

MINUTES
FRIPP ISLAND PROPERTY OWNERS ASSOCIATION
ANNUAL MEETING
April 9, 2011
9:00 am

PRESENT: Mrs. McCormick; Messrs. Hess, Davidson, Crouse, DiSerafino, Duncan, Hinds, Kemmerer and Morrison; Mr. Case by phone

GUESTS: Messrs. Blake & Wolbrink

1. Call Meeting to Order and Comments: **President McCormick** welcomed owners and guests to the annual meeting of the Fripp Island Property Owners Association and called the meeting to order at 9:00 AM.

2. Remarks from the President: **Micki McCormick** noted this past year had been one of milestones and realizations. Issues addressed were the OCRM set-back line, defining a home-based business and a resolution passed to adopt the rules and regulations that will allow the operation of such businesses with certain conditions and limitations, while preserving the residential character of the island; protecting our asset in the face of declining revenue; to meet and have continuous dialogue with the Fripp Island Club to address how we can work together more closely; boat and vehicle parking; integrating the ARB under the authority of the FIPOA; safeguarding our beach; island landscaping and the deer program. She expressed appreciation to Board and Committee members and to General Manager Kate Hines, Tina Reeves, Carol Young, Cyndi Follrich and Chief Binkowski for their service and dedication. Departing Board members introduced were Jim Duncan and Bob Hess; newly-elected Directors for the Class of 2014, Curt Blake and Jim Wolbrink, were introduced as well. The full President's Report is on file in the FIPOA Administrative Office.

3. Report from General Manager: **Kate Hines** welcomed everybody in the chapel and those who were attending by conference phone. A power point with the names of all Directors, committee members and volunteers accompanied her overview of the FIPOA's activities since last April.

Statistics: There are currently 2129 platted parcels on Fripp. 15% of our owners are full time residents and 85% are non-residents.

Board Resolutions: Several Board Resolutions passed since April 2010 include approving new committees in June, adopting the new budget in October, appointing a Nominating Committee in November, employee vision insurance benefits, changing time-off calculations and granting leave for the day after Thanksgiving. The Board also approved a two-year contract for grounds maintenance, purchase of a 4x4 golf cart, and purchase of a new conference phone system.

Appeals Committee: 32 requests for appeal of FIPOA citations were heard between April 2010 and today. Two were granted, two were dismissed and 28 were denied.

Architectural Review Board: Board members and ARB Administrator Tina Reeves continue to put in much time and effort on a daily basis. We achieved the goal of scanning all paper copies of house plats into the computer, and they are available for purchase if copies are needed.

Since May 2010, the ARB has issued the following permits: 15 new house, 10 tree removal, 33 additions, 22 new roofs, 64 paint, 80 maintenance and repair.

Property Enhancement Committee: This is a subcommittee of the ARB whose mission is to be the eyes of the POA and let us know what private properties need attention. This year they have a goal of an island-wide clean up in late summer.

The Beach: The Beach Committee sponsored three beach sweeps this past year. The Beach Tent Committee followed through on beach regulations. A daily patrol officer was hired who educated beachgoers about the regulations and also picked up debris. There was also an improved violation sticker. SB 1051 was passed in the state legislature and was filed with the Secretary of State by Gov. Sanford. Fripp now has a permanent 20-foot setback from the revetment landward.

Bridges: The FIPOA owns the Maxwell Bridge, the Tarpon Bridge and the Fiddler's Trace Bridge. We also have one footbridge over Blue Heron Lake and one from Tarpon into Sawgrass. The PSD owns the Fripp Inlet Bridge, but the POA is responsible for funding its repairs.

Crossovers: The POA has 32 beach crossovers. We inspect each one monthly and make minor repairs. A different contractor inspects them annually for structural integrity.

Deer: Though the deer study is over, monitoring is still needed to ensure the herd stays healthy. The Board thanked those who have provided donations and housing.

Grounds: It's been a harsh winter, but the Grounds Committee has done their best to keep the common areas looking beautiful.

The **Home Based Business Committee** was an ad hoc appointment and their work is now complete. The resolution to approve the rule was approved at the March meeting.

The **Human Resources Committee** proposed the vision insurance, the extra day after Thanksgiving, and the change in timekeeping.

Lakes & Lagoons: We had one large fish kill last October.

Nominating Committee: An outstanding job was done this year. They came up with the largest slate of candidates ever for the class of 2014 with 7 resident and 3 non-resident candidates.

Parking Committee: Boats were a focus, but they also looked for additional areas to park golf carts. More parking was located at Veranda Beach.

Roads and Drainage Committee: \$16,000 of the roads budget was saved in 2010. New companies for asphalt patching and the bike path extension on Bonito were found. Earthworx has purchased grading equipment. We hope it will help keep maintenance costs down for the gravel roads and any repairs will be completed more quickly.

Security: The beach patrol/parking employee was hired just in time for the high season. There were 20,000 more vehicles coming onto the island in July 2010 than in 2009.

Chief Binkowski's email notices helped alert owners to upcoming events such as proms and warned about scams and burglaries.

Statistics for the 12-month period beginning in April 2010:

Vehicles coming onto the island – 287,800

Guest Passes Issued – 39,500

Pass requests received via E-mail – 9,225
Calls for service – 765
Larcenies reported – 49

Contractor Passes Issued – 6,250
POA tickets issued -175

The Trawler gets many online hits and thanks go out to many people for their input and hard work.

Volunteers: The FIPOA would be nothing without volunteers. Each June, a list of people who are interested in serving on committees is given to the committee chairs. If you have not recently expressed an interest in serving on any committees, please do so.

Mrs. Hines expressed appreciation to all volunteers and those departing and remaining Board members who serve as great examples to the incoming class. Newly elected Board members are David Case and Dick Morrison (both re-elected) and Curt Blake and Jim Wolbrink. All administrative and security staff were thanked as well.

4. Financial Survey Report: Buck Mathews presented a PowerPoint summary of the future finance study completed in November, 2010. 790 property owners or 37% responded to the study and submitted over 40 pages of comments.

-- 84% of owners surveyed reported “it is important that the property owners’ association plan and implement programs today, which will help assure our financial health in the future.”

-- 74% of respondents disagreed that “the board should prioritize critical needs and just let some of the island infrastructure fall into disrepair based upon funds available at the time.”

-- 58% of respondents also felt the responsibility for additional revenues to fund the projected revenue shortfall should be shared equally by all property owners.

-- 67% of owners feel “we must not only pay current bills and remain solvent, but also be able to accumulate sufficient reserves to respond to emergencies and replace FIPOA assets.”

-- 61% felt the increased security costs are related to rental activities and that additional revenues should be the responsibility of owner rentals or renters.

-- In addition, 60% felt that owners who rent their homes through VRBO or other organizations should pay the same 1% obligation as the resort.

How to fund the future of Fripp Island is the question area currently being debated by the Board and Finance Committee. No decisions have been made based upon the analysis of the results but the study results are being analyzed to develop a financial plan.

5. Report from the Treasurer: Bob Davidson noted that 2010 was a good year for the FIPOA. Our current expenses are in line and our current income is adequate. Our investments are making money and our current asset replacement reserve balance is where it should be.

What we lack is a way to repeat this performance in the future. We’ve had one large financial scare and we can see another one on the horizon. Because there is a cap on the amount of money that can be saved in the Road and Bridge Fund, the recent repairs to the Inlet Bridge appeared at first to exceed our holdings. And secondly, the major costs to replace and/or repair the island’s infrastructure still outpace the amount of money we can set aside.

Both of these problems can be solved with a bylaw change that will remove the cap on the Road and Bridge Fund and offer a more accurate way to calculate the annual assessment.

Each year we also balance the FIPOA’s budget of current income and expenses, as well as make ever-increasing contributions to reserves that repair and replace our infrastructure.

Keeping Fripp Island in good shape is expensive. The Board will vote at its next meeting to ask members to vote to amend the bylaws to change the language to an amount not to exceed 5% or CPI over the previous year for regular assessments and to remove the cap on the Road and Bridge Fund. We need your help to make this change happen.

The full Treasurer's Report is on file in the FIPOA Administrative Office.

6. Remarks from the PSD: Commissioner Rich Combes noted the following:

- Water and wastewater: Repair/upgrade of the Harbor River main is expected to be complete by the end of May. AT&T upgraded equipment at the central water tower. Work at the Ocean Creek tank has not begun pending approval of their plans. Annual income from water tank leases now amounts of about \$200,000.
- Bridge and erosion: Collins Engineering has completed bridge inspection and the report is expected the week of April 11.
- Renovation of PSD office building is dependent on County appraisal of propriety, due to elevation of the site. A state energy audit has been done and plans are for a green building. Mrs. McCormick has volunteered to help with the landscaping.
- Steve McKay has joined the Commission, replacing Bob Doyle who moved off island.

7. Questions, Answers, and Comments:

- (C) An owner expressed appreciation for the sod and paving on Bonito as well as relocating the trash receptacle by crossover 21. He also noted that the two new "Please walk your bike across bridge" signs on the Maxwell Bridge have already been vandalized.
- (A) It was noted these signs are temporary pending Collins Engineering drawing up plans for widening and installing a railing. In the meantime, Mrs. Hines will arrange for new signs.
- (Q) An owner noted the last few weeks have brought an increase in traffic, trash, mailbox vandalism and underage golf cart drivers. She wanted to know what happened to the once-proposed renter gate fee?
- (A) It was noted that language in the '83 Agreement brought that program to a halt.
- (Q) An owner questioned what could be done about the large amount of logs on the beach.
- (A) This will be referred to the Beach Committee. There is also the chance that Roger Wilson might assist if he was on the beach and was asked; however, there is no money for log removal in the FIPOA budget.
- (C) An owner-expressed concern that the speed bumps near the Beach Club were not working as cars are still speeding in that area. He suggested that the POA look into speed ramps that are in the County parking lot.
- (A) This will be referred to the Roads & Drainage Committee.
- (C) An owner suggested that the POA take over the restaurants and pools.
- (A) It was noted the POA has no authority to do this.
- (Q) An owner questioned whether the island's roads were insured in the event of a catastrophic event.
- (A) It was noted the roads are uninsurable which is one reason for building up the reserves. Owners do have the choice of whether to participate in the Right of Entry insurance plan for their individual homes.
- (Q) An owner questioned whether anything could be done about the beach accretion.
- (A) It was noted that we have no control over the beach; we take what Mother Nature gives us.
- (Q) An owner questioned why we don't see the ARB agenda posted on line before their monthly meetings.
- (A) It was noted that work done by the ARB is reported on a monthly basis; but that posting the agenda prior to the meeting is a good idea. Mrs. Reeves noted current guidelines state that applications must be submitted by 4:30 PM the Tuesday before the Thursday meeting and she will arrange to have a push mail sent the day before the meeting.
- (C) An owner commented that he felt it was imperative that people in the neighborhood be made aware of upcoming projects which may affect them and suggested the cutoff date. Mrs. Reeves noted that the ARB has presented proposed new guidelines to the Board and they call for application submittal by 4:30 PM the Monday before the meeting.
- (Q) An owner questioned whether family members could be "grandfathered" in under an existing Club membership upon that member's death.

(A) Stuart Mitchell noted that the Club is currently exploring the idea of a Legacy membership.

(Q) An owner questioned how often the covenants could be changed.

(A) It was noted it would take a considerable amount of in-depth discussion between the Club owners and the FIPOA Board.

7. Adjourn: The meeting was adjourned at 10:10AM and all attending were invited to have refreshments in the Community Centre.

Respectfully submitted,

David Case
Secretary

* Minutes are not the official record of proceedings until the Board of Directors has approved them at the following meeting. Please hold this draft until you pick up the next meeting's draft that will contain corrections as made and approved by the Board.

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