St. Augustine Ocean & Racquet Club Condominium Association, Inc.

DRAFT - Minutes

Annual Meeting of the Members

To be held in the On-Site Clubhouse

October 20, 2018 at 10:00 AM

1. **Last Call for Proxies:** Management called for final proxies

2. **Call to Order: -** Robert Jones, Chairman, called the meeting to order at 10:00 AM on the date and location listed above

3. **Determination of a Quorum:** A quorum was not achieved.

4. **Approval of Minutes of the 2017 Annual Meeting of Members (October 17, 2017):** Due to lack of a quorum the approval of the minutes from the 2017 Annual Meeting were deferred to a future meeting.

5. **Introduction of the Candidates for Election to the Board of Directors:** The chair recognized and introduced the following candidates for the Board of Directors: Len Cayce, Don Davis, Lou Dubowicz, Dan Griffin, Carol Kuhn, James Macaluso, Michael Providence, David Rutherford, Harold Shailer and Don Welch.

6. **Last call for Ballots (commence counting ballots):** A last call for ballots was made by the chairperson. Management instructed the election committee to commence counting the ballots.

7. **Officer Reports**
   - **President's**: Robert Jones, Association President, began his report by commending the current board and their accomplishments for the past year. Mr.Jones continued on to thank Ellen Lumpkin and her staff as well as the office staff for their continued hard work all year during what has been a tumultuous year at best. In addition, he thanked David Rake and his staff for their continued hard work. Mr. Jones went on to thank the Board members and Committee members that devote many hours volunteering their time including Andreas' election committee. Mr. Jones went on to address several of the challenges that Management has faced during this past year including two years of storm repairs, increases in utility bills and various accounting issues with some budget short falls. Mr. Jones addressed some of the reasons for the increase in the dues which included damages from the two hurricanes amounting to approximately $75,000, decrease in rental contribution, increased costs of internal auditing in an attempt to discover and recover outstanding overdue amounts from owners that had not been collected. Also included was a redesign to the web site to make it more user friendly. The latest Reserve Study required us to increase our contribution to remain fully funded.

     Treasurer: Carol Kuhn, Association Treasurer, began by thanking her committee members as well as the Sovereign & Jacobs staff for their patience and helpfulness. Mrs. Kuhn announced that the operating account is up from $317,981 to $342,498 or 3.79 months. The Reserves are up from $503,588 to $513,299. Reserve expenditures are down from $29,948 to $14,276. The Reserve is being fully funded each month. Once the audit is complete they will advise as to how much is recommended to be transferred from the Rental to the Association Operating. Delinquencies are down from $8,889 to $6,918 with one unit being with the attorney. We are collecting for another unit that was in arrears from their rental income.

8. Committee Reports

- **Finance**: See Treasurer's Report
- **Rental:** Gail Garvey, Rental Chair, thanked the Office Staff including Lily, Staci, Stephanie as well as the Sovereign & Jacobs team. The Rental Committee's mission is to increase occupancy as well as revenue. To-date of the 279 units at ORC 120 of them are in the rental program and 5 are long term leases. January to present, 17 units have left the rental program, 15 of these sold to new Owners. April 2017 through August 2017 reservations equated to 1,472 versus the same time period in 2018 which equaled 1,030. Ms. Garvey went on to discuss unit upgrades, market evaluations and off season packages. To-date this year we have accomplished new rental rates, housekeeping improvements, in-house linen program, new internet program, HomeAway implementation, and inventory of all units. The office will be working with the social committee on upcoming programs.
- **Rules**: Michael Providence, Rules Chair, could not be present but had Bob Jones address the new pet rules and guidelines which have been implemented. A contract has been signed with Ecco but is only for one year
- **Building & Grounds**: Lou Dubowicz, Building & Grounds Chairperson, thanked his committee as well as the maintenance team. Accomplishments of the past year were the new backflow for the property, back of office renovations, bulkhead repairs, and renovations to the pool bathrooms. The next projects will include the remainder of the bulkhead, resurface of the south tennis court and one new beach walkover.
- **Social:** Athena Duddy reported on behalf of Susan Welch the Social Committee Chairperson and thanked her committee as well as the staff for all the hard work for the busy social season. The committee is looking forward to a busy season for this upcoming year. As always, new members are welcome.

9. General Business to come before the members:

- Questions from the membership were answered by Mr. Jones.

10. Announce results of Director Election

The newly elected candidates to the Board

Two Year Terms

Carol Kuhn - Treasurer
Lou Dubowicz - Director
Mike Providence - Vice-President

One Year Terms

Don Davis – Director
Dan Griffin - Director
Don Welch - Secretary
Bob Jones - President
Bill Duddy - Director
Calum Jaap - Director

11. **New Presidents Comments:** Robert Jones, President for the 2018-2019 Year, again thanked the staff and his fellow board and committee members for their hard work. New committee members and board positions will be posted in future meeting minutes.

12. **Adjourn:** With no further business to conduct, the meeting was adjourned at 11:45 am