



THE POINT
OWNERS ASSOCIATION, INC.



2022 Annual POA Meeting

February 15, 2022

PRESENTED BY:
YOUR POA BOARD OF DIRECTORS

www.thepointatlkn.com

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POA Leadership

POA BOARD MEMBERS

Charles Farrar, President

Heather Ballard, Vice President

Donette Dewar-Black, Treasurer

Linda Bundens, Secretary

Michael Barton, Member at Large

Ken Foster, Member at Large

Bob Lorch, Member At Large

.

HAWTHORNE MANAGEMENT

Kristi Alexander, Community Manager

Ashleigh Jones, Administrative Assistant





President's Report

The Point Community

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total Lots	865	865	867	867
Completed Homes/ Under Construction	831	834	836	843
Remaining/ Undeveloped Lots				24

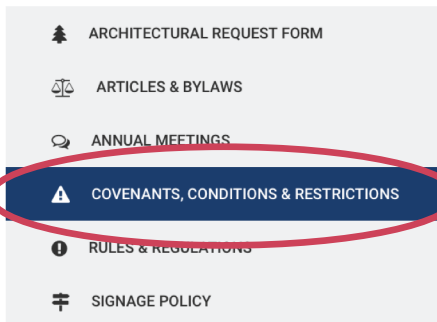
The CCR's (Covenants, Conditions & Restrictions)

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



POA Documents

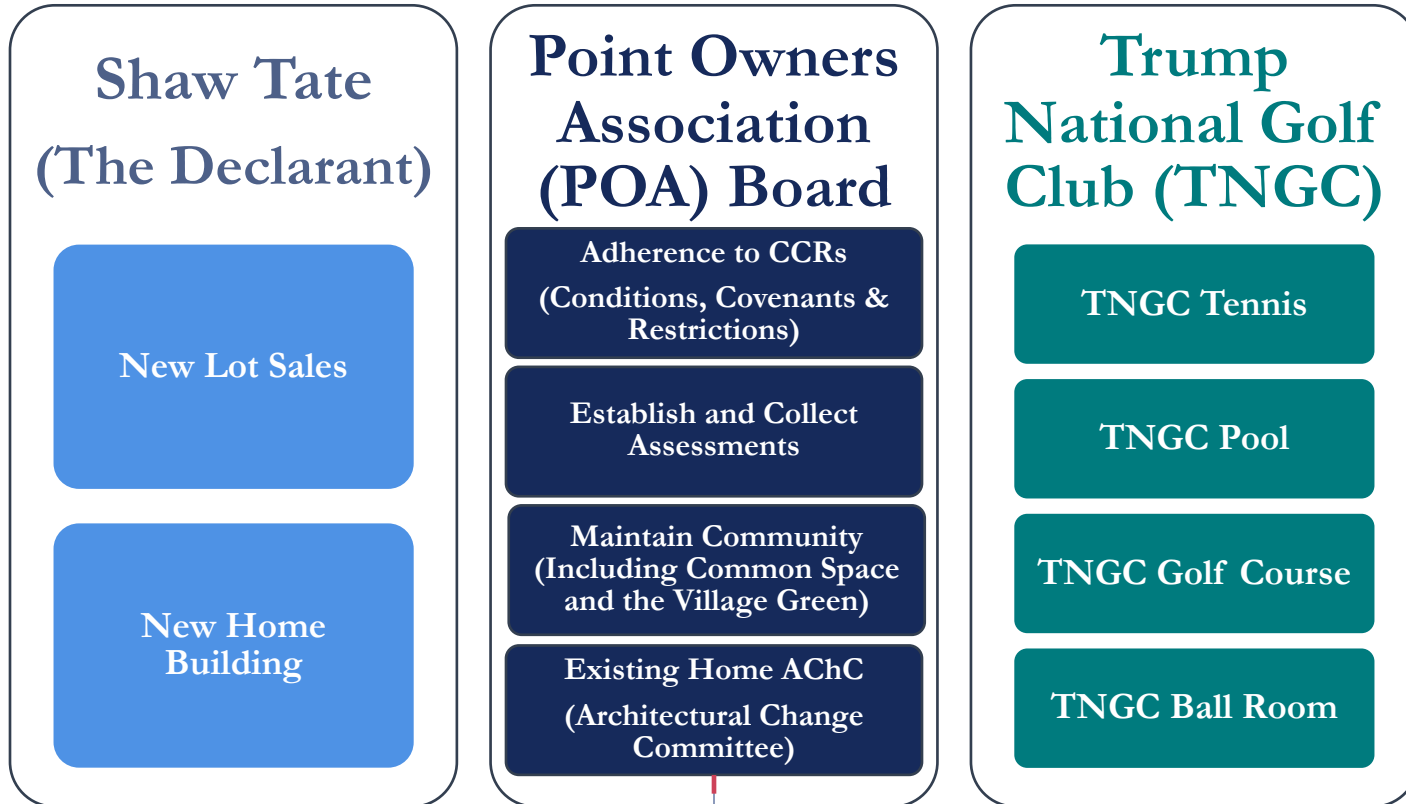
There are several types of important documents that describe various aspects of how our neighborhood operates. Click on each of the tabs to access our Articles of Incorporation, Bylaws, Declaration of Covenants, Conditions & Restrictions (and related amendments), Rules and Regulations and Architectural Change forms and guidelines.



Covenants, Conditions & Restrictions

- Declaration of Covenants, Conditions & Restrictions
- Amendment – Boat Slips & Pier Associations
- Amendment – Adding Sconset Village as a Sub-association
- Amendment – Purchase of Point Lake & Golf Club, Inc. by TNGC-Charlotte, LLC
- Amendment – Full integration of Sconset Village

Three Parts of our Community



LINK TO APPROVAL FORM:

<http://thepointatlkn.com/wp-content/uploads/2020/05/Architectural-and-Landscape-Guidelines.pdf>

POA Sponsored Committees

The Board of Directors manages the business affairs of the Point Owners Association (POA) through the following committees which are all supported by our **VOLUNTEERS**.

<u>COMMITTEE</u>	<u>CHAIRMAN/ COMMITTEE LEAD(S)</u>
Architectural	Ken Foster
Communications	Gretchen Dascoli, Sherrie Garrett, Lori Smith-Patrick, Shauna Yardley
Club Covenants	Mike Barton, Donette Dewar-Black
Finance	Donette Dewar-Black
Infrastructure	Tom Uhl
Landscape	Nancy Bigelow
Nominating	Roger Schwartz

POA Volunteers

Our 60+ volunteers make The Point the exceptional community it is today. We are grateful for their time and dedication throughout the year and offer a heartfelt THANK YOU for all they do.

*Volunteers do not necessarily have the
time; they just have the heart.*

- Elizabeth Andrew



Board Member Election

Nominating Committee

- Appointed by the Board annually
- Operates independently and is responsible for identifying and screening potential Board candidates
- The Board provides input if there are specific skills needed

Nominating Committee Members	2021	2022
Roger Schwartz (Chair)	X	X
Jerry Kaufman	X	X
Denise Gregg	X	X
Regina Watts	X	X

Election of Board Candidates

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 2022

Pre-Annual Meeting Process

- Solicit Candidates
 - » Talking Point – announcement of election in November issue
 - » POA Newsletters
- Candidates interviewed; slate finalized
- Candidate biographies and proxy mailed in Annual Meeting notice; information also provided via POA Newsletter
- Members return proxy via E-mail (preferred) or US Mail to Hawthorne Management

Election of Board Candidates

Annual Meeting Process

- Slate of candidates presented
- Nominations taken from the floor (Nominees must be members in good standing)
- Each candidate is provided two minutes to introduce him/herself
- Votes are counted and new board members are announced at the end of the Annual Meeting

2022 Board Candidates

- C.R. (Rod) Baldwin
- Nate Kennedy
- Gary Patrick
- Teresa (Terry) Ravas
- Nominations from the floor
- Candidate Statements (2 minutes per candidate)



Treasurer's Report

Annual Overview

Fiscal Year Ending December 31, 2021:

- Operated at Break-Even (\$233 net surplus)
- Operating Cash remained stable
- Reserve Cash remained stable
- Past Due accounts resolved through neighborhood turn-over and foreclosure activities
- External upward cost pressures felt across all areas
- Aging Landscape and Infrastructure continued to present significant maintenance challenges



Sources of Cash: Income

Income	Actual	Budget	Variance	Comment
General Assessments	\$1,309,811	\$1,291,830	\$17,981	Collected prior year past dues
Sconset Assessments	\$19,249	\$19,000	\$249	On target
Private Drive Assessments	\$24,000	\$23,200	\$1,200	On target
Storage Lot	\$19,145	\$20,150	(\$1,004)	
Misc (Int, Fines, ARC, etc.)	\$36,165	\$0	\$36,165	Not predictable
TNGC	\$24,486	\$24,486	\$0	Cost contribution
ATC (cable) Rental Income	\$16,846	\$16,841	\$5	Long-term lease
Pier Assessments	\$120,134	\$120,279	(\$145)	Pay out equaled Budget
Septic Assessments	\$212,442	\$206,500	\$5,942	Pay out equaled Budget
Boat Slip Assessments	\$82,994	\$80,676	\$2,268	Pay out equaled Budget
Property Tax	\$20,787	\$20,784	\$3	Pay out equaled Budget
Total Cash In:	\$1,886,414	\$1,823,746	\$62,668	

KEY:

Set by Board

Variable

Set by Contract

Set by 3rd Party; Passthrough

Uses of Cash: Reserves and Expense

Reserves:	Actual	Budget	Variance	Comment
Contribution	\$90,010	\$72,010	\$18,000	Fund identified future needs
Expenses:	Actual	Budget	Variance	Comment
Landscape	\$992,340	\$918,600	(\$73,740)	Unanticipated cost challenges
Infrastructure	\$75,553	\$76,400	\$846	On target
Building/Grounds	\$592,603	\$592,955	\$351	95% pass-through or contract
<u>Administrative</u>	<u>\$136,103</u>	<u>\$163,781</u>	<u>\$27,677</u>	Tax refund and under-budget legal project
Total Expenses:	\$1,707,605	\$1,661,893	(\$44,864)	

Year End Cash Balances

Cash and Net Surplus Summary:	
Income Positive Variance	\$62,668
Expenses Over Budget	(\$44,864)
Additional Reserve Contribution	<u>(\$18,000)</u>
Net Surplus	\$233

	12/31/21	12/31/20
Operating Cash	\$106,323	\$106,519
Reserve Cash	\$626,394	\$626,160
Total Cash	\$732,717	\$732,679

Reserve Cash held in Interest bearing checking account and short-term CDs

Reserves Status

	General	Irrigation	Infrastructure	Private Roads	Sconset	Interest
Beginning	\$114,337	\$160,233	\$19,000	\$128,743	\$199,404	\$0
Funded	\$34,460	\$8,000	\$15,000	\$23,200	\$9,350	\$9,905
Uses*	(\$21,290)	(\$78,392)	\$0	\$0	\$0	\$0
Ending	\$130,182	\$89,841	\$34,000	\$152,515	\$209,948	\$9,905



***Uses:**

- Mulch for swingset beds (\$15,840)
- Partial Payment for Irrigation Pump Replacement
- Reserve Study (\$5,450)

Reserve Study

What is it?

- A third party's analysis of the physical condition of The POA's assets, the estimated future costs of repair/replacement and The POA's ability to meet those future costs.

Why do we need it?

- To fulfill the Board's fiduciary duty to members by providing a third party "check" on the Board's financial planning for reserves.

Why now?

- The POA's last Reserve Study was conducted in 2007.

Who is completing the Reserve Study?

- Reserve Advisors Engineering, a multi-disciplined engineering firm founded in 1991, that has conducted +26,000 studies nationwide.

When will it be completed?

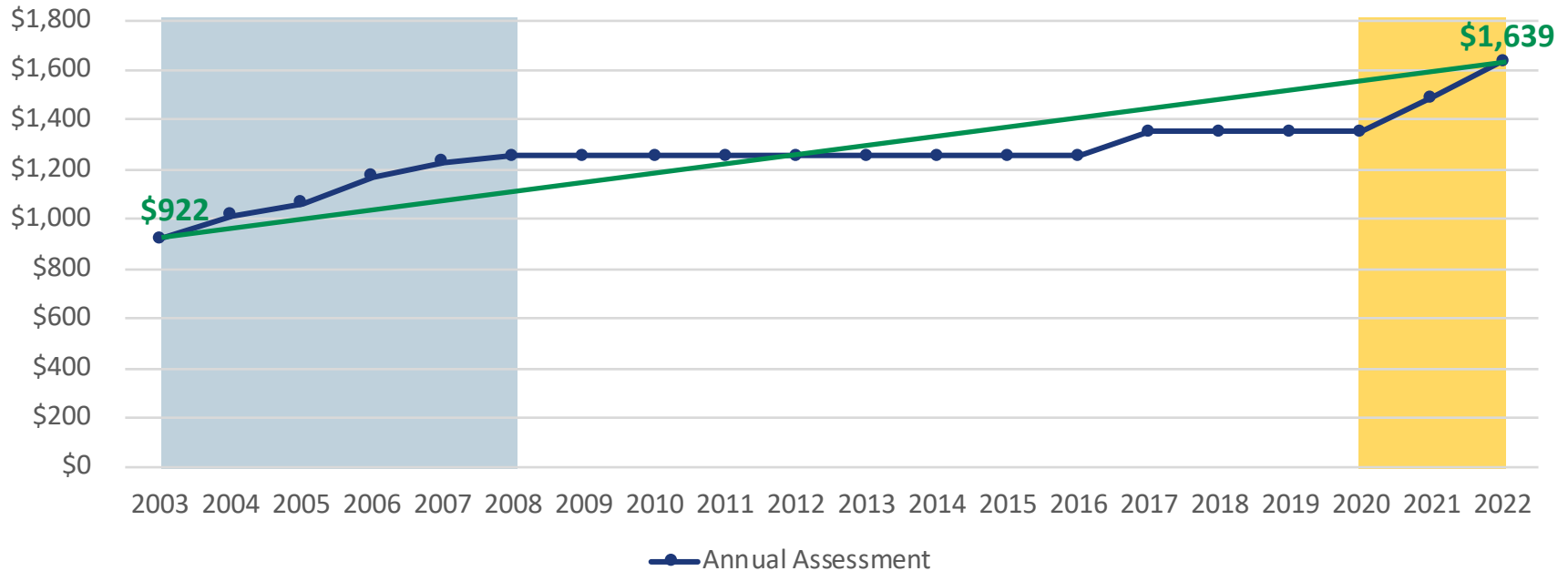
- Expect to finalize in first quarter 2022.

2022 Budget

	2022 Budget	% Change
Landscape	\$981,154	+6.8%
Infrastructure	\$82,900	+8.5%
Building/Grounds	\$614,008	+3.6%
Administrative	<u>\$156,839</u>	<u>-4.3%</u>
Total Op Expense	\$1,834,901	+4.7%
Reserve Provision	<u>\$135,368</u>	+88%
Total Income Needs	\$1,970,269	+8%
Contract + Pass-thru	<u>(\$549,256)</u>	+7%
General Assessments	\$1,421,013	+10%



Annual Assessment History



From 2003 to 2022, Annual Assessments increased at an average annual rate of **3.07%**.

Future Challenge: Contain cost increases while preserving the aesthetics and integrity of the Association’s Landscape and Infrastructure.

Committee Reports



*Volunteers in
Action!*

Landscape Committee

A group of 6 volunteers manage landscaping throughout The Point along side Carolina Land Consultants who are the main touch point with our neighborhood's contracted service providers.

CAROLINA LAND CONSULTANTS

Brad Vice

David McDonnell

SERVICE PROVIDERS

Box of Rain

Arboguard

Bland Landscaping

Landscape Committee

2021 Achievements

- Extensive LED lighting renovations at the neighborhood entrance
- Added LED lighting to the Village Entrances and Village Green arbor
- New Landscape Plantings on berms along Brawley School Road
- Extended irrigation at Village Entrances
- Tree pruning work and extensive removals
- Additional sidewalk drains installed

2021 Challenges

- Change in Grounds Maintenance Contractor
- Army worm infestation
- Numerous storm damage projects
- Over 35 Vandalized lights had to be replaced



Landscape Committee

2022 Projects/ Improvements

- Replenish berm plantings on Brawley School Road
- More tree work throughout community
- Continue transition to LED lighting at Village Entrances
- Continue irrigation extension projects for unirrigated areas



Infrastructure Committee

2021 Achievements

- Upgraded the Village Green Pergola with new lighting, board repair, and painting
- Pressure washed and repainted the entire Circle Building
- Repaired sidewalks and drains in various villages
- Replaced/added village and pier signage

2022 Projects/ Improvements

- Replace irrigation pump in parallel with TNGC's replacement
- Install 10 channel drains along Brawley School Road
- Level and replace sidewalks
- Increase reserve funding for storm water management and new irrigation needs



Architectural Committee

232 Architectural Change Requests submitted and reviewed

- 50+ in-person consults
- ≈50% involved trees
- 22 pools & pool houses

Outdoor Requests also Cover:

- Landscaping (both new and modification to existing)
- Fences, Basketball Hoops, Fireplaces
- Patios, Decks, Fountains, Flag Poles
- Lighting, Septic, Generators
- Paint, Roofs, Trim, Driveways
- Windows, Doors, Stone
- Boat Lifts, Rip-Rap, Seawall
- Playsets, Outdoor Kitchens



Key Considerations:

- CCR's & Architectural Guidelines
- Community Objectives
- Tree Canopy & Preservation
- Setbacks & Sightlines
- Golf Course & Lake
- Duke Energy & NCDENR
- Environment & Safety

Club Covenant Committee (Newly Formed in 2021)

BACKGROUND:

- Agreement between the **Point Lake and Golf Club** and **TNGC** was completed and recorded on 4/9/12
- As part of the transaction a **Club Operating Covenant** for The Point Lake and Golf Club was signed and recorded which “**runs with the land**” thereby **binding on TNGC and any subsequent owner** of the real property that comprises the club
- The Covenant covers several important agreement points that provides a degree of protection to club members and Point homeowners
 - **Key provisions include:**
 1. Club must operate as Private
 2. Limited number of Full Golf Memberships
 3. Governance of all newly created membership categories
 4. Governance of dues by category and limits on increases
 5. Clearly specifies no assessments will be passed on to the membership for any reason
 - **Effective 2021, the POA legally assumed the assignment to monitor compliance**
 1. A Club Covenant Committee consisting of seven Point homeowners and club members has been appointed to monitor the provisions on behalf of the POA
 2. The committee has **no independent authority** to take action in case of non-compliance without the approval and direction of the POA

Communications Committee

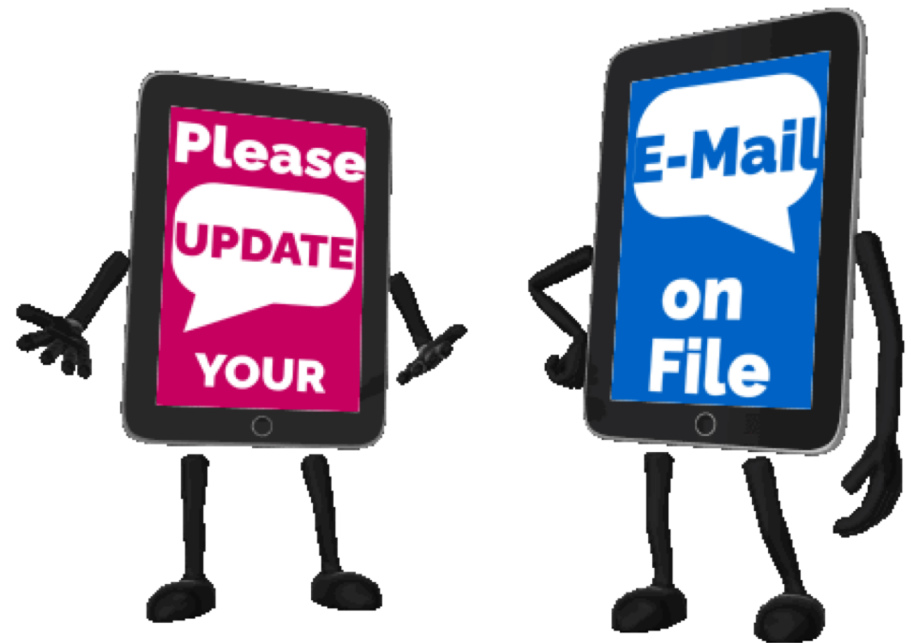
2021 in Rewind...

- Village Ambassadors personally welcomed 76 families to our neighborhood. Special recognition to the 20+ volunteers dedicating their time to this initiative
- Annual Welcoming Event
 - Co-host along side TNGC
 - Personally welcome new residents and club members
 - Opportunity to meet POA and Club leadership
 - Ask important questions about the neighborhood
 - Meet other new residents



Contact Information

Please reach out to Hawthorne Management to ensure they have a correct e-mail address on file for you and your spouse.





Questions? More Information?

- **WEBSITE: THEPOINTATLKN.COM**
- **E-MAIL: admin@hawthornemgmt.com**
- **PH. 704-377-0114**



