

I'On Assembly
Board of Trustees Meeting
Thursday, November 20, 2014
Executive Session 5:30 P.M.
Board Meeting 6:00 P.M.
Conference Room
159 Civitas Street, Second Floor
Mt. Pleasant, SC

AGENDA

- Homeowner Forum
- Call to Order
 - Approval of Minutes: October 23, 2014 Board Meeting
- President's Report
 - Proposed Church on Lot CV-9
 - Board Support for Improved Cell Service in I'On
 - Wrap-up Meeting
 - Annual Meeting Preparations
- Community Manager Report
- I'On Trust Report
- I'On Trust Liaison Report
- Landscape Report
- Infrastructure Report
- Treasurer Report
- Covenants Report
- IDC Report
- Amenities Report
- Communications Report
- Secretary Report
 - VOTE to approve revised Athletic Field Reservation Policy
- Adjournment

I'On Assembly Board of Trustees Meeting
October 23, 2014

Members Present: Deborah Bedell, Tom O'Brien, Bob Davis, Anne Register, Chad Besenfelder, Tony Woody, Stephen Wood, Martha Morgan

SCS: Mike Parades and Jessica Gosnell

Guests: Elissa Nauful, Ed Clem, Brenda Uttaro, Adam Robinovitz, John Powers

Homeowner Forum: Ed complimented the detail and full disclosure of the Board reports that are posted before each Board meeting. They give transparency to what the Board is doing.

Brenda reported on the I'On-exclusive dog park concept and how the Dog Park Committee plans to address the concerns that many I'On residents have. Brenda mentioned all of the valuable amenities that I'On has, and pointed out that there is not an enclosed safe place for dogs. She has personally met many good friends at dog parks and believes that an I'On-exclusive dog park would be a great social tool for the neighborhood. The Dog Park Committee is in the early stages of planning, and its commitment is to plan thoroughly and comprehensively. A key part of the plan is the maintenance process which will have the park monitored and well-managed.

Call to Order: 6:16 pm

Approval of Minutes

Motion to approve the September 25, 2014, Board Meeting Minutes per Bob's revisions. Motion seconded. All in favor. Motion passed.

President's Report: Deborah had previously circulated the new SCS contract following its review and revision by outside counsel, Bob Davis and herself. Deborah requested the approval of the Board to sign the contract on their behalf.

Martha commented that she felt that we are going into the contract understaffed. Deborah mentioned that the contract permits the Assembly to hire more staff if needed.

Motion to authorize Deborah to sign the SCS management contract. Motion seconded. All in favor. Motion passed.

Motion that the Board confirm the Board of Appeals decision regarding the unapproved shed on Ponsbury, determining that it needs to be removed within 30 calendar days.

Tony asked if the renter / homeowner asked the Board of Appeals to review the decision. Deborah responded that the renter did make this request, and it is now being brought to the Board for implementation. Legal counsel confirmed that Board committees are advisory, and therefore the Board then has to vote to adopt or approve the committee's recommendation.

Motion that the Titleholder and the renter be informed that the shed must be removed within 30 calendar days from the date of the letter. Motion seconded. All in favor. Motion passed.

Anne asked if there would be an actual Leadership Development Committee. In a previous Board meeting it was discussed that a Leadership Development Committee would be a year-round committee where interested homeowners are provided a contact to ask questions regarding joining the Board. Tom volunteered to join the committee, with Deborah continuing as the Chair.

Manager Report: Mike reported that the Reserve Study update was completed and reviewed by the Finance Committee. The Reserve Study recommendations are also reflected in the proposed 2015 budget.

The Creek Club loading zone project is in process, and Mike hopes to have a report on this project for the November Board meeting.

Regarding the parking space re-marking project, we received a letter from the Town confirming that they will not be repaving the I'On roads anytime in the next 10 years. Therefore there will be no issue with re-marking over the existing parking spaces. Mike reported that we needed to obtain a permit from the Town before we can begin to re-mark the current spaces. The project will begin on November 3rd as long as Jessica is able to obtain an encroachment permit from the Town before this date.

Stephen asked about the material of the product that we are using to re-mark the parking spaces. Mike explained that the product is a plastic product with glass beads imbedded into it. It is installed using an infrared heat gun where it is literally melted onto the asphalt. Mike commented that the product would last about 15 years. Since the new parking spaces will be visible day and night, there will be no excuse for people not parking in marked spaces.

Anne asked if the project would affect traffic flows. Mike said temporary 'no parking' signs will be placed at street entrances, and an email blast will go out informing neighbors of the areas and specific dates where the re-marking will take place. This should hopefully mitigate any traffic issues caused by the re-marking.

Mike reported that the soccer field irrigation system is now up and running. He also mentioned that he has spoken to Lawn-O-Green regarding lifting the canopy of the trees that line the soccer field.

Mike confirmed that he has marked the exposed roots that need to be pruned on the marsh path, as well as divots where plantation mix needs to be added. Lawn-O-Green will be working on these marsh path maintenance issues in the upcoming weeks.

I'On Trust Report: Anne added that this year the Trust will cover the cost of the Giving Lights project which is usually \$2,000 for the materials. This information will be in the November newsletter. Essentially every single dollar donated will go to the charity.

Infrastructure Report: Deborah mentioned that there was no golf cart signage on Westlake. Mike reported that he ordered 10 signs to begin with, but he has found we need about 20 or 25 signs. More signs have been ordered and will be installed once they come in.

Finance Report: The Finance Committee has recommended purchasing a CD with the contribution that the Assembly received. The Assembly currently has two CDs at Harbor National Bank. Anne reported that Harbor National is merging with the Bank of North Carolina as of December 1st; therefore, the bank resolution is to go ahead and start an account with BNC in order to get this new CD set up.

Motion to approve resolution to establish an account with BNC. Motion seconded. Tony abstained. All in favor. Motion passed.

Anne mentioned that in discussing the upcoming yearly assessment, the Finance Committee briefly touched on the issue of delinquent homeowners. When letters are sent out letting these homeowners know that they are delinquent, then they need to also receive a note reminding them that they lose the privilege of using any amenities until they have paid their assessment and any late fees in full.

Tony asked if the delinquencies are up this year since the assessment was split into two separate payments. Anne stated that she believed this was a factor in the increase in

delinquencies as many people that were late in February were delinquent again after July, so we were spending more money and time attempting to collect from the same homeowners. Thus, the recommendation of the Finance Committee is that the 2015 assessment be paid in one installment.

Anne proceeded to review the proposed 2015 budget. She reported that we need approximately \$14,000 more in the Reserve Fund over prior years' funding. The Committee originally planned to put \$105,000 in the Reserve; however after the Reserve Study, it was clear that we needed to put aside \$119,000.

Deborah asked about an increase in rent for the office space effective December 1st. Mike and Anne confirmed that the current lease is up as of November 30th; therefore, the lease addendum is increasing rent from \$825 to \$950 effective December 1, 2014.

Anne reported that they have looked for another office space, but they were unable to find a space with a conference room in the Square that would be any cheaper.

Deborah inquired about quarterly tax payments. Mike confirmed that we have already made quarterly tax payments for 2014 and have another one due soon.

Anne proceeded to summarize the most significant changes in the budget for 2015. The Finance Committee recommended the I'On Trust be budgeted at \$15,000 for 2015, rather than \$20,000 as has been budgeted in previous years. This is not because of any change in the HOA's willingness to support the Trust; however, transfer fees – which benefit both the Assembly and the Trust financially - have been very good this year. Therefore, less funding from the Assembly's budget is required for the Trust.

The increase in management fees and staffing payroll has already been discussed in the contract discussion. The reason for the rent increase was already discussed as well. IDC administration has increased slightly because of the increases in time and pay of the IDC coordinator.

One of the things discussed was the contingency reserve. If there are budget items where additional money is needed, then the contingency money can be used as required. The Finance Committee will have further discussion on this fund at its November 17th meeting.

Motion to approve the budget for the 2015 fiscal year. Motion seconded.

Tom had a question on how we would fund something like a dog park. Anne responded that it would be funded from excess transfer fees, and/or contingency reserves. A dog park is not budgeted as a line item in the 2015 budget.

Deborah commented that she is concerned whether it is realistic to budget this way, by reducing certain line items and increasing others. She commented that it seemed like we were forcing the budget to balance.

Deborah also expressed her concern that the professional consultant budget, including legal fees of \$25,000, is too low. She referenced several instances where we should always seek professional legal opinions to ensure that we are managing the Assembly in the best way possible and we do not want a tight budget to prevent us from taking a necessary step.

In addition, she is concerned if we do not have a strategic planning session as a budget item, then we will not do it. To keep the Board and the community moving in the right direction, she felt that strategic planning should be a line item in the budget.

Anne responded that she agreed with Deborah's comments, but the only way to increase revenue is to increase assessment fees. Since we just raised the assessment last year, the Finance Committee did not want to raise the assessment again.

Deborah asked if there is any long-term maintenance plan in order to know what we will need to pay out of the reserve fund. Mike and Anne confirmed that the Reserve Study includes a long-term maintenance plan, projected out over 30 years, with specifics to be taken care of each year. Deborah suggested that planned expenditures from reserve funds be presented separately to homeowners in financial statements. Anne and Mike Committed to putting this information in the budget for homeowner's information.

Stephen inquired about the policy for the Trust contributions made by the Assembly each quarter. He asked if the Board would vote each quarter to make the contribution. Anne responded that when the Trust requests these quarterly payments, they will submit information on their current financial status for the Finance Committee to review to recommend whether to pay a quarterly contribution. However, the budgeted amount was set with the full intention of making the total \$15,000 payment to the Trust.

The Trust board is concerned that if it does not request funding one year, they may "lose their place." There is a worry that every year may not be as good as this year as far as the high

amount of transfer fee revenue, so they want to know that they will have the continued support of the Assembly in the event that they have a year in which transfer fees are down.

Discussion continued and the Board agreed that the \$15,000 allocated in the budget is more of a “not to exceed amount” rather than a guarantee of a \$15,000 annual donation to the Trust. The bottom line is the Assembly does want to support the Trust and ensure its success. Therefore if the Trust needs the money, then it will be contributed. On the other hand, if there is another very successful year with transfer fees, then the Assembly may not contribute the full \$15,000. The Finance Committee will review the Trust’s financial standing and make a quarterly recommendation on whether to contribute to the Trust.

All in favor of the proposed 2015 Budget as submitted. Motion passed.

Motion to approve yearly assessment of \$1000 to be billed in December, due January 1st and considered late with penalties beginning on January 31st. Motion seconded. All in favor. Motion passed.

IDC Report:

Motion that the four members of the IDC be required to sign the Board’s approved Conflict of Interest Policy. Motion seconded. All in favor. Motion passed.

Motion to approve an increase of the weekly-allotted hours of the Neighborhood Design Coordinator from 20 hours to 25 hours, and increase her hourly pay from \$20 to \$21 dollars an hour. Motion seconded. All in favor. Motion passed.

Amenities Report:

Motion to appoint Kathy Davis and Sally Little to the dog park committee. Motion seconded. All in favor. Motion passed.

Motion to add Antonia Fokas, Chuck Kranitsky, Stephen O’Conner, Don Wilbur, and John White to the Athletic Field Committee. Motion seconded. All in favor. Motion passed.

Tom began discussion of the dog park. The idea is to have a safe place for people to run and exercise their dogs. The challenge is where to put the dog park.

Chad showed the Board his idea for the area where a dog park could be installed. The lot he suggested is across the street from the Creek Club overflow parking area, Lot CV-5. The area is approximately 12,000 buildable square feet and is not a buffer area. Chad mentioned that the

developer already landscaped the linear area along the road, so it would save a lot of money by already having a landscaped area for the most part. Chad recommended building a picket fence along North Shelmore and installing a living fence on the wooded sides of the park.

The proposed park would be about 9,000 square feet total, with 6,800 square feet of actual mulch-covered area. Chad confirmed that this is not a house lot. It is zoned as an HOA area that may only be used for a park or a civic lot.

Tom asked the Board for their early thoughts and input on having a dog park.

Stephen commented on the underlying current of equally passionate homeowners opposed to having a dog park. He hopes that there is some way to get a good sense of the overall community feeling on the idea.

Deborah remarked that many people who are objecting might not fully understand the vision of the plan where the park will not be open to everyone. It will be secluded in the neighborhood, and will be secured, requiring key access.

Tony suggested that serious design effort be put into creating the buffers around the area, and that the Committee meet with the homeowners near the proposed park to let them know it is coming and that the Board will be sensitive to their needs.

Communications Report: The Communication Committee wants to emphasize that the HOA website is a good communication vehicle for neighbors when using the discussion boards. They want to automatically include everyone that signs up on the website to subscribe to the discussion boards so they would receive all messages that are posted. The goal is to hopefully generate more traffic and conversation on the bulletin boards increasing the use of the HOA website. Homeowners could of course opt out of the discussion boards if they wish to not receive them. Further study is needed on the legalities of doing this.

Secretary Report:

Motion to approve the proxy presented by Martha and approved by legal counsel. Motion seconded. All in favor. Motion passed.

Martha outlined the proposed agenda for the December Annual Meeting. The business meeting will be as short as possible. Mike and Deborah will each give a short report and then the business meeting will be adjourned. The Homeowners' Forum will follow, to provide an

open dialogue between homeowners and the Board. The goal is to have a productive meeting for our homeowners while respecting everyone's time.

Motion to implement a policy to accept no nominations from the floor or write-in nominations at the annual meeting. Motion seconded. All in favor. Motion passed.

Covenants Report:

Motion to assess an additional fine of \$100 against the Titleholders who continue to keep chickens and a coop on their Lot. (Titleholders were previously assessed a \$50 fine and instructed to remove the chickens and the coop.) Motion seconded. Seven in favor of the motion. One opposed. Motion passed.

Bob reported that the Titleholder who engaged in the unauthorized removal of vegetation from HOA common property was sent the opinion from the Covenants Committee and has 10 calendar days from the date of the opinion to either comply or request an appeal before the Board of Appeals.

Bob discussed some of the details of the Community Survey that was completed in September. The results of the Survey were preliminarily discussed at the September Board meeting. He explained that the Communications Committee and the Covenants Committee are now recommending that the full Survey results be released to the neighborhood. This will allow all Titleholders to see the responses. It will also provide the Board the opportunity to express appreciation for the time and participation of all respondents to the Survey.

Motion to authorize the full results (raw data, questions and responses, bar graphs, comments) of the Survey be shared with the entire I'On community.

Discussion continued regarding how the Board will respond to the information received as a result of the Survey. Deborah recommended sorting out issues from the Survey to be referred to the applicable committees for action and follow-up, as appropriate.

Motion seconded. All in favor. Motion passed.

Mike commented that this is a very important task, because this information is what will drive what management focuses its attention on.

I'On Company Representative:

Chad had a few items that the Grahams wanted him to bring to the Board.

The I'On Company is ready to plant Georgetown Park. Chad asked if the Board would like the Landscape Committee to take a look at the park plans or if they can proceed as planned. Chad said that plans were sent to the Board some time ago. Tony asked that Chad resend these plans for another look, but everything should be in order to proceed.

The I'On Company is also ready to deed over the Jefferson Canal to the Assembly. This process is a little more involved than the Georgetown Park turnover. Therefore Mike, The Greenery, Lawn-O-Green, the Infrastructure Committee, and any other necessary parties need to plan to meet to do a walk through in order to take a look at the canals to see if any maintenance is needed before they are turned over in accordance with the standard Turnover Policy.

Chad reported that The I'On Company was approached about three weeks ago by a church requesting to build a church and parish hall on CV-9 next to the cemetery. The Church would buy the lot CV-9 from the I'On Company, and Historical Concepts would design the building. There will be some off-street parking, but most will be on-street. Chad reported that off-street handicap parking is the only requirement from the Town for off-street parking.

Bob inquired whether Chad was asking the Board for it's blessing or simply telling the Board about this project. Chad replied that he is reporting this development to the Board as it is being seriously considered by the I'On Company.

Discussion followed on the current parking situation in the area, whether this particular lot was originally planned for this type of use (to which Chad replied it was), and when plans would be brought before the Town for this project.

As a whole, the Board is very concerned about this proposal and does not believe that community reaction will be favorable to this location for a church or any other public meeting place.

Tony asked Chad to take back to the I'On Company that one of the top items on the recently completed Community Survey was parking and the Board strongly believes that adequate off-street parking should be associated with a facility such as a church.

Meeting adjourned at 9:40 pm

Martha Morgan, Secretary

I'On Assembly, Inc.
Proposed Budget
2015
Prepared on an Accrual Basis

		Annual Budget 2014	Actual YTD Sept 30, 2014	Estimate Rev/Exp for Oct-December	Estimate FYE 12/31/14	Budget Variance YTD
	REVENUES					
	4000 Assessments	\$759,000	\$759,570	\$0	\$759,570	\$570
	4050 Special/Specific Area	\$0	\$410	\$0	\$410	\$410
	4500 Past Due-Late Fees	\$3,500	\$4,233	\$750	\$4,983	\$1,483
	4610 Return Check Charge	\$0	\$25	\$0	\$25	\$25
	4697 Directory Ad Revenue	\$1,600	\$30	\$1,600	\$1,630	\$30
	4698 Facility Revenue	\$0	\$1,630	\$5,100	\$6,730	\$6,730
	4699 Dock closure fee	\$0	\$0	\$0	\$0	\$0
	4700 Interest Income-Opertions	\$350	\$238	\$100	\$338	(\$12)
	4702 Interest Income-Reserves	\$3,500	\$1,553 *	\$420	\$1,973	(\$1,527)
	4952 Montessori School	\$6,706	\$6,706	\$0	\$6,706	\$0
	4954 IDC Revenue	\$12,000	\$20,800	\$4,000	\$24,800	\$12,800
	4995 Delinquent Assessments	(\$10,000)	(\$8,394)	(\$1,500)	(\$9,894)	\$106
	Total Revenue	\$776,656	\$786,801	\$10,470	\$797,271	\$20,615
	EXPENSES					
	Administrative:					
	5940 I'On Trust Support	\$20,000	\$15,450	\$5,150	\$20,600	(\$600)
	5945 Social Events/Community Gifts/Memorials	\$500	\$1,196	\$800	\$1,996	(\$1,496)
ISC	5950 Creek Club Expenses	\$8,000	\$6,608	\$5,625	\$12,233	(\$4,233)
	6000 Management Fee	\$68,580	\$48,566	\$8,539	\$57,105	\$11,475
	6010 Staffing/Payroll	\$43,000	\$32,126	\$25,913	\$58,039	(\$15,039)
	6050 Security	\$5,000	\$4,103	\$0	\$4,103	\$897
	6080 Office Rent	\$5,100	\$6,200	\$2,600	\$8,800	(\$3,700)
	6092 CAI-Board Expenses	\$515	\$2,166	\$500	\$2,666	(\$2,151)
	6200 Bank Wire Fees	\$0	\$30	\$0	\$30	(\$30)
	6210 Postage & Delivery	\$3,000	\$1,520	\$500	\$2,020	\$980
	6246 Directory Printing	\$3,600	\$1,069	\$5,000	\$6,069	(\$2,469)
	6250 Printing	\$5,500	\$562	\$4,900	\$5,462	\$38
	6260 Office Supplies	\$2,500	\$3,590	\$450	\$4,040	(\$1,540)
	6400 Accounting/Tax Services	\$500	\$315	\$0	\$315	\$185
	6409 Website Maintenance	\$2,500	\$1,859	\$573	\$2,432	\$68
	6500 Legal-Professional	\$50,000	\$68,508	\$10,000	\$78,508	(\$28,508)
	6545 Legal-Collections	\$10,000	\$266	\$300	\$566	\$9,434
	6555 Professional Consultants	\$12,000	\$1,397	\$2,593	\$3,990	\$8,010
	6556 Risk Assessment	\$4,000	\$6,000	\$0	\$6,000	(\$2,000)
	6557 IDC Administration	\$30,000	\$17,555	\$10,240	\$27,795	\$2,205
	Total Administrative	\$274,295	\$219,086	\$83,683	\$302,769	(\$28,474)
	Maintenance:					
LSC	6020 Landscape Contract	\$177,096	\$133,222	\$44,274	\$177,496	(\$400)
ISC	6830 Signage	\$2,000	\$178	\$1,000	\$1,178	\$822
ISC	6840 Repairs/Maintenance	\$25,000	\$13,646	\$14,100	\$27,746	(\$2,746)
ISC	6841 Infrastructure Enhancements	\$3,000	\$0	\$5,885	\$5,885	(\$2,885)
ISC	6842 Vandalism	\$5,000	\$1,115	\$500	\$1,615	\$3,385
LSC	6845 Seasonal Flowers	\$15,800	\$7,900	\$7,900	\$15,800	\$0
ISC	6847 Walking Path-Repairs	\$7,500	\$2,859	\$5,000	\$7,859	(\$359)
ISC	6849 Common Area Lighting	\$4,000	\$2,992	\$1,500	\$4,492	(\$492)
LSC	6850 Landscape Enhancements	\$32,000	\$7,400	\$1,500	\$8,900	\$23,100
LSC	6852 Grounds Supplies	\$34,475	\$33,460	\$1,015	\$34,475	\$0
LSC	6854 Plant/Tree-Replacement	\$6,000	\$2,205	\$3,795	\$6,000	\$0
LSC	6856 Tree Maintenance/Trimming	\$24,050	\$22,215	\$1,835	\$24,050	\$0
LSC	6858 Pine Straw/Mulch	\$22,280	\$22,280	\$0	\$22,280	\$0
LSC	6860 Irrigation Repairs	\$3,000	\$1,057	\$1,200	\$2,257	\$743
ISC	6862 Power Washing/Painting	\$4,000	\$0	\$4,000	\$4,000	\$0
ISC	6864 Mailbox Repairs	\$3,000	\$2,414	\$586	\$3,000	\$0
ISC	6866 Pet Stations	\$4,000	\$4,202	\$430	\$4,632	(\$632)
ISC	6868 Fish and Wildlife	\$0	\$0	\$0	\$0	\$0
ISC	6870 Lake Maintenance Equip	\$2,000	\$533	\$960	\$1,493	\$507
ISC	6874 Streetlight Replacement	\$3,000	\$0	\$2,400	\$2,400	\$600

I'On Assembly, Inc.
Proposed Budget
2015
Prepared on an Accrual Basis

			Annual Budget 2014	Actual YTD Sept 30, 2014	Estimate Rev/Exp for Oct-December	Estimate FYE 12/31/14	Budget Variance YTD
ISC	6941	Pond/Lake Maintenance	\$6,900	\$4,700	\$2,400	\$7,100	(\$200)
ISC	6942	Playground Improvements	\$2,000	\$0	\$1,000	\$1,000	\$1,000
		Total Maintenance	<u>\$386,101</u>	<u>\$262,378</u>	<u>\$101,280</u>	<u>\$363,658</u>	<u>\$22,443</u>
		Utilities/Insurance/Taxes:					
	7000	Electricity	\$56,650	\$41,841	\$13,947	\$55,788	\$862
LSC	7010	Water	\$9,000	\$10,993	\$1,500	\$12,493	(\$3,493)
ISC	7015	Storm Drain	\$3,100	\$0	\$1,000	\$1,000	\$2,100
	7060	Insurance	\$16,000	\$26,916	\$0	\$26,916	(\$10,916)
	7450	State & Federal Income Taxes	\$200	\$2,303	\$0	\$2,303	(\$2,103)
	7460	Property Taxes	\$310	\$0	\$310	\$310	\$0
		Total Utilities/Insurance/Taxes	<u>\$85,260</u>	<u>\$82,053</u>	<u>\$16,757</u>	<u>\$98,810</u>	<u>(\$13,550)</u>
		Total Operating Expenses	<u>\$745,656</u>	<u>\$563,517</u>	<u>\$201,720</u>	<u>\$765,237</u>	<u>(\$19,581)</u>
	8000	Replacement Reserve Funding	\$27,500	\$20,625	\$6,875	\$27,500	\$0
	8012	Interest Reserve funds transfer	\$3,500	\$0	\$1,978	\$1,978	\$1,522
		Total Operating and Reserve Expenses	<u>\$776,656</u>	<u>\$584,142</u>	<u>\$210,573</u>	<u>\$794,715</u>	<u>(\$18,059)</u>
		Net Surplus(Deficit)	<u>\$0</u>	<u>\$202,659</u>	<u>(\$200,103)</u>	<u>\$2,556</u>	<u>\$2,556</u>

Reserve Activity	Funded	Contingency	Total	
Balance 12/31/13	\$1,240,957	\$114,479	\$1,355,436	
Additions:				
From Annual Assessment	\$27,500		\$27,500	Portion of Annual Assessment funding to F Amount under contingency represent exce:
From Transfer Fees	\$77,500	\$27,827	\$105,327	
Interest Earnings	\$1,978		\$1,978	
Total Funding	<u>\$106,978</u>	<u>\$27,827</u>	<u>\$134,805</u>	
Expenditures:				
Purchase Creek Club	(\$285,000)		(\$285,000)	
Refurbish Boathouse	(\$7,000)		(\$7,000)	
Replace Flagpole	(\$9,608)		(\$9,608)	
Replace main dock ramp	(\$15,800)		(\$15,800)	
Remark Designated Parking Spaces		(\$7,700)		Funding by excess transfer fees
Total Expenditures	<u>(\$317,408)</u>	<u>(\$7,700)</u>	<u>(\$317,408)</u>	
Estimated Balance 12/31/14	<u>\$1,030,527</u>	<u>\$134,606</u>	<u>\$1,172,833</u>	

I'On Assembly, Inc.
Proposed Budget
2015
Prepared on an Accrual Basis

	Proposed Budget 2015	
REVENUES		
4000 Assessments	\$760,000	No increase, 759 lots plus church at \$1,000
4050 Special/Specific Area	\$0	Community Garden (fees net of expenses)
4500 Past Due-Late Fees	\$0	Should not budget
4610 Return Check Charge	\$0	Should not budget
4697 Directory Ad Revenue	\$0	Should not budget
4698 Facility Revenue	\$6,500	Outside use of soccer field and boat registration fees (75x\$20)
4699 Dock closure fee	\$15,050	New Revenue Acct: Est 43 dock closings for weddings at \$350 each
4700 Interest Income-Opertions	\$0	Should not budget
4702 Interest Income-Reserves	\$0	Should not budget
4952 Montessori School	\$6,974	Increase per agreement. This will be last year.
4954 IDC Revenue	\$18,000	Anticipate fewer new construction homes
4995 Delinquent Assessments	(\$12,000)	Provision for bad debt write off
Total Revenue	\$794,524	
EXPENSES		
Administrative:		
5940 I'On Trust Support	\$15,000	Provision for funding support
5945 Social Events/Community Gifts/Memorials	\$2,000	Provision for town hall mtgs, community gifts and memorials
5950 Creek Club Expenses	\$8,925	Landscape \$4800, Dock maintenance \$1,200, use by HOA 13 x \$225= \$2,925
6000 Management Fee	\$34,155	Back office at \$3.75/mo x 759 lots per new Mgmt Agreement
6010 Staffing/Payroll	\$103,653	Full time manager & 50% Asst Mgr per new Mgmt Agreement
6050 Security	\$2,500	Provision for independent security service, if needed
6080 Office Rent	\$11,400	Renewal at \$950/mo effective 12/1/14
6092 CAI-Board Expenses	\$3,000	\$515 Renew CAI Membership, \$2,000 Board member education, \$485 other
6200 Bank Wire Fees	\$0	Non-budget item
6210 Postage & Delivery	\$3,000	Historical
6246 Directory Printing	\$5,000	Est cost for new directories
6250 Printing	\$4,500	Est cost for printed materials and mailing for mid-year and annual meetings
6260 Office Supplies	\$2,500	Historical, 2014 included \$1,800 for new office furniture
6400 Accounting/Tax Services	\$500	Historical
6409 Website Maintenance	\$2,300	\$575/Qtr
6500 Legal-Professional	\$25,000	Lawsuit over, provision for consulting
6545 Legal-Collections	\$0	Misc out of pocket costs
6555 Professional Consultants	\$0	Provision for consultants
6556 Risk Assessment	\$0	2014 expense was for Risk Mgmt Program evaluation
6557 IDC Administration	\$40,100	\$27,300 NDC, \$10,800 consultants and \$2,000 office supplies and plan copies
Total Administrative	\$263,533	
Maintenance:		
6020 Landscape Contract	\$177,096	Per contract, no increase
6830 Signage	\$3,000	Provision for repair of old and new signage
6840 Repairs/Maintenance	\$32,000	Provision for common property repairs and maintenance & remark parking 2014 Add power Pub side N Shelmore 2014. 2015 add power Square Onion side N Shelmore and add alley turn radiuses
6841 Infrastructure Enhancements	\$18,500	
6842 Vandalism	\$2,500	Provision for repair vs cost of outside security
6845 Seasonal Flowers	\$15,800	Per contract, no increase
6847 Walking Path-Repairs	\$0	Included in reserve funding at \$8,000 per year
6849 Common Area Lighting	\$2,000	2014 includes more xmas lights, 2015 includes last phase of xmas lights
6850 Landscape Enhancements	\$24,500	Per proposed budget, 2 projects
6852 Grounds Supplies	\$34,475	Per contract, no increase
6854 Plant/Tree-Replacement	\$6,000	Provision for other tree maintenance and trimming
6856 Tree Maintenance/Trimming	\$24,050	Per contract, no increase
6858 Pine Straw/Mulch	\$22,280	Per contract, no increase
6860 Irrigation Repairs	\$2,500	Historical
6862 Power Washing/Painting	\$0	Moved into GL 6840
6864 Mailbox Repairs	\$3,000	Historical
6866 Pet Stations	\$4,000	More pet stations added in 2014 and bag refills higher
6868 Fish and Wildlife	\$1,500	Fish feeder deferred to 2015, budget transferred to Common area lighting
6870 Lake Maintenance Equip	\$2,000	Maint for aerators.
6874 Streetlight Replacement	\$3,000	Est cost to replace 2 streetlights per year

I'On Assembly, Inc.
Proposed Budget
2015
Prepared on an Accrual Basis

		Proposed Budget 2015	
6941	Pond/Lake Maintenance	\$7,200	Based on new Greenery contract at \$600/mo
6942	Playground Improvements	\$2,000	Provision for repairs and improvements
	Total Maintenance	\$387,401	
	Utilities/Insurance/Taxes:		
7000	Electricity	\$56,650	Historical
7010	Water	\$13,000	2014 Added 2 new areas
7015	Storm Drain	\$2,000	Provision for alley storm drain maint
7060	Insurance	\$30,000	Includes Creek Club insurance
7450	State & Federal Income Taxes	\$2,500	
7460	Property Taxes	\$350	
	Total Utilities/Insurance/Taxes	\$104,500	
	Total Operating Expenses	\$755,434	
8000	Replacement Reserve Funding	\$39,000	Funding to Reserves based on same as 2014
8012	Interest Reserve funds tranfer	\$0	
	Total Operating and Reserve Expenses	\$794,434	
	Net Surplus(Deficit)	\$90	

Reserve Activity

Balance 12/31/13

Additions:

From Annual Assessment	Reserves
From Transfer Fees	ss xfer fees
Interest Earnings	
Total Funding	

Expenditures:

Purchase Creek Club
 Refurbish Boathouse
 Replace Flagpole
 Replace main dock ramp
 Remark Designated Parking Spaces

Total Expenditures

Estimated Balance 12/31/14

PROXY FORM—I'ON ASSEMBLY 2014 ANNUAL MEETING

Directions for Completing Proxy

The primary purpose of the proxy form is for a Titleholder to have votes counted if you are unable to attend the annual meeting. This proxy form allows you to designate another person to cast your votes exactly as you indicate on this form or to allow the proxy holder to vote at the meeting as s/he deems best. If you return the proxy form and do not specify a proxy holder to vote on your behalf, or if the person named does not attend the meeting, the Chair of the Leadership Development Committee of the Assembly, who is appointed by the board each year, will be the designated proxy holder to vote on your behalf. For 2014, the Chair is Deborah Bedell.

Directions for Proxy holders

If you hold one or more proxies from Titleholders and plan to attend the meeting, please note that these proxies must still be submitted as provided below prior to the deadline - regardless of your intentions to attend the meeting. This is to enable the management company to prepare the ballots and expedite the check-in process at the meeting. Thank you.

**➔ ALL PROXIES MUST BE RECEIVED OR POSTMARKED NOT LATER THAN
5 PM Eastern, Monday, December 8th**

**➔ NO PROXIES WILL BE ACCEPTED
AT THE DECEMBER 10th ANNUAL MEETING.**

DROP OFF: I'On Office 159 Civitas Street, Suite 207

MAIL: I'On Assembly Secretary
c/o Southern Community Services
3301 Salterbeck Street
Mt. Pleasant, SC 29466

FAX: 843-352-8995

EMAIL: jgosnell@scs-carolina.com

Questions? Please contact Jessica in the I'On office tel: 843-388-7547

See reverse for Proxy

I'On Assembly Annual Meeting December 10, 2014

Appointment of Proxy

As the record Owner(s) of property in I'On, I/we hereby appoint as proxy (insert name of individual) _____ to exercise my (the undersigned's) vote as directed below at the Annual Meeting of the Assembly's members to be held on December 10, 2014. If the above-designated proxy does not attend the meeting, or if I have chosen not to designate another person above, then I hereby designate the Chair of the Leadership Development Committee of the Assembly to serve as my proxy.

Name: _____
(Please Print)

I'On Address: _____
(Please Print)

Signature: _____

Date: _____

My instructions to my Proxy are as follows:

A. To cast votes FOR the following candidates

(Choose maximum of 4)

OR

☐ David Beckmann

☐ Lori Feehan

☐ Bruce Kinney

☐ Elissa Nauful

☐ Adam Robinovitz

☐ Tony Woody

B. To cast my votes at his/her discretion. **(Check the box)**

☐

Please Remember



**5 PM Eastern, Monday Dec. 8th DEADLINE for Submission
NO PROXIES will be accepted at the Annual Meeting**

PRESIDENT'S REPORT

November 2014

LITIGATION UPDATE: We still have had no ruling from Judge McDonald about the post-trial motions as of this writing. Our attorney will update us as soon as we hear something.

PROPOSED CHURCH ON LOT CV-9: Five of the elected Board members met with the Town Administrator and the Town planning staff to learn more about ordinances that might affect a proposed church on Lot CV-9. We are waiting to see what is actually filed with the Town for building and other permits. The Town has informed us that a parking plan will be required as part of the submission. While the Board has serious concerns about whether a church or other public meeting place is appropriate for this sector of the community, we need to have more information about the plans before determining any possible action.

BOARD OF APPEALS: The Board president chairs the Board of Appeals, which recently heard an appeal with respect to the cutting on the Commons. The Board of Appeals confirmed the fine assessed against the Titleholder, and has given the Titleholder additional time to conduct a complete survey and present a restoration plan (all at the Titleholder's expense), which will be reviewed and approved by the Community Manager, the Infrastructure Committee and the Landscape Architect who sits on the IDC. She shall make the final determination as to appropriate restoration of the Commons and also of the drainage easement area on Titleholder's Lot to ensure no further erosion or run-off damage to the Commons. The Board of Appeals decision has been communicated to the Titleholder.

In addition, the Board president received a letter from an attorney representing the individual who installed an unapproved shed on his rental property, seeking further relief from the directive to remove the shed. The response to the attorney concluded that the matter had been going on for two years, that all appeals had been exhausted, and that the shed needed to be removed by the deadline established by the Board of Appeals.

CELL SERVICE: Many residents experience problematic cell service in I'On, and one resident has requested that the Board consider supporting an effort to get improved service. If the Board feels it advisable to be involved in such an effort, it would most likely be handled by the Infrastructure Committee. This will be discussed at this week's Board meeting.

WRAP UP BOARD MEETING: It has been suggested that the Board meet informally on December 1st to summarize the year's events and to identify items needing further action and priority-setting in 2015. We will discuss holding such a wrap-up meeting at this week's Board meeting.

ANNUAL MEETING PREPARATIONS: The Annual Meeting packet went in the mail during the week of 17 November. It was delayed slightly by the necessity to correct a last-minute spotting of an error in the SCS mailing Zip code. Nevertheless, the packet will arrive well within the timeframe established by the governing documents. The Board president and secretary are working with SCS to design the election ballots and to structure the meeting process to ensure that it moves smoothly and efficiently.

FINAL COMMENTS: It has been a privilege to serve as the Board president for the last three years, and I would like to thank this Board and its predecessors for entrusting me with this responsibility. I am grateful for the support and very hard work of all the individuals I've had the pleasure of serving with over these past three years. I believe that the I'On Community is extremely fortunate to have had such capable people be willing to serve on our Board of Trustees.

Manager's Report

November 2014

Loading Zone Project

The Infrastructure Committee is still working on a plan for the proposed Loading zone at the Creek Club. Survey work at the Creek Club has been completed, drawings and the CAD file delivered to the Infrastructure committee.

Parking

The TOMP police department continues to monitor parking while on patrol and issuing tickets to vehicles illegally parked.

In later October, re-marking of existing parking spaces was done. In addition, some locations had spaces removed for safety reasons and some additional new spaces were added. Re-marking is 95% complete. There are still some issues to be resolved with the TOMP related to new spaces on Jane Jacobs, Duany and Robert Mills.

When all the remaining issues are resolved, the contractor will be back in I'On to make the adjustments as approved by TOMP.

With the completion of re-marking parking spaces, you can expect the police to enforce the parking ordinances.

Speeding

Since the last meeting, the Asst Director of Transportation for TOMP has visited I'On and been taken on a tour by me to show him the specific traffic issues in question. Signage needs, speed control needs and parking were discussed at length. The speed limit inside I'On has been confirmed to be 20 mph.

Last week, in response to two parking issues, I had discussions with my contact in the police department regarding the specifics of each incident. In addition, we discussed that in the next month or so, once new signage for speed limits is in place, I will be asking the police to begin enforcing the speed limits.

I'On Trust Report for the I'On Assembly HOA Board Meeting November 2014

Giving Lights of I'On and Holiday Festival Updates

The I'On Trust is excited to report that I'On neighbors have been generous in their support of our annual luminary project this year. As of November 16, we have around 200 neighbors participating and have accomplished our goal of raising \$10,000 for Begin With Books. We will continue to take orders as long as we have supplies until December 7th. Kits may be purchased after November 22 at Sweet Olive. We are so grateful for Melinda Armstrong Wrenn's continued support of the Giving Lights fundraiser by offering luminary kits at her shop, Sweet Olive.

The Holiday Festival will include the tree lighting on Maybank Green at 5:30 p.m., light refreshments at Westlake Amphitheater, Santa Claus' visit, free carriage rides on two Charleston carriages and the check presentation to Begin With Books.

Please remember that we will light luminaries and celebrate the Holiday Festival on **Sunday, December 7th** beginning at 5:00pm.

Financial Business

As reported in October, conversations continue with Anne Register, finance chair for the I'On Board of Assembly, regarding the yearly financial support for The I'On Trust. It was agreed there should be a written policy and procedure when asking for funding from the Assembly and this is the right path to pursue. However, there is not adequate time for our staff and volunteer board members to complete this policy and procedure before the November board meeting. Therefore, The Trust Board requested this idea of a policy and procedure be tabled at this time and resumed in January with a completion deadline of March 31. All the time and work that has been put into this discussion over the last month has been exceedingly important.

The I'On Trust Board of Directors' voted to not request the 2014 fourth quarter financial support of \$5,000. This was requested from the Assembly's Board of Trustees and was obliged by the Trust due to transfer fees exceeding our year to date budget.

The I'On Trust Board of Director's voted on the budget for 2015. The board plans to draw down its surplus and will forego any funding provided by the Assembly in FY2015.

I'On Trust Liaison Report November 20, 2014

FUNDING POLICY FOR THE I'ON TRUST

As the I'On Assembly Liaison to the I'On Trust, my role is to bridge communications between the HOA and the Trust.

Background

The I'On Assembly and the I'On Trust were created as two separate legal entities in the original governing documents of I'On.

The board policy, set by the HOA in 2011 is to allocate a 'not to exceed 5% of the HOA member dues' to the Trust in our HOA annual budget. It has not exceeded 2% and has been reduced to \$15,000 for 2015; less than \$20/household.

Not all the funds earmarked for the Trust from the HOA budget have been paid to the Trust. In 2011, the Trust turned down the 4th quarter payment from the HOA.

Last year, the table was turned and the HOA had to ask the Trust to forfeit their 3th quarter payment to cover its own budget. This year, the Finance Committee suggested a forfeiture of the 4th payment to cover overages in the HOA 2014 budget.

In the past few years, increased property turnover in I'On has provided higher than anticipated revenue to the Trust from their transfer fees. They have found themselves in the situation to either spend down their surplus or increase their budget with more programs. Preliminary research to establish a fund dedicated towards the establishment of an I'On Community Center (a donation to the HOA), were considered but rejected, earlier this year. Instead, the Trust Board has chosen to keep their program budget the same in 2015, and start to spend down their surplus before drawing on the funds available from the HOA.

The Trust transfer fees provide a legally separate source of income for the enhancement of the quality of life for all who live in I'On, as per our own bylaws.

Issue

I have met with the Trust about the HOA Board's concern that (a) we not overfund the Trust in our annual budget and (b) the Finance Committee's desire to have a more detailed policy with procedures for annual funding to the I'On Trust.

Currently, the draft proposal from our Finance Committee now requests a quarterly review of the Trust's financial status prior to release of the payment. The HOA is the only financial donor to the Trust and the I'On Trust has a professional obligation to provide their basic financial reports to their donor. However, this potentially subjects the Trust to a 'prove your worth' approach to all future HOA Boards. The Trust is concerned. How can this review process be qualified to limit the temptation to tell them how to run their organization? How can we avoid

any temptation to ‘help manage your budget so we can better manage ours’ thinking that could evolve with a change of committee members over the years?

The HOA and the Trust are structurally different. Each is bound by its own set of bylaws. The two organizations are different in the services they provide, their culture, their management and their operating income. While the Trust has income from transfer fees, it is always subject to fluxuations, based on the economy. This is their sole source of income outside of what they receive from the HOA. The HOA receives 96% of its revenue from guaranteed homeowner fees. The Board also has the authority to set that fee to cover our budget every year.

The Trust runs a very different operation – the ‘softscape’ of our community. Their priority is to inspire our neighbors to spend time together, get to know one another, be exposed to local culture and experience the special feeling of belonging in the place where they live. The unpredictable weather environment¹ in which the Trust must operate, has led them to a financial policy of maintaining a much higher contingency fund than what the HOA has.

Although the preamble of our HOA Bylaws highlights ‘building a sense of community’, our mandate as a HOA board, is to focus on the management of the property and the implementation of the bylaws as needed, for better governance of the neighborhood.

Both organizations have the ultimate shared mission of maintaining/enhancing the quality of life for all who live in I’On. This is the key reason why the I’On Trust “support” (not “expense”) needs to be kept in the HOA Annual Budget every year. It's the proof of our commitment to the heart of I’On.

Recommendations

The Trust has continually demonstrated good will with the HOA in their use of the Trust funds from the HOA. They deserve to be guaranteed the funding currently allocated. They deserve to be trusted by the Finance Committee to spend down their surplus and agree in writing. They do not deserve the supervision, advice or financial analysis from the HOA Finance Committee.

The HOA Board needs to review the recommendations from the Finance Committee for a **Trust Funding Policy**, but complete it with the consideration of what’s good for the community as a whole, by ensuring the continued independence of the I’On Trust.

Where is the contingency fund for the HOA?

Relying on forfeitures from the Trust to balance the HOA budget two years in a row suggest that the HOA Board needs to look at our own financial procedures and establish our own **Contingency Fund Policy**.

¹ Nearly 50% of trust budget expenses are vulnerable to the weather. A last minute cancellation doesn’t trigger a refund of expenses and hours spent in preparation. Decisions must then be made whether to reschedule (unbudgeted expense) or drop the event for the community that year.

I'On Assembly Finance Committee Meeting

Participants Present: Ed Clem, Sally Raver, Annie Bonk, Anne Register; Mike Parades

Meeting Date: November 17, 2014

Submitted by: Anne Register

Note: Prior to the monthly committee meeting, Anne and Mike had worked on a presentation of the 2015 budget that was appropriate for the Annual Meeting packet. That version of the budget included operating revenue and expenses (2014 budget, estimated year-end numbers as of 12/31/14 and the 2015 budget) as well as reserve fund updates for 2014 and 2015 expectations, including maintenance items that would be taken care of during the year in accord with the recommendations of the Miller Dodson Reserve Study completed in October.

AGENDA ITEM	DISCUSSION/DECISIONS	FOLLOW UP/ACTION STEPS
October Financials	The committee reviewed the October financial report, including Mike's manager's report for the period, the reserve fund report and the modified debtor report related to delinquencies that have been turned over to the collections attorneys. A few clarifications were made by Mike in answer to questions from committee members. It was noted that it was quite unique that the assessment revenue to date is higher than budgeted. The year-to-date position as of October 31 shows a net of \$22,959. A request was also made that payments that are made with reserve funds should actually come from operating accounts for record-keeping purposes, followed by a transfer to cover the expense from the reserve fund accounts. Mike will ask Steve Wagner to consider this change. Discussion also focused on paying all expenses that can possibly be covered before the end of the year in order to use the excess revenues that have come in in 2014. Mike indicated that he is checking on everything that is outstanding related to expenses in order to make all possible payments by year's end. In reviewing the delinquency and debtor report, it was noted that there are a number of titleholders who have not made an assessment payment at all in 2014. Their properties have had a lien placed on them, but committee members inquired what the waiting period is before the Assembly is asked to order foreclosure on the properties. Mike will check with McCabe Trotter on this matter and report back to the committee. The positive news is that the delinquency list continues to decrease. The total amount owed at the end of October was \$41,985.78, and well over half of this amount is due to properties that are in mortgage foreclosure with the bank.	The October financials, including Mike's report will be included in the Board packet for the November 20 meeting. Mike will follow up with McCabe Trotter.

AGENDA ITEM	DISCUSSION/DECISIONS	FOLLOW UP/ACTION STEPS
	Finally, the committee discussed the appropriate protocol for voting privileges at the Annual Meeting on December 10. It was determined that if any past due amount was still outstanding after November 28, the titleholder would not be allowed to vote. An e-mail blast will be sent out to the neighbors to alert them to this reality this week. Questions can be directed to the property manager.	Anne will prepare an e-mail blast about voting eligibility related to past due assessments and ask Jessica to send it out.
Contingency Funds	Committee members discussed how contingency funds should be used by the Assembly. Mike had recommended that they could be used either for a new amenity that was needed by the neighborhood or for professional services that were not budgeted. Examples would be a dog park or a strategic planning consultant. Anne raised additional questions including should there be a cap on what could be spent for a specific project and should there be a minimum balance kept in the contingency funds account. She also indicated she thought the funds could be used for a special emergency when operating funds were not readily available. While committee members agreed that an operating surplus should be spent for the good of the neighborhood, caution was raised about two issues. First, since the final result of the Creek Club litigation is not yet known, perhaps the Assembly should hold the contingency money until the matter is settled. If the Assembly does not receive sufficient funds from the settlement to cover the cost of the Creek Club purchase, then the contingency money could be used to pay back the reserves that were used for that purchase earlier this year. Second, while the governing documents call for the Assembly Board to made decisions about spending excess transfer fees which make up part of the contingency funds, comments were made about the “political correctness” of asking the neighbors for their responses to a potential new amenity. This would have the effect of demonstrating the Board’s willingness to support neighbors’ wishes, but it could be a real hindrance to getting anything approved. The use of a simple survey, such as was used for the neighborhood survey in September, might be a possible way to gage the wishes of the neighbors. Anne questioned what the actual definition of an amenity might be in these considerations. More discussion will be necessary; however an update will be presented to the Board on November 20. Committee members did concur on the appropriateness of the placement of contingency funds for record-keeping purposes which have been categorized with reserve funds since SCS assumed management responsibilities for I’On.	The Board will be updated on the contingency discussion in order to get reaction to the issues of recovering the funds used in the Creek Club purchase and the feasibility of asking neighbors about amenities that are being considered for the neighborhood.
Reserve Fund for the	Anne reported that the Trust Board had held its final meeting of 2014 on November	The update on Trust funding will

AGENDA ITEM	DISCUSSION/DECISIONS	FOLLOW UP/ACTION STEPS
Trust	11. The concept of an Assembly policy related to funding for the Trust and the possibility of having a designated HOA reserve fund for the Trust were both discussed. A draft of how this might work had been created by Anne for discussion purposes by the Trust (<i>attached</i>). Amy Sage reported back that the Trust Board was in favor of these proposed arrangements but the members did not feel that the specifics could be decided upon before the end of the current year. Therefore, they requested that the Assembly and the Trust continue discussion on these matters after the beginning of 2015 with the goal of having decisions made no later than March 31. Anne explained that she had reminded Amy that the Assembly Board would be changing after December 10 which would likely require some education of new members. On a related matter, she reported that Amy shared that the Trust had decided not to request the final payment of \$5,150 from the Assembly which was budgeted for 2014.	be reported to the Board. It is recommended that Trust representatives plan to meet with the Assembly Finance Committee for further discussion in January.
Plans for Payment of the 2015 Annual Assessment	Mike indicated he hope the statements would be mailed by December 5. He will draft a letter explaining when the payments are due (January 1), and when late fees will be charged (after January 31). The invoices will also include reminders about payments being due in one lump sum in 2015, and that anyone with unpaid fees from 2014 will see these outstanding balances included in their statements as well. The assessment amount for 2015 will be \$1,000.	Mike will draft the letter and make arrangements with SCS for the mailing. An item will be posted on the community website and included in the December newsletter about the annual assessment billing.
Old Business Items	<u>Billing for Use of the Creek Club Docks:</u> Anne explained that Deborah Bedell had recommended having a year-end billing sent to the I'On Club for the payments due from the Club for its non-I'On resident members' use of the Creek Club docks. Mike will update the statement sent at the end of June to prepare the end-of-the year billing. He indicated that the Club Manager has reported that there is not much chance of the bill's being paid as long as the litigation case is not finalized. However, sending the bill would provide a record for the Assembly. The committee agreed this should be done. <u>Insurance Review:</u> The Risk Management Study had recommended a review of some of the insurance coverage that the Assembly has for common areas in the neighborhood. In addition, a regular review of all policies is considered a best practice for HOA organizations. Mike indicated the Assembly's policies are due for renewal in January, and he would be in touch with the representative at Nationwide to have these review discussions. He also indicated he had learned of an underwriter	Mike will prepare the billing for the I'On Club to be sent before the end of the year. He will also plan to have a billing prepared for early January that outlines what payments will be for 2015. Mike will work on insurance reviews and recommend changes to the Finance Committee in January.

AGENDA ITEM	DISCUSSION/DECISIONS	FOLLOW UP/ACTION STEPS
	that writes policies for rising water damage which has been discussed as a need for the Creek Club docks. He intends to check into this possibility since the rates quoted from Nationwide have been quite expensive.	
Priorities for 2015	Anne shared that it is likely that the current Board will have a discussion about this year's accomplishments and unfinished business prior to the election of new members. In addition, priorities will be identified for the Board's work for next year. This meeting would help set an agenda for transitioning to the new Board in mid-December. She asked the committee members what their thoughts were about financial priorities for 2015. The following ideas were shared: • Having a plan for "laddering" the timing of investment funds after several CDRs mature next May • Making changes to the financial reporting systems, which Mike wants to implement, and developing updates to the reserve fund categories in accord with the Miller Dodson Reserve Study • Completing the insurance review • Continuing to refine collections procedures • Working on changes to street lights used in l'On as a cost savings measure • Planning for discussion on additional self-funding for reserves • Finalizing plans for Trust funding policies and procedures	Anne will include these recommendations in her report from Finance for the year-end discussion with the Board.
Next Meeting Date	No meeting was set for December.	None at this time

The I'On Assembly HOA is committed to help fund the I'On Trust because of its unique value to the I'On neighborhood. It is important to the mission and work of the Assembly to have the Trust providing quality programs, activities, educational and cultural experiences and traditional celebrations for I'On residents. The Assembly recognizes that most of the programs are presented at no cost to the residents and their guests. Therefore, annual funding from the Assembly helps ensure that such programs will continue.

In order to ensure that funding is available, the Assembly will create an I'On Trust Reserve Account at the end of 2015. Funds that have been allocated to the Trust for the 2015 operating budget but which were not requested for payment will form the basis of the Assembly Trust Reserve.

In succeeding years, the same process will be followed until the Assembly Trust Reserve has a balance of \$60,000. At that time, the reserves would not continue to be funded with additional amounts. However, when it becomes necessary for some of the funds to be drawn down and used, the Assembly will then act to appropriate funds to bring the Reserve balance back to the \$60,000 level as the next annual budgeting process occurs. The Trust Reserve Account will be shown in the Assembly's accounting records which are available for neighbors' to review.

The I'On Trust is expected to make an annual request to be included in the Assembly's operating budget each year. The amount of the request should be contingent on other revenue projections for the year as well as plans to use a portion of the Trust's internal reserve funds. It is anticipated that the Trust's annual request would equal at least 2% of the total Annual Assessment of I'On property owners.

In order to account for the support provided to the Trust from the Assembly, monthly financial reports are provided to the I'On property owners on the community website. A year-end financial report will have notes that explain any variance between the budgeted request and the actual amount paid during the course of the year.

The Assembly requests that the Trust provide a quarterly financial report to the Assembly Finance Committee to show revenue and expenses for the period-to-date the report covers.

DATE: November 14, 2014
TO: Finance Committee
FROM: Mike Parades 
RE: Financial Highlight Report
Month Ending 10/31/14

Cash Revenues from Assessments

As of 10/31/14, actual cash revenues are greater than budgeted cash revenues by \$3,532. You will notice on the Modified Debtor Report that some owners paid their accounts in full in late October. Those funds were deposited in MTB's escrow account for 10 business days and will be transferred to the Assembly in November.

IDC Operations

Through 10/31/14, IDC revenue is \$21,550 or \$11,550 greater than budget while IDC expenses are \$20,335 or \$4,665 less than budget. It should be noted that two of the consulting architects have not billed for their time this year. When their bills are received IDC expenses will exceed revenues.

Delinquent Assessments

We continue to work on collection of past due accounts. As of 10/31/14, adjusted A/R (excluding accounts in mortgage foreclosure) are approximately \$17,000.

Other Variances of Note

1. Social Events/Communications is over budget due to purchase of materials for recognitions to be made at Annual meeting.
2. Management Fee/Staffing Payroll combined is now over-budget \$831 due to the new management contract that went into effect 9/1/14. Under the new management contract, management fee is the cost of the back office operation and staffing includes all personnel costs. Personnel costs are for a full time manager and 50% time assistant manager.
3. Office rent is over budget due to lease of additional space for IDC. It should also be noted that the landlord has provided the renewal extension and total rent will rise to \$950 per month effective 12/1/14.
4. CAI Membership over budget \$1,651 due to attendance by BOT President at CAI National conference.
5. Directory printing is underbudget due to timing.
6. Printing is under budget \$2,000 due to timing.
7. Office supplies over budget \$1,860 due to purchase of office furniture.
8. Legal Expense in total (Professional and Collections) now exceeds to total budget for the year for both accounts by \$17,500 due to lawsuit expenses.
9. Professional Consulting was budgeted at \$12,000 for 2014. Proposals for a Reserve Study Update were solicited and the contract awarded to Miller Dodson at a total cost of \$3,990.
10. Risk Assessment was budgeted for \$4,000. A contract was signed with HUB International to perform this project for a cost not to exceed \$8,000. The final cost was \$6,000.00.
11. Landscape Enhancements is under-budget \$18,300 due to the decision to defer the Krier Lane parking as discussed at a prior Board meeting.
12. Plant/Tree Replacement is over budget \$360 due to Ponsbury tree project, removal of dangerous tree on marsh path, pruning of large Oak in Square park.
13. Recommend transfer power wash/paint budget to Repairs and Maintenance where costs are recorded.
14. Pet Stations is over-budget \$2,302 primarily due to ordering a high pet waste bags usage this year and purchasing 3 pet stations to be installed in the Duany/Robert Mills trail areas.

15. Insurance is over-budget due to adding Creek Club ramp and docks to property and liability policies. In addition, new coverage was put in place for D&O and Umbrella insurance.
16. Federal incomes taxes are over-budget due to no quarterly deposits being made in 2013 leading to a reduction in the budget for 2014, yet there was income tax due. Balance of estimated Federal and State income taxes for 2014 to be deposited in November.

Overall, through October 31, 2014 operating expenses are under-budget \$3,399 on a cash basis and YTD cash basis operating surplus is \$22,959.

Transfer fees received through 10/31/2014 are \$102,442 against annual budget of \$77,500. Excess transfer fees at 10/31/14 are \$24,942.



3301 Salterbeck St. - Ste 201
Mt. Pleasant SC 29466

	Actual Current Mo	Budget Monthly	Monthly Variance	Actual YTD	Budget YTD	YTD Variance	Annual Budget
Revenues - Cash							
4000 Assessments	2,518	0	2,518	752,532	749,000	3,532	749,000
4050 Special/Specific Are	0	0	0	335	0	335	0
4400 Legal/Lien Fee Incom	0	0	0	1,911	0	1,911	0
4500 Past Due - Late Fees	237	292	(55)	9,426	2,920	6,506	3,500
4610 Return Check Charge	0	0	0	25	0	25	0
4697 Directory Ad Revenue	0	133	(133)	30	1,330	(1,300)	1,600
4698 Facility Revenue	5,000	0	5,000	6,630	0	6,630	0
4700 Interest Income	28	29	(1)	266	290	(24)	350
4702 Interest Income-RSVs	155	292	(137)	1,708	2,920	(1,212)	3,500
4952 Mont School-Landscap	0	0	0	6,706	6,706	0	6,706
4954 IDC Revenue	750	1,000	(250)	21,550	10,000	11,550	12,000
4995 Delinquent Assessmen	0	0	0	(8,394)	0	(8,394)	0
Total Revenue	8,689	1,746	6,943	792,726	773,166	19,560	776,656
Expenses - Accrual							
Administrative							
5940 I'On Trust Expense	0	0	0	15,450	15,000	(450)	20,000
5945 Social Events/Commun	1,318	0	(1,318)	2,514	350	(2,164)	500
5950 Creek Club Expenses	740	1,000	260	7,405	6,000	(1,405)	8,000
6000 Management Fee	2,846	5,715	2,869	51,413	57,150	5,738	68,580
6010 Staffing/Payroll	8,614	3,583	(5,031)	40,740	35,833	(4,907)	43,000
6050 Security	0	0	0	4,103	2,500	(1,603)	5,000
6080 Office Rent	908	425	(483)	7,108	4,250	(2,858)	5,100
6092 CAI - Board Expenses	0	0	0	2,166	515	(1,651)	515
6200 Bank Service Charge	0	0	0	30	0	(30)	0
6210 Postage & Delivery	63	66	3	1,654	1,294	(360)	3,000
6246 Directory Printing	0	0	0	1,069	3,600	2,531	3,600
6250 Printing	47	0	(47)	608	2,600	1,992	5,500
6260 Office Supplies	30	100	70	3,620	1,900	(1,720)	2,500
6400 Accounting/Tax Servi	0	0	0	315	500	185	500
6409 Website Maintenance	573	208	(365)	2,432	2,080	(352)	2,500
6500 Legal/Professional	9,130	3,000	(6,130)	77,638	45,000	(32,638)	50,000
6545 Legal-Collections &	(390)	500	890	(124)	8,500	8,624	10,000
6555 Professional Consult	2,593	0	(2,593)	3,990	12,000	8,010	12,000
6556 Risk Assessment	0	0	0	6,000	4,000	(2,000)	4,000
6557 IDC Administration	2,676	2,500	(176)	20,335	25,000	4,665	30,000
Total Administrative	29,149	17,097	(12,052)	248,464	228,072	(20,392)	274,295
Maintenance							
6020 Contract Landscaping	14,758	14,758	0	148,380	147,580	(800)	177,096
6830 Signage	0	0	0	178	1,400	1,222	2,000
6840 Repairs/Maintenance	5,602	750	(4,852)	19,249	17,050	(2,199)	25,000
6841 Infrastructure Enhanc	0	250	250	0	2,500	2,500	3,000
6842 Vandalism	0	0	0	1,115	3,500	2,385	5,000
6845 Seasonal Flowers	0	7,900	7,900	7,900	15,800	7,900	15,800
6847 Walking Path-Repairs	0	500	500	2,859	6,000	3,141	7,500
6849 Landscape Lighting	190	200	10	3,182	2,000	(1,182)	2,500
6850 Landscaping Enhancem	1,800	4,500	2,700	9,200	27,500	18,300	32,000
6852 Grounds Supplies	1,275	1,000	(275)	34,735	34,475	(260)	34,475
6854 Plant/Tree - Replace	4,155	0	(4,155)	6,360	5,500	(860)	6,000
6856 Tree Maintenance/Tri	1,735	1,735	0	23,950	22,900	(1,050)	24,050
6858 Pine Straw/Mulch	0	0	0	22,280	22,280	0	22,280
6860 Irrigation Repairs	180	250	70	1,315	2,500	1,185	3,000
6862 Power Washing & Pain	0	0	0	0	3,000	3,000	4,000
6864 Mailbox Repairs	140	0	(140)	2,649	2,500	(149)	3,000
6866 Pet Stations	430	2,100	1,670	4,632	4,000	(632)	4,000
6868 Fish and Wildlife	0	0	0	0	1,500	1,500	1,500
6870 Lake Equipment Maint	0	200	200	533	1,800	1,267	2,000



3301 Salterbeck St. - Ste 201
Mt. Pleasant SC 29466

		Actual Current Mo	Budget Monthly	Monthly Variance	Actual YTD	Budget YTD	YTD Variance	Annual Budget
6874	Streetlight Replacem	0	250	250	0	2,500	2,500	3,000
6941	Pond/Lake Maintenanc	1,155	1,000	(155)	6,455	6,000	(455)	6,900
6942	Playground Improveme	0	0	0	0	1,500	1,500	2,000
	Total Maintenance	31,420	35,393	3,973	294,971	333,785	38,814	386,101
	Utilities/Insurance/Taxes							
7000	Electricity	4,658	4,721	63	46,499	47,210	711	56,650
7010	Water	2,203	18	(2,185)	13,196	7,901	(5,295)	9,000
7015	Storm Drain	0	258	258	0	2,580	2,580	3,100
7060	Insurance	0	0	0	26,916	16,000	(10,916)	16,000
7450	Federal Income Taxes	0	0	0	2,303	200	(2,103)	200
7460	Property Taxes	0	0	0	0	0	0	310
	Total Utilities/Insu	6,861	4,997	(1,864)	88,914	73,891	(15,023)	85,260
	Total Expenses	67,430	57,487	(9,943)	632,349	635,748	3,399	745,656
8000	Replacement Reserves	6,875	6,875	0	27,500	27,500	0	27,500
8012	Reserves-Int Inc Tra	0	0	0	0	0	0	3,500
	Net Surplus(Deficit)	(65,616)	(62,616)	(3,000)	132,877	109,918	22,959	0



3301 Salterbeck St. - Ste 201
Mt. Pleasant SC 29466

1000	Cash - Operating	
1049	Operating Cash	15,729
	Operating Money Market	<u>147,313</u>
	Total Cash	163,042
1052	Cash - Money Market/CD - Reserves	
1052.1	Reserve Money Market	112,758
1057.23	Money Market-Harbor National	241,337
1065.21	Money Market - Ameris	191,733
1065.23	CD - Cedar Harbor - 5/23/15 .6%	215,000
1065.28	CD - Cedar Harbor - 5/23/15 .6%	200,000
	CD-BNC-7/21/15-0.57%	<u>210,000</u>
	Total Cash - Money Market - Reserves	1,170,828
1200	Accounts Receivable	
1400	Accounts Receivable	42,011
	Prepaid Expenses	<u>825</u>
	Total Accounts Receivable	42,836
	Total Assets	1,376,705
	Liabilities	
2000	Accounts Payable	
2330	SCS Administrative Costs	17,657
2800	Deferred Income	2,638
2900	Construction Deposits	620
		<u>23,750</u>
	Total Liabilities	44,665
3800	Reserve Equity	
3831	Reserve Equity	210,000
3832	Reserve-Docks	129,996
3834	Reserve-Buildings	44,457
3835	Reserve-Infrastructure	498,205
3836	Reserve-Landscape Improvements	145,796
3837	Reserve Contingency - Community Garden	3,575
	Reserve-Contingency	<u>137,121</u>
	Total Reserve Equity	1,169,149
3950	Retained Earnings	
	Retained Earnings	30,056
	Net Ytd Inc & Exp	<u>132,836</u>
	Total Equity	162,891
	Total Liabilities and RE	1,376,705

Survey Issues Rated as greater than 70% “Very Important/Important”

- Cars should park only in designated parking spaces (85%)
- Campers (92%), boats (88%) & trailers (82%) should park only in the rear of lots
- Trailers should not be visible from the street (82%)
- Campers should be screened with architectural or landscape elements (76%)
- Trash & recycling containers should be stored at the rear of lots and screened with architectural or landscape elements (77%)
- Waste and trash should be placed at the curb no more than 48 hours before pickup (79%)
- All lots, developed and vacant, should be kept in good order (96%)
- Pets should not be a nuisance (91%), should be kept on a leash (70%) and their waste should be collected & disposed of (97%)
- “For Sale” signs should be limited to one per lot and in conformity with I’On standards (81%); no other signs should be posted on lots (71%)
- No fences or hedges should be allowed to interfere with utility or public works employees (76%)
- No improvements/modifications should be made without prior IDC approval (70%)
- No planting, cultivation or removal of vegetation from common areas should be allowed without prior HOA approval (85%)
- No personal structures or storage should be allowed on common areas (94%)
- No disposal of refuse should be allowed on common areas (97%)
- Neighbors should address concerns to other neighbors before involving the HOA (72%)

Comments

Traffic Issues

- Motorcycles and golf carts should be allowed to park in on-street parking spaces
- Homes that have parking pads, driveways and garages should use them rather than park their vehicles on the street
- More strict parking enforcement is necessary; the “no parking” signs across from O’Brion’s need to be enforced; put yellow lines in front of the square to communicate no parking
- Parking should only be allowed on one side of Shelmore from the entrance of the neighborhood to the Sweet Olive and then prohibited from the Sweet Olive to the traffic circle at Shelmore and Perserverance
- Need designated parking spots for residents only
- Parking enforcement is not a good idea; need for flexibility as to where people can park; lines designating “legal” parking places should have never been painted
- Campers should not be allowed to be parked anywhere in the neighborhood

- Parking RVs on the street should be allowed on a limited basis
- Young children driving golf carts and go karts is dangerous
- Speeding is a problem; need for more speed limit signs
- Opposed to “parking police”

Pet Issues

- Dogs should always be on leash when outside their owner’s lot; dogs should not be allowed unleashed on common areas or in playgrounds
- There is no such thing as “voice control”
- Only dogs who pass a test should be allowed to walk off leash
- Dogs should not be allowed in all areas of I’On because people who do not care for dogs have no where to go
- Dog residue throughout the neighborhood must be cleaned up
- A dog park is needed

Maintenance Issues

- Unkempt properties and visible trash and recycle bins detract from the appearance and appeal of the neighborhood
- Need better maintenance of vacant lots
- Warnings should be given for: not keeping shrubs trimmed; not mowing, weeding and mulching yards; and not power washing and painting when needed
- Back area of the neighborhood (Robert Mills and Duany) is not well cared for, has no screening of garbage/recycling containers and poor maintenance of common space
- Staining a fence is an acceptable alternative to painting it
- Unsightly lots/homes need to be addressed
- Streets and sidewalks are in need of repair
- Need for more creativity in plantings at entrance to community
- Properties and landscaping are in decline; the neighborhood looks worn and neglected; need for maintenance but not unbending rules
- Owners should be held responsible for renters’ lack of maintenance
- LOG runs leaf blowers too early in the morning and doesn’t really clean up but only creates dust

IDC Issues

- IDC needs to develop guidelines for simple basic changes that do not require formal approval; for example, painting a house the same color, adding rain gutters and small landscape modifications should not require IDC approval; the approval process should be reserved for significant changes
- need for a “best practice” list for managing vegetation; lots abutting common areas should be given leeway to manage vegetation intruding from the common area onto a Titleholder’s lot
- Front porch screening is acceptable if properly designed; screening of second story porches should be allowed

- People do what they want because the IDC simply rejects proposals in their entirety and is difficult to deal with
- IDC is inconsistent in the standards applied and difficult to work with
- Approval for improvements takes too long, costs too much and is too picky
- IDC fees should be \$100 for the entire project; not \$100 for each phase

Boat Issues

- Storing a boat where it is not visible from the street is generally impossible
- Get the boats off the streets
- Some properties are large enough for boat storage; others are not
- Need for boat storage exception for those who do not have a rear access lot
- Parking boats or trailers on the street should be allowed on a limited basis
- Need a system by which boaters can reserve a slip at the dock for a day or two
- Need a common area for temporary boat trailer parking
- Opposed to the idea of allowing boat storage in the field behind Perserverance; a lawsuit will result

Recreational Issues

- Volleyball court at soccer field suggested
- Repair the well and restore the soccer field
- Need rules on fishing and boating in the Rookery
- Need for activity areas for teens – basketball courts; skateboard areas; etc.

Misc.

- Satellite dishes visible from the street are acceptable and generally impossible to avoid
- Need for more neighborhood security day and night, including cameras; a neighborhood watch program is needed
- Do not allow excessive rules to get in the way of neighborly feel and historic focus of the neighborhood
- Do not make it a requirement to go to a neighbor before reporting an issue to the HOA
- Need for more neighborliness than enforcement; neighbors should talk to neighbors before taking an issue to the HOA
- Neighbors should not dictate how others live
- The Board should not police the neighborhood, it should only become involved in issues that negatively affect the value of the community
- Need for more clarity and definition for consistent enforcement actions, for example, “good order and repair” and “front of house” are vague terms and not enforceable
- There has been too much animosity during the past year
- Enforcement should be reasonable and suspended where appropriate
- Signs noting security systems in homes should be allowed on lots
- Teenagers need to be stopped from jumping off the Boathouse into the lake
- Need a secure system for mail and package delivery
- Community should be re-named the “I’On Retirement Community” to reflect the residents’ singular point of view and unwillingness to compromise

IDC REPORT NOVEMBER 2014

Rev. Date	Address	Submittal Request	Action
11/4	HOPETOWN	PDR	NOT APPROVED
11/4	JANE JACOBS	CTAD	AW/C
11/4	IONSBOROUGH	CTES/CARPORT	AW/C
11/4	N. SHELMORE	CTES/PORCH	PENDING
11/4	HOPETOWN	CTES/TREES	AW/C
11/6	N. SHELMORE	CTES/PAINT	APPROVED BY NDC
11/18	EASTLAKE	CTES/PAINT	APPROVED BY NDC
11/18	DUANY	CTES/POOL	
11/18	JANE JACOBS	CDR	
11/18	PONSBURY	CTES/FIREPLACE	
11/18	JANE JACOBS	CTES/POOL	
11/18	EAST SHIPYARD	CTES/PAINT	
11/19	PERSEVERANCE	CTES/PAINT	APPROVED BY NDC
11/19	PONSBURY	CTES/LAMPS	APPROVED BY NDC
NDC	Neighborhood Design Coordinator		
FDR	Final Design Review		
PDR	Preliminary Design Review		
CDR	Conceptual Design Review		
LDR	Landscape Design Review		
CTES	Change to Existing Structure		
CTAD	Change to Approved Design		
AW/C	Approved w/Conditions or Comments		

FDR	Final Design Review	
PDR	Preliminary Design Rev	
CDR	Conceptual Design Rev.	
LDR	Landscape design Rev	
CTES	Change to Existing Structure	
CTAD	Change to Approved Design	
AW/C	Approved w/Conditions or Comments	

REPORT TO HOA – FEES AND DEPOSITS

MONTH	FEES	DEPOSITS
DEC. 2013	\$1650.	
JAN. 2014	\$3600.	
FEB. 2014	\$1600.	
MAR. 2014	\$1650.	\$5000.
APR. 2014	\$1350.	
MAY 2014	\$1450.	\$5350.
JUNE 2014	\$1800.	\$5700.
JULY 2014	\$1200.	\$1500.
AUGUST 2014	\$3850.	\$5700.
SEPT. 2014	\$3350.	\$1500.
OCT. 2014	\$ 750.	\$ 750.
NOV. 2014	\$2850.	\$6500.
DEC. 2014		
TOTAL TO DATE	\$25,100.	\$36,350.

I'On Assembly
Communications Committee Report
November 20, 2014

The Communications Committee did not meet in late October or early November, but members did accomplish the work that was needed to compile information for the 2015 I'On Community Directory. The books are supposed to be completed on Thursday of this week and delivered to I'On that day. The first distribution of the new directories will be in the Giving Lights kits that are being prepared on Saturday, November 22. Each resident who ordered luminaries will receive the directory when the kit is delivered to their home.

Special thanks go to Steve Degnen whose photography will grace the cover of the new book and whose design expertise is evident in the changes to the first few pages of the 2015 edition. In addition, Lees Baldwin and Barb Fry helped proof the drafts of the residents' directory portions of the book, and Julie Hussy did some editing on the information pages at the beginning.

We also are indebted to Jessica Gosnell, who spent many hours working on updates to the residents' list to provide to the printer. Thanks to her hard work, the new directory will be in proper alphabetical order and information will be provided in a consistent format.

Secretary Report November 20, 2014

ANNUAL BOARD ELECTION PROCEDURES

The month to month outlined process for the annual meeting is now complete. Starting from July to January, the itemized list with deadlines includes everything a new board or manager will need to legally accommodate our rather complex bylaws and run a successful, efficient, homeowner-friendly Annual Meeting. Only the dates will need to be updated each year - that's on the list too.

PROXY & BALLOT FORMS

The instructions and form have been attorney approved and should be the template for future elections. With all efforts to further simplify and allow absentee ballots – our legal counsel said our bylaws didn't allow it. However, when the management company is confident we can transfer to electronic voting- that is allowed for in the bylaws. Online voting would greatly simplify the time and effort required to run the process but the software for HOA elections is still in the testing stages.

ATHLETIC FIELD RESERVATION POLICY

Based on homeowner feedback, to whom the athletic policy applies to is unclear. Jessica has experienced several occasions where people have misunderstood if the policy applies to them or not. Attached is the proposed change to clarify.

VOTE: to approve changes made to clarify the Athletic Field & Eastlake Reservation Policy

SUMMARIZE PRIORITIES FOR MIKE

To complete the circle of expectations from Mike of the Board and from the Board to Mike, we need to summarize them in writing for reference this month.

Athletic Field & Eastlake Reservation Policy

This Policy applies to recurring outside users of the Athletic Field (Soccer Field) and Eastlake who reserve these amenities through an I'On resident AND recurring outside users who reserve through the I'On Club.

The objective of this Policy is to apply uniform standards to all groups of users of these I'On amenities to protect the interests of the Assembly and to minimize the burden on the neighborhood.

1. **Outside** Groups including 50% or fewer I'On residents shall be subject to these rules.
2. Before any reservation can be confirmed, all athletic clubs/groups/leagues must provide the I'On management company:
 - a. A group roster, including address and phone numbers
 - b. A complete schedule of all games and practices to be played at the Athletic Field or for classes and practices scheduled for Eastlake
 - c. Proof of comprehensive general liability insurance in an amount not less than one million dollars (\$1,000,000.00). The Insurance Certificate must name the I'On Assembly as an additional insured and shall include participant liability coverage.
 - d. Liability Waiver: Participants must sign a hold harmless liability waiver indemnifying the I'On Assembly from any and all claims resulting from injuries, damages or losses sustained or associated with the use/program.
3. No single group may monopolize these amenities for extended periods of time.
4. CANCELLATION
If a confirmed reservation is cancelled for any reason other than weather, the contact person must notify I'On management company, so facilities can be scheduled for another purpose.
5. Non---resident group members may not remain at the site after the class/practice session/game has ended.
6. All group users must be respectful of the privacy of neighbors. Changing of clothes should be done in locker rooms or other private facilities.
7. Groups must monitor parking, as provided below, and manage traffic flow to avoid impeding streets or blocking I'On residents.
 - ™ All *I'On Club users* may only park in the I'On Club parking lot -- not on the streets.
 - ™ All *I'On resident groups* may only park in designated street parking spaces.
 - ™ If the I'On Assembly identifies the need for an I'On security contractor to monitor parking and traffic control, the group must pay this expense.
 - a. 1st Viloation – Warning Letter

- b. 2nd Violation – Fine of \$150.00.
 - c. 3rd Violation — Loss of group's privileges to use the field/lake.
- 8. MAINTENANCE FEE
All recurring users **consisting of 50% or less** I'On residents must contribute a maintenance reimbursement for the field/lake maintenance payable to the '*I'On Assembly*' in an amount to be determined by the Assembly Board of Trustees that reflects the nature and intensity of the usage.
- 9. Nonpayment of fees or fines shall result in immediate revocation of use privileges and reservations.
- 10. All activities must terminate by sunset.
- 11. No alcohol or illegal substances may be used or consumed at these locations
- 12. All trash must be placed in the appropriate receptacles
- 13. No unattended children or pets are allowed in the Community Garden. The garden is for I'On residents who have been approved through the I'On Garden Coordinator.
- 14. The Assembly reserves the right to refuse or terminate a reservation for any group failing to comply with these policies; or which proposes a use resulting in excessive wear and tear on the facilities; or which involves the use of motorized vehicles or watercraft.

This is to certify that the Board of Directors adopted this resolution effective **December 1, 2013** until such date as it may be modified, rescinded or revoked.