

**TUMBLE CREEK VILLAGE ASSOCIATION
141 FIREHOUSE ROAD
CLE ELUM, WASHINGTON**

**MINUTES OF THE BOARD OF DIRECTORS MEETING
HELD AT THE REAL ESTATE SALES CENTER, DISCOVERY CONFERENCE
ROOM APRIL 23, 2026, 9:30 A.M.**

MEMBERS:

Mark Thorne	President
Tucker Stevens	Director
Mark Chitwood	Director

STAFF:

Edward Simpkins	Director of Community Associations, SMC
Jennifer Kramer	Deputy Director of Community Associations
Annalisa Johnson	CFO
Brandi Darnall	Owner Relations Manager
Courtney Kephart	Assistant Director of Operations
Cody Martz	Director of Operations
Graysen Cook	Design Review Administrative Assistant
Kelsey Greene-Snyder	Director of Design Review and Residential Construction
Vanessa Reust	Senior Manager Accounting
Megan Huddleston	Senior Accountant
Susan Curry	

GUESTS:

Brian Frederick	Owner
Jocelyn Levine	Recording Secretary, Minutes Solutions Inc (via teleconference)

Ryan Hanks	Vice President
Bruce Morrison	Secretary/Treasurer

1. **CALL TO ORDER**

There being a quorum present, and adequate and proper notice of the meeting having been given, the meeting was called to order at 9:30 a.m.

2. **APPROVAL OF AGENDA**

On a motion duly made, it was resolved to approve the agenda, as amended. Motion carried at 9:30 a.m.

The agenda was amended to remove the following items:

- 8.c. Reserve vs. Operating Spending
- 8.d. FDIC Limits on TCVA Operating and Reserves Bank Accounts
- 12.a. Delegate on CD Investment Calls with Raymond James

The Board clarified that it would deliberate about the SMC overbilling settlement under Old Business and vote on next steps under New Business.

3. **APPROVAL OF PREVIOUS MINUTES**

On a motion made by Tucker Stevens, seconded by Mark Chitwood, it was resolved to approve the minutes of the Board of Directors meeting held on January 26, 2026. Motion carried at 9:30 a.m.

4. **UNFINISHED BUSINESS**

4.1 **Settlement Agreement for Repayment of Historical Overbillings by Suncadia Management Company (SMC)**

Issue Background and Update:

During a 2023 audit, Management found that under the previous management company, \$2.8 million was charged for front gate, patrol, and attendance hours that were scheduled but not staffed between 2009 and 2021. The Board promptly reached out to the new ownership, Lowe Enterprises and RCS, which hired a third-party forensic accounting firm, Ankura, to investigate the anomaly. The investigation determined that all the billing issues occurred prior to current ownership and that the Association was owed \$2.8 million across Suncadia Residential Owner Association (SROA), Suncadia Community Council (SCC), and Tumble Village Creek Association (TCVA). The Associations' legal representation subsequently sent multiple demand letters for repayment in the amount of \$2,847,464 and Lowe filed a claim with AIG, its corporate liability insurance provider, which has agreed to pay the full amount requested. Per the current settlement offer, TCVA would receive \$496,062, SROA would receive \$341,851, and SCC would receive \$2,009,551, with homeowners guiding spending.

4.1.1 **Legal Counsel – Overview and Engagement:**

Alison Peryea is a shareholder attorney at the community association law firm Peryea Silver Taylor and the 2026 president of the Washington State Chapter of the Community Associations Institute, specializing in HOA matters. She is also general counsel for the Tumble Creek Village Association and the Suncadia Residential Owner Association and is additionally representing Suncadia Community Council on this specific matter, given the joint claim.

Alison Peryea summarized her engagement with the matter, noting that she became involved in the spring of 2024 and promptly sent a demand letter for the overbilled amounts. She issued a second letter in November, 2025, which mentioned the possibility of seeking interest and late fees if payment was not received by March 1, 2026. Due to her firm's relationship with Lowe Enterprises, she simultaneously advised that the Association explore a third-party litigator, anticipating escalating legal action. Upon receipt of the settlement offer in April, 2026, she and multiple contract law attorneys from her firm reviewed the proposed agreement, which appeared standard. Alison Peryea estimated total legal fees for this matter to be less than \$6,000 to-date.

4.1.2 **Legal Counsel – Settlement Agreement Review:**

Allison Peryea provided feedback that the settlement offer was an excellent result, noting that it is rare to receive a payout for the full principal requested, especially given that the breach occurred so long ago.

She recommended modifications to the confidentiality clause to enable the Association to disclose pertinent details to owners and modifications to the waiver of claims to enable the Association to bring forth additional claims against the relevant parties in the future.

4.1.3 Legal Counsel – Board Decision Options

Allison Peryea summarized the Board's potential next steps, including the options to recover interest and/or attorney fees.

She noted that settlements do not typically include attorney fees absent escalation or litigation and shared anecdotal evidence that demanding attorney fees may result in rework of the agreement.

The Association has both statutory and case law support for seeking pre-judgment interest, with the statute providing for 12% from the date the breach first occurred. However, she advised that pursuing interest, particularly from 2009, would be complex to calculate per month and could prompt the opposing party to challenge the Association's entitlement to the underlying claim based on the age of the breach, potentially resulting in a withdrawal of all or part of the offer to pay the full principal amount.

A more moderate approach would be to seek pre-judgement interest beginning April 1, 2024, when Ankura published the investigation report confirming the breach. Annalisa Johnson estimated interest from April 1, 2024, through May 15, 2026, at a rate of 4% (based on conservative CD rates), to approximate what the Association would have earned had it held the funds. The estimated interest totaled approximately \$252,000 for all three entities collectively and \$43,910 for TCVA specifically.

Allison Peryea advised the Board to accept the settlement offer for full principal payout as offered and not pursue interest or legal fees, so as not to jeopardize the full payout, reiterating that it was a rare and excellent result. She further noted that the company may not have insurance coverage for fees and interest. However, she acknowledged that there is no harm in asking for interest, particularly given the Association's statutory support for such a claim. If the Board elects to pursue interest, she recommended the more moderate approach of seeking 4% from April 1, 2024, while offering the waiving of legal fees and foregoing the full 12% interest from 2010 as concessions to strengthen negotiations.

4.1.4 Board Deliberation:

The Board called for owners to voice their feedback during open forum. It noted it is also investigating tax implications and will provide instruction to legal counsel regarding next steps for TCVA within the next day.

Each entity may make its own decision, and legal counsel may structure the settlement as separate agreements for each entity to support independent decision-making.

5. **CORRESPONDENCE**

The following items were included in the Board packet:

- Allied Universal Quarterly Violations Report

Edward Simpkins noted that Allied Universal's role is to observe and report violations. The Management team reviews the report during a daily standup meeting at 9:00 a.m. Kelsey Greene-Snyder and her team manages community compliance and executes any follow-up actions required.

Homeowners requested notice of any egregious violations, such as a break-ins or theft. Edward Simpkins shared one report of handgun and shotgun shells found near Jenkins Gate and one report of hunters walking from the river corridor that required an escort off the property. Additionally, Dave Yoder had reported discovery of vandalism in the on-course restroom. Management is exploring camera installation options and a way to lock the restrooms.

6. **OWNERS FORUM**

ACTION – Management will send the advisory committee information slide to Mark Thorne for inclusion in the semi-annual owners meeting scheduled on June 13, 2026.

ACTION – Management and the Tumble Creek Advisory Committee (TCAC) are to explore methods to communicate significant violations and related actions to homeowners.

Homeowner:

Asked if there is an open sale for Tumble Creek.

The Board:

Responded that Lowe Enterprises and Suncadia have recapitalized on the equity side and are selecting a new equity investor in Tumble Creek, replacing RCS. The Association is seeking an active capital partner that specializes in finance and development projects. The Board is in discussion with two potential partners but has not yet reached a signed agreement. If discussions progress sufficiently, the Board will include the topic in the agenda for the semi-annual owners meeting scheduled on June 13, 2026. One consideration is whether SCRA fees will continue.

Multiple homeowners:

Requested that Management develop a process to notify owners of vandalism incidents, perhaps by email or social media, and explain any corrective or mitigating actions and policy changes implemented.

Responded that he had planned to discuss incident publication options and transparency preferences with the TCAC at the next committee meeting in May, 2026.

Edward Simpkin:

Noted that Allied Universal provides a formal violation report that the Management team reviews at a daily 9:00 a.m. standup meeting with the account manager, Derek Coffinger. However, because the report includes personal and confidential information, it cannot be published to owners.

Homeowners:

Requested transparency around the TCAC operations and discussions.

Responded that the TCAC advises the HOA only and reports at the quarterly Board meeting, which is included in the published Board minutes. The Club Advisory Committee meets twice annually and is considering publishing meeting discussion summaries for owners. The Finance Advisory Committee primarily poses recommendations to Annalisa Johnson.

The Board:

Clarified that the advisory committees have no decision-making authority. The Board suggested including in an upcoming newsletter each committee's name, membership, and purpose, noting that Management could repurpose a previous slide.

Homeowner:

Asked about the alleged ease of obtaining the SMC overbilling settlement offer and whether it raises any suspicion.

Mark Thorne:

Clarified that the settlement offer was not easily obtained and that he had conducted detailed analyses and engaged extensively with Lowe and the accountants over a period of more than two years prior to engaging legal counsel.

7. **CONSENT CALENDAR**

On a motion duly made, it was resolved to ratify the Board's email approval of the sale of the Association's 2022 John Deere tractor (model No. 4066R with 159.5 total hours) to an individual buyer for \$50,000 on March 9, 2026. Motion carried at 10:25 a.m.

The tractor was originally purchased new for \$92,000 and most recently listed for sale along with the snow blower for a total asking price of \$59,000. The snow blower is currently valued at \$21,000 and remains unsold. Management plans to relist it for sale in the fall, closer to snow season.

8. **TREASURER'S REPORT**

8.1 **Financial Reports Q1 – 2026**

On a motion duly made, it was resolved to approve quarterly reserve contributions of \$141,120, to be processed at the beginning of each quarter. Motion carried at 10:33 a.m.

On a motion duly made, it was resolved to approve a one-time reserve contribution of 50% in lieu of quarterly reserve contributions, in the amount of \$16,680. Motion carried at 10:43 a.m.

Vanessa Reust presented Q1 2026 financial report for Tumble Creek Village and Tumble Creek Cabins including assets, liabilities, equity, reserves, and quarter-over-quarter comparisons as of March 31, 2026.

8.1.1 **Tumble Creek Village**

Revenue was tracking below budget due to less assessment and design fee income than planned but is expected to increase over the year. The budget was spread evenly despite increased homes expected later in year. Vanessa Reust explained that pre-planned owner assessments are assessment fees paid early and are eventually moved to assets.

Fee expenses were under budget, mainly under patrol, representing permanent savings in sales tax as the renewed Allied contract costs were budgeted to start in January but will not start until April. The Association had only spent about 47% of total snow removal budget by the end of Q1, as it had budgeted for "moderate" snowfall.

Finance expects to see overages in utility expenses for 2026. The Association was under budget for utilities by \$3,000, due to a decrease in electricity usage and costs, but UTC alerted Management to expect a 10% increase in electricity costs in 2026 and a 20% to 25% increase over the next three years, due to infrastructure investments, clean energy compliance, rising demand, and system reliability. Additionally, Management was notified to expect 3% increase in water costs and a 15% increase in sewage costs. Only a 5% increase was budgeted for each in 2026, so overages are expected.

The total budgeted reserves contribution for 2026 was \$564,480, of which \$141,000 was contributed in Q1. Reserve spending was over budget by \$29,000 and included a bridge inspection expenditure for \$65,000.

Cody Martz was introduced as the new Director of Operations, prioritizing review of all reserve schedules by conducting field inspections to confirm reserve project needs and priority level for 2026. Edward Simpkins added that no pavement or asphalt work was scheduled for 2026, nor was the mailbox paving project budgeted for 2026.

8.1.2 Tumble Creek Cabins

The Association had only spent about 24% of total snow removal budget by the end of Q1, as it had budgeted for “moderate” snowfall.

Utility expenses were over budget by \$767 in Q1. No overage is expected for gas, as the actual rate increase aligns with the budgeted increase. However, overages are expected for electric, water, and sewage due to the previously described increases in utility rates.

The total budgeted reserves contribution for 2026 was \$33,360. Vanessa Reust recommended that the Board approve a 50% contribution now in the amount of \$16,680 and schedule the remaining contribution later in the year, contingent on snow removal expenditures, as in previous years.

8.2 AR – Collections Status Report

As of April 20, 2026, there were nine Tumble Creek Village owners with an outstanding balance. This is a continued improvement from the over 100 owners in arrears at the end of 2023. There were no owners in arrears for The Cabins.

9. MANAGEMENT REPORT

9.1 Staff Report

The staff report was included in the Board packet.

Brandi Darnall elaborated on plans to migrate from the FRONTSTEPS community portal to Enumerate Engage in the summer, to streamline communications and user experience for owners. She confirmed that the new platform had been user tested and she was satisfied with the UX.

10. COMMITTEE REPORTS

10.1 Tumble Creek Advisory Committee (TCAC) Report

10.1.1 SMX Overbilling Settlement Funds

The TCAC recommended that the Board place any SMC overbilling settlement funds in reserves and potentially use the funds to offset HOA fee increases. It also provided informal feedback that owners have inquired why the settlement funds wouldn't be returned to individual owners.

The Board responded in support of the TCAC's suggestion to place funds in reserves while determining usage, noting that the first step is to collect the funds. The Board clarified that the funds cannot be returned to individual owners because of the complexity and exorbitant legal costs that would be required to determine amounts per each month over 10 or more years,

accounting for deaths, divorces, and changes in residency. Additionally, case law indicates that the funds must be returned to the Association. Nonetheless, the Board affirmed that the owners would decide how the funds are used – not the Board, developer, nor declarant.

10.1.2 **Overnight Street Parking**

ACTION – The Board will review the TCAC's recommendation regarding overnight street parking in Tumble Creek and expedite a vote by email prior to the July, 2026, Board meeting.

In response to SROA's recent adoption of Parking Policy Resolution 125 and in anticipation of a similar policy for Tumble Creek, the TCAC recommended that the Board permit overnight street parking in Tumble Creek, noting that it is a private, gated community with different parking and security considerations than Suncadia. The TCAC further recommended that the Board not adopt a separate parking policy for Tumble Creek and that Allied not enforce Resolution 125 within the community.

The Board agreed that such restrictive measures are not required in a private, gated community. Tucker Stevens added that parking restrictions and enforcement are primarily required in areas of the community with limited access configurations, such as cul-de-sacs, to ensure emergency access and community safety.

10.2 **Forest Management Steering Committee Report**

This topic was not discussed.

11. **PRESIDENT'S REPORT**

Real Estate Marketing and Sales Plan Update

President Mark Thorne reported that the Suncadia Real Estate Center renovation is complete, and the center now features the Suncadia Real Estate Lifestyle Gallery, an educational center for outside brokers to learn about life in Suncadia. The overhaul reflects a shift in sales strategy from funneling through a dedicated, onsite brokerage to driving diverse, outside broker participation. A combined open house is held for Tumble Creek and Suncadia on the third Saturday of each month. Management recommended separating the open houses for each community, which the Board supported. The Board will provide more details on real estate sales at the semi-annual owners meeting in June, 2026.

12. **NEW BUSINESS**

12.1 **WUCIOA Amendments to the TCVA Collections Policy Resolution 204e**

On a motion duly made, it was resolved to approve the revised version of the Tumble Creek Village Association Resolution 204e regarding a collection policy for past due amendments, as presented. Motion carried at 11:02 a.m.

The revisions were required to bring TCVA's collections policy into legal compliance.

12.2 **Uses for the SMC Overbilling Settlement Funds**

On a motion made by Tucker Stevens, seconded by Mark Chitwood, it was resolved to provide the following direction to Allison Peryea (legal counsel) regarding the settlement agreement with Suncadia Management Company (SMC) for historical overbillings:

- **Propose settlement for full repayment of principal, as offered;**

- Review and provide edits for recommended changes and language;
 - Add a provision to collect interest owed and partner on strategy;
 - Do not pursue legal fees, but strategically note that the Association is waiving pursuit, to strengthen negotiations;
 - Structure TCVA's settlement agreement independently if SROA or SCC elect to pursue strategies or options that diverge from TCVA's approach;
 - Provide a draft of the revised agreement to the Board by April 28, 2026, for review.
- Motion carried at 11:00 a.m.

Mark Thorne noted that Ryan Hanks and Bruce Morrison had previously expressed to the Board their alignment with pursuing interest, without pushing too aggressively.

13. **EXECUTIVE SESSION**

There was no executive session.

14. **NEXT MEETING**

The date of the next Board of Directors meeting is July 27, 2026.

15. **ADJOURNMENT**

The meeting closed at 11:02 a.m.

DISCLAIMER

The above document should be used as a summary of the motions passed and issues discussed at the meeting. This document shall not be considered a verbatim copy of every word spoken at the meeting.

Bruce Morrison
 Bruce Morrison (Jul 30, 2026 07:19:37 PDT)

 Director
 07/30/26

 Date

 Director

 Date

3.a April 23 2026 TCVA BOD Meeting Minutespdf

Final Audit Report

2026-07-30

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