

**SADDLE RIDGE PORPERTY OWNERS ASSOCIATION**  
**BOARD MEETING**  
**October 10, 2018**

Present: Ken LaValley, Janet Kolarik, Sue DuBois, Steve Foster, Robert “Smitty” Smith, Tom Braun, Alane Wyss and Judy Pearson.

At 8:00 pm Steve Foster called the meeting to order. A motion was made and approved to accept the minutes of the last meeting.

**Treasurer’s Report:**

Smitty had earlier distributed the 1<sup>st</sup> Quarter, FY 2019, financial reports, including the Operating Statement, Budget Variance Analysis and list of delinquent owners. He provided the following highlights of each of these reports.

**Operating Statement.**

This statement shows our financial transactions for each month in the first quarter and a total column for the quarter.

- \$58,750 in current assessments were collected in the first quarter from 125 property owners. This rate (81.7%) compares favorably with earlier fiscal years. In addition, \$6,800 were collected from members who were in arrears on their annual assessments. Other inflows consist mainly of road impact fees and deposits.
- Operating outflows are consistent with earlier years. No individual expenditures really stand out.
- For the quarter, our cash balance increased over \$50,000. This quarter always shows the largest increase in our cash balance. In future quarters, collections of annual assessments are always less and expenditures are always more in relative terms.

**Budget Variance Analysis.**

Smitty believes this statement is the more important of the two. It shows how the association’s receipts and expenditures compare to what we planned for the year. The columns show our budget for the year, the YTD (Year-to-Date, in this case, the 1<sup>st</sup> Quarter) total for each classification, the Variance (if the number is positive, that number is over budget; if negative, it is under budget), and a percentage column (not labeled) that relates the YTD amounts to the budgeted amounts.

- As noted above, the collection of annual assessments – which stands at 87% of budget – is very good compared to the budget and what has happened in earlier years. Naturally, we would like everyone to pay by the due date (July 31). Payments not made by September 30 are considered delinquent.
- For the operating outflows, a key indicator we like to use is the percentage column. If the percentage is greater than 25% (one-fourth of the year), there may be cause for concern. For the quarter, we are only 0.4% over budget, which is good. Individual expenditures that significantly exceed 25% include:
  - Roads – it is common for these expenditures to be greater in the 1<sup>st</sup> Quarter.
  - Special Projects – this area has no discernable pattern, so this percentage is not a concern at this point.
  - Special Events – with our annual meeting occurring in this quarter, it is common for us to be over budget at the end of the 1<sup>st</sup> Quarter.

After completing this review and after some discussion by Board members, Smitty made a motion that these financial reports be distributed to the SRPOA membership; Sue DuBois seconded, and the motion passed.

Smitty then provided the Board an overview of members that did not pay their annual dues by September 30. 19.3% of the members are delinquent, which is not out of line with earlier years. Smitty briefly discussed what will be done to try to collect from these members in the coming months. This discussion concluded the Treasurer's Report.

#### **COMMITTEE REPORTS:**

##### **Architectural Committee** – Ken LaValley

Brendles started work on their home on the lot right above the lake. Concern was expressed about more than usual muddy runoff into the lake from their property. After discussion most board members agreed that it was from the exorbitant amount of rain we've been having and not just from the Brendles property causing the muddy run off. Ken noted that Blount County doesn't require silt barriers but the Brendles installed barriers on the lake side of their property anyway.

##### **Communication Committee** – Sue DuBois

The summer issue of the Ridge Rambler went out in September. Next issue will be published about November or December. An editor needs to be found to help Sue with the Rambler.

##### **Event Committee** – Connie Evans

Nothing was reported as chair was absent.

##### **Environment Committee** – Alane Wyss

It was reported that the Saddle Ridge Fall cleanup will be October 13, 2018 starting at 9:00 am at the gate. It will also include the Firewise neighborhood cleanup and people checking Saddle Ridge roads to trim back protruding limbs, brush, etc.

##### **Road Committee** – Tom Braun

During August and September work was completed on Oakwood and upper Waters End. Funding for the shale needed on Waters End came from Special Projects Line of the Budget. Other work completed came under regular Road Maintenance. More repairs need to be done on Chilhowee Loop.

#### **New Business:**

Several residents have requested bush hogging and mowing on roadsides for safety reasons. Roadsides weren't mowed last year causing more woody growth. Tom stated bush hogging will start soon now that we're late enough into fall to create the least impact on pollinators and wild flowers.

Alane reported for Betsy Smith on Firewise issues:

- Chipper ordered but no shipping date yet, possibly 4 to 5 weeks delivery. She will keep the Board posted.
- Road signs have no firm delivery date yet.

- Annual Firewise Report due November 15, 2018. Betsy reported that the use of the online survey for gathering time and money investment spent on Firewise projects in the community is working well.
- The fire pit for the fall cookout was temporary and needs to be dismantled
- The storage and security for Firewise equipment needs a storage unit. Firewise funds cannot be used for purchasing or building a unit. Should we start work on the barn?

In light of our recent trespassing incidents Alane Wyss presented a proposal from Alex Wyss. It suggested that SRPOA purchase 3 security cameras, the cost of 2 is about \$250 and 1 at a cost of about \$150. Total cost would be roughly \$600 to include accessories and batteries. Alex would work with Blackberry Farms and Matt Smith to get permission to install cameras on their property shooting across East Millers Cove road towards entry points used by trespassers. One camera would also be placed at the gate. Alex is willing to do the installation and monitoring of the equipment. The Board recommended Alex speak with Saddle Ridge homeowner Keith Kennedy as he sells security equipment. Also we should talk to Fred Deussing as his community in Alaska has some experience in this area. Smitty believes he has been actively involved in it.

The board established guidelines to pass on to Saddle Ridge property owners for dealing with unlawful trespassers and poachers if confronted:

- Avoid talking to them
- If possible take pictures of them and/or license plate of vehicles
- Call Blount County Police to report
- Post pictures on Facebook

Hopefully these steps will help prevent poachers and stop thefts that have happened already to homeowners in the past.

Smitty proposed that we have a rainy day fund for emergencies with a committee made up of Saddle Ridge property owners to regulate these funds. He volunteered to chair this committee. Smitty also suggested we consider buying CDs. The Board approved that we proceed.

### **Old Business**

Steve reported that on the advice of our lawyer Melanie Davis we file for a “Declaratory Judgement” stating that SRPOA is the Developer of Saddle Ridge and not Perry Burchfield. If one person owned the rights they could sell off those rights. Melanie has completed the paperwork and is ready to file for the “Declaratory Judgement”. Copies of the paperwork were presented to each Board member.

Tom Braun made a motion to have Melanie go ahead and file. Janet Kolarik seconded the motion. The vote to proceed was approved.

With nothing else, the motion was made to end the meeting by Sue DuBois. Tom Braun seconded the motion. The motion carried.