

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

August 14, 2020

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, August 14, 2020. 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).

Administrative Items

Upon motion duly made and seconded, the Board voted to approve the minutes of its meeting on July 10, 2020, as circulated in advance to the Board members.

Resort Management

Resort Manager Samantha Disotell reported that the resort is operating smoothly, with all units occupied. She indicated that the pool opened on August 9, with limited seating and social distancing to comply with CDC and State of Rhode Island COVID-19 guidelines. The delay in opening the pool was due to the time needed to get the pool chemicals in balance, to obtain a replacement for a faulty battery in the handicap chair lift, and to complete a new bacterial test required by the Department of Health.

Samantha reported that \$15,000 in credits against 2021 maintenance fees are due to owners who were unable to come to the resort while the resort was closed, and who could not be rescheduled to Association-owned weeks later in 2020 or 2021.

Secretary Chris Lindgren reported that the resort is waiting for Washington Trust to begin accepting applications for forgiveness of loans received pursuant to the Small Business Paycheck Protection Program, at which time the resort will apply for full forgiveness of its loan.

Mike McManus reviewed proposed wording to be added to the Neptunehouse.com website regarding actions the resort is taking to comply with CDC and State of Rhode Island guidance on COVID-19. The Board approved adding the language, with slight modifications, to the website.

President Phil Totino addressed the need to plan for a virtual Owners Meeting in March 2021, should an in-person meeting not be practical due to public health considerations. The Board discussed the possibility of holding such a virtual meeting using video conferencing technology, and agreed to pursue that alternative further later in 2020.

Mike and Samantha provided updates on scheduled 2020 repair and maintenance projects and the resort's Five-Year Property Improvement Plan. They indicated that they are continuing efforts to obtain final quotes for projects scheduled for the fall of 2020 and the spring of 2021, despite difficulties in getting contractors to quote on work in the current environment where contractors are having difficulty getting workers to the Island. Given uncertainties, a motion was duly made and seconded to postpone work on Phase 3 of the Recreational Amenities Project, planned for completion by June 2021. After discussion, the Board voted to deny the motion to postpone the Phase 3 work, with the understanding that this decision could be revisited after quotes for all upcoming projects are received.

Financial Management

Phil addressed the June 30, 2020 financial report as distributed in advance of the meeting, as well as the financial status summary regarding revenues and expenses that Samantha and Mike had prepared. Phil indicated that, while uncertainties remain, the resort's financial position continued to be favorable.

Phil reviewed payments to date, noting that 96.7% of 2020 fees had been paid by July 31, slightly behind the percentage at the same date in 2019 but close to the budgeted 98% payment assumption by year-end.

Phil observed that as of July the resort owned 128 shares in the 30-week resort season (four more than at December 31, 2019).

Phil addressed the draft 2021 budget, as prepared by Samantha and Mike and circulated in advance of the meeting. The Board discussed minor revisions to the draft, with a final budget to be approved at the Board's next meeting.

Sales and Marketing

Director Jeff Anliker reported on the activities of the Marketing Committee, including the completion of the first video to be posted to social media.

Phil reviewed social media metrics through the end of July.

Communications

Phil reviewed the September newsletter to be sent to owners by VRI in early September. Director Cheryl Moore suggested including a call for owners to submit photos for posting on the resort's social media sites. Phil indicated that he would prepare a brief statement to that effect in the final version.

Agenda Items for Next Meeting


Phil indicated that, at its September 11 meeting, the Board will finalize the 2021 budget and the accompanying budget letter to owners, in advance of maintenance fee bills being sent out in October.

Executive Session

Resort Manager 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 9:25 a.m.

Respectfully submitted



Chris Lindgren, Secretary