

POA Semi-Annual Meeting

January 25, 2014

STATE OF THE LFPOA

Mid-Year Review

July 2013 – December 2013

Financial Highlights

- Income
 - Plan: \$350,426
 - Actual: \$351,725
 - Variance: \$1,299 favorable variance

Reasons:

- Tennis Fees, Advertising Fees

Financial Highlights

- Expenses
 - Plan: \$350,208
 - Actual: \$325,076
 - Variance \$25,132 favorable variance

Reasons:

- All expense categories are below plan due to cost containment efforts & a moratorium on discretionary expenditures

Financial Highlights

Operating Results

- In summary,
 - Actual Income vs Plan: \$1,299
 - Actual income exceeded planned income
 - Actual Expenses vs Plan: (\$25,132)
 - Actual expenses were less than planned expenses
 - Net Income: \$26,431 favorable variance

Financial Highlights

- Cash in Bank: \$790,912
 - Operations & Unrestricted Reserves: \$421,525
 - Community Center Reserves: \$369,387
- LFPOA has incurred no debt
- Community Center
 - Architectural Services: \$55,075
 - Civil Engineering: \$49,601
 - Attorney Fees: \$1,368
- Reserves -- Planned Projects:
 - Clubhouse Renovations: on-going
 - Infrastructure Work: on-going (new HVAC unit, storm water management, exercise equipment replacement)
 - Pool Repairs: complete
 - Community Center: on-going

A Look Ahead For The Remainder Of The Year

- **Architectural & Civil Engineering for the Proposed Community Center**
 - Architectural plans complete & a professional estimate of costs should be completed within a week or two
 - Civil Engineering work is on-going; our septic system plans are currently with the State for review
- **Discussing construction loan terms & conditions with area banks**
 - Currently in the application stage
 - Preliminary discussions are favorable
 - Negotiating with BB&T, First Community Bank & First Bank
- **On-Going Reserve Account Projects**
 - Clubhouse Renovations
 - Maintenance of Infrastructure
 - Pool Repairs
 - Planning for Community Center

Summary

- POA is in excellent financial shape
- Association is realizing a net income of \$26,431
- Cash in the bank is \$790,912
- \$369,387 dedicated to the Community Center project
- Association has no debt
- Reserves are sufficient
 - \$421,525 for operations & capital projects
 - \$369,387 for proposed Community Center

Seven Months Review

July - January

The Year in Review Jul - Jan

- New pond treatment service
- Road patching continues
- Replaced 2 HVAC units in clubhouse
- Sponsored Social Events & Community Service (flu shots, tree lighting, bingo)
- Restarted the CSC committee with new guidelines
- Put in place appearance standards for adjacent lots incorporated with primary home sites
- Initiated a Fast Track Renovation Request process to speed up ASC approval of renovation requests
- Planted grass along entrance drive
- Replace broken recumbent bike in the fitness center with 2 updated models
- Updated the POA website

Moving Forward

- Replace 3rd Clubhouse HVAC unit
- Repair storm water drainage problem on Channelside Dr.
- Get new estimates to furnish community center (Jan Kelley & Myrna Robinson)
- Aside from community center items, only necessary (non-discretionary) projects will be undertaken balance of fiscal year

Community Center Timing Estimate

Community Center Steps & Timing

- Construction drawings were delivered Dec. 2013
- Final county septic approval & state septic approval application Jan. 2014
- Independent estimator costing Jan. 2014 (+/-5%)
- Select lender, obtain pre-approval for loan amount Mar 2014
- Estimated date for state septic approval March 2014
- Bid package goes to general contractors for costing March or April 2014
- Receive bids, select general contractor April 2014
- Finalize financing costs & get bank commitment May 2014
- Conduct member presentations May 2014
- Conduct Vote on Financing June 2014
- Final Financing Arrangements, Construction Loan July 2014
- Start Construction July 2014
- Estimated construction 9 – 12 months

Questions