

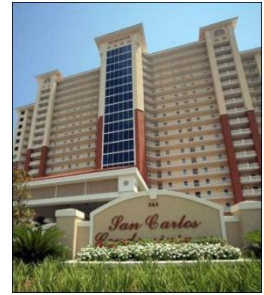
# 2016 ANNUAL MEMBER MEETING



August 27, 2016

# AGENDA

- Call Meeting To Order
- Introduction Of Current Directors
- General Information
- 2015- 2016 Highlights
- Current and New Projects
- Financials
- San Carlos Web Page
- Spring Break
- Parking Policy
- Election Of 2016 Directors
- By-Laws
- Storm Preparation
- Adjourn



# 2015-2016 OFFICERS



- **President-** Bill Womack, Unit 1401  
601.594.7108 - [billw@jrco.com](mailto:billw@jrco.com)
- **Vice President-**Lewis Detlefsen, Unit 1604  
251.597.3688 - [lewis.detlefsen@gmail.com](mailto:lewis.detlefsen@gmail.com)
- **Treasurer** - Ruth Dailey, Unit 1704  
256.651.8985 - [ruth.dailey26@gmail.com](mailto:ruth.dailey26@gmail.com)
- **Secretary** – John Ellison, Unit 406  
205.664.5911 [john.ellison911@gmail.com](mailto:john.ellison911@gmail.com)
- **Directors:**
  - Wade Giles, Units 1706  
225.937.9115 - [wgiles@eeereps.com](mailto:wgiles@eeereps.com)
  - Ed McLaurin, Unit 907  
251.490.6106 - [emclaurin@comcast.net](mailto:emclaurin@comcast.net)
  - Aubrey Smith, Unit 1407  
901.854.2006 [aasmith41@aol.com](mailto:aasmith41@aol.com)

# GENERAL INFORMATION



## ○ Staff

- Peggy Wright - Property Manager Office: 251-948-1900 Mobile:251-747-4111
- Ray Johnson, Maintenance 251-747-5273
- Tyler Deimert, Housekeeping
- Linda McMahon, Weekend Front Desk 251-747-4475

## ○ Phone Numbers

- Office - 251.948.1900
- Security - 251.979.9955

## ○ Address

- San Carlos Condominiums  
365 East Beach Blvd  
Gulf Shores, AL 36542

## ○ Mailing Address for Association Dues

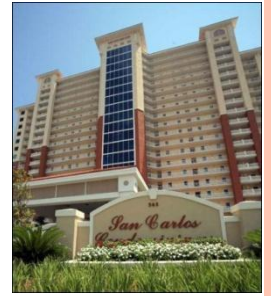
- San Carlos  
P.O. Box 3813  
Gulf Shores, AL 36547

# 2015- 2016 HIGHLIGHTS

- Resealed all balconies and hallways
- Resealed walkway on the first floor
- Repaired building stucco
- Replaced carpet on the conference room
- Repaired pool
- Patio Furniture straps redone
- Replaced Balcony lights (40% done to date will complete in fall)
- New landscape for the building
- Repaired Sand Dunes Fence - Added White Fence in the front
- Installed updated wiring and hardware for wifi/phone/cable,
- Installed water lines to each floor for more efficient maintenance of walkways
- Reviewed and updated policy on
  - Parking passes
  - Lockout and After Hours Calls
  - Renovation Process
- Issued Contracts – Landscape, Internet, IPSC-security



## 2016 PROJECTS (SEP-FEB)

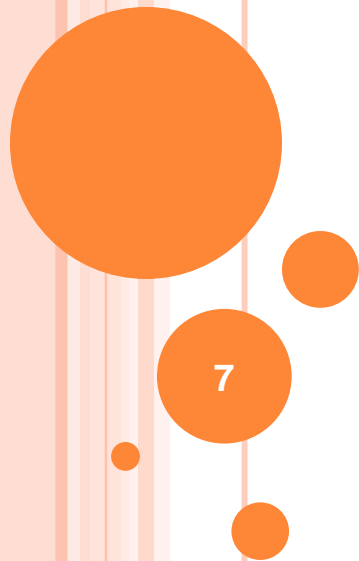


- Replace water pump system for the building and add cooling system to mechanical rooms
- Paint 1<sup>st</sup> and 2<sup>nd</sup> floor garage walls
- Paint All Exterior doors on units and mechanical rooms

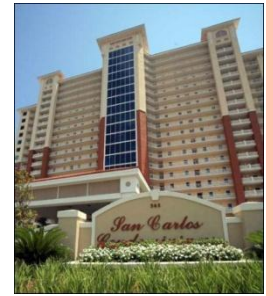
## POTENTIAL NEW PROJECTS

- Obtain quotes on railing replace/repaint
- Obtain quotes on parking lot repairs (areas where pavement has settled)
- Obtain quotes on roof replacement

# SUN DECK EXPANSION HOT TUB



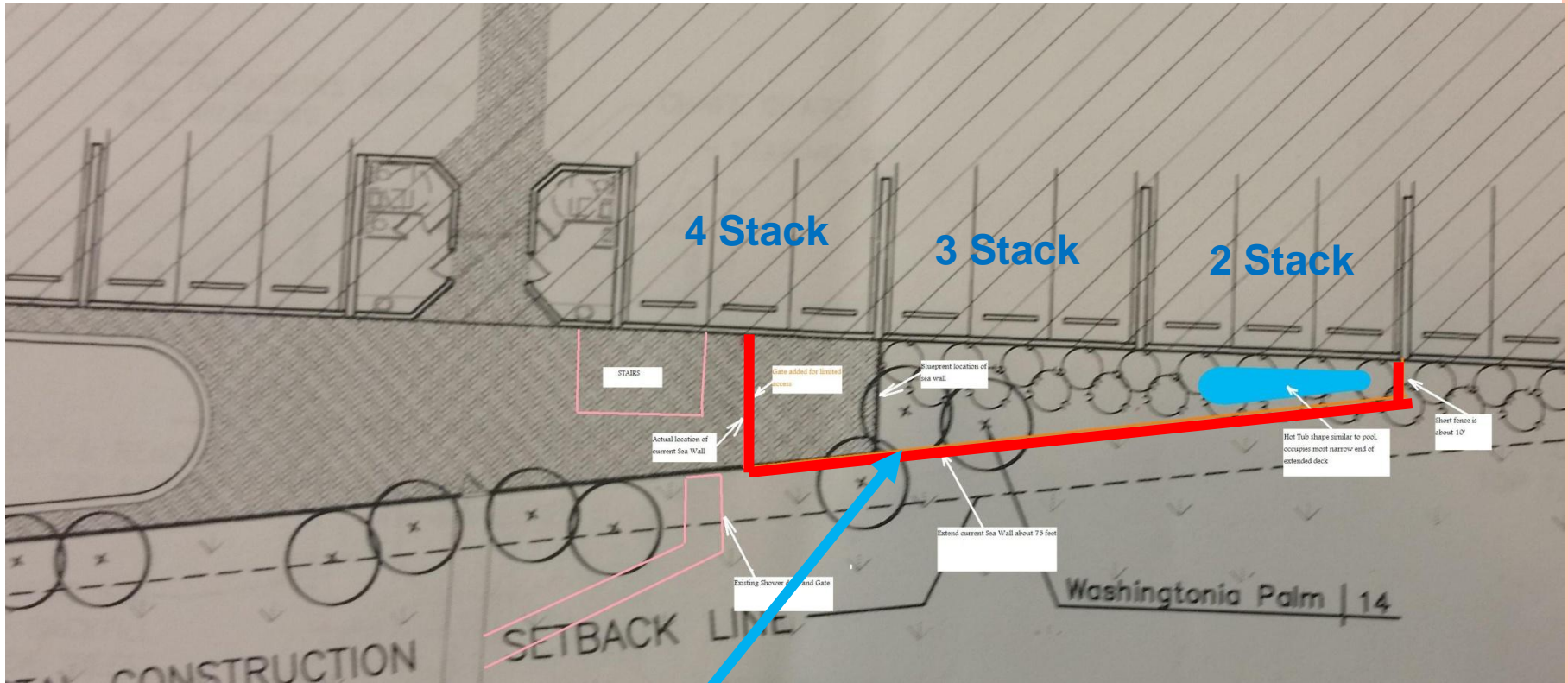
# EXPAND SUN DECK



- 2015 HOA meeting
  - Potential Plan to Expand the Sundeck was presented
    - 2 options (with or without Hot Tub)
    - Requirement for HOA assessment
  - Informal Vote of those present at the meeting indicated there was support for the Expansion with Hot Tub
  - Board took action to pursue
  - BL 7.03 - Expansion of the property requires a 60% approval of voting members at a quorum meeting via formal vote.

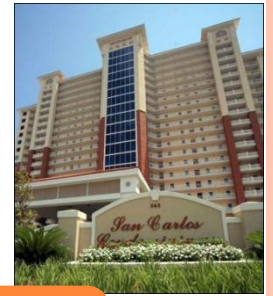


# EXPAND SUN DECK



Adds about 900 Sq Ft Deck & 75 foot added to sea wall length

# HOT TUB - PROS AND CONS 2016



## Pros

- Added Feature for our building
- Something warm for cool months
- More sundeck room (needed)
- May increase rentals and/or rental rates
- May increase property value for sales
  - Comparable Lighthouse sales in past year have been 26% more \$ per square foot vs SC
- Respond to most often asked question... Where is the Hot Tub?

## Cons

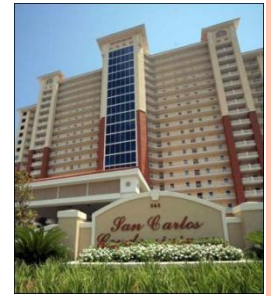
- Requires a one time assessment to all Owners if they use it or not
- May NOT increase Property Value or Rental
- Increased property valued would increase property taxes
- Added yearly costs to maintain a Hot Tub

# ASSESSMENT / SCHEDULE



- Bylaws require assessment funding for any expansion
- **Probable Assessment Deck and Hot Tub** ~\$229,000 / 142 units **about \$1600 avg. per condo** (more for larger units and less for 2 bedroom units)
- Final value dependent upon competitive bid for work
- **Request vote for assessment Not To Exceed \$229,000**
  - To be voted on at end of HOA meeting.
- **Schedule** (if assessment is approved)
  - Subcontractor Competitive firm Quotes 10/16
  - Board Selection of Contractor 11/16
  - All Assessments due NLT 12/15/2016
  - Request work Completion before Spring Break 2017

# POOL DECK / HOT TUB ASSESSMENT VALUES



- Estimate assessment for each unit

¢Unit	Deck+Hot tub
	\$ 229,000.00
¢1.06236% – Unit PH2 and PH4	\$ 2,432.80
¢0.96914% – Unit PH1 and PH5	\$ 2,219.33
¢0.77334% – Unit ending on 1 or 9	\$ 1,770.95
¢0.69985% – Unit ending on 4, 5, 6 and PH3	\$ 1,602.66
¢0.69394% – Unit ending on 3 or 7	\$ 1,589.12
¢0.60615% – Unit ending on 2 or 8	\$ 1,388.08

# EXPAND SUN DECK



# FINANCIALS



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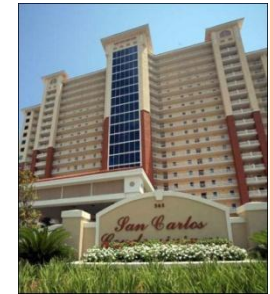
# FINANCIALS

## ○ 2016 Budget - 1,216,517.00



Account	2014	2015	2016 (end of July)	Notes
Checking -Centennial	\$ 84,253.37	\$ 263,514.28	\$ 109,219.04	Working funds
Reserve -Centennial	\$ 103,110.65	\$ 118,996.93	\$ 113,370.74	Improvements funds
Money Market - National Bank of Commerce	\$ 140,331.37	\$ 321,586.48	\$ 322,148.12	Maintained to fix building - see audit report for more information
CD - Centennial Bank			\$ 100,000.00	Maintained to fix building - see audit report for more information
CD - Centennial Bank	\$ 75,000.00	\$ 75,018.60	\$ 175,017.60	Maintained to fix building - see audit report for more information
CD -Vision	\$ 10,231.27	\$ 10,231.27	\$ 10,231.27	Maintained to fix other areas in case of storm
CD - Hancock	\$ 250,250.12	\$ 250,250.12	\$ 250,250.12	Maintained to fix other areas in case of storm
Commercial Unit (C-300)	\$ 130,731.89	\$ 130,731.89	\$ 130,731.89	
<b>Total Assets</b>	<b>\$ 793,908.67</b>	<b>\$ 1,170,329.57</b>	<b>\$ 1,210,968.78</b>	
2015 Insurance Note Payable	\$ (228,730.74)	\$ (228,730.74)	\$ (228,730.74)	
Mortgage Payable on C-300	\$ 92,228.52	\$ 92,228.52	\$ 84,869.29	
<b>Total Liability</b>	<b>\$ (136,502.22)</b>	<b>\$ (136,502.22)</b>	<b>\$ (143,861.45)</b>	
<b>Assessments</b>	<b>None</b>	<b>None</b>	<b>???</b>	

# FINANCIALS



- HOA Additional Income:

Account	2014	2015	2016(end July)	2016 Projection
Beach Service	20,007.02	25,549.67	19,521.47	25,000.00
C-300 office Rental	7,200.00	7,200.00	4,800.00	7,200.00
Parking Permit	67,922.51	109,076.00	85,635.00	125,635.00
HOA's late fee	1,800.00	2,350.00	1,700.00	2,000.00
<b>Total</b>	<b>96,929.53</b>	<b>144,175.67</b>	<b>111,656.47</b>	<b>159,835.00</b>

- 2016 Actual vs. Budget – as of July, 2016 (provided)
- Balance Sheet – as of July, 2016 (provided)

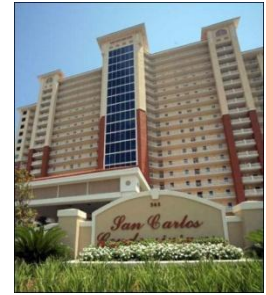


# FINANCIALS



- Association fees **are due on the 1st of the month.** Payments not received by the **10th of the month**, incur **\$50.00 compounded fee.**
  - Many owners “Auto Pay” or “Auto-Draft” monthly
- HOA dues have not increased since 2012
- No HOA assessment since 2012
- **HOA is financially sound**

# SAN CARLOS WEB PAGE



- <http://www.sancarlogulfshoresal.com>
- When information is posted each owner is sent an email notice.
- If you do not receive these notices check your spam or junk folder
- Contact John Ellison (john.ellison911@gmail.com) if you need help.

# 2016 SPRING BREAK



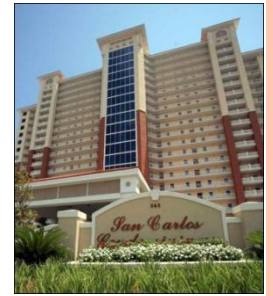
# SPRING BREAK



# 2016 HANGOUT FESTIVAL



# SPRING BREAK



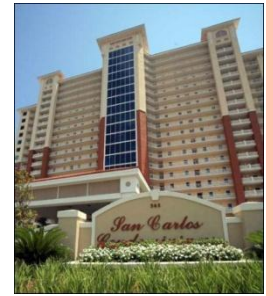
- San Carlos was recognized on “social media” as the place to be.
- People urinating and/or vomiting in the garage, dunes, landscaping, stairways and elevators
- People pouring beer from balcony while friends urinated at same time
- Sex in the elevators & parking garage
- Underage drinking and drug use on property
- City of Gulf Shores enacted a no alcohol policy during spring break.

# SPRING BREAK



- Very little damage to the building
  - Snow fencing and chain torn down on dunes
  - East and west fence damage
  - Approximately 8 units eviction
- Repairs to the building - \$1,750 (new fence)
- Extra security for busiest weeks (Mar 14- Apr 5)
  - additional cost of \$16,231
- Total cost \$17,981 plus man hours to repair
- Total revenue from parking and wristband \$18,870

# 2017 SPRING BREAK DATES



- **Week of Mar 6-12**

- Illinois, Mississippi State, Missouri

- **Week of Mar 13-19**

- Alabama, Auburn, Clemson, Georgia, Indiana, Kansas State, Kentucky, Ole Miss, Ohio State, Oklahoma State, Iowa, Tennessee, Texas, Texas Tech, Texas A&M

- **Week of Mar 20-26**

- Arkansas

- **Week of Mar 27 - Apr 2**

- Baldwin County School, Mobile County School, LSU



# SPRING BREAK



## ○ What we are doing?

- Parking permit is \$40 (special parking permit will be used during that time)
- Issue special non-removable wristband for spring breakers

## ○ What can you do?

- Asked that owners to block the week of **Mar 13-19**
- Restrict rental to people over 25
- Reduce unit capacity
- Others??



# PARKING REGULATIONS



- Respect the Rules & our Security Officers
- Owners or a rental company are responsible for furnishing parking passes and wrist bands to renters.
- Renters may not use Owner's parking decals or Owner Guest passes.
- Please inform your guests and renters that they may have to use the north lot during holidays and local events. **No one is guaranteed** a space in the south side lot.
- Locals using San Carlos – no alcohol at public beach

# PARKING REGULATIONS



- Rental Parking Passes may be obtained from Deborah Robinson at Young's Sun Coast [drobinson@youngssuncoast.com](mailto:drobinson@youngssuncoast.com)
- Owners or Renters may store a utility trailer or boat / boat trailer for no more than 14 days in the north lot. It is hoped this will provide an advantage in the rental market and be a benefit to owners.
  - There is no long-term storage; this is meant to accommodate a vacation.
  - A storage parking pass is \$10 per week for renters and will be issued by the Property Manager at the direction of an owner or realty company. The \$10 fee will be added to the Owner's HOA dues.

# PARKING REGULATIONS



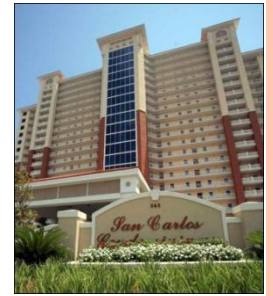
- Vehicles with trailer extensions must park across the street in the north lot or remove the extension from the vehicle
- Board is evaluating a new Towing Approval Process
- Board is evaluating Special Parking pass for Spring Break & Festivals
- A copy of the parking regulations and other rules/procedures is also available at:  
<http://sancarlosgulfshoresal.com/content/rules-and-procedures>

# 2016 – 2017 ELECTIONS



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# BOARD OF DIRECTORS



- The following individuals were elected in 2014 for a two year term which will expire August 2016:
  - John Ellison, Unit 406
  - Wade Giles, Unit 1706
  - Bill Womack, Unit 1401
- The following individual were elected in 2015 for a two year term which will expire August 2017:
  - Ruth Dailey, Unit 1704
  - Lewis Detlefsen, Unit 1604
  - Ed McLaurin, Unit 907
  - Aubrey Smith, Unit 1407

# VOTING PROCEDURES



- Per the By-Laws
  - One vote per unit by owner on deed or register proxy
  - Each vote is for different candidates to fill open positions
  - Ballot is secret
  - Numerical value of vote to which unit is entitled (Exhibit E)
    - 1.06236% – Unit PH2 and PH4
    - 0.96914% – Unit PH1 and PH5
    - 0.77334% – Unit ending on 1 or 9
    - 0.69985% – Unit ending on 4, 5, 6 and PH3
    - 0.69394% – Unit ending on 3 or 7
    - 0.60615% – Unit ending on 2 or 8

# CANDIDATES FOR 2016 – 2017 DIRECTORS

- Total of three (3) open positions for a two year term
- Introduction - Each candidate should discuss their background and express their desire to participate on the SC board:



1. Ronnie Hawthorne, Unit 301
2. Bonnie King, Unit 1502
3. Patricia Haag, Unit 1503
4. Bill Womack, Unit 1401 (INC)



# STORM PREPARATION



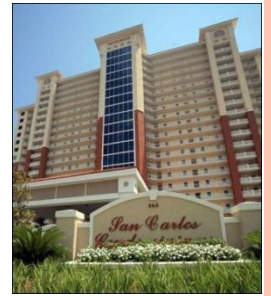
- Balcony patio furniture should be easy to move into the condo quickly. Wall hangings and loose decorations are not permitted (per by laws).
- Unit owners are responsible for removal of patio furniture prior to a storm occurrence. (themselves, rental company, etc)
- Any Unit that has not removed all furniture, two days before projected storm landfall building staff will remove the furniture and set it inside the unit. HOA/YSC take no responsibility for damage. HOA will bill the owner \$25.00.
- Prior to evacuation, the San Carlos staff will power down all elevators. Install Hurricane Barriers (which may take several hours). Common areas & pool access will be closed and the office will be locked. The Generator will be turned off and power to the building may be cut by EMC as the storm approaches. Access to units will require use of stairs.



**SAVE THE DATE:**

**2017 ANNUAL MEMBER MEETING  
SATURDAY 26 AUGUST 2017**





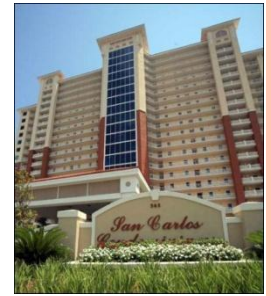
# ADJOURN

# GENERAL INFORMATION



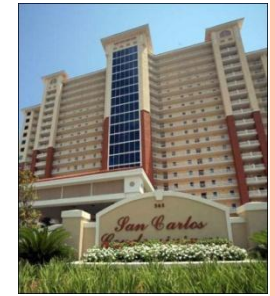
- IPSC Security (251.981.9955) provides security at San Carlos and will respond to after hours use of the pool, loud parties, parking violations, and other issues that are not emergencies. There is often one or more Officers on property.
  - There are numerous security cameras in the common areas that are monitored and recorded by IPSC Security.
- No smoking in common areas which includes the pool, hallways, condo balconies, and parking garages. Many condo units are also no smoking - check your rental agreement.
- Parking is limited to two vehicles per condo and you must have a parking pass visible at all times.
  - Contact your rental company or owner if you do not have parking passes.
  - If you have guests - direct them to park across the street in the north parking lot.
- San Carlos management is not responsible for the condition of the furnishings in your rental.
  - Contact your rental company or owner if you have a problem.
  - But - If there is a leaking water heater or other dangerous condition please contact the San Carlos office 251.948.1900

# GENERAL INFORMATION



- Do not walk in the sea oats, they are very fragile.
- Do not feed sea gulls from your balcony
- Pool hours are 9am - 10pm
  - No glass at the pool
- Fire Code prohibits leaving items in your doorway or on the walkway outside the condos. Please keep your personal items inside your condo.
- Garbage chutes are on each floor near both ends of the building.
  - Please bag your garbage and do not put large items down the chute.
  - There are dumpsters on the ground floor inside the parking garage for large items.
- Awnings and Tents must be north of the poles behind the beach chairs. Look for the signs or ask the beach attendant. Gulf Shores will tag your awning and make you move it if you are on the Gulf side of the poles.
- Beach chair rentals are handled by the beach attendant who is not a San Carlos employee - they work for [Suncoast Beach Service](#)

# BOARD RESPONSIBILITIES & TASKS



- Elect Officers, Welcome new Owners
- Maintain San Carlos Homeowners Web Page; WEB Access & Information
- Represent HOA
  - Look out for the best interest of owners to make SC a safe, clean, happy economical place to visit or live while growing the value of the property
  - Rental Unit Owners, Owners that Live at SC & Visiting Owners
- Watch out for safety & maintenance issues, Respond to homeowner requests
- Work with architectural review committee, Recommend building improvements
- Oversight of building management contract, staff & contractors (Work with YSC)
  - Weekly Managers Activity & Issues Report ; Walk the Building
- Initiate, review and approve all contracts (Supported by YSC)
  - Strive for best value for the HOA thru competition & scrutiny of the contracts (e.g.. Building Reseal, Beach Service, Landscaping)
- Maintain, review, audit and approve all financial reports, taxes, contracts
- Create and approves yearly budget – maintain a 10% reserve fund; maintain storm insurance deductible
- Plan & Participate in quarterly meetings & yearly owners event
  - Weekly, sometimes daily meetings via email for time sensitive decisions
  - Document & publish minutes of each meeting
- Ambassador for San Carlos, Volunteer time

# WHAT YOUNG'S SUNCOAST DOES FOR US:

- Provide daily management of the building
- Maintain a clean and safe environment
  - Maintain warranties for all contracts and equipment
  - Adhere to Gulf Shores building codes and regulations
  - Provide weekly report of building issues, repairs, concerns and accomplishments
- Manage Building staff
- Protect and inspect building before, and after a storm
- Manage parking passes for rental and owners use
- Manage conference room
- Collect HOA dues
- Pay bills (grounds/building maintenance, water, etc.)
- Repair and improve common areas
- Keep financial records
- Purchase supplies required for the operation of the building
- Assist the BOD (annual budget, audit, collection of dues, mailing, record management, etc)





# EXPAND SUN DECK



## ○ Summary of Budgetary Estimates

- Initial estimate ... Fall 2014
- Contractor estimate with input from engineer & pool company
- Without funding was not reasonable to request firm quotes

## ○ Modify Sundeck (add approximately 900 sq ft)

- \$124,000 (update +15% \$142,600)
- Engineering, permits, site prep, sea wall, pavers, gate, fence, electrical, lighting, etc...

## ○ Sundeck with Spa (600 sq ft deck 300 sq ft spa area)

- \$172,000 (update +15% \$197,800)
- Engineering, permits, site prep, sea wall, pavers, gate, fence, electrical, lighting, spa design, equipment & build with power & water, etc...

# EXPAND SUN DECK



- Why? (as presented 2015)
  - POSSIBLY Enhance Property Value for owners
    - Rental Value/Rate comparable with Lighthouse
      - Large Deck area, Heated indoor pool, 2 hot tubs & better parking situation
      - Can't fix it all.... Limited space and money
  - Respond to renter comments...
    - Pool is too crowded, No place to sit, No quiet place to sit
    - Where is the Hot Tub?



**7.03 Alterations. Additions and Improvements by the Association.** Except in the case of loss or damage to the Common Elements or Limited Common Elements as contemplated by Article X or Article XII of this Declaration, the Association shall not make any material structural alterations, capital additions or capital improvements to the Common Elements or Limited Common Elements (other than for the purpose of replacing, restoring or rehabilitating portions of the Common Elements or Limited Common Elements which is in accordance with this Declaration and which does not require an expenditure of more than One Hundred Thousand and No/100 (\$100,000.00) Dollars, exclusive of any funds applied from the reserves maintained hereunder) unless the **same is authorized by the Board of Directors and ratified by the affirmative vote of the voting members casting not less than sixty percent (60%) of the total votes of the Members of the Association present at any regular or special meeting of the Members called for that purpose at which a quorum is present and approved by a majority of the Mortgagees eligible to vote therefor.** The cost of the foregoing shall be assessed against the Owners of Units as provided herein except as otherwise provided in this section. Where any alterations or additions as aforesaid are exclusively or substantially exclusively for the benefit of the Unit Owners requesting the same, then the cost of such alterations or additions shall be assessed against and collected solely from the Unit Owners exclusively, or substantially exclusively, benefiting therefrom, and the assessment shall be levied in such proportions as may be determined to be fair and equitable by the Board of Directors. Alterations, improvements or repairs of an emergency nature may be made upon authorization by a vote of the majority of the Directors available for consultation if the same is necessary and in the best interest of the Members.

# EXPAND SUN DECK

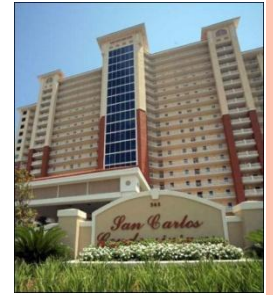
**NOTE: This is for comparison ONLY  
Board makes no assurance that  
improvement of the property  
with a Hot Tub will increase SC  
Property values similar to Lighthouse**



## ○ Supporting Data (Updated)

- Property Values - San Carlos to Lighthouse
- Sales June 14 thru March 2016
- Average Selling Price (per sq. ft.)
  - Lighthouse – 13 listings \$371.50
  - San Carlos – 16 listings \$293.99
  - 26% more per sq ft
- Lighthouse Amenities – Not available at San Carlos
  - Large Sundeck, Heated Indoor Pool, 2 Hot Tubs, Parking, Granite Countertops
  - Slower Separated Elevators, “Opportunity” to see into all balconies
- Noted that SC 2009 Auction may also be holding our values down

# NEW INFORMATION ON HEATING THE POOL



- We have learned that Boardwalk Condominium has a heated outside pool
- Heated with Natural Gas
  - ONLY Heated October, November, Part of December and then March (not heated in Jan / Feb nor warm months )
  - Yearly operating costs for the heating only those months is ~ \$12,000 (smaller pool surface area than SC)
- Estimate to run Natural Gas to San Carlos and install Pool Heater \_\_\_\_\_