

GERMAN CREEK HOMEOWNERS' ASSOCIATION
Quarterly Board Meeting Minutes

Date & Time: 07/29/23, 10:00 am

Location: German Creek Bluffs HOA Clubhouse

Board Members Present:

Susie Carter
Jerome Haverland
Sue Justis

Board Members Absent:

Tony Bryant – out of town
Steve Hamill – family illness

Call to Order

Sue Justis, President called the meeting to order at 10:02 am.

Approval of Minutes:

It was noted that the minutes from the quarterly board meeting on 04/22/23 were unanimously approved via email communications and have been posted to the website.

Maintenance Report:

Jerome Haverland presented the report in Steve Hamill's absence:

1 – Steve Carpenter has corrected the issue with the pool contamination, and it is fully operational. Thank you, Steve.

2 – Steve Carpenter has also power washed all buildings' breezeways, began some trimming of bushes around the clubhouse, and trimmed trees along the wall.

3 – Jerome reported that he and Steve H. inspected the retaining wall and Jerome talked to the builder/excavator who assured Jerome that the wall is merely for the sake of appearance "just for show" and the real support is behind and below the building structures. The foundation is fully supported, and we have nothing to worry about concerning the safety of the retaining wall.

4 – Jerome turned the floor over to Steve Carpenter to explain the repairs necessary to the fire system in building 3. The fire system needs a new dry wall system installed and he is working with Precision Fire to get this installed and back on-line. Repairs are scheduled for the first week of August.

5 – Susie Carter reported that she heard Steve mention that he wanted to discuss the balcony hangings with the homeowners. Susie reminded them that the Master Deed requires any holiday hangings along the rails be removed within 30 days and discussed the danger of any type of bird feeders or hanging flowers outside of the rails is a danger and could be liability to the association were they to fall and injure someone or someone's vehicle. These really should be removed or hung inside the rails.

Financial Report:

See attached report from Susie Carter, Treasurer. In addition, Susie reported the recent mortgage company requirement that the HOA budget for 10% to go into reserves each year. During 2023, we were

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just shy of this budgeted amount, so we are going to have to look for some solutions to being able to fund our reserves (requirement by Fannie Mae but may continue to be an issue with other mortgagors).

Old Business:

A homeowner asked about the water issue in building 2, and yes, the monthly bills are more in line with the other buildings the last couple of months, but we believe there still may be one or two units that have not done the necessary repairs.

There were questions about the fire systems and building 3 as mentioned earlier is the only issue currently which is being addressed.

There was a question about the availability of Trilight as our internet service. There was some discussion about who's move it is next, the HOA or Trilight. The board plans to revisit this prior to the next meeting in October and will be sending out some type of communication to the homeowners for their opinions.

New Business:

Susie Carter brought up an issue that has been discussed many times with various boards. Beginning this October at the annual meeting, 5 board members will be elected, 3 for two-year terms and 2 for one-year terms. In October 2024, the 2 members elected for one-year terms will be up for re-election, replacement for a two-year term. In the future, all terms will be for two years, but this allows the board elections to be staggered and after this year, not all 5 board members will be elected at one time. If anyone wants to be on the board this coming October, please let us know so that we can prepare the ballots for October.

Homeowners' Session:

Blueprints for the buildings were discussed due to some recent plumbing questions, and yes, those are on file in the office and any homeowner can review those at any time, but they do need to remain in the office.

Ongoing Business-AirBnB Units (Also see minutes of special called meeting attached:

Cliff Jestice, a resident and rental unit owner, was given the floor to present his proposals to solve some of the issues the residents have been having with the rental unit guests. He began by saying that he felt like it should not be an "us vs. them" situation. He feels the rental unit guests are being blamed for some violations by the homeowners. And he feels like he should be able to "conduct his business" yet manage his business in a way that does not affect other residents. He also agrees the board should not have to "police" the short-term rental units. Cliff and the other short-term rental unit owners agree to:

- 1) Do a better job of educating their rental guests of the rules and regulations – postings on-line and better information posted in their units.
- 2) Cliff, who is a permanent resident, agrees to be the main contact for any complaints by neighbors, violations at the pool, etc. Of course, call the owner of the unit first, but then report to Cliff Jestice first, Jamie Harris second, Bob Hawkins third, and Lisa Maples fourth. Cliff indicated that it would be okay to list these contacts' phone numbers on-line or give them to those with complaints.
- 3) They will provide phone numbers to owners of units next door, above, and below their units so they can call with any complaints.
- 4) Install door cameras if not already installed on their short-term rental units.
- 5) The board has a right and he is okay with the board issuing fines and invoicing the owners for any damage or violation of rules of their guests.

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A question about parking was brought up and Cliff indicated that they have instructed their guests to park behind building 2, especially with limited parking at buildings 1 and 4.

A question about the number of people allowed to stay in a rental unit was brought up. Cliff's proposal is that for a 2-bedroom, it should be 4 adults and 2 children and for a 3-bedroom, it should be limited to 8 persons, 2 adults per bedroom with 2 children.

One homeowner expressed her opinion that she was in favor of having no short-term rental units, but that she did appreciate Cliff's efforts in trying to assist in addressing the issues. A couple of others agreed and expressed thanks to Cliff.

A homeowner asked the question about the amount of rent the short-term rental units are charging for one night's rent, but Cliff could not give him an exact dollar number. It would depend on the time of year, number of people, etc.

A new homeowner expressed her disappointment when she arrived to move into her unit in building 4 at 5 am Saturday and found a vehicle parked in the loading zone. This vehicle continued to stay parked in the loading zone through Monday morning before the board was able to find out who the vehicle belonged to. It was not a vehicle of one of the short-term rental units, but a guest of one of the absentee owners. The board would have had this vehicle towed over the weekend if anyone on the board had been made aware of it. She also expressed her dissatisfaction with some young ladies at the elevator outside of her unit speaking profanity very loudly. This same homeowner asked if the rental guests were paying the association a pool usage charge and the answer was not currently.

There being no further business, the meeting was adjourned around 11:09 am.

Susie Carter
Board Secretary/Treasurer

GERMAN CREEK HOMEOWNERS' ASSOCIATION
Special Called Meeting

Date & Time: 07/22/23, 11:00 am

Location: German Creek Bluffs HOA Clubhouse

Board Members Present:

Tony Bryant
Susie Carter
Jerome Haverland
Sue Justis

Board Members Absent:

Steve Hamill – family emergency

Purpose of the Meeting:

The meeting was called at the request of Cliff Jestice who owns AirBnB rental units. Cliff was given the floor for the purpose of expressing his and other rental unit owners' opinions. He feels that the rental units are being targeted. He wanted to know if owners that do not rent and violate the rules are treated the same as the rental unit guests. The board assured him that there have been instances where owners that do not rent have been fined for violation of the pet policy and have been called down due to noise grievances from neighbors. After much discussion between the group in attendance, including the use of the pool (only owners and their guests should have pool privileges, not guests of guests, in other words, the HOA pool should not be considered "the Grainger County Community Pool"), the number of people in a unit (issues with too many people puts extra strain on our delicate sewage system), and parking (short-term renters should not bring several cars and park them in spaces that take up the permanent residents' parking), Cliff agreed to be the contact person for his units and those owners of other short-term rentals who are not in residency on the property. Jamie Harris agreed to be the second to call to correct any problems with his or any other rental units. The Board's stance is that the five of us should not have to deal with issues that should be dealt with by the owners. Cliff is to present his proposal to the homeowners at next week's board meeting on July 29, 2023.

There being no further business, the meeting was adjourned around 12:15 pm.

Susie Carter
Board Secretary/Treasurer

GERMAN CREEK HOMEOWNERS' ASSOCIATION
Review of Financial Statements January 1 – June 30, 2023

Revenues

Decrease of \$1,284 due to timing in payment of dues and decrease in miscellaneous.

Highlights in expenses:

Clubhouse – nothing to discuss – slight increase of \$658.

Elevator repairs - up a little, but nothing to discuss.

Fire safety system – still working on fire system in building 3, \$7,850 invoice paid 06/29/23.

HOA Office – decrease due to purchase of new computer, etc. in 2022 and 7 months of phone payments in 2022 vs. 6 months in 2023.

Landscaping – down due to hiring company in May 2022 for \$7,600 to clean up and plant new.

Office and maintenance help – Increase due to Steve spending more time on the property.

Pool costs – repair leak in April 2022, so over-all increase in supplies especially beginning in July.

Property taxes – thanks to Sue who met with the assessor's office and got our status reclassified.

Repairs and maintenance – decrease due to large repairs in June 2022.

Electric – continuing increases.

Phone at pool – rate increase from \$619 per month to \$723 per month.

Sewer – rate decrease.

Trash Pick Up – Rate increase.

CD interest – recorded interest earned on CDs.

Summary – Revenues down \$1,284, expenses down \$14,452, bottom line after interest is increase of \$13,843.

Operating cash at 06/30/23 down \$38,961 from prior year but moved \$25,005 to 18-month certificate of deposit at Knoxville TVA Credit Union. Total cash down \$13,274 from prior year.

Please direct any financial questions to Susie Carter #323

Email is scarter@pccsc.com