

APPROVED

**SUN CITY CENTER COMMUNITY ASSOCIATION, INC.
MEMBERSHIP MEETING
WEDNESDAY, OCTOBER 26, 2011
7:00 P.M.
COMMUNITY HALL**

DIRECTORS PRESENT

Ed Barnes, President

David Floyd, Corporate Secretary

Al Alderman

Chuck Collett

Martin Hurwitz

Jane Keegan

Ann Marie Leblanc

OTHERS PRESENT

Neil Rothfeld, Treasurer

Lyn Reitz, Community Manager

Carol Donner, Recording Secretary

10 Members

ABSENT

Bob Black – Vice President

Sam Sudman

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE

President Barnes welcomed the membership and called the meeting to order at 7:00 PM. The membership joined him in the Pledge of Allegiance. A quorum was established with 324 members present.

II. APPROVAL OF MINUTES

The minutes of the March 23, 2010 Membership Meeting were published and passed out. There were no corrections or objections and the minutes were approved.

III. PRESIDENT'S REPORT

President Barnes called Dale Potter to the stage. Dale has been a member of our community since 1987 and has been Chairman of the Consumer Affairs committee for 22 years. President Barnes presented Dale with a Certificate of Appreciation for all his years of service.

President Barnes called Jerry Harter, President, and Barbara Rein, Treasurer, of the Duplicate Bridge Association to the stage. They presented a very generous donation of \$1,500 to the Hardship Fund.

President Barnes' full report is attached.

IV. TREASURER'S REPORT

Treasurer Rothfeld presented the Board approved budget (attached) to the membership. He pointed out that we have four categories and how they are funded. The Operation Fund and the Replacement Fund are both funded by Dues. The Capital Fund is funded by the Transfer Fee and the Renovation Fund is funded by contributions.

As of December 31st, we are projecting a balance of \$1,183,000 in the Replacement Fund, \$142,000 in the subsidiary fund and \$88,000 in the Hurricane Fund. We are amply funded. We are projecting a balance of over \$800,000 in the Capital Fund and \$31,000 in the Renovation Fund.

We are projecting a total increase of \$223,000 for the 2012 budget. The true increase in dues would be \$16.00, but we had a surplus and took \$78,000 and put it towards the increase. This resulted in an increase in dues of \$7.00 per person.

V. COMMUNITY MANAGER'S REPORT

Community Manager Lyn Reitz stated the pool area will close on December 1st for renovations and will hopefully reopen the end of January beginning of February. We will have new fencing, a new spa which will seat 10 to 12 people, and the pool will be refurbished. There will be new bench seating inside the pool, all fiberglass removed and marcite will be installed. New furniture higher and easier to access, new stationary umbrellas, new landscaping plants and palms, new restroom interiors, handicap accessible under heat and air and updated.

We will let everyone know when the tables, chairs, lounges and even Seco palms are available for sale and at what cost to try and replenish the reserves to give a little back.

VI. VOTE ON AMENDMENT TO BYLAW IV, SECTION 1

Secretary Floyd **MOVED** to amend Bylaw IV, Section to delete the Development and Grants Committee, Legal Committee and Planning Committee be deleted from Standing Committees. **SECONDED** by Al Alderman. By voice vote of the members present, the motion was approved by the majority of the members. One member voted against the amendment. Motion approved.

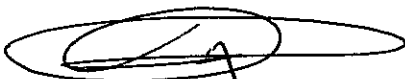
VII. 50TH ANNIVERSARY UPDATE

Director Leblanc reported that we will hope to repeat the fireworks and a donation jar is at the office on Susan Muise's desk. There will be a breakfast on December 3rd and all profits will go towards the Fireworks Fund. We will have 30 chairs in the hall for people to sit on while they wait and they will also have three rooms opened up for seating. Please check your Anniversary Book for all the future activities.

VIII. AUDIENCE PARTICIPATION (see attached)

IX. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned by unanimous consent at 8:00 p.m.



David G. Floyd
Corporate Secretary
Attachments

DF:cd

Audience Participation – Membership Meeting – October 26, 2011

Pat Nolle – Concerned about the lack of lighting near the Atrium – none on the building nor the parking lot. *The Community Manager will look into this.* Also concerned about the ponds being full of algae. *This will start to dissipate when the weather turns cooler.*

Marilyn Balkany – Would like to see a bus stop on our parking lot with a shelter.

Dick Stanhope – Discussed the Beautification Corporation which is responsible for the median on SR 674. Invited all Class A HOA Presidents to their annual meeting to be held on November 17, 2011 at 9:30 a.m. at the Kings Point Clubhouse.

Tom Kramer – Questioned the cutting of the grass on the North Course.

Judy Carney – Asked what could be done about children living in Sun City Center. *Secretary Floyd responded that if children are living in the house, the matter should first be brought to the HOA's attention. If there is no HOA, they should bring this matter to the attention of the CA. Children under the age of 18 are not permitted to live here.*

Cal Kimora - questioned the Treasurer on a number of items in the budget. *Was advised to come into the office and speak one on one with the Treasurer.*

Michael Norton – Asked if the Transfer Fee was paid by the new owner at the time of closing. *Yes.*

President Ed Barnes' Report - Membership Meeting - October 26, 2011

Good Evening Ladies and Gentlemen – Welcome to the third SCC Membership Meeting of 2011 – actually we have a quorum tonight so this is the first official Membership Meeting since March 23, 2010. Thank you for coming out tonight.

I would like to start out tonight by recognizing an outstanding individual and a very important member of our community. For those of you who don't know, Dale has been a CA Member since 1987. Dale has been Chairman of the Consumer Affairs Committee for 22 years. During his tenure, Dale has made significant changes in Consumer Affairs to protect our members and has always been a proponent for SCC residents. Dale serves as the buffer between the membership and the businesses servicing this community, by ensuring that they have the proper insurance and licenses to conduct business in Sun City Center. The Consumer Affairs Committee maintains the CA Register which is used numerous times per day by our residents seeking various types of services. Being on this Register is a coveted position for service contractors in SCC. Over these past 22 years, Dale has helped many of our residents to resolve issues with local contractors.

I would next like to recognize Jerry Harter, President, and Barbara Rein, Treasurer, of the Duplicate Bridge Association. The Duplicate Bridge Association plays bridge 5 days per week and one Sunday per month in the Atrium building. Once a year they host a Sectional Tournament which draws hundreds of bridge players from all over the Southeast. I want to thank the Duplicate Bridge Association for their very generous donation of \$1,500 to the Hardship Fund.

Some of you might not know that the Hardship Fund was established to help some of our less fortunate members pay their membership dues. This fund is a voluntary fund that is totally supported by donations from the membership and clubs. This is a very worthwhile endeavor.

We will elect three new directors on December 6 & 7 – we have five candidates for three positions. I would like to introduce those candidates: Al Alderman, Howie Griffin, Jane Keegan, Robert King and Paul Sasville. Candidates Night will be in the Community Hall on November 9 at 7 PM. I encourage everyone to turn out for Candidates Night and hear what the candidates have to say.

Tonight we are bringing a proposed amendment of the Bylaws to the members for consideration. We are seeking to align our Bylaws with the way our business is actually conducted. These changes are the result of ongoing reviews of the Community Association procedures and policies over the past four years. We are proposing to remove the Development and Grants Committee, Legal Committee, and Planning Committee from the list of Standing Committees. These three committees have not been used for several years. Development and Grants was originally established to deal with the "Give a Little Back Program", that we no longer participate in. Grants are handled directly by a Board Member. Our legal requirements are handled directly with two law firms who are very familiar with our history, Articles of Incorporation and Bylaws. Most of the functions of the Planning Committee have been assumed by The Projects Office and other committees. These committees have outlived their usefulness and are no longer required.

At the October Board Meeting, the Board of Directors approved the 2012 Budget which reflects a dues increase of \$7/member in the Operations budget. This budget will allow the CA to provide our members with the level of service expected. This year the dues increase is 2.7%. As I have told you on many occasions, the cost of running the CA has been increasing over the past two years. The

At the October Board Meeting, the Board of Directors approved the 2012 Budget which reflects a dues increase of \$7/member in the Operations budget. This budget will allow the CA to provide our members with the level of service expected. This year the dues increase is 2.7%. As I have told you on many occasions, the cost of running the CA has been increasing over the past two years. The budget gets implemented thru the membership dues which you will vote on in December. Unlike your Federal Government, we have a novel concept here in SCC called a balanced budget concept – our expenditures do not exceed our income. If the dues increase is not approved by the members, we will be required to operate using the 2011 budget which is supported by the current dues. Since our costs have increased over the past two years, we will have no choice but to curtail some services by taking such drastic action as reducing hours of operation; deferring maintenance; and other cost cutting measures. No doubt these are extreme actions but will be necessary if the proposed dues are not approved. I urge all members to support the dues increase.

Long Range Plan – I have talked a lot about this over the past few months. There is a need to refresh the facilities – we are celebrating our 50th Anniversary this year and some of our facilities are 50 years old. We want to get away from the idea that Sun City Center is a retirement community – it is an active senior lifestyle where we are too young to retire. Over the last several weeks we have been meeting with an architectural firm who is helping us formulate some concepts for modernization of Sun City Center. The architect provided some conceptual plans for modernizing and updating the amenities. I think you will be very pleased with what you see. This is a very important subject which is key to the future of Sun City Center. You will be provided details of these plans in the coming Town Hall Meetings.

As we go forward with this plan we will also be discussing some methods for paying for those improvements. We are looking at many options for financing these enhancements, including doing nothing and borrowing money. We will never find better rates or lower construction costs. The key element of the financial proposal is the Transfer Fee which can provide the income stream to pay for any new facilities. The Transfer Fee is charged only on re-sales to new people moving to SCC for the first time. In the last 5 years, the lowest number of Transfer Fees collected in any one year is 240. The average number of Transfer Fees collected per year in the last 5 years is 277. I know this is lot of numbers to throw at you in a short period of time but the basic point is that homes resell in SCC and the Transfer Fee provides a steady income stream. In order to be very conservative in any financing scheme, we plan to carry a \$500,000 Capital Fund reserve so that if there are any hiccups in real estate sales we will have sufficient reserves to meet our obligations. Under the most extreme condition, these Capital Fund Reserves would make payments for more than a year and a half. The objective here is to ensure that we have a safety net. We will provide you with many more details on this aspect of the plan at the Town Hall Meetings starting in November.

In October, the Board of Directors voted to recommend a Bylaw change to the membership to increase the Transfer Fee from \$1200 to \$1500. The \$1200 Transfer Fee was approved in 2002 and implemented in 2003 and has not changed in 9 years. These funds are only paid by new members not existing members. The transfer fee allows current members to enjoy the use of facilities paid for by new members. Increasing the Transfer Fee is a key element in financing the long range plan for SCC. I think you may hear some rhetoric about how increasing the Transfer Fee will negatively impact the sale of houses in SCC. However at a recent meeting we had with about 50 realtors; all but one or two support this increase in the Transfer Fee. Most of the realtors at that meeting indicated that \$300 would not make or break a real estate deal. There was a lot of howling and teeth gnashing about the impact of the Estoppel Fee of \$100, but so far I haven't heard of a single real estate deal that has fallen thru

because of this fee. Raising the Transfer Fee will have the same non-impact. This Bylaw change will be considered at a Special Membership Meeting on December 15, 2011 in the Community Hall at 10:00 AM.

It is important that the membership be fully aware of these construction and finance plans. I would like to get as much exposure of the membership to these plans as possible. The dates for Town Hall Meetings to discuss plans and these issues are set for November 16 at 7 PM, December 15 at 10:30 AM and January 19 at 7 PM – all in the Community Hall. A membership vote will be held on February 13/14. I would hope that all of you will encourage your friends and neighbors to attend these Town Hall Meetings – it is important to the future of SCC.

Once again, on December 10, we will be holding the Holiday Golf Cart Parade. The parade is being chaired by Dolores Whitfield – there will be trophies for the best cultural depiction, best original design, best portrayal of the 50th Anniversary, and the best holiday theme. Last year we had an amazing turnout for the parade. I expect the parade this year to be bigger and better. So get your neighborhood or HOA or friends together and decorate your golf cart and enter it into the Christmas Parade. It will be a great time.

As unpleasant a subject as it is, we have 100 members who have not paid the 2011 membership dues. Dues not paid by April 30 results in a lien against the property. A lien clouds the title to the property and the property cannot be sold until the lien is satisfied. I know this is tough but everyone who has delinquent dues signed a membership agreement which essentially says you agree to be a member of the CA and pay the dues. We have been very successful in collecting delinquent dues from members who had not paid dues for several years. This year the delinquent dues have been reduced by 16%. My position going forward in 2012 is to continue to be very aggressive in pursuing delinquent membership dues.

On a more pleasant note, let's consider for a moment a few things that make SCC a great place to live.

- Relatively low insurance rates – as compared to many places in Florida – not in a flood zone, not in an evacuation zone, not in a wind zone
- Low crime rate
- Variety of homes for new comers to buy or rent – new homes and re-sales
- Low foreclosure rate - .008% - compared to many areas in Florida where the foreclosure rate is north of 5%
- Great amenities – in fact I can't think of any, places where you can find all of the amenities you get for only \$263/year – less than a membership to the local YMCA (\$62/month - \$744/year)
- Good golf courses and a variety of them – 7 of them
- Relatively low cost of living – certainly as compared to other areas in Florida
- Financially strong Community Association – look at the Financial reports in library
- Overall a pretty good 55 & Better – active life style – community

We have many, many things to be thankful for and one of them is living in the best 55 & better community in Florida - anywhere for that matter. Let's make sure we tell all of our friends and former neighbors up north what a great 55 & Better community we have.