

# Get the Scoop on SIPOA's 2025 Budget!

- Introduction
- What does SIPOA do and why does it cost so much?
- Major accomplishments/spending in 2024
- A trivia break!
- 2025 operating budget
- 2025 capital budget
- Reserve funding schedule
- Where do your assessment dollars go?
- Q&A

# What's the Scoop?

- **SIPOA is Financially Sound**

- We are conservative with budget estimates
- We pre-fund major expenses to avoid large special assessments
- We have a contingency reserve fund that we will be adding to for storm damage and/or emergencies
- We have a \$3 million emergency line of credit for a storm emergency
- Excess and reserve funds are invested in insured CDs
- GOMC and engineering continue to monitor our drainage challenges

- **Going Forward**

- Living along the coast is becoming more expensive
- Insurance costs are rising, and a higher level of self-insurance may be needed
- Beach and flood problems are going to be major expenses, but we are planning and budgeting accordingly
- We are committed to keeping annual assessment increases as low as possible



# GOMC COMMITTEE GOMC UPDATE

Bradley Phillips  
GOMC Committee Chair

Serving on the Board has been a great experience, and each committee Chair position I have had has allowed me to learn so much about how the island is managed. Serving as the Chair of the General Operations and Maintenance committee (GOMC) this year, I have learned a great deal about what it takes to operate the island from a facilities standpoint.

The GOMC as do all our committees, acts as advisers to our Board of Directors. Steve Hirsch is a great Director of Engineering and Facilities Management who has been with us 11 years. He makes sure our infrastructure stays functioning.

The GOMC recommends policies and programs for the maintenance of property owned by SIPOA. Here are some fun facts:

**Seabrook Island Area:** Seabrook Island has approximately 4,700 acres or 7.3 square miles. Of that, 38%, 1,800 acres or 2.8 square miles is highlands area. Highlands are defined as land greater than 4' above sea level.

### **SIPOA Buildings / Structures include:**

- SIPOA Administration Office
- Gatehouse
- Lake House
- Oyster Catcher Community Center
- 3 Swimming Pools
- Maintenance Building
- Recycling Center
- Community Gardens
- Crab Dock
- Kayak Launch
- Lookout Tower
- 10 Boardwalks / 1 Ocean View Walkway / Overlook
- 5 Nature Trails

**SIPOA Roads:** Did you know we have 82 named roads on the island, totaling 27.5 miles? SIPOA has planned for and has been reserving funds for repaving in 2028.

**Bike Paths:** SIPOA has over one and one-half miles of bike paths.

**Bridges:** You might be surprised that we have 5 bridges on the island.

**Parking Spaces:** We have over 400 paved and unpaved parking spaces throughout the island at our facilities and boardwalks.

**Storm Drainage Systems:** Includes pumps, piping, manholes, inlets and outfalls. We have approximately 13.4 miles of storm drainage pipes, 1,500 structures, and 3 pump stations. Pump station 2 near Dune Crest Villas is being rebuilt now and we are adding a backup pump.

**Lakes & Ponds:** There are 45 lakes and ponds on the island. SIPOA is responsible for 23 that we keep clean, balanced and stocked with aquatic life. The other 22 lakes and ponds are maintained by the Club and individual regimes/associations.

**Signs:** SIPOA has a lot of them. We have 208 traffic signs, all of which were replaced in 2017. In addition, there are 110 street signs and 50 alligator signs. In 2024 all our street signs and mailbox posts and numbers were repainted.

**Street Lighting:** Can you guess how many we have? There are 157 streetlights on the island – all of which are owned by Berkeley Electric Cooperative. Who knew? As most of us are home in bed when the streetlights come on, next time you're driving at night count them.

**Beach Management:** Beach management includes the Cap'n Sam's Inlet relocation. There have been 3 relocations to date. They took place in 1983, 1996, and 2015. The next one is scheduled for 2028. The relocation and resulting accreting sand have added over 100 acres of beach and habitat area.

**Beach Sand Scraping:** October through December 2024 will be our 11th sand scraping project.

**Seawall Maintenance:** There is over a mile of rock seawall covering approximately 6,700 LF with 2,000 LF of it now buried by sand dunes. The wall was installed in the 1970's and the last restoration was in 2007.

**Beach Access:** SIPOA's 10 boardwalks and viewing areas total nearly 9,000LF. That's almost 2 miles. There are also showers, and 241 paved and unpaved parking spaces at the boardwalks.

**Beach Trust:** The Beach Trust area covers over 80 acres and contains protective dunes and critical wildlife habitat.

**Conserved Land:** SIPOA has approximately 45 acres of conserved land which includes approximately 32 acres donated by the Seabrook Island Green Space Conservancy.

**Community Gardens:** The Community Gardens have 68 plots for Property Owners to grow vegetables, herbs, and flowers.

**Walking Trails:** SIPOA maintains 5 nature trails totaling 4 miles. They are the Lake House Trail, Old Drake Trail, Hidden Oaks Trail, Six Ladies Trail, and Bobcat Dune Nature Walk.

**SIPOA Properties:** The insured value of SIPOA properties is over \$11 million.

As you can see, SIPOA staff and our engineering and facilities maintenance team have a huge task of operating and maintaining all these assets.

I hope this update gives you a better understanding of what GOMC does.

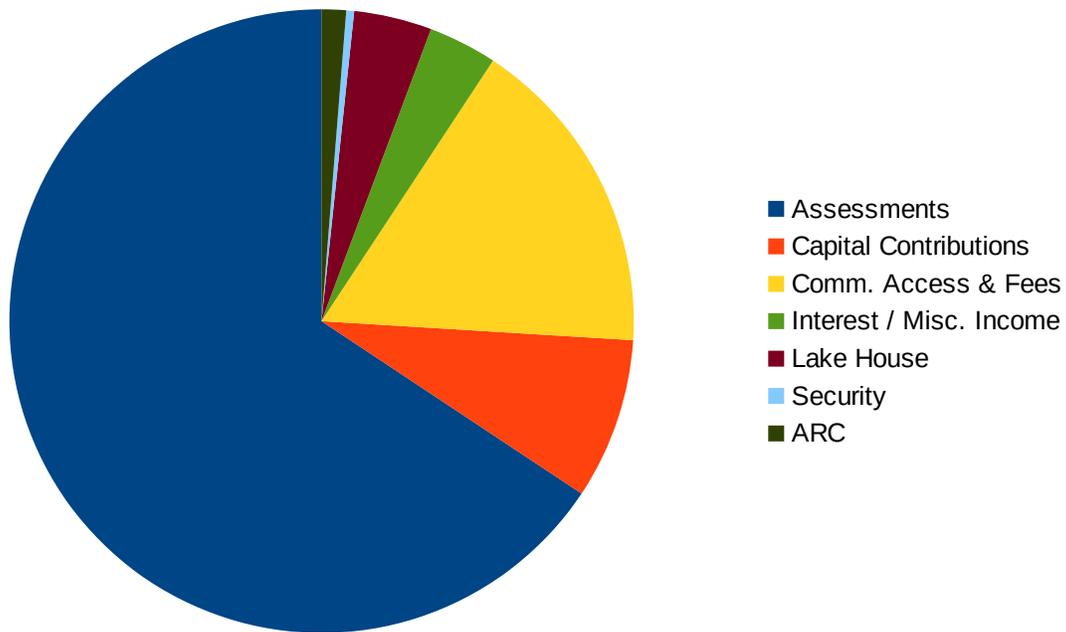
## **Major Accomplishments in 2024**

- Community Survey / Master Plan
- Boardwalk 4 Replacement
- Pump Station 2 Replacement
- Lake House Painting and Improvements
- Sand Recycling Project
- Sea Wall Repair
- Marsh Hen Stormwater Outfall
- New Website
- Lake House Playground
- Activities

**Plus everyday operations, ARC, security, communication, etc.**

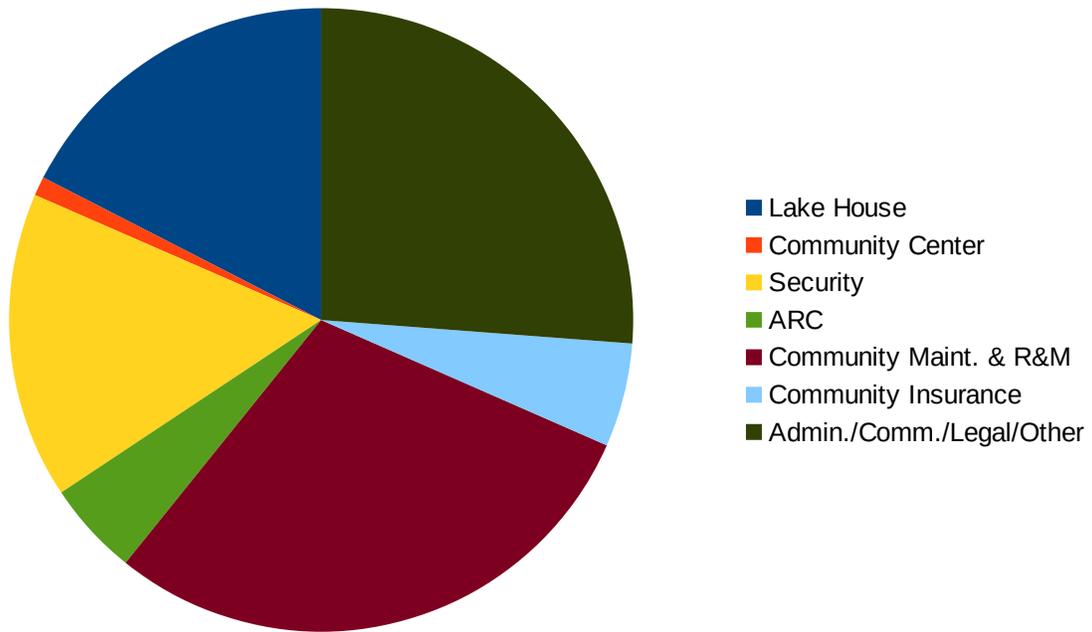
## SIPOA Revenue

	Actual 12/31/23	2024 Budget	Actual 9/30/24	2025 Budget
Assessments	\$7,195,357	\$7,803,650	\$7,743,374	<b>\$7,820,840</b>
Capital Contributions	998,141	540,000	<b>887,843</b>	<b>993,000</b>
Comm. Access & Fees	1,719,598	1,570,000	<b>1,762,848</b>	<b>1,990,000</b>
Interest / Misc. Income	185,801	163,000	<b>446,898</b>	<b>425,500</b>
Lake House	492,929	490,000	383,092	<b>480,000</b>
Security	29,016	32,000	36,942	<b>47,000</b>
ARC	168,301	140,800	122,880	<b>151,000</b>
<b>Net Revenue</b>	<b>\$10,789,143</b>	<b>\$10,739,450</b>	<b>\$11,383,877</b>	<b>\$11,907,340</b>



## SIPOA Operating Expenses

	Actual 12/31/23	2024 Budget	Actual 9/30/24	2025 Budget
Lake House	\$1,258,829	\$1,389,200	\$1,119,719	<b>\$1,464,400</b>
Community Center	19,810	24,000	23,678	<b>83,000</b>
Security	1,089,815	1,261,300	822,463	<b>1,332,850</b>
ARC	140,196	121,400	108,777	<b>409,040</b>
Community Maint. & R&M	1,980,150	2,336,600	1,683,485	<b>2,447,400</b>
Community Insurance	318,057	401,000	363,738	<b>451,000</b>
Admin./Comm./Legal/Other	1,939,624	1,934,000	1,640,243	<b>2,198,650</b>
<b>Total Operating Expenses</b>	<b>\$6,746,481</b>	<b>\$7,467,500</b>	<b>\$5,762,103</b>	<b>\$8,386,340</b>



## SIPOA 2025 Capital Budget

Boardwalk 2 & 3A	\$350,000
Ocean Winds Tide Design	880,000
Pump Station 1 Pump Motor	150,000
Stormwater Project	230,000
Stormwater Rehab. Old Forest	250,000
Lake House Fitness Equipment	<u>36,000</u>
Total	\$1,896,000

Plus c/o of \$375,000 for Road Safety Projects

**SIPOA**

## Projected Reserve Account Contributions

	2024	2025	2026	2027	2028	2029	2030	2031- 2038
<b>Road Reserve:</b>								
To fund	1,300,000	1,000,000	1,000,000	1,000,000	1,000,000	500,000		
	<u>4,776,000</u>	<u>5,776,000</u>	<u>6,776,000</u>	<u>7,776,000</u>	<u>8,776,000</u>	<u>9,276,000</u>		
<b>Beach Reserve:</b>								
<b>Capt. Sam's Inlet:</b>								
To fund	450,000	475,000	425,000	425,000	425,000	425,000	350,000	
Balance	<u>1,420,000</u>	<u>1,895,000</u>	<u>2,320,000</u>	<u>2,745,000</u>	<u>3,170,000</u>	<u>3,595,000</u>	<u>3,945,000</u>	
<b>Beach Repair/Maint.:</b>								
To fund		250,000	250,000	250,000	250,000	250,000	250,000	250,000.yr
Balance		<u>250,000</u>	<u>500,000</u>	<u>750,000</u>	<u>1,000,000</u>	<u>1,250,000</u>	<u>1,500,000</u>	<u>3,500,000</u>
<b>Total Beach Reserve</b>	<u>1,420,000</u>	<u>2,145,000</u>	<u>2,820,000</u>	<u>3,495,000</u>	<u>4,170,000</u>	<u>4,845,000</u>	<u>5,445,000</u>	
<b>Contingency Reserve:</b>								
To fund	250,000	150,000	125,000	100,000	100,000	145,000		
	<u>1,130,000</u>	<u>1,280,000</u>	<u>1,405,000</u>	<u>1,505,000</u>	<u>1,605,000</u>	<u>1,750,000</u>		
Annual Contribution	<u>2,000,000</u>	<u>1,875,000</u>	<u>1,800,000</u>	<u>1,775,000</u>	<u>1,775,000</u>	<u>1,320,000</u>	<u>600,000</u>	

Note: Amounts going forward do not include interest income received or cost inflation factors.

**SIPOA Liquidity Schedule**

**Sept. 30,  
2024**

**Operating Cash**

Operating	\$342,326
CDAR's	<u>7,341,689</u>
<b>Total: Operating Cash</b>	<b><u>7,684,015</u></b>

**Reserve - General**

**2,157,039**

**Designated Reserves**

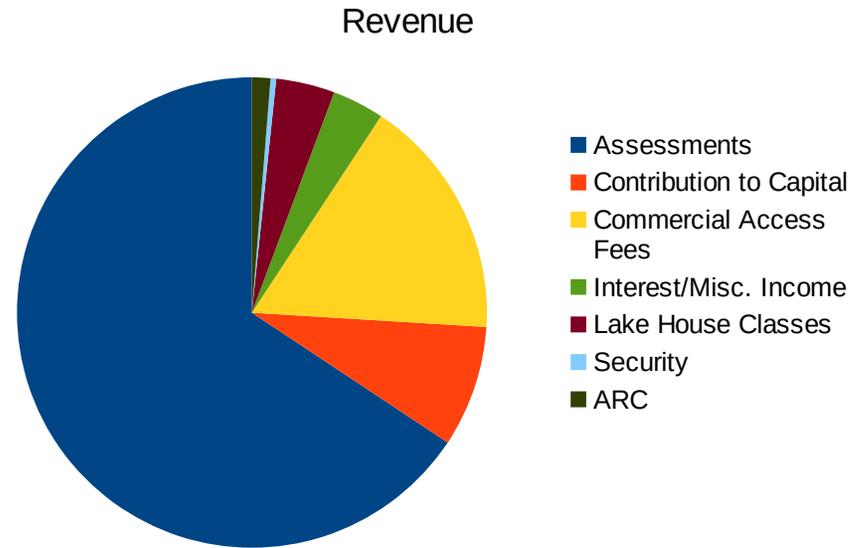
Contingency	882,134
Pump Station 2	759,997
Beach Preservation Reserve	1,006,739
Road Reserve	<u>3,551,847</u>
<b>Total: Designated Reserves</b>	<b><u>6,200,717</u></b>

## SIPOA Recent Assessment History

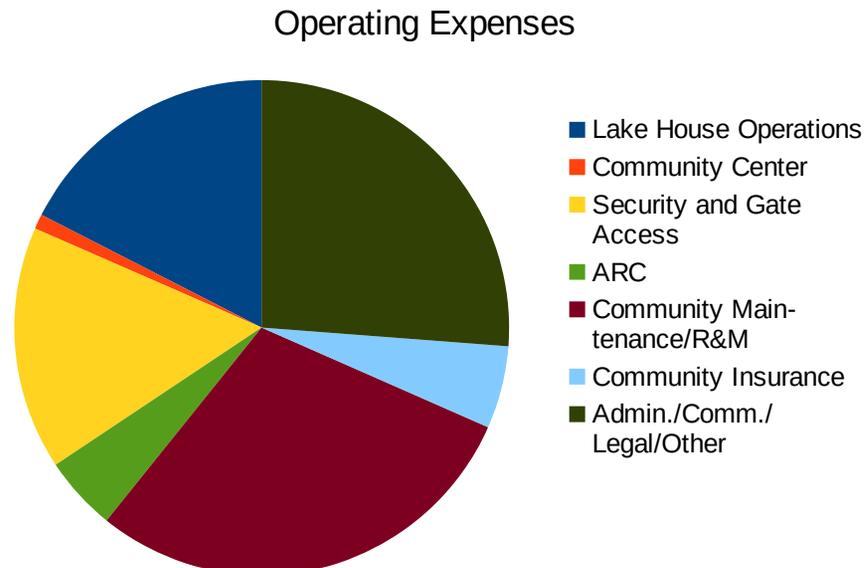
2020	\$2,361	+7.8%
2021	\$2,370	+.04%
2022	\$2,500	+5%
2023	\$2,750	+10%
2024	\$3,050	+11%
<b>2025</b>	<b>\$3,050</b>	<b>+0%</b>

# SIPOA 2025 Budget Summary

	<u>2025 Budget</u>
Assessments	\$7,820,840
Contribution to Capital	993,000
Commercial Access Fees	1,990,000
Interest/Misc. Income	425,500
Lake House Classes	480,000
Security	47,000
ARC	151,000
Net Revenue	<u>\$11,907,340</u>



Lake House Operations	(1,464,400)
Community Center	(83,000)
Security and Gate Access	(1,332,850)
ARC	(409,040)
Community Maintenance/R&M	(2,447,400)
Community Insurance	(451,000)
Admin./Comm./Legal/Other	(2,198,650)
	<u>(8,386,340)</u>
Capital Expenditures	(1,896,000)
Reserve Funding	<u>(1,625,000)</u>
<b>Net</b>	<u><b>\$0.00</b></u>



## Where Your Assessment Dollars Go (2025 Budget)

Landscaping/R&M	\$954	31.3%
Admin/Legal/Other	857	28.1%
Lake House Operations	384	12.6%
Insurance	176	5.8%
ARC	101	3.3%
Capital Expenses	352	11.5%
*Road Reserve	390	12.8%
*Beach Reserve	185	6.1%
*Contingency (Storm) Reserve	58	1.9%
Security/Gate (net)	(275)	-9.0%
Interest/Misc. Income	(166)	-5.4%
Rounding/Other	32	1.0%
<b>Total</b>	<b>\$3,050</b>	

