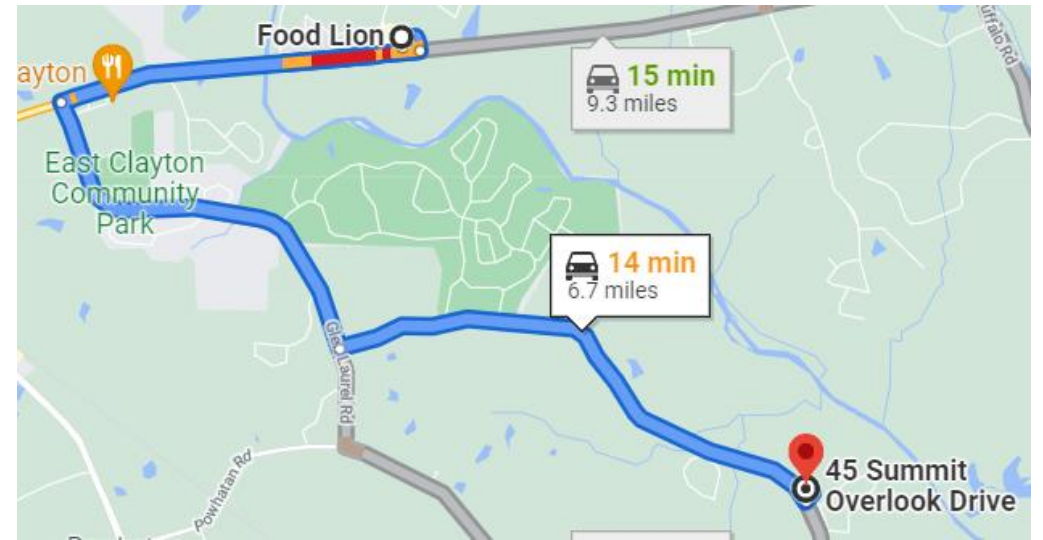


2023 Annual Meeting

GAFPHOA2

Saturday November 4th, 2023 7:00 PM

Vinson Ridge Racquet and Swim Club
FKA Neuse River Racket Club
45 Summit Overlook Dr. Clayton



Join Zoom Meeting

<https://us02web.zoom.us/j/89916113888?pwd=Qm93T2pZY3g0WERxSlpRZW1NY0IMQT09>

Meeting ID: 899 1611 3888 Passcode: 099622

Agenda

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



Introductions

Approval of 2022 Minutes

Board Elections

Business Review

ARCs, Violations, survey inputs, etc.

Financial Review and Ratification

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

 - Merinda Stracola
 - Manager, Community Association Services
- <https://www.casnc.com/>
miranda@casnc.com



Approval of Minutes & Meeting Quorum

1. Does the Board approve of last year's minutes?
2. Do we have quorum to conduct new business? By-Laws Article 3 Section 4 states 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

- Karin Speaker term expires 12/31/23 (Karin wishes to retire)
- Jere Jorgensen term expires 12/31/23 (Jere wishes to retire)
- Ken Clute term expires 12/31/24
- Heidi Jorgensen term expires 12/31/25
- Aaron Griffith term expires 12/31/25

Process:

- Anyone present wish to be added to the list of candidates?
- Any inputs from candidates?

if we have quorum (108):

- 1 vote per property & present (not on-line)
- Top vote getters are elected
- Board titles are determined at January's board meeting

Presidents Report, Statistics

- 359 Total Properties (2022 stats)
 - * 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.

Presidents Report, CC&R Violations

- We get over 100 violations each year.
 - Mostly: Tall grass, mailboxes, trailers, power washing, and contractor signs.
 - 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 (or us). Pet owners please be respectful and clean up after your animal.
- It would be nice if everyone worked a little harder on keeping mail box posts clean and straight.

Presidents Report, Activities

- The HOA owns a metal detector if you need help in finding boundary markers.
- Picked up a new property Manager, Merinda Stracola.
- Finished 4 monuments (more on Hwy 42 later).
- Got through a special assessment meeting and financial crunch.
- Put a fence up and took it down behind a Trillium monument
- Did regular maintenance on the Buckleigh-Trillium Trail
- Experimenting with ways to preserve the playground.

Presidents Report, Activities

(Cont.)

- We've been getting more legal help.
- Survived the 28% (9+19) increase from Flowers
- East Lake and Gardens monument maintenance and utilities transferred to Flowers.

Coming up, May be dependent upon budgets and interest:

- Should we be in the street light business?
- When do we get the playground mulched?
- Pave some trail?
- Implement Rental Restrictions?
- We have other, lower priority ideas

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.
4. Ensure that we are using our Governing Documents (R&Rs) correctly.

Highway 42 Update

- DOT paid us for three parcels initially and an offered \$260K for the last two. We accepted. DOT typically pays for depreciated value (80%). Our cost will be \$314K minus what we have already spent on Trillium monuments. We also received \$116K for three other parcels.
- Flowers is fronting the money for the monument areas and may pick up some of the cost.
- As soon as we get our money from DOT we can start working on getting government approvals to take down trees, add fill to dam and connect trail ends. We will pave from Trillium past the dam drain pipe.
- Some activities may be delayed due to finances.

2023 Target vs Actual

| 2023 Summary | | |
|----------------------------------|------------------|------------------|
| Income | Plan | Actual |
| Assessments | \$107,700 | \$107,000 |
| Special Assessment | \$0 | \$53,850 |
| Expenses (big stuff) | Plan | Actual |
| Grounds Contract | \$6,510 | \$6,200 |
| BMP Foster Lake | \$4,800 | \$5,171 |
| Street Signs | \$200 | \$192 |
| Management Fee | \$17,496 | \$17,498 |
| Admin Expense | \$1,000 | \$2,625 |
| Insurance Liability | \$3,000 | \$3,020 |
| Audit/Tax returns | \$300 | \$275 |
| Misc Legal | \$0 | \$4,659 |
| Flowers Foundation | \$89,750 | \$90,039 |
| Meeting Expense | \$60 | \$345 |
| Total Expenses | \$123,116 | \$130,024 |
| Reconciliation, cash in the bank | | |
| Start of the year | \$49,115 | |
| End of the year | \$52,157 | |
| Reserves, Regular MM | | |
| Start of the year | \$10,033 | |
| End of the year | \$5,592 | |
| Reserves, DOT | | |
| Start of the year | \$8,653 | |
| End of the year | \$13,109 | |

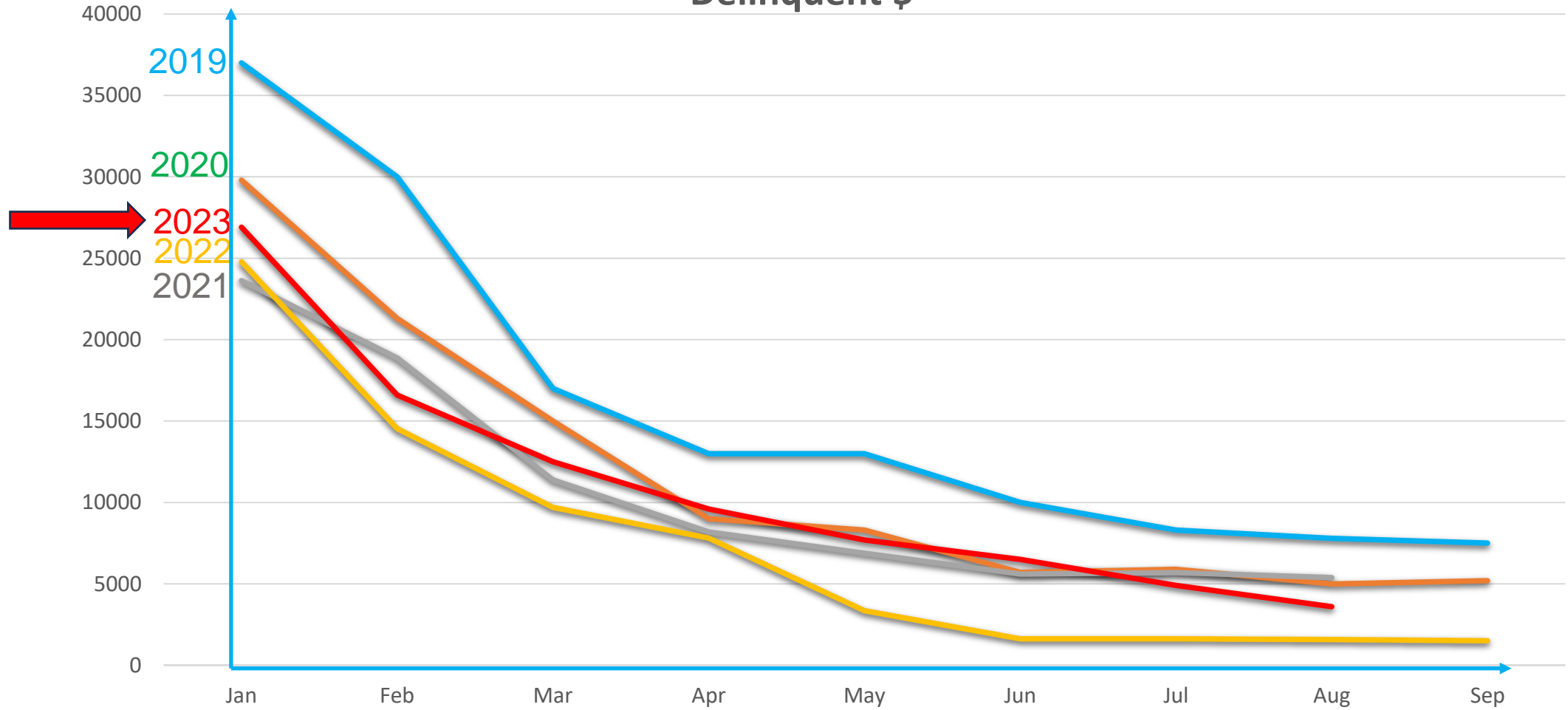
- Green is the plan and yellow is the *projected* actual. It's *projected* since we are preparing this report without 4th quarter actual data.
- I'd like to see our reserves be about 80% of our budget to handle the ups and downs.
- We spent more than plan because of the surprise from Flowers.

2023 Collections

- As of 10/1/23 20 owners owe us <\$400 and 1 owner owes us >\$800
- A total of \$3673 is owed to the HOA for fees, fines, legal...
- The Lien threshold is still \$350 and Foreclosures are at \$1000 for late payments and/or fines. We are investigating changes to the lien threshold (trigger amounts and length of time).

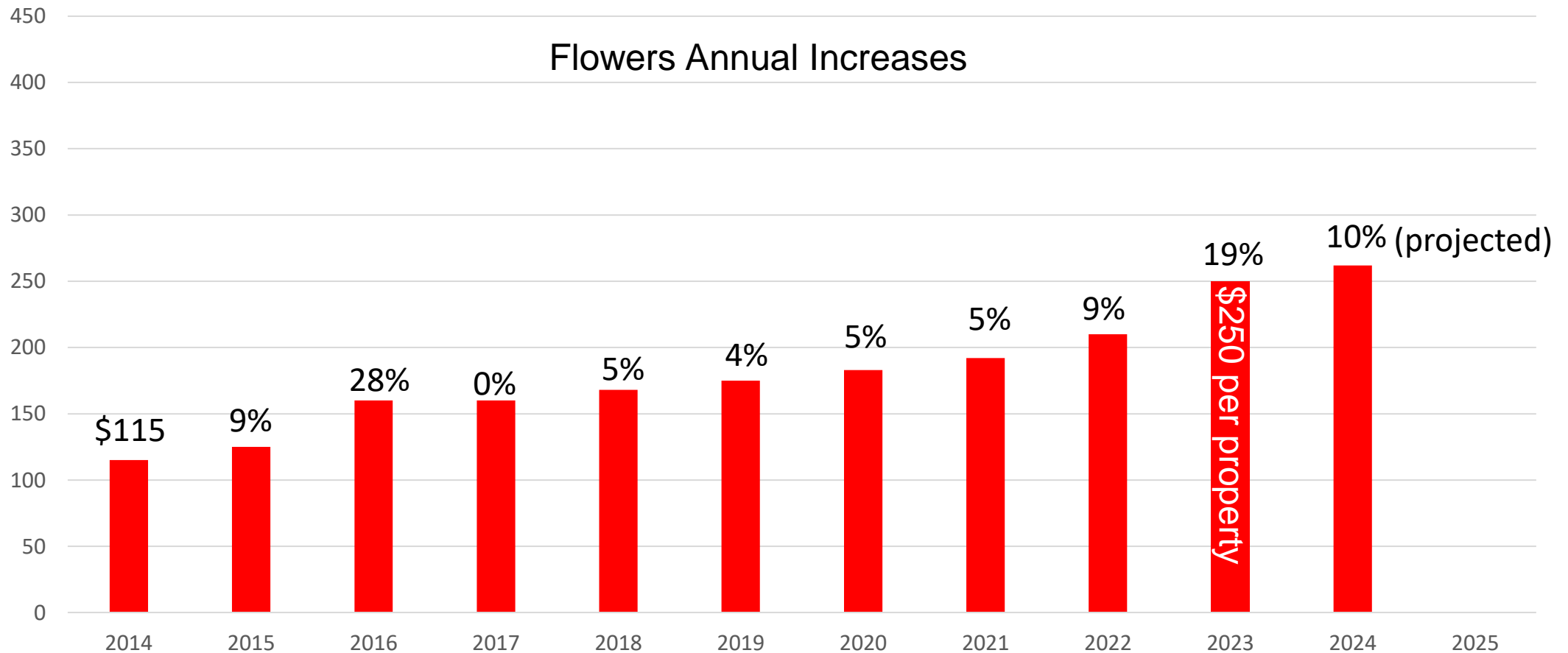
2023 Collections

Delinquent \$



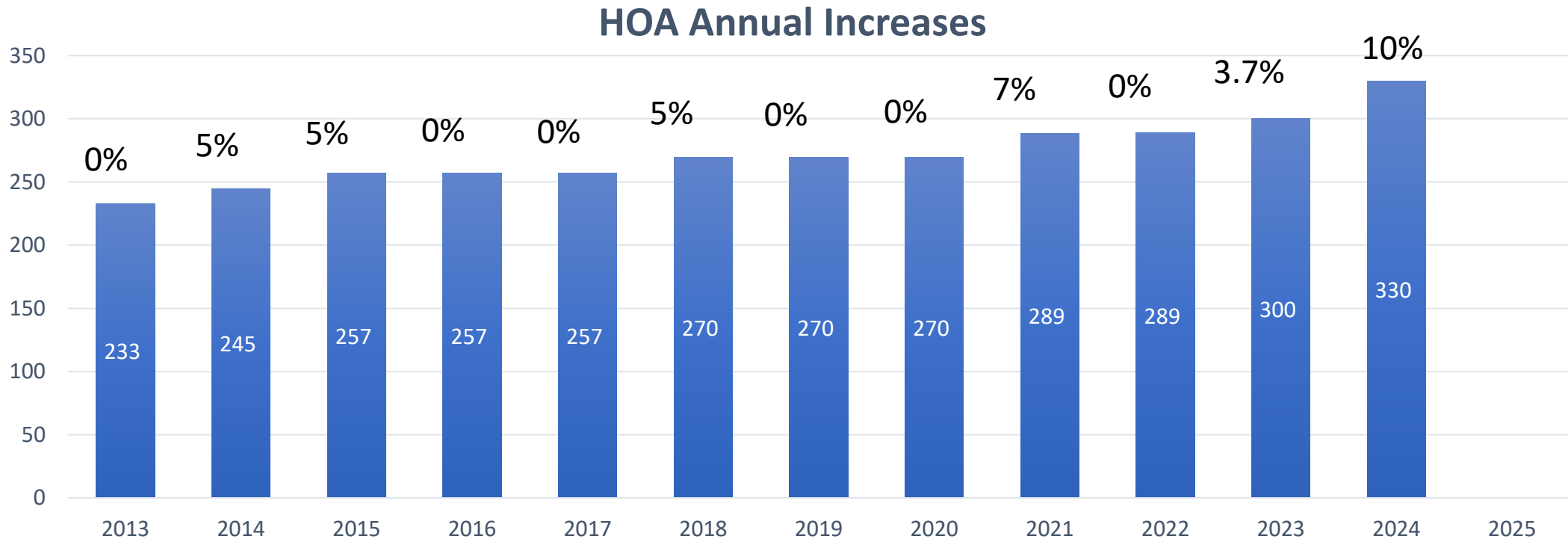
2024 Flowers Assessments

We need to stay a minimum of \$100 above Flowers to run our business



2024 HOA Assessments

The proposal for 2024 is \$330 per property, a 10% increase (\$118,470). Flowers has been increasing our costs and it's eating into our reserves. The special assessment will allow us to pay January debts while waiting for regular assessment revenue to come in.



2024 Budget, Summary

| | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----------|----------|---------|---------|----------|----------|-----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|----------|----------|
| Income | | \$500 | \$500 | \$500 | \$500 | \$60,000 | \$35,000 | \$11,000 | \$5,000 | \$3,000 | \$2,000 | \$2,000 | \$470 | \$0 | \$0 | \$0 | \$0 |
| Spcl Incm | | \$0 | \$0 | \$26,925 | \$26,925 | \$26,925 | \$26,925 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Expense | | \$3,117 | \$3,117 | \$3,117 | \$3,117 | \$100,951 | \$2,226 | \$3,177 | \$2,877 | \$2,877 | \$2,927 | \$2,877 | \$6,048 | \$2,877 | \$2,877 | \$2,937 | \$2,877 |
| Balance | \$10,317 | \$7,700 | \$5,083 | \$29,391 | \$53,699 | \$39,673 | \$99,372 | \$107,195 | \$109,318 | \$109,441 | \$108,514 | \$107,636 | \$102,058 | \$99,181 | \$96,304 | \$93,367 | \$90,490 |

| 2024 Plan, Summary | | |
|----------------------|--|--------|
| Flowers | | 98725 |
| Management | | 18373 |
| Grounds Contract | | 6510 |
| Foster Lake | | 5040 |
| Insurance | | 3171 |
| Legal | | 1200 |
| Grounds Non-Contract | | 900 |
| Supplies | | 600 |
| Admin | | 600 |
| Audit | | 300 |
| Meetings | | 60 |
| General Repairs | | 50 |
| Total | | 135529 |

- Note that our 2024 income, without the Special Assessment, is \$118,470 and expenses are \$135,529.
- Projects like the Playground and Hwy 42 will have to be scrutinized carefully and some stuff on the “wish list” may be delayed.
- **When paying the Special Assessment use your Special Assessment Number!**
- Do those in attendance accept the budget? Reject the budget?

Feedback

We have to make some decisions about what improvements to fund for 2024. Your Input is encouraged but input is non-binding.

Coming up, May be dependent upon budgets and interest:

- Do we get the playground mulched? \$15K
- Pave some trail? Fireweed is the worst. \$10K
- Plant extra trees on Hwy 42. \$5K
- Should we be in the street light business? \$2-10K plus \$15 monthly
- We have more, lower priority, ideas on the back burner. Did me miss anything?

Feedback

There are other activities that we could pursue and do not involve physical changes. Legal fees will probably be \$2K-10K per item. Your input?

- Fishing restrictions
- Update our Rules and Regulations
- Rental Caps
- Other?

Other 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.
merinda@casnc.com