



La Cresta POA 60 Second Wrap-Up – **Special Session**

Meeting Date: Feb 20, 2026 1pm

Next Meeting Date/Time/Location: Mar 5, 2026 6pm at The Corporate Room, Wildomar

Directors Present: Roy Paulson (president), David Boyd (vice president), Paul Gaarenstroom (treasurer and secretary), Tsun-I Wang (director at large), Michael Ghafouri (director at large) - Absent

Main Discussion Points/ Topics:

1. Announcements: No Recording allowed.

2. Open forum speakers: Speaker Scarpino asked about member notification process if members opt out of email. Currently ongoing communication occurs via email + the Powerstone POA website, but speaker states USPS mail must be used for communication to any member not using email. Director Paulson will investigate this.

3. New Business: Before beginning new business, Director Paulson began by reminding members of what has transpired to date. At a recent open session meeting, Jeff Wax (Chair of the Road Committee), requested the board decide how they want to proceed with road repairs. The road committee's suggestions were based on the Bucknam report mentioned at the recent open session and detailed in the Feb 5th 60-second Wrap Up. This report offered multiple ways our roads can be maintained and the cost associated with each. Importantly, each option will impact our reserves. The lower maintenance option, while less expensive, will be associated with deferred costs that we will eventually incur. Directors Paulson and Gaarenstroom worked with Jim Kramer (finance) to look at projected spending on our roads. If the higher level of road maintenance (Bucknam report) is selected, our reserves would drop below 50% which is not acceptable. The proposal made by Director Paulson is to allocate \$550,000 for road spending in 2026 which will keep the reserves over 50%. The caveat is that for 2027, more money will need to be allocated for road/culvert work and for increased operating expenses. The POA attorney sent a letter to the board outlining the board's fiduciary responsibilities. Director Paulson decided not to call a vote on dues increase at this meeting. He will wait for the reserve study to be completed (late March). The Reserve Study, the attorney letter outlining board responsibilities, the numbers provided by Finance, and the Bucknam report via the Road Committee can all be reviewed at a future meeting which will provide support if a 20% dues increase is required.

A. Vote on dues Increase: Tabled

B. Vote on amount to be allocated to the Road Committee: See description above. Bucknam report suggested over \$700,000 for highest level of road repairs/maintenance. Director Paulson is requesting \$550,000 for 2026. Director Wang wants full budget review before making the decision. Director Boyd reminded all that there have been no dues increases for 18 years. In addition, there is over \$3million in road work and culvert repairs looming. Further, there is almost \$300,000 in unexpected fees we have already incurred related to lawsuits (loss of management and insurance companies, legal work, additional administrative costs, etc). These fees do not include any awards. He also mentioned the seriousness of the recently received letter from the POA attorney outlining how important it is for the board to maintain our infrastructure while keeping a healthy budget/reserve and dues increase might be necessary. He then asked Director Wang if he (Wang) read and understands the import of the attorney letter. Director Wang stated he did not recall receiving it. Elisa will help him locate it so Director Wang can review it. Director Wang also stated that he googled reserves and found a civil code 5515 but stated he has not had time to study the code yet, although he felt it had something to do with transfer restrictions from reserve accounts. **Vote taken to approve \$550,00 for 2026 roadwork.**

C. Vote on the date that notification of dues increase is sent to members: There is a responsibility to notify the members of any change in the assessment between 30-60 days. Director Paulson suggested 45 days. Director Boyd asked to wait for completed reserve study to know if dues increase is necessary before a vote is taken on this topic. This vote was tabled.

D. Announcement of Dues Increase at future Open Meeting: This will be deferred to April open session. Discussion only topic.

4. Open Forum: Speaker Bowers asked for a copy of Director Boyd’s litigation report and was told it is all included in the last 60 second Wrap Up.

Sincerely, Roy Paulson
LCPOA President

Votes:

Topic:	Roy P	David B	Paul G	Tsun-I W	Michael G (ABSENT)
Approve \$550,000 for 2026 Roadwork	Yes	Yes	Yes	No	