

Villas at the River Homeowners Association
Treasurer's Report
December 31, 2018

Highlights as of December 31, 2018

Summary

Overall, after adjustment for prepaid dues, our General Account had a loss of \$34,202 which was over budget from the projected loss of \$12,285, by \$21,917.

There were a number of issues that occurred:

- The Board approved a budget for 2018 that required a **\$15 per month increase** in dues per unit and **generated a deficit of \$12,285**.
- We had **record snow removal costs** - \$55,835 in total **Winter Expenses, over budget \$21,385**. This included expenses of \$5,044 for snows and supplies purchased in November & December.
- The **flood on Riverview Lane** required the services from Beaudoin of a generator costing \$8,269 to keep our **lift station** going. We are **over budget** by **\$6,235** in this account. We also paid CID & Second Nature \$2,100 from the Landscaping account for flood related clean-up and Mark Carlock's time.
- As reported in the minutes from the Board's November meeting, **flood insurance** on buildings 18-24 was purchased in November for \$10,892. It has a \$25,000 deductible per building. In addition, we have received **elevation certificates** for the buildings 18-24 from **Wightman** costing \$3,400 which enabled the purchase of flood insurance. Neither of these amounts were budgeted.
- **Leaking roofs** caused damage to two units that has cost approximately \$8,885 to repair. Repairs and payments are complete.
- **Pipes bursting** in the concrete for two other units have cost \$6,130 thus far. There will be additional costs in 2019 to total \$11,113 for the project.
- The budgeted \$20,000 for **crack-filling was not done** this year. It is part of the budget amount for the Building Exterior Maintenance. Other **areas of savings** include:
 - **Working Capital Funds** received from new home owners total \$3,700, none were budgeted.
 - **Fence Maintenance:** Budgeted \$10,250, spent \$438.
 - **Legal Services:** Budgeted \$2,500, no expenses were incurred.
 - **Insurance:** Jim Smith worked with IMS to generate better insurance at a lower cost and thus our insurance is \$3,431 under budget.
 - Exterior Maintenance – Gutters: Budgeted \$4000, expenses of \$475 were incurred – saved \$3,525.
 - **Mowing:** We did not begin mowing until May 8th. Mowing expenses were under budget by \$2,811.
 - **Fall Cleanup** is under budget by \$1,990 as we paid \$1,890 for the remainder of the 2017 fall cleanup and \$2,120 for the first pass at the 2018 fall clean-up.
 - **Mailbox refurbishing** was completed with volunteer labor from Sue Langbehn with just \$540 for materials.

General Accounts – in addition to above:

- **General Dues** adjusted for prepaid amounts are \$287,499 and are overbudget by \$459.
- **Clubhouse Accounts** were over budget \$1,429 net of garage sale receipts. We asked CID to set up and tear down for socials beginning in 2018. We also replaced the vacuum in December. These items were not included in the budget. During the year we repainted the clubhouse, replaced two chairs, purchased a puzzle table and with the help of volunteers updated window treatments.
- **Fountains** under the Ponds account were repaired and installed at a cost of \$2,024 in May.
- **Sidewalk/Patio Slab Maintenance** under the Building Exterior Maintenance has expenses of \$3,937, for power washing (for the first time) and repairs to concrete. It is over budget for the year by \$2,437.
- Total **Landscaping** costs are over budget \$9,112 through December:
 - **Landscaping Labor** - Paid CID & Second Nature \$2,100 for flood cleanup. Paid Second Nature \$5,370 for weeding and pre-emergent application. They also installed a berm at #2768 and replaced arborvitae for \$2,806. We paid CID \$12,629 for landscaping work. **We are over budget \$11,092 for the year in Landscaping Labor account.**
 - **Mulch & Labor** - Paid Second Nature and CID \$11,959 for mulch and its installation, we are over budget for the year by \$1,959.
 - In September and December, we paid A&A Tree Service to **remove dead trees** along the river and in other places for a cost of \$10,650, over budget by \$4,150. These trees could not wait another year.
- Total **Sewer, Water & Trash** accounts are over budget by \$5,077 chiefly due to the generator needed during the flood.

Capital Reserve dues are \$110,400 after adjustments for prepaid dues are equal to budget for the year. For Expenses we have had total costs of \$83,679:

- Purchased LED lights for the South Aerator on the large pond \$1,830. Also replaced Small Pond Fountain for \$5,985.
- Completed the sprinkler vault modifications project \$6,500
- Paid \$13,995 for two AC/Heating units in the Clubhouse.
- Paid \$5,520 for insulation inspections to ALC Maintenance.
- Paid \$3,798 paid to Midwest Roofing for roof issues noted during ALC Maintenance inspections.
- Paid \$1,371 to Beaudoin for installation of the small pond fountain.
- Paid \$2,955 to Second Nature installation of a swale and french drain.
- Paid \$39,600 to ALC Maintenance for 50% down on the insulation improvement project for (24 units at \$3,300 each = \$79,800)
- Paid \$1,560 to ALC Maintenance for water heater venting issues.
- Paid \$565 to ALC Maintenance for 50% down on the sewer lift station valve installation.

As of December 31, 2018, our **Balance Sheet** shows:

- General Cash Account: \$ 40,008
- Capital Reserve Account: \$ 90,814

January 9, 2019: Transferred from Cash to Capital Reserve \$9,700 for December Capital Reserve dues.