

**SEAWATCH ON THE BEACH
BOARD OF DIRECTORS MEETING
APRIL 23, 2010**

The meeting was called to order at 8:35 a.m. by President Tim Pellerin at Seawatch on the Beach, Ft. Myers Beach, Florida. Board members in attendance were: Steve Couch, Mike Dammeyer, Tim Pellerin, Deborah Stevens and John Sykora. Attending from Hilton Grand Vacations (HGV) were: Michele Jenkins – Resort Manager, Don Fandrey – Assistant to the Resort Manager, Lael Kilpatrick – Regional Director Resort Operations and Riki Martin – Administrative Assistant and Acting Recording Secretary for this meeting.

APPROVAL OF PREVIOUS MINUTES

MOTION was made by Mr. Dammeyer and seconded by Mr. Couch to approve the minutes of the Budget Meeting held on October 29 & 30, 2009. Mr. Couch voted aye, Mr. Dammeyer voted aye, Mr. Pellerin voted aye, Ms. Stevens voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

MOTION was made by Mr. Dammeyer and seconded by Mr. Sykora to approve the minutes of the Teleconference meeting held on December 3, 2009. Mr. Couch voted aye, Mr. Dammeyer voted aye, Mr. Pellerin voted aye, Ms. Stevens voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

PROJECT LIST

The Board reviewed the project list.

MANAGER'S UPDATE

1. Grills

The grills that were purchased last year are not holding up as well as anticipated. Michele suggested purchasing a better quality grill from Home Depot Supply at the cost of \$482.87. **MOTION was made by Mr. Couch and seconded by Mr. Sykora to purchase two grills from Home Depot Supply.** Mr. Couch voted aye, Mr. Dammeyer voted aye, Mr. Pellerin voted aye, Ms. Stevens voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

2. Wireless Router

MOTION made by Mr. Couch and seconded by Ms. Stevens to purchase WiFi radio to provide a better signal on the property without password protection. Mr. Couch voted aye, Mr. Dammeyer voted aye, Mr. Pellerin voted aye, Ms. Stevens voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

3. Patio Furniture

Sample patio chairs were provided for the board members to see and test for comfort. **MOTION was made by Mr. Couch and seconded by Mr. Dammeyer to purchase from Admiral Outdoor Furniture 168 Solara Sling dining chairs, 28 Solara Sling chaise lounges, 42 42" fiberglass tables and 42 18" fiberglass tables in the amount of \$39,702.06.** Mr. Couch voted aye, Mr. Dammeyer voted aye, Mr. Pellerin voted aye, Ms. Stevens voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

4. Bathroom Amenities

The bathroom amenities were tabled until budget meeting.

5. Linens

Michele would like to upgrade the quality of the linens to be used in the units. She has spoken to the owner of Beach & Bubbles Laundromat regarding washing the linens off site. The first year's cost will be more than is budgeted, but after the initial purchase of the linen the cost should be less than what is currently being paid and the Association would have control over the quality. **MOTION was made by Ms. Stevens and seconded by Mr. Sykora to purchase unit linens.** Mr. Couch voted aye, Mr. Dammeyer voted aye, Mr. Pellerin voted aye, Ms. Stevens voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

SPA

The Board reviewed the spa proposals. Mrs. Jenkins suggested installation take place in late August or September of 2010. **MOTION was made by Mr. Dammeyer and seconded by Mr. Sykora to purchase the spa from Aquatic Architects.** Mr. Couch voted aye, Mr. Dammeyer voted aye, Mr. Pellerin voted aye, Ms. Stevens voted aye and Mr. Sykora voted aye. **Motion carried unanimously.**

AUDIT REVIEW – Myers, Brettholtz and Company

Mr. Brettholtz joined the meeting at 10:15 a.m.

Mr. Brettholtz 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, 2009 and the results of its operations and its cash flow for the year then ended, in conformity with accounting principles generally accepted in the United States of America."

As a recap of the years' activities Mr. Brettholtz offered the following:

Operating cash \$837,664 (\$483 R/E escrow)

Reserve cash \$40,611

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9 certificates of deposit 100% guaranteed by FDIC earning an average of 2.21% ranging from less than one year to 6 years totaling \$805,099

Total operating revenue \$1,209,583
Total operating expenses \$1,152,390

Excess (deficiency) \$57,193

Beginning operating fund balance January 1, 2009 \$(17,262)
Ending operating fund balance December 31, 2009 \$39,931

Ms. Kilpatrick provided signature paperwork from Comerica that needs to be signed by the Secretary of the Association for two reasons: 1) in order to set up a NOW account to take advantage of interest earning accounts for operating funds that are not otherwise invested, and 2) to set up new signature card to be signed by the newly appointed Sr. Vice President of Financial Services.

The NOW account is an FDIC insured Comerica Bank checking account (same type as we opened a year ago for the reserve accounts).

The Board thanked Michele and staff for doing a good job of savings this past year.

PARKING LOT DISCUSSION

The installation of pavers in the parking lot is complete with the exception of the handicap signs and sealing of the lot. This will be completed during the May/June maintenance weeks.

BATHROOM/KITCHEN BIDS

Proposals were presented by Frazee Inc., Queenslander Construction and Wilson, Kehoe & Miller.

The Board discussed the three proposals presented for bathroom/kitchen renovations. They were in agreement that a bathroom and kitchen model unit should be done. The Board had concerns with ordering the cabinets from China.

The kitchen renovation will include new lighting, cabinets, quartz or granite counter tops and tile flooring. The bathroom renovation will include replacement of lighting, cabinets, counter tops, mirrors, fan and tile flooring. The renovations will be completed in two stages since there is only one week of maintenance to complete the work.

MOTION was made by Mr. Couch and seconded by Ms. Stevens to accept the proposal from Queenslander for the bathroom/kitchen renovations. Mr. Couch voted aye, Mr. Dammeyer voted aye, Mr. Pellerin voted aye, Ms. Stevens voted aye and Mr. Sykora voted no. Motion carried.

REVIEW OF FORECLOSURES/SALES REPORT

Summary of Accounts

April 2010

	# of Accounts	Outstanding Balance
Lien Action	0	\$
Foreclosure Action	4	\$14,969.46
Other Legal Action	0	\$
Legal Action on Hold	0	\$
Association Owned Weeks	20	\$82,449.09
Total	24	\$97,418.55

RESALES REPORT

2009 SALES

Number of weeks sold 44
Dollar volume \$243,300
Average price \$5,530

2010 SALES YTD

Number of weeks sold 8
Dollar volume \$51,025
Average price \$6,378

Number of weeks listed 198
Dollar volume \$1,916,745
Listing price range \$3,000 - \$25,000

Stephanie will present all bids on the sale of Association owned weeks to Mr. Pellerin for review. She thanked the Board for their support.

NEW BUSINESS

Teleconference meeting scheduled for April 30 @ 10:00 a.m.

ADJOURNMENT

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

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Meeting adjourned at 3:00 p.m.

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