

**Coconut Palm Beach Resort II Owner's Association, Inc.**  
**(the "Association")**  
**Minutes of the Board of Directors Organizational Meeting**  
**March 1, 2019**

**CALL TO ORDER**

Vice President Jared Resch Chaired the meeting and called the meeting to order at 9:41 a.m. The following Board of Directors ("BOD") were present: Lou Klinker, President; Jared Resch, Vice President and Kristin Ingram, Secretary/Treasurer. Present from Festiva Management Services were Daniel Hamman, Area Managing Director; Jacqueline Wickiser, General Manager; Lauren Rozewicz, Assistant General Manager and Catisha Powell, Guest Services Manager. From Zealandia Holding Company, Inc. was Julie Orrender, Association Compliance Manager. Owner Nick Pulver was also in attendance.

It was confirmed the meeting was properly noticed in accordance with the Association Bylaws and Florida Statutes. Quorum was established with three of three Board of Directors in attendance; and Julie Orrender was appointed as Acting Secretary to record the minutes of the meeting.

**APPROVAL OF AGENDA**

Jared Resch asked to amend the agenda by adding under New Business, Formalize and Adopt Owner Request for Information Policy.

**Motion** was made by Lou Klinker to approve the amended agenda with the addition to New Business. The motion was seconded by Kristin Ingram and unanimously carried.

**APPROVAL OF PRIOR MINUTES**

Kristin Ingram asked to amend the October 17, 2018 minutes by adding an "e" to Jackie's name and correcting the Certification to today's date.

**Motion** was made by Kristin Ingram to approve the amended minutes of October 17, 2018 Board of Directors Meeting as requested. The motion was seconded by Lou Klinker and unanimously carried.

Kristin Ingram asked that the Certification include the correct name of the Secretary elected during the December 5, 2018 Organizational Meeting.

**Motion** was made by Kristin Ingram to approve the amended minutes of the December 5, 2018 Board of Directors Organizational Meeting as requested. The motion was seconded by Lou Klinker and unanimously carried.

**OFFICERS, COMMITTEES OR MANAGEMENT REPORT**

Operations Report

Jackie Wickiser welcomed Karen Lawson, who worked in Marketing and has been acquired by the Front Desk. Jackie shared training that has occurred with Signature Worldwide, CPR training, fire safety and extinguisher training. She also provided an update on projects completed to date, and shared improvements to the 4<sup>th</sup> Quarter Quality Audit in which the resort received a passing score; and the Customer Count scores, sharing increased percentages. She also shared the new and fun Activities games coming up in spring.

Foreclosure Update

Julie Orrender shared that she had not gotten a report from Gasdick, Stanton & Early. Discussion followed and President Klinker suggested to defer the report until the next meeting. Julie agreed to send the update once received for BOD review. Daniel Hamman shared that the prior list was not accurate as it included some owners paid in full, and the new criteria needs to be what the BOD would want relative to the higher bad debt or more popular weeks. Discussion followed and the BOD recommended going after accounts more viable, keeping in mind whether it is a float week or fixed week and a minimum delinquency from 2018. A modified exhibit of the list of 100 units is to be included at the next meeting for BOD approval.

December 2018 Financial Review

Jackie Wickiser provided an overview of the December 2018 unaudited financial report. She shared Revenues are under budget by \$772,889.69 primarily due to misbilling of maintenance fees of \$647,904 in 2018 and \$72,271 or 10% more bad debt than budgeted. She shared that Operational expenses were over budget by \$64,501.69 primarily due to increases in Housekeeping contracted services was \$61K over budget due to higher occupancy and elevator repairs that were \$11K more than budgeted. Discussion followed and Lou Klinker clarified that Jackie was not a part of creating the 2018 Budget and shared that 2019 is a more accurate budget based on actuals.

December 2018 Accounts Receivable Summary

Nick Pulver inquired about the percentage of the first Special Assessment payments collected. Jackie shared that 55% (totaling \$771K) have made the first payment, which included billing of \$1.2M and \$429K due including bad debt. She stated \$1.4M has been collected between the first and second assessments as of January 2019.

Mrs. Wickiser shared the Association ended with total collections (maintenance fees and special assessment) of approximately 76% collection for 2018. Jackie shared that we have collected \$635K of the second part of the Special Assessment not due until April 2019, leaving \$563K left to collect. Relative to the maintenance fees as of January, we have collected \$2.3M, only off by 1% over last year. Daniel Hamman reiterated that FAC has paid 100% of their maintenance fees and special assessment.

## **NEW BUSINESS**

### Action Items List

Jackie Wickiser shared that all WIFI and whole owner issues have been resolved, with the exception of only the percentages of owner rentals. Jared Resch recommended Jackie reach out to Jonathan Brooks. He also inquired about the playground swing sets, which Jackie shared is on the list of 2019 items to be approved.

### 2019 Reserve Expenditures

Jackie Wickiser provided review of the reserve expenditures that does not include anything the engineering study will uncover. The items listed were necessary, stock items needed or inexpensive lobby items. Daniel Hamman further shared the reason for many of the projects, as well as the timing of completion if approved, with most to be done before summer for the ownership to see the progress. Discussion followed on the statutory requirement of coding the items appropriately within the categories of the financials and statutes.

**Motion** was made by Lou Klinker to approve the 2019 Reserve Expenditures totaling \$299,550 as presented. The motion was seconded by Kristin Ingram and unanimously carried.

### Formalize and Adopt Owner Request for Information Policy

Jared Resch shared the need to set up a guideline to define the number and frequency of owner requests. Julie Orrender agreed to provide the BOD an email to show all the provisions from statutes for the BOD to review and determine how they want to proceed. Lou Klinker agreed to work with Julie to create a draft for Legal approval.

### Future Meeting Dates - Meeting dates were discussed and approved as follows:

- Friday, May 17, 2019 @ 9:00 a.m. BOD Meeting via teleconference
- Friday, August 23, 2019 @ 9:00 a.m. BOD Pre-Budget Meeting via teleconference
- Friday, September 18, 2019 @ 1:00 p.m. BOD Budget Meeting @ Resort
- Wednesday, December 18, 2019 @ 10:00 a.m. Annual Meeting
- Wednesday, December 18, 2019 Organizational Meeting to follow Annual Meeting.

## **ADJOURNMENT**

**Motion** was made by Lou Klinker to adjourn the meeting at 11:07a.m. The motion was seconded by Kristin Ingram and unanimously carried.

## **CERTIFICATION**

I hereby certify the foregoing Minutes of Board of Directors Meeting held on March 1, 2019 were approved and duly adopted by the Board Members on the 17th day of May 2019.



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Kristin Ingram, Secretary