

MINUTES
SANDPIPER OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
December 10, 2013

A meeting of the Board of Directors of Sandpiper Condominium took place by telephone conference call at 4 p.m. on December 10, 2013. Notice of the meeting was properly posted. This meeting dealt primarily with discussion regarding the performance and renewal of the property management contract with David Spears as our property manager. Because the meeting dealt with a personnel matter, it was by Florida condominium law a private Board meeting, and not open to other Owners to attend.

QUORUM:

Seven of the ten members of the Board attended the meeting by phone, thereby establishing a quorum. On the phone were Diane Browning, Michael Pollack, Scott Johnson, Dusty Sutton, Steve Selznick, Rhonda Pearlman, and Jeff Knipe.

PERFORMANCE AND RENEWAL OF CONTRACT OF DAVID SPEARS:

Dusty and Rhonda recently met with David Spears to discuss his initial performance as our property manager and potential renewal of his contract. Rhonda summarized the meeting with David as being very productive. It was recognized that during the four months of David's initial contract, David has performed his duties well and is understanding the job requirements as property manager for Sandpiper. This included the importance of management of employees and overseeing the appearance and security desired for Sandpiper.

A primary issue for consideration of renewal of his contract was David advising that he needs to continue his property management relation with Mariner's Cove ("MC"). When we initially hired David, his plan was to cease being the manager at MC. But circumstances have changed at MC where he needs to remain the manager at MC. But he advised Dusty and Rhonda that he is confident he can fulfill the property management requirements for Sandpiper as well. So that there could be a further period of seeing how this arrangement works, David proposed that we retain him for an additional 3 months (through the end of Feb 2014), under the same terms of his initial contract, and see if this arrangement works for both Sandpiper and David. David proposed a schedule that would provide for appropriate on-site presence at Sandpiper, together with a proper scheduling of coverage by Lori, Randy and Diane Moreno. This schedule was intended to provide property coverage, including during peak times of the year and peak hours. After discussion, it was moved by Diane and seconded by Steve that we extend David's current contract for three months from December 1, 2013 through the end of February 2014, upon the same terms as his initial four month contract. The foregoing motion was approved by the Board.

BOARD VACANCY:

With the resignation from the Board of David Satcher, discussion took place whether the Board desired to replace that vacancy. Under Florida condominium law, a Board vacancy that occurs during a Board member's term is the obligation of the Board to consider. Upon discussion, the consensus of the Board was to keep the Board at its current 10 members, and therefore not replace the vacant position.

TREASURER'S REPORT:

Michael Pollack provided the following report:

Document storage review:

Michael reviewed the filing system and financial document storage with David Spears and other condo staff. There are documents extending back further than 7 years filed in various storage areas on 2nd and 6th floors. Critical documents are kept in front office filing cabinet. As there is no pressure for space, there does not appear to be any urgency to dispose of older documents that have been retained.

Accounting control procedures:

We have a formal policy of invoice review. This requires the manager to be responsible for approval, coding and submitting all invoices. Our off-site bookkeeper is instructed to accept invoices only if they meet requirements that have been established. The policy for accounting control is intended to make sure invoices and Sandpiper funds are properly handled.

Transfer of bookkeeping from Marla T. Nance, CPA to Charles Belote, CPA:

Transfer will occur January 1, 2014. Valerie Varano at Nance and Kathy McCloud at Belote will work together to assure the transition is seamless.

BBT accounts:

Michael met with BBT, as new signature cards were needed for change of officers.

Renewal of Sun Trust CD:

Our President or treasurer will contact Sun Trust prior to maturation of current CD to obtain best available rate on renewal.

UNIT PHONES:

There was a brief discussion regarding a proposed upgrade to the current phone system. This issue is still being addressed, and there will be a further report at the next Board meeting.

EMPLOYEE CHRISTMAS GIFTS:

As done in past years, a notification was being sent to Owners for the opportunity to provide a Christmas gift to our employees, Lori, Randy and Christine. Such gifting is totally discretionary with the Owners.

NEW BUSINESS:

An update was provided regarding an insurance issue which the Board has been pursuing. This concerns our position that the Association was overcharged by our prior insurance agent, Key Insurance, for a component of insurance that was not legally required to be carried by the Association, but for which our prior agent charged and was paid a premium. We are in negotiation with the prior agent in our attempt to recover a three year overpayment which we allege to be \$64,000. Board member Terry Hadley has been in communication with the prior agent regarding this issue. The Board will be updated on the status of such communications and we will report.

INTERNET SERVICE:

A brief discussion took place regarding our current internet service, which is being reviewed to increase speed and reliability.

NEXT BOARD MEETING:

Dusty proposed the next Board meeting being the first week of February. The date will be confirmed.

There being no further business to come before the Board, the meeting was adjourned at approximately 5:00 p.m.

Submitted by:



Scott Johnson, Secretary

12/17/13

Date