

**BOARD OF DIRECTORS MINUTES**

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

March 20, 2017

The following minutes and documents of The Villas Board of Directors meeting was held on March 20, 2017. In attendance were Jean Bloomquist, Al Ernst, Julie Crane, Earl Misch and Pam Fetke. Mary Huber attended via cell phone. The meeting was held at the Villas Clubhouse and started at 5:30 PM.

1. Appointment of Earl Misch as Secretary replacing Julie Crane for the remainder of the business year.  
Motion to accept Julie's resignation – Earl Misch; 2<sup>nd</sup> – Al Ernst, approved.  
Motion to accept Earl's appointment – Julie Crane; 2<sup>nd</sup> – Al Ernst, approved.
2. Property Manager's report, see attached
3. Treasurer's report, see attached report

Old Business:

4. Finalize/Approve "Community Policies & Guidelines" see attached report.  
Motion to accept: Julie Crane; 2<sup>nd</sup> – Jean Bloomquist, approved.  
Hard copy mailings will be done by Pam Fetke, Site Manager and guidelines will be posted to the Villas HOA website.
5. Clubhouse decorating project update:  
Julie Crane has undertaken the responsibility of improving the appearance of the Clubhouse and pool area. Many improvements and updates are already in place.  
*Check out your new and improved Clubhouse!*  
\$1537.38 expenditures were made; \$260.00 revenue generated from the sale of miscellaneous outdated items.  
Chair and table transport carts have been purchased.
6. Status of separation from the Developer is on hold until FEMA issues are resolved.
7. Villas LLC, and Wightman & Associates are working to procure a variance from the existing FEMA (Federal Emergency Management Agency) flood plain map. Allowance for this variance will remove all units on Riverview Lane from the flood plain designation and will no longer require these units to carry flood insurance. A letter rec'd from FEMA indicated additional documentation requested, Wightman & Associates is addressing this request. No time line has been given when/or if this variance will be approved.
8. Payment to Sodus Township, for "old" Miss Digg/Wightman (\$626.25 + \$1,388.38) charges will be paid.  
Motion: Jean Bloomquist; 2<sup>nd</sup> – Julie Crane, approved.
9. PLM Pond Management contract was approved, charges of \$918.00 including state permit, to provide seasonal maintenance of the Villas ponds.  
Motion: Mary Huber; 2<sup>nd</sup> – Al Ernst, approved.
10. Lawn Medic contract was approved, cost \$2,000.00, providing six weed and feed treatments during the season.  
Motion: Jean Bloomquist; 2<sup>nd</sup> – Earl Misch, approved.
11. The Villas pool technician, will continue his services @ \$25.00 fee each day the pool is open.

New Business:

12. Topics for discussion:

The Capital Reserve Committee will meet to prioritize the following '2017 plans and expenditures:

- a. The asphalt, roadway, driveway repairs and sealant application
- b. Further structural painting and caulking, buildings 1 and 2 are done
- c. Additional roof repair and replacements
- d. Schedule sewer pump station inspection, clean and rebuild

13. An update was given on progress of reconstruction of units 2846 & 2856 Villa Lane. ALC Maintenance LLC, contractor is working to complete 2856 1<sup>st</sup> to allow Helen Morlock's return ASAP. The Ed & Grazina Varnelis unit will then be completed, hopefully in time for their return in May.

14. Dba - Consider it Done Maintenance, Mark Carlock provided a proposed projects list for '2017. Discussion on components will be held at the April meeting.

Motion to adjourn by Jean Bloomquist; 2<sup>nd</sup> – Earl Misch, approved. Meeting closed at 6:45 pm

Respectfully submitted,  
Earl Misch, Secretary

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**Homeowners Association**

**Treasurer's Report**

February, 2017

**Highlights as of February 28, 2017**

After adjusting for prepaid dues, General Dues are \$44,492 and \$220 under budget for the year through February. Adjusted net income is -\$2,582 and is \$489 over budget. Everything is on track thus far.

We have been refurbishing and refreshing the clubhouse. In February three offices and the exercise room were painted for \$1900. On March 1, we paid \$1,112 for two lamps and two chairs.

Through the end of February, we have paid \$16,780.55 for snow removal. We paid \$863 on March 15 for snow removal through March 13<sup>th</sup>. We still owe for the snow removal that occurred on March 15. We have budgeted \$30,000 for the year and should be under budget in this category.

Through February, we have paid Midwest Roofing \$2,468 for roof repairs. Storage fees for our rental space have been paid in full for 2017.

After adjusting for prepaid dues, Capital Reserve dues received through February are \$18,166 and \$234 under budget.

As of the end of February, our balance sheet shows:

- General Account: \$62,497.30
- Capital Reserve Account: \$59,731.99

Note: Capital Reserve dues of \$7,167.00 received in February 2017 will be transferred to the General Account in March 2017.

Site Mgr Report 3-17-17

1. We've weathered the recent "storms" issues without Mary & Al's presence. Al is back and I believe Mary will be returning sometime after 4-8-17.
2. Mark & Julie get a lot of credit in furtherance of the clubhouse upgrades and refurbishment. Mark has been diligently cleaning all tiled floors and has applied a sealant to the grout to discourage future discoloration.

Mark also trimmed the exercise equipment pads to better accommodate the machines and walking space.

Mark has washed all clubhouse windows inside and out!

Mark has purchased chair & table carts to transport such from their new storage area.

Julie has been selling off the miscellaneous goods, no longer needed in the clubhouse. She's generated \$160.00 in revenue. Lamps rug at the Great Room entrance have been purchased and chairs are on order. Sharon Ellmer has graciously agreed to make arm chair covers from matching fabric Julie purchased.

***You go girl!!!***

Julie authorized my office to purchase (2) new pool deck umbrellas. We are in need of an umbrella base (not plastic/water filled, cast iron preferred).

3. The piano hasn't left the complex yet, but I'm assured Trinity Lutheran still wants it. They're still attempting to coordinate pickup.
4. You've all recently seen communication from FEMA and Wightman & Associates on our request for a variance from the existing federal flood plain map. FEMA has requested some additional documentation which Suzannah Deneau, Wightman engineer assures me will be done within the 90 day period FEMA has given. "KEEP YOUR FINGERS, TOES & EYEBALLS CROSSED"
5. I've been informed Sodus Township has drafted and approved their Water Service Agreement. Last I heard their agreement includes a monthly fee per meter of \$18.20. Once it's in print I will forward.
6. The lock on the clubhouse utility/storage room failed. It was drilled out and replaced. Keys will be issued to: all clubhouse committee members, John Huber, Mark Carlock and myself.
7. Villas HOA has recouped OOP expenses for 2846 & 2856 per the auto accident \$1214.15
8. Second Nature Gardens snow removal service advised they hit our stop sign at the intersection of Villa Lane and Riverview Lane. Mark has staked up the sign post until, weather permitting, a new base and post can be set. Charges will be assessed to Second Nature.

|                                          |                |                                              |                     |                  |                       |                                                                                                                       |                   |                       |
|------------------------------------------|----------------|----------------------------------------------|---------------------|------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------|-----------------------|
| <b>The Villas Homeowners Association</b> |                |                                              |                     |                  | 6:48 AM               |                                                                                                                       | 6:49 AM           |                       |
| <b>Budget vs Actuals Summary YTD</b>     |                |                                              |                     |                  | 04/13/2017            |                                                                                                                       | 04/13/2017        |                       |
| January through March 2017               |                |                                              |                     |                  |                       |                                                                                                                       |                   |                       |
|                                          |                |                                              |                     |                  |                       |                                                                                                                       |                   |                       |
|                                          |                |                                              | <b>Jan - Mar 17</b> | <b>Budget</b>    | <b>\$ Over Budget</b> | <b>Notes</b>                                                                                                          | <b>Budget</b>     | <b>\$ Over Budget</b> |
|                                          | <b>Income</b>  |                                              |                     |                  |                       |                                                                                                                       |                   |                       |
|                                          |                | <b>305 · Association Dues Received</b>       | 71,470.00           | 67,068.00        | 4,402.00              | After adjusting for Prepaid Dues, dues are \$66,610 and \$458 under budget. March Dues for two residents are late.    | 268,272.00        | -196,802.00           |
|                                          |                | <b>308 · Clubhouse Rental Acct</b>           | 100.00              | 300.00           | -200.00               |                                                                                                                       | 1,200.00          | -1,100.00             |
|                                          |                | <b>309 · AT&amp;T Commissions</b>            | 600.00              |                  | 600.00                |                                                                                                                       |                   | 600.00                |
|                                          |                | <b>312 · Dividend-Business Growth Acct</b>   | 17.63               | 15.00            | 2.63                  |                                                                                                                       | 60.00             | -42.37                |
|                                          |                | <b>321 · Insurance Receipts - Misc.</b>      | 725.72              |                  | 725.72                |                                                                                                                       |                   | 725.72                |
|                                          |                | <b>350 · Miscellaneous Income</b>            | 260.00              |                  | 260.00                | Sale of Furniture \$260                                                                                               |                   | 748.43                |
|                                          |                | <b>Total Income</b>                          | <b>73,173.35</b>    | <b>67,383.00</b> | <b>5,790.35</b>       |                                                                                                                       | <b>269,532.00</b> | <b>-195,870.22</b>    |
|                                          | <b>Expense</b> |                                              |                     |                  |                       |                                                                                                                       |                   |                       |
|                                          |                | <b>400 · Administrative Expenses</b>         |                     |                  |                       |                                                                                                                       |                   |                       |
|                                          |                | <b>410 · Fire Protection</b>                 | 0.00                | 0.00             | 0.00                  |                                                                                                                       | 250.00            | -250.00               |
|                                          |                | <b>411 · Tax Payments</b>                    | 0.00                | 0.00             | 0.00                  | Pd \$357 on 4/14/2017 for 2016 Taxes                                                                                  | 300.00            | -300.00               |
|                                          |                | <b>420 · Office Supplies</b>                 | 166.99              | 225.00           | -58.01                |                                                                                                                       | 1,400.00          | -1,233.01             |
|                                          |                | <b>430 · Fire Extinguisher</b>               | 0.00                | 0.00             | 0.00                  |                                                                                                                       | 350.00            | -350.00               |
|                                          |                | <b>440 · Annual Statement</b>                | 0.00                | 0.00             | 0.00                  |                                                                                                                       | 20.00             | -20.00                |
|                                          |                | <b>442 · Administration</b>                  | 2,535.00            | 2,535.00         | 0.00                  |                                                                                                                       | 10,160.00         | -7,625.00             |
|                                          |                | <b>443 · Accounting Services</b>             | 525.00              | 600.00           | -75.00                |                                                                                                                       | 600.00            | -75.00                |
|                                          |                | <b>444 · Legal Services</b>                  | 2,902.10            | 3,700.00         | -797.90               | Pd \$1,155 on Apr 1                                                                                                   | 10,000.00         | -7,097.90             |
|                                          |                | <b>450 · Insurance</b>                       | 6,947.62            | 7,200.00         | -252.38               |                                                                                                                       | 30,700.00         | -23,752.38            |
|                                          |                | <b>400 · Administrative Expenses - Other</b> | 50.00               | 0.00             | 50.00                 |                                                                                                                       | 350.00            | -300.00               |
|                                          |                | <b>Total 400 · Administrative Expenses</b>   | <b>13,126.71</b>    | <b>14,260.00</b> | <b>-1,133.29</b>      |                                                                                                                       | <b>54,130.00</b>  | <b>-41,003.29</b>     |
|                                          |                | <b>455 · Clubhouse</b>                       |                     |                  |                       |                                                                                                                       |                   |                       |
|                                          |                | <b>460 · Cleaning</b>                        | 543.00              | 525.00           | 18.00                 |                                                                                                                       | 2,100.00          | -1,557.00             |
|                                          |                | <b>462 · Clubhouse Maintenance</b>           | 5,055.62            | 1,350.00         | 3,705.62              | Feb - Painted 3 offices, exercise room for \$1900<br>Mar - Pd \$2,048 to CID to deep clean clubhouse & supplies, etc. | 2,500.00          | 2,424.62              |
|                                          |                | <b>465 · Clubhouse Electric Utilities</b>    | 545.76              | 813.00           | -267.24               |                                                                                                                       | 3,250.00          | -2,704.24             |
|                                          |                | <b>470 · Clubhouse Gas</b>                   | 627.69              | 600.00           | 27.69                 |                                                                                                                       | 1,600.00          | -972.31               |

|                                          |  |                                   |                     |                 |                       |                                                                                                                                          |                  |                       |
|------------------------------------------|--|-----------------------------------|---------------------|-----------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------------|
| <b>The Villas Homeowners Association</b> |  |                                   |                     |                 | 6:48 AM               |                                                                                                                                          | 6:49 AM          |                       |
| <b>Budget vs Actuals Summary YTD</b>     |  |                                   |                     |                 | 04/13/2017            |                                                                                                                                          | 04/13/2017       |                       |
| January through March 2017               |  |                                   |                     |                 |                       |                                                                                                                                          |                  |                       |
|                                          |  |                                   |                     |                 |                       |                                                                                                                                          |                  |                       |
|                                          |  |                                   | <b>Jan - Mar 17</b> | <b>Budget</b>   | <b>\$ Over Budget</b> | <b>Notes</b>                                                                                                                             | <b>Budget</b>    | <b>\$ Over Budget</b> |
|                                          |  | 475 · Pest Control                | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 100.00           | -100.00               |
|                                          |  | 476 · CLH Equipment Replacment    | 1,635.16            | 2,200.00        | -564.84               | Mar - \$1,635 Purchased 2 lamps and 2 chairs, table cart, chair cart, entry rug<br>Apr - Pd \$275 for rug, extra fabric for foyer chairs | 2,200.00         | -564.84               |
|                                          |  | 480 · Clubhouse Supplies          | 85.33               | 345.00          | -259.67               |                                                                                                                                          | 1,375.00         | -1,289.67             |
|                                          |  | <b>Total 455 · Clubhouse</b>      | <b>8,492.56</b>     | <b>5,833.00</b> | <b>2,659.56</b>       |                                                                                                                                          | <b>13,125.00</b> | <b>-4,763.44</b>      |
|                                          |  | <b>500 · Ponds</b>                |                     |                 |                       |                                                                                                                                          |                  |                       |
|                                          |  | 510 · Fountain Remove & Install   | 451.00              | 450.00          | 1.00                  | Removed fountain in 2016 and put in storage                                                                                              | 1,500.00         | -1,049.00             |
|                                          |  | 515 · Pond Electric               | 94.75               | 75.00           | 19.75                 |                                                                                                                                          | 950.00           | -855.25               |
|                                          |  | 520 · Pond Supplies               | 0.00                | 950.00          | -950.00               |                                                                                                                                          | 950.00           | -950.00               |
|                                          |  | 525 · Pond Replacement Equipment  | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 500.00           | -500.00               |
|                                          |  | 535 · Pond Labor                  | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 2,500.00         | -2,500.00             |
|                                          |  | <b>Total 500 · Ponds</b>          | <b>545.75</b>       | <b>1,475.00</b> | <b>-929.25</b>        |                                                                                                                                          | <b>6,400.00</b>  | <b>-5,854.25</b>      |
|                                          |  | <b>540 · Pool</b>                 |                     |                 |                       |                                                                                                                                          |                  |                       |
|                                          |  | 545 · Emergency Phone             | 249.92              | 187.50          | 62.42                 |                                                                                                                                          | 750.00           | -500.08               |
|                                          |  | 550 · Pool License                | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 66.00            | -66.00                |
|                                          |  | 552 · Pool Gas Utilities          | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 175.00           | -175.00               |
|                                          |  | 553 · Pool - Electric             | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 600.00           | -600.00               |
|                                          |  | 555 · Pool Supplies               | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 600.00           | -600.00               |
|                                          |  | 560 · Pool Labor                  | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 3,500.00         | -3,500.00             |
|                                          |  | 565 · Pool Open & Close           | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 1,700.00         | -1,700.00             |
|                                          |  | 570 · Pool Equipment- Replacement | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 500.00           | -500.00               |
|                                          |  | <b>Total 540 · Pool</b>           | <b>249.92</b>       | <b>187.50</b>   | <b>62.42</b>          |                                                                                                                                          | <b>7,891.00</b>  | <b>-7,641.08</b>      |
|                                          |  | <b>575 · River Expenses</b>       |                     |                 |                       |                                                                                                                                          |                  |                       |
|                                          |  | 585 · Boat Dock Repairs           | 0.00                | 0.00            | 0.00                  |                                                                                                                                          | 250.00           | -250.00               |
|                                          |  | <b>Total 575 · River Expenses</b> | <b>0.00</b>         | <b>0.00</b>     | <b>0.00</b>           |                                                                                                                                          | <b>250.00</b>    | <b>-250.00</b>        |
|                                          |  | <b>600 · Winter Services</b>      |                     |                 |                       |                                                                                                                                          |                  |                       |
|                                          |  | 605 · Winter Supplies             | 274.72              | 750.00          | -475.28               |                                                                                                                                          | 750.00           | -475.28               |
|                                          |  | 610 · Snow Removal                | 17,643.55           | 30,000.00       | -12,356.45            | Pd \$1,989 on 4/1                                                                                                                        | 30,000.00        | -12,356.45            |
|                                          |  | 615 · Winter Labor                | 1,163.42            | 1,600.00        | -436.58               |                                                                                                                                          | 1,600.00         | -436.58               |





|                                          |                                      |                     |                  |                       |                                                                                                                    |
|------------------------------------------|--------------------------------------|---------------------|------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------|
| <b>The Villas Homeowners Association</b> |                                      |                     | 6:48 AM          | 6:49 AM               |                                                                                                                    |
| <b>Budget vs Actuals Summary YTD</b>     |                                      |                     | 04/13/2017       | 04/13/2017            |                                                                                                                    |
| January through March 2017               |                                      |                     |                  |                       |                                                                                                                    |
|                                          |                                      |                     |                  |                       |                                                                                                                    |
|                                          |                                      | <b>Jan - Mar 17</b> | <b>Budget</b>    | <b>\$ Over Budget</b> |                                                                                                                    |
|                                          |                                      |                     |                  | <b>Notes</b>          |                                                                                                                    |
|                                          |                                      |                     |                  | <b>Budget</b>         |                                                                                                                    |
|                                          |                                      |                     |                  | <b>\$ Over Budget</b> |                                                                                                                    |
|                                          | 302 · Capital Reserves Monthly Contr | 29,467.00           | 27,600.00        | 1,867.00              | After adjusting for Prepaid Dues, dues are \$27,199 and \$401 under budget. March Dues for two residents are late. |
|                                          | 313 · Dividend-Money Market Acct     | 21.40               |                  | 21.40                 |                                                                                                                    |
|                                          | <b>Total Income</b>                  | 29,488.40           | 27,600.00        | 1,888.40              |                                                                                                                    |
|                                          | <b>Expense</b>                       | 0.00                |                  |                       |                                                                                                                    |
|                                          | <b>Net Income</b>                    | <b>29,488.40</b>    | <b>27,600.00</b> | <b>1,888.40</b>       |                                                                                                                    |
|                                          |                                      |                     |                  |                       |                                                                                                                    |
|                                          | Prepaid Dues as of Dec 31, 2016      | 2,832.00            | -                | 2,832.00              |                                                                                                                    |
|                                          | Prepaid Dues as of Mar 31, 2017      | (5,100.00)          | -                | -5,100.00             |                                                                                                                    |
|                                          | <b>Adjusted Net Income</b>           | <b>27,220.40</b>    | <b>27,600.00</b> | <b>(379.60)</b>       |                                                                                                                    |
|                                          |                                      |                     |                  |                       |                                                                                                                    |
|                                          | <b>Dues Adjusted</b>                 |                     |                  |                       |                                                                                                                    |
|                                          | 302 · Capital Reserves Monthly Contr | 29,467.00           | 27,600.00        | 1,867.00              |                                                                                                                    |
|                                          | <b>Total Dues</b>                    | 29,467.00           | 27,600.00        | 1,867.00              |                                                                                                                    |
|                                          | Prepaid Dues as of Dec 31, 2016      | 2,832.00            | -                | 2,832.00              |                                                                                                                    |
|                                          | Prepaid Dues as of Mar 31, 2017      | (5,100.00)          | -                | -5,100.00             |                                                                                                                    |
|                                          | <b>Adjusted Dues</b>                 | <b>27,199.00</b>    | <b>27,600.00</b> | <b>(401.00)</b>       |                                                                                                                    |
|                                          |                                      |                     |                  |                       |                                                                                                                    |
| <b>The Villas Homeowners Association</b> |                                      |                     | 7:01 AM          |                       |                                                                                                                    |
| <b>Balance Sheet</b>                     |                                      |                     | 04/13/2017       |                       |                                                                                                                    |
| As of March 31, 2017                     |                                      |                     | Accrual Basis    |                       |                                                                                                                    |
|                                          |                                      |                     | Mar 31, 17       |                       |                                                                                                                    |
| <b>ASSETS</b>                            |                                      |                     |                  |                       |                                                                                                                    |
| <b>Current Assets</b>                    |                                      |                     |                  |                       |                                                                                                                    |
|                                          | <b>Checking/Savings</b>              |                     |                  |                       |                                                                                                                    |
|                                          | 111 · United Federal Credit Union    | 75,712.49           |                  |                       |                                                                                                                    |
|                                          | 114 · UFCU MM (Capital Reserve Acct) | 66,909.18           |                  |                       |                                                                                                                    |
|                                          | <b>Total Checking/Savings</b>        | <b>142,621.67</b>   |                  |                       |                                                                                                                    |



|                                          |                                                                                                                 |                     |               |                       |       |               |                       |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------|---------------|-----------------------|-------|---------------|-----------------------|
| <b>The Villas Homeowners Association</b> |                                                                                                                 |                     |               | 6:48 AM               |       | 6:49 AM       |                       |
| <b>Budget vs Actuals Summary YTD</b>     |                                                                                                                 |                     |               | 04/13/2017            |       | 04/13/2017    |                       |
| January through March 2017               |                                                                                                                 |                     |               |                       |       |               |                       |
|                                          |                                                                                                                 |                     |               |                       |       |               |                       |
|                                          |                                                                                                                 | <b>Jan - Mar 17</b> | <b>Budget</b> | <b>\$ Over Budget</b> | Notes | <b>Budget</b> | <b>\$ Over Budget</b> |
|                                          | <b>Total Current Assets</b>                                                                                     | 142,621.67          |               |                       |       |               |                       |
|                                          | <b>TOTAL ASSETS</b>                                                                                             | <b>142,621.67</b>   |               |                       |       |               |                       |
|                                          | <b>LIABILITIES &amp; EQUITY</b>                                                                                 |                     |               |                       |       |               |                       |
|                                          | <b>Equity</b>                                                                                                   |                     |               |                       |       |               |                       |
|                                          | 280 · Retained Earnings                                                                                         | 101,220.84          |               |                       |       |               |                       |
|                                          | Net Income                                                                                                      | 41,400.83           |               |                       |       |               |                       |
|                                          | <b>Total Equity</b>                                                                                             | <b>142,621.67</b>   |               |                       |       |               |                       |
|                                          | <b>TOTAL LIABILITIES &amp; EQUITY</b>                                                                           | <b>142,621.67</b>   |               |                       |       |               |                       |
|                                          |                                                                                                                 |                     |               |                       |       |               |                       |
|                                          |                                                                                                                 |                     |               |                       |       |               |                       |
|                                          | Capital Reserve Dues received in March 2017 of \$9,533 will be transferred to the General Account in March 2017 |                     |               |                       |       |               |                       |