

Tuesday, August 28, 2018,

Dear Kosha,

Thank for your email regarding the money raised by donations and fundraising events for the septic system. I am sorry we have not been clearer in our communications through this whole process. Your frustration is helping us to see that we (the BOD) absolutely have to have more time for talking things out and thoroughly hammering out specific processes and procedures before these types of misunderstandings occur. That is on us and we are taking steps to create a venue to allow that to happen. We had our first brown bag lunch last Friday to start tackling process issues. We plan to utilize these more in the future to help us be more effective. We will talk about this more at the BOD meeting on Friday, August 31st.

Now to your specific email.

We agree that the purpose of the fundraising was to defray the cost of the septic system thereby reducing the special assessment for all leaseholders. That has not changed. The “how and when” is what we have been grappling with, and was the intended agenda item at the Work Session last Thursday and also at the Friday Brown Bag. We are still working on process of how to fairly do this and even when to make adjustments because we still have 2 unknowns: 1) the final total for the fundraising and 2) the final cost of the septic system.

Through out this whole process, the BOD has been clear and transparent that we are having to make decisions based on the best data available at the time. In a perfect world, we would know all of the final figures for the septic system before having to determine the final amount owed by each lot. However, the project has expenses that have to be paid as the work is done. To meet these expenses, we had to initiate the special assessment process without knowing the final cost of the project or the final total of donations and fundraising.

In accordance with the rules for membership meetings and votes, we had to set the amounts for the special assessment vote well in advance of the Annual Meeting. At that time, we had not yet reached \$15,000 in fundraising but it appeared likely that we would get there. We also included \$35,000 for the sale of Lot #68 even though we had not received an offer for it yet. We based the cost of the project based on the estimates provided by the engineering firm. In other words, we made decisions based on reasonable assumptions using the best data available at that time.

You are correct that since then we have raised more then \$15,000, which was the amount used in determining the special assessment. However, we still do not know the final cost for the septic system. If the actual cost turns out to be the same or less, then it means that the special assessment was set too high. Under this scenario, the amount owed for the special assessment would be reduced accordingly for all leaseholders.

On the other hand, if the final cost is more than the estimate, then the special assessment was set too low. If this happens, we believe that the best path forward is to use the money from fundraising to offset that shortfall rather than us having to go back to the leaseholders to increase the amount of the special assessment, or requiring a second assessment, or depleting the Reserves. Please note that while this is what we believe is the best path, we have not voted or made any official decisions on the “how” and “when.” We plan to discuss this further at the BOD meeting on Friday, August 31st.

Your proposal to take part of the money that was raised to help **all** leaseholders and funnel it to a much smaller group of lower income women is completely different than the stated purpose of the community fundraising efforts. It also has potential for negative impacts on all leaseholders if the final cost of the project is higher than the estimate used in determining the special assessment. This proposal is a significant change that would require a vote of the membership.

We appreciate your concern for the women who are struggling to pay the special assessment. There are other ways to help, such as “secret septic Santa” donations, and Melinda is working to match up donors with individuals who need help.

Sincerely,

Kate Higgins
President, DBLA BOD

Date: Tue, Aug 28, 2018 at 7:04 PM

Thank you to the Board for providing this written response to my letter.

Kosha