RESPONSES TO MAY 2025 OPEN MEETING COMMENTS and CORRESPONDENCE

Please note these responses will always be attached to packets for Open Board meetings following the meeting where the comment was made and will also be published with the monthly newsletter. As time, quantity of homeowner comments, and level of research necessary to prepare full and accurate responses permits, these responses may also be emailed mid-month after the meeting date mentioned in the heading.

[ ] signals that this response was given at the meeting

FORUM

1. Peter Klein - Had 2 questions:

a) Were all Board members in attendance at the Executive meeting? If not, would suggest we not indicate unanimous decision.

[Director Delfin agreed and said not all Board members were present at the Executive meeting.]

b) Did we get bids for the pool equipment replacement? Would like to know how the process works.

BOARD RESPONSE: There was no bid process on the replacement of the pool furniture. When replacing part of the furniture, the emphasis was on matching the type and color of the remaining furniture.

2. Andrew Barrios – There was once a shop vac for the pool area but it seems to be missing. Should it be replaced?

[GM agreed look into the issue.]

3. Markus Dascher – He sent a letter to the Board for inclusion in the meeting packet. He received an email advising the Board would consider and was notified that his letter would be included in the June packet. This means the new Board will be responding, not the current Board – this defeats the purpose of the letter. What is the criteria for including letters in the meeting packet?

BOARD RESPONSE: The Board strives include all communication in the open meeting packet. Occasionally, correspondence needs more Board review and discussion. As the packet must be prepared the week before the open meeting, some correspondence will be included in the following month's packet.

4. Bonnie Jacobson – What is the status on the insurance survey?

[Director Delfin advised that the survey has been completed and the Board is now reviewing the information to determine the next steps to be taken.]

5. Jim Shaw – Had 3 questions:

a) Why did we formally announce the policy position on use of rock in landscaping?
b) On the Finance Committee report there were 3 variances mentioned. What percentage of the budget do these variances represent?
c) Again, regarding the Finance report, if line items are above or below projections, what approach would the Committee recommend if it occurred?

a) [Director White clarified that the Board voted on a formal position to review on a case by case basis earlier in this same meeting. The Grounds committee asked for a Board vote and/or guidance on the issue of the use of rock in landscaping.]

BOARD RESPONSE:
b and c)

Nepenthe's Reserve Study is a 30-year planning document designed to ensure that appropriate funds are available to maintain our assets. A Study is prepared during the budget process and once approved by the Board, becomes the expected reserve spending plan for the upcoming fiscal year. There is a separate operational budget that covers recurring expenses such as utilities and salaries.

In the Study, Association assets and their projected life expectancy or maintenance requirements are estimated as well as the anticipated cost of the repair/maintenance or replacement of that item. This analysis permits the Association to 'reserve' income to address the future needs of the community.

While the Study sorts spending expectations by the item or category, the Board, during the fiscal year, determines the priorities for spending the monies available; this may require using funds in a manner different from the original Study. To do this some anticipated work or replacement may be deferred or reduced. The actual (rather than planned) schedule and expense categories are then used in preparation of the next year's study.

The date of reconciliation of annual expenses can be effected by the timing of the receipt of invoices, time to review the billing for accuracy, and time needed for approval of payments. It is not unusual for final annual reconciliation figures to occur several months after year end.

6. Bill White – In the past, at open meetings the Board was not permitted to answer questions. Tonight's meeting is in a Q&A format. Why the change?

[Directors Delfin and White replied that brief responses by management or Directors on day-to-day information is permitted. Ther can be no discussion about or action taken on items not on the agenda.]

7. Peter Pelkofer – He is in support of letters to the Board being sent by management to the Board members for review prior to meetings. The Board should have letters within a couple days of receipt. He is not asking for a response.

[Director Delfin advised that letters are sent on to the Directors by the office.]

CORRESPONDENCE

1. Peter Pelkofer – Encourages Board to review current CC&R insurance sections and consider changes beyond just the current issue of the deductible. In response to the survey, his comments are: (option 1) the Association already has the right to recover a loss from homeowners. It is possible that for access to loss assessment coverage, all homeowners must be assessed equally. (option 2) Deletion of section 10.8 would accomplish requiring the Association pay the deductible and no other language would be needed. (option 3) Payment of the deductible should not be determined by the Board. Determination of fault is beyond what should be required. Recommends elimination of section 10.8 of the CC&Rs.

BOARD RESPONSE: The Board appreciates this homeowner opinion and discussion of the issues. The Board is considering how to approach the issue.

2. Andrew Barrios – There should be a 4th option on the insurance survey indemnifying homeowners from any deductible. Sees no urgency on the insurance deductible issue.

BOARD RESPONSE: The Board appreciates this homeowner opinion and discussion of the issues. The Board surveyed the community to gather information on homeowner preference in case of property damage covered by the HOA liability insurance policy. The Board is assessing the responses and will continue to explore the issue. As decisions are made, the community will be advised.