2019 - 2021
PROPERTY OWNER DUES
(ASSESSMENT) PROPOSAL

The Landings Association, Inc.
Rick Cunningham
The Landings Association, Inc.
President
What Are The Property Owner Dues (Assessment)?

- The **Annual General Purpose Assessment** (Property Owner Dues) is voted on every three years for the succeeding 3-Year Period.

- Property Owner Dues fund both Operating and Capital Expenditures for TLA.
Annual Assessment Objectives

- Fund day-to-day operations, maintenance, and upkeep of common property and planned investments in our infrastructure

- Upgrade and enhance services & amenities
  - Security
  - Playground/Athletic Field
  - Sign Lighting
  - Disaster Mitigation Planning

- Continue to provide high service levels
TLA Annual Financial Planning (CAMP)

- June – Capital Asset Management Plan (CAMP)
  - Capture new assets
  - For all capital items, assess useful life, remaining life, replacement cost, physical condition, etc.
  - Review, revise and extend the 25 year Capital Asset Management Plan (CAMP)
  - Financial Analysis (annual reserves contribution, inflation, preventive maintenance budget, alternative reserves contribution schedules)
TLA Financial Planning (Initial Budget)

- July – Baseline Operational Budget Review
  - Develop 2018 Year-End Estimates and 2019 Work Plans
  - Review Previous Performance
  - Research on Industry Pricing
  - Departmental Reviews with General Manager
  - Build Baseline Operational Budget
TLA Financial Planning (LRFP)

- August
  - Finance Committee/Board Review of Budget Assumptions
  - Finance Committee Conduct Departmental Reviews
  - Finance Committee LRFP Reviews
Proposed Three Year Assessment Voting

- September/October
  - Proposed Assessment Reviewed with Community at Town Hall Meetings, ballots distributed
  - Voting concludes October 26
## 2019 - 2021 Proposed Assessment

<table>
<thead>
<tr>
<th>Year</th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$1,850</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>$1,910</td>
<td>$1,970</td>
</tr>
</tbody>
</table>

The proposed amounts represent a $60/year increase (or $5/month), an average increase of 3.1% per year. For comparison, inflation is currently 2.7%.
### The Landings Association’s Annual Assessment

<table>
<thead>
<tr>
<th>Year</th>
<th>Operations</th>
<th>Reserves</th>
<th>Total (per lot)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 Actual</td>
<td>$1,433</td>
<td>$297</td>
<td>$1,730</td>
</tr>
<tr>
<td>2017 Actual</td>
<td>$1,535</td>
<td>$255</td>
<td>$1,790</td>
</tr>
<tr>
<td>2018 Budget</td>
<td>$1,545</td>
<td>$305</td>
<td>$1,850</td>
</tr>
<tr>
<td>2018 YE Est.</td>
<td>$1,390</td>
<td>$460</td>
<td>$1,850</td>
</tr>
<tr>
<td>2019 Projection</td>
<td>$1,505</td>
<td>$405</td>
<td>$1,910</td>
</tr>
<tr>
<td>2020 Projection</td>
<td>$1,555</td>
<td>$415</td>
<td>$1,970</td>
</tr>
<tr>
<td>2021 Projection</td>
<td>$1,610</td>
<td>$420</td>
<td>$2,030</td>
</tr>
</tbody>
</table>

Projected allocations are shown above and may be adjusted slightly each year, depending on budgetary needs and tax implications.
Shari Haldeman
The Landings Association, Inc.
General Manager/
Chief Operating Officer
Landings Association Snap Shot

- 8,500+ residents, 4,420 Lots, 4,216 Homes
- Total of 4,755 Acres
- 715 Acres of Common Property (574 in turf, 4 in athletic fields, 22 at gates, and 115 in forest)
- 313 Center Islands/Medians
- 151 Lagoons (269 acres), 54 control structures
- 30 Miles (22 paved) of Community Paths/Trails
- 91 Miles of Road
- 47 miles of storm drains
- 11 Bridges
- 11 buildings
- 7 Gated Entrances (10,000 vehicles/day)
Landings Residential Amenities

- 3 Storage Facilities
- 2 Deep Water Marinas with 365 Boat Slips
- Delegal Sunset Pavilion
- 2 Athletic Fields
- Playground
- Dog Park
- Recycling Facility
- Nature Trail
- Romerly Marsh Observation Tower
Operations & Reserves Review
Operations

- Public Works
- Community Development
- Security
- Communications & Community Outreach
- Marinas
- Executive Management/Legal/Insurance
- Finance/IT/HR
- Operating Capital
PUBLIC WORKS

- Landscaping
- Tree Maintenance
- Street Sweeping
- Lagoons
- Storm Drains
- Streets, Trails & Bridges
- Fleet Maintenance
- Facilities/Gates
- Signs-Mailboxes
- Recreation Areas
PUBLIC WORKS

- Landscaping
- **Tree Maintenance**
- Street Sweeping
- Lagoons
- Storm Drains
- Streets, Trails & Bridges
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**Recreation Areas**
COMMUNITY DEVELOPMENT

- New Construction Plan Review
- Home Renovation Plan Review
- Lot Record Maintenance
- Property/Construction Inspections
- Private Property Maintenance Standards (PPMS)
SECURITY

- Access Control
- Emergency Assistance
- Patrol
- Property Checks
- Emergency Planning & Coordination
- Covenants Enforcement
COMMUNICATIONS & COMMUNITY OUTREACH

- Print Media
- Electronic Media
- Website
- Governmental Affairs
- Community Programs & Events
COMMUNICATIONS & COMMUNITY OUTREACH

Community Programs

- Sunset Sips educational programs
- Seasonal Waterfront Cookouts
- Wassaw Island excursions
- Marsh Ecology Programs
- Orienteering – The Amazing Race
- Harbor Sunset Cruises
- Fishing tournaments
- Science on Tap
- Girls on the Run
ADMINISTRATION

- Executive Management
- Financial Management & Information Technology
- Human Resources
- Information & Resident Services
- Risk Management
- Legal Support
- Operating Contingency
Landings Harbor

- Boat Storage
- Marine Service
- Sailing Program
- Kayak Storage
- Picnic Grounds
- Tiki Bar
Delegal Creek Marina

- Boat Storage
- Kayak Storage, Launch & Rentals
- Carefree Boat Club
- Sunset Pavilion
2019 - 2021 Operating Funds Revenue

- Assessments (67%)
- Marina Revenues/Fees (16%)
- Vehicle Registration Fees (8%)
- Other Revenues (9%)
### 2019-2021 Projected Annual Operating Revenues

<table>
<thead>
<tr>
<th></th>
<th>2018 Budget</th>
<th>Year-End Estimate 2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assessment Revenue</strong></td>
<td>$6,828,900</td>
<td>$6,143,800</td>
<td>$6,652,100</td>
<td>$6,873,100</td>
<td>$7,116,200</td>
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<tr>
<td><strong>Non-Assessment Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Marina Revenues/Fees</td>
<td>$1,522,047</td>
<td>$1,556,150</td>
<td>$1,589,107</td>
<td>$1,608,936</td>
<td>$1,640,313</td>
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<tr>
<td>Vehicle Registration Fees</td>
<td>$775,000</td>
<td>$810,968</td>
<td>$803,705</td>
<td>$803,705</td>
<td>$803,705</td>
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<tr>
<td>Other Revenues</td>
<td>$872,634</td>
<td>$897,024</td>
<td>$881,554</td>
<td>$889,840</td>
<td>$898,368</td>
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<tr>
<td><strong>Total Operating Revenues:</strong></td>
<td>$9,998,581</td>
<td>$9,407,942</td>
<td>$9,926,466</td>
<td>$10,175,581</td>
<td>$10,458,586</td>
</tr>
</tbody>
</table>
2019 - 2021 Operating Expenses

- Public Works/Community Development (39%)
- Security (14%)
- Executive Management/Legal/Insurance (12%)
- Finance/IT/Communications & Community Outreach (13%)
- Marina Operations (15%)
- Operating Capital (1%)
- Depreciation (6%)
## 2019-2021 Projected Annual Operating Expenses

<table>
<thead>
<tr>
<th>Department</th>
<th>2018 Budget</th>
<th>Year-End Estimate 2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works &amp; Community Development</td>
<td>$4,244,761</td>
<td>$4,169,900</td>
<td>$4,164,313</td>
<td>$4,234,959</td>
<td>$4,315,009</td>
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<tr>
<td>Security</td>
<td>$1,510,289</td>
<td>$1,488,733</td>
<td>$1,522,938</td>
<td>$1,561,780</td>
<td>$1,609,871</td>
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<tr>
<td>Executive Management/Legal/Insurance</td>
<td>$1,267,803</td>
<td>$1,220,686</td>
<td>$1,286,459</td>
<td>$1,344,185</td>
<td>$1,378,873</td>
</tr>
<tr>
<td>Finance/IT/Communications and Community Outreach</td>
<td>$1,344,800</td>
<td>$1,336,218</td>
<td>$1,385,108</td>
<td>$1,376,962</td>
<td>$1,432,209</td>
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<tr>
<td>Marina Operations</td>
<td>$1,540,707</td>
<td>$1,445,227</td>
<td>$1,575,605</td>
<td>$1,589,646</td>
<td>$1,640,110</td>
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<tr>
<td>Operating Capital</td>
<td>$89,750</td>
<td>$89,260</td>
<td>$84,750</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>Depreciation</td>
<td>$690,863</td>
<td>$661,703</td>
<td>$674,731</td>
<td>$687,323</td>
<td>$701,724</td>
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<tr>
<td><strong>Total Operating Expenses:</strong></td>
<td><strong>$10,688,973</strong></td>
<td><strong>$10,411,727</strong></td>
<td><strong>$10,693,904</strong></td>
<td><strong>$10,794,855</strong></td>
<td><strong>$11,077,796</strong></td>
</tr>
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</table>
Cost Drivers

- Construction materials: PPI at 6.2%+
- Tight labor market with historically low unemployment levels
- Property & Casualty Insurance premiums: 10% per year
- Health Insurance: 6% per year
- Legal costs for property litigation
- Technology
Cost Reductions

- 2018 Health Insurance: 3% increase; employee cost sharing
- Landscape contract: 0% increase and increased service
- Graphic services moved in-house: $14,000/year cost reduction
- Advertising revenue exceeds Landings Journal publication cost
- Changed banks to lower fees ($12,000/year less) and increase efficiencies
Cost Reductions

- Restructured & automated HR - reduced from 2 to 1 employee
- Used bucket truck has paid for itself by eliminating contract tree pruning costs
- Property tax appeal reduced taxes by $12,000/year
- Partnerships with community organizations - CCA, Landlovers, Skidaway Audubon, Green Thumb Garden Club
What Are Reserves?

- Not a Rainy Day Fund – Restricted!
- Accumulate Funds For Capital Repair & Replacement
- Ensure Cash Available When Assets Need Replacement
- Smooth Fluctuation of Annual Repair & Replacement Cost
- Spread Replacement Cost Over Useful Lives of Assets
- Operating Fund Year-End Balance Transferred to Reserves
2019 - 2021 Reserves Expenditures

- Bridges/Structures/Equipment (42%)
- Roads/Paths (48%)
- Storm Drains/Lagoon Structures (10%)
2019 - 2021 RESERVES EXPENDITURES

Bridges/Structures/Equipment
- Total Planned Expenditures $2,814,046

Roads/Paths
- Total Planned Expenditures $3,237,492

Storm Drains/Lagoon Structures
- Total Planned Expenditures $693,000
2019 - 2021 RESERVE EXPENDITURES

**Athletic Field & Playground**

$345,000

- Replacement of Playground Equipment, Basketball Court, Baseball Diamond and fencing
- Replacement of irrigation system
- Installation of Lighting around Athletic Field and Playground
- Replacement of parcours with low impact perimeter track
- Improved parking and entry points
Lighting on Major Street Signs
$10,000

- Identified in the 2017 Community Survey as improvement opportunity
- Lighted signs will provide for better visibility at night
- Tests ongoing to identify best product to meet both safety and aesthetic concerns
2019 - 2021 ASSESSMENT PLAN - NEW PROJECTS

Increased Perimeter Security
$70,000

- Vulnerability assessment underway
- Various accessible locations
- Different conditions for each location
- Combination of security measures including gates, fencing, cameras
Disaster Mitigation Planning
$75,000

- Build the Planning Team
- Create an Outreach Strategy
- Conduct Community Capability Assessment
- Conduct Risk Assessment
- Develop Mitigation Strategy
- Develop Action Plan for Mitigation

Mitigation. Sustained actions taken to reduce or eliminate long-term risk to life and property from hazards.
Technology Upgrades:

- Continue to transition hardware and software to cloud-based platform
- Launch CitizenServe (online permitting portal) in 2019
- Swift911 rollout
- New geothinQ (Geographic Information System) map layers, such as community paths
ACKNOWLEDGEMENTS

Thanks to Community Volunteers!

Community Involvement Remains Crucial and is Highly Valued
Rick Cunningham
The Landings Association, Inc.
President
Next year will be the fifth year of our six-year strategic plan guided by the following Vision:
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- To be the most vibrant private residential community in the Southeast.
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- To be the most vibrant private residential community in the Southeast.

- We are stewards of the naturally beautiful coastal environment in which we live, work and play, and actively pursue economic, environmental, and social sustainability.
Next year will be the fifth year of our six-year strategic plan guided by the following Vision:

- To be the most vibrant private residential community in the Southeast.

- We are stewards of the naturally beautiful coastal environment in which we live, work and play, and actively pursue economic, environmental, and social sustainability.

- **We create and foster an active lifestyle, along with experiences and services that enhance our sense of community, security, and quality of life.**
WHY VOTE YES?

- Ultimately, we all are responsible for ensuring that The Landings remains an attractive, safe, and inviting place - for ourselves, and for our neighbors yet to be..
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- Ultimately, we all are responsible for ensuring that The Landings remains an attractive, safe, and inviting place - for ourselves, and for our neighbors yet to be.

- These joint responsibilities include maintaining our common areas, our infrastructure, our security, and our safety.
WHY VOTE YES?

- Ultimately, we all are responsible for ensuring that The Landings remains an attractive, safe, and inviting place - for ourselves, and for our neighbors yet to be.

- These joint responsibilities include maintaining our common areas, our infrastructure, our security, and our safety.

- ... and continuing progress towards achieving the key objectives of the Strategic Plan - to make the Landings community more desirable to current and future residents.
WHY VOTE YES?

- The Landings is our Community and Home
- The Operating funds and Capital Reserves are important to maintaining the value of our community and our individual homes
- We all want to enhance our beautiful Community and the lifestyle we enjoy today
- This vote is important for both today and our future, and we need your support
YOUR VOTE COUNTS!

60% of Owners Must Vote

66.7% "YES" VOTES NEEDED

BALLOT DEADLINE:
October 26, 2018 AT 4 P.M.
Questions?