

# CAROLINA TRACE ASSOCIATION, INC

## 2015 Annual Report

### I. PRESIDENT'S LETTER

None submitted.

### II. SECRETARY'S REPORT

#### Actions Taken in 2015 by the CTA Board of Directors

David Smoak, CTA Secretary

January – Election of President Alan Dirk, VP Dick Brown, Secretary Terry Riddle and Treasurer Sally Grocott. Participation in state Firewise program was approved although the amount available was lowered from \$25,000 to \$8,000 for the entire community to share.

February – CTA, Escalante Corp and Stonegate POA all signed an agreement allowing settlement of damages inflicted from construction of Hwy 87 Bypass by state of NC, payment will be received in a few months. An enabling motion was made for a bylaws change regarding the definition of non-revenue producing properties. Spending not to exceed \$13,700 to expand, pave and landscape the parking area at the school bus turnaround was approved.

March – Amendment of Article VIII, Duties of Members; Section 3, Census; paragraph b, Exceptions was approved to read:

**Non-revenue producing properties are defined as all properties for which no money has been collected for the current year thru August 1st of that year. This may include, but is not limited to, the following: 1) Properties currently under lien(s) for non-payment of the owners' association general assessment(s). 2) Properties on which a judgment is held. 3) Properties in bankruptcy 4) Properties deeded to a property owners' association or CTA. 5) Properties which are past due as of August 1st of the current year**

April – The implementation of a permit to exterminate geese on CTA property was temporarily suspended pending further discussion with the state.

May – Long Rang Planning Committee was re-formed. An enabling motion passed that CTA approve expenditures up to \$25,000 for renovations of the school bus turnaround area to improve capacity and safety.

June – Two enabling motions were passed for the two-tier voting process regarding improvements at the CTA turnaround/bus stop circle. A \$30,000 and \$45,000 plan were discussed with the major cost difference being an investment in sidewalks. Due to the few geese and their location off CTA property, the exercise of the removal permit will not be implemented.

July – The two enabling motions passed in June were tabled pending further discussion of alternate bus stop plans. An independent engineering company was approved to conduct a capital assets and reserve study.

August – An enabling motion for the 2016 CTA budget was passed. An emergency motion authorizing the Executive Committee to engage legal counsel with expertise in the area of environmental law to represent CTA and the interests of Carolina Trace residents in opposition to the Special Use Permit Application for the Little River Quarry; and to further authorize the Executive Committee to engage expert witnesses, as they in their sole judgment deem necessary, to present sworn testimony before the Lee County Board of Adjustment and, as required, by any appellate proceedings was passed.

September – Instead of expanding the current turnaround/bus stop, two alternate locations were created at the emergency exits of Traceway and Cox Mill Rd. While the first application for the Little River Quarry was withdrawn, it is anticipated that a second application will be submitted soon. Nominating Committee for 2016 CTA Officers was appointed.

October – A motion passed to increase the Safety & Security line item for an extra bus stop guard by \$6500 to \$12,500. The amended budget presented in August did not pass, but a motion to increase the current improved lot assessments by \$5 to \$324 and the current unimproved lot assessments by \$1 to \$54 did pass and the 2016 budget will be amended to accommodate those assessments.

November – 2016 CTA budget was approved.

December – Nominating committee presented their slate of recommendations for 2016 CTA Officers. A motion passed waiving a previous requirement for parents to sign liability waivers in order for their children to use the new bus stops.

### **III. TREASURER'S REPORT**

Sally Grocott, CTA Treasurer

In early 2016 the CTA 2015 financial records were given to Lee West, CPA to be reviewed. As of the writing of this report, CTA has not received a statement of revenues and expenses from Mr. West. When a report is submitted, a copy will be given to each CTA officer and director.

As of the September 2015 census, there were 1573 improved lots and 933 unimproved lots in Trace. That is an increase of 9 improved lots. 50 improved lots and 75 unimproved lots were either under lien or in foreclosure. That is an increase of 11 improved lots and an increase of 19 unimproved lots since September 2014. The POA treasurers are diligent about trying to collect back assessments, but it has been an up-hill battle. Hopefully, if the economy increases the number of liens will decrease.

During 2015 monies from the reserve account were used to purchase a new computer and accessories, new telephones, paving of the emergency roads at the north and south end of Traceway, and to pay attorney fees associated with the Quarry issue. As of December 2015 CTA

has spent \$225,691 in attorney fees and payment for expert witnesses to fight the consortium that wanted to put a quarry across from Trace. Fortunately, due to prudent planning by the CTA Board of Directors, CTA had the money with which to fight the issue. As a result, these monies will have to be replaced so that repairs can be made of our aging infrastructure - decaying bridge railings, resurfacing roadways, crumbling culverts under Traceway.

2015 INCOME AND EXPENSES vs BUDGET, by major categories  
Totals reflect rounding to the nearest dollar

<b>INCOME</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>DIFFERENCE</b>
Assessments	\$552,756	\$534,419	\$18,337
Interest, Permits, estickers	\$35,088	\$16,700	\$18,388
<b>TOTAL INCOME</b>	<b>\$587,844</b>	<b>\$551,119</b>	<b>\$36,725</b>
Less income for reserves*	\$15,363	\$0	\$15,363
<b>TOTAL OPERATING INCOME</b>	<b>\$572,481</b>	<b>\$551,119</b>	<b>\$21,362</b>
<b>EXPENSES</b>			
Safety & Security Expenses			
Southern Protection Agency	\$303,389	\$304,024	(\$635)
Utilities & Lighting	\$15,229	\$20,000	(\$4,771)
Gate/gatehouse maint & supplies	\$8,406	\$11,300	(\$2,894)
CERT	\$2,100	\$2,100	\$0
<b>TOTAL Safety &amp; Security</b>	<b>\$329,124</b>	<b>\$337,424</b>	<b>(\$8,300)</b>
Roads & Grounds Expenses			
Grounds Maintenance	\$64,768	\$85,700	(\$20,932)
Road Maintenance	\$97,832	\$92,500	\$5,332
Storm Clean-up	\$1,185	\$7,866	(\$6,681)
Beautification	\$3,148	\$3,500	(\$352)
<b>TOTAL Roads &amp; Grounds</b>	<b>\$166,933</b>	<b>\$189,566</b>	<b>(\$22,633)</b>
General Administrative Expenses			
Taxes	\$7,708	\$7,000	\$708
Insurance	\$7,484	\$5,500	\$1,984
Misc. G&A	\$6,263	\$7,300	(\$1,037)
<b>TOTAL General &amp; Admin</b>	<b>\$21,455</b>	<b>\$19,800</b>	<b>\$1,655</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$517,512</b>	<b>\$546,790</b>	<b>(\$29,278)</b>
<b>Operations surplus</b>	<b>\$54,969</b>		

\*monies from stickers were put into reserves to purchase new estickers

**CONSOLIDATED CASH REPORT**  
For fiscal year 2015 and 2016 budget

<b>DATE</b>	<b>OPERATING ACCT</b>	<b>RESERVE ACCT</b>	<b>TOTAL CASH</b>
Balances as of 1/1/15	\$182,827	\$382,903	\$565,730
2015 Total Income	\$572,487	\$15,363	\$587,850
2015 Total Expenses	\$520,234	\$320,070*	\$840,304
Balances as of 12/31/15	\$235,079	\$78,197	\$313,276
Balances as of 1/1/16	\$235,079	\$78,197	\$313,276
2016 Budgeted Income	\$572,109	0	\$572,109
2016 Budgeted Expenses	\$572,154	0	\$572,154
Budgeted 12/31/16 balances	\$113,034	\$78,197	\$191,231

Reserve account spending:

- Attorney fees and related expenditures to fight the quarry issue
- Computer and accessories
- Camera & DVR
- 2 telephones
- Purchase of new estickers
- Paving of roads
- Long range planning study

**IV. SECURITY & SAFETY COMMITTEE REPORT**

**Dick Brown, CTA Vice President**

2015 Has been a very busy year, and my first year. The security committee continues to focus on issues that will improve our overall safety and security. If you have any issues, please contact me directly.

☐ We continue to improve the interaction with the Country Club to automate the process allowing Country Club guests easier and quicker access through the Visitor gates.

☐ The school bus stops have been moved to the emergency exits, both North and South Exits. This removes a congestion problem at the front gate, and provides a safe area for the children now controlled by a guard and the parents. The only buses now entering Trace are for a few handicapped children, and some after school events. We continue to see an increase in the number of children using the bus stops, but the change to the emergency exits seems to be working very well. I have heard from some of you about the ease of getting in and out of Trace, and I appreciate your feedback.

☐ Security, along with CERT, continue to provide for the safety of our residents when rerouting of traffic and controlling traffic flow through the areas affected by flooding is needed. Fortunately this year has been very mild with few problems.

☐ The Emergency Hotline (919-499-2722) continues to be updated by Alan Dirk to notify residents about water outages, flooding, icy/snow covered roads, bears, use of emergency roads, and any other emergency information.

☒ We are still receiving reports of speeding and passing on Traceway. There is no passing on Traceway PERIOD. The speed limit is 25 MPH. No one will complain when you exceed the limit by a few mph, but I have witnessed cars traveling in excess of 50mph. This is not safe. Please for the sake of all of our residents, slow it down.

☒ Golf carts are allowed to use our roads, both in the POAs and on Traceway. Since there is no passing allowed on Traceway, please pull over at the first safe location and allow cars to go around you. This too seems to be a growing problem.

Overall the response to resident requests by our Security contractor (SPA) has been professional and exemplary. Our only issue is a few confrontations with people using the gate. Please be courteous, there is no reason for tempers to flair.

We look forward to serving the Trace community and thank everyone for their continued support.

## V. COMMUNICATIONS REPORT

David Smoak

Please use the CTA website, **[www.ctaincnc.com](http://www.ctaincnc.com)** (thank you, Kathy Blake, for maintaining and updating this website!)

There is a lot of information on the website, but most importantly the minutes of the monthly CTA Directors' meetings, including committee reports and the CTA Articles of Incorporation and Bylaws.

If your organization has public service information (i.e. it's non-commercial, non-political, non-religious, non-controversial, etc.) that will be of interest to the residents of Carolina Trace, you can email it to the CTA Secretary at [ctasectr@gmail.com](mailto:ctasectr@gmail.com), to be considered for distribution by CTA.