

**THE YACHT CLUB AT LIGHTKEEPERS VILLAGE
HOMEOWNERS' ASSOCIATION
ANNUAL MEETING
NOVEMBER 9, 2024**

Pursuant to call, the Annual Members Meeting of the Yacht Club at Lightkeepers Village Association, Inc. was held on Saturday, November 9, 2024, at the North Myrtle Beach Museum, 799 2nd Ave. N., North Myrtle Beach, South Carolina 29582. Representing Property & Association Management Company was Pam Bane, Freda Gore and Stacey Causey. Freda Gore acted as recording secretary.

WELCOME:

Greg Nazaruk, President, welcomed everyone and thanked all for attending. He also thanked all the veterans for serving our country.

PROOF OF NOTICE:

Greg Nazaruk examined the Proof of Notice for the Mailing of the Annual Meeting Formal Notice and Pam Bane was instructed to file the document with the Association records.

QUORUM:

There were 19.31816 percent of the owners present and 41.9307 percent present by written Proxy or a total of 60.2486 percent of the membership; therefore, a quorum was declared.

READING OF THE MINUTES:

The Minutes of the November 11, 2023, Annual Homeowners' meeting was presented to the membership. Linda Gotwals made a motion to accept the Minutes as written. Cathy Cassidy seconded the Motion, and it carried.

PRESIDENT'S REPORT:

Greg Nazaruk stated that Tom Burke, Board member was not in attendance due to a major injury to his shoulder and arm. Maria Gempler was not able to attend in person, but is on the phone.

We had a good year. We had a very good attendance of about 25 people or more owners during the 3 or 4 open Board meetings.

As of September 30, 2024, the Association has total assets are \$391,614.62. We're working very hard to get vendors to send us monthly statements so that we can keep better track of the budget. We have contacted all vendors so we can pay them in the month the service was provided.

Greg Nazaruk stated \$42,000.00 of the 2024 reserve budget has not been spent. We're saving money for the future. This year we spent approximately \$98,141.68 out of the reserves. We are considering painting two more buildings this year depending on obtaining the quotes. Of the \$98,141.68 spent, we replaced the roofs on buildings 2, 4 & 7. The roofs cost about \$28,000 to \$30,000 a building. We do get 3 quotes for any project before vendors are chosen. We would be lucky if we got 3 quotes. One of the vendors quoted us \$33,000 to do the repair the decks on Building #50 and we were able to get them repaired for \$1,700.00.

Greg Nazaruk did an analysis of the expenditures from 2017 to 2024. In 2017 the dues increased a little due to 3 areas that were impacted. Our most expensive cost are insurance and funding the reserves.

66% of the budget is spent on insurance and reserves. 34% is spent on regular operating expenses. The operating expense for 2017 was \$363,000 and it went to \$381,000 for 2024. Maureen Liebrecht asked if we shopped the insurance for multiple quotes. Pam Bane stated yes, we do but we'll be good if we get a quote due to the limited companies writing commercial policies. Maureen Liebrecht also asked if the HOA invest the reserves in order to make more money. Greg Nazaruk noted yes, we have currently \$127,000 in CDs with a 4.5% and 5% interest rate. Karen Burke asked the Board what procedure they take to get money that is in arrears. Stacey Causey stated that she sends the owner a 30-day late letter, then a 60-day late letter, and 90-day late letter. There is a 6% interest charged as late fees and special assessments. After the 90-day late letter, she then contacts the Board to get permission to send the owner to the attorney to file for collections. Sometimes the dues or late fees can be collected right away and sometimes it takes a while. If the owner does not bring the account current within the 90 days the account is then turned over to an attorney for collections. Then a lien will be placed on the delinquent property and at that time it could go into foreclosure. It's a process. The Board has collected over \$2,000 in late fees this year. Casey Campi wanted to know if the HOA is charged these attorney fees. The owner is liable for all attorney fees.

Jeff Smith asked why the shared expenses are not listed on the budget. Greg Nazaruk stated we budget for our share of the expenses. We pay the Pointe and the Marina for some things, and they pay us for some things. .

The Marina owns the bulkhead. We are responsible for the boards on the Boardwalk from the T Dock globe lights from the bridge up to the office. They did the repairs.

Casey Campi mentioned that the Communications Committee is made up of representatives from every building. They had 2 or 3 meetings and did a survey of the owners to see what their needs were in regards to communications. The committee vowed to be upfront with owners and if anything comes up, they can contact him. We welcome others to join us. The communications committee is trying to build community spirit and morale. We asked the owners questions, but the reports are anonymous. We have about 80 % of contact information. The management office is not allowed to give out the owner's information without permission of the owner. Our meetings are not bad meetings. They are proactive because we want to improve our lifestyle. Tom Burke, Casey Campi and Kevin Russer are forming a volunteer group. If any owners are interested want to help, let us know. We will be doing the things we do not want to pay for someone else to do. Kevin Russer will volunteer to do the yellow stripes on the steps to the boardwalk. . Tom Burke will be helping with trimming the palm trees. We cleaned the pool furniture. We want to do a fund raiser to purchase umbrellas. We're just trying to keep the cost down for the HOA. We raised a couple of hundred dollars for different things. The ladies meet for a luncheon several times a year. We would like to have a men's group to things monthly such as fishing, ride a party boat, bowling, or putt putt. Everyone is invited to join us. My number is 732-895-8900 if any owner wants to contact me directly. The Committee has no budget, but we are trying to help defray cost.

Chris Cahill stated that the HOA has a great Social Committee. If any of the ladies are interested in joining the committee let me know. We had a night where doughnuts and coffee were served. The ladies requested another night of bingo with prizes. In July we had a pool party with games. December 10, 2024, we are going on a Barefoot Christmas Waterway Cruise getaway with Chris Rolls. It's \$80.00 a person for the cruise. The dinner will be in the evening, but the cruise is in the morning. The ladies do have monthly outings for lunch and have been to eighty different restaurants. This week for the luncheon we had fifteen ladies attend. We will be starting to plan in January for next year. My telephone number is 518-848-4198 if anyone needs to contact me. We may have a soup, chili, and bread night; we may take a dolphin tour, have a pizza night, shopping locally or have a bunco group.

We can also do different things in the clubhouse like have information tables set up to give owners a wealth of information from different owners who have knowledge of different things that can be beneficial.

Greg Nazaruk stated that Jim Short stacks the pool furniture under the roof, so it does not sit exposed to the weather.

Kevin Russer stated the volunteer group is interested in cleaning the maintenance shed by building 2. We want to clean it out and get rid of things like old paint and shingles that has been in there for 30 years.

Joanne Stevens stated about 5 years ago bushes were taken out on the end of her building. Greg Nazaruk stated that it is an open project, and the Board has it on their project list. The Board has spent \$42,000 on building repairs. \$25,000 was spent on unplanned building repairs such as wood rot, painting, rose bushes and scraping the buildings. These buildings are 30 years old and consistent maintenance is relevant.

TREASURER'S REPORT:

Pam Bane presented the Treasurer's Report. As of September 30, 2024, we had a total of \$213,956.25 in the operating account and a total of \$391,614.62 in the various reserve accounts.

The 2023 Audit is included in the handouts. If anyone has any questions, the CPA's number is listed, and they will answer any questions.

Pam Bane presented the 2025 budget. Insurance is our largest cost and as you can see, we had a drastic increase in 2024 and expect another one in 2025. Insurance is at an all-time high as compared to recent years. Electric, water and sewer costs are based on the usage for 2024. Chemical cost for both the pool as well as the lawn care has had significant increases. Reserve items had to be reevaluated as the roof cost is now close to double what we used to pay. The monthly maintenance fee for Buildings 3 & 4 will be 545.00, Buildings 5 – 11 will be \$582.00 and Buildings 2, 35-52 and 50 will be \$691.00 in 2024. We hope to avoid a Special Assessment, but this will hinge on the cost of the actual insurance renewal for 2025.

ELECTION OF DIRECTORS

Pam Bane opened the floor for further nominations. Having no nominations from the floor, Joanne Stephens made a Motion to close the nominations. Sally Davis seconded the Motion, and it carried. Mary Roberts and Debbie Campi were chosen to be ballot inspectors. Jennifer Fritchman, Mareen Liebrecht, and Greg Nazaruk introduced themselves. The Election proceeded and Jennifer Fritchman and Greg Nazaruk were elected to the Board of Directors for two-year term.

OLD BUSINESS

Last year the Board budgeted \$275,000 for insurance but it came in at \$570,000. This year the Board budgeted \$625,000 for the insurance. We are guessing any interest on a finance agreement could be around \$13,000.

There was a question asked about the process to amend the Master Deed to no longer have a percentage of ownership. Pam Bane stated this takes a vote of the owners to amend the Master Deed.

There was a question about insurance and what it covers. Insurance will approve a claim if it is a name

storm for the HOA to pay 5% of the building insurance but it is subject to \$25,000 worth of damage. If the building were to burn down the HOA would be responsible for a \$50,000.00 deductible. If it is water damage there is also a \$50,000.00 deductible. We do shop for your insurance but there are limited companies that write this type insurance in coastal areas. Most insurance companies are making sure the roofs are replaced before writing a policy or they would cancel insurance. USI insurance is the best commercial insurance company out there now. We get the best rate possible. If the HOA was to go 3 years or more without a claim it helps to get a better rate. Casey Campi asked if it wasn't for the stucco (synthetic stucco) would the insurance companies write less expensive insurance. Yes this is a factor in our increased cost. Each building has its own value. Chris Cahill noted that some insurance companies have dropped the HOA6 insurance owners are required to carry. Pam Bane stated this has become more and more of an issue in coastal areas.

Hemingway's landscaping did an excellent job with the drains along the boardwalk. Now the downspouts must be tied in. We will get a quote for taking out the dirt and installing the drains out to the boardwalk for the rest of the buildings where we have not completed this work. .

Greg Nazaruk stated no contracts have been signed for 2025. The Board did not feel we should sign them until the new Board is elected.

There was a discussion about the Marina painting the front entrance. They decided they didn't want to do it at this time. So the Board with approval from the Pointe went ahead and had the entrance walls painted.

The repair of the decking at the pool is needed. Also, there is a bubble at the bottom of the pool. Is there any progress to when it is going to be fixed? Pam Bane stated that the pool must be drained for it to be fixed. It is on the schedule to be drained and fixed. Greg Nazaruk stated the pool service company has been keeping it full of water until the repairs can be scheduled.

NEW BUSINESS

There was discussion about an owner having a yard sale or estate sale. She asked if she could advertise it. Jennifer Fritchman stated that if it is advertised, anyone can come in and go to the unit. An estate sale is done inside. There was a straw poll taken 6 people said no and 12 said yes. It was stated if it wasn't open to the public then it would be hard to sell. Jennifer Fritchman said it was no different than selling something on Market Place on Facebook and the person comes to pick it up from the unit. Pam Bane gave an example of when her father passed away, they had an estate sale and pictures were taken and the items were put online. Once purchased the owners came to the residents to pick the item(s) up. Joanne Vandermark said it would be hard trying to bring stuff down from the 2nd and 3rd floors.

Commercial vehicles are not allowed in the parking lot unless providing a service. It is prohibited for any owner to operate a business out of their home if they have customers coming to the unit to do business.

The Pointe has a list of our owners that may want to watch the Regatta Parade. Any guests will have to be accompanied by an owner. The parade is the Saturday after Thanksgiving.

There was a question asked why we can't decorate the front entrance with a wreath. It was stated that the Pointe decorates their community but the main entrance has now decorations and it would be nice to be able to put a wreath up for the holidays.

An owner asked why the landscapers have not finished putting out the bales of pine straw. Kevin Russer said he was unaware that all the bales have not been distributed but takes full responsibility for not checking to see if the project was finished. He said he would get with Tommy Hemingway to make sure all bales had been distributed. Greg Nazaruk stated Hemingway has to maintain other things. His contract does not include pine straw. Those projects are in addition to what Hemingway Lawn Care is contracted to do. Tommy Hemingway was unable to finish the pine straw due to the Board pulling him off the project to do other projects. It was not intentional, but he was sourced to do something else.

Cable television is \$46,000 with a surcharge of \$13,000 that we were not made aware of at the time the 2024 budget was approved. The Board made the decision to absorb this cost for 2024. . This year we budgeted \$63,000 just in case. The term is a 5-year contract. Do they owe us money? Yes, they owe us \$7,800 and Pam Bane has been working with them to get this refund. Pam Bane said they are sending us the check and should receive it soon.

We budgeted to add \$10,000 more for the reserves due to cost increase. We need to look at the reserve study as we may have to replace roof every 20 years.

A lot of money was spent to replace the wood rot on the buildings. The regular assessments were budgeted at \$80,000.00 in 2024 and with expenses going up and we are currently \$32,000.00 over budget this year.

Sue Thorton asked why the HOA can't have all the owners pay the same amount for the assessments. The Master Deed is very clear that the expenses are pro-rated out to the different units based on a percentage of ownership. Every time a building was built the Master Deed was amended and the percentages were changed till the last building was completed. The Master Deed does include language about the marina. At one time the marina was part of our Association and then it was separated and they did not amend the Master Deed to remove the language about the marina.

Having no further business to come before the meeting, Jennifer Fritchman made a motion to adjourn. Don Cassidy seconded the Motion, and it carried.

Respectfully submitted,

Freda Gore
Property & Association Management Company, Inc.