

**Board of Directors
Minutes**

Present Members: Curtis Cole, Dennis Foley, Richard Grimm, Robert Heim, Karen Hough, Dave Humphrey, Richard Jaynes, Wayne Kearney, Donald Manak, Jerry Pecoraro, Adriaan Radder, Karl Sneed, Judy Weissman & Herbert Whildin

Absent Members: Kathi Blakey, Eric Boberg, Michele Hughes, Jeff Lessey, Kim Lutian, Kevin McMahan, Robert Moonen, Joe Strivieri, Mark White & Bethany Wilkinson

Present Staff: Meredith Elmore, Lawrence Alexander, Gregory Bader & Katelyn Coward

Date: April 21st, 2022

I. Roll Call

The meeting was called to order at 10:31 am. A quorum was established.

II. Review of Prior Minutes

The minutes of the prior January 20th, 2022, meeting were reviewed and approved as written. Mr. Manak made a motion to approve. Mr. Sneed seconded the motion. Motion passed. The minutes of the prior March 24th meeting were reviewed and approved as written. Mr. Sneed made a motion to approve. Mrs. Hough seconded the motion. Motion passed.

III. Financial Report

Dr. Elmore reported income through March was \$266,336.55 ahead of budget as a result of strong decal revenue and \$91,637.50 of Enhancement Income in the first quarter. There were increases to the Access Fee and Decal Sales line items due to projected increases stemming from the Short-Term Rental Access Policy (STRP). She stated that the total receivable through March was 5% of the total billing, which is somewhat higher than the last few years (YTD). However, accounting noted that several payments have come in for April since this report, so we are tracking in the right direction. It was reported that Security expenses through March were 6% below budget, largely due to brief openings on the security team. She noted that we are currently fully staffed, so this will reduce as we absorb onboarding for new team members and minimal seasonal overtime. She went on to report that Landscaping costs through March were over budget by 2%. She stated this will change over the current quarter as we transition to the new landscaping contract, line-item modifications (sourced from income adjustments) were made to absorb the increase. She reported that General Administration costs through March were only \$581.56 for less than 1% over budget and this stemmed from unanticipated post-storm clean-up efforts. She stated that Beach Club expenses through

March were 15% under budget but will likely be absorbed due to increased staffing needs with more events in the summer months. She also mentioned the Beach Club maintenance and supply costs will be expensed in April and May. She stated that Enchantment Fee Income through the first quarter was \$91,637.50, showing an impressive number tracking very close to prior-year trends. In closing, she stated the POA's annual insurance has been renewed. In the renewal, we experienced a decrease in Liability and the Umbrella coverage premiums yielding \$11K + in overall term savings. This will result in approximately an \$8.5K saving for fiscal 2022, as the renewal was on March 23rd, 2022.

IV. Old Business

A. Landscaping Update

Dr. Elmore announced OceanWoods Landscaping would begin on May 1st, 2022. It was noted a "Meet the Team" meeting would be taking place before the contract start date to ensure a quick transition. She also mentioned that the flower rotation is the first thing on their list and plans to start that project around May 9th, 2022.

B. Owners Gate Update

Dr. Elmore reported a meeting was held with Todd Theodore to discuss the best options possible for an owner gate to be installed at the 278-gate entrance. It was noted that studies are to be conducted after the start date of the new SPOA Short Term Rental pass system. An update will be given at the next meeting.

C. HHI Short Term Rental Initiative

Ms. Coward announced Hilton Head Island Town Short Term Rental Initiative has passed the planning committee and is now going to have its first Proposed Ordinance reading at The Town Council Meeting on May 3rd. Updates will be sent out via email over the next few weeks. Brief discussion followed.

D. SPOA STR Pass System Trial

Dr. Elmore announced starting on May 15th all rental and timeshare companies are required to request their passes every week by Wednesday at 2:00 pm, with a pick on Friday before 4:00 pm at the Welcome Center. She reported this is a trial system to see if it helps with the traffic at both gates during the weekend. Brief discussion followed.

V. New Business

A. Brush Hogging Recommendation

Dr. Elmore notated the community standards committee would like to recommend brush hogging to all vacant lots to uphold a visual appeal. Brief discussion was held. An agreement was reached to brush hog all vacant lots and a

recommendation for the community standards committee to create a policy. Mr. Sneed made a motion to approve. Mrs. Hough seconded the motion. Motion passed.

B. Insurance Renewal

Dr. Elmore reported we did renew the POA's annual insurance, and we experienced a decrease in the Liability and the Umbrella coverage premiums yielding \$11k + in overall term savings. She said this will result in approximately \$8.5k savings for fiscal 2022, as the renewal was on March 3rd, 2022.

C. Committee Appointments

Dr. Elmore announced the committee appointments were located on page 14. Mr. Sneed made a motion to approve. Mr. Heim seconded the motion. Motion passed.

D. Rules of Conduct

Dr. Elmore reminded everyone of the Rules of Conduct page. She requested everyone sign one and return it to Ms. Coward before the next meeting.

E. Distribution of Documents

Dr. Elmore announced the Board of Directors roster was located on page 15 and if any updates are needed to reach out to Ms. Coward. Mr. Foley made a motion to approve. Mr. Humphrey seconded the motion. Motion passed.

VI. Adjournment

There being no further business, the meeting was adjourned at 11:14 a.m.

Joe Strivieri, Secretary/Treasurer