

Minutes for April 14, 2018 Sand Dollar III Board Meeting

Location: recreation Room, 8050 A1A South, St. Augustine, FL

The meeting was called to order by President Joshua Herbstman at 9:00am. A quorum was established with Board members Bob Reed, Larry Ridley and Ernie Turbyfill.

The Community Association Manager (CAM) Jim Haga and Judy Alligood confirmed that the association was in compliance of all requirements.

President Joshua Herbstman made mention that the minutes from the last board meeting would be approved along with the minutes from this board meeting at the next scheduled annual meeting.

Reports from Officers and CAM

Financial Report-Larry Ridley (Financial reports provided to all attendees)

Through March 2018 the checking account balance was \$17,014.25, reserve account \$173,086.47 totaling \$190,100.72. Accounts receivable outstanding from unit owners; \$696.00 and \$466.01 from Sand Dollar IV. Expenses year to date (June 2017 thru March 2018) are over budget by \$6,341.28 having spent more on administration by \$1,441.55, maintenance \$7,354.96 and less on insurance \$1,615.23 and utilities by \$840.00.

CAM Report –Jim Haga

Jim Haga provided each attendee with a report showing completed and future maintenance and repair item to our property. Items of interest; during the painting cycle that is taking place on the east, north and south side of the building, there will be several spall repairs made to units on the inside (approximately 15 units). Several units will also have their balconies re-coated in the same process. Jim had also met with several window vendors along with our water intrusion specialist to determine what the best application would be for our building; this will be further discussed at the annual meeting. The elevator flooring was redone by Jim and Cody and consensus was that it looks great! Future maintenance items include; new door frames, repair sand fencing to

help dunes, palm trees trimmed and the pool deck painted after the north side painting is completed.

President's Report – Josh Herbstman

Josh responded to the financial report with clarification of what has taken place over the last year regarding the 13th payment fund to the reserve account and moving forward. Josh stated that a lot had taken place this current year, sprucing up of several key areas of the property; tennis court/fencing, landscaping, grill area, etc. and not to mention the hurricane/storms that affected the grounds and building. Mention was made that our budget is developed to maintain the systems of our property and not for emergency repairs (i.e. storm damage), thus resulting in an unusual amount of monies spent to repair the damage. Moving forward the 13th payment concept if approved by the board on a yearly basis will have a significant effect on the financial relation to our overall budget. Josh also made mention of the idea that we will recapture monies from each homeowner's HO6 insurance policy as defined by state statutes. This will have a positive impact on our financials and will be discussed further in the meeting.

Old Business:

None reported.

New Business:

2018-2019 Budget Review-(Budget report provided to all attendees)

Major change to budget will be a required financial review as stated in the Florida Statute; this review is required at a minimum of every 3 years. Insurance is another item with any significant change, due mostly to flood coverage. Maintenance budget has increased by approximately \$3000 per year. New budget for coming year requires an increase of \$15.00 per month (\$180.00 per year). Motion was made by Ernie Turbyfill to accept the proposed budget as stated, seconded by Bob Reed and was unanimously approved.

Reserve Funding/13th Payment Discussion-

Further discussion was made regarding the relationship of the proposed future budget(s) and the 13th payment and how it will help with future budget shortfalls. The 13th payment is a way for our association to hedge against the possibility of large assessments while maintaining a healthier financial balance sheet that protects the investment of each homeowner. The 13th payment (yearly assessment) is one that requires board approval each year thus opened for discussion by all homeowners.

Special Assessment Due To Storm Damage-

The discussion was made by Judy Alligood that we as an association and homeowners should take advantage of the ability to recoup monies spent by the association related to storm damage during the year. This can be accomplished by filing a claim against each homeowner's insurance H06 policy (homeowner makes each claim) as stated by Florida law. Based on the calculated expenses identified by Jim Haga and Judy Alligood, the amount is \$74,875 resulting in \$1559.90 due by each homeowner. Sand Dollar III will be billing each homeowner in the amount listed above; the invoice (special assessment) will have all the necessary statements (information) needed to forward to each respective homeowner's insurance company for reimbursement along with a letter of instructions for each. The amount resulting from this insurance reimbursement (\$74,875) will be put back into reserve and operating accounts based on original expense distribution. Each homeowner will have 60 days from the special assessment invoice date to pay assessment; the intent is that homeowners forward the invoice to their agent/insurance company for reimbursement prior to the sixty days resulting in no cash flow loss to the homeowner. Motion to make the special assessment as stated was made by Bob Reed, seconded by Ernie Turbyfill and unanimously approved.

Owners Comments:

None

Josh Herbstman called for a motion to adjourn the meeting at approximately 10:10am, seconded by Larry Ridley and unanimously approved.

Sincerely,

Ernie Turbyfill