



THE GOVERNORS CLUB
PROPERTY OWNERS ASSOCIATION

Annual Meeting Minutes

Thursday, December 8, 2016

The Governors Club held its Annual Meeting at 6:30 PM on Thursday, December 8, 2016 at the Brentwood Library, 8109 Concord Road, Brentwood, TN 37027. The meeting was called to order at 6:33 PM by President, Roger Wheelwright.

Board members in attendance were the following: Roger Wheelwright, Joe Grosson, Adam Holland, Sean Hughes and Dick Green. John Knouff, Margaret Tullis, and Jennifer Bell were present representing Ghertner & Company.

According to the Thirteenth Amendment filed in December 2009, the Quorum percentage to conduct business is 25% of members present in person or by proxy, members defined in Article 3, section 3.2 as each owner of a lot. With a total of 426 lots, 106.5, rounded up to 107 members in person or by proxy were required to achieve quorum. The total count in person or by proxy at the meeting was 137.

MINUTES: The Board and Homeowners present reviewed the minutes from the 2015 Annual Meeting. A motion and second was accepted from the floor to approve the minutes, with all in favor.

PRESIDENT'S REPORT: Roger Wheelwright provided an overview of several of the Association's goals for 2016, and corresponding "top ten" accomplishments as each accomplishment related to the stated goal.

Goals:

- Goal 1 - Focus on improving security
- Goal 2 - Continue to foster relationship with Kemper Sports
- Goal 3 - Improve processes on contracting and ARB

Accomplishments:

- Fitness Center Restrooms – Goal Number 2
Improvements were made to the fitness center restrooms, including providing access from the exterior of the structure. These improvements were primarily funded by Kemper Sports.
- New Gate System & Visitor Management System – Goal Number 1
New entry gates installed at all entrances and exits, and new visitor management software (Dwelling Live) purchased and introduced, providing residents the ability to manage visitor access via computer, simplifying the process with the Main Gate.
- New Firm Fixed Price Management Contract – Goal Number 3
A new task specific, “fixed cost” Management Contract was consummated with Ghertner & Company, proposing cost savings to the Association.
- Mansion Rental Policy & Procedures – Goal Number 2
Policies and procedures agreement with Kemper Sports for rental of the Mansion was revised and refined.
- Common Area Responsibilities – POA/Golf Club – Goal Number 2
A detailed map of repair and maintenance obligations for the Golf Club and POA was drafted and put in place, with a Memorandum of Understanding agreement ratifying each entity’s duties.
- Improved ARB Form and Process – Goal Number 3
Forms and procedures for Architectural Review Board (ARB) compliance were revised and updated.
- AEDs at Gym and Pool – Goal Number 1
Automated external defibrillators were purchased and installed at the gym and pool, allowing for improved resident safety.
- Improved Communications within The Governors Club – Goal Number 2
Resident communications were improved through use of the “Next Door” program, and community wide e-blasts.
- Monthly Meetings Between Securitas and POA – Goal Number 1
Monthly security meetings established to discuss the past month’s security related events.
- Updating Reserve Study - Goal Number 3
After evaluation of the most recent reserve study, and discovery of various deficiencies and discrepancies, the Board determined that an update is needed in 2017 to ensure the Association is appropriately insuring and reserving appropriately.

TREASURER’S REPORT: Adam Holland provided an overview of the Association’s financial projections for 2016, and key assumptions of the 2017 Financial Plan:

2016: Operating

- 2016's Operating Results are projected to be on budget.
- Total income met expectations for the year.
- Overall, operating expenses are expected to be lower than budget primarily due to lower general maintenance expenses.
- Transfers into the reserve funds were based on the 2014 reserve study's recommendation to increase contributions at a 6% rate.

The projections based on actuals through September 2016 based on the "cash-basis" accounting system suggest the Association should end up with a profit of approximately \$38, 637.

2016: Reserves

- 2016's Capital Expenditures are projected to be higher than budget:
- Timing of certain items as well as the addition of a visitor management system made up most of the variance to budget.

The projections based on actuals through September 2016 based on the "cash-basis" accounting system suggest reserve expenditures of \$231,259 compared to a budget of \$180,000, approximately \$51,259 over the projected budget.

2017: Financial Plan

The highlights of the 2017 financial plan are as follows:

- Maintain monthly maintenance fees remain \$270 per-month.
- Overall operating expenses slightly down to 2016's budget.
- Following the 2014 reserve study's recommendation to increase contributions at a 6% rate.
- 2017 Capital Expenditures are planned to be lower than 2016 actual and budget.

Other Financial Matters

- We received a "clean" unqualified opinion on our fiscal 2015 financial statements.
- We timely filed our Form 1120-H (U.S. Income Tax Return for Homeowners Associations) with the IRS as well as our annual report with the Tennessee Secretary of State and are in good standing with both.
- We are in the process of finalizing our fiscal 2017 insurance policies and will have the information posted to Ghertner's website once coverage is bound.
- The Board is planning on performing a new reserve study during 2017 which will provide updated guidance on reserve funding levels

VP/ARB CHAIRMAN'S REPORT: Joe Grosson provided the following:

Business Practices: Quality, Cost Savings, Warrantees

New Ghertner & Company Contract:

- Performance Based Work Statement and Price Negotiation

Specifications and Competitive Bidding

- Entrance Lamps and Posts
- Signage
- Fitness Center Restroom Project
- Over 4,000 ft. of wood and steel fence repair and painting
- Maintenance/Repair Contract for Fitness Center Equipment
- Pool house gutters and rain water management
- Sewer repair
- Tennis Court Refurbishment/replacement {underway}

Governance

- Tennis rules and regulations
- Criteria for New Construction Builder Approval
- ARB consultant Responsibilities and Processes
- ARB submission forms and Guidelines Revisions

Architectural Review Board

Independent Board

- Appointed by POA Board of Directors
- Prescribed by DCRs
- Governed by ARB Guidelines
- Comprised of landscape and design architects and a Committee Chair
- Architects are NOT residents; reimbursed on a fee for service basis.

Maintains and Sustains Property Values

- Assuring aesthetic and compatible high quality design of homes and landscaping
- Sustaining through community surveillance
- Approval authority for any external change to home and property, and new construction

ARB Performance 2016

- New construction design approvals: 2
- Modification design submittals: 27+
- Requests for replacement in kind or repair (no fee): 8
- Resolution of previous year submittals: 9
- On-site Inspections: > 1,000
 - 11 new homes under construction
 - Consulting on:
 - Grading and erosion
 - Preliminary to submission of ARB design submittals
 - Property boundaries
 - Mediating maintenance responsibilities amongst POA, Property Owners and Golf Club

Issues for Property Owners

- The quality of the ARB design submission affects time to review. It must be complete and technically correct before our architects can review the submission.
- Use of registered architects, engineers, and professional designers usually results in better design and saves time.
- Pools and fences need City of Brentwood approval; patios may need approval, as well. Pools and patios tend to be the most difficult to review because of lack of design detail in the ARB request.
- Landscaping plans are often not compliant regarding topography, location of easements and boundaries, and spacing of plants and selection of species.

OFFICER AT LARGE REPORT: Dick Green provided the following:

Security Review

- Swing Arm Gates replaced May 2016
- Barrier Gates replaced May 2016
- DwellingLive Software installed and operational June 1, 2016
- RFID Tags and new readers operational (3 installation events) during May / go live June 1, 2016
- RFID Tags and Readers have improved security by curbing tailgating
- Board and Securitas have worked together to improve staff efficiency and professionalism / ongoing process
- Monthly Safety meetings since March improved communication with Securitas staff / KPI Review
 - Updated Policies and Procedures established in March
- New Safety Ad Hoc committee has been formed to formulate appropriate traffic rules and improve DwellingLive information and accuracy

Landscaping Review

- Common Areas in good shape / LSI lead by Kim Pennington very responsive to any issues
- Entrance Lighting at Concord Rd became a major issue. Post rotten and fixtures in bad repair / Joe Grosson took on this project and found the right lights and post for the Board.
- Additional lights will need to be replace over time and are included in our capital reserve
- Only one of the three lakes under the POA's responsibility are being treated. After interviewing several pond maintenance companies and receiving their proposals, the Board hired Jones Fish Company to properly maintain all 3 lakes beginning in January 2017.
- As part of the pond improvement plan, the Board approved a fountain for the lake behind # 6 tee. This lake has been stagnant for years and had a major fish kill in 2015.

SECRETARY'S REPORT: Sean Hughes provided the following:

Goals and Accomplishments for 2015 – 2016

- Enhanced and open communication via formal (Ghertner & Company) and informal (Nextdoor, GC Magazine) media
- Modernization of our election and proxy collection via electronic voting
- Electronic neighborhood surveys with action on results
- Engagement of residents in ad hoc committees
- Reorganized Ghertner Website

2016 POA Social Events

- Pool opening BBQ: ~65 guests
- Fall Picnics: ~120 guests
- Christmas Party

Social Ad Hoc Committee

Barbara Moore, Chair

- Members: Kim Murphy, Sue Collins, Connie Latta, Indrani Ojha, Brooke Rothrock, Laura Jungmichel Williams

Charge: to improve and invent POA social activities, engage new residents, and further liaison with the Club.

Historical social activities include: Resident Pool-Opening BBQ, Fall Picnics at the Mansion, and the Christmas Party.

Social Ad Hoc Committee 2016 Accomplishments

- For New Residents:
 - Fall Welcome Event (11/9)
 - social and administrative info sheets,
 - gift bags, gift vouchers to the Club and local restaurants
 - created a dedicated email address for new residents to field questions
- Save the Date reminders for social activities
- Enhanced coordination with Kemper regarding format and menu selections for POA events

ELECTION: Roger Wheelwright announced the names of the three candidates who had expressed interest in serving on the Board of Directors in 2017 in advance of the meeting, Mr. Greg Cantrell residing at 3 Spyglass Hill, Mr. Bill Freels residing at 14 Tradition Lane, and Mr. Tim Stinson residing at 6 Missionary Drive; and asked if there were any nominations from the floor. With no nominations from the floor, and with three positions vacant, and three candidate submissions, the majority of proxies exercised by the President was sufficient to elect Mr. Cantrell, Mr. Freels and Mr. Stinson by acclamation.

SPECIAL THANKS: Roger Wheelwright expressed appreciation and extended accolades to the following:

- 2016 Board Members Adam Holland, Sean Hughes, Joe Grosson, and Dick Green for stellar performance for the year
- John Knouff/Margaret Tullis/Jennifer Bell – Ghertner & Co
- Jim Fitzsimmons/Jamie Vogt – Kemper Management
- Chris Thompson – Securitas
- Kemmberlee Pennington – LSI

ADJOURNMENT: There being no further business, the meeting was adjourned at 7:53 PM with all Board members and members of the audience unanimously agreeing to close the meeting.

Respectfully Submitted;

Sean Hughes
Secretary
The Governor's Club POA

John M. Knouff, CMCA, AMS
Community Association Manager
Ghertner & Company