

**Annual Meeting**

**October 27, 2020**

**Summary**

*Note: Minutes are not published until they are reviewed and ratified at the following year’s annual meeting; therefore we are publishing a summary as reported by Alex Cruden.*

**ASPPPO annual meeting**

President Paula Scanlon said that ASPPPO has been asked to take a position regarding the Sea Pines critical needs funding, such as endorsing the referendum plan.  Before doing so, she said, “we need to know all the facts,” and we do not have them yet.  ASPPPO leaders are seeking more transparency by CSA.

Treasurer Richard Speer said the group’s finances are stable.  Membership was 3,580 properties in 2019 and 3,628 this year.  He sees a need to build financial reserves in order to protect homeowners’ rights.

Scanlon highlighted recent ASPPPO achievements, including the new website ([aspppo.net](http://aspppo.net/)) and financial reforms.  Now, she said, it’s time to change the group’s name, eliminating “Plantation.”  Possibilities include Sea Pines Property Owners (or Homeowners) Association.

She deplored the amount of misinformation circulating about local issues, such as leaf-blower restrictions, when the facts are readily available on the website.  Before the next ASPPPO board meeting (Nov. 12) she hopes more homeowners will send questions and other input to info@aspppo.net.

Noting that these are stressful times and much division about Sea Pines appears on social media, she concluded: “Let’s take a breath.”

**Election note**

Voting for three seats on each board will occur by mail during November.  A meet-the-candidates Zoom session is scheduled for 10 a.m.-noon on Thursday.  To attend, click on [www.seapinesliving.com/live](https://www.seapinesliving.com/live).

CSA board candidates are Bill Johnson, Charlie Miner, Bob Quinn, Stu Rodman and Greg Thomson.

Three ASPPPO candidates are unopposed.  They are Bill Johnson, Greg Thomson and Lee Stevens.

**CSA annual meeting**

The new referendum proposal has drawn criticism on social media and elsewhere, Chairman Larry Movshin noted.  He said any proposal in Sea Pines, no matter how well-founded, will be opposed by some people or others.  He urged that everyone be civil in expressing their opinions and suggested that doing so makes the opinion more likely to be considered.

He also noted that the CSA directors are obligated, by state law, to act on behalf of the entire community’s best interests.  Regarding homeowners and the referendum, Movshin said that to repair the community’s infrastructure, “we have to start voting for ‘we,’ not ‘me’.”

Treasurer David Borghesi said Covid-19 will cause a deficit for CSA in 2020, primarily because of the drop in gate revenue, though a federal payroll loan of about $1 million is a substantial help.  He predicted the loan will not have to be repaid.

In the Q&A period after the meeting, Movshin provided more details about the referendum proposal:

* The Sea Pines Resort Co. and other commercial interests in Sea Pines may also pay more than currently.  They were not prepared, at the time of the CSA board meeting Monday that approved the referendum, to be specific.  They are to provide information in time for the next board meeting (Nov. 17) and the referendum plan can be amended then to specify their shares.
* If the Resort + commercial contribution is high enough, the $600 per residential property could be reduced.
* CSA President Sam Bennett will soon provide an itemized list of specific needs to be addressed with the new money, and the list will be posted on [seapinesliving.com](http://seapinesliving.com).
* §The CSA Board will not micro-manage.  It will instead leave it up to Bennett and his staff to decide which projects to tackle first, second and so on.
* The $600 to be added to the annual assessment would be subject to adjustment according to the Consumer Price Index, just as current assessments are.
* Using a different index would require a covenant change.
* $600 was chosen as the figure by starting with the desired result.  Borghesi, Bennett and CSA staff analyzed the available data and determined that $35 million in additional money would be needed over the next 10 years; they divided that total by 10 and divided the result by the number of residential units, resulting in approximately $600 per property per year.

Several questions involved whether the Resort and other commercial operations will pay their fair share.  After mentioning several different ways in which the question could be considered, Movshin said, “I don’t know how anyone can really determine what a ‘fair share’ is.”

Question: Will the Resort and other businesses be audited?

Borghesi: The covenants do not require auditing, and the cost of performing an audit is likely to be larger than the money that could be gained.

Movshin: This question has come up before, and the board has felt there is no reason for suspicion.

Q: How much will it cost to set up a special tax district and how much would the Resort pay with an STD?

Movshin: The specifics are not known yet.  If the referendum plan passes the STD won’t be needed.  And figuring out what any one property would pay under the STD is complicated and time-consuming.

Q: Why doesn’t the board skip the referendum and just do a special assessment to get the necessary money?

Movshin: The covenants don’t allow that.

Q: Why not sell the Gallery of Shops property?

Movshin: We’re not going to do any redevelopment spending there now.  The original idea of using the property for gate entry and related business “seems no longer necessary.”  CSA is working with the town to demolish the building and retain green space there.

     — Alex Cruden, co-president, Heritage Pond POA