

LAKEVIEW PARK VILLA HOMEOWNERS ASSOCIATION INC.

ANNUAL MEETING

JULY 9, 2016 11:00 A.M.

EAGLE BEND YACHT HARBOR CLUBHOUSE

The first annual meeting of Lakeview Park Villa Homeowners Association (LPVHA) was called to order by President Paul Lentz at 11:45 p.m. All homeowners met at 11:00 for a catered luncheon that was provided by Dickie's.

**Attendance by Board and Officers:** Paul Lentz, (President), Brian Antweil (Vice President), Ron Ransom (Treasurer) and Property Manager Dave Roberts of Western Mountain Property LLC. Invited guests from encompassing Associations were: Janet Obradovich – Fairway Pines; Rockett Van Wye - Marina Townhomes; Bill Whitsitt – Eagle Bend West Community Association; Lane Ross- Eagle Bend Yacht Harbor. Also in attendance was attorney Bill Astle from Kalispell, who was invited to give counsel regarding the common areas which are contained within the five different associations that were represented. Attendees of the 17 units were represented by both proxy and attendance of LVPHA homeowners. A quorum consists of half of the 33 homeowners.

A packet was handed out to all homeowners who were present which included financials, a landscape plan and a long range "capital" funding plan.

**Presidents Report – Paul Lentz:** Paul reported that The Board was put in place the summer of 2015. Members of that Board have rotating terms. Ron's position is a one year term and that term is up this year. Brian is filling a 2 year term. The Board feels that great progress has been made in the last 12 months and five major accomplishments have been addressed during the year. The first accomplishment would be finalizing all necessary paperwork to create Lakeview Parks Villas which is now a legitimate HOA. There are 34 townhomes that make up LPVHA and out of this number there are 33 who have signed the necessary papers to form this Association. Only one owner has decided not to join but their home is on the market and when it sells the new owner has the right to join the Association.

The second major accomplishment was removing LPVHA from the Flood Plain. Paul explained that all homeowners had received a letter announcing that FEMA had put the majority of

LPVHA in the flood plain. Paul had a special meeting with the County regarding the new flood plain ruling and they advised the HOA to hire a surveyor. At a special meeting held December 29, 2015 the Board discussed this and Dave contacted a surveyor Olaf Irvin. Olaf determined that the total charge to conduct this survey would be \$5000.00 or \$150.00 a unit. Olaf began working on the project in January and it was determined all Townhomes are well above the flood plain.

Dave deserves a lot of credit for the selection of Black Magic Landscape as they have been able to make many large improvements in a short time. Sharon Kaczmarowski volunteered to be the Chairperson along with Bob Lust and they put together a landscape chart of what needed to be achieved. Previously if a plant or shrub died it was randomly replaced with something different. Sharon asked if a landscaper could be hired who would develop a plan for the future. The Board hired Bruce Boody who is a landscape architect out of Whitefish. He came and walked thru the development. Bruce said the basic plan is pretty good and we do not need of a mass overhaul. He has come up with a plan and this was included in the handout. There is a list of all the shrubs and a guide for the replacement of shrubs and flowers that have died. An addition section lists the perennials and ornamental grasses that are deer proof. The front of the Townhomes and sidewalks are the HOA's responsibility, however the back patios are more personal and a private space and are the owner's responsibility for maintenance. We will no longer plant annual flowers only perennials. If a homeowner would like to have some work done at their home please do not individually call Black Magic Landscape as they will only work through Dave. If you want your patio area planted, pick out your flowers and Dave will price it with Black Magic and they will plant for you at the homeowner's expense. A homeowner asked about the maintenance of the patio shrubs. Sharon answered that it is the homeowner's responsibility. The Harbor Village sign coming into the subdivision in the past was planted with annuals and it has now been sodded and only the area around the sign has been planted with perennials and drift wood.

The Babbling Brook has both rock and mulch but the mulch gets knocked around so you see more liner than mulch. The Board had it priced to add more mulch and the recommendation was to replace the mulch with rock. The rock is 10% more than mulch but it is permanent. Paul said in September of 2016 the Board will do a walk through with Black Magic and designate areas that are to be landscaped and then in the spring of 2017 they will be planting in May and by June 1 it will look good. Paul then thanked Sharon for the direction that she gave the homeowners.

A homeowner asked if Black Magic could provide irrigation for their hanging baskets. Dave said that Black Magic does contract with an irrigation company but if it is easy to fix then Black Magic could repair it. The homeowner was asked to contact Dave and he will call Black Magic.

**Bankruptcy Update Brian Antweil:** LPVHA is now a viable HOA and the new CC&R's and Bylaws will go to the new owners if you sell. There are currently 161 homeowners and they are made up of five different HOA's as noted above. As a community these five (5) HOA's have worked through many challenges and we still have one more issue that needs to be resolved. Rocky Mountain Recreational Communities claimed Chapter 7 bankruptcy. They own the streets, Pavilion and the Babbling Brook. The representatives of the five (5) HOA's have communicated with the bankruptcy trustee, and have asked how to obtain ownership of these. The Boards have hired Bill Astle and with the representatives from the 5 HOA had a telephone conference and started to create documentation to obtain the ownership of these three (3) properties. We now have completed this documentation. Four of the HOA's are requesting to regain ownership of the streets. Our attorney will file the documents with the court and then a notification will be sent to the creditors of the bankruptcy. We are hoping the court will approve this and give us a title. We are pressed for time as the bankruptcy attorney Al McCormick wants to do this as soon as possible and he is in Missoula. The 161 homeowner will pay the percentage of the total bill. Brian suggested that because there are five different HOA's perhaps a management group could be formed in the future and they would be responsible for managing the common areas. Greg asked Brian what he felt would be a feasible time line to deliver our documents to the bankrupt court. Brian explained that first a document needs to be drawn up and signed by all homeowners. This document is then given to our counsel in Missoula and he works with the trustee to prepare and file. And once it is filed with the bankruptcy court a notice is filed and any interested party would have 20 to 30 days to file an objection. If no objections are filed the Judge could sign an order after the 30 days are complete. Brian would like to see this resolved before winter. It was asked what the cost would be for this process. Brian said the homeowner's only cost would be the attorney fees. Bill Astle did not see any large problems. He stated that streets are only valuable to the homeowners.

A member asked if the Eagle Bend Yacht Harbor was contributing to pay part of the expenses for maintaining our roads. Brian said the boats and the traffic are here for 3 months. Rockett pointed out that if there was a fire or a problem we have to have the streets plowed so we are providing EBYH with this service. Should this be free for the marina to use our road? Brian suggested that first we need to obtain the ownership of our streets, and then we will begin a discussion with EBYH. Bill Whitsitt has met with the EBYH and talked with President Lane Ross and they agreed that once ownership of the road was granted then a committee representing the homeowners could go to the harbor and begin a discussion.

At this time the five different HOA representatives left the meeting and proceeded upstairs in the clubhouse along with Bill Astle for a group meeting.

**Financial Report Ron Ransom – Treasurer:** The finances are in good condition which means that everyone is paying their dues. The Board has put money in the reserve accounts for both for roofing and painting and we have a clearer understanding of the amount needed to fully fund these projects. This is our first year to draw up a budget and the Board had to understand our needs as an Association and is equipped to provide the same services as in the years past. We ended the year with an operating surplus of \$14,000 as a result of finding some operational efficiency. A new reserve account was established which was in compliance with the new covenants. This new account is the operational reserve fund and the current balance in this account is \$10,000. The 2016 budget reflects a special landscape program of \$10,000. Money has been budgeted to cover door painting, street light maintenance and driveway sealing. Currently we have \$170,000 in the bank and it is divided into two different accounts. As an HOA we need to continue to work together and develop a long range plan. We are still in transition and according to the CC&R's we are not doing everything that is required of the Board, but we are working toward this goal. Ron had given all homeowners a draft of long range potential repairs and their estimated cost. The exterior painting and roof replacement is being covered by our reserve fund. There are many repairs that we do not have money set aside for, such as the upper balcony repairs, irrigation repairs, siding repairs. There are 18 items that over the next 20 years will need to be repaired or replaced and we do not have reserves set aside to pay for these. The board would like to have 2 or 3 homeowners volunteer to work with Dave and obtain some bids for the chip sealing of the roads. Ron urged the group to think of the future and figure out how to fund the projects necessary to keep our homes and grounds in good condition. In the CC&Rs all these items should be funded, so the question is should we increase the annual dues to build a reserve so the upcoming repairs and maintenance that will occur over the next 20 years will be covered?

**Property Manager Report – Dave Roberts:** Door refinishing will start in August and Brian Bach will be the painter. Dave will notify the homeowner if your door is scheduled to be repainted. Dave does not think the painter will need to take the door off. Driveway sealing is scheduled for August and there is money budgeted to pay for about half of the driveways to be completed this year. The Townhomes on the lakeside appear to look the worst so this will be done first. The Babbling Brook Bridge needs a little work and it will also be stained. The common area rock beds will be completed. The big pond on Lakeview side has been treated in the past years and Don Goodell will do it again this year. The algae are worse this year due to the cooler weather. Paul asked if we could do this on an annual basis so we do not have to call him each year. Dave said yes we have put it in the budget, and he would talk with Don about coming earlier in the year from now on.

**New Business:** Homeowner Greg Oswood had a landscape issue that he wanted to discuss with the members and the Board. He has been very disappointed with the appearance of the

landscape bark in front of the units and the common areas. Most of the bark has blown away or deteriorated and the mat is showing through. Greg explained that there are presently 10 units that have bark on the road side. Under the old CC&Rs maintenance was included for landscape upkeep. Then in 2012 a letter from the Board was mailed to all homeowners saying that because of the expense the homeowners were now responsible for the landscape cost. All homeowners also received a list of services that were now the responsibility of the owners where in the past they had been covered by the HOA. He understood that the CC&R's were changed by the Board and wondered how that happened without a vote. Greg also understood the need to have conformity with all units having the same ground cover which is either mulch or rock. The 10 units that are in Greg's complex are in need of improvements and he would like Association to stand by the CC&R's and repair this area. He has been waiting for many years and he would like some consideration of having this done. Paul said that those units are not the only ones who have mulch that needs to be replaced. If we address this we need to give all 24 townhomes the same consideration. Ron said the total price to have mulch brought in for all 24 townhomes would be around \$17,000. Currently we have not budgeted in 2016 for this work to be done, and because of this some people have elected to pay for their own personal maintenance. Ron further explained that the Board did decide to repair the landscape around The Babbling Brook and replaced the mulch with rock. Mulch deteriorates over time whereas rock is forever. Ron agreed that LPVHA is not in compliance with the CC&R's but we need time to try and get in compliance. The worst thing that could happen as a group is to have our heads in the sand we need to collectively know what repairs are necessary and have a long range goal so that all homeowners receive proper maintenance on their units. Some homeowners have decided not to wait and on their own have done the necessary landscape upgrades. There is money in our reserve accounts but we are bound by our CC&R's to maintain these reserves.

Paul asked do we put this to a vote. Brian answered that Greg is making perfect sense. All the 10 units need landscaping done and this should be taken care of, but what makes the most sense bark or rock? Dave said the bark would not be what you have but a much larger bark which breaks down slower. Rock would be more expensive as we need to take out the mulch and add new matting and edging. Ron said as a community we need to decide where we want to spend our money. Brian said the Board needs to decide how to solve it. Ron told the members that the Board had asked people to volunteer to be on the design project for the community and if no one steps up then it falls to the Board to handle. The Board will address this issue but Paul did not want to have special assessments and asked the Oswood's to please give the Board time to work this out.

The little pond also looks bad and is full of algae. Dave said it has been skimmed and will be treated. Brian said the Board will explore long term maintenance issues for the ponds.

Paul said please do not park in the street and please keep dogs to be on a leash and clean up after them. Be good citizens. The board needs to be formalized and we need volunteers for the board. Greg volunteered to help on a committee.

Greg motioned to adjourn, Brian seconded and the meeting adjourned at 2:00 p.m.

Prepared by:

Bugsy Yarbrough

Recording Secretary