

- Once a vision statement is complete, management will review and format. At the next meeting, a skeletal plan will be plugged in, to include up to 2018.
- The committee will paint the picture, determine wants and needs that property owners will agree to pay for and task the finance committee to find financial solutions.

4. New Business

Current Financial Overview and Summary – Mr. Borghesi, Mr. Martin

- CSA has a seven year forecast that can be used in conjunction with the Capital replacement reserve study. It is flexible and can include a broad range of options to include the impact of future enhancements on funding needs.
- In using the reserve study to predict the future, assets may be replaced in years other than when scheduled and at costs that are greater or less than forecast. However, the study is self-correcting as to cost and year to next replacement as assets are replaced and new data is available. As enhancements are made, those assets will be added to the study for future replacement.
- The recent storm water infrastructure analysis per Pittman engineering, indicates an immediate need for control structure replacements costing \$400,000 and funds for which have been requested from the Town. However, there is approximately \$1,500,000 per year on average in necessary maintenance that had not previously been recognized.
- The 2017 budget calls for a negative cash flow of \$611,000. This amount is determined by considering the expenditure of major projects, some of which are replacements for items in the reserve study, such as repaving roadways and leisure trails, etc. and for replacing equipment such as maintenance and security vehicles.
- Currently, Sea Pines Plantation yearly fees are the lowest in the Lowcountry, as compared to other communities with similar amenities. The average yearly fee of twenty-two communities is \$1,700/year for a developed residential lot. Two communities do offer lower fees than Sea Pines. They are Daniel Island, who are still selling lots and Shipyard Plantation, which does have one-half of 0.1% transfer fee.
- The condition of roads, throughout the plantation, needs to be addressed. The roads, as originally built, do not withstand the amount of traffic received. As opposed to patching, investment into properly rebuilding the roads must be considered. One of the first visions visitors and potential property owners observe, entering the plantation, are the roadways. The patched roadwork in the community, does not portray the level of distinction we are seeking.
- Committee members were advised to reference the CSA Annual Report, outlining CSA's financials. Based on results of operations to date, indicating that CSA is doing better than budget for 2017, a forecast through year end should be undertaken.
- The Safety and Security department is ahead of budget, due to low staff.
- The Reserves Policy states that we don't need to be fully funded. If we are 30% funded, that should be the minimum. If we stay between 30 – 40% fully funded and look at it on a seven year study, we should be fine.

Realtor Input Discussion – Chairman Tucker

There was no discussion.

5. **Committee Member Comments**

- Through community feedback, most have asked for a better relationship between the resort, commercial and property owners. We need to create a vision, solve issues and paint a picture to make Sea Pines Plantation a premium destination on the east coast.
- The next meeting on May 26, 2017 will focus on four categories: finance/sustainability, lifestyle, destination and governance.

6. **Adjournment** With no further business to come before the Committee, Chairman Tucker adjourned the meeting at 4:27 p.m. The next scheduled meeting of the CSA, Inc., Long Range Strategic Planning Committee is Friday, May 26, 2017, 3:00 p.m., at the Sea Pines Community Center.

Respectfully Submitted,



Michael Tucker
Chairman