

*Sandpiper Cay Condominium Owners Association  
Board of Directors Meeting  
July 21, 2008*

The Sandpiper Cay Condominium Owners Association Board of Directors met on Monday, July 21, 2008 at Village Realty. Steve Kinnier, Pat Ambrose, Linda Craig, Liz Puma and Tom Watkins were present. Bob Oakes, Emily Lewis and Courtney Fowler were present representing Village Realty. Nineteen owners were present from Sandpiper Cay.

Mr. Kinnier welcomed everyone to the meeting. He explained at the beginning of the meeting an owner's forum would be held for owners to ask questions or address any issues they may have. Mr. Kinnier explained that allowing this time at the beginning of the meeting would give the owners the option to leave after they addressed the Board or stay through the remainder of the meeting. Mr. Kinnier opened the floor to the owners at this time.

Gale Coughlin asked if owners would be allowed to ask questions at the end of the meeting as well if something came up during the meeting. Mr. Kinnier said that they would if time allowed for this.

Jim Coughlin noted that he had e-mailed the Board a list of items he wanted to address prior to the meeting so all would be on the same page. Mr. Coughlin first asked the status of the audit for 2007. Mr. Kinnier explained an audit at this time would not be possible because there had not been enough information obtained to review. Mr. Kinnier explained that the Board is working with their attorney and an accountant and will be advised by them on the next step. Mr. Kinnier did make it clear that the Board would have an audit done for 2008.

Ms. Coughlin expressed that she feels that a 12-4 pm pool monitor shift is needed during the week. Mr. Kinnier noted that the pool monitor situation would be discussed later in the meeting.

Mr. Coughlin asked for an explanation as to why Tom Alexander was no longer working for Village Realty. Ms. Lewis explained this was a personnel issue and Village Realty was not able to disclose any specific information. She stated that Village Realty felt that the decisions that had been made were in the best interest of the Association and Village Realty.

Betty Peet expressed her disappointment that Mr. Alexander was no longer working at Sandpiper Cay. She felt he was an asset to Sandpiper Cay and asked what the Board going to do to correct the situation. Mr. Kinnier explained the employment status of Mr. Alexander was not a Board decision and that Village Realty would continue to provide the same level of service that the owners were accustomed to receiving.

Ms. Peet expressed concern over the money Susan Seay had received from the Association. Mr. Kinnier explained that this was a legal matter and that the Board would look to legal council for advice.

Mr. Coughlin asked about the status of the website. Mr. Kinnier noted that this item would be discussed as an agenda item later in the meeting. Mr. Coughlin asked a question regarding the automatic withdrawals for his personal account done by the previous property manager. Ms. Lewis noted she had spoken to the accountants and ensured that his account reflected the proper balance. She offered to review this information with him following the meeting.

Mr. Coughlin noted that he had concerns over the condition of the grass previously but he felt that the lawns were looking better.

An owner questioned the status of the septic tank pumping. Ms. Lewis explained that there was a list of septic tanks which had never been pumped. The units with full time residents are being pumped first. Four tanks per week will be pumped and repaired if needed until all of the tanks are in good condition.

Mr. Kinnier expressed his concern regarding the numerous rumors going around the community. He urged the owners to call Village Realty if they have a concern and to check the accuracy of information before repeating it to others. He noted that he will be sending a letter to the owners later in the summer to try and clear up some of the misconceptions and share accurate information. He noted that one rumor concerned a large dues increase, and that such an increase has not been discussed by the Board. The Board will begin working on the 2009 budget in the late summer. He noted that expenses seem to be running at or under prior years and that the lack of reserves was the only current financial concern. He explained that the Board would like to have a Reserve Study done in 2009 and that is something they would like to plan for in the 2009 budget.

Mr. Kinnier officially called the meeting to order. The Board reviewed the minutes from June 18, 2008. On a motion by Ms. Ambrose and a second by Ms. Puma, the minutes were approved with a few minor corrections.

Ms. Lewis gave the financial report. She noted that a current Balance Sheet, Income Statement, Posting Journal and Accounts Receivable Dues Report were included in the meeting packet. She noted the money in the checking account was in an interest bearing account. She noted that the expenses are on track for the year. Mr. Kinnier noted the expenses for the first six months of 2008 are less than the first six months of 2007. The posting journal shows what checks have been written to date and Ms. Lewis noted the accounts receivable report will be discussed during executive session. Mr. Kinnier provided the Board with a financial report of his own that he will compile from the information Village Realty provides. There were no questions from the Board.

Ms. Lewis gave the Management Report. She noted some of the follow up items done since last meeting, including providing the Board with an updated accounts receivable

list, the removal of the Pepsi machine and the installation of a new snack machine. A letter was sent to an owner who had verbally requested a payment plan and there was no response from the owner. The Association's insurance agent was contacted regarding the changes to the renewing policies and three other companies have been contacted to bid on the insurance. Mr. Kinnier asked if the quotes would be available for the August meeting and Ms. Lewis stated that they anticipated receiving them in time for this meeting.

Ms. Lewis noted that updated statements were sent to all owners with an annual meeting follow up letter. She noted that the pool repairs have been done and the concrete will get poured in the next week or so. Mr. Watkins explained the leak to the pool had been a major one and caused the pool to lose a great deal of water over the years.

Ms. Lewis explained that the pool monitors were currently on the same pool schedule as approved by the Board. The Board discussed adding a 12-4 pm shift during the week. After further Board discussion and on a motion by Ms. Ambrose and a second by Ms. Craig, the 12-4 shift will be added through the end of August. Ms. Craig explained she felt it was important to have the pool monitors wear a name tag or be indentified in some way.

Ms. Lewis noted that the septic pumping schedule is four tanks per week and risers are being added when needed. Mr. Kinnier asked if the Board could be provided a copy of the tanks that have been pumped as they are done.

Ms. Lewis informed the Board that Village Realty is in the process of developing some preventative maintenance options for the owners which include changing filters and cleaning condensation lines, installing fire extinguishers and offering winterization services. A maintenance plan for interior items will be offered in the spring. Wayne Armstrong will continue to address hot water heaters through his individual plumbing business. Ms. Ambrose and Ms. Craig suggested creating a preferred vendor list to give to owners.

Ms. Lewis updated the Board on the irrigation systems. The company is continually working on the irrigation systems. A well is in the process of being replaced. Overall the grounds are looking better.

Ms. Lewis noted that the provider of the previous website is not available and Village Realty will create a new website for Sandpiper Cay.

Ms. Lewis informed the Board that so far two leases have been received from the owners. Ms. Ambrose noted she found a list of units that are rentals and will provide Village Realty with a copy.

The Board discussed the need for a communication plan. Mr. Kinnier noted he would like communication to be better. He suggested posting the final version of the minutes once approved, at the clubhouse and also on the website.

The Board discussed developing a rental company referral list and posting it at the office. The Board asked Village Realty to look into developing this list.

The Board discussed the method in which the complaint and maintenance calls are handled. Mr. Kinnier asked Village Realty to develop a hand out for the Board that explains the procedure in which calls are handled and also the numbers that are used.

The Board discussed the maintenance schedules regarding the routine building and ground work. Mr. Kinnier asked Village Realty to include a summary of the routine maintenance work completed in their management report each Board meeting. This will help keep the Board informed on the maintenance being done. Ms. Ambrose brought up the shrubbery replacement schedule for the shrubs and plants that have died or need replacing. Mr. Kinnier suggested Village Realty meet with the landscaper and develop a list of items that need replacing. Ms. Lewis noted Village Realty will compile the list by the September meeting.

Ms. Lewis brought up the buildings in need of painting and recommended getting the community back on a schedule. Mr. Kinnier asked for Village Realty to present their recommendation at the next meeting. Mr. Kinnier also asked Village Realty to look into a power washing schedule for the buildings as well.

Mr. Kinnier noted he would like all the Board members to have an updated plat of the community and then for the Association to have a few on hand. Village Realty will contact the Town of Kitty Hawk and Dare County before paying to have one prepared.

Mr. Kinnier noted he would like to work with Village Realty on the accrual method of accounting for some of the larger expenses. He noted the Board will be working with Village Realty on the creation of the 2009 budget and he would like to include money for a Reserve Study to be done. Ms. Lewis passed out some information on a reserve study to the Board and noted Village Realty would contact some companies for estimates. Mr. Kinnier informed the Board he would like to have a draft budget by the September meeting.

The Board discussed the various Committees. He noted Ms. Ambrose will chair the Covenants Committee and Ms. Puma and Ms. Craig will co-chair the By-laws and Rules and Regulations Committee. He suggested both chairs contact those that signed up to serve on the Committees at the Annual meeting and to meet and do some research. He asked both Committees to present their recommendations to the Board. Mr. Kinnier also nominated Barbara Lawrence and Bella Reber as the Social Committee co-chairs. Mr. Watkins offered to serve on the Social Committee and incorporate a Welcome Committee. Ms. Ambrose suggested Sandpiper Cay be part of a Community Watch program. Village Realty offered to contact the Town regarding the program and contact Mr. Watkins. The Board asked Village Realty to look into the "Community Watch" signs.

Mr. Kinnier asked if there was any other new business from the owners. Ms. Craig suggested that the Board introduce themselves to all the owners at the beginning of each meeting. The Board agreed it was a good idea. Ms. Coughlin suggested asking owners to give their e-mail addresses in order to communicate better. Mr. Coughlin suggested submitting the pool water bill to the Town of Kitty Hawk for possible reimbursement. Village Realty will look into it.

One owner noted that he agrees with performing a Reserve Study. He also noted that an owners directory would be helpful as well as a preferred vendor list. The vendor list could be included in the owners' directory. The owner also questioned when Wayne would receive help. Mr. Oakes explained it was a top priority and Village Realty was in the process of hiring more maintenance personnel.

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

Respectfully Submitted,

Courtney Fowler  
Assistant Property Manger