

Coconut Malorie Resort Timeshare Owners Association, Inc.
(the "Association")
Board of Directors Meeting
May 8, 2019

CALL TO ORDER

Jonathan Brooks called the meeting to order at 2:03 P.M. eastern time. The following Board of Directors ("BOD") were in attendance via teleconference: Charles Herpen, President; Jared Resch, Vice President; and Jonathan Brooks, Secretary/Treasurer. Attendees from Festiva Management Services included Sydney Delp, General Manager; and Jon Mallows, Vice President of Resort Operations. Liz Brinn, Association Compliance Manager was present from Zealandia Holding Company, Inc.

MEETING NOTICE AND QUORUM

Proper notice of the meeting was provided in accordance with the Bylaws of the Association. Quorum was established with three (3) of three (3) Directors present, and Liz Brinn was appointed Acting Secretary to record the minutes.

APPROVAL OF AGENDA

Motion was made by Jared Resch to approve the agenda as presented. The motion was seconded by Jonathan Brooks and unanimously carried.

APPROVAL OF PRIOR MINUTES

Approval of the minutes of the January 29, 2019 Board of Directors meeting was delayed to the next board meeting for removal of identifying owner information.

OFFICERS, COMMITTEES AND MANAGEMENT REPORTS

Property Update

Sydney Delp provided information on completed and in progress projects, Human Resource updates, Risk Management updates, training, and SOPs.

Customer Count Scores

Sydney Delp shared the Customer Count Scores for the period January 1 to March 31, 2019. The Association is up in every category for the same period in the previous year except Unit Clean. Discussion was held on available activities and suggestions for increasing the options.

March 2019 Financial Review

Sydney Delp presented the March 2019 YTD financials including the Variance Report, Income Statement, and Balance Sheet, and A/R Summary.

UNFINISHED BUSINESS

Door Locks

Sydney Delp provided an update on the new lock system which was previously approved at \$47,000.00. A cheaper option was sought and found in Kaba Locks. The new system is a total of \$58,500.00. This expense will be split between the two associations and the TOA's portion will be \$41,295.15.

Motion was made by Jonathan Brooks to approve the CRM estimate #8328 for a total of \$58,500.00 for installation of the Ilco 790 Series Dormakaba door locks. The motion was seconded by Charles Herpen and unanimously carried.

Future Meeting Dates

The association will wait until the CUO schedules their meeting dates so as to align the meetings together.

NEW BUSINESS

Operating Expenses to Reserve Expenses

Sydney Delp explained that when the \$47,000.00 was approved for the door locks, the money was put into the Operating Budget because it wasn't specified that it should be put into Reserves.

Motion was made by to move \$47,000.00 from Operating Expenses to Reserve Expense. The motion was seconded by Charles Herpen and Jared Resch abstained. Motion carried 2-1.

Deed Back Policy

Liz Brinn explained the Deeded Week Resolution which was included in the meeting materials for the corporate legal department to handle the process. Discussion followed.

Motion was made by Charles Herpen to approve the Deed Back policy as presented. The motion was seconded by Jonathan Brooks and unanimously carried.

Re-Allocation of FAC Inventory

Caroline Smith from Resort Hospitality Solutions, Inc. and explained a plan to move some Festiva Resorts Adventure Club (the "Club") inventory from the Club and back to the Association to ensure that the Club and the Association are as financially healthy as they can be.

Motion was made by Charles Herpen to move the designated 36 intervals from the Club and back to the Association. The motion was seconded by Jonathan Brooks and unanimously carried.


Discussion was held on efforts being made to collect receivables.

ADJOURNMENT

Motion was made by Johnathan Brooks to adjourn the meeting at 3:08 P.M. The motion was seconded by Jared Resch and carried.

CERTIFICATION

I hereby certify the foregoing Minutes of the Board of Directors Meeting held on May 8, 2019 were approved and duly adopted by the Board on the 4th day of December 2019.



Jonathan Brooks, Secretary/Treasurer