

WILLBROOK PLANTATION ROAD MAINTENANCE DISTRICT ASSOCIATION

TWENTY-SIXTH ANNUAL MEMBERS' MEETING

Thursday, December 7, 2023

Pursuant to call, the Twenty-sixth Annual Members' Meeting of Willbrook Plantation Road Maintenance District Association was held on Thursday, December 7, 2023, commencing at 3:00 p.m. at the Tradition Clubhouse, located in Pawley's Island, South Carolina.

Chairman Philips formally opened the 26th Annual Members Meeting in accordance with Article IV, Section 1, of the Association Bylaws, which states that the Annual Members' Meeting shall be held once a year at a time and place to be determined by the Board of Directors, typically the first Thursday in December.

Directors in attendance:

David Philips
Mark Curtiss
Paul Reid
Erin Meyer
Scott Manhoff, Absent
Amy Sliker- Absent
Doug Waikart, Absent

Waccamaw Management, LLC, AAMC, Managing Agent for the Association was represented by the Community Association Manager, Amanda Karchner and Community Specialist, Christine Mitchell.

The Members of the Association represented by proxy at this Meeting are illustrated by the appropriate notation on the Official Roll filed with the Record of this Meeting.

Chairman Philips provided a brief overview of Willbrook Road Maintenance District Association. Willbrook Road Maintenance District Association was incorporated in 1993 by the Litchfield Company for the purpose to enhance the roadside along Willbrook Boulevard Kings River Road along Tradition and Willbrook golf courses, Reunion Drive to Sandy Island Rd. and St. Paul's Place in front of the library and fire station. The association maintains the landscaping, trees, irrigation system, the pond water quality and fountain, shared- use path, street and flood lights, entryways, signage, and flags. The pavement and storm drains have been maintained by Georgetown County since 2005 while we retain easements for our facilities. The association makes a \$12,000.00 annual contribution to the Litchfield Beautification Foundation for landscaping the Ocean Highway 17 median.

Our \$206,336.00 budget is funded by dedicated regular assessments from The Reserve, Willbrook Plantation, The Tradition, Reunion Hall, Avian Forest, Greenhaven, the three Mingo's, the three golf course, the Reserve Harbor Marina, the Litchfield Market Village, the Hampton Inn, Tidelands Health and the ten Shops at Mingo.

Opening Statements

Opening Statements were given by Mr. Philips and are as follows:

- A. Article IV, Section 1, of the Association Bylaws, states that the Annual Members' Meeting shall be held once a year at a time and place to be determined by the Board of Directors. First Thursday in December at Tradition Residents Club House
- B. President of the Association, David Philips will serve as Chairman of the Meeting. Mark Curtiss, Secretary of the Association, will serve as Secretary of the Meeting.
- C. Christine Mitchell has been appointed Agent and Proxy for those Members of the Association not present at the Meeting, for the purpose of voting. Mrs. Mitchell will also serve as Clerk.
- D. Any Member who mailed their Proxy and wishes to recover them should do so now in order to preclude the recording of Owners both in person and by proxy. Anyone who wishes to allow the Proxy to stand will be recorded as present by Proxy and will be voting in absentee.
- E. Our By-laws state that a quorum at all Members' Meetings shall consist of persons present at the Meeting of the Members entitled to cast, or have proxies entitled to cast Fifty-one percent (51%) of the votes of the Membership which shall constitute a quorum for any action.
- F. The Clerk will now report on the Roll Call and certify the Proxies.

Certification of Proxies:

Reporting as Clerk, Mrs. Karchner stated that the percentage of Membership represented by Proxy and Person was 61.49 percent. Needing only 51 percent to constitute a quorum, the Meeting could successfully conduct business.

Proof of Mailing:

Chairman Philips examined the Proof of Mailing of the Notice of the Twenty-sixth Annual Members Meeting (Exhibit A) and asked that it be filed with the official minutes of the meeting.

Approval of Minutes:

Reporting as Clerk, Mrs. Mitchell stated the minutes of the Twenty-fifth Annual Members' Meeting of The Willbrook Road Maintenance District Association was approved by 96% of votes cast.

Reports:

The formal order of business of the Annual Meeting allows for the review of the Board of Directors Report, 2022 Financial Report and 2023 Operating Budget.

Board of Directors Report:

President Philips presented the Board of Directors report.

2023 in Review:

- Installation of Asiatic Jasmine near the intersection of Willbrook Blvd and Hwy 17.
- Routine sign repairs and cleaning.
- Routine irrigation repairs.
- Routine turf maintenance.
- Flags along Willbrook by Starwood.
- Street lights and flood lighting.
- 2022 audit.

Looking Ahead to 2024:

- Mutual agreement with Georgetown County regarding the path.
- Waccamaw Management in new three-year contract.
- Starwood Landscaping in new one-year contract.
- Pond & Lake Management for water quality agreement.
- Coastal Pond Solutions for fountain maintenance.
- Landscaping retaining wall replacements.
- No change in assessments, kept at 85% of maximum allowed by the Covenants, any increase or decrease is “across the board”

Financial Report

Chairman Philips introduced Amanda Karchner of Waccamaw Management, LLC who presented the Audit Report for the year ending December 31, 2022. In Wayne Fussaro’s, opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Willbrook Road Maintenance District Association, Inc. as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Mrs. Karchner reported the following to the Board:

Financial statements as presented are on the accrual basis of accounting.

Revenues are recognized when earned rather than when received and expenses when incurred rather than paid.

At 12/31/22, the Association had

- Net Assets of \$199,138
- Comprised of \$79,295 in the operating/checking account
- \$124,325 in cash designated for future repairs and replacements
- \$1,825 in prepaid insurance

Liabilities totaled \$128,825 - Comprised of

- \$1,123– accounts payable
- \$3,377 – assessments paid in advance (operating)
- \$124,325 (contract liabilities assessments received in advance for the reserve fund for future projects).

The Association had a fund balance of \$66,952, which represents the cumulative excess of revenues over expenses.

Revenues for the year totaled \$214,594, which included:

- Regular assessments of \$70,431
- Golf Course Assessments of \$44,544
- Public & Commercial Assessments of \$91,260
- Late charges and other revenue of 7,524
- Interest Income of \$835

Combined Expenses (Operating and Reserve) for the year totaled \$211,130. The Association ended the year in the black by \$3,464. The association also received \$450 in contributed capital from a new unit.

Detail on the schedule of future repairs and replacements are detailed in the Supplementary Information section.

The 2022 audit will be posted and available via a dedicated page off the Litchfield by the Sea website – under the homeowner’s tab there is a radio button about a third of the page down that provides a number of WRMDA resources including the final audit.

2023 Budget

TOTAL BUDGET \$206,447 for 2024

The 2024 operating budget was presented to the membership. There will be no increase in assessments.

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 before the Association. Christine Mitchell of Waccamaw Management, LLC is appointed Inspector and Teller of the election. It will be necessary to elect two (2) members to the Board this year. The terms of Scott Manhoff and Paul Reid expire at the end of this year. Scott Manhoff has agreed to another term and Paul Reid has decided to step down. We would like to thank Paul for his 6 years on the Board.

A Nominating Committee was appointed by the Board of Directors for the Annual Meeting and the nominees presented to and approved by the Board of Directors are listed below.

<u>Nominees</u>	<u>Term</u>	<u>Association</u>
Scott Manhoff	Three Years	Tradition
Bobbie Purcell	Three Years	The Reserve

Reporting as Clerk, Mrs. Mitchell stated the two candidates elected to three-year terms, serving 2023 through 2026 are Scott Manhoff and Roberta “Bobbie” Purcell. Chairman Philips welcomed all newly elected Board members.

Tax Resolution:

The Chairman stated that the Membership would vote 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. The Tax Resolution for the year ending December 31, 2023 was accepted by acclamation. A copy of the Tax Resolution has been filed in the Association records. Reporting as Clerk, Mrs. Mitchell stated the tax resolution was approved by a membership vote of 98% of votes cast.

Mr. Curtiss gave a little background history on the bike path. In July of 2020 a bicyclist collided with a golf cart on the path. The collision occurred roughly across Willbrook Blvd and the Tradition Golf Course bathroom. The bicyclist was injured and there was a settled law suit on behalf of the bicyclist. As a result of that judgement the County attorney, Jay Watson not wanting to expose the county to any further liabilities banned motorized vehicles from the Willbrook path. He decision aligns with all other bicycle, walking paths in the county.

Mr. Curtiss gave a brief report on the survey regarding the bike path that was sent to the WRMD Membership.

Mr. Curtiss stated that the board has a scheduled meeting with Stella Mercado to discussion the bike path.

Homeowner Q & A:

Q: Why was it necessary to imbed excerpts of words into the survey questions that could lead a person into a certain direction to answer the questions? For example works like liability, destruction of nature, taking trees down, costs involved throughout three of the four questions involved?

A: Mr. Curtiss stated that the board thought that the residents needed to know all the facts behind the questions.

Q: What about the inconvenience of a driver pulling up to the back of a cart going 20 miles per hour? Why not get the opinion of these people?

A: Mr. Curtiss stated that no one wants carts on the road.

Q: Do you really think the survey got an honest opinion of what people really think?

A: Mr. Curtiss stated yes.

Q: Does the Board know for a fact if they would have to widen the path, remove trees and if the insurance would go up? The Board should fight tooth and nail for the path.

A: Mr. Curtiss stated no.

Q: What about prescriptive easement? If you use something for 20 years it cannot arbitrarily be taken away.

A: Mr. Curtiss stated that the Board wants the path back just the way it was and has been for thirty years.

(Note: The Board did have two attorneys look at a "Prescriptive Easement" solution. Unfortunately due to the deed change in 2005, the required 20 years have not passed.)

Q: Why doesn't the Board see how much it would cost for liability insurance and take the path back?

A: Mr. Curtiss stated he will get to that in a few minutes.

Q: When they moved in Kings Hwy was not even attached to Willbrook and that Willbrook and the path was to the county, but the path had a grandfather clause. Is there some special clause like we would still own it? What happened back then with the path?

A: Mr. Curtiss stated in 2005 their predecessors decided that paving that road was very expensive and all of you know that as well. The Board thought it was best to give up the road and let the County maintain it and the Board would take care of the green space and make this a beautiful place. That is how that occurred.

Q: Does the county own the path? Was there a grandfather clause that they could not change the use or do anything with it?

A: Mr. Curtiss stated that the county owns the path, road and the green space. They own the entire green way and WRMD takes care of it. There is nothing mentioned in the documents about a cart path. It is all bicycle, walking paths. The Board is just speculating that Realtors selling the lots may have stated that owners could use their carts to take the family to the beach.

Q: Are there exceptions that do not allow them in there?

A: Mr. Curtiss stated there are not.

Q: Why did we have to pay on the lawsuit if we do not own it?

A: We paid because we maintained the path. So we had some responsibility according to the insurance company's attorney's who made the settlement.

Q: Regarding the survey, what conclusion you can draw from the last three questions? The first question is pretty obvious, we all agree we want carts on the path. Second question, Do you support the WRMDA assume ownership of the path to help convince the county. We want to assume ownership to get the county out of the loop so that we can own it and make our own rules and the county cannot tell us what to do. Not to try to convince the county of anything. Secondly the statement about we are one more successful lawsuit away from being uninsurable. Owner stated that he disagrees with that. Third question about widen the path. That is by far one of the most extreme alternative, it is expensive. There is no mention of any other alternatives to make this path safer. He stated that there are a lot of other alternatives. Fourth question says that you give up all liability. The proposal was to basically hold the District harmless. The twenty dollar fee is to cover the cost of the sticker. Is to make sure that they have read the rules and regulations and they release the District from any liabilities. Then they pay the one time twenty dollar fee.

A: Mr. Curtiss stated that they thought it would be a point of discussion with the county and of course all liability concerns would be addressed if they ever did have an attorney write it. The attorney of course

is not going to say give up all liability.

Q: Is it correct that you said the Sheriff is not interested in carts on the road?

A: Mr. Curtiss stated that is correct.

Q: Presently there are no signs so why don't we just let sleeping dogs lie?

A: Mr. Curtiss said that the Board thought the same thing. The county is supposed to be getting their official signs out. Mr. Curtiss stated that he has not seen any enforcement. Mr. Reid stated the Sheriff said no signs he was not enforcing until they were up.

Q: Thirty years one accident. What will happen when someone on Willbrook runs into a golf cart and kills somebody? The County is being very short sided. Owner thinks that Mr. Watsons answer to no carts on the path covers their behind.

A: Mr. Curtiss stated that is why the Board is going to work through the County Council.

Q: You reference a court case that has settled, you also reference to widen the cart path. Don't understand why the path does not have to be widen for bicycles and walkers. Referencing golf cart. Golf carts were meant to go on grass, asphalt and whatever. This now is resulting in golf cart going on the streets. Putting golf carts on the street is outrageous.

A: Mr. Curtiss agreed.

Q: What is the offer that the County has made in taking the path back?

A: Mr. Curtiss stated that they did not know either.

Q: What is Stella going to do?

A: Mr. Curtiss stated that she is going to meet the Board and we are going to try to convince her and talk about ideas to get the support of the entire Council. Apparently that is how you do it. She is our representative and try to convince her that her constituency wants carts back on that path. And what are some of her ideas?

Q: Will there be time for further discussion?

A: Mr. Curtiss responded yes.

Q: If the County owns the road and the path, why are we paying for it?

A: Mr. Curtiss stated that what the owners are paying for is for WRMD to make this place beautiful.

The County has taken ownership of the road, green space and the path. But they have no responsibility to take care of anything but the road and the drainage.

Q: Would like to see this be more of what do the residents want and here want we are doing and now one person is meeting with Stella Mercado.

A: Mr. Curtiss stated that the entire Board will be meeting with Stella Mercado.

Mr. Reid spoke with Bob Anderson, who is the neighboring councilman. He seemed to have some sympathy to what was going on. He told Mr. Reid that he had never heard anything about this issue. This was a couple of months ago. Mr. Reid asked him how do you go about this and he gave a couple of suggestions. He said they agreed among the seven Council people that when there is an issue it automatically goes back to the Council person in which the problem exists. It defaults back to Stella

Mercado. Mr. Reid said that it is the route that WRMD Board has to take.

Q: Mr. Curtiss please explain why you do not want the path?

A: Mr. Curtiss stated that after the recent judgement the County offered to deed the path back to the District through Stella Mercado, which would make WRMD solely liable for any subsequent accidents or law suits on the path. The County would have zero liability. WRMD Board consulted with their insurance broker and their attorney and one of the largest source of funding, Wheeler Real Estate Investment Trust, out of Virginia Beach. Wheeler manages all the commercial real estate establishments for Ocean Hwy to Quigleys. Amy Sliker, who is a board member, is Director of Property Operations for Wheeler for the commercial establishments. McGriff is the insurance broker, which is part of Truist Insurance Holdings, Inc. One of the top ten insurance brokers in the world. Our broker is Tammy Blount-Wright. She is the Vice-President and Senior Client Relationship Executive. She specializes in HOA insurance. The Board invited Tammy to the meeting, but she was currently out of town. She did provide a letter to the Board which states:

As per our discussions, it is likely if an additional claim related to the cart path was filed, Auto Owners Insurance would non-renew the general liability coverage for WPRMDA. The Association would then be faced with obtaining coverage through a non-admitted carrier which would increase the premium and coverage would not be as broad as Auto Owner's coverage. Replacement coverage would most likely exclude punitive damages. This is more concerning with the possibility of the cart path becoming solely owned by the Association and allowing golf carts on the path without widening.

Wheeler Real Estate Investment is also against the District taking ownership of the path as it could potentially open their clients up to liability for large judgments especially if the District became uninsured or under insured.

Large judgements could open up our residents to potential liability.

Mr. Curtiss stated that the Board also wants what the homeowners want. They want the County to give us back the exception to allow motorized vehicles on the path as we have for thirty years. They are working very hard on that.

Q: When is the meeting with the County?

A: December 19, 2023

Q: Do you except a decision right out of that meeting?

A: Mr. Curtiss responded no. It will have to go before the entire County Council.

Q: If the County says no we are not changing that, will the Board than agree to take back ownership of the path?

A: Mr. Curtiss responded probably not because of the insurance.

Q: Who makes that decision?

A: Mr. Curtiss the Board does.

Q: What if the thirteen hundred people that you work for is telling you otherwise, what would you do then?

A: Mr. Curtiss stated just like any Board sometimes you have to make hard decisions that people do not

like. It would be a bad deal to open residents up to potential significant liabilities.

Q: What makes more sense to put the people that you work for in danger on the road or accept the liability for them being on the path?

A: Mr. Curtiss stated if there was a million dollar judgement against them and they were under insured. The owners would be having to write a check.

Q: So we all sell our golf carts because the Board cannot come up with a solution?

A: Mr. Curtiss stated that they can use their golf cart in the community.

Q: How when everyone the Board works for is telling you to take ownership of the path, why the Board can say no?

A: Mr. Curtiss stated that the Board has two really smart companies telling us not to take the path back.

Mr. Reid stated that two years ago that the golf cart path is not going away. Mr. Reid went to a one of the association presidents, that is not in this room, and said that I would like to bring this in front of the annual meeting and he said don't you dare bring that up that golf cart situation. I do not want it even spoken to. So Mr. Reid just keep his mouth shut.

Owner stated that the survey was completely bias.

Some Association Presidents stated that the questions were not the same ones that they discussed in the presidents meeting. Mr. Curtiss stated that the questions on the survey were the same as the questions that were discussed in the Presidents meeting. The Board just added some facts.

Q: Can we have another meeting to let us now what is going on with Stella Mercado?

A: Sure! Mr. Curtiss stated what if the Board could communicate through the Presidents.

Mrs. Karchner stated that they could call a special meeting.

Owner requested to put out meeting minutes regarding the path.

Mr. Reid stated he would love to see some openness with Stella Mercado and if not than can the Board count on the owners to raise holy heck so we can get to the other six Council people.

It was stated that if the Board is going to strike out with the County the Board has to consider taking ownership of the path back and deal with the consequences of that as they come up.

An owner disagreed with that.

It was stated that Stella Mercado claimed that after the HOA meeting with the Presidents, she thought all the HOA Presidents had now been given instructions to go let all their people in their HOA know to take carts off the path and that signs will go up. She is a member of The Reserve and a newsletter gets sent out every two months, so she knows that it never went out, but she blamed all the HOA's for not sending it out. She said that she put a blog on Next Door. That is not communicating to the residents. That is a public thing. She was asked what are you going to do with the people on the roads if you are putting carts on the roads. It was suggested to put up an electronic board saying that things are going to change on this road at a certain date. None of that was done.

Mr. Philips announced that the Board has a directors organizational meeting on January 4, 2023 amongst themselves will elect officers and areas of focus of committees.

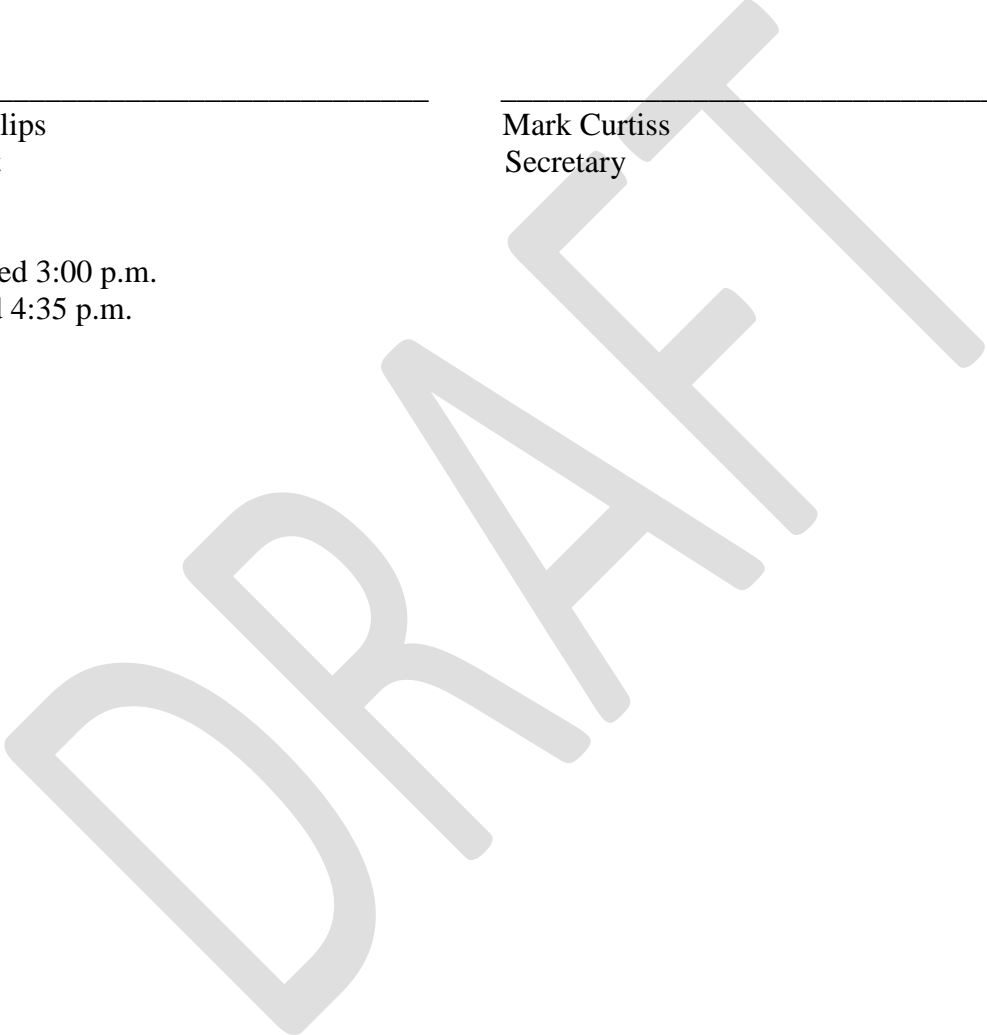
Adjournment:

There being no further business to come before the Meeting, upon a motion by Art Murphy seconded by Elizabeth Thompson and unanimously approved, the Meeting was adjourned.

Dave Philips
President

Mark Curtiss
Secretary

Commenced 3:00 p.m.
Adjourned 4:35 p.m.



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