



BOARD OF DIRECTORS MINUTES
The Villas at the River
Homeowners Association

May 18, 2020

Call to order at 9:58 AM by Jackie Seib. Quorum determined. Due to concerns regarding Coronavirus (COVID-19), today's board meeting was conducted via video conference. The minutes from the April 20th meeting were approved as posted.

In attendance were Jean Bloomquist, Sandi Coons, Mary Huber, Earl Misch, Jackie Seib and Pam Fetke, Property Manager.

President's Report:

Election Committee Update – The election committee reports that they have 5 candidates running for Director and will be mailing the ballots on May 19, 2020. The election will be closed on May 31st and the new Directors will be announced on June 4th. The candidates are Sue Langbehn for the one-year term; Bob Barrett, Jean Bloomquist, Ed Johnson and Charlie Kozup for the two (2) 3-year terms.

Noted below is clarification from the attorney regarding elections. This information is also now included in the notebook of the Election Committee for future reference.

1. If there are not enough candidates to fill all of the open positions during an election, may the Board appoint someone to fill this term which is for 3 years?
Answer: Per Nonprofit Company Bylaws Article 3, paragraph 3.6, the Directors can appoint a person to serve as a Director to fill any vacancies. The Appointed Director would serve until the next annual meeting when they would have to stand for election for the remainder of the term.
2. May the Board at their discretion offer a term that is substantially reduced, such as a 1- or 2-year term, in an attempt to make the term of office more appealing?
Answer: Per Nonprofit Company Bylaws Article 3, paragraph 3.3, the Board can present a resolution to the members to have the members vote to change the terms of the Board.
3. Is there another way to handle this issue?
Answer: There is no law that requires all board seats to be filled. You can just have a reduced number of Directors with one or two "seats" vacant.

4. We are aware that the Board can appoint a Director to finish an unfulfilled term, but are not certain what to do if we don't have a nominee available for the actual election process for a complete term.

Answer: As discussed above, from a legal standpoint you are in the same position as a Director leaving prior to the completion of the term. Except here it is like the Director immediately left at the beginning of their term. Accordingly, after the new Board has been elected (with the vacant position(s)), the elected Board Members can appoint members to fill the vacant seats. The appointed Directors would serve until the next annual meeting.

Vice President's Report:

As mentioned in the meeting minutes from 4/20/20, the Board interviewed three attorneys on 4/21/20. At a special session on 4/28/20, a motion was made, seconded and passed to select Mark A. Miller of Miller Johnson Schroeder, PLC as our attorney pending reference checks. Subsequently, the Vice-President contacted Mr. Miller's references and received very positive feedback. Hence, this motion is affirmed and communicated at today's meeting.

Secretary's Report:

The Community Policies & Guidelines are being reviewed to reconcile restrictions outlined in the Master Deed/By-Laws (MD/BL) with the latest version of the Community Policies & Guidelines (dated 05/07/19). We will also be adding a Table of Contents and a couple of other minor amendments currently under review. More to come on this at a later date. Noted below is clarification from the attorney regarding governing documents of the association.

1. Original purchasers of condominium units received a Disclosure Statement. As condo units changed ownership, the Disclosure statement was removed from the new owners' Binders that contain the Master Deed/By-Laws (MD/BL). We have found that having the Disclosure Statement in the Binders of some owners and not in the Binders of others has caused confusion. Is the Disclosure Statement still a relevant MD/BL governing document for co-owners?

Answer: Michigan Statute 559.184a requires the Developer to provide the Disclosure Statement. It does not need to be provided on resales. After the Developer has sold all of the units, the Disclosure Statement is no longer necessary. The new owners should be provided a copy of the Master Deed, Bylaws, Restrictions and all amendments. Also, you should provide a copy of the current Community Policies & Guidelines (Rules). These documents can be saved by the Board as a PDF document and emailed to Realtors/Owners who have a unit listed for sale.

2. We were previously advised to not repeat items in our Community Policies & Guidelines if they were already in the Master Deed/By-Laws (MD/BL). However,

our residents find it cumbersome and difficult to refer back to the MD/BL while reading the Community Policies & Guidelines, so our question is how to best handle this scenario.

Answer: We can refer to the *Master Deed Exhibit C – Condominium By-Laws, Schedule 1, Restrictions* in the Policies and Guidelines document, then say something like ... “which provisions read as follows” and then repeat the Master Deed/By-Laws verbiage verbatim.

Community Policies & Guidelines are subject to change from time to time at the discretion of the Board of Directors. The Master Deed/By-Laws documents require a 2/3 vote of the members to amend.

Treasurer’s Report:

The financial reports for April 2020 have been published.

Financial Review of 2019 – The Engagement Letter with Cooper & Associates CPAs PLLC was signed on 5/4/20. The estimated fee for this service is \$2,700. The goal is to have the Financial Review completed by the end of June.

Internal Audit 2019:

- Due to the current social distancing mandates, the Internal Audit of 2019 may be postponed until 2021 and then performed along with the audit of 2020.
- Ann Palenske, Anne Brandt and Dick Bohanek all agreed to serve again.

CD Update:

- As communicated in the 4/20/20 meeting minutes, a motion was made, seconded and passed to purchase a CD at Chemical Bank for \$100,000 with funds in our Capital Reserve Fund (Money Market Account) and then transfer the balance of the Capital Reserve Money Market account to a Liquid CD at United Federal Credit Union.
- Chemical Bank CD:
 - At a special session on 4/28/20, a motion was made, seconded and passed to approve authorization of all five Board Members to sign paperwork at Chemical Bank to open the CD. This motion is affirmed and communicated at today’s meeting. The signatories are:
 - Mary Huber - President
 - Jackie Seib - Vice President
 - Sandra Coons - Secretary
 - Earl Misch - At Large Member
 - Jean Bloomquist - Treasurer
 - The Chemical Bank CD was purchased with a \$100,000 check from UFCU drawn on our Capital Reserve Money Market Account on May 7. Terms - 1% Interest, 11 months
- United Federal Credit Union Liquid Share Certificate

- On May 14, transferred \$183,583.53 in funds from the money market account that we use for our capital reserve funds to the Liquid CD except for \$1,000 to keep the money market account open. Terms of the Liquid CD - currently 0.7%, (subject to change). 12 months. If needed, we can make two penalty-free withdrawals from the account each month.
- Total Capital Reserve Account is as follows as of 5/14/2020:
 - Chemical Bank CD: \$100,000
 - UFCU Liquid Share Certificate: \$183,583.53
 - UFCU Money Market Account: \$1,000 (minimum required for no fees)
 - Total: \$284,583.53
 - We decided to leave the Money Market Account open in case we need somewhere to park Capital Reserve funds for a short period of time.

Member at Large's Report:

Clubhouse/Pool Update – The Clubhouse remains closed until the governor's restrictions for Coronavirus (COVID-19) are lifted. We continue to monitor announcements coming from the governor's office and will reopen the clubhouse and pool as soon conditions permit. The property manager has been researching options for stepped-up cleaning and sanitizing.

Mailbox & Condo ID update – The volunteer mailbox installation team has completed Riverview Lane (28 mailboxes) and West Villa Lane (32 mailboxes). The installation crew led by Sue Langbehn consists of Mark and Sandi Coons, Bob and Pat Barrett, Dennis Rupp, Dick Bohanek, Rick Seib, Ed Johnson, Dave and Gloria Kett, Betty VanBuskirk, and Bill Langbehn. John Huber printed all the address labels for the mailbox doors and is also assisting with the new signage. These volunteers have performed far beyond expectations and are a full 7 days ahead of the original revised schedule of needing 15 working days to complete the install. The installation crew will resume work on East Villa Lane the week of May 18th. This project (original budget of \$10,000) is also projected to come in under budget by about 20%. Feedback from residents has been very positive. A great job by all with our sincerest appreciation.

Wi-Fi/Cable for the Clubhouse – We received notice from AT&T that we will be losing our complimentary U-verse service for the Clubhouse. The property manager will be reaching out to AT&T to get further clarification. We want to continue to provide Wi-Fi/Cable at the clubhouse, so the Board will consider some type of service even if it isn't U-verse.

Property Manager's Report:

1. The contractor will be opening the pool on June 3rd. However, we cannot yet confirm when access can be granted to the residents. As stated under the Member at Large's report, we continue to monitor announcements coming from

- the governor's office and will reopen the clubhouse and pool to residents as soon as conditions permit.
2. The sprinkler system should be fully operational on May 12th with plans to start the system May 18th.
 3. The discharge pipe at the NW corner of the large pond was buried last Saturday, May 16th.
 4. The pond fountain pumps were set May 8th. The property manager advised Beaudoin Electric to be watchful of cavitation on the small pond fountain.
 5. Call the Mrs. will be washing all clubhouse windows (inside and out) on Monday, May 18th.
 6. It has come to the attention of ALC Maintenance that due to a design flaw in the latch mechanism on the dryer vents, there becomes the possibility for the door to come open and in the right conditions come off. The Board has granted ALC access to all roofs with new vents on May 20 and 21st to make appropriate adjustments. This work will be at no additional charge to the HOA.
 7. CID will be completing fence painting ASAP, as weather permits. The next phase will be painting all shutters.
 8. 2902 Villa Lane chose not to replace fencing on their patio. Because siding materials had been bought, they will be used to build a 3-sided privacy fence in the area of the mechanicals at the northwest end of the large pond.
 9. Dead shrubs have been replaced with azaleas and phlox at 3076 Riverview Lane.
 10. PLM Mgmt. will be treating ponds on Tuesday, May 19th.
 11. Hayman Wildlife has trapped several nuisance animals to-date. Traps have been set on the east property line of buildings 1 thru 4 plus additional traps at the north end of the large pond and the west property line at buildings 20 and 14.
 12. The property manager is in contact with Second Nature Gardens on mulch application. The proposed schedule is early June.
 13. VC Sales has completed 15 buildings to-date. They commenced further gutter realignment work on May 8th.
 14. Anchor Signs will be out soon to evaluate faded paint on the entrance sign and the addition of a gold pin stripe as was on the original.
 15. There's an area of contaminated soil at 3080 Riverview Lane on the north side. Second Nature Gardens will remove the contaminated sod and soil, and then replace with new soil and sod.
 16. The landscape area on the SW corner of 2864 Villa Lane will be refurbished by Second Nature Gardens which is needed after the removal last Fall of two fallen trees.
 17. Listing agents are being interviewed for the sale of 2864 Villa Lane.
 18. 3141 Riverview Lane has been listed for sale.
 19. 3104 Riverview Lane is listed for sale.
 20. Call the Mrs. has re-opened their cleaning service; however, the decision on when to commence clubhouse cleaning services is still pending. See the Clubhouse/Pool Update under the Member At Large's section.

New Business

We received an inquiry regarding placement of real estate signs. The Master Deed Exhibit C – Condominium By-Laws, Schedule 1, Restrictions, Item G, states the following: “*(ii) on the interior side of the window of unit, one professionally prepared sign not in excess of nine square feet in size, advertising the unit for sale*”. Pursuant to the By-Laws Restrictions, exterior signage advertising units for sale is not allowed.

To assist members newly elected to the Board, we will be preparing job descriptions listing the duties and responsibilities for each position.

Next Board Meeting Date:

Wednesday, June 24 @ 10:30 AM – video conference

Adjournment: 11:38 PM

Respectfully submitted,
Sandi Coons
Board Secretary