

Minutes of Trader's Inn Board of Directors Meeting

Date: January 27, 2018

Time: 9:00am

Present: Tom Farish	President/Director
Lauren Kick	Vice President/Director
Patti Barker	Treasurer
Cheryl Weaver	Secretary
David Savage	Director
Mark Jones	Director
Beth Musser	Director
Kathy Dorazio	Resort Manager
April Wolland	Resort Staff

Meeting came to order at 9:00AM. A quorum was present.

Tom Farish asked the guest to stand and introduce themselves. Tom also asked the Board to introduce themselves.

Tom Farish introduce Billy Boswell and asked that he give the update on the construction. 99.9 % of the interior work has been completed. The concrete restoration has been started. What this entails is, every crack in the building is going to be caulked and re-jointed. The rebar has started spalling and rusting. This has allowed the water to seep in through the intrusions. They will repair all around the windows, sliders and doors. The pillars in-between the balconies will be repaired.

The roof project on the front office will include all new shingles and soffits. Projected date to be completed is by the end of the week. They have half the roof on the main building completed. They will swap the swing stage on to the other half of the building. They made a secondary schedule for both sides of the building. Then the painter will come in right behind. Mark Jones asked if we will still be able to replace a/c units and Billy Boswell said that we could. It was mentioned that if we had wind or rain the workers could not work. That would be the only hold up. The roof is tied into the concrete restoration work. The heavy concrete restoration work should be completed by March 1, 2018 or March 15, 2018.

There are issues with the wiring for the cable. They are trying to work on an economical way to have the cable wiring re-wired correctly.

Billy Boswell made sure that everyone was aware that there are going to be inconveniences after the resort re-opens. There could be issues with the cable and workers may need to get into rooms to access balconies and a/c units...etc.

Kathy Dorazio explained that the resort was going to try to wait to do the concrete restoration. After the project began they contractors realized that the water intrusion was worse than what they had thought. There was no way that the resort could wait.

Billy Boswell was dismissed.

Manager's Report

Kathy Dorazio went over the staffing issues. Front desk is down to 2 people. There was a woman that was hired, but she didn't work out. Housekeeping has 4 girls. Kathy is going

to cut their hours, but she is going to keep them working. Maintenance hired 1 guy. Traders is doing security due to the equipment and supplies on property. The first thru the fourth floors have been done. Every room has been updated (not completed renovated) whether it was damaged or not. There are rooms that do not have new floors or couches. Housekeeping needs to attend to the 5th floor still. We lost at least 20 pairs of curtains. Cherry Hill was called to replace the curtains. Dan and Sue have been keeping track of all damages due to Southern Cat and they will be billed. After a final bill has been set it will be sent to the insurance.

April Wolland

The numbers were picked for the owner that paid early. Hudson 205/27 will receive a free week. Burbank 406/41 will receive a \$50 gift card. Espelid 403/24-25 will receive a \$50 gift card as well. Preliminary report for A/R was passed out. Last year we had 44% collected by the end of January. This year we were at 36% and add another 4% before the end of January. April has not had many people refuse to pay. The resort will not due the late fee phone calls. Tom Farish asked the April send an update of the report by February.

Cheryl Weaver

Tom Farish wanted to know how many had been owners have been re-booked. Depending on the re-open date the answer would be 80. This was done before it was voted to not re-book until after we re-open. The phone calls have not been nice or understanding. In the beginning the owners were more understanding. The majority of owners are upset with the fact that we are not calling them with enough notice. Tom Farish also wanted to know how many people have refused to pay. That answer was about 10 to 12.

Lauren Kick motioned to approve the minutes from the last meeting and Tom Farish 2nd. Motion was carried.

Patty Barker Treasure Report

Budget analyses as of December 31, 2017 as close as it can get. Based on the income that we didn't collect that we projected to collect from rentals Trader's will be about \$97,000 under budget. That money will go over to next year to offset some of the budget. Patty is not sure how the auditor will handle the budget. Lauren Kick suggested calling the auditors in early. Patty Barker suggested that it would depend on when the resort gave her what she needed.

Old Business

Sewage Plant has been finished. Trader's had to drain, clean and repair the tank. The sewage tank is being fed when needed and we do not have to pay for it. The work that was done to the plant has been turned into the insurance.

Tom Farish suggested since Trader's is under the advice of counsel not to discuss anything further about the insurance.

Directors compensation - the by laws state that the B.O.D states their own compensation. Originally the board would receive per deem and compensation for accommodations. \$30

per deem will be allowed per meeting if lodging is required. They did vote on a \$30 allowance for everyone attending the meeting. The other issue was giving per deem to the board members that could only attend over the phone. Lauren Kick mentioned equality through out the board and agrees with giving the member that attends via phone per deem. Patty Barker mentioned addressing cab fair needing to be addresses in lieu of travel fair. Tom Farish motioned that skyping be provided to those that can't physically attend the meeting and per deem will be given. The motion was 2nd by Lauren Kick.

New Business

Lauren Kick mentioned that she has been in contact with Brian Wiggly. Lauren mentioned that Cheryl had sent out the agent of record letters and has received them. Brian will be searching the market for insurers and giving the board quotes. The board will have to take a vote by phone or via email. Lauren also talked to Brian about what the board does not want in the arbitration clause. The board wants to be able to get quotes for fences, pump houses and wind driven rain. Lauren also mentioned that insurers are now starting to not exclude wind driven rain. Brown and Brown have not sent Trader's a non-renewal notice.

Kathy Dorazio got back in touch with the guy that gave us the quote on the wind break. The guy gave a quote of \$10,888 that will stand firm. Also, that he will come in and make the panels smaller and the panels will be removable. There is \$1500 in Reserves to help with the cost. David Savage made a motion to accept the bid and get the wind breaks done. Lauren Kick 2nd the notion. The motion was carried by the majority.

Kathy Dorazio mentioned that our sign is not up to code with the turtle people. Kathy also, suggested calling the Georgian Inn and asking who they had do their sign and the price. Trader's has to do something by May 1, 2018. April Wolland mentioned that Trader's was made aware that the sign is in danger of falling.

Mark Jones brought up not knowing about the roof on the front office being done. Kathy Dorazio got 3 bids for the roof to be re-done. Dan and Kathy spoke to Chris (that was already doing the other roof) and Chris gave the quote of \$11,500. The quote includes the roof and soffit. Kathy Dorazio mentioned that she sent an email and called Mark Jones, but she never got an answer. Patty Barker asked if the board approved to have the work done. The board approved to get the quotes for the replacement. Mark Jones made the motion to have the front office roof replaced for \$11,500 by Gulf State and Lauren Kick 2nd. The motion was approved and carried.

Mark Jones brought up a re-open date. Kathy Dorazio mentioned to the board that we need an exact re-open date. Mark Jones motioned for a soft opening March 3, 2018 and notifying all owners up to March 2 2018 and Lauren Kick 2nd. The motion passed unanimously.

Mark Jones brought up having better facebook etiquette. Kathy Dorazio mentioned the board responding to facebook comments. David Savage mentioned sending a letter out to those that do not have facebook. April Wolland suggested putting the letter in with the

late fee billing to save cost and then send the letter to everyone that has paid. The letter should mention the opening date and all updates. Tom Farish mentioned that the board needs two things, a letter to mail out and a letter to put on facebook.

Tom Farish mentioned waving the late fee of \$25 and the lock out fee of \$15 and giving the owners to pay. Mark Jones mentioned not agreeing with waving the lock out fee or the late fee unless Trader's gave everyone money back for the lock out fee. April Wolland read a letter from an owner that was upset with not being informed. Kathy Dorazio mentioned also letting the owners know that the condo docs state that in the case of a natural disaster their week has been lost with no compensation. Lauren Kick also mentioned that Trader's could not afford to do wave any fees. Tom Farish mentioned putting a note in the billing that stated that if the owners paid within 30 days the late fee will be waived. No motion was needed the board agreed not to waive.

Tom Farish brought up the fact that per year Trader's loses, on average 45 owners. Tom Farish mentioned finding new ways to bring owners in. Tom approached the subject with Joe via phone and Joe is convinced that Trader's will not be able to grow from with in. Joe mentioned that Trader's would need to get something started by March. David Savage mentioned that the board already said that when Joe got back that the board would meet with Joe. Tom Farish mentioned meeting with Joe on February 10, 2018. Mark Jones stated that he wants to learn more about the leasing program and remote sales. Tom Farish stated that no decision will be made until the board has all their questions answered.

Tom Farish mentioned Lauren talking about the arbitration clause. Lauren Kick mentioned that the arbitration clause Brain can get us insurance without the arbitration clause rain also, Brian said he can get us insurance with wind driven rain.

The mediation meeting is set up for February 26, 2018. The board can send as many people as they want. Whoever does attend will need to have the authority to make a decision. Tom Farish set up an appointment for a phone conversation to explain what mediation is. Tom Farish recommended that Patty Barker, David Savage, Kathy Dorazio and Tom Farrish attend the mediation if the board decides to go to mediation. Mark Jones made the motion to go to mediation and that the three representatives that will be voting will be David Savage, Patty Barker, Tom Farish and Kathy Dorazio will assist. Lauren Kick 2nd. The board is authorizing Tom Farish, David Savage and Patty Barker to settle the case.

Tom Farish asked about an Irma spread sheet. April Wolland stated that she does not have an Irma spread sheet. Kathy Dorazio gave Tom Farish what Susan Adair had in her file. Patty Barker asked about the employee's time during the hurricane clean up being given to Susan. Tom Farish stated that all the information must be together with in 4 weeks.

David Savage summary of expenses paid to date for Matthew. Tom Farish needs a summary of expenses for Matthew and Irma and a report of loss of income. April

Wolland stated that she is struggling to get the summary of expense reports done. April also stated that she does not have the time nor the knowledge to do the loss of income reports. Patty Barker stated that she will do the loss of income reports for Tom Farish. Patty Barker broke down the rentals into maintenance fee rentals, Trader's Inn rentals and Owner rentals. Patty stated that the attorneys are going to look at averages from the past couple of years. Tom Farish stated that the loss of income that Trader's Inn is entitled to is one year. Tom Farish wanted to know what we have to put back into reserves. Kathy Dorazio stated that we started to pull from the reserve account in September. The escrow account is at \$203,000, the reserve account is \$659,000, manager account has \$174,000. If we have paid anything out of the operating account needs to be put back in. Lauren Kick would like for all 6 items that are needed to be copied and given to Lauren Kick and Mark Jones to do an audit. Lauren Kick would like to have the financials given to them within two weeks. April Wolland asked that the board authorize her to come in on Saturday for 8 hours to do the report. Kathy Dorazio stated that there was not much for Irma. The over time was not approved. Tom Farish stated that the fees from World Claim and the attorneys need to be added to the rest. Also, the deductibles need to be added into the claim.

Patty Barker was asked by Tom Farish to put together a worse case scenario for a special assessment. Total cost for everything is \$1,287,000.00. We already received \$90,000 in insurance. We used \$175,000 out of reserves that we do not have pay back. But we owe the attorney \$30,000. World Claim was already paid. Trader's has spent to date \$1,053,000. So if we do not receive another dime that is the amount that Trader's needs to payback.

Tom Farish suggested the board **review** the by- laws, **updating** them to make them gender neutral. Tom also **suggested changing** the board members terms to 3 year term and the President a 2 year term with no more than 2 consecutive terms. Patty Barker suggested that Tom Farish may not be able to do that being the president according to the **statutes**. Tom Farish stated the reasoning is the first year you really aren't a contributor. Patty Barker will check the **statutes** and if there is nothing in the **statutes** it would take effect next year. Lauren Kick would like to see the legislation and stick with the legislation.

David Savage made a motion to adjourn the meeting. Lauren Kick seconded. Meeting adjourned at 1:30pm