

MINUTES
FRIPP ISLAND PROPERTY OWNERS ASSOCIATION BOARD MEETING
November 8, 2008

PRESENT: Messrs. Mathews, Newby, Davidson, Duncan, Hess & Morrison; Mmes. McCormick & Merrill;
Messrs. Case and Gannon by phone

ABSENT: None.

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

2) Approval of October 11, 2008 Meeting Minutes: The minutes were approved as presented.

3) DISCUSSION OF MATTERS DEFERRED TO THIS MEETING:

Long Range Planning Report: Mr. Mathews encouraged comments or questions regarding the Long Range Planning Report. Board members felt that it needed its own specific time to be discussed, felt that the comments and suggestions received from owners were pertinent and heartfelt...they should not be lost. He directed each Board member to take information relevant to their committees back for discussion and action. It was noted there were a large amount of comments about the quality and condition of the beach; however, the beach is owned by the state. Cleanup is done by having doggie-pot stations and also out of the goodness of people who walk the beach. When a question arose about the detritus on the beach, it was noted that although sometimes unsightly, it is all part of the ecosystem and contributes to the growth of the Island.

MOTION: That Mrs. Hines will create a resolution for a non-standing committee to look into beach issues.

Motion Approved.

Property owners/and owners of rental property Chuck & Rita Riley presented statistical and financial information on the contribution renters and guests make to the Club. They felt these people were already overburdened and the POA should not ask them to pay for additional services, as is suggested in the LRP Report. Mrs. Hines will forward their statistics to Board Members David Case and Joe Gannon for their review, once Mr. Riley emails them to her.

Discussion: Mr. Mathews indicated that this information will be forwarded to the Future Finance Committee for review.

4) GENERAL MANAGER'S REPORT: Kate Hines

Covenants: The Board held a Special Meeting on October 28, 2008. A vote was taken to go into Executive Session to discuss legal matters. The Executive Session ended; the Special Meeting was reconvened and the vote of the Board was announced. The Board voted to give the POA attorney, Jack Qualey, direction to negotiate a resolution of issues in the Amended and Restated Declaration of Covenants (ARD) with Fripp Island Resort (FIR) based on the Board's direction.

The developer has agreed to amend the existing voting procedures in the 1974 covenants in order to make it easier to vote to change them. We will no longer need notarized signatures from each owner listed on the deed and can, if the POA Board so chooses, use the same ballot procedure that we use for all other FIPOA votes. We still need a positive vote of the majority of affected owners, but we have also discovered that only owners of single-family residential properties will be allowed to vote. Commercial and Multi family covenants are not being amended. The first postcards were mailed last week and the second email blast will go out the week of November 9th.

The Women's Club is looking seriously into purchasing equipment for a fitness trail. Some items would be installed in Davis Love Park and some in Audubon Park, as long as the Board approves of the idea. Details are still in the works.

Discussion: It was suggested that we check with our insurance carrier to see if this equipment installation would affect our rates. If equipment were installed, the POA would be responsible for its maintenance.

Financial:

- 99% of 2008 Assessments have been received. There have been two foreclosure notices and one final.
- General Fund: \$404,000; Cash reserves of \$2,163,400; Deposits for Right of Entry \$179,000.
- Accounts receivable \$7,991. We are at 85% of budget for revenue and 85% of expense.
- There were 9 property transfers in the month of October.

The Finance Committee met on October 17th. The purpose of the meeting was to review with Bruce Jentner the September 30, 2008 investment statements, and to confirm that the investment approach and philosophy being used was appropriate for the FIPOA Reserve Funds.

Crossovers: Crossover #25 was repaired in October.

Grounds: Xanadu, a plant that looks like small philodendron, has been planted at the front of the Island. We are going to add a drip system because the irrigation there currently is zoned for grass.

Lakes & Lagoons: The aerator with the new motor is up and running in Blue Heron Lake. There is one that is inoperable in Fiddler's Lake; we are awaiting parts from Wisconsin.

Security: At the last meeting, the parking policy was reviewed. There are areas that need better enforcement. The committee also recommended that officers take a more proactive role in dealing with problems they see on patrol.

Chief Binkowski will be leaving us soon and will really be missed. Resumes are currently being reviewed and a search committee consisting of Micki McCormick, Jim Parks and Bob Newby will help interview the finalists. The Chief's last Security Committee meeting will be November 19th.

Roads & Drainage: All gravel roads have been scraped and graded. We had very heavy rains on October 23rd and 24th. Some long-time owners told us they had never seen as much rain in all the years they have been here. Most areas that POA is responsible for did dry up within two to three days, but we had some pump malfunctions.

The final work on Tarpon includes seeding and resurfacing one area that holds some water. It should be complete very soon.

PSD: At their last meeting on October 14, the commission extended the deadline by 90 days for the last phase to connect to the water service. The commission said they too would write to SCDOT about the state of Harbor River Bridge and the need to keep it in working order for emergency purposes.

Club Advisory Board: The annual meeting was held October 12th. Outgoing CAB member Carrie Catlin was recognized; Judy Hummer will replace her on the board. Chair John Derrick, Club manager Gloria Snead, and COO Doug Wardle all spoke. Minutes of the meeting have been distributed to Club members.

i. Resolution 488: Update Administrative Salary Plan

Proposed Resolution: That the Board of Directors approve the Administrative Salary Plan, effective January 1, 2009, attached to and made a part of this Resolution.

Discussion: Admin Salary Plan ranges proposed for 2009 were presented and noted that they had been compared to like POA communities in the area. The salary ranges in some areas have been increased; some felt by too much. It was noted that just because the range increases, it does not automatically impose salary increases. A 5% merit pool for all employees was approved for 2009 per the budget resolution #483. All agreed that this information from the HR Committee should be presented earlier so it can be reviewed and digested before the budget meeting in the future.

Motion: That the Board of Directors approve the Administrative Salary Plan, effective January 1, 2009, attached to and made a part of this Resolution.

Motion approved, 6-4.

ii. **Resolution 489: To Adopt *The Trawler* Mission Statement**

Proposed Resolution: That the Fripp Island Property Owners Association Board approve and adopt *The Trawler* Mission Statement.

Discussion: With the Board's desire to have *The Trawler* become self-sufficient by 2010, the editorial panel discussed the pros and cons of continuing print publication with more ad revenues vs. going completely online and therefore "green." At that point, they decided they needed a mission statement. Overall, the Board agreed with the resolution; however, they felt that the first two sentences in the statement itself were sufficient, the rest was unnecessary, but something was still lacking.

Motion: A motion was made to refer the item back to the panel for review and presentation at the December meeting.

Motion Approved. Defer until December meeting.

5) COMMITTEE/OTHER REPORTS: None.

6) COMMENTS AND QUESTIONS FROM MEMBERS: None.

7) Statement of Matters Deferred to Next Meeting:

- Trawler Mission Statement
- Non-Standing Beach Committee

8) Next Meeting: The next meeting is scheduled for Saturday, December 13 at 9:00 am in the FIPOA Boardroom.

9) Adjourn: The meeting was adjourned at 10:00 am.

Respectfully submitted,

Joe Gannon, 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.

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