

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

September 13, 2024

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, September 13, 2024. Members Cheryl Moore, Mark Morrissette, Phil Totino and Monica Warek were in attendance (Member Steve Smith was unable to attend). Also in attendance were Secretary Chris Lindgren, Resort Manager Samantha Disotell, and Justin Smith of VRI Americas (VRI).

Administrative Items

Upon motions duly made and seconded, the Board voted to approve the minutes of its meeting held on April 5, 2024 and the minutes of its special meetings held on June 28, 2024 and August 16, 2024, as circulated in advance to the Board members.

Director Monica Warek joined the meeting.

President Phil Totino indicated that the September newsletter, as included in the advance materials for the meeting, will be emailed to owners following the meeting.

Secretary Chris Lindgren described the requirements of the Corporate Transparency Act and indicated that, while a preliminary review suggested that it was unlikely that the Association is subject to the Act, Attorney Rodio has been asked to advise the Association regarding the Act's applicability.

Operations Review

Phil reviewed the Status Report as of September 4, summarizing the status of 2024 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. Resort Manager Samantha Disotell reported on work completed to address fire code compliance and to replace the sewer line from Building A to the town main, and on additional electrical work to be completed once the resort closes for the season.

Phil indicated that it is anticipated that there will be a year-end surplus in the operating fund, whereas the reserve fund could be depleted by year-end. Accordingly, upon motion duly made and seconded, the Board voted to transfer \$69,223, the amount of the reimbursement paid in August by VRI for inappropriate charges, from the operating fund to the reserve fund. Justin Smith indicated that VRI would promptly effect the transfer between funds.

Budget and Policies

Phil addressed the proposed budget for 2025, resulting in a maintenance fee increase of 6%, which incorporates a projected insurance cost increase of 15%. Upon motion duly made and seconded, the Board then voted to approve the 2025 budget as presented, including 2025 maintenance fees. The Board also reviewed a letter to owners from the Board, to be included along with the budget and the resort's Assessment Billing and Collection Policy and check-in date calendar when 2025 maintenance fee bills are sent to owners.

Phil addressed a proposed change to the resort's Assessment Billing and Collection Policy to address special assessments, should a special assessment be necessary at some time in the future. Upon motion duly made and seconded, the Board then voted to approve the Assessment Billing and Collection Policy as so revised.

Phil reviewed a proposed Rental Policy and Rates for 2025, incorporating a 7.5% increase in rental rates in light of market rates on Block Island. Upon motion duly made and seconded, the Board voted to approve the Rental Policy and Rates for 2025 as proposed.

Phil reviewed the 25-Year Reserve Plan, as updated to reflect projected spending for living unit upgrades.

Strategic Initiatives

Phil reviewed the status of unit interior upgrades, noting that the spreadsheet of remaining work will need to be updated to reflect changing priorities.

Other Business

Phil indicated that he and Samantha will be meeting with Vacatia representatives next week to plan the transition to Vacatia serving as resort manager. Justin Smith indicated that he would be the VRI contact for transition planning.

Director Cheryl Moore asked regarding the resort's continued participation in the WCNY Travel Auction and the Beardsley Zoo fund raiser, in light of the free marketing the resort receives as a result. Samantha indicated that she would designate units available for those programs either in the early spring or later in the fall when the resort is not fully occupied. Cheryl indicated that she would complete the paperwork to participate in the WCNY program.

Agenda Items for Next Meeting


Phil indicated that the agenda for the December 6 meeting will include the transition of management services from VRI to Vacatia, preparations for the 2025 Annual Owners Meeting and director election, a review of the closeout of the resort season, consideration of changes to the resort's Rules and Regulations, a contract for 2025 social media marketing services, year-end bonuses for resort employees, and the performance evaluation of the resort manager.

Executive Session

Justin Smith 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 8:47 a.m.

Respectfully submitted



Chris Lindgren, Secretary