

PAWLEYS PLANTATION PROPERTY OWNERS ASSOCIATION, INC.

REGULAR MEETING OF THE BOARD OF DIRECTORS

NOVEMBER 1, 2007

MINUTES

The Regular Meeting of the Board of Directors of Pawleys Plantation Property Owners Association, Inc. was called to order at 2:30 P.M., at the Waccamaw Library, Pawleys Island, South Carolina.

I. OPENING OF MEETING/ATTENDANCE:

Members present in person were Wally Zeddun, Dennis Cangelosi, Peter Aubrey, Joan Noble, Tommy Hamm, Bern Sweeney, Carol Sacco, Gary Griggs, and Charles Holland. Members absent were Pat Buss, Frank D'Antoni and Ed Osterhuber.

Present from K. A. Diehl was Tara Woodson, Association Manager.

Guests were Betsy Nemeth, Susan Butler, and Chuck Buck from the HOA's, and Walter Glenn from A Services Group.

Mr. Zeddun, President of the Association, served as Chairperson of the Meeting. Tara Woodson of K. A. Diehl & Associates, Inc. (KAD) served as Recording Secretary.

The Chairman opened the meeting by introducing the board members and Tara Woodson, Association Manager from K. A. Diehl, the new property management company for the Association.

II. APPROVAL OF MINUTES:

Mr. Zeddun stated that there would be an email vote to approve the minutes of the last meeting.

III. SECURITY DISCUSSION:

Mr. Zeddun commented on the front entrance gate and the Security Guards. He then stated that he wanted to pass the authority for carrying out security procedures to A Services Group.

Mr. Sweeney stated that on two occasions going through the gate near the hours of 10-11pm, he observed the non-owner's gate up and the Security Guard with his feet up, watching TV.

Mr. Zeddun introduced Mr. Walter Glenn from A Services Group. Mr. Glenn commented that A Services Group had been with Pawleys Plantation for about a year. He then gave a brief background of himself and the company. He further commented that responsibility was not given to them to operate the Members' Gate, and that this encourages people to not work as hard. He stated that he will find a way to provide a positive look at the company as well as the community and will address those issues. Mr. Glenn stated that they would assume complete responsibility for security enforcement and train their Security Guards to do the job correctly. There was brief discussion in regard to having the potential employees interviewed by the Security & Safety Committee. Mr. Glenn stated this was not uncommon to do.

Discussion ensued around ideas to help with security issues. Ms. Sacco asked if Mr. Glenn felt the TV should be removed from the guardhouse, and he replied he felt no reason for it to be there in the first place.

Mr. Glenn announced that David Smith had resigned effective October 31st, 2007, due to his retirement.

Mr. Holland stated that on several occasions owners have called the gate to announce guests and the Security Guards are not noting this, and those guests are not allowed in. Mr. Zeddun stated that Security should check with the owners if there is a record of allowing someone to enter. Mr. Glenn commented that email is something they are trying to initiate because it allows them to have a written record, and a visitor's pass could be printed before it is forgotten.

Discussion then ensued about the Rover. Mr. Hamm stated that he had some discussions with Litchfield by the Sea and they have a continuous Rover to cover for all Security employees. He then asked if the POA and A Services should consider this. The Board will be deciding in the next few months whether or not to continue with Rover services at night. Gary Griggs noted that the issue was raised at the October Town Meeting, and the general consensus was that the Rover should be eliminated in conjunction with the installation of a camera system at the Main Gate.

There was further discussion in regard to security issues. Mr. Cangelosi stated that he issued a Rover security form to record unusual events occurring within the community, and that it is not being used. He stated that the Rover has told him that no unusual events were occurring. Mr. Cangelosi stated that there is no accountability as to whether or not they are doing the job correctly. Mr. Glenn asked about the form and Mr. Cangelosi stated that it was a very specific form and that it should be forwarded to the owner and to the Chairman of the Security and Safety Committee. He then stated that he was bothered by the fact that not one incident had been reported by the Rover during the past year.

Other questions were posed and Mr. Glenn's response was that the company should be doing weekly checks on the Security Guards and that he would follow up with this to be sure it is in place. He also mentioned that he will implement a shift change report so that employees coming on duty will know the previous events of the day. He then stated that, if there is an emergency situation, Owners should call the sheriff and not the Security Guards.

Mr. Glenn then stated that he would come back in a month and let the POA know what his assessment of the Rover is, since the POA board is considering cameras versus the Rover.

IV. OLD BUSINESS:

- A. **Project status sheet:**
The report was not available.

V. COMMITTEE REPORTS:

- A. **ARB Committee:**
Ms. Noble started discussion in regard to the satellite dishes by stating that more owners are installing them. Generally their diameter is 18-24", however she stated that she has seen some that are larger in the single-family homes. It was stated that a Masters Place owner has asked to install a satellite dish, and there was a question on what the POA and HOA covenants state. It was determined that the HOA covenants follow the POA covenants, but are usually more stringent. Ms. Nemeth gave some history that Sally Hogan had provided on what the FCC has ruled. However, Betsy stated that she understands that if the installation is to take place in Common Areas of a HOA, this ruling is null and void. Ms. Nemeth stated that she gave Ms. Hogan a letter that should have been given to the owners. It was further determined that the Litchfield Sales Office had been giving misinformation concerning this issue, by advising prospective HOA Owners that satellite dishes are allowed. Ms. Noble stated that the dish provider told her that when technology is available on smaller-sized dishes, the owners must replace them with the smaller dish. It was discussed that the HOA Master Deeds prevail over POA documents in the satellite dish request issue. Ms. Noble agreed to send a draft letter to management at K.A. Diehl, and that management would send a letter to the owner.

Discussion ensued around the “neighborhood temporary flag program.” Ms. Noble stated that the ARB Committee looked at all the information and is asking that the program be cancelled and the flags not be allowed. It was stated that some owners’ temporary flags are not installed in accordance with the intent of the program—primarily that there are individual, not neighborhood, flags being installed on the temporary flagpoles. **Ms. Noble made a motion to have the neighborhood street flag program discontinued; the motion was seconded by Mr. Aubrey. There was discussion on the motion.** Mr. Holland opposed pulling the program, stating that it was working for the residents of Salt Creek Court. He understands that the temporary poles are being placed on POA property, but there should be a way to police that. It was stated that the POA Covenants & Restrictions allow for putting the flags on a house, and that this flag program was approved as a neighborhood program only. It was stated that the program was assessed and it is not working as originally submitted and considered. The C&R allows for a bracket or permanent flagpoles; PVC poles are not approved and it appears there is no conformity to the look. No further discussion. **The motion carried with one opposed.** Letters will be addressed to each individual homeowner that is in violation of the procedure.

B. Security and Safety Committee:

There was a motion made by Ms. Noble to appoint Mr. Cangelosi as the Security and Safety Committee chairman; it was seconded by Mr. Sweeney. With no discussion and all in favor, the motion passed.

There was a question as to whether or not David Smith was paid too much during 2007 while working for A Services. It was stated that he was not.

Ms. Butler stated that she needed the letter on the website changed so that the bar code applications did not go to KAD. Gary Griggs agreed to post the letter with the temporary procedures to be followed during the 4th quarter.

C. Landscape and Appearance Standards Committee:

There was discussion about the tarp and fence around the maintenance area along Masters Drive and the need to have that replaced. Ms. Woodson said that she would obtain an estimate from a company used by KAD.

There was discussion in regard to motorcycle parking and access. It was stated that there is a real concern with the motorcycles being at the Guard House, and that residents would like to have a better place for them to be parked. Mr. Sweeney stated that under the current POA Guidelines, owners can park their motorcycles at the Guard House. Mr. Holland suggested allowing them to park in the parking spaces, and that only 2-3 of those spaces are needed. There were comments that if you allowed that, they would take up all the spaces in this area. Discussion ensued about utilizing the area near the Rental Office, perhaps putting a concrete area in for that purpose. It was also suggested that if renters bring a motorcycle, they should park them at the Rental Office. Further discussion was held in regard to letting both the Guards and the Rental Office know that parking at the Guard House would be for residents and property owners only.

Mr. Griggs stated that the topic of allowing motorcycles to be ridden within Pawleys Plantation was brought up at the POA Town Meeting, and it was not received well at all.

There was a suggestion made to put in a bicycle rack in the Guard House parking area, and Mr. Cangelosi stated he would look into the cost of one.

D. Communications Committee:

Carol Sacco commented that the POA Board meeting date and time was posted on the POA Website and will also be on the Message Board at the Exit Gate.

There was discussion to ensure that everyone understood what the lockbox at the Guard House is to be used for. It was mentioned that information for KAD should go there, but not dues payments.

Ms. Sacco stated that she would continue to book the Library Conference room for POA Board meetings.

It was then stated that the Annual Meeting would be held on February 18, 2008. Gary Griggs recommended that there should be a sharing of the expense of the conference room between the Club and the POA.

E. Animal Control Committee:

There was discussion on obtaining dog owners' names so that the issues of not picking up after the pets and leashing them could be addressed. It was stated that there is a problem on Red Wing Court. There was a suggestion to obtain three signs that will be rotated into areas around the property where pet problems exist. Ms. Woodson will get information from Peter Aubrey, obtain the costs and order the signs.

F. Finance Committee:

A discussion was held on the transition to the new property management company, KAD. A Board Member stated that there was a letter presented from owner Tom Audrey that had been forwarded to KAD to look into, and the owner stated it was not addressed. Management responded to say that the owner was called back in regard to this and spoke with his wife and left information with her, asking them to call back if they still did not understand. The board asked Ms. Woodson to respond to him again and Management will accomplish.

Outside Contracts were discussed. The Board asked if KAD was provided with any of the contracts for trash or cable. Ms. Woodson responded that she has not been able to find those contracts in the information that was provided by prior Management. If they cannot be located, then KAD will get them directly from those companies.

Budget funding was discussed and it was questioned where the \$50K for the Front Entrance well and the pump will be budgeted. While discussing irrigation issues, it was mentioned that David Eure, ValleyCrest's Golf Course Superintendent, needs to attend the meetings again to provide updates for the Board.

A Member noted that the bushes planted on Masters Drive are not being watered.

Mr. Zeddun had a spreadsheet for the Reserve Funding, and there was discussion on raising the monies to be placed into the Reserve by 3%-5% each year. Mr. Sweeney stated that this figure should be a constant number and that the Association was in a good position. He then stated that it should be kept in real dollars--whatever it takes to maintain the Reserve at adequate levels. **Mr. Sweeney made a motion, seconded by Mr. Cangelosi, to adopt a policy of imposing a 5% increase to the capital contributions effective for the 2008 budget year. There was no discussion and the motion passed with all in favor.**

G. Long-Range Planning Committee:

It was asked of Management if the 1/6th of the annual fee is being reflected on the Certificate of Assessment as Capital Contribution. Ms. Woodson stated that this has been accomplished and that accounting was adding this figure into any Certificates of Assessment that they have done.

H. Nominations Committee:

Gary Griggs noted that the nominations need to be received by December 1, 2007. He stated that Joan Noble is not eligible for another term and Frank D'Antoni and Ed Osterhuber have indicated that they do not want to be considered as candidates for re-election; Gary will be a candidate. The Committee will continue to solicit candidates and will select a proposed

slate for recommendation to the Board at the December meeting. Gary stated that, as of now, there were two names submitted: Russ Long and Leo Harootyan.

I. Covenants and By-Laws Committee:

The Board decided to table this item due to time constraints; a Special Board Meeting will be held in late-November to continue to draft the proposed amendments.

J. Budget Discussion:

There was discussion on the 2008 budget. Gary Griggs first presented a projected Income Statement for 2007, based on actual expenses through September. A surplus of approximately \$65,000 is anticipated, primarily because of the change to A Services for security; he noted that the 2007 budget was prepared before the change was made. Any surplus will be transferred to the Reserve Account.

Mr. Griggs then presented the 2008 proposed budget and went over each line item. The budget anticipates Total Projected Expenses of \$572,069, Revenues Before Dues and Reserve Funding of \$241,439, and Reserve Funding of \$53,295. Based on Total Billable Units of 627, the Dues Required for a balanced budget would be \$383,925. That would be \$612 Annual Dues per Unit, or \$154 per quarter—a reduction of \$7 per quarter from 2007. (Those figures exclude the amounts for Cable TV and Trash Pickup.)

He stated that the Billable Units are actually 630, instead of the 627 that were used in preparing the budget. In addition, if the Board decides to eliminate the Night Rover, expenses will be reduced by approximately \$50,000. The effect of both changes would mean that an approximate surplus of \$50,000 could be transferred to the Reserve Account at the end of 2008.

There was brief discussion on the cable contract. Gary noted that a 5% increase is built into the 2008 budget.

Mr. Zeddun suggested that more money be added for fencing repairs and replacement in Reserve funding, due to there being some areas that will need to be addressed.

Gary noted that, rather than transferring the approximate \$50,000 potential surplus to the Reserve Fund at the end of 2008, a balanced budget could be achieved by reducing the dues to \$131 per quarter. It was his recommendation, however, that the Board approve the \$154 figure. Mr. Sweeney stated that the \$154 provides an opportunity for funding potential projects such as parking for motorcycles and so forth. There was discussion on approving the proposed budget. **A motion was made by Mr. Sweeney, seconded by Mr. Aubrey to accept the 2008 proposed budget with the exception that the lot total be changed from 627 to 630 and that the quarterly dues be adjusted to \$153.** After discussion that the decrease has been a result of the hard work and the improvements made by the POA Board, **the motion carried unanimously.**

Gary stated that, over the last 8 years, there has been only a 21% increase in the quarterly POA Dues (\$161 in 2007 vs. \$133 in 1999), and that the budgeted dues of \$153 for 2008 will mean an increase of only 15% over 9 years.

VI. NEW BUSINESS:

Gary Griggs mentioned that he had received a phone call from Jack Graveline on Wigeon Drive, who expressed a concern about vacant lots with debris on them (specifically, one directly across the street from his home) and asked whether something could be done to restrict this. There was a suggestion that once the growth had met a certain height that it could be cut down and the charges for doing so be charged to the owner of the lot. Mr. Sweeney suggested that letters be sent to owners that are dumping on the lots. Management agreed this can be done; however the names of the owners doing the dumping

would need to be known. Mr. Griggs suggested that this topic be covered at the Annual Meeting.

Mr. Cangelosi wants to put a generator in at the front entrance in case of a big storm or loss of power so the gates would still function. It was asked whether there was a reasonable place to put a generator. Further discussion ensued about the need to sink a propane tank/generator and that the size of this would be similar to a small chest, leaving it look nice and not unsightly. Mr. Cangelosi said that he would investigate the issue and make a recommendation to the Board.

Ms. Noble mentioned that there was a "For Rent" sign on the POA property. Mr. Zeddun stated that the sign should be pulled and the owner notified.

VII. ADJOURNMENT:

A motion was duly made to adjourn the meeting at 5:10 p.m.

Submitted By: _____
Secretary

Approved By: _____
President

Date: _____