



## PRESIDENT'S LETTER

*Julie McCulloch*  
President, SIPOA  
Board of Directors

"There's no such thing as a free lunch," was one of my Dad's favorite adages when I would ask for something I hadn't earned or whined about the expense of a particular item. I didn't know it at the time, but this popular saying has been in use since the early 1900s. All I knew was that it was one of his many life lessons... "it's impossible to get something for nothing!"

I'd like to remind everyone of my Dad's lesson because as you are reading this, it's likely that the SIPOA Board of Directors has received the recommended 2019 budget from the Finance Committee and (hopefully!) referred it to the Property Owners for approval at the Annual Meeting. The annual budgeting process takes a lot of thought, preparation and time on the part of numerous committee members and staff.

As I've mentioned previously, the operating budget covers our routine, "predictable" expenses such as security, landscaping, trash/recycling, and normal repairs and maintenance. The capital budget covers major repairs and replacement of facilities, goods and infrastructure based on planned projects and guided by the Replacement Reserve Study and our Strategic Plan.

Those who work on the budget are diligent about managing the ebb and flow of these near-term expenses while also reserving monies for future expenses (i.e., relocation of Cap'n Sams cut). They offset these with our anticipated revenues to determine the resulting property owner assessment. Whether we like it or not, assessments provide the vast majority of SIPOA's annual income, but we also receive some revenue from commercial access

fees, fitness activities and other miscellaneous items.

It's hard to believe, but SIPOA celebrates its 45th anniversary in 2019! And that means our "stuff" is getting old, whether it be the roadways, stormwater and drainage systems or buildings. SIPOA has been diligent about doing regular maintenance, upgrades and replacement of the items under our control. The 2019 budget will comprehend those ongoing activities, but they are with an ever-increasing cost for materials, contractors and other resources.

The 2019 budget will also take steps to ensure that we retain our hard-working staff members. It's been hard to miss the many headlines in area publications extolling the record-low unemployment rate and rising wages. Although we may think of ourselves as somewhat insulated from the "real

world", we are not immune to these competitive pressures.

Seabrook Island is a beautiful place with wonderful amenities and services. Our property owners and their guests expect nothing less. And although there's no such thing as a "free lunch," I believe the 2019 annual assessment, or the price we pay for our "lunch", will still be a relative bargain for all that we get in return.

On a closing note, I wish each of you a happy, safe and healthy holiday season. I hope you spend it with friends and/or family, doing whatever it is that makes you happy. Let's all count our blessings and be joyful of spirit!

Happy holidays,

Julie McCulloch  
President