

MINUTES
ROCK HARBOR PROPERTY OWNERS
ASSOCIATION ANNUAL MEETING
COMMUNITY CENTER
August 9th, 2014

The Rock Harbor Property Owners Association met on Saturday, August 9th, 2014 from 3:00 pm-5:30pm at the Community Center in New Tazewell, Tennessee.

Directors attending: Seaborn Chavers (President), Donna Sanger (Vice President), Larry Lamb (Treasurer), Mark Cade, and Karma Serena (Secretary)

Owners attending: Patty Crandall, Debbie Chavers, Gary Sanger, Ben Parson, Joyce Lamb, Steve and Robin Lieb, William and Sheila Hardy, Bill and Elaine Grindle, Luis and Carmen Pavor, Bruce and Carolyn Cox, Paul Berryman, Tammie and Shawn Hill, Jane and Steve Kramer, Alan Hiney, Mike and Marie Singer, Tammy Flanagan, Randy Clements

Guest attending: Rhonda Krenzer (Krenzer Property Management Co.), Jason Wice (Krenzer Property Management Co.), Steve Walker (Citizen's Bank)

I. Call to Order and Welcome

President Chavers called the meeting to order. Chavers welcomed everyone and declared that a quorum was established.

II. Introductions of Current Board, Committee Members, and Special Guests

President Chavers introduced the current board members and special guests to the group.

III. Presidents Report

Chavers stated the past year has been the least challenging and the community's most successful year. In essence, Rock Harbor is nearly right where it ought to have been when Waterfront Group turned it over to the owners. Our community is more secure, safer and more attractive; the marina is stronger, more functional and properly managed. Our Association is financially sound and exceptionally proactive. Bottom line – Rock Harbor is better off today than it has ever been. Chavers summarized the following operational accomplishments in 2014:

- a) Common Area Park/Entrance: the pavilion cover was damaged beyond repair and replaced; drain pipe was installed at playground golf area to effectively remove standing water from its playing surface; the main entrance sprinkler system supporting the front flower beds was improved and replacement of trees/shrubs will be planted as needed once the system's effectiveness is verified through the Fall; an estimate wash/clean the basketball court has been obtained and the new Board will consider approval of the estimate; re-staining the fence lower posts at the Park Area is in-process. Our Landscaping/Grounds Keeping contract was renegotiated to lock in this year's cost for the next three (3) years with only a limited increase to cover any related fuel surcharge.
- b) Marina: dirt behind the parking lot retaining wall was excavated as needed and the wall was raised to better contain debris from the surrounding sloped land; hydro-seed was applied to the steep slope at the parking lot to slow erosion; several missing boat tie-up cleats were replaced; missing slip edge rubber bumpers and replacing 2 winch-anchor sets is in-process; the dock walkway path painting and staining of the land side decking is in-process.
- c) Part-time Employees: the Board approved the continuation of the part-time employees at the 2013 pay rates and same personnel.
- d) Security: additional employees for Friday and Saturday evening patrols will not be hired.
- e) Lot Identification: a lot identification program to enable gradual replacement of the current lot signage (post/metal sign) is in-process; options include a metal disc with lot number spiked to the roadway's surface edge in front of the lot or stenciling numbers on the roadway with paint.

- f) Website: updated as needed.
- g) ACC: nine (9) houses have been approved in the last 36 months, two (2) are currently under construction. Steve Walker from Citizen's Bank gave a presentation on the financing and construction process and the help his bank offers.

IV. Treasurer's Report

Lamb discussed the report with the group and thanked our property manager for the expert help they provided. Lamb stated that it has been a good year for income receipts – about \$157,000 has been received. Lamb continued that the Association has collected 96% of the dues for 2014 to date. Lamb discussed that delinquent accounts will be submitted to the property manager for collection according to our property management agreement. Lot liens will be filed against appropriate delinquencies. Steve Kramer wanted to know what was included under Unrestricted Net Assets and why the increase year over year. Net assets refer to what an organization has left over after all its liabilities - or debts - have been paid off. Unrestricted net assets are part, but not all, of what would be left over if the organization's liabilities were all satisfied on the given day of the report. This portion of its net assets can be used however the association's directors sees fit. It has increased due to reduced expenses and increased dues receipts. It will largely be used to pay our property taxes, Landscaping/Grounds Keeping expense and Property Management fees for the year.

V. General Q &A; Issues requiring membership vote

- a) Chavers reviewed the 2015 Marina Use Agreement, highlighted the changes made, explained why they needed changing and then the board answered questions about the agreement. The membership voted to implement the agreement as written and to make it effective January 1, 2015.
- b) Chavers queried the group if the community needed five (5) directors or three (3), as originally provided in our Bylaws. The group discussed the idea and voted to change the director requirement to three (3) directors until 100 houses were built in Rock Harbor and then, at that time and in the following annual meeting, the number of directors would be increased to five (5). The decision was immediately implemented thereby requiring only two (2) director positions to be filled at this annual meeting.

VI. Director candidate nominations from the floor

Chavers opened the floor up for candidate nominations. No additional nominations were brought to the floor so the candidate list remained unchanged.

VII. Statements from candidates

There were not any statements from candidates.

VIII. Explanation of ballots, voting and submission of ballots, closing of polls

Chavers stated that each lot owned will get one (1) ballot for each lot and for each proxy submitted. The proxy allows another lot owner to vote on behalf of someone absent from the meeting. Chavers stated that the members up for re-election are: Larry Lamb, Treasurer, and Seaborn Chavers, President

IX. Break for Counting of Ballots

Chavers called for the meeting to recess for fifteen (15) minutes for counting of the ballots.

X. Election Results

Chavers announced the results of the election, stated that the votes were unanimous and that he and Larry Lamb were re-elected.

XI. Closing Arguments and Adjournment

With there being no additional business brought forth, President Chavers thanked all for attending and adjourned the meeting.

ROCK HARBOR PROPERTY OWNERS
ASSOCIATION, INC.

SC/Signed Electronically/Aug 26, 2014
SEABORN CHAVERS, PRESIDENT

LL/Signed Electronically/Aug 18, 2014
LARRY LAMB, TREASURER

KS/Signed Electronically/Aug 18, 2014
KARMA SERENA, SECRETARY