

## Neptune House Owners Association Owners Meeting

March 27, 2021

### Meeting Highlights:

- 45 Owners Attended
- Director Doug Carnahan Reelected
- Recreational Amenities Project Status and Plans, and Facility Improvements, Addressed
- Financial Status Reported
- Marketing Efforts Reviewed

An Owners Meeting of the Neptune House Owners Association (the "Association") was held by Zoom videoconference starting at 10:00 A.M. on Saturday, March 27, 2021. In attendance were 45 unit owners (many of whom owned multiple weeks), including all members of the Association Board of Directors (Jeff Anliker, Douglas Carnahan, Cheryl Moore, Mark Morrisette and Phil Totino), Association Secretary Chris Lindgren and Resort Manager Samantha Disotell. Also in attendance was Mike McManus of Vacation Resorts International (VRI).

### Opening Remarks

Association President Phil Totino opened the meeting by welcoming the owners and introducing the Board members, Association officers, Resort Manager Samantha Disotell and VRI representative Mike McManus. Phil reported that VRI had certified the timely mailing of meeting announcements and proxy ballots to owners eligible to vote.

Phil addressed the delayed start of the 2020 season and the resort's efforts to mitigate the impact of the COVID-19 pandemic. Phil then briefly reviewed the status of the six Turnaround Plan initiatives established in 2016, including the four completed initiatives (hiring a management company, implementation of a collection policy and foreclosure on delinquent shares, implementation of the 30-week resort season, and developing a reserve plan) as well as two continuing initiatives – completion of the Recreational Amenities Project and implementation of a robust marketing program, focused on rentals of Association-owned off-season shares. Phil indicated that subsequent presentations would address those two initiatives in progress in greater detail.

### Recreational Amenities Project

Association Vice President of Facilities Planning Cheryl Moore described work on the Recreational Amenities Project, including completion of Phase 1 with the opening of the outdoor heated pool in 2018, and completion of Phase 2 with the patio between the pool and the tennis courts, fire pits and outdoor furniture in 2019. Phase 3, scheduled for this fall, will include removing one tennis court to provide a grassy play area, and replacement of the remaining tennis court and tennis court fence.

### Facility Improvements

Resort Manager Samantha Disotell detailed improvements made in 2020 to the living units, common areas and unit exteriors, including installation of a new fire alarm control system in Buildings A and B. Samantha also addressed improvements planned for the 2021 season, including replacement of the boiler and hot water heater in Building B. She indicated that the resort will continue to follow state and CDC COVID-19 guidelines for the 2021 season.

### Financial Update

Association Treasurer Mark Morrissette provided a detailed financial update, indicating that 2020 financial results were positive despite a decrease in rental and other revenue as a result of COVID-19. His presentation compared 2020 operating and reserve expenses with revenues, reviewed the December 31, 2020 balance sheet, and addressed the 2021 budget, indicating that reserves are on plan despite projects being delayed from 2020 to 2021. Mark also reviewed the status of the resort's Five-Year Property Improvement Plan. He noted year-over-year declines in maintenance fee revenue, such that non-maintenance fee revenue is necessary for the resort's success. Mark indicated that it was anticipated that owner assessments would increase between 3% and 5% in 2022 and future years, and that the Board is exploring multiple ways to minimize fee increases and maintain the health of the resort.

### Marketing Update

Director Jeff Anliker described the activities of the Marketing Committee, established by the Board in 2018, in developing a marketing direction to increase off-season rentals of Association-owned shares. Jeff described implementation of a new Neptune House website, Facebook page and Instagram account, and production of four videos posted on the resort's YouTube channel, as well as other efforts to market the resort, including production of a brochure, building relationships with other groups, and advertising through multiple channels.

### Election of Directors

Secretary Chris Lindgren reported that Doug Carnahan had been reelected to the Board with 138 votes received from 80 owners. Chris indicated that, as the terms of the Board's five Directors are staggered, there will be two Director positions scheduled for vote in 2022.

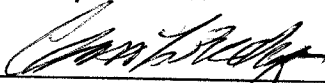
Chris and Phil congratulated Doug and reiterated the importance of owners' willingness to volunteer their time and expertise to guide the resort.

### Questions and Answers/Open Forum

Board members and Samantha responded to questions and comments from owners. Owners commented regarding a variety of items, including facility improvements, the resort's sales and marketing efforts, and the scheduling of resort weeks, and provided various suggestions that the Board took under advisement. Owner comments were generally positive and supportive of the direction being taken.

Following the question and answer session, upon motion duly made and seconded, the meeting was adjourned at 11:51 a.m.

Respectfully submitted

  
\_\_\_\_\_  
Chris Lindgren, Association Secretary