

I'On Assembly Board of Trustees Meeting

February 15, 2021

Members Present Via Conference Call: Tom O'Brien, Johann von Asten, Chris Colen, Julie Hussey, Trey Mathisen, Michael McLaughlin, and Amy Sage

Management Company: Jessica Gosnell and Mary Fraser

Amy made a motion to move into executive session at 5:16 pm. Trey Seconded. All in favor. Motion passed unanimously.

Motion to move into open session at 6:01 pm. Motion Seconded. All in favor. Motion passed unanimously.

Homeowner Forum: Elizabeth & Ralph McCullough, 35 Krier Lane; George Toole, 130 W Shipyard.

Elizabeth joined the meeting to discuss her concerns regarding a neighboring property frequently shooting fireworks from their deck/rooftop. She expressed her fear that there will be a potentially dangerous outcome, not only to her and neighboring properties but to HOA property as well. She noted how disruptive this behavior is and expressed the capacity for provoking fires as well. She also relayed the proximity to the HOA pathways that the fireworks are shot from and stated that debris falls over the common areas as well as her home. She stated that she has called the police and fire department, neither of which were able to provide suggestions. She is asking the Board to consider recommending that no fireworks are shot within a 150-foot perimeter of HOA property. She also recommended that the neighbor shooting the fireworks be properly insured in case there were to be any damages to HOA and surrounding properties.

George thanked the Board for having The Greenery add blowing and cleaning of the streets once a month added to their schedule and stated how much it has helped. Jessica also reminded the Board that the crew will begin daily cleanup of the streets from now through April, during the heavy leaf dropping season. After April, they will only be blowing the streets once per month, and only on streets that have sidewalks.

Call to Order: 6:13PM by Tom O'Brien

Approval of Minutes:

Julie made a motion to approve the December 14, 2020 I'On Assembly Meeting Minutes. Johann Seconded. All in favor. Motion passed unanimously.

President's Report:

Tom first welcomed Michael McLaughlin to his first Board meeting and thanked him for volunteering to serve on the Board.

Tom relayed that Mike Parades' wife recently passed away after a long battle with Parkinson's disease. He expressed his thoughts on the HOA doing something for Mike since Mike had a significant impact on I'On. After discussion, the Board decided that it would be fitting to make a donation to the Parkinson's Foundation in Cissy's memory as this is what the family requested in lieu of flowers. The Board agreed to make a \$150 donation to the Parkinson's Foundation. Jessica will send a sympathy card to Mike and let him know that a donation was made in Cissy's honor. We will also include a note in the next newsletter.

Julie made a motion to donate \$150 to the Parkinson's Foundation in honor of Cissy Parades. Motion Seconded. All in favor. Motion passed unanimously.

Treasurer's Report:

Johann reported that 2021 assessments have been rolling in and mentioned that approximately 14 residents have not yet paid their assessments in full, with 3 of those residents being on payment plans. Jessica has been actively working on collecting assessments that have not been paid by reaching out to delinquent owners. She began with emailing the 76 delinquent owners in the beginning of February and stated that we are now down to roughly 11 unpaid accounts.

He went on to discuss the allocation of 2020 excess transfer fees. At the end of 2020 there was approximately \$4,000 left over in the capital projects budget along with a little over \$56,000 in excess transfer fees (after the \$83,500 of transfer fees was allocated to the replacement reserves). This leaves us with \$106,000 to spend on 2021 capital projects. It was noted that we will be keeping an eye on the frequency of properties selling as this will determine how much we will collect in transfer fees. For 2021 we budgeted to collect the same amount of \$83,500 in transfer fees.

Next, Johann discussed the Contingency Fund Policy, noting that our current policy requires that we have at least \$80,000 or 10% of the annual assessment set aside in the contingency fund. The finance team discussed this in detail and reviewed the need to modify these guidelines due to the Assembly's current financial standing. These guidelines were set when the budget was \$800,000. Our budget for 2021 is much higher so need to look into changing the amount or the percentage to reflect what is actually needed. The Finance Committee agreed that we do not need to have 10% of our current budget set aside in contingency funds (see attached updated Contingency Fund Policy), they felt \$80,000 was an adequate amount for a contingency fund, so they recommended amending the policy to state the contingency fund balance must be \$80,000 or 10% of the annual budget, whichever is lower. Jessica also mentioned that we currently have a balance of \$168,000 in the prior year fund balance. The prior year fund balance is used for budget overages/emergencies, etc. Essentially, this give us two contingency funds.

Johann made a motion to approve the Contingency Fund Policy as presented. Chris Seconded. All in favor. Motion passed unanimously.

Lastly, Johann discussed alternative investment strategies with the Board in hopes to gain their input. He mentioned that with the current low interest rates, we are not gaining any interest on our reserves, so the finance committee is wanting to discuss what options might be available to invest our funds in a safe manner while still earning interest. He stated the idea of the reserve funds being divided into three different investment categories: short term, medium term, and long term. For each of these categories, we would have a different investment strategy. For example, short term investments could be set up for items such as insurance, Trust funding, or replacement reserves. Long term investments could be set up for reserve items like the bulkhead spending. He discussed the fact that if we simply keep these funds in cash, we would ultimately be losing 2% to 3% due to inflation. He inquired if the Board would consider taking some degree of risk to invest these funds. He mentioned that the finance team strongly suggested hiring an advisor, outside of the community, to advise us in making these decisions. The Board agreed and requested that we look for someone who is familiar working with nonprofits. Jessica will also ask Ravenel if they have any recommendations. It was noted that it would be extremely important to accurately transition this knowledge to future Boards. The team also discussed the possibility of sending a short survey with one or two questions out to the community to gain feedback and remain fully

transparent in this process, but only doing so once we have all information and factors. The possibility to invest locally was also expressed. Johann will relay this information to the Finance Committee and work on drafting a formal proposal to bring to the Board to review.

Amenity Report:

Trey stated that the Waterfront Enhancement project has now been completed with the furniture being installed and secured. He mentioned that we will be looking into securing it in a manner that will look a little nicer. We also discovered that we need more rip rap added to the area under the dock as well as by the seating area. We have received two quotes; one for a full truck load and the other for a half load. Trey relayed the importance of this additional rip rap being that there are still exposed areas under the dock and the rip rap will help with erosion and the protection of our docks.

Trey made a motion to add a full truck load of rip rap for \$3,980. Chris Seconded. All in favor. Motion passed unanimously.

Lastly, he discussed the potential for installing cameras and/or lighting down at the docks now that we have access to power. He and Jessica will be meeting with the electrician later this week to discuss options and potential costs. Trey expressed that we may need to look into having a landscape architect (possibly Kelly Messier) suggest a way for us to install them in an aesthetically pleasing way. Johann also mentioned installing them in a manner where they would be difficult to vandalize. The cameras that we are looking into would be cheaper than having a security company install a surveillance camera system and would be easily accessible via apps/the cloud to monitor. He also raised the need for a policy to be drafted and put in place prior to installing security cameras. Jessica will reach out to Ravenel to see if any other communities have policies of this sort.

Landscape and Infrastructure Report:

Amy first stated that she would like to receive a vote on the Front Entrance Enhancement capital project. She directed the Board to the proposals from The Greenery as well as 1899 Landscape Solutions. She recommended that we use the Greenery since they already take care of the plants in this area and noted that their quotes were not far off from each other. The quote from Charleston Tree Company has been included for the front entrance and includes the pruning of the grand oak which came in at \$12,850. Tom inquired about the bus stop area which was

discussed at last month's meeting. The landscapers monitored where the bus stops to see if kids were indeed walking through the proposed planting area and found that they do not walk through here but rather utilized the sidewalk and street.

Amy made a motion to approve The Greenery's bid for completing the Front Entrance Enhancement project, with the inclusion of the bid from Charleston Tree Company to do the tree work. Johann Seconded. All in favor. Motion passed unanimously.

Next, the Board reviewed the Perseverance Traffic Circle renovation which came in at \$3,255. She stated that the old plantings have already been removed in this area and that Bartlett will be fertilizing the tree that was recently air spaded this month. The Board agrees that this proposal will significantly enhance the look of this area.

Amy made a motion to approve spending \$3,255.52 for the Perseverance Traffic Circle landscape renovation. Julie Seconded. All in favor. Motion passed unanimously.

Lastly, she went on to review the proposal for the replacement of the wooden bulkhead on the Montrose alley. It was noted that neighbors have complained of the frequency that the bulkhead has been hit and required repair. The proposal suggests replacing the wooden bulkhead with keystone block, which is significantly more durable. Jerry has been repairing this bulkhead at least once per month, which is a continued maintenance cost and not a permanent solution. It was also noted that keystone is used in other areas of the neighborhood so would be in line with the aesthetics of the neighborhood. The Board agrees that this needs to be replaced but would like for the Landscape Committee to look for another solution that would be less expensive. The committee will investigate other sustainable solutions and report back to the Board at next month's meeting.

IDC Liaison Report:

Mike provided an update to the Board stating that there have been 18 new submissions, 13 follow up items, 7 submissions that were approved via email, 2 final inspections that were unapproved, and 5 final inspections that were approved.

He then reported on several topics that were discussed at the last two IDC meetings. They discussed whether a survey should be required when submitting for screening trash and recycling receptacles. The IDC decided that a survey would not be required.

All new applications, fees, and checklists have been uploaded to the website. Starting February 3, 2021, all new IDC submissions must use these applications and checklists. Applications previously submitted but not yet approved are not required to use the new applications or pay the new fees. Any applications that have expired will be required to use the new applications and checklists when submitting.

The committee also discussed possible architectural guidelines for painting stucco and metal roofs a different color from the original. They determined that painting stucco houses a different color would continue to be approved. When discussing painting metal roofs, the IDC decided that they needed more information and further discussion to be able to make a final decision on the matter. Michael mentioned that the IDC expressed their concerns of residents painting their metal roofs because it would increase maintenance requests. Johann expressed his concern of the IDC approving or disapproving projects based on maintenance upkeep as the IDC is in place to solely give guidance based off aesthetics. Julie responded that she thinks there is value in taking caution when reviewing and approving maintenance type issues to avoid covenants issues, etc. Michael will relay these points to the IDC at their next meeting.

Lastly, it was noted that the landscape architects on the committee are now visiting on site before approving tree removals.

Covenants Committee:

Chris made a motion to approve violation fines being applied to two properties (discussed in executive session) and increase the fine amount on one property (discussed in executive session) that is currently being fined. Amy Seconded. All in favor. Motion passed unanimously.

Communications Committee:

Julie communicated her thoughts on working with one of the local colleges to investigate I'On's vision as well as other promises that were made in the original PD, in hopes to see what has worked well and what has not. She stated that she would like to gather data to examine what drives our property values and how we compare with other neighborhoods. The committee brainstormed how we might be able to bring the community together to plan this. She expressed her thoughts on possibly organizing a community survey. Amy also suggested looking into having a high school organize an environmental study in the neighborhood. Overall, the

Board agreed that this would be something valuable to look into while also promoting the reputation of the neighborhood. Julie will reach out to nearby schools and see what kind of proposal they might be able to provide.

Secretary: No Report

Board of Appeals: No Report

Other Business:

There being no further business to come before the Board of Trustees, the meeting adjourned at 7:56 pm. Next meeting will be held on March 15, 2021 at 6:00 pm.

Respectfully submitted by _____

Julie Hussey, Board Secretary