

President's Note to Members TOCCA Covenants Revisions June 30, 2023

You will be receiving a number of emails from me or the TOCCA Board over the next several months concerning many significant issues which our community has to deal with. All of these require careful evaluation so that we can make thoughtful decisions and ensure our HOA's financial security as an entity and enhance the value of our homes and the appeal of TOC as a place to live. For most of us our home is our most valuable asset and it will appreciate substantially if we maintain TOCCA's financial viability, the quality and appearance of our community and its desirability.

The covenants were last revised in 2017 but since then Lovell (Avalon) has left; we have taken over ownership of the Clubhouse, Pool and Marina and there have been major changes to the Maryland Homeowners Act. A small group (Bud Cass, Testa and Jones) has worked with our lawyer to revise the 2017 document to reflect these changes and remove historical references which no longer apply. I have attached the proposed new Declarations (Covenants), a redline version of the changes to the old covenants (2017 version) and a redline version of revisions made to the initial revision to this email. These are not bedtime reading but they are very important and I hope you will take the time to understand them. Any questions or suggestions for changes should be directed to Vickey Testa who will triage them and get the answers back to you from the appropriate person. The next Board meeting (July) will be given over to discussion of the proposed new Declarations, the document will then go to our lawyer to incorporate any changes which have been agreed on and subsequently will be voted on by the Board. Once the Board approves the document it will then go to the TOCCA homeowners who must approve it by a 2/3rds affirmative vote (40 of 59 homeowners) for it to be enacted. I hope that if all goes well it will be approved by the fall.

To comply with the Maryland Homeowners Act the Board has commissioned a Reserve Study from Property Diagnostics who meet the legal requirements to conduct such a study. An on-site review has been conducted and we should get the initial report in the next week or two with the final report due around Labor Day well before the October 1 deadline. We have 3 years to establish a financial plan to fund the reserves but until we see the findings of the study it's hard to do anything further at this time. Most of our financial exposure is from the Clubhouse, Pool and Marina and these obligations will also fall on the homeowners in TOCCA II (Trafalgar and Spinnaker) currently about 23 homes. Income from slip rentals, currently about \$70K, will also offset these obligations.

If you have questions or concerns please speak to me or a Board member to try to address them or send Vickey an email tedpcut@aol.com

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