

SUNNYSIDE BEACH AND TENNIS

OCTOBER 22ND, 2022

BOD MEETING MINUTES

Meeting properly noticed and sent to owners. In attendance: Paul Hinman, James Briscoe (by ZOOM), Jon Cline (by Zoom), Mike Turner and Robert Young. Brad Cole and Patt Lothar were not in attendance.

Motion was made by Mike Turner to dispense of the reading of the minutes from July 23rd, 2022 and approve as written. Motion second by Robert Young. Minutes accepted.

Jon Cline gave the treasurer report stating Rental income was more than expected. Expenses were up in the following areas:

Pool Supplies- increased by 10%, Utilities increased by 8%. Grounds and office supplies increased by around 10%. Building one spent \$100,000 this year to re-do building.

Jon stated we paid \$214,000 for insurance this year and expected to be around \$275,000 for 2023 due to increases in insurance coverage.

Tammi Link stated she would hold her report until the owner's meeting but thanked Nick and Maggie for a wonderful dinner.

Gene McGriff stated he was concerned about how much our insurance coverage was going to cost in 2023. Gene expects our increase could be as high as \$290,000. Reports from Gene and Rob Tallent will be included with minutes. There was discussion. Rob Tallent will speak more at the owner's meeting.

Robert Young stated he would give his report at the owner's meeting.

No Old Business

New Business: We have a contractor to do the pool repairs in line to begin pool work in November. The vendor is Sapp Pools.

Motion made by Robert Young to adjourn the meeting. Second by Mike Turner. Meeting adjourned at 10:15 am.

Minutes prepared by Tammi Link



Sunnyside Beach and Tennis Resort
2240 Front Beach Road
Panama City Beach, Florida 32413

BOARD OF DIRECTORS MEETING

DATE: October 22nd, 2022

TIME: 10:00 AM

PLACE: Clubhouse at the above address

1. Call of roll
2. Proof of notice of meeting
3. Reading and disposal of minutes (July)
4. Report of Officers & Committees
 - a. Financial – Jon Cline
 - b. CAM Report - Tammi Link
 - c. Building Grounds-Brad Cole
 - d. Insurance- Gene McGriff
5. Old Business:
6. New Business:

POSTING: This notice has also been posted on the community property, mailed or delivered to each member in accordance with the bylaws and statutory requirements
September 22nd, 2022-Posted 9-22-2022

SUNNYSIDE BEACH AND TENNIS RESORT

JULY 23rd, 2022

BOD MEETING MINUTES

Meeting was properly noticed and sent to owners. In attendance: Paul Hinman, James Briscoe, Jon Cline Patt Lother, Brad Cole, Mike Turner & Robert Young.

Motion was made by Brad Cole to dispense of the reading of the minutes and to approve as written from April 23rd, May 28th, and June 11th. Will make one edit to the amount leftover from last year's insurance assessment change to \$16,000. Motion was 2nd by Robert Young. Motion carried. Minutes were approved.

Jon Cline gave the financial report. Reports were sent to owners. Financially other than Hydro Scout expenses have been very close to budget. Kept dues minimum. We had the reserve assessment to the owners which we have received over half with remaining amount due in October. Rental is a significant \$13,000 more than budget. We are within the budget. Funding up \$150,000 in reserve account.

CAM-Tammi Link

Introduced Richard Richards. He started last month, I am very grateful to have him. He has an extensive background in hotel management. Richard, Julie, and I have been working with Richard to get him trained.

We will put plastic down on the floors. Owners will be responsible for putting furniture back out after the storm.

Brad and Teresa Cole lost her father. Our prayers are with the family. We have received \$3,000 from our beach service for commission. Lauren and Anthony with Light Me Up are doing the movie night. All is going great. We have new owners of unit 13. Their names are Kevin and Megan Snider from Charlotte, TN. Unit 55 is currently under contract. Bob Klemen stated his wife Sherry has had cancer treatments with no adverse reactions. She is scheduled for testing in a week. All insurance monies have been collected except for the additional assessment. We have 9 owner's left to pay ½ reserve. There is a bank being built in front of Publix. No one is over 90 days in arrears.

INSURANCE: Tammi stated Gene McGriff would like to have a meeting with Rob and owners for a question and answer.

Building & Grounds:

Brad stated Delayed palm trees by 4 weeks. Robert stated finished building 1 and 2. We spent \$86,600 and budgeted \$105,000. It was stated \$37,000 was spent on the Hydro Scout project. Six units were identified with crack pipes found. Robert talked to a couple of different plumbers. They stated you should not do anything if there is currently no leak. These cracks currently are no threat. The cost would be \$52,000. This was put on hold due to the other expenses we have.

Old Business:

Boatyard parking & storage: Decide on charging fees for parking and storage:

Paul stated last year we passed motion boat and trailer storage not to exceed 32 feet and trailers not to exceed 16 feet. Limited hours of 6:00 am to 10:00 pm. We are having difficulty finding someone to do repairs necessary. We should implement charges as people are using the areas currently. Paul stated we should only charge monthly if someone wants to rent for 1 to 6 months. There was discussion. Patt stated the west side would be the catchall for storage. In the meantime, there is a fair amount of pushback from the owners it is difficult to get in and out of the area. People have started using the east side. We could use the east side for all storage. Patt stated we should grandfather in owners with trailers currently. The ground is not ready, but people are still parking on the east side. Understanding we will need to prepare this area. There was discussion. It was stated we must treat everyone the same. Collect monthly. Motion made by Brad Cole start charging July 17, 2021, start charging September 1, to include all new storage will be on the east side Robert Young 2nd the motion. Brad rescinded the motion.

Brad made the motion to implement all fees and regulations with the addition of all new long-time storage will be on East side. Robert Young 2nd the motion. Motion approved by roll call vote.

New Business:

Vote on raising registration fee which is currently \$50.00:

Jon stated expenses have increased by \$40,000 in the last year and does not include insurance increases. We want to increase income in areas where expenses have increased. This would include rentals and non-rentals. By increasing this fee, we would receive an additional estimated \$40,000 in income. There was discussion. Paul stated this increase in the registration fees is to properly allocate where needed. Rentals and non-rentals use more of the facilities for example the pool and other amenities. We have an increase in water usage. A letter will be sent to owners informing them of the increase in the registration fee. If you have a guest arriving after business hours, the guest is to contact the office before they arrive. We need to know who is on property. James stated the rentals help offset expenses substantially. Without the rental program the association would be in financial jeopardy. Last year the rental contributed \$120,000 to the association.

Jon Cline made the motion to consolidate the rental two amenity fees into one fee increase the registration fee to \$150 and change the name to resort fee. Starting September 1st, 2022. Roll call was made. This is for the use of the facilities. Inflation of cost associated with rentals. Mike Turner 2nd the motion. There was discussion. Motion passed by roll call.

Patio Extension unit 51

Robert stated the owner wanted to come out 7 feet. It was suggested to let the owner come out to 4 feet. Some irrigation heads have been covered up and it was suggested to clean this area. This is inline with the other patio extension. Robert made a motion to approve 32 square feet for unit 51 patio extension. Patt Lothar 2nd the motion. Motion passed

Motion made to adjourn by Robert Young. Motion 2nd by Mike Turner. Meeting adjourned at 10:38 am.

Minutes done by Tammi Link- CAM

Sunnyside Beach & Tennis Club

Balance Sheet

As of September 30, 2022

	Total
ASSETS	
Current Assets	
Bank Accounts	
Community Bank - Assessment Money Market	135,210.32
Community Bank - Reserve Money Market	414,887.66
Community Bank Operating Checking	26,942.15
Total Bank Accounts	\$ 577,040.13
Accounts Receivable	
Accounts Receivable	(175.00)
Accounts Receivable - Owners	16,330.60
Accounts Receivable - Reserve	(7,476.36)
Total Accounts Receivable	\$ 8,679.24
Other Current Assets	
Due From Operating	393.48
Due From Rental Corp	(28,948.08)
Due from Reserves	(8,048.50)
Prepaid Insurance	142,846.00
Total Other Current Assets	\$ 106,242.90
Total Current Assets	\$ 691,962.27
TOTAL ASSETS	\$ 691,962.27
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
Credit Card	878.06
Total Credit Cards	\$ 878.06
Other Current Liabilities	
Deposits for Sign Project	1,161.09
Due to operating from Reserve	(8,048.50)
Due to Reserve	393.48
Insurance Payable	142,436.30
Payroll Liabilities	
Federal Taxes (941/944)	2,687.84
Federal Unemployment (940)	192.48
FL Unemployment Tax	23.68
Total Payroll Liabilities	\$ 2,904.00
Total Other Current Liabilities	\$ 138,846.37
Total Current Liabilities	\$ 139,724.43
Total Liabilities	\$ 139,724.43
Equity	
Fund Balance	323,835.87
Fund Balance - Reserve	70,224.00
Fund Balance, Rental	7,114.43
Net Income	151,063.54
Total Equity	\$ 552,237.84
TOTAL LIABILITIES AND EQUITY	\$ 691,962.27

Sunnyside Beach & Tennis Club

Profit and Loss

January - September, 2022

	Assessment	Association	Reserve	TOTAL
Income				
Income Account - Assessment				
Insurance Assessment	200,139.61			200,139.61
Reserve Funding Assessment			247,446.49	247,446.49
Total Income Account - Assessment	\$ 200,139.61	\$ -	\$ 247,446.49	\$ 447,586.10
Income Account-Association				
Interest	192.62		680.23	872.85
Late Fees		20.00		20.00
Miscellaneous Income		3,540.46		3,540.46
Monthly Dues		206,749.08	94,941.00	301,690.08
Registration Fees		14,996.26		14,996.26
Work Orders		6,450.46		6,450.46
Total Income Account-Association	\$ 192.62	\$ 231,756.26	\$ 95,621.23	\$ 327,570.11
Total Income	\$ 200,332.23	\$ 231,756.26	\$ 343,067.72	\$ 775,156.21
Gross Profit	\$ 200,332.23	\$ 231,756.26	\$ 343,067.72	\$ 775,156.21
Expenses				
Insurance				
Insurance Expense	350.00			350.00
Property Insurance	133,254.42			133,254.42
Reserve Study	995.00			995.00
Workman's Compensation	(110.00)			(110.00)
Total Insurance	\$ 134,489.42	\$ -	\$ -	\$ 134,489.42
MAINTENANCE & REPAIRS				
Building 1		50.00	11,200.00	11,250.00
Building 10			1,545.00	1,545.00
Building 2		1,562.07	85,532.78	87,094.85
Building 3			21,200.00	21,200.00
Building 4			1,600.00	1,600.00
Building 5			1,700.00	1,700.00
Building 6			1,310.00	1,310.00
Building 7			5,005.00	5,005.00
Building 8			2,425.00	2,425.00
Building 9			1,620.00	1,620.00
Clubhouse		3,676.14		3,676.14
Clubhouse Repairs		472.79		472.79
Fire Extinguisher Service		2,827.82		2,827.82
Grounds		47,489.58	37,978.13	85,467.71
Maintenance Other		1,686.35		1,686.35
Pool Maint/Supplies		21,963.12	3,400.00	25,363.12
Repair & Maintenance		151.03		151.03
Repairs- Work Orders	225.00	3,034.68		3,259.68
Tennis Court		648.21		648.21
Total MAINTENANCE & REPAIRS	\$ 225.00	\$ 83,561.79	\$ 174,515.91	\$ 258,302.70

Sunnyside Beach & Tennis Club

Profit and Loss

January - September, 2022

	Assessment	Association	Reserve	TOTAL
Office Expenses				
Accounting		4,409.80		4,409.80
Bank Fees		10.00	-	10.00
Credit Card Fees		628.90		628.90
Legal		2,850.00		2,850.00
Miscellaneous Expense		1,280.28		1,280.28
Playground Equipment		2,913.84		2,913.84
Postage		688.03		688.03
Supplies & Expenses		6,241.90		6,241.90
Total Office Expenses	\$ -	\$ 19,022.75	\$ -	\$ 19,022.75
Salaries and Wages				
Health Ins. Supplement		1,900.00		1,900.00
Salaries, Maintenance		31,554.63		31,554.63
Salaries, Management		46,626.09		46,626.09
Total Salaries and Wages	\$ -	\$ 80,080.72	\$ -	\$ 80,080.72
Taxes and Licenses				
Business License		211.25		211.25
Payroll Taxes		6,105.43		6,105.43
Pool Permit Fee		450.00		450.00
Total Taxes and Licenses	\$ -	\$ 6,766.68	\$ -	\$ 6,766.68
Utilities				
Cable		40,047.22		40,047.22
Electricity		20,425.55		20,425.55
Garbage		10,546.05		10,546.05
Pest		11,702.19		11,702.19
Security		3,638.23		3,638.23
Sewer & Water		33,480.71		33,480.71
Telephones		5,590.45		5,590.45
Total Utilities	\$ -	\$ 125,430.40	\$ -	\$ 125,430.40
Total Expenses	\$ 134,714.42	\$ 314,862.34	\$ 174,515.91	\$ 624,092.67
Net Operating Income	\$ 65,617.81	\$ (83,106.08)	\$ 168,551.81	\$ 151,063.54
Net Income	\$ 65,617.81	\$ (83,106.08)	\$ 168,551.81	\$ 151,063.54

Comparative Budget Summary for Proposed 2023 Budget and prior years.

2023 budget is effectively flat (operating budget and reserves) with the 22 budget excluding pool reserves. This is in spite of significant inflationary pressures the past two years.

This was accomplished by:

- * Increasing user fees on non-family guests and renters.
- * Being fiscally conservative
- * Assuming Association votes to forego an audit this year.

Budget Comparison	2023 Proposed	2022	2021	2020
Association Expenses (net of Rental Income)	\$ 292,441	\$ 275,784	\$ 288,408	\$ 275,784
Reserves:				
Collected in monthly reserve dues	\$ 259,938	\$ 126,592	\$ 126,592	\$ 104,734
Assessment for remainder of reserves		\$ 150,000		
Pool Resurfacing Hydroscoot		\$ 100,000	\$ 65,500	
Total Reserve Related Funding	\$ 259,938	\$ 376,592	\$ 192,092	\$ 104,734
Total Dues & Assessments (excluding Insurance)	\$ 552,379	\$ 652,376	\$ 480,500	\$ 380,518
Association Operating Funding Change	\$ 16,657	(\$ 12,624)	\$ 12,624	
Reserve - Fully Funding Requirement Change	(\$ 116,654)	\$ 184,500	\$ 21,858	
Net	(\$ 99,997)	\$ 171,876	\$ 34,482	

2023 Change % compared to 2020

Operating Expenses

Reserve Funding

Why is reserve funding up?

- * Added funding pools in 2021 reserve study Clubhouse Renovation.
- * Signage & Campus related items added.
- * Inflation - cost of roof replacement effectively doubled.
- * Historical underfunding of reserve components.

6.0%

148.2%

2022 Reserve Fund Spreadsheet
ESTIMATED YE 2022
PRELIMINARY - SUBJECT TO AUDIT ADJUSTMENT

	Building & Painting 13%	Paving 13%	Roof 47%	Pool 3%	Tunnel 1%	Fence 3%	Tennis 1%	Gulf Deck 4%	Lighting 1%	Clubhouse 5%	Signage 1%	Campus 3%	Balance 100%
January Beginning Balance	\$ 104,479	\$ 5,956	\$ 58,819	\$ 14,779	\$ 7,508	\$ 7,226	\$ 15,100	\$ 3,323	\$ 3,680	\$ (595)	\$ (149)	\$ (357)	\$ 219,769
Cumulative Interest Post	\$ 96	\$ 72	\$ 252	\$ 18	\$ 4	\$ 16	\$ 4	\$ 20	\$ 6	\$ 26	\$ 6	\$ 16	\$ 536
Specific Assessment Levy			\$ 100,000										\$ 100,000
Actual 6.30.22	\$ (96,383)		\$ (20,105)										\$ (116,488)
Estimated rest of year	\$ (20,000)		\$ (5,000)										\$ (150,000)
Cumulative Reserve Post	\$ 61,833	\$ 38,549	\$ 85,255	\$ 16,357	\$ 1,283	\$ 6,871	\$ 187	\$ 11,317	\$ 955	\$ 20,000	\$ 3,125	\$ 4,800	\$ 250,531
Year to Date 12.31.22 estimated	\$ 50,026	\$ 44,577	\$ 119,220	\$ 21,154	\$ 8,795	\$ 14,113	\$ 5,291	\$ 14,660	\$ 4,641	\$ 19,431	\$ 2,982	\$ (541)	\$ 304,348
													Change \$ 84,579

	Building & Painting	Paving	Roof	Pool	Tunnel	Fence	Tennis	Gulf Deck	Lighting	Clubhouse	Signage	Campus	Balance
2022 Rollforward Summary	\$ 96	\$ 72	\$ 252	\$ 18	\$ 4	\$ 16	\$ 4	\$ 20	\$ 6	\$ 26	\$ 6	\$ 16	\$ 536
Cumulative Interest Post	\$ 61,833	\$ 38,549	\$ 85,255	\$ 16,357	\$ 1,283	\$ 6,871	\$ 187	\$ 11,317	\$ 955	\$ 20,000	\$ 3,125	\$ 4,800	\$ 250,531
Dues Income	\$ (116,383)		\$ (25,105)	\$ (110,000)			\$ (10,000)					\$ (5,000)	\$ (266,488)
Expenditures	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Specific Assessment Levy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auditors PY Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pay back operating account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Study Update	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total at 12.31.22 EST	\$ (54,453)	\$ 38,621	\$ 60,402	\$ 6,375	\$ 1,287	\$ 6,887	\$ (9,809)	\$ 11,337	\$ 961	\$ 20,026	\$ 3,131	\$ (184)	\$ 84,579

Balance roll forward from year end

Beginning Fund Balance	\$ 219,769
Dues Earned	\$ 250,531
Interest Earned	\$ 536
Specific Assessment	\$ 100,000
Capital Spend	\$ (116,488)
Subtotal	<u>\$ 454,348</u>
Cash in Account	<u>\$ 304,348</u>