

MYRTLE BEACH RESORT HOA, INC.

ANNUAL BOARD MEETING

Saturday, April 7, 2019

MINUTES

The 2019 Annual Board Meeting of the Myrtle Beach Resort HOA, Inc. was held on Sunday, April 7, 2019, commencing at 9:00 AM in the Ball Room at the Base Recreation Center in Market Commons located at 800 Gabreski Lane, Myrtle Beach, South Carolina.

1. Formal Opening of Meeting

Kenneth Moss, President of the Myrtle Beach Master Board welcomed all present to the Annual Board Meeting, and introduced the Board of Directors:

Robert Rosencrans	A Building Representative (Incumbent)
Jim Perkins	B Building Representative
Lori Niedzwiecki	Five Seasons Representative (Incumbent)
Jeff Richardson	Renaissance Tower Representative (Incumbent)

Also present at the meeting were Barbara Johnson, Gina Marretta, Michelle Taylor, and Elaine Campbell of Empress Management, LLC. Jane Whieldon, Douglas Russo and Tom Franklin with Four of a Kind Maintenance. Rae Whisenant, insurance agent from CWS Insurance, Attorney Robert E. Lee with REL Law Firm and CPA's Mark and John Hobbs of The Hobb's Group of Columbia, SC .

2. Introduction of Board and Guests

Mr. Moss opened the meeting and noted that in accordance with the By-Laws, the Annual Members' Meeting was being held for the primary purpose of electing Directors and addressing other Association business properly brought before the meeting.

3. Approval of Minutes – 2018 Annual Board Meeting

Upon a motion by Mary Tice, RT209, seconded by Kay Gregor, RT Owner and unanimously approved, it was:

MOVED; To accept the minutes of the April 29, 2018 Annual Members' Meeting as written.

4. Reports

A. 2018 Year End Audit Report

Mr. Hobbs presented the 2018 audit for the period ending December 31, 2018, noting that the information will also be posted to the Association's website when the written report is finalized.

B. Current Financial Position

Elaine Campbell, financial preparer at Empress Management, was introduced to report on the current financial status of the Association as of March 31, 2019. The Balance Sheet (**Exhibit "A"**), Operating Income Statement (**Exhibit "B"**) and Reserve Income Statement (**Exhibit "C"**) were all discussed. Specific notes for some line item variances were presented.

C. Insurance Review

Rae Whisenant with CWS Insurance, the Association's insurance representative, was introduced and reviewed the insurance coverage for the Association. Mrs. Whisenant explained that the Resort does have earthquake coverage but not flood coverage.

D. Maintenance Report

Tom Franklin and Jane Whieldon with Four of a Kind Maintenance were introduced to discuss the Maintenance Operations provided by Four of a Kind to the Myrtle Beach Resort HOA, and they presented

a slide show with before and after pictures completed maintenance projects. They then discussed pending maintenance projects followed by a brief question and answer period.

E. Management Report

Ms. Johnson discussed Association projects recently completed, as well as those that are scheduled to be accomplished in the coming months.

5. Topics of Discussion

A. Lawsuit Status Mr. Lee reported that the lawsuit is progressing as expected and depositions are scheduled next month.

B. HOA Office Building Mr. Moss reported that after a MBR Board vote, it has been determined that the Empress Management team will vacate the on-site MBR HOA office at the Resort and they will move to the Empress Management Corporate Office at 4615 Oleander Drive in Myrtle Beach. He reported that First Service Residential has already re-located their offices to the MBR Vacation Office Building. Mr. Moss stated that the Master Board is going to rent the HOA office building to offset expenses of the HOA.

C. Bike Week Plan Ms. Johnson presented the parking rules for the upcoming motorcycle "bike week" festivals. A Building & Five Season trailers will park at the Five Seasons club house parking lot in all rows except the row next to the club house and 4000 building. All overflow parking for their guest trailers will be on the other side of maintenance shed (across and behind lazy river) Bikes for A Building and Five Seasons will park in A building parking lot in front of the lazy river. B building trailer parking is located at the Renaissance Tower along the white fence between Renaissance Tower and Ocean Lakes (On back half of parking lot). All overflow Bike parking for B building will be moved to Renaissance Tower parking lot. Renaissance Tower trailers are to be parked along white fence between Ocean Lakes and the Renaissance Tower. Renaissance Tower bikes are to be parked along fence between Renaissance Tower and Ocean Lakes (On front side of parking lot closes to the Renaissance Tower) All trailers are to be parked with their hitch facing grass or median.

D. Security Gate & Guest Passes Mr. Moss reviewed the security gate process for homeowners and their guests. Everyone must be registered with the front-gate, homeowners will receive 2 swipe cards for access and guests will receive a 5-digit code, which is only valid for the duration of their stay at Myrtle Beach Resort.

E. Spectrum Cable TV & Phones Mr. Moss reported that a "Right to Cure" letter has been mailed to Spectrum regarding their contract, which gives them 45 days to improve the cable signal to the property. Myrtle Beach Resort HOA will be meeting with a Spectrum Representatives on Wednesday April 10, 2019.

F. Other

Kenneth Moss discussed with the owners present that there is a \$300,000 shortfall in operating expenses from the 2018 budget. He stated that the Board has to determine a way of collecting the funds. He said the Board is looking into several options such as charging a \$10.00 amenity fee per person per week to use the lazy river, or a \$10.00 per vehicle fee or possibly levying a special assessment. The Board also discussed the possibility of an owners' survey.

Mr. Moss opened the floor to owner discussion.

Several owners voiced concern over the new gate registration system. There were owner complaints about the line to enter the property and the length of time it takes to check in.

Tracey Dorsey, an OFS Board Member voiced concern on behalf of the OFS owners that a commercial laundry is being operated by Allegiant and the OFS owners are paying the water and electric. She requested that the Board investigate the use of sub meters and reimburse the Ocean Front Spa for three years of use when a standard monthly fee can be determined. Kenneth Moss stated that there is nothing in the current contract with Allegiant stating they have to pay for the

water. Mark Dos Santos, OFS Board Member, voiced concern over the contracts being negotiated with Allegiant when the Board Members had a conflict of interest.

6. Adjournment

No further business was brought before the Board and, upon a motion duly made, seconded, and carried the meeting was adjourned at 1:29PM.

Meeting Commenced: 9:00 AM

Meeting Adjourned: 1:29 PM

Submitted by Empress Management for:

Jeff Richardson, MBR HOA Secretary

Approved by: _____
Kenneth Moss, MBR HOA President