

Community Service Associates, Inc.
Minutes of August 26, 2008 Board Meeting

President Jenkins called the August meeting of the CSA Board of Directors to order at 3:00 p.m., in the CSA Conference Room.

1. Roll Call

Present:	Pat Jenkins	Bob Hattersley	Bob Gossett
	John McLaughlin	Kathy Carter	Don Sigmon
	Don Carlson	Mike Lawrence	Norman Harberger
	Bob Sowers	Cary Corbitt	Steve Birdwell
	George Minot	Audrey King	
Absent:	Mark King	Mike Hellman	Paul Aikman
Staff:	Cary Kelley	William Leitner	Jeanne Pearse

2. Approval of the Meeting Minutes

Board members reviewed the July 22, 2008, meeting minutes. A motion was made by Mrs. King and seconded by Mr. Birdwell to approve the minutes as submitted. The motion was approved unanimously.

3. Report of the Executive Vice President - Cary Kelley

a. **Community Center Usage Mid-year Report** – The Board package included a summary of Community Center usage during the first six months of 2008. Mr. Kelley said the data indicates that the various Community Center activities could be served at the CSA Building if the building were expanded. That alternative will continue to be evaluated, since it may be more economical than continuing to lease space at Sea Pines Center.

Mr. Harberger noted that a lot of the Center's use may involve regular visits by a limited number of people. He asked how many different individuals are making use of the Center – what fraction of our residents. Mr. Kelley said we don't have that information, but that the events that involve the greatest number of individuals are annual meetings of the various POAs and Heritage Foundation functions in connection with the tournament.

The Center's usage will continue to be tracked through the remainder of the year. Board members should let Mr. Kelley know if they have any suggestions for changes in the format of the report.

b. **CSA Website Year-to-Date Hits** – Mr. Kelley referred to a report of activity on the CSA website. Website usage has increased during the first six months of 2008. Uses include general access to community information and for submission of work orders. Mr. Kelley asked that suggestions for website improvements be directed to him.

c. **Security Issues** - An update on security incidents was included in the CSA Board package. The number of incidents has declined after some of the individuals responsible for multiple offenses have either been arrested and/or eviction from Sea Pines. He also commented on the recent Island Packet article concerning a drug bust. This police action included one Sea Pines address on Otter Road. CSA Security assisted the Beaufort County Sheriff's Department with the investigation at that address. The Board also discussed recent incidents at local night-spots outside Sea Pines.

4. **Finances**

a. **July Financial Statements** - The Board reviewed the current financial statements. The overall financial position remains favorable. Mr. Leitner is continuing to monitor the yields on investments and the collection of delinquent assessments.

b. **Proposed 2009 Budget Guidelines** – A copy of proposed guidelines to be used in preparing the 2009 budget were included in the board package. It was the sense of the Board that the proposed guidelines are appropriate. The proposed Budget for 2009 will presented for Board review in September if approved at that month's Finance Committee meeting.

c. **Additions to the Financial Policy Manual** – President Jinkins called attention to several proposed changes in the Financial Policy Manual that were included in the Board package. Since the changes actually deal with Executive Committee responsibilities, Mrs. Jinkins has referred them to that Committee for consideration. No action is required from the Board at this point.

5. **Discussion Topics**

a. **Referendum Task Force Report** – Mr. McLaughlin said the Task Force recommends that property owners be given a second opportunity to pass the Reserve Funding Referendum. The Task Force recommends scheduling the second vote for March 2009.

The Task Force recommends that a letter be sent to property owners in early September 2008, summarizing the outcome of the recent vote, underscoring the importance of the reserve funding, and announcing the intention of holding a new referendum in March 2009. A draft of the proposed letter will be e-mailed to Board members with a request that they pass along any comments to Pat Jinkins.

The Task Force recommends a stronger and more continuous communications program leading up to and during the March 2009 referendum. The communication program will include a special issue of the Newsletter and broader use of e-mail communications. The 2009 assessment bills will include a space for property owners to send in their email addresses.

It is also recommended that those property owners who had not voted on the recent referendum be urged to attend the annual meetings of their respective POAs, and that a concise presentation be given at each of these meetings by Task force representatives.

Mr. McLaughlin asked for Board endorsement of these Task Force recommendations. It was the sense of the Board that the Task Force should proceed with the plan as described.

b. Re-evaluation of the Road Ratings and Paving Needs – A discussion regarding the road re-paving schedule took place at the August Finance Committee meeting. The Finance Committee believes the 2009 repaving schedule is too limited, pushing more paving projects into subsequent years when asphalt is likely to be even more costly. The Finance Committee recommends that the Board's Road Survey Book be updated, using a third-party engineering firm to evaluate the road conditions. Mr. Kelley noted that the Maintenance Committee, which would take up this recommendation, had not met in August. To avoid delay, Mr. Kelley had met with an engineering firm to discuss what the road survey would involve and to ask for a general estimate of cost. It is expected that the cost will be quite modest because the existing Road Survey Book provides all the engineering information in a very detailed form. Mr. Hattersley, Maintenance Committee Chairman, said his Committee would follow through on this matter. It was suggested that we should make sure the Roads Survey information is aligned with the nine-year infrastructure plan.

6. Standing Committees

Standing Committee reports were included in the Board package.

a. Finance Committee – Mrs. Carter pointed out that comments in the Finance Committee minutes appear to suggest that the Board should always increase the annual assessment by the full CPI because of the long-term consequences of not doing so. She said that runs counter to the impression given to property owners when the language pertaining to assessment increases was specifically changed to allow increases lower than the change in the CPI. Mr. Harberger recalled that the Board had discussed the lower assessment increase option a year or so ago. The conclusion was that we have to continue to maximize assessments until our infrastructure deficit problem is well under control, but even if the possibility of lower-than-CPI assessment increases is moot for now, it should be actively considered if and when our major needs are under better control.

7. Board Member Comments

Unauthorized Landscaping Encroachment Along Beach Walk on Greenwing Teal

Mr. Birdwell inquired about the status of this issue. Mr. Kelley said the landscaping in question – an unapproved encroachment on CSA property – has now been removed. The owner is now asking for CSA Board approval of a modified plan that involves less encroachment. The new plan was received too late to be considered today, but will be on the agenda of the September Board meeting. There was further discussion concerning the issues involved.

8. Adjournment

With no further business, the meeting adjourned for the day at 3:55 p.m. The next scheduled meeting date is Tuesday, September 23, 2008, at 3 p.m. in the CSA Board room.

Respectfully submitted,

Norman Harberger
Secretary