



**October 22, 2025 - 10 a.m.
Board of Directors Meeting**

Community

- | | |
|---|-------------|
| 1. Call to Order | Burns |
| 2. Establish Quorum | DeLong |
| 3. Ratify Approval: | |
| a. Board of Directors Meeting Minutes Sept. 24,2025 | DeLong |
| 4. Financial Report August 2025 | Holdren |
| 5. Sea Pines POA Work Group Reports: | |
| a. Benchmarking Study and Results | Wellinghoff |
| b. Community Standards Committee Meeting | Glass |
| c. Third Party Activities Monitoring – Short Term Rental Update | Stevens |
| d. Membership Renewal Timing and Process | Slutsky |
| e. Third Tuesday Series | Wellinghoff |
| f. Member Engagement Program | Burns |
| 6. President's Report | Burns |
| a. Board Election Key Dates | |
| 7. Unfinished Business | |
| 8. New Business | |
| 9. Adjournment | |

Q&A Session – Questions from the Community



Board of Directors Meeting

Wednesday, September 24, 2025

A regular meeting of the Sea Pines POA was held on Wednesday, September 24, 2025, via Zoom and in-person at Providence Presbyterian Church Fellowship Hall.

1. Call to Order

Keith Burns called the meeting to order at 10:01 a.m.

2. Establishment of Quorum

A quorum of members was present.

Board Members Present

Keith Burns, Lee Stevens, Laura DeLong, Lori Wellinghoff, Larry Holdren, Gary Glass, Bernice Slutsky, and Kerry deVallette.

3. Ratify Approval – Board Meeting Minutes, May 21, 2025

Laura DeLong moved to ratify the approval of the May 21, 2025, Board of Directors Meeting Minutes as presented. The motion was seconded by Gary Glass and unanimously approved.

4. Financial Reserve and Community Fund Policies – Keith Burns

During the summer, the Board deliberated over two financial policies regarding the Sea Pines POA's cash balance, which is over half a million dollars. Keith asked Lee Stevens to provide a summary of the actions and outcomes. Lee said the Board reviewed the history of the funds, their purpose, and best practices. The Financial Reserve Fund is comprised of an Operating Reserve Fund and a Legal Reserve Fund. The Operating Reserve Fund maintains a minimum balance of 12 months' operating expenses, based on the most recently completed Board-approved budget. The purpose of the Legal Reserve Fund is to cover the cost of bringing legal claims on behalf of the POA or in regard to defending/enforcing the Sea Pines community covenants. After much discussion, the Board decided to maintain a legal reserve of \$250,000. Once the Operating Reserve Fund and Legal Reserve Fund obligations have been met, the remaining funds are to be put into a Community Investment Fund to cover non-budgeted expenses that benefit POA members or all Sea Pines residential property owners. The amounts in each fund are subject to change based on expenses and the discretion of this and future Boards. Keith called for a motion to approve and adopt the Financial Reserve and Community Fund policies as presented. Lee Stevens made the motion, and Lori Wellinghoff seconded. It was unanimously approved.

5. Financial Report – Larry Holdren

Larry Holdren reported on the financial health of the POA through the end of July 2025. Income for the past seven months was \$140,189. Expenses included \$40,761 for administrative services, \$22,157 for communication services, and \$9,710 for insurance. With an IRS refund of \$20,780, our net income is \$88,340. Keith said he received a question in advance of the meeting regarding our management and independent contractor fees. He explained that management fees cover accounting, check writing, cash deposits, and acting as our corporate secretary for legal purposes. Independent contractors format and deploy emails, layout newsletters, act as our web administrator, support meetings and special events, and take Board meeting minutes. Management fees are closely monitored and are on budget for the year.

6. 2025 Workgroup Reports

- a. **Community Standards – Gary Glass:** The Community Standards Committee Charter, approved and adopted in May, has been revised to allow for greater participation from the community at large. A cap on the number of participants and two slotted positions has been removed. Keith made a motion to accept the amended charter. Laura DeLong seconded, and the motion carried unanimously. The first committee meeting will be held in October.
- b. **Third-Party Monitoring Committee – Lee Stevens:** The Town of Hilton Head Island is conducting a discussion regarding a moratorium on Short-Term Rentals. The Town's STR Ordinance was adopted and put into use last year. Since then, several people have expressed interest in amending the ordinance. Lee introduced Town Council Member Steve Alfred and asked for his thoughts. Steve said, "Right now, there isn't any support among Town Council members for a moratorium. Instead, there is an effort to get STR regulations into effect as soon as possible." Key issues include occupancy, parking, enforcement, and annual fees. The Town Council is moving quickly on this front. The Sea Pines POA Board is considering how to keep our members informed as this issue weaves its way through Town Council. We will not take a position one way or another. Keith said, "We intend to keep our members informed, and we may conduct a brief survey to gather opinions so the Town Council will have an opportunity to hear from our members in aggregate."
- c. **Benchmarking Study – Lori Wellinghoff:** The Sea Pines POA invited the largest gated communities on Hilton Head Island to take part in a comprehensive survey designed to examine how each community operates. Areas of focus included governance, fee structures, services, amenities, community engagement, and how effectively property owners are kept informed. We compiled the responses and put them in a presentation that illustrates how each community functions – where we align and where we differ, and where there are opportunities to collaborate. The findings will be presented at two identical Town Hall Meetings in early October. The presentation will be posted on our website for future reference.
- d. **Third-Tuesday Speaker Series – Lori Wellinghoff:** The first event of the 2025-2026 season was a tour of Hilton Head Prep on September 16th. The school welcomed our group with cheerleaders and the school band, then the headmaster talked about the past, present, and future of Hilton Head Prep. Attendees learned how to support the school through volunteerism. The next Third-Tuesday Speaker Series event is on October 21st. The speaker is Duffie Stone, South Carolina 14th Circuit Solicitor.

Another Sea Pines POA event is **Meet the Candidates**, October 14th from 4:00 – 6:00 pm. This is an opportunity to connect directly with the individuals running for the Sea Pines POA Board of Directors and the Sea Pines CSA Board of Directors. The event will be held at the Sea Pines Community Center.

- e. **Sea Pines POA Yard Sale – Laura DeLong:** This event, which was scheduled for October 19th, has been canceled due to a lack of registrants. Sea Pines POA will try again next year with a few modifications to grow interest and participation. Laura thanked her co-chair, Lori Allenbach, the Sea Pines Center, and the Sea Pines Resort for their support.
- f. **Nominating Committee – Laura DeLong:** Lee Stevens, Alex Cruden, Larry Holdren, and Laura DeLong comprise the nominating committee. The committee nominated three candidates who were announced this summer. Bernice Slutsky and Keith Burns will both run for a second term, and Tim McGowan is running for his first term. Keith made a motion to adopt October 31st, 2025, as the date of record for voting, with ballots going out on November 1st and returned by December 1st. Bernice Slutsky seconded, and it was unanimously approved.

7. President's Report – Keith Burns

Keith commended CSA for adopting an operations dashboard during the summer. The dashboard included much of the information we requested in a letter Sea Pines POA sent to CSA in January. Keith recently sent another letter to CSA suggesting ways to improve the dashboard. At its Board meeting last week, Sam Bennett announced that CSA plans to modify the dashboard.

Earlier today, Keith received an email from the Sea Pines POA attorney representing us in the referendum lawsuit. The email states that the case will be returned to the District Court. This formally ends the Fourth Circuit's jurisdiction over the matter. Technically, the plaintiff has 90 days to submit an appeal. The federal court's opinion that originated at the conclusion of the original lawsuit stated that CSA did not have the legal authority to call the referendum, although it also let the referendum stand based upon the voting outcome. During depositions under oath, CSA representatives stated that CSA is not and cannot be an agent for the residential property owners of Sea Pines. This brings into focus what CSA is and what it is not, and what Sea Pines POA is and is not. Clearly, we are the representatives of the residential property owners.

8. Unfinished Business – *Nothing to report*

9. Adjournment – The formal portion of the meeting adjourned at 11:13 a.m. A Q & A followed.

Sea Pines POA
Balance Sheet
As of August 31, 2025

Aug 31, 25

ASSETS

Current Assets

Checking/Savings

Morgan Stanley Cash/Cash 27,167.25

Morgan Stanley Investment 375,170.28

New High Yield 88,585.41

Operating Checking 3,063.29

Total Checking/Savings 493,986.23

Accounts Receivable

Accounts Receivable -2,650.00

Total Accounts Receivable -2,650.00

Total Current Assets 491,336.23

TOTAL ASSETS 491,336.23

LIABILITIES & EQUITY

Equity

30101 Unrealized Gain/Loss M. S 455.64

Retained Earnings 423,062.41

Current Year Earnings 67,818.18

Total Equity 491,336.23

TOTAL LIABILITIES & EQUITY 491,336.23

Sea Pines POA
Profit & Loss Budget vs. Actual
January through August 2025

	<u>August 25</u>	<u>Jan - Aug 25</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense					
Income					
Revenue					
10100 Membership Dues	325.00	123,740.00	100,000.00	23,740.00	123.74%
10101 Bank Interest	108.94	1,564.91	333.36	1,231.55	469.44%
10102 Investment Income	3,842.82	17,822.86	8,000.00	9,822.86	222.79%
10103 License Plate	53.50	1,392.35	1,000.00	392.35	139.24%
10104 Other Income	0.00	0.00	666.68	-666.68	0.0%
Total Revenue	<u>4,330.26</u>	<u>144,520.12</u>	<u>110,000.04</u>	<u>34,520.08</u>	<u>131.38%</u>
Total Income	4,330.26	144,520.12	110,000.04	34,520.08	131.38%
Expense					
40100 Administrative Expense					
40101 Management Fees	2,000	16,187.50	16,000.00	187.50	101.17%
40102 Legal Fees	1,423.50	7,774.50	5,000.00	2,774.50	155.49%
40103 Bank Service Charges	0.00	304.70	1,666.68	-1,361.98	18.28%
40104 Telephone	100.90	707.08	800.00	-92.92	88.39%
40105 Election Expense	0.00	0.00	333.36	-333.36	0.0%
40106 New Member Recruitment	0.00	0.00	3,333.36	-3,333.36	0.0%
40107 Tax Services	0.00	1,381.00	1,000.00	381.00	138.1%
40108 Independent Contractor	1,293.75	13,668.75	13,333.36	335.39	102.52%
40109 Postage	0.00	1,370.42	200.00	1,170.42	685.21%
40110 Other Expenses	20.00	535.44	666.68	-131.24	80.31%
40111 Meeting Location Rental	0.00	1,050.00	3,333.36	-2,283.36	31.5%
40112 Merchant Fees	86.62	2,706.98			
Total 40100 Administrative Expense	<u>4,924.77</u>	<u>45,686.37</u>	<u>45,666.80</u>	<u>19.57</u>	<u>100.04%</u>
50100 Communication Services					
50101 Comm. Membership	0.00	320.34	10,000.00	-9,679.66	3.2%
50102 Comm. Third Party	480.00	3,650.00	1,000.00	2,650.00	365.0%
50103 Comm. Annual Meeting	0.00	5,430.81	8,666.68	-3,235.87	62.66%
50104 Comm. Speaker Series	0.00	700.00	2,000.00	-1,300.00	35.0%

Sea Pines POA

Profit & Loss Budget vs. Actual

January through August 2025

	August 25	Jan - Aug 25	Budget	\$ Over Budget	% of Budget
50105 Comm. Website Marketing &	3,104.67	10,286.04	3,333.36	6,952.68	308.58%
50106 Comm. Monthly Newsletter	0.00	102.41	1,333.36	-1,230.95	7.68%
50107 Comm. Board Expense	0.00	902.97	666.68	236.29	135.44%
50108 Comm. Projects	0.00	0.00	4,000.00	-4,000.00	0.0%
50109 Comm Independent Contr	600.00	4,800.00	4,800.00	0.00	100.0%
50100 Communication Services - Other	0.00	150.00			
Total 50100 Communication Services	4,184.67	26,342.57	35,800.08	-9,457.51	73.58%
60100 Insurance					
60101 D & O Insurance	15,743.00	15,743.00	11,333.36	4,409.64	138.91%
60102 Property & Liability Insu	0.00	9,710.00	6,666.68	3,043.32	145.65%
Total 60100 Insurance	15,743.00	25,453.00	18,000.04	7,452.96	141.41%
70101 990 Taxes	0.00	-20,780.00			
Total Expense	24,852.44	76,701.94	99,466.92	-22,764.98	77.11%
Net Ordinary Income	-20,522.18	67,818.18	10,533.12	57,285.06	643.86%
Net Income	-20,522.18	67,818.18	10,533.12	57,285.06	643.86%