

GOLF EAST

PROPERTY OWNER'S ASSOCIATION

1906-A Wedgewood Drive, Sanford, North Carolina 27332

Golf East Annual Board Meeting Minutes November 14, 2018

The Annual Meeting of the Golf East Property Owners was called to order by President, Paula Lutz at 7:06 p.m. in the ballroom of Carolina Trace Country Club (CTCC). She informed those gathered that the meeting was being recorded. Additional board members present were Jerry Keith (CTA Director), Beth List (Vice President pro tem), Donna Heidinger (Treasurer pro tem) and Georgianna Kiggins (via FaceTime, Secretary pro tem). It was established that with the total of 46 ballots and proxies the quorum requirement (43) was met. Paula announced that Rex Schull has been deployed and will be away for a long while, thus Beth List has been asked and has accepted the interim position of Vice President until his return.

Approval of Minutes:

Paula asked for approval of the 2017 Annual Meeting Minutes. Mike McDonald moved that they be accepted and Barbara Rowe seconded. All approved and the motion carried.

Financial Report—Donna Heidinger, Treasurer pro tem:

A copy of the attached Treasurer's Report, Cash Reconciliation Report and Proposed Budget was given to those present and reviewed by Donna Heidinger (see attached). She announced that Golf East is financially very sound. She explained that the fiscal year will not end until December 31 thus final expenses for 2018 cannot be determined until then. She explained the Contingency Fund that exists for unexpected expenditures and that the prior year's revenues in excess of expenses are transferred into the Contingency Fund to also cover expenses not included in the operating budget. As of October 31, 2018, we have \$25,550 in the Contingency Fund, \$82,554 in the Road Paving Fund, and \$58,932 in the Drainage Analysis Fund.

Donna further explained that \$10,000 is placed annually in the Road Paving Fund to accumulate funds to cover the current estimated cost of \$105,000 for future road paving. In 2016 a drainage fund was established at \$15,000 per year for a goal of \$150,000. It will be fully funded in approximately 6 years. A question was asked regarding the spending for emergency purposes in the case of hurricane or other unexpected damages. Donna explained that the Board has the authority pursuant to Golf East Bylaws to make such decisions and if required fund these expenditures from reserves. A question was asked regarding the funding that might be expected from the Club for emergency expenses. It was explained that the Club is responsible for their property; POAs are not expected to fund the expenses of the Club's property.

Donna explained the over-budget expenses for limb pickups were related to the recent hurricane. She described the potential for the Wedgewood Island area to be paved before the end of the year with an estimated cost of \$7650 will be partially paid from the Contingency Fund. She has budgeted a lower amount for 2019 Maintenance and Repairs because of available monies in the Contingency Fund to date. All other expense items have been projected and budgeted for the upcoming year. The proposed assessments for 2019 are \$825 for improved lots, \$575 for unimproved lots. The good news for the upcoming year is that the assessments will be lower for all residents. Dick Kuehl emphasized that there is no approved plan for the drainage project. President, Paula Lutz responded by explaining that this is a goal for the Board in 2019, and her expectation is for a strong effort towards creating a finalized drainage plan.

CTA Director's Report – Jerry Keith

Jerry discussed the recent efforts by CTA to finalize their budget. Several amendments resulted in a final CTA budget to include areas targeted for paving, road striping, and an electronic pass gate for the North side emergency gate area that will allow residents to enter and exit at all times. Seven new cameras will be installed at the front gate to enable scanning and photography of license plates. No cameras will be located at the north electronic gate. Road shoulder repair is ongoing; the sinkhole at the Stonegate pond remains a priority. All original legal fees for the quarry have been paid in full. Five conditions to be considered by the Lee County Board of Adjustment have been sent to the attorneys. The dam gate continues to be a concern for the CTCC; they are waiting for bids for the repair.

A question concerning snow removal equipment was asked. Jerry responded that it is the responsibility of Southern Protection Agency (SPA) and that the equipment should be in working order. It is also an option for the Property Owners' Association (POA) to hire contractors for plowing inside Golf East (GE).

Voting on Budget and Prospective Candidates:

Two appointed vote counters, Eileen Ayers and Jan McDonald, collected and tallied all ballots and proxies. A total of 46 residents voted by ballot or by proxy. Results were as follows:

Budget:	Yes: 45	No: 1	Passed
Donna Heidinger, Treasurer:			Elected
Georgianna Kiggins, Secretary:			Elected
John Fancher, AC Committee:			Elected

Committee Reports

Architectural Committee – Dick Kuehl, Chair

No report

Beautification Committee – Marlais Soderquist, Chair

Marlais explained that the previous cold winter destroyed many of the plants at the front entrance. The hedge in front of the brick wall was also removed. A spring and fall cleanup was also accomplished, along with a major clean-up of the circle at Captains Pointe. Many residents there joined in the cleanup and she thanked them for their efforts. A priority issue for 2019 will be the small circle at the end of Duffers Lane. Traffic around it has worn it to the point that debris is running into residents' lots. Ideas will be gathered for the repair of this area from those affected and estimates will be sought and examined.

Communication Committee – Beth List, Chair

Beth feels that communication is running smoothly. An online directory is available and can be viewed at any point. She will constantly update the directory. She advises the use of Golf East's *Facebook* page for current events and items of interest and for inter-communications. Donna Heidinger praised Beth's work in improving communications within Golf East.

Facilities Committee – Steve Glaser, Chair

Steve reported that the "Stop" sign at the Mallard Cove exit has been painted and can be better seen. The "Do Not Enter" sign in the same location has been refurbished and is also more clearly visible. The drainage at Captain's Point was reworked; several common area drainage ditches were cleaned to achieve better drainage. He reminded everyone that the expense for paving will not cease after paving has been complete, since repaving will always be a necessity and continuing to build these funds is better than having a huge

assessment. He announced that limb pickups for 2019 have been scheduled as follows: February 12, May 7, August 13, and November 12.

A comment was made complimenting the good job done by Bobby Branch with the limb pickups. Jerry Keith stated that the reserve funding for drainage remains in place and is at the ready for drainage projects in the future. He emphasized that work done to date has been paid for from the facilities budget. Jerry also informed everyone that an estimate has also been requested for the cost of resealing problem areas on the paved roads throughout Golf East.

A question was asked about the roots from trees that damage the roads—will the POA address removal of these to keep the roads in better repair? Discussion ensued concerning maintenance and paving of the roads, and there was a question regarding the amount of time between each paving. It was unknown how many years passed between the last two paving events. The most recent repaving occurred in 2009.

Social Committee – Alma Kolkman, Chair

Alma reported that there were two events with over 60 residents in attendance. She explained that club events are the least attended; residents appear to enjoy events in homes more.

Residents were asked to join in the decorating for the front entrance in early December. Dick and Paula will host the December POA gathering at their home mid-December. Alma announced that she will be resigning after her 5 years as Social Chair. The group thanked her for her service. Paula asked for volunteers to take on the role of Social Chair.

Welcoming Committee – Nancy Johnson, Chair

Nancy reported that Caroline Brooks' birthday is today. The audience joined in singing "Happy Birthday" to her. Since the last meeting, Nancy has revised the Newcomer's booklet. To date, she has welcomed Rick and Lisa Edgington and is attempting to reach others but has not been able to connect with them. She asked for everyone's help by informing her of anyone moving into Golf East. She reminded residents of the CTA website: ctaincnc.com and the Golf East website: golfeast.org; both are useful to newcomers. Nancy expressed a need for Golf East residents to maintain security documents in the event of an emergency. A suggestion was also given to residents to keep a copy of their medical information on the door inside their refrigerator for emergency personnel to find if necessary. The information may be stored in used prescription bottles or any container that is easy for medical personnel to locate.

Old Business

The President addressed the Woodmere-Trentwood (WM/TW) recent CCR update as a possible springboard for Golf East's approach to drainage, maintenance and care of ditches and lots. She stated that there were plans to examine the plan created by WM/TW for ideas. A resident expressed a concern that this WM/TW plan was not necessarily effective and that Golf East should consider it a community responsibility for clearing ditches and common areas rather than depending on individuals who may or may not be diligent in caring for their properties as needed. Paula stressed that it would, indeed, be of benefit for all residents to make certain their property is well-managed. She indicated that there is language in our Bylaws to allow for the POA to clean unkempt properties and charge property owners, though she also indicated a desire to avoid such drastic measures. Jerry Keith offered that drainage was handled quite well during the deluge of Hurricane Florence.

New Business

Bob Chaffee asked to address the meeting. He complimented the Golf East community for the handling of the community. He thanked those who work at keeping their lots clean. He expressed concern regarding the improper drainage issues and problems in the cove between Golf East and Mallard Cove. Discussion ensued regarding drainage and health of the lake water.

With no other business, a motion to adjourn was made by Mike McDonald and seconded. The meeting was adjourned at 8:30.

Respectfully submitted,
Georgianna Kiggins
Secretary

Attachments:

Attachment 1—October 31, 2018 Treasurer’s Report

Attachment 2—2019 Proposed Budget

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Attachment 1—October 31, 2018 Treasurer’s Report

Golf East Property Owners Association, Inc.				
Treasurer's Reports				
For the Ten Months Ended October 31, 2018				
	<u>Operating</u> <u>Fund</u>	<u>Reserve</u> <u>Funds</u>	<u>Total</u> <u>Funds</u>	<u>Budget For</u> <u>2018</u>
<u>Balance Sheet - Cash Basis</u>				
Assets				
Cash - Operating	\$ 7,015.55		\$ 7,015.55	
Cash - Contingency Fund		25,550.29	25,550.29	
Cash - Road Paving Fund	-	82,554.09	82,554.09	
Cash - Drainage Analysis Fund	-	58,931.51	58,931.51	
Total Assets	<u>\$ 7,015.55</u>	<u>\$ 167,035.89</u>	<u>\$ 174,051.44</u>	
Liabilities				
Construction Escrow	\$ -	\$ -	\$ -	
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balances				
Beg. Fund Balances, 12/31/17	54,380.28	87,475.15	141,855.43	
Transfers For Prior Years	(54,380.28)	54,380.28		
Excess of Revenues Over (Under) Expenses	<u>7,015.55</u>	<u>25,180.46</u>	<u>32,196.01</u>	
Total Fund Balances	<u>7,015.55</u>	<u>167,035.89</u>	<u>174,051.44</u>	
Total Liabilities and Fund Balances	<u>\$ 7,015.55</u>	<u>\$ 167,035.89</u>	<u>\$ 174,051.44</u>	
<u>Statement of Revenues and</u>				
<u>Expenses - Cash Basis</u>				
Revenues				
Member Assessments	\$ 45,113.40	\$ 25,000.00	\$ 70,113.40	\$ 69,953.00
Interest	-	180.46	180.46	150.00
Other Income	90.00	-	90.00	-
Total Revenues	<u>45,203.40</u>	<u>25,180.46</u>	<u>70,383.86</u>	<u>70,103.00</u>
Expenses				
CTA Obligations	28,543.00	-	28,543.00	28,543.00
Drainage and Road	2,200.00	-	2,200.00	5,000.00
Maintenance/Repairs	1,074.13	-	1,074.13	4,800.00
Branch and Limb Removal	4,500.00	-	4,500.00	2,400.00
Landscaping	475.00	-	475.00	700.00
Electricity	368.21	-	368.21	450.00
Water	347.75	-	347.75	350.00
Insurance	359.00	-	359.00	400.00
Income Taxes	5.00	-	5.00	20.00
Legal	-	-	-	1,250.00
Other Expenses	315.76	-	315.76	1,000.00
Total Expenses	<u>38,187.85</u>	<u>-</u>	<u>38,187.85</u>	<u>44,913.00</u>
Excess of Revenues Over (Under)				
Expenses	<u>\$ 7,015.55</u>	<u>\$ 25,180.46</u>	<u>\$ 32,196.01</u>	25,190.00
Reserve for Road/Capital Imp.				(25,000.00)
Excess of Revenues Over (Under)				
Expenses and Reserves				<u>\$ 190.00</u>

Attachment 2—2019 Proposed Budget

**Golf East Property Owners Association, Inc.
Proposed Budget for 2019**

	Actual 10/31/2018	Projected 11/1/2018 to 12/31/2018	Projected Total 12/31/2018	Proposed Budget For 2019
Revenues				
Member Assessments	\$ 70,113.40	\$ -	\$ 70,113.40	\$ 65,900.00
Interest	180.46	60.00	240.46	275.00
Other Income	90.00	-	90.00	-
Total Revenues	<u>70,383.86</u>	<u>60.00</u>	<u>70,443.86</u>	<u>66,175.00</u>
Expenses				
CTA Obligations	28,543.00	-	28,543.00	28,508.00
Drainage and Roads	2,200.00	2,800.00	5,000.00	5,000.00
Maintenance/Repairs	1,074.13	3,565.55	4,639.68	1,500.00
Branch and Limb Removal	4,500.00	-	4,500.00	2,400.00
Landscaping	475.00	145.00	620.00	625.00
Electricity	368.21	70.00	438.21	450.00
Water	347.75	70.00	417.75	450.00
Insurance	359.00	-	359.00	400.00
Income Taxes	5.00	-	5.00	25.00
Legal	-	-	-	1,000.00
Other Expenses	315.76	365.00	680.76	817.00
Total Expenses	<u>38,187.85</u>	<u>7,015.55</u>	<u>45,203.40</u>	<u>41,175.00</u>
Reserves				
Reserve For Road Paving	10,000.00	-	10,000.00	10,000.00
Reserve For Drainage Analysis	15,000.00	-	15,000.00	15,000.00
Reserve Interest	180.46	60.00	240.46	-
Total Reserves	<u>25,180.46</u>	<u>60.00</u>	<u>25,240.46</u>	<u>25,000.00</u>
Total Expenses and Reserves	<u>63,368.31</u>	<u>7,075.55</u>	<u>70,443.86</u>	<u>66,175.00</u>
Excess of Revenues Over				
(Under) Expenses and Reserves	<u>\$ 7,015.55</u>	<u>\$ (7,015.55)</u>	<u>\$ -</u>	<u>\$ -</u>

2019 Proposed Assessments

	CTA Dues	POA Dues	Total Per Lot	# Of Lots	Total
Improved Lots	\$ 369.00	\$ 456.00	\$ 825.00	75	\$ 61,875.00
Unimproved Lots	119.00	456.00	575.00	<u>7</u>	<u>4,025.00</u>
				<u>82</u>	<u>\$ 65,900.00</u>

CTA Dues for 2019 were approved at a special CTA meeting on October 2. The approved amount of \$369 for improved lots remained the same as last year. The amount for unimproved lots was a decrease of \$5 from last year (\$124 to \$119).

POA Dues represent the funds required for the operating expenses and capital reserves for Golf East. This portion of the 2019 assessment is a decrease from last year of \$49 per lot (\$505 to \$456). This budgeted amount of \$456 represents approximately \$151 for the 2019 estimated operating expenses of Golf East excluding CTA expenses and \$305 to be placed in reserve funds for future road paving and the elimination of drainage problems.