

**Eagle's Pointe Property Owners Association
Annual Meeting Minutes Held December 1, 2011
At The Eagle's Pointe Golf Course Clubhouse**

1. Called To Order

A. Establish with Kathy Bundy that we had a quorum through attendance & proxies.

B. Meeting format established - Business Meeting/Adjourn/Questions & answers.

2. Welcomed and thanked all home owners for attending the meeting.

3. Introduced the 2011 Board members.

4. Motion to approve 2010 Annual meeting minutes was made by Holly Digesu and seconded by Meg Hendy.

5. Presidents Report:

A. Entrance way to remain as is during and after 278 road widening.

B. Projects Completed:

1. Lake Path (475 feet refurbished)
2. Front Entrance Refurbished (painted & refurbished sign, painted fence and power washed columns)
3. Replaced filter pump
4. Painted Baby Pool
5. Replaced twelve chairs at the pool

C. Community Statistics

1. No. of Homes Sold	_13_
2. Homes in Foreclosure	_08_
3. Homes in Bankruptcy	_03_
4. No. of Liens Files	_13_
5. No. of Rental Homes	_30_

D. Areas of Concern that could need to be looked at sometime in

the future:

- 1. Lake Project - wall caving in - projected costs \$275,000.00
- 2. Repair seawall at the footbridge at lake - projected costs \$ 8,700.00
- 3. Remove trellis at the pool (wood rotting out) - projected costs \$ 6,600.00

E. Reserve Funds Status:

- 1. Eagle's Pointe Reserve \$310,623.30
- 2. Eagle's Pointe Road Reserve \$101,632.00
- 3. Entrance Road Reserve held in conjunction with the golf course
 - Part A - Held in account that allows Golf Course sole control. No Board member needs to sign for monies to be removed. \$52,537.01
 - Part B - Held in a CD account that is controlled by the Board. \$36,696.78

F. New light post:

1. Based on several concerns expressed by home owners due to the darkness in some areas of the community a survey with Palmetto Electric was conducted to determine the best locations for the additional lamp posts. The survey/study identified 11 areas that would enhance the lighting in the community. If we agree with Palmetto Electric's locations then the community pays nothing for the posts or the installation of them. What the community would incur will be the additional cost for the electricity to run the posts. However, if the locations recommended by Palmetto are not in line with residents needs and need to be located in another location then the POA will have to incur additional costs.

2. It was the intent of the Board to share the locations of these posts with the community before going forward with the project.

G. Mailboxes:

1. I stated in the last newsletter that the POA will take over mailbox repair for the 2012 calendar year. The POA will donate paint but if a mailbox needs a box, or the wood is rotted out the charge for the materials and labor will be charged back to the home owner. With this in mind I am officially asking for volunteers to help. If you are interested in helping please leave your name and phone number with me after the meeting.

H.. Committee Reports:

1. Social

Thanks to Carla Carte and her committee for another year of activities. The cook outs and other activities are appreciated by those who participated. Two events remain on this year's calendar - the Christmas Party at Pinecrest (72 attendees which will be our best turnout ever) and the Christmas Golf Cart parade.

2. Communications

Thanks to Holly DiGesù for her persistence in getting the newsletter out on time and with much good information.

3. Welcome

Thanks to Norma Schurgot and her committee for their diligence in meeting new residents.

4. Recreation

Thanks to Leo Kinsella for coordinating the golf league and other tournaments and for keeping the bulletin board updated with pertinent information.

5. Safety

Nothing has been done due to the fact that we had no interest from anyone. However, a new resident has approached me and might be willing to take on

this responsibility. Update to follow.

6. Beautification

Thanks to Lynn Cutshall and her committee for their efforts in making our community a bit more attractive with the assortment of plantings around the pool and other areas.

7. Thanks to Polly & Gary Bailey, Bill Sargent, Barry Sollish and Tom Margotta for the front entrance Christmas decorations.

8. Thanks to Gary Bailey, Bill Sargent, Craig Beam, Leo Kinsella, Tom Margotta and George Kliminski for their help in repairing the foot bridge that extends over the lake

9. ACC

Thanks to Janet Wurtz, and the committee for their efforts is keeping our community looking as good as possible. Before I ask her to make her final report I want to take a moment to personally thank her for her service. We on the Board want her to know that we appreciated all her and the committees efforts these past few years. We wish Janet the best and hope that she will be available in the future to help again if needed.

6. Treasurers Report:

A. Reviewed status of 2011 budget through 11/30/2011 and cash on hand.

B. Reviewed in detail the 2012 budget. Specific reasons for the changes in certain accounts i.e. the legal fees account were addressed.

C. Reasons for the increase in fees were explained.

D. Why we have the reserve accounts and the amounts in each were reviewed a second time.

E. An explanation on the difference between foreclosure and bankruptcy was explained. Our chances to recoup past due fees from foreclosed homes is better than from homes that file bankruptcy.

7. Election of Open Board Positions:

A. Opened the floor for any other nominees. No new nominees came forward.

B. Motion to close nominations and accept slate that ran was made by Holly DiGesu and seconded by Tom Margotta.

8. New Business: A. Joe Pantano and Lynn Salazar were announced as being re-elected.

Motion to Adjourn the business portion of the meeting was made by Meg Hendy and seconded by Randy Salazar.

Questions:

Q. In the past we have always received full statements of our associations financial situation and fee increases with the meeting package. This year we did not. This information seems to be deliberately passed over or left out.

A. The package received this year is the same as has been passed out in past years. All information is the same. There is no need on the part of the Board to with hold any information from the home owners. What would be the purpose of withholding information?

Q. Would you please distribute those papers to all of us so that we can look them over before we vote on the new budget?

A. As I already stated, all homeowners received all pertinent information regarding the 2012 budget. Also, per the Covenants the budget is not an item that gets voted on unless the Board is asking for more than a 10% increase in the fees or if they ask for a special assessment. Neither is the case for 2012.

Q. If our figuring is correct there are some disturbing figures on the budget sheet. First our taxes for each house are going up to \$1200.00 yearly, a 7.5% increase. Correct?

A. In order to address the disturbing figures I must know what they are. As for the 2012 fees going up to \$1200.00/year which amounts to a 7.5% increase, you are correct. The 7.5% increase amounts to \$7.00 per month. Considering that no increases were placed on the home owners in 2010 or 2011, the board felt that under the circumstances this increase was necessary and fair.

Q. Next there will be an increase of \$14,400.00 in what we will be charged for our reserve contribution, an increase of almost 25%. This means that \$302.00 of our maintenance fees will go into the reserve funds. And this is more than a quarter of our annual fee. Right?

A. Yes, we have added to the reserve account and used the following logic as reasons. First, if you look at the budget a little closer you'll see we shifted monies from the infrastructure account. If anything major happens we will probably have to go to the reserve fund to fund the project. Second, we used funds from the reserve to repair the lake path. Third, our reserve accounts are very much underfunded, and that is especially true for the road reserve fund. Therefore, if you look at the overall budget you'll see that we are not asking for the increases because of runaway spending but more because we are trying to build up the reserve. Also, even though the budget shows \$78,184.00 going into the reserve account this is only because we assume everyone will pay their fees. If we fall short on collections that usually means that the reserve account gets shorted. We cannot short the other accounts, such as insurance, electricity, etc. so the reserve gets short changed. This is a major reason for the shortfall in our reserve funding.

Q. There seems to be three different reserve funds. What are they for? How much of our money is in each of them? Why a huge increase in this fee? Why no information at all about them?

A 1 & 2. Yes there are three reserve funds. We have three because the monies are separated by category.

1. There is the general reserve fund which covers any major project or cost, i.e. the sunken street a few years ago.

This fund has \$310,623.30

2. There is the road reserve fund which will cover future road repair. The POA is responsible for the roads and any future repairs to the roads (black top, etc) will come from this fund. Based on past estimates this fund is very underfunded.

This fund has \$101,632.00

3. There is a reserve fund for the front entrance road (Muirfield Drive). This fund is funded by the owners of the golf course and the POA. The golf course per the covenants has total control over this fund. We are bound by LAW to pay an amount determined by the golf course each year. This account is held by the golf course and no member of the Boards past or present has had their name on the account. The Board tried to change this, but to date we have not been successful. However, we have been withholding our quarterly payment and have been putting the money into a CD.

This fund controlled by the Golf Course has \$52,537.01 & that put into a CD has \$32,364.38

A 3. The amount going into the fund is reasonable and necessary to keep the community solvent.

A 4. The information is readily available and is updated at each annual meeting. Board meetings are open to all home owners and any questions one has can be asked and answered at any meeting. Also, during the last two years the Board has had five (5) quarterly community meetings to answer and or address any questions or concerns that he/she might have. These questions never came up at any of these meetings and because of a lack of interest and attendance the meetings have been eliminated from the Boards agenda.

Q. One small item, why is the electricity for the streets going up so much when the lagoon electricity stays the same?

A. Based on several requests from home owners about the possibility of getting more lamp posts, especially in areas that are very dark at night, a study was done with a recommendation to add up to 11 lamp posts in the community. If this project goes forward the project was prepared to include the extra costs.

Q. What are the video cameras doing at the front entrance?

A. I believe these cameras were originally installed years ago by Centex. To my knowledge no member of the current Board knows much about these cameras except that they do not work and it would be costly to reactivate them and the surveillance area covered would be minimal.

Statement:

We need a gate for the front entrance. It can be automatic like Old Carolina.

Answer:

In the several attempts to investigate installing a gate at the front entrance the current and past Boards found that:

- 1. A gate would add significant cost to the community both initially and in maintenance.**
- 2. The majority of home owners in the community have expressed their disapproval of adding a gate.**
- 3. The golf course, since they own the entrance would need to be included in the any decision about a gate. Their position would include having the gate opened from opening to closing of the golf course.**

Q. Will entrance be changed by 278 project?

A. In two discussions (April & November) with the SC DOT we were told that there will be no change to the Eagle's Pointe front entrance.

Q. Will golf course be affected by land sale west of fire station?

A. Not to the Boards knowledge.

Q. Will gravel top surface be used for future lake path repair? Not a big fan.

A. At this time there are no plans to do additional work on the lake path. However, if the path continues to deteriorate I would think that the next phase would be repaired in the same manner as the

last.

Statement:

Please remind those who smoke NOT to throw their butts around our community. I find (and pick up) about as many cig butts as I see dog poo left by un-responsible owners. Unbelievable! I love Eagle's Pointe.

Similar Statement:

I'm sure that I am not the only property owner who is disturbed to see dog owners who allow their dogs to roam and do their business on private property. In addition to mailboxes other eyesores to potential buyers might see are the piles of feces, discarded water bottles and cigarette butts that are increasingly noticeable along the sidewalks.

Answer:

I believe I would be safe in saying that most of the homeowners including the responsible dog/pet owners would agree with you. As the Board has stated on numerous occasions, if you see someone whose dog is doing their business and then leaves it there and you are willing to let the Board know and are willing to stand by your accusation then the Board will act by issuing a citation. This is a violation of not only the Design Standards but also a violation of County laws. The problem is, we hate seeing piles of feces while walking, etc. but nothing can be done unless it is reported when it is observed.

Q. When will the website be up and running again? I understand the web master is ill. Any possibility of hiring a company that builds and maintains? Realize cost could be an issue but the web site is great for communications and information.

A. The current web master has been able to get re-involved. We believe that some of the problems have been resolved and that the site is up and running again. However the Board realized that the possibility of getting professional assistance might be required and has therefore put some monies in the budget to address this.

Comment:

The Board has made several pleas over the last six months for help

from any other volunteers with web site knowledge. Guess what, not one response. Due to this lack of response the Board decided to budget for some professional help.

Q. Why do you (I assume the Board) continue to allow overnight parking on Mulligan Circle?

A. This situation would normally be addressed by a Safety Director. For the past several years we have not had anyone interested in volunteering for this position. Thus no violations have been issued unless a home owner lodged a complaint at which time a citation was sent to the home alerting them to the problem. Recently we have had a home owner step forward and ask about becoming the new safety director. This individual will be contacted to determine if he is still interested. If so we will be able to address these situations in a more timely manner.

Q. Has house ?? been notified?

A. Yes, the home owners in question have been notified.

Statement:

We would strongly support the installation of speed bumps on the road to the clubhouse. No one travels at the posted 25 mph and sooner or later someone is going to be hit by a speeding vehicle.

Answer:

The speeding situation in Eagle's Pointe is beyond the fixing of this Board. We have had numerous discussions with the community about adding speed bumps and we have never been able to muster enough support to actually put them in. The response to speed bumps in this community has been overwhelmingly AGAINST. We also tried hiring a security company to address the situation. That failed on two fronts. First, in six months on site they actually ticketed one driver and secondly a majority of the community were not in favor of paying for this service. I'm sorry that we do not have a better answer or solution.

Q. What can be done to save our route 278 crossover during the

two year construction period? My concern is for Emergency access both Fire and Health Emergency services, any delay in these services is critical. Also the inconvenience of having to turn West for access back to Bluffton and Hilton Head and access back into Eagle's Pointe from the West. They are leaving the crossover open for the school, so why should 250 homes with families be put at risk?

A. To our (Board) knowledge the crossover will remain open. When speaking to the SC DOT Engineer in charge of this project he never indicated that the crossover would be closed. He indicated that the crossover would remain. Also, the question about the crossover during construction was never raised but a recent article in the newspaper indicated that the crossover will also remain open during construction.

Q. Could we have more information about the house that is vacant on Abingdon Lane? I know offers have been given months ago. The property is deteriorating and this is not good for Eagle's Pointe.

A. The home is still in litigation. The Board has made numerous attempts to find out as much information on this property as possible. Our Attorney recently informed us that a resolution could be coming in the near future. We have I believe received inquiries regarding past due fees, etc. Also, it is our understanding that the house once the litigation is resolved will be repaired to code standards and put up for resale. We have in the past, replaced the mailbox, had the house power washed and the shrubs and bushes trimmed, as well as having the grass cut. These expenses have all been added to the past due fees account. However, until the courts and litigators get this situation resolved we are at their mercy.

Q. Can a ruling be enforced that neglected shrubs and trees can be dealt with? I feel that owners of No. 7 & No. ? on Abingdon Lane are not helping other home owners on Abingdon Lane that do take care of their homes.

A. I believe we have a design standard regulation that addresses this. However, I will admit that the Board (not the ACC committee) has taken a less serious approach on this issue. I will recommend that the Board rethink its position.

Q. We were told that the website is updated monthly. So no directors meetings since April?

A. As communicated on numerous occasions, the web site has been down for several reasons. Again numerous requests for help have gone without response. The good news is that we believe the site is back up and as soon as I have time I will work with the right people to have all missing minutes posted.

Note: If you were interested in seeing the minutes (which I appreciate) a quick call or note to me (President) and the minutes certainly would have been made available to you. I have always maintained an open line of communications. I only had one request, that is, if you have a question, complaint or other comment, that you just let me know who you are. In the last two years I can count on two hands the number of questions that have been asked of me directly.

Comment:

The signs on the lake and paths are bent, faded, dented, leaning over, and paint on the posts is peeled off. They give the impression of a low grade, slummy community that doesn't care.

Answer:

I will ask the Board to make this a priority for the coming year. Since volunteers are getting more and more difficult to find I will also request our Management Company to find a vendor that can make, paint and secure new signs.

Q. How are we absorbing POA fees for homes in foreclosure?

A. All homes that are two or more quarters behind in their fees are properly notified as defined by the rules and regulations. If no response is received then further action (a lien) is place on the home. This is basically the process that has taken place on all homes that are in foreclosure. In several instances if a foreclosed home is sold we have an excellent chance of collecting the past due

fees. However, if a home ends up in bankruptcy then we more than likely will not be able to recoup monies owed to the POA. So to answer your question more specifically, the budget (which includes certain amounts going into the reserve accounts) is based on the assumption that all fees will be collected. When we fall short of collecting the fees then the reserve accounts will be short changed. Basically what this can but not necessarily lead to would be special assessments. Thus far this community has been very diligent with the monies it is in charge of and no special assessments have ever been requested. Hopefully, this will remain the case as we go forward.

Q. Will our fees go up?

A. Fees for the 2012 budget are going up approximately 7.5%. This amounts to \$7.00 per month. There is some anticipation that some costs will go up but due to the amounts owed this small increase will help offset some of the shortfall that would normally be allocated to the reserve accounts. Also, please remember that there were no increases passed on in 2010 or 2011. So if you average it out, Eagle's Pointe has asked for a minimal amount of 2.5% over a three year period.