

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

December 8, 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, December 8, 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 Justin Smith of VRI Americas (VRI).

Administrative Items

Justin Smith, Area Vice President, Resort Operations, for VRI Americas, who is replacing Michael McManus as VRI's liaison to the Association, introduced himself to the Board.

Rich Muller, Executive Vice President, Resort Operations, for VRI then joined the meeting and updated the Board on amounts due to the Association from VRI due to improper charges, with the stated goal that payment will be made to the Association by year-end, and he responded to questions from the Board. Rich Muller then left the meeting.

Following that discussion, upon motion duly made and seconded, the Board voted to approve the minutes of its meeting on September 8, 2023, as circulated in advance to the Board members.

Secretary Chris Lindgren reviewed the proposed timeline for the Owners Meeting to be held using videoconferencing technology on March 30, 2024, including the mailing of materials for the nomination of candidates for director (as director terms are staggered, there will be one open director position at the 2024 Annual Meeting).

Chris then reviewed the Annual Meeting Notice and Call for Nominations, along with the Nomination Form, to be mailed to owners by VRI on January 8, 2024. Nomination forms will be due back to the Secretary by February 8.

President Phil Totino addressed items to be reviewed by the Board at its February 9, 2024 meeting and mailed to owners the week of February 19, including a cover letter from the Board, the agenda for the March 30 Owners Meeting, a ballot for owners to indicate their choice for the open position on the Board of Directors, statements from the candidates for that Director position, the minutes of the March 25, 2023 Owners Meeting, and – if then available – the resort's 2023 annual financial report and accompanying Treasurer's letter. Phil also reviewed a draft agenda for the March 30 Owners Meeting.

Phil indicated that he and Treasurer Mark Morrissette will prepare draft slides to be used by presenters at the March 30 Owners Meeting, and that he will also circulate to the Board for comment a draft newsletter for VRI to send to owners following the Owners Meeting, reporting on the meeting and other developments.

Operations Review

Phil reviewed the Status Report as of November 30, summarizing the status of 2023 projects on the resort's Repair and Maintenance Project List and Five-Year Property Improvement Plan, as well as marketing, rental and sales activities and the resort's financial status. Director Cheryl Moore reported that the resort would again be participating in the WCNY Travel Auction, in light of the free marketing

the resort receives as a result. Resort Manager Samantha Disotell reported on the status of the resort's Wi-Fi upgrade and on building code compliance measures underway as required by the State Fire Marshall. The Board indicated that the broken sewer line from Building A to the town main should be replaced as soon as feasible, so as to be fully functional prior to the resort's opening in the spring.

The Board reviewed and approved end-of-year bonus amounts for the resort staff who report to Samantha Disotell, based on Samantha's recommendations.

Budget and Policies

Chris addressed an application for the Employee Retention Tax Credit to be filed for the Association by Kirshenbaum & Urban LLP, the Association's accounting firm. Chris indicated that the firm had determined that the Association is eligible for the credit based on documentation that the firm has for the 2019 to 2022 years, and would be charging the Association for its work based on the time spent rather than charging a contingent fee.

Phil addressed changes that will be required to the resort's 25-Year Reserve Plan in light of the unanticipated costs for the broken sewer line and building code compliance measures, with the Board to consider how to address those increased costs at its February 9, 2024 meeting.

Samantha reported on the closeout of the resort season. She reported that there had not been issues with the resort's policies regarding pets and smoking. The Board then considered a proposed update to the resort's Rules and Regulations to make non-substantive changes in order to update information regarding the location of resort documents, the procedure for making float week reservations and the process for placing shares for rental through VRI. The Board, upon motion duly made and seconded, voted to adopt the updated Rules and Regulations as so proposed.

Justin Smith and Phil addressed a proposed renewal and revision of the Memorandum of Agreement for marketing services with Social Synergy Services, for a term to extend through December 31, 2024, with a slight reduction in services and with increased controls. Upon motion duly made and seconded, the Board voted to authorize Samantha Disotell, as Resort Manager, to execute the revised Memorandum of Agreement with Social Synergy Services, with the clarification that the monthly calls referenced in the agreement are to be held with resort management.

Strategic Initiatives

Phil noted that the status of unit interior upgrades was unchanged from the last Board meeting, and that consideration of installing solar panels has been deferred.

Agenda Items for Next Meeting

Phil indicated that, at its February 9, 2024 meeting, in addition to the materials relating to the Owners Meeting, the Board will review VRI's fees report for 2023, guest satisfaction results reported by Interval International, and a preliminary analysis of 2025 maintenance fees. The Board will also determine any year-end amount in the Operating Account to be transferred to the Reserve Account and approve any changes to the Reseller's Handbook. In Executive Session at that meeting, the Board will review VRI's performance and conduct a self-evaluation of the Board's performance.

Executive Session

Justin Smith left the meeting. The Board members then met in executive session with Resort Manager Samantha Disotell and Secretary Chris Lindgren present. Samantha then left the meeting, and the Board subsequently approved a year-end bonus amount for Samantha.

Following the executive session, upon motion duly made and seconded, the Board voted to adjourn the meeting at 10:07 a.m.

Respectfully submitted



Chris Lindgren, Secretary