

Villas of Northville Hills Board Meeting Minutes

January 19, 2015

Attendees at the meeting included all 5 of the Board of Directors, including Nancy Chu-Meyers, Gary McLand, Gary Zaddach, John LaPenta, and AJ Wagner. Also attending were co-owners Glenn and Jean Legacki, Hugh Thomas, Bill Redford, and Gil Lembree. The visiting co-owners were excused after the formal meeting ended and before the Board went into Executive Session.

The meeting was called to order by the Board President , Gary McLand.

The first order of business was to approve the attached agenda for the meeting, After some discussion, the agenda was modified to add certain items (such as deviation/modification requests) submitted by Linda Martin in the Board meeting package that she prepared that warranted a Board decision. These items were later addressed in Executive session.

Approval of Prior Meeting Minutes. The next order of business was to read and approve the meeting minutes of the Dec 9, 2014 Board meeting. A motion was accepted to approve those minutes.

Co-owner Discussion Re Dues Increase At this time, the meeting was opened for coowner discussion of the recent HOA dues increase that was adopted by the Board effective Jan 1, 2015. A number of questions were asked to better understand why the Board felt compelled to approve a dues increase versus a one-time special assessment. Members of the Board responded that in their judgement the growing expenses in the main areas of concrete and asphalt were going to be recurring sooner and at a higher rate than was included in the Reserve Study . Further the Board reviewed the competitive analysis to show that the Villas had not had a dues increase in 4 years, we had one of the lowest dues in the area, despite being the highest market value development in the area. The explanation was helpful to the attendees and appeared to satisfy those few in attendance.

Officer/ Liaison Reports

The first report was the Treasurers Report provided by Nancy Chu Meyers. Nancy reviewed the 12 month December , 2014 year end statements (which are posted on the Villas website). Operating Account cash balance at year-end was \$36,167. In the Reserve Account the cash balance was \$557,523, about \$5,000 more than the Reserve Study called for. It should be noted however that the Reserve Study underestimated the timing and magnitude of the repairs needed to the roads, driveway, and sidewalks. Total revenues for the year were \$728,722 whereas Operating Expenses wee \$716,622 after adjusting changes in accounting treatment on payment of 2013/ 2014 insurance premiums vs those paid

fo 2014/ 2015. Operating expenses in 2014 were lower than anticipated as asphalt and concrete repairs initially planned for late 2014 were deferred til Spring of 2015 due to colder than normal weather during the 4th Quarter. Once our independent CPA firm closes the books for 2014 and if any operating profits are realized for the year, the excess will be transferred to the Reserve Account to avoid paying any taxes.

The Architectural Report was given next by John LaPenta. John provided an update on the cement and asphalt repairs and noted that a contract with Midwest Paving was awarded to begin \$37,000 of initial repairs in the Spring. Until then, the Architectural Committee will determine the additional work that will follow and prepare Request for Quotes from several contractors. As appropriate, consultants may be engaged to ensure we properly identify the root causes of the cement and asphalt failures, and thus the proper fixes. Priority will be given to preventative work first, and then replacement work. John also reported that bids will be sent out to painters to continue with our 5 year rotation plan of exterior painting. Finally, an update was provided on the Peachtree, the manufacturer of our screen doors on the back of our condos. They are no longer supplying screen door replacements and/or parts for future repairs. Given their doors were to non-standard specifications, we will have to look for a new contractor in the future.

The Landscape/Irrigation and Snow Removal Committee Report was provided by Gary Zaddach.. Gary reported that the year ended as planned and we have two more years under the Greenlawn contract. A discussion was held on going back to the use of triple shredded hardwood mulch for next year. Finally, Gary indicated that the committee would develop a recommendation for the new bidding on contracts over the next three years . A cadence of a three year cycle will be planned for contracts over \$xxxx (TBD) and presented at a future meeting.

Survey Committee report was presented by Gil Lembree, the committee chair. A copy of the survey in its current state will be sent to the Directors for their review and modification before a full survey is sent to the co-owners. A discussion was held on to understand what the key objectives of the survey should be (ie, satisfaction with various contractors, identification of the wants and needs of co-owners, etc) and how the information might be used by the Board, depending on actual response rates to the survey.

Under "Unfinished Business" the Board discussed the following items;

1. Violations: dog not on leash, storage under decks, trash at curb on unscheduled days.
2. Aged worked orders.

Future Meeting Dates

Here are the final meeting dates thru May, 2015 as decided at the Board Meeting:

--Monday , Feb 16 at 7:30 held at the Clubhouse

--Tuesday, Mar 10 at 7:30 held at the Clubhouse

--Monday, April 20 at 7:30 held at the Clubhouse

--Monday , May 18 at 7:30 held at the TWP Hall --Annual meeting

At this point the formal meeting was adjourned and the Board went into Executive Session to discuss past dues and other confidential matters