



## Sanibel Moorings Annual Owners' Meeting - November 9, 2019 - Revised

**Call to Order:** The annual SMCA owner's meeting was called to order at 9:00 AM by President Jim Fox.

**Introduction of the Board of Directors.**

**Report of Election Inspectors:** Tom Ware reported that Mark Lorenger, Dick Arnould, and Bill Hallberg were re-elected to the SM Board of Directors.

**Quorum established:** 77 units were present or represented through proxy.

**Proof of Notice of Meeting:** Established.

**Approval of Minutes of Annual Meeting of November 2018:** Passed.

### **President's Comments: Jim Fox**

At Sanibel Moorings, we have a wonderful group of owners, a great General Manager, a fantastic staff, beautiful gardens, comfortable well-maintained units, a great reputation, and an outstanding financial position. There were 23 units undergoing restoration this fall.

- ✓ Major Projects completed were:
  - New walkways
  - New additional lighting on the grounds and parking lots
  - Geo-thermal pool heater/cooling on the dockside
  - Many irrigation enhancements
  - Several landscaping projects
  - 3 roof replacements
  - 3 buildings painted
  - Underground conduit for Wi-Fi, phone, and cable service
  
- ✓ Sanibel Moorings is still #1 in accommodations on Trip Advisor this year and a favorite for those wanting to invest in Sanibel real estate.
  
- ✓ E Awards – This year, we had seven Sanibel Moorings employees nominated for the Elaine McLaughlin Outstanding Hospitality Service “E Awards” for their dedication, exceptional customer service and professionalism in the hospitality industry in Lee County. Congratulations to Bill, Miguel, Pedro, Blanca, Gretchen, Tim, and Kari for a job well done!

- ✓ Each year, the bar gets raised, and Sanibel Moorings surpassed expectations because of the dedication of owners, board members, and staff. We can all take pride in what we have here at Sanibel Moorings.

**Dick Arnould, Treasurer:**

Dick said he feels like a broken record from the past year when he says we had a good and profitable year again. For the year, we will show a loss of \$27K but that is largely because we elected to spend/expense \$87K for an additional roof replacement. Without the roof, we would have shown a \$60K profit.

SM has completed approximately \$3 million in capital improvements without assessments. We have a very healthy balance sheet with reserve funds that enables us to borrow money at very favorable rates while retaining our investments and their impressive income. We make money by borrowing.

We lowered the Rental Recovery back to 25% from 26% because we don't see any big projects coming soon. We did raise the Condo Fee \$25 per month as expenses continue to rise. We had not raised this fee for a while but taxes, insurance, maintenance, salaries, services, etc. are always going up.

We've projected a conservative year for 2020 and have budgeted accordingly.

**Introduction of Sanibel's Mayor:** Mayor Kevin Ruane has been the mayor of Sanibel for about 10 years and talked about his number 1 issue, water quality. He is leading a committee of many other Florida government leaders as they try to address water quality and red tide with all levels of government. This committee can't do anything personally except to contact officials everywhere and try to get them to step up to improve the quality problem.

**Kari Cordisco, General Manager:** Kari introduced the 12 members of the best hospitality staff in Florida that were with us at the meeting.

- Candy, assistant manager, 7 months of service
- Pete, maintenance and night grounds, 5 months
- Edgar, grounds supervisor, 3 months
- Tim – maintenance manager – two years
- Miguel – maintenance technician – nearly 5 years
- Vic - maintenance technician – 5 years
- Bonnie – accounting bookkeeper – 7 years
- Andi – front desk associate – 7 years
- Pedro – grounds man and green thumb – 10 years
- Blanca – housekeeping manager - 21 years
- Bill – front office associate and our front office veteran - 22 years.
- Gretchen – laundry supervisor - nearly 39 years. WOW! Thank you all!

## **Kari's General Manager's Report:**

Revenue from rentals was strong last year despite the severe red tide which lasted into the 4<sup>th</sup> quarter last year.

Unfortunately, Red Tide is back again and at high levels from Marco Island to Sarasota (thankfully minus the large fish kill) and it is making the news again. Despite some cancellations due to health concerns, we continue to see strong rental revenue numbers and are pacing well through 4<sup>th</sup> quarter this year and 1<sup>st</sup> quarter of next year. Let's hope it goes back out to sea quickly!

We have some new owners at Sanibel Moorings since the last meeting. They are: □ 1341 James and Brenda Watson from Trumbull, CT

- 1641 Jennifer Zajicek from West Bend, WI – daughter of John and Jean Shumann who were owners of 1631 and were full-time residents for many years
- 1622 Shital and Keren Shah from Edwards, IL

We currently have three units for sale at Sanibel Moorings:

- 522 Gulf Front three bedroom, \$1,295,000
- 821 Courtyard two bedroom, \$579,000
- 1111 Gulf front two bedroom, \$947,000

We've added some new offerings this year for guests and owners: Fishing Rod Rentals and the ability to text the office conveniently from cell phones through a program called Kipsu. We have also enhanced the grill areas, including some very nice new grills and added the hammock and sitting area near building 11.

The lobby had a face-lift shortly after last-years meeting. We have had really great feedback and now other resorts are trying to copy the design and hire the designer too.

And, after being told that we must stop placing chairs and umbrellas on the beach (pre-positioning) we found a way to keep the City, sea turtles, shore birds, owner and guests happy. Staff will place chairs and umbrellas on the beach at 9:30am each day.

### **New Business:**

1. The vote to approve the waiving of the audit of the financial statements for FY 2019/2020 passed.
2. The vote to approve the waiving of reserves for 2019/2020 did not pass (which was our recommendation.)
3. The vote to approve the 2019/2020 budget passed.
4. The vote to approve carrying forward excess operating income from the current fiscal year to the next fiscal year passed.

**Rentals ordinance:** Sanibel will soon require that all rental units will need to register with the city.

**Bedding:** Owners should look at all bedding in closets to ensure that it is current and useable. Housekeeping will keep it clean for use as needed.

**Other Business:**

**Insurance:**

Dave Upton and Jessica Harrison from Brown and Brown, our insurance agents, were available to provide information and answer questions about the Moorings and individual insurance.

**History Presentation:** Arch Smith, Bill Hallberg, and Tom Ware have been working on putting together a small history presentation for each annual meeting leading up to the Sanibel Moorings' 50<sup>th</sup> Anniversary which will be in 2024. 1974 was the official year when the Association was turned over from the developer to the owners – so 1974 is the year we use as our “beginning”. Arch gave a very interesting presentation starting with 1972 as the property was first being developed.

**Schedule of Events:** Kari talked about the schedule for the open houses.

**Evening Activities:** Tom Ware talked about the night's dinner schedule and activities.

The meeting was adjourned at 11:00 AM.

Respectfully submitted,

Bill Hallberg  
Secretary