

Minutes amended and approved at the CTA Board Meeting, Sep. 4, 2024

## CAROLINA TRACE ASSOCIATION

[www.carolinatrace.org](http://www.carolinatrace.org)

Minutes of CTA Board of Directors Meeting – August 7, 2024 – Carolina Trace Country Club

### DIRECTORS or ALTERNATES (# of voting lots\*)

<b>Eagles Nest (67)</b>	Jenn Williams	<b>Highland Woods (45)</b>	Tom King	<b>South Landing (138)</b>	Alan Mizrahi
<b>Golf East (82)</b>	Rolf Grandstaff (alt)	<b>Lakewood (54)</b>	Tony Forgione (alt)	<b>Southwind (152)</b>	Billy Wicker
<b>Golf North (139)</b>	Gary Henry	<b>Laurel Thicket (242)</b>	Cheryl Eagle	<b>Stonegate (45)</b>	Joe Dunne (alt)
<b>Golf West (44)</b>	Lee Amcher	<b>Mallard Cove (197)</b>	Greg Burke	<b>Village at Trace (36)</b>	Micki Smith (alt)
<b>Harbor Creek (154)</b>	Cheryl Crist	<b>North Shore (311)</b>	Jeff Sheldon	<b>Woodfield (66)</b>	Elaine Bednarcik
<b>Hidden Lake (235)</b>	Ken Harden	<b>Sedgemoor (170)</b>	Tom Hanley	<b>Woodmere/ Trentwood (227)</b>	Ben Perez

\*voting lots updated on Feb 6, 2024 as per 2023 census information provided by POA Treasurers

### OFFICERS

<b>President</b>	Joe Zanga
<b>Vice President</b>	Jody Jackett
<b>Treasurer</b>	Randi Constant
<b>Secretary</b>	Sharon Sheldon

### COMMITTEE CHAIRS, GUESTS

Ernie Violon (guest, NSPOA – LRP)	Rod Loss (GWPOA - TRAM)	Jeff Wennberg (guest, LWPOA - Utilities)
Gary Constant (guest, NSPOA – LRP)	Cindy Eckley (guest, GWPOA)	Bill Huggins (TLDC)
Jim & Louise Guydish (guests, HLPOA)	Mike Jones (guest, VTPOA)	2 other guests not named

**Total Attendance** - 33, 18 of 18 POAs (Quorum = 2/3 directors (i.e., 12 POAs), and any affirmative vote on routine matters must represent a majority of directors present as well as 51% of *all* POA lots in good standing as per the 2023 census).

**CALL TO ORDER** - Having noted the presence of a quorum by the Secretary, the President called the meeting to order at 6:32 p.m.

**APPROVAL OF MINUTES** – The minutes of the July 3, 2024 meeting were presented and there being no corrections or edits, were approved by unanimous consent of the Board.

**GROUPS** (*Directors can send questions to the CTA Secretary for absent committee members*)

**CTCC** – Ryan Naab, General Manager –absent, no report

**UTILITY REPORT** – Jeff Wennberg, reporting for Vince Roy

- No report for CWS
- Ripple Fiber has been installing infrastructure in front of CT on NC-87. Jeff will reach out to see if they are a viable alternative to current internet options in the community.

**CT FIRE DEPARTMENT** – Robbie Wilkins, Chief – absent, no report

**PRESIDENT’S REMARKS** – Joe Zanga

- Welcome to new Board members Cheryl Eagle (LTPOA), Jeff Sheldon (NSPOA) and Ben Perez (WTPOA)
- Due to full agenda for the meeting, please limit reports to topics that require Board approvals only.

**FINANCIAL REPORT** – Randi Constant (written report submitted)

- Board reviewed end of July Expense v Actual Report to resolve budget overages for S&S line items. A total of \$11,638.86 is being requested to cover current overages and to also bring the budget in line with anticipated expenses through the remainder of the year. Three votes will be needed: for the current overages, to consider the requested increase to S&S budget for remainder of 2024, and for the source of the funds if approved.
  - IT overages. Jody explained earlier in the year, additional gatehouse cameras were purchased that require the IT contractor to provide data backup. If CTA had volunteers with this expertise, this expense could be reduced. Jody will look into the contractor providing a system for automatic cloud-based backup.
  - Possible sources that could be used to offset overages and fund S&S’s budget for the remainder of the year:
    - CTA reserves
    - TEM – a S&S line item (under LRP in 2024 budget) that has \$37,900 unused
    - TRAM’s possible excess
  - CTA does not have discretionary funds in the 2024 budget. Even though the 2017 Capitalization Policy allows for a \$10,000 discretionary fund to be used for emergencies, this was not made a part of the 2024 budget
  - HLPOA moved to accept the \$3,938.96 S&S budget overage through end of July, MCPOA seconded. WFPOA called the question. Motion passed 12/18 (Dissenting were GEPOA, GNPOA, HCPOA, LWPOA, SMPOA, WTPOA)
  - SLPOA moved to approve the line item increase by \$7,700 as requested to cover the remainder of the year, HWPOA seconded. Motioned passed 12/18 (Dissenting were ENPOA, GWPOA, MCPOA, LWPOA, VTPOA)

- HWPOA moved to use the TEM line item to cover the total requested funds, NSPOA seconded. Motion passed 13/18 (Dissenting were GWPOA, MCPOA, LWPOA, SGPOA, VTPOA)
- 2024 contract pass sales shortfall. Comparison to the 2023 sales cycle shows 76% of the sales were completed by the end of August 2023, so CTA might be short as much as \$9,000 in contractor pass sales income for 2024. Research has not been done by S&S to determine the reason. Jody will look into whether Gate Sentry has impacted the sales and will report back in September.
- The current 2024 budget does not show the income expected from sales of e-sticker to CTCC (\$2500; e-stickers are \$10 each plus shipping, so CTA will net less than \$2000 Check with Jody for shipping costs which eat into this. All e-sticker sales are used to reduce the amount of assessments as opposed to being applied to S&S budget items.
- Financial Control Protocols discussion was halted to give Board members more time to review them. HWPOA moved to table discussion until the September meeting, seconded by NSPOA, passed unanimously.

**SECRETARY** - Sharon Sheldon (written report submitted)

## COMMITTEE REPORTS

- **SECURITY & SAFETY (S&S)** – Jody Jackett, Chair, (written report submitted)
  - Installation concerns of sally ports at the back exits included: traffic back up on Cox Mill Road due to length of time to get through, additional, costly hardware that could be damaged, and whether they would fit into the existing space of the exits without disruption to safety loops, etc. Concerns over the definition of tailgating specific to residents. HLPOA expressed his residents’ desire to see stronger controls in place at the South Gate.
  - The flow plates, which are a made in England and used in parking garages there to stop abuse of exits were considered an idea worth considering pending additional information to the Board (where they could be seen in action, a review of testimonials, POA input, and whether they would provide a return on the investment to have them shipped from England and the installation challenges). Replacement cost was another concern, although Jody felt that springs (\$60 each) would be the only part that would have wear and tear. SLPOA moved to table the discussion pending more information, WFPOA seconded the motion, which passed unanimously.
  - S&S’s report discussed the fining individuals who are found to be breaking certain rules within CT, which might curtail some of the unwanted behaviors before resorting to expensive enhancements. Ticketing and fining policy – the back of the e-sticker form states, “...Drivers who commit traffic or vehicle violations may receive a written warning, or citation, which may be subject to a monetary fine. Drivers who receive a citation are entitled to an adjudication hearing. If the hearing board upholds the violation citation and the fine remains unpaid all vehicle. E-stickers issued to the household in question may be deactivated until the fine is paid.” S&S would like to reinstitute this policy. Concerns that this would target residents primarily. Jody stated that non-residents would be dealt with by the LCSO (trespassing, gate damage, etc.). S&S needs to further define “traffic or vehicle violations,” and a basis for enforcement. LWPOA questioned the legality of this process. The president tabled the conversation to the September meeting due to time limitations.
  - *Amended September 4, 2024 to add: LWPOA’s director volunteered to be on the S&S committee and the committee chair responded instead by questioning what credentials LWPOA’s director had to be on the committee.*
  - E-sticker sales to the club (to be used for employees and a small group of non-residents holding current golf memberships) will be \$50 each, renewable annually. Jody will provide CTCC GM Ryan Nabb with

50 numbered applications for which the club will prepay. The club will be involved should any of the e-sticker holders violate the terms of the e-sticker use. The CTA bylaws offer a member of club management a seat on the S&S committee; Ryan declined. Jody and Ryan discussed charging POAs a surcharge for meeting room use; this policy has been reversed.

- **TRACEWAY ROADS AND MAINTENANCE (TRAM)** – Rod Loss, Interim Chair (written report submitted)
  - The president has not received any nominations or referrals for TRAM chair. The Board must give thought to who would handle this. TRAM’s committee membership currently has just Rod Loss to work on community issues.
- **TRACE LAKE AND DAM COMMITTEE (TLDC)** – Bill Huggins, Chair
  - Committee members Alan Mizrahi and Lee Amcher accompanied a representative from SOLitude Lake Management on a hydrilla survey of Lake Trace and its tributaries in CT (Carr Creek, Stonegate Pond) on July 17. There is no commitment from CTCC regarding hydrilla treatment at this time, but SOLitude was pleased with hydrilla control. CTCC had added 750 carp to the lake earlier in the year. A review of Stonegate Pond shows infestation of hydrilla that must be treated. TLDC will get an estimate to treat it. The pond is owned by CTA and SGPOA. SGPOA stated that cleanup of this lake was part of settlement monies from years ago, during which time CTCC and CTA agreed to split any costs associated with this pond.

## **OLD BUSINESS**

- **2025 Budget, LRP**
  - The 2025 budget has been shared since June, with minor tweaks during the last two months.
  - TRAM LRP – (\$55,000 for “Traffic Study”) - Rod explained this is for implementation of some short-term recommendations from the June 2024 HDR Traffic Calming Study. Rod will send the two pages from the report to the Board for them to review and advise as to what might be reasonable. Rod confirmed that this amount did not include the \$20,000 cost of the report. NSPOA moved that this line item be left in but any expenses against it are subject to prior Board approval. SLPOA seconded. Motion passed 16/18 with GNPOA and SGPOA dissenting.
  - Clarification of S&S LRP items (~ \$24,000 for North Gate and \$4,000 for the South Gate), especially \$10,000 for “NG Exit Project.” Jody described damage to the gate, and gate hut work (repair and clean up). The South Gate’s hut also needs clean up and HVAC maintenance; and the gate needs to be re-welded.
  - TRAM LRP – Bridge inspections estimated \$14,000 cost. Rod Loss explained that engineering firm HDR will inspect the work done on both bridges during 2023 and 2024. HDR gave estimates for two inspections: 1) during day-to-day operation, with water levels at normal levels, and 2) a deeper inspection - whenever Trace is able to lower the water level enough so that foundation cement work could be observed.
  - \$20,000 line item for professional services – Detailed response is contained in the Budget Q&A analysis attached to these minutes. The treasurer explained the need for professional support fees (accounting, possible legal) for 2025. CTA’s recent past audits were simply cash flow audits. The balance sheet showing CTA assets was discovered to have been deleted from Quickbooks by a volunteer treasurer a number of years ago. It has been reconstructed thanks to the many hundreds of volunteer hours including trips to the courthouse for record reviews. Existing committee files as well as historic financial records were not of much help. The 2025 draft

budget used an assumption of 4% inflation rate for LRP, 3% for Operations, unless the Committee chair provided a more accurate estimate (SPA contract 5% year over year and insurance based on broker recommendations). The treasurer asked the Board to consider not only the 2025 budget draft, but aspirational budgets for 2026 and 2027 which will be a great planning and continuity tool for POAs and for CTA. The Board will not be bound to the aspirational budgets for 2026 and 2027 as they can be amended at any time. The Board considered a bylaw amendment to change the calculation of the CTA assessments ratio, which is currently at 6:1, meaning the unimproved lots are assessed considerably less than the improved lots. This change would require a corresponding amendment to the CTA bylaws.

- HLPOA moved that the Board accept the three-year budget and LRP as presented in addition to changing the assessments ratio to 4:1. HCPOA seconded. Motion passed 17/18 with SGPOA dissenting.
- SGPOA pointed out the bylaws (Art. IV, Sec. 6) allow for further amendments to budget at the September meeting if needed, which was contrary to how the September vote was described at an earlier point in the meeting.
- **Census Committee Update**
  - Cheryl Crist reminded Board members that POA treasurers need to get their census forms in ASAP (official due date is September 1) so CTA can use the 2024 census to calculate assessments for the 2025 budget. CTA must have every POA reporting to use current numbers in the calculation of assessments. Please do not wait until the last minute to submit this data as it is unfair to the volunteers who have to compile the information for all 18 POAs.

## **NEW BUSINESS**

- **Nominations Committee** – the president appointed the 2025 nominations committee. Board members are Tom Boerger (VTPOA), Elaine Bednarcik (WFPOA) and property owner Maureen Travis (NSPOA).
- **Census Committee** – the president formally confirmed the names of the 2024 census committee: Cheryl Crist (HCPOA), Rod Loss (GWPOA) and Dave Thomas (SLPOA).
- **Board Meeting Start Time** – after discussion the Board voted to change the CTA board meeting start time to 6:30 p.m. Motion in favor by SWPOA, seconded by HWPOA. Motion passed unanimously.

## **CALENDAR**

- **Next CTA Meeting** – September 4, 2024, 6:30 p.m., in person, location to be confirmed (assume it will be at CTCC).

**ADJOURNMENT** – Having no further business to discuss, the meeting was adjourned at 8:25 p.m.

Respectfully submitted,

Sharon Sheldon, Secretary  
Carolina Trace Association

## **REPORTS AND OTHER ATTACHMENTS**



## Finance Update August 2024

### 1) Budget 2024

- Budget Overages to report for Board Approval
  - Gatehouse supplies Budget \$3,000 Actual \$3,654 (122%)
    - Additional Increase Request + \$2,500 over current overage
  - Contracted IT Support Budget \$3,200 Actual \$4,361 (136%)
    - Additional Increase Request + \$3,200 over current overage
  - Gatehouse Maintenance Budget \$22,846 Actual \$24,971 (109%)
    - Additional Increase Request + \$2,000 over current overage
  - Finance Charge Budget \$100 Actual \$165 (President Credit Card Late Charge)
- Current Income Shortfalls
  - Contractor Passes Shortfall Budget \$15.525k Actual \$5.4k
- Current Income Overages
  - Interest Income Budget \$1,000 Actual \$20,743 (2074%)

### 2025

- Unfortunately, no time was allotted to discussing the 2025 Budget during our July 3<sup>rd</sup> meeting.
- Having sufficient time to vet all the items in the budget allow the Board to act in the communities' best interests.
- Safety & Security has requested additional items to be added to the 2025 budget

### 2) Proposed Financial Procedures for CTA

- Financial Procedures submitted to Board for approval

### 3) Assessments

- Stonegate paid in full their deferred assessments owed at July Board Meeting
- Stonegate representative Joe Dunne passed out hard copies of his letter at the July Board meeting to the Executive Committee requesting the CTA President set a meeting of the adjudication committee.
- Fourth Quarter Assessments have been billed and 13 POAs have paid, awaiting for 5 POAs

### 4) Taxes

- Met with Karen at M. Lee West CPA to discuss concerns from 2023 taxes and ensure that CTA is capturing all required data to properly report and ensure we are tax efficient.
- As of July 1<sup>st</sup>, Safety & Security begun tracking vehicles entering into Carolina Trace.

### 5) Balance Sheet Project

- The Balance Sheet Committee has prepared the balances for cash, deferred obligations, and fixed assets.
- Work is still being done on Prepaid Expenses
- The Balance of Accounts Payable has been determined but is still under review.
- The balance of Contract Liabilities has been determined but is still under review.
- The Notes to the Financial Statements have been prepared with only minor adjustments expected.
- The original documentation of transactions from 2002-2016 are not in our possession and may pose an obstacle for successful audit. Where possible, we have requested duplicate invoices from vendors.
- The goal is to have a draft ready for audit by our October Board meeting.

### 6) Bank Accounts & Investments

- Documents for President submitted to First Horizon & in process at Fidelity
- Continuing to roll investments into short term T-bills

**System of Internal Controls**  
**Carolina Trace Association, Inc.**

Pursuant to Article 3 d. of its Articles of Incorporation, Carolina Trace Association, Inc. (CTA or the Association) owns, operates, and maintains property used in common by its members, property owners, and others to whom access is authorized. To fulfill these responsibilities and satisfy its performance obligations, the Association raises revenues, incurs expenses and liabilities, and holds cash balances, investments, and other assets. A system of internal controls is employed to safeguard assets against errors and fraud, and to provide reasonable assurance that the Association's financial statements are free from material misstatement.

The Association's internal control environment is established in its By-Laws as follows:

Article III, Section 1 – “The affairs of the Association shall be managed by the Board of Directors.

Article IV, Section 6 – A two-tier voting procedure shall be required for “... (establishing budgets, authorizing budget overruns, authorizing capital or operating expenditures in excess of two and one-half percent (2<sup>1/2</sup>%) of the CTA yearly budget, authorizing expenditure for or commitment to acquire or dispose of real property, and amending By-laws”).

Article V, Section 1.e. – The Board of Directors shall have the power to “Designate a banking institution or institutions as depository for the funds of the Association and allow the treasurer to pay routine bills and transfer funds, up to an amount set annually by the Board, by means of on-line banking with no second party approval required. For bills above the approved amount the Board of Directors will designate two (2) or more officers, including the Treasurer, the signatures of any two (2) of which are authorized and required for withdrawals therefrom.”

Article V, Section 2.c – The Board shall “Oversee and approval (sic) of an annual operating budget in conformance with Article VIII.”

Article V, Section 2.d. – “At intervals of no more than one (1) year, the Association shall cause to be published, for distribution to all property owners (resident and nonresident), a summary of the financial status, actions, and efforts of the Association and such other matters as may be of mutual concern.”

Article V, Section 2.e. – the Board shall “Provide for an annual audit of the financial records and transactions of the Association and any of its standing committees.”

Article V, Section 3.a. – “It [the Board] shall not take any actions that abridge the covenants, reservations and restrictions of any owners' association.

Article V, Section 3.b. – “Investment of excess funds shall be limited to direct obligations of the United States of America or certificates of deposit insured by the FDIC, the FSLIC, or their successors.”

Article V, Section 3.c. – “Anticipated overruns of the total Association operating expense budget must have prior Board Approval enacted through the two-tier voting procedure.”



Article V, 3.d. – “Any non-budgeted capital purchase or divestment or one-time operating expense valued in excess of two and one-half percent (2<sup>1/2</sup>%) of the CTA yearly budget or any expenditure or commitment to acquire or dispose of real property, requires approval by the two-tier voting procedure.”

Article VI, Section 3.a. – “The president of the Association shall serve as chairman of the Board of Directors. The president shall be the general managerial officer of the Association except as may be otherwise designated or defined by an action of the Board.”

Article VI, Section 3.b. – “In the absence of the President, ... the Vice President is empowered to act as the president of the Association.”

Article VI, Section 3.d. – “The treasurer shall have custody of the funds of the Association, collect moneys due, pay the obligations of the Association from such funds and perform such other duties are incident to the office.” “The treasurer shall submit a periodic financial report no less frequently than monthly. Such report shall show receipts and expenditures performance against the detailed and approved budget as well as the current balances in all depositories. The treasurer shall serve as chairman of the finance committee.”

Article VII, Section 2.a. – “... the Finance Committee, which shall include two (2) directors whose duties will include: the preparation of an annual budget to be submitted at the regular July meeting, completed and approved at the September meeting. They shall have oversight of all other committee finances, including but not limited to the Traceway Roads and Maintenance and Security and Safety committees.”

Article VII, Section 2.c. – the Safety and Security Committee shall be responsible for the controlled access to and from Carolina Trace and ...“(2) impose and receive any payments, fees or charges for the use, rental or operation of the common elements”.

Article VIII, Section 3.a. – “A Census Committee shall be appointed upon the recommendation of the president and the approval of the Board.” “The Census Committee shall be charged with making a count of the purchased lots, in each property owners’ association, distinguished between improved and unimproved properties, as of August 1 of each year. The census shall be verified with the boards of the owners’ associations by September 1 so that the information is available for preparation of the budget.”

Article VIII, Section 3.b. - ...”An owners’ association seeking the deferment of any portion of its financial obligations bears the responsibility of annually certifying to the Association the identity, number and status of all properties it claims to meet the definition of “non-revenue producing” together with a financial reconciliation relating to the properties removed from the certification provided in the prior year.” “Additionally, each owners’ association that has claimed exemption from dues and assessments for lots not meeting the definition for “purchased lots” must annually, no late than September 1, certify the current status of such lots.”

Article IX – “The books, records and papers of the Association shall at all times, upon reasonable notice, be subject to inspection by a designated representative of any member owners’ association.”

### **Additional Internal Controls**

To enhance the overall effectiveness of the control environment established in the By-laws, the Association shall also implement the following internal controls that are designed to further prevent, detect, and correct accounting errors or fraud.

#### **Preventive Controls:**

1. The Treasurer, subject to oversight of the Executive Committee, shall be responsible for the design and implementation of internal controls.
2. In furtherance of the Board’s duties under Article V, Section 2.e., the Finance Committee shall also serve as the Audit Committee with responsibility for recommending to the Board the engagement of an outside audit firm to conduct an annual audit of the full set of financial statements prepared in accordance with accounting procedures generally accepted in the United States, and for oversight of the audit process.
3. Access to the Association’s accounting software program shall be restricted to the Treasurer, Assistant Treasurer, if any, and the Bookkeeper; provided however, that temporary access may be granted to consultants as needed to maintain or update the system design and operating parameters, and temporary read-only access may be granted to auditors and accounting consultants as necessary.
4. The Association shall maintain an appropriate segregation of duties with respect to any transaction that effects, or is likely to effect, the value of any current asset or liability balance. Duties shall be split among different persons for approval, custody, and acquisition or disposal of assets.
  - a. Except as provided by Article VI, Section 3.d. of the By-laws, any person with authorization to make payments on any bank or investment account shall not have authority to approve invoices for payment.
  - b. Pursuant to Article VII, Section 2.a. invoices shall be sent directly to the Committee assigned to oversee the work. The Committee Chair, or other authorized Committee member shall review such invoices, annotate on the invoice whether it is approved for payment, and forward the invoice to the Bookkeeper.
  - c. The Traceway Roads and Maintenance Committee and the Safety and Security Committee shall monitor the budget versus actual expenditures for the work they respectively oversee.
  - d. Matters regarding the accuracy or completeness of an invoice shall be resolved by the respective Committee Chair. Matters not resolved at the Committee level shall be forwarded to the Treasurer, and if needed, to the President.
5. The Capital Expenditures and Capitalization Threshold Policy approved by Board on March 7, 2017 shall continue in effect unless duly amended or terminated by the Board. Assets

purchased or otherwise acquired that have a cost or fair value of \$2,500 or more, and a useful life in excess of one year shall be capitalized and depreciated over the estimated useful life of its asset class in the Modified Accelerated Cost Recovery System (MACRS) promulgated by the Internal Revenue Service.

6. The Treasurer shall maintain a list of capital assets showing the date of acquisition, its cost or the fair value as of the date of acquisition, the applicable MACRS asset class, a schedule of annual depreciation, and the current net book value of the asset. Annual depreciation expense shall be included as a line item in the Association's operating budget.
7. A minimum of two (2), and preferably (3) competitive bids shall be required for the purchase of capital assets with an initial purchase price of \$5,000 or more.
8. The Association shall engage licensed third-party preparers for preparation and filing of Tax Returns.
9. The Finance Committee shall provide oversight of the Risk Purchasing Group Insurance Program established for the benefit of the Association and its members. The Finance Committee shall ensure that multiple quotes are obtained. Prior to the effective date of the policy, CTA shall make payment in full for the entire premium amount due.
  - a. The Finance Committee shall provide statements to each member POA indicating the coverages purchased and the amount due to CTA which shall be deemed to be financial obligations to the Association with regard to Article II, Section 3 of the By-laws.
10. The Board of Directors shall authorize the issuance of CTA Business credit cards, and shall determine the amount of the maximum credit limit. The card shall be issued in the name of the holder and CTA. The holder of a CTA Business credit card shall be instructed that the card is to be used only for official CTA business purposes, and personal use transactions are prohibited. Business credit card statements shall be sent directly to the Treasurer or her/his designee for review and approval.

**Detective Controls:**

11. Not less than monthly, the Bookkeeper shall produce a Trial Balance Report for examination by the Finance Committee. Any out-of-balance condition shall be promptly reported to the Board of Directors, and rectified.
12. The Bookkeeper shall, on a monthly basis, prepare reconciliations reports which identify all variances between the balance per the financial institution's statement and the balance per the Association's books of account. Such reconciliation reports shall be reviewed and approved by the Treasurer and presented to the Board of Directors.
13. The Finance Committee shall prepare and submit to the Board a monthly report that identifies any changes, issues or projects being pursued by the Committee.
14. The Safety and Security Committee shall cause to be prepared monthly reports regarding E-Sticker and Vendor Passes which shall show the number of stickers or passes sold, the sales price, replacements issued, defective stickers, etc., which the Committee shall reconcile with automated activity reports from the Point of Sale system at the Gatehouse. Unreconciled differences shall be investigated promptly.
15. The Safety and Security Committee shall cause to be prepared a monthly Vehicle Access Report which records and categorizes all vehicles entering through the manned entrance.

These reports shall be forwarded to the Treasurer for use in cost allocation algorithms as needed.

**Corrective Controls:**

As the name suggests, the purpose of these procedures is to rectify errors or irregularities that have been detected.

16. The independent auditor's report shall be addressed and presented to the Board of Directors.
17. Adjusting Journal Entries proposed by the outside auditor as the result of the annual audit shall be recorded in the Association's books of account.
18. Auditor reports of material control weaknesses, if any, shall be promptly rectified.
19. Personal use of a CTA Business credit card shall result in cancellation of the card and termination of the card holder's privileges.
20. The Finance Committee shall periodically conduct physical observations of asset inventories such as E-stickers and Vendor Passes which shall be reconciled to the books of account. Discrepancies shall be investigated and rectified.

# Financial Procedures & Controls

## Carolina Trace Association, Inc

1. The Board shall receive monthly financial statements showing all transactions and detailed investments with only the account number blocked out.
2. The Board should receive copies of the reconciliation reports that enumerate and explain the differences between the balance per the bank and the balance on the books.
3. The Board shall receive a monthly report updating actual expenditures versus budget by line item of approved budget. Any reported overages shall include a comment with an explanation. Any amount over 5% will include explanations.
4. The Board will receive a monthly report from Finance outlining any changes, issues or projects that the Finance Committee in accordance with the Bylaws is working on.
5. Finance will oversee Insurance for CTA. Responsibilities will include ensuring that coverage is sufficient, multiple quotes are attained, and any specific coverage for individual HOAs are appropriately invoiced to the POAs and collected. Any responsibility of coverage for the POAs will be determined by the POA's individual boards.
6. The Capital Expenditures & Capitalization Threshold Policy approved by the CTA Board of Directors on March 7, 2017 will be adhered to.
  - This includes the established \$2,500 threshold amount for capitalization. Purchases and asset acquisitions that do not meet the criteria will be expensed in the year in which the purchase occurred.
  - CTA shall maintain a list of fixed assets showing the date of acquisition, its cost or fair value at the date of acquisition, and a schedule for depreciation, and the current net book

value of the asset. CTA will use IRS useful lives and depreciation methods so that no differences arise between the books of account and tax return amounts. Annual depreciation expense will be included in CTA's annual operating budget.

- Additionally, any purchases or capital expenditures in excess of \$5,000 will have a minimum of two competitive bids (but preferably more). As per Article V, Section 3 of the Bylaws Any non-budgeted capital purchase or divestment or one-time operating expense valued in excess of two and one-half percent (2<sup>1/2</sup>%) of the CTA yearly budget or any expenditure or commitment to acquire or dispose of real property, requires approval by the two-tier voting procedure.
7. The tax preparation will be handled by a licensed third party in the state of North Carolina
  8. Outside annual audits will be performed by a licensed CPA in the state of North Carolina for: Balance Sheet, Income Statement and Cash Flow Reports and will be presented to the Board of Directors within 60 days of completion.
  9. The bank accounts and investment accounts will have a minimum of two authorized approvers but no more than three on each account. The Treasurer, Bookkeeper and the President may have access to the working capital accounts. The Reserves and Investment Accounts will only include authorized access by the Treasurer and the President.
  10. Anyone who is authorized to make any payments on any bank or investment account will not be allowed to approve any invoices for payment except for the Treasurer to approve the bookkeeper's contractual payments, the insurance, and outside professional services.
  11. Invoices will be directly sent to the committees or committee members who have authorized the work, purchases, or contracts and then will be signed off with approval and sent to the bookkeeper for payment. The responsibility to track work

approved and their corresponding invoices against the budget remains at the committee level. The bookkeeper is to only receive approved signed off invoices, make payments and update budget monthly reports.

12. Any issue with payment should be escalated first to the Committee Head/Representative from CTA. Next level of escalation is to the Treasurer and final escalation is to the CTA President.
13. The Finance team will reconcile each month the funds deposited into the POS bank account from the sale of the e-sticker and vendor passes against the Safety & Security monthly reports. Safety & Security will provide a copy of the logs for the e-stickers sold and a copy of the Galaxy report itemizing the quantity and revenue of e-sticker sales and vendor passes for each month.
14. Finance will also receive from Safety & Security the monthly Vehicle Reports from which the guards at the gatehouse track all vehicles entering through the guarded entrance. Finance will maintain these records and use this information to allocate appropriate expenses incurred by non-residents.
15. Finance will liaise with the other CTA Committee Heads to compile the proposed operating budget and present the proposed budget to the Board of the Directors by the July Board Meeting and completed and approved by the September Board Meeting. Finance will only provide the inputs for Treasury related expenditures. This will include investment returns, insurance, bookkeeper expense, auditors and tax preparation costs. All other budget items will be provided directly from the areas with direct oversight and responsibility for payments. TRAM Committee will provide the budget inputs for road, bridges, culverts and landscape maintenance. The Safety & Security Committee will provide the budget inputs for the guards' contract, gate and gatehouse maintenance, CERT supplies, applicable cameras and software needs. Trace Lake and Dam Committee will supply inputs for dam and lake

environmental studies or associated viability projects. The Communications Committee will provide inputs for the Web presence, Monitors and applicable IT needs, and replacement flags. The Secretary will be responsible for additional General Administration expenses.

16. Investment of excess funds shall be limited to direct obligations of the United States of America or certificates of deposit insured by the FDIC, the FSLIC, or their successors. Finance department shall ensure that funds are not consolidated at any bank where the amount exceeds the FDIC limit protection.
17. As per the Bylaws, the Treasurer will chair the Finance Committee and shall include two (2) directors whose duties will include: the preparation of an annual budget to be submitted at the regular July meeting, completed and approved at the September meeting. They shall have oversight of all other committee finances, including but not limited to the Traceway Roads and Maintenance and Security and Safety Committees.
18. The Census Committee will provide the information needed to determine the billing of assessments. They will reach out to the POAs to collect lot information including the number of developed and undeveloped lots, in addition to the status of whether these lots are in good standing. The Finance Committee will also work with the Census Team to determine status of deferred obligations and any potential write offs. The Census Committee will not include the Treasurer or Bookkeeper.



# CTA Communications/Secretary Report – August 2024

## Secretary's Status – CTA Executive Committee

Allow this to be a formal notice that the CTA secretary will no longer participate in Executive Committee meetings or decisions. This is retroactive to July 4, 2024.

## Reminder - New Emails Are in Place, including Security & Safety Committee Email

Reminder to update your distribution lists and address books:

- President Joe Zanga – [president@carolinatrace.org](mailto:president@carolinatrace.org)
- Vice president Jody Jackett – [vicepresident@carolinatrace.org](mailto:vicepresident@carolinatrace.org)

**Effective July 29**, Security & Safety now has a separate email for committee-specific issues. The contact form at the website has been updated and all questions regarding gates, SPA, etc., should go to:

- [Security@carolinatrace.org](mailto:Security@carolinatrace.org)

## POA Offers:

- **Coming Fall 2024! Volunteer Support Forums for POA Board Leadership**
  - POA Forum for Treasurers
  - Corporate Transparency Act Update
- **POA Websites:** The POAs that do not have a web presence are asked to reach out to the secretary for her assistance in creating a static page. This applies to the following POAs: *Eagles Nest, Lakewood and Stonegate.*
- **CAI-NC Membership - Resources:** A list of on demand resources are available at: <https://www.cai-nc.org/general/custom.asp?page=learninglibrary> Please ask your POA leadership if they are interested in any of these and we'll organize watch parties...

## Onboarding/Orientation for Board members:

- Draft onboarding documents will be presented to the Board members for review/additional input.

## CTA Document Retention and Destruction policy:

- This detailed document will be provided for Board review in September 2024.

Sharon Sheldon

Secretary & Communications Chair, CTA

## Minutes from July 26, 2024 Safety & Security meeting

Meeting began at 5:02. Attending was Charles Holder, Tim Bloedorn, Penny Turner, George Orlovski, Debbie Crenshaw and Jody Jackett, Chairman.

1. Gate Sentry – Jody

**We now have 69% of the residents signed up. We are still getting phone calls from people asking for passes who are registered with Gate sentry. The guards are doing everything they can to get them to use GS.**

2. Gate Improvement study. Jody – Tim.

<https://startsafety.com/heavy-duty-car-flow-plates-fp-02?search=Flow%20Plates>  
or just type in StartSafety.com and look for Flow Plates.

**Bids have been received from the present gate company for the 3 Sally Ports for the anti-tailgating agenda see below.**

**In an effort to stop tailgating the access barrier arm has been adjusted to open/close in 10 seconds. This allows for quicker entry and reduces open time to deter tailgating.**

3. Gate and Fence Repairs – Jody

**On going repairs after we get prices.**

4. CTCC relationship and proposal re: selling estickers to non-resident members as well as club employees. – Jody

**Non-resident members as well as club employees will be allowed to purchase stickers. These will be issued for one year at a cost of \$50.00 each year.**

5. CERT – Penny (See Attached report)

6. Lake Report – Charles

**July 29th the dam will be opened and the gates will be lowered significantly. All POA's need to be notified**

New proposals and items:

**Charles reported that The Carolina Trace fire department now has 24-hour service. Should an emergency occur anytime 24/7 residents can call for assistance. Parking at the firehouse is being expanded to accommodate the number of firefighters and EMS on site.**

**The Safety and Security initiative to better secure the Trace:**

**Proposal to the board:**

- 1. Re-allocate the monies from TEM LRP category to new 3 new Dolly Ports and the Flow plates.  
\$50,000 proposed for TEM - \$4500 for Gate Sentry = \$45,500 remaining.**
- 2. 3 Sally Ports installed = \$28,053.37  
18 Flow plates (List price = \$495/ea = 910.00+1755.00(Shipping)=\$10,665.00  
Flow Plate price is not yet firm. Shown is worst case.**

**Total for initiatives = \$38,718.37**

**Plus, installation cost for the flow plates. Roughly \$40,000 over all.**

- 3. Preventive Maintenance \$3200/year for the gates.**
- 4. In the meantime, the Board needs to be reminded that per the CTA by-laws regarding the Safety and Security Committee, it allows the committee to fine residents that break the rules the CTA sets. Therefore, a policy to fine for those residents who tailgate others when coming in the North and South gates will be put into place. Those coming in behind residents who aren't residents will be reported to the LC Sheriff for ticketing for trespassing. The 1<sup>st</sup> time a resident tailgater, they will be issued a citation for tailgating where they will be fined for \$100 and their esticker deactivated for 1 month, 2<sup>nd</sup> time \$200- and 6-months deactivation, 3<sup>rd</sup> time \$500 fine and loss of esticker for 1 year. This policy was made into a motion, voted on and passed unanimously. Implementation of the policy will begin on 9/1/24.**

**Jody has informed the Committee that there is one more meeting with Ryan Naab to finalize the proposal of selling E-stickers to the club for the purpose of Non-resident Members as well as club workers having access to Trace. Once the proposal is finalized it will be brought before the Board for any further discussion.**

**Also, CERT has a trailer that they will offer the CC Grounds crew for storage. They no longer can park the 2<sup>nd</sup> trailer at the Fire Dept. due to the above reported increase of parking needs.**

**The Guard House has a conference table that is too large for the conference room. They will ask if the CC would like it.**

**Finally, The CTCC has been charging POA's a fee to hold board meetings.**

**This should not be the case. It will be asked that the CC drop that practice.**

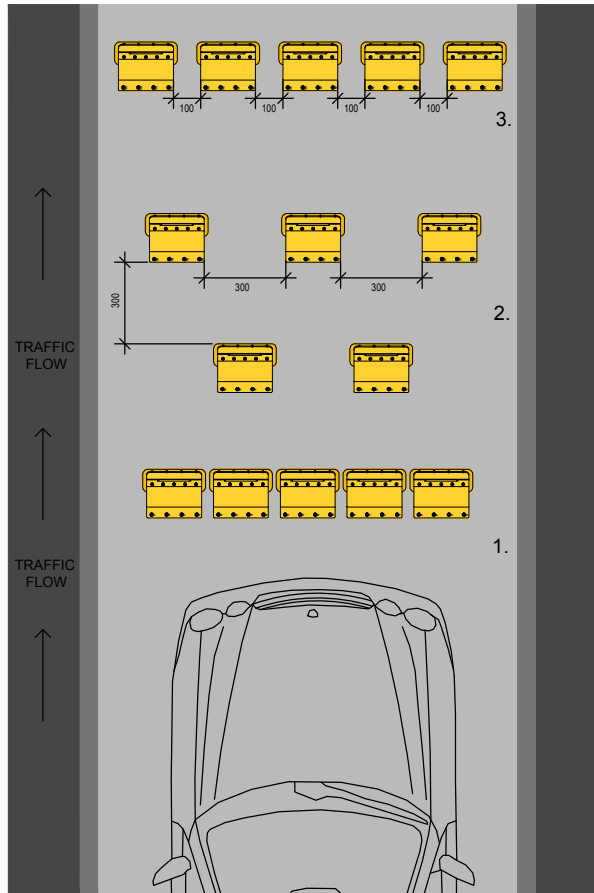
**No further items were brought up or discussed.**

**Meeting adjourned at 6:17pm.**

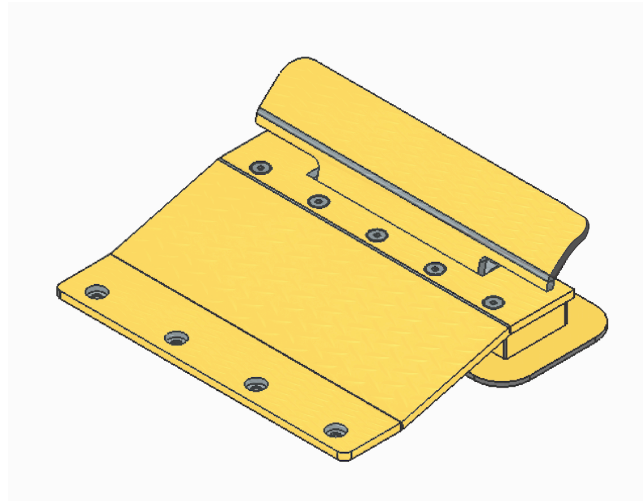
.

# HGV FLOW PLATE

## FLOW PLATE CONFIGURATIONS



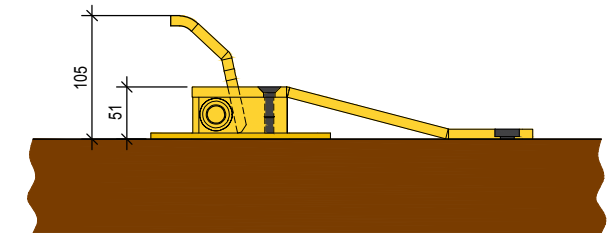
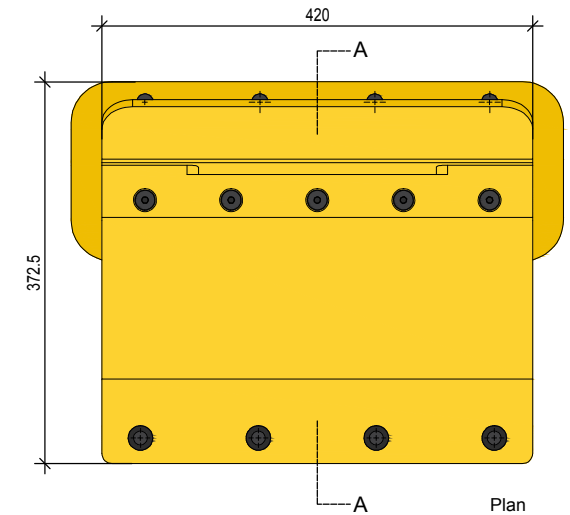
Plan view of road



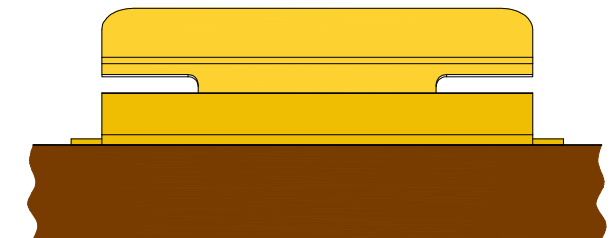
- Suitable for both cars & HGV's
- Heavy Duty Chequer Plate
- High quality Oil Lite bushes and stainless steel pin
- Can be locked down for temporary use in both directions
- Surface mounted – no need for drainage channel
- 8 no fixing holes per plate

Road width metric (mm)	No. of plates
2500	4
3000	5
3500	6
4000	7
4500	7
5000	8
5500	9
6000	10
6500	11
7000	12

Table 1. Widths to plate number

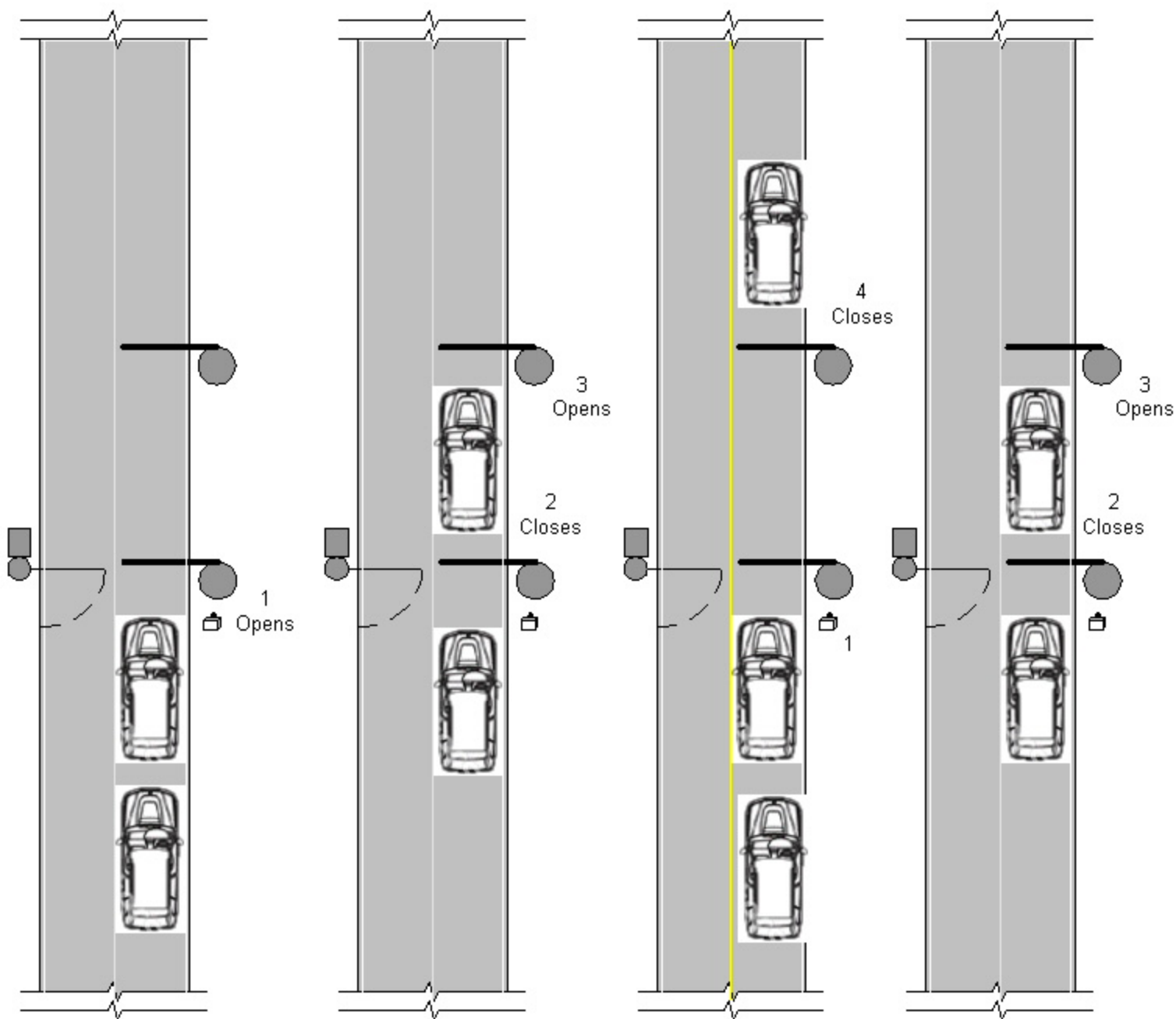


Section AA



Elevation

<b>FLOWPLATE</b>	Title: <b>HGV FLOW PLATE</b>		Start Safety Inc.	
			Drawing no:	<b>NMFP 02</b>
			Revision:	<b>3</b>
			Drawn by:	FS
Date:	18.09.2017			
Scale:	Refer to dimensions			



## CERT Report for Safety & Security Committee for August 2024

1. CERT conducted a Hurricane Tabletop Exercise on Tuesday, 16 July with CERT members and two representatives from CTA. We used the CTA Emergency Operations Plan (EOP) to have a discussion about a hurricane scenario and walk through the steps to take in preparation and response. Several good suggestions were made to improve the EOP. Questions came up about actions with the gates and roads during a major storm that we need to clarify. Changes will be made to the EOP, and it is recommended that it be posted on the CTA website.
2. August CERT training will be on Tuesday, 20 August. We hope to have a briefing by Lee County Emergency Management in the EOC about Emergency Management's capabilities.
3. Lee County AuxComm continues to train in the Lee County EOC, and we hope to have another exercise later this year.
4. We have lost our parking spot for the second CERT trailer at the fire department due to expansion of parking capability. We will transfer the training equipment kept in that trailer to the CTA storage container, and we will dispose of the trailer as soon as we can. Until we can figure out the disposal, we have rented a parking space in a self-storage lot and will move the trailer there as soon as we can remove the contents.

Penny Turner  
[leectynccert@gmail.com](mailto:leectynccert@gmail.com)  
919-902-1217

**Good evening!**

**For those who don't know me, my name is Jody Jackett, I'm the VP and Chairman of the Safety and Security committee. I come before you all tonight as the later. The Safety and Security Committee Chairman.**

**For far to long the residents of the Trace have complained about the lack of security. I will remind you all that the Trace is not a 100% secure facility. It is a limited access facility. There are measures that I can put in place to make it more secure. To do that I need your help.**

**The biggest rule that is broken is the one concerning tailgating. Mainly at the North Gate and sometimes at the South Gate. The second rule that is broken is the entry of vehicles into Trace by waiting until someone leaves and vehicles scooting around the pole barriers and entering thru the exit side.**

**Back in 2023 the S&S Committee budgeted for the 2024 year \$50,000 for the TEM system. Which was supposed to be the Visitor Access system. This is the system that Caroline Lakes has. We had bids out and at the end of the year a second bid came back from Gate Sentry. Their bid was for \$4,500. The big difference was due to a substantial amount of equipment as well software. The Gate Sentry had 2 Electronic Hand-held Pads and the software. Continued monitoring and storage costs didn't come into play until the following year. That cost will be in this 2025 budget.**

**So, having the \$50K available and paying for the GS System at \$4500 leaves us with \$45,500 remaining in the pot.**

**The Initiative:**

**Sally Ports are a set of arm gates set apart in a manner that will allow one car to enter a space just past the gate and the gate closes. The car then is let in when the 2<sup>nd</sup> gate opens. This allows only 1 car at a time to come through. Thus, eliminating the tailgating issue.**

**Estimated costs for the 2 full Sally Ports installed = \$28,053.37**

**Along with this deterrent the use of Flow-plates that I presented at the last meeting would be used. Every exit gate will be affected. The N & S gates will require 5 plates each and the main gate exit area will require 8 plates. See Diagram supplied.**

**18 Flow plates (List price = \$495/ea. = 910.00+1755.00(Shipping)=\$10,665.00**

**Flow Plate price is not yet firm. Shown is worst case.**

**Total for this part of the initiative = \$38,718.37**



Plus, installation cost for the flow plates. I've received a preliminary bid for 3 concrete pads totaling approximately \$9,500.00.

$38,718.37 + 9,500.00 = 48,218.37$ . ( $-\$45,500 = \$2718.37$  over budget)

One of the concerns someone brought up was concerning the additional equipment being installed. More possible points of failure. One of the extras I'm proposing using the funding is a preventive maintenance contract for the gates.

The estimate by the Gate Company was \$3200/year for 4 visits per year.

$\$48,218.37 + \$3,200 = \$51,418.37$

$\$51,418.37 - \$45,500 = \$5,918.37$  Short

I can get the Flow plates installed but only part of the project complete for the Sally ports. I hesitate to ask for money from the reserves but I might be able to use what money is left over plus what money I have proposed for the 2025 budget to get the Sally ports completed at one of the gates.

The request I have is to allow the reallocation of the \$45,500.00 from the TEM project to the S&S initiative to have a more secure entry into the Trace.

Questions were raised regarding this part of the S&S initiative.

Jeff Sheldon asked a bunch of questions:

Considering that these devices will impact *everyone* who drives into Trace, and because many residents are still sensitive to the missteps leading to the installation of stop signs, North Shore recommends that the Security Committee devote adequate time on due diligence before rushing to buy and install them. The issue of vehicles entering through exit lanes is not new and is not an emergency situation. The time spent on due diligence will help restore confidence in CTA's leadership and decision-making, and to assure residents that the benefits will outweigh the cost.

S&S is not TRAM. I've been a member of S&S for 9 years. I've seen the politics involved. When I took over as the Chairman of S&S, I made a promise to myself to not be like the previous chairs. It was very obvious to me that people look over the shoulder of everyone on the EC. As for due diligence, I have been nothing if not diligent in what goes on at the gates. In the past 6 months the use of the exit gate being used as entrance gates has increased by a factor of 5. Six months ago, we would get 1 car or truck entering that way every week. Now, it's more like 4 to 5 trucks (mainly) and cars entering that way. One truck scurried around the gate and almost caused a head-to-head collision with cars coming to exit the facility. It's no longer about diligence. We've been doing that. It's now time to act. And what is the cost of someone causing a collision and someone possibly losing their life?

1. Will these replace use of the exit gates or will they be used in addition to the exit gates?

**They will be used in addition to the gates.**

2. What are the total upfront costs, per exit, for equipment and installation? Would it make sense to try them at one exit first before installing them at all exits?

**Upfront costs are not yet finalized. The quantity of plates needed are 18. Five for the North and South gate and 8 at the front exit area. The quote from one company located here in NC was over \$10,000. In looking to work with the manufacturer in England I expect to lower that cost sizably. The big cost is shipping. Shipping from England to the US is over \$1000. Mainly due to the weight of the plates. Because we need to order them in total, it stands to reason to install them one gate after another. Obviously, there will be a slight delay in installing them one at a time. If we were to install one set then wait a week for the concrete to set, install the plates and see what happens before installing the second batch would give us a pretty good idea as to effectiveness.**

3. What are the ongoing costs; for example, maintenance, replacement of springs, replacement of devices when broken? How often must springs be replaced? Is there a maintenance company in the area that can service these devices?

**Obviously, if you have read the manual or handout. The plates are spring-loaded. I intend to order a few extra springs just in case. The concrete installer included into his bid installation of the plates.**

4. Has the committee sufficiently quantified the problems at the exit gates to justify the expense (both installation cost and ongoing costs)?

**Yes. As mentioned above the repetition of intruders entering that way is growing. It seems that the contractors who have drivers without driver's licenses is increasing and they are being told to come in the exit gates, or pull through the parking lot behind the guard house and use the exit road to enter into Trace.**

5. Is the asphalt at the exits sufficient for installation of these devices, or will a concrete pad have to be installed as recommended in the manufacturer's specs? If the latter, how much will the concrete work add to the cost per exit?

**No. The asphalt as is not suitable as it is not thick enough. A concrete strip 3' wide and 8" deep and the length of the lane. Can the manufacturer provide references for other gated communities using these devices that could be contacted regarding their experience?**

**Again, a question I'll be asking the Manufacturer.**

6. Is there potential for conflict with vehicles or small trailers having low ground clearance (less than 4.5 inches *when loaded*)? Will lower-weight vehicles (e.g., motorcycles or scooters) have any difficulty pushing them down?

**I do not believe anyone leaving the trace will have trouble pushing the plate down.**

7. If a device fails, will it pose a risk to vehicles until it can be repaired? If a device fails, can the same holes in the roadway be used to mount a new device or will the new device have to be relocated and new holes drilled into the roadway?

**In my engineering experience, if there is a failure it will be in the spring. If it fails it will be in the down position. It will not pose a problem with operation over all as one plate failure will still allow the other plates to keep working without a problem.**

8. Are there any safety concerns to children: for example, if they jump on a device?

**This device was chosen because of the fact that children walk by the apparatus. If someone would fall on the plate it would be pressed down. The only way any one would get hurt by these plates would be if they were to place fingers or toes under the plate as it was pushed down. Chances of that???? Not impossible but signs stating the danger of the devices if misused will be posted.**

9. What happens if a vehicle tries to go the wrong way over these 4.5-inch devices? Will they act like a speed bump, or will they damage the tires? Is it possible that a heavy vehicle going the wrong way will damage the flow plates?

**I've not seen what happens. I can ask the manufacturer if they had any movies or videos on the testing of the devices. My opinion would tend to be depending how fast the vehicle would be moving when they hit the plate. There could be damage to the tire and/or underside of the vehicle. But anyone that breaks the rules and/or safeguards we put in place would, in my opinion, get what they deserve. Signs will be placed indicating we are not responsible for any damage abusing the exit gate.**

As a separate matter, some members of the North Shore board recommend that there be larger signage at the back gates to warn drivers that the entrances are for residents only. One suggestion was to mount signs or banners at a height that could be seen from a distance. It was felt that drivers in delivery trucks cannot see the small signs posted alongside the roadway.

**There are at the North Gate, 3 different signs indicating the entrance is for residents only. NOT for trucks or vehicle hauling trailers. Additional signage will**

be mounted indicating Carolina Trace will not be responsible for damage done to vehicles who attempt to enter illegally.

Another question came from CERT. Penny Turner asked what happens if an emergency vehicle comes to the gate.

As it is now the vehicle sounds its siren and the gate opens. The Sally-ports will respond the same way. Both gates will open, allowing the Ambulance / Fire Truck to enter.

The Secondary Initiative is as follows:

Until the Sally Ports and flow plates are installed, we still need to deter the tailgaters and those sneaking around the exit gate. Per the CTA By-laws as well as the forms signed by all owners of vehicles with an E-sticker which state:

“Drivers who commit traffic or vehicle violations may receive a written warning, or citation, which may be subject to a monetary fine. Drivers who receive a citation are entitled to an adjudication hearing. If the hearing board upholds the violation citation and the fine remains.”

The Judiciary Committee: In 2010 and again in 2016 a Judiciary Committee was proposed. A permanent committee was initially proposed but it was finally decided that a committee for this purpose would be convened as necessary. I'd like to propose the Board create a Judiciary Committee, consisting of someone from the S&S committee, a board member and a general resident. This committee would be convened from 9/1/2024 until the Sally-Ports and Flow-plates are installed. At that time the tail-gating issue “should” be solved.

The rules would be: The first offense would result in a \$100 fine and 1 month of having their e-sticker deactivated. Second offense would be \$200 and 6 months of no sticker and 3<sup>rd</sup> offense would result in \$500 fine and 1 year of having their sticker deactivated. Deactivation includes every vehicle associated to the home owner. Anyone that does not agree with the citation and fine can appeal to the judiciary committee. Failure to pay will result in the e-stickers for the household being deactivated until the fine is paid.

Once I get the approvals to move the money from TEM to S&S the initiatives, I'll begin the process of purchasing the equipment and scheduling will begin. As soon as I can firm up the dates, I'll have the Secretary send word to all the POA's and ask Jeff to put the info on the information screens.

The 3<sup>rd</sup> item I bring before the board is the results of the meeting with Ryan Naab.

**Attending was Ryan Naab for CTCC, Jody Jackett for Safety and Security and Tom Boerger for CTA Board of Directors**

**E-sticker forms were approved. The cost of the stickers was negotiated to be \$50 per sticker for 1 year. At the anniversary date it would automatically deactivate. I reminded Ryan that anyone tailgating in to the Trace from any of the back gates, will have their sticker turned off for a month. A report of the tailgating incident will be forwarded to Ryan along with a copy of the footage. To include non-resident members allowing someone to follow them into the trace. Ryan also agreed to use Gate Sentry more when holding weddings and golf events.**

**Previous meetings were brought up where a seat on the S&S Committee was offered. Ryan appreciated the offer and asked to be kept on the e-mail list as to when the meeting would take place and there may be times he would attend, but at this time he did not want a permanent seat on the committee.**

**Conference Table from Gate House was offered to the Club. Ryan indicated that he would accept it with thanks.**

**CERT has offered one of its trailers that was parked at the Fire Dept. to CC Grounds Crew. The Fire Dept is now being manned 24/7 and they needed the parking space. So, one of the trailers had to go. Ryan indicated that he would put it to good use.**

**A request to remove the Food and Beverage surcharge for POA Open meetings. Ryan indicated he would remove the surcharge.**

**That wrapped up the meeting with Ryan.**

**The 4<sup>th</sup> Item I wish to bring before the board is the need for a 3<sup>rd</sup> guard on day shift Monday thru Friday. Presently the guards carry out bringing visitors in thru the visitor gate, handle phone calls by folks wanting passes (some even though they have Gate Sentry) and an influx of folks requesting e-stickers. The guards handled, in June alone over 16,000 visitors. Approximately 65 to 75% of which come in during the day shift. Lt. Allie is at a breaking point. We are asking more and more from the guards in the form of paperwork required to verify numbers related to keeping our non-profit rating. Things that take up more of Allie's time as well as mine. Therefore, I request a motion be made to allow the contract with SPA to be amended to include a 3<sup>rd</sup> Guard for day shift on a Monday through Friday day shift basis.**

**This ends my report to the board.**

**This pretty much wraps up my presentation. Any further questions can be answered after the meeting.**

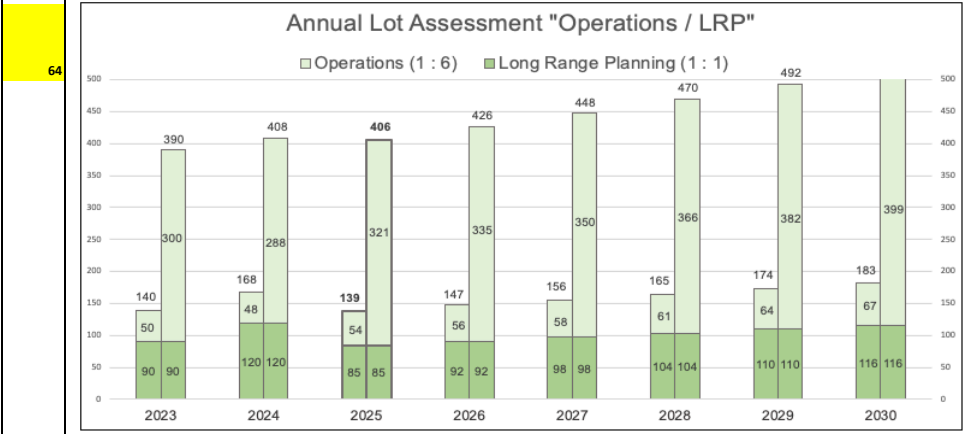
## CAROLINA TRACE - Traffic Patterns

DATE	GUESTS	GOLFERS/WEDDINGS	CTCC MEMBERS / EMPLOYEES	COMMERCIAL (AMAZON,UPS,CONTRACTORS)
6/26/24	363	2	23	290
6/27/24	461	5	35	270
6/28/24	463	6	37	290
6/29/24	261	26	17	121
6/30/24	294	20	12	88
<b>TOTAL</b>	<b>1842</b>	<b>59</b>	<b>124</b>	<b>1059</b>
7/1/24	357	6	24	298
7/2/24	379	8	14	286
7/3/24	360	18	23	294
7/4/24	439	34	17	108
7/5/24	342	27	22	217
7/6/24	233	16	12	86
7/7/24	161	58	9	79
7/8/24	330	2	11	282
7/9/24	303	3	12	242
7/10/24	268	14	15	251
7/11/24	331	6	10	271
7/12/24	320	15	14	260
7/13/24	210	21	11	56
7/14/24	171	38	12	72
7/15/24	214	3	10	236
7/16/24	272	9	12	276
7/17/24	154	11	14	177
7/18/24	249	0	16	245
7/19/24	338	10	11	278
7/20/24	139	40	2	87
7/21/24	154	30	4	81
7/22/24	258	1	15	227
7/23/24	253	2	9	301
7/24/24	317	0	20	244
7/25/24	398	4	15	273
7/26/24	411	2	15	267
7/27/24	197	50	11	76
7/28/24	218	56	18	81
7/29/24	319	39	6	179
7/30/24	357	8	10	202
7/31/24	400	5	19	212
<b>TOTAL</b>	<b>8852</b>	<b>536</b>	<b>413</b>	<b>6244</b>

LINE ITEM	INCOME	2022	2023	2024	2025	COMMENTS
1	POA Assessments	719,362	757,034	810,647		
2	E-Sticker Purchases & Vendor Passes	34,231	30,759	38,025	25,000	\$6,170 first 4 months and Gate Sentry will eliminate contractor e-passes
3	POA Property/Pool Insurance Payments	11,586	10,481	10,000	15,000	Direct Pass Through for Pools/tennis property & liability
4	Interest Inc	844	15,915	1,000	13,580	*** Total interest on all accounts
5	Other Income	482	1,500	-		
6	<b>TOTAL INCOME - excluding POA Assessments</b>	<b>47,143</b>	<b>58,655</b>	<b>49,025</b>	<b>53,580</b>	
<b>EXPENDITURES</b>						
<b>General Admin. Expenses</b>						
		2022	2023	2024	2025	
7	Accounting, Finance, Tax & Professional Fees		15,000	6,500		Lines 9&10 of \$10k + \$5k is breakout of this line and equal to the 2023 Accounting & Tax fees
8	Bookkeeper			15,000	15,000	Approved at end of 2023 for 2024 - to continue
9	Audits to incl Balance Sheet, Cash Flow & Income Statement				10,000	Part of previous line 7
10	Tax Preparation				5,000	Part of previous line 7
11	Professional Fees for Misc needs				20,000	For professional services where we do not have qualifes volunteers. An example is if we need help compiling balance sheets for audit but not limited to this. Could be for any service needed such as legal for bylaw changes etc
12	Bank Charges (G&A & 66910 Bank Ser Charge)		137		150	
13	Insurance	34,694	34,967	36,572	37,500	
14	Board Training including CAI-NC membership			500	500	
15	Boat Ramp (annual)	10,000	5,000	5,000	5,000	
16	Computer & Software including Quickbooks subscription		425	500	1,515	from \$515 quickbooks doubled subscription price
17	E-Sticker Deposit Return	250	100		200	
18	Financial Charges			100	-	
19	Miscellaneous Expenses	1,886	991	400		
20	Printing/Postage/Shippng	145	203	100	100	
21	Legal Fees		-	1,000	2,500	Example was when we had issue recently with Bridge Contractor requesting over \$12k more than agreed Removed assuming we get audited balance sheet and amortize assets
22	Income Taxes	2	60		-	
23	Waste/Trash Disposal Fee	195	250	360	375	
24	Communications -Web Presence	150	238	370	400	
24.5	Communications- Flag replacement				300	
	<b>Subtotal</b>	<b>47,321</b>	<b>57,369</b>	<b>66,402</b>	<b>98,540</b>	
<b>Roads &amp; Maintenance</b>						
		2022	2023	2024	2025	
25	Drainage Maintenance & Repair	23,292	14,089	15,000	15,450	
26	Landscaping/Beautification	20,373	17,057	6,830	7,035	
27	Mowing and Weed Control	44,200	45,604	-		
28	Landscaping Services			60,000	61,800	
29	Routine Road Maintenance, Repair & Trash Pick up	21,257	24,489	30,000	30,900	
30	Storm Clean-up	5,989	525	8,280	8,528	
31	Tree trimming/removal/pruning	3,493	10,900	10,190	10,496	
32	Roadside Trash	1,200	900			
33	Sprinkler Maintenance	101	22			
	<b>Subtotal</b>	<b>119,905</b>	<b>113,587</b>	<b>130,300</b>	<b>134,209</b>	
<b>Safety &amp; Security</b>						
		2022	2023	2024	2025	
34	Security Contract	325,237	281,993	305,000	320,250	
35	CERT Supplies	1,270	1,782	2,500	2,500	
36	Computers	8,823	888	-	-	
37	E-Stickers Purchase & Automated Gate Passes + Gate Sentry	12,085	9,074	9,000	17,340	from 16,800 Gate Sentry \$695/month=\$8,340
37.5	Contractor Gate Pass Stickers				2,000	from \$1,500
38	Gate Maintenance	4,353	(755)	5,000	6,000	
39	Automated Gate Passes				-	
40	Gatehouse Supplies & Office supplies	7,220	2,368	3,000	5,000	from \$3,000
41	Security Cameras/Recorder	4,643	15,181	2,500	2,500	
42	Contracted IT Support		8,698	3,200	7,500	from 5,000
43	Utilities	177			-	
44	Utilities/Non Internet	16,420	19,033	13,550	12,550	
45	Utilities/Internet and Video	7,266	5,796	10,000	15,000	from \$10,000
46	Safety and Security	14,948				
	<b>Subtotal</b>	<b>402,442</b>	<b>344,058</b>	<b>353,750</b>	<b>390,640</b>	
47	<b>TOTAL INCOME - excluding POA Assessments</b>	<b>47,143</b>	<b>58,655</b>	<b>49,025</b>	<b>53,580</b>	
<b>EXPENSES</b>						
48	GENERAL ADMIN & EXPENSES	47,321	57,369	66,402	98,540	
49	ROADS & MAINTENANCE	119,905	113,587	130,300	134,209	
50	SAFETY & SECURITY	402,442	344,058	353,750	390,640	
51	Total Expenses	569,668	515,014	550,452	623,389	
52	<b>NET TOTAL - Excluding POA Assessments</b>	<b>522,525</b>	<b>456,359</b>	<b>501,427</b>	<b>569,809</b>	
<b>LTP Expenses 2025</b>						
53	Roads				95,087	
54	Crush & Run				30,000	
55	Culverts				58,240	
56	Bridges				14,000	
57	Landscaping				35,000	
58	Traffic Study/Implementation				55,000	
58.5	TLDC				5,300	
59	Gatehouse				10,700	



60	South Gate	8,000
61	North Gate	8,000
62	Total Capital Expenditures	319,327
63	<b>TOTAL 2025 Budget Including Operating Budget &amp; Capital Expenses</b>	<b>889,136</b>



Includes all LRP items from LRP Model for 2025-20230. Some funding for Operations and Capital will come out of Reserves while maintaining a minimum Reserve Balance of \$300k for Emergency Needs

Uses developed/undeveloped numbers compiled in 2023

	2024 @ 6:1	Ratio	2025	2026	2027	3 yr Avg 2025-2027
Developed Lots	408	@ 6:1	406	426	448	427
Undeveloped Lots	168	@ 6:1	139	147	156	147
		@ 5:1	402	422	443	422
		@ 5:1	149	158	167	158
		@ 4:1	395	415	436	415
		@ 4:1	163	172	182	172

Uses developed/undeveloped numbers compiled in 2023. Assessments should go down for both with the additional number of developed lots

Line	Long Range Planning Capital Projects 2025	Total	319,327
Item	Projects	Amount	
65	North Exit : Line Striping : Phase 1		1,019
66	Laurel Thicket to Mallard Cove : Line Striping : Phase 1		2,584
67	Split Road 2 : Line Stripe : Phase 1		2,184
68	Split Road 2 : Seal Coating : Phase 1		12,480
69	Emory to Country Club : Line Striping : Phase 1		1,893
70	Emory to Country Club : Seal Coating : Phase 1		10,816
71	Split Road 1 : Line Striping Phase 1		1,310
72	Split Road 1 : Seal Coating : Phase 1		7,488
73	South Bridge to NS Sign : Line Striping : Phase 1		1,820
74	South Exit : Line Striping : Phase 1		910
75	South Exit : Seal Coating : Phase 1		5,200
76	South I & II Mile : Line Striping : Phase 1		5,314
77	South I & II Mile : Seal Coating : Phase 1		30,368
78	South I & II Mile : Patching : Phase 1		3,796
79	Front Entrance : Seal Coating : Phase 1		7,904
80	Sign Island replacement		25,000
81	Sign Island removal		10,000
82	Traceway Crush & Run Phase 1		30,000
83	TLDC : Finalization of 2023 Bathymetric & Vegetative Study		1,000
84	TLDC : 2024 Sedimentation Flow Monitoring and Anaysis		3,300
85	TLDC : 2024 Bathymetric & Vegetative Study Y/Y Analysis Payment		1,000
86	Traffic Study Implementation		50,000
87	Traffic Study		5,000
88	SG Maintenance and Repairs		8,000
89	NG Maintenance and Repairs		8,000
90	MG Maintenance for AC/Water Sewage Pump/Electrical, Misc.		10,700
91	Bridge Inspection		14,000
92	Culvert 5 : WF Pond Verticle overflow pipe 36' x 20'		15,080
93	Culvert 4 : Prior to South wind entrance 24" x 52"		14,560
94	Culvert 3 : Just past #2113 24" x 56'		15,080
95	Culvert 2 : Entrance to WF South 12" x 43'		13,520

LRP 2025 Projects

Line	Long Range Planning Capital Projects 2026	Total	196,363
Item	Projects	Amount	
65	NR Trail to Laural Thicket : Mill & Overlay		102,747
66	NR Trail to Laural Thicket : Line Striping : Pahse 2		1,741
67	Turn Around at Entrance : Mill & Overlay		22,336
68	Turn Around at Entrance : Line Striping : Phase 2		379
69	TLDC : 2024 Sedimentation Flow Monitoring and Anaysis		3,432
70	TLDC : 2024 Bathymetric & Vegetative Study Y/Y Analysis Payment		1,040
71	MG Security Upgrades		5,200
72	Culvert 8 : SB Lane @ # 21 15" X 40'		18,387
73	Culvert 7 : Golf East 12' X 58'		14,061
74	Culvert 6 : WF pond to Southwind 12" x 90'		27,040

LRP 2026 Projects

Line	Long Range Planning Capital Projects 2027	Total	269,005
Item	Projects	Amount	
65	South Bridge to North Shore Sign : Mill & Overlay		116,149
66	South Bridge to NS Sign : Line Striping : Phase 2		1,969
67	Front Entrance : Line Striping : Phase 1		1,496
68	Entranceway replacement		32,448
69	Traceway Crush & Run Phase 2		32,448
70	TLDC : 2024 Sedimentation Flow Monitoring and Anaysis		3,569
71	TLDC : 2024 Bathymetric & Vegetative Study Y/Y Analysis Payment		1,082
72	MG Hut at North/South Gates		3,028
73	MG Security Upgrades		5,408
74	Main Gate : Paint Wooden Support Structure		1,147
75	Bridge Inspection		15,142
76	Culvert 10 : Lower Northridge Trail 10" x 100'		23,622
77	Culvert 9 : First Valley Past Lakewood 24" x 110'		31,496

LRP 2027 Projects

25	Drainage Maintenance/Repair	<p>Has the Lake Arnold to Lake 8 pipe been addressed? When? Why not now?</p> <p>ANSWER:</p> <p>This is the subject of negotiations with Escalante. CTA wants to replace the culvert, which is about 120 feet long. CTA is responsible for the center section of about 60 feet and the balance is under Escalante lands. The cost to replace the entire 120 feet is about \$48k. Also, the 'waterfall' area is all Escalante, and it requires another \$28k in repairs. Ideally all of this work should be done at once but at this point there is no agreement with Escalante on the cost sharing or even whether they will participate. The culvert repair under Traceway is being requoted by Nu-Pipe for only CTA's responsible area. There were funds earmarked for this culvert repair in the current year under the Traceway line of the draft 2024 LR budget but they were removed. Funds are included in the proposed 2025 budget for the CTA section.</p>	NS
28,31	Landscaping Services, Tree Trimming/Pruning/Removal	<p>Why is there \$70,000 needed for landscaping for the north side - and where is other years' information? 2022 and 2023?</p> <p>ANSWER:</p> <p>The landscaping is not for the North Side. It is for the entrance, sign island, Traceway and the South exit. In FY24 the decision was made to combine landscaping and mowing under landscaping, so the total in 2023 was \$17,057 + \$45,604 = \$62,661. In 2024 this was \$66,830, and in 2025 it is proposed to be \$68,835. Also note that Landscaping appears in FY25 LTP in Line 57 for an additional \$35,000. These funds are estimated in LRP for the removal, redesign, and installation of landscaping materials on Sign Island in 2025. The island is overgrown, dead, and dying, per the Lee County horticulturist. The island has been deemed unmanageable in its current state by the landscaping contractor. There are funds estimated for the removal and replacement of select plantings along the</p>	HL

		entranceway that are dead or dying. This is akin to resurfacing roads as the need will only arise again in decade or more.	
-	Security & Safety	<p>The automated gate pass system has a \$400/month ongoing charge not listed in this budget.</p> <p><b>ANSWER:</b> This appears to be correct. The committee sought updated lines from Safety &amp; Security but did not receive a response, so we simply applied the 3% inflator to the 2024 lines. The Gate Sentry subscription charge is therefore not included. We recommend CTA try to get a response from Safety and Security on this item.</p>	HL
45	Utilities, Internet & Video	<p>Internet why the doubling? More gates?</p> <p><b>ANSWER:</b> This has not doubled. Look at the combined lines, Utilities/Non-Internet (44) plus Utilities/Internet and Video (45). In 2023 the total was \$24,829. In 2024 it is \$23,550. In 2025 it is proposed to be \$24,257. The expense was redistributed between the categories in the current budget.</p>	NS
58 (LTP)	Traffic Study/Implementation	<p>\$55,000 for a traffic study for the North side? Seems excessive.</p> <p><b>ANSWER:</b> This is not for the North side. This is the budget to implement the traffic study including the installation of rumble strips and speed bumps throughout Traceway, with final approval by the CTA Board.</p>	HL

## 2025 Budget Questions, Part II

1. The \$20,000 that is being shown for Professional Services needs to be limited in some way. This should not be open ended. This was addressed before July meeting in the questions doc:

[Randi Constant, Treasurer] - CTA's Capital Expenditures & Capitalization Threshold Policy in accordance with the bylaws actually states that there should be a discretionary fund of \$10,000 accessible to the Executive Committee. Instead of having a fully open-ended account for expenditures, the only reason why we should have any large unplanned expenses is when we need professional services outside the scope of our volunteers.

In the same Capital Policy, implemented in our by-laws in 2017, CTA is required to maintain a list of fixed assets showing the date of the acquisition, its costs, and schedule of depreciation of assets and to use the IRS useful lives and depreciation methods for book accounting and tax returns. The Treasurer has formed a committee to gather this information since the data was deleted by former Treasurers since 2017 and that NONE of the LAST NINE Treasurers since 2017 have abided by the CTA Policy and By-Laws. While the volunteer committee has spent hundreds of hours tracking down this information, in order to begin amortizing our assets, the Balance Sheets of start and end periods will need outside professional services for tax sign off by North Carolina licensed CPA. Additionally, we will need extra hours with the bookkeeper to enter all the assets and amortization schedules into QUickbooks. The Balance Sheet sign off is separate from the regular annual audits that are included in the tax itemized lines.

Additionally, CTA is working on updating its bylaws. The executive committee reached out to the community and followed up with suggestions by residents. The resident has informed the EC that their fee is \$800/hour. This is also an example of where we would need outside professional services.

In 2024, we also had a discrepancy in bridge overage costs where the contactor was looking for an additional \$12k. Incidents like this are expected to continue to occur and we must be able to defend ourselves in these types of events.

2. POAs on the Southside are weary of the comments from their residents about people coming in the back exit gates. I would like to make a motion and vote to install a “man gate” or whatever it is called to prevent cars from coming in that way? I still like the type that rental car agencies have at the airports where they are one way or your tires will be punctured if you drive in the wrong direction.

[Jody Jackett, S&S Chair] - The Flow plates is what they are talking about for the exit. The mantrap gates are the Sally ports for the entrance side.

3. The budget forecast assumes a 3% inflation rate. I don't have a crystal ball but I think we should plan for at least 4 %.

[Randi Constant, treasurer] - The LRP model uses for all capital projects and expenditures a 4% inflation rate based on the recommendation of the paving company which is the largest expected cost in the budget.

The Operations' costs use a 3% model as a base inflation, but each committee had the opportunity to adjust the line items based on their own expectations for inflation or “absolute values”. For example. The SPA Contract for the guards has a 5% contract price adjustment for year over year. This was included in the line item. Other items that have a higher adjustment is the insurance. The price was based on the insurance's broker's recommendation to ensure we had sufficient funds in the budget.

4. For 2025 LRP, I see a total of about \$24K for the north gate and \$4K for the south gate. For instance, what is the \$10K for titled \$NG Exit Project? Need Explanation.

[Jody Jackett, S&S Chair] – There is damage to the gate as well the gate hut needs repair and clean up. South gate hut needs clean up and maintenance is needed on HVAC / Heater as well as damage to the gate needs a welding job redone.

5. For 2025 LRP, a \$14K bridge inspection covers what? Which bridge or bridges? For 2027 LRP there is another inspection for \$15,142.

[Rod Loss, TRAM representative] - The budgeted \$14K for 2025 entails having HDR perform inspections on both bridges, from all the work that contractors performed over the last two winters. HDR estimated two inspections: 1) during day-to-day operation, with water levels at normal levels, and 2) a deeper inspection - whenever Trace is able to lower the water level enough, so that foundation cement work could be observed.

6. For item #54 (Crush and Run), there is \$30K for 2025 and \$32,448 for 2027 but nothing for 2026. This seems odd but maybe it takes a year to see where the next amount needs to be applied. Can this be clarified?

[Rod Loss, TRAM representative] - Line item #54 for crush and run (or asphalt if needed) is for 2025 and 2027. The year 2026 is not budgeted because TRAM will need that time to evaluate what work must be done.

**CTA Voting, Per Dec. 2023 Census - Form updated 02/15/2024**

**SUBJECT: Approval of the draft 2025 CTA (v.9) and Long Range Plan, plus aspirational 2026 and 2027 drafts (Motion by HLPOA, seconded by HCPOA)**

POA	POA CENSUS DATA			MEETING ATTENDANCE		VOTING BY POA (enter votes here)				VOTING BY LOTS			
	Total Lots	Assessable Lots	Net Voting Lots	POAs Present (1=present; 0=absent)	Voting Lots Present	POA	YES	NO	ABSTAIN	YES Votes By Lots	NO Votes By Lots	ABSTAIN Votes By Lots	1 vote per POA?
Eagles Nest	67	67	67	1	67	EN	1			67	0	0	OK
Golf East	82	82	82	1	82	GE	1			82	0	0	OK
Golf North	139	139	139	1	139	GN	1			139	0	0	OK
Golf West	46	45	44	1	44	GW	1			44	0	0	OK
Harbor Creek	167	166	154	1	154	HC	1			154	0	0	OK
Hidden Lake	254	254	235	1	235	HL	1			235	0	0	OK
Highland Woods	47	46	45	1	45	HW	1			45	0	0	OK
Lakewood	71	69	54	1	54	LW	1			54	0	0	OK
Laurel Thicket	251	251	242	1	242	LT	1			242	0	0	OK
Mallard Cove	201	196	197	1	197	MC	1			197	0	0	OK
North Shore	311	311	311	1	311	NS	1			311	0	0	OK
Sedgemoor	170	170	170	1	170	SM	1			170	0	0	OK
South Landing	142	142	138	1	138	SL	1			138	0	0	OK
Southwind	170	170	152	1	152	SW	1			152	0	0	OK
Stonegate	49	47	45	1	45	SG			1	0	0	45	OK
Village at Trace	36	36	36	1	36	VT	1			36	0	0	OK
Woodfield	73	72	66	1	66	WF	1			66	0	0	OK
Woodmere-Trentwood	235	235	227	1	227	WT	1			227	0	0	OK
<b>Totals</b>	2511	2498	2404	18	2404		17	0	1	2359	0	45	

<b>TOTAL "YES" VOTES REQUIRED FOR MOTION TO PASS:</b> 51% 66.667%	of Column D total = of Column E total =	1226 1603	<b>RESULTS:</b>	% of YES votes	% of NO & ABSTAIN Votes	2359	45
				98%	0%	This condition PASSED	
				98%	0%	This condition PASSED	

**Two-Tier Voting (Columns D, E):** Approval shall require: (1) a majority vote by Directors or Alternate Directors in attendance who shall vote their respective POA as an undivided voting block. The sum of the lots represented by the Directors or Alternate Directors in attendance shall equal 100%. Approval requires two-thirds (2/3) of that sum. However, such two-thirds (2/3) total cannot be less than 51% of the total lots represented by all POAs in good standing.

**CTA Voting, Per Dec. 2023 Census - Form updated 02/15/2024**

**SUBJECT: Amend the CTA Bylaws to Change Assessments Ratios from 6:1 to 4:1 Effective with the 2025 Budget (Motion by HLPOA, seconded by HCOA)**

POA	POA CENSUS DATA			MEETING ATTENDANCE		VOTING BY POA (enter votes here)				VOTING BY LOTS			
	Total Lots	Assessable Lots	Net Voting Lots	POAs Present (1=present; 0=absent)	Voting Lots Present	POA	YES	NO	ABSTAIN	YES Votes By Lots	NO Votes By Lots	ABSTAIN Votes By Lots	1 vote per POA?
Eagles Nest	67	67	67	1	67	EN	1			67	0	0	OK
Golf East	82	82	82	1	82	GE	1			82	0	0	OK
Golf North	139	139	139	1	139	GN	1			139	0	0	OK
Golf West	46	45	44	1	44	GW	1			44	0	0	OK
Harbor Creek	167	166	154	1	154	HC	1			154	0	0	OK
Hidden Lake	254	254	235	1	235	HL	1			235	0	0	OK
Highland Woods	47	46	45	1	45	HW	1			45	0	0	OK
Lakewood	71	69	54	1	54	LW	1			54	0	0	OK
Laurel Thicket	251	251	242	1	242	LT	1			242	0	0	OK
Mallard Cove	201	196	197	1	197	MC	1			197	0	0	OK
North Shore	311	311	311	1	311	NS	1			311	0	0	OK
Sedgemoor	170	170	170	1	170	SM	1			170	0	0	OK
South Landing	142	142	138	1	138	SL	1			138	0	0	OK
Southwind	170	170	152	1	152	SW	1			152	0	0	OK
Stonegate	49	47	45	1	45	SG			1	0	0	45	OK
Village at Trace	36	36	36	1	36	VT	1			36	0	0	OK
Woodfield	73	72	66	1	66	WF	1			66	0	0	OK
Woodmere-Trentwood	235	235	227	1	227	WT	1			227	0	0	OK
<b>Totals</b>	<b>2511</b>	<b>2498</b>	<b>2404</b>	<b>18</b>	<b>2404</b>		<b>17</b>	<b>0</b>	<b>1</b>	<b>2359</b>	<b>0</b>	<b>45</b>	

<b>TOTAL "YES" VOTES REQUIRED FOR MOTION TO PASS:</b> 51% of Column D total = 1226 66.667% of Column E total = 1603	<b>RESULTS:</b>	% of YES votes	% of NO & ABSTAIN Votes	2359	45
		98%	0%	This condition PASSED	
		98%	0%	This condition PASSED	

**Two-Tier Voting (Columns D, E):** Approval shall require: (1) a majority vote by Directors or Alternate Directors in attendance who shall vote their respective POA as an undivided voting block. The sum of the lots represented by the Directors or Alternate Directors in attendance shall equal 100%. Approval requires two-thirds (2/3) of that sum. However, such two-thirds (2/3) total cannot be less than 51% of the total lots represented by all POAs in good standing.