

MINUTES
ROCK HARBOR PROPERTY OWNERS
ASSOCIATION ANNUAL MEETING
First Avenue Hall Community Center
August 6, 2016

The Rock Harbor Property Owners Association met at 1:00 pm on Saturday, August 6, 2016 at First Avenue Hall, New Tazewell, TN.

Directors Attending: Larry Lamb (Treasurer) and Karma Serena (Secretary)
Owners Attending: Lutz and Barbara Weber, Alan Hiney, Donna Bryant, Debbie Chavers, Joyce Lamb, Donna Sanger, Chip Burwinkle, Dane and Trish Howard, Shawn and Tammy Hill, Stan and Robin Leib, Tom Maxwell, Don Hallingse, Steve Kramer, Jane Kramer, Robert and Mary Sue Kosky, Mike and Robyn Fleming, Steve and Cindy DeNeale, Donna Keller, Paul Berryman, Jim and Kris Gregg, Nathan and Melody Gilliam, Mike and Marie Singer
Guests Attending: Teresa Malone, Spectrum Management Group, LLC, Jared Malone, Spectrum Management Group, LLC and Steve Walker, Citizens Bank

I. Call to Order and Welcome

Secretary Serena called the meeting to order. Serena welcomed everyone and declared that a QUORUM (based on attendance and submitted proxies was established.

II. Introductions of Board of Directors, Property Supervisor, Property Managers and Special Guests

Board of Directors

Secretary Serena introduced the current board members and special guests to the group. Property owners were asked to introduce themselves to the group.

Property Supervisor and Managers

Secretary Serena introduced the Property Supervisor and the Property Managers from Spectrum Management Group, LLC. Serena discussed the On-Site Property Supervisor Job Duties and Responsibilities. There was general discussion related to this role and the benefits to the property owners. The Job Duties and Responsibilities were as follows:

- Liaison with Property Management Company
- Liaison with Landscape Contractor
- Manage Marina Complex

- Manage Other Common Property
- Oversee Approved Repair/Improvement Work

At this time, Teresa Malone, Sr. Executive Accountant and Jared Malone, Member/Manager from the Spectrum Management Group, LLC presented to the group an overview of what their company provides to the property owners. She explained her role as HOA manager for Rock Harbor. She indicated that the Spectrum Management Group is based out of Morristown, Tennessee. She mentioned that the company began managing the Rock Harbor HOA in January, 2016. She indicated that forms were available at the meeting to set up the HOA fees as a direct debit from the property owner's accounts. Malone gave the group her contact information and email address should questions or concerns arise after the meeting. There was a general question related to the property owners with delinquent HOA fees. Treasurer Lamb indicated that this topic would be discussed later in the meeting.

III. **Board's Report**

Meeting Agenda and Community Overview

Secretary Serena went over the agenda for the meeting. She gave an overview of the Rock Harbor Community as follows:

- 900+ Acre Lake-Access Community
- Approximately 10 miles of roadway
- 502 lots
- 38 homes
 - 3 under construction
 - 11 Full-Time Residence
- 97% Absentee Owners
- Recreation/Park Area (\$100K)
 - Playground
 - Basketball court
 - Volleyball
 - Putting green
 - Pavilion may be reserved
- Marina Complex (\$1.9M)
 - 108 covered slips
 - Expandable to 180 slips
 - 62% occupied
- Surveillance Systems
- Professional Property Management
- Managed Landscaping

Rock Harbor Community Website

Serena mentioned that the website had been updated. The address for the site is www.rock-harbor.com. She indicated that the minutes from this meeting will be placed on the site after the meeting. There are forms on the website and an area for questions and feedback noted Serena.

Architectural Control

Serena reported that there are several lots currently under construction including:

Summary

- New Homes and Estimated Completion
 - Lot 347 – Aug 2016
 - Lot 288 – Sep 2016
 - Lots 81/82 – Jan 2017
 - Lot 201 – Feb 2017
 - Lot 536 – Jun 2017

- Other
 - Lot 173 – in-ground pool (completed)

- Compliance Inspections – Acceptable

Treasurer Lamb reported that Claiborne County now owns Smokey Quartz Blvd, the main road going in and out of the community. Lamb discussed the Noah Dean and Nate Marina Safety Law Act. He indicated that the community is excluded from the act. If you swim at the marina, you are swimming at your own risk.

Special Guest Speaker, Steve Walker, Sr. VP/Market Manager for Citizens Bank

At this time, Steve Walker from Citizens Bank gave a presentation of the products and services from the bank. Walker discussed the appraisals and property values in the area. Walker discussed construction loans and construction lending. Walker mentioned the banks state-of-the art banking technology and the cash management products and services. There was discussion related to rates related to a 15 -or- 30 year term loan. There was a general question and discussion related to the fees of a Citizens Bank home loan. There was general discussion related to the home builders in the area and a general builder in the area to go out and do inspections. There was a question related to change orders when building.

Financial Review

The following financial highlights were presented:

- Net Worth \$2.25 Million
- Cash Balance - \$105,994
- 88% of 2016 Annual Dues are PAID
- 98% of ALL Special Assessments are PAID
- Restricted Reserve Accounts
 - Contingency Fund - \$40,553

- Road Maintenance Fund - \$13,000
- Delinquent Accounts (Not Paid in FULL)
 - 61 accounts are OPEN (total A/R \$42,895)
 - 11% lower A/R than 2015
 - 80% of UNPAID TOTAL is from 9 lot owners
 - A/R Breakout by YEAR:
 - 2013 & older – 28%
 - 2014 – 22%
 - 2015 – 13%
 - 2016 – 37%
- Ended Watch Patrols – sold van
- Upgraded Marina Service Boat

Financial Review – Improvement Plan 2016

Summary

- Repaired and painted park area wood fence
- Sold surplus items – boat, gate, van
- Replaced wood picnic tables with commercial grade tables
- Completing wave attenuation/debris boom install
- Expanding surveillance system
 - Adding 2-camera system to Park Area entrance and area solar light
 - Adding 1-camera to marina docks walkway
 - Upgrading front/rear entrance cameras to license plate recognition
- Upgraded dock electrical to State Tennessee Code Annotated 68-102-602 (fault protection)
- Installed solar lighting at front entrance bridge
- Repaired and adjusted docks as necessary
- Updated community signage
- Replaced trees and shrubs as needed

There was discussion related to the road repair of the community. The property manager indicated that the roads are in really good shape as compared to other roads in Claiborne County. Lamb indicated that the Board will ask the County for repairs as needed and the Association is implementing strategies to help aid with road repair and maintenance.

Community Improvement Ideas

- Electric Recreation Tram System – Steve and Jane Kramer
Jane Kramer reported that she had received two quotes and they were as follows:
 - \$63,000 Firm quote
 - \$50,000 Verbal quote

The quotes were to install an electric tram system at the marina. This would be an upgrade and provide handicap and wheelchair accessibility to the marina. Kramer indicated that she had received recommendations from other customers and pictures of other trams that the company's had installed. Kramer reported that American Tram is the cheaper of the two quotes. She has recommendations available for review from other American Tram customers. The company is located in LaFollette, Tennessee. The more expensive bidder is out of Johnson City. There were questions related to the Tram warranty. Kramer thought that there would be a 10- year warranty but she would have to research. However, Kramer noted that there could be a service agreement or the service can be done by the property manager. The project would require for electricity installed at the location and a pad of concrete poured indicated Kramer. The size of the tram box would be 4'x6'. There was general questions and discussion related to TVA land ownership and requirements. Kramer indicated that TVA will have to be informed. There will be 3-4 trees that will need to be cut and removed. Cindy DeNeale asked, "Would the need not be more needed further down at the bottom of the hill?" DeNeale indicated that it is still steep at the bottom for a wheel chair. Kramer indicated that there is an option to include that into this plan. Secretary Serena noted that the discussion was to gauge a desire for this type of upgrade to the marina. Serena and Lamb indicated that the project would require a special assessment of approximately \$150 for each lot. Kramer pointed out that this will raise your property value. It was noted that a sign needs to be on the Tram indicating that you must be 18 and older to use. Kramer mentioned that for safety purposes the Tram will require a code to operate that will be provided to the property owners.

At this time, Serena asked for a vote of who would like for the Kramer's to research further and provide additional information. A vote was taken with 25 voting FOR and 5 voting to OPPOSE. It was decided that the Kramer's will do an investigation and get a formal proposal. The assessment is proposed as a one-year assessment. The vote was to look into the project and provided additional information at a later time. The property owners stressed that the vote was just for additional information and formal quote. They indicated they would like to have another opportunity to vote after the information has been obtained. Serena reported that the additional information will be posted to the website and a vote will be taken at that time. There was a question related to the vote being on the website. There was a discussion that there is a different need to provide better accessibility from the picnic table to the lake. Different options continued to be discussed. It was noted that possibly an engineer should give an assessment and recommendation for changing the grade, etc. Serena agreed that both areas need to be considered for accessibility upgrades.

Community Decorations

Serena reported that a date to decorate for the holidays will be scheduled. There will be an announcement in the Newsletter and on the website for the dates of decoration and removal.

2017 Goals

- Maintain Current Facilities/Assets
- Minimize Financial Assessments

Additional Questions and Answers from the floor:

There was a general question related to future plans for a security guard and a gate. Lamb responded that due to the fact that the county owns the road then there cannot be a gate.

What is the cost to maintain a boat in the Marina? Lamb reported \$100 per season.
Could we ask Spectrum Management to do a study of what marinas charge in the area and you will see that you will see more like \$125 per month as compared to \$100 per season? Lamb responded, "This is not an option due to the by-laws and insurance restrictions.

There was general question and discussion related to grass cutting and the expense. Lamb indicated the by-laws are a guide for what the Board is required and authorized to do. The cutting is the biggest expense that is incurred indicated Serena. Lamb indicated that we use everything that is coming in and if we do anymore then we will have to have an assessment

There was a question regarding the reuse of the cameras at the guard station? Could you reuse the cameras at the guard center and then reuse them at the recreation center? Lamb yes, these cameras will be reused. Just need higher quality cameras at the guard station for license plate recognition, etc. There will be another camera installed on the main walk way at the marina.

HOW CAN YOU BE INVOLVED?

Stay informed

Communicate/provide feedback

Website

Facebook

Email Shannon@smgtn.com

Call 423.581.4537

Inform/encourage others

Stay alert

Share ideas

IV. Voting for Two (2) Directors

It was reported that there are two Directors with expiring terms and they are being considered for re-election:

- Chavers Seaborn, President
- Larry Lamb, Treasurer

The floor was opened up for candidate nominations. A proxy/ballot vote was taken and no additional nominations were brought to the floor. It was announced that the results of the election were unanimous with Seaborn and Lamb being re-elected in their respective positions for another term.

V. Closing and Adjournment

With there being no additional business brought forth, Serena and Lamb thanked all for attending and the meeting was adjourned.

IV. Minutes Review and Approval

Minutes reviewed and SIGNED by the Directors below.

Signatures:

SEABORN CHAVERS, PRESIDENT

LARRY LAMB, TREASURER

KARMA SERENA, SECRETARY