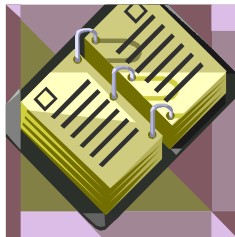


REPORT

President's Message

By: Ed LeFevre

Well, here it is; the end of another year and the beginning of a new one. The time seems to go by so much faster than it used too.



Thinking about 2005, I think we had a good year here in River Pines. I think the most encouraging event was the Co-Owner Survey. The positive feedback means a great deal to the board members and makes all the effort it takes seem more worthwhile. And the general feeling around the community is positive with most residents feeling good about living here.

We had several challenges in 2005 and with the help of all the board members, Greg and McShane we managed to meet the requirements. It's not always easy and we did not always meet everyone's expectations but we tried and were successful most of the time.

We elected a new board in September adding two new members and retaining five previous members. This board seems better than ever and everyone is working well together and contributing to the cause.

The year 2006 will provide us with many more challenges, I'm sure. We will have several Reserve Projects to prepare and implement. There will be the usual roof replacements, concrete and asphalt work, painting and deck staining. This year we hope to get a break on the number of roofs we replace. We have pulled ahead about forty roofs in previous years so this year we have less than ten scheduled for inspection and possible replacement. This will have a positive impact on our Reserve Funds if this becomes a reality.

I have to mention our parking situation again. Back on December 15th we experienced a relatively heavy snowfall. We have asked co-owners over and over again not to park on the street or in the driveway when snowfall is imminent. This day we received 8" to 9" and it was a heavy, wet snow and difficult to remove. There were several cars parked in the streets and also in driveways. It makes it extremely difficult to get the streets plowed and driveways cleared with these vehicles parked outside. We really need your cooperation and help with this matter. If this situation persists we will have no choice but to take appropriate action. We are working on updating the Association Handbook again.




(Continued on page 2)

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It has been two years since we updated and we have had several co-owners move out and we have welcomed an equal number of new residents. At last count we have nearly sixty new residents and we would like to get all their names and addresses into the directory. We have passed several new Board Policies during the past two years and they will be included in the new handbook.

We plan to publish the new Handbook in the first quarter of 2006 and begin delivering them early this spring.

We are looking forward to a good year in 2006 and can hardly wait for the Snow Birds to return so we can show them the pictures of the snow and ice they missed. To those that are staying here for the winter, be safe and careful so as to avoid those home accidents.



Volunteers

Don't forget. We need volunteers for our various committees, i.e. grounds, sprinkler, lighting, social, etc. Give a chairperson or a board member a call and help us by using your talent and service. See River Pines Committees on page 6 of this newsletter for a list of the committees and the Chairperson. Thank You.

More than "Walking the dog"

By: Donna Jones

In the pre-dawn of a Monday morning, the snowflakes are beautiful, large and plentiful as Tyson and I begin our six day a week ritual. We recognize those who are going to work but are happy enough to wave, those who are going to the store as we see them return, and those just out in the early morning doing any number of countless chores. The joy of this time is always the friendly smile of neighbors, the amazement of the different ways the condos reflect the owners' taste, the metamorphosis of the deciduous trees and the stateliness of the evergreens. Whether the streets reflect the rising sun of spring and summer, the rains and falling leaves of autumn or the salted crunch of new fallen snow, the morning trek is a wonderful reminder of why we enjoy living in River Pines. As we walk, we realize the beauty of the morning.



River Pines Board of Directors

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Janet Hall	Vice President
Rick Austin	Treasurer
Gene Kerwin	Secretary
Donna Jones	Director
Bob Eix	Director
Doug Keno	Director

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CO-OWNERS' PROPERTY & LIABILITY INSURANCE

By: Gene Kerwin

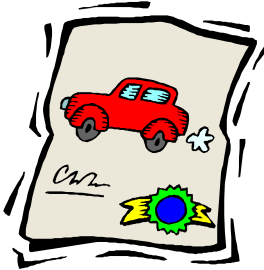
What usually happens when we get an insurance policy? We look at it to be sure that our name and address is correct and that it is the right type of policy – Condominium Owners, Automobile, Life – and we throw it into a drawer to be examined when a loss occurs. A lot of problems can be avoided by reading the policy and knowing what the policy covers and what to do if a loss should occur.

The outer structure and the utility connections to our Units, as well as all the other property owned by the River Pines of Farmington Condominium Association, are maintained and insured against physical loss or damage by the Association. The Association also carries insurance against liabilities which may be incurred by the Association in connection with the management and operation of the Condominium.

The Association is not responsible for, and does not insure, the personal property we may have in our Units or any of the decorative or operational facilities, including painting, window treatments, carpeting, furnaces, air conditioners, appliances, which are the responsibility of each Co-Owner. It also does not insure against liability which may be incurred by an individual Co-Owners in connection his (or her) own activities. These are the responsibility of each Co-Owner. A detailed description of the rights and obligations of the Co-Owners and the Association with respect to property damage and liability is contained in the

Condominium Documents and is beyond the scope of this article.

When we lived in homes, we maintained Homeowners insurance; a form of package policy which combined property and liability coverage's required by the owner of a house and lot for which he (or she) was fully responsible. In view of the fact that the condominium association has many of the responsibilities that would be borne by the owner of an individual home, the insurance industry has developed a special form of Condominium Owners insurance policy which is designed to wrap around the condominium policy and provide the coverages which will protect the interests of the Co-Owners without duplicating the coverage provided by the association.



The Condominium Owners insurance policy itself is a fairly standard document and, if it is written by a reliable company, should provide the basic coverage a Co-Owner needs. Of course, you should consult with your own insurance advisor before making decisions on your coverage. However, there are some enhancements that can be of substantial benefit to the insured at little or no additional cost:

- Worthwhile premium reductions can often be obtained by the assumption of substantial deductibles. These should be considered with respect to the reduction that can be obtained for various levels of deductible and the portion of a

(Continued on page 4)

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loss that the insured is willing and able to absorb.

- The standard policy provides replacement cost (new for old) coverage for real property but only actual cash value (replacement cost less a deduction for the age of the damaged property based on its expected useful life) for other assets. A replacement cost endorsement can be added to the policy at little additional cost but it can have a substantial effect on a loss settlement.
- The standard policy excludes coverage for sewer back-up and flooding. This can be a real problem if it occurs and coverage for this peril can be obtained for a minimal additional premium.
- It is important to be sure that the limit of liability in the property insurance portion of the policy is sufficient to cover the property covered. There are serious penalties for under-insurance and the cost of additional coverage is not very great.
- Consideration should be given to increasing the limit of liability for liability insurance. It is possible to calculate the amount of a potential loss of property; it is not possible to calculate the amount someone can claim for an injury or property damage and, even if it turns out that there is no liability, the



cost of defending against a claim or a lawsuit can be substantial.

- It is possible that the reduction in premium that can be realized by assuming a reasonable deductible can pay the cost of additional limits of liability for property damage and liability insurance.



These are a few of the things that should be considered when arranging for Condominium Owners insurance. It is not an all-inclusive list but I hope it will be of some help in considering appropriate insurance coverage for a Co-Owner.



What's It Like to Be New Board Member?

By: Doug Keno

Since I joined the Board in September, it's been a real learning experience. I've learned about the condos and how they are built, about bylaws, about the grounds, about Greg and how hard he works, about McShane and the services they provide to us, about the various vendors we use and about my fellow board members.

Each Board member has a special service to offer and we work well together. I'm finding my niche on the Board too. I've attended many meetings and received lots of paperwork and e-mail regarding condo matters.

Being a Board member brings new people and new friends into your life - new friends amongst the board members, new friends who live here, new friends who work for River Pines in various ways. Taking walks around the complex is different for me now as I'm looking at grounds, buildings, trees, etc. in a different way.

My wife and I enjoy living in River Pines very much and serving on the Board has been a good experience for me so far. I would encourage others to become involved as their time allows so that together we can continue to keep River Pines as nice as it is now.



River Pines Residents Speak

By: Donna Jones

The Fall Co-owner Survey was completed by 59% of the residents. On a scale going from 1 to 10 the ratings averaged 8.2. The highest ratings, 8.7 were for “feeling safe” and “the maintenance of the community grounds”. The “buildings look well maintained”, “we are on the right track for increasing the values of our condos”, and “we are well informed about what’s happening in our community.”

A number of residents took the time to write comments; most positive reflecting good feelings about living in River Pines. However, the concerns expressed by many are reflected in the following summaries. They are listed in rank order from those commented on by many to the concerns of single residents.

- Work orders ignored by both the River Pines Board and McShane Management
- No response to phone calls
- Multiple orders submitted
- Deck maintenance poorly done
- Shoddy work
- Scheduling concerns
- Painting problems—poor workmanship
- Weeds maintained in the rear of some units
- Escalating dues
- Dog droppings
- Foreign and seasonal flags
- Decorative clutter on front lawns
- Residents underselling



Social Committee News

By Bev Cornell & Sharon Hicks

Beautiful Winter Time in River Pines!

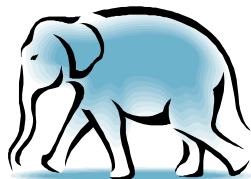
Our Holiday Party was a Glorious Success! There were 56 FUN FILLED PEOPLE at Alfoccino Restaurant on Saturday, Dec 10th.

There was plenty of delicious Italian food and many laughs. The white elephant gifts where so much FUN! The ugliest White Elephant gift was a pink plastic fly swatter with plastic flowers. The fly swatter will be a white elephant gift next year.



The best gift was a pair of red velour night shorts with a velour nightcap worn by Andy Tarpinian! But then Marianne Boschma came up to Andy and wanted his red velour night shorts in exchange for her white elephant gift. It was all very funny!

Who will receive those red silk night shorts at next years holiday party? And, by far, the most USELESS white elephant gift was an old seltzer bottle that went home with Donna and Charles Jones. Bet we haven't seen the last of that gem either!



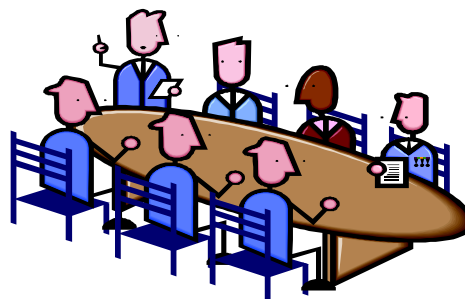
River Pines Committees

At every Spring and Fall Association Meeting we speak about the various committees we have and recognize the Chairperson and the members of the committees. Then we ask everyone to consider helping out and serving on a committee and expect everyone to remember who is Chairperson of what committee. We all have good memories; they are just short. Therefore, to help you remember who to call to serve on one of our committees, we provide the following:

<i>Grounds Committee</i>	<i>Bob Eix</i>
<i>Social Committee</i>	<i>Bev Cornell</i>
<i>Sprinkler Committee</i>	<i>Dick Raney</i>
<i>Newsletter Committee</i>	<i>Lloyd Silbeman</i>
<i>Lighting Committee</i>	<i>Larry Frey</i>
<i>Director & Welcome</i>	<i>June Holmes</i>

Participating on one or more of our committees provides you with the opportunity to have your input into the business of our Association. Please give it some thought and join in. Thanks.

The Board of Directors



Association Dues Increase for 2006

The Board of Directors voted to increase the association dues for 2006 by 3% to offset the increased cost of services and materials. We are working diligently to contain our cost increases while maintaining the quality, and hopefully the value, of our properties.

In round numbers —

In the last 24 months, we have had to spend \$700,000 on major maintenance projects like roofing replacements, concrete and asphalt replacements, and unit painting and staining. We have also incurred \$1,300,000 on services and repair expenses like snow removal, lawn and ground maintenance, property and liability insurance, management company fees and administrative expenses, etc. A detailed line item budget was included in the announcement of the dues increase mailed to everyone in mid-December. We continue to operate very close to budget every year.

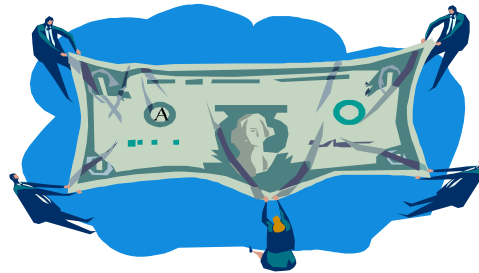
Our replacement reserve account continues to hover in the \$950,000 area. The continued high volume of earlier than planned roof replacements has limited our ability to grow this fund as outlined in the “Reserve Study Analysis.”

The technical reasons —

While the general inflation rate affects us all, the significantly higher commodity price increases for construction materials is of great concern to our association since we are responsible for repair and maintenance

of the building structures and roads. The latest official US inflation index was released on December 15, 2005. According to the Bureau of Labor Statistics’ official release: “During the first 11 months of 2005, the CPI-U rose 3.8% at a seasonally adjusted annual rate.” This compares with an increase of 3.3% for all of 2004.”

The Producer Price Index (PPI) for “Materials and components for construction” more directly measures the specific increases in the various elements used in building (such as cement, copper wire, lumber, roofing, asphalt, etc.). While this index only rose 4% from 1999 to 2003, it has leaped forward 15.5% in the last two years. These items may affect over 60% of our annual budget.



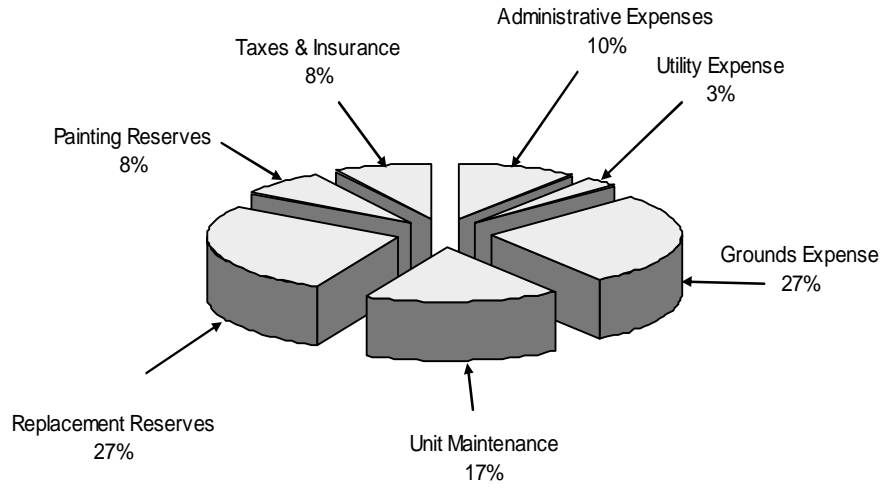
What does it all mean?

It will be a difficult task to keep our expense increases below the rising tide of higher costs that the government’s indices are measuring. However, that is what the Board is trying to do in 2006. Stay tuned for our progress reports as the year moves along!

The Board of Directors



Where Your Money Goes **2006 Operating Budget**



<i>Budget Category</i>	<i>Annual Projection</i>	<i>Monthly Projection</i>	<i>Average Per Unit Per Month</i>
Administrative Expense	\$ 106,844	\$ 8,904	\$ 25
Utilities Expense	30,800	8,567	7
Grounds Expense	285,262	23,772	67
Unit Maintenance	176,312	14,693	41
Replacement Reserves	286,868	23,906	67
Painting Reserves	80,000	6,667	19
Taxes and Insurance	86,514	7,210	20
Total	\$ 1,052,600	\$ 87,717	\$ 247

Please Welcome Our New Co-owners and Residents

Frank & Mary Hickey
22085 River Pines Dr.
248 476-1750

Jim & Jeannette Sowman
35238 White Pine Trail
248 426-1274

Elsie Wells
21570 River Ridge Trail
586 418-5046

Gail & Frank Tellerico
35340 Blue Spruce Dr.
248 478-4396

Robert & Sylvia Bullinger
21440 River Ridge Trail
248 476-6396

As mentioned earlier in this newsletter, we are in the process of updating our Association Handbook and Directory. We plan to distribute it in the spring of 2006.

If you have not been contacted by one of our Welcome and Directory Committee members, please contact one of the following so we can be sure to include you in the update.

June Holmes 248 442-7439
Patsy Kenworthy 248 615-4031

Parking Issues

We continue to experience parking issues and expect it will always be a problem. This complex was built with two car garages and the expectation was that everyone would park in the garage. Please refer to the Master Deed, Article IV, Section 8. The document is very specific regarding parking restrictions.

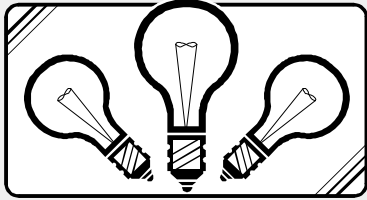
We essentially have no supplemental parking for co-owners. Visitors and overnight guests are allowed to park in the driveway and on the street with board approval. We have four spaces at the tennis courts for residents using this facility. This area was not installed for the benefit of those living in the northwest section of the complex.

Parking becomes a real problem when a third vehicle is stored at the unit for more than an overnight situation. When relatives or friends move in with the co-owner, they expect to have a place to park. Unfortunately, we cannot accommodate them and live with the restriction imposed by the Master Deed. When you look around the site, there are not many places where we could provide supplemental parking and meet the surrounding co-owners' expectations.



Therefore, we ask everyone to be considerate of our limited accommodations and not impose their problem on the rest of the association.





Lighting Committee

The purpose of the Lighting Committee is to identify and replace burned out garage and mailbox lights. Each month Committee members identify lights that are burned out and replace them. Residents may contact Committee members listed below when help is needed. Be sure to identify which light you wish replaced.

This committee does an outstanding job finding burned out lights on their own. If you see a light out, please take the time to call the appropriate Area Person.

AREA 1 Alice Hamele
River Pine Court Bruce Tobis
Blue Spruce Drive 471-5981

AREA 2 Frank Pilzner
22255-21930 River Rdg Tr. 426-6851
35080-35040 Silver Rdg Ct. Jim Redmond
478-1288

AREA 3 Larry Frey
21920-21780 River Ridge Tr **477-5278**
35017-35106 Red Pine Dr.

AREA 4 Charles Jones
34911-35021 White Pine Tr. 476-7606
21770-21620 River Ridge Tr
21480-21610 River Ridge Ct.

AREA 5 Cliff Askren
22265-22380 River Ridge Tr 473-7293
35240-35028 White Pine Dr.

AREA 6 Andy Tarpinian
35053-35233 Knollwood Lane 478-3478

AREA 7 Gerald Ewald
35275-35495 Lone Pine Lane 477-8851
21955-22185 Lancrest Ct.

AREA 8 Richard Raney
22280-21945 River Pines Dr. 615-8527

AREA 9 Gene Milczarski
35515-35575 Court Ridge Ct 615-7544
35515-35862 Lone Pine Ln.

***We'll have the Sprinkler
Committee listed here in
the next issue.....***



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