

November 2019 Documents

- Meeting Minutes 11/9/19
- Financial Statement
- Financial Info 1st Quarter FY20
- Accounts Receivable

AGENDA
SKY HARBOR POA
Board Meeting
November 9, 2019
10:00 AM
Auntie Belham's Office

In Attendance:

Randy Lange, Chairman, Kelly Frontroth, Secretary, Michele Madewell, Kenny Adams, Emil Gueminey, Howard Ohl, and Melissa Bingham

Conferenced in through Zoom: Mark Brandenburg, Treasurer and Billy Duncan.

Guest Conferenced in through Zoom: Cheryl Lowery, Finance Committee

The meeting was called to order at 10:15 by chairman Randy Lange

There were no public comments.

Correspondence was held until Architectural Committee Report.

Approval of Meeting Minutes

Sky Harbor POA Board Meeting Minutes for Saturday, August 3, 2019 AM and PM session were emailed to all of the board members by Kelly Frontroth, Secretary, prior to the meeting. Kelly Frontroth moved the minutes be approved as submitted. Motion was seconded by Emil Gueminey. With no additions or corrections to the minutes, the minutes were approved as submitted. 9 For, 0 Opposed, 0 Abstained.

Treasurer's Report

Treasurer's Report was submitted by Cheryl Lowery, Treasurer. *See attached Profit and Loss Statement* and Financial Statement.

79.43% of the current dues billed in 2019 have been paid.

49 liens have been placed on properties that have not paid their dues. This board continues to make collecting outstanding dues a priority.

Sky Harbor annual report has been filed with the Secretary of State.

An extension has been filed for income tax with an estimated payment of \$2,000 to the state of TN.

Howard Ohl moved the Treasurer's Report be accepted as submitted, motion seconded by Kenny Adams. 9 For, 0 Opposed, 0 Abstained.

Items Completed Since Last Meeting:

- **Paving.** Paving was accelerated and asphalt was laid before the winter weather. This decision was made to prevent continued deterioration which would then later cost more to address.
- **Waterfall Road Issues.** During the Annual meeting in August residents of Waterfall Road expressed issues that need to be repaired. These issues were inspected and repairs were made.

- Updated Signatures on bank accounts
- Board member, Michele Madewell, made improvements to the mailbox area for the holidays. Several positive comments were received. Michele will continue to improve the entrance with the changing seasons.
- As voted on by the board at the AM, a new bank of mailboxes has been installed.
- Website Updated
- Bylaws were updated, as voted on by membership at the August 2019 Annual Meeting, and posted to Sky Harbor website.
- Additional lighting added for improved safety as voted on at the annual meeting.
- Mirror Placed at Ski View and Silver Poplar.

Architectural Committee Orchard Drive

A letter has not yet been mailed to the owners of the newly constructed home on Orchard Drive concerning issues that the home may not meet the CCR's for Sky Harbor. Emil will be writing a letter on behalf of the board requiring the new owner to submit the Sky Harbor Building Approval Form. This will define the new owners' intentions of building requirements and where parking will be provided. Once the owner responds, the board will know what if any actions need to be taken to correct any issues.

A request has been submitted by Traci Heindel with proper forms and blue print for a park model home. The blue prints do not meet the minimum square footage for Sky Harbor. There was also question if Park Models were allowed in Sevier County. Emil, Chairman of Architectural Committee will contact Traci Heindel and advise owner of these issues.

Evin Rodick, property owner submitted a question concerning if Sky Harbor allowed kit homes. If the square footage requirements are met and the home is a true kit home, then it is allowable in Sky Harbor.

A recommendation was made to add a sentence to our Building Plan and Approval Form stating that Applicant must check with Sevier County for county building rules, regulations, and requirements. The board agreed this needs to be added to the form.

The Architectural Committee will meet this next quarter concerning how to address enforcing the CCR's.

Financial Committee

Mark Brandenburg advised Sevier County Tax office has been contacted about removal of Sky Harbor POA as the mailing address for taxes on Ayer and Brewton properties. Ayer has been changed to the owner's address, but a proper mailing address for Brewton has not been located. As soon as a mailing address is located, that notice can be removed from Sky Harbor POA.

Road/Safety Committee

Sky Harbor is on the list with Sevier County to have some older lights replaced with LED lights to provide added savings.

Equipment will be rented so that Junior can break up rock to widen some of the roads in Sky Harbor prior to the winter season.

Also discussed the need to cleaning tiles to protect our infrastructure and prevent future washouts. Some of the areas have gotten dangerous and roads are in danger of washing out.

Signs have not been ordered concerning Fireworks, open fires, and firearms. It was discussed if we post these signs where will we direct owners if they called concerning these issues being violated. The County Sherriff or Pigeon Forge Fire Department will need to be contacted as these issues will fall under County rules, laws, and regulations since we do not have any policy written on these issues.

The board decided to go forward with ordering signs which say, "No Fireworks, No Open Fires, No Discharge of Firearms & Hunting".

Policy Committee

The policy committee was thanked for their hard work on the by-law amendments which passed in August.

The new bylaws put in provisions for absentee ballot. The policy committee will research ways to best implement this bylaw into Sky Harbor's election process. The committee will also review the current process used the past 2 years and will determine needed changes. It was agreed that having a 3rd party validate the elections is still important to have.

Community Improvement

Michele Madewell asked how much she can spend to switch out and upgrade the mailbox area this next quarter. She feels like \$200 would be adequate. As this does not need a formal vote due to the amount, the board granted Michele the \$200.

Unfinished Business:

11th Board Member. No one showed any interest in taking the position of the 11th board member. Information is posted on the website.

The Certificate of Ownership Card that was presented at the annual meeting was discussed. The certificate allowed the owner use of the lodge whenever requested. There are no formal minutes showing this policy. The board is very grateful for those who donated to save the lodge back in the day, but the lodge is now under lease and we have a tenant agreement.

Mailboxes

The Sevier Post Office has a new arrangement with Sky Harbor POA. When someone requests a box, the post office will have them contact the secretary who will then check to see if they are a member in good standing, question them to their residence. Nightly rentals and lot owners do not qualify. The secretary will advise the post office to grant the property owner a box if they qualify. It was recommended by Randy Lange, chairman, that we charge a one-time fee of \$100 per box in order to recoup the expense for the bank of boxes. Howard Ohl, seconded by Melissa Bingham, moved we charge a one-time fee of \$100 per box to recoup the cost of installing the mailbox. 9 For, 0 Opposed, 0 Abstained.

Fire Suppression System

Emil Gueminey requested the board look into the Fire Suppression System installed near the salt shed. It has not been properly maintained. Kelly Frontroth recommended that Emil also contact the Pigeon Forge Fire Department and see if this system would help lower or upgrade Sky Harbor's protection class rating. If something needs to be upgraded now would be the time to do it. Emil and Melissa will get with the fire department.

Lodge foundation work will begin the first quarter of 2020. \$5600 was approved in August for this improvement.

Winter Maintenance Contract

The Winter Maintenance RFP has been posted on the website since June. Junior Webb submitted a bid the day of the November meeting. Another bid was expected to be submitted to the road committee but would not be received until Wednesday after the meeting. While a number of board members felt that we needed to wait on the other bid before a final decision other felt we needed to move ahead with contract in hand. After much discussion, Emil Gueminey, seconded by Howard Ohl voted the board accepted the bid from Junior Webb as his bid was in hand at the meeting. 7 For, 1 Opposed (Billy), 1 Abstained (Kelly)

*Since the meeting, bid was received by another contractor. Upon Junior's request his contract has been reworked to salting the road only at an hourly rate. The new contractor will be plowing the roads.

Maintenance Contract

The current maintenance contractor was discussed. There was concern with the time, manpower, and equipment. The fall work was completed with some communication issues. Melissa and Michele will help to bridge the communication issues. There is concern that without the proper equipment, the contractor may have issues in the spring.

Christmas Greeting

Billy Duncan recommended that the Christmas card emailed to the property owners last year was a big success and he would like to do the same thing again this year. The board agreed. Since we do not have the whole board to take a group photo, Billy recommended that we make a Christmas Tree and a photo of the board members be the ornaments. The board agreed. Everyone is to send Billy a photo by November 15th.

ZOOM was a success for those attending virtually. The February 8th meeting will be held by ZOOM. For those wishing to attend in person, the conference room at Auntie Bellham's will be used.

With no new business, the meeting was adjourned at 3:15PM

Respectfully Submitted,
Kelly Frontroth
Sky Harbor POA Secretary

November 2019 Financial Statement

- ❖ Phenomenal quarter for revenue – collections at 79.43% of total billed for current year plus over ½ of current year budget of prior year collections received this quarter.
- ❖ Our interest income was up this quarter due to the high reserve we had on hand through September.
- ❖ Large expenses for the quarter:
 - New Equipment – new bank of mailboxes plus installation
 - Meeting Expenses - \$535.15 for food, \$600 for Accountant
 - Emergency Maintenance – Flooding / Waterfall Rd
 - Safety Maintenance - \$1,424 material for widening of roads
- ❖ Total spent on Repairs / Maintenance this quarter - \$117,150
- ❖ Current cash balances:
 - Operating Account - \$39,388
 - Savings Account - \$209,608
- ❖ Annual report filed with Secretary of State and Extension filed for income tax returns with an estimated payment of \$2,000 to Tennessee.
- ❖ The lodge brought in \$3,600 with no expenses this quarter.
- ❖ We have 766 lots with a valid email address up from 706 at August board meeting.
- ❖ 21 recorded property sales in Sky Harbor this quarter.
- ❖ Current balance of dues under collections with Pratt - \$180,343. This is down from \$199,040 at the beginning of the quarter.
- ❖ New liens put into place this quarter – 49 lots

Sky Harbor Property Owners Association
1 Aug 2019 to 31 Oct 2019
Cash Basis

	Actual	Budget	Var USD
Revenue			
Dues Assessed - Current Year	122,938.28	133,200.00	(10,261.72)
Dues Assessed - Next Year	-	85,000.00	(85,000.00)
Dues Assessed - Prior Years	20,678.08	37,400.00	(16,721.92)
Interest Income	725.24	1,100.00	(374.76)
Late Fees Income	1,710.34	-	1,710.34
Processing Fees	3,787.69	6,600.00	(2,812.31)
Total Revenue	149,839.63	263,300.00	(113,460.37)
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Gross Profit	149,839.63	263,300.00	(113,460.37)
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Operating Expenses			
Accounting	3,850.00	13,800.00	(9,950.00)
Bank Service Charges	5.00	500.00	(495.00)
CC/PayPal Charges	949.92	3,000.00	(2,050.08)
Collection Contract - Pratt Aycock	2,749.40	9,900.00	(7,150.60)
Collection Fees - recording / liens	702.00	2,000.00	(1,298.00)
Insurance - D&O & G/Liab.	-	800.00	(800.00)
Legal Expenses	-	1,000.00	(1,000.00)
Licenses & Permits	20.00	50.00	(30.00)
Meeting Expense	1,140.15	2,000.00	(859.85)
New Equipment	1,640.48	1,500.00	140.48
Office Expenses	-	300.00	(300.00)
Postage, Box Rental & Delivery	621.00	2,100.00	(1,479.00)
Repairs & Maintenance - Emergency Maint.	1,345.50	6,000.00	(4,654.50)
Repairs & Maintenance - Maint Supplies	150.05	2,500.00	(2,349.95)
Repairs & Maintenance - Other	200.00	10,000.00	(9,800.00)
Repairs & Maintenance - Paving (general)	101,092.52	110,000.00	(8,907.48)
Repairs & Maintenance - Rock / Gravel Road Maint.	-	4,500.00	(4,500.00)
Repairs & Maintenance - Safety Maint	1,811.68	9,500.00	(7,688.32)
Repairs & Maintenance - Winter Maint.	-	10,000.00	(10,000.00)
Repairs & Maintenance - Yearly Maintenance	12,550.00	65,000.00	(52,450.00)
Repairs & Maintenance-Tree Maint & Misc Roads	-	5,500.00	(5,500.00)
Software & Software Fees	76.50	350.00	(273.50)
Taxes - Federal & TN F&E	2,000.00	3,250.00	(1,250.00)
Taxes - R. E. (3 Vacant Lots)	-	300.00	(300.00)
Utilities - Guard Shack & Street Lights	541.27	4,000.00	(3,458.73)
Website	216.00	1,500.00	(1,284.00)
Write - Offs	(1.11)	-	(1.11)
Total Operating Expenses	131,660.36	269,350.00	(137,689.64)
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Operating Income / (Loss)	18,179.27	(6,050.00)	24,229.27
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Other Income and Expense			
CABIN - Rental Income	3,600.00	16,500.00	(12,900.00)
CABIN - Insurance (P&C)	-	(3,200.00)	3,200.00
CABIN - Pest Control Expense	-	(250.00)	250.00
CABIN - Property Taxes	-	(1,000.00)	1,000.00
CABIN - Repairs & Maintenance Expense	-	(6,000.00)	6,000.00
Total Other Income and Expense	3,600.00	6,050.00	(2,450.00)
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Net Income / (Loss)	21,779.27	-	21,779.27

Sky Harbor Receivables

	FYE19		FYE20	
Billed	251,122.75		259,494.62	
Late Fees	7,260.00		6,585.00	
Collected:				
Jul	78,210.29	31.14%	83,035.19	31.21%
Aug	72,623.53	60.06%	110,572.39	72.76%
Sep	17,933.23	67.21%	9,510.57	76.34%
Oct	18,019.18	74.38%	8,218.84	79.43%
Nov	13,734.52	79.85%		79.43%
Dec	323.55	79.98%		79.43%
Jan	2,180.31	80.85%		79.43%
Feb	167.93	80.91%		79.43%
Mar	1,523.89	81.52%		79.43%
Apr	1,448.34	82.10%		79.43%
May	862.10	82.44%		79.43%
Jun	701.62	82.72%		79.43%
Jul	2,388.27	83.67%		79.43%
Total	210,116.76		211,336.99	
Balance	48,265.99		54,742.63	

Budget 226,167.68 85.00%

Remaining to meet budget 14,830.69

	7/31/2019	10/31/2019	Decrease in A/R
FYE19	41,005.99	34,209.57	6,796.42
FYE18	32,124.41	27,927.76	4,196.65
Prior	175,145.38	156,377.09	18,768.29
	248,275.78	218,514.42	29,761.36

FYE20

Billed

Collected

Balance

Dues	251,939.29	204,065.81	47,873.48
Proc Fee	7,783.00	6,278.58	1,504.42
Late Fees	6,585.00	1,065.00	5,520.00
	266,307.29	211,409.39	54,897.90

Figures are pulled from different reports which may differ slightly so these figures are not audited but are given for management purposes to have a gauge of current receivable collections.