

## **DRAFT**

### **MINUTES**

#### **SPICEBUSH AT SEA PINES OWNER'S ASSOCIATION**

#### **BOARD OF DIRECTORS MEETING**

**May 5 & 6, 2013**

Members of the board met at the pool at 8 am to view and discuss the property. They were pleased with the physical appearance, especially the newly refurbished pool area. They noted the pool area landscaping had been significantly upgraded and that the area behind the pool continues to improve and provide better amenity views. The board visited a typical unit and noted the improvements that were apparent with only the bathrooms and dining rooms remaining unchanged through the most recent remodeling. After completing the property tour, the directors re-convened at the Harbour Town Yacht Club.

The 2013 Spring Board Meeting was officially called to order by President Pete McElroy at 9:00 am on May 5, 2013, at the Harbour Town Yacht Club. All directors, Ms. Disque, Ms. Thomas, Mr. McElroy and Mr. Shay were present. Messrs. King and Long represented the Club Group. Mr. Sutton of The Club Group joined the meeting at noon.

The Minutes of the Fall 2012 Board Meeting, 2012 Annual Meeting and 2012 Organizational Meetings were reviewed. A motion was made, seconded and passed unanimously to approve the Minutes as submitted and amended.

The results of the Owner/Guest Survey continue to be good with the excellent/good evaluations at an over-all 96%.

Spicebush continues to be highly rated by RCI and only slightly lower by Interval International. Following a meeting with RCI staff, we were told that the trading ability of owners was as high as it can be given the age and configuration of the property. The ratings by Interval International were not as high but still an improvement over the same period last year.

Dave Shay led the discussion of the Association website. The site is being used more frequently and most recently was used to implement an on-line auction of an HOA week. Dave continues to help work toward a broader use of the website forum as a means of encouraging inter- owner communications as well as a means of promoting specific events. Bob noted the success that Swallowtail had enjoyed using Survey

Monkey to conduct a survey of owners for whom the Association had email addresses. The board approved the idea of doing a similar survey for Spicebush.

The marketing effort for rentals and sales through the winter months has been productive with increased results in both categories. The winter "get-a-ways" have attracted some good longer term renters and a few have resulted in sales. Theresa and Bob reported on the rental and sales of HOA units. The strategy remains the same in trying to build rentals as a way of getting paying occupancy and ultimately sales. We will continue to use the auction as a means of filling empty units although the opportunity for this diminishes through the summer when there are fewer HOA units available.

All Action Items were discussed and their results noted in the Board Book report titled Action Items. Those items for continued attention are noted in the Minutes for action prior to the next meeting.

Andy and Bob distributed and presented the Financial Reports for Operations and Reserves as of March 31, 2013. The reports included the Balance Sheet, and Income Statement. Bob commented on the variances on a line by line basis of actual to budget in the operating and reserve statements. The board asked a number of questions relative to expenditures and felt that the costs were being monitored and controlled well.

Dave Shay and Andy led a detailed discussion of Bad Debts, Legal costs and HOA units. The program of consciously reducing collection costs in all but the cases with a potentially high return is working and when combined with the efforts of the collection agency should improve these numbers. Andy commented that he and his staff continued to assume more of the collection work "in house". Dave Shay has been working with Andy to find other ways to lower the cost of the collection process without adversely affecting the efficiency of the effort.

The board discussed the 20 year reserve study. This report has changed in format to some extent in the last few years and the board felt it should continue to be a "work in progress" in order to make it more meaningful and increase its usefulness as a planning tool. A rather complete discussion was presented by Dave in advance of the meeting, as a basis of discussion by the board and is attached to these Minutes. Following the effort in this meeting the board will continue the effort and it should be a major topic at the next meeting as the budgeting takes place.

There was a brief discussion of the 2040 scenario as it related to the Reserve financials. It was decided that this should be a topic at the next board meeting.

Mark King called the board's attention to the Recovery Report in the Board Book. All payments are being made on schedule and although there has not been any progress toward a sale of the Pintail property progress continues through the payments made from The Club Group.

Bob reported that the Right of First Refusal program appeared to be working as projected. The number of transfers as a result of phantom corporations have slowed although they are typically lower at this time of year. The actual results will be clearer after the collection efforts start more vigorously for 2013 dues.

The meeting was recessed until 8:30 am, Monday morning

The Board meeting was reconvened at 8:30 am on Monday, May 6, 2013.

Following discussion, the Board established the following Action Item list:

- Utilize Trip Advisor
- Complete a Survey of Owners.
- Replace all mattresses
- Develop the feasibility of redoing the master and guest bathroom (subject to an architectural fee cap of \$4,000)
- Replace all bedroom tvs with flat screens
- Explore the feasibility of utilizing a wall mount for the living room tv
- Explore the idea of using an on-line comment card
- Research using SCAD for the creation of a virtual tour
- Club Group to explore the use of a line of credit for improvements
- Resolve the triangular window issue with new covering
- Continue the conversion to the green and white chairs in the pool and on decks.
- Continue the efforts to improve the 20 Year Plan

The Fall Board Meeting will be October 20 and 21 with the Annual Meeting at 10:00 am on October 21.

There being no further business, the meeting was adjourned at 10:30 am.