

## **Community Services Associates, Inc.**

### **Board of Directors Meeting**

**April 28, 2020**

A regular meeting of Community Services Associates, Inc., (CSA), Board of Directors, was held on Tuesday, April 28, 2020, via video conference.

**Present from the Board of Directors, were:** Larry Movshin, Chair; Jim Kaskie, Vice Chair; Carolyn Adams, Secretary; Dave Borghesi, Treasurer; Don Sigmon, Member at Large; Barry Barth, Director; Steve Birdwell, Director; Cary Corbitt, Director; David Ellis, Director; Bill Johnson, Director; Mark King, Director; David Pardue, Director; Stu Rodman, Director; Bob Sowers, Director and Rich Speer, Director

**Absent from the Board of Directors, were:** James Richardson, Director and Scott Richardson, Director

**Present from Community Services Associates, Inc., were:** Sam Bennett, President; Victoria Shanahan, Director of Finance and Administration; Russell Fredericks, Director of Maintenance; David Henderson, Director of Special Projects and Operations; Toby McSwain, Director of Safety, Security and Transportation; Amanda Sutcliffe-Jones, Director of Communications and Sandra Archer, Executive Administrator

### **Call to Order**

The meeting was called to order by Larry Movshin, Chair, at 10:25 a.m., Eastern time.

### **Establishment of Quorum**

With the majority of Board Members in attendance, quorum was met.

### **Ratify Approval – Board of Directors Meeting Minutes, February 4, 2020**

A motion was made by Mark King, to approve the resolution, “Ratify Approval – Board of Directors Meeting Minutes, February 4, 2020”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratified approval of the Board of Directors Meeting Minutes, February 4, 20120, as finalized by email.

### **Chair Update**

Chair Movshin provided an update. Action taken:

- CSA operations remain fully functional, however, CSA offices are closed to public;
- CSA revenues impacted by Pandemic, gate pass and short term revenue significantly down;
- Funding solutions to be reviewed and established.

### **President Update**

Mr. Bennett provided an update. Action taken:

- Administration, security, maintenance are ongoing, work being accomplished;

- Challenge moving ahead is immediate, crisis looming, tasked to find solutions;
- CSA Directors to provide department update.

### Special Projects and Operations

Mr. Henderson provided an update. Highlights included:

- All CSA events through May 12, 2020, cancelled;
- Administrative office partially staffed, closed to public;
- Six Oaks Cemetery, providing essential operations;
- Tower Beach, Sea Pines Forest Preserve, open, extra signage installed;

### Safety, Security and Transportation

Chief McSwain provided an update. Highlights included:

- Gate pass and short term rental revenue, substantially down;
- Fewer service calls, majority animal related, animal trapping service suspended, call CSA with issues;
- Sea Turtle nesting season to begin May 1, 2020;
- Replacement decals/IDs available electronically;
- Welcome Centre open, normal operations;
- Tower Beach open, staffed early morning – 6:00 p.m.;
- Trolley service scheduled to begin May 22, 2020;
- RBC Heritage Golf Tournament, rescheduled June 16 – 21, 2020, no ProAm, no spectators, hang tag process under review.

### Maintenance

Mr. Fredericks provided an update. Highlights included:

- Uptick in service calls: mulch, debris pickup;
- Sea Turtle signs installed;
- Road projects: paving, repairing, striping, crosswalks and boardwalk repair;
- Open space maintenance, mulching, flower replacement;
- Signage installed throughout community, significant impact;
- Excessive rainfall since beginning of year, catch basin clearance, multiple drainage collapses, Lawton Canal Station project nearing completion.

### Communications

Mrs. Sutcliffe-Jones provided an update. Highlights included:

- COVID-19 information provided via mass email, Sea Pines Living Website and Facebook;
- Hosting Deep Well Project food drive, CSA parking lot, 2,000 pounds of food collected to date; blood drive, OneBlood, Sea Pines Community Center, parking lot.

### Financial Update

Mr. Borghesi provided a recap on 2019 year-end financial statements. Action taken:

- 2019 Financials prepared by CSA have been sent to Elliott Davis;
- Expectation to receive same opinion letter as in past years.

Acceptance – Unaudited Financial Statements, YE/December 31, 2019

The balance sheet as of December 31, 2019 was reviewed. Total liabilities and fund balances, on an accrual basis, were \$19,825,434, an increase of \$700,540, as compared to December 31, 2018.

The income statement as of YE/December 31, 2019, was reviewed. Actual revenues over expenditures were \$1,327,657, compared to prior year actual, \$(460,246).

A motion was made by Dave Borghesi, to support the resolution, “Acceptance – Unaudited Financial Statements, YE/December 31, 2019”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved acceptance of the unaudited financial statements, YE/December 31, 2019, as presented”.

Approval – Amendment, Budget, 2020

A motion was made by Dave Borghesi, to support the resolution, “Approval – Amendment, Budget, 2020. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved amendment to the 2020 Budget, to include \$565,082 for Lighthouse Road reconstruction and \$101,936 for enterprise-wide software implementation, both rolled from 2019 Budget, for a total of \$667,018, as presented”.

Mr. Borghesi presented a recap of the YTD March 31, 2020 financial statements. Action taken:

- Gate pass privileges suspended for delinquent account holders, April 20, 2020;
- Operational, salary and wages below budget, vacant positions not filled;
- Revenue shortfall estimated, including April month to date declines, has resulted from a reduction in gate passes, which are major revenue source in May, June, July.

Acceptance – Financial Statements, YTD/March 31, 2020

The balance sheet as of March 21, 2020 was reviewed. Total liabilities and fund balances, on an accrual basis, were \$23,136,208, a decrease of \$522,401, as compared to March 31, 2019.

The income statement as of YTD/March 31, 2020, was reviewed. Actual revenues over expenditures were \$4,402,821, compared to budget and prior year actual, of \$4,425,816 and \$5,224,396, respectively.

A motion was made by Dave Borghesi, to approve the resolution, “Acceptance – Financial Statements, YTD/March 31, 2020”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved acceptance of the financial statements, YTD/March 31, 2020, as presented”.

**Unfinished Business**

CARES Act, SBA Loan

An update was provided by Chair Movshin and Dave Borghesi. Action taken:

- Monthly cash flow projections for remainder of 2020 compiled, as of April 1, 2020. Projections are current best guesses of gate revenue shortfall with no basis in history;
- Projections are guideposts to allow monthly monitoring to adjust financial and operational actions if necessary;
- CARES Act, SBA Loan received and provides for payroll levels to be maintained. Loan may be forgiven if qualifying expenses adhered to, but SBA has the final authority.

A motion was made by Dave Borghesi, to approve the resolution, “Approval – CARES Act, SBA Loan. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved application for and receipt of the CARES Act, Small Business Administration, Paycheck Protection Program loan in the amount of \$1,110,500”.

Chair Movshin appointed membership to the Task Force, Funding, Critical Needs: Chair Movshin, Ex Officio, Sam Bennett, Steve Birdwell, Dave Borghesi, David Ellis, Jim Kaskie, Mark King and Victoria Shanahan. Task Force to report at CSA Board Meeting, May, 28, 2020.

### **New Business**

#### Approval – Appointment, Nominating Committee, Class “A”, 2020

A motion was made by Bill Johnson, to support the resolution, “Approval – Appointment, Nominating Committee, Class “A”, 2020”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approves appointment of the Nominating Committee, Class “A” 2020: Barry Barth, Chair; David Pardue, Rich Speer; Members, as presented”.

#### Approval – Appointment, Nominating Committee, Class “B”, 2020

A motion was made by Carolyn Adams, to support the resolution, “Approval – Appointment, Nominating Committee, Class “B”, 2020”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approves appointment of the Nominating Committee, Class “B” 2020: Mark King Chair; Jim Kaskie, Bob Sowers; Members, as presented”.

#### Approval – Committee Charters, 2020

A motion was made by Jim Kaskie, to support the resolution, “Approval - Committee Charters, 2020”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approves Committee Charters, 2020: Executive, Governance, Short Term Rental and Strategic Planning, as presented”.

#### Approval – Amendment, Budget, 2020

Refer to Financial Update.

Approval – Amendment, Committee Membership, 2020

A motion was made by David Pardue, to support the resolution, “Approval – Amendment, Committee Membership, 2020”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approves amendment to the Maintenance, Enhancements and Major Projects and Governance Committees’ Membership, to include Dave Borghesi and Barry Barth, respectively, as presented”.

Discussion – Restarting Committee Meetings

Chair Movshin provided an update. Action taken:

- Committee Meetings to resume in May, as originally scheduled, via the ZOOM platform.

Adjournment

With no further business to come before the Board, Chair Movshin adjourned the meeting at 11:30 a.m. The next scheduled meeting of the CSA Board of Directors, is Thursday, May 28, 2020, 10:00 a.m., via videoconference.

Respectfully Submitted,



Carolyn Adams  
Secretary