



Arnold Lilac Park Homeowners
Association
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Via U.S. Mail & Email

May 19, 2022

To Members of Arnold Lilac Park Homeowners Association:

The purpose of this letter is to update you on (1) the 2021 request by owners Tina and Tim Jones to seek alternative dispute resolution (ADR) for an extensive number of alleged and perceived violations of the law and breaches of duty by the Board concerning our operation and governance of the Association and (2) the Joneses' and owner Mary Boblet's recent actions against the Association.

ADR Update

In good faith, the Board accepted their 2021 request for mediation and tendered the claim to the Association's insurance carrier to appoint representation, which the Association's insurance carrier did. By law, the parties had 90-days to complete the process, however, the Joneses' agreed to an extension of time in order to allow the membership petition to be completed. After that process was completed, the Association has, in good faith, endeavored to schedule the ADR mediation and resolve the Joneses' grievances and disputes. Regrettably, without explanation, the Joneses' elected to withdraw from the ADR process. The Association would have preferred to work with the Joneses, as we have since the outset of their ongoing and escalating claims and campaign against the Association. Unfortunately, the Board cannot resolve a dispute with a party who refuses to even meet with us.

The Board remains committed to operating ALPHA in a lawful and neighborly manner. We continually improve our operations and are doing everything in our power to comply with our legal duties while trying to keep costs low. Unfortunately, the Association has had to spend considerable time and money, \$10,752.00 to work with counsel to understand our obligations and to help defend against the Joneses' various allegations. We are all paying these costs. The Board would much prefer to spend our money on improvements to the community; but, we are duty bound to protect the Association from the liability associated with the Joneses' legal actions.

Update on Allegations and Claims Regarding Association Governance and Operations

Despite their inexplicable withdrawal from the ADR process (which they requested in the first instance) and their unsuccessful membership petition efforts, owners Tim and Tina Jones, along with owner Mary Boblet, have recently (a) filed a claim with law enforcement that the Board of Directors has been improperly using Association funds and (b) filed a complaint with the Attorney General. The Board adamantly disputes any claims of wrongdoing, and categorically denies any criminal wrongdoing. We are deeply saddened to know that our good faith efforts and thanks for volunteering our time has resulted in baseless claims that only assure the Association will spend more in legal fees. Please understand that aside from the Board's preference for operational transparency, all members have a statutory right to request the inspection and copy of many Association records, including our financials. The Board is not hiding any of its decisions, including the use of Association funds. All of the Board's decisions are made

at noticed meetings where owners are invited to attend (except when the matter falls within an executive session meeting). Should you have questions or wish to review Association records, please contact the Board, or attend a meeting.

As a result of these ceaseless claims that show no sign of letting up, the Board is considering hiring a professional management company. We have, for 62 years self-managed the community together, as volunteers. It is clear that our history of self-management is no longer feasible for the Association's liability protection, and for anyone who elects to serve on the Association's Board of Directors. Having a professional management company is something most associations like ALPHA have, so there are many excellent options available that can assist the Board in meeting all the legal requirements and helping to lower some of the time burdens we have been increasingly saddled with the past year. The Board is exploring bids. If approved, the Board would still oversee and govern the community, just with professional help. This help will cost us all money; around \$1,000 to \$2,000/month (adding around \$12,000 to \$24,000 to our annual budget.) Again, we wish this step were not needed, but it seems unavoidable.

We want to hear from you regarding the potential hiring of a professional management company. Please send us your thoughts to info@arnoldlilacparkhoa.org or come to a meeting.

Thank you,

Board of Directors