

# The Landings

ASSOCIATION



2003 - 2005  
PROPOSED FINANCIAL PLAN

# LETTER FROM THE LANDINGS ASSOCIATION BOARD OF DIRECTORS

Dear Landings Association Member:

This packet contains information on The Landings Association's Proposed Financial Plan for the years 2003-2005. The Board of Directors, committees and staff have been hard at work preparing for the future. We want to do all we can to maintain The Landings as one of the premier communities in the country, while increasing our property values.

When Branigar, the developer of The Landings, left several years ago, The Landings Association committed to keep the community in the best physical and financial shape. The Landings has also grown over the past few years, with hundreds of homes being completed. That growth has placed increased demands on services and on the maintenance of our infrastructure.

We must now also look to the future, and how best to meet the needs of our increasing population. When we decided what to include in the next three-year assessment, we drew on input from you. Focus groups, made up of more than 150 residents, provided valuable feedback over the past year on what needs to be done to improve The Landings. We have taken these recommendations and crafted a plan to address the major issues.

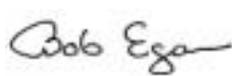
In order to fund this plan, the Board recommends your approval of a three-year assessment, starting at \$920 and gradually increasing to \$960 over the three years. Each year, \$20 will go to replenish the reserves, as previously approved during last year's vote to merge the Yacht Club into the Association.

Of the remaining increase, a small portion covers inflation. But more than 90% goes to programs the residential focus groups told the Board that The Landings needs, such as island beautification and improvement of the trails. You can read more details about these programs on page 5 of this packet.

You can also learn additional information in August's *Landings Journal*. If you have further questions, please contact any Board Member or call the Assessment Hotline at 598-2524, and press 9 to leave your question.

It is important that every property owner vote. We ask for your support and strongly recommend you vote in favor of the proposed assessment.

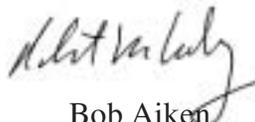
Sincerely,



Bob Egan  
President



Dave Fullarton  
Vice President



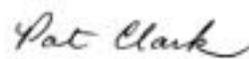
Bob Aiken  
Treasurer



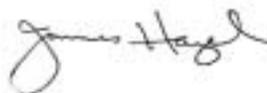
Ned Smith  
Secretary



Karen Blado  
Board Member



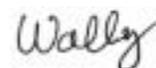
Pat Clark  
Board Member



Jim Hazel  
Board Member



Bob Reinhard  
Board Member



Wally Smith  
Board Member



## OPERATING FUND

### REVENUES OVER EXPENSES & MEMBERS' EQUITY

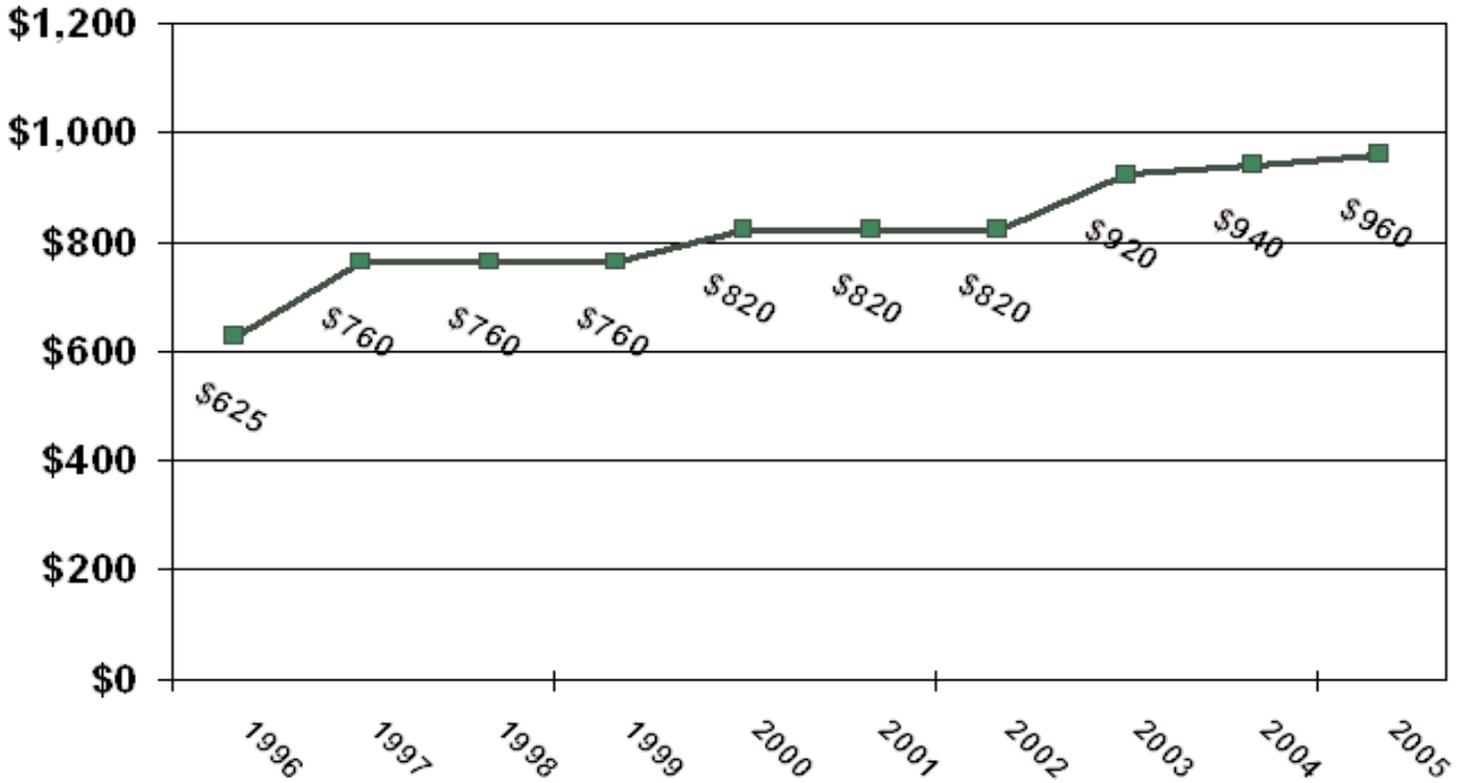
	<i>Projected</i>	<i>Proposed Financial Plan</i>		
	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>
<b>Revenues</b>				
Assessments	\$ 3,485,800	\$ 3,910,900	\$ 3,995,900	\$ 4,081,000
Non-assessment revenue	1,250,200	1,293,800	1,319,800	1,316,200
Subtotal	4,736,000	5,204,700	5,315,700	5,397,200
Yacht Club	1,727,600	1,774,000	1,820,000	1,857,000
<b>Total revenue</b>	<b>6,463,600</b>	<b>6,978,700</b>	<b>7,135,700</b>	<b>7,254,200</b>
<b>Expenses</b>				
<b>Association</b>				
Public works	1,988,400	2,183,100	2,221,800	2,264,600
Public safety	934,200	1,010,800	1,049,200	1,094,200
Architectural	174,900	156,700	163,000	169,700
Administration	771,800	831,600	873,500	906,000
Communications	216,200	239,800	252,500	267,500
Professional fees	122,000	170,000	170,500	171,000
Insurance	71,000	84,000	92,300	101,600
Income taxes	57,800	67,300	67,300	67,300
Subtotal	4,336,300	4,743,300	4,890,100	5,041,900
<b>Yacht Club</b>	<b>1,647,100</b>	<b>1,643,900</b>	<b>1,674,000</b>	<b>1,744,600</b>
<b>Total expenses</b>	<b>5,983,400</b>	<b>6,387,200</b>	<b>6,564,100</b>	<b>6,786,500</b>
<b>Revenue over expenses</b>	<b>480,200</b>	<b>591,500</b>	<b>571,600</b>	<b>467,700</b>
<b>Reserve transfers</b>				
Association	(399,700)	(500,600)	(466,300)	(396,000)
Yacht Club	(70,000)	(70,000)	(70,000)	(70,000)
<b>Total reserve transfers</b>	<b>(469,700)</b>	<b>(570,600)</b>	<b>(536,300)</b>	<b>(466,000)</b>
Members' Equity, beginning	2,731,192	2,741,692	2,762,592	2,797,892
<b>Members' Equity, ending</b>	<b>\$2,741,692</b>	<b>\$2,762,592</b>	<b>\$2,797,892</b>	<b>\$2,799,592</b>

*These figures do not include The Landings Company.*

*Members' Equity presented above does not include the equity in the reserve funds.*

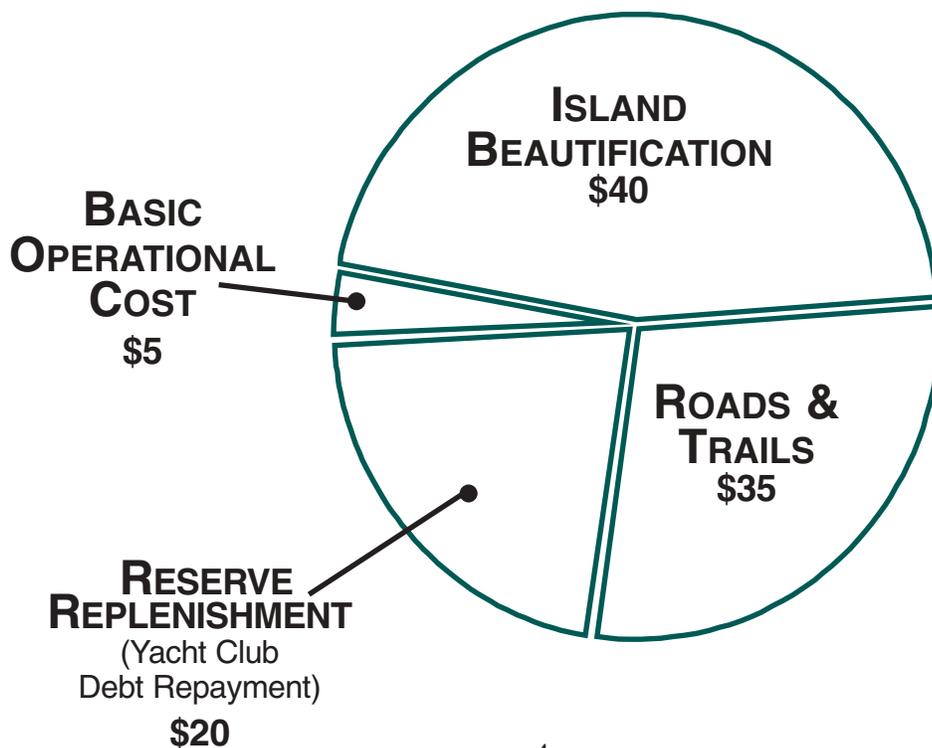
*The beginning Members' Equity in the reserve funds as of Jan 1, 2002 was \$2,173,928.*

# Assessment History



## WHERE THE \$100 INCREASE IN 2003 GOES

(THE ADDITIONAL INCREASES IN 2004 AND 2005 ARE DUE TO INFLATION.)



# PROPOSED 2003 - 2005 FINANCIAL PLAN ASSESSMENT RATES

<u>2003</u>	<u>2004</u>	<u>2005</u>
\$920	\$940	\$960

## HIGHLIGHTS OF ASSESSMENT INCREASE

Residents gave The Landing Association's Board valuable feedback last year on what needs to be done to maintain and increase property values here, while continuing The Landings' status as one of the premier communities in the nation. The programs developed as a result of these suggestions lead to a \$100 increase in the overall assessment in 2003. Highlights of those programs are listed below, along with how much they will cost each lot owner each year. The \$20 increases in 2004 and 2005 come from inflation.

**Island Beautification - (\$40/lot)** This category will improve much of what Landings residents see each day. The money will help TLA upgrade the landscaping in common areas, including the entrances and medians. Those areas will receive new irrigation and plantings as required. A portion of the increase will also pay for plantings around the lagoons, which will help prevent soil erosion, while adding natural beauty. Additionally, this money will allow TLA to fund a tree management program.

**Road and Trails - (\$35/lot)** The Landings turns 30-years-old this year, and much work needs to be done on the 98 miles of roads and 30 miles of trails. This portion of the assessment will make sure the roads and trails that residents drive on each day remain in good condition, being repaired and resurfaced as needed, and will continue the work begun on the trails this year.

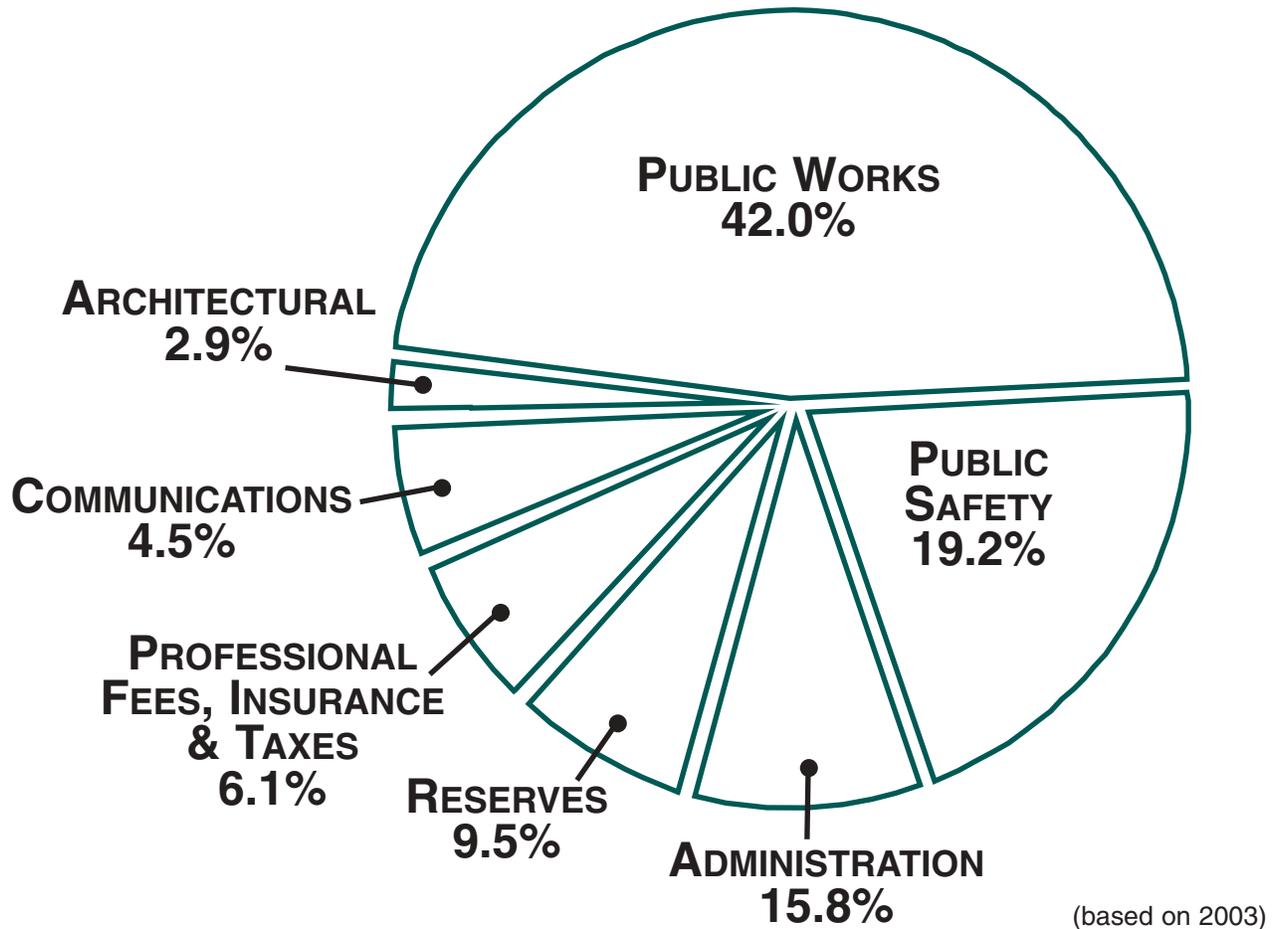
**Yacht Club Reserve Replenishment - (\$20/lot)** As part of the Yacht Club merger with TLA, the Association used its reserves to pay off \$1 million of the Yacht Club's loan. When residents voted for the merger last year, they also voted to replenish TLA's reserves over a 15-year period, through this small assessment increase.

**Basic Operational Costs - (\$5/lot)** The Landings Association has worked hard to hold the line on expenses and become more efficient. TLA has also increased non-assessment revenues through increased commercial vehicle registration rates, architectural and renovation rates, and money received from the telecommunications tower lease.

These factors have allowed TLA to keep the baseline assessment that funds day-to-day operations close to its current level, even figuring in the cost of inflation. This \$5 increase also allows for Systems and Administration improvements. TLA's Administration will make some changes to serve residents better, including implementing electronic bill payment, improving management programs and practices, adding a Systems Technician and archiving materials in the Association's library. The changes will help the Association become even more efficient than it is now, helping to hold down assessment increases in the future.

# TOTAL PROGRAM EXPENSES AND RESERVE TRANSFERS

(This is how the assessment and non-assessment revenue is divided.  
It does not include the Yacht Club.)



## Public Works

This category includes the Public Works Department, the Environmental Resources Department and the Island Beautification program. The Environmental Resources Department contracts with Environmental Care, Inc., to maintain the beauty of The Landings' common property.

This category includes such things as road and trail maintenance, lagoon maintenance and improvements, TLA vehicle maintenance, irrigation improvements, tree management, and improvements to the

entrances. These departments also work to prevent soil erosion, remove trees as needed and remove debris on an emergency basis.

Public Works maintains 98 miles of common roadways and 30 miles of trails at The Landings, resurfacing them as needed, and sweeping the roads on a 14-day cycle. Environmental Resources treats 142 lagoons, removing weeds and algae and keeping the lagoons clean and clear to control water resources. The two groups have a combined workforce of 19 people.

## **Public Safety**

Security officers patrol The Landings 24 hours a day, providing protection for almost 8,000 residents. Officers staff the Main Gatehouse 24 hours a day, the Marshwood Gatehouse 12 hours a day, and keep tabs on all the automated entry gates. Approximately 10,000 cars enter the gates at The Landings each day.

The patrols provide a visible deterrence to illegal activity as they move about the community. They will now take the lead in enforcing covenant compliance. Officers also perform vacation checks on residents' homes, when requested, averaging around 150 a week.

The department works with First Responders and the Southside Fire Department when emergencies strike. The Landings Association subsidizes these groups to ensure the availability of a paramedic and advanced life support on a full time basis. There are 22 full-time and two part-time Public Safety Officers. The Public Safety budget also funds off-duty Chatham County Police Officers.

## **Architectural**

The Architectural Department reviews, inspects and monitors all new construction, as well as additions and renovations of all residential homes at The Landings. The department works to preserve the value, desirability, attractiveness and architectural integrity of the community. There are three full-time employees.

## **Administration**

The Administration category includes the General Manager and his staff, the Human Resources Department, and the Finance & Network Administration Department.

The General Manager works with the Board and oversees daily operations and staff, to help the Board achieve its goals. Human Resources identifies and recruits employees, while making sure the employees are cared

for in a way consistent with the policies of TLA. Finance & Network Administration monitors daily revenues and expenses to make sure the Association remains accountable to all residents. The department also researches, evaluates and purchases all hardware and software needed to keep TLA running smoothly and efficiently.

Staff members provide residential and commercial services, including issuing decals, answering all questions from residents and maintaining the property owner database. In addition, staff members provide clerical support to the Board and to committees.

Administration has a total of nine full-time and two part-time employees.

## **Communications**

The Communications Department puts together such things as the *Landings Journal*, printed materials like this assessment packet, voting packages, the annual report and The Landings Telephone Directory. The department also updates the website [www.landings.org](http://www.landings.org).

The department keeps the entire community informed on a timely and accurate basis about Association policies and programs. The department works to improve the overall image of The Landings community and its residents with our neighbors. There are two full-time employees.

## **Professional Fees, Insurance and Taxes**

This category includes legal fees, auditing fees, general insurance and income taxes.

## **Reserves**

This category includes transfers made to the repair and replacement fund. This fund holds reserves for such future programs as the repair and replacement of the storm drain and flood water system, road resurfacing, and TLA trails and bridges. TLA expects to spend approximately \$500,000 each year, mainly for trails and roads.



The Landings Association

*Please*  
**VOTE**

**Your ballot is due back no later than  
5:00 p.m., September 23, 2002.**