

MINUTES
SANDPIPER OWNERS' ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
JANUARY 14, 2015

A meeting of the Board of Directors of Sandpiper Condominium took place on January 14, 2015, at 5:00 p.m., at the office of Board member Terry Hadley, 1031 West Morse Blvd., Suite 350, Winter Park, Florida. Notice of the meeting was properly posted.

QUORUM:

The members of the board in attendance were: Scott Johnson, Terry Hadley, Michael Pollack, Pam Shaw, Rhonda Pearlman, Shawn Morgan, Bucky Hurt, and Rennie McDaniel (who participated by phone). Our manager, Keith Jones, was also in attendance in person.

INTRODUCTIONS:

Since we have two new Board Members, introductions were made by all members present, as to condo unit owned, length of time of ownership, and length of time on Board of Directors.

MANAGER'S REPORT:

A copy of Keith's January 2015 Manager's Report is attached. In addition to this report, Keith reviewed the report with the following highlights:

1. 7th floor Club Room air-conditioning systems renovations have been completed with a savings over budgeted amount of \$400 (budgeted at \$7500).
2. Pool bathroom renovations are expected to be completed by mid-January. Keith will determine if entry doors can be keyed with same key to pool access gates. Once confirmed, Keith will inform owners and rental guests about the use of keys for bathroom access.
3. Walkways Review: Keith and Randy are reviewing stucco repair with current General Contractor for best and most cost-efficient plan.

4. Painting of buildings scheduled for 2017. Keith will be meeting with Waterproofing Specialists to discuss repair of 2nd floor expansion joints.
5. Elevator Maintenance: Keith identified ongoing issues with elevator components due to high moisture exposure. He is researching alternative options to reduce the elevator problems.
6. Security Report: There was a case of graffiti vandalism recently on the south wall. A police report was issued, and the staff is remaining vigilant in oversight of the property. However, there is clear evidence that the access gates from the parking lots to the beach are providing much of the needed security, and are working to deter traffic through the Sandpiper to the beach. Michael Pollack asked about the camera/monitor coverage. Keith believes that these also act as a deterrent to unwanted trespassers and support the police incident reports when necessary.
7. Pool heater was determined to be natural gas. As a result the budgeted cost for operation will be higher than expected.
8. Parking was discussed, with the concerns still being during the Spring Break period, Memorial Day, and July 4th weekend. Since this will be the first year with the locked Access gates, Keith will keep an eye on the parking pass situation.

TREASURER'S REPORT:

Michael Pollack reviewed the financial control system that has been set up for the Sandpiper expenditures. He also highlighted the balances in the Sandpiper operating accounts. There was a Board discussion regarding the projected cost of the upcoming audit as required in our 2014 financials (\$9117.00). All were in agreement that the present auditor would complete the 2014 financial audit, and with the plan to solicit bids for future audit work

Discussion of account #8051 (expenses for unit 107) reviewed the method of payment of expenses for unit 107. Currently Diane Moreno pays for all items for unit 107, submitting a request for re-imburement from the Sandpiper Association. The Board recommended that direct payment by Sandpiper for these expenses would be a more straight-forward accounting of expenses for this unit. Scott asked Keith and

Michael to review the procedures for unit 107 and make a recommendation as to the best manner to handle these expenditures.

7TH FLOOR CLUBHOUSE IMPROVEMENTS:

Keith reported that the 7th Floor Clubhouse is being used consistently through the year, especially with the 'snowbirds.' The Clubhouse is available to any owner and any rental guests that have rentals of one or more months. Several improvements have already been made (i.e. worn rug at entry has been removed).

Keith requested and has been approved to purchased a new 50"+ flat screen television. Motion made: television up to \$1000 can be purchased for 7th Floor Clubhouse with motion made by Bucky Hurt, seconded by Shawn Morgan. All members in favor of this motion.

RENTAL MANAGER'S REPORT:

Diane submitted attached report, showing marked increase in rentals throughout 2014.

A question was posed regarding Diane's Barefoot Software contract. Rhonda Pearlman will review with Diane and report at next meeting.

NEW BUSINESS

Keith will be reviewing the employee handbook with the assistance of Rhonda Pearlman to bring up-to-date.

Terry Hadley was contacted by a Board member of the Southwind Condo (just to our north) regarding a joint meeting with the Southwind Board of Directors, to discuss common issues (such as security and common vendors). Any Sandpiper Director interested in joining Scott, Terry and Keith should notify them of their interest to be included in upcoming meeting.

NEXT BOARD MEETING TO BE SCHEDULED

The next Board of Directors meeting will be scheduled during the month of April 2015.

There being no further business to come before the Board, the meeting was adjourned at approximately 6:30 p.m.

Submitted by:

Rhonda K Pearl
Rhonda Pearlman, Secretary

1/26/2015
Date

Manager's Report
Keith Jones
January 14, 2015

Over the past 2 months;

- The pool heater was serviced and turned on,
- The elevators and fire alarm system had their annual inspections,
- The pools had several lights replaced due to a lightning strike,
- Meetings with the contractor that installed the coatings on the walkways have resulted in the contractor agreeing to repair areas where delamination have occurred. The warranty work will be done in the fall when occupancy is the lowest.
- The 2 air conditioning units that service the 7th floor have been replaced and a 12 year warranty on labor and refrigerant purchased.

Currently;

- The (2) pool bathrooms are currently closed due to remodeling and the expected completion date at this point is mid-January. The bathrooms are being totally redone including new fixtures, flooring, lighting, ventilation, and new paint.
- The (44) common metal doors throughout the building have been primed and repainted.
- The parking lot curbs and barriers are in the process of being prepped and repainted.
- Randy is replacing (22) exit signs that have been missing or were destroyed in bad weather over the years.
- We are obtaining bids on the expansion joint on the 2nd floor that our engineer identified as requiring replacement. This is one of the items that needs to be addressed prior to the walkways being recoated.
- We are also getting quotes on the stucco repairs and cracks that our engineer identified as also needing to be completed prior to the walkways being worked on.
- We are servicing the arrival of the snowbirds with their lengthy list of to-do's.

Sandpiper Owners Association, Inc.
Statement of Revenues and Expenses- Actual to Budget

December 2014

	Dec 14	Budget	\$ Over Budget	Jan - Dec 14	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense							
Income							
4020 · Maintenance Fees	52,080.00	52,080.00	0.00				
4056 · Special Assessment-2014	0.00	0.00	0.00	624,960.00	624,960.00	0.00	624,960.00
4060 · Late Charge	124.16	33.37	90.79	63,000.00	0.00	63,000.00	0.00
4080 · Transfer Fees	0.00	0.00	0.00	611.59	400.00	211.59	400.00
4090 · Telephone Income	0.00	100.00	(100.00)	0.00	150.00	(150.00)	150.00
4100 · Interest- Operating Accounts	3.59	4.16	(0.57)	22.46	400.00	(400.00)	400.00
4350 · Interest- Reserves	9.67	20.83	(11.16)	609.19	50.00	(27.54)	50.00
4400 · Rental Income-Unit 107	2,790.00	2,666.67	123.33	36,032.14	250.00	359.19	250.00
4500 · Office Rent/Salary	1,779.00	2,800.00	(1,021.00)	23,631.25	33,600.00	4,032.14	32,000.00
4999 · Miscellaneous Income	383.33	0.00	383.33	5,240.94	0.00	(9,968.75)	33,600.00
Total Income	57,169.75	57,705.03	(535.28)	754,107.57	691,810.00	62,297.57	691,810.00
Gross Profit	57,169.75	57,705.03	(535.28)	754,107.57	691,810.00	62,297.57	691,810.00
Expense							
5000 · Building Maintenance							
5010 · Building Maintenance- Supplies	1,281.21	1,141.66	139.55	11,721.14	13,700.00	(1,978.86)	13,700.00
5011 · Building Maintenance- Labor	3,422.80	1,350.00	2,072.80	24,987.80	16,200.00	8,787.80	16,200.00
5012 · 2014 Bldg Maint Projects	0.00	2,544.58	(2,544.58)	17,009.10	30,535.00	(13,525.90)	30,535.00
5089 · Elevator Telephone/Monitoring	776.71	100.00	676.71	1,929.10	1,200.00	729.10	1,200.00
5095 · Elevator Contract/Maintenance	297.50	1,016.67	(719.17)	22,403.72	12,200.00	10,203.72	12,200.00
5120 · Association Employees	3,250.00	2,708.33	541.67	33,978.75	32,500.00	1,478.75	32,500.00
5240 · Interior Pest Control	250.00	250.00	0.00	3,000.00	3,000.00	0.00	3,000.00
5260 · Water/Sewer	535.40	666.66	(131.26)	9,681.44	8,000.00	1,681.44	8,000.00
5280 · Trash Removal	766.40	666.66	99.74	9,100.53	8,000.00	1,100.53	8,000.00
5300 · Electric Power	1,601.50	1,750.00	(148.50)	27,815.22	21,000.00	6,815.22	21,000.00
5350 · Fire Alarm Maint/Inspection	1,301.38	833.33	468.05	5,444.01	10,000.00	(4,555.99)	10,000.00
5352 · Fire Alarm Monitoring	0.00	283.33	(283.33)	814.74	3,400.00	(2,585.26)	3,400.00
5400 · Cable Service	3,412.77	3,083.33	329.44	40,391.20	37,000.00	3,391.20	37,000.00
Total 5000 · Building Maintenance	16,895.67	16,394.55	501.12	208,276.75	196,735.00	11,541.75	196,735.00
6000 · Grounds Maintenance							
6040 · Contracted Lawn Service	1,200.00	1,200.00	0.00	19,660.00	14,400.00	5,260.00	14,400.00
6041 · Grounds Maintanance- Supplies	10.65	250.00	(239.35)	2,519.13	3,000.00	(480.87)	3,000.00
6080 · Lawn Spraying	600.00	300.00	300.00	1,800.00	3,600.00	(1,800.00)	3,600.00
6140 · Water-Irrigation	3,155.00	750.00	2,405.00	15,641.64	9,000.00	6,641.64	9,000.00
Total 6000 · Grounds Maintenance	4,965.65	2,500.00	2,465.65	39,620.77	30,000.00	9,620.77	30,000.00
7000 · Pool & Clubhouse Expense							
7040 · Contracted Pool Service	1,200.00	208.33	991.67	16,125.00	2,500.00	13,625.00	2,500.00
7060 · Chemicals/Supplies	0.00	583.33	(583.33)	6,477.81	7,000.00	(522.19)	7,000.00
7070 · Pool Heating (Gas)	2,897.53	833.33	2,064.20	15,225.61	10,000.00	5,225.61	10,000.00
7080 · Pool Equipment Repair	26.50	0.00	26.50	1,326.50	0.00	1,326.50	0.00
7220 · Furniture Maintenance	43.93	0.00	43.93	80.67	0.00	80.67	0.00
Total 7000 · Pool & Clubhouse Expense	4,167.96	1,624.99	2,542.97	39,235.59	19,500.00	19,735.59	19,500.00
8000 · Management /Administrative/Misc							
8012 · Payroll Office Personnel	2,600.00	2,833.33	(233.33)	33,784.75	34,000.00	(215.25)	34,000.00
8013 · Payroll Taxes	852.09	412.50	439.59	9,568.87	4,950.00	4,618.87	4,950.00
8020 · Management Fee	5,288.45	4,583.37	705.08	49,210.77	55,000.00	(5,789.23)	55,000.00
8040 · Postage	196.00	83.33	112.67	1,502.83	1,000.00	502.83	1,000.00
8050 · Unit 107 Monthly Assessment	620.00	610.00	10.00	8,190.00	7,320.00	870.00	7,320.00
8051 · Unit 107 Maintenance/Utilities	1,376.63	150.00	1,226.63	13,274.09	1,800.00	11,474.09	1,800.00
8060 · Copy/Printing/Supplies	1,388.44	125.00	1,263.44	3,374.20	1,500.00	1,874.20	1,500.00
8064 · Computer	62.50	25.00	37.50	1,295.96	300.00	995.96	300.00
8080 · Accounting	1,625.00	1,416.66	208.34	16,634.20	17,000.00	(365.80)	17,000.00
8081 · Unit 107 Property Tax	0.00	666.66	(666.66)	8,727.63	8,000.00	727.63	8,000.00
8100 · Legal	0.00	416.66	(416.66)	0.00	5,000.00	(5,000.00)	5,000.00
8120 · Insurance	10,204.32	7,614.58	2,589.74	102,427.36	91,375.00	11,052.36	91,375.00
8122 · Flood Insurance	1,246.12	1,166.66	79.46	14,430.74	14,000.00	430.74	14,000.00
8124 · Wind Insurance	0.00	3,535.91	(3,535.91)	22,088.27	42,431.00	(20,342.73)	42,431.00
8160 · Telephone/Fax	1,941.13	1,333.33	607.80	14,794.57	16,000.00	(1,205.43)	16,000.00
8161 · Internet Service	274.26	383.33	(109.07)	4,050.36	4,600.00	(549.64)	4,600.00
8180 · Income Tax	664.00	0.00	664.00	664.00	0.00	664.00	0.00
8190 · Miscellaneous/Contingency	39.56	2,466.63	(2,427.07)	23,671.34	29,600.00	(5,928.66)	29,600.00
8230 · Bank Charges	5.00	0.00	5.00	22.00	0.00	22.00	0.00
8300 · Group Insurance	0.00	675.00	(675.00)	7,175.00	8,100.00	(925.00)	8,100.00
8390 · Uniform Business Report	0.00	0.00	0.00	61.25	63.00	(1.75)	63.00
8440 · Security	0.00	183.33	(183.33)	2,274.56	2,200.00	74.56	2,200.00
8442 · Dues/Licenses/Permits	0.00	83.33	(83.33)	932.19	1,000.00	(66.81)	1,000.00
8460 · Bureau of Condominium Fees	0.00	0.00	0.00	0.00	336.00	(336.00)	336.00
Total 8000 · Management /Administrative/Misc	28,383.50	28,764.61	(381.11)	338,155.94	345,575.00	(7,419.06)	345,575.00
8500 · Depreciation Expense	9,978.23	0.00	9,978.23	9,978.23	0.00	9,978.23	0.00
8600 · Reserve Allocation	8,333.33	8,333.33	0.00	100,000.00	100,000.00	0.00	100,000.00
8605 · Reserve Interest Allocation	9.67	0.00	9.67	609.19	0.00	609.19	0.00
Total Expense	72,734.01	57,617.48	15,116.53	735,876.47	691,810.00	44,066.47	691,810.00
Net Ordinary Income	(15,564.26)	87.55	(15,651.81)	18,231.10	0.00	18,231.10	0.00
Net Income	(15,564.26)	87.55	(15,651.81)	18,231.10	0.00	18,231.10	0.00

PRELIMINARY DRAFT

SOUTH BEACH RESORT PROPERTIES, LLC

SANDPIPER RENTAL PROGRAM REPORT

<u>MONTH</u>	YEAR 2013	<u>MONTH</u>	YEAR 2014
JANUARY	\$67,402	JANUARY	\$86,890
FEBRUARY	\$98,762	FEBRUARY	\$124,210
MARCH	\$113,367	MARCH	\$123,110
APRIL	\$73,240	APRIL	\$112,703
MAY	\$40,612	MAY	\$37,193.56
<i>JUNE</i>	<i>\$100,280</i>	<i>JUNE</i>	<i>\$141,858</i>
JULY	\$224,265	JULY	\$179,365
AUGUST	\$58,309	AUGUST	\$62,215.00
SEPTEMBER	\$7,957	SEPTEMBER	\$11,300
OCTOBER	\$7321.00	OCTOBER	\$7320.00
NOVEMBER	\$10,225.00	NOVEMBER	\$21,313.00
DECEMBER	\$12,371.33	DECEMBER	\$26,624.00
TOTAL	\$814,111.33	TOTAL	\$934,101.56

Happy New Year! Our snow birds are back inforce, soaking up the warm Florida sunshine! The gift baskets are a hit! We are currently at 90% occupancy for the month of January, 100% occupancy for February and 100% March. Our first social hour will be January 14th, on the 7th floor. We normally host one to two social events each month. There is normally a large turnout and a good time is had by all!

2014 showed rental increases in every month and up to 50% rental increases for the months of September, November and December. Rental Revenue for January 2015 currently at \$94,958.47.

Sandpiper Recent Sales –

Average sales price for a three bedroom \$605,000 most recent sale \$620,000

Average sales price for a two bedroom \$450,000 most recent sale \$404,000

Sandpiper Marketing Expenses by Category

Web Marketing	
Rent Expert	650.00
VACTION HOME RENTALS	1200.00
VRBO/HOMEAWAY	1200.00
Cottage Country	583.00
New Smyrna Life Magazine	2315.00
Sandpiper Web site	3200.00
Office supplies	2500.00
Virtual tours	2000.00
Mail outs – brochures	1200.00
Chamber of Commerce Advertising	700.00

TOTAL		\$15,548.00
TWITTER/FACEBOOK		
Admin		\$17,500.00
Credit card fees		5,000.00
Barefoot software yearly cost	\$3000	
Office Rent	\$8400	

I look forward to another successful year at The Sandpiper as your Real Estate Broker and Rental Agent.

Sincerely,

Diane Moreno
Broker
South Beach Resort Properties, LLC.
386 689 160