

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

September 26, 2017

I. CALL TO ORDER/ ROLL CALL

A duly noticed meeting of the Board of Directors was called to order by Phillip Truran at 6:06 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 Schwartz, Vice President of Resort Operations/VRI (via teleconference)
Shelby Valles, Resort General Manager
Shawn Timpe-Samland, Director of Resorts SE Florida (via teleconference)

Owners:

Becky Bolesta

II. NOTICE CERTIFICATION/QUORUM VERIFICATION

A. Proof of Mailing

Richard Schwartz stated that a Proof of Mailing is on file with the Association records.

B. 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.

C. Quorum

A quorum was established with six Board members in attendance.

III. APPROVAL OF AGENDA

MOTION: Phillip Truran moved to approve the agenda as presented.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: Phillip Truran asked to have the discussion of the fencing and property condition added to New Business.

VOTE: The motion was approved unanimously.

IV. APPROVAL OF PREVIOUS BOARD MEETING MINUTES (08/29/17)

MOTION: Wanda Robbins moved to approve the Regular Meeting Minutes of August 29, 2017 as written.

SECOND: Motion was seconded by James Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

V. TREASURER'S REPORT

Edward Daniel reviewed the August 2017 financial report, copies of which were provided to each attendee. Ed informed the Board that currently the association is on track to end the year with a \$40,000-\$45,000 surplus. He also informed the Board that the accounts receivables look good and is looking forward to an additional \$5,000 decrease in the receivables to fall more in line with the Bad Debts budget.

VI. GENERAL MANAGER'S REPORT

Shelby Valles reviewed the following:

- The property reopened this week.
- The focus for the past two weeks has been cleaning the debris from the property.
- The fencing took a hard hit. The remaining fence was secured and made safe.
- Local agencies were starting the clean-up process.
- The maintenance staff has done an outstanding job with cleaning, securing and getting the property back up and running.
- There had been some cancellations for this week but next week is looking to be almost at capacity.

Phil asked Shelby about the security of the property.

Shelby stated that there had been one issue with someone loitering around the maintenance area but it was fully secured by the maintenance staff. She informed the Board that the curfew has been lifted but a very strong police presence in the area remains 24/7.

Ed asked what percentage of the fence was down. Shelby estimated about 70%. Ed stated that he estimated the amount of property fencing to be about 1,000 feet.

VII. MANAGEMENT REPORTS

A. Rental Reports

Richard Schwartz reviewed the Rental Reports as of August 31, 2017 and the Rental Deposit and Confirmed Report as of September 21, 2017, copies of which were provided to each attendee. Richard stated that gross rentals year to date through August 31, 2017 was \$17,000 with \$15,000 of that from owner weeks and \$2,000 from Association weeks.

Phil stated that he thought that rentals were on par with last year.

Mike informed the Board that he had been tracking rentals from May to August and asked Richard why 75 weeks were deposited on the July report and only 68 weeks on the August report. Shelby Valles informed the Board that she pulled weeks from rental deposits to use for owners who had not reserved their weeks prior. Mike thought the percentage of weeks rented was not accurate because the number of deposits decreased. Richard addressed this concern stating that the percentage of rentals will vary at any particular time based on the number of weeks deposited, which may change.

B. Delinquency Report

Richard Schwartz reviewed the Delinquency Report as of August 2017, copies of which were provided to each attendee. The following represents the total delinquencies for 2017 and prior years:

| | <u>Weeks</u> | <u>Amount</u> |
|-------------------------|--------------|------------------|
| Association Owned | 12 | 13,559 |
| In Collections | 14 | 15,436 |
| Deemed Uncollectable | 7 | 7910 |
| In Foreclosure | 18 | 63,040 |
| Deed in Lieu | 3 | 11,127 |
| Current Year Collection | 9 | 8134 |
| Total | 63 | \$119,206 |

Richard informed the Board that as of September 14, 2017, the 2017 delinquent amount decreased by \$7,000 as compared to August 31, 2017 with the 2016 Special Assessments decreasing \$3,000.

Ed stated that the receivables are looking very good and believes this is due to the improved billing and collection process.

C. RCI Report

Richard Schwartz reviewed the RCI Report as of August 31, 2017 and September 21, 2017, copies were provided to each attendee.

Richard informed the Board that the resort achieved Gold Crown scores for the RCI fiscal year but advised RCI that the property will accept the Silver Crown Award instead. Gold Crown status would leave potential guests with the expectation that the resort has more amenities than it actually does, thereby possibly causing lower scores from RCI guests, thereby reducing trading power for the owners.

D. Sales Report

Richard Schwartz informed the Board that they will receive monthly sales reports starting at the end of October. He stated that the property and available weeks are ready to launch on his website and will do so once the Annual Meeting is over on October 29, 2017. A flyer, a copy of which was provided to all attendees, was included with the Annual Meeting mailing giving current owners the first opportunity to acquire additional weeks before the general public. Current owners will be able to purchase additional weeks for a price approved by the Board but with 2 years of maintenance fees included in the sale instead of one year.

VIII. UNFINISHED BUSINESS

A. Strategic Plan

Richard Schwartz informed the Board that since the last meeting, the designer who visited the property contacted him and stated she is ready to provide a proposal but there would be a \$2,500 fee to create the plan. She stated that this \$2,500 would be credited towards the total project cost if the Board approved the bid.

After discussing about whether or not to move forward and if the property really needed a designer, the Board asked Richard to obtain a detailed written explanation on what the \$2,500 includes and the process for creating and presenting the plan as well as the designer fees, if any, associated with such plan.

MOTION: Phillip Truran moved to have Richard secure a detailed explanation for the next Board meeting of the \$2,500 design fee and the process for creating and presenting a proposal, including any additional designer fees.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: None.

VOTE: The motion was approved with one dissenting vote by Michael Heise.

IX. NEW BUSINESS

A. 2018 Proposed Budget Approval

Phillip Truran called for any questions relating to the 2018 proposed Budget. There were no questions. Edward Daniel stated that although there have been some line item budget changes from 2017, the maintenance fees will remain the same. Phil stated that the Florida DBPR was satisfied with the Association's reduction of deficit included in the 2018 proposed budget.

MOTION: Phillip Truran moved to approve the 2018 proposed Budget with total revenues of \$799,745 as submitted and as sent to the owners along with the notice of this meeting.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

B. 2017 Audit Engagement Letter

Richard Schwartz informed the Board that the engagement letters provided by Stroemer & Company to conduct the 2017 audit proposed an increase from the \$5,600 2016 audit cost to \$5,800. Stroemer & Co. is the same auditor who performed the 2016 audit and found the error from the previous auditor.

MOTION: Phillip Truran moved to approve the proposal for the 2017 audit as submitted by Stroemer & Co. at an estimated cost of \$5,800.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: Richard Schwartz requested that Phillip Truran sign both audit engagement letters and send back to him for processing.

VOTE: The motion was approved unanimously.

C. Property Fencing

Phillip Truran informed the Board that after the hurricane, he contacted a local general contractor to visit the property to give an estimate on the cost of a new fence with the possibility of moving the fence closer to the road, enabling more trailer parking in the front. After the visit, the contractor stated that the fence location cannot be moved due the canal easement. He also stated that a new masonry wall should be installed around the property. The cost of the wall would be approximately \$200,000, which included painting of the buildings to match the wall.

The Board decided to form a Building Committee to research different styles of fencing and the cost to install. The following volunteers will form the Building Committee: Wanda Robbins (Chair), Ed Daniels, John Lexa, Phillip Truran, and Shelby Valles.

X. CONFIRMATION/SCHEDULING OF MEETING DATES/TIME

- Annual Owner Meeting - Sunday, October 29, 2017 at 1:00 p.m.
- Board Organizational Meeting - Sunday, October 29, 2017 following Owner Meeting
- Board Meeting - Tuesday, November 28, 2017 at 6:00 p.m.
- Board Meeting - Tuesday, December 26, 2017 at 6:00 p.m.

XI. ADJOURNMENT

MOTION: Phillip Truran moved to adjourn the meeting at 7:30 p.m.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: None.

VOTE: Motion was approved unanimously.

James Farmer, Secretary

RMS/jmf

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