

A scenic view of a lake with a rainbow in the sky and a forested shoreline. The sky is dark and cloudy, with a vibrant rainbow arching across the horizon. The lake is calm, reflecting the sky and the surrounding greenery. The shoreline is lined with dense trees and some buildings. In the foreground, there is a grassy area with a rocky border.

Carolina Trace Association

Annual Report
2023

Lake Trace cover photo courtesy of Carolina Trace resident Gary Constant

Carolina Trace Association

www.carolinatrace.org

March 2024



A Look at 2023

In accordance with Carolina Trace Association (CTA) Bylaws (2022), Article 5, Section 2.d, Carolina Trace Association is to provide an Annual Report of actions and efforts taken through its Board of Directors and Committees to its members, the 18 property owner associations on page two.

For more than 50 years, the Carolina Trace community has been led and run by volunteers who share their considerable time and talents in ways that contribute to the betterment of our community. The CTA Board of Directors is pleased to present this review of 2023.

CTA Board of Directors
Kate Woods, President

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Community and Board of Directors

Carolina Trace Association (CTA) is a non-profit association whose members are the eighteen independent Property Owner Associations (POAs) within the Carolina Trace community.

Each POA has one Director's seat on the Board of Directors. In 2023, these Carolina Trace property owners represented their POAs:

Eagles Nest	Jennifer Williams	Highland Woods	Tom King	South Landing	Joe Zanga
Golf East	David Hardman	Lakewood	Charles Wick	Southwind	Billy Wicker
Golf North	Mary Wild	Laurel Thicket	Dottie Gilbert	Stonegate	Art Beaman
Golf West	Debbie Betts	Mallard Cove	Greg Burke	Village at Trace	Tom Boerger
Harbor Creek	Ernie Patterson	North Shore	Bill Glance	Woodfield	Elaine Bednarcik
Hidden Lake	Ken Harden	Sedgemoor	Tom Hanley	Woodmere/ Trentwood	Amanda Reible

Property owners who were elected to a one-year term on the CTA Executive Committee for 2023:

President and Chairman of the Board – Kate Woods

Vice President – Burton Witaschek, Jr.

Secretary – Sharon Sheldon

Treasurer – Candace Cochran (January-August 2023), Larry Steigler (October-December 2023)

President's Remarks

CTA is made up of many volunteers who have generously dedicated their time and efforts in serving the Carolina Trace community. Their collective commitment to our community is truly commendable, and the work accomplished in 2023 allowed CTA to make significant strides in the overall quality of life in CT.

One of the primary goals for the CTA Board in 2023 was to enhance communication within our community. Working closely with the CTA secretary, 2023 heralded a new and improved website and an exponential increase in quick and clear CTA communications to POAs. As a result, POAs are able to provide their property owners with access to relevant information, thereby allowing them to gain a better understanding of community processes, and as a result, to feel empowered to engage with our community initiatives. Town Hall meetings have proven to be effective platforms for sharing vital information, and the leadership is committed to upholding this tradition.

CT's security policies continue to evolve through CTA's work with its security contractor. The Security & Safety Committee has made progress on long-term plans to enhance the effectiveness of the community's security measures while ensuring ease of access for residents with proper credentials.

CTA remains mindful of the community's concerns surrounding the health and status of Lake Trace and its dam. In 2023, relevant information was conveyed clearly and promptly to residents.

In early 2023, the community's attention turned to a new developments proposed along NC-87N, and CTA's leadership as well as several community members familiarized themselves with the details of the developers' proposals and attended County meetings and wrote letters of record to voice CT's concerns with regard to the impact of such developments to the CT community and Lake Trace.

On a somber note, the shrinking pool of community organizers and volunteers was greatly felt in 2023 with cancellation of traditional community observations such as Memorial and

Independence Day holidays. It is hoped in volunteer interest for these traditions will return in 2024.

The CTA Board and Finance volunteers spent several months on the 2024 budget, and despite the rising cost of goods and services throughout the country, the Board was able to minimize assessment increases to the POAs while allowing for the care and updating of the community's infrastructure and aesthetics, to include much-needed overhaul of our outdated gate pass system. (2024 increases to improved Lots - 5%; Unimproved Lots - 20%).

CT's Bradford/Callery Pear tree line on North Traceway came to an end in the fall after an inspection/recommendation by North Carolina Forestry. The trees, many diseased and fragile, were found to not only outlived their useful life by many years, but the species had been placed on the bounty list through the North Carolina Agricultural Extension for many good reasons.

Following the Board's vote to remove the trees, a group of CT's volunteers that included Master Gardeners, a soil specialist and a geologist worked with the Lee County Agricultural Extension horticulturalist to develop a plan to revitalize the tree line. A community town hall was hosted to discuss the timeline for the replacement and future care of new trees. These decisions were not easy, and resident leaders should be applauded for their foresight in helping to conserve the other wooded areas that contribute to the beauty of Carolina Trace by removing potential threats to our natural surroundings. We will welcome new plantings to the former tree line in early 2024.

Other sections of this report include the many projects and plans led by fellow CT property owners in an effort to better the community. Caring for CT common property represents thousands of hours of volunteer time. Additional volunteers are always welcome.

Financial Report

Audits: It was discovered that years of treasurer turnover had disrupted the annual auditing process for a few years. In 2023, the Board directed the CTA treasurer to provide the auditing firm with necessary documents to perform a cash flow audit to cover the years 2020, 2021 and 2022. Audit results were published in the CTA Board minutes dated August 2023.

Financial Reporting Cleanup: In late fall 2023 finance volunteers began working on full transparency that is evolving and includes a full review of CTA assets to build an accurate balance sheet. Work will continue on this in 2024.

A transcription error made on paper in February 2020 caused the figures for CTA's reserve fund (not part of CTA's "assets") to be overstated in that year and in succeeding reports. It was corrected in the fall of 2023 after being confirmed as being merely a "typo" and not evidence of any impropriety by any CT volunteers.

Bookkeeper Hired: Because of high turnover in the CTA treasurer position and the need for continuity and accountability, in the fall of 2023 CTA's interim treasurer recommended, and the Board approved, the hiring of a part-time outside bookkeeper to begin in 2024 to work alongside and under the direction of CTA's volunteer treasurer.

The Board also agreed that the several CDs that matured during 2023 and moved to cash accounts during the time when CTA had no volunteer treasurer will be placed back into a higher interest-bearing account in a separate bank to protect the funds. The executive committee worked to create new signature cards at the banks to make sure only current volunteers were on the bank records.

CTA's Year End 2023 Financial Reports: 2023 Balance Sheet appears on page six.



Carolina Trace sunrise. Photo courtesy of Carolina Trace resident Gary Constant.

Financial Report - 2023 Balance Sheet

Balance Sheet (CASH basis) - YTD

Reserve:	\$ 511,109.64
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This Year (YTD)

Carolina Trace Association Balance Sheet As of December 27, 2023

	Total
ASSETS	
Current Assets	
Bank Accounts	
First Horizon - Main Checking ***9106	222,732.37
First Horizon - POS Square Inc ***1504	11,231.70
Reserves	
Fidelity Investments - Reserve ***5388	450,000.00
First Horizon - Emergency Reserve ***6807	61,109.64
Total Reserves	\$ 511,109.64
Total Bank Accounts	\$ 745,073.71
Accounts Receivable	
11000 Accounts Receivable	0.00
Total Accounts Receivable	\$ 0.00
Other Current Assets	
12000 Undeposited Funds	0.00
Total Other Current Assets	\$ 0.00
Total Current Assets	\$ 745,073.71
TOTAL ASSETS	\$ 745,073.71
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
Ernie Violon(5180)	0.00
Kate Woods(2889)	3.69
Penny Turner(6741)	58.81
Total Credit Cards	\$ 62.50
Total Current Liabilities	\$ 62.50
Total Liabilities	\$ 62.50
Equity	
30000 Opening Balance Equity	0.00
Unrestricted Net Assets	632,144.33
Net Income	112,866.88
Total Equity	\$ 745,011.21
TOTAL LIABILITIES AND EQUITY	\$ 745,073.71

Committee Reports

COMMUNICATIONS

2023 was a year of reorganization and catch up for the CTA secretarial and communications roles. Quick turnovers in the secretary role throughout 2022 created gaps in CTA history that were researched and completed in 2023. Organization of older and current files, as well as work on a document retention policy, will continue in 2024.

CTA Communications: The secretary created a new CTA website on the HOA Express website platform, it is kept up-to-date with POA resources. The CTA street map was reviewed and updated, and which now shows all streets in Carolina Trace. POAs that do not have websites (Eagles Nest,

Lakewood and Stonegate) have been offered a web presence hosted by CTA.

CTA News began in the first quarter of 2023. POAs are sent this brief via email for distribution to property owners following each CTA Board meeting. This has helped to reduce the spread of misinformation within the communities and on social media platforms.

Meeting Document Organization: Use of a Google drive for all meeting documents was implemented in 2023, which cut down on piecemeal emails to CTA Directors while ensuring that everyone has access to all meeting documents and reports in one place.

SECURITY & SAFETY (S&S)

CTA oversees and funds the security contractor responsible for staffing the Gatehouse on a 24/7 basis. In 2023, Security & Safety took on the additional responsibility for all electronic gates and associated equipment.

Community Emergency Response Team (CERT): Supported by the Carolina Trace Association, CERT is concerned with disaster preparedness, and can also assist with disaster response when county first responders are delayed by overwhelming needs in the aftermath of a disaster. CT CERT is a FEMA program sponsored by and managed in Lee County by the Director of Emergency Services. **CT CERT** has assisted the Carolina Trace Association with the development of an Emergency Operations Plan, and conducts joint exercises every few months, both to refine the plan and to familiarize those responsible for executing the plan with the recommended courses of action for the various hazards we are likely to experience. Residents are encouraged to become involved with CERT, both to help in their

own POAs and to assist others should we need to in the aftermath of a disaster.

Gate Systems: The addition of the two automated gates has caused an exponential increase not only in volunteer time and attention but to the CTA budget as the S&S committee works to enhance the automated systems to handle the growing daily use. The inadequacies of the north gate entrance system were partially addressed in 2023 as the CTA Board approved enhancements to the north gate (installation of a lift arm gate that operates during the busiest hours, with the swing gate taking over for overnight) to help deter tailgating and quicken movement through the north entrance.

Gate Damages: 2023 was an unprecedented year in gate damage due to negligent residents or trespassing drivers. CTA volunteers were successful in recovering some funds from the damaging parties via LCSO reports and insurance claims that were made possible in large part to the security cameras located

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Committee Reports (continued)

SECURITY & SAFETY (Continued from page 7)

at the back gates. Replacement of equipment due to damage included: gate arms at the main and north gates, license plate camera at the south gate, and due to wear and tear, the wire loop sensors located in the pavement of the north gate. Protective bollards were also installed to help prevent property damage at the equipment sites.

Security Staffing Manpower: In anticipation of the new automated gate sentry system in early 2024, S&S will be studying other gated community models. The security contractor has experienced three complete turnovers in staffing this year and training has become a tedious task at best.

Electronic Gate Pass Upgrades: A thorough review of gatehouse staffing and traffic patterns led to a restructuring of the security contractor's agreement with Carolina Trace, allowing a 2024 savings that would permit CTA to upgrade to an electronic gate pass system for visitors and contractors. Volunteers should begin work on this in the first quarter of 2024.

Flag Care and Etiquette: S&S now has a volunteer who is responsible for lowering the flags when directed by the governor.



Left: flags flown in the circle outside of the gatehouse are the U.S. flag, the NC flag, the POA/MIA flag, the U.S. Armed Forces logo flag and the Fire Department flag. Below, left: new north gate barrier gate allows a quicker entry; right: main gate visitor entrance (new gate arm).



Committee Reports (continued)

TRACE LAKE AND DAM (TLDC)

In November 2022, the Trace Lake and Dam Committee was added as a committee supported by the CTA by-laws, its purpose is to promote the continued safety, beauty and accessibility of Lake Trace for all residents.

Dam and Lake Health: In 2023 this committee kept track of Lake Trace owner Escalante Golf's efforts to complete state-mandated work on the dam and to also follow up with the commitment to the regular treatments for hydrilla growth that threatened the viability of the lake.

Bathymetric Study: The committee contracted with North Carolina State University Department of Aquatic Plant Management to have a mapping of the lake bed and survey of vegetation to create a benchmark for lake sediment and effectiveness of future hydrilla treatment. The results of the study will be available in the first quarter of 2024.

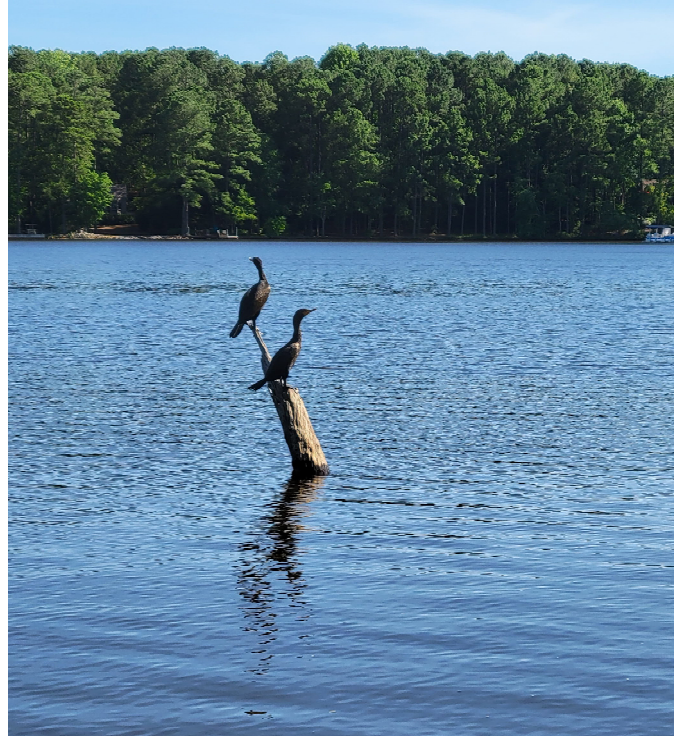


Photo courtesy of CT resident Sharon Sheldon

TRACEWAY ROADS & MAINTENANCE (TRAM)

CTA is responsible for the ownership, operation and maintenance of much of the core infrastructure that is used and shared in common by all residents and property owners of Carolina Trace and most of the oversight of these common elements fall under the TRAM committee, as follows:

- Traceway (North and South)*, which is the main artery (approximately 6 miles in length) connecting all of the POAs to each other and to the three entrances
- Three bridges on Traceway
- Storm drainage along Traceway
- The two-lane entrance way from NC-87N to the Gatehouse
- The land known as "Sign Island" along NC-87N
- The Gatehouse located at the entrance on Traceway S

- The turnaround loop just near the Gatehouse
- The emergency exit near the fire station
- Two large school bus shelters at the back gates
- The landscaping and hardscape located on these common elements

**Traceway is a privately owned road and is not maintained by any governmental entity*

Bridge Pylon Work: In 2023, TRAM oversaw repaving of the North entrance as well as the beginning of the work on bridge pylons at the main entrance (to be completed in conjunction with the spring 2024 lake lowering).

Bradford/Callery Pear Work: TRAM volunteers were also part of the Bradford/Callery Pear ad hoc committee that included work on the full plan for the removal of the North Traceway trees,

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Committee Reports (continued)

TRAM (Continued from page 9)

determining the species of replacement trees and a plan for their installation, was created and presented during a spring 2023 town hall that included a presentation by the Lee County Agricultural Extension horticulturalist.

Basic Road and Drainage Maintenance: Due to the abundance of trees along the main thoroughfares, TRAM volunteers also spend many hours clearing culverts to keep storm water from impacting safe travel on the roads. TRAM also oversees the landscaping and trash pick-up contractors whose efforts help keep curb appeal for our community.

Parking Pad Installation: Parking pad installation on the south side of Traceway created safe access for large moving trucks., etc. to serve that area of the community without damaging POA roads.



Two of the many TRAM projects from 2023 overseen by CT volunteers:

Riprap upgrade to main entrance “sign island” (above) and (at left) ,paving upgrade of north gate access.

Photos courtesy of CT resident Ernie Violon.

ACKNOWLEDGEMENT OF THE CAROLINA TRACE VOLUNTEER COMMUNITY

With the exception of the gatehouse employees, Carolina Trace is solely run on volunteer energy. CTA thanks those who spent their free time in the service of this community in 2023. From painting signs and bridges, to directing traffic for projects, to cleaning out culverts and flood prevention, to decorating for holidays to planting flowers and power washing the gatehouse, all of these things are done at no cost to residents. Property owners pay assessments, attend meetings, deliberate over budget and other concerns in the community and do so knowing their efforts can only be repaid by a

community that takes pride in its reputation in Lee County.

In addition to the CTA Board and Executive Committee members, CTA would like to acknowledge its 2023 committee chairs/Board liaisons. We regret that we cannot list every committee member, project helper and community supporter; just know that you are appreciated.

Committee Chairs/Liaisons for 2023:

Communications: Sharon Sheldon

Security & Safety: Burton Witaschek, Jr.

Trace Lake & Dam: Kate Woods

Traceway Roads & Maintenance: Ernie Patterson

Forecast for 2024

There are many tasks associated with looking toward the coming years. CTA cannot be run by looking a month or six months ahead, but must always be mindful of a much larger plan. Building healthy financial reserves is a priority since the infrastructure must be regularly maintained to prevent catastrophic failure. There are no “fix it and forget it” scenarios in CTA’s plans. Annual budget work, which begins as much as seven months out, is a large part of the Board’s responsibility.

The 2024 Executive Committee and CTA Board will expend effort organizing and creating policies that provide for continuity when a change in volunteer leadership presents itself. A CTA month-by-month operational calendar is being maintained and consulted. The pending updated long range plan and reserve study will also be a valuable resource in 2024 and beyond.

Board Documents: Organization of CTA documents, including work with the Bylaw committee to review and clarify document retention policies.

Updating of Long Range Plan and Reserve Studies: CTA’s last reserve fund analysis was in 2015 so it is several years overdue to be updated. An ad hoc committee was put together to begin work in the first quarter of 2024.

CTA Bylaws Review: The CTA bylaws will undergo a review in 2024 to ensure the language and

policies are consistent among the sections and fit with the changing demographics of Carolina Trace.

Financial Initiatives: The priority will be to invest CTA reserves in higher-yield products (in accordance with the bylaws) and protect CTA funds against single-bank exposure.

Audit Process: Move to a more robust auditing process is underway; this requires an updated balance sheet that include the value of all CTA assets.

Gatehouse Operations: Volunteers are needed to interface with the security contractor and ongoing community education of CTA policies, especially during the 2024 first quarter launch of the new electronic visitor pass system.

Neighborhood Subject Matter Experts (SME): CTA Board members have been asked to canvas their communities for subject matter experts to consult on community projects. This includes occupations such as civil engineering, landscaping, finance, project management, and more.

Volunteers Are in Short Supply: While select volunteers have devoted thousands of hours of their own time, it is becoming clear that this is not a sustainable model as the demographics of our community are changing and less are stepping forward to volunteer. Consider how you can serve your community in 2024.

Photo from Carolina Trace website archives; photographer unknown.

