

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

Board of Directors Meeting

November 12, 2020

A regular meeting of Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board (ASPPPO), Board of Directors, was held on Thursday, November 12, 2020, via videoconference.

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

Absent from the Board of Directors, was: James Richardson, 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 Services

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.

Ratify Approval – Board of Directors Meeting Minutes, September 24, 2020

A motion was made by David Ellis, to support the resolution, “Ratify Approval – Board of Directors Meeting Minutes, September 24, 2020”. The motion was seconded and unanimously carried:

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., Board of Directors, ratified approval of the Board of Directors Meeting Minutes, September 24, 2020, as finalized by email”.

President Remarks – Business Plan

President Scanlon provided an update:

- Established Business Plan, 2021;
- Successful digital transition and creation of website. Communications to include monthly emails, community surveys;
- ASPPPO membership reflects 70% of community. Collection of email addresses remains critical for successful electronic billing and voting to occur;
- CSA holds Administrative contract. Permanent business model needs addressed and selected by mid 2021;
- ASPPPO shares 5 Board Members with CSA;
- Reserves to be replenished, through membership fee increase and kept available to enforce credibility, as necessary.

- Board vision/mission to be determined;
- Website and additional members' amenities, to be increased;
- Evaluate investments shared with CSA.

Financial Update

Mr. Speer provided an update:

- Financial Statements, YTD/September 30, 2020 and Budget, 2021, reviewed;
- Balance sheet as of September 30, 2020, shows total liabilities and fund balance at \$484,392, with majority of assets in investments;
- Investment portfolio to be maintained, placements through Morgan Stanley. Investments laddered through 2025, yield in 2% range;
- ASPPPO membership grew 2.6% year over year, to 71% of community;
- To rebuild reserves to a healthy level, membership dues need to be increased from \$35 - \$50 yearly.

Acceptance - Financial Statements, YTD/September 30, 2020

A motion was made by Rich Speer, to support the resolution, "Acceptance - Financial Statements, YTD/September 30, 2020". The motion was seconded and unanimously carried:

“RESOLVED, Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board, Board of Directors, accepted financial statements, YTD/September 30, 2020, as presented and attached to the minutes of record”.

Approval – Membership Fees, 2021

A motion was made by Rich Speer, to support the resolution, "Approval – Membership Fees, 2021". The motion was seconded and unanimously carried:

“RESOLVED, Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board, Board of Directors, approved the ASPPPO Membership Fee, 2021, increase from \$35 - \$50”.

Approval – Budget, 2021

A motion was made by Rich Speer, to support the resolution, "Approval – Budget, 2021". The motion was seconded and unanimously carried:

“RESOLVED, Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board, Board of Directors, approved Budget, 2021, as presented”.

ASPPPO Updates

Architectural Review Board (ARB)

In Mr. Richardson's absence, President Scanlon provided an update:

- Density report included in Board Meeting Packet;
- Substantial amount of applications coming through ARB;

- ASPPPO to investigate ways to promote to new property owners.

Communications

Mr. Ellis provided an update:

- Main source of Association information is found on website;
- Collection of email addresses remains paramount for effective communication.

Website Updates

President Scanlon provided an update:

- Credit card payment to be available on ASPPPO.net through individual property owner accounts.

Land Use Management Committee (LUMC)

Ms. Guazzo provided an update:

- Land Use Monitor Report, indicated: 472 total violations, 115 active, 11 with Committee, 357 resolved and one in litigation;
- Violations include: landscaping, maintenance, ARB violations, mailboxes and miscellaneous;
- Violations are significant and important, affecting 6% of the population.

Short Term Rental Committee

In Mr. McPhillips absence, President Scanlon provided an update:

- Issues in front of Committee: beach parking, rental properties used on a commercial basis for special events.

Unfinished Business

Approval – Proposed Refresh, 2010 Land Use Management Rules and Regulations

- Top priority for all residents remains CSA's revenue shortfall;
- Upon CSA Board's approval of revenue funding mechanism, ASPPPO to hold a Special Meeting;
- Land Use Management Rules and Regulations to be tabled, until CSA revenue shortfall is resolved.

A motion was made by Paula Scanlon to table the motion, "Approval – Proposed Refresh, 2010 Land Use Management Rules and Regulations". Voted in favor: Paula Scanlon, Chair, Barry Barth, David Ellis, Paul Crunkleton, Bill Johnson, Rich Speer and Grover Todd. Voted against: Dana Guazzo.

Name Change

Chair Scanlon provided an update:

- Consideration of ASPPPO name change, to one whose name/acronym would be self identifying, i.e.: Sea Pines Home Owner Association, SPHOA; Sea Pines Property Owners Association, SPPOA;
- Recommendation to solicit community vote.

New Business

Approval – Appointment, Architectural Review Board Member, 2021

A motion was made by Paula Scanlon, to support the resolution, “Approval – Appointment, Architectural Review Board Member, 2021”. The motion was seconded and carried. Voted in favor: Paula Scanlon, Chair, Barry Barth, David Ellis, Paul Crunkleton, Dana Guazzo, Rich Speer and Grover Todd. Abstained: Bill Johnson.

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., and The Advisory Board, jointly approves, with Community Services Associates, Inc., Board of Directors, appointment of Dan Fuller, as the alternate member of the Architectural Review Board. The one year term will begin January 1, 2021 and end December 31, 2021”.

Approval – Board of Directors Meeting Dates, 2021

A motion was made by Bill Johnson, to support the resolution, “Approval – Board of Directors Meeting Dates, 2021”. The motion was seconded and unanimously carried:

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., and The Advisory Board, approves the ASPPPO Board of Director Meeting Dates, 2021, as follows: January 14 (Workshop), February 4, March 25, May 3 (Annual Meeting), May 19, September 23 and November 11. Meetings to be held at 9:00 a.m.”.

Adjournment

With no further business to come before the Board, President Scanlon adjourned the meeting at 10:00 a.m. The next regularly scheduled meeting of the ASPPPO Board of Directors, is Thursday, February 4, 2021, 9:00 a.m., via videoconference.

Respectfully Submitted,



David Ellis
Secretary

Association of Sea Pines Plantation Property Owners
Balance Sheets
September 30, 2020 and 2019, and December 31, 2019

	September 30, 2020	September 30, 2019	December 31, 2019
Assets			
Cash			
Operating	\$ 76,855	\$ 4,913	\$ 1,906
Money Market	1,130	19,889	1,025
Morgan Stanley Money Fund	808	52,265	79,160
Total Cash and Cash Equivalents	<u>78,793</u>	<u>77,067</u>	<u>82,091</u>
Investments			
Marketable Securities	381,233	315,312	298,481
Accrued Interest	2,678	2,154	2,479
Unrealized Gain/ (Loss) on Investments	11,621	(6,048)	3,943
Total Investments	<u>395,532</u>	<u>311,418</u>	<u>304,903</u>
Prepaid Insurance	<u>10,067</u>	<u>13,286</u>	<u>11,743</u>
Total Assets	<u>\$ 484,392</u>	<u>\$ 401,771</u>	<u>\$ 398,737</u>
Liabilities and Fund Balance			
Current Liabilities			
Accounts Payable - CSA	\$ 115,420	\$ 25,923	\$ 52,838
Other Liability	75	165	727
Deferred Revenue	-	-	224
Total Current Liabilities	<u>115,495</u>	<u>26,088</u>	<u>53,789</u>
Undesignated Fund Balance	<u>368,897</u>	<u>375,683</u>	<u>344,948</u>
Total Liabilities and Fund Balance	<u>\$ 484,392</u>	<u>\$ 401,771</u>	<u>\$ 398,737</u>

Year	Number of Members	Percentage of Eligible Members
2013	3,920	77.10%
2014	3,923	77.10%
2015	3,845	75.60%
2016	3,659	71.90%
2017	3,517	69.10%
2018	3,808	74.86%
2019	3,537	69.53%
2020	3,628	71.32%

ASPPPO

Maturity Schedule for Investments
9/30/2020

Security Description	Adjustment Cost	Current Yield	Maturity	2020	2021	2022	2023	2024	2025	Total
BMW US Capital	49,892	2.010%	4/11/2021		50,000					50,000
American Honda Finance Corp.	33,172	2.190%	6/27/2022			33,000				33,000
Shell International	68,672	3.200%	8/12/2023				65,000			65,000
Qualcomm Inc	49,204	2.710%	3/20/2024				50,000			50,000
CIGNA Holding Corp	50,262	3.100%	1/15/2025					50,000		50,000
Exxon Mobil	21,250	2.840%	12/1/2025					20,000		20,000
Assured Guaranty US Holdings Inc.	19,329	5.000%	7/1/2024					17,000		17,000
ORIX Corp	27,630	4.050%	1/16/2024					25,000		25,000
Geico Corp	23,701	7.350%	7/15/2023				20,000			20,000
MSIF Ultra Short Income A	38,122	1.310%	N/A	38,112						38,112
	<u>381,234</u>			<u>38,112</u>	<u>50,000</u>	<u>33,000</u>	<u>85,000</u>	<u>92,000</u>	<u>70,000</u>	<u>368,112</u>

Association of Sea Pines Plantation Property Owners
Income Statement - Current Year Actual versus Prior Year Actual
For the Year-to-Date Ended September 30, 2020 and 2019

	Year-to-Date Actual September 30, 2020	Year-to-Date Actual September 30, 2019	Dollar Variance
Revenues			
Membership Dues	\$ 126,980	\$ 125,271	\$ 1,709
License Plates	245	415	(170)
Interest	8,264	8,516	(252)
Total Revenues	<u>135,489</u>	<u>134,202</u>	<u>1,287</u>
Expenses			
Land Use Monitor	28,068	19,448	(8,620)
Accounting & Compilation	1,450	1,375	(75)
Technology Services	486	731	245
Insurance	21,809	21,673	(136)
Legal & Professional Fees	12,948	7,471	(5,477)
Office Supplies	-	169	169
Postage & Freight	-	205	205
Rent	3,285	3,285	-
CSA Service Fee	14,476	14,476	-
Bank Service Charges	9,061	7,798	(1,263)
Consultants & Surveys	875	-	(875)
Communication Services	4,498	733	(3,765)
Annual Meetings	3,702	13,467	9,765
Website Development	14,800	-	(14,800)
Travel	65	361	296
Computer Hardware	-	323	323
Total Expenses	<u>115,523</u>	<u>91,515</u>	<u>(24,008)</u>
Excess (Shortfall) of Revenues over Expenses from Operations	19,966	42,687	(22,721)
Other Income/ (Expense)			
Bond Premium/ (Expense)	(3,664)	(1,950)	(1,714)
Unrealized Gain/(Loss)	7,678	9,463	(1,785)
Other Income	-	340	(340)
Total Other Income/ (Expense)	<u>4,014</u>	<u>7,853</u>	<u>(3,839)</u>
Excess of Revenues over Expenses	<u>\$ 23,980</u>	<u>\$ 50,540</u>	<u>\$ (26,560)</u>

**Association of Sea Pines Plantation Property Owners
Income Statement - Current Year Actual versus Budget
For the Year-to-Date Ended September 30, 2020**

	Year-to-Date Actual September 30, 2020	Year-to-Date Budget September 30, 2020	Dollar Variance
Revenues			
Membership Dues	\$ 126,980	\$ 123,306	\$ 3,674
License Plates	245	600	(355)
Interest	8,264	7,688	576
Total Revenues	135,489	131,594	3,895
Expenses			
Land Use Monitor	28,068	25,993	(2,075)
Accounting & Compilation	1,450	-	(1,450)
Technology Services	486	488	2
Insurance	21,809	22,000	191
Legal & Professional Fees	12,948	4,875	(8,073)
Postage and Freight	-	2,000	2,000
Property Cleanup	-	3,750	3,750
Rent	3,285	3,285	-
CSA Service Fee	14,476	14,476	-
Miscellaneous	-	450	450
Bank Service Charges	9,061	11,000	1,939
Consultants & Surveys	875	375	(500)
Communication Services	4,498	-	(4,498)
Annual Meetings	3,702	15,000	11,298
Newsletters	-	1,500	1,500
Public Relations	-	3,000	3,000
Referendum	-	1,000	1,000
Website Development	14,800	-	(14,800)
Travel	65	2,250	2,185
Community Events	-	3,000	3,000
Total Expenses	115,523	114,442	(1,081)
Excess (Shortfall) of Revenues over Expenses from Operations	19,966	17,152	2,814
Other Income/ (Expense)			
Bond Premium/ (Expense)	(3,664)	(1,999)	(1,665)
Unrealized Gain/(Loss)	7,678	-	7,678
Total Other Income/ (Expense)	4,014	(1,999)	6,013