

**SOUTH ISLAND PLANTATION ASSOCIATION, INC.**

**TENTH ANNUAL MEMBERS' MEETING**

**Saturday, June 10, 2017**

Pursuant to call, the Tenth Annual Members' Meeting of South Island Plantation Association, Inc. was held on Saturday, June 10, 2017 at 10:00 AM, at South Island Plantation Clubhouse, Georgetown, SC.

Jeff Pelham, President, South Island Plantation Association, Inc. called the meeting to order by welcoming the Owners in attendance. Board members seated at the head table were introduced as follows:

Jeff Pelham, President  
Robbie Buice, Vice President  
Sel Hemmingway, Director

Waccamaw Management, Managing Agent for the Association, was represented by:

Lisa Hergenrother, Community Association Manager  
Vicki Cooper, Community Specialist

Jeff Pelham, President, acted as Chairman of the Meeting. In Bill Murray's absence, Lisa Hergenrother, acted as Proxy Agent and as Secretary for the Meeting and as Agent and Proxy for those Members of the Association not present at the Meeting, for the purpose of voting. Vicki Cooper acted as Clerk and Recording Secretary.

**CERTIFICATION OF PROXIES:**

Per the Association Bylaws, a total of 50% of the membership, plus one (1) must be presented in person or represented by proxy to meet the quorum requirements. Ms. Cooper reported the requirement was met with a total of 114 proxies received.

**PROOF OF MAILING:**

Chairman Pelham examined the Proof of Mailing and found it in order and noted that the Proof, along with a copy of the Notice which had been distributed to the Membership, would be filed with the Official Records of the Meeting.

**APPROVAL OF MINUTES:**

Chairman Pelham entertained a Motion to waive with the reading of the Minutes of the Ninth Annual Members' Meeting.

Upon a Motion by Mr. Leeton and seconded by Mrs. Rush with all in favor, and none opposed the Motion was approved.

## **ELECTION OF DIRECTORS:**

One purpose of the Annual Members' Meeting is to allow the membership to elect directors of the association. The terms of Robbie Buice, Sel Hemmingway and Bill Murray expire at this year's meeting. All agreed to serve again if elected.

The meeting opened for additional nominees from the floor. With no additional nominations, Chairman Pelham entertained a Motion to close the nominations. Upon a Motion by Mrs. Peckham, seconded by Mr. Gaiser, and with all in favor, and none opposed, the Motion was approved.

Chairman Pelham announced that Robbie Buice, Sel Hemmingway and Bill Murray have been re-elected to the Board.

## **ELECTION OF 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. A copy of the Tax Resolution will be filed in the Association records.

Upon a Motion by Mr. Duvall, to accept the tax resolution seconded by Mr. Monday, and with all in favor, and none opposed, the Motion was approved.

## **GOVERNING DOCUMENTS CHANGE:**

The membership was asked to vote on a change to the association's governing documents. The change is as follows:

### **Proposed Amendment**

#### **AMENDMENT #1**

#### **Declaration**

#### **ARTICLE II. GENERAL COVENANTS**

#### **Section 23 Repurchases**

The current section of the Declaration reads as follows:

“When any Residential Lot within South Island Plantation is offered for sale by an Owner or successors in title to the Owner, the Declarant shall have the option to purchase such Lot at the price and on the terms of any bona fide offer for such Lot made in writing to the Owner at such time and submitted to the Declarant for verification. The Declarant shall have ten (10) days after presentation of such offer to the Declarant to exercise this purchase option. If the Declarant declines to exercise this option, it shall execute a Waiver of Repurchase Option, said Waiver to be an instrument prepared by the Declarant, its

successors or assigns, which shall also be executed by the Owner and prospective purchaser and be in recordable form.

Should, however, such sale to a third party not be consummated within six (6) months of the date of the offer transmitted to the Declarant, the terms and limitations of this Section shall again be imposed upon any sale by the Owner.

If the Declarant shall elect to purchase such Lot, the transactions shall be consummated within thirty (30) days following delivery of notice by Declarant to the Owner of its decision to purchase, time being of the essence.

Notwithstanding the foregoing, the repurchase right will be subordinate to the rights of any holder of a first mortgage on a Residential Lot within the Property.”

The proposed amendment to the Declaration would read as follows:

This section has been deleted in its entirety.

Chairman Pelham stated in accordance with the Declarations, the vote by the members was passed in favor of the proposed amendment.

## **REPORTS:**

### **PRESIDENTS REPORT**

Chairman Pelham delivered the President’s report.

- Bringing governing document change to membership to remove the declarant’s right of first refusal on sale of lots.
- Did not increase dues for owners – they remain at \$90 for lot owners and \$95 for homeowners
- The ARB reviewed and approved the first new home at South Island. The home is currently under construction.
- Continue to aggressively pursue delinquent accounts. SIP now owns one lot through HOA foreclosure and is currently pursuing foreclosure on two others.
- Funds recouped through aggressive collection activities were used to perform a large number of deferred projects (clubhouse repairs, air conditioning service and repairs, extra mowing and bush hogging to increase the visual attractiveness of the community, pruning over grown shrubs and trees, and clearing pond banks to bring back water views for lots).
- Additionally, a large one-time increase in the amount contributed to the association’s reserve accounts occurred in 2016. \$86,904 was contributed to the reserves versus a typical year’s contribution of \$25k.
- Back to lean and mean budget for 2017 and beyond.

- Board members represented association interests during an attempt by a private business to change the zoning in areas surrounding South Island Plantation.
- A five member dock committee was formed.
- This committee has been tasked to plan and recommend the appropriate way to move forward with repairs to the day docks. Hurricane Matthew caused damage to the day docks and we need to determine if we should repair the dock as is, or remove the fingers now and store them for future use. Additionally, the fire suppression system needs to be repaired and the dock (and fingers) may have to be removed from the water to perform these repairs.
- South Island pulled through Hurricane Matthew with minimal damage. Approximately \$3500 was spent to clean up the debris. About ten individual lot owners have been contacted regarding the need to remove down trees from their lot. They have been given until late June to comply or the association will perform the work and bill them for it.
- Rotted board replaced at various locations along the board walk
- Still experience various sink holes in the community
- The association's low cost/no frills website was updated and given a fresh look.
- There has been a positive increase in the interest and actual rental activity at the clubhouse.
- The heater for the spa has been replaced.
- New pool furniture has been purchased.
- The clubhouse has been power washed and doors painted. The roofs of the gazebos have been repaired.

### **AUDIT REPORT**

Lisa Hergenrother presented and briefly reviewed the 2016 Audit in Auditor Andy Thompson's absence.

### **UNFINISHED BUSINESS**

Q: What happened to rezoning to for the helicopter request?

R: Did not get rezoned.

### **NEW BUSINESS**

Off shore drilling – info available (Lot 55 – Thomas)

Q: Can we get a better locking system for front that easier to use. Electronic lock instead of key lock.

R: Looking into – many times doors are left unlocked. You can come in through the bathrooms from the outside

Q: Would like to see the realtor lock box removed. Doesn't want t come through the bathrooms. Need keyless entry to front and back doors.

R: Lisa will research pricing and bring to the board.

Q: How does owner have access to the clubhouse to use. Rental side for private parties.

R: Members can have small parties. Contact Kim Pavo for date availability.

Q: Can the board look into owners having access to “rental side”.

R: Need to see what options are in having access and functions.

Q: Access to fireplace room?

R: No

Q: Party for Homeowners who can arrange?

R: Kim Pavo can help arrange – has vendor contacts.

Q: Pool umbrellas – do we have any?

R: No

Q: Can I bring my own or can we get a couple?

R: They’ll get broken if not put down.

Q: Lot 5 – Can we send E-Mail addresses to share ideas, marketing properties

R: Need permission to share e-mail addresses

Q: Rob K – thanks to the board

A year or two ago – newsletter came out from the board – could be helpful

Q: Is hot tub working?

R: No, there are still leaks and have to keep adding new water – does not keep temperature.

Q: Wood trellis around pool needs attention

R: Will add to list

Q: How much is the City/County trying to bring new business to the area?

R: Existing industries expanding. Council is proactive in bring in new businesses.

Q: Is there any on-going efforts to address the harbor?

R: Not cost effective for maintenance.

Q: Is anyone here know of anyone who is considering building a house

R: Robbie has received eight calls this week inquiring about SIP.

Last year average home in Georgetown was \$183,000 - YTD - \$202,000

10 – 12 % increase in sales in Georgetown area

Q: Have any builders, custom builders or developers approached to buy lots/property?

R: No builders interested

Q: Increase in average home price over the past year – is that attributed to existing home sales or new construction?

R: Resales – very little new home permits in City.

Q: Flood zones – how are they determined?

R: FEMA reevaluates every few years. Have had new flood map for over a year; new maps are more favorable than the old ones. Areas more relaxed.

**ADJOURNMENT**

There being no further business to bring before the Board the meeting was adjourned at 12:00 Noon.

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