

**SEA PINES - COMMUNITY SERVICES ASSOCIATES, INC.**  
**BALANCE SHEETS - UNAUDITED**  
**July 31, 2025, 2024 and December 31, 2024**

	July 31, 2025	July 31, 2024	December 31, 2024
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	\$ 4,011,112	\$ 1,235,477	\$ 4,063,660
Investments	14,815,451 <sup>A</sup>	20,057,439	13,941,941
Accounts Receivable, net of Reserve for Bad Debts of \$804,060, \$84,065 and \$484,836 respectively.	789,180 <sup>B</sup>	1,284,108	662,056
Deposits	12,495	76,236	95,231
Due from Related Entities	331,944	192,293	282,824
Prepaid Expense	9,457	15,177	1,040,482
Decal Inventory	4,315	6,308	16,215
<b>Total Current Assets</b>	<u>19,973,954</u>	<u>22,867,038</u>	<u>20,102,409</u>
<b>Fixed Assets</b>			
Land	4,621,486	4,621,486	4,621,486
Buildings and Improvements	3,064,116	3,019,661	3,026,536
Equipment and Vehicles	9,461,673	7,397,957	7,443,103
<b>Total Fixed Assets</b>	<u>17,147,275</u>	<u>15,039,104</u>	<u>15,091,125</u>
Accumulated Depreciation	(7,965,804)	(7,420,232)	(7,611,816)
<b>Total Net Fixed Assets</b>	<u>9,181,471</u>	<u>7,618,872</u>	<u>7,479,309</u>
<b>Right of Use Asset</b>	<u>224,604</u>	<u>297,187</u>	<u>224,604</u>
<b>TOTAL ASSETS</b>	<u>\$ 29,380,029</u>	<u>\$ 30,783,097</u>	<u>\$ 27,806,322</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Current Liabilities</b>			
Accounts Payable and Accrued Expenses	\$ 245,598	\$ 368,974	\$ 1,289,841
Accrued Payroll and Related Benefits	287,468	214,426	336,863
Retainage Payable	123,802	174,663	131,319
Deferred Revenue	5,056,216 <sup>C</sup>	130,070	4,583,125
Operating Lease Liability	73,765	70,051	73,765
<b>Total Current Liabilities</b>	<u>5,786,849</u>	<u>958,184</u>	<u>6,414,913</u>
<b>Non Current Operating Lease Liability</b>	<u>158,435</u>	<u>232,200</u>	<u>158,435</u>
<b>Total Liabilities</b>	<u>5,945,284</u>	<u>1,190,384</u>	<u>6,573,348</u>
<b>Fund Balances</b>			
Undesignated	3,743,471 <sup>C</sup>	8,137,001	3,327,768
Designated:			
Net Fixed Assets	9,181,471	7,618,872	7,479,309
Infrastructure Improvements	826,132	4,185,560	742,813
Capital Reserves	6,114,517	6,114,517	6,114,517
Emergency Fund	2,854,000	2,854,000	2,854,000
Dredge Fund	29,752	21,011	28,183
Trolley Marketing Fund	677,089	569,307	677,089
Beach Club Shuttle	-	20,934	9,295
Sea Pines Resort Marketing Fund	3,209	30,402	-
Other Commercial Marketing Fund	5,104	41,109	-
<b>Total Fund Balances</b>	<u>23,434,745</u>	<u>29,592,713</u>	<u>21,232,974</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 29,380,029</u>	<u>\$ 30,783,097</u>	<u>\$ 27,806,322</u>

- <sup>A</sup> Proceeds from 2025 Residential Assessments are being held in anticipation of major spending on capital projects. While the Securities Investor Protection Corporation ("SIPC") protects up to a maximum of \$500,000, all securities maintain Standards & Poor credit rating of BBB or higher.
- <sup>B</sup> Balance Includes residential property owner assessments, rental registration fees, commercial vendors and short term rental passes. Increase in Allowance over prior year is attributable to one account.
- <sup>C</sup> Balances at July 31, 2025 reflect the recognition of residential assessments evenly throughout the year, rather than at time of invoicing.

**SEA PINES - COMMUNITY SERVICES ASSOCIATES, INC.**  
**INCOME STATEMENT - Current Year versus Budget and Prior Year Actual**  
**UNAUDITED**  
**For the Year-to-Date Ended July 31, 2025 and 2024**

	Year-to-Date Actual July 31, 2025	Year-to-Date Budget July 31, 2025	Variance Budget	Year-to-Date Actual July 31, 2024	Variance Prior Year Actual
<b>OPERATING REVENUES</b>					
Residential Assessments	\$ 6,888,474	\$ 6,890,867	\$ (2,393)	\$ 11,688,527	\$ (4,800,053) F
Critical Infrastructure Assessments	544,319	502,802	41,517	308,547	235,772
Other Property Owner Assessments					
Sea Pines Resort	548,090	474,487	73,603	487,560	60,530
Other Commercial Assessments	52,621	58,741	(6,120)	69,768	(17,147)
Gate Entry and Permit Fees					
Daily Gate Pass	2,657,513	2,642,026	15,487	2,628,709	28,804
Short Term Rental	857,493	865,726	(8,233)	865,143	(7,650)
Annual Permit	1,236,675	1,279,925	(43,250)	1,279,925	(43,250)
Grande Ocean	382,042	382,042	-	372,940	9,102
Sea Pines Country Club	3,461	6,922	(3,461)	5,192	(1,731)
Other Gate Pass	15,671	21,451	(5,780)	21,451	(5,780)
Rental Registration Program Revenue	1,234,600	1,228,400	6,200	1,237,300	(2,700)
Other Operating Revenue	253,321	184,826	68,495	139,118	114,203
<b>Total Operating Revenue</b>	<b>14,674,280</b>	<b>14,538,215</b>	<b>136,065</b>	<b>19,104,180</b>	<b>(4,429,900)</b>
<b>Cost of Goods Sold</b>					
Cost of Decals Sold	14,471	30,180	15,709	20,453	5,982
<b>OPERATING EXPENDITURES</b>					
Maintenance Department					
Salaries and Benefits	1,231,068	1,209,199	(21,869) J	1,137,932	(93,136)
Operations	1,823,076	1,550,330	(272,746) E	1,066,477	(756,599) D
Project and Capital Management	178,039	282,796	104,757 H	713,210	535,171 D
Community Standards	101,566	150,471	48,905 A	114,653	13,087
Facilities					
Administration Building	95,833	73,018	(22,815)	142,760	46,927
Community Center	87,478	82,732	(4,746)	90,395	2,917
Gate Houses	6,068	15,750	9,682	17,173	11,105
Maintenance Buildings	20,762	13,708	(7,054)	12,169	(8,593)
Tower Beach	37,420	48,125	10,705	63,435	26,015
Safety and Security					
Salaries and Benefits	2,265,471	2,253,765	(11,706) J	2,141,752	(123,719)
Operations	348,315	490,750	142,435 K	501,858	153,543
Trolley Operations					
Salaries and Benefits	173,228	176,718	3,490	162,919	(10,309)
Operations	71,559	149,803	78,244 C	72,813	1,254
General Administration					
Salaries and Benefits	944,672	1,073,278	128,606 A	851,662	(93,010)
Administration	239,224	251,372	12,148 B	146,893	(92,331)
Bad Debt Expense	319,223	-	(319,223) I	-	(319,223)
Insurance	701,127	696,734	(4,393)	652,607	(48,520)
Legal Fees	111,089	72,917	(38,172)	57,240	(53,849)
Communications	92,332	91,828	(504)	148,976	56,644
Human Resources	87,921	51,542	(36,379)	38,480	(49,441)
Information Technology	165,611	196,525	30,914	216,531	50,920
Other Programs and Services	4,576	14,887	10,311	11,936	7,360
<b>Total Operating Expenditures &amp; Cost of Goods Sold</b>	<b>9,120,129</b>	<b>8,976,428</b>	<b>(143,701)</b>	<b>8,382,324</b>	<b>(737,805)</b>
<b>Income from Operations before Depreciation and Major Repairs and Replacements</b>	<b>5,554,151</b>	<b>5,561,787</b>	<b>(7,636)</b>	<b>10,721,856</b>	<b>(5,167,705)</b>
Depreciation	414,433	414,435	2	430,437	16,004
Major Repairs and Replacements	3,581,056	4,097,317	516,261 G	3,453,368	(127,688)
<b>Income from Operations</b>	<b>1,558,662</b>	<b>1,050,035</b>	<b>508,627</b>	<b>6,838,051</b>	<b>(5,279,389)</b>
<b>OTHER INCOME (EXPENDITURES)</b>					
Non-Operating Income (Expenditure)	5,909	20,708	(14,799)	51,874	(45,965)
Dredge Related (Expenditures)	-	(43,750)	43,750	(914)	914
Storm Preparation and Recovery	(57,950)	-	(57,950)	(89)	(57,861)
Gain on Disposal of Fixed Assets	204,000	-	204,000	35,000	169,000
Investment Income	372,512	288,868	83,644	491,057	(118,545)
Marketing Fund Expenses	(7,000)	(169,167)	162,167	(89,257)	82,257
Change in Market Value of Investments	125,638	(30,523)	156,161	48,677	76,961
<b>Total Other Income</b>	<b>643,109</b>	<b>66,136</b>	<b>576,973</b>	<b>536,348</b>	<b>106,761</b>
<b>REVENUES OVER EXPENDITURES</b>	<b>\$ 2,201,771</b>	<b>\$ 1,116,171</b>	<b>\$ 1,085,600</b>	<b>\$ 7,374,399</b>	<b>\$ (5,172,628)</b>

- A - Three Vacancies in Personnel - positions filled in July, 2025  
B - Unanticipated at time of budget Board Appreciation, Consultants and Credit Card Processing Fees  
C - Increase in Special Events renting Trolleys that offset expenditures  
D - Community-wide maintenance was charged to Project and Capital Management in prior year, charged to Maintenance in current year  
E - Timing of Tree Work and Stormwater Contractors. This work is front-loaded prior to the start of hurricane season.  
F - Residential Property Owner Assessments were recognized when invoiced in prior year, current year revenue is deferred throughout the year  
G - Timing of Work Flow for Lighthouse Lane Reconstruction - Phase Two, significant uninvoiced work was completed mid-July  
H - Timing of Professional Fees for Infrastructure Assessments and Dredging Permits  
I - Increase in Allowance for Doubtful Accounts to cover potential at-risk receivable  
J - Negative variance is caused by a three payroll month versus straight budget  
K - General liability insurance premiums lower than budget; timing of vehicle and equipment repairs and maintenance, safety supplies

Sea Pines Community Services Associates, Inc.  
Statement of Changes in Fund Balances  
Year-to-Date Ended July 31, 2025

	Total	Undesignated	Property, Plant & Equipment	Capital Reserves	Infrastructure Reserve Fund	Dredge	Trolley	Marketing	Beach Club Shuttle	Emergency
<b>December 31, 2024 Fund Balance</b>	\$ 21,232,974	\$ 3,327,768	\$ 7,479,309	\$ 6,114,517	\$ 742,813	\$ 28,183	\$ 677,089	\$ -	\$ 9,295	\$ 2,854,000
Revenues	14,674,280	8,876,428	-	3,144,241	2,636,729	1,569	-	15,313	-	-
Operating Expenses	(9,120,129)	(9,110,834)	-	-	-	-	-	-	(9,295)	-
Depreciation	(414,433)	-	(414,433)	-	-	-	-	-	-	-
MR&R	(3,581,056)	-	-	(1,027,646)	(2,553,410)	-	-	-	-	-
Trolley Marketing Expenses	-	-	-	-	-	-	-	-	-	-
Other income	643,109	650,109	-	-	-	-	-	(7,000)	-	-
Capital purchases	-	-	2,116,595	(2,116,595)	-	-	-	-	-	-
Net Income	2,201,771	415,703	1,702,162	-	83,319	1,569	-	8,313	(9,295)	-
Required Transfer	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	2,201,771	415,703	1,702,162	-	83,319	1,569	-	8,313	(9,295)	-
<b>July 31, 2025 Fund Balance</b>	<u>23,434,745</u>	<u>3,743,471</u>	<u>9,181,471</u>	<u>6,114,517</u>	<u>826,132</u>	<u>29,752</u>	<u>677,089</u>	<u>8,313</u>	<u>-</u>	<u>2,854,000</u>
Projected Revenue	6,946,701	3,512,596	200,725	1,545,712	1,687,668	-	-	-	-	-
Projected Expenditures	(10,970,550)	(5,328,535)	(296,024)	(1,545,712)	(3,785,279)	(15,000)	-	-	-	-
<b>Projected Year End Fund Balance</b>	<u>19,410,896</u>	<u>1,927,532</u>	<u>9,086,172</u>	<u>6,114,517</u>	<u>(1,271,479)</u>	<u>14,752</u>	<u>677,089</u>	<u>8,313</u>	<u>-</u>	<u>2,854,000</u>