

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

Tuesday, August 4, 2020

I. CALL TO ORDER/ ROLL CALL

A duly noticed telephonic meeting of the Board of Directors was called to order by Phillip Truran at 6:00 p.m. The following persons were in attendance:

Board of Directors:

Phillip Truran, President	Robert West, Vice President
James Farmer, Secretary	Michael Heise, Treasurer
John Lexa, Director	Linda Sprague, Director

Absent: Michael Gandham, Director

VRI Americas (VRI) and Resort Management:

Richard Schwartz, Vice President of Resort Operations/VRI
Shelby Valles, Resort 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 six of seven Board members in attendance.

III. APPROVAL OF AGENDA

MOTION: Phillip Truran moved to approve the agenda with the following additions: under VII. UNFINISHED BUSINESS, add D. Signage; under VIII. NEW BUSINESS, add C. Suspension of Voting Rights and D. Landscaping.

SECOND: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

IV. APPROVAL OF BOARD MEETING MINUTES (7/7/20)

MOTION: Phillip Truran moved to approve the July 7, 2020 telephonic meeting minutes as presented.

SECOND: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

V. MANAGEMENT REPORTS

A. Financial Report

Richard Schwartz reviewed the Financial Reports, including Balance Sheet, Income and Expense Variance Report and Reserve Fund as of month end June 30, 2020, copies of which were provided to each attendee. The month of June reflected a surplus of \$1,631 with a year-to-date surplus of \$36,155.

B. Rental Report

Richard Schwartz reviewed the Rental Report as of June 30, 2020, copies of which were provided to each attendee. There were no rentals for the month of June. Rentals year to date have increased 91.56% as compared to 2019.

C. Source of Business Report

Richard Schwartz reviewed the Source of Business Report as of June 30, 2020, copies of which were provided to each attendee. June occupancy was 81.30% with year-to-date occupancy of 68.38% mainly reduced during April-May due to the COVID-19 Pandemic.

D. Collections Report

Richard Schwartz reviewed the Collections Report as of July 31, 2020, copies of which were provided to each attendee. Collections as a percentage of the total amount budgeted were as follows:

2020 Maintenance Fees (Due January 1, 2020)	96.58%
2019 Special Assessment (Due March 1, 2020)	90.22%
2020 Special Assessment (Due July 1, 2020)	27.62%

The report included a categorized Uncollected Weeks Recap.

John Lexa questioned the need for review of such a detailed report as he felt it was time consuming and difficult to understand. Phillip Truran and Michael Heise found the report beneficial.

E. Special Assessments Analysis

Richard Schwartz reviewed the Special Assessment Analysis - 2019 and 2020, as of June 30, 2020, copies of which were provided to each attendee. Revenues and Expenditures are as follows:

	<u>Revenues</u>	<u>Expenditures</u>	<u>Balance</u>
2019 Special Assessment - \$556,015	\$481,290	\$121,304	\$359,986
2020 Special Assessment - \$2,530,000	\$396,070	\$316,324	\$ 79,746

F. RCI Report

Richard Schwartz reviewed the RCI Report as of June 30, 2020, copies of which were provided to each attendee. Four of the five scores are at Gold Crown levels with one at Silver Crown level. The one guest comment card graded the resort with all 5's (highest possible score) and excellent comments about the GM and staff.

G. Sales Report

Richard Schwartz reviewed the Sales Report as of July 24, 2020, copies of which were provided to each attendee. 3 Association weeks and 1 Owner week have been sold year-to-date and are pending closing. Richard reported than an additional Association 2-bedroom week was sold on July 31, 2020 and was not reflected in the report.

VI. GENERAL MANAGER'S REPORT

Shelby Valles reviewed the General Manager Report, copies of which were provided to all attendees. Additional items presented or discussed are as follows:

- Besides the recommendation for another camera in the kayak area included in the report, an additional camera was recommended for the barbeque area by the pool. The Board requested a proposal for this camera.
- With the addition of the roofline gutter at the men's bathroom in the pool area as well as the other flooring work completed in the bathroom, there was no sign of any water intrusion after the latest rains.
- The maintenance department will be removing the pearock at the kayak area and replacing with concrete since the pearock was being washed away at high tide, allowing flooding of the area.
- The permit for the dock is still on hold and the contractor will follow up later in the year since any construction would not occur during the summer busy time.

VII. UNFINISHED BUSINESS

A. Project Updates

Shelby Valles reported that all preliminary plans for the Board approved projects has been completed as follows:

- Unit B-1 is scheduled for renovation between August 31, 2020 through November 7, 2020.
- Replacement of B Building decks will begin soon.
- Replacement of all windows and doors in A and B Buildings will begin soon.
- Exterior painting of B building will begin after the decks and windows/doors have been completed.

B. Security Gates

The expected proposals had not been received as of the meeting time.

MOTION: Phillip Truran moved to table this agenda item until the next Board Meeting since proposals have not been obtained yet.

SECOND: Motion was seconded by James Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

C. Website Upgrade

Three proposals have been obtained and were provided to all attendees. James Farmer will be at the resort for the upcoming two weeks and would like the opportunity to review the proposals with Shelby Valles.

MOTION: Phillip Truran moved to table this agenda item until the next Board Meeting to provide James Farmer an opportunity to review with GM, Shelby Valles.

SECOND: Motion was seconded by James Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

D. Signage

Phillip Truran requested the addition of this item to the next agenda as it was previously discussed by the Board and requires continued discussion.

VIII. NEW BUSINESS

A. 2021 Proposed Budget Review

Richard Schwartz requested direction on the format for review of the 2021 Proposed Budget, copies of which were sent to all attendees. President Phillip Truran recommended a review of the final bottom line as relates to any increase in the annual fees with follow up questions by the Board members as applicable. Richard reported that the 2021 Proposed Budget reflected an increase of \$1.27 per week of .14%. The following clarifications were addressed:

- The budget includes the Real Estate Property Taxes. A credit from 2020 created by overbudgeting was applied, thereby reducing the budgeted taxes by \$18,000.
- Legal and Professional Services increased \$14,600 to provide for funding of anticipated foreclosures.
- Bad Debts increased \$28,660 due to the anticipated rise in uncollectible accounts, most likely attributable to the Special Assessments.
- The Reserve Funding is \$90,088, only \$2,262 less than in 2020.

MOTION: James Farmer moved to approve the 2021 Proposed Budget as presented for mailing to the owners along with the notice of the Budget Meeting on September 8, 2020, at which time the Board will vote on approval of the final budget.

SECOND: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

B. Reserve Categories Reallocations

Richard Schwartz reviewed the 2020 Anticipated Year End Reserve balances, noting that he recommended reallocations between reserve line items, which would be needed to prepare the 2021 Reserve Schedule, which requires Board approval. These recommended reallocations include eliminating line item deficits and transferring funds from categories included in the 2019 and 2020 Special Assessments to other categories that would require additional funds during the special assessment projects.

MOTION: Phillip Truran moved to approve the 2020 Reserve reallocations presented as follows:

APPLIANCES & AC	\$39,253
FLOORING EXPENSE	(\$10,000)
FURNITURE INDOOR	\$66,259
KITCHEN RENOVATIONS	(\$10,000)
PAINTING EXTERIOR	(\$60,000)
POOL	\$2,534
ROOF	(\$30,000)
TELEVISIONS	\$10,923
BOAT DOCK	(\$8,969)
NET ADJUSTMENT	\$0

SECOND: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

C. Suspension of Voting Privileges

Phillip Truran recommended that the Board institute the suspension of voting rights of delinquent owners as outlined in the Florida statutes. Chapter 718.303 allows for the suspension of voting rights for any owner delinquent for 90 days or more and amounts exceeding \$1,000. The voting interests of such suspended owners will also be subtracted from the total voting interests of the Association as relates to quorums, conducting an election or approving actions.

MOTION: Phillip Truran moved to approve the suspension of voting rights of any owner delinquent for at least 90 days and in amounts exceeding \$1,000 in compliance with Chapter 718.303 of the Florida statutes, noting that each owner must be notified in writing including proof of the obligation 30 days prior to the suspension.

SECOND: Motion was seconded by Robert West.

DISCUSSION: The Board recommended including these notices in the upcoming owner mailing if feasible.

VOTE: The motion was approved unanimously.

D. Landscaping

Phillip Truran recommended establishing a committee to discuss and plan additional landscaping of the property as the renovations continue. Linda Sprague and Robert West volunteered for the committee.

MOTION: Phillip Truran moved to approve the creation of a Landscaping Committee consisting of Linda Sprague, Chairman and Robert West with the Committee to review and recommend landscaping designs and costs for submission to the Board.

SECOND: Motion was seconded by Robert West.

DISCUSSION: Board recommended included these notices in the upcoming owner mailing if feasible.

VOTE: The motion was approved unanimously.

IX. CONFIRMATION OF NEXT MEETING DATES/TIME 2020

- A. Board Regular/Budget Meeting-Tuesday, September 8, 2020, 6:00 p.m.
- B. Annual Owner Meeting-Sunday, October 18, 2020, 1:00 p.m.

The above dates, previously approved by the Board at the July 7, 2020 Board Meeting, were confirmed by all attendees.

Phillip Truran requested that Standards of Procedure (SOP's), previously being discussed during the transition in the VRI oversight of the resort, be continued and added to the next Board Meeting agenda.

Prior to adjournment, President Phillip Truran asked if any owners in attendance had any questions or concerns. There was no response from any owners.

X. ADJOURNMENT

MOTION: Phillip Truran moved to adjourn the meeting at 7:03 p.m.

SECOND: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: Motion was approved unanimously.

James Farmer, Secretary

Date

RS/cht

fbc: 080420min