SCOV Forward Together

We, neighbors, will vote **NO**



A No vote Opens Doors to Lower Cost Options

SHARED GOALS

- Find a lower-cost option
- Renovate CC efficient manner with alternatives
- Maintain and improve SCOV
- SCOV competitive
- Preserve our reserves for future
- Seek a fully informed, fully engaged voter base

ARTISAN PLANS

- Support Artisans – may need more space and maybe better scheduling during the peak winter months
- Safety upgrades – should be done soon
- This proposal has a high cost, large scope and poor timing

CC's MASSIVE REMODEL FOR ONLY ABOUT 200 ARTISANS

- This price tag serves only about 200 Artisans to use CC *(2023 Survey – 15% use weekly, 21% regular users monthly)*
- $7.6M divided by 200 Artisans = $38,000 value/pp
- Facility use is limited-only 62 parking spaces

AUTHORIZE SPENDING WITH RISK OF FINANCIAL INCREASES

- 2nd vote for '$3.1M authority' for only CC, Capital Fund = $176,352, 3-4 years before enough money to remodel
- Board says dues/assessments won't be used for CC
- Board 'funding promise' is not a commitment and can be changed by this board or future board *(unless it was in the initiative and we voted on it…which board voted down Nov. 5.)*
- Can decide to fund CC through dues, assessments and borrowing with no member vote *(Up to $710 + borrowing allowed to $284/hh)*

THE ACTUAL COST
$7.6 Million for CC Only

- Thus, likely increase in homeowner fees, given the board chose not to approve Board Member Dave Olson's motion (6-1) to commit this board to not allocating any dues, assessment or borrowing without additional resident authorization
- The next day Dave was asked to leave the CC work group by the chair because he spoke up about lower-cost alternatives and had different ideas

WHY DAVE OLSON VOTED NO?

- Board member, Dave Olson voted not to have the initiative at this time after his motion failed. He believes there is a lower-cost plan for Copper that should have (and could be) explored
- He has a degree in Architecture, licensed contractor in AZ, and 40+ years construction management
- Board who voted for the expensive plan, do not have any of these qualifications. He sees this from a professional perspective. Let's rely on the professionals

DO YOU WANT SCOV REASONABLY PRICED AND FISCALLY SOUND?

- Money for these projects and other amenity upgrades comes out of our pocket
- We have many smaller homes, long-term residents and reasonable HOA fees for now
- We have been modest by nature
- Many owners want to keep it that way

RESIDENTS REJECTED SIMILAR PROPOSAL MAY 2025 - WHAT HAS CHANGED?

- May 2025 vote failed (To authorize $3M for 3 buildings and $1000 Assessment- Rejected)
- Lower-cost alternatives never explored
- No community-wide compromise solutions explored (CC work group was private)
- Current vote - similar spending authority but for only CC, but no assessment today

USAGE DATA LACKING

- So far, no data of actual artisan usage
- Artisan membership numbers are used, but do not equal the few who regularly use the studio
- Club sign-in during a limited period of time, even if they just dropped something off or picked it up
- Per Original plan, WC to occupy 11,000 sq ft CC building
- Artisan clubs under 10,000 sq ft
- Present plan – Artisans use entire building - 22,000 sq ft for same clubs + ping pong
- Why?

2023 SURVEY

- Artisans - about 200 regular users
- Usage does not justify total cost
- Sun City Hilton Head with 10,000 residents offers Artisan Studios of approx. 10,000 sq ft. We will have both: 22,000 + 1,200 (Artisan Center) = 23,200 sq ft

LOWER-COST/PHASED ALTERNATIVES COULD HAVE BEEN EXPLORED

- Silver is expensive to move, why not keep it there in Artisan Center (approx. $500,000 to move)
- Phase in clubs as money is available
- Accumulate funds before asking for authority to spend $3.1M (Long term reserve fund/savings common. Don't need an 'authority vote' for that)
- Leave space available at CC for future needs (Such as 3 D Printing, Practice Space for Music, Gaming Arcade, Business Center, Weaving…)

HOME VALUES

- New younger buyers look for active amenities like updated aquatics, walking trails, courts…
- Total project of 4 buildings - $8.5-$9M
- Greatly exceeds all previous SCOV Capital Projects
- Current capital fund only $176,000+ ($3.1M is needed for CC and more needed for other amenities)
- All other capital projects needed to help SCOV stay competitive are on hold for years
- Value of homes are impacted by stressed finances, higher HOA fees and 40 year-old amenities

RECENT CAPITAL PROJECTS RAISE EXECUTION QUESTIONS

- Fountain and Plaza concerns remain unresolved
- Auditorium and AC issues continue years after renovation (zoom, floor, sound and lights)
- Pool renovation permitting delays and other issues with many months closure (8 months)
- Will taking on a new, large project (CC) with same people be successful

SCOV RULES ALLOW FINANCE OPTIONS REQUIRING NO APPROVAL NEEDED

'Authority for $3.1M' gives all boards the right to find ways to pay for this. Many residents and board members already tell us they 'want' this soon.

How could they pay for it when we don't have the Capital now? ….with your money

POSSIBLE DUES, ASSESSMENTS, & LOANS

- Annual Dues: up to 15% increase annually *(If board approved - dues would double in 5 years)* = about **$430/hh**
- Special Assessments: up to 5% of prior year gross revenue = about **$281/hh**
- Loans: up to 3% of prior year net assets = debt about **$284/hh**

CHOICES SUMMARY

- Provide full project cost (all 3-4 buildings)
- Provide funding commitment reassurance, not promises which can't be honored by current/future boards
- Examine club actual use and actual number of users, not just club overall numbers
- Lower-cost alternative will enable other amenity upgrades to occur sooner keeping SCOV competitive

SUMMARY: VOTE NO ON THIS AUTHORIZATION

- Evaluate lower-cost alternatives
- Consider phased build out
- Include the community participation in CC Work Group
- Use actual usage data not membership lists to determine need

Together, we can do better than this!

FOR MORE INFORMATION

- www.SCOVforward.com
- www.votenoSCOV.com
- This presentation will be on the SCOV web for your viewing

Thank you!