

del Lago Newsletter

Prepared by the del Lago District Advisory Committee

Vol. 20, No. 5 – May 2022

del Lago DAC Meeting May 12, 2022 at 6:00 p.m. At Vineyard Center

Chairman's Message: Key Issues of Concern to All del Lago Residents

Greetings to our del Lago residents. **First some good news:** Due to efforts by DAC leadership member Dave Dimmick and Juan Heredia (our Landscape Manager), del Lago received a \$7322 rebate from Santa Clara Valley Water District for the \$12,624 turf reduction project (3700 square feet behind the del Lago/Sonata entry sign) completed in January 2022. The plan is to recommend that this rebate be applied to a future turf reduction project.

After the bad news on next fiscal year's HOA fees, especially the cost of new roofs, there was a lot of concern and suggestions from our residents as to what we can do about it. **Please attend our residents' Quarterly DAC meeting on Thursday, May 12, at 6PM, at Vineyard Center.** I have invited Bob Krattli (a del Lago resident on the Club Board) to talk about Club issues and responsibilities. We will also have Diana Hallock (from the ABOD) to speak about the issues concerning our residents. This is your chance to hear and question first hand our Board representatives.

Remember, the Association Board (ABOD) has, by laws governing a Common Interest Development, authority over our community and our budgets. Also, the ABOD has revised Association Policy APo/APr 202, to clarify the role of the DACs. The DAC (District Advisory Committee) is an advisory committee providing feedback to the ABOD from our residents and providing information to our residents from our ABOD. The DAC is legally powerless as decision makers but plays a strong roll in influencing the decisions of the ABOD for our village.

Our roof replacement is a big issue because the cost of replacement over the period FY30, 31 and 32 went from \$8 million to \$12 million. Most of the increase is due to the projected inflation in labor and materials. Your DAC will be asking the ABOD to hire an independent roof consultant to determine the health of our roofs and whether we can delay (and how long) the roof replacement. We will suggest this be done in FY23 or

FY24 because any recommended extension in time will reduce the reserve contribution needed to get to the necessary reserve build up.

Because of the drought, we also have a problem with our lakes. If we cannot use potable water to keep them partially filled, I believe they will go dry this summer. We will be asking the ABOD to do what is necessary to protect the lake liners and anything else that could be damaged if our lakes go dry. We will also ask the ABOD to get a bid(s) to use reclaimed water in our lakes, but I don't expect any changes immediately because of the City/County/State permitting process. If we are approved to use reclaimed water in our lakes, I have been told our drainage system would have to change. We now drain into the storm sewer system. With reclaimed water, we would need a piping change to drain into the sewer system.

Let's continue to work together to keep del Lago in the best shape possible. Let's all be vigilant of problems around our villas, especially those that waste water. Let's be mindful of our neighbors and try to meet each other's needs. Report anything to your DAC Leadership that you believe would improve the living conditions in del Lago. We hope to see you at our DAC meeting on May 12.

Emil Pisarri
DAC Chairman

May 8, 2022



del Lago Financials

YTD Report for FY22 from July 1, 2021 to March 29, 2022 (9 months)

Operating Budget (9 months, 75%): Total Revenue to date \$654,610; \$40 favorable to budget of \$654,570. Total Expenditures to date \$651,864; \$13,053 favorable to Operating Budget of \$664,917. Net variance \$13,093 favorable due primarily to savings in planting. The Operating Budget did have some “unfavorables,” mainly landscape, electricity and trash due to cost increases.

Reserve Budget (9 months, 75%): Revenue: del Lago always receives full revenue from monthly assessments. YTD deposits: \$437,518 (74%), toward a year-end plan of \$591,200. YTD expenditures of \$180,515 (29% of total budget) 75% into the FY22 reserve plan of \$618,740. Favorable are three items with no expenditures year-to-date, having an annual budget of \$206,600. Biggest unfavorable contributor is Irrigation System expense, in order to upgrade our controllers. However, net variance is still \$257,003 favorable (YTD revenue less YTD expenditures). Note: We need to accumulate enough money in our Reserve Budget to re-roof in the FY’s 2030, 31 and 32. As a result, the projected del Lago Reserve contribution will increase 18.4% next fiscal year.

Next Quarterly DAC Meeting:

Thursday, May 12, 2022, 6:00 PM; in-person at the Vineyard Center. CBOD member, Bob Krattli, will talk about CBOD issues and ABOD member, Diana Hallock will talk about ABOD issues.

Highlights of ABOD Meeting, April 26, 2022

(Excerpts from summary by ABOD Secretary Richard Holmboe)

Treasurer’s Report for Month Ending March 29, 2022

Operating Budget: Total revenue year-to-date (9 months, 75%) is \$7,739,900; \$3,500 favorable to budget of \$7,736,400. Total expenditures year-to-date (9 months, 75%) is \$7,565,900; \$285,100 favorable to budget of \$7,851,000. Net variance is \$288,600 favorable to budget, mostly due to water, insurance, and planting expenses; offset by an increase in BrightView landscape contract 1/1/2022.

Reserve Budget: Revenue: The Association always receives full revenue from monthly assessments. Total expenditures year-to-date (9 months, 75%) is \$3,843,000; 48% of year’s reserve plan of \$8,023,000. The portfolio balance is \$12,999,159; average interest rate earned is 0.68%.

From the President

President David Cook bid farewell to Tim Sutherland as Tim was attending his last Association Board of Directors meeting. David thanked Tim for his many proactive improvements he made in The Villages during his 4-1/2 year tenure - things like preventive maintenance programs, rodent exclusion and sewage improvements that are lowering our ownership costs in the long run. David also spoke to the budget that was up for approval at this meeting. We have been hearing for months that the numbers are up dramatically from the current fiscal year. The situation has also been volatile in that two of our largest expenses - water and insurance - have risen sharply even in the last two weeks. (Part of the insurance increase is due to modifying the replacement costs of our structures.) You can read David’s entire message in The Villager (April 28).

General Manager’s Report

Tim Sutherland reported that our third-party reserve planning companies stated that The Villages is a well-cared for and maintained operation - among the very best. Tim finished with well wishes to all Villagers, encouraging us to appreciate, enjoy and maintain this beautiful community. You can read other comments from Tim Sutherland by logging onto the Resident Portal and reading “The General Manager’s Office” articles which include the latest project status for each village along with DAC questions and answers.

May 21, 2022



Reminders to DACs from the ABOD and Resident Comments (relevant to all del Lago residents)

The **Ask the ABOD** feature in The Villager is still operating. When questions come into the Board, answers will be formulated and reported in The Villager column.

Del Lago Lakes and the Drought: One DAC member from del Lago wanted to remind the Board that Village del Lago has a lot invested in its lakes, that with the drought situation worsening, the lakes might go dry. This could cause a lot of damage to the lakes. He suggested that perhaps there is a way for reclaimed water to be used in the lakes.

Decorations in Common Areas (Rule 2:24 Outside Decorations) The purpose of the changes is to allow a district to apply to the Association Board of Directors for temporary non-political decorating during another time or in another area in their district for up to a three-week period once per year. The rule change received a lot of commentary from residents and the Rules Committee that suggested that the rule for temporary decorations is not the best way to go and further study is necessary. A del Lago DAC member stated that his village is thinking of requesting permission to permanently light trees along their main thoroughfare. (The permission for solar lighting in the trees along the Lake Garda Drive median was requested and continues to be explored.)

2022/2023 Operating Budget, Reserve Plan and Fee Schedule: Water rates will be up even more than we had previously anticipated. Insurance costs will be up more than we had anticipated partly due to increases in the costs of replacing our buildings. The budget was approved at this meeting, with increases to water and insurance, even though the actual increased expenses on these two items won't be known until later. The Board did not approve any enhancements to our common areas in the budget. Increases that were accepted were due to requirements of state law and the costs of doing business.

Next Regular Association Board Meeting: Tuesday, May 31, 2022 at 9:30 AM, via Teleconference.

Two Board Meetings Re: Master Property Insurance: Thursday, May 12 and May 26, 2022 at 10:00 AM, via Teleconference.

May 30, 2022



Thank you to all our soldiers who given of themselves for our freedom!



The del Lago District Advisory Committee (DAC) voting members are: Emil Pisarri, Chairperson, (408-781-4216); Judy Bushey, Deputy, (408-930-2985); Valerie Dimmick, Secretary, (408-813-3985); Everett Jacobson, Newsletter (408-629-7210); Melinda Dobbs (408-666-9713); David Dimmick (650-804-9378); Anahid Gregg (732-742-4874). Associate members: Cheryl Allmen (408-307-3979); Gary Lohr, (408-912-5124); Margaret Spatafore (408-532-1966. We welcome your comments and questions.

Produced by: Everett Jacobson, 408-629-7210, everettj1@aol.com

To receive these Newsletters via Email, contact: Anahid Gregg at anahid.villages@gmail.com or by phone at 1-732-742-4874.

DAC=District Advisory Committee, ABOD=Association Board of Directors, CBOD=Club Board of Directors, AC=Architectural Committee