

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

February 11, 2022

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, February 11, 2022. 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 January 14, 2022, as circulated in advance to the Board members.

President Phil Totino discussed a proposed change to the Board meeting schedule, to provide for four regularly-scheduled Board meetings annually in February, April, September and December, starting with this April's meeting. He further discussed a monthly report that would be provided by Resort Manager Samantha Disotell and Mike McManus of VRI, to address routine matters now addressed during monthly Board meetings. Phil indicated that he would send them an example for February so that they could see the type of information and level of detail that is expected beginning in March.

### Resort Management

Mike reviewed the status of projects on the resort's Repair and Maintenance Project List. Samantha and Mike then addressed projects on the resort's Five-Year Property Improvement Plan. Mike reported that the updated reserve study should be completed by June, in advance of preparation of the 2023 budget.

Phil addressed Interval International Customer Satisfaction Index survey results for 2021, showing multiple metrics including resort services, resort property, resort accommodations and overall vacation experience scores somewhat lower than prior years. The Board discussed possible reasons for the lower scores, including a desire to improve unit furnishings.

### Sales and Marketing

Director Cheryl Moore reported on marketing activities. Samantha will meet monthly with Tania Picard, the resort's marketing consultant, to review Tania's marketing tasks. Samantha and Secretary Chris Lindgren agreed to prepare a new contract for Tania for the period from March 12, when the current contract expires, through December 31, 2022, for the Board's review at its March 11 meeting.

Phil reviewed social media metrics for January. Samantha updated the Board on the status of pending sales of Association-owned summer units and on winter, spring and fall rentals.

### Financial Management

Phil reviewed the executive summary of the December financial report. He noted that the percentage of 2022 maintenance fee payments made through January 31, at 84.9% of billed amounts, was greater than at the same date in earlier years.

Phil indicated that VRI's monthly Float/Fixed Status Report is being revised to simplify the presentation. He noted that, as of February 9, significantly fewer owners were delinquent on current year maintenance fees relative to past years, perhaps due to payment reminders that had been emailed to owners.

The Board discussed the feasibility of foreclosing on those few remaining shares that have been delinquent for a long period.

Phil discussed a preliminary analysis of 2023 maintenance fees that he and Treasurer Mark Morrisette had prepared, projecting that maintenance fees will increase by 4% to 6% annually during the next few years, presuming that inflation subsides by the end of 2022.

Phil and Mark addressed \$89,848 available in the operating fund at December 31, 2021 that could be transferred to the reserve fund. Upon motion duly made and seconded, the Board voted to transfer that amount to the reserve fund.

Mike reported that the resort's accounting firm had prepared the Association's federal and state income tax returns, to be sent in by VRI.

#### Preparation for Annual Owners Meeting

Mike indicated that arrangements were set for live streaming the March 26 Owners Meeting for owners who do not attend the meeting in person.

The Board reviewed the materials to be mailed to owners regarding the Owners Meeting, including a cover letter from the Board, meeting agenda, ballot for the election of two Directors, candidate statements for those Director positions, the minutes of the 2021 Owners Meeting, and the resort's 2021 annual financial report with the Treasurer's cover letter. Those materials are to be mailed to owners by VRI by February 23.

Phil then addressed the draft slides to be used by presenters at the Owners Meeting and the draft that he had circulated of the newsletter to be mailed to owners following that meeting. Phil indicated that he would revise the draft slides and newsletter as appropriate, with final versions to be reviewed at the Board's March 11 meeting.

#### Strategic Initiatives

The Board listed possible strategic initiatives that might be pursued in future meetings, including the sale of licenses for new people, installation of solar panels, installation of ductless mini-split heat pumps, social media management, phasing out of the marketing committee, and unit interior improvements.

#### Agenda Items for Next Meeting

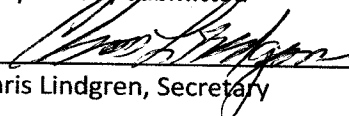
At its March 11 meeting, the Board is to approve the slides for the March 26 Owners Meeting as well as the newsletter to be mailed to owners shortly thereafter.

#### Executive Session

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

Following the executive session, upon motion duly made and seconded, the Board voted to adjourn the meeting at 9:36 a.m.

Respectfully submitted

  
Chris Lindgren, Secretary