

Villas at the River Homeowners Association
Treasurer's Report for the Year 2017
2018 Budget Notes

Highlights as of December 31, 2017

After adjusting for Prepaid Dues, **General Dues** are \$268,836 and \$564 over budget for the year. **Adjusted Net Income** is \$7,506 and is \$6,920 over budget.

Administrative Expenses are under budget by \$8,117 due to lower than budgeted legal and insurance expenses. On April 14, 2017, we paid \$357 in income taxes for the year 2016. We owe taxes on the AT&T commissions received at a rate of 30% as they are not considered "exempt function income."

The **Clubhouse Expenses** are over budget by \$6,917 for the year. The developer and his staff moved out of the Clubhouse at the end of 2016 which required updating and refurbishing of those areas. In February three offices and the exercise room were painted for \$1,900. We also incurred costs for deep cleaning the clubhouse in Feb-Apr with amounts totaling \$3,448. During May, we paid CID an additional \$567 to build a shelf, clear drains, repair a toilet seat, grout, clean and organize the utility room, spray for bugs, etc. We have had carpets cleaned & repaired for \$534 and the maintenance of the furnace for \$725. An electrical receptacle was installed to the west of the clubhouse for \$463. The front door has also been repainted with new locks added. In the clubhouse equipment account, we've purchased two new chairs, two lamps, two rugs, chair & table carts, bookcases, a library side table, amplifier, bulletin board and a wireless system for approximately \$3,270. Sales of furnishings have netted us \$260. Clubhouse electric utilities and clubhouse supplies were lower than anticipated and helped to offset the amounts spent for the refurbishing project.

The **Pond** accounts are over budget \$257 for the year. In January we paid \$451 for the removal and storage of the fountains that was performed before last winter. In May, we paid \$2,544 to install three fountains, repairing one of them. In November we paid \$657 to pull, repair and store the pumps for the winter. Nothing was spent on pond supplies or replacement equipment.

Accounts designated for the **Pool** accounts are \$500 over budget for the year. We paid CID to power wash the pool area and to do some stenciling for a total cost of \$930. We had not budgeted for these needed chores. Equipment purchased for the pool includes a new clock, an umbrella with stand, pool signs and pool chaise lounge chairs.

Our final **Winter Expenses** totaled was \$21,071 through April 15th. We incurred an additional \$598 for winter labor in December and the category totaled \$21,669 and is \$10,680 under budget for the year.

For **Building and Exterior Maintenance** items:

- The fence behind Bldg 17 is complete for a total of \$4,818.
- \$1,650 was paid to CID for the Klemish fence construction.
- One of CID's main projects for this year has been to clean gutters and install gutter screens. We have paid \$5,936 for labor and approx. \$3,080 for materials.
- We paid Midwest Roofing \$6,060 for roof repairs, plus an additional \$1,533 was paid to ALC Maintenance for interiors damaged due to a roof leaks.

- Paid a deposit of \$900 to refurbish the entrance sign. The completed sign was deemed unsatisfactory and the remaining \$905 will not be paid. We are asking for the return of the original deposit.
- We've paid CID about \$493 for cleaning dryer vents.
- We are over budget \$8,079 for the year for Building & Exterior Maintenance items, due chiefly to under budgeted fence repairs and the gutter screen installation project.

Landscaping items show:

- We have paid \$8,079 for sprinkler and well repairs and are over budget for the year by \$2,079.
- Mowing is complete for 2017 and this account is under budget by \$242.
- Fall clean-up is under budget \$1,278. However, a portion of the fall clean-up of \$1,890 was paid in January 2018.
- We are over budget for Christmas lights labor & materials by \$1,295.
- We are under budget for Landscaping accounts overall by \$3,113.

Sewer, Water and Trash Items are over budget by \$2,424. As reported in our April 17, 2017 minutes, we began receiving the assessment from Sodus Township in June for \$436.80 (\$18.20 per meter for 24 meters) per month to cover water usage, maintenance and replacement of the water line and Miss Dig Fees. We also paid Miss Dig fees for issues prior to June which total \$2,101. We have not included the fee or the one-time charge in our budget.

After adjusting for Prepaid Dues, **Capital Reserve** dues received for the year are \$110,161 and \$239 under budget. Here are the Capital Reserve Expenditures totaling \$120,086 for the year:

- Paid \$15,944 to complete the curbing project on East Villa Ln and Riverview Ln.
- Paid \$600 to Wightman & Associates for cost estimates on driveways
- Paid \$37,555 to Arndt Asphalt for driveways and additional patching to Buildings 6&7
- Paid \$1,500 to Arndt Asphalt for sealing clubhouse parking lot
- Paid \$3,500 to Second Nature for installation of Building 6&7 drainage and pit.
- Paid \$37,104 for Bldg 2 roof replacement
- Paid \$9,797 for a new pond fountain including installation.
- Paid \$5,506 to Hart Well Drilling for their work on the well by the pond.
- Paid \$8,580 to ALC Maintenance for sealing siding and trim junctures where needed on all buildings.

As of the end of the year, our **Balance Sheet** shows:

- General Cash Account: \$ 70,964
- Capital Reserve Account: \$ 61,274

Note: Capital Reserve dues of \$10,600 received in December 2017 were transferred from the General Account to the Capital Reserve account on January 7, 2018.

2018 Budget Notes

The 2018 Budget reflects the new monthly dues amount of \$360 effective January 1, 2018 with \$260 allocated to the General Accounts and \$100 for the Capital Reserve items. The General Budget projects a deficit of \$12,285 which will come from the General Cash Account which is \$60,364 after the transfer to the Capital Reserve Account on January 7, 2018. The major reason for the deficit is the budgeted expense for sealing and crack filling Riverview Lane and East Villa Lane driveways.