



ISLANDS OF BEAUFORT HOMEOWNERS ASSOCIATION

Board of Directors Meeting

MINUTES

Tuesday, September 9, 2025

2:00 PM

CALL TO ORDER AT 2:01 PM

PRESENT FOR MEETING:

Alex Kent, Eric Powell, Carmen Dillard, Kathy Whitehead, Shep Tate, Robert Bundy, Scott Whitehead, Fred Mueller, Marilyn Mueller, Nancy Brandt, Alan Dechovitz, Joanne Beyer, Linda Tunstall, Kathy Gardner, David Weber, David Elder, Chuck Martin, Lauri Martin, Richard Bayer, Jean Watson, Nancy Hanson, Jay Lloyd, Heather Lattanzio, Larry Brown, Mary Fabrini

COMMUNITY COMMENTS

- Clubhouse looks great. (Kathy Gardner)

PREVIOUS MINUTES COMMENTS – JULY 2025 (PRE-APPROVED AND POSTED)

- The approved July 2025 minutes were sent to Kathy Bundy and posted on the IOB website on July 21, 2025.

(The items below are hyperlinked to the report in this document. The title of each report is hyperlinked back to this page.)

[**FINANCE REPORT**](#)

[**MANAGEMENT REPORT**](#)

COMMITTEE REPORTS

[Marketing](#)

[Architectural Review Board](#)

[Clubhouse](#)

[Social](#)

[Grounds and Landscaping](#)

[Open Space](#)

[**OLD BUSINESS**](#)

[**NEW BUSINESS**](#)

[**FUTURE MEETING LOOK-AHEAD**](#)

FINANCE REPORT – KATHY WHITEHEAD

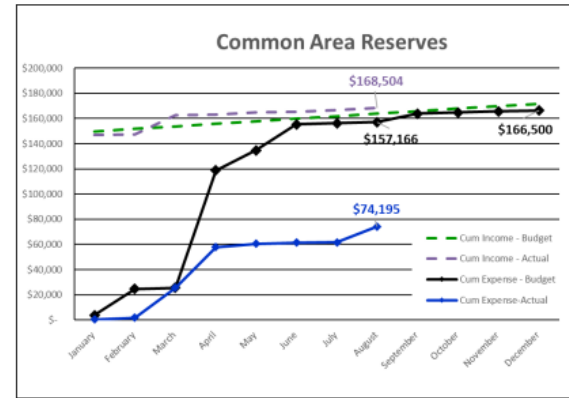
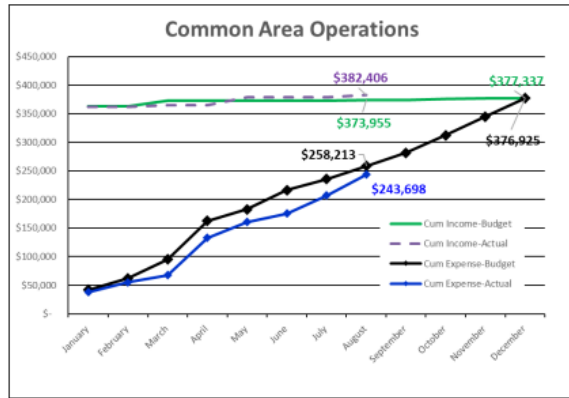
**Islands of Beaufort Homeowners Association
Board of Directors Meeting
Sept 9, 2025**

Financial Report – 08/31/25

YTD Actual vs Budget Report

Reserve Study Update

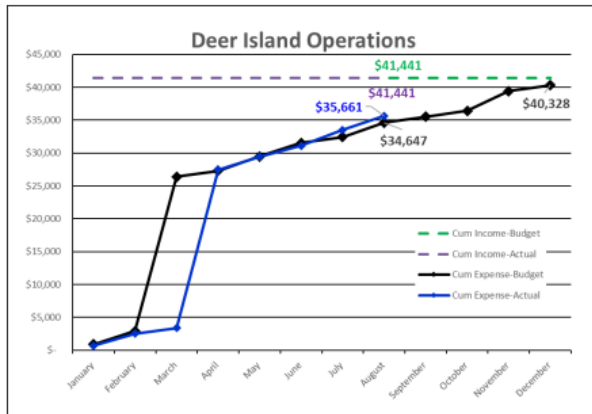
Budget Summary - Common Area Comparison of Plan to Actual – 8/31/25



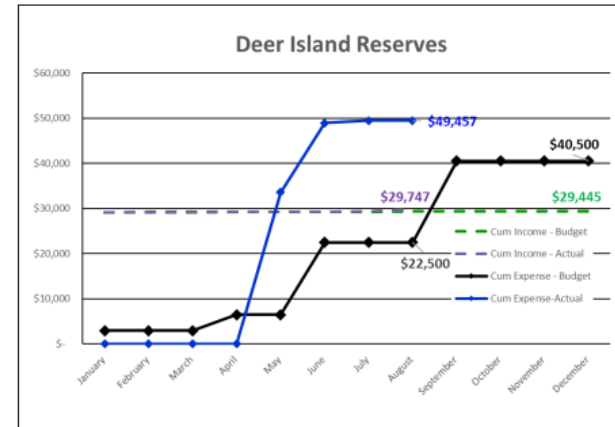
Common Area Operations Expenses	budget	actual	under (over)
Administrative Expenses	\$22,170	\$23,130	(\$960)
ARB Services	\$11,743	\$11,017	\$725
G&L Contracts/Mulch/Straw	\$49,597	\$44,416	\$5,181
Open Space Cmte	\$10,800	\$9,663	\$1,137
G&L Committee	\$8,652	\$8,500	\$152
Storm Water Infrastructure Maint	\$6,153	\$0	\$6,153 (for wet ponds cleanout)
Tree work	\$17,666	\$32,543	(\$14,877)
Storm Cleanup	\$921	\$500	\$421
Vacant Lot Maint - IOB properties	\$2,000	\$2,185	(\$185)
Vacant Lot Maint-Offset by Income	\$7,899	\$9,425	(\$1,526) income offset
Insurance & Taxes	\$56,344	\$56,304	\$40
Marketing	\$1,750	\$805	\$945
GoDaddy SSL			\$471
Clubhouse	\$6,803	\$7,224	(\$421)
Pool	\$12,878	\$14,006	(\$1,128)
Main Gate	\$7,451	\$4,936	\$2,515
lower repairs YTD			
Social/Hospitality Committee	\$1,365	\$3,352	(\$1,986)
Utilities	\$20,688	\$15,692	\$4,996
Contingency	\$13,333	\$0	\$13,333
Mktg \$471; open space \$2500			
Total	\$258,213	\$243,698	\$14,515

Common Area Reserves Expenses	budget	actual	under (over)
Stormwater infrastructure			
Repair/renovate DLG french drain across from DI gate	\$8,000	\$0	\$8,000
Clean main drainage ditch; jute erosion control/ferns	\$12,000	\$3,748	\$8,252
Clubhouse			
New flooring and stair treads	\$38,500	\$0	\$38,500
New kitchen cabinetry	\$28,000	\$0	\$28,000
New kitchen appliances	\$10,000	\$2,994	\$7,006
New kitchen countertop/backsplash	\$12,000	\$0	\$12,000
New powder room vanity and flooring	\$4,000	\$0	\$4,000
Front Gate Fencing	\$0	\$6,747	(\$6,747)
Pool	\$0	\$19,145	(\$19,145)
Bridges			
Repair of bridges	\$3,000	\$225	\$2,775
Replace approx 33 boards	\$0	\$27,840	(\$27,840)
Roads, Docks and Sidewalks			
Sidewalk removal/repair - Phase II	\$15,000	\$6,190	\$8,810
Seal Coating of roads	\$20,000	\$0	\$20,000
Other / Contingency			
\$500 Kayak Stand from 2024; Insur Ded \$6,476	\$6,666	\$7,306	(\$640)
Total	\$157,166	\$74,195	\$82,971

Budget Summary - Deer Island Comparison of Plan to Actual – 08/31/25



Deer Island Operations Expenses			
	budget	actual	under (over)
Backflow preventer inspection (47 Anchorage)	\$175	\$146	\$29
Bridge Insurance	\$22,635	\$21,395	\$1,241
Causeway Electrical (for gate operation)	\$416	\$439	(\$23)
Gate Equipment Lease [4 qtrs @ \$1,050]	\$3,330	\$3,366	(\$36)
Internet [Hargray] for: DI Gate	\$1,073	\$1,069	\$5
Gate maintenance, repairs, parts	\$667	\$645	\$22
Grounds and Landscape Contract	\$4,134	\$4,008	\$126
Irrigation Water	\$833	\$1,183	(\$350)
Landscape Maintenance - Materials and Labor	\$1,384	\$3,310	(\$1,926)
Stormwater Infrastructure Maintenance	\$0	\$0	\$0
Bank Fees	\$0	\$100	(\$100)
Property Taxes	\$0	\$0	\$0
	\$34,647	\$35,661	(\$1,014)



Deer Island Reserves Expenses			
	budget	actual	under (over)
Bridge Repairs (result of bridge inspection)	\$3,000	\$497	\$2,503
Bridge Walkway Coating - material only	\$0	\$0	\$0
Bridge Walkway - cleaning and labor to apply coating	\$0	\$0	\$0
Maintenance of wear board on roadway	\$3,500	\$48,960	(\$45,460)
Seal DI Causeway and Anchorage Way	\$16,000	\$0	\$16,000
	\$22,500	\$49,457	(\$26,957)

CASH BALANCES

	Actual Balances 08/31/25	Actual Balances 12/31/24	Increase from 12/31/24*
IOB Operating Cash	\$108,987	\$57,789	\$51,198
IOB Reserves Cash	\$678,584	\$517,324	\$161,260
DI Operating Cash	\$19,780	\$13,900	\$5,880
DI Reserves Cash	<u>\$108,675</u>	<u>\$128,485</u>	<u>\$(19,810)</u>
Total	\$916,026	\$717,498	\$198,528

*Includes \$67,050 transfer from 2025 CA Op Cash to CA Reserves Cash of 2024 Surplus on 1/25/25

Reserve Study

- On June 25, the HOA Board approved \$4,875 expenditure to engage Miller-Dodson to update the 2012 reserve study for IOB and DI.
- Reports normally completed in 30-60 days.
- Preliminary results provided 8/15, which were used to develop 2026 reserves budgets.
- Adjustments to inventory and assets' estimated remaining lives still under review by BOD.

Asset Condition Assessment		
Asset Group	Condition	Comments
Asphalt Pavement	Fair, but cracking and potholes (marginal or poor)	Overlay when 5% cracked; 18-20 yr normal life; crack repair annually; sealcoat every 5-7 yr
Concrete Work	Fair	Some tripping hazards
Gravel Paths	Good	Replace gravel periodically
Entry Monuments and Signage	Good	Re-point masonry as needed
Vehicle Access Systems	Good	Operating normally (when observed!)
Wood Fencing (IOB & DI Entries)	Fair	Repair damaged areas

Asset Condition Assessment



Asset Condition Assessment		
Asset Group	Condition	Comments
Cotton Island and Deer Island Bridges	Good	Wear boards ongoing replacement
Pool and Fencing	Good	
Tot Lot	Good	Minor tripping hazard at border
Wood Piers (CI and DLG):		
Structure	Good	
Railings	Poor	Splintering and cracking
Decking	Fair	
Tennis Courts	Good	Clean annually

Asset Condition Assessment (Continued)



Asset Condition Assessment		
Asset Group	Condition	Comments
Clubhouse:		
Building Roofing	Good	
Siding and Trim	Good	
Windows and Doors	Good	
Health & Fitness Center – All Components	Good	
Building Systems (HVAC)	Good	
Stormwater Management	Good	

Asset Condition Assessment (Continued)

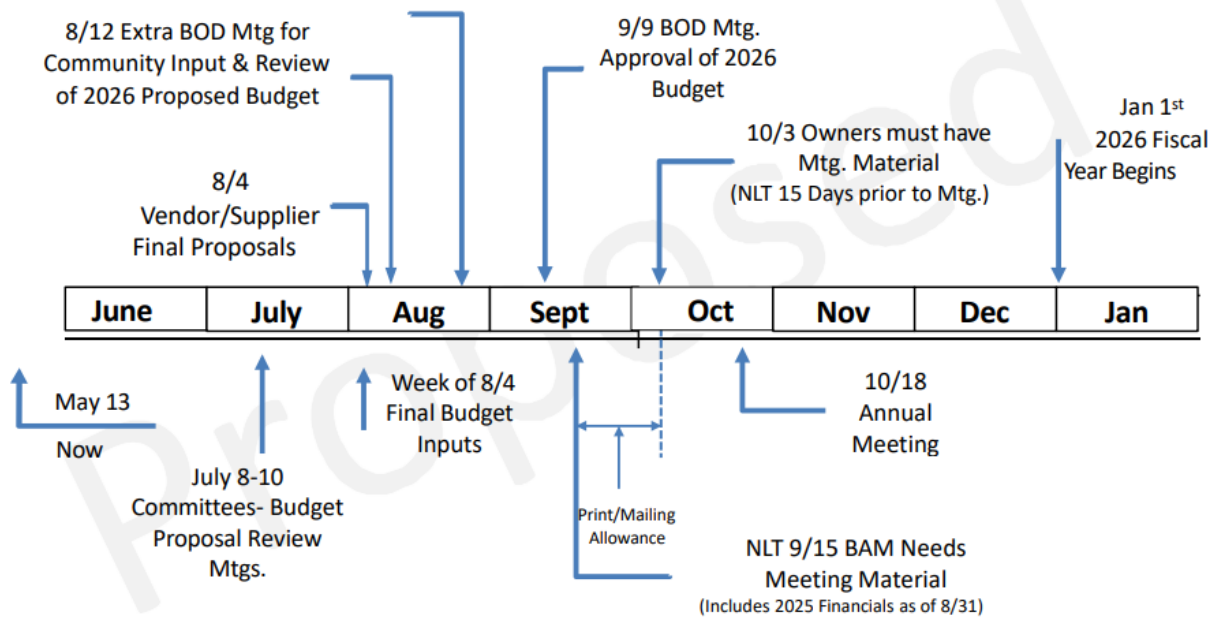


2026 IOB Budget Cycle Timeline

(CPI for June published July 15)

Meetings to Review Budget Proposals from Committees:
July 8 (morning); July 10 (afternoon)

- 1) Clubhouse; Grounds and Landscape; Open Space
- 2) Social; Marketing



IOB Covenants, ARTICLE VI: ASSESSMENTS; Section 3.(a)
 "... may not exceed the sum of five percent (5%) plus the percentage increase reflected in the U.S. City Average, Consumer Price Index- United States (published by the U.S. Bureau of Labor Statistics, Washington, D.C.) ... Consumer Price Index, for the twelve-month period ending the immediately preceding July 1."

CPI data published 7/15/25

Common Area Budget	2026 Budget	Notes
Common Area Operations Income		
\$		
Assessment Income		
Assessment 186 lots @ \$1,910 (1.9% decrease from 2025)	355,260	2025 was 186 lots @ \$1,947; up 3% 2024 to 2025
Other Income	22,331	
ARB Fees Income (2 homes @ \$1,250)	2,500	(Preliminary reviews are \$500)
Late Fees, Finance Charges	750	
Fines	0	
Legal Fees	0	
Gate Remotes	540	12 remotes @ \$45 each
Interest Income on Operating Funds	8,396	Ameris \$55k @ 3.41%+ \$200k @ 3.26%
Vacant Lot Maintenance	10,145	bush hogging, tree removal-reimb from property owners
Total Common Area Operations Income	377,591	2025 budget was \$377,337
Common Area Operations Expenses		
\$		
Administrative Expenses	41,958	2025 Budget was \$35,930 (new bank fees, higher legal in 2026)
Annual Meeting Expenses	1,500	\$1475 actual 2024
Accounting Fees	700	1099 Prep and Tax Returns
Legal Services	4,500	other than current lawsuit (deductible met); 2025 Budget was \$2,500
Bank Fees	2,400	ICS Network (2 accts @ \$100/mo)
Management Co Fees: Monthly Contract - BAM	30,158	\$2,513 per month; 3% increase in 2026
copier charges, office supplies	1,200	
postage	1,500	
ARB Services	18,268	
ARB Administrator	16,223	Same as 2025; increased 3% for 2025 and 2024
ARB Professional Support	1,545	architect; arborist; funded by ARB income
ARB Plan Digitizing Expense	500	same as 2025 budget; funded by ARB income

General Property Maintenance & Repairs	10,000	New category for 2026
Front Entry picket fence	5,000	
Other (docks, lighting, asphalt cracks, etc.)	5,000	
Grounds & Landscape & Open Space Expenses	132,525	2025 Budget was \$155,907
G&L Maintenance	80,380	2025 Budget was \$89,452
Contract	55,740	3% over 2025 contract amount
Pinestraw	8,800	3% increase over 2025 cost; additional areas; 2X/yr
Mulch	4,210	3% over 2025 cost; once per year
Palm Tree trimming	0	skip in 2026; planned for 2027
Irrigation repair and audit	4,000	same as 2025 budget
Planting renewals, incl street islands	4,000	same as 2025 budget
Other and Misc	2,380	Same as 2025 budget
Dog Fennel control	500	2025 cost \$4,903; 2026 IOB-owned common areas only
Backflow testing	750	inspect all 5 IOB backflow preventers at same time
Storm Water Infrastructure Maint	11,000	2025 Budget was \$10,000
Cleaning Wet Retention Pond bottoms	6,000	Same as 2025 Budget
Clean certain street drains as needed @ \$100-150	2,000	Same as 2025 Budget
Vacant lot erosion control	3,000	Estimated amount; 2025 Budget was \$2,000
Tree work	22,000	
Tree removal	18,000	was \$11,500 2025B, but actual will be higher
Trim/Fertilize/remove moss from IOB live oaks	0	\$18k in 2025; do every 2 or 3 years
Tree Replacements (for street trees)	4,000	
Storm Cleanup	2,000	New line item in 2025 (assumes 2 cleanups)
Vacant Lot Maint - IOB properties	2,000	8 (of 10) lots @ \$175 + limb pick up; same as 2025 budget
Vacant Lot Maint	10,145	offset by income recorded under "Other Income"
OPEN SPACE Project - TBD	5,000	Work to be determined and board approved

Insurance & Taxes	72,024	2025 budget was \$58,444 (no income tax budgeted)
Commercial Liability Insurance	4,095	\$3,900 actual 2025; 5% increase
Property Insurance	11,248	\$10,225 actual 2025; 10% increase (adding back storage bldg)
Umbrella Insurance	2,487	\$2,261 actual 2025; 10% increase; \$5 million coverage
Cotton Island Bridge Insurance	32,499	\$29,545 actual 2025; 10% increase
Bridge inspection (required by insur in fall 2026)	3,750	every other year (2026, 2028, etc.)-prior yrs was in reserves
Directors & Officers Insurance	6,731	\$6,119 actual 2025; 10% increase
Workmans Comp Insurance	541	\$525 actual 2025; 3% increase
Flood Insurance	1,565	\$1,490 actual 2025; 5% increase
Property Taxes	1,619	\$1,526 actual 2024; 3% increase (2 yr)
Volunteer Accident Insurance	315	\$350 actual 2025; 5% increase
Fed and State Income Taxes	7,175	35% of interest income net of bank fees + 10% prop mgmt fees
Marketing	5,300	2025 budget was \$4,150
Website maintenance	1,200	website management & maint \$150/hr; not to exceed \$1200
GoDaddy (domain registration)	200	renews in Feb.
GoDaddy SSL subscription (website advanced security)	0	renews in Jan 2030 for 5 years
Realtor Open House	0	bi-annual: 2025, 2027
Update video for online distribution	1,500	one time cost; current video is approx 15 yr old
Low Country Weekly	2,400	not printed in 2025

Clubhouse & Pool Expenses	29,810	2025 budget was \$31,832; pool cover will reduce exp.
Clubhouse	11,434	
Cleaning	5,892	Merry Maids: \$110/week, plus 3% increase
Operations & Maintenance	1,508	3% increase
Pest Control	2,090	Annual Pest Control, Termite Renewal, Wasps
Supplies and water	351	assumes 5% increase
Security/Lock System	1,000	assumes new system
Peloton bike access	593	5% increase
Pool	18,376	
Pool Service Contract	14,175	Beaufort Pool actual contract rates and schedule
DHEC Pool Permits	225	DHEC Pool Permit - (Adult \$125, Kiddie - \$100)
Chemicals	2,226	5% increase
Repairs, other	1,750	\$750 + \$600 for pool furniture repair; \$400 cover/uncover pool
Main Gate	8,868	2025 Budget was \$9,044
Equipment Lease [4 qtrs @ \$1,332]	5,328	\$1,332/qtr existing system incl icloud & gate VOIP phone
Gate remotes	540	offset by income recorded under "Other Income"
Entry Gate Routine Repairs	3,000	
Social/Hospitality Committee	9,250	2025 Budget was \$11,300
Community Events	850	4 events incl April cookout
Paper Products	included	
Annual Dinner Expenses	6,400	more residents
Merry Mingle	2,000	
Utilities	29,518	2025 budget was \$32,050
Electricity	17,000	\$17,000 2025 Budget
Internet [Hargray] for: Fr Gate & CH	3,518	\$1,675 6/30/25 YTD; 5% increase; \$6,050 2025 Budget
Water	9,000	\$8,848 2024 Actual; 6/30/25 YTD lower due to monitoring
Contingency	20,000	new item - started in 2025
Total Common Area Operations Expenses	377,521	2025B was \$376,925
Operations Surplus (Deficit)	70	2025 budget was surplus of \$412

Common Area Reserves Income		
Reserve Assessment Income (186 X \$1034) 31.4% incr.	192,324	2025 was 186 lots @ \$787
CI Bridge Impact Fee Income [0 @ \$8000]	0	was \$7,000 in 2025
Infrastructure Impact Fee [0 @ \$6,500]	0	was \$4,000 in 2025
IOB Kayak Storage	1,680	12@ \$120 per yr + 4 @ \$60
Interest Earned on Reserves Accounts	16,300	ICS Network (\$500k @ 3.26%)
Common Area Reserves Income	210,304	2025B was \$171,882
Common Area Reserves Expense		
	\$	
Clubhouse:	81,300	
Pool - convert main pool to salt water	defer	\$26,250 salt cell, control PPM for salt cell and acid feed & stenner pump
Pool - interior replaster both pools (marsite)	35,000	incl new rails, ladders
Pool - safety cover	4,800	to meet DES and INS regs when deck unlocked
Pool Kool Deck refinishing	13,500	repairs, paint and texture
Interior Furniture	28,000	with professional design assistance
Roads / Bridges / Docks/Sidewalks:	270,760	
Cotton Island Bridge wearboards (20% replacement)	61,760	replace 20% (386 boards) every other year
Cotton Island Bridge treatment (every 2 yrs)	16,000	
DLG dock treatment (every 2 yrs)	3,000	
CI dock replace/repair handrail	10,000	handrail only - Pressure treated wood (KDAT)
Repair areas marked on roadways (SBS proposal)	100,000	incl sealing 5 Oaks Cir
seal all roads	80,000	2021 - \$24k Is Ave & DLG; 2023 repairs Batt Chase + CI \$12k
Other / Contingency	20,000	
Common Area Reserves Expense	372,060	2025B was \$166,500
OPERATIONS + RESERVES	(161,686)	2025B was \$5,794

2026 Assessment Summary		
Common Area Assessments	\$	% Change from Prior Year
Operations Assessment	1,910	-1.9%
Reserve Assessment	1,034	31.4%
Special Assessment	0	0.0%
Total (2026 Max without vote is 7.7%)	2,944	7.68%
Increase per month	17.50	

Deer Island Budget	2026 Budget	Notes
Deer Island Operations Income	\$	
Operations Assessment (29 lots @ \$1,702) 19.1% incr.	49,358	2025 was 29 lots @ \$1,429
Total Deer Island Operations Income	49,358	2025 B was \$41,441
Deer Island Operations Expenses	\$	
Property Taxes	240	2024 actual was \$226; 3% annual increase for 2 yr
Gate Equipment Lease	4,488	\$1,122 per qtr - lease and phone
Internet (Hargray) for: DI Gate	1,608	\$134 per month
Causeway Electrical (for gate operation)	660	approx \$55 per mo
Gate maintenance, repairs, parts	1,000	same as 2025 Budget
Grounds and Landscape Contract	6,192	3% increase from 2025 actual cost
Landscape Maintenance - Materials and Labor	1,477	mulch, pine straw, no palm trimming in 2026
Replace dead plants/street islands clean up, misc	350	not budgeted in 2025
Irrigation repair, audit	1,800	not budgeted in 2025
Backflow Preventer Test	300	47 Anchorage Way & Entry Gate meters
Irrigation Water	2,000	based on 6 months 2025 actual of \$975
Bank Fees	1,200	\$100/mo for ICS Network
Federal and State Income Taxes on Interest less Fees	747	35%
Bridge inspection (required by insur in fall 2026)	3,750	every other year (2026, 2028, etc.)
Bridge Insurance	23,535	increase of 10% over 2025 actuals of \$21,395
Total Deer Island Operations Expenses	49,347	2025 B was \$40,328
DI Operations Surplus (Deficit)	11	

Deer Island Reserves Income		\$	
Reserves Assessment (29 lots @ \$1,097) 9.2% incr.	31,813		2025 was 29 lots @ \$1,005
DI Bridge Impact Fee Income [0 @ \$8,000]	0		2025 fee was \$7,000
Interest Earned on Reserve Accounts	3,335		\$100k balance (\$50k Ameris; \$50k ICS Network)
Total Deer Island Reserves Income	35,148		2025 B was \$29,445
Deer Island Reserves Expenses		\$	
Repaint/seal entry stamped asphalt pavers	3,500		
Seal DI Causeway and Anchorage Way	16,000		seal asphalt; repairs done in 2023 \$20,547
Total Deer Island Reserves Expenditures	19,500		2025 B was \$40,500
Surplus (Deficit) OPERATIONS + RESERVES	15,659		2025 B was \$(9,942)
2026 Assessment Summary			
Deer Island Lot Assessments		\$	% Change from Prior Year
Operations Assessment	1,702		19.1%
Reserve Assessment	1,097		9.2%
Special Assessment	0		0.0%
Total (2026 Max without vote is 15.0%)	2,799		15.0%
IOB Assessment Total	2,944		7.7%
Total IOB + DI Assessment for DI owners	5,743		11.1%
Increase per month, total IOB and DI for DI owners	47.92		

Questions?

Suggestions?

What information would you like to see?

Other Discussion Regarding the Financial Report

- Clubhouse repairs/renovations (92K plus water damage) are in this year's budget. Furniture only is slated for next year's budget.
- In 2026, we plan to -re-do the decking and pool surface.
- The focus for 2026 will need to be on the roads, bridges, and docks.
- The saltwater conversion is being delayed, and heating/cooling is no longer being considered.
- The pool cover will allow usage of the deck area while pool is not in use. This will make this area legal for gathering for other events around the pool deck.
- The Board is still gathering information from feedback at last week's meeting to introduce the proposed budget that was introduced to the community.
- The budgets for 2026 were approved by the Board.

MANAGEMENT REPORT – ROBERT BUNDY

- Management was in I.O.B. in August on the 1st, 11th and 25th.
- Management received and forwarded to the Board the quote from KO Power Wash to wash and install materials on the Deer Island bridge. The quote for the material to be used was received from Jacob Gallagher with Spectrum Paint was received and forwarded to the Board.
- Management received the quote to power wash the Cotton Island bridge and put one coat of a sealant on it.
- Kolcun Tree Care removed the large dead hardwood near the clubhouse, removed some dead limbs overhanging Palmetto Place, removed a damaged tree between 261 and 265 De La Gaye, a damaged pine tree from the small park on Cotton Island, two damaged hardwoods in the common area behind 201 De La Gaye and treated a tree for Black Twig Borer.
- Beaufort Area Pools provided a quote to convert the pool to a saltwater system, repair, paint and texture the pool deck, and resurface and plaster both pools. Alan (with Beaufort Area Pools) also provided his opinion about adding a cooler and heater to the pool (which he did not recommend) and covering the pool.
- Rev. Keeler called Bundy Management on August 25, 2025 and said that they have a funeral/celebration of life on October 18, 2025, so their fellowship hall will not be available. Management contacted several companies, organizations and churches AmVets Post 70 at 1831 Ribaut was chosen to hold the annual meeting. (Robert is scheduled to meet with Sean this Friday to set up the technology portion of the meeting.)
- Management notified Talbot that the tennis/pickleball net straps were disintegrating. Michael with Talbot had the straps replaced at no cost to the association.
- Management reached out to Atlantic Asphalt and Everline Coating for quotes to patch the street in front of the Deer Island gate and in front of 206 De La Gaye. Atlantic Asphalt sent in a quote for \$8,475.00, Everline Coating has not sent in a quote nor responded to an email from August 28th. Neither has responded regarding a quote to put a cold patch at these locations. ACE Hardware and Red Cap were also contacted regarding putting a cold patch at these locations. A message was left at ACE, Red Cap, and Superior Blacktop; all who replied that they did not do asphalt patching. Does anyone know someone who does cold patching?

- Management sent an email to both Atlantic Asphalt and Superior Blacktop Services to see if they would perform the same services as outline by F&ME Consultants. As of the typing of this report we have not received a reply.
- Dominion has been asked to provide a proposal to change out all of the streetlights to the Washington style with an LED fixture.
- The August 2025 financials were emailed to all board members September 2, 2025.
- Kayak agreements were received during May. There are a total of 12 slots in the two pier racks and 6 slots available in the land rack. At this time there is still one pier slot available and 4 slots available in the Land Rack.
- As of September 8, 2025, there are 2 properties on the Receivables list. Invoices have been mailed and emailed.

2025 Closings to date (2024 Closings =33) (2023 Closings= 19)

3/18/25	Lot 1-012	301 Islands Avenue	Wade Green from Murphy (lot)
3/26/25	Lot 2-007	23 Anchorage Way	Timothy/Traci McKennie from Pennington (house)
5/5/25	Lot 3-064	109 Palmetto Place	Mary Claire/Frederick Schneider from Tomlin (lot)
6/20/25	Lot 3-016	425 Battery Chase	James/Yana Thomas from Ertter (house)
6/30/25	Lot 2-024	51 Anchorage Way	Bretton/Gracie Lindsey from Sisco (house)

Pending Closings that attorneys have requested a certification of assessment:

9/26/25	2-009&2-010	31 Anchorage Way	John Wynn from Amick/Black/Amick
10/14/25	Lot 2-022	36 Anchorage Way	Hubert & Brenda Geerlings from Puckett

All directors can access the Association financials, reports and directory through their owner portal. When you login to your portal, on the left side of your screen you should see: Home, Payments, Requests, Announcements, Violations, documents, Contacts and Reports and Financials. If you need help setting up your portal email iobhoa@bundyinc.com and someone from our office will be able to assist.

MARKETING & COMMUNICATIONS COMMITTEE

- Comments/Discussion
 - Nancy Hansen inquired about the possibility of assigning a code to give to buyers to see the community.
 - Fred Mueller commented that in 2011, people were given opportunity to experience IOB and were afforded a specific code without realtor. He said this had been successful in the past and to his knowledge, was not abused. Fred recommends the practice be continued. The Board would need to approve giving a code to Kathy Bundy, Fred, or marketing which could be changed on a frequent/ routine basis.
 - Alex Kent shared that soon (once a new contract with a gate company is finalized) we will be able to create a unique guest code which is more ideal than assigning a code.
 - Jean Watson said that currently the assigned code is only for realtors who live in IOB, not for other realtors.
 - Bundy sends out a code to the association to send out to realtors. Bundy will periodically send out code and/or give Fred a temp code.

- Jay Lloyd asked if it would be possible for the onus to be on listing agent who could be assigned a code for their listing in IOB? A selling agent could call the listing agent to get the code.
- Nancy H. commented that none of the codes are on the MLS.
- The Board approved assigning a temporary code.
- Nancy asked about the procedure for a buyer to request to financial information for IOB. This request should go to Bundy and need approval by the Board.
- Jean announced that the marketing committee is planning a Fall Realtor Open House. (Date TBD)

ARCHITECTURAL REVIEW BOARD (ARB) – FRED MUELLER/ SHEP TATE

- Currently there are 103 residences built at IOB. There are 2 residences under construction – 2 on the mainland, and 1 on Cotton Island. There are 14 double lots and 10 lots are HOA owned. One residence is in ARB review. There are 66 lots to be developed, and IOB is 66% absorbed. (One particular builder owns a few lots and is discussing building of houses on some of the lots with a builder.)
- The status of residences under construction as visible from the street is listed below:

Name	Location	Permit Status	Foundation Status	Work Status
Lahn	325 Dela Gaye III-84	Permit issued 6-6-24	Foundation survey date 8-20-24	C of O approved and the Lahn’s have moved in
Kleckowski	Lot 83 329 Dela Gaye	Permit issued 9-16-24	Foundation survey date 11-12-24	Construction continues. Should complete in October
Pfeiffer	404 Islands Ave. IV-25	Permit issued 1-28-25	Foundation survey date 3-11-25	Construction continues. Should complete early 2026

- Several builders and architects are getting inquiries for building at IOB, but nothing is firming up as of now.
- Several residents are re-roofing, adding backyard fences, replacing windows and other property updates.
- A developer/contractor has bought several properties (7or 8) at IOB, but so far, has not reached out to the ARB any further.
- The ARB is cautious in its projection for construction in 2026. Current economic uncertainty along with fluctuating construction costs are a possible deterrent for construction. However, in the words of a new resident, “The beauty and tranquility of IOB is a positive draw to the discerning person looking to relocate in the Beaufort area.” The boom experienced in 2024-2025 won't repeat in 2026, but the community should expect one to two new builds a year for the foreseeable future.

Other Discussion:

- Fred shared that the general contractor for a home being constructed in IOB is given a code and can give construction employees for that job the code.

- We have six approved builders. All have been active in recent years, however in recent months, only two of those have been active in IOB.

CLUBHOUSE REPORT – DAVID & NANCY BRANDT/ERIC POWELL

- The shutters have been installed. Eric asked if we need to add shutters for the kitchen window.
- Eric reported that the crew installing the floor and kitchen cabinetry uncovered water damage caused by leaking from the powder room and in the kitchen area from a refrigerator leak. The damaged subfloors were removed and replaced prior to laying the new flooring.
- The kitchen countertops are being templated.
- The current renovations to the clubhouse will involve about 4-5 weeks of work.
- New French doors to the conference room will be installed in about 4 weeks.
- The kitchen will have temporary countertops and sink.
- All work is scheduled to be done before October 18th (date of annual meeting and party).
- The banister to the upstairs floor had become unsafe and required replacement of nosing/ flooring and handrails.

SOCIAL COMMITTEE –JOANNE BEYER/SUSAN SULLIVAN & KATHY WHITEHEAD

- Joanne Beyer asked about the follow up items listed below:
 - The garage still has items that need to be cleared out to which Eric replied it would.
 - Can any of the old kitchen cabinets be hung in the attic for Social Committee supplies? Eric said the cabinets are unusable as mold and mildew were found in some of the cabinets. He recommended donating them to Habitat for Humanity.
 - Status of electricity added for driveway for annual party– This has not been added yet but Eric said that the electricians will be here before annual party.
- Updates since the July 2025 Board Meeting
 - The Block Party was held September 6 at the basketball court, which included corn hole games - 28 attendees.
 - 24 chairs & 6 tables were purchased to eliminate rental costs and have already been utilized. These came in under the budgeted \$1,000 for a total of \$755.08
 - In August, the committee started sending out welcome letters to new house residents with links to the IOB website and our social events.
 - Annual Party - Deposits were placed for musician and caterer. Invitations were sent out on Sept 6th and due date is Oct 6th. Adult only party.
 - The Merry Mingle is ON for December 13, and we have 3 hosts. The clubhouse will be for deserts, drinks and coffee.
 - The Board approved the committee’s request for \$2,000 for the balance of the year.

GROUNDS & LANDSCAPE COMMITTEE/GREENERY REPORT - KATHY GARDNER & CARMEN DILLARD

Care/Maintenance by The Greenery:

- Regular maintenance 1-2 times a week per contract
- Planting of a live oak by Lot 36 on De La Gaye

- Planting of native grasses in the Five Oaks area and at the Cotton Island entrance
- Palm tree pruning in early August
- Ongoing cleaning of debris from retention ponds, ditches, and swales. (Cleaning schedule for ditches and swales is being changed from “as needed” to bi-weekly in rainier times and monthly in less rainy times.)
- Monthly dog fennel treatment (last treatment is early September 2025)
- Street sweeping of sand being washed into the street eroding off of hill sides and near construction sites. (Ongoing discussion about frequency and needed erosion remediation to prevent sand debris from washing into the street as much)
- Clubhouse
 - Rough-graded area where large oak fell, planted additional Society Garlic on either side of sidewalk, and transplanted existing farfugium and philodendron that were affected by the fallen tree
 - Allowing photocarpus by fence line between pool and wooded area to grow to a higher level to cover more of the fence line and allow for more privacy.
- Irrigation
 - Deer Island Gate
 - A new clock was installed for a meter to replace an old rotary clock
 - A meter was found to have a small, ongoing leak contributing to the higher water bills.
 - Checking irrigation systems to ensure water is being distributed adequately

Tree Work

- Tree/limb removals were done at the following locations:
 - Two large oaks from the front and side of the clubhouse.
 - A large damaged pine tree in the park area on Cotton Island.
 - The easement behind the Corsaro’s property
 - A water oak sharing at 261/265 DLG near street
 - Large detached limbs hanging over the street on Palmetto Place

Work in Progress or to be Done

- Tree work
 - Remove decayed water oaks on left side of courts by driveway and wooded area
 - Trim one live oak growing in magnolia in same area to allow tree to grow to its full potential
 - Remove any broken hangers from oak in front of clubhouse that might present a danger
 - Request that they complete removing remaining roots left behind from fallen oak in front of clubhouse
 - Remove large oak on right side of clubhouse which has an opening all the way through the tree
- Erosion remediation at lots 14 and 15 on De La Gaye
- Black twig borer treatment of Shumard (Red) Oak on front left side of clubhouse lawn
- Lot inspections (September/October)
- Fall pine straw installation (October)
- Purchase and install insulated irrigation backflow covers where needed

Other Discussion:

- The tape put on trees on some lots are survey markers.
- A question was raised about dead trees on lots. Alex said that if a tree is in danger of falling on your lot, you need to formally notify the private lot owners. This notification needs to be put in writing and sent registered mail. You might also want to talk to your insurance company.
- Water is running down the street between the Murphy and Mueller homes which has an oily appearance to it. Eric reports that he has BJWSA come to assess this when he lived at his previous home in that area. It was determined to be ground water from Palmetto Place which shows up on De La Gaye in that area when there is a large amount of rain. Eric ended up installing a French drain for his former home.
- Fred requested that the footpath/easement between Palmetto Place and De La Gaye continued to be kept mowed and cleared.
- Alex suggested that the Grounds and Landscaping committee work directly with property owners where their landscape (plants/shrubs, etc.) are encroaching onto sidewalks.

OPEN SPACE COMMITTEE – LINDA TUNSTALL

- Railing and plantation mix for the walkway, lighting, and a sign have been installed for Sunset Pointe and looks really good.
- Public foot paths/easements now have signs. Alan Dechovitz and open space members made 18-19 markers to install along foot paths. These have reflective disks which identifies these areas during dark.
- A community map is available on the website.

Other Questions/Discussion:

- Mary Fabrini asked if there are any walkways or footpaths on Deer Island. Alex said there is a path on the south end of Deer Island, which up to this point has not been brought up by Deer Island residents for further development of the walkway.

OLD BUSINESS

- Update- Sidewalk Repairs & Removal- Eric
 - Bids have been requested for the sidewalk in front of clubhouse, driveway, and Five Oaks by Colle's house.
 - The sidewalk in front of the Dechovitz's house holds water. Removal of the grass and installing a French drain is being considered.
- Deer Island Bridge Pedestrian Path Update
 - Working to get cleaning done, pedestrian path prepared and sealed
- Security System Update - Alex
 - Bids have been received from two companies to get us up to standards and deal with ongoing issues. One is the company who currently manages the security system, and the other company (with six technicians instead one) is offering services at a much lower cost.
 - The transition will be a bit of a headache.
- Lot 1 Fencing Update – Eric

- Fencing that spans 280' of 6 foot chain link fence from Lot 1-3 has been completed. This was done to keep people from outside the community entering through that area.
- The fencing was surveyed and flagged to ensure it was installed on association property.
- Road Maintenance Repairs – Robert is trying to get a second bid to cold-patch two pot holes – trying to get a second bid.

NEW BUSINESS

- High Speed Internet Proposal from Brightspeed - Alex
 - Brightspeed contacted the association about six months ago and again about two weeks ago regarding a preliminary proposal they submitted for offering high speed internet in IOB. Some residents requested we get more information as until recently, Hargray/Sparklight has been the only option for internet.
 - The Board will be meeting with Brightspeed representatives on September 18 to get additional information. Afterwards, the Board will begin sharing more details learned from the meeting and getting feedback from the community. This will be a major undertaking, including the disruption of laying of fiber underground throughout the community.
 - Ron Kleckowski (new community member) has a company involved in fiber work and has offered to review the proposal along with the Board.
 - Questions from Alan D:
 - Would Brightspeed also be willing to pull electricity to center islands while they are horizontal boring to lay the cable?
 - As Brightspeed is installing fiber along street easements, will they be taking down trees that might be in decline?
- Transfer Fees Discussion (Covenant Change)
 - Discussion
 - Alex presented a PowerPoint presentation with information about transfer fees. (See appendix below for the presentation.)
 - According to IOB legal representation, a covenant change would be required for implementing transfer fees.
 - Typically, the buyer pays the transfer fee, however, in some cases, it can be negotiated for the seller to pay.
 - Comments/questions from those in attendance at the meeting:
 - Jean Watson, a realtor, said that IOB is in the minority of those communities not charging transfer fees. Robert Bundy said that almost all new developments have a transfer fee now.
 - Bundy Management charges for a certificate of assessment which is requested by the attorney handling the closing.
 - Alex said that it has been reported that older communities have made a covenant change regarding transfer fees.
 - Kathy Whitehead said that according to the CPA, transfer fees would be taxable income with approximately 35% going to pay taxes.
 - Linda Tunstall asked if .33% should be considered instead of .5%.
 - Shep commented that consideration of implementing transfer fees will be a significant marketing effort particularly to lot owners.

- Jay Lloyd reminded the group that the people in this meeting are not a reflection of the entire IOB population. The idea of transfer fees needs to be marketed as something of value.
- If approved, transfer fee information should be on the website. Transfer fees are on real estate disclosure forms.
- Questions:
 - How many lot owners are planning to build?
 - If approved, what would be the start date?
 - Do transfer fees provide more stabilization for flipping lots?
 - Can transfer fee be raised once in the covenant?
 - Could funds be used for something besides reserves?
- It was suggested by Alan Dechovitz to do a special assessment of \$300 per lot (“up big”) to build up the reserves. Verify exactly where the money would go. Covenants – have to be for a specific project.
- Alex will continue to work with legal to craft a covenant change. (Note: As of last week we have since learned that SC law prohibits us from moving forward with this action.)
- Rules and Regulations Proposed Revisions – Alex
 - Owners of unimproved lots and homeowners need to take down trees that might be a danger
 - No home office may be used for craft trades such as machine or industrial work (amend rule to reflect nuisances, noise problems, traffic problems)
 - Open house signage –Nancy/Jean - restriction around signs, operations, realtors try to coordinate, open houses are beneficial, no other community that does what is being proposed including gated communities.
 - No contractor work on Sundays unless for special conditions such as storm cleanup and with board approval.
 - Speed limit to 15 mph on bridges
 - The Board will discuss this topic further.

FUTURE MEETING LOOK-AHEAD

- Reminder of remaining 2025 Board meetings
 - Oct 18th Annual Meeting –10:00 am (please arrive by 9:30 am)
Location: AMVETS Meeting Room/ 1831 Ribaut Road/ Port Royal, SC 29935
 - Nov. 11 – 2:00 pm – IOB Clubhouse

A MOTION WAS MADE TO ADJOURN AT 4:16 PM. THE BOARD WENT INTO EXECUTIVE SESSION.

APPENDIX:



Problem Statement- Rising Reserve Expenses

- As an association, we're facing rising material & labor costs, coupled with aging reserve assets
- The adoption of transfer fees; however modest, over time could add significantly to our reserves in preparation for projected major expenses such as asphalt milling & paving

IOB Covenant Requirements to Enact a Transfer Fee

- Amendment to the CCRS allowing for this transfer fee assessment to any new Lot owner, one that is not granted through wills, trust, or law. (It would only be for only bona-fide third party Buyers, as any other transfer fee would be in violation of South Carolina law on alienation and unreasonable fees to Property).
- To Amend the CCRS we would need an affirmative vote by 2/3 Owners held at a Meeting called by the Board.

Sampling of Other HOA Communities Transfer Fee Structuring

• City Walk	Capital Contribution of 250% of the annual dues
• Hamilton Village	1% of Purchase Price
• Heyward Point	Capital contribution equal to 1-year annual base assessment.
• Liberty Point	Equal to 3 months assessments
• Newpoint	Initiation Fee equal to the current annual assessment.
• Olde Tabby Park	Resale Assessment equal to 0.25% for the sales price.
• Overlook at Battery Creek	Transfer fee of \$1500.
• Oyster Bluff HOA	0.25% of the sales price.
• Picket Fences	Transfer fee of \$1500.
• Pine Ridge	New Owner Fee equal to 0.25% of the purchase price
• Village at Battery Creek	Working Capital Assessment equal to 1/6 of the annual assessment + Capital Reserve Assessment of \$2,000.

IOB Ownership Profile

- Currently 103 residences built at IOB with 2 under construction
- 14 Double lot owners (mostly residents)
- 68 lots remain for building
- Would require ~125 votes to pass a CCRS change and need support from both residents and undeveloped property owners
- Structure of proposed transfer fees must accommodate a broad range of property values to order gain community-wide support, especially undeveloped lot owners
- Transfer fees are typically paid by purchaser, may impact ability to sell if too high
- *Even a modest transfer fee per transaction will add to our reserves over time*

Revenue Potential- Example

- Transfer Fee at \$1500/transaction at 10 transactions \$15,000
- Transfer Fee at 1-year Common Annual Assessment at 10 transactions ~\$30,000
- Transfer Fee at 1% of Purchase Price with 5 homes at average \$1.2M/home and 5 lots at \$75K (\$12,000/home & \$750/lot) ~\$64K
- Transfer Fee at 0.25% of Purchase Price with 5 homes at \$1.2M/home and 5 lots at \$75K (\$3,000/home & \$188/lot) ~\$16K

Best Case Scenarios with Possibility to Pass

- Transfer Fee at 0.25% (or less) of Purchase Price
 - Minimum impact to undeveloped lot purchasers (<\$200/transfer)
 - Tiered transfer fee for those purchasing homes (\$2500 per million/transfer)
- Transfer Fee at 0.20% (or less) of Purchase Price
 - Minimum impact to undeveloped lot purchasers (<\$200/transfer)
 - Tiered transfer fee for those purchasing homes (\$2000 per million/transfer)

Discussion