

*The Sandpiper Cay Condominium Owners Association
Board of Directors Meeting
June 18, 2008*

The Sandpiper Cay Condominium Owners Association Board of Directors met on Wednesday, June 18, 2008 at Village Realty. Steve Kinnier, Tom Watkins, Jim Coughlin and Liz Puma were present. Linda Craig participated by phone. Bob Oakes, Dorie Fuller, Emily Lewis and Courtney Fowler were representing Village Realty.

Since the officers for 2008 had not yet been elected, Ms. Fowler called the meeting to order. The Board reviewed the minutes from the May Board meeting. On a motion by Mr. Coughlin and a second by Mr. Watkins, the minutes were approved as submitted with a few minor changes per Ms. Craig.

Mr. Coughlin presented his letter of resignation effective at the close of business June 18th. It was noted that the by-laws state that when a Board Member resigns prior to the end of his term, the Board is to appoint a replacement to serve the remaining portion of the term. Mr. Coughlin nominated Pat Ambrose to fill his Board seat. There were no other nominations. On a motion by Mr. Coughlin and a second by Ms. Craig, Pat Ambrose was elected to fill Mr. Coughlin's term.

Ms. Lewis read over the officer roles as spelled out in the By-laws. Ms. Lewis asked if there were any nominees for President. Mr. Kinnier nominated himself. Ms. Puma seconded the nomination. During discussion, Ms. Craig asked what Mr. Kinnier's agenda was. Mr. Kinnier noted he didn't have a specific agenda but would like to move forward and work with Management to build the reserves. After a unanimous Board vote Mr. Kinnier was elected President and took control of the meeting at this time.

Mr. Kinnier took nominations for Vice President. Mr. Kinnier nominated Ms. Craig and Mr. Coughlin seconded the motion. After a unanimous vote, Ms. Craig was elected Vice President.

On a motion by Mr. Kinnier and a second by Mr. Watkins, Ms. Ambrose was elected Secretary and Ms. Puma was elected Treasurer. It was noted that Mr. Watkins opted not to run for an officer position due to his relationship with Village Realty.

Ms. Fowler presented the Financial Report. The Board asked Ms. Fowler to e-mail a list of the owners who have paid on the Accounts Receivable Report since the end of May report was developed. The Board also asked Ms. Fowler to note which units were management by Outer Banks Rentals or Sand Dollar Realty.

Management presented a current Balance Sheet, Income Statement, Posting Journal and Accounts Receivable Report. Ms. Lewis noted that all the Sandpiper Cay bank accounts are held in trust accounts by Village Realty. She noted the Real Estate Commission requires the accounts be set up that way. Mr. Kinnier asked if the budget on the Income Statement could be broken down by months. Ms. Lewis noted that is something that

could be done to the 2009 Budget and Management will be happy to make recommendations on the budget. The 2009 budget will need to be prepared around mid-October. Mr. Kinnier questioned the first draft of the payments to individuals on the Posting Journal. Management noted they were compensation payments to Wayne Armstrong, Ron Huggins and Tom Alexander after the previous property manager left and before Village Realty took over Management. With there being no further questions and a motion by Mr. Coughlin and a second by Ms. Puma, the Financials were approved.

Ms. Fowler presented the Management Report. Village Realty continues to follow up with owners with past due balances. Arrangements have been made for the Pepsi machine to be removed and a new snack machine will be delivered. Information has been turned over to the new attorneys. Village Realty contacted the owners from the last meeting to let them know their payment plans were approved. A letter will be sent to the one owner that called initially but has not responded. The two owners who paid the 2006 amount in 2007 have been contacted and told they need to pay the balance.

Management presented an insurance recommendation to the Board which included increasing the wind deductible to the Board to \$75,000 which would provide an annual savings of \$18,000, increase the value limits to \$134.00 per square foot and to not purchase a Fidelity Bond due to Sandpiper Cay not having any employees. The Board agreed with the recommendations and asked Management to take insurance bids before renewal and to incorporate those recommendations into the bids.

Management has printed updated statements and will mail to all owners along with the Collection Policy and cover letter. Mr. Oakes suggested the Board notify the owners that the Collection Policy will begin to be enforced by July 15th. Management updated the Board on the septic schedule from Atlantic Sewage Control. It was noted that currently there are 109 tanks that have never been pumped and Management recommended pumping four per week for the remainder of the year. The Board agreed. Risers and filters will also be installed where necessary.

Management presented a proposed Water Leak Policy to the Board. The Board discussed whether the Association should be paying for internal plumbing issues. The inside of all the units is the responsibility of the owner. Mr. Kinnier asked if Village Realty could develop some sort of maintenance plan to offer to the owners. Mr. Oakes noted that was something Village Realty was looking into. Mr. Kinnier suggested the Board think about this policy and discuss at the next meeting. He asked Management to put it on the next month's agenda.

Ms. Fowler completed the Management Report by noting there were new pool rules posted at the pool. She also noted the Annual Meeting was held on May 31st and minutes were included in the Board meeting packet. It was confirmed that a Special Events Policy was not required to use the clubhouse. The Board asked that Management check on the need for a waiver of liability. Ms. Lawrence noted the clubhouse looked good but asked why it is still locked. Ms. Craig noted there was a sign up sheet for owners to request use. Ms. Fowler offered to follow up on the sign up sheet.

Mr. Coughlin brought up his concern over the pool monitor situation. Ms. Lewis informed the Board of her conversation with a concerned owner and pool monitor. Bella Reber, who was in attendance, expressed her concerns as well. Mr. Coughlin explained the door was locked when his family had tried to use the pool. He feels pool monitors should be at the pool as long as the pool is open. Ms. Craig expressed her concern of the state code for commercial pools and recommended the Board review the North Carolina Pool Codes. Ms. Lewis explained the pool monitors are there when Tom Alexander is not. Mr. Kinnier informed the owners the Board would address the pool monitor situation and take into consideration all of their concerns. It was noted a sign still remains with two different age limits. Ms. Fowler will check on the signs to make sure they comply with state code.

Mr. Coughlin expressed his concern over the state of the grass. Management informed the Board that the irrigation company has been working on the lawns and there is an issue with a couple of wells. Management assured the Board they were working with the company to get the grass healthy. Mr. Coughlin asked if the common areas could be mowed more frequently. Mr. Oakes explained that item has been discussed with the landscaper and a schedule was set up. Mr. Coughlin thanked Village Realty and Mr. Oakes for the preparation and running of the Annual Meeting. Ms. Ambrose thanked Mr. Coughlin for his service as a Board member.

Mr. Greene asked the Board to keep the owners better informed by posting the minutes at the clubhouse or posting them on the website. Mr. Kinnier agreed communication was important and explained it is something the Board wanted to do better.

Ms. Lawrence informed the Board and owners the Covered Dish was going to be held the upcoming Saturday.

Ms. Craig also informed the Board she would be back in the fall.

With there being no further business, the meeting was adjourned.

Respectfully Submitted,

Courtney Fowler
Assistant Property Manager