

CAROLINA TRACE ASSOCIATION

<http://www.ctaincnc.com>

MINUTES of June 2nd, 2020, CTA BOARD OF DIRECTORS MEETING

David Smoak, CTA President, called the meeting to order at 7:01 p.m.

ATTENDANCE:

DIRECTORS or ALTERNATES

Eagles Nest	Kathy Jelen	Highland Woods	Chuck Popke	South Landing	Dan Eastham
Golf East	Mike McDonald	Lakewood	Charles Wick	Southwind	Forrest Breyer
Golf North	Jody Jackett	Laurel Thicket	Shannon Taylor	Stonegate	Absent
Golf West	Marilee Ostman	Mallard Cove	Lisa Doscher	Village at Trace	Sharwynne Blatterman
Harbor Creek	Mike Dussault	North Shore	Bill Glance	Woodfield	Elaine Bednarcik
Hidden Lake	Steve Bolstridge	Sedgemoor	Absent	Wdmr/Trentwood	Bob Dykeman

OFFICERS

President and Chair of the Executive Committee	David Smoak
Vice President and Chair of the Security and Safety Committee	Cal Saltzman
Treasurer and Chair of the Finance Committee	Oscar Roberto
Assistant Treasurer	Ed Nelson
Secretary	Kate Woods

Guests

QUORUM CALL - A quorum was reached with 16 directors present and agreeing to this video conference being a legitimate meeting of the CTA Board.

APPROVAL OF MINUTES - The minutes of the May 2020 meeting were approved by unanimous consent.

GROUP REPORTS - CTCC Liaison - No Report.

Utilities Report - Please see attachment #1.

CT Fire Dept - No report.

PRESIDENT'S REMARKS – Please see attachment #2. By-Law amendments were proposed for consideration, please see Attachment #3.

FINANCIAL REPORT – May Financial Summary is attachment #3. 3rd Quarter bills have been sent out to the POAs. SPA payment was made this month.

Audit: A new auditor has been chosen as Lee West no longer performs audits. A motion was made to increase the amount allocated for the audit to cover the amount quoted by the auditor. Please see attachment #4. Motion was approved.

SECRETARY- No report.

COMMITTEE REPORTS

Security & Safety – Security Log is Attachment # 5.

Security: See attachment # 6 for security report. New North gate stickers are available. A resident who tailgated through the North Gate sent another resident a threatening letter that has been reported to the Lee County Sheriffs. A resident reported that a vendor tailgated through the North Gate. Effort is being made to identify and contact this vendor to handle this violation. The Committee has asked that all residents be reminded of the importance of registering boats in case of theft or unmooring during storms. Registration forms are available on the CTA website. The May CERT Report is Attachment # 7. CTA has acquired the CERT trailer as an asset. It has been insured.

Traceway Roads & Maintenance (TRAM) – Please see attachment # 9. Traceway widening is already underway. Spare parts are being purchased for the North Gate to facilitate faster turnaround for necessary repairs. Residents are concerned with the new expansive growth of algae in Lake Trace. CTA is looking for volunteers to form a Lake Committee to address this and other issues and to help propose solutions.

OLD BUSINESS -No old business.

NEW BUSINESS – No new business.

NEXT CTA Meeting – Next meeting is scheduled for July 7, 2020.

ADJOURNMENT – The meeting was adjourned by the President at 7:49 pm.

Respectfully submitted by,

Kate Woods, Secretary, Carolina Trace Association

Attachments:

Attachment #1: Utilities Report

Attachment #2: President's Remarks

Attachment #3: By-law Amendments

Attachment #4: March 2020 Treasurer Report

Attachment #5: Motion to Increase Audit Allocation

Attachment #6: Security Log May 2020

Attachment #7: Security Report

Attachment #8: CERT Report

Attachment #9: TRAM Report

Draft

Utilities Report

There are two items of note this month.

First.

This month's water/sewer bill reflects the full impact of the new rate increase. The BASE Rate now represents 80% of the average (3,300 gal/mo) CTA bill which is \$110.26.

Second.

The recent heavy rains have caused the lake to rise to the point that several manholes, which are in the lake, were covered and caused some manholes away from the lake to backup and overflow. CWSNC needs the lake valves to be opened to lower the lake and asked me to help them establish contact with 'whomever' owns the dam so they can get the valves opened to lower the lake level. At CWSNC request, I arranged for contact between CTCC Management and CWSNC. As of this date, the issue of lowering the lake level, via timely opening of the dam valve, is not yet resolved.

CTA President's Remarks June 2, 2020

1. Regarding our combined liability insurance policy, it is imperative that each POA with a pool respond with a status of your inspection and other items that were distributed to the Directors in April. While it is understandable that with COVID and contractor scheduling, there are issues that still need to be resolved, however it is also important that we communicate through our broker our intent to comply with the underwriter's concerns or they may send us a cancellation notice! Your status should be sent to ctaprestr@gmail.com and ctatreasu@gmail.com.
2. For your review I have drafted three Bylaw Amendments that I believe will help improve and clarify our operating procedures. I had originally mentioned a fourth amendment but after discussion with the Treasurer, we feel the issue of allocating certain expenses can be worked out without a Bylaw change. All Bylaw changes must be approved through the 2-Tier process and I cannot initiate these motions. I ask that you Directors take the attached motions, give it a month to review/think about it and then I would like a Director to bring them forward in July to begin the 2-tier vote process. This would ideally result in an August approval vote which would **not** change the budget approval calendar for this year, but it would accelerate the 2021 CTA Officer nomination process. If a Director contacts me regarding an edit or sponsoring this motion I will send it to you as an editable document and we can clarify any changes you request.
3. Please clarify to your POA residents the rights and access they have. Carolina Trace is composed of 18 individual POAs and a Club. Being a legal resident of one POA only entitles access to that specific POA's amenities. Each pool, (to include the Club) belongs to those specific organizations, if you do not pay for an amenity then you are not entitled to use it, and the Sheriff will be called out by POA representatives (Presidents, Board members, etc) not by the Gatehouse Security Guards. With that being said, there is a token amount paid each year to Harbor Creek from the CTA Operating Budget and in exchange Harbor Creek POA has agreed to allow other POA residents access to their marina for boat launching. Let me be clear, this is an agreement from the generosity of the Harbor Creek POA for the enjoyment of the entire community for one specific action, boat launching. If you are not a Harbor Creek resident, you are not entitled to nor do you pay for the other amenities at their marina area i.e. playground, pool, rec areas. If you have any questions about access to the HC marina, please contact harborcreekpoasecretary@gmail.com
4. Finally, it happens every summer that as the days get longer and people spend more time outside, there is an increase in thefts and other petty crimes of residents' property reported here in Trace. It is essential that we all recognize that this is a mostly safe, gated community of 1600 homes and about 4,000 residents, but the sheer size of our community necessitates that we take individual protective measures even with our professional security staff. I encourage all of you to continue to lock your vehicles and homes, secure any items left outside or on boats and even install some video cameras and lights to help capture these thieves in action. This has been an extremely unusual and stressful year to this date, please review your own home and individual security measures!

Thank You and Be Safe,

David Smoak
CTA President

CTA Bylaw Amendment #1

CTA Bylaw Article 7.2.a outlines the budget approval timeline for the Finance Committee responsibilities which specifies presentation in August and approval in October. Whereas the approval timeline allows sufficient planning time for the next CTA financial year, there are numerous POAs that have difficulties planning their own annual budgets and assessments when CTA's budget is not confirmed until October or occasionally November which has happened in the past.

Proposed Amendment Article 7.2.a from:

“...the preparation of an annual budget to be submitted at the regular August meeting, completed and approved at the October meeting”

changed to:

“...the preparation of an annual budget to be submitted at the regular July meeting, completed and approved at the September meeting”

CTA Bylaw Amendment #2

CTA Bylaw Article 8.1 is also related to the CTA budget approval timeline and has frequently caused a conflict in timing. Whereas the time between the presentation of a budget and the POA vote is clearly specified as two months apart and the time required for 2-tier budget votes is cited as the “second regularly scheduled meeting”, there is one part of the CTA Bylaws(8.1) that specifies 60 days as the time required between submission and approval. With the regular schedule of CTA meetings on the first Tuesday of every month, there are numerous years when the time between submission and approval is close to but less than 60 days.

Proposed Amendment Article 8.1 from:

“The Annual Assessment is then submitted for approval at a subsequent regular meeting after a minimum interval of sixty (60) days.”

changed to:

“The Annual Assessment is then submitted for approval at a subsequent regular meeting after a minimum interval of forty-five (45) days”

CTA Bylaw Amendment #3

CTA Bylaw Article 6.2 outlines the timeline for the nomination and election of CTA Officers. Whereas Robert's Rules and the Bylaws clearly allows the process of contested elections, the existing process has proven awkward with both candidates appearing at the January meeting and trying to be prepared for their duties within several minutes after being elected. Moving the process up by one month would allow the elected persons to prepare for their responsibilities while avoiding the awkwardness of dismissing the losing candidate at the same meeting they would have otherwise been participating in. It should be noted that this would change the Annual Meeting to the last month of the year also.

Proposed Amendment Article 6.2 from:

“At the regular September Board meeting, the President shall appoint a Nominating Committee...” , “...At the regular December Board meeting, the Committee will report its recommended nominees...” and “The election of officers shall take place at the regular January meeting of the Board of Directors.”

changed to:

“At the regular August Board meeting, the President shall appoint a Nominating Committee...” , “...At the regular November Board meeting, the Committee will report its recommended nominees...” and “The election of officers shall take place at the regular December meeting of the Board of Directors.”

Carolina Trace Association, Inc.
May 2020 Financial Summary

		May 31, 20	Apr 30, 20	\$ Change
ASSETS				
Current Assets				
Checking/Savings				
	Business Checking ****9106	\$ 113,554.59	\$ 188,214.26	\$ (74,659.67)
	Business Checking MMkt ****6807	\$ 93,633.88	\$ 93,629.92	\$ 3.96
	CTA POA Legal ****7347	\$ 2,726.60	\$ 1,978.60	\$ 748.00
	CTA POS ***1504	\$ 4,000.00	\$ 4,000.00	\$ -
	Clearing Account	\$ -	\$ -	\$ -
	CTA CD 3 ****4679 6/13/20 \$25K	\$ 25,000.00	\$ 25,000.00	\$ -
	CTA CD 4 ***3519 7/18/20 \$50K	\$ 50,000.00	\$ 50,000.00	\$ -
	CTA CD 5 ****4058 10/6/20 \$51K	\$ 50,990.25	\$ 50,990.25	\$ -
	CTA CD 6 ****4065 10/6/20 \$200K	\$ 200,555.70	\$ 200,555.70	\$ -
	Total Checking/Savings	\$ 540,461.02	\$ 614,368.73	\$ (73,907.71)
Accounts Receivable				
	11000 · Accounts Receivable	\$ -	\$ -	\$ -
	Total Accounts Receivable	\$ 76.14	\$ -	\$ 76.14
Other Current Assets				
	12000 · Undeposited Funds	\$ -	\$ -	\$ -
	Total Other Current Assets	\$ -	\$ -	\$ -
	Total Current Assets	\$ 540,537.16	\$ 614,368.73	\$ (73,831.57)
TOTAL ASSETS		\$ 540,537.16	\$ 614,368.73	\$ (73,831.57)
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
	20000 · Accounts Payable	\$ -	\$ -	\$ -
	Total Accounts Payable	\$ -	\$ -	\$ -
	Other Current Liabilities	\$ 1,596.96	\$ 2,352.97	\$ (756.01)
	Total Current Liabilities	\$ 1,596.96	\$ 2,352.97	\$ (756.01)
	Total Liabilities	\$ 1,596.96	\$ 2,352.97	\$ (756.01)
Equity				
30100 · Reserve Fund				
	30120 · Traceway Upgrades	\$ 55,000.00	\$ 55,000.00	\$ -
	30110 · General Reserve	\$ 380,410.31	\$ 380,410.31	\$ -
	Total 30100 · Reserve Fund	\$ 435,410.31	\$ 435,410.31	\$ -
	Total Equity	\$ 435,410.31	\$ 435,410.31	\$ -
TOTAL LIABILITIES & EQUITY		\$ 437,007.27	\$ 437,763.28	\$ (756.01)

Payments: Major payments this month were SPA for \$24,964 and Nu-Pipe for \$40,000.

Reserve/Capital Funds: Total Reserves amount to \$435,410.31

Notes: CTA CTA CD3 has an interest rate of 1.6% and matures on 6/13/20. CTA CD4 has an interest rate of 1.3% and matures on 7/17/20. CTA CDs 5 and 6 mature on 10/6/20 and have an interest rate of 1.6%.

Oscar Roberto, CTA Treasurer

Ed Nelson, CTA Assistant Treasurer

Motion to Increase Audit Allocation

The approved 2020 CTA Budget has a line item for accounting fees for \$4,970.00. The Treasurer, CTA Assistant Treasurer and the CTA Vicepresident met with Lloyd McConnell, CPA to start the 2019 audit. The cost of an Audit is \$6,500.

The Treasurer proposes the following Motion,

Move to increase the Accounting Fees allocation in the CTA 2020 Budget to \$6,700.00

SECURITY LOG FOR THE MONTH OF MAY 2020

CATEGORY	WEEK 1-2	WEEK 3-9	WEEK 10-16	WEEK 17-23	WEEK 24-30	WEEK 31	TOTAL
ACCIDENT	0	0	0	0	0	0	0
EMS	4	2	1	8	1	0	16
PATROL RESPONSE	2	7	6	6	7	1	29
PATROL HOURS	96	336	336	336	336	48	1,488
SHERIFF PATROL	6	7	9	2	4	0	28
SCHEDULE PERMITS	349	1,397	1,365	1,120	1,341	306	5,878
ACTUAL PERMITS	293	1,196	1,170	961	1,098	225	4,943
UNSCHEDULE GUEST	0	0	0	0	0	0	0
FIRE ALARM	0	0	0	0	0	0	0
UNLOCKED DOORS	0	0	0	0	0	0	0
VANDALISM	0	0	0	0	0	0	0
CITIATIONS	0	0	0	0	0	0	0
CTGP	0	1	0	0	2	0	3
GOLFERS	192	367	266	38	136	102	1,101
CTCC	2	4	0	0	6	0	12

Safety and Security Report

North Gate E-Sticker Deactivation: CTA had its first violation of North Gate E-Sticker use. An individual was using his North Gate E - Sticker on a vehicle that it was not purchased for, a vehicle that was not authorized to have an E-Sticker (it was a company owned vehicle). The e-sticker was immediately removed from the system. The individual contacted the gatehouse and was given my phone number. The individual was initially upset about the cancelation. However, after significant discussion of the issue, the individual agreed he was in the wrong and understood the action that was undertaken by CTA. The violation was caught during the review of gate video because of a complaint of improper use of the gate.

Change of Service Carrier and Type of Service for Main Gatehouse: CTA Security is studying the possibility of replacing the Spectrum land line phones that Carolina Trace Residents utilize to communicate with the gate for emergencies and visitor access. CTA has found that Verizon now offers a 6 and 10 button desk cell phone for business that costs almost the same as the existing Spectrum land line phones which have continued to be unreliable since installation. There also will be an additional cost to purchase the new phones of approximately \$400.00. Carolina Trace should see an immediate improvement of service if action is approved by the CTA Security Committee on June 2, 2020.

North Gate License Camera Damaged: A resident backed into the North Gate License Camera and damaged it. Because CTA has video surveillance of this area, the action was recorded. CTA/SPA is working with the individual who damaged the camera and the repair agency to repair the item. The individual will be invoiced by CTA for the repairs. Should retribution not be made within the CTA within the invoice allocated time, all electronic stickers for the individual will be de activated until paid.

Lightning Strike at Gate House: On 5/28/20 the Carolina Trace Gatehouse was damaged by lightning which resulted in the loss of all communications to the gatehouse. Even though the facility has a Duke provided surge protector, the lightning destroyed the Telephone modem, a lightning suppression buss bar, and partially destroyed one of the two gatehouse printers. The Telephone modem was replaced by Spectrum the next morning. The printer and lightning suppression equipment were repaired/bypassed and are now operational.

Gatehouse Duke Power Issue: During a program to replace all of its electrical power meters with remote accessible meters, CTA discovered that the Gatehouse meter was not located on the gatehouse and was actually located about 200 feet from the gatehouse. During a recent inspection of the meter and the connection to the gatehouse CTA discovered that the meter and connecting Junction Box had been modified, was no longer safe, had unauthorized service added to it and is in severe violation of electrical code. CTA has contacted Duke energy to have them evaluate the cost of moving the service to gate house. Duke is expected to meet with CTA during the week of June 1 -5, 2020. During the discussion with Duke the unauthorized connections to this service will be also be discussed.

Un Authorized Access to Traceway from A POA: During a routine request to determine if a builder was utilizing an authorized entrance from Traceway to access his property rather than via his POA egress CTA discovered at least one homeowner had created a second egress (other than his POA's) from his lot. To resolve this issue CTA is working with Lee County Building and Planning to determine if the violation is valid and if valid is it a building code violation. When a structure is placed on a lot within Lee County a new Plat of the structure showing egress location is required. This document will be the

basis of this assessment. Almost all lots in CTA egress first onto a POA's street and then eventually egress onto Traceway (CTA owned and maintained). If CTA and Lee County agree there is a problem the POA and homeowner will be requested to correct the violation.

CERT Report for Safety & Security Committee for 2 June 2020

Training was cancelled for March, April, May and June because of COVID-19. At the end of April, CERT began the Remote CERT Exercise 2020. Five teams were designated across the county (3 of which were in Carolina Trace). Scenarios and tasks were sent out via email for each team. Our CERT Ham group is relaying messages as well. The exercise will last for a few more weeks and has been a valuable learning experience.

We hope to return to our 2020 Training Plan sometime this summer.

TRAM Report

Due to the colder and wet weather several projects have been pushed back to June.

Completed in May

- 1) Clearing of gutters along guardrail Rt 87. (Thanks Steve Fergus)
- 2) Weed trimming side of road both North and South sides (Thanks Ron Moeller)
- 3) Spraying weeds along Traceway
- 4) Yellow reflective strips added to post at speed bumps
- 5) Painted 2 speed bumps along Traceway
- 6) Fixed mister system in planter area in front of gate house
- 7) Cleaned out several small culverts
- 8) Added concrete between culverts south of North Shore sign.
- 9) Removed two fallen trees from Traceway (Near Southwind / Bottom of Northridge Trail)

Upcoming in June

- 1) Mark Mitchell to widen Traceway asphalt. Areas marked with white paint.
- 2) Continue painting speed bumps / lines
- 3) Road test up to 4 sealcoating products (Mark Mitchell / Ken Clark)
- 4) Get Mark Mitchell's bid for sealcoating Traceway.

Special Thanks to Steve Sohinki for his service to CTA as a volunteer on the TRAM committee. Steve and Donna are leaving Trace to be closer to their family.