

Optimum Update

January 31, 2024

Board of Directors & GM





Optimum Update

The presentation lays out the deliberate and methodical approach the Association has undertaken during the last year in order for the Directors to perform their Due Diligence and Fiduciary Duty.

A summary of latest survey results are also included, which clearly demonstrate that an informed community has spoken, and more than a majority of the homeowners are in favor!

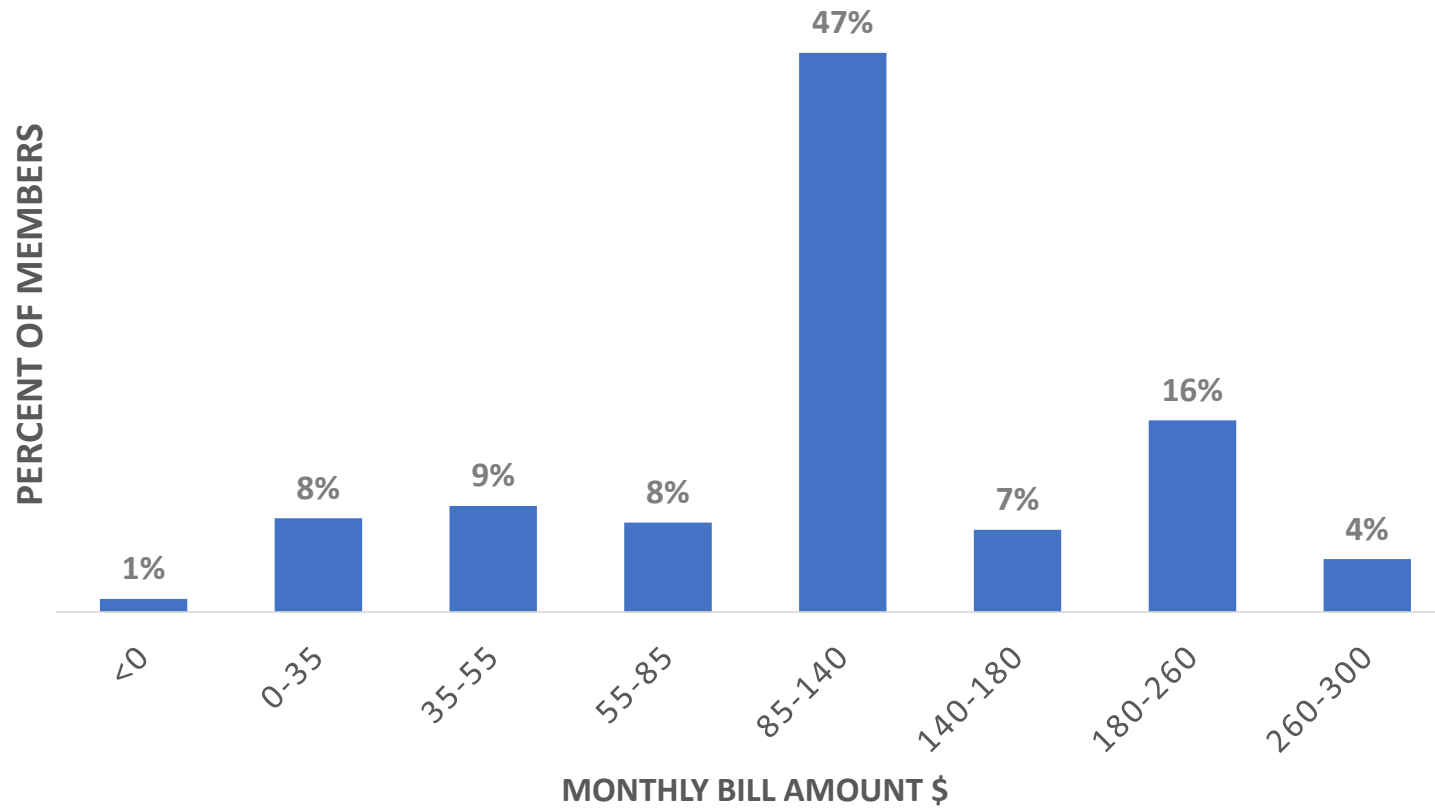


Recognized need for Broadband

- Need for improved and more affordable options
 - Starting in 2020
 - Options brought before the Finance and Long-Range Strategic Planning Committees
 - Fall 2021 Proposals submitted to Committees
 - \$8MM plus to install new infrastructure
 - Or \$150/mo for 5 years to each homeowner

LOP OPTIMUM TOTAL CUSTOMER BILL DISTRIBUTION

PROPOSED CONTRACT SERVICES ONLY - INCL. DISCOUNTS





OPTIONS



5 YEAR COST DISTRIBUTION

- \$150/MO PER HOME DIRECT TO HOA (@2,000 HOMES)
- REDUCED MONTHLY AFTER INITIAL TERM - \$110
- (RENEWAL) HOA BILLING DISCOUNT – 20%

6 YEAR COST DISTRIBUTION

- \$140/MO PER HOME DIRECT TO HOA (@2,000 HOMES)
- REDUCED MONTHLY AFTER INITIAL TERM - \$120
- (RENEWAL) HOA BILLING DISCOUNT – 15%

7 YEAR COST DISTRIBUTION

- \$130/MO PER HOME DIRECT TO HOA (@2,000 HOMES)
- REDUCED MONTHLY AFTER INITIAL TERM - \$125
- (RENEWAL) HOA BILLING DISCOUNT – 10%



Optimum MSA Agreement

- Existing Marketing Service Agreement
 - Negotiations began in 2022 for extension
 - Agreed to 3-4 times more in Revenue Sharing income
 - Income goes to LOP Operating Budget (offset assessments)
 - Openly discussed at BOD Regular Session Meetings
 - On March 2023 Agenda the BOD ratified extension
- Discussed what many refer to as 'Suburban' type deal
 - Bulk Service Agreement is only option
 - Wrote in to agreement an option to convert MSA into BSA



Optimum Bulk Service Agreement

- An outstanding value to the community
 - Negotiate best price for LOP
- Stable pricing, minimal increases
 - Consumers experience unknown/unforeseen increases
- Leverage BSA for improved support
 - Support is long-standing issue, BSA demands better
- Infrastructure improvements
 - Latest infrastructure installed in LOP



Transparency From the Start

- In an attempt for transparency
 - Community was advised in early stages
 - Did not have all the answers, this was disingenuously construed as “hiding something”
 - If the BOD sat on it, they would have been accused of ‘lack of transparency’
 - All aspects of BSA were shared as identified



Community Concerns

- Community wanted more information & input
 - First Survey in Oct 2023
 - 50/50 - In Favor/Opposed
 - Most 'Opposed' due to lack of information
- Information Campaign over Fall/Winter
 - LOP News
 - lop.org (FAQs & past editions of LOP News)
 - Evening with GMs (open Q&A)



Monthly Charges: \$165.99

500 Mbps Internet and Value TV \$160.00

Gateway \$0.00

Auto Pay & Paperless Billing Discount -\$5.00

TiVo High Definition DVR \$0.00

Showtime and The Movie Channel \$10.99



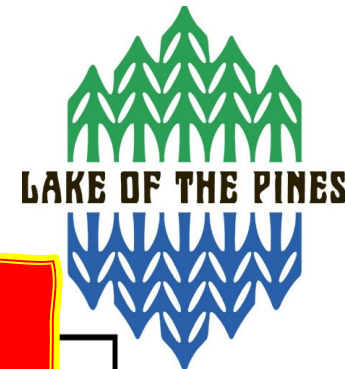
**If the Bulk Service Agreement is agreed to,
the Monthly Assessments would be impacted as follows:**

Jul-Dec 2024	\$42.00/month	
CY/FY 2025	\$42.00/month	(no increase)
CY/FY 2026	\$42.63/month	(\$.63 increase/month)
CY/FY 2027	\$43.91/month	(\$1.28 increase/month)
CY/FY 2028	\$45.23/month	(\$1.32 increase/month)
CY/FY 2029	\$45.89/month*	(\$.67 increase/month)

**assuming the contract would be extended to the end of 2029*

Note: The Association is working with the Board of Directors on several different scenarios that would change the above, the scenarios would only further lower the costs, or fix them for the entirety of the contract.

optimum.



Potential Savings of
\$14,885,353.36

Month

500 Mb

TV

Gateway

Auto Pay

Discour

TiVo High Definition DVR

\$0.00

Showtime and The Movie
Channel

\$10.99








2029

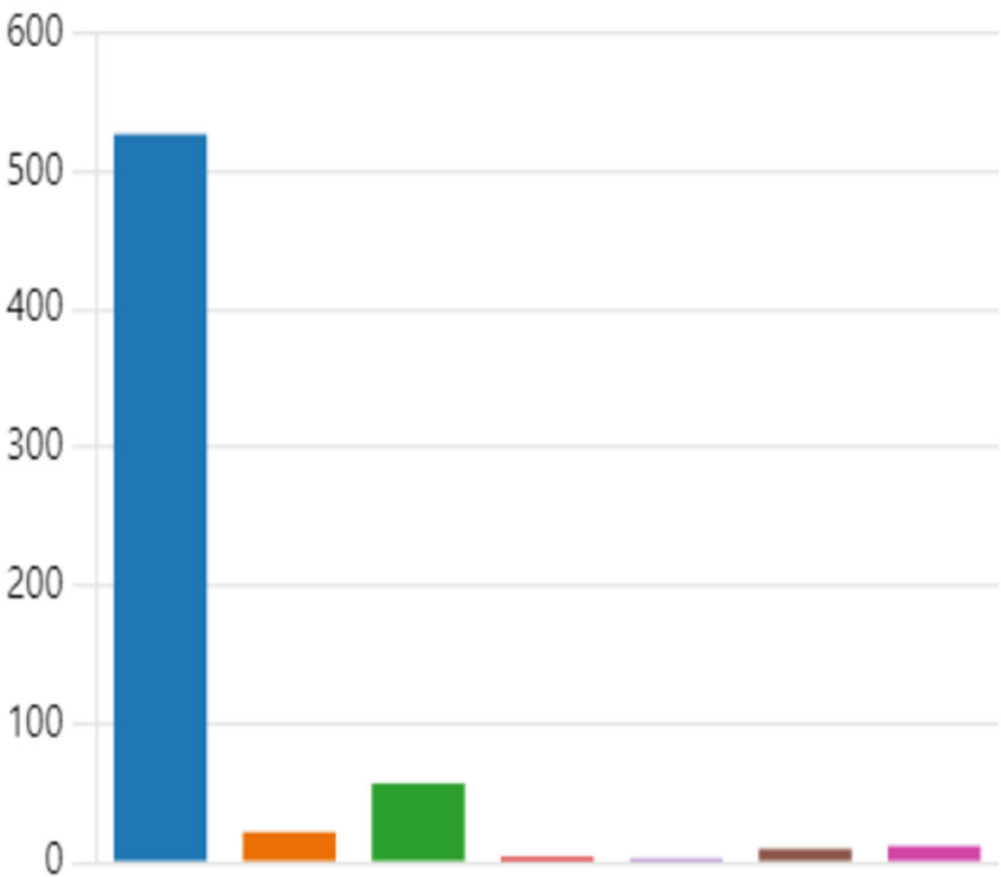
Note: The Association is working with the Board of Directors on several different scenarios that would change the above, the scenarios would only further lower the costs, or fix them for the entirety of the contract.

Do you currently have home internet in LOP, what provider do you have?

[More Details](#)

 Insights









 Optimum	527
 AT&T	22
 Verizon	57
 T-Mobile	4
 Starlink	3
 Other	10
 I do not have home internet	12

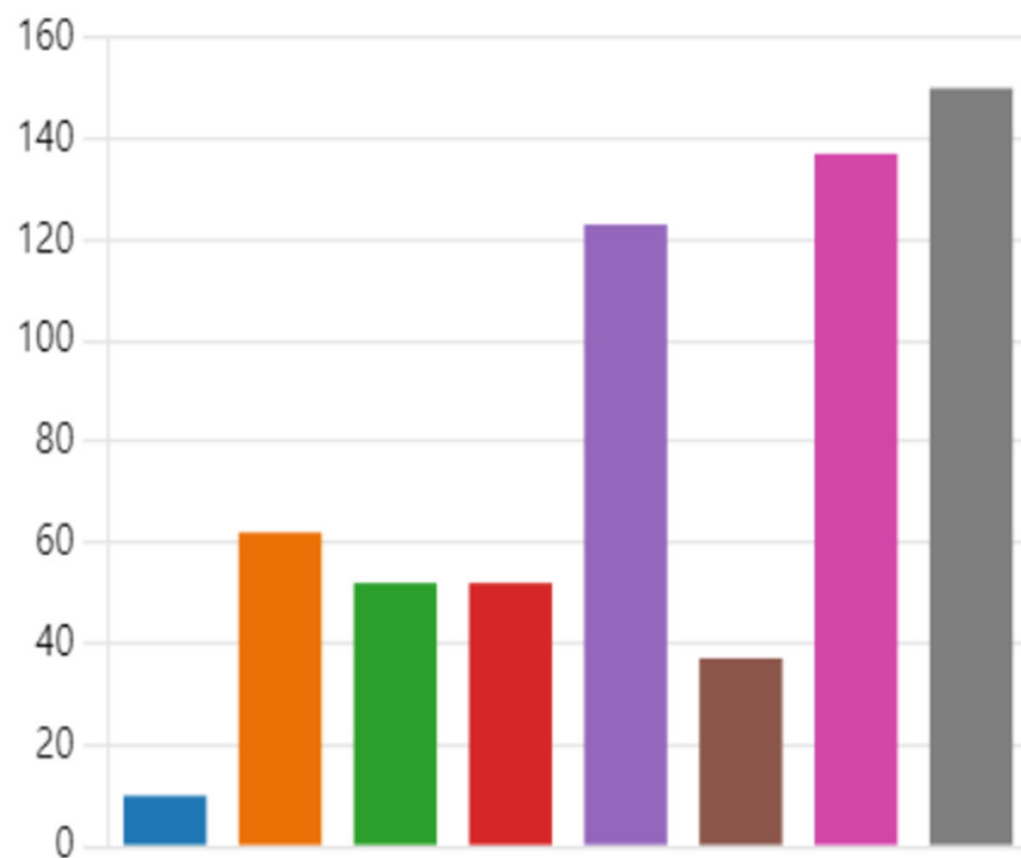


. What speed do you currently subscribe to?

[More Details](#)

 Insights

 Less than 100MBPS	10
 100MBPS	62
 200MBPS	52
 300MBPS	52
 400MBPS	123
 500MBPS	37
 1GBPS (1000MBPS)	137
 I do not know	150

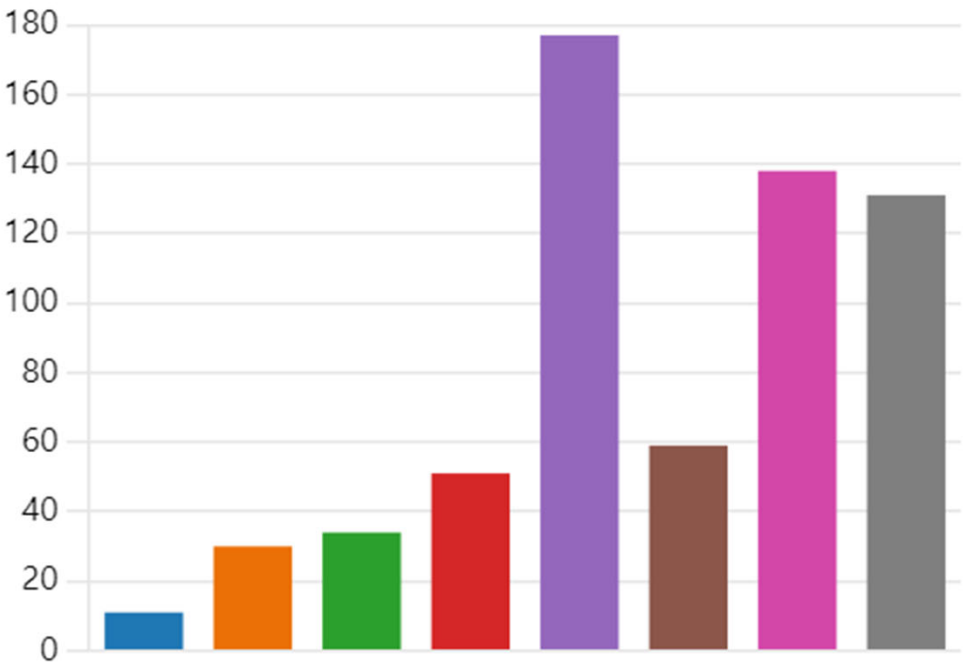


What speed would you ideally have? If unsure, follow the QR code to calculate your needs.

Click here to what speed your home may need- <https://www.consumerreports.org/electronics/internet/how-much-internet-speed-do-you-need-a1714131782/>

[More Details](#)  Insights

Less than 100MBPS	11
100MBPS	30
200MBPS	34
300MBPS	51
400MBPS	177
500MBPS	59
1GBPS (1000MBPS)	138
I do not know	131



Do you anticipate a savings if LOPA enters into the BSA with Optimum?

[More Details](#)

 Insights






	Yes	416
	No	216



. What would your monthly savings be

[More Details](#)

 Insights



	Less than \$25 a month	31
	\$26 to \$50 a month	98
	\$51 to \$75 a month	81
	\$76 to \$100 a month	90
	More than \$100 a month	116



Do you or do you not support the LOPA/Optimum Bulk Service Agreement (and price previously explained)?

[More Details](#)

 Insights


-  YES, I DO support the BOD appr... 61.1 %
-  NO, I DO NOT support the BOD ... 39.9 %



Do you or do you not support the LOPA/Optimum Bulk Service Agreement (and price previously explained)?

[More Details](#)

 Insights

 YES, I DO support the BOD appr... 61.1 %



In favor are 61.1%



Latest Survey

- Revised the original survey
 - Provided more info, Straight-Forward, Unbiased

Measurement	Value
Population Size	2002
Sample Size	649
Confidence Level	99.9%
Margin of Error	5.20%

Latest Survey



The Community and the BOD can be assured there is a 99.9% chance that more than a majority (55.9 – 66.3%) of the owners are in favor of the Optimum BSA.

Communications Consulting Group



- GM brought forward ~ Oct 2023 survey
 - Community concerns led to effort to assure LOP
 - Coupled with Information Campaign to educate community
- They are the experts in these matters
 - Experience & background
 - Confirm we got the best deal we can
 - Their Legal Dept will review contract



Thank you