

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

Board of Directors Meeting

February 4, 2021

A regular meeting of Association of Sea Pines Plantation Property Owners, Inc., and The Advisory Board (ASPPPO), Board of Directors, was held on Thursday, February 4, 2021, via videoconference.

Present from the Board of Directors, were: Paula Scanlon, President; David Ellis, Vice President; Greg Thomson, Secretary; Grover Todd, Treasurer; Barry Barth, Director; Paul Crunkleton, Director; Dana Guazzo, Director; Bill Johnson, Director and Lee Stevens, Director

Present from Community Services Associates, Inc., were: Sandra Archer, Executive Administrator; Stephanie Fera, Communications Coordinator; Amanda Sutcliffe-Jones, Director of Communications and Stephen Vinciguerra, Manager of Information Technology

Call to Order

The meeting was called to order by Paula Scanlon, President, at 9:00 a.m. Eastern time.

Establishment of Quorum

Quorum was met.

Executive Session

Approval – Board of Directors Call to Executive Session

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

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board, approved the Board of Directors call to Executive Session”.

Board Meeting Reconvenes

The Board of Directors reconvened at 9:20 a.m. There was no action taken.

Ratify Approval – Board of Directors/Special/Organizational Meeting Minutes, November 12, 2020, November 30, 2020, January 14, 2021

A motion was made by Greg Thomson, to support the resolution, “Ratify Approval – Board of Directors/Special/Organizational Meeting Minutes, November 12, 2020, November 30, 2020, January 14, 2021, respectively”. The motion was seconded and unanimously carried:

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., Board of Directors and The Advisory Board, ratified approval of the Board of Directors/Special/Organizational Meeting Minutes, November 12, 2020, November 30, 2020, January 14, 2021, respectively, as finalized by email”.

President Remarks

President Scanlon provided an update:

- Following 2 prior attempts and 1 withdrawal, Referendum, 2020, Infrastructure Revenue Funding, proved successful;
- Task Force created to address Covenant reform, to focus on 75% threshold requirement;
- Outgoing Board Members, acknowledged: James Richardson, Rich Speer;
- Returning and incoming Board Members, welcomed: Bill Johnson, Lee Stevens, Greg Thomson, respectively;
- Organizational Meeting Officers, elected: President, Paula Scanlon; Vice President, David Ellis; Secretary, Greg Thomson; Treasurer, Grover Todd.

Financial Update

Mr. Todd provided an update:

- Financial Statements, Year-End/December 31, 2020, reviewed;
- Balance Sheet as of December 31, 2020, showed total liabilities and fund balances at \$421,231, as compared to \$398,737 in 2019;
- ASPPPO membership increased by 120 members over prior year. Goal is for all property owners to become members;
- Income Statement, YTD/December 31, 2020, showed actual revenues over expenses, (\$14,051), as compared to YTD/December 31, 2019 \$760, at a dollar variance of (\$14,811);
- As of December 31, 2020, investments remain laddered, over 6 years, with a balance of \$380,130;
- To rebuild reserves to a healthy level, yearly membership dues increased from \$35 to \$50, as of 2021.

Acceptance - Financial Statements, Year-End/December 31, 2020

A motion was made by Grover Todd to support the resolution, "Acceptance - Financial Statements, Year-End/December 31, 2020". The motion was seconded and unanimously carried:

"RESOLVED, Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board, accepted financial statements, Year-End/December, 2020, as presented and attached to the minutes of record".

ASPPPO Updates

Architectural Review Board (ARB)

Mr. Stevens provided an update:

- ARB work through 2020, provided in Density Report;
- Townhome colors in Harbour Town, indicative of Charles Fraser's vision for that area, referenced to Portofino.

Communications

Mr. Thomson provided an update:

- Annual billing sent, increase in people signing up;
- Only 1900 member email addresses on file, out of 3600 membership base;
- Newsletter to be circulated, shortly;
- Various surveys to be sent during year.

Website Updates

President Scanlon provided an update:

- Membership dues payable by credit card, on website, 294 transactions to date. Promotion to this effect, to continue to membership, through social media and newsletter;
- Capability to create petitions on line, via plug in, to be available, shortly.

Land Use Management Committee (LUMC)

Ms. Guazzo provided an update:

- Committee Member acknowledgment: Rich Speer, Co-Chair, Alex Cruden, Karen Gay, Susan Johnson, Chuck Kotler, Martha Mustard, Cathie Rasch, Lee Stevens, Jonathan Suhre, Peter Vairo, for extensive work on revision to Land Use Management, Rules and Regulations;
- Land Use Management issues have increased 55% over prior year, to 538;
- Following ASPPPO approval, Rules and Regulations to be forwarded to CSA for review, approval and enforcement.

Approval – Land Use Rules Vote

A motion was made by Dana Guazzo to support the resolution, “Approval – Land Use Rules Vote”. The motion was seconded. Voted in favor: President Scanlon, Dana Guazzo, Lee Stevens, Greg Thomson and Grover Todd. Abstained for further clarifications: Barry Barth, David Ellis and Bill Johnson. Majority voted in favor and motion carried.

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board, approved the Land Use Management, Rules and Regulations, December 23, 2020, as revised and presented”.

Short Term Rental Committee

Mr. Ellis provided an update:

- Mr. Ellis to be appointed as Chair, CSA Short Term Rental Committee, 2021;
- First Committee Meeting, February 9, 2021.

Unfinished Business

Approval – Land Use Rules Vote

Refer to ASPPPO Updates, Land Use Management Committee (LUMC).

Name Change

President Scanlon provided an update:

- Amendment to Articles of Incorporation required to initiate name change;

- Under South Carolina Not for Profit Corporation Act, vote of membership required for official name change, if silent under Charter and Bylaws;
- Membership vote, facilitated by mail, to incur expenses;
- Name change tabled.

New Business

Announcement – Date of Record, Annual Meeting, 2021

President Scanlon announced the Date of Record to be March 8, 2021, for the Annual Meeting, May 3, 2021.

Membership Committee/Email List Drive/Surveys

President Scanlon provided an update:

- Membership Committee established and Charter created. Mr. Stevens, appointed Chair.
- Purpose of committee to increase membership, expand member email address list and facilitate surveys.

Approval – Membership Committee Charter

A motion was made by Lee Stevens to support the resolution, “Approval – Membership Committee Charter”. The motion was seconded and unanimously carried:

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board, approved the Membership Committee Charter, as presented”.

Administrative Business Model Task Force

President Scanlon provided an update:

- ASPPPO service agreement with CSA, to expire 2021;
- Task Force created to review most effective way to conduct ASPPPO, administratively: President Scanlon, Mr. Thomson, Mr. Todd

Legal Support Task Force/Name Change

President Scanlon provided an update:

- ASPPPO name change, to be re-evaluated.

Covenant Change Task Force

President Scanlon provided an update:

- Task Force to review Covenant amendment to lower voting threshold.

Neighbors Helping Neighbors Foundation

President Scanlon provided an update:

- Idea originated from LUMC, to be spearheaded by Mrs. Guazzo;
- Foundation to consist of groups of people/neighbors, to help those as needed, with varying issues, i.e., poor health, loss of family and to connect to groups who could assist;
- Foundation to be set up and administered under State of South Carolina, 501 C3.

Adjournment

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

With no further business to come before the Board, President Scanlon adjourned the meeting at 10:20 a.m. The next regularly scheduled meeting of the ASPPPO Board of Directors, is Thursday, March 25, 2021, 9:00 a.m., via videoconference.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Gregory M. Thomson". The signature is written in black ink and includes a long horizontal flourish at the end.

Greg Thomson
Secretary

Association of Sea Pines Plantation Property Owners
Balance Sheets
December 31, 2020 and 2019

	December 31, 2020	December 31, 2019
Assets		
Cash		
Operating	\$ 10,425	\$ 1,906
Money Market	1,130	1,025
Morgan Stanley Money Fund	3,208	79,160
Total Cash and Cash Equivalents	<u>14,763</u>	<u>82,091</u>
Investments		
Marketable Securities	380,130	298,481
Accrued Interest	3,362	2,479
Unrealized Gain/ (Loss) on Investments	12,910	3,943
Total Investments	<u>396,402</u>	<u>304,903</u>
Prepaid Insurance	<u>10,066</u>	<u>11,743</u>
Total Assets	<u><u>\$ 421,231</u></u>	<u><u>\$ 398,737</u></u>
Liabilities and Fund Balance		
Current Liabilities		
Accounts Payable - CSA	\$ 90,260	\$ 52,838
Other Liability	74	727
Deferred Revenue	-	224
Total Current Liabilities	<u>90,334</u>	<u>53,789</u>
Undesignated Fund Balance	<u>330,897</u>	<u>344,948</u>
Total Liabilities and Fund Balance	<u><u>\$ 421,231</u></u>	<u><u>\$ 398,737</u></u>

Year	Number of Members
2013	3,920
2014	3,923
2015	3,845
2016	3,659
2017	3,517
2018	3,808
2019	3,537
2020	3,660

ASPPPO
Maturity Schedule for Investments
12/31/2020

Security Description	Adjustment Cost	Current Yield	Maturity	2020	2021	2022	2023	2024	2025	Total
BMW US Capital	49,892	0.990%	4/11/2021		50,000					50,000
American Honda Finance Corp.	33,146	2.140%	6/27/2022			33,000				33,000
Geico Corp.	23,361	6.260%	7/15/2023				20,000			20,000
Shell International	68,347	3.140%	8/12/2023				65,000			65,000
Orix Corp.	27,426	3.690%	1/16/2024					25,000		25,000
Qualcomm Inc	49,204	2.690%	3/20/2024					50,000		50,000
CIGNA Holding Corp	50,248	2.980%	1/15/2025						50,000	50,000
Exxon Mobil	21,193	2.740%	12/1/2025						20,000	20,000
Assured Guaranty US Holdings Inc.	19,172	4.370%	7/1/2024					17,000		17,000
MSIF Ultra Short Income A	38,141	0.180%	N/A	37,986						37,986
	380,130			37,986	50,000	33,000	85,000	92,000	70,000	322,986

Association of Sea Pines Plantation Property Owners
Income Statement - Current Year Actual versus Budget
For the Year-to-Date Ended December 31, 2020

	Year-to-Date Actual December 31, 2020	Year-to-Date Budget December 31, 2020	Dollar Variance
Revenues			
Membership Dues	\$ 127,320	\$ 123,306	\$ 4,014
License Plates	445	750	(305)
Interest	11,366	10,250	1,116
Total Revenues	<u>139,131</u>	<u>134,306</u>	<u>4,825</u>
Expenses			
Land Use Monitor	36,386	34,657	(1,729)
Accounting & Compilation	2,600	1,750	(850)
Technology Services	1,053	650	(403)
Insurance	21,809	22,000	191
Legal & Professional Fees	19,894	6,500	(13,394)
Postage and Freight	-	4,000	4,000
Property Cleanup	-	5,000	5,000
Rent	4,380	4,380	-
CSA Service Fee	19,301	19,301	-
Miscellaneous	-	600	600
Bank Service Charges	9,061	11,000	1,939
Consultants & Surveys	875	500	(375)
Communication Services	6,373	-	(6,373)
Annual Meetings	3,702	15,000	11,298
Newsletters	-	3,000	3,000
Public Relations	-	4,000	4,000
Referendum	-	1,000	1,000
Website Development	18,372	-	(18,372)
Travel	65	3,000	2,935
Community Events	-	6,000	6,000
Election	13,491	11,000	(2,491)
License	<u>157,362</u>	<u>153,338</u>	<u>(4,024)</u>
Total Expenses	(18,231)	(19,032)	801
Excess (Shortfall) of Revenues over Expenses from Operations			
Other Income/ (Expense)			
Bond Premium/ (Expense)	(4,787)	(2,665)	(2,122)
Unrealized Gain/(Loss)	8,967	-	8,967
Total Other Income/ (Expense)	<u>4,180</u>	<u>(2,665)</u>	<u>6,845</u>
Excess of Revenues over Expenses	<u>\$ (14,051)</u>	<u>\$ (21,697)</u>	<u>\$ 7,646</u>

Association of Sea Pines Plantation Property Owners
Income Statement - Current Year Actual versus Prior Year Actual
For the Year-to-Date Ended December 31, 2020 and 2019

	Year-to-Date Actual December 31, 2020	Year-to-Date Actual December 31, 2019	Dollar Variance
Revenues			
Membership Dues	\$ 127,320	\$ 125,593	\$ 1,727
License Plates	445	590	(145)
Interest	11,366	11,108	258
Total Revenues	<u>139,131</u>	<u>137,291</u>	<u>1,840</u>
Expenses			
Land Use Monitor	36,386	20,895	(15,491)
Accounting & Compilation	2,600	1,375	(1,225)
Technology Services	1,053	1,818	765
Insurance	21,809	21,673	(136)
Legal & Professional Fees	19,894	23,333	3,439
Office Supplies	-	169	169
Postage & Freight	-	205	205
Laundry & Uniforms	-	56	56
Rent	4,380	4,380	-
CSA Service Fee	19,301	19,301	-
Bank Service Charges	9,061	7,799	(1,262)
Consultants & Surveys	875	-	(875)
Communication Services	6,373	733	(5,640)
Annual Meetings	3,702	13,467	9,765
Website Development	18,372	-	(18,372)
Travel	65	391	326
Community Events	-	3,000	3,000
Computer Hardware	-	324	324
Election	13,491	25,322	11,831
Total Expenses	<u>157,362</u>	<u>144,241</u>	<u>(13,121)</u>
Excess (Shortfall) of Revenues over Expenses from Operations	(18,231)	(6,950)	(11,281)
Other Income/ (Expense)			
Bond Premium/ (Expense)	(4,787)	(2,525)	(2,262)
Unrealized Gain/(Loss)	8,967	9,895	(928)
Other Income	-	340	(340)
Total Other Income/ (Expense)	<u>4,180</u>	<u>7,710</u>	<u>(3,530)</u>
Excess of Revenues over Expenses	<u>\$ (14,051)</u>	<u>\$ 760</u>	<u>\$ (14,811)</u>