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## Chairman's Year in Review -2009-

Dear Fellow Association Members:

On behalf of my fellow board members, the many member volunteers and the association's staff, I am happy to present the *KICA Year in Review*. The accomplishments presented here reflect the outstanding work of everyone. Appreciation also goes to the Kiawah Island Town Council, the resort and the developer. Ours is an island where success requires cooperation among all of the key entities. Clearly everyone understands that this synergy makes Kiawah a truly exceptional community.

For its part, your community association took bold initiatives to accomplish special goals and celebrate milestones. Following are the successes and challenges for the year, listed by category:

### **Excellence in Governance**

#### **Strategic Planning**

The board anticipates and plans for changes to preserve members' values and quality of life. In keeping with its mission to lay out a future vision, the board focused on policy matters prioritizing strategic challenges and opportunities. The board devoted significant time to fine-tuning the plan's objectives, gathering and incorporating input from the members. The board will report on plan highlights this March at its annual meeting. We hope you will attend. You may also review the plan on the website at [www.kica.us](http://www.kica.us).

#### **Local Outreach**

The board made great strides in formalizing outreach with Seabrook Island, Charleston County and state government. Collaborating with Seabrook on Johns Island roads also led to our joining forces on joint committees on both the roads and on coastal wind and hail insurance matters. Our boards met for the first linkage meeting to discuss commonalities. Seabrook will host the next meeting in April. Board members have become familiar faces at City of Charleston and Charleston County council meetings, and are making inroads at the state level as well.

#### **Johns Island Roads**

The board has continued to actively pursue alternative traffic and safety solutions for Johns Island roads. Working in conjunction with the towns of Kiawah and Seabrook, the board was able to obtain a vote by Charleston County Council to authorize studies of two options: a new Johns Island Greenway and widening of Bohicket Road. The greenway would run on a diagonal to Bohicket and River, from a point near the Stono River Bridge to the southern end of River Road before it intersects with Betsy Kerrison. The county has hosted several public meetings to get citizen input. The studies are expected to be completed in spring 2010. We have chartered a Kiawah-Seabrook Johns Island Roads Committee to coordinate efforts, and will continue to pursue this important issue.

#### **Leadership Summit**

October saw the first annual leadership summit, with representation by principals from the town, resort, developer and association. This is an important initiative, as these groups can have wide-ranging impact on the island, such as the redevelopment of West Beach. Discussions were congenial and well-received, laying the groundwork for future cooperative efforts.



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## **Healthy Financial Condition Maintained**

Our financial condition remains excellent, as measured by the unqualified opinion received from the financial auditing firm this past spring. We anticipate that the independent auditors will have completed the 2009 audit by early March. Copies will be available to members after that time. As of Dec. 31, reserves on hand are approximately \$6 million, which is within the range specified in the reserves policy. Compared to other community associations of the same size and providing the same array of services, Kiawah has significantly more reserves on hand for future repair and replacement of infrastructure. In addition, the operating fund balance is approximately \$2.5 million and represents the equivalent of approximately six months of members' assessments.

Reserves were strong and the association was able to take advantage of the economic conditions, resulting in reduced costs in some areas. For example, Governor's Drive paving came in \$170,000 under budget. We also completed emergency work involving storm drainage that became apparent during the year. Investment fund balances are robust at \$10 million as of December 31.

Staff detailed specific ways to save funds by delaying noncritical operations activities, while maintaining member services at planned levels. Savings for year end are anticipated to be \$575,000, or 7.7% of operating expenses.

## **Communications Effectiveness**

### **Outreach to Members; Communications Received**

For the first time, the board had a regimes liaison in director Marilyn Olson. Efforts for improved communication included two Regime Executive Council sessions with agendas based on regime member requests for information. In addition, the association held forums, teleconferences and facilitations regarding town recycling, waste services, the old inn and the ARB. The association is committed to understanding the needs of this segment of our membership.

Monthly meetings of members with the COO (*Mornings with Joe* sessions) continued for another year. Members who cannot be on-site can easily participate by phone. HR committee members attended the association's new member welcome in the fall and populated the volunteer committees and groups with interested members. The association continues to make use of its *Instant News Flash* system to communicate instantly with approximately 4,500 registered members. This year, two new online Web seminars (webinars) were added, a very interesting History of Kiawah Island, and an overview of the association and its services. Webinars are particularly useful for members who cannot access on-site meetings. They can be viewed at [www.kica.us](http://www.kica.us).

## **Quality of Life Improvements**

### **Members' Events and Programming**

KICA's recreation staff issued 1,700 new identification tags to members. These allow members access to the facility, as well as serving as ID for the Preferential Pricing Program (please see *Member Discounts*, below). First-time member participation was at least 20% in: fitness classes, fitness room use, personal training, Mah-Jongg classes, arts fest exhibitors, flu shot program, Kiawah Reads and special seminars. New programs at the Sandcastle this year include a piano bar series, shag dance party, member excursions, gospel singing concert, photography workshops, presidential inauguration party and cooking demos. Of note are two new programs: Kiawah Cruises, which started in December, and the College of Charleston speaker series, "Our World," which provided 10 lectures and is booked monthly into 2010. Beach polo was a new event that proved to be highly popular, returning horses to Kiawah's beach after 30 years.



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A one-touch system was implemented at the Sandcastle, facilitating fast and easy check-in for members. This provides statistical data collecting with user interface peripherals for accurate representation of Sandcastle usage.

#### **Member Discounts**

The Preferential Pricing Program for members saw robust growth. During 2009, 20 new businesses joined, for a total of 37 local businesses that offer discounts to KICA members when they show their Sandcastle ID cards. The complete list of participating businesses may be viewed on our website. Contact the Sandcastle to obtain an ID card.

#### **Enhanced Gate Access Controls**

A new barcode access process for members was implemented in the fall, replacing the former 2-year decal cycle. Gate access is more controlled; when the association receives notice of a sales closing, the assigned bar code for that member can be immediately removed. System downloads are done every night, so the information is always current. This also eliminates the need to completely replace decals every two years. Members enjoy the convenience of keeping their decals, and having to obtain new ones only upon the purchase of a new vehicle.

#### **Marathon Processing Improved**

The annual marathon held each December on Kiawah draws thousands of runners from all over the world. This is an important event, yet at the same time has come with some gate delays for association members on the eve of the marathon. That changed this year when security moved the gate operation for runners to an alternate location. Marathon passes were e-mailed in advance to registered participants, and there was no delay at the gate for members while approximately 4,000 marathon participants and spectators accessed the island on check-in day.

#### **Sound Volunteerism**

Interest and participation in the community remains high among both full- and part-time residents. Renewed focus was placed on encouraging member volunteerism this year, through both on-site gatherings and informative pieces in *Digest*. Technology today makes it easier than ever to participate. A committee member survey indicated volunteer satisfaction is high. Committees remain vibrant and effective. Newcomers and seasoned volunteers are the life-blood of the organization and provide vital insights and fresh ideas. Opportunities are detailed on the enclosed committee overview. Take a look and consider where you can apply your talents.

#### **Collaborate Security Efforts**

Weekly working group meetings between the staffs of the association, the town and the resort continued through the summer. These meetings focused proactively on security, noise and nuisance issues before they became problems.

#### **Member Business Center Opened**

The administrative office was renovated, at substantially less than budgeted, to provide space for members to enjoy complimentary access to the Internet as well as fax, printer and scanner machines, during business hours in our newly designed lobby on Beachwalker Drive. Keep up with the latest events and programs on digital frames. The redesign also provided a more functional and private area for members to conduct business with staff.

Covenant compliance inspections were fully transitioned to two staff members. This allows greater consistency in reporting and tracking.



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### **Free CPR Classes Ongoing**

Ninety-one people took advantage of eight free, on-site CPR certification classes, which included instruction in automatic external defibrillator devices (AEDs). These devices can save the lives of persons in cardiac distress. Upon completion of the class, participants are CPR-certified by the Red Cross. Association staff members are trained to use the AEDs available at the main gate, in patrol vehicles, at the administrative office, at our maintenance facility and at the Sandcastle. The complimentary courses are ongoing for 2010 so members and staff can be certified or recertified.

### **Safety Walkthroughs Offered**

For member and regime properties, the association's director of security coordinated with the St. Johns Fire Department and Charleston County Sherriff's Office to offer safety walkthroughs of property. This service is offered again in 2010 for members.

### **Property Management Improvements**

#### **Infrastructure Maintenance**

Major projects completed during 2009 included repaving Governor's Drive from the first Flyway Drive intersection to the Ocean Course/Flyway Drive intersection, relocation of Flyway cross-over trail to improve visibility for pedestrians and vehicles, Inlet Cove Creek Bank stabilization project, renovation of five boardwalks (to rise above encroaching dunes), pruning of 116 pond edges, and repairs of drainage pipes under Surfsong between Ponds 041 and 050. This \$207,570 project involved the removal of 375 cubic yards of sedimentation and the sliplining of the three 100' long 48" diameter pipes.

#### **Habitat Preservation**

Sixteen acres of association-owned open space in the Preserve was placed into a conservation easement granted to the Kiawah Island Natural Habitat Conservancy. The area is part of the island's critical bobcat habitat, thus helping assure a healthy population for the future.

The association added another 375,000 square feet of common area to its Habitat Transition Zone program, and the Landscape Guidelines for Members document is being reviewed to encourage habitat cultivation. When numbers of members take small steps like these, together we can achieve continuing preservation of our important habitats. These steps in turn relate to our certification as one of the few Wildlife Habitat Communities in the nation.

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Should you have comments or questions about 2009 or the year ahead of us, do not hesitate to contact Chief Operating Officer Joe Bunting toll-free at 866-226-1770, locally at 843-768-9194 or by e-mail at [Joe.Bunting@kica.us](mailto:Joe.Bunting@kica.us).

Sincerely,

KIAWAH ISLAND COMMUNITY ASSOCIATION, INC.

A handwritten signature in dark ink, appearing to read "Paul O. Roberts", is written over a light blue horizontal line.

Paul O. Roberts  
Chairman of the Board  
[board@kica.us](mailto:board@kica.us)