

**Candidate Name: John Farrenkopf**

**Running For: CSA and ASPPPO Board**

**Candidate Category: New Candidate, Candidate by Nominating Committee**

1. I believe no one should serve on both the CSA and ASPPPO Boards. Which Board would you prefer and why?

- a. If I were to serve on only one Board it would be CSA. This is due to my experience on the CSA Finance Committee and my financial background. I do believe a Residential Property Owner (RPO) can serve on both boards BUT they must always put the RPOs first in all decisions.

I believe the best way to enhance the governance process that CSA/ASPPPO was intended to do is to allow only 1/3 of the ASPPPO board to serve on CSA. In each three-year term election one director may serve on both boards to provide continuity to the flow of information between the boards. The other six ASPPPO board members would serve as ex-officio members of the various CSA Committees. This process should be adopted by a change in the ASPPPO Bylaws.

2. How do you propose to increase member involvement in major decisions confronting the ASPPPO and CSA Boards?

- a. Provide direct Board communication the POA presidents seeking input from their constituents.

Have CSA/ASPPPO provide their own Social Media Forums to discuss major decisions. Make the results of surveys public knowledge, to include CSA/ASPPPO Board feed-back.

We have many Committees for various purposes, and major decisions should go through those committees, which currently they may or may not be. All major decisions should be vetted by Committee. This strengthens the Governance Process.

If committee members are required to get the input from the members of the local community they know socially or professionally about major decisions and communicate to their appropriate committee, more people get involved and feel they are being listened to.

3. How would you ensure the CSA Finance Committee is consulted before CSA directors commit to new agreements which have significant impacts on CSA's finances?

- a. I would propose that the CSA Charter be amended to require the Finance Committee to review and approve major decisions before being presented to the Board. The Committee should have at its disposal detailed TERM Sheets as well as the financial projections related to the expenditure. Further the Committee should have access or require a legal opinion that the agreement or transaction does not violate any Covenants.
4. How do you propose to enforce fiscal discipline and ensure both ASPPPO and CSA approve only a balanced operating budget?
  - a. 1. Provide ASPPPO the right to Veto any budget- balanced or not- See my suggestion to change ASPPPO bylaws.
  2. Develop a CSA Board Policy that requires a balanced budget that can only be spent into a deficit by the amount an Undesignated Fund Balance from the prior year, providing that the Capital Replacement Fund is at least 35% of the Fully Funded Balance for capital replacements. Further the Emergency Fund Balance may never be below \$2.5 Million.

Further going forward the Emergency Fund should be increased annually by between 3-5% over the increase in the CPI until one annual cumulative assessment has been funded.
5. What is your opinion in relation to the introduction of a possible digital opt-in, opt-out member directory accessible by members?
  - a. I believe a member should be able to contact another member via email if the member so agrees. Members are entitled to physical mailing addresses so why not their Electronic Address. Many entities communicate only via email.
6. Do you support the introduction of a possible ASPPPO member-only interactive discussion digital forum moderated by ASPPPO?
  - a. Social Media Interaction is inevitable. Better to have it come out of the Body that represents us.
7. Do you agree that Sea Pines property price growth continues to lag behind elsewhere and have not got back to 2006 levels?
  - a. I have not seen statistics that make me feel one way or the other about this question. I believe though that overcrowding of the Island, Coligny Beach as well

as Sea Pines cannot do anything but hurt Residential property values in the long run.

8. Please state whether and how often, you have attended community meetings, such as ASPPPO/CSA Board Meetings and the Sea Pines Community Coffees. If you have not attended such meetings, please explain why you feel you should become a board member.

- a. Either my wife or I attend the meetings and verse each other in the goings on at these meetings. As a member of the Finance Committee I know what to expect from the Financial aspects of these meetings, so long as the information imparted was presented to the Finance Committee. I also research Covenants dealing with the issues presented.

9. Please state why you are qualified to appropriately and diligently represent the homeowners/property owners.

- a. I have about 35 years' experience in financial management and was a director for 6 years on a major 501c4 in Cincinnati, serving on the finance, audit, investment, and operations committees. Our family has been coming to Sea Pines since 1985. We purchased a home here in 1996 and became permanent residents in 2006, after retirement.

I volunteered for the CSA Finance Committee three years ago and have thoroughly enjoyed it. I decided to run for the Board, feeling what I have learned in this Committee can help lead the community forward in a fiscally strong manner.