



ASSOCIATION OF
SEA PINES PLANTATION
PROPERTY OWNERS

2020 ANNUAL REPORT

ASSOCIATION OF SEA PINES PLANTATION
PROPERTY OWNERS, INC. AND THE
ADVISORY BOARD

2020 ASPPPO

BOARD MEMBERS



**Paula Scanlon,
ASPPPO President**

Barry Barth
Paul Crunkleton
David Ellis
Dana Guazzo
Bill Johnson
James Richardson
Richard Speer
Grover Todd

A Letter From The ASPPPO Board President

Dear Members,

Another year in paradise has passed and we are slowly getting our vaccinations and moving on with our lives. ASPPPO is moving along as well. In 2020, we saw the departures of our president, Charlie Miner, Mark Griffith, and Richard Matthews. Their contributions, particularly Charlie's five-year rotation as President, are most appreciated. In January, we also welcomed David Ellis, Dana Guazzo and Grover Todd as our newly elected 2020 board members.

There were three primary focus points in 2020:

1. **Increase member communications.** For the first time last year we:

- Launched a new website, aspppo.net, including credit card (dues) transaction capability
- Published board packets, all documents along with agenda, one week ahead of each meeting
- Emailed multiple member newsletters
- Moved board meetings to the Zoom and YouTube platforms

2. **Ensure ASPPPO independence and grow awareness of the association.** To that end, we began an evaluation of ASPPPO's business model and how we handle all of the administrative/financial/ insurance work that is required to run our nonprofit most efficiently.

3. **Update Land Use Management Rules.** The joint ASPPPO/CSA Land Use Committee reviewed, edited and added to the 2010 Land Use Rules. New to the rules are an enforcement mechanism and penalties. With the new rules, situations such as the home abandonment at 40 Sand Fiddler and now 88 Lawton won't be tolerated.

One item that we weren't able to complete is a name change. ASPPPO is reviewing its brand image in the context of "does it clearly explain what we do?" and "how does it fare in light of today's social climate?" In 2021, the board of directors will move to a more descriptive name and drop the word, Plantation.

It is a privilege to serve with my fellow board members and we hope to continue to earn your trust as we provide a voice for you. You, the residential property owner, have overwhelmingly the largest financial investment in Sea Pines. Please join us as we work to create and foster excellence in our community, environment and quality of life in Sea Pines.

Warm regards,



Paula Scanlon
President,

Association of Sea Pines Plantation Property Owners, Inc., and The Advisory Board

2020 ASPPPO

ANNUAL MEETING MINUTES

Annual Meeting, October 27, 2020

An Annual Meeting of Association of Sea Pines Plantation Property Owners, Inc., and The Advisory Board (ASPPPO), was held on Tuesday, October 27, 2020, via videoconference.

Call to Order

The meeting was called to order by Paula Scanlon, President, at 10:05 a.m., Eastern time.

Establishment of Quorum

David Ellis, Secretary, announced that quorum was established by proxy.

Approval - Annual Meeting Minutes, April 29, 2019

A motion was made by David Ellis, to support the resolution, "Approval – Annual Meeting Minutes, April 29, 2019". The motion was seconded and unanimously carried:

"RESOLVED, the Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board, approved the Annual Meeting Minutes, April 29, 2019, as presented".

Announcement – Nominating Committee, 2020

President Scanlon announced the Nominating Committee, 2020: Paula Scanlon; Chair, Barry Barth and David Ellis.

Announcement – Date of Record, Election, 2020

President Scanlon announced the Date of Record, Election, 2020: October 1, 2020.

Financial Overview

Rich Speer provided a financial update. Highlights included:

- Balance Sheet, 2019: Total Assets/\$399,000, Total Liabilities/\$54,000 and Net Assets/\$345,000;
- Profit and Loss Statement, 2019: Net Income/\$1,000, Total Expenses/\$147,000, Total Revenue/\$148,000;
- Total Expenses, 2019: Community Events, Print and Meetings, Newsletter, Legal Fees, Membership Solicitation, Insurance, CSA Service Fee, Land Use Monitor, Other;
- Expenses slightly higher in 2019 due to Referendum, 2019, and Restatement of Bylaws;
- Reallocated dollars for communications and website development, digital newsletters to reduce cost;
- ASPPPO Membership, 2020, is currently 3,628, represents 70% of Residential Property Owners;
- Membership remains the key driver and revenue builder for the Association;
- Reserves provide a vehicle to protect Residential Property Owner's rights, legal expert counsel and to launch lawsuits.

Board of Directors Report

Recognition of Outgoing Board Members

Board Members Mark Griffith, Richard Matthews and Charlie Miner, were acknowledged and thanked for their terms of service, ended December 31, 2019.

Introduction of Board Members

Property Owners elected, to serve a three (3) year term beginning January 1, 2020: David Ellis, Dana Guazzo and Grover Todd.

President Scanlon thanked the seated 2020 ASPPPO Board of Directors, for their service: Barry Barth, Vice President; David Ellis, Secretary; Rich Speer, Treasurer; Paul Crunkleton, Director; Dana Guazzo, Director; Bill Johnson, Director; James Richardson, Director and Grover Todd, Director.

President's Remarks

President Scanlon provided a community update. Highlights included:

- New website features, include: join button, payment by credit card, membership directory, history, governance, documents, meeting dates, Board meeting packets;
- Annual Meeting proxy provided ability to collect additional member email addresses;
- Membership increased by 3%;
- Membership billing (2021) costs renegotiated and reduced by 50%;
- Land Use Management Rules and Regulations, will be put to vote at November 12, 2020, Board Meeting; will be forwarded to CSA for approval;
- New property management system in use by Land Use Monitor;
- Litigation ongoing against residential property owner in violation of Covenants;
- ASPPPO to remove "Plantation" and undergo name change, e.g., Sea Pines Property Owners Association, Sea Pines Homeowners Association;
- Leaf Blower Task Force's recommended Policy, tabled, for further review;
- ASPPPO has not taken position, regarding Sea Pines Special Tax District, at this time;
- Next Board Meeting, November 12, 2020.

Adjournment

With no further business to come before the Board, President Scanlon adjourned the meeting at 10:30 a.m. The date, time and location for the 2021 ASPPPO Annual Meeting, remains to be determined.

Respectfully Submitted,



David Ellis
Secretary

FINANCIAL SUMMARY FOR ASPPPO

2020 ASPPPO FINANCIAL STATEMENTS

Financial Summary for the Association of Sea Pines Plantation Property Owners, Inc., and The Advisory Board

ASPPPO's net assets decreased by about \$14,000 or 4.07% during 2020, compared to about a \$800 increase in 2019.

Membership revenue increased about \$1,000 in 2020 over the prior year. Dues were received from 70.1% of eligible Sea Pines Plantation residential property owners (69.5% in 2019). Membership is voluntary and dues were \$35 for an owner of a family dwelling unit or \$15 for an owner of a residential lot. Owners with more than one property in Sea Pines pay dues based on one of the properties.

Operating expenses during 2020 were about \$13,000 higher than the prior year primarily due to the website development.

ASPPPO's approved 2021 budget plan includes \$30,000 (or 9%) increase in net assets due to an increase in the annual dues from \$35 to \$50. The budgeted expenditures represents about a \$4,000 increase over 2020 principally related to the costs associated with a full time land use monitor ("LUM") position. Total LUM costs are being shared with CSA and Sea Pines Architectural Review Corporation.

ASSOCIATION OF SEA PINES PLANTATION PROPERTY OWNERS, INC., AND THE ADVISORY BOARD
2021 BUDGETED ACTIVITIES AND CHANGES IN NET ASSETS

2021 Budgeted Revenue	(in '000's)
Membership dues	\$ 177
Investment income, net	<u>10</u>
Total Budgeted Revenue	<u>187</u>
2021 Budgeted Expenditures	
Land use monitor	40
Insurance	24
Website development	18
Legal & professional	10
Annual election	12
Community events	5
General, administrative and other	<u>48</u>
Total Budgeted Expenditures	<u>157</u>
2021 Budgeted Increase in Net Assets	<u>\$ 30</u>

ASSOCIATION OF SEA PINES PLANTATION PROPERTY OWNERS, INC., AND THE ADVISORY BOARD
STATEMENTS OF FINANCIAL POSITION

December 31, 2020 and 2019

(Dollars in '000's)

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 15	\$ 82
Investments	396	305
Prepaid expenses	<u>10</u>	<u>12</u>
TOTAL ASSETS	<u>421</u>	<u>399</u>
LIABILITIES		
Advances by CSA	90	53
Membership dues received in advance	<u>-</u>	<u>1</u>
Total Liabilities	90	54
FUND BALANCE	<u>331</u>	<u>345</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 421</u>	<u>\$ 399</u>

ASSOCIATION OF SEA PINES PLANTATION PROPERTY OWNERS, INC., AND THE ADVISORY BOARD
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years Ended December 31, 2020 and 2019
(Dollars in '000's)

	<u>2020</u>	<u>2019</u>
REVENUE AND SUPPORT		
Membership dues	\$ 127	\$ 126
Other revenue	1	1
Investment income, net	16	19
Total Revenue and Support	<u>144</u>	<u>146</u>
EXPENDITURES		
Land use monitor	36	21
Insurance	22	22
Printing & postage	9	26
Website development	19	-
Legal & professional fees	20	23
General, administrative & other	52	53
Total Expenditures	<u>158</u>	<u>145</u>
CHANGE IN NET ASSETS	(14)	1
NET ASSETS AT BEGINNING OF YEAR	<u>345</u>	<u>344</u>
NET ASSETS AT END OF YEAR	<u>\$ 331</u>	<u>\$ 345</u>

ASSOCIATION OF SEA PINES PLANTATION PROPERTY OWNERS, INC. AND THE ADVISORY BOARD
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019
(Dollars in '000's)

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (14)	\$ 1
(Increase) decrease in current assets:		
Fair market values of investments	(92)	7
Prepaid expenses	(2)	2
Increase (decrease) in current liabilities:		
Advances by CSA	37	18
Membership dues received in advance	(1)	-
Net cash provided (used) by operating activities	<u>(72)</u>	<u>28</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(246)	(127)
Proceeds from redemption of investments	251	126
Net cash (used) by investing activities	<u>5</u>	<u>(1)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(67)	27
Cash and cash equivalents, beginning of year	<u>82</u>	<u>55</u>
Cash and cash equivalents, end of year	<u>\$ 15</u>	<u>\$ 82</u>