

**SANDESTIN OWNERS ASSOCIATION, INC.**  
**BOARD OF DIRECTORS MEETING**  
**October 21, 2010**

**MINUTES**

Board Members Present:            Dave Stowe, President  
                                         Roger Ganger, Vice-President  
                                         Dr. Tom Salmon, Secretary  
                                         Andy Salmon, Treasurer (via teleconference)  
                                         Rusty Decker, Director  
                                         Ken Lloyd, Director (via teleconference)  
                                         Don McQuade, Commercial Representative  
                                         Joe Bracciale, Commercial Representative  
                                         John Russell, Declarant Representative

SOA Staff Present:                 Sandy Matteson, Executive Director  
                                         Jami Williams, Executive Assistant/ HR Admin  
                                         Robin Sedor, Director of Finance  
                                         Tom Cooper, Director of Security  
                                         Victoria Klamerus, Director of Communications

The Sandestin Owners Association, Inc. Board of Directors held a meeting October 21, 2010, in the Sandestin Owners Association Main Conference Room, Sandestin, FL.

**CALL TO ORDER**

Dave Stowe, President, called the meeting to order at 8:32 a.m.

**ESTABLISH QUORUM**

Sandy Matteson, Executive Director, acknowledged that a quorum was established with all 9 Board members present with 2 by teleconference.

**DISPOSITION OF PREVIOUS MINUTES**

Roger Ganger made a motion to approve the minutes dated September 16, 2010 as submitted. Tom Salmon seconded the motion and it carried unanimously.

**NEW BUSINESS**

**Tram Presentation**

John Russell presented the Board with information regarding the current tram system which is fully funded by the resort through the Park and Amenity Fee. Mr. Russel informed the Board that the resort could not continue to fund this service at the current level. He reviewed general information regarding the amount of traffic through the gate in Sandestin, how many guests actually use the tram system and the cost of providing this service annually at almost \$2 million. Mr. Russell explained that the resort believes transportation should be funded by the entire community or the SOA because the entire community uses it. It is estimated that the resort would need to spend 700,000 in the next 2 months to revamp the aging system by purchasing new vehicles. He also noted that the current vehicles are not environmentally appropriate as they use 500

gallons of fuel per week. As part of the changes the resort would restrict all Sandestin Investment Inc. owned parking to Club Owners and Sandestin Investment Inc. guests, which would have an impact on the entire community. This community impact includes an increase in traffic throughout property and the inability for guests and SOA members who are not a part of Sandestin Investment Inc. to park at the beach and the Village. This would likely reduce revenue for Village merchants and result in parking violations. With this information in mind, Mr. Russell tasked the SOA to create a funding mechanism to support a community wide transportation system. He noted that the resort is open to managing the system for the community or contributing to funding a system managed by others.

Discussion took place amongst the members. A request for a breakdown of the past 3 years concerning the cost of transportation was brought forth. All members agreed that they felt like there wasn't enough information on the table to accept responsibility for this project at this time.

John Russell made a motion to task the SOA to create a funding source to help provide transportation to Sandestin as a community. Joe Bracciale seconded the motion and it failed with 2 votes in favor and 6 opposed.

Rusty Decker made a motion to form a subcommittee to research and discuss the community transportation issue. Roger Ganger seconded the motion and it carried unanimously.

Andy Salmon also requested that the golf cart policy be added to the Traffic and Safety Committee agenda for further review.

### **Repair of Bridge and Rail Detail at Linkside/Fairways**

Sandy asked Members to refer to the pictures in the Board Packet as she explained the proposed project for the bridge and rail detail at Linkside/Fairways. She announced that 2 bids had been placed for the project which is scheduled to be completed before the end of the year. She also mentioned that it is a goal in the future to make all bridges consistent with One Sandestin with similar rail designs.

Ken Lloyd made a motion to approve \$33K from the Operating Budget to cover costs for the bridge and rail detail repairs at Linkside/Fairways. Joe Bracciale seconded the motion and it carried unanimously.

## **COMMITTEE REPORTS**

### **Nominating Committee**

Dave Stowe reminded Members that the Advisory Board Meeting was to be held the next day at the Linkside Conference Center in Ballroom A and B. He advised that a committee would need to be formed to handle the election in accordance with the SOA documents.

Rusty Decker made a motion to appoint Phillip Hummel, Chuck Stoyer, Victoria Klamerus, Verda Lawrence, Heather Neuman and Marci Todd to the Election Committee held October 22, 2010 for the Advisory Board Meeting. Roger Ganger seconded the motion and it carried unanimously.

## **Finance Committee**

### **September Financial Report**

Robin Sedor, Director of Finance, reviewed the September financial statements. She stated that total cash in all accounts was \$8,033K. The total in the Operating accounts was \$2,895K. Reserve Cash was \$5,137K; of that \$1,393K was in Capital Contributions Cash.

The Accounts Receivable balance was \$817K without the Allowance for Doubtful Accounts, which was \$454K. \$157K was due for late fees and finance charges and the balance did include a \$13K Capital Contributions accrual.

Other significant balances were reviewed and Robin reported that there was a \$342K expense accrual and a \$37K payroll accrual. Total Reserve Fund balances were \$5,444K, with \$1,692K in the Capital Contributions fund. Total Assets and Liabilities were \$9,419K. Net income totals \$433K.

Other reports were reviewed including the summary of the Statement of Operations and it was noted that September revenue totaled \$655K. Of that, \$506K was Assessment Revenue. Year-to-date Assessment Revenue totaled \$4,555K and total year-to-date Revenue was \$6,010K. Expenses were \$612K for the month and \$5,578K, year-to-date. This total was \$310K under year-to-date budget. Robin reported that legal expense and tax expense, as well as Security were under budget and Revenue was \$280K over year-to-date budget.

In reviewing the Reserve Statement, Robin reported that \$66K was billed for Capital Contributions in September and \$556K was billed year-to-date. The Capital Contributions overview showed \$608K in year-to-date revenue. That amount includes parking lot revenue of \$47K and \$5K in interest on bank accounts. Year-to-date total for expenses was \$237K. Expenses in September included the East Gate Relocation costs, a pursuit cart for Security and some Lake Aeration work. The Capital Contributions fund balance totals \$1,692K.

The sales report was also reviewed and it was noted that there were 31 sales in the month of September, for an average sales price of \$382K, up from \$306K in August. That total excluded 1 foreclosure and 4 lot sales.

### **Manager's Report**

Sandy Matteson, Executive Director, reviewed her manager's report highlighting several of the projects currently underway at the SOA. She announced that the SOA will have a new website by the end of the year that will be secure with a variety of new information and features and more navigable. Owners will be able to pay assessments online with this new site. Joe Bracciale also offered to provide a monthly update concerning sales at the resort for the website.

Sandy announced some staff changes at the SOA, including the new accounting assistant, Marci Todd. She also spoke about training that is taking place including security and property services customer service training and excel training for office staff. She updated Members on the status of the Linkside Drainage Project noting its completion. The Salinity Project is currently underway with anticipated completion by the end of November. Sandy announced that the recycling program at Sandestin is scheduled to launch in November with bins set to be delivered over the next couple of weeks. A meeting recently took place that she and the Director of Security attended with the local County Sheriff concerning drunk driving on SOA roads. A solution for this situation is still in the works and will be brought back to the Board at a later date.

Sandy finished with an update on the status of the East Gate renovation. She noted some changes to save on cost and time including the removal of the sidewalk to Applebees, because it isn't necessary with the others sidewalks being present. Contractors are estimating that the project will be completed on time.

## **OLD BUSINESS**

### **Employee Road Easement**

Mr. Stowe introduced John Heiser, Vice President of the Howard Group, and announced that the Howard Group is requesting an extension of 6 months on the Employee Road Easement which was a requirement of the Howard Group Settlement Agreement. Mr. Heiser explained that the Howard Group feels it would be best to hold off on this project until a clear picture has been established for where Sandestin is going under the new ownership of Tom Becnel.

Ken Lloyd made a motion to accept the 6 month extension request for the Employee Easement Road so long as the project runs according to schedule. Rusty Decker seconded the motion and it carried unanimously with the exception of Joe Bracciale who left the room briefly.

## **NEXT MEETING**

The next Board of Directors meeting will be held Thursday, November 18, 2010 at 8:30 a.m.

## **ADJOURNMENT**

With no further business brought before the Board, at 9:52 a.m. Rusty Decker made a motion to adjourn the meeting. Tom Salmon seconded the motion and it carried unanimously.

Respectfully submitted,

Tom Salmon  
Secretary

Transcribed by: Jami Williams