

Meeting of the Board of Directors of the Neptune House Owners Association

July 7, 2017

The Board of Directors (the “Board”) of the Neptune House Owners Association (the “Association”) met telephonically by conference call at 7:30 a.m. on Friday, July 7, 2017. All members (Jeff Anliker, Cheryl Moore, Mark Morrissette, Dennis Palumbo and Phil Totino) were in attendance. Also in attendance were Secretary Chris Lindgren, Resort Manager Samantha Disotell, and Mike McManus of Vacation Resorts International (VRI).

Administrative Items

Upon motion duly made and seconded, the Board voted to approve the minutes of its meeting on June 2, 2017, as circulated in advance to the Board members.

Resort Management

The Board discussed the status of the pool construction. In light of delays to date, the Board discussed a revised timeline for action items to complete the pool. While a contractor is prepared to pour the concrete decking for the pool, Mike McManus and Vice President of Facilities Planning Cheryl Moore indicated that they would continue to work to engage contractors to provide the forms into which the concrete will be poured for the decking, to install the outdoor shower, to provide electrical hook-ups, to reinstall the fence around the pool with new gates, and to replace the wooden walkway behind the pool.

The Board also discussed phase 2 of the pool project – an enlarged pool apron and pergola – scheduled to be completed in 2018. Given the difficulties in engaging contractors on the island, the Board discussed possibly enlarging the pool apron as part of the 2017 phase 1 work (other aspects of phase 2 – the pergola and new fencing – would still be completed in 2018). The Board asked that Mike and Cheryl obtain quotes for the enlarged apron alternatively as part of the 2017 phase 1 work, or as originally planned in 2018; the Board would then decide whether completing the enlarged apron in 2017 was feasible given budget constraints. The Board also discussed quotes received to date for additional amenities that might be completed in 2019, revenues permitting, and asked Mike to follow up on quotes that had not yet been obtained, including to install one or two fire pits, a playground, and bocce and/or shuffleboard courts.

Mike provided an update on 2017 repair and maintenance projects. He reported that the majority of projects had been completed and were within budget.

Mike addressed the Interval International Customer Satisfaction Index report for calendar year 2016. He indicated that he believed that the 89 overall score given by Neptune House Interval International exchange guests was above average, and that the lowest score of 71 for on-site resort amenities was supportive of the Board’s efforts to improve amenities at the resort.

Resort Manager Samantha Disotell indicated that staff would begin holding weekly meetings on Sunday mornings in the office lobby to answer questions from owners and guests and describe activities on the Island.

Sales and Marketing Program

Mike described Points Plus, LLC sales to date, indicating that Points Plus is accelerating its sales efforts. So far, Points Plus has completed three owner conversions to Interval International's Club Interval Gold points program and has sold two shares owned by the Owners Association.

Financial Management

Mike reviewed the May financial report as distributed to the Board in advance of the meeting. He indicated that revenues and expenses were on track versus the 2017 budget.

Mike updated the Board on 2017 payments to date and on collection activities.

The Board agreed to review the ABC Policy when it reviews the 2018 budget later this year.

Executive Session

Mike McManus and Samantha Disotell left the meeting. The Board members then met in executive session with Secretary Chris Lindgren present.

Following the executive session, the meeting was adjourned at 9:07 a.m.

Respectively submitted

Chris Lindgren, Secretary