

**Sea Pines Community Services Associates, Inc.**

**Board of Directors Meeting**

**November 16, 2021**

A regular meeting of Sea Pines Community Services Associates, Inc., (CSA), Board of Directors, was held on Tuesday, November 16, 2021, via videoconference.

**Present from Sea Pines CSA 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; Charlie Miner, Director; David Pardue, Director; Scott Richardson, Director; Don Sigmon, Director; Rich Speer, Director and Greg Thomson, Director

**Absent from Sea Pines CSA Board of Directors, were:** Mark King, Director and Bob Sowers, Director

**Present from Sea Pines CSA Staff, were:** Sam Bennett, President; Victoria Shanahan, Director of Finance and Administration; Russell Fredericks, Director of Maintenance; David Henderson, Director of Special Projects and Operations; Ryan Kash, Land Use Monitor; 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 9:35 a.m., Eastern time.

**Establishment of Quorum**

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

**Executive Session**

**Approval – Sea Pines CSA Board of Directors, Call to Executive Session**

A motion was made by Carolyn Adams to support the resolution, “Approval – Sea Pines CSA Board of Directors, Call to Executive Session”. The motion was seconded and unanimously carried:

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

**Sea Pines CSA Board Meeting Reconvenes, 10:00 a.m.**

**Approval – Possible Actions Related to Executive Session**

Sea Pines CSA Board of Directors meeting reconvened at 10:00 a.m. There was no action taken.

**Ratify Approval – Sea Pines CSA Board of Directors Meeting Minutes, September 28, 2021:**

A motion was made by Rich Speer, to support the resolution, “Ratify Approval – Sea Pines CSA Board of Directors Meeting Minutes, September 28, 2021”. The motion was seconded and unanimously carried:

**“RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, ratified approval of the Sea Pines CSA Board of Directors Meeting Minutes, September 28, 2021, as finalized by email”.

**Chair Remarks** – Chair Movshin

- Class “A” elections underway. Electronic and mailed ballot voting options available. Deadline for vote to be received, December 1, 2021, 11:59 p.m.;
- Sea Pines CSA Board Committee applications available on SeaPinesLiving.com. Deadline for application to be received, December 1, 2021, 11:59 p.m.
- Use of videoconference meetings, to provide greater opportunity for all to participate;
- Special mention to Mr. Barth for years served on Board and Committees;
- Sea Pines CSA Special Board Meeting, to be called December 16, 2021, as necessary.

**President Remarks** – Sam Bennett

To be addressed during Budget and Revenue Task Force discussion.

**Director Reports**

Sea Pines CSA Directors provided updates on their respective departments: Communications, Mrs. Sutcliffe-Jones; Finance and Administration, Ms. Shanahan; Land Use Management, Mr. Kash; 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/September 30, 2021, Financial Statements, provided;
- Balance Sheet and Income Statement, reviewed;
- Task Force to be appointed to review existing financial policies.

**Acceptance – Financial Statements, YTD/September 30, 2021**

The balance sheet as of YTD/September 30, 2021 was reviewed. Total liabilities and fund balances, on an accrual basis, were \$22,015,600, as compared to prior year, of \$21,967,311.

The income statement as of YTD/September 30, 2021, was reviewed. Actual revenues over expenditures were \$2,225,450, as compared to budget and prior year actual, of (\$445,661) and \$3,134,398, respectively.

A motion was made by Dave Borghesi, to support the resolution, “Acceptance – Financial Statements, YTD/September 30, 2021”. The motion was seconded and unanimously carried:

**“RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, accepted financial statements, YTD/September 30, 2021, as presented”.

**Approval – Fund Balance Transfer**

A motion was made by Dave Borghesi, to support the resolution, “Approval – Fund Balance Transfer”. The motion was seconded and unanimously carried:

**“RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approves transfer of funds from Undesignated to Emergency and Capital Reserve Funds, at year ending December 31, 2021, to ensure compliance with financial policies. Amounts to be determined”.

Approval – Adoption, Auditor, Sea Pines CSA Financial Statements YE, 2021

A motion was made by Dave Borghesi, to support the resolution, “Approval – Adoption Auditor, Sea Pines CSA Financial Statements YE, 2021”. The motion was seconded and unanimously carried:

**“RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approves adoption of Elliott Davis, LLC, as Auditor, for Sea Pines CSA’s Financial Statements YE, December 31, 2021”.

Approval – Assessment, 2022, Residential Property Owner

- Assessment, 2022, based on national CPI, 3.75%;
- Referendum, 2020, \$600 assessment, challenged in court. Cannot be billed at this time.

A motion was made by Steve Birdwell, to support the resolution, “Approval – Assessment, 2022, Residential Property Owner”. The motion was seconded and unanimously carried:

**“RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approved an increase over the 2021 Assessment, bringing the 2022 Residential Property Owners Annual Assessment, on an improved lot, from \$1110 to \$1152 and the 2022 Residential Property Owners Annual Assessment, on an unimproved lot, from \$661 to \$686”.

Approval – Budget, 2022

A motion was made by Dave Borghesi, to support the resolution, “Approval – Budget, 2022”. The motion was seconded and unanimously carried:

**“RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approved Budget, 2022, as presented”.

**Committee Reports**

Committee Chairs provided updates on their respective committees, in conjunction with Staff Director reports. Committees included: Communications, Mr. Ellis; Gate Entry, Mr. Corbitt; Governance, Mr. Kaskie; 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.

Committee resolutions brought to CSA Board for approval, were: Finance Committee, Mr. Borghesi, Chair and Governance Committee, Mr. Kaskie, Chair. Refer to Financial Report and Unfinished Business, respectively.

## **Unfinished Business**

### **Approval – Adoption, Sea Pines CSA Conflict of Interest Policy/Disclosure Form**

- Conflict of Interest Policy and Disclosure Form, reviewed by legal counsel;
- Sea Pines CSA Board Members to sign, January 2022.

A motion was made by Jim Kaskie, to support the resolution, “Approval – Adoption, Sea Pines Conflict of Interest Policy/Disclosure Form”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approved adoption of Sea Pines Conflict of Interest Policy/Disclosure Form, as presented”.

### **Approval – Sea Pines CSA Board of Directors Self-Assessment Survey**

- Self-Assessment Survey, administered through Survey Monkey, to be taken by Sea Pines CSA Board of Directors, on a trial basis, this calendar year.

A motion was made by Jim Kaskie, to support the resolution, “Approval – Sea Pines CSA Board of Directors Self-Assessment Survey”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approved the Sea Pines CSA Board of Directors Self-Assessment Survey, as presented”.

### **Approval – Adoption, Sea Pines CSA Outdoor Power Equipment Blower Noise Policy Sea Pines CSA Regulations, Governing Noise From Outdoor Power Blower Equipment, Resolution**

A motion was made by Larry Movshin, to support the resolution, “Approval – Adoption, Sea Pines CSA Regulations, Governing Noise From Outdoor Power Blower Equipment, Resolution”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approved adoption of the following resolution for Sea Pines CSA regulations, governing noise from outdoor power blower equipment:

- 1) Effective January 1, 2023 (the “**Effective Date**”), any individual or entity engaged in landscape maintenance or cleanup or removal for hire shall not utilize commercial grade leaf blower equipment unless such equipment has been rated by the manufacturer specifications as operating at or below a maximum of 75 dBA (per American National Standards Institute (“ANSI”) Standards B175.2-2000 (R2005). Any leaf blower equipment used in the Sea Pines community (“**Sea Pines**”) after the Effective Date shall contain a label confirming such rating.
- 2) The policy shall not apply to landscape maintenance or cleanup on the following:

- a. Golf courses;
- b. Tennis facilities;
- c. Stables;
- d. Leisure trails;
- e. Commercial Parking Areas or common areas owned by Commercial Owners;
- f. Road rights of way;
- g. Any Residential Property for purposes of cleanup only, following a named tropical storm, hurricane, or other major storm declared by CSA, that directly affects Sea Pines;
- h. Open space and lands managed or owned by CSA.

Any individual or entity engaged in landscape maintenance or cleanup or removal for hire after January 1, 2023 shall attest to compliance with these requirements as a condition to secure permit for access into Sea Pines to perform such services in Sea Pines. False attestation of compliance with the requirements of Paragraph 1 may result revocation of gate privileges.

Sea Pines CSA staff is directed to develop specific rules for the implementation of these regulations, including provisions for implementing these requirements and specific penalties for violation of these new rules, to be presented to the CSA Board of Directors for consideration not later than March 31, 2022.

It is the goal of the CSA Board of Directors to eventually restrict the use of commercial grade leaf blowers with manufacturers’ ratings over 65 dBA when such equipment becomes more widely available. CSA desires to further reduce the environmental effects of all leaf blowers used in the Sea Pines community, as soon as possible, but no later than the end of calendar year 2025”.

Approval – Adoption, Sea Pines CSA Short Term Rentals and Guest Parking Policy

A motion was made by Larry Movshin, to support the resolution, “Approval – Adoption, Sea Pines CSA Short Term Rentals and Guest Parking Policy”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approves adoption of Sea Pines CSA Short Term Rentals and Guest Parking Policy, as presented”.

Sea Pines CSA Roadway Infrastructure Acceptance Application/Policy

There was no motion made. Policy and Application remain under legal counsel review.

Update – Revenue Task Force – Chair Movshin, Sam Bennett

- o Current revenue generated from gate fees and property assessments, inadequate to operate and maintain Sea Pines community expected standards;

- Legal counsel opinion, Sea Pines CSA Board of Directors has authority, under South Carolina Nonprofit Corporation Act, to impose community fees. Legal counsel to draft Bylaws and necessary documents, for adoption in December, 2021;
- Three potential sources of revenue identified, to include:
  - Membership Transfer Fee - .5% of purchase price of real estate, paid by purchaser. Funds to be designated/allocated yearly, as determined by Sea Pines CSA Management and Board of Directors. Implementation to be March 31, 2022;
  - Annual Rental Property Business Registration Fee – Fee to be assessed yearly to rental property owners. Fee to be determined as to property bedroom count: 2 bedroom/\$300, 3 – 5 bedrooms/\$700, 6+ bedrooms/\$1000. Sea Pines CSA Bylaws to be amended, to provide ability to assess fees and file liens against unregistered rental property owners for nonpayment;
  - Gate Fee Agreement – Agreement to be amended. Possible options to include: elimination of \$20 weekly gate pass fee, daily visitor gate pass increased to \$10, commercial daily gate fees increased to be more in line with fees charged by other Island POAs;
- Per Board recommendation, Sea Pines CSA Staff to review options with legal counsel and report back, December, 2021.

### **New Business**

#### **Approval – Appointment, Architectural Review Board Members, 2022**

A motion was made by Larry Movshin, to support the resolution, “Approval – Appointment, Architectural Review Board Members, 2022”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approved appointment of Jerry Jeter, to complete a term vacancy, as a full member of the Architectural Review Board. The one year term will begin January 1, 2022 and end December 31, 2022.

In addition, Sea Pines Community Services Associates, Inc., Board of Directors, jointly approved, with the Sea Pines Property Owners Association Inc., Board of Directors, appointment of Charles McCray, as the alternate member of the Architectural Review Board. The one year term will begin January 1, 2022 and end December 31, 2022”.

#### **Approval – Sea Pines CSA Board/Committee Meeting Schedule, 2022**

A motion was made by Larry Movshin, to support the resolution, “Approval – Sea Pines CSA Board/Committee Meeting Schedule, 2022”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approved the Sea Pines CSA Board/Committee Meeting Schedule, 2022, as presented”.

**Appointment – Chair, CSA Officers Nominating Committee, 2022** – Chair Movshin Mark Griffith to serve as Chair for Officers Election, January, 2022.

Approval – Encroachment Agreement, Greenwood Drive Service Road

A motion was made by Dave Borghesi, to support the resolution, “Approval – Encroachment Agreement, Greenwood Drive Service Road”. The motion was seconded and unanimously carried:

“**RESOLVED**, Sea Pines Community Services Associates, Inc., Board of Directors, approves the encroachment agreement, Greenwood Drive Service Road, as presented”.

Adjournment

With no further business to come before the Board, Chair Movshin adjourned the meeting at 1:05 p.m. The next regularly scheduled meeting of the Sea Pines CSA Board of Directors, to be held Tuesday, February 8, 2022, 9:30 a.m., via videoconference.

Respectfully Submitted,



Carolyn Adams  
Secretary