

KIAWAH ISLAND
COMMUNITY
ASSOCIATION

Board Service Info Session

BOARD OUTREACH &
EDUCATION COMMITTEE

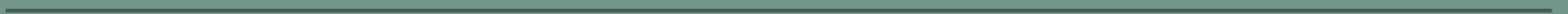
October 31, 2023
November 1, 2023



INFO FOR 2024 BOARD CANDIDATES

KICA at a Glance

- KICA is organized under the South Carolina Nonprofit Corporation Act
- Approximately \$21 million annual budget
- Over 100 employees
- Approximately 9,000 members
- Responsible for infrastructure, including roads and ponds, and landscaping inside the gate
- Amenities: Sandcastle, Rhett's Bluff and Eagle Point Boat Launches, Cinder Creek Pavilion, Boardwalks, Bike Paths and various trails
- Operates Main and Vanderhorst security gates



KICA at a Glance (Cont'd)

- KICA currently has approximately 3,900 improved and 550 unimproved properties.
- About 45% of improved properties are villas, cottages and homes in regimes; 55% are single family homes not in regimes.
- By covenant, each improved KICA property receives 2 votes and each unimproved property receives 1 vote per available board seat. These votes are then multiplied by the number of available seats, in this case 3.
- Resort and Developer votes are weighted differently and in 2023 accounted for approximately 10% and 2% of available votes, respectively.



INFO FOR 2024 BOARD CANDIDATES

What KICA is Not Responsible For

- Beach (TOKI)
- Roads and landscaping outside the gate (TOKI)
- Police (CCSO)
- Resort and Kiawah Island Club facilities
- Cassique
- Freshfields
- Seafields (new 62+ community)



Commonly Asked Questions

Why should I consider board service?

- Kiawah needs good leaders and Board service is a unique way for members to give back to the community. Board members help shape the future of the island. The association is proud that its members are some of the most skilled, educated and involved people in the nation. This is certainly a major reason why Kiawah has enjoyed success over the years.
- There are no formal requirements for board service other than being a KICA member in good standing. It is helpful for candidates to familiarize themselves with current KICA issues and join/review KICA Board meetings.



Commonly Asked Questions

How many Directors are on the board?

- There are currently seven directors on the board, six elected member directors and one director appointed by the developer.

What is the term of a Director?

- Directors begin their service at the Annual Meeting in March and, under most circumstances, serve three years thereafter.
- Directors are limited to two terms with at least a 2 year gap between terms.
- For 2024 Election, there are 2 3-yr seats and 1 2-yr seat



Commonly Asked Questions

What is the role of the KICA board?

- It represents the KICA Members. The Board's role and responsibilities are defined by SC statute, the KICA covenants and its bylaws.
- According to the bylaws, “The business and property of the Association shall be managed and controlled by the Board. The Board shall have all requisite power, duty, and authority to perform its obligations under the Association's Articles of Incorporation, the Association Covenants, the bylaws, the SCNC Act and the SCHA Act. [KICA Bylaws, Art. VI, Section 1]
- The bylaws also provide that the Board of Directors shall have the power to employ a chief operating officer who shall have responsibility for the day-to-day administration and operations of the association. [KICA Bylaws, Art. VII, Section 7]



Commonly Asked Questions

What is the role of the KICA board? (continued)

The Board is responsible for strategic planning and for periodically reviewing policies. Board members have a fiduciary obligation.

What does it mean to have a fiduciary duty?

There are generally three duties which comprise a Board member's fiduciary duties:

1. Duty of care;
2. Duty of loyalty; and
3. Duty to act.



Commonly Asked Questions

What is the duty of care?

The South Carolina Nonprofit Corporation Act sets forth the duty of care for Board members as follows: A director shall discharge his/her duties (1) in good faith; (2) with the care an ordinarily prudent person in like circumstances would exercise under similar circumstances; and (3) in a manner the director reasonably believes to be in the best interest of the corporation. In performing these functions, a director may rely upon officers, employees, legal counsel, accountants, other professionals, or a committee of the Board. [Section 33-31-830].

The duty of care may be different for different Board members, depending upon professional experience.



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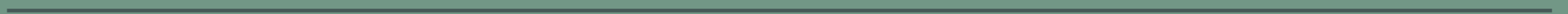
Commonly Asked Questions

What is the duty of loyalty?

The duty of loyalty means the Board member's duty is to KICA and its members, not to the individual Board member. It also means that if the Board member has a conflict, the Board member must disclose the conflict and take appropriate steps to address any conflict, such as recusal.

What is the duty to act?

The duty to act is the duty of the Board to ensure that KICA follows all legal requirements, including complying with its covenants and bylaws. A community association derives its power and authority from the covenants that are applicable to our property on Kiawah.



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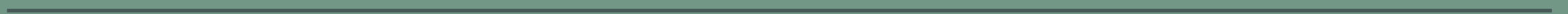
Commonly Asked Questions

What is the legal protection for a board member?

KICA carries directors and officers insurance (D&O - \$2M with \$25M umbrella coverage), which provides coverage for legal defense and/or damages, except for illegal actions and willful wrongdoing. Also, the KICA bylaws contain a personal indemnification clause for directors which is required by SC nonprofit incorporation laws.

Am I compensated for board service?

Directors are volunteers and are not financially compensated. They may, however, incur incidental costs. Any expenses incurred by KICA Board of Directors in completion of official board duties are eligible for reimbursement.



INFO FOR 2024 BOARD CANDIDATES

Commonly Asked Questions

How often does the board meet?

Board Meetings are held monthly. Every Board is different and schedules for Board meetings are set by the new board each year. Directors who cannot be present for a meeting can participate by phone or video conference. Board members' liaison duties may require additional meetings.

How much of my time will board service require?

Board meetings generally last three to five hours. These meetings may require anywhere from one to four hours of preparation, depending upon the number and complexity of issues on the agenda. Board committee meetings take additional time and may also require some advance preparation.

To be realistic, board members need to be able to set aside an average of 10 hours a week for board service, with officers (Chair, Vice-Chair, Treasurer, Secretary) spending more time, as they may have additional responsibilities.



Glossary of Terms

Board Meetings

- Formal Board Meeting
- Board Executive Session

Committee Meetings

- Board Outreach and Education
- Finance Committee
- HR Committee
- Various Task Forces

Board Liaison

(some directors serve as liaison to other organizations)

- Town of Kiawah Island
- Kiawah Island Golf Resort
- Kiawah Partners



2024 BOARD OF DIRECTORS ELECTION

Key Dates

Nov. 15 – Initial Candidate Application Deadline

SUBMIT YOUR INTENT TO RUN FOR ELECTION AT [KICA.US](https://www.kica.us)

Nov. 17 - Candidate Statement due to KICA

Dec. 1 - Candidates announced in weekly newsletter

Dec. 1 - Candidate Video Interviews

Jan. 2-12, 2024 - Meet the Candidates Sessions

Jan. 15, 2024 - Vote Opens @ 12 p.m.

Feb. 15, 2024 - Vote Closes @ 12 p.m.

Feb. 16, 2024 - Election Results Announced



BOARD OUTREACH AND EDUCATION COMMITTEE (BOEC)

Committee Members

Lisa Mascolo (Chair) - lisa.mascolo@kica.us

Larry Hitchcock - lrhbs89@gmail.com

Linda Connolly - ljconnolly29@gmail.com

Sandy Devine - sdevine383@gmail.com

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BOARD SERVICE INFO SESSION

Q&A

