

MINUTES
SANDPIPER OWNERS' ASSOCIATION
BOARD OF DIRECTORS MEETING
SEPTEMBER 11, 2019

A meeting of the Board of Directors took place at 5 pm on September 11, 2019 at the office of Board Member Terry Hadley at 200 E. New England Avenue, 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, Michael Pollack, Rhonda Pearlman, Ruth Delaporte, Bucky Hurt, Terry Hadley, Tiffany Lytle, Kenny Schwartz, Henry Besten (by phone) and Dave Kaczmarek (by phone). Diane Fitzgerald, Sandpiper manager, was also in attendance. Three non-Board Owners were also in attendance. The meeting was called to order by Scott, who welcomed Diane to her first Board meeting.

2. RATIFICATION OF PRIOR BOARD DECISIONS

The Board discussed ratification of several decisions that the Board had recently approved since the last official Board meeting in May 2019. Each of the matters was identified, and upon separate motions made for each one, the following decisions were unanimously approved by the Board as ratified: hiring of Diane Fitzgerald as our new Community Association Manager; hiring of Christine Johnson and John Huether as staff maintenance personnel; terminating the employment of Allan Wyatt as a staff maintenance person; and payment from our reserve account of approximately \$60,000 for an unscheduled capital project of repair of areas of our west side walkways that were delaminating in various areas on each floor, acknowledging such repair was necessary for safety and appearance; and considered a capital project, and that we had sufficient funds in our reserve budget to pay for that repair from reserves.

3. **MANAGER'S REPORT – DIANE FITZGERALD**

Diane expressed her appreciation of being hired as our new manager, and how pleased she is to be working with our staff team. Scott also recognized Diane for her efforts since joining us. Diane provided a written report, copy attached, with the following additional oral comments:

1. Replacement of Mailboxes: New mailboxes are in transit, with plan that installation will be fully completed within next few weeks, with new keys to be distributed to Owners.
2. Garbage chutes: all options have been considered, and there is a final definite consensus of need to replace chutes, starting with the north and south chutes which are in a failing condition. The center chute is in good working shape, but will be given additional thought as to whether it should also be replaced at this time. The most efficient steps for replacement are being reviewed with our engineering consultant, chute installer and construction contractor, with expectation to complete replacement this Fall. Owners will be notified of the timing of the project, and process of disposing of garbage during the project.
3. Landscaping: new mulch and replacement shrubs will be added to existing landscaping where necessary throughout our property. We are finalizing our proposed costs and timing for this improvement.
4. Spectrum update: under our new bulk contract for cable, wifi and phone service, we have over 50% of Owners who have arranged for the new equipment. Diane will send a further reminder notice to Owners who have yet to arrange for new equipment, which is necessary for continued service to their units.
5. Projected Projects:
 - A. Steel doors to storage units and common areas are being surveyed for specific maintenance to be done for appearance and working properly. The several Owners who are responsible for their steel doors for singular storage will be contacted for work to be done on their doors, also at their expense as limited common elements.
 - B. Walls and flooring in common area of group storage rooms will be painted and cleaned where necessary.
6. Security – we continue to have challenges with persons not closing and locking of the 4 gates leading to pool area. Options for enforcement and better working locks being reviewed.

7. Post Hurricane Dorian update – we were fortunate not to be badly impacted by Dorian. Pools and elevators are back in operation. The tree debris and sand on pool decks was cleaned up. We had several a/c units on roof impacted, but the 2 with most impacts were under warranty, and the other 7 required only minor repair.

8. Elevator update: our elevators continue to be a big challenge to keep 100% operational. For now, we will continue to work with Oracle as our elevator maintenance provider, but we have received other proposals for elevator maintenance which we will continue to consider, to assess the best service at the best price for our equipment.

4. TREASURER'S REPORT – HENRY BESTEN

1. Proposed operating and reserve budgets for 2020 were recently presented to Board, to now be discussed. Copies of the budgets (and Henry's budget notes) are attached. Discussion:

The proposed operating budget requires an increase in the 2020 Owner monthly payment starting January 1 from \$595 to \$650 (9% increase). As noted on the line items of the budget compared to 2019, the impacts requiring this increase include an increase in insurance costs as previously approved by the Board; increased staff costs, including due to addition of second maintenance person as needed and previously approved by the Board; and an increase in the annual contribution to reserves to keep our reserve requirements properly funded. After full discussion by the Board, upon motion made, seconded and approved, the 2020 proposed operating and reserve budgets as attached were approved for distribution to the Owners for discussion at the 2019 annual meeting. In addition to being attached to these minutes, the budgets will be sent to Owners in the second notice of the annual meeting. As a reminder, the Owners are able to comment on the proposed budgets at the annual meeting, but it is ultimately the Board that considers the budgets for approval at the Board meeting that immediately follows the annual meeting. Scott thanked Henry and Diane for their collective efforts for their required detailed work to prepare these proposed budgets.

2. Waiver of 2019 annual audit – as we did last year, there was a recommendation to waive the 2019 annual audit of year end financial statements, instead having an independent review of our 2019 financial statements. Discussion: Subject to Owner approval, Sandpiper is not required to have an annual audit, with the option to satisfy state requirements to have

an independent review performed . This would save us \$3,000 to \$5,000 of audit expense. Based on our process of proper checks and balances, including that our CPA helps oversees our financial operation, we have a high level of trust in the proper financial operations of the Association, therefore, not requiring an annual audit. Upon motion made and passed, the Board approved that the question of waiver of the audit be presented to the Owners at the annual meeting, where a majority vote of Owners in attendance is required for the audit to be waived.

5. PLANNING FOR ANNUAL MEETING OF OWNERS TO BE HELD NOVEMBER 16, 2019

Sandpiper Owners have been notified of the Association annual meeting of Owners to be held on November 16, 2019, at 9:30 AM in the 7th floor clubroom. The required first and second notices of the meeting will be sent in September and November, respectively, including information about election of Board members. In that regard, Scott also reminded the Board that officers would be elected at the Board meeting following the annual meeting. Scott had recently advised that Board that after 5 years as President of the Association, it was his intent to step down as President at this coming annual meeting (but to serve out the remaining 2 years of his Board term). So one issue for consideration is to identify a prospective new President, a topic that will be further discussed. Any other Owners with ideas on this topic are asked to contact any Board member of their choice.

6. RENTAL REPORT

Diane Moreno submitted her written rental report, as attached. Her report reflects continued success of our rental program under Diane's oversight for those Owners that utilize her services.

7. OLD BUSINESS

There was no old business to come before the meeting.

8. **NEW BUSINESS**

Henry Besten and Diane Fitzgerald presented a written plan to the Board for management and replacement furniture and umbrellas, including for the pool deck, and 2nd and 7th floor balconies. A copy of the plan is attached. The plan, the first of its kind for our consideration, would provide a systematic assessment of our aging furniture and umbrellas, and provide for the plan for management and replacement. A motion was made for our management to adopt this plan as a baseline for annual assessment of our furniture and umbrellas. The motion was approved to implement the attached plan as proposed. Scott thanked Henry for his efforts in drawing up this plan, and for Diane's input.

There being no further business to come before the meeting, it was adjourned at 6:20 p.m.

Submitted,

Rhonda K Pearl
Rhonda Pearlman, Secretary

9/16/19
Date

MANAGER'S REPORT – Diane Fitzgerald

For Board Meeting September 11, 2019

ON-GOING PROJECTS

1. New mailboxes will be installed in the next few weeks. They have arrived at the distributor in California and they estimate a week to 10 days for shipping. FCC (our contractors) will be on property to extend the opening for the mailboxes (new ones are slightly wider).
2. Replacement of garbage chutes -- At the same time as mailboxes, FCC will cut a "test opening" at location we determine for further inspection, all to determine best option of the construction needed to pull out old chutes and replace with new chutes. BF Chutes will be part of that inspection process to give us a final bid for replacing the chutes, and for FCC to do the related construction needed.
3. Mulch and new plantings will be installed, schedule to be determined. Getting final bids for approval.
4. We have about 50% of the units hooked up to the new Spectrum cable/wifi and phone equipment. Owners will need to get their new equipment by 9/15/19 as the

old system will be shut off. Another reminder letter has been sent to Owners.

FUTURE PROJECTS

1. We are doing survey of all steel doors, as we have various issues with doors, some hard to open, some need new locks, some just needing painting, etc. We will determine the fix/cost for each door, and who responsible for cost depending on whether door is an Owner's limited common element or an Association common element.
2. Painting of all the common area storage areas can be completed in-house by John of our maintenance staff. Common area floors in storage areas also need attention, and we will determine proposed steps and cost to address those needs.

SECURITY

I will advise the Board of other options for the gates leading to the pool. After spending the summer trying to keep the gates locked, we continue to have issues with people not consistently closing or locking them.

HURRICANE DORIAN

Our property came through in great shape. Had some damage to 9 a/c units on the roof. Clean up of grounds included sand removal from pool decks and in the pools, and tree debris on the grounds. Pools are getting back operational. The north elevator did not work, and Oracle (our maintenance company) has repair in progress.

ELEVATORS

The major mechanical challenge we continue to have is with our elevators. We are addressing this with Oracle, and considering other maintenance options if Oracle cannot provide the service keeping us up and running.

MAINTENANCE STAFF

Our staff of Christine and John are doing great job and working well together. We have met periodically to update a continuing list of maintenance tasks, including a daily checklist of tasks to make sure all needed maintenance is consistently being performed.

Respectfully submitted,

Diane Fitzgerald, CAM

**Sandpiper Owners Association
2020 Operating Budget**

8/26/19

Ordinary Income / Expense	2019			2020
	Budget	YTD - 7/31	Forecast Year End	Budget
Income				
4020 Maintenance Fees	599,760	349,860	599,760	655,200
4056 Special assessment	0	91	91	0
4060 Late Charges	0	340	440	0
4080 Transfer Fees	300	0	50	0
4100 Interest-Operating Accts	600	165	340	300
4350 Interest-Reserve Accts	3,000	3,042	4,542	5,318
4500 Office Rent	11,400	6,650	11,400	12,600
4501 Reimbursed Employee Expense	16,300	9,834	16,584	17,100
4999 Miscellaneous & Laundry Income	0	50	100	0
4000 Total Income	631,360	370,032	633,307	690,518
Expense				
5000 Building Maintenance				
5010 Building Maint - Supplies (SOA)	10,000	14,356	21,856	15,000
5011 Building Maint - Vendor	5,000	2,151	3,401	9,960
5013 Stucco Repairs	2,500	0	0	1,200
5014 Railing Repairs	10,000	0	625	0
5015 Steel Doors Repairs	7,000	4,305	6,305	6,000
5089 Elevator Phone & Monitoring	2,200	1,145	1,745	1,440
5090 Elevator Maintenance - as needed	21,000	28,642	33,642	12,000
5095 Elevator Maintenance Contract	0	0	3,400	6,600
5240 Interior Pest Control	3,000	1,750	3,000	3,000
5260 Water/Sewer	9,500	5,351	9,101	9,000
5280 Trash Removal	9,000	4,009	7,759	16,800
5300 Electric Power	17,000	9,638	16,638	16,800
5350 Fire Alarm Maint/Inspection	6,000	10,030	13,530	8,400
5352 Fire Alarm Monitoring	2,000	553	1,103	1,320
5400 Cable Service	60,000	35,011	55,211	45,000
5450 Operating Contingency	18,600	9,232	16,732	20,596
5000 Total Building Maintenance	182,800	126,172	194,047	173,116
6000 Grounds Maintenance				
6040 Contracted Lawn Service	20,160	12,930	22,430	22,800
6041 Grounds Maint - Supplies	3,000	552	2,177	3,900
6080 Lawn Spraying	2,000	0	750	1,200
6140 Water - Irrigation	9,000	8,077	12,577	10,800
6000 Total Grounds Maintenance	34,160	21,559	37,934	38,700
7000 Pool & Clubhouse Expense				
7040 Contracted Pool Service	16,500	8,200	15,700	18,000
7060 Pool Chemicals/Supplies	300	884	1,259	1,200
7070 Pool Heating (Gas)	13,000	7,770	9,370	9,600
7080 Pool Equipment Repair	7,000	6,358	9,358	7,800
7220 Furniture Maintenance	5,000	0	2,000	2,400
7000 Total Pool & Clubhouse Expense	41,800	23,212	37,687	39,000

**Sandpiper Owners Association
2020 Operating Budget**

8/26/19

Ordinary Income / Expense	2019			2020
	Budget	YTD - 7/31	Forecast Year End	Budget
8000 Management, Admin, Misc.				
8012 Payroll - Assoc. Employees	133,000	66,336	127,911	154,980
8013 Payroll Taxes	11,100	6,217	11,217	13,140
8040 Postage	1,000	17	267	600
8060 Copies/Printing/Supplies	3,000	2,042	3,292	3,000
8064 Computer	1,500	2,407	2,657	900
8080 Accounting (Belote)	12,100	6,000	11,000	12,000
8100 Legal	1,000	0	375	900
8120 Insurance - Gen, Wind, D&O, Fire, etc	80,000	48,885	90,735	101,400
8122 Insurance - Flood	23,000	11,732	20,212	20,520
8160 Telephone/Fax	0	0	600	1,440
8161 Internet Service - Office	9,000	5,071	7,906	6,804
8190 Miscellaneous & Contingency	3,000	5,949	8,449	6,000
8230 Bank Charges	200	47	97	96
8300 Group Health Insurance	7,200	2,700	6,300	10,800
8375 Office Expense	1,500	470	1,095	1,500
8390 Uniform Business Report	65	61	61	60
8440 Security	1,500	1,807	2,307	2,040
8442 Dues/Licenses/Permits	1,000	725	1,150	1,020
8460 Bureau of Condominium Fees	400	336	336	420
8000 Total Total Management, Admin, Misc.	289,565	160,802	295,967	337,620
Total Operating Expenses	548,325	331,745	565,635	588,436
8600 Reserve Contribution Allocation	83,035	48,437	83,035	96,764
8605 Reserve Interest Allocation	3,000	3,042	4,542	5,318
Total Expense	634,360	383,224	653,212	690,518

Owner's Monthly Maintenance Fee

595.00

650.00

- for Operating

512.62

554.00

- for Reserves

82.38

96.00

Sandpiper Owners Association - Reserve Schedule for 2020

QRBKS Acct	Description	1st Yr	Base Cost 2020\$	Annual Expenditures										20 Year Total						
				11 2030	12 2031	13 2032	14 2033	15 2034	16 2035	17 2036	18 2037	19 2038	20 2039							
2314	Fire Alarm System Modernization	2020	100,000																	
2232	Painting curbs and stairwell grids	2020	5,000	5,523															213,809	
2287	Pool Deck/Common Area Furniture	2020	33,000																21,583	
2300	Tennis Court, Resurfacing, Asphalt	2021	5,000																105,976	
2290	Pool Equipment	2021	9,000																16,440	
2387	Domestic Water Pump/Equipment	2021	18,000	10,041															19,131	
2354	Asphalt parking lot resealing & striping	2022	10,000																18,180	
2308	Pool Heaters, Propane	2023	4,000																66,034	
2233	Walkways and stairwells, Resurfacing	2024	84,500																22,349	
2315	Fire Pump/Equipment	2025	22,500																183,148	
9999	Landscaping, Curb Appeal	2025	6,000	6,628															23,648	
2231	Painting and Waterproofing Building	2026	215,000																19,900	
2299	Shuffleboard Court, Resurfacing	2026	2,500																475,364	
2303	Tennis Court, Fencing and Gate	2026	11,500																5,499	
2286	Pool Deck Brick Pavers	2027	94,500																25,692	
2291	Restroom Interiors, Ground	2027	27,000																101,317	
2210	Roofing, Metal	2028	89,000																61,567	
2288	Pool, Interior Resurfacing	2028	75,000																96,374	
2292	Restroom Interiors-7th Floor	2028	16,000																81,214	
2317	A/C Unit Club Room	2028	8,000																17,326	
2381	Kitchen Interiors	2028	20,000																8,663	
2212	Roofing, Flat/Membrane	2029	108,000																21,657	
2205	Mailboxes	2029	8,800																248,594	
2256	Parking Lot Lights	2029	8,300																20,256	
2301	Trash Chute	2031	20,000																19,105	
2302	Trash Chute Doors	2031	8,800																10,027	
2280	Putting Green	2033	25,000																22,313	
2279	Elevator Modernization, Hydraulic	2034	175,000																9,818	
2375	Interior Renovations, Common Area	2034	28,000																28,452	
2355	Asphalt parking lot repaving	2035	23,000																201,158	
2297	Seawall, Restoration	2040	52,000																32,185	
	Total Expenditures		1,312,400	12,151	57,792	95,217	145,107	504,619	82,429	13,485	17,765	0	201,875	2,213,453						
	Reserve Contribution, Annual Interest Earned			96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	1,935,279					
	Reserve Balance 12/31 with Interest			6,759	7,674	7,858	7,049	0	0	985	2,585	4,571	2,561	122,191						
	Reserve Contribution per unit per month			95.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	176,977					

Assumptions:

Starting Reserve Balance 12-31-'19	335,000
Interest Rate	2.0%
Inflation Rate	1.0%

Sandpiper Owners Association - Reserve Schedule for 2020

QBRKs Acct	Description	1st Yr	Base Cost 2020\$	Annual Expenditures																	
				2019	1 2020	2 2021	3 2022	4 2023	5 2024	6 2025	7 2026	8 2027	9 2028	10 2029							
2314	Fire Alarm System Modernization	2020	100,000		100,000																
2232	Painting curbs and stairwell grids	2020	5,000		5,000																
2287	Pool Deck/Common Area Furniture	2020	33,000		12,500	6,200															
2300	Tennis Court, Resurfacing, Asphalt	2021	5,000			5,050															
2290	Pool Equipment	2021	9,000			9,090															
2357	Domestic Water Pump/Equipment	2021	18,000			18,180															
2354	Asphalt parking lot resealing & striping	2022	10,000				10,201														
2308	Pool Heaters, Propane	2023	4,000					4,121													
2233	Walkways and stairwells, Resurfacing	2024	84,500						87,931												
2315	Fire Pump/Equipment	2025	22,500							23,648											
9999	Landscaping, Curb Appeal	2025	6,000							6,306											
2231	Painting and Waterproofing Building	2026	215,000								228,227										
2289	Shuffleboard Court, Resurfacing	2026	2,500								2,654										
2303	Tennis Court, Fencing and Gate	2026	11,500								12,207										
2286	Pool Deck Brick Pavers	2027	94,500									101,317									
2291	Restroom Interiors, Ground	2027	27,000									28,948									
2210	Roofing, Metal	2028	89,000										96,374								
2288	Pool, Interior Resurfacing	2028	75,000										81,214								
2292	Restroom Interiors-7th Floor	2028	16,000										17,326								
2317	A/C Unit Club Room	2028	8,000										8,663								
2381	Kitchen Interiors	2028	20,000										21,657								
2212	Roofing, Flat/Membrane	2029	108,000											118,118							
2205	Mailboxes	2029	8,800											9,624							
2256	Parking Lot Lights	2029	8,300											9,078							
2301	Trash Chute	2031	20,000																		
2302	Trash Chute Doors	2031	8,800																		
2280	Putting Green	2033	25,000																		
2279	Elevator Modernization, Hydraulic	2034	175,000																		
2375	Interior Renovations, Common Area	2034	28,000																		
2355	Asphalt parking lot repaving	2035	23,000																		
2287	Seawall, Restoration	2040	52,000																		
Total Expenditures				1,312,400	117,500	38,520	10,201	4,121	98,031	45,719	243,088	134,553	236,063	154,319							
Reserve Contribution, Annual Interest Earned				83,035	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764	96,764
Reserve Balance 12/31 with Interest				335,000	5,318	6,589	8,452	10,474	10,840	11,874	9,185	8,613	5,999	4,968							
Reserve Contribution per unit per month				82.38	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00
					13,62																

2020 SOA Budgeting Notes

Maintenance Fee for 2020

- Proposed increase in monthly maintenance fee is \$55 to \$650 per month.
Of that, \$41.38 is attributable to operating requirements and \$13.62 to reserve requirements.

Operating Budget

- Proposed 2020 total operating expenses are \$40.1k higher than budgeted for 2019.
Two Board approved actions during 2019 accounted for \$45.7k:
 - 1) budgeted insurance costs increased \$18.9k (= \$18.77/mo/unit)
 - 2) employee changes added net \$26.8k budgeted costs (= \$26.61/mo/u)
- Cable budgeted costs are net of \$12.6 amortization of one-time Spectrum incentive payment.
- Trash Removal updated per contract. Contracted elevator maintenance fee was assumed at \$550/mo
- Employee costs include 2020 wage increases and related taxes plus health coverage for maint. ee
- Budgeted revenue from office rental is increased by \$1,200 (10.5%)
- Projected cash balance in Operating accounts at 12/31/19 is **\$91k**. Same for 12/31/2020.
Compares to 12/31/2017 of \$273.8k and 12/31/2018 of \$161.0k

Reserves

- Costs for certain items were updated upon review including consideration of our 2019 Reserve Study by EII. Generally, where our reserve item was deemed directly comparable to EEI's our new cost was update to approximately half the increase/decrease from EEI estimate. Where line items were not directly comparable no change was made. A few items were updated to conform to Sandpiper's most recent experience (e.g. flat roof membrane). Useful Life estimates remained substantially unchanged. [Info: EII recommended Reserve fee \$135.18/mo/unit.]
- New items added since 2019 schedule: Mailboxes, Parking Lot Lights, Landscaping
- Other assumptions: Inflation was included at a conservative 1%/yr; interest was assumed at 2%; and starting cash balance was projected at **\$335k**.
- Unanticipated, but approved, capital reserve expenditures during 2019 exceed plan by \$69k net. Theses involved Walkways, trash chutes, mailboxes and parking lot lights. Such expenditures reduced our projected Reserve starting cas balance for 2020.
- Projected cash balance in Reserve accounts at 12/31/19 is **\$335k**.
Compares to 12/31/2017 of \$513.1k and 12/31/2018 of \$470.4k.

SOUTH BEACH RESORT PROPERTIES, LLC

SANDPIPER RENTAL PROGRAM

RENTAL REPORT SEPTEMBER 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	\$172,705.00	\$25,905.75
March	\$187,063.04	\$28,059.45	\$173,365.00	\$26,004.75
April	\$103,442.59	\$15,516.39	\$113,265.00	\$16,989.75
May	\$43,980.35	\$6,597.05	\$ 48,064.00	\$ 7,209.60
June	\$182,121.43	\$27,318.21	\$150,393.00	\$22,558.95
July	\$242,245.00	\$36,336.75	\$267,100.00	\$40,065.00
August	\$127,282.13	\$19,092.32	\$ 63,100.00	\$9,465.00
September	\$36,616.00	\$5,492.40	\$ 43,600.00est	
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		

Super busy summer, school started first week in August, which had a major impact on rental revenue for the month, however, expecting an increase in revenue for September, despite Hurricane Dorian. 80% of rental guests have already booked for next year, resulting in 100% occupancy for many summer weeks. During the off season I will be concentration marketing efforts on on-line marketing. Sandpiper is currently visible on Booking.com, TripAdvisor, and homeaway/VRBO. Over the next couple of months Sandpiper will be added to Air B&B. Saturday we had a good turnout for the open house, and will continue to hold open house over the weekends to increase visibility.

Current listings

410 listed for \$850,000.00

405 listed for \$799,000.00

Sales

504 sold for \$870,000.00

SOUTH BEACH RESORT PROPERTIES, LLC

SANDPIPER RENTAL PROGRAM

RENTAL REPORT SEPTEMBER 2019

Sandpiper Marketing Expenses by Category

	2018	2019
	Jan-Dec	*Jan-Aug
Barefoot Software	\$3500.00	\$1,500.00
Home away/VRBO	\$998.00	\$1,996.00
New Smyrna Visitors Center	\$1,239.00	\$535.00
Office Supplies	\$2,172.25	\$1,191.74
Orlando Sentinel		
Sandpiper Website/Google Ad	\$3,344.70	\$2,341.69
Virtual Tours	\$2,625.00	\$2,170.00
Marketing/Towels/Gift Baskets	\$3,387.83	\$1,743.77
Chamber Of Commerce Advertising	\$330.00	\$
Office Rent	\$11,400.00	\$7,600.00
Admin	\$16,300.00	\$13,844.00
Credit Card Fees	\$32,500.82	\$21,541.26
Banner Advertising/Google 360	\$150.00	\$425.00
Totals	\$77,947.60	\$54,888.46

Thank you,

Diane Moreno

Broker

South Beach Resort Properties, LLC

386 689 0160

To: SOA Board of Directors
Subject: Pool/Deck Furniture Plan

From: Henry Besten and Diane Fitzgerald

8-29-19

This memo deals with a proposed plan to manage our Pool/Deck Furniture. It addresses capacity, utilization of capacity, umbrella coverage, replacement cycle and annual maintenance.

Currently we have no systematic approach to our furniture management. As furniture has failed it may or may not be timely repaired or replaced. As always appropriate, then current fiscal concerns are considered in determining repair/replacement decisions; however, without a base plan our furniture quantity and quality have been missing a measurable baseline.

Poolside, we currently have 24 straight chairs, 69 lounge chairs and 14 umbrellas. Our umbrella coverage today is 1 for every 4.9 lounge chairs assuming no umbrellas for the baby pools (or 1 per every 5.8 lounges if an umbrella is used at each baby pool). Based on measured observation and consultation and confirmation with Christine – and using our current lounge chair spacing practice – our *comfortable* lounge chair capacity is 94 lounges; so, we are at about 72% of comfortable capacity. Of course full capacity would be greater than 94 were we to try to meet a true physical maximum/“Easter Sunday” capacity.

Deck furniture for the 2nd and 7th floors consists of 20 straight chairs and 5 tables.

Proposed Baseline Deck Furniture Plan

It is recommended that SOA Board adopt an agreed lounge chair capacity, a straight chair baseline, an umbrella coverage baseline and a replacement cycle. Once there are agreed baselines for each of the foregoing then we can agree on a timeline and execution plan to get there and then stay current.

Proposed Baselines:

Lounge Capacity Baseline: 94
Straight chair Baseline: 24 Poolside & 20 2nd/7th floors
Umbrella Coverage: 1 per every 3 lounge chairs
Replacement cycle: 1/3rd of \$33k Reserve Line item Cost every 5 years (avg. 15 yr. life)

Implementation Plan Recommendation & associated cost

2019	Replace the 5 broken (and discarded) umbrellas – 1 each month	\$1,625	
2020	Lounge chairs: go to 90 % capacity (ie to 85 lounges – adding 16)		4,000
	Replace worst 4 lounges		1,000
	Umbrella coverage: go to 1 per 3.5 lounges (i.e. to 24 + 2 for baby pools)		3,150
	Straight chairs: Retain best 20 for 2 nd /7 th floors & replace 24 poolside (our chairs are in poor condition)		3,600
2021	Lounge chairs: go to 100 % capacity (ie to 94 lounges – adding 9)		2,250
	Umbrella coverage: go to 1 per every 3 lounges – adding 6		2,700
	Replace 5 square tables for the 2 nd and 7 th floor balconies		750 500
	-- Reserve Expenditures 2019 / 2020 / 2021 ---	\$1,625	12,500 6,200

2024 & every 5 years – Expend \$11K to replace 1/3rd of furniture to achieve approx. 15 yr. avg. life#

Operating Budget: furniture maintenance: \$2,400 per year (approx. 7% of capital costs)

Closing comments

There is agreement among our operating team that our current deck furniture needs attention, specifically our umbrella coverage is inadequate and some increase in lounge chairs is needed and our straight chairs are in poor condition. By adopting the above Proposed Baselines and then an Implementation Plan for our deck furniture we will have a predictable basis for ongoing maintenance and replenishment expenditures. Equally important are the additional benefits of such a plan would be an improvement in our “reserving chairs” issue, a reduction/elimination of umbrella repositioning by pool users, and enhanced deck aesthetics and enjoyment for all.

We recommend adoption of the above Baselines.

We also recommend adopting the above Implementation Plan – but a slower plan may be preferred by others.

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