

Annual Members' Meeting
May 13, 2017

MINUTES

Call to Order – Pursuant to call, the 2017 Annual Members' Meeting of the St. Johns Inn Property Owners Association, Inc. was conducted on Saturday, May 13, 2017, commencing at 10:00 a.m. onsite at St. Johns Inn located at 6803 North Ocean Boulevard, Myrtle Beach, South Carolina.

Formal Opening – John McGee, Property Supervisor for the Association, welcomed those in attendance and officially opened the meeting in accordance with the By-laws of the Association. He then introduced those seated at the head table, which included the following *Directors of the Association*:

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| Bill Ridley | - | Vice President |
| Jim Medley | - | Treasurer |
| George Yarborough | - | Director at Large |

Clifford Jinks, President, and Joan Tierney, Director at Large, were unable to attend.

Representing Pinnacle Real Estate Management, Managing Agent for the Association, were John McGee, Property Supervisor, Jessica Martin, Executive Liaison, and Marvin Peoples, Building Manger.

Identification – Mr. McGee announced that he would serve as *Chairman* and Mrs. Martin would serve as *Recording Secretary* of the meeting. He also announced that Mr. Medley had been appointed to serve as *Proxy Agent* of the meeting for those members of the Association not present for voting.

Mr. McGee then requested the membership to hold all comments pertaining to the operation of the Association, building, maintenance and other items until "New Business and Members' Comments," where a full and meaningful discussion could be accomplished.

Verification – The next order of business was the report on the roll call check-in process and certification of the proxies. Mr. Medley announced that they were well in excess of the 51% required by the By-laws to conduct a legal meeting and thanked the homeowners for returning their proxies and attending the meeting. The exact percentages were as follows:

28.210533% Present in Person
49.36843 % Present by Proxy
77.578963% TOTAL

Inspection – Mr. McGee then called upon Mr. Medley to examine the *Proof of Mailing*, certifying that all members of the Association had been properly notified of the time and place of the meeting. This document, along with a copy of the Formal Notice, is to be filed with the official minutes of the meeting.

Approval of Minutes – Upon a motion by Ms. Stansell, unit 321/325, a second by Ms. Kipka, unit 128, and with unanimous approval, it was;

MOVED: To approve the Minutes of the May 21, 2016 Annual Members’ Meeting of the St. Johns Inn Property Owners Association, Inc. as written.

Insurance Report – Mr. McGee directed the homeowners’ attention to certificates of property insurance and liability insurance, located on pages 7-9 in the meeting handout, and reviewed the Association’s current master policy insurance coverages.

Continuing to pages 10-11 in the meeting handout, Mr. McGee reviewed recommended coverages that owners should consider including in their H06 policies. He encouraged all owners to be sure they have an H06 policy in place and that the limits are up to date.

Building & Grounds Report – Mr. McGee directed the homeowners’ attention to the *Maintenance Report*, located on page 12 in the meeting handout, and reviewed the regular, daily activities of onsite Building Manager, Marvin Peoples.

He then reviewed projects completed by Mr. Peoples outside of his regular, daily maintenance schedule, noting that significant savings are attained by having these projects completed “in-house”.

In closing, Mr. McGee thanked Mr. Peoples for all of his hard work, noting that the property looks great.

Finance Report – Mr. McGee directed the homeowners’ attention to the *Balance Sheet*, located on page 13 in the meeting handout, and reviewed the Association’s account balances as of April 30, 2017.

Continuing to the *2017 Approved Budget*, located on pages 14-15 in the meeting handout, Mr. McGee highlighted that the Association’s largest expenses include the master policy insurance and electricity. He also noted an increase in security expenses due to increasing the security coverage.

He then directed the homeowners' attention to the *Audit* for the year ended December 31, 2016, located on pages 16-28 in the meeting handout. He noted that, after review of the Association's files, the auditor found the Association's financial statements to be in conformity with accounting principles and encouraged owners to contact him or the auditor with any questions.

Management Report – Mr. McGee directed the homeowners' attention to his report, located on pages 29-30 in the meeting handout, and noted that this report is a “boiler plate” outline of the regular duties of Pinnacle Management, however, his daily activities can change vastly from day to day depending on the needs of the Association.

Election – Mr. McGee announced that this year it is necessary to elect one Board Member to a three-year-term as the term of Bill Ridley will expire at this meeting. Philip Porter, unit 337, has agreed to serve, if elected.

He then opened the meeting to nominations from the floor. There being none, upon a motion duly made and seconded, and with unanimous approval, it was;

MOVED: To close the meeting to nominations from the floor.

Mr. Medley then as Proxy Agent cast a single vote, thereby electing the slate as presented.

Old/New Business

Ms. Sawyer, unit 131, commented that parking has become an issue, especially during the peak season and added that *Caravelle* employees are also parking in prime parking spots.

Mr. McGee said the Board can discuss establishing a ticketing and towing policy for illegally parked vehicles. Mr. Russell, General Manager of the *Caravelle*, also noted that he would address parking with his employees.

In response to a question from Ms. Allmond, unit 328, Mr. Peoples said that he had the gas company inspect the gas line on the first level and they said there is no leak. He added that, per the gas company, this pipe is designed to release pressure occasionally, which will result in an odor.

In response to a homeowner request, Mr. McGee said that the Board can discuss instituting designated parking for owners.

Mr. Reese, unit 331, requested that more communications be sent to the owners (emails, newsletters, etc.) Mr. McGee highlighted that Pinnacle Management does have a website,

which includes a link for St. Johns Inn owners (pinnaclemb.com). He noted that owners must register in order to view documents.

In response to a question from an owner, Mr. Yarborough noted that the Board scrutinizes the Association's finances each year when preparing the subsequent year's budget, highlighting that there have been very few increases in assessments over the years.

Mr. Medley added that the Board will be reviewing the recent roof replacement expense as they will need to replenish the Association's funds in order to protect the homeowners.

Tax Resolution - Upon a motion by Mr. Reese, unit 331, a second by Ms. Kipka, unit 128, and with unanimous approval, it was;

MOVED: To approve a Tax Resolution permitting any excess of membership income over the membership expenses for the year ending December 31, 2016/17 to be applied toward the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

Adjournment - There being no further business to be discussed, upon a motion duly made and seconded, and with unanimous approval, it was;

MOVED: To adjourn the meeting at 10:45 a.m.

Jessica R. Martin, Recording Secretary

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