

STONEWATER HOMEOWNERS' ASSOCIATION

Annual Meeting

September 29, 2022 - In Person Meeting

1. Call to Order and Roll Call

President Khatiwala called the meeting to order at 7:05 p.m. at Northville Township building. Present were Directors Khatiwala, Roy, Aniakudo, Gray and Westermann. Tiffany Wallace, Community Director & Rachel DeTar, President, represented Associa Kramer-Triad Management (KTM). Also in attendance was Director Candidates, Frush and Miliojevic, along with twelve other homeowners. Absent was new Community Association Manager (CAM), Russell Rodriguez, due to a family emergency.

2. Meeting Notice

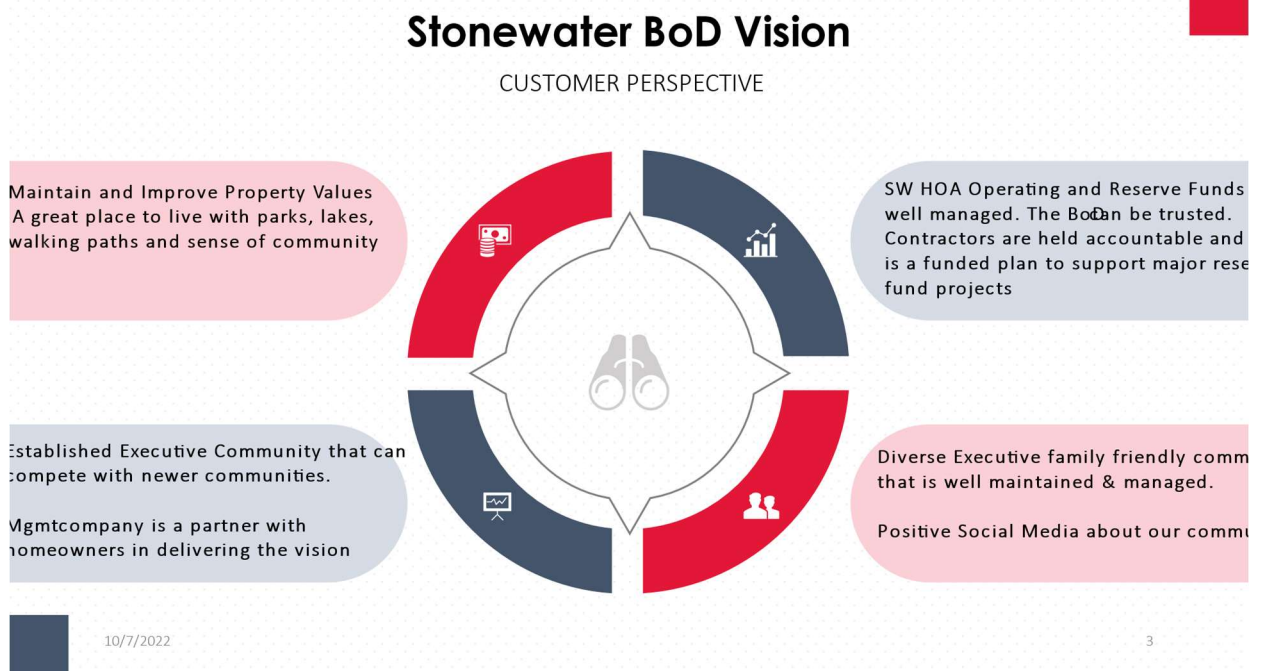
Russell Rodriguez previously confirmed that notices for this meeting were sent to all homeowners at least twenty (20) days in advance on September 6, 2022.

3. Determination of Quorum

Tiffany Wallace verified 25% of eligible Members are necessary to quorum and that threshold had been attained by 2:00 p.m. today through absentee balloting.

4. President's Report – Sandeep Khatiwala

- Presented Stonewater Board of Director Vision – No change from 2021



- Reviewed Communication Policy stressing that members should not seek out individual Board members, but rather come to a Board Meeting if the Management Company did not address your issue.

5. Priority Projects Update – Kurt Westermann

- Manorwood entrance waterfall is a finalist in the Michigan Green Industry Association "Environmental Improvement Award." Judges were on site on September 20th.
- 2022 Major Reserve Projects**
 - **Stonewall Restoration and Capping** – Fourth and final year, completing a total of 750+ linear feet throughout the community. While using a phased approach made the

project more attainable, the flood control gate structure in Overlook Park had to have the front face removed and rebuilt.

- **Peninsula Bridge Wood Decking** - The condition of the decking was a safety concern. New decking was installed in August.
- **Stonewater Creek Erosion Remediation** – The Association is bound by the 1995 Drainage System Consent Order (see CC&Rs Article XI) which requires maintenance of the creek. This project has been on the Board’s Reserve Study since 2016 and has been a long process to engineer, attain Michigan Environment, Great Lakes, & Energy (EGLE) approval, and to competitively bid. We are now shovel ready for Phase I and construction will start in Overlook Park in October. This project will also include the replacement and relocation of the pedestrian bridge in a better location (see presentation for photos).
- **2022 Major Operating Projects**
 - Entrance and monument wall signs were repainted.
 - Final Phase of boulevard island mulch reduction was completed (Six Mile entrances and Four Seasons Boulevard)
 - Manorwood urns were replaced and new urns were added to the other boulevard monument wall entrances. Annual flowers were placed in the urns for better visibility. Flowering perennials replaced previous annual flower locations. This will net us an annual flower savings of \$9,000 starting in 2023.
- **2023 Major Priority Projects**
 - Carryover projects include straightening the Six Mile Fence, Stormwater System Inspection and Cleaning, and Gazebo Cedar Shingle Roof Replacement (2).
 - Stonewater Creek Erosion Remediation – Phase II
 - Lake Fountain shore power panel replacements (4)
 - Lake Irrigation Pumps and Motors (3), and shore power panels (2)
 - Mystic/Heather Lake Makeup Well Pump power/control panel and Six Mile irrigation well pump
 - Steel bridges (Bayshore Park & Six Mile Road) wood decking replacement

6. Treasurer’s Report – Kurt Westermann

- **Financial Reporting Issues** – Our financial reporting has been extremely slow under KTM. As a member of the Finance Committee, before I rejoined the Board, I worked with the past Treasurers to resolve the 2020 audit and 2021 financial reporting issues. In early 2022, I was appointed Board Director and Treasurer to work directly with KTM to resolve these issues. It was not until late June this year that we were able to complete 2021 financial statements and start the 2021 audit.
 - The major issues include: duplicate utility payments, KTM billing errors, failure to reconcile all bank/loan accounts, and incorrect classification of expenses.
 - To get 2022 caught up, the Board agreed we would sort out the YTD 2022 (January – May) reporting issues with the June 2022 close. While the required adjustments were submitted to KTM in July, they are still not recorded as of today. Once financial statements are approved, they will be posted on TownSq for members to access. Members should review the June YTD statement for the most accurate results.
 - So, what is causing the delays?
 - Each time we are assigned a new CAM, they must be trained on how to code our expenses. I am reviewing and approving invoices to ensure they get properly recorded.
 - We had two instances of duplicate payments to DTE.
 - Due to KTM system issues, some members have made duplicate annual assessment payments, which I have addressed.
 - KTM not invoicing in accordance with our contract. Over charges have yet to be refunded.

- Accounting corrections take at least a month to be processed. We have appealed up the chain of command, but nothing has improved.
 - Hopefully with Rachel DeTar from KTM here tonight, she can help improve this situation.
- Current Financial Results – 2022 Forecast is based on the draft June YTD Financial Statements, fixed services contract pricing, committed projects, and estimates based on historical records. Operating expenses were artificially low in 2021 due to deferring some project expenses until 2022, because of the unavailability of service providers. 2022 Reserve expenses are higher mainly due to the Stonewater Creek Erosion Remediation project. Both our 2022 Operating and Reserve Funds are fully funded.
- Impact of Inflation - In preparing the 2023 Annual Budget, all major service contracts were reviewed, including utility usage, and expected rate changes. The known increases in the cost of services, along with the estimated potential cost increases for the renewing contracts (Lake Treatment, Lake Fountain Maintenance, Holiday Decorations), and existing contracts that have provision for inflationary cost increases (Snow Removal & Deicing and Irrigation System Maintenance) is expected to be an average 16% inflation rate on 75% of our Operating Budget. This equates to approximately \$66,000 increase in the cost of Operating expenses.
 - The biggest inflationary driver is labor shortages and overall demand for services. Our irrigation contractor cancelled our contract because they could not afford to honor our pricing and had limited personnel.
 - Replacing our irrigation contractor was extremely challenging at any price (95% increase). Normally we would have a crew of 10 to commission 17 Major Areas and 175 sprinkler zones. The contractor we found made us wait until their current clients were commissioned and only had a field supervisor to spare. It took weeks of delays and 3 attempts to get the drip irrigation system commissioned. The delay resulted in the loss of plantings and postponing the annual flower installation. This is not just a cost issue, but a quality-of-service issue.
 - 1st bid for Holiday Decorations is ~20% increase.
- 2023 Annual Assessment - Determination of the Annual Assessment is linked to the BOD approval of the Annual Budget, after the Board performs their due diligence.
 - Just considering the known inflation on the cost of services the Board knew we had no choice but to approve an Annual Assessment increase.
 - Along with approving the 2023 Annual Budget, the Board unanimously approved a 9.6% increase (\$153 or \$12.75/Month/Lot) in the 2023 Annual Assessment over 2022 (\$1,597) to \$1,750 on September 4, 2022
 - This increase will generate ~\$65K in additional funds to cover the inflation increases in operating costs. Any additional costs will need to be offset by deferring some planned maintenance work.
- 2023 Annual Budget – The increase in revenues allows the Association to cover the known inflation on our operating expenses. We are also trying to catch up on long overdue maintenance issues deferred from 2022. Operating expenses comprise 74% of our budget and is largely driven by projects for grounds and infrastructure maintenance. The 2023 Reserve expenses were previously discussed during the Prior Project update.
- Long-Term Financial Plan (LTFP) – Our long-term financial goals have not changed. Get what we pay for, determine the root cause of a problem, prioritize projects, and plan to accelerate loan repayment when funds are available. Based on our current situation, the LTFP does not forecast an increase in the annual assessment in 2024 or 2025, by assuming we can offset further inflation. By 2025, our deferred priority projects should be caught up, and free up some funds to make additional principal loan payments. This will allow us to pay off our loan in 2026 (3 years early). Once the loan is paid off the Annual Assessment will be reduced by \$120/year.
- 2023 Budget and Long-Term Financial Plan Summary will be posted on TownSq and will be included with your Annual Assessment invoice by November 15th. As a reminder, Annual

Assessments are due January 1st. Please contact KTM if you don't receive yours by December 1st.

7. ACC Approval Process – Jim Gray

Requests for ACC approval need to be filed when you are making structural changes to the outside appearance of your home. This includes changes to your landscaping or façade of the structure. If you are changing like for like (same color paint, same bush/tree type), there is no requirement to file. Requests can be filed via email or the TownSq app.

- Where to find documents: go to <https://stonewatersub.org/>: click Documents/Links: click Stonewater Documents: double click Modification Request Form & Checklists <https://drive.google.com/drive/folders/0B3uONfbiY7vzM0MzLXV5RGNVYk0?resourcekey=0-oTmYh5x80dnSmxjJJO9u3A>
- Main Reasons for sending back incomplete applications:
 - Not following checklists/CCR requirements (60%)
 - Not attaching all required checklists (50%)
 - Not including material details & color
 - Not notifying EGLE when modifying shoreline or Creekside
 - Not overlaying layouts on lot survey (downloadable from Township) .

8. Board of Director Election

- Candidates Frush, Miliojevic, and Westermann made two-minute statements. Candidate Evangelista was absent.
 - Frush stated he could use his contacts, as Northville Township Trustee, to help the Association.
 - Miliojevic felt it was time to help the Board, rather than criticize what others have done.
 - Westermann expressed his appreciation of our community and requested others to volunteer their time as a Director or Committee Member.
- President Khatiwala announced the polls would remain open until midnight. Results to be announced within 1 to 2 business days. Tiffany Wallace will be covering for Russ. (See attached certified election results).

9. Community Forum

- Ms. Ross – Marblehead Drive
 - **Issue:** Requested the Association pick up garbage blown into Heather Lake along the shoreline. Why hasn't it been done?
 - **Answer:** Director Westermann explained Great Oaks is required to pick up trash each week the lawn is mowed. If they are not doing that, she should report it to the Management Company. He also noted, this is also an issue on his lake. "My neighbors and I pick up trash along our shoreline that is blown into our lake from our yards."
 - **Issue:** Insisted the Heather and Mystic Lakes makeup well water pump was not maintaining Heather Lake level to previously achieved levels.
 - **Answer:** Director Gray stated he turned on pump on May 15th and has checked its operation when she submitted requests through TownSq. Rachel De Tar recommended focusing on solutions. Director Westermann recommended updating the CAM's seasonal checklist to check the lake level by June 1st, after the rainy season, and turn on the pump, if necessary. He also noted the well pump is not the only source of water for Heather Lake as implied by Ms. Ross. Heather Lake, like all our lakes receives stormwater runoff collected from our roads. Heather Lake receives a significant amount of stormwater from a large 36-inch diameter pipeline routed along the back of the lots on Overlook Trail Road, which is also interconnected with a stormwater line running along 7-mile road. Furthermore, Heather and Mystic Lakes are interconnected by a pipeline to equalize these two 'lower lakes' levels. There is also an interconnecting pipeline between Spring Hill Lake (one of the four 'upper lakes') and Mystic Lake. All the lake

levels have been low this past summer due to a lower-than-average level of precipitation. (We have had below average rainfalls in the first 6 of 8 months this year. Our area has been classified as ‘abnormally dry’ by the U.S. Drought Monitor). In addition, Heather Lake is the smallest and most shallow of our six lakes, therefore, the waterline will move significantly from the shoreline, for small changes in the actual lake water level. The well pump was installed only to augment the other sources of water (i.e., stormwater collection and interconnection with other lakes). Therefore, the pump is normally scheduled to be turned on after the Spring rainy season. Once the pump is turned on, it runs continuously, and costs several thousands of dollars to operate over the summer. The ‘lower lakes’ have an ordinary water level elevation of 822’. Once the ‘lower lakes’ reach a water elevation of 823’, the water overflows across a weir on the southeast end of Mystic Lake and is discharged offsite into the stormwater system running along Beck Road. Since the pump currently runs continuously once it is turned on, it is important to assess when to run it, and when to shut it down. The well pump on/off controls need to be repaired/replaced so the pump only runs when the lake level is low. The 2023 Budget includes replacement of the well pump power/control panel.

- **Issue:** Complained about algae and bullrushes in Heather Lake, it not being addressed – and looks terrible. The lake never had this problem years ago.
- **Answer:** Director Westermann reminded Ms. Ross that she was provided an explanation from our Lake Treatment Company (see August posting on TownSq and attached). This is not only a Heather Lake issue, but our Lake Treatment service provider has said that it has been an issue across southeastern Michigan, and is due to our abnormally dry summer, and the size and shallowness of Heather Lake. The bullrushes create biodiversity which is a natural deterrent to this type of two-cell algae growth.
- Mr. Steinig – Parkshore Drive
 - Stated him and his wife appreciated the restoration and capping of the stonewalls and recognized the amount of effort it took. They also thought the urns and flowers were beautiful. Then thanked the Board for their service to the community.
- Mr. Calderon and Mr. Kumaravel – Clairmont Circle
 - **Issue:** Dock was getting repaired/removed and the contractor refused service it due to the amount of muck on his shoreline. He said the contractor got stuck in muck up to his chest and it took two men to pull them out. Mr. Calderon questioned whether the storm drain between houses created the muck, and said it is a safety concern for his family. He contacted KTM and the CAM (Joe Hayes), who did an inspection. (Mr. Calderon received a follow-up email from the CAM stating: *“One of the board members lives on the north side of Spring Hill Lake as well, and has a large drop off just past the water’s edge. In past research, they have found that the developer’s approved permit from MDEQ (Michigan Department of Environment Quality) was for “selected areas” of the lakes to have the slope re-contoured. The north shore of Spring Hill Lake was not specifically identified as one of those selected areas. The lakes were gravel pits before the development of the community, and the “muck” on the bottom is mainly due to the breakdown of organic material (weeds, leaves, etc.) over decades. Also, the drain between your lots is a storm water discharge inlet, meaning stormwater is sent into the lake at that location. Regarding your request to have the association do work to the lake area near your shore, they wanted me to let you know that an MDEQ Permit is required to make any changes to the natural shoreline lake bottom and the Association does not plan to pursue such modifications. Also, that if you plan to make any modifications to your shoreline yourself, please make sure to submit the modification request to the HOA prior to scheduling the work.”* Mr. Calderon requested the Board provide further guidance on how to address the issue.

- **Answer:** Director Gray explained to him that he and his neighbor's lot also borders a storm drain inlet. They both periodically rake the area to prevent the accumulation of sediment, weeds, and muck. This has been affective solution. Director Westermann explained, muck is the buildup of dead lake weeds settling on the lake bottom and is naturally occurring. He also gets muck near his shoreline, but not to the depth Mr. Calderon claimed. The previous owner must have never done any maintenance. The Board agreed to investigate possible solutions.
- Scott Frush – Stoneridge Court
 - If elected, I will fight this egregious assessment increase. I would like to have focus, not just on the lakes, but all the community. We should be spending equally on members who are not on a lake.
- Kristy Crawford – Binghampton Drive
 - **Issue:** Concerns that the Management Company does not follow up with members and their requests. She asked the Management company to address her concerns.
 - **Answer:** Rachel DeTar acknowledged how the pandemic has impacted their talent and their ability to retain CAMs. Average employee retention is now only 2.5 years (versus 5 years). Retention has also been significantly impacted by changes made to their business model. Rachel explained why they made the service center change and acknowledged that this was a key issue. They have since made some adjustments (basic calls will go to the service team), but the bulk of maintenance issues will now be transferred to the local branch offices.

10. Meeting adjourned at 8:56pm on September 29th.

REVIEWED AND APPROVED:

Sandeep Khatiwala
President, Board of Directors

Ann Aniakudo
Secretary, Board of Directors

Attachments: 2022 Stonewater Annual Meeting Presentation
Vote HOA Now Final Voting Report
PLM Letter dated August 11, 2022

A background image featuring a complex network of black lines and nodes on a light gray background, resembling a web or a data network. A large, semi-transparent red rectangle is overlaid on the left side of the image, containing the text.

**2022 Stonewater
Homeowners Association
Annual Meeting**

Agenda

<u>Topic</u>	<u>Presenter</u>	<u>Duration</u>
• Stonewater Vision	President Khatiwala	5 minutes
• Communications Policy	President Khatiwala	5 minutes
• Priority Projects Update	Treasurer- Westermann	15 minutes
• Treasurers Report	Treasurer- Westermann	20 minutes
• ACC Approval Process	Vice President- Gray	5 minutes
• BoD Election	Candidates	15 minutes
• Community Forum	Members	25 minutes

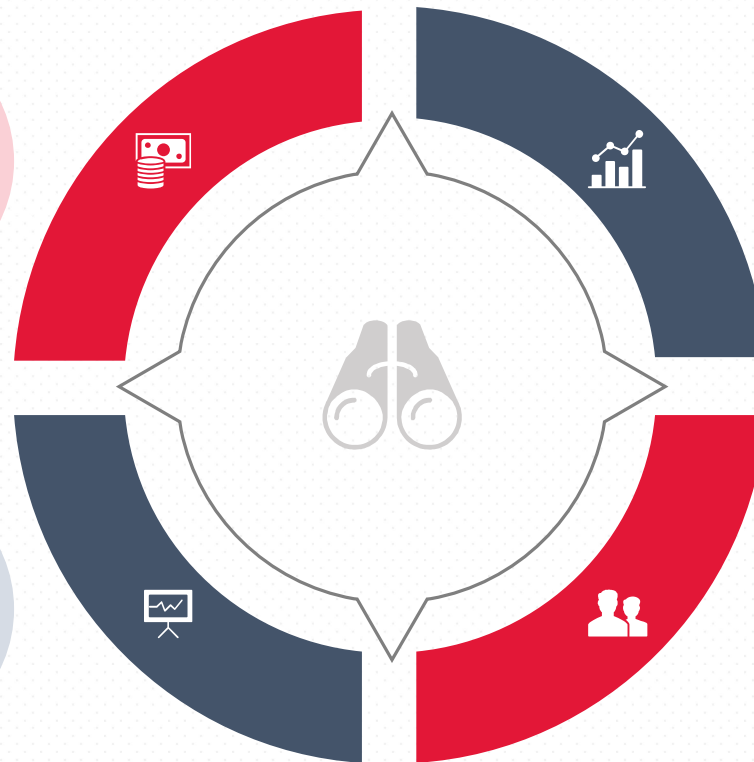
Stonewater BoD Vision

CUSTOMER PERSPECTIVE

Maintain and Improve Property Values
A great place to live with parks, lakes,
walking paths and sense of community

Established Executive Community that can
compete with newer communities.

Mgmt company is a partner with
homeowners in delivering the vision



SW HOA Operating and Reserve Funds are
well managed. The BoD can be trusted.
Contractors are held accountable and there
is a funded plan to support major reserve
fund projects

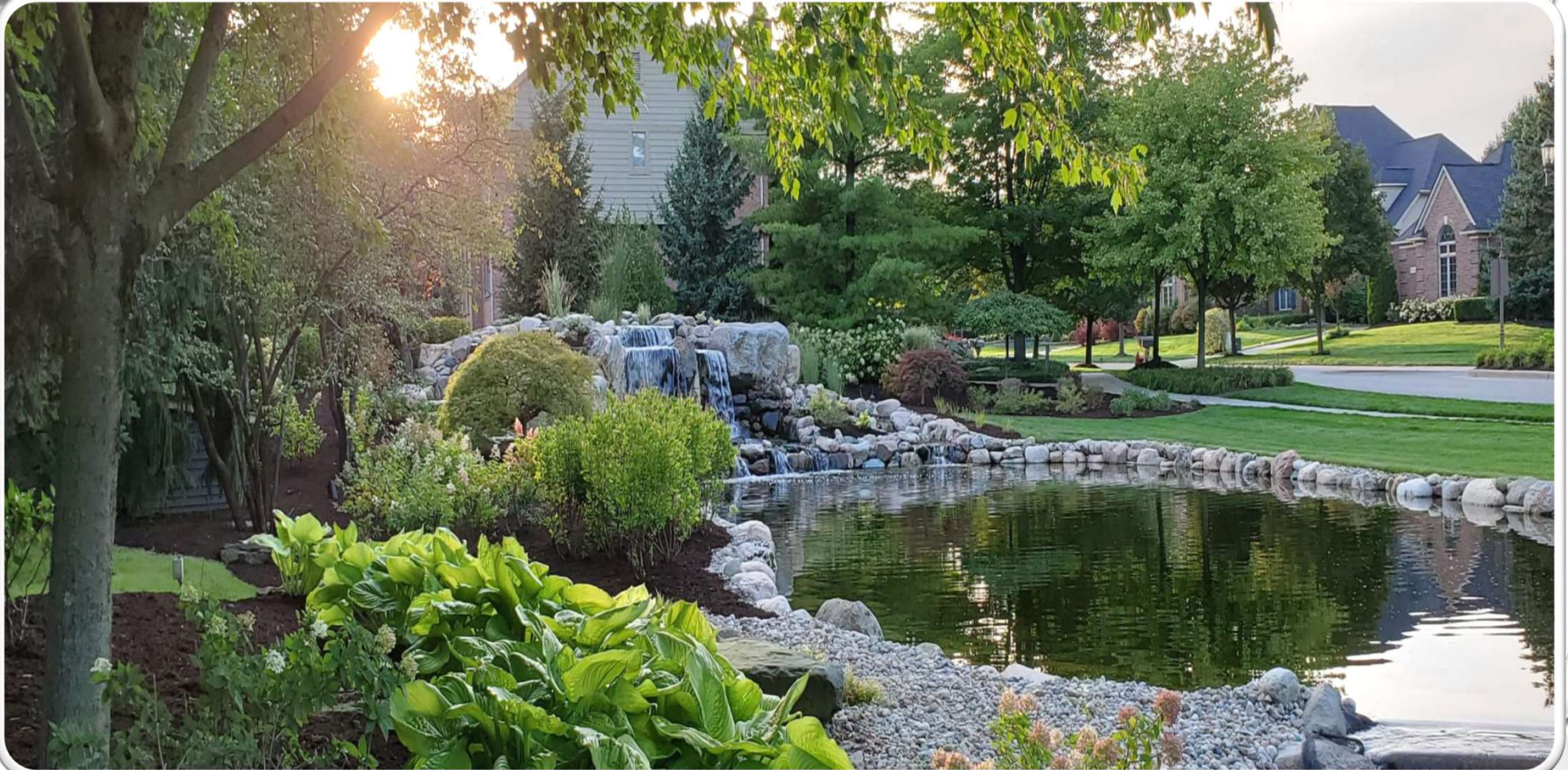
Diverse Executive family friendly community
that is well maintained & managed.

Positive Social Media about our community

Communications Policy

- Agreement that Kramer Triad management will communicate/respond to all issue in a timely manner (per contract)
Expectation is 24-48 hours max.
 - Utilize the Townsquare App to communicate clearly to the homeowners and management company issues within the neighborhood
 - Encourage Homeowners addressing the entire board with issues at HOA BoD Meetings instead of individually
 - Situations not under the jurisdiction of the Homeowners association
 - Long term parking on roads
 - Parking in fire lane
 - Public Disturbances
 - Bridge Jumpers
 - Wounded animals
 - In person Meetings- interest from community
 - Frequency
 - Type- in person or virtual (zoom)
-

Priority Projects Update



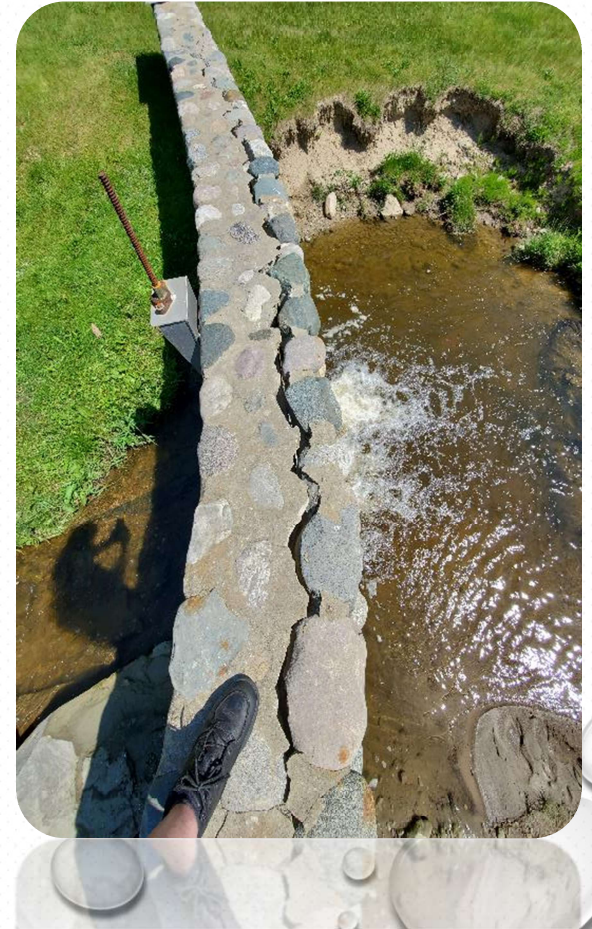
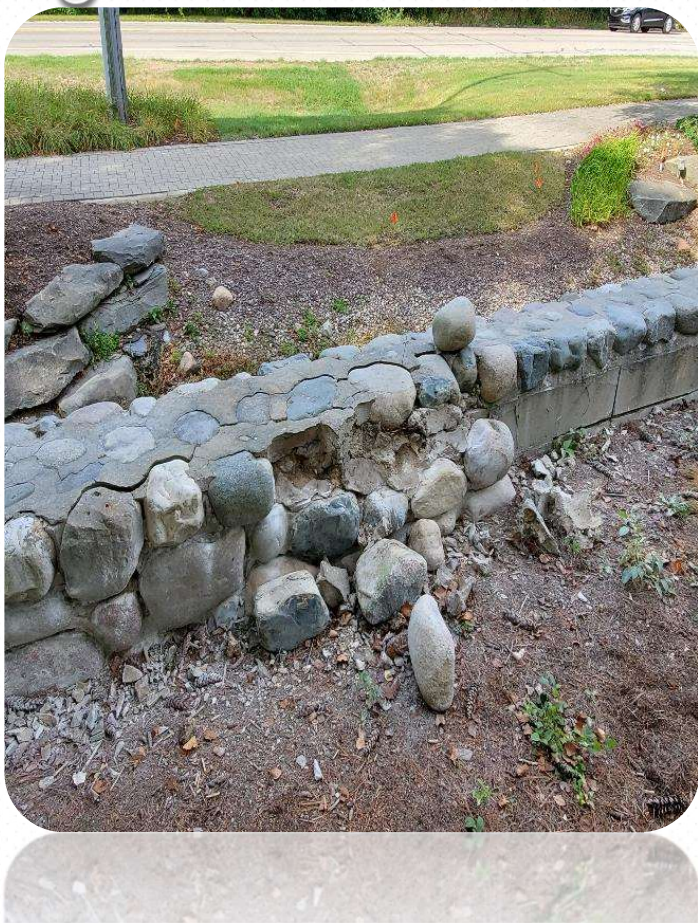
Waterfall & Pond At Start Of Construction



2022 Major Reserve Priority Projects

Project Description	Status
Stone Wall Restoration & Capping – Final Phase	Completed
Peninsula Bridge Decking Replacement	Completed
Gazebo Roofs - Cedar Shingle Replacement	Deferred until 2023
Stonewater Creek Erosion Remediation – Phase 1	October - December

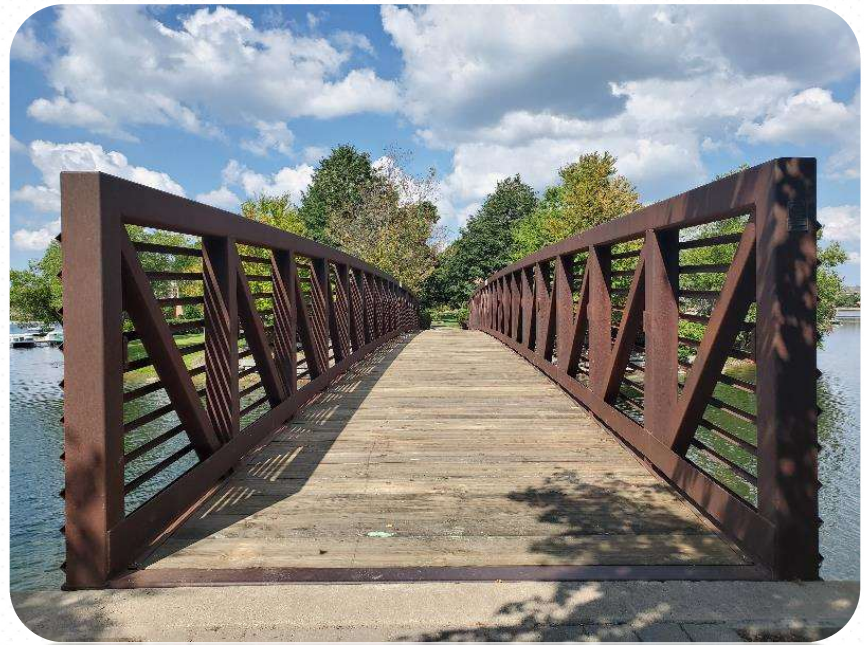
Stone Walls Before Repairs & Capping



Overlook Park Flood Control Gate Stone Wall



Peninsula Bridge Decking Replacement



Stonewater Creek Erosion Remediation

Why:

- ~1 Mile long Stonewater Creek is part of our Common Area
- Described in Development 1995 Drainage System Consent Order
- The Association is responsible for maintenance
- Michigan Department of Environmental Quality (MDEQ)

Steps Taken By Board:

- Erosion first identified in 2016 Reserve Study
- Obtained bids for qualified engineers and selected Spicer Group – 2020
- Creek Inspection (Phase I) – Late 2020
- Preliminary Design & Permit Support (Phase II) – Early 2021
- 2021 Reserve Study - updated estimated construction costs
- EGLE construction permit approved – Late 2021
- Final engineering, bidding, and construction contract awarded (Phase III) - 2022
- First phase of three year construction project: October – December 2022

Stonewater Creek Embankment Erosion



Construction Phases



LEGEND
- EXISTING CHANNEL/WATERCOURSE OVERLAY
- PHASE 1
- PHASE 2
- PHASE 3

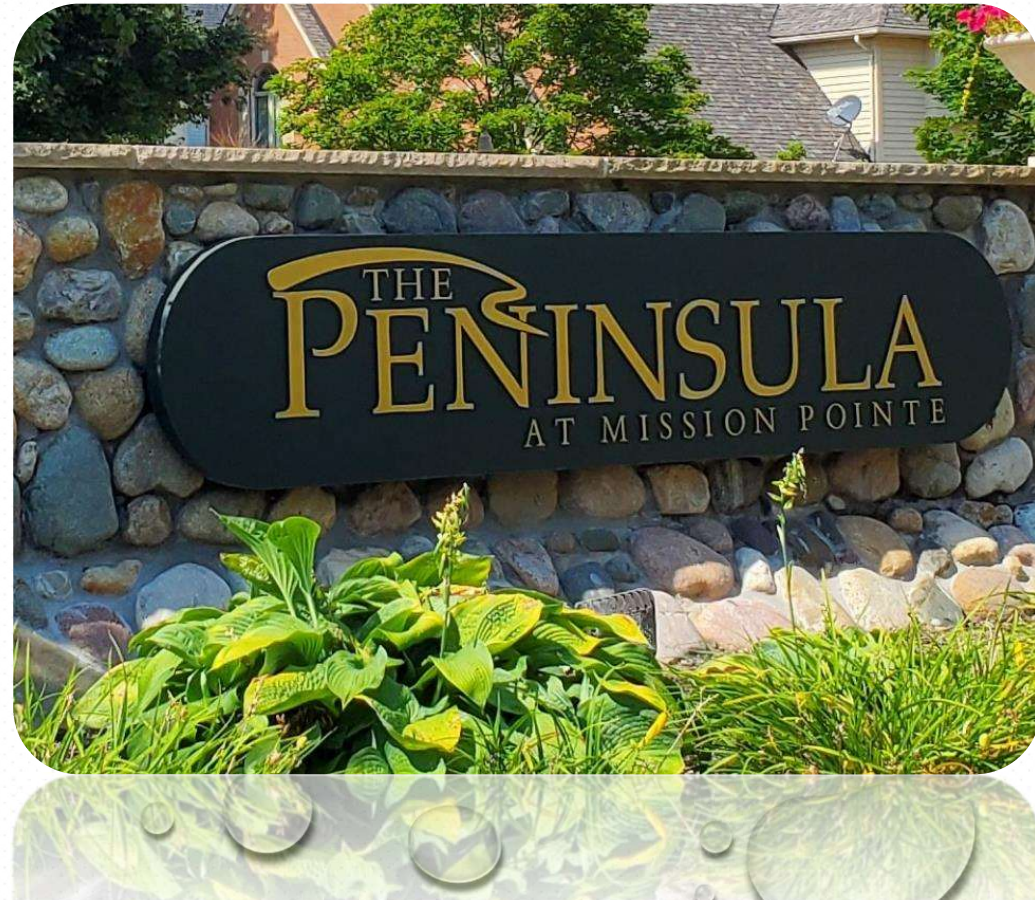


DATE	10/15/2014	PROJECT	SLUMP NATURAL WATERCOURSE
DRAWN BY	J. J. JONES	SCALE	AS SHOWN
CHECKED BY	J. J. JONES	SHEET NO.	04
APPROVED BY	J. J. JONES	DATE	10/15/2014
ADAMSVILLE EDWARDSVILLE WILSON COURSE MONROVIA			
SLUMP NATURAL WATERCOURSE SITE LOCATION MAP			
J. J. JONES & ASSOCIATES, INC. 1000 WILSON COURT, SUITE 100 ADAMSVILLE, MISSOURI 64001 PH: 816.433.1111 FAX: 816.433.1112 WWW.JJJA.COM			

Operating Priority Projects

Project Description	Status
Repainted Entrance Signs	Completed
Boulevard Island Mulch Reduction – Final Phase	Completed
Urns & Flowering Perennials	Completed
Replace Dead Trees & Shrubs	Limited Replacement

Entrance Signs Repainted



Boulevard Island Mulch Reduction



Urns & Flowering Perennials



2023 Major Priority Projects

Carried over

- 6 Mile Fencing Straightening
- Stormwater System Inspection & Cleaning
- Gazebo Roofs (2) – Replace Cedar Shingles

Planned

- Stonewater Creek Erosion Remediation – Phase II
- Lake Fountain Shore Power Panel Replacements (4)
- Lake Irrigation Pumps and Motors (3), and Shore Power Panels (2)
- Mystic/Heather Lake Makeup Well Pump Power Panel; 6 Mile Irrigation Well Pump
- Steel Bridges (Bayshore Park & 6 Mile Road) Replace Wood Decking

Treasurer's Report



Kurt Westermann



Treasurer's Report

- Financial Reporting Issues
 - Current Financial Results
 - 2023 Annual Budget
 - Long-term Financial Plan
- 

Financial Reporting Issues



Current Year Forecasted Results

STATEMENT OF REVENUE AND EXPENSES			
	2022F	2021	Variance
INCOME	683,864	619,890	63,974
OPERATING EXPENSES	464,165	334,256	129,909
Operating Cash Flow	219,699	285,634	(65,935)
Transfers to/from Reserve	340,000	165,000	175,000
CASH FROM OPERATIONS	(120,301)	120,634	(240,935)
CHANGES IN RESERVE FUND			
	2022F	2021	Variance
Reserve Fund - Beginning Balance	(89,311)	(133,367)	44,056
Interest on reserve	300	530	(230)
Transfers In	340,000	165,000	175,000
Total Reserve Funds Available	250,989	32,163	218,826
Less: Reserve Expenses	(264,022)	(121,474)	(142,547)
Reserve Fund - Ending Balance	(13,033)	(89,311)	76,278
CASH TO(FROM) RESERVES	76,278	44,056	32,222
LOAN BALANCE	301,817	337,192	
NET RESERVE ASSETS (CASH)	288,784	247,881	

- Operating Expenses are forecasted to increase 39% due to 2021 projects deferred to 2022, and inflation.
- The excess 2021 Cash from Operations for deferred projects was transferred to the Reserve Fund in 2022.
- Reserve Expenses are driven mainly by the Stonewater Creek Erosion Remediation Project, deferral of 2021 projects, and project inflation costs.
- The Reserve Fund Assets are expected to be above the \$200,000 safety margin.

Impact of Inflation

Services Contract	Effective Date	Increase	Comments
Landscape Maintenance	3/15/2022 - 12/31/2024	20%	Largest Association services contract. Installing urns with annual flowers reduced the actual increase from 29% to 20%.
Irrigation System	4/25/2022 - 12/31/2023	95%	The fixed fee cost to commission and winterize our irrigation system nearly doubled from \$5,150 to \$10,060. Unit cost for common repairs increased 25-30%. There may be additional increases in repair costs in 2023. The contractor will be submitting updated unit pricing for repairs in February 2023.
Lake Treatment	4/1/2020 - 12/31/2022	7%	Estimated a 15% increase.
Lake Fountain Maintenance	5/1/2020 - 4/30/2023	7%	Estimated a 15% increase.
Holiday Decorations	Out for Bid	7%	Cost increased 30% last year.
Snow Removal & Deicing	11/1/2020 - 4/15/2023	7%	Increase subject to pre-season bulk purchase price per ton of salt, if it increases 10% or more. A new contract will be awarded for November-December 2023, so actual cost are unknown at this time.
Water Falls & Ponds Maintenance	4/1/2022 - 12/31/2025	0%	Negotiated 0% increase to extended contract (previously bid) for another three years
Property Management Agreement	11/1/2020 - 11/1/2023	3%	11/1/2023 - 11/1/2024 cost increase is limited to actual Consumer Price Index, with a cap of 3%.
Electricity - DTE		9%	Requested increase for 2023
Water - Northville Township		6%	Requested increase for 2023
		16%	Average Inflation Rate on 75% of Operating Budget



2023 Annual Assessment

- 16% Inflation on 75% of operating expenses = \$66K
- 2023 Annual Assessment = \$1,750 (~9.6% increase over 2022)

2022 Comparison to Nearby Communities

Northville Hills Golf Club \$1,750

Maybury Park Estates \$1,700

Bellagio \$3,500



2023 Annual Budget

Statement of Revenue and Expenses

Income		<u>% Income</u>	<u>Per Lot</u>
Total Income	744,300	100%	1,755
Operating Expenses			
General & Administrative	80,750	11%	190
Utilities	64,950	9%	153
Grounds Maintenance / Landscaping	192,260	26%	453
Infrastructure Maintenance	<u>213,353</u>	<u>29%</u>	<u>503</u>
Total Operating Expenses	<u>551,313</u>	<u>74%</u>	<u>1,300</u>
Operating Cash Flow	192,987	26%	455
Total Transfers to Reserve	<u>190,000</u>	<u>26%</u>	<u>448</u>
Cash from Operations	<u>2,987</u>	<u>0%</u>	<u>7</u>
Reserve Income / Transfers			
Total Reserve Income / Transfers	190,400		
Total Reserve Expenses	<u>188,415</u>		
Cash to/(from) Reserves	<u>1,985</u>		
Reserve Assets	<u>247,975</u>		
Loan Balance	<u>259,023</u>		

- Revenues increased to offset inflation and cost increases in our services contracts.
- Operating Expenses are higher due to inflation and deferred 2022 maintenance projects.
- Reserve fund transfers of \$190,000 include funding for loan payments and Capital Replacement Projects.
- The Reserve Fund Asset balance will be above the \$200,000 safety margin.

Long Term Financial Plan

The Board has established the following strategic goals in conjunction with our long-term financial plan:

- **Fiscal Responsibility** - Make sure we get what we pay for and pay for only what we need. Ensure contractors provide quality and service befitting a luxury home community at a fair price.
- **Problem Resolution** - Resolve systemic issues by defining the root cause first. Studying the issue before spending.
- **Project Prioritization** – The Board shall allocate resources in alignment with Association’s vision and goals.
- **Accelerate Debt Repayment** - Excess Funds, if available, will be applied to outstanding loan principle. Once repaid, Annual Assessment will be reduced by the cost of the loan payments (\$120/Member/Year).

Long Term Financial Plan

	2021 Actual	2022 Forecast	2023 Budget	2024 Plan	2025 Plan
Revenues	619,890	683,864	744,300	743,800	743,800
Operating Expenses	334,256	464,165	551,313	572,213	561,813
Net Revenue after Oper. Exp.	285,634	219,699	192,987	171,587	181,987
Less: Transfers to Reserve Fund	(165,000)	(340,000)	(190,000)	(175,000)	(180,000)
Net Cash From Operations	120,634	(120,301)	2,987	(3,413)	1,987
OPERATING FUND	196,639	76,338	79,325	75,912	77,899
<i>Percent of Annual Assessment</i>	32%	11%	11%	10%	10%
RESERVE ASSETS	247,881	288,784	247,975	223,645	242,274
TARGET/MINIMUM ENDING BALANCE	212,000	250,085	242,145	212,242	238,608
VARIANCE TO TARGET	35,881	38,699	5,830	11,403	3,666

Reminders



- Annual Assessments are due January 1st.
- Annual assessment invoices should be received by **November 15th.**
- Contact KTM if not received by **December 1st.**

ACC Approval Process- VP James Gray

- Requests need to be filed when you are making structural changes to the outside appearance of your home. This includes changes to your landscaping or façade of the structure. If you are changing like for like (same color paint, same bush/tree type), there is no requirement to file. Requests can be file via email or TownSq app.
- Where to find documents: go to <https://stonewatersub.org/>: click Documents/Links: click Stonewater Documents: double click Modification Request Form & Checklists
<https://drive.google.com/drive/folders/0B3uONfbiY7vzM0MzLXV5RGNVYk0?resourcekey=0-oTmYh5x80dnSmxjJJO9u3A>
- 26 requests received
- 15 received and reviewed without sending back to homeowner for clarification
- 1 awaiting homeowner feedback or clarification
- 24 approved
- Main Reasons for sending back
 - **Not following checklists/CCR requirements (60%)**
 - **Not attaching all required checklists (50%)**
 - Not including material details & color
 - Not notifying EGLE when modifying shoreline or Creekside
 - Not overlaying layouts on lot survey (downloadable from Township)
- Builder construction/landscaping deposits
 - Reasons for not being returned
 - Not following approved plans

Where to find documents

<https://stonewatersub.org/> click Documents/Links, click Stonewater Documents, double click Modification Request Form & Checklists

<https://drive.google.com/drive/folders/0B3uONfbiY7vzMOMzLXV5RGNVYk0?resourcekey=0-oTmYh5x80dnSmxjJJO9u3A>

The screenshot shows a Google Drive interface. At the top, there's a search bar and navigation icons. Below that, the breadcrumb path is "Shared with me > Stonewater Documents > Modification Request Form & Checklists". The main area is divided into "Folders" and "Files".

Folders:

- Covenants, Conditions, & R...

Files:

- ACC Deck or Patio Checklis...
- ACC Shoreline or Dock Che...
- ACC Pool Checklist Final.pdf
- ACC Modification Request ...
- ACC Landscaping Checklist...
- Basketball Hoop & Playsca...
- New Construction checklist...
- Stonewater 2016 Amended ...

Each file icon includes a PDF symbol and a redacted title. The interface also shows a storage bar at the bottom left indicating "22.48 GB of 100 GB used" and a "Buy storage" button.

Where to File

TownSq App

Email: Russell Rodriguez RRodriguez@kramertriad.com

The screenshot displays the TownSq app interface, which is offered by Associa Kramer-Triad Management Group. The interface is divided into three main sections: a left sidebar, a central content area, and a right sidebar.

Left Sidebar (Navigation):

- Community
 - Home
 - Groups
 - Residents
- Communication
 - Messages
 - News & Events
 - Surveys
 - Requests** (circled in red)
- Lobby
 - Access Control
- Tools
 - Documents
- Administration
 - Assignments
 - Units
 - Reports
 - Settings

Central Content Area (Request Details):

My Community

NEWS & EVENTS • 09/23/2022

A new announcement has been added.

Stonewater HOA - 2022 Annual Meeting Election
09/23/2022

[Read more](#)

DOCUMENTS • 09/23/2022

A new document has been added.

2022-09-22 eligibility of Jay Shah for 2022 BOD election - Stonewater HOA.pdf
49.82 KB

DOCUMENTS • 09/20/2022

A new document has been added.

(Financial Report Package) Standard Financial Package-2022-1-Stonewater Homeowners Assoc.pdf
N/A

DOCUMENTS • 09/20/2022

A new document has been added.

(Financial Report Package) Standard Financial Package-2022-2-Stonewater Homeowners Assoc.pdf
N/A

Request Details:

09/28/2022 02:57 PM

Replacing existing pool with larger size

Hello there. I am planning to replace existing 12X24 FT pool with 16X36 pool and using Existing fence around it, new retaining wall, patio/paving around the pool area. Please find attached documents for your review. Thanks

Attachments:

- County Materials Submittal 09-19-2022.pdf
- Residence Drawing 09-19-2022.pdf
- Residence Materials Qty and Materials List 09-19-2022.pdf
- Pool Drawing.pdf
- POOL modification request 2022-09-28.pdf
- Pool Picture and Specs.pdf

COMMENTS

No comments

Right Sidebar (User and Status):

James Gray
Stonewater Homeowners Assoc

CREATED BY

STATUS

Open

[Change to In progress](#)

CURRENT CATEGORY

Architectural Application

[Change category](#)

ASSIGNED

[Attach assignee](#)

Last seen by management • 30 minutes ago

Candidate Introductions

- VOTE HOA now poll is open for voting through midnight tonight 9/29/2022
- James Evangelista
- Scott Frush
- Dragan Mijolevic
- Kurt Westermann

Community Forum- Q&A

- Kramer Triad is Represented by Ms. Rachel DeTar
- Open to members to come up and ask questions at the lectern

VOTE·HOA·NOW

Final voting report for Stonewater

September 30, 2022

2022 Annual Meeting Directors Election

Votes Received
135

Imported Accounts
408

Percent Voted
33.09%

Candidate	Votes	Paper Ballot Votes (2 received)	Total Votes Received
Jim Evangelista	87	2	89
Kurt Westermann	85	1	86
Scott Frush	83		83
Dragan Miliojevic	73	1	74
Quorum Only	16		



Vote HOA Now hereby certifies that the above and attached reports are an accurate copy of the results from the voting database.

Vote verified by

Tiffany Wallace

A large, stylized handwritten signature in black ink.

Ann Aniakudo
Secretary



August 11, 2022

Stonewater Homeowners Association

Recently there have been some complaints about the current status of Heather Pond. PLM Lake & Land Management Corp has identified a form of algae called Oscillatoria. Oscillatoria is a benthic alga, which means it grows on the bottom and it produces gases, which force it to release to the surface. It usually begins its growth in mid-summer and is predominant in the late summer/early fall. Weather conditions this summer have been ideal for Oscillatoria growth in some waterbodies. This alga tends to thrive in an area where there is a lack of plant diversity, therefore promoting a diversity of beneficial aquatic plants is a good technique to help prevent its growth in the future. Oscillatoria's double cell wall makes it tolerant to traditional algaecides and control is usually difficult. In addition, Oscillatoria spreads by fragmentation making it even more difficult to manage. Often the best management for Oscillatoria is allowing other plants and algae to compete to help reduce Oscillatoria's ability to spread. With cooler temperatures forecasted there should be relief here in the coming weeks. PLM will continue to monitor and manage the Oscillatoria with Oxidizing agents and chelated copper treatments at lower rates to allow other plants/algae to thrive.

Thank you,

A handwritten signature in black ink, appearing to read 'James Scherer'.

James Scherer
Regional Manager
PLM Lake & Land Management Corp.