

**SANDPIPER OWNERS' ASSOCIATION, INC.**  
**MINUTES OF ANNUAL MEETING OF OWNERS**  
**November 17, 2012**

The 2012 Annual Meeting of Owners of Sandpiper Owners' Association, Inc. took place on Saturday, November 17, 2012, at the Seventh Floor recreation room of the condominium.

1. **Meeting Called to Order.**

The meeting was called to order by President Joe Sefcik at 9:35 a.m.

2. **Certified Quorum.**

A quorum of the required owners was certified to conduct the meeting.

3. **Proof of the Annual Membership Meeting.**

Proof of the notice of the meeting was certified as being properly sent and posted.

4. **Minutes from the 2011 Annual Meeting.**

Upon motion duly made, seconded and adopted, the reading of the minutes of the 2011 Annual Meeting of Owners was waived.

5. **Recognition of New Owners.**

Joe recognized new owners at Sandpiper since the 2011 Annual Meeting, being David and Karen Ross (Unit 406), in attendance at the meeting; and Jennings and Meribeth Hurt (Unit 404).

6. **Recognition of Owner Who Has Passed Away.**

Owner Dixie Lennon, Unit 106, passed away on July 29, 2012.

7. **Election of Directors.**

One of the primary purposes of this meeting was the election of directors. Four current Directors had terms expiring at this Annual Meeting which included Scott Johnson, Terry Hadley, Rennie McDaniel, and Jeff Knipe. All agreed to serve for another term. Association solicitation for new Board members did not yield any proposed candidates. Since our condominium documents allow for a total of 11 directors, and since the total number of hold-over and new directors would total 10, there was no need to have a contested election. But on motion duly made, seconded and unanimously adopted, Scott, Terry, Rennie and Jeff were confirmed as Directors to serve another term. They join six hold-over directors – Joe Sefcik, Dusty Sutton, Michael Pollack, David Satcher, Diane Browning and Steve Selzinick, to serve as our new Board for 2013.

**8. Officers' Reports.**

Joe and Dusty addressed the audit of the 2011 financial statements, earlier distributed to all owners. Upon motion made and seconded, the audit was approved by owners.

Joe, Dusty and David then led the discussion of the proposed 2013 budget, including discussion of reserves. The budget (to be considered for approval by the Board following this annual meeting) calls for partial reserve funding, that would result in the same monthly maintenance fee of \$610 as in 2012. As required, upon motion made, seconded and adopted by those in attendance, the funding of partial reserves for 2013 was approved.

**9. Manager's Report.**

Tom Moreno provided a report of the property manager. We reviewed the 2012 reserve expenditures and the proposed 2013 reserve expenditures pursuant to the list of capital projects that was attached to the proposed budget.

For the 2013 proposed capital expenditures, there was discussion regarding the pool deck furniture (which will be refurbished); the pool wind screen; and wireless security cameras for the seventh floor recreational room.

There was discussion on utilization of the seventh floor and ideas how to maximize utilization by owners. Diane explained the current procedure for owners reserving use of the room. Owners would like to see a more user friendly way to use the seventh floor, but making sure that appropriate procedures were in place to assure security and proper use of the room. Ideas were discussed for access to the room, including utilization of individualized card entry. The consensus of owners was that renters and their guests should not have use of the seventh floor, except for group social activities that Diane oversees, and except for use by winter renters that has not presented problems. The Board will have further discussion on "best practices" for use of the room and report back to the owners.

**10. Rental Report.**

Diane Moreno provided a rental report, with a written rental report being made available to all owners. Our rental program is progressing well, along with sales activity of units. Our three most successful rental marketing procedures include our website, returning guests and word of mouth. There was also discussion regarding the income produced from the rental of Unit 107 to the benefit of the Association. That unit also serves as a model for prospective buyers or renters to tour.

**11. Old Business.**

There was further discussion regarding the seventh floor, including various security procedures that should be considered.

There was also discussion regarding management having a presence in the pool deck area during appropriate times to assure that rules are being followed, and that our facilities are not being used by non-Sandpiper persons.

## 12. **New Business.**

Discussion took place regarding parking on holiday weekends., where it was acknowledged that owners can have a difficult time finding a parking space, based upon use by renters, and guests of owners and renters, as well as unauthorized users. It was acknowledged that the situation arises primarily only on the three major weekends of Memorial Day, Fourth of July and Labor Day. No consensus was reached as to how to address that issue, but the Board will discuss further.

Discussion also took place regarding the Oceanwalk development across the street, where a new southern building was being constructed across from Sandpiper. Concerns were expressed about the potential of Oceanwalk users utilizing Sandpiper property for both access to the beach as well as utilization of Sandpiper pool front facilities. We will get more facts on the type of access Oceanwalk users will have from the new building in closest proximity to Sandpiper.

Discussion also took place regarding the problem of pool chairs being improperly "reserved" by placement of towels early in the morning, where there is not immediate use of the chairs on which towels are placed, thereby preventing immediate use by others. A letter will be sent out to all owners, and renters will be reminded, that there is no reserving of chairs in that manner, and that such conduct is discourteous to other owners, renters and their guests. Consideration will also be given for management to visit the pool deck early in the morning when the towels tend to be placed, in order to maintain/control/resolve the situation.

Discussion occurred regarding the procedures management undertakes to protect Sandpiper property when a major storm is approaching.

Discussion also occurred regarding areas of the building that need to be addressed re construction/maintenance issues, including ponding of walkways, cracks in stucco, etc. Owners were reminded to bring any such items they observe to the attention of management and the Board so they can be addressed. It was also acknowledged that John Jones, our retained engineer, periodically inspects Sandpiper as part of his assistance in preparing our annual capital expenditure program, and should alert us to any issues he observes.

Tom was also requested to send an e-mail to owners to inspect the areas of their balconies to see if there are any cracks in the stucco or ceiling that should be brought to the attention of management.

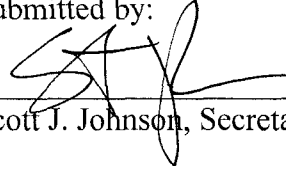
There was further discussion regarding the seventh floor, including consideration of partitioning the room, so that different uses could occur at the same time, without interrupting the activity of the other use.

It was requested that another reminder be sent to the owners that have yet to install hurricane shutters, with the count being approximately eight, to encourage them to do so.

The owners in attendance recognized the Board and management for their efforts on behalf of the owners during 2012.

There being no further business to come before the Annual Meeting of the Owners, the meeting was adjourned at approximately 11:05 a.m.

Submitted by:



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Scott J. Johnson, Secretary

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November 29, 2012

Date

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