

THE LAKES PROPERTY OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
MEETING MINUTES
Monday, May 6, 2024 at 6:00 PM
The Lakes Office: 400 Waccamaw River Rd. Suite E

CALL TO ORDER

The meeting was called to order at approximately 6:00 pm by Chris Ophardt.

- Chris Ophardt led the Pledge of Allegiance and Moment of Silence

Public Notification of this meeting has been published, posted, and distributed following the principles of transparency.

- Secretary-Treasurer Carla Wessells made a statement to fellow board members on a personal note to apologize to those who may have been on the receiving end of email that may have hurt feelings, invited board members to reach out directly in the future, and no offense was intended. "Every one of you is a valued member of this board and I am honored and pleased to work with you."

ROLL CALL

Chris Ophardt, Stan Fortune, Michele Ferrante, Jack Price, Michael Dandrea, GG Criscuolo, and Carla Wessells were all present for the meeting.

Special guest, Doug Millar of LITUS to Let.

Approximately 20 owners were also in attendance.

ADOPTION OF AGENDA

- **MOTION** (MD) to adopt the Agenda with changes on page 10 and 11 of agenda packet, seconded and carried.

ADOPTION OF THE MINUTES FROM APRIL 8, 2023

- **Minutes** were accepted as corrected. With no objections, the Minutes were adopted.

REVIEW OF DECISIONS STEMMING FROM BOD SPECIAL MEETING, APRIL 22, 2024

- President

RECORDS

- Doug Millar presented a manila envelope of POA records to the Secretary-Treasurer.

REPORT OF OFFICERS

- **PRESIDENTS REPORT** President submitted his written report for the record.

Parking. Discussed overnight parking. Fine letters. The board will look at amending the Covenants to increase the fines for violations.

Stormwater. County did initial walkthrough on Stormwater in RS Parker section.

RS Parker Homes. There are 4 houses left. Meeting with Chris on May 14 to go over their punch list, the county's punch list, our punch list and finalizing any improvements or repairs they need to complete. Recent paving was well done.

Road and Safety Improvements. Speeding and pedestrians. *"I want to read this verbatim because there is a whole bunch of issues here besides people cutting through: 'With the completion of these new homes, our Road Committee is looking at, or is going to be looking at, evaluating necessary improvements to Waccamaw River Road. It is essential, I think Jack is going to talk about this on Friday as one of his projects, it is essential to incorporate safety measures into these plans. Ideally, these improvements, if I was here seven years ago, would have been considered during the county zoning stage. Having worked for the county, the county should have been a lot more forceful with the developer, but this is a problem across South Carolina, in my opinion. Forceful with the developer, to anticipate the increase in traffic that has transformed Waccamaw River Road in what is now, I would consider, and Pat, please correct me if I am wrong, what is considered a "collector road", which means that we have 800 homes dumping onto Waccamaw River Road where they can make two choices; one, they can go out to Holmestown Road or they can go through the Meadows out to business 17 via that way. A collector road has a whole different level of standards that need to be on it and right now it is unsafe. A quite frankly, what we can do short term isn't going to improve anything, in my opinion. It is up to the board to decide. Between walkers, the amount of traffic on it, the narrowness of the road, everything that is on there is, ripe for disaster and it's probably going to be one of our top priorities for the board, I think. Not speaking for the board.'"*

Financial Management Enhancements. Pointed out that implementing the account changes that were approved last meeting, we've already accrued an additional \$1,148 in interest per month, with the rates we have today.

- **SECRETARY-TREASURERS REPORT** The Secretary-Treasurer gave an extended report to the board for period ending March 29, 2024. The report is submitted to the record.

Bank account cash balances:

Operating Account: \$280,565.82

Reserve Maintenance Reserve Cash Account: \$169,241.64

Compliance Escrow Account: \$151,574.25

Edward Jones (Road Reserve Investment Account) CDs: \$283,000

- a 2 month CD matured and the roll over buy call was set at 5.30% APY
- **Board Expect a call on or about June 24 for the 2 month CD**
- It's possible that we can move some cash reserves into the investment account to move up to the next level because we can only buy in \$1,000 increments: *"Just to be clear, the Edward Jones Account is 100% Road Maintenance Reserve Fund. There is no comingled funds in there. So if we move anything out of the Road Maintenance Reserve Fund at UCBI to do a kicker on our investment for that month for a CD like, you know \$200, to bring it up,*

that's literally moving road money back into road money, with a different type of investment account."

- Money Market account at Edward Jones balance is \$817.87

Taxes Refunded. We received full reimbursement of \$1,613.94 from taxes paid on behalf of Lakes Venture Partners.

Records. Michele and Carla went to Horry County Registrar of Deeds to have some missing records printed. Cost. \$75 GL: Legal expense.

Special Valuation. While in Conway, we applied for the POA special valuation on 4 parcels, including the 14.92 wooded acres behind Catawba and 17 wooded acres behind Bowen. Assessor called Carla later and advised that he did not see any issue "right now as I look at this" with the 4 parcels getting approved for this special valuation. If there is, he will contact us.

POA Insurance. Will Hanna will be meeting the board at 5:30 PM on June 3, 2024 to go over the insurance policies set to renew in early August and answer any questions the board may have.

CPA. Have not heard from Wayne Fusarro regarding Audit and Tax Preparation. Patricia Frady of Heath Fania would be available to meet with the board of directors in May for an hour. Let's revisit for June.

Reserve Study. Meeting scheduled for May 16th with engineer, Jordan Rosales.

Records. Carla and Michele picked up 4 boxes of records from Chris Millar. Doug brought an envelope with some records. Waiting to get the election records that Karen stated she found in her office.

RFP Management Companies. The RFP went out to 14 management companies. This will be a multi-step process. More information to follow through the summer.

Violation Notices. Violation notices are now consistent with our Rules and Regulations and Covenants, Conditions, Restrictions and Easements.

Financial Reports. Navigating Frontsteps to get to Directors Only Folders. Jill Fary uploads these reports on the 15th of each month. Board must review these each month. Reports don't match our bank accounts due to closing dates 3/29 vs 3/31/2024.

Delinquencies. Will provide a statement and details on this for members in the May Member's Meeting.

REPORT OF COMMITTEES

- **ACC** –*Oral statement by Pat Higgins, nominated Chairperson: "Inspected and approved and returned two checks on 2 projects. We have 8 projects that we have approved for construction of some sort. Working with several homeowners on getting them their packages."*
- **Finance and Budget Committee** – Stan Fortune, Chairman. First meeting was an organizational meeting. Stan, GG are co-chairs, Mike Dandrea, Bob Paolillo, and Carol Fortune round out the Committee. There will be a second meeting and training. The report is submitted to the record.
- **Stormwater Management Committee** – Stan Fortune, Chairman. Mike Dandrea is co-chair. Kenny O'Dell and Larry Stevens are members. Successfully lowered Lake Seneca to alleviate road issues there. Meetings this week for estimates. Getting a list together for the meeting Saturday of all known projects. We've been working with the ACC on common projects. Been researching possibility of applying for, there's state and federal grants, to enhance the

stormwater system. Some will let us do it as a non-profit; the other the county has to sign off on. The report is submitted to the record.

- **Road Committee** – Jack Price, Chairman – April 18, meeting to formulate Road Committee Charter. Submitted. Striping being done on the rest of Waccamaw River Rd and Cooper River Rd. and we’re asking for at least 6 Volunteers for traffic control. Bids are going out. May 14 is bid deadline. Stormwater and Road will be working together on projects, bid and present proposals to board. The report is submitted to the record.
- **Governance Committee** – Carla Wessells, Chairman – No report. Work product coming out of the Governance Committee has been sent to all board members.
- **Election Committee** – Jeri Mathur, Chairman – Erin Rogers has joined the Committee. The report is submitted to the record.
- **Maintenance Committee** – Ken Ferrante, Chairman – Key takeaways. Submitted estimates for Stop Signs at Saluda, Waccamaw. Moved “keep off the grass” signs from Lake Murray to Broad River cul de sac island. Big thank you to Bill and Lucy Vesely for all of their hard work to keep the community clean and beautiful. Rich Wilson has volunteered to maintain the dog waste stations. Thank you Rich! Annual flower planting in process. Additional members are listed in the report, submitted to the record.
 - Chris has advised he is working on Adopt a Highway on Holmestown Road from our entrance to past the gas station.
 - Swan Lake sign damage. This is an open project. Carla suggested the median could be cut back (by county maintenance) to allow more room to turn.
- **Community Engagement Committee** – Michele Ferrante, Chairman – Charter, new name of Newsletter approved by Committee. The report is submitted to the record.
 - : Easter Egg Hunt was held on March 30th – 48 children and their families attended. Lots of positive feedback. **Upcoming Events:** 2nd Annual Art in The Park September 14; Halloween Party and Chili Cook Off October 19; Holiday Event with Tree Lighting December 14.
 - Office & Welcome: Hanging Files are up. \$246.30 2 large chairs. Volunteers calling homeowners to confirm contact information and opt in to electronic communication. Looking for coupons to put in welcome packets for new homeowners. Setting up voicemail for office phone number.
 - Newsletter: Timeline for production completed. Reaching out to printers. Carla created advertising insertion form and sell sheet – thank you. Looking for volunteers to sell the 3 ads available in each newsletter. Articles are due from Board and Committee Members on May 14th at 12:00 pm. Hoping everyone got email, only heard from Chris and Carla. Carla made a children’s page for Welcome Page. On track to get June printing completed. Debi O’Dell helping with Newsletter.
 - Chris mentioned the importance of keeping the most current list of homeowners. Carla mentioned working with LITUS and CEC office volunteers to keep all informed on member’s list.
 - Art in The Park is confirmed for Sept 7, 2024.

- Ice Cream Social Mr. Softee free ice-cream cone, June 15th tentative date.
- Halloween Party (October 19) Bringing this event back to the LRC.
- Chili Cook Off (November 16). Bringing this event to the LRC.
- **Safety and Security Committee** – Ken Ferrante, Chairman – Frank Beck is putting out the speed trailer, gate and garage (\$81.94). The report is submitted to the record.
 - Wildlife – Nuisance Geese Round Up volunteers needed in June.

NEW BUSINESS

- **Motion** (SF) to approve Consent Agenda, seconded and carried.
- **Motion** (SF) to approve Chairman Stan Fortune and Vice Chairman GG Criscuolo for the Finance and Budget Committee and with all in favor, the motion passes.
- **Motion** (SF) to approve Chairman Stan Fortune and Vice Chairman Mike Dandrea for the Stormwater Management Committee and with all in favor, the motion passes.
- **Motion** (CW) to amend board structure by eliminating the position of Second Vice President and designating the First Vice President as Vice President effective immediately, seconded and carried.
- **Motion** (CW) to approve the Community Engagement Charter, seconded and carried.
- **Motion** (CW) to approve Safety and Security Committee Charter, seconded and carried.
- **Motion** (SF) to approve Maintenance Committee Charter, seconded and carried.
- **Motion** (SF) to approve Road Committee Charter, seconded and carried.
- **Motion** (GG) to adopt a resolution for the Secretary-Treasurer to remove LITUS* To Let from the Compliance Account Ending in 0802, seconded and carried.
- **Motion** (GG) to adopt a resolution for the Secretary-Treasurer to remove LITUS* To Let from the Road Reserve Account Ending in 0836, seconded and carried.
- **Motion** (MD) to authorize the Secretary-Treasurer to implement a dual signature requirement for any financial transaction exceeding \$500 and no cash deposits as outlined by our insurance fidelity and crimes policy and GAAP control functions policy. This policy shall be enforced in collaboration with the POA management vendor, seconded and carried.
- **Motion** (GG) to authorize the Secretary-Treasurer to order dual-signature checks for accounts as needed, seconded and carried.
- **Motion** (MD) to authorize the Secretary-Treasurer to change the ACC mobile phone to MINT Mobile, seconded and carried.
- **Motion** (CO) to amend the Records Retention Policy submitted to the BOD by the Governance Committee *“the board of directors meetings shall be digitally maintained for two years in the custody of the POA attorney and then destroyed”*, seconded and carried.
- **Motion** (CO) to adopt the Records Retention Policy as amended, submitted to the BOD by the Governance Committee, seconded and carried.
- **Motion** (MF) to authorize the Maintenance Committee to purchase four American Flags, one POW/MIA, and one South Carolina Flag, seconded and carried.
- **Motion** (CO) authorize the creation of a Special Committee to conduct a financial review of the property owners association financial records for the period from 2017 to 2023. The purpose of

this special committee would be to identify possible misappropriations and spending irregularities. This Committee will be chaired by Stan Fortune and include Chris Ophardt and Mike Dandrea, who are instructed to report their findings to the board upon completion of the review, along with any recommendations for further actions or corrective measures deemed necessary:

- **Subsidiary Motion** (CO) to change the language of the Special Committee request from “audit” to “financial review”, seconded and carried.
- **Subsidiary Motion** (CO) to add “possible” to the language of the Special Committee request in front of “misappropriations and spending irregularities”, seconded and carried.
- **Subsidiary Motion** (CO) to add the Committee will identify two homeowners to serve on the Special Committee, and 5 AGAINST, 2 for (CW, MF), the motion fails.
 - **Motion to Previous Question** (SF) after the initial report back to the board, the Committee will identify two homeowners to serve on the Special Committee.

(Main motion) seconded (SF), and 5 FOR, 2 AGAINST (CW, MF), the motion passes.

- **Motion** (MD) to authorize the Secretary-Treasurer to enter into a Certificate of Deposit Account Registry (CDARS) or Insured Cash Sweep (ICS) agreement with United Community Bank to secure FDIC Insurance Protection required for our Road Maintenance Reserve Fund Account ending in 0836, seconded and carried.
- **Motion** (MF) to authorize the Secretary-Treasurer to enter into a Certificate of Deposit Account Registry (CDARS) or Insured Cash Sweep (ICS) agreement with United Community Bank to secure FDIC Insurance Protection required for our Compliance Account ending in 0802, seconded and carried.
- **Motion** (MF) to amend the current practice of the Architectural Control Committee regarding the handling of the compliance deposit checks to state all compliance deposit checks received from POA members shall be deposited into the compliance account ending in 0802 within 5 business days of receipt. Furthermore, the board of directors will be responsible for issuing the refunds of the POA members upon the successful final inspection of their projects by the ACC. The board waives the \$100 fee to cover administrative costs and member refunds will be processed no later than 10 business days following the inspection, seconded and carried.
 - **Subsidiary Motion** (CO) to amend the \$100 fee language from the motion. Motion Withdrawn.
 - **Subsidiary Motion** (CO) all checks collected prior to today’s meeting will not have the \$100 fee taken out. A second was requested and with no second, the motion fails.
 - **Subsidiary Motion** (MD) to waive the \$100 fee to cover administrative costs, seconded and carried.

Discussion: **Chris**: “We have to divide them up and say Hey, here’s your check and we need a new check. I think the board needs to help you (Pat). So, we need to go back to the homeowners and explain to them.” “The Board will help Pat contact homeowners and Pat will submit all checks to Carla.” **Pat**: “I’m going to write a statement and pass all the checks to you (Carla).” **Carla**: “All homeowners will be contacted before any checks get deposited.” **Pat**: “So moving forward, I’m still going to collect checks and hand them to you (Carla).” **Carla**: “Will Hanna is reviewing the language of our Fidelity and Crimes Policy” **Chris**: “So we

have now said as a board, we are going to help Pat and Pat is going to give all checks to Carla."

(Main motion) seconded and unanimously carried.

- **Motion** (CW) to direct the Architectural Control Committee to draft a new Policy concerning the implementation of an Impact Fee Schedule and the establishment of project thresholds for the application of Builder Compliance Depository Fees as outlined in the Lakes POA CCR&Es. This policy should establish a detailed Impact Fee Schedule that varies based on size, scope and type of construction projects to ensure that the fees are proportionate to the wear and tear likely to be inflicted on community infrastructure; define specific project thresholds that will determine when the Builder Compliance Depository Fees are applicable, ensuring these fees are levied in a manner that reflects the potential risks and damages to community infrastructure or CCR&E Violations during construction activities. The ACC should consider the current and projected needs of the community, the fairness to property owners, and the administrative feasibility of implementing these policies. The Committee is requested to submit their proposed policy and recommendations to the Board of Directors within 60 days for further review and approval, seconded and carries.
- **Motion** (CW) to direct the Architectural Control Committee to draft a new Policy concerning the process through which the Board of Directors reviews the recommendations of the ACC and approves or denies projects by members of the POA.

ACTION ITEMS

- Carla will send Reserve Study and onboarding documents to new board members.
- Chris will coordinate time for meeting with prospective management companies.
- Pat will submit checks to Carla, the Board will share in reaching out to homeowners and Carla will not deposit any checks until homeowners have been contacted and approve the deposit or, if the check is outdated, swap out the outdated check for a new check.

HOMEOWNER COMMENTS

- Homeowner expects accountability and supports review.
- Request the board reduce length of its meetings.
- Parking for member meetings at the LRC.

ADJOURNMENT

There being no other business to come before the Board, the meeting was adjourned at 8:46 pm.


Carla Wessells, Secretary-Treasurer

Note: times are approximate.