

PLANTATION BEACH CLUB CONDOMINIUM ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
June 12, 2006

President, Kathy Woods called the teleconference meeting to order at 10:30 am EST. In attendance were: President Kathy Woods, Vice President Sue Aemisegger, and Secretary/Treasurer Sanford Searleman; from HGVC: Randy Piatt- Sr. Director-Resort Operations, Damola Are – Director of Operations – Eastern Region, Ada Grzywna - Regional Manager, Sharon Glenn – Resort Manager and Bunnie Coffey-Acting Secretary for this meeting.

Roll Call was taken and the minutes of the May 26, 2006 Board meeting were presented. Mr. Searleman made a motion the minutes be approved as presented, seconded by Ms. Woods. Motion passed.

Old Business – Ms. Woods asked Mr. Piatt to discuss three items: 1 – Loss of use coverage going forward with something in writing to that affect; 2 – Insurance coverage going forward regarding cost; and 3 – Settlement matters regarding Frances and Jeanne. Mr. Piatt stated that we have a full-undisputed claim approved by the insurance companies for the maintenance fee reimbursement for Wilma. It is fully funded. The insurance companies agreed to the amount. While we still differ on how it applies against the policy that will not impede the payment of those monies to Hilton so that it can then be distributed to the owners. That process could take 30 to 60 days or more. Because there was nothing specifically stated in the policy regarding 2005 - 2006 is why we had a problem. Hilton's staff in risk management is currently drafting language that Mr. Piatt will forward to the Board outlining what the coverages are and how the program will work. Mr. Piatt stated that everyone is in agreement that the coverage exists, it is how it is applied against the policy that is the issue and where it falls in the subcategories of the policy so that no one gets caught with limits to the total loss claim that could reduce the amount of the claim so that we don't get 100% coverage. He explained that this is a unique situation. He explained that this is not a loss of use. This is not for substitute lodging. This will cover reimbursement of maintenance fees and taxes. Hilton's Insurance Department is handling this issue.

Mr. Piatt stated that all insured in Florida and the coastal areas must be prepared for a significant increase, but he doesn't have that figure as of this date. He usually gets the figures the end of August. It could be twice or three times as much as it was last year.

Mr. Piatt explained that he and Michael Hilton have been discussing with the insurance company the paint issue at Plantation Beach Club. The insurance company has agreed to hire an envelope specialist to determine the integrity of the exterior of the building and determine why certain things are happening. Remcus, an engineering firm out of Atlanta, has been contacted to do an over analysis of the issues that exist and try to determine what the cause is and therefore what the cause will determine who is responsible for its solution. The insurance company has agreed to pay for the envelope specialist regardless of the outcome of his finding. Mr. Piatt is not sure when this analysis will take place.

Ms. Grzywna stated that she had a meeting on March 7, 2006 with the insurance company. At the October meeting she will have final numbers as the amount of money that Hilton will be able to give to PBC after all the insurance issues have been resolved.

Ms. Grzywna then discussed with the Board the special assessment. \$82,820 is the approved claim from Wilma. The net assessment is \$240,587.76 which will be \$157.25 per unit/week. Mr. Searleman made a motion to the Plantation Beach Club assessment for the hurricanes of the previous year at \$158.00 per unit/week. Seconded by Ms. Aemisegger. Motion carried.

Ms. Aemisegger then made a motion that the price for the wireless and wired internet access for \$12.00 per unit/week to be assessed at the same time. Seconded by Mr. Searleman. Motion carried. A letter will be included with the bill for the assessment. Mr. Searleman amended his motion to say the assessment is payable within three months from the time of billing. Seconded by Ms. Aemisegger. Motion carried. Discussion followed regarding paying this assessment by credit card. Mr. Are reminded the Board of the cost of using a credit card. He also reminded them that everyone is not going to pay, so it is best to over state the amount needed. The credit card fee has to be an expense item and will be added into the 2007 budget. Following discussion Mr. Searleman amended his motion to be \$172.00 total with \$160 for the hurricane assessment and \$12.00 for the upgrade assessment. Seconded by Ms. Aemisegger. Motion carried.

Ms. Grzywna went through the Auditors Report. The report has been corrected, so that all the figures are now correct. The State refund has been broken out so that it is easier to locate. Mr. Searleman made a motion to accept the auditors report as presented and the signing of the Management letter that will be signed by Mr. Searleman and Hilton. Seconded by Ms. Aemisegger. Motion carried.

Resort Manger, Ms. Glenn gave her property status report. She stated that the awnings have been replaced. Railings have been installed at the entrance. The pool furniture has arrived. Ms. Glenn asked how the Board would like to handle the week 53 owners. There has never been a charge for the use of week 53 by the week 52 owners. It was suggested that a cleaning fee be charged to these owners for the use of week 53. The cleaning fee would be determined at the time that week 53 occurs. Ms. Woods made a motion to institute a charge of a cleaning fee at the current rate for use of week 53 owners. Seconded by Ms. Aemisegger. Motion carried.

Ms. Glenn then discussed the color choices for the paint on the walkways. The colors will be submitted to the Board for approval.

Ms. Grzywna stated that Mr. Hilton is in contact with the elevator company regarding the upgrading of the components. The elevator company is awaiting the arrival of the parts to begin this project.

Discussion regarding the outside grills followed. It was decided to purchase one new grill as suggested by Ms. Glenn. It is the size of three regular sized grills. A proposal for a new outdoor kitchen will be presented at the October meeting.

The Board then discussed the changes requested by Ms. Glenn for the front office area. The amount for this addition is \$4,680. The Board agreed to look at the financials at the end of August to see where the money will come from to pay for this project. Mr. Searleman made a motion to incur the expense to remodel the front office and provide for a reception area based on the operating expenses providing that there is enough money in the operating portion of the budget as of August 31, 2006 to pay for this expense. Seconded by Ms. Aemisegger. Motion carried.

Also discussed were the insurance forms and retraining the staff for hurricane preparation. Ms. Glenn is getting bids to present to the Board in October for Hurricane Shutters for the units and for the Gardenia Room.

The Verizon contract was discussed and the Board decided to defer its decision to October so that further study could be done. Ms. Glenn will contact Michael Schmitz to tell him that this issue is under review and we will let him know in October as to a decision.

Ms. Aemisegger asked about the personal property tax refund. Ms. Grzywna stated that she had contacted Hilton's accounting department regarding this matter and is waiting on a response from them. Mr. Appel had suggested that the personal property tax not be paid. Ms. Grzywna will respond to this issue at the next meeting.

Ms. Aemisegger inquired about conference call prices. Ms. Glenn stated that currently it seems that the program we were using is the best rate. Ms. Glenn will also look into charges from AT&T conference calls and will have rates available for the next meeting.

Ms. Aemisegger asked Ms. Woods if she has answered the email from Jost Schmitt regarding a lawsuit. Ms. Woods did respond, but not in length. She stated that she would be responding in length at a later date.

Ms. Aemisegger asked that she be sent 5 note cards with PBC emblem on them and also some letterheads and envelopes.

Ms. Aemisegger asked about the response to the letter that was sent out with the Gardenia Newsletter. Ms. Coffey stated that there were 54 responses stated "I believe that owners should make their decision and vote for candidates without input from the current Board members" and 42 stated "I believe the Board's recommendation for one or more candidates is beneficial to me in making selection and voting for a Board member. I believe this practice should be continued".

New Business - Ms. Glenn explained to the Board the problems she is having with the current pool service company. She also stated that the Health Department was out as well as an engineer from the Health Department. Our hot tub is presently closed. Some of the problem was due to the current pool service company. The bids Ms. Glenn has had from other companies are drastically higher than we are currently paying, but they would be giving us the service we require. We are waiting on the engineering department from the Board of Health. The pipes must be replaced and that will be a reserve expense.

Ms. Glenn then discussed the air conditioner air handler unit in the lobby. She has one bid for \$5,000.00. She will be getting additional bids. This will be a reserve expenditure. Mr. Searleman asked if PBC had service contracts on the air conditioners and suggested that perhaps we should look into that. Ms. Glenn will look into the cost of service contracts. Ms. Grzywna explained that PBC had a service contract in the past, however their response time was not good. At the end of the contract the agreement was cancelled and PBC found out it really saved money not having the service contract. It was agreed that the AC unit in the lobby must be replaced and the Board will respond to emails regarding the quotes that they will be receiving.

The next meeting will be Monday, August 7th at 9:30am. Ms. Woods will be in house at that time.

A motion was made by Ms. Woods to appoint Carol Martin to replace the vacancy left by Mr. Neff. Seconded by Ms. Aemisegger. Motion carried. Ms. Woods will call Ms. Martin. Ms. Glenn will send Ms. Martin the binder that was sent to the present Board members along with Minutes from the past year, the budget, and the Roll of the Board of Directors.

Motion was made to adjourn the meeting at 1:00PM EST by Ms. Woods. Seconded by Mr. Searleman.