

Teal Lake Village Association (TLVA)
Board of Directors Meeting
Monday, 22 April 2019 10:00 am

DRAFT

At 10:00 a.m. Peggy Ponto called the meeting to order. Steve Hammond, Chris Spagle, Jen Portz, Joe Guillien and Sheila Twohey were present. Fifteen (15) homeowners were in attendance. A quorum was determined. Hammond moved to approve the 17 December 2018 Board Meeting Minutes. Spagle seconded and the motion passed unanimously.

To affirm two electronic votes, Portz moved to reimburse Spagle for \$253.48 for a personal payment she made on behalf of the Board to Northwest Landscaping Services (NLS). Hammond seconded and the motion passed unanimously. Portz also moved to pay Patrick Wakefield, a licensed arborist, \$100.00 for a second opinion on the three (3) Legacy Trees slated for removal by Monarch Tree Service. Hammond seconded and the motion passed unanimously.

Spagle gave a financial report (see attached). We are in a good position financially, however while we budgeted \$19,000 for pond maintenance, Bayview is now estimating this year's costs will be \$31,000.00. While we have the money to pay this, some must come out of our money market account. As we work to rebuild our reserves there will be NO dues holiday in 2019. Newspaper box maintenance and upgrades to landscaping at the lower entrance are both on hold.

Hammond gave a Landscaping report (see attached) including a history of the pond situation, noting that in subsequent years costs will likely not be as high as they have been recently. On balance, Guillien has been able to fix the lighting at the lower entrance at a minimal cost. Portz moved to reimburse Guillien \$7.05 for costs associated with this repair, Hammond seconded and the motion passed unanimously. Hammond opened a lengthy discussion regarding purchasing laminated "Do Not Trim" cards. While a homeowner's first line of defense to opt-out of shrub trimming by NLS is to email Hammond with their preference (shammond46@reagan.com), Portz moved to purchase the cards at a cost not to exceed \$140.00. Ponto seconded and the motion passed with three (3) votes in favor (Hammond, Twohey, Portz) and two (2) votes against (Spagle, Guillien). Contact Hammond for cards.

Portz gave a brief update regarding the three (3) Legacy Trees previously slated for removal. The licensed arborist, Patrick M. Wakefield, determined the trees were not in any immediate danger. If and when they fell they would not be a danger to structures. Therefore, on his advice, the trees will be photographed yearly, any changes noted and evaluated every other year by a licensed arborist.

Guillien gave a brief recap (see attached) of the Architectural Review Committee (ARC) requests and approvals. Spagle moved to approve all reports, Hammond seconded and the motion passed unanimously.

Portz gave a recap of the Firewise Walk-Around and then moved to create an Ad Hoc "Firewise Committee" Chaired by Bill VanRy, with assistance from Glenn Waldenberg,

Guillien and Portz. The Committee's goals are to 1) evaluate and prioritize issues brought to our attention by an expert in fire mitigation and management; 2) retain a licensed arborist to estimate costs involved; and 3) work with the Treasurer to create a reasonable timeline for mitigation work. Twohey seconded and the motion passed unanimously. (Note: VanRy and his committee will be viewing Common Areas behind homes during the next few weeks. They will advise the homeowner of their presence.) An informative email with steps homeowners can take to mitigate fire concerns within their lot will be sent in May.

Ponto gave a brief history of TLVA Flag Ceremonies after which a discussion ensued. Simeon Baldwin has donated a new flag. Portz moved to create an Ad Hoc Flag Ceremony Committee, Chaired by Carol Katuzny, Dan Darrow and Soozie Darrow, to facilitate a Flag Ceremony at 4:00 p.m. on Friday 14 June 2019 at TLVA's lower entrance. Twohey seconded and the motion passed unanimously. The Ceremony will be approximately 15-20 minutes long followed by a Village social with wine, beverages and hors d'oeuvres. Katuzny will create an informative email to send to the community.

Ponto gave an update on the SBCA newly implemented Fine Schedule which went into effect 2 April 2019. SBCA's policy only covers residential lots within South Bay. To address issues that may arise in TLVA's Common Areas, the Board will articulate a separate but similar Fine Policy. (Note: The 18 July 2016 TLVA Board Meeting Minutes state: "A motion was made, seconded and passed that TLVA Board establish and adopt a fine system for non-compliance of Village rules.") A workshop to discuss the issue will be held in the near future.

In Member Comments, Portz explained an email request to provide TLVA Emergency Response information to the Port Ludlow Emergency Management Organization. It was determined this request violated legal requirements regarding privacy of homeowner information. Portz will coordinate with Ponto to form a response. Ponto opened a brief discussion regarding an idea posed by a homeowner to purchase a metal shipping container for storing emergency preparedness supplies. The container would be mostly buried in a common area so as to minimize any unsightliness. This will be discussed at a future workshop. Cheri Gerstenberger suggested 'landscape cards' that are thrown on driveways or front steps constituted a security issue for homeowners who are away for long periods of time. It was suggested residents let neighbors know if they will be away and neighbors are encouraged to pick up items that accumulate on drives or front porches of absent neighbors. This topic will be addressed at the Annual Meeting in September.

At 11:38 a.m. Portz made a motion to move into Closed Executive Session Per RCW 64.38.035 to discuss "matters involving possible violations of the governing documents of the association." At 11:55 the Board returned to Open Session. No members were present in the lobby. Spagle moved to have the Board file a formal complaint with the SBCA ARC for several CC&R violations on a specific homeowner's property. At 12:02 Portz moved to adjourn the meeting. Spagle seconded and the motion passed unanimously.

The next regularly scheduled Board Meeting is **Monday, 17 June 2019 at 10:00 a.m.** in the Bay Club Conference Room. All members are welcome to attend.

**Teal Lake Village HOA
Treasurer's Report
Period Ended March 31, 2019
Christine Spagle, TLV Treasurer**

Cash in Bank

| | |
|--------------|--------------------|
| Checking | \$45,730.84 |
| Money Market | <u>\$35,320.91</u> |
| Total | \$81,051.75 |

| | |
|-------------------|---------------------------|
| Delinquent dues | \$ 0.00 |
| Prepaid dues* | \$1,000.00 (2 homeowners) |
| Prepaid Insurance | \$1,004.20 |
| Accts Payable | \$ 47.23 (PUD) |

Current position:

We currently are in an acceptable financial position. The decision to forego the Dues Holiday in 2018 will have a big impact this year when we have extraordinary POND expenses.

Upcoming expenses:

POND:

1. Anticipated 2019 expenses (TLV share only) based on information received from Bayview totals **\$31,141**; this is **\$11,881** over our budget.

TREES:

1. Survey by Monarch last year indicated several danger trees they recommended be felled. Subsequent evaluation by a certified arborist indicated the trees were in satisfactory condition and did not require immediate felling.
2. Association compliance with Firewise recommendations would result in limbing up a number of trees, cost of which is not yet known. We could consider doing this over multiple years, depending on cost.

OTHER:

At this time, I am unaware of upcoming unplanned for/extraordinary expenses.

OLD BUSINESS:

Mail box/newspaper kiosks – leave as is or repair and paint?

General Landscaping Issues – aging front entrance plantings – leave as is or replant?

What is the state of electrical at the entrance?

**Teal Lake Village Association
Reconciliation Summary
Kitsap Money Market Plus - Period Ended March 31, 2019**

| | <u>March 31, 2019</u> |
|-------------------------------|-------------------------|
| Beginning Balance | 35,316.42 |
| Cleared Transactions | |
| Deposits and Credits - 1 item | <u>4.49</u> |
| Total Cleared Transactions | <u>4.49</u> |
| Cleared Balance | <u><u>35,320.91</u></u> |

**Teal Lake Village Association
Reconciliation Summary
Kitsap Business Checking - Period Ended March 31, 2019**

| | <u>March 31, 2019</u> |
|--------------------------------|-------------------------|
| Beginning Balance | 49,463.18 |
| Cleared Transactions | |
| Checks and Payments - 7 items | 13,224.36 |
| Deposits and Credits - 3 items | <u>9,492.02</u> |
| Total Cleared Transactions | <u>-3,732.34</u> |
| Cleared Balance | <u><u>45,730.84</u></u> |
| New Transactions | |
| Checks and Payments - | 0.00 |
| Deposits and Credits | <u>0.00</u> |
| Total New transactions | <u>0.00</u> |
| Ending Balance | <u><u>45,730.84</u></u> |

Teal Lake Village Association
 Balance Sheet
 As of March 31, 2019

Accrual Basis

| ASSETS | | | | | |
|--|--|--|------------------|----------------|--------------|
| | | | Operating | Reserve | |
| | | | Fund | Fund | Total |
| Cash and Cash Equivalents | | | 81,051.75 | | 81,051.75 |
| Dues receivable | | | 109,440.00 | | 109,440.00 |
| Fees Receivable | | | 10.50 | | 10.50 |
| Prepaid Expenses | | | | | |
| Prepaid insurance | | | 1,004.20 | | 1,004.20 |
| | | | | | |
| Total Assets | | | 191,506.45 | | 191,506.45 |
| | | | | | |
| LIABILITIES AND FUND BALANCES | | | | | |
| | | | | | |
| Dues collected in advance | | | 1,000.00 | | 1,000.00 |
| Accounts payable | | | 47.23 | | 47.23 |
| Federal income tax payable | | | | | |
| | | | | | |
| Total Liabilities | | | 1,047.23 | | 1,047.23 |
| | | | | | |
| Fund Balances | | | 190,459.22 | | 190,459.22 |
| | | | | | |
| Total Liabilities and Fund Balances | | | 191,506.45 | | 191,506.45 |

Teal Lake Village Association
Statement of Revenues, Expenses, and Changes in Fund Balances
Month ended March 31, 2019

Accrual Basis

| | Actual | | | |
|---|-----------------------|-------------------|--------------------|----------------|
| | Operating Fund | Operating | 2019 | |
| | Month | Fund | Annual | % of |
| | March | YTD | Budget | Budget |
| Revenues | | | | |
| Contribution | 0.00 | 0.00 | | |
| Utility Recovery | 0.00 | 101.50 | | |
| Homeowner Fin. Charges | 0.00 | 27.48 | | |
| Late Fee Income | 0.00 | 25.00 | 130.00 | 19.23% |
| Escrow Fee Income | 0.00 | | | |
| Homeowner Dues Income | 0.00 | 176,400.00 | 176,400.00 | 100.00% |
| Interest Income | 4.49 | 13.06 | 20.00 | 65.30% |
| | | | | |
| Total Revenues | 4.49 | 176,567.04 | 176,550.00 | 100.01% |
| | | | | |
| Expenses | | | | |
| Admin Expense | | | | |
| Accounting | 0.00 | 516.00 | 7,000.00 | 7.37% |
| Insurance | 200.83 | 602.48 | 2,475.00 | 24.34% |
| Legal | | | 500.00 | 0.00% |
| Postage/Office | | 80.03 | 612.00 | 13.08% |
| Landscape Expense | | | | |
| Landscape Contract | 11,627.91 | 34,888.26 | 141,440.00 | 24.67% |
| Landscape Contract Discount | (253.48) | (506.96) | | |
| Landscape Contract WSST | 1,046.51 | 3,139.97 | 12,730.00 | 24.67% |
| Landscaping Misc. | | | 1,000.00 | 0.00% |
| Repairs & Maintenance | | | | |
| Holding Pond | | | 19,260.00 | 0.00% |
| General Maintenance | | | 1,000.00 | 0.00% |
| Tax Expense | | | | |
| Jeff County Property Tax | 0.00 | 17.90 | 18.00 | 99.44% |
| Tax Preparation | 0.00 | 275.00 | 375.00 | 73.33% |
| Utility Expense | | | | |
| Electricity | 47.23 | 143.91 | 500.00 | 28.78% |
| Water | 0.00 | 36.50 | 650.00 | 5.62% |
| Website | | | 0.00 | |
| | | | | |
| Total Expenses | 12,669.00 | 39,193.09 | 187,560.00 | 20.90% |
| Excess (Deficiency) Revenues Over Expenses | (12,664.51) | 137,373.95 | (11,010.00) | |
| Fund Balances Beginning | 203,123.73 | 53,085.27 | | |
| Fund Balances Ending | 190,459.22 | 190,459.22 | | |

#1 Our light entry problem has been solved by our intrepid part time electrician Joe Guillien for a ridiculously low charge -\$0-and no trip fee. It was a dirty job (get the dirt out of a junction box) and he jumped in to do it. Amazing the real electric guys didn't spot the "easy fix".

#2 Landscape – Moving along with no major problems other than miss communications regarding trimming. Partial solution will cost us \$135 or so for plasticized sign... See example. Remaining heavy roots from wild area perimeter cutting in common areas is complete.

#3 Pond – an expensive restoration process continues. See photos. The problem of some uphill trees from the pond, yet to be removed will or will not be done this year. Dredging scheduled this year as will be more routine mowing. Horsetails a problem; cattails in large pond are not. They have been cut and left to rot. The bottom of the large pond has room. Our share of costs: around \$19,000+ when said and done. Christine has the bad news for this year and better news in the future.

Teal Lake ARC report: April 22, 2019

Two current activities:

We have one request for deck structure shade at SBCA for approval. For Russ Michel
We are waiting for more information in common area for Carpenter request.

Regards
Joe Guillien