

The Villas at the River Homeowner's Association
Annual Meeting
June 4, 2017 - 7:00 pm

Mary Huber, President, call the annual meeting of the Villas at the River Homeowners Association Inc. to order. A quorum was deemed present.

Mary Huber, President's Report:

The overall focus of the Board for the 2016/2017 year was to transition smoothly from a developer driven HOA to an independent co-owner managed homeowners' association.

We formally and legally separated from the Villas at the River, LLC and Mike Cook, Developer May 12th, 2017. Mr. Cook gave us a \$35,000 settlement to the Villas at the River Homeowners' Association in consideration of a total and complete release. This release was overseen and approved by legal counsel, Brian P. McMahon w/Attorneys, Kreis, Enderle, Hudgins, Borsos P.C.

The Board of Directors requested and received a detailed projection of future costs regarding repair and replacement of roads, curbs, drives, roofs, ponds, lift pumps, exterior paint, and the pool. It was subsequently determined that the Capital Reserve Fund needed to be increased. Each co-owner contribution to the Capital Reserve Fund is now \$100 per month which began in January 2017. The total monthly dues for each co-owner is now \$343.00.

The Board recommended and the co-owners approved a Board of Directors with staggered terms beginning July 2017. The Board passed a resolution stipulating all terms of office will begin on July 1st of the elected year and end on June 30th of the completed term year.

In addition to the major accomplishments mentioned above, the Board also developed guidelines for clubhouse use, completed review and established guidelines for part one of the Community Guidelines, developed a rental policy, refurbished the clubhouse, and published a pictorial directory with a corresponding on-line directory.

Building # 7 was re-roofed and buildings # 1 & 2 were re-painted.

In 2017/2018 the Board plans to continue clarifying part two of the Community Guidelines. We plan to roll out an extension of our current website which will include easier to find forms, minutes, budget, guidelines and community information. The Board has short term goals that include improving signage at the entrance, improving building identification and improving/replacing the mailboxes.

Improvements to electricity services at both entrances is anticipated. A new street light was installed at the west entrance this year.

Long term goals include repair/replacement of East Villa Lane roadway and curbs. There will be a continuing assessment of roofs and building paint with repair/replacement and/or re-painting as needed. A study is also ongoing regarding insulation and elimination of ice damming.

The Association pictorial directory will be published every two years.

Volunteer work is much appreciated by the association and we will continue to utilize various committees in the areas of audits, community beautification, clubhouse activities, riverfront decisions and maintenance, capital reserve fund monitoring and small tree removal. The HOA continues to welcome input from co-owners on suggestions for improvement.

The Election Committee: Barb Johns, Shirley Barrick, Betty VanBuskirk and Dale Bieri performed an excellent job. The (5) member HOA Board now has staggered terms of office.

Mary Huber and Jean Bloomquist – 3 years; Al Ernst and Earl Misch – 2 years; Julie Crane – 1 year.

New Members: Gretchen Rock @ 2851, Judy Draper @ 2817, Ben & Donna Yacobozzi @ 2877 Villa Lane.

We've recently lost members of the Villas and would like to recognize: Ron Johnson, Oretha Reed, Laura Taylor, Valerie Thomas, Cork Vonk, and Pat Walsh. They will be sorely missed!

Al Ernst, Vice-President's Report:

The Capital Reserve Committee was recognized: Mark Carlock, Al Ernst, Anne Brandt, Ron Barrick and John Huber. It is their intent to maintain an annual minimum balance of \$50,000.00 in reserves. Deposits to reserve are made monthly.

The Capital Reserve Committee has continued to be active since presenting our recommendations in 2016, for capital needs over the next 20 years. Our efforts have been directed toward developing a 5-year implementation plan for capital expenditures. As currently planned, some of this work will begin this summer extending into the fall. Specifically we're looking at the beginning process for curb replacement, addressing drainage issues and driveway repairs and sealing. It is anticipated this work will extend over 3 years.

As details of this summer's proposed work are firmed up, a bulletin identifying the schedule and location of the work will be distributed. Disruptions, noise and dust come with construction activities, but every effort will be made to minimize these inconveniences.

The committee has also been looking at the operation of our ponds and sewage lift station. These investigations are still underway, however I can report the sewage lift station was cleaned and pumps and appurtenances inspected and found to be operating satisfactorily.

Jean Bloomquist, Treasurer's Report: (please see attached)

Jean reviewed the attached financial statement for calendar year 2016 and the period January 1, 2017 through April 30, 2017 with members.

Jean acknowledged we have received a one-time lump sum payment from Villas LLC, Mike Cook, pursuant to his departure from all HOA responsibility.

We have audited the financial statement and procedures for the Villas at the River Homeowner's Association, Inc. for the years ending December 31, 2015 and December 31, 2016. All items are in order. The committee: Anne Brandt, Al Robertson and Arnie Weaver strongly urge having alternates observe the audit process with the committee for future involvement.

Julie Crane, Member at Large Report:

There has been much renovations and upgrades to the clubhouse recently. The foyer, (3) meeting rooms and the exercise room were freshly painted. We've added new rugs at the foyer entrance and the great room. (2) new chairs, side table and lamp have been added to the foyer. A 'lending library' is being researched and a bookcase is being made by John Huber. John also built a large bulletin board for HOA usage and adjacent bins have been added for clubhouse rental and work request forms. The indoor water fountain has been removed and its' place a first aid kit and fire extinguisher have been installed. Mark Carlock extensively cleaned all tile flooring and applied a grout sealant. The golf room putting green was sold and this area is now used to store tables and chairs on carts for transport and usage in the great room .

There has been on-going discussion for creating a puzzle table area at the west end of the great room.

We've also purchased (2) new umbrellas for usage on the pool deck.

Reminder: Co-owners must lock up the pool area and bathrooms. AND a Co-owner must be present at the pool when a guest utilizes the facilities, regardless of age.

Pamela Fetke, Site Manager Report:

Pam advised the importance of each Co-owner locating and maintaining their individual copy of the HOA Master Deed and Bylaws. This binder should include the following: Introduction: Articles 1 thru 31; Master Deed; Bylaws: Articles 1 thru 19, Schedule 1 Restrictions and Exhibits A thru C; 1st Amendment to Master Deed; Drawings; Articles of Incorporation and the newly drafted (3-20-17) Community Policies and Guidelines.

A local Herald-Palladium article was described regarding Berrien County's implementation of Smart911.com. This website allows for Co-owners to provide emergency and law enforcement personnel with vital personal data. Medic 1 Ambulance dispatch service has been provided a copy of the Association map with all addresses.

To-date all documentation regarding the issue of condos on Riverview Lane and their flood plain status is in the hands of FEMA (Federal Emergency Management Agency). We are hopeful FEMA will provide the Villas HOA with a variance, negating our status in the flood plain.

Reminder: Please do not flush sanitary wipes used for bathroom cleaning or personal hygiene down toilets, they are NOT biodegradable.

Co-Owner Comments and Questions:

1. Why no mulch application for landscape beds in 2017?
Budget constraints do now allow. Co-owners may purchase their own.
2. Could there be placement of Association signage on West Villa Lane?
The Board will take this request under consideration.

Meeting adjourned at 8:08 pm.

The Board of Directors:
President - Mary Huber
Vice President - Al Ernst
Secretary - Earl Misch
Treasurer- Jean Bloomquist
Member at Large - Julie Crane

The Villas at the River Homeowners Association, Inc
2017 Annual Meeting Financial Report

Budget vs Actuals Summary - General Account								
			For the Year Ending December 31, 2016			Through April 30, 2017 YTD		
		Jan - Dec 16	Budget	\$ Over Budget	Jan - Apr 17	Budget YTD	\$ Over Budget	2017 Budget
Income			Avg of 86 homes			92 Homes		
	303 - Percent of Ownership Dues - TVR	10,561.95	15,427.00	-4,865.05				
	304 - Sewer, Water, Trash Income	48,564.22	49,536.00	-971.78				
	305 - Association Dues Received	191,624.75	200,208.00	-8,583.25	90,431.00	89,424.00	1,007.00	268,272.00
	306 - Working Capital Funds Received	5,372.00	4,656.00	716.00				
	308 - Clubhouse Rental Acct	800.00	800.00	0.00	0.00	400.00	-400.00	1,200.00
	309 - AT&T Commissions	1,150.00		1,150.00	600.00		600.00	
	311 - Prepaid Dues	7,533.00		7,533.00				
	312 - Dividend-Business Growth Acct	56.60	14.00	42.60	24.38	20.00	4.38	60.00
	350 - Miscellaneous Income	288.76		288.76	985.72		985.72	
Total Income		265,951.28	270,641.00	-4,689.72	92,041.10	89,844.00	2,197.10	269,532.00
Expense								
	400 - Administrative Expenses	49,218.45	55,620.00	-6,401.55	15,551.95	16,730.00	-1,178.05	54,130.00
	455 - Clubhouse	11,615.82	13,975.00	-2,359.18	10,029.74	6,994.00	3,035.74	13,125.00
	500 - Ponds	4,863.43	7,835.00	-2,971.57	1,496.04	3,200.00	-1,703.96	6,400.00
	540 - Pool	7,409.24	7,241.00	168.24	463.61	250.00	213.61	7,891.00
	575 - River Expenses	341.23	900.00	-558.77	0.00	250.00	-250.00	250.00
	600 - Winter Services	23,347.83	32,350.00	-9,002.17	22,931.42	32,350.00	-9,418.58	32,350.00
	620 - Building Exterior Maintenance	23,672.11	26,950.00	-3,277.89	5,179.17	3,900.00	1,279.17	23,250.00
	630 - Landscaping	82,401.91	76,725.00	5,676.91	6,818.77	5,570.00	1,248.77	84,175.00
	660 - Equipment	179.14	500.00	-320.86				-
	700 - Sewer, Water, & Trash	42,525.55	44,100.00	-1,574.45	12,570.24	14,952.00	-2,381.76	47,375.00
Total Expense		245,574.71	266,196.00	-20,621.29	75,040.94	84,196.00	-9,155.06	268,946.00
Net Income		20,376.57	4,445.00	15,931.57	17,000.16	5,648.00	11,352.16	586.00
Prepaid Dues as of Dec 31, 2015		7,049.00	-	7,049.00			0.00	
Prepaid Dues as of Dec 31, 2016		(7,533.00)	-	-7,533.00	7,533.00		7,533.00	
Prepaid Dues as of Apr 30, 2017					(8,505.00)		-8,505.00	
Adjusted Net Income		19,892.57	4,445.00	15,447.57	16,028.16	5,648.00	10,380.16	
Dues Adjusted								
	Association Dues Received	240,188.97	249,744.00	-9,555.03	90,431.00	89,424.00	1,007.00	
Total Dues		240,188.97	249,744.00	-9,555.03	90,431.00	89,424.00	1,007.00	
Prepaid Dues as of Dec 31, 2015		7,049.00	-	7,049.00				
Prepaid Dues as of Dec 31, 2016		NA			7,533.00		7,533.00	
Prepaid Dues as of Apr 30, 2017				0.00	(8,505.00)		-8,505.00	
Adjusted Dues		247,237.97	249,744.00	(2,506.03)	89,459.00	89,424.00	35.00	

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2017 Annual Meeting Financial Report

Budget vs Actuals Summary - Capital Reserves									
			For the Year Ending December 31, 2016			Through April 30, 2017 YTD			
			Jan - Dec 16	Budget	\$ Over Budget	Jan - Apr 17	Budget	\$ Over Budget	2017 Budget
Income			Dues \$33/Mo	Avg of 86 homes		Dues \$100/Mo	92 Homes		
	302 - Capital Reserves Monthly Contr		32,447.41	34,056.00	-1,608.59	37,128.00	36,800.00	328.00	110,400.00
	313 - Dividend-Money Market Acct		84.54	17.00	67.54	32.56		32.56	
	316 - Prepaid Capital Reserves		2,832.00		2,832.00				
Total Income			35,363.95	34,073.00	1,290.95	37,160.56	36,800.00	360.56	110,400.00
Expense									
	801 - Capital Reserve - Painting		10,500.00		10,500.00				
	803 - Capital Reserve - Roof		18,625.00		18,625.00				
Total Expense			29,125.00	0.00	29,125.00	0.00	0.00	0.00	0.00
Net Income			6,238.95	34,073.00	-27,834.05	37,160.56	36,800.00	360.56	110,400.00
Dues Adjusted									
	Association Dues Received		32,447.41	34,056.00	-1,608.59	37,128.00	36,800.00	328.00	
Total Dues			32,447.41	34,056.00	-1,608.59	37,128.00	36,800.00	328.00	
Prepaid Dues as of Dec 31, 2015			957.00	-	957.00				
Prepaid Dues as of Dec 31, 2016			NA			2,832.00		2,832.00	
Prepaid Dues as of Apr 30, 2017						(3,500.00)		-3,500.00	
Adjusted Dues			33,404.41	34,056.00	(651.59)	36,460.00	36,800.00	(340.00)	
Fire Account			Jul '15 - Dec 16						
Income									
	322 - Fire Insurance Receipts		158,560.90						
Total Income			158,560.90						
Expense									
	620 - Building Exterior Maintenance								
	623 - Fire Expenses		159,943.82						
	Total 620 - Building Exterior Maintenance		159,943.82						
Total Expense			159,943.82						
Net Income			-1,382.92	Transferred from General Account - \$1,000 deductible plus residual amt.					
Balance Sheet - Assets			12/31/2016	4/30/2017					
Checking/Savings									
	111 - United Federal Credit Union		59,013.06	76,913.59					
	114 - UFCU MM (Capital Reserve Acct)		42,207.78	76,453.34					
Total Checking/Savings			101,220.84	153,366.93					
Notes: April 2017 Cap Reserve Dues of \$7,661 were transferred from checking account to the Capital Reserve Account on May 17, 2017.									
On May 16, 2017, \$35,000 was received from Villas at the River LLC and deposited into the Capital Reserve Account.									