

**CASA YBEL BEACH & RACQUET CLUB, PHASES F, G, H**  
**BOARD OF DIRECTORS MEETING**  
**April 19, 2010**

The meeting was called to order at 9:05 a.m. by President Brenda Pommerenke in the Thistle Lodge at Casa Ybel Resort, Sanibel Island, Florida. Board members in attendance were: Brenda Pommerenke - President, Len Elikan - Vice President, Lynn Perkins – Secretary/Treasurer and Directors John Demos, Pat Sweeney and Susan Walter. Director Joe Gala was traveling and unable to attend the meeting. Attending from Hilton Grand Vacations Company (HGVC) were: Chris Cain – Interval Manager, Neil Hutchinson – Sr. Director of Association Management Services, E. J. Nees – Regional Director, Sanibel/Captiva and Cindy Glasenapp – Administrative Assistant and acting Recording Secretary for this meeting. Also in attendance were Ron Miller – President of the Casa Ybel IJK Board of Directors and Steve Brettholtz of Myers, Brettholtz & Company, P.A. independent auditing firm for the Association.

**APPROVAL – PREVIOUS MINUTES –** *MOTION was made by Len Elikan and seconded by Lynn Perkins to approve the minutes of the board meeting held on October 12, 2009 and the teleconference meeting held on January 27, 2010 as presented.* Mr. Demos voted aye, Mr. Elikan voted aye, Mr. Perkins voted aye, Ms. Pommerenke voted aye, Ms. Sweeney voted aye and Ms. Walter voted aye. **Motion carried unanimously.**

**2009 AUDIT** – Steve Brettholtz reviewed the draft of the audit of the 2009 financial statements. He stated that “In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Casa Ybel Beach & Racquet Club, Phases F, G, H Association, Inc. as of December 31, 2009, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.” This is a clean, or unqualified, opinion.

Operating cash at year end 2009 was \$1,089,475. The restricted Tax Escrow fund held \$1,299. Reserve cash was \$56,582 and there were seven Certificates of Deposit totaling \$666,198, each 100% guaranteed by FDIC, earning an average of 2.79%, with maturities ranging from less than one year to eight years.

In 2009, total Operating revenues were \$1,620,798; total Operating expenses were \$1,603,625 resulting in an excess of revenues over expenses of \$17,173. The beginning Operating Fund balance on January 1, 2009 was \$46,323, and at December 31, 2009 was \$63,496.

Reserve funds totaled \$721,694 at December 31, 2009, and by category: \$458,085 – Interior, \$33,975 – Roof, \$4,595 – Painting, \$4,239 – Paving, and \$220,800 – Capital Improvements.

A management letter was distributed with the audit. No significant deficiencies or material weaknesses were found.

**MOTION was made by Susan Walter and seconded by John Demos to accept the audit of the 2009 financial statements as presented by Myers, Brettholtz & Company, P.A.** Mr. Demos voted aye, Mr. Elikan voted aye, Mr. Perkins voted aye, Ms. Pommerenke voted aye, Ms. Sweeney voted aye and Ms. Walter voted aye. **Motion carried unanimously.**

A management representation letter is required to be signed before an audit is issued. Neil Peraza, Sr. Director of Finance-HOA Accounting for HGVC has signed an identical letter on behalf of HGVC. ***MOTION was made by Len Elikan and seconded by Susan Walter to authorize the President to sign the management representation letter.*** Mr. Demos voted aye, Mr. Elikan voted aye, Mr. Perkins voted aye, Ms. Pommerenke voted aye, Ms. Sweeney voted aye and Ms. Walter voted aye. **Motion carried unanimously.**

**ADVERSE POSSESSION** – A portion of the resort's pool deck is on the FGH property. ***MOTION was made by Lynn Perkins and seconded by Pat Sweeney to authorize the President to sign the annual adverse possession letter to the resort.*** Mr. Demos voted aye, Mr. Elikan voted aye, Mr. Perkins voted aye, Ms. Pommerenke voted aye, Ms. Sweeney voted aye and Ms. Walter voted aye. **Motion carried unanimously.**

**MANAGER'S REPORT** – Chris reported that the drapes in the master bedroom in the lower units were installed. Hairdryers were purchased and are available upon request. There was not enough room in the guest bathrooms to mount them on the walls. An operational/instructional quick reference guide for TV/DVD usage will be put in the units.

Landscaping is slowly coming back. Due to the unusually cold, prolonged winter, three coconut palms have died. Chris is keeping an eye on the rest of them, and is hoping that other affected vegetation will come back. Some new plants will have to be planted to fill in.

Astra has decided to be a stay-at-home mother and will not be returning to work. Christine Beale has been filling in during Astra's absence. Astra's position will be posted.

**RESORT UPDATE** - Froilan (JR) Ramirez, General Manager of the resort joined the meeting at 9:25 a.m. to report on their projects.

Internet Service – The Comcast installation was signed-off on April 1<sup>st</sup>. They have business class service that offers 10 MB of uninterrupted bandwidth for the property with access points all over the property. Todd in Maintenance is helping owners and guests who are having simple problems. They are getting positive feedback from people who are able to access and utilize it.

Website Update – They are currently in the process of updating the resort website, reviewing design layouts and working through navigational options. Content will include photography. The Owners portion of the website currently has pre-arrival information, board contact information, meeting minutes, newsletter links and rental contracts. They intend to bring those over to the new website. JR is open to suggestions on anything board member would like to see changed or included. Suggestions were made to include links to the Community Center, visitors' center or a list of current events on the Island and also a section to put photography of building projects, etc. going on at the resort. Other suggestions should be filtered through Ron Miller. JR noted that they are getting positive feedback from the website and a majority of their rentals come over the internet.

2010 Pool Renovations – The pool project was originally intended to be done during the first quarter of the year but had to be postponed. Plans now are to take down the kiddy pool and spa the first week of June. They are anticipating three weeks of construction or repairs. The current plan is to build a baffle wall from G building pool access to the slide tower, and from the slide tower over to the patio area of the restaurant to close the pool deck from guest traffic. The main pool will remain open. They are currently discussing an alternative for the kids in June, some

type of water activity, and may have to ease up on restrictions in the main pool for a time. The second phase, late August/early September, corresponding with the maintenance weeks, will include removal of the wooden decks and replacement with brick pavers, installation of a new shade tower if the City permits and enhancing the landscaping around the pool and on the pool deck. If the City doesn't approve the additional shade tower, Plan B would be to install permanent, market-style umbrellas at the pool. Pool furniture will be replaced and they hope to add a few more chairs. The existing chaise lounges will be used for beach rentals.

There was discussion on the 30-minute rule for towels left on chairs. Pool attendants are empowered to remove towels on unattended chairs after 30 minutes. Ms. Pommerenke recommended having a sign over the towel area advising that towels will be removed if left unattended for 30 minutes.

Exterior Parking/Driveway Lighting/Resurfacing – Repair of the exterior lighting fixtures will begin in May and will be done by in-house staff. Mr. Miller suggested putting “reserved for permit” markings on the parking bumpers for all the association parking spaces. JR noted that it's been effective for the parking stops that have already been marked. This could be done during the resealing/re-stripping of the parking lot in the fall.

Tennis Court Improvements – A review showed that the courts had very little damage. Repairs were handled in-house and included new netting and windscreens. The new tennis pro has been getting many good recommendations . . . quite a few in-house owners and guests are taking advantage of tennis lessons.

JR left the meeting after this discussion.

**REFURBISHMENT** – Upcoming refurbishment includes a new living room sleeper sofa and end table lamps, reupholstering living room lounge chairs, dining chairs, desk chairs and bedroom chairs, living room and bedroom window treatments, carpeting throughout, master and guest bedroom mattresses and bed coverings.

Presentations were made by Janice Kemp and April Campbell of the Robb & Stucky Commercial Division in Fort Myers; Jeff Dowman, Rebecka Fox and Erin McInerny of Dowman Designs of Winter Park, Florida; and Diana Keithley of Bayfront Interior Resources of Bonita Springs, Florida.

After all presentations were made and the designers had left the meeting, Board members discussed the proposals. All preferred the Dowman (A) proposal with a few modifications. The second choice (Perkins, Sweeney and Walter) was Bayfront. Discussion will continue in the board meeting after the annual meeting.

**COMERICA SIGNATURE CARDS** – HGVC's authorized signers for the Comerica deposit accounts have changed. A new Declaration for Deposit Accounts and Treasury Management Services was presented for the Secretary of the Association to sign. A NOW account will also be set up for operating funds (liquid funds) that are not otherwise invested, the same type as opened a year ago for the reserve accounts.

**ON-LINE VOTING** – Chris reported that 39.34% of those who voted did so on-line. The preliminary results on the smoking question were 716 to 98 in favor of the Board pursuing a no-smoking policy.

**INTERIOR HANDRAIL REQUEST** – The bid to install a handrail was \$763. The owner first gave his approval to go ahead but has now decided against doing it. Chris will confirm this with the owner.

**GUEST BEDROOM CABLE OUTLETS** – Cable is operational in the guest bedrooms in all but 12 of the units. Repairs will continue until all units are operational. (There are no TVs in the guest bedroom).

To prepare for the annual meeting, ***MOTION was made by Lynn Perkins and seconded by Len Elikan to adjourn.*** Mr. Demos voted aye, Mr. Elikan voted aye, Mr. Perkins voted aye, Ms. Pommerenke voted aye, Ms. Sweeney voted aye and Ms. Walter voted aye. **Motion carried unanimously.**

Meeting adjourned at 1:24 p.m.

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