

LITCHFIELD BY THE SEA COMMUNITY ASSOCIATION, INC.

44th ANNUAL MEMBERS' MEETING

Saturday, June 25, 2022

Pursuant to call, the 44th Annual Members' Meeting of Litchfield By The Sea Community Association, Inc. was held on Saturday, June 25, 2022 commencing at 10:00 a.m., at Inlet Square Mall, Murrells Inlet, South Carolina and virtually via GoTo Meeting.

The President of Litchfield By The Sea Community Association, Inc., Bob Postiglione called the meeting to order by welcoming the owners who were logged in to the meeting via Go To Meeting and to the owners attending in person.

Mr. Postiglione introduced the Board Members:

1. Bob Postiglione, President – Shipyard Village
2. Dr. Vic Figlar, Vice President – Willbrook Plantation
3. Scott Manhoff, Secretary – Avian Forest
4. Dr. Carroll Player, Treasurer – Osprey Watch-**Absent**
5. Royce King – Director – Commercial property owners LBTS-**Absent**
6. Larry Ferguson, Director – Charlestowne Grant
7. Wayne Flowers, Director – Heron Marsh
8. Bob Gilman, Director – River Club
9. Bruce Allen, Director – The Reserve

Waccamaw Management, LLC, AAMC, Managing Agent for the Association, was represented by, Lisa Hergenrother, Community Association Manager and Amanda Karchner, Community Specialist, Pam Place, Community Specialist, Kristy Collins, Staff Accountant, and Sherell Henry, LBTS Bar Code Administrator.

Mr. Postiglione stated that Article IV, Section 1, of the Association Bylaws, states, as amended, that the Annual Members' Meeting shall be held on a day and time as determined by the Board of Directors.

President Bob Postiglione acted as Chairman for the Meeting and Scott Manhoff served as Secretary. Lisa Hergenrother 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.

Certification of Proxies:

Reporting as Clerk, Mrs. Hergenrother stated the percentage of Membership represented by Proxy was **61.78** percent. Needing only 51 percent to constitute a quorum, the Association could successfully conduct business at this meeting.

Approval of Minutes:

The Board decided to not only post the minutes from last year's meeting, but to request that the membership approve the minutes via proxy. Reporting as Clerk, Mrs. Hergenrother stated the minutes of the 2021 Annual Members' Meeting of Litchfield by the Sea Community Association, Inc. were approved by a **56.35** percent vote of the membership.

Proof of Mailing:

Chairman Postiglione 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.

REPORTS:

Bob Postiglione gave a brief President's report. Mr. Postiglione welcomed the owners and Board members to the meeting. This is the first time an in-person Annual Meeting has been held in in two years. This meeting is the first annual meeting that is a hybrid meeting with both in person and virtual participants. Mr. Postiglione stated there have been new committees created over the past year to improve communications between the membership and the Board. Typically, our Annual Meeting is an opportunity for your Board to:

- Update you on activities conducted in past year and present planned initiatives for the next year and beyond
- Review our financial position
- Elect new Board members
- Approve the previous year's meeting minutes
- Approve the Tax Resolution
- Respond to homeowners questions submitted in advance and if time allows in-person and on line
- Conduct a brief special meeting strictly for the purpose of reporting on the voting results for the Governing Documents change.

As always, if you have a pressing issue, please contact Waccamaw Management or a member of the Board.

ACCOMPLISHMENTS

In 2021 the following projects were completed:

- Storm drain work near the front gate of LBTS, inside Charlestown Grant, and in River Club on Club Circle and near Tall Pines
- Moving the GateHouse/bar data base to the cloud to help with the speed of inputting and processing new bar codes
- New gate motor at the front gate of River Club
- Re-opened the River Club Pool and the Beach House deck
- Repairs to the fishing dock area adjacent to Osprey Watch
- Repairs to the fountains in Osprey Lake
- An additional section of the Beach House deck was replaced with more durable material.

Projects already completed or planned for 2022 include:

- Additional storm drain repairs at River Club and LBTS;
- Final section of the Beach House deck –conversion from wood to a more durable material
 - Repair portion of handicap ramp and replace boards with the more durable material.
- Preparations for River Club Road work – including going to bid for work to be performed in 2023
- Landscape Enhancements near the Beach House
- Removal of mature landscaping on Oceanside that is causing safety and line of sight issues
- Fountain repairs by the Beach House and the main LBTS Gate
- Osprey Lake bulk head repairs
- Improving sound quality and technology upgrades at the Beach House
- Aerators for several locations in River Club to improve water quality.
- Significant repairs to the Oceanside main irrigation line and main line valve
- Converting one tennis court to two pickle ball courts
- Web cameras at the Beach House
- Reserve study update
- Repairs to some of the walking paths at Oceanside that had uneven surfaces due to tree root heaves.

COMMUNICATIONS REPORT

Larry Ferguson is the Communications Committee Chairman and he gave a brief report on what the committee has accomplished. Mr. Ferguson introduced George Leyendecker and Sharon McCullough. Mr. Leyendecker is very valuable to the committee and he has shared his expertise in IT and communications. Mr. Leyendecker was instrumental in updating the Beach House WIFI, the Beach cameras and live streaming the meetings. Sharon McCullough has played a key role on the committee and developed the River Club cable/internet presentation and formed a team of volunteers to collect proxies for the annual and special meeting. Mr. Ferguson stated there is also a new Website Committee and introduced Vince Franco who maintains the LBTS website and will be working on the new website as well.

The Communications Committee utilizes Town Square to communicate information with its membership and raise participation rates. Mr. Ferguson stated LBTS is really a shared services community. There are 2788 doors in LBTS, we have shared interest in preserving our community and we should better utilize the HOA Boards from other member associations for a stronger participation rate. Mr. Ferguson reported there will be workshops with the HOA's to build communication and share best practices. There was a dinner with the HOA member Board Presidents. Additional events will be scheduled this fall.

Mr. Ferguson reported the Board is very excited about the results from our first year of online voting. Online voting was easy to use and the Board plans to use this feature again in the future.

The River Club cable vote was a monumental task. It was a challenge to get people to vote and vote for the amendment. Mr. Ferguson stated that 61.78% is a record level of voting participation.

SECURITY UPDATE

Bob Gilman is the Security Committee Chairman and gave the following report:

During this last year we've received a lot of passionate input from residents about security within LBTS. This input was received at our quarterly meetings and via direct email or phone calls. The LBTS board received this input, and we were able to accomplish a lot and solve many issues. We still have work to do, and we look forward to getting items off the to-do list.

Here are a few of the highlights of action taken during this last year:

- We installed a wire and post fence from the LBTS front gate around to the North gate – preventing unauthorized vehicle access thru the bushes onto Retreat Beach Drive.
- We worked with the Resort to permanently close the access to the asphalt path from the Summerhouse parking area to Retreat Beach Drive, again preventing unauthorized vehicle access. This will be completed when they finish the current construction project.
- LBTS installed bollards on the asphalt path. These will be seasonal, and will be in place when the Resort shuts down their shuttle for the winter season.
- Also, with the help from the Resort, they agreed to require wristbands for all to ride their shuttle in both directions. Hopefully preventing unauthorized pedestrian activity
- We signed an agreement with a local towing company, to be used for problems within the LBTS auto and golf cart parking areas. Information signs have been posted.
- We recently installed No Trespassing signs at the main gate, both the North & South gates, the asphalt path entering Retreat Beach Drive, and on the beach at both the northern most and southern most crossovers. By posting these signs we can now contact the Georgetown County Sheriff as a first call when we have identified an unauthorized visitor.
- LBTS convened a meeting with the local tent companies in the area and established several guidelines that all participating have agreed to follow:
 - Identification for vehicle and driver
 - Installation between 7:00 am and dusk, and nothing left on the beach overnight
 - No tents installed in restricted area – 60' north of the LBTS north crossover and 60' south of the LBTS south crossover
 - Must check in at LBTS main gate
 - Must follow parking rules at beach house
 - Must have signed the agreement
- We updated the golf cart bar code program and eliminated access to golf carts with only the old LBTS blue sticker.

- We are continuing to check with all bike riders and walkers, to make sure they are authorized. This will be done as often as possible depending on vehicle traffic and staffing.
- We have contacted local hotels and Mingo HOA's asking them not to send their residents and guests to LBTS access points.

BEACH HOUSE REPORT

Scott Manhoff is the Beach House Chairman and he gave the following report:

Mr. Manhoff reported the expansion of the Beach House Committee. The committee would like to welcome Jane Kelly, Monique Philips, and Bob Checkaneck as its newest members. Mr. Manhoff stated the committee would like to offer events for owners at the Beach House. The activities might include: Game night, Card Night, Meet & Greet, as well as a Halloween party and Veterans Day party.

FINANCIAL/AUDIT REPORT

Lisa Hergenrother gave the following financial report:

- The 2021 annual audit was performed by a new firm this year: Phillips, Currin & Company out of North Myrtle Beach.
- This audit will be posted on the Litchfield by the Sea website for all members in the next several days.
- The auditors opinion which reads as follows *“In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position of Litchfield by the Sea Community Association, Inc. as of December 31, 2021, and all 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.”*
- Total Assets - \$2,557,913 of which \$1,842,211 are funds reserved for future repairs and replacements.
- Total Liabilities - \$2,443,639
- Total Fund Balances - \$114,274
- The total liabilities and fund balance, matches the total assets of \$2,557,913
- The statement of revenues, expenses and changes in fund balances is as follows: A total of \$2,094,543 was contributed from regular assessments and \$231,969 was contributed from a special assessment. The special assessment funds were spent on a number of capital projects which Bob Postiglione has already addressed during his remarks □ Since 2019, the Association has worked hard to reverse a negative owner's equity position going from a negative \$64k to a positive +\$114k in 2021. This was achieved through better budgeting and better control of operating expenses.
- As of December 31, 2020 the Reserve account balance was \$1,842,211 up \$613,013 from 2020.
- Lastly, as of December 31, 2021 the delinquency rate was 1.00%, which is well below the state and national average. Questions should be directed to Lisa Hergenrother. The 2021 audit will be posted on the Litchfield by the Sea website by early next week.

ELECTION OF TAX RESOLUTION

Community Association Manager Lisa Hergenrother stated 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. Therefore, any excess assessment income over and above expenses is subject to taxation. The federal tax rate for all corporations that file an 1120 corporate tax return is 21percent. While the tax law benefits for-profit corporations by lowering their tax liability, non-profit corporations that are not tax exempt, will be taxed at a higher rate. If the membership votes to approve the resolution, the excess income can be applied against the subsequent year's assessments and expenses and, therefore, reduce the association's tax liability as provided by IRS Revenue Ruling 70-604.

Mrs. Hergenrother reported the tax resolution was approved by a membership vote of **60.65** percent.

HOMEOWNER QUESTIONS

The Board addressed the following questions/topics submitted by owners:

Q: What can be done about dogs on the Beach?

A: **Scott Manhoff stated he is a dog owner and he walks his dog on the beach. Dogs should be on a leash. The beach is Georgetown County property so LBTS has no jurisdiction. Mr. Manhoff stated more bag stations will be installed.**

Q: Can Electric car charging stations be installed?

A: **There will be a small group together to investigate the possibility of having these charging stations installed.**

Q: Can something be done about the speeding in the community?

A: **Bob Gilman stated that speeding is an issue. He would like to install the speed bumps but EMS has issues with too many speed bumps if there is an emergency.**

Q: An owner stated that people are giving long term passes and it is causing too many visitors on the beach.

A: **The Board has asked people to accompany their guest. Reports are reviewed on a regular basis for continuous use of 30 day passes. Violators will be stopped. There are people that need 30 day guest passes for nurses, housekeepers, etc. The Board cannot block people from accessing their own homes.**

Q: Regarding tent restrictions, an owner wanted to know what restrictions there are for tents in front of Somerset.

A: **Bob Gilman stated tent companies are installing where they should be. There is no tent ban in Georgetown County. The rules for Somerset have been set by that HOA, not LBTS.**

Q: An owner reported that someone told them they can go wherever they want in LBTS including the Bridgewater pool.

A: **The only pool ALL owners can only use is the LBTS pool in River Club.**

Q: Does Bridgewater have a pool attendant?

A: **Not at this time, wristbands are being given out to guest at Bridgewater and a new program being explored to control unauthorized visitors. Bridgewater is towing cars and will be restricting pool access. Further questions about Bridgewater should be referred to that HOA.**

Q: A while back there was an assessment for the roads and the tree roots?

A: **Bob Gilman stated the road project is on target and the bid will go out in August/September. A contractor will be selected and the gates and Club Circle will be done first and no additional assessment will be needed. Some of the special assessment money has been spent getting ready for the project. The special assessment money is outlined and that information is presented with Year End packets. Mr. Postiglione stated that by the master deed the 10% is 10% of what your dues are on an annual basis charging the 10% special assessment is the only way the HOA can raise money beyond the 6% dues increase.**

Q: What is the status of the big sign on the corner of Willbrook Road and Highway 17?

A: **On July 18th the repair work will begin, there are issues with traffic in the area and Georgetown County Sheriff will have to be there to control traffic so the work can be completed. This sign is maintained by Willbrook Road Maintenance District, not LBTS.**

Q: The stairs and the bathroom entrance at the Beach House have non-slip strips that need to be replaced.

A: **Waccamaw Management will issue a work order for the work to be done.**

Q: Will there be food vendors?

A: **Not at this time.**

Q: What can be done about the holes on the beach?

A: **The LBTS HOA cannot do anything about the holes on the beach. Georgetown County has jurisdiction of the beach and most people who are digging the holes are renters and they do not know the laws. These issues should be referred to Georgetown County.**

Q: Regarding electric bikes on the beach- they are very fast and they are dangerous, can anything be done to control them?

A: **The LBTS HOA cannot do anything about the electric bikes on the beach. The beach is Georgetown County jurisdiction.**

Q: A homeowner is annoyed that they have to give a pass every seven days to a friend checking on the unit?

A: **The owner can issue a 30 days pass.**

Q: Confirming that tent companies can use any beach access at LBTS?

A: **If an owner rents a tent then the tent company can access where that owner lives.**

Q: What is the status of gators in the lake?

A: **Lisa Hergenrother stated that LBTS has a nuisance wildlife removal vendor on retainer. A gator has to be at least 6 feet long and has to be deemed a nuisance or a safety hazard to be removed. DNR issues a limited number of tags each year. Mrs. Hergenrother stated that when a gator is “removed” that means it is put down. Gators are not relocated.**

Q: Are there plans to add more Pickle Ball courts this year?

A: **Yes, more Pickle Ball courts will be added in September. There will be two courts will be added near the pool closet to Heron Marsh.**

Q: The south end railing was very loose and rotted at the Beach House.

A: **Waccamaw Management has replaced the railing. The deck repair man is replacing all the railing that needs to be replaced. All public access railing will be checked and replaced if needed.**

Q: Has LBTS hired a towing service?

A: **A contract was signed with a towing company, signs have been posted and security will be checking and they will try to find the owner first before towing.**

Q: Why is the annual meeting not held the first Tuesday in April as stated in the Bylaws? **A:** **The Board of Directors can choose the date and time of the Annual meeting.**

Q: The election process seems complicated. Why aren't the property residents allowed to select their representative that will appear on the ballot? I would like to request that Joe Banyar, the RCCO president or any other write in candidates for other neighborhoods be added to the board as the liaison to LBTS as a fourth and/or additional director. A write in Candidate has few to zero chances of being selected. Other community residents probably do not even know who they could write in that would have the possibility of being selected for other communities than their own.

A: **The By-Laws state, the Board membership shall consist of four (4) members from the Ocean side campus, two (2) from communities in the Willbrook area (west side), One (1) from River Club campus, and two (2) at large seats can be from any LBTS community. Amendment to Bylaws April 23, 1993.**

Q: When choosing directors, do candidates have to meet certain requirements to be eligible to be put on the ballot and are these documented that they were followed?

If so, were all the requirements met by all ballot candidates listed and where are these requirements listed?

A: **In considering the candidates to place on the ballot, the Nominating Committee selected the applicants for one or more of the following reasons: the skill set the candidate brings to the table, the specific sector of LBTS membership base they represent, and previous Board**

or Board Leadership in their host community. All requirements have been met by all Board members.

Q: Does the selection of the board have a document of the procedures one can follow to be allowed to get selected?

A: When a seat becomes open the LBTS Nominating Committee will contact the Board of Directors in the association where the seat is available and request a nomination.

Q: The Resort Fee letter on the website states resort fees went into effect April 1, 2022. Is this correct?

A: The Resort fee has not been implemented at this time. The Board is still working though some legal aspects.

Q: Can LBTS install warning signs on the deck area that the composite decking is hot for dogs and children?

A: The Board will explore the options of installing such signage.

Q: Can LBTS paint or mark the steps around the pool gate entrance at River Club to avoid accidents while stepping up?

A: The Board will explore the options of painting these steps.

Q: Was River Club Drive renamed Club Circle? Our documents reference River Club Drive. **A: The developer changed the name sometime after 1992.**

ADJOURNMENT

There being no further business to bring before the Board, and upon a motion by Dr. Figlar, seconded by Mr. Ferguson, and unanimously approved, the Meeting was adjourned at 11:22 a.m.

Bob Postiglione
President

Scott Manhoff
Secretary