

**KINGSPORT HOMEOWNERS' ASSOCIATION,
ANNUAL MEMBERS MEETING
OCTOBER 12, 2024**

MINUTES

Pursuant to call, the Annual Members Meeting of the Kingsport Homeowners Association, Inc. was held on Saturday, October 12, 2024, commencing at 1:00 pm at the North Myrtle Beach, Historic Museum, 799 2nd Avenue N., North Myrtle Beach, SC 29582.

Call to Order

Tim Stout, President called the Meeting to order. Maggie Strickland, Secretary is the proxy agent for today's Meeting.

Roll Call, Certification of Proxies

Roll call and certification of proxies was attested to by Pam Bane. There was 57.01% Of the membership represented in person and 40.60% of the membership represented through proxy, for a total of 95.63% of the membership. A quorum was established. A notarized copy of the Proof of Notice of Meeting was examined by Maggie Strickland, Secretary. Pam Bane was instructed to file the document with the official records of the meeting.

Approval of the Minutes

Maggie Strickland made a Motion to accept the Minutes of the October 9, 2023, Annual Meeting. Robert White seconded the Motion, and it carried.

President's Report

Tim Stout wanted to thank Pam Bane and her staff for the Association as the HOA has accomplished a lot this year.

The fees for 2025 are being reduced as we were able to find lower insurance for the Association.

Tim Stout also wanted to thank the volunteers who helped around the buildings to cut down on maintenance expenses. Robert White and Fats worked hard all year. The Board and HOA thanked Tim Stout for his hard work.

The biggest expenditure this year was the electrical repairs. The cost was \$22,260.00 we were able to cover this cost by using the Little River funds we received from the sale of the water department.

This spring the HOA did a major clean up around and under the buildings. It was a community effort for all of those who participated. The Board and the association thank you for helping with this project.

We did pass the fire and elevator inspection. There were no issues found during these inspections.

The electrical panel that supplies power to the pool and the house meter had to be replaced at a cost about \$3,300.

A lot of landscaping was completed. The landscapers put pine straw down in the place of mulch behind the hedges in front of building one. Robert White purchased the pine straw at discounted rate.

The HOA Association has agreed to hire Pye Barker for fire protection. Going forward we will use Servo Pro for any restoration needs.

Cindy Hammer was thanked for working on the directory and homeowners' information sheets. She also spent hours researching information on owners adding water sensors in their unit to detect if there is anything leaking. They are not mandatory but will save us from having damages in the future as they are able to detect issues before we have major water damage. All owners are reminded when leaving condos for multiple days; we suggest turning the water off and turning the breaker off to the hot water heater. If you need information on the sensors please contact Maggie Strickland.

The sea wall needs to be taken care of as it is a costly repair. It is leaning outward, and the sidewalk is sinking due to a drainage issue. Robert White contacted the contractor and is awaiting a quote. There is a drainage problem as well. The contractor is very busy, but we want to get more companies to come take a look.

Chris Pool wanted to thank Robert White and Fats for saving the HOA a lot of money this year.

Tim Stout noted that he enjoyed being President this year and hopes he did something for the betterment for the community.

Treasurer's Report

Cindy Hammer reported as of today we have \$71,492.25 in the operating account, \$177,468.63 in the reserve account. Tim Stout noted the rebate received from the sale of Little River Water and Sewer to Grand Strand Water and Sewer. Cindy Hammer stayed on budget, shopped around and lowered our insurance cost. With the help from Cindy Hammer, Fats and Robert White, the HOA saved anywhere from \$5,000 to \$15,000. Cindy Hammer noted the Board transferred \$70,000 out of the operating account to put in the reserves.

Pam Bane stated the 2023 audit is included in the Annual Meeting packet. She encouraged owners to review it and if you have any questions, please contact the CPA's office.

Old Business:

Robert White and Rodney Brown reviewed his contract. We are going to exclude the elevator portion of his contract. Owners' onsite will be able to assist with elevator issues. If you are stuck in the elevator you need to use the emergency phone to call 911. The landscaping contract was also reviewed during this meeting.

Rodney Brown currently holds a CPO license for the pool, but several owners have been taking care of the pool under the supervision of Rodney Brown in order to save money. Our pool is now the only one that Rodney is holding a license for and we may have to find a company to provide this service.

Chris Poole is in charge of the gate codes. If you need to change your code or are having issues you need to contact her.

Joan Spiller stated the water sensors would be something they are interested in but unsure of how to install them. These can be purchased on Amazon and are fairly simple to install. Owners are asked to shut off the water to the units and turn the breaker to the hot water heater off if the unit is going to be vacant for several days. Some owners may need to replace the inside shutoff valve for easier access.

Cindy Hammer noted the Board transferred \$70,000 out of the operating account to put in the reserves.

Cary McLeod had questions about the cost of one electrical panel that cost \$3,300. All electrical panels were replaced. Robert White stated Brogdon did 2 electrical panels; one was the main panel at a cost of \$22,000 and the panel for the exterior lights and pool lights at a cost of \$3,300.00. This expense was paid out of the reserves from the Little River Water & Sewer refund.

Cary McLeod made a Motion to keep the dues the same and contribute more towards reserves. Gwen Hibble seconded it, but the Motion failed. He felt the gate and the fence was not a capital expense. He wanted to know why the Board never asked the owners to contribute as the goal is keeping the account balance up.

New Business:

Cindy Hammer stated we should assess the owners to repair the sea wall. Robert White stated when making a permanent change to the HOA or a one-time thing it should be done by an assessment. He believes assessments are for emergencies. The Board will think about it and discuss whether we need to pay this as a Special Assessment or out of reserves. Gwen Hibble agrees with Cary McLeod in a sense to take the payment from Little River Water & Sewer proceeds and put it in the reserves for a rainy day because we're under funded as an HOA. Glenda Cooke asked if the HOA was taking money from the operating account and applying it to the reserves monthly. Yes, there is a specific amount that is transferred to the reserves monthly. Cindy Hammer noted that the HOA was over budget and overspent last year. She wants to stop depleting the reserves because this could cause the HOA to have to increase the dues in the future. Joan Spiller stated the

funds should be put into something that would make more interest.

Cindy Hammer made a Motion to repair the seawall by a Special Assessment to all owners. Cary McLeod seconded it, and it carried. Once a decision is made to how the assessment is paid, the management company will send a notice to all owners advising on the Board's decision. Glenda Cooke asked if the owners would have a vote in how the Special Assessment is handled. This would be a Board decision and owners will be notified of how much they would owe and the payment terms.

Robert White noted there is a collapse drain on the North side of the seawall that needs to be repaired along with some dead heads added.

Cary McLeod asked if the HOA have a reserve study and if not, should we need one? Pam Bane stated there is no reserve study currently and that they can cost anywhere from \$6,000 to \$8,000. Pam Bane mentioned if the Board wants a reserve study, they can do their own research and save the HOA money. It's a matter of obtaining estimates of items such as a new roof, the elevator, pool resurfacing, replacing the seawall, etc.

Glenda Cooke made a Motion to amend the By-laws to have term limits for the Board Members. The Motion was seconded by Cindy Hammer and it failed.

Election:

Cary McLeod and Joan Spiller were appointed as the ballot inspectors. There were questions about people seeing the ballots. Pam Bane explained that Freda Gore from property management would be calling out the votes to the two counters. They would then mark a tally sheet and hopefully come to the same totals, if not the process would be redone until both inspectors have the same total. The ballot inspectors do not see the actual votes. There were questions regarding the Secretary having the right to vote for an absentee owner. Pam Bane explained that the Secretary cannot change a vote. If an owner that is not present has voted then their votes stand. If an owner selects the Secretary as their proxy agent, then they have given the Secretary the right to vote for them if they did not cast their votes. The proxy can be assigned to anyone it does not have to be the Secretary. At this time the floor was opened for nominations. Having the further nominations, Cary McLeod made a Motion to close the nominations. Mary White seconded the Motion and it carried. Glenda Cooke, Cindy Hammer, Kathy Magee, Chris Poole, Tim Stout, Margaret Strickland and Robert White all submitted their names as candidates prior to the meeting. The ballots were totaled, and the results were announced. Kathy Magee, Chris Poole, Tim Stout, Maggie Strickland and Robert White were elected to the Board of Directors.

Cindy Hammer was thanked for her services on the Board of Directors.

Adjournment

There being no further business to discuss a Motion was made to Adjourn. The Motion was seconded, and it was unanimously carried.

Respectfully Submitted,

Freda Gore, Acting Recording Secretary