

Aug 2018 Documents

- AM Board Meeting Minutes 8/4/18
- Financials FYE18 AM Board
- Annual Meeting Minutes 8/4/18
- SHPOA Accomplishments 2017-2018 Annual
- PM Board Meeting Minutes 8/4/18
- Budget FYE19 PM Board
- Contractor Scope
- Board Member List 2018-2019

Sky Harbor POA Board Meeting
Saturday, August 4, 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), Jimmy Lowery, Mark Brandenburg, Steve Wineki, Gary Whitehead, Melissa Bingham, Bill Binger, and Howard Ohl.

Board Members Absent: Cher Boisvert (By-Law Committee Chairman) and George Tanley,

Chris Muster called the meeting to order at 10:02am.

Jimmy Lowery opened the meeting with prayer.

Election of Board Member

Keith Dees resigned from the board in May. Billy Duncan nominated Gary Whitehead to fill this empty position, Mark Brandenburg seconded the nomination. The board unanimously voted to elect Gary Whitehead to fill the empty space during the August AM board meeting.

Vote of Confidence

Steve Wineki requested to address the Board concerning an email sent in July by board member Sharon "Cher" Boisvert to 187+ members of Sky Harbor. Steve Wineki requested that the Board state, by show of hands, how many board members disagree with the contents of the email. It was unanimously shown that the board members disagreed with the negative comments made in the email. There were 3 targeted members in the email Steve Wineki moved that the board have an individual vote of confidence for each of these members. The Board felt that they have given that vote of confidence by the previous show by hands. Chris Muster, Kelly Frontroth, and Billy Duncan all addressed their feelings and concerns about the email. Junior wanted it noted that statements made in the email about his issues with the targeted board members were not true. Kelly, Chris, and Billy thanked the Board for their support.

Approval of Minutes

The minutes from May 5, 2018 board meeting were presented to the board members prior to the August 4, 2018 board meeting for review. With no questions or comments, Chris Muster moved the minutes be approved as submitted. Randy Lange seconded the motion. The motion passed 15 In Favor, 0 Opposed, and 0 Abstained.

Treasurer's Report

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

- Excellent year for collections \$305,907. Of that \$78,099 was received from invoices mailed out July 1, 2018 and received by July 31, 2018. This was about twice the amount collected last year at the same time. Cheryl Lowery believes

this is due to the postcard, more accounts being billed during this period, checking for accurate addresses before bills mailed, and the pursuit of unpaid bills in February helping to bring public awareness to the seriousness of the board to collect unpaid dues.

- Budgeted expenses was \$242,000 but only \$225,000 spent, so the expenses came in under budget.
- The Lodge had a positive net income of \$4890.
- Cheryl Lowery advised she gave Joyce at Millstone Weir a 5% increase figure instead of a 4% increase figure for the annual dues. All property owners will be issued a credit that will appear on next year's invoice. Improved lots will receive a credit of \$2.43. Unimproved lots will receive a credit of \$1.45

Cheryl Lowery is working with Joyce to clean up the books and the receivables. Cheryl Lowery is asking for the Board's permission for her and Joyce to clean up accounts where the account has been researched and the balance looks wrong. Randy Lange moved the Treasurer and the Accountant (both with CPA degrees) clean up errors in receivables. Chris Muster seconded the motion.

With no further discussion or comments, Kelly Frontroth moved that the treasurer's report be approved as submitted by Cheryl Lowery, treasurer. Mark Brandenburg seconded the motion. 15 In Favor, 0 Opposed, 0 Abstained. Motion passed unanimously.

Once the cleanup is complete, Cheryl Lowery will present of a list of write offs for board approval.

As of July 10th, Robert Weir has documentation of 164 hours by Millstone Weir for work on the Sky Harbor Property Owners Association account. The firm would have normally billed \$24,000 for these hours. Robert Weir has asked and is proposing an amount of \$7236.36 (his cost to pay an employee to do the work without any profit). Instead of paying this invoice up front he is proposing his monthly fee of \$600.00 be increased to \$850.00 until that balance is paid (almost 3 years). Our agreement was for an adjustment at the end of the year, but his firm has encountered a lot of expense hours that he was not aware would be incurred in the first 60 days. Cheryl Lowery moved that we increase the monthly amount Sky Harbor POA pays Millstone Weir to \$850. \$600 to be applied to the negotiated monthly fee and \$250 to be applied towards the invoice of \$7236.36 until that amount is paid in full. Motion seconded by Melissa Bingham. 11 For 1 Opposed (Billy Duncan based on the original deal) and 2 Abstained (Melissa Bingham and Gary Whitehead).

Bills were also submitted by Millstone Weir in the amount of \$1246.84 for invoicing annual dues (postage and supplies) and an invoice in the amount of \$1500.00 for filing the 2017 annual tax return. Payment of Franchise Taxes \$2206.00 also made. Chris Muster motioned and Melissa Bingham seconded the motion that these invoices to be paid. 15 For, 0 Opposed, 0 Abstained.

Roads Report

Junior Webb submitted a written road report (see attached).

There have been several trees removed. Guard Rails and street lights need to be installed. \$31,015 was spent in paving this spring. Weather has been a hindrance as it has rained almost every day. Chris Muster presented an idea from property owner Darryl Sperry for striping. Double stripe with two different colors signifying evacuation routes. Randy Lange moved that an additional \$1500 be added to striping budget to cover the double striping with the 2 different colors. (Previous bid \$4000; this will allow \$5500 for striping). Steve Wineki seconded the motion.

15 In Favor, 0 Opposed, 0 Abstained. Motion passed unanimously.

Customer Issues:

Emil Gumieny - would like to put a small homes community on his property on Pine Ct. His lots are the only lots on this street. He has researched the CCR's, and it is unclear which section his lots are zoned in. He would like to place cabins 650 – 1200 sq feet on these lots. They are constructed by Green Rivers Log Cabins. There was discussion about the homes being manufactured and not stick built, the CCR's, and the legality of the board making a decision to allow any cabin under 850 sq ft at this current board meeting. Members felt research was needed. Emil agreed to table discussion until the November meeting.

Jeanette Dyer – Her road has 6 lots. The road is not named, it is off of Beach Front and all lots have a Beach Front address. Road has now been fully paved by the association since 2013, however Mrs. Dyer is still not paying her dues as she feels she is owed restitution for having to clear the road and run electricity to her cabins. This information will be passed onto the newly elected board.

Laura Bascomb – thought Sky Harbor was responsible for removing tree from her yard. Rick employee of Webb Contracting removed the tree and owner owes Rick \$100. She also needed gravel for her driveway and she purchased \$250 worth of gravel from Sky Harbor POA. Cheryl Lowery has confirmed that cashier's check was received for the gravel. Junior Webb did not charge her for spreading the gravel.

Wendy Paxton – Section of Raymond Hollow Road has dangerous large rocks and boulders near East View Drive. People try to avoid this area and get stuck in her driveway. Junior Webb advised Rock needs to be jack hammered out of ditch and road repaired. Turn over to road committee and have them report back in November.

Melissa Bingham feels we need to prioritize the roads, repairs and paving. Jimmy Lowery stated SHPOA also needs to work at paving some of these roads that have never been paved. If Melissa Bingham remains on the board, she is willing to serve on the Road Committee and help Junior Webb prioritize road issues.

As the board was running short of meeting time, Cheryl Lowery motioned we move the customer issues to the Afternoon Board Meeting. Melissa Bingham seconded the motion. 15 For, 0 Opposed, 0 Abstained.

To do list from the May Board Meeting:

A motion was made by Jimmy Lowery and seconded by Billy Duncan to add the additional \$15 per month to pest control to cover termites. 15 For, 0 Opposed, 0 Abstained

Karl Mund's W-9 has been given to Treasurer, Cheryl Lowery.

Chris Muster will go forward with purchasing the items for the cabin and being reimbursed if he remains on the board. Chris Muster and Billy Duncan will work at getting the thermostat installed. Emil Gumieny wanted it noted that our first priority is the roads. The board responded with the money is coming from a small percentage of the proceeds of the increased income from the rental cabin to reinvest so that we are able to charge more for cabin rental in the future.

Request for Proposal

Cheryl Lowery recommended the RFP be passed onto the afternoon session as that board will be responsible for the 2018-2019 expenses.

Sky Harbor Sign Issue

Nothing has been done on either side. Sky Harbor was waiting to be advised of the next step from the Cole's.

Heavy Trucks on the Road

Chris Muster spoke with Junior Webb and Junior Webb advised that back in the day SHPOA used to charge the construction companies an extra fee due to their heavy equipment tearing up the roads. Kelly Frontroth knows someone building on Lookout Mountain in Georgia and they are having to put up a bond to the HOA during construction. Chris Muster recommends we pass this onto the Architecture Committee. Chris Muster also presented Emil's Gumieny recommendation for a resort fee for those renting cabins. Emil Gumieny feels that the renters, cleaning crews, and maintenance trucks for these rental units are also tearing up the roads. This issue will be tabled until the afternoon meeting.

Billy Duncan motioned to adjourn. Chris Muster seconded the motion. 15 For, 0 Opposed, 0 Abstained. Meeting Adjourned.

Respectfully Submitted,

Kelly Frontroth
Secretary SHPOA

Sky Harbor POA

	Budget FYE 07/31/18	Actual FYE 07/31/18	Budget Balance
<u>Income</u>			
Dues - next year	\$ -	78,099.67	(78,099.67)
Dues - current year			
Total invoiced	\$ 228,747.15		
% Expected to collect	80%	\$ 183,000.00	(769.97)
Dues - previous years			
Total uncollected as of 07/31/17	\$ 227,971.38	19,089.49	
% Expected to collect	20%	-	
Collection Fees	(13,678.28)	(4,642.31)	17,472.82
Lodge Income	\$ 27,000.00	29,099.20	(2,099.20)
Interest Income	\$ 240.00	491.00	(251.00)
Total Income	\$ 242,160.00	305,907.02	(63,747.02)
<u>Expenses</u>			
Accounting Fees			
Bank Charges	\$ 480.00	480.00	-
Contract Labor			
Junior Webb	\$ 54,000.00	54,000.00	-
Other	\$ 10,000.00	\$ 64,000.00	1,600.00
Insurance			
Auto	\$ 6,600.00	8,046.00	(1,446.00)
Crime		-	-
D&O, Property Liability	\$ 1,000.00	960.00	40.00
Workers Comp	\$ 1,000.00	\$ 8,600.00	750.00
Lodge			
Cable	\$ 3,060.00	3,175.97	(115.97)
Credit Card Fees	\$ 297.00	306.63	(9.63)
Gross Receipt Tax	\$ 270.00	291.00	(21.00)
Hot Tub Fees	\$ 750.00	555.00	195.00
Insurance	\$ 2,500.00	949.72	1,550.28
Management Fees	\$ 7,218.00	7,742.80	(524.80)
Pest Control	\$ 585.00	584.28	0.72
Property Tax	\$ 970.00	966.00	4.00
Repairs / Maintenance	\$ 2,000.00	4,157.49	(2,157.49)
Supplies	\$ 500.00	585.01	(85.01)
Utilities	\$ 4,200.00	\$ 22,350.00	4,895.89
Meeting Expenses	\$ 700.00	177.36	522.64
Office Supplies	\$ 500.00	704.57	(204.57)
Paving			
Front Entrance	\$ 8,000.00	-	8,000.00
Pine Ct	\$ 2,000.00	1,462.50	537.50
Piney Ct	\$ 1,000.00	1,225.56	(225.56)
Road Maintenance	\$ 112,034.28	\$ 123,030.00	95,275.90
Professional Fees			
Legal	\$ 8,660.00	6,784.20	1,875.80
Audit	\$ -	-	-
Accounting	\$ 19,080.00	\$ 27,740.00	20,987.50
Property Tax	\$ 280.00	279.00	1.00
Repairs / Maintenance - Equipment	\$ 1,500.00	750.00	750.00
Repairs / Maintenance - Trucks	\$ 3,000.00	950.92	2,049.08
Repairs / Maintenance - Roads	\$ 4,000.00	2,081.89	1,918.11
Security	\$ 500.00	200.00	300.00
Supplies	\$ 1,000.00	222.91	777.09
Taxes	\$ 4,000.00	1,685.90	2,314.10
Utilities	\$ 2,400.00	2,331.24	68.76
Website Expense	\$ 500.00	831.00	(331.00)
Total Expenses	\$ 264,580.00	225,996.24	38,588.04
Net Change in Cash	\$ (22,420.00)	\$ 79,910.78	\$ (102,335.06)
Beginning Cash Balance	150,462.31	150,462.31	
Ending Cash Balance	\$ 128,042.31	230,373.09	
Lodge Net:	\$ 4,650.00	\$ 4,889.41	

Sky Harbor POA Board Meeting
Saturday, August 4, 2018
1:00 PM
Club House Lodge

Prior to the meeting all members were asked to sign in.

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), Jimmy Lowery, Mark Brandenburg, Steve Wineki, Gary Whitehead, Melissa Bingham, Bill Binger, and Howard Ohl.

Board Members Absent: Cher Boisvert (By-Law Committee Chairman) and George Tanley.

52 Members were in attendance.

Chris Muster called the meeting to order at 1:00pm.
Jimmy Lowery opened the meeting with prayer.

Approval of Minutes

The minutes from the 2017 annual meeting held August 5, 2017 were posted to the website in November 2017. Since the members have had plenty of time to review the minutes and unless the members request the minutes be read, secretary, Kelly Frontroth, moved the minutes be accepted as submitted by Mary Jo Beard, secretary 2017. Chris Muster Seconded Motion. Minutes passes unanimously.

Treasurer's Report

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

- Cheryl Lowery commended the members as \$78,099 was received from invoices mailed out July 1, 2018 and received by July 31, 2018. That is phenomenal.
- Total income for the year \$305907.02 after expenses the ending cash balance was \$230,373.09
- Budgeted expenses was \$242,000 but only \$225000 spent, so the expenses came in under budget.
- The Lodge had a positive net income of \$4890.
- Cheryl Lowery advised she gave our new accountant Millstone Weir a 5% increase figure instead of a 4% increase figure for the annual dues (maximum allowed by SHPOA bylaws). All property owners will be issued a credit that will appear on next year's invoice. Improved lots will receive a credit of \$2.43. Unimproved lots will receive a credit of \$1.45
- Cheryl Lowery introduced Robert Weir owner of Millstone Weir Accounting services. Joyce and Bob Guerara are the accountants that will be handling the Sky Harbor account and they are running the elections for the annual meeting.

A motion was made by Chris Muster and Seconded by Bill Binger to accept the treasurer's report as submitted by Cheryl Lowery, Treasurer. Report approved unanimously.

2017-2018 Highlights

The officers gave a report on accomplishments of the past year. *See Attached Report*
Paving and Plowing – Chris Muster, Chairman
Financials – Randy Lange, Vice Chairman
Communications – Kelly Frontroth, Secretary

In addition to report:

Questionnaires were mailed out with the annual dues invoice. Cheryl Lowery reminded everyone to please complete and return the questionnaire. With the new accounting software, SHPOA will now have the ability to email invoices. SHOPA spends close to \$2000 per year to mail out invoices. That money could be better spent elsewhere.

Emil Gumieny questioned if there were fees for paying on line. Rita Maggi advised she made a payment on line and there were no fees. Mark Brandenburg advised there should be a small charge for using a credit card. There were only 3 property owners that have utilized Pay On-Line. Issue will be resolved before next billing cycle and a small convenience fee will be charged for those using a credit card. Those using bank draft will not incur any fees.

Ron Maggi asked what source SHPOA was using to obtain property owners email addresses. Response from the Board was questionnaires and the annual meeting sign in sheet. Email addresses can also be submitted to info@skyharborpoa.org.

Another form of Communication within Sky Harbor will be striping the roads. The roads will be striped with 2 different colors to distinguish evacuation routes.

Unfinished Business:

None

New Business:

John Cameron introduced himself to the membership. He has been a member of Sky Harbor since 1992. He would like to see an end to the entrance road issue with the Cole's. John Cameron moved that a suit be filed against the Cole's establishing where the right of way is to the entrance road off of Kings Branch Road onto Silver Poplar, obtain the services of an attorney preferably Greg Lowe, and sue Randy Cole for \$25,000 for demolishing our sign. Motion was seconded. Discussion ensued concerning prescriptive easements, meets and bounds, right of way and statute of limitations. Junior feels that we need to have this issue resolved. Billy Duncan said that a member of Sky Harbor had reached out to his personal attorney a couple of years ago. That attorney advised the member that Sky Harbor should not make the first move due to prescriptive easements, meets and bounds, right of way and statute of limitations. The vote was called for.

Since proxies have been assigned to some members and every vote will count, Billy Duncan, Parliamentarian advised the votes can be taken in one of 2 ways. A break could be taken and the members can cast their vote with Joyce at the registration table, or paper could be passed out and the Member can print their name and address, sign their name, indicate lawsuit, and cast their vote in one of three ways: In Favor, Opposed, or Abstain. The members elected to vote by paper to keep the meeting going while the ballots were being counted. Once ballots were tallied the result was as follows: 22 In Favor, 201 Opposed, and 10 Abstained. Motion did not pass.

Mary Jo Beard fell last year going out through the back bedroom door. She would like to see a sturdy railing installed. This item will be placed on the agenda for the newly elected board.

Diane Debruhl advised there is a steep turkey neck curve on Ski View down near Silver Poplar Lane. She would like to see a large convex mirror installed. This will be added to the list for the Road Committee.

Emil Gumienny advised SHPOA has tiles by the first pond that are rusting out and gravel roads that have never been paved. Emil Gumienny motioned that there be a \$5.00 per day, one-time charge per year to the owners of the rental cabins. Betty Arnold seconded the motion. Discussion on how it would be patrolled to obtain accurate information as not all rentals are with a property management company. Many saw this as a costly bookkeeping nightmare. Mark Hahn asked if this assessment would be legal. Some Members felt it was discriminatory as everyone uses the roads and how can anyone prove that renters do more damage than owners. Betty Arnold requested her second be withdrawn. Billy Duncan, Parliamentarian asked if anyone else would second the motion to take it to a vote. No one else would second the motion for a vote, therefore no vote was taken on this issue.

Ron Madji asked how we were doing with collecting outstanding dues. The board is moving forward with Sky Harbor's attorney to file liens and foreclosures on properties where back dues are owed.

Member requested a map with lot numbers be placed on the website. Kelly Frontroth advised due to the size of the map, it is hard to load onto our website. Members can go to <http://www.assessment.cot.tn.gov> to look up their lot number. Property can be searched by name, address, or neighborhood. If searching by neighborhood, you will need to search both Sky Harbor and Hidden Valley Sky Harbor.

Emil Gumienny requested Chris Muster address an email sent out by Sharon Bosivert, board member. Billy Duncan read part of the said email so that those who had not received the email could hear the just the email. Steve Wineki summed up that the email was not sent to the board. He received the email though his wife's email address and forwarded to the board members. It was discussed at the board meeting before the annual meeting and the current board unanimously agreed that her negative comments were not the board's opinion. She is not at the annual meeting and will not be running for reelection. Junior Webb wanted to state that he did not have a problem with the

board members targeted in the email and he thinks that they are doing a great job, and the statements in the email concerning him were not true.

Mrs. Jeanette Dyer would like tree removed from her driveway.

Election of Board Members

Member asked if all candidates on the ballot were eligible to run. Kelly Frontroth, secretary advised that Joyce at Millstone Weir has verified that all candidates on the ballot are property owners in good standing. There were no nominations from the floor.

A question was asked concerning how the proxies are being counted. All proxies were sent to a PO Box and picked up by the accountant who then verified that the person sending the proxy and the person receiving the proxy were both a property owner and a member in good standing. Once that information was verified, those votes were transferred to the member attending the meeting.

John Cameron asked how many votes a person has according to property ownership. Kelly Frontroth, secretary advised that this question was answered by two attorneys, one being the association's attorney. The answer was anyone having at least 25% ownership in a property is a member. Each member has one vote per property. John Cameron disagreed with this interpretation and Kelly Frontroth advised she would note the minutes.

Instructions were given on voting procedure. Only one ballot is to be filled out per member. The accountant has on record how many lots the member has an interest in and how many proxies have been transferred to that voting member. When the accountant records the ballot, it will be multiplied by the number of votes on record. There are 15 board member positions and 17 candidates. Each member in good standing can vote for up to 15 candidates.

Chris Muster called for nominations from the floor. There being none, all candidates introduced themselves. All were present except Cindy Horn.

John Cameron motioned that nominations cease, Billy Duncan seconded the motion.

While the ballots for Board Elections were being tallied, the annual meeting continued.

Bylaws

Mark Brandenburg moved that the proposed bylaws be approved. Motion seconded by Jimmy Lowery. If the bylaws pass, they will take effect immediately following the results of the vote. If they do not pass, the current bylaws will be in effect for another year.

Discussion concerning the proposed bylaws:

A member questioned Article V Section 1 Item 3b concerning not taking nominations from the floor. Mark stated that the proposal would allow SHPOA to go to an absentee ballot system and allow more people to vote.

A member questioned the authority of the board to be able to amend the bylaws without approval of the membership. Mark clarified that if the membership did not like what the board amended, the membership could override that amendment or change to the bylaws.

There was an objection to the proposed bylaws being proposed to pass as all or nothing. Some members felt the proposed bylaws should have been line itemized and the changes from the current bylaws explained to the members.

The treasurer advised that the current bylaws are costing us a lot of money to make sure we are doing things the right way.

A member stated that he is for passing the proposed bylaws and letting the current board make the necessary changes. He has faith in this board. Stating that he has seen more positive change in this board than all of his nine years of being a property owner in Sky Harbor.

Randy Lange reported that our legal counsel and an HOA attorney have both said our current bylaws are very gray and can be manipulated. The proposed document was drawn up by an attorney to give it more teeth.

Chris Muster, chairman called for the vote.

Voting Results

Board Members 2018-2019

The following members were elected as Sky Harbor POA Board Members for 2018 – 2019:

Angela Burch	Junior Webb	Cheryl Lowery
Billy Duncan	Kenny Adams	Howard Ohl
Chris Muster	Melissa Bingham	Joshua Burch
Gary Whitehead	Randy Lange	Kelly Frontroth
Jimmy Lowery	Bill Binger	Mark Brandenburg

Proposed By-Laws

Results for passing proposed bylaws.

52 Approved 136 Objected 21 Abstained

The proposed bylaws did not pass and the current bylaws will remain in effect.

Immediately following the annual meeting, the newly elected board

Respectfully Submitted,

Kelly Frontroth
Secretary SHPOA

Accomplishments 2017-2018:

Paving and Plowing:

Cap Orchard Drive
Curve on W Ski View
Silver Poplar on right
Ski View to guard shack
Finish Lamons Loop top and back side
Part of Rose Court
Off Pine Trail paving hill
South end of Rhododendron
Ash Pass to John's Court
Repave Orchard Drive,
Hill on Rhododendron Lane
Part of a bad area on Cherry View
Cherry View
Stone Trail
Indian Court
Hickory Hill
Patching for potholes
Repair to Ski View to prevent erosion
Roads salted and cleared during snow season
Replace and install mirrors on sharp curves
Replace missing street signes
Repair damaged road at Ski View

Financials:

Change Accounting Records to Local Accountant (Millstone Weir)
All Taxes have been filed and paid
All Vendors including cable vision evaluated for savings.
Reimbursement form developed and all store receipts are required for payment
Cabin evaluated and needed improvements identified to increase rental fees
RFP with job description and duties of contractor developed
Late Payment letters generated by the board for 1 year past due generating almost
\$20,000 income.
Dues payments can now be made on line

Communication:

Post Cards sent out to all property owners to get them steered to the website
Questionnaires sent to members to gather information such as email addresses.
Update of Website to be used as main mode of communication with members.
Addition of Public Facebook Information and Alert Page.

Proposed Rewrite of Bylaws

Auditable Election Process

Sky Harbor POA Board Meeting
Saturday, August 4, 2018
4:45 PM
Club House Lodge

Board Members in attendance:

Randy Lange (Chairman), Chris Muster (Vice Chairman), Cheryl Lowery (Treasurer), Kelly Frontroth (Secretary), Billy Duncan, Junior Webb (Road Committee Chairman), Jimmy Lowery, Mark Brandenburg, Gary Whitehead, Melissa Bingham, Bill Binger, Howard Ohl, Josh Burch, Angie Burch, and Kenny Adams

Chris Muster called the meeting to order at 4:45pm.
All board members introduced themselves.

Election of Officers

Secretary – Cheryl Lowery nominated Kelly Frontroth, seconded by Randy Lange. Unanimous
Treasurer – Chris Muster nominated Cheryl Lowery, seconded by Randy Lange.

Unanimous

Mark Brandenburg advised that we have always elected officers backwards. It should be Chairman, Vice Chairman, Secretary, and Treasurer

Chairman – Junior Webb nominated Randy Lange, seconded by Mark Brandenburg, Unanimous

Vice Chairman – Kelly Frontroth nominated Chris Muster, seconded by Mark Brandenburg.

Unanimous

Proposed Budget 2018-2019

Cheryl Lowery, treasurer submitted Fiscal Year End 2019 Budget (see attached). Cheryl Lowery went over the proposed budget by line item.

- Safety Maintenance is a line item that would be used for any expenses not otherwise budgeted that would be incurred for road safety. Example would be evacuation signs.
- Striping and Miscellaneous for roads was budgeted at \$4500. During the morning board meeting it was voted to increase the Striping & Miscellaneous for Roads line item to \$5500 to cover the double striping which would act as an evacuation route guide.
- Taxes. SHPOA is showing a significant net operating loss which has been approved by the state of TN and therefore at this time we do not owe the IRS or State of TN taxes. This came from capitalizing our paving expense. SHPOA is only having to pay franchise and excise taxes. SHPOA should have several more years where the net operating loss can be used. Taxes for 2018 will be filed on time.
- Utilities budget is to add 10 additional security lights.
- Accountant will be giving all board members a login to view XERO in real time.
- Angie Burch questioned if we have notified the title companies to Contact Millstone Weir concerning title transfers for Sky Harbor Properties. Cheryl Lowery said no and asked Angie Burch if she could work on that. Jimmy Lowery offered to help her with the letters.
- Josh Burch questioned non-judicial foreclosure. Billy Duncan went to an uninterested third party to research non-judicial foreclosure. The advantage with the non-judicial foreclosure is that it does not involve the legal expense that forcing a lien would incur. Josh Burch and Billy Duncan will look into these items and bring a report back to the November meeting. Randy Lange requested they also create a policy structure for this process.

Billy asked how much we received from Pratt's collections last year. \$19,000 was collected by Pratt for Delinquent Accounts and we paid him \$4600.

Kelly Frontroth moved the proposed budget for FYE 19 be approved as submitted by Cheryl Lowery, treasurer. Mark Brandenburg seconded the motion. The question was called. 15 For, 0 Opposed, 0 Abstained. Budget approved.

Cheryl Lowery noted on Collections List from Pratt that there are accounts that we did not turn over for collections. Cheryl Lowery wanted authorization to correct their list. Kelly Frontroth recommended Cheryl Lowery send a letter to Pratt advising that accounts are being cleaned up and as soon as accounts are cleaned up, SHPOA will send them a new list.

Public Comments

Jeanette Dyer - Presented her case again to the newly elected board. Her road has 6 lots. The road is not named, it is off of Beach Front and all lots have a Beach Front address. Road has now been fully paved by the association since 2013, however Mrs. Dyer is still not paying her dues as she feels she is owed restitution for having to clear the road and run electricity to her cabins. Kelly Frontroth proposed Mrs. Dyer furnish the board with receipts of expenses she feels she incurred. Once those receipts are received, the board will research and review Mrs. Dyer's request.

Check Signers for the Accounts

The board agreed to leave Cheryl Lowery, Treasurer and Chris Muster, Vice Chairman on the banking account but add Randy Lange, Chairman. Motion made by Jimmy Lowery and seconded by Melissa Bingham. 15 For, 0 Opposed, 0 Abstained

Committees

Architectural - At the meeting no board members volunteered for the architectural committee.
Road Committee – Paving, Plowing, Prioritizing – Junior Webb, Melissa Bingham, and Kenny Adams
Policy Committee – Proxy, Voting, Amendments, CCR's - Mark Brandenburg and Billy Duncan
Financial Committee – RFP's, Insurance, Budget, Cabin Rental – Cheryl Lowery, Kelly Frontroth, and Melissa Bingham

* Since the meeting, the committees have been reorganized. Please see Board Member Contact List on website for committee members.

Request for Proposal (RFP)

Bids were received from Killam's Bush Hogging and Webb Contracting. Killam was only interested in mowing the roadways. As Sky Harbor needed full service Lawn Care, Property Maintenance, and Ice/Snow Removal, a contract was renegotiated with Webb Contracting using the RFP. *Scope of Services to be provided is attached.* Contractor is responsible for Labor and Equipment, Sky Harbor is responsible for Materials. Any jobs outside of the contract will need to be received through the road committee and recommended by its members with appropriate bids. No work outside of the contract is to be conducted without authorization of the board. Emergency repairs/services under \$600 can be authorized by two officers.

Webb Contracting has provided proper proof of General Liability and Worker's Compensation Insurance.

Dot Junior Webb has purchased the 2006 Chevy Pickup and the 1994 GMC Pickup along with the snow plow and salting equipment. Titles have been signed over to Junior Webb and he will be obtaining his own insurance on these vehicles.

Website

Kelly Frontroth will add a section to the Website FQA section advising that the cable is through Spectrum and giving information on convenience stations where owners can take their garbage.

Heavy Trucks

The board will also work on plans for a bond when a home is being constructed in Sky Harbor. The heavy trucks are tearing up the roads and Sky Harbor needs a way to recover from this type of loss and to repair the roads.

Mail Boxes

Chris Muster will continue to check the mailbox at 1218 Silver Poplar Lane and will take the mail to Joyce at Millstone Weir. Chris Muster will also pick up the keys to the PO Box in Sevierville which was rented for the Proxies and RFP's. This box is rented to Sky Harbor until December. We will not be renewing this box unless any board member can think of a good reason to keep this box. The Silver Poplar Lane box is now functional and proxies and RFP's next year can be mailed directly to Millstone Weir.

Properties

There are two properties on Sevier County Tax Records, Orville Agyer, Beach Front Dr Lot 1065 and Brewton on Ridgefield Dr. Lot #338. These properties have been deeded back to Sky Harbor and the Board. This was for the board's information. Discussion tabled until November.

Nonprofit paperwork needs to be filed with the state of TN before November. Kelly Frontroth will check with Joyce at Millstone Weir to see who is to file this paperwork.

Jimmy Lowery motioned the meeting be adjourn. Billy Duncan seconded the motion. No discussion. 15 For, 0 Opposed, 0 Abstained. Meeting Adjourned and closed in prayer by Jimmy Lowery.

Respectfully Submitted,

Kelly Frontroth
Secretary SHPOA

Sky Harbor POA

	FYE19 Budget
Income	
Dues - next Year FYE20 (collected prior to Aug)	\$ 80,000.00
Dues - current year FYE19	
Total invoiced	\$ 245,288.77
Collected prior to August	\$ (78,099.67)
% Expected to collect of total dues invoiced	85% \$ 130,400.00
Dues - previous years	
Total uncollected as of 07/31/18 not in collections	\$ 41,834.07
Total in Collections	\$ 214,348.72
% Expected to collect	15%
Collection Fees	(10,706.72) \$ 27,720.00
Lodge Income	\$ 30,000.00
Interest Income	\$ 800.00
Total Income	\$ 268,920.00
Expenses	
Accounting Fees	\$ 12,300.00
Bank Charges	\$ 480.00
Insurance (G/L D&O)	\$ 1,000.00
Legal Fees	\$ 5,000.00
Lodge	
Cable	\$ 3,040.00
Credit Card Fees	\$ 330.00
Gross Receipt Tax	\$ 300.00
Hot Tub Fees	\$ 750.00
Insurance	\$ 2,600.00
Management Fees	\$ 7,970.00
Pest Control	\$ 590.00
Property Tax	\$ 970.00
Repairs / Maintenance	\$ 6,000.00
Supplies	\$ 600.00
Utilities	\$ 5,000.00 \$ 28,150.00
Meeting Expenses	\$ 2,200.00
Office Supplies	\$ 600.00
Postage / Mailings	\$ 2,100.00
Property Tax	\$ 280.00
Repairs / Maintenance	
Yearly Maintenance	\$ 63,700.00
Winter Maintenance	\$ 20,000.00
Emergency Maintenance	\$ 9,500.00
Maintenance Supplies	\$ 4,000.00
Paving - general	\$ 90,000.00
Rock / gravel Road Maintenance	\$ 8,000.00
Safety Maintenance	\$ 7,400.00
Striping & Misc for roads	\$ 4,500.00 \$ 207,100.00
Supplies	\$ 300.00
Taxes	\$ 4,500.00
Utilities	\$ 3,910.00
Website Expense	\$ 1,000.00
Total Expenses	\$ 268,920.00
Net Change in Cash	\$ -
Beginning Cash Balance	\$ 230,373.09
Ending Cash Balance	\$ 230,373.09
Lodge Net:	\$ 1,850.00

Scope of Services to be provided:

Roads

Contractor will regularly monitor roadways while performing other required duties and inform the Board Chair or designee of any new adverse developments such as potholes, breakage and or erosion. Contractor will mow and weed eat along all roadways on a monthly basis except during the months when vegetation is dormant.

Trash / Litter

Contractor will monitor and remove trash accumulated on and along the roads on a monthly basis. The club house common areas will be done on a bi-weekly basis or as needed.

Drainage Areas

Contractor will regularly inspect drainage ditch areas along the roadways, drain tiles and pipe openings on a monthly basis for any accumulation of trash, leaves or other debris that may block or hinder proper drainage and remove the same. The removal of accumulated material will be done quarterly regardless of what is necessitated by the regular inspections above.

Road Blockage

In the event of inaccessible roads due to downed trees, rockslide or other event, the contractor must be able to be on site and working to remove the road blockage within two (2) hours of contact by the Association. This may include but is not limited to the cutting and removal of low hanging or fallen tree limbs, downed trees or other material which may cause road blockage. In the event of an extreme weather event, wild fire or declared natural disaster where an inordinate amount of material is causing road blockage, a separate contract for the removal of such material can be agreed upon as described in the **“Proposed projects not part of this agreement”** section.

Club House

Contractor will maintain, mow and weed eat around the association Club House and adjacent grounds. This includes the fields surrounding the ponds. These will be cut on a bi-weekly basis except during the months when vegetation is dormant.

Maintenance

Contractor will maintain the Association’s property which includes the storage compound, salt shed, fencing and all signage within the development. Any materials or project exceeding \$350.00 will require cost estimates and Association Board approval. The Association will reimburse for materials less than \$350.00 upon the presentation of receipts for the same.

Ice/Snow Event

Contractor will salt all roadways in preparation for a forecasted ice/snow event.

Contractor will plow all roadways in the event of any accumulated snow in order to eliminate road blockage and insure safe road passage. The contractor will inform the Chairman and or designee of all preparation and ongoing work including but not limited to cleared and or impassable roadways during such event.

Contractor is responsible for all labor and equipment to fulfill the scope of all services to be provided. Sky Harbor Property Owners Association is responsible for materials needed to complete the scope of work. Materials do not include fuel or maintenance for contractor’s vehicles or equipment.

Contractor must provide a separate invoice to property owner of Sky Harbor stating **“NON SHPOA APPROVED WORK”** for any work provided outside of this contract.

Sky Harbor Board Members 2018 - 2019

Randy Lange, Chairman	randy.skyharbor@gmail.com
Chris Muster, Vice-Chairman	tearlp@aol.com
Kelly Frontroth, Secretary	kellyskyharbor@gmail.com
Cheryl Lowery, Treasurer	cpacheryl@gmail.com
Angie Burch, Board Member	angb813@gmail.com
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