

**FLORIDA BAY CLUB CONDOMINIUM ASSOCIATION, INC.
BOARD OF DIRECTORS TELEPHONIC MEETING MINUTES**

Tuesday, March 31, 2020

I. CALL TO ORDER/ ROLL CALL

A duly noticed telephonic meeting of the Board of Directors was called to order by Phillip Truran at 6:00 p.m. The following persons were in attendance:

Board of Directors:

Phillip Truran-President
Robert West-Vice President
James Farmer-Secretary
Michael Heise-Treasurer
John Lexa

Absent:

Michael Gandham
Wanda Robbins

VRI Americas (VRI) and Resort Management:

Richard Schwartz, Vice President of Resort Operations/VRI
Shelby Valles, Resort General Manager/VRI

II. NOTICE CERTIFICATION/QUORUM VERIFICATION

A. Posted

Shelby Valles confirmed that the notice of the meeting was posted at the resort in an approved location in accordance with the condominium documents and Florida Statute.

B. Quorum

A quorum was established and confirmed by Secretary James Farmer with five of seven Board members in attendance.

III. APPROVAL OF AGENDA

MOTION: Phillip Truran moved to approve the agenda as presented.

SECOND: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

IV. APPROVAL OF PREVIOUS BOARD MEETING MINUTES (02/04/20 & 03/16/20)

MOTION: Phillip Truran moved to approve the February 4, 2020 Telephonic Meeting minutes and March 16, 2020 Special Assessment Board Meeting minutes.

SECOND: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

V. MANAGEMENT REPORTS

A. Financial Reports

1. Cash Balances

Richard Schwartz reviewed the Cash Balances Report as of February 29, 2020, copies of which were provided to each attendee. Balances are as follows:

Operating Fund	\$719,077.59 (\$299,467 designated for the 1 st 2020 Special Assessment)
Reserve Fund	<u>\$182,706.67</u>
Total	\$901,784.26

2. Variance Report

Richard Schwartz reviewed the Revenue and Expense Variance Report as of February 29, 2020, copies of which were provided to each attendee. The report explained the reasons for the larger variances from budget.

3. Reserve Fund

Richard Schwartz reviewed the Reserve Fund report as of February 29, 2020, copies of which were provided to each attendee. The report shows the balances for each Reserve Fund category, including beginning balance, funding, interest earned and expenditures

Further discussion was as follows:

- Phillip Truran explained that any appliances removed during the unit renovations will be placed in storage for use as needed, in unrenovated units.

4. Rental Report

Richard Schwartz reviewed the Rental Report as of February 29, 2020, copies of which were provided to each attendee. The report summary is as follows:

Owner Gross Rentals	\$2,147 (\$2,147 over 2019)
HOA Gross Rentals	<u>\$2,583</u> (\$2,583 over 2019)
Total	\$4,730 (\$4,730 over 2019)

5. Accounts Receivable Reports

Richard Schwartz reviewed the Accounts Receivable Reports as of February 29, 2020, copies of which were provided to each attendee.

- Accounts Receivable - 2020 Maintenance Fees totaling \$157,266 or 18.98% of the total billed, which represents a reduction from the prior month of \$75,588 or 48.06% and \$24,879 or 15.82% more than in 2019.
- Accounts Receivable - 1st 2020 Special Assessment totaling \$367,670 out of \$556,015 has been collected leaving a balance due of \$188,345 or 32.77% of the total billed. \$68,204 has been expended to date leaving a cash balance of \$299,467.

6. Delinquency Report

Richard Schwartz reviewed the Delinquency Report as of February 29, 2020, copies of which were provided to each attendee. The following summarizes the report:

2020 Maintenance Fees	Balance due of \$124,528 or 15.09% of total billed, comprised of 144 weeks.
1 st 2020 Special Assessment	Balance due of \$149,399 or 26% of total billed comprised of 306 weeks, 137 of which did not pay either of the two installments in full as well as 127 not having paid the second installment in full.

B. Scheduled Occupancy Report

Richard Schwartz reviewed the Occupancy Report as of February 29, 2020, copies of which were provided to each attendee. The following summarizes the report:

February occupancy	469 days out of 522 or 89.9% occupancy
Year to date occupancy	926 days out of 1,080 or 85.7% occupancy

C. Source of Business Report

Richard Schwartz reviewed the Source of Business Report as of March 24, 2020, copies of which were provided to each attendee. A summary of the report is as follows:

1,291 days occupied or 86.81% of a total of 1,494 days. This consisted of the following:

Owners	69.34%
Renters	2.07%
Exchange Bulk Banks	9.84%
HOA Rental Deposits	1.41%
Maintenance	4.15%

D. RCI Report

Richard Schwartz reviewed the RCI Report as of February 29, 2020, copies of which were provided to each attendee. Four of the five scores were in the Gold Crown Award status with one (Unit Maintenance) in the Silver Crown Award status.

E. Sales Report

Richard Schwartz reviewed the Sales Report as of February 29, 2020, copies of which were provided to each attendee. One owner week and no HOA weeks have been sold year to date.

VI. GENERAL MANAGER'S REPORT

Shelby Valles reviewed the following:

- Slow due to a lack of spring breakers.
- The resort grounds look great.
- The men's pool bath and gym have been completed to eliminate the water intrusion issue.
- Great reviews have been received for the A10 model.
- Addressed owner calls relating to the 2nd 2020 Special Assessment.
- Maintenance has been touching up paint in unit interiors and trimmed palm trees.
- Renovation of the two C Building units has begun and is on schedule.

Further discussion was as follows:

- Michael Heise inquired as to whether there were any updates on the dock repair project. Shelby advised that it is still in the permitting process, which can take as long as one year or more.

VII. UNFINISHED BUSINESS

There was no Unfinished Business.

VIII. NEW BUSINESS

A. COVID-19-Property Operations

Shelby Valles reported the effects of the current COVID-19 situation on the resort as follows:

- All hotels and vacation rentals were ordered to be closed by Sunday, March 22, 2020.
- Access to the Florida Keys was closed to everyone except owners and workers as of March 27, 2020.
- Due to low occupancy, the housekeeping staff was reduced.
- Due to the laundry service being closed, Shelby and other employees are keeping pace with the laundry on Fridays.
- The maintenance staff is working full time, catching up on projects.
- Cancelled owner reservations are being rescheduled based on availability.

B. C Building Deck

Phillip Truran explained that a county building inspector checking the C Building unit renovations walked on to the 2nd floor deck and stated that a Certificate of Occupancy would not be issued based on its current condition. After a consultation with an architect, D.P.S. Construction provided a proposal to replace the wood deck with a concrete deck, aluminum railings and a non-skid tile floor at a cost of \$27,500. Copies of the proposal and plans were provided to all attendees and Phil reviewed their content.

MOTION: James Farmer moved to accept the proposal from D.P.S. Construction to replace the existing wood deck on the C Building with a concrete deck, aluminum railings and a non-skid tile floor at a cost of \$27,500.

SECOND: Motion was seconded by Robert West.

DISCUSSION: Robert West moved to amend the motion to include all of the decks on the A and B Buildings. Michael Heise recommended keeping the motion to only include the C Building decks until the Board had a chance to see the final product. There was no second to the amendment, so the motion to amend did not continue.

VOTE: The motion was approved unanimously.

C. AX Credit Card Approval

Richard Schwartz explained that new statutes does not allow for the use of debit cards for the payment of Association expenses. He reviewed the agreement to permit the use of Marriott Worldwide Vacation AX credit cards by staff for Association expenses. Shelby Valles stated that she has been periodically using her personal credit card in certain instances and then getting reimbursed. Richard explained that VRI does not recommend the use of personal credit cards for Association expenses.

MOTION: Phillip Truran moved to approve the signing of the agreement for the issuance and use of the Marriott American Express card with such card to be issued to the General Manager with a limit of \$5,000.

SECOND: Motion was seconded by Robert West.

DISCUSSION: Richard Schwartz requested President Phillip Truran sign the agreement and send back to him. Specific forms required to be completed by Shelby will be provided by Richard.

VOTE: The motion was approved unanimously.

D. Deed Back Policy

Richard Schwartz noted that, although previously discussed, the revised Deed Back Policy had not been approved at a duly called Board Meeting and provided copies of the notes on the revised policy to all attendees. Richard recommended the following revisions to the revised policy. Additions are underlined; deletions are ~~strikethrough~~.

1. Owner must be current in all fees due to the Association except Special Assessments.
2. The property(s) may not have a mortgage or other encumbrance.
3. Owner must provide clear title to the property(s) or pay for any required clearing of title. ~~pay for and present proof of title search. The Resort can arrange for this \$350.~~
4. Owner must pay an all-inclusive \$1,500 exit fee PER WEEK to the Association in advance by cashier check, bank draft or credit card. ~~plus \$100 transfer fee to the HOA.~~
5. Owner cannot have deposited the interval(s) with an exchange company or otherwise obligated the interval(s) for anyone other than self or the Association. If the unit(s) is/are in the rental program, rental proceeds will be paid to the Association. ~~owner of record at the time of rental.~~

MOTION: Phillip Truran moved to approve the revised Deed Back Policy as presented.

SECOND: Motion was seconded by James Farmer.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

E. Foreclosures

Richard Schwartz reviewed the list of seven owner weeks recommended for foreclosure action based on their delinquency of the 2019 year and subsequent fees and assessments.

MOTION: Phillip Truran moved to approve sending seven accounts, currently delinquent for the 2019 year and subsequent assessments to foreclosure.

SECOND: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

F. Smoking Policy

Phillip Truran announced that a change in the smoking policy was recommended by Board Member Michael Gandham, who was absent from the meeting, to include the entire property rather than only inside the units as the current policy states. After some discussion among the Board, it was decided to leave the policy as it currently exists.

IX. EXECUTIVE SESSION

A. Personnel Matter

MOTION: Phillip Truran moved to adjourn to Executive Session at 6:58 p.m.

SECONDED: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: The motion as approved unanimously.

MOTION: Phillip Truran moved to return to Regular Meeting at 7:08 p.m.

SECONDED: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: The motion as approved unanimously.

MOTION: James Farmer moved to approve the employee memo as discussed, written and revised to be placed in the employee file.

SECOND: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: The motion was approved unanimously.

Phillip Truran asked if any owner present would like to ask a question or discuss any matters. There was no owner response.

X. SCHEDULING OF NEXT MEETING DATES/TIME 2020

MOTION: Phillip Truran moved to schedule the next Board Meeting for Tuesday, May 12, 2020 at 6:00 p.m. via teleconference.

SECOND: Motion was seconded by Robert West.

DISCUSSION: None.

VOTE: Motion was approved unanimously.

XI. ADJOURNMENT

MOTION: Robert West moved to adjourn the meeting at 7:11 p.m.

SECOND: Motion was seconded by Michael Heise.

DISCUSSION: None.

VOTE: Motion was approved unanimously.

James Farmer, Secretary

STS/cht

fbc: 033120min