

SANDPIPER OWNERS ASSOCIATION, INC.
MINUTES OF ANNUAL MEETING OF OWNERS
November 16, 2019

The 2019 Annual Meeting of Owners of Sandpiper Owners Association, Inc. took place on Saturday, November 16, 2019, at the 7th floor recreation room of the condominium.

1. **Meeting Called to Order.** The meeting was called to order by President Scott Johnson at 9:30 a.m. Scott welcomed the Owners in attendance. As an initial moment of personal privilege, Scott thanked everyone for their thoughts and prayers regarding his recent heart surgery, from which he is recovering nicely.
2. **Certified Quorum.** A quorum of the required Owners was certified to conduct the meeting, with at least 43 Owners in attendance either in person or proxy.
3. **Proof of the Annual Membership Meeting.** Proof of the notice of the meeting was certified by Scott as being properly sent and posted.
4. **All Minutes from Prior Meetings.** 2018 annual meeting and Board budget meeting minutes, and all Board meeting minutes since then, were previously approved and distributed to Owners. No further approval was required.
5. **Introduction of Owners and Staff.** Scott first introduced Diane Fitzgerald, Sandpiper's new property manager since May; Silvia Isele, office manager celebrating her three year anniversary with Sandpiper; Christine Johnson (not in attendance) and John Huether, Sandpiper's maintenance/grounds team, who joined us in June and July respectively; and Diane Moreno, Sandpiper's onsite rental agent and broker who has been with us for almost 15 years. All members of the Sandpiper staff were thanked for their service and commitment to the Sandpiper Owners. Following the staff introduction, all Owners present at the meeting introduced themselves.
6. **Recognize Owners Who have Passed Away Since 2018 Meeting.** Cliff St. Louis was recognized as an Owner who passed away since our last annual meeting, and a moment of silence took place.
7. **Introduction of New Owners.** Scott recognized new Owners at Sandpiper since the 2018 Annual Meeting, being Mike and Judy O'Donnell (unit 504) and Paul and Amy Barker (unit 410).
8. **Election of Board of Directors for 2020.** One of the primary purposes of this meeting was the election of Directors for 2020. Current Directors who terms continue are: Scott Johnson, Terry Hadley, Henry Besten, David Kaczmarek, Bucky Hurt, Tiffany Lytle and Kenny Schwartz. Three Directors had terms expiring at this Annual Meeting, who were Rhonda Pearlman, Diane Browning and Ruth Delaporte, all of whom wanted to run for another 3 year term. Association solicitation for new Board members yielded one Owner, being David Satcher. Since there were

4 candidates for 3 available Board positions, and to avoid a contested election, current Board member Mike Pollack had agreed to step off the Board with one year remaining on his term. So with 4 positions available for the 4 persons running for Board positions, there was no need for a contested election. Accordingly, since there was no contested election, upon motion made and seconded, and with no further discussion, the foregoing slate of 4 Board members of Rhonda, Diane, Ruth and David were elected, joining the 7 remaining Board members to total the maximum allowed 11 Board members for 2020.

Scott recognized the 2019 Board members serving this last year for their service to the Association, including the other 3 officers of Terry as VP, Henry as Treasurer and Rhonda as Secretary. Scott also recognized Terry, Rhonda and Mike for serving along with Scott on the search committee during 2018 to interview property manager candidates on two separate occasions. Scott also recognized Mike Pollack for volunteering to step off the Board at this meeting a year early, to free up his Board position to allow the 4 Board members to be elected without a contested election. Scott also recognized Mike for his years of service as both a Board member and as a very effective Treasurer for several years he served in that position.

9. **Treasurer's Report.** Scott introduced an overview of topics to be discussed during the Treasurer's Report, including the process that Diane, Henry and the Board had followed to prepare and approve at the September Board meeting the proposed 2020 operating budget and reserve schedule, which had then been provided to the Owners in advance to discuss at this meeting. Treasurer Henry Besten thereafter provided his oral report to the Owners.

Henry first addressed the 2019 financials to date, which are all in order. He then provided information that was considered for the preparation of the proposed 2020 operating budget and reserve schedule. This discussion included the factors considered by the Board in proposing that the 2020 monthly maintenance fee be increased on January 1, 2020, from \$595 to \$650 (including due increase costs for insurance, personnel and elevator maintenance, as well as wanting to maintain an adequate reserve contribution for our capital project needs). Questions of Owners were then answered. Scott reminded the Owners that official adoption of the proposed budget and reserve schedule is considered by the Board at a meeting immediately following this annual meeting. Scott also thanked Diane and Henry for their efforts in preparing the proposed budget and reserve schedule for presentation to the Owners.

Discussion then took place regarding the Board's recommendation to waive the annual CPA audit of 2019 year-end financial statements, and instead, have the CPA perform an independent review. The Board believes we have sufficient financial checks and balances in place where an audit would not be necessary this year. This will save the Association approximately \$5,000. Upon motion made and seconded, and after discussion, Owners' voted to approve the waiver of the audit of the 2019 year-end financial statements.

10. **Manager's Report.** Diane Fitzgerald, Sandpiper's new property manager, provided her written report to all Owners, copy attached. Diane summarized her written report, including of recently completed projects, and ongoing projects. Diane also expressed her appreciation for being hired as our manager, and how much she enjoyed working with the entire staff, which she considers a great team.

11. Rental Report. Diane Moreno, our on-site rental manager and broker, provided a written report of rental information to date (copy attached), from which she provided an oral report, including the services that she provides to the Owners that use her services, along with the amenities offered to the rental clients. Approximately 45 Owners participate in the rental program. Diane is including advertisement of the program through both AirBnB and Expedia. Diane also reminded that if any Owner has any question or issue regarding the rental program, they should feel free to contact her directly.

12. Old Business. There was no old business to come before the meeting.

13. New Business. Owner comments on new business included:

- Consideration of moving property manager office to second floor space where laundry located so there would be more room, based on the relatively small space for our current first floor office. Scott commented this has been considered in the past, with the decision to keep our one office on first floor where located, as it is well located for access by all Owners, vendors, renters and guests, and all our operations are more effectively operated out of one office where Diane, Silvia and Diane can be located in one place. Also, there would be costs associated with building out another office elsewhere. It is recognized it is tight space for 3 persons to operate out of, but those persons are fine with the space and location as is.
- Question as to staff property coverage on Sunday when office is closed. Answer is that there is always a maintenance staff person on property on Sundays, and Diane Moreno and Diane Fitzgerald are available by phone at numbers posted outside the office.
- Similar question that on Sundays if an Owner sees trespassers come on the property, including using any of our poolside amenities, and if a staff person cannot be found, the Volusia County sheriff office can be called. We will post their number outside the office.
- Another request, same as last year, that we on annual basis hire an appropriate expert to inspect each unit to assure there is no evidence of leaking water lines, or possible water leak issues, from any water-related fixtures, and if such issues are found, they be immediately repaired. There was support for this request, and the Board will consider this at its first Board meeting in January 2020.

14. Owners' Questions and Comments. Scott asked if there were any other questions or comments from the Owners on any topic; there were none.

15. Adjournment. There being no further business to come before the Annual Meeting of the Owners, the meeting was adjourned at approximately 11:00 am.

Submitted by:

Rhonda K Pearl

Rhonda K Pearlman, Secretary

Date: 11/24/19

MANAGER'S REPORT - DIANE FITZGERALD

SANDPIPER ANNUAL MEETING -- NOVEMBER 16, 2019

RECENTLY COMPLETED PROJECTS

1. The new mailboxes have been installed. Owners can pick up their new keys in the office.
2. All pool furniture has been cleaned by maintenance and new umbrellas and chairs have been ordered per our reserve schedule.
3. All new exit signs have been installed in the walkways.
4. Spectrum has completed installing the new equipment in all units. We are receiving many compliments on the new internet.
5. All palm trees have been trimmed.

ON-GOING PROJECTS

1. Storage Rooms Hallways - Maintenance has begun painting the common area hallways of our storage rooms. Owners to clean hallways of personal items.
2. Steel Doors – our 20+ steel doors throughout the building we be repaired, as some need only painting, others heavier repair to open and close. One vendor will do all doors for uniform repair and appearance. If door is limited common element for an individual Owner (storage closet door), expense will be paid by that Owner to reimburse Association. Association common element doors will be paid by Association. Work is scheduled to begin this month and will be completed by January 1, 2020.
3. Garbage Chutes – as earlier announced to Owners in September, we had planned to replace the north and south garbage chutes this past Fall to be completed by this year end. But after all our planning, we determined with our chute and construction contractors that the project could not start before January 2020 due to delays of getting required drawings and permit which would not allow a start date before January. The construction includes need to remove a width of the N and S walls where chutes are on floors 2-6 at the ends, so the new chutes can be replaced. Then the walls will be replaced and re-stucco'ed. This

project will obviously create a lot of noise and dust, so we didn't want to have this occur in Jan – March 2020 as our busy winter season and the inconvenience it would cause to our winter users. So it has been decided with our contractors we will schedule the project in April, 2020 to be completed before Memorial Day, 2020. Until then, all chutes on the north and south ends of the building will remain closed. The center chute does not need to be replaced, so that chute will remain open for use. We will also place garbage cans on each floor near the closed chutes at each end, and staff will empty them every day so our Owners and winter guests can also use those cans.

4. Security - A new TV has been installed (donated by an owner) in the office that gives us room for 4 more cameras. I have requested bids to install four new cameras at the pool gates. This summer we will be able to monitor from the office to see anyone who props the pool gates open. We will then go directly to this person and request they do not do it again. I think after a few times of reminding the guest or Owner we might be able to better control keeping them locked. We also have 3 radios so I can get Christine and John to assist.

5. Landscaping - A site plan for installation of new plantings where necessary is being drawn up. I will submit this bid along with the mulch bid to the Board so as to have this project completed by the first of the year.

6. Tennis Court-The tennis court will be resurfaced in December and the new lines will also include pickle ball lines.

ELEVATORS

Our elevator reliability remains a top priority, to keep all 3 elevators operational at all times. Despite our efforts with our current maintenance company, Oracle, we still have periodic issues, which we insist they address immediately when they occur. We have received proposals from other maintenance companies, and the Board will be addressing our options.

STAFF

Silvia in the office, and Christine and John for our ground and related maintenance, are doing a great job covering their responsibilities. They are a great team.

Please contact me in the office or by phone if anything you would like to discuss at any time.

Respectfully submitted,

Diane Fitzgerald, CAM

SOUTH BEACH RESORT PROPERTIES, LLC

SANDPIPER RENTAL PROGRAM

RENTAL REPORT NOVEMBER 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	\$ 43,600.00	\$6,540.00
October	\$5,150.00	\$772.50	\$ 4,457.14	\$668.57
November	\$21,900.00	\$3,285.00	\$30,200 est	
December	\$9,285.79	\$1,392.87		
Totals	\$1,276,829.06	\$191,524.34	\$1,061,273.43	\$176,180.76

Happy fall! Now is the time to get ready for the winter renters. If you have not done so please send in your deep clean authorization so housekeeping can schedule cleans in a timely manner before renters arrive. The winter gift baskets were a big hit last season, so I will continue to give these to our winter guests this season. They are compliments of owners and South Beach Resort Properties. There are currently a total of 45 rentals on the Sandpiper rental program. Projects completed involved retaking pictures and virtual tours in almost all units in order to update web site and place new listings air b&b. Competitive market analysis of monthly winter rates. I choose The Pelican, Tradewinds Condo, Seascape Towers and Moontide. Sandpiper is at the high end along with Tradewinds and The Pelican Condominiums with a range of \$5000 to \$5500 for the three bedrooms and \$3500 to \$4200 for the two bedrooms. I welcome any suggestions to make the Sandpiper rental program a continued success.

Current listings

212 listed for \$850,000.00

405 listed for \$799,000.00

Sales

410 sold for \$812,900.00

SOUTH BEACH RESORT PROPERTIES, LLC

SANDPIPER RENTAL PROGRAM

RENTAL REPORT NOVEMBER 2019

Sandpiper Marketing Expenses by Category		
	2018	2019
	Jan-Dec	*Jan-Oct
Barefoot Software	\$3500.00	\$2,250.00
Home away/VRBO	\$998.00	\$1,996.00
New Smyrna Visitors Center	\$1,239.00	\$535.00
Office Supplies	\$2,172.25	\$1,247.43
Orlando Sentinel		
Sandpiper Website/Google Ad	\$3,344.70	\$2,919.54
Virtual Tours	\$2,625.00	\$2,880.00
Marketing/Towels/Gift Baskets	\$3,387.83	\$1,881.90
Chamber Of Commerce Advertising	\$330.00	\$340.00
Office Rent	\$11,400.00	\$9,500.00
Admin	\$16,300.00	\$14,474.00
Credit Card Fees	\$32,500.82	\$26,846.20
Banner Advertising/Google 360	\$150.00	\$425.00
Totals	\$77,947.60	\$65,295.07

Thank you,

Diane Moreno

Broker

South Beach Resort Properties, LLC

386 689 0160