

STONEWATER HOMEOWNER'S ASSOCIATION
ANNUAL MEETING

September 15, 2026
Zoom Webinar Meeting

Call to Order

President Westermann called the meeting to order at 7:02 p.m.

Roll Call

Directors - Jim Evangelista, Anindya Roy, Kurt Westermann, John Tatge, Joanna McGuckin

Management Company: JC Palmer, Jennifer Krause, Vicki Strong

Homeowners Present

Chris Petersen - 18350 Clairmont Circle East
Phil Collareno - 17850 Mission Pointe
James Gray - 18042 Devonshire Court
Ahmed Falouji - 18226 Parkshore Drive
Rob Canzano - 48077 Four Seasons Boulevard
Jennifer Bobin - 17376 Parkshore Drive
Ronna McDaniel - 18601 Marblehead Drive
Zana Gafor - 18328 Clairmont Circle East
Jason Holcomb - 48658 Stoneridge Drive
Olivia Maddy – 18028 Peninsula Way
Fran & John Hobbs - 48190 Four Seasons Boulevard
Milan & Rachel Gandhi - 18679 Clairmont Circle
Chris Clayson - 48245 Four Seasons Boulevard
Karen Haran - 18714 Clairmont Circle
Belal Majed – 18394 Clairmont Circle East
Zaher Srour – 48240 Binghampton Court
Merrilee Nay – 18573 Steep Hollow Court
Andy Vassallo 18633 Steep Hollow Court
Imad Tinawi - 17922 Ridgeview Drive

Meeting Notice

The meeting notice was issued to homeowners on August 21, 2026, which is at least twenty (20) calendar days prior to the meeting, as required in Stonewater's By-Laws.

Determination of Quorum

President Westermann asked the Election Secretary (MGMC's Jennifer Krause) if the membership threshold for quorum (25% of eligible members) had cast votes with the Association's Third-Party Administrator for electronic voting (Vote HOA Now), so the Association could conduct the Annual Meeting. Jennifer confirmed 37% of the eligible members had voted and quorum was met.

Agenda

- BOARD OF DIRECTORS ELECTION
- PRESIDENT'S REPORT – STATE OF THE COMMUNITY
- ARCHITECTURAL CONTROL COMMITTEE UPDATE
- TREASURER'S REPORT – FINANCIAL UPDATE
- COMMUNITY FORUM

Board of Directors Election

Each of the following candidates were given 2-3 minutes to introduce themselves.

- Jim Evangelista
- Karen Haran
- Belal Majed
- Zaher Srour
- Kurt Westermann

President Westermann said the polls will close this evening at 11:59 p.m. Vote HOA Now will deliver the results to the Election Secretary, Jennifer Krause tomorrow. The management company will email the results to all homeowners with an email account on file. The Vote HOA Now Report will also be included in the meeting minutes and posted on Stonewater's website.

Presidents Report

President Westermann presented the following:

- State of the Community
- Vision For Stonewater Living
- Maintenance and Reserve Projects

See the attached PowerPoint presentation for further detail.

Treasurers Report

Treasurer Westermann presented the following:

- Prior Year Audit
- Current Financial Results
- Next Year's Budget
- Long-Term Financial Plan

See the attached PowerPoint presentation for further detail.

Community Forum:

- **Chris Petersen** – 1. Nice to hear we have sixteen members attending the meeting this evening, and reminded everyone about the monthly meetings. 2. Many boxwood shrubs have died in the community. Be aware boxwoods need to be treated 2-3 times/year to keep this under control. 3. He thanked the Board for their hard work and keeping Stonewater as a premier luxury lakefront community in southeast Michigan.
- **Ahmed Falouji** – Thanked the Board for the presentation and said it was very informative. Wanted to raise an objection about why he was not allowed to vote. He understood that as long as his fine was paid, he should be allowed to vote. He contacted the management company (MGMC), and was only told he wasn't eligible. Mr. Falouji was told MGMC would call him after the meeting and provide an explanation. (On July 20, 2026, Mr. Falouji was advised by MGMC he needed to pay his account balance by August 17, 2026 to regain his voting eligibility and Mr. Falouji paid his account balance on September 3, 2026. Since his balance was paid by September 15, 2026, and the August 17, 2026 cut off was for electronic voting, Mr. Falouji was given a paper ballot to cast his vote, which was counted in the final vote tally.)
- **Jennifer Bobin** – Appreciated hearing about the vision for the community and the focused community wide property inspections to support having a well-maintained community. She would like to see better communications directly with individual homeowners who may be impacted by Association activities. She said Wayne County installed a new fire lane sign near the road in her front yard; and a 40–50-foot pine tree behind her (in the Common Area), that came down in the last storm was removed, without any prior notice. The day before, a contractor was taking down the tree in the Common Area while she was out on her back deck. She felt that the tree could have easily fallen toward her, or her home. Stating that this was not a tree that was previously identified by the Association to be removed, but appreciated it was quickly taken care of. Now there is a gaping hole where the tree was, and

wanted to know how this would be remediated. (The pine tree that fell from the storm is shown in the attached PowerPoint presentation (see Slide #17). The management company commented that the installation of the fire lane signage has been discussed at every monthly meeting for over two years, and the location of the fire lane signs were specified by the Northville Township Fire Marshal. The management company, to the best of their ability, will try to let homeowners know in advance when Wayne County is planning to install new signage. However, it is difficult to get reliable installation dates from Wayne County. President Westermann commented that the priority was to remove the fallen trees from the storm. (The tree trunk broke off approximately 6 foot above grade, and the remainder of the tree fell away from the homeowner's property, toward six-mile road, damaging the Association's split rail fence. When the contractor cut off the remainder of the tree trunk at ground level, there was no risk of the base of the tree falling into the homeowner's property.) The Association will evaluate this situation for future tree restoration.

- **Zaher Srour** – He agreed with Ahmed Falouji's concern about his right to vote, and said he also had to pay a fine and monthly collection fees, in order to vote. He said the \$200 increase in the annual assessment is an 11% increase, and is the most expensive Association dues in the area. This increase has happened several years in a row, whereas the Association dues were \$400-\$600. He said it's not sustainable to have a 10% increase in dues every year, and the Board, has to get 2/3 of the community to approve any dues increase above 10%. President Westermann commented that the increase was not 11%, it was 10%. The Association dues increased 4% in 2026, 10% in 2025, and 0% in 2024. Our 2027 dues will be the same as Northville Hills Golf HOA are this year (2026), and noted they have ~50% more homes than Stonewater (to share the cost). Northville Hills golf course is a public course and is not operated by the Association. As you heard earlier, Stonewater has significantly more infrastructure and amenities to maintain. The management company also stated Northville Hills Golf HOA is doing \$1.5M in renovations, funded by a special assessment (in addition to their annual dues). Since 2020, there have been double digit increases in the cost of labor and materials. (Nominal wages have risen up to 38% since 2021, and most of our contractor's costs are for labor. 20 years ago, the 2007 Annual Assessment was \$960, the key drivers of our inflation are labor, fuel, and utility rates; and cost increases are compounded by our aging infrastructure and inflation on major repairs and replacements. Past and current leadership have implemented a number of cost saving measures over the years, which is why our members pay less than similar Associations. Please review past Annual Meeting Minutes for more information.)

- **Merrilee Nay** – Concerned about communications lately, it has been contentious, and seems like it is us versus you. We can't find answers anywhere. I have two questions. What approximate time can we expect the election results tomorrow? How long do we have a contract with Metro Management? Who assigned Metro Management? Do our fees and dues pay Metro Management? If so, then does Metro Management work for our homeowners, or do they just work for themselves and the Board. We really want to make sure you are working for us. (Three years ago, the Association competitively bid the management company agreement and it was awarded to Metro Group Management Corporation. If the management company is nonresponsive to your questions, you can address the Board during the community forum at the start of each monthly Board meeting. The Association's website also contains a significant amount of information as well.)
- **Imad Tinawi** – Agrees with what Ahmed Falouji said, as long as we paid our dues, you can't deny us from voting. (Bylaws Article II Definitions A) "Active Member is a Member of the Association who is in good standing, **having paid any and all Assessments, fines or fees levied by the Association, and has full Membership and voting rights.**")

The homeowner made several comments about the management company, regarding outstanding unapproved modifications made to his property. The management company responded that there are numerous inaccuracies in the statements made, and since these are personal issues and a legal matter, the Association declined to comment.

- **James Gray** – If someone is just repainting their house the same color, they do not need to get ACC prior approval. One of his sidewalk sections recently heaved, and asked if the Association was going to get a company next Spring, that all homeowners could use to help lower the cost. The management company said that it would depend on if it was in conjunction with repairing Common Area sidewalks.

Meeting Adjournment:

Meeting was adjourned at 8:37 p.m. - President Westermann

Attachments:

2026 Stonewater Annual Meeting Presentation
Vote HOA Now Election Report

The background is a light blue gradient with several realistic water droplets of various sizes scattered across the surface. The droplets have highlights and shadows, giving them a three-dimensional appearance.

STONEWATER HOA: ANNUAL MEETING

SEPTEMBER 15, 2026

The background of the slide is a light blue gradient. It is decorated with several realistic water droplets of various sizes, some with highlights and shadows, giving them a 3D appearance. The droplets are scattered across the slide, with a cluster in the top left, a few in the top right, and a larger group in the bottom right corner.

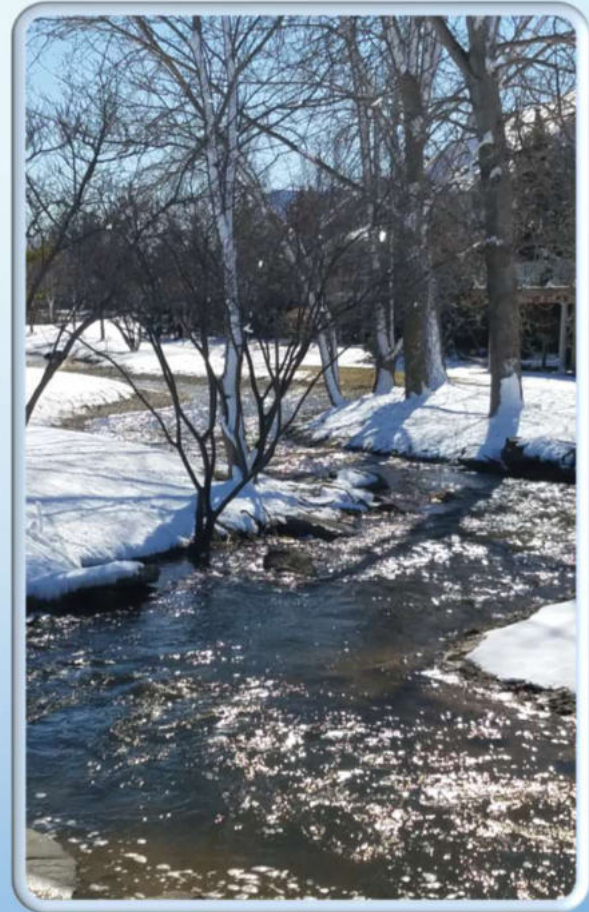
ANNUAL MEETING AGENDA

- CONFIRM QUORUM TO OPEN MEETING
- BOARD OF DIRECTORS ELECTION
- PRESIDENT'S REPORT – STATE OF THE COMMUNITY
- ARCHITECTURAL CONTROL COMMITTEE UPDATE
- TREASURER'S REPORT – FINANCIAL UPDATE
- COMMUNITY FORUM

BOARD OF DIRECTORS ELECTION

- **Candidate Statements**

- Jim Evangelista
- Karen Haran
- Belal Majed
- Zaher Srou
- Kurt Westermann



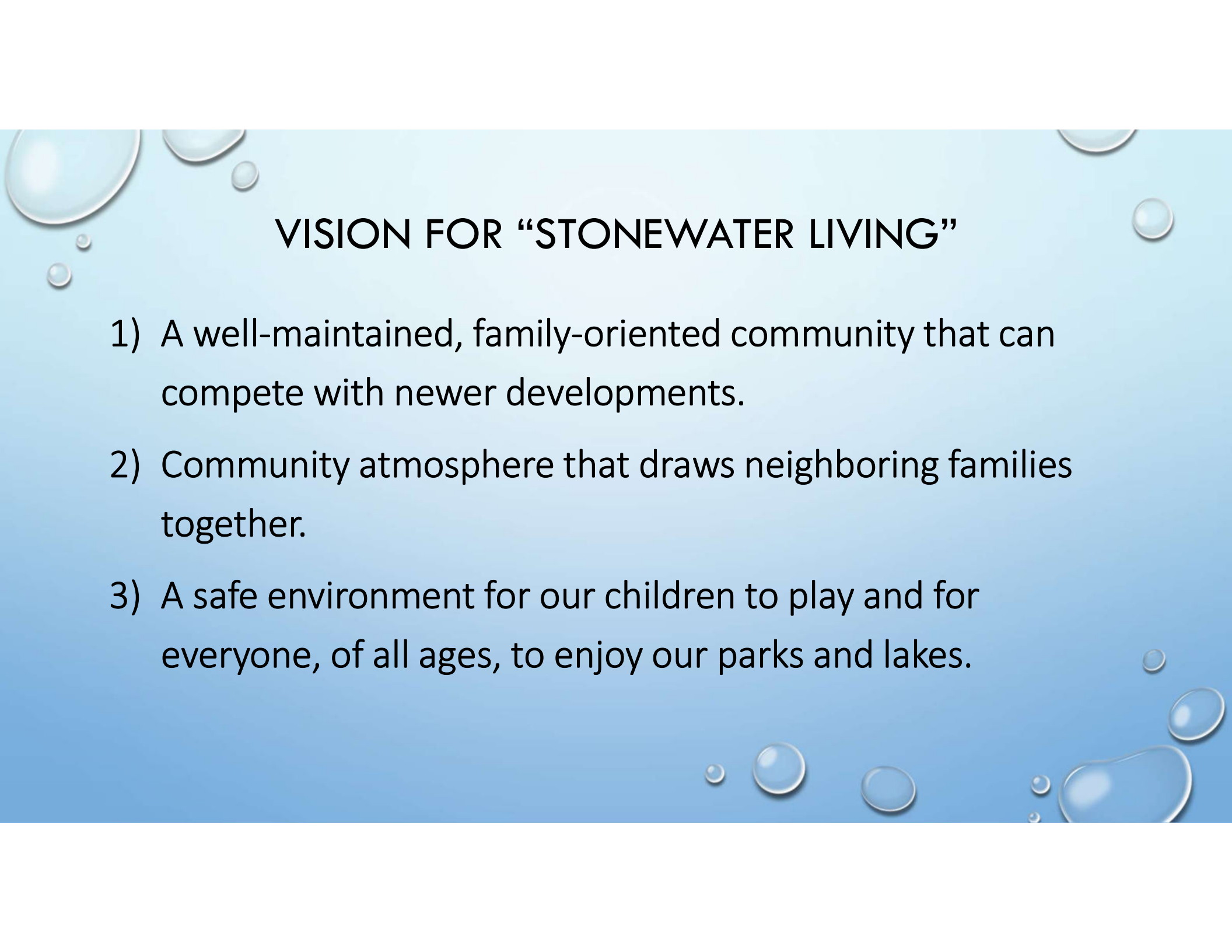
ELECTION RESULTS

- Board elections are performed by a third-party administrator (TPA), Vote HOA Now.
- **Voting will close at 11:59 pm.**
- The election results will be forwarded to the Election Secretary, Jennifer Krause (MGMC), and then MGMC will email the results to all homeowners with an email account on file.
- The new term begins on October 20, 2026, at the open Board meeting.
- The Vote HOA Now Report will also be attached to the meeting minutes and posted on our website: stonewatersub.org.



STATE OF THE COMMUNITY

PRESIDENT, KURT WESTERMANN

The background of the slide is a light blue gradient. It is decorated with several realistic water bubbles of various sizes, some with highlights and shadows, giving them a 3D appearance. The bubbles are scattered across the slide, with a higher concentration in the top-left and bottom-right corners.

VISION FOR “STONEWATER LIVING”

- 1) A well-maintained, family-oriented community that can compete with newer developments.
- 2) Community atmosphere that draws neighboring families together.
- 3) A safe environment for our children to play and for everyone, of all ages, to enjoy our parks and lakes.

The background of the slide is a light blue gradient. It is decorated with several realistic water droplets of various sizes. Some droplets are in the top left corner, some are in the top right, and a cluster of larger droplets is in the bottom right corner. The droplets have highlights and shadows, giving them a three-dimensional appearance.

WELL-MAINTAINED COMMUNITY

- FOCUSED COMMUNITY-WIDE PROPERTY INSPECTIONS
 - SAFETY (SIDEWALKS AND STREET TREE PRUNING)
 - CURB APPEAL (MAILBOXES AND LANDSCAPING MAINTENANCE)
 - LAKE FRONT SHORELINE MAINTENANCE
 - MECHANICAL EQUIPMENT EVERGREEN SCREENING AND MINIMUM TREE REQUIREMENTS
- NEWSLETTERS - COMMUNITY REMINDERS

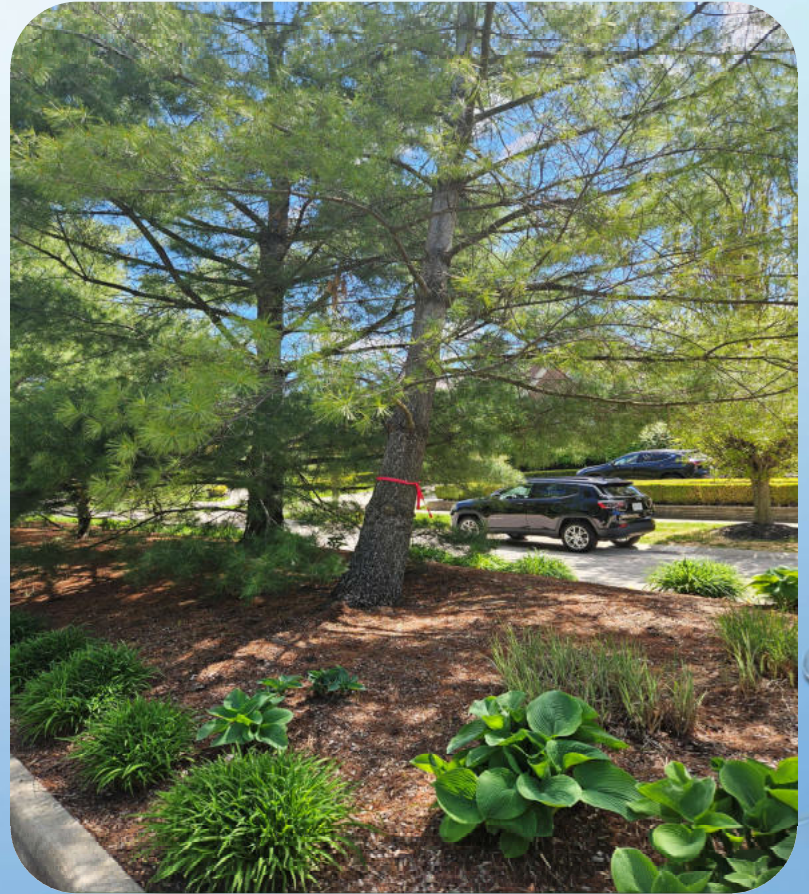


PROJECTS UPDATE – WHAT'S UP, WHAT'S NEW!

PENINSULA PARK PINE & SPRUCE TREE REMOVAL



HIGH RISK LEANING TREES REMOVED



PENINSULA PARK NEW TREES PLANTED



MISSION POINTE BLVD ISLAND NEW TREE PLANTED



MYSTIC COVE ENTRANCE TREE (1) REMOVED



SANDSTONE PARK CORKSCREW WILLOWS



SANDSTONE PARK TREES (5) REMOVED



MYSTIC SHORES PARK NORTH



6 MILE ROAD – SHEFFIELD ENTRANCE



STONEWATER BLVD ISLAND YEW SHRUB REMOVAL



STONEWATER BLVD ISLAND SHRUBS REMOVED



LAKE FOUNTAINS SHORE PANEL REPLACEMENT



LAKE IRRIGATION PUMPS WITH NO ENCLOSURES



LAKE IRRIGATION PUMP WITH ENCLOSURES



LAKE IRRIGATION PUMP NEW ENCLOSURES



LAKE IRRIGATION PUMP NEW ENCLOSURES



LAKE IRRIGATION PUMP NEW ENCLOSURES



PEDESTRIAN PATH IMPROVEMENT



SHOREBROOK PARK PEDESTRIAN PATH IMPROVEMENT FINAL PHASE



SHOREBROOK PARK PEDESTRIAN PATH IMPROVEMENT FINAL PHASE



SHOREBROOK PARK PEDESTRIAN PATH IMPROVEMENT FINAL PHASE



SHOREBROOK PARK PEDESTRIAN BRIDGE REPLACEMENT



SHOREBROOK PARK PEDESTRIAN BRIDGE REPLACEMENT



6-MILE ROAD PEDESTRIAN BRIDGE AREA



STORM SEWER INSPECTION & CLEANING



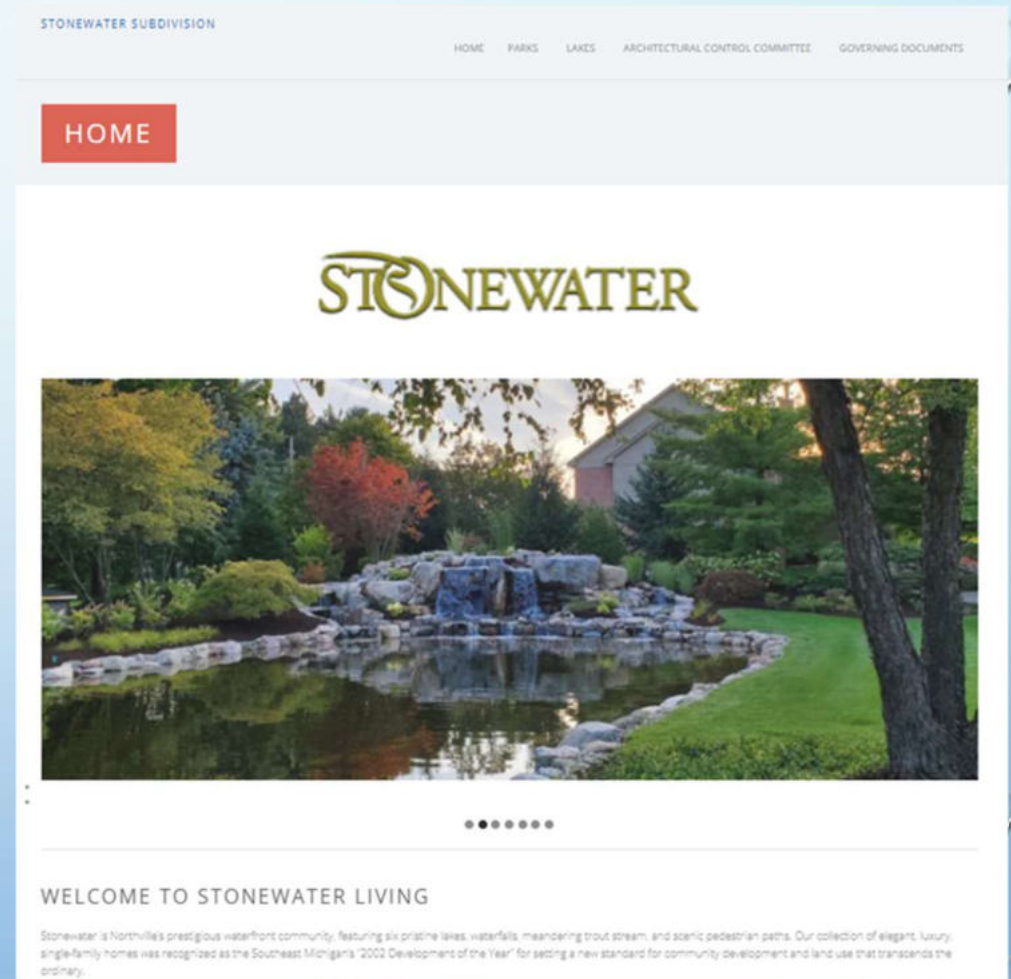
2027 MAJOR PRIORITY PROJECTS

- ROADWAY LIGHTING, STREET & FIRE LANE SIGN REPLACEMENT – PHASE 1
- RAISE SIX MANHOLE COVERS AND REPAIR LEACH BASIN HW4 PIPE NEAR MISSION POINTE
- CLEAN & RESEAL STONE MONUMENT WALLS
- TREE & SHRUB REPLACEMENT
- REPLACE PARK ENTRANCE SIGNS
- DOG WASTE STATION REPLACEMENTS – PHASE I
- LAKE IRRIGATION PUMP CONTROL PANEL, PUMP/MOTOR REPLACEMENTS
- INSPECT LAKE EQUALIZATION CULVERTS
- MYSTIC/HEATHER LAKE MAKEUP WELL PUMP REPLACEMENT

STONEWATER WEBSITE

Stonewater HOA website stonewatersub.org is your go to for most HOA information:

- Meeting information and how to contact the property manager.
- Parks, walking trail maps and how to find a dog waste station.
- Lakes information from access to the private beach and boat launches, to managing your shoreline. Even what you need to know about our 100-Year Flood Elevation Restrictions.
- One stop for everything ACC MR, Checklists, Guidance, etc.
- Governing documents – All homeowners should be aware of the Association restrictions.



ARCHITECTURAL CONTROL COMMITTEE SEPTEMBER UPDATE

- **61 ACTIVE** ACC FILES; APPROXIMATELY 25 LOTS (6% OF HOMEOWNERS) INVOLVE REMEDIATION OF NONCOMPLIANCE ISSUES.

PRIMARY VOLUME DRIVER: REMEDIATION OF NONCOMPLIANCE ISSUES.

- **10 FINAL APPROVALS SINCE LAST MEETING;** 57 YEAR-TO-DATE.

Why ACC Preapproval Matters

Key message: Obtain written ACC approval before investing in or beginning exterior work.

Purpose of ACC Review

- Reviews exterior changes for compliance with governing documents and aesthetic standards – legally bound to follow.
- Checklists assist homeowners in proposing compliant projects.
- Denied requests include a reason and may be revised and resubmitted.

Easements & Agreements

- Helps identify potential conflicts with utility easements and governmental agreements.
- References include Northville Township and Michigan EGLE requirements.

Protecting Property Values

- Helps preserve property values by limiting unregulated exterior changes.
- Maintains a consistent community appearance.
- Supports fair and consistent enforcement.
- Reduce conflict between neighbors.

Common Issues

- Exterior work is sometimes completed without prior ACC approval.
- Examples include landscaping, trees, windows, roofing, colors, pools, and structures.
 - Some completed projects cannot be approved as installed.

Homeowner Responsibilities & Approval Process

1. Prepare the Request

- Review the ACC web page.
<https://stonewatersub.org/architectural-control-committee/>
- Complete and sign the Modification Request Form.
- Include the applicable checklist and all supporting documentation.

2. Secure Approval

- Submit a complete package and respond promptly to feedback.
- The homeowner is responsible for submitting and receiving approval.
- Obtain approval before contracts, permits, or project implementation.

3. Work With Contractors

- Contractors may help prepare application documentation.
- Provide the relevant checklist before the proposal is developed.
- Contractor assistance does not transfer homeowner responsibility.

If Work Proceeds Without Preapproval

- The Association may issue a stop-work order and/or fines.
- The homeowner may be required to alter or remove the modification at personal expense.
- The Association may take legal action to compel compliance.

*Start with the ACC information page and submit questions through the **MGMC** before project planning advances. All requests **must include the MGMC** by mail or e-mail.*



TREASURER'S REPORT

KURT WESTERMANN

The background of the slide is a light blue gradient. It is decorated with several realistic water droplets of various sizes, some with highlights and shadows, giving them a 3D appearance. The droplets are scattered across the top and bottom edges of the slide.

TREASURER'S REPORT

- PRIOR YEAR AUDIT
- CURRENT FINANCIAL RESULTS
- NEXT YEAR'S BUDGET
- LONG-TERM FINANCIAL PLAN

2025 AUDIT REPORT

2025 Audit Report was emailed to homeowners at the end of July. If you do not have an email account on file, you can request a hard copy from MGMC.

The auditors found our financial statements were presented fairly and in accordance with GAAP and there was no material changes from the unaudited statements prepared by MGMC.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Stonewater Homeowners Association as of December 31, 2025 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

CURRENT YEAR FORECASTED RESULTS

STATEMENT OF REVENUE AND EXPENSES			
	2026 F	2025 A	Variance
INCOME	869,909	852,043	17,866
EXPENSES			
General & Administrative	159,044	142,553	16,491
Grounds Maintenance / Landscaping	265,112	232,860	32,252
Infrastructure Maintenance	96,831	144,175	(47,344)
Utilities	61,229	58,208	3,021
TOTAL EXPENSES	582,216	577,795	4,420
Operating Cash Flow	287,694	274,248	13,446
Transfers to/from Reserve	306,000	257,000	49,000
CASH FROM OPERATIONS	(18,307)	17,248	(35,554)
CHANGES IN RESERVE FUND			
	2026 F	2025 A	Variance
Reserve Fund - Beginning Balance	104,591	(7,366)	111,957
Interest on reserve	5,447	5,718	(270)
Transfers In	306,000	257,000	49,000
Total Reserve Funds Available	416,039	255,352	160,687
Less: Reserve Expenses	(153,514)	(150,761)	(2,753)
Reserve Fund - Ending Balance	262,525	104,591	157,933
CASH TO(FROM) RESERVES	157,933	111,957	45,976
LOAN BALANCE	125,955	172,881	
NET RESERVE ASSETS (CASH)	388,480	277,472	

- In 2026, the annual assessment increase helped offset increased costs due to inflation.
- While operating expenses in 2026 are only forecasted to increase 1%, this is due to the deferral of some infrastructure projects until 2027.
- Reserve Fund minimum balance is invested in CD's; interest rates cause viability.
- Contributions determined by the 2024 Reserve Study which will be updated in 2027.

2027 ANNUAL BUDGET

Statement of Revenue and Expenses

Income		% Income	Per Lot
Total Income	939,300	100%	2,215
Operating Expenses			
General & Administrative	140,575	15%	332
Grounds Maintenance / Landscaping	307,866	33%	726
Infrastructure Maintenance	171,912	18%	405
Utilities	65,000	7%	153
Total Operating Expenses	685,353	73%	1,463
Operating Cash Flow	253,947	27%	599
Total Transfers to Reserve	306,000	33%	722
Cash from Operations	(52,053)	-6%	(123)
Reserve Income / Transfers			
Total Reserve Income / Transfers	309,300		
Total Reserve Expenses	254,650		
Cash to/(from) Reserves	54,650		
Reserve Assets	393,070		
Loan Balance	75,894		

- 2027 Annual Assessment will increase \$200, due to increased costs for contracted services and utilities.
- A significant amount of our operating costs are tied to contracted services for: landscape maintenance, snow removal and deicing, property management, stormwater sewer system inspection and cleaning, legal services, lake treatment, lake fountain maintenance, waterfall and pond maintenance; and utility costs (electricity, water and sewer_.
- Reserves for future major repairs and replacement.

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.
- **Debt Repayment** – Last payment in June 2029. Annual Assessment will be reduced by the cost of servicing the loan payments (\$120/Member/Year).

LONG TERM FINANCIAL PLAN

	2025 Actual	2026 Forecast	2027 Budget	2028 LRP	2029 LRP
Revenues	852,043	869,909	939,300	954,709	903,829
Operating Expenses	577,795	582,216	685,353	663,953	756,053
Net Revenue after Oper. Exp.	274,248	287,694	253,947	290,756	147,776
Less: Transfers to Reserve Fund	(257,000)	(306,000)	(306,000)	(230,000)	(153,000)
Net Cash From Operations	17,248	(18,307)	(52,053)	60,756	(5,224)
<u>CHANGE IN OPERATING FUND</u>					
Beginning Balance	85,141	102,389	84,082	32,029	92,786
Cash From Operations	17,248	(18,307)	(52,053)	60,756	(5,224)
OPERATING FUND	102,389	84,082	32,029	92,786	87,562
<i>Percent of Annual Assessment</i>	13%	10%	3%	10%	10%
<u>CHANGE IN RESERVE FUND</u>					
Beginning Balance	(7,366)	104,591	262,525	317,175	432,858
Interest Income	5,718	5,447	3,300	3,300	3,300
Transfers In	257,000	306,000	306,000	230,000	153,000
Less: Reserve Expenses	(150,761)	(153,514)	(254,650)	(117,617)	(193,516)
Reserve Fund - Ending Balance	104,591	262,525	317,175	432,858	395,642
Loan Balance	172,881	125,397	75,894	23,729	0
RESERVE ASSETS	277,472	387,922	393,069	456,587	395,642
TARGET/MINIMUM ENDING BALANCE	240,192	319,325	406,298	462,676	454,088
VARIANCE TO TARGET	37,280	68,597	(13,229)	(6,089)	(58,446)

REMINDERS



- **ANNUAL ASSESSMENTS ARE DUE ON JANUARY 1ST.**
- Annual assessment invoices should be received by **November 15th.**
- Contact Metro Group if your invoice is not received by **December 1st.**
- Payments can be made on-line.
- Payments not made on time, are subject to \$100 late fee and additional charges to recover the cost of collection.

The background is a light blue gradient with several realistic water droplets of various sizes scattered across the top and bottom edges. The droplets have highlights and shadows, giving them a three-dimensional appearance.

COMMUNITY FORUM

QUESTIONS, SUGGESTIONS, AND COMPLIMENTS ARE WELCOME!



Final voting report for Stonewater

September 15, 2026

Stonewater Homeowners Association 2026 Board of Directors Election

Votes Received
152

Imported Accounts
396

Percent Voted
38.38%

Candidate	Votes	Paper Ballot	Total
Belal Majed	65	1	66
Karen Haran	63		63
Kurt Westermann	54		54
Zaher Srour	51	1	52
Jim Evangelista	48		48

Submit your vote for quorum purposes only

9



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

Votes Received
153

Accounts
397

Percent Voted
38.54%