
**PROPRIETORS STRATA PLAN #50
EXECUTIVE BOARD MEETING
DECEMBER 3, 2010**

MEETING ATTENDANCE:

Regent Representatives:

Monica Neumann (MN)
Patrick Van Hamme (PVH)

Board Members:

Tim Webb, Chairman (TW)
Peter Kirby (PK)
Stan Hartling (SH)
Doug MacKenzie (DM)
Catherine Caldwell (CC)
Jim Nappo (JN)
Frank Bigelow (FB)

ESTABLISHMENT OF A QUORUM

Chairman established a quorum

APPROVAL OF THE MINUTES OF THE JUNE 11, 2010 STRATA BOARD MEETING

Motion to approve the minutes made by PK; seconded by DM

REVIEW OF OCTOBER 2010 YTD FINANCIAL STATEMENTS AND YEAR END FORECAST

PVH provided an in-depth presentation of the financial results and energy consumption.

October year-to-date loss is \$59,345 with a projected loss to December 31, 2010 of \$71,176.

Major loss category is utilities with a projected negative variance of \$33K, primarily due to a significant increase in the fuel surcharge.

SH to make a presentation at the June 2011 Strata Board Meeting on some energy alternative systems, i.e., feasibility of solar power and the Bionest system of waste water treatment.

Motion made by JN to initiate the hiring of an energy consultant to analyze all energy consumption; seconded by PK. Three proposals are to be obtained. Two recommended companies were Johnson Controls and Siemens Energy, in addition to one local company.

PVH to provide an amount which would be a flat fee charge per unit for the replacement of light bulbs and batteries.

Commencing 2011, pool and beach umbrellas and chairs are to be charged to the CapEx Reserve.

Motion made by TW to apply the 2010 shortfall firstly to the 2010 CapEx Reserve surplus and the balance to the Major Reserve.

CAPEX AND MAJOR RESERVE REVIEW / 2011 BUDGET

Capital Expenditures

December 31, 2010 estimated balance	13,562.18
Less 2010 shortfall	(13,562.18)
2011 funding	<u>77,328.00</u>
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CapEx expenditures 2011

Teak umbrellas (50)	(9,359.00)
Umbrella bases (50)	(4,293.00)
Beach chairs with arms (20)	(13,413.00)
New cabana covers (38)	(35,616.00)
Ocean view kayaks	(4,272.00)
Pool deck replacements	(7,000.00)
Wood chipper	<u>(4,200.00)</u>
	<u>(78,153.00)</u>
Net balance December 31, 2011	<u>(825.00)</u>

Note: Potential cost sharing of wood chipper with The Sands

Major Expenditures

December 31, 2010 estimated balance	886,755.69
Less 2010 shortfall (\$71,716 less \$13,562)	(57,614.00)
2011 funding	<u>320,916.00</u>
	<u>1,150,057.69</u>

Major expenditures 2011

Cooling Tower electrical renovation	(43,265.00)
Cameras(31 areas)	(20,000.00)
Outdoor lighting	(25,000.00)
Driveway repair	(10,000.00)
Quad beach motorbike	(9,800.00)
Grace Bay Security Program contribution	<u>(10,000.00)</u>
	<u>(118,065.00)</u>

Net balance December 31, 2011	<u>1,031,992.69</u>
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RECEIVABLES**Somerset Receivable:**

Effective November 29, 2010, we are in a position to provide Notice of Intent to Terminate Services to Somerset.

MN informed the Board that Karen Whitt (Somerset General Manager) communicated that the sale of the Somerset management company would be closing within a few days, at which time the outstanding balance would be paid. The Board set a deadline for full payment to be December 15, 2010.

PVH to provide Somerset with a statement of account, including an estimate for November 2010. The receivable to the end of October is \$56,691.

Effective December 16, 2010 the return of grey water to the Somerset is to be discontinued.

Owner Receivables:

Bylaws permit the Strata Corp. to enter into possession of a strata lot in default. Rental Agreement permits an encumbrance to be placed on a unit in default, with all legal costs being charged to the unit.

Unit #4303 has an outstanding balance of \$42,777 as of November 30, 2010. No payments have been made in over a year and the Owner is non-responsive to collection efforts. A motion was made by TW to place a lien or take equivalent action to put notification on title; seconded by PK.

Interest to be charged at a rate of 10% on balances of \$10K or more which are 60 days past due from the date the statement is sent to the Owner.

REVIEW OF STRATA BUDGET 2011

PVH presented the 2011 budget, with no increase in the Strata Fees, except for the previously approved 3% increase in the Major Reserve Strata Fee.

A motion to approve the 2011 Budget was made by TW, with removing \$16K of expense in P&B resulting in a budgeted profit of \$16,481; seconded by JN.

Board will have quarterly conference calls to discuss the Financial Statements.

INSURANCE OVERVIEW

Patrick White (PW), a representative from the Strata's insurance provider, First Global Insurance Brokers Ltd (formerly United Reliance International Ltd.) attended this portion of the meeting to provide an overview of the insurance coverage and answer questions from the Board.

Current policy has an Agreed Value Clause, which is very rarely allowed by Insurers. In the event of a total loss, the Insurers cannot dispute the insured values. The sum insured is accepted as the actual values.

Patrick White recommended updating the values every three years.

Each building, including garages, is separately insured both by way of exterior and interior to minimize the deductible in the event of a claim. The Owners Assets deductible is 5% of the sum insured. The Developer Assets deductible is 10% of the sum insured.

Business Interruption Insurance for the Owners' units is not covered under the Strata Insurance policy. It is up to the Owner to obtain Business Interruption Insurance under his/her content insurance policy.

ELECTION OF OFFICERS FOR 2011

Chairman

Nomination of PK by CC; seconded by JN

Secretary/Treasurer

Nomination of CC by PK; seconded by TW

MEETING ADJOURNED FOLLOWING THE ELECTION OF OFFICERS

POST ADJOURNMENT PRESENTATIONS

REGENT UPDATE/ HOTEL OCCUPANCY AND RATES YTD AND PROJECTED 2011

MN provided an overview of the hotel occupancy and rates November YTD. While the number of room nights is up, +2,749 YOY, the average daily rate is down \$5.00. \$471.95 vs. 476.67 last year.

MN presented a schedule of the comparative current rates with other resorts for 2010/2011 and reviewed the current promotions in play. 2011 rack rates are significantly higher than 2010, which will give more opportunity to attract guests through promotions.

Regent global sales organization has increased with offices added in New York, Los Angeles and London.

GUEST ROOM RENOVATIONS

Two interior designers, Finishing Touch and Belongings, gave presentations separately in West Indies suites in Building 1 to give a preliminary conceptual overview of rooms renovations. Renovations, as a minimum, will include flat screen TVs, drapes, carpets and lamp shades, although the presentations included variations of reupholstering the existing furniture or alternatively new furniture.

Each design firm is to send a PDF file of their presentation to MN for further forwarding to the Board.

