

MINUTES

PRESERVE AT INDIGO RUN, HPR

2021 ANNUAL HOMEOWNERS MEETING

SATURDAY, DECEMBER 4, 2021 AT 9:00 A.M. | INDIGO RUN CLUBHOUSE

- I. **Roll Call** – Joe Muenkel, Chairman called the meeting to order at 9:06 a.m. *The Chair then introduced the rest of the Board and Management staff.*
- A. **Board Members Present** – Joe Muenkel, President; Kate Holland, Vice President; Lee Norbeck, Secretary; Pam Kosteva, Treasurer; Colleen Zaccardo, Member at Large
 - B. **Guests** – Sam Kirkland, Association Attorney on behalf of Weston Newton
 - C. **Owners Present** – 69.79101%
 - 1. *In person* – 18.42982%
 - 2. *By proxy* – 51.36119%
 - D. **IMC Resort Services representatives** – Deanna Anderson, Association Manager; Garrett Hamilton, Principal/VP of Accounting & CFO; Jaclyn Phillips, VP of Administrative Services & Minutes
- II. **Proof of Notice of Meeting or Waiver of Notice** – Notice of the 2021 Annual Meeting was mailed to all owners of record on November 4, 2021.
- III. **Reading of Minutes of Preceding Meeting** – James Karaman (1221) made a motion to waive the reading of the 2020 Annual meeting minutes and accept them into record as written. Douglas Gutow (4223) seconded the motion. The motion passed without opposition.
- IV. **Reports of Officers**
- A. **President's Report** – See Attachment A.
 - B. **Treasurer's Report** – See Attachment B.
 - C. **Insurance Report** – Garrett Hamilton urged owners to obtain a H06 policy to cover betterments, improvements, loss of use and loss of rent, etc. The Chair also urged owners to be sure to check their hot water heaters.
- V. **Election or Appointment of Inspectors of Election** – Jacki Phillips to serve as the Management Inspector of Election. The Chair asked for a volunteer from the floor to serve as the Inspector of Election. **Kathleen Fetherolf (2521) volunteered. William Nicol (1421) made a motion to accept Jacki Phillips and Kathleen Fetherolf (2521) as the Inspector of Elections. Elizabeth Davis (#923) seconded the motion. The motion passed without opposition.** Joe Muenkel mentioned this year there are three Board positions up for election with seven interested candidates; Lee Norbeck, Donald Cadman, Caryn Lones, Anita Nasca, Maureen Macaulay, Nancy Pavona and Andrea Wojciechowski. Garrett Hamilton opened the floor for any nominations. Hearing none, **William Nicol (#1421) made a motion to close nominations from the floor. Greg Bennett (#2523) seconded the motion. The motion passed without opposition.** *The candidates were then given 2-minutes each to speak to the ownership on their own behalf.*
- VI. **Election of Directors** – *The meeting then took a brief recess to hand out ballots and tabulate the votes.* The meeting was called back to order and the Chair announced that Lee Norbeck, Donald Cadman and Nancy Pavona were the successful candidates. The Chair thanked everyone who ran and encouraged owners to run in future elections.

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, 2021, shall be applied against the subsequent tax year member assessments. **Douglas Gutow (#4223) made a motion to ratify Appendix 5C-1. James Karaman (#1221) seconded the motion. The motion passed unanimously.**

B. **Comments & Discussion from the Floor**

- 1. Kathleen Fetherolf (2521) asked for committees to be formed for the community to encourage more ownership participation and input.*
- 2. Linda Schneider (1721) stated residents and visitors blow through the stop sign by her unit. She asked to have the hedges removed for her safety and others. The Board to take this under advisement.*
- 3. Jennifer Aube (3720) asked a question regarding the power washing schedule.*
- 4. Thomas Grayson Jr. (1323) asked for more Board transparency of financial reports and gutter repairs.*
- 5. John Stremsterfer (3020) asked how long does IMC need to respond to financial document requests and asked the definition of the 2021 amount column, Garrett responded it is budget, not actual. John then requested the Board come up with a 5-year capital plan. Lee responded that there was a 40-year capital funding plan on the website that was created this year.*
- 6. Heather Witherspoon (1521) asked for an update on the road repairs near building 17. Deanna responded that the Board is awaiting proposals for repairs.*
- 7. Denise Moore (2710) asked what can be done on copperhead snakes. There were 3 dogs bitten this year. The Board to take this under advisement.*
- 8. Karen Simmons (3521) asked about the back pedestrian gate being converted to a coded gate. The Board to take this under advisement.*
- 9. An owner requested the Board revisit the no car covers rule.*

IX. **Adjournment** – With no further business to discuss, **Jack Biel (#2322) made a motion to adjourn the meeting at 10:38 a.m. Joe Muenkel seconded the motion. The motion passed without opposition.**

BOARD RESTRUCTURE

Directly following the adjournment of the 2021 Annual Meeting, the Board briefly met to restructure positions:

- A. President** – Lee Norbeck made a motion for Kate Holland to serve as the President. Don Cadman seconded the motion. Kate accepted. The motion passed without opposition.
- B. Vice President** – Kate Holland made a motion for Nancy Pavona to serve as the Vice President. Don Cadman seconded the motion. Nancy accepted. The motion passed without opposition.
- C. Secretary** – Kate Holland made a motion for Colleen Zaccardo to serve as the Secretary. Nancy Pavona seconded the motion. Colleen accepted. The motion passed without opposition.
- D. Treasurer** – Kate Holland made a motion for Lee Norbeck to serve as the Treasurer. Colleen Zaccardo seconded the motion. Lee accepted. The motion passed without opposition.
- E. Member at Large** – Colleen Zaccardo made a motion for Don Cadman to serve as the Member at Large. Nancy Pavona seconded the motion. Don accepted. The motion passed without opposition.

attachment "A"

PRESIDENT'S REPORT

The Preserve at Indigo Run has seen many changes and improvements under the guidance of the 2021 Board of Directors which includes Kate Holland, Pam Kosteva, Elizabeth Davis, Colleen Zaccardo and myself. I would personally like to thank each of them for their hard work and dedication, working together as a team to continue the tradition of service to our community. Hopefully we will all continue to strive for patience and understanding while our volunteer Board of Directors try to resolve long standing issues that have not been addressed for years.

Before reviewing the 2021 accomplishments, I want to begin this report with the most important concern facing our community in the future. As a community we have been very fortunate to have enjoyed unchanging regime fees over many years. Unfortunately, 2022 will likely be the last year of unchanged regime fees.

Over the past few months, the Board has been struggling with establishing the budget for 2022. When Board member Elizabeth resigned from the Board, the remaining members felt that a person with an extensive background in finance and someone familiar with our community's finances could possibly provide additional insight and assistance. The Board was able to find Lee Norbeck, a long standing owner with years of experience as a CPA in both the United State and Canada. In appointing Lee to the vacated position, he has been able to provide his expertise and analysis of all aspects of our expenditures to date and present the Board with a workable budget for 2022 and possibly beyond. This special appointment does expire at the 2021 annual meeting but Lee has submitted an application to become a full fledged Board member.

After reviewing Lee's analysis, the Board was able to finalize the 2022 budget without a regime fee increase as the Board had stated at the October community meeting, but with the expectation that the 2023 and 2024 budgets will need to include increases.

The Board of Directors has been working diligently to contain costs within the framework of the available 2021 budget while at the same trying to complete tasks that may not have been completed in a timely manner previously. During 2021, A Replacement Reserve Report was conducted for The Preserve at Indigo Run replacing the previous report that was conducted in 2014. This report examined the common elements of the property including, entry gates, signage, roads, parking, sidewalks, fencing, railing, mailboxes, stormwater management, pool, tennis court and building exteriors to determine the cost for replacement or repairs as necessary to allow for projecting annual replacement costs to be included in the budget.

As an example, building exteriors has been a very big effort this past year. Of the 42 buildings in the community, 7 have successfully been completed. The report indicates that building exteriors should be refurbished approximately every 7-10 years, so we are playing catch-up

but can only accomplish so many each year while continuing to address other HOA issues such as leaks, high water, mildew, etc.

Addressing the landscaping needs of the community has been a high priority for the Board and we have found a great partner in BrightView. Although many issues, including costly irrigation installations and overgrown/underdeveloped areas that exist, we are in a much better position to move forward. Additionally, instituting a more economical method of pruning and cutting trees through Arbor Nature has given us the opportunity to stay ahead of dangerous tree issues and to fertilize and systemically care for the trees to control loss and disease.

We cleaned roofs and gutters as a spring undertaking and have returned to a few buildings for re-cleaning. This is an ongoing problem due to the number of trees we have in the Preserve and will continue to need to be addressed including clearing of the downspouts.

With months of work and planning, we successfully installed a new and beautiful pool as well as furniture. This included placement of a new sand filter. Going forward investigation needs to be conducted for a new liquid chlorine system to replace our older system which requires limited supply chlorine sticks.

So as we approach the end of another interesting and productive year at the Preserve, I am reporting to you for the last time as the President of the Board of Directors. I have always believed in term limits and recognize that after an appointment for a year and an additional two full terms, it is time to move on, allowing new voices and ideas to be heard. My time on the Board has not always been easy but my dedication to doing the best for the community has always been my highest priority. It is also time for me to spend more time with my lovely and very patient wife, Anita.

Let me conclude this update by encouraging you to attend the annual meeting on December 4th. The election of Board members is important to the community and the main reason for this meeting. If you are unable to attend or feel uncomfortable because of Covid-19, please submit your proxy. This is extremely important because if we don't reach a quorum, we will have to spend money we don't have to do this whole process over again. Take a few minutes to fill in, sign and return the enclosed postage paid proxy. You can also scan the proxy and email it to lyndsey@imchhi.com or fax it to 843-785-3901 or drop it off at the regime office.

To all the residents of the Preserve, be safe and be well. Happy Holidays to you and your families.

Joseph Muenkel
President
The Preserve at Indigo Run

Preserve at Indigo Run Treasurer's Report

2021 Annual Meeting

Saturday, December 4, 2021

Cash Position as of November 30, 2021:

Operating Checking -	\$98,830
Replacement Reserve Account -	\$1,047,335
Construction Accounts -	\$539,247
Insurance Accounts -	<u>\$524,533</u>
Total Cash -	\$2,209,945

**All budgeted transfers are up to date through 11/30

**Year End 2020 Total Cash was \$2,252,132, which is a \$42,187 decrease due to project work.

Income Statement – Operating Expenses (as of October 31, 2021):

Total Actual Expenses -	\$552,470
Total Budgeted Expenses -	<u>\$545,230</u>
Variance -	(\$7,240) over budget

Aged Receivables Overview (as of October 31, 2021):

Total A/R -	\$17,665
Less Late Fees -	<u>(\$1,492)</u>
Less Fines -	<u>(\$91.33)</u>
Total A/R (hard costs) -	\$16,082

Accounts with attorney – 1

Total debt of 1 owner - \$12,409 or 70% of total association debt