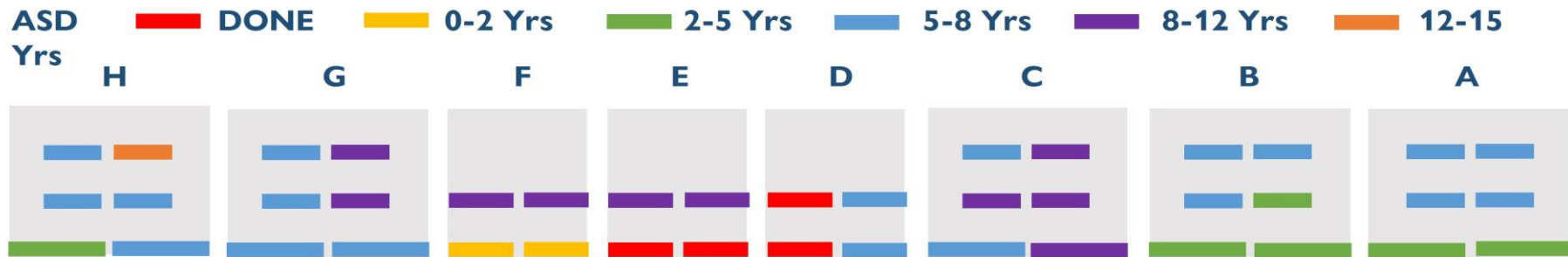
SNUG HARBOUR HOMEOWNERS  
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Defendant.

Case No. 19-176913-CZ  
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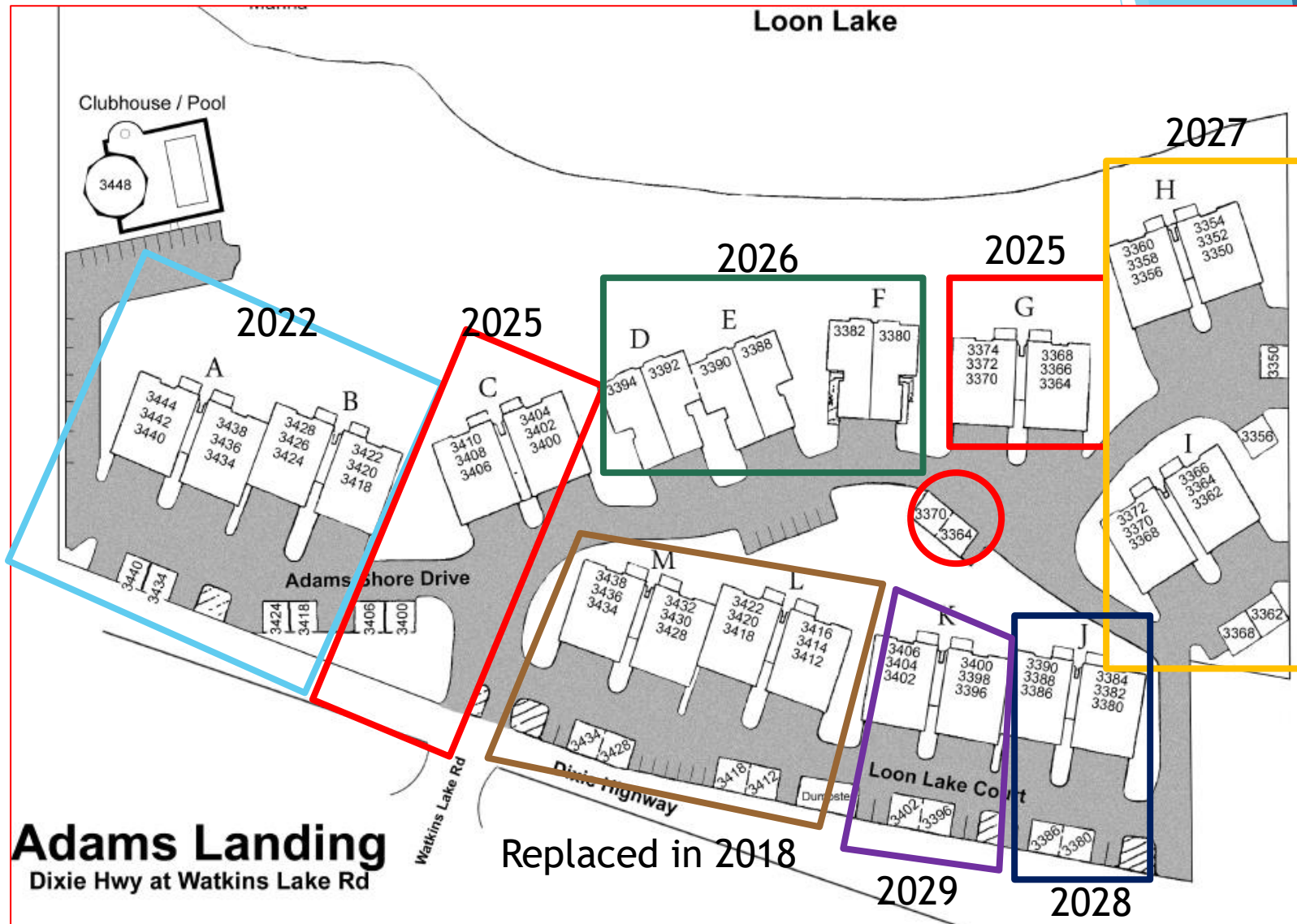
# Major Projects – Decks and Balconies



Elevation View From Loon Lake – Based on April 2020 Deck Survey from SJW Engineering

<b>2030 +</b>
I J K L M
38

# Major Projects - Roofing



# Funding of the Major Projects

- ❖ Tom Burke and Dave Khadra met with Metro Group in April to create a plan to finance the decks and the roofs based on the anticipated replacement schedule.
- ❖ Financial Manager Tezza Crane advised creating a new Reserve bank account with Alliance Association Bank. This new account is designated solely for deck and roof replacements.
- ❖ Metro Group transferred Reserve funds into this new account, and all future payments for roof and deck replacements (through 2029) will come from this account.



# Funding of the Major Projects

- ❖ At the meeting, it was decided (and later blessed by the full Board) to fund the account at \$100,000 annually.
- ❖ Based on the anticipated replacement schedule, this will create a substantial surplus in 2023 and 2024, which will be completely spent in 2025.
- ❖ Tezza moved funds to make the anticipated final payment to Bruttell Roofing, and all future payments for roof and deck replacements (through 2029) will come from this account.

# Major Projects – Expected Cost in 2022 Dollars

## Deck Replacements by Calendar Year

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030 +
Bldg	F lowers	A all	B all	H all	D upper & lower	G all	C all	E & F uppers	I J K L M
Addresses	3380, 3382	3434, 3436, 3438 3440, 3442, 3444	3418, 3420, 3422 3424, 3426, 3428	3350, 3352, 3354 3356, 3358, 3360	3394 (3392 done 2020)	3364, 3366, 3368 3370, 3372, 3374	3400, 3402, 3404 3406, 3408, 3410	3380, 3382 3388, 3390 (E lowers done 2021)	
Count	2	6	6	6	2	6	6	4	38
Cost	\$21,510	\$35,850	\$35,850	\$35,850	\$17,925	\$35,850	\$35,850	\$28,680	

## Roof Replacements by Calendar Year

Year	2022	2023	2024	2025	2026	2027	2028	2029	Notes
Bldg	A&B & Garages	none	none	C&G & Garages	D,E,F (includes Garages)	H&I & Garages	J & Garages	K & Garages	L&M roofs were replaced in 2018
Cost	\$89,410	\$0	\$0	\$89,410	\$71,859	\$89,410	\$44,705	\$44,705	
<b>Total Cost</b>	<b>\$110,920</b>	<b>\$35,850</b>	<b>\$35,850</b>	<b>\$125,260</b>	<b>\$89,784</b>	<b>\$125,260</b>	<b>\$80,555</b>	<b>\$73,385</b>	<b>\$676,864</b>

# Manager's Report - 2022



## Impact of 6% Inflation on \$100,000 and Carry Over vs. Major Project Costs From 2022-2029

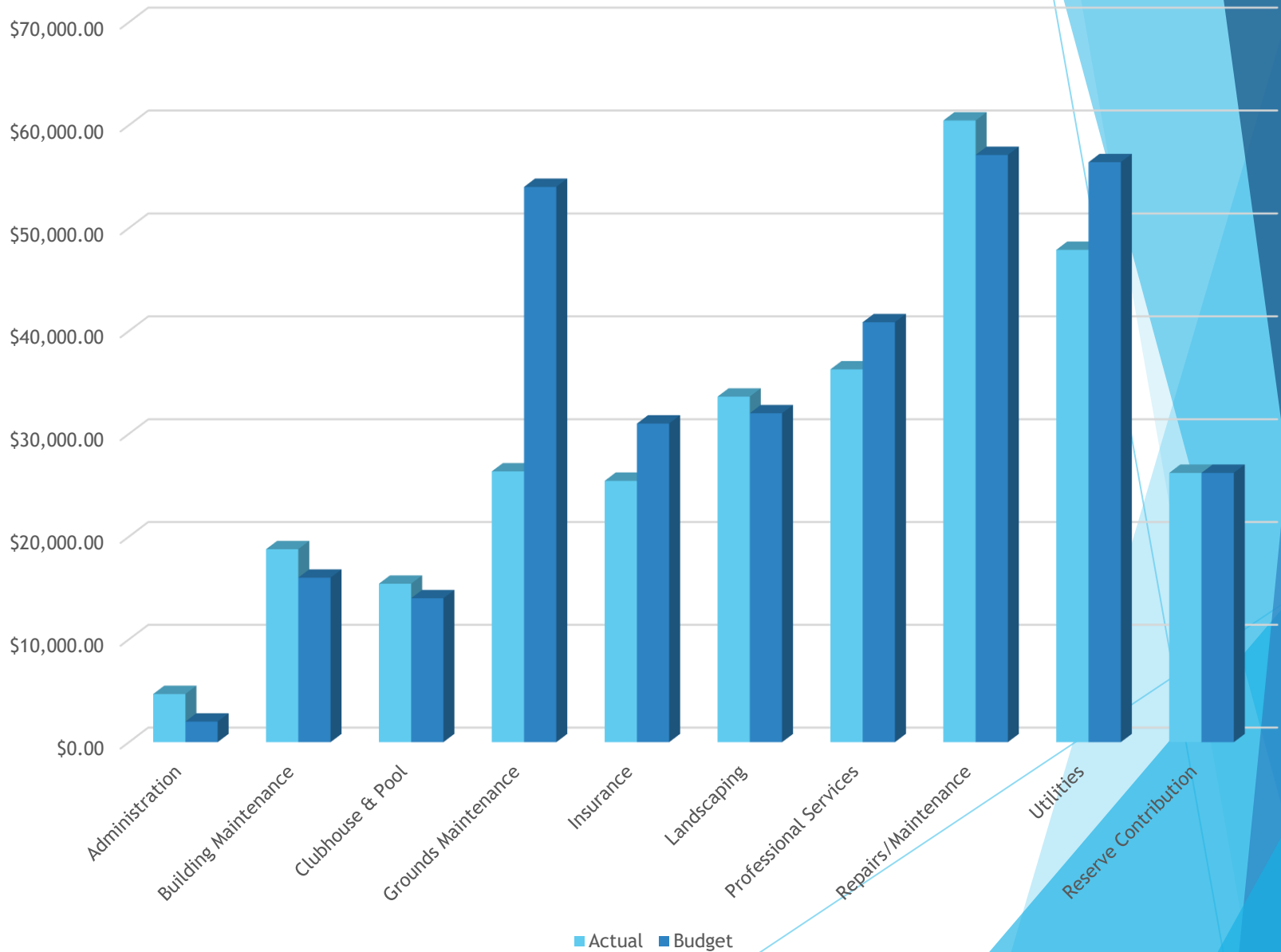
Year	Assessment & Carry Over	Cost	Balance
2022	\$100,000.00	\$110,920.00	-\$10,920.00
2023	\$89,080.00	\$38,001.00	\$51,079.00
2024	\$151,079.00	\$40,281.00	\$110,798.00
2025	\$210,798.00	\$149,186.00	\$61,612.00
2026	\$161,612.00	\$113,350.00	\$48,262.00
2027	\$148,262.00	\$158,136.00	-\$9,874.00
2028	\$90,126.00	\$107,794.00	-\$17,668.00
2029	\$82,332.00	\$112,221.00	-\$29,889.00



# Financial Condition of Adams Landing

- ❖ Financial Condition of the Association
  - ✓ The Association is on firm financial footing.
  - ✓ This is due to the current Board and several past Boards understanding the funding challenges facing the Association, planning wisely, and implementing effectively.

# 2021 Actual vs. Budget



# 2021 Closing Balance Sheet

## Adams Landing Condominium Association

	12/2021	11/2021	Variance
<b>Assets</b>			
Cash & Investments			
WAB Operating Account	44,641.48	30,686.55	13,954.93
WAB Reserve Account	97,477.11	95,647.35	1,829.76
WAB ICS Reserve Account	170,614.90	170,614.90	0.00
Total Cash & Investments	312,733.49	296,948.80	15,784.69
Other Assets			
Accounts Receivables - Monthly Association	416.00	0.00	416.00
Total Other Assets	416.00	0.00	416.00
<i>Total Assets</i>	<i>313,149.49</i>	<i>296,948.80</i>	<i>16,200.69</i>
<b>Liabilities &amp; Equity</b>			
Current Liabilities			
Accounts Payable	349.00	349.00	0.00
Prepaid Association Fees	21,231.12	23,011.70	(1,780.58)
Total Current Liabilities	21,580.12	23,360.70	(1,780.58)
Equity			
Replacement Reserve	268,092.01	266,262.25	1,829.76
Members Equity	(12,418.51)	(12,418.51)	0.00
Current Year Profit/(Loss)	35,895.87	19,744.36	16,151.51
Total Equity	291,569.37	273,588.10	17,981.27
<i>Total Liabilities &amp; Equity</i>	<i>313,149.49</i>	<i>296,948.80</i>	<i>16,200.69</i>

# April 2022 Closing Balance Sheet

	04/2022	03/2022	Variance
<b>Assets</b>			
Cash & Investments			
WAB Operating Account	77,979.37	70,764.04	7,215.33
Total Cash & Investments	77,979.37	70,764.04	7,215.33
Cash & Investments - Reserve			
WAB Reserve Account	92,978.10	125,568.70	(32,590.60)
WAB ICS Reserve Account	170,720.74	170,699.70	21.04
Total Cash & Investments - Reserve	263,698.84	296,268.40	(32,569.56)
Current Assets			
Prepaid Water	2,713.45	3,465.04	(751.59)
Total Current Assets	2,713.45	3,465.04	(751.59)
Other Assets			
Accounts Receivables - Monthly Association Fees	193.75	2,629.67	(2,435.92)
Accounts Receivables - Additional Assessment	0.00	300.00	(300.00)
Total Other Assets	193.75	2,929.67	(2,735.92)
<b>Total Assets</b>	<b>344,585.41</b>	<b>373,427.15</b>	<b>(28,841.74)</b>
<b>Liabilities &amp; Equity</b>			
Current Liabilities			
Accounts Payable	8,599.00	8,599.00	0.00
Prepaid Association Fees	25,387.22	25,601.86	(214.64)
Total Current Liabilities	33,986.22	34,200.86	(214.64)
Equity			
Replacement Reserve	263,684.44	296,268.40	(32,583.96)
Members Equity	11,415.36	11,415.36	0.00
Current Year Profit/(Loss)	35,499.39	31,542.53	3,956.86
Total Equity	310,599.19	339,226.29	(28,627.10)
<b>Total Liabilities &amp; Equity</b>	<b>344,585.41</b>	<b>373,427.15</b>	<b>(28,841.74)</b>

# Bank Balances as of Today

## Cash & Investments

WAB Operating Account	93,096.64
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<u>Total Cash &amp; Investments</u>	<u>93,096.64</u>
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## Cash & Investments - Reserve

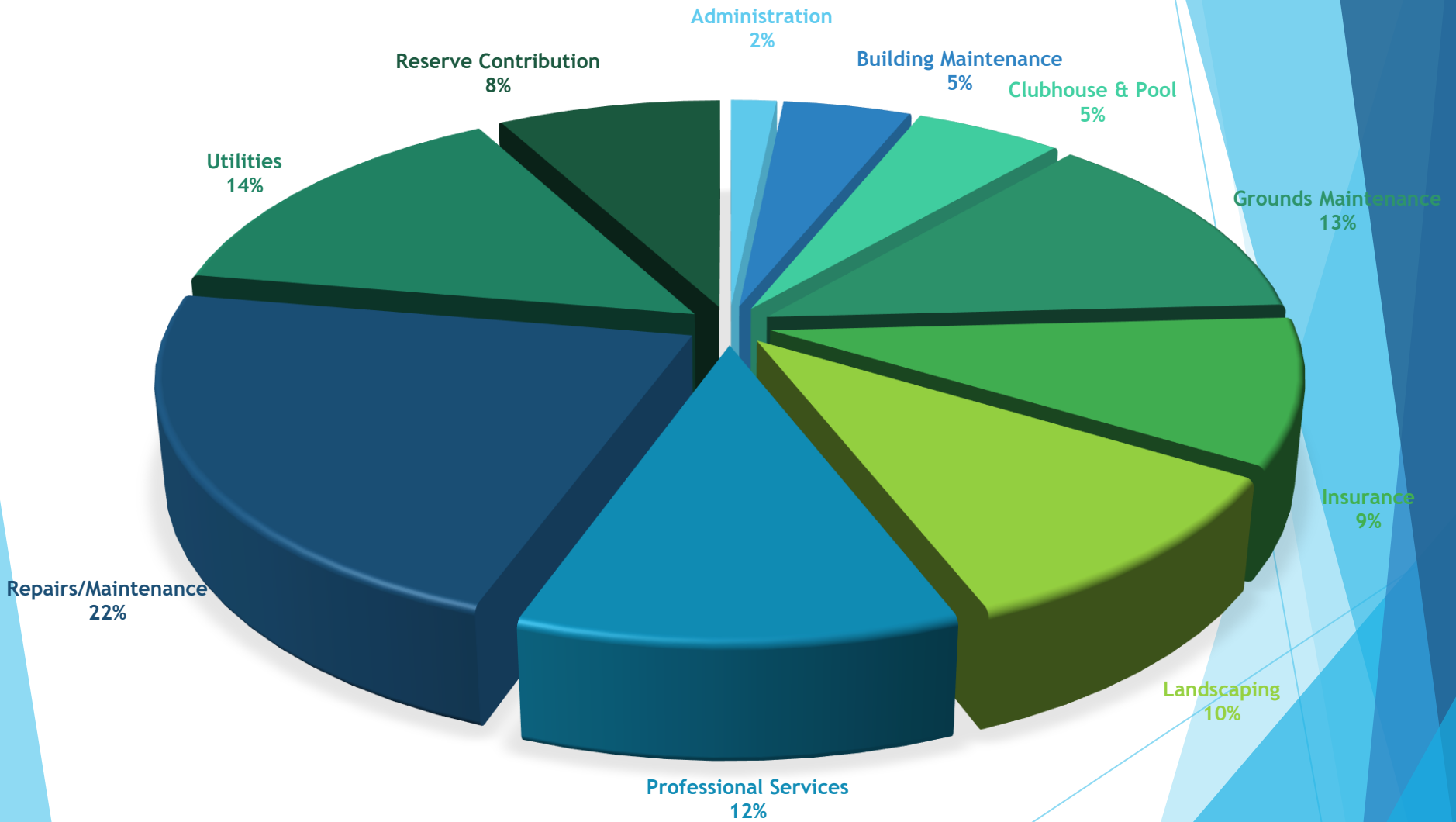
WAB Reserve Account - Decks & Roofs	55,295.00
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WAB Reserve Account	37,683.10
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WAB ICS Reserve Account	170,720.74
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<u>Total Cash &amp; Investments - Reserve</u>	<u>263,698.84</u>
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# 2022 Budget Totals



# The Snug Harbor Wall's Impact

- The Snug Harbor Wall is looming in the background.
- The total of all Reserve Funds today is \$263,698.84.
- We have no idea how the court case will play out, so the Board understands it is still possible that the Association may have to pay 100% of the wall's replacement costs.
- As this is a significant potential financial liability, the current Board considers \$100,000 of the current Reserve accounts as a contingency to keep on hold from any other spending until the Association gets direction from the legal system.

# 2022 Upcoming Projects

- Boardwalk
- Removing of old deck at the lake
- Adding new steps at the lake
- Roofing at Buildings A, B, and their detached garages
- Staining of pool deck
- Staining of last year's deck replacements at Building E
- Building F lower deck replacements
- Chimney caps at Building K
- Sealcoating and striping of the parking areas



# Snug Harbor Wall – Legal Update

STATE OF MICHIGAN  
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

ADAMS LANDING CONDOMINIUM  
ASSOCIATION, a Michigan Non-Profit  
Corporation,

Plaintiff,

v

SNUG HARBOUR HOMEOWNERS  
ASSOCIATION, a Michigan Non-Profit  
Corporation.

Defendant.

Case No. 19-176913-CZ  
Hon. David M. Cohen



# PHASED-IN PROJECTS

To financially support the infrastructure, the Association must complete renovation or replacement projects on a phased-in basis.

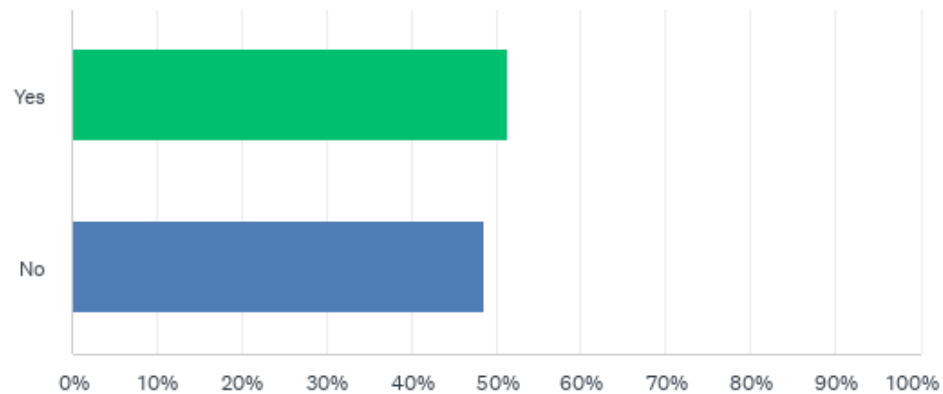
Unfortunately, the Adams Landing Operating Budget is not designed to handle everyone's requests or desired improvements each year.

The Board of Directors, along with Management, have developed the Adams Landing Five-Year Plan.

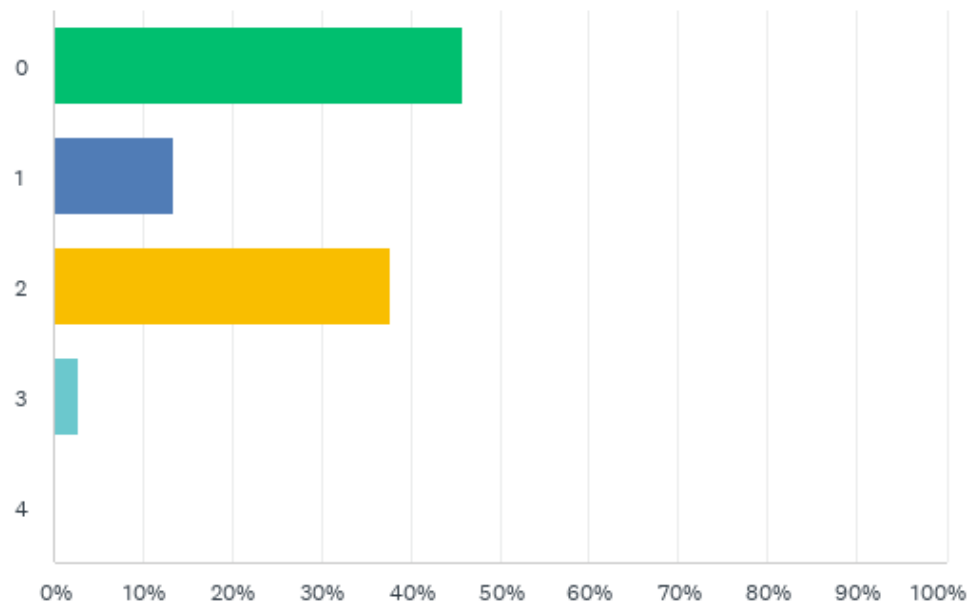


# Kayak Survey

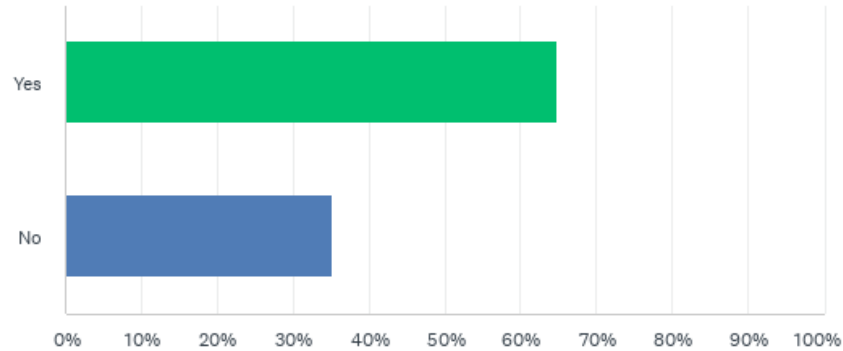
Q1 Do you currently own or plan to purchase kayak(s) this year?



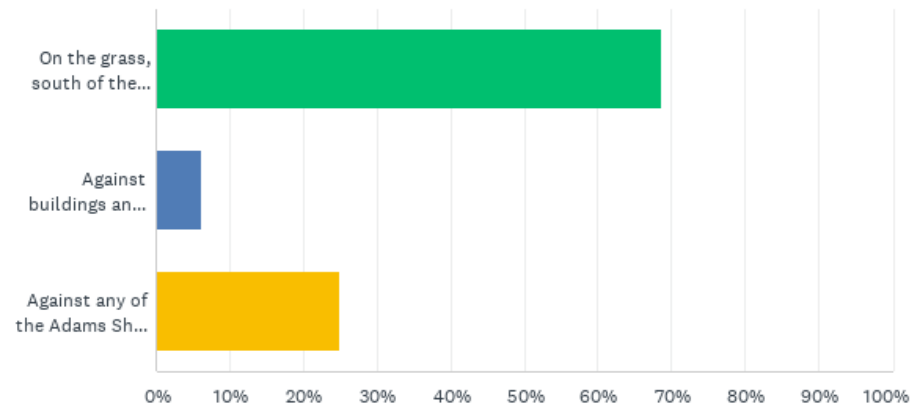
Q2 How many kayak(s) do you currently own or plan to purchase?



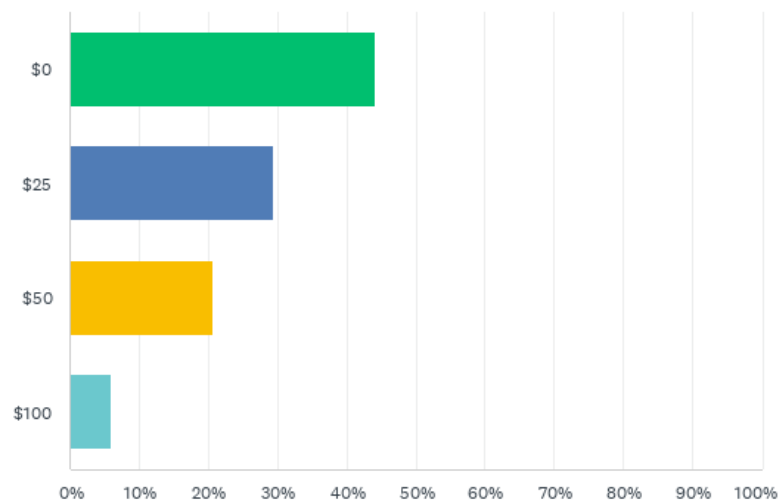
Q3 Would you be in favor of kayak rack(s) being purchased by the Association and placed somewhere on our property for summertime-only storage by Co-owners?



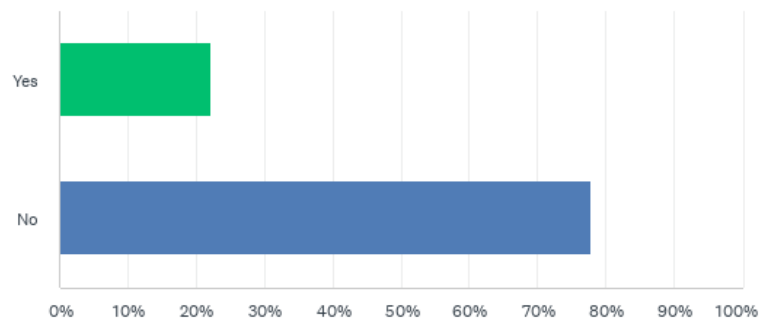
Q4 If kayak rack(s) were purchased, where do you think is the best location to put it/them?



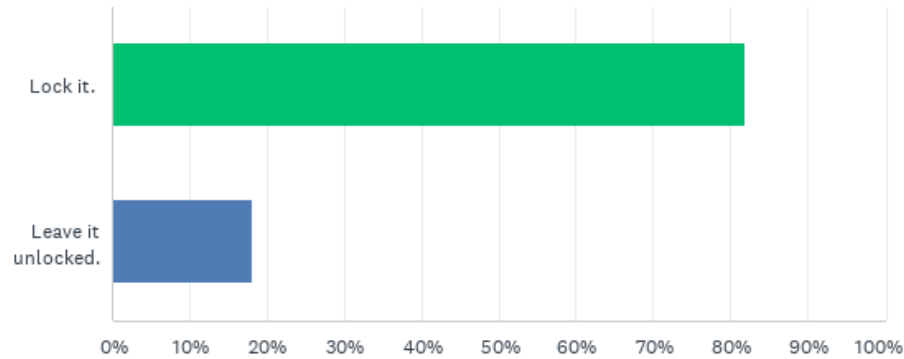
Q5 If kayak rack(s) were purchased by the Association, what dollar amount do you think would be appropriate for the Association to charge per season, per kayak?



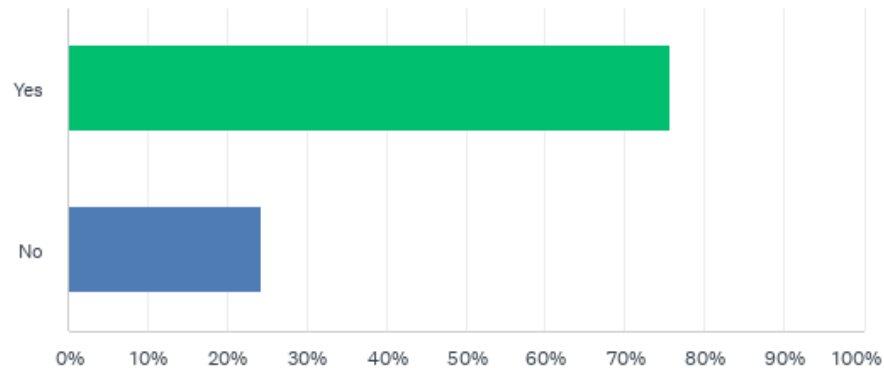
Q6 Does a fee other than ZERO change your opinion of whether you would be in favor of having kayak rack(s)?



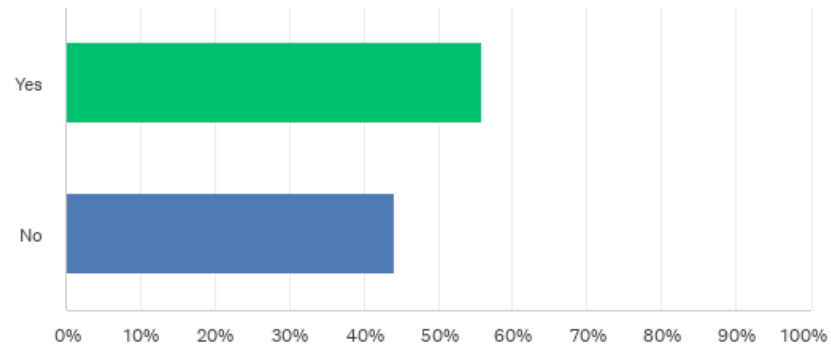
Q7 If you were allowed to use a kayak rack, would you lock it or leave it unlocked?



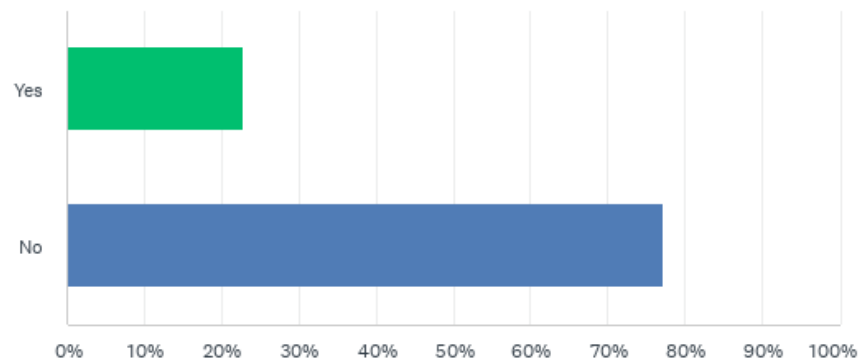
Q8 Regardless of your kayak being kept locked or unlocked, would you accept personal responsibility for loss or damage?



Q9 If kayak rack requests exceeded available supply, do you think it fair for the Association to conduct a lottery to determine which co-owners could use the available kayak rack(s) each season?

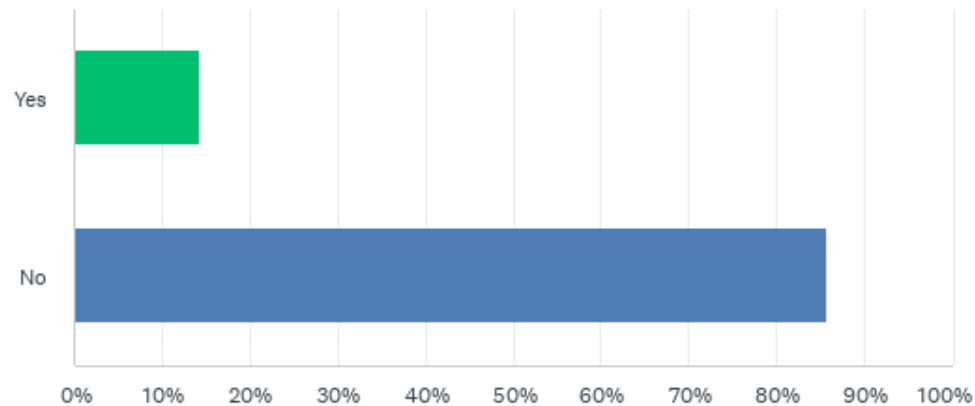


Q10 If a lottery system were instituted, would you volunteer to coordinate the effort?

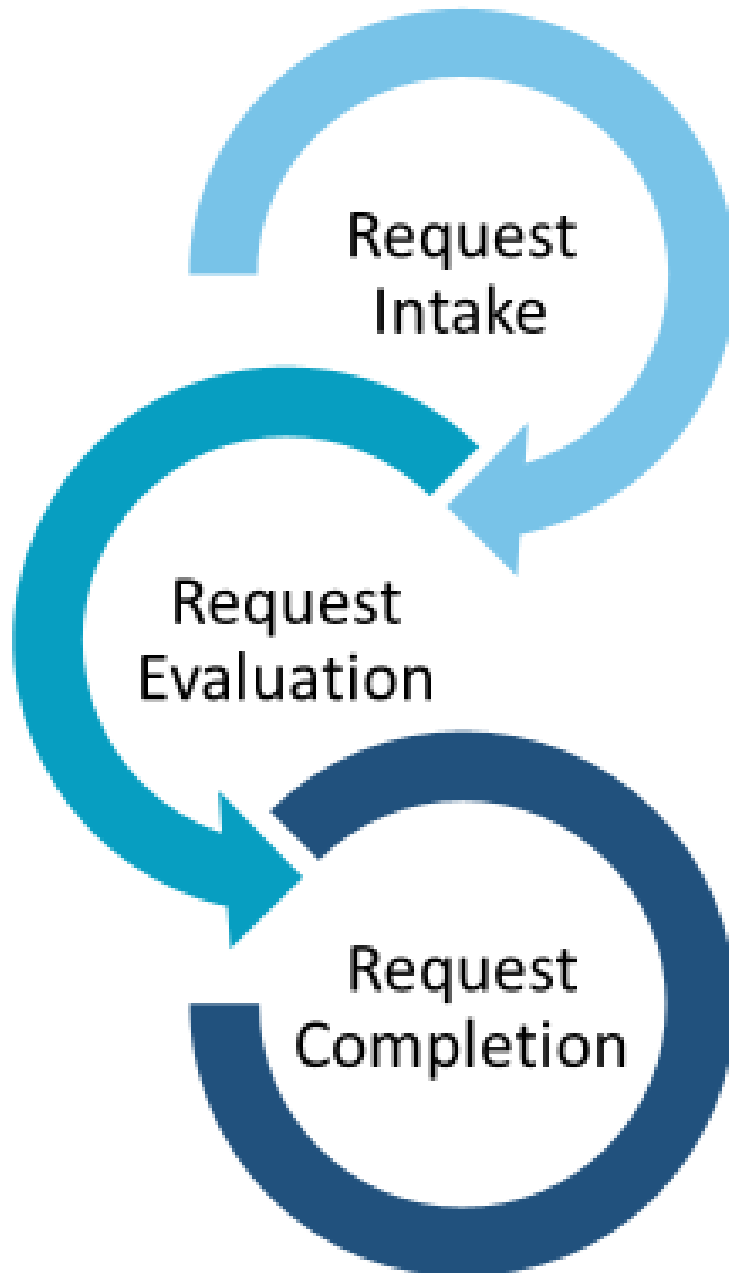




Q11 If kayak rack(s) were approved, would you volunteer to oversee all aspects of the rack(s) on a seasonal basis? This includes but is not limited to; maintenance, cleaning, numbering kayak slots, managing lease contracts and fees with Co-owners, managing the lottery (if needed).



# Work Order Process



- Via Phone / Email / Website / Mail
- Determine Responsibility
- Select Best Service Provider
  
- Determine Priority / Timing
- Seek Board / Manager Approval if Necessary
- Inspection of Request if Necessary
  
- Issue Work Order
- Obtain Quote if Necessary
- Approval Board / Manager
- Inspection upon completion

# Required Co-owner Insurance Coverage

- ❖ Unit Coverage of the following types of property contained within a residential unit:
  - ✓ Fixtures, improvements, and alterations that are a part of the building or structure
  - ✓ Sewer back-up coverage
  - ✓ Permanently installed appliances e.g. refrigerators, ventilation, laundry, or security
  - ✓ ALL personal property
  - ✓ List Association as Additionally Insured
  - ✓ Make sure you obtain coverage for the Association's deductible expense of \$2,500

# Adams Landing Reminder Items

- ✓ Schedule dryer vent cleaning every two years!
- ✓ Electric boat charging

# Thank you for participating in the 2022 Annual Meeting!



LOON LAKE

*Adams Landing*

CONDOMINIUMS

