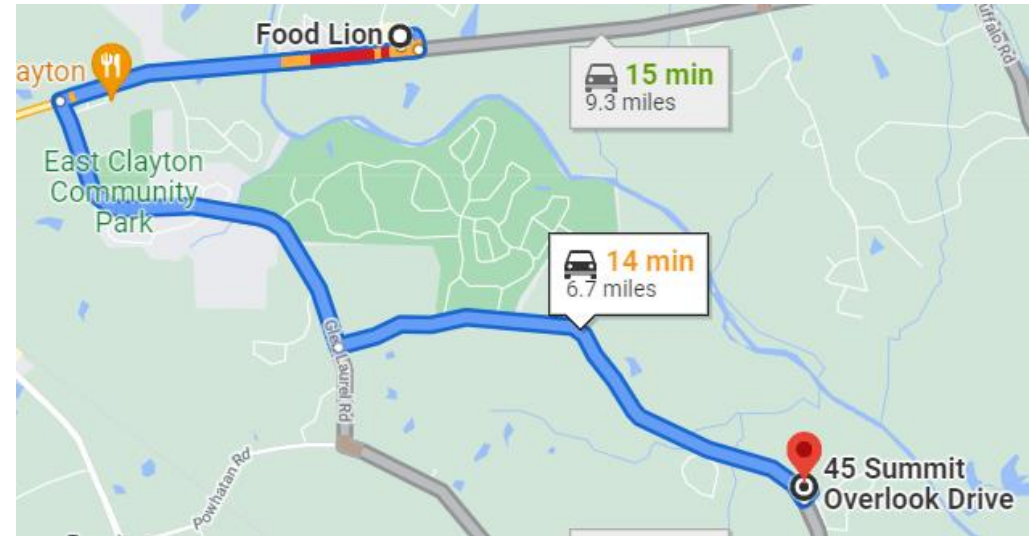


2022 Annual Meeting

GAFPHOA2

Saturday November 19th, 2022 7:00 PM

Neuse River Racquet Club
45 Summit Overlook Dr
Clayton, NC 27527



<https://us02web.zoom.us/j/82682167005?pwd=WXNucGJMbXNUaVN5aHdaMEpnZEZXQT09>

Meeting ID: 826 8216 7005 Passcode: 464039

Agenda

(the meeting will last from 7:00 to 9:00 pm)



Introductions

Approval of 2021 Minutes

Board Elections

Architectural and Landscape Review Report

President's Report

Financial Report including 2023 Assessments

New Business (Owner Q&A)

Introductions

Board of Directors

- Karin Speaker, Secretary, Vice president
- Aaron Griffith, At-Large
- Ken Clute, At-Large
- Heidi Jorgensen, Treasurer
- Jere Jorgensen, President

- Miraj Patel
 - Manager, Community Association Services
<https://www.casnc.com/> miraj@casnc.com



Approval of Minutes & Meeting Quorum

Does the Board approve of last year's minutes?

And...

Do we have quorum to conduct new business? By-Laws Article 3 Section 4 state that 30% of owners (108), in person or by proxy, be present to conduct new business. No Quorum = No board election however no quorum is required to ratify the budget.

Board Elections

- Heidi Jorgensen term expires 12/31/22 (Heidi wishes to stay on)
- Aaron Griffith term expires 12/31/22 (Aaron wishes to stay on)
- Karin Speaker term expires 12/31/23
- Jere Jorgensen term expires 12/31/23 (Jere wishes to retire)
- Ken Clute term expires 12/31/24

Process:

- Anyone present wish to be added to the list of candidates?
- Any last inputs from candidates?
- 1 vote per property
- Collect votes and proxies
- Top vote getters from proxy, on-line, and present are added to the board
- Board titles and responsibilities determined in January

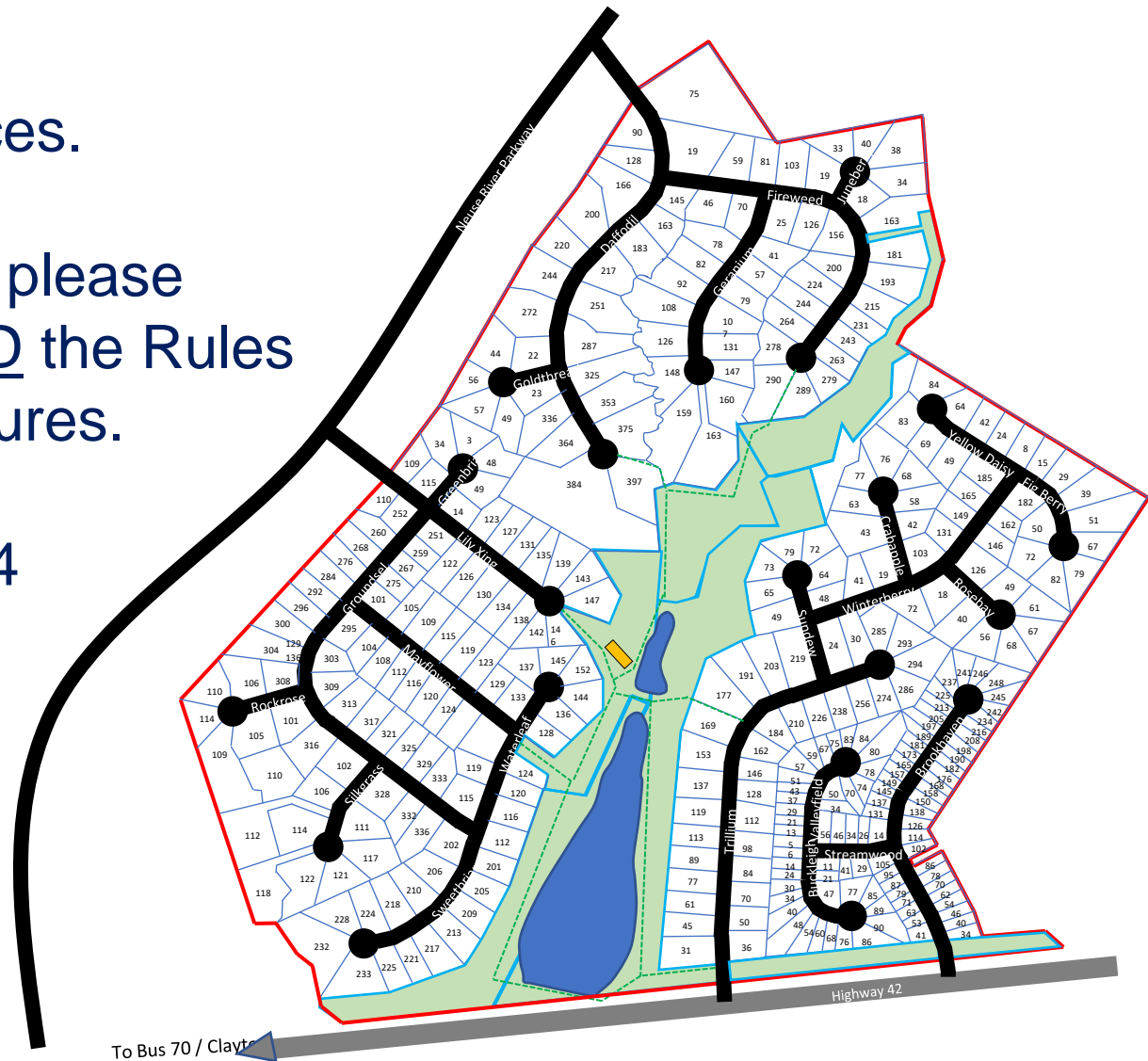
Architectural & Landscape Committee, Highlights

Ken still leads this committee.
Mostly Decks, Trees, Sheds and Fences.

If you have questions about a project, please refer to the Restrictive Covenants AND the Rules and Regulations, Policies and Procedures.

We had 23 Architectural Requests, 3-4 were verbal approvals.

Some projects will be reviewed by Flowers Foundation.



Presidents Report, Statistics

- 359 Total Properties

* 108 properties in The Gardens	22, 20% are rentals (est)
* 72 Properties in East Lake	4, 5% are rentals (est)
* 94 Properties in Magnolia Village	55, 59% are rentals (est)
* 85 Properties in Magnolia Place	11, 12% are rentals (est)

26% overall

- We have 33 acres of common area, including the lake
- All properties are developed
- We kicked around ideas on how to limit rentals and still be fair and legal

Presidents Report, CC&R Violations

- We get over 100 violations each year.
 - Standard issues are: Tall grass, mailboxes, trailers, power washing, contractor signs, & boats.
 - For barking dogs, dog poop and noise, talk with your neighbor and if that doesn't work call the sheriff 919-989-5010 or Animal Control. Be respectful pet owners and clean up after your animal.
 - Parking in Magnolia Village continues to be a problem for which the HOA has limited options.
 - We have shortened the violation process.
- The reworked Covenants are complete. We now have two documents to look at for restrictions, the original Covenants and the new Rules and Regulations. R&Rs incorporate Flowers Declarations. Both are posted at CASNC.com



Presidents Report, Activities

- The HOA owns a metal detector if you need help in finding boundary markers.
- We started sending out newsletters.
- We repaired 180 feet of trail behind Trillium.
- We added an extension to the lake's small drain pipe to reduce clogging.
- Canceled dumpster day.
- Replaced about 15 street signs.
- Added two backflow preventers to the East Lake irrigation pipes. We are prepared to do the Gardens too if warranted.
- Adjusted to 3 CAS property managers (Ashley, TR, and Miraj).

Presidents Report, Activities

(Cont)

- We found a replacement for the mailbox ball.
- Posted towing signs in case we need to tow.
- We now have a Credit Card to help expedite small purchases.
- Completed the encroachment letters.

Coming up:

- We are investigating how to best add cushion to the playground.
- We keep a list of possible improvements to the HOA and the processes we use. You are welcome to add stuff.

Presidents Report, Goals for next year

1. Keep the current balance of personal freedom vs restrictions
2. Stay aggressive in our collections
3. Replace everything affected by the Hwy 42 widening.
Fencing (if required), Monuments, Trails, Lighting, Parking, Water, Irrigation, Landscaping, Curbs, Signs, Etc

Highway 42 Report

- Started in September 2022. Includes water, lighting, and landscaping. Monuments being done by NCL, a Magnolia Place neighbor. Contractors for other activities are being reviewed.
- Working on getting Government approvals to take down trees, add fill to dam and connect trail ends. Pave from Trillium past the drain pipe. Trail plans include a rock trail from Trillium to Buckleigh. Add a short fence at edge of lake. DOT put in a guard rail along curb.
- Plan to add some bushes and trees along Hwy 42. We will get inputs from Adair and run plans past those directly affected.
- Need just enough to run irrigation at both entrances.
- Pave or rock along Trillium to accommodate parking for 3-4 cars

Highway 42 Report, cont

Sample: For each of the Hwy 42 activities (monuments, trails, lighting, landscaping, etc) we track the estimates, how much has been spent, and what's left to spend.

	Proj Cost	Spent	Left to spend	Compensation
4 Monuments	\$48,000	\$24,000	\$24,000	\$12,000
4 Cast Signs	\$5,829	\$5,829	\$0	\$1,457
Sign Permits (all)	\$489	\$489	\$0	\$245
Engineering, tyndall (all)	\$750	\$750	\$0	\$750
Move Dirt, Brookhaven	\$11,190	\$11,190	\$0	\$0
Haul Monument signs	\$300	\$300	\$0	\$300
Move Dirt, Trillium	\$10,524	\$10,524	\$0	\$10,524
Haul away brush (all)	\$75	\$75	\$0	\$75
Duke/Pike 120V to 2 monuments	tbd	\$0		tbd
CMC Electric Set meter & Breakers	\$8,563	\$68	\$8,494	\$4,281
Sub Total	\$85,719	\$53,225	\$32,494	\$29,632

Summary: The bottom line is we add all of the income and subtract all of the expenses to ensure that we have enough funds.

- * DOT should pay us \$ for \$.
- * We need to set aside money to cover taxes.

Summary	
Paid by DOT, Trillium East and Brookhaven (no land or easements)	\$116,500
Expected to be paid by DOT for Trillium West	\$225,713
Total Revenue, all property and improvements	\$342,213
Total expected costs	\$264,263
Contingency Fund (projected income minus projected costs)	\$77,950
Bank Account, DOT Money Market	
Started	\$116,500
Spent/committed	\$75,265
Balance	\$41,235

Financial Report

As of 10/1/22

4 owners owe us <\$400

2 owners owe us \$400-\$800

1 owners owe us >\$800

A total of \$2664 owed to the HOA fees, fines, legal...

The Lien threshold is still \$350 and Foreclosures are at \$1000 for late payments and/or fines.

2022 Target vs Actual

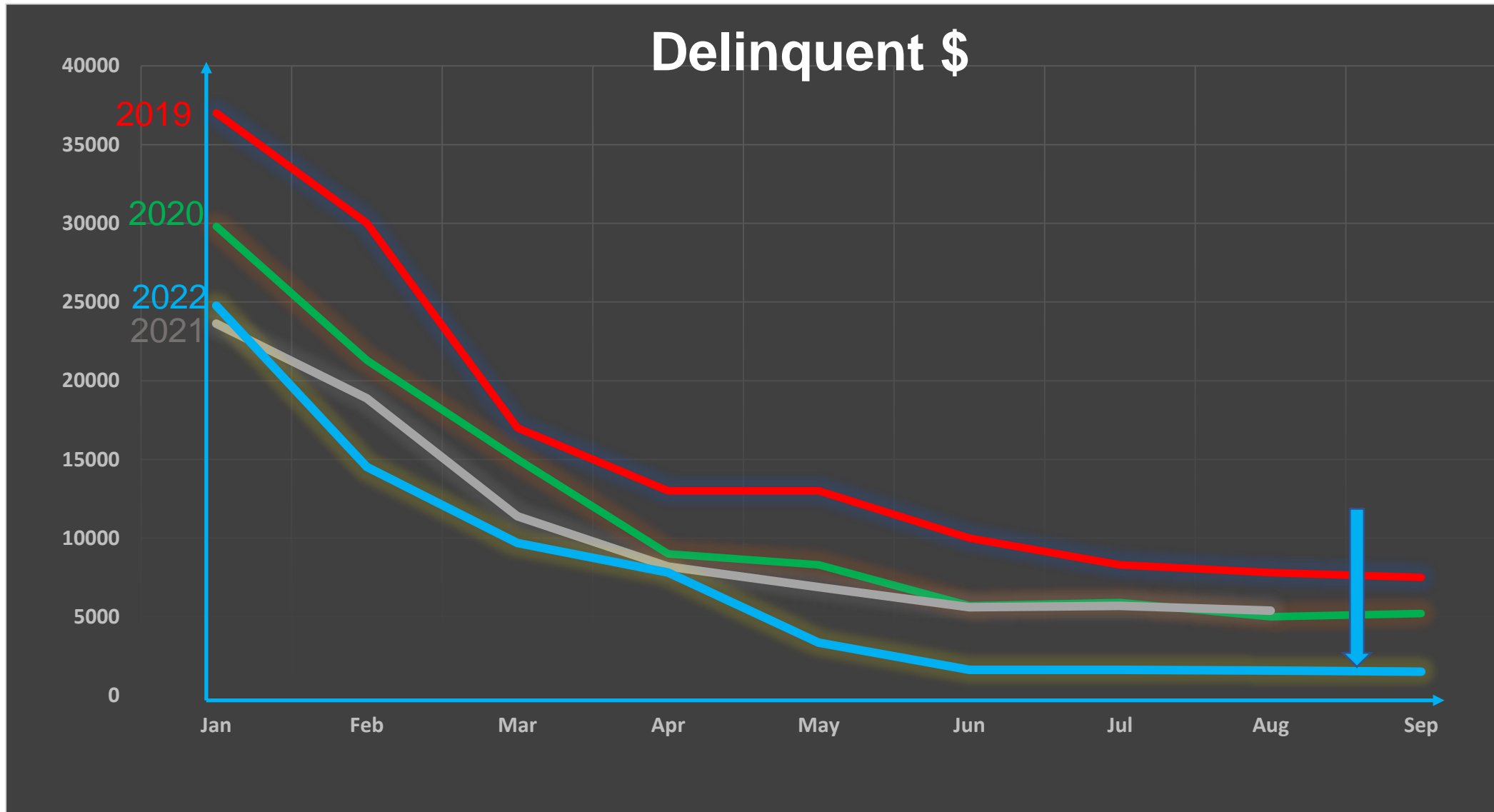
Income		2022 plan	2022 expd	2023
4000	Homeowner Assessments	\$103,751	\$102,172	\$107,700
Expenses		2022 plan	2022 expd	
6000	Grounds Maintenance Contract	\$6,510	\$6,773	
6010	Grounds Non Contract	\$0	\$3,175	
6020	Grounds Supplies	\$1,400	\$701	
6030	Playground	\$0	\$0	
6070	BMP Maintenance (Foster Lk)	\$4,668	\$4,446	
6100	General Repairs	\$200	\$1,496	
6110	Signs	\$2,500	\$2,594	
6500	Electricity	\$1,300	\$538	
7000	Management Fee	\$16,657	\$16,665	
7010	Administration Exp	\$1,000	\$825	
7020	Insurance/Liability	\$2,629	\$3,020	
7030	Accounting Audit/Tax Returns	\$250	\$275	
7040	Misc Legal and Collections	\$0	\$2,932	
7060	Flowers Foundation Dues	\$72,374	\$75,390	
7070	Meeting Expenses	\$60	\$60	
Total Operating Expense		\$109,548	\$118,890	
Reconciliation				
1010	Cash in Bank when this budget was created			\$33,531
	Expenses through Year End			\$11,263
	Expected checking account balance, year end			\$22,268
Reserves				
1020/3000	Money Market Reserves when this budget was created			\$5,585
	Projected expenses through 2021 (trail)			\$0
	Ending Reserves			\$5,585
1030/3006	Total Reserves, DOT and MMkt			
	Total Expected Income Brookhaven and E Trillium			\$342,213
	Spent so far			\$75,265
	Left to spend			\$188,998
	Reserves after taxes			\$77,950

2022 income and expenses are represented here while major projects like paving and Hwy 42 replacements are in our “Capital Budget” accounts.

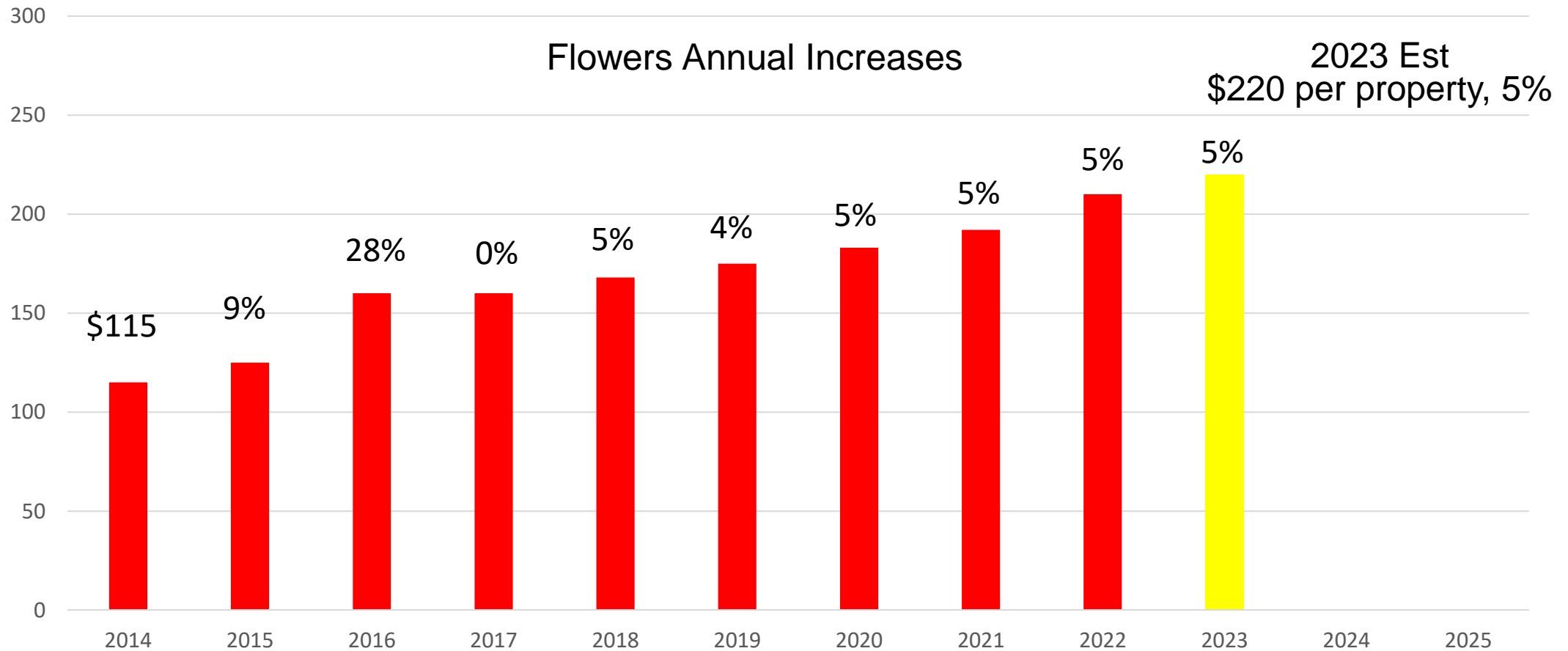
Green is the plan and yellow is the *projected* actual. It’s *projected* since we are preparing this report without 4th quarter actual data.

2022 Expenditures about 9K over plan
 ~3K Trees and brush removal
 ~3K Flowers dues, underestimated
 ~3K Legal, encroachment attorney fees

Financial Report, 2022 delinquencies

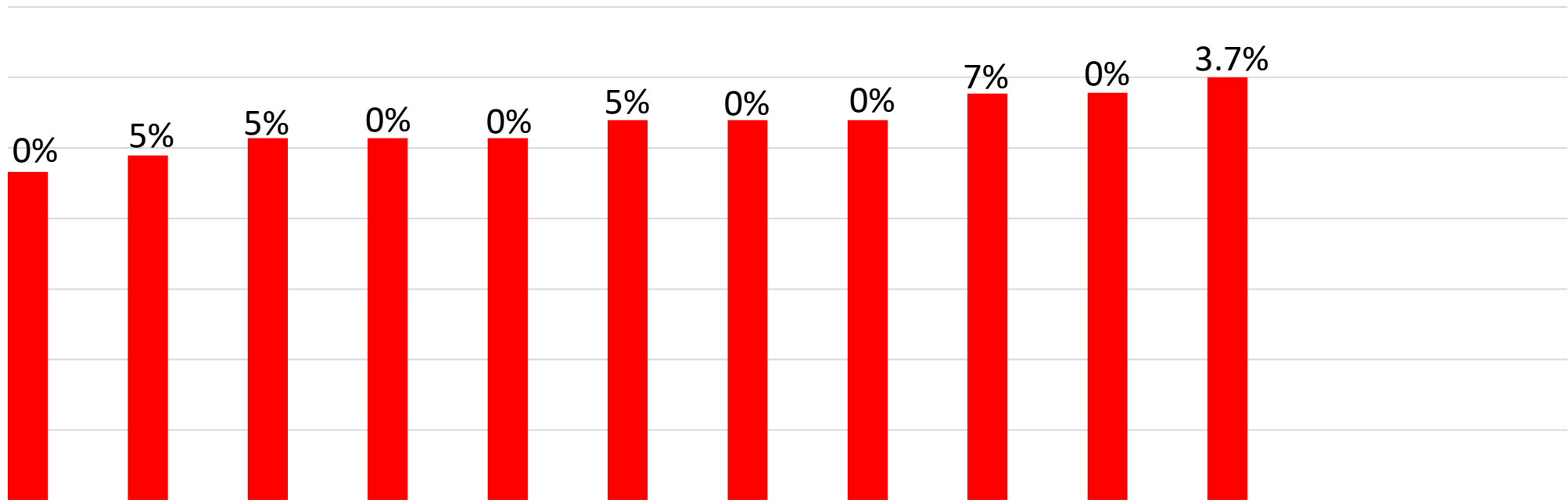


Flowers Assessments



HOA Assessments for 2023

The proposal for 2023 is \$300 per property, a 3.7% increase. Flowers has been increasing our costs about 8% per year on average and it's eating into our reserves.



2022 Actual vs 2023 Target

General Assumptions			
	Current Assessments		
	Properties		
	Expected dues for next year	\$300	3.7% increase
Income		2022 expd	2023
1000	Homeowner Assessments	\$102,172	\$107,700
Expenses		202 expd	Next Year
1000	Grounds Maintenance Contract	\$6,773	\$6,510
1010	Grounds Non Contract	\$3,175	\$200
1020	Grounds Supplies	\$701	\$200
1030	Playground	\$0	\$0
1070	BMP Maintenance (Foster Lk)	\$4,446	\$4,668
1100	General Repairs	\$1,496	\$0
1110	Signs	\$2,594	\$200
1500	Electricity	\$538	\$0
1700	Management Fee	\$16,665	\$17,498
17010	Administration Exp	\$825	\$1,000
17020	Insurance/Liability	\$3,020	\$3,000
17030	Accounting Audit/Tax Returns	\$275	\$300
17040	Misc Legal and Collections	\$2,932	\$0
17060	Flowers Foundation Dues	\$75,390	\$79,160
17070	Meeting Expenses	\$60	\$60
Total Operating Expense		\$118,890	\$112,796
Reconciliation			
1010	Cash in Bank when this budget was created		\$33,531
	Expenses through Year End		\$11,263
	Expected checking account balance, year end		\$22,268
Reserves			
1020/3000	Money Market Reserves when this budget was created		\$5,585
	Projected expenses through 2021 (trail)		\$0
	Ending Reserves		\$5,585
1030/3006	Total Reserves, DOT and MMkt		
	Total Expected Income Brookhaven and E Trillium		\$342,213
	Spent so far		\$75,265
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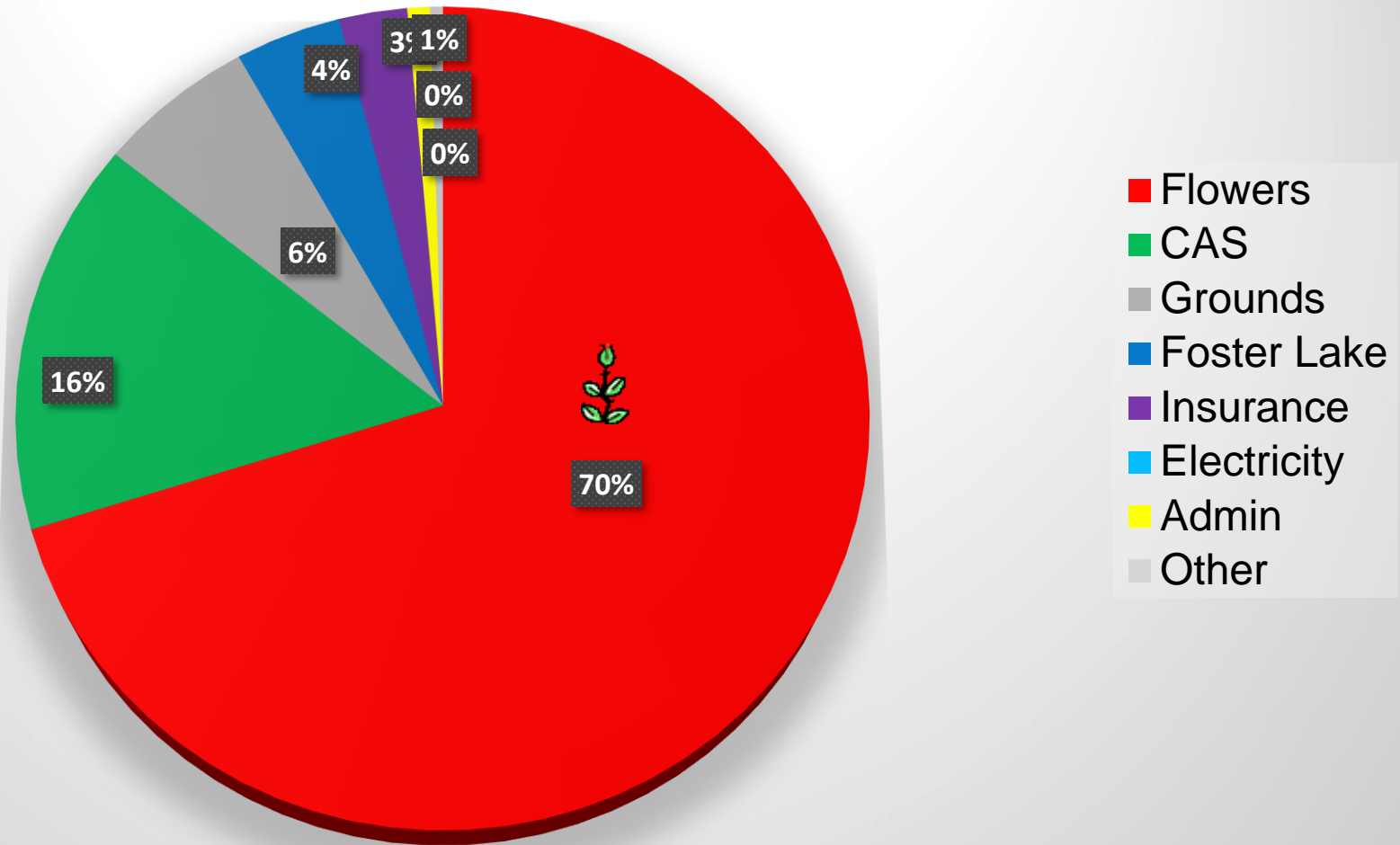
2022 income and expenses are Compared against 2023 projected income and expenses. 2023 differs mostly due to inflation, and known or anticipated changes from last year. Major projects like paving and Hwy 42 are in our “Capital Budget” accounts.

Note that even with the 3.7% increase we anticipate spending more than we take in.

Do those in attendance accept the budget?

Proposed Budget for 2023

Spending Breakdown



New Business

Questions and Comments from owners

Please be brief, get to the point

Please don't talk over one another

Please don't make comments personal

We are also accepting comments made on Zoom.

Comments made by the board at this time do not necessarily reflect the opinion of all Board Members.

Follow-up

Questions and answers will be added to these slides and posted on Nextdoor in a few weeks. Our thanks for bringing these things up.

Stay in Touch!



* CAS casnc.com

* Nextdoor nextdoor.com

* If we have your email and phone, some things can be settled informally and you can get personal responses. Think about sharing with CAS.

Miraj@casnc.com

~~[*jorgensenjere@gmail.com](mailto:jorgensenjere@gmail.com)~~