

THE LAKES PROPERTY OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
MEETING MINUTES
Monday, July 1, 2024 at 6:00 PM
The Lakes Office: 400 Waccamaw River Rd. Suite E

CALL TO ORDER

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

- Chris Ophardt led the Pledge of Allegiance and read a quote from Abraham Lincoln.

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

ROLL CALL

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

Approximately 15 owners were also in attendance.

ADOPTION OF AGENDA

- **MOTION** (MF) to adopt the Agenda, seconded and carried.
- **MOTION** (MF) to adopt the Special Meeting Minutes of May 30, 2024, seconded and carried.

ADOPTION OF THE MINUTES

- May 30, 2024 Special Called Board of Directors Meeting
MOTION (MF), with no corrections, the Minutes were **Adopted**.

REPORT OF OFFICERS

- **PRESIDENTS REPORT** President made an oral statement to the record:

“Fellow board members I address you today with disappointment. The infighting and baseless witch hunts among our members on this board must cease immediately. We are not here to tear each other down but to build our community through collaboration and effective communication. This board is (garbled) in ineffectiveness not because the tasks are overwhelming, but because we refuse to work together and focus on both the short term and long term needs of the community. I need the Secretary Treasurer to release the banking statements dating back as far as possible without incurring costs to the Budget and Finance Committee as previously requested. Transparency of these documents must be made available without further delay. My other fellow board members, I need you to stop the disruptive behavior and concentrate on the work at hand. Follow the processes that the previous board failed to implement effectively. It is both ridiculous and petty that some members want to threaten the board and community with accusations and power struggles. Our POA consists of 800 homes and 7 board members. No one person, small

group or committee is in charge of really anything. Our goal should be to develop ideas in our committees, bring them to the board for recommendations, and then constructively accept feedback even if it's not always to our liking. That's an everyday thing for me. From this point forward, I need three things to happen. Start communicating and meeting with each other, invite board members to your committee meetings. Let us all know when you're having them so way we can attend if we wish. You will use your committees to develop short and long term ideas and share them/review with the board so we can quickly approve them. And I need you to share requested documents without obstruction. Obstructionist behavior is unacceptable. We must overcome our differences and focus on the next three months. We only have three months until the next election. If we cannot achieve this we might as well shut everything down, pay the bills, and do nothing more until the next election. This community has already done it once, from last October to February. It is time to put aside our personal agendas, work together for the betterment of our community and get things done that we need to get done."

- **SECRETARY-TREASURERS REPORT** The Secretary-Treasurer gave an extended report to the board for period ending May 31, 2024. The report is submitted to the record.

Income and Expense Statement: variance of \$12,273.73 (under budget)

Bank account cash balances:

Operating Account: \$256,381.05 (incl. interest earned \$111.07)

Reserve Maintenance Reserve Cash Account: \$176,684.26** (incl. interest earned \$605.99 and \$620/mo. Stormwater Management Reserves from Operating Account)

Compliance Escrow Account: \$152,539.90 (incl. interest earned \$525.87)

Total interest earned on cash accounts in May 2024: \$1,242.93

Edward Jones (Road Reserve Investment Account) CDs: \$285,290.70**

New CD is 5.45%. **Maturity Date is 9/27/2024**

***the Edward Jones Account is 100% non-commingled Road Maintenance Reserve Fund.*

*** Road Maintenance Reserve Fund and Reserve Fund Cash Account equates to all Reserve Monies of the POA, totaling **\$461,974.96**.*

POA Insurance Policies Update. Current policies expire on August 2, 2024. Request for Quotes to four Agents went out this week.

Reserve Study. The full study has been uploaded to Frontsteps under Owner's Financials.

REPORT OF COMMITTEES

- **ACC** –*Oral report by Chair Pat Higgins, 11 new projects have been approved.*
- **Finance and Budget Committee** – Stan Fortune, Chairman. The report is submitted to the record.
- **Stormwater Management Committee** –*Oral report by Chair Stan Fortune on 5 projects, a Bathymetric Study of all but two new lakes, and dredging.* Chris asked the Committee to produce an RFP for board approval on all projects so these can go out to bid.

- **Road Committee** –*Oral report by Chair Jack Price on 3 projects in concert with Stormwater Management Committee, concrete and asphalt.*
- **Election Committee** – Jeri Mathur, Chairman. The report is submitted to the record.
- **Community Engagement Committee** – Michele Ferrante, Chairman. The report is submitted to the record.
- **Maintenance Committee** – *Oral report by Chair Ken Ferrante. Speed trailer and cameras can record traffic counts.* The report is submitted to the record.
- **Safety and Security Committee** – Ken Ferrante, Chairman – The report is submitted to the record.

EXECUTIVE SESSION

At 7:04 PM, the Board left the room to enter into Executive Session for discussion on foreclosure on property having to do with past due annual dues. The Board left Executive Session at 7:11 PM.

NEW BUSINESS

- **Motion** (SF) to approve the Road Striping Bid from Straight Line, seconded and carried.
- **Motion** (CW) to approve the 2024 Election Policy and Procedures, seconded and approved. (5-1). SF opposes.
- **Motion** (MF) to approve the 2024 Election Proposed Budget, seconded and carried.
- **Motion** (CO) to approve the 2024 Election Proposed By-Law Amendments. Tabled until the August BOD meeting.
- **Motion** (MF) to approve the 2024 Lakes POA Nomination Application, with changes, seconded and carried.
- **Motion** (CO) to approve the Amazing Blades contract amendment to include all of Common Area 9, seconded and carried.
- **Motion** (MF) to approve the Amazing Blades contract amendment to clean out, clear and brush hog Common Area 9 to include the drainage ditch, seconded and carried.
- **Motion** (MF) to authorize the President and BOD members to conduct a two-hour introduction appointment for \$800 with Pearce Law Group to review lakes easements, consult on guidelines for new common areas, and future SELL road project representation cost that may impact our neighborhood, seconded and approved (5-1) with GC abstaining.
- **Motion** (CW) to authorize the President to consult with the POA attorney to develop a property value protection policy for homes that will be long-term rentals, seconded and carried.
- **Motion** (MF) to adopt the Lakes POA Water Restrictions Policy.
 - **Motion** (CO) to table, and ensure that a draft is reviewed by the POA Attorney before coming back in the August BOD meeting, seconded and carried.
- **Motion** (GG) to approve the Finance and Budget Committee Charter, as written, seconded and approved (4-2). (CW, MF)

- **Motion** (CO) to add “collaborate with the Treasurer”, seconded and discussion ensued. Motion was withdrawn.
- **Motion** (CW) as suggested by CO to table until after the Annual Meeting and Election, seconded and the motion fails. (2-4) (CW, MF)
- **Motion** (MF) to approve the Stormwater Committee Charter. The motion carries.
- **Motion** (MF) that the Board opposes the rezoning the land that borders Common Area 9 and Chris will write up the Resolution to send to the County. The motion carries.
- **Motion** (CW) to approve the Record Naming Convention. Motion withdrawn.
- **Motion** (CW) to add to the DR Horton punch out list to secure all master keys to the 15 or so private mailboxes that are not USPS. The motion is tabled.

ACTION ITEMS

- Chris will send a reminder to all board members to attend the meeting with Pierce Law Group.
- The 2024 Election Proposed By-Law Amendments to be added to the agenda for the August Board of Directors Meeting.
- The Record Naming Convention adoption to be added to the agenda for the August Board of Directors Meeting.
- DR Horton punch out list to secure all master keys to the 15 or so private mailboxes that are not USPS property to be added to the agenda for the August Board of Directors Meeting.

ADJOURNMENT

There being no other business to come before the Board, the meeting was adjourned at 9:30 pm.


 Carla Wessells, Secretary-Treasurer

Note: times are approximate.

July 1, 2024

Secretary-Treasurer's Report

The Lakes POA Board of Directors

UCBI Bank Accounts

- Bank Statements ending May 31, 2024, attached.
 1. Operating Account 0687 **\$256,381.05** (incl. interest earned \$111.07)
 2. Road Maintenance Reserve Account 0836 **\$176,684.26** (incl. interest earned \$605.99)
 3. Compliance Escrow Account 0802 **\$152,014.03** (incl. interest earned \$525.87)*Interest earned cash accounts **\$1,242.93***

Edward Jones Investment Account **\$285,290.70**

100% ROAD MAINTENANCE RESERVE MONIES

- Most recent account activity, attached.
 1. Certificate of Deposit 1: \$75,000 3 month CD Maturity Date 9/27/2024
 2. Certificate of Deposits
 - a. \$104,000 @ 5.25% Maturity Date: 9/18/2024
 - b. \$104,000 @ 5.25% Maturity Date: 12/27/2024
 3. Money Market Account
 - a. \$811.87

Total Road Maintenance Reserve and Cash Reserves: \$461,974.96

POA Insurance Policies renewing in August. Quotes coming in this week (30 days out from renewal date)

1. Kirk Bowden, Perry Insurance Group
2. Patrick Moore, BME Commercial
3. Stacey Short, LW Short Ins
4. Austin Huxford, Waccamaw Ins. Group

Reserve Study

The full study has now been uploaded to Frontsteps under Folder: Owner's Financials

Fiscal Review

My initial review over several months of our financial records (with the few records we have as provided by LITUS and our United Community bank accounts) confirms that there were **several hundred thousand dollars** in many large withdrawals over several years from the Road Maintenance Reserve Funds that were deposited into the Operating Account, as well as diverted Impact Fees which were earmarked for road and easement repairs and maintenance. This should not be seen as comprehensive, but rather a confirmation of what I believed to be the case as shared with the owners beginning in April 2022.

A planned review by the Special Committee will give the board a comprehensive understanding of the situation and I am confident the Committee's report will come back to the Board with recommendations on next steps and remedies.

2025 Annual Budget Update

1. Awaiting Insurance Premium quotes for 2024-2025, expected July 2-5. LITUS has told us to expect up to 3 fold increases, if true this will impact our budget significantly.
2. I have reviewed a Draft 2025 budget from Finance and Budget Committee, and am expecting underlying data to come over per meeting with Stan and Chris.

POA Records

Now that the Governance Committee's Records Retention and Destruction Policy and Naming Convention have been approved by the board, I am looking for board members and volunteers to assist with the Records project. Michele and I have retrieved 4 boxes of records. Karen found several years of election records in the office, but LITUS refused her release of these records until they reviewed what was in the boxes. The Records project consists of cataloging, scanning and securing the records that have been released to us by LITUS.

Site Visits

Mike Dandrea and I facilitated site visits with six (6) of the prospective Mgmt Companies June 18-20.

 July 1, 2024
Carla Wessells, Secretary-Treasurer Date