

# ***BOARD OF DIRECTORS MINUTES***

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

July 13, 2016,

The following documents the Villa's HOA Meeting held on July 13, 2016. In attendance were Jean Bloomquist, Mark Carlock, Julie Crane, Al Ernst, Mary Huber, and Pam Fetke. The meeting was held at Mary Huber's home and started at 6:03 p.m.

**President's Report: see attached report**

**Vice President's Report: see attached report**

**Secretary's Report:** The minutes of the 6/28 meeting of the board were unanimously approved.

**Treasurer's Report: see attached report**

**Property Manager's Report – see attached report**

## **Committee Reports**

**Capital Reserves** – Mark reported to the board on the progress being made by the Committee to properly assess our current reserve status vs current reserve need. Reserves are being analyzed for 5 categories – Exterior Paint, Roofing, Sewer/Lift Station/Water/Storm Sewer/Wells, Roads, Drives, and Curb repair, and Clubhouse and Pool. This committee is committed to do a much deeper and accurate review of upcoming needs so that we can be prepared as a community. Mark anticipates that the committee will complete its review in August.

## **Old Business** –

**Status of Sodus Township Miss Dig, Water Transmission Agreement, Fire Hydrant Bill** – Al Ernst is preparing a new water agreement for our Atty to present to Sodus Township.

**Pond Management** – Pam brought solutions to the board

**Insurance Update** – See presidents report

**Elliptical** – A source of a used elliptical and a new one are being researched.

## **New Business-**

**Clubhouse Entry Systems** – new entry locks are being reviewed to increase security of the clubhouse and pool. No suitable solutions were presented.

**Roofing Quotes** – A proposal was presented to re-roof Building 7. It was approved unanimously.

**Tree Removal Quote**- A Proposal was unanimously approved for tree removal

**Shrub Trimming Quote** – Pam brought options, and the board asked her to weigh them and recommend

**Gutter Quote** – Pam brought us a quote for gutter covers. The item was declined. No motion

#### **Use of Common Elements Clarification Requests**

Letter from Concerned Co-Owners – a letter was received prior to the meeting communication deadline asking the board to review use of the clubhouse.

2<sup>nd</sup> Letter from Concerned Co-Owners – a second letter was received after the meeting communication deadline regarding the use of the clubhouse.

Formal Responses to each group – the board will respond to each group. The item was tabled for more information and time for consideration after much discussion.

#### **Board Actions:** -

Motion by Mark, second by Al, to authorize Pam to pursue PLM Lake and Land Management for annual treatment of both ponds. Motion passed unanimously

Motion by Al, second by Julie to pursue contract to roof building 7 by accepting the quote of American Classic Construction, Estimate 6610 as presented, dated 6/29/2016 for \$18,625. Motion passed unanimously

Motion by Al, second by Mark, to remove trees for \$8,000 per proposal from A&A Tree Service. Motion passed unanimously.

Motion regarding golf carts – Motion by Julie, second by Mark, requiring a licensed driver in the front seat of any golf cart being driven by an unlicensed driver. Motion passed unanimously.

Motion to adjourn by Al, second by Mark, motion carried unanimously. Meeting closed at 8:48 pm

Respectfully submitted,  
Mark Carlock, Secretary

## President's Report

Pam and I have met twice with our insurance agent re-working our existing policies. We found that we are over insured with some of our buildings and under insured at the clubhouse. The insurance adjustment suggestions are now in the hands of the underwriters and we are waiting for their approval.

Calls and emails to the president that should be directed to the property manager appear to be on the decrease after a high of 28 communications over the Memorial Day weekend to a low of 2 over the 4<sup>th</sup> of July. Concerns raised by residents included golf cart safety, fire pits, speeding, parking, trespassing and pool use.

The last reported sighting of the Sodus Peeping Tom was 6/12/2016.

Individual Board members are working diligently and thoroughly as they carry out respective and assigned responsibilities. Their collective volunteer performance is extraordinary and I wish to thank each of them for their service to our community.

Mary Huber

Clubhouse use issues remain a concern – in process of being resolved.

Golf room has been cleaned and repaired, and rules posted. Thank you to Mark and Penny for accomplishing this!

Entire pool concrete has been power washed, including the shower area. Thank you to Jerry Jackson for lending us a power washer! (Secretary's addition – Julie provided the significant labor to do this power washing. Thank you for the hard work.)

Runners and door mats have been added to the pool restrooms, along with wall cabinets for storage.

**Villas at the River Homeowner's Association  
Financial Summary  
June 2016 YTD**

June 2016 YTD Summary	General	SWT	Capital Reserves	Fire	Total
<b>Total Income</b>	\$105,611	\$23,734	\$ 15,827	\$ 708	\$ 145,880
<b>Total Expense</b>	\$ 81,276	\$18,760	\$ -	\$ 129,290	\$ 229,326
<b>Net Income</b>	\$ 24,335	\$ 4,974	\$ 15,826	\$(128,582)	\$ (83,446)
<b>Prepaid Dues as of Dec 31, 2015</b>	\$ 5,628	\$ 1,421	\$ 957	\$ -	\$ 8,006
<b>Prepaid Dues as of June 30, 2016</b>	\$ (5,242)	\$ (1,323)	\$ (891)	\$ -	\$ (7,456)
<b>Adjusted Net Income</b>	\$ 24,722	\$ 5,072	\$ 15,892	\$(128,582)	\$ (82,896)

**GENERAL ACCOUNTS** – As of the end of June, net income is \$24,722 after adjusting for prepaid dues.

**Percent of Ownership** accounts have been caught up to date and are now based on a percentage of the buildings owned by the developer vs. the HOA. The account is under budget \$5,743 due to lower expenses.

**Association Dues** are \$1,874 under budget YTD after adjusting for prepaid dues.

**Miscellaneous Income** (new account) includes three payments from the LLC:

1. To reimburse the HOA for payments to Sharon Ellmer (\$89), amount paid to Sharon appears on the Labor Exterior Maintenance line.
2. To cover the bills received from Sodus Township (\$3,358), not yet paid.
3. For purchase of the tractor \$200

**Tax Payments** has a payment of \$748 in March – required due to the AT&T payments we receive.

**Accounting Services** has a payment of \$550 in March.

**Legal Services** totals \$5,306 for payments thus far in 2016.

**Clubhouse Accounts** are in good shape. We are over budget by \$488 for cleaning, but under budget \$1261 for Clubhouse Maintenance. In the past, we tended to charge Rick's time to Clubhouse Maintenance. It makes sense that our numbers would appear this way since Rick no longer works for us.

**CLH Equipment Replacement** includes a TV purchase in the amount of \$862.02.

**Winter Services** accounts total \$23,170 and are under budget \$9,180 for the year.

**Ponds** accounts are under budget by \$3,614 YTD – a good sign that things are going well with start-ups etc. We received charges for fencing materials in March of \$949 and received a bill for labor in April the amount of \$460. Hopefully this will correct our geese problem.

**Pool** accounts are under budget overall by \$720 YTD. We spent \$1,082 on pool supplies, but only budgeted \$500 for the year. This is a function of transferring the pool responsibilities to a professional and purchasing the recommended items.

**Boat Dock** accounts show expenses of \$341 for modifications to the boat dock so that we no longer have to pay fees of approx. \$800 annually to install and remove it each year. Thank you, John Huber!

**Spring Clean-up** costs of \$1,454 were paid in April which is twice the amount we had in the budget for 2016. Last year we paid \$1,881 for Spring Clean-up. At budget time we thought part of this was for flowers so we did not change the budget. Looking back, this was an incorrect assumption and we should have budgeted more for spring clean-up.

**Mulch & Labor** – received charges of \$4,305 from Second Nature on July 1, vs. budget of \$7,100.

**SEWER, WATER & TRASH** – Net income for these accounts is \$5,072 after adjusting for prepaid dues. SWT dues are over budget by \$216 through June. Outstanding items are a number of bills from Sodus township – most recently fees for fire hydrants and Miss Dig charges

**CAPITAL DEVELOPMENT** – We have taken in dues and interest of \$15,865 through the end of June after adjusting for prepaid dues.

**FIRE ACCOUNT** – We have paid out \$128,583 YTD.

**BALANCE SHEET** – As of June 30, 2016.

<b>General Account</b>	\$70,366
<b>Capital Reserve Account</b>	51,084
<b>Fire Account</b>	<u>23,522</u>
	<u>\$144,792</u>

To be transferred: \$5,478 from the General Account to the Capital Reserve Account for Capital Reserve dues received in June & July.

Site Manager Report 7-11-16

1. Roofing project @ Bldg. 7 status  
General repairs – Midwest Roofing @ time/materials \$?
2. 2813 – broken light cover/replacement lamp options
3. Concrete repair/replacement:
  - a. 2892 – Silver Hammer Ltd. – no show to-date
  - b. 2910 – patio pad cracked but shows no heaving
  - c. Clubhouse door thresholds repaired \$457.69
4. Sprinkler repairs – Villa Lane controller replaced @ \$608.00 + a blown line @ 2912 – Saturday 7/9/16
5. Rapid Fire Protection serviced clubhouse fire extinguishers and added a 4<sup>th</sup> – pursuant to code
6. MD/BL requirements:
  - a. Owners submit insurance coverage
  - b. Owners submit mortgage information
7. A&A Tree Service trimming and tree removal (see attached quote) alternate 2<sup>nd</sup> Nature @ \$38/hourly x 60 manhours
8. Proposed gutter covers (see attached quote) (\$1220.00 paid YTD)
9. Compilation of LLC repairs outstanding – projected date of submission to Mike Cook?
10. Clubhouse & pool security
11. “Did You Know?” draft (see attached)
12. Provide new condo owners with ‘voter registration’ form
13. Pond Management

I have and will consult with (4) sources of reference:

1. Lake MI College Facilities Manager: Lake MI College spoke in great length about prior options used which were found futile in their efforts to maintain their pond. They recommended PLM.
2. The Dept. of Natural Resources (DNR): recommended adding barley hay which with time and water saturation, settling on the bottom may retard growth. They also advised NO usage of fertilizer products within 50 feet of the surrounding area of the ponds.
3. PLM Lake and Land Mgmt. Corp.: recommend the continued usage of a chemical which kills the growth and the addition of blue dye which minimizes the sun from enhancing growth.
  - a. PLM recommends the application of Seaclear, hydrothol algacide for algae control. This product is fish friendly and binds with phosphorous in the water to slow nutrient disbursement and subsequent algae growth. \$125-\$150 per treatment
  - b. Application of a weed inhibitor. \$175-\$200 per treatment
  - c. Proposed schedule 2-4 times seasonally/as needed
  - d. \*\*\*NOTE: neither pond has algae & the small pond has excessive weeds\*\*\*
4. Michigan State Extension (MSU) – Water Quality representative Beth Clawson:
  - a. Do not use copper sulfate, as it kills the existing growth in the ponds, the nutrients held in the plants is released and promotes further and faster growth.
  - b. Add blue dye to block sunlight. It will not kill fish.
  - c. Create a buffer strip of wild flowers/natural grasses around the pond perimeters to buffer them from runoff containing high amounts of nutrients/fertilizer. Rain water runoff carries soil nutrients subsequently feeding the algae at every rain fall.
  - d. Grass carp are NOT an indigenous species to Michigan and are illegal.
  - e. Do not fertilize within 10’ of the ponds perimeter and use a phosphorous free fertilizer.
  - f. Remove the pond algae/scum with a rake and dispose.
  - g. The fountains stimulate enzymes and decomposing activity.
  - h. The goldfish serve a positive role by eating the growth.

The ultimate goal is to stop feeding the ponds.

She highly approved of the fencing to minimize the goose population – as very eco-friendly.

Proposal on clubhouse rentals: