

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

April 7, 2023

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, April 7, 2023. All members (Douglas Carnahan, Dave Cohen, 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

President Phil Totino congratulated Dave Cohen on his election as Director for a three-year term ending in 2026.

The Board then proceeded to the election of Association officers for the upcoming year. Phil indicated that, with the completion of the Recreational Amenities Project, it was no longer necessary to appoint a Vice President of Facilities Planning. Accordingly, upon motion duly made and seconded, the Board voted to reelect Phil Totino as President, Mark Morrissette as Treasurer, and Chris Lindgren as Secretary of the Association to serve until the next election of officers.

Upon motion duly made and seconded, the Board voted to approve the minutes of its meeting on February 10, 2023, as circulated in advance to the Board members. The Board also, upon motion duly made and seconded, voted to approve the minutes of the Annual Owners Meeting held on March 25, 2023, as circulated in advance to the Board members.

The Board agreed to meet during the following 12-month period, from 7:30 a.m. until 10:00 a.m., on each of September 8 and December 8, 2023, and February 9 and April 5, 2024, and at such other times as may be necessary to address items that arise between those regularly-scheduled meetings. The Board decided to hold the next Owners Meeting remotely via videoconference on March 30, 2024 at 10:00 a.m., in accordance with its earlier decision to hold in-person meetings only every three years.

The Board discussed the March 25, 2023 Owners Meeting, noting that the meeting had gone well with positive owner comments.

### Operations Review

Phil reviewed management's Monthly Report as of March 29, summarizing the status of 2023 projects on the resort's Repair and Maintenance Project List and reviewing the status of 2023 projects on the resort's Five-Year Property Improvement Plan. He also reviewed marketing, rental and sales activities, the resort's financial status, and payments made by owners of float and fixed weeks. Resort Manager Samantha Disotell provided additional detail as appropriate.

### Budget and Policies

Phil reported that the April 1 insurance renewal received from The Armstrong Company contained a substantial unbudgeted increase in the cost of the resort's insurance coverage, reflecting "once in a generation" volatility in the commercial property insurance market. He indicated that, besides seeking additional insurance quotes to mitigate the increased cost, it would be necessary to address the added cost through a mixture of revenue increases and expense reductions. Phil, Samantha and Mike

McManus agreed to meet to develop a plan for offsetting the increased cost in 2023. In parallel, Phil and Treasurer Mark Morrissette agreed to model budget and maintenance fee projections to address the increased cost in 2024 and beyond, and the Board agreed to meet telephonically on Friday, April 28 at 7:30 a.m. to review any additional insurance quotes received as well as the plan for 2023 and the results of those budget and maintenance fee projections.

Director Cheryl Moore left the meeting part way through the discussion of this topic.

Phil reviewed the Interval International Customer Satisfaction Index report for the 2022 year.

#### Strategic Initiatives

Director Dave Cohen addressed the status of the Solar Panel Initiative, indicating that further discussions are needed with a contractor willing to work on the island as well as with the Block Island Power Company, in order to further assess the desirability of installing solar panels at the resort.

#### Agenda Items for Next Regular Meeting

Phil indicated that, at its September 8 meeting, the Board will review a proposed 2024 budget and consider any changes to the resort's Assessment, Billing and Collection Policy.

#### 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 9:31 a.m.

Respectfully submitted

  
Chris Lindgren, Secretary