

MINUTES
FRIPP ISLAND PROPERTY OWNERS ASSOCIATION BOARD MEETING
June 9, 2007

PRESENT: Messrs. Hummer, Buschur, Davis, Davidson and Gannon; Mmes. Cantley, McCormick, and Merrill; Mr. Newby by phone

ABSENT: Mr. Mathews

1) Call to Order and Determine Presence of a Quorum of Directors: President Hummer called the meeting to order at 9:00 am. There was a quorum present.

2) Approve Minutes of May 12, 2007: The minutes of the May 12 Board meeting were approved, following a lengthy discussion, with changes to the following: 1) #7 Remarks from President Hummer; 2) #8 Comments and Questions from Members; 3) #5 General Manager's Report in CAB section: Food Court is not open; 4) #5 General Manager's Report: Remove Security patrolling the beach from Crossovers Section and move to Security section.

3) Discussion of Matters Deferred to this Meeting: None.

4) Report from General Manager Kate Hines:

i. Resolution 428: Election of Officers of the Association

Proposed Resolution: That the Board of Directors elect the following to the office opposite their name, effective June 1, 2007: President, Paul Hummer; Vice-President, Buck Mathews; Secretary, Mary Cantley; Treasurer, Bill Buschur

ii. Resolution 429: For the Board of Directors to Give its Advice and Consent to the Reappointment of a Chair and a Committee Member to the Standing Bridges Committee

Proposed Resolution: That the Board of Directors reappoints the following members to the Standing Bridges Committee: Member reappointment, Tom Gioiosa Chair; Ex-Officio appointment, General Manager.

iii. Resolution 430: For the Board of Directors to Give its Advice and Consent to the Reappointment of a Chair and Appointment of Committee Members to the Standing Finance Committee

Proposed Resolution: That the Board of Directors appoints the following members to the Standing Finance Committee: Bill Buschur – Treasurer/Chair, Becky Beskow, Bob Davidson, Joe Gannon, Bruce Jentner; Ex-Officio appointment, General Manager.

iv. Resolution 431: For the Board of Directors to Give its Advice and Consent to the Reappointment of a Chair and Appointment of Committee Members to the Standing Human Resources Committee

Proposed Resolution: That the Board of Directors appoints the following members to the Standing Human Resources Committee: Mary Cantley - Chair, Chris Maurer - Vice Chair, David Case, Rita Merrill, Jeanine Taylor; Ex-Officio appointment, Assistant General Manager.

v. Resolution 432: For the Board of Directors to Give its Advice and Consent to the Reappointment of a Chair and Committee Members to the Standing Roads & Drainage Committee

Proposed Resolution: That the Board of Directors appoints the following members to the Standing Roads & Drainage Committee: Bob Newby – Chair, Tom Hunter, Don Aldrich, Tom Gioiosa, Ray Lewis; Ex-Officio Appointment, General Manager.

vi. Resolution 433: For the Board of Directors to Give its Advice and Consent to the Appointment of a New Chair and Committee Members to the Standing Security Committee

Proposed Resolution: That the Board of Directors appoints the following members to the Standing Security Committee: Jim Parks - Chair, Charlie Davis, Buck Mathews, Micki McCormick, Rita Merrill, Charlie Richman, Dick Welhoelter; Ex-Officio appointments: General Manager, Security Chief, Fire Chief, Fripp Company Representative.

- vii. Resolution 434: For the Board of Directors to Give its Advice and Consent to the Reappointment of a Chair and Committee Members to the Non-Standing Appeals Committee**
Proposed Resolution: That the Board of Directors appoints the following members to the Non-Standing Appeals Committee: Joe Gannon - Chair, Bonnie Combs – Vice Chair, Steven Martinez, Alice Parks, Dorothy Steele, and Don Thomas; Ex-Officio appointments: Assistant General Manager and ARB representative.
- viii. Resolution 435: For the Board of Directors to Give its Advice and Consent to the Reappointment of a Chair and Committee Members to the Non-Standing Off-Island Affairs Committee**
Proposed Resolution: That the Board of Directors appoints the following members to the Non-Standing Off-Island Affairs Committee: Bob Davidson - Chair, Mary Cantley, Bob Newby, Sandy Yarborough, Jerry Risher, and Hobby Cobb.
- ix. Resolution 436: For the Board of Directors to Give its Advice and Consent to the Reappointment of a Chair and Committee Members to the Non-Standing Covenants Committee**
Proposed Resolution: That the Board of Directors appoints the following members to the Non-Standing Covenants Committee: T Thomas – Chair, Ed Barnhart, Budd Catlin; Ex-Officio appointment: General Manager.
- x. Resolution 437: For the Board of Directors to Give its Advice and Consent to the Reappointment of a Chair and Committee Members to the Non-Standing Long Range Planning Committee**
Proposed Resolution: That the Board of Directors appoints the following members to the Non-Standing Long Range Planning Committee: Buck Mathews – Chair, Bruce Carroll, John Derrick, Jim Duncan, Dan McCormick, Diane McGarry; Ex-Officio appointment, General Manager.
- Motion: The option of individual motions or a blanket motion to approve the resolutions was suggested. A blanket motion for Resolutions 428 thru 437 was approved.**
- xi. Resolution 438: For the Board of Directors to Give its Advice and Consent to the Creation of the Non-Standing Grounds Committee**
Proposed Resolution: For the Board of Directors to Give its Advice and Consent to the Creation of the Non-Standing Grounds Committee
Discussion: Mrs. McCormick is proposing to institute this non-standing committee to better insure the continual upkeep and beautification of the Island. The distinction between grounds and common areas (“green” spaces) was also discussed. Grounds are all common green areas owned by FIPOA.
Motion: Motion approved. Members’ names will be presented for approval at the July meeting.
- xii. Resolution 439: To Approve the Update for the Board Policy Manual**
Proposed Resolution: That the Board of Directors approve the revised Board Policy Manual dated June 9, 2007 attached hereto (book only).
Discussion: Mrs. Hines noted that following Directors input, some policies have been removed, added, and generally updated. There were also some updates to Board members’ contact numbers.
Motion: Motion approved.
- xiii. Resolution 440: To Approve Changes to the Appeals Committee Meeting Date and Procedure Process**
Proposed Resolution: That the Board of Directors approve the changes to the Committee Meeting Date and Procedure Process requested by the Appeals Committee.
Discussion: It was noted that changes have been made to provide a more user-friendly appeals process for the appellant.
Motion: Motion approved. As this process is in our Rules/Regulations, the current revision dated 1/1/07 will need to go back to print.

Miscellaneous: In reference to voluntary water restrictions: Last weekend, a valve was broken in the “on” position and it was unable to be fixed until Monday. We have now made arrangements so that if something like that happens again, Security can take care of it.

Financial: General Fund: \$1,147,000; Cash reserves of \$2,100,000; Deposits for Right of Entry \$96,000
Accounts receivable \$25,000

--We are at 87% of budget for revenue and 33% of expense. We have collected 98% of 2007 assessments.

--There were 12 property transfers in May.

--The Finance Committee has narrowed down the field of investment firms from six to three and plans to interview them in July. A recommendation to the Board regarding the creation and implementation of an investment policy for the FIPOA and a firm to handle the funds will be presented to the Board in August.

Insurance: The wind and hail policy renewal is double the cost of last year – up \$6,000. Our agent shopped around, but ICAT is the only offer we could get. Health insurance increased 17% as well.

Security: The committee met May 16th. The newest vehicle, the 2008 Ford Escape is now in service. The last Impala was sold. The committee will meet again this coming Wednesday at 3:00 pm.

Roads & Drainage: REA Contracting is coming back on June 11 to finish the gravel roadwork, which was halted because of the McTeer bridge damage.

--Wilbur Smith will be sending completed plans for the Tarpon widening project to us next week. They will send requests for proposals to contractors at the same time.

Crossovers: A new doggi-pot station will be erected at Crossover #2 this weekend.

Grounds: The sprinkler system has been replaced on Tarpon Boulevard between the Beach Club and Bonito Road

Club Advisory Board: As stated in the correction to last months’ minutes, the food court is not open, as the Resort has not received a permit.

--Tidal Hall has been turned into a game room.

--The Ambassadors are here and are working as pool attendants and housekeepers.

--The interns are working in the recreation department.

--The tennis center has been refurbished and hot water has been installed in the bathrooms.

--Very positive comments have been received from members regarding food service and condition of golf courses.

--There are still some problems with the swipe cards.

PSD: Mr. Combes presented a request from the PSD to amend the March 2003 agreement to transfer the title of the Fripp Inlet Bridge from the POA to the PSD. At that time, the transfer was sought by the POA due to the escalating cost and difficulty of insuring the bridge. The PSD could obtain bridge insurance from the SC Insurance Reserve Fund (IRF) at a much lower cost. The annual insurance has now increased from \$10,155 in 2006 to \$42,900 in 2007. The reasons are an increase in bridge replacement cost and the IRF’s reclassification of bridge coverage to an Inland Marine policy. The proposed amendment would make the POA responsible for transferring funds equal to the annual Bridge insurance premium to the PSD for the purpose of maintaining insurance coverage. Following a lengthy discussion, it was determined that the PSD has paid the insurance for this year and that this is not an urgent request. It was also noted that increases will be paid by property owners one way or the other, either from the PSD or the POA’s budget.

ACTION: Referred to the Finance Committee for review and discussion.

5) Committee/Other Reports:

--Off Island Affairs Committee: Mr. Davidson noted that his committee had analyzed the 2004 survey and found that everything looked good. He questioned whether a new survey should be developed with all committees looking toward the future. It was felt that this issue had been turned over to the newly formed Long Range Planning Committee. A possibility would be to conduct an operational survey and to explore conducting it electronically.

6) Comments and Questions from Members:

(C) President Hummer noted the recent retirement of Board members Tom Hunter and Bob Young. He made a motion to approve a resolution of meritorious service for their three years of service.

Motion: Motion approved.

(C) It was noted that Bill Wardle has finalized his newest development plans and it was suggested that an article be placed in an upcoming issue of The Trawler. It was also noted that an agreement has been reached between the Fripp Island Resort and Deb Thompson to purchase her property on Wahoo.

(A) Both items will be published in The Trawler, once confirmed by Bill Wardle.

(C) An owner had several items to discuss: **1)** Concerns about the speeding by construction traffic at the end of Sweetgrass. (A) Referred to Security. **2)** Complemented the phenomenal food at the Resort's restaurants. (A) Referred to the Club Advisory Board. **3)** Several concerns with the Ambassador Program; i.e., not checking cards at the pools, limited command of language, beach chairs piled up instead of stacked neatly, and rude comments and gestures. Overall, his family had not had a good 3-week vacation experience. (A) Referred to the Club Advisory Board, either through Mrs. Hines or Mr. Hroncich.

(C) A new Board member questioned whether the Beach Club pool gate is manned during the evening hours. She noted an owner swiped his card, but then 15 people and 3 dogs entered the area.

(A) Referred to the Club Advisory Board, either through Mrs. Hines or Mr. Hroncich.

(C) A new Board member noted difficulties with contractors leaving wood and other materials in the middle of South Tarpon. Security was called, but the owner was told to contact the ARB.

(A) It was agreed that calling Security was the right thing to do; however, they should have made the call to the ARB on behalf of the owner. Referred to Security.

(C) A new Board member suggested that additional efforts be made in communicating about proposed future development plans on the Island, possibly modeled on a "Town Meeting" format. It was noted this would require the cooperation of the developers. Right now the POA, as well as a special interest group, is notified by the DRT on the Friday before the upcoming Wednesday morning meeting. Mrs. Hines sends this notification to all property owners who have given her their email addresses

(A) It was agreed to approach the Resort and other developers to see if they would be interested in a joint Town Meeting to discuss future development plans.

(C) A new Board member noted that the Bylaws appeared to have an elaborate process for electing new board members; however, the process to elect officers, an organizational meeting held in Executive Session, seemed to be quite informal compared to other organizations she had been involved in. It was noted that in the business world, the Board members are elected by the membership and the officers are elected by the Board. A suggestion was made that a slate of officers be provided before the actual organizational meeting.

(A) Mrs. Hines to consult CAI list serve. It was agreed that any changes to current policy could be adopted as a Board policy rather than a change to the Bylaws.

7) Statement of Matters Deferred to Next Meeting:

1. PSD Request to Amend Inlet Bridge Agreement
2. Election of Board Officers Process
3. Committee Members for Grounds Committee

8) Next Meeting: The next meeting is scheduled for Saturday, July 14 at 9:00 am in the FIPOA Conference Room

9) Adjourn: The meeting was adjourned at 10:35 am.

Respectfully submitted,

Mary Cantley
Secretary

*Minutes are not the official record of proceedings until the Board of Directors has approved them at the following meeting. Please hold this draft until you pick up the next meeting's draft that will contain corrections as made and approved by the Board.

** To participate in Board meetings by teleconference, owners may call 1-888-311-9051; then 56413#.