

Community Services Associates, Inc.

Board of Directors Meeting

June 29, 2021

A regular meeting of Community Services Associates, Inc., (CSA), Board of Directors, was held on Tuesday, June 29, 2021, via videoconference.

Present from the Board of Directors, were: Larry Movshin, Chair; Jim Kaskie, Vice Chair; Carolyn Adams, Secretary; Dave Borghesi, Treasurer; Barry Barth, Director; Steve Birdwell, Director; Cary Corbitt, Director; David Ellis, Director; Bill Johnson, Director; Mark King, Director; Charlie Miner, Director; David Pardue, Director; Scott Richardson, Director; Don Sigmon, Director; Rich Speer, Director and Greg Thomson, Director

Absent from the Board of Directors, was: Bob Sowers, 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 9:30 a.m., Eastern time.

Establishment of Quorum

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

Executive Session

Approval – Board of Directors, Call to Executive Session

A motion was made by David Ellis to support the resolution, “Approval – Board of Directors, Call to Executive Session”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved the Board of Directors call to Executive Session”.

Board Meeting Reconvenes, 10:00 a.m.

Approval – Possible Actions Related to Executive Session

The Board of Directors reconvened at 10:00 a.m. There was no action taken.

Ratify Approval – Board of Directors Meeting Minutes, May 25, 2021; Annual Meeting Minutes, May 3, 2021:

A motion was made by Jim Kaskie, to support the resolution, “Ratify Approval – Board of Directors Meeting Minutes, May 25, 2021”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratified approval of the Board of Directors Meeting Minutes, May 25, 2021, as finalized by email”.

A motion was made by Greg Thomson, to support the resolution, “Ratify Approval – Annual Meeting Minutes, May 3, 2021”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratified approval of the Annual Meeting Minutes, May 3, 2021, as finalized by email”.

Chair Remarks – Chair Movshin

- Federal lawsuit, contesting the validity of Referendum, 2020, has been filed against CSA, ASPPO and the Sea Pines Resort, by Jill Jinks;
- CSA has absolute confidence in validity of call and results of Referendum, 2020;
- Trial date to be no earlier than Spring 2022, due to 7 month discovery period granted;
- CSA to focus on alternative means to collect funds, as would have been collected under Referendum, 2020, to address critical infrastructure needs. All legal alternatives, to be considered;
- Increased number of residents and guests has impacted community. More manpower than budgeted for, required. CSA to explore alternatives to expand operations budget;
- BOD will act to ensure high standard of living, maintained.

President Remarks – Sam Bennett

- Appreciation to Town of Hilton Head Island for Sea Pines issues addressed, in recent months;
- Lawton Canal Pump Station complete and operational, \$2.2M, paid by Town;
- Significant progress made with Town, regarding Gallery of Shops;
- Sea Pines Circle traffic to be reviewed in conjunction with Town and County;
- Additional signage to be installed outside the Greenwood Corridor;
- CSA recovered \$115K from Town, from previous stormwater projects;
- Greenwood Drive enhancements, to include ditch cleaning, tremendous improvement;
- Continued increase in number of residents and visitors, to create staffing challenges and pressures.

Director Reports

CSA Directors provided updates on their respective departments: Communications, Mrs. Sutcliffe-Jones; Finance and Administration, Ms. Shanahan; Maintenance, Enhancements and Major Projects, Mr. Fredericks; Operations and Special Projects, Mr. Henderson and Safety, Security and Transportation, Mr. McSwain.

Financial Report – Victoria Shanahan

- Recap of YTD/May 31, 2021, Financial Statements, provided;
- Balance Sheet and Income Statement, reviewed;
- 100 Residential Property Owners in arrears, 2021 assessment;
- Budget overages for gate passes: \$277K/daily, \$150K/short term rental and \$43K/annual.

Acceptance – Financial Statements, YTD/May 31, 2021

The balance sheet as of YTD/May 31, 2021 was reviewed. Total liabilities and fund balances, on an accrual basis, were \$24,002,996, as compared to prior year, of \$23,267,472.

The income statement as of YTD/May 31, 2021, was reviewed. Actual revenues over expenditures were \$4,381,645, as compared to budget and prior year actual, of \$1,303,036 and \$3,928,523, respectively.

A motion was made by Dave Borghesi, to support the resolution, “Acceptance – Financial Statements, YTD/May 31, 2021”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, accepted financial statements, YTD/May 31, 2021, as presented”.

Discussion – Elliott Davis, Report to the Board of Directors, 2020 – Dave Borghesi

- Audit performed yearly. Report to the Board of Directors, 2020, Elliott Davis, circulated to Board;
- Finance sub-committee met with Elliott Davis, outside independent auditor. No issues to report, per 2020 audit opinion.

Committee Reports

Communications – David Ellis

No report given.

Finance – Dave Borghesi

Refer to Financial Report, Discussion – Elliott Davis, Report to the Board of Directors, 2020.

Gate Entry – Cary Corbitt

No report given.

Governance – Jim Kaskie, Amanda Sutcliffe-Jones

- Conduct of self-assessment on Board processes, to be reviewed;
- Electronic voting platform recommended, following staff research. Roll out of new process to include community education and collection of email addresses.

Approval – Electronic Voting, Sea Pines CSA Board of Director Elections

A motion was made by Jim Kaskie, to support the resolution, “Approval – Electronic Voting, Board Elections.” The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, on recommendation of the Governance Committee, approved electronic voting for Sea Pines CSA Board of Director Elections, to include an education campaign to the electorate”.

Land Use Management – Charlie Miner

- Safety Rules and Regulations to be effective July 1, 2021;
- ASPPPO leaf blower recommendation, to be reviewed with Board.

Maintenance, Enhancement and Major Projects – Barry Barth
No report given.

Safety, Security and Transportation – Bill Johnson

- Ebikes, nor any other electronic transportation means, permitted in Sea Pines;
- Committee to stay apprised on Town’s ebike stance.

Sea Pines Forest Preserve Advisory Board – Charlie Miner

- Working on variety of projects, to include strategic plan;
- Appreciation for Garden Club donation and Sea Pines Resort’s \$2/nightly guest donation program.

Short Term Rental – David Ellis

- Committee to study effects, costs and potential solutions, borne to the community amid influx of residents/visitors;
- Fines to be levied against property owners for their own and guests’ violation of Land Use Management Rules and Regulations.

Strategic Planning – David Pardue

- Strategic Plan adopted in 2018 is 90% implemented;
- Staff to provide plan updates at next Committee Meeting, September 2021.

There were no recommendations to be brought before the Board, at this time, by the following Committees: Communications, Mr. Ellis, Gate Entry, Mr. Corbitt; Land Use Management, Mr. Miner, Maintenance, Enhancement and Major Projects, Mr. Barth; Safety, Security and Transportation, Mr. Johnson; Short Term Rental, Mr. Ellis and Strategic Planning, Mr. Pardue.

Unfinished Business

Approval – Electronic Voting, Sea Pines CSA Board of Director Elections
Refer to Committee Reports, Governance.

New Business

Ratify Approval – Encroachment Agreement, Lighthouse II Villas, Horizontal Property Regime XLIV, Inc., Lighthouse Lane

A motion was made by Steve Birdwell, to support the resolution, “Ratify Approval – Encroachment Agreement, Lighthouse II Villas, Horizontal Property Regime XLIV, Inc., Lighthouse Lane”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratified the vote on the approval of the encroachment agreement, Lighthouse II Villas, Horizontal Property Regime XLIV, Inc., Lighthouse Lane, as evidenced by as-built survey, Cook Land Surveying, Inc., Donald R. Cook, Jr., Professional Land Surveyor, December 23, 2020, onto CSA open space, as finalized by email”.

Adjournment

A motion was made by Jim Kaskie, to adjourn the meeting. The motion was seconded and unanimously carried.

With no further business to come before the Board, Chair Movshin adjourned the meeting at 11:15 a.m. The next regularly scheduled meeting of the CSA Board of Directors, to be held Tuesday, September 28, 2021, 9:30 a.m., via videoconference.

Respectfully Submitted,



Carolyn Adams
Secretary