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LIONS HEAD SOUTH ASSOCIATION

By _____

BOARD OF TRUSTEES ASSOCIATION MEETING

JUNE 10, 2024

PENDING APPROVAL

President Cinosky called the meeting to order at 7:05 PM. All Trustees were in attendance. Michael Tears was introduced as both the new Trustee and Treasurer, replacing the late Dennis Gregory.

The Pledge of Allegiance was said and there was a minute of silence for our departed residents.

Charlie Facciponti moved to approve the minutes of the April 8, 2024 meeting Tom Lincoln seconded the motion.

The regular order of business was changed to allow for the presentation made by Michael Polulak, Esq concerning a new bill passed by the state that will affect senior communities. Funding law S2760/A4384 was passed because of the 2021 high rise building collapse in Florida. The high-rise building Board had attempted to get increased funding but could not get it approved by the residents. This bill was passed as a best practice bill so that this situation does not happen again. Florida, Delaware, and Maryland have already passed similar bills and it is expected that other states will follow as well. Although the structural integrity portion of the bill does not apply to our community, 3/4 of the bill concerns reserve funding which does apply.

Every 5 years, associations must obtain reserve studies to determine if there is enough funding for needed repairs and replacements. LHS has been in compliance with this practice. The reserve study lists the capital assets, the useful life of the asset and the cost to replace it. The Board then needs to calculate how much money to set aside yearly to accomplish this funding. These funds are included in the Operating Account, Reserve Account and Deferred Maintenance Account. Mr. Polulak stated that increases in monthly fees, which is the Operating Account are always funded, but sometimes increases in the Reserved Accounts are overlooked.

LHS had a reserve study completed in 2023 and the Board is on target with the projects that have been identified. The difficulty is to determine the amount of money that goes into the replacement accounts each year. Since the life expectancy of the assets changes each year, so does the amount of money that needs to be allocated.

Mr. Polulak recommended that FWH, the company that had completed the reserve study, update and revise it since some of the projects have already been completed. This will help the Board determine the amount of money to set aside each year. LHS is doing well in comparison to other communities.

The bill has a 10% threshold which means that the balance of the Reserve Funds cannot go below 10% of the required funding. Other lower options are available, but most Boards will stay with the 10% option.

The Bill provides for a Reserve Regulatory Agency that has the power to impose fines on those communities that are not in compliance. There may also be private enforcement of the Bill with associations such as mortgage lending associations checking that the Community is in compliance.

Communities must have reserve studies in place by 2024.

The residents asked the following questions:

- Does the 2023 Reserve Study need to be revised?
It is recommended that the study should be updated so that funding options can be determined.
- How much money do we currently have in the reserve fund?
\$197,000; the balance is not addressed by law but the annual contribution is; this amount will change every year.
- Is there going to be an increase in HOA fees?
The Board will need the final Reserve Study to determine what funds are needed, so at this point we do not know. Most communities have not adequately funded their reserve accounts. In LHS during the last 30 years, there was a period of 9 years with no increase at all. There should have been some increase each year to cover the costs of the replacements.
- Who pays for the reserve Study? The Association.

President Cinosky thanked Mr. Polulak for the valuable information that was presented to the Community.

Michael Tears, Treasurer, reported that the Association had the following funds, \$587,000 in CD's, \$112,204 in stocks, and \$433,732 in cash, for a total of \$1,132,936.

Two new residents were introduced.

President Cinosky introduced the Trustees.

The Standing Committees made the following reports:

- Activities Coordinating Council — The Chairperson stepped down and Mary Ellen Klotz has agreed to step up to the Chairperson position. The WGA thanked everyone for their attendance at the Bingo night. Combined Activities meets every month to go over the calendars and avoid conflicts.
- Architecture —Just a reminder, when making changes to the outside of your homes, color chips are required as part of the application. Also, "when in doubt — fill it (architectural application) out"

- Buildings and Grounds — Tom Behrens stated that the Common area walk-through will begin.
- By-Laws — By-Laws are under review; revised Architectural Rules and Regulations will be distributed.
- Clubhouse Mike Voto reported that the hallway is scheduled to be painted. Also, the Committee is looking into new chairs for the Lion's Den.
- Community Awareness — Deb Rogers reported that the Farmer's Market is back on Saturday mornings and Summer Concerts will begin July 4th. There will also be concerts in Traders Cove in August. The Town Connection will be coming to LHS soon and there is a Health Fare scheduled for the Fall.
- Finance and Insurance — Residents were asked to consider joining the Committee since it will be responsible for determining the expenses through the Budgeting Process.
- Lions Head Country Club — Bob Corbitt reported that the Country Club membership is at 121. There is also a new Memorial area created by the WGA for members who have passed.
- Nominating — Charlie Facciponti reported that Diane Gregory has joined the Committee; the Committee is always looking for more members. In the Fall, there are 4 seats open for election.
- Recreation — Lin Adams reported that when the pool opens, the hours will be changed to 8AM to 8:30PM. June 30 is scheduled as a Sunday Funday. Pickleball has really become an extremely popular sport; the Committee will sponsor a Kid's Day sometime this summer. In September, there will be a Shuffleboard and Pickleball Clinic for anyone interested in learning the games.
- Security — Jeff Allen reported that there were over 35,000 cars that came into the Community this month. There are lots of walkers and bike riders in addition to the cars, so continue to mind the speed limit of 25 miles an hour.
- Website — Tony Bruzaitis reported readership continues to grow in many categories and reminded the Community that they are always looking for new members.

As a reminder, LHS runs on volunteerism. Thanks to everyone who is helping this year.

John Cinosky addressed the current situation with the pool and that it will be open as soon as the finishing work is completed. Tom Behrens reported that the Pergola is completed, and the fence will be completed within the next day or so. The pebble finish is scheduled to be added on June 14th, but 28 days is needed to smooth the concrete by daily brushing, The Pool Company said that the pool can be used immediately but the pool may have a rough surface and the Board is concerned that residents could be injured by this roughness. He also stated that the

Recreation Committee will no longer have to test for chemicals or install the Robo Vac every evening since these processes will now be automated. The chemicals in the pool will automatically adjust to the number of people that are in the pool at any given time. He also

stated that there will be both a heating and cooling system that will be controlled electronically.

The pool is a saltwater pool. Bottom line is that we will not take short cuts and that this is a State-of-the-Art pool, and we will do what is needed to be done and it will be done correctly.

Tom also reported that the new transformer will be installed on the 14th and he thanked Michael Wiggins for assisting in making this happen.

A resident questioned how many bids were received for the pool. Tom stated that the engineering company sent out proposals to 20+ vendors in addition to putting the information in the newspaper. Only 3 vendors showed up to review the pool area and only 1 vendor submitted a proposal.

As a reminder, Recreation will be checking for badges so please make certain that they are worn. If you have lost your badges, you can buy more from the Office.

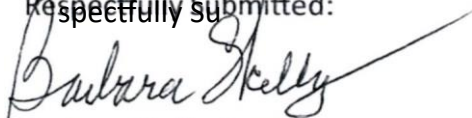
A resident questioned the status of the proposed bocci courts and whether they will remain in the same location. Tom Behrens explained that the current area must be left open for heavy equipment for future upgrades to the Pickleball and Tennis Courts. At present, there are no plans for this area. The new Bocci courts will be regulation 60 feet in length; our old courts were not regulation length. The new location will be where the existing Horseshoe pits are located, next to the Shuffleboard courts. The Horseshoe Pits can be moved next to the Shuffleboard, if needed. Ten different companies were approached to submit bids and only one submitted a bid for the replacement of the court. Work will begin sometime in August.

President Cinosky thanked the Hospitality Committee for the refreshments this evening.

The Badge Award was pulled.

Since there was no additional business to discuss, Sue Weiss moved to adjourn the meeting at 8:20 PM and Muriel Mills seconded the motion. By unanimous vote, the meeting was adjourned.

Respectfully Submitted:



Barbara Skelly, Secretary