

BOARD OF DIRECTORS MINUTES

The Villas at the River
Homeowner's Association, Inc.
2887 Villa Lane, Benton Harbor, MI 49022

September 24, 2014

The following documents the September 24th meeting of the 2014-2015 Board. In attendance were Mike Cook, Jean Bloomquist, Tom Johns, Mary Huber and Mark Carlock. The meeting was held in the Villa's Office and started at 7:02 p.m.

President's Report:

Tom reported that he has worked with Dick to control costs and limit expenses over the last month to improve our cash position. Jean confirmed that this focus had a positive effect.

Developer's Report:

Building on 14 and 21 continues.

Vice President's Report:

Socials are all committed through the end of the year.
Clubhouse committee cleaned closets and a Christmas tree was donated
The pool is now closed

Secretary's Report:

Ron Momany's letter was received regarding flowers. The board thanks Ron for his input and will undertake a review of our landscaping for improvements

Mark felt that I & M left The Villas at the River without power for far too long during the summer storm. He and Tom therefore met with a senior I & M representative Jon Biek to explore what steps can be taken to better protect and more quickly restore electrical service to the residents of The Villas. Good progress with I & M was made because of the discussion. Mark will follow up with I & M to make sure the promised improvements are in fact being put in place.

Treasurer's Report:

Financials are improving slightly due to the focus to limit spending. Jean is concerned about having necessary reserves to continually pay all bills on-time with the uncertainty of winter expense coming soon.

Sprinkler/Pond Committee Report

The Sprinkler Committee, consisting of Dave Kett, Jim Counts, and Gary McElwain met with consultants who suggested pumping well water into the pond, letting the iron content settle to the bottom, and pumping the water in the upper part of the pond through The Villas' sprinkler systems. The goal would be to reduce the serious problems of unsightly appearance and expensive removal costs presently being caused by the high iron content in our well water. Further examination of this proposal will be made.

Unfinished Business:

Water Transmission Agreement—Tom reported he has spoken with the Sodus Township Supervisor who indicated the Township has agreed to each of the changes we requested be made in their draft of a new Water Transmission Agreement. The Township will be sending us the revised Agreement for our review.

New Clubhouse Rental Agreement—Under the leadership of Mary Huber, assisted by a committee of Lois Wallace, Bonnie Porter and Barb Johns, a new Clubhouse Rental Agreement and new Terms and Conditions for Rental of the Clubhouse were prepared. Major changes include raising the rental fee to \$50.00 per rental, and calling for a refundable \$100 Security Deposit. Upon a motion by Tom, seconded by Jean, the Board unanimously approved the two new documents are posted to our website and in the clubhouse. They will be applicable to all new Clubhouse rentals made after September 24, 2014. Thus, residents who already have existing rental agreements in place will not be asked to pay the \$50.00 rental fee nor pay the security deposit.

Capital Reserves; Dues—After careful consideration of many various alternatives, and after much discussion, upon a motion by Mary, seconded by Mark, the Board unanimously approved the following:

- (i) The existing capital reserves account will be increased by requiring a new monthly contribution of \$33 from the owner of each unit in the Villas at the River for which a certificate of occupancy has been issued.
- (ii) The existing monthly dues of \$179 per unit will be increased by \$15 a month. Thus the new amount of dues will be \$194 a month.
- (iii) The Sewer, Water and Trash monthly payment will remain unchanged at \$49 per month.

The new \$33 per month capital reserve payment and the \$15 increase in dues will go into effect as of January 1, 2015.

The capital reserve payment and the dues increase noted in (i) and (ii) above are waived during 2015 for the original owner of a unit purchased from the Developer during 2014 and 2015, and for the Developer during 2015.

Thus the original owner of a unit purchased from the Developer during 2014 and 2015 will pay dues in the amount of \$179 a month during 2015, but full payment of the \$194 monthly dues will begin on January 1, 2016. As to the Developer, rather than paying dues on the customary

percentage of ownership basis, the Developer during 2015 will pay dues of \$179 per month on each of the Developer-owned units that have gone vertical. The normal percentage of ownership requirements will resume as of January 1, 2016.

The motion made by Mary Huber and seconded by Mark Carlock. The motion was approved unanimously.

New Business:

Fish in the Large Pond—Someone unilaterally decided to stock a type of goldfish into the large pond. A fish-stocking permit from the Michigan Department of Natural Resources (DNR) is only needed when the pond being stocked is directly connected to public waters in a way that would allow the fish to swim into the public waters. Since our pond is not connected in that way to the public waters, no DNR fish-stocking permit was required. However, just because a DNR permit was not required does not mean that the person or persons stocking the pond should have taken it upon themselves to introduce fish into the pond. Since the presence of the fish in a Common Area of The Villas can affect all residents from an enjoyment and a cost standpoint, the Board expressed regret that the person doing the stocking did not first seek to learn the wishes of the Homeowner's Association by bringing the matter to the attention of the Board.

The fish appear to be rapidly growing and multiplying. The Board can see possible pluses and possible minuses in having fish in the pond. The Board is seeking input from all residents as to their view as to the pluses and minuses, and to determine if there is a consensus among the residents in favor of or against having fish in the pond.

Stop signs.

The board received a petition for stop signs and speed limit signs. Motion to install 3 red stop signs and 3 speed signs matching the Villas sign standard. Installed in standard locations on the right side of the road. Installed at the entrances and the top of the hill coming up from the river properties. -- Motion carried.

A motion was made by Mary and seconded by Mark to adjourn the meeting at 10:27 p.m. Motion carried.

Respectfully submitted,
Mark Carlock, Secretary