

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

Tuesday, July 31, 2018

I. CALL TO ORDER/ ROLL CALL

A duly noticed meeting of the Board of Directors was called to order by Phillip Truran at 6:08 p.m. at the Florida Bay Club Office. The following persons were in attendance:

Board of Directors:

| | |
|-------------------------------|------------------------------|
| Phillip Truran, via telephone | Edward Daniel, via telephone |
| James Farmer, via telephone | Wanda Robbins, via telephone |

Absent:

Michael Gandham
Michael Heise
John Lexa

Vacation Resorts International (VRI) and Resort Management:

Richard Schwartz, Vice President of Resort Operations/VRI, via telephone
Shawn Timpe-Samland, Director of Resort Operations/VRI, via telephone
Shelby Valles, General Manager

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 four of seven Board members in attendance.

III. APPROVAL OF AGENDA

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

SECOND: Motion was seconded by James Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

IV. APPROVAL OF PREVIOUS MEETING MINUTES

- A. Approval of the Board Meeting Minutes (05/29/18)

MOTION: James Farmer moved to approve the May 29, 2018 Regular Meeting Minutes as written.

SECOND: Motion was seconded by Edward Daniel.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

B. Approval of the Informational Meeting Minutes (06/26/18)

MOTION: James Farmer moved to approve the June 26, 2018 Informational Meeting Minutes as written.

SECOND: Motion was seconded by Edward Daniel.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

C. Approval of the Finance Committee Minutes (07/16/18)

MOTION: Edward Daniel moved to approve the July 16, 2018 Finance Committee Meeting Minutes as written.

SECOND: Motion was seconded by James Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

D. Approval of the Finance Committee Minutes (07/23/18)

MOTION: Edward Daniel moved to approve the July 23, 2018 Finance Committee Meeting Minutes as written.

SECOND: Motion was seconded by James Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

V. EXECUTIVE SESSION

MOTION: Phillip Truran moved to approve to adjourn to Executive Session.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

MOTION: Phillip Truran moved to return to Regular Meeting.

SECOND: Motion was seconded by James Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

MOTION: Phillip Truran moved to approve matters relating to Employee Health Benefits as discussed in Executive Session.

SECOND: Motion was seconded by Jim Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

VI. TREASURER'S REPORT

Edward Daniel reviewed the June 2018 financial report, copies of which were provided to each attendee. Edward stated that the Association is \$6,700 under budget for revenue, which is an improvement. Operating expenses are \$5,700 over budget due to telephone and unit supplies, but housekeeping supplies are under budget by approximately the same amount.

Legal and professional is over budget but should be tapering off and becoming more in line by the end of the year. Edward stated that the area that raises concern is the reserve budget for air conditioning and appliances since \$18,748 has been spent year to date.

Shelby Valles stated that five new AC units were replaced and she has backups of each major appliance. Shelby does not anticipate any more expenses in this area for the year. Shelby reported that she had a representative come out from the electrical company to perform a free energy check and he stated that it would help protect the AC units and save energy if a structure was built around the units to shield them from the salt air. She reviewed the electrical invoice from June 2017 as compared to June 2018 and noted a decrease in cost by \$1,600 which she attributes to the new high efficiency AC units. Edward stated that the accounts receivable continues to look very good.

VII. MANAGEMENT REPORTS

A. Rental Report

Shawn Timpe-Samland reviewed the Rental Report as of June 2018, copies of which were provided to each attendee. Shawn stated that not much has changed in rentals for the month; however, an Association rental in the month of September was added. So far, this year 9 Association and 2 owner weeks have been rented.

B. Delinquency Report

Shawn Timpe-Samland reviewed the Delinquency Report as of June 2018, copies of which were provided to each attendee. Shawn informed the Board of a decrease in delinquencies from May to June from 79 to 75 weeks consisting of 33 Association weeks, a decrease in Meridian collections from 15 to 10 weeks plus 1 uncollectible week, 16 delinquent owner weeks and 15 weeks in foreclosure. Richard pointed out that the 1 week added to uncollectable may be due to bankruptcy or just deemed uncollectible will be added to foreclosures next year. Phillip Truran asked if the weeks sold are still reflected in the 33 Association weeks. Richard reported that once the 13 sold weeks are closed, the 33 Association weeks will decrease to 20 and total delinquent weeks will decrease to 62.

Richard informed the Board that 3 of the sold weeks are for 2018 use and the other 10 weeks are for 2019 use, with the resort fees to be paid to the Association upon closing. Richard stated that the foreclosure sale was held at the property on July 20, 2018 and that as soon as Monroe County records the certificate of title, Net Realty will add them to the Association inventory for sale. The Board congratulated Richard and Net Realty on a job well done in selling the units and to keep up the good work.

C. RCI Report

Shawn Timpe-Samland reviewed the RCI Reports as of June 2018, copies of which were provided to each attendee. Shawn stated that the scores decreased slightly due to 1 negative comment card. Shelby Valles stated that the guest was unhappy that he was unable to be upgraded as he was last year, and that she tried to please the guest as much as possible, but to no avail.

D. Sales Report

Shawn Timpe-Samland reviewed the Sales Report as of June 2018, copies of which were provided to each attendee. Shawn informed the Board that 13 Association weeks have been sold in 2018 to date. Out of the 13, 3 have already closed. Phillip Truran asked if the weeks were sold to current owners or new people. Shawn informed him that 4 have been sold to owners, 5 to owner guests, 2 to exchanges and 1 walk-in, with an average sale price of \$3,676 and generating HOA estimated revenue of \$20,429 including resort fees.

VIII. GENERAL MANAGER'S REPORT

Shelby Valles reviewed the following:

- The boat dock center support was reinforced by Milo and Tino. Eventually the dock will need more repairs or replacement.
- Shelby and the maintenance staff has been cleaning out the storage unit on the property, removing unnecessary items, making room for supplies and organizing.
- June and July were very busy with owners and guests.
- Lobster season begins August 6, 2018 and the resort is expected to be fully occupied.

IX. UNFINISHED BUSINESS

A. B5 Kitchen and Bath

Shawn Timpe-Samland reported that he received an updated proposal from DPS Construction per the Board's request, copies of which were provided to each attendee. The new proposal included the cost of remodeling the entire unit. The Board discussed the proposal and the ideal of remodeling the units at length. The discussion included the following points:

- The cost of remodeling the units.
- To include doors and walls in the remodeling project.
- Incomplete information on quotes.
- Order in which proposed projects should be completed i.e., building painting and window replacement.
- Financing of the remodel, building painting and balcony repair.
- Remodeling one unit as a model unit to present to the owners versus creating a 3-D rendering of the unit by Mary Durst to post on website

After the discussion, it was decided that the Building Committee, consisting of Ed Daniel, Wanda Robbins, James Farmer, Phillip Truran, Shelby Valles and Shawn Samland, should meet, review the proposals and prepare a more detailed plan in order to move forward. The Building Committee decided to meet on Thursday, August 9, 2018 at 6:00 p.m. via telephone.

Shawn reported that he will arrange a meeting with Dan Self on Monday August 6, 2018 along with Wanda Robbins, James Farmer and Shelby Valles to obtain more details for his proposal. Shawn will contact Mary Durst to obtain a quote on preparing a 3-D rendering of a remodel unit.

B. Balcony Repair

Shawn Timpe-Samland reviewed the proposal from DPS Construction on repairing the balconies per the engineering report, copies of which were provided to each attendee. After the proposal was reviewed and discussed, the Board decided to proceed with DPS Construction's proposal and to schedule the repair as soon as possible. James Farmer proposed that the expense for the balcony repair be charged to Painting Exterior Reserve.

MOTION: Phillip Truran moved to approve the DPS Construction proposal in the amount of \$22,200 for 12 balcony repairs and to have the work completed immediately, with the cost to be charged to the Painting Exterior Reserve.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

C. Complex Painting

The Board decided to table this discussion until the next meeting.

D. Security System Update

Shelby Valles informed the Board that the company providing a second proposal to repair/replace the current security camera system had to come out again to inspect wiring to complete their proposal.

The Board decided to table discussion until the additional proposal is provided.

X. NEW BUSINESS

A. Approval of the 2019 Budget Draft

Phillip Truran asked the Board if they had a chance to review the proposed 2019 Budget.

MOTION: James Farmer moved to approve the 2019 proposed budget draft with total revenues of \$799,745 as submitted, to be sent to the owners along with the notice of the Budget meeting on September 25, 2018.

SECOND: Motion was seconded by Edward Daniel.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

B. 2018 Audit Proposals

Shawn Timpe-Samland presented 2 three-year audit proposals. Phillip Truran stated that the Heritage proposal is \$1,500 lower than the Stroemer proposal. Phillip also informed the Board, for transparency reasons, that Heritage Accounting Services is owned by an Association owner. Richard Schwartz recommended obtaining Tom Bruette's, Sr. VP of HOA Accounting/VRI, opinion on the Heritage proposal. The Board agreed and decided to table until the August meeting.

C. Annual and Budget Meeting Date

Phillip Truran proposed to have the Budget meeting at the Tuesday, August 28, 2018 Board meeting. Richard recommended scheduling the meeting for the Tuesday, September 25, 2018 Board meeting, thereby including the Budget meeting notice, Annual Meeting notice and the Call for Nominations together to save on the cost of mailing. The Board agreed.

MOTION: Phillip Truran moved to set the Budget meeting for Tuesday, September 25, 2018 and the Annual meeting for Sunday, October 21, 2018.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

- D. Renovation
- E. Remodel 3D Rendering
- F. Unit Model

Previously discussed under IX. Unfinished Business, A. B5 Kitchen and Bath.

XI. CONFIRMATION/SCHEDULING OF NEXT MEETING DATES/TIME 2018

MOTION: Phillip Truran moved to schedule the next Board meeting for Tuesday August 28, 2018 at 6:00 p.m.

SECOND: Motion was seconded by Wanda Robbins.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

XII. ADJOURNMENT

MOTION: Phillip Truran moved to adjourn the meeting at 8:18 p.m.

SECOND: Motion was seconded by James Farmer.

DISCUSSION: None.

VOTE: Motion was approved unanimously.

James Farmer, Secretary

STS/jmf

fbc: 073118min