

Approved 10-30-2008

**SEAWATCH ON THE BEACH  
BOARD OF DIRECTORS MEETING  
FRIDAY, APRIL 25, 2008**

The meeting was called to order at 8:50 a.m. by President, Steve Hoffman at Seawatch on the Beach, Ft. Myers Beach, Florida. Board members in attendance were: Mike Dammeyer, Steve Hoffman, Tim Pellerin and John Sykora. Attending from Hilton Grand Vacations (HGV) were: Michele Jenkins – Resort Manager, Don Fandrey – Assistant to the Resort Manager, Ada Grzywna – Regional Director Resort Operations, Lael Kilpatrick – Regional Manager Resort Operations and Riki Martin – Administrative Assistant and Acting Recording Secretary for this meeting. John Lopez was in attendance for the audit report; Mr. Murk of Lerch Bates was in attendance for the elevator overview. Dan Simpson of Retro Elevator was in attendance for the interior elevator car modernization.

**2007 AUDIT - John Lopez**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Seawatch on the Beach Condominium Association, Inc. as of December 31, 2007, 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.

**APPROVAL OF PREVIOUS MINUTES**

**MOTION was made by Mr. Dammeyer and seconded by Mr. Pellerin to approve the minutes of the meetings held on November 1 & 2, 2007.** Mr. Dammeyer voted aye, Mr. Hoffman voted aye, Mr. Pellerin voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

**MOTION was made by Mr. Pellerin and seconded by Mr. Sykora to approve the minutes of the recall meetings held on November 1, 2007.** Mr. Dammeyer voted aye, Mr. Hoffman voted aye, Mr. Pellerin voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

Mr. Hoffman would like to have the payroll broken down by front desk and recreation. Mrs. Jenkins will speak to Ms. Borsos at South Beach as she has theirs broken down as a manual entry.

Mrs. Jenkins and her team have done a great job of controlling the utilities with a savings of \$10,000.

**ELEVATOR OVERVIEW – Tim Murk of Lerch Bates**

Mr. Murk joined the meeting 9:10 a.m. – 9:30 a.m. (via telephone)

Mr. Murk reviewed the elevator modernization with the Board and Management. He recommended General Elevator as he has worked with them for several years. General Elevator will coordinate with the sub contractors and Mr. Murk will be monitoring the

progress weekly. He will also be responsible for signing off on each car as they are completed. There is a twelve week lead time for equipment to arrive once the contract has been signed. 20% down payment will be required before ordering equipment. The complete elevator modernization is \$254,896. The project will take approximately fifteen weeks. The maintenance contract is \$284 per car per month with a five year contract and a 5% yearly increase. **MOTION was made by Mr. Sykora and seconded by Mr. Dammeyer to accept the bid from General Elevator in the amount of \$254,896 for elevator modernization.** Mr. Dammeyer voted aye, Mr. Hoffman voted aye, Mr. Pellerin voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

Dan Simpson from Retro Elevator joined the meeting from 10:05 a.m. – 10:45 a.m. Retro Elevators is based out of St. Petersburg and has been in business for fifteen years. Mr. Simpson reviewed the options for the elevator car modernization with the Board and Management. Once the design has been chosen it is built at their shop and returned to Seawatch for installation which takes approximately two days. 50% down payment is required upon acceptance and 50% upon completion. The Board chose the 14 panel design with one handrail across the back wall. The cab flooring is not included in this proposal. **MOTION was made by Mr. Dammeyer and seconded by Mr. Pellerin to accept the proposal from Retro Elevator to modernize the interior elevator cars not to exceed \$28,000.** Mr. Dammeyer voted aye, Mr. Hoffman voted aye, Mr. Pellerin voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

**MOTION was made by Mr. Dammeyer and seconded by Mr. Pellerin to authorize Mrs. Jenkins to sign on behalf of the association for the sale of association owned weeks.** Mr. Dammeyer voted aye, Mr. Hoffman voted aye, Mr. Pellerin voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

Lunch recess 12:00 – 12:45 p.m.

#### **PROPERTY WALK/PROJECT LIST UPDATE**

The Board and Management took a property walk. The Board was in agreement that Mrs. Jenkins is doing a good job of getting projects completed. They also thanked her for sending the photos of the work in progress. Ms. Kilpatrick will work with Michele and the Communications department to get the virtual tour of the resort updated.

#### **SPECIAL ASSESSMENT DISCUSSION**

The Board members were in agreement to approve a special assessment to cover the elevator modernization and hurricane windows. Mr. Pellerin will prepare the special assessment letter to be sent to the owners explaining that they have sixty days to pay the assessment. The board discussed part of the reason for the special assessment was to replenish the reserves. Seawatch had previously has two \$100,000 hurricane deductibles and did not have to special assess for those deductions. **MOTION was made by Mr. Sykora and seconded by Mr. Dammeyer to approve a special assessment in the amount of \$275 per unit week for elevator renovations, hurricane windows and to replenish the reserves used for the two \$100,000 hurricane insurance deductibles.**

Mr. Dammeyer voted aye, Mr. Hoffman voted aye, Mr. Pellerin voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

#### **STATUS OF AGED RECEIVABLES**

##### **Summary of Accounts April 2008**

	<b>Number Of Accounts</b>	<b>Outstanding Balance</b>
<b>Lien Action</b>	<b>0</b>	<b>\$</b>
<b>Foreclosure Action</b>	<b>3</b>	<b>\$11,760.41</b>
<b>Other Legal Action</b>	<b>0</b>	<b>\$</b>
<b>Legal Action on Hold</b>	<b>0</b>	<b>\$</b>
<b>Association Owned Weeks</b>	<b>7</b>	<b>\$35,178.01</b>
<b>Total</b>	<b>10</b>	<b>\$46,938.42</b>

#### **UNIT CLOCKS**

The Board discussed several owner requests for wall clocks in the living areas and that we feel that these concerns will be addressed by buying televisions that have built in clocks in the screens.

#### **RECYCLING**

The resort has started to offer a recycling program to its owners and guests. The check in packet will remind owners and guests about the location of the recycling bins.

#### **GAME ROOM USAGE**

The Board discussed owner requests to convert the game room to an exercise facility. Because many children of owners use the game room, this is not a workable solution to favor one group over another. To address owner requests for an exercise facility, Seawatch management will contact Hammerhead Gym and attempt to negotiate a program that would allow use by Seawatch owners and guests at a discounted price.

#### **PTO/SALARY BUDGET**

The Board and Management discussed the PTO/Salary budget. Mrs. Grzywna distributed a PTO form for Seawatch. Beginning in 2009 the PTO time should be expensed in the area it applies instead of the entire amount in Operating Expense.

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#### **TELEVISIONS FOR LIVING ROOM**

The Board discussed the options for a Television stand to accommodate the new 32 inch TV's. Mrs. Jenkins will present proposals at the budget meeting.

#### **2009 PROPOSED RESERVE LIST**

The Board reviewed the 2009 proposed reserve list and moved some projects up to 2010. Mrs. Jenkins will present proposals for projects to be completed in 2009 at the budget meeting.

#### **ESTABLISHING A REIMBURSEMENT POLICY**

**MOTION was made by Mr. Pellerin and seconded by Mr. Sykora stating that reimbursement receipts must be submitted within 90 days of the board meeting. Mileage reimbursement must be accompanied by Map Quest.** Mr. Dammeyer voted aye, Mr. Hoffman voted aye, Mr. Pellerin voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

#### **NEW BUSINESS**

Mrs. Jenkins presented proposals for pool deck surfaces. The Board requested a proposal to cover the stairwells from the third floor to the lobby as well as the trash rooms on each floor and main pool deck. She will present the proposal at the budget meeting.

The main plumbing pipes need to be cleaned out with a device similar to roter rooting. The cost is \$3,375.00. Michele Jenkins would like to do this project during maintenance weeks. The Board asked for additional bids to be presented at the budget meeting.

Mrs. Jenkins will present bids for lobby mirrors at the budget meeting.

#### **ADJOURNMENT**

**MOTION was made by Mr. Sykora and seconded by Mr. Pellerin to adjourn the meeting.** Mr. Dammeyer voted aye, Mr. Hoffman voted aye, Mr. Pellerin voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

**Meeting adjourned at 2:50 p.m.**