

Community Services Associates, Inc.

Board of Directors Meeting

November 19, 2019

A regular meeting of Community Services Associates, Inc., (CSA), Board of Directors, was held on Tuesday, November 19, 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

Present from the Board of Directors, via teleconference, was: 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 all Board Members in attendance, quorum was met.

Ratify Approval – Board of Directors Meeting Minutes, September 24, 2019

A motion was made by James Richardson, to approve the resolution, “Ratify Approval – Board of Directors Meeting Minutes, September 24, 2019”. The motion was seconded and unanimously carried. Mr. Birdwell was not present:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratified approval of the Board of Directors Meeting Minutes, September 24, 2019, as finalized by email”.

President Update

Mr. Martin provided an update. Action taken:

- Board workshop, legal/insurance, to be scheduled early 2020;
- Several potential legal actions, pending;
- Legal opinion received on Special Tax District, feasibility established, will continue to investigate process;
- New Community Coffee format in place, new opportunities to be established for community participation;
- Election 2020, Elliott Davis/Election Auditors, received ballots to date: CSA 1104, ASPPO 723. Ballots to be postmarked no later than December 1, 2019.

Financial Update

Ms. Shanahan provided an update. Action taken:

- Gate pass volume is down 7.4%, against prior year, but trending upwards.

Acceptance – Financial Statements, YTD/October 31, 2019

The balance sheet as of October 31, 2019, was reviewed. Total liabilities and fund balances, on an accrual basis, were \$20,335 (in thousands), a decrease of \$730 (in thousands), as compared to October 31, 2018.

The income statement for YTD/October 31, 2019, was reviewed. Actual expenditures over revenues were \$2,683 (in thousands), compared to budget and prior year actual, of \$1,758 and \$255, respectively (in thousands).

A motion was made by Stu Rodman, to approve the resolution, “Acceptance – Financial Statements, YTD/October 31, 2019”. The motion was seconded and unanimously carried. Mr. Birdwell was not present:

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

Approval – Budget, 2020

Ms. Shanahan provided an update. Action taken:

- Budget, 2020, reflects \$1 increase in gate pass fee effective August 1, 2020, to \$9, in accordance with the gate pass agreement;
- Budget, 2020, cash use is minimal. Alternative funding sources necessary and continue to be researched.

A motion was made by Larry Movshin, to approve the resolution, “Approval – Budget, 2020”. The motion was seconded and unanimously carried. Mr. Birdwell was not present:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved Budget, 2020, as presented”.

Approval - Residential Property Owner Assessment, 2020

Ms. Shanahan provided an update. Action taken:

A motion was made by James Richardson, to approve the resolution, “Approval – Residential Property Owner Assessment, 2020”. The motion was seconded and unanimously carried. Mr. Birdwell was not present:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approves an increase over the 2019 Assessment, bringing the 2020 Residential Property Owners Annual Assessment, on an improved lot, from \$1076 to \$1095 and the 2020 Residential Property Owners Annual Assessment, on an unimproved lot, from \$641 to \$652”.

Approval – Special Assessment, Hurricane Dorian, Irma

Ms. Shanahan provided an update. Action taken:

- Hurricane Dorian, Special Assessment, 2020: improved lot, \$9.80, unimproved lot, \$5.84;
- Hurricane Irma, Special Assessment, 2020: improved lot, \$22.80, unimproved lot, \$13.59;
- Residential Property Owner Assessment, Credit, 2020: improved lot, \$112.92, unimproved lot, \$67.33. Credit to be applied to Residential Property Owner Assessment, 2020.

A motion was made by Stu Rodman to approve the resolution, “Approval – Special Assessment, Hurricane Dorian, Irma”. The motion was seconded and unanimously carried. Mr. Birdwell was not present:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved two special assessment fees for Hurricanes Dorian and Irma, in the amounts of \$60,211.84 and \$140,064.79, respectively, to be allocated based on percentage of total assessments”.

Approval – Assessment Balance, Service Fee

Ms. Shanahan, Mr. Rodman, provided an update. Action taken:

A motion was made by Stu Rodman, to approve the resolution, “Approval – Assessment Balance, Service Fee”. The motion was seconded and unanimously carried. Mr. Birdwell was not present:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approves an Assessment Balance Service Fee, in the amount of \$200, to be charged as an administrative fee by the Finance Department. Fee covers costs of administrative services of providing residential property owner assessment balances to parties facilitating real estate closings. Fee to be paid on behalf of the seller of real property”.

Approval – Amendment to Budget, 2020, Engagement, Legal Counsel

Refer to Committee Update, LUM.

Committee Update

Architectural Review Board

Mr. Richardson provided an update. Action taken:

- Voiced concerns from RPOs, regarding Heron Point Golf Course, driving range netting. ARB and Sea Pines Resort to continue investigation and report back, as issue develops.

Communications Committee

Mr. Barth provided an update. Action taken:

- Election 2020, reminders: ballots to be postmarked by December 1, 2019, returned to Elliott Davis, auditor;
- Tower Beach Open House, December 10, 2019, 3 – 6 p.m., overflow parking available at Parcel # 1;

- Restructure of Board/Committee meetings, forums, under review;
- Community Coffee, transitioned to CSA Administration event. Format for Community Q&A/Town Hall events, to be determined and implemented.

Finance Committee

Mr. Rodman provided an update. No action taken:

- Budget, 2020, approved at \$500,000 deficit, will use 50% of reserves. Continued scenario for two years, would deplete reserves to minimum. Critical to address community funding.

Gate Configuration Committee

Mr. Tucker provided an update. Action taken:

- Gallery of Shoppes development, on hold;
- Meeting to be scheduled with traffic engineer.

Gate Entry Committee

Mr. Corbitt provided an update. Action taken:

- Beach shuttle operation, 2020, under review;
- \$1 bicycle fee increase, under review.

Approval – Amendment, Gate Entry Policy, September 24, 2019

A motion was made by Jim Kaskie, to approve the resolution, “Approval – Gate Entry Policy, September 24, 2019”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, upon recommendation from the Gate Entry Committee, approves amendment to the Gate Entry Policy, September 24, 2019, to include:

- Page viii - removal of redundant verbiage, \$12 pass with trailer”.

Approval – Amendment, Trolley Operations, Rules

A motion was made by Mark King, to approve the resolution, “Approval – Amendment, Trolley Operations, Rules”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approved, on recommendation of the Gate Entry Committee, amendment to the current trolley operation, rules, to permit beach gear on all trolley routes, with the exception to the red trolley route, that operates from the Trolley Station to Harbour Town”.

Get Out The Vote Committee

Mr. Movshin provided an update. Action taken:

- A text communication to be sent to Residential Property Owners, facilitated by CSA staff, as directed by the Board of Directors.

Ratify Approval – Rescind, Motion, September 24, 2019, Tower Beach Access

A motion was made by Bill Johnson, to approve the resolution, “Approval – Rescind, Motion/ Resolution, September 24, 2019, Tower Beach Access”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors approved to rescind motion and resolution 8d., carried unanimously at the CSA BOD meeting, September 24, 2019:

- Upon recommendation by the Gate Entry Committee, to permit a Tower Beach ‘access only’ card, for non-property Owners, who are permanent residents in Sea Pines. Issuance of card requires presentation of a valid South Carolina driver’s license, bearing a Sea Pines address. To be effective immediately”.

Governance Committee

Mr. Tucker provided an update. Action taken:

Approval – Committee Fair, 2020

A motion was made by Jim Kaskie, to approve the resolution, “Approval – Committee Fair, 2020”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, approves, on recommendation of the Governance Committee, that to assure the Board of Directors and Committees are fully staffed with willing and able members, to initiate a reliable and repeatable process for recruiting new members. The process will identify the desired mix of functional skills, experiences and personal characteristics for the Board and Committees. Further, a Committee recruitment event to be held mid- January, of each calendar year, to inform the community the kind of individuals needed and the anticipated focus of each committee during that year”.

Government Liaison

Mr. Rodman provided an update. No action taken:

- Status of US 278, corridor construction.

Land Use Management Committee

Mr. Movshin provided an update. Action taken:

- Ryan Cash, LUM, to begin December 2, 2019;
- Collaboration with ARB to develop rules/regulations, for owners refusing to be compliant with covenants;
- Committee to recommend to Board, to bring suit against non-compliant property owner. Determination as to who can bring suit, ARB, ASPPPO or CSA is needed, motion tabled.

Approval – Amendment to Budget, 2020, Engagement, Legal Counsel

There was no discussion.

Ratify Approval – Amendment, LUM Committee, SmartWebs

A motion was made by Barry Barth, to approve the resolution, “Ratify Approval – Amendment, LUM Committee, SmartWebs”. The motion was seconded and unanimously carried:

“**RESOLVED**, Community Services Associates, Inc., Board of Directors, ratifies the vote to approve amendment of the purchase of SmartWebs, data management system, on recommendation of the LUM Committee. Costs, to be shared equally between ARB, ASPPPO and CSA, include: \$2,300 installation fee and \$750 monthly usage fee, as finalized by email”.

Maintenance, Enhancement and Major Projects Committee

Mr. Richardson provided an update. Action taken:

- Lighthouse Road reconstruction, anticipated completion, January 2020;
- Clearing drains, culvert ends, identifying stormwater issues, continues;
- Mulching open spaces in process.

Safety and Security Committee

Mr. Kaskie provided an update. Action taken:

- Continue to work on ABDI, vendor;
- Committee actively addressing leisure trail issues;
- Working on multi-faceted communication for cyclists;
- Continuing theme of applied “fees” for excessive services, i.e., chronic alarms.

Short Term Rental Committee

Mr. Johnson provided an update. No action taken:

Strategic Planning Committee

Mr. Tucker provided an update. No action taken.

Unfinished Business

Search Committee

Mr. Tucker provided an update. Action taken:

- Following extensive search, two final candidates have been scheduled for a community tour and presentation to the Board of Directors;
- Expectation is to have the CSA President on board, February 1, 2020.

New Business

Ratify Approval – Rescind, Motion, September 24, 2019, Tower Beach Access

Refer to Committee Update, Gate Entry Committee.

Approval – Amendment, Gate Entry Policy, September 24, 2019

Refer to Committee Update, Gate Entry Committee.

Approval – Amendment, Bylaws, May 21, 2019

A motion was made by Bill Johnson, to approve the resolution, “Approval – Amendment, Bylaws, May 21, 2019”. The motion was seconded and unanimously carried:

“RESOLVED, Community Services Associates, Inc., Board of Directors, approves amendment to the CSA Bylaws, Article VI, Section 2, first paragraph, to read as follows:

- On or before December 1 each year, the Chair of the Board shall appoint a former, or outgoing, Chair/Vice Chair, or President/Vice President, who is willing and able to serve, as Chair of the Nominating Committee, for the selection of Board elected officers. The Chair will serve as a nonvoting member of the Committee, except as necessary to break a tie. The makeup of the Committee shall be the Chair, two (2) Residential Directors, one (1) Commercial Director and one (1) Resort Director; none of such Directors shall be then serving as an officer of CSA”.

Chair Griffith, appointed to serve as Chair, CSA Board of Directors, Officers Nominating Committee, 2020. Chair to report at Organizational Meeting, January 3, 2020.

Recognition and appreciation expressed for years of service to the Board and Community to: Chair Griffith, Charles Miner and Michael Tucker.

To remain viable, ASPPPO needs to effectively communicate with their membership. ASPPPO have requested email addresses, for ASPPPO members, from the CSA database. CSA and their Counsel have declined the request.

To address the issue, Chair Griffith appointed a Task Force. The Task Force to be comprised of: Charles Miner, Chair, Bret Martin, Dave Ellis, Jim Kaskie, Paula Scanlon, Victoria Shanahan and Amanda Sutcliffe-Jones.

Ratify Approval – Amendment, LUM Committee, SmartWebs
Refer to Committee Update, Land Use Management Committee.

Approval – Amendment, Trolley Operations, Rules
Refer to Committee Update, Gate Entry Committee.

Adjournment

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

With no further business to come before the Board, Chair Griffith adjourned the meeting at 4:10 p.m. The next scheduled meeting of the CSA Board of Directors, is Tuesday, January 28, 2020, 3:00 p.m., at the Sea Pines Community Center.

Respectfully Submitted,



Carolyn Adams
Secretary