

del Lago Newsletter

Prepared by the del Lago District Advisory Committee

Vol. 20, No. 6 – June 2022

Next Scheduled Quarterly del Lago DAC Meeting August 11, 2022 at 6:00 p.m. At Foothill Center

“The content presented within this newsletter, unless it is an actual Association document, are the views of the authors and not to be interpreted as official positions of the Association Board.” Apo:Apr202

Chairman’s Message

Greetings to all our residents. The above disclaimer is new and is now required by the Association Board of Directors (ABOD) to be included in District Advisory Committee (DAC) communications to residents. Our Association Board wants to be sure you know that DACs are an advisory committee and have no legal authority to speak for the Board, or to make decisions. Your DAC always tries to accurately present ABOD information and decisions; and in turn we try to convey to the ABOD your concerns and wishes.

Your DAC has written a letter to the ABOD expressing our concerns about preserving our lakes if they go dry. We also expressed our concerns about the large increase in the cost of our roof replacement (went from \$8M to \$12M). We asked for an audience with the ABOD because we want to know what the ABOD is planning to do about these issues. We want to be part of the solution.

We ask that you continue to find ways to save water at home and report leaks as soon as they are discovered. Our FY22 YTD water use is 83% of what it was during the same period in FY20 and 82% of our use in FY21. GREAT JOB! Keep up the good work.

This newsletter is longer than usual due to the conveyance of important information from the ABOD.

Emil Pisarri
DAC Chairman



June 19th



Your 21/22 DAC. Front Row: Judy Bushey, Cheryl Allmen, Everett Jacobson, Anahid Gregg. Second Row: Margaret Spatafore, Gary Lohr, Emil Pisarri, Valerie Dimmick, Dave Dimmick and Melinda Dobbs. Thanks to our photographer Steve Tritto.

Highlights from Minutes of del Lago DAC Meeting 5/12/2022

Emil Pisarri opened the meeting by thanking residents for attending the meeting. He noted that we haven't met in person in over two years. He explained the DAC's relationship to the Association Board which is to provide two-way communication between the DAC and the Board and to broker questions and suggestions from residents.

The following new residents introduced themselves and were welcomed to the community: Kerry Daly, Maurina McCoid, Carol Reid, Paul Magruder, and Cheryl Daily.

Next Quarterly DAC Meeting:

Thursday, August 11, 2022, 6:00 PM, at the Foothill Center (Please note venue and time change)

Keynote Speaker: Bob Krattli, Club Board Secretary and Director

Bob explained that the Club is a non-profit corporation. It is charged with maintaining the streets, all equipment and furnishings, golf course, pro shop, tennis courts, stables, cable, Public Safety, 547 acres of recreational lands as well as facility vehicles. The Villages has 120 full time employees. The Club operates on a budget of \$14M/year. Bob reported that there was a new Comcast contract negotiated. Villagers will now get HDTV for free and three boxes instead of two. Club assessment will go down \$2/month in part because of the renegotiated Comcast contract and in part because the solar project will soon be paid off.

The Villages lost its general manager and the Club Board is in the process of finding and hiring a new one who has the qualifications and experience to manage The Villages with its approximately 2500 units and 4000 residents.

The main concerns that impact the Club budget are insurance, labor, and water. Water rates increased 17% on this year's Club budget. There is \$1.5M budgeted just for water.

Bob took questions from the residents in attendance and responded to queries that included the efficiency in how the landscape is watered, types of trees to replace dead ones on the golf course, del Lago property lines relating to water usage responsibilities, the increase in the cost of landscaping and security issues.

Bob noted that our Public Safety doesn't deal with crime. Crime is a police matter, and residents were advised to call 911 to make a crime report.

ABOD Liaison, Diana Hallock, Vice-President and Director

Among many remarks, Diana explained that a significant role of the Association Board of Directors (ABOD) is to make sure that The Villages complies with State law. District Advisory Committees (DACs) were formed to be the eyes for the Board and to give input from each district. The DAC, however, does not have a lot of authority. The ABOD is ultimately responsible for any liability; DACs do not carry that responsibility. Budget constraints and privacy issues sometimes effect what the ABOD can do.

Diana noted that one significant problem is that our insurance rates keep increasing. Our buildings were reassessed to \$1B from \$600M just a few months ago.

There is only one company, Lloyds of London that will insure a community as big as The Villages. The Villages does not self-insure because it requires existing money-in-the-bank to cover the loss. One approach The Villages is taking to lower insurance premiums is to raise deductibles. Our insurance rates have benefitted from not filing a claim for flooding inside residences for the past two years. The Board does benchmark comparisons with other senior living communities, Rossmore in particular, to ensure equivalency.

Regarding converting del Lago lakes to recycled water: Based on another current project, to retrofit our lakes would be very costly, maybe \$100K for just one or two of the lakes.

The Villages has to make sure that our by-laws abide by State law. In late summer there will be a vote to consider changing our CC&Rs to align with State law, especially as our CC&Rs apply to common area use requests. Currently, The Villages requirements are stricter than the State's requirement on this matter.

Diana responded to questions and comments from residents that included extending the time for roof replacement and the estimated cost of roof replacement. Regarding roof replacement and assessments, roofs will always be on residents' assessments because of a past experience that resulted in a one-time large assessment for one of the villages, due to insufficient Reserve funds to cover the costs of re-roofing. Diana said that she will take to the Board the questions about extending the replacement schedule, why the estimates seem so high, and changing to a less expensive roofing material. Diana noted that a roofing assessment is made every year. Reserve estimates must take inflation into account by law.

Any money left in Reserves after roof replacement is paid for, remains in the del Lago Reserve Budget.

Regarding painting exteriors: A year before painting is scheduled, a paint expert comes and does an assessment of the paint, which has extended some painting schedules.

(Cont'd on Pg. 3)



ABOD Liaison, Diana Hallock, Vice-President and Director

(cont'd from Pg. 2)

Diana fielded a question about the increase in the BrightView contract. She said that BrightView has stated that it needs an 18.8% increase or it can't honor its contract with The Villages. No other landscaping company will bid for the job. She noted that while turf reduction saves water, it is more labor intensive to maintain shrubbery than to cut grass. Diana recommended that residents use work orders to report water leaks.

Residents expressed the desire to install roof-top solar saying they must add 'The Villages' to their insurance policy while finding that few if any insurance companies will add the language required by the ABOD. (Editorial Note: For roof-top solar, the ABOD requires that the homeowner's insurance policy must name the ABOD and The Villages as 'Additional Insured' and most insurance companies will no longer include this clause.) Diana reiterated that The Villages will not take responsibility for modification of a roof that the resident does not own – the resident is entirely responsible for the modification. Diana said if there become no insurance companies that will insure a resident's condo because of the way The Villages has requested the special wording on the insurance policy, the Board may need to go to the State and advise that The Villages will no longer be able to permit residents to install solar panels on their roofs. (Civil Code 714 and 714.1 of Common Interest Development Law states, "Associations generally may not prevent unit or lot owners from installing solar energy systems on their separate interest.")

In conclusion, Diana noted that the DAC and del Lago residents can make suggestions, but the ABOD has the final say. She assured residents that the Board wants residents to be happy and it won't go against the wishes of the majority of the community if the community's requests are reasonable and a realistic option. Finally, she recommended that all residents attend a Board meeting.

Next Regular Association Board

Meeting: Tuesday, June 28, 2022 at 9:30 AM, via Teleconference.

del Lago Financials

YTD Report for FY22 from July 1, 2021 to April 30, 2022 (10 months)

Operating Budget (10 months, 83%): Total Revenue to date \$750,011; \$39 favorable to budget of \$750,050. Total Expenditures to date \$726,851; \$11,034 favorable to Operating Budget of \$737,885. Net variance \$11,073 favorable due primarily to savings in planting. The Operating Budget did have some "unfavorables," mainly landscape, pest control and electricity due to cost increases.

Reserve Budget (10 months, 83%): Revenue: del Lago always receives full revenue from monthly assessments. YTD deposits: \$486,412 (82%), toward a year-end plan of \$591,200. YTD expenditures of \$189,523 (31% of total budget) 83% into the FY22 reserve plan of \$618,740. Favorable are three items with no expenditures year-to-date, having an annual budget of \$205,600. Biggest unfavorable contributor is Irrigation System expense, in order to upgrade our controllers. However, net variance is still \$296,889 favorable (YTD revenue less YTD expenditures).

2nd Annual Sonata/del Lago July 4th Golf Cart Parade



It's time to register for the July 4th parade. This parade is open to residents of Sonata and del Lago only. You must register to participate. What do you need to participate? You need a golf cart decorated with a minimum of 5 red, white and blue patriotic decorations; your own red, white and blue apparel; and a desire to have a few hours of fun. If you are interested in participating, Kathleen Benz of Sonata Village is coordinating this event. See attached flyer for Kathleen's contact information and to register.

Highlights of ABOD Meeting, May 31, 2022

(Excerpts from summary by ABOD Secretary Richard Holmboe)

Treasurer's Report for Month Ending April 30, 2022

Operating Budget: Total revenue year-to-date (10 months, 83%) is \$8,599,400; \$3,900 favorable to budget of \$8,595,500. Total expenditures year-to-date (10 months, 83%) is \$8,409,400; \$286,100 favorable to budget of \$8,695,500. Net variance is \$290,000 favorable to budget, mostly due to water, insurance, and planting expenses; offset by an 18.8% 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 (10 months, 83%) is \$4,099,000; 51% of year's reserve plan of \$8,023,000. The portfolio balance is \$13,172,531; average interest rate earned is 0.74%.

From the President

Association Board President David Cook presented our property insurance policy information. Because we re-estimated our insurable property value, because replacement costs are so much higher than in the past, and because insurance rates are currently sky-high, our insurance premium for 2022-2023 will be about \$3.5M, up from about \$2M in the current year. It would have been \$500K more except that the Board opted to eliminate earthquake coverage from the package. (The earthquake premium of \$500K was thought to be too expensive for coverage of \$2.5M. Remember, too, that \$2.5M coverage is not very much compared to our total property replacement value of nearly \$900M.) Watch for information, in the near future, about a new individual earthquake coverage called Modus. This new coverage, that is optional and that you pay for yourself, covers not only your possessions inside but also your portion of the common area.

General Manager's Report

Acting General Manager Julia Meadows reported that this is a particularly busy time for The Villages with budgets, ballots and Board activities all going on at once. There is also insurance renewal and lots of maintenance projects. Track your village's maintenance projects in the weekly Villager and in the Saturday editions of FastLane. Julia also thanked the Inspectors of Elections, Board members, volunteers and residents (attending meetings like this one) for their efforts throughout the year. You can read latest comments from Julia Meadows 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.

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

Del Lago Lakes and Roofs: A del Lago resident (DAC Chair, Emil Pisarri) reminded the Board to protect del Lago lakes should they go dry with the drought and water restrictions. He also requested that the Board consider lower-cost alternatives for their roofing or stretching the roof-replacement cycle in order to save money.

Decorations in Common Areas (Rule 2:24 Outside Decorations): The Board disapproved the proposed changes to Association Rule 2.24 Outside Holiday Decorations and referred groups wishing for outdoor decorations to the Association Architectural Committee using the Association Project Requirement Form.

Save the Date

The annual Sonata/del Lago Potluck Picnic at Gazebo Park is scheduled for September 24th from 11:00 AM to 2:00 PM. The amazing Island Wave Duo will entertain. Watch for the invitations that will go out on August 23rd. For additional information, please contact the event organizer, Irene Estelle of Sonata Village, at (408) 238-5434 or ireneestelle@yahoo.com.

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

Sonata / del Lago 4th of July Golf Cart Parade!

It's time for the 2nd annual Sonata / del Lago Golf Cart Parade on Monday, July 4.

The only requirements are to dress yourself and your golf cart in red, white and blue.

This parade is purely for fun; there will be no contest or prizes and we won't be throwing beads or candy.

If you are interested in participating, email SonataVillageDac@gmail.com or call Kathleen at 217-352-1698, or complete this form and drop it off at 2084 Mataro Way.

Name: _____

Address: _____

Phone number: _____

Email: _____



The deadline to register is June 18. All participants must be registered.

All participants must reside in Sonata or del Lago. Only golf carts will be allowed in the parade.

Come join the fun!

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