

THE BEACH CLUB
BOARD OF DIRECTORS MEETING
JUNE 7, 2013

Don Moore called the meeting to order at 1:20pm. The full Board was present with the exception of Don Abate. Kevin Mattoni and Rhonda Swain represented Cunningham Property Management Corp.

PROOF OF NOTICE

Proof of notice was posted in the lobby.

OWNER'S COMMENTS

There were no owner's comments.

BOARD ISSUES

Donita Burke-Higgins mentioned that she liked the idea of putting the green wash cloths in Phase I for make-up removal. John Zino mentioned how nice the new pool towel station was. It was mentioned that the pool area mulch needed freshening up and a new sleep sofa design was looked at.

OLD BUSINESS

Pool heating was discussed at length. Discussion included: the goals of heating it, pros, cons, costs and funding. The balance of the projects list was reviewed and discussed. The pool area lighting plan to allow swimming after dusk was reviewed and ruled out as an option. However the need for additional lighting and new fixtures was agreed upon. It was noted that a handicap lift was to be installed at Gulf Tides any day now and would be prototype for possible use at the other resorts. Custom mats will be removed from the list. Rhonda indicated she could not move forward with building painting until a color(s) was selected and what was to be considered *trim* was decided. She provided recommendations from Seltar. After some deliberation new colors were selected from the Behr samples Donita had provided as possible options.

Kevin Mattoni discussed a meeting he had with a company from Daytona to sell weeks at Palm Beach and the possibility of using them for Beach Club inventory also. The company will set the sales price, with CPMC's approval, and get 50% commission on the sale. CPMC plans to follow-up with all of their sales to insure the new buyer has correct information and understands what they have purchased. The Board is open to giving this company 3 prime season one bedroom units and 3 preferred season one bedroom units owned by The Beach Club to see what they can do with them.

Tube Dude, aka Beach Dude, was introduced. He will be installed road side behind maintenance and hold Beach Club rental brochures.

NEW BUSINESS

There was no new business besides the discussion of property insurance. Based on what happened at another CPMC managed resort Kevin Mattoni expects for property insurance rates to double when they are renewed in August. This would amount to approximately \$25,000.00 for The Beach Club or about \$11.50 per resort share owned. This is in addition to what was budgeted for 2013. There was a discussion on funding options; for this and other projects. Even though the painting reserve is currently insufficient to cover having the building painted, the Board is comfortable transferring the needed funds from another reserve account and paying it back over time. Pool area lighting will also be funded through reserves. The cost of installing heating for the pool was estimated to be \$45,000.00. Funding for that amount and the ongoing maintenance and operating costs was also discussed as well as the insurance shortfall. Approving a Special Assessment and the option of obtaining a low rate, 5 year bank loan for funding was discussed.

Discussion of carpet for the units was tabled until Saturday's meeting.

Cathy Klingensmith made a motion to adjourn the meeting at 5:30pm. John Zino provided the second. Motion carried unanimously.