

**KINGPORT HOMEOWNERS ASSOCIATION,
ANNUAL MEMBERS MEETING
OCTOBER 9, 2023**

MINUTES

Pursuant to call, the Annual Members Meeting of the Kingsport Homeowners Association, Inc. was held on Saturday, October 9, 2023 commencing at 9:00 am at the Kingsport Pool, 4445 Kingsport Road, Little Rive, South Carolina, 2023.

Call to Order

Craig Newton , 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 68.12% of the membership represented in person and 27.51% 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, Treasurer. Pam Bane was instructed to file the document with the official records of the meeting. (note, after recounting the original totals it was noted that one unit did not return their proxy and they were not present).

Approval of the Minutes

Gwen Hibble made a Motion to accept the Minutes of the October 15, 2022 Annual Meeting. Chris Poole seconded the Motion and it carried.

President's Report

Craig Newton stated it has been a tough year. We were challenged by the rising cost of insurance. The Board was challenged in how to pay for these increased cost and as you know it resulted in a Special Assessment. The dryer vent stacks were all cleaned this year and we will continue to clean them on a yearly basis. Darrell Carnes volunteered to stain our deck and the Association paid for the materials. Chris Poole was able to get the materials at a much discounted rate, so both of these owners saved our Association a lot of money. We should not have to do this project again for another 4 to 5 years. The condensation lines for the AC units were also cleaned. We did have a few minor issues but with preventative maintenance we hope this will not continue to be an issue.

We have tried to do as much volunteer work as possible, which is of financial benefit to the Association. If you have a skill and are willing to volunteer for a project please let the Board know. This benefits all of us.

The new restaurant next door opened and we have had some issues with things being unsightly. Due to an owner volunteering to find solutions we planted Cypress Trees, again at a discounted rate to screen the restaurant from view. We were able to purchase all the trees for \$110.00 and Rodney Brown charged us \$50.00 to plat them.

Treasurer's Report

Kathy McGee reported copies of the 2024 budget were sent to all the owners to vote for the increase. We need a majority vote to pass the increase due to the amount. As of today we have \$40,385.70 in the operating account, \$100,892.43 in the reserve account. We recently paid \$4,180.00 for our flood insurance policy and \$5,493.00 for our deck policy. We had sufficient funds in operating to pay for both of these policies. In May depending on the building insurance policy we may have to use reserve funds to pay for the premium and then Special Assess everyone if this comes in over what we budgeted for. If we have to have a Special Assessment we will look at a one time payment versus several payments depending on the cost. We borrowed money from reserves this year to pay for the insurance and it has now been reimbursed. Someone asked how they would be able to pay a Special Assessment as a monthly payment if we have to pay the insurance in full when it comes due. This would possible due to borrowing from the reserves and then repaid over time. Pam Bane spoke about the increased cost of insurance. This is affecting all the coastal areas and not just Kingsport. We normally do not get the insurance renewal quotes until about a week prior to renewal. The insurance is shopped to various agencies to try and obtain the best pricing. Kingsport has two issues, the claims history and the water lines that we have. In 2022, we paid \$30,000.00 for insurance in 2023 we paid \$60,000.00. We now have another large claim so we are expecting to pay upwards of \$90,000.00 for 2024. The Board has looked hard at options to prevent the monthly dues from increasing, but insurance is our largest expense. We now have a \$25,000.00 deductible for water damages due to our prior claims Darrel Carnes asked why the owners involved in claims have to pay the Associations deductible. Pam Bane stated this is due to the way the Master Deed and By-laws are written. We do not have a rule in place that you have to turn your water off if you will be gone for an extended period of time. The Board is advising owners to turn the water off to hopefully prevent future water damages.

Old Business:

Chris Poole thanked all the Board members. We have had a lot of challenges this year and she appreciates all of the Board members and the work they did on behalf of Kingsport.

One of the owners asked how the parking issue with festivals is going to be resolved. Craig Newton stated the parking on our property was minimal. He spoke with the Chamber of Commerce and found out that Kingsport was the only place that lodged a complaint. They are going to post No Parking signs and stated they would have parking attendants in place for future festivals. The neighbors up the street have all volunteered to allow people to park in their yards if necessary. Our property has signage stating it is private property so we do not have a liability if someone parks there without permission.

New Business

Little River Water and Sewer has been sold to Grand Strand Water and Sewer. At some time we will receive a check due to the sale. We do not have a dollar amount at this time. The Board has agreed to put these funds in the reserve account when they are

received. There has not been a rate increase due to the sale.

If your hot water heater is 10 years old or older it needs to be replaced. Smoke detectors also need to be replaced after 10 years. Some owners have also moved their water shut off valves to make it easier to reach them. There is one planned in the near future in case you want to have it done at the same time as they will have to turn the water off to the building to move the valve.

On November 6, 2023 at approximately 10:00 am we will have a yearly inspection of our fire alarm system. You may hear the alarms going off for several minutes while they are being tested.

Election:

Chris Poole thanked Craig Newton for his years of service on the Board of Directors. At this time Craig Newton appointed Robin Newton and Gwen Hibble as the ballot inspectors. There were questions about people seeing the ballots. Pam Bane explained that Stacey Causey 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 done over. The ballot inspectors do not see the actual votes. An owner asked to make a Motion to change the number of Board members from 5 to 7. After much discussion it was agreed this had been voted on by the Board prior to mailing out the formal notice and the Board to be elected will have 5 members. 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. Darrell Carnes, Glenda Cooke, Cindy Hammer, Kathy McGee, Chris Poole, Tim Stout, Margaret Strickland and Robert White all has submitted their names as candidates prior to the meeting. Each candidate was asked to stand and tell a little about why they would like to serve on the Board of Directors. The ballots were totaled and the results were announced. Cindy Hammer, Chris Pool, Tim Stout, Maggie Strickland and Robert White were elected to the Board of Directors.

Kathy Magee and Craig Newton were thanked for their service 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 unanimously carried.

Respectfully Submitted,

Pam Bane, Acting Recording Secretary

