

January 6, 1992

Dear Neighbor:

The December 7th meeting of the F.M.B. had a full plate of items to be discussed. The meeting primarily focused on the budget for 1992. General repairs and contract labor have increased over the years and we now must take this into account in our fee structure. Increases over the past three years have remained flat (2%). It was the collective feeling that rather than "base" fee adjustments annually based on the C.P.I. or some other index, we let you retain your money and ask for an adjustment when needed. The budget for the year is a conservative one and has built into it some pro active features that will insure the value of Sea Pines in the coming years. We're spending \$9,800 in termite extermination fees to all termite infestations at Sea Pines, rather than on an after the fact as needed basis. The refurbishing of the tennis courts would be inappropriate in view of the drainage issues on the lower courts. By adding money to the budget for drainage construction, we can assess the liability for a greater period of time.

The F.M.B. asked the Grounds and Maintenance Committee to assess how much previous owners had spent in underground sprinklers in the various sections of Sea Pines and to get a preliminary cost on sprinkling the balance of Sea Pines where underground sprinklers do not exist. Enclosed is a report on this topic.

There was a discussion on the merits of the proposal. The dominant feeling of the F.M.B. was to reimburse individual owners who donated their investment to the association, only if they were the owners who contributed their money and still owned their units. Others felt that the owner of record, whether original or new should be reimbursed. It was reasoned that the owner who installed the system enhanced the value of the unit and this somehow was reflected in the price payed by the subsequent owners. These points of view will be resolved at the January 25th meeting.

As for the \$35,000 for new underground sprinklers, the F.M.B. is entertaining a proposal to pay for it out of reserve funds, and repay the reserve fund annually with prevailing interest, out of the money saved each year from reduced Town water usage and reduced labor costs. The projected payback is less than four years. If anybody has input they would like to present, please come to the January 25th meeting or write or call me. My feeling is that this is a reasonable proposal that will save us money long term and enhance the value of Sea Pines property.

The F.M.B. would like to remind all unit owners that refrigerators, freezers, workbench lights, etc. are not allowed in common area garages. Using common area circuits could trip the water meter heaters on these circuits causing a freeze up.

The January F.M.B. meeting will continue the discussion on pet rules. Again, if you have any input, please contact me.

After the December meeting, I walked in typical gray and cloudy weather to look at the changes to our beach from the last Nor'easter. Mother Nature is back to where it was seven years ago. We lost the beach grass and gained a beach.

Regards,

Jim Fowler,
Chairman, F.M.B.