

MINUTES

SANDPIPER OWNERS ASSOCIATION BOARD OF DIRECTORS MEETING JANUARY 11, 2017

A meeting of the Board of Directors was called to order at 5 p.m. on January 11, 2017 at the office of Board Member Terry Hadley at 1031 West Morse Blvd., Winter Park, FL. Notice of the meeting was properly posted.

1. QUORUM

The members of the Board in attendance and establishing a quorum were: Scott Johnson, Rhonda Pearlman, Terry Hadley, Michael Pollack, Bucky Hurt, and Shawn Morgan. Randy Teagarden, manager, was also in attendance.

2. MANAGER'S REPORT

Randy advised of the resignation of Diana Holt as our office assistant, effective January 13, 2017. Reasons for resignation were personal family issues. Notice to fill the position has been posted locally, and interviews have begun to find a replacement. In the meantime, Randy and Diane will take care of the duties handled by Diana.

Randy's written report on other topics from the last 2 months is attached. All repairs from Hurricane Matthew damage are proceeding as noted. A further report on total hurricane repair expenses, insurance payment and funds available to pay for repairs is included below under the Treasurer's Report.

3. TREASURER'S REPORT

Michael Pollack reported that we have not yet received the 2016 year end financials. But Michael reports that we ended the year in sound financial position.

Regarding the Hurricane Matthew impact, we incurred approximately \$87,000 in damage, and received approximately \$9,000 in reimbursement from insurance. We have a balance of repair expense to be paid of approximately \$40,000. To pay for those repairs, we can use proceeds from the sale of Association-owned Unit 107. In that regard, a contract was recently approved to sell 107 for \$515,000. The closing on that sale is scheduled for Friday, January 13. The net proceeds to the Association are approximately \$500,000.

Upon receipt of the Unit 107 sales proceeds, and after discussion of several alternatives, the Board approved to initially deposit \$90,000 of those proceeds into our operating account, with the balance of approximately \$410,000 to be deposited in our reserve account in one or more financial instruments having a maturity no greater than six months. Once we conclude all hurricane repairs to determine where we stand with our

operating budget, the Board will consider transferring an additional sum from the operating budget to reserves.

As approved at the 2016 annual meeting, for year end 2016 financial statements, we will have our CPA perform an independent review as opposed to a full audit, saving the Association the expense of the audit. The CPA had earlier recommended that because our financial statements and operations are overseen by the CPA, an annual audit is not necessary every year.

Michael also noted that in an earlier letter sent to Owners with coupon books, the 2017 monthly maintenance fee was incorrectly stated at \$520, instead of the correct fee of \$595. A corrective letter was sent, and contact made with those Owners that paid the incorrect fee in order to advise of the correct fee. Apologies for the inconvenience due to the communication error.

4. RENTAL REPORT

A copy of Diane Moreno's year end 2016 rental report is attached. 2016 was a good year for our rental program, with respect to both the number of units renting as well as the income earned from rentals. We look forward to another good year in 2017 for our rental program.

5. OLD BUSINESS

None.

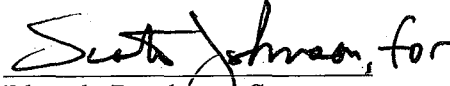
6. NEW BUSINESS

None.

7. ADJOURN MEETING

No further business to come before the meeting, the meeting was adjourned at approximately 5:45 p.m.

Submitted


Rhonda Pearlman, Secretary

Date: 1/17/17

Manager's Report
January 11, 2017

Over the past 2 months, the following is noteworthy:

- All of the material for the roof repair is fabricated and restoration is to be started the second week of January.
 - The putting green is scheduled to begin this week, as there had been a delay due to scheduling and material delivery.
 - The twin steel doors that were ordered are in and will be installed this month as well.
 - The beach railings that were lost during the storm are in the process of being fabricated with the installation date not yet determined.
 - The fence that is down at the shuffleboard area needed longer posts due to the fact that the storm broke the concrete at the base. Installation is also expected in January. The cost is \$1240.00.
 - The exit signs that were lost during the storm are in the process of being replaced.
 - The new telephone contract with Spectrum has been approved and signed with the installations to individual units to begin mid- January. Individual unit owners will need to schedule an appointment with Spectrum for installation and to sign for the new modem. These modems provide service through the television cable that Spectrum provides. Additionally, the modem location will be in the living room area as to access the cable.
 - The new office system will also be installed in January. We will be cancelling our contract with our current provider which is Windstream. A penalty will incur as a result of this early termination. The fee will be \$559.61 per month until the end of this contract year, which is June 21, 2017.
 - We had filed a claim for flood damages due to the hurricane. I met with our field adjuster, showed him all of our damages and provided invoices for reimbursement. We were informed that the building covered damages were \$10,938.68, minus our deductible of \$1,250.00. The total ended up at \$9,148.68 which I deposited into the operating account.
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- The balances of repairs that are yet to be paid:

ROOF	\$ 17,260.00	LANDSCAPING	\$ 3,000.00
STEEL DOORS	\$ 3,476.91	EXIT SIGNS	\$ 500.00
PUTTING GREEN	\$ 9,062.51	ELECTRICIAN	\$ 1,250.00
RAILINGS	\$ 1,683.00	SHOWER GRATES	\$ 2,500.00
FENCE	\$ 1,240.00		

- TOTAL UNPAID BALANCE \$39,972.42
- The Sandpiper is currently scheduled for a complete repaint in 2017. This is approximately 6.5 years after the current paint was applied. I currently have one bid from the contractor who performed the work in 2010. I will be securing two additional bids for inspection and then approval from the board.
- The contractor who does our stucco and concrete repair will again address the building in the upcoming months. This shall include private balconies.
- The steel doors will also be restored in the next couple of months by Best Painting Services.
- The landscaping that had been damaged during the hurricane has been removed. Replacement of this has not yet been scheduled.
- We will need to purchase four shopping carts and one luggage cart.

Shopping carts are approximately \$200.00 each
Luggage cart is approximately \$800.00 each

Randy Teagarden LCAM

SOUTH BEACH RESORT PROPERTIES, LLC

SANDPIPER RENTAL PROGRAM

RENTAL REPORT JANUARY 11, 2017

YEAR 2015			YEAR 2016		
<u>MONTH</u>	<u>RENTAL INCOME</u>	<u>COMM</u>	<u>MONTH</u>	<u>RENTAL INCOME</u>	<u>COMM</u>
JANUARY	\$91,493	\$12,808.99	JANUARY	\$89,843.06	\$12,578.03
FEBRUARY	\$134,810.74	\$18,873.50	FEBRUARY	\$166,493.06	\$23,309.03
MARCH	\$139,700.00	\$19,558.00	MARCH	\$212,540.14	\$29,755.62
APRIL	\$119,605.00	\$16,744.70	APRIL	\$59,095.00	\$8,273.30
MAY	\$47,711.00	\$6,679.54	MAY	\$66,488.57	\$9,308.40
JUNE	\$172,132.57	\$24,098.56	JUNE	\$163,708.28	\$22,919.16
JULY	\$203,025.00	\$28,423.50	JULY	\$214,314.50	\$30,004.03
AUGUST	\$67,580.50	\$9,461.27	AUGUST	\$63,733.00	\$8,922.62
SEPTEMBER	\$28,204.29	\$3,948.60	SEPTEMBER	\$42,170.00	\$5,903.80
OCTOBER	\$8,200.00	\$1,148.00	OCTOBER	*\$7700.00 \$3440.00	\$481.00
NOVEMBER	\$13,925.00	\$1,949.50	NOVEMBER	\$27,750.00	\$3,885.00
DECEMBER	\$21,954.19	\$3,073.59	DECEMBER	\$15,453.56	\$2,163.50
TOTAL	\$1,048,341.13	\$146,767.75		\$1,125,029.17	\$157,503.49

Above are the yearend figures for 2016. Overall there was a 10% increase in rental revenue for the year, some months showing significant increases. I predicted a better increase, however, hurricane Matthew did effect rentals in October. We also lost two 4 month tenants who usually arrive in December and stay through March. This January rental income is approx. \$92,499.00. We are currently at 75% occupancy for our monthly renters out of available rental condos. Winter guests are happy to be here and grateful to have elevators and wireless internet working. We hope to have phone service in most of the rental condos this week.

Current listings

107 \$564,000
406 \$559,000
411 \$680,000
114 \$950,000

Sales

605 closed 4/22 \$625,000.00
107 scheduled to close 1/13 \$515,000.00

**Sandpiper Marketing Expenses by Category
JANUARY THRU DECEMBER 2015**

Barefoot software	\$3000.00
Rent Expert	\$1650.00
VACATION HOME RENTALS	
VRBO/HOMEAWAY	\$2000.00
Office Supplies	\$3200.00
Orlando Sentinel	\$1500.00
Sandpiper Web site	\$1249.85
Virtual tours	\$2200.00
Mail outs - brochures	\$159.00
Chamber of Commerce Advertising	\$700.00
Office Rent	\$10,200.00
Admin	\$13,640.00
Credit card fees	\$22,713.69

TOTAL 2015 **\$62,222.54**

**Sandpiper Marketing Expenses by Category
JANUARY THRU DECEMBER 2016**

Barefoot software	\$3000.00
Rent Expert	\$2713.20
VACATION HOME RENTALS	
VRBO/HOMEAWAY	\$848.00
Office Supplies	\$782.00
Orlando Sentinel	\$900.00
Sandpiper Web site	\$1349.38
Virtual tours	\$1750.00
Mail outs - brochures	
Chamber of Commerce Advertising	\$355.00
Office Rent	\$10,200.00
Admin	\$14,682.00
Credit card fees	\$28,746.11

TOTAL Jan to Dec 2016 **\$65,325.69**

Thank you,

Diane Moreno
Broker
South Beach Resort Properties, LLC
386 689 0160