

Community Service Associates, Inc.  
Meeting Minutes held on  
April 25, 2006

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

1. Roll Call

Present:	Bob Sowers	Kathleen Speer	John Trunck
	Bob Bartlett	Jim Young	Kay Morton
	Norman Harberger	Julius Scott	Don Carlson
	Wayne Carbiener	Joseph Fraser	Paul Aikman
	Pat Jenkins	Bob Hattersley	Mike Lawrence
Absent:	Bob Gossett	Gary Martin	
Staff:	Cary Kelley	William Leitner	Tracey McNeill

2. Approval of the Meeting Minutes - The Board members reviewed the March 28, 2006, meeting minutes. Two corrections were made. A motion was made by Mrs. Morton and seconded by Mr. Bartlett to approve the meeting minutes as amended. The motion was passed unanimously.

3. Report of the Executive Vice President - Cary Kelley

a. Re-design of the CSA/ASPPPO Website - Mr. Kelley reported that the new website is up and running. Questions or comments about the site should be referred to Tracey McNeill. Mr. Bartlett asked about using a hit counter to find out how many people were using the site. Mrs. McNeill said she would look into appropriate software.

b. Harbour Town Cemetery - Mr. Kelley met with Mr. Irvin Campbell, a representative of the families. Mr. Campbell and Mr. Kelley will come up with a maintenance agreement clearly defining the type of maintenance to be done and who is responsible for the care of the cemetery. Mr. Kelley hopes this agreement will be ready by the next meeting.

c. Sea Marsh Golf Course Renovation - Mr. Kelley discussed the Sea Marsh renovation with the Board. Mr. Kelley, Mr. Nettles and Mr. Henderson have met on the course with Sea Pines Company representatives, the golf course designers and representatives from the Town of Hilton Head. Mr. Kelley indicated that before any permits were applied for

regarding tree removal from open space the plans would be brought before the Maintenance Committee and CSA Board for their approval. Mr. Kelley also indicated that he has suggested that any tree mitigation plan include plans to replant medium story trees, with enhanced wildlife and aesthetic qualities, that would not grow to a height that would require removal in future years.

#### 4. Finances

a. March Financial Statements - Mr. Leitner discussed the March Financial Statements with the Board members.

b. Acceptance of the CSA 2005 Audited Financial Statements – Mr. Young presented the final Audit Report from Robinson Grant and asked that the Board vote to accept the audit. Mr. Harberger moved to accept the report and Mrs. Speer seconded. The motion passed unanimously. Mr. Carlson commended Mr. Kelley and Mr. Leitner for completing the audit and implementing it's recommendations in such a timely manner.

#### 5. Discussion Topics

a. Update on the 1974 and 1988 Covenant Revision Status – Mr. Carbiener reported that an initial negotiating session had taken place, involving representatives of CSA, ASPPPO and the Sea Pines Resort. He described the discussion as informative and constructive. Based on that discussion, as well as the property owner feedback on the proposed changes, Mr. Carbiener asked the Board to approve a modification of the original referendum concept. The original concept was to deal with all changes in a single referendum. The recommendation now is to deal first with the changes relating to storm recovery, as a separate referendum.

This recommendation is based on the conviction that the storm recovery changes should be submitted promptly to a property owner vote, and should not be delayed until negotiations on other changes are concluded. Mr. Carbiener also described alternative ways of funding reserves, ways that might be more acceptable to property owners than an increase in CSA's annual assessment latitude to CPI +3%.

Extended discussion followed. Mrs. Speer then moved that covenant changes related to storm recovery be presented as a separate referendum, subject to the resolution of each party's contribution to any special storm recovery assessment, and with the further understanding that a good faith effort will be made to reach agreement on other covenant changes to be presented in a second referendum. Mr. Bartlett seconded the motion and the Board passed the motion unanimously.

#### 6. Standing Committees

a. Capital Improvement and Maintenance Committee – Mr. Hattersley reported that paving of the Heritage spurs and the bike path to Baynard Ruins would be starting on Monday, May 1<sup>st</sup> and would be completed by Memorial Day. All other paving projects will be started and completed in the Fall of this year.

b. Beautification Committee – Mrs. Morton reported that improvements at the Beachwalk entrances are complete. She encouraged the Board members to examine the results. Mrs. Speer noted that the plantation has looked better and better since the

formation of the Beautification Committee.

c. Finance Committee – Mr. Young reminded the Board that CSA membership must approve the adoption of IRS Ruling 70-604, which allows unexpended funds for incomplete projects to be carried over from one year to the next. He moved that an appropriate resolution be presented at the upcoming Annual Meeting adopting IRS Ruling 70-604 with respect to unexpended project carryovers from 2005 into 2006. The motion was seconded by Mr. Bartlett and passed unanimously.

d. Security Committee - The Security Committee did not meet in April.

#### 7. Board Member Comments

a. Mr. Bartlett asked Mr. Kelley about the Montessori School wetland mitigation issue referred to in the Finance Committee meeting minutes. Mr. Kelley explained that CSA had done some work for the Montessori School to assist them with a wetland mitigation issue. CSA will invoice the school for the work performed.

Mrs. Morton asked whether the trolley service is operating earlier this year. She believed the trolley service had previously started during Memorial Day weekend. Mr. Kelley said he would check into the trolley schedule and get the information to all the Board members.

#### 10. Adjournment

With no further business, the meeting adjourned at 4:35 p.m. The next scheduled meeting date is Tuesday, May 30<sup>th</sup>, 2006, at 3:00 p.m., in the CSA Conference Room.

Respectfully submitted,

Norman Harberger  
Secretary