

**South Harbour Master POA
Minutes of the Annual Meeting
February 2, 2019; 9:00am
South Harbour Clubhouse - Oak Island, NC**

CALL TO ORDER

The meeting was called to order at 9:04 am. LRES noted that a quorum of the 2018 Board of Directors and the Voting Entities were present and that the notice of meeting was sent to all Voting Entities and Owners on or before January 17, 2019 along with the meeting date being published in numerous emails to all owners. LRES also explained the voting process for the meeting and confirmed the party that would be casting each voting entity's vote.

George Bryant, 2018 Board President, introduced the 2018 Board of Directors & Management Company. All attendees introduced themselves. Attendees were then asked to hold questions and comments until the comment section towards the end of the meeting.

Individuals in Attendance

George Bryant, 2018 BOD	Joe Duquette, 2018 BOD	Jim Schweppe, 2018 BOD	Natalie Pyron, LRES
Dale Mullarkey, 2018 BOD	Leon Hicks, 2018 BOD	Carson Lawrence, LRES	

A list of owners in attendance will be filed with these minutes.

Voting Entities in Attendance

Barnes Bluff HOA, Inc	Marina Club @ South Harbour Village UOA, INC	Village Green POA, Inc
Glen Cove HOA, Inc	South Harbour Golf Villas HOA, Inc	Westport HOA, Inc
South Harbour Marina SOA, INC & Transient Dock (abstained from voting)		
South Harbour Associates, LLC (abstained from voting)		

Additional Proxies Received in Advance

Cambridge Crossings HOA, Inc
Fish Factory Tract (abstained from voting)

APPROVAL OF MINUTES

A motion was made to waive the reading of the 2018 Annual Meeting Minutes and to approve them as written. The motion was seconded. All were in favor; none opposed. The motion passed unanimously.

2019 BUDGET PRESENTATION

Carson explained that the Master dues for Member Associations that receive "Full Service" will be \$46 per month per unit (i.e. Glen Cove, Westport, Village Green, Golf Villas & Marina Club). This is a \$2.00/month/unit increase. The Master dues for Member Associations that receive "Partial Service" will be \$28 per month per unit associations (i.e. Barnes Bluff, Cambridge Crossings, SH Station & Navigation Point). This is an \$0.50/month/unit increase.

Regarding expenses, there were large increases noted in the following line items: Storm Expenses & Stormwater primarily related to Hurricane Florence. As of 12/31/18 the Reserve Accounts totaled approximately \$456,541.

Carson explained that the 2019 Budget was approved by the Master Board and then distributed to the members and their owners in the notice for the Annual Meeting. In accordance with NC General Statute 47F, the budget is ratified unless at the meeting a majority rejects the budget.

OLD BUSINESS

- **Review Year End Summary:** Carson Lawrence gave a brief overview of the Year End Summary report that was included in each Annual Package.
- **Hurricane Florence Recovery:** Carson Lawrence noted that repairs are still in progress and an insurance claim has been filed. Funds have been included in the 2019 Budget to further repair and address storm damaged areas.
- **Stormwater Update:** Carson Lawrence noted that this was explained with the Year End Report. The drainage swale behind the Minnesota homes is in progress. The Westport repairs have been completed. Glen Cove areas are being scheduled for early Spring. Village Green project will likely start in February.

NEW BUSINESS

- **Election of Directors** – LRES introduced the candidates on the Ballot. It was noted that anyone interested in serving in the future is encouraged to contact LRES in early January to have their name placed on the ballot. LRES reiterated that according to the Covenants, the member associations and other voting entities actually cast the ballots, instead of the individual owners. They further explained that the ballots were sent to the Board of Directors for each voting entity and that the voting entities with multiple votes had agreed to abstain from voting.
 - It was explained that the Bylaws allow for up to 11 Members on the Board of Directors. However, the 2018 Board has passed a motion to cap the size of the 2019 Board at 7 Directors. Additionally, the Board passed a motion to limit each

Member Association to only 2 Representatives on the Board. The Board believes that this is the most effective way to manage the Association. Therefore any volunteers/nominees will be running for one of four seats.

- This year there are four seats up for election. These have been held by Joe Duquette, Leon Hicks, John McLendon & Jim Schweppe. Joe Duquette has decided not to run again & John Winebar volunteered to run prior to mailing the ballot. No additional attendees volunteered to serve. A motion to close nominations passed.
- Ballots were collected from the voting entities' representatives and from those in possession of a proxy. They were combined with the ballots obtained prior to the meeting and counted by LRES.
- Election Results: LRES announced the following results. Leon Hicks, John McLendon, John Winebar & Jim Schweppe were each elected for a Two (2) Year Term.
- It was noted that George Bryant, Dale Mullarkey & Jean Brown each have one year remaining, as they were elected at the January 2018 Annual Meeting for two (2) year terms.

QUESTIONS & COMMENTS

- Excess Funds – It was noted that any excess funds will be used to offset upcoming expenses.
- Westport Lots – It was noted that fallen trees on lots will be a requirement of the owner to clear, but time is being allowed due to limited availability of tree vendors.
- Vanessa ROW & Mosquitoes – It was noted that standing water in Vanessa ditches is a responsibility of the Town and owners should contact the Town to voice concerns. Road concerns for Vanessa should also be expressed to the Town.
- Council Members – LRES agreed to provide email addresses of Council Members, but noted info is available on Town website.
- Use of Golf Course – It was noted that the Town & Par 3 Committee have been approached about soccer golf but no formal request has been approved/made by Par 3 Committee or presented to the Master to date.

MEETING ADJOURNMENT

A motion was made to adjourn the meeting. The motion was seconded. All were in favor; none opposed. The motion passed unanimously. The meeting adjourned at 9:37 am.

Respectfully submitted,
Carson Lawrence
Lawrence Real Estate Services