

2012 RIVER STRAND BUDGET(2013) MEETING MINUTES

November 13th, 2012, 4:00 pm

Tony Burdett from Lennar introduced himself as the President of the Board of Directors. He introduced everybody from the River Strand staff that was present at the meeting – Nicole Resner , Steve Gill, Dennis Colletti from HH Management, Jamie McCrosky, Wes Miller, Corey Pion, Alex McGonigal, and Nate Griffin.

Tony Burdett invited Wes Miller, the General Manager, to speak. Wes mentioned that there are currently 710 homeowners at River Strand - 366 homeowners with single-family homes and 344 homeowners with condominiums, as well as 53 outside (non-resident) golf members, and 89 tennis (social, non-resident) members.

- 55,626 rounds of golf were sold from 1/1/12-10/31/12. Last year, we had 52,947 rounds of golf during the same time period – that is 5% increase.
- 37% of the golf players are public, and 63% are members. Last year, it was 51% public play and 49% member play.
- In November this year, 61% of the golf play is from members.

Food & Beverage updates:

- 35,825 meals were sold this year through 10/31/12. Last year it was 25,969 – 38% increase this year.

Other important updates:

- New Club Car golf cars next year will cause cart fee to be increased to \$22+tax,
- There will be an increase in the Membership Dues (golf & social) - \$2,750 in 2013.

Why is there an increase in the Dues?

Due to increase member play there is less and less public play to offset costs.

Many improvements were made this year. We tried to implement a lot of suggestions from the Member Survey this year, such as:

- Member Billing – we will start offering that as of January 1st, 2013.
- 24-hour guard service at the main guard gate.
- Gate card access only to the main pool area.
- New pool heaters.
- Built a pool at the Verandas.
- Installing a system in the fitness center allowing the use of headphones.
- We will have extended hours in Food & Beverage – Dinner will be available Tuesday through Friday.
- New Lunch and Dinner menus were created.
- Happy Hour all day, every day at the bar in the Grille Room.
- New TVs being installed in the Grille Room.
- Additional equipment being purchased for the kitchen.

Golf department:

- New golf carts will be available; we are switching vendors, so we will have better quality carts.
- Bunker renovations will be made next summer.
- New equipment for golf course maintenance.

Tennis department:

- New patio was built, new awnings were installed, tennis pro shop was re-painted.

We invited Tony Burdett to speak again. He mentioned that the pool gate access is a big expense, contributing to the increase in membership dues next year.

Changed golf cart vendors - switched from Yamaha to Club Cart, which are better quality carts.

Bunker renovations – next year we will bring contractors to finish the renovations Jamie has started.

As we lose outside play, we need more revenue.

After that, Tony Burdett opened the floor for questions.

Q: Can we remove the curbs in some areas of the golf cart paths on the golf course, to help keep the carts?

A: We will consider some of that.

Q: Non-resident membership – how much has it grown?

A: From 55 last year to 89 this year for Tennis, and for Golf it has remained almost the same as last year.

Q: How much is the increase in membership dues?

A: \$78.25/Quarter, which is \$313 more per year.

Q: How many new closings are you anticipating next year?

A: 150 more are projected, plus about 50 more in November and December of 2012.

Q: When will the new guard gate be finished?

A: We pulled some of the contractors from the gate to finish some homes. We will finish the new guard gate by the end of this year.

Q: The 150 new closings you expect next year – are they all going to be full (golf & social) members?

A: Yes.

Q: We were told that there will be a marina, any plans for kayak access from the community to the river?

A: We will explore kayak options but we cannot promise anything.

Q: What was your feedback on the Chelsea tee times system in other Lennar golf communities?

A: The feedback is good. Every person doesn't get to play at the exact time they want every day, however they still are able to play almost every day they want

We are not implementing the Chelsea system in River Strand until fall of 2013.

Q: Shouldn't the members have a priority over renters in making tee times?

A: Not every renter has a transfer membership.

Q: The homes with social privilege only – what would that mean if they want to play golf?

A: They will be able to play only when space is available, mostly off-season.

Q: When we implement the Chelsea system, does it mean that there will be no public play anymore?

A: No, but they will play only when space is available.

Q: What about our non-resident golf members?

A: We reevaluate those memberships every year and they can be terminated at the end of any year.

Q: When is the turn-over to the homeowners?

A: When 90% of the 1,700 homes are sold.

Q: There aren't any reserve funds built up in the budget, why? How about maintenance issues that will occur?

A: We will have to build up reserve funds in the next 2 years. For now Lennar is responsible for any unexpected expenses.

Later, we will do a comprehensive reserve study and see what we need to fund for the future.

Q: What is the percentage of people who live in the community, but do not play golf?

A: 63% of the residents play more than 10 times a year.

Q: When IMG Academies play our golf course, do they pay us green fees?

A: Yes, we collect approx. \$100,000/year from IMG Academies which is decreasing from us not accommodating them as much because of member play.

Q: How about street lights on Winding Brook Lane?

A: We signed the agreement with FPL to get more street lights

Q: The pool gate access system – is that going to link to the fitness room?

A: The same card will be used for fitness center, community gates, and pool gates.

Q: Why are trucks driving through the small roads within the community instead of the main roads?

A: After next May the construction should be done on Heritage Grand and we will get better signage for no construction traffic except in the designated areas. Please let us know name of vendor and any other info you can provide if you see vendors speeding.

Q: Will the Chelsea system be linked to the River Strand website?

A: Yes.

Q: As the community gets older, does everyone still have to pay dues and be a member?

A: Yes, membership is tied to your title, that's how it is with bundled communities, and if you don't pay the dues, the association can put a lien on your home.

Q: Why are you building so many Terraces?

A: Originally, we had planned 27 Terraces buildings, now we are down to 13. We just have to follow the market demands.

Q: Have you considered putting GPS in the new golf carts?

A: We have 114 golf carts, and a lease for GPS will cost us about \$6000/month.

We will look into laser link system in the future.

Tony Burdett called another board member and closed the meeting at 5:30pm.