

**THE KINGPORT HOMEOWNERS ASSOCIATION,  
ANNUAL MEMBERS MEETING  
October 15, 2022**

**MINUTES**

Pursuant to call, the Annual Members Meeting of the Kingsport Homeowners Association, Inc. was held on Saturday, October 15, 2022 commencing at 12:00 PM at the North Myrtle Beach Historical Museum, 799 2<sup>nd</sup> Ave. N. North Myrtle Beach, SC 29582.

**Call to Order**

Craig Newton , President called the Meeting to order. Maggie Strickland assigned the proxies to Chris Poole as she was unable to attend today's meeting due to personal issues. Craig Newton asked everyone to keep her and her family in your thoughts and prayers.

**Roll Call, Certification of Proxies**

Roll call and certification of proxies was attested to by Pam Bane. There was 56.81% of the membership represented in person and 36.39% of the membership represented through proxy, for a total of 81.23% of the membership. A quorum was established. A notarized copy of the Proof of Notice of Meeting was examined by Kathy McGee, Treasurer. Pam Bane was instructed to file the document with the official records of the meeting.

**Approval of the Minutes**

Donna Koerner made a Motion to accept the Minutes of the October 23, 2021 Annual Meeting. Mary White seconded the Motion and it carried.

**President's Report**

Craig Newton thanked Pam Bane and her staff for all they do for our Association. He also thanked Gwen Hibble for everything she has done for Kingsport. She has a vast knowledge of the property and has been invaluable to the Board and the owners. This has been a difficult year. The good news is we finally got the security gate installed and it has made a difference. This past year has proven it has been worth the expense. The street lights were painted and new LED lights were installed thanks to Santee Cooper. The AC condensation lines have all been cleaned. This will be done on an Annual basis. Owners are reminded to change the filters monthly and have their units serviced on a routine basis. New safety float switches were installed or replaced for units that needed this service at a cost of \$50.00 per unit. Glasgow has also offered a discounted rate of \$125.00 per unit if we have 10 or more units sign up for a maintenance agreement. In addition you would get 10% off parts, etc, if needed. If you are interested please let us know within the next 30 days.

The fire safety issue has been addressed. Nobody had a way to know there was an issue until we had a fire. The safety switch failed and did not notify the fire department. It was

corroded. It has been replaced and brought up to current code. The outside bell was also not operating correctly. We had what was called a water gong system. This has been replaced with an electric system and is more cost effective.

We negotiated a new elevator service contract at a cheaper rate and it is more comprehensive.

We had to replace a security camera. We also purchased signage for the gate and some new pool furniture.

Our chlorine usage tripled this year and we could not figure out why. Going forward we will be purchasing stick chlorine ourselves and this should cut costs.

We now have a new company, SMS to monitor the fire system as Quality Control has retired.

The fire system has to be inspected yearly. In the past we have used Pye Barker. That contract has been changed to Grand Strand Fire and Safety at an additional savings. The contract is for one year. The inside sprinklers have not been inspected as they would not enter the units due to a Covid issue. We know there is rust on the outside sprinklers. They have been tested and are currently in working order. They will be inspected again in April, 2023. Cary McLeod asked what the issue was with the water gong? It did not work correctly due to corrosion and did not alert 911 so it had to be replaced. During the renovations to one of the units that was damaged due to the fire, it was discovered a 3ft section of pipe for the sprinkler system had to be replaced, as the pipe had rusted through.

The Board feels they accomplished a lot this past year, but it has been a difficult year. We have 4 owners displaced due to a fire in one unit. The Board would like to be proactive in preventing hazards such as a fire. Pay attention and don't leave the stove on. If you smoke, be careful with the smoking materials. Each unit was given a fire blanket to use in the event of a fire. It also comes with a hook so you can place it in an area and quickly reach it. We suggest you place it in your kitchen, but not near the stove. You may also want to purchase a fire extinguisher.

Cary McLeod asked if the camera system can be monitored. Craig Newton stated yes, any owner can access it. We currently have 6 cameras. We do not have cameras on the sides of the building or the waterway deck, as the internet will not reach this area. We could install a better system, but we have to consider the cost. If we expand the system to reach the waterway side of the property, we would currently have to install a DVR in an owner's unit. Right now it is a budget issue.

### **Treasurer's Report**

Kathy McGee reported that there is currently \$120,627.94 in a CD, \$10,453.12 in the reserve account and \$25,653.98 in the checking account. We received a check for \$185,571.73 for the loss due to the fire. We have paid out \$47,711.42 of these funds so far. We also paid for an increase in insurance we did not budget for without having a Special Assessment. These insurance claims this year will also affect our cost when we renew our policies. In 2023 we are budgeting \$60,000.00 for insurance. Cost have continued to rise, therefore, our monthly fees must increase. In 2023 we have budgeted \$464.00 per month for a one bedroom unit and \$539.00 per month for the 2/3 bedroom units. Cary McLeod made a Motion to adopt a base line for the insurance cost and then a Special Assessment for any additional cost, once the exact cost is known. The Motion was seconded. Discussion on the Motion followed. In May this year we were hit with a 52% increase based on the cost to rebuild. Craig Newton stated he felt that a Special Assessment should only be used for a specific project as we have done in the past. If we decrease the monthly fees and then have a Special Assessment, it is pay me now or pay me later, but either way you have to pay. A vote was taken and the Motion failed with 3 in favor and 10 against.

An owner asked about the Associations raising the AC unit's as they came close to flooding during Hurricane Ian. This is an owner responsibility and you can raise them if you would like at your expense.

### **Election of Directors**

There are currently six vacancies on the Board of Directors. Gwen Hibble, Kathy A. Magee, Craig Newton, Chris Poole, Tim Stout, Margaret Strickland, and Michael Tischler had all submitted their names as nominees. At this time Craig Newton opened the floor for nominations. Having no further nominations from the floor, Craig Newton made a Motion to close the nominations. The Motion was seconded and it carried.

### **Unfinished/Old Business**

Kathy McGee thanked Pam Bane and Stacey Causey for working with her as Treasurer.

### **New Business**

We had damages to the roof, the siding the entry gate, lattice, signs and some pool furniture. A claim was filed and the insurance adjustor has been to inspect. The roofing company stated the damages were hurricane related, but the adjustor made note of the age of the roof as being a factor. He did send an engineer to make another inspection. The adjustor did state the roof has served it's purpose and it is time for a new one. Our deductible for named storm claims is 2% of the building value which is \$69,000.00. A new roof is not estimated to meet our deductible. We have three options, a Special Assessment, use some reserve and a Special Assessment or pay for a new roof from the reserves. The Board voted to use the reserves to replace the roof as soon as possible. We are waiting on a third quote before we choose a contractor. We could buy the deductible down to 1% and it was offered but was not cost effective. At this time we think the other

repairs can be done for \$5,000.00 or less.

Cary McLeod stated there was some window movement in unit 205 during the hurricane. This would be an owner responsibility. We did replace windows as a group many years ago, but each owner had to pay for their windows.

Owners were reminded that storm doors should all be white. If you replace yours going forward you will be required to replace it with a white storm door.

**Adjournment**

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

Respectfully Submitted,

---

Pam Bane, Acting Recording Secretary