

***Sandpiper Cay Condominium Owners Association
Board of Directors Meeting
August 15, 2011***

The Sandpiper Cay Condominium Association Board of Directors met on Monday, August 15th 2011 at the office of Village Realty. Steve Kinnier, Pat Ambrose, Liz Puma and Tom Watkins were present. Linda Craig participated via teleconference. Ansley Miller was present representing Village Realty and Debbie Kuhn was present representing Southern Insurance Agency. Owners representing eight units were also present.

Mr. Kinnier called the meeting to order at 1:04pm and made introductions.

Wind Insurance Presentation and Discussion: Ms. Miller introduced Ms. Kuhn, who gave a presentation on the insurance policy renewals. She stated that the premium for all of the insurance policies will be staying the same, with the exception of the Wind and Hail policy, which will decrease. All policies would have the same limits of coverage as last year's policies. There was a discussion on flood insurance. The association is not required to have a flood policy due to the fact that the community is in an X flood zone, which is low to moderate risk flood zone. The Board asked Ms. Kuhn to provide Ms. Miller with a flood insurance quote for their review. Ms. Craig also asked Ms. Kuhn to provide to the Board the type of claims that are included with flood insurance. The Board thanked Ms. Kuhn for attending the meeting.

Owners Forum: Bella Reber stated that she has received numerous positive comments on the pool.

Approval of Minutes: The Board reviewed the minutes from June 20th 2011. On a motion by Ms. Ambrose and a second by Ms. Puma, all were in favor of approving the minutes as submitted.

Financial Report: A current Balance Sheet, Income Statement, General Ledger Detail Report and Accounts Receivable Report were presented. Mr. Kinnier also presented a 2011 Income and Expense spreadsheet with actual expenses for January through July and projected expenses for August through December.

Management Report:

- **Annual percentage yield:**
 - Checking Account: June-.25 %, July -.25 %
 - Money Market Account: June -.60 %, July -.60 %
 - Reserve Money Market Account: June -.60 %, July .60- %
- **Website:** The website was updated following the last meeting.
- **Financial Reports:** The June financial reports were emailed to the Board and the July financial reports are included in the meeting packet.
- **Roofs:** The updated roofing spreadsheet was included in the meeting packet. Current recommendation of the next 2 roofs to be replaced: 1100 and 3000.
- **Septic Tanks:** The updated septic tank spreadsheet was included in the meeting packet.
- **Drain fields** – The drain field for 902/907 failed and was replaced. Management asked Beach Mowing to provide an estimate for sod in this area. Total cost will be \$415 (\$320 for 80 yards of sod and \$95 labor). On a motion by Ms. Ambrose and a second by Mr. Watkins, the installation of the sod was unanimously approved.
- **Bankruptcy** – Management received a “Discharge of Debt” notice from the Bankruptcy Court for an owner who currently has a balance. Management was able to confirm with the attorney that a lien can now be filed and management has started the lien filing process.

- **Beach Mowing** – Management discussed the concerns mentioned at the last Board meeting with Beach Mowing. A copy of the 2010 contract was emailed to the Board following the last meeting. There are two areas of grass that owners have complained about (2200 and 2500) where the grass has died. Beach Mowing has checked the irrigation and the areas are getting water. They also had the soil tested and did not find any problems with it. The recommendation is to cut out the old grass and replace it with new sod. The estimate to do this is enclosed in the meeting packet. Mr. Watkins also mentioned an area of grass next to the 1900 building that had a similar problem. They asked Ms. Miller to have Beach Mowing take a soil sample of this area. If there are no problems with the soil, ask Beach Mowing to also install sod in this area. On a motion by Ms. Ambrose and a second by Ms. Puma, all were in favor of proceeding with the proposal from Beach Mowing and installing sod at the 1900 building if necessary.
- **Recycling Area** – The recycling enclosure is built and is being used. Pickup days are Tuesday and Friday. An owner requested that a container be added for paper. The Board will re-evaluate the need for more recycling containers/locations in the spring.
- **Community Watch / Community Police Reports** – Management contacted the police department about obtaining a report of calls in the community. They are not able to provide a report specifically for Sandpiper Cay. However, they will start doing “The Crime Scene” on the website again at the end of the month. It was agreed that it would be best for management to check this every month and if there is anything pertaining to Sandpiper Cay, a copy of the report can be requested. Management followed up again with the Police Chief on the Community Watch Program.
- **Cost of Umbrellas for Picnic Area** – Management was able to find umbrellas that range from \$90-\$110 for the umbrella and the base. 2 umbrellas and bases would be needed for the picnic tables. The Board will wait to make a decision on this until the spring.
- **CD Options:** The Board decided that they would like to invest in a reserve CD in the amount of \$75,000. On a motion by Mr. Kinnier and a second by Ms. Ambrose, all unanimously approved the purchase of the OBX Bank 15 month CD special if it is still available. If it is not available, they asked Ms. Miller to email them other options.

Unfinished Business:

Septic Tank Pumping Schedule – Following discussion, the Board decided that they will consider pumping one-fourth of the septic tanks each year beginning either in 2012 or 2013. All the tanks have been pumped within the last three years. They asked Ms. Miller to check with Atlantic Sewage on a volume discount rate.

New Business:

Terminix Contract Renewal – The current termite contract renewal will increase by \$60 annually per building. Terminix also offered an alternative to the current baiting system contract. The alternative is a liquid protection plan. Ms. Miller stated that Terminix is now recommending this system over the baiting system. The terms of the contract would remain the same and the cost is less. Following discussion and on a motion by Ms. Ambrose and a second by Mr. Watkins, all were in favor of going with the liquid protection plan. Ms. Craig asked for a fact sheet on the liquid that will be used. Ms. Miller will ask Terminix for this.

2011-2012 Wind Insurance Policy Renewal - Following discussion and on a motion by Ms. Ambrose and a second by Ms. Puma all were in favor of renewing the wind insurance with the same limits as last year’s policy and paying the premium in four installment payments as offered by NCIUA.

Committee Reports:

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Landscape Committee – The Board is going to start working on requirements for the landscaping and irrigation contract so that the contracts can be bid out later this year. Ms. Craig noted that there are a lot of sample landscaping contracts on the web. Mr. Kinnier asked Ms. Miller if Community Association Institute (CAI) had sample contracts that they could use for reference. Ms. Miller offered to check.

Bylaws Committee – Ms. Craig stated that the Committee has the retype draft of the Bylaws in word and the Committee is working on reviewing their assigned sections of the Bylaws.

Mr. Kinnier stated that prior to the Board meeting, the Board meet in Executive Session with legal council, John Leidy, to discuss the litigation. Mr. Leidy reported to the Board that they are in the process of preparing for a trial in early October.

The next meeting date was set for October 17th at 1:00 at the Village Realty office.

There being no further business, the regular meeting was adjourned at 2:17pm. Following the regular meeting, the Board met in Executive Session to discuss collections. No actions were taken.

Respectfully Submitted,

Ansley Miller
Assistant Property Manager