

SOUTH HAMPTON PROPERTY OWNERS' ASSOCIATION, INC.

2019 ANNUAL MEMBERS' MEETING

SATURDAY, MAY 4, 2019

MINUTES

The 2019 Annual Members Meeting of the South Hampton Property Owners Association, Inc. was held on Saturday, May 4, 2019, commencing at 10:00 AM in the Lands End Meeting Room located in the Brighton Tower, 8560 Queensway Blvd., Myrtle Beach, SC.

1. **Opening Comments**

President Dave Puckett opened the meeting and welcomed all to the 2019 Annual Members Meeting of the South Hampton Property Owners Association. In addition to Dave Puckett, the following Board Members also in attendance were: Don Matheson, Bill Long, Hany Cigolle and Susan Leinenweber. Representing LITUS* To Let, Inc. were: Chris Millar, Doug Millar and Lynn Edmonds.

2. **Formal Opening of the Meeting**

Dave Puckett opened the meeting and noted that in accordance with the By-Laws, the Annual Members Meeting was being held for the primary purpose of electing directors and addressing association business properly brought before the meeting. It was noted that Dave Puckett would serve as Chairman and LITUS* would serve as Recording Secretary.

Dave Puckett wanted the membership to know of an original owner Vernon Clarke had passed away this year. Dave stated Vernon was known by "Punky" and he sat at a certain table around the pool so for now on the table has a sign stating "Punky's Corner" on it for all to see. Also Mr Broadway, 1410 was inducted into the N.C. Sports Hall of Fame.

3. **Identification of Proxy Agent(s)**

It was noted that Dave Puckett was the designated Proxy Agent; however, each homeowner had the option of selecting someone else to serve in that capacity.

4. **Roll Call and Proxy Certification – Proof of Mailing Examination**

It was announced that fifty-six percent (60%) of the membership were represented in person and via proxy and that the quorum requirement for the meeting had been met. The members of the Association represented by both proxy and in person are noted in the roll call filed with the records of the meeting.

The Proof of Mailing of the Notice of the Annual Members Meeting was examined and it was noted that the Proof along with a sample of the Notice which had been mailed to the membership would be filed with the official records of the meeting.

5. **Approval of Minutes – 2018 Annual Members Meeting – May 5, 2018**

The minutes of the 2018 Annual Members' Meeting held on May 5, 2018 were discussed. Upon a motion made and seconded and approved, it was:

MOVED; that the minutes of the 2018 Annual Members' Meeting held on May 5, 2018 be approved as written.

6. Reports

A. Independent Auditor's Report – Year Ended December 31, 2018

Bill Long reviewed the audit process and reported that the Association had received a clean opinion. He then explained the types of reports included as a part of the audit and the purpose of each.

B. Resolution to Carry Forward Excess Revenue

To formally document the Association's intent to carry excess membership income over to the next year, Chris Millar read the following statement: "Whereas, the South Hampton POA, Inc., is a South Carolina corporation duly organized and existing under the laws of the State of South Carolina; and Whereas, the members desire that the corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Service. Now therefore, the members hereby adopt the following resolution by and on behalf of the South Hampton POA, Inc.; Resolved that an excess of membership income over membership expenses for the year ended December 31, 2018, shall be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604." Upon a motion made and seconded and approved, it was:

MOVED; to adopt the noted resolution to allow the Association to carry excess membership income over to the subsequent year without paying taxes on the same.

7. Election of Directors / KPMA Annual Members Meeting Representatives

A. Nominations from the Floor

Chris Millar stated the primary purpose of the members meeting was to allow the membership to elect Directors and to transact other business properly brought before the meeting. He noted that there were three (3) director positions up for election at this meeting, Hank Cigolle, Susan Leinenweber and Don Matheson. He further noted that two current expiring board members were willing to serve again, if elected.

It was then noted that volunteers wishing to run for the Board of Directors had been solicited from the membership via a notice mailed to the membership on March 4, 2019. We received an application from Stephanie Baron for her name to add to the ballot to serve on the Board.

B. Distribution and Collection of Ballots

The floor was opened for additional nominations for the director positions. Chris Millar stated that owners who had submitted a proxy vote did not need to utilize the ballot in their meeting packet, unless they wished to change their vote. With no further members expressing interest in running or being nominated from the floor, upon a motion duly made, seconded and approved, it was:

MOVED; to close nominations for the Board of Directors from the floor.

C. Report of Voting Results

Chris Millar announced that Stephanie Baron, Susan Leinenweber and Don Matheson have been elected for two (2) year terms to the South Hampton Board of Directors by a vote of acclamation.

8. Unfinished / New Business

A. Water Heater Replacement

Dave Puckett stated owners whose water heaters were 10 years old or older have been notified the water heaters needed to be replaced. He next stated that when water heaters rupture, they can cost tens of thousands of dollars to the Association. Any owner who has been notified to replace their water heater must do so by the end of the year.

B. Building Reports and Upcoming Projects

Four of A Kind owner, Mike Chaffin, Mike Preston, Marc Drake and Steve Zolezzi presented a slide show of maintenance areas in the building. Mike Chaffin let the owners know if they saw anything in the building which needed attention to let Steve, the manager onsite know and he will take care of the issue.

Dave Puckett read a list of "How Your Money Is Being Spent for 2018-2019". One of the main items was the insulation installed under the building. The cost was \$59,000. This will help the insulation of pipes along with keeping the little birds from tearing down the insulation to nest in.

Don Matheson presented a presentation for the completed and upcoming major capital projects and their timeline. In 2019 several important project were completed. In January two valves were replaced and relocated for the domestic water pump system. Also in February a temperature freeze caused a break in a sprinkler line under the building. That line was replaced. As Dave reported in March and April the insulation under the building was installed.

The main item for the Board has been the upcoming project of Waterproofing/painting of the building. The Board has spent many hours interviewing and getting the information for the project. The Board has approved to move forward with waterproofing the building in the fall of 2019. After interviewing three companies they chose Tribune Holdings, LLC as the company along with an engineer to inspect the work and oversee the project; Mule Consulting with John Black as the engineer. The Board is finalizing everything concerning this project. The project will be to waterproof/paint the complete envelope of the building. This is the walls, ceilings and decks of the building. Also included are the railings on each balcony and around the building. Don asked all owners who rent or have a rental company to please keep the rental company informed on the waterproofing projects. One owner stated from the last time the building was waterproofed the noise was very bad. Chris Millar explained that was the grinding of the decks and Don stated the blasting of the rails will also be noisy. All deck furniture will need to be removed and stored off the decks until the decks are inspected and cleared before the furniture can be put back on the decks. The Board was told all storm shutters will need to be removed. The engineer will confirm and let the Board know if the shutters can be put back up. Right now the Board is still finalizing all the information on this project. The project should take approximately 7 months to complete, weather permitting. An owner asked when should an owner have new patio doors installed? Chris stated before the project would be best.

In January 2020 the pipes which supply the cooling tower water to and from the building will have to be replaced. The pipes will run under the road and enter into the side of the building where they are under the loading driveway now. This will take approximately 6 weeks. When the pipes are completed they will need to tie into the building which will take 4-6 days and the building will be without any heat or cooling during this time. In this same timeline new broilers for the cooling tower will be installed.

9. Memberships Comments and Questions

Owner, Baron, questioned if the pool deck could be opened for people to sit on the deck and enjoy the sun. Chris Millar told the owner the BOD can review her request.

Owner, Allison, discussed a new law documenting the rights of homeowners. She stated all information must be filed in the county and Chris Millar stated the documents had been filed. Chris Millar stated the link to the law can be put in the next newsletter.

An Owner discussed the oversize lien carts from the Embassy. The hall walls and elevator lobbies are being damaged by the carts. Chris Millar said he would discuss the issue with the Embassy.

Owner, Lenoti, asked about the numbers for the building staff. Chris Millar stated the numbers are at the maintenance room door in the lobby.

Chris Millar discussed all owners should know and pay attention to their HO6 policy and make sure the policy is up to date.

Owner, Broadway, discussed people putting towels on all the pool chairs to save them and the people are not at the pool. He requested the BOD to look into trying to get that stopped.

Owner, Randolph, asked about the sale of Kingston Plantation. Doug Millar addressed the new owners of the plantation and two hotels are EOS Real state from New York.

10. Adjournment

There being no further business to come before the meeting, upon a motion duly made seconded and approved, it was;

MOVED, that the South Hampton 2019 Annual Members meeting be adjourned.

Dave Puckett, President

Lynn Edmonds for LITUS* To Let