

ANNUAL 2025 REPORT



**SEA PINES
PROPERTY OWNERS
ASSOCIATION**

2025 SEA PINES POA BOARD MEMBERS

Keith Burns, President

Lee Stevens, Vice President

Laura DeLong, Secretary

Larry Holdren, Treasurer

Kerry de Vallette

Gary Glass

Ted Leavitt

Bernice Slutsky

Lori Wellinghoff

2026 SEA PINES POA BOARD MEMBERS

Keith Burns, President

Gary Glass, Vice President

Laura DeLong, Secretary

Larry Holdren, Treasurer

Ted Leavitt

Tim McGowan

Janet Oliver

Bernice Slutsky

Lee Stevens

2025 ANNUAL MEETING MINUTES

Annual Meeting

April 23, 2025

An Annual Meeting of Sea Pines Property Owners Association was held on Wednesday, April 23, 2025 via Zoom and in person at the Sea Pines Plantation Club.

Call to Order

Keith Burns called the meeting to order at 3:01 p.m., Eastern time.

Establishment of Quorum

Laura DeLong, Secretary, announced that a quorum was established by proxy.

Approval - Annual Meeting Minutes, April 24, 2024

Laura DeLong moved to ratify the approval of the April 24, 2024 Annual Meeting Minutes as presented. The motion was seconded and unanimously carried.

Financial Report – Larry Holdren

Larry reviewed the 2023 vs 2024 financial reports. Membership dues in 2024 were approximately \$146,000, compared to \$156,000 the year before. The difference is 200 fewer members in 2024. Total revenue in 2024 was \$163,500, which was down slightly from \$174,700 in 2023. Expenses totaled \$149,500 in 2024. When you factor in our assets, liabilities, and equity, we maintained a reserve amount of \$485,500. Moving into 2025, the Board set a target of \$165,000 for total revenue to cover all expenses and generate revenue over expenses of \$15,800.

2025 ANNUAL MEETING MINUTES

President's Report – Keith Burns

For the Sea Pines POA, 2024 was a year filled with change. The Board tackled the task of switching from a single-server, custom-built website to an integrated, cloud-based member management system. In making the change to this system, Member Leap, we eliminated almost all the membership list missteps that occurred with our old system. The new website allows a member to navigate more easily to find such things as survey results, board materials, and videos of our Third-Tuesday speakers, beginning in 2024.

In acting as our members' "eyes and ears," we began monitoring the activities of third parties for items of interest to our members. Once identified, these activities triggered an action step for us. Acting as the members' "voice," we organized surveys to collect your thoughts on the Town's short-term rental proposals and your views regarding electric landscaping equipment. A summary of these thoughts was shared with the Town and CSA as they deliberated these issues. We also prepared and distributed the first community survey since 2018 to see how satisfied members were with life in Sea Pines. Results of this community survey were shared with members in two Town Hall sessions, and a letter was sent to the CSA Board on January 2, 2025, summarizing the results as they pertained to perspectives on CSA.

With our back-office "reboot" completed, we have the time and bandwidth to turn our full attention to items that may impact the quality of life in Sea Pines for our members.

2025 ANNUAL MEETING MINUTES

Nominating Committee

The following POA members comprise our Nominating Committee for 2025: Laura DeLong – Chair, Lee Stevens, Larry Holdren, and Alex Cruden.

Date of Record

The date of record for voting for board candidates in the 2025 election will be September 30th, 2025.

Workgroup Reports

Third-Party Monitoring Committee – Lee Stevens:

The Sea Pines POA elevated this task to full committee status in order to allow our members to volunteer for this project. Committee members will volunteer or otherwise be assigned to monitor the activities of the Town of Hilton Head Council, Town Planning Committee and Town Strategic Planning Session for items being considered by the Town which might impact the residential property owners of Sea Pines. Other entities to be monitored include Beaufort County, CSA and the Resort.

Membership – Larry Holdren reporting for Bernice Slutsky:

The Sea Pines POA elevated this workstream to a permanent status in order to more easily allow for our members to volunteer for this task. This group develops various strategies to reach current members regarding membership renewal, new homeowners to our community to educate on who we are and the benefits of joining the POA and existing nonmember homeowners on why they should reconsider their decision not to join the POA. This group also oversees a new area for developing member social gatherings and community activities.

2025 ANNUAL MEETING MINUTES

Third-Tuesday Speaker Series – Lori Wellinghoff:

The most recent speaker was Sea Pines resident Domenico De Sole. He shared stories about his remarkable career in the high fashion industry as CEO and Chairman of Tom Ford International, CEO of Gucci, and Chairman of Sotheby's. If you were unable to attend and are a POA member, you can view Domenico's presentation on our website. The final speaker of this season is Marc Puntereri, who lives in Sea Pines and has been a real estate developer here and across the region for over 50 years. He will speak on Tuesday, May 20th.

Benchmarking – Lori Wellinghoff:

A new project is underway to better understand how the major gated communities on the Island compare to each other on various data points in the areas of amenities, operations, and governance.

Community Survey Follow-up – Keith Burns: The results of the Community Survey completed in October 2024 has launched some workstreams that were in response to the issues highlighted most often by our responding members. These workstreams are focused on improving information sharing from CSA and a focus on community standards.

Adjournment

The formal portion of the meeting adjourned at 3:48 p.m. A brief Q & A followed.

2025 FINANCIAL REPORT

REVENUE	2025	2024
Membership Dues	\$ 124,565	\$ 145,936
Investment Income	25,764	15,283
Other	<u>1,567</u>	<u>2,370</u>
	151,896	163,589
EXPENSE		
Management Fee	0	18,000
Accounting Services	27,999	15,270
Legal Fees	7,775	(2,924)
Bank Charges	3,437	3,262
Insurance	25,453	24,714
Website	10,424	9,862
Independent Contractors	32,867	13,400
Communication	28,519	40,026
Telephone	1,112	1,080
Tax Assessment	(20,780)	20,780
New Recruitment	2,483	1,519
Other	<u>1,712</u>	<u>4,586</u>
	121,001	149,575
<i>Revenue over Expenses</i>	<i>\$ 30,895</i>	<i>\$ 14,014</i>

2025 BALANCE SHEET

ASSETS

<u>Bank</u>	\$ 14,313
Cash	507,300
Investments	100
Other assets	
<u>Total Assets</u>	<u>\$521,713</u>

LIABILITIES & EQUITY

<u>Liabilities</u>	\$ 3,550
Accounts payable	63,700
Deferred Revenue	<u>67,250</u>
<u>Total Liabilities</u>	

Unrestricted Equity:	250,000
Legal Reserve Fund	149,200
Operating Reserve Fund	54,757
Community Fund	506
Unrealized Gain/(Loss) Investments	

Total Liabilities & Equity \$521,713

2025 FINANCIAL YEAR END SUMMARY

Total revenue for 2025 was \$ 151,896, which is down from the \$ 163,589 amount in the prior year. Membership dues declined by \$ 21,371 in the current year. Turnover in residential properties continues to be high, with the new homeowner sign-up rate lagging behind our expectations.

Investment income was up \$ 10,481, while other income (principally license plate sales) was down \$ 803.

Total expenses were \$ 121,001 in 2025 compared to \$ 149,575 in the prior year. During 2025, an IRS penalty refund was received, which reduced expenses by \$ 20,780. After adjusting for this one-time refund, expenses would have totaled \$ 141,781 in 2025.

Primary administrative expenses consisting of management fees, accounting and website amounted to \$ 38,423 in 2025 compared to \$ 43,132 in 2024, reflecting the savings from changing service providers in mid year 2024.

Independent contractor costs increased to \$ 32,867 in 2025 compared with \$ 13,400 in 2024. Resources were added in 2025 to assist with website maintenance, member communications, member meeting technical support and other member engagement activities. There are no employees.

Legal fees increased to \$ 7,775 in 2025 from \$ (2,924) in 2024. This was due entirely to the reimbursement of prior legal fees related to a lawsuit for violation of land use rules. Upon sale of the related property in 2024, the prior legal fees were repaid in exchange for the lien release.

Communication and meetings expenses declined by \$ 11,507 in 2025, due principally to the ability to do virtually all communications with members via email after the full transition to our member management system.

Other expenses including merchant fees, insurance, telephone and member recruitment were relatively flat between a total of \$ 34,197 in 2025 and \$ 33,642 in 2024.

Increase in reserves totaled \$ 30,895 in 2025 compared to \$ 14,014 in 2024, due principally to the IRS penalty refund and higher investment income.

Total assets at year end 2025, comprised mostly of cash and investments totaled \$ 521,713 compared to \$ 485,518 at year end 2024. Deferred revenue for prepaid dues increased to \$ 63,700 in 2025.

Respectfully submitted

Larry Holdren, Treasurer

2026 BUDGET

Revenue

Membership Dues	\$125,000
Investment Income	25,500
Other	<u>1,500</u>
Total Revenue	152,000

Expenses

Accounting Services	24,500
Legal Fees	5,000
Merchant Fees	3,000
Insurance	24,000
Website	10,000
Independent Contractors	40,400
Communication	32,700
Telephone	1,200
Tax Assessment	7,500
Member Recruitment	2,500
Other	1,200
Total Expenses	<u>152,000</u>

Revenue over Expenses \$0

A LETTER FROM YOUR SEA PINES POA PRESIDENT

Fellow Sea Pines Homeowners

Your Sea Pines POA was able to make a noticeable pivot in fiscal 2025. While fiscal 2024 was focused a great deal on reorganizing the back office, 2025 brought an entire year of planning and delivering activities and events to benefit our members. As always, our focus is to enhance the quality of life in Sea Pines for our homeowner members and to identify any changes in rules, regulations or development activity which potentially might impact our members. I have highlighted below a few of the more significant 2025 efforts.

The Sea Pines POA formally established a Third-Party Activities Monitoring committee. This group of Board and other members, monitors activities in those organizations which have the greatest potential impact on our membership. Specifically, those being the Town of Hilton Head, Beaufort County, Community Services Associates and the Sea Pines Resort. When deemed necessary, we communicate potential changes being considered that may impact our members, organize Town Halls or surveys to gather your thoughts and then communicate your aggregated thoughts to the entity contemplating the change. Your voice is heard.

The Sea Pines POA formally established a Community Standards committee. This group of Board and other members, is intended to review the current community standards rules of Community Services Associates, to understand how those standards are being enforced, to understand how future changes in rules are developed and communicated to homeowners and to engage in surveys and Town Halls intended to collect the thoughts and concerns of our members. We communicate information that we gather to CSA for consideration with respect to their community standards regime. Communications and interactions with CSA with respect to community standards have been positive and constructive.

A LETTER FROM YOUR SEA PINES POA PRESIDENT

We developed and began the implementation of a member engagement strategy to offer our members a variety of activities and events in the areas of social, education and entertainment opportunities. Some of the highlights included a Town Hall with our Town Council Member regarding proposed short-term rental regulations, multiple Tower Beach Social outings, our popular Third Tuesday Speaker Series and the first member Holiday Social at Harbour Town Clubhouse. Our first Community Coffee was held early in 2026 on the topic of Sea Pines 101: It's Complicated. We endeavor to bring our community together in differing ways.

We undertook a project to complete a benchmarking study of the major Hilton Head Island gated communities across a wide range of topics, including amenities, costs, governance, member interaction opportunities and guest access to the community. This benchmarking study compared Sea Pines to 9 other communities on Hilton Head Island and one immediately off the island. We shared the results of this study with our members in 2 Town Hall meetings in October. We then shared some key thoughts of the benchmarking results in a letter to CSA, along with the complete study, in December.

The Sea Pines POA Board adopted two reserve policies during 2025 to better assess our reserve requirements and to identify, if available, any excess funds that could be used for a project or projects to positively impact quality of life for our members or the Sea Pines community at large. After a great deal of debate and reflection, this process by the Board has brought greater clarity to our purpose and future direction as an organization. Look for the Sea Pines POA to undertake a community project or projects in 2026.

Keith Burns

President, Sea Pines POA Board

VALUE DRIVERS FOR MEMBERS

MONITOR COVENANT MATTERS

Under Article 1(B) and (C) of the 1974 Covenants, an Assignment of Non-Exclusive Rights relating to the 1970 Covenants and the ASPPPO Settlement Agreement with Sea Pines Plantation Company (sometimes referred to as the “Hotel Agreement”), ASPPPO (d/b/a Sea Pines POA) has certain rights under these legal documents. We undertake our best efforts to monitor activities and developments within the Sea Pines community and evaluate such activities against the framework of these covenants and legal documents. The Sea Pines POA Board will take whatever action it deems prudent in a particular instance, as it has done periodically in the past, to seek remedial actions, if necessary.

ENGAGE MEMBERS TO UNDERSTAND WHAT MATTERS TO YOU

As evidenced by our past surveys sent to our members on such diverse topics as 1) proposed Town of Hilton Head short-term rental occupancy limits, 2) electric landscaping equipment use in Sea Pines, 3) Sea Pines community standards experiences and concerns and 4) the overall Sea Pines community survey, we endeavor to gather your opinions on relevant topics.

REPRESENT YOUR VIEWS TO ENTITIES IMPACTING SEA PINES

We then communicate those collective opinions to those entities and groups considering a change which might impact our members. What we communicate is solely the summary of your collective opinions and not the personal opinions of Board members or even a majority of the Board. Such communications have come in the form of letters sent to the Town of Hilton Head, letters to CSA and a presentation during the public comment period of a Town committee meeting. But in this way, we make sure that your voice is heard.

VALUE DRIVERS FOR MEMBERS

PROVIDE MEMBERS BACKGROUND INFORMATION ON TIMELY TOPICS

When a timely topic has been identified, we utilize various methods of informing our members about the development. This can take the form of our newsletters, a special one topic email that highlights the issue in more detail or organizing a special town hall meeting on a topic. If a meeting is used, we ensure that a remote participation method is available so that our out-of-town members can also participate. Lastly, we post virtually all of this material, including recordings of town hall and other meetings, on our website to be accessed conveniently by our members.

BUILD COMMUNITY THROUGH SOCIAL, EDUCATIONAL AND OTHER ACTIVITIES

Our Third Tuesday Speaker Series is in its fourth year, and our Annual Meeting has always had a social element after the meeting. But we've also added periodic Tower Beach Social events, started a Holiday Social in 2025 and just started a renewed Community Coffee effort. All of these events and activities are intended to gather our neighbors in a casual manner to build on the Sea Pines sense of community.

PAST PRESIDENTS



Keith Burns	2024 -
Paula Scanlon	2020 - 2023
Charles Miner	2015 - 2019
Michael Jordan	2014
Rob Marsac	2012 - 2013
Mike Hellman	2011
Don Carlson	2007 - 2010
David Williams	2005 - 2006
Kay Morton	2003 - 2004
Joseph Fletcher	2001 - 2002
John Fraser III	1997 - 2000
James Cobey	1991 - 1996
Edward Gibbons	1991
Howard Blair	1989 - 1990
Howard Smith	1988
John Swartout	1987
Prentiss Haworth	1985 - 1986
Richard Clark	1984
Edward Kusel	1982 - 1983
Donald Bennett	1979 - 1982
William Stephens	1973 - 1979

THANK
YOU



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