

BOARD OF DIRECTORS MINUTES

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

August 16, 2016

The following documents the August 16, 2016 meeting of the 2016-2017 Board. In attendance were Jean Bloomquist, Mark Carlock, Julie Crane, Al Ernst, Pam Fetke, and Mary Huber. The meeting was held at Julie's home and started at 6:00 p.m.

President's Report: See attached report

Vice President's Report: See attached report

Secretary's Report: The minutes of the July 13 meeting were approved by the board on July 21 by email response.

Treasurer's Report: See attached report

Property Manager's Report – See attached report

Committee Reports

New Clubhouse Rental Agreement— The board concluded deliberation on guidelines for future use of the Clubhouse.

Report on Miss Dig - Al Ernst Reported that he is working to reconcile the Miss Dig bills that have been presented to us by Sodus Township. He will be requesting additional information to verify if these bills are ours prior to paying them.

Board Actions:

Motion by Mark, second by Julie, to approve quote of \$2,252 for the repair and replacement of the patio at 2892. Motion carried unanimously.

Motion by Mark, second by Mary, to pay Sodus Township \$1,575 for 3 years (2014, 2015, and 2016) of fire hydrant maintenance and testing. Motion carried unanimously.

The next board meeting will be 9/13/2016.

Motion to adjourn by Al and second by Jean, motion carried unanimously. Meeting closed at 8:17.

Respectfully submitted,
Mark Carlock, Secretary

August 2016 President's Report

It has been a very busy summer at the Villas. We had several days of professional tree removal and a few more tree removals completed and others scheduled by our volunteer committee. The Reed condo has been re-built since the fire destruction and the whole of building 7 has been re-roofed. Bushes have been trimmed, weeds pulled and new construction almost completed. We had an issue with loss of power in July and Beaudoin discovered the emergency call system for the lift station generator needed repair. Beaudoin recommends that we purchase our own generator and is working up a quote for us to consider.

Sub-committees have been working on clubhouse use guidelines, landscaping decorating guidelines and capital reserve plans. Summer has brought increased use of the pool (with some forgetting the rules about cleanup, rough-housing and adequate child supervision), more use of the outdoor common areas and the boat dock. There are more fishermen and walkers and boaters this year and the social activities have increased proportionally. Because of this increase in outdoor activities, I would like to remind co-owners of our intentionally very slow speed limit and the need to be cooperative in matters of parking. As a group we are forgetting that the turn around's at the end of each drive are NOT private parking spots. They are to be kept open for the maneuvering of cars in and out of garages.

We still have issues of security of the clubhouse. There was a glitch in the directions for re-programming the lock, so that will be attempted again in the next week or two. The AV committee is reworking the TV system (again). It appears that individual co-owners are taking it upon themselves to change wires and adapters. That is causing more headaches for those trying to use the system and for those on the committee who are trying to simplify the system. Work continues in that area.

I am very pleased with the work of our project manager and the work done by our various sub-committees. This Board is extraordinary in its dedication and willingness to serve our community with thoughtful decisions while being ever mindful of the budgetary constraints.

Mary Huber

Vice President's Report

8/16/16

Lois Wallace has resigned from the clubhouse committee, due to other new obligations. The remaining two members are deciding if they need a third member, or if they would like to do it themselves. We are waiting to hear back from them before recruiting a new member of that committee.

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

July 2016 YTD Summary	General	SWT	Capital Reserves	Fire	Total
Total Income	\$125,464	\$28,033	\$ 18,683	\$ 708	\$ 172,888
Total Expense	\$100,396	\$22,143	\$ 1,697	\$ 147,352	\$ 271,589
Net Income	\$ 25,068	\$ 5,890	\$ 16,986	\$(146,644)	\$ (98,701)
Prepaid Dues as of Dec 31, 2015	\$ 5,628	\$ 1,421	\$ 957	\$ -	\$ 8,006
Prepaid Dues as of July 31, 2016	\$ (7,616)	\$ (1,924)	\$ (1,296)	\$ -	\$ (10,835)
Adjusted Net Income	\$ 23,080	\$ 5,387	\$ 16,647	\$(146,644)	\$(101,530)

GENERAL ACCOUNTS – As of the end of July, net income is \$23,080 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 \$5,497 due to lower expenses.

Association Dues are \$4,284 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 \$596 for cleaning, but under budget \$990 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 \$3,758 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 \$577 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 for labor on July 1 and \$3,278 for supplies on July 16 from Adent.

Tree Trimming – in August we will show payments of \$8,000 to A&A Tree Service for the removal of trees around the Villas.

SEWER, WATER & TRASH – Net income for these accounts is \$5,387 after adjusting for prepaid dues. SWT dues are over budget by \$309 through July. In August, we will see a charge of \$949 for the rental of a generator during the power outage. Outstanding items are a number of bills from Sodus township – most recently fees for fire hydrants and Mis Dig charges.

CAPITAL RESERVES – We have taken in dues and interest of \$18,683 through the end of July after adjusting for prepaid dues. In August, we will show a payment of \$18,502 to replace ½ of Building 7's roof. The board decided to accept a reduced price to do this since the other part of the roof was going to be replaced by insurance.

FIRE ACCOUNT – We have paid out \$147,352 YTD.

BALANCE SHEET – As of July 31, 2016.

General Account	\$67,722
Capital Reserve Account	56,570
Fire Account	<u>5,460</u>
	<u>\$129,753</u>

To be transferred: \$2,883.91 from the General Account to the Capital Reserve Account for Capital Reserve dues received in July.

Site Manager Report 8-15-16

1. Concrete replacement quotes:
 - a. 2892 Villa Lane - \$2252.00
 - b. 2910 Villa Lane - \$1667.00
2. Sewer lift station backup generator
 - a. Beaudoin quote - \$10,200
 - b. Michigan Gas installation - \$200.00
 - c. Beaudoin – maintenance twice annually; 6 month chg \$200.00; annual chg \$300.00
3. Insurance policy rewrite – we may have information in September
4. Linda Barlow purchase of picnic table installation to be located near dock
5. Tom & Patty Eversole @ 3072 purchase of a glider to be placed in common element along river
 - a. Add'l request for mulch installation beyond lawn in common element
6. Roof assessment report