

Islands of Beaufort Annual Meeting Transcript of October 23, 2021 unedited.

[00:00:53.290] - Speaker 1

Please take your seats. We're going to start the annual meeting. Otherwise, we'll be here until 04:00. P.m.

[00:01:34.530] - Speaker 1

Please take your seats. I like to call the 2021 I OB annual business meeting to order. I have to follow protocol here. So, Kathy, I have to ask the question, do we have a quorum? She says, I sure hope so. I'm assuming that's an affirmative answer. This is our 23rd anniversary business meeting. I'd like to introduce your current 2021 board of directors as well as our property management team. I know we have a lot of new folks here. We've got Jimmy the meeting started. You want to come on up front, my man? We've started the meeting. It's like hurting cats. Denkovich is a pin in the arse, but I'm a nice guy. We've got Eric Pal, our vice president, Dave Stewart, our secretary, Jimmy McNeil, our treasure, and Alan Decibitz, our director of Large. As Jimmy says, the pain in the ass. Our property management team, of course, is with us, and I have to follow this protocol. I know, but Kathy and Robert Bundy are here in late 2020 and quarter four and projects we've completed this year for security reasons due to intruder incidents in our common areas in 2020. We changed our gate codes in January of 2021 for both the main gate and the Deer Island gate with some pain, but we got through that.

[00:03:57.170] - Speaker 1

The front gate area and the Islands Avenue Daily gate, Loop Street loop was first repaired and then sealed based on a five year schedule. The front gate was painted and repairs made. Engineering plans are being drawn for the Bellgrove parking insulation to take place this fall. A comprehensive architectural final plan was created for the clubhouse expansion project derived from community meetings that gathered input and ideas from members. Subsequent meetings were held with interested member families to go over the details of the architectural final plan and answer questions. New IOB gym equipment was purchased. Due to the end of the life of the equipment, this equipment will be incorporated in any new gym layout. A new pathway layout was put in for the entrance to the Cotton Island dock and the kayak launch. Land preparation was started for the area on the south slope of the tennis courts and the basketball court. Both bridges were inspected and marked for individual wearboard replacement. This is ongoing. I thank both David Jessam and Fred Mueller for help on that. The three of us basically inspected and marked the plan. This is ongoing. And if you see some of the Deer Island work that was done on the bridge, we had about 60 plus boards that needed to be replaced.

[00:05:34.750] - Speaker 1

The plan is to seal the bridges after the wear boards are replaced. And this is part of our bridge maintenance program with the contractor Duncan Oakland. The Deer Island gate and the traffic island landscaping was designed professionally and installed, and we added some landscaping, lighting that

really looks nice at night. And an irrigation well and potable water service and electric service was installed at Bellgrove Park in preparation for planned improvements. I'm going to let Kathy talk about the specifics around landscaping, but just a few comments. We continue to maintain the drain achievements and retention ponds throughout the neighborhood. And G and L continues the annual assessment of undeveloped lots in need of maintenance and these property owners are notified. And if bush haggling is needed, we ask that it be bush hogged. Future projects include the north and south perimeter landscaping, install for Belgrove Park, installation of Belgrove parking playground landscaping installation as I mentioned, the Cotton Island, Deer Island bridge ceiling. And then Kathy Whitehead has been working with the parents to look at some auxiliary equipment for the playground to go with the playground. And I just got an email this week from a parent who had surveyed other parents on Procuring, a minor piece of equipment.

[00:07:30.510] - Speaker 1

So I know that you might be curious about these projects, but we can discuss them later in the meeting. Under New Business, I'd like to cover the meeting protocol. During this meeting, we will cover items that pertain to the entire community. Individual issues can be addressed after the meeting, or individuals can come to any of the monthly board meetings and their issue can be addressed at that time. Can I have a motion to dispense with the reading of the 2020 business meeting minutes? Can I have a second? All those that say I say I Neise the motion passes. First up to bat, straight in from Scotland, is Jimmy McNeil treasure. It needs to be near your mouth. Good afternoon. Is it still morning or good afternoon? Afternoon, everyone. Jimmy McNeil, the acting treasurer. Just a couple of highlights before I start reading the current Treasures report for 2021. Marian and I, we bought our lot back in 2005, but because of traveling overseas for quite a number of years, we didn't actually build until 2015 where Eric and Bryan built a fantastic house on Palmetto Place. So I just want to let everybody know there will be talking to Alan earlier, just to let everyone know, mary and I had decided that we're going to move back home to Scotland.

[00:09:45.230] - Speaker 1

So my tenure will probably end before the end of this year. So that will be further announcement to come out. So I just wanted everyone to know that's what we're planning to do. Does Scotland have an HOA? No such thing in Scotland. Why do you think you were going by? George mentioned something earlier on about being coerced into doing something on the board, and that's why I became treasurer. I was voted on earlier this year. I was happy to volunteer to do anything on the board to help the community and do our thing. So I was kind of coerced by my assistant treasurer here, George, to become the acting treasurer. But I'm thinking how could I follow in a great job that Bernita had done before me? So I've been trying my best. So here it goes. So. The 2021 Treasures report for the islands of Buford. The first item we're going to cover is the current state of the finances. The Islands of Buffer finances continue to be sound. Recognizing excellent comments from Kathy, I think the current finances, you'll see that they are sound for the time being and going forward. Our 2021 over 90 day receivables is currently \$27,645.

[00:11:22.830] - Speaker 1

After the adjustment for recent payments, 94% of the receivables are on two accounts only that continue fines, legal fees and interest. We continue to pursue legal and foreclosure action on the receivables. The overwhelming majority of IOB property owners are in good standing and pay their assessments and financial obligations on time. So that's currently 98% of the majority in good standing. We currently do not own any foreclosed lots. If we need any translations or anything, I've got a couple of people in the audience who I'm sure will volunteer. Obviously. One is my lovely wife Mary, and there's another half Scotsman called Richard Tunstall who I'm sure would volunteer as well. The 2022 budget reflects an adequate inflation protection reserve funding for the Deer Island Reserve with a 5.3 increase. A change in the bridge wearboard replacement cycle with sturdier wearboard materials and an annual maintenance service contract will allow Deer Island to continue to build up adequate reserves faster. The building activity on Deer Island has contributed to the wearboard replacement need for this year. The Fund Sufficiency will continue to be reexamined every year. The 2022 budget reflects growth and inflation protection reserve funding for the Common Area Reserve Fund and the annual reserve assessment has increased to 10.3%. The Cotton Island Bridge has received sturdier wearboards and is on a maintenance contract to extend its life.

[00:13:13.690] - Speaker 1

The bridge is maintained via the Common Area Reserve Fund and an increase in that assessment is not needed at this time. I will put delegates and Mainland Islands Avenue on a five year ceiling cycle. All other side streets and the islands are on a ten year ceiling cycle. The mainland. Islands Avenue and Delagay were sailed this year. As I'm sure you remember, the size streets on the island, that is Deer Island and Cotton Island are on a 2022. 24 budgets will not change. 13 budgets will increase to keep pace with current costs and conditions. Three budgets have increased based on the 2021 experience, so the total increase, which equates to 5.9%, is a total of \$18,996. Any remaining excess revenue will go into boosting the replacement reserve as well as the budget contingency account. Next item is the assessment changes. In 2022, the island of Buffer Operations assessment will increase by 10.3%, the IOB Replacement Reserves account will increase by 10.3%, the Deer Iron Operations assessment will increase by 10.3% and the Deer Iron Replacement Reserve account will not increase will increase by 5.3%. The last increase for the operation budget was on January 1, 2019.

[00:15:26.630] - Speaker 1

That means that the assessment increases for the mainland assessment of \$2,326 per annum, which is \$217 increase, or the 10.3% that we mentioned. Cotton island assessments total 2727 per annum, which is also \$217 increase, or 8%, and the Deer Island assessment of \$4,031, that is a \$371 increase or 9.2%. The last item on the agenda. For this particular item, contingency and Reserve Fund balances the IRB Budget Contingency Fund of \$27,160, which is 8% of the 2022 on your budget, the Deer Island Budget Contingency Fund of \$6,819, or 18% of the 2022 on your budget, which gives the total for the island of Buffer Replacement Reserve Fund of \$354,433, the Dear Iron Replacement Reserve Fund of \$98,721, and the Capital Improvements Fund of a total of \$20,678. Thank you. Any comments or questions?

Unfortunately, inflation has become an issue, and climate change with baked in cost increases for our insurance premiums has really put a lot of pressure on the budget. For years, we've had a philosophy of trying to hold the line on the operations portion of the budget, which is the large portion, and back to our last increase, as Jimmy said, would have been three years ago.

[00:17:42.030] - Speaker 1

So we held the line for a while, but we finally had to increase to account for the cost increases that's baked into everything. Is there any other questions or we'll move on. Yes, Bill. George, you don't require an approval from the community for the budget? No. Okay. I'd like to ask Fred Mueller to give his ARB report. And please come on up to the Mic here. Bill, can you make sure that the Mic is operating for Fred? It works. Before Fred starts, I want to thank Bill Gwynn. He's a fellow musician that I play with and Evolution big band, and he owns his own sound company. And he's here today to make sure we all can hear each other. Thank you, Bill. I hope I don't have to do karaoke. One never knows. Anyhow. I'm Fred Mueller, the administrator for your architectural review board. The board meets monthly to review the architecture for new construction as well as exterior renovations to existing residences. The ARB volunteers are Nancy Hailston, David Elder, Kat Klingler, billionaireck, and Becky Vaughn. And they've done a terrific job this year with all the plans that have come to the board.

[00:19:30.900] - Speaker 1

And thank you very much. Our board liaison is Alan Deckovitz, who, in spite of his other responsibilities, keeps a pretty good thumb on what I do. So that's good. This year, four residences have been completed since our last meeting the Dominican, the Watsons on Delegate, the Kents on Cotton Island and the Bevel residence on Deer Island, which was recently bought by the Joneses. Additionally, four more residences are either under construction or are being issued a permit to build by the city. The Gardeners and the Bradley Pedagrews are in the initial stages of lot clearing and foundation work on Deluge and the De DiNardos on Deer Island and the Connors on Cotton Island are in the permanent and engineering stage with construction to start by the year's end. The Gen Co residents on Deer Island will present final plans to the ARB before the end of the year, with construction to start in early 2022. Five plans are with architects, and a sale of property with approved ARB plans is due to close by the end of the year. So presuming everything runs two to form. IOB should have just over 100 residences either finished or in construction by our meeting next year, which is terrific.

[00:20:59.330] - Speaker 1

In addition to the ARB activity I just outlined, and this is encouraging too, there have been seven more lot sales in 2021 that are not on the ARB radar, which means that these owners plan to build hopefully in the near future, but just haven't presented plans yet. The Board of Directors instituted a moratorium on new builders at IOB earlier this year. Only ARB Board of Directors approved builders who have shown that they can build to ARB guidelines and specifications are on this approved list. That list is comprised of alan Patterson Builders, powell Brothers Construction, Live, Oak Builders, low Country Custom Built Homes,

lyle Construction and Paradise Point Construction. Those are the builders that comprise our ARB approved list. We continue to enlist the support of a licensed arborist and landscape architect to review landscape plans for new residences or major landscape projects for existing residences. And additionally, the ARB Consulting Architect reviews all plans submitted to the ARB. As construction continues, the ARB is monitoring on site contractor parking, as well as other new construction issues such as loud music, litter, and any other items impacting the day to day enjoyment of our community. Please feel free to call me.

[00:22:29.850] - Speaker 1

My number is 843-816-2305 with any comments or concerns and we'll address them promptly. Any questions for anybody, thanks. And now we'd like to hear from Marketing. Great movie. Some of the best clients ever. Good afternoon. I see a lot of new faces in the audience today. To those people, I would like to say welcome Taio B, and I look forward to maybe hopefully getting to meet you at tonight's gathering. That would be great. For those of you who don't know me, my name is Bond, James Bond. I've always wanted to say that. It's actually pretty close. My name is Jim Vaughn. I am the chair of the marketing committee. But I'm just the chair, and I'd like to take a second to introduce you to people who actually do all the work. There is Marilyn Mueller and Nancy Hansen. Wait, there's somebody else, right? Oh, it's my buddy Fred. They are the committee members and they are literally the people who get everything done. And I just want to take a second to say thank you. Thank you. You guys are the best. I know I promised to keep this wicked short because we want to get to the tally.

[00:24:34.090] - Speaker 1

I promise to do that. So I can sum up 2021 in two words status quo, meaning we didn't do anything differently or additional than we've done in any subsequent year. We maintained our listing with private Communities, and that generated over 5000 visits to our site. It generated about 1400 visits to our website and about over 200 sales leads year to date. And each one of those sales leads has received a welcome package and a list of all the homes and lots that are for sale. We also maintained our ad placement with Low Country Weekly, which also generates additional leads to both the marketing of the website and also our Facebook pages. And we maintain the kiosk in the Chamber of Commerce Visitor Center, and we offer a continuously scrolling showing of our video and brochures for the 5000 plus visitors who visit there every year. And that doesn't seem like a lot, but given the numbers and so forth that Fred just told you about, we believe that status quo was perfectly sufficient for 2021. I have long said that IOB floats on the tide of the national real estate market, and I think 2021 proved that.

[00:26:36.370] - Speaker 1

And given the number of homes and so forth that are already in the project for 2022, we believe that that will be sufficient for the coming year. And that's our intention to go ahead and follow that plan of status quo to end. If I can steal a few words from that famous order Porky Pig. That's all, folks. Actually, I lied. That's not all. There is one other thing that needs to be said because I won't get this chance again. Our

marketing liaison to the board is George Smedley. And if it weren't for George, there wouldn't be a marketing program here. And he has been our mentor and our support and our cheerleader and our dealer of anything that needs to be done. From all of us here, I would like to just say thank you, George, for all you did. But I believe that really, George has been even more supportive of IOB in his role as chairman of the board. And I am in awe, actually, of his ability to remain calm and empathetic and seemingly tireless, all while juggling chainsaws. And I believe he's done a fantastic job as chairman of the board.

[00:28:25.860] - Speaker 1

And I would like to ask what he done. Stole that part. I was just going to say that we show them a well deserved round of applause, but there you go. That is all, folks. Thank you. And let's start questions. Okay, without further ado, I'd like to introduce Annette Jessam to come up and talk about the social Committee and the grand party we're going to have tonight.

[00:29:14.690] - Speaker 2

Good afternoon. I'm Annette Jessam representing the Social Committee. I'd like to start by acknowledging our current Social Committee members. Nancy Brandt, Carmen Dillard, Gloria PAP, Carolyn Pennington, Julie Quarrels, missy Taylor and Linda Tunstall. After being dormant in 2020, the Social Committee was very excited to plan a limited number of events this year. We have held or are planning the following events the Street Party in May, the annual reading of the Declaration of Independence in July, tonight's annual party the Turkey Stroll, which will be the morning of Thanksgiving Day, and the Mary Mingle on Saturday, December 4. More information about the last two events will be coming in the near future. The committee has found that using the Ebike system makes for an easier head count for all of these events. We encourage you to make sure that you have an up to date email with Bundy and that you have your permission set properly in your email so that you actually are receiving these notifications. Sending emails about how many people are coming gets really hard, and I have a hard enough time with math as it is, even with Evite. For tonight's event, we are asking that everyone wear soft sold shoes, no heels or stilettos.

[00:30:45.410] - Speaker 2

The tennis court surface is easily damaged and very expensive to repair. We will begin the evening with drinks and appetizers in the pool area. We'll move to under the tent for dinner and then we'll move back to the pool for dessert, music and dancing. We have put a lot of effort into planning this event and we hope you have a wonderful evening. We are circulating a volunteer sheet to help set up and tear down from the event. It would really be great if members of the community would volunteer, especially table set up. Like, we need some whistle for that. And I think because of the meetings running really long, we had like immediately after the meeting and then 02:00, I think it's just going to kind of all float into one thing, so hopefully you'll be able to help us out. The Social Committee will soon start planning a full calendar of events for 2022. We'd love to have your ideas and input. If you are interested in joining this committee,

please fill out the form included in your annual meeting package or contact any of the members with that. Bobby Elder would like to do a little stitch and bitch announcement, so I'm going to turn it over to her.

[00:32:07.040] - Speaker 2

Thank you. Any questions? Yes, I am a stitch and biter and I wanted to invite those people who are not familiar with the group to consider joining us. We haven't been very active since Covet. However, we've been trying to meet once a month on Tuesdays from one to five in the clubhouse. Lately we've only had about maybe six or eight people come. We've got more than that in the group, in the community, but we'd like for you to consider it. We have knitters, we've got embroiderers, we've got crochets, we've got quilters. Any kind of needlework that you'd like to bring your own project and work on and bitch, essentially. We learn a lot about the community in our sessions, but we also have charity projects. In the past, we have had caps that we've made together for cancer victims. We have done care packages for our military. We had the squadron over at the Marine base, the F 18 squadron, I think it was, that we sent care packages regularly to that whole all the flyers. And if you look on the wall in the clubhouse, they gave us a flag and a declaration of some sort in there.

[00:33:48.200] - Speaker 2

If you haven't looked at it, that was because of us. And we also made hundreds of these last spring, spring of 2020. So we do do good things in the community. So consider it and just show up. You don't have to tell us they're coming, but I would like to get you on the third Tuesday. What did I say? Okay, third Tuesday of the month. Yeah. Thank you.

[00:34:20.710] - Speaker 1

Thanks, Bobby. I'd like to have Joan Dekovitz come up and talk about the clubhouse.

[00:34:33.350] - Speaker 2

Maybe somebody should. Okay. I'm John Dekovic. I'm chairman of the clubhouse committee. Fortunately, 2021 was a very easy year for us. Me and the clubhouse wasn't really open. There was no really a clubhouse committee this year. The pool was open with no restrictions, which meant that we didn't have to have the pool police that we had last year. The pool be closing November as of November 1. And ask everybody if your kids have or grandkids or you have toys in the bin that's beside the pool house, please get them, because usually at the end of the year, well, usually at the end of the year, if they aren't gone, they either get thrown in the trash or donated to some worthy cause, depending on their condition. And then in association with that, the outside door to the women's restroom will be locked, and then it will be open on the gym side, and the power room will resume being unisex instead of the women's room. As it is right now, we continue to have to have the COVID guidelines for the gym. Temperature readings and restricted access are still an event. Derek did not issue a new guideline for gyms this year.

[00:36:07.850] - Speaker 2

It's been mentioned before. We have a new treadmill and a new elliptical machine to replace equipment that just stopped working. Three, we have three IOB logo gym bags, seven pool bags, two white and ten blue baseball caps for sale. Gym bags and pool bags are \$35, and caps are \$15. And if you're interested in any of these, please see me after the meeting. One more thing. Please remember help of buffer. They do good work. This is near and dear. Non perishables in small sizes place. They are not allowed by law to open ten pound bags of rice to make them ten £1 bags of flourice. And most of their clients are smaller families, one to three people. So £1 bags of flour, rice, pasta are much better than 510. Well, somebody brought us a 50 pound bag of rice a couple of years ago. We donated that. Susan Dickie took that to the Baptist Church for their dinner in the park things. Again, that's pretty much it. It's been a very slow year. Thank God. That's it. Anybody have a question? Anything going on in the clubhouse? And if you are interested this coming year, we're hoping to have some more things going on.

[00:37:46.500] - Speaker 2

So if you're interested, let me know. I'll be glad to call your name. Thanks.

[00:37:53.110] - Speaker 1

Thanks, John. I'd like to have Kathy Whitehead come up and talk about the Grounds and Landscaping Committee, which is relatively new. We rejuvenated it from years ago and Kathy has done a good job leading that.

[00:38:07.650] - Speaker 2

Thank you, George. First of all, I'd like to recognize and thank the committee members who've been working very hard this year for us. Cheryl, please stand if you're here. Cheryl Dominic Kat Klingler tom Couchartrick. Jimmy McNeil has been our HOA board liaison and David Path. Okay. And Kathy Gardner has been meeting with us the last few months. We hope she will join the committee several just quickly, some major accomplishments. We began issuing a quarterly newsletter. I think we've sent three of them out so far. The first one was on Chinese tallow tree and it's threatened to environment. Second one was on table and other types of palms. And then thirdly, the last one was about trees. Just want to thank Kat Lingler, who's our editor in chief for all of that. She's been so generous in sharing the information she has learned as part of the Master Naturalist program. Is that right, Cat? Then what we've done is re established and maintained the Master Maintenance List for items that are on our agenda. Things we know need to be done or want to be done, and things that sometimes the board has responsibility for that are peripheral to ours.

[00:39:20.200] - Speaker 2

So we're maintaining that Master List and review it with the committee and the board every month. So that's one thing that you all could help us with. The more eyes we have out there for things that need to

be done or ideas you've got, please feel free to contact me. I appreciate an email because my memory is always not so hot to remember what you're telling me. Ideas of things you'd like to have done, and we will put that on the list and prioritize it. Everything can't get done at once, but it keeps us from losing track of items. We held several work days to cut vines to prune over in Oleanders at the front gate. That's a continuing project. We don't want to cut them all down at once, so it takes several years so that the growth and the pruning is not so shocking. A change to the plants under our eyes. And we're going to be reworking the existing plantings at the Cotton Island dock sign on Monday. So we have a hard working crew that has fun while we work. George, I think, has already mentioned the annual light inspections. Jimmy and have been doing those the last couple of years with training from George.

[00:40:30.410] - Speaker 2

Just a final pitch here. Sometimes we're asked by the board to meet with our IB's arborist to evaluate the health of a particular tree. And we've been trying to not just take those down if they've been declining help because many of these trees are really old and have a long life. So rather than shortening their life by taking them down before they really need to come down, we're trying to prune them, debauss them, fertilize them, and trying to restore them to help as best we can, or at least last a little bit longer to help our environment. So our committee meets once a month for about a couple of hours, and we'd love to have you if you're interested in joining us, and if you don't want to set your meetings, but you'd like to help us on work days, if you let us know that we wouldn't mind having an ancillary group that just does that. So we appreciate all your help and your support and your good ideas that you have. Thank you.

[00:41:26.030] - Speaker 1

Thanks, Cathy. I'll let Alan speak to that. I guess it was two years ago, the board felt that the Islands Avenue interest was beginning to look a little tattered and not well cared for. So we enlisted the landscape architect to give us a plan for the entire corridor that goes from the front gate all the way to the electrical service entrance just north of the clubhouse. We had some money, extra landscaping money, I guess it was last year, maybe that same year, that we got the plan. And we chose to have the tree service go through the whole Islands Avenue, clearing out as much of the overgrown area and weeds and vines that had gotten out of control and deadfall and cleaned that out. And then did the planting at the end of Five Oak Circle. So as the board's plan is to do more of that corridor plan of plantings as funds are available, but there's nothing scheduled at the moment. And Cathy's group has got that corridor plan, has been briefed on it, and we will let contracts to one or another landscape service as we have the ability to do so. Okay.

[00:43:24.790] - Speaker 1

We have a problem in that we had a huge tree fall on a part of the new landscaping. It was inevitable. Right. And we'll have to figure out what to do with that. But we've had it cleaned out. That's where we stand there. Okay. Now we go into the phase of the election of directors. We currently want me to handle that. I'm going to let Alan handle this since I am leaving the board and. He will be on the board. So we

had an interesting evening that last night, finding out that there was going to be a nomination from the floor. We have two people who were on your ballot, and usually we have people that run uncontested as you look at your ballot that hopefully you'll consider them. Is there any besides the nomination? We know that there's a nomination from the floor for Alex Kent, and that as people came in, you received his resume. He's a very qualified candidate. Were there any other nominations from the floor without any other nominations from the floor? I spoke just a little while ago with Jimmy McNeil, and since he and his wife are planning to move back to Scotland, unfortunately, because I'm almost beginning to understand him, he will be resigning from the board shortly, and the board will be appointing Alex to take the remainder of his time on the board.

[00:45:11.110] - Speaker 1

So take his time on the board, and then he can run for election in a normal fashion at the next cycle, which should resolve all issues. So if there aren't any other nominations from the floor and Alex being appointed as Jimmy resigns from the board, Jimmy's, two more years. Okay? All of a sudden, he turns white and realizes ended for two years. Look at the way the color came right out of his son. Terrible. Okay, so with that, I'll take a motion from the floor to elect the nominees anonymously, unanimously. It's been moved second. All those in favor say aye. Any opposed? Great. Thank you. Congratulations. And Jimmy, I know I speak for all of us. We've had a great time working with you, and we are really sorry that you and Mary are moving back to Scotland, but we wish you all the best. Thank you. Thank you for your service. I would like to move on. Any unfinished business that you would like to talk about? Okay. There's been some discussions over the years. Hello, by the way, my name is Kevin Klingler, and there's been some discussions over the years. At the 2019 annual meeting, someone asked why the board is so intent on getting the IOB so developed.

[00:47:15.850] - Speaker 1

And it was interesting, your comments this morning, George, because you actually touched right on that. In fact, I'm not sure that the answer then in 2019 was as clear as it was today that the purpose of creating more lots and getting the lots moved and getting this place developed prevents interloping developers from coming in and buying a lot of lots and then kind of taking over the community. And that has happened a lot in this area. So it was interesting that you brought that up. But this person brought up that one of the issues that surrounds a lot of us coming here and being here and being very happy here is the serenity and peace and the nature of this place. I know I'm not alone in that I know there's a lot of people who like that. And it's true, as the IOB gets more crowded and gets a larger population density, it's going to be less inviting, less peaceful, less serene, and the longer you're here, the more that that's the case. I think if you're new here, you don't quite get that. The longer you're here, the more you realize, oh yeah, we have all of this forested space, we have marsh, we have all of these various things that we weren't sure about either when we moved in in 2014.

[00:48:42.070] - Speaker 1

So Allen, shortly after we moved in, you mentioned the cat and I that when we get to 90 homes that we would become financially self sustaining. You didn't give me the metrics on that or the mechanics on that, but that's basically what you said that when we get to 90 homes that we basically can kind of let up on the gas a little bit. That's how you put it to me then. And of course we're already past that number in as per today's. Comments with the ARB, fred's comments with the ARB. By the end of this year we'll be at 100, so we'll be well past it shortly. The choice of a new clubhouse was a very interesting thing that directly impacts this and of course we all know we need it. It's very much needed. What to do about it and how far to go is actually where the discussion lies. But the one thing the club house does do, and George, you mentioned this, alan, you mentioned this as well, is it makes it more inviting to build on interior lots and to build on as many lots as possible. That's kind of the position that the new club house was put in.

[00:49:58.370] - Speaker 1

But as we lose the sense of natural beauty here, it's not going to be kind of the same place for many of us. So I'd really like to ask the board that they seriously consider doing a cost benefit analysis and looking at buying back lots. Kathy, you mentioned in your comments that in your analysis that the board owns nine lots. That's a good thing. That's a good thing because it makes us so to George's point about interloping developers, that's nine more that an interloping developer can't get. It's also more lots that we have forested views, we have all sorts of animals, we have all sorts of serene, peacefulness here. So it's a good thing. So I'd like to encourage the board to finally take a serious look at this and maybe do a cost benefit analysis and see if we can't really do something about this. Now, I was hoping to do this discussion after we knew the but obviously that didn't happen, so I had to do it anyways. But I would hope that the board would take serious look at this. This has been paid a lot of lip service, right? But I can tell you there are a bunch of us that if this place gets too crowded, we will sell our homes and move.

[00:51:22.900] - Speaker 1

I can tell you that. And that's not just a couple of us. There's a number of us that will not. If this gets packed in with houses everywhere, we get to 100 and 8987 houses. Probably not going to be a place where I'm going to want to be long term. So I'm hoping that the board can take this issue finally seriously and take a look at what the different financial scenarios are, what we can do. I know a lot of people are concerned about spending too much money, but this is something that can be done relatively less expensive because it involves the interior lots, which are very inexpensive, and we should be taking advantage of that now because we've talked with some people. If you go around to other developments, interior lots are actually going for more at some of these places than they are here. So why not take advantage of that opportunity? In any event, I'm hoping that you guys take that seriously, take a good look at this and see what we can do to create some sense of the peaceful serenity that we've enjoyed for the last seven years that we've been here.

[00:52:29.270] - Speaker 1

Thank you. Thank you. Kevin, any other unfinished business? Cathy, are you ready with the vote?

[00:52:46.330] - Speaker 2

Okay, the vote is 74 no and 45 yes. So the motion did not pass.

[00:53:00.240] - Speaker 1

Okay. Thank you. So at this point, the new board will regroup and determine what steps we have to go forward with to do what we can do. Allen seems like he wants to talk a little bit about that, so I'll let him talk about it. So it's just a business decision. And all along, George and I have talked about the fact that we need to treat this as a business decision and not have people upset about it one way or the other. Before we break today, it would be helpful for us and the new board to understand what the message is that you're sending, because for many years, we've been getting a pretty standard message, which is we don't like going into the clubhouse with furniture that's broken and kind of tired appearance and not being able to have events inside, et cetera. So we spent a lot of time, effort, and money against this project responding to that and responding to the people who came to quite a few meetings that we put on, including Zoom meetings. We've invested quite a lot of time in this. Let me ask, is the message that you're saying we don't want to do anything, or is the message saying that we don't want to do what you've got because you've suggested because it's too big?

[00:54:46.290] - Speaker 1

Or is it that you have some other message that we don't understand at the moment because you haven't shared it with us? So if somebody could respond, we're legitimately attempting to service the community and the community's desires. We don't know what you're telling us because we tried to listen and we don't know what you're telling us. So if you could help, that would be great. Sure. I just told you one. Is that Jay? That's Kevin. Oh, Kevin. Okay. Your message is got to be you'd rather we spent our effort about reserving lots and leave the clubhouse as it is? Some efforts we know, as been mentioned by several people today, we need something to do with the clubhouse. We need something to do with the clubhouse. There's no argument with that. What's the something? I'm not going to answer that. But in the meantime, we have a great opportunity to increase the value of all of our homes and lots if we were more aggressive about buying up some of the interior lots. And it also ensures that we don't have to build and develop just to keep interloping developers away. So it kills two birds with 1 st.

[00:56:13.140] - Speaker 1

Yeah. I'll get you in a SEC. I've seen my hands go up, trust me. So let's finish that thought out. George and I talked privately and said, well, would the community accept an additional assessment in order to purchase lots and pay for the lost fees? So every interior lot you purchase cost you the purchase price. The taxes on it, because they become part of the association, are really not that big a deal. So you have the purchase price and you have the lost fee revenue, which is we'll call it \$2000 to \$3,000 per year over the next ten years. So if we ask the membership, do you think does the membership think that they would

be interested in funding that activity? Right. And it's very similar it's a great question. It's very similar to the question of how much is enough or too much with the clubhouse itself, how many lots we repurchase? I'm not saying let's get some numbers out. There some different options. Just like we should get some numbers out. There some different options on the clubhouse. So I don't know. I can't say I'm not sitting here saying we should buy every available lot, but we should be more concerned with it's really about the nature, about the habitat, about the serenity and peace that the forested aspect of this gives us.

[00:57:48.140] - Speaker 1

Okay, so how much of that we preserve is really up to the community. So you're really looking for us to put together a proposal? The difficulty with that, of course, is if we put together a proposal and tell you which lots we're going to buy, the price is going to change. You and I talked about that. Yeah, but we'll work on that. It won't be a lot next to you anyway. No, not the one. Okay. We could work on that, because if we were to start on that in the coming year, it would obviously have a budget change, and it would require a special meeting, but we can also do that, but we'll float some proposals. There you go. Okay, I appreciate it. There's a lot yeah, I got it. But you're not saying do nothing on the clubhouse. What I heard somebody say is what we suggested was too elaborate. Okay. It sounds like a lot of people are there. Jay, you've never said anything in 15 seconds, so can you do something short? I'll give you third. No. Say that to Jay. This issue, and I'm speaking on behalf of the I forgot what you all call the interloping developer.

[00:59:05.620] - Speaker 1

I am a developer. That's what my background is. I've developed properties all over Bucket County and other states. There is no developer that wants to come in to islands of viewford and buy a bunch of lots. That's not the way the market conditions are now. We have very strict and enforceable covenants and restrictions. So you may get a builder that will come in and buy some lots and build a few homes. But the concern of an interloping developer coming in, buying a bunch of lots is not going to happen. And that's not something we should plan on having to happen and do some sort of protective measure for that. I did this point, I agree with you. But in the world we're in today and the situation we're in, our neighborhood, well, let's all go out and buy another lot. The best way to protect your neighborhood is to get your pocketbook out and buy a couple of lots. If that's what you want to do, that's the best way to do it. If that's what you're going to do, that's the developer side of it. That's not a concern that the board should have to worry about as a developer coming in and buying and then on the clubhouse, I think once again, you all did a great job of doing all the work.

[01:00:18.080] - Speaker 1

I think where we could have done a better job when I say we not the board but the membership is better communications, more meetings, more ideas. And to the point where we don't get to this point where right now where you spent the time and energy and money getting this plan out there and the input is all you've heard is from a segment of the population that is looking at it one way. And I think when it came to the

meetings here, then you started hearing from the other side of the population that had a different opinion. I think that we can do better communication and surveys and that type of thing and take this time to do that because we're already down the road and take the time to do that and we still have these plans that we can move around and adjust to what the membership wants as a whole or as a majority. Thank you, Jay. Thank you, Jay. That was succinct too. I appreciate it. The reason I can tell you now, we look extremely secure. Our ARB guidelines have been refined continuously over 15 years. We've got a strong ARB presence that really doesn't let things get out of hand.

[01:01:34.780] - Speaker 1

And we've reduced our exposure to hobby builders and one timers who are using money from one project to make another project going, that sort of thing. But I can tell you that seven or eight years ago, when we weren't having anything built or just having one house built, it was a much scarier situation and there were a lot of problems. And some associations were having people sell 2000, \$300,000 lots for a buck. There were lots over on Deer Island on Deepwater that couldn't sell for half what the person had bought them for from the developer. So I agree, we're in extremely sound situation today, and we feel much more secure. That's one of the reasons we thought we could proceed with this project. Is there somebody else? Yeah, there's a lot of hands up. Brian? Yeah. Question I have is my understanding can you come up to the mic? Thank you. Thank you, Brian. Yeah. Go, Bobcats. There you go. My understanding is that there's a number of things that need to be done on the clubhouse even as it stands. New roof, new windows, that type of thing. Does the board have a baseline?

[01:02:57.050] - Speaker 1

What needs to be spent just to bring the clubhouse up to current standards and treat that as the level from there to any adjustment above that for improvement, we've got to spend x amount x plus. This is what the difference is what we're talking about. So I took a look at the reserve study and tried to reasonably estimate which of those projects were still relevant and money that might be spent on the clubhouse. And it was between 200 and \$350,000, if I remember correctly, to keep basically the clubhouse we've got, but basically to address issues that were in the baseline expectations of taking care of the clubhouse. And it included things like replacing windows and rebuilding the ramp in the back and new appliances in the kitchen area, new roof, et cetera. So maybe that's sort of the baseline, but it doesn't provide us with any further space and it leaves the building inadequate in certain other ways. The flip side of that is. Over the time the board. With some terrific advice from Eric. Have done things that have secured the building to keep it from to address water intrusion problems. Structural problems that were left by the original builder to get the air conditioning and heating at the right level for the building.

[01:04:40.890] - Speaker 1

To remove old duct work that was causing a moldy smell. Things like that. So we've done a lot of things around the exterior of the building to try and stabilize issues. I don't want you to feel like the building is going to fall down tomorrow. What we were hearing from members, and apparently we aren't hearing,

quite correctly or not hearing from everybody, is that they wanted an expanded clubhouse as a better amenity. So we are maintaining the building at a usable level for a limited size of event. When you guys say it's too elaborate, what's the part of it that's too elaborate? Yeah. Okay. So that elephant was a \$50 a month charge on your credit card for 600 and something a year. So that's too big an elephant. I'm not trying to pick on you. Instead of doing an elephant, we're going to do, I don't know, a wildebeest. What is it? That's something that you need to look at and just kind of maybe prioritize, say, here's the thing we do first, if we have the money, the second we do prioritize it and then present that and see where each of those individual projects fall.

[01:06:31.600] - Speaker 1

Because as people come and go okay, I'm sorry, sir, we haven't met, so I don't know your name. Okay. Bill has been trying to get a question in for about the last twelve minutes here. So the mike's yours. Bill, I have a couple of recommendations I don't agree with. Kevin is buying more properties. I think you've already bought too many of them. For example, there's one on Cotton Island that's probably never going to be used for anything. Lot number one, I would sell those right away. What you might want to consider is giving a break to people to buy another lot, the double lot owners. For example. When you say it's \$60 a month, it's not. To us it's twelve hundred dollars more a year. Because we have two lots. It means \$20,000 over the long run because we have two lots. So if you want to keep the place greener, maybe start giving advantages to people to buy more property, like present owners or even future owners to buy two lots. So that's something that you should maybe consider that. So there are about seven property owners that already have two lots, including you and me.

[01:07:52.650] - Speaker 1

Would you extend that retroactively to those people who've done it retroactively? No, I wouldn't do it retroactively. If you say from now on there's going to be a benefit, whatever that benefit is, those people would be able to take care of, take advantage of it from a present time frame into the future. Not give me a break for the last 15 years of overpaying. That's not my intention at all. But give people an incentive to buy more property. The other thing I would recommend is that this is just a personal opinion. We hear you say, we talked to a lot of people, everybody says this. A lot of people say that. I don't agree with that. I think you're missing the silent majority. You have to consider a lot owners who have very little to gain from keeping their properties. You've got to keep the prices down and the assessments down. I would recommend more community input into decisions that you've made. For example, the parking lot, I don't know if it's really that necessary. And how much is it really going to cost? Right now, a lot of things. The fire pit, a lot of people are against the fire pit because the hazard that it could pose is some kids get out there and decide to build a huge bonfire and then burn out that whole community area or the Bordeaux area.

[01:09:17.110] - Speaker 1

So I don't know if there's really been that much input from the entire community as far as things you think will benefit the community rather than listening to maybe, like Jay said, a very small minority of the community and what they feel is important. That's it. Thanks, Bill. David Jensen, Bill and Jay were saying sort of a general question for everybody. How would you like to provide the feedback to the board electronically? Evidently we missed something, right? So how do you want to get that survey and how do you think we can get the people who haven't responded to respond?

[01:10:10.630] - Speaker 2

I think the board needs to make appointments with the people who live here to come into their homes and have a discussion and get them to give them their opinion, because they may not feel comfortable giving their opinion in a big setting like this. They may not want to do a survey monkey for whatever reason. But I think that if you visit them as a neighbor and say, here I am on your board member, how can we serve you better? I think you would get a lot more feedback from people even if you did two or three homes at a time.

[01:10:46.630] - Speaker 1

Good idea.

[01:10:47.890] - Speaker 2

The other thing is that we bought our lot twelve years ago and we knew that we were going to build on our lot eventually. We paid an astronomical sum for our lot and we pay homeowners fees every year on our lot and we bush hog and we pruned trees and we did everything to make our lot fit into the community because this is the community that we wanted to live in. I think that we need to keep that in mind that people looking to live here, this is a community that they want to live in. And I don't know what that means in terms of building a big clubhouse or a big gym facility or putting in botchy ports or whatever, because not everybody is going to use everything. But when you are looking to buy a house or buy a lot, you're looking at all of those amenities as a checklist in your mind of is this some place that I want to live in? I mean, when we built twelve years ago, or we bought twelve years ago, there was such anti kayak dock sentiment in this neighborhood because people are like, not in my backyard.

[01:12:01.550] - Speaker 2

I don't want people schlepping their kayak onto cotton or onto wherever to put it onto a dock to put it into the water. But now we have a kayak dock, and there's kayaks that sit there. And it's wonderful that they ponyed up and they put their kayak there. But it would be nice if we had a day dock where you could launch a boat or you could put your kayak into the water and then take it home and put it back in your garage. So that's my thought.

[01:12:34.760] - Speaker 1

Okay. Thanks. Mary. Yes, Nancy?

[01:12:38.350] - Speaker 2

I think whatever you do, lot owners have to be considered the unapproved lot. The value for the annual assessment of \$10,000 is worth more than a lot owners interior lot.

[01:12:51.020] - Speaker 1

Right.

[01:12:51.400] - Speaker 2

And I just think they have to be part of the mix that they're 50% or maybe 46% of ownership. They have to be part of this deal.

[01:12:59.920] - Speaker 1

Okay. Thank you. I can tell you some of our thinking is that people who are buying lots now, like, we have seven that are changing hands, that are under contract or have already closed last month. Right, right. Under contract. Our belief is people who are buying lots today are not people who are buying them as investments. They're people who are buying them to build on. And quite a few lots have changed hands in the last couple of years. So there are people who will eventually benefit from the amenities. Now they may not want to pay what we were talking about in this particular plan, and Jim tried to do a study on this and just didn't get very much. Very good response. But the number of people who own vacant lots today, we believe for investment purposes, very low. Because if you've got an investment lot here, it's dead money. Right? Yeah. I mean, you're so far underwater you'll never see it anyway. That's our thought. With respect to those people, it may be right, might be wrong. Take a look at a few more comments and questions and then we'll close the meeting down.

[01:14:30.310] - Speaker 1

Hi. We have been here all of two months leasing over on cloud Point and Eric gets ready to build our home on Deer Island. Right. So I can speak from relative why we just purchased here. Okay. It's not about clubhouse entity. We didn't buy here so that we could have weddings and everything else. I think when everybody talks about how you're going to spend the money, maybe it's a custom tent that you buy and leave with the guy who puts it up and you put it up. So maybe it's \$100,000 investment that when somebody wants to have an event, you put it on the tennis court. Guys, we did not want and I think everybody that's following us does not want to live in bluffton or the other piece of bluffton that you create here. So please be careful. We plan on dying here, not tomorrow, but eventually. Thanks, Tim. I'm going to take a couple more questions. The budget \$50 for tow tax. Things.

[01:15:49.330] - Speaker 2

Please focus on I think it.

[01:15:51.020] - Speaker 1

Was Heather, if I remember correctly. It's about active families going forward. We're all living longer. I think the gym is more of a priority, and the active things, some of the low end things are more of a priority than the meeting space. If I want a wedding, I'll go somewhere and have it. Okay.

[01:16:20.810] - Speaker 2

I think that part of the issue is that people don't understand that you've been hearing that we need a larger clubhouse. The current clubhouse takes, what, 47 people?

[01:16:34.080] - Speaker 1

46.

[01:16:35.040] - Speaker 2

46 people. Legally. The new plan for the clubhouse is a legal limit of 99. Now we're going to have more than 99 people living in the community, and we've even had more than 99 people coming to the dinner today. So I think that there is confusion as to what is it about the clubhouse that needs this expansion to 99 people and they just don't understand.

[01:17:12.510] - Speaker 1

I think we voted, though, on this already. They voted it down. So you made the sale.

[01:17:31.010] - Speaker 2

That number of people living here when, theoretically, all the household lots are built, we're going to have to expand the clubhouse. So I'm wondering if there's two things. One is the size of our property and all the amenities everybody wants. We don't have enough room. And the second thing is, if we're going to need a bigger clubhouse eventually. Alan had told me it wasn't in his lifetime. Have we thought about a long range plan?

[01:18:04.670] - Speaker 1

And I think that's Bill, during his presidency, we had a strategic plan. We can dust that off, or the next board can dust it off. I'm going to have you go up last, but there's some folks in here that want to talk. Yes. My name is Tim Condon. My wife and I bought a house, resell over here on Cotton Island about a

year ago. Nice to meet you. I haven't met you for thank you. I don't know anybody on your street. Well, there's been a big turnover in Cotton Island in terms of resale. Right. But these two gentlemen right here, I think they have great points. But I think from a new resident of IOB, that the concern for me in terms of keeping the green space is the fact that we're going to be losing dues if the board takes over that property. So that's a permanent loss in revenue, income for the community. But I also agree with this gentleman back here that we really need to look at keeping as much green space as possible. So I thought that Bill's recommendation was really a good recommendation, but I think there needs to be some type of a strategic plan moving forward, and maybe the board could work on that.

[01:19:20.600] - Speaker 1

In terms of just my personal perspective, in terms of today's vote on the clubhouse, I just think maybe it was a scope thing. Too large of a scope, perhaps. Okay. Thank you. Eric wanted to make a. Comment? Yes, one comment I'd like to make in support of Bill's suggestion. Having been part of the community since its inception in 1009 nine seven and building one of the first model homes, it was always the intention that the islands of Beaufort would be developed. There were 197 lots that were carved into this pristine piece of property that at some point would be somebody's future home and individuals could enjoy this terrific habitat that we have. I think it's unreasonable to expect that vacant lots won't be built on. I do enjoy the green space. I think I'm more in favor of a proposal like Bill suggested, that perhaps we reduce dues for people that buy properties near their house. If I had the opportunity, I would buy both properties behind my house and preserve those. We did so with a lot in between the Muellers and ourselves. So I think when people come into the neighborhood like this and you see homes being built, you have to have every expectation that homes are going to be built in the neighborhood.

[01:20:50.640] - Speaker 1

That's what the neighborhood was developed for. So if we're wanting to preserve properties, I don't know that it's necessarily the board's decision or the right use of money to be purchasing waterfront properties with association money. Again, I think if we could work on something that would allow dues to be reduced to encourage property owners to buy properties that are neighboring their properties, I think that would be a good I've got this young lady here that's been wanting to talk for a long time now.

[01:21:36.610] - Speaker 2

Hi, I'm Tamara, and I just moved over to cotton island and I prayerfully came to this subdivision or this community. And I want to say that I'm really happy to be here and we have a great community and I don't want anything like we've just made a decision, half decided against and half to divide us. And really what I want to see for our communities, I want to see the beauty. I would like to see all of our outdoor spaces, all of our yards, all of everything beautiful. Let's just make it beautiful with what we have. And yes, the clubhouse is toe dunk and needs help, but we don't need a brand new one. We just need to make it beautiful. Can we do that? Yeah. That's all I want. Because you're beautiful people and this is an awesome place. We found it. Hallelujah. That's Dub.

[01:22:30.890] - Speaker 1

Okay, the social committee has limited time to get ready for this party, so we've got to get rolling here. So I'm going to let Bill close out. And Jay, if you want to come on up and say something. Also, I say you wanted to take this. George, you and I had a brief conversation a while ago about these undeveloped lots. Like I was talking to you about the street for me and trying to put a program together with the board where an individual homeowner like myself would buy that lot, right. And then we would put a deep restriction on it and deed it back to the homeowners association so nothing would ever be built on it. So the homeowners would make the initial investment of \$8,000, and then we would get a credit for our dues till we reach that amount. Right. And then we would figure out some way of paying what we would call that park space. Maybe the dues wouldn't be \$2,200. Maybe the dues would be \$600. And maybe Bill and myself or somebody else. If that's a program that they'd be interested in. Put our heads together and see if that's a program that would work in conjunction with some of the other things we talked about.

[01:23:56.190] - Speaker 1

Where the individual homeowners can track the check and then feed it over to the homeowner's association and we get a tax write off that might be of interest that kind of reach the door. Right? That's a possibility.

[01:24:13.990] - Speaker 2

Okay.

[01:24:14.680] - Speaker 1

We're going to let Bill close. Otherwise, the social committee is going to hang me. I think you need to really look closely and listen to what Kathy Whitehead put together. The status of reserves, to me, are inadequate. We say that we're in good financial condition, but we're not. \$400,000 in reserves will go no place to replace things like the roads, the bridges, the docks, all of those things. So rather than thinking of more ways to spend more money out of reserves that are not really reserve type items, you need to start looking at reinvesting in the reserves. They are inadequate. There are \$1 million in 2017. Now they're what, 300, \$400,000? That's not what the reserve study calls for. So I would again recommend what Cathy said. Do a reserve study and make sure that what we say is adequate. Is adequate. It I don't think it is. Okay. Thank you. Now I'm going to close the meeting down. The annual meeting is adjourned. Thank you. Bye.