

BOARD OF DIRECTORS MINUTES

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

May 13, 2015

The following documents the May 13, 2015 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 Clubhouse as an open meeting and started at 7:00 p.m.

President's Report: see attached report

Developer's Report:

Sales are going well.

All of the owners in Building 14 should be in by the end of July.

Building 20 is being built, 2 of those homes are spoken for.

Building 19 will be starting within the next 3 weeks.

After that there is only Building 13 left to start. Building 13 should start in 2015. The goal is to get it framed in by winter.

Vice President's Report:

The sprinklers are almost ready to turn on. Some zones are not ready yet.

The pool heat exchanger is beyond repair. Rick has arranged for a replacement. We need Velcro straps for our back board and a new first aid kit. The pool is on schedule for opening Memorial Day weekend.

A new LP Gas tank has been requested for the clubhouse grill.

The elliptical machine in the exercise room is broken and can't be repaired. Estimate to replace is \$1500. Steve Teeters is researching and will make a recommendation.

Bob Hardy from Midwest Glass was unable to attend the meeting to discuss double hung windows. Mary, Mark and Dick will meet with him.

Mary recognized the great work done by John Huber and Jerry Jackson on the new river dock.

Jerry and John volunteered to cut down some of the smaller trees along the river commons area to clean up the appearance. Discussion centered on liability of volunteers doing this work. Volunteers should be insured individually and release the HOA from responsibility.

Mike suggested that we check with our insurer.

Tom reminded that we need to check with the manager before work like this can be done.

Mary presented excellent educational information on ticks and disease prevention.

A work order form is being designed for communicating with the board and the HOA manager to document, track, and account for work that is requested by owners. This work includes work that is the responsibility of the developer, the HOA, or individual owners needing personally funded assistance. The goal is to be able to quantify and prioritize the work that needs to be done here at the Villas. It was requested that this process becomes digitized, possibly through our website.

Communication needs to be improved in the area of new private sales so that the HOA gets the needed information and the new owners receive the proper information from the HOA and get plugged in.

Discussion ensued on the work order.

Mark added that we need to give Dick the courtesy of a written request. We should expect a timely response on our requests. We also need to be able to gauge the amount of work that needs to be done.

Mary added that we need to be able to know the scope of the job, whether it is a developer responsibility or an HOA responsibility. Mark added that we also need to be aware that Rick is doing personal jobs for cash on the side.

see attached additional Vice Presidents report

Secretary's Report: The minutes of the April 13th meeting were approved by the board on 5/5/2015 by email response. Majority approval by Tom, Mary and Jean with no response from Mike.

Correspondence – Regarding the tree trimming/power line issue on the western property line from building 14 south to building 17. A meeting has been scheduled with I&M to discuss an underground line to be installed and the removal of the overhead giving us the ability to save our trees.

Treasurer's Report: See attached summary report

Sprinkler/Pond Committee Report : no report

Audio Visual Report: Committee is preparing a recommendation to improve our system to something more user friendly and locked down so that casual visitors can't mess it up.

Clubhouse Committee: no report, an inventory was done.

Election committee: Barb Johns gave a report. Committee members are Sue Stoes, Pat Tungett, Julie Crane, and Maggie Forrester. Emails have been sent out with instructions and requesting candidates. Duties of the officers have been sent out. May 18th is the deadline for candidates to declare. June 7th is the potluck to meet and greet the candidates. June 22nd the ballots will be counted. Ballots and communications have been sent to those that don't get emails.

Landscape Committee: Carol reported that 2nd nature will divide and replant existing perennials. Tom discussed a quote from 2nd Nature to do pruning on our bushes in the fall. No action on the quote was taken, all board members had not seen it.

Unfinished Business:

New Business:

Pat Barrett gave a report on stepping stones. Samples were brought in for board review. Discussion reviewed cost of stones, installation, mowing, winter shoveling, liability to the HOA, and continuity of the image of the community.

One owner discussed wanting to walk through the yard to avoid the ice on her walkway.

The issue of ice on our walkways needs to be clearly addressed with Second nature and our staff next winter.

Tom requested a straw vote be taken.

The stepping stones were voted down by a large majority of owners attending.

The board thanks Pat and Carol for their research work and making attractive choices for the board to consider.

A motion was made to table the issue by Mark and died for lack of a second.

A motion was made by Jean to reject the stepping stones based on concerns regarding liability, effect on maintenance in both summer yard care and winter snow and ice removal. Second by Mary. Motion carries 4-1 with Tom, Mary, Jean, Mike in support and Mark in dissent.

Board Action:

Motion made by Mary, to accept bid from David Vavra for painting and for Dick to give the board a report listing the doors and fences that need painting. Second by Jean.

Jean reports that \$3500 is in the budget for painting fences and doors.

Mark requested Dick give us the scope of what needs to be done.

An owner asked for input on what needs done.

An owner asked for input due to locked doors.

Motion carries 4-1 with Tom, Mary, Jean, Mark in support and Mike in dissent

Motion by Jean to accept recommendation by Dick to add a second part time person. Second by Tom.

Significant discussion ensued regarding the cost of the additional person, the need to get the work done in a timely manner, the concern of some that the staff be better trained and managed.

Mulching and gutter cleaning are major concerns.

Mike asked if we knew the cost of the first person, and second person.

Jean voiced concern that there should be no additional labor cost over budget. When the money ran out, the person would be dismissed.

Help is hired through Williamson employment on a temp basis, saving the HOA the costs of hiring a person such as payroll taxes, etc.

Mike commented that Dick needs the help to do the jobs in a timely manner. Our size is generating more work.

Jean reported last year we paid \$18/hour to Williamson.

Mary voiced concern about the temporary help getting adequate supervision and training. She is not sure they always know what they are doing.

John Huber asked if Rick will work more or less hours.

Mike commented reminding us that Rick works for him and part-time for the HOA. Most of Rick's hours are working for Dick on construction.

A question was asked regarding last year's person being managed to a specific number of hours per week.

A concern was voiced that the part time staff be watched because gutters were cleaned and debris was left on the sidewalk and the job was done poorly.

A concern was voiced that the community be kept up to a higher standard of appearance.

Mike reminded us that we will soon be over 80 homes and certainly there is going to be more work. We just have to control the costs and trust our manager. Dick reported to Mike that the owners won't be happy unless we get this work done faster, and that he will see that the work is done twice as fast and with no added costs. Mike voiced that this is an uncomfortable vote and he is skeptical we can do this faster with no more money spent. Mike believes the work will expand with more help.

Mark voiced a concern that Rick as a part time person can't properly manage two part time people. This comes back to the board not being aware of the amount of work that needs to be done, not being able to measure the scope of what needs to be done. How many man hours of work do we have on a weekly basis going uncompleted? This leads into the need for a work order process to supply the manager and the board and the homeowners with this information to properly manage the work load and the cost to get it done. Since Rick does work for Mike, then work part time for us, then work cash jobs on the side for owners, how is the work prioritized? Does Rick do this? Does Dick do this? There needs to be accountability.

Mary reminded us that part of the reason we increased the dues was that the board heard the owners loud and clear when they requested us to get the work done.

Tom asked us to have faith in our manager. He guarantees that the workers will be supervised and believes Dick does the best he can when he's here, he's also part time.

Mary called the question, Jean clarified her motion.

Mike then voiced concern that we took controls out of the motion.

Tom wants to trust our manager.

Jean says the controls are there through the budget, and we will make doubly sure Dick manages the time.

Mark agreed with Mike that the spirit of the motion is acceptable, and the board will need to manage what we want done.

When the vote was done Mike asked Mark why he voted in dissent and if he wanted to explain his reason. Mark commented that he is concerned enough about the management of the extra person and getting the work done. From his observations over the last week we have some work to do. We don't know how much work needs to be done, we don't know how many hours of work needs to be done, but we are hiring someone.

An owner commented that management is good but training is better.

An owner asked if we had done anything to quantify the work.

Tom suggested if you have concerns that you read the budget to know what we plan to spend.

Motion carries 4-1 with Tom, Mary, Jean, Mike in support and Mark in dissent

Motion to table storage shed discussion by Mary, second Mark

Discussion ensued regarding need and locations.

Mike would like to see it on a paved surface, away from the clubhouse, with bushes to hide it from the view of homes. It should be sided and painted to match the aesthetics of the community. We do need the storage. There are delays and costs when going offsite. Mike suggests the lower parking area.

Mark suggested that the building not be square. A long building with a wide front and shallow building is very functional.

Motion carries unanimously.

Tom requested guidance on spending limits for a utility vehicle for onsite staff to travel from job to job.

Tom's recommendation is a gas vehicle over electric based on the constant travel up and down the hill.

Jean reported that we have \$1000 available. We have a surplus on snow removal that could be considered. We also have capital money that could be considered. Jean suggested we take it out of general funds initially but could justify this out of the capital.

Mark commented what an asset we have in Jean.

Mike seconded that we have the best treasurer around.

Mark suggested we buy the best we can afford and take care of it.

Mark reminded the audience that we have spent \$1200 in maintenance on the little mower.

Manny and John volunteered to assist Tom in the search.

Double hung windows

Mary and Mark agree to visit the window supplier. Guidelines are that aesthetics must match, our manager must approve the construction, and there must be a way to absolve the HOA from leaks and structural problems caused by this change.

Solar tubes

Manny and Tom will continue research. Manny suggested they go to a sister community to seek input.

Next meeting

July 1st, 2015. This will be a closed meeting, board only.

Comments

A concern about the level of building 19 was voiced by Jackson's. Tom and Mike commented that dirt will be removed to the building 13 site and bring the building level down to that of the others.

Motion to adjourn by Jean and second by Mary, motion carried unanimously. Meeting closed at 9:17

Respectfully submitted,
Mark Carlock, Secretary

Villas at the River Homeowners Association, Inc.
Presidents Report April 2015.

Fountains will be put in pond. Using a different technique for installing and removal to make it easier for maintenance. LED lights will also be installed. It was noted that the float controlling the pond level will need some maintenance

Spring cleanup will begin shortly. And will include lawn repairs and mulching will be installed around Tungett and Coate's fences when the landscaping continues around building 14

Driveway sealing will continue this year.

Our maintenance people are requesting an on-site storage unit (New business)

It is recommended that we look into getting a golf cart or gator type vehicle for Maintenance. Tractor should be kept for maintenance mowing. (New business)

2nd nature will be planting flowers?

Mulching will be done this spring, we suggest only a light top dressing.

Be sure to report any roof leaks to Dick Wales.

Painting and touch up will be done throughout the summer.

Replacement windows for building 2928 (Needham) are being installed.

Dick is requesting a part time employee from April through October to help handle maintenance issues.

There will be no Garden space available this year.

I urge all interested residents to visit the [File Share](#) on our website. All minutes, budgets can be found there.

Tom Johns,

Vice – President's report April 2015

The clubhouse is running smoothly thanks to our wonderful committee who will be reporting under committee reports. We are hoping to have a specific icon on the website soon that will provide the rental forms and conditions. It has been somewhat difficult for homeowners to access the forms in the file share area, so that will be remedied soon.

The pool is scheduled to be open on Memorial weekend. It will be uncovered soon and then Rick will be spending time adjusting the chlorine and settings and starting up the heater. If it is ready to go before the Memorial Day weekend, we will let the home-owners know by website email.

The dock was installed on Friday and positioned slightly differently at the request of boaters. Jerry Jackson and John Huber are in the process of repairing and improving the dock and hope to have it completed this week.

Tom and Mary are extending the current welcome package to include those forms and items necessary for 2nd time buyers as they join our condo family. There appears to be a lack of communication and follow through among realtors, sellers, 2nd time owners and the association which is resulting in our new homeowners feeling bewildered and unaware and the HOA not having all necessary paperwork on file and/or not even being aware of private sales transactions.

Our photo directory will be updated again in the next couple of months with photos, addresses and contact information that you can add to the back as before. A full new directory will not be printed until all units are sold.

Mary Huber

April 2015 Financials

Main Issues:

- The year is looking good thus far as we head into spring and summer work.
- Under budget on income YTD by \$4,192, adjusting for prepaid income of \$5,326, **we are over budget by \$1,134 and under budget on expenses by \$14,589 for a net income over budget amount of \$15,723** after adjusting for the prepaid income amount. Reasons include:
 - **Winter services are under budget \$4,235.** This is the principle reason for being under budget on expenses thus far. Generally we incurred expenses for the period 1/5/2015 through 3/5/2015.
 - **Actual landscaping expenses have not kicked in yet,** but have been budgeted. We are **currently under budget \$9,039** in this account.
 - We have also **budgeted \$1,000 for equipment purchases which has not been spent.**
- The Balance Sheet shows Checking \$34,198 plus Reserve of \$21,244 for a **total Cash amount of \$55,442 as of 4/30/2015 compared to \$40,364 as of 12/31/2014.** A total of \$3,894 is due to be transferred from the checking account to the reserve account for dues collected in March and April.