

Board of Directors Announce New Governance Approach

A Message from the KICA Board of Directors

Dear Members:

We have a very positive message for you.

From the board's viewpoint, the future of your association is bright. Today Kiawah Island is approximately 70% developed. As the island continues to grow, the association must develop opportunities to enhance members' quality of life, preserve and enrich the island's habitat-centered natural environment, and provide access to stimulating recreational and cultural amenities.

Capitalizing on these opportunities will require the board's energy and focus. We retained an organizational consultant to confirm the board's view about focusing on long range planning. Through the consultant's work and our deliberations, we believe the time is right to vest the staff with greater authority to operate the association, allowing more of the board's time to plan for the island's future.

We are pleased to announce that beginning December 4, the organization's structure will change to facilitate the new direction. First, the current general manager, Joe Bunting, will be designated Chief Operating Officer, responsible and accountable to the board. While general association policies will continue to be established by the board, operational decisions will be made by Joe and the staff.

The current committee structure will be altered and volunteers will now advise the COO rather than the board. We believe the change will lead to committee recommendations being evaluated with increased efficiency. This should result in more members willing and able to volunteer. The present committees' work will remain as currently defined until their charters expire at the annual meeting in March 2007.

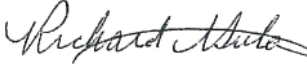
Consistent with the above and reflecting a more strategic focus, the board will implement a new long-range planning initiative, which is a key component of the new direction. In accordance with the shift from operational to strategic, the board President will become Chairman of the Board, and the Vice President will become the Vice Chairman.

The decision to move forward with these organizational changes is made with confidence, given the experience and quality of the staff and the financial health of the association. The past two member surveys have clearly reflected the membership's view that we have a great staff. Our financial auditor tells us we are operating with good controls and our reserves consultant states the association's infrastructure is well funded.

We believe with these changes the board can better serve the membership by allocating ample time to focus on what matters most — extraordinary future opportunities, the association's long-term health and complex multi-year issues such as access to adequate recreational amenities and the preservation of Kiawah's natural beauty and wildlife habitat.

As always, thank you for your interest and support.

Sincerely,
KIAWAH ISLAND COMMUNITY ASSOCIATION, INC.


Richard L. Sula, President

Want more details?

Visit KICA's website:

www.kiawah-owners.org/newapproach.htm

We also encourage you to contact Joe Bunting directly with your questions and comments:

E-mail: Joe.Bunting@Kiawah-Owners.org

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KICA Board of Directors
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