



Oak Tree HOA Annual Meeting

November 10, 2010



Agenda

- ▶ Opening Welcome 5 minutes - Rich
- ▶ Update on Goals - 15 minutes - Rich
- ▶ Financials - 15 minutes – Jon
- ▶ Santa Sleigh – 5 minutes - Jay
- ▶ Nominations - 5 minutes each (10 minutes)
- ▶ Q&A for Nominees – 10 minutes
- ▶ Voting - 15 minutes - Mickey
- ▶ Motions from floor - 10 minutes
- ▶ Close Meeting - 5 minutes - Rich



Opening

- ▶ Thanks to previous board members
- ▶ Introduction of board members
- ▶ Annual Meeting Requirements
 - ▶ Election of new board member at the annual meeting by secret written ballot.
 - ▶ Roberts Rules of Orders Revised shall govern for any question not covered by the bylaws
 - ▶ President shall preside at all meetings.
 - ▶ Vice President shall act in the place of the president in the event of his absence.
 - ▶ Secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of its members
 - ▶ Treasurer shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting and deliver a copy of each to the members.



Goals 2010 - Communication

- ▶ Institute informal HOA Member/Board get togethers at each pool on a Quarterly basis so that Board is aware of member issues.
 - ▶ Complete
- ▶ Update/refresh Web Site including more information on how the board is doing. Target completion September 2010.
 - ▶ Complete
- ▶ Hold a formal mid year meeting (in addition to Annual meeting) to feedback progress on issues to members.
 - ▶ Complete
- ▶ Work with BAM to increase accountability with community concerning status of common area maintenance including investigating posting of status on web site. Target completion September 2010.
 - ▶ Waiting on web site programming training.



Goals 2010 – Social and Community

Social

- ▶ Hold at least 2 social events (i.e., pool openings, July 4th, Halloween parade and End of August)
 - ▶ Complete – HOA Carnivals (May 23, Sept 25)

Community

- ▶ Identify and implement activities with Mooresville PD and/or Iredell County Sheriff with respect to speeding and criminal offenses by June 2010.
 - ▶ Complete – Speed Limit signs added, police patrol ongoing
- ▶ Increase community service activities in community. Target at least 3 activities for 2010 that are open to the community members and families.
 - ▶ Complete - Food drive at Party, Scoops for Serenity House, MSK (12/10/10)



Goals 2010 – Amenities Improvement

Boat Storage

- ▶ Investigate increasing boat storage including the impact of adding a playground (impermeable area) on boat storage.
 - ▶ On hold.
- ▶ Develop standards on boat storage expectations (no vehicles, commercial vehicles, trailers, etc.)
 - ▶ On hold.

Pool

- ▶ Complete Pool Maintenance projects 1Q2010.
 - ▶ All activities complete except Wading Pool.



Goals 2010 – Financial

- ▶ Define/Refine scope of work and put out bids for Landscaping, Management Company and Pool Company to assure good value for monies spent. Target completion November 2010.
 - ▶ Complete – Landscaping out for bid, Pool contract expires 2012. BAM was low bid.
- ▶ Determine more aggressive resolution concerning chronic annual due delinquencies by September 2010
 - ▶ Complete. Security Fobs, Payment plans
- ▶ Identify at least 3 cost savings opportunities by November 2010. Employ BAM to help identify.
 - ▶ In Process.



Common Goals for 2011

- ▶ Does the community want the Board to continue to formulate goals by 3/1/2011?



Other

- ▶ **BAM**

- ▶ 704 829-7878
- ▶ 704 777-4124

- ▶ **Brawley**

- ▶ Dan
 - ▶ Enforcement stepping up
 - ▶ Access to traffic light analysis



Financial

1. How did we do for the Year?
 - ▶ Income and Expenses review
 - ▶ Delinquency review
2. What is our plan for FY 2011?
 - ▶ Planned Budget



Financial

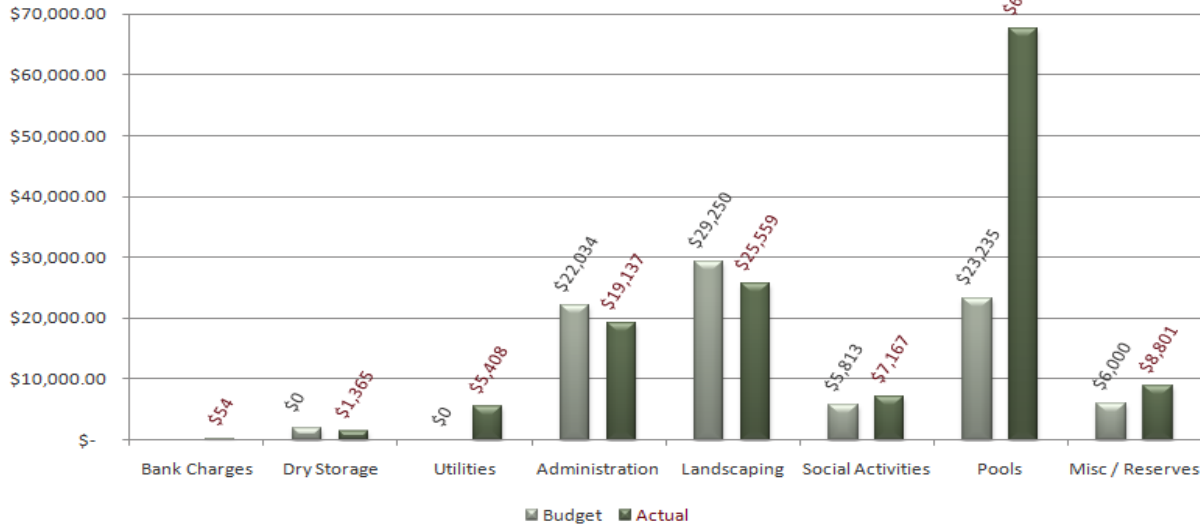
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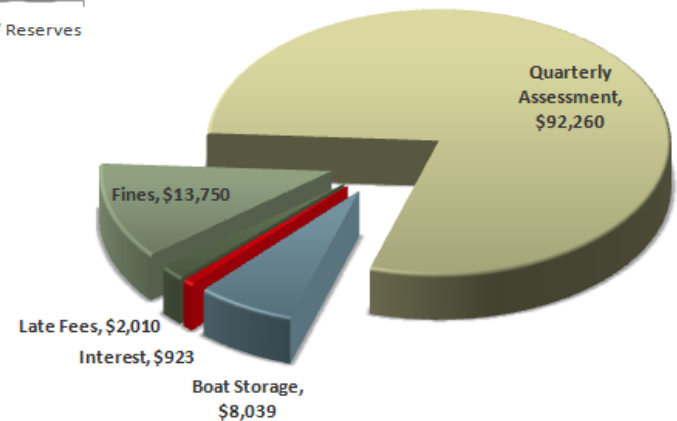
How did we do for 2010?

Summary

Jan-Sept 2010 Expenses



Jan - Sept 2010 Income



	Budget	Actual
Total Income	\$103,350	\$116,981
Total Expense	\$88,356	\$135,031
Difference	\$14,994	(\$18,050)

Repairs and Security were largest contributors to the Pool Expense Increase



How did we do for 2010?

Expense Details

Category	Sub-Category (Discretionary Highlighted)	Actual	Budget	Variance	Percent	Comments
Bank Service Charges		54.25				Misc Bank Service Charges on Account
Dry Storage						
	Lighting/Electric	1,176.75	1,575.00	-398.25	74.71%	Security Lighting
	Water	0.00	75.00	-75.00	0.0%	Water in Storage Area
	Dry Storage - Other	187.77	375.00	-187.23	50.07%	Misc Repairs
Total Dry Storage		1,364.52	2,025.00	-660.48	67.38%	
Electricity		4,543.49				
Water		864.45				
G & A						
	Bad Debt	463.02	1,500.00	-1,036.98	30.87%	Uncollectable Dues
	Insurance	4,271.00	2,625.00	1,646.00	162.71%	Liability Insurance
	Accounting & Management	6,300.00	6,300.00	0.00	100.0%	Management Company Fees
	Banking/Audit/Misc.	1,590.00	3,750.00	-2,160.00	42.4%	Bank and Audit Fees
	Copy/Print/Postage	1,469.87	1,308.75	161.12	112.31%	Postage for billing, copies, etc.
	Legal & Tax Return	1,224.05	2,250.00	-1,025.95	54.4%	Tax Prep Fees and Misc Legal fees
	Taxes/Oak Tree Property	3,819.35	4,300.00	-480.65	88.82%	Taxes on Common Area (Property)
Total G & A		19,137.29	22,033.75	-2,896.46	86.85%	
Landscaping						
	Landscaping Improvements	485.00	1,875.00	-1,390.00	25.87%	Flowers
	Contract	25,074.00	25,125.00	-51.00	99.8%	Mowing, Maintenance of common area
	Lighting/Other	0.00	1,125.00	-1,125.00	0.0%	Lighting of Monuments
	Irrigation Repair	0.00	1,125.00	-1,125.00	0.0%	Irrigation of Common Area
Total Landscaping		25,559.00	29,250.00	-3,691.00	87.38%	
Member Activities						
	Newsletter	80.00	562.50	-482.50	14.22%	Newsletter printing / mailing
	Social	7,087.28	5,250.00	1,837.28	135.0%	Pool Parties, etc.
Total Member Activities		7,167.28	5,812.50	1,354.78	123.31%	
Pools						
	Telephone	1,938.53	1,875.00	63.53	103.39%	Telephone service at pools (required - code)
	Contract	8,973.32	9,735.00	-761.68	92.18%	Cleaning and Maintenance of Pools
	Electricity	1,986.23	4,500.00	-2,513.77	44.14%	Pumps, Lighting, etc.
	Equip/Supply/Tax	17,365.26	2,625.00	14,740.26	661.53%	Replace Chairs, tables, Security
	Repairs/Winter Maintenance	31,767.69	1,500.00	30,267.69	2,117.85%	Repairs out of scope for pool contract
	Water	5,509.37	3,000.00	2,509.37	183.65%	Water for pools
Total Pools		67,540.40	23,235.00	44,305.40	290.68%	
Micellaneous/Reserves		8,800.80	6,000.00	2,800.80	146.68%	Monies set aside for projects, repairs, etc.
		135,031.48	88,356.25	46,675.23	152.83%	

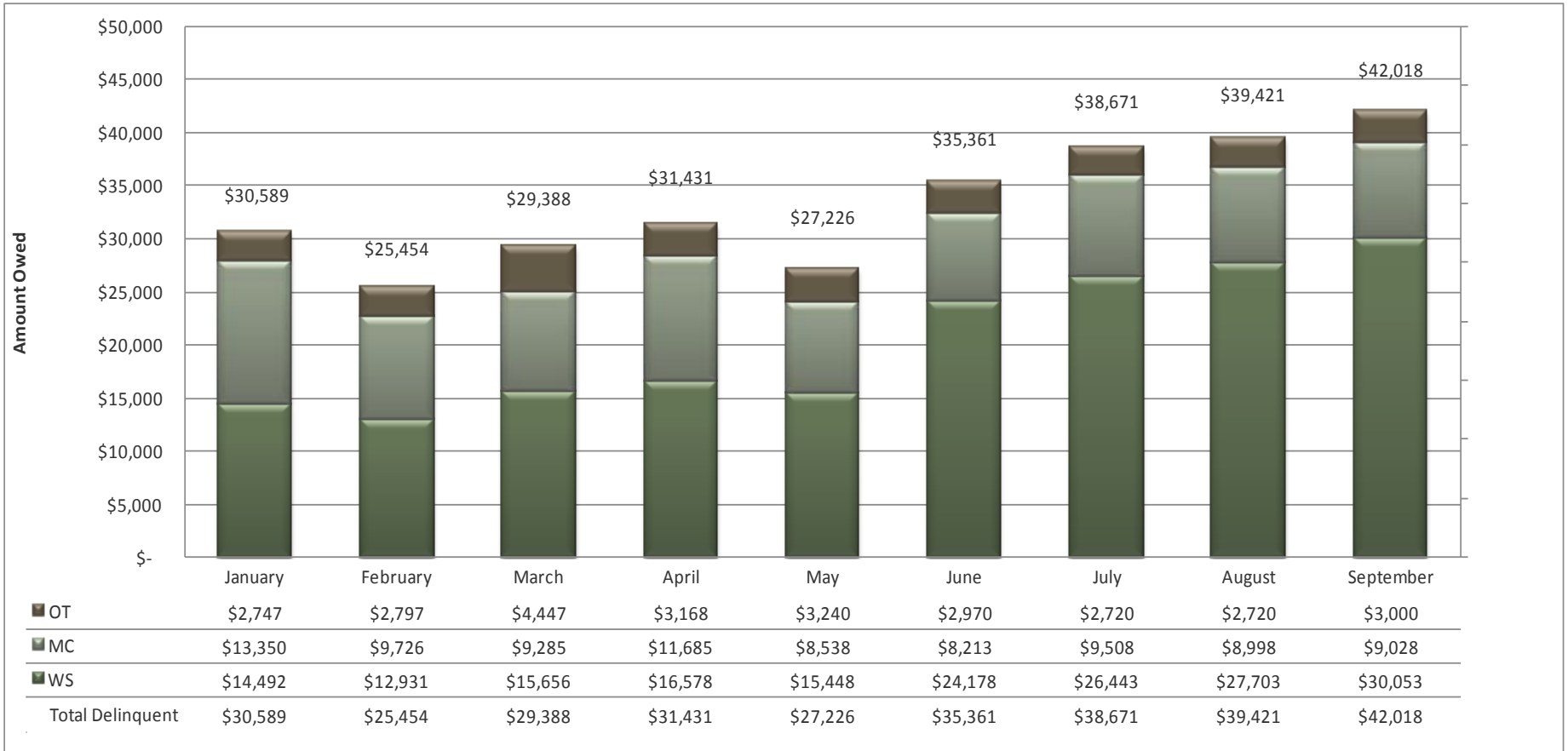


Balance Sheet (Jan – Sept 2010)

	Sep 30, 10
ASSETS	
Current Assets	
Checking/Savings	
Checking - BAM	6,458.80
Money Market - Suntrust	46,853.59
Cert. of Deposit	53,681.43
Total Checking/Savings	<u>106,993.82</u>
Accounts Receivable	
Accounts Receivable	39,756.30
Total Accounts Receivable	<u>39,756.30</u>
Total Current Assets	<u>146,750.12</u>
TOTAL ASSETS	<u><u>146,750.12</u></u>
LIABILITIES & EQUITY	
Equity	
Opening Bal Equity	138,500.47
Retained Earnings	26,299.47
Net Income	-18,049.82
Total Equity	<u>146,750.12</u>
TOTAL LIABILITIES & EQUITY	<u><u>146,750.12</u></u>



HOA Delinquency



Increasing Delinquency prevents community from adding improvements



Proposed Budget for FY11



Landscaping out for bid – potential reduction in expense to drive efficiencies



Nominations

- ▶ Bill Morgan
- ▶ Rich Vershel
- ▶ Any nominations from the floor



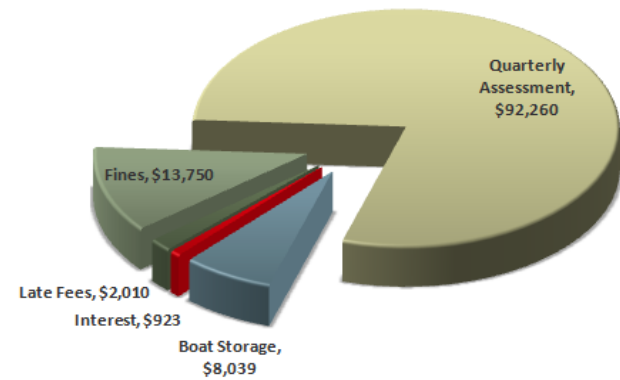
Backup



Detailed Income (Jan – Sept 2010)

Category	Actual	Budget	Variance	Percent
Fines	13,750.00			
Quarterly Assessment	92,260.00	92,625.00	-365.00	99.61%
Boat Storage	8,039.16	8,850.00	-810.84	90.84%
Interest	922.50	187.50	735.00	492.0%
Late Fees	2,010.00	1,687.50	322.50	119.11%
Total	116,981.66	103,350.00	13,631.66	113.19%

Jan - Sept 2010 Income



Proposed 2011 Budget

	Jan 11	Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sept 11	Oct 11	Nov 11	Dec 11	Total	% of Inc / Exp
Income														
Income														
Fines	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Quarterly Assessment	30,875.00	0.00	0.00	30,875.00	0.00	0.00	30,875.00	0.00	0.00	30,875.00	0.00	0.00	123,500.00	91.41%
Boat Storage	8,850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,850.00	6.55%
Interest Income/Other	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	750.00	0.56%
Late Fees	166.66	166.67	166.66	166.67	166.66	166.67	166.66	166.67	166.67	166.67	166.67	166.67	2,000.00	1.48%
Total Income	39,954.16	229.17	229.16	31,104.17	229.16	229.17	31,104.16	229.17	229.17	31,104.17	229.17	229.17	135,100.00	100.00%
Total Income	39,954.16	229.17	229.16	31,104.17	229.16	229.17	31,104.16	229.17	229.17	31,104.17	229.17	229.17	135,100.00	100.00%
Expense														
Bank Service Charges	58.05	3.85	11.55	53.15	17.10	(141.60)	50.75	1.40	11.75	11.75	11.25	11.00	100.00	0.08%
Dry Storage													0.00	0.00%
Lighting/Electric	166.00	169.00	169.00	169.00	169.00	169.00	169.00	169.00	169.00	169.00	169.00	169.00	2,025.00	1.66%
Water	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Dry Storage - Other	416.7	416.7	416.7	416.7	416.7	416.7	416.7	416.7	416.7	416.7	416.5	416.5	500.00	0.41%
Total Dry Storage	207.67	210.67	210.67	210.67	210.67	210.67	210.67	210.67	210.67	210.67	210.65	210.65	2,525.00	2.07%
Electricity	281.00	258.00	470.00	560.00	580.00	568.00	600.00	630.00	600.00	575.00	575.00	575.00	6,272.00	5.13%
Water	23.00	23.00	23.00	23.00	23.00	23.00	225.00	260.00	250.00	250.00	250.00	250.00	1,623.00	1.33%
G & A														
Bad Debt	0.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00	0.41%
Insurance	0.00	1,100.00	0.00	0.00	0.00	0.00	3,250.00	0.00	0.00	0.00	0.00	0.00	4,350.00	3.56%
Accounting & Managen	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	8,400.00	6.87%
Banking/Audit/Misc.	0.00	0.00	0.00	0.00	2,496.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,496.00	2.04%
Copy/Print/Postage	82.00	50.00	310.00	200.00	110.00	215.00	100.00	85.00	350.00	85.00	85.00	350.00	2,022.00	1.65%
Legal & Tax Return	0.00	250.00	250.00	500.00	250.00	0.00	0.00	0.00	0.00	0.00	250.00	0.00	1,500.00	1.23%
Taxes/Dak Tree Proper	3,819.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,819.35	3.12%
Total G & A	4,601.35	2,100.00	1,260.00	1,900.00	3,556.00	915.00	4,050.00	785.00	1,050.00	785.00	1,035.00	1,050.00	23,087.35	18.89%
Landscaping														
Landscaping Improvem	208.33	208.33	208.34	208.33	208.33	208.34	208.33	208.33	208.34	208.33	208.33	208.34	2,500.00	2.05%
Contract	2,786.00	2,786.00	2,786.00	2,786.00	2,786.00	2,786.00	2,786.00	2,786.00	2,786.00	2,786.00	2,786.00	2,786.00	33,432.00	27.35%
Lighting/Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Irrigation Repair	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00	1.23%
Total Landscaping	3,119.33	3,119.33	3,119.34	3,119.33	3,119.33	3,119.34	3,119.33	3,119.33	3,119.34	3,119.33	3,119.33	3,119.34	37,432.00	30.62%
Member Activities														
Newsletter	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	750.00	0.61%
Social	0.00	0.00	0.00	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	0.00	0.00	1,000.00	7,000.00	5.73%
Total Member Activities	62.50	62.50	62.50	2,062.50	2,062.50	62.50	62.50	62.50	2,062.50	62.50	62.50	1,062.50	7,750.00	6.34%
Pools														
Telephone	218.39	218.39	218.39	218.39	218.39	218.39	218.39	218.39	218.39	218.39	218.39	218.39	2,620.68	2.14%
Contract	1,121.67	1,121.67	1,121.67	1,121.67	1,121.67	1,121.67	1,121.67	1,121.67	1,121.67	1,121.67	1,121.67	1,121.67	13,460.04	11.01%
Electricity	60.00	65.00	95.00	220.00	220.00	240.00	230.00	430.00	450.00	450.00	450.00	450.00	3,360.00	2.75%
Equip/Supply/Tax	200.00	200.00	200.00	400.00	600.00	600.00	600.00	600.00	600.00	600.00	200.00	200.00	5,000.00	4.09%
Repairs/Winter Mainten	150.00	150.00	200.00	200.00	200.00	200.00	150.00	150.00	150.00	150.00	150.00	150.00	2,000.00	1.64%
Water	200.00	500.00	800.00	800.00	1,000.00	1,000.00	1,000.00	1,200.00	1,000.00	500.00	500.00	500.00	9,000.00	7.36%
Total Pools	1,950.06	2,255.06	2,635.06	2,960.06	3,360.06	3,380.06	3,320.06	3,720.06	3,540.06	3,040.06	2,640.06	2,640.06	35,440.72	29.00%
Micellaneous/Reserves	666.66	666.66	666.66	666.66	666.67	666.67	666.67	666.67	666.67	666.67	666.67	666.67	8,000.00	6.55%
Total Expense	10,969.62	8,699.07	8,458.78	11,555.37	13,595.33	8,803.64	12,304.98	9,455.63	11,510.99	8,720.98	8,570.46	9,585.22	122,230.07	100.00%