

**The Sands at Grace Bay
Strata Corp #25 Annual General Meeting
Thursday, June 23, 2011**

Reconstructed minutes

(These minutes have been reconstructed from the notes of various attendees, this was due to the fact that we had a computer hard drive crash).

In attendance

Dolores Rogers, Chairperson
Linda Harper, Board Member
Judy Long, Board Member
Kevin Cross, Board Member
Stan Hartling, CEO and Board Member
Brian Peck, 4101
Alicia Krystek, 4103
Paul McAteer (daughter), 4203
Dan and Maureen Kelly, 6302
Craig White, 3107

The Sands Management

Pierre Beswick, General Manager
Mike Michael, Chief Financial Officer
Karen Gardiner, Financial Controller
Joan Hagan, Director of Owner Relations
Marc Romkey, Commercial Asset Manager

Dolores Rogers (DR) opened the meeting.

DR asked to establish a quorum and Joan Hagan verified that we do have a quorum and can conduct the meeting.

Strata Income Statement – Dec 2010

The major variances report was examined and the following points were stated:

- Income was down \$27,865 compared to budget
- Payroll and related expenses were reduced by \$14,299 compared to budget
- Total other expenses increased by \$19,965
- Giving a net result that was in fact an actual loss of \$33,088 compared to the budgeted \$443

The major positive variances in detail were the following:

- Treatment plant maintenance and supplies
- Grounds and landscaping equipment
- Cooling system and A/c
- Beach Equipment and supplies
- Swim pool supplies
- Swim pool water
- Umbrellas
- Maintenance
- Benefits NHIP
- Employee relations
- Holiday Pay
- Recruitment
- Training
- Vacation pay
- Overtime
- Subcontractors

The major negative variances were the following:

- Gym equipment and repair
- Water
- Insurance
- Miscellaneous
- Treatment plant
- Maintenance income
- Utility income
- Building supplies
- Electrical and mechanical
- Maintenance materials and supplies
- Power
- Swim pool power
- Payroll in the common areas
- Payroll in the pool and beach
- Payroll security
- Staff housing and utilities
- Total staff bonus

Additional items

Election

Those present voted and the submitted proxies were tallied. All existing Board Members were re-elected and DR to remain Chairperson.

Balance Sheet - 2010

Mike Michael (MGM) stated that the actual cash in bank was \$109,000.

Accts receivable amount is the result of nametags replacements for the staff. If the staff lose their name tag they must pay for the replacement.

Inventory – this amount will always fluctuate. Hurricane supplies higher due to preparation for the unexpected hurricane. Total inventories were \$17,000 lower than LY.

Inter-Company Account – MGM stated that this fluctuates all year round depending on what OSM supplies are needed for Strata and was nearly the same as LY.

MGM stated that the CAPEX Reserve is \$148K compared to \$60K last year.

Capital Expenditure

The walkways left to be done are by Building 2 and will be completed this year.

Additional Pool and Beach loungers are being repaired but new ones must be purchased.

Various closet doors were sanded and repaired.

PB stated that in the Gym, the elliptical was refurbished and stair master was removed and will be replaced with an additional treadmill.

Beach access – funds allocated but will be watched closely due to other major projects.

Crime update: zero tolerance committee ongoing with government for better lighting, CCTV, police presence and individual hotels and businesses will be cutting back the bush near their walkways. \$10,000 has been allocated to CCTV.

The owners were given approval to bring in their own energy saving light bulbs.

Other Business:

Bionest – Not officially approved, however discussions were under way and its estimated costs were \$160K plus installation.

Discussions to install heating for Hemingway's main pool.

Further bed bug prevention methods.

To review if current bylaws allow for e-voting.

Bathroom renovations, average cost will be \$6,800.

Improvements on beach; raking under palapas.

Pool and beach hours of proper straightening and organizing of beach chairs and equipment as well as palapa framework repairs.

Meeting officially adjourned at 12:47pm

The next Board Meeting will be December 8th, 2011.