

Unapproved Minutes to the Ocean Club South Budget Meeting

Held on Date: 04-25-2025

Held at Coldwell Banker Surfcoast Realty, Inc.

366 Flagler Avenue, New Smyrna Beach, FL 32169

I. Call Meeting to Order-President Jeff McLeod called the meeting to order at 3:04 p.m.

II. Verify Quorum-A quorum was met as the following board members were in attendance: Jeff McLeod (C102), Jeff Phillips (C206), Stacy Webb (C104), Tony Lombardi (C207), Danny Hogan (C204).

III. Verify Proper Notice of Meeting-The Notice was mailed to the membership on April 11, 2025 and posted in the Laundry Room.

IV. Reading and approval of Minutes from the Jan 17, 2025 meeting (Hurricane Milton Assessment)-Jeff McLeod made a motion to read or approve as is, the minutes to the Jan 17, 2025 meeting. Jeff Phillips motioned to approve as is, Danny 2nd the motion and motion passed.

V. New Business:

a. The board members discussed: Bob Delrose made mention of the Senate Bill SB 1742 that passed on 4/23/2025, mainly revised the following:

1. The deadline to incorporate the new reserve components into your budget by Jan 2026, was paused and extended 2 more years.

2. An association can borrow money to help fund the reserves or make repairs to get up to speed.

3. Any components that would affect the structural integrity that cost \$10,000 or more, was changed to \$25,000.

The board members decided to proceed with the following and view, discuss and vote to incorporate the SIRS and required components into the 2025-2026 Budget instead of waiting 2 years to do so.

The board members discussed: to Adopt State Required Fully Funded Structural Integrity Reserve Components

1. Critical Structural Components

In addition to standard reserve items, such as cooling towers, elevators, paving, etc., associations must now include an evaluation of the structural

elements and electrical and mechanical systems. This approach aims to provide a more accurate representation of the association's overall structural health. The following is the detailed list of required structural components that must be addressed by the SIRS:

- a. Roof
- b. Load-bearing walls or other primary structural members including Flooring and Foundation
- c. Fireproofing and fire protection systems
- d. Plumbing
- e. Electrical systems
- f. Exterior painting and waterproofing
- g. Windows and exterior doors (that are the responsibility of the association)

Any items that have a deferred maintenance expense or replacement cost that exceeds \$10,000, and where the failure to replace/maintain such item negatively affects the items listed above, as determined by a licensed engineer or architect.

b. The board members discussed: Discuss and Approve Maintenance for Structural Members, Electrical and Plumbing

c. The board members discussed: Discuss and Adopt Reserve Components Required by Florida Condominium Act Statute 718.

"Parking Lot Resurfacing"

Required Reserve Component of any item or required maintenance of an item that has a cost of over 10,000 Dollars.

Pool Resurfacing.

VI. Discuss and vote on non-statutory components to maintain in the reserves:

"Building Repairs"

VII. Vote to eliminate remaining non-statutory reserve components and disperse current balances to required statutory components.

VIII. Nominate, vote and appoint replacement to fill board member vacancy. Jeff Phillips nominated Lisa Ramey (C205 & A206) to fill the board member vacancy seat that was open due to Ray Evans (C208) selling his unit and resigning from the board. Tony 2nd the nomination. Jeff McLeod asked all in favor say aye. All responded with aye. No responses as nay. Motion passed.

IX. Vote to approve the Proposed Budget 2025-2026. The board members discussed that the current monthly maintenance fee is \$548. The new budget proposes the monthly maintenance fee to increase to \$578. Mostly due to gas for the dryers in the Laundry Room, Spectrum cable and wifi increases 5% per year automatically and the electric bill for the common areas has increased. Bob was able to move some funds from other budget categories that were overfunded as well, into underfunded budget categories. Of the \$30/month increase, \$10.48 is to fund the reserve components on the SIRS Analysis Report.

The board reviewed the SIRS Analysis Report 2025-2026, the Proposed Budget 2025-2026 and discussed the non-statutory and statutory reserve components. Jeff Phillips made the motion to adopt and approve the 2025-2026 Proposed Budget that includes the SIRS Analysis Report 2025-2026/State of FL Chapter 718 statutory reserve components. Stacy Webb 2nd the motion, Jeff McLeod asked that all in favor reply with aye, all replied aye, none opposed with a nay. The motion passed unanimously.

X. Adjournment

President Jeff McLeod made a motion to adjourn the meeting. Stacy Webb 2nd the motion. Meeting was adjourned at 3:54 p.m.