

OCEAN POINT HOMEOWNERS' ASSOCIATION

2007 ANNUAL MEETING

SATURDAY, FEBRUARY 3, 2007

CALL TO ORDER

The Ocean Point 2007 Annual Meeting was called to order at 10:00 a.m. on Saturday, February 3, 2007 at the Port Royal Beach House, Hilton Head Island, SC. Ms. Carolyn Neely was in attendance for Association Services, Inc. (hereinafter referred to as "ASI"). Owners in attendance introduced themselves.

PROOF OF NOTICE / ESTABLISHMENT OF QUORUM

Proof of notice and establishment of quorum were given by owners represented in person or by proxy. A sign-in sheet was circulated for those in attendance to sign.

ACCEPTANCE OF 2005 ANNUAL MEETING MINUTES

A motion was made and seconded to approve the 2005 Annual Meeting minutes as mailed. The motion passed unanimously.

FINANCIAL REPORT

- a. *Balance Sheet and Income / Expense statement* - Ms. Neely reviewed the Balance Sheet for the period ending December 31, 2006, verifying the cash and receivables positions. The Income / Expense statement was reviewed and any overages were noted.
- b. *2007 Approved Budget* – Ms. Neely presented the approved budget, which includes a regime fee increase to \$555 quarterly. She reviewed the changes to the budget, which included increases to the common electric, water/sewer, landscape supply, irrigation, administrative, property management and property tax. A new line item for landscape spraying was added and the tree maintenance line item was deleted and will be addressed in the landscape common expense. The reason for the new landscape spraying line item is to improve our turf through herbicides, insecticides, fungicides and fertilization. There was a decrease to the landscape common expense to offset the new landscape spraying budget. Ms. Neely entertained questions from the ownership.

A motion was made and seconded to accept the 2007 budget, as presented. The motion passed unanimously.

PRESIDENT'S REMARKS

President Ray Dafrico was not in attendance due to surgery. Ms. Neely noted that the accomplishments of 2006 were attached to the meeting packet given out today. Ms. Smith introduced Ms. Neely as the new manager for Ocean Point, replacing Ray Dowling. Ms. Neely has been with ASI for thirteen years and is doing a great job for us. The biggest challenge facing the POA is the management of the money and maintaining the quality throughout the POA.

GENERAL REMARKS

An owner expressed an appreciation for the up keep of Ocean Point Association and the board's efforts to maintain it. Another owner commented many cell phones do not work in Ocean Point, including his own. Discussion ensued about the Port Royal Plantation percentage fee to be assessed at a sale of any property for disaster preparedness, but funds would not be kept in separate account for this purpose and could be drawn upon for other purposes. Ocean Point owners attending the meeting opposed to this attachment to a real estate sale. Mr. Paul Hessinger commented he would be willing to be the spokesperson for Ocean Point.

ELECTION OF ONE DIRECTOR

There is one open seat to be elected today, that of Ms. Karen Smith. Mr. Hessinger had expressed an interest in serving. There were no nominations from the floor. A motion was made and seconded to elect Mr. Hessinger by acclamation. The motion passed unanimously.

ADJOURNMENT

There being no further business, a motion was made to adjourn the meeting at 11:15 a.m.

President

Date Approved