

Overlook Bay Homeowners Association  
Annual Owners Meeting Minutes  
Oct 8, 2016

Minutes reviewed and approved by BOD



Phill Combs, President, called the meeting to order at 10:10 am.

He announced that, with this not being an election year, we did not have any absentee ballots and therefore we did not have a quorum, so this would be a General meeting and not an official meeting. However, minutes will be done and posted on the OB website as usual.

As a reminder, the covenants re-write that was on the ballot last year failed. A major factor in that failure was the fact that Home Federal Bank who held 18 lots voted no on the issue. We have since provided the Bank with a redline version of the changes asking for their comments. They have yet to respond to our request. We will be providing a redline version to all owners in this coming year asking for comments to prepare for another vote next year. At a minimum, we need to remove all the references to the original developer given that they turned the development over to the Board of Directors pursuant to the provisions in the covenant.

A member of the board, Tom Gill, resigned due to work commitments. We asked one of our newest homeowners in the Development, Greg Rodgers, if he would serve as a Director on the Board and he is willing to accept a position on the board.

The Secretary, Bill Yri, read the minutes of the last telecom meeting conducted by the board on 6/22/2016.

Bill also provided an update to the status of the Heliport Study which was begun last year. Attendees at last year's meeting asked if we were spending HOA funds on the study and also asked that we include any impacts to our insurance. No HOA funds were spent on the study, all the effort was voluntary effort by a Board member and we did include a look at the impacts a heliport would have on our insurance coverage. The State of TN licenses all emergency heliports and has design/build specifications that must be met for them to be certified and licensed as well as defined inspections that are conducted every few years. An Architect (unpaid) did the needed drawings and we did the survey to document the trees and tree height around the proposed site. We used the drawings and specs to get cost estimates from contractors which totaled approximately \$20,000 to \$25,000. The local EMS helio medevac unit in LaFollette used a training mission to fly out to our proposed site and made an approach almost to the ground to validate that they could approve our site if we were to submit an official request. They reported back that the location was good. When we checked into insurance impacts, our insurance company felt an official EMS Heliport would add liability and, in our case, it would increase our insurance cost by about \$15,000 a year. Several insurance companies queried said they would not issue insurance if we had an EMS helipad. At this time, this is no longer being pursued.

Our Treasurer, Ken Taylor was not able to make the trip due to family medical issues. Bill Yri filled in to provide the Financial Report. Bill reminded folks that we have 3 types of asset accounts; a *money market account* to park the majority of the Associations money; a *bill pay account*, a checking account used to pay all bills; and an *escrow account* used to park the escrow money on deposit by builders with current construction underway. The two houses currently under construction have \$500 each in that account. We currently have a total of \$185,692.75 in these three accounts as of 1 Oct 2016. We have collected \$75,544 in POA fees (dues) as of 1 Oct. If all owners were current in their 2016 dues, we would have collected \$91,400. So we have current year delinquencies of \$15,856 from 42 owners. These 42 owners have delinquencies across all years of \$89,959. Our lawyer has filed liens for those with multiyear delinquencies. The Financial Statements from our CPA for years ending December 31, 2015 and 2014 were made available at the meeting. Owners with detailed questions were asked to write them down and we would have responses sent to them.

Bills paid thru 1 Oct total \$100,499.12. Our legal fees through 1 Oct total \$25,073.22. The main item causing the high amount is the work on the lawsuit filed against Flat Hollow Marina regarding their encroachment into our portion of the harbor. Our major project costs since the last annual meeting are as follows (some of this expense was in the end of 2015): We reworked Tack Trail to redo the drainage ditch on the uphill side of the gravel trail to resolve drainage issues occurring because the ditch had filled in over the years. This cost \$8,500. We also purchased 2 truckloads of gravel used to redress Tack Trail at a cost of \$990. On the marina drive, we had put asphalt down last year. Because a person had driven over the edge into the ravine, we also had the asphalt contractor put in an asphalt curb on the drop off side to provide a tactile indication that a driver was getting too close to the edge. However, we had another person drive off the edge while backing up the hill, so the Board decided we needed to put in a safety fence. That fence cost \$4,371. The fence around the Barn started falling over in places this last year due to rot. A new fence has been put in at a cost of \$19,161. It still needs to be stained once the wood is ready and have caps put on the top of the posts. We also had to replace the side cutter for the tractor. We found a replacement for the original cutter costing \$20,055.

Jack Koenig, our VP, provided more detail regarding Maintenance and Equipment. The front tires on our tractor had worn to the point that they had to be replaced. We were able to source the tires through a supplier that Jack's company utilizes and at a significant savings of about a \$100 per tire over local suppliers and we used the local Co-op to install and fill the liquid as needed for stability. With a couple of

significant repairs to our boom mower over the last several years and looking at another major failure, options were researched to replace it. We settled on a new mower which is a smaller, lighter unit and it is equipped with a single joy stick controller that makes it much easier to operate and the lighter weight makes it much safer. While expensive, the boom mower is a key piece of equipment for the maintenance of our development. This past summer, we closed off a fourth entrance/down ramp to Tack Trail. This was not part of the original development and had been put in by a contractor while building one of the houses. Its location and steepness was causing drainage issues for the house below it and we felt we could solve a big portion of the drainage issue by cutting out that entrance. With the agreement of the lot owner, that entrance was blocked and the drainage diverted. It has worked out as planned.

The meeting was opened to general discussion:

The majority of the discussion concerned the heliport study agreeing that, given the cost and insurance impact, owners agreed with the Board decision to not pursue the project at this time. In addition, there was a general discussion concerning the Marina and what options we could consider to make it more useable through the entire season. We will continue to investigate all possibilities with funding a major consideration.

A reminder was given that the picnic would convene at 4 pm.

Phill Combs adjourned the meeting at 10:40 am.

Respectfully submitted,

Bill Yri (S)