

MINUTES
SANDPIPER OWNERS' ASSOCIATION
BOARD OF DIRECTORS MEETING
JANUARY 22, 2020

A meeting of the Board of Directors took place at 5 pm on January 22, 2020 at the office of Board Member Terry Hadley at 200 East New England Avenue, Winter Park, Fl. Notice of the meeting was properly posted.

1. QUORUM

All members of the Board were in attendance and established a quorum: Scott Johnson, Rhonda Pearlman, Ruth Delaporte, Tiffany Lytle, Kenny Schwartz, Bucky Hurt, Terry Hadley and David Satcher all in person, and Henry Besten, Dave Kaczmarek and Diane Browning by phone. Diane Fitzgerald, Sandpiper property manager, was also in attendance. Two non-Board Owners were also in attendance. The meeting was called to order by Scott, who welcomed David Satcher as a new Board member.

2. 2020 PROPERTY INSURANCE RENEWAL INSURANCE

Insurance renewal for all our policies is scheduled in May and June of this year. One of issues raised as a carryover from last year was whether our open pools would now need fencing to get appropriate liability insurance renewed this year. Our agent advises we will not know about renewal requirements until approximately March. We are hoping insurance renewal without the requirement of fencing, to keep our valued unencumbered views intact across our pool deck to the beach. But being proactive in event some sort of fencing is needed for renewed coverage this year, Scott and Diane recently met on site with two pool fence vendors. If fencing is needed, it needs to be 4 feet high with vertical railings approximate 4 inches apart. The areas insurance may require fenced would be at or across all first floor units from one end to the other, to tie into the existing fencing in the center and at each end of our building; or fencing around the perimeters of the pools themselves. So current status is we are waiting to see what the

insurance renewal requirements are for fencing of the pools, if any. We are hoping for no requirements, same as last year. But if there are such requirements, then the Board will address what is specifically needed, and has at least established early contact with two possible fence companies that, upon and design and bidding process, can address what is needed in a timely fashion. And if needed, the goal would be to make whatever fencing is required as visually unobtrusive to the current property views as possible. The seawall has not previously been suggested by insurance to be fenced, so currently that hopefully is not an issue this year. We should know more about this issue in March.

3. INSPECTION OF ALL UNITS FOR WATER LEAK ISSUES

As a carryover from last year's discussion, and upon the suggestion of several of the Owners of the recently held annual meeting, some Sandpiper residents again suggested we have all units inspected for actual or potential water leak issues coming from water lines and water fixtures that service each unit. This is an important issue since any water leaks affect not only the Owner's unit but units in the nearby vicinity. The suggestion this year is to perform a mandatory inspection of each unit and all public areas, including the 7th floor to determine if such issues exist or could exist, so that such issues can be timely addressed. This would also include the status of water cutoff valves existing in each unit, 7th floor and other areas of the building being in operable in event of a leak and water needs to be cut off. The Board was reminded that an expert inspector (Glenn Trombly) was hired by several Owners in late 2018 for such inspections to their units. Due to the success of that effort Scott recently contacted that expert who confirmed his willingness to currently undertake such inspection for all units and public areas. Scott is attempting to negotiate a reasonable per unit inspection price including for a written report for each unit, to be shared with each unit Owner, and management having a record of what was reported for each unit so a record could be maintained. Then one company (to be determined) would be hired to perform the needed repairs in any unit if water leak issues were noted. It was proposed that the Association would initially fund the per unit inspection expense, but each Owner would then be invoiced for their unit expense (approx \$65-70 per unit for inspection and report); and then the Owner would be expected to have any leak issues addressed at that Owner's expense,

which management would monitor to make sure any issues were properly addressed. The several Owners whose units were inspected by Trombly in 2018 would be contacted to confirm whether they want to be included in proposed updated inspection or not. Upon motion made and passed, the Board approved Scott negotiate a final contract with the inspector, including timing and logistics. Once finalized, all Owners would be advised of this inspection, including timing to be performed.

4. MANAGERS' REPORT - DIANE FITZGERALD

See Diane's report attached to these minutes which include the major projects recently completed, ongoing or to be scheduled; and other comments.

As a supplement to her report, Diane advised elevator maintenance from the current company, Oracle, has been inconsistent and not satisfactory. Diane has interviewed or will interview 5 other companies and will come back to the Board shortly with her recommendation of whether a change should be made, and if so, what company to proceed with going forward.

Sand and ocean water intrusion over our seawall onto our pool deck and pools has been a serious problem the last several weeks. By mother nature, the level of beach sand washed up by wave action has now almost increased in height to the top of our seawall. Diane is in contact with regulatory authorities to see if a permit can be obtained to use machinery, like a bulldozer, to lower the sand substantially below the seawall as it once was several years ago. But the initial feedback is that it is challenging to obtain such a permit. In the meantime, our maintenance staff will do the best they can to keep the pool deck and pools cleared of such washed up sand. And Diane will determine other options we may consider to address this issue.

Based on comments of some Owners, property signage (5 mph signs) in parking lot areas has been recommended to be unnecessary and will be removed, also assisting the aesthetics of that area.

A request for additional beach steps to be added to the north end of the seawall was discussed. This issue has been previously requested

for the south end as well. In both cases, the Board has determined that additional steps are not desirable. The reasons include that we do not want to encourage unauthorized access to our property from the beach at either end of our seawall due to easily accessible steps, but try to control access only through our center steps. Additionally, prior steps at the north end were washed away years ago, so no need to incur that expense where same thing could happen. And lastly, the current level of beach sand along our seawall, including at the north end, does not make steps necessary.

5. TREASURER'S REPORT – HENRY BESTEN

Henry Besten provided his treasurer's report (written report attached). This included that our 2019 year end financials were in order. Our CPA in process of preparing its independent review of our 2019 financials, as well as tax returns. So we are starting off 2020 in good shape.

6. RENTAL REPORT – DIANE MORENO

Diane Moreno submitted her year end rental report, which compares revenues and expenses 2019 versus 2018 (written report attached). Question was asked why the August 2019 rental income was substantially less than 2018. It was presumed that August was negatively impacted by the going back to school calendar being different this past year, as well as hurricanes, or threat of hurricanes approaching or during August (following the meeting, Diane Moreno confirmed those two factors).

7. OLD BUSINESS

There was no old business to discuss.

8. NEW BUSINESS

There was no new business to discuss.

There being no further business to come before the meeting, it was adjourned at 6:05 pm.

Submitted,

Rhonda K Pearlman

Rhonda Pearlman, Secretary

1/29/2020

Date

MANAGER'S REPORT - DIANE FITZGERALD

SANDPIPER BOARD MEETING -- JANUARY 22, 2020

RECENTLY COMPLETED PROJECTS

1. The Tennis Court repaving has been completed. The Pickleball Court added as an overlay is very popular.
2. The landscaping project and mulch replacement are completed. Grounds look great.
3. The windscreen at the north pool has been installed for the winter season.
4. Trash cans have been placed on all floors that the garbage chutes are closed so the winter resident will not be inconvenienced.

ON-GOING PROJECTS

1. Storage Rooms Hallways - Maintenance is continuing the painting of the common area storage rooms.
2. Steel Doors – All common area doors have been re-sanded and painted. All owner's storage room doors in the center are also complete. Except for one door in the south stack, it was determined these only needed a touch-up which will be completed in house. The owner's storage doors in the north stack have sustained so much salt damage they cannot be repaired. I am in the process of obtaining bids for the owners for door replacements.
3. Garbage Chutes – The project is still scheduled to start April 1 and be completed before Memorial Day weekend. Construction company has applied for the permit and the chutes are fabricated and in the BFP Chute's warehouse and ready to go.

ELEVATORS

I would recommend we hire a different elevator company for our ongoing maintenance needs. Oracle continues to provide inconsistent service, and now cannot find the parts we need to keep our elevators running efficiently; our elevators are not so old that we should have this problem. We have received

proposals from other companies, and I called other CAMs in the area for who they use and their recommendations, to be discussed at the meeting for my recommendation.

SAND INTRUSION ON POOL DECK

Twice now (with no storms in the area) at high tide a huge amount of beach sand has washed up over the seawall and deposited on our pool deck, and a small amount has entered one pool. It has killed the grass area and taken out newly installed mulch. Our staff has worked diligently to push the sand back onto the beach using brooms, shovels and a pressure washer. I am currently investigating if we can do anything to lower the sand at our seawall. I have been in contact with Volusia County who referred me to the Dept of Environmental Protection in Jacksonville, who referred me to a company that does this type of work. Bottom line is we are now advised there is no way to get a permit for moving the sand on the beach away from the seawall, or lower the sand level on the beach. So if there remains possibility of over wash from time to time, we will discuss our options to address.

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

Respectfully submitted,

Diane Fitzgerald, CAM

TREASURER'S REPORT

Sandpiper Owners Association, Inc. - Year-End 2019

Date: 1-17-2020

Summary:

SOA financial results are in order for the month and year ending December 31. Net income for the year was unfavorable to budget by \$45k (7.2% of budgeted income). Our balance sheet is in good order. Additional detail follows.

Balance sheet:

As of 12/31/19, the associations' banking account balances totaled \$440.3k – of which \$85.6k were in operating accounts and \$354.7k were in capital reserve accounts. Capital reserves of \$210k were invested in short-term CDs. For the year, reserve account balances declined \$110.3k and operating accounts declined \$71.1k.

Income:

Annual income was \$634k - \$2.6k better than budget.

Expenses:

Operating expenses of \$592.2k were \$43.9k over budget – driven primarily by budget overruns in insurance premiums (\$9.5k), elevator maintenance (\$20.8) and common area steel door maintenance costs (\$9.9k).

Reserve Projects:

2019 reserve expenditures occurred on the following board approved projects: flat roof replacement and repair, replacement of the trash chutes doors, walkway rehab, parking lot light replacements, tennis court resurfacing, mailbox replacement, landscaping, pool furniture, and initiation of trash chute replacements.

Re year-end:

As of January 16, 2020 we have provided all documents requested by our accountant, Belote and Co., for their independent review and tax preparation.

Budget 2020:

The board approved a 2020 budget and reserve schedule. Unit owners' monthly association fees for 2020 were set to \$650 per month.

SOUTH BEACH RESORT PROPERTIES, LLC

SANDPIPER RENTAL PROGRAM

RENTAL REPORT JANUARY 2020

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	\$4,530.00
December	\$9,285.79	\$1,392.87	\$10,788.13	\$1,618.22
Totals	\$1,276,829.06	\$191,524.34	\$1,215,526.56	\$182,328.98

. Happy New Year! Most of our snowbirds have arrived and are extremely pleased with the weather and the overall appearance of the property. Expecting a full occupancy starting February 1st. Estimated rental income for January \$137,595.00. Things have finally picked up with my channel partner Vacay Connect. We had one internet booking in December and two bookings in January. These are the online web sites that we have partnered with like expedia.com air b&b etc. I'm looking forward to many more reservations using this channel.

Current listings

212 listed for \$850,000.00

614 listed for \$850,000.00

Sales

410 \$812,900 Sept 2019

405 \$685,000 Dec 2019

SOUTH BEACH RESORT PROPERTIES, LLC

SANDPIPER RENTAL PROGRAM

RENTAL REPORT JANUARY 2020

Sandpiper Marketing Expenses by Category		
	2018	2019
	Jan-Dec	*Jan-Dec
Barefoot Software	\$3500.00	\$3000.00
Home away/VRBO	\$998.00	\$1,996.00
New Smyrna Visitors Center	\$1,239.00	\$535.00
Office Supplies	\$2,172.25	\$1,956.37
Orlando Sentinel		
Sandpiper Website/Google Ad	\$3,344.70	\$4,147.53
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	\$11,400.00
Admin	\$16,300.00	\$17,514.00
Credit Card Fees	\$32,500.82	\$32,665.23
Banner Advertising/Google 360	\$150.00	\$535.00
Totals	\$77,947.60	\$78,851.

Thank you,

Diane Moreno

Broker

South Beach Resort Properties, LLC

386 689 0160