

PRESIDENT'S MESSAGE*Linda Djupstrom*

We are back in “da UP” (Upper Peninsula of Michigan) enjoying the lack of snakes hanging out by our patio gate while finding mosquitos the size of said snakes getting to be a little much.

The first week we were home we woke up to no water! Living in the country poses all forms of excitement, our well not providing water is one of them. This was a great reminder of how beneficial an HOA can be in situations like this! It sure would be nice to simply pick up the phone and tell Dorothy, Liliana or Ashden to send someone over to fix this please!

Although the Board was not scheduled to meet formally through the summer, we realize this might be a bit long to go without having an opportunity to connect with Board members. Considering the number of items requiring our attention, we have decided to meet monthly through Zoom. In addition, we are providing an opportunity for what we call “Listening Sessions” right before the Board meeting.

Let's Brainstorm about our Future!

The Listening Sessions are intended to offer owners a chance to share ideas, concerns, and suggestions relating to the topic of the session. Today we had our first listening session with members of the Documents and Communication committee. The listening sessions are intended to offer owners a chance to share ideas, concerns, and suggestions relating to the topic of the session. Next month it will be Ray Harries and the Maintenance and Grounds Committees.

Tracy Swaim and the Documents and Communications explained a bit more about one of the new offers on our website at our listening sessions. Please take advantage of the new web form or email to the ideas@villaswest.org on the website in the new “We are Listening” section.

As the listening sessions are on Zoom only, we are working toward offering those who have no access to zoom, the opportunity of coming into the office and watching.

What's on the horizon for our owners and the board?

When I began this job, I was excited about making some lasting changes. What I found rather quickly is that picking 3 things to work on versus our entire wish list would have been more realistic and less overwhelming. So here are three:

1. Moving our investments out from under the Wells Fargo umbrella

We have been asked repeatedly by members to sever ties with Wells Fargo completely. We were listening and was not something we wanted to do without serious thought and research. Today the Board will hear from two different investment firms (Ameriprise and JP Morgan) at our June 21st regular board meeting. The Board will make a final decision after the presentations.

I realize for many of you this is late in coming. I can't stress enough that this decision needed to be thought through well. When making a decision that affects 672 owners it makes it a little more difficult than if we were making decisions that only affect each one of us as individuals. In addition, we found we have an issue with the wording of our CCRs regarding investing our reserve fund. We will discuss this in more detail during the presentations from JP Morgan and Ameriprise. We are also considering moving our checking and money market accounts from Washington Federal to Chase Bank in Green Valley.

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2. Dangerous tree removal and nuisance trees (root systems)

A study has been conducted and a report will be provided by Ray Harries at the next Board meeting.

3. Documents

The Documents and Communication Committee have been working with our attorney to update our documents. In connection with this we have begun the journey of working with our website site to make it more user friendly; one where all forms, documents, etc. will be just a click away. This is another project that will take time, but considering the comments I have received so far, this area is much appreciated.

Close out of the storm

We had estimated that we would be able to have a close out by the end of August and I think that will be close. We have 117 Roofs completed with zero to go. With HVAC we have 40 HVACs completed with 48 to go. (This is due to supply issues)

Dorothy and I met with Robert (the roof and HVAC insurance adjuster) and he has agreed to give a brief overview of the completion of our storm damage at a board meeting in the future.

We are in the final stages of the storm reconciliation. Once all funds are received from the insurance company and all contractors paid, we expect to have monies left over.

These funds must be used for items allocated to be paid from our reserve budget. These funds will be used to reduce the funds which originally were a reserve fund distribution from our operating budget. This will allow the board to consider options on how these monies will be applied to our spending or revenue accounts. Including but not limited to, tree removal, increase in insurance costs, cost of review audit, pool furniture (21"), employee bonus, equipment for the shop and office, additional roofs, purchasing extra water heaters, message boards, lending library boxes, etc. from our operating budget.

This is possible in part, because we did NOT hire a project manager like East did (if I am correct that took 30% of the insurance money off the top). This will help us with the 2024 budget as well and with our future Reserve Study findings. There are tax ramifications if this money is not spent on reserve capital purchases. Which means for us not to have any tax ramifications the money must be spent on items that are normally spent out of our reserve budget.

Questions that are continually asked

- **Contingency Lawsuit**

Many of you are aware of the fact that a former employee, J.D. Sotelo, allegedly embezzled hundreds of thousands of dollars from our association by depositing checks not made out to him into his own accounts. Our lawyers are preparing to initiate legal action against both Villas West Association's bank and against Mr. Sotelo's bank seeking repayment of the stolen money. We will update you further as the case develops.

- **Where are we on the investigation and pending charges?**

We received our most recent update on May 16th from the Assistant Attorney General from the Attorney General's office stating they recently received bank records from other HOA victims as well as Mr. Sotelo's bank records. Detective Harkey is conducting further analysis and investigation and they are hopeful that it will be wrapped up in the next few months.

- **Fulfilling our audit responsibilities**

We have hired R & A CPA firm to complete a Review Audit for this year and Merna will touch on this in her report. We will work with this same firm for a complete audit next year.

That's all folks!

~ **Linda Djupstrom, President** president@villaswest.org

Pictures from the Cactus Garden, by the Office.

Thank you for submitting the pictures, Zee Hussain!

