

Community Services Associates, Inc.

Board of Directors Meeting

March 26, 2019

A regular meeting of Community Services Associates, Inc., (CSA), Board of Directors, was held on Tuesday, March 26, 2019, at the Sea Pines Community Center, 71 Lighthouse Road, Suite 120, Hilton Head Island, SC 29928.

Present from the Board of Directors were: Mark Griffith, Chair; Michael Tucker, Vice Chair; Stu Rodman, Treasurer; Carolyn Adams, Secretary; Barry Barth, Director; Steve Birdwell, Director; Cary Corbitt, Director; Bill Johnson, Director; Jim Kaskie, Director; Mark King, Director; Charles Miner, Director; Larry Movshin, Director; James Richardson, Director; Scott Richardson, Director; Donald Sigmon, Director and Bob Sowers, Director

Absent from the Board of Directors were: Rich Speer, Director

Present from Community Services Associates, Inc., were: Bret Martin, President; Victoria Shanahan, Director of Finance and Administration; Amanda Sutcliffe-Jones, Director of Communications and Sandra Archer, Executive Administrative Assistant

Call to Order

The meeting was called to order by Mark Griffith, Chair, at 3:00 p.m., Eastern time.

Establishment of Quorum

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

Executive Session

Contracts, Legal, Personnel – Chair Griffith

Chair Griffith called the Board of Directors into Executive Session at 3:00 p.m.

Board Meeting Reconvenes

Possible Actions Regarding Contracts, Legal, Personnel Matters – Chair Griffith

The Board of Directors reconvened at 3:30 p.m. No update was provided. No action taken.

Ratify Approval – January 10, 2019, Organizational Meeting Minutes; January 29, 2019, Board of Directors Meeting Minutes

A motion was made by Carolyn Adams, to ratify approval of the January 29, 2019, CSA, Board of Directors Meeting Minutes. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratified the vote on the approval of the January 29, 2019, Board of Directors Meeting Minutes, as finalized by email”.

A motion was made by Barry Barth, to ratify approval of the January 10, 2019, CSA, Organizational Meeting Minutes. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratified the vote on the approval of the January 10, 2019, CSA, Organizational Meeting Minutes, as finalized by email”.

President Update – Bret Martin, President, CSA

Mr. Martin provided the President update. Action taken:

- Preparation for referendum continues;
- Sea Pines Forest Preserve seeking permit for new entrance to Sea Pines, across from stables;
- Past marketing endeavors for Six Oaks Cemetery is not working well. CSA to communicate with Residential Property Owners, seeking those with an interest to form a Task Force and assist with marketing;
- Letter received from Carolina Place requesting CSA to maintain their roads. Policy for accepting roads and further details to be provided at next Board Meeting.

Financial Update – Victoria Shanahan, Director of Finance and Administration

Ms. Shanahan provided the financial update. Action taken:

Acceptance – Financial Statements, YTD/December 31, 2018; January 31, 2019

The balance sheet as of December 31, 2018, was reviewed. Total liabilities and fund balances on an accrual basis, were \$19,029,146, a decrease of \$997,777, over the same period, December 31, 2017.

The income statement for YTD/December 31, 2018, was reviewed. Actual revenues over expenditures were (460,246), as compared to current year budgeted and prior year actuals, resulting in variances of \$1,684,666 and (1,144,550), respectively.

The balance sheet as of January 31, 2019, was reviewed. Total liabilities and fund balances, on an accrual basis, were \$24,536,638, a decrease of \$446,191 over the same period, January 31, 2018.

The income statement for YTD/January 31, 2019, was reviewed. Actual revenues over expenditures were \$6,500,531, as compared to current year budgeted and prior year actuals, resulting in variances of \$413,637 and \$388,690, respectively.

A motion was made by James Richardson, to approve the resolution, “Acceptance – Financial Statements, YTD/December 31, 2018; January 31, 2019”. The motion was seconded and unanimously carried:

“RESOLVED, Community Services Associates, Inc., Board of Directors, approved acceptance of the financial statements, YTD/December 31, 2018; January 31, 2019, as presented”.

Approval – Amendment to Budget, 2019

An update was provided. Action taken:

A motion was made by James Richardson, to approve the resolution, “Amendment to Budget, 2019”. The motion was seconded and unanimously carried:

“RESOLVED, Community Services Associates, Inc., Board of Directors, approved amendment to Budget, 2019, to include: \$397,770 MR&R Projects rolled from 2018; \$40,000 in new MR&R (\$6,857) net for Beach Club Trolley and \$34,299 in Capital rolled from 2018, at a total cost of \$465,212, as presented”.

Committee Update

Architectural Review Board Liaison – James Richardson

An update was provided. No action taken.

Communications Committee – Barry Barth

An update was provided. Action taken:

- Due to lack of quorum, the March Committee Meeting was cancelled. A meeting will be rescheduled for April 2019. Committee Chairs are requested to attend.

Finance Committee – Stu Rodman

An update was provided. Action taken:

- Approval of Finance Committee Charter, 2019. Refer to “New Business”.

Gate Configuration Committee – Michael Tucker

An update was provided. No action taken.

Gate Entry Committee – Cary Corbitt, Charles Miner

An update was provided. Action taken:

- Approval of Gate Entry Committee Membership, 2019. Refer to “New Business”.
- Approval of Gate Entry Committee Charter, 2019. Refer to “New Business”.
- Approval of Amendments to Gate Entry Policy. Refer to “New Business”.

Governance Committee – Michael Tucker

An update was provided. Action taken:

- Amendment of Governance Committee Membership, 2019. Refer to “New Business”.

Government Liaison – Stu Rodman

An update was provided. No action taken.

Land Use Management Committee – Larry Movshin

An update was provided. No action taken.

Maintenance, Enhancement and Major Projects Committee – James Richardson

An update was provided. Action taken:

- Approval of Maintenance, Enhancement and Major Projects Committee Charter, 2019. Refer to “New Business”.

Safety and Security Committee – Jim Kaskie

An update was provided. Action taken:

- Approval of Safety and Security Committee Charter, 2019. Refer to “New Business”.

Short Term Rental Committee – Bill Johnson

An update was provided. Action taken:

- Approval of Short Term Rental Committee Charter, 2019. Refer to “New Business”.

Strategic Planning Committee – Michael Tucker

An update was provided. No action taken.

Unfinished Business – Chair Griffith

There was no unfinished business to discuss.

New Business

Announcement – Date of Record, Annual Meeting, 2019 – Chair Griffith

An update was provided. Action taken:

- The date of record for the Annual Meeting, 2019, was set as March 1, 2019.

Approval – Nominating Committee, Class “A”, 2019 – Chair Griffith

An update was provided. Action taken:

A motion was made by Charles Miner, to approve the resolution, “Nominating Committee, Class “A”, 2019”. The motion was seconded and unanimously carried:

“RESOLVED, Community Services Associates, Inc., Board of Directors, approved appointment of the Nominating Committee, Class “A”, 2019: Michael Tucker, Chair; Barry Barth and Stu Rodman, Members”.

Approval – Nominating Committee, Class “B”, 2019 – Chair Griffith

An update was provided. Action taken:

A motion was made by Jim Kaskie, to approve the resolution, “Nominating Committee, Class “B”, 2019”. The motion was seconded and unanimously carried;

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved appointment of the Nominating Committee, Class “B”, 2019: Donald Sigmon, Chair and Bob Sowers, Member”.

Ratify Approval – Committee Membership, Gate Entry, 2019 – Chair Griffith

An update was provided. Action taken:

A motion was made by Jim Kaskie, to ratify approval of the resolution, “Committee Membership, Gate Entry, 2019”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratified the vote on approval of appointment of the Committee Membership, Gate Entry, 2019, as finalized by email”.

Approval – Amendment, Committee Membership, Governance, 2019 – Chair Griffith

An update was provided. Action taken:

A motion was made by James Richardson, to approve the resolution, “Amendment, Committee Membership, Governance, 2019”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved amendment to the Governance Committee, to include Charles Miner, as presented”.

Approval – Committee Charters, 2019: Finance, Gate Entry, MEMP, Safety and Security, Short Term Rental - Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution, “Committee Charters, 2019: Finance, Gate Entry, MEMP, Safety and Security and Security, Short Term Rental”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved Committee Charters, 2019: Finance, Gate Entry, MEMP, Safety and Security and Short Term Rental, as presented”.

Ratify Approval – Amendment, Beach Club Trolley Service, 2019 - Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution, “Amendment, Beach Club Trolley Service, 2019”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratified the vote to approve amendment to the resolution “Amendment to Budget, 2019, Beach Trolley Service”, approved at the CSA Board of Directors meeting, January 29, 2019, to read as follows: Board of Directors, approves initialization of a Beach Club Trolley service, on a trial basis, effective March 23, 2019, through September 2, 2019. Total Operating Cost, \$60,749, to be subsidized through a \$2.00 increase in Weekly Short Term Rental Pass fees (\$17.00/pre-paid, \$22.00/gate), to be in effect during dates of beach trolley service, as finalized by email”.

Approval – Beach Club Trolley, Ridership – Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution, “Beach Club Trolley, Ridership”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved Beach Club Trolley ridership to include: Long Term Renters and Guests of Long Term Renters”.

Ratify Approval – Amendment, Gate Entry Policy, Beach Club Trolley Service – Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution “Amendment, Gate Entry Policy, Beach Club Trolley Service”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratified the vote to approve amendment to the Gate Entry Policy, subject to final written approval from Community Services Associates, Inc., Sea Pines Center and the Sea Pines Resort. Amendment to policy includes: \$2.00 increase in Weekly Short Term Rental Pass fee, to fund Beach Club Trolley service, on a trial basis, March 23, 2019 – September 2, 2019, inclusive. Full service evaluation to be completed, following operation dates, to determine success and continuation, as finalized by email”.

Approval – Amendment, Gate Entry Policy, Fee Exemptions – Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution, “Amendment, Gate Entry Policy, Fee Exemptions”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved amendment to the Gate Entry Policy, as presented, to include: Exempt Fees: (Page 5, Section 1.2.9). Certain commercial vehicles are exempt from the fees in this policy:

- 1) Newspaper delivery personnel;
- 2) US Postal Service;
- 3) Federal Express, Airborne, UPS, DHL, Amazon etc.;
- 4) Utility Companies;
- 5) Charities (Goodwill, Salvation Army, etc.) marked vehicles;
- 6) School buses;
- 7) At the discretion of the Director of Safety, Security and Transportation,

Approval – ADA Regulations: Beachwalks, Boardwalks – Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution, “ADA Regulations: Beachwalks, Boardwalks”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved consideration of mobility and access issue improvements, as funding allows, as projects are pursued. CSA is not required, by Town or Federal mandates, to make all beachwalks and boardwalks ADA accessible”.

Ratify Approval – Encroachment Agreement, Townhouse Sites, Lot G1 – Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution, “Encroachment Agreement, Townhouse Sites, Lot G1”. 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, Townhouse Sites, Lot G1, as evidenced by as-built survey, onto CSA open space, as finalized by email”.

Ratify Approval – Encroachment Agreement, Baynard Cove I, Lot 29 – Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution, “Encroachment Agreement, Baynard Cove I, Lot 29”. 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, Baynard Cove I, Lot 29, as evidenced by asbuilt survey, Gasque & Associates, Inc., August 3, 2018, onto CSA open space, as finalized by email”.

Ratify Approval – Encroachment Agreement, Baynard Cove III, Lot J – Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution, “Encroachment Agreement, Baynard Cove III, Lot J”. 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, Baynard Cove III, Lot J, as evidenced by as-built survey, Atlas Surveying, Inc., December 20, 2018, onto CSA open space, as finalized by email”.

Ratify Approval - Encroachment Agreement, Marsh View, Lot 28 – Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution, “Encroachment Agreement, Marsh View, Lot 28”. 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, Marsh View, Lot 28, as evidenced by as-built survey, Surveying Consultants, January 30, 2019, onto CSA open space, drainage and leisure trail. Easement to also provide Owner access to, use of and duty to maintain landscaping, of CSA property between benefitted property and marshlands, as finalized by email”.

Ratify Approval – Encroachment Agreement, Audubon Pond, Lot 26 – Chair Griffith

An update was provided. Action taken:

A motion was made by Scott Richardson, to approve the resolution, “Encroachment Agreement, Audubon Pond, Lot 26”. 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, Audubon Pond, Lot 26, as evidenced by as-built survey, Square Surveying, January 22, 2019, onto CSA open space, as finalized by email”.

Discussion – Conflict of Interest Policy/Confidentiality Acknowledgment Statement – Chair Griffith

An update was provided. Action taken:

- The Board of Directors is bound under South Carolina Non Profit Law;
- The ASPPPO Board of Director has approved a Conflict of Interest Policy/Confidentiality Acknowledgment Statement. These sample documents will be forwarded to CSA Board members, for review;
- A Conflict of Interest Policy/Confidentiality Acknowledgment Statement will be reviewed by the Governance Committee and brought to the Board for approval.

Discussion – Referendum, 2019 – Chair Griffith

An update was provided. Action taken:

- As previously discussed, the following terms remain constant: real estate transfer fee eliminated, Residential Property Owner assessment fee increase to be gradual/phased in and assessment fee increase to be effective as of 2020;
- Referendum language, subject to The Riverstone Group’s approval, to be prepared by Burr, Forman, McNair.

Adjournment

With no further business to come before the Board, Chair Griffith adjourned the meeting at 4:40 p.m. The next scheduled meeting of the CSA Board of Directors, is Tuesday, May 21, 2019, 3:00 p.m., at the Sea Pines Community Center.

A motion was made by Larry Movshin to adjourn the meeting at 4:40 p.m. The motion was seconded and unanimously carried.

Respectfully Submitted,



Carolyn Adams
Secretary