

**GULFSTREAM TOWERS
ASSOCIATION, a CONDOMINIUM
5-Year Strategic Plan as of 1/2012**



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Introduction

Message from the Gulfstream Towers Board of Directors:

The Board of Directors brings you Gulfstream Towers' first ever strategic plan. At this time, Gulfstream Towers has several viable reasons for implementing a strategic plan for future Association management:

φ *Evolution*: Gulfstream Towers, as a fifty-one year old complex, has celebrated its fiftieth year as a complex and nearing its forty-eighth anniversary as a condominium.

φ *Age-related fiscal concerns*: As evidenced by the 2008 Capital Reserve Study, Gulfstream Towers has significant fiscal concerns that must be addressed to maintain competitive real property values in light of age-related maintenance and preservation needs, and surrounding real estate development.

φ *Community concerns*: Downtown Sarasota is experiencing significant new property development. These community concerns have a strong impact on Gulfstream Towers, which could enjoy a better developed sense of community.

φ *Leadership and stewardship*: Having a strategic plan at this time of Gulfstream Towers' evolution is the right thing to do to provide guidance for future Boards and consistency for the association.

Where Are We Now?

The Strategic Planning Process The first ever strategic plan for Gulfstream Towers identifies where Gulfstream Towers needs to go and how to get there in an organized fashion that makes the best use of resources, leadership and community involvement, both within and outside of Gulfstream Towers. The strategic plan is not long-range planning which concerns itself with how Gulfstream Towers can maintain its stability based on current trends. Rather, it is a plan for how Gulfstream Towers can change to maintain stability.

In creating the strategic plan, the Board guided itself by several considerations: Why or how is Gulfstream Towers different from surrounding condominium residential communities? How can Gulfstream Towers capitalize on that difference being a positive one to maintain its stability as a residential community with competitive real property values? What must Gulfstream Towers do to meet this challenge?

The Board then developed statements concerning Gulfstream Towers' mission, vision and objectives for change that follow a timetable against which each Board Director shall focus its energies and priorities and against which the Association shall set its fiscal priorities. We conducted a "SWOT" assessment to identify Gulfstream Towers' strengths, weaknesses, opportunities and threats. From there the Board identified the desired future state for Gulfstream Towers at this time and action steps on achieving it to create the strategic plan.

Where Are We Now?

Gulfstream Towers' Primary Critical Issues

- ◆ Ensure adequacy of funding, both operating and reserve, to timely accomplish objectives of the 2008 Capital Reserve Study
- ◆ Determine what will establish a stable, more cost-effective method of facility maintenance for Gulfstream Towers
- ◆ Institute job descriptions for key Gulfstream Towers management personnel, e.g., Onsite General Manager, Maintenance Superintendent, Office Manager, so job expectations are clearly understood for oversight, regular evaluation and hiring of those positions
- ◆ Capture vested interest of owners and residents for “buy in” to increase committee participation, and Board service for long-term leadership and sharing a common vision
- ◆ Vision: “A Board that looks to the future of their community, as opposed to being committed only to crisis management (or management by exception) that envelope our industry.”

Mission Statement is the roadmap of the vision:

Where Do We Want To Be?

Mission Statement: *“Gulfstream Towers Community Association and its staff are committed to providing the highest quality of life to our residents and owners through an aesthetically pleasing, well-maintained and secure environment. We will provide the most prudent, ethical, team-oriented, creative state of the art management for the community within our capabilities, and be socially and fiscally responsible, not only considering contingencies, but also planning and organizing for them.”*

Where Do We Want To Be?

Gulfstream Towers' Strategic Directions:

Strategic Direction #1: Establish a **Long-Term Fiscal Plan**

Gulfstream Towers will engage in prudent investment, revenue generation, assessment collection and debt management and building maintenance.

Strategic Direction #2: Establish a **Long-Term Operational Plan**

Gulfstream Towers will oversee, regularly evaluate, and hire effective personnel for key Gulfstream Towers management positions, e.g., OnSite Manager, Maintenance Superintendent, and Office Manager.

Strategic Direction #3: Establish a Long-Term Leadership Plan

Gulfstream Towers will capture vested interest of owners and residents for “buy in” to increase committee participation, Board service, and community development.

Strategic Direction #4: Establish a Common Vision

Gulfstream Towers will accomplish its long-term plans through a Common Vision based, in part, on mutual respect and resident participation.

Strategic planning can guide the board and unite our board, management, and members through common goals and objectives,

Many board members think their reserve study is their plan. Not true. A reserve study is an important part of a comprehensive plan, but it doesn't address many factors--like changing demographics, local economic conditions, and aging landscaping and design elements--that contribute to the overall health of your community.

How Do We Get There?

Strategic Directions and Objectives

Strategic Direction and Objectives #1 – Establish a Long-Term Fiscal Plan:

Gulfstream Towers will engage in prudent investment, revenue generation, assessment collection and debt management; Building maintenance.

OBJECTIVES	STRATEGIES
<p>Objective 1.1 Use electronic bookkeeping ledgers to log payment of owner assessments, e.g., monthly common element, special assessments and specific assessments</p>	<p>Strategies 1.1 1. Log payment of owner assessments 2. Log liens, fines and penalties of owner assessments</p>
<p>Objective 1.2 Follow Capital Reserve Study recommendations</p>	<p>Strategies 1.2 1. Regularly review recommendations to set long-term and short-term fiscal goals 2. Redo Capital Reserve Study minimum of every five years from 2008</p>
<p>Objective 1.3 Regularly report financial status to the membership</p>	<p>Strategies 1.3 1. Produce annual meeting financial report F.S. 2. Update financial status after completion of major reserve study recommendations 3. Make other updates as warranted 4. Post all financials on Association website</p>
<p>Objective 1.4 Signatories for checks</p>	<p>Strategies 1.4 1. Two signatures</p>

<p>Objective 1.5 Plumbing: Maintain plumbing stacks flushed Exterior: Painting Roof Windows</p>	<p>Strategies 1.5 1. Have all stacks flushed every three years 2. Document each stacks preventative process</p>
<p>Objective 1.6 Create policy on investment</p>	<p>Strategies 16 1. Procedure for all CD's to be handled on a three , six and annual basis with the signature of the Treasurer</p>
<p>Deferred or scheduled maintenance activities are those the board anticipates will occur as physical assets wear out or break. These activities include painting, pool plastering, and routine repair and replacement of major components and equipment.</p>	<p>Based on Reserve Study</p>
<p>Routine maintenance includes the basic housekeeping chores that are conducted on an ongoing basis. These activities include mowing the grass, routinely trimming shrubs and trees, vacuuming the halls, and keeping the grounds clean.</p> <ul style="list-style-type: none"> a) Landscape: mowing grass, routinely trimming shrubs and trees b) Hallways and Corridors: vacuuming the halls and keeping grounds clean 	

How Do We Get There?

Strategic Direction and Objective #2 - Establish a Long-Term Operational Plan:

Gulfstream Towers will oversee, regularly evaluate and hire effective personnel for key Gulfstream Towers management positions, e.g., Board of Directors, Onsite General Manager, Maintenance Superintendent, Office Manager, Concierge (security guards), and Housekeeping

OBJECTIVES	STRATEGIES
<p>Objective 2.1 Implement job descriptions for each position and employee handbook</p>	<p>Strategies 2.1 1. Ensure adequacy of job descriptions 2. Implement job description through employee review and signature 3. If we have employees; an employee handbook 4. Code of Ethics for Board Members and Manager</p>

<p>Objective 2.2 Conduct regular quarterly performance reviews</p>	<p>Strategies 2.2 1. Schedule and conduct initial performance review within 12 months of initial distribution date 2. Schedule and conduct annual performance reviews thereafter</p>
<p>Objective 2.3 Assess the association’s current status. Plan to hire maintenance person to alleviate subcontractors for common areas i.e. painting, maintaining booster pumps, basically preventative maintenance items, garage</p>	<p>Strategies 2.3 1. Evaluate current status of the state of the facility, infrastructure of the operations, financial statements,</p>
<p>Assess the association’s history and significant accomplishments. Develop a history of the association. List important milestones that brought the association to where it is today. In order to help visualize how the association has changed over the years, include items where impact occurred in the association’s operations, such as: hiring additional staff, upgrade computer hardware/software, changing processes significantly, raising dues, building additional facilities, rebuilding/renovating existing facilities, etc., by dates and quantities/dollars, as appropriate.</p>	<p>Evaluate the association’s current governance structure. Review the operations to determine how responsibilities are assigned, defining communications and authorities. Examine policies, procedures, and desk guides available to determine the chain of command within the association’s staff, within the board, and for oversight and communications between the staff or property management company and the board of directors. Critical is the point of contact for the staff or management company and the board, to preclude misunderstandings, duplications of effort, things falling through the cracks, etc. a. Determine the board’s responsibilities versus that of the staff or management company’s responsibilities. An example of a delineation of responsibilities between the staff or management company and the board is covered in Policy Governance, which simply stated, assigns the board’s function as that of policy making, the “what is” of the subject/issue, while the staff’s or management company’s function is that of carrying out the policies, the “how to” of the Subject / issue.</p>
<p>Objective 2.4 Communication with owners</p>	<p>Strategy 2.4 1. Create a comprehensive association website and list with access to governing documents, forms, newsletters and directories on protected log on site</p>
<p>Objective 2.5 Preventive maintenance is performed as a yearly cycle of tasks to periodically avoid disruptive breakdowns and to prolong the useful life of the physical asset. Helps control expenses rather than expenses control the budget.</p>	<p>Strategy 2.5 <i>Air Conditioning:</i> <i>Elevator:</i> <i>Exercise Equipment:</i> <i>Exhaust Fans:</i></p>

	<p><i>Fire Pump:</i></p> <p><i>Life Safety:</i> Fire alarms, fire sprinklers, smoke alarms, annunciators,</p> <p><i>Paint:</i></p> <p><i>Pool:</i> This includes rebuilding pool pumps before they wear out,</p> <p><i>Plumbing:</i> Schedule jetting of stacks for both the 4" and 3" pipes.</p> <p><i>Pest Control:</i> treating susceptible wood for termites, and applying appropriate chemicals to prevent the growth of disease and weeds. A successful preventive maintenance program should result in lower long-term costs and extend the useful life of major equipment, components, and landscaping.</p>															
<p>Objective 2.6 Emergency: unpredictable storm damage</p>	<p>Strategy 2.6 1. Disaster Preparedness Plan</p>															
<p>Objective 2.7 Routine: ie lawn mowing</p>	<p>Strategy 2.7 Bi-weekly maintenance of curbside areas</p>															
<p>Objective 2.8 Corrective: requested like ant hill to be removed</p>	<p>Strategy 2.8 Replace light bulbs</p>															
<p>Objective 2.9 Scheduled Replacement: use of reserves roof, paint, resurfacing</p>	<p>Strategy 2.9 Current Reserve Line Items:</p> <table border="0"> <tr> <td>Improvement</td> <td>Pool</td> <td>Roof</td> </tr> <tr> <td>Paving</td> <td>Painting</td> <td>Elevators</td> </tr> <tr> <td>Fire Control Panel</td> <td>Mechanical</td> <td>Generator</td> </tr> <tr> <td>Plumbing</td> <td>Sprinkler</td> <td>Doors</td> </tr> <tr> <td>Lighting</td> <td></td> <td></td> </tr> </table>	Improvement	Pool	Roof	Paving	Painting	Elevators	Fire Control Panel	Mechanical	Generator	Plumbing	Sprinkler	Doors	Lighting		
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<p>Objective 2.10 Set up the Association as the Rental Agent As a rental agent, the Association would increase the annual revenue by handling all 14 rentals in-house</p>	<p>Strategy 2.10 If the manager is also a licensed Realtor, this would enable the manager to handle all in-house rentals.</p>															
<p>Objective 2.11 Set up the Association as a Real Estate Agent As a sales associate, the manager may act as the Realtor for the Association using the brokerage of choice, thus adding revenue to the annual budget.</p>	<p>Strategy 2.11 Having an onsite manager who also has a Realtor license may handle all sales transactions via a brokerage.</p>															

How Do We Get There?

Strategic Direction and Objectives #3 - Establish a Long-Term Leadership Plan:

Gulfstream Towers will capture vested interest of owners and residents for “buy in” to increase committee participation, Board service and community development.

OBJECTIVES	STRATEGIES
<p>Objective 3.1 Establish committees and events to promote Gulfstream Towers community activity</p>	<p>Strategies 3.1 1. Host winter homecoming social events 2. Consider having seasonal gatherings</p>
<p>Objective 3.2 Survey community interests and ideas</p>	<p>Strategies 3.2 1. Use newsletter to survey; post on website to diminish paper 2. Use association website to communicate</p>
<p>Objective 3.3 Set expectation of community participation and leadership</p>	<p>Strategies 3.3 1. Revise Welcome Brochure to include expectation 2. Establish Welcome Committee to engender feeling of community 3. Use newsletter to reflect activity of Gulfstream Towers community 4. Revise Gulfstream Towers website to reflect Gulfstream Towers as an active community 5. Use annual meeting as opportunity to recruit committee sign up</p>

Definition of roles of key players. The board of directors sets policies, and is the on-site eyes and ears (oversight) of the community. They are the stewards of the associations’ finances. The management should be the professionally educated, proactive, paid leader who manages the day-to-day operations, brings issues and solution options to the table, and then implements the board’s decisions. The homeowners should attend meetings, serve on committees, and elect competent individuals to the board of directors. This concept of team roles goes much deeper than this discussion allows, especially in the areas of compliance, budgeting, and homeowner interaction.

Educate and communicate the plan. Without education and communication, team members can neither perform their roles nor effectively interact with each other. Every player has the necessary documents and basic knowledge to perform effectively. Each of the players shall communicate with

each other—provide updates as necessary and always ask for others' input. Better to catch a potential problem earlier rather than later.

In the event that there is a change in management, association boards should also be sure to communicate their strategic plans to the new manager, and revise it, if necessary. Also, if the Strategic Plan calls for specific management participation make sure it is spelled out in the management contract. When new board members are elected, they too should be apprised of the strategic plan.

How Do We Measure Our Progress?

The strategic plan, coupled with the Capital Reserve Study and long-term fiscal planning, constitutes the action plan that all Gulfstream Towers Boards will now follow to ensure stable management of the Gulfstream Towers Condominium Association, Inc. Each Board will need to revise the strategic plan, and the long-term fiscal plan, on an annual basis.

Plan of Execution:

YEAR 2012

	DESCRIPTION	ESTIMATED FUNDS NEEDED
1	Air Conditioning (second floor air condenser and relocation of 2007 unit from first floor to second floor to cool kitchen, men and women's locker rooms)	4,000.00
2	Curbside: install pavers at entrance	
3	Elevator phones (onetime purchase)	500.00
4	Entry Phone System	1,500.00
5	Exterior Lighting (garage) RESERVE ITEM: Lighting	4,000.00
6	Fire hoses replaced	
7	Hallway Renovation {carpet replaced with decorative concrete} RESERVE ITEM: Improvements	50,000.00
8	Hallway: lighting (ceiling lights, exit and elevator lights) RESERVE ITEM: Lighting	1,800.00
9	Hallway: painting of utility doors	500.00
10	Hallway: metal work on air condenser racks	
11	Institute in-house rental and sales program	

12	Lobby Renovation	28,000.00
13	Paint the building where needed for maintenance	
14	Plumbing (jetting stacks 9 and 10; both 4" and 3" pipes) RESERVE ITEM: Plumbing	6,000.00
15	Plumbing in Garage (replace ground drainage to ceiling of garage; South end only)	
16	RESERVE ITEM: Sprinkler	
17	Rewrite the Governing Documents { Documents, Rules & Regulations }	3,000.00
18	Windows and Unit Doors for common areas (in phases) RESERVE ITEM: Doors	

YEAR 2013

	DESCRIPTION	ESTIMATED FUNDS NEEDED
1	Add Life Safety onto the 2013 Reserve Line Item (this category will include fire extinguishers, fire hoses, smoke alarms)	
2	Asphalt or Pavers for Garage { stripe painting and repairs to asphalt }	
3	Fire Extinguishers replaced	
4	Improve security by adding cameras and update system	
5	Fire sprinkler system (reached it useful life expectancy) RESERVE ITEM: Sprinkler System	31,800.00
6	Painting of Building where needed	
7	Plumbing (jetting stacks 3 and 4; both 4" and 3" pipes)	6,000.00
8	Plumbing in Garage (replace ground drainage to ceiling of garage; North end only) RESERVE ITEM: Plumbing	
9	Renovation of the Second floor social room { include furniture, TV }	
10	Replace hot water tanks for men/women bathroom; kitchen; and laundry	
11	Update the fitness center with equipment	
12	Windows and Unit Doors (in phases)	

YEAR 2014

	DESCRIPTION	ESTIMATED FUNDS NEEDED
1	Fire pump replacement	
2	Insurance Appraisal (needed every 36-months; last one done was 2/1/2011; but already contracted with GAB Robbins to do one every year until 2014)	
3	Plumbing (jetting stacks 5 and 6; both 4" and 3" pipes) RESERVE ITEM: Plumbing	6,000.00
4	Replace air conditioner in the elevator room	
5	Reserve Study	1,800.00

YEAR 2015

	DESCRIPTION	ESTIMATED FUNDS NEEDED
1	RESERVE ITEM: Built-up Roof (reached its 25 years estimated useful life)	136,500.00
2	Roof (metal overhang)	
3	Elevator	
4	Painting of the building (maintenance as needed)	
5	Plumbing (jetting stacks 7 and 8; both 4" and 3" pipes) RESERVE ITEM: Plumbing	6,000.00

YEAR 2016

	DESCRIPTION	ESTIMATED FUNDS NEEDED
1	Plumbing (jetting stacks 9 and 10; both 4" and 3" pipes) RESERVE ITEM: Plumbing	6,000.00
2	Replace air conditioner for lobby (2007 unit)	
3	Pool Gas Heater	

YEAR 2017

	DESCRIPTION	ESTIMATED FUNDS NEEDED
1	RESERVE ITEM: Plumbing (reached its useful life expectancy)	

YEAR 2018

	DESCRIPTION	ESTIMATED FUNDS NEEDED
1	RESERVE ITEM: Mechanical	
2	RESERVE ITEM: Pool (reached its useful life expectancy)	27,000.00

YEAR 2019

	DESCRIPTION	ESTIMATED FUNDS NEEDED
1	RESERVE ITEM: Painting and reconstruction of the building (reached its useful life expectancy)	

A. RENTALS

1. In order for the association to become a rental agent and as per Florida Statute 718, the governing documents shall provide authority to rent.

Therefore, the governing docs have to be amended to state the rental policy. Depending on the decision of the Board, only those who vote for it will be affected. Those against will be grandfathered in until a future owner who will be effected by change of status. At that point, the Board of Directors shall set the rental policy

a. Association will utilize manager’s Realtor license to become compliant to laws regarding rental agent for association; compensation to manager / Realtor will be a percentage of the commission agreed upon by both parties.

b. Association manager will advertise rental units on association website, handle inquiries and scheduling, perform background check on both financial and character, organize reservations, collect deposit, handle cancellations and refunds, collect monthly rent, keep separate bookkeeping for rental program, provide unit owner with a monthly rental statement, pay monthly taxes to State and County, create welcome packets for tenants and photograph units for marketing.

c. As Association rental agent,

1. The Association will receive a 15% fee of the gross amount of rent, equivalent to one months rent

2. A 7% sales tax paid to the State of Florida

3. If rental is for less than 6 months, a mandatory bed tax of 4% Tourist tax is also paid to Sarasota County

d. A rental policy shall be established regarding who will set the amount of rent, maintenance of unit, advertising, cleaning of unit before and after tenant (to be deducted from owners' commission), standards for condition of unit and maintain the '14' rental cap.

e. Policies to be made are Rules & Regulations for tenants, board approval of tenant, deposits put in a non-interest bearing escrow account, timeframe of rental, rental contract between unit owner and association.

f. Owners in the rental program to annually receive a 1099 IRS form from the Association.

B. RESALES

1. Association will use a specified real estate brokerage, in conjunction with a Realtor Manager, as an avenue to list all resale's and perform transactions. A referral fee of 1% will be paid to the Association at the time of closing.

2. Listings will be marketed on the Association website, listed in the Multiple Listing System (MLS), and posted on the information board in the lobby.