

Shagbark

PROPERTY OWNERS ASSOCIATION, INC.

38th Annual

Property Owners Meeting

Saturday October 22nd, 2016



WELCOME To SHAGBARK
TIME FOR FRIENDS, FAMILY AND FRESH AIR!
PUT ANOTHER LOG ON THE HEARTH
& ANOTHER BLANKET ON YOUR BUNK
WIND DOWN.
READ. CATCH UP A LITTLE.
Go For A Walk.
WE ARE GLAD YOU'RE HERE.



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Invocation and Pledge

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- Administrative
 - Meeting Validation
 - Quorum Validation
 - Proxies
 - Vote Tabulators
- Introductions
 - Directors
 - Past Directors
 - Guests
 - Staff





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Meeting Agenda

- Call to Order
 - Opening Prayer & Pledge
- Administrative and Introductions
- Approval of 2016 Agenda
- Approval of 2015 Annual Meeting Minutes
- President's Report – "State of the State"
 - The Year in Review
- Financial Review – Gary L. Dick, MBA, CPA, CMA
- New Business
 - Proposed Road Resolution
- Nomination of Board Members
- Open Discussion for the good and welfare of the community
- Proposed Bylaw Changes
- Voting Results
- Announcement of 2017 Board Members
- 39th Annual Meeting Date
 - October 21st, 2017
- Adjournment & Lunch



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Presidents' Report The Year in Review 2015 - 2016

President Stan DeFilippis

- Status Update: Employee Theft
- Office & Board Initiatives
- Grounds
- Legal
- Finance
- Security
- Roads
- Communications
- Firewise
- Leslies Week

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Employee Theft Update



- Arrested
- Pled Guilty
- Awaiting Sentencing



- Arrested
- Scheduled for trial in November

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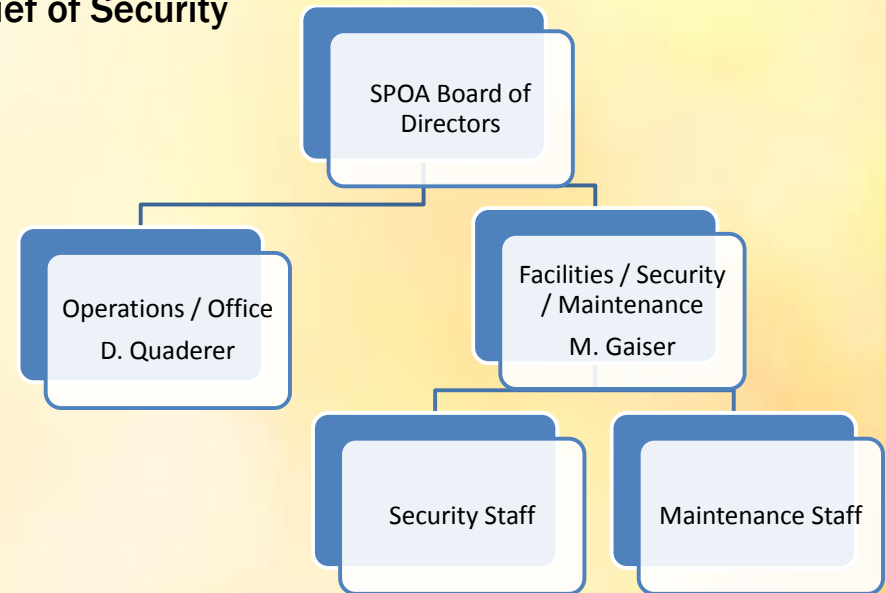
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Organizational Structure

- **SPOA Operations**
 - David Quaderer – Operations / Office Manager
 - Office Oversight – Bowdre Banks & Jean Becker (Bylaw Compliant)
- **SPOA Facilities**
 - Mark Gaiser - Facilities Manager / Chief of Security
 - Security Staff
 - SPOA Maintenance Staff
- **Legal**
 - Kaiser & Black
 - Melanie Davis
- **Accountant**
 - Acuff Tax & Accounting
 - Gary L. Dick, MBA, CMA, CPA



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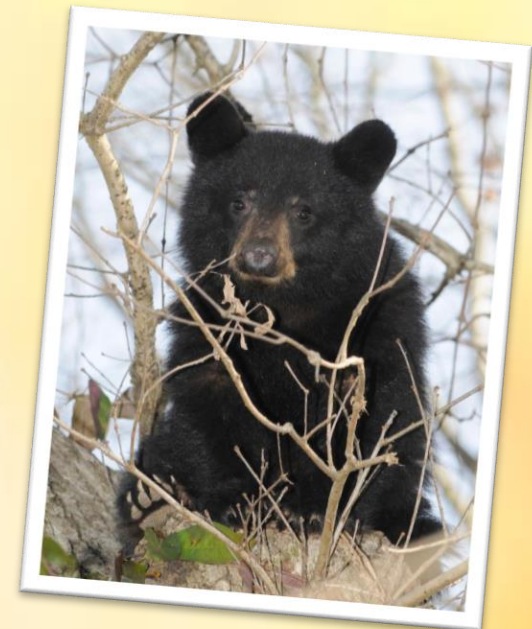
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Operations - Office

- Updates, Improvements, and Changes
 - Facebook Page www.facebook.com/ShagbarkPOA
 - Banking - Remote Capture for Deposits
 - In-House Payroll, Bi-Weekly Payroll, and ACH Payments
 - New Insurance
 - Off Site Data Storage
 - Lots for sale
 - Pay your fees by Credit or Debit Card



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Operations – Facilities / Grounds / Maintenance / Security

- Facility Ops
 - Mark Gaisser, Facilities Manager
 - Andy McVay, Part-time Maintenance
 - Lawn Mowing
 - Pool Repairs
 - Tree Removal behind pool
 - Storage Units (Stable)
 - RV/Boat Parking
 - \$50 a month or \$550 annually



Financial Overview

- 2016 Goals & Objectives
 - Charge: Fiscally Conservative
 - Realistic reduction in operating expenses
 - Balanced Operations Budget
 - Eliminate Deficit Spending
 - No Increase in Annual Dues
 - Financial “Snap-Shot” as of Oct 2016
 - Operating Budget >\$330K
 - Will not touch the line of credit this year
 - **\$250K** loss embezzlements
 - **>\$200K** in outstanding delinquencies
 - Inventory of +60 lots estimated value approx. **\$900K**
 - **>\$1.4M** in unrealized revenue + **>\$36K**/yr. in dues and road assessments
 - Previous Boards operating in deficit spending!



Financial Overview

- Debt Performance
 - Debt:
 - M&T SBA Loan – Balance \$27,000
 - SmartBank Line of Credit
 - 2011 - \$123,000
 - 2012 - \$108,000
 - 2013 - \$ 91,000
 - 2014 - \$ 72,500
 - 2015 - \$ 53,000
 - 2016 - \$ 0
- How Did We Do It?



Financial Overview

- Delinquency Recovery – Priority
 - **>\$60K Recovered!**
 - Some on structured payment plan
 - Outstanding Delinquency: approx. >\$200K
- CD's – 1% Spread
 - Current CD Balance \$ 155,250
- Planning into the Future→
 - Operations Budget
 - Capital Infrastructure Budget – \$138,000
 - Roof Replacement (Stables / Community Center)
 - Roads & Culverts
- Budget 2017 - \$348,760
 - Approved / Balanced / No Deficit Spending



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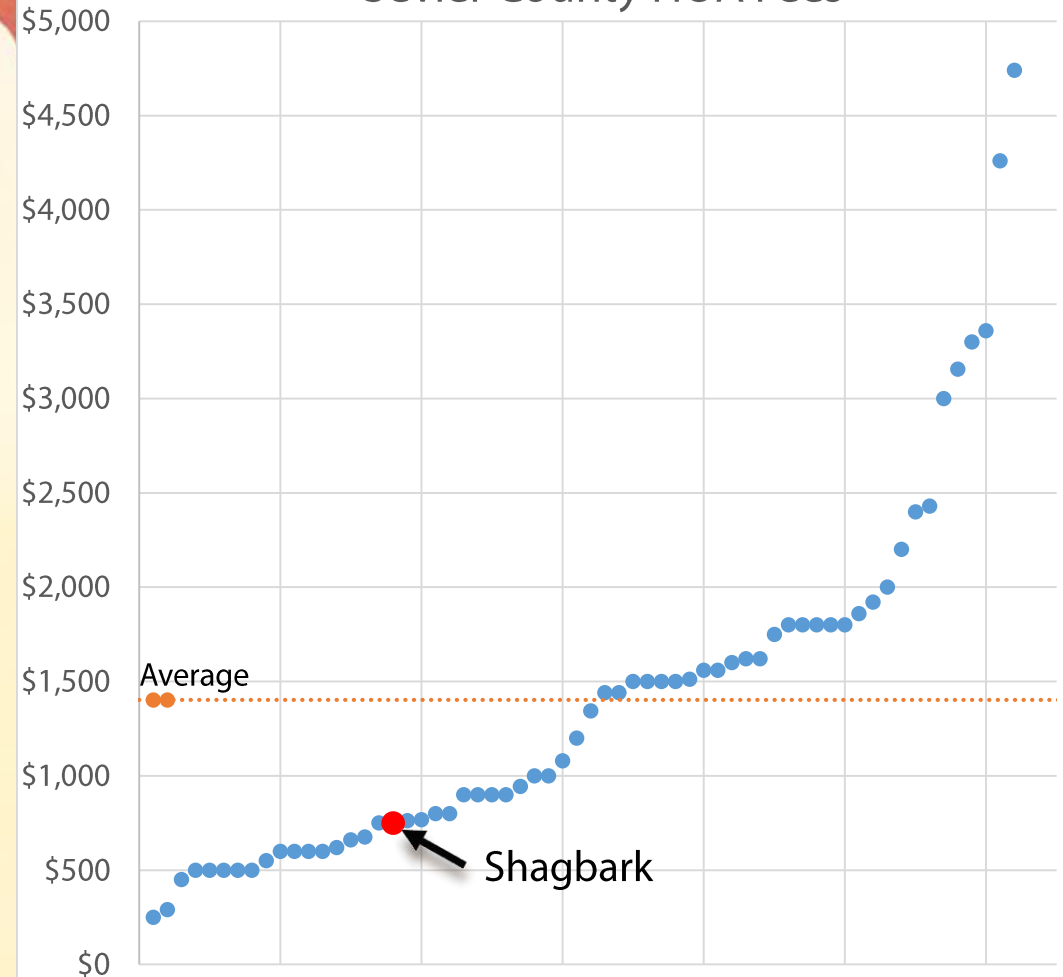
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• Revenue Generation

- Increase Dues?
 - Increase delinquency?
 - How does Shagbark Compare?
- Deficit Spending?
- Implement a Marketing Plan to sell inventory of lots
- Utilize Guest Entry Revenues to offset use of amenities of non-resident guests
 - 2017 Est >**\$40K**
- Maximize delinquency recovery
- Other
 - Shagbark Cell/Wireless Tower

Sevier County HOA Fees



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Financial Overview

- **Revenue Generation**

- Implement a Marketing Plan to sell inventory of lot
 - 2016 Shagbark Auction
 - Lots sold generate \$295+ Roads Assessment / Yr.
 - \$ 30,000 /Yr.



Financial Overview

- **Revenue Generation**
- SPOA Guest Entry System
 - Annual ops cost: \$500
 - Utilize Guest Entry Revenues to offset use of amenities of non-resident guests
 - Approx. 14K guest vehicles/yr.
 - Approx. 84K ins/outs for 3 day stay + contractors / cleaners etc.
 - 2017 Est revenue >**\$40K**
- **Guest Entry Revenue**
 - How would SPOA Annual Dues increase w/o a Guest Entry System?
 - Increased delinquency?

	Owners	Current Dues (\$)	Increase (\$)	New Annual Dues (\$)
Improved Lots	244	\$750	\$275	\$1,025
Unimproved Lots	497	\$295	\$40	\$335

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Security

- Mark Gaisser – Chief

Guest Entry Vehicle & Driver Credentialing

- Internet based guest entry system, smart phone operation
- Allows Rental Agencies and Owners to register their guest into the community through a web site for safer and faster access.

Emergency Medical Services AED / CPR Program

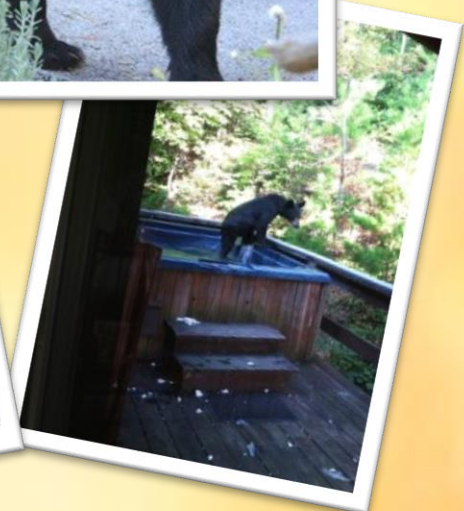
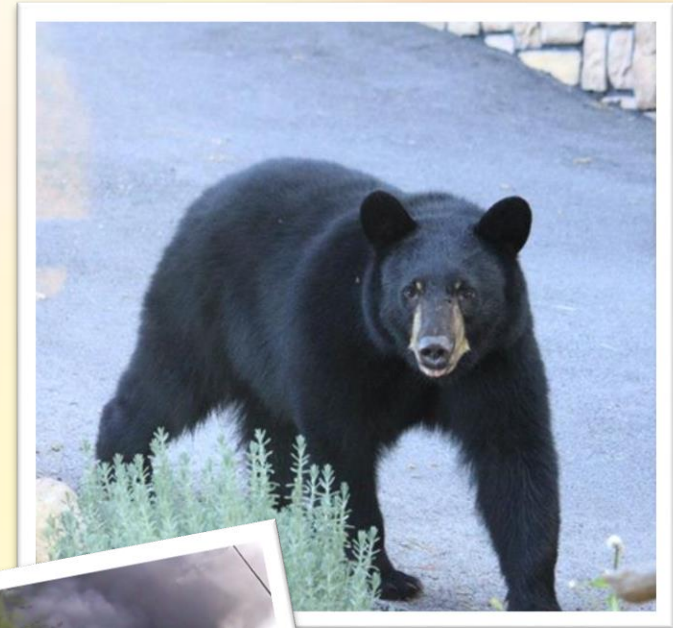
- AED Re-Certification: Officers & Volunteers
 - New Volunteers always welcome

Emergency Preparedness Plan

- EPP - Shagbark website

Wildlife

- Wildlife proof trash containers



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Roads

- **Roads - Dan Hager, Chair**
 - 2013, 2014, 2015 & 2016 Paving
 - Maintenance Budget
 - Labor – reduced contract labor \$8,600 and added part-time in house
 - Material \$10,000



**Road
Work**

- **2017 Road Paving Proposal in New Business**

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- Communication-Member Relations
Mike Key, Chair

- Website: <http://shagbarkowners.com>
- Annual Meeting on the Web
- Facebook: <http://Facebook.com/ShagbarkPOA>
- New E-Mails:
 - Office@ShagbarkPOA.com
 - Security@ShagbarkPOA.com

- Annual Meeting Lunch
 - Ernie Rich



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Firewise - Laurie Schad & Mark Gaisser, Chair

- Active Firewise Committee Members:
 - Elizabeth Bernardi
 - Ella Rich
 - Bob Schad
 - Laurie Schad
 - Gary Tustison
 - Mark Gaisser
 - Andy McVay

A major thrust of the Firewise committee is educating everyone such that we are all "Fire-wise." We welcome anyone interested in learning more or becoming trained to do home assessments. More information – contact Mark at the gate.



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Firewise

- 911 Address
- Road Signs
- State of Tennessee \$10,000 Grant
- Completed 20 Firewise TDF Ignition Zone Assessment Mitigation Guides
- Community-wide brush cleanup project tomorrow – 9 AM – New Equipment – Free lunch afterward
- Volunteers always welcome

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Leslie's Week



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- Leslie's Week - Sandra Gunn, Founder & Ani Chang, Partner
 - www.lesliesweek.org
 - Scholarship Board Member, Dan Hager
 - First Annual Week in Shagbark was in August 2015
 - Our 2016 second annual Stage 4 Breast Cancer families
 - The Shagbark community donated cabins were from Jean & Terry Palin, Sandra Gunn and Dave Barrett
 - Six families stayed at the Dollywood DreamMore Resort
 - Many Thanks to Jean & Terry Palin, the Shagbark office, and Security



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Financial Review

July 1, 2015 – June 30, 2016

Gary L. Dick, MBA, CMA, CPA



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2017 Road Paving Proposal

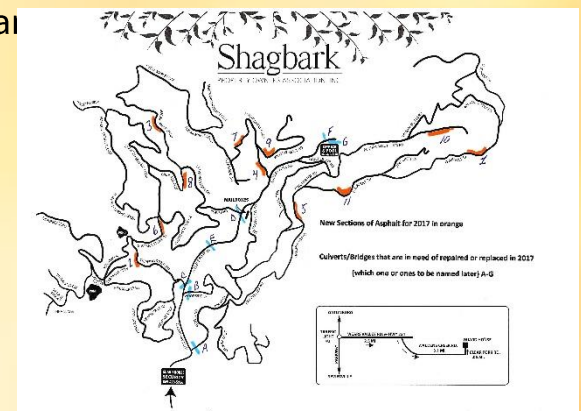
New Business: Road Investment Proposal for Paving

Shagbark Property Owners Association Road Investment Proposal for Paving Improvement

•Improvement 5

- \$300 Assessment Per Property Owner
 - 30 days after the billing date (billing completed and sent out November 2016)
 - Payment agreement for a five month payment plan, beginning December 2016 and ending April 2017 at \$60.00 per month
- Sections of roads in the community that require the most maintenance
- Reduce or keep at a lower level our operating cost
- Contracted upon passage of the proposal
- Completed by April 30, 2017

•Paving gravel area AND repaving sections of pavement that are in real need of repair.



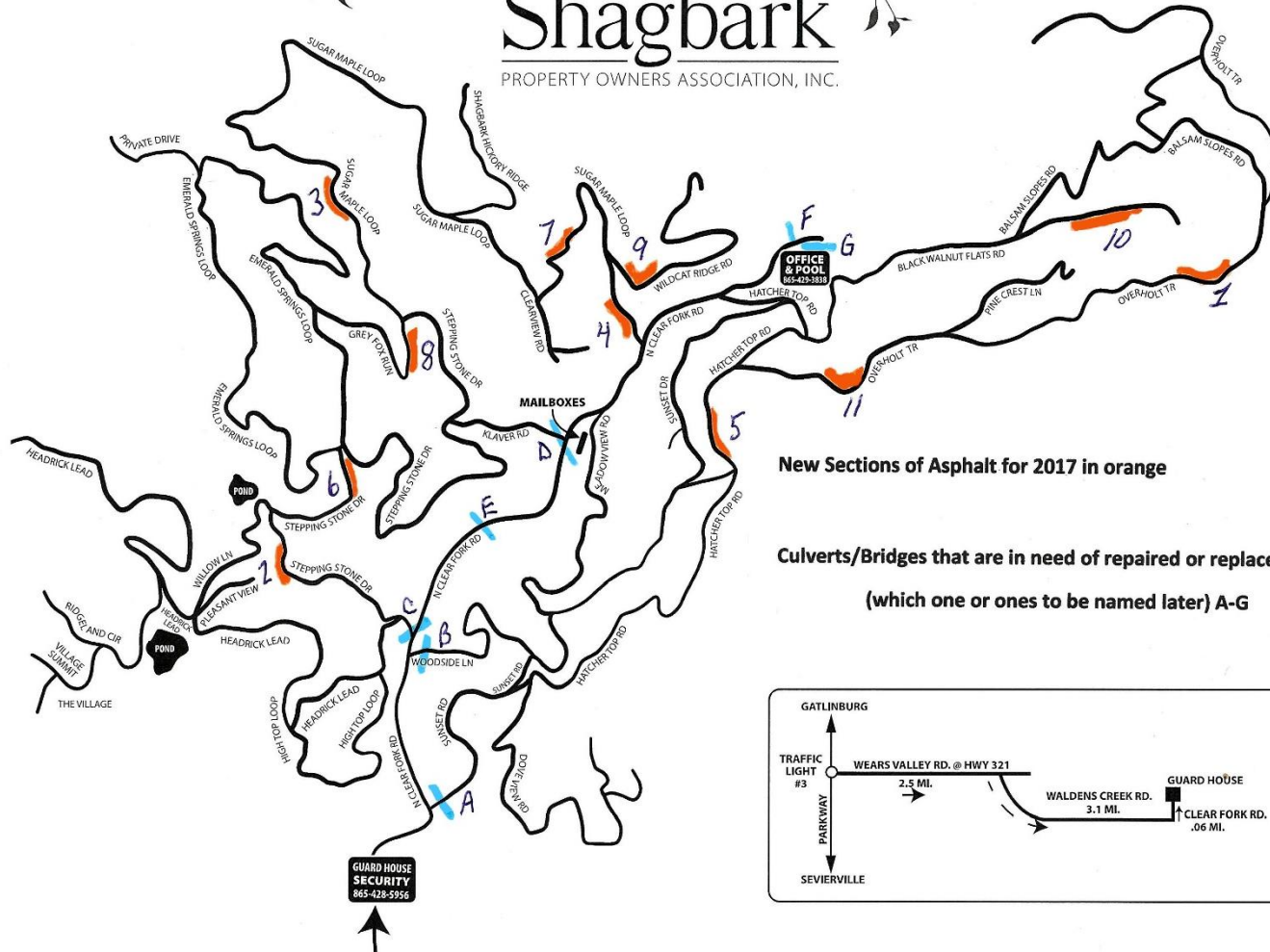
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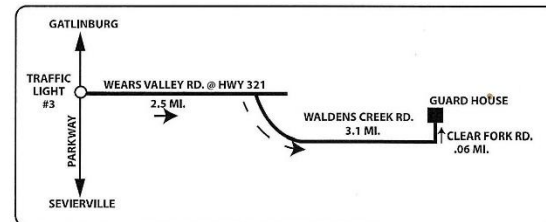
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New Sections of Asphalt for 2017 in orange

Culverts/Bridges that are in need of repaired or replaced in 2017

(which one or ones to be named later) A-G



GUARD HOUSE SECURITY
 865-428-5956

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Street Signs Available





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Board of Directions Elections 2017

- 3 - 3 Year Terms
- 2 - Alternates



New Board of Directors Meet Immediately After Adjournment

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Election of Board Members

Nominating Committee Report

- Stan DeFilippis
- Rod Frisby
- Mike Key
- Steve Dungan
- Sandra Gunn

Other Nominations



Nominating



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Open Discussion for the good and
welfare of the community.

What can benefit all of Shagbark?



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Proposed Bylaw Changes

- Proposed by Cathy Qualls
- Unanimously opposed by the Board of Directors

- Article 5
 - Section 1
 - Section 7
 - Section 8

- Article 6
 - Section 3 (a)
 - Section 3 (b)



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Next Annual Meeting
Saturday, October 21st 2017

Adjourn / Lunch