

FLORIDA BAY CLUB CONDOMINIUM ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING MINUTES

April 25, 2017

I. CALL TO ORDER/ ROLL CALL

A duly noticed meeting of the Board of Directors was called to order by President Phillip Truran at 6:01 p.m. at the Florida Bay Club Office. The following persons were in attendance:

Board of Directors:

Phillip Truran, President (via teleconference)
James Farmer, Secretary (via teleconference)
Edward Daniel, Treasurer (via teleconference)
Michael Heise, Director (via teleconference)
John Lexa, Director (via teleconference)
Wanda Robbins, Director (via teleconference)

Vacation Resorts International and Resort Management:

Richard M. Schwartz, Vice President of Resort Operations/VRI (via teleconference)
Shelby Valles, Resort General Manager

Others:

Linda Irvin
Dan Sprague

II. NOTICE CERTIFICATION/QUORUM VERIFICATION

A. Posted

Shelby Valles confirmed that the notice of the meeting was posted at the resort in an approved location in accordance with the condominium documents and Florida Statute.

B. Quorum

A quorum was established with six Board members in attendance.

III. APPROVAL OF AGENDA

MOTION: Wanda Robbins moved to approve the agenda as presented.

SECOND: Motion was seconded by Ed Daniel.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

IV. APPROVAL OF PREVIOUS MEETING MINUTES (03/28/17 & 4/19/17)

MOTION: Jim Farmer moved to approve the Regular Board Meeting Minutes of March 28, 2017 as written.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

MOTION: Jim Farmer moved to approve the Executive Board Meeting Minutes of April 19, 2017 as written.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

V. MANAGEMENT REPORTS

A. Financial Report

Ed Daniel reviewed the March 31, 2017 financial report, copies of which were provided to each attendee.

Matters discussed are as follows:

- The special assessment bad debts are currently \$37,309 compared to the budgeted amount of \$27,540 with collections still ongoing.
- The workman's compensation renewal policy was overbilled due to an incorrect estimated payroll amount. Steps are being taken to correct this and possibly receive credits for the prior two years.
- The housekeeping payroll budget continues to remain under budget.

B. Rental Report – Current and Future

Richard Schwartz reviewed the Rental Report as of March 31, 2017 and Rental Deposit and Reservations Report as of April 18, 2017, copies of which were provided to each attendee.

Matters discussed are as follows:

- An inquiry was made relating to the higher percentage of FBC rentals as compared to VRI rentals. Richard Schwartz explained that the FBC rental deposits were made in 2016 whereby the VRI rental deposits were made in 2017, thereby providing a longer period in which to rent the FBC deposits. He is confident that the VRI rentals will increase with more marketing and exposure.

C. Delinquency Report

Richard Schwartz reviewed the Delinquency Report as of March 31, 2017, copies of which were provided to each attendee.

Matters discussed are as follows:

- Richard Schwartz pointed out that there was a substantial increase in collections from the March 31, 2017 financial report as compared to the April 18, 2017 delinquency report. During this time, collection letters were sent by VRI. A Board member commented that the letters seem to have a positive effect on collections.

D. RCI Report

Richard Schwartz reviewed the RCI Report as of April 18, 2017, copies of which were provided to each attendee.

Matters discussed are as follows:

- All scores remain at Gold Crown levels.

VI. TREASURER REPORT

This report was previously provided under V.(A)-Financial Report by Ed Daniel. Ed expanded upon the report by stating the following:

- Some revenue items are under budget to date but should change as the year progresses.
- The cash flow summary shows a cash shortage later in the year. Even though this has been the situation in the past, he is hopeful that reduced expenses and increased revenues during the remainder of the year will help reduce the shortage.

VII. GENERAL MANAGER REPORT

General Manager Shelby Valles reviewed her report for April 2017, copies of which were provided to each attendee.

Matters discussed are as follows:

- The ice vendor has been changed resulting in lower costs. The moving of the ice locker seems to be producing more revenue.

VIII. UNFINISHED BUSINESS

A. Termite Abatement

The three proposals obtained are as follows:

Company	Tenting Cost	Annual Insurance Cost
Orkin	\$16,030	\$1,603
Truly Nolen	\$13,750	\$1,950
Arrow	\$11,720	\$1,630

The Board discussed spot treating versus tenting. The units with the highest incidence of termites are A8, A2 and B5.

MOTION: Ed Daniel moved to approve contracting Truly Nolen to tent Buildings A and B at a cost of \$13,750, such expenditure to be charged to Roof Reserves and to procure the annual insurance for \$1,950.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: Shelby Valles will determine the best times to schedule this project based on occupancy levels and will advise the Board.

VOTE: The motion was approved unanimously.

B. Rental Policies

Richard Schwartz reviewed the rental policies recommended by the Rental Committee, copies of which were provided to all attendees.

MOTION: Phil Truran moved to approve the rental policies recommended by the Rental Committee as presented (attached hereto).

SECOND: Motion was seconded by Jim Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

C. Owner's Survey

Treasurer Ed Daniel and President Phil Truran explained the proposed Owner's Survey, copies of which were provided to all attendees. They stated the following:

- The purpose of the survey is to establish a strategic plan for Florida Bay Club going forward.
- The survey would be emailed to owners who have provided email addresses and they would be able to complete the survey online.
- The survey would be mailed to those owners for whom no email address is on file. Those owners would either complete online or complete and return to resort. GM Shelby Valles would then complete the survey online for each owner.
- Passwords would be required to complete the survey online in addition to the use of cookies, allowing only for a one-time completion to avoid duplication.
- Owners are not required to answer every question.
- Approximately 123 responses are needed for a 90% confidence level.
- The cost of the survey is approximately \$180 utilizing freesurvey.com plus the cost of printing and mailing.

MOTION: Phil Truran moved to approve sending out the owner survey at a cost not to exceed \$300.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

IX. NEW BUSINESS

A. Property Rules

Phil Truran advised the attendees that the use of property rules established at a prior meeting related to employees, as further outlined in the Employee Handbook and did not address owner usage. It was stated that the governing documents already address owner usage and a policy is not required, but rather enforcement of the governing documents. The attendees discussed owners being allowed to check-in prior to their check-in date in prior years, if there were vacant units available. The general consensus was that owners should not be allowed to use vacant units unless they were paying rent for such usage.

It was determined that an exception to the seven-day minimum rental would be allowed in these instances and would be incorporated into the rental policy.

MOTION: Phil Truran moved to approve allowing an owner to rent a partial week (6 days or less), immediately preceding his/her usage week, based on availability, in order to extend his/her usage week. The rent will be based on the weekly rack rate calculated on a daily basis. This exception to the seven-day minimum rental will be added to the rental policy.

SECOND: Motion was seconded by Jim Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

B. Air Conditioning Units

As requested by President Phil Truran, owner Dan Sprague, who owns a HVAC company, spoke to the attendees about air conditioning issues at Florida Bay Club. The following summarizes his comments and recommendations:

- System freeze ups are usually a result of low Freon, usually caused by a leak or insufficient air flow.
 - If a leak is determined, it should be fixed immediately rather than just adding additional Freon. Small leaks can be fixed by just adding a sealant. Larger leaks will require an HVAC repair.
 - Insufficient air flow can be the result of a smaller than needed intake air duct. This is easily fixed by replacing the air duct with a larger one. This work can be completed in house.
- Units with three exposed outer walls should have a 2 ½ ton AC system whereby units with two exposed outer walls only require a 2 ton AC system.
- Deteriorated insulation around suction lines should be replaced to avoid loss of cooled air.
- Pleated filters are the best to use as they catch a high percentage of pollutants.

The Board directed GM Shelby Valles to instruct the maintenance department to begin replacing the intake ducts on all AC units.

C. Annual Meeting/Election of Board

Owner Linda Irvin advised the Board that she had reviewed the governing documents and confirmed that the current Board may serve until the next annual meeting, regardless of length of time.

X. SCHEDULING OF MEETING DATES/TIMES

The next scheduled meeting is as follows:

- Tuesday, May 30, 2017 at 6:00 p.m. Meeting will include an owner vote on the By Laws Amendments to the Governing Documents.

XI. ADJOURNMENT

MOTION: Wanda Robbins moved to adjourn the meeting at 8:48 p.m.

SECOND: Motion was seconded by John Lexa.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

James Farmer, Secretary

RMS/jmf

fb: 042517min

**THE FLORIDA BAY CLUB CONDOMINIUM ASSOCIATION, INC.
RENTAL POLICY
AS APPROVED BY THE BOARD OF DIRECTORS ON APRIL 25, 2017**

Minimum Rental Period

- Weeks submitted for rental into the VRI/Florida Bay Club rental program shall only be rented for seven days from Saturday to Saturday.
- As an exception to the seven-day minimum rental, an owner may rent a partial week (6 days or less), immediately preceding his/her usage week, based on availability, in order to extend his/her usage week. The rent will be based on the weekly rack rate calculated on a daily basis.

Rental Priority

- The priority in renting weeks in the VRI/Florida Bay Club rental program shall be based on the date the reserved or fixed week is submitted into the rental program. This policy refers to Association, delinquent and current owner weeks.

Blackout Periods

- Only Association and delinquent owner weeks shall be subject to blackout periods as determined by the General Manager and Board of Directors.

Cancellations

- Owners may cancel a reserved rental week at least thirty (30) days prior to check-in date to reserve another week, but may not enter that week into the VRI/Florida Bay Club rental program.