



PALMETTO DUNES™
PROPERTY OWNERS ASSOCIATION
RESIDENTIAL RESORT COMMUNITY

2024 Annual Meeting

Dear Property Owners:

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Membership of the Palmetto Dunes Property Owners Association shall be held beginning at 9:00 AM on Saturday, October 12, 2024, at the Omni Resort. An owner's continental breakfast will be served from 7:45-9:00 AM. In accordance with the Bylaws, Article II, Section 8. Quorum: The presence in person or by proxy at a meeting of fifteen percent (15%) of the Members shall constitute a Quorum, but a lesser number may continue a meeting previously constituted. Section 9. Proxy. Any Member may give a proxy to vote to any person for a specific meeting. Such proxy may be general or limited to a specific purpose. The Board may solicit proxies with respect to any Membership meeting. Any member giving a proxy shall be deemed present at such meeting for all purposes. All proxies must be received by the Secretary of the Association at the address of the Association at least fifteen (15) business days before the date of the Annual Meeting. For the 2024 Annual Meeting, Members may participate in person, remotely or by proxy submitted either (i) electronically, through a web portal designated by the Association for that purpose or (ii) by paper proxy card returned to Jones Simpson & Newton, P.A., P.O. Box 1938, Bluffton, SC 29910 ATTN: Janene Paulus/PDPOA which the Board of Directors has specifically designated as the address of the Association for purposes of the independent third-party receipt and handling of proxies.

Enclosed you will find the following information for the Annual Meeting:

- Agenda
- Annual Meeting Minutes 2023
- Overview of Business in 2023
- Financials

Register to Attend

Members may attend the Annual Meeting in-person or via Zoom. To register to attend, please visit: www.pdpoa.org/annualmeeting.

Election of Directors and Bylaw Amendments

The election of directors and proposed bylaw amendments is held prior to and separate from the Annual Meeting. A package with instructions on how to vote and a paper ballot was emailed/mailed to the membership in late August. Voting is open September 1st through October 1st. The results of the election and bylaw amendments will be announced at the Annual Meeting. If you have any questions about the process, please contact Elizabeth Simpson at 843-785-1109 or esimpson@pdpoa.org.





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Annual Membership Meeting Agenda

October 12, 2024 | 7:45 a.m. Breakfast | 9:00 a.m. Meeting
Omni Resort

Our MISSION

To enhance the quality of life, strive to protect the natural environment, and improve the resources of our community for all those who live, invest, work, and play here.

Our VISION

To be the best residential beach resort community in the southeast.

Our VALUES STATEMENT

Palmetto Dunes is accountable to our community, neighbors, visitors, and natural environment. We strive to build sustainable relationships through mutual respect, integrity, and a collaborative spirit.

Our TAGLINE

Where visitors become locals

- I. Welcome and Introductions
- II. Moderator-Get Quorum
- III. Call Annual Meeting to Order
- IV. Declaration of Quorum
- V. Approval of 2023 Annual Meeting Minutes
- VI. Announcement of Newly Elected Directors & Bylaw Amendment Results
- VII. Nominations for New Director & Election
- VIII. Board Chairman's Report
- IX. Strategic Plan Report
- X. CEO's Report
- XI. Report on Finances
- XII. Report on Palmetto Dunes Cares
- XIII. Outgoing Director Presentation
- XIV. Outgoing CEO Presentation
- XV. Adjournment
- XVI. Member Comments



PDPOA Annual Membership Meeting
October 14, 2023 – 9:00 a.m.
Omni Resort | 23 Ocean Lane, Palmetto Dunes

Board Members Present: Jerry Durkin, Becky Brumley, Brandon Smith, Erin Gaian, Sean Moore, Kurt Faires, Chad Terefenko, Grover Cleaveland

Board Members Absent: Bob Talbot, Dan DeMichele

Chief Executive Officer: Andrew Schumacher

Recording Secretary: Elizabeth Simpson

Jerry Durkin, PDPOA Board of Directors Chair, called the meeting to order at 9:02 a.m.

Sean Moore, Treasurer, declared that a quorum exists with 1,003 combined valid proxies and attendees--the meeting may continue.

Sean Moore called for the following motion. It was made by Kevin Donahue and seconded by Tony Scaldara.

“I move that we waive the reading of the 2022 Palmetto Dunes Property Owners Association Annual Meeting minutes.”

The motion passed.

Sean Moore called for the following motion. It was made by Gerald Glass and seconded by Dominic Colapietro.

“I move that we accept the 2022 Palmetto Dunes Property Owners Association Annual Meeting minutes as presented.”

The motion passed.

Jerry Durkin presented the Chairman’s Report.

Becky Brumley presented the Strategic Plan Report.

Andrew Schumacher presented the CEO’s Report.

Sean Moore presented the Report on Finances.

Announcement of Board of Directors Election Results – Erin Gaian, Nominating Committee Co-Chair. The newly elected Directors are Alice Bettencourt, Edward Garino, and Doug Luba.

The Association’s attorney, Weston Newton, presented the six bylaw amendments to the membership. Weston Newton then called for the following motion. It was made by Louis Pasquino and seconded by Marinus Vader.

“I move that we waive the reading of the Bylaw Amendments.”

The motion passed.

The vote was conducted via ballot for the bylaw amendments.

The Association's attorney counted and certified the bylaw amendment results after the meeting concluded. The results of the bylaw amendments were announced to the membership on October 23, 2023, via the Tidings. A total of eight hundred twenty-four (824) members submitted ballots voting in person or by proxy, representing a total number of votes of 1,003. A total of fourteen (14) proxy holders cast 743 votes. The result of the vote count is as follows:

As to Amendment Number 1:

Article II Membership, Section 7 Notices:

Proposed changes expand the methods of Notice of Members to include email to Members who have elected to receive correspondence from the Association by electronic means.

Yes Votes: 985 and No Votes: 7. The Amendment PASSED.

As to Amendment Number 2:

Article II Membership, Section 8 Quorum:

Proposed changes make the electronic proxy references consistent to confirm that Members submitting electronic proxies in accordance with Article II, Section 9 are included for Article II, Section 8 Quorum purposes.

Yes Votes: 977 and No Votes: 10. The Amendment PASSED.

As to Amendment Number 3:

Article II Membership, Section 10 (New) Annual or Special Meetings; Remote Communications and 11 (Revised) Membership Meeting During a Period of Emergency: Proposed changes track the new State law to allow Members of a South Carolina Nonprofit Corporation to participate in Annual or Special Meetings by means of remote communication, be deemed present in person, and permitted to vote at such meetings whether held at a designated place or solely virtually.

Yes Votes: 958 and No Votes: 33. The Amendment PASSED.

As to Amendment Number 4:

Article III Board of Directors, Section 2 Elections and Term:

Proposed changes clarify Director's terms commence at the conclusion of the Annual Meeting following his/her election.

Yes Votes: 985 and No Votes: 5. The Amendment PASSED.

As to Amendment Number 5:

Article V Committees, Section 1 Executive Committee:

Proposed changes limit the role and responsibility of the Executive Committee for non-emergency issues to only those two specific instances as provided by a contract of employment or ethical or conflict of interest charges levied against Board Directors or Committee Members.

Yes Votes: 928 and No Votes: 46. The Amendment PASSED.

As to Amendment Number 6:

Article XI Amendment, Section 2 Bylaws:

The proposed language allows the Board to present Bylaws amendments for Member consideration (consistent with applicable South Carolina law) by written or electronic ballot without a meeting with such amendment

votes being presented in conjunction with Director elections to simplify, consolidate and streamline whenever possible the voting process for Members.

Yes Votes: 956 and No Votes: 36. The Amendment PASSED.

Report on PD Cares – Andrew Schumacher

Outgoing Director Presentation – Andrew Schumacher

Jerry Durkin called for a motion to adjourn the meeting. Dominic Colapietro made the motion, and it was seconded by Jim McCauley. The motion passed unanimously.

The meeting was adjourned at 10:08 a.m.

The gathering was then opened to member questions and comments.



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Overview of Business in 2023

Historically, the Association has provided an overview of business throughout the year in the *Palmetto Perspective* newsletters, Tidings emails, as well as a comprehensive update at the Annual Meeting. Although much of the information in this overview has already been communicated, per the Bylaws, Article II, Section 4. Notice of Annual Membership Meeting. “At least thirty (30) days before the date set for the Annual Meeting of the Membership the Secretary of the Association shall mail to each member: (1) A report of the significant business conducted by the Association during the preceding year; (2) A balance sheet for the Association as of the end of the preceding fiscal year and a cash receipts and disbursements statement for the previous fiscal year; (3) Notice with respect to the time, place and purposes of such meeting.”

This is a brief snapshot of activities and initiatives from 2023. An update for 2024 will be presented at this year’s Annual Meeting.

- Six bylaw amendments were approved by the members.
- The Board adopted the 2023-2027 Strategic Plan.
- The board approved committees as a result of the Strategic Plan for the key focus areas:
 - a. Build a strong, engaged community
 - b. Modernize infrastructure and enhance accessibility and safety across the community
 - c. Achieve mutually beneficial relationships with community partners to optimize the PD experience
 - d. Enhance stewardship to increase sustainability
- The board agenda was changed to include known motions to be included on the agenda and an agenda item added to allow owners to comment on motions prior to the board taking action.
- Completed the 2023 audit. PDPOA received an unqualified opinion.
- Reviewed and updated the investment policy statement with the assistance of the Finance Committee.
- For 2023, the Association ended the year with a positive net income of approximately \$3.7 million. The operating cash flow decreased from \$5.3 million to \$3.3 million. The Association purchased approximately \$10.7 million in investments to fund future capital projects and another \$2.9 million was invested in infrastructure and equipment.
- The reserve fund balances increased from approximately \$18.8 million on December 31, 2022 to \$21.1 million on December 31, 2023.
- Total CEF collected in 2023: \$704,413.
- In 2023, 131 properties were sold with an average price of \$1.075 million.
- The completion of the Mooring Buoy Phase 2 redevelopment included significant infrastructure improvements such as realigning the roadway, upgrading the stormwater drainage system, replacing the main domestic line for water supply, and constructing a

consistent 8-foot-wide bike path. Additionally, the common areas were enhanced with new landscaping, featuring beautiful native plants and trees to create a more inviting environment for residents.

- The completion of the Dunes House parking lot redevelopment included several key improvements such as delineated pervious parking stalls to enhance water absorption, upgraded stormwater infrastructure with improved elevations for better overall drainage, additional handicap spaces to increase accessibility, improved ingress/egress to facilitate smoother and safer traffic flow, and new landscaping accompanied with new timber retaining walls.
- The Association hosted 50 property-owner social events and solicited feedback to plan events going forward.
- The Association held the inaugural Community Open House & BBQ with over 150 owners in attendance. Presented displays by Security, ARB, Finance, and Projects & Facilities to familiarize owners with the association's operations.
- The launch of Property Owner ID cards, offering owner discounts to local businesses. 1,102 owners came to the office to pick up their Property Owner ID cards.
- Initiated new ARB inspections for closings to provide new homeowners with a Courtesy Property Inspection Letter informing them of any deficiencies of the property that the new homeowner will have to address to bring the property into ARB standards when they submitted a future project to the ARB.
- New weekly courtesy notification email to homeowners/vendors informing them that their permit is set to expire within a week.
- Created a One-Sheet that is now included with all permits that has important information for the contractor such as requesting permit extensions, dumpster policy, submitting for change requests, jobsite parking and cleanliness, etc.
- Created a PowerPoint/graphic presentation for PDPOA's "Open House", with examples, to educate homeowners about what the ARB looks at during inspections (before and after photos to show a home that wasn't following ARB standards and how they addressed all contingency items).
- Assisted with the rollout of Covenant Compliance Baseline Inspections for 2023.
- Added cameras at 10 locations within Mariners and Inverness and replaced the video management server.
- Designed and implemented electronic Short-Term Rental Portal
- Designed and built 24/7 Dispatch Office

We hope to see you at this year's Annual Meeting!

PDPOA BALANCE SHEET - DECEMBER 31, 2023**ASSETS:**

Operating	\$	1,174,538
Repair & Replacement		9,961,530
Storm Reserve fund		3,129,933
Community Enhancement Fund		3,558,846
General Fund		4,410,906
ARB Compliance Deposits		<u>1,014,950</u>
Total Cash & Investments		23,250,703

Accounts Receivable, Net		190,122
Assessments Receivable, Net		11,675
Prepaid Expenses		283,143
Right of Use Asset, Net		70,245
Property/Equipment, Net		<u>23,159,281</u>

TOTAL ASSETS \$ 46,965,169

LIABILITIES & FUND BALANCE

Accounts Payable	\$	380,531
Accrued Expenses		611,013
ARB Compliance Deposits		938,073
Lease Liability		70,440
Contract Liabilities		423,715
Undesignated and unrestricted		23,403,305
Designated		<u>21,138,092</u>

TOTAL LIABILITIES & FUND BALANCE \$ 46,965,169

PDPOA INCOME STATEMENT - DECEMBER 31, 2023**REVENUES:**

Residential & Commercial		
Assessments:	\$	4,743,359
Other Revenue		<u>4,889,281</u>
		9,632,640

LESS EXPENSES:

Operating		7,375,442
Depreciation		<u>880,025</u>
		8,255,467

OTHER INCOME/EXPENSES

Community Enhancement Fund, Net		563,638
Investment Income		871,538
Realized gains on sales of investments		9,152
Realized gains on sales of fixed assets		27,590
Unrealized gains on investments		<u>888,173</u>
		2,360,091

EXCESS OF REVENUES OVER EXPENSES \$ 3,737,264

PDPOA OPERATING FUND TRANSFERS

To Repair & Replacement Fund	\$	2,100,000
To Community Enhancement Fund	\$	563,638