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January 18, 2025 LST Quarterly Association Meeting Minutes

LST Board Members:
Steve Bungo – President (term expires Oct 2027) Unit 92
Patrick Daugherty – Vice President (term expires October 2025) Unit 13
Patti Battista - Treasurer (term expires Oct. 2025) Unit 68
Steve Duckro - Secretary (term expires Oct. 2026) Unit 32
Doug Brachey – Director (term expires Oct. 2025) Unit 49

- **Board Members present: Bungo, Duckro, Battista, Daugherty, Brachey**

Present:

Unit#	NAME	UNIT#	NAME
92	Steve & Karen Bungo	68	Patti Battista
59	Kay Southall	135	Charles Waldman
55	Lewis Rogers	17,23, 26	Gary Ravelle
32	Steve Duckro	45	Steve Harding
27	Norm & Laura Christ	74	Lynn Martin
78	Kimberly Kirk	63	Teresa Pearson
119	Brenda Davis	75	Kent Lamoureaux
49	Doug Brachey	65	Diane Cook

Call-ins

82	Susan Schindel Box	25	Ron & Deb Linton
71	Paul & Rosemary Cowan	06	Sarah Crook
13	Pat Daugherty/Mike Regulbuto	01	Jay Maxwell

27 in attendance at the meeting representing 24 Units (17% of 142 total units)

I. **The meeting was called to order by President Steve Bungo at 10:00 AM at the Fairfield Glade Community Center Classroom.**

II. **Hospitality Chair Kay Southall** reported:

a. Wine Wednesday 4:00-6:00 PM continues at the Main Gazebo weather permitting.
b. Wine Wednesday Luncheons mark their 28th meeting, continuing at local restaurants the first Wednesday of the month: 11:00 AM on February 5 at Skillets Country Kitchen at the Fairfield Glade Mall.

III. **Treasurer's Report** by Patti Battista

Highlights from the attached financial report. Overall, our financials look good.

a. December 31 checking account balance is $63,371.
b. We have over $235K in total reserves.
c. Revenues exceed expenses 2024 $15,472. An allocation of $15K has been made to reserve for 2024.
d. Unpaid Maintenance fees were $4206 as of December 31. We are pursuing legal action against one owner.
e. Water usage is $41,312 YTD compared to budget of $40,000. We continue to monitor usage, which is currently at steady minimum of ~2 gpm after leak repairs.
    i. We cannot emphasize how much we need our owners to be aware, especially if you see standing water outside, dripping faucets or running toilets.
f. Payroll $76,718 YTD versus budget $80,000.
g. Insurance premiums $38,245 vs 2024 budget of $32,000. We are looking for competitive bids for 2025.
h. Reminder – HOA fees due on the first of the month, but no later than the 10th.
    i. $25 late fee will be assessed after the 10th.
    ii. $50 late fee assessed monthly after 3 months past due
    iii. $100 late fee assessed monthly after 6 months past due.

IV. **Maintenance Report** by Steve Bungo

a. Leaf removal is nearing completion.
b. All 36 electrical metering panels were scanned by thermal infrared. All panels were deemed satisfactory except for two meters. The two meters were scanned again – the temperature rise was much less on the second scan. We may have the electrical panel covers pulled to confirm the meters' health.
c. Building 11 (units 93 - 106) gutters will be repaired by All-Day gutters.
d. Leaking garbage can lids will be surveyed due to freezing issues. We will request owners to replace them if needed.
e. Garbage bin walls for Building 9 (units 75-84) will be replaced in 2025.
f. Privacy walls replacement / repairs will also be a priority in 2025.

V. Water consumption – Steve B

Water consumption remains at 11-12,000 gallons / day, showing a dramatic improvement with the repairs earlier this summer.

VI. Real Estate report by Patti Battista / Steve Duckro

2023 Sales	Lakefront	Lakeview	Townhouse	Villa	Garden
Qty	4	1	3	1	1
Average	$ 245,375	$ 172,500	$ 218,333	$ 202,000	$ 297,000

VII. Lake Committee Report by Steve Duckro

FFG lake desilting is still planned for Lake Catherine. Sam McAdoo's resignation has delayed scheduling a pre-planning session so that residents can meet with the desilting contractor. We will communicate with members as soon as we receive word.

VIII. HOA Fee Comparisons

Patti B performed a fee comparison of similar HOAs in Fairfield Glade. For perspective, the LST fees average $152/month and range from $144 to $172 depending on condo style and lake access. The LST fees include trash and water. The sewer is picked up in FFG fees ($111/month).

Two other condo associations were investigated: Wiltshire and Lake Catherine Condos.

Lake Catherine Condominiums

- They collect both the FFG dues and their HOA dues.
- Like the LST, they maintain exterior repairs and maintenance plus lawn care.
- The homeowners pay for water. Sewer and trash (an extra $9/month over LST) are included in the FFG dues ($120/month).
- They charge by the square footage of the home which includes the base home, garage, deck, porch and any basement or crawl space. Right now, their fee is $0.15 per square foot. They are thinking about raising it to $0.17 per square foot.
- They have 77 units; average square footage is 1718 x $0.15 = $257.70 per month. 1718 x $0.17 = $292.00 per month, or an increase of $34.30 per month. FFG fees are on top of this amount.

Wilshire

- They only collect their HOA dues; Homeowners pay FFG separately like the LST.
- For the past 2 years they have raised their dues 10% and in 2025 they will be raising it by 5%. The reason for the 10%: they were collecting extra money to pay for roof replacements. They are doing it on an as-needed basis.
- Their dues include water, trash, exterior maintenance and lawn care.
- Homeowners are responsible for their patios, privacy fences and upper decks on the 2 story units.
- Their dues are also calculated by square footage of the units. The average dues run $168 per month, so a 5% increase means the average dues will be $176.50 per month.

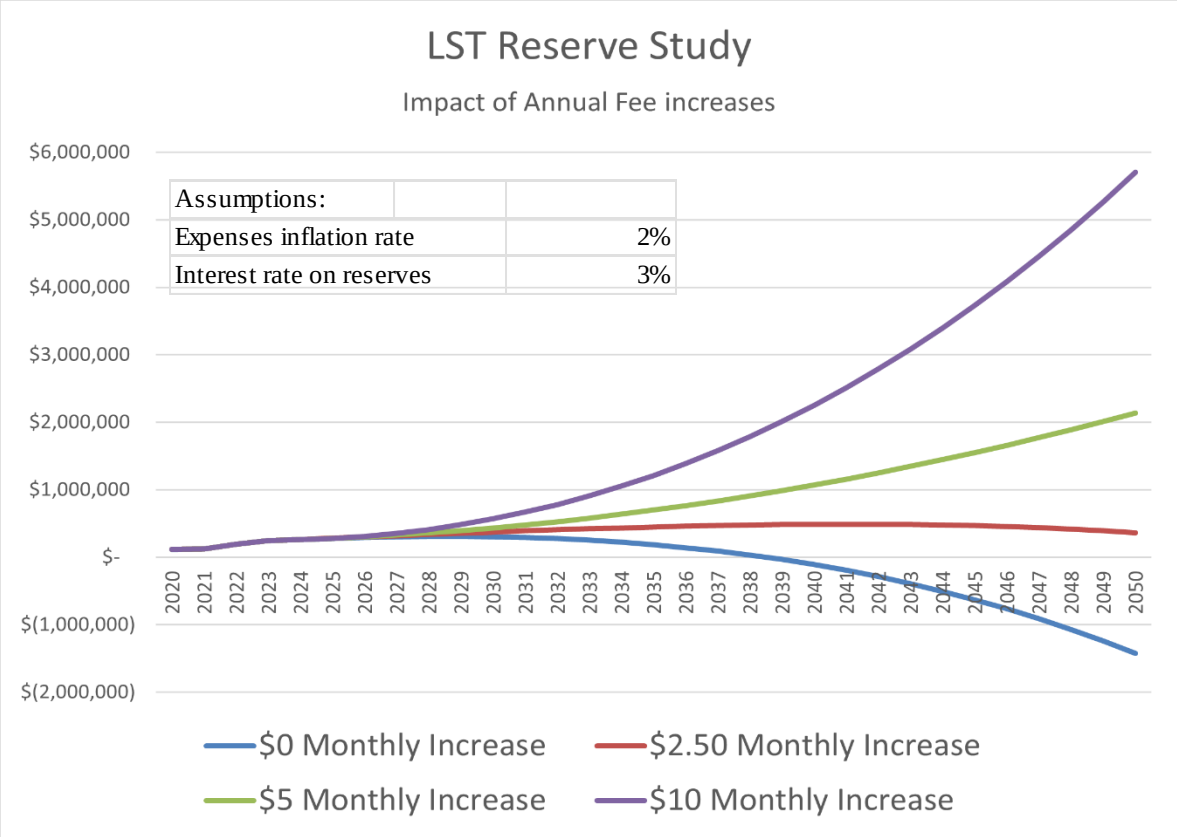
IX. Reserve Study

Reserves are required for the HOA as a rainy-day fund and to provide funding for HOA infrastructure replacements. Included:

- water distribution network (from the Crab Orchard water meter up to the individual unit water shutoff valve),
- roof (recently replaced in 2019 with a 30-year roof),
- vinyl siding,
- asphalt (the county road register does not include the streets in the LST).
- We estimate $3 - $5 million to replace it over the next 25 years.

To stay ahead of inflation and to continue to build reserves, we are proposing fee increases. If fees remain as is, we will burn through our current reserves by 2038.

We made some assumptions to determine what impact annual fee increase might have on reserve accumulation. Our plan is to invest the reserves in secure certificate of deposits. We assumed an interest rate of 3%. Expenses will continue to climb with inflation, and we assumed an annual 2% inflation rate. For our baseline, we assumed that expenses start in 2025 at $247,641 (our 2025 budget for expenses is $267,641 less our planned reserve contribution of $20,000). The graph below shows the different impacts of various annual fee increases. The Board will be discussing further and present our options at the April Membership meeting.



X. **President's Comments by** Steve Bungo

We need Directors in the future that are local to help support the day-to-day activities. The terms for Patrick Daugherty, Patti Batista, and Doug Brachey will expire in October. They can commit to another term, but Steve Duckro and Steve Bungo terms expire in 2026 and 2027, respectively, and are term limited.

XI. Questions and comments:

Unit 78: Requested that privacy wall be repaired.

The wall will be added to the privacy wall repair list.

Unit 92: Remarked that FFG dues are now $111/month and that FFG will charge an extra processing fee if payment occurs by check if automatic withdrawal (ACH) is not used.

Unit 55: Commented that Gary Redding's mother passed away recently at age 104.

Unit 27: What are the LST maintenance staffing plans?

We will continue to staff one permanent employee and one 20 hr/week part-time employee in 2025. We add another part-time employee during leaf removal and other temporary labor-intensive tasks.

Meeting adjourned at 11:00 AM