

**GERMAN CREEK THE BLUFFS
HOMEOWNERS ASSOCIATION**

**ANNUAL OWNERS MEETING
SATURDAY, OCTOBER 24, 2015
AT 9:00AM
GERMAN CREEK CLUBHOUSE**

AGENDA

CALL TO ORDER

INTRODUCTION OF THE BOARD OF DIRECTORS

Gregory Johnson - President
Jerome Haverland – Vice President
Inez Baldrige - Treasurer
Bob Leber – Secretary
Tony Bryant - Board Member at Large

DETERMINE THE PRESENT OF A QUORUM

APPROVAL OF THE AGENDA

APPROVAL OF THE 2014 ANNUAL MEETING MINUTES

REVIEW AND APPROVAL OF THE FINANCIAL REPORT

PRESIDENT'S REPORT

OLD BUSINESS

NEW BUSINESS INCLUDING DISCUSSION OF THE 2016 BUDGET

ELECTION OF THE BOARD OF DIRECTORS

GENERAL DISCUSSION

ADJOURNMENT

GERMAN CREEK CONDOMINIUMS - THE BLUFFS OWNERS' ASSOCIATION, INC.
Minutes For The Annual Owners Meeting
Saturday, November 8, 2014
German Creek Clubhouse

CALL TO ORDER

The German Creek Condominiums-The Bluffs Owners' Association, Inc. (Association) Annual Owners Meeting was called to order by Greg Johnson on Saturday, November 8, 2014 at 3:07 PM at the German Creek Clubhouse.

INTRODUCTION OF 2013-15 BOARD OF DIRECTORS

Gregory Johnson - President
Jerome Haverland – Vice President
Inez Baldrige - Treasurer
Bob Leber – Reporting Secretary and Interim Financial Secretary
Tony Bryant - Board Member at Large

DETERMINE THE PRESENT OF A QUORUM

A quorum was established with 33 homeowners represented in person or by proxy.

AGENDA

Greg Johnson requested a motion to approve the Meeting Agenda as submitted. The appropriate motion was made and seconded, and unanimously approved.

APPROVAL OF THE 2013 ANNUAL MEETING MINUTES

A motion to dispense with the reading of the 2013 Annual Meeting minutes was approved, and a motion was made by Tony Bryant to approve the 2013 Annual Meeting Minutes, seconded by Inez Baldrige, and unanimously approved.

REVIEW AND APPROVAL OF THE FINANCIAL REPORT

Bob Leber reviewed the Association Profit and Loss Statement and Balance Sheet dated November 6, 2014, highlighting the following:

- Through October 2014, the Association had generated \$184,713.03 in revenues from unit and garage fees along miscellenous charges such boat storage fees. During this same time period, the Association incurred \$218,208.33 in expenses, which resulted in a deficient of \$31,495.30.

- The Balance Sheet dated October 31, 2014 displayed Total Assets of \$23,923.47. This amount compares with \$56,134.07 for the same time period in 2013, which represents a reduction of \$32,210.60 during the intervening 12-month period.
- Bob noted that a significant portion of the \$31,495.30 deficient was due to the serious sewage problems experienced earlier in the year, which have been fixed but resulted in approximately \$28,000 in un-budgeted expenditures. It was noted that a claim has been filed with our insurance company and we expect the Association will recover a significant portion of the expenditure. Also contributing to the deficient was the 15% reduction in unit fees implemented effective July 1, 2013.
- Following a very lively discussion, made a motion to accept the Financial Report based on the Profit and Loss Statement and Balance Sheet dated November 6, 2014, which was duly seconded by Tony Bryant and unanimously approved by the members.

PRESIDENT'S REPORT

Gregory Johnson presented the President's Report, noting that 2014 have been a very busy year for the Association, and proceed to discuss several major items.

Request to Change the Pet Policy

In early 2014, a group of homeowners approached the Board of Directors with a request to change the language in the Condominium Master Deed in Article 14 "Use Restrictions," Section 14.6 "Animals and Pets," Page 24, to allow certain types of pets to be kept in the Condos.

The group making the request referred the language in the Condominium Master Deed in Article 23 "General Provisions," Section 23.3 "Amendment," Paragraph (c) "By Members," Page 37, which states the Condominium Master Deed can be amended by "the affirmative vote or written consent, or any combination thereof, of Members representing sixty-seven percent (67%) of the Total Eligible Association Vote."

The request for the change was submitted by a group of homeowners in good standing in the Association, and the Board working with that group to clarify and reduce to writing the exact changes the group was requesting. In addition, the Board worked with the Association's attorney to establish a procedure that would set the precedence for handling similar change requests.

On October 14, 2014, a ballot was mailed from the office of Association's attorney to the Homeowners using the mailing addresses on record at the Association's office. The ballot listed the changes being requested, and requested the Homeowners return their completed ballot, after being witnessed by a Notary Public, using a stamped self-addressed envelope accompanying the ballot post marked no later October 31, 2014.

As documented and reported by the Association's CPA, the request to amend the language obtained only 22 "YES" votes, and thereby failed to obtain the necessary "sixty-seven percent (67%) of the Total Eligible Association Vote." On November 6, 2014, Homeowners were

notified of the results of the vote, and also that the Condo's "No Pet" policy remains unchanged and in effect, and will be enforced.

The Board appreciated the time and effort put fore by all parties involved in the processing of this issue, and also the opportunity to develop an administrative process for handling future amendment requests in a responsive, open and impartial manner.

Several lessons learned during the process included a better appreciation of the time and money it cost the Association to process the change request and voting process. Also, the extreme challenge involved in obtaining sixty-seven percent of the "Total Eligible Association Vote" to bring about a change on the Condominium Master Deed.

Greg noted that the Board was reviewing whether individual or groups of Homeowners requesting future changes to the Condominium Master Deed should be required to share some or all of the financial cost involved in the voting process.

German Creek Marina

Greg noted that in March 2014, the owner of the German Creek Marina approached the Association (via the Board) as to whether the Association would be interested in purchasing the Marina and an associated piece of property next to the Clubhouse. The Board responded by submitting a list of questions to the owner (Jim Fiquerado), which he has answered. The basic price to the Association was \$1.3 million dollars, which the owner was willing to finance based on a down payment of \$150,000.

Greg noted that after several months of reviewing the legal, financial and liability issues involved in such a purchase, on June 9, 2014, the Board sent a message to the Homeowners requesting their feedback concerning the potential purchase. The Board noted in its message that after reviewing Marina's previous three years' financials, it appeared to afford positive cash flow. However, the Board's message also noted that there are many potential risks to owning and operating the Marina, many of which could be mitigated through prudent corporate structuring to limit the risk to the Association and its homeowners. There are also significant positives resulting from the Association's being more closely associated with the Marina including eliminating of the ambiguity of the future of the boat and trailer parking lot next to the Clubhouse. However, the purchase would most likely result a one-time assessment of several thousand dollars per Condo. Therefore, before the Board precedes any further, it wanted feedback from the Homeowners as to whether it should continue to investigate this possibility.

The Board received considerable feedback, most of which was opposed to such as purchase. As a result, the Board notified the owner of the German Creek Marina that the Association appreciated the opportunity to review the possibility of purchasing the Marina but was not interested in pursuing that opportunity.

Finally, Greg noted that the feedback from the Homeowners brought up two additional issues. The first was opposition to pursuing the construction of a walkway under the German Creek Bridge connecting the Condos to the Marina parking lot. The board had been pursuing this

possibility with the state of Tennessee and the TVA has a way for Condo residents to get to and from the Association Clubhouse and Pool without actually having to cross the highly traveled Lake Shore Drive (Highway 375). As a result of the negative feedback, the board has placed the project on hold. It will still appear on the Association's Capital Improvement Plan as a potential project for future consideration, but will not be acted upon without more robust support from the Homeowners.

The second issue identified in the feedback from the Homeowners concerned the status of the Association's investment in the gate and camera installed on the parcel of land above the Clubhouse where the boats and trailers are parked. The questions focused on if the land was sold to an entity other than the Association, would the Association receive a refund covering its investment in that land. The answer to that question is no. The Marina and the Association agreed to use the lot in question for parking and storage of boats and trailers to alleviate those vehicles being parked in the parking lots behind the Condo buildings or the Marina parking area. In exchange for the Association installing the gate and camera, the Marina agreed to allow the Association to use the land at no charge. The thinking was that the Association would recover its cost for the gate and camera through the monthly rental fees paid by those individuals storing their boats and trailers in the lot. It was suggested at the Annual Meeting that the Board request a "first right of refusal" for the parcel of land in that of the Marina owner's interest in selling the Marina Complex.

Capital Improvement Projects

Greg noted that the Board plans to continue improving the appearance of the condos and Clubhouse/Pool area in 2015 including:

- Fill and prepare flower bed in Jacuzzi
- Beautification of fountain front of the Clubhouse/Pool area.
- Enclose openings in Condo basements going to sprinklers (freeze protection).
- Institute a preventive maintenance program for heat/air units
- Take out tree on the right side of Building #1.
- Monitor trees in front all Buildings.

In additional, the Board plans to investigate creating a picnic area with grills and benches within the Condo complex to help address the restriction on gas-fired grills on unit balconies. Grills are not allowed on unit balconies because of their inherent fire hazard.

Review and Discussion of the Proposed 2015 Budget

Greg noted that the Board had developed a draft budget for 2015 that incorporated additional reductions in Association expenditures, and aligned those expenditures with the Association's anticipated income for 2015 so that the projected 2015 year-end results maintained the current Homeowners Equity at approximately \$37,000. Greg noted that based on the Association's improved financial position, the Board of Directors had reduced the monthly fees charged to homeowners by an average of 15% per unit effective July 1, 2013. Greg noted that the Board has

continued to closely monitor the Association's financial position to ensure it continues to have enough income to properly maintain the Condos and Clubhouse, plus maintain a reserve in anticipation of out-year maintenance requirements. Greg noted that the Board and the Condo management company will continue to identify ways to reduce the Association's monthly expenditures, and that all Homeowners are encouraged to pay the monthly unit fees in a timely manner. The Board will continue to closely monitor monthly results to determine if and when an increase in monthly fees made be required.

OLD BUSINESS

Greg reviewed the need for all homeowners to follow the Rules & Regulations for the Condos as authorized by the Condominium Master Deed dated December 29, 2006, and documented in Association's Residents and Owners Manual. Greg noted the following common violations that need to be resolved:

1. Failure to keep current copies of proof of adequate liability insurance on file in the Association's Office at 120 Muskogee Lane, Bean Station, TN 37708. Typically this type of insurance is referred to as an HO-6 Policy. Additionally, those owners who rent their Units must have a Business Policy with loss of rents coverage.
2. Failure to kept a key or lock combinations for each Unit and Garage on file in the Association's Office, so that personnel can access Units in case of emergency such as leaky pipes or fire.
3. Having gas grills, open flames (oil torches), towels, and bikes on the balconies.
4. Failure of those who rent or lease to submit contact information of their tenant to the Association Office. The Association's Office hours are Monday 8:00 am until 5:00 pm and Thursday 8:00 am until 12:00 pm. Darlene Buell is in the Office at these times and can be reached at 865-767-3490.
5. Parking of boats and boat trailers and other recreational and commercials vehicles in the condo parking lots.

NEW BUSINESS

- Greg noted the web site for accessing on-line the Association security cameras around the condos and Clubhouse. Several Homeowners requested instructions on how to use that web site. Greg said those instructions would be sent to all Homeowners.
- The traffic on Lakeshore Drive by the Condo entrance was discussed and several suggestions were put forward including:
 - Installing a set of mirrors to give better visibility to car drivers and pedestrians attending to enter onto Lakeshore Drive or cross over to the Marina or Clubhouse.

- Petition the State to install speed cameras similar to those on Highway 25 outside of the Condo entrance.
- Petition the State to install blinking lights warning traffic on Lakeshore Drive about the Condo entrance and pedestrian traffic.
- A request was made to define how to gain access to the exercise equipment in the Clubhouse.
- Finally it was requested that the Board consider notifying Homeowners about the date and time of its periodic meetings so individuals can attend those meeting to listen to the proceedings.

ADJOURNMENT

Jerome Haverland made the motion to adjourn the Annual Meeting. Jan Leber seconded the motion. The motion passed unanimously and meeting ajourned at 5:35 PM.

Submitted by:

Robert P Leber

Dr. Robert P. Leber
Association Secretary

2015 GERMAN CREEK FINANCIAL VARIANCE REPORT
Year-to-Date 2015 and Month of September

As of

10/5/15

ITEM	2015				September			Delta (%)
	1	2	3	4	Budget	Actual	Delta (\$)	
	Year-to-Date				2015			

Ordinary Income & Expenses	Budget	Actual	Delta (\$)	Delta (%)	Budget	Actual	Delta (\$)	Delta (%)
INCOME								
2 BEDROOM UNITS (24 Units)								
GERMAN CREEK BLUFFS	\$ 26,498.88	\$ 25,219.82	\$ (1,279.06)	-4.8%	\$ 2,944.32	\$ 2,574.79	\$ (369.53)	-12.6%
GERMAN CREEK COMMUNITY	\$ 26,498.88	\$ 23,844.04	\$ (2,654.84)	-10.0%	\$ 2,944.32	\$ 2,434.35	\$ (509.97)	-17.3%
Subtotal	\$ 52,997.76	\$ 49,063.86	\$ (3,933.90)	-7.4%	\$ 5,888.64	\$ 5,009.14	\$ (879.50)	-14.9%
3 BEDROOM UNITS (32 Units)								
GERMAN CREEK BLUFFS	\$ 44,500.32	\$ 50,772.15	\$ 6,271.83	14.1%	\$ 4,944.48	\$ 4,288.72	\$ (655.76)	-13.3%
GERMAN CREEK COMMUNITY	\$ 44,500.32	\$ 48,041.36	\$ 3,541.04	8.0%	\$ 4,944.48	\$ 4,055.09	\$ (889.39)	-18.0%
Subtotal	\$ 89,000.64	\$ 98,813.51	\$ 9,812.87	11.0%	\$ 9,888.96	\$ 8,343.81	\$ (1,545.15)	-15.6%
PENTHOUSE UNITS (8 Units)								
GERMAN CREEK BLUFFS	\$ 13,267.44	\$ 13,116.18	\$ (151.26)	-1.1%	\$ 1,474.16	\$ 1,517.27	\$ 43.11	2.9%
GERMAN CREEK COMMUNITY	\$ 13,267.44	\$ 12,370.76	\$ (896.68)	-6.8%	\$ 1,474.16	\$ 1,431.04	\$ (43.12)	-2.9%
Subtotal	\$ 26,534.88	\$ 25,486.94	\$ (1,047.94)	-3.9%	\$ 2,948.32	\$ 2,948.31	\$ (0.01)	0.0%
TOTAL UNIT FEES	\$ 168,533.28	\$ 173,364.31	\$ 4,831.03	2.9%	\$ 18,725.92	\$ 16,301.26	\$ (2,424.66)	-12.9%
LATE FEE	\$ -	\$ 1,834.32	\$ 1,834.32	N/A	\$ -	\$ -	\$ -	N/A
MISCELLANEOUS INCOME								
GATE REMOTE	\$ 82.50	\$ 125.00	\$ 42.50	51.5%	\$ 9.17	\$ -	\$ (9.17)	-100.0%
ASSESSMENT FEE	-	\$ 150.00	\$ 150.00	N/A	-	-	-	N/A
MISC. INCOME	\$ 37.50	\$ 125.00	\$ 87.50	N/A	\$ 4.17	\$ -	\$ (4.17)	N/A
BOAT STORAGE	\$ 366.25	\$ 315.00	\$ (41.25)	-11.6%	\$ 39.58	\$ 30.00	\$ (9.58)	-24.2%
Total MISC. INCOME	\$ 476.25	\$ 715.00	\$ 238.75	50.1%	\$ 52.92	\$ 30.00	\$ (22.92)	-43.3%
The GARAGE FEE	\$ 3,510.00	\$ 3,278.38	\$ (231.62)	-6.6%	\$ 390.00	\$ 390.00	\$ (60.00)	-15.4%
TOTAL INCOME	\$ 172,519.53	\$ 179,192.01	\$ 6,672.48	3.9%	\$ 19,168.84	\$ 16,661.26	\$ (2,507.58)	-13.1%
GROSS PROFIT	\$ 172,519.53	\$ 179,192.01	\$ 6,672.48	3.9%	\$ 19,168.84	\$ 16,661.26	\$ (2,507.58)	-13.1%
EXPENSES								
ACCESS CONTROL								
GATE REMOTES	\$ -	\$ 214.70	\$ 214.70	N/A	\$ -	\$ -	\$ -	N/A
ASSES CONTROL - OTHER	\$ 75.00	\$ (75.00)	\$ (75.00)	-100.0%	\$ 8.33	\$ -	\$ (8.33)	-100.0%
Total ACCESS CONTROL	\$ 75.00	\$ 214.70	\$ 139.70	186.3%	\$ 8.33	\$ -	\$ (8.33)	-100.0%
BANK SERVICE CHARGES								
BANK CHARGES	\$ -	\$ 37.53	\$ 37.53	N/A	\$ -	\$ -	\$ -	N/A
CHECKS & DEPOSITS	\$ 225.00	\$ (225.00)	\$ (225.00)	-100.0%	\$ 25.00	\$ -	\$ (25.00)	-100.0%
Total BANK SERVICE CHARGES	\$ 225.00	\$ 37.53	\$ (187.47)	-83.3%	\$ 25.00	\$ -	\$ (25.00)	-100.0%
CLUBHOUSE								

2015 GERMAN CREEK FINANCIAL VARIANCE REPORT
Year-to-Date 2015 and Month of September

As of 10/5/15

ITEM	2015				2015			Delta (%)	
	1	2	3	4	Year-to-Date		6		7
	Budget	Actual	Delta (\$)	Delta (%)	Budget	Actual	Delta (\$)	Delta (%)	
Ordinary Income & Expenses									
REPAIRS	\$ 375.00	\$ 1,495.68	\$ 1,120.68	298.8%	\$ 41.67	\$ 50.00	\$ 8.33	20.0%	
SUPPLIES	637.50	1,277.75	640.25	100.4%	70.83	126.58	55.75	78.7%	
Utilities AT CLUBHOUSE									
BSUD 120-00100-02 CLUBHOUSE	1,125.00	834.31	(290.69)	-25.8%	125.00	210.03	85.03	68.0%	
SEWER TWM CLUBHOUSE	937.50	932.67	(4.83)	-0.5%	104.17	103.63	(0.54)	-0.5%	
UTILITIES ELECT367035 CLUBHOUSE	5,250.00	6,081.09	831.09	15.8%	583.33	1,258.69	675.36	115.8%	
Total Utilities AT CLUBHOUSE	\$ 7,312.50	\$ 7,848.07	\$ 535.57	7.3%	\$ 812.50	\$ 1,572.35	\$ 759.85	93.5%	
Total CLUBHOUSE	\$ 8,325.00	\$ 10,621.50	\$ 2,296.50	27.6%	\$ 925.00	\$ 1,748.93	\$ 823.93	89.1%	
CONTRACT LABOR	\$ 15,000.00	\$ 23,582.75	\$ 8,582.75	57.2%	\$ 1,666.67	\$ 3,964.75	\$ 2,298.08	137.9%	
ELEVATOR EXPENSE									
ELEVATOR MONITORING	\$ 5,250.00	\$ 3,631.77	\$ (1,618.23)	-30.8%	\$ 583.33	\$ -	\$ (583.33)	-100.0%	
ELEVATOR PERMIT	165.00	165.00	-	0.0%	18.33	-	(18.33)	-100.0%	
ELEVATOR REPAIRS	900.00	1,815.88	915.88	101.8%	100.00	-	(100.00)	-100.0%	
ELEVATOR SERVICE CONTRACT	-	-	-	N/A	-	-	-	N/A	
ELEVATOR STATE INSPECTIONS	360.00	535.00	175.00	48.6%	40.00	-	(40.00)	-100.0%	
Total ELEVATOR EXPENSE	\$ 6,675.00	\$ 6,147.65	\$ (527.35)	-7.9%	\$ 741.67	\$ -	\$ (741.67)	-100.0%	
FILING FEES & TAX RETURN	\$ -	\$ 22.25	\$ 22.25	N/A	\$ -	\$ -	\$ -	N/A	
FIRE SAFETY SYSTEM									
FIRE EXTINGUISHER INSPECTIONS	\$ 187.50	\$ 200.00	\$ 12.50	6.7%	\$ 20.83	\$ -	\$ (20.83)	-100.0%	
FIRE SAFETY REPAIRS	1,125.00	4,840.64	3,715.64	330.3%	125.00	-	(125.00)	-100.0%	
MONITORING SYSTEM	2,250.00	2,750.00	500.00	22.2%	250.00	-	(250.00)	-100.0%	
Total FIRE SAFETY SYSTEM	\$ 3,562.50	\$ 7,790.64	\$ 4,228.14	118.7%	\$ 395.83	\$ -	\$ (395.83)	-100.0%	
HOA OFFICE									
INTERNET / PHONE	\$ 1,500.00	\$ 2,163.44	\$ 663.44	44.2%	\$ 166.67	\$ 202.41	\$ 35.74	21.4%	
OFFICE SUPPLY	375.00	287.26	(87.74)	-23.4%	41.67	31.48	(10.19)	-24.4%	
POSTAGE	262.50	196.00	(66.50)	-25.3%	29.17	-	(29.17)	-100.0%	
HOA OFFICE - OTHER	-	-	-	N/A	-	-	-	N/A	
Total HOA OFFICE	\$ 2,137.50	\$ 2,646.70	\$ 509.20	23.8%	\$ 237.50	\$ 233.89	\$ (3.61)	-1.5%	
INSURANCE									
BOND	\$ 300.00	\$ 366.00	\$ 66.00	22.0%	\$ 33.33	\$ -	\$ (33.33)	-100.0%	
HOA TRUCK	150.00	388.68	238.68	159.1%	16.67	-	(16.67)	-100.0%	
PROPERTY INSURANCE 4/27	21,000.00	25,961.96	4,961.96	23.6%	2,333.33	5,443.75	3,110.42	133.3%	
WORKMANS COMP	787.50	480.00	(307.50)	-39.0%	87.50	172.40	84.90	97.0%	
Total INSURANCE	\$ 22,237.50	\$ 27,196.64	\$ 4,959.14	22.3%	\$ 2,470.83	\$ 5,616.15	\$ 3,145.32	127.3%	
JANITORIAL & CLEAN UP									

2015 GERMAN CREEK FINANCIAL VARIANCE REPORT
Year-to-Date 2015 and Month of September

COLUMN ITEM	2015				2015			
	1	2	3	4	5	6	7	8
	Budget	Actual	Delta (\$)	Delta (%)	Budget	Actual	Delta (\$)	Delta (%)
Ordinary Income & Expenses								
CLEAN UP PERSON	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A
CLEAN UP SUPPLIES	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A
Total JANITORIAL & CLEAN UP	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A
LANDSCAPE MAINTENANCE								
LANDSCAPING.	\$ 450.00	\$ 1,833.16	\$ 1,383.16	307.4%	\$ 50.00	\$ -	\$ (50.00)	-100.0%
LAWN MOWING	-	-	-	N/A	-	-	-	N/A
LANDSCAPE MAINTENANCE - OTHER	-	1,050.95	1,050.95	N/A	-	930.95	930.95	N/A
Total LANDSCAPE MAINTENANCE	\$ 450.00	\$ 2,884.11	\$ 2,434.11	540.9%	\$ 50.00	\$ 930.95	\$ 880.95	1761.9%
LEGAL FEES								
COLLECTIONS	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A
FILE LIENS	45.00	70.00	25.00	55.6%	5.00	24.00	19.00	380.0%
PROFESSIONAL FEES	750.00	609.50	(140.50)	-18.7%	83.33	22.00	(61.33)	-73.6%
REIMBURSEMENT OF LEGAL FEES	-	-	-	N/A	-	-	-	N/A
LEGAL FEES - OTHER	-	-	-	N/A	-	-	-	N/A
Total LEGAL / PROFESSIONAL FEES	\$ 795.00	\$ 679.50	\$ (115.50)	-14.8%	\$ 88.33	\$ 46.00	\$ (42.33)	-47.9%
MANAGEMENT FEES								
MANAGEMENT	\$ 13,050.00	\$ 12,600.00	\$ (450.00)	-3.4%	\$ 1,450.00	\$ 1,400.00	\$ (50.00)	-3.4%
MANAGEMENT EXPENSE	1,500.00	1,529.77	29.77	2.0%	166.67	450.56	283.89	170.3%
Total MANAGEMENT FEES	\$ 14,550.00	\$ 14,129.77	\$ (420.23)	-2.9%	\$ 1,616.67	\$ 1,850.56	\$ 233.89	14.5%
MISCELLANEOUS	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A
PEST CONTROL	\$ 1,875.00	\$ 1,440.00	\$ (435.00)	-23.2%	\$ 208.33	\$ 285.00	\$ 76.67	36.8%
POOL EXPENSES								
POOL CHEMICALS & SUPPLIES	\$ 1,500.00	\$ 1,117.67	\$ (382.33)	-25.5%	\$ 166.67	\$ -	\$ (166.67)	-100.0%
POOL FURNITURE	75.00	-	(75.00)	-100.0%	8.33	-	(8.33)	-100.0%
POOL PERMIT	510.00	340.00	(170.00)	-33.3%	56.67	-	(56.67)	-100.0%
POOL REPAIR	1,500.00	132.62	(1,367.38)	-91.2%	166.67	-	(166.67)	-100.0%
POOL SERVICE	1,500.00	350.00	(1,150.00)	-76.7%	166.67	-	(166.67)	-100.0%
SPA EXPENSE	225.00	8,116.62	7,891.62	3507.4%	25.00	584.13	559.13	2236.5%
WATERFALL REPAIRS	150.00	1,254.40	1,104.40	736.3%	16.67	887.50	870.83	5225.0%
WATERFALL START-UP	93.75	-	(93.75)	-100.0%	10.42	-	(10.42)	-100.0%
Total POOL EXPENSES	\$ 5,553.75	\$ 11,311.31	\$ 5,757.56	103.7%	\$ 617.08	\$ 1,471.63	\$ 854.55	138.5%
PROPERTY TAXES	\$ 1,211.25	\$ 1,641.98	\$ 430.73	35.6%	\$ 134.58	\$ -	\$ (134.58)	-100.0%
REPAIRS & MAINTENANCE								
BUILDING REPAIRS	\$ 900.00	\$ 1,291.21	\$ 391.21	43.5%	\$ 100.00	\$ -	\$ (100.00)	-100.0%
DRAIN LINES	-	1,450.00	1,450.00	N/A	-	-	-	N/A

2015 GERMAN CREEK FINANCIAL VARIANCE REPORT
Year-to-Date 2015 and Month of September

As of 10/5/15

COLUMN ITEM	2015			
	1	2	3	4
	Year-to-Date			
	Budget	Actual	Delta (\$)	Delta (%)
Ordinary Income & Expenses				
CLEAN-UP		100.00	100.00	N/A
GATE REPAIRS	-	-	-	N/A
LIGHT BULBS	1,125.00	-	(1,125.00)	-100.0%
LOCK & KEY	-	-	-	N/A
MAINTENANCE SUPPLIES	5,250.00	4,248.06	(1,001.94)	-19.1%
PAINTING	5,625.00	62.45	(5,562.55)	-98.9%
SEWER SYSTEM	2,250.00	-	(2,250.00)	-100.0%
SEALING PAVEMENT	-	-	-	N/A
Total REPAIRS & MAINTENANCE	\$ 15,150.00	\$ 7,151.72	\$ (7,998.28)	-52.8%
SPRINKLER SYSTEM DAMAGE	\$ 375.00	-	\$ (375.00)	-100.0%
SECURITY SYSTEM	\$ 6,000.00	-	\$ (6,000.00)	-100.0%
SIGNS	\$ -	46.10	46.10	N/A
STORAGE	\$ 262.50	-	\$ (262.50)	-100.0%
UTILITY CHARGES				
ELECTRIC				
BLDG 1-373820	\$ 3,525.00	\$ 3,476.21	\$ (48.79)	-1.4%
BLDG 2-373873	2,925.00	3,123.80	198.80	6.8%
BLDG 3-373906	2,625.00	3,459.19	834.19	31.8%
BLDG 4 CONDO-373915	3,000.00	3,607.20	607.20	20.2%
ELEVATORS BLDG 3&4 367082	900.00	908.77	8.77	1.0%
ELEVATORS BLDG 1&2 367048	975.00	900.42	(74.58)	-7.6%
Total ELECTRIC	\$ 13,950.00	\$ 15,475.59	\$ 1,525.59	10.9%
PHONES ELEVATOR / POOL	\$ 4,500.00	\$ 4,695.64	\$ 195.64	4.3%
SEWER	\$ 27,000.00	\$ 25,282.88	\$ (1,717.12)	-2.7%
TRASH PICK UP	\$ 1,375.00	\$ 1,934.05	\$ 59.05	3.1%
WATER				
BSUD 120-000050-00	\$ 4,125.00	\$ 4,061.45	\$ (63.55)	-1.5%
BSUD 120-000060-00	4,500.00	4,185.18	(314.82)	-7.0%
BSUD 120-000070-00	4,050.00	4,044.33	(5.67)	-0.1%
BSUD 120-000080-00	4,050.00	4,032.38	(17.62)	-0.4%
Total WATER	\$ 16,725.00	\$ 16,323.34	\$ (401.66)	-2.4%
Total UTILITIES	\$ 64,050.00	\$ 64,711.50	\$ 661.50	1.0%
TOTAL EXPENSES	\$ 168,510.00	\$ 182,256.35	\$ 13,746.35	8.2%
NET ORDINARY INCOME	\$ 4,009.53	\$ (3,064.34)	\$ (7,073.87)	-176.4%

COLUMN	2015			
	5	6	7	8
ITEM	September			
	Budget	Actual	Delta (\$)	Delta (%)
Ordinary Income & Expenses				
CLEAN-UP	-	-	-	N/A
GATE REPAIRS	-	-	-	N/A
LIGHT BULBS	125.00	-	(125.00)	-100.0%
LOCK & KEY	-	-	-	N/A
MAINTENANCE SUPPLIES	583.33	485.43	(97.90)	-16.8%
PAINTING	625.00	-	(625.00)	-100.0%
SEWER SYSTEM	250.00	-	(250.00)	-100.0%
SEALING PAVEMENT	-	-	-	N/A
Total REPAIRS & MAINTENANCE	\$ 1,683.33	\$ 485.43	\$ (1,197.90)	-71.2%
SPRINKLER SYSTEM DAMAGE	\$ 41.67	\$ -	\$ (41.67)	-100.0%
SECURITY SYSTEM	\$ 666.67	\$ -	\$ (666.67)	-100.0%
SIGNS	\$ -	\$ -	\$ -	N/A
STORAGE	\$ 29.17	\$ -	\$ (29.17)	-100.0%
UTILITY CHARGES				
ELECTRIC				
BLDG 1-373820	\$ 391.67	\$ 158.93	\$ (232.74)	-59.4%
BLDG 2-373873	325.00	196.45	(128.55)	-39.6%
BLDG 3-373906	291.67	170.49	(141.18)	-48.4%
BLDG 4 CONDO-373915	333.33	174.09	(159.24)	-47.8%
ELEVATORS BLDG 3&4 367082	100.00	102.82	2.82	2.8%
ELEVATORS BLDG 1&2 367048	108.33	98.27	(10.06)	-9.3%
Total ELECTRIC	\$ 1,550.00	\$ 881.05	\$ (668.95)	-43.2%
PHONES ELEVATOR / POOL	\$ 500.00	\$ 525.19	\$ 25.19	5.0%
SEWER	\$ 3,000.00	\$ 2,920.32	\$ (79.68)	-2.7%
TRASH PICK UP	\$ 208.33	\$ 221.47	\$ 13.14	6.3%
WATER				
BSUD 120-000050-00	\$ 458.33	\$ 453.69	\$ (4.64)	-1.0%
BSUD 120-000060-00	500.00	453.28	(46.72)	-9.3%
BSUD 120-000070-00	450.00	449.53	(0.47)	-0.1%
BSUD 120-000080-00	450.00	450.95	0.95	0.2%
Total WATER	\$ 1,858.33	\$ 1,807.45	\$ (50.88)	-2.7%
Total UTILITIES	\$ 7,116.67	\$ 6,355.48	\$ (761.19)	-10.7%
TOTAL EXPENSES	\$ 18,723.33	\$ 22,988.77	\$ 4,265.44	22.8%
NET ORDINARY INCOME	\$ 445.50	\$ (6,327.51)	\$ (6,773.01)	-1520.3%

German Creek Condominiums-The Bluffs Owners' Association, Inc.

The Association's Board of Directors' Vision and Mission Statements, and its Goals And Responsibilities

DEFINITIONS:

The German Creek Condominiums-The Bluffs Owners' Association, Inc. (Association) is a Tennessee nonprofit corporation empowered to manage and operate the German Creek Condominiums (Condominiums) and other facilities for the use and benefit of the owners of the condominiums.

The Board of Directors (Board) is the elected body responsible for the management and operation of the Association.

BOARD VISION STATEMENT:

The Vision of the Board is a condominium community where owners and residents enjoy a consistent high quality of life in a safe, financially sound, trusting, socially interactive, and peaceful environment.

BOARD MISSION STATEMENT:

The Mission of the Board is to build a strong condominium community as envisioned above by:

- Effectively managing and operating the assets of the Association in accordance with the Master Deed, Charter, By-laws and other Condominium documents;
- Ensuring that Board decisions are made in the best interest of all owners;
- Keeping residents informed on major Board decisions, projects and events;
- Encouraging all owners to meet their responsibilities to each other and to the community that surrounds us; and
- Preserving and enhancing owners' property values.

BOARD GOALS AND RESPONSIBILITIES:

The Board believes that it has an obligation to the condominium community to ensure the Association has enough funding to operate without debt; that every owner is current with their financial obligations; that the Board can fulfill the Associations' financial obligations; and that there is enough funding in reserve to maintain, repair and replace the Association's assets when necessary. Therefore, the Board's Goals And Responsibilities include:

1. Managing assets:

- Create and maintain an annual budget;
- Levy and collect monthly condo fees and other related assessments;
- Establish and secure reserve funds;
- Perform monthly review of Association's bank statements and quarterly review of Association's bills and receipts;
- Supervise the selection and approval of contracts for service providers; and,
- Select an auditor, attorney, insurance agent, management company and other professionals for the Association.

2. Ensuring compliance with the Master Deed, Charter, By-laws and other Condominium documents:

- Arbitrate disputes;
- Hold hearings and when necessary, authorize legal action against owners who don't comply;
- Schedule periodic meetings to hear homeowners' comments, dispatch old business, consider new business; and,
- Hold annual elections.

3. Preserving and enhancing property values of owners:

- Monitor staff performance and provide feedback
- Facilitate issues of building maintenance, grounds management, upkeep and repair of common property areas
- Provide for the operations, care, up-keep, and maintenance of the common elements, and authorize common area improvements; and,
- Provide adequate coverage for insurance through the condominium's master policy.

Reviewed and approved at the Board Meeting on Saturday, September 5, 2015.