



EMERALD VALLEY WEST HOA

SUMMER INTO FALL NEWSLETTER 2022

Greetings members! Exercising the power of your vote is more important than ever as this year's ballot for the Election of Officers also includes a Special Ballot Measure that will need to be voted on annually. We will make every attempt to explain it completely so that you will be confident when you cast your vote and drop your ballot in the mail before the **October 1, 2022 deadline**.

Please note the following important information and dates:

1. **ANNUAL MEETING**, will be held on **Saturday, October 8th, 2022**, commencing at 10am and located at the covered area behind the Sport Courts. Light refreshments will be served. Please bring portable seating and dress for the weather.
2. **MAIL IN BALLOTS**, As previously mentioned, **mail in ballots must be returned by the Oct. 1, 2022 deadline**, prior to the meeting, so that we can share the results of the Board Elections and Special Ballot measure at the Annual Meeting.
*****Cast your votes for 3 candidates to fill 3 vacancies on the Board.*****
3. **SPECIAL BALLOT MEASURE**, addressing the recent discovery by HOA legal counsel, (see attached letter from Dale Riddle), of the Oregon Planned Communities Act requirement that HOAs who collect more than \$75,000 a year in dues to hire a CPA to conduct an annual Review of yearly financial statements. The cost of Review ranges from \$2000 to \$6000. In order to avoid the expense of conducting such a Review, the full membership is legally allowed to vote annually whether or not to proceed. *****Cast your vote NO, to not conduct a Review, or cast your vote Yes, to conduct a Review.*** A 60% NO vote is required for legal relief from conducting a Review. Please vote now!**
4. **DUES INCREASING** by \$10 to \$90/mo, \$270/quarterly, beginning January 1, 2023. Please take note and make the necessary changes to your online banking payments leading up to 1/1/2023. A reminder notice will go out with the January invoice. If you've already paid in advance, you will need to also pay the difference. We've staved off dues increases for the past three years and cannot avoid it any longer, given the steep increase of most costs associated with conducting the business of the HOA. **Please open your invoices!**
5. **BATHROOMS AT SPORT COURTS** are now accessible by using the same key that opens the exterior gates to the courts, to open the gated breezeway area at the cinder block building behind the courts. There are two ADA bathrooms available

that have self closing mechanisms and lock from the inside. Please be respectful of the facility and avoid disposing of any trash that may smell or attract pests. We do not currently have janitorial or trash service at the facility and custodial duties have fallen to the Board members. Also, make sure the doors close completely when you exit the bathrooms, otherwise the lights/fans/heaters stay on. Supervise kids and keep your key with you at all times as you must use it to both enter and exit the breezeway gates, just like the gates to the courts.

6. **AUSTERITY MEASURES** are forthcoming to make sure the HOA is financially strong moving forward. Since the HOA turnover in 2008, which coincided with a big economic downturn shortly after, and more recently the Pandemic, unprecedented in our lifetime, current and previous Boards have done their best to make good economic decisions for the greater good. Our part-time Management Agent, Lori Eichelberger, will be resigning from that position at the end of the fiscal year, in order to help the bottom line. In the past she has worn the hat of the President and also the Management Agent, which is allowed according to HOA bylaws. She will continue to conduct the day to day business of running the HOA, assuming she is re-elected to the board. But all the extra projects and extra care she has given the HOA will cease. If need be, outside contractors will be hired to fill the void on a project by project basis. Her husband, Dennis Eichelberger, who has donated countless hours of maintenance to the HOA, will also be waylaid for the near future due to his upcoming shoulder replacement surgery in September.
7. **LIVE AND LET LIVE** is a great motto! When the Board includes reminders in the newsletter, regarding rules and regulations in the HOA, the hope is that members will take responsibility for their own actions. It is our responsibility to reinforce the rules, and when necessary take enforcement measures, usually as a last resort after receiving several complaints or if the situation demands immediate attention. We don't patrol the HOA looking for infractions. We just want to live happy lives also.
8. **SUNDAY DRIVE** project has broken ground! We are excited to see the progress after 20 years. It may take a little getting used to for those whose homes on Pebble Beach that back up to the new construction, but it will be worth it when it's all said and done. We look forward to welcoming our new HOA members. If you or someone you know who may be interested in purchasing a new home on Sunday Drive, contact the listing agent for Crosswater Homes: Derek Peterson at 541-332-0046 or email him at derek@derekpeterson.com.
9. **QUESTIONS**, if you need clarification or want more information about any subject addressed by this newsletter, please feel free to email us at evwhoa@gmail.com.

Thank you,

Lori Eichelberger
President

Daniel Mills
Treasurer

Ron Sammons
At large

Kirk Garner
Vice President

Anna Johnson
Secretary

The Board of Directors (Board) has asked me to provide the membership with a report on legal activities during the year 2022.

I was hired by the Board at the end of last year. At that time, there was one lien encumbering a property for failure to pay dues in a timely fashion. Payment has since been made and the lien has been released. In the current fiscal year, commencing March 1, 2022, there have been six accounts more than 90 days over due for one reason or another. After warning letters were mailed out, all six have paid and are current. Also, at the beginning of the fiscal year, the HOA paid off its loan used to finance the purchase of the sports court and adjacent lot. Upon payment, the security lien was released and the HOA now owns the property free and clear.

Immediately following the September 2021 Annual Meeting, a dispute arose between an owner and the Board. The dispute stemmed, initially, from a misunderstanding regarding cash accounting practices used by the HOA bookkeeper, the industry standard most commonly employed for HOAs. In the ensuing 9 months, the owner made numerous requests for HOA financial documents from the bookkeeper, which the Board granted with the caveat that the information not be taken out of context in order to harm the business of the HOA in any way. The person was also given the courtesy of a sit down meeting with the bookkeeper. Despite all the deferential treatment, the owner spread rumors among their neighbors in what appeared to be an attempt to create drama and diminish the faith in the HOA's officers who volunteer their time to lead and provide direction for our HOA. Repeated attempts to deescalate the situation were unsuccessful such that legal counsel was forced to become involved in this matter, including the writing of a Cease and Desist letter outlining the boundaries and distinctions between free speech and legally actionable slanderous and defamatory speech. The litigious costs to date for this conflict are in the neighborhood of \$4000.

The conflict, although painful to the participants, yielded a benefit to the HOA. It was discovered during this process that an accounting error of \$519.33 had occurred during the reconciliation of the amortization of the low interest private loan that financed and allowed the HOA to purchase the sport courts and adjacent lot, as previously stated, in September 2019. The error was corrected and the ledger was balanced.

During this process, legal counsel also discovered that there was a requirement in the Oregon Planned Communities Act, adopted in 2002, that required an HOA that collects more than \$75,000 year in dues, to hire a neutral third party certified public accountant to conduct an annual Review of the HOA's yearly financial statement, in accordance with the American Institute of Certified Public Accountants. The HOA has never conducted such a Review since it was handed over to the owners in 2008. Nor does it appear that a Review was ever conducted prior to the turnover by the developers. The financial Review required by the statute can be expensive ranging from \$2,000 to \$6,000. Since our discovery of the financial Review requirement, we have discussed this matter with both accountants and attorneys who specialize in homeowner's associations. Their advice was that an expensive Review may not yield any new information that would benefit to the HOA and that exercising the legal right to put the matter to a vote of the full membership may be the best way to move forward. Relief from the

expense can be legally achieved by a 60% vote of the residents voting no, to not proceed with the review of the most recent fiscal year 2021-2022. Or, members could vote yes, to proceed with the review. The Board has opted to include the Review ballot measure with the current ballot for election of officers. Such a Review ballot measure would have to be voted on annually by all members of the HOA.