PAWLEY'S PLACE HOMEOWNERS ASSOCIATION, INC.

Pawleys Place Board Meeting

April 28, 2026 9:00 AM
FirstService Residential
11822 Highway 17 Bypass
Murrells Inlet, SC 29576

MINUTES

Directors Present
Dean Richey - President
Merrill Foster - Vice President
John Blackwell - Treasurer
Michael Smith - Secretary

Directors Absent
Daniel ONeale - Director at Large

I. ESTABLISHMENT OF QUORUM & CALL TO ORDER

Call to Order 9:00 am

Motion: Dean Richey
Second: John Blackwell
AYEs: Michael Smith, John Blackwell, Merrill Foster, Daniel ONeale, Dean Richey
NAYs: None

▶ ***Resolved***
The motion passed

II. APPROVAL OF MEETING MINUTES

Motion: Dean Richey
Second: Merrill Foster
AYEs: Michael Smith, John Blackwell, Merrill Foster, Daniel ONeale, Dean Richey
NAYs: None

▶ ***Resolved***
The motion passed

III. EXECUTIVE SESSION

Entering executive at 9:01 am

Motion: Dean Richey
Second: Michael Smith
AYEs: Michael Smith, John Blackwell, Merrill Foster, Daniel ONeale, Dean Richey
NAYs: None

▶ ***Resolved***
The motion passed

A. DELINQUENCY

B. VIOLATIONS

C. ACTION ITEM LOG

D. EXIT

Exit Executive 9:20 am

Motion: Dean Richey
Second: Merrill Foster
AYEs: Michael Smith, John Blackwell, Merrill Foster, Dean Richey
NAYs: None

- ***Resolved***
  The motion passed

IV. FINANCIALS

Reserve balances total $957,089.91, reflecting a decrease primarily due to an $84,000+ initial payment to C-Way for the upper pond project. This payment was temporarily made from operating funds, resulting in a due-to/due-from balance between operating and reserves; this will be reconciled once borrowing related to the upcoming insurance renewal is completed.

March 2026 revenue was on budget, with additional working capital contributions expected from recent property sales that will be properly accounted for. Reserve interest income remains strong, with $8,025 earned in Q1, projecting over $32,000 annually, a significant improvement year over year.

General and Administrative expenses continue to run below budget, largely due to lower-than-expected insurance costs, while Repairs and Maintenance remain under budget year-to-date, though increases are anticipated as irrigation system issues are identified and addressed. Utility expenses are tracking as expected for this time of year.

Major reserve items include completion of the irrigation monitoring system upgrade, ongoing repairs, and testing schedules to improve system reliability. With the first half of the upper pond project already paid, reserve expenditures are expected to remain stable for the remainder of the year. A reserve balance forecast for year-end 2026 will be prepared ahead of the upcoming homeowner meeting.

V. OLD BUSINESS

A. BULKHEAD

Project proposed to start the second week of May.

B. PONDS

The discussion focused on concerns about pond water flow and drainage between the upper, middle, and lower ponds, particularly whether water is effectively moving downstream as intended. Although it has long been assumed that the upper pond drains through a pipe to the middle pond and onward to the lower pond, a recent site review raised doubts, as the existing culvert appears to be set uphill, requiring the upper pond to be at least three-quarters full before any drainage occurs. The Board noted that the culvert may effectively be acting as a water-level control structure rather than a gravity drain, which may have been intentional in the original design to maintain upper pond levels. Current low water levels and lack of runoff, attributed largely to extreme drought conditions, mean that no water is presently feeding the lower ponds, despite no visible clogs or blockages in the cleaned pipes or storm drain system. Overall, the issue appears to stem from design limitations and environmental conditions rather than an active obstruction, though questions remain about whether the system could or should be improved to allow better drainage under normal conditions.

VI. NEW BUSINESS

A. WACCAMAW RECREATION UPDATE

John B. spoke with the Georgetown Parks and Recreation Director regarding updates to the Waccamaw Recreation Center and received support for the planned perimeter fencing, including limited encroachment onto Recreation Center property where necessary to preserve the tree line and deter trespassing. The fence

will run the full length of the Palisade side of the property, past the dumpster, to prevent cut-through activity during peak court use. The Parks and Recreation Director raised no objections and agreed to formalize approval in writing once fencing plans are finalized, with legal review to follow. The Recreation Center project—being delivered as a design-build by Heritage Construction—is expected to provide initial designs in early May and will primarily serve pickleball, supplemented by basketball courts. Fencing and windscreens around pickleball courts are planned to reduce noise and visibility, with daytime use only, no lighting proposed, and a zero-tolerance policy for behavioral issues. Overall coordination was positive, and pickleball and basketball were emphasized as a preferable use compared to the originally proposed swimming pool.

B. WATER USAGE

The review of water usage identified a small number of buildings with disproportionately high average costs per unit compared to the rest of the community, where most buildings average $30 or less per unit per month. In particular, one building stands out with unusually high usage for a four-unit property, raising concerns about potential leaks, running fixtures, or excessive outdoor water use; this site also previously experienced a water main break that was repaired in December, which may explain elevated winter billing. Other low-usage buildings were determined to have minimal or no occupancy, accounting for their reduced consumption and not indicating an issue. Overall, the group agreed that the primary action item is to closely monitor the high-usage buildings to determine whether ongoing leaks, toilets, lawn watering, or car washing are driving costs before further corrective action is taken.

C. INSURANCE PROPOSAL

The board reviewed and accepted the insurance renewal at $228,435, maintaining the same coverage terms as the prior year and opting not to pursue a 1% deductible option that would have increased costs by approximately $25,000, choosing instead to preserve those funds for reserves or projects. Favorable insurance pricing was attributed to improved risk management, recent infrastructure upgrades (including fencing), and a quieter period for natural disasters, resulting in a reduced need to borrow from reserves for insurance costs. As a result, the association expects to retain approximately $150,000 for projects or reserve replenishment, with projections showing reserves returning to nearly $1.1 million by year-end if no unforeseen expenses arise. The fence project was reaffirmed as necessary, particularly due to added security needs from the pickleball courts, alongside other recently completed or ongoing capital improvements such as bulkhead work, irrigation upgrades, and prior major projects, while staff were reminded to establish routine monthly building inspections

Motion: John Blackwell
Second: Dean Richey
AYEs: Michael Smith, John Blackwell, Merrill Foster, Daniel ONeale, Dean Richey
NAYs: None

- ***Resolved***
  The motion passed

VII. COMMITTEE UPDATES

A. ACC UPDATE

No updates at this time.

B. LANDSCAPING UPDATE

General Landscaping LLC is scheduled to perform community-wide mulching at Pawleys Place HOA on Friday, May 1st, and Saturday, May 2nd.

C. POOL UPDATE

None at this time

VIII. NEXT BOARD MEETING

Next Meeting is May 26th at 5 pm

IX. ADJOURNMENT

Motion to Adjourn 10:30 am

Motion: Dean Richey
Second: Michael Smith
AYEs: Michael Smith, John Blackwell, Merrill Foster, Daniel ONeale, Dean Richey
NAYs: None

- ***Resolved***
  The motion passed

Michael P. Smith — 5/12/26

APPROVED **DATE**