

2018 Annual Meeting



The Point Owners Association, Inc.

Agenda

- Welcome & Introductions
 - Election of New Board Members
 - President's Report
 - Treasurer's Report
 - Recent Achievements & Improvements
 - Goals for 2018
 - Announcement of Election Results
 - Closing Remarks

Welcome and Introductions

Current Board Members

Don Bernard, President

Nancy Bigelow, Vice President

Dave Dillen, Member at Large

George Mitchell, Treasurer

Sheryl O'Bryan Johnson, Secretary

Charlie Farrar, Member At Large

Tom Uhl, Member At Large

Hawthorne Management Company

Kristi Alexander

Ashleigh Jones

Welcome and Introductions

Committees

Architectural

Communications

Community Affairs

Finance

Infrastructure

Landscape

Nominating

Chairman

Dominick DeMatteo

Linda Bundens

Ed Sentivany

George Mitchell

Tom Uhl

Nancy Bigelow

Roger Schwartz

Election of New Board Members

- Nominating Committee is appointed by the Board annually
- Nominating Committee operates independently and is responsible for identifying and screening potential Board candidates, consistent with Board-approved guidelines
- Board provides input as to specific skills, etc. desired

Nominating Committee Members	2017	2018
Roger Schwartz (Chair)	X	X
Jerry Doyle	X	X
Bryan Gibson	X	
Denise Gregg	X	X
Regina Watts	X	X

Election of New Board Members

Election Parameters

- Per our Bylaws, three-year Board terms are “staggered” to allow for continuity as well as change
- Two Board seats are up for election in 2018

Pre-Annual Meeting Process

- Solicit Candidates
 - Talking Point notice of election in December issue
 - Board Update E-mails (Total of three in November/December)
- Candidates interviewed; slate finalized
- Candidate biographies and proxy mailed in Annual Meeting notice
- Members return proxy via US Mail, email to HMC (fillable proxy)

Annual Meeting Process

- Ballots available as owners arrive
- Slate of candidates presented
- Nominations taken from the floor (Nominees must be members in good standing)
- Each candidate given two minutes to introduce him/herself
- Hawthorne representatives collect and tally all votes
- Last document an owner submits is what is counted
- New Board members announced at end of annual meeting

Slate of Board Candidates

- Candidate – Jennifer Byrd
- Candidate – Jerry Kaufman
- Nominations from the floor
- Candidate Statements (2 minutes/candidate)

President's Report

Status of The Point Community (Dec 2017)

	<u>2016</u>	<u>2017</u>
Total Lots	865	865
Completed Homes	793	809

President's Report

Three Parts Of Our Community

Crescent



- New lot sales
- New home building

POA Board



- Adherence to CCR's *
- Establish & collect assessments
- Maintain community
- Existing home AChC **

The Board of Directors are required by NC law to enforce the CCRs as they are written, and ensure that they are administered in a fair and equitable basis.

TNGC



- Trump village
- Trump tennis
- Trump pool
- Trump golf course

President's Report (cont'd)

- The Board of Directors manages the business affairs of the Point Owners Association through the following committees....which are supported by our volunteers.
 - Architectural Change
 - Landscape
 - Infrastructure
 - Nominating
 - Communications
 - Community Affairs
 - Finance

Thanks To Our Volunteers!

Kathy Apy
Kathy Bernard
Joe Brennan
Linda Bundens
Denise DeLeon
Dominick DeMatteo
Lauren DeMatteo
Tom DiMattina
Joann Dobbins
Michael Dobbins
Jerry Doyle
Barbara Edwards
Sue Figgins
Cindy Fitzharris
Bryan Gibson
Emily Gordon
Denise Gregg
Cathy Grossu
Sara Harris

Ron Henderson
Brad Herrmann
Sandy James
Anthony Johnson
Theresa Kochalka
Gina Mann
Grant Mitchell
Lori Patrick
Jeff Phillips
Margot Phillips
Dawn Preziosi
Kathy Schwartz
Roger Schwartz
Ed Sentivany
Randy Smith
Regina Watts
Brandon Weber
Keith Wilson

*Our volunteers are
the “heart and soul” of
the success of our
community!*

*Without their help and
support we would not
be the community
that we are today!*

9 new volunteers in 2017 !

Key things to know about your POA Finances and Hawthorne Management

The POA finances are well managed by Hawthorne
Hawthorne and the POA-

- Utilize proper record keeping practices
- Maintain a proper audit trail on all transactions
- Maintain accurate records
- Post financial transactions to the proper accounts
- Issue accurate financial reports
- Maintain up to date financial records
- Maintain separate bank accounts for operating funds vs reserve funds
- Reconcile bank accounts regularly (monthly)
- Strive for transparency in all that we do
- Strive to be prudent with all POA funds



Treasurer's Report Balance Sheet

- The operating cash balance of The Point POA fluctuates throughout the year
- This is due to the timing of assessment billings and seasonal expenditures
- The Point POA maintains adequate “cash in bank” to meet these fluctuations



Balance Sheet- Operating Account as of 12/31/2017	2017	2016	2015	2014
Assets				
Cash in Bank	\$ 148,048	\$ 174,394	\$ 240,800	\$ 158,055
Total Assets	\$ 148,048	\$ 174,394	\$ 240,800	\$ 158,055
Liabilities and Equity				
Liabilities				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ -	\$ -	\$ -	\$ -
Equity				
Retained Earnings	\$ 148,048	\$ 174,394	\$ 240,800	\$ 158,055
Total Liabilities & Equity	\$ 148,048	\$ 174,394	\$ 240,800	\$ 158,055

Treasurer's Report – Reserves

As indicated, the Point POA also manages additional bank accounts for reserves. These reserve accounts have been built up over several years and are managed in separate bank accounts. They are designated for the following purposes:



Purpose of Reserve	Amount at 12/31/2017
General Reserves	\$ 155,567
Irrigation Reserves	101,321
Private Road Reserves	75,319
Sconset Reserves	154,991
Total	\$ 487,198

The Point POA continually reviews the need for reserves and monitors the amounts/adequacy and investment of reserves

Treasurer's Report Income/Expense

- POA accounting is on a “cash basis”. The 2016 deficit resulted from timing of some homeowners paying their 2016 dues in 2015, which caused 2016 operating results to be lower than they should have been
- For 2017, the process was reviewed and payments were directed to be made after 1/1/2017
- 2017 net income (surplus) was \$3,654 vs. a (\$66,407) loss/deficit for 2016



Statement of Income/Expenses for the Year Ending 12/31/2017	2017	% of Net Revenues	2016	% of Net Revenues
Revenues	\$ 1,673,586		\$ 1,497,588	
Provision for Reserves	(60,000)		(74,225)	
Net Revenue	1,613,586	100.0%	1,423,363	100.0%
Landscape Expenses	863,455	53.5%	801,291	56.3%
Infrastructure Expenses	99,983	6.2%	43,100	3.0%
Building & Grounds Expense	529,573	32.8%	514,347	36.1%
Administrative Expense	116,921	7.2%	131,032	9.2%
Total Expenses	1,609,932	99.8%	1,489,770	104.7%
Surplus/(Deficit)	\$ 3,654		\$ (66,407)	

Treasurer's Report – Budget

Budget Summary	Budget 2018
Revenues	\$ 1,649,909
Less Expenses	
Landscape	848,200
Infrastructure	108,550
Buildings & Grounds	349,500
Other	211,645
Administrative	131,360
Total Expenses	1,649,255
Net Income	\$ 654



Goals of the 2018 budget

- Maintain a balanced budget (avoid deficit spending)
- Maintain adequate cash balance at year end
- Maintain the community to a level consistent with other premier communities in the Charlotte region
- Remain conservative with the spending of the Community funds
- Build reserves each year for contingency/unforeseen events
- Continue to establish and build adequate reserves for replacement of key community assets

Treasurer's Report – Budget

REVENUES	Budget 2018
General Assessments- 2018	\$ 1,172,075
Sconset Assessments	20,900
Legal Reimbursement	-
Late Fee Income	10,000
Interest Income - Operating	500
Fines	1,310
ARC Application Fees	2,000
Private Road Assessment	18,850
Boat Storage Assessment	16,000
Boat Slip Assessments (Duke)	74,700
Septic Assessment	198,500
Property Tax on Docks Reimbursements	15,000
Club Assessment	21,562
ATC Hub Rent	15,417
Pier Assessment Revenues	125,095
Subtotal	\$ 1,691,909
Reserve for Private Roads	18,850
Reserve for Sconset Roads	11,400
Reserve for Irrigation	10,190
Reserve for General Contingency	1,560
Transfer to Reserves	42,000
Total Income	\$ 1,649,909

There will be no increase in general assessments for 2018

The Sconset assessment was reduced by \$75 to \$550 for 2018

The private drive assessment was increased for 2018 to \$325

No increase in the Duke community boat slips assessment which is \$150

No increase in the \$250 septic assessment for 2018

Treasurer's Report – Budget

Landscape is the single largest budgetary expense for the POA



LANDSCAPE EXPENSES	Budget 2018
Lot Maintenance	\$ -
Decorations	12,000
Irrigation Contract	59,040
Irrigation Repairs	15,000
Landscaping Contract	384,660
Landscape Contract - Consultant	63,600
Landscaping - Annuals	52,000
Landscaping Improvements	58,000
Landscaping - Pine Needles	72,000
Landscape Other (Cleanup)	7,000
Landscape - Interior	20,000
Tree/Shrub Replacement	8,000
Tree/Shrub Removal	25,000
Tree Maintenance Contract	59,400
Trail Walking / Boardwalk	4,000
Lighting - Repairs	8,500
Total Landscape	\$ 848,200

The POA has negotiated multi-year contracts on –

- irrigation contract
- landscape contract
- landscape consultant
- pine-needles
- tree maintenance

Treasurer's Report – Budget



INFRASTRUCTURE EXPENSES	Budget 2018
Infrastructure Projects	\$ 5,000
Entrance Sign Maintenance	2,000
Community Signs	55,000
Stone Walls, Pillars, Benches	3,000
Decorative Fencing	2,500
Common Drive Repairs	-
Storm Water Drainage Expense	7,500
Common Area Swing Sets	1,500
Sidewalks	15,000
Circle Building Maintenance	500
Bridges on Trails	3,500
Village Green Maintenance	1,500
Boat Storage Maintenance	2,500
Sconset Entrance & Road Maintenance	9,050
Total Infrastructure	\$ 108,550

Infrastructure budget must cover

- circle building
- sidewalks
- walls
- fences
- signs
- storm drains
- trails, bridges, stairs, walkways
- swing sets and septic field easements
- village green
- boat storage

Treasurer's Report – Budget

BUILDING & GROUNDS EXPENSES	Budget 2018
Electric	\$ 27,000
Electric Streetlights	121,000
Septic Lot Maintenance	3,000
Septic Inspections	198,500
Total Building & Grounds	\$ 349,500
EXPENSES - OTHER	Budget 2018
Social Committee	\$ 9,000
Communications	1,200
Pier Expenses (thru HMC)	125,095
Dock/Boat Slips - Duke Lease	76,350
Total Other	\$ 211,645
ADMINISTRATIVE EXPENSES	Budget 2018
Accounting Expense	\$ 250
Insurance Expense	8,810
Late Fee to Mgt Co	5,000
Fines to Mgt Co	-
Legal Expenses	10,000
Legal Expenses - Collections	10,000
Management Fees - Contract	63,000
Meetings Expenses	800
Misc Administrative Expense	1,000
Office Supplies Expenses	5,000
Postage	3,000
Taxes - Federal Income	5,000
Taxes	18,000
ARC Submissions	1,500
Total Admin. Expense	\$ 131,360



- Streetlights are a large expenditure - includes use of pole, fixture, bulb and electricity

- Monies collected by Hawthorne from Homeowners on behalf of individual community Pier Associations

- Hawthorne Management

What Have We Done Lately?

Recent Achievements and Improvements

- Completely refurbished the Circle Building.
- Limbed-up the trees in the Circle / round-a-bout.
- Repaired & painted the Arbor on the V.G.lawn.
- Added ADA compliant entrances to the Village Green Lawn.
- Made significant repairs to the sidewalks on BSR.
- Extended the “shoulders” of the sidewalks at the different Villages.
- Installed irrigation / landscaping in front of some of the well sites



What Have We Done Lately?

Recent Achievements and Improvements (cont'd)

- Refurbished and stained the boardwalk by Sconset Village.
- Pressure washed and stained the bridges on the trails.
- Made structural improvements to the trails for safety reasons.
- Added new “trail head markers” at Aberdeen Village.
- Made repairs to numerous stone benches throughout the community.
- Made repairs to the gates at Sconset Village and the boat storage area.
- Added up-lighting to the maple trees on BSR.

What Have We Done Lately?

Recent Achievements and Improvements (cont'd)

- Converted The Point entrance lights to LED lighting.
- Replaced the wood fences on BSR with high quality PVC.
- Made repairs on two roads to turn them over to NCDOT.
- Replaced a number of maple trees on BSR.
- Made general improvements to the landscaping.
- Made repairs to the SFE septic areas where needed.
- Successfully negotiated contracts with our vendors.

What Have We Done Lately?

Recent Achievements and Improvements (cont'd)

- Had the best turn-out ever for this year's Sip & Shop event.
- Improved our "newcomer" activities with various events.
- Continued to improve our communications to the community.
- Completed the process of voting for new Board members for 2018.
- Had Duke Energy repaint a majority of the street light poles.
- Installed enhanced Christmas decorations throughout the community.
- Improved our response time on submissions to the AChC committee.

What Have We Done Lately? Recent Achievements and Improvements

And again.....

**None of these achievements could
have been done without the
help and support of
our volunteers!**

Projects For 2018

- Complete maple tree lighting project on BSR.
- Add perennial garden outside of hole #1.
- Continuous maintenance of the “berms” along BSR.
- Replace old signage at community docks and trails.
- Make annual repairs to sidewalks....third year for this project.
- Install irrigation at Forestdale Loop and Maddaket Loop.
- Repair roofs on covered benches where needed.

Election Results 2018

ANNOUNCEMENT OF NEW BOARD MEMBERS

2018 Annual Meeting



The Point Owners Association, Inc.