

# Village at Lake Chelan HOA Board Meeting

June 10, 2023

HOA Board members present: Kathy Meyer, President; Cindy Conner, Vice President; Toni House, Treasurer; Susan Templeton, Secretary; Ginny Miller, Member At Large

The Village at Lake Chelan HOA Board meeting was called to order by Kathy Meyer, board President at 10 a.m. The Board welcomed all the HOA members who attended the meeting.

Welcome to new HOA members since last meeting.

The minutes of the March 11, 2023 meeting were sent out to all homeowners via email in March, as well as being posted onto the VLC website. Kathy called for comments or corrections to the meeting minutes as published. Hearing no comments or suggestions for change, Kathy moved to approve the minutes, Ginny seconded the motion. Motion carried unanimously.

## **Board Reports**

President: Kathy Meyer – nothing to report

Vice President: Cindy Connor – nothing to report

Secretary: Sue Templeton - nothing to report

Treasurer: Toni House

1. Most property owners are current on paying their dues. The last increase has caused some confusion and we are working to bring everyone current relative to this increase. We have one property owner that is two months behind and we will begin the lien process if they are not brought current by July 10. Toni reported that the Board is currently working with this homeowner and are hopeful that we do not have to begin a lien process.
2. We transferred \$26,420.00 from the Operating account into the Reserve account in February. The remaining \$10,909.00 will be transferred this month. This will fulfill our budget requirement.

3. Our CAU package insurance policy was issued for a 2-year term last year and will begin the 2<sup>nd</sup> year effective August 15, 2023. Therefore, there will be no premium change for this policy. The Liability Umbrella insurance policy also renews in August at a cost of \$2,148.00, a \$637.00 increase.
4. Audit – We have contacted numerous CPAs and are currently waiting to hear back from Geoff Bailey, in Wenatchee. If we cannot afford his services, we are at a dead end. Several CPA’S own homes in the Village but feel that it would be a conflict of interest to perform the HOA audit. One of our resident CPA’s has confirmed that it’s almost impossible to find anyone to perform these audits, which are required by state law. Additionally, it is not financially feasible for an HOA of our size. Most CPA firms don’t handle these audits and the ones that do charge \$5,800 to tens of thousands of dollars each year to perform this service. The State of Washington law states that the audit may be waived if 67% of the votes cast by owners, in person, by absentee ballot, or by proxy, at a meeting of the association at which a quorum is present, vote each year to waive the audit. Toni proposed that the HOA pursue this option. An annual financial committee would be formed consisting of the VLC HOA Treasurer and 2 to 3 non-Board residents to go over the annual financials in detail. Two resident CPA’s have agreed to sit on this committee. An annual internal financial statement would be sent to all homeowners giving them the opportunity to ask questions and receive feedback. Our last audit was performed in 2019 which means we have 3 years of catch up to do. If we cannot move in this direction, we will need to increase dues to cover this State requirement.

Discussion ensued by the HOA members present. It was noted that we rarely, if ever, get a quorum of HOA residents to attend Board meetings. In lieu of that we could mail out ballots to all Village HOA members.

**Toni moved that the HOA Board send out a statement explaining the financial audit requirement, the cost for a professional audit, and the above explained alternative. The mailing would include a ballot that would be returned to the VLC HOA Board, asking residents if they are in support of waiving the professional audit and replacing the audit with the financial committee review alternative.**

The mailing will be done by the end of the month of June. Ballots to be returned sometime in July. If the measure is approved by 67% or more of the HOA members, the financial committee will be formed and the audit review process would commence.

5. There was some confusion about the timing for the Reserve Study and the 2023 Reserve Study was not included in the 2023 budget. The cost for this service was \$4,200. Thankfully, we have a small savings account that will cover this unexpected and unbudgeted expense.
  
6. With the pool season here, we are receiving requests for new pool cards. There is a cost to the Association to replace these cards. Replacement pool cards will cost \$20. In addition to replacing and activating a new card, the old/lost pool card needs to be deactivated. So, if the card is found after the replacement has been issued, the old card will no longer work. Also, as an FYI, if anyone requests new mailbox keys, the cost is \$15 for a single key. If you are in need of either replacement, send an email to the HOA email. Thank you to Leslie Burns for managing both of these key needs.

Member at Large: Ginny Miller – nothing to report

**Committee Reports – (Note: leads, as listed, will be responsible for the report to the Board)**

**ARC committee: Board Liaison: Ginny Miller (Lead: Cliff House, Sherry Oschner)**

Lot 5 plans have been submitted to the ARC

Lot 35 home is being framed and construction is moving forward.

Lot 110 – lot has been sold. No plans have been submitted to the ARC (note: 3 sections of the existing fence have been relocated to the Hwy 150 side of the lot; the exterior landscaping has been done per the HOA Board's agreement with the previous owner. The new owner is aware of the agreement to leave 5 common area parking spaces on the Village Drive side of lot 110. The ARC has all the legal documents re: the agreement and will make sure that they are adhered to moving forward as building plans are submitted.)

**Landscape committee: Lead: Leslie Burns**

Mowing has begun on all residential lots and common areas. Fertilizer has been applied and Pedro is keeping an eye on the watering schedule (of common areas only) and watching for broken heads. If you see a broken head (water spurting up in the air), please take a picture of it and forward it to the HOA email, along with a description of where it is and we will get that fixed.

In addition to mowing, Pedro's crew weed whacks the common area along the north fence line once a month between May and October. All tree trimming for the year has been completed.

Some Village residents have helped out on projects in the neighborhood or have adopted areas to maintain. We are always looking for more volunteers to adopt an area. Currently we have the following needs:

- 1) The gravel lot at the top of Oakwood/Village Drive needs a consistent volunteer to spray or pull weeds as they come up during season
- 2) The gravel lot in the northwest corner of Village Drive, next to the new home under construction, needs the same type of volunteer
- 3) The gravel lot at the corner of Oakwood/Havenwood Drive also needs a weed spraying/pulling volunteer
- 4) The pool area gets weeds growing under the black wrought iron fence and in the rocks inside the pool area. A volunteer to keep those areas weed free would be welcome by the pool committee.
- 5) The cracks between the blacktop road pavement and concrete curbs need to be sprayed for weeds throughout the growing season. Some residents do a good job of keeping the area in front of their homes weed free, while others do not and weeds grow in the cracks. Over time, the weeds do damage to the pavement and concrete. Bill Miller tries to keep up with the spraying, but he has so many other jobs around the neighborhood, another helper or two would be great. Spray is provided by the HOA, we just need your time! If all owners maintained the area right in front of their homes, the task would be much simpler and only the common area curbs would need attention.

Right now, 2-3 people are doing all the work, including keeping the front entrance planting bed weeded. A few more consistent volunteers would be greatly appreciated.

If you are inclined to help and can be consistent , please send an email to [VillageHOA@hotmail.com](mailto:VillageHOA@hotmail.com) and we will get you set up with the necessary equipment.

Several owners have signed up for Cascade Weed and Pest's seasonal lawn maintenance program, which consists of crabgrass prevention and fertilizing. This helps alleviate the spread of weeds and crabgrass to other lawns and is appreciated by your neighbors! Other owners apply their own fertilizer, which is also appreciated. Failure to properly feed your lawn and apply weed prevention leads to terrible looking lawns and spreads those seeds to other lawns. The good lawn gets choked out by the weeds and eventually you have a weed fest. Please take steps now to address those issues.

If you are not a full time resident or one who does not have the ability to maintain your yard, there are several landscapers in the area who can do it for you. If you would like a referral, send an email to the HOA and we will get you hooked up with services.

Final words from the landscaping committee: "FEEL FREE TO PULL A WEED"

### **Pool committee: Board Liaison: Ginny**

The board decided to remove the bushes that attracted the wasps to keep children and adults from being stung. Removing the bushes completely saved the HOA the cost of spraying the pool bushes for hornets 3 to 4 times during the pool season.

Hennigan's will replace the burnt circuit board that operates the pool floor head valves. The cost of this pool expense will be \$1,100 plus tax.

Due to vandalism at the pool and damage to the front gate in previous years, the board has decided to install a security camera at the pool house. The camera will focus on the front gate and the pool house.

Pool Trash cans are for pool trash ONLY. Pool garbage cans are not to be used to dump garbage accumulated by those who do not have scheduled garbage pick-up service at their vacation homes.

The damage to the entrance fencing was caused by a deer who failed to clear the fence. The deer was successfully freed from the fence but the fence was damaged beyond repair. We are in the process of getting bids

from local fencing companies. To complicate the repair, the current aluminum fencing is no longer being manufactured. This may need to be a claim submitted to our insurance carrier. Ginny noted that as we repair the entrance fence we will also repair the bent fence between the pool and the mailboxes.

Sarah Cushing asked how much the removal of the pool bushes cost the HOA. Ginny reported that seven bushes were removed and hauled away for the cost of \$700.

Pool Furniture – due to some unexpected expenses with pool equipment, the pool budget has no funds to replace broken chairs or sun umbrellas. Ken Gross has been researching quality pool furniture that will stand up to the hot weather and high use our pool furniture gets. He is suggesting lounge chairs that are a bit higher and more sturdy – making getting in and out of the lounge easier on the knees and backs. Pool side lounge chairs range from \$99 to \$299! It is suggested that anyone who wants to donate funds for new poolside furniture give their donations to a member of the pool committee (Ken Gross, Michelle Barker, Kathy Bendixsen) who will order quality furniture for our pool.

The upcoming community garage sale could be an opportunity to donate part or all of garage sale proceeds to this endeavor.

The pool committee would like to purchase new and matching poolside furniture. So please don't bring your surplus outside furniture to the pool deck.

We are also in need of new or very gently used sun umbrellas. If you would like to donate a sun umbrella, please contact a member of the pool committee. Thank you to Bob and Cindy Connor and Michelle Barker for their recent sun umbrella donations.

### **Old Business:**

Front Gate repairs update: Ken Gross has been working with Darren Joyal to keep the front gate functioning. Our front gate froze up on April 19<sup>th</sup>. A teleconference with our gate specialist, Darren, created a temporary repair. On April 20<sup>th</sup>, with Darren's assistance, the limit switches were reset and the front gate has worked since that time. During Darren's recent visit to his VLC home, he did a personal check of the system, tweaked from

parameters, and the entrance gate is back in proper working condition.  
Thank you, Darren!

Ken Gross will continue to remote assist with Darren should any front gate issues pop up in the future. Thank you, Ken!

Reserve Study report: Ginny Miller reported that the 2023 reserve study has been done and is posted on the VLC website. This study is a requirement and is done every three years. The reserve study items are suggestions only and the HOA is not required to adhere to them. She noted that there are a few items in the report that are not accurate but that to correct them, the charge would be an additional \$150/hour. If you review the document and have questions, email them to [VillageHOA@hotmail.com](mailto:VillageHOA@hotmail.com) and Ginny will answer them.

The biggest items that we will need to investigate costs for replacing are the roads and the irrigation system in our common areas. We will be talking to a couple of different companies to see what they would recommend and getting bids for their work. More will be reported on these items as we begin to gather the information.

HOA Accounting Audit: Toni House (see above information contained in the Treasurer's report)

Rental % discussion and update:

Toni House asked for time to address information expressed at the March, 2023 meeting:

"In response to a {homeowner's} (name edited for anonymity at the request of the named homeowner) accusations made at the March 2023 HOA Board meeting, relative to the {home located at 549 Village Drive} using their home for short term rentals, I offer the following: I would like to address the accusation made against my family by one of the homeowners in this community at the last Board meeting. This is not the first time this accusation has been presented to the Board in the past 9 years and I have heard from other homeowners that she has

mentioned it to them as well. When this person served on the Board, she received copies of the LLC documents and was made fully aware of the fact that this home is owned by my mother-in-law and all of her children. Yes, the house is busy in the summer because it is used by mom and her 5 kids. Additionally, the kids' 16 kids come to vacation. This was mom's gift to her family and mom pays all the expenses for this home. It is never rented, and no money is collected from any source. Just as you all have a right to let your kids and grandkids come and stay in your homes, we too have that right. I don't appreciate these slanderous accusations and ask that they stop once and for all. I realize this person has a right to her opinion however, she is spreading misinformation. It is a shame that we as homeowners are being bombarded with these types of complaints and I'm sorry to have to include you in this conflict. If anyone has any questions, I would be happy to talk with you. Thank you."

a) HOA Board response: The Board shared the following historical information with the HOA members present.

It was noted that this was not the first time the issue regarding rental percentages has come up. The most recent was in 2020, when the Board contacted Jeff Fehr, attorney at law, for his professional legal opinion. The following is his response to the 2020 HOA Board. The current Board has no reason to believe the legal implications of this issue have changed.

"I reviewed your covenants and all amendments thereto. The current covenants restrict leases for less than six months without express authorization from the board. I advise again imposing a limit on the number of units that can be rented at any given time. I am not familiar with any other associations that allow rentals, but limit the number. The usual approach is to allow rentals or to impose a blanket prohibition. Unless your board can legally justify the limit imposed, that limit will likely be deemed to be arbitrary and capricious, and would thus be struck down. HOA's often have a very difficult time enforcing prohibitions against short-term rentals. I think you would have a very difficult time enforcing a restriction on long term rentals once the limit was reached. Moreover, your Covenants contain a clause that would expose the association to a rather obvious legal challenge if you implemented the rental limitation. Paragraph 3.3 (a) states that "Similarly situated owners shall be treated similarly." I do not think you can impose this rental limit without being in violation of your own covenants."



b) Report from residents in support of pursuing a Bylaws change – no formal report was given. Jerry Smith expressed his concern about the growing number of rentals in the Village. He acknowledged given the legal statement presented by the Board that the HOA isn't able to do anything about it.

The Board did note that the renters and homeowners are both held to the same rules and regulations standards. The only difference is that the Landlord (AKA homeowner) is ultimately responsible for any infractions to the CC&R's as well as the continued upkeep of their property and landscaping concerns. Renters are sent a copy of the CC&R's. The biggest obstacle is being notified when rentals turn over. It is the homeowner's (AKA Landlord) responsibility to notify the HOA of any change in their rental.

c) Report from residents against pursuing a Bylaws change – formal report was withdrawn. However, Troy Hawkins provided the following information for homeowners that may want more information about community rentals. Limiting Homeowners' right to rent their property in an existing subdivision that has no prior barrier in their covenants has been recently litigated and found to be not legal. See: Twin W Homeowners' Association v. Andrew Murphy

### **New Business:**

Two Board positions will be available 2024. If you are interested in running for Board office, please contact a current Board member. A nominating committee will be formed and a ballot will be put forward after the September HOA Board meeting.

Off Agenda Items – Troy Hawkins shared information regarding irrigation water status. It was noted that half of the Village has irrigation water rights and half do not. Troy is aware of some proposed changes in the greater LCRD arena and will investigate further if there is an opportunity to acquire more irrigation water rights for the homes in the Village of Lake Chelan. Troy's efforts on behalf of the VLC Homeowners is greatly appreciated.

**Next Meeting Date: September 9, 2023 Board meeting. Due to the anticipated warm temperatures, the meeting will begin at 9 a.m. and will be held on the VLC Pool Deck.**

**Respectfully submitted,**

***Susan J. Templeton***

Susan J. Templeton, Secretary  
VLC HOA Board