

Community Service Associates, Inc.
Minutes of November 20, 2007 Board Meeting

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

1. Roll Call

Present:	Wayne Carbiener	Bob Hattersley	Pat Jenkins
	George Minot	Kathy Carter	John McLauchlin
	Don Carlson	Jim Young	Paul Aikman
	Steve Birdwell	Norman Harberger	John Trunck
	Mike Lawrence	Joseph Fraser	Gary Martin

Absent: Bob Sowers Bob Gossett

Staff: Cary Kelley William Leitner Jeanne Pearse

2. Approval of the Meeting Minutes

Board members reviewed the October 23, 2007, meeting minutes. A motion was made and seconded to approve the minutes as amended. The motion was unanimously passed.

3. Report of the Executive Vice President - Cary Kelley

a. **Parking Proposal at Six Oaks Park Rescinded** – A memo was included in the CSA Board package stating that the Heritage Classic Foundation had rescinded its request to use the Six Oaks Park for parking during the golf tournament.

b. **CSA Rights and Responsibilities for a Better Sea Pines Community Association** – The Board package included a draft document from Mr. Kelley defining the rights and obligations of property owners and CSA. He proposed to provide the document to new property owners and to post it on the website. The Board was receptive to this idea. Mr. Kelley asked Board members to review the document and give him any comments or suggestions so he can provide a final draft for consideration at the next meeting.

c. **Deer Survey** – A count has been done. Based on that count, the same number of removal tags was requested as last year. Approval has been received.

d. **Update on Time Warner/Hargray Litigation** – CSA’s current agreement with Time Warner may have to be changed to a “preferred provider” arrangement following the recent FCC ruling against exclusive cable agreements. Mr. Kelley will get advice from legal counsel in this connection.

4. **Finances**

a. **October Financial Statements** - The Board reviewed the current financial statements. The overall financial position remains favorable.

b. **Review and Approval of the Proposed 2008 Budget and CPI** - The proposed 2008 budget was included in the Board package. The Finance Committee recommends approval. Mr. Young made a motion to approve the budget for 2008 as submitted. The motion was seconded by Mr. Harberger and was unanimously passed.

The Finance Committee recommends increasing the 2008 assessment by 2.53%, the calculated increase in the CPI. That would increase the unimproved property assessment from \$512 to \$525. The improved property assessment would increase from \$857 to \$879.

A motion was made by Mr. Harberger to approve increasing the assessment amounts by 2.53%, consistent with the increase in the CPI. The motion was seconded by Mr. Hattersley and was unanimously passed.

c. **Recommendation to Transfer \$600,000 into the Reserve Fund** - The Finance Committee recommended that the Board transfer \$600,000 to the Reserve fund, in order to continue to build reserves for future capital needs. Mr. Minot made a motion to transfer \$600,000 into the Reserve fund. The motion was seconded by Mr. Young and was unanimously passed.

5. **Discussion Topics**

a. **\$5 Gate Fee Agreement** – Mr. Birdwell had asked the Board to consider a modification in the language of the Amended and Extended \$5 Gate Fee Agreement adopted at the October meeting. Mr. Birdwell's recommended change states more clearly the assessment payable by the Resort and removes some ambiguity in the language of the Agreement approved in October. Mr. Carbiener said he had determined that the proper way to deal with Mr. Birdwell's recommended change is to rescind the Board's action in October, and then to act on a new motion to adopt the Agreement with the clarified language.

Mr. Birdwell made a motion to rescind the motion made at the October 23, 2007 meeting that adopted the Amended and Extended \$5 Gate Fee Agreement. The motion was seconded by Mr. Carlson and was passed unanimously.

Discussion followed on the exact wording of the proposed clarifications in the language of the Agreement.

Mr. Carlson urged the Board not to approve the Amended and Extended Agreement at this time. He pointed out that the existing \$5 Gate Fee Agreement remains in effect until yearend 2008 if no action is taken. He urged that these gate fee practices be covered in the covenants or in the CSA Bylaws rather than in a separate agreement. Mr. Carbiener pointed out that delay will deny CSA the additional funds the Amended and Extended Agreement would produce from higher commercial vehicle fees. Those changes would generate up to \$50,000 more annual revenue for CSA. Others pointed out that approval of

the Amended and Extended Agreement does not foreclose future efforts to replace that Agreement with covenant or Bylaw language governing gate fees. Approval merely guarantees that we have a continuing agreement.

Mr. Lawrence made a motion to adopt the Amended and Extended \$5 Gate Fee Agreement incorporating proposed changes to Paragraphs 7, 8, 9 and 13. The motion was seconded by Mr. Birdwell.

Mr. Carlson commented that he felt that proposals the Board is asked to vote on should be provided well in advance of the meeting. He asked that this observation be noted in the minutes. Mr. Harberger said he could agree with Mr. Carlson's concern in the case of complex issues that require extended study. In this case, however, the only issue is a simple clarification to correct some ambiguous language in a motion approved by the Board the previous month, and he could see no reason for delay.

The motion passed by a vote of 10-4. Mr. Carbiener did not vote. Individual votes were as follows:

<u>Opposed</u>	<u>For</u>
Paul Aikman	Bob Hattersley
Kathy Carter	Pat Jenkins
George Minot	John McLauchlin
Don Carlson	Jim Young
	Steve Birdwell
	Joseph Fraser
	Norman Harberger
	Mike Lawrence
	Gary Martin
	John Trunck

b. Community Center Task Force – Mrs. Carter referred to the Task Force report distributed in the Board package. She thanked task force members for their hard work in developing their recommendations. She noted that the survey mailed to property owners produced an enormous amount of useful information. The fact that one out of five respondents did not know of the existence of the Community Center was one surprising finding.

The Task Force concluded that the existing square footage is sufficient, but recommends renovations to the facility, increasing the programs held, expanding the marketing of the Community Center and changing the Center's name to The Sea Pines Community Center.

Following discussion, Mr. Young made a motion to accept the report of the Community Center Task Force. The motion was seconded by Mr. Hattersley and was unanimously passed.

c. **Reserve Task Force Update** – The Sea Pines Infrastructure Report was distributed to the Board members. Mr. McLauchlin asked that any comments be directed to him. He will provide an updated version in January. Mr. Carlson said he still has some significant questions concerning the sources of reserve funding and the control of expenditures of reserve funds.

6. **Standing Committees**

Standing Committee reports were included in the Board package.

7. **President's Comments**

Mr. Carbiener noted that this meeting completes his term of office. He listed several important tasks that need ongoing Board attention:

- Finish the covenant revisions, including changing commercial assessment from revenue-based to property-based.
- Establish a Reserve Fund.
- Review and clean up the CSA By-laws.
- Make a determination on the Community Center lease.
- Resolve the Forest Preserve issues.

8. **Board Member Comments**

Mr. Young noted that this meeting also completes his term on the CSA Board. He said it was great working with everyone. Board members thanked Mr. Young and Mr. Carbiener for all their hard work and contributions to the Board and the community.

9. **Adjournment**

The meeting adjourned at 4:50 p.m. The next scheduled meeting date is Thursday, January 10, 2008, at 11:30 a.m., in the Palmer- Irwin Room of the Sea Pines Conference Center.

Respectfully submitted,

Norman Harberger
Secretary