

Approved Annual Meeting Minutes
July 15, 2017
Villages of Oscoda HOA

Call Meeting to Order:

President Randy Moore called the meeting to order at 10:00 a.m. at the Villages of Oscoda, HOA Clubhouse. He reminded all present to hold all comments and questions until the end of the meeting during the general discussion period and that this meeting's purpose is for Association business only. The President also announced that this meeting is only for co-owners that are listed on the deed to their units and asked all others, not on a deed to leave at this time. Pledge of Allegiance was recited.

Verify Quorum: The President announced that the number needed to meet quorum by ballots received and total number of co-owners in attendance of today's meeting is 179. Randy stated that we have received 222 returned ballots and 25 unit owners in attendance; we have a quorum. Randy then, called the meeting to order.

Randy requested that all cell phones be muted or turned off to not disrupt the meeting. The current Board of Directors was introduced. Randy also extended a thank you to the office staff for all their hard work and dedication.

Roll Call: All members introduced themselves. Randy also thanked the staff, Tammy and Jennifer for everything they do.

Present: Randy Moore (President), Mike Munson (Vice-President), JoAn Nink (Treasurer), David Sherman (Secretary), Ed Pisarski (Trustee), Tammy Velten (Property Manager), Jennifer Wilson (Asst. Property Manager).

Absent: None

Secretary's Report: Approval of Minutes:

Annual Meeting Minutes of July 15, 2016 was included in the meeting packets. President, Randy Moore asked for a motion to waive the reading of the minutes. Randy asked if there were any objections to not read the minutes as they were lengthy and took up a lot of time. He also informed everyone that a copy of the 2016 Annual Meeting Minutes (unapproved) is included in the meeting packets. Hearing no objections, a motion was made to not read the minutes as published by Randy. seconded by JoAn. All Ayes. **Motion passed.**

President's Report:

Current Housing Status – Randy gave a report on the Housing Breakdown (See Attachment A).

Annual Picnic: Randy informed the co-owners that the annual picnic has been scheduled for August 18th from noon to 3pm. The association will supply the hamburgers, hot dogs, brats, the table settings and drinks (non-alcoholic). Please bring a dish to pass. There will be entertainment, games, prizes, giveaways and more. If you have any homemade or other items that you would like to donate for the prize giveaways, please feel free to contact the office and let them know. The proceeds from the 50/50 Raffle will be going towards the purchase of the LED digital sign.

Land Purchase: Randy announced that the Association has completed the purchase of the former 8000 area and is now an Association **Common Area** park. Randy informed everyone that included in their packets is a copy of the *General Common - Area Guidelines* which now applies to this area as well. Randy stated the total cost had included all expenses, in addition to the purchase price, such as all legal fees to draft the purchase agreement and to close on the property, the Baseline Environmental Survey, to assess any possible contamination to the property, which was necessary to protect the Association should any issues of contamination were to arise anytime in the future, along with all associated closing costs. The Environmental Survey that was completed came back clean. This survey is available for all homeowners to inspect during business hours at the office. Randy encouraged members to read the report to ease any concerns that you may have regarding any contamination issues on this property. Randy stated that this purchase has already proven its value as we were approached by an investor wanting to build a trailer park on the entire 63 acres. The

Board of Directors thanked the co-owners for their support and encouragement during the process. The plan is to cut the area at least twice per season, more if it is needed to prevent dangerous conditions such as accidental brush fires during dryer conditions. Since all our Common-Area parks are named, the Board is asking for suggestion to name our new park. If you have any ideas for a name, please write it down and drop it off at the office.

Treasurers Report:

Audit Report: JoAn Nink, Treasurer, stated that Stephenson Company P.C., formerly known as Stephenson, Gracik & Company, P.C., is the company that the Board had hired to do the 2016 Annual Review that is required of all condominium associations. The report confirmed that the accounting practices that the Villages of Oscoda have in place are in compliance with accounting principles generally accepted in the U.S. The accountant stated on the report that there were no material modifications that should be made to the financial statements in order for them to be in accordance with those accounting principles. The audit report is available in the black hanging-file holder on the wall by the front door if anyone would like to pick one up.

Financial Report: JoAn stated the Financials for the General Operating Fund as of March 31, 2017 are:

Revenues: \$152,220.53

Expenses: \$97,823.80

Excess Revenues (net income) for the first 3 months: \$54,396.73 (Excess revenues are due to pre-payments of monthly dues.)

Projected Revenues for the full year: \$563,394.00

Reserve Fund (Major Repair and Replacements Fund): \$57,818.76 which meets the 10% minimum balance requirement by the State of Michigan.

JoAn stated that there is a copy of the 1st Quarter Financial Statement ending 3/31/17 in the meeting packets provided to attendees as well as a copy of the Budget for 2017.

Committee Reports:

RV Lot: Randy gave a report on the RV Lot (See Attachment B).

ACC Report: David Sherman (Secretary), gave a report on the ACC Committee (See Attachment C).

Garden Club: Mike Munson (Vice-President), stated that The Garden Club have been hard at work again this year, as they do every year. The group has replaced trees along Mission street that were initially planted last year but did not make it through the winter. They purchased the flowers for the pots at the clubhouse doors and refreshed the mulch & wood chips in the clubhouse gardens and in gardens under the Villages of Oscoda signs at Perimeter and at Skeel. The group also painted fences, cleaned up trash in the 8,000 area, installed plants (shrubs) around the planter on Bissonnette street, and cleaned up the winter growth in the gardens around the Club house. As always, the Garden Club could use more volunteers! Just a couple of hours of your time will help make the work lighter for all the team. If you are interested in volunteering your time, see the office staff to sign up. Special thanks for all the volunteers that gave their time to this worth-while activity and especially to Wayne and Henrietta for spear-heading the group!!!!

Election Report: David reported that there are 2 candidates running for the 2 seats that are open, Randy Moore & Jereme Brown. He reminded everyone that the deadline to turn the ballots in is Noon Today! David stated that they will be counting the ballots on Monday, July 17th at 10am here at the clubhouse. There is a sign-up sheet on the information table at the front door for volunteers to help with the counting. Needed is a total of 6 volunteers to help count the ballots but would like to have more than 6 people on the list so we will have additional people we can contact on the list. Results from the election will be posted on the website, here in the office, as well as posted in the August/September Newsletter.

By-Law Change Committee Report: JoAn gave a report about the need to update our governing documents to include the Master Deed, Bylaws and the Articles of Incorporation and where the Committee is at right now in the process (See attachment D). Randy informed everyone that a ballot

that is not returned is a NO vote. Randy also stressed the importance of reading our newsletter to get the most current and important information as it is the only way the Association has, to communicate with our co-owner members. The new LED sign, mentioned earlier, will also be helpful with communication.

General Discussion: Each homeowner will only have 3 minutes for input.

Ken A: Asked Board members what type of LED sign that the Association was aiming to purchase. Randy responded that the office is still researching the signs and the Board has not made any decision on a sign yet.

Gus K: Asked the Board what restrictions there were for roof replacements and stated he would like to see the Association implement restrictions to assure that roof replacements are done properly. Ed stated there were no restrictions nor enforcement/inspection powers in the bylaw governing quality of construction work done on the units. Randy stated that the co-owners own their unit structure (not the Association) and therefore they have the personal responsibility to assure that quality work meets the co-owner's standards/expectation as they are the one paying for the work to be done.

Mary M.: Spoke of concerns for the increasing numbers of rental units within the Association especially on her street and equated it to the number of police calls to the area. Mike stated that is the concern of all responsible homeowners. However, we have an aging population that still owe on their units and if they need to re-locate to be near family or doctors, they want to have the right to rent their property if they need to make the mortgage payment.

Jeanette S.: Stated that there is an investment corporation looking to buy units to rent and asked what the Association can do. Mike stated that was the answer...what can we do. The Association can't stop investment purchases, but the Association can control the rental units and hold the co-owner/landlord responsible.

Co-owner un-named: Asked what action was being taken to remove trees that were downed due to recent strong storms. Randy explained that if the fallen tree is in a co-owner's lot, they are responsible to remove the tree and stump. If the fallen tree is in a common area park, the Association is responsible to remove. Co-owner asked if volunteers are needed to cut and remove the trees. Randy stated that it would be too dangerous for volunteers to do and that the Association must hire a tree-removal company that is licensed and insured to reduce any liability to the Association.

Mary M.: Asked if there is a limit on how many occupants allowed to live in a rental unit. Randy stated that one of the forms in the Association's ORCC Rental Packets which they are required to list all occupants and pets/animals allowed to live in the unit during that lease term. If someone is living in the unit that is not listed on that form, the co-owner is notified. But the bylaw does not limit how many can live in the units.

Co-owner un-named: Asked if there are any updates from the County regarding pothole repairs. Randy stated we have no input in that whatsoever. Mike suggested that if you have concerns about the potholes, contact the County Road Commission by phone or submit an on-line workorder on the Road Commission website.

David B.: Commented that co-owners need to do their due diligence to watch out for their neighborhood and be pro-active. If there is a problem, submit a written notice/complaint to the office so they can follow-up with a resolution. Randy also mentioned that if a crime is being committed, don't call the office, contact the police first and have your neighbors call the police. You can inform the office, but the office staff does not have arrest or enforcement powers.

Mary M.: Asked the Board if there is any rules about parking on the street. JoAn inform them that they will need to contact the police if there is a problem with road-side parking. Mary announced that there is a non-emergency number at the police department to call for issues like the parking that is not an emergency.

Randy announced that the next Annual Meeting of Co-owners will be on Saturday, July 21, 2018.

JoAn made a motion to adjourn. Mike 2nd. All Ayes. Meeting was adjourned at 11:25 am.

ATTACHMENT A

President's Report for Annual Meeting 7/15/17

HOUSING BREAKDOWN

Total Units: **758**

Primary resident homes: **369 or 48.6%** (Down 1% from the previous year)

Secondary homes: **389 or 51%** (Up 23% from last year)

Of those that are secondary homes:

Rental Units: **168 or 22% of the total units**

An increase of 20 units (or 2%) from last year.

Non-owner occupied units: **26 or 3.4% of the total units.**

An increase of 4 units (or .5%) from last year.

(increases are due in part to the aging population of our owners)

Units in the foreclosure process or are bank owned: **3** (A decrease of 1 unit)

(New section to the President's report)

Units foreclosed by the Association: **1**

Units sold by the Association: **1**

UNIT SALES

Homes for Sale: **23** (A decrease of 11 units from last year)

Total homes sold from July 1, 2016 until present day: **23**

Current Number of Pending sales: **5**

ATTACHMENT B

RV Lot Report 2017

RANDY

We have noticed that there are a few lots that have items that are impeding on the neighboring lots. Please make sure your item is only on your lot and not partially on the neighboring lot. Some lots are angled and some are straight. We have a map in the office showing which lots are which if you need some guidance.

Please make sure that your lot is maintained like it is part of your own yard. The lawn company tries to get as close to items as they can but they are not required to weed whip around your item.

Keeping the grass mowed down will help prevent fires from happening as well as preventing mice and other critters or insects from getting inside your items.

In the RV Lot billing letter, we stated that there may or may not be a mower in the lot due to the abuse that it has been taking as well as someone in the Villages has been taking the mower for their own personal use and then bringing it back in worse condition than when they took it.

Currently, there is no mower in the RV Lot building. We had cleaned up the mower that was there from last year, changed the spark plugs and sharpened the blades. One week later, someone using it had destroyed it. The cost to repair it was more than it was worth. We have suggested spraying grass killer on the lots so that you do not have to worry about the grass for the rest of the season.

RV LOT REMINDERS:

- * Remember to secure the gate upon entering or leaving the RV Lot.
- * All items in the RV Lot are required to have a numbered sticker issued by the office. If you purchased a new RV, boat, trailer, etc., please stop by the office to get a sticker.
- * When removing your boat or trailer off your lot, please remember to remove any blocks, boards, etc. that you may use as these items are not visible in the tall grass and are causing damage to the lawn company's mowers. You can even set them by your lot pole so the lawn company can see and avoid them while mowing.

We are also updating the security in the RV Lot. We are currently getting bids to set the pole we have in the location of the second gate. We can then install another camera so that there will be a camera at both entrances to the RV Lot. If you see anything suspicious, please make sure that you let the office know so that we can look in to it.

As always, we could always use some additional volunteers to help out in the RV Lot. If you are interested in donating a few hours of your time, please contact the office.

ATTACHMENT C

ACC Committee Report 2017

DAVE

Over the past year, the ACC Committee has received 215 applications from homeowners wanting to make improvements on their property. Of those applications that were received, 205 received approval and 8 applications were disapproved. Those not approved were due to non-compliance with the Bylaw and/or the ACC Design & Development Guidelines or because the location of the improvement would interfere with underground sewer or water lines. 2 applications were tabled as the ACC Committee was awaiting signatures from adjoining owners of the building and were subsequently approved at a later date.

The ACC Committee would like to remind everyone that **any** changes to the exterior of the unit, must have an application submitted for approval **before** you start your project along with a site map detailing the location where the purposed change will be on the property. The ACC Committee has received a number of applications after the change was already made, which could result in the co-owner having to go through additional expense to un-do the change if it is determined that a problem would exist (for example, an underground pipeline could be blocked or damaged or if a tree location would eventually grow to interfere with over-head power lines, etc.) or if the change is prohibited in the Bylaws and/or the ACC Design & Development Guidelines. These forms are available in the office or on our website under the "Association Forms" tab.

It is also important to remember that any changes to the structure of a multi-unit building will need the signature of the adjoining co-owner(s) to avoid a delay in the approval of the application. A good example of that would be in the case of roof replacements, painting of a building or shed, etc.

The ACC meets twice a month during the summer months (May through October). The meetings are held on the 2nd & 4th Thursdays of the month at 10am in the conference room. The Committee meets once a month during the winter months (November through April) on the 2nd Thursday of the month, same time and place. To submit an application for the ACC to review and approve, the request must be received by the Friday before the meeting so that it can be placed on the agenda for the next meeting. These meetings are open meetings if you would like to attend.

We would also like to remind everyone that if you have a need for a snow fence, you will need to submit an ACC Request **each** year as the approval is only effective for the winter season that it was requested.

If you would like a current copy of the ACC Design & Development Guidelines, they are found in the black hanging file rack by the front door.

The ACC is in need of more volunteer members. If you are interested in becoming a member or even an alternate member on the ACC, please contact the office or put your name on the sign-up sheet that is on the information table. A reminder that you do have to be a named deed holder to qualify.

ByLaw Change Committee 2017

In 1997, The Villages of Oscoda Owners' Association was established by the developer, Aspen Square Management (Aspen), which in turn, contracted Northern Michigan Realty to sell the homes that Aspen had renovated. Aspen also developed a set of By Laws that favored their interest in order to secure sales.

Now that the Association is an owner-focused establishment and Aspen is no longer associated with the Association, the Bylaws need to be stream-lined, removing all references to "Developers rights" and to make the governing documents more homeowner focused.

The governing documents will go from this big book...to approximately this small book...without all the plat maps.

Since the Bylaws have never been updated since operational control was turned over to the homeowners in 2005, the By Law Change Committee has been working diligently to update our governing documents in order to make them more clear and easier to understand and to bring the Bylaws in-line with newer changes in State & Federal laws as well as changes to the Michigan Condo Act over the past 12 years.

The Bylaw Change Committee has completed making the revisions and necessary updates following the recommendations of the Association's attorney. A draft of the revisions has now been turned over to the Board for review and approval. Once the Board is completed with that, they will forward it to the attorney once more for final confirmation that everything is legal.

Once we have a final draft, it will be ready for the Co-owners to review prior to voting on the new bylaws. There will be several meetings scheduled at various times for homeowners to discuss and ask any questions they may have. Our attorney has agreed to be present at some of those meetings to explain the necessary changes and address any legal questions that co-owners may have.

Please watch your mail for important updates to the By Laws and meeting dates.

Your approval vote...when the time comes...will be critical.