

HARBOR COVE TIMESHARE OWNERS' ASSOCIATION

BOARD OF DIRECTORS

BOARD MEETING –JANUARY 15, 2015

The meeting commenced at 7:35, and all members except for Jodie were "present" via conference call.

Steve's agenda was approved as presented.

Action Item List:

- Steve will defer for another month consideration regarding using a Collection Agency. We may end up not using a Collection Agency.
- Joe contacted RCI to have them put our Shutterfly information on the Harbor Cove portion of the RCI website.
- Ken has now assumed webmaster duties, and Mark is now assuming Treasurer duties.
- The letter regarding assessing the \$100 late fee on delinquent owners should be sent sometime around mid February.
- The Chase bank accounts have been closed, and Joe contacted the owner of Week 1, Unit 19 regarding his attempt to give us a quit claim deed for the week he owns.
- No action has been reported regarding setting up a Harbor Cove Facebook page and advertising on the Pure Michigan website.
- Posting minutes on website: The Board decided that minutes of Board meetings should be posted on the Harbor Cove website, but if sensitive information is discussed, owner's names for example, that information should be obscured. Joe will revise the minutes from the previous meeting to obscure any sensitive information.
- Ken asked again regarding whether Brad and Lora are bonded, and he feels we should see a copy of the policy. Steve will check with Brad and Lora on this item, and it will be discussed at the next meeting.

Financial Update:

- Mark reported that there is a balance of \$28,762 in the checking account and \$87,450 in our savings account. We, of course, have our Reserve Account as well. As of December 31, \$97,250 of the 2015 maintenance fees have been paid, and \$34,000 is still owed to us.
- Significant January expenses incurred were \$3,300 for the balance of charges on the Unit 2 kitchen update and \$6,000 for Phase One dues.
- We also anticipate the payment of \$3,300 for the remaining expenditures for the fourth kitchen.

Update on Kitchen Remodeling:

- Kitchens 2, 5, and 8 have been completed, and there is a three week time frame between ordering and receipt of needed materials.
- The Board decided that one remaining kitchen that was budgeted for in 2014 will be completed. This should have been completed during the Fall Maintenance Week but was not done due to scheduling conflicts.
- It is the Board's intention to complete the two remaining kitchens, but we should hold off any scheduling until we see how our Maintenance Fee collections are progressing.

Retainer for Burke Lewis:

- The Board voted to authorize Steve to sign the contract with Burke Lewis and get him the \$500 retainer fee.

Delinquent Owners:

- The listing prepared on January 3, 2015 includes 69 delinquents, but as of January 15 the number of delinquents dropped to 59, and \$5,000 was collected in the almost two week period.
- We will send out a letter at the end of February to those on the delinquent list informing them that they will be assessed a \$100 late fee.
- We should be "tough" on enforcing late fee payment, and we will place a lien on the weeks the delinquent owners own and inform these owners by letter that we are doing so. Foreclosing on these weeks will be an absolute last resort.
- A very difficult situation is that the delinquencies include three deceased owners, and the challenge is going to be to determine how to collect the funds we are owed.
- The list of delinquent owners includes seventeen owners and amounts owed go back to 2013 and in some cases years before that time.

Tentative Next Meeting: February 15, 2015 at 1:00 PM.