

Land Owners Association of Ladd Landing, Inc.

**Draft Annual Meeting Minutes**

Tuesday, January 8, 2019

**I. Call to Order**

Jack Haney, president, called to order the Land Owners' Association of Ladd Landing, Inc. (LOALLI) 2019 Annual Meeting at 6:05 p.m. at the NOAH's Event Venue located at 1200 Ladd Landing Blvd. in Kingston, Tennessee.

**II. Roll Call**

The LOALLI Board members present were Jack Haney, President; Baker Hamilton, Vice President; Kerry Courtney, Secretary; Alan Baker; Larry Gabbard; and Jamie Walmsley.

**III. Approval of Minutes**

Prior to the Annual Meeting, the 2018 Draft Annual Meeting Minutes were posted to the Association's website for review and e-mailed to members. Motion to approve the 2018 Annual Meeting Minutes was made and seconded. The minutes were approved unanimously by the LOALLI members present.

**IV. President's Report (Jack Haney)**

A. The Board members were introduced and thanked for their service during 2018. Dave Heys was thanked for his business management services and for filling in as acting Treasurer when Michael Hardin resigned from the Board in July upon moving from Ladd Landing. The Board also recognized Phil Hanson for all of his work with the Clubhouse, Pool and Wellness Center and the security systems at the Clubhouse and gates. Sandy Gabbard was recognized for the good job she does managing the calendar and rental of the Clubhouse. It takes a lot of time and work to maintain the amenities which enhance our community. Thank you to Dave, Phil, Sandy and others for volunteering to serve in our community.

B. The Association's financial position at the end of 2018 is the best it has been in recent years. Everyone who serves or has served on the Budget committee and other committees as well as the Board of Directors deserves credit for what they have done to control costs and keep our budget in line with our income. This has been accomplished the past few years with minimal or no increases to HOA assessments.

C. The Board continues to work with the developer to finish the Clubhouse. Not much progress was made in 2018. The paving of parking areas and sidewalks to the clubhouse and pool are the major items to be finished. There is also some exterior stone work to be completed and interior work required to finish the fireplace. The paving cannot be done until sewer lines are put in for the lots that are not platted behind the Clubhouse and above part of the greenway. The Developer has indicated his intent to turn over the Clubhouse and Pool as in-kind payment for past due assessments and promissory notes. The Board is expecting that the transfer of asset ownership may be initiated in "as is" condition and will require the Association to complete the facility work and paving. The Board has received a preliminary quote of \$24,000 to pave a loop around the Clubhouse area. This does not include any additional parking, lighting, or the work to finish the interior and exterior of the Clubhouse. The Board will not take any action until a formal written proposal is received from the Developer. (We currently have a draft proposal for review.) The Board will insist on a current appraisal of the property value and will have the Association's attorney, Matt Sherrod, review the proposal to insure everything is consistent with the Ladd Landing CCRs.

D. One of the major issues still facing the Board in 2018 was to reach a deal with the City of Kingston to take over maintenance of the street lights. In 2014, the Board entered into negotiations with the City to take over maintenance of the street lights and drainage areas in lieu of payment of Association dues. We had reached a basic handshake deal with the mayor and were waiting for the city attorney to write up an agreement when the election occurred and the mayor was defeated. There were follow-up discussions with the new mayor on this subject, but City Council has not been open to any agreement. Subsequently, the Board reached an understanding with Rockwood Electric Utility in 2017 to service the street lights per their maintenance agreement with the City of Kingston if LOALLI purchased the bulbs and other service parts for inventory at REU. This informal agreement was revoked in 2018, so we are back to the original issue. At the 2019 Annual Meeting, the membership suggested that the Board contact the Homeowners' Associations of Brentwood and The Villages of Center Farm to see if the three developments which pay significant city taxes could work together to leverage our financial and political clout to influence the Mayor and City Council to negotiate a resolution. The Board agreed to pursue this suggestion and any other options in 2019.

E. One of the long term issues the Board has been working on is the clean-up of Lot #1 owned by Ms. Teresa Kirkham. The Land Owners Association of Ladd Landing, LLC and Ms. Kirkham reached an agreement in late 2017. Ms. Kirkham agreed to remove the fire damaged porta cache and finish the exterior of the remaining garage structure to the original plans and specifications of the garage exterior excluding water, sewer, and electrical. Ms. Kirkham will actively market the real estate property for sale in 2018. If the property is not sold by January 1, 2019, Ms. Kirkham will remove the remaining garage structure in full if the LOALLI Board of Directors directs her to do so at that time. A Consent Judgement has been signed by all parties, the Chancellor of Chancery Court for Roane County, Tennessee and filed with the Registrar. These actions were completed in 2018 and the property was listed for sale. The property has not sold and the Board will pursue the demolition of the garage in 2019 per the Consent Judgement.

#### **V. Treasurer's Report**

A. Dave Heys, Acting Treasurer presented the 2018 Annual Financial Report. The Balance Sheet as of December 31, 2018 shows an operating cash balance of, \$34,325. This is up by \$18,868 from 2017 year end due to increased income (assessment receipts). There is \$56,925 in the three operating reserve accounts (\$44,119 operating contingency, \$6,189 gate reserve, and \$6,617 clubhouse/pool reserve). The Roadway Capital Reserve Account is \$98,941. Accounts Receivable were \$250,180 (past due assessments and notes receivable). Total 2018 operating expenses were \$71,767 or 85% of budget which allowed the Association to operate in the black for 2018 with net income of \$6,757. Other income of \$19,221 (late payment fees, non-member income, an insurance claim settlement, and miscellaneous income) added to the improved financial position in 2018.

The 2018 Annual Financial Report is attached.

#### **VI. Developer's Comments**

Matt Caldwell provided an overview of the history of the Ladd Landing development since its inception with a focus on the impact of the TVA ash spill in 2008 and the economic downturn which began in 2011. Both events had a negative impact on lot and home sales in Ladd Landing. The news from the court case in 2018 and continuing into 2019 regarding the health issues of the workers' involved in the clean-up is impacting interest in the area again.

#### **VII. Committee Reports**

Landscaping – Dallas Reynolds presented the Landscaping Committee Report. Landscaping expenses were \$1,746 under budget for 2018. Landscaping costs were minimized through contract negotiations with M&M Landscaping and

managing the number of cuts based upon actual conditions. No snow removal was required during the winter of 2018 which also helped keep costs down. M&M continues to do an excellent job for us providing excellent service at reasonable costs. In 2019, the Committee will investigate an erosion problem along Sheerwater to determine what repairs are needed and identify the costs of the repair. No funding is in the 2019 Budget for this issue, but the Committee will bring it to the Board for review if necessary. Joy Fisher asked that the decorative bushes encroaching High St. near the entrance be trimmed.

Budget – Dave Heys presented the 2019 Operating and Roadway Reserve Fund Budgets which has been adopted by the Board of Directors. The 2019 Operating Budget is \$85,250 and basically no change from 2018 (decrease of \$412). There are some line items with increases or decreases based upon actual expenditures in 2018 and projected expenses in 2019. The various committee members continue to do an outstanding job of managing their budgets by controlling costs and identifying cost savings ideas.

The Roadway Reserve assessment rate for landowners on private roadways is \$1.54 per lineal foot for 2019 which is an increase of \$0.06. This assessment funds the Private Roadway Capital Reserve Fund established by the CCRs to provide funds for private roadway resurfacing when needed in the future. The intent of the reserve fund is to avoid a special assessment.

The 2018 Operating Fund and Roadway Reserve Fund Budgets are attached.

#### Pool and Clubhouse

Phil Hanson was unable to attend due to health issues. Kerry Courtney stated the Board has approved changing the locks to the facility due to some abuse of privileges by a renter not following the published rules. We will be changing the locks and issuing new keys this spring. Rod Hansen suggested looking at digital locks and issuing codes instead of keys. This was looked at when the pool and wellness center first opened and was cost prohibitive. However, digital locks are more common now and not as costly, so we will take another look at this option.

2018 Committee Sign-up – Kerry Courtney emailed the 2019 Committee Membership List to all LOALLI members prior to the Annual Meeting to confirm committee membership and to allow others to volunteer to serve on a committee. A sign-up sheet was also available at the meeting and there were two new volunteers. At this time, no one removed their name from any of the Committees. Thank you to everyone who serves on a committee. The neighborhood and the homeowners association would not be successful without you.

The 2019 LOALLI Committee Membership List is attached.

**VIII. New Business**

Bob Brehmer made a request to open the gates for some period of time during daytime hours to improve sales and marketing of houses and lots. This has been looked at in the past, but the Board agreed to revisit the request in 2019.

**IX. Election of New Directors to the Board**

Board members with terms expiring January 2019 are:

Vacant – Residential A Director (2 year term)

Kerry Courtney – Non-Residential A Director (3 year term)

Jack Haney – Non –Residential A Director (3 year term)

Nominations were requested from the floor. Kerry Courtney and Jack Haney were both nominated and agreed to serve another term. Both were elected by acclamation.

There were no nominations or volunteers for Residential A Director (2 year term), so this position remains open. Anyone interesting in serving in this position, please contact any member of the Board of Directors.

**X. Special Thanks**

The Board of Directors would like to thank Marilyn Heys and Debbie Courtney for providing the homemade cookies for refreshments and NOAH’s Event Venue for providing coffee and allowing us to use their facility.

**XI. Adjournment**

The 2019 Annual Meeting was adjourned at 7:25 p.m.

Minutes submitted by: Kerry Courtney, Secretary