

(2) seats for a 3 year term. From that point onward, Board terms will be 3 years and terms will be properly staggered.

Going forward each member of the Board and their term and expiration date will be published on the RDC web page.

All were satisfied with the strategy.

3. Approval of December Minutes

December meeting minutes were reviewed. A motion made by JoAn and second by John. A vote was taken and the motion passed.

4. Financial report

The December financial report was present by G. VanZandt as prepared by CRC our Financial Services. As of the end of November the following balances are reported at Coastal States Bank:

- Operating Account: \$51,133
 - Of which \$38,300 is from 2017 assessments
- ARB and Builder Compliance Deposits: \$79,865
- Capital Account: \$119,179

We billed 113 properties for 2017 Annual assessments for a total of \$210,350 which are due January 31. The \$210,350 is set as prepaid assessments on the balance sheet and we will recognize \$17,529 each month as Regime/Assessments Income. The balance at the end of December in the deferred account is \$210,350 prepaid account is \$17,529.

We finished the month of December with a negative variance of \$3,491 and YTD negative variance of \$8,460.

A motion made by Fred and second by JoAn to approve the December financial report. A vote was taken and the motion passed.

5. DR Horton up-date

Fred advised that the settlement agreement has been written by DR Horton, but higher level DR Horton attorneys have asked to have all those named in the suit sign a nondisclosure agreement. It is expected that amended settlement agreement will be ready for signatures and the courts in two weeks.

6. Storm Cleanup

Fred advises that the sub division clean-up is practically completed. There is still a mass of trees on the bridle path behind lot 77 and a pile of rotting logs near the pool that Popeye will be coming to remove once the ground dries out. Popeye will then continue to chip brush and the like, cleaning up the on the sides of all the bridle paths. This will help control snakes as well as give a more manicured look to the paths. The chips will be blown on the paths.

Jim asked about the situation of the broken tree by the main entrance. Fred advised it is on the list for Popeye for removal.

Fred then advised he will be preparing the annual report.

7. Annual Meeting

Fred advised the annual meeting will be held on Saturday, February 18 at 10 AM at the Gathering Place. That Laphanie Banks will assist by overseeing the meeting is in conformance with accepted homeowner association rules for South Carolina. Greg outlined the mailing and ballot response and process for checking proxies and tallying votes using a three step mailing and using three people to observe, approve proxies then open speared (?) ballot envelopes and tally the results doing away with any question as to anonymity and screening of proxies.

8. Old Business - Operating processes for the Board of Directors

JoAn advised that she has completed a summary of the monthly Board Meeting Minutes from last year and provided copies to Fred and Greg. She is working on several operation procedure summaries for handouts at the annual meeting:

- Process for Public Access to Rose Dhu Creek Plantation
- Understanding Your Bylaws power point
- Owner Value Maintenance process and forms
- Operating Process for the Board which includes:
 - Board member term succession planning;
 - Communication process with reminder / announcement email blasts;
 - Conflict of interest statement
 - ARB membership
 - Selection process for board vacancies
- Records Retention Management (with guidance from our CPA) – this will be a separate legal document as required by the State of South Carolina

John mentioned to stay compliant the audit cost must be below the set \$2500.00. JoAn and Greg confirmed the Auditors quote was far less than the \$2500 ceiling, so the cost of the audit will be fine.

Diane advised that the Owner Value Management (OVM) form still needs more work so as to make it objective and in conformity with the Covenants. Discussion ensued and the Board felt the Covenants provide enough clarity for the OVM committee to provide an objective point of view on non-conformist issues.

Joan then asked the Board members if they have seen and reviewed the PowerPoint deck she put together "Understanding your Bylaws" a few months ago. Greg said he had and it was a great, simple to understand abstract that should a Member want to learn more, all the Bylaws and Covenants are available on the web for review. He then went on to suggest the slide deck needs to be posted as well – all agreed.

9. Public Comment

Tom mentioned he was signing members up to be on Next Door and found out of 27, 2 signed up as the rest were remote owners. Discussions ensued about not using Next Door as a channel of communication and use the RDC web page for communications to RDC members. Greg mentioned CRC the accounting firm we use keeps the master email listing that could be used for email blasts once this feature is set up. Diane mentioned an email blast app that could be used. Greg explained that both the mailing list and email list masters should

be kept and maintained in one place. Other apps and technologies could utilize the listing, but only under strict supervision from the Board of all preapproved content.

10. Old Business

Tom mentioned that all committees sent in their reports before the Board meeting. All agreed and thanked Tom, Art and others for doing so.

11. Safety Committee Report;

Tom advised the Bluffton Police department listed several top things that effect traffic: Road signs, Speed signs, and speed tables. That the speed bumps need better visibility such as painted marking stripes. Fred agreed and advised the Asphalt Company was out last spring and went through the sub division with Greg and himself. They have submitted a detailed list of areas on all the RDC roads that required repairs and gave a quote of approximately \$10K. That they can replace several speed bumps with speed tables and he will have the company work with the Beautification committee as one of the projects for this year is to revamp the front gate increasing the radius of the turnaround as well as the plantings and repair the tree root upheaval on May River Road (a state highway). That he will ask them to provide a new quote once the plans for the updated front gate are available. Greg mentioned the Beautification committee is working with a landscape architect, Amy Carn who is in process of submitting a plan and cost.

Tom then asked if the Safety Committee could put on mail boxes the Safety Survey with a cover letter so home owners could become more safety conscience. The Board approved to request. Tom also said the committee would like to have a table at the Annual meeting where they could display the findings of the Bluffton Police Department safety inspection. The Board approves his request.

Tom then advised the board of the committee's findings regarding the RDC sub division perimeter fencing with all the broken and fallen down and missing fencing.

Tom then advised the board he has met with Brittany at Custom Security about entry codes that are being used. They went over a listing and found there were no Vendor codes and about 1500 codes that were not assigned. Tom suggested they be deactivated, but did not want to cause any disruption to service such as UPS, Fed-X, the Post Office, etc. Fred suggested running a report to determine frequency of use of the unassigned codes. He also mentioned that the Vendor code 49999 should be deactivated, the board agreed. Tom will explore the unassigned codes and advise the board accordingly. In the meantime, he will add to the safety committee cover letter property owners should contact Custom Security to obtain new entry codes. JoAn suggested that once the bylaws are voted in to dissolve the bylaws committee. All agreed.

12. New Business

JoAn made a motion to recognize Fred for all his work and time he committed to the RD Horton litigation and Hurricane Mathew clean up. To recognize the time he has spent on RDC issues have undoubtedly pulled him from his businesses. For the wonderful work has done for our community to forgo his annual assessment for this year. Discussion ensued and all agreed he was deserving of such recognition. Fred thanked everyone for the kind and thoughtful recognition, and graciously, in his words said: "I signed up for the job and have no qualms for the time and effort I have out into it. Thank you, but I must decline". As such the motion did come up to a vote.

JoAn initiated a discussion relative to renting the Gathering Place to outside groups such as the builder association that recently held their Christmas party there in December. She explained we tried it, it was a mess and we don't want to do it again. It just isn't worth the effort when we are a financially conservative organization, and have a strong financial position. Fred agreed and explained there were damages to property and fixtures, and that we should not pursue renting the facility to generate profitable revenue. All agreed. JoAn also mentioned that the contract for using the Gathering Place needs to be updated and improved.

13. Executive Session

None

14. Carry Over Item Listing

Joan pointed out left over action items from the last Board meeting:

1. Gathering Place pavilion regulations need to be drawn up and posted **Not Assigned**
 - a. Diane mentioned the regulations are outlined on the form under "Rules & Guide Lines", but the form needs to be updated
2. The RDC operating books audited are now in process of being audited so the findings are available for the Annual meeting in February **Joan – In Process**
3. Greg and Fred need to be Bonded for Fidelity Bonding as they handle the date to day RDC money transactions **Fred & Greg – In Process**
4. Wet land markings Included in signage plan **Open**
5. Creation of new Committees:
 - a. New Property Owner Orientation - **Diane**
 - i. Greg mentioned His wife Anne and Libby Hardy have been going to new homeowners to "welcome them to the neighborhood". Greg feels an orientation would be great to add to the web site for everyone to view. **Joan** is working on putting a PowerPoint together.
6. Developing more Business Processes:
 - a. Such as at what dollar amount is there a requirement to get multiple quotes for a project or purchase **Board – In Process Delete this. It is complete and well defined in the new bylaws. The amount is \$5,000. I think the discussion may have been do we need a process on how the bid process would be completed. I can do this.**
 - b. Minimal square footage for future homes is not noted. Fred suggested a requirement of 2500 square feet. Joan to propose changes to the ARB documents. **Joan – Complete and ready for review with the board**
 - c. Greg mentioned that the Board will have a secure place for all Board related matters such as these to be stored in Goggle Docs. That all Board members first need to have access to Google docs. Then a URL and sign on will be developed and passed over to the Board. Folders can then be made in Google Docs that will house all important documents that the current and future Boards can access. **Greg – IN Process**

15. Adjourn

A motion to adjourn was made by Fred and seconded by JoAn. A vote was taken and the motion passed. The meeting adjourned at 5:50 PM.

Respectfully submitted,

Greg Van Zandt