

Association of Sea Pines Plantation Property Owners, Inc. (ASPPPO)

Board of Directors Meeting

Videoconference and YouTube Stream

Friday, June 5, 2020, 9:00 a.m.

Agenda

1. Call to Order Scanlon
2. Establishment of Quorum Ellis
3. Ratify Approval – Board of Directors Meeting Minutes, January 23, 2020 * Ellis
4. President Remarks Scanlon
5. Financial Update Speer
 - a. Approval – Acceptance, Financial Statements, YE/December 31, 2019 *
 - b. Approval – Acceptance, Financial Statements, YTD/March 31, 2020 *
6. ASPPPO Update
 - a. Architectural Review Board Richardson
 - b. Communications Ellis
 - c. Land Use Management Committee (LUMC) Guazzo
 - d. Short Term Rental Committee McPhillips
7. Unfinished Business Scanlon
 - a. Announcement – ASPPPO Designee, CSA Short Term Rental Committee
 - b. Approval - LUM Committee Charter, 2020 *
8. New Business
 - a. Website Scanlon
 - b. Email List Build Scanlon
 - c. Leaf Blower Task Force Johnson/Todd
 - d. Approval - Nominating Committee, 2020 * Scanlon
9. Adjournment

Reference Material Attachments

- o Resolutions, June 5, 2020
- o Financial Statements, YE/December 31, 2019
- o Financial Statements, YTD/March 31, 2020
- o ARB Density Report, April 30, 2020
- o ARB Status Report, YTD/April, 2020
- o LUMC Report
- o Charter, LUMC, 2020

* Denotes Action Item

Association of Sea Pines Plantation Property Owners, Inc. (ASPPPO)
Board of Directors Meeting
Videoconference
Friday, June 5, 2020, 9:00 a.m.

Resolutions

- Resolution for 3. **Ratify Approval – Board Meeting Minutes, January 23, 2020:**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., Board of Directors, ratifies approval of the Board of Directors Meeting Minutes, January 23, 2020, as finalized by email”.
- Resolution for 5a. **Approval – Acceptance, Financial Statements, YE/December 31, 2019:**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., Board of Directors, approves acceptance of the financial statements, YE/December 31, 2019, as presented”.
- Resolution for 5b. **Approval – Acceptance, Financial Statements, YTD/ March 31, 2020:**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., Board of Directors, approves acceptance of the financial statements, YTD/March 31, 2020, as presented”.
- Resolution for 7b. **Approval – Committee Charter, 2020, LUMC:**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., Board of Directors, approves the Committee Charter, 2020, LUMC, as presented”.
- Resolution for 8d. **Approval – Appointment, Nominating Committee, 2020:**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., Board of Directors, approves appointment of the Nominating Committee, 2020: Paula Scanlon, Chair; Barry Barth and David Ellis, Members, as presented”.

Association of Sea Pines Plantation Property Owners
Balance Sheets
December 31, 2019 and 2018

	December 31, 2019	December 31, 2018
Assets		
Cash		
Operating	\$ 1,906	\$ 917
Money Market	1,025	100
Morgan Stanley Money Fund	79,160	53,828
Total Cash and Cash Equivalents	<u>82,091</u>	<u>54,845</u>
Investments		
Marketable Securities	298,481	314,785
Accrued Interest	2,479	3,042
Unrealized Gain/ (Loss) on Investments	3,943	(5,952)
Total Investments	<u>304,903</u>	<u>311,875</u>
Prepaid Insurance	<u>11,743</u>	<u>13,286</u>
Total Assets	<u>\$ 398,737</u>	<u>\$ 380,006</u>
Liabilities and Fund Balance		
Current Liabilities		
Accounts Payable - CSA	\$ 52,838	\$ 34,465
Other Liability	727	-
Deferred Revenue	224	1,355
Total Current Liabilities	<u>53,789</u>	<u>35,820</u>
Undesignated Fund Balance	<u>344,948</u>	<u>344,186</u>
Total Liabilities and Fund Balance	<u>\$ 398,737</u>	<u>\$ 380,006</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	3,580	70.38%

Association of Sea Pines Plantation Property Owners
Income Statement - Current Year Actual versus Prior Year Actual
For the Year-to-Date Ended December 31, 2019 and 2018

c	Year-to-Date Actual December 31, 2019	Year-to-Date Actual December 31, 2018	Dollar Variance
Revenues			
Membership Dues	\$ 125,593	\$ 133,297	\$ (7,704)
License Plates	590	790	(200)
Interest	11,108	12,512	(1,404)
Total Revenues	<u>137,291</u>	<u>146,599</u>	<u>(9,308)</u>
Expenses			
Land Use Monitor	25,116	21,030	(4,086)
Accounting & Compilation	1,375	2,500	1,125
Telephone	893	648	(245)
Insurance	21,673	19,425	(2,248)
Legal & Professional Fees	20,094	14,919	(5,175)
Office Supplies	169	235	66
Postage & Freight	205	2,129	1,924
Food & Beverage	-	319	319
Property Cleanup	-	1,737	1,737
Rent	4,380	4,380	-
CSA Service Fee	19,301	19,301	-
Miscellaneous	-	(13)	(13)
Bank Service Charges	7,798	8,274	476
Communication Services	733	-	(733)
Consultants & Surveys	-	37	37
Annual Meetings	13,467	14,193	726
Travel	391	298	(93)
Newsletters	-	3,476	3,476
Relationship Management	-	25	25
Election	25,322	10,512	(14,810)
Community Events	3,000	5,741	2,741
Computer Hardware	323	-	(323)
Total Expenses	<u>144,240</u>	<u>129,166</u>	<u>(15,074)</u>
Excess (Shortfall) of Revenues over Expenses from Operations	(6,949)	17,433	(24,382)
Other Income/ (Expense)			
Bond Premium/ (Expense)	(2,525)	(4,844)	2,319
Unrealized Gain/(Loss)	9,895	(5,097)	14,992
Other Income	340	(85)	425
Income Tax Expense	-	(51)	51
Alligator Research Project	-	(3,500)	3,500
Total Other Income/ (Expense)	<u>7,710</u>	<u>(13,577)</u>	<u>21,287</u>
Excess of Revenues over Expenses	<u>\$ 761</u>	<u>\$ 3,856</u>	<u>\$ (3,095)</u>

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

	<u>January 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Assets		
Cash		
Operating	\$ 54,778	\$ 1,906
Money Market	1,025	1,025
Morgan Stanley Money Fund	81,009	79,160
Total Cash and Cash Equivalents	<u>136,812</u>	<u>82,091</u>
Investments		
Marketable Securities	298,373	298,481
Accrued Interest	2,449	2,479
Unrealized Gain/ (Loss) on Investments	3,194	3,943
Total Investments	<u>304,016</u>	<u>304,903</u>
Prepaid Insurance	<u>-</u>	<u>11,743</u>
Total Assets	<u>\$ 440,828</u>	<u>\$ 398,737</u>
Liabilities and Fund Balance		
Current Liabilities		
Accounts Payable - CSA	\$ 7,040	\$ 52,838
Other Liability	802	727
Deferred Revenue	-	224
Total Current Liabilities	<u>7,842</u>	<u>53,789</u>
Undesignated Fund Balance	<u>432,986</u>	<u>344,948</u>
Total Liabilities and Fund Balance	<u>\$ 440,828</u>	<u>\$ 398,737</u>

<u>Year</u>	<u>Number of Members</u>	<u>Percentage of</u> <u>Eligible Members</u>
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	3,580	70.38%
2020	3,520	69.20%

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

	Actual March 31, 2020	Budget March 31, 2020	Variance to Budget	Actual March 31, 2019	Variance to Prior Year Actual
Revenues					
Membership Dues	\$ 121,510	\$ 123,306	\$ (1,796)	\$ 122,367	\$ (857)
License Plates	100	200	(100)	100	-
Interest	2,138	2,563	(425)	2,698	(560)
Total Revenues	123,748	126,069	(2,321)	125,165	(1,417)
Expenses					
Land Use Monitor	6,249	8,664	2,415	4,568	(1,681)
Technology Services	162	163	1	162	-
Insurance	11,743	11,000	(743)	13,286	1,543
Legal & Professional Fees	-	1,625	1,625	166	166
Office Supplies	-	-	-	169	169
Property Cleanup	-	1,250	1,250	-	-
Postage & Freight	-	2,000	2,000	-	-
Rent	1,095	1,095	-	1,095	-
CSA Service Fee	4,825	4,825	-	4,825	-
Miscellaneous	-	150	150	-	-
Bank Service Charge	10,394	11,000	606	7,787	(2,607)
Public Relations	-	1,000	1,000	-	-
Consultants & Surveys	-	125	125	-	-
Travel	65	750	685	115	50
Total Expenses	34,533	43,647	9,114	32,173	(2,360)
Excess (Shortfall) of Revenues over Expenses from Operations	89,215	82,422	6,793	92,992	(3,777)
Other Income/ (Expense)					
Bond Premium/ (Expense)	(428)	(666)	238	(820)	392
Unrealized Gain/(Loss)	(749)	-	(749)	4,511	(5,260)
Total Other Income/ (Expense)	(1,177)	(666)	(511)	3,691	(4,868)
Excess of Revenues over Expenses	\$ 88,038	\$ 81,756	\$ 6,282	\$ 96,683	\$ (8,645)

ASPPPO
Maturity Schedule for Investments
3/31/2020

Security Description	Adjustment Cost	Current Yield	Maturity							Total
				2020	2021	2022	2023	2024	2025	
Morgan Stanley	67,518	2.720%	7/24/2020	67,000						67,000
BMW US Capital	49,892	2.010%	3/21/2011		50,000					50,000
American Honda Finance Corp.	33,212	2.190%	6/27/2022			33,000				33,000
Shell International	49,204	3.200%	8/12/2023				65,000			65,000
Qualcomm Inc	49,203	2.710%	3/20/2024					50,000		50,000
CIGNA Holding Corp	50,284	3.100%	1/15/2025						50,000	50,000
Exxon Mobil	21,341	2.840%	12/1/2025						20,000	20,000
MSIF Ultra Short Income A	109,770	1.310%	N/A	37,842						37,842
	<u>430,424</u>			<u>104,842</u>	<u>50,000</u>	<u>33,000</u>	<u>65,000</u>	<u>50,000</u>	<u>70,000</u>	<u>372,842</u>

SEA PINES PLANTATION DWELLING UNITS (DENSITY) REPORT

Class A Units - Single Family Dwelling Units	
Total Lots Remaining	81
Total Homes	<u>3756</u>
Total Class "A"	3837
Class B - Multi-Family Dwelling Units	1989
Uncommitted Dwelling Units	64*
*64 units assigned to Sea Pines Resort	
Lot D4 Density assigned to Sea Pines Resort	
Lot 13 Club Course I assigned to Sea Pines Resort	
Total Dwelling Units allowed by Covenant	<u>5890</u>

January 1, 2015

Class "B" DUs permitted 1989

Class A DUs Under Construction/Permitted 3746

January Permits -	1
February Permits -	2
March Permits-	0
April Permits -	0
May Permits -	0
June Permits -	0
July Permits -	0
August Permits -	0
September Permits -	0
October Permits -	0
November Permits -	0
December Permits -	<u>0</u>
Total Permitted	

Improved or under construction 3756

April 30, 2020

**ARB MONTHLY STATUS REPORT
APRIL 2020**

NEW SFR APPLICATIONS	4
ADDITIONS/ALTERATIONS - MAJOR	5
MINOR	61
POOLS	5
COMMERCIAL	4
NEW SFR STARTS AND	1
REBUILTS	1
DEMOS	0

LAND USE MANAGEMENT COMMITTEE
ASPPPO BOARD UPDATE
May 28, 2020

- **Meetings.** The LUMC continues to meet monthly. At each meeting the LUMC reviews the Land Use Monitor property inspection report to provide input as needed, and moves forward in taking action to accomplish our 2020 goals. A smaller committee sub-team continues to meet to provide support, as requested, in the ongoing litigation effort.
- **Land Use Monitor (Ryan Kash) Property Inspection Report.** April 9 – May 13, 2020
 - 55 violation notices were emailed to residential property owners.
 - 49 violations were resolved between mid-March and mid-May. This number includes violations issued in earlier months, as well as more recent violations.
 - 7 additional properties continue to remain in violation, despite repeated efforts to solicit resolution. These are in “committee status.”
 - 15 “thank you” letters are issued each month to property owners who do an exemplary job at property maintenance and upkeep.
 - Additional efforts include property inspections, meeting with property owners regarding complaints received, beach view encroachment enforcement efforts, ARB follow-up.
- **Litigation against the owners of problem property 88 Lawton Road.** The Summons and Complaint were filed with the Beaufort County court system on May 18, 2020.
- **Legal review** continues on the following specific topics/documents. Once completed, the committee stands ready to make any necessary modifications so that all relative documents, procedures, and rules can be finalized and submitted to the CSA and ASPPPO Boards for review and approval.
 - **Authority.** Clarification regarding the authority to require residential property maintenance.
 - **Violation notices.** These are letters intended to be sent via the approved SmartWebs software system to property owners in violation of the covenants and the rules and regulations regarding proper land use management.
 - **Land Use Management Rules and Regulations, 2020.** These rules and regulations are intended to replace the current rules and regulations approved in 2010.
- **The Committee Charter** is submitted to the Board for approval. Approval was granted by the CSA Board on a similar version on May 28, 2020.

Submitted by Dana Guazzo, LUMC co-chair, ASPPPO Board member

cc: Rich Speer, LUMC co-chair, CSA Board member

Association of Sea Pines Plantation Property Owners, Inc. (ASPPPO)
Land Use Management Committee
Charter 2020

1. Purpose:

To provide review and insight to the ASPPPO and CSA Boards regarding problem properties within the Sea Pines community. The Land Use Management Committee facilitates implementation of board approved actions, to bring such properties into compliance with appropriate Sea Pines Covenants and Sea Pines community standards.

2. Responsibilities:

- a. To create protocols for recommendation to the Boards to sustain informed, persistent and coordinated efforts toward eliminating property violations of the Covenants and of the Land Use Management Rule and Regulations in Sea Pines and to vigorously follow through on the protocols in a fair, helpful and effective manner;
- b. To provide oversight regarding all matters relative to land use quality standards, such as those expressed in the Sea Pines Covenants and in the Land Use Management Rules and Regulations;
- c. To evaluate and recommend for Board approval, expenditures to accomplish approved actions;
- d. To represent the interests of Sea Pines Plantation property owners relative to approved Covenant enforcement.

3. Committee Membership: approved by ASPPPO and CSA Board of Directors

- a. ASPPPO Board Member (Co-Chair)
- b. CSA Board Member (Co-Chair)
- c. Up to nine (9) Sea Pines residential property owners, with community involvement experience, representing different neighborhoods
- d. CSA President
- e. Ex-Officio: Land Use Monitor
- f. Ex-Officio: ASPPPO President
- g. Ex-Officio: CSA Chair

4. The Committee Does Not:

- a. Authorize distributions;
- b. Approve or recommend to Members: dissolution, merger, or the sale, pledge, or transfer of all, or substantially all, of the corporation's assets;
- c. Select, appoint, or remove Directors; fill vacancies on the Board or any of its Committees;
- d. Adopt, amend or repeal the Articles or Bylaws.

Approved, ASPPPO Board of Directors, June 5, 2020.

David Ellis
Secretary, ASPPPO Board of Directors