

## Minutes – Finance Committee Meeting

April 22, 2024, 4:30 pm

Present at last meeting: Will Vizzard (m), Tara Foust (m), Don Landsittel (m), Nina White (m), Susan Timmer (m), Nicole Marks (Manager) Observers: John Apostolo, Betty Johnson, Carol Duke, Karen Lowrey, Cheryl Nelson, Ashley Tangeraas, Peter Pelkofer

- 1) Approval of March minutes – Approved via email. Link to Zoom recording of meeting: <https://nepenthehoa.com/finance-committee/>
- 2) Updates from Management/ Board
  - i. Taxes- Taxes have been filed.
  - ii. Financial review- Financial review has been mailed/ emailed out.
  - iii. Reserve study – The first draft of the study is in process. Ms. Marks is expecting to receive the draft within the next couple of weeks.

The list below itemizes issues the FC believes are important for Browning to address.

- i. Reserve study: questions, issues for next year (running list for Browning)
    - What are alternatives to mitigate the impacts of increased product, material and labor costs
    - Implications of extending projects to reduce expenditures during fiscal periods
  - ii. Siding- Browning will use the cost estimates that Paul Reeves and the contractor worked up for Phase 2, as they went into more detail than he usually does for a site visits.
    - What is the impact on the reserve study of using a product with a higher anticipated useful life than T1-11?
    - Extending siding cycle from 6year to 12 years- Current siding cycle is set at 12 years, with expectations that there will be some minor yearly siding expenses.
  - iii. Painting-
    - Paint cycle should sync with the siding cycle- Current paint cycle is set at 6 years so that every other cycle will coincide with a siding cycle.
    - Determine lifespan of the current painting product; mid-cycle touch up included
  - iv. Tennis courts-
    - Resealing costs- Browning will confer with the tennis court specialist.
    - Elmhurst courts- Maintenance will be deferred until the Board decides what to do with that space. It will need a total overhaul, even if not used for tennis in the future.
  - v. Landscape-
    - Turf irrigation changes per AB1572
- iv. Siding and painting project updates- We are nearing the end of Phase 1 of the siding project. We have received proposals for Phase 2 from different companies, most

bidding on paint & dry rot repair, 1 for dry rot repair only, and several for painting only. Proposals were competitive.

- v. Landscape updates- No landscape updates. The Grounds committee reviewed many remediation and homeowner requests at their meeting today.
- vi. Recall update- Timmer asked what the implications the recall effort will have for the budget. Marks stated that much of the information is privileged at this time but in principle, there will be legal fees, the cost of a third-party elector, and the cost of running an additional election. The FC discussed different solutions that might promote community discussion and a sense of being heard.
- vii. Water billing updates- Wood-Rodgers is working with the city and arranged to get informational billing over the next 9 months so that we can better anticipate water costs next year. Ms. Marks has only received one or two billings thus far.
- viii. Water use (AB-1572)- No information is available. Ms. Marks will find out if First Service knows anything or is entering into lobbying efforts.

3) Old business:

- a. Reserve tracker- Ms. Marks stated that she planned to create a second sheet with landscape remediation expenditures listed so that we can track the costs of remediation associated with irrigation-related work.

4) New business:

- a. March financials- Ms. Marks stated that there was nothing notable on the financials. There were no questions.
- b. March reserves- Ms. Marks stated that the missed contributions to reserves have not yet been repaid. She is working with First Service to schedule them.
- c. 2024/2025 Finance Committee members- Need to fill out application before the Annual Meeting.

5) Homeowner questions/comments-

6) Next meeting- June 3, 2024