

**East Village Homeowners Association
Board Meeting
April 20, 2023
Burns and Company, CPAs LLC
dba Reid, Hanna, Johnson
1101 Siskiyou Blvd, Ashland, OR**

Board Members Present:

Judy Butler – President

Tom Reid – Treasurer

Fred Stapenhorst- Secretary

Bel Borg – Member at Large

Pauly Short – Member at Large

Homeowners in Attendance:

Carola Brucker

Call to Order: The meeting was called to order at 6:00 pm.

The Board accepted the agenda as presented, with one addition from Tom Reid, which was a request for payment to our bookkeeper for extra work we asked of her recently.

The Board minutes from the meeting held on January 19, 2023 were approved as presented.

President's Report: Nothing to report.

Treasurer's Report: Tom reviewed the March and YTD financials. The Balance Sheet continues to be very strong, with total assets and cash remaining about the same level as March 2022. It was noted that the annual transfer of funds into our Reserve Account for 2023 has not occurred yet, and Tom indicated he will make that transfer forthwith.

Regarding the P&L, for the first 3 months of the year expenses were in line and we showed a net income of \$1029.

Tom had asked our bookkeeper to review her time required for implementation of our accounts receivable collection program for late payment. When we suspended the program as being too aggressive she did not expect payment. Tom requested the information necessary to treat her fairly. She estimated she spent 4 hours (conservative) at her standard \$50 per hour billing rate. The board unanimously approved the \$200 payment.

Business:

1) Landscape Update: Bel, our landscape liaison, provided an oral report to the board. The report highlighted two issues:

- First, US Lawns has started regular weekly service, with the arrival of Spring, but has not yet designated which day of the week will be their regular service day. Sprinklers, which have been inspected, have not been turned on yet due to the on-going rains. Once sprinklers are on and we have a regular schedule Bel will notify the board accordingly.

- Bel also reported that she and Judy had been working with US Lawns to develop a plan to upgrade several units throughout the HOA where the front yards have either dying or damaged plantings or lawns. Bel presented a proposal and cost estimate, from US Lawns, that would address these problems and improve the aesthetics of those units. The board approved the proposal and up to \$4000 to implement it with US Lawns.

2) Tree and Wetlands Maintenance: Fred recently met with our tree service, Canopy, and they agreed that this year Canopy would primarily focus on clean-up of the wetlands and the neighborhood trees would receive cursory pruning, as needed. Canopy has changed its annual schedule for working with us from winter to late Spring (May/June) because they can prune the trees, which are now well shaped, when fully leafed out, and by that May more growth will have occurred in the wetlands and they can make a more thorough clean-up. The cost of this year's works is \$3100, which includes an advance payment for work to be completed by mid-year.

3) Updated emergency contact list: Fred has previously sent out an updated Contact List. There are no changes at this time. Pauly did ask, however, if we've ever included the names of the renters in those units that are not owner-occupied. That has been tried in the past, but was dropped because of the difficulty of keeping up with the changes of tenants. Pauly indicated that it would be useful to have such a list in the event of an evacuation (allowing the appropriate officials to be able to contact the actual occupants, and not the just owners). Pauly volunteered to try and create such a list. It wasn't determined who would maintain such a contact list of occupants.

4) Long Term Financial Considerations using Latest Landscaping Estimates: Because the improvements that Bel presented earlier have a total price-tag of ~\$4000, the board agreed that this was in the range of normal operating expenses and wouldn't require additional long term financial projections.

5) Proposed Amendments for Rental Caps and Short-term Rentals: Judy and Bel proposed two amendments to our CC&Rs regarding, 1) prohibited uses (Airbnb, VRBO) of individual units, and 2) a limit, or cap, on the total number of units throughout the HOA that are occupied by a renter, and not the owner (so-called Rental Cap). Before a rather lengthy discussion ensued Fred asked for a confirmation that **"the board has no authority on its own to make any changes to the CC&Rs – any change or amendment to the CC&Rs requires a "yes" vote by 75% of the home owners. The board, however, does have the right to present to the owners a proposal for an amendment to the CC&Rs for their consideration, and to render a recommendation if they choose"**. The board confirmed that this is an accurate statement.

With that in mind, the board discussed a change to **section 4.1, Use**, of the CC&Rs that would prohibit any owner from renting out their unit on a short-term basis (daily, weekly) along the lines of a VRBO or Airbnb. Although this practice is currently prohibited by the City of Ashland, the board felt it was important to specifically spell it out in the CC&Rs to ensure there is no confusion. The board unanimously supported this proposed amendment and agreed to present it to the owners at the October Annual Owners Meeting.

Next the board discussed a change to **section 4.6, Leases/Rentals**, which currently makes no mention of the percentage of units that may be occupied by renters. Some board members view this omission as tending to allow a high percentage of renters which can undermine the community and financial value of our HOA, as well as retard the ability of a prospective buyer to secure financing. Other members indicated that the implementation of such a Rental Cap would limit an owners ability for re-sale, could have unforeseen consequences in certain situations, and would be difficult to police. The pros and cons of a Rental Cap were discussed at length. Finally, a motion was made to present to the owners in October a

proposal to amend the CC&Rs to include a Rental Cap of 30% of the total number of units to be occupied by renters (owners with existing renters would be grandfathered and not forced to remove their renters). The board voted by a 3 to 2 in favor of presenting the proposed amendment to the owners at the October Annual Owners meeting. Judy, Bel and Pauly voted "yes", Tom and Fred voted "no."

Finally, because of the gravity of amending CC&Rs, it was agreed unanimously that no proxy votes for or against these amendments would be allowed. Each owner must personally register their vote. Furthermore, Judy and Bel volunteered to develop a presentation of the proposed amendments, along with a timeline, to be presented during the October meeting.

New Business:

1) Managing Late Assessment Payments: Delinquent payments of owner assessments dropped to zero for the month of March, the first time that has occurred in the last several years. Apparently, the new system of notifying owners of late-payments is having a positive impact. However, some owners have been surprised or offended by the notifications and our bookkeeper has been the recipient of their dissatisfaction. To remedy this situation the notices will henceforth be sent out from Judy's email address, so any questions or feedback from the owners will go directly to Judy, rather than our bookkeeper. Our bookkeeper will continue to keep the records of payments and notify Judy when a late-payment notice needs to be sent out. Also, most board members indicated they have difficulty understanding the monthly Accounts Receivable report. Tom and our bookkeeper will attempt to provide more explanation on the report to improve the comprehension of the information.

2) Report on Restricted Parking for Abbott Ave: Pauly requested that the North side of Abbott between Clay St and Dollarhide be a No Parking Zone based on congestion with present residences and future ones being built along with a Park and Engle Street becoming a through street. Also to keep Abbott capable of two way traffic in case of emergency or evacuations. She has not received a response yet from the City.

3) Concrete Recommendations for 2023: Pauly and Judy walked the property recently and found no sidewalk or driveway issues that would require repairs this year.

Homeowner's Forum/Correspondence

Carola Brucker voiced her appreciation for all the volunteer work that the board members put into the management of our HOA. She also expressed her hope that board members conduct their business with a spirit of kindness and consideration for the individual circumstances of each owner.

The meeting was adjourned at 7:25 pm.

Respectfully submitted,
Fred Stapenhorst, Secretary