

Harbour Front Villas II Annual Homeowners' Meeting

The 2022 Annual Homeowners Meeting was held on Saturday, October 15, 2022 at the North Myrtle Beach Museum, 799 2nd Ave. N. North Myrtle Beach, SC.

Call to Order:

The meeting was called to order at 9:00 am by President Dan Ostin who welcomed everyone in attendance. We have a list of items that were damaged during Hurricane Ian. We did not have any major damages so it may take a little longer for the repair companies to get to our repairs. Dan Ostin thanked the Board members for their hard work this past year.

Roll Call and Certification of Proxies:

Roll call and certification of proxies was attested to by Pam Bane. There were 17 Units represented in person and 20 units represented through proxy, for a total of 37. A quorum was established.

Approval of Minutes:

A motion was made by Susan Debski to accept the October 23, 2021 Annual Meeting Minutes as presented. Billy Ridgeway seconded the Motion and it carried.

President's Report:

Dan Ostin stated most of what he had to say was included in the letter that was sent out with the Formal Notice of the meeting. Most of the old business from last year has been addressed. Susan Debski stated the moldy rocks behind her unit and several others was not addressed, so she added more rocks. This helped to eliminate the flooding issue behind their units. She then presented the Board will a bill and asked them to consider reimbursement. The Board will review and make a decision. Owners are asked to seek approval for any expenditures such as this before they address issues.

Treasurer's Report:

Jim Capaldi stated everyone should be aware of the increased pricing for just about everything. The Board tried to keep the HOA fees a low as possible for as long as possible. Insurance cost are the largest item in our budget and has continue to increase at a rate we were not expecting. This year we had to use reserve funds rather than levy a Special Assessment. We have already been notified to expect a 20% minimum increase when we renew in May 2023. Insurance cost were increased due to cost of building replacement increasing. We had to increase the amount we were insuring the buildings for based on the square footage or we would have been grossly underinsured. We have to keep funds in the reserve account in order to maintain the property. This year we reduce the amount to be contributed to reserve from \$40,000.00 to \$30,000.00 to help offset insurance cost. Some owners asked for things to be done or added to the property. We would like to do everything, but this would increase the assessments even more. Larry Marino asked if the Board had considered hiring a wind mitigation company to come out and determine things such as how roof is strapped down to help decrease the cost of

insurance. No, we have not hired such a company as we have had inspections from the insurance companies as well as contractors in the past and we were able to provide the answers to these type questions. It was suggested we look at higher deductibles for the renewal as this would decrease the premiums. We also hope that building cost will decrease as that was also a driving factor in our increase this year.

Pam Bane stated owners can contact their office if they wish to obtain a financial statement at anytime during the year. Minutes of Annual Meetings and a copy of the Master Deed and By-laws can be found on the website at www.sepaminc.com.

Election:

The Master Deed requires a minimum of three and a maximum of five officers. There are currently two (2) vacancies for the Board of Directors, for a three-year term. Bobby Conklin and Werner Steuernagel submitted their names as their terms expire at today's meeting. Dan Ostin opened the floor for nominations. Betty Campbell nominated Susan Debski and she accepted the nomination. Having no other nominees Melanie Allen made a Motion to close the nominations. Mrs. Killingsworth seconded the Motion and it carried. Two owners volunteered to count the votes. The ballots were totaled and Bobby Conklin and Werner Steuernagel were elected to the Board of Directors.

Old Business:

G Building had new sod installed in the back of the building but the irrigation does not water this area. The irrigation heads are in the shrubs and need to be moved out. The Board will look at having these moved during the winter.

New Business:

Dan Ostin discussed the Amendment vote that was sent out to everyone (copy included with the Minutes). Also included in the handout today is a explanation of how this effects the assessments for a 2 bedroom unit versus a three bedroom unit. Per the Master Deed, Building H units were supposed to be the same as the units in Building E. They are not. Building H consist of all three bedroom units. This either has to be amended by a vote of two thirds of the owners or we have to spend between \$7,000.00 to \$10,000.00 to get this corrected and move forward. The monthly assessments are based on a percentage of ownership. Once the amendment is passed, the two bedroom units would pay \$348.00 and the three bedroom units would pay \$444.00 in 2023 based on the new percentage of ownerships. Jim Capaldi stated every expense we have with the exception of cable/internet is based on a percentage of ownership. We are now legally bound to get this amendment either passed by a vote or spend funds with the attorney to get it changed. We need 36 votes to pass the amendment and we currently have about 26. The Board will send this out to those that have not voted and then if the vote is not received we will reach out to the owners to try and obtain their vote. Owners do not realize how important it is that their votes be submitted.

Questions and Comments submitted by owners:

Kelly Unit E 10 asked to have a walkway installed on the parking lot island so residents do not have to walk in mud or go around. We do not own this area and it would have to be approved by Harbour Front Villas HOA.

Allen, Unit F 6 stated the flood light is not working on the side of F Building. She also thanked the Board. This will be looked at.

Broadhurst, Unit H 14 stated the cleaning crew could do a better job. The Board does not disagree. We did seek bids from another company and it was twice what we are paying. We are looking at hiring the other company and having them clean every other week. Owners did not like the idea of going to every other week.

Burleson, H 2 asked for more attractive landscaping. Perhaps plant Leyland cypress to shield the McDonalds and the Holiday Inn. The Board will take this under advisement. They also addressed parking on the side of the street. We do not own this area. There were "No Parking" signs posted but they have been removed. We may look at putting large rocks there to prevent parking.

Crescenzo, E14 submitted they are pleased with how the property looks and the job the Board is doing. He asked if the rust stains in the pool had been addressed. We are aware of them and are looking to try and locate the source of the issue.

Ferguson, F 11 submitted after the assessment is set, it is o.k. to raise the amount the same, except when it is insurance, then it should be raised according to the valuations of the different types of units.

Hall, Unit H 5 submitted the irrigation wets his porch and the furniture. They have had to replace the carpet and furniture. The Board will have landscaping adjust the irrigation heads.

Harrell, H 15 asked if the trash can area can be upgraded without a large expense. She also thanked the Board for all they do. The Board will look at this.

Hess, Unit E8 asked to have gutters cleaned in E Building. Please remind owners to clean up after pets. Everyone should make sure to put recyclable only items in the recycle bins. We are and have been trying to find someone to clean and check the gutters for all the buildings. We are finding most companies do not want to address 3 story buildings. All we can do regarding the pets and the trash is keep reminding the owners.

Johnson, F3 submitted there are exposed irrigation lines in the flower bed areas and they need to be covered. The rocks are brownish and black and need to be replaced. There is a dead tree that needs to be removed. There are no solar lights behind the building. We do not disagree that the rocks need to be replaced, but that is an expensive project and we may not be able to do this at this time. Landscaping will be asked to remove the tree.

The solar lights did not work anywhere but behind E Building. We are looking at installing low voltage lighting.

Killingsworth, F 7 stated people from C Building are using our containers. People are also putting things out there such as paint cans when they are not supposed to. There is not much we can do to prevent people from using our containers. Owners and guest need to be aware that they should not dispose of anything other than recyclable items and bagged household trash. Other items should be taken to the recycle center.

Mercer, Unit G 7 asked when the right side stairwell foundation failure will be addressed. We have had several contractors look at this and they do not believe it is a structural issue. We have one more contractor that is going to look to make certain before we make the repairs. He also asked about the aluminum painting of G Building. The painter will be returning to address this at G Building.

Morrison, H 3 submitted the Board is doing a great job and their efforts are appreciated.

Parrott, F 12 submitted the light in the pool is not working and could we have someone professional put lights in the trees and can we have new pool furniture. The pool light will be addressed. Most thought there was no issue with the lights in the trees at the pool. Some of the furniture is going out for repair this year as it is cheaper than purchasing new.

Ridgeway, H 11 submitted she appreciates the new lighting, and painting of the elevator frames and doors. There is still an issue with people parking in our parking lot without the proper permit. Also, can we get one umbrella at the pool that has a hand crank as she can't open or close the ones we currently have. If you see a vehicle that is not supposed to be there, report it to property management so it can be tagged for towing. The Board will look at the umbrella issue.

Thomas, F 1, we did not receive an explanation as to why the insurance nearly doubled. This was addressed previously in the meeting. Who determined the square footage of each building? The Board had it measured so we could compare it with the insurance companies and determined the square footage was accurate but replacement cost had to be increased. We do shop the insurance with several companies each year in order to obtain the best pricing we can for the coverage we need.

There was discussion regarding non owners parking in the handicap parking spaces. The Board has spoken with both the Horry County Police and the State Police and determined that as long as the person that is parking there has a valid handicapped parking placard, it can't and won't be enforced.

Several residents from G building were concerned about how wet it is where the condensation lines for the AC units discharges. Perhaps more rock is needed in this area. The lines are supposed to discharge. If they are not discharging then there is a blockage

and the unit will not work. The Board will look at this to see if more rock is needed.

Trash is supposed to be picked up twice a week. It is not being picked up but once a week. The week before Hurricane Ian it was not picked up at all. Per the contract they can pickup up till 9PM at night.

Bobby Conklin addressed safety issues. If you see someone that looks suspicious keep an eye on them but do not confront them. If you see the same person more than once you need to report it so it can be addressed. Please keep car doors locked and do not have valuable items in the care in plain sight.

Susan Debski will be the Building Captain for Building G, since none of the Board of Directors reside in this building. She will relay information to the Board and then back to the owners when things need to be addressed for G Building. If you have an issue that needs to be addressed, please email her at Harbour2Gblld@gmail.com. She will be acting as a liason between the Building G owners and the Board of Directors.

Adjournment:

Having no further business to come before the membership, Cheryl Morrison made a Motion to adjourn the meeting. The Motion was seconded and carried.

Respectfully submitted,

Pam Bane, Acting Recording Secretary
Property & Association Management Company, Inc.