

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

June 15, 2021

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 Tuesday, June 15, 2021. 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 May 13, 2021, as circulated in advance to the Board members.

President Phil Totino addressed the results of the survey sent to owners to determine their preference for holding annual Owners Meetings in person (and livestreamed over the internet) or by using video technology. Phil noted that over 40% of owners had responded to the survey with, of those, 44% preferring to hold meetings via Zoom, 34% preferring to hold meetings in person each year (with livestreaming over the internet), and 19% preferring to hold some meetings in person and some via Zoom on varying years. Given that a majority of responders favored at least some meetings in person, the Board discussed holding an in person meeting once every three years, with the other meetings held using video technology, and – in accordance with that schedule - holding the 2022 Owners Meeting in person in the Mystic, Connecticut area (with livestreaming over the internet).

Resort Management

Resort Manager Samantha Disotell reported that the resort is operating smoothly, and that - with the easing of Covid-19 restrictions – the lobby area and the pool are fully available to guests.

Mike McManus and Samantha reported on the status of projects on the resort's Repair and Maintenance Project List and on projects scheduled for completion in 2021 on the resort's Five-Year Property Improvement Plan, including (a) an emergency repair made to the sewer line by Building A, which will also require a permanent repair to be made after the resort closes in the fall, and (b) increased cost for a used truck to replace the resort's existing vehicles that are no longer road-worthy. With respect to projects scheduled for completion in 2022, the Board requested that Samantha obtain a firm quote to replace the boiler and water heater in Building A from Oceanside Plumbing and obtain an assessment of the continued viability of the oil tank in Building A as well as an estimate of the useful life of the oil tank in Building B. The Board also requested cost estimates for potential capital projects for (a) technology upgrades, including larger televisions, in conjunction with the coming availability of broadband internet services, (b) replacement of furniture in living units, (c) window treatment upgrades in Building A, and (d) replacement of the brick stairs in front of Building A.

Financial Management

Phil addressed the April 30, 2021 financial report as distributed in advance of the meeting, and the accompanying variance report regarding revenues and expenses. Mike indicated that VRI in the next financial report will update the cash flow exhibit to reflect anticipated additional expenses to be incurred in the remainder of 2021.

Phil reviewed payments to date, noting that 95.9% of 2021 maintenance fees – slightly ahead of last year's rate – had been paid by May 31.

Phil observed that, including deedbacks in process, the resort owned 127 shares in the 30-week resort season as of June 2, 2021 (six less than at December 31, 2020).

Sales and Marketing

Director Jeff Anliker reported on the activities of the Marketing Committee. He indicated that a fifth YouTube video has been produced, and that the Committee was now concentrating on increasing rentals in the fall.

The Board discussed anticipated long-term rentals for the winter of 2021-2022. Mike reported that VRI had, as requested, implemented a three-night minimum for new rentals of Association-owned units, with as yet no apparent impact of that change on prospective rentals.

Agenda Items for Next Meeting

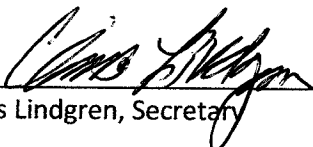
Phil indicated that, at its July 16 meeting, the Board will review guidance for next year's budget, consider the timing for an update to the resort's insurance appraisal, and review the resort's ABC Policy as well as a draft of the September owner newsletter.

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 9:07 a.m.

Respectfully submitted



Chris Lindgren, Secretary