

SANDPIPER OWNERS ASSOCIATION, INC.
MINUTES OF BOARD OF DIRECTORS MEETING
January 30, 2019

A meeting of the Board of Directors took place at 5 pm on January 30, 2019 at the offices of Board member Terry Hadley at 200 East New England Avenue, Suite 300, Winter Park, Florida. 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, Michael Pollack, Ken Schwartz, Henry Besten, Terry Hadley, Tiffany Lytle, Ruth Delaporte, and Diane Browning (by phone). Greg Foster, Sandpiper's new property manager, was also in attendance. Two non-Board Owners were also in attendance, being the spouses of Ruth and Tiffany. With a quorum present, Scott called the meeting to order.

2. WELCOME OF NEW BOARD MEMBERS

Scott welcomed the new Sandpiper Board members to their first meeting, Tiffany Lytle, Ruth Delaporte, Ken Schwartz, Henry Besten and Diane Browning.

3. INTRODUCTION OF GREG FOSTER, SANDPIPER'S NEW PROPERTY MANAGER

Scott introduced Greg Foster to the Board. This was Greg's first official day with us. Scott gave an overview of the search process that brought Greg to us, along with an overview of the interview process that resulted in the hiring of Greg. Even though Greg's first official day was today, he had already voluntarily devoted time on the property on several occasions, including to meet and get to know Silvia, Shawn and Diane Moreno; spent several hours in an orientation session regarding Sandpiper and its operations; and reviewed the key documents governing our operations and current projects. So Greg was ready to hit the ground running as he began his property management leadership for us.

4. ELECTION OF BOARD OFFICERS FOR 2019

Upon motion made and seconded, and all Board members being in favor, the following slate of officers were elected for a one-year term for 2019;

Scott Johnson, President; Terry Hadley, Vice-president; Rhonda Pearlman, Secretary; and Henry Besten, Treasurer.

Each officer will serve until the 2019 annual meeting.

Michael Pollack received commendation and thanks from the Board for the several recent years during which he held the position of Treasurer, doing a great job for the Association.

5. TERMS OF SERVICE FOR NEW BOARD MEMBERS

The terms of service of the new Board members needed to be determined to maintain our by-laws requirement to have staggered terms so that approximately one third of all our Board members end their terms each year. Each of the new members had advised of their preference for current terms to satisfy that by-laws requirement. Based on their preferences, motion was made and seconded, and all Board members being in favor, the terms of the 5 new members will be:

Diane Browning and Ruth Delaporte (1 year); Tiffany Lytle (2 years); and Henry Besten and Ken Schwartz (3 years).

6. RATIFICATION OF PRIOR BOARD DECISIONS

Upon motions made and seconded, and all Board members being in favor, the following actions of the Board since our last meeting in November 2018 were ratified:

1. Termination of Randy Teagarden as our property manager effective November 12, 2018, with 1 month severance provided under his contract.
2. Compensation agreed in November 2018 to be paid to Diane Moreno under an agreement made with Diane for the months of September, October, November, and December 2018, and January 2019, for Diane's additional services provided to the Association for property management based on Randy's health circumstances and until we were able to retain a new manager, now accomplished. The Board thanked Diane for her extra efforts, which greatly assisted the Board in managing the operations of Sandpiper during this time.
3. Hiring Greg Foster on January 14, 2019, as Community Association Manager for the Association. Greg's official starting date was January 30, 2019.

7. MANAGER'S REPORT

Greg Foster first thanked the Board for its confidence in hiring him, and looks forward to getting started full speed. He has enjoyed meeting the Board, staff and Diane Moreno, and looks forward to adding value to the Sandpiper experience. In addition to matters that have been brought to his attention, he is already formulating areas he believes need to be addressed, and looks forward to the near term of providing the Board with his initial ideas. Greg then provided a verbal report on certain items based upon his several visits to the property prior to his official start, review of key documents, and conversations with various Board members, the staff and Diane :

- Elevator repairs are scheduled to be concluded this week.
- Repair of roof condenser connectors have been completed.
- Roof to be pressure washed, with our major roof restoration project as planned starting on February 4.
- Review of the cell service for the property, with the possibility of adding a cell tower to enhance our service; further investigation to be done.
- Past repair of mailboxes has been difficult due to age of boxes; Greg will present options to replace the existing boxes.
- Pool furniture/umbrellas were identified as area for needed update; Greg will be presenting options.

Greg concluded his remarks to acknowledge the 2nd anniversary of Silvia as our office manager. The Board thanked Silvia for 2 years of wonderful service to our Owners and the Association.

8. TREASURER'S REPORT

As our outgoing Treasurer, Mike Pollack provided the attached written report (with a portion of Dec and 2018 year-end financials attached), and then made additional comments. We are in proper financial condition under our year-end budget and first month of 2019. Income tax returns are in process by our CPA. An independent review of 2018 year end financials should be completed by our CPA in February.

9. MAJOR PROJECTS RECENTLY COMPLETED OR TO BE SCHEDULED

In addition to Greg's above comments on projects, Scott also provided the following comments:

- Stairwell lighting and parking lot lights: we are looking to replace all stairwell lights, as most are in need of replacement. Greg also looking at new lights needed for our parking lot illumination.
- Trash chutes and doors repair: this repair is included on our 2019 capital projects on our reserve schedule. Greg will provide options based on his experience, with includes possibly inserting new "sleeves" within the current failing chutes, and also installing new doors, all of which have been in need of replacement. Greg will be presenting options and costs.

- Railings: we have been having issues with flaking paint from railings on both unit balconies as well as railings located on our west side. The options of either replacement or repair are being considered. Greg will review both options, with further discussion to follow.
- Landscaping: Greg will make recommendations on landscaping improvements using Florida-friendly guidelines for beachside landscaping that will enhance the overall property. He will also review the irrigation schedule to adjust to more appropriate timing so as not to disrupt Owners when walking pets, etc.
- The missing parapet section of our SW roof area has now been replaced.
- Fire sprinklers or extinguishers in each dumpster rooms: Greg will look at this issue, including as required to provide safety and meet current building code.

10. RENTAL REPORT

Diane Moreno's January 2019 rental report is attached to these minutes, acknowledging Diane's comment that 2018 was a successful year from our rental program.

Several Board members wanted more information on our rental program, and Diane will be contacted accordingly to provide the requested information.

11. OLD BUSINESS – None

12. NEW BUSINESS

- Inspection of units for water leaks: As the Owners were reminded in writing near the end of 2018, Owners will continue to receive a periodic reminder with checklists of what should be checked by Owners to avoid water leaks from water line components within their units. The suggestion of a unit Owner at the 2018 annual meeting to increase our monthly maintenance fee by \$8 to cover the expense of a vendor inspection for leaks was not pursued at this time. Greg will add this issue to his list of areas to be addressed for his further comments.
- Limitation of days and times for construction activities on units: Several complaints have been received from Owners and renters regarding noise from nearby units caused by contractors renovating interiors of units. Greg was asked to provide his recommendation for a policy for Board consideration regarding limitation of days and times during which renovations can take place that result in loud noise that would be disruptive to nearby units. In the meantime, as a reminder, any Owner should notify the office in advance of all proposed construction projects, with expected length of work and extent of project, including confirmation that all permits have been properly obtained.

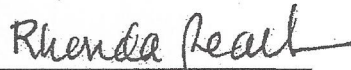
- Cell phone coverage: Discussion occurred as reported above.
- Lint in dryer vents: an Owner reported an issue where his dryer vent was clogged with lint, and he hired a vendor to clear the vent for \$100. The Owner suggested all Owners be advised of this need, including as a safety precaution against possible fire hazards caused by such clogs. Greg was asked to investigate this issue and report back to the Board.
- Pickleball court: one of our Owners has suggested the Board approve adding a pickleball court as an overlay to our tennis court. Greg will also look into the logistics for undertaking that addition and the cost, and will report back.

13. Closing comments/questions

There were no other comments or questions. Scott advised that in keeping with the schedule of Board meetings in recent years, the next Board meeting will be in May, day to be determined.

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

Submitted,



Rhonda Pearlman
Secretary

2/6/19

Date

Sandpiper Treasurer's Report

1-30-2019

As of 12/31/18, our reserves, which are divided between BB&T and Schwab accounts, totaled approximately \$470,493. Our operating accounts at BB&T and Florida Community Bank totaled approximately \$151,320.

For the year, our operating expenses were approximately \$3300 under budget. Actual expense was substantially under budget for elevator and telephone/fax. Elevator repairs that should have been done last year were omitted because of managerial issues, and the amount budgeted was probably appropriate. Elevator repairs that should have occurred in 2018 will instead be completed in 2019. Some of the telephone/fax expense last year was subsumed under internet expense and current year's budget reflects the change. Pool heating expense was \$4000 under budget. That difference may be due to better use of heater (not overheating the pool) and favorable weather.

Our reserve expenses last year were less than planned because trash chute project was deferred.

We have provided all documents requested by our accountant, Belote and Co., for independent review and tax preparation.

Henry Besten has kindly offered to assume Treasurer position.

Greg Foster, our new manager, will receive monthly financial statements, and we will also ask him to review our reserve documents and update asset lives and costs.

Michael Pollack

Treasurer

SANDPIPER OWNERS' ASSOCIATION, INC.

FINANCIAL STATEMENTS

For the One Month and Twelve Months Ended December 31, 2018

CHARLES L. BELOTE & ASSOCIATES, P.A.
Certified Public Accountants and Consultants



ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Sandpiper Owners' Association, Inc.
New Smyrna Beach, FL

Management is responsible for the accompanying financial statements of Sandpiper Owners' Association, Inc. (a condominium association), which comprise the balance sheet as of December 31, 2018, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the one month and twelve months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Association's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted supplementary information about future major repairs and replacements of common property that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

Charles L. Belote & Associates, P.A.

January 23, 2019

Sandpiper Owners Association, Inc.
Statement of Revenues and Expenses- Actual to Budget
December 2018

	Dec 18	Budget	\$ Over Budget	Jan - Dec 18	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense							
Income							
4020 · Maintenance Fees	49,560.00	49,560.00	0.00	594,720.00	594,720.00	0.00	594,720.00
4060 · Late Charge	(0.45)	42.00	(42.45)	324.70	500.00	(175.30)	500.00
4080 · Transfer Fees	0.00	25.00	(25.00)	250.00	300.00	(50.00)	300.00
4100 · Interest- Operating Accounts	18.83	250.00	(231.17)	379.56	3,000.00	(2,620.44)	3,000.00
4350 · Interest- Reserves	208.74	137.00	71.74	4,426.97	1,600.00	2,826.97	1,600.00
4500 · Office Rent	950.00	950.00	0.00	11,400.00	11,400.00	0.00	11,400.00
4501 · Reimbursed Employee Expense	1,270.00	1,277.00	(7.00)	15,804.00	15,320.00	484.00	15,320.00
4999 · Miscellaneous/Laundry Income	0.00	0.00	0.00	500.00	0.00	500.00	0.00
Total Income	52,007.12	52,241.00	(233.88)	627,805.23	626,840.00	965.23	626,840.00
Expense							
5000 · Building Maintenance							
5010 · Building Maintenance- Supplies	3,130.27	837.00	2,293.27	12,710.75	10,000.00	2,710.75	10,000.00
5011 · Building Maintenance- Labor	463.00	250.00	213.00	4,153.35	3,000.00	1,153.35	3,000.00
5012 · Current Yr Bldg Maint Projects	0.00	413.00	(413.00)	0.00	5,000.00	(5,000.00)	5,000.00
5013 · Stucco Repairs	1,500.00	413.00	1,087.00	1,500.00	5,000.00	(3,500.00)	5,000.00
5015 · Common Area Steel Doors	0.00	583.00	(583.00)	5,610.00	7,000.00	(1,390.00)	7,000.00
5089 · Elevator Telephone/Monitoring	109.27	150.00	(40.73)	2,483.81	1,800.00	683.81	1,800.00
5095 · Elevator Contract/Maintenance	2,088.55	1,750.00	338.55	7,957.60	21,000.00	(13,042.40)	21,000.00
5240 · Interior Pest Control	250.00	250.00	0.00	3,000.00	3,000.00	0.00	3,000.00
5260 · Water/Sewer	677.66	788.00	(110.34)	9,929.93	9,500.00	429.93	9,500.00
5280 · Trash Removal	1,856.40	750.00	1,106.40	14,177.62	9,000.00	5,177.62	9,000.00
5300 · Electric Power	5,918.12	1,417.00	4,501.12	23,112.14	17,000.00	6,112.14	17,000.00
5350 · Fire Alarm Maint/Inspection	0.00	500.00	(500.00)	2,615.77	6,000.00	(3,384.23)	6,000.00
5352 · Fire Alarm Monitoring	103.33	83.00	20.33	911.72	1,000.00	(88.28)	1,000.00
5400 · Cable Service	4,724.33	5,000.00	(275.67)	56,670.67	60,000.00	(3,329.33)	60,000.00
5450 · Operating Contingency	24,585.00	1,550.00	23,035.00	56,352.01	18,600.00	37,752.01	18,600.00
Total 5000 · Building Maintenance	45,405.93	14,734.00	30,671.93	201,185.37	176,900.00	24,285.37	176,900.00
6000 · Grounds Maintenance							
6040 · Contracted Lawn Service	1,680.00	1,680.00	0.00	20,470.00	20,160.00	310.00	20,160.00
6041 · Grounds Maintenance- Supplies	0.00	250.00	(250.00)	1,175.00	3,000.00	(1,825.00)	3,000.00
6080 · Lawn Spraying	0.00	167.00	(167.00)	900.00	2,000.00	(1,100.00)	2,000.00
6140 · Water-Irrigation	887.83	1,042.00	(154.17)	9,584.18	12,500.00	(2,915.82)	12,500.00
Total 6000 · Grounds Maintenance	2,567.83	3,139.00	(571.17)	32,129.18	37,660.00	(5,530.82)	37,660.00
7000 · Pool & Clubhouse Expense							
7040 · Contracted Pool Service	2,500.00	1,250.00	1,250.00	17,200.00	15,000.00	2,200.00	15,000.00
7060 · Chemicals/Supplies	0.00	50.00	(50.00)	0.00	600.00	(600.00)	600.00
7070 · Pool Heating (Gas)	620.75	1,083.00	(462.25)	8,931.34	13,000.00	(4,068.66)	13,000.00
7080 · Pool Equipment Repair	3,135.00	500.00	2,635.00	11,418.00	6,000.00	5,418.00	6,000.00
7220 · Furniture Maintenance	0.00	417.00	(417.00)	3,094.36	5,000.00	(1,905.64)	5,000.00
Total 7000 · Pool & Clubhouse Expense	6,255.75	3,300.00	2,955.75	40,643.70	39,600.00	1,043.70	39,600.00
8000 · Management /Administrative/Misc							
8012 · Payroll-Association Employees	5,131.67	10,557.00	(5,425.33)	118,142.29	126,640.00	(8,497.71)	126,640.00
8013 · Payroll Taxes	438.47	962.00	(523.53)	10,729.73	11,500.00	(770.27)	11,500.00
8040 · Postage	0.00	83.00	(83.00)	405.46	1,000.00	(594.54)	1,000.00
8060 · Copy/Printing/Supplies	1,259.05	250.00	1,009.05	2,893.97	3,000.00	(106.03)	3,000.00
8064 · Computer	0.00	125.00	(125.00)	78.81	1,500.00	(1,421.19)	1,500.00
8080 · Accounting	2,400.00	1,008.00	1,392.00	9,600.00	12,100.00	(2,500.00)	12,100.00
8100 · Legal	0.00	83.00	(83.00)	0.00	1,000.00	(1,000.00)	1,000.00
8120 · Insurance	6,466.29	6,674.00	(207.71)	75,529.22	80,093.00	(4,563.78)	80,093.00
8122 · Flood Insurance	1,708.48	1,892.00	(183.52)	20,027.54	22,700.00	(2,672.46)	22,700.00
8160 · Telephone/Fax	0.00	913.00	(913.00)	0.00	11,000.00	(11,000.00)	11,000.00
8161 · Internet Service	692.27	750.00	(57.73)	8,305.32	9,000.00	(694.68)	9,000.00
8190 · Miscellaneous/Contingency	0.00	250.00	(250.00)	4,600.00	3,000.00	1,600.00	3,000.00
8230 · Bank Charges	5.00	42.00	(37.00)	60.00	500.00	(440.00)	500.00
8300 · Group Insurance	600.00	600.00	0.00	9,900.00	7,200.00	2,700.00	7,200.00
8375 · Office Expense	0.00	185.00	(185.00)	449.89	2,275.00	(1,825.11)	2,275.00
8390 · Uniform Business Report	0.00	0.00	0.00	0.00	65.00	(65.00)	65.00
8440 · Security	0.00	125.00	(125.00)	0.00	1,500.00	(1,500.00)	1,500.00
8442 · Dues/Licenses/Permits	0.00	83.00	(83.00)	786.25	1,000.00	(213.75)	1,000.00
8460 · Bureau of Condominium Fees	0.00	0.00	0.00	336.00	400.00	(64.00)	400.00
Total 8000 · Management /Administrative/Misc	18,701.23	24,582.00	(5,880.77)	261,844.48	295,473.00	(33,628.52)	295,473.00

See Independent Accountant's Compilation Report

Sandpiper Owners Association, Inc.
Statement of Revenues and Expenses- Actual to Budget
December 2018

	Dec 18	Budget	\$ Over Budget	Jan - Dec 18	YTD Budget	\$ Over Budget	Annual Budget
8600 - Reserve Allocation	6,433.92	6,433.92	0.00	77,207.00	77,207.00	0.00	77,207.00
8605 - Reserve Interest Allocation	208.74	0.00	208.74	4,426.97	0.00	4,426.97	0.00
Total Expense	79,573.40	52,188.92	27,384.48	617,436.70	626,840.00	(9,403.30)	626,840.00
Net Ordinary Income	(27,566.28)	52.08	(27,618.36)	10,368.53	0.00	10,368.53	0.00
Net Income	(27,566.28)	52.08	(27,618.36)	10,368.53	0.00	10,368.53	0.00

See Independent Accountant's Compilation Report

SOUTH BEACH RESORT PROPERTIES, LLC

SANDPIPER RENTAL PROGRAM

RENTAL REPORT JANUARY 2019

Month	2018		2019	
	Rental Income	Commission	Rental Income	Commission
January	\$141,176.90	\$21,176.53	\$138,489.29	\$20,773.39
February	\$176,565.83	\$26,484.87		
March	\$187,063.04	\$28,059.45		
April	\$103,442.59	\$15,516.39		
May	\$43,980.35	\$6,597.05		
June	\$182,121.43	\$27,318.21		
July	\$242,245.00	\$36,336.75		
August	\$127,282.13	\$19,092.32		
September	\$36,616.00	\$5,492.40		
October	\$5,150.00	\$772.50		
November	\$21,900.00	\$3,285.00		
December	\$9,285.79	\$1,392.87		
Totals	\$1,276,829.06	\$191,524.34		

Happy New Year! 2018 was a good year for rentals. 2017 rental revenue total was \$1,135,292.18
2018 total was \$1,276,829.00, a significant increase. Marketing efforts remain focused on travel and
booking web site. Winter occupancy will be at 100% by February 1st.

No Current listings

Sales

608 sold for \$540,000.00

SOUTH BEACH RESORT PROPERTIES, LLC

SANDPIPER RENTAL PROGRAM

RENTAL REPORT JANUARY 2019

Sandpiper Marketing Expenses by Category		
	2017	2018
	Jan-Dec	*Jan-Dec
Barefoot Software	\$3000.00	\$3,500.00
Home away/VRBO	\$8,027.44	\$998.00
New Smyrna Visitors Center		\$1,239.00
Office Supplies	\$1,987.94	\$2,172.25
Orlando Sentinel	\$750.00	
Sandpiper Website/Google Ad	\$1,970.39	\$3,344.70
Virtual Tours	\$3,033.40	\$2,625.00
Marketing/Towels/Gift Baskets	\$1,200.00	\$3,387.83
Chamber Of Commerce Advertising	\$330.00	\$330.00
Office Rent	\$10,200.00	\$11,400.00
Admin	\$15,234.88	\$16,300.00
Credit Card Fees	\$33,358.40	\$32,500.82
Banner Advertising/Google 360	\$1,364.00	\$150.00
Totals	\$80,456.45	\$77,947.60

Thank you,

Diane Moreno

Broker

South Beach Resort Properties, LLC

386 689 0160