

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

October 4, 2019

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, October 4. All members (Jeff Anliker, Douglas Carnahan, Cheryl Moore, Mark Morrissette and Phil Totino) were in attendance. Also in attendance were Secretary Chris Lindgren, Resort Manager Samantha Disotell, and Mike McManus of VRI Americas (VRI).

President Phil Totino expressed the Board's condolences upon the untimely deaths of former employee Michael Swanson and the son-in-law of former General Manager Meredith McAloon.

Administrative Items

Upon motion duly made and seconded, the Board voted to approve the minutes of its meeting on September 6, 2019, as circulated in advance to the Board members.

Resort Management

Mike McManus indicated that remaining 2019 repair and maintenance and reserve projects would be undertaken in November once the resort season has ended. He further indicated that quotes were still outstanding for construction projects scheduled for this fall and the spring of 2020.

Mike reported that the consultant's report on conformance with the Americans with Disabilities Act (ADA) should be available prior to the Board's November meeting.

Sales and Marketing

Resort Manager Samantha Disotell reported that, since the Board's September meeting, Hello Vacay had not sold any additional shares.

Mike reported on the status of placing Association-owned inventory for rent on the booking.com, Airbnb, Vrbo and other travel websites, and for rent through RCI. He indicated that he and Samantha were in the process of identifying units to be placed with RCI for rental. Mike indicated that he would forward to the Board monthly "source of business" reports prepared by VRI, identifying the volume and sources of rental income.

Phil indicated that additional pictures are needed before the new resort website can be implemented.

Mike reported on the status of updating resort descriptions and pictures on the Google Reviews, TripAdvisor, VRI and BI Chamber of Commerce websites. He further indicated that he would provide Board members with mock-ups of alternative designs for a new main sign for the resort, to reflect the resort's new tagline. Phil noted that the Interval International and RedWeek websites have been updated, but still have some incorrect information.

Phil indicated that he would provide the Marketing Committee with additional comments on the Marketing Plan document, in anticipation of the Board adopting a final version of that document at its November meeting.

Financial Management

Phil addressed the August 31, 2019 financial report as distributed in advance of the meeting, and the variance report regarding revenues and expenses that Mike and Samantha had prepared.

Phil noted that, as of September 27, 98.3% of fees had been paid, exceeding the budget assumption that 98% of fees will be paid by year-end.

Phil observed that, as of September 26, VRI reported that the resort owned 124 shares in the 30-week resort season (one more than at August 26), and that – when accounts placed with attorney Rodio for collection are also taken into account – there were 131 non-performing shares at September 26 (the same as at August 26). Phil noted that the comparable number of non-performing shares at the end of 2018 was 121. Mike indicated that he would confirm that the reported number of resort-owned shares correctly reflected the September sale of a two-bedroom share.

Agenda Items for Next Meeting

Phil indicated that the Board's November meeting agenda will include a proposed timeline for the 2020 Owners Meeting and election, a proposed rental policy and rates for 2020, and a discussion of year-end employee bonuses.

Executive Session

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

Following the executive session, upon motion duly made and seconded, the Board voted to adjourn the meeting at 9:04 a.m.

Respectively submitted



Chris Lindgren, Secretary