

**SEAWINDS II**  
**BOARD OF TRUSTEES**  
**ANNUAL OWNERS MEETING MINUTES**  
September 19, 2010

**I. INTRODUCTION OF THE BOARD MEMBERS**

Michael McManus called the meeting to order at 10:05 a.m. and welcomed those in attendance to the Best Western Hotel in Rockland, MA. Jeff Farres, Board President opened the meeting by introducing the following people:

Board Members:

|                |                        |
|----------------|------------------------|
| Jeff Farres    | Rowena Flynn           |
| Frank Goodyear | Sheila Farres          |
| David Rapaport | Vincent (Gene) Phaneuf |
| Nancy Kritzman |                        |

VRI Management and Resort Personnel:

Michael McManus, Director of Resorts/VRI  
Israel Soares, General Manager/SeaWinds II

**II. PROOF OF MEETING NOTICE**

Sheila Farres stated that the notice of today's meeting, pursuant to Trust Documents, was delivered to all owners at their address of record via regular mail in the July and August newsletters.

**III. APPROVAL OF AGENDA**

**MOTION:** A motion from the floor was made to approve the agenda as written. Motion was seconded and approved unanimously.

**IV. READING AND APPROVAL OF THE MINUTES (September 20, 2009)**

**MOTION:** A motion from the floor was made to waive the reading of the 2009 Annual Meeting minutes and approve as written. Motion was seconded and approved unanimously.

**V. PRESIDENT'S REPORT**

Jeff Farres welcomed the owners to the Best Western Hotel in Rockland, MA. and thanked them for making the trip. Jeff encouraged the owners to communicate with the resort staff throughout the year by calling the resort prior to check-in and to stop by Riverview during their stay at Seawinds II.

He reminded the owners that when you call SeaWinds II Resort for directions, reservations, or owner services you reach one of the Riverview staff members. He encouraged owners say “Thank you” to those helpful employees that owners have been commenting about over the last year in the resort comment cards.

Jeff stated that this year the Board and management has worked to maintain the resort by promoting open communication with owners, accountability regarding security deposits from all guest and weekly room inspections. This has been a great step in the right direction by reminding owners and guests that they are responsible for their actions. Jeff stated that the Board is very impressed with the professionalism and dedication that resort management and VRI brings to the table year after year. We have a great team working to protect our investment.

The Board has been working with American Resort Development Association (ARDA) in an effort to introduce “Non-Judicial Forfeiture” in the state legislation to assist timeshare resorts with cleaning up of delinquent intervals. Jeff reported that Seawinds currently has 32 accounts that fall into this category and encouraged the Massachusetts residents to call their local representative and ask for their support.

Jeff also stated that the Assessment Billing and Collection policy is being enforced to protect all of the owner’s investment in the property and any owner who does not have their maintenance fees paid prior to arrival will not be allowed to use his/her unit for that given year. The unit will be put into the rental program and if you are interested in renting an additional unit, please call VRI Reservations at 1-800-228-2968 for pricing and availability.

## **VI. MANAGER’S REPORT**

Jeff Farres introduced Michael McManus. Michael stated that he is a Director of Resorts for VRI and is responsible for the operations at Seawinds II. Michael stated that the Riverview Resort staff and VRI have worked with the Board over the past five years concentrating on cutting daily operational costs, maintaining unit quality, and preparing for the future through reserves.

Michael McManus provided a brief background of VRI and its management affiliation with fourteen timeshare resorts on Cape Cod and Nantucket along with twenty-six others in the Northeast, and more than 150 nationwide. Michael stated that VRI has been established on Cape Cod since 1988 and has a long-standing track record of turning around challenging resorts.

Michael McManus presented a power point display with more information about VRI, and shared the following facts:

- 29 years in business.
- Resorts in 27 states, Canada and Mexico.
- Over 160 resort and club locations which means we manage:

- Over 6,500 condo units.
- Over 300,000 intervals.
- Over \$140 Million in assessments billed annually.
- Nearly \$20 Million in rentals annually.
- Preferred Vendor Program.
- National Rental Program.
- Corporate Reservations Office in Laguna Hills, CA, call 1-800-228-2968.
- Owner Services Department in Hyannis, MA, call 1-508-771-3399.
- Eight regional offices.

Michael's slideshow presentation included a review of capital improvements that were completed at the resort from 2006 to 2009. The renovations covered amenity upgrades, a direct phone line to Riverview, new resort sign, electronic locks, complete overhaul of the units, and several building projects including sound proofing and heating. Michael stated that several Association units are available for sale and to please contact the resort for a list of the unit numbers and weeks.

## **VII. FINANCIAL REPORT**

David Rapaport distributed and presented the 2011 Presentation Budget.

Michael McManus reviewed the most recent Comparative Income Statement, Cash Balances, Cash Flow and Reserve Analysis for August 2010. Michael commented that the 2.7% increase in maintenance fees for 2011 was mainly due to an increase in delinquent accounts and that currently there are 38 owners that are behind in their yearly maintenance fee obligation.

Michael stressed that the Board is aware of the current economic times and management is encouraging those owners to call the Owner Services Department at 508-771-3399 to establish payment plans. The Board is willing to work with owners who need assistance during this challenging period and to call today.

The Board continues to follow the guidelines of the 2009 reserve study which establishes outlines for future projects and helps the Board to set a goal to fund reserves each year.

The Board is exploring the foreclosure process in Massachusetts and reviewing accounts that should be placed in this process in an effort to begin a sales program for owners. The Board is looking for ways to clean up delinquent accounts and get the units available for owners to purchase or attract new owners to the Seawinds II Home Owner's Association.

## **VIII. ELECTION OF TRUSTEES**

Michael McManus announced that all seven Board members were up for re-election this year. Jeff Farres asked if there were any additional nominations from the floor.

Michael reminded the owners that the incumbents' bio's were mailed out prior to the meeting for review. There being no further nominations Michael instructed any owner who had not casted a vote to fill out the voting ballot and that they would be collected and counted.

**MOTION:** A motion from the floor was made to waive the election process and to cast one vote to re-elect the incumbents for the two year term to the Board. Motion was seconded and approved unanimously.

## IX. QUESTION/ANSWER SESSION

Q. What do we do if we have a problem while we are staying at the resort concerning maintenance or housekeeping issues?

A. You are encouraged to report any issue to the desk clerk, simply call 508-394-9801. Please feel free to use the new emergency phone located outside unit 4 by the gas grill which dials Riverview Resort automatically.

Q. What exchange organizations can I participate with?

A. Michael explained that the owners have several exchange programs available to them from RCI, II, and VRI\*ety. VRI\*ety is an internal exchange program managed by VRI and for more information to contact 888-203-1044 or email [info@VRietyexchange.com](mailto:info@VRietyexchange.com).

Q. Does Seawinds II have assigned parking and what do we do if we can not find a open parking spot?

A. There are no assigned parking spots; however, SeaWinds II is currently working on additional parking spaces on Uncle Rolf Rd.

Q. Beach Access: Is there a specific area that is designated for SeaWinds II owners?

A. Yes, the resort has had sixTiki umbrellas placed on the beach to reserve space for the SeaWinds II owners. Each umbrella has a number which corresponds to number of your unit. If owners have any problems they are advised to contact the front desk.

Q. Can owners use jet skis on the Seawinds II beach?

A. No boats or jet skis are allowed on SeaWinds II private beach property. If you have problems please call management at 508-394-9801.

Q. Can we pay our yearly dues by credit card?

A. Yes, you can go online to [www.vriresorts.com](http://www.vriresorts.com) and use the owner's page to make payments online.

Q. What new services does VRI provide?

A. VRI provides a list of travel programs available to all owners of VRI managed properties such as VRI\*ety and VRI\*ety Plus. Please visit [www.vriresorts.com](http://www.vriresorts.com) for more information.

Q. What can be done about the trash receptacles always being full?  
A. Management will look into changing the days of the pick ups and requests that if owners notice any unauthorized individuals dumping trash to report it.

Q. Where is Riverview located and can we use the facilities?  
A. Yes, Seawinds II owners can use the facilities at Riverview. The Resort is located at 37 Neptune Lane, South Yarmouth, MA which is right off Rt. 28 behind Pier 7 Condominiums and across from Pirates Cove Mini Golf. Look for the Red and White Lighthouse on the roof.

Several owners commented on the tremendous amount of work and communication that has been shared between the owners and the Board members. The owners were thankful for all the hard work the Board has put forth to protect the resort and each owners investment, the resort looks better than it ever has.

An owner's letter from Tom Fox was read and discussed by the Board and owners. Tom Thanked the Board for all there hard work and dedication to the resort.

## **X. ADJOURNMENT**

**MOTION:** There being no further business, a motion was made from the floor to adjourn the meeting at 2:20 p.m. Motion was seconded and approved unanimously.

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Sheila Farres, Secretary

MJM/jmf

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