

RAINBERRY LAKE RECREATION AREA INC.
December 18, 2024, at 7:00 p.m.

PRESENT: Sara Covington, Joe Larocca, Trey Godwin, Jeff Maul

ABSENT: Chris Seward

I. Call to order: Joe called the meeting to order at 7:00 p.m.

- A. **Minutes:** Moved by Jeff and a 2nd by Trey to approve the minutes of the November 2024 meeting. **PASSED.**
- B. **Treasurer's Report:** November financials show \$23,946.27 in Operating, \$5,873.91 in Reserves, and a line of credit balance of \$65,651.69. A line item will be created to reflect a ten-year amortization for the bathroom project. \$570 was deposited for RFID sales and Jeff will order a new supply.
- C. **Landscaping:** Next year there will be additional landscaping visits which will be coordinated with the drenching for white flies. In the new year there will also be a small landscaping project of installation of new plants at the entrance.
- D. **Security:** The callbox camera was failed and replaced. Then the callbox was malfunctioning and testing determined that the new camera was at fault so an updated camera was installed. While the guard was placing the box over the callbox in the morning, a resident entered the guardhouse to operate the gate switch and admitted a contractor. The resident was spoken to by our police liaison and assured that he would not trespass again. A visitor broke the exit gate, a police report was filed, and the perpetrator subsequently paid for the damages. Security contacted six residents regarding Callbox issues and one resident regarding an OpenPath issue.
- E. **Maintenance:** Thank you to Lisa Breen who repainted the pineapple hanging on the guardhouse and to Joe Buttigieg, Shawn Heffernan, Joe Larocca, and Jeff Maul for installing the Christmas lights at the entrance. Repairs or replacements were made to the pool heater, pool filter tank pump, pump room sump pump, sump pump float switch, spa pump housing, spa handrail, spa heater, and callbox wiring. Routine maintenance was performed on the four entrance/exit gates and new bollards were added around the entrance Colusia.
- F. **Tennis / Basketball / Gazebo:** The courts were pressure cleaned and are in good working order.

II. Old Business: None.

III. New Business: Steve Rosenblit has resigned from the board. The Homes have selected Thomas Read to replace Steve. A Motion was made by Joe with a second by Jeff to appoint Thomas Read as a director for the board of the Rainberry Lake Recreation Area Inc. **PASSED.**

Joe made a statement and presentation about the formation of the Rainberry Lake Recreation Area Inc., as well as how the corporation is currently conducted. Joe then presented a timeline of recent interactions between homeowners and the Rec Area board (a copy of the timeline will be archived with the Rec Area secretary). Copies of Joe's statement and presentation are attached hereto as Exhibit A. A Motion was made by Joe with a second by Trey for attorney Larry Schone to respond to the homeowner's letter. **PASSED [with an abstention by Thomas Read].**

IV. Next meeting date: January 15, 2025, at 7:00 p.m.

A Motion was made by Joe with a second by Jeff to adjourn the meeting. **PASSED.**
Joe adjourned the meeting at 7:25 p.m.

Respectfully Submitted, Sara Covington
Secretary, Rainberry Lake Recreation Area Inc.

EXHIBIT A

Statement: The Rainberry Lake Recreation Area Inc per documents is owned 2/3 share by the Villas of Rainberry HOA and 1/3 share by the Rainberry Lake HOA. As such each shareholder appoints board members to a 6 member board accordingly - 4 for the Villas and 2 for the Homes. The board members oversee the business in the interest of all the shareholders of the company. It is the longstanding policy of the Rec Area to provide timely information and financial transparency. This is accomplished by having open monthly meetings (without commentary) and providing to its board members monthly financial statements and meeting minutes for dissemination, which the Recreation Area Inc has done since inception. To achieve efficient communication flow and structure, the Rainberry Lake Recreation Area Inc has a policy that any request, comment or question raised by either the Homes or the Villas or their respective members is directed to the appropriate Rec Area Board member representative to be brought forward at a Rec Area meeting for discussion. Any information is then relayed back through the appointed board member representative to their organization.

Presentation: Every month through the shareholder appointed members of the Board we provide a balance sheet and income statement. These explain where the money goes and where we are financially at any time throughout the year. Once provided to the representative, what is done with the document and how they are disseminated, is the purview of the respective boards of the shareholders.

I can explain what the Villas as majority shareholder does. Since all Florida HOAs over a certain size have to have a public website, the Villas feels this is the best way to centralize information for easy membership access. If everyone will take out their phone and go to RainberryVillas.com. If you click on about the HOA and then scroll to Recreation Area Rec Board meeting minutes. You will see an explainer and 12 months of Meeting Minutes. At our monthly Villas meeting, we also deliver a monthly report on the Rec Area that goes in our regular Villas meeting minutes. This is a public website so feel free to go around there is a ton of community information on it.

The Rainberry Lake Recreation Area Inc was founded in accordance with the original Recreation Area Agreement and with the assent of the boards of the Villas and Homes on March 3, 2017. It was founded as a for profit company since inception. It has never been an HOA or any other not for profit. The for-profit nature of the Rec Area allows us to achieve greater financial flexibility for the entity while promoting budget stability for its shareholders. This initial formation was reaffirmed by the boards of both shareholders in 2022. As you can see by our financials the budget for the Rainberry Lake Recreation Area for fiscal year 2024 is \$266,600. In accordance with our 2/3rd and 1/3rd shareholder stake \$178,000 is contributed by the Villas and \$88,600 is contributed by the Homes, in monthly increments. The total is then broken down by category. Not one penny of that is any payment to board members or officers for service. This is forbidden by the governing documents. There are no debit cards, credit cards or ability for any single board member to withdraw funds. All payments are handled by our regular accountant

who provides us with monthly financials. The Rec Area taxes are prepared and filed every year by a separate accountant to ensure independence. Taking advantage of the financial flexibility previously mentioned, the Rainberry Lake Recreation Area Inc. established a revolving Line of Credit at South State Bank. After evaluating the financial state of the Rec Area, we were offered a line of credit of up to 2 million dollars. That size of potential debt was deemed to be outrageous by the board and we eventually procured a line of credit for \$100,000 without pledging any assets and secured only by the Rec Area balance sheet. We also put safeguards in place to ensure that the total indebtedness of the Rec Area can never exceed 50% of the current annual budget and that any debt agreement entered into must have the assent of 2/3rds of the board with at least one yay vote from a board member appointed by each Shareholder. We also have taken great pains to have an officer from the minority shareholder every year. This is just one of many examples of the prudent financial decision making and spirit of togetherness that has been exhibited by all Board members appointed by the shareholders since inception.

Specious accusations, on-line diatribes, personal attacks on board members (both past and present), the recent revolving door of board members and juxtaposition of who is acting and in what capacity, is neither perpetuating nor fostering an environment of trust and good faith.

We at the Rainberry Lake Recreation Area Inc look forward to continuing to work on providing the use and enjoyment of the Recreation Area for the members of our shareholders. We will continue to operate the Corporation in accordance with our documents, governing statutes and the policies and procedures adopted by this board.