



Homeowners' Newsletter

Greetings!

It is spring in Legacy Bay and Mother Nature is showing her colors. There are many shades of green in the trees, many colorful plants; the lake is almost at full pond, and, yes, lots of pollen in the air. After experiencing a very grey, rainy and snowy winter here in Tennessee, I think all of us welcome spring and the sunshine.

Currently all of the committees and board of directors are volunteers who give many hours of their time to support the various activities that are required to perform the functions of the Association. All of the committees have been very busy this year. We've featured the activities of our Finance Committee and the Building and Grounds Committee on the back pages of the newsletter, as well as an article from the Long-Range Planning Committee.

We continue in a sound financial position and we don't foresee major expenditures beyond those identified in the 2011 budget.

By now you should have received the Call for Nominations for the election of one new board member at the Annual Meeting in August. Also in this package was a survey for long range financial planning for future growth to meet the needs of the community. Please take a few minutes to complete and return the survey if you haven't already done so. A formal announcement of the August Annual Meeting will be mailed in July along with a ballot for the election.

Have a great and safe summer!
Legacy Bay Board of Directors

Project of the Quarter

Contributed by Ralph Darnell

We have had a number of inquiries from members regarding how they can support the community without involvement on any particular committee. We also have a number of actions that need to be accomplished and usually would take more time to source than to just do them ourselves. This has led to the realization that this is a marriage made in heaven... so to speak. We have projects that can be scheduled in advance, take less than a day to accomplish, are easily worked by a team, and truly need to be done... and a group of members who want to contribute but at a more ad hoc and measured level. So, that is what we are going to do.

We will have 4 projects a year, typically a spring cleanup, a summer spruce up, a fall button up and a winter warm up project. We will begin our summer spruce up this year with our sign at the corner of Berry Drive and Slate Hill Road. This project will be scheduled for the first part of June and will be announced via the web site. The B&GC will supply the gear, the paint, and the guidance.

Future events will also be posted on the web site. Usually a month or so before the event to allow members who want to participate to work out schedule issues.

Come and joint the fun!

LBHOA & Chelaque Boards Meet

Contributed by Luke Evola

On February 12, the Boards of Directors of the Legacy Bay Homeowners Association and Chelaque Estates met in the Clubhouse at Legacy Bay. The purpose of this meeting was primarily for the board members to meet and discuss common issues faced by both communities.

Topics discussed included: presenting a shared presence at County Commission meetings and events to ensure our voices/concerns are heard; having joint social events, golf outings, pot lucks, etc. We have invited Chelaque to co-host our annual Elected Officials/First Responders breakfast and they have accepted. The event is scheduled for June 11 in the Clubhouse.

The Boards have agreed to remain in contact with each other and that future combined meetings would be beneficial to both communities.

Welcome!

A warm welcome is extended to our newest neighbors, Mike and Laurinda Heller (lot 51). We wish you much happiness in your new home!

9th Annual Cherokee Lakeshore Clean-up

Contributed by Luke Evola

On Saturday, April 16, Legacy Bay joined forces with other citizens of Hawkins County to help clean our lakeshore. This was the second time we have officially participated as a group. A total of 72 people in Hawkins County participated.

The LBHOA team consisted of: Karen & Luke Evola, Dob O'Brien, Bill Wilson, Gary Webster, Sondra & Wayne Sims, Lenore & Cliff Olsen, Carol-jean & David Webster, Mary & Joe Hensley, Mike Heller, Londa & Ray Brooks, Ralph Darnell, and Charlotte Miller.

The efforts for the day resulted in three trips to the dumpster location with:

Thirty-two 39-gallon bags filled with debris
Twenty tires of various sizes
Six pieces of dock flotation devices
and our most unusual find.....
One unopened can of beer!



Long Range Planning Committee

Contributed by Judy Moody

The Legacy Bay Board of Directors (BOD) established a Long Range Planning Committee in March, 2011. Those participating in this effort have been: Rosemary Adey, Nancy Cook, Rich and Chris Klepeis, Larry Nicolaysen, Wayne and Sondra Sims, Carol-Jean Webster, and Judy Moody, Chair.

"The mission of the Long Range Planning Committee is to solicit ideas for additions/improvements/features for the community, which are desired by property owners and funnel same to the Legacy Bay Board of Directors."

In order to achieve this task and be equitable to all property owners, a survey was included with the recent mailing from the BOD. We request that ALL property owners complete the survey and return it to the HOA. This is your opportunity to express your desires regarding features you wish added to Legacy Bay making it the "dream" location for your home.

Survey results will be tabulated and forwarded to the BOD who will then prioritize the desired improvements and assign them to target years for completion. In keeping with this part of the project, funding recommendations and/or methods suggested in the survey will be given substantial consideration. Sufficient funds will have to be raised through increased dues to cover the cost of adding any of the improvements prior to a contract being extended.

Once the BOD has determined the priority of the feature list, a Site Plan for the Clubhouse property will need to be established to indicate the placement of these items. In this way, efforts of improvement construction/installments should not be hindered or duplicated in any way.

This is your chance to let your desires be known. Please fill out the survey and return it to the HOA.

Board of Directors' Helpful Reminders

Hawkins County started using their DeltAlert, E-911 emergency and mass notification system this spring. The, DeltAlert, E-911 can phone residents by landline, cell phone or email to warn of impending severe weather. Residents can call 423-272-7532 or visit the Web site at www.hawkinscounty911.com to request the service. Considering the severe weather and alerts we have been experiencing, all residents are encouraged to use the service.

The BOD approved 2011 budgets based on line items provided by each Committee. Expense reports and receipts must be completed and submitted for reimbursement in accordance with the instructions on the website for these approved items. The BOD must approve all requests for expenditures not approved by line item before submitting a reimbursement for the expense. Expenses not pre-approved generally will not be approved by the BOD.

Be sure to get your Legacy Bay property tags for your boats, boat trailers, utility trailers, etc. Contact Carol-Jean Webster to obtain an appropriate property tag. Association members are responsible for personal property, i.e., boats, boat trailers, utility trailers, stored in the marina and the marina parking lot. The Association has no liability for personal property kept on community properties.

To ensure that only authorized guests are admitted to the community it is recommended that you not give out your personal gate code. Gate codes can be obtained for contractors and are validated for a specified period of time. Periodic review of the use of gates codes is conducted and violations for misuse of gates codes will result in the code becoming deactivated and a new gate code issued. Contact Dave Silvers if you have any questions or if you need a temporary gate code or if you have lost your personal code.

There is no lifeguard at the pool and swimmers are required to follow the posted rules in the pool area and swim their own risk. Please ensure that children are not left unattended and do not play with or on the State required safety equipment located around the pool.

Prior to any construction or site improvement, a request must be submitted to and approved by the LBHOA Architectural committee. Applicable forms and instructions are available on the Legacy Bay website.

Be sure to check the calendar on the website, www.legacybay.org, for community activities!

Report suspicious activity and house alarms directly to 911.

Change of Address?

Please remember to notify the Homeowners Association whenever you change your ADDRESS. Update information provided to Hawkins County for property tax purposes is not passed along to the LBHOA. It is extremely important that you help us keep our records current. Likewise, if you change your email address or telephone number, please share the new information with us.

Legacy Bay Website

To keep costs down, while providing access to the most current information, the Legacy Bay website is our primary means of sharing information. Residents and Property Owners are encouraged to visit our website, www.legacybay.org regularly. We will, however, continue to contact property owners in writing when appropriate.

Comments? Suggestions?

The Legacy Bay Newsletter will be published twice a year, summer and winter to provide you with information we believe is important to you as a property owner. If you have comments or suggestions for newsletter or website content, please call or email.

Board of Directors and Officers

Charlotte Miller, President
Luke Evola, Vice-President
Jerry Kring, Secretary
Rich Doremus
Jerry Kring
Cliff Olsen
Ralph Darnell, Treasurer
(officer, not elected)

Email: bod@legacybay.org
Phone: (423) 272-3697

When calling, please keep in mind that the clubhouse phone is unmanned, but messages received will be responded to within 72 hours.

Building and Grounds

The Building and Grounds committee, referred to as the B&GC, is an all volunteer HOA group that provides support to the HOA President for the operation and maintenance of the common assets of the community. The specific areas that the committee supports are:

- The Front Gate – This includes all mechanical and electrical assets associated with the operation of the gate.
- The Pool – This includes the pool, the pool deck, and all mechanical, electrical and plumbing associated with the pool.
- The Clubhouse -- This includes the clubhouse structure, all mechanical, electrical, plumbing, and HVAC systems contained within the structure and affixed to the exterior of the structure.
- The Tennis Court – This includes the fence surrounding the tennis court and everything within the perimeter of the fence.
- The Marina – This includes the 40 slip covered marina and the connecting walkway.
- Common Area Mowing-- This includes all grassy common areas and the first twelve feet of unimproved lots that abut the community streets.
- Common Area Landscape – This includes all trees, shrubs and other plantings, and beds that contain them, on the Association common areas.
- The Common Infrastructure – This includes the community streets, parking lots, curbs, storm drains, street signage, and such.

The HOA has established contracts for operational support for most of these. The B&GC has generated Statements of Work in support of the contracts and a member of the committee has been established as the HOA point of contact for each area. If a member determines there is a particular issue that needs addressing, the member is encouraged to contact B&GC via email to bod@legacybay.org. It is requested that members not work directly with the contractors or their employees so that the B&GC remain aware of the issues and that contract specifics are worked between the committee and contractors.

Also, while there is plenty of work to do, the committee requests that any member who desires to address an issue on their own (planting items, painting things, working on the dock/walkway, etc.) coordinate those activities with the committee prior to taking action. It should be noted that any expenditure of HOA funds must be approved in advance by the committee chairperson (for budgeted items) or the HOA President (for unbudgeted items). Requests for reimbursement for expenditures not approved in advance generally will not be honored.

Major accomplishments for the B&GC for the last 6 months are:

- Acquisition and installation of a cover for the pool.
- Specification and sourcing of a Grounds Maintenance contract for 2011.
- Specification and sourcing of a Landscape Maintenance contract for 2011.
- Specification and sourcing for the Pool Operations contract for 2011.
- Proposing, sourcing and delivering a sorely needed addition to the available storage in the clubhouse.
- Proposing, sourcing and delivering (shortly) an upgrade to the street signs in the community to make them more legible, more visible at night, and meet compliance with national signage standards.
- Proposing, sourcing and delivering (shortly) additional pool chairs, and clubhouse chairs and tables.
- Establishment of an inclusive list of all recommendations, suggestions and areas for improvement in the community infrastructure.
- Establishment of a month-by-month list of recurring actions needed to keep the community common infrastructure in operational order.
- Performance of countless “must get done” actions.

Members of the Building and Grounds Committee and their primary roles are:

Ralph Darnell (Chairperson) – Grounds/Landscape/Pool/Marina	
Nancy Bond -- Common Infrastructure	George Brock – Projects
Richie Klepeis – Front Gate	Larry Nicolaysen – Projects
Roger Lewis – Reserve Member	Cliff Olsen – BOD liaison

The committee has 4 planned meetings during the year on the second Tuesday of the months of July, October, January, and April at 4:00 PM in the Legacy Bay clubhouse. Work sessions are held as needed to meet the needs of the community. New members are always welcome and the typical time commitment for voting members is about 3 hours per month. Meetings and work sessions are open to the membership with time allocated for member input at the beginning of each meeting.

Contributed by Ralph Darnell

Finance Committee

Have you ever wondered why the HOA has a Finance committee and what it does? It's really pretty straightforward. Basically we support the HOA President by the preparing the draft annual budget, supporting the collection of assessments, and assuring our financial accounts are properly maintained, our bills get paid, and the President, the BOD and the Membership have visibility into the Association's finances.

While some HOA's incur the cost of having a third party perform the detail accounting tasks required for financial management (budgeting, billing, accounts receivable, accounts payable, taxes, records management, etc.); our finance committee currently also takes care of these. We are able to do this on a volunteer basis due to the low volume of actual transactions and the relatively low amount of effort required for collection of member's assessments. In other words, "Thanks to those who pay their assessments on time!"

Now for answers to some frequently asked questions:

1. *What are we paying for with our assessments?*

The annual assessment made of each member is used to cover the projected expenses of the Association as defined in the annual budget. These include general expenses (electricity, phone, legal, property taxes on the common areas, etc.) along with the categorized expenses (Administrative, Building and Grounds maintenance, Social, etc.). Two additional major expenses each year are contributions to our reserve funds. According to our bylaws, we are required to make a contribution of not less than 5% of our general fund budget to each of our reserve funds (Operations Reserve and Repair and Replacement Reserve) each year.

2. *Why do we have different funds for the Association?*

The Association bylaws have defined 3 funds:

- General Fund – This fund is the day-to-day operating fund used by the Association. This fund is a zero balance fund (any unspent monies remaining at the end of the year are moved to the Operations Reserve fund) and receives all deposits made on behalf of the Association and all payments made by the Association are paid out of this account.
- Operations Reserve Fund – This is basically the Association's "rainy day" fund. The bylaws call for this fund to receive at least a 5% funding from the general fund each year until the balance exceeds the general fund budget for the year. Funds are drawn from this fund to cover the cost of unbudgeted expenditures (BOD approved in advance) or budget overruns (BOD approved in advance).
- Repair and Replacement Fund – This is an accrual fund for the repair and replacement of the assets in our common area infrastructure (roads, curbs, drains, marina, parking lots, clubhouse, pool, gate, etc.). The bylaws call for this fund to receive at least a 5% funding from the general fund each year. HOA's typically use a reserve study to determine the actual level of funding for this fund category. Our association has conducted a Reserve Analysis to determine the required level of annual funding for this fund and include it in the annual budget.

3. *What is a Reserve Study?*

This is basically what the name implies. A study to determine the amount of monies that will be required in the future to repair and replace the managed common assets of the community such as streets, clubhouse, pool, etc. An analysis is made of each asset to determine the point in time when a repair/replacement action will be required and the cost to perform the repair. An accrual profile is then established to assure that funds are available when needed. This then determines the annual contribution to the Repair and Replacement fund. The Finance committee review the factors associated with our reserve analysis annually prior to the establishment of the annual budget to determine that the accrued funds are sufficient.

4. *What types of controls have been put in place to preclude fraudulent activity?*

- All disbursements of the association require two signatures (President and Treasurer)
- Accounts are independently reconciled against the monthly bank statements
- Monthly reports are prepared and presented to the President and BOD
- Quarterly reports are prepared and posted to the password protected member web site space
- General Fund account and Reserve Fund accounts are maintained at different financial institutions.

The members of the Finance Committee and their primary roles are:

- Ralph Darnell (Chairperson) – Accounts Payable/Accounts Receivable/Reports/Records
- George Brock – Bookkeeping and Statement Reconcile
- Steve Pierson – Independent Assessment
- Dave Silvers – Bank Rate monitoring

Ralph is also the Treasurer for the association and serves as the BOD liaison for this committee.

The committee has a standing monthly meeting on the second Thursday of the month at 6:30 PM in the Legacy Bay clubhouse. New members are always welcome and the typical time commitment for voting members is about 3 hours per month. Meetings are open to the membership except during periods when member specific information is discussed.