



Mountain Harbour Property Owners Association
1665 Mountain Harbour Dr., Hayesville, NC 28904
828-389-9000

MEETING HELD VIA ZOOM

i Call to order at 2:00PM, February 21, 2023

ii. Board members present:

Jorge Azor, President

Perry Mustian, Vice President

Jim Ackerly

Ed Hooker, Secretary

John Walvoord

Allen Horne

Beth Hooker, Administrative Assistant (Architectural Review Committee)

Betty Applegarth, Treasurer (non-voting member)

Andrew Reynolds (Golf General Manager)

Excused:

Chuck Bridger

Guests:

None.

1. Pledge of Allegiance led by Ed Hooker.
2. Motion to approve January 2023 minutes made and 2nd. Approved 6-0. Minutes will be posted on the web site.
3. Mountain Harbour Golf LLC Report
 - a. GM report provided by Jorge Azor and Andrew Reynolds.
 - b. The January financials were not properly formatted and will be tabled for now.
 - c. **Financials:** There were 148 member rounds, increase of 10 from January 2022. There were 534 greens fees paid, an increase of 304 from January 2022. A total of 682 rounds played, an increase of 314 from the same time last year. Green and cart fees resulted in \$8,635.00, memberships resulted in \$950.00. There were no tournaments fees collected this month. Total cash collected was \$9,585.00. This total is an increase in revenue of \$4,022.06 from last year. Golf Now had zero prepaid rounds and the commission from Golf Now was \$0.00. Golf Moose rounds resulted in \$592.00. The beverage cart is not running this time of year. There were 153 snack bar sales totaling \$888.47. The pool is closed for the season. The golf course was closed for 11 days and closed early 2 days due to weather. Once again, Mr. Azor reminded the board that the course was closed for over thirty percent of the month, and this is our slow season.



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Below is a summary of sales and income for the grill for the month of January:

(1) Breakfast:	0 meals	Income: \$0.00
(2) Lunch:	253 meals	Income: \$2,510.24.
(3) Dinner:	17 meals	Income: \$238.34
(4) Drinks:	122 beverages	Income: \$258.61
(5) Special Event		Income: \$0.00
(5) Total Sales:	392	Total Income: \$3,007.19

Mr. Azor reported on the progress of the grill. The chef and wait staff were on vacation for two weeks during the month. During this time, the carpet was deep cleaned, and the prep area was painted. The carpet looks brand new. Ads will be running in the Clay County Progress for the next three issues.

c. Repairs on the Falcon Room are progressing rapidly. The work is so far, exceptional and during repairs, many previously unknown structural issues were found. There were eleven open gaps in eaves and soffits where the cold air and weather were able to penetrate the attic space. Also, birds, squirrels and other vermin were allowed to enter through these voids. We have asked the contractor to repair all these areas and these repairs will be added to the final bill. Additionally, the contractor repaired the front entrance door to make it more secure and will replace all the pot lights with LED 40-watt soft white lights.

d. Mr. Azor went over our income and expenditures summaries comparisons for the years 2019 through 2022 to show the progress of the golf club revenue during that period. He emphasized the many capital projects in previous years that have cost several thousand dollars and have affected the bottom line. A snapshot of income is posted below:

	2019	2020	2021	2022
Revenue:	\$556,413	\$559,176	\$695,255	\$799,136
Loss:	\$(258,678)	\$(166,520)	\$(96,798)	\$(220,877)

*\$125,855 of the reported loss is actual capital expenditures reported on a cash basis. If we remove the capital expenditures the actual loss is \$95,022. Mr. Azor reminded the board that the Economic Impact Disaster Loan (EIDL) is a loan for small businesses with



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a interest rate of 3.75% that is paid back over thirty years. We have judiciously used this loan for much needed infrastructure repairs to the clubhouse and golf course that have been addressed. Repairs to damaged cart paths, re-building of the golf course bridges. We have purchased newer equipment that the golf course has needed, and we have steadily modernized pump house and irrigation equipment. EIDL money was used to get the Grill and Kitchen up to code by repairing the plumbing, coolers, and other kitchen equipment. Repairs were made to the pool and pool pump so it would pass inspection. The Clubhouse exterior was painted. Additionally, we have removed dangerous trees throughout the property.

The golf course is making progress toward standing on its own but obviously has a very long way to go. The goal is to increase memberships and that in turn will help get us through the lean winter months.

e. The member handbook is almost ready to go to the printer. We have ordered many rack cards to be placed in small businesses throughout Clay Co, Towns Co, and Macon Co to give us more exposure to the community.

POA Report & Financials:

1. The financial statements of the POA for January are not yet finalized. The financial statements will be tabled until completed by our accountants. Mr. Azor gave a review of the POA income and dues over the last four years. So far in 2023, over \$300,000 in annual dues has been collected.

	2019	2020	2021	2022
Cash Reserves:	\$138,787	\$346,035	\$408,713	\$544,880
Dues Collected:	\$543,571	\$422,565	\$446,709	\$451,095
Expenses:	\$189,329	\$174,636	\$197,848	\$208,246
Income over Expenses:	\$354,241	\$247,636	\$248,861	\$242,849
Dues:	\$1,900	\$1,700	\$1,600	\$1,500
# Dues paid	286	248	279	301

As the number show, dues went down, and revenue went up due to better collection methods and communication with owners. Many capital improvements have



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been made that were long overdue. It is imperative that our reserves increase each year as our roads and infrastructure age.

Covenants Review:

1. Update provided by Mr. Mustian. When the proposed covenant revisions were posted for review, the board received feedback regarding a section of the covenants about Development Unit Parcels (DUP's). A Development Unit Parcel refers to a parcel of land which has been conveyed to a developer other than the Declarant and which is subject to limitations established by the Declarant. Based on the feedback received, the board's attorney recommended additional modifications to the proposed covenants that were previously posted for review on the Mountain Harbour website. On a motion and second, the following revisions were adopted as recommendations to Mountain Harbour property owner as part of the covenant review project.
 - Added definition in Sections 2-11 and 2-35 to add back in the undesignated lot and development unit parcel language.
 - Added language to Sections 3-1 and 3-2 to grandfather in any UD's (Undesignated Lands) that had been previously designated in a deed.
 - Added language to 4-1 to grandfather in any exemptions to the ARC review an use restrictions.
 - Revised Section 4-11 to address UD's ability to subdivide.

2. During the recent covenant review and revision, an inconsistency was noted between the Mountain Harbour covenants and a property owner's deed. On a motion and a second, the board voted to acknowledge and accepted the inconsistency as non-material.

Maintenance:

1. As previously reported, repairs on the clubhouse are progressing.
2. Tree removal for dangerous trees has been completed.
3. The area above the 16-teeing ground along Mountain Harbour Drive was cleaned up by the Friends of Mountain Harbour. This has improved the sight line all the way up the 16th fairway to the green.



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4. Mr. Ackerly commented that in all the years he has lived in the community, it has never looked better than today.

SOCIAL COMMITTEE:

1. Mr. Horne presented the following. Superbowl Party was a success. All who attended had a great time and the food provided by Chef Luis was exceptional.
2. We are planning on having Irish beer and whiskey for St. Patrick's Day party in the member's lounge on St. Patrick's Day. Wear your best green.

ARC Review:

1. Beth Hooker gave the following report:
2. The Perry house and the Strickland house are progressing.
3. Mr. Andrews is in the process of purchasing several lots and is planning to build.

SECURITY:

1. The new entry security system should be installed soon. Mr. Walvoord is working on a good Wi-Fi solution for the front gate for the entry system to be implemented.
2. The security cameras at the front and rear gates have been improved with telephoto lens that will make it much easier to see license plates and better improve the security of the grounds.

NEW BUSINESS:

1. We have received two estimates to improve the drainage on the driving range and make the practice grounds more appealing and serviceable. Board members were given a synopsis of what these improvements entail, and this will be discussed at the next board meeting.

Adjourn: Meeting adjourned at 3:40PM. The next POA Board meeting is scheduled for Tuesday, March 21, 2023, at 2:00PM. The meeting will be held via zoom.

Submitted:

Approved:

E. F. Hooker

J. Azor

Secretary

President