

Minutes of 2017 Annual Meeting
Reverie on the Ashley Council of Co-Owners
April 18, 2017

Members Present: T. & D. Aitken, E. & C. Frazier, G. Dehler & A. Welsh, M. & D. Hills, A. Knuff, A. & O. Bossman, D. & P. Smith, N. Zinn, G. Johnson, M. & J. Harrison, J. Polking & L. Strickland, K. & B. Jones, K. & J. Platts, S. & R. Linville, J. Schultz, S. & C. Callaway, T. Schneider, G. & D. Canaday, R. Waer & J. Travis, B. Bollinger
By Phone: B. & C. Derrick

Board Members Present: Jeff Fort
Gramling Brothers Employee: Chuck Dennis
Management Company Representative: Jamie Reynolds
Guests Present: Representatives from Brown & Brown Insurance

- I. The meeting was called to order by Jamie Reynolds at 6:03 pm.
- II. Brief introductions of new community members from Building 5 and the Board representative were made.
- III. Mr. Isaac Matthews of Brown & Brown Insurance, recently been awarded the Master Insurance business by the HOA (November 2016), made a brief presentation on the advantages that firm offers us (i.e., greater coverage (e.g., excess flood) and lower premiums). Further he indicated that Brown & Brown agents would be happy to review HO 6 coverage obtained by individual members to see if there were improvements or cost reductions that they might offer. L. Frazier questioned the 30% premium increase. The increase was attributed to the addition of building #5.
- IV. Approval of the Minutes of the 2016 Annual Meeting

Prior to voting D. Hills and A. Knuff made comments and asked questions regarding 2016 list of homeowner concerns items missing from the minutes. After some discussion, K. Jones moved the minutes be amended to include the list of questions submitted for the 2016 Annual Meeting. A. Knuff seconded the amendment and the 2016 Minutes were approved as amended. A. Knuff agreed to send to Jamie the amendment questions to be added.

V. 2017 Budget Presentation

Before the presentation began, A. Knuff made the following motion:

I move to postpone the vote on the proposed 2017 budget for the Reverie and take up the proposed budget at a meeting of the homeowners and board in four weeks at 6 pm on May 16 2017 and I further move that during this time, the board and management company provide each homeowner with copies of detailed income and expense statements along detailed vendor contracts for the years 2014, 2015 and 2016. This information is necessary for homeowners to review, understand and analyze operating cash flow of the Association in order to make an informed decision and vote with regard to the proposed budget.

The motion was seconded by B. Jones.

In response to Ms. Knuff's motion, J. Reynolds stated that "it is not the homeowners' right" to approve the budget.

Regardless of voting status, Ms. Knuff argued that transparency in fiscal operations was desired by the homeowners and supported by provisions of the SC Horizontal Property Act (SECTION 27-31-180. Records of receipts and expenditures.) This argument was amplified by D. Hills.

In response, Ms. Reynolds reiterated her commitment to allow any and all property owners to review the information at her office. She also indicated that legal counsel indicated that general reports were viewable, contracts were not. Discussion ensued. A. Knuff explained that she had been requesting this information formally for more than two months and to date received December 2017 detailed income and expense information. Further was offered by J. Reynolds, but then stopped by the attorney for the management company.

Also in response Mr. J. Fort indicated that he appreciated the homeowner desire for transparency and that he would take this issue back to the Board for further discussion.

K. Jones asked to amend the original motion to "request a response from the Board within 10 business days regarding whether or not the Board would (1) facilitate a meeting on financial matters and (2) indicate when such a meeting would occur. " Ms. Knuff accepted the amendment as offered. The amended motion was seconded. A vote on the amended motion passed unanimously.

Further discussion reinforcing the homeowner desire for transparency and concern about eventual transition from developer to homeowner control occurred. J.

Harrison raised the issue of homeowner representation on the Board and the response was that the composition of the board was already established and would not include homeowner representation. In response to all this discussion, J. Fort indicated that the Board had no plan for transition (“more to build and more to sell”). A. Knuff raised the issue of needing to update the Master Deed with anticipated dates of completion for the remaining buildings per the SC Horizontal Property Act.

Discussion shifted to Board composition and process. J. Fort stated that the members of the Board are Ben Gramling, Jeff Fort and Bryn Loyd. In response to the process issue, J. Fort described an organic and informal style of Board operation, primarily in the form of phone calls.

K. Jones asked J. Fort to bring the issue of homeowner involvement to the Board for discussion. He indicated that he would do so.

VI. Developer Report

J. Fort began his report by sharing the Developer and Board appreciation for the completion of Building 5. This appreciation was shared by all present.

Mr. Fort then stated that it is the Board’s intent to fully fund the capital reserve fund by the conclusion of 2017. All present welcomed this intent. A. Knuff requested clarification on the amount. J. Fort indicated it would be an amount indicated in the 2013 Replacement Reserves’ Report for the end of fiscal year 2017. A discussion on the method to be used to calculate the necessary reserves followed noting there are two different methods outlined in the report: cash flow and component replacement with differing end year amounts. D. Hills expressed his concern that any method recognize and include the likely changes in costs that have occurred over time. A brief segue into a discussion of the contents of the 2009 and 2013 Engineering Studies for the Capital Reserve concluded with general agreement that a new study was required now that building 5 was completed and that whatever method used to calculate the necessary reserves needed to fully capture changes in replacement costs for material, labor and operations. J. Fort acknowledged that the studies would be updated this year.

Mr. Fort then proceeded to address the list of concerns forwarded to him in advance of the meeting and attached herewith for reference.

Regarding a shift to LED lighting, he indicated that SCE&G offered a solution that was cost prohibitive but agreed to ask again.

He indicated that the variety of landscaping concerns (E.g., plant material needing removal and replacement, fertilization) (as well as ones offered during the meeting) had been or would be discussed with the landscape company. He stated that some

Indian Hawthorne had been replaced. D. Smith explained the landscaper is heaping piles of leaves up and around the base of bushes causing damage to the bush. S. Callaway requested the path around the building be completed. J. Fort indicated it could not be completed as it infringed on the critical line established by the Ocean and Coastal Resource Management (OCRM). D. Hills asked if pervious pavers could be installed.

Regarding concerns on the management of garbage (i.e., company, operating problems, odor control systems), Mr. Fort reminded all that issues needed to be forwarded to Ms. Reynolds for resolution and further indicated that dissatisfaction with the current company might require switching to a different one.

In response to concerns over the condition of pool deck chairs etc., Mr. Fort indicated that he would appreciate homeowner involvement in the selection of replacements and to facilitate their work would provide a budget for the activity. Ms. C. Frazier and Ms. G. Canaday volunteered to come up with a proposal. J. Fort stated that homeowners could form a council or committee; this has been suggested in the past.

A plan for systematic roof drain inspection has been put in place.

The next topic concerned by-law violations and inappropriate use of facilities. Homeowners who offer their units for short term rentals are in violation of the bylaws and are presenting owners with a difficult and potential unsafe situation. D. Canaday stated that he is being contacted multiple times each week through the gate entry system by people arriving to "check-in to their unit". K. Jones provided a vacation rental listing for building #3-102. The short term rental and/or use of other units including building #3-403 and Building #5-204, were also discussed.

L. Frazier provided printed materials and photos of pertaining to the operation of a boat rental service that is equally problematic. The group expressed concern over how these problems should be resolved - reporting violations to property management, documenting them to the extent possible, legal and safe. Ms. D. Aitken suggested the need for stronger language in the bylaws regarding this issue. Striking a balance between prohibitions that work rather than encourage these behaviors is desired.

Respectfully submitted by A. Welsh (left meeting at 8:30 PM)

Discussion continued regarding boat chartering being conducted off our docks and units being used as short term rentals. C. Dennis, a Gramling employee, said that he knew of two units that were being used for short term rentals. B. Jones questioned J. Fort on how an employee of Gramling knew of this by-law violation and yet nothing was done. B. Jones asked if Jeff would empower him to address the renters

abusing the property. J. Fort agreed to investigate and act on these violations and to review and amend the by-laws concerning these matters. A. Knuff requested that short term be changed from 6 to no less than 12 months.

J. Reynolds indicated that the 911 gate code that was being used inappropriately was being changed and a new code sent to police and fire.

J. Fort indicated that requests for and installations of electric charging stations for electric cars need to be submitted, reviewed and approved by the board. Installation is the homeowner's expense.

B. Jones indicated that his unit only receives 208 volt service and when several appliances are on this drops below 200. He requested that the board contact SCE&G to see how this can be improved.

D. Smith requested a refrigerator be installed at the amenity center and a lockable space be provided for the social committee. J. Reynolds and J. Fort shared the TV connection at the amenity center is Direct TV. It is operational and the remotes/box are in the closet in the men's room.

J. Fort stated that reflectors could be added to the posts.

J. Fort stated that he would contact the Faber Place Commercial Association regarding a light at the entry along Leeds and the application of a finish coat on Faber Place Drive.

A new resident of building 5 raised the issue that an RV was parked outside the building in violation of the by-law and questioned if the board knew that. J. Fort stated that they had made an exception for this special vehicle. The new resident insisted that it satisfied the definition of a RV/mobile home and that according to the by-law was not permitted. She requested the board not make exceptions. The owner of the RV volunteered to remove the vehicle.

Meeting adjourned around 9:15 PM.

Respectfully submitted by A.Knuff

HOMEOWNERS QUESTIONS FOR ANNUAL MEETING 2017 (sent to board prior to meeting)

From: Alana Knuff <alanaknuff@gmail.com>
Sent: Friday, February 24, 2017 8:33 AM
To: 'bgramling@gramlingbrothers.com'
Subject: FW: Meeting Agenda Items - Reverie on the Ashley

Ben,

My apologies for not copying you in this email. Didn't have your email address. Looking forward to the annual meeting.

Thank you.

Alana

From: Alana Knuff [mailto:alanaknuff@gmail.com]

Sent: Wednesday, February 22, 2017 9:13 PM

To: 'Jamie Reynolds'

Cc: jfort@gramlingbrothers.com

Subject: Meeting Agenda Items - Reverie on the Ashley

Jamie,

Please find below questions and requests presented to me by numerous homeowners. These are considered important and are being sent in advance of the annual meeting so that a written response can be prepared. Please include them in the annual meeting agenda. Jeff Fort is copied in this email. Thank you.

Reverie on the Ashley Homeowner's Questions and Requests 2017

(To be added to the 2017 annual meeting agenda)

Please provide written responses to the following:

- RESERVES - What is the total amount of money currently in the reserves? What is the name of the financial institution holding the account, the name on the account, and the account number? Is this an interest bearing account? Are the reserves being funded per the recommendation of the 2013 Engineer report by Miller Dodson? The Report suggests the Average Minimum Annual Funding of Replacement Reserves be between \$62K and \$80K per year. Given that, there should presently be between \$180,000 and \$240,000 in the reserve account. Same issue raised last year.
- REPRESENTATION ON THE BOARD - The by-laws mention three board of directors? Who are they? Now that the majority of built units are sold, one way to ensure the quality that is the Reverie be preserved is to have a representative from the homeowners on the board. When can this be accomplished?
- LANDSCAPING - What will be done to improve the quality of the landscaping this year? Pruning and fertilizing the plants and shrubs are needed. Weeding, raking and aerating the lawns are needed. There are a number of dead Indian Hawthorne shrubs that need to be removed and replaced with other area appropriate shrubs. Many of the azaleas appear to be unhealthy. Magnolias have white fungus spots on the leaves. The present landscaper is not making an effort to pick up trash in the perimeter areas of the property. The present landscaper is good at mowing, blowing whatever and edging, but little else. Same issue raised last year.
- EXTERIOR METALS - When will the elevator casings, stairs and metal doors be painted? There is considerable rust on all these exterior metals on all the buildings except the newest. Same issue raised last year.
- DRIVEWAY PAVING - When will the finish coat be done to the driveway per the 2013 Replacement Reserve Report?
- ROOF DRAINS - The building roof drains need to be thoroughly cleaned of dirt, weeds and moss. This can contribute to roof leaks.
- BY-LAW ENFORCEMENT - Who is the person(s) and why are they being permitted to run a charter business from Reverie docks? There is a pontoon boat at the dock being used for

fishing charters. Someone who is not a resident operates this business brings other non-residents onto the property.

- **BY-LAW ENFORCEMENT** - There are at least two units being used for short term rentals and/or the owners are allowing different people to use the condo for a few days or a week at a time - regardless of whether there is money changing hands, the condos function as a vacation rental which is not permitted in the by-laws. Their renters/guests hang towels and swim suits on the balcony, use the pool late at night, break into private rooftop terraces, let kids ride scooters and bicycles on the dock and in the building corridors, and leave barking dogs on the balcony when they aren't even on the property. Can the covenants be amended to state that with the exception of immediate family members, owners and/or long-term tenants must be present when guests use are on the property and/or use the amenities?
- **LIGHTING** - Two additional street lights should be installed in the turnaround area of building #5, this area is very dark.
- **POWER WASHING** - When the building is washed, the rooftop common areas, rooftop stairway landings, staircase structure and railings (all 5 levels), lower level concrete corridors including trash rooms also need to be cleaned. Pool deck pavers need to be cleaned. Pavement needs to be cleaned where dumpsters are emptied.
- **TRASH ROOM** - Dumpsters need to be switched out for clean ones on a regular basis. Residents need to be reminded to bag all trash dumped in the chute so that the dumpsters (and chutes) stay clean, and odor is controlled as much as possible. Food, soft drinks, puppy training pads, etc. smell terrible after a few days, and the stench makes its way into the elevator shaft. Can small tasteful signs be placed on the chute doors stating "all trash must be bagged and tied"? These items attract bugs and rodents to the trash room and contribute the foul smelling "dumpster juice" that leaks onto the pavement when the dumpsters are emptied.
- **POOL** - The pool furniture is showing signs of wear. Several chairs are broken, are incredibly uncomfortable, and most are without cushions. Those few cushions that are still around are completely flat and worn out. Can the pool furniture be replaced with comfortable furniture, chaises that don't necessarily require cushions? Can the pool use be extended a month?
- **ENHANCEMENTS**
 - o Looking to the future, what provisions are there for electric charging stations in each building for electric cars?
 - o Could some aesthetically pleasing reflectors be installed on the black posts along the drive?
 - o Could the Association request from the Department of Transportation better lighting at the entrance to Faber Place from Leeds Avenue and installation of a badly needed finish coat on the pavement from Leeds to our entry?

Warm regards,
Alana