

HOLLYWOOD SANDS RESORT OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING MINUTES
March 19, 2013

I. CALL TO ORDER/ROLL CALL

The meeting was called to order by President Manny Martinez at 5:00 p.m. with the following persons in attendance:

Board of Directors Present:

Manny Martinez, President	Michael Connolly, Secretary
Joanne Rounds-Kos, Vice President	George Karvounides, Director
Michael Garczynski, Treasurer (via phone)	Al Heilman, Director
David Hutson, Director (via phone)	

Vacation Resorts International and Resort Management (at the resort):

Jan Samson, Sr. Vice President Resort Operations, Vacation Resorts International
Virginia Black, Resort Manager
Tami Isaacs, Front Desk Supervisor

II. NOTICE CERTIFICATION/QUORUM VERIFICATION

Jan Samson confirmed that the notice of the meeting was posted at the resort in an approved location in accordance with the Condominium Documents and Florida Statutes.

A quorum was achieved with all seven Board members in attendance.

III. APPROVAL OF AGENDA

MOTION: Manny Martinez moved to approve the agenda of the meeting subject to adding the following item after VIII. New Business: IX. Executive Session. Motion was seconded by Joanne Rounds- Kos and approved unanimously.

IV. APPROVAL AND ACCEPTANCE OF PREVIOUS MEETING MINUTES

A. Approval of October 18, 2012 Meeting Minutes

MOTION: Joanne Rounds-Kos moved to approve the regular Board meeting minutes of October 18, 2012 as written. Motion was seconded by Al Heilman and approved unanimously.

V. REVIEW OF FINANCIAL STATEMENTS and RELATED REPORTS

The Board and management reviewed the December 2012 financial reports as well as the February 2013 reports. Included in the review were the financial statements, cash forecast, reserve schedule, cash balances report, accounts receivable report and the rental income report.

Jan Samson pointed out that the Accounts Receivable Summary report reflects that the Association ended 2012 1.1% ahead of 2011 and that through February 2012 collections are 2% ahead of same time last year. Very positive news! Operations are running more efficiently and under budget in most categories and gross rentals for 2013 were almost \$23,000 over 2012.

Ms. Samson stated that the 2012 audit is in process and will be distributed once the draft has been received and reviewed by VRI.

VI. REPORTS

A. Management Report

Virginia Black reviewed the Manager's Report, and a description of significant operational matters, which included the following:

- Subterranean termites in west building and laundry room. New contract approved and signed by Board. One-time cost of \$1,995 and then \$300 per year for renewal.
- Florida Statutes requires buildings three stories and higher to have balconies inspected every three years. Awaiting final report from engineer.
- Management is securing quotes to replace fabric on awnings, clean, stain and seal the spa deck, provide security on weekend nights and install a railing for the pool shower.
- Reviewed three quotes to clean and seal pavers. Board tabled this discussion.
- Transferring the hollywoodsands.com domain to the resort at no cost.
- Previous manager's name, signature authorizations, payroll authorizations, etc. all removed.
- Updated in-room directories with new emergency numbers.
- Front Desk Supervisor preparing to take her CAM test.
- Actively capturing email addresses at the front desk.
- Cleaned and organized entire front office area.
- Housekeeping updating inventory spreadsheets and doing monthly inventories.
- Installed liquid line driers insulation for suction lines and Freon in four A/C's.
- Removed multiple signs around pool and resort area where they were repetitive. Condensed signage.
- Cleaned up and updated landscaping to provide a much cleaner look.
- "Cap" bricks around pool will be painted so the step is more noticeable.
- Discussed renovation of front desk area.
- Discussed removing Chattahoochee from west building, waterproof the area and create a flat beige color. Will research cost and options further. The area is leaking through/underneath.

B. Interval Sales Report

The Board and management reviewed the current Association owned interval inventory sales and owner resales report provided by Net Realty Broker, Richard Schwartz.

In 2012 - 42 weeks were sold: 34 Association-owned and 8 owner weeks. Through February 28, 2013, 2 weeks have been sold and 8 more are pending. Net Realty's website is complete and operational.

A. Foreclosures

The Board and management reviewed the delinquent interval weeks foreclosure status report submitted by the Association's foreclosure attorney. All accounts have been completed and are in the Association's name. Jan Samson stated that although the Board did not budget legal expense in 2013, the Association finished the year ahead of budget and asked the Board if they would like to move forward with more foreclosures.

MOTION: Manny Martinez moved to approve spending up to \$6,000 for Greenspoon Marder to foreclose on owner accounts that management should select/"cherry-pick" from the delinquent accounts. Motion was seconded by Joanne Rounds-Kos and approved unanimously.

VII. UNFINISHED BUSINESS

A. Swimming Pool and Spa Compliance with Codes/Pool Lift Purchase

The Board and management discussed the recently enacted law regarding pool lifts that became effective January 31, 2013. Jan Samson stated that there were no further extensions and no changes made from the last produced draft of the bill. The Board had previously agreed that it was not readily achievable for Hollywood Sands to install a permanent lift.

B. Reserve Purchases Updates

The Board and Management discussed the most recent Reserve Cash Flow Report as presented by Jan Samson. The Board requested management secure quotes to install fencing and a gate to secure the West building.

Management also discussed some furniture replacements and renovations that are needed in the units. Jan Samson stated that she would like to develop an entire plan or scheme versus replacing items in a piece-meal fashion. The Board agreed that it would be great to create a plan and have a model unit done. Management will research and secure ideas/quotes for next meeting.

C. Sales Agreement

Jan Samson presented a draft Sales Agreement from Net Realty, along with a Q & A that Richard Schwartz of Net Realty provided. If the Board approves this Agreement, the Sales Agreement with VRI will be terminated, to which VRI has already agreed. The new Agreement allows for net listings which Net Realty believes will assist in achieving sales goals, while stabilizing pricing and the ability to negotiate and accept all offers "on the spot", among other things. The Board tabled this item stating that they would like more time to review prior to making a decision.

VIII. NEW BUSINESS

A. Ratifications

- 1) Prep and Paint Facia/Trim of Building 1 – An e-mail was sent to the Board on November 21, 2012, with three bids, asking for approval for FZ Alberthony PTG, Inc. to perform this work at a cost of \$1,100 including supplies and labor. The Board approved via return e-mails.

- 2) Replacement of Exterior Doors of Water Heater Closet and Meter Room Closet – Included in the same e-mail above were two bids asking for approval for RoPat, Inc. to purchase and install the two doors at a cost of \$3,063 plus permits of approximately \$500. The Board approved via return e-mails.
- 3) Unit Electrical Panel Repairs – An e-mail was sent to the Board on December 13, 2012 with a bid to replace two electrical panels – one in unit 8 and one in unit 12, at a total cost of \$1,270. The Board approved via return e-mails.
- 4) 2012 Year End Appreciation Bonuses – An e-mail was sent to the Board on November 27, 2012 asking for approval for year-end bonuses for the staff at a total of \$6,500. This includes all hourly staff and resort manager. The Board approved via return e-mails.
- 5) Insurance Renewals – An e-mail was sent to the Board on January 11, 2013 asking for approval of the resort's insurance. Recommendation was to approve the quote from Willis at a cost of \$15,360.10. A 4.3% increase. The Board approved via return e-mails.
- 6) Pool Lift as Not Readily Achievable – An e-mail was sent to the Board on January 11, 2013 regarding discussion that had been held between the Board and Management regarding a pool lift being not readily achievable for Hollywood Sands. The Board agreed via return e-mails.
- 7) Reallocation of Reserve Funds – An e-mail was sent to the Board on January 22, 2013 asking the Board for approval to reallocate reserve funds between reserve categories if a line item deficit exists after application of any year-end surplus. This is allowable per Florida Statutes. The Board approved via return e-mails.
- 8) Approval of Termite Treatment for West Building – An e-mail was sent to the Board on March 5, 2013 informing the Board the Formosan termites have been discovered in the West building and immediate treatment was required and performed by Terminex at a cost of \$1,995. The contract includes a renewal fee of \$300 per year. The Board approved via return e-mails.

MOTION: Joanne Rounds-Kos moved to ratify the following: 1) Prep and paint fascia/trim of building #1 by FZ Alberthony PTG, Inc. at a cost of \$1,100 including supplies and labor, 2) Replacement and installation of exterior doors of water heater closet and meter room closet by RoPat, Inc. at a cost of \$3,063 plus permits of approximately \$500. 3) Unit electrical panel repairs and replacement of two electrical panels – one in unit 8 and one in unit 12, at a total cost of \$1,270. 4) 2012 year-end appreciation bonuses totaling \$6,500. This was allocated to all hourly staff and resort manager. 5) Insurance renewal with Willis including property, liability, umbrella, crime and D & O at a cost of \$15,360.10. 6) Pool lift being not readily achievable for Hollywood Sands. 7) Reallocate reserve funds between reserve categories if a line item deficit exists after application of any year-end surplus. This is allowable per Florida Statutes. 8) Approval of contracting with Terminex for termite treatment for West building at a cost of \$1,995. The contract includes a renewal fee of \$300 per year. Motion was seconded by Dave Hutson and approved unanimously.

B. Saturday Night Security

The Board and management discussed hiring an outside security firm to patrol the resort during the evening weekend hours to deter the general public from entering the resort property and using its amenities/pool. Management is to secure quotes and recommendation of coverage hours.

IX. EXECUTIVE SESSION

MOTION: Manny Martinez motioned to adjourn the Board meeting to enter executive session at 7:10 p.m. to discuss personnel related subject matter. Motion was seconded by Al Heilman and approved unanimously.

MOTION: Dave Hutson motioned to reconvene the regular Board meeting at 7:27 p.m. Motion was seconded by Manny Martinez and approved unanimously.

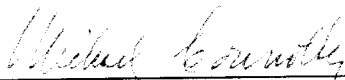
X. FUTURE MEETING DATES

Thursday, July 11, 2013 at 7:00 p.m.
Thursday, October 17, 2013 at 7:00 p.m.

Board Meeting
Board/Budget Meeting

XI. ADJOURNMENT

MOTION: There being no further business, Al Heilman moved to adjourn the meeting at 7:31 p.m. Motion was seconded by George Karvounides and approved unanimously.



Michael Connolly, Secretary

JS/jf

hsr: 031913min