

Barefoot Beach Resort of Indian Shores Condominiums Association, Inc.

Board Meeting Minutes

Date – January 11, 2016

Time – 6:30 PM

Place – Clubhouse

Attendees – Bruce Bornick, Harry Artz, Kim Porte and Eric Olsen attending by teleconference. Also attending Linda Pisano – Associa Manager and several property owners, Barry Bartley of BBVR (on-site rental management company).

Absent – Denise Reilly

The meeting was called to order at 6:40 PM. Bruce moved to approve the Minutes from the November 12, 2015 Board Meeting. Kim seconded the motion, a vote was taken and all were in favor. Note: We did not hold a BBVCA Board Meeting in December 2015 (no issues to vote on at that time).

Treasurer's Report – November Financials were distributed prior to the meeting (attached). Harry reported that we continue to run better than budgeted, as we have for most of the year. The Reserve Fund Balance which was over a million dollars prior to the 2015 roofing project is now at \$641,937.31, showing us as fully funded. Reduction due to roof project. Bruce stated that our biggest expense increase continues to be property insurance. It has increased two-fold in the last 10 years, as it has for entire State of Florida. Harry gave credit to Associa for giving him access to their financial controls, which are an invaluable tool. In the past year, with the help of our Associa Manager, Linda, we have been able to renegotiate most of our ongoing contracts, which has helped to lower our expenses in several categories. Kim made a motion to accept the November Treasurer's Report as it was presented. Bruce seconded the motion, a vote was taken and the motion passed to accept the report.

Manager's Report – Linda reported that all of the landscape lighting had been replaced and is fully functional. Homeowners report that some of the timers may need to be looked at and she will follow up with the maintenance staff on this. The grill bases have suffered from rust damage and are currently being repaired by the maintenance staff. Bruce purchased a hanging scale, which allows the staff to weigh gas grill propane tanks so they can replacing them in a timely manner. The staff keeps a few replacement tanks on site for rapid replacement. Homeowners currently staying on the property reported a few other items that Linda will be looking into regarding the maintenance staff's daily routine. All agree that the property needs to be walked daily by the maintenance staff.

Landscape Plan – Bruce is considering taking this project. Paul Sottile began working on this in 2015 and the Board has all the information and quotations that he obtained. Harry thinks we should start on this before the hot weather hits. The 2016 Budget puts the funding in place for work to begin.

Financial Committee – Harry reported that the December end of the month figures are not yet in. We will have them for the February meeting.

Boat Slips – A five member Boat Slip Association Board is now actively in place. Both Denise and Bruce are on that Board as representatives of BBR Condo Assn. A budget has been approved by that Board and sales of the boat slips have begun with 5 currently sold to BBR condo owners at the time of this meeting. Barry Barkley of BBVR handles the rental of the boat slips for the Developer and he needs to be updated on which docks have sold. Bruce has action.

2016 Audit – Harry made a motion to give written notice and cancel our agreement with last year's auditor. Kim seconded the motion, a vote was taken and the motion passed. Harry made a motion to contract with Miranda Marlecki for 2016 if her contract price is \$5000 or less. Bruce seconded the motion, a vote was taken and the motion passed. Harry stated that after 2016 we will get back on schedule to complete audits only once every three years.

Laundry – We have 12 laundry rooms equipped with aging equipment. The maintenance staff spends a significant amount of time collecting laundry income (coins) and converting them to money orders. We have considered two proposals for contracts with companies who will replace our aging washers and dryers, collect the funds and split the proceeds 50/50 with the Association. Given the cost to maintain/replace equipment and time to collect money by our staff the Association will net more laundry income by going with a laundry service contract vice managing laundry equipment on our own. Bruce made a motion that we accept Commercial Laundry's terms (best of two proposals) and proceed with signing a contract with them. Harry seconded the motion, a vote was taken and the motion passed.

Reserve Study - Harry states that the reserve study used for the 2016 Budget was done in 2012 and that a new one should be done in 2016 before work begins on the 2017 Budget. Linda and Harry will begin obtaining bids over the next few months.

Parking Passes – Sufficient replacement Parking Passes are still on hand. Abuses are still happening but have been less than previous years. The Board agreed that we would continue using the current passes.

Clubhouse – Our lease with BBVR use of the Clubhouse continues while they await the completion of a storage building located on Salt Rock's property. Salt Rock recently poured cement for a ramp and walkway to access the storage building for BBVR, which encroaches on a

few feet of our property along the fence near the maintenance shed. The Board has asked for advice from our attorney. The Board agreed to look into this before requesting removal of the ramp.

Commercial Property Appraisal – The Board believes it is time for a current appraisal of our property to be scheduled. The Clubhouse will be included in that appraisal and then decisions need to be made as to what can be done with the building. Some board members fear any use will be cost prohibitive. Eric believes we are spending a lot of money to insure the building now and if we open it for the owners use, that cost will only go up. One owner present at the meeting; suggested we cancel hazard and flood insurance on the building, retaining only liability coverage. Linda will work on obtaining a commercial property appraisal for our holdings to include the club house, gazebo, fishing pier and 2 docks owned by our Association. We will use this appraisal for insurance purposes and to assist us in making decisions regarding the Clubhouse.

Bruce made a motion to adjourn the meeting, Kim seconded the motion, and all agreed to adjourn at 7:50PM.

Barefoot Beach Resort, Treasurer's Report November, 2015

Summary Of Operating And Reserve Account Balances

	November Balance	October Balance	
Operating cash	92,954.45	89,530.75	
Prepaid Owner Maintenance Fees	25,080.30	30,013.25	
Reserve Funds Balance:	641,937.31	691,662.97	
Unallocated interest in reserves	46,589.85	46,564.81	
Month Net Income / (Loss)	10,649.14	(9,812.43)	
YTD Net Income (Loss)	47,087.20	36,438.06	
Prior Year Funds	88,166.92	88,166.92	
Delinquency Report Owed Total	17,437.82	15,653.57	
Delinquency Report Owed >120 days	7,559.36	6,272.45	(4 accounts)
Line of Credit Outstanding (prime+.5%)	5,000.00	,000.00	
Developer Loan Outstanding (4.25%)	49,310.27	52,099.87	

Monthly Financial Statements

1. Continued favorable financials through November

YTD Financial Statements

1. YTD underrun \$47,087.20

Preliminary December Information

1. PRELIMINARY December actuals continue to look favorable Month Under \$9,608 and YTD under \$56,695.
2. Initiated payoff (close out) of Developer Loan and paydown (keep open) Line of Credit at BB&T.
3. Also to close out BB&T account #1325 reserve account with remaining funds to be placed in a 15 month Associa supported Ameribank Reserve account CD yielding 1.11%.
4. Requested retaining the current BB&T 1326 Reserve account (\$94,321.81 as of 10/31) and add monthly reserve transfers to this account and use for any near term reserve expenditures.
5. Melissa at Associa has suggested we establish accounts at Union Bank (their new preferred bank) – need to discuss when we would want to do so and subsequently move lock box, and remaining BB&T accounts.