

**PAWLEYS PLANTATION PROPERTY OWNERS ASSOCIATION
ANNUAL MEETING MINUTES
FEBRUARY 20, 2006 AT 10:00 A.M.**

I. Call to Order and Introductions

Bern Sweeney, president called the Annual Meeting to order at 10:51 A.M. The delay was caused by a lack of enough members to reach the required 51% for a quorum.

II. Establishing a Quorum

Sally Hogan informed that a quorum had been established with proxies and property owners present.

III. Reading of the Minutes

Reading of the minutes was dispensed. There was a motion to approve the minutes. The motion was seconded and carried.

IV. President's Report

Bern Sweeney welcomed everyone to the Annual Meeting.

Bern Sweeney commented we negotiated a new trash contract with Waste Industries with a provision that if there is named storm, Waste Industries will bring in dumpsters prior to the storm and another one after the storm for clean up.

Bern Sweeney stated POA contracted with ValleyCrest to do the common areas and streets. Please keep comments and thoughts about ValleyCrest and let the board know over the year.

Bern Sweeney remarked we would like to have a Community Day to clean up specific areas in Pawleys Plantation and would like to see volunteers.

Bern Sweeney stated Gary Griggs headed up a committee with a number of people and produced our first POA Directory. There was no cost to the POA; the advertisements paid for the directory.

Bern Sweeney commented that 55% of the properties responded to the Long Range Planning survey mailed in November of 2005, which was more than we thought would respond. The Long Range Planning and the POA board will use the results to plan POA projects.

Bern Sweeney noted the bulletin board is underway.

Bern stated we are in the process of establishing a website. The website will have the Covenants & Restrictions, Bylaws, the ARB Manual & Application, Board Meeting Minutes, notices, ect. The website will not be an interactive site at this time.

V. Treasurer's Report

Gary Griggs thanked those who helped with making the directory.

Gary Griggs reviewed the Operating Fund & Reserve Fund and stated we spent less than we have taken in.

Question from the floor: \$348 has been budgeted in for developer contributions to common areas. It has been the same figure for 2 years, how does that compute?

Gary Griggs responded the developer would reimburse us for 4% of actual spending.

An attendee questioned why can it not be renegotiated?

Bern Sweeney replied it takes two to negotiate; we have a signed contract recorded in the courthouse 10 years ago. LLC is not going to do that.

The attendee commented there have been changes since then.

Bern Sweeney remarked I know that, that's just the way it is.

Gary Griggs reviewed the unaudited 2005/2006 Budget Comparison to Actual and noted a 18% increase in 7 years.

Gary stated the base rate did not change from last year it is still \$157.00 per quarter.

Gary Griggs stated the ARB collected \$21,000.00 in 2005; we had more house starts than we budgeted.

Gary Griggs commented \$85,000.00 is budgeted from Landscape Maintenance with ValleyCrest, which is 24% less this year than last year. ValleyCrest originally wanted \$99,000.00 but the POA Board said our budget is \$85,000.00.

Gary Griggs stated we were over budget on Security; we had two employees that were new and had no vacation time.

Gary Griggs reported that the 2006 Reserve Fund would have close to \$584,000.00 by the end of the year. There are 273 improved lots, 114 unimproved lots and 227 villas totaling 616 billable POA units. Take expenses divided by 616 divided by 4 quarters and you get the dues amount.

Mike Toscano questioned how is the management fee increase calculated?

Gary Griggs replied the Management Fee has a 4% increase.

Mike Toscano stated the Reserve account has a capital expense in the budget; the prior year was zero, I thought we had a schedule; it was zero in 2004 and \$50,000.00 now?

Mike Toscano questioned if there us a replacement schedule for the roads?

Gary responded all the money in the reserve fund is allocated each year, but it doesn't mean we spend it.

Gary Griggs stated the reserve account is used for things that are not recurring each year.

Mike Toscano responded I don't think we are doing it properly.

Gary Griggs replied we would take that into consideration.

Gary Griggs thanked Sally Hogan for all that she does.

VI. Auditor's Report

Joan Hodges from McIntyre, Ziegler & Hodges began by stating the result for unqualified opinion of Pawleys Plantation Property Owners Association; we believe they are free of errors.

Joan noted \$771,688.00 is the total assets and \$203,195.00 is liability, which leaves the fund balance at \$525,974.

Joan stated that the total revenue is \$551,286.00 and total expenses are \$568,493.00 with an excess of \$8,875.00.

Joan stated the Board would vote to move operational excess to the Reserve so a reallocation of income will occur.

Joan asked if anyone has general questions.

No one responded from the floor.

VII. Nominations/ Election

Bern Sweeney stated that the following Board Members' terms are up: Pat Rogers, Bill Jones Tommy Hamm and Bern Sweeney. Bill Jones could not be here today.

Pat Rogers stated Bern Sweeney and Tommy Hamm stand for reelection and we have two vacancies open. The Nominating Committee has nominated Charles Holland and Wallace Zeddun to fill the two vacancies.

A motion was made to accept the slate as presented. The motion was seconded and carried.

Pat Rogers commented we have received applications and will continue to.

Bern Sweeney remarked we are going to miss Pat Rogers and thanked him.

VIII. Committee Reports

Architectural Review Board

Joan Noble introduced the ARB: Peter Law, Annette Sweeney, Peter Aubrey, David Paschal, Marc Newman, Lee Shoulette and herself.

Joan stated there are 29 new home construction; 17 started in 2005; 25 home improvement additions and fences; and 29 tree removals and landscape changes. Joan questioned what is left to build and referred to a map on an easel.

Joan Noble stated 21% - 25% of lots are left. She counted 106 lots, 64 are estate lots and 42 are patio home lots. Many of them are combined.

Joan Noble commented the committee meets on average of every 2 weeks or as needed. We have been in the process of reviewing the ARB Application and you can pick them up. We are working on revising the ARB guidelines too.

Joan Noble thanked the ARB team and stated the ARB is very grateful for Lee Shoulette's guidance.

Roads and Grounds

Tommy Hamm apologized to everyone for any inconvenience that was brought by road repair. We used a company in Virginia, Slurry Pavers. Normally they stop work in November but they rehired laid off employees to squeeze in one more job in South Carolina because it is warmer here, but it got too cold. They started working and ran into problems with the deep 6" patches. They will be back in a few weeks to finish. He will not sign off on this job unless it is right. We are using micro surfacing; they use it on the Interstates in NC, its only 3/8" thick. We are hoping with micro surfacing it will last 6 - 8 years maybe even 10 years. Some reflectors have been knocked off and he will replace them. He did not know the exact date of resurfacing yet.

Question from the floor: If your street is not on this list then it will not be done right?

Tommy Hamm replied correct.

Question from the floor: Was it cheaper to go to Virginia then doing it locally?

Tommy Hamm responded no one does micro surfacing in South Carolina.

Security

Warner Cole thanked Bill Jones for serving as Security Committee Chairman.

Warner Cole stated at last year's meeting, you were all informed of the establishment of a "Blue Ribbon" Committee to look into the issues of safety and security of Pawleys Plantation. The committee consisted of 14 people and was co-chaired by Bill Jones and Owen Wright. The committee held 6 meetings during the period from February 24 - May 12, 2005. One of the recommendations of this committee was to immediately form a security committee as outlined by the Bylaws (Article V, Section A) consisting of 5 - 7 members. The POA approved this recommendation and the committee was formed last summer. I was selected by the POA as its chairman.

The committee consists of: Warner Cole, Dennis Congelosi, Nancy Costin, Carole Faulk, Jim Pool and Wally Zeddun.

Since then, we have been hard at work implementing the other recommendations of the "Blue Ribbon Panel" and addressing other safety and security issues. The first action was to purchase a traffic monitor, which he hoped you have all seen by now. This device

measures and records the speed of vehicles, the number of vehicles and the time of day each vehicle passes by the monitor. It has been placed in many different locations over the past several months and the results are very interesting. It is very sensitive and even records golf and maintenance carts, which initially skewed the data toward the low side. For this reason he had the device parameters changed to ignore any vehicle traveling under 20 MPH, which eliminated the carts. It is calibrated in 5 MPH increments, such as 20-25, 25-30, 30-35 and so on up to 55 MPH. The results are as follows, and by the way, these figures are pretty much the same regardless where the monitor is placed.

25 MPH or Less	62.5%
25 MPH to 30 MPH	29.8%
30 MPH to 35 MPH	6 %
35 MPH to 40 MPH	1.2%
Over 40 MPH	0.1%

Now, looking more closely, this means that 62.5% of all traffic is obeying our speed limits. When you increase 5 MPH more to 30 MPH, it goes to 92.3% At 35 MPH or less, it goes to 98.3%. That means that only 1.7% of all traffic exceeds 35 MPH. Does this mean we don't have a speeding problem? No we don't think so. But for the first time, we now know for sure the scale of the problem in terms of what speeds, how many vehicles, and the time of day. So now you're thinking, "what are you doing about those vehicles that are really speeding?" We are working with a company who manufactures our speed monitor to equip it with a camera, which will photograph any vehicle leaving the monitor exceeding any speed we want to establish.

Suggestion from the floor: Post the speed limit on the monitor.
Warner Cole replied we are adding that.

Warner Cole remarked this committee is also working with two different companies toward the installation of a gate system at our entrance. The right lane, as you enter, would be a gate for owners, employees, club members and any others we may approve to have unrestricted access to our property. All others would be required to stop at the guardhouse and be issued an appropriate pass. Both systems are effective, one is more sophisticated than the other, but also more expensive. The gates open quickly and would allow several vehicles to pass without lowering, as long as each vehicle is recognized by the system to be cleared to pass through.

Question from the floor: Are there procedures for guests here?

Warner Cole replied there are procedures. Presently if you do not call in today then you cannot get in but they do. Warner explained that one of the gate systems could list approved visitors per owner. He has spent time in the guardhouse and the guards do not have time to ask a lot of questions. An owner's gate will reduce their time spent.

Question from the floor: When would this new gate system happen?
Warner Cole replied it could be June.

Question from the floor: How many cars per family will you give a free sticker to?
Warner Cole responded none the stickers are \$.11 per sticker and it is \$25.00 per transponder.

Comment from the floor: If you do not call the gate, guests should not be allowed in.

Statement from the floor: You must allow FedEx & UPS in.
Warner Cole stated yes, common sense must be used.

Question from the floor: Will you record data as to who comes in?
Warner replied yes, we do not now but we will electronically with the new system.

Warner Cole stated that all of our guards are SLED qualified. SLED is an acronym for SC Law Enforcement Division. Which means that our guards have the authority and powers of sheriff, which includes power to arrest, but only on the property. They are hired to guard so, yes our guards do have the power to make arrests, but as a practical matter, we don't see that as a good idea. Under our system, the rover would be the only guard likely to see infractions and attempting to make an arrest could prove dangerous to the guard and others. A better way is to note and report any infractions to local law enforcement to investigate.

Question from the floor: Is it a requirement that our guards are SLED trained and do we pay extra?
Warner responded yes it is a requirement and we do pay extra.

Landscape and Appearance Standards

Frank D'Antoni stated Peter Aubrey and he drive around the plantation 2 times per week looking for owners who do not abide by the rules.

Frank D'Antoni commented we just had trimming done along the roads from branches overhanging. Explicit directions were given and they went crazy. Hopefully things will grow. We are working on improving the maintenance area and trying to stay on them to clean up the sand on the roads.

Frank D'Antoni recommended informing your landscaping companies to pick up your leaves so they cannot blow into other yards. We are looking into having the streets vacuumed but it is expensive.

Frank D'Antoni stated he is looking into irrigation throughout the property and working with the HOA's. We have a lot of sprinklers that are watering streets and he is also looking into better usage of the water.

Frank D'Antoni remarked the "front yard" would have a new look. The crepe myrtles will be removed since they are diseased. It is in ValleyCrest's best interest to mow stripes in the grass by hand and they will be terracing the flowerbeds.

Question from the floor: Is anything going to be done with LLC to stop blowing leaves off the course into yards?
Chris Little replied we are looking at blowing from the fairways to the roughs and then vacuuming the roughs. We are looking at equipment and pricing.

Question from the floor: Is anyone else having a problem with Waste Industries not picking up yard debris on a regular basis?
A board member stated to call Warner Cole or Sally Hogan's office.

A comment from the floor: There is garbage in the marshes maybe we should have a marsh cleanup day.
Bern Sweeney commented that is precisely what he was talking about; a Community Day.

Comment from the floor: There is a black tarp on Master Drive, by tee box 2 that needs to be concealed better.
Frank D'Antoni responded he would get with Chris Little and see if dressing up the fence or if a vine could grow there.

Question from the floor: Do vacant lot owners have to keep their lot clean?
Sally Hogan stated they are not required to for lots at this time.

Comment from the floor: It was discussed that LLC would clean up the marsh due to real estate sales, maybe the real estate company would help.
Frank D'Antoni stated he would check with Laura Rippy and Real Estate and find out.

Communications

Bern Sweeney stated Communications is Joe Johnson's responsibility and he is not present.

Bern Sweeney stated that a website is being setup.
Question from the floor: Could there be a message board on it?
Bern Sweeney responded we will look into it.

Animals

Peter Aubrey stated 21% of returned surveys were not satisfied with animal control. We plan to address dog waste more aggressively in the future.

Long Range Planning

Pat Rogers stated the committee was formed for 2 primary reasons

1. Be physically responsible for security, landscaping, administration and bid out.
2. Virtually nothing can be done without common interest and money.

Pat Rogers stated the survey is a great starting point. It is a directional device and Ed Osterhuber and Gary Griggs worked hard.

Pat Rogers questioned the audience how many would be interested in a quarterly or more town meeting.
The majority of the audience raised their hands.

Pat Rogers commented we started with a security gate as an idea. There are other ideas such as streetlights, bike paths, sidewalks, storage for trailers & RV's. Another idea is possibly getting a cellular tower to put on the 4.7 acres of land by the front entrance to generate revenue.

We don't make decisions we go to the Board. We do not have a good form of communication and I think the web site is a great start.

Survey Results

Ed Osterhuber thanked everyone for responding. Ed stated we distributed 500 surveys and he read 280 responses.
Ed Osterhuber stated 95% are satisfied with POA communication, 92% are satisfied with PP LLC administration, 93% are satisfied with accounting and 87% are satisfied with security staff.

Ed Osterhuber commented we are still working with Georgetown County on a plan to spray for mosquitoes. He urged all owners to call the county councilman.

Statement from the floor: It would be nice to have the name and a phone number for the county councilman.
Ed Osterhuber responded that it would be posted on the web site.

Ed Osterhuber noted we are looking at putting a POA sign at the front entrance.

Pat Rogers announced the winners for completing the survey.

1. Sherry Perkins
2. Jim Herber
3. Dick Grant
4. Steve Soloman

5. Jim Burke

IX. Old Business

None

X. New Business

Gary Griggs stated that the POA directories would be issued annually. If there are any address changes please let him know so we could fix it before the next issue.

XI. Adjournment

A motion was made to adjourn the Annual Meeting at 12:41 P.M. The motion was seconded and carried.