

**I'On Assembly
Board of Trustees Meeting Minutes
September 24, 2008**

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|------------------------|---|
| Members Present | Bruce Kinney, Sheri Cooper, Barbara Fry, Ward Mundy, and Matt Walsh |
| Members Absent | John Powers |
| AMCS | Cheryl L. Wilson |
| Guests | Chad Besenfelder, Dave Rosengren, Ed Clem, Tim Eble, Catherine Templeton, Amy Sage, Ted Webb, Jim Mahoney, Stella Harmon, M.P. Wilkerson, Peter Perera, Chuck Avera |

Bruce Kinney called the meeting to order.

Homeowner Forum

The Board of Trustees opened the floor to residents in attendance to express their concerns regarding the potential sale of the Creek Club from the I'On Company to a private buyer. Some of those comments were as follows.

Tim Eble of 171 East Shipyard Road expressed his concern regarding the potential sale of the Creek Club and the promises made to him regarding community amenities when he purchased his property.

Catherine Templeton of 34 Saturday Road expressed her concern regarding the potential sale of the Creek Club as it has always been a community amenity and should remain as such. She further suggested that restrictions be placed on the property if it is in fact sold.

Peter Perera of 59 Rialto Road asked for clarification as to what property is included when referring to the sale of the Creek Club. Matt Walsh advised that it is the building, floating dock, gazebo, marsh path, and everything surrounded by the white fence. Matt Walsh further advised that the I'On Assembly, while run by a developer appointed Board of Trustees, entered into an agreement with the I'On Creek Club that allows access to the parking lot next to the Creek Club to gain access to the boat ramp.

Creek Club

Mike Russo presented the Board of Trustees with the proposed plan for the Creek Club. The three partners that are looking to purchase the Creek Club are Donovan Glassburn of 46 Hopetown Road, Stephen Speer of 74 Hopetown Road, and Mike Russo of 123 Civitas Street. Mr. Russo advised that since each partner owns property in I'On they have an invested interest in the community. The key points to Mr. Russo's presentation were:

- The usage of the Creek Club for special events, like weddings, will not increase.
- The boat dock easements will not be dissolved however, any I'On Assembly suggested modifications would be considered.
- Donovan Glassburn, Stephen Speer, and Mike Russo own the bed and breakfast at the corner of Civitas Street and North Shelmore Boulevard and will run the Creek Club in conjunction with the bed and breakfast.

- The sale of the Creek Club includes the building, the docks and parking lot on lot CV-6 and the parking lot on lot CV-5.
- Valet parking will be required to reserve the Creek Club, which will help alleviate traffic and disturbance to the community, by event guests. Valet parking will also be used at the bed and breakfast.
- Outside security will be required at special events.
- The Creek Club would be kept in better shape to attract higher end special events.
- Lot 275 is currently under a separate contract for sale from the I'On Company. The plans for this lot would be to expand the Creek Club by adding a three-story building which would have six rooms for the bed and breakfast (three suites on the third and three suites on the second floor) and recreation areas for the community with gathering space and permanent office space on the first floor.
- They would not apply for a liquor license.
- The I'On Assembly would still have the right to reserve the Creek Club as they do now.

Mr. Russo's group is still in an extended due diligence period. Once a more definitive plan is in place, details will be presented to the Board of Trustees.

Minutes

Barbara Fry made a motion to accept the August 27, 2008 Board of Trustees meeting minutes as presented. Sherri Cooper seconded the motion. All in favor. Motion carried.

I'On Company Update

Chad Besenfelder advised that he is certain the I'On Company will receive permission for the fourth entrance at the I'On Club.

The I'On Company is still working for approval for landscaping at the Mathis Ferry roundabout. The Board of Trustees asked Mr. Besenfelder to present a landscape plan showing irrigation and a separate landscape plan without irrigation to the Landscape Committee to review.

Mr. Besenfelder advised that he is working with the I'On Square Association to add additional signage for parking in the I'On Square.

Mr. Besenfelder advised that the owners of 15 Hopetown Road have installed their approved fence but not their landscape plan.

The paths around the lakes are to be enhanced by the I'On Company.

AMCS Report

AMCS reported the following account balances as of September 18, 2008:

Operating Account \$13,748.68

Fidelity Investment Account

Capital Reserve Funds \$391,828.98

Operating Funds in Reserves \$178,190.73

CD #2000343 \$31,819.39

CD #2000343 \$31,775.93

AMCS stated that the Board of Trustees meeting packet was sent out on September 19, 2008 to the Board of Trustees giving them a chance to review the operating statement, twelve month trend, balance sheet, open and closed work orders. AMCS asked the Board of Trustees if there were any questions regarding these reports. There were no questions from the Board of Trustees. The violation report, collection report, and lien report were discussed in executive session.

AMCS advised that a member of the Board of Trustees would need to sign the required paperwork for liens to be filed on eleven homeowner accounts. Sheri Cooper volunteered to handle this on behalf of the Board of Trustees.

AMCS advised that the new swing set for the Ramble playground would be installed in approximately four to six weeks and that all the playground equipment is scheduled to be inspected within the next few weeks.

AMCS advised that a meeting with Estate Management had been scheduled for later in the week to discuss the continuing problem with the floating pipes in Eastlake, the aerator motor noise in the Boathouse and the 2009 contract amount.

AMCS advised that the off duty police schedule for the remaining part of the year has been submitted to the Mount Pleasant Police Department. The Board of Trustees has asked that AMCS contact Mr. Besenfelder about reimbursing the I'On Assembly for the patrols of the Creek Club and the I'On Club.

AMCS advised that they are working on obtaining proposals based on the 2009 infrastructure maintenance schedule.

AMCS advised the Board of Trustees that several of the "Beware Alligator May Be In Lake" signs have gone missing. The Board of Trustees authorized AMCS to purchase four more signs.

AMCS advised that the refund has not been received from the I'On Club for the repairs to the irrigation systems on Maybank Green caused by the set up of a jump castle. The Board of Trustees asked AMCS to continue to follow up with the I'On Club on this matter.

President's Report

The Board of Trustees reviewed the President report prepared by Mr. Kinney.

The Board of Trustees reviewed the proposed amendments to the I'On Assembly governing documents. The governing documents for the I'On Assembly would be amended by adding D-108 Landscaping of Premises and D-109 Common Area Use. The proposed amendments will be mailed to each owner in the community to give them ample noticed of the proposed amendments. Sherri Cooper will draft a letter to include in the mailing that speaks of the proxy and transfer fee.

Transfer Fee

AMCS advised that they have received about 371 proxies in favor of the transfer fee. The Board of Trustees discussed their strategy for trying to pass the transfer fee. The Board of Trustees will re-evaluate the transfer fee strategy at the next Board of Trustees meeting.

Treasurer's Report

The Board of Trustees reviewed the Treasurer's report prepared by Mrs. Cooper.

Communications Report

The Board of Trustees reviewed the Communications Committee report prepared by Mrs. Fry.

The Board of Trustees agreed to provide Mrs. Fry administrative rights to www.ioncommunity.net.

Landscape Report

The Board of Trustees reviewed the Infrastructure Committee report prepared by Mr. Rosengren.

The Board of Trustees discussed putting the landscape maintenance contract out to bid. The Board of Trustees agreed to keep the 2009 landscape maintenance contract with Lawn-O-Green.

Mr. Rosengren gave an update on the Landscape Committee's progress on researching the well system at the soccer field. He asked the Board of Trustees for \$1,000.00 to \$1,500.00 to modify the soccer field irrigation system so that a lower well production is required.

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|---|
| <p>Matt Walsh made a motion to grant Mr. Rosengren \$1,000.00 to \$1,500.00 to modify the soccer field irrigation system so that a lower well production is required. Ward Mundy seconded the motion. All in favor. Motion carried.</p> |
|---|

After the soccer field irrigation has been addressed, the Landscape Committee will begin researching a well system for Maybank Green.

The Board of Trustees reviewed the request to install tabby shell concrete along the driveway easement off Grace Lane. The Board of Trustees agreed that once rule D-109 Common Area Use is passed, the residents can seek approval of the Board of Trustees to do the work themselves.

Board of Trustees Discussion of the Creek Club

The Board of Trustees had a discussion regarding the Creek Club and the Board of Trustees consensus was to not take a position until they understood the details of the purchase more fully

Next meeting will be held on October 30, 2008 at 6:00 PM at the I'On Company Upstairs Conference Room.

Barbara Fry, Secretary

President's Report for September 2008 I'On Assembly Board Meeting

1. I wrote to the manager of the I'On Square Association expressing our concern for the non retail use of the ground floor space at 14 Resolute Lane. After getting no satisfaction, I met with the president of the Square Association, Jim Robertson. Jim agreed with our view that the use does not seem to be in compliance with the I'On Square CC&R. He met with the building owner, Julian Smith, who agreed to the following steps:

- Front window curtains to be open from 9 am to 6 pm
- Add store front signage that shows tenant's trade name of business
- Add phone number for customers to call since the gallery is only open by appointment
- If tenant is concerned about sunlight damaging the paintings, she should cover them with felt or some other material for protection.

Mr. Smith said that the law firm lease is only for one year and that he plans to take the office space himself when the lease is up, and may open a retail space where the "gallery" is now. As of Sept 18, none of the above steps had been taken. Jim agreed to call Julian Smith again.

2. As reported earlier, Tom Graham and The I'On Company have agreed to support the transfer assessment. We should see where we are to date, and outline the steps that should be taken to get the support we need. I fear that if this fails, it will be a long time before another effort is undertaken.

I'ON
MONTHLY FINANCIAL SUMMARY

| | 08 BUDGET | AUG '08 YTD BUDGET | AUG '08 ACTUALS | 08 ACT TO BUD VARIANCE | 07 ACTUALS | 08 TO 07 ACT VARIANCE |
|-----------------------------|----------------------|-------------------------------|----------------------------|-----------------------------------|-----------------------|----------------------------------|
| REVENUE | | | | | | |
| HOA fees | \$ 637,200 | \$ 637,200 | \$ 631,669 | \$ (5,531) (A) | \$ 523,554 | \$ 108,115 |
| Interest | 10,000 | 6,667 | 4,016 | (2,651) (B) | 8,235 | (4,219) |
| Other | - | - | 449 | 449 | 5,769 | (5,320) |
| TOTAL REVENUE | 647,200 | 643,867 | 636,134 | (7,733) | 537,558 | 98,576 |
| EXPENSES | | | | | | |
| Mgmt Fee | 45,864 | 30,576 | 30,576 | - | 30,429 | 147 |
| Legal, Audit & Tax | 22,350 | 16,683 | 2,867 | (13,816) (C) | 876 | 1,991 |
| Neighborhood Watch | 7,500 | 5,000 | 4,225 | (775) | 5,410 | (1,185) |
| Supplies | 4,500 | 3,000 | 4,938 | 1,938 | 2,839 | 2,099 |
| Communications | 9,302 | 6,201 | 3,315 | (2,886) | - | 3,315 |
| Events | 8,550 | 5,700 | 6,936 | 1,236 | 5,205 | 1,731 |
| Creek Club & Dock Rental | 11,384 | 7,589 | 8,043 | 454 | 5,699 | 2,344 |
| Bad Debt | 6,372 | 4,248 | - | (4,248) | - | - |
| Other | 1,225 | 817 | 474 | (343) | 3,054 | (2,580) |
| Total Admin | 117,047 | 79,815 | 61,375 | (18,440) | 53,512 | 7,863 |
| Signs | 4,700 | 3,133 | 440 | (2,693) | 1,443 | (1,003) |
| Water & Sewage | 20,390 | 13,593 | 15,618 | 2,024 | 11,074 | 4,544 |
| Electric | 50,637 | 33,758 | 29,697 | (4,061) | 31,915 | (2,218) |
| Total Utilities | 75,727 | 50,485 | 45,755 | (4,730) | 44,432 | 1,323 |
| Landscaping Contract | 139,200 | 92,800 | 87,500 | (5,300) (D) | 86,650 | 850 |
| Landscaping & Supplies | 105,600 | 70,400 | 74,242 | 3,842 | 49,696 | 24,546 |
| Lake Maintenance | 21,921 | 14,614 | 10,050 | (4,564) | 13,373 | (3,323) |
| Repairs | 17,000 | 11,333 | 9,101 | (2,232) | 19,940 | (10,839) |
| Annual Playground Repair | 10,000 | 10,000 | 11,061 | 1,061 | - | 11,061 |
| Annual Power washing | 9,175 | 9,175 | 8,675 | (500) | 8,385 | 290 |
| Irrigation Repairs | 5,000 | 3,333 | 6,360 | 3,026 | 8,965 | (2,606) |
| Pet Stations | 3,710 | 2,473 | 2,358 | (115) | 3,710 | (1,352) |
| Annual Walking Path Repair | 3,500 | 2,333 | 250 | (2,083) | 2,150 | (1,900) |
| Mailbox Repairs | 3,500 | 2,333 | 604 | (1,730) | - | 604 |
| Total Maint | 318,606 | 218,796 | 210,199 | (8,597) | 192,869 | 17,330 |
| Insurance | 15,625 | 10,625 | 10,785 | 160 | 10,476 | 309 |
| Taxes | 3,500 | 3,000 | 7,270 | 4,270 (C) | 2,351 | 4,919 |
| Total Ins & Tax | 19,125 | 13,625 | 18,055 | 4,430 | 12,827 | 5,228 |
| TOTAL EXPENSES | 530,505 | 362,720 | 335,384 | (27,336) | 303,640 | 31,744 |
| RESERVE | 116,695 | 116,695 | 116,695 | - (E) | 94,027 | 22,668 |
| NET INCOME (EXPENSE) | \$ - | \$ 164,452 | \$ 184,055 | \$ 19,604 | \$ 139,891 | \$ 44,164 |

(A) Attorney to file lien letters in July on remaining non-payers

(B) Reflects decreased interest rates

(C) Income taxes were \$4,270 greater than budget. Used audit budget to pay taxes.

(D) Represents payment from school toward landscaping costs

ION
MONTHLY FINANCIAL SUMMARY

(E) Reserve was fully funded for 2008 with HOA dues collections

Running estimate of over(under) budget status:

| | | |
|-------------------------------|----|--------------|
| 2007 directory pd 2008 | \$ | 3,220 |
| Dec 07 meeting packet pd 2008 | | 2,000 |
| Dec 07 Water credit | | (2,600) |
| Dec 07 Neighborhood watch pc | | 1,900 |
| No audit | | (5,250) |
| 2007 taxes | | 4,270 |
| Creek Club overage | | 1,281 |
| School landscaping credit | | (5,300) |
| | \$ | <u>(479)</u> |

Under budget by \$19,604

I'On Communications Committee Report
Submitted by Barbara Fry
September 24, 2008

The Website. Joye Hansen has agreed to take over the Calendar Editor position since Jane O'Neil has moved. **I'd like to know if any of you have any thoughts regarding how the calendar could be better positioned or utilized.** I also plan to contact At Home Net (our website provider) directly and begin discussions to upgrade the site. Any input on your parts would be welcome.

The **Message Board** took on a life of its' own this month. I know you all get first notices of messages posted and I appreciate it when you enter into the discussion when you can help to clarify any miscommunication or can help to increase civility. I think we do need to have a presence on the board when our input can be helpful. Thank you for chiming in.

The Message Board was also very useful this month in getting the community to rally around the Laurencelle family after the fire. I think it showed itself to be a very good method of communicating with the neighborhood.

Living in I'On newsletter. The September cover article dealt with "**Hurricane Preparedness**" based upon the concerns Hannah and Ike presented to us. We also repeated the plug to get the Proxy's in (the lottery for one free year of homeowner dues).

October cover article will be another plug to get the proxy's in, where I basically repeat Bruce's email blast. I also plan to update "the fire" as much as I can, mostly encouraging people to thank the fire department for their rapid and really amazing response. Also included will be an article to get people thinking about candidates to run for the board in December.

Regarding the newsletter - "**What should be put in the newsletter in October to alert residents of any of your committee work that may affect/concern them?**"

The **I'On Community NEWS** identity for email blasts was used 4 times this month. 1) To cancel plans made due to the Hannah, 2) Bruce's Transfer Fee Proxy piece, 3) Notify people of the fire, and 4) promote the ice cream social. Since the Living in I'On newsletter as well as the I'On Volunteer's newsletter are going out each month, I'm not counting them anymore as email blasts.

September Landscaping Summary

1. The work begun by Carter Fox and Len Hanson to identify and reconcile all water meters, irrigation charges, and electricity meters has almost been completed. The chart clarifying details is attached. The final outcome is as follows...
 - a. Eliminate the water meter on Moultrieville Road
 - b. Transfer the water meter at the Creek Club overflow lot to the I'On Club
 - c. Transfer the water meter/irrigation system on Duany Road to the I'On Company
 - d. Eliminate the water meter on Saturday Road that provided irrigation for the marsh walk

Total charges to date against these meters is only \$184.67, however the 2008 budget allocated against these ledgers was \$1931.00.

2. John Powers and I have interviewed 3 well companies to date and received inconsistent recommendations for appropriate next steps. The current soccer field irrigation system was designed based upon a well production of 45 – 50 gpm. Long term the water table may not be sufficient to provide this volume of water. Upon assimilating the input received, we are formulating a plan to...
 - a. Assess the production of the existing soccer field well(s); estimated cost is \$1,000 - \$1,500.
 - b. Based on this assessment we will determine whether to...
 - i. Dig more wells to find more production; estimated cost is \$2,500 - \$3,000 per well
 - ii. Modify the soccer field irrigation system so that a lower well production is required; cost TBD
 - c. Obtain quotations for the appropriate size of pump required

Authority is requested for step 2.a. with an estimated cost of \$1,000 - \$1,500.

3. Attached is the preliminary budget request for landscaping items. It includes the detailed LOG schedule/costs as well as the Landscape Committee additions. Discussion to take place during the September Assembly meeting.