



**DRAFT**

**ANNUAL MEETING  
October 18, 2025  
MINUTES**

**Quick Reference (Hyperlinked)**

[Financial Report and Budget Presentation](#)

[Committee Reports](#)

[Unfinished Business](#) and [New Business](#)

**Pages**

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1. CALL TO ORDER

The meeting was called to order at 10:01 am. We have a quorum.

2. PROOF OF NOTICE OF MEETING OR WAIVER OF NOTICE

Proof of notice went out on 9/30/25 to meet the requirement of notification 2 weeks in advance of the annual meeting.

3. ATTENDANCE FOR MEETING

Properties represented: 99

Properties represented in person: 48

Properties represented by proxy: 51

4. OPENING COMMENTS

Alex told the group that it has been a very productive as well as a challenging year. He appreciates all the work the Board members and committee members have done.

5. MINUTES OF 2024 ANNUAL MEETING

Kathy Whitehead made a motion to accept the 2024 annual meeting minutes. Eric Powell and Kelly Mitchell simultaneously seconded the motion. The 2024 annual meeting minutes were approved.

6. [FINANCIAL REPORT AND BUDGET PRESENTATION – Kathy Whitehead](#)

Kathy reported on the following three parts of the Financial Report:

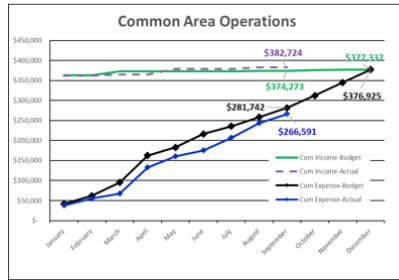
A. Financial Report through 9/30/25

B. Reserve Study update

C. Review of the approved 2026 Budget

The packet received by IOB members had financial information through the end of August. At the time of the packet mailing, the financial information for September was not yet available. Kathy provided updated information through 9/30/25.

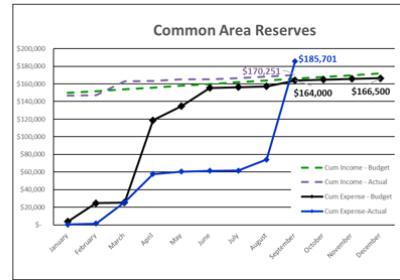
## Budget Summary - Common Area Comparison of Plan to Actual – 9/30/25



Common Area Operations Expenses	budget	actual	under (over)
Administrative Expenses	\$25,291	\$26,297	(\$1,006)
ARB Services	\$13,243	\$12,369	\$873
G&L Contracts/Mulch/Straw	\$54,230	\$48,926	\$5,304
Open Space Cmte	\$10,800	\$9,663	\$1,137
G&L Committee	\$9,164	\$11,324	(\$2,160)
Storm Water Infrastructure Maint	\$6,153	\$0	\$6,153 (for wet ponds cleanout)
Tree work	\$21,125	\$32,543	(\$11,418) Kolcun \$18,076
Storm Cleanup	\$921	\$500	\$421
Vacant Lot Maint- 108 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	\$3,850	\$805	\$3,045
Clubhouse	\$9,321	\$8,323	\$998
Pool	\$14,472	\$15,775	(\$1,303)
Main Gate	\$7,724	\$6,061	\$1,663
Social/Hospitality Committee	\$1,365	\$3,352	(\$1,986)
Utilities	\$22,839	\$17,865	\$4,975
Contingency	\$15,000	\$4,875	\$10,125
	\$281,742	\$266,591	\$15,151

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Common Area Reserves Expenses	budget	actual	under (over)
<b>Stormwater Infrastructure</b>			
Repair/replace ate D/G french drain across from DI gate	\$8,000	\$0	\$8,000
Clean main drainage ditches just erosion control/ferns	\$12,000	\$3,748	\$8,252
<b>Clubhouse</b>			
New flooring and stair treads	\$38,500	\$41,912	(\$3,412)
New kitchen cabinetry	\$28,000	\$27,224	\$776
New kitchen appliances	\$10,000	\$10,408	(\$408) incl plumbing fixtures
New kitchen countertop/backsplash	\$12,000	\$6,825	\$5,175
Reframe Can/LR Wall + French Door	\$0	\$8,282	(\$8,282)
New powder room vanity and flooring	\$4,000	\$0	\$4,000
Balcony & Stair Handrails	\$0	\$7,749	(\$7,749)
Job Supervision/Cleaning/Debris removal	\$0	\$3,629	(\$3,629)
Front Gate Fencing	\$0	\$6,747	(\$6,747)
Shutters	\$0	\$8,122	(\$8,122)
Pool	\$0	\$19,145	(\$19,145)
<b>Bridges</b>			
Repair of bridges	\$3,000	\$25	\$2,975
Replace approx 33 boards	\$6,000	\$27,840	(\$21,840)
<b>Roads, Docks and Sidewalks</b>			
Sidewalk removal/repair - Phase II	\$15,000	\$6,190	\$8,810
Seal Coating of roads	\$30,000	\$0	\$30,000
<b>Other / Contingency</b>			
	\$7,500	\$7,626	(\$126)
	\$164,000	\$185,701	(\$21,701)

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### Comments pertaining to the slide:

#### Common Area Operations

Actual income is shown in purple at approximately \$382,000. This is about \$8,500 ahead of budget due primarily to the sale of the landscape equipment that was used by Jeff Gresham when he did the landscape maintenance prior to his retirement. This equipment was no longer needed after Jeff's retirement and the hiring of The Greenery to provide landscape maintenance services.

Actual expenses are shown in blue, which amount to approximately \$266,000 and are under budget by about \$15,000. The details of the expenses are listed toward the bottom of the slide. The largest budget over-budget expense has been tree work of about \$11,000, which is off-set by about \$10,000 with the contingency line item that was added in the 2025 budget. Some of the budget variances are timing differences. For example, expenses for the Annual Dinner were paid earlier than planned in the budget. Additionally, under stormwater maintenance, the wet ponds still need to be cleaned. This is planned for later this year.

Kathy expressed appreciation for the work by all committees to trim operational expenses to come in at budget by the end of this year.

#### Common Area Reserves

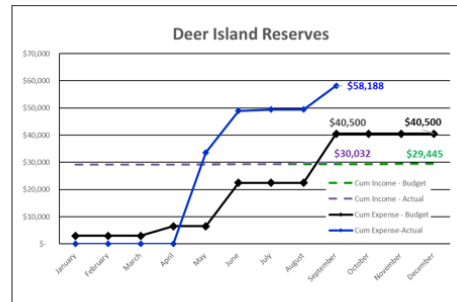
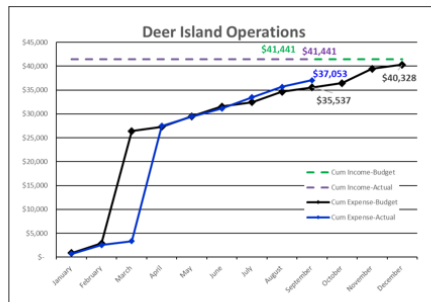
Actual Income of about \$170,000 is about \$4,000 above the budget of \$166,000 due mostly to interest income on the Ameris Bank accounts and the ICS network that were put into place July 2025.

Reserved spending detailed at the bottom of the slide is \$185,701 compared to the budgeted amount of \$164,000. Spending is focused largely on the clubhouse renovations. During renovations, some unexpected conditions such as rotting under some areas of the flooring and instability of handrails on the stairwell and balcony rail were discovered and had to be replaced. The scope of work was increased for opening up the wall between the conference room and the living room to make both of those areas more functional. The change in the pool service operators resulted in the need to make some unexpected equipment changes and replacements including tilework.

Other spending included replacing most of the shutters on the clubhouse (which was deferred from last year) and replacing more wear boards than expected on the Cotton Island bridge due to heavy wear from the construction of four new homes on the island. Most of the infrastructure fees that fund those repairs appeared income for the previous year. Fencing was also installed along the front property line of the neighborhood to reduce intrusions by foot traffic.

Taking all of this into account reserve expenditures are over-budget by approximately \$22,000 so far. During the 4<sup>th</sup> quarter the Board expects to replace the security system, do some road and drain repairs, and replace the damaged sidewalk in front of the clubhouse and the damaged driveway apron. If we get all that done by the end of the year, Kathy expects the reserve expenditures will be overspent by approximately \$100,000.

**Budget Summary - Deer Island**  
Comparison of Plan to Actual – 09/30/25



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)	\$468	\$495	(\$27)
Gate Equipment Lease [4 qtrs @ \$1,050]	\$3,330	\$3,366	(\$36)
Internet [Hargray] for: DI Gate	\$1,208	\$1,202	\$6
Gate maintenance, repairs, parts	\$750	\$770	(\$20)
Grounds and Landscape Contract	\$4,650	\$4,509	\$141
Irrigation Water	\$937	\$1,379	(\$442)
Landscape Maintenance - Materials and Labor	\$1,384	\$3,592	(\$2,208)
Stormwater Infrastructure Maintenance	\$0	\$0	\$0
Bank Fees	\$0	\$200	(\$200)
Property Taxes	\$0	\$0	\$0
	\$35,537	\$37,053	(\$1,517)

Deer Island Reserves Expenses	budget	actual	under (over)
Bridge Repairs (result of bridge inspection)	\$3,000	\$497	\$2,503
Bridge Walkway Coating - material only	\$6,000	\$8,730	(\$2,730)
Bridge Walkway - cleaning and labor to apply coating	\$12,000	\$0	\$12,000
Maintenance of wear board on roadway	\$3,500	\$48,960	(\$45,460)
Seal DI Causeway and Anchorage Way	\$16,000	\$0	\$16,000
	\$40,500	\$58,188	(\$17,688)

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**Comments pertaining to the slide:**

*Deer Island Operations*

The actual income (in purple) is \$41,441 and it is equal to the budget as it is the only line item for the Deer Island Income. It is comprised of their annual assessments. The total expenses are approximately \$37,000 and operations expenditures are overbudget by approximately \$1,500.

The largest over-budget expense category (toward the bottom of the slide) is Landscape Maintenance due to the tree trimming done earlier in the year by Kolcun. This wasn't budgeted in Deer Island but some tree trimming needed to be done.

The largest under-budget category was Bridge Insurance where about \$1,200 was saved this year.

*Deer Island Reserves*

Income was slightly above the projected budgeted income primarily due to interest income. The actual expense of approximately \$58,000 was over the budget of \$40,500 primarily due to

replacement of a lot more bridge wear boards than expected and the ordering of materials to coat the pedestrian walkway.

So far this year, Deer Island Reserves expenditures are over-budget by \$17,688.

During the 4<sup>th</sup> quarter, the Board expects to replace the security system at the Deer Island gate and complete the bridge coating and walkway. If all of that is completed by December 31<sup>st</sup>, Kathy estimates that the Deer Island budget will be overspent by approximately \$50,000.

## CASH BALANCES

	Actual Balances 09/30/25	Actual Balances 12/31/24	Increase/ (Decrease) from 12/31/24*
IOB Operating Cash	\$92,658	\$57,789	\$ 34,869
IOB Reserves Cash	\$563,849	\$517,324	\$ 46,525
DI Operating Cash	\$18,488	\$13,900	\$4,588
DI Reserves Cash	<u>\$100,129</u>	<u>\$128,485</u>	<u>\$(28,356)</u>
<b>Total</b>	<b>\$775,124</b>	<b>\$717,498</b>	<b>\$ 57,626</b>

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

**Comments pertaining to the Cash Balances slide:**

We have approximately three-quarters of a million dollars as of 9/30/25 with an increase from the 12/31/24 balance of \$57,626. Almost all income comes in at the beginning of the year from assessment income, so the balance is always higher then. As the year progresses, spending reduces that balance. The projected balance at the end of this year after capital and operations spending is approximately \$560,000 or a reduction of a \$157,000 during this full calendar year.

# Reserve Study Update

- HOA Board engaged Miller-Dodson to update the 2012 reserve study for IOB and DI.
- Preliminary results used to develop 2026 reserves budgets.
- Met twice with IOB community (9/2 and 9/9).
- Need enough reserves to maintain and replace HOA's existing assets as needed over next 40-year period. Current reserve balances and assessments insufficient now.
- Covenants limit the Board's annual assessment authority (IOB: CPI + 5%; DI: flat 15%). Higher increases require assent of majority of voting membership.
- Board is reviewing replacement costs, useful/remaining lives and actively developing strategies to build HOA reserves as key 2026 deliverable.
- First step (Completed) – Limiting operating expenses and increasing proportion of 2026 annual assessment that goes to reserves.

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## **Comments pertaining to the Reserve Study Update slide:**

The last reserve study was done 14 years ago in 2012. As part of the current study, Miller-Dodson updated the Islands of Beaufort inventory of assets and how often each one needs to be replaced using industry-standard costs as well as Islands of Beaufort's past experience. Miller-Dodson looked at the current conditions of assets then estimated when replacement might be needed over the next 40 years. These assets include the roads, bridges, concrete (mostly sidewalks), two docks, pool, clubhouse, tennis/pickleball courts, and the basketball court area. From this they calculated an annual cost for the assets. The Board has built their own model that duplicates their calculations which will allow the Board to update estimates and plans moving forward.

Since the study indicated insufficient reserve amounts to address the assets as needed, operating expenses were consciously limited to increase the proportion of annual assessments for reserves as a first step in developing the 2026 budget. The Board used the reserve study to develop the 2026 Reserves budgets and met twice with the IOB community to explain the process.

Roads are the most expensive asset. The Board is working on a realistic and ongoing plan for their maintenance and replacement. A significant amount of the 2026 budget has been set aside for this.

## **Review of the 2026 Budget Slides (pages 6-8)**

Common Area Budget	2026 Budget	2025 Budget	2026 Notes
<b>Common Area Operations Income</b>	\$	\$	
<b>Assessment Income</b>			
Assessment 186 lots @ \$1,910 (1.9% decrease from 2025)	355,260	362,142	2025 was 186 lots @ \$1,947; up 3% 2024 to 2025
<b>Other Income</b>	22,331	15,195	
ARB Fees Income (2 homes @ \$1,250)	2,500	3,750	(Preliminary reviews are \$500)
Late Fees, Finance Charges	750	750	
Fines	0	0	
Legal Fees	0	0	
Gate Remotes	540	540	12 remotes @ \$45 each
Interest Income on Operating Funds	8,396	0	Ameris \$55k @ 3.41%+ \$200k @ 3.26%
Vacant Lot Maintenance	10,145	10,155	bush hogging, tree removal-reimb from property owners
<b>Total Common Area Operations Income</b>	<b>377,591</b>	<b>377,337</b>	<b>2025 budget was \$377,337</b>
<b>Common Area Operations Expenses</b>	\$	\$	
<b>Administrative Expenses</b>	<b>41,958</b>	<b>35,930</b>	
Annual Meeting Expenses	1,500	1,000	\$1475 actual 2024
Accounting Fees	700	650	1099 Prep and Tax Returns
Legal Services	4,500	2,500	other than current lawsuit (deductible met)
Bank Fees	2,400	0	ICS Network (2 accts @ \$100/mo)
Management Co Fees: Monthly Contract - BAM	30,158	29,280	\$2,513 per month; 3% increase in 2026
copier charges, office supplies	1,200	1,000	
postage	1,500	1,500	
<b>ARB Services</b>	<b>18,268</b>	<b>18,268</b>	
ARB Administrator	16,223	16,223	Same as 2025; increased 3% for 2025 and 2024
ARB Professional Support	1,545	1,545	architect; arborist; funded by ARB income
ARB Plan Digitizing Expense	500	500	funded by ARB income

Common Area Budget	2026 Budget	2025 Budget	2026 Notes
<b>General Property Maintenance &amp; Repairs</b>	<b>10,000</b>	<b>0</b>	New category for 2026
Front Entry picket fence	5,000	0	
Other (docks, lighting, asphalt cracks, etc.)	5,000	0	
<b>Grounds &amp; Landscape &amp; Open Space Expenses</b>	<b>132,525</b>	<b>155,907</b>	
<b>G&amp;L Maintenance</b>	<b>80,380</b>	<b>89,452</b>	
Contract	55,740	55,595	3% over 2025 contract amount
Pinestraw	8,800	8,656	3% increase over 2025 cost; additional areas; 2X/yr
Mulch	4,210	8,206	3% over 2025 cost; once per year
Palm Tree trimming	0	2,115	skip in 2026; planned for 2027
Irrigation repair and audit	4,000	4,000	
Planting renewals, incl street islands	4,000	4,000	
Other and Misc	2,380	2,380	
Dog Fennel control	500	4,000	2025 cost \$4,903; 2026 IOB-owned common areas only
Backflow testing	750	500	inspect all 5 IOB backflow preventers at same time
<b>Storm Water Infrastructure Maint</b>	<b>11,000</b>	<b>10,000</b>	
Cleaning Wet Retention Pond bottoms	6,000	6,000	
Clean certain street drains as needed @ \$100-150	2,000	2,000	
Vacant lot erosion control	3,000	2,000	
<b>Tree work</b>	<b>22,000</b>	<b>31,500</b>	
Tree removal	18,000	11,500	was \$11,500 2025B, but actual will be higher
Trim/Fertilize/remove moss from IOB live oaks	0	10,000	\$18k in 2025; do every 2 or 3 years
Tree Replacements (for street trees)	4,000	10,000	
<b>Storm Cleanup</b>	<b>2,000</b>	<b>2,000</b>	
Vacant Lot Maint - IOB properties	2,000	2,000	8 (of 10) lots @ \$175 + limb pick up
Vacant Lot Maint	10,145	10,155	offset by income recorded under "Other Income"
OPEN SPACE Project - TBD	5,000	10,800	Work to be determined and board approved

Common Area Budget	2026 Budget	2025 Budget	2026 Notes
<b>Insurance &amp; Taxes</b>	<b>72,024</b>	<b>58,444</b>	No income tax budgeted in 2025
Commercial Liability Insurance	4,095	4,300	\$3,900 actual 2025; 5% increase
Property Insurance	11,248	10,055	\$10,225 actual 2025; 10% increase (adding back storage bld
Umbrella Insurance	2,487	1,775	\$2,261 actual 2025; 10% increase; \$5 million coverage
Cotton Island Bridge Insurance	32,499	31,250	\$29,545 actual 2025; 10% increase
Bridge inspection (required by insur in fall 2026)	3,750	0	every other year (2026, 2028, etc.)-prior yrs was in reserves
Directors & Officers Insurance	6,731	6,439	\$6,119 actual 2025; 10% increase
Workmans Comp Insurance	541	895	\$525 actual 2025; 3% increase
Flood Insurance	1,565	1,330	\$1,490 actual 2025; 5% increase
Property Taxes	1,619	2,100	\$1,526 actual 2024; 3% increase (2 yr)
Volunteer Accident Insurance	315	300	\$350 actual 2025; 5% increase
Fed and State Income Taxes	7,175	0	35% of interest income net of bank fees + 10% prop mgmt fees
<b>Marketing</b>	<b>5,300</b>	<b>4,150</b>	
Website maintenance	1,200	1,200	website management & maint \$150/hr; not to exceed \$1200
GoDaddy (domain registration)	200	200	renews in Feb.
GoDaddy SSL subscription (website advanced securit	0	0	renews in Jan 2030 for 5 years
Realtor Open House	0	750	bi-annual: 2025, 2027
Update video for online distribution	1,500	0	one time cost; current video is approx 15 yr old
Low Country Weekly	2,400	2,000	not printed in 2025

Common Area Budget	2026 Budget	2025 Budget	2026 Notes
<b>Clubhouse &amp; Pool Expenses</b>	<b>29,810</b>	<b>31,832</b>	
<b>Clubhouse</b>	<b>11,434</b>	<b>12,433</b>	
Cleaning	5,892	6,000	Merry Maids: \$110/week, plus 3% increase
Operations & Maintenance	1,508	2,678	3% increase over projected 2025
Pest Control	2,090	2,090	Annual Pest Control, Termite Renewal, Wasps
Supplies and water	351	600	assumes 5% increase over 2025 projection
Security/Lock System	1,000	500	assumes new system; budget too low in 2025
Peloton bike access	593	565	5% increase
<b>Pool</b>	<b>18,376</b>	<b>19,399</b>	Pool cover will reduce exp.
Pool Service Contract	14,175	14,050	Beaufort Pool actual contract rates and schedule
DHEC Pool Permits	225	225	DHEC Pool Permit - (Adult \$125, Kiddie - \$100)
Chemicals	2,226	3,000	
Repairs, other	1,750	2,124	\$750 + \$600 for pool furniture repair; \$400 cover/uncover po
<b>Main Gate</b>	<b>8,868</b>	<b>9,044</b>	
Equipment Lease [4 qtrs @ \$1,332]	5,328	5,504	\$1,332/qtr existing system incl icloud & gate VOIP phone
Gate remotes	540	540	offset by income recorded under "Other Income"
Entry Gate Routine Repairs	3,000	3,000	
<b>Social/Hospitality Committee</b>	<b>9,250</b>	<b>11,300</b>	
Community Events	850	500	4 events incl April cookout
Paper Products	included	300	
Annual Dinner Expenses	6,400	7,500	more residents; expenses controlled
Merry Mingle	2,000	3,000	more residents; expenses controlled
<b>Utilities</b>	<b>29,518</b>	<b>32,050</b>	2025 budget was \$32,050
Electricity	17,000	17,000	
Internet [Hargray] for: Fr Gate & CH	3,518	6,050	\$1,675 6/30/25 YTD; 5% increase;
Water	9,000	9,000	\$8,848 2024 Actual; 6/30/25 YTD lower due to monitoring
<b>Contingency</b>	<b>20,000</b>	<b>20,000</b>	new item - started in 2025
<b>Total Common Area Operations Expenses</b>	<b>377,521</b>	<b>376,925</b>	
<b>Operations Surplus (Deficit)</b>	<b>70</b>	<b>412</b>	

Common Area Budget	2026 Budget	2025 Budget	2026 Notes
<b>Common Area Reserves Income</b>	\$	\$	
Reserve Assessment Income (186 X \$1034) 31.4% incr	192,324	146,382	2025 was 186 lots @ \$787
CI Bridge Impact Fee Income [0 @ \$8000]	0	7,000	fee was \$7,000 in 2025
Infrastructure Impact Fee [0 @ \$6,500]	0	12,000	fee was \$4,000 in 2025
IOB Kayak Storage	1,680	1,500	12@ \$120 per yr + 4 @ \$60
Interest Earned on Reserves Accounts	16,300	5,000	ICS Network (\$500k @ 3.26%)
<b>Common Area Reserves Income</b>	<b>210,304</b>	<b>171,882</b>	
<b>Common Area Reserves Expense</b>	\$	\$	
<b>Clubhouse:</b>	<b>81,300</b>	<b>92,500</b>	
Pool - convert main pool to salt water	defer		\$26,250 salt cell, control PPM for salt cell and acid feed & stenner pum
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
Kitchen and flooring replacement		92,500	
<b>Roads / Bridges / Docks/ Sidewalks:</b>	<b>270,760</b>	<b>44,000</b>	
Cotton Island Bridge wearboards (20% replacement)	61,760	9,000	replace 20% (386 boards) every other year
Cotton Island Bridge treatment (every 2 yrs)	16,000		treat following wearboard replacement
DLG dock treatment (every 2 yrs)	3,000		
CI dock replace/repair handrail	10,000		handrail only - Pressure treated wood (KDAT)
Sidewalk removal/repair		15,000	
Repair areas marked on roadways (SBS proposal)	100,000		incl sealing 5 Oaks Cir
seal all roads	80,000	20,000	2021 - \$24k Is Ave & DLG; 2023 repairs Batt Chase + CI \$12k
<b>Stormwater infrastructure</b>		<b>20,000</b>	2025 was for main ditch and DLG french drain by DI gate
<b>Other / Contingency</b>	<b>20,000</b>	<b>10,000</b>	
<b>Common Area Reserves Expense</b>	<b>372,060</b>	<b>166,500</b>	
<b>Current Year Combined Surplus (Deficit)</b>	<b>(161,686)</b>	<b>5,794</b>	

Common Area Budget	2026 Budget	2025 Budget	2026 Notes
<b>2026 Assessment Summary</b>			
<b>Common Area Assessments</b>	\$	\$	% Change from Prior Year
Operations Assessment	1,910	1,947	-1.9%
Reserve Assessment	1,034	787	31.4%
Special Assessment	0	0	0.0%
<b>Total (2026 Max without vote is 7.7%)</b>	<b>2,944</b>	<b>2,734</b>	<b>7.68%</b>
<b>Increase per month</b>	<b>\$17.50</b>		

**Comments pertaining to the 2026 Common Area Operational Budget:**

With the interest being received from Ameris Bank, there is now a net of about \$15,000 in interest income. On the second slide, General Property Maintenance and Repairs is a new category that has been established to take care of items that vary from year to year but are not appropriately charged to reserves.

The operational budgets for Grounds and Landscaping and Open Space have been trimmed to allow more funding of the reserve budget. For Grounds and Landscaping, some items have been placed on a multi-year cycle, such as palm tree pruning and tree upkeep. Kathy expressed gratitude to the Open Space Committee for their work this past year to establish Sunset Point on Cotton Island and the pathways on the mainland.

Insurance and taxes are always an unknown this time of year because most renewals are received in the January-March timeframe. A 10% increase over this year's actual expense was budgeted in most

insurance categories. Additionally, there is a line item included for inspection of the bridges, which is required every two years by the insurance company.

For Marketing, additional funds have been budgeted to replace the 15 year old video highlighting Islands of Beaufort.

The budget for clubhouse and pool expenses has been reduced due to the purchase of a pool cover in late 2025 which will reduce the need and thus cost for chemicals and treatment of the pool while it is closed.

The Social Committee has coordinated wonderful community events for the past several years and continues to do so for our growing community. The reduced budget reflects the savings they have been producing.

Utilities expenses have been reduced to better reflect current levels which we hope to maintain even as rates increase. Kathy thanked Tom Kucharchik for monitoring community area water usage with the BJSWA “Eye on Water” app. It has helped to identify water leaks sooner so those can be repaired quickly to reduce water usage costs.

**Comments pertaining to the 2026 Common Area Reserves:**

The focus is to increase the amount of reserves income by 31.4% by bumping up the amount to \$1,034 per lot. With the slow market for construction, the Board conservatively decided not to budget any income for impact fees. Given the increase in the cost of replacing wear boards, impact fees have been increased from \$4,000 to \$6,500 for new construction. The impact fee for the Cotton Island bridge which is only charged to new homes being constructed there has been increased from \$7,000 to \$8,000.

Reserve spending for 2026 will be focused on roadways, the Cotton Island bridge, and the pool. Portions of furniture in the clubhouse will also be replaced. If all gets accomplished based on the budgeted amounts, it will cost approximately 161,000 more than what we take in which will reduce the cash balance.

The total assessment for the Islands of Beaufort mainland lots will be increased by \$210 annually or \$17.50 per month.

**Questions/Comments:**

Kat Klinger commented that it seems like we are building up the reserves while sacrificing care and updating of the community and not addressing the condition of the roads and the trees. Alex responded to say that the only item the Board delayed action on was addressing the roads. The initial assessment and estimates for road work came back as a very large amount and that combined with the reserve study indicated to the Board that we need to learn more about the right care and maintenance plan for the roads. The study of that is actively ongoing. The Board is also working closely with the City of Beaufort to see if there might be some potential savings there, and Bill Prokop is leading that initiative. The Marine Corps Air Station recently did a similar exercise. For the time being the Board is taking a pause on the roads to make sure we don't spend money that would have to involve tearing up the roads again later. Regarding trees, Alex says we have found it takes a while to get people here to get the work done quickly. Sometimes, the situation comes down to availability of resources. We have had a lot of trees go down in the community this year, and it has been a significant spend. The roads amount to a multi-million dollar investment and we want to avoid spending a large amount of money on roads only to rip up areas for drainage and other improvements at a later date.

## Islands of Beaufort HOA - 2026 Deer Island Budget

Deer Island Budget	2026 Budget	2025 Budget	2026 Notes
<b>Deer Island Operations Income</b>	<b>\$</b>	<b>\$</b>	
Operations Assessment (29 lots @ \$1,702) 19.1% incr.	49,358	41,441	2025 was 29 lots @ \$1,429
<b>Total Deer Island Operations Income</b>	<b>49,358</b>	<b>41,441</b>	
<b>Deer Island Operations Expenses</b>	<b>\$</b>	<b>\$</b>	
Property Taxes	240	200	2024 actual was \$226; 3% annual increase for 2 yr
Gate Equipment Lease	4,488	4,440	\$1,122 per qtr - lease and phone
Internet [Hargray] for: DI Gate	1,608	1,610	\$134 per month
Causeway Electrical (for gate operation)	660	625	approx \$55 per mo
Gate maintenance, repairs, parts	1,000	1,000	
Grounds and Landscape Contract	6,192	6,200	3% increase from 2025 actual cost
Landscape Maintenance - Materials and Labor	1,477	2,193	mulch, pine straw, no palm trimming in 2026
Replace dead plants/street islands clean up, misc	350	0	
Irrigation repair, audit	1,800	0	
Backflow Preventer Test	300	175	47 Anchorage Way & Entry Gate meters
Irrigation Water	2,000	1,250	based on 6 months 2025 actual of \$975
Bank Fees	1,200	0	\$100/mo for ICS Network
Federal and State Income Taxes on Interest less Fees	747	0	35%
Bridge inspection (required by insur in fall 2026)	3,750	0	every other year (2026, 2028, etc.)
Bridge Insurance	23,535	22,635	increase of 10% over 2025 actuals of \$21,395
<b>Total Deer Island Operations Expenses</b>	<b>49,347</b>	<b>40,328</b>	
<b>DI Operations Surplus (Deficit)</b>	<b>11</b>	<b>1,113</b>	

Islands of Beaufort HOA - 2026 Deer Island Budget			
Deer Island Budget	2026 Budget	2025 Budget	2026 Notes
<b>Deer Island Reserves Income</b>	\$	\$	
Reserves Assessment (29 lots @ \$1,097) 9.2% incr.	31,813	29,145	2025 was 29 lots @ \$1,005
DI Bridge Impact Fee Income [0 @ \$8,000]	0	0	2025 fee was \$7,000
Interest Earned on Reserve Accounts	3,335	300	\$100k balance (\$50k Ameris; \$50k ICS Network)
<b>Total Deer Island Reserves Income</b>	<b>35,148</b>	<b>29,445</b>	
<b>Deer Island Reserves Expenses</b>	\$	\$	
Repaint/seal entry stamped asphalt pavers	3,500	0	
Seal DI Causeway and Anchorage Way	16,000	16,000	seal asphalt; repairs done in 2023 \$20,547
Bridge walkway and repairs	0	24,500	
<b>Total Deer Island Reserves Expenditures</b>	<b>19,500</b>	<b>40,500</b>	
<b>Surplus (Deficit) OPERATIONS + RESERVES</b>	<b>15,659</b>	<b>(9,942)</b>	
<b>2026 Assessment Summary</b>			
<b>Deer Island Lot Assessments</b>	\$	\$	% Change from Prior Year
Operations Assessment	1,702	1,429	19.1%
Reserve Assessment	1,097	1,005	9.2%
Special Assessment	0	0	0.0%
<b>Total (2026 Max without vote is 15.0%)</b>	<b>2,799</b>	<b>2,434</b>	<b>15.0%</b>
<b>IOB Assessment Total</b>	<b>2,944</b>	<b>2,734</b>	7.7%
<b>Total IOB + DI Assessment for DI owners</b>	<b>5,743</b>	<b>5,168</b>	11.1%
<b>Increase per month, total IOB and DI for DI owners</b>	<b>\$47.92</b>		

**Comments pertaining to the 2026 Deer Island Budget:**

The Deer Island operating cash account doesn't have a sufficiently high balance to earn interest. The 2025 expenditures for irrigation repair and water cost resulted in adding these costs in the 2026 budget. The operations assessment was increased by 19.1% to get to a break-even point and 9.2% for the reserve budget. As in the common area budget, spending will primarily focus on the roadways. The increase in assessments for Deer Island lots comes to approximately \$48 per month.

**Questions/Comments:**

Kelly Mitchell asked if better quality wear boards are available for the Deer Island bridge and commented that it seems as though the boards are compromised quickly. Eric responded that the quality of lumber has declined from what it used to be and is unfortunately the nature of the materials we are currently able to purchase. We are now subjected to "fast-growth pine" that is about 20-30 years old whereas in the past, we were able to harvest trees that were hundreds of years old. We are using Number 1 grade kiln-dried materials which is about the best material available now. Alex noted that we previously used class two boards and we moved it up to class one boards to try to get the best we could out of the allotment of wood available. He added that we are coating the bridge and sealing the new boards to keep the quality as long as we can. The Board has budgeted sealing the boards every other year. The pedestrian path is in the process of being completed.

Alan Dechovitz asked how the Board plans to make up the approximate \$100,000 spend from the reserves. Alex responded that we have cut operating expenses primarily for improvements while keeping maintenance items in place. The Board tried to manage as best as possible and cut back where possible to shift money to reserves. The Board is looking at and researching multiple options

to increase the reserve budget such as impact or transfer fees and special assessments. After extensive research, the Board learned there are legal restrictions that prevent us from implementing impact or transfer fees. At this point, other options are available such as doing a special assessment but the Board is not prepared to offer options at this time until further research on those options are completed. A major goal of the Board is to have a strategy and implementation plan in place within the first two quarters of 2026 to augment our reserves.

Kevin Klingler commented that capital investment assessment fees are allowed in the place of transfer fees. Alex said that is one option being researched for consideration. As the Board conducts further research, different options available will be brought to the community. A new option will require a special vote so the Board wants to make sure the best option is available before moving forward to present to the community for a vote. Increasing the reserve budget is a key concern for the Board.

Alex thanked Kathy Whitehead for the incredible amount of time and work she puts in as Treasurer and in preparing the reports.

## 7. REPORTS OF COMMITTEES

### A. ARCHITECTURAL REVIEW BOARD (ARB)

Fred Mueller, the Administrator for your Architectural Review Board, presented to the IOB Membership. He introduced the ARB Committee Members: Nancy Hailston, Scott Gardner, Kat Klingler, Ron Henry, and Kathy Gardner. Fred thanked Shep Tate for his assistance and for serving as the Board member liaison for the ARB.

Six residences were completed in 2025. The community now has a total of 103 completed residences of the original 196 lots. Two residences are currently in the construction process, and one residence is in the ARB approval process which is expected to happen next year. Of the original 196 lots, 66 have been absorbed as residences, double lots, or greenspace both of which are assets to the community.

Construction costs for 2026 are uncertain at this time. Currently, there is a decline in mortgage rates. With this, the ARB is being very conservative by anticipating two residences built during 2026.

Building costs are currently exceeding \$400 per heated square foot. One million dollar homes are now the rule, not the exception. Islands of Beaufort is considered an upscale community and we continue to make strides to keep that impression.

There are 67 properties left to be developed. With continued interest in the value-added of our community coupled with fewer properties available, the price for lots appears to be improving.

As the community continues to mature, owners are considering updates to their residences or improvements to their property. As stated in the covenants, any work to the exterior of one's property, residence, or lot requires submission to the ARB for approval prior to the work being done. (Fred gave a number of examples of the type of work requiring approval which are also found in the covenants.) This requirement keeps the level of quality up throughout the community. Additionally, the ARB reports all of these to the city, and those completing the work are expected to get permits for that work. Any updates or improvements will affect the future valuation of home or property. Property owners should Fred via email or phone regarding the approval process. It is expected that a professional licensed with the City of Beaufort with an approved City of Beaufort permit be contracted for work for the protection of the property owner.

As an administrator, Fred receives several weekly inquiries regarding future home construction. IOB's marketing and real estate relationships have contributed to the community's steady growth as a custom, upscale home community.

#### B. MARKETING & COMMUNICATIONS COMMITTEE

Jean Watson presented on behalf of the Marketing committee. Currently, the committee doesn't have a chairperson, however, the members of the committee continue to meet. The committee is planning a Realtor/Broker Open House in November. An Open House was held two years ago and was very successful. The committee would appreciate anyone interested in assisting with the Open House, including providing golf cart tours of the community.

Additionally, the Islands of Beaufort has presented itself to be considered for the Homes for the Holidays Tour for 2026. We should learn of a decision in December or January if the community is selected for the tour. Anyone who would like to know more about the Homes for the Holidays Tour might want to consider attending the tour in Celadon next month. It is a wonderful event and great way to feature the Islands of Beaufort with very little cost. More information will be provided at a later date if we are awarded.

Alan Dechovitz commented that this tour was previously done in the Islands of Beaufort and was not cheap. Alex responded that as this has been presented, it would be at no cost to the community and is a charitable drive. Homes are nominated, tickets are purchased, and buses will be used to bring in people. People can tour the designated homes and walk the community. The gates will remain closed. Alan continued to express concern about potential spending and asked if there would be any repairs or expenses incurred in preparation for this event. Jean responded and Alex concurred that there would be no cost unless we choose to spend. Alex continued by saying no money has been allocated for this. There is continued effort to be more comprehensive in ongoing maintenance and improvement plans as a community, and the intent would be to present the community as it exists. We are working on roads and sidewalks next year, and the clubhouse will be pressure washed, along with probable washing of the gates. At this point, no decision has been made by the selection committee as to whether or not the Islands of Beaufort will be chosen for the 2026 tour.

Alex expressed appreciation for Jean doing so much for the committee since Tom Ertter (previous chairperson) moved, including her work in overseeing, maintaining, and modernizing the IOB website. The committee continues to function well, thanks to the efforts of all the committee members. Jean commented that the committee would love to have others in the community join who are interested in serving on the committee.

#### C. SOCIAL COMMITTEE - Joanne Beyer and Susan Sullivan

Joanne presented on behalf of the committee and reported that they have hosted five social events so far this year and eight scheduled "Docktails." To date there has been great turnout with a total of 380 people participating in these events.

Tonight's annual party, called the Dolce Vita party, has over 100 people attending. There will be a musician, cocktails, and appetizers. The party will start at 5:00.

The Merry Mingle, scheduled for December 13<sup>th</sup>, will be the final event of the year. The committee is seeking an additional host house to allow for expansion of the number of people wishing to attend. If that is not possible, the committee will need to cap the number of attendees for this event. An Evite will be sent out soon.

Joanne thanked all serving on the Social Committee: Ann Frampton, Caryn Kleckowski, Daile Pettis, Kerri-Ann Pellegrino, and co-chair Susan Sullivan. Also, thanks were expressed to Kathy Whitehead, for serving as the Social Committee Board Liaison.

Lastly, the committee is seeking four additional members to help in expanding the functions of the Social Committee and have extra help for the amount of work involved.

Alex complimented the committee for all the work they have been doing while underrunning their budget. The budget cut shown for next year is actually what was spent for 2025. The committee has done a great job hosting all the activities offered this year and doing it very frugally.

#### D. CLUBHOUSE COMMITTEE - Nancy and Dave Brandt

Eric thanked committee chairs David and Nancy Brandt for their hard work this year and gave a report with an update on the renovations and repairs to the clubhouse. The focus areas this year were replacing deteriorated shutters, upgrading the flooring, replacing the cabinetry, countertops, kitchen appliances, and plumbing fixtures. These all dated back to the original construction in 1999 and 2000.

Later this year, improvements will continue along with the replacement of the sidewalk in front of the clubhouse (first installed in 1998), along with a brick apron for the section of the driveway by the sidewalk and the street. There is also consideration in the future for perhaps graveling a parking area to the left of the driveway near the tennis courts. This is under discussion, and so no decisions have been made at this point.

Looking ahead to next year, the committee is excited about upgrading some of the interior furnishings to complete the Clubhouse refresh.

David Brandt reminded the group that the pool is currently open but closes in two weeks. Alex shared a new ongoing challenge regarding a recent change in enforcement and regulations. To keep the pool deck open, we either have to maintain chemistry or get a cover for the pool. The Board is looking at all options related to that. Next year, the pool area is slotted to have the deck resurfaced and have the pool re-lined. The Board is working to determine the best option so money isn't wasted as we meet these new requirements. Even though the pool is tentatively scheduled to close the end of this month, one option being considered is to maintain chemistry a bit longer so the deck can continue to be used. Community members will be notified of updates.

Nancy Brandt asked about plans for the pool deck. Alex responded that one consideration is to increase the 2026 spend to about \$9,000 to resurface the deck, and purchase the pool cover costing about \$5,000. The pool cover was already planned for purchase as it will cut down on chemical costs and allow the pool deck to remain open for those who like to use that area during the cooler months.

Danny Mooney asked about the sign for the pool that says the pool is closed and if that means the pool deck is also closed. (The sign is now gone.) Alex responded that before the recent change in the requirements, we kept the pool deck open even when the pool was closed. We are trying to figure out a way to keep the pool deck open year-round and are going forward with acquiring the pool cover.

#### E. GROUNDS AND LANDSCAPING TEAM - Carmen Dillard and Kathy Gardner (Chairperson)

Carmen thanked Kathy Gardner and the Grounds and Landscaping committee members who assisted this past year: David Papp, Tom Kucharchik, and Shauna Bishop. David and Tom assisted with covering up plants prior to the January winter storm and removal of the coverings afterwards. As mentioned earlier, Tom has been instrumental in monitoring water usage of the irrigation systems using the “Eye on Water” app. Shauna served as a representative for the Five Oaks area which received landscape improvements this year.

Carmen presented the following information about the 2025 beautification and enhancements.

- Extensive tree assessment and maintenance which included raising of canopies 15’ or higher, pruning/removal of deadwood, thinning of oaks to promote healthy growth, cleaning/thinning of vegetation around specimen trees, fertilization of select specimen trees
- Street island cleanup/renovation in landscape islands to reduce maintenance, improve the appearance of common and community areas, and open up vistas
- Planting of:
  - Native grasses at IOB Entrance, in the Five Oaks Community, and entrance to Cotton Island, and around some of the signs
  - African Irises around designated signs
  - Live oak specimen tree by lot 36 on De La Gaye.

The focus for 2026 will be on maintenance. During 2025, Kathy Gardner and Carmen Dillard met monthly with Romario Blackwood, the Client Manager for The Greenery to review work done during the past month and discuss landscape maintenance needs plans for the next month. These meetings will continue for 2026.

The Greenery conducted the following maintenance in 2025:

- Weekly upkeep of common community areas
- Irrigation assessments, maintenance and repairs
- Backflow testing on irrigation systems as required by BJWSA
- Storm clean-up
- Spreading of pine straw (twice a year) and mulch (once a year) in common areas and along streets
- Retention pond and swale maintenance. (A deep clean of designated retention ponds is planned for the 4<sup>th</sup> quarter.)
- Occasional street sweeping to remove sand debris from streets
- Summer sabal palm pruning. (This is now on a every two year cycle with the next pruning scheduled for 2027.)
- Herbicide/ insecticide treatments as needed
- Erosion control and remediation

Kathy Gardner presented future plans for Grounds and Landscaping.

- The committee is starting the second year of a long-range 5-year plan. The focus for his past year was on getting things cleaned up.
- This year, a “Green Team” is being formed with 16 volunteers (so far). These are homeowners from different areas of the community (Deer Island, Cotton Island, around De La Gaye, cul-de-sacs). With a tighter budget for 2026, the purpose of this team is to “drill down” to identify maintenance needs and be the “go-to person” for other residents in their designated area for reporting any maintenance needs. The team members will collect this information and report to Kathy Gardner on a monthly basis prior to her monthly meeting with The Greenery rep to develop a plan of action and a timeline for expected results. These

individuals will also be a source of information for property owners in their area regarding grounds and landscaping.

Kathy Gardner thanked Joanne Beyer for assisting her with computer skills and expertise for setting up the “Green Team” electronic templates that will be used for this monthly communication. Kathy also thanked Carmen for her assistance this past year as the Board Liaison for Grounds and Landscaping.

F. OPEN SPACE COMMITTEE – Linda Tunstall

Linda introduced herself as chairperson and introduced the committee members: Laurie Babernitsh, Kat Klingler, Bill Prokop and Bruce Sullivan. Linda thanked board liaisons, Alex Kent (previous liaison) and currently Eric Powell, for their support and guidance.

Linda shared that the Open Space committee was established almost two years ago to make recommendations improving and enhancing the open space available to our community within the Islands of Beaufort. On behalf of the committee, Linda also thanked the Grounds & Landscaping Committee for their support in related areas to enhance our community.

This year, the following was accomplished:

- Completion of improvements to Lot 17, near the community dock on Cotton Island. Linda thanked all who participated in the naming contest announced at last year’s annual meeting. The official name of Sunset Point was selected from the contest suggestions. Last year, the committee purchased a picnic table and four Adiondack chairs. Now Sunset Point has a sign and a lighted footpath to the picnic table. Linda thanked all involved in contributing their time and effort to create Sunset Point. She encourages community members to visit and enjoy this space often.
- The committee has installed 6 new benches throughout the neighborhood at the following locations to sit and relax:
  - Islands Avenue and Cotton Island Bridge
  - Magnolia Footpath near Plough Point and De La Gaye
  - De La Gaye Community Dock
  - Jeff Gresham Park vicinity
  - Five Oaks Circle (Lot 1)
  - Magnolia and Oak Footpath intersection
- Footpath signs were also added for the Oak, Magnolia, and Palmetto paths, along with reflective posts along the Oak and Magnolia footpaths.
- Linda thanked Tyler Gardner (a neighbor and student of landscape architecture) for drawing up a design plan for Belle Grove Park and Alan Dechowitz for designing and overseeing the production of the reflective footpath markers.

Next year, the committee plans to add additional seating and a picnic table to Belle Grove Park for people visiting the playground area.

The committee posts newsletters and updated maps of the footpaths on the Islands of Beaufort homeowners website to keep the community informed. Please check on the Open Space tile, if you have questions or want to know more about the work the committee is doing. And please share your thoughts and ideas with any of the committee members. The committee thanks the IOB community for their support.

8. ELECTION OF DIRECTORS

The two people running for the Board are Caryn Kleckowski and Shep Tate, who was appointed to the Board earlier this year. Alex shared that Shep has been a great help this past year with legal issues. Alex also thanked Carmen Dillard, who is completing the end of her 3-year term, for her service on the Board., Robert and Kathy Bundy ensured that all votes were received and compiled the results while the meeting continued.

9. UNFINISHED BUSINESS

Shep provided an update for the ongoing lawsuit pending for a couple of years brought by a builder. This builder wanted to be on the approved builder list, knew he was not, and therefore was not allowed to move forward to build a home in Islands of Beaufort. The property owner who was talking to this builder about building a home ultimately selected another approved builder to build their home. This builder sued the Islands of Beaufort for a substantial sum for not letting him be on the approved builder list. The insurance company is handling the lawsuit and has a strong firm representing the Islands of Beaufort. The insurance deductible has been exhausted, and the case is moving through discovery currently to mediation in the next month or so. The lawyers have kept extending the deadlines. It is hoped the suit will be resolved in mediation. Shep is working as a non-lawyer to provide information to the lawyers representing the Islands of Beaufort about why this should be resolved in our favor. Alex thanked Shep for his diligent work and commented this has consumed a lot of time.

10. NEW BUSINESS

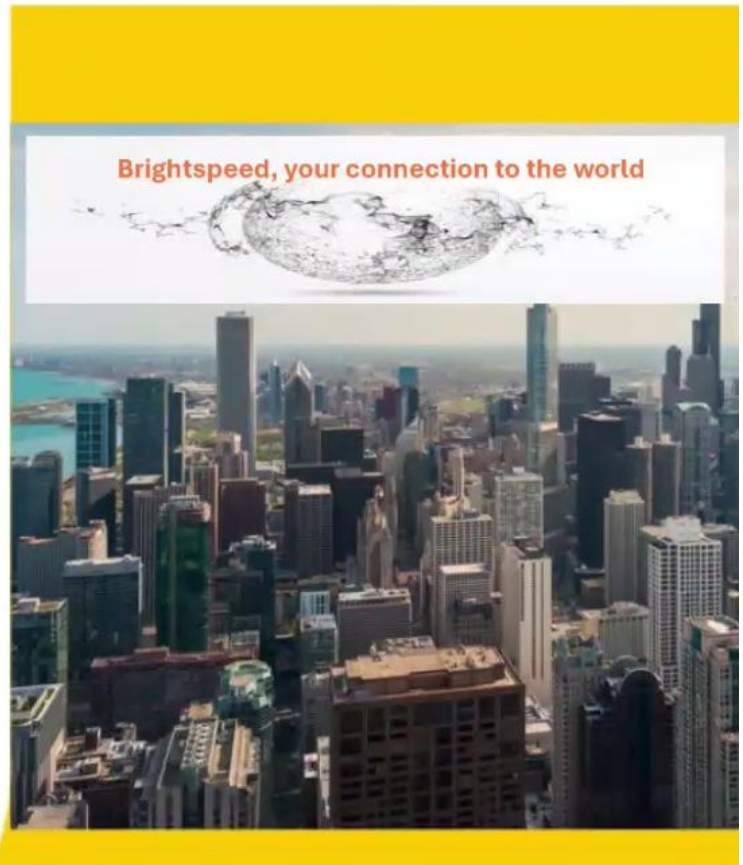
- Brightspeed High Speed Internet Proposal

### What Fiber Means for Your Community

Seamless streaming, gaming, and work-from-home  
Supports multiple devices per household without slowdowns  
Future-proof: scalable capacity for years to come  
Increases property value and marketability of homes

### Future-Ready Connectivity for Our Community

- 100% Fiber-to-the-Home (FTTH) network
- Up to 1 Gbps symmetrical speeds (upload = download)
- Reliable, secure, low-latency connection
- No upfront cost for the HOA or residents to upgrade infrastructure



The Islands of Beaufort was approached this past spring by Brightspeed. They were in the process for putting in infrastructure at Battery shores and recently completed infrastructure

work at Habersham. Brightspeed contacted Alex again recently who asked them to present a proposal to the Board members. Brightspeed met with Board members about a month ago and presented their business case. Alex received feedback yesterday from the presidents of Battery Shoes and Habersham. Overall, both were very pleased with work, reported the crew was a pleasure to work with, and the work was done in 2-3 months max.

What would the Island of Beaufort get out of it? The opportunity to have a competitor that can provide high speed internet and hopefully be more reliable.

## The Benefits

Fiber is simple. It's easy to install because it bends and fits into small spaces

- Saves developers time, money, materials, and labor
- Fiber technology is less fragile, less likely to experience service interruptions

Fiber carries multiple services on dedicated signals such as internet, video, and voice with plenty of bandwidth left for future data requirements

- Brightspeed Fiber Internet is designed to meet current needs and for what comes next
- Your residents are now more tech savvy & research potential developments for fiber internet availability.



- Having a fast, dependable internet connection at home is crucial for a seamless and efficient online experience, improving your resident's overall satisfaction



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Brightspeed currently only offer s1 gig but are getting ready to go to 2 gig.

## Simple, Affordable Plans for Residents

**300 Mbps:** \$49.99/month (*Special: \$29.99 for first 3 months*)

**600 Mbps:** \$59.99/month

**1 Gbps:** \$69.99/month

All plans include: No data caps, Free installation during initial build, 24/7 local support

The screenshot displays four fiber internet plans in a row. Each plan card includes a promotional offer at the top, the plan name, a price per month (plus taxes), a list of features, and a 'Select this plan' button. The 2 Gig Fiber plan is highlighted as 'Selected'.

Plan	Speed	Price (mo. + taxes*)	Special Offer	Key Features
2 Gig Fiber	2 Gig	\$99	3 FREE months	Unstoppable, lag-free speed; Sustains multiple 8K streams; Complete smart home support
1 Gig Fiber	1 Gig	\$69	3 FREE months	Ultrafast for heavy usage; Crisp 4K streaming; Powers your connected home
600 Mbps Fiber	600 Mbps	\$59	3 FREE months	Fast and reliable performance; HD streaming and video calls; Smart home capabilities
300 Mbps Fiber	300 Mbps	\$49 / <del>\$29</del>	\$29 for 6 months	Fast, affordable connectivity; Best for everyday tasks; Reliable internet access

The Board will take this up under formal discussion at the November Board meeting and make a decision on moving forward. The Board learned from Brightspeed's presentation that there is actually already a lot of fiber in community that can be used so the drilling could be minimized. During a bridge inspection about two years ago a line was discovered hanging and no one knew what it was. It turns out it was a fiber optic line where the cover had come off. We won't know for sure what that will entail until we determine to approve moving forward. At that time an engineering team will come in to do an assessment and survey. Essentially, they use drilling and boring to go under sidewalks, provide utility to shared property lines, and put in a drop box to complete the infrastructure. At that point their service is available for those in the community who wish to sign up with them. Brightspeed will cover the cost for setting up service in the Islands of Beaufort. If the Board decides to move forward, there are a couple of opportunities in the budget to reduce costs for internet to the Clubhouse and gates if we can negotiate free internet from Brightspeed to those areas.

### **Questions/Comments:**

Nancy Brandt asked how many landscapes will be affected. Alex responded that won't be known until an agreement is reached and the engineering team conducts its work. The Habersham and Battery Shores HOA presidents said that Brightspeed tries to put the covers in landscape beds to minimize the impact.

Kevin Klingler commented that they used to be with Brightspeed. It is a more cost effective option. He also offered a word of caution that after they experienced a lightning strike which resulted in an outage, it took Brightspeed several days to remedy. Alex responded that we have also had significant number of outages with Hargray/Sparklight. If there is competition for internet service, it is ultimately up to the owner to decide which coverage is best for them. Right now, the provider options are limited.

Bill Hansen commented that whoever is doing laying of fiber has dug a large hole in his yard. No one is sure who is doing that work, but it is not Brightspeed as no agreement has been arranged yet. Alex said he has been out of town and saw it when he returned. This will be investigated further to see which utility or company is doing that work.

- Rules & Regulations Changes Effective November 2025  
Alex informed everyone that this information was included in the homeowner's packet. Any time changes are made to rules and regulations, it is required that a hard copy be sent to the property owners.

These changes were to clean up a couple of items that has resulted in questions over the past year. The areas have been underlined for quick reference.

**Questions/Comments:**

Thomas Johnson said they way some of the changes are worded create confusion. (Examples: Double negative, unclear sentence, construction related work is a benefit to the industry, the use of "nuisance" is vague and needs to be more specific, and what is a "commercial vehicle.") Alex responded that the language came out of covenants.

Alan recommended that the last paragraph bullet 5 goes under bullet 4. Regarding flags, some flags (such as school flag or armed services flags should be okay.) Alex responded we will take these suggestions under consideration for any future changes needed. When changes are made and it is required to mail these out, we do incur the expense for postage. The current changes will take effect on November 1<sup>st</sup>.

David Papp expressed concern that one home in the community doesn't meet requirements for being safe, neat, and orderly. Alex commented that the Board is working on this particular situation. Some progress has been made with repair of windows have been repaired and removal of a basketball stand and trailer. There is a time period involved, and the HOA is pursuing legal remediation at this time.

Kelly Mitchell commented that are some cases where residents are sometimes putting garbage and yard debris several days before the pickup day when the earliest it should be put out is the late afternoon/evening before the pickup day. She recommends emphasizing that trash or yard waste is not to be put out until the night before. Alex also reminded the group not to put yard waste on empty undeveloped lots or school property. Related to this, Kathy Gardner asked residents who use lawn crews to remind them not to put debris on empty lots.

Alex said a rule set has been established as part of the ARB guidelines and will be made available to property owners. When a property owner hires a contractor, a standard rule set can be given to the contractor.

Danny Moody commented that he has seen some drivers not abiding by the stop signs and would love a commitment from residents to stop at stop signs to maintain safety. There are kids and a lot of walkers in the neighborhood.

Alex said make sure kids are of legal age to drive golf carts. There is a new law that requires seat belts in golf carts.

Jean Watson inquired about why directional signs can't be used by realtors for Open Houses. (Section 10, Item C in the Rules and Regulations). Alex responded there have been numerous complaints about this and the number of hours for gates are open for Open Houses. Feedback has been received that when realtors use directional signs with agency information, it goes into the realm of agency advertising that goes above and beyond the intent of directional signs.

11. VOTING RESULTS:

Shep Tate and Karyn Kleckowski were elected to the Board.

12. ADJOURNMENT: The meeting was adjourned at 11:25 am. The motion was made by Joan Dechovitz and David Brandt.