

Teal Lake Village Association  
Board of Directors Special Meeting  
Thursday, August 25, 2016 9:00 am

**Draft Minutes**

President Gil Skinner called the special meeting to order at 9:06 am. The secretary declared a quorum.

**Board Members Present:** Gil Skinner, president, Sheila Twohey, vice president and ARC chair, Chuck Gerstenberger, treasurer and Tom Anderson, landscape chair, and Phyllis Waldenberg, secretary.

There were 17 other TLV residents in attendance.

**Announcements:**

Gil announced that the repair of the Bay Club is on schedule in spite of the different issues that have been discovered as the project is underway. The new doors to the pool are scheduled to be installed the end of the week and new windows, originally thought to be ok, have to be replaced. The project is close to being on-budget.

Gil announced that Phyllis Waldenberg, TLVA Board secretary, has given notice of resignation, effective at the adjournment of the annual meeting on September 19, 2016. Phyllis said it has been an honor and a privilege to work with this Board and thanked the other board members for their dedication and commitment to the best interests of Teal Lake Village. She stated she supports the Board and is in favor of the implementation of a fine schedule and enforcement policy. Though her term is for another year, she is resigning after one year due to various personal reasons.

**Bookkeeping Service Change:**

Gil said the contract with current bookkeeping service, Clarity, is about to terminate. The Board was notified by Clarity that there would be a substantial increase in its monthly fees with a new contract. The Board solicited quotes from another service, Glessing & Associates, CPA, Inc., located in Port Ludlow. The change to Glessing and Associates will save TLVA between \$100 and \$200 per month.

**Tom moved that the Board approve the Glessing & Associates, CPA, Inc. PS, Engagement Letter dated July 21, 2016 to prepare the financial statements of Teal Lake Village Homeowners Association, bookkeeping and tax services. Fees for services include invoicing HOA members, reconciling bank statements, paying bills, maintaining QuickBooks records and making bank deposits, providing escrow company information as needed and Federal Tax Return annually. The new service will begin September 1, 2016 and continue for one year.**

**The motion was seconded by Sheila and approved by all Board members.**

**Proposed Rule #7 Fine Schedule and Enforcement Policy:**

Before asking for comments from the homeowners attending, Gil and other Board Members stated the reasons for implementation of a fine policy and reminded everyone that the Board voted in July of 2016 to implement a fine schedule and enforcement policy. (\*A side note: In July of 2015, Bill Van Ry prepared a document for the Board titled, "The Contemporary Challenge of Managing Teal Lake Village - An Assessment of a Proactive Management Strategy". This document is available on request.)

**In summary the Board stated the following reasons:**

- Most TLVA homeowners comply with the CC&Rs and Design Standards. However, a few do not or have not maintained their home and landscaping in good condition; or do not apply for permits for exterior building work or landscaping changes as required.

- Admittedly some of the Design Standards are too restrictive, such as needing to obtain a permit when painting your house the same color. The SBCA Board is looking into changing some of the more restrictive standards.
- The Board of Directors is obligated by law to enforce the CC&Rs and Design Standards. TLVA can be sued for not enforcing them.
- Currently the only recourse the Board has when an owner does not comply is to lien the property.
  - A lien has to have a monetary value.
  - Filing a lien is an expensive process.
  - The HOA does not have the monetary or other means to repair the home and wait until the home sells to be reimbursed.
  - A lien expires after three years and has to be renewed again at considerable cost.
- The Board and ARC needs a better tool to enforce compliance and a deterrent for those choosing not to comply.
- A clear fine schedule and enforcement policy will be fair to all. Those who maintain their homes and landscape in good condition should be able to expect all their neighbors to do the same.
- Upholding and better managing CC&Rs will help preserve aesthetics and property values.
- Because of the village's increasing age, poor CC&R compliance could lead to an unattractive village, property values could depreciate and make sales more difficult.

**Comments and Questions by homeowners:**

- Gil read a letter from Roger and Jennifer Buck, dated August 21, 2016. They could not attend and asked their letter to be read. The letter stated they were not in agreement with the fine schedule and policy.
- There was a lengthy discussion by those in attendance, with proponents on both sides of the issue of the proposed Rule #7: Fine Schedule and Enforcement Policy voicing their opinions.

**Board Action:**

- The Board will make revisions to the Fine Schedule and Enforcement Policy, taking into consideration suggestions from the members.
- Sheila and Chuck volunteered to write a preface or cover letter clarifying the reasons for implementing the policy, which the Board hopes will help with communication and understanding.
- The revision will be e-mailed along with the preface or cover letter to homeowners prior to the annual meeting.

**Landscape Walk-Around:**

The Board scheduled a walk-around the community on September 7th, 2016 at 10:00 am at the top of Outlook, to evaluate landscape issues, whether responsibility of the homeowner or the landscape services company.

Meeting adjourned: 11:55 am.

Respectfully Submitted  
Phyllis Waldenberg, secretary

