

**SEAWATCH ON THE BEACH  
ANNUAL MEETING  
MONDAY, APRIL 27, 2009**

The meeting was called to order at 3:00 p.m. by President, Tim Pellerin in the lobby at Seawatch on the Beach, Ft. Myers Beach, Florida. Board members in attendance were: Steve Couch, 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, Randy Piatt – Regional Vice President Resort Operations, Lael Kilpatrick – Regional Manager Resort Operations and Riki Martin – Administrative Assistant and Acting Recording Secretary for this meeting.

A sign-in sheet was circulated for the owners present in lieu of a formal roll call. There was a call for outstanding proxies.

**APPROVAL OF PREVIOUS MINUTES**

The minutes of the 2008 Annual meeting were sent to the owners in the newsletter in 2008. A copy was included in the agenda packet distributed to owners in attendance. **MOTION was made and seconded to approve the minutes of the 2008 Annual meeting held on April 25, 2008.** All voted in favor. **Motion carried.**

**MANAGER'S REPORT**

Mrs. Jenkins thanked the owners for attending the meeting.

**Completed Projects**

Elevator refurbishment  
New unit windows  
Geo thermal pump installed

Mr. Hoffman has served on the Seawatch Board of Directors for the past 11 years. This year he chose not to run for re-election. Tim Pellerin presented Mr. Hoffman with a gift, in appreciation for his service on the Board of Directors.

**BOARD OF DIRECTOR'S REPORT**

Mr. Pellerin introduced the Board of Directors.

The Board of Directors approved at this mornings meeting to install brick pavers at the parking lot. This project was put into the budget to do in 2012, for a much higher cost. The Board sought bids this year and found that we are able to move the project to 2009 with the money that we have in the budget. The project will be completed this fall.

**Survey Questions**

1. Change the game room into a work out room. 175 votes or 16% of owners
2. Divide the game room into two separate areas. 56 votes or 5% of owners
3. Do not add fitness/workout room to Seawatch. 836 votes or 78% of owners

51% of owners voted on the survey questions.

Mr. Pellerin thanked Mr. Hoffman for his service on the Board of Directors.

Mr. Hoffman stated he has enjoyed being on the Board of Directors. He thanked the owners for allowing him to represent the owner base.

### **FINANCIAL REPORT**

John Lopez of Myers, Brettholtz and Company, PA attended the morning board meeting. Mr. Lopez's report stated, "In our opinion, the financial statements referred to present fairly, in all material respects, the financial position of Seawatch on the Beach Condominium Association, Inc. as of December 31, 2008 and the results of its operations and cash flow for the year then ended, in conformity with accounting principles generally accepted in the United States of America."

### **RESALES REPORT**

#### **2008 SALES**

Number of Weeks Sold	48
Dollar Volume	\$289,800
Average Price	\$6,038

#### **2009 SALES YTD**

Number of Weeks Sold	15
Dollar Volume	\$115,350
Average Price	\$7,690

Number of Weeks Listed	169
Dollar Volume	\$1,643,095
Listing Price Range	\$5,000 - \$25,000

### **RENTAL REPORT**

	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
Nights Available	537	661	815
Nights Rented	242	324	425
Occupancy	45.1%	49.0%	52.1%
Gross Revenue	\$58,419	\$80,852	\$101,594
Average Rate	\$241.40	\$249.54	\$239.04
Weeks Available for Rent	78	93	114
Weeks with Rental Activity	42	58	73
% with Rental Activity	53.8%	62.4%	62.0%
Weeks Renting 4 or more Nights	35	53	57

% getting 4 or more Nights                      83.3%                      91.4%                      78.1%

**COMMENTS:**

The tourism industry in general experienced a significant slow down in the latter half of 2008. The numbers above reflect the fact that Seawatch was a victim of that slowdown. Unfortunately, the outlook for 2009 and beyond is not very optimistic as well. Even in the traditionally high season months of February, March and April, demand is off significantly and the occupancy is suffering. Even with some stabilization in the economy, recovery will be slow and it could be a lean year or two for owners who are trying to rent their weeks.

**OLD BUSINESS**

What is the warranty on the unit windows? There is a 10 year warranty.

Was the pipe that was installed in the lobby last week the only option? The only other option was to run it around the building.

Is the cleaning service put out to bid? It is reviewed each year.

The lanai flooring looks dirty. It is deep cleaned quarterly; the dust has increased due to a change in the airport flight pattern.

An owner in the Schooner 6101 can not open the small lanai door. Maintenance will take a look at the door.

Who pays the maintenance fee and taxes on Association foreclosure units? The Association must pay the fees until the unit is sold.

How long does it take to foreclose on a unit? Normal foreclosure takes approximately 200 days. It can take up to 3 years if the unit is in probate.

An owner thanked the Board and management for the new gas grills.

**NEW BUSINESS**

**Ratification of the 2009 Budget**

The proposed 2009 Operating Reserve Budget was sent to each owner with the maintenance fee statement and a copy was included in the agenda packet distributed at this meeting. **MOTION was made and seconded to ratify the 2009 budget as presented.** All voted in favor. **Motion carried.**

Mr. Pellerin stated that election of directors is for a one year term pursuant to recent Florida statutory revision. Seawatch by-laws are for a three year staggered term. We will be asking the membership to vote next year for change to a two year staggered term.

**Teller's Report**

There were 1029 unit weeks represented, both in person and by proxy, out of a possible 2,100 unit weeks, which represents 49% owner response.

There were 951 votes to waive the statutory funding of reserves and 54 votes not to waive the statutory funding of reserves. Therefore, the reserve funding will remain at the level approved in the 2009 budget.

**Election of Directors**

There were 5 candidates seeking election to fill the one seat available on the Board of Directors. The candidate receiving the highest number of votes was: Deborah Stevens who was elected to serve a one year term.

The current Board of Directors is: Steve Couch, Mike Dammeyer, Tim Pellerin, John Sykora and Deborah Stevens.

Thanks to the owners for participating in the election and the meeting.

**ADJOURNMENT**

**MOTION was made and seconded to adjourn the meeting.** All voted in favor. **Motion carried.**

**Meeting adjourned at 3:50 p.m.**