

2024 Annual Meeting McCullough Neighborhood

October 16, 2024

6:00 PM



Event Protocol



IF CAMERA IS ON –
ENSURE YOUR
BACKGROUND AND
SURROUNDINGS ARE
APPROPRIATE



ALL ATTENDEES WILL
REMAIN MUTED FOR THE
MEETING



PLEASE SEND ALL
QUESTIONS VIA CHAT TO
ASK ME A QUESTION
VIA THE CHAT FEATURE

Agenda

- Call to Order, Introduction & Welcome
- 2024 Community Highlights
- 2024 Financial Review
- 2025 Budget Review
- Board Nominations
- Election Ballot Due Date & Calendar of Events
- Adjournment
- Homeowner Forum: Q & A



Introductions



Board of Directors

Kris McVey – President
Nick Gallo – Vice President
Mike Rockefeller – Secretary
John Azzinaro – Treasurer
Derek Thomas – Member at Large



Kuester Management

Megan Smith, CMCA® AMS® -
Onsite Community Association Manager (CAM)
Ashley Parson, CMCA® AMS® -
Operational Excellence Coordinator
Event Moderator

Community Highlights

Amenities:

- McCullough's Secret Garden
- Dorsey Pool green space
- Tennis and Pickleball courts
- Miller Glen Pool
- McCullough Greenway

Communications:

- Community Newsletter

Finance:

- 2025 Contract cost reductions
- Reserve Study
- Zero-balanced budget

Community Highlights (cont.)

Landscape:

- Three Lakes Park
- Flowers
- Reduced pine straw costs
- New irrigation vendor

Infrastructure:

- Initial repairs - Crystal Lake Dam
- Dry (detention) ponds vendor
- Stormwater system repairs

Safety & Security:

- Partnering with municipalities
- Townhall for Safety with neighbors

Social:

- Community Events

Standards:

- Maintain property values

Builder | Developer:

- Meet with Pulte Monthly
- Repairs & Progress

Committees

Please visit the website to
apply as more hands are
needed!

www.McCulloughHoa.com

Thank you to all our
Volunteers!

Amenities:

6 members

Communications:

1 member

Finance:

1 member

Landscape:

3 members

Safety &
Security:

5 members

Social:

5 members

Standards
(ARC):

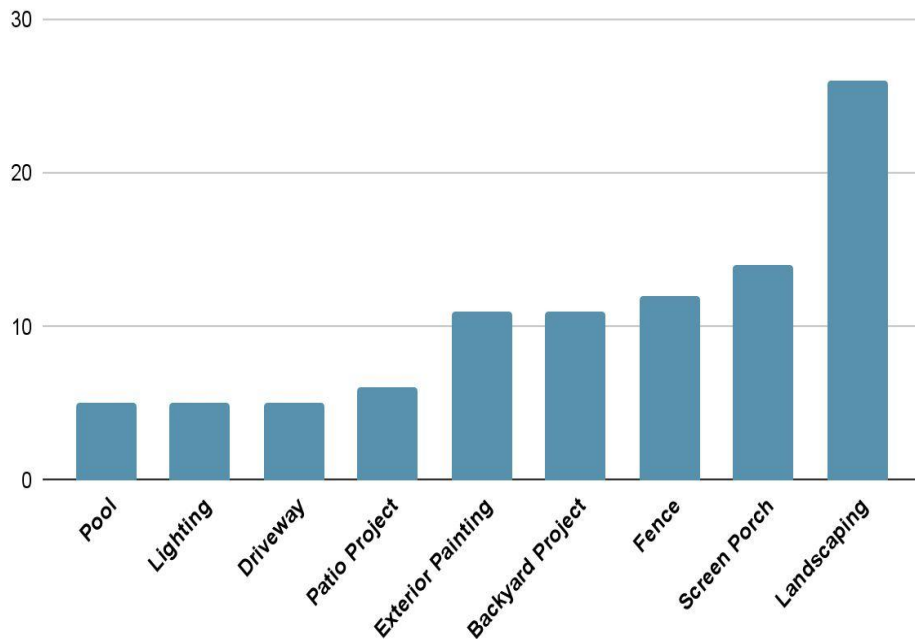
5 members

Dam
(ad-hoc):

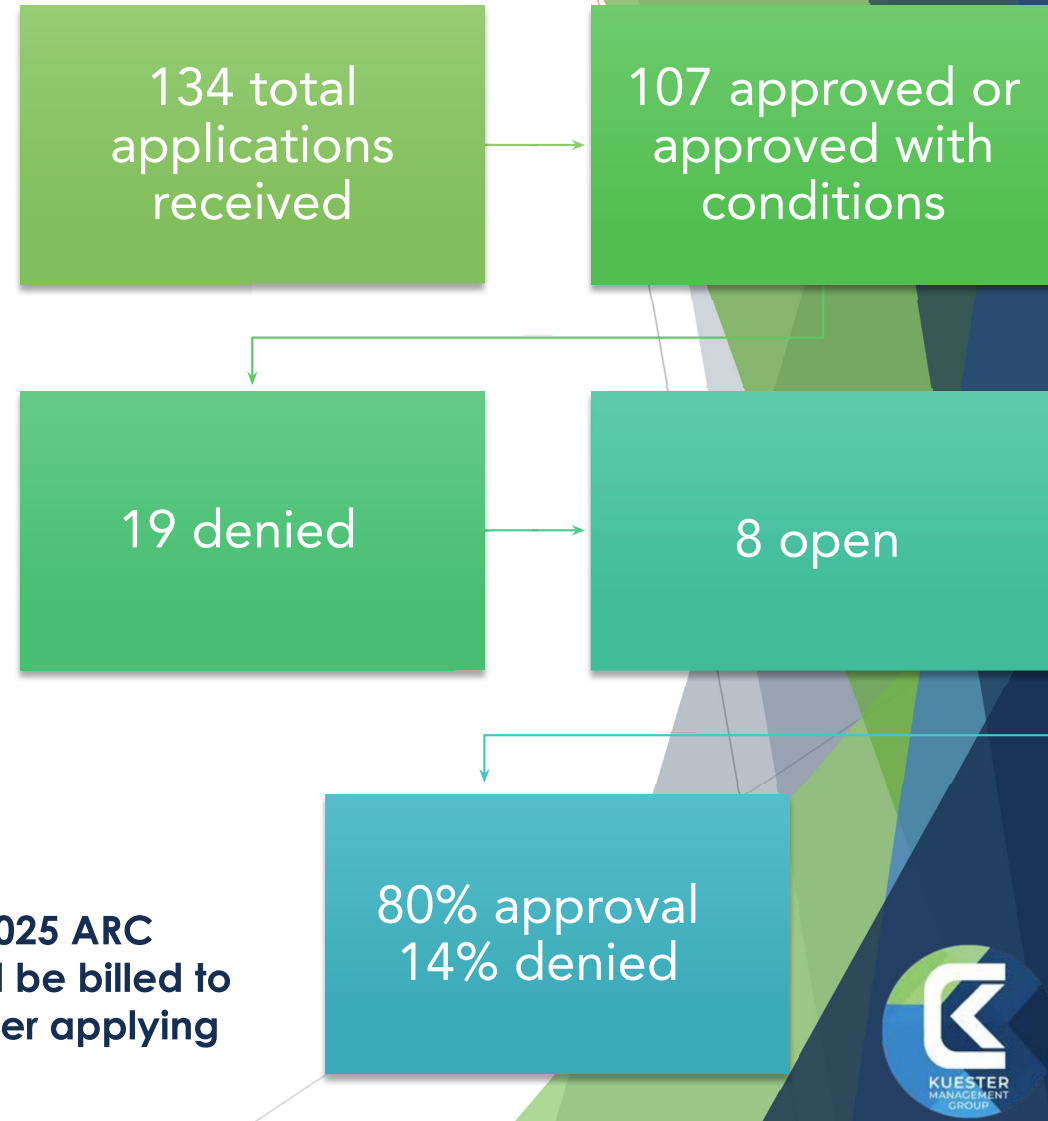
1 member



Standards | ARC Applications



*** Beginning in 2025 ARC applications will be billed to each homeowner applying at \$38.***



Compliance Process Reminders

Standardized letters and process to provide fairness and equity to all homeowners

Letters are also emailed to homeowners who have an email address registered to their account.

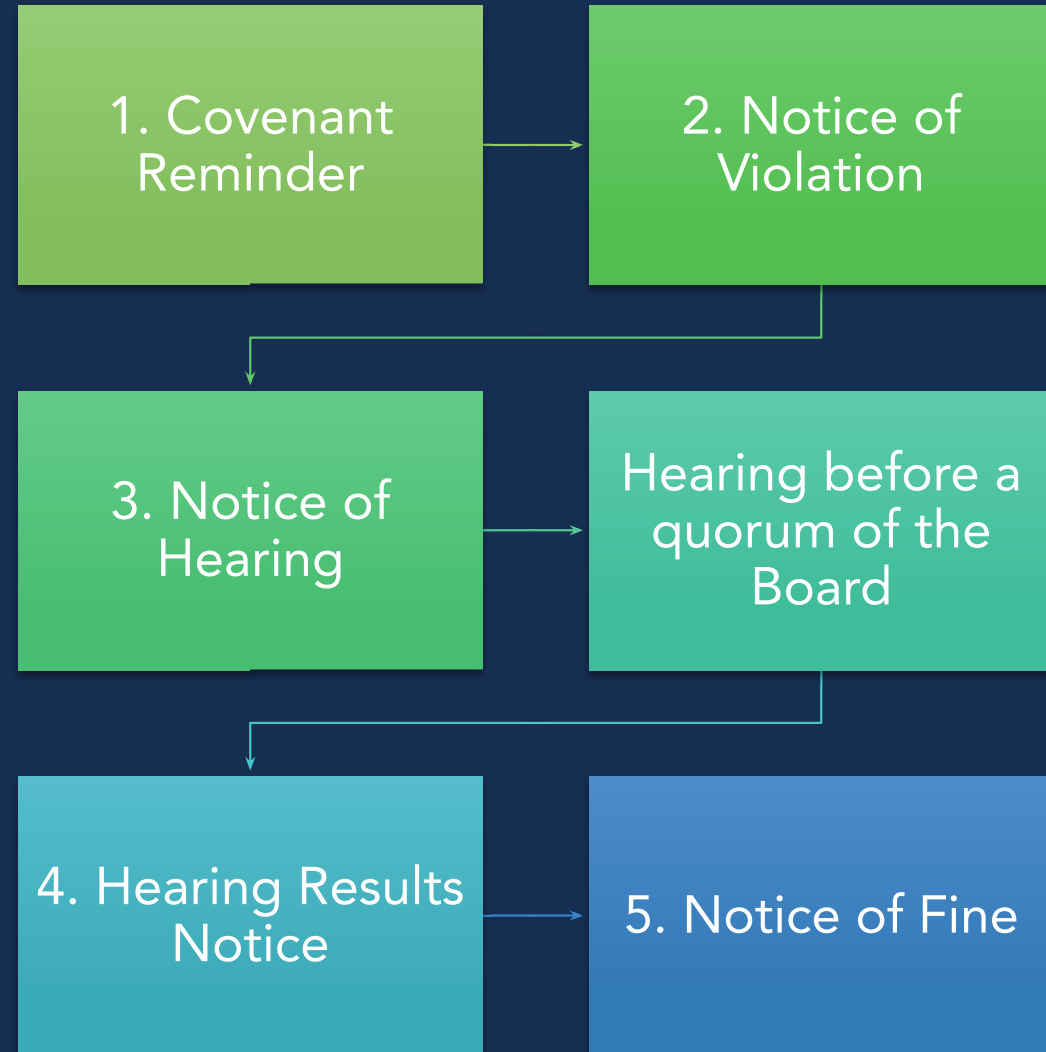
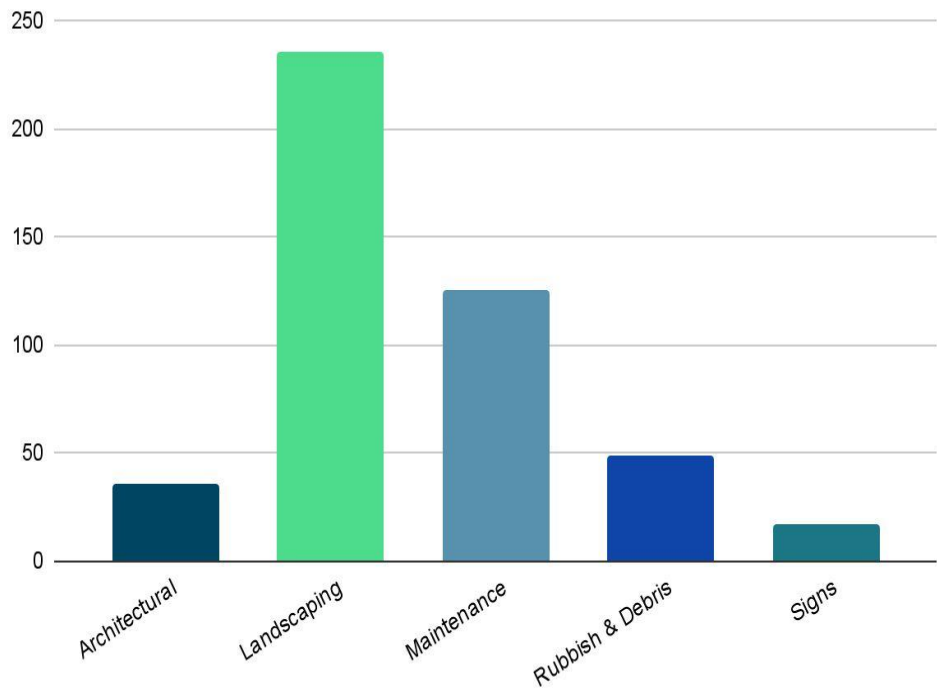
- Less delay of mail time and uncertainty of delivery

Contact Kuester Management via the Homeowner Portal at McCulloughHOA.com or by emailing McCullough@kuester.com



Top Violations

Total violations: 497
10.1.2023 – 10.1.2024



Management Company - Service

Homeowner Support Levels

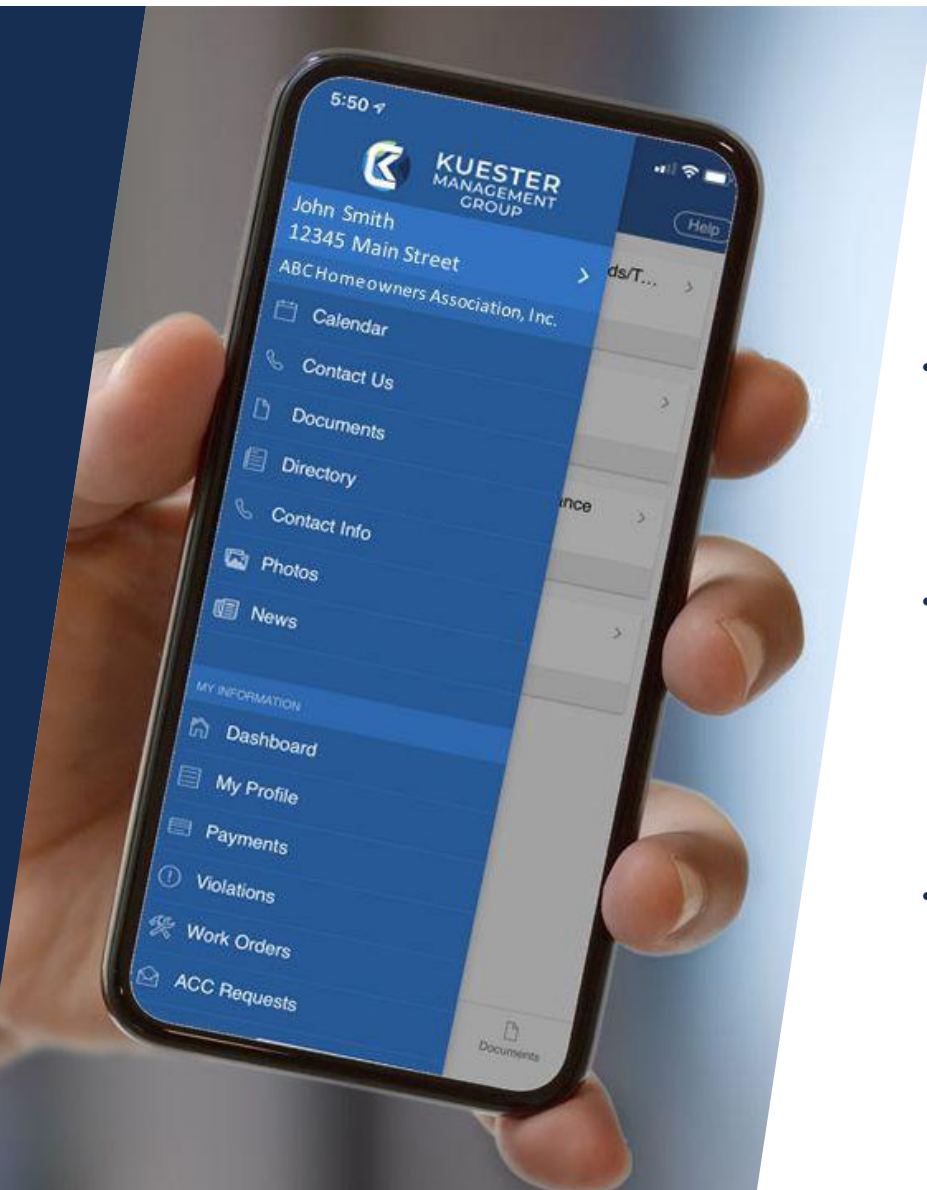
- Number of Tickets: 2,433
- Number of Satisfied tickets: 2,424
- Number of dissatisfied tickets: 11
- Overall satisfaction rate: 82%
- Average first reply time: 10.1 hours

How to Contact Us

- CAM Office Hours:
 - Tuesdays 9 -12 and Thursdays 1 – 4
 - Book an appointment on the website!
- Email: McCullough@Kuester.com or Support@Kuester.com
- Phone: 803-802-0004, 24/7
- Community Website: www.McCulloughHOA.com

PLEASE
REGISTER TO
STAY INFORMED!





Kuester Connect Homeowner App

- Access your HOA Account from Anywhere
 - Quickly access your HOA Account from your mobile device to make a payment, review the status of a work order, ACC request, or a compliance violation.
- Review Community Documents in a Snap
 - Have your community documents in the palm of your hand!
 - Find the document you need with a simple tap and easily navigate through important files.
- The Entire WebPortal in a Simple App
 - Connecting with your Homeowners Association has never been easier!
 - Download the app today!



Homeowner FAQ's:

- Can I make a change to my home?
 - What do I need to do first?
- How do I submit a request or complaint?
- How do I know what's going on?
- How do I pay my assessments and when are they due?

www.McCulloughHoa.com



Payments for Assessments



AutoPay

Sign up for automatic payments drafted from bank account

- Drafted on 3rd of month Assessment is due
- No processing fees



Pay by Check

Send Check or Money order to: PO Box 998 Commerce, GA 30529

Make check payable to the Association

Include Account Number or Property Address



Pay Online

Register your account on the Community WebPortal to see your account information and make online payments

- E-Check - \$1.99 processing fee
- Credit Card - 3.25% processing fee

ACCOUNT	BALANCE
Operating Account	\$249,803
Reserve Accounts	\$877,868
TOTAL CASH	\$1,127,671
Accounts Receivable (Delinquent Assessments)	\$14,775

2024 Financial Review

Balance Sheet *(Through 09/30/2024)*



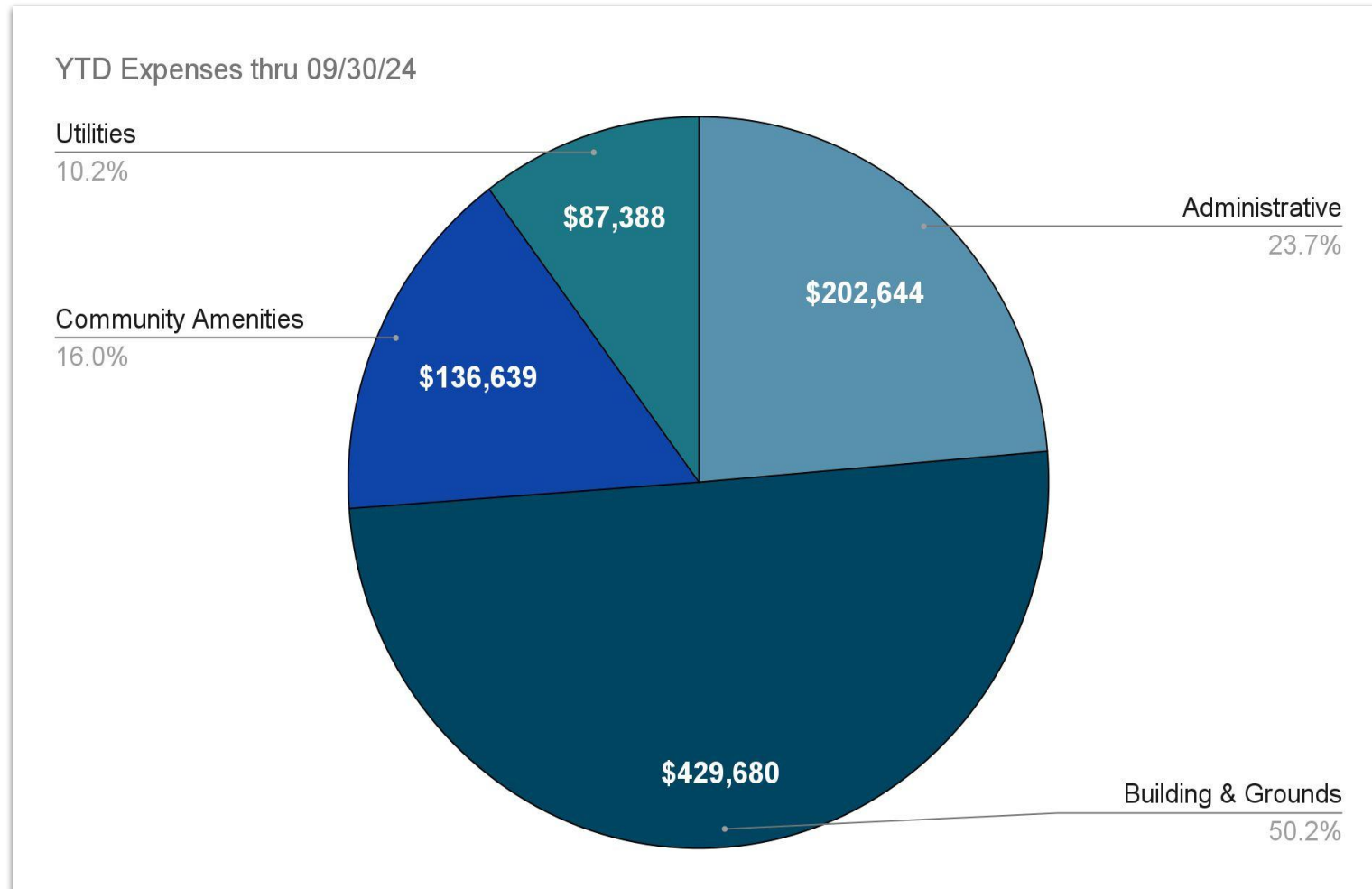
INCOME STATEMENT

Year to Date Income (Assessments)	\$673,365
Year to Date Income to Reserves	(\$105,806)
Year to Date Income (NC SFH)	\$269,513
Year to Date Income (Other)	\$34,246
Year to Date Operating Expense	<u>\$856,351</u>
NET	\$14,968

2024 Financial Review Income Statement *(Through 09/30/2024)*



2024 Financial Review – Operating Expenses



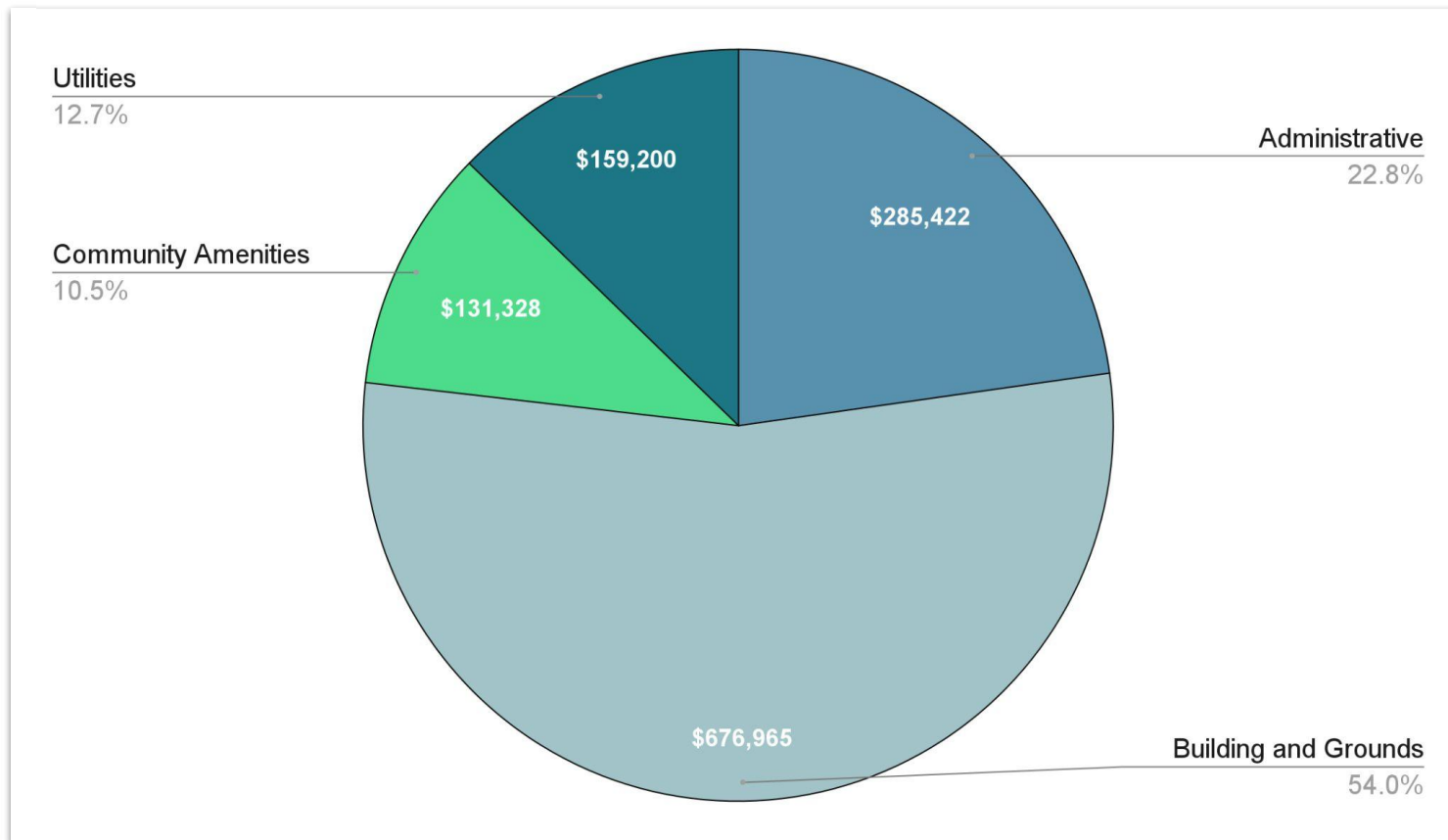
2025 Board Approved Budget Review

2025 Assessments:

- Assessment: \$1331 per Year
 - 10% increase
 - payable quarterly at \$332.75
- Additional Assessments:
 - Landscaping: NC SFH only
 - Pine straw: NC SFH only

Type of Income	Total Projected Income
Assessment Income	\$987,602.00
Additional Incomes (ex: late fees and interest, fines, amenities etc.)	\$46,972.00
Assessments to Reserves	(\$131,112.00)
Total Income	\$1,252,915.00

2025 Budgeted Operating Expenses



Budget Ratification

- The budget *automatically passes* unless 75% of members vote against it at the meeting.
- Quorum isn't needed for budget approval according to the CCRs.

****as per the CCR's Article IV, Section 3****



Fiduciary Duty

- Enforcement of CCRs of the community
- Establish fiscal policies and maintain records
- Develop working budget and assessment rates
- Appointment of committee and delegation of authority
- Select attorney, insurance agent, CPA, contractors and/or other professionals
- Obtain and maintain adequate insurance protection as per CCRs
- Reserve study compliance



Purpose of the
Board of
Directors

Board Nominations

2 Board Seats for a 2-Year Term

Nick Gallo

Cheryl Moran

Anthony Padula

Robert Shirley

Are there any Nominees from the Floor?

Election Ballot Information



An Email with the List of Candidates and a link to the Electronic Ballots will be sent by 12:00 pm 10/22/24



Homeowners wishing to submit a paper ballot must:

Write in the Individuals they wish to vote for

- Scan and Email to McCullough@kuester.com, OR:
- Mail to PO BOX 3340, Fort Mill, SC 29716



Deadline to receive ballots is November 5, 2024 at 5:00 pm



Election Results will be announced via email by November 8, 2024

Closing Remarks and Adjournment

How to Contact the HOA:

Phone: 888-600-5044

Email: McCullough@kuester.com

Website: www.McCulloughHOA.com





Homeowner Forum

If you have submitted a question prior to the meeting, it will be answered during the pre-submitted questions.

Once the Pre-Submitted Questions are answered, we will open to Live Questions sent in Chat to ASK ME A QUESTION

Pre-Submitted Questions

Q: The NC assessment is moving to \$1331 per unit; what is the current assessment?

A: \$1210 (after the reduction - reference the letter sent with the Q3 statements)

Q: What are the reserves specifically used for? I'm assuming capital improvements, but could you clarify? Also, is there a schedule or cash flow projection that outlines expected reserve expenses over the coming years?

A: HOA reserves are funds set aside for future major repairs and replacements of shared community assets, such as roofs (ex: clubhouse/pool houses), alleyways, pools, or other common areas & infrastructure. These reserves ensure the association can cover large, long-term expenses without needing special assessments or sudden fee increases. We did have a Reserve Study completed by Reserve Advisors and will be posting it on the website soon. It covers the next 30 years and what expenses we can expect. These studies are under best practice recommendations updated every 3-5 years.

Pre-Submitted Questions

Q: Can you help me understand what the dues are for NC? I thought it was around \$2000 per year. I am confused about the \$1,331 assessment for 2025.

A: You are correct; it is about \$2000/year because you live on the NC side of the community, and you have landscape and pine straw assessments in addition to the normal neighborhood assessment.

Please see below for an example:

7/1/2024 NC SF Landscape Assessment - Quarterly 2024 \$187.50 | Annually: \$750

7/1/2024 NC SF Pine Needle Assessment- Quarterly 2024 \$35.00 | Annually: \$140

7/1/2024 NC Single Family Assessment - Quarterly 2024 \$302.50 | Annually: \$1210***

Total NC SFH Assessments per quarter: \$525 / Total per year: \$2100

*(The third line item with the *** is the assessment referenced in the annual meeting notice and the budget, increasing to \$1,331 in 2025.)*



Pre-Submitted Questions

Q: I see that budget info for 2024 and proposed budget for 2025 was provided, but no information was given around actual expenditures or projected expense amounts for 2024. Where can that information be found?

A: Financials are released on the website for homeowners each month on the 25th. You can find them by logging in at www.McCulloughHOA.com, navigating to hover over Community Info, and then selecting Documents.



Pre-Submitted Questions

Q: Is the ARC Request Processing now to be paid by the requestor? How much is it, and who approved this? There's a \$4,500 charge for internet at the clubhouse. We weren't aware there was internet, and the \$375/month seems quite high. Could this be reviewed?

A: ARC Request Processing: Yes, the fee for processing ARC requests will now be covered by the requestor vs the Community. This change was approved by the Board during the most recent budget review. The fee structure and implementation details are to be communicated through the upcoming newsletter, and minutes of the Board meeting. If you need further clarification, I'd be glad to provide more details. Internet at the Clubhouse: The \$4,500 annual cost for internet at the clubhouse is correct and reflects the service agreement currently in place. However, the missing information is that this covers the clubhouse, both pools, and the entry/exit cameras which each require internet. The service has been in place for some time, and while it may not be widely known, it is an essential utility for various functions.

Pre-Submitted Questions

Q: Please discuss the reasoning for budget changes for the following line items; thanks.

1. 50-5124 legal fees (2024 \$5,000 - 2025 \$25,000)

A: Budgeted based on 2024 actuals spent to date.

2. 50-5214 Committee - Safety (2024 \$500 - 2025 \$10,000)

A: Budgeted Security System Upgrade such as camera installation, wiring, and recording equipment, Community Signage such as Additional and replacement street or stop signs around the neighborhood – \$3,000, Internet and Network Infrastructure upgrades.

3. 60-6375 Stormwater maintenance (2024 \$0 - 2025 \$45,000)

A: Stormwater devices (ex: dry ponds), which will soon be turned over to the HOA by the developer for ongoing maintenance.

4. Also, is a copy of the 2023 reserve study available on the Kuester/HOA website?

A: Yes! Located under documents.

5. Please identify/explain the \$8,639 actual year-to-date expense in 5175-00 Income Taxes on the August Operating Statement.

A: The Association had to pay taxes based on the amount of interest they earned in 2023. This has historically not been an item over the last few years due to the fact that interest rates were so low, but now that rates have increased, and the Association is earning more interest, taxes have become applicable. This expense is offset by interest income. NC, SC, and Federal taxes filed.

Homeowner Forum

Live Questions

- Limited to a 30-minute period
- Questions will not be answered/taken concerning:
 - Individual accounts
 - Warranty claims/Maintenance for individual units
 - Other matters that are personal in nature
- Homeowners must enter into chat to Host/Co-Hosts their questions

THANK YOU for your donations to our WNC neighbors impacted by Hurricane Helene.

