

## NEWPORT PROPERTY OWNER'S ASSOCIATION ANNUAL MEETING

SATURDAY, FEBRUARY 23, 2019 10:00-11:35 AM

PRESENT: Tim and Mary Thompson, Steve and Phyllis Wilson, Dennis and Adrienne Lesko, Bob and Judy Lentz, Steve and Tyler Hill, Caroline Buswell, Helen and Jim Nazzaro, Chris and Shannon Cockrell, Jeff and Diane Hanft, Buzz and Debbie Foster, Mike Bartley, Hugh Moseley, Heather Vahjen, Jim Chandler, Sammy Lanford, Doug and Patricia Henry, Melinda and Danny Austin, Tamela Tyre, J. C. McKinney, Bob Haynie, Justin Austin and wife, Cindy Field, Jim Thompson, Jim and Denise Medford (presenters/guests), Toby Chappell and Steve Brown (presenters) **TOTAL of 39 ATTENDEES**

- 1) Tim Thompson welcomed and thanked everyone for attending the annual Newport Property Owners Association (POA) meeting.
- 2) The 2018 annual property owner meeting minutes were approved as distributed last year.
- 3) Financial Report:  
The financial report was distributed to property owners. SEE ATTACHED 2018 Income Statement for detailed explanation. The current 2018 cash balance is \$67,024.15, plus a reserve fund CD of \$50,225.52 equaling a total amount of \$117,249.66. In addition, there is an amount of \$50,391 of unpaid dues, which includes \$27,450 in outstanding liens owed by 7 delinquent property owners. However, the POA has recently collected \$14,000 from the sale of properties with liens. NOTE: When lien properties are sold in tax sales, the back dues are lost and are uncollectable, which has happened in the past. The 2018 financial records have been turned over for the POA accountant to complete the 2018 taxes. Finally, the POA board has directed that a detailed financial review to be conducted by a Certified Public Accountant (CPA) to be completed after April 15, 2019.
- 4) Backwater Road Paving and the Special Tax District:  
Tim stated that paving the road has been the board's number one priority. Steve Brown, Chairman of Greenwood County Council and Toby Chappell, Greenwood County Manager, attended the meeting and provided an update. Mr. Chappell stated the county sent a Letter of Condemnation to the three individuals who have an ownership portion of Backwater Road. The letter provided an explanation of the Condemnation and offered a monetary compensation for their respective portion of Blackwater Road. To date only one land owner has responded. Mrs. Davis, who owns 0.5 acres, has agreed to the terms of the County's letter. Mr. J. C. McKinney, who owns 0.8 acres and Mr. Fletcher Lawrence, owns 4.5 acres have not replied to the County Council.  
Mr. J. C. McKinney, who was in attendance, announced verbally at the meeting that he would send his response to the County Council next week, however, he did not indicate whether he would accept the County's offer or not. The county has not heard anything from Mr. Fletcher Lawrence.  
Each owner has 30 days to respond, which will culminate next week. If no response is received at the end of 30 days, the county will designate a County appointed appraiser, the non-responders may select an appraiser of their choosing and those two appraisers will then select a third appraiser. The three appraisers will each conduct an independent appraisal of the property, provide their appraisal to the County who will average the three appraisals and set a final amount for the property. [Need to confirm that this is the County's next step process—just to be safe]

A question was asked about who would pay for the cost to compensate the three respective property owners. Mr. Chappell stated that he would recommend that the cost to purchase the land be rolled into the cost of the road construction. Tim Thompson, POA Board President, indicated he would fight this recommendation and Mr. Brown indicated he would support Tim's position. He stated the County Council bears some liability for not insuring Backwater Road was paved when Newport was being developed. Tim recognized that the County absorbed the first survey cost which was approximately \$25,000. When asked about the progress of the Condemnation process, Mr. Steve Brown stated that the eminent domain condemnation law is a 16-page document and that he will push all deadlines to get this project completed in 2019.

The Special Tax District (STD) has a 15 year pay back plan and the board is striving to maintain the total annual property owner costs as close as possible to the current \$880. The previous road construction bid is approximately 18 months old, therefore, the project will have to be rebid and may cause a slight increase.

In accordance with Greenwood County STD provisions, the Newport STD must be represented by three commissioners, who are residents of the Newport STD. The identified commissioners are Steve Wilson, Jeff Hanft, and Jim Nazzaro, which are all current residents of Newport. The Commissioners are charged to develop a 2020 budget (based on the annual standard billing expenses for Newport maintenance—utilities, insurance, and lawn care) and to present to the County Council at a meeting scheduled on March 26, 2019. The county will add the 15yr prorated amount for the paving of Backwater Road to the Commissioners submitted budget, divide the total annual amount by the number of property owners and add that amount to each respective owner's 2020 annual property tax.

The County will hold in escrow the amount collected through the STD process until the bills are received from those identified by the Commissioners. The bills submitted to the County Treasurer's office will be paid as required. Any dollar amount remaining at the end of the year stays in escrow and is considered when the commissioners determine the next year's budget.

The POA can assess each property owner for annual dues to use for contingency reserve funds. The STD does not have anything to do with reserve funds. The POA and the STD are two separate entities. The Newport STD is independent of the Newport POA.

Mr. Chappell stated the Commissioners, on behalf of the POA, can request unobligated STD money, held in escrow, to be used for improvements "that will benefit the community".

There are two benefits for having the STD.

- 1) the road will be paved through the eminent domain process and
- 2) those currently not paying property dues will no longer be able to ignore those dues because they will be included in their annual property taxes.

Mr. Chappell reported there are 4 items the STD Commissioners must attest to when they appear in front of County Council annually.

- a) All STD commissioners are legally qualified, and their terms have not expired
- b) STD has to hold at least one meeting annually
- c) The STD Annual Budget for the upcoming tax year must be presented to the County Council.

- d) The annual budget amount submitted by the Commissioners must be divided by the number of property owners indicating the amount to assess each property owner.

In summary, property owners will pay the STD amount as part of their annual property tax, exact amount unknown at this time, and a separate amount to support the POA contingency reserve fund. The reserve fund is estimated to be around \$150 a year which will be paid in the same manner as the current annual dues. The POA Board is clearly focused on keeping the total amount as close to the current \$880 as possible.

Finally, Mr. Brown clarified that all previous offers to Mr. Fletcher Lawrence during past negotiations for the road construction are off the table once this condemnation process has been completed.

#### 5) Improvements/Changes

Tim announced many changes/improvements have been completed over that past year

- a. Safety and security
  - i. Road cracks sealed
  - ii. Collapsed drains repaired
  - iii. One new street lights added for a total of 19 currently
  - iv. Gated entry – action blocked by Mr. Mckinney prior to installation
  - v. Eleven (11) lot owners received letters to remove fallen trees/leaning trees into lake – corrective action by property owners underway
  - vi. Phase II road graded; additional stones applied
- b. Beautification
  - i. Covenant violations were addressed/corrected in compliance with CCRs
  - ii. Kayak Pond and Fish Pond completely stocked
  - iii. Fishpond Circle erosion and run-off prevention
  - iv. Mulching done at Backwater Entry and at Newport entry
  - v. Headwater Circle Common area beautified with trees and shrubs
  - vi. Pylons on entrances to be re-stained in the spring
- c. Maintenance
  - i. Pond pumps and broken piping repaired
  - ii. Beaver problems continue to be controlled
- d. Property Liens
  - i. 5 liens satisfied (3 in past 6 months),
  - ii. 2 liens lot with bankruptcy/tax sales,
  - iii. 5 liens remain totaling \$27,450 owed.
- e. Home and lot developments have increased from 14 to 16 homes completed, with an additionally 3 lots cleared for construction
  - i. Lot 23/24 and 48 have been cleared
  - ii. likely 2 to 3 homes to be started in 2019
- f. Draft bylaws developed – 3<sup>rd</sup> review by attorney underway
- g. Website continually updated by Jim Nazzaro – suggested improvements welcomed

#### 6) Property Owner Comments/questions

- a. J. C. McKinney asked if draft bylaws could be sent out. Tim answered the attorney is guiding the board to assure the bylaws are in compliance with the Newport CCRs and the State of South Carolina rules on Home Owner Associations.

- b. Bob Haynie asked if there was a dock maintenance policy for shared owners. Tim encouraged him to contact the ACC regarding his concerns for board consideration and possible action.
- c. Mike Bartley asked if he paved his road, would he have to do it following Department of Transportation requirements? Mr. Brown/Chappell responded that since it is a private road the County has no position. J. C. McKinney asked if this could be added to the STD? The STD residents and property owners would have to agree, and the County would have to approve.
- d. Tim Thompson asked J. C. McKinney what his plans are for the future of Newport – what are his long-range plans? J. C. McKinney stated the situation is fluid at this time.
- e. Question was asked if the roads could be turned over to the board? Tim had previously informed Mr. J.C. McKinney, that the POA would take over the roads, if he would give the POA ownership of the common property where the marina was originally planned in order to build a floating marina for use by “inside lot owners”. Mr. McKinney refused the offer stating at that time “the property was too valuable and he was unable to do that”.
- f. Jeff Hanft said the marina is needed to be able to sell the internal lots – people need a place to access their boats. This is not possible at this time because the property is owned by Mr. J. C. McKinney.
- g. Steve Hill announced that Newport has a Facebook page. To access, go to Newport@lakegreenwood and send a request.
- h. Jim Nazzaro reminded everyone that the Newport website is Newportongreenwood.com
- i. Steve Wilson indicated a request came from Mr. Varda asking for the annual meetings to be video-taped/broadcast so that out of town property owners could participate.
- j. In the discussion about fallen tree removal along the lake, Mr. Steve Brown announced that any fallen trees below the 440 line of elevation are the County’s responsibility. The trees are to be handled by Lake Management unless it is classified as debris
- k. Mr. Steve Brown also announced that a hunter has been hunting deer in the Puckett’s Ferry homeowner area. Puckett’s Ferry has requested the County Council to address this concern, by not allowing hunting in residential areas. Currently, there are no rulings on hunting, crossbow or gun, in established home owner developments. Mr. Brown is asking if Newport would like to submit recommendations to County Council regarding this type of concern.
- l. Jim Medford announced that Fletcher Lawrence is trying to sell his lake front farm land adjacent to Newport if anyone is interested.
- m. Updates regarding the STD, road condemnation process, and the paving of Backwater Road will be provided to all property owners as they occur. Updates will be provided electronically, therefore, it is important to keep the POA Board informed of any email address changes.
- n. Mr. Tim Thompson again thanked everyone for being at the meeting today and requested that Mr. Brown and Mr. Chappell be available for individual questions after the meeting.

The meeting adjourned at approximately 1130.