

SKY HARBOR BOARD MEETING MINUTES
A SPECIAL CALLED MEETING
MAY 28, 2016

The meeting was not in the Sky Harbor Club House as it was rented for the weekend. The Board met behind the salt shed with lawn chairs and a picnic table. Bob Hamilton, Chairman, called the meeting to order at 10:10am. John Cameron made a motion to adjourn this meeting by 12:00 noon. By a show of hands, the vote was unanimous. Present were Ken Adams, Mary Jo Beard, John Cameron, Keith Dees, Patrick Gray, Emil and Margaret Gumieny, Jim Hale, Bob Hamilton, Marion Kincheloe, Jeff Lukkarila, Junior Webb, and Gary Whitehead. Absent were Phil Moss and Terry Young. Bob Hamilton reminded the Board that only the topics on the agenda could be discussed. Mary Jo Beard handed out the agenda to everyone; Bob had emailed a copy of the agenda to everyone earlier in the week. There were no minutes, Treasurer's Report, or Road Committee's Report. [2 minutes]

ORDER OF BUSINESS:

1. Paving Roads—The main roads need attention first. Junior reviewed the 3 phases briefly. Phase 1 can begin with \$80,000.00. John Cameron, as Treasurer, said we have this money. He gave a brief review of the estimated expenses through the end of Sky Harbor's fiscal year, July 31, 2016. The balance includes 77% of the Sky Harbor dues that have come in so far this fiscal year, the delinquent dues collected so far, a reserve amount, a miscellaneous amount for unknown items, and contract labor. Mr. Ball of Newport Paving will be coming to Sky Harbor starting this next week. He usually bills Sky Harbor in August or September for work done during the whole summer. A discussion ensued over why there is so much money in the bank account. 200 members have not paid dues. Eleven liens have been signed and sent out. Junior Webb made a motion: \$80,000.00 will be spent on the roads. There was no more discussion. Jim Hale seconded the motion. By a show of hands, 9 agree and 4 oppose. The motion passed. [8 minutes]
2. Fence around equipment—Junior reported the survey should be \$450.00-\$700.00. The surveyor is already here surveying other lots around the shed. The fence is \$6,000.00-\$9,000.00 for a 6' fence. \$2,000.00 of that estimate is for barbed wire around the top. Junior does not think this is necessary. Emil Gumieny made a motion: Up to \$9,000.00 will be spent on the survey and fence at the salt shed. The discussion included whether it was wise to spend up to \$90,000.00 (roads and fence) right now with a \$121,000.00 bank balance. The fence is needed ASAP. Keith Dees seconded the motion. By a show of hands, 13 agree. The motion passed unanimously. [7 minutes]
3. Proxy—Bob Hamilton asked John Cameron for a law about proxies. Ken Adams passed out folders that included a letter from Gregory Logue, an attorney, the Sky Harbor Charter of Incorporation and 3 Articles of Amendments to the Charter changing addresses of the secretary/treasurer. Ken read a portion of the letter from Mr. Logue supporting the use of proxies. Mary Jo Beard asked if Sky Harbor was still a Not-For-Profit Organization. The way we filed taxes is with a Not-For-Profit number. If that number is wrong, would the government not have notified Sky Harbor otherwise? Are the rules/laws governing Not-For-Profit and For-Profit organizations different? John Cameron said that a Not-For-

Profit Organization can have a For-Profit segment (as Sky Harbor Club House) in the tax return. Further discussion ensued both on and off the subject. Attorneys' opinions have said Not-For-Profit corporations can use proxies, but do not have to use proxies. There were many lawyer opinions, but no actual Tennessee law was presented! This board is governed by Sky Harbor By-Laws and Robert's Rules of Order. Proxies have been abused. The present use of proxies eliminates from the board a board member who disagrees with other board members who have a number of proxies. These same board members use the proxies to restrict new people from getting on the board. Five years ago, it was an idea that was acted on. Proxies were never voted on by the Sky Harbor board or membership. John Cameron made a motion: In light of today's discovery, proxies will continue to be used. Junior Webb seconded the motion. By a show of hands, 4 agree; 8 disagree; 1 abstains. The motion failed. Emil Gumieny made a motion: A separate letter for understanding should be sent by mail to explain the issue about proxies. All property owners will receive this letter in the best, fastest way possible. This letter will have all the facts, opinions, reasons for agreeing and for disagreeing, with quotes from the Sky Harbor By-Laws and Robert's Rules of Order. A discussion ensued. Mary Jo Beard seconded the motion. By a show of hands, 13 agree. The motion passed unanimously. [1hour + 4 minutes]

4. Property management firm—A review of the issue of Pratt being our new accountant was made. A discussion between the firms of Pratt and Fortner Smalley. Junior Webb seems to be worried that Pratt is going take over the things he does at Sky Harbor. Mary Jo Beard made a motion: We will vote on a management firm either Fortner Smalley or Pratt with the help of Cheryl Lowery and Junior Webb to set up the contract/agreement for book keeping for Sky Harbor. With this vote you will vote for Fortner Smalley or Pratt only one. This vote will supersede other votes on this issue. Discussion continued. There was confusion over this motion. Mary Jo withdrew her motion. Jeff Lukkarila: Sky Harbor will use the Pratt firm with modifications to their proposal for Sky Harbor's booking keeping. John Cameron asked more questions. Bob Hamilton seconded the motion. Some asked more questions which created more confusion. John Cameron announced that it was 12:00 and the meeting was over because of the motion made at the beginning of the meeting. There was no vote. Discussion stopped.

Sincerely submitted,
Mary Jo Beard, Secretary