

LITCHFIELD BY THE SEA COMMUNITY ASSOCIATION, INC.

39th ANNUAL MEMBERS' MEETING
Saturday, May 13, 2017

Pursuant to call, the 39th Annual Members' Meeting of Litchfield By The Sea Community Association, Inc. was held on Saturday, May 13, 2017 commencing at 10:00 am at the Waccamaw Neck Library in Pawleys Island, South Carolina.

The President of Litchfield By The Sea Community Association, Inc., Bill McElroy, called the meeting to order by welcoming the Owners in attendance.

Director and Communications Chairman, Bob Postiglione introduced the Board Members:

Bill McElroy, President
Daisy Davis, Secretary
Carroll Player, Treasurer
Vic Figlar, Director
Nancy Hopkinson, Director
Bob Postiglione, Director
Royce King, Director
Tom Leis, Director

Absent was Vice President, Joe Young

Waccamaw Management, LLC, AAMC, Managing Agent for the Association, was represented by Press Courtney, President, Lisa Hergenrother, Community Association Manager, Vicki Cooper, Executive Assistant and Teresa Henderson, Barcode Administrator.

President Bill McElroy, acted as Chairman for the Meeting and Daisy Davis served as Secretary. Vicki Cooper was appointed Agent and Proxy for those Members of the Association not present at the Meeting, for the purposes of voting and also served as Clerk.

Director Postiglione requested all Members present who chose to vote by ballot to recover any proxies sent in order to preclude the recording of owners present as both present and by proxy. He stated that anyone wishing to allow their proxy to stand would be voting in absentee.

REPORTS:

Litchfield Beautification Foundation

John Eaglin, President of Litchfield Beautification Foundation, spoke about LBF and where the funding comes from, provided info on donations, etc. and flag project.

Financial Audit Report:

Treasurer Carroll Player, reported on the 2016 Audit. He stated that in Sage and Bell, PA, CPA's opinion that the financial statements present fairly, in all material respects, the financial position of Litchfield By The Seas Community Association as of December 31, 2016 and the results of its operations and its cash flows for the year then ended conformed with the accounting principles generally accepted in the United States of America. A copy of the Audit Report is filed with the Association's records. Total liabilities and fund balance at the end of 2016 was \$885,721.00. The delinquency rate was 1.00%.

Security Report:

Tom Leis presented the security report. He provided information on barcodes and the new security system. Barcodes are now being issued for golf carts. One major focus, the security committee continues to focus on is unauthorized visitors entering and using the property.

Bob Gilman met with local rental agents and rolled out the realtor's module. They now have the ability to print scan passes for renters.

Communications Report:

Bob Postiglione presented the communications report. Recent projects include, a new rules and regulations booklet, which was available at the meeting. New detailed colored maps of the beach side campus and River Club were done.

He covered drone usage within LBTS. LBTS rules prohibit drones being from the common areas.

The website continues to be improved and updated and he encouraged all to visit for the most up to date news on the association.

President's Report

Bill McElroy presented the President's Report covering projects completed over the last year.

- 2016 was a very busy year with Hurricane Matthew and many projects taking place on the campuses of LBTS. We have essentially completed the new security system and improved our communications. A Reserve Study was completed and the Board worked to keep within budget in the year ending Dec 31, 2016.
- We made it through a 1,000 year flood in 2015 as we discussed at last year's meeting only to be followed by Hurricane Matthew this past October. Damage was very obvious, but our Insurance Deductible was higher than our costs. We are studying that situation for the coming year and plan to make some changes to our policy.
- A second overflow parking lot was completed in the green space next to the tennis courts and will accommodate an extra 60 cars during peak times in an organized fashion.
- The new North Gate will be open soon. The board felt this is the best possible solution to reduce the traffic at the front gate during peak check-in times. For the rental realtors on the south side, the can issue scan passes and have their renters use the south gate when they enter the seaside campus immediately after check-in. All owners and guests can use all three gates.
- Some other miscellaneous items that we have done since last year's meeting include:
 - Replacement and repair of the HVAC at the Beach House
 - New Deck Furniture
 - Road patching at River Club
 - New motor, pump and LED lights as well as re-plastering of the LBTS Swimming Pool at River Club
 - New look and repair to our entry signs and wayfaring sign at the entrances
 - Reserve Study: The association's Reserve Study was updated for the coming years. The Board will be using this study for future year's budget planning. \
- Upgraded Christmas decorations

- The largest project on our property was a joint project with Georgetown County Storm Water Department.

The Board of Directors and Press Courtney worked with Tracy Jones of the Georgetown County watershed Project and the engineers and many others handling that project. The project started in September with the addition of in-put pipes that were completed on the north side of the lake on Retreat Beach Circle in early January. The project ended when out-put pipes on the south side of Osprey Lake were completed and landscape and everything else was replaced to its original condition, along with a new observation area on the south side of Retreat Beach Blvd. and a new fishing dock on the lake side. This was a County financed project .

REPORTS Q&A:

Q: Mr. Broberg/Oyster Catcher: the new gate is curvy and is creating puddles on Retreat Beach.

R: Engineering was done prior to approving. Vegetation is being cut back creating better site lines. New drainage going in to address puddles.

Q: Ms. Milne/Oyster Catcher: New drainage put in by Georgetown County will there be sewer runoff? What is being done to enhance the look of the pipes?

R: It is a watershed project – not sewer lines. The pipes are concrete and will blend in; however, will look into painting.

Q: Dohner/Lakeside: Will there be restricted hours on the north gate?

R: No.

Q: Ms. Collier/Lakeside: Has an issue with parking at her unit. Passes were issued for renters with her unit number one. Also there is not enough parking at Lakeside.

R: Will check into incorrect passes. Suggested she work with Lakeside's management company regarding parking problems.

Chairman McElroy proceeded with the formal business of the Annual Meeting.

Certification of Proxies:

The Clerk was requested to report on the Roll Call check-in process and certification of

Proxies in order to verify the establishment of a quorum. In accordance with the governing documents, fifty-one percent (51%) of the total vote of the Association must be present in person or by proxy to constitute a quorum. The percentage of membership by proxy and person was 59.05 percent. The Clerk stated that the quorum requirements had been met.

Proof of Mailing:

The Chairman examined the Proof of Mailing and noted that it, along with a copy of the Notice that was distributed to the Membership, would be filed with the Official Records of the Meeting.

Approval of Minutes:

The Chairman entertained a motion to waive the reading of the Minutes of the 38th Annual Members' Meeting of the Association and to approve the minutes as written and presented. Upon a motion by Mr. Lazzara seconded by Mr. Seitz and unanimously approved, it was;

MOVED: Approval to waive the reading of the Minutes of the 38th Annual Members' Meeting of Litchfield By The Sea Community Association, Inc. and accept them as written and presented.

Election of Directors:

The primary purpose of the Annual Members' Meeting is to allow the Membership to elect Directors of the Association, to vote on the Tax Resolution, and any other issues brought before the Meeting.

It was necessary to elect three (3) members to the Board this year. The terms of Daisy (Keesling) Davis, Vic Figlar and Bob Postiglione expire this year. A Nominating Committee was appointed by the Litchfield By The Sea Community Association Board of Directors for the 2017 Annual Meeting and the nominees presented to the membership are listed below:

<u>NOMINEES</u>	<u>ASSOCIATION</u>	<u>TERM</u>
Daisy Davis	Reunion Hall	3 years (2020)
Vic Figlar	Willbrook	3 years (2020)
Bob Postiglione	Shipyard Village	3 years (2020)

There were seven write in votes casted and when contacted, six declined the nomination. One nominee did not respond. The Chairman requested a motion to close the nominations.

Upon a motion by Mr. Lazzara seconded by Mr. Gilman and unanimously approved, it was;

MOVED: Approval to close the nominations.

Upon a motion Mr. Gilman, seconded by Mr. Dewell and unanimously approved, it was;

MOVED: Approval to accept slate by acclamation.

Election of Tax Resolution:

The Chairman stated that the Membership voted on the Tax Resolution which allows for the excess Association income over Association expenses to be deferred to the following year's assessments. The Tax Resolution is for the 'sole purpose of allowing the Homeowners' Association the opportunity to take advantage of a regular corporation's 15 percent marginal tax rate rather than the Homeowners' Association 30 percent tax rate. A copy of the Tax Resolution has been filed in the Association records. Upon a motion by Mr. Jobe, seconded by Mr. Seitz and unanimously approved, it was;

MOVED: Approval to accept the Tax Resolution for the year ending December 31, 2017 by acclamation.

Unfinished Business:

There being no unfinished business to come before the Board, the meeting turned to new business.

New Business:

Q: Is recycling available for condos?

R: No at this time.

Q: Ms. Pavek/River Club: Issue over Easter weekend with no contractor work Friday, Saturday, and Sunday.

R: Has been addressed. Good Friday has always been reserved. Board will be revisiting.

There being no further business to bring before the Board, and upon a motion by Mr. Gilman seconded by Mr. Seitz and unanimously approved, the Meeting was adjourned.

William McElroy
President

Daisy Davis
Secretary

Meeting Commenced: 10:00 AM
Meeting Adjourned: 11:45 AM

DRAFT - TO BE APPROVED AT ANN. MTG.