

Minutes
CARIBBEAN BEACH CLUB ASSOCIATION, INC.
Board of Directors Telephonic Meeting
Ft. Myers Beach, FL

December 15, 2009

I. CALL TO ORDER/ROLL CALL

President Richard Garrett called the meeting to order at 6:10 p.m. via teleconference for the Caribbean Beach Club, Ft. Myers Beach, Florida. The following persons were in attendance or on conference call:

Board of Directors:

Richard Garrett, President
Dave Zibolski, Vice President
Tom Andres, Treasurer
John Thomson, Secretary
Ed O'Connor, Director
Tony Annunziato, Director
John Vary, Director

Vacation Resorts International (VRI) and Resort Management:

Jeff Wharton, Director of Resorts, VRI
Ed O'Connor, General Manager

Owners:

6 Owners were present.

II. VERIFICATION OF NOTICE/QUORUM

Ed O'Connor stated that meeting notice was posted in the Board approved location in accordance with the condominium documents and Florida Statutes.

A quorum was established with seven of seven Board members available in person or participating via conference call.

MOTION: A motion was made by Tony Annunziato to amend the New Business section of the agenda with 1 item:

1. Manager Performance Bonus

The motion was seconded by Tom Andres and approved unanimously.

III. APPROVAL OF MINUTES

August 24, 2009 Minutes, October 28, 2009 Minutes

MOTION: A motion was made by Tom Andres to approve the August 24, 2009 and October 28, 2009 minutes. The motion was seconded by Ed O'Connor.

Approved: Ed O'Connor, Tony Annunziato, John Vary, Richard Garrett

Opposed: John Thomson, Tom Andres

Abstained: Dave Zibolski

The motion was approved.

November 6, 2009 Board Meeting Minutes

MOTION: A motion was made by Ed O'Connor to approve the November 6, 2009 Board meeting minutes. The motion was seconded by Tom Andres.

Approved: Ed O'Connor, Tony Annunziato, John Thomson, Dave Zibolski, John Vary, Richard Garrett

Abstained: Tom Andres

The motion was approved.

IV. TREASURER REPORT

A. Special Assessment LOC Payment

Tom Andres reported that he and VRI staff recently held a long conversation on the financials. Mr. Andres reviewed the status of the special assessment account and explained why payments would come out of operating when the special assessment account is depleted.

MOTION: A motion was made by Tom Andres. Once the cash receipts from 2009 Special Assessment have been depleted down to zero, any further payments of interest paid on the line of credit in 2009 and/or until another special assessment is assessed the unit owners, shall be disbursed from and recorded in the Operating Fund. Any further collections by management of 2009 Special Assessments shall be deposited into the Operating Fund as "miscellaneous receipts." The motion was seconded by Ed O'Connor.

Approved: Tom Andres, Ed O'Connor, Richard Garrett

Opposed: John Vary, Dave Zibolski, Tony Annunziato, John Thomson

The motion failed.

B. Future Assessment Discussion

Tom Andres explained that the funding to pay future assessments for the line of credit will rely on how many months of interest will be drawn from the operating side of the budget.

MOTION: A motion was made by Ed O'Connor to table the future assessment discussion until the February meeting. The motion was seconded by John Thomson and approved unanimously.

V. **MANAGER REPORT**

A. Well Monitoring Report

Ed O'Connor reported that the most recent well monitoring report showed lower numbers from the previous report. A representative from American Environmental Engineering Inc. recommends additional attenuation at a cost of \$250,000.00. The latest quarterly report billed the Association is \$3,700.00.

MOTION: A motion was made by John Thomson to pay the invoice from the well monitoring from the operating expense. The motion was seconded by Tony Annunziato and approved unanimously.

Ed O'Connor reported that the property passed a balcony inspection as required by the State of Florida. The walkway survey noted 47 anomalies, although the balconies are safe. The engineer will submit a proposal to repair the areas.

Management will ask the engineer to estimate the cost to replace the hot tub as required by the Florida health codes as it relates to pools and spas.

VI. **COMMITTEE REPORTS**

No committee reports.

VII. **UNFINISHED BUSINESS**

A. Reserve Line Item Name Change

This item was tabled at the last meeting until the Treasurer was present for the discussion. No action was taken to change the "Capital Improvement" line item to "Building". Leaving the name will allow leeway for future expenditures.

B. Axis Insurance Payment

This item will be discussed in Executive Session

C. Week 53 Policy

The Board reviewed the proposed Week 53 policy.

MOTION: A motion was made by Dave Zibolski to table this until the February meeting. The motion was seconded by John Vary.

Approved: Dave Zibolski, John Vary, Richard Garrett

Opposed: Ed O'Connor, Tony Annunziato, John Thomson, Tom Andres

The motion failed.

MOTION: A motion was made by Tom Andres to accept the proposed Week 53 policy as submitted. The motion was seconded by Tony Annunziato.

Approved: Tom Andres, Ed O'Connor, Tony Annunziato, John Thomson, Dave Zibolski.

Opposed: Richard Garrett, John Vary. Mr. Vary commented it was not equal treatment for week 1 owners.

The motion passed was approved (exhibit attached).

D. Auditor Engagement

MOTION: A motion was made by Tom Andres to accept Zimmerman, Zeigler & Chamberlain, P.A. engagement letter to for a one year term. The motion was seconded by Dave Zibolski and approved unanimously.

E. Payment Plan Policy

MOTION: A motion was made by Tom Andres to accept the payment plan proposal as submitted in the documents. The motion was seconded by Ed O'Connor.

Approved: Tom Andres, Ed O'Connor, John Vary, Dave Zibolski, John Thomson, Richard Garrett. Mr. Zibolski approved if the policy does not violate Florida state statutes.

Opposed: Tony Annunziato. Mr. Annunziato stated it penalizes the people who pay in time.

The motion was approved (exhibit attached).

VIII. NEW BUSINESS

A. Manager Performance Bonus

Postponed until the Executive Session.

IX. EXECUTIVE SESSION

MOTION: A motion was made by Tony Annunziato to move into Executive Session. The motion was seconded by Ed O'Connor and approved unanimously.

Caribbean Beach Club
December 15, 2009

MOTION: A motion was made by Ed O'Connor to move out of Executive Session. The motion was seconded by Dave Zibolski and approved unanimously.

X. FUTURE MEETING DATES

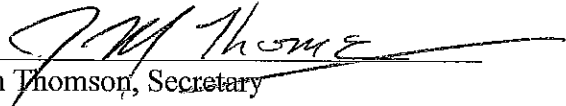
Future meeting dates are as follows:

February 22, 2010 – Board Meeting
August 16-17, 2010 – Budget Workshop
November 8, 2010 – Board/Annual Meeting

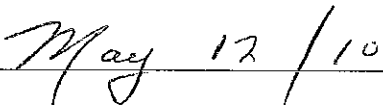
XI. ADJOURNMENT

There being no further business, the meeting was adjourned at 8:30 p.m.

BY:


John Thomson, Secretary

DATE:



Policy Use of Week 53, 2011

PRIORITY 1: November 1, 2010 through December 31, 2010

Unit Owners owning Week 52 may reserve their unit for week 53/2011 at the rack rate less 25%.

PRIORITY 2: January 2, 2011 through February 29, 2011

Unit Owners owning Week 1 may reserve any remaining unit for week 53/2011 at the rack rate less 25%.

PRIORITY 3: March 1, 2011 through April 30, 2011

Remaining weeks 53/2011 will be available to CBC association owners at the rack rate less 25%.

PRIORITY 4: After April 30, 2011 remaining weeks 53/2011 will be placed for rental to the general public at the current rate.

Owners reserving a week 53/2011 shall pay a deposit of \$250 per unit upon making of the reservation. Final payment must be received no later than November 30, 2011 or the reservation shall be cancelled and the unit made available to the general public.

EXHIBIT

PAYMENT PLAN

Owners requesting a payment plan for maintenance fees or assessments may do so, in writing, to the Resort Manager.

The following conditions apply:

The plan must contain an amount to be paid monthly, sufficient to pay the fees, in full, prior to the month of occupancy.

Payment must be received no later than the last day of each month.

As long as payments are received in a timely manner, the unit involved will not be placed into rental.

Should a default occur in payment, the unit will immediately be submitted for rental and the payment plan considered null and void.

There will be a charge of \$25.00 for reinstatement, \$15.00 for cancellation fee and interest similar to the charges imposed on late payments.