

# MINUTES

## Preserve at Indigo Run, HPR

2019 ANNUAL HOMEOWNERS MEETING

WEDNESDAY, DECEMBER 4, 2019 AT 9:00 A.M.

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- I. Roll Call – Ross Pascall called the meeting to order at 9:15 a.m.
- A. **Board Members present** – Ross Pascall, President; John Babbitts, Vice President; Joe Muenkel, Treasurer; Jerry Faulkner, Member at Large
- B. **Owners present** – 65.86596%
1. *In person* – 25.29953%
  2. *By proxy* – 40.56644%
- C. **IMC Resort Services representatives** – Jennifer Meisel, Association Manager; Garrett Hamilton, CFO; Jacki Phillips, Minutes; Kathleen Smith, Administrative Support

John Babbitts stated the Indigo Run Golf Club setup a package deal for The Preserve owners and turned the floor over to Stephanie Benson, who went on to state Preserve owners are welcome to join the Indigo Run golf club. Members would have access to the fitness center, clubhouse, dining, training system, swim, tennis, and golf clinics and a social membership. The gift of membership program is 50% off. A holiday open house will be held this coming Saturday from 1-3pm to tour facilities, etc. Rounds of golf will be given away at the Preserve Christmas party. John Babbitts thanked Mark, general manager of Indigo Run Golf Club for overseeing the annual meeting.

John went on to urge all owners to attend the upcoming Annual Preserve Christmas Party which will be held at the Indigo Hall.

- II. Proof of Notice of Meeting or Waiver of Notice – Notice of the 2019 Annual Meeting was mailed to all owners of record on November 4, 2019.
- III. Reading of Minutes of Preceding Meeting – **Mr. Karaman (#1221) made a motion to waive the reading of the 2018 Annual meeting minutes and accept them into record as written. Mr. Gutow (4223) seconded the motion. The motion passed without opposition.**

IV. Reports of Officers

- A. **President's Report** – Ross began by stating this is the largest turnout at an annual meeting yet. He went on to mention that the Preserve is going into it's third decade and the buildings are beginning to age. Ross added that this Board and prior Boards have protected the Preserve's large capital reserve which is why, despite larger expenses to upkeep the property, regime fees have not increased and special assessments have not been levied. Ross mentioned the real estate market has been great. He then went on to touch on labor issues on Hilton Head Island and commented how difficult it is to find reliable vendors. Ross suggested owners remove the round, beige smoke detectors and replace with newer ones. He suggested owners call the fire department if they need assistance changing out smoke detector batteries. Ross advised the owners in attendance that because this is his last year on the Board, the after-hours emergency procedure will change. Owners are to call IMC's emergency line (843-785-4775) instead of Ross' cell phone. He advised owners to keep a spare key in an inconspicuous location in the case they are locked out after the Preserve office closes. Ross then went on to thank everyone for their concerns regarding Jan's health. Owners in attendance gave a round of applause for Ross.
- B. **Treasurer's Report** – Joe Muenkel noted that his role as Treasurer is to thoroughly review the financial package monthly. The Association is audited periodically to ensure no improprieties. Joe then turned the floor over to Garrett Hamilton, IMC's CFO. Garrett reported on the cash position as of November 30, 2019

as well as budgeted vs. actual expenses. Garrett was pleased to report there are no delinquencies past the 30-day mark.

**C. Insurance Report** – Garrett stated this past year the property insurance was renewed at a flat premium. The Preserve’s total insured value is just under \$56M. Although rates have been at an all-time low over the past few years, they are expected to increase anywhere from 10-20% due to recent named storms. Garrett stated he is confident about the budgeted insurance amount for this coming year but advised the Board to be conscientious in future budget preparations. Garrett concluded by urging all owners to obtain their own personal HO6 policy and comparing it to the regime’s coverage to ensure there are no gaps in coverages.

**D. Vice President’s Report** – John Babbitts began by stating he is honored to have worked alongside Ross and Jan throughout the years. John then asked for a round of applause for Bob Dagle for his hard work behind the units. John stated that although Ross is stepping down from the Board, he has agreed to serve as a Board consultant to assist the new Board in day-to-day operations. John went on to report on the following items:

1. *Trash* – Past electrical issues with the compactor have been repaired. John thanked residents for helping keep trash area tidy and noted the compactor is cleaned twice a year to prevent foul odors. There was an inquiry at last year’s annual meeting to have the recycling bins cleaned; this will be performed soon and will be done mid-year going forward. Any issues with the trash compactor should be reported to Jennifer.
2. *Water Alarm* – John showed the owners an example of a water alarm and urged everyone to have one installed on their hot water heater. The HOA provides one to all GROUND FLOOR residents to place in their **HVAC closets where the MAIN DRAIN is located** and thus an HOA issue. If...IF they want to PURCHASE one for their *personal* WATER HEATER...great, but the HOA is not involved in supplying one for this reason.
3. *Water Heater* – Replace after 10 years.
4. *Office Hours* – Preserve office hours will remain the same at this time: Monday – Thursday and closed on Fridays.

**V. Election or Appointment of Inspectors of Election** – Ms. Turri (#3220) and Mr. Pavona (#623) volunteered to serve as inspectors of election. **Joe Muenkel made a motion to accept the homeowner volunteers, as well as Jacki Phillips of IMC, as inspectors of election. Ms. Fetherolf (#2521) seconded the motion. The motion passed without opposition.**

**VI. Election of Directors** – There are (3) seats up at this year’s annual meeting. Ross will not re-run this year. Jerry Faulkner will stand for re-election. Garrett asked for nominations from the floor. **Mrs. Muenkel (#920) nominated Ms. Davis (#923). Ms. Stirk (#110) seconded. The motion passed unanimously.** Ms. Davis accepted the nomination. **Mr. Matthews (#1623) nominated Mr. Gregory (#3223). Mr. Resnick (#3720) seconded. The motion passed unanimously.** Mr. Gregory accepted the nomination. **Bob Dagle (#2620) nominated his wife, Mrs. Ellie Dagle. Ms. Fetherolf (#2521) seconded. The motion passed unanimously.** Mrs. Dagle accepted the nomination. **Mr. Karaman (#1221) then made a motion to close nominations. Mr. Gutow (#4223) seconded motion. The motion passed without opposition.** All candidates took a moment to give a brief bio. After all candidates spoke, Jerry Faulkner withdrew his name from the candidacy. Owners in attendance asked Jerry to reconsider and he decided he would in fact run for one of the vacant seats. An owner expressed interest in increasing the amount of Board members since there is so much interest in the open seats. Ross commented that the number of directors is set by the Master Deed (minimum of three and maximum of five). Votes were cast and ballots were tallied during a brief recess of the meeting. Once called back to order, the successful candidates were announced as Elizabeth Davis, Mike Gregory and Jerry Faulkner. Mrs. Dagle was thanked for her interest in running for the Board.

**VII. Unfinished Business** – None to report.

**VIII. New Business**

- A. Ratification of Appendix 5C-1** – Garrett Hamilton explained that by the owners ratifying Appendix 5C-1, any excess of membership income over membership expenses for the year ended December 31, 2019, shall be applied against the subsequent tax year member assessments. **Mr. Bergman (#223) made a motion to ratify Appendix 5C-1. Ms. Mountray (#311) seconded the motion. The motion passed unanimously.**
- B. Comments & Discussion from the Floor**
1. *Recycling* – An owner urged fellow owners to please break down boxes before recycling and also NO PLASTIC.
  2. *Mr. Stremsterfer (#3020)* – Are gutters going to remain on all buildings? If so, when will they be cleaned? Mr. Stremsterfer also asked the Board to compliment the pool cleaning services; they have improved tremendously since last year. He asked the Board to look into hiring an IT firm to improve the wifi at the pool area. There are dead spots in certain areas. He also stated the hand rails at both sides of the pool get extremely hot. He suggests covering the handrail in the summer months.
  3. *Mr. Matthews (#1623)* – Can the clubhouse be used on an everyday basis and not keep it locked?
  4. *Ms. Etheridge (#1310)* – How much has been spent on stucco so far? Garrett responded that a rough estimate is about \$1.75M spent over the past few years.
  5. *Ms. Fetherolf (#2521)* – The railings were painted black during balcony repairs. She'd like the green railings to be the same. She also noted overgrown landscaping and dead bushes that need replaced and would like to see a bit more attention paid to the landscaping.
  6. *Mr. Cadman (#2223)* – Have bulk cable deals been considered by the Board? Ross stated Spectrum has offered to lower the rates for \$50/month but with less services provided. 30% of residents use Hargray. It is mandatory 100% participation from all owners. The cable fee would be included in the regime fee. The Association would also be locked into a contract for years. The cons outweigh the pros at this time. Mrs. Cadman suggested more use of the rec room; a crochet club, Friday dinners, wine tasting, scrapbooking, etc. Mr. Cadman asked Elizabeth to look into events/options now that she is a newly elected Board member.

Garrett expressed his immense gratitude to Ross and thanked him for his hard work and dedication to Preserve at Indigo Run.

Jerry presented Ross and Jan with a plaque on behalf of the Board which reads "Pascall Park", to be installed at the park created from the ruin caused by Hurricane Mathew in honor of Ross and Jan Pascall.

**IX. Adjournment** – With no further business to discuss, the meeting adjourned at 11:13 a.m.

**Directly following the Annual Meeting, the Board restructured positions as follows:**

- A. President** – Joe made a motion to elect John Babbitts as President. Mike seconded the motion. The motion passed without opposition.
- B. Vice President** – John made a motion to elect Joe Muenkel as Vice President. Jerry seconded the motion. The motion passed without opposition.
- C. Secretary** – John made a motion to elect Elizabeth Davis as Secretary. Joe seconded the motion. The motion passed without opposition.
- D. Treasurer** – Joe made a motion to elect Mike Gregory as Treasurer. John seconded the motion. The motion passed without opposition.
- E.** Jerry Faulkner to serve as Member at Large.