

Land Owners Association of Ladd Landing, Inc.

Draft 2020 Annual Meeting Minutes

Tuesday, January 14, 2020

I. Call to Order

Jack Haney, president, called to order the Land Owners' Association of Ladd Landing, Inc. (LOALLI) 2020 Annual Meeting at 6:00 p.m. at the Ladd Landing Clubhouse located at 1200 Waterford Place, Kingston, Tennessee 37763.

II. Roll Call

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

III. Approval of Minutes

Prior to the Annual Meeting, the 2019 Draft Annual Meeting Minutes were posted to the Association's website for review and e-mailed to members. Motion to approve the 2019 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 2019. Dave Heys was thanked for his business management services. 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 Board was finally able to reach resolution on Lot #1 previously owned by Teresa Kirkham but sold to a new owner in 2019. The Board also made significant progress on reaching a tentative "in kind Payment" credit agreement with the Developer to transfer the ownership of the Clubhouse, Wellness Center and Pool to the Land Owners' Association of Ladd Landing, Inc. We hope to have the agreement finalized in the 1st Quarter of 2020.

C. One of the issues the Board is going to focus on in 2020 is to try to reach an agreement with the City of Kingston to take over maintenance of the street lights and drainage for Ladd Landing Boulevard. This has been ongoing since 2014, when 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 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. 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. Other priorities forced the issue to be put on the back burner in 2019, but the Board plans to renew our efforts in 2020 to address resolution with the City.

V. Clubhouse Improvements

Baker Hamilton provided an update to members on the improvements made to the Clubhouse beginning in late 2019. Several trees were removed from the property and the lot was re-graded. The driveway was reconfigured and gravel put down. New outdoor lighting was installed (2 completed along the driveway and 1 to be installed at the lower rear corner of the pool). The stonework was completed on the two porches of the Clubhouse and the hearth of the fireplace. The chimney cap was also repaired. Improvements planned for 2020 include paving the driveway and replacing the exterior deck flooring which has deteriorated. Painting / staining of the columns on both levels is also planned. The installation of the outdoor lighting was done by Board members and plans are being made for a work day or days in the Spring for LOALLI members to help install the new deck floor, stain the columns, and other clean-up work to save the Association from paying labor costs for work we can do. A notification will be sent to residents when the work days are scheduled to ask for volunteers to help.

VI. 2019 Annual Financial Report (David Heys)

The Balance Sheet as of December 31, 2019 shows an operating cash balance of \$52,488. There is \$38,183 in the three operating reserve accounts (\$32,359 operating contingency, \$3,979 gate reserve, and \$1,845 clubhouse/pool reserve). The Roadway Capital Reserve Account is \$111,423. Total 2019 operating expenses were \$104,457. Normal budgeted operating expenses were \$65,640. Additional expenses of \$38,817 for Clubhouse improvements, gate and security system repairs, and pool repairs were paid from the operating contingency fund, gate reserve fund, and clubhouse/pool reserve fund. Total operating cash and cash reserves and interest-bearing CD accounts are \$202,097 which has the Association in good financial condition going into 2020.

The 2019 Annual Financial Report is attached for review.

VII. Presentation of 2020 Budget (Phil Hanson and David Heys)

Phil Hanson and Dave Heys presented the 2020 Operating and Roadway Reserve Fund Budgets which have been adopted by the Board of Directors. The 2020 Operating Budget is \$84,538 and which is a decrease of \$712 from the 2019 Budget of \$85,250. There are some line items with increases or decreases based upon actual expenditures in 2019 and projected expenses in 2020. The two largest increases were \$1,018 for insurance on the Clubhouse and \$1,700 for landscaping expenses (primarily for increased cost of mulch and labor for shrub and tree trimming). Both of these increases were offset by other cost reduction opportunities. The various committees continue to do an outstanding job of managing their budgets by controlling costs and identifying cost savings ideas. Residential and condominium assessment fees remain unchanged for 2020.

The Roadway Reserve assessment rate for landowners on private roadways is \$1.61 per lineal foot for 2020 which is an increase of \$0.07. 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 2020 Operating Fund and Roadway Reserve Fund Budgets are attached.

VII. Committee Reports

Landscaping – Kerry Courtney presented the Landscaping Committee Report. Expenses were \$1,070 under budget for 2019. Landscaping costs were minimized by working with M&M Landscaping to manage the number of cuts based upon actual conditions and no snow removal was required during the year.

Pool Committee – Phil Hanson presented the Pool Committee Report. A major expense was incurred in 2019 to repair a hole in the bottom of the pool. The interior of the pool was also repainted after the repair. Costs incurred were paid from the Clubhouse/Pool Contingency Reserve fund. Phil also announced a change in event of an emergency. Push the emergency button inside the Wellness Center and someone from ADT monitoring the alarm system will respond.

Real Estate Committee – Donna Girman presented the Real Estate Committee Report. Donna provided statistics for properties listed for sale in Ladd Landing, Kingston, and Roane County including the number of listings, number of properties sold, and average sale prices for 2019.

2020 Committee Sign-up – A sign-up sheet was circulated at the meeting for people to sign-up to serve on a committee, remove their name from a committee, or change committees. Kerry Courtney will update the 2020 Committee Membership List and send it to all residents to insure that anyone not at the Annual Meeting has the opportunity to make any adjustments.

The finalized 2020 LOALLI Committee Membership List will be sent to Committee members and posted on the Ladd Landing website llhoa.org.

VIII. New Business

- A. Chuck Hochanadel suggested that the Board should look at the erosion on High Street which needs attention before damage to the roadway occurs.
- B. Rod Hansen had a question regarding who was responsible for keeping the street drains clear of leaves and debris? The Board can contract with M&M Landscaping if someone on the Landscaping Committee or the Board is notified of a problem. If the homeowner(s) can do something easily to eliminate the problem, the Association will save the cost of hiring a third party to do the work.
- C. A recommendation was made to the Board to add signage for the Clubhouse and Pool. The Board will look into this suggestion.

IX. Q&A and Comments

- A. The Board was asked about developing a list of residents willing to help with projects such a clearing downed trees, painting amenities, doing repairs, etc. The Board thinks this is a good idea and will pursue it.
- B. Rod Hansen asked about advertising for Ladd Landing? While this should probably be the Developer's responsibility, the Board has done some in the past like the sign outside the High Street gate. It will come down to what members want and are they willing to pay for it and how much? Needs further investigation.

X. Election of New Directors to the Board

Board members with terms expiring January 2020 are:

- Vacant – Residential A Director (1 year remaining of 2 year term)
- Larry Gabbard – Non-Residential A Director (2 year term)
- Jamie Walmsley – Non –Residential Director (3 year term)
- Alan Baker – Condominium Director (2 year term)

Nominations were requested from the floor. Sherrie Beasley volunteered to fill the vacant Residential A Director term and Larry Gabbard, Jamie Walmsley, and Alan Baker agreed to serve another term. All four were elected by acclamation.

XI. Adjournment

The 2020 Annual Meeting was adjourned at 7:20 p.m.

Minutes submitted by: Kerry Courtney, Secretary