

SEAWINDS II
BOARD OF TRUSTEES MEETING MINUTES
June 1, 2014

I. CALL TO ORDER/ROLL CALL

A duly noticed meeting of the Board of Trustees was called to order by Jeff Farres at 9:04 a.m. The following persons were in attendance:

Board of Trustees:

Jeff Farres
Shelia Farres
David Rapaport
Vincent (Gene) Phaneuf

Absent:

Frank Goodyear
Rowena Flynn

Vacation Resorts International and Resort Management:

Michael McManus, Director of Resorts/VRI

II. APPROVAL OF AGENDA

MOTION: Shelia Farres moved to approve the agenda as written. Motion was seconded by Gene Phaneuf and approved unanimously

III. APPROVAL AND ACCEPTANCE OF PREVIOUS MEETING MINUTES

A. Approval of Telephonic Meeting Minutes (09/11/13)

MOTION: Gene Phaneuf moved to approve the September 11, 2013 telephonic meeting minutes as written. Motion was seconded by David Rapaport and approved unanimously.

B. Acceptance of Annual Meeting Minutes (09/22/13)

MOTION: Gene Phaneuf moved to accept the September 22, 2013 Annual Meeting Minutes as written. Motion was seconded by David Rapaport and approved unanimously.

IV. MANAGEMENT REPORTS

A. Resort Update

Michael McManus distributed the Manager's Report which included the following items:

- Six sofas and four chairs were purchased from Oceancliff Resort in January.
- The maintenance department painted six units during shutdown.
- Housekeeping is working with a new laundry vendor to reduce cost and obtain better service.
- Linen replacement purchase was made in April and new pillows were purchased in May.
- Property insurance inspection was conducted on May 20, 2014.

B. Financial

Michael McManus reviewed the financial statements as of month-end April 30, 2014. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement, and Cash Flow Analysis.

Michael reported that cash flow is very tight due to the prior year deficit. \$10,000 was transferred from reserves to operating at the end of April to cover operating expenses.

MOTION: David Rapaport moved to accept the April 30, 2014 financial statements as presented. Motion was seconded by Gene Phaneuf and approved unanimously.

C. Riverview

Michael McManus stated that SeaWinds II has met their financial obligation to Riverview Resort as of month end April 2014.

V. OLD BUSINESS

A. Contract Matrix

Michael McManus reviewed the previously distributed Commercial Property/General Liability Insurance Policy presented by Morse Insurance Agency for coverage from April 3, 2014 to April 3, 2015 with a premium of \$3,999.

MOTION: Gene Phaneuf moved to approve the contract with Morse Insurance Agency for commercial insurance coverage as submitted. Motion was seconded by David Rapaport and approved unanimously.

B. Property Line

i. Beach

Michael McManus reported on the following items:

- A bench in honor of the Hosmer family will be installed to the left hand side of the entranceway to SeaWinds II Beach at no cost to the association
- Beach clean up will be performed by the “Beach Comber” with the cost split between SeaWinds I HOA, SeaWinds II and Uncle Rolf Rd. Association
- Six beach umbrellas will be installed on Wednesday, June 25, 2014 for the season

VI. NEW BUSINESS

A. Building Improvements

The Board reviewed the letter from ERT Architects regarding the scope of work needed to be performed at SeaWinds II in accordance with the Dennis Town Planner requirements for deck work. The permits will be issued the first or second week of June.

The Board directed management to draft a letter to the ownership explaining the revised project schedule and anticipated completion date. The letter is also to be posted on the resort's website.

B. Loan

Michael McManus presented funding options proposed from Allstate Capital.

MOTION: David Rapaport moved to approve the finance option for resort capital improvements in the amount of \$35,000 over 36 months with Allstate Capital as submitted. Motion was seconded by Gene Phaneuf and approved unanimously.

C. Resort Assignment

Jeff Farris stated that due to the resignation of Israel Soares as General Manager of Riverview/SeaWinds II on March 29, 2014, he requested that the sub-management agreement be reviewed and all options be considered.

MOTION: Gene Phaneuf moved to approach the Board at Edgewater Beach Resort to propose a sub-management agreement. Motion was seconded by David Rapaport and approved unanimously.

MOTION: Gene Phaneuf moved to add a rental incentive of 5% of all Association rentals at SeaWinds II be paid to the General Manager monthly. Motion was seconded by David Rapaport and approved unanimously.

VII. OTHER

A. Sales Update

Michael McManus reported on Timeshare Holdings, LLC, a Vacation Club out of Las Vegas that is interested in acquiring Association inventory. Michael stated that more information would follow at the next Board meeting.

B. Open Discussion

The next meetings are scheduled for:

- Tentative telephonic Board Meeting, week of July 7, 2014
- Regular Board Meeting, Sunday, September 21, 2014, 9:30 a.m.
- Annual Meeting, Sunday, September 21, 2014, 11:00 a.m.

VIII. ADJOURNMENT

MOTION: There being no further business, Gene Phaneuf moved to adjourn the meeting at 12:08 p.m. Motion was seconded by David Rapaport and approved unanimously.

Sheila Farres, Secretary

MJM/jmf

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