



**Islands of Beaufort (IOB) Homeowners Association
Minutes of the Board of Directors (BOD) Meeting
Tuesday, June 14, 2022**

CALL TO ORDER – 1:32 pm

PRESENT FOR MEETING

Board Members: Alan Dechovitz, Eric Powell, Alex Kent, Carmen Dillard (Absent: David Jussaume)

Bundy Appraisal and Management: Robert Bundy

IOB Community Members: Scott Whitehead, Nancy Brandt, Mitch Mitchell, Fred Mueller, Marilyn Mueller

COMMUNITY COMMENTS/RECOMMENDATIONS

- Grass area by Lot 17 needs attention. Robert Bundy will check with Leon.
- Robert will check with Leon on cleaning out drainage area near Palmetto Place where it turns toward the clubhouse.
- On Deer Island, there is continued concern about water coming off the street on the north side of the island.
 - It was discovered that easements for drainage were not filed by the original developer
 - Charts are now available for Deer Island (DI) residents to review to address this
 - Residents can come back to the Board for their input if they are unable to arrive at a resolution to resolve the drainage issue. The Board can participate, but does not have the authority to solve the problem on behalf of the DI residents
- Clubhouse gym
 - Some residents want the ability to use the gym at random times. Some homeowners reserve time to use the gym and sometimes don't show.
 - There are people who use the gym consistently in the morning. Some are regular users have been using it for years.
 - There are more open time slots in the afternoon from 1:00 on. When there are more than 2 people that are not family members, it can get crowded.
 - The multi station weight machine has several nonfunctioning systems and is at the end of its life. Need to consider other options.
 - Need to come up with ideas to improve the functionality of the gym.
- Having a dog park continues to be of interest to some residents.
- The utility easement area running north/south behind Lot 3-34 to lot 3-46 needs to be mowed more frequently.
- Residents need to be mindful of fawns that can be on empty lots and protect them.

PRESENTATION OF MINUTES FROM THE IOB BOD MEETING ON MAY 10, 2022

Eric Powell made a motion that the minutes from the April IOB Board meeting be approved, and this motion was seconded by Alex Kent. The minutes were accepted unanimously by the Board.

Recent month's minutes need to be posted on the IOB website. In the past, Will (Picklejuice) has done this. The Board discussed the possibility of Carmen posting the minutes directly to the website. Marilyn Mueller volunteered to check with Will about this.

FINANCE REPORT – DAVID JUSSAUME, IOB BOD TREASURER

Refer to the Treasurer's Report below:

Islands of Beaufort HOA Treasurer Report

June 14th, 2022 BOD Meeting
May 31st, 2022 Status

Treasurer's Highlights

1. Total Spend-to-Date across all 4 accounts: \$184.5K
2. Write-off of income - \$3.2K
3. All four accounts are underspent/on plan.

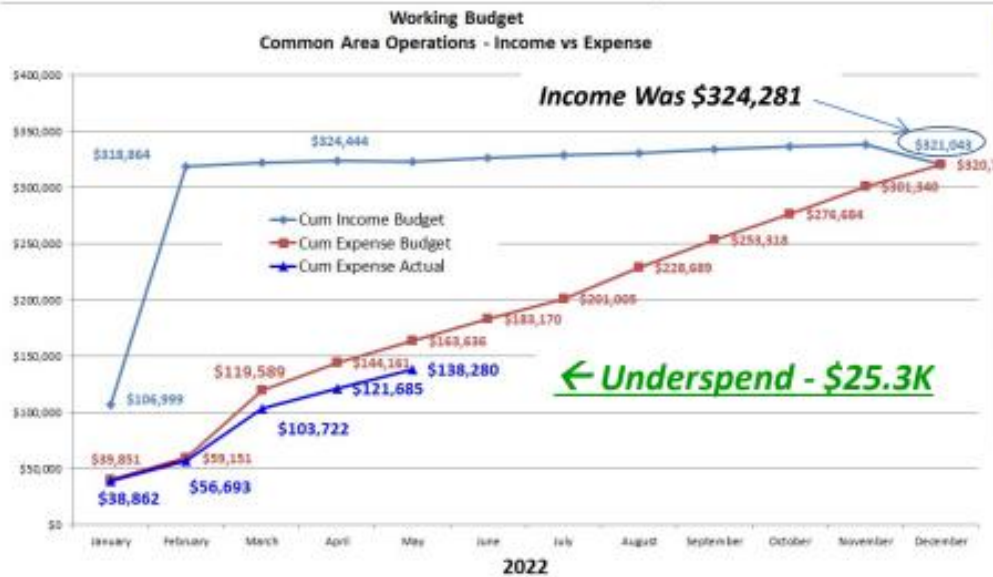
Look Ahead

1. Gasoline costs to remain elevated relative to plan.
2. GLC commit of \$4,745 for pine straw, mulch refresh split between Common and DI accounts.
3. Herbicide insurance to be paid.
4. Bridge inspections cost of \$6,000 (total for both bridges).
5. Clubhouse repairs.
6. Legal fee for June alone will be at least \$3.6K.

Decisions Required

- None

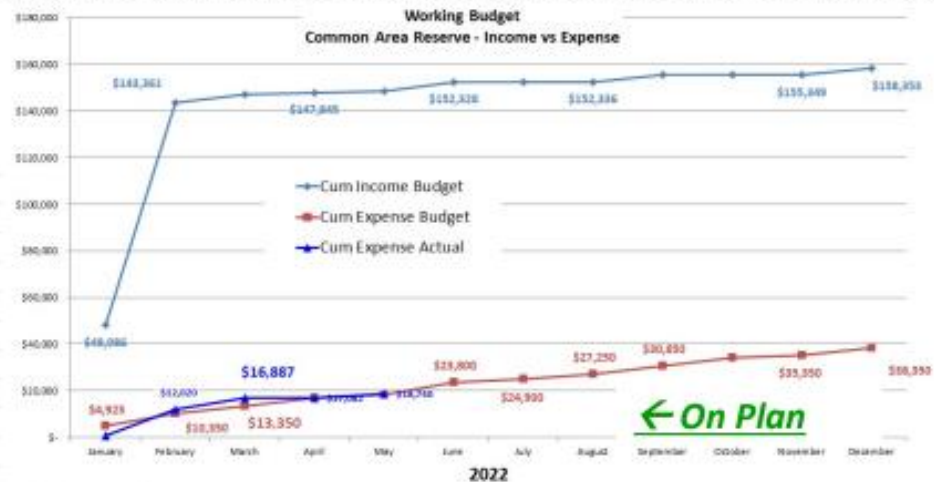
Working Budget Summary – Common Area Comparison of Plan to Actual



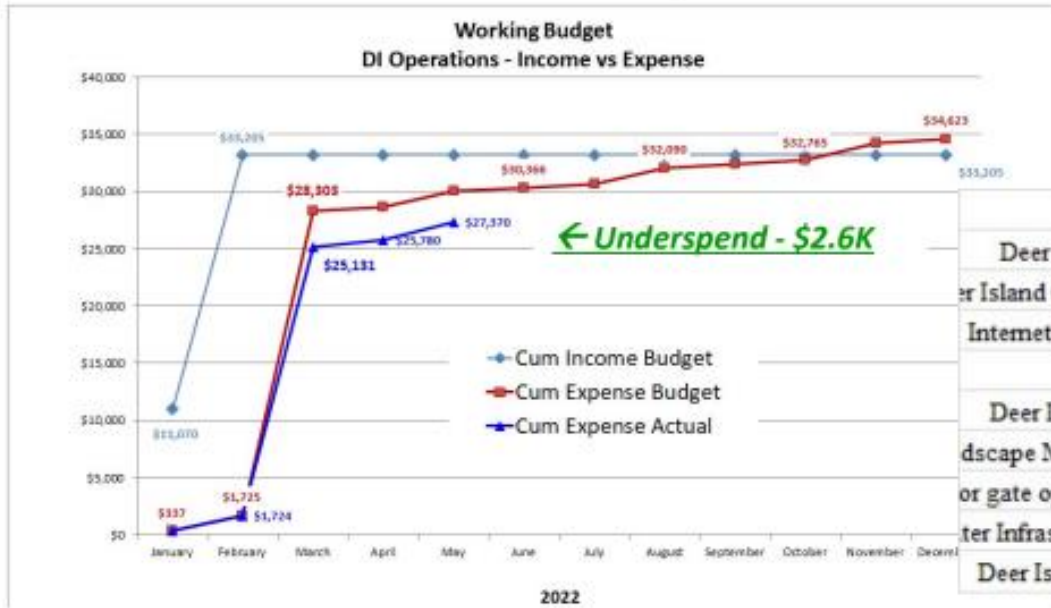
Common Area Operations	budget	actual	surplus (deficit)
accounting	360	380	(\$20)
legal	2500	3059	(\$559)
mgmnt	13555	12824	\$731
mrkting	6483	6468	\$15
ins	56526	47990	\$8,536
ARB	7550	7187	\$363
G&L	29820	30102	(\$282)
GLComm	16465	2703	\$13,762
CH	5725	6391	(\$666)
pool	6942	7156	(\$214)
social	1500	105	\$1,395
Main gate	3180	2790	\$390
util	12896	11125	\$1,771

Common Area Reserve	budget	actual	surplus (deficit)
Purchases, Overhaul and Repair	2083	4117	(\$2,034)
Entry Gate Routine Repairs	1650	0	\$1,650
Board Maintenance Replacement	0	0	\$0
Vacant Lot Maintenance	8850	9750	(\$900)
New landscaping installs	1250	1380	(\$130)
Secure Maintenance, Power Washing			
Ponds (Apr, June, Aug, Oct @\$750)	750	0	\$750
May, Jun, July, Aug, Sep, Oct @\$600)	1200	0	\$1,200
ing DeLa Gays at 2 current locations	1000	0	\$1,000
tain street drains as needed @\$100	417	0	\$417
Unexpected Expenses	1250	3493	(\$2,243)

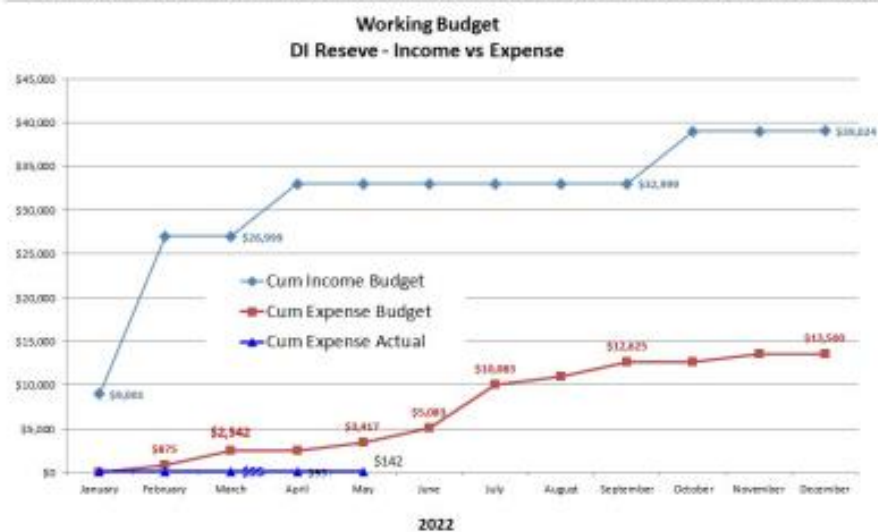
Belle Grove (Andrews Engr), Sinkhole at 259 De



Working Budget Summary – Deer Island Comparison of Plan to Actual



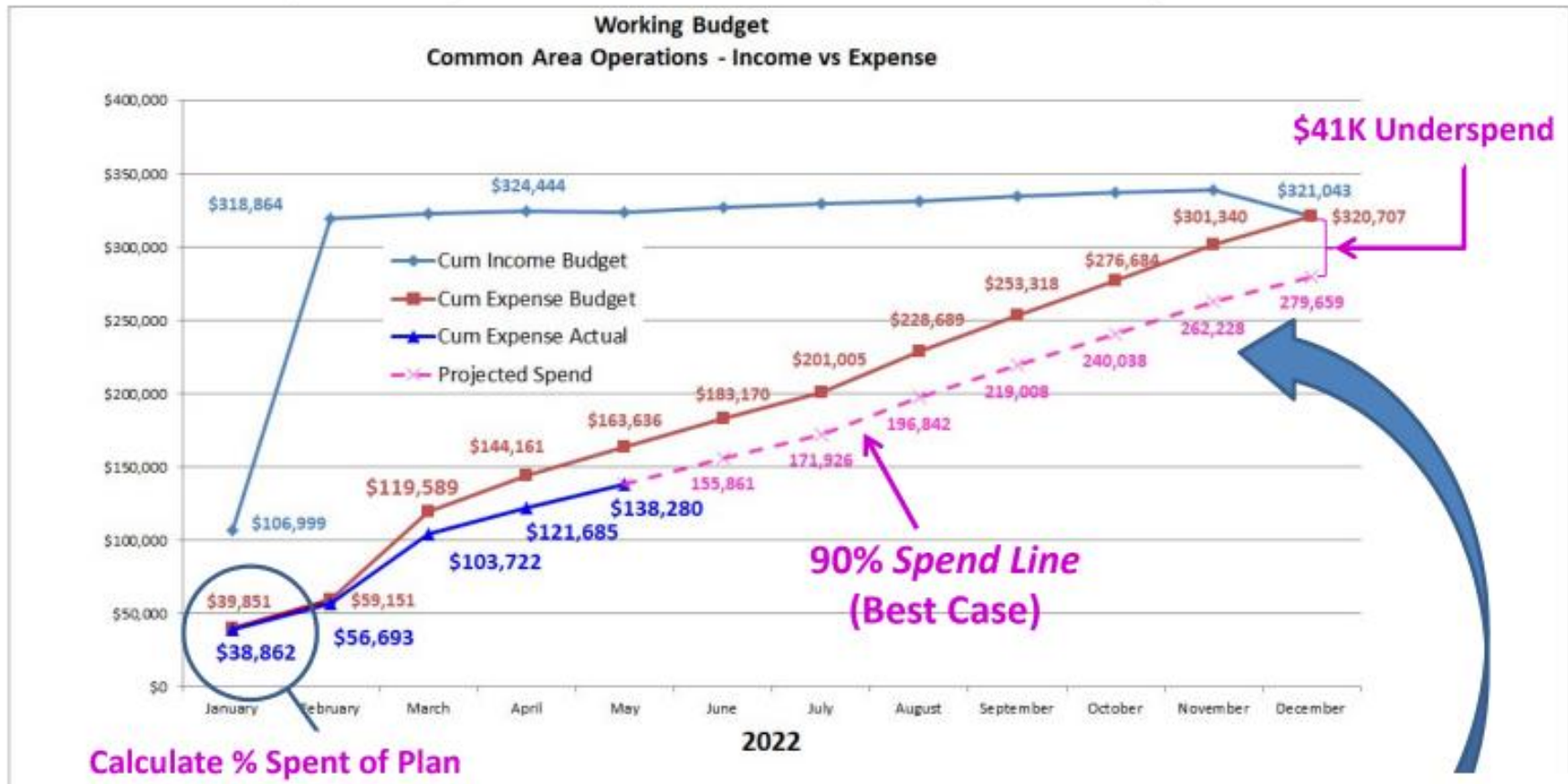
DI Operations	budget	actual	surplus (deficit)
Deer Island Property Taxes	0	0	\$0
Deer Island Gate Equipment Lease	2100	2100	\$0
Internet [Hargray] for: DI Gate	671	668	\$3
Gate Phone (VoIP)	100	77	\$23
Deer Island Irrigation Water	506	904	(\$398) backflow p
Landscape Maintenance Materials	0	0	\$0
for gate operation & well pump)	410	402	\$8
ter Infrastructure Maintenance	0	1200	(\$1,200)
Deer Island Bridge Insurance	26241	22019	\$4,222



DI Reserves	budget	actual	surplus (deficit)
DI Landscape repair	1667	95	1572
gate maintenance, repairs, parts	1750	47	1703 bridge sign
ance concrete repair (west end)	0	0	0
ridge Wear Board Replacement	0	0	\$0

← Underspend - \$3.3K

Working Budget – Common Area Projected Spend to End of Year – Based on YTD Spend Rate



Calculate % Spent of Plan

	January	February	March	April	May
Actual Spend	38.8	56.7	103.7	121.7	138.3
Budgeted Spend	39.8	59.1	119.6	144.1	163.6
% of Budget	97.5%	95.9%	86.7%	84.5%	84.5%

This data supports the 90% Spend Line

Cash Held In Banks (end of month)

Bank Balances (end of month)		2022					
		Jan	Feb	Mar	Apr	May	Jun
Type							
Ameris		\$64,998	\$144,911	\$200,883	\$200,890	\$200,898	
Common Area Res	MM	\$64,998	\$144,911	\$200,883	200,890.00	200,898.00	
First Citizens		\$45,374	\$45,364	\$0	\$0		
Common Area Ops	MM	\$566	\$556	\$0	<-- closed; moved to SSB Common A		
Common Area Res	MM	\$44,808	\$44,808	\$0	<-- closed, moved to FFB Common Ar		
First Federal Bank (FFB)		\$136,851	\$136,853	\$181,664	\$181,667	\$181,671	
Common Area Res	MM	\$95,832	\$95,834	\$140,645	\$140,647	\$140,651	
Deer Island Res	MM	\$41,019	\$41,019	\$41,019	\$41,020	\$41,020	
Regions		\$150,228	\$150,229	\$155,230	\$160,231	\$160,231	
Builder's deposits	checking	\$52,000	\$52,000	\$57,000	\$62,000	\$62,000	
Common Area Res	MM	\$98,228	\$98,229	\$98,230	\$98,231	\$98,231	
South State Bank (SSB)		\$180,751	\$298,896	\$223,509	\$184,646	\$166,840	
Common Area Ops	checking	\$180,751	\$298,896	\$223,509	\$184,646	\$166,840	
Wells Fargo (WF)		\$110,853	\$149,821	\$169,339	\$145,619	\$143,964	
Deer Island Ops	checking	\$22,685	\$43,057	\$54,171	\$30,450	\$28,794	
Common Area Res	MM	\$18,607	\$18,607	\$18,607	\$18,607	\$18,607	
Deer Island Res	MM	\$69,561	\$88,157	\$96,561	\$96,562	\$96,563	
Total =		\$689,055	\$926,074	\$930,625	\$873,053	\$853,604	
Liabilities		\$53,365	\$52,112	\$57,983	\$63,578	\$64,164	
Builder's Deposits		\$51,500	\$51,500	\$56,500	\$61,500	\$61,500	
Member Pre-Paid		\$565	\$565	\$1,434	\$2,078	\$2,664	
Accounts Payable		\$1,300	\$47	\$49	\$0	\$0	
Net=		\$635,690	\$873,962	\$872,642	\$809,475	\$789,440	

Discussion after the presentation of the Treasurer's Report above:

- The bridge inspections will be done in August. This is expected to be perfunctory as the bridges are generally in good shape. After the inspection is completed, the Board will go to Duncan O'Quinn to get replacement values. The insurance for the bridges will likely increase. The Board's position is bridge insurance is critical in the event of a catastrophic loss. (The cost for insurance is approximately \$57,000 annually.)
- The Board authorized Eric Powell to spend up to \$40,000 on Clubhouse repairs. This will likely be the start of a multiyear process.
- Underspending in the Common Area, to date continues. Historically, this is not uncommon.
- Common area reserve spending is tracking right on plan. The Board will be discussing future spending needs further as priorities are determined.
- In the past, about \$800/year has been spent for the Deer Island well pump that maintains the grass. The well needs repair on the accumulator tank that is underground. The Board opted not to spend the money for repair at this time. It can be repaired out of the reserve funds if the Deer Island residents opt for this.
- Common area projection is about \$40,000 underspent. It is hoped this trend will continue barring no storms.
- Alan recommended buying a bond ladder to get a better interest rate. We can take 2, 5, or 10-year bonds and get about a 4% rate with a T-bill for every \$10,000 invested.

MANAGEMENT REPORT – ROBERT BUNDY, BUNDY APPRAISAL AND MANAGEMENT

- Management was in IOB in May on the 3rd, 10th, and 17th.
- Still no reply from Jimmy Varnes of LowCo Gardeners. An email was sent inquiring when he may be able to get back to resuming work on the retention ponds and swales. As of the typing of this report, he had not replied. He did clean out one on Lot 1-026.
- According to John Ferrier with Dominion Power, the two test lights have been installed. The light at Five Oaks Circle is the LED Traditional Open (no glass panes), and the light at the corner of Islands Avenue and De La Gaye is the LED Traditional.
- David Gasque company sent the topo of the drainage easement from the end of Palmetto Place to Islands Avenue across from the Club House on April 21st. On April 26th, Robert sent them an email asking if they were going to stake the property lines every 10 feet as requested and if we could get two large prints. We have not gotten an answer or invoice for this work.
- David Gasque company sent over a topograph survey of certain portions of Deer Island. This survey was forwarded to the Board.
- The proposal to inspect the two bridges was accepted. Plans are to do the inspections in early fall.
- Two companies have IOB on their waiting list for Pickleball replacement nets.
- Two requests for quotes and recommendation were sent for removing the small palms behind the clubhouse, removing a dead/dying hardwood to the left of the clubhouse parking lot, and a hardwood on the right side of the gravel driveway leading to the basketball court. Also, an opinion as to what if anything should be done to a hardwood across from 265 De La Gaye.
- The financials were emailed to all Board members on June 10, 2022.
- Finance charges were applied, if applicable, to owners with balances. Bills were mailed June 2, 2022.
- Numbers as of 6/1/22. Five owners are paying monthly. Two owners owe for lot cleaning. One owner owns fines and the 2022 assessment. One owner owes for gate remotes.

2022 Closings

#	Lot	Address	Purchaser	Closing Date/Seller
1.	Lot 3-079	345 De La Gaye	Charles & Kristin Bowling	1/6/22 from Abdo
2.	Lot 3-102	281 De La Gaye	Joanne Beyer	1/7/22 from Weinman
3.	Lot 3-055	114 Palmetto Place	John & Carol Phelps	1/20/22 from McNeil
4.	Lot 3-101	285 De La Gaye	Eric & Annie Powell	1/25/22 from Commercial Prop.
5.	Lot 3-051	106 Palmetto Place	Eric & Annie Powell	1/28/22 from Jones
6.	Lot 3-066	105 Palmetto Place	Steve E. Block	1/28/22 from Bazemore
7.	Lot 3-111	245 De La Gaye	Craig & Allison Loescher	2/2/22 from Woodard
8.	Lot 3-090	504 Plough Pt	Adam & Adrienne Frank	2/7/22 from Bono Estate
9.	Lot 3-058	120 Palmetto Place	Regina Lysak	2/11/22 from Walsh
10.	Lot 2-029	6 Anchorage Way	George Sparacio & Tracy Peri	2/14/22 from Meraklis
11.	Lot 4-018	418 Islands Ave	Jonathan & Nikole Sullivan	2/17/22 from Conner
12.	Lot 4-024	406 Islands Ave	John & Deanna McElveen	2/18/22 from McLaughlin
13.	Lot 3-064	109 Palmetto Place	Alan & Lisa Tomlin	2/18/22 from McNeil
14.	Lot 3-030	240 De La Gaye	Pivotal Holdings LLC-E.Knight	2/25/22 from Ledford
15.	Lot 3-038	272 De La Gaye	Daniel & Carrie Moody	3/4/22 from Glimmerveen
16.	Lot 3-039	276 De La Gaye	Daniel & Carrie Moody	3/4/22 from Creamer
17.	Lot 3-015	418 Battery Chase	T. Newberry-Farm Qtr Invest	3/18/22 from Coleman
18.	Lot 3-018	421 Battery Chase	T. Newberry-Farm Qtr Invest	3/18/22 from Wood Trust
19.	Lot 1-015	220 De La Gaye	Anthony Hutcheson	3/18/22 from Patterson
20.	Lot 3-020	417 Battery Chase	Mark & Christy Pincheon	3/25/22 from Lepore
21.	Lot 3-022	413 Battery Chase	T. Newberry-Farm Qtr Invest	4/1/22 from Neiko
22.	Lot 3-031	244 De La Gaye	Timothy & Joan Kane	5/2/22 from Feldman
23.	Lot 3-076	317 Islands Ave	Ron Van Beek/Mary Hughes	5/13/22 from Keim/Peitz
24.	Lot 3-060	117 Palmetto Place	George Kamil/Jacqueline Milad	5/17/22 from Frey
25.	Lot 3-026	405 Battery Chase	Christine/Chris Cotterill	5/27/22 from Bonds
26.	Lot 3-057	118 Palmetto Place	Virginia Lee Kozak	6/2/22 from Marconi
27.	Lot 1-017	228 De La Gaye	Daniel/Jeanne Wolfe	6/3/22 from Babb
28.	Lot 4-011	20 Islands Ave	David/Gloria Papp	6/10/22 from King
29.	Lot 1-005	118 Five Oaks	Charles/Samantha Nechtman	6/10/22 from Crawn

Pending Closings (where attorneys have requested a certification of assessment): None

Other Management Points of Discussion:

- Robert Bundy reached out to Andrews Engineering once again regarding Belle Grove but received no update. OCRM is not returning phone calls.
- With no response from LowCo, and with retention ponds and swales still need to be cleaned, Robert Bundy reached out to R&M Landscape. So far, they have not responded either.
- LowCo has not yet billed for the work they did on Lot 1-026.

COMMITTEE REPORTS

MARKETING COMMITTEE – MARILYN MUELLER/ALAN DECHOVITZ

Private Communities

- 382 community view pages ↓
- 85 clicks to our website ↑
- 47 clicks to our Facebook page ↑

IOB Website

- Total Users: 1,076 ↑
- New Users: 1,053 ↑
- Sessions: 1,256 ↑
- Page Views: 4,949

- Pages per session: 4
- 10 sales leads from both Private Communities and IOB website ↓
- All leads received a Welcome Package, list of lots / homes for sale and were contacted by one of our Preferred Realtors.
- Lead requests are down 33% which is understandable because of lack of advertising.
- I have contacted *Beaufort Lifestyles* twice asking for their media kit and have not heard back from them.
- As stated in the last report, the Committee has been posting pictures on our FaceBook page and we do believe this has helped to slightly offset the decline in advertising. The unknown factor is ... do folks who are on our website or Facebook, call realtors or IOB directly for info rather than request information by email.
- Homes are selling quickly but lot sales seem to be slowing down primarily due to cost of building.

There were no meetings in May.

Other Marketing Committee Points of Discussion:

- Also due to the increase in building, lots are turning over more frequently. One lot on Palmetto has turned over three times in the last year.

ARCHITECTURAL REVIEW BOARD (ARB) – FRED MUELLER/ALEX KENT

- Currently, there are a total of 87 completed residences at IOB. Additionally, there are three residences under construction on Deer Island and three on Dela Gaye. One residence on Dela Gaye and one residence on Deer Island are scheduled to start in early July.
- Two residences are being reviewed at the ARB meeting on June 20.
- Three residences are with architects.
- It appears that by this time next year, there will be at least 100 completed residences at IOB.
- Supply chain issues and a tightening labor pool are requiring builders to be more flexible in ordering materials and scheduling subcontractors. Both materials and labor costs have increased significantly.

Other Points of Discussion:

- IOB's cost for building, while significantly increased in recent years, is still much lower than other areas (such as Palmetto Bluff and the Charleston area.) As a result, Beaufort's demographics are changing, and the area is experiencing growth. It is important that the growth is managed in a way that maintains the beauty, vitality, and character of the area.

CLUBHOUSE COMMITTEE – ERIC POWELL

- The Board voted to authorize a budget of \$40,000 for maintenance and safety updates.
- One quote has been received by Southern Tree for needed tree removal. We are still waiting on a quote from Allcare (Kolkun). Currently, booking for tree services is about two months out.
- Eric requested and received authorization by the Board to replace signage, handicapped railing, and railing upstairs at clubhouse.

SOCIAL COMMITTEE –NANCY BRANDT

- 82 residents have responded to attend the Solstice party on Saturday, June 18.
- The committee is looking at a different platform than Evite for social events announcements and RSVP.
- The committee is working on the July 4 event and list of readers. Members of the committee will donate baked goods instead of purchasing them.
- Annual Party
 - The Board approved allowing the committee to finalize plans for the annual meeting and arrange for contracts to be issued for vendors. (Motion for approval by Alex Kent and seconded by Eric Powell.) The annual party budget is \$8000. To curtail expenses, there will be no live band this year, and heavy appetizers (rather than a full meal) will be offered. Communication about the event will go out to residents around the first of September.
 - Last year, we paid for 16 no-show plates. There will be a charge of \$20 per couple to defray costs.
- Nancy asked for the Board's feedback regarding the expectations for the 25th anniversary annual party for next year. The consensus was to have the usual annual party and acknowledge it is the 25th anniversary. With inflation, next year will be another year where we need to be frugal.
- It was recommended that the Social Committee organize doing a retirement celebration for Jeff.

GROUNDS AND LANDSCAPE COMMITTEE (G&LC) – KATHY WHITEHEAD/ALEX KENT

The Grounds and Landscape Committee (G&LC) met on June 2.

- The June newsletter, focusing on pollinators, was prepared, approved by the Board, and emailed to residents.
- A first draft has been prepared for the specifications for the landscaping work required to keep IOB safe and beautiful. A subcommittee of G&LC is reviewing/refining the document.
- Later in June when the palms are in bloom, up to 40 palm trees (including 6 on Deer Island) needing pruning will be flagged for Kolcun to prune under the agreement signed in April (\$1,800 total -- \$45/tree, split between Common Area and Deer Island Operations budgets).
- The Committee's suggested modifications to its charter are pending Board approval.
- The bid from R&M Nurseries for the landscape projects approved by the Board in March (and the additional Deer Island portion approved by David Jussaume on May 1) was accepted May 2. Work was scheduled to start 5/9 at a total cost of \$4,745.58. However, despite numerous follow-up calls to R&M, the work has not commenced. As a reminder, the projects are:
 - Mulching/pine straw refresh for Belle Grove park/playground area (\$1,514.93) and Cotton Island Park (\$699.25), both funded from Common Area operations budget;
 - Mulching/pine straw refresh for Deer Island entry and bridge approaches and north end street island (\$1,463.59 from Deer Island operations budget);
 - Enhancing entrance to De La Gaye community dock entrance by widening entrance walk, moving/adding modest plantings, and relocating the amenity sign so it is more visible (\$1067.81 including mulching dock pathway, from Common Area operations budget).
- Two other significant projects for which G&LC continues to plan are:
 - 1) Mapping key specimen trees (e.g., live oaks, palms, magnolias, red cedars) on IOB property during 2022. Existing topographical surveys of Common Areas have been

obtained. The output of the project will be helpful in developing plans and future budgets to care for the most important trees.

- 2) Developing a plan to improve the safety of sidewalks, particularly those with significant drop offs at the edges. G&LC mapped these locations last spring.

Other Points of Discussion/Comments:

- Kolcun is charging \$45 a tree while Southern Tree is charging \$90.
- Alex will send most recent draft of the GLC proposed charter to the IOB Board for review and approval.
- The committee is getting ready to send out quotes for a landscaping company in anticipation of Jeff's retirement the end of this year.

OLD BUSINESS

- Next steps on Palmetto Place drainage
 - The lot lines are visible and will be straight. Can Paul come in w/backhoe and have drainage dug out?
 - Robert Bundy asked for clarification about what needs to be done, which is to widen out the drainage areas so when water comes off of the cul-de-sac, it has some place to go. It is important to let Paul know that the ditch and the mouth into it needs to be widened. Bundy will set up an appointment for him to meet with Alan.
 - Widen the west side of the ditch so it is not necessary to take out trees
 - Alan has looked at solutions for drainage problems on Palmetto Place. The street height is too low compared to where the street drains so that water does not move well through there. The problem became worse when BJWSA put in the pipeline. He hopes we can get this solved before August/September.
- Update on replacement streetlight plan
 - Robert brought the original plan when Board members met with John Ferrier of Dominion Power. They were supposed to test two different lights, but both appear to be the same. Robert will check with John on this.
 - Robert reviewed the three options for streetlights. Currently, individuals pay for 21 streetlights set up under the old system where property owners paid a portion of the utilities and is included in their monthly bill from Dominion. The original plan was a light for every 4 houses, but the original developer wanted more lights (31)
 - If we go to a new contract and change the lights, the HOA will pay the fees.
 - Three proposals that will save money
 - Octagon fixture -\$13,428 annually – similar to current fixtures
 - LED traditional – \$9,288/year (light at corner)
 - Open tradition - \$9,504/year (touted as Dark Skies, but Bundy believes LED traditional is too) -light on 5-Oaks
 - Will require a new contract (and Dominion will continue to maintain).
 - The Board will review the options and get back to Robert.
- Reserves priority setting (18-month horizon) – Board needs to have a budget complete prior to September 15th Alan set priorities based on the following criteria: safety/important maintenance, does it create a member noticeable improvement/benefit, value enhancements that is relevant to people moving into the community. The following DRAFT for Reserve Spending Projects were discussed by the Board:

Common Area

Reserves Spending 2022

Clubhouse repairs/ renovations	\$40k
Phase 1 old playground area – Grading, drainage, retaining wall	\$25k
Belle Grove Park – Signage on Islands Ave Sod/Irrigation on Battery Chase entrance	\$15k
Replace Park bench Cotton Island	\$1k
Repair/Replace Tennis court seating	\$5k
Palmetto Place drainage	\$15k
Engineers assessment of CI Bridge	\$3k

Reserves Spending 2023

Phase Two Old playground area – landscape	\$15K
Clubhouse repairs/renovations	\$50k
Gym -replace weight machine and bicycle	\$20k
Replace Clubhouse wine cooler with ice maker	\$2k
Replace worn boards on CI bridge	\$10k
Kayak rack	\$8k
Cotton Island Dock repairs/seal	\$5k

Deer Island

Reserve Spending 2022

Engineers Assessment of DI Bridge	\$3k
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Reserves Spending 2023

Repair incompetent sub-base and recrown Anchorage Way to drain large potholes adjacent lots 21 & 22. Reseal north end of street.	\$35k
Replace worn boards on DI Bridge	\$20k

A question was asked about when the tennis courts were last resurfaced, which was in 2018. In 2019, all courts were marked for pickleball. A suggestion was made to think about doing dedicated pickleball courts with the growing popularity of this sport.

NEW BUSINESS

- (None discussed)

The meeting adjourned at 3:30 , and the Board went into Executive Session to discuss legal matters.

Respectfully submitted,
Carmen Dillard