

Feb 2018 Documents

- Board Meeting Minutes
- Secretary's Notes
- Treasurer's Report
- Financial Report
- Bylaw Request

Sky Harbor POA Board Meeting
Saturday, February 3, 2018
10:00 AM
Club House Lodge

Board Members in attendance:

Chris Muster (Chairman), Randy Lange (Vice Chairman), Cheryl Lowery (Treasurer), Kelly Frontroth (Secretary), Billy Duncan (Parliamentarian), Junior Webb (Road Committee Chairman), Cher Boisvert (By-Law Committee Chairman), Jimmy Lowery, Mark Brandenburg, Steve Wineki, Keith Dees, , Bill Binger, George Tanley, Melissa Bingham, and Howard Ohl.

Guest in Attendance: None

Chris Muster called the meeting to order at 10:15am.
Jimmy Lowery opened the meeting with prayer.

Elections of Vacant Board Seats

Billy Duncan moved that the elections to fill the empty board seats vacated by Bob Hamilton, Emil Guminey, and Margaret Guminey be moved from New Business and be held immediately so that those elected can participate in the current February 3, 2018 Board Meeting. Cheryl Lowery seconded the motion. With no further discussion, the motion passed unanimously 12 In Favor, 0 Rejected, and 0 Abstained.

Junior Webb moved George Tanley be elected to fill the position of Bob Hamilton.

Randy Lange seconded the motion. 12 in favor, 0 opposed, 0 abstained.

Melissa Bingham, Gary Whitehead, and Howard Ohl then introduced themselves to fill the position of Emil Guminey and Margaret Guminey. A closed ballot was taken results were 13 Melissa Bingham, 6 Gary Whitehead, and 7 Howard Ohl. Melissa Bingham, and Howard Ohl were welcomed as new board members.

Approval of Minutes

Minutes from the August 5th, 2nd board meeting needed to be approved, an oversight from the November meeting. The minutes from November 4, 2017 board meeting were presented to the board prior to the February 2018 board meeting for review. With no questions or comments, Steve Wineki moved the minutes be approved as submitted. Mark Brandenburg seconded the motion. The motion passed 12 In Favor, 0 Rejected, and 3 Abstained (George Tanley, Melissa Bingham, and Howard Ohl). The new board members chose to abstain as they did not have time to review.

Secretary's Report

Attached written report by the secretary, Kelly Frontroth, was distributed to board members prior to the November 4, 2018 meeting. Cher Boisvert moved the report be accepted as submitted, Billy Duncan seconded the motion. With no discussion, the motion passed 12 In Favor, 0 Rejected, and 3 Abstained (George Tanley, Melissa Bingham, and Howard Ohl). Again, the new board members chose to abstain as they did not have time to review.

Treasurer's Report

The Treasurer's Report was submitted and reviewed by Cheryl Lowery, treasurer. See *Attached Report*.

The board had the following discussion concerning issues in this report.

- Billy questioned the larger pest control bill. Junior advised there was a termite issue with the lodge that needed special attention and Orkin was called for the extermination.
- Chris questioned why we are paying \$250 per month for cable and internet it seems very high. Randy has a connection with Charter who he can contact to see if our rates can be lowered. He will need to know how many cable boxes we want. Currently we have 6. One in the commons area and one in each bedroom. Chris felt we just need the one in the commons area, Jimmy felt we need to keep all 6 because he is quite often asked if there is cable in all bedrooms of his cabin.
- Expenses on the lodge have increased this year. Last year total expenses were around \$2000. This year we have already spent around \$1700 and we have 6 months to go.
- Concerning supplies and the propane gas, we did not pay last year due to a credit we had received for being overcharged which previous board member Gary Whitehead found for the association. The only item in the lodge that uses propane is the fireplace and the propane is shut off when the weather gets warm.
- Cheryl disposed a lot of the old assets on the books. Every year Sky Harbor has capitalized the road improvements and they have been sitting out there for years. Once a road is paved over, it is because the under layers have worn down. None of the improvements had been taken off of the books. The issue is that in Tennessee you pay a franchise tax based on the equity of a corporation (what you own less what you owe). Therefore by showing Sky Harbor owned all of those road improvements it was increasing the franchise tax.
- Newport Paving has an outstanding bill for just under \$60,000 which was mailed to the wrong address. Cheryl is not sure if Pratt has paid or if it is still floating around in the mail.
- Cheryl advised the accounting with Pratt is still not in order. Kelly spoke with Pratt in preparation of the Late Letters, and he advised that the old accounting firm billed by client and for collection proceedings, accounts need to be by lot. They are not only having to change bookkeeping formats, they are also having to change client basis from total customer account to individual lots.
- Cheryl has spoken with Joyce at Millstone accounting and though she can't give us a quote at this time, she would be willing to help us out if needed.
- 1099 received from Bear Camp Rentals for \$26,655
- Four 1099s were issued for 2017: \$53,982 paid to Pratt & Aycok. \$1800 paid to Diane CPA for Accounting, \$6,663 Bear Camp Rentals for management, \$58,103 Junior Webb for his contract.
- Cheryl needs approval to pay bill for legal fees submitted by the by-laws committee. Tabled until bylaws committee report.
- Steve questioned what the breakdown for Pratt & Aycok would be. Cheryl advised \$835 per month for accounting, 33% for collections, supplies were approximately \$1200 - \$1500 for mail outs such as dues invoices. Most of the

income was collections. Billy wanted to let the newer board members know that past boards have tried collection agency's that charged 50% and did not do as good of a job with collections.

With no further discussion or comments, Mark Brandenburg moved that the treasurer's report be approved as submitted by Cheryl Lowery. Billy Duncan seconded the motion. 15 Approved, 0 Disapproved, 0 Abstained. Motion passed unanimously.

Roads Report

Junior, Road Committee Chairman, reported that there were a lot of busted up places that need paving. It will cost approximately \$75,000 to \$80,000 to have damages repaired and roads resurfaced. Restriping will cost approximately \$3600 - \$3800. Junior said he can handle the cross stripping.

Junior was commended on the job during the snow.

Kelly asked Junior if he could provide a list of roads that were paved. Chris also recommended that when Junior figures out what roads will be paved in 2018 both lists can be posted on the website.

George wanted the board to think about railings on Rose Pass. There are some very dangerous areas on that road. Billy questioned the expense of guard rails. Other alternatives discussed were posts and cables or used guardrails which Junior may be able to get for about \$15-\$16 per foot. It would probably take 50-80 feet for that section of Rose Pass. There is another dangerous section at Stone Trail.

Customer Issues:

Jeanette Dyer – Mrs. Dyer is delinquent in her dues. \$5036.34. She feels her road has not been maintained and she would like some consideration in reduction of her dues. Chris produced correspondence where she had been to previous boards for consideration, but has not paid her dues. Junior explained that Sky Harbor did do work on their road, but they Dyer's were never satisfied. The board agreed to let the Collection Attorney handle any conversation with Mrs. Dyer.

Tim Wilson – Correspondence was presented from Mr. Wilson requesting his road be paved. The previous board agreed at the February 2017 meeting to pave his road and it still has not been paved. Junior held off as he felt Tim may have to cut the road for utility purposes. Jimmy advised that Tim Wilson can boar under the road if necessary or if he tears up the road he will need to repair. Junior Webb was told to go ahead and pave Tim's road as per approval from previous board. Cheryl advised there was \$1000 left in the budget. Junior said he felt sure that would be enough money. Chris will get back to Tim Wilson.

Chuck Schmidt - Mr. Schmidt lives at 2241 Beech Front. He stated that the mirror needs fixed on Rose Pass as it is a hazard. Replacement mirror was found on Amazon for approximately \$176. Chris will order the mirror and Junior will replace the mirror. Chris Muster will email Mr. Schmidt.

Stephanie Conin Smith – Accounts receivable dispute. She advised Fortner Smalley agreed to waive the late fees but no one can find anything to substantiate that. Kelly and Steve recommended this matter be turned over to Gregg Pratt for collections evaluation and let him make that call.

Old Business:

By Law Committee Recommendations:

Committee Members: Cher Boisvert, Mark Brandenburg, Randy Lange, Steve Wineki, Margaret Guminey, and Bill Binger

The Bylaw Committee presented a document that recommended clarification and changes to the current bylaws. This document was checked for legality by Melanie Davis of Kizer and Black a Tennessee attorney who represents over 50 homeowners associations. As the board reviewed this document Billy Duncan, parliamentarian, wanted to remind everyone that unless something passed were illegal, TN state law states that bylaws take precedent over TN law. If issue is not addressed by the bylaws or covenants, conditions, and restrictions, then TN law comes into play. It was moved by Cheryl Lowery and seconded by Randy Lange that the board review this document in its entirety. During discussion, Billy Duncan submitted a proposal for consideration of the bylaw committee to limit the board members to only one family member. As requested, this document has been entered into the minutes. *See attached letter.* After completely discussing the document, the board tabled the document until the May meeting to give the By-Law Committee time to take all discussion back to tweak the document, resend to the board, and have everything rechecked by the attorney. George also recommended that we have the attorney write a letter so that the membership and future boards see the recommended bylaw clarifications and proposed changes were checked and brought up to date by an individual with qualified experience. Billy stated that one advantage of the prior document was it was very easy to read where this document is definitely not an easy read. If possible he would like the By-Law Committee see what can be done to make it an easier read. Mark and George would like to see a legal document with a cliff note guide.

The By-Law Committee was commended on all of their time, effort, and hard work.

Accounting:

Legal Fees – The By-law Committee submitted an invoice for \$1760.00 from Kizer and Black for Melanie Davis. Chris recommended we pay this invoice. Cheryl wanted to know if there would be any future legal expenses so she can appropriate funds to pay the invoices. \$1000 was authorized for future spending. Kelly brought up the fact that though this was needed, it should have been brought before the board as soon as the committee knew legal expenses would be involved. This board does not want to set a precedent of future board members or future committees consulting an attorney and then billing the association.

Reimbursements to Junior Webb – Invoices submitted for \$940 to reimburse him for payment to Rick for Snow Plowing. Subcontractors are supposed to run through the Chairman or Vice Chairman, however, since Rick was put on the auto policy with the

prospect of him running the snow plow the board will approve reimbursing Junior out of the \$10,000 expense fund. This will result in an increase in Junior's 1099. Junior presented a bill for \$2000 reimbursement for use of his personal truck from August 1st until December 1st, as his contract states Sky Harbor is to furnish him with 2 trucks and the trucks were parked. When questioned why Junior stated tags, maintenance, and insurance. One truck was running all of the time during those months, tags had to be renewed and future responsibility of this task needs to be assigned, insurance was only out for a 2 week period, and Cheryl reminded Junior that he chose to drive his personal truck as firearms are not allowed in the Sky Harbor vehicles. Junior withdrew this request for reimbursement for this item.

Miscellaneous bills with receipts were submitted in the amount of \$263.76. Steve Wineki moved we reimburse Junior Webb for Rick's pay and the receipts for miscellaneous repair items, Chris Muster seconded the motion. 14 in favor, 0 opposed, 1 (Junior) abstained.

Karl Mund – Junior advised that he will get the W-9 to Cheryl so that Karl's account can be credited and Pratt can issue a 1099 to Karl.

Collections –Pratt has paperwork ready to start lien procedures on some of the delinquent customers. He advised on February 3 that he will need Chris to go by the office and sign paperwork. Chris will stop by next week and sign the paperwork.

Delinquent Accounts - Kelly and Cheryl have been working together to get an accurate accounts receivable from Pratt's office so that delinquent letters can be sent out. Pratt provided a template for the delinquent letter. Letters were printed for any balance that appeared to be correct and that were at or less than \$500 without late fees. If late fees pushed them over \$500, those letters were printed also. 127 letters were prepared for mail out. Kelly called Pratt to make sure that the board would be sending out letters to the correct property owners and not something already in collections. Gregg advised that February 2016 the board turned over any accounts that were late in excess of \$500. he was not collecting for anything under \$500 at this time. For future reference, if we mail out the letters, Pratt's name cannot appear anywhere on the outside of the envelope due to ethics laws in the state of TN.

Billy reported that last time this was done was in 2016. Anything over \$500 was sent a letter. Over \$100,000 was collected and \$72,000 was immediately designated for road improvement. 350 nonpaying members was reduced to 200.

Mark questioned where we were with online electronic payment. Cheryl said Pratt said they were trying to reach Double Decker, but Kelly advised she had told Paige she would be the person to connect them. Billy also said that if we use electronic means, we will have to pay a fee which right now we cannot turn over to the property owner as it is not in CCR.

Nonjudicial Foreclosure – Means you do not have to go before judge to file a foreclosure and that is the preferred method in TN. The new bylaw recommendations do not specify any ways which according to Emil's attorney's letter is the correct way to go.

Cher is to check with attorney to see if new recommendations needs to state “by any means” in section V.1.f.

To record and/or foreclose the lien against any Unit(s) for which assessments are not paid within thirty (30) days after the due date or bring an action at law against the Owner personally obligated to pay the same; and

Accounting Keep or Replace – Kelly provided a copy of Management Contract with Pratt for a five year term signed by Chris dated May 2017. Pratt had provided Cheryl a copy of a 2 year contract signed by Bob Hamilton dated March 2016. Kelly asked Gregg Pratt why they signed a new contract before the 2 years was out. Gregg advised that he felt the undertaking was more involved than originally described and therefore requested a new contract be signed. The board feels that the transfer of information from Fortner Smalley to Pratt is still not complete and it has been almost 2 years. The billing for 2017 was not sent out on time. Taxes were not filed on time and the extensions ran out. The board has not been provided documents promised in the contract. There is no check and balance system between receivables of what is standard, what is late, and what is in collections. Currently the board feels that it would be better to separate the accounting and collections. Cheryl would like to see Pratt have the accounts cleaned up so as not to cost the association a large fee for having another accountant clean up the books. Kelly’s concern is if we can get Pratt to renegotiate the contract to exclude the accounting, do we have someone that can take over immediately? Cheryl and Melissa advised they would work together to see transition and not let anything fall apart. Cheryl has tax season to consider. Cher will check with Melanie on the legality of the contract.

Insurance

D&O and General Liability – Farmers Insurance Policy. It is up for renewal March 1, 2017. When the policy was originally taken out, it was only showing the association with 1 property and no property owners. When underwriting found out how large our association was, it increased our premium. The true premium is around \$6000, however, the underwriter has agreed to increase it up to \$3200 this year and then the true premium of \$6000 will be charged in 2019. Kelly is searching other agents, but has had no luck. Burchfiel Overbay has be turned down by the companies that they represent. Kelly has a few more agencies to try. If she does not have anything before February 15, we will have to renew the Farmers Insurance Policy.

Business Auto – The premium is due to renew in May. The board can decide in May what they would like to do with the trucks.

Roads

Maintenance Contract (Request for Proposal) – Everyone was to look over the RFP’s. Junior gave Mark a list of what his main jobs were this past year. Steve will get together with Mark and Junior and see if he can get the RFP completed.

Signage – Trail Head Parking sign need to be replaced, mirror needs to be replaced, message will be placed on the Sky Harbor sign stating map on the other side, and sign

will be placed in front of mail boxes stating do not park in front of mailboxes. Billy also stated we need better evacuation signs. Randy moved and Cher seconded motion that \$1500 be approved to replace signs and mirrors. 15 in favor, 0 opposed, 0 abstained

Stripping – Randy moved and Chris seconded we pull \$3600 from our \$10,000 expense budget to strip the road. George recommended we need to put this in as a regular maintenance item in our paving budget so it can automatically be done every 3 to 5 years. 15 in favor, 0 opposed, 0 abstained. The board would like this to be done as soon as the roads are warm enough.

Contract for Junior Webb – Steve Wineki moved we renew Junior's contract from March 30st until July 31st. Cher Boisvert seconded the motion. 14 in favor, 0 opposed, 1 (Junior) abstained

Worker's Compensation Insurance – Even though it is part of his contract, Junior Webb refuses to purchase Workers Compensation Insurance. This leaves Sky Harbor exposed if he or anyone working with him were to be injured. Randy asked if Kelly can obtain a quote on what Junior would have to pay. If less than \$2000 funds will be pulled from the \$10,000 expense budget to increase Junior's salary to cover premium. Moved by Keith Dees and seconded by Steve Wineki. 14 in favor, 0 opposed, 1 abstained (Junior).

Truck Maintenance and Insurance – There was a lot of discussion concerning the liability of providing equipment to a contractor. Also the monetary cost of providing the equipment and supplies. What would other contractors charge? Without the RFP and other bids, we cannot get a true picture on the monetary cost. This discussion was tabled until May.

Rental Property Cabin Maintenance.

Kelly Frontroth motioned and Billy Duncan seconded that Melissa Bingham get with Bear Camp Rental and review our contract and report back her findings and recommendations of our current rental situation. 15 in favor, 0 opposed, 0 abstained.

Website

The Facebook tie-in to the website is up and running and worked very well during the snow. Kelly thanked Junior for whoever was relaying the messages through email. It helped to keep the property owners informed.

Melissa will help Kelly maintain the Information and Alert Page.

Kelly thanked everyone who has provided pictures to her to be used on the website. This will allow a fresher look to our website. Kelly would like to put in a tab for visitors to help them with local flavor. Bring out some things to do that might attract visitors. Restaurant recommendations, fishing, and walking trails. Please let Kelly know any ideas you may have.

Billy reminded Kelly of 2 changes that need to be made. The time of the May meeting needs to be moved to 10:00 AM. Remove the section on the front page that talks about an unimproved lot.

Sky Harbor Entrance Sign

We are waiting for Jonas to get back with Kenny. Keith Dees said Kenny had the go ahead and is waiting on the weather to get warm before he digs out the road.

Mailboxes

This will be moved from further agenda's.

New Business:

Heavy Trucks on road during the winter

The board needs to think about what we can do to keep heavy trucks from coming into Sky Harbor after bad weather to prevent them from tearing up the roads.

Election of Vice Chairman

Mark Brandenburg nominated Bill Bingham he declined. Billy Duncan nominated Randy Lange, Mark Brandenburg seconded the nomination. While Randy was considering Mark Brandenburg also nominated George Tanley, George said he would if Randy would not but he thinks Randy is an excellent choice. Randy Lange said he would accept the position of Vice Chairman. A vote was taken. 15 in favor, 0 opposed, 0 abstained.

With no further business, the meeting was adjourned at 5:11 PM.

Respectfully submitted,

Kelly Frontroth
Secretary Sky Harbor POA

Actions from November Meeting:

- \$2500 was allocated for Pratt to start collections proceeding. The board needs to let Pratt know we are looking for a return on that investment and need to be kept advised of those figures.
- Set up reserve account
- Pratt to set up Credit Card Payments
- Diane Miller to file 2016 and 2017 tax returns.
- Karl Mund credit if we could get a W-9 and have the ability to send a 1099.
- Request For Proposal developed and put out for bid before the February meeting.
- Website to be updated with a link to rental for lodge. Facebook page to be developed for information and alerts.
- Accounting – Cheryl was going to do discovery on whether accounting needs to remain with Pratt or we should separate that off from collections and have someone else handle the accounting. Millstone Accounting has been 3.
- Bylaw Committee – Present Proposed Bylaw Changes will be presented at February meeting.
- Insurance Coverage – A six month auto policy has been placed on the trucks through Progressive with only Junior and Rick as divers.
- Obtain list of outstanding accounts from Paige at Pratt so delinquent notices can be sent out at the February Meeting.
Have Pratt develop a letter that can be sent to delinquent accounts stating that they have 30 days to pay or they will be receiving a letter from the collections attorney.
- Make sure lawsuit is complete and paid

Items Left From November Meeting:

Failure to approve Kelly's minutes from the First Quarter August Board Meeting.

Cabin Maintenance –

Hot Tub – Why are we paying an extra fee and why is it not included with housekeeping? That question needs to be asked to Bear Camp.

Lodge Repairs - Who reviews or authorizes repairs to the lodge performed by Bear Camp? Billy advised that most rental companies give a choice to the owners for the management company to do all repairs, or they let the owner know and the owner advises what to do. There needs to be a dollar amount and anything over that amount must be authorized by a contact for SHPOA.

Pratt wants us to discuss putting nonjudicial foreclose in our bylaws.

Steve recommended any money left over from roads needs to be used to stripe the road.

Due to seasonal condition between November and February, no sign update is expected at the February meeting. (On a side note, Bob was the appointed contact with the Cole's. A new contact will need to be established).

Mailboxes. Do we want to pursue a bylaw and accounting change to charge for mailboxes (will need to be collected in with the dues), have Junior set up a new set of mailboxes, or do nothing at this time.

Discussion on Equipment – Maintain or sell.

Junior's contract – All insurance requirements are not being met. Contract not signed in November.

Items occurring since the November Meeting:

- Bob Hamilton has resigned. A new board member has to be appointed. Chris will appoint from Matt Naas, Carl Kincheloe, and George Tanley as per request from the board. (Latest update, Chris is out of town so Cher is making contact with these three in the above order to see if one will serve)
- Emil and Margaret have resigned
- Cheryl has created reimbursement forms.
- Red Truck 2006 Chevy needed transmission repaired and it was covered under warranty and repaired by Vols Chevy.
- Paige provided a list of lots which included improved and unimproved lots. Cheryl questioned and asked for boards help in reconciling list. (See mail 12/29/17 3:35pm)
- Several residents had questions which appear to have been answered.
- Questions from email now go to Pratt and Chris.

Sky Harbor Property Owner's Association
Treasurer's report
Nov 17 – Jan 18

Attached is the financial report for the first 6 months of our fiscal year compared to budget.

- I have updated a few budget amounts as I determined that I had budgeted an incorrect percentage and that to reflect the correct amount it was necessary to modify the budget. Those line items are Credit Card Fees, Gross Receipts Tax, Management Fees and Pest Control and all are located under the section for the Lodge. These changes lower the expected expenses by \$4,410.00.
- We are significantly behind budget on collection of the past due receivables. We budgeted to collect 20% but have only collected 5% to date.
- Lodge income is running 20% higher than we budgeted. Budget for 6 months is \$13,500 but we have earned \$16,216.
- Repairs / Maintenance on the lodge have been much higher than we budgeted. All are paid to Bear Camp unless specified.
 - 7/21/17 Dishwasher not working properly, replaced float assembly \$149.25
 - 8/31/17 Purchased steps for hot tub, installed \$153.59
 - 9/27/17 Steam clean carpet 8 couches, 4 chairs, all area rugs
 - 9/28/17 Replaced pop up assembly in bathroom at kitchen, removed 2 sofa sleeper and disposal \$98.71
 - 10/14/17 Paid Junior for hot tub repair 8/17/17 \$213 and Clubhouse floor kitchen to double door 10/16/17 \$187.50
 - 11/06/17 Cleaning fee \$118.39
 - 11/17/17 Replaced kitchen faucet with new single handle delta faucet \$143.16
- Supplies is propane gas. We did not pay for gas in the prior year, so it wasn't budgeted this year. Hopefully this gas will last us the remainder of this fiscal year.
- The lodge has earned \$2,852.79 more than it has cost for these 6 months.
- Contract Labor – Junior has been paying Rick out of his pocket as he needs further clarification as to what is included in his contract and when extra labor is considered outside of his contract and therefore to be paid by the association.
- Legal fees – the bill from Pratt for representation in the F&S suit was \$900 and was paid at the end of January. The \$2,500 that we appropriated for collections has not been spent as the accounts have just recently been identified as to which one to pursue.

- Repairs / Maintenance – this is mostly handled by Junior and nothing has been submitted for this quarter. He does have some receipts that he will be submitting soon.
- Taxes – The 2016 return was prepared and reviewed. There were a few corrections to be made so I haven't received the updated return. I did have Diane dispose of a lot of the old assets (road improvements) on the books which significantly reduced our equity therefore reducing the amount of franchise tax due to Tennessee. We owed \$3,120 for the 2015 return and only \$1,530 for the 2016 return saving over \$1,500.
- Road Maintenance – We have incurred over \$60,000 in paving cost but there was trouble getting the invoice to Pratt's office, so it hasn't been paid. Hopefully we can get this to them in the next few days.
- Our cash has increased by over \$116K during these 6 months.
- All bank statements are included

Follow up from November meeting on issues:

- *Receivables* - \$72,292.46 balance on one report from Paige. Another report shows \$283,193.43. If I take what they told me was due 7/31/17 and subtract the deposits received the balance is \$290,486.69. Would the real balance please stand up?!

\$2500 was allocated for Pratt to start collections proceeding. The board needs to let Pratt know we are looking for a return on that investment and need to be kept advised of those figures. Pratt was notified the day of the meeting. The accounts have just recently been identified and they are preparing the appropriate paperwork that Chris will need to sign. Per Paige on 2/1/18: We are in the second stage of the collections/legal process and about to begin the judicial foreclosure on the following: Davis Enterprises, LLC; CJAC Wonderland, LLC; Tamara & Victor Crawford; Steven & Kimberly Nall

- *Set up reserve account* - It took Pratt's office a while to get with the bank to set up the account. They picked the wrong type of account, so I called and got the information and told them which account we needed. It then took a little while longer to get the paperwork completed. Last, they told me was that they were waiting on Chris to sign the signature card. We have lost a whole quarter's interest at the higher rate. I can see the account online as of today, so I will make the transfer within the week if they don't start using this reserve account.
- *Pratt to set up Credit Card Payments* - They told me just recently when I sent them this list for an update on these items that they are waiting on approval to be able to contact double decker to put the link on the website.

- *Diane Miller to file 2016 and 2017 tax returns.* As mentioned above, she has prepared the 2016 return but due to come correction that need to be made it has not been filed as yet. I am not aware that they have the accounting data corrected in order to be able to do the 2017 return. They used the data from F&S to do the 2016 return with some adjustments that I sent to Diane to make to the data.
- *Karl Mund credit if we could get a W-9 and have the ability to send a 1099.* I have no idea where we are on this other than no 1099 was prepared for him.
- *Accounting – Cheryl was going to do discovery on whether accounting needs to remain with Pratt or we should separate that off from collections and have someone else handle the accounting. Millstone Accounting has been 3.* I have talked to Joyce at Millstone several times and she seems to be a wonderful choice of an accountant. I am still reluctant to move the accounting while the QuickBooks is in such a mess however I am beginning to believe that it will never be correct.
- *Obtain list of outstanding accounts from Paige at Pratt so delinquent notices can be sent out at the February Meeting.* Done. Kelly has the list and has prepared letters.
- *Have Pratt develop a letter that can be sent to delinquent accounts stating that they have 30 days to pay or they will be receiving a letter from the collections attorney.* Done
- *Make sure lawsuit is complete and paid -* Done on 01/31/18
- *Stephanie Coning-Smith A/R – she previously requested us to abate dues owed for the years 2000-2006 as she states that F&S had agreed to this back in 2008. She was unable to provide any proof that the dues were paid or an agreement with F&S.* I have emailed with her requesting documentation and ½ of the amount in dispute, but she refuses to pay.

New issues:

- Bear Camp – do we want them to do a deep clean on the lodge?
- Bear Camp 1099 for 2017 shows \$26,655 was earned for the lodge!
- A copy of the 2017 1099s are attached. They include Pratt \$53,982.91, Bear Camp \$6,663.75, Diane \$1,800.00, and Junior \$58,103.10.
- Legal bill from bylaws committee needs to be approved - \$1,760.00 payable to Kizer & Black, Attorneys, PLLC.
- I have a list of lots from Paige that I need some clarification in understand the list as there seems to be a lot of them without a lot number and several duplicates. I have some information from Junior. This information is important if we take the

billing / collections from Pratt, then we need to make sure we know all of the correct information for someone to be able to move forward in an efficient manner.

- Need copy of invoice from paving company so that it can be sent to Pratt for payment.
- Need approval for reimbursements to Junior

Sky Harbor POA Budget FYE 07/31/18			Aug	Sep	Oct	Nov Actual FYE 07/31/18	Dec	Jan	Total	Budget Balance		
Income												
Dues - current year												
Total invoiced			\$ 228,747.15									
% Expected to collect			80%	\$ 183,000.00	117,266.17	18,044.22	9,208.35	1,869.92	5,845.42	2,171.46	154,405.54	28,594.46
Dues - previous years												
Total uncollected as of 07/31/17			\$ 227,971.38									
% Expected to collect			20%									
Collection Fees			(13,678.28)	\$ 31,920.00	(558.80)	(722.15)	(297.73)	(648.14)	(2,226.82)		34,146.82	
Lodge Income			\$ 456,718.53	\$ 27,000.00	4,060.00	406.60	1,823.60	2,072.60	4,393.20	3,460.00	16,216.00	10,784.00
Interest Income			290,486.69	\$ 240.00	20.00	22.59	23.39	22.63	22.87	22.95	134.43	105.57
Other Income			\$ -								-	-
			\$ -								-	-
Total Income			\$ 242,160.00		130,669.07	18,473.41	10,333.19	5,612.02	10,261.49	5,006.27	180,355.45	61,804.55
Expenses												
Lodge												
Cable			\$ 3,060.00		251.14	253.84	253.80	253.80	253.80	253.80	1,520.18	1,539.82
Credit Card Fees			\$ 297.00		42.92	4.30	18.31	21.91	46.44	36.57	170.45	126.55
Gross Receipt Tax			\$ 270.00		40.60	4.07	18.24	20.73	43.93	34.60	162.17	107.83
Hot Tub Fees			\$ 750.00		60.00	15.00	60.00	45.00	45.00	45.00	270.00	480.00
Insurance			\$ 2,500.00					581.25		581.25	1,162.50	1,337.50
Management Fees			\$ 7,218.00		1,054.00	140.65	494.90	557.15	1,137.30	904.00	4,288.00	2,930.00
Pest Control			\$ 585.00		30.00	30.00	30.00	254.28	30.00	30.00	404.28	180.72
Property Tax			\$ 970.00				71.00	895.00			966.00	4.00
Repairs / Maintenance			\$ 2,000.00		149.25	153.59	718.71	400.50	261.55		1,683.60	316.40
Supplies			\$ 500.00			3.12			454.67		457.79	42.21
Utilities			\$ 4,200.00		345.72	287.43	252.54	251.34	358.85	782.36	2,278.24	1,921.76
Total Lodge			\$ 22,350.00		1,973.63	892.00	1,917.50	3,280.96	2,631.54	2,667.58	13,363.21	8,986.79
Operating Expenses												

Sky Harbor POA			Aug	Sep	Oct	Nov	Dec	Jan	Total	Budget Balance									
Budget FYE 07/31/18						Actual FYE 07/31/18													
New Equipment	\$	-							-	-									
Fountain	\$	-							-	-									
Paving										-									
Front Entrance	\$	8,000.00							-	8,000.00									
Pine Ct	\$	2,000.00				1,462.50			1,462.50	537.50									
Piney Ct	\$	1,000.00							-	1,000.00									
Road Maintenance	\$	112,034.28	\$	123,030.00					-	112,034.28									
Total Other Cash Expenditures	\$	123,030.00	\$	-	\$	-	\$	-	\$	1,462.50	\$	121,571.78							
Net Change in Cash	\$	(18,160.00)	\$	119,012.12	\$	11,786.30	\$	1,564.29	\$	(9,379.70)	\$	2,852.45	\$	(8,994.94)	\$	116,840.52	\$	(135,004.80)	
Beginning Cash Balance		150,462.31	150,462.31	269,474.43	281,260.73	282,825.02	273,445.32	276,297.77	150,462.31										
Ending Cash Balance	\$	132,302.31	269,474.43	281,260.73	282,825.02	273,445.32	276,297.77	267,302.83	267,302.83										
Lodge Net:	\$	4,650.00	\$	2,086.37	\$	(485.40)	\$	(93.90)	\$	(1,208.36)	\$	1,761.66	\$	792.42	\$	2,852.79			1,797.21

Proposed By Law
Respectfully submitted for consideration – Billy Duncan
2/3/2018

“No two members of the board shall be related either by marriage or by blood”

Explanation:

I feel that, in my two years serving as a Board member, having married couples resign mid-term have caused the Board to lose a certain amount of forward momentum and forces us to then focus away from the matters of the Community, instead having to focus on their replacements.

My examples are:

2016-17 - David and Linda Brent resigned mid-term;

2016-17 - Emil Gumieny resigned mid-term while his wife Margaret continued her term only to have Email continue to attend Board meetings and advise Margaret on Board issues;

2017-18 – Emil Gumieny and his wife, Margaret resigned mid-term.


2/3/2018