

President's Report – Preston Point Homeowners Association 2024

This summary reflects some of the challenges and accomplishments of the board in 2024.

- **Covenant Revision**

- The board worked on completing a covenant revision designed to discourage corporate investment in homes in Preston Point by increasing requirements related to rental properties. This effort started in 2022.
- The revision was reviewed by real estate and legal experts and included the following requirements.
 - Lease duration requirement is increased from 60 days to 12 months.
 - Lease shall require any lessee to abide by covenant obligations as a condition of the lease agreement.
 - No lot may be leased for less than the entire lot.
 - No lot may be leased unless it has been Owner-occupied for at least 24 months.
 - The two-year owner occupancy requirement is not applicable to a Lot Owner whose deed was recorded prior to the date the amendment to the Declaration to add this requirement is recorded.
- A summary of the revision was sent to homeowners via electronic and postal mail.
 - Homeowner votes were collected by several options
 - email submission of completed ballot
 - online voting option using GCM web-based form
 - homeowner telephone response as recorded by GCM
 - mailed ballot forms (postage free envelopes were provided)
 - paper ballots with homeowner signatures returned during in person canvassing conducted by board members and interested homeowners.
 - Preston Point covenants require 75% of homeowners to approve the revision. The required 70 consenting votes were obtained in July of 2024.
 - The covenant revision was recorded on the 9th of August 2024 and homeowners were sent notification of the revision and a copy of the revision via email and postal mail.

- **Common Area –**

- Preston Point is unique in that our community is surrounded by a large border of property owned by the association that is identified in our covenants as common area.
 - This area is just under one mile in length and ranges from 15 to 25 feet in width.
 - This perimeter along with the islands on Ethans Glen and Cumberland Green (total of four) and the entrance to the community along Bridle Creek must all be maintained by the association.
 - The maintenance of this area is a significant portion of our yearly costs, totaling approximately \$26,000.



- **Entrance Sign Project** – One of the goals of the board this year was to upgrade the aging entrance sign at Bridle Creek. Patty Arndts led this project which was completed in October of 2024. The sign at the Bridle Creek entrance was replaced and a new sign added at the Creek Park entrance. The total cost for this work was \$ 6,595.88.
- **Landscaping Committee Accomplishments:** Patty and Jim Arndts acted as our landscaping committee leaders.
 - Tree removal and trimming: Cost \$3050.00
 - Cumberland Green Entry Refresh: the phlox on both sides of the entryway was removed and replaced with a hardy ground cover to permit easier weeding and mulch application.
 - Landscape maintenance contract renewed with Jersey Landscaping.
- **Mailbox Upgrade Project** – A second goal of the board was to upgrade mailboxes within the community. Hary led this project and spent many hours identifying suitable vendors and obtaining quotations for the work. Unfortunately, the board was forced to postpone this project due to funding issues.
- **Alleyway maintenance:** In 2016 the Preston Point HOA Board commissioned a Reserve Fund study for our community. A reserve study is a long-term budget planning tool designed to help identify and prepare for major and replacement projects needed within a community. The report made certain recommendations and set targets for reserve fund allocations and maintenance repairs.
 - Based on concerns construction costs had increased significantly, and the impact on the amount of reserve funds set aside for maintaining our alleyways, the current board requested the same engineering firm perform an update to the original reserve study.
 - Unfortunately, the updated study indicated the reserve balance was significantly off track.
 - To restore the reserve balance to a financially sound state the study recommended an increase to dues of \$75 per quarter in 2025 and an additional \$25 per quarter in 2026 and for each successive 5 years.
 - To detail the extent of the work and estimated costs of the maintenance and repair projects sited in the recent study, here are some of the details. The estimated costs are adjusted for inflation:
 - In 2025 areas of the alleyways will require full depth repairs to sections of the paving. The estimated cost for those repairs is \$32,500.
 - In 2030 and 2031 all alleyways will need to be milled and resurfaced. The estimated costs for those projects are \$493,621.

- In 2035 additional full depth repairs to sections of the asphalt paving are recommended with an estimated cost of \$48,108
 - In 2036 crack fill and seal coat with an estimated cost of \$47,531 are recommended.
 - In 2050 and 2051 additional mill and resurfacing is recommended with a cost at that time estimated to be \$1,081,583.
- The board recognizes the significant financial burden the recommended maintenance to our alleyways requires. Accordingly, the board requested a meeting with the Town of Cary to determine if the town could provide any assistance.
 - Members of the board met with town representatives in October. During the meeting the board shared the recommendations of the reserve study and the associated costs. The unfortunate outcome of this meeting was that the Town of Cary is not able to offer any financial assistance due to state law requirements for public funds.
 - There are many communities within Cary with similar issues. The town has developed a legacy roads program where communities with similar situations can be admitted to the program permitting the town to make necessary repairs. However, we were told very few communities are accepted and only after they have made all necessary repairs to restore their community to “nearly new” status.
 - The town will aid by giving us access to their experts to guide us in the process of contractor selection, project management, assistance with review and evaluation of quotes for work and scheduling when such actions become necessary.
 - To initiate this process, members of the board met with Town of Cary engineering experts and inspected our alleyways. The engineering expert supported the recommendations of the reserve study and indicated approaches such as additional patches to the alleyways are not likely to be successful and could be counter productive.
- As a point of reference, dues were increased from \$440 to \$530 in 2018 and from \$530 to \$600 in 2021.
 - Consequently, to accommodate necessary near and long-term alleyway repairs, the board has unanimously voted to follow the recommendations of the reserve study by increasing HOA dues by \$75 per quarter in 2025.