



**Sea Club IV Owners Association Inc.
Combined Annual Meeting of the Members of the Association
And Budget Meeting of the Board of Directors Meeting Minutes
Saturday, October 7, 2017, 11:00am, Social Room**

- A. **Call to Order of Budget Meeting** – As the President was absent, Secretary Bill Craig called the meeting to order at 11:00am. Board members introduced themselves.
- **Board Members present:**
 - Secretary – Bill Craig
 - Treasurer – John Swogger
 - Director – Mary Spangler
 - Vice President – June Lesko
 - **Members of Management:**
 - Resort Manager – Michael DiPaola
 - **Others Present:**
 - Scott MacGregor – President of ARC
 - Alice Grace –Americano – ARC Administrative Office Manager
 - Greg Mafcher – ARC Director of Resort Operations
 - Natalie Lopez-Reeves –Americano – ARC Director, Lifestyle Ambassadors & Marketing
 - Tim McLaughlin – RCI Representative
- Secretary B. Craig announced that the meeting was being audio recorded for the purpose of facilitating the minutes.
- B. **Discussion of 2018 Operating Budget and Capital Projects -**
- Budget workshop at the end of August occurred and it was determined that there was an indicated 3.5- 4% increase in assessment income required and reduced expenses of approximately \$12,000.
 - The association owns 209 intervals. There are approximately 200 additional non-paying intervals that are owner owned which equates to approximately 10% of the ownership base. The 2018 strong rental program was instituted and \$43,120 in revenue is projected to be received from that.
 - The association had instituted a Hardship Deed Back program to keep the foreclosure process and fees to a minimum. However, as non-performing intervals have increased in recent years, the policy is to be reviewed at the next Board meeting.
 - Retained the reserve amount to be the same at \$239,391 as 2017.
- Motion was moved by J. Swogger to ratify the budget, B. Craig seconded and unanimously passed.
- C. **Capital Projects -**
- Renovated the social room
 - Rhea was instituted as a more advanced system for reservations, account accuracy and information.
 - Towel exchange program – Monday – Friday.

- Bathroom renovations will begin in two weeks. North side of building will be closed and begin from 5th floor to 1st. As the units are completed the floor will be reopened. The north side is scheduled to be completed by the end of 2017 and then the South side of the building will begin in October 2018. Fiber Optics will also be installed at this time.
 - Lobby is scheduled to be renovated as well as the Front Desk reservation counter
 - Electronic key system will be installed starting in 2018 as well as ADA compliant handles. This will be approximately \$550 per door
 - Second designated smoking area.
 - Sliding door replacements for the hurricane and turtle compliance.
 - First phase of the kitchen area updates will begin with all new cabinetry and then second phase is the appliances.
 - Redesign the pool deck area. Relocate the shuffle board areas and open the area up for lounge chairs. Separate area for tables and chairs.
 - Revamped security camera system. Relocate and rewire the system.
- Discussion was made regarding the Proxy vote for the new board members.
 - Motion made by Bill Craig for the person who receives the least votes have the title of non-voting special consultant to the board. Seconded by John Swogger. Unanimously passed.

D. 2018 Meeting Dates -

- Annual first Saturday in October 6th
- Thursday Feb 22nd
- May 17th
- July 26th Budget meeting and BOD meeting

E. Adjournment -

- M. Spangler made a motion to adjourn, J. Swogger seconded, unanimously approved.



Annual Meeting of the Members of the Association Saturday, October 7, 2017, 11:00am, Social Room

Call to Order of Annual Meeting– S. MacGregor called the meeting to order at 1:00pm. Board members introduced themselves.

- Requirements to establish quorum: 2,040 intervals in the Association, less HOA 209 owned equals 1831 intervals for quorum. The declaration establishes quorum for the annual meeting at 50% of voting intervals plus 1. 916 intervals needed in person or by proxy to achieve quorum for the meeting, Currently, 346 intervals are represented in person or by proxy.
- Because quorum was not obtained by the start of the meeting, the meeting is adjourned, and an informational meeting will be held. If quorum is achieved within 90 days of the meeting, the meeting will be reconvened. Until then, the remaining board will remain in place, but as approved at the earlier Board meeting, the single additional candidate will be invited to serve as a Board committee member.

F. Financial Report – S. MacGregor recapped the financial report and answered related questions.

- Discussed delinquencies and the foreclosure process. Approx. \$500-\$600 per interval to foreclose.
- Hardship Policy was explained and the limitations of it
- Discussed restoring the value of units for resale value
- Insurance policy and deductibles were reviewed

G. Discussion of Application of Association Excess Funds for Replacement Reserves – No reserve monies from previous year

H. Election of Nominees to Board of Directors – Board members that are on the ballot were given an opportunity to give reasons why they would like to remain on the board.

I. Resort Manager Report – M. DiPaola recapped the RCI and Trip Advisor scores as well as recapped the capital projects.

J. Exchange company and ARC product presentations

K. Questions and Answers from the floor

- Requested that the meetings be avail via teleconference. **ACTION:** This feature is in process and owners will be notified when we will be able to start using that feature.
- 2020 Termination – Majority of owners, 50% plus 1 must vote to maintain the association. The proxy is valid for 3 years to give time to reach the majority. Imperative to have owner accounts accurate and up to date contact information. Attempting to amend the declaration to remove the Sunset Clause so that the majority vote is not needed every 10 years. Next year will have an electronic ballot to make it easier for the owners to enter their vote.

L. Adjournment –

- Meeting adjourned at 3:00pm.