

Villas at the River Homeowners Association

Treasurer's Report

June 30, 2020

Summary

Overall, after adjustment for prepaid dues, our General Account had net income of \$52,993 through June 2020 compared to the budget of -\$2,659 resulting in \$55,651 over budget due chiefly to lower than expected snow removal & utility costs and delayed costs for financial review, legal, mulch and mowing. Here are a few notes through June.

General Accounts

- **General Dues** after adjustment for Prepaid Dues are \$164,771 and are \$829 under budget through June.
- **Administration Expenses** included the quarterly business owners and umbrella insurance payments of \$14,464. Total Administrative expenses are under budget \$5,725 due to later than expected costs for the Financial Review and Legal Services.
- Under **Clubhouse Expenses** cleaning services were suspended after March 19th due to coronavirus mandates and resumed in June (two times a week). We began paying CID for cleaning the Clubhouse daily once the Pool, Library and Exercise Room opened on 6/8/2020 to follow recommendations during the coronavirus epidemic. Total Clubhouse expenses are under budget \$1,629 through June.
- **Pond** expenses show that we paid PLM Lake & Land Management Corp \$200 for the permit fee and prepaid for Weed & Algae treatments - two of each – for an additional \$736. The fountains have been installed. The one in the small pond was removed due to cavitation and we are trying to locate a contractor to clean the pond. We are under budget \$428 in this account as of the end of June.
- For the **Pool**, we have paid Berrien County \$90 for the 2020 pool license in addition to the monthly expense for the phone. The pool opened on June 8th. The pool is under budget \$1,985 as of June due to the later opening date. As of the end of June, we have not been billed for the daily pool cleaning by Burns Service Help (also agreed to clean the pool area once a day to follow recommendations during the coronavirus epidemic.)
- Total **Snow Removal Services** paid in 2020 are \$15,883 for the period 11/12/2019 – 2/27/2020 which are under budget \$23,467 to date. An additional \$6,000 has been budgeted for December.
- Through June, we have paid VC sales \$10,012 to align gutters for 13 buildings (8-14, 18, 20-24). Six buildings remain. We also paid Midwest Roofing \$3,111 thus far for roof repairs. Consider It Done has been busy working on downspout issues and has been paid \$2,100 for labor and materials. **Building Exterior Maintenance** expenses are over budget by \$1,732. We had thought that more units would have gutters aligned in the fall of 2019 which will now be done this year. Most likely we will be over budget due to this.
- **Landscaping Expenses** total \$17,233 and are under budget \$25,443 through June. Mulching – budgeted at \$12,000 – occurred in June but has not been billed. Mowing began the first week of May (budget of \$7,000 for June YTD), but we have not received an invoice. We are under budget \$1,902 in utility expenses for landscaping items as we had anticipated increases in 2020.
- **Sewer, Water & Trash** expenses total \$27,838 and are \$187 under budget through June. We paid Beaudoin \$1,448 to reset pumps in March plus another \$1,609 in June to pull and clean the lift station pumps.

Capital Reserve dues after adjustment for Prepaid Dues are \$54,900 and \$300 under budget. We deposited final **2019 Assessments** of \$2,992 in January for a total of \$355,242.

Capital Reserve Expenses net to be \$72,370 In 2020 through June:

Project Summaries:

Vent Cap Project:

Proposed Cost: \$49,600.

Pd: \$43,400 through 12/31/2019

2020 Refund: \$24,600 on 5/9/2020

Pd: \$5,060 for remaining vent caps.

Net Project Cost to Date: \$23,860

Insulation Project:

Inspections: \$5,520

Insulation Project Total Cost: \$3300 per unit or \$303,600

Pd: \$204,600 through 12/31/2019

2020 Payments: \$92,400

Insulation Project Final Total: \$297,000 + \$5,520 = \$302,520

Mailbox Project:

2020 Payments: \$5,780 for mail box purchases plus reimbursement of supplies.

Lift Station Pumps:

Acquiring two lift station pumps from Kennedy Industries. Paid \$18,715 for labor and materials to install them plus \$7,435 for year one of five years (\$7,435 per year) for the pumps. This includes a 5-Yr preventative maintenance program, 5-Yr 100% non-prorated warranty including pump removal and installation. At end of five years, renew the with new pumps at the new rate which includes installation and startup. Other option is to purchase the existing pumps at a discounted rate, remove the 100% warranty and proceed with field maintenance as requested billed only for time and material.

Balance Sheet

Here is our Balance Sheet Summary as of 6/30/2020:

111 United Federal Credit Union - General Acct	97,557.79
114 UFCU MM (Capital Reserve Acct)	1,000.24
117 UFCU - Liquid Share Certificate - 5/14/2020 - 12 mon term	231,349.64
118 Chemical Bank - 11 mon. CD 5/7/2020 due 4/7/2021	<u>100,084.93</u>
Total Bank Accounts	<u>429,992.60</u>

Fund Balances:	6/30/2020	After transfer*
General Fund	97,557.79	122,957.83
Capital Reserve Fund	332,434.81	307,034.77
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	429,992.60	429,992.60

*** Transfer from General Acct to Capital Reserve Fund:**

June Capital Reserve Dues	7,000.00
Mailbox Project - June Expense	(1,210.04)
ALC payment for remaining vent caps	(5,040.00)
Kennedy Industries – Lift Station Pump installation, first year of five years of payments for the pumps.	(26,150.00)
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Total Transfer	(25,400.04)